



[Translation]

January 13, 2023

For Immediate Release

Company Name: Relia, Inc
Name of Representative: Takashi Amino
Representative Director,
President & CEO
(Securities Code: 4708, the Prime
Market of the Tokyo Stock
Exchange)
Contact: Kenichiro Iwamoto
General Manager, Corporate
Communications Division
(Tel: 03-5351-7200 (main))

**Announcement of Opinion Supporting Planned Commencement of Tender
Offer for Shares in the Company by Otemachi Holdings G.K., to Which
Mitsui & Co., Ltd. Contributes, and Recommendation for Our Shareholders
to Tender Their Shares in Tender Offer**

Relia, Inc. (the “**Company**”) hereby announces as follows that it resolved at its board of directors meeting held today that as the current opinion of the Company, if the tender offer (the “**Tender Offer**”) for the common stock in the Company (the “**Company Shares**”) by Otemachi Holdings G.K. (the “**Tender Offeror**”), to which Mitsui & Co., Ltd. (“**Mitsui**”; collectively with the Tender Offeror, the “**Tender Offerors**”) contributes 100% of funds, is commenced, the Company will express its opinion supporting the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer.

According to the Tender Offerors, the purpose of the Tender Offer is to achieve a management integration (the “**Management Integration**”; the Management Integration is planned to be conducted in July 2023) between the Company (securities code: 4708) (collectively with its nine consolidated subsidiaries, two non-consolidated subsidiaries, and two equity-method affiliates (as of today), the “**Company Group**”), which is listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “**TSE**”) (up to April 3, 2022, the First Section of the TSE; the same applies below) and KDDI Evolva, Inc. (“**KDDI Evolva**”), which is a wholly-owned subsidiary of KDDI Corporation (“**KDDI**”; collectively with its 165 consolidated subsidiaries and 39 equity-method affiliates (as of September 30, 2022), the “**KDDI Group**”), under a spirit of equality and for KDDI and Mitsui to respectively hold 51.0% and 49.0% of voting rights after the Management Integration, and today, Mitsui and KDDI executed a master transaction agreement in relation to the Management Integration (the “**Master Transaction Agreement**”).

According to the Tender Offerors, in regard to the commencement of the Tender Offer, as they expect that a certain amount of time will be required for procedures and measures necessary under the competition laws of Japan, China, South Korea, France, the Philippines, and Vietnam and other similar laws, they plan to promptly conduct the Tender Offer if certain conditions

precedent such as the completion of those procedures and measures (the “**Conditions Precedent**”) (Note 1) are fulfilled (or waived by Mitsui and KDDI) (Note 2) pursuant to the Master Transaction Agreement, and as of today, they aim to commence the Tender Offer in March 2023 (Note 5); however, it is difficult to accurately predict the amount of time required for procedures, etc. with domestic and foreign competition authorities, so details of the schedule of the Tender Offer will be announced promptly when decided.

Therefore, the board of directors meeting stated above resolved on the following process regarding the Company’s expression of its opinion. When the Tender Offer is commenced, as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” below, the Company will request the Special Committee (as defined in “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” below; the same applies below) established by the Company to consider whether or not there is any change in the opinion that the Special Committee expressed to the Company’s board of directors today and to inform the Company’s board of directors either that there is no change in that opinion or, if there is a change, of the new opinion, and based on that opinion, the Company will once again express its opinion in regard to the Tender Offer when the Tender Offer is commenced.

The above resolution of the Company’s board of directors meeting was made on the premise that the Tender Offerors will become the only shareholders of the Company through the Tender Offer for the purpose of the Management Integration and a series of procedures in order for the Tender Offerors to hold all of the Company Shares (however, excluding the treasury shares held by the Company) (the “**Squeeze-Out Procedures**”) (collectively, the “**Transactions**”), that the Company Shares will be delisted, and that the Management Integration is intended to be conducted through the Tender Offer, the Squeeze-Out Procedures, Merger 1 (as defined in “(A) Outline of the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” below), and Merger 2 (as defined in “(A) Outline of the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” below) implemented by the Tender Offerors, KDDI, and KDDI Evolva.

Note 1: (i) None of the transactions for the purpose of achieving the Management Integration, including the Transactions, constitute, nor are reasonably expected to constitute, a violation of laws, regulations, or the like in any material respect (including that there are no pending petitions, lawsuits, or other procedures by relevant authorities, etc. seeking to restrict or prohibit any of the transactions for the purpose of achieving the Management Integration, including the Transactions, there are no judgments or the like by relevant authorities, etc. restricting or prohibiting any of the transactions for the purpose of achieving the Management Integration, including the Transactions, and there is no specific likelihood of either of the foregoing). (ii) None of the transactions for the purpose of achieving the Management Integration, including the Transactions, conflicts with licenses, permits, and the like or any conditions added thereto nor violates any necessary procedures relating to licenses, permits, and the like in any material respect, and there is no reasonable expectation of either of the foregoing (including that any approval from competition authorities required under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947; the “**Antimonopoly Act**”), competition laws of China, South Korea, France, the

Philippines, and Vietnam and other similar laws that is necessary for implementing the transactions for the purpose of achieving the Management Integration, including the Transactions, has been obtained and (if there are waiting periods or examination periods) any waiting periods and examination periods have passed (including cases where notification has been received to the effect that a cease and desist order will not be issued), and that it is reasonably expected that the Japan Fair Trade Commission and other relevant authorities, etc. related to competition laws will not take any measures or procedures that would obstruct the implementation of the transactions for the purpose of achieving the Management Integration, including the Transactions).

(iii) The Company has passed a board of directors resolution supporting the Tender Offer by the unanimous consent of all directors who participated in deliberations and the resolution, has publicly announced that resolution, and has not passed any resolution that contradicts or retracts that expression of the Company's opinion. (iv) The Special Committee established by the Company has submitted a report that takes an affirmative stance in regard to the Company supporting the Tender Offer and conducting the Transactions, and that report has not been retracted. (v) The Shareholders Agreement (as defined in "(C) Management Policy after the Tender Offer" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" in "3. Details of and Grounds and Reasons for the Opinion on the Tender Offer" below; the same applies below) has been validly executed and remains in effect. (vi) No circumstances that would have a significant negative impact on the transactions for the purpose of achieving the Management Integration, including the Transactions, or other circumstances that would make it difficult to achieve the purpose of the transactions for the purpose of achieving the Management Integration, including the Transactions, have arisen or been identified, and it is not reasonably expected that such circumstances will arise or be identified. (vii) The representations and warranties (Note 3) of the other party (meaning Mitsui for KDDI, and KDDI for Mitsui; the same applies below) are true and accurate in all material respects (however, the qualification of "in all material respects" will not apply to matters in regard to which those representations and warranties include qualifications on materiality, such as "material," "significant," or "in all material respects"), and there is no material breach of the obligations under the Master Transaction Agreement (Note 4). (viii) As of the commencement date of the Tender Offer, there are no unannounced material facts that would be grounds for insider trading restrictions pursuant to Article 166 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "**Act**") in regard to the operations, etc. of the Company and no unannounced tender offers, etc. that would be grounds for insider trading restrictions pursuant to Article 167 of the Act in regard to the share certificates, etc. of the Company. For details of the Master Transaction Agreement, please refer to "4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company's Shareholders" below.

Note 2: The conditions precedent stated in (i) to (vi) and in (viii) in Note 1 can be waived in whole or in part by written agreement between Mitsui and KDDI, and the condition precedent stated in (vii) can be waived in whole or in part by the party not in breach of its representations and warranties or its obligations. Accordingly, in regard to the condition precedent stated in (ii), if it is certain that during the period of the Tender Offer (the "**Tender Offer Period**"), the approval from competition authorities will be obtained and (if there are waiting periods or examination periods) any waiting periods and examination periods will pass (including cases where notification will be received to the effect that a cease and desist order will not be issued), and Mitsui and KDDI

determine it to be reasonable, they may waive the condition precedent stated in (ii), and the Tender Offer may be commenced.

Note 3: For the details of the representations and warranties of Mitsui and KDDI under the Master Transaction Agreement, please refer to Note 1 in “(1) Master Transaction Agreement” in “4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company’s Shareholders”) below.

Note 4: For the details of the obligations of Mitsui and KDDI under the Master Transaction Agreement, please refer to Note 2 in “(1) Master Transaction Agreement” in “4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company’s Shareholders”) below.

Note 5: Any change in the planned commencement of the Tender Offer will be promptly announced.

1. Outline of the Tender Offeror

(1) Name	Otemachi Holdings G.K.
(2) Location	1-2-1 Otemachi, Chiyoda-ku, Tokyo
(3) Title and name of representative	Representative member: Mitsui & Co., Ltd. Functional manager: Kensuke Yoshida
(4) Type of business	1. Business of controlling and managing the business activities of a company by holding shares or equity therein. 2. Any business incidental or related to the foregoing.
(5) Stated capital	1 yen
(6) Date of incorporation	January 6, 2023
(7) Principal shareholders and shareholding ratios (As of January 13, 2023)	Mitsui & Co., Ltd. 100%
(8) Relationship between the listed company and the Tender Offeror	
Capital relationship	Not applicable. As of today, Mitsui, the parent company of the Tender Offeror, holds 23,707,200 Company Shares (ownership ratio: 36.56%).

Personnel relationship	<p>Not applicable.</p> <p>One of the Company's eight directors serves as an employee of Mitsui, the parent company of the Tender Offeror. The Company has ten employees seconded from Mitsui, the parent company of the Tender Offeror.</p>
Business relationship	<p>Not applicable.</p> <p>There are transactions with Mitsui, the parent company of the Tender Offeror, that involve contact center outsourcing for Mitsui and companies of the Mitsui Group.</p>
Status as a related party	<p>Not applicable.</p> <p>As of today, Mitsui, the parent company of the Tender Offeror, holds 23,707,200 Company Shares (ownership ratio: 36.56%).</p>

Note: **“Ownership ratio”** means the ratio (rounded to the nearest two decimal places; the same applies below regarding the calculation of ownership ratios) of the number of shares owned to the total number of issued shares as of September 30, 2022 (64,838,033 shares; as of September 30, 2022, the Company does not hold any treasury shares) stated in the “Q2 Report for the 36th Fiscal Year” filed by the Company on November 11, 2022 (the **“Company's Q2 Report”**); however, due to changes, etc. after that date, the ownership ratios calculated based on the most recent available information as of the commencement of the Tender Offer may differ from the above numbers. The same applies below.

2. Price of Tender Offer

1,465 yen per Company Share (the **“Tender Offer Price”**)

3. Details of and Grounds and Reasons for the Opinion on the Tender Offer

(1) Details of Opinion on the Tender Offer

The Company resolved at its board of directors meeting held today that as the current opinion of the Company, if the Tender Offer is commenced, it will express its opinion supporting the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer pursuant to the grounds and reasons stated in “(2) Grounds and Reasons for the Opinion on the Tender Offer” below.

The board of directors meeting stated above resolved on the following process regarding the Company's expression of its opinion: (i) when the Tender Offer is commenced, as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, the Company will request the Special Committee established by the Company to consider whether or not there is any change in the

opinion that the Special Committee expressed to the Company's board of directors on January 13, 2023 and to inform the Company's board of directors either that there is no change in that opinion or, if there is a change, of the new opinion, and (ii) based on that opinion, the Company will once again express its opinion in regard to the Tender Offer when the Tender Offer is commenced.

The resolution at the Company's board of directors meeting above was made in accordance with the method stated in "(F) Approval of All Disinterested Directors of the Company and Opinion of All Disinterested Audit and Supervisory Board Members of the Company That They Have No Objection" in "(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(2) Grounds and Reasons for the Opinion on the Tender Offer

Of the grounds and reasons for the opinion on the Tender Offer, statements regarding the Tender Offerors, KDDI, and KDDI Evolva are based on explanations received from the Tender Offerors, KDDI, and KDDI Evolva.

(A) Outline of the Tender Offer

Mitsui today executed the Master Transaction Agreement with KDDI regarding the Management Integration and decided that (i) on the condition that the Conditions Precedent have been fulfilled (or have been waived by Mitsui and KDDI) under the Master Transaction Agreement, the Tender Offeror, whose goal is to conduct the Management Integration, will conduct the Tender Offer for all of the Company Shares (however, excluding the Company Shares held by Mitsui and the treasury shares held by the Company), (ii) then, if the Tender Offeror is unable to acquire all of the Company Shares (however, excluding the Company Shares held by Mitsui and the treasury shares held by the Company), the Tender Offerors will implement the Squeeze-Out Procedures, and (iii) after the Transactions are completed, an absorption-type merger between the Company and the Tender Offeror in which the Company will be the surviving company and the Tender Offeror will be the absorbed company ("**Merger 1**") will be conducted around late June 2023, and (iv) after Merger 1 takes effect, an absorption-type merger between the Company and KDDI Evolva in which KDDI Evolva will be the surviving company and the Company will be the absorbed company ("**Merger 2**"; KDDI Evolva after Merger 2 takes effect is hereinafter referred to as the "**Integrated Company**," and the Integrated Company and its subsidiaries and affiliates are hereinafter collectively referred to as the "**Integrated Company Group**") will be conducted around July 2023. For details of the Master Transaction Agreement, please refer to "(1) Master Transaction Agreement" in "4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company's Shareholders" below.

Furthermore, the Tender Offeror has executed a tender agreement (the "**Tender Agreement**") today with Central Security Patrols Co., Ltd. ("**Central Security Patrols**"), the second largest shareholder of the Company, which holds 6,193,344 Company Shares (ownership ratio: 9.55%). In the Tender Agreement, it is agreed that Central Security Patrols will tender all of the Company Shares it owns (6,193,344 shares; ownership ratio: 9.55%) in the Tender Offer. For details of the Tender Agreement, please refer to "(2) Tender Agreement" in "4. Matters Relating to Material

Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company's Shareholders" below.

As of today, the Tender Offerors are not aware of any events that would significantly impede the fulfillment of the Conditions Precedent. Additionally, based on legal advice from locally based law firms in Japan and overseas, the Tender Offerors are performing the procedures and measures necessary under the competition laws of Japan, China, South Korea, France, the Philippines, and Vietnam and other similar laws in order to fulfill the condition precedent stated in item (ii) of the Conditions Precedent in Note 1 of the third paragraph of this Press Release. The Tender Offerors are already progressing with the preparations necessary for those procedures and measures and, from today, plan to consult with relevant authorities related to competition laws so that the Tender Offerors can perform those procedures and measures (preliminary discussions with the Japan Fair Trade Commission have already been commenced). Based on the opinions of locally based law firms in Japan and overseas, the Tender Offerors aim to complete those procedures and measures in March 2023. According to the Tender Offerors, in regard to the commencement of the Tender Offer, as they expect that a certain amount of time will be required for procedures and measures necessary under those competitions laws and other similar laws pursuant to the Master Transaction Agreement, they intend to promptly conduct the Tender Offer if the Conditions Precedent are fulfilled (or are waived by Mitsui and KDDI), and as of today, the Tender Offerors aim to commence the Tender Offer in March 2023; however, it is difficult to accurately predict the amount of time required for procedures, etc. with domestic and foreign competition authorities, so details of the schedule of the Tender Offer will be announced promptly when decided.

The Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer (Note) at 19,518,200 shares (ownership ratio: 30.10%), and if the total number of share certificates, etc. tendered in the Tender Offer (the "**Tendered Share Certificates, Etc.**") is less than the minimum number of shares to be purchased, the Tender Offeror will not conduct the purchase, etc. of any of the Tendered Share Certificates, Etc. On the other hand, as the Tender Offeror intends to take the Company Shares private, the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, and if the total number of Tendered Share Certificates, Etc. is equal to or greater than the minimum number of shares to be purchased, the Tender Offeror will conduct the purchase, etc. of all of the Tendered Share Certificates, Etc. The minimum number of shares to be purchased (19,518,200 shares) has been set such that the aggregate number of voting rights of the Company to be held by the Tender Offerors if the Tender Offer is successfully completed will be equal to or greater than two-thirds of the total voting rights of the Company (the number of voting rights (648,380) represented by the total number of issued shares of the Company as of September 30, 2022 stated in the Company's Q2 Report (64,838,033 shares; as of September 30, 2022, the Company does not hold any treasury shares)). The purpose of the Tender Offer is to make the Tender Offerors the only shareholders of the Company, but when conducting the Share Consolidation (as defined in "(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the "Two-Step Acquisition")"; the same applies below), a special resolution of the shareholders' meeting provided for in Article 309, paragraph (2) of the Companies Act (Act No. 86 of 2005, as amended; the same applies below) is required. Therefore, the minimum number of shares to be purchased has been set so

that the Tender Offerors will hold two thirds or more of the voting rights of all shareholders of the Company after the Tender Offer to ensure that those procedures can be performed.

Note: The minimum number of shares to be purchased is a provisional number based on current information as of today, and due to changes, etc. after today, the actual minimum number of shares to be purchased in the Tender Offer may differ from the above number. The final minimum number of shares to be purchased is planned to be decided before the commencement of the Tender Offer.

If the Tender Offer is successfully completed but the Tender Offerors are unable to acquire all of the Company Shares (however, excluding the treasury shares held by the Company) in the Tender Offer, the Tender Offerors plan to conduct the Squeeze-Out Procedures as stated in “(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”)” below after the successful completion of the Tender Offer in order to acquire all of the Company Shares (however, excluding the treasury shares held by the Company).

The Company resolved at its board of directors meeting held today that as the current opinion of the Company, if the Tender Offer is commenced, it will express its opinion supporting the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer. As stated above, in regard to the commencement of the Tender Offer, as it is expected that a certain amount of time will be required for procedures and measures necessary under the competition laws of Japan, China, South Korea, France, the Philippines, and Vietnam and other similar laws, the Tender Offerors intend to promptly conduct the Tender Offer if the Conditions Precedent are fulfilled (or are waived by Mitsui and KDDI) pursuant to the Master Transaction Agreement; as of today, the Tender Offerors aim to commence the Tender Offer in March 2023, but as it is difficult to accurately predict the amount of time required for procedures, etc. with domestic and foreign competition authorities, details of the schedule of the Tender Offer will be announced promptly when decided.

The Company’s board of directors meeting stated above resolved on the following process regarding the Company’s expression of its opinion: (i) when the Tender Offer is commenced, as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, the Company will request the Special Committee established by the Company to consider whether or not there is any change in the opinion that the Special Committee expressed to the Company’s board of directors today and to inform the Company’s board of directors either that there is no change in that opinion or, if there is a change, of the new opinion, and (ii) based on that opinion, the Company will once again express its opinion in regard to the Tender Offer when the Tender Offer is commenced.

The above resolution of the Company’s board of directors meeting was made on the premise that the Transactions will be conducted, that the Company Shares will be delisted, and that the Management Integration is intended to be conducted through the

Tender Offer, the Squeeze-Out Procedures, Merger 1, and Merger 2 implemented by the Tender Offerors, KDDI, and KDDI Evolva. For details on the decision-making process of the Company’s board of directors, please refer to “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” below.

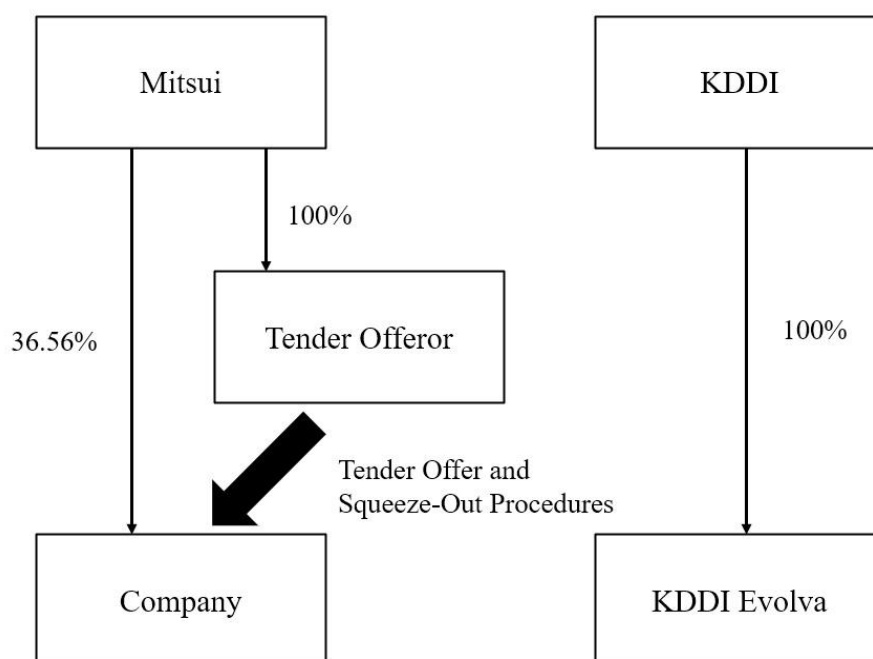
Diagrams summarizing the transactions relating to the Management Integration are as follows.

Diagrams of Structure of Transactions Relating to the Management Integration

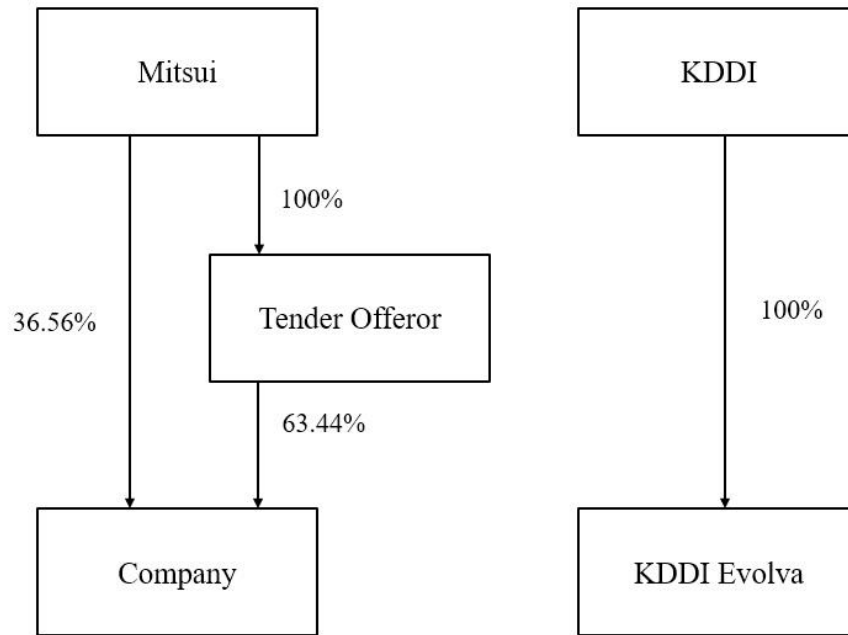
(i) Implementation of the Tender Offer and the Squeeze-Out Procedures

The Tender Offeror will conduct the Tender Offer on the condition that the Conditions Precedent have been fulfilled (or waived by Mitsui and KDDI). If the Tender Offer is successfully completed but the Tender Offerors are unable to acquire all of the Company Shares (however, excluding the treasury shares held by the Company), the Tender Offerors plan to implement the Squeeze-Out Procedures. For details of the Squeeze-Out Procedures, please refer to “(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”)” below.

Before implementing the Tender Offer and the Squeeze-Out Procedures



After implementing the Tender Offer and the Squeeze-Out Procedures

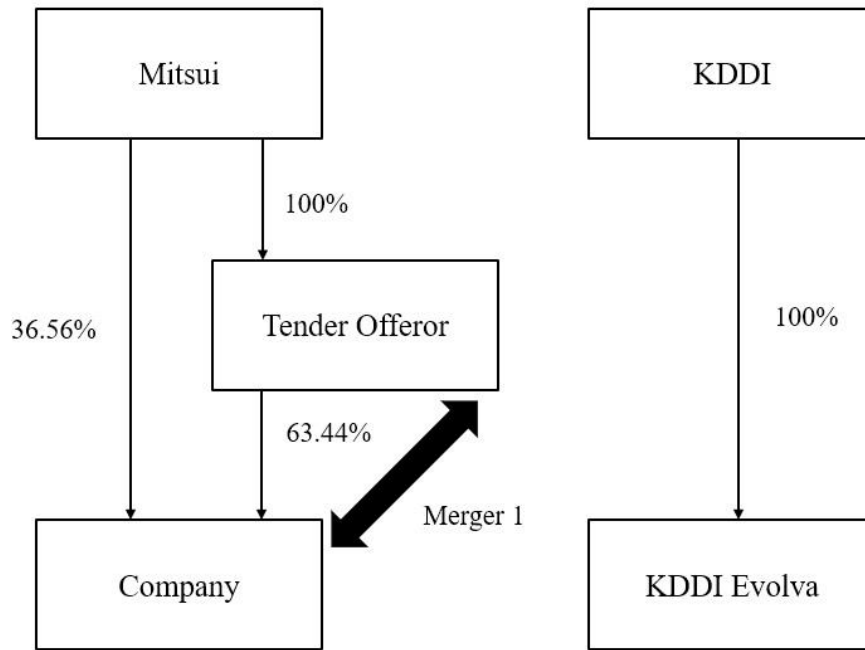


Note: Depending on the results of the Squeeze-Out Procedures, the ownership ratios of Mitsui and the Tender Offeror in the Company may change.

(ii) Implementation of Merger 1

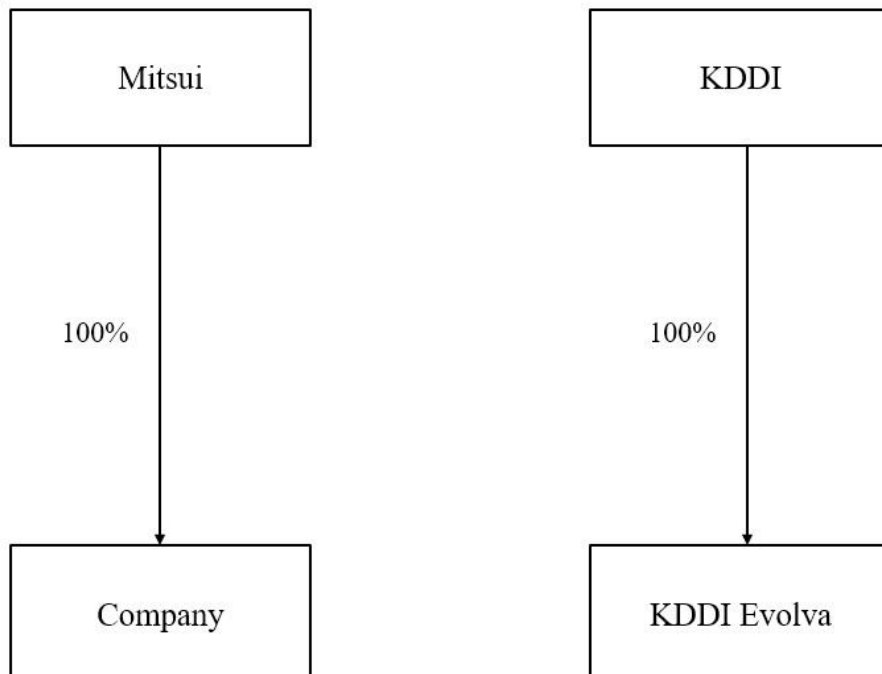
After the Tender Offer and Squeeze-Out Procedures stated in (i) above have been completed, the Tender Offeror and the Company will conduct Merger 1, in which the Company will be the surviving company and the Tender Offeror will be the absorbed company, and the Company plans to issue new shares as consideration for the merger and allot and deliver all of those shares to Mitsui.

Before implementing Merger 1



Note: Depending on the results of the Squeeze-Out Procedures, the ownership ratios of Mitsui and the Tender Offeror in the Company may change.

After implementing Merger 1

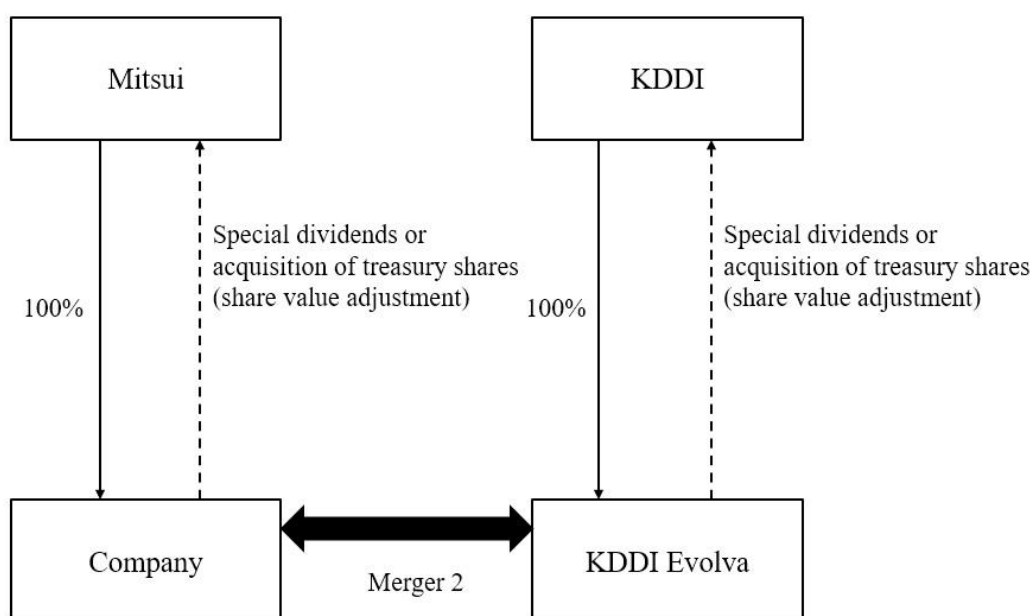


(iii) Implementation of Merger 2

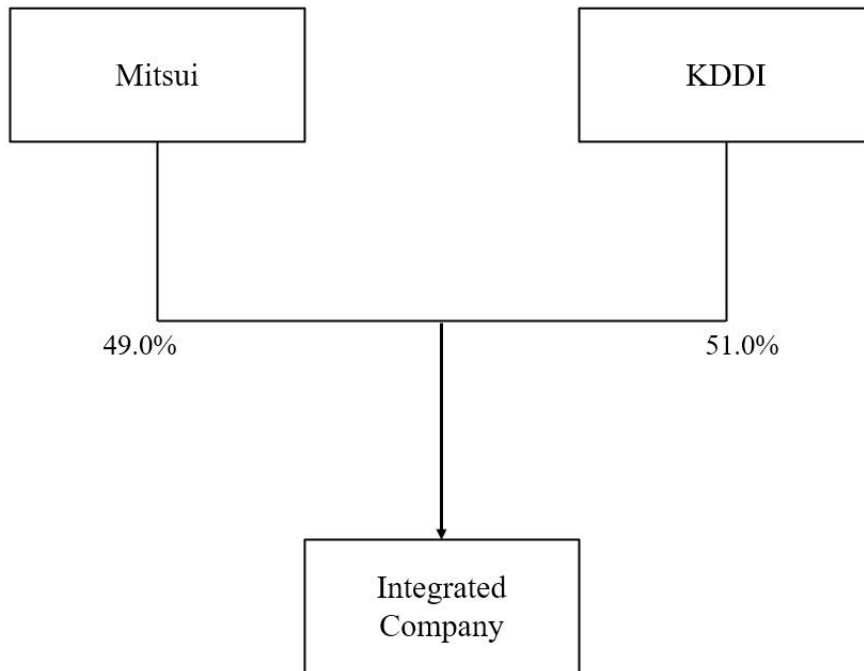
After Merger 1 takes effect, Merger 2 is planned to be conducted between the Company and KDDI Evolva, in which KDDI Evolva will be the surviving company

and the Company will be the absorbed company. Upon Merger 2, common shares of KDDI Evolva will be allotted and delivered to Mitsui as consideration for the merger at a merger ratio that results in the number of voting rights in the Integrated Company held by Mitsui being 49.0% of the number of voting rights of all shareholders of the Integrated Company. As it is possible that the ratio of the share values of the Company and KDDI Evolva upon Merger 2 taking effect may not be the same as the merger ratio stated above, between Merger 1 being completed and Merger 2 taking effect, the share values are planned to be adjusted through special dividends or the acquisition of treasury shares by the Company and/or KDDI Evolva for the purpose of causing the ratio of the share values of the Company and KDDI Evolva to be the same as the merger ratio stated above and optimizing capital structure.

Before implementing Merger 2

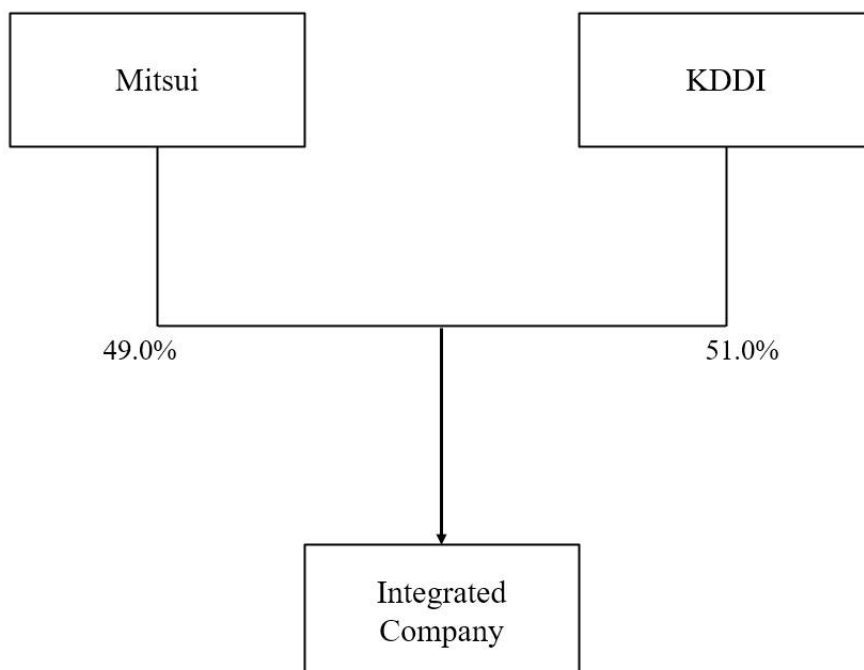


After implementing Merger 2



(iv) After completion of the Management Integration

It is planned that after the completion of the Management Integration, Mitsui will hold 49.0% of voting rights in the Integrated Company and that the Integrated Company will become an equity-method affiliate of Mitsui.



(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer

Mitsui was established in July 1947 as Daiichi Bussan Kaisha, Ltd. and changed its trade name to the current Mitsui & Co., Ltd. in February 1959. (Mitsui's shares were listed on the TSE in May 1949, the Sapporo Securities Exchange (the "SSE"), Nagoya Stock Exchange, Inc. (the "NSE"), and Osaka Securities Exchange Co., Ltd. (the "OSE") in November 1954, and the Fukuoka Stock Exchange (the "FSE") in February 1959. At present, Mitsui's shares are listed on the TSE, the SSE, the NSE, and the FSE due to the cash equity market integration of the TSE and OSE performed in July 2013. Additionally, due to the market category reorganization performed in April 2022, the Company Shares have been transferred from the first sections of the TSE and the NSE to the Prime Market of the TSE and the Premier Market of the NSE.) Mitsui has 279 consolidated subsidiaries and 230 equity-method affiliates (as of March 31, 2022) (collectively with Mitsui, the "**Mitsui Group**"). Centered around Mitsui, a general trading company, the Mitsui Group is multilaterally engaged in businesses such as diverse product sales, manufacturing, logistics, and financing utilizing its global operating locations and information resources in the fields of mineral and metal resources, energy, machinery and infrastructure, chemicals, iron and steel products, lifestyle, and innovation and corporate development, in addition to which it is engaged in a wide range of efforts such as creating resource and infrastructure development projects, making business investments in relation to the environment, new technologies, next-generation fuel sources, and wellness, and creating value using digital technology. Information and communications technology (ICT) is one area in the innovation and corporate development field on which the Mitsui Group is focusing, and the Mitsui Group provides value-added services through a wide range of transactions and investments that contribute to a variety of industries, including new initiatives in (i) the digital solutions area involving IT services, cybersecurity, industrial solutions, and digital infrastructure, (ii) the B2C platform area involving TV shopping, broadcasting, digital media, and other consumer-related business, (iii) the CRM (Note 1) area involving peripheral businesses such as contact centers and digital marketing, and (iv) the innovative business area that endeavors to create next-generation businesses using IT in cutting-edge fields such as DX (Note 2), healthcare DX, fintech, and cloud computing. The Mitsui Group aims to improve the services of all of its businesses and to create new businesses by making effective use of the data generated through people's daily lives via the increasing number of diverse ways for consumers to collect and communicate information due to the continued digitalization of society and by partnering with domestic and foreign companies that have the technology to collect and analyze the various data generated through industrial activities. Using the comprehensive industrial and business knowledge of each of the above industry fields in which the Mitsui Group conducts business, the Mitsui Group endeavors to fulfill needs for DX required in every industry and is engaged in efforts to create new added value and business.

Note 1: "CRM" stands for customer relationship management, which is a management strategy that aims to increase sales and improve profitability by increasing customer satisfaction and customer loyalty.

Note 2: "DX" stands for digital transformation, which is the creation of new business models or innovation in existing businesses using data and digital technology.

The Company was established as Moshi Moshi Hotline, Inc. in Bunkyo-ku, Tokyo in June 1987 with investments from 12 companies centered around Mitsui.

Subsequently, the Company changed its trade name to the current Relia, Inc. in October 2015. The Company's shares were listed on the Second Section of the TSE in November 2000, chosen to be moved to the First Section of the TSE in March 2002, and then transitioned from the First Section to the Prime Market in April 2022. As of today, the Company Group consists of the Company, nine consolidated subsidiaries, two non-consolidated subsidiaries, and two equity-method affiliates and is engaged in the following businesses.

- **Contact center business:** The Company Group provides support for customer service and marketing activities by client companies through remote support, such as via telephone, chat, email, and websites. These services are provided mainly by the Company as well as its consolidated subsidiaries Maxcom, Inc., Witellas Inc., Relia Digital Inc., and Inspiro Relia, Inc., in addition to other companies.
- **Back-office business:** The Company Group provides one-stop-shop services for back-office operations from document sorting, error checking, and data entry to the shipping of materials and products to customers. These services are provided mainly by the Company as well as Maxcom, Inc. in addition to other companies.

The Company Group focuses on four megatrends in society: demographic changes, advances in technology, responses to climate change, and the COVID-19 pandemic and the new normal. These trends may impact the Company Group in ways such as: (i) the need for outsourcing and attending to clients will continue to increase, but the labor market will become strained; (ii) as the needs of consumers become more complex and advanced, advances will be made in technologies as alternatives to conventional operations, and there will be an increased strategic importance in high-valued-added operations by people and in improving customer experience (CX) (Note 3); and (iii) resolving social issues through business activities will be required as an aspect of corporate value. In order to respond to these changes in the management environment, the Company Group announced its "Mid-term Management Plan 2023" in May 2021. In that plan, the Company Group sets out its vision of "being reborn as the 'No. 1 Reliable Company' for each and every stakeholder," and the Company Group is engaged in efforts regarding the following three key themes in order to achieve the plan.

- **Create CX**

Carry out an integrated approach, from formulating plans to making improvements, and make use of automated solutions and non-voice channels, combined with high-quality services by operators to create continuous value.

- **Create employee experience (EX) (Note 4)**

Enable the employees, who have a diverse sense of values, to exert their skills to the fullest by enhancing the quality of the working environment, and create meaning and value for them to work at the Company.

- **Strengthen the business foundation**

Make the business foundation even stronger through initiatives based on the "Basic Policy for Initiatives to Restore Trust (Outline)" that was formulated due to inappropriate business operations at the Company's Kagoshima Center discovered

in January 2020, and also strengthen collaborations between organizations, enabling the entire company to come together as one to fully exert its collective strength.

Note 3: Customer experience (CX) refers not only to “rational value,” such as the functions, performance, or price of a product or service, but also “emotional value” experienced in the process leading up to purchase, the process of use, and other processes such as post-purchase follow-up, and the creation of CX by the Company will increase engagement with client companies and consumers.

Note 4: Employee experience (EX) focuses on the happiness or sense of worth that employees feel from working and on their satisfaction with the workplace, and the experiences felt by employees at the workplace is considered to be “value that the company provides to its employees.” Improving EX supports high quality in attending to clients.

For fiscal year 2021, the first year of the “Mid-term Management Plan 2023,” the Company Group set targets of 120.0 billion yen in net sales, 8.4 billion yen in operating profit, a 7.0% operating profit margin, and a 12.4% ROE as objective indicators for determining whether operating targets are achieved. In the contact center business, in Japan, despite being impacted by the termination and reduction of basic operations, orders received for spot business due to social events increased year-on-year. Overseas, although affected by COVID-19, stable operations were achieved due to factors such as work-from-home operations taking root, and the Company Group captured steady demand for North America. In the back-office business, basic operations were largely steady, but spot business decreased year-on-year. As a result of the above, operating results for fiscal year 2021 were 117.9 billion yen in net sales and 8.3 billion yen in operating profit, falling slightly under target. The specific progress made in regard to the key themes in that fiscal year is as follows.

- Create CX

As an initiative for DX to support the creation of CX, the Company Group established the DX Strategy Sector in April 2021 and promoted the design of optimal channels through operation assessments (analyzing the actions of actual consumers who contact companies and designing response channels, such as telephone or chat, suited to the actions of the consumers) and the development of digital services that contribute to making the Company’s services more advanced. In October 2021, the Company announced the “Relia DX Strategy,” a set of specific policies for accelerating the Company’s DX, and in March 2022, the Company announced its “CX Grand Design,” which sets out what the Company considers to be the ideal form of contact center and methods for achieving that form for the purpose of further promoting the CX creation of client companies. Additionally, projects advancing DX increased as a result of the active marketing of the Company’s services and solutions through online seminars, workshops, and other such methods.

- Create EX

The Company Group conducted employee satisfaction surveys and held events and training on diversity, thereby promoting the creation of a workplace where diverse human resources can work healthily and with a sense of satisfaction. Additionally,

the Company Group progressed with the creation of the new personnel system introduced in July 2022 and updated its training for administrators and operators, thereby establishing the Relia Operation School. Furthermore, the Company Group received various certifications and registrations from local governments regarding child-raising, women's participation in society, and other such issues, in addition to which Business Plus Inc., a special subsidiary of the Company, was registered as a company certified under the Monisu Certification Program of the Ministry of Health, Labour and Welfare as an enterprise excelling in the employment of people with disabilities.

- Strengthen the business foundation

The Company Group steadily promoted measures based on the “Basic Policy for Initiatives to Restore Trust (Outline).” The Company Group held workshops on the newly established behavioral standards and engaged in efforts to improve engagement in each workplace, in addition to which the Company Group promoted measures to strengthen security for group-wide information and improved mechanisms supporting diverse working styles. Furthermore, the Company Group endeavored to improve business operation quality through strengthened monitoring and self-inspections.

In fiscal year 2022, the economy in Japan and overseas continues to face circumstances in which the future is unclear due to factors such as the effects of COVID-19, worsening international affairs, and rapid financial market changes. In the BPO (Note 5) industry to which the Company Group belongs, there continues to be steady need for outsourcing to resolve the issues faced by client companies, such as responding to increasingly complex and advanced consumer needs and the digitalization of communication. Amid this environment, in fiscal year 2022, the second year of the “Mid-term Management Plan 2023,” the Company Group is promoting the following measures as initiatives to address the key themes set out in the plan.

Note 5: “BPO” stands for business process outsourcing, which means providing outsourcing for the series of operations pertaining to clerical duties.

- Create CX

In contact center services, the Company Group began the full-scale introduction of AmiVoice® Communication Suite, an AI voice recognition solution provided by Advanced Media, Inc. that the Company Group judged to have better performance such as voice recognition ratio compared to similar products, in preparation of possibly making it standard functionality for the Company's operation centers. In back-office services, the Company Group introduced Clova OCR, an AI OCR (text recognition) service provided by Line Corporation that is expected to integrate seamlessly with various AI products, to the Relia BPA System provided by the Company. In marketing activities, the Company Group actively engaged in sales activities such as project proposals and seminars based on the “CX Grand Design” formulated by the Company to increase corporate competitiveness by creating CX, in addition to which the Company Group released a brand movie that expresses the worldview of the services provided by the Company in an easy-to-understand way.

- Create EX

The Company Group decided to do away with the dress code at its offices throughout the year in order to increase the quality of human resources and provide an environment where diverse human resources can feel at ease and work energetically. In regard to hiring human resources, the Company Group moved its hiring function for the Tokyo metropolitan area to the Company's head office, increased collaboration between business locations, and strengthened its hiring capabilities, in addition to which it endeavored to strengthen its operation capabilities by adding content to the Relia Operation School, which began offering training in the previous fiscal year.

- Strengthen the business foundation

The Company Group continued efforts for measures based on the “Basic Policy for Initiatives to Restore Trust (Outline).” The Company Group completed upgrades to its IT foundation, such as strengthening and standardizing information security in the Company's operation centers, in addition to which it introduced new groupware for the purpose of strengthening information security and improving productivity.

In the “Mid-term Management Plan 2023,” the Company Group set non-financial targets for achieving a “Sustainable and Reliable Society,” which the Company considers to be the ideal form of society as a whole, and the Company Group aims for growth in both economic value and social value. In order to promote efforts for sustainability as a whole, in April 2022, the Company Group created the position of Officer in Charge of Sustainability and established the Sustainability Committee. In regard to the topic of “advances in CX through DX,” the Company Group formulated a vision that complies with the basic matters of the Digital Governance Code, made adjustments to its strategies and systems, and was selected by the Ministry of Economy, Trade and Industry as a “DX-Certified Operator” that has made preparations for digital transformation (“DX-Ready”). In regard to the topic of “responses to climate change and the environment,” the Company Group established an environmental policy, in addition to which it supports the TCFD recommendations, which are a mechanism for international climate-related information disclosure, and has disclosed information pursuant to those recommendations. Additionally, in August 2022, the Company Group issued its “Sustainability Report 2022,” which set out the Company's efforts on sustainability.

Up to the present, the Company and Mitsui have formed a relationship through their capital relationship and business transactions. The relationship between the Company and Mitsui began when the Company was incorporated in June 1987 with investments mainly from Mitsui as well as 11 other companies, with Mitsui acquiring 4,600 Company Shares (ownership ratio to the total number of issued shares of the Company as of its incorporation on June 23, 1987 (8,100 shares): 56.79%; the Company did not hold any treasury shares at that time or upon the transactions in October 1998, August, September, October, and December 1999). Subsequently, according to Mitsui, after acquiring 2,755,400 Company Shares (ownership ratio to the total number of issued shares (5,274,000) as of September 30, 1998: 52.24%), it sold 305,000 Company Shares (ownership ratio to the total number of issued shares (5,274,000 shares) as of September 30, 1998: 5.78%) through a secondary offering when the Company Shares were made available for over-the-counter trading in

October 1998 (the party to whom the shares were sold is unknown; the same applies to the sales in August, September, and December 1999, March and April 2000, and February 2004). Following that, Mitsui sold 30,000 Company Shares (ownership ratio to the total number of issued shares (5,774,000 shares) as of June 30, 1999: 0.52%) in August 1999 (the method of sale is unknown; the same applies to the sales in September and December 1999, March and April 2000, and February 2004), sold 30,000 Company Shares (ownership ratio to the total number of issued shares (5,774,000 shares) as of September 30, 1999: 0.52%) in September 1999, acquired 4,704 Company Shares (ownership ratio to the total number of issued shares (5,791,920 shares) as of October 1, 1999: 0.08%) as an allotment of merger consideration upon a merger between the Company and Teleguide Japan in October 1999, sold 200,000 Company Shares (ownership ratio to the total number of issued shares (5,791,920 shares) as of December 9, 1999: 3.45%) in December 1999, sold 185,000 Company Shares (ownership ratio to the number of shares calculated by deducting the 14 treasury shares as of March 31, 2000 from the total number of issued shares (5,791,920 shares) as of that date: 3.19%) in March 2000, and sold 24 Company Shares (ownership ratio to the number of shares calculated by deducting the 14 treasury shares as of March 31, 2000 from the total number of issued shares (5,791,920 shares) as of that date: 0.00%) in April 2000. Mitsui thereby came to hold 2,014,680 Company Shares (ownership ratio to the number of shares calculated by deducting the 14 treasury shares as of September 18, 2000 from the total number of issued shares (5,791,920 shares) as of that date: 34.78%). Following that, Mitsui sold 39,080 Company Shares (ownership ratio to the number of shares calculated by deducting the 30,450 treasury shares as of February 12, 2004 from the total number of issued shares (5,791,920 shares) as of that date: 0.68%) in February 2004, acquired 3,951,200 Company Shares (ownership ratio to the total number of issued shares (17,375,760 shares) as of April 1, 2006: 22.74%; the number of treasury shares as of that date is unknown, so the ownership ratio to the total number of issued shares is stated) due to a share split in which each Company Share was split into three shares on April 1, 2006, acquired 5,926,800 Company Shares (ownership ratio to the total number of issued shares (34,751,520 shares) as of that date: 17.05%; the number of treasury shares as of that date is unknown, so the ownership ratio to the total number of issued shares is stated) due to a share split in which each Company Share was split into two shares on February 1, 2008, and acquired 11,853,600 Company Shares (ownership ratio to the total number of issued shares (69,503,040 shares) as of that date: 17.05%; the number of treasury shares as of that date is unknown, so the ownership ratio to the total number of issued shares is stated) due to a share split in which each Company Share was split into two shares on October 1, 2011. Mitsui currently holds 23,707,200 Company Shares (ownership ratio: 36.56%), and the Company is an equity-method affiliate of Mitsui. In regard to business, the Company provides contact center services to the Mitsui Group, and the Company Group and Mitsui Group have built a relationship as mutually important business partners. Additionally, the Company has ten employees seconded from Mitsui.

In December 2008, the Company and Mitsui jointly contributed to MOCAP Limited, which provides services relating to contact center operations, market surveys, and back-office data processing tasks in Thailand. Furthermore, in November 2009, jointly with Smart Media Joint Stock Company, Mitsui and the Company established MOCAP Vietnam Joint Stock Company, an outsourcing business company that

provides services relating to market surveys and back-office data processing tasks in Vietnam, and in 2017, the Company made MOCAP Vietnam Joint Stock Company its wholly-owned subsidiary through a share transfer from Mitsui, Smart Media Joint Stock Company, and Harvey Nash.

According to Mitsui, in the BPO industry in recent years, the market is expanding due to a lack of human resources caused by a decrease in the working population because of the declining birthrate and aging population as well as due to work-style reforms leading to a decrease in the amount of tasks being processed. There is an increasing necessity among corporations and society for DX in various situations, such as the need to promote improvements in cost competitiveness and increases in labor efficiency through the implementation of digital solutions, and Mitsui believes that BPO digitalization is seeing a notable degree of further acceleration. In particular, there is currently a trend towards increased BPO unit costs due to the rise in personnel costs, and as the operations being sought expand from standard operations to multitasking and specialty fields, BPO unit costs are anticipated to continue increasing to a certain level moving forward. Amid these circumstances, vendors in the BPO industry are attempting to provide support for CX and increase added value in business processes using methods such as the introduction of BPaaS (Note 6) or the implementation of operation improvement consulting services, and the BPO industry itself is entering a period of restructuring. Specifically, in the contact center industry in which the Company conducts its business, the market is expanding in Japan and overseas (Note 7) due to increases in text communication that does not use paper media caused by the expansion of demand for contactless channels because of the COVID-19 pandemic and due to the capture of demand for inquiry desk services pursuant to an increase in EC (Note 8), and moving forward, the market is expected to continue steadily expanding due to an increase in operation unit costs caused by serious personnel shortages and increases in personnel costs. Additionally, in the back-office BPO (Note 9) industry as well, the market is in an expanding trend (Note 10) due to factors such as serious personnel shortages and an increase in outsource demand to strengthen cost competitiveness. However, the BPO industry is moving towards an oligopoly of business operators that are able to provide services that match diversifying customer needs by expanding their business foundations through capital investment, and competition among corporations is expected to become even more intense moving forward.

Note 6: “BPaaS” stands for business process as a service, which means services that centrally manage existing business processes through outsourcing based on cloud computing.

Note 7: “Call Center Market 2021” (in Japanese; released on October 28, 2021), Yano Research Institute Ltd.; “FY2020 Industrial Economic Research Commissioned Project (E-Commerce Market Survey) Report” (released on July 30, 2021), Ministry of Economy, Trade and Industry

Note 8: “EC” stands for electronic commerce, which refers to the sale of goods and services on the internet.

Note 9: “Back-office BPO” means providing outsourcing for indirect operations (such as processing the reception of applications, performing data entry, calculating fees, and managing contracts).

Note 10: “BPO (Business Process Outsourcing) Market 2021-2022” (in Japanese; released on October 27, 2021), Yano Research Institute Ltd.

Due to the expansion of the contact center and BPO market as set out above, competitors in the industry are thought to be seeing a trend of increasing net sales, but the net sales of the Company were 128.7 billion yen in fiscal year 2019, 127.6 billion yen in fiscal year 2020, and 117.9 billion yen in fiscal year 2021, declining for two consecutive fiscal years. In the BPO industry, Mitsui is aware that when end users and partner companies choose vendors, they refer to the publicly available information of each vendor and tend to prioritize company information, such as business size and financial condition, as well as industry ranking, but as competition to acquire BPO projects in the future is expected to become more intense due to market changes in the contact center and BPO industry and business model reforms by competitors, Mitsui believes it is necessary for the Company to further strengthen its competitiveness through expanding its size.

Additionally, under the recent social and economic conditions where changes in communication channels due to the spread of COVID-19 and changes in demand structure seeking increased labor efficiency due to a decreasing working population and work-style reforms are progressing, Mitsui believes that an urgent task for the Company is to enact business model reforms towards digital BPO (Note 11) by responding to trends in the promotion of DX in corporations and administrative agencies and to effective and efficient forms of business based on providing services that use digital technology.

Note 11: “Digital BPO” means a BPO method where instead of providing outsourcing only using human resources, outsourcing is provided for a series of operations using digital technologies such as AI to increase the efficiency of the outsourced operations.

In order to respond to these changes in the business environment and achieve sustainable growth, as the Company’s growth strategy, Mitsui believes it is necessary to increase its presence in the BPO industry through strengthening the lineup of services that use digital solutions and the capabilities of the Company to offer optimal outsourcing services to customers and, by using those capabilities, through expanding its track record in providing added-value BPO services not only for existing back-office operations but for all customer operations, including middle-office and front-office operations. Furthermore, while the back-office BPO services provided by the Company have a track record of being used in the electric and public utility areas, Mitsui believes that it is possible to achieve growth by building a track record of acquiring projects by laterally expanding business to customers in other areas as well.

Mitsui has endeavored to strengthen the competitiveness of the Company by exchanging management information, personnel, and technology, but in order for the Company Group to overcome these changes in the business environment and maintain and expand a superior position in the BPO industry, Mitsui recognizes the necessity of the Mitsui Group strengthening its involvement in the management of the Company Group more than before, and Mitsui repeatedly examined various management strategies that it could adopt for the purpose of enhancing the corporate value of the Company, including a business alliance with a partner that would complement the expansion of businesses and organizations as well as a management integration entailing an M&A transaction.

Amid these circumstances, on December 7, 2021, Mitsui received a request from KDDI to discuss a strategic alliance between the Company and KDDI Evolva. KDDI Evolva is a wholly-owned subsidiary of KDDI that provides services in the BPO business centered around contact centers and is at the center of the growth strategy of the KDDI Group. According to KDDI, KDDI considers it necessary for KDDI Evolva to use DX promotion as an opportunity to make business model reforms leading to more efficient business operations. Mitsui received explanations from KDDI to the effect that given the change in business models stated above in the contact center and BPO market in which the Company and KDDI Evolva participate, KDDI considered it possible to aim to achieve business model reforms for the Company and KDDI Evolva and thereby grow the businesses of the Company and KDDI Evolva through a business alliance between the Company and KDDI Evolva.

Based on disclosed information and information obtained through research on KDDI Evolva through conferences, Mitsui learned that KDDI Evolva possessed a strong foundation and excellent track record as one specific candidate for a strategic partner of the Company, and therefore, Mitsui commenced dialogue with KDDI from December 22, 2021 for the purpose of exploring the possibility of an M&A transaction, including a business alliance. In that dialogue, discussions were held regarding tentative business strategies for the businesses of both the Company and KDDI Evolva as well as the structure of the business alliance, including strategic alliance, minority investment, joint venture, and management integration, and Mitsui thereby deepened its understanding of the business of KDDI Evolva and strengthened its awareness that the integration of the Company and KDDI Evolva would achieve the expanded provision of high-quality services, the increase of the level of services provided to end users and partner companies, and the increased efficiency of the sales structure and would thereby lead to maximizing the corporate value of both companies and benefiting their customers. Based on those initial strategy discussions, in late December 2021, Mitsui decided to hold discussions with KDDI regarding a strategic alliance, including the potential integration of the Company and KDDI Evolva. Subsequently, by engaging in discussions on multiple occasions with KDDI from late December 2021 to early July 2022, Mitsui understood and recognized KDDI Evolva's stable customer base, ability to acquire customers through collaboration with KDDI's corporate sales activities for acquiring projects, and knowledge of digital solutions, and by deepening discussions regarding the possibility of creating synergies, Mitsui came to be strongly interested in the strategic merits of a management integration between the Company and KDDI Evolva.

Amid the above discussions and examination with KDDI, Mitsui appointed Anderson Mori & Tomotsune as its legal advisor independent of the Tender Offerors, KDDI, the Company, and KDDI Evolva in mid-March 2022 and appointed Nomura Securities Co., Ltd. ("**Nomura Securities**") as its financial advisor and third-party appraiser independent of the Tender Offerors, KDDI, the Company, and KDDI Evolva in late March 2022, following which it commenced initial examination and discussions with KDDI in late April 2022 regarding a management integration between the Company and KDDI Evolva and examined transaction methods for achieving the management integration with input from specialists. Following that, based on the results of those examinations and discussions and the advice received from specialists, Mitsui and KDDI reached the conclusion in early July 2022 that Mitsui holding all of the Company Shares (however, excluding the treasury shares held by the Company)

through the Tender Offer, the Squeeze-Out Procedures, and Merger 1 and integrating the Company and KDDI Evolva through Merger 2 was the best choice as a transaction method for establishing a structure that could integrate the management of the two companies and make it possible for Mitsui and KDDI to support the management and the business operation of the Integrated Company as the only shareholders thereof and that could flexibly implement the management measures thought necessary in order to strengthen the competitiveness of the Integrated Company Group over the medium to long term due to reasons such as: (i) in a listed company with general shareholders, there are practical and legal restrictions on the Company and KDDI Evolva integrating their organizations and implementing business strategies, and communication channels and day-to-day cooperation are limited from the perspective of confidentiality, in addition to which even when making the optimal decisions for the Integrated Company Group, there may be potential conflicts of interest with the general shareholders; accordingly, the seamless sharing of information and ideas is not possible if implementing business strategies with KDDI Evolva based on maintaining listing or performing a management integration in which a subsidiary is created, and it is therefore necessary to make the Integrated Company a non-listed company; however, the management integration procedures would be extremely complicated if the Company were to remain listed, conduct a management integration with KDDI Evolva, and then go private; (ii) if a tender offer is conducted as a means of achieving a management integration, and the tender offer price and other terms of the implementation of the tender offer are set at a level at which general shareholders can receive a greater return of profits than by selling their shares on the market, it is possible to provide the Company's shareholders with an opportunity to sell their shares at a premium price above the market price of the Company Shares; (iii) a tender offer can be commenced promptly after obtaining approval from competition authorities if an acquisition company newly established for the purpose of the tender offer is the entity that conducts the tender offer, instead of Mitsui conducting the tender offer itself; and (iv) if both Mitsui and the acquisition company newly established for the purpose of the tender offer hold the shares of the Company, procedures will become more complicated as both companies will need to exercise their rights as shareholders, so by Mitsui holding all of the Company Shares (however, excluding the treasury shares held by the Company) before integrating the Company and KDDI Evolva, Mitsui will be able to flexibly exercise its rights as a shareholder based on its voting rights ratio directly held in the Integrated Company after the management integration between the Company and KDDI Evolva. Continually from early January 2022 until today, by means such as providing an opportunity for regular weekly meetings, Mitsui and KDDI have regularly engaged in repeated discussions regarding matters such as the implementation policy and transaction terms of the Management Integration and the management policy and management system after the Management Integration. For details of matters such as the management policy and management system after the Management Integration, please refer to "3. Management Policy after the Tender Offer" below and to "(1) Master Transaction Agreement" in "4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company's Shareholders" below.

Under the current business environment of the Company in which there are tasks to be addressed in regard to providing services that utilize digital solutions in response to DX as stated above and providing services involving drastic operational reforms, if the Company continues as an independent business entity, there are limitations on management resources such as capital necessary for investment, personnel to engage

in research and development, and ideas for promoting DX, and Mitsui is therefore concerned that it will become difficult to thoroughly and continually implement measures such as the expansion of the service portfolio to respond to structural industry changes and the strengthening of sales organizations. Mitsui believes that by Mitsui holding all of the Company Shares (however, excluding the treasury shares held by the Company) through the Tender Offer, the Squeeze-Out Procedures, and Merger 1, integrating the Company and KDDI Evolva, and establishing a structure that makes it possible for Mitsui and KDDI to support the management and the business operation of the Integrated Company as the only shareholders thereof, it is possible to address those tasks by utilizing the knowledge of KDDI Evolva regarding digital solutions and by the Integrated Company Group having more management resources available. Additionally, KDDI believes that the Company's customer base in the public utilities, electric utilities, and financial areas and the expansion of its contact center business overseas, mainly in North America, will complement KDDI Evolva's customer portfolio and contribute to the expansion of its market share overseas. KDDI believes that through this collaboration between the Company and KDDI Evolva, the Integrated Company will be able to maintain and expand a superior position in the contact center market in Japan and overseas and thereby be able to more quickly expand its sales in that market and therefore determined that it is appropriate to proceed with the integration of the Company and KDDI Evolva at this time. Accordingly, Mitsui and KDDI submitted a non-binding letter of intent to the Company on July 15, 2022 in which they proposed commencing examination and discussions towards conducting a tender offer for the Company Shares, squeeze-out procedures, and a subsequent management integration between the Company and KDDI Evolva (the "**Proposal**").

In response to receiving the Proposal from Mitsui and KDDI in mid-July 2022, the Company examined matters such as commencing discussions with Mitsui, KDDI, and KDDI Evolva and the merits of the Transactions and the Management Integration, and in order to engage in negotiations regarding the Transactions and the Management Integration with Mitsui, KDDI, and KDDI Evolva, the Company appointed SMBC Nikko Securities Inc. ("**SMBC Nikko Securities**") as its financial advisor and third-party appraiser independent of Mitsui, KDDI, KDDI Evolva, and the Company and appointed Mori Hamada & Matsumoto as its outside legal advisor. The Company twice held three-party meetings with Mitsui and KDDI on August 5 and August 17, 2022 at which the Company asked questions regarding matters such as the underlying assumptions of the Proposal and management policy. Additionally, on August 27, 2022, the Company resolved to establish the Special Committee composed of independent outside directors and an independent outside audit and supervisory committee member in order to examine and negotiate regarding the Transactions from a standpoint independent of Mitsui and KDDI. The Special Committee approved the Company's appointment of SMBC Nikko Securities as its financial advisor and third-party appraiser and of Mori Hamada & Matsumoto as its legal advisor, and the Company thereby established a system for discussions and negotiations regarding the Tender Offer.

In response to the Proposal, the Company responded to Mitsui and KDDI on August 30, 2022 that it would examine the Proposal and consented to Mitsui and KDDI performing due diligence on the Company. From late September 2022 to early December 2022, Mitsui performed due diligence on the Company and KDDI Evolva,

and KDDI performed due diligence on the Company, each for the purpose of deepening its understanding of the business of each company, examining the probability of integration synergies, and confirming matters in areas such as accounting, tax affairs, business, legal affairs, personnel affairs, and IT. Mitsui engaged in discussions with the Company and KDDI Evolva regarding each company's future business development plans, and KDDI engaged in discussions with the Company regarding the same topic, through which Mitsui and KDDI deepened their understanding of each company's individual management guidelines and goals, and by confirming the probability of creating corporate value through an integration, Mitsui and KDDI continued discussions in regard to matters such as the purpose of the Management Integration including the Tender Offer, the management structure and policies after the Management Integration, and the terms of the Management Integration. Specifically, in regard to the purpose of the Management Integration, Mitsui and KDDI examined and analyzed the synergy effects that could be created by integrating the Company and KDDI Evolva and creating a structure of cooperation with the Mitsui Group and KDDI Group from the perspective of maximizing the corporate value of the Integrated Company Group. In regard to the management system and policy after the Management Integration, Mitsui and KDDI discussed the details of the rights and obligations that Mitsui and KDDI would have as shareholders in the Integrated Company and the details of the governance system of the Integrated Company under a spirit of equality. In regard to the terms of the Management Integration, Mitsui and KDDI have examined the terms of the Tender Offer and the schedule of the Management Integration.

Through due diligence, various analyses of the management goals of the Company and KDDI Evolva, and discussions with KDDI regarding the possibility of creating corporate value through the integration of the Company and KDDI Evolva, Mitsui became convinced that the Management Integration would make it possible to achieve growth and enhanced corporate value for the Company and KDDI Evolva over the medium to long term and bring high value to all of the stakeholders of the Company and KDDI Evolva, such as their general shareholders, employees, and transactions partners, through achieving the expanded provision of high-quality services, the increase of the level of services provided to end users and partner companies, the improvement of service lineups, and the increased efficiency of the sales structure in a different form than if the Company and KDDI Evolva were to continue their businesses independently. Specifically, Mitsui came to believe that through the Management Integration, it would be possible not only to increase operational efficiency and reduce costs but also to strengthen competitiveness and firmly establish a position as a contact center player in the digital BPO industry, in which needs from customers are expected to increase in the future, by combining the Company's strengths in designing and implementing operations with KDDI Evolva's track record in acquiring projects in the omnichannel field and intra-group capabilities. Through the above due diligence and the like, given that the business forms, management policies, and organizational cultures of the Company and KDDI Evolva are highly similar and that both companies have excellent track records and strong business foundations in the BPO market, Mitsui's belief that the Company and KDDI Evolva were the best strategic partners for each other was strengthened. In addition, from early January 2022, when discussions between the companies regarding the Management Integration were commenced, Mitsui and KDDI engaged in repeated discussions through timely communication at the regular weekly meetings stated above and by means such as telephone and email in regard to the voting rights ratios

of KDDI and Mitsui in the Integrated Company after the Management Integration. In accordance with a spirit of equality as the underlying principle of the management integration, and in order to respect to the maximum extent the corporate cultures and the independence of the management of the Company and KDDI Evolva, Mitsui and KDDI agreed in late November 2022 to the voting rights ratios of KDDI and Mitsui in the Integrated Company after the Management Integration being 51.0% and 49.0% respectively, as doing so will allow KDDI, for whom the BPO business is a core business and KDDI Evolva has been a significant subsidiary, to keep KDDI Evolva after the merger with the Company through Merger 2 (i.e., the Integrated Company) as a consolidated subsidiary and for the KDDI Group to continue to be involved in the management of the Integrated Company with KDDI as its parent company while allowing Mitsui to increase its ownership ratio of the Company Shares through the Management Integration and strengthen its collaboration with the Company after the merger with KDDI Evolva through Merger 2 (i.e., the Integrated Company) by conducting the Management Integration under a spirit of equality. In regard to the structure of the Tender Offer, Mitsui and KDDI reached the conclusion that by having an acquisition company established independently by Mitsui be the entity that conducts the Tender Offer instead of Mitsui and KDDI jointly conducting a tender offer, a simple structure can be achieved, which is appropriate from the perspectives of the certainty of the transactions being implemented and of the convenience of the procedures. Based on the above examination, on November 22, 2022, Mitsui and KDDI submitted a non-binding initial proposal (the “**Initial Proposal**”) to the Company proposing the implementation of the Management Integration based on a scheme involving a tender offer for the Company Shares and squeeze-out procedures by an acquisition company established independently by Mitsui.

After the Management Integration, while respecting the corporate culture developed by the Company up to the present and the independence of the Company’s management to the maximum possible extent, Mitsui intends to support the determination of new measures in order for the Company Group and KDDI Evolva to increase added value in a wide range of fields and achieve synergies, including the following, through the Management Integration for the sustainable growth of the Integrated Company Group based on discussion between Mitsui and KDDI under a spirit of equality.

- (i) Strengthening competitiveness by promoting digital BPO
 - Through mutual collaboration between the Company and KDDI Evolva, competitiveness will be further strengthened centered around digital BPO, and foundations for business reforms will be created. In the KDDI Group, KDDI Digital Design Inc., Supership Holdings Inc., Arise Analytics, Inc., and Iret Inc. possess functions to support digital technology utilization and CRM processes for matters such as formulating overall business process concepts, examining operation details, and making allocation plans. Additionally, in regard to the Company, the DX Strategy Sector and Relia Digital Inc. possess functions to promote DX in customer interactions with client companies by developing and providing services that use digital tools. By combining these functions of the KDDI Group, to which KDDI Evolva belongs, and the Company, Mitsui believes that the Integrated Company will be able to promote the provision of support services for customer business processes

through digital BPO and aim to further increase its presence in the BPO industry.

- In the contact center area, Mitsui envisages establishing cloud foundations and promoting the operation of contact centers using digital technologies such as IoT and AI as an example of specific measures to promote digital BPO in the Integrated Company. In the back-office area, Mitsui envisages promoting the development of domain-specific BPO, which refers to BPO designed for the outsourcing of specific, specialized tasks.
- Mitsui will examine the acquisition of outside operational know-how and knowledge by promoting active investments such as M&A with medium-scale businesses that will contribute to realizing digital BPO and business alliances with companies engaged in the business of DX promotion services in order to strengthen the competitiveness of the Integrated Company over the medium to long term.

(ii) Increased efficiency and reduced costs for sales organization structure

- By bringing together group-wide business operation information and information on the operation status of individual contact centers under the head office functions, Mitsui will aim to establish an organizational structure at the Integrated Company that can make business decisions in regard to matters such as establishing or merging contact centers, proposing projects, and determining estimate amounts from the perspective of cost optimization and can reassign the locations and personnel involved in undertaken projects and accumulate knowledge efficiently and laterally across the group. Through the Management Integration, it will be possible to reduce various costs by consolidating the locations of the Company and KDDI Evolva, increasing the efficiency of advertising costs by integrating hiring and marketing activities, and integrating the systems used in business operations. Increased sales and operating profits can be anticipated by using the money saved through cost reductions to handle new projects.
- By integrating the sales functions of the Company and KDDI Evolva in the Integrated Company, it will become possible to secure appropriate resources and operating staff numbers and to achieve a more appropriate allocation of operating staff, and through expanded transactions with customers in a wide range of industries and business categories and increased operational efficiency and productivity, it will become possible to aim for further improvements to profitability and to create synergies in the hiring and development of human resources. Additionally, by integrating the corporate functions of both companies, it will become possible to reassign the existing corporate personnel of both companies and supplement the personnel in the business divisions of the Integrated Company.
- Through the delisting of the Company due to the Transactions, Mitsui believes that it will be possible to reduce the costs and operational burdens of the Company relating to systems to maintain listing.

(iii) Cross-selling

- The business development of the Integrated Company Group will be promoted by providing the services of the Company to KDDI Evolva's existing customers and the services of KDDI Evolva to the Company's existing customers. Specifically, Mitsui is examining providing the technician dispatch business of KDDI Evolva to the Company's existing customers. Additionally, Mitsui believes it is possible to expand sales through overseas development of the contact center business by providing the Company's overseas contact centers to KDDI Evolva's existing customers.
- By combining the brand power and presence of the Company and KDDI Evolva in contact center and BPO projects, increases in the acquisition of new customers and inquiries for new projects from existing customers can be expected, and Mitsui believes it is thereby possible to increase sales.

(iv) Establishing cloud integration foundations

- By establishing foundations in the Integrated Company for the centralized management and utilization of data scattered across the cloud environment and promoting the usage of cloud computing in the Company's contact centers, it will be possible to invest greater amounts than if the Company were to promote cloud computing by itself, and it is therefore expected that the promotion of cloud computing can be performed more efficiently. It is expected that there will be cost reduction effects due to increased efficiency in contact center business operations through the establishment of the cloud integration foundations, and Mitsui believes that it will be possible to achieve increased sales through externally selling cloud integration foundations.

In order to achieve the synergies above, Mitsui believes it is essential to implement the Management Integration and to create an environment in which the management personnel have flexibility in regard to the decision-making of the Integrated Company. Specifically, in a listed company with general shareholders, there are practical and legal restrictions on the Company and KDDI Evolva integrating their organizations and implementing business strategies, and communication channels and day-to-day cooperation are limited from the perspective of confidentiality, in addition to which even when making the optimal decisions for the Integrated Company Group, there may be potential conflicts of interest with the general shareholders. Accordingly, Mitsui considered that the seamless sharing of information and ideas is not possible if implementing business strategies with KDDI Evolva based on maintaining listing or performing a management integration in which a subsidiary is created and that it is therefore necessary to take the Company Shares private. Additionally, by creating a group that integrates the Company and KDDI Evolva, Mitsui considered that it will be possible for the management personnel and employees of the Integrated Company Group to freely move among organizations and for open sharing of best practices, support for investments in service technology innovations and intellectual property development, growth investments centered around digital technologies, and the creation of business synergies between the Mitsui Group and KDDI Group to be achieved without practical or legal restrictions and without causing conflicts of interest with general shareholders. Although communication among Mitsui, KDDI, and the Company will become easier due to there being no potential conflicts of interest with general shareholders following privatization, Mitsui believes that it would be difficult

to share business information without restriction and to support investment in service technology innovations and new technology development if implementing business strategies with KDDI Evolva based on maintaining listing or performing a management integration in which a subsidiary is created.

Based on the above process of examination by Mitsui and the discussions and negotiations with KDDI, following the submission of the Initial Proposal on November 22, 2022, from the perspective of maximizing the corporate value of the Integrated Company Group, Mitsui continued engaging in repeated discussions and negotiations with KDDI through timely communication at the regular weekly meetings stated above and by means such as email and telephone regarding the implementation of the Management Integration, transaction terms including the terms of the Tender Offer and the details of the transaction structure such as the schedule for implementing the Management Integration, and plans for management and business operation after the Management Integration including matters such as the details of the governance system of the Integrated Company, the details of the rights and obligations of Mitsui and KDDI as shareholders in regard to the Integrated Company, and the policies on involvement in the Integrated Company under a spirit of equality, and on December 6, 2022, Mitsui submitted a non-binding proposal (the “**First Proposal**”) to the Company stating the tender offer price in the Tender Offer (the “**Tender Offer Price**”). Mitsui conducted a multifaceted and comprehensive analysis of the Company’s businesses, finances, and future plans and set the Tender Offer Price in the First Proposal at 1,300 yen as a price that was not disadvantageous to the shareholders of the Company because the premium included in that Tender Offer Price on the market value of the Company Shares was (a) 29.10% (rounded to the nearest two decimal places; the same applies below in regard to the calculation of premiums) on 1,007 yen, the closing price of the Company Shares on the Prime Market of the TSE on December 2, 2022, (b) 26.83% on 1,025 yen (rounded to the nearest whole yen; the same applies below in regard to the calculation of simple average closing prices), the simple average closing price for the one-month period leading up to December 2, 2022, (c) 30.78% on 994 yen, the simple average closing price for the three-month period leading up to December 2, 2022, and (d) 25.97% on 1,032 yen, the simple average closing price for the six-month period leading up to December 2, 2022 (for the specific basis of the valuation, please refer to “(B) Procurement by the Tender Offerors of a Share Valuation Report from an Independent Financial Advisor and Third-Party Appraiser” in “(3) Matters Related to Valuation” below).

After the submission of the First Proposal, on December 9, 2022, Mitsui received a request from the Company and the Special Committee to reexamine its proposal as they had determined that the Tender Offer Price in the First Proposal was not at a level at which the Company could resolve to express its support to its minority shareholders. In response to that request from the Company and the Special Committee, Mitsui engaged in serious discussions and negotiations with KDDI regarding the terms of the Transactions, and on December 19, 2022, Mitsui made a new proposal (the “**Second Proposal**”) to the Company and the Special Committee in which the Tender Offer Price was 1,375 yen per share (the premiums included in the Tender Offer Price on the market value of the Company Shares as of December 16, 2022 were (a) 35.07% on 1,018 yen, the closing price that day, (b) 34.80% on 1,020 yen, the simple average closing price for the one-month period leading up to December 16, 2022, (c) 37.91% on 997 yen, the simple average closing price for the three-month period leading up to December 16, 2022, and (d) 33.89% on 1,027 yen, the simple average closing price

for the six-month period leading up to December 16, 2022). After the submission of the Second Proposal, on December 23, 2022, Mitsui received a request from the Company and the Special Committee to raise the Tender Offer Price to 1,640 yen per share because the Tender Offer Price in the Second Proposal was still not at a level at which the Company could resolve to express its support to its minority shareholders. In response to that request from the Company and the Special Committee, Mitsui engaged in serious discussions and negotiations with KDDI regarding the terms of the Transactions, and on December 28, 2022, Mitsui made a new proposal (the “**Third Proposal**”) to the Company and the Special Committee in which the Tender Offer Price was 1,440 yen per share (the premiums included in the Tender Offer Price on the market value of the Company Shares as of December 27, 2022 were (a) 40.63% on 1,024 yen, the closing price that day, (b) 42.01% on 1,014 yen, the simple average closing price for the one-month period leading up to December 27, 2022, (c) 44.14% on 999 yen, the simple average closing price for the three-month period leading up to December 27, 2022, and (d) 40.49% on 1,025 yen, the simple average closing price for the six-month period leading up to December 27, 2022). After the submission of the Third Proposal, on December 30, 2022, Mitsui received a request from the Company and the Special Committee to raise the Tender Offer Price to 1,530 yen per share from the perspective of ensuring transaction terms as favorable as possible for the minority shareholders of the Company. In response to that request from the Company and the Special Committee, Mitsui engaged in serious discussions and negotiations with KDDI regarding the terms of the Transactions, and on January 6, 2023, Mitsui made a new proposal (the “**Fourth Proposal**”) to the Company and the Special Committee in which the Tender Offer Price was 1,460 yen per share (the premiums included in the Tender Offer Price on the market value of the Company Shares as of January 5, 2023 were (a) 49.13% on 979 yen, the closing price on January 5, 2023, (b) 44.84% on 1,008 yen, the simple average closing price for the one-month period leading up to January 5, 2023, (c) 45.56% on 1,003 yen, the simple average closing price for the three-month period leading up to January 5, 2023, and (d) 42.86% on 1,022 yen, the simple average closing price for the six-month period leading up to January 5, 2023). After the submission of the Fourth Proposal, on January 10, 2023, Mitsui received a request from the Company and the Special Committee to raise the Tender Offer Price to 1,480 yen per share from the perspective of ensuring transaction terms as favorable as possible for the minority shareholders of the Company. In response to that request from the Company and the Special Committee, Mitsui engaged in serious discussions and negotiations with KDDI regarding the terms of the Transactions, and on January 11, 2023, Mitsui made a new proposal (the “**Final Proposal**”) to the Company and the Special Committee in which the Tender Offer Price was 1,465 yen per share (the premiums included in the Tender Offer Price on the market value of the Company Shares as of January 10, 2023 were (a) 51.03% on 970 yen, the closing price on January 10, 2023, (b) 45.63% on 1,006 yen, the simple average closing price for the one-month period leading up to January 10, 2023, (c) 45.92% on 1,004 yen, the simple average closing price for the three-month period leading up to January 10, 2023, and (d) 43.77% on 1,019 yen, the simple average closing price for the six-month period leading up to January 10, 2023). After the submission of the Final Proposal, on January 11, 2023, Mitsui received response from the Company and the Special Committee agreeing to the Tender Offer Price being 1,465 yen as they considered that the proposal price in the Final Proposal and believes that it is at a level that can obtain broad understanding and approval from the Company's stakeholders, including minority shareholders.

As a result of the above discussions and negotiations, Mitsui, KDDI, and the Company reached an agreement on January 11, 2023 for the Tender Offer Price to be 1,465 yen per share, and Mitsui and KDDI today executed the Master Transaction Agreement and the Shareholders Agreement and decided for the Tender Offeror to implement the Tender Offer for all of the Company Shares (however, excluding the Company Shares held by Mitsui and the treasury shares held by the Company) for the purpose of the Management Integration on the condition that the Conditions Precedent have been fulfilled (or waived by Mitsui and KDDI).

Additionally, in order to conduct the Transactions, Mitsui and KDDI today executed the Master Transaction Agreement, in addition to which the Tender Offeror executed the Tender Agreement today with Central Security Patrols. The Tender Offeror held a meeting with Central Security Patrols on December 2, 2022 to explain the Transactions and make an initial approach regarding the execution of a tender agreement, following which it held another meeting on December 7, 2022 and commenced negotiations regarding the execution of the Tender Agreement. Subsequently, after Mitsui engaged in repeated discussions and negotiations by email with Central Security Patrols regarding the content of the Tender Agreement, Mitsui informed Central Security Patrols on January 12, 2023 that the Tender Offer Price was planned to be set at 1,465 yen and received a response that at that price, Central Security Controls could agree to execute the Tender Agreement and tender its shares in the Tender Offer, and Mitsui today executed the Tender Agreement with Central Security Patrols.

If the Tender Offer is successfully completed, the Tender Offeror plans to procure the funds for settlement of the Tender Offer by receiving a contribution from Mitsui by a capital increase through third-party allotment by the business day preceding the commencement date of the settlement of the Tender Offer. Additionally, before the commencement of the Tender Offer, Mitsui plans to submit to the Tender Offeror a contribution certificate stating that it will provide the funds for settlement of the Tender Offer to the Tender Offeror via the above contribution in March 2023, when Mitsui is aiming to commence the Tender Offer.

(C) Management Policy after the Tender Offer

As stated in “(A) Outline of the Tender Offer” above, pursuant to the Master Transaction Agreement executed today, if the Tender Offer is successfully completed, Mitsui intends to make the Tender Offerors the only shareholders of the Company. After making the Tender Offerors the only shareholders of the Company through the Squeeze-Out Procedures, Merger 1 will be conducted between the Company and the Tender Offeror, and after Merger 1 takes effect, Merger 2 will be conducted between the Company and KDDI Evolva. After the completion of the Management Integration, which includes the above series of transactions, the integration with KDDI Evolva will continue, and Mitsui will endeavor to achieve the sustainable growth and maximization of corporate value of the Integrated Company Group as a whole.

After the completion of the Management Integration, in order to achieve a smooth integration and maximize the corporate value of the Integrated Company Group, under a spirit of equality, the Integrated Company Group will implement various measures in order to maximize its corporate value and achieve the goals of becoming the number one contact center in Japan and the largest digital BPO business operator in Japan that utilizes its customers bases and business assets to respond to all types of industries

using both human and digital resources.

In regard to the directors of the Integrated Company after the Management Integration, Mitsui and KDDI have agreed in the shareholders agreement executed today (the “**Shareholders Agreement**”) that Mitsui will nominate and elect five directors while KDDI will nominate and elect six directors, but as of today, the specific candidates for directors are undecided. In addition, as of today, the details of the specific management policy of the Integrated Company after the Management Integration are undecided, but Mitsui, KDDI, the Company, and KDDI Evolva will engage in discussions in order to create a structure that can achieve the maximum corporate value of the Integrated Company.

Mitsui has also made agreements regarding the specific governance, operation, and other matters of the Integrated Company after the Management Integration in the Shareholders Agreement. For details of the Shareholders Agreement, please refer to “(3) Shareholders Agreement” in “4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company’s Shareholders” below.

(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer

(i) Proposals from the Tender Offeror and Background of the Construction of a System for Examination

As stated in “(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer” above, in response to receiving the Proposal on July 15, 2022, the Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser in regard to the Transactions independent from Mitsui, KDDI, KDDI Evolva, and the Company after examining their expertise, track record, and the like in order to receive advice and assistance from a financial perspective, including advice on the valuation of the Company Shares and on policies for negotiations with Mitsui, and appointed Mori Hamada & Matsumoto as its outside legal advisor after examining its expertise, track record, and the like in order to receive legal advice, including advice on measures that should be taken in order to ensure the fairness of procedures in the Transactions, the various procedures for the transactions, the decision-making methods of the Company in regard to the Transactions, and the process of that decision-making. The Company twice held three-party meetings with Mitsui and KDDI on August 5 and August 17, 2022 at which the Company asked questions regarding matters such as the underlying assumptions of the Proposal and management policy, and on August 30, 2022, the Company responded that it would examine the Proposal. Then, although the Company is not a subsidiary of Mitsui or the acquisition company planned to be established as the Tender Offeror in the Tender Offer, the Transactions constitute transactions that typically involve structural conflict of interest issues and information asymmetry issues due to reasons such as Mitsui, the parent company of the Tender Offeror, holding 23,707,200 Company Shares (ownership ratio: 36.56%) and including the Company among its equity-method affiliates; therefore, in order to address those issues and to ensure the fairness of the Transactions, the Company immediately started establishing a system to examine, negotiate, and make decisions regarding the Transactions in terms of increasing its corporate value and ensuring the interests of general shareholders of the Company from a standpoint independent of the Tender

Offerors and KDDI, based on the advice of Mori Hamada & Matsumoto.

Specifically, the Company made preparations for the establishment of the Special Committee consisting of independent outside directors and an independent outside audit and supervisory board member of the Company from late July 2022 as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below. Following that, by a resolution at the Company’s board of directors meeting held on August 27, 2022, the Company established a special committee composed of three members, namely Mr. Naonori Kimura (an independent outside director of the Company), Mr. Junichi Kishigami (an independent outside director of the Company), and Ms. Rika Kawaguchi (an independent outside audit and supervisory board member of the Company) (the “**Special Committee**”; for the process of establishment, process of examination, and details of determinations of the Special Committee, please refer to “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below) and requested the following (collectively, the “**Consulted Matters**”) to the Special Committee: (i) to examine whether the board of directors of the Company should support the Tender Offer and whether it should recommended that the Company’s shareholders tender their shares in the Tender Offer and provide its recommendation to the Company’s board of directors, and (ii) to examine whether the decision on the Transactions by the Company’s board of directors will be disadvantageous to the minority shareholders of the Company and provide its opinion to the Company’s board of directors. When establishing the Special Committee, the Company’s board of directors also resolved (i) that decisions on the Transactions will be made by respecting the contents of determinations by the Special Committee to the maximum possible extent and (ii) that if the Special Committee determines that the terms of the Transactions are not appropriate, the Company’s board of directors will not approve the Transactions under such terms. The Company’s board of directors further resolved to grant the Special Committee the authority (i) to be substantially involved in the process of negotiations by the Company with Mitsui, KDDI, and KDDI Evolva (including issuing instructions and making requests in regard to policies for negotiations with Mitsui, KDDI, and KDDI Evolva and the Special Committee itself conducting negotiations with Mitsui, KDDI, and KDDI Evolva), (ii) to appoint its own financial, legal, or other advisors as necessary when making the report on the Consulted Matters (in which case fees will be borne by the Company) and to designate or approve the financial, legal, or other advisors of the Company (including approval after the fact), (iii) to receive as necessary from the officers and employees of the Company the information necessary to examine and make determinations regarding the Transactions, and (iv) to conduct other matters that the Special Committee determines necessary when examining and making determinations regarding the Transactions (for the method of the above resolutions by the board of directors, please refer to “(F) Approval of All Disinterested Directors of the Company and Opinion of All Disinterested Audit and Supervisory Board Members of the Company That They Have No Objection” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below).

In addition, as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below, the Special Committee approved the appointment of SMBC Nikko Securities as the Company’s financial advisor and third-party appraiser and Mori Hamada & Matsumoto as the Company’s legal advisor.

Furthermore, the Company constructed an internal system to examine, negotiate, and make decisions regarding the Transactions from a standpoint independent of the Tender Offerors, KDDI, and KDDI Evolva (including the extent of involvement and duties of officers and employees of the Company in examination, negotiation, and decision-making regarding the Transactions) and received the Special Committee’s confirmation to the effect that there are no problems from the perspective of the independence or fairness of that examination system (for the details of that examination system, please refer to “(E) Establishment by the Company of an Independent Examination System” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below).

(ii) Background of Examination and Negotiation

In response to receiving the Proposal from Mitsui and KDDI on July 15, 2022, the Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser independent from Mitsui, KDDI, KDDI Evolva, and the Company and appointed Mori Hamada & Matsumoto as its outside legal advisor in regard to the Transactions. The Company twice held three-party meetings with Mitsui and KDDI on August 5 and August 17, 2022 at which the Company asked questions regarding matters such as the underlying assumptions of the Proposal and management policy, and on August 30, 2022, the Company responded that it would examine the Proposal. Following that, the Company received a report on the results of valuation of the Company Shares and advice on the negotiation policy with the Tender Offerors from SMBC Nikko Securities and legal advice on matters such as measures to ensure the fairness of procedures related to the Transactions from Mori Hamada & Matsumoto, based on which it carefully examined the merits of the Transactions and the appropriateness of the terms of the Transactions, including the Tender Offer Price.

As stated above, the Company twice held three-party meetings with Mitsui and KDDI on August 5 and August 17, 2022 at which the Company asked questions regarding matters such as the underlying assumptions of the Proposal and management policy, and from September 2022, the Company engaged in repeated discussions and negotiations with Mitsui and KDDI regarding matters such as the significance and purpose of the Transactions and the plan for the management and business operation of the Company after the Management Integration. Specifically, the Company and the Special Committee sent a written questionnaire regarding the Proposal and the Transactions to Mitsui on October 10, 2022, and the Company and the Special Committee received an oral response to the questionnaire from Mitsui on October 20, 2022 and confirmed the meaning thereof, in addition to which the Company and the Special Committee received additional oral explanations regarding matters such as the significance and purpose of the Transactions from Mitsui and KDDI on November 24, 2022. Furthermore, after receiving these explanations and responses, the Company

and the Special Committee sent an additional questionnaire to Mitsui and KDDI on December 5, 2022, following which they received oral explanations from Mitsui and KDDI on December 8, 2022, a response to the questionnaire on December 9, 2022, and additional explanations regarding matters such as the significance and purpose of the Transactions and the Management Integration on December 14, 2022.

Based on the above discussions and negotiations with Mitsui and KDDI, the Company and the Special Committee considered the merits of the Transactions and the appropriateness of the terms of the Transactions and received the First Proposal from Mitsui with a proposed Tender Offer Price of 1,300 yen.

After the First Proposal was received, on December 9, 2022, the Company and the Special Committee requested Mitsui to make a new proposal regarding the Tender Offer Price as it was determined based on the results of examination by the Special Committee that the Tender Offer Price in the First Proposal was not at a level at which the Company could resolve to express its support to its minority shareholders.

The Company and the Special Committee received the Second Proposal from Mitsui on December 19, 2022, in which the Tender Offer Price was 1,375 yen per share and, based on discussions with the Special Committee, requested Mitsui on December 23, 2022 to increase the Tender Offer Price to 1,640 yen per share because the Tender Offer Price was still not at a level at which the Company could resolve to express its support to its minority shareholders.

The Company and the Special Committee received the Third Proposal, in which the Tender Offer Price was 1,440 yen per share, from Mitsui on December 28, 2022 and, based on discussions with the Special Committee, requested Mitsui on December 30, 2022 to increase the Tender Offer Price to 1,530 yen per share from the perspective of ensuring transaction terms as favorable as possible for the minority shareholders of the Company.

The Company and the Special Committee received the Fourth Proposal, in which the Tender Offer Price was 1,460 yen per share, from Mitsui on January 6, 2023 and, based on discussions with the Special Committee, requested Mitsui on January 10, 2023 to increase the Tender Offer Price to 1,480 yen per share from the perspective of ensuring transaction terms as favorable as possible for the minority shareholders of the Company.

The Company and the Special Committee received the Final Proposal, in which the Tender Offer Price was 1,465 yen per share, from Mitsui on January 11, 2023. The Company and the Special Committee responded to Mitsui on January 11, 2023, agreeing to the Tender Offer Price being 1,465 yen as they considered that based on discussions with the Special Committee, this is a level that can obtain broad understanding and support from the Company's stakeholders, including its minority shareholders.

In the process of the examination and negotiations stated above, the Special Committee received reports from the Company and advisors of the Company, performed confirmation, stated its opinions, and performed other actions when appropriate. Specifically, the Company obtained approval from the Special Committee after the Special Committee confirmed the rationality of the details, material assumptions, and preparation process of the business plan for the fiscal year ending March 2023 to the fiscal year ending March 2026 prepared by the Company (the “**Business Plan**”). In

addition, upon negotiations with Mitsui, the financial advisor of the Company took measures in accordance with the strategy for the negotiations deliberated and determined by the Special Committee in advance, and upon the receipt of the proposals on the Tender Offer Price from Mitsui, the Company immediately made reports to the Special Committee each time and took measures in accordance with instructions from the Special Committee.

Following this, the Company received a written report (the “**Report**”) from the Special Committee on January 13, 2023 stating that the Special Committee believes at present that if the Tender Offer is commenced, it is appropriate for the Company’s board of directors to resolve to express an opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer and that doing so would not be disadvantageous to the minority shareholders of the Company (for details of the Report, please refer to “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below).

(iii) Details of Decision-Making by the Company

Based on the above background, at its board of directors meeting held today, the Company carefully examined and discussed whether the Transactions, including the Tender Offer, would contribute to enhancing the corporate value of the 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 and the advice and the content of the report on the results of valuation of the Company Shares dated January 12, 2023 (the “**Share Valuation Report**”) received from SMBC Nikko Securities, and while respecting the determinations of the Special Committee stated in the Report to the maximum possible extent.

As a result, as stated below, the Company concluded that the Transactions would contribute to enhancing the corporate value of the Company.

As stated in “(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer” above, it is expected that the industry to which the Company Group belongs will continue to be strong due to structural factors such as decreases in the domestic working population in Japan. However, whether or not it is possible to acquire sufficient human resources for operations (in particular, site managers) due to strains on the labor market being greater than expected greatly affects receiving projects for large-scale operations, including spot business, and there is a trend wherein the provision of high-value-added services in fields such as consulting and IT is required due to an increasingly competitive environment caused by the rise of medium-scale BPO vendors and to the diversification of outsourcing needs. However, of the above issues, the increasingly competitive environment and labor market strains in particular are advancing faster than expected; therefore, it is urgent to create high added value and achieve differentiation by strengthening functions centered around the consulting and IT fields and to make reforms away from business models that depend on human resources by making use of digital technologies. In order for the Company to achieve its “Mid-term Management Plan 2023,” create a virtuous circle among client companies, consumers, and the Company’s employees, and achieve sustainable growth, it is

necessary to conduct reforms with a greater sense of speed, and for that purpose, the Company believes measures for growth by means such as collaboration with other companies are important. Active investments for that purpose are expected to have merits over the medium to long term and to contribute to enhancing the corporate value of the Company, but in the short term, it is possible that initial costs and investments will have an impact on the financial condition or performance of the Company, and it is therefore possible that the Company Group will not be satisfactorily evaluated by the capital market. Accordingly, as there are limits on making active investments while ensuring the interests of the minority shareholders of the Company, the Company determined on January 13, 2023 that the best method for enhancing the corporate value of the Company is to make active investments to drastically strengthen the Company's businesses and business foundation to respond to rapid changes in the environment by making the Tender Offerors the only shareholders of the Company and conducting the Management Integration through the Transactions implemented by the Tender Offerors and KDDI.

The specific synergies that the Company believes to be feasible through the Transactions are as follows.

(a) Expanded sales through strengthened business foundation

Making the Tender Offerors the only shareholders of the Company and conducting the Management Integration will avoid conflicts of interest between Mitsui and the Company's minority shareholders and the restrictions caused by ensuring independence and will make it possible for the Company to make more effective use of the customer bases, sales networks, and other resources of the Mitsui Group and KDDI Group. Through the integration with KDDI Evolva, the Integrated Company created from the Company and KDDI Evolva will achieve a sales volume as a domestic contact center business operator that the Company and KDDI Evolva would be unable to achieve on their own and will be able to jointly make effective use of resources such as contact centers and human resources, and the Company believes that this will strengthen the business foundation and make it possible to accelerate the expansion of its sales.

(b) Improved profitability through increased operational efficiency and increased productivity

The Company believes that making the Tender Offerors the only shareholders of the Company and conducting the Management Integration will make it possible to avoid conflicts of interest between Mitsui and the Company's minority shareholders and the restrictions caused by ensuring independence and to create an environment in which the Company's management personnel have flexibility in regard to investments that will benefit business, customers, employees, and local communities over the long term and decision-making on such investments. The Company believes that through the free transfer of management personnel and employees among the Integrated Company Group companies, it will be possible to engage in open information sharing, achieve service technology innovations, and support investment for intellectual property development, and the Company will thereby be able to further improve profitability through increased operational efficiency and increased productivity.

Additionally, the Company believes that it is also possible to improve profitability by consolidating the business locations and facilities of the Company and KDDI Evolva.

(c) Development and provision of services with even more value added

For future business growth, the Company believes that increasing the added value of services by means such as expanding its digital responses and consulting functions is an urgent issue, and the Company considered in-house production and the use of outside partners as measures to resolve that issue. By avoiding conflicts of interest between the Tender Offerors and the Company's minority shareholders and the restrictions caused by ensuring independence through making the Tender Offerors the only shareholders of the Company and conducting the Management Integration, the Company believes that it will become possible to make use of the know-how and resources of each company of the Mitsui Group and KDDI Group, thereby making it possible to develop and provide services with even higher added value.

(d) Reduced burden of continued listing costs and administrative division work

In order to comply with continued listing criteria of the new market segments and to respond to the revised Corporate Governance Code, the systems and operational burdens on the Company to maintain listing are increasing every year. By taking the Company Shares private through the Transactions, the Company believes these costs and operational burdens can be reduced.

Furthermore, the Company believes that after the Transactions, conflicts of interest between the Mitsui Group and KDDI Group and the Company's minority shareholders and the restrictions caused by ensuring independence can be avoided and that it will be possible to rapidly and smoothly collaborate with, and make efficient use of the management resources of, the Mitsui Group and KDDI Group as necessary from the perspective of medium- to long-term growth while contributing to enhancing the corporate value of the Mitsui Group, including the Company, and the KDDI Group over the medium to long term.

Additionally, the Company determined based on the following points that the Tender Offer Price of 1,465 yen per share is an appropriate price that ensures the interests of general shareholders and that the other terms of the Tender Offer are fair, and that therefore, the Tender Offer provides a reasonable opportunity for the Company's general shareholders to tender the Company Shares at an appropriate premium price.

(a) The Tender Offer Price was agreed through multiple and sufficient negotiations with the Tender Offerors, with the substantial involvement of the Special Committee, and with sufficient measures being taken to ensure the fairness of the terms of the Transactions including the Tender Offer Price as indicated in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

(b) Of the valuation results of the Company Shares in the Share Valuation Report, the Tender Offer Price exceeds the valuation of the Company Shares

calculated by the market price method and comparable listed company analysis method by SMBC Nikko Securities, as described in “(A) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Appraiser” in “(3) Matters Related to Valuation” below, and falls within the range of valuation of the Company Shares calculated by the discounted cash flow analysis (the “**DCF Analysis**”).

- (c) In the Transactions, although the Tender Offer Period is 20 business days (Note), which is the minimum period provided for in laws and regulations, there will be a long period of time from the announcement of the planned tender offer to its actual commencement, so an opportunity for the general shareholders to appropriately judge whether or not to tender their shares in the Tender Offer and an opportunity for tender offers for the Company Shares by persons other than the Tender Offerors have been ensured.

Note: Twenty business days in the U.S., which is the minimum required number of days for a tender offer period under the U.S. Securities Act, will be ensured as the tender offer period. Hereinafter the same applies to statements of business days for the tender offer period.

- (d) In the Transactions, although the minimum number of shares to be purchased in the Tender Offer is below the majority-of-minority level, because other sufficient measures to ensure fairness have been taken in the Transactions, the Company does not consider the minimum number of shares to be purchased not being set at a majority-of-minority level to harm the fairness of the Tender Offer.
- (e) In the Transactions, the money to be delivered to shareholders as consideration upon the Demand for Share Cash-Out (as defined in “(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”)” below) or Share Consolidation is planned to be calculated so that it is the same as the price obtained by multiplying the Tender Offer Price by the number of Company Shares owned by each shareholder (excluding the Company and the Tender Offerors), so an opportunity for the general shareholders to appropriately judge whether or not to tender their shares in the Tender Offer has been ensured, and consideration has thereby been given to avoid placing coercive pressure on shareholders.
- (f) The Special Committee judged that the Tender Offer Price and other terms of the Tender Offer are appropriate as stated in the Report, as indicated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” in “(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

Based on the above, the Company determined at its board of directors meeting held today that, as the current opinion of the Company, the Transactions would contribute to enhancing the corporate value of the Company and that the terms of the Transactions, including the Tender Offer Price, are appropriate and resolved that if the Tender Offer is commenced, the Company will express its opinion supporting the Tender Offer and

recommend that the shareholders of the Company tender their shares in the Tender Offer.

Additionally, the above board of directors meeting also resolved that when the Tender Offer is commenced, the Company will request the Special Committee established by the Company to consider whether or not there is any change in the opinion that the Special Committee expressed to the Company's board of directors on January 13, 2023 and to inform the Company's board of directors either that there is no change in that opinion or, if there is a change, of the new opinion, and based on that opinion, the Company will once again express its opinion in regard to the Tender Offer when the Tender Offer is commenced.

For the details of the decision-making process of the Company's board of directors, please refer to "(F) Approval of All Disinterested Directors of the Company and Opinion of All Disinterested Audit and Supervisory Board Members of the Company That They Have No Objection" in "(6) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest" below.

(3) Matters Related to Valuation

(A) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Appraiser

(i) Name of the Appraiser and Its Relationship with the Company, the Tender Offerors, KDDI, and KDDI Evolva

To ensure fairness in the decision-making regarding the Tender Offer Price presented by Mitsui, in relation to the announcement of its opinion on the Tender Offer Price, the Company asked SMBC Nikko Securities, its financial advisor and third-party appraiser independent of the Tender Offerors, KDDI, KDDI Evolva, and the Company, to conduct a valuation of the Company Shares and obtained the Share Valuation Report dated as of January 12, 2023. SMBC Nikko Securities is not a party affiliated with the Company, the Tender Offerors, KDDI, or KDDI Evolva and does not have a material interest in the Transactions, including the Tender Offer. Additionally, at the first meeting of the Special Committee, the Special Committee confirmed that there were no issues in regard to the independence or expertise of SMBC Nikko Securities and approved SMBC Nikko Securities as the Company's financial advisor and third-party appraiser. As the Company determined that measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest were taken and that the fairness of the Transactions was sufficiently ensured, the Company has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko Securities.

The fees payable to SMBC Nikko Securities for the Transactions include contingency fees to be paid subject to the successful completion of the Tender Offer. After taking into account matters including customary practices in similar kinds of transactions and the appropriateness of a compensation structure that would cause considerable financial burden to the Company in case the Transactions are not successfully completed, and deciding that the inclusion of contingency fees to be paid subject to the successful completion

of the Tender Offer would not deny the independence of SMBC Nikko Securities, the Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser under the compensation structure above.

Note: In preparing the Share Valuation Report, SMBC Nikko Securities has assumed that all of the materials and information on which the report is based are accurate and complete. SMBC Nikko Securities did not independently verify the accuracy and completeness thereof and bears no obligation or responsibility to do so. SMBC Nikko Securities has assumed that the Company is not aware of any fact or circumstance indicating that the information provided is inaccurate or misleading. SMBC Nikko Securities has not conducted an independent evaluation, appraisal, or assessment, nor has it made any request to a third-party institution for any evaluation, appraisal, or assessment, in connection with any assets or liabilities of the Company and its related companies. If any problem is found in regard to the accuracy or completeness of these materials and information, the valuation results could be significantly different. Furthermore, SMBC Nikko Securities has assumed that there are no undisclosed claims or liabilities relating to lawsuits, disputes, the environment, taxes, or other matters in regard to the Company and its related companies, no other contingent liabilities or off-the-book liabilities, and no other facts that would have a material effect on the Share Valuation Report. SMBC Nikko Securities has assumed that the business plans, etc. used in preparing the Share Valuation Report were prepared by the Company using reasonable and appropriate procedures based on the best forecasts and judgments possible on the valuation record date. Additionally, in cases where SMBC Nikko Securities engages in analysis in the Share Valuation Report under suppositions based on materials and information provided to it, SMBC Nikko Securities has assumed that the provided materials, information, and suppositions are accurate and reasonable. SMBC Nikko Securities did not independently verify the accuracy, appropriateness, or feasibility of these assumptions and bears no obligation or responsibility to do so. The results of the valuation by SMBC Nikko Securities were submitted by SMBC Nikko Securities to the Company at its request for the sole purpose of serving as a reference for the Company's board of directors to examine the Tender Offer Price, and those valuation results are not an expression of the opinion of SMBC Nikko Securities on the fairness of the Tender Offer Price.

(ii) Summary of Valuation

In relation to the announcement of its opinion on the Tender Offer, the Company asked SMBC Nikko Securities, its financial advisor and third-party appraiser independent of Mitsui, KDDI, KDDI Evolva, and the Company, to

conduct a valuation of the Company Shares and obtained the Share Valuation Report dated as of January 12, 2023.

SMBC Nikko Securities calculated the share value of the Company Shares using the following methods: (a) the market price method, because the Company Shares are listed on the Prime Market of the TSE and therefore have a market price, (b) the comparable listed company method, because there are several listed companies engaged in businesses relatively similar to the Company and analytical inference of the share value based on comparable listed companies is possible, and (c) the discounted cash flow analysis (the “**DCF Analysis**”), to reflect future business activity conditions of the Company in the calculation.

The value per Company Share calculated by SMBC Nikko Securities using each of the above methods is as follows.

Market price method: From 1,002 yen to 1,017 yen

Comparable listed company method: From 1,031 yen to 1,191 yen

DCF Analysis: From 1,376 yen to 2,843 yen

The range of values per Company Share obtained from the market price method is 1,002 yen to 1,017 yen, which is calculated based on 1,002 yen, 1,005 yen, and 1,017 yen, the simple average closing prices of the Company Shares on the Prime Market of the TSE over the one-month, three-month, and six-month periods, respectively, preceding the reference date of January 12, 2023, the business day immediately preceding the announcement date of the commencement of the Tender Offer. The range of values per Company Share obtained from the comparable listed company method is 1,031 yen to 1,191 yen, which is derived by evaluating the value of the Company Shares by comparison to financial indicators that indicate the market value, profitability, and other aspects of listed companies engaged in businesses relatively similar to the Company. The range of values per Company Share obtained from the DCF Analysis is 1,376 yen to 2,843 yen, which is derived by evaluating the corporate value and share value of the Company by discounting to the present value at a certain discount rate the free cash flow that the Company is expected to generate from the third quarter of the fiscal year ending March 2023 based on various factors such as the Business Plan prepared by the Company and publicly available information. The Business Plan prepared by the Company and used by SMBC Nikko Securities in the calculation via the DCF Analysis does not include any fiscal year in which significant increases or decreases in profits year-on-year are expected. The expected synergies achieved by carrying out the Transactions are not reflected in financial forecasts because it is difficult to make a detailed estimate as of January 13, 2023. In the “Mid-term Management Plan 2023,” the Company has announced performance targets for the fiscal year ending March 2024, the last fiscal year of the plan, of 135.0 billion yen in consolidated net sales and 12.0 billion yen in operating profit. However, in regard to the progress of the plan as of the preparation of the Share Valuation Report, although the strengthening of the business foundation and improvement of business

operation quality are steadily progressing, there are delays in the expansion of basic operations in Japan and improvements in profitability, and although overseas subsidiaries are achieving business expansion supported by steady demand, there are issues regarding profitability due to factors such as a substantial increase in local personnel costs. Based on the above circumstances, the Company has estimated consolidated net sales to be approximately 132.4 billion yen and operating profit to be approximately 9.2 billion yen for the fiscal year ending March 2024.

The figures of the Company's financial forecasts (Consolidated), which were used as a basis for calculating the share value in the DCF Analysis, are as indicated below.

(Unit: million yen)

	FY ending March 2023 (October 2022 to March 2023)	FY ending March 2024	FY ending March 2025	FY ending March 2026
Net sales	66,942	132,356	139,094	147,865
Operating profit	4,908	9,234	10,531	12,227
EBITDA	6,613	12,546	13,942	15,798
Free cash flow	3,456	6,995	7,318	8,843

(B) Procurement by the Tender Offerors of a Share Valuation Report from an Independent Financial Advisor and Third-Party Appraiser

(i) Name of the Appraiser and Its Relationship with the Company and the Tender Offerors

In determining the Tender Offer Price, Mitsui asked Nomura Securities, its financial advisor and third-party appraiser independent of the Tender Offerors, KDDI, KDDI Evolva, and the Company, to conduct a valuation of the Company Shares. Nomura Securities is not a party affiliated with the Tender Offerors, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Management Integration, including the Tender Offer.

(ii) Summary of Valuation

Nomura Securities considered the methods to be used for calculating the share value of the Company Shares from among multiple share value calculation methods and ultimately calculated it using the following methods based on the premise that the Company is a going concern and the determination that it would be appropriate to evaluate the Company Shares from various aspects: (a) the average market price method, because the Company Shares are listed on the Prime Market of the TSE and therefore have a market price, (b) the comparable company method, because there are several listed companies it can compare the Company to and analytical inference of the share value of

the Company Shares based on comparable companies is possible, and (c) the DCF Analysis, to reflect future business activity conditions of the Company in the calculation. Mitsui obtained a share valuation report dated as of January 13, 2023 from Nomura Securities (the “**Mitsui Share Valuation Report**”). Mitsui has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities as Mitsui believes that sufficient consideration has been given to the interests of the Company’s minority shareholders because the Tender Offerors have taken measures to ensure the fairness of the Tender Offer and measures to avoid conflicts of interest.

According to the Mitsui Share Valuation Report, the range of values per Company Share calculated by each of the above methods used is as follows.

Average market price method: From 973 yen to 1,017 yen

Comparable company method: From 925 yen to 1,318 yen

DCF Analysis: From 1,233 yen to 2,339 yen

The range of values per Company Share obtained from the average market price method is 973 yen to 1,017 yen, which is evaluated based on 974 yen, the closing price of Company Shares quoted on the Prime Market of the TSE as of the evaluation reference date of January 12, 2023, 973 yen, the simple average of the closing prices of the Company Shares over the five-day period preceding that date (January 5, 2023 to January 12, 2023), 1,002 yen, the simple average of the closing prices of the Company Shares over the one-month period preceding that date (December 13, 2022 to January 12, 2023), 1,005 yen, the simple average of the closing prices of the Company Shares over the three-month period preceding that date (October 13, 2022 to January 12, 2023), and 1,017 yen, the simple average of the closing prices of the Company Shares over the six-month period preceding that date (July 13, 2022 to January 12, 2023).

The range of values per Company Share obtained from the comparable company method is 925 yen to 1,318 yen, which is derived by evaluating the value of the Company Shares by comparison of financial indicators that indicate the market value, profitability, and other aspects of listed companies engaged in businesses that are relatively similar to the Company.

The range of values per Company Share obtained from the DCF Analysis is 1,233 yen to 2,339 yen, which is derived by evaluating the Company’s share value as calculated by discounting to the present value at a certain discount rate the cash flow that the Company is expected to generate from the third quarter of the fiscal year ending March 2023 based on the Company’s estimated future earnings that were adjusted by the Tender Offerors on the basis of the Business Plan as well as other factors such as publicly available information. The future financial forecasts of the Company on which the DCF Analysis is based do not include any fiscal years in which a significant increase or decrease in profits is expected.

The Tender Offer Price of 1,465 yen includes a premium of 50.41% on 974 yen, the closing price of the Company Shares on the Prime Market of the TSE on January 12, 2023, the business day immediately preceding the announcement date of the commencement of the Tender Offer, a premium of 46.21% on 1,002 yen, the simple average closing price for the preceding one-month period, a premium of 45.77% on 1,005 yen, the simple average closing price for the preceding three-month period, and a premium of 44.05% on 1,017 yen, the simple average closing price for the preceding six-month period.

Note: In calculating the value of the Company Shares, Nomura Securities assumed the accuracy and completeness of the publicly available information and all the information provided to Nomura Securities and did not independently verify the accuracy or completeness of such information. Nomura Securities did not conduct an independent assessment, valuation, or appraisal of any assets or liabilities (including derivatives, off-balance sheet assets and liabilities, and other contingent liabilities) of the Company or its affiliates, including any analysis or evaluation of individual assets and liabilities, nor did Nomura Securities make any request to a third-party valuation agency for any such valuation or appraisal. Nomura Securities assumed that the Company's financial forecasts (including profit plans and other information) were reasonably considered or prepared based on the best projections and judgments made in good faith that were then available to the management of Mitsui and the Company. The calculation by Nomura Securities reflects the information available to it and the economic conditions as of January 12, 2023. The sole purpose of the calculation by Nomura Securities is for the board of directors of Mitsui to use the calculation results as a reference for considering the value of the Company Shares.

(4) Prospects and Reasons for Delisting

The Company Shares are currently listed on the Prime Market of the TSE as of today. However, since the Tender Offerors have not set a maximum number of shares to be purchased in the Tender Offer, the Company Shares may be delisted through prescribed procedures in accordance with the delisting criteria of the TSE, depending on the results of the Tender Offer.

Additionally, even in the case that the delisting criteria are not met upon successful completion of the Tender Offer, the Tender Offerors plan to carry out the Squeeze-Out Procedures for the purpose of making the Tender Offerors the only shareholders of the Company as stated in “(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”)” below upon the successful completion of the Tender Offer, in which case the Company Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the TSE. After delisting, the Company Shares will be unable to be traded on the Prime Market the TSE.

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

As set out in “(A) Outline of the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, if the Tender Offeror is unable to acquire all of the Company Shares (however, excluding the Company Shares held by Mitsui and the treasury shares held by the Company) in the Tender Offer, the Tender Offerors intend, after the successful completion of the Tender Offer, to carry out a series of procedures for the purpose of making the Tender Offerors the only shareholders of the Company by the following methods.

Specifically, if, as a result of the successful completion of the Tender Offer, the total number of voting rights in the Company owned by the Tender Offerors becomes 90% or more of the number of the voting rights of all shareholders of the Company, as stated above, Mitsui intends to, promptly after the completion of the settlement of the Tender Offer, make a demand to all of the shareholders of the Company (excluding the Tender Offerors and the Company) who did not tender their shares in the Tender Offer (the “**Selling Shareholders**”) to sell all of the Company Shares they hold (the “**Demand for Share Cash-Out**”) under the provisions of Article 179, paragraph (1) of the Companies Act. Money equal to the amount of the Tender Offer Price is to be delivered to the Selling Shareholders in the Demand for Share Cash-Out as consideration for each Company Share. In that case, Mitsui will notify the Company to that effect and request approval from the Company for the Demand for Share Cash-Out. If the Company approves the Demand for Share Cash-Out by a resolution of its board of directors, Mitsui intends to acquire all of the Company Shares held by the Selling Shareholders as of the acquisition date stated in the Demand for Share Cash-Out without requiring any individual approval of the Selling Shareholders in accordance with procedures prescribed in applicable laws and regulations. Mitsui intends to deliver an amount of cash consideration equal to the Tender Offer Price per Company Share to each of the Selling Shareholders in exchange for the Company Shares held by the Selling Shareholders. If the Company receives a notification of the Demand for Share Cash-Out from Mitsui stating the matters provided for in the items of Article 179-2, paragraph (1) of the Companies Act, the Company’s board of directors intends to approve the Demand for Share Cash-Out by Mitsui.

As provisions to protect the rights of general shareholders in relation to the above procedures, it is stipulated in the Companies Act that any of the Selling Shareholders may file a petition with a court for determination of the purchase price of its Company Shares in accordance with the provisions of Article 179-8 of the Companies Act and other applicable laws and regulations. If the above petition is filed, the purchase price will ultimately be determined by the court.

However, if, despite the successful completion of the Tender Offer, the total number of voting rights in the Company owned by the Tender Offerors does not become 90% or more of the number of voting rights of all shareholders of the Company, the Tender Offerors will promptly after the completion of the settlement of the Tender Offer request the Company to schedule to hold an extraordinary shareholders’ meeting (the “**Extraordinary Shareholders’ Meeting**”) around late May 2023 to early June 2023 at which a consolidation of the Company Shares pursuant to Article 180 of the Companies Act (the “**Share Consolidation**”) and a partial amendment to the Company’s articles of incorporation that would abolish the share unit number provisions on the condition that the Share Consolidation becomes effective will be

proposed. The Tender Offerors believe that from the perspective of enhancing the corporate value of the Company, it is desirable to hold the Extraordinary Shareholders' Meeting as soon as possible and therefore plan to request the Company during the Tender Offer Period to make public notice of the establishment of a record date so that the record date for the Extraordinary Shareholders' Meeting is a day soon after the commencement of the settlement of the Tender Offer. The Company intends to comply with these requests by the Tender Offerors if the Tender Offer is successfully completed. The Tender Offerors intend to approve each of the above proposals at the Extraordinary Shareholders' Meeting. If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the shareholders of the Company will, on the effective date of the Share Consolidation, hold the number of Company Shares proportionate to the ratio of the Share Consolidation. If, due to conducting the Share Consolidation, the number of shares each shareholder receives includes a fraction less than one share, such shareholders will receive an amount of cash obtained by selling the Company Shares equivalent to the total sum of the fractions less than one share (with such aggregate sum rounded down to the nearest whole number) to the Tender Offerors as per the procedures specified in Article 235 of the Companies Act and other applicable laws and regulations. The purchase price for the number of shares equivalent to the total sum of the fractions less than one share in the Company Shares will be valued so that the amount of cash received by each shareholder who did not tender its shares in the Tender Offer (excluding the Tender Offerors and the Company) as a result of the sale will be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares held by each such shareholder. The Tender Offerors intend to request the Company to file a petition to the court for permission to sell such Company Shares on this basis. As provisions to protect the rights of general shareholders in connection to the Share Consolidation, the Companies Act provides that if the Share Consolidation occurs and there is a fraction less than one share as a result thereof, each shareholder may request that the Company purchase all such shares that will be a fraction less than one share at a fair price, and such shareholders may file a petition to the court to determine the price of the Company Shares in accordance with Articles 182-4 and 182-5 of the Companies Act and other applicable laws and regulations. If such a petition is filed, the purchase price will ultimately be determined by the court.

The ratio of the Share Consolidation is undecided as of today, but the Tender Offerors intend to request the Company to decide the ratio based on the number of Company Shares held by the Tender Offerors after the Share Consolidation so that the Tender Offerors hold all of the Company Shares (however, excluding the treasury shares held by the Company).

With regard to each of the above procedures, it is possible that, depending on factors such as amendments to or the implementation and interpretation of the relevant laws and regulations by authorities, it will require time to implement the procedures, or the methods of implementation may be altered. However, even in such case, upon successful completion of the Tender Offer, it is intended that a method will be used whereby the shareholders of the Company who do not tender their shares in the Tender Offer (excluding the Tender Offeror and the Company) will ultimately receive cash consideration equal to the number of Company Shares held by such shareholders of the Company multiplied by the Tender Offer Price in exchange for their shares. If a petition for determination of the sale price regarding the Demand for Share Cash-Out or determination of a price regarding a share purchase demand in relation to the Share

Consolidation is filed, the court will ultimately determine the sale price of the Company Shares or a price regarding the share purchase demand. The specific details and expected timing for the procedures described above will be determined through consultation with the Company and then promptly announced by the Company.

Additionally, if the Squeeze-Out Procedures are expected to be completed by June 30, 2023, the Tender Offerors plan to request the Company to partially amend the articles of incorporation to abolish the provisions with respect to the record date for voting rights at the annual general meeting of shareholders so that the Tender Offerors are the only shareholders entitled to exercise their rights at the annual general meeting of the Company pertaining to the fiscal year ending March 2023 (the “**Annual General Meeting**”), subject to the completion of the Squeeze-Out Procedures. Therefore, the shareholders stated or recorded in the shareholder register of the Company as of March 31, 2023 may not be able to exercise their rights at the Annual General Meeting.

The Tender Offer is not intended in any way to solicit the support of the shareholders of the Company at the Extraordinary Shareholders’ Meeting. Additionally, all shareholders of the Company are solely responsible for seeking advice from certified public tax accountants or other specialists with regard to the tax consequences of tendering their shares in the Tender Offer or the procedures outlined above.

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

As of today, the Company is not a subsidiary of the Tender Offerors, so the Tender Offer does not constitute a tender offer by a controlling shareholder; however, as of today, Mitsui holds 23,707,200 Company Shares (ownership ratio: 36.56%), and the Company is an equity-method affiliate of Mitsui. As the Transactions constitute an acquisition of an equity-method affiliate by Mitsui, the Company’s leading shareholders and one of its major shareholders, in consideration of the fact that there is a risk of the process of the Company’s examination of the Transactions being impacted by structural conflict of interest issues and issues involving information asymmetry with general shareholders, the fact that of the Company’s eight directors, three have been employees of Mitsui within the past ten years (Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga) and one concurrently serves as an employee of Mitsui at present (Mr. Isao Kohiyama), and the fact that of the Company’s four audit and supervisory board members, one has been an employee of Mitsui within the past ten years (Mr. Toshiaki Maruoka), in the Transactions including the Tender Offer, the Tender Offerors and the Company have taken the measures stated in (A) to (H) below from the perspectives of ensuring the fairness of the Tender Offer from the stage thereof, eliminating arbitrariness in regard to the decision-making regarding the Transactions, ensuring fairness, transparency, and objectivity in the decision-making process, and avoiding the suspicion of conflicts of interest.

Statements below regarding measures implemented by the Tender Offerors are based on explanations received from the Tender Offerors. Additionally, the Tender Offerors have not set the minimum number of shares to be purchased in the Tender Offer at a majority-of-minority level because they consider that setting the tendering of a majority of minority of shares as a condition for the successful completion of the Tender Offer would make the successful completion thereof uncertain and therefore possibly not contribute to the interests of minority shareholders who wish to tender their shares in the Tender Offer. However, the Tender Offerors believe that sufficient

consideration has been given to the interests of the Company's general shareholders through the measures stated in (A) to (H) below.

(A) Procurement by the Tender Offerors of a Share Valuation Report from an Independent Third-Party Appraiser

In order to ensure the fairness of the Tender Offer Price, in determining the Tender Offer Price, Mitsui requested Nomura Securities, which is Mitsui's financial advisor and third-party appraiser independent of the Tender Offerors, KDDI, KDDI Evolva, and the Company, to calculate the value of the Company Shares. Nomura Securities is not a party affiliated with the Tender Offerors, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Management Integration, including the Tender Offer.

Nomura Securities considered the methods to be used for calculating the share value of the Company Shares from among multiple share value calculation methods and ultimately calculated it using the following methods based on the premise that the Company is a going concern and the determination that it would be appropriate to evaluate the Company Shares from various aspects: (a) the average market price method, because the Company Shares are listed on the Prime Market of the TSE, (b) the comparable company method, because there are several listed companies it can compare the Company to and analytical inference of the share value of the Company Shares based on comparable companies is possible, and (c) the DCF Analysis, to reflect future business activity conditions of the Company in the calculation. Mitsui obtained the Mitsui Share Valuation Report from Nomura Securities. Mitsui has not obtained an opinion on the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities as Mitsui believes that sufficient consideration has been given to the interests of the Company's minority shareholders because the Tender Offerors have taken measures to ensure the fairness of the Tender Offer and measures to avoid conflicts of interest.

For details of the Mitsui Share Valuation Report obtained by Mitsui from Nomura Securities, please refer to "(B) Procurement by the Tender Offerors of a Share Valuation Report from an Independent Financial Advisor and Third-Party Appraiser" in "(3) Matters Related to Valuation" above.

(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee

(i) Circumstances Leading to the Establishment of the Special Committee, etc.

As described in "(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer" in "(2) Grounds and Reasons for the Opinion on the Tender Offer" above, the Company established the Special Committee pursuant to a resolution at the meeting of the board of directors held on August 27, 2022. However, from late July 2022, prior to establishing the Special Committee, and for the purpose of establishing a system to examine, negotiate, and make decisions on the Transactions in terms of enhancing the Company's corporate value and ensuring the interests of the Company's general shareholders from a standpoint independent from Mitsui, KDDI, and KDDI Evolva, the Company, with advice from Mori

Hamada & Matsumoto, individually provided all independent outside directors and independent outside audit and supervisory board members of the Company who do not have a material interest in Mitsui, KDDI, KDDI Evolva, and the Transactions an explanation to the effect that the Company had received the Proposal and that it was necessary to implement sufficient measures to ensure the fairness of the terms pertaining to the Transactions, such as the establishment of a Special Committee, when examining and negotiating on the Transactions, given that the Transactions do not constitute an acquisition of a controlled company by the controlling shareholder but may involve structural conflict of interest issues and information asymmetry issues. Concurrently, and with advice from Mori Hamada & Matsumoto, the Company examined the candidates for the members of the Special Committee. Subsequently, the Company confirmed that the candidates for the members of the Special Committee were independent of Mitsui, KDDI, and KDDI Evolva and that they did not have a material interest in the consummation of the Transactions that did not align with those of general shareholders. Following this, the Company held discussions with its independent outside directors and independent outside audit and supervisory board members stated above, and in order to ensure a balance of knowledge, experience, and ability within the Special Committee and to adequately size the Special Committee, the Company selected three members (namely, Mr. Naonori Kimura, Mr. Junichi Kishigami, and Ms. Rika Kawaguchi) as candidates for the members of the Special Committee, while receiving advice from Mori Hamada & Matsumoto (the membership of the Special Committee has not changed since its establishment; in addition, remuneration of the members of the Special Committee will be paid in a fixed amount as consideration for their duties regardless of the matters reported by them, and the Company has not adopted a contingent fee system).

Subsequently, as described in “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the Company established the Special Committee pursuant to a resolution at the meeting of its board of directors held on August 27, 2022 and consulted with the Special Committee on the Consulted Matters.

In addition, when establishing the Special Committee, the Company’s board of directors resolved that (i) the decision-making of the Company’s board of directors with respect to the Transactions will respect the content of the Special Committee’s judgment to the maximum possible extent and that (ii) if the Special Committee judges the terms of the Transactions to be inappropriate, the Company’s board of directors will not approve the Transactions under those terms. The Company’s board of directors further resolved to grant the Special Committee the authority (i) to be substantially involved in the process of negotiations conducted by the Company with Mitsui, KDDI, and KDDI Evolva (including issuing instructions and making requests in regard to policies for negotiations with Mitsui, KDDI, and KDDI Evolva and the Special Committee itself conducting negotiations with Mitsui, KDDI, and KDDI Evolva), (ii) to appoint its own financial, legal, or other advisors as necessary when making the report on the Consulted Matters (in which case fees will be borne by the Company) and to designate or approve

the financial, legal, or other advisors of the Company (including approval after the fact), (iii) to receive as necessary from officers and employees of the Company the information necessary to examine and make determinations regarding the Transactions, and (iv) to conduct other matters that the Special Committee determines necessary when examining and making determinations regarding the Transactions.

Of the eight directors of the Company, Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga have held positions at Mitsui in the past, and Mr. Isao Kohiyama concurrently serves as an employee of Mitsui; accordingly, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, the four directors of the Company other than the four directors stated above (namely, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa, and Mr. Naonori Kimura) deliberated and passed a resolution as stated above by unanimous approval at the Company's board of directors meeting stated above. All audit and supervisory board members other than Mr. Toshiaki Maruoka and Mr. Shinichiro Kamada expressed their opinions that they have no objection to the resolution stated above at the Company's board of directors meeting stated above. Since Mr. Toshiaki Maruoka, a full-time audit and supervisory board member of the Company, has held a position at Mitsui in the past, and Mr. Shinichiro Kamada, an outside audit and supervisory board member of the Company, concurrently holds a position at Central Security Patrols, a shareholder of the Company, they did not attend the Company's board of directors meeting stated above and refrained from expressing their opinions from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions.

There is a possibility that the four directors who did not participate in the resolution, namely, Mr. Takashi Amino, Mr. Seiji Ishigaki, Mr. Hiroyuki Koga, and Mr. Isao Kohiyama, do not have special interests provided for in the Companies Act 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. Hiroyuki Koga (who, of the three directors who held positions at Mitsui in the past, has ceased to be employed by Mitsui three years ago) deliberated and again took a vote on that proposal and passed a resolution by unanimous approval. All audit and supervisory board members other than Mr. Toshiaki Maruoka and Mr. Shinichiro Kamada expressed their opinions that they have no objection to the resolution stated above at the Company's board of directors meeting stated above. Since Mr. Toshiaki Maruoka, a full-time audit and supervisory board member of the Company, held a position at Mitsui in the past, and Mr. Shinichiro Kamada, an outside audit and supervisory board member of the Company, concurrently holds a position at Central Security Patrols, a shareholder of the Company, they did not attend the Company's board of directors meeting stated above and refrained from expressing their opinions from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions.

(ii) Process of Examination

The Special Committee held 16 meetings for around 19.5 hours in total during the period from September 2, 2022 to January 13, 2023 and performed its duties in regard to the Consulted Matters by, among other actions, giving reports, sharing information, deliberating, and making decisions.

The Special Committee confirmed that there are no issues with respect to the independence and expertise of SMBC Nikko Securities, the Company's financial advisor and third-party appraiser, and approved its appointment. In addition, the Special Committee approved the appointment of Mori Hamada & Matsumoto, the Company's legal advisor, after confirming that it is not a party affiliated with Mitsui, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Transactions, including the Tender Offer.

Furthermore, as stated in “(E) Establishment by the Company of an Independent Examination System” below, the Special Committee confirmed that there is no concern with respect to the internal system for examining the Transactions (including the scope of officers and employees of the Company involved in examining, negotiating, and making decisions regarding the Transactions and the duties thereof) established by the Company from the perspectives of independence and fairness.

Subsequently, the Special Committee examined measures that should be taken to ensure the fairness of procedures in the Transactions, taking into account the opinions obtained from Mori Hamada & Matsumoto. Additionally, the Special Committee received an explanation from the Company regarding the details, material assumptions, and process of preparation of the Business Plan prepared by the Company and confirmed and approved the rationality of those elements, taking into account the advice received from SMBC Nikko Securities.

The Special Committee received explanations from the Company about matters such as the purpose and significance of the Transactions and the Management Integration and effects on the Company's business to be caused by the Transactions and the Management Integration and held question-and-answer sessions regarding these matters. The Special Committee presented questions to Mitsui and held question-and-answer sessions with Mitsui through interviews about matters such as the purpose and background of the Transactions and the Management Integration and the management policy after the Transactions and the Management Integration.

Furthermore, as stated in “(A) Procurement by the Company of a Share Valuation Report from an Independent Third-Party Appraiser” in “(3) Matters Related to Valuation” above, SMBC Nikko Securities calculated the value of the Company Shares based on the Business Plan. The Special Committee received an explanation on the valuation methods for calculating the value of the Company Shares conducted by SMBC Nikko Securities, the reason for using those valuation methods, and the details of calculations and major assumptions for each valuation method and confirmed the rationality of those

matters after holding question-and-answer sessions as well as deliberation and examination regarding those matters.

Additionally, the Special Committee deliberated on and examined the Company's negotiations with Mitsui by receiving reports from the Company and SMBC Nikko Securities when appropriate and stated its necessary opinions on the Company's policies for negotiation as appropriate. Specifically, upon a proposal from Mitsui on the Tender Offer Price being received, the Special Committee received a report on each proposal. After receiving analysis and opinions from SMBC Nikko Securities on policies for responding to those proposals and policies for negotiations with Mitsui, the Special Committee reviewed those proposals based on advice from a financial standpoint received from SMBC Nikko Securities. Based on the foregoing, the Special Committee stated its opinions on the matters that need to be discussed with Mitsui to achieve the significance and purpose of the Transactions from the standpoint of the Company and was involved throughout the entire course of discussions and negotiations between the Company and Mitsui on the terms of the Transactions including the Tender Offer Price. As a result, the Company received a proposal from Mitsui on January 11, 2023 to set the Tender Offer Price at 1,465 yen per share, and, through a total of five negotiations, succeeded in raising the Tender Offer Price by 12.69% from the initially offered price.

Furthermore, the Special Committee has received multiple explanations from Mori Hamada & Matsumoto regarding the content of this press release with respect to the Tender Offer, which is to be announced or released by the Company, and has confirmed that appropriate information will be disclosed.

(iii) Determinations

Based on the above, the Special Committee carefully examined and discussed the Consulted Matters taking into consideration the legal advice received from Mori Hamada & Matsumoto, the advice from SMBC Nikko Securities, and the content of the Share Valuation Report that it received on January 12, 2023. As a result, on January 13, the Special Committee submitted the Report as summarized below to the Company's board of directors based on the unanimous opinion of the committee members.

(a) Matters reported

- i. The Special Committee considers it appropriate for the Company's board of directors to express an opinion supporting the Tender Offer and to express an opinion recommending that the shareholders of the Company tender their shares in the Tender Offer.
- ii. The Special Committee considers that the decisions of the Company's board of directors regarding the Transactions (the decision to express an opinion supporting the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer, and decisions regarding the Squeeze-Out Procedures) are not disadvantageous to the minority shareholders of the Company.

- (b) Reasons for giving the above opinions in the Report
- i. The Special Committee considers that the Transactions would contribute to enhancing the corporate value of the Company and that the purpose of the Transactions is appropriate based on the following matters.
- The Special Committee has received explanations from Mitsui and KDDI such as that: (1) by combining the functions of the Company Group and KDDI Group through the Transactions for the purpose of the Management Integration, they believe that the Integrated Company will be able to promote the provision of support services for customer business processes through digital BPO and aim to further increase its presence in the BPO industry; (2) additionally, through the Transactions, they believe it will be possible for the Integrated Company to achieve matters such as reducing various costs and appropriately allocating operating staff by means such as bringing together the business operation information of the Company and KDDI Evolva and integrating sales functions; (3) it will be possible to promote the business development of the entire Integrated Company Group through the Company and KDDI Evolva providing services to each other's existing customers; (4) by establishing foundations in the Integrated Company for the centralized management and utilization of data scattered across the cloud environment, they believe it will be possible to reduce costs through increased efficiency in contact center business operations and to increase sales through externally selling cloud integration foundations; and (5) the possible dis-synergies that can be anticipated due to the Transactions are (i) the possibility of the loss of some sales to the Company's current customers who belong to telecommunication carrier groups other than the KDDI Group, (ii) the possibility that sales to multi-vendor customers (in cases where both the Company and KDDI Evolva are providing services to those customers) will decrease due to changes in agreement terms, (iii) the possibility that selling, general, and administrative expenses will increase due to the integration of personnel systems, and (iv) the possibility of personnel departures due to the Management Integration, but the dis-synergy stated in (i) does not necessarily mean that all sales to customers who belong to telecommunication carrier groups other than the KDDI Group will be lost, and Mitsui and KDDI believe that the synergies of the Management Integration exceed the dis-synergies stated in (i) to (iv).
 - In response to the above, the Special Committee has received explanations from the Company such as that: (1) the Company believes that through the Transactions for the purpose of the Management Integration, it will become possible for the Company to make more effective use of the customer bases, sales

networks, and the like of the Mitsui Group and KDDI Group and that it will be possible to accelerate the strengthening of the business foundation and expansion of sales by jointly making effective use of resources such as contact centers and human resources; (2) the Company believes that it will be possible to further improve profitability through increased flexibility in decision-making by management personnel, increased operational efficiency, and increased productivity; (3) the Company believes that it will be able to develop and provide services with high added value by utilizing the know-how and resources of each company of the Mitsui Group and KDDI Group; (4) the Company believes that the costs and operational burdens for maintaining listing can be reduced by taking the Company Shares private through the Transactions; and (5) as a dis-synergy anticipated due to the Transactions, although it is possible that some sales to the Company's current customers who are telecommunication carriers, or belong to the groups thereof, other than the KDDI Group will be lost, the Company plans to take measures such as continuing sales efforts to maintain and expand transaction relationships with existing transaction partners, and through those measures, the Company believes that transactions with customers who are telecommunication carriers, or belong to the groups thereof, other than the KDDI Group will not necessarily all be terminated.

- Additionally, as the main business of the Company Group is labor intensive, if talented human resources or a large number of employees depart due to the Management Integration, it is possible that the corporate value of the Company Group will be significantly damaged; however, in regard to matters such as the operation and personnel affairs of, and employee treatment by, the Integrated Company after the Management Integration, (1) from Mitsui and KDDI, the Special Committee has received explanations such as that (i) it is anticipated that the Company and KDDI Evolva will jointly and independently form the corporate philosophy of the Integrated Company and that in the process of accelerating the understanding of both companies' corporate cultures, the superior aspects of each company will be maintained in the Integrated Company, (ii) they plan to continue the employment of the Company Group's employees after the Management Integration and do not anticipate a reduction in employment, and they believe that talented human resources should be promoted to important positions regardless of which company they originally belonged to, (iii) the Management Integration, which is the purpose of the Transactions, is an integration based on a spirit of equality between the Company and KDDI Evolva, regardless of the voting rights ratios of Mitsui and KDDI in the Integrated Company, (iv) it is anticipated that while the Integrated Company will discuss its management policy with Mitsui and KDDI, it will determine that policy independently, and (v) they plan to seek the optimal schedule for integrating various

systems relating to personnel affairs; (2) from the Company, the Special Committee has received explanations such as that the Company confirmed and examined the details of the corporate cultures of the Company and KDDI Evolva and the compatibility between those cultures through various meetings between the representatives and division-head-level officers and employees of both companies, but the Company believes that the corporate cultures of the companies cannot be said to be dissimilar in nature and would likely not hinder the Management Integration, in addition to which from the perspective of maintaining and enhancing corporate value (including preventing the departure of talented human resources or large numbers of employees), the Company plans to promote efforts to sweep away the worries of its employees when conducting the Management Integration.

- Based on the above, as a result of careful deliberation and examination, the Special Committee considers that the Transactions would contribute to enhancing the corporate value of the Company and are appropriate because the explanations of Mitsui, KDDI, and the Company regarding matters such as the synergies and dis-synergies in the Transactions are not unreasonable, the synergies centered around increasing competitiveness by promoting digital BPO can be considered to exceed the dis-synergies including the loss of telecommunication carrier customers other than KDDI, and it can be considered that the corporate value of the Company Group will not be significantly harmed due to causes such as the departure of talented human resources or large numbers of employees due to the Management Integration.
- ii. The Special Committee considers that appropriate procedures have been taken from the perspective of the interests of the general shareholders of the Company in the Transactions based on the following matters.
- The Special Committee finds that a special committee independent of the Tender Offerors, KDDI, KDDI Evolva, and the Company was established by the Company and functioned effectively.
 - The Company has received expert advice from Mori Hamada & Matsumoto, whom the Special Committee approved as the Company's legal advisor after confirming that it is not a party affiliated with Mitsui, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Transactions including the Tender Offer.
 - The Company has received advice, opinions, and the like from a financial perspective and has obtained the Share Valuation Report from SMBC Nikko Securities, whom the Special Committee approved as the Company's financial advisor and third-party appraiser after confirming that there were no issues in regard to its independence or expertise.

- The Company established an examination system composed of three people (one director of the Company (Mr. Norihiko Koshida) and two employees of the Company), none of whom have ever held positions as officers or employees of Mitsui, KDDI, or KDDI Evolva, and that system negotiated on the terms of the Transactions, including the Tender Offer Price in the Tender Offer, and prepared the Business Plan, which is used as a basis for the valuation of the Company Shares. In principle, no officers or employees of the Company who concurrently serve at present as officers or employees of the Mitsui Group or who have held such positions in the past (including Mr. Takashi Amino, Mr. Seiji Ishigaki, Mr. Hiroyuki Koga, and Mr. Isao Kohiyama, who are directors of the Company) have been involved.
- Of the directors of the Company, Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga have held positions with Mitsui in the past, and Mr. Isao Kohiyama concurrently serves as an employee of Mitsui, and of the audit and supervisory board members of the Company, Mr. Toshiaki Maruoka has held a position with Mitsui in the past, and Mr. Shinichiro Kamada concurrently serves as an officer of Central Security Patrols, a shareholder of the Company. Accordingly, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, from the date of the board of directors meeting that established the Special Committee until today, those directors and audit and supervisory board members have not participated in the deliberations and examination by the Company's board of directors regarding the Transactions (as an exception, in order to ensure a quorum, immediately after the deliberations and resolution by a board of directors meeting composed of the directors excluding Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga, another board of directors meeting was held, and Mr. Hiroyuki Koga only participated in the resolution thereof) or in discussions and negotiations regarding the Transactions on behalf of the Company.
- The Company has not agreed with the Tender Offerors, KDDI, or KDDI Evolva to any transaction protection clause that prohibits the Company from contacting any person other than the Tender Offeror ("**Competing Acquisition Offerors**") or made any other agreement on any matter that would restrict Competing Acquisition Offerors from contacting the Company. Additionally, although the Tender Offer Period is 20 business days, the Tender Offerors announced on January 13, 2023 their plan to commence the Tender Offer and aim to commence the Tender Offer in March 2023 after certain conditions precedent, including the completion of procedures necessary under competition laws, have been fulfilled, so it will take approximately two months until the Tender Offer is commenced; therefore, an opportunity for acquisition offers from other

acquirers has been ensured by ensuring a period of two months or more during which competing proposals can be made from the announcement of the Tender Offer until the end of the tender offer period.

- A majority-of-minority condition is not planned to be set in the Tender Offer, but as other sufficient measures to ensure fairness have been taken in the Transactions, the Special Committee considers that not setting a majority-of-minority condition in the Tender Offer does not harm the fairness of procedures in the Tender Offer.
 - The Special Committee finds that an opportunity for general shareholders to make appropriate judgments based on sufficient information in regard to the Tender Offer is planned to be ensured.
 - As it is planned that in the Transactions, the Squeeze-Out Procedures will be conducted soon after the completion of the Tender Offer, that the amount of money delivered to shareholders in those procedures will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of Company Shares held by each shareholder, and that it will be expressly stated in press releases or by other means that the Squeeze-Out Procedures will be performed in compliance with the Companies Act and other related laws and regulations, it can be said that consideration has been given to avoid placing coercive pressure on the Company's shareholders in regard to the Transactions and that the lawfulness of the Squeeze-Out Procedures has been ensured.
- iii. The Special Committee considers that the appropriateness of the terms of the Transactions, such as the tender offer price, has been ensured based on the following matters.
- The Special Committee finds the formulation procedures and content of the Business Plan of the Company on which the valuation through the DCF Analysis in the Share Valuation Report was based to be reasonable.
 - The Special Committee does not find any particularly unreasonable points in regard to the valuation methods and content of the Share Valuation Report and therefore determines those methods and that content to be reliable, and the Special Committee finds that the Tender Offer Price exceeds the upper limit of the results of the valuations by average market price method and comparable company method performed by SMBC Nikko Securities and is within the range of the results of the valuation by DCF Analysis performed thereby.
 - The Special Committee finds that the Tender Offer Price ensures a premium level that is equivalent to the average of premium levels in similar past transactions (transactions for the purpose of making an equity-method affiliate a wholly-owned subsidiary announced since 2016) on each of the closing price of the

Company Shares on the day before the announcement date of the Tender Offer, the simple average closing price for the preceding one-month period, the simple average closing price for the preceding three-month period, and the simple average closing price for the preceding six-month period.

- The Special Committee was substantially involved in the process of discussions and negotiations regarding the terms of the Transactions, such as the Tender Offer Price, between the Company and Mitsui, and it finds that serious negotiations were conducted after ensuring circumstances in which reasonable efforts were made in order for the Transactions to be conducted under terms as favorable as possible for the general shareholders.
 - The acquisition method in the Transactions involves the Tender Offer being conducted as the first step and a squeeze-out through a demand for share cash-out or share consolidation being conducted as the second step, which is one method commonly used in transactions for making a company a wholly-owned subsidiary, such as the Transactions. Additionally, in regard to the type of consideration for the acquisition, the Special Committee considers that the method of delivering cash as consideration for the acquisition is reasonable as the businesses of Mitsui and the Company differ and as doing so avoids the risk of Mitsui's share value decreasing.
 - Based on matters such as those stated above, the Special Committee considers that the appropriateness of the terms of the Transactions, such as the Tender Offer Price, has been ensured.
- iv. The Special Committee considers that the Company's board of directors deciding an opinion to support the Tender Offer and to recommend that the Company's shareholders tender their shares in the Tender Offer is appropriate and is not disadvantageous to the minority shareholders of the Company because: as stated in i. above, the Special Committee considers that the Transactions would contribute to enhancing the corporate value of the Company and that the purpose of the Transactions is appropriate; as stated in ii. above, the Special Committee considers that appropriate procedures have been taken from the perspective of the interests of general shareholders in the Transactions; and as stated in iii. above, the Special Committee considers that the appropriateness of the terms of the Transactions, such as the tender offer price, has been ensured. Additionally, the Special Committee considers that the decisions of the Company's board of directors regarding the Transactions (the decision to express an opinion supporting the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer, and decisions regarding the Squeeze-Out Procedures) are not disadvantageous to the minority shareholders of the Company.

(C) Procurement by the Company of Advice from an Outside Law Firm

As stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” above, the Company appointed Mori Hamada & Matsumoto as its outside legal advisor, from which it received legal advice, including advice on measures that should be taken to ensure the fairness of procedures in the Transactions, the procedures involved in the Transactions, and the method and process of decision-making by the Company regarding the Transactions.

Mori Hamada & Matsumoto is not a party affiliated with the Tender Offerors, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Transactions, including the Tender Offer. The fees payable to Mori Hamada & Matsumoto will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transactions succeed and do not include contingency fees to be paid subject to the successful completion of the Transactions.

(D) Procurement by the Company of a Share Valuation Report from an Independent Financial Advisor and Third-Party Appraiser

As stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” above, the Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser independent of Mitsui, KDDI, KDDI Evolva, and the Company, from which it received advice and assistance from a financial perspective, including advice regarding the valuation of the Company Shares and negotiation policy with Mitsui, and obtained the Share Valuation Report dated as of January 12, 2023.

SMBC Nikko Securities is not a party affiliated with the Tender Offerors, KDDI, KDDI Evolva, or the Company and does not have a material interest in the Transactions, including the Tender Offer. The fees payable to SMBC Nikko Securities for the Transactions include contingency fees to be paid subject to the successful completion of the Tender Offer. After taking into account matters including customary practices in similar kinds of transactions and the appropriateness of a compensation structure that would cause considerable financial burden to the Company in case the Transactions are not successfully completed, and deciding that the inclusion of contingency fees to be paid subject to the successful completion of the Tender Offer would not deny the independence of SMBC Nikko Securities, the Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser under the compensation structure above.

(E) Establishment by the Company of an Independent Examination System

As stated in “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the Company constructed an internal system to examine, negotiate, and make decisions regarding the Transactions from a standpoint independent of Mitsui, KDDI, and KDDI Evolva from the perspective of avoiding, to the extent possible, any possible impact of structural conflict of interest and asymmetry of information issues in the Transactions. Specifically, after receiving notice of Mitsui’s intent to examine the Transactions in mid-July 2022, the Company established a system for examination consisting of a total of three members, including Mr. Norihiko Koshida, a director of the Company, and two employees of the Company

who have not held positions in the past as officers or employees of Mitsui, KDDI, or KDDI Evolva, as officers and employees to examine, negotiate, and make decisions regarding the Transactions, and the system has implemented negotiations on the terms of the Transactions, including the Tender Offer Price in the Tender Offer, and the drafting of the Business Plan, which is used as a basis for the valuation of the Company Shares (however, as stated in “(B) Establishment by the Company of an Independent Special Committee and Procurement by the Company of the Report from the Special Committee” above, the Company’s director Mr. Hiroyuki Koga participated only in the second stages of the Company’s board of directors meetings regarding the Transactions held on and after August 27, 2022 in order to ensure that a valid resolution that satisfies the quorum under the Companies Act was made). The Business Plan, which is used as a basis for the valuation of the Company Shares by Mitsui, was prepared after the Company received notice of Mitsui’s intent to examine the Transactions after late July 2022 under the system for examination stated above from the perspective of avoiding any structural conflict of interest issues and information asymmetry issues, and the financial figures in the business plan have not been unjustly distorted based on the existence of the Transactions. Of the eight directors of the Company, a total of four directors (excluding representative director Mr. Takashi Amino and directors Mr. Seiji Ishigaki, Mr. Hiroyuki Koga, and Mr. Isao Kohiyama) deliberated and passed a resolution by unanimous approval to approve the Business Plan at the Company’s board of directors meeting held today. In addition, in order to ensure that a valid resolution that satisfies the quorum under the Companies Act was made, five directors including Mr. Hiroyuki Koga (who, of the three directors who held positions at Mitsui in the past, has ceased to be employed by Mitsui three years ago) deliberated and passed a resolution by unanimous approval to approve the Business Plan. Of the directors of the Company, representative director Mr. Takashi Amino, directors Mr. Seiji Ishigaki, Mr. Hiroyuki Koga, and Mr. Isao Kohiyama, full-time audit and supervisory board member Mr. Toshiaki Maruoka, and outside audit and supervisory board member Mr. Shinichiro Kamada have not participated in the Company’s decision-making regarding the Transactions (including the approval of the Business Plan) from the perspective of avoiding any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions. However, the Company’s director Mr. Hiroyuki Koga participated only in each of the second stages of the Company’s board of directors meetings held on August 27, 2022, September 21 and today in order to ensure that a valid resolution that meets the quorum required under the Companies Act was made. The Special Committee has confirmed that the internal system for examining the Transactions (including the scope of the Company’s officers and employees involved in examining, negotiating, and making decisions regarding the Transactions, and their duties) established by the Company is 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 Company’s officers and employees as stated above.

(F) Approval of All Disinterested Directors of the Company and Opinion of All Disinterested Audit and Supervisory Board Members of the Company That They Have No Objection

As stated in “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the Company’s board of directors carefully examined and

discussed whether the Transactions, including the Tender Offer, would contribute to enhancing the corporate value of the 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 and the advice and Share Valuation Report received from SMBC Nikko Securities, and while respecting the content of determinations by the Special Committee presented in the Report to the maximum possible extent.

As a result, as stated in “(D) Decision-Making Process and Reasons Leading to the Company Supporting the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” above, the Company determined that the Transactions would contribute to enhancing the corporate value of the Company, given that by performing the Transactions including the Tender Offer, conflicts of interest between the Mitsui Group and KDDI Group and the Company’s minority shareholders and the restrictions caused by ensuring independence can be avoided, and it will be possible to rapidly and smoothly collaborate with, and make efficient use of the management resources of, the Mitsui Group and KDDI Group, and that the conditions of the Transactions, including the Tender Offer Price, were appropriate conditions that ensure the interests of the Company’s general shareholders, and that the Tender Offer Price includes a premium of 50.41% on 974 yen, the closing price of the Company Shares on the Prime Market of the TSE on January 12, 2023, a premium of 46.21% on 1,002 yen, the simple average closing price for the preceding one-month period, a premium of 45.77% on 1,005 yen, the simple average closing price for the preceding three-month period, and a premium of 44.05% on 1,017 yen, the simple average closing price for the preceding six-month period, which is a level that is not inferior when compared to premium levels in 17 past cases of tender offers for shares of other companies announced on or after January 1, 2016 (however, excluding cases such as MBOs and cases where the target company’s share price increased sharply due to leaked reports) for the purpose of making an equity-method affiliate that is listed in Japan a wholly-owned subsidiary (the median and average premiums on the closing price on the business day immediately preceding the announcement date (31.6%, 35.7%), the median and average premiums on the simple average closing price for the preceding one-month period (43.1%, 44.3%), the median and average premiums on the simple average closing price for the preceding three-month period (52.2%, 49.6%), and the median and average premiums on the simple average closing price for the preceding six-month period (49.2%, 51.7%)), and therefore, the Transactions provide a reasonable opportunity for the Company’s general shareholders to tender the Company Shares at an appropriate premium price. The Company resolved at its board of directors meeting held today that as the opinion of the Company as of today, if the Tender Offer is commenced, it will express its opinion supporting the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer.

Of the eight directors of the Company, Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga have held positions at Mitsui in the past, and Mr. Isao Kohiyama concurrently serves as an employee of Mitsui; accordingly, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, the four directors of the Company other than the four directors stated above (namely, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa, and Mr. Naonori Kimura) deliberated and passed a resolution as stated above by unanimous approval at the Company’s board of directors meeting stated above. All audit and supervisory board members other than

Mr. Toshiaki Maruoka and Mr. Shinichiro Kamada expressed their opinions that they have no objection to the resolution stated above at the Company's board of directors meeting stated above. Since Mr. Toshiaki Maruoka, a full-time audit and supervisory board member of the Company, has held a position at Mitsui in the past, and Mr. Shinichiro Kamada, an outside audit and supervisory board member of the Company, concurrently holds a position at Central Security Patrols, a shareholder of the Company, they did not attend the Company's board of directors meeting stated above and refrained from expressing their opinions from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions.

There is a possibility that the four directors who did not participate in the resolution, namely, Mr. Takashi Amino, Mr. Seiji Ishigaki, Mr. Hiroyuki Koga, and Mr. Isao Kohiyama, do not have special interests provided for in the Companies Act 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. Hiroyuki Koga (who, of the three directors who held positions at Mitsui in the past, has ceased to be employed by Mitsui three years ago) deliberated and again took a vote on that proposal and passed a resolution by unanimous approval. All audit and supervisory board members other than Mr. Toshiaki Maruoka and Mr. Shinichiro Kamada expressed their opinions that they have no objection to the resolution stated above at the board of directors meeting stated above. Since Mr. Toshiaki Maruoka, a full-time audit and supervisory board member of the Company, held a position at Mitsui in the past, and Mr. Shinichiro Kamada, an outside audit and supervisory board member of the Company, concurrently holds a position at Central Security Patrols, a shareholder of the Company, they did not attend the Company's board of directors meeting stated above and refrained from expressing their opinions from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions.

Of the directors of the Company, Mr. Takashi Amino, Mr. Seiji Ishigaki, and Mr. Hiroyuki Koga have held positions at Mitsui in the past, and Mr. Isao Kohiyama concurrently serves as an employee of Mitsui; accordingly, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, those directors have not participated in the deliberations and resolutions of the Company's board of directors meetings regarding the Transactions, including the board of directors meetings held on August 27, 2022, September 21, 2022 and today, and have not participated in discussions and negotiations regarding the Transactions on behalf of the Company, excluding the participation of Mr. Hiroyuki Koga in the deliberations and resolutions in the second stages of the Company's board of directors meetings held on August 27, 2022, September 21, 2022 and today.

Additionally, as Mr. Toshiaki Maruoka, a full-time audit and supervisory board member of the Company, held a position at Mitsui in the past, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, he did not participate in discussions and negotiations regarding the Transactions on behalf of the Company.

Furthermore, as Mr. Shinichiro Kamada, an outside audit and supervisory board member of the Company, concurrently holds a position at Central Security Patrols, a shareholder of the Company, from the perspective of avoiding to the extent possible any possible impact of structural conflict of interest issues and information asymmetry issues in the Transactions, he did not participate in discussions and negotiations regarding the Transactions on behalf of the Company.

(G) No Transaction Protection Clause

The Company has not agreed to any transaction protection clause with the Tender Offerors, KDDI, or KDDI Evolva that prohibits the Company from contacting Competing Acquisition Offerors or made any other agreement on any matter that would restrict Competing Acquisition Offerors from contacting the Company. In this way, consideration has been given to ensuring the fairness of the Tender Offer by ensuring an opportunity for competing tender offers.

(H) Measures to Ensure an Opportunity for the Company's Shareholders to Make Appropriate Judgments on Whether or Not to Tender Their Shares in the Tender Offer

As stated in “(5) Policy for Organizational Restructuring, Etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”)” above, the Tender Offerors ensure an opportunity for the Company's shareholders to appropriately judge whether or not to tender their shares in the Tender Offer and give consideration to avoid placing coercive pressure on the Company's shareholders by (i) employing methods ensuring the right of the Company's shareholders to request purchase of shares or to petition for a determination of the price of shares, wherein depending on the number of shares acquired by the Tender Offerors through the successful completion of the Tender Offer, the Tender Offerors, promptly after the completion of the settlement of the Tender Offer, either will make a demand for share cash-out for all of the Company Shares (excluding the Company Shares held by the Tender Offerors and the treasury shares held by the Company) or will make a demand to the Company to convene the Extraordinary Shareholders' Meeting at which the agenda items will include proposals for a share consolidation and a partial amendment to the Company's articles of incorporation to abolish the provisions on share units on the condition that the share consolidation takes effect, and (ii) clarifying that the amount of money to be delivered to the Company's shareholders as consideration for each Company Share in the Demand for Share Cash-Out or the Share Consolidation will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of the Company Shares held by those shareholders (excluding the Company and the Tender Offerors).

4. Matters Relating to Material Agreements Regarding the Tender Offer, Such as Tendering Share Certificates, etc. in the Tender Offer, by the Company's Shareholders

(1) Master Transaction Agreement

As stated in “(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and

Reasons for the Opinion on the Tender Offer” above, Mitsui today executed the Master Transaction Agreement with KDDI with respect to implementing the Transactions, which includes the following matters.

- (i) Mitsui will cause the Tender Offeror to conduct the Tender Offer.
- (ii) The commencement of the Tender Offer is conditional upon all of the following Conditions Precedent being fulfilled (or being waived by Mitsui and KDDI).
 - (a) None of the transactions for the purpose of achieving the Management Integration, including the Transactions, constitute, nor are reasonably expected to constitute, a violation of laws, regulations, or the like in any material respect (including that there are no pending petitions, lawsuits, or other procedures by relevant authorities, etc. seeking to restrict or prohibit any of the transactions for the purpose of achieving the Management Integration, including the Transactions, there are no judgments or the like by relevant authorities, etc. restricting or prohibiting any of the transactions for the purpose of achieving the Management Integration, including the Transactions, and there is no specific likelihood of either of the foregoing).
 - (b) None of the transactions for the purpose of achieving the Management Integration, including the Transactions, conflicts with licenses, permits, and the like or any conditions added thereto nor violates any necessary procedures relating to licenses, permits, and the like in any material respect, and there is no reasonable expectation of either of the foregoing (including that any approval from competition authorities required under the Antimonopoly Act and competition laws of China, South Korea, France, the Philippines, and Vietnam and other similar laws that is necessary for implementing the transactions for the purpose of achieving the Management Integration, including the Transactions, has been obtained and (if there are waiting periods or examination periods) any waiting periods and examination periods have passed (including cases where notification has been received to the effect that a cease and desist order will not be issued), and that it is reasonably expected that the Japan Fair Trade Commission and other relevant authorities, etc. related to competition laws will not take any measures or procedures that would obstruct the implementation of the transactions for the purpose of achieving the Management Integration, including the Transactions,).
 - (c) The Company has passed a board of directors resolution supporting the Tender Offer by the unanimous consent of all directors who participated in deliberations and the resolution, has publicly announced that resolution, and has not passed any resolution that contradicts or retracts that expression of the Company’s opinion.
 - (d) The Special Committee established by the Company has submitted a report that takes an affirmative stance in regard to the Company

supporting the Tender Offer and conducting the Transactions, and that report has not been retracted.

- (e) The Shareholders Agreement has been validly executed and remains in effect.
 - (f) No circumstances that would have a significant negative impact on the transactions for the purpose of achieving the Management Integration, including the Transactions, or other circumstances that would make it difficult to achieve the purpose of the transactions for the purpose of achieving the Management Integration, including the Transactions, have arisen or been identified, and it is not reasonably expected that such circumstances will arise or be identified.
 - (g) The representations and warranties (Note 1) of the other party are true and accurate in all material respects (however, the qualification of “in all material respects” will not apply to matters in regard to which those representations and warranties include qualifications on materiality, such as “material,” “significant,” or “in all material respects”), and there is no material breach of the obligations under the Master Transaction Agreement (Note 2).
 - (h) As of the commencement date of the Tender Offer, there are no unannounced material facts that would be grounds for insider trading restrictions pursuant to Article 166 of the Act in regard to the operations, etc. of the Company and no unannounced tender offers, etc. that would be grounds for insider trading restrictions pursuant to Article 167 of the Act in regard to the share certificates, etc. of the Company.
- (iii) On the conditions that the Tender Offer has been successfully completed and the settlement of the Tender Offer has been completed, as soon as practically possible after the completion of the settlement, the Squeeze-Out Procedures will be implemented, and if the Squeeze-Out Procedures are completed, Merger 1 and Merger 2 will be conducted as procedures to ultimately make the voting rights ratios of KDDI and Mitsui in the Company 51% and 49%, respectively..

Note 1: In the Master Transaction Agreement, Mitsui has made representations and warranties regarding the following matters: (a) as matters relating to Mitsui, (1) its incorporation and existence, (2) authority regarding the execution and performance of the Master Transaction Agreement, (3) enforceability of the Master Transaction Agreement, (4) the acquisition of licenses and permits, etc., (5) there being no conflicts with laws and regulations, and (6) there being no legal insolvency procedures; (b) as matters relating to the Tender Offeror, (1) its incorporation and existence, (2) the execution and performance of the Master Transaction Agreement, (3) the acquisition of licenses and permits, etc., (4) there being no liabilities, etc., (5) there being no conflict with laws and regulations, (6) there being no legal insolvency procedures, and (7) there being no transactions or involvement with anti-social forces; and (c) as matters relating to the Company, (1) its incorporation, existence, and lawful implementation of organizational restructuring, (2) its issued shares and the Company Shares held by the Tender Offeror, (3) its subsidiaries and affiliates, (4) the Company Shares being listed on the Prime Market of the TSE at the

time of the execution of the Master Transaction Agreement, (5) the preparation and accuracy of financial statements, and there being no subsequent events, etc., (6) there being no material breach in regard to obligations under material contracts, etc., (7) ownership of assets, etc., (8) there being no issues identified by administrative authorities, etc., (9) legal compliance in regard to matters relating to personnel affairs, etc., (10) there being no lawsuits, etc., (11) the timely and appropriate payment of taxes and public charges, etc., (12) there being no events that would have a significant negative impact on the financial condition, etc. of the Company Group, etc., (13) accurate information disclosure that is neither excessive nor insufficient, etc., (14) there being no legal insolvency procedures, and (15) there being no transactions or involvement with anti-social forces. In the Master Transaction Agreement, KDDI has made representations and warranties regarding the following matters: (a) as matters relating to KDDI, (1) its incorporation and existence, (2) authority regarding the execution and performance of the Master Transaction Agreement, (3) enforceability of the Master Transaction Agreement, (4) the acquisition of licenses and permits, etc., (5) there being no conflicts with laws and regulations, and (6) there being no legal insolvency procedures; and (b) as matters relating to KDDI Evolva, (1) its incorporation, existence, and lawful implementation of organizational restructuring, (2) its issued shares, (3) it having no subsidiaries or affiliates, (4) the preparation and accuracy of financial statements, and there being no subsequent events, etc., (5) there being no material breach in regard to obligations under material contracts, etc., (6) ownership of assets, etc., (7) there being no issues identified by administrative authorities, etc., (8) legal compliance in regard to matters relating to personnel affairs, etc., (9) there being no lawsuits, etc., (10) the timely and appropriate payment of taxes and public charges, etc., (11) there being no events that would have a significant negative impact on the financial condition, etc. of KDDI Evolva, etc., (12) accurate information disclosure that is neither excessive nor insufficient, etc., (13) there being no legal insolvency procedures, and (14) there being no transactions or involvement with anti-social forces.

Note 2: Under the Master Transaction Agreement, Mitsui bears obligations such as: (a) an obligation to not directly or indirectly take any action that would conflict with or hinder the implementation of the Management Integration and to mutually cooperate as necessary in order to promote the tendering of shares in the Tender Offer by the shareholders of the Company; (b) an obligation to make efforts to the extent reasonable to complete measures under the Antimonopoly Act and the competition laws of China, South Korea, France, the Philippines, Vietnam, and Thailand and other similar laws required in order to achieve the Management Integration as soon as practically possible; (c) an obligation (before the completion of the Squeeze-Out Procedures, an obligation to make efforts to the extent commercially reasonable) to cause the Company to perform its business with the due care of a good manager to the extent substantially the same as before the execution date of the Master Transaction Agreement and within the scope of its ordinary business; and (d) an obligation to make efforts as a shareholder of the Company to the extent commercially reasonable for the Company to obtain written consent, or to issue notification, regarding the execution of the Master Transaction Agreement and the implementation of the Management

Integration from the counterparties to material agreements executed by the Company by the day before the effective date of Merger 2. Under the Master Transaction Agreement, KDDI bears obligations such as: (a) an obligation to not directly or indirectly take any action that would conflict with or hinder the implementation of the Management Integration and to mutually cooperate as necessary in order to promote the tendering of shares in the Tender Offer by the shareholders of the Company; (b) an obligation to make efforts to the extent reasonable to complete measures under the Antimonopoly Act and the competition laws of China, South Korea, France, the Philippines, Vietnam, and Thailand and other similar laws required in order to achieve the Management Integration as soon as practically possible; (c) an obligation to cause KDDI Evolva to perform its business with the due care of a good manager to the extent substantially the same as before the execution date of the Master Transaction Agreement and within the scope of its ordinary business; and (d) an obligation to cause KDDI Evolva to make maximum efforts to obtain written consent, or to issue notification, regarding the execution of the Master Transaction Agreement and the implementation of the Management Integration from the counterparties to material agreements executed by KDDI Evolva by the day before the effective date of Merger 2.

(2) Tender Agreement

As stated in “(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” above, the Tender Offeror today executed the Tender Agreement including the following matters with Central Security Patrols, under which it is agreed that Central Security Patrols will tender all of the Company Shares it holds (6,193,344 shares; ownership ratio: 9.55%) in the Tender Offer (the “**Tendering**”). The Tender Offerors have not entered into any agreement with Central Security Patrols regarding the Tender Offer other than the Tender Agreement, and there are no benefits to be given by the Tender Offerors to Central Security Patrols other than the money to be obtained through the tender of shares in the Tender Offer. In the Tender Agreement, (a) the Tender Offeror performing and complying with in all material respects the obligations that it is to perform or comply with up to the commencement of the Tender Offer under the Tender Agreement and (b) there being no mistake in any material respect in regard to the representations and warranties of the Tender Offeror set out in the Tender Agreement (Note 1) are stipulated as conditions for Central Security Patrols to tender all of the Company Shares it holds in the Tender Offer. However, Central Security Patrols may at its discretion waive all or part of these conditions and tender its shares in the Tender Offer. Other than the above, the following matters have been agreed to in the Tender Agreement.

Note 1: In the Tender Agreement, the Tender Offeror has made representations and warranties regarding (a) its incorporation and existence, (b) its authority regarding the execution and performance of the Tender Agreement, (c) enforceability of the Tender Agreement, (d) there being no conflicts with laws and regulations, (e) the acquisition of licenses and permits, etc., (f) there being

no legal insolvency procedures, (g) there being no transactions or involvement with anti-social forces, and (h) the procurement of funds.

- (i) On or after the execution date of the Tender Agreement, if a shareholders' meeting of the Company is held with a record date before the commencement date of the settlement of the Tender Offer, and Central Security Patrols has voting rights at that shareholders' meeting, Central Security Patrols bears an obligation to, as requested by the Tender Offeror, either exercise all of its rights as a shareholder at that shareholders' meeting in accordance with the instructions of the Tender Offeror or grant the Tender Offeror or a third party designated by the Tender Offeror the right to act as proxy in regard to those rights.
- (ii) It is stipulated that without the prior written consent of the Tender Offeror, Central Security Patrols will not withdraw the Tendering or cancel the contract regarding the Tender Offer that is formed upon the Tendering even during the Tender Offer Period; however, from the execution of the Tender Agreement until five business days before the last day of the Tender Offer Period, if a competing proposal to acquire the Company Shares (regardless of whether by tender offer, organizational restructuring, or other method) for consideration equivalent to money that exceeds the Tender Offer Price by a certain degree is made by a person other than the Tender Offeror and that proposal is reasonably determined to be specific and feasible, or if such a competing proposal is announced, Central Security Patrols may request the Tender Offeror to discuss changing the Tender Offer Price, and Central Security Patrols may cancel the contract regarding the Tender Offer that is formed upon the Tendering if (a) the Tender Offeror does not change the Tender Offer Price to an amount that exceeds the consideration in the competing proposal by the earlier of either the date ten business days from the date of the request for discussion (including that date) or the date two business days before the last day of the Tender Offer Period and (b) Central Security Patrols reasonably determines that there is a high possibility that conducting the Tendering, or not withdrawing the Tendering if it has already been conducted, will breach the duty of care of the directors of Central Security Patrols.

(3) Shareholders Agreement

As stated in “(C) Management Policy after the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer” in “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer” above, Mitsui today executed the Shareholders Agreement with KDDI with respect to the joint operation of the Integrated Company Group and the like, which includes the following matters. Excluding some provisions such as general provisions, the Shareholders Agreement will take effect on the day that Merger 2 takes effect.

- (i) Matters relating to the roles of each party in regard to the business operation of the Integrated Company

- (ii) Matters relating to the organizations, operation, and the like of the Integrated Company (a) (after Merger 2 takes effect, the right to nominate the directors of the Integrated Company (the number of directors will be 11 or fewer, with KDDI nominating six and Mitsui nominating five), (b) the right to nominate the representative director of the Integrated Company, (c) the right to nominate the audit and supervisory board members of the Integrated Company, (d) the operation of bodies such as the management council or shareholder conferences, and (e) consent rights of shareholders regarding material matters)
- (iii) Matters relating to the rights and obligations of each party (such as (a) reporting obligations in cases where a material matter arises in regard to the Integrated Company, (b) matters relating to the dividend policy of the Integrated Company, and (c) prohibition on either party recruiting the officers or employees of the Integrated Company Group)
- (iv) Matters relating to the shares of the Integrated Company (such as transfer restrictions regarding the shares of the Integrated Company, KDDI's right to first refusal after a certain period has passed, and call options or put options in case of a material breach of contractual obligations)

5. Details of Benefits Received from the Tender Offeror or Parties Having Special Relationships with the Tender Offeror

N/A

6. Response Policy with Respect to Basic Policies Relating to the Control of the Company

N/A

7. Questions to the Tender Offeror

N/A

8. Requests for Extension of Tender Offer Period

N/A

9. Future Prospects

Please refer to “(B) Background, Purpose, and Decision-Making Process with Respect to the Tender Offerors Deciding to Conduct the Tender Offer” in “(2) Grounds and Reasons for the Opinion on the Tender Offer”; “(4) Prospects and Reasons for Delisting”; and “(5) Policy for Organizational Restructuring, etc. after the Tender Offer (Matters Relating to the “Two-Step Acquisition”),” each under “3. Details of and Grounds and Reasons for the Opinion on the Tender Offer.”

10. Other Matters

(1) Announcement of “Notification Regarding Revision of Full-Year Earnings Forecast and Revision of Year-End Dividend Forecast”

The Company resolved at its board of directors meeting held on January 13, 2023 to revise its dividend forecast for the fiscal year ending March 2023 and not to pay a year-end dividend for the fiscal year ending March 2023 and resolved to revise its consolidated full-year earnings forecast. The outline of the revision to its consolidated full-year earnings forecast is as stated below. For details, please refer to “Notice Regarding Revision of Full-Year Earnings Forecast and Revision of Year-End Dividend Forecast” announced by the Company on January 13, 2023.

(Unit: million yen)

	Net sales	Operating profit	Ordinary profits	Profit attributable to owners of parent	Basic earnings per share (Unit: yen)
Previously announced forecast (A)	125,000	8,600	8,600	5,700	87.91
Newly revised forecast (B)	126,500	8,100	8,100	5,350	82.51
Difference (B - A)	1,500	-500	-500	-350	—
Percentage difference (%)	1.2%	-5.8%	-5.8%	-6.1%	—
(Ref.) Previous year’s actual results (year ended March 2022)	117,884	8,300	8,180	5,439	82.99

End

(Reference) “Notice Regarding Planned Commencement of Tender Offer for Shares of Relia, Inc. (Security Code: 4708) by Otemachi Holdings G.K. in Connection with Business Integration of Relia, Inc. and KDDI Evolva, Inc.” dated January 13, 2023 (as attached)



[Translation]

January 13, 2023

To whom it may concern:

Company Name: Mitsui & Co., Ltd.
Name of Representative: Kenichi Hori
Representative Director, President and Chief
Executive Officer
(Securities code: 8031)
Location of Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

Company Name: Otemachi Holdings G.K.
Name of Representative: Mitsui & Co., Ltd.
Representative Member
Executor: Kensuke Yoshida
Location of Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

**Notice Regarding Planned Commencement of Tender Offer
for Shares of Relia, Inc. (Security Code: 4708) by Otemachi Holdings G.K. in Connection with
Business Integration of Relia, Inc. and KDDI Evolva, Inc.**

Mitsui & Co., Ltd. (the "Company" or "Mitsui & Co.") announces that the Company has today entered into with KDDI CORPORATION ("KDDI," and together with KDDI's 165 consolidated subsidiaries and 39 equity method affiliates (as of September 30, 2022), the "KDDI Group") a basic transaction agreement (the "Basic Transaction Agreement") for the purpose of realizing a business integration (the "Business Integration;" scheduled to be implemented in or around July 2023) based on a spirit of equality of Relia, Inc. (security code: 4708), a company listed on the Prime Market of Tokyo Stock Exchange, Inc. (the "TSE") (until April 3, 2022, the First Section of the TSE; hereinafter the same) (the "Target," and together with the Target's nine consolidated subsidiaries, two non-consolidated subsidiaries, and two equity method affiliates (as of today), the "Target Group"), and KDDI Evolva, Inc. ("KDDI Evolva"), a wholly-owned subsidiary of KDDI, so that KDDI and the Company will respectively hold 51.0% and 49.0% of the voting rights of the Integrated Company (as defined below) after the Business Integration, and decided that Otemachi Holdings G.K. (the "Offeror," and together with the Company, the "Offeror Parties") will acquire shares of the common stock of the Target (the "Target's Stock") through a tender offer (meaning the tender offer under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act") and related laws and regulations; the "Tender Offer") in order to make the Target a wholly-owned subsidiary of

the Company, as described below.

It is expected that a certain period of time is necessary to complete the procedures and actions required under the competition laws and other similar laws of Japan, China, South Korea, France, the Philippines, and Vietnam pursuant to the Basic Transaction Agreement. Accordingly, the Tender Offer is scheduled to be commenced promptly upon the satisfaction (or waiver by the Company and KDDI) of certain conditions (the "Preconditions") (Note 1) (Note 2), including the completion of such procedures and actions, and as of today, it is targeted to commence in or around March 2023 (Note 5), but it is difficult to accurately predict the length of time required for the procedures and actions with Japanese and foreign competition authorities. As such, the Offeror Parties will announce the details of the schedule for the Tender Offer as soon as they are determined.

(Note 1) (i) The implementation of none of the transactions to achieve the Business Integration, including the Transaction (as defined in "(1) Outline of the Tender Offer" under "1. Purposes of the Purchase;" hereinafter the same), constitutes, or is reasonably expected to constitute, a violation of law or regulation in any material respect (including the absence of any petition, lawsuit or other proceedings pending before the relevant authorities seeking to restrict or prohibit any of the transactions to achieve the Business Integration, including the Transaction, the absence of any order, decision, etc. by the relevant authorities to restrict or prohibit any of the transactions to achieve the Business Integration, including the Transaction, and the absence of any concrete threat of such restriction or prohibition); (ii) the implementation of the transactions to achieve the Business Integration, including the Transaction, does not conflict in any material respect with any license, approval, permit, etc. or conditions attached thereto, or violate any required procedures pertaining to any license, approval, permit, etc., and such conflict or violation is not reasonably expected (including the receipt of the approval of the competition authorities required under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947) of Japan (the "Antimonopoly Act"), and the competition laws and other similar laws of China, South Korea, France, the Philippines, and Vietnam to implement the transactions to achieve the Business Integration, including the Transaction, and the elapse of the waiting period and the review period (if any) (including the receipt of a notice that no cease and desist order is to be rendered), and a reasonable expectation that the Japan Fair Trade Commission or other relevant competition law authorities will not take any action or proceeding that prevents the implementation of the transactions to achieve the Business Integration, including the Transaction); (iii) a unanimous resolution to approve the Tender Offer has been adopted by all of the directors of the Target who participated in the deliberations and the resolution, such resolution has been publicly announced, and no resolution conflicting with or withdrawing the substance of the opinion so expressed has been made; (iv) the Special Committee (as defined in

"(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" under "1. Purposes of the Purchase" below; hereinafter the same) established by the Target has submitted a report in favor of the Target's supporting the Tender Offer and implementing the Transaction, and such report has not been withdrawn; (v) the Shareholders Agreement (as defined in "(II) Management policy after the Tender Offer" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" under "1. Purposes of the Purchase" below; hereinafter the same) has been validly executed and remains in force; (vi) no event has occurred or become known, and is reasonably expected to occur or become known, that will have a material adverse effect on the transactions to achieve the Business Integration, including the Transaction, or otherwise make it difficult to achieve the purposes of the transactions to achieve the Business Integration, including the Transaction; (vii) all of the representations and warranties of the counterparty (which refers to the Company for KDDI, and refers to KDDI for the Company; hereinafter the same) (Note 3) are true and accurate in material respects (without giving effect to any limitation indicated by "in material respects" as to the representations and warranties subject to materiality qualifiers such as "important," "material," "in material respects," or any similar limitation) and there is no material breach of the counterparty's obligations under the Basic Transaction Agreement (Note 4); and (viii) as of the commencement date of the Tender Offer, there is no undisclosed material fact with respect to the Target's businesses forming the basis for insider trading restrictions under Article 166 of the Act, or any undisclosed fact concerning tender offers with respect to the Target's share certificates forming the basis for insider trading restrictions under Article 167 of the Act. For the details of the Basic Transaction Agreement, see "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.

(Note 2) The preconditions set forth in (i) through (vi) and (viii) of (Note 1) may be waived in whole or in part by written agreement of the Company and KDDI, and the precondition set forth in (vii) of (Note 1) may be waived in whole or in part by the counterparty of the party in breach of its representations and warranties or obligations. Accordingly, with respect to the precondition set forth in (ii) of (Note 1), if the Company and KDDI reasonably determine that it is certain that approval of the competition authorities is to be obtained, and the waiting period/review period (if any) is to elapse (including the receipt of a notice that no cease and desist order is to be rendered) during the tender offer period for the Tender Offer (the "Tender Offer Period"), they may waive the precondition set forth in (ii) of (Note 1), and thereupon the Tender Offer may be commenced.

- (Note 3) For the substance of the Company's and KDDI's respective representations and warranties under the Basic Transaction Agreement, see Note 1 to "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.
- (Note 4) For the substance of the Company's and KDDI's respective obligations under the Basic Transaction Agreement, see Note 2 to "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.
- (Note 5) The Offeror Parties will promptly announce any changes to the scheduled time for the commencement of the Tender Offer.

The Company expects to record, in the course of the series of transactions, a valuation gain (the amount of which is under review) on the fair value of its existing shares of the Target's Stock in the fiscal year ending March 2024. Please note that this Press Release serves as disclosure by the Company under the Securities Listing Regulations of the TSE, and also serves as an announcement made at the request of the Offeror to the Company (i.e. the Offeror's parent company) pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended).

1. Purposes of the Purchase

(1) Outline of the Tender Offer

As of today, the Company is the largest shareholder of the Target, owning 23,707,200 shares of the Target's Stock (Shareholding Ratio (Note 1): 36.56%). The Target is an equity method affiliate of the Company. The Offeror is a *godo kaisha* established on January 6, 2023 for the principal purpose of acquiring and owning the Target's Stock through the Tender Offer, and all of its equity is held by the Company. The Company has chosen to use the Offeror as an acquiring entity in the Tender Offer from the perspective of conducting the Tender Offer in a flexible manner so that the Tender Offer can be launched as soon as it is approved by competition authorities. As of today, the Offeror does not hold any share of the Target's Stock. As of today, the Offeror's outline is as follows:

(i) Name	Otemachi Holdings G.K.
(ii) Location	2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(iii) Name and title of representative	Representative member: Mitsui & Co., Ltd. Executor: Kensuke Yoshida
(iv) Description of business	1. The business of controlling and managing business activities of companies by holding shares or equity interests in such companies; and 2. Any business incidental or relating to the preceding

	item.
(v) Amount of share capital	1 yen

(Note 1) "Shareholding Ratio" refers to the ratio (rounded to the second decimal place; hereinafter the same applies in the calculation of the Shareholding Ratio) of the number of shares held to the total number of issued shares as of September 30, 2022 as stated in the "Quarterly Securities Report for the Second Quarter of the 36th Term" filed by the Target on November 11, 2022 (the "Target's 2Q Securities Report") (64,838,033 shares; As of September 30, 2022, the Target does not hold any treasury share.). The Shareholding Ratio calculated based on the latest information available at the time of commencement of the Tender Offer may differ from the above figure due to changes after the said date; hereinafter the same applies.

The Company has today concluded with KDDI the Basic Transaction Agreement concerning the Business Integration and has decided the following: (i) in accordance with the Basic Transaction Agreement, the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target (if any; hereinafter the same)) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions; (ii) thereafter, if the Offeror fails to acquire all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target), the Offeror or the Company will implement a series of procedures (the "Squeeze-out Procedure," and together with the Tender Offer, the "Transaction") to allow the Offeror Parties to own all of the Target's Stock (excluding the treasury shares held by the Target), (iii) after the completion of the Transaction, the Target and the Offeror will consummate an absorption-type merger wherein the Target is to be the surviving company and the Offeror is to be the absorbed company ("Merger No. 1"), targeting late June 2023, and (iv) after the entry into force of Merger No. 1, the Target and KDDI Evolva will consummate an absorption-type merger wherein KDDI Evolva is to be the surviving company and the Target is to be the absorbed company ("Merger No. 2"), targeting around July 2023 (hereinafter, KDDI Evolva after the entry into force of Merger No. 2 is referred to as the "Integrated Company," and the Integrated Company and its subsidiaries and associated companies are collectively referred to as the "Integrated Company Group"). For the details of the Basic Transaction Agreement, see "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" below.

The Offeror has today entered into a tender offer agreement (the "Tender Agreement") with CENTRAL SECURITY PATROLS CO., LTD. ("Central Security Patrols"), the second largest shareholder of the Target, owning 6,193,344 shares of the Target's Stock (Shareholding Ratio: 9.55%). In the Tender Agreement, Central Security Patrols has agreed to tender all of its shares of

the Target's Stock (6,193,344 shares; Shareholding Ratio: 9.55%) in the Tender Offer. For the details of the Tender Agreement, see "(II) Tender Agreement" under "(6) Material agreements relating to the Tender Offer" below.

As of today, the Offeror Parties are not aware of any event of material impediment to the satisfaction of the Preconditions. The Offeror Parties will implement the procedures and actions required under the competition laws and other similar laws of Japan, China, South Korea, France, the Philippines, and Vietnam for the satisfaction of the precondition set forth in (ii) of Note 1 to the second paragraph of this Press Release, out of the Preconditions, based on the legal advice of local law firms in Japan and abroad. The Offeror Parties are already making the necessary advance preparations for such procedures and actions, and from today, will consult with the relevant authorities concerning competition law to ensure that such procedures and actions can be implemented (The Offeror Parties have already started preliminary consultations with the Japan Fair Trade Commission.). The Offeror Parties aim to complete such procedures and actions in or around March, 2023, based on the opinions of local law firms in Japan and abroad. As regards the commencement of the Tender Offer, since a certain period of time is expected to be needed for the procedures and actions under the above-mentioned competition laws and other similar laws pursuant to the Basic Transaction Agreement, the Tender Offer is scheduled to be implemented promptly upon the satisfaction (or waiver by the Company and KDDI) of the Preconditions, and as of today, it is targeted to commence in or around March 2023. As it is difficult to accurately predict the length of time required for the procedures with Japanese and foreign competition authorities, the details of the schedule for the Tender Offer will be announced as soon as they are determined.

The Offeror has set the minimum number of tendered shares to be purchased in the Tender Offer (Note 2) at 19,518,200 shares (Shareholding Ratio: 30.10%), and if the total number of the shares tendered in the Tender Offer (the "Tendered Shares") is less than the minimum number of tendered shares to be purchased, the Offeror will purchase none of the Tendered Shares. Meanwhile, with the intention of having the Target's Stock go private, the Offeror has not set the maximum number of tendered shares to be purchased in the Tender Offer, and if the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased, the Offeror will purchase all of the Tendered Shares. The minimum number of tendered shares to be purchased (19,518,200 shares) has been set so that upon the completion of the Tender Offer, the total number of voting rights of the Target held by the Offeror Parties should be two-thirds ($\frac{2}{3}$) (any fraction less than one to be rounded up) or more of the total number of voting rights of the Target (i.e. 648,380, which is the number of voting rights pertaining to the total number of issued shares of the Target as of September 30, 2022 as stated in the Target's 2Q Securities Report (64,838,033

shares; As of September 30, 2022, the Target does not hold any treasury share.)). While the Tender Offer is intended to make the Offeror Parties the sole shareholders of the Target, such minimum number of tendered shares to be purchased has been set because a special resolution of the shareholders meeting as provided in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same) is a requirement for implementing the Share Consolidation (as defined in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below; hereinafter the same), and it is necessary that the Offeror Parties hold two-thirds (2/3) or more of the total number of voting rights of all shareholders of the Target after the Tender Offer to ensure that such procedure is carried out.

(Note 2) The minimum number of tendered shares to be purchased is a provisional number based on information available as of today, and the actual minimum number of tendered shares to be purchased in the Tender Offer may differ from the above number due to changes hereafter. The final minimum number of tendered shares to be purchased is scheduled to be determined prior to the commencement of the Tender Offer.

If, upon the completion of the Tender Offer, the Offeror Parties are unable to acquire all of the Target's Stock (excluding the treasury shares held by the Target) in the Tender Offer, the Offeror Parties will, after the completion of the Tender Offer, implement the Squeeze-out Procedure to acquire all of the Target's Stock (excluding the treasury shares held by the Target), as described in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below.

According to "Announcement of Opinion Supporting Planned Commencement of Tender Offer for Shares in the Company by Otemachi Holdings G.K., to Which Mitsui & Co., Ltd. Contributes, and Recommendation for Our Shareholders to Tender Their Shares in Tender Offer" published today by the Target (the "Target's Press Release"), the Target adopted at its board of directors meeting held today a resolution to the effect that it shall express its current opinion at this time in favor of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer, if the Tender Offer is commenced.

According to the Target, it has resolved at the above-mentioned board of directors meeting to take the following procedures for the expression of its opinion. Specifically, the Target has also resolved to (i) request, at the commencement of the Tender Offer, that the Special Committee established by the Target review whether any change should be made to the opinion expressed by the Special Committee to the Target's board of directors as of today, and either advise the Target's board of directors accordingly if there is no change, or if any change should be made, state the amended opinion, and to (ii) again express the Target's opinion regarding the Tender Offer upon the

commencement of the Tender Offer based on such opinion of the Special Committee, as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" below.

The Target states that the above-mentioned board resolution of the Target was passed on the assumption of the consummation of the Transaction, the scheduled delisting of the Target's Stock, and the intention of the Offeror Parties, KDDI, and KDDI Evolva to carry out the Business Integration by implementing the Tender Offer, the Squeeze-out Procedure, Merger No. 1, and Merger No. 2. For the details regarding the decision-making process of the board of directors of the Target, see the Target's Press Release and "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" below.

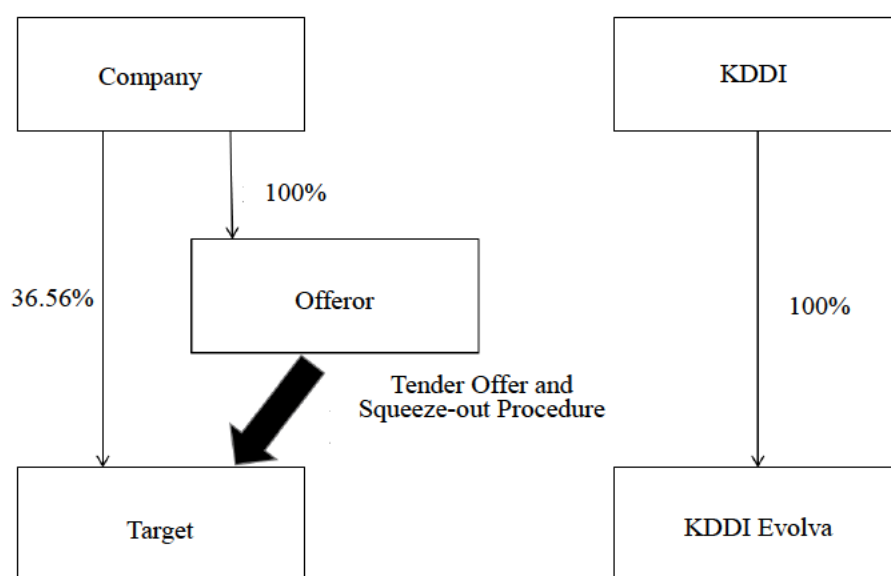
The following is a rough illustration of the entire transactions for the Business Integration.

<Overall Structure of the Transaction for the Business Integration>

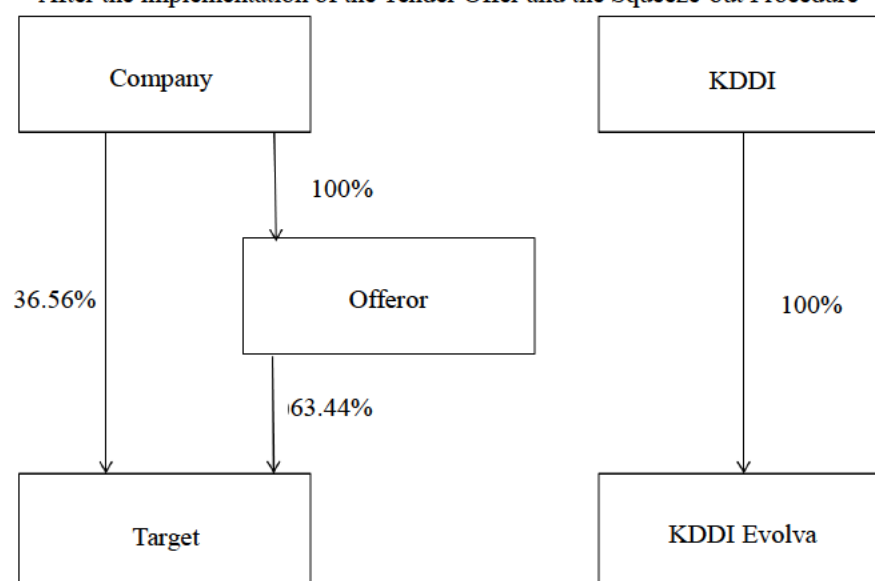
(i) Implementation of the Tender Offer and the Squeeze-out Procedure

The Offeror will conduct the Tender Offer subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions as a prerequisite for its commencement. If, upon the completion of the Tender Offer, the Offeror Parties fail to acquire all of the Target's Stock (excluding the treasury shares held by the Target), the Squeeze-out Procedure will be implemented. For the details of the Squeeze-out Procedure, see "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below.

<Before the implementation of the Tender Offer and the Squeeze-out Procedure>



<After the implementation of the Tender Offer and the Squeeze-out Procedure>

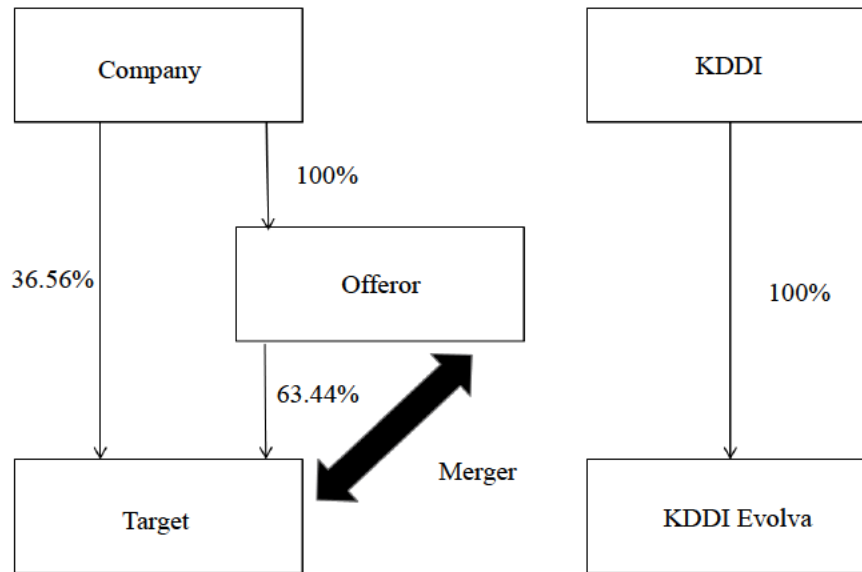


(Note 3) Depending on the outcome of the Squeeze-out Procedure, the Company's and the Offeror's respective Shareholding Ratios in the Target may vary.

(ii) Implementation of Merger No. 1

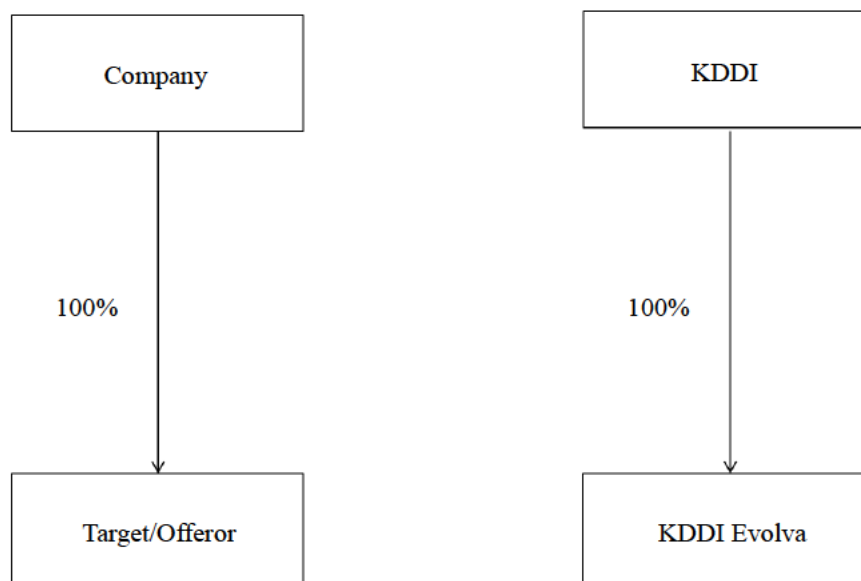
It is scheduled that after the completion of the Tender Offer and the Squeeze-out Procedure in (i) above, the Offeror and the Target will consummate Merger No. 1, wherein the Target is to be the surviving company and the Offeror is to be the absorbed company, and the Target will issue new shares as consideration for the merger, and will allot and deliver all of them to the Company.

<Before the implementation of Merger No. 1>



(Note 4) Depending on the outcome of the Squeeze-out Procedure, the Company's and the Offeror's respective Shareholding Ratios in the Target may vary.

<After the implementation of Merger No. 1>

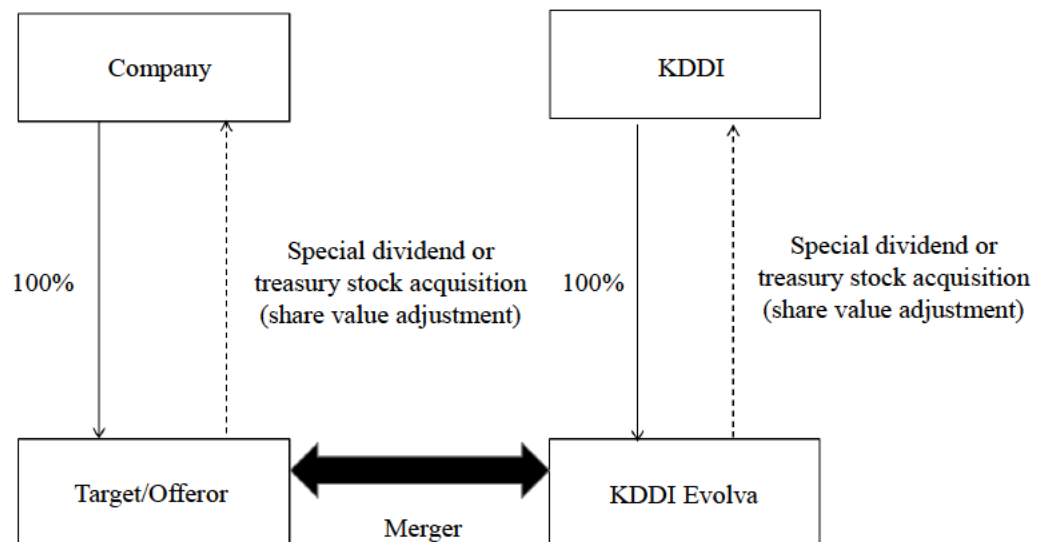


(iii) Implementation of Merger No. 2

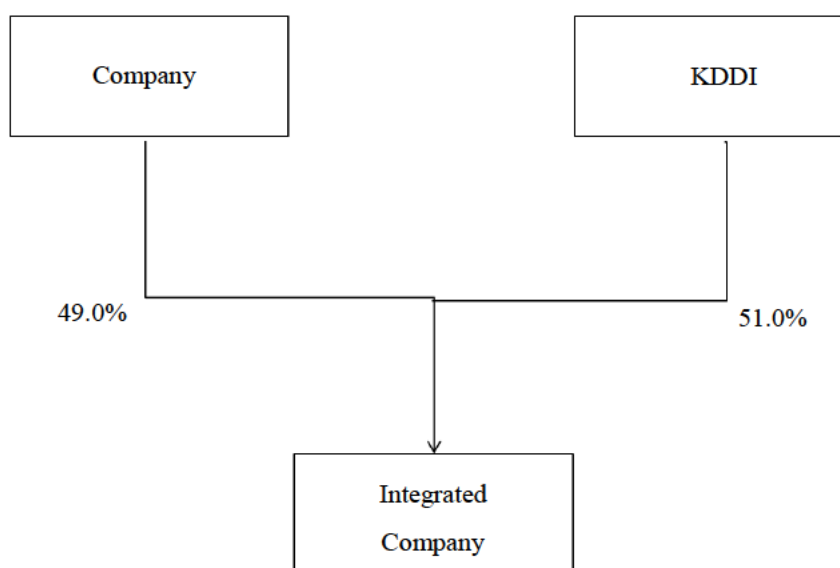
After the entry into force of Merger No. 1, the Target and KDDI Evolva will consummate Merger No. 2, wherein KDDI Evolva is to be the surviving company and the Target is to be the absorbed company. Upon Merger No. 2, shares of the common stock of KDDI Evolva will be allotted and delivered to the Company as consideration for the merger at a merger

ratio such that the number of voting rights of the Integrated Company held by the Company will be 49.0% of the total number of voting rights of all shareholders of the Integrated Company. In light of the possibility that the ratio of the Target's share value to KDDI Evolva's share value at the time of entry into force of Merger No. 2 may not necessarily be equal to the above-mentioned merger ratio, between the completion of Merger No. 1 and the effective date of Merger No. 2, the share values will be adjusted by means of special dividend or acquisition of treasury stock by the Target and/or KDDI Evolva in order to bring the ratio of the Target's share value to KDDI Evolva's share value into line with the above-mentioned merger ratio and to optimize the capital structure of the Integrated Company.

<Before the implementation of Merger No. 2>



<After the implementation of Merger No. 2>



(iv) After completion of the Business Integration

Upon completion of the Business Integration, the Company will hold 49.0% of the voting rights of the Integrated Company, and the Integrated Company will become an equity method affiliate of the Company.

(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer

Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer are as follows. The below descriptions of the Target are based on the information released by the Target, the Target's Press Release, and the explanations received from the Target.

(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror

The Company was incorporated under the trade name of Daiichi Bussan Kaisha, Ltd. in July 1947. In February 1959, it changed its trade name to Mitsui & Co., Ltd. (the Company listed its shares on the TSE in May 1949, listed its shares on the Sapporo Securities Exchange (the "SSE"), the Nagoya Stock Exchange, Inc. (the "NSE") and Osaka Stock Exchange (the "OSE") in November 1954, and listed its shares on the Fukuoka Stock Exchange (the "FSE") in February 1959. Due to the integration of the cash markets of the TSE and the OSE in July 2013, the Company is currently listed on the TSE, SSE, NSE, and FSE. In addition, as a result of the reorganization of market segments that took place in April 2022, companies listed on the First Section of the TSE and are now listed on the Prime Market, and companies listed

on the First Section of the NSE are now listed on the Premier Market). The Company has 279 consolidated subsidiaries and 230 equity method affiliates (as of March 31, 2022) (collectively, together with the Company, the "Company Group"). The Company Group is engaged in a wide range of businesses, including trading, manufacturing, transportation, and financing of a wide variety of products, mainly by the Company, a general trading company, and by utilizing the global business locations and its information resources, in various fields including Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle, and Innovation & Corporate Development. In addition, it is engaged in a wide range of initiatives, including the establishment of resource and infrastructure development projects, business investment in the environment, new technologies, next-generation fuels, and wellness, and value creation through the use of digital technologies. For the Company Group, information and communications technology (ICT) is one of its key areas of focus in the area of innovation and corporate development, and it provides value-added services through a wide range of transactions and investments that contribute to various industries, including new initiatives in the fields of (i) "digital solutions" which involves the development of IT services, cybersecurity, industrial solutions, and digital infrastructure; (ii) "B2C platform" which involves the development of TV shopping, broadcasting, digital media, and other consumer-related businesses; (iii) "CRM (Note 1)" which involves peripheral businesses such as contact center and digital marketing; and (iv) "innovative business" which involves the creation of next-generation businesses utilizing IT in cutting-edge fields such as digital transformation (DX) (Note 2), healthcare DX, fintech, and cloud. The Company Group aims to improve the services of each business and build new businesses by effectively utilizing the data generated in everyday life through the acquisition of diverse information gathering and transmission methods by consumers in line with the progress of digitalization of society, and by forming partnerships with domestic and overseas companies that have the technology to collect and analyze the diverse data generated through industrial activities. The Company Group utilizes its comprehensive knowledge of industry and business in each of the above industries in which it operates to meet DX needs in all industries, and incorporate new added value and business creation.

(Note 1) "CRM" stands for Customer Relationship Management, and means a management strategy that aims to expand sales and improve profitability through improvement of customer satisfaction and customer loyalty.

(Note 2) "DX" means the creation of new business models and the transformation of existing businesses (Digital Transformation) by utilizing data and digital technologies.

On the other hand, according to the Target, the Target was established in Bunkyo-ku, Tokyo in June 1987 as the "Moshi Moshi Hotline Co., Ltd." with investments from a total of 12 companies, mainly the Company. After that, the Target changed its trade name to the current "Relia, Inc." in October 2015. The Target listed its shares on the Second Section of the TSE in November 2000, and then, its shares were listed on the First Section of the TSE in March 2002, and in April 2022, the Target moved from the First Section to the Prime Market. As of today, the Target Group consists of the Target, 9 consolidated subsidiaries, 2 non-consolidated subsidiaries, and 2 equity method affiliates, and is engaged in the following business development.

- **Contact Center Business:** The Target provides services to support activities of its client companies such as customer support and marketing through non-face-to-face customer service such as telephone, chat, e-mail, and the Web. In addition to the Target, consolidated subsidiaries such as MAXCOM, Inc., WITELLAS INC., Relia Digital Inc., and Inspiro Relia, Inc. mainly provide these services.
- **Back Office Business:** The Target provides one-stop operation services in the back office, from sorting documents, checking defects, and inputting data, to sending materials and products to customers. In addition to the Target, MAXCOM, Inc. mainly provides these services.

According to the Target, megatrends in social changes that bear watching include demographic changes, advances in technology, responses to climate change, and COVID-19 pandemic and new normal. The Target Group expects that these trends will have a number of impacts on the Target Group: (i) the need for outsourcing and attending to clients continues to increase, but the labor market is becoming strained; (ii) while the needs of consumers have become more complex and advanced going forward, advances are being made to technologies as alternatives to conventional operations, and there are demands for high value-added operations carried out by people, and in addition, the strategic importance of improving CX (Note 3) will be greater; and (iii) corporate value will be seen in terms of how social issues can be resolved through business activities. To address these changes in the business environment, the Target Group announced its "Mid-term Management Plan 2023" in May 2021. The plan's vision is "Reborn as 'No. 1 Reliable Company' for each and every stakeholder" and the following three priority themes are being addressed to achieve the plan.

- **Create CX (Customer Experience)**

Consistently responsible from planning to improvement, using automated solutions and non-voice channels, and combining with operator's high-quality service to create continuous value.

- Create EX (Employee Experience) (Note 4)

Enhancing the quality of the work environment so that employees with diverse values can fully demonstrate their abilities, and creating the meaning and value in working for the Target.

- Strengthen the business foundation

Through initiatives based on the "Basic Policy for Initiatives to Restore Trust (Outline)," which was developed in response to the discovery in January 2020 of inappropriate business operations at the Target's Kagoshima Center, further strengthen the business foundation, strengthening the inter-organizational cooperation, and demonstrating the Target Group's collective strength as a whole.

(Note 3) CX (Customer Experience) means not only "reasonable value" such as the functions, performance, and price of products and services, but also "emotional value" as the experience through the process of purchase, the process of use, and the follow-up after the purchase, and the creation of CX by the Target will enhance engagement between its client companies and consumers.

(Note 4) EX (Employee Experience) emphasizes employees' sense of happiness, motivation, and satisfaction with the workplace, and considers the experiences that employees feel at the workplace to be "the value that the company provides to its employees," and improvements in EX support a high level of customer service quality."

According to the Target, in 2021, the first year of the "Mid-term Management Plan 2023," the Target Group set targets of net sales of 120 billion yen, operating profit of 8.4 billion yen, operating profit margin of 7.0%, and ROE of 12.4% as objective indicators for judging the status of achievement of management targets. In Japan, the Contact Center Business was affected by the termination and reduction of basic operations, while orders for spot operations due to social events increased from the previous year. In overseas markets, despite the impact of the COVID-19 pandemic, steady demand in North America was captured by the realization of stable operations through the establishment of home operations. Regarding the Back Office Business, although basic operations were generally steady, spot operations declined from the previous year. As a result, the Target's operating results for 2021 were ¥117.9 billion in net sales and ¥8.3 billion in operating profit, slightly below its targets. The specific progress made on the priority themes in said year is as follows.

- Create CX

As part of its DX initiatives that support the creation of CX, the Target established the DX Strategic Headquarters in April 2021 and has promoted the development of digital services that contribute to the designing of optimal channels through operational assessments (a system that analyzes the behavior of actual consumers making inquiries to companies and designs response channels that match the behavior of consumers, such as phone calls and chat) and the enhancement of Target's services. In October 2021, the Target announced its specific policy to accelerate its DX as the "Relia DX Strategy" and in March 2022, the Target announced the "CX Grand Design," which describes the Target's vision for a contact center and how to realize it, with the aim of further promoting the creation of CX by its client companies. In addition, as a result of active marketing activities for the Target's services and solutions, such as holding online seminars and workshops, the number of projects promoting DX has increased.

•Create EX

The Target conducted employee satisfaction surveys, held events and training on diversity, and promoted the creation of a workplace where diverse human resources can work in a healthy and rewarding manner. In addition, the new human resource system, which has been introduced in July 2022, has been established, and the training for managers and operators has been renewed as "Relia Operations School." Further, in addition to receiving various certifications and registrations related to child-rearing and the active participation of women from local governments, BUSINESS PLUS INC., a "special affiliate company" of the Target, was registered as a company certified under the "Monisu Certification System" by the Ministry of Health, Labour and Welfare as an excellent employer for the employment of people with disabilities.

•Strengthen the business foundation

The Target steadily implemented measures based on the "Basic Policy for Initiatives to Restore Trust (Outline)." In addition to holding workshops aimed at disseminating the newly established code of conduct and working on measures to improve engagement at each workplace, the Target promoted measures to strengthen the security of company-wide information and developed a system to support diverse work styles. Further, the Target worked to improve the quality of business operations by strengthening monitoring of business operations and conducting self-inspections.

According to the Target, in 2022, the outlook for the Japanese and overseas economies remains uncertain due to the impact of the COVID-19 pandemic, deterioration in

international conditions, and rapid changes in financial markets. In the BPO (Note 5) industry to which the Target Group belongs, the demand for outsourcing to solve the issues faced by client companies, such as responding to the increasing complexity and sophistication of consumer needs and the digitalization of communications, is robust. In this environment, in 2022, the second year of the "Mid-term Management Plan 2023," the Target Group is promoting the following measures as initiatives for priority themes under the plan.

(Note 5) "BPO" stands for Business Process Outsourcing and means outsourcing of a series of administrative processes.

•Create CX

For contact center services, "AmiVoice® Communication Suite," an AI speech recognition solution provided by Advanced Media, Inc. which was judged to have higher voice recognition rate and other functions than similar products, has been fully introduced with a view to making it a standard function of the Target's operation center. For back office services, "CLOVA OCR," an AI-OCR (optical character recognition) service provided by LINE Corporation which is expected to work seamlessly with various AI products, was introduced into "Relia BPA System" provided by the Target. In marketing activities, the Target actively carried out sales activities such as planning proposals and holding seminars based on the "CX Grand Design" designed by the Target to enhance its corporate competitiveness through the creation of CX, and released brand movies that clearly express the world view of the services provided by the Target.

•Create EX

With the aim of enhancing the quality of human resources and providing an environment in which diverse human resources can work with peace of mind and energy, the Target's office adopted a dress code-free system throughout the year. With regard to human resource recruitment, the recruitment function in the Tokyo metropolitan area was transferred to the head office, and the collaboration between the bases was enhanced more than ever to strengthen the recruitment ability. At the same time, the operation ability was strengthened by enriching the contents of the "Relia Operation School," which was established last year.

•Strengthen the business foundation

The Target continued to implement measures based on the "Basic Policy for Initiatives to Restore Trust (Outline)." The Target has completed the enhancement of the IT infrastructure, including the enhancement and standardization of information security at the Target's

operation center, and introduced new groupware to enhance information security and improve productivity.

According to the Target, the "Mid-term Management Plan 2023" also sets non-financial goals for realizing "Sustainable & Reliable Society," which is the ideal society as a whole that the Target considers to be, and aims to achieve growth in both economic value and social value. In April 2022, the Target established the officer in charge of sustainability promotion and the Sustainability Promotion Committee to promote overall sustainability initiatives. For "Enhancing CX through DX," the Target has formulated a vision and developed strategies and systems that correspond to the basic matters of the "Digital Governance Code" and has been selected by the Ministry of Economy, Trade and Industry as a "DX-Certified Business Operator" that is ready for digital transformation (DX-Ready). For "Responses to climate change and the environment," the Target established an environmental policy, agree with the TCFD Recommendations, which are a framework for international climate-related information disclosure, and disclosed information based on such Recommendations. In addition, the Target issued "Sustainability Report 2022" in August 2022, which summarizes the Target's sustainability initiatives.

The Company and the Target have built a relationship through capital relationships and business transactions through the present. The relationship between the two companies was established in June 1987 when the Target was established by investment from 11 other companies, with the Company at its core, the Company acquired 4,600 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (8,100 shares) at the time of incorporation, i.e. June 23, 1987: 56.79%; please note that the Target did not hold any treasury shares at that time; the Target also held no treasury shares at the time of transactions conducted in October 1998, August 1999, September 1999, October 1999, and December 1999). Subsequently, after the acquisition of 2,755,400 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,274,000 shares) as of September 30, 1998: 52.24%; the date and time of acquisition and the method of acquisition are unknown), at the time when the Target's Stock went public over the counter in October 1998, sold 305,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,274,000 shares) as of September 30, 1998: 5.78%) by way of equity offering (the counterparty is unknown; the same shall apply to the sales in August 1999, September 1999, December 1999, March 2000, April 2000, and February 2004). Subsequently, the Company sold 30,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,774,000 shares) as of June 30, 1999: 0.52%) in August 1999 (the method of sale is unknown; the same shall apply to the sales in August

1999, September 1999, December 1999, March 2000, April 2000, and February 2004), sold 30,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,774,000 shares) as of September 30, 1999: 0.52%) in September 1999, acquired 4,704 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) as of October 1, 1999: 0.08%) as an allocation of consideration in connection with the merger between the Target and Teleguide Japan in October 1999, and sold 200,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) as of December 9, 1999: 3.45%) in December 1999, 185,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of March 31, 2000: 3.19%) in March 2000, and 24 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of March 31, 2000: 0.0%) in April 2000. As a result, the Company has come to own 2,014,680 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of September 18, 2000: 34.78%). Subsequently, in February 2004, the Company sold 39,080 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 30,450 shares of treasury shares, both as of February 12, 2004: 0.68%), acquired 3,951,200 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of April 1, 2006 (17,375,760 shares): 22.74%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 3:1 split of the Target's Stock made on April 1, 2006, acquired 5,926,800 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of February 1, 2008 (34,751,520 shares): 17.05%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 2:1 split of the Target's Stock made on February 1, 2008, and acquired 11,853,600 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of October 1, 2011 (69,503,040 shares): 17.05%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 2:1 split of the Target's Stock made on October 1, 2011. The Company currently owns 23,707,200 shares of the Target's Stock (ownership ratio: 36.56%), and the Target is an equity method affiliate of the Company. From a business perspective, the Target provides contact center services to the Company Group, and the Company Group and the Target Group have been establishing relationships as mutually important business partners. In addition, the Target has accepted 10 employees of the Company on secondment.

In December 2008, the Company and the Target made a joint investment in MOCAP Limited,

a company providing services related to contact center operation, market research, and back-office data processing in Thailand. Further, in November 2009, MOCAP Vietnam Joint Stock Company, an outsourcing business operator providing market research and back-office data processing services, was jointly established with Smart Media Joint Stock Company in Vietnam, and in 2017, the Target acquired the shares of MOCAP Vietnam Joint Stock Company from the Company, Smart Media Joint Stock Company, and Harvey Nash, making MOCAP Vietnam a wholly-owned subsidiary.

In recent years, the BPO industry's market has been expanding owing to a shortage of human resources caused by a decrease in the working population due to the declining birthrate and aging population, and a decrease in the amount of business processing due to work style reforms. The need for DX is increasing in various aspects of companies and society, such as the need to improve cost competitiveness and promote labor efficiency through the introduction of digital solutions, and the further acceleration of digitalization of BPO is becoming notable. In particular, as labor costs continue to rise, BPO unit prices are on the rise. As the required business activities expand from routine tasks to multitasking and specialized fields, BPO unit prices are expected to rise to a certain extent in the future. Against this backdrop, vendors in the BPO industry are expanding the scope of their outsourcing services with the aim of supporting the provision of CX and increasing added value in their business processes through the introduction of BPaaS (Note 6) and the implementation of business improvement consulting services, and the BPO industry itself is entering a period of structural change. In particular, in the contact center industry in which the Target conducts business, the market is expanding both in Japan and overseas (Note 8) owing to the increase in textual communication without paper media due to the spread of demand for contactless channels triggered by the COVID-19 pandemic and the capture of demand for inquiry contact points due to the progress of the adoption of EC (Note 7), and the market is expected to remain strong in the future as a result of increasing labor shortages and rising labor costs. In addition, in the back-office BPO (Note 9) industry, the market is also expanding (Note 10) due to factors such as worsening labor shortages and increasing demand for outsourcing to strengthen cost competitiveness. On the one hand, in the BPO industry, there is an increasing oligopoly of businesses that can provide services that meet diversified customer needs by expanding the business base that entails capital investment, and the competitive environment among companies is expected to further intensify.

(Note 6) "BPaaS" stands for Business Process as a Service, and means a cloud computing based service that outsources and centrally manages existing business processes.

(Note 7) "EC" stands for Electronic Commerce, and means buying and selling goods and services on the Internet generally.

(Note 8) Source: "Call Center Market 2021" by Yano Research Institute Ltd. (released on October 28, 2021), and "FY2020 Industrial and Economic Research Service (Market Research on E-commerce) Report" by Ministry of Economy, Trade and Industry (released on July 30, 2021)

(Note 9) "Back-office BPO" means outsourcing of indirect operations (e.g., application acceptance processing, input, fee calculation, contract management, etc.).

(Note 10) Source: "BPO Market 2021-2022" by Yano Research Institute Ltd. (released on October 27, 2021)

As a result of the aforementioned expansion in the size of the contact center and BPO markets, sales of competitors in the industry are considered to be on an upward trend. However, sales of the Target decreased for 2 consecutive years, to 128.7 billion yen in 2019, 127.6 billion yen in 2020, and 117.9 billion yen in 2021. In the BPO industry, the Company recognizes that end users and partner companies tend to place importance on corporate information, including business size and financial standing, and industry rankings in selecting vendors by referring to publicly available information of each vendor. However, following changes in the market of the contact center and BPO industries and changes in the business models of competitors, competition for BPO projects is expected to intensify in the future and, therefore, the Company believes that further enhancement of competitiveness through expansion of the Target's scale is necessary.

In addition, with respect to the Target, given the recent social and economic circumstances in which the Target is undergoing changes in communication channels due to the spread of COVID-19 and changes in the demand structure aiming at labor efficiency improvement triggered by a decrease in the working population and work style reforms, the Company recognizes that it is urgently necessary to change its business model to a digital BPO (Note 11) by, for example, responding to the flow of DX promotion in companies and administrative organizations and to an effective and efficient business format based on the provision of services utilizing digital technologies.

(Note 11) "Digital BPO" means a BPO method whereby a series of outsourced operations are outsourced not only by human resources but also by utilizing digital technologies such as AI to achieve greater efficiency in outsourced operations.

In order to respond to such changes in the business environment and achieve sustainable growth, the Company believes that it is necessary to enhance the Target's growth strategy by strengthening its service lineup utilizing digital solutions and its ability to propose optimal outsourcing services to customers, and to enhance its presence in the BPO industry by utilizing such capabilities and expanding its track record of providing value-added BPO services not only to the existing back office operations but also to the entire operation, including the middle and front offices of customers. Furthermore, while the back-office BPO services provided by the Target have a track record in the public works, and electric power and public sector, the Company believes that there is room for growth by accumulating a track record of winning projects through business expansion across the board for customers in other sectors.

Although the Company had been working to enhance its competitiveness through the exchange of management information and personnel and technical exchanges with the Target, in order for the Target Group to overcome such changes in the business environment and maintain and expand its advantageous position in the BPO industry, the Company further recognizes there is a need for the Company Group to strengthen its involvement in the management. At the same time, the Company has repeatedly considered management strategies with the aim of increasing the Target's various possible corporate values, including a business alliance with partner to complement the expansion of its business and organization and a management integration and M&A transactions as part thereof.

Under such circumstances, in December 7, 2021, the Company received a proposal from KDDI for strategic alliance discussions between the Target and KDDI Evolva. KDDI Evolva is a wholly-owned subsidiary of KDDI, which is at the center of the growth strategy of the KDDI Group and provides BPO services centered on contact centers. According to KDDI, it believes that, with the promotion of DX as an opportunity, KDDI Evolva needs to reform its business model to lead to more efficient business operations. The Company was explained by KDDI that in response to the above change in business model in the contact center/BPO markets, where the Target and KDDI Evolva operate, it believes that, through the business alliance between the Target and KDDI Evolva, it can reform the Target's and KDDI Evolva's business models and thereby aim for the growth of the Target's and KDDI Evolva's businesses.

Based on information gained through research on KDDI Evolva through public information and interviews at conferences, the Company became aware that KDDI Evolva has a strong foundation and superior performance as one of the Target's specific strategic partner candidates. Therefore, from December 22, 2021, the Company began dialogue with KDDI in

order to explore the possibility of an M&A transaction, including a business alliance. During these dialogues, the Company discussed the structure of the business alliance, including the tentative business strategy, strategic alliance, minority investment, joint venture, and management integration with respect to the businesses of both the Target and KDDI Evolva. Through these discussions, the Company was able to deepen the understanding of KDDI Evolva's businesses and deepen the awareness that the integration of the Target and KDDI Evolva will lead to the maximization of the corporate value of both companies and the interests of their customers by expanding the provision of high-quality services, improving the level of services provided to end users and partner companies, and streamlining the sales structure. Based on this initial strategic discussion, in late December 2021, the Company decided to enter into discussions with KDDI regarding a strategic alliance that would include a potential integration of KDDI Evolva with the Target. Subsequently, the Company held multiple discussions with KDDI during the period from late December of 2021 to early July of 2022. As a result, the Company understood and evaluated KDDI Evolva's stable customer base, ability to acquire customers in collaboration with KDDI's corporate sales in order to acquire deals, and knowledge of digital solutions, and deepened discussions on the possibility of creating synergies, and then it came to have a strong interest in the strategic benefits to be gained from the business integration of the Target and KDDI Evolva.

In the course of the above discussions and examination with KDDI, the Company appointed Anderson Mōri & Tomotsune as a legal advisor in mid-March of 2022 and Nomura Securities Co., Ltd. ("Nomura Securities") as a financial advisor and a third-party valuator in late March of 2022, each independent of the Company, KDDI, the Target, and KDDI Evolva, and then commenced, together with KDDI, initial consideration and discussions regarding the business integration of the Target and KDDI Evolva from late April of 2022, and considered with experts the transaction methods that would achieve the Business Integration. Subsequently, based on the results of such consideration and discussions and the advice obtained from experts, in early July of 2022, the Company and KDDI concluded that (i) for listed companies with general shareholders, there are practical and legal restrictions to integrate the organizations of the Target and KDDI Evolva and develop business strategies, communication channels and daily cooperation are limited from the viewpoint of confidentiality, and potential conflicts of interest with general shareholders may arise even in decision making which is the most suitable for the Integrated Company Group; therefore, it is impossible to share information and ideas seamlessly in a business integration with KDDI Evolva by developing a business strategy or making a subsidiary on the premise of maintaining the listing, and the Integrated Company must be an unlisted company; however, if the Target carries out a business integration with KDDI Evolva while remaining a listed

company, and then goes private, the process of the business integration will become very complicated; (ii) it would be possible to offer shareholders of the Target an opportunity to sell their shares at a price equal to premium to the market price of the Target's Stock if the Company implements a tender offer as a means of implementing the Business Integration and sets the terms of implementation of the tender offer, including the tender offer price, at a level that allows general shareholders to receive a higher return on profits than the sale of their shares in the market; (iii) it would be better for a special purpose acquisition company to be newly established for the purpose of the tender offer, rather than for the Company, to launch the tender offer, in order to commence the tender offer as soon as it obtains the approval of the competition authorities; but on the other hand, and (iv) if the Company and a special purpose acquisition company to be newly established for the purpose of the tender offer hold the Target's Stock separately, both companies will be required to exercise their respective rights as a shareholder and the procedures will become complicated, and if the Company holds all of the Target's Stock (excluding treasury shares owned by the Target) before the integration of the Target and KDDI Evolva, the Company will be able to directly exercise its rights as a shareholder flexibly in proportion to its voting rights ratio in the Integrated Company after the business integration of the Target and KDDI Evolva; and that the acquisition by the Company of all of the Target's Stock (excluding treasury shares owned by the Target) through the Tender Offer and the Squeeze-out Procedure, as well as through the Merger No. 1, and the integration of the Target and KDDI Evolva through the Merger No. 2, would be the best option as a transaction method aimed at building a system that enables the Target Group to flexibly implement management measures that are deemed necessary to enhance the Integrated Company Group's competitiveness in the medium to long term, and it will become possible to establish a structure that allows only the Company and KDDI to support the management and business operations of the Integrated Company as shareholders as a result of the business integration of said two companies. The Company and KDDI have held regular weekly meetings since early January 2022 up until today to regularly discuss matters such as the implementation policy and transaction terms of the Business Integration, and the management policy and management structure after the Business Integration. For details of the management policy and management structure after the Business Integration, see "(II) Management policy after the Tender Offer" below and "(III) Shareholders Agreement" under "(6) Material agreements relating to the Tender Offer" below.

The Company is concerned that if the Target continues to operate as an independent entity under the current business environment of the Target where there are challenges in the provision of services utilizing the aforementioned digital solutions that respond to DX and the provision of services accompanying fundamental business reforms, the management

resources such as capital required for investment, personnel engaged in research and development, and ideas for promoting DX will be limited, which will make it difficult to expand the service portfolio in response to changes in the industry structure and implement measures such as strengthening the sales organization structure sufficiently and continuously. The Company believes that by the acquisition by the Company of all of the Target's Stock (excluding treasury shares owned by the Target) through the Tender Offer and the Squeeze-out Procedure, as well as through the Merger No. 1, and then integrating the Target with KDDI Evolva and establishing a structure that allows only the Company and KDDI to support the management and business operations of the Integrated Company as shareholders, it will be able to utilize KDDI Evolva's knowledge of digital solutions and solve these issues by making more management resources available as an integrated company group. In addition, according to KDDI, KDDI Evolva believes that the Target's customer base in the public works, and electric power and financial industries, as well as the overseas expansion of the Contact Center Business, mainly in North America, will complement KDDI Evolva's customer portfolio and contribute to expanding KDDI Evolva's market share overseas. The Company believes that such cooperation between the Target and KDDI Evolva will enable the Integrated Company to maintain and expand its superior position in the domestic and overseas contact center markets, and will enable the Integrated Company to expand sales in the domestic and overseas contact center markets more quickly. Therefore, the Company has determined that it is appropriate to proceed with the integration of the Target and KDDI Evolva at this timing. Accordingly, the Company and KDDI submitted a non-legally binding letter of intent to the Target on July 15, 2022, proposing that they would like to commence a tender offer for the Target's Stock, the Squeeze-out Procedure, and review and discuss the implementation of a business integration between the Target and KDDI Evolva thereafter (the "Proposal").

In response, according to the Target, the Target received a proposal from the Company and KDDI in mid-July 2022, and, taking this as an opportunity, appointed SMBC Nikko Securities Inc. ("SMBC Nikko Securities") as a financial advisor and a third-party valuator and Mori Hamada & Matsumoto as an outside legal advisor, each independent of the Company, KDDI, KDDI Evolva, and the Target, in order to consider, among other things, whether or not to commence consultations with KDDI and KDDI Evolva and the implementation of the Transaction and the Business Integration and to conduct negotiations with the Company, KDDI, and KDDI Evolva regarding the Transaction and the Business Integration. The Target held interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and held hearings with regard to the premise of the Proposal and the management policies. In addition, on August 27, 2022, the Target passed a

resolution to establish a special committee (the "Special Committee;" for the process for establishment of the Special Committee, process for consideration thereof, and details of determination thereof, see " (II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interest" below) consisting of Independent Outside Directors and Outside Audit & Supervisory Board Members to consider and negotiate the Transaction from a standpoint independent from the Company and KDDI. The Special Committee approved the appointment of SMBC Nikko Securities as the Target's financial advisor and third-party valuator and Mori Hamada & Matsumoto as the Target's legal advisor, and established a system for discussion and negotiation regarding the Tender Offer.

According to the Target, the Target responded to the Company and KDDI on August 30, 2022 that it would consider the Proposal, and granted the Company and KDDI permission to conduct due diligence on the Target. From late September 2022 to early December of 2022, the Company conducted due diligence on the Target and KDDI Evolva, and KDDI conducted due diligence on the Target, for the purpose of deepening their understanding of each company's businesses and studying the probability of integration synergies, as well as for the purpose of confirming relevant areas such as accounting, tax, business, legal affairs, personnel and labor affairs, and IT. Through discussions with the Target and KDDI Evolva regarding their respective future business prospects, and discussions with the Target regarding its future business prospects, the Company and KDDI have deepened their respective understanding of individual management guidelines and targets of the Target and KDDI Evolva, respectively, and have continued discussions regarding, among other things, the purpose of the Business Integration, including the Tender Offer, the management structure and policies after the Business Integration, and the terms and conditions of the Business Integration, by confirming the probability of creating corporate value through the integration. Specifically, with respect to the purpose of the Business Integration, from the perspective of maximizing the corporate value of the Integrated Company Group, the Company and KDDI have studied and analyzed synergies that could be generated by integrating both the Target and KDDI Evolva and building a cooperative structure between the Company Group and the KDDI Group. With regard to the management policy and management structure after the Business Integration, from the standpoint of a spirit of equality, discussions were held regarding the details of the rights and obligations held by the shareholders of the Company and KDDI toward the Integrated Company, as well as the details of the governance structure of the Integrated Company. With regard to the terms and conditions of the Business Integration, the Company and KDDI have reviewed the terms and conditions of the Tender

Offer and the timetable for the Business Integration.

Through due diligence and various analyses of the Target's and KDDI Evolva's management objectives, as well as discussions with KDDI regarding the possibility of creating corporate value through the integration of the Target and KDDI Evolva, the Company believes that the Business Integration will enable the Target and KDDI Evolva to achieve mid- to long-term growth and an increase in the corporate value of the Target and KDDI Evolva, as well as to deliver high value to all stakeholders of the Target and KDDI Evolva, such as general shareholders, employees, and business partners, by expanding the provision of high-quality services, improving the service level and lineup of services to end users and partner companies, and streamlining the sales structure, in a manner that is different from the manner in which the Target and KDDI Evolva conduct business independently. Specifically, the Company believes that the Business Integration will not only improve operational efficiency and reduce costs, but will also strengthen its competitiveness in the digital BPO industry, where customer needs are expected to increase in the future, and establish itself as a contact center player, by combining the Target's strengths in operational design and operational capabilities with KDDI Evolva's track record of winning projects in the omnichannel field and its capabilities within the Group. As a result of the due diligence and other acts described above, the Target and KDDI Evolva have a high degree of similarity in their business forms, management policies, and organizational cultures, and both companies have excellent business performance in the BPO market and strong business foundations, and accordingly, the Company and KDDI strengthened their belief that the Target is the best strategic partner for both of them. In addition, the Company and KDDI have held repeated discussions regarding the voting rights ownership ratio of KDDI and the Company in the Integrated Company after the Business Integration, through the venue of the weekly meetings mentioned above and through timely communication by telephone and email since early January of 2022, when the two companies started discussions regarding the Business Integration. In accordance with the business integration philosophy of a spirit of equality, the Company and KDDI agreed in late November of 2022 to increase the voting rights ownership ratios of KDDI and the Company to 51.0% and 49.0%, respectively, after the Business Integration, in order to maximize each other's respect for the corporate culture and management autonomy fostered by the Target and KDDI Evolva, respectively, to continue to engage in the BPO business as a core business, and to enable KDDI, which has held KDDI Evolva as an important subsidiary, to maintain KDDI Evolva merged with the Target through the Merger No. 2 (= the Integrated Company) as a consolidated subsidiary and continue to be involved in the management of the Integrated Company as the KDDI Group as the parent company of the Integrated Company, and to enable the Company to increase the ownership

ratio in the Target's Stock through the Business Integration and further strengthen cooperation with the Target merged with KDDI Evolva through the Merger No. 2 (= the Integrated Company) by implementing the business integration based on a spirit of equality. With respect to the structure of the Tender Offer, the Company and KDDI have concluded that it is appropriate to realize a simple structure, from the perspective of the certainty of execution of transactions and the simplicity of the procedures, by having the special purpose acquisition company to be solely established by the Company act as the entity that will execute the Tender Offer, rather than the Company and KDDI jointly conducting the Tender Offer. Based on the above discussion, on November 22, 2022, the Company and KDDI submitted to the Target an initial non-legally binding proposal (the "Initial Proposal") proposing to implement the Business Integration based on the scheme of tender offer and squeeze-out procedure for the Target's Stock by the special purpose acquisition company to be solely established by the Company.

After the Business Integration, the Company will, while giving maximum respect to the corporate culture and management autonomy cultivated by the Target, continue to support the Target Group and KDDI Evolva through discussions between the Company and KDDI based on a spirit of equality, in order to ensure the sustainable growth of the Integrated Company Group, to increase the added value of the Target Group and KDDI Evolva in a wide range of areas through the Business Integration, and to demonstrate synergies including the matters described below.

(i) Strengthening competitiveness through promotion of digital BPO

- Target and KDDI Evolva will mutually collaborate in order to further strengthen competitiveness with a focus on digital BPO and to build a foundation for business transformation. In the KDDI Group, KDDI Digital Design Inc., Supership Holdings Inc., ARISE analytics, inc. and ired, Inc. have the functions to support CRM processes, such as formulation of plans for the entire business process, detailed examination of operations, and deployment plans, etc., and utilization of digital technologies. The Target has the functions to promote DX at the customer contact point of the client companies through the development and provision of services utilizing digital tools at the DX Strategic Headquarters and Relia Digital Inc. By complementing each other with these functions owned by Target and the KDDI Group to which KDDI Evolva belongs, the Integrated Company would be able to facilitate the provision of services for supporting customers' business processes through digital BPO and aim to further enhance its presence in the BPO industry.

- Specific initiatives envisaged for the promotion of digital BPO by the Integrated Company in the contact center area include building a cloud platform and facilitating the operation of contact centers by utilizing digital technologies such as IoT and artificial intelligence (AI). In the back office area, acceleration of the deployment of domain-specific BPOs, which are BPOs designed for outsourcing specific specialized tasks, is expected.

- With a view to expanding competitiveness of the Integrated Company over the medium to long term, the Integrated Company will consider acquiring operational know-how and knowledge from outside through promotion of proactive investment such as M&As with medium-scale business operators that would contribute to the realization of digital BPO and business collaboration with companies that provide DX promotion services as their business.

(ii) Streamlining and cost reduction of organizational structure for sales

- By gathering information on the business operation of the entire company and information on the operating status of individual contact centers at the headquarters, the Integrated Company will seek to establish an organizational structure in which it is able to make business judgments from the viewpoint of cost optimization with respect to matters such as opening or integration of contact centers, proposal of projects, and cost estimates, and allocate operation bases and personnel for outsourced projects and accumulate knowledge efficiently on a company-wide basis. The Business Integration will enable the Target and KDDI Evolva to reduce various costs by consolidating and eliminating their respective business locations, improving the efficiency of advertising expenses through the integration of recruitment and marketing activities, and integrating systems used in business operations. By allocating the amount of the reduced costs to new projects, sales and operating profit can be expected to increase.

- By integrating the sales functions of the Target and KDDI Evolva, the Integrated Company will be able to secure appropriate sales resources and appropriate number of operational staff and to better allocate operational staff. It would also be possible to further improve profitability and create synergies in the recruitment and development of human resources through transactions with customers in a wider range of industries and business categories, streamlining of operations, and increased productivity. In addition, by integrating the corporate functions of both companies, it will be possible to reassign the existing corporate staff of both companies to supplement those in the business units of the Integrated Company.

- Delisting of the Target's Stock through the Transaction is expected to reduce the Target's costs and operational burden associated with the systems for maintaining its listing.

(iii) Cross-selling

- By providing the Target's services to KDDI Evolva's existing customers and providing KDDI Evolva's services to the Target's existing customers, the Integrated Company Group will promote business development in an integrated manner. A specific approach that is being considered is to provide KDDI Evolva's engineer dispatching services to the Target's existing customers. In addition, an increase in sales is expected through overseas expansion of the contact center business by making the Target's overseas contact centers available to KDDI Evolva's existing customers.

- The combination of the brand powers and presences of the Target and KDDI Evolva in the contact center and BPO projects is expected to attract new customers and increase inquiries for new projects from existing customers and lead to an increase in sales.

(iv) Creating a cloud integration hub

The Integrated Company will create a hub for centrally managing and utilizing data scattered across multiple cloud environments to facilitate cloud migration of the contact centers. This would enable the Integrated Company to make a greater investment than when the Target implements the cloud migration alone, and is thus expected to facilitate the cloud migration more efficiently. As a result of the creation of the cloud integration hub, cost reduction through the streamlining of the operation of the contact center business and an increase in sales through external sale of the cloud integration hub can be expected.

In order to achieve the above synergies, the Company believes that it is essential to implement the Business Integration and create an environment in which the Integrated Company's management has flexibility with respect to its decision making. More specifically, if the Target remains a listed company with general shareholders, there will be practical and legal restrictions on the organizational integration of the Target and KDDI Evolva and the implementation of the business strategies. In addition, communication channels and day-to-day cooperation will also be limited due to confidentiality reasons, and decision making may give rise to potential conflicts of interests with general shareholders even if it is optimal for the Integrated Company Group. Therefore, seamless sharing of information and ideas would

be impossible in the case of implementation of business strategies with KDDI Evolva or business integration with KDDI Evolva by making the Target a subsidiary on the premise of maintaining the Target's listing, and the Target believes that it is essential to take the Target's Stock private. In addition, by integrating the Target and KDDI Evolva into a group, the management and employees of the Integrated Company Group will be able to move freely between organizations, openly share best practices, support investments in service technology innovation and intellectual property development, invest in growth with a focus on digitalization, and create business synergies with both the Company Group and the KDDI Group, without being subject to practical and legal restrictions or conflicts of interest with general shareholders. While going private and eliminating potential conflicts of interest with general shareholders would make communication between the Company and KDDI and the Target easier, if the business strategies with KDDI Evolva or business integration with KDDI Evolva is implemented by making the Target a subsidiary on the premise of maintaining the Target's listing, it would be difficult to share business information without restrictions and to support investment in service technology innovation and new technology development in the same manner.

Based on the above-mentioned process of considerations at the Company and discussions and negotiations with KDDI, even after the submission of the Initial Proposal on November 22, 2022, from the perspective of maximizing the corporate value of the Integrated Company Group, the Company continued to discuss and negotiate with KDDI the implementation of the Business Integration, terms and conditions of the transaction (including details of the transaction structure such as the terms and conditions of the Tender Offer and the timetable for the Business Integration), and plans for management and business operation after the Business Integration (including the details of the governance structure of the Integrated Company based on a spirit of equality, the rights and obligations held by the shareholders of the Company and KDDI toward the Integrated Company, and the policy for involvement in the Integrated Company), through the venue of the weekly meetings mentioned above and through timely communication by telephone and email, and on December 6, 2022, the Company submitted to the Target a non-legally binding written proposal (the "First Proposal") setting forth the tender offer price (the "Tender Offer Price") in the Tender Offer. The Company conducted a multifaceted and comprehensive analysis of the Target's business, finance and future plans, and determined the Tender Offer Price to be 1,300 yen in the First Proposal, since the Tender Offer Price of 1,300 yen reflected a premium over the market price of the Target's Stock of (a) 29.10% over the closing price (1,007 yen) of the Target's Stock on the Prime Market of the TSE as of December 2, 2022 (rounded to the whole number; hereinafter the same in calculation of the premiums), (b) 26.83% over the simple average

closing price (1,025 yen) on the Prime Market of the TSE for the one (1) month ending December 2, 2022 (rounded to the second decimal place; hereinafter the same in calculation of the simple average closing prices), (c) 30.78% over the simple average closing price (994 yen) on the Prime Market of the TSE for the three (3) months ending December 2, 2022, and (d) 25.97% over the simple average closing price (1,032 yen) on the Prime Market of the TSE for the six (6) months ending December 2, 2022, and was a price that is not disadvantageous to the Target's shareholders (for specific basis of calculation, see "(4) Basis of calculation of the price of tender offer" under "2. Summary of Tender Offer").

Following the submission of the First Proposal, on December 9, 2022, the Company received a request from the Target and the Special Committee to reconsider the Tender Offer Price in the First Proposal for the reason that the Target and the Special Committee determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 19, 2022, the Company made a reproposal to the Target and the Special Committee (the "Second Proposal") to set the Tender Offer Price at 1,375 yen per share (the premium over the market price of the Target's Stock as of December 16, 2022 is (a) 35.07% over the closing price (1,018 yen) on the same date, (b) 34.80% over the simple average closing price (1,020 yen) for the one (1) month ending December 16, 2022, (c) 37.91% over the simple average closing price (997 yen) for the three (3) months ending December 16, 2022, and (d) 33.89% over the simple average closing price (1,027 yen) for the six (6) months ending December 16, 2022).

Following the submission of the Second Proposal, on December 23, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,640 yen per share for the reason that the Tender Offer Price in the Second Proposal still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 28, 2022, the Company made a reproposal to the Target and the Special Committee (the "Third Proposal") to set the Tender Offer Price at 1,440 yen per share (the premium over the market price of the Target's Stock as of December 27, 2022 is (a) 40.63% over the closing price (1,024 yen) on the same date, (b) 42.01% over the simple average closing price (1,014 yen) for the one (1) month ending December 27, 2022, (c) 44.14% over

the simple average closing price (999 yen) for the three (3) months ending December 27, 2022, and (d) 40.49% over the simple average closing price (1,025 yen) for the six (6) months ending December 27, 2022).

Following the submission of the Third Proposal, on December 30, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Third Proposal to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 6, 2023, the Company made a reproposal to the Target and the Special Committee (the "Fourth Proposal") to set the Tender Offer Price at 1,460 yen per share (the premium over the market price of the Target's Stock as of January 5, 2023 is (a) 49.13% over the closing price (979 yen) on January 5, 2023, (b) 44.84% over the simple average closing price (1,008 yen) for the one (1) month ending January 5, 2023, (c) 45.56% over the simple average closing price (1,003 yen) for the three (3) months ending January 5, 2023, and (d) 42.86% over the simple average closing price (1,022 yen) for the six (6) months ending January 5, 2023).

Following the submission of the Fourth Proposal, on January 10, 2023, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Fourth Proposal to 1,480 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 11, 2023, the Company made a reproposal to the Target and the Special Committee (the "Final Proposal") to set the Tender Offer Price at 1,465 yen per share (the premium over the market price of the Target's Stock as of January 10, 2023 is (a) 51.03% over the closing price (970 yen) on January 10, 2023, (b) 45.63% over the simple average closing price (1,006 yen) for the one (1) month ending January 10, 2023, (c) 45.92% over the simple average closing price (1,004 yen) for the three (3) months ending January 10, 2023, and (d) 43.77% over the simple average closing price (1,019 yen) for the six (6) months ending January 10, 2023).

On January 11, 2023, following the submission of the Final Proposal, the Company received a response from the Target and the Special Committee agreeing to set the Tender Offer Price at 1,465 yen, as the Special Committee carefully examined the proposed price in the Final

Proposal and believes that it is at a level that can gain broad understanding and support from its minority shareholders and other stakeholders.

As a result of the above discussions and negotiations, on January 11, 2023, the Company, KDDI, and the Target reached an agreement on the Tender Offer Price of 1,465 yen per share. As of today, the Company and KDDI executed the Basic Transaction Agreement and the Shareholders Agreement, and decided that the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions.

In addition, the Company and KDDI have executed the Basic Transaction Agreement as of today and the Offeror has executed the Tender Agreement with Central Security Patrols as of today in order to implement the Transaction. With Central Security Patrols, the Company held an interview on December 2, 2022 to provide explanations concerning the Transaction and to sound out the possibility of executing a tender agreement, and held another interview on December 7, 2022 to begin negotiations on the execution of the Tender Agreement. The Company held discussions and negotiations on the terms of the Tender Agreement with Central Security Patrols by email, and on January 12, 2023, the Company notified Central Security Patrols that the Tender Offer Price is scheduled to be 1,465 yen and received the response that it is acceptable to enter into the Tender Agreement and to tender shares in the Tender Offer at such price. Therefore, the Company executed today the Tender Agreement with Central Security Patrols.

If the Tender Offer is successfully completed, the Offeror intends to raise funds for settlement of the Tender Offer by receiving investment from the Company by way of third-party allotment by the business day immediately preceding the commencement date of settlement of the Tender Offer. In addition, around March 2023, when the Tender Offer is intended to be commenced, prior to the commencement of the Tender Offer, the Company will submit to Offeror a certificate of investment to the effect that it will provide Offeror with funds for settlement of the Tender Offer through the above-mentioned investment.

(II) Management policy after the Tender Offer

As described in "(1) Outline of the Tender Offer" above, pursuant to the Basic Transaction Agreement executed as of today, the Company intends to make the Offeror Parties the sole shareholders of the Target if the Tender Offer is successfully completed. After making the Offeror Parties the sole shareholders of the Target through the Squeeze-out Procedure, the

Merger No. 1 will be implemented between the Target and the Offeror, and after the entry into force of the Merger No. 1, the Merger No. 2 will be implemented between the Target and KDDI Evolva. Upon completion of the Business Integration, including the series of transactions described above, the Target will proceed with the integration with KDDI Evolva and realize sustainable growth and maximization of corporate value of the Integrated Company Group as a whole.

After successful completion of the Business Integration, in order to realize a smooth integration and maximize the corporate value of the Integrated Company Group, the Integrated Company Group will implement various measures with the aim of achieving the objective of realizing No.1 contact center in Japan and becoming Japan's largest digital BPO business operator that serves the needs of all industries by synergy between human and digital technologies, making use of its customer base and business assets with a spirit of equality, thereby maximizing the corporate value of the Integrated Company.

In the Shareholders Agreement executed between the Company and KDDI as of today (the "Shareholders Agreement"), the Company and KDDI have agreed that the Company will nominate and elect five (5) directors and KDDI will nominate and elect six (6) directors of the Integrated Company after the Business Integration, but the specific candidates have not been determined as of today. Other details on the management policies of the Integrated Company after the Business Integration have not been determined as of today, but the Company and KDDI, as well as the Target and KDDI Evolva, will consult with each other to establish a system that will maximize the corporate value of the Integrated Company.

The Company has also agreed with KDDI on specific matters such as governance and operation of the Integrated Company after the Business Integration, based on the Shareholders Agreement. For details on the Shareholders Agreement, see "(III) Shareholders Agreement" under "(6) Material agreements relating to the Tender Offer" below.

(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target

(i) Background of proposal by the Offeror Parties and establishment of a review system

According to the Target, as described in "(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" above, upon the receipt of the Proposal on July 15, 2022, the Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator independent from the

Company, KDDI and KDDI Evolva, and the Target with respect to the Transaction, after examining the expertise and past performances of SMBC Nikko Securities, to receive advice and assistance from a financial perspective, including advice on the calculation of the value of the Target's Stock and the policy for negotiation with the Company, and appointed Mori Hamada & Matsumoto as its external legal advisor, after examining the expertise and past performances of Mori Hamada & Matsumoto, to receive legal advice including advice on the measures to be taken to ensure the fairness of the procedures for the Transaction, the procedures for the Transaction and the method and process of decision-making by the Target concerning the Transaction. Then, after holding interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and holding hearings with regard to the premise of the Proposal and the management policies, the Target replied on August 30 of the same year that it would review the Proposal. The Target is not a subsidiary of the Company or the special acquisition purpose company to be established as the Offeror in the Tender Offer, and the Tender Offer does not constitute a tender offer by the controlling shareholder. However, because the Company, which is the parent company of the Offeror, owns 23,707,200 shares of the Target's Stock (Shareholding Ratio: 36.56%) and the Target is an equity method affiliate of the Company, and the Transaction may fall under the type of transaction involving the issue of structural conflicts of interest and information asymmetry, in order to address these issues and ensure the fairness of the Transaction, the Target's board of directors, based on the advice of Mori Hamada & Matsumoto, immediately set about establishing a system to review, negotiate and make judgments regarding the Transaction from the perspective of enhancing the corporate value of the Target and securing the interests of the general shareholders of the Target, independent of the Company and KDDI.

More specifically, as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" below, the Target began preparations to establish the Special Committee comprised of the Target's Independent Outside Directors and Outside Audit & Supervisory Board Members in late July 2022. The Target then resolved at its board of directors meeting held on August 27 of the same year to establish the Special Committee consisting of three (3) members, Mr. Naonori Kimura (the Target's independent outside director), Mr. Junichi Kishigami (the Target's independent outside director) and Ms. Rika Kawaguchi (the Target's independent outside auditor), and requested the Special Committee to (i)

consider and advise the Target's board of directors on whether the Target's board of directors should support the Tender Offer and whether it should recommend that the Target's shareholders tender their shares in the Tender Offer, and (ii) consider whether the decision by the Target's board of directors regarding the Transaction would not be disadvantageous to the minority shareholders of the Target and express its opinion to the Target's board of directors (collectively, the "Items for Advice"). In establishing the Special Committee, the board of directors of the Target resolved that (i) the board of directors of the Target will conduct its decision making regarding the Transaction with the utmost respect for the Special Committee's judgment and (ii) if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target's board of directors will not support the Transaction. The board of directors of the Target also resolved that (i) the Special Committee will be substantially involved in the negotiation process between the Target and the Company, KDDI, and KDDI Evolva (including giving instructions or making requests regarding the policy of the negotiation with the Company, KDDI and KDDI Evolva and conducting negotiations with the Company, KDDI and KDDI Evolva on its own), (ii) when providing a report on the Items for Advice, if necessary, the Special Committee will appoint its own financial or legal advisors (in this case, the Target shall bear the expenses incurred by the Special Committee) or nominate or approve (including retrospective approval) financial or legal advisors of the Target, (iii) if necessary, the Special Committee will receive information necessary for the review and decision regarding the Transaction from officers and employees of the Target, and (iv) the board of directors of the Target will grant authority on the matters the Special Committee deems necessary for the review and decision regarding the Transaction (for the method of resolution of the Target's board of directors, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) 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 conflict of interests" below).

As described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" below, the Target has also received approval from the Special Committee to appoint SMBC Nikko Securities as the financial advisor and third-party valuator of the Target, and Mori Hamada & Matsumoto as the legal advisor of the Target.

Furthermore, according to the Target, the Target has established a system within the Target to review, negotiate and make judgments regarding the Transaction independent from the Company, KDDI, and KDDI Evolva (including the scope and duties of the Target's officers and employees to be involved in the review, negotiation and judgments regarding the Transaction) and has received confirmation from the Special Committee that such review system has no problem from the perspectives of independence and fairness (for details on such review system, see "(V) Establishment of independent review system at the Target" under "(3) 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 conflict of interests" below).

(ii) Process of review and negotiation

According to the Target, upon the receipt of the Proposal from the Company and KDDI on July 15 2022, the Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator independent from the Company, KDDI and KDDI Evolva, and the Target, and appointed Mori Hamada & Matsumoto as its external legal advisor with respect to the Transaction, and, after holding interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and holding hearings with regard to the premise of the Proposal and the management policies, the Target replied on August 30 of the same year that it would review the Proposal. The Target then received from SMBC Nikko Securities a report on the results of valuation of the Target's Stock and advice on the policy of the negotiation with the Company, as well as legal advice from Mori Hamada & Matsumoto on measures to ensure the fairness of the procedures for the Transaction. Based on these, the Target carefully considered whether to implement the Transaction and whether the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate.

As described above, the Target has held interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI and held hearings with regard to the premise of the Proposal and the management policies, and since September 2022, the Target has held discussions and negotiations with the Company and KDDI with respect to the significance and purpose of the Transaction and the plans for management and business operation after the Business Integration. More specifically, on October 10, 2022, the Target and the Special Committee sent a questionnaire concerning the Proposal and the Transaction to the Company, and on October 20, 2022, the Target received a response to the questionnaire verbally from the Company and confirmed the

intent of such response. On November 24, 2022, the Target received additional verbal explanations regarding the significance and purpose of the Transaction from the Company and KDDI. Based on these explanations and response, the Target sent an additional questionnaire to the Company and KDDI on December 5, 2022, received verbal explanations from the Company and KDDI on December 8, 2022, received a response on December 9, the immediately following day, and received additional explanations regarding the significance and purpose of the Transaction and the Business Integration on December 14, 2022.

Based on the above-mentioned discussions and negotiations with the Company and KDDI, the Target and the Special Committee examined whether to implement the Transaction and whether the terms and conditions of the Transaction were appropriate, and also received the First Proposal from the Company to set the Tender Offer Price at 1,300 yen.

Following the receipt of the First Proposal, on December 9, 2022, the Target and the Special Committee requested the Company to resubmit the Tender Offer Price for the reason that, based on the results of consideration by the Special Committee, the Target determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target.

After receiving the Second Proposal from the Company on December 19, 2022 to set the Tender Offer Price at 1,375 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on December 23, 2022 to increase the Tender Offer Price to 1,640 yen per share for the reason that the Tender Offer Price still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target.

After receiving the Third Proposal from the Company on December 28, 2022 to set the Tender Offer Price at 1,440 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on December 30, 2022 to increase the Tender Offer Price to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target.

After receiving the Fourth Proposal from the Company on January 6, 2023 to set the

Tender Offer Price at 1,460 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on January 10, 2023 to increase the Tender Offer Price to 1,480 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target.

The Target and the Special Committee received the Final Proposal from the Company on January 11, 2023 to set the Tender Offer Price at 1,465 yen per share. On January 11, 2023, the Target and the Special Committee, based on discussions with the Special Committee, made a response agreeing to set the Tender Offer Price at 1,465 yen, as the Special Committee carefully examined the proposed price in the Final Proposal and believes that it is at a level that can gain broad understanding and support from its minority shareholders and other stakeholders.

In the course of the review and negotiation described above, the Special Committee has received reports from the Target and the Target's advisors, confirmed such reports and expressed its opinions as appropriate. More specifically, the Target has received confirmation and approval from the Special Committee on the reasonableness of the content, material conditions precedent, and process of preparation of the business plan prepared by the Target for the period from the fiscal year ending March 2023 to the fiscal year ending March 2026 (the "Business Plan"). In addition, the Target's financial advisor has conducted negotiations with the Company in accordance with the policy of negotiation deliberated and determined by the Special Committee, and has immediately reported to the Special Committee each time it received a proposal from the Company regarding the Tender Offer Price and responded in accordance with the instructions of the Special Committee.

On January 13, 2023, the Target received a written report (the "Written Report") from the Special Committee to the effect that, as of the date of the report, it is reasonable and not disadvantageous to the minority shareholders of the Target for the board of directors of the Target to resolve to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the event that the Tender Offer is commenced (for an outline of the Report, see "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" below).

(iii) Details of the Target's decision making

According to the Target, based on the above circumstances, the Target carefully considered and discussed at its board of directors meeting held today whether the Transaction, including the Tender Offer, would contribute to the enhancement of the Target's corporate value and whether the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate, taking into account the legal advice received from Mori Hamada & Matsumoto, the advice received from SMBC Nikko Securities and the content of the Share Valuation Report concerning the results of valuation of the Target's Stock submitted on January 12 (the "Target Share Valuation Report"), with the utmost respect for the Special Committee's judgment expressed in the Written Report.

As a result, the Target has concluded that the Transaction will contribute to the enhancement of the Target's corporate value as described below.

As described in "(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" above, according to the Target, the industry to which the Target Group belongs is expected to continue to perform strongly in the future due to structural factors such as the declining working population in Japan. On the other hand, due to the tighter-than-expected labor market conditions, the availability of adequate operational human resources (especially at the on-site manager level) has had a significant impact on the acceptance of outsourcing of large-scale operations, including spot operations. In addition, growing competition due to the rise of medium-sized BPO vendors and the diversification of outsourcing needs have led to a rising demand for the provision of high value-added services such as those in the areas of consulting and IT. However, among the above-mentioned issues, growing competition and the tightening of the labor market are progressing faster than expected, and there is an urgent need to add higher value to and differentiate services through the enhancement of functions centered on the areas of consulting and IT, and to utilize digital technologies to transform business models from those that rely on human resources. In order for the Target to achieve sustainable growth by realizing the "Medium-term Management Plan 2023" and creating a virtuous cycle in the three directions of customer companies, consumers, and the Target's employees, the Target believes that faster reforms will be necessary, and for that purpose, it is important that the Target implements the growth initiatives in cooperation with other companies. While proactive investment for that purpose is expected to be beneficial and contribute

to increasing the Target's corporate value in the medium to long term, such investment may not receive adequate evaluation in the capital market in the short term because the initial expenses and costs may have an impact on the Target's financial condition and business performance. Therefore, the Target concluded on January 13, 2023 that since there is a limit to promoting the interests of the Target's general shareholders and making proactive investment at the same time, the best way to enhance the Target's corporate value would be to make the Offeror Parties the sole shareholders of the Target and implement the Business Integration through the implementation of the Transaction by the Offeror Parties and KDDI, thereby making proactive investment for fundamentally strengthening the Target's business and management base in response to drastic changes in the environment.

The specific synergies that the Target considers to be achievable through the Transaction are as follows.

(A) Increasing sales by strengthening business base

According to the Target, making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will avoid conflicts of interest and restrictions for ensuring independence between the Company and the minority shareholders of the Target, and will enable the Target to make more effective use of the customer base and sales networks of the Company Group and the KDDI Group. The Target believes that the Integrated Company resulting from the integration of the Target and KDDI Evolva will achieve such sales that cannot be achieved by the Target or KDDI Evolva alone as a contact center business operator in Japan, and that by jointly and effectively utilizing the contact center resources and human resources, the Integrated Company will be able to strengthen its business base and increase sales more rapidly.

(B) Improving profitability by enhancing business efficiency and productivity

According to the Target, the Target believes that making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will enable the Target to avoid conflicts of interest and restrictions for ensuring independence between the Company and the minority shareholders of the Target and create an environment in which management has the flexibility to decide on and make investments that would meet the long-term interests of the businesses, customers, employees, and local communities. The Target also believes that free movement of management and employees within the Integrated Company Group will enable open information sharing, support investment in service

technology innovation and intellectual property development, and further improve profitability by enhancing operational efficiency and productivity.

The Target believes that it will also be possible to seek to improve profitability by consolidating and eliminating the business locations and facilities of the Target and KDDI Evolva.

(C) Development and provision of services with higher added value

According to the Target, the Target considers that it is an urgent issue to enhance the added value of its services by expanding digital services and consulting functions for future business growth and has considered in-house production and utilization of external partners as a solution to this issue. Making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will enable the Target to utilize the know-how and resources of the Company Group and KDDI Group companies and develop and provide services with higher added value by avoiding conflicts of interest and restrictions for ensuring independence between the Offeror Parties and minority shareholders of the Target.

(D) Reducing listing maintenance costs and burden of administrative divisions

According to the Target, the Target's systems and operational burden for maintaining its listing have increased year by year due to the necessity to comply with the listing maintenance criteria and revised corporate governance codes related to the recent changes to market segments. Taking the Target's Stock private through the Transaction is expected to reduce these costs and operations.

Furthermore, the Target believes that following the Transaction, it will be possible to avoid conflicts of interest and restrictions for ensuring independence between the Company Group and the KDDI Group and the minority shareholders of the Target, which will contribute to the enhancement of the corporate value of the Company Group and the KDDI Group, including the Target, in the medium to long term, through prompt and smooth collaboration with the Company Group and the KDDI Group and efficient use of the management resources as necessary from the viewpoint of medium to long term growth.

In addition, based on the following points, the Target has determined that the Tender Offer Price of 1,465 yen per share is a reasonable price that secures the interests to be enjoyed by the general shareholders of the Target and the other terms and conditions of the Tender Offer are fair, and thus the Tender Offer provides the general shareholders of the Target with a reasonable opportunity to sell the Target's Stock at a price that reflects an appropriate

premium.

(a) The Target has agreed on the Tender Offer Price after taking sufficient measures to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as described in "(3) 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 conflict of interests" below and conducting sufficient negotiations with the Offeror Parties with substantial involvement of the Special Committee.

(b) From among the results of valuation of the Target's Stock by SMBC Nikko Securities in the Target Share Valuation Report described in "(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target" under "(3) 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 conflict of interests" below, the Tender Offer Price exceeds the results of valuation by the average market price method and the comparable peer company multiple method and is within the range of the results of valuation by the discounted cash flow method (the "DCF Method").

(c) In the Transaction, although the Tender Offer Period is set as 20 business days (Note), which is the shortest period specified by laws and regulations, an opportunity for the general shareholders to make an appropriate decision regarding the tender of the Tender Offer and an opportunity for persons other than the Offeror Parties to purchase the Target's Stock are secured due to the fact that the period from the announcement of the proposed Tender Offer to the actual commencement of the Tender Offer is long.

(Note) The Tender Offer Period will be a period by which 20 business days in the United States, which is the minimum number of days required for the Tender Offer Period under the U.S. securities laws, will be covered. The same shall apply hereinafter for the business days of the Tender Offer Period.

(d) Although the minimum number of shares to be purchased in the Tender Offer is less than the "Majority of Minority" in the Transaction, it is considered that the fact that the minimum number of shares to be purchased is not set as the "Majority of Minority" does not impair the fairness of the Tender Offer because other sufficient measures to ensure fairness have been taken in the Transaction.

(e) In the Transaction, since the amount of money to be delivered to the shareholders as consideration at the time of making the Demand for Share Cash-out (as defined in "(4)

Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below; hereinafter the same) or the Share Consolidation will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by each such shareholder (excluding the Target and the Offeror Parties), an opportunity is secured for the general shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer, and consideration has been given so as to prevent coercion.

(f) As described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" below, the Tender Offer Price and other terms and conditions of the Tender Offer are determined to be reasonable in the Written Report procured from the Special Committee.

Based on the above, the Target, at its board of directors meeting held today, determined that, in the opinion of the Target at this point, the Transaction will contribute to the enhancement of the Target's corporate value and the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, and resolved to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the event that the Tender Offer is commenced.

The board of directors of the Target also resolved at the above-mentioned meeting that, prior to the commencement of the Tender Offer, it will request the Special Committee established by the Target to consider whether there are any changes to the opinion expressed by the Special Committee to the board of directors of the Target as of January 13, 2023 and, if there are no changes, express an opinion to that effect, and if there are any changes, state its revised opinion to the board of directors of the Target, and that, based on such opinion, the board of directors of the Target will express its opinion on the Tender Offer again at the commencement of the Tender Offer.

For details on the decision-making process of the board of directors of the Target, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) 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 conflict of interests" below.

(3) 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 conflict of interests

As of today, the Target is not a subsidiary of the Offeror Parties, and the Tender Offer does not constitute a tender offer by the controlling shareholder. However, the Company owns 23,707,200 shares of the Target's Stock (Shareholding Ratio: 36.56%) and the Target is an equity method affiliate of the Company as of today. Because (i) this Transaction constitutes the acquisition of an equity method affiliate by the Company, which is the Target's major shareholder and top shareholder, and could be affected by the issue of structural conflicts of interest and information asymmetry with general shareholders in the process of consideration of the Transaction by the Target; and (ii) of the total of eight (8) directors of the Target, three (3) (Messrs. Takashi Amino, Seiji Ishigaki, and Hiroyuki Koga) were employees of the Company within the past ten (10) years and one (1) (Mr. Isao Kohiyama) currently is an employee of the Company, and of the total of four (4) auditors of the Target, one (1) (Mr. Toshiaki Maruoka) was an employee of the Company within the past ten (10) years, for the Transaction, including the Tender Offer, the Offeror Parties and the Target implemented the measures below in (I) to (VIII) to ensure fairness of the Tender Offer from the stage of the Tender Offer, to eliminate arbitrariness in decision-making concerning the Transaction, and to ensure fairness, transparency, and objectiveness in the decision-making process, and to avoid doubts of conflicts of interest. Among the descriptions below, the descriptions of the measures implemented by the Target are based on the Target's Press Release and explanation received from the Target.

Furthermore, the Offeror Parties decided that because having the successful completion of the Tender Offer conditioned on the tender of the so-called "Majority of Minority" would destabilize the successful completion of the Tender Offer, which in turn might not serve the interests of minority shareholders who wish to tender in the Tender Offer, it will not set a minimum number of the so-called "Majority of Minority" in the Tender Offer. However, the Offeror Parties believe that due consideration was given to the interests of the Target's general shareholders by taking the measures below in (I) through (VIII).

- (I) Procurement of a share valuation report from an independent third-party valuator retained by the Offeror Parties

In order to ensure the fairness of the Tender Offer Price, in determining the Tender Offer Price, the Company requested Nomura Securities, the Company's financial advisor, to serve as a third-party valuator independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target to calculate the share value of the Target's Stock. Nomura Securities is not a related party of the Offeror Parties, KDDI and KDDI Evolva, and the Target and has no material interest in relation to the Business Integration, including the Tender Offer.

After the examination of the calculation method to be used for the calculation of the share value of the Target's Stock among several calculation method of share value, Nomura Securities determined that it is appropriate to evaluate the Target's Stock from various perspectives based on the assumption that the Target is a going concern, and adopted in the calculation of the price of the Target's Stock each of the following methods: the average market price method since the shares of the Target's Stock are listed on the TSE Prime Market; the comparable peer company multiple method since there are multiple listed companies comparable to the Target and it is possible to infer the value of the Target's Stock by the comparable peer company multiple method; and the DCF method to reflect in the share valuation the status of future business activities of the Target, and calculated the value of the Target's Stock. The Company obtained a share valuation report (the "Share Valuation Report") on January 13, 2023. The Company has not obtained an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Nomura Securities since the Company believes that the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest and that sufficient consideration has been given to the interests of minority shareholders of the Target.

For details of the Share Valuation Report the Company obtained from Nomura Securities, please refer to "(I) Basis of calculation" in "(4) Basis of calculation of the price of tender offer" under "2. Summary of Tender Offer" below.

(II) Establishment of independent special committee at the Target and procurement of written report from the said committee

(i) Background of establishment

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target established the Special Committee by resolution of its board of directors at the meeting of the board of directors held on August 27, 2022. Before the establishment of the Special Committee, the Target, since late July 2022, with the advice from Mori Hamada & Matsumoto, for the purpose of establishing a system to review, negotiate, and make a judgment concerning the Transaction from the perspective of enhancing the Target's enterprise value and protecting the interests of general shareholders of the Target from a standpoint independent of the Company, KDDI and KDDI Evolva, explained to all of Independent Outside Directors and Outside Audit & Supervisory Board Members of the Target who

have no material interest in relation to the Company, KDDI and KDDI Evolva, and the Transaction, that the Target received the Proposal, and that, in reviewing and negotiating concerning the Transaction, it is necessary to take sufficient measures to ensure the fairness of the terms and conditions of the Transaction, including the establishment of a special committee, because the Transaction may give rise to issues of structural conflicts of interest and information asymmetry although the Transaction does not constitute the acquisition of subsidiary company by a controlling shareholder. At the same time, the Target considered candidates for the members of the Special Committee with the advice from Mori Hamada & Matsumoto. After confirming that the candidates for the members of the Special Committee were independent of the Company, KDDI and KDDI Evolva, and that they had no material interest different from those of the general shareholders regarding the success or failure of the Transaction, the Target held discussions with the above Independent Outside Directors and Outside Audit & Supervisory Board Members, and with the advice from Mori Hamada & Matsumoto, nominated three persons, Mr. Naonori Kimura, Mr. Junichi Kishigami, and Ms. Rika Kawaguchi, as the candidates for the members of the Special Committee in order to constitute the Special Committee at an appropriate scale while securing a balance of knowledge, experience and skills of the Special Committee as a whole (The members of the Special Committee have not changed since its establishment. As for the remuneration of the members of the Special Committee, a fixed amount of remuneration is paid as consideration for their duties, regardless of the content of the report, and no contingency fee is adopted.).

Accordingly, as indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target established the Special Committee by resolution of its board of directors at the meeting of the board of directors held on August 27, 2022, and requested that the Special Committee provide advice on the Items for Advice.

In establishing the Special Committee, the board of directors of the Target resolved that (i) the board of directors of the Target will conduct its decision making regarding the Transaction with the utmost respect for the Special Committee's judgment and (ii) if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target's board of directors will not support the Transaction. The board of directors of the Target also resolved that (i) the Special Committee will be

substantially involved in the negotiation process between the Target, and the Company, KDDI and KDDI Evolva (including giving instructions or making requests regarding the policy of the negotiation with the Company, KDDI and KDDI Evolva and conducting negotiations with the Company, KDDI and KDDI Evolva on its own), (ii) when providing a report on the Items for Advice, if necessary, the Special Committee will appoint its own financial or legal advisors (in this case, the Target shall bear the expenses incurred by the Special Committee) or nominate or approve (including retrospective approval) financial or legal advisors of the Target, (iii) if necessary, the Special Committee will receive information necessary for the review and decision regarding the Transaction from officers and employees of the Target, and (iv) the board of directors of the Target will grant authority on the matters the Special Committee deems necessary for the review and decision regarding the Transaction.

At the aforementioned meeting of the board of directors of the Target, of eight directors of the Target, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, such directors were excluded from the discussion, and the above resolution was unanimously passed after discussion by the remaining four directors of the Target (that is, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa and Mr. Naonori Kimura). At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga, and Isao Kohiyama, who did not participate in the resolution, may not have a special interest set forth in the Companies Act with respect to the above agenda. In such case, a quorum for the meeting of the board of directors may not be satisfied for the agenda. Therefore, in order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda

was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served the Company in the past, and was unanimously passed. At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

(ii) Background of consideration

The Special Committee held a total of 16 meetings (total meeting time of 19.5 hours) from September 2, 2022 until January 13, 2023, and performed its duties regarding the Items for Advice through such means as reporting, information sharing, consideration and decision making.

The Special Committee confirmed that SMBC Nikko Securities, the financial advisor and third-party valuator of the Target, was independent and professionally qualified, and approved the appointment thereof. The Special Committee also confirmed that Mori Hamada & Matsumoto, the legal advisor of the Target, was not a related party of the Company, KDDI or KDDI Evolva, or the Target and had no material interest in relation to the Transaction, including the Tender Offer, and approved the appointment thereof.

Furthermore, as indicated in "(V) Establishment of independent review system at the Target" below, the Special Committee confirmed that the internal review system for the Transaction established by the Target (including the scope of officers and employees of the Target who will be involved in the review, negotiation and judgment for the Transaction and their duties) was independent and fair.

Based on the above, the Special Committee is considering the measures to be taken to ensure the fairness of the procedures for the Transaction based on the opinions obtained from Mori Hamada & Matsumoto. While taking into account the advice obtained from SMBC Nikko Securities, the Special Committee received explanations from the Target on the Business Plan prepared by the Target regarding the details, important

preconditions and the background of preparation, and confirmed the reasonableness of these matters and approved the same.

The Special Committee received explanations from the Target on the purpose and significance of the Transaction and the Business Integration and expected impact on the business of the Target, and held a question-and-answer session on the foregoing. The Special Committee also presented questions to the Company, and held a question-and-answer session in the form of interviews with the Company on the purpose and background of the Transaction and the Business Integration and the management policy after the Transaction and the Business Integration.

Furthermore, as indicated in "(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target" below, SMBC Nikko Securities calculated the value of the Target's Stock based on the Business Plan. The Special Committee received explanations regarding the method of calculation used by SMBC Nikko Securities for the calculation of the value of the Target's Stock, the reasons for adopting such method of calculation, the details of the calculations by each method of calculation, and important preconditions, and confirmed the reasonableness of these matters after questions and answers and discussions and considerations.

The Special Committee also received reports from the Target and SMBC Nikko Securities on the Target's negotiations with the Company from time to time and discussed and reviewed the same, and expressed necessary opinions on the Target's negotiation policies as appropriate. Specifically, the Special Committee received reports on the proposals of the Tender Offer Price from the Company upon receipt and after obtaining analysis and opinions from SMBC Nikko Securities regarding the policy for the measures to be taken and the policy for the negotiation with the Company, considered these proposals based on the advice from SMBC Nikko Securities from a financial perspective. Then, the Special Committee expressed its opinions to the Target on the matters to be discussed with the Company in order to achieve the significance and purpose of the Transaction as the Target, and participated in the overall process of discussion and negotiation between the Target and the Company regarding the terms and conditions of the Transaction, including the Tender Offer Price. As a result, on January 11, 2023, the Target received a proposal from the Company that includes the Tender Offer Price of 1,465 yen per share, and as a result, the Target received a total of five proposals, resulting in the price increase of 12.69% from the initial price proposal.

Furthermore, the Special Committee received explanations from Mori Hamada & Matsumoto on the draft of the Target's Press Release concerning the Tender Offer to be announced or submitted by the Target on multiple occasions and confirmed that appropriate information disclosure will be conducted.

(iii) Details of decision

Accordingly, while taking into account the legal advice received from Mori Hamada & Matsumoto, the advice received from SMBC Nikko Securities and the Target Share Valuation Report received on January 12, 2023, after careful consultations and consideration on the Items for Advice, the Special Committee, with the unanimous consent of all the members, submitted the Written Report on the Items for Advice to the Target's board of directors on January 13, 2023, the content of which is substantially as described below.

(a) Details of report

- i The Special Committee considers that it is appropriate for the Target's board of directors to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer.
- ii The Special Committee considers that the decision of the Target's board of directors on the Transaction (i.e. the decision to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer, and the decision on the Squeeze-out Procedure) is not disadvantageous to the minority shareholders of the Target.

(b) Reasons for report

- i Based on the following points, the Special Committee believes that the Transaction will contribute to the enhancement of the corporate value of the Target and that the purpose of the Transaction is reasonable.
 - The Company and KDDI have given the following explanations: (1) by complementing each other with the functions owned by Target Group and the KDDI Group through the Transaction for the purpose of the Business Integration, the Integrated Company would be able to facilitate the provision of services for supporting customers' business processes through digital BPO and aim to further enhance its presence in the BPO industry; (2) in addition, by gathering

information on the business operation of the Target and KDDI Evolva and integrating their sales functions through the Transaction, the Integrated Company will be able to reduce various costs and allocate operational staff appropriately; (3) by providing services to each other's existing customers, the Target and KDDI Evolva would be able to promote business development in an integrated manner as the Integrated Company Group; (4) by creating a hub for centrally managing and utilizing data scattered across multiple cloud environments, the Integrated Company would be able to reduce costs through the streamlining of the operation of the contact center business and increase sales through external sale of the cloud integration hub; (5) the dissynergies that may arise from the Transaction include (i) the possibility of a partial loss of sales to the Target's existing customers who are telecommunications carriers and their affiliates other than those in the KDDI Group, (ii) the possibility of a decrease in sales to multi-vendor customers (the customers to whom both the Target and KDDI Evolva provide services) due to changes in contract terms, (iii) the possibility of an increase in selling, general and administrative expenses as a result of the integration of the human resource systems, and (iv) the possible departure of human resources as a result of the Business Integration; however, the dissynergy under (i) does not necessarily mean that all sales to the existing customers who are telecommunications carriers and their affiliates other than those in the KDDI Group will be lost, and the synergies generated by the Business Integration are considered to exceed the dissynergies under (i) to (iv).

- On the other hand, the Target has given the following explanations: (1) the Transaction for the purpose of the Business Integration would enable the Target to make more effective use of the customer base and sales networks of the Company Group and the KDDI Group, and to strengthen its business base and increase sales more rapidly by jointly and effectively utilizing the contact center resources and human resources; (2) further improvement in profitability is expected to be achieved through improved flexibility of the management's decision making, streamlined operations, and increased productivity; (3) the Target would be able to utilize the know-how and resources of the Company Group and KDDI Group companies to develop and provide services with higher added value; (4) delisting of the Target's Stock through the Transaction is expected to reduce the costs and operations associated with maintaining its listing; and (5) a dissynergy that may arise from the Transaction is the possibility of a partial loss of the sales to the Target's existing customers who are

telecommunications carriers and their affiliates other than those in the KDDI Group; however, the Target plans to take measures such as continuing sales activities to maintain and expand business relationships with its existing business partners, and therefore, it does not necessarily mean that all of the transactions with such customers who are telecommunications carriers and their affiliates other than those in the KDDI Group will be terminated.

- In addition, since the main business of the Target Group is labor-intensive, the corporate value of the Target Group may be substantially impaired if the Business Integration results in the departure of talented human resources or the departure of a large number of employees. However, with regard to the operation, human resources, and treatment of the Integrated Company after the Business Integration, (1) the Company and KDDI have given the following explanations; (i) it is assumed that the corporate philosophy of the Integrated Company will be developed independently by the Target and KDDI Evolva, and it is assumed that in the process of accelerating the understanding of the corporate cultures of both companies, the strengths of both companies will be succeeded to by the Integrated Company; (ii) it is intended that the employment of the Target Group's employees will be maintained even after the Business Integration and that employment will not be reduced, and with regard to the promotion of human resources, it is intended that talented persons should be promoted to key positions regardless of which company they belonged to; (iii) the Business Integration, which is the purpose of the Transaction, will be an integration of the Target and KDDI Evolva based on the spirit of equality, regardless of the voting rights ratio of the Company and KDDI in the Integrated Company; (iv) the Integrated Company will take the initiative in determining its management policies through discussion with the Company and KDDI; and (v) an optimal schedule will be determined with regard to the integration of various systems concerning human resources; and (2) the Target has given the explanation that the Target has confirmed and reviewed the details and affinity of the corporate cultures of the Target and KDDI Evolva through interviews with the representatives and officers and employees (at the general manager level) of both companies and found that the corporate cultures of the companies are not necessarily different in nature from each other, and it cannot be said that the differences in their corporate cultures will hinder the Business Integration, and in implementing the Business Integration, the Target intends to promote initiatives to eliminate the concerns of the Target's employees from the perspective of maintaining and improving corporate value (including

preventing the departure of talented human resources and the departure of a large number of employees).

- Based on the above, as a result of careful deliberation and consideration, the Special Committee found that the explanations given by the Company and KDDI and the Target with regard to the synergies and dissynergies arising from the Transaction are not unreasonable, and that the synergies including the improvement in competitiveness through the promotion of digital BPO are expected to exceed the dissynergies including the loss of telecommunications carrier customers other than those in the KDDI Group, and furthermore, it is unlikely that the corporate value of the Target Group will be substantially impaired due to the departure of talented human resources or the departure of a large number of employees as a result of the Business Integration. Therefore, the Special Committee believes that the Transaction will contribute to the enhancement of the corporate value of the Target and that the Transaction is reasonable.
- ii Based on the following points, the Special Committee believes that appropriate procedures have been implemented in the Transaction from the viewpoint of protecting the interests of the general shareholders of the Target.
- The Target established the Special Committee independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target, and it functioned effectively.
 - The Target received legal advice from Mori Hamada & Matsumoto after the Special Committee confirmed that Mori Hamada & Matsumoto is not a related party of the Company, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer, and approved the same as the legal advisor of the Target.
 - The Target received advice and assistance from SMBC Nikko Securities from a financial perspective and obtained the Target Share Valuation Report after the Special Committee confirmed that SMBC Nikko Securities was independent and professionally qualified and approved the same as the financial advisor and third-party valuator of the Target.
 - The Target established a review system consisting of Mr. Norihiko Koshida, a director of the Target, and two employees of the Target who have not been officers

or employees of the Company, KDDI and KDDI Evolva in the past (three members in total), and negotiated the terms and conditions of the Transaction, including the Tender Offer Price in the Tender Offer, and prepared the Business Plan which serves as a basis for the valuation of the Target's Stock. In principle, the Target has not caused its officers and employees who concurrently serve as officers and employees of the Company Group as well as officers and employees of the Target who formerly served as officers and employees of the Company Group (including Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga and Isao Kohiyama, directors of the Target) to be involved in the review above.

- Of the Target's directors, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, and of the Target's auditors, in light of the fact that Mr. Toshiaki Maruoka had served at the Company in the past and Mr. Shinichiro Kamada concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the discussions and resolutions of the board of directors of the Target regarding the Transaction, from the date of the meeting of the board of directors of the Target to establish the Special Committee until today, and did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target, except for the participation by Mr. Hiroyuki Koga in the second stage of the discussions and resolutions of the board of directors meetings of the Target, from the perspective of securing a quorum.
- The Target has not made any agreement with the Offeror Parties, KDDI and KDDI Evolva that contains a transaction protection clause that prohibits the Target from contacting those other than the Offeror (the "Competitive Purchasers"), or any other agreement that restricts contacts between competitive purchasers and the Target. Although the Tender Offer Period is 20 business days, the Offeror Parties announce its plan to commence the Tender Offer on January 13, 2023 and intends to commence the Tender Offer around March 2023 after the satisfaction of certain preconditions including the completion of necessary procedures under competition laws. Thus, it will take approximately two months to commence the Tender Offer and at least two months are available for making competitive offers before the end of the tender offer period following the announcement of the Tender Offer, and

therefore, opportunities are provided to allow competitive offers to be made.

- Although "Majority of Minority" will not be set in the Tender Offer, the absence of "Majority of Minority" in the Tender Offer does not impair the fairness of the Tender Offer because other sufficient measures to ensure fairness have been taken in the Transaction.
 - With respect to the Tender Offer, opportunities will be provided to the general shareholders to make an informed and appropriate decision.
 - In the Transaction, the Squeeze-out Procedure will be implemented as promptly as practicable after the completion of the Tender Offer, the amount of money to be delivered to the shareholders in the Squeeze-out Procedure will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by the shareholders, and it will be clearly indicated in the press release that the Squeeze-out Procedure will be implemented in compliance with the Companies Act and other relevant laws and regulations, consideration has been given so as to prevent coercion and the legality of the Squeeze-out Procedure will be secured.
- iii Based on the following points, the appropriateness of the tender offer price and other terms and conditions of the Transaction is considered to be ensured.
- The formulation procedures and the contents of the Target's Business Plan, which is the premise of the calculation by the DCF method in the Target Share Valuation Report, are considered to be reasonable.
 - The Target Share Valuation Report is considered to be credible as there is nothing particularly unreasonable in its calculation methods and contents, and the Tender Offer Price is above the upper limit of the calculation results by SMBC Nikko Securities using the average market price method and the comparable peer company multiple method, and is considered to be within the range of its calculation results by the DCF method.
 - The Tender Offer Price is deemed to ensure a premium level equal to the average of similar cases (cases announced in or after 2016 in which equity method affiliates were intended to become wholly-owned subsidiaries) for each of the closing price on the day immediately preceding the date of announcement, the simple average of the closing prices for the previous one month, the simple average of the closing

prices for the previous three months, and the simple average of the closing prices for the previous six months.

- The Special Committee was substantively involved in the process of discussions and negotiations between the Target and the Company regarding the terms and conditions of the Transaction, including the Tender Offer Price, and it is deemed that diligent negotiations were conducted under circumstances where reasonable efforts were made to ensure that the Transaction would be conducted on the most favorable terms possible to the general shareholders.
 - As regards the acquisition method in the Transaction, squeezing out by means of implementing a tender offer in the first stage and making a demand for share cash-out or share consolidation in the second stage is one of the methods generally adopted in a transaction to turn a company into a wholly-owned subsidiary, as in the Transaction. As for the type of consideration for the acquisition, the method of delivering cash as purchase consideration is considered to be appropriate because the Company and the Target engage in different businesses, and the tendering shareholders can avoid the risk of a decline in the Company's stock price.
 - In light of the foregoing, it is considered that the appropriateness of the Tender Offer Price and other terms and conditions of the Transaction have been ensured.
- iv Given that the Transaction is considered to contribute to the enhancement of the Target's corporate value, and the purpose of the Transaction is considered to be justifiable, as stated in i. above; that appropriate procedures are considered to have been implemented in the Transaction to protect the interests of general shareholders, as stated in ii. above; and that the appropriateness of the tender offer price and other terms and conditions of the Transaction is considered to be ensured, as stated in iii. above, the decision of the Target's board of directors as to its opinion in favor of the Tender Offer and recommend that the Target's shareholders tender their shares in the Tender Offer is considered to be reasonable and not disadvantageous to the Target's minority shareholders. In addition, the decisions of the Target's board of directors regarding the Transaction (i.e. the decision to express its opinion in favor of the Tender Offer and to recommend that the Target's shareholders tender their shares in the Tender Offer, and the decision regarding the Squeeze-out Procedure) are not considered to be disadvantageous to the Target's minority shareholders.

(III) Procurement of advice from outside law firm by the Target

As indicated in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" above, the Target retained Mori Hamada & Matsumoto as its outside legal advisor, and has received legal advice from the firm including advice on the measures to be taken to ensure the fairness of the procedures for the Transaction, the procedures for the Transaction and the method and process of decision-making by the Target concerning the Transaction.

Mori Hamada & Matsumoto is not a related party of the Offeror Parties, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer. Mori Hamada & Matsumoto is paid a fee calculated by multiplying the hours of service rendered by an hourly rate regardless of whether the Transaction is executed and its fee does not include a performance fee conditioned on execution of the Transaction.

(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target

As indicated in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" above, the Target retained SMBC Nikko Securities as its financial advisor and third-party valuator independent of the Company, KDDI and KDDI Evolva, and the Target, and received advice and assistance from SMBC Nikko Securities from a financial perspective, including advice on the calculation of the value of the Target's Stock and the policy for negotiation with the Company. The Target obtained the Target Share Valuation Report from SMBC Nikko Securities on January 12, 2023.

SMBC Nikko Securities is not a related party of the Company, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer. SMBC Nikko Securities is paid a performance fee payable on condition that the Transaction is executed. The Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator based on the above fee arrangement, taking into account general practices in the same kind of transactions and the appropriateness of the fee arrangement in which the Target would incur a reasonable financial burden in the event that the Transaction is not consummated, and also based on the determination that SMBC Nikko Securities' independence would not be denied by the fact that a performance fee payable on condition that the Transaction is executed is included.

- (i) Name of valuator and relationship with the Target and the Offeror Parties, KDDI and KDDI Evolva

The Target, in expressing its opinion concerning the Tender Offer Price, in order to ensure the fairness of decision-making regarding the Tender Offer Price presented by the Company, requested its financial advisor SMBC Nikko Securities, as a third-party valuator independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target, to calculate the share value of the Target's Stock, and obtained the Target Share Valuation Report on January 12, 2023. SMBC Nikko Securities is not a related party of the Target, and the Offeror Parties, KDDI and KDDI Evolva and has no material interest in connection with the Transaction, including the Tender Offer. The Special Committee, at its first meeting, confirmed that SMBC Nikko Securities was independent and professionally qualified, and approved the appointment thereof as the financial advisor and third-party valuator of the Target. The Target has not obtained from SMBC Nikko Securities an opinion concerning the fairness of the Tender Offer Price (fairness opinion) since the Target determined that the measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest have been implemented and that fairness of the Transaction is sufficiently ensured.

With respect to the Transaction, SMBC Nikko Securities is paid a performance fee payable on condition that the Transaction is executed. The Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator based on the above fee arrangement, taking into account general practices in the same kind of transactions and the appropriateness of the fee arrangement in which the Target would incur a reasonable financial burden in the event that the Transaction is not consummated, and also based on the determination that SMBC Nikko Securities' independence would not be denied by the fact that a performance fee payable on condition that the Transaction is executed is included.

(Note) In preparing the Target Share Valuation Report, SMBC Nikko Securities assumed that all of the materials and information used as the basis therefor are accurate and complete. SMBC Nikko Securities has not conducted any independent verification of the accuracy and completeness of such materials and information, and assumes no obligation or responsibility for such verification. SMBC Nikko Securities assumed that the Target has not recognized any facts or circumstances that render any of the information provided inaccurate or misleading. SMBC Nikko Securities has not independently evaluated, appraised

or assessed the assets or liabilities of the Target and its affiliates, nor has it requested any third-party organization to evaluate, appraise or assess such assets or liabilities. If any problems are found in the accuracy and completeness of these materials and information, the results of the calculation may differ significantly. Furthermore, SMBC Nikko Securities assumed that there are no claims and obligations relating to undisclosed litigation, disputes, environment and taxation, etc. regarding the Target and its affiliates, other contingent liabilities and off-the-book liabilities, and any other fact that would materially affect the Target Share Valuation Report. It was assumed that the business plan used by SMBC Nikko Securities in the Target Share Valuation Report was prepared by the Target with reasonable and appropriate procedures based on the best estimate and judgment as of the reference date of making the calculation. In the Target Share Valuation Report, when SMBC Nikko Securities conducted its analysis based on the materials, information and assumptions provided, it was assumed that the materials, information and assumptions provided are accurate and reasonable. SMBC Nikko Securities has not independently verified the accuracy, appropriateness and feasibility of these assumptions, and assumes no obligation or responsibility therefor. The results of the calculation by SMBC Nikko Securities have been submitted to the Target, at the request of the Target, for the sole purpose of assisting the Target's board of directors to consider the Tender Offer Price. Such results of the calculation are not designed for expressing SMBC Nikko Securities' opinion as to the fairness of the Tender Offer Price.

(ii) Overview of calculation

The Target, in expressing its opinion concerning the Tender Offer, requested its financial advisor SMBC Nikko Securities, as a third-party valuator independent of the Company, KDDI and KDDI Evolva, and the Target, to calculate the share value of the Target's Stock, and obtained the Target Share Valuation Report on January 12, 2023.

In calculating the value of the Target's Stock, SMBC Nikko Securities adopted the average market price method since the shares of the Target's Stock are listed on the TSE Prime Market and thus the market price thereof is available; the comparable peer company multiple method since there are multiple listed companies that are engaged in business relatively similar to the Target's business and it is possible to infer the value of the Target's Stock by the comparable peer company multiple method; and the DCF

method to reflect in the share valuation the status of future business activities of the Target.

The range of the value per share of the Target's Stock calculated by SMBC Nikko Securities based on each of the above methods is as follows.

Average market price method:	From 1,002 yen to 1,017 yen
Comparable peer company multiple method:	From 1,031 yen to 1,191 yen
DCF method:	From 1,376 yen to 2,843 yen

Under the average market price method, as of the reference date of January 12, 2023, which is the business day immediately preceding the date of the announcement of the expected commencement of the Tender Offer, the share value range per share of the Target's Stock was calculated to be 1,002 yen to 1,017 yen, based on the simple average of the closing prices for the previous one month of the Target's Stock on the TSE Prime Market (1,002 yen), the simple average of the closing prices for the previous three months (1,005 yen), and the simple average of the closing prices for the previous six months (1,017 yen). Under the comparable peer company multiple method, the share value range per share of the Target's Stock was calculated to be 1,031 yen to 1,191 yen through comparison with the market share price of listed companies operating businesses relatively similar to those of the Target and the financial indicators of their profitability. Under the DCF method, the share value range per share of the Target's Stock was calculated to be 1,376 yen to 2,843 yen by calculating the Target's enterprise value and share value based on various elements such as the Business Plan prepared by the Target, and information generally disclosed to the public, and discounting at a certain rate to the present value the free cash flow projected to be generated by the Target in and after the third quarter of its fiscal year ending March 2023. The Business Plan prepared by the Target, which was used for the calculation under the DCF method by SMBC Nikko Securities, does not include any fiscal year in which significant year-on-year increases or decreases in profits are expected. The synergies expected to be realized through the implementation of the Transaction were not included in the financial forecast as it was difficult to estimate the same specifically as of January 13, 2023. In the "medium-term management plan 2023," the Target set out the performance targets for the fiscal year ending March 2024, which is the final year of the plan, as consolidated sales of 135 billion yen and operating profit of 12 billion yen. With respect to the progress of said plan at the time of the Target Share Valuation Report, although the strengthening of the management base and improvement of the quality of the

business operations have been steadily progressing, there has been a delay in the expansion of domestic core businesses and improvement of profitability. Also, while overseas subsidiaries are expanding their businesses supported by steady demand, they are facing challenges in profitability due to soaring local labor costs. In light of these circumstances, the Target calculated consolidated sales to be approximately 132.4 billion yen and operating profit to be approximately 9.2 billion yen for the fiscal year ending March 2024.

The concrete figures for the Target's financial forecast used as the basis for the calculation pursuant to the DCF method are as follows.

(Unit: million yen)

	March 2023 (From October 2022 to March 2023)	March 2024	March 2025	March 2026
Net sales	66,942	132,356	139,094	147,865
Operating income	4,908	9,234	10,531	12,227
EBITDA	6,613	12,546	13,942	15,798
Free cash flow	3,456	6,995	7,318	8,843

(V) Establishment of independent review system at the Target

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, the Target has established a system within the Target to review, negotiate and make decisions regarding the Transaction from a standpoint independent of the Company, KDDI and KDDI Evolva. Specifically, since the time when the Target received from the Company its intention to consider the Transaction in mid-July 2022, the Target has established a system consisting of Mr. Norihiko Koshida, a director of the Target, and two employees of the Target who have not been officers or employees of the Company, KDDI or KDDI Evolva in the past (three members in total) to review, negotiate and make decisions

regarding the Transaction, and under such system, the Target has negotiated the terms and conditions of the Transaction, including the Tender Offer Price in the Tender Offer, and prepared the Business Plan which serves as a basis for the valuation of the Target's Stock (provided, however, that as indicated above in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee," Mr. Hiroyuki Koga, a director of the Target, participated only in the second stage of the Target's board of directors meetings held on or after August 27, 2022 in order to ensure the effective resolution satisfying a quorum under the Companies Act). The Business Plan, which serves as a basis for the valuation of the share value of the Target by the Company, has been prepared under the above review system in order to eliminate the issues of structural conflicts of interest and information asymmetry after the time when the Target received from the Company its intention to consider the Transaction in late July 2022. Accordingly, there is no fact that its financial figures were unduly distorted in light of the existence of the Transaction. At the meeting of the board of directors of the Target held today, the resolution to approve the Business Plan was unanimously passed after discussion by four directors of the Target, excluding Mr. Takashi Amino, the representative director of the Target, and Mr. Seiji Ishigaki, Mr. Hiroyuki Koga and Mr. Isao Kohiyama, directors of the Target. In order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served the Company in the past, and the resolution to approve the Business Plan was unanimously passed. With respect to the decision-making by the Target regarding the Transaction (including approval of the Business Plan), Mr. Takashi Amino, the representative director of the Target, Mr. Seiji Ishigaki, Mr. Hiroyuki Koga and Mr. Isao Kohiyama, directors of the Target, Mr. Toshiaki Maruoka, a full-time auditor of the Target, and Mr. Shinichiro Kamada, an outside auditor of the Target, were not involved in the decision-making in order to eliminate possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction; provided, however, that Mr. Hiroyuki Koga, a director of the Target, participated only in the second stage of the Target's board of directors meetings held on August 27, 2022, September 21, 2022 and today, respectively, in order to ensure the effective resolution satisfying a quorum under the Companies Act. Including the treatment described above, the Special Committee confirmed that the internal review system for the Transaction established by the Target (including the scope of officers and employees of the Target who will be involved in the review, negotiation and judgment for the Transaction and their duties) was based on advice of Mori Hamada & Matsumoto and that there are no problems from the viewpoint of independence and fairness.

- (VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the board of directors of the Target carefully examined and discussed whether the Transaction, including the Tender Offer, would contribute to the improvement of the corporate value of the Target and whether the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, based on legal advice received from Mori Hamada & Matsumoto, advice received from SMBC Nikko Securities, and the content of the Target Share Valuation Report, while respecting to the maximum extent judgment of the Special Committee presented in the Written Report.

As a result, as indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target determined that the Transaction, including the Tender Offer, will contribute to the improvement of the corporate value of the Target since it will facilitate prompt and smooth cooperation with the Company Group and the KDDI Group and efficient use of the management resources while avoiding conflicts of interest between the Company Group and the KDDI Group and minority shareholders and restrictions to secure independence, and the terms and conditions of the Transaction, including the Tender Offer Price, are reasonable and secure the interests to be enjoyed by the general shareholders of the Target and the Tender Offer will provide the general shareholders of the Target with a reasonable opportunity to sell the Target's Stock at a price with appropriate premium reflecting the corporate value of the Target's Stock since the Tender Offer Price is the price obtained by adding premium of 50.41% to the closing price of the Target's Stock of 974 yen on the TSE Prime Market on January 12, 2023, the price obtained by adding premium of 46.21% to the simple average of the closing prices for the previous one month (1,002 yen), the price obtained by adding premium of 45.77% to the simple average of the closing prices for the previous three months (1,005 yen), and the price obtained by adding premium of 44.05% to the simple average of the closing prices for the previous six months (1,017 yen) and these are comparable to the premium level (premium's median/average of the closing prices on the business day before the announcement date (31.6%, 35.7%), premium's median/average of the closing prices for the previous one month (43.1%, 44.3%), premium's median/average of the closing prices for the previous three

months (52.2%, 49.6%), and premium's median/average of the closing prices for the previous six months (49.2%, 51.7%)) of 17 cases of tender offers for shares of other companies that intend to make domestically listed equity method affiliates to wholly-owned subsidiaries that were announced on or after January 1, 2016 (excluding MBO cases and cases where the share price of the target company has soared due to leaked news reports), and resolved, at the meeting of the Target's board of directors held today, that the Target's opinion as of the same date is that in the event the Tender Offer is commenced, the Target will express its opinion in favor of the Tender Offer and will recommend the Target's shareholders to tender in the Tender Offer.

At the aforementioned meeting of the board of directors of the Target, of eight directors of the Target, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, such directors were excluded from the discussion, and the above resolution was unanimously passed after discussion by the remaining four directors of the Target (that is, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa and Mr. Naonori Kimura). At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga and Isao Kohiyama, who did not participate in the resolution, may not have a special interest set forth in the Companies Act with respect to the above agenda. In such case, a quorum for the meeting of the board of directors may not be satisfied for the agenda. Therefore, in order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served at the Company in the past, and was unanimously passed. At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light

of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Of the Target's directors, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the discussions and resolutions of the board of directors of the Target regarding the Transaction, including the meetings of the board of directors of the Target held on August 27, 2022, September 21, 2022 and today, and did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target, except for the participation by Mr. Hiroyuki Koga in the second stage of the discussions and resolutions of the board of directors meetings of the Target held on August 27, 2022, September 21, 2022 and today, respectively.

In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, he did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target.

In light of the fact that Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, he did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target.

(VII) No transaction protection clause

The Offeror Parties and the Target have not made any agreement, including the Basic Transaction Agreement and the Shareholders Agreement between the Company and KDDI, that contains a transaction protection clause that prohibits the Target from contacting the Competitive Purchasers, or any other agreement that restricts contacts between the Competitive Purchasers and the Target. Because opportunities are provided to allow

competitive offers to be made, the Offeror Parties are giving due consideration to ensure the fairness of the Tender Offer.

- (VIII) Measures to ensure opportunity for the Target's shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer

As indicated in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below, (i) promptly after the completion of the settlement for the Tender Offer, the Offeror Parties will make a demand for share cash-out for all of the Target's Stock (excluding the Target's Stock held by the Offeror Parties and the treasury shares held by the Target) or request the Target to convene an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting"), at which the items for resolution shall include a share consolidation and, on condition that the share consolidation takes effect, partial amendment of the articles of incorporation to abolish the provision concerning unit shares, in accordance with the number of shares to be acquired by the Offeror Parties upon the consummation of the Tender Offer, and will not adopt any method that does not secure the right to claim for purchase of shares or the right to demand for pricing for the Target's shareholders, and (ii) the Offeror Parties have made it clear that the amount of money to be delivered to the Target's shareholders as consideration at the time of making the Demand for Share Cash-out or the Share Consolidation will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by each such shareholder (excluding the Target and the Offeror Parties). Therefore, the Offeror Parties have ensured an opportunity for the Target's shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer, and have taken into consideration that this will not create coercion.

- (4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")

As in "(1) Outline of the Tender Offer" above, if the Offeror is unable to acquire all shares of the Target's Stock in the Tender Offer (excluding the Target's Stock owned by the Company and treasury shares owned by the Target), the Offeror plans to implement a series of procedures to make the Target shareholders solely the Offeror Parties by the following method after the completion of the Tender Offer.

Specifically, if, as a result of consummation of the Tender Offer, the Offeror Parties comes to hold 90% or more of the total voting rights of all shareholders of the Target, the Company, as described above, intends to request all shareholders of the Target (excluding the Offeror Parties and the

Target) (the "Cash-out Shareholders") who did not tender their share in the Tender Offer to sell all shares of the Target's Stock they hold (the "Demand for Share Cash-out") pursuant to the provisions of Article 179, Paragraph 1 of the Companies Act promptly after the settlement of the Tender Offer is completed. In the Demand for Share Cash-out, it is planned that an amount of money equal to the Tender Offer Price shall be delivered to the Cash-out Shareholders as consideration per share of the Target's Stock. In this case, the Company shall notify the Target to that effect and request the Target to approve the Demand for Share Cash-out. If the Target approves the Demand for Share Cash-out by the resolution of its board of directors, the Company intends to acquire all of the Target's Stock held by Cash-out Shareholders as of the acquisition date specified in the Demand for Share Cash-out in accordance with the procedures prescribed by the relevant laws and regulations without requiring individual consent of the Cash-out Shareholders. In consideration for the Target's Stock held by the Cash-out Shareholders, the Company intends to deliver to each Cash-out Shareholder an amount of money equal to the Tender Offer Price per Target's Stock. According to the Target's Press Release, the Target plans to approve the Demand for Share Cash-out by the Company at the Target's board of directors meeting if the Target receives notice from the Company regarding the Demand for Share Cash-out describing the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act.

To protect the rights of general shareholders in connection with the above series of procedures, the Companies Act provides that the Cash-out Shareholders may file a petition to the court to determine the sale price of the shares of the Target's Stock they hold in accordance with the provisions of Article 179-8 of the Companies Act and other relevant laws and regulations. If such petition is filed, the sale price will ultimately be determined by the court.

On the other hand, despite the consummation of the Tender Offer, if the total shares obtained by the Offeror Parties do not reach 90% or more of voting rights of all shareholders of the Target, the Offeror Parties plan to request the Target, promptly after the completion of settlement of the Tender Offer, to convene preferably by late May to early June of 2023 the Extraordinary Shareholders' Meeting, at which the items for resolution shall include: the implementation of consolidation of the shares of the Target's Stock (the "Share Consolidation") pursuant to Article 180 of the Companies Act; and on condition that the Share Consolidation takes effect, partial amendment of the articles of incorporation to abolish the provision concerning the share unit. The Offeror Parties believe that it is desirable to hold the Extraordinary Shareholders' Meeting as early as possible from the viewpoint of improving corporate value of the Target, and intends to request the Target to make an announcement of setting a record date during the Tender Offer Period so that the record date for the Extraordinary Shareholders' Meeting will be a date close to the commencement of settlement of the Tender Offer. The Target intends to meet these requests from the Offeror Parties

if the Tender Offer is consummated. The Offeror Parties intends to vote in favor of both of the above proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, then on the date on which the Share Consolidation takes effect, the shareholders of the Target will own the shares of the Target's Stock in the number corresponding to the ratio of the Share Consolidation. If any fraction of a share less than one share results from the implementation of the Share Consolidation, an amount of money obtained by selling to the Offeror Parties the shares of Target's Stock equivalent to the total number of such fractional shares (any fractional shares less than one share created by aggregating those fractional shares shall be discarded) shall be delivered to the shareholders in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sale price of the shares of the Target's Stock equivalent to such total number of fractional shares, it is scheduled that this price shall be set in such a way so that, as a result of selling these shares, the amount of money to be delivered to the shareholders of the Target who did not tender in the Tender Offer (excluding the Offeror and the Target) shall be the same as the price that shall be obtained by multiplying the Tender Offer Price by the number of the shares of each such shareholder. After the above process, the Offeror Parties intends to request the Target to file a petition to obtain permission for voluntary sale to the court.

Where upon the Share Consolidation, the provisions of the Companies Act that protect the rights of the general shareholders in connection with the Share Consolidations stipulate that when fractional shares of less than one share are created as a result of the Share Consolidation, the shareholders of the Target may request the Target to purchase all fractional shares of the Target's Stocks that they own at a fair price and that they may file with the court a petition to determine the price of the shares of the Target's Stock pursuant to Article 182-4 and Article 182-5 of the Companies Act and other relevant laws and regulations.

If such petition is filed, the purchase price will ultimately be determined by the court. Although the ratio of the Share Consolidation has not been determined as of today, the Offeror Parties intends to request the Target to determine the ratio based on the number of the Target's Stocks held by the Offeror Parties after the Share Consolidation so that only the Offeror Parties will hold all of the Target's Stock (excluding treasury shares owned by the Target).

Each of the procedures described above may take time to be implemented and the method of implementation of the same may change, depending on the situations such as the amendments, effectuation, and interpretation by the authorities of the relevant laws and regulations. Even in such case, if the Tender Offer is consummated, the method of finally delivering money to the

shareholders of the Target who did not tender in the Tender Offer (excluding the Offeror Parties and the Target) will be adopted, and in such case, the amount of money to be delivered to such shareholder of the Target will be calculated to be equal to the Tender Offer Price multiplied by the number of the shares of the Target's Stock owned by such shareholder of the Target. If a petition to determine the sale price with respect to the Demand for Share Cash-out or a petition to determine the price under appraisal rights regarding the Share Consolidation is filed, the sale price of the shares of the Target's Stock or the price under appraisal rights shall be ultimately determined by a court.

The Target will promptly announce the specific procedures and timing of implementation in each of the above cases as soon as they are determined upon discussion between the Company and the Target.

In addition, if the Squeeze-Out Procedure is expected to be completed by June 30, 2023, the Offeror Parties intends to request the Target, on the condition that the Squeeze-Out Procedure is completed, to partially amend its articles of incorporation to abolish the provision of the record date for voting rights at the ordinary general meeting of shareholders of the Target for the fiscal year ending March 2023 (the "Ordinary General Meeting of Shareholders") in order to make the Offeror Parties the only shareholders who may exercise their rights at the Ordinary General Meeting of Shareholders of the Target. Therefore, even shareholders listed or recorded in the Target's register of shareholders as of March 31, 2023 may not be able to exercise their rights at the Ordinary General Meeting of Shareholders.

The Tender Offer is not a solicitation for the Target's shareholders to vote in favor of the proposals at the Extraordinary Shareholders' Meeting. The shareholders of the Target are also requested to confirm with professionals, such as tax accountants, at their responsibility concerning tax treatment for tendering in the Tender Offer or in each of the other procedures above.

(5) Possibility of delisting and reason therefor

The shares of the Target's Stock are listed on the Prime Market of the TSE as of today. Because the Offeror Parties has not set a maximum number of shares to be purchased in the Tender Offer, the Target's Stock may become delisted through the prescribed procedures in accordance with the TSE's criteria for delisting depending on the results of the Tender Offer. Also, even if such criteria for delisting are not met as at the time of completion of the Tender Offer, the Offeror Parties intends to implement the series of procedure so that the Offeror Parties will be the only shareholders of the Target, as explained above in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" where in such case, the

Target's Stock will be delisted through the prescribed procedures in accordance with the TSE's delisting criteria. After the delisting of the Target's Stock, the shares of the Target's Stock may no longer be traded on the Prime Minister of the TSE.

(6) Material agreements relating to the Tender Offer

(I) Basic Transaction Agreement

As described in "(1) Outline of the Tender Offer" above, the Company has executed the Basic Transaction Agreement with KDDI as of the date of this Press Release, which includes the following provisions with respect to the implementation of the Transaction.

(i) The Company shall cause the Offeror to implement the Tender Offer.

(ii) The commencement of the Tender Offer is subject to the satisfaction of all of the following Preconditions (or waived by the Company and KDDI):

(a) Neither the implementation of transactions of the Business Integration including the Transaction constitutes, or is reasonably expected to constitute, a violation of law or regulation in any material respect (including the absence of any petition, lawsuit or other proceedings pending before the relevant authorities seeking to restrict or prohibit either the implementation of transactions of the Business Integration including the Transaction, the absence of any order, decision, etc. by the relevant authorities to restrict or prohibit the Transaction or the Business Integration, and the absence of any concrete threat of such restriction or prohibition);

(b) Neither the implementation of transactions of the Business Integration including the Transaction conflicts in any material respect with any license, approval, permit, etc. or conditions attached thereto, or violates any required procedures pertaining to any license, approval, permit, etc., and such conflict or violation is not reasonably expected (including the receipt of the approval of the competition authorities required under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947) of Japan and the competition laws of China, South Korea, France, the Philippines, and Vietnam and other similar laws to the implementation of transactions of the Business Integration including the Transaction, and the elapse of the waiting period and the review period (if any) (including the receipt of a notice that no cease and desist order is to be rendered), and a reasonable expectation that the Japan Fair Trade Commission or other relevant competition law authorities will not take any action or proceeding that prevents the implementation of transactions of the Business

Integration including the Transaction);

- (c) A unanimous resolution to approve the Tender Offer has been adopted by all of the directors of the Target who participated in the deliberations and the resolution, such resolution has been publicly announced, and no resolution conflicting with or withdrawing the substance of the opinion so expressed has been made;
 - (d) The Special Committee established by the Target has submitted a report in favor of the Target's supporting the Tender Offer and implementing the Transaction, and such report has not been withdrawn;
 - (e) The Shareholders Agreement has been validly executed and remains in force;
 - (f) No event has occurred or become known, and is reasonably expected to occur or become known, that will have a material adverse effect on the implementation of transactions of the Business Integration including the Transaction, or otherwise make it difficult to achieve the purposes of the implementation of transactions of the Business Integration including the Transaction;
 - (g) All of the representations and warranties of the counterparty (Note 1) are true and accurate in material respects (without giving effect to any limitation indicated by "in material respects" in this Item (g) as to the representations and warranties subject to materiality qualifiers such as "important," "material," "in material respects," or any similar limitation) and there is no material breach of the counterparty's obligations under the Basic Transaction Agreement (Note 2);
 - (h) As of the commencement date of the Tender Offer, there is no undisclosed material fact with respect to the Target's businesses forming the basis for insider trading restrictions under Article 166 of the Act, or any undisclosed fact concerning tender offers with respect to the Target's share certificates forming the basis for insider trading restrictions under Article 167 of the Act.
- (iii) Subject to the commencement of the Tender Offer and the completion of settlement, the Squeeze-Out procedure shall be implemented as promptly as practicable after the completion of the relevant settlement, and if the Squeeze-Out procedure is completed, Merger No. 1 and Merger No. 2 shall be implemented as procedures to ultimately increase KDDI's voting rights holding ratio in the Target Company to 51.0% and the Company's voting rights holding ratio to 49.0%, respectively.

(Note 1) Under the Basic Transaction Agreement, the Company shall represent and warrant (a) with respect to the Company, (i) establish and continue to exist, (ii) right regarding the execution and performance of the Basic Transaction Agreement, (iii) enforceability of the Basic Transaction Agreement, (iv) obtain permits and licenses, (v) have no contact with laws and regulations, and (vi) have no legal bankruptcy proceedings, and (b) with respect to the Offeror, (i) establish and continue to exist, (ii) execute and perform the Basic Transaction Agreement, (iii) obtain permits and licenses, (iv) absence of liabilities, (v) have no contact with laws and regulations, and, (vi) have no legal bankruptcy proceedings, and (vii) have no transactions with or involvement in antisocial forces, and (c) the Target shall represent and warrant its (i) establishment and continuation of its existence, and implement lawful organizational restructuring, (ii) issued shares and the Target's Stock held by the Offeror, (iii) subsidiaries and associated companies of the Target, (iv) listing of Target on the Prime Market of the TSE as of the day of execution of the Basic Transaction Agreement, (v) preparation and accuracy of financial statements, and absence of subsequent events, (vi) no material breach of obligations under material agreements, (vii) ownership of assets, (viii) no indication from administrative authorities, (ix) compliance with laws and regulations on matters concerning personnel and labor affairs, (x) no lawsuits, (xi) proper and appropriate payment of taxes and public charges, (xii) no events that will have a material adverse effect on the Target Group's financial condition; (xiii) accurate and adequate information disclosure, (xiv) no legal bankruptcy proceedings and (xv) no transactions or involvement with anti-social forces. Under the Basic Transaction Agreement, KDDI shall represent and warrant (a) with respect to KDDI (i) establish and continue to exist, (ii) right regarding the execution and performance of the Basic Transaction Agreement, (iii) enforceability of the Basic Transaction Agreement, (iv) obtain Permits and Licenses, (v) have no contact with laws and regulations, and (vi) have no legal bankruptcy proceedings, and (b) with respect to KDDI Evolva, (i) establish, and continue to exist and implementation of lawful organizational restructuring, (ii) issued shares, (iii) nonexistence of subsidiaries and associated companies of KDDI Evolva, (iv) preparation and accuracy of financial statements and no subsequent events, (v) no material breach of obligations under material agreements, (vi) ownership of assets, (vii) no indication from administrative authorities, and (viii) compliance with laws and regulations with respect to matters related to personnel and labor affairs, (ix) no lawsuits, (x) proper and appropriate payment of taxes and public charges (xi) no events that will have a material adverse effect on the KDDI Evolva's financial condition (xii) accurate and adequate information disclosure (xiii) no legal bankruptcy proceedings; (xiv) no transactions or involvement with anti-social forces.

(Note 2) Under the Basic Transaction Agreement, the Company is obliged to (a) refrain from taking

any actions, directly or indirectly, that conflict with or impede the execution of the Business Integration and to cooperate with each other as necessary to encourage shareholders of the Target to tender their shares in the Tender Offer, (b) cooperate with each other to a reasonable extent in order to complete as soon as practically possible the response to the Antimonopoly Act and the competition laws of China, Korea, France, the Philippines, Vietnam and Thailand that are necessary to realize the Business Integration and any other similar method, (c) cause the Target to conduct its business substantially on the same basis as before the date of execution of the Basic Transaction Agreement and within the scope of its ordinary business with the due care of a good manager (obligation to make commercially reasonable efforts until the completion of Squeeze-Out procedure), and (d) request the counterparties to the material agreements executed by the Target not later than the day immediately preceding the effective date of Merger No. 2 to refrain from engaging in any activities that conflict with or impede the execution of the Tender Offer, as the shareholder of the Target the Company has an obligation to make commercially reasonable efforts to obtain written consent to, or give notice of, the execution of the Basic Transaction Agreement and the implementation of the Business Integration. Under the Basic Transaction Agreement, KDDI has an obligation to (a) refrain from taking any action, directly or indirectly, that would conflict with or impede the execution of the Business Integration and to cooperate with each other as may be necessary to facilitate the Target's shareholders' acceptance of the Tender Offer, (b) cooperate to a reasonable extent in order to complete as promptly as practicable the response to the Antimonopoly Act and competition laws in China, Korea, France, the Philippines, Vietnam and Thailand that are required for the consummation of the Business Integration and any other similar method, (c) cause KDDI Evolva to conduct its business with the due care of a prudent manager substantially in the same manner and within the ordinary course of business as that conducted prior to the date of execution of the Basic Transaction Agreement, and (d) cause any counterparty to any material agreement entered into by KDDI Evolva not later than the day immediately prior to the effective date of Merger No. 2 to engage in any activity that would conflict with or impede the execution of the Business Integration; the Company has an obligation to cause KDDI Evolva to make its best efforts to obtain written consent to, or give notice of, the execution of the Basic Transaction Agreement and the implementation of the Business Integration.

(II) Tender Agreement

As set forth in "(1) Outline of the Tender Offer" above, the Offeror has executed the Tender Agreement with Central Security Patrol as of the date of this Press Release, which includes the

provisions below. The Offeror agreed to tender in the Tender Offer all of the Target's Stock (6,193,344 shares, ownership ratio of 9.55%) owned by Central Security Patrols. With respect to the Offeror Parties, the Offeror Parties have not reached any agreement with Central Security Patrols, other than the Tender Agreement, and there are no benefits to be provided by the Offeror Parties to Central Security Patrols other than the money obtained by tendering for the Tender Offer. As a condition to tender all of the Target's Stock owned by Central Security Patrols in the Tender Offer, the Tender Agreement provides that (i) the Offeror has performed and complied with its obligations to be performed or complied with by it prior to the commencement of the Tender Offer pursuant to the Tender Agreement in all material respects, and (ii) the representations and warranties set forth in the Tender Agreement with respect to the Offeror (Note) are correct in all material respects. However, Central Security Patrols may, at its own discretion, waive all or part of these conditions and tender. In addition, the following terms and conditions are agreed upon in the Tender Agreement.

(Note) In the Tender Agreement, the Offeror made representations and warranties with respect to (i) its establishment and existence, (ii) rights regarding the execution and performance of the Tender Agreement, (iii) the enforceability of the Tender Agreement, (iv) the non-existence of any conflict with the laws and regulations, (v) the acquisition of any permission and licenses, (vi) the non-existence of any legal bankruptcy proceedings, (vii) the non-existence of any transaction or any involvement with anti-social forces, and (viii) the financing.

(i) If a general meeting of shareholders of the Target is held on or after the date of the execution of the Tender Agreement and prior to the commencement date of settlement in connection with the Tender Offer and the Target Company has voting rights at such general meeting of shareholders, the Central Security Patrols have the obligation to exercise any and all rights as a shareholder at such general meeting of shareholders in accordance with the Offeror's instructions or to grant to the Offeror or a third party designated by the Offeror a power of attorney in relation to such rights in accordance with the Offeror's request.

(ii) The Central Security Patrols shall not withdraw the Tender Offer and terminate the Tender Offer Agreement concluded by the Tender Offer, even during the Tender Offer Period, without the prior written consent of the Offeror. However, in the event that, after the conclusion of the Tender Agreement and no later than five (5) business days prior to the last day of the Tender Offer Period, any person other than the Offeror makes a concrete and realistic counterproposal to acquire (regardless of it being a tender offer, reorganization or any other method.) the Target's Stock for the consideration equivalent to a certain amount more than the Tender Offer Price, or such counterproposal is publicly announced, the

Central Security Patrols may request the Offeror to discuss the change of the Tender Offer Price, If (a) the Offeror does not change the Tender Offer Price to an amount greater than the consideration for the Tender Offer by the earlier of ten (10) business days from the date of such offer or ten (2) business days prior to the last day of the Tender Offer Period, and (b) Central Security Patrols reasonably determines that the exercise by Central Security Patrols of the Tender Offer or the non-withdrawal of the Tender Offer already made by Central Security Patrols is likely to violate the duty of care of the directors of Central Security Patrols, then the Offeror may cancel the agreement for the purchase effected by the Tender Offer.

(III) Shareholders Agreement

In accordance with "(II) Management policy after the Tender Offer" in "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" above, the Company and KDDI have executed the Shareholders Agreement with respect to the joint operation of the Integrated Company Group as of the date of this Press Release, which includes the following provisions. The Shareholders Agreement will become effective on the day Merger No. 2 becomes effective, except for certain provisions such as general provisions.

- (i) The roles of each party in relation to the Integrated Company's business operations;
- (ii) Matters concerning the organization and operation of the Integrated Company (after Merger No. 2 becomes effective, (a) the right to nominate the directors of the Integrated Company (the number of directors shall be 11 or less. Six (6) directors from KDDI and five (5) directors from the Company.), (b) the right to nominate the representative directors of the Integrated Company, (c) the right to nominate the auditors of the Integrated Company, (d) the operation of meetings such as management meetings and shareholders' councils and (e) the shareholders' consent rights regarding important matters);
- (iii) The rights and obligations of each Party ((a) reporting obligations in the event of material events in relation to the Integrated Company; (b) matters relating to the Integrated Company's dividend policy; and (c) no withdrawal of officers or employees of the Integrated Company Group by either party);
- (iv) Matters related to the shares of the Integrated Company (transfer restrictions on the Integrated Company's Stock, KDDI's right of first refusal after a certain period of time, call

or put options in times of material breach of contractual obligations)

2. Summary of Tender Offer

(1) Summary of the Target

(i)	Name	Relia, Inc.	
(ii)	Location	2-6-5, Yoyogi, Shibuya-ku, Tokyo	
(iii)	Name and title of representative	President & CEO, Takashi Amino	
(iv)	Description of business	Contact center services and back office services	
(v)	Amount of share capital	998 million yen (as of September 30, 2022)	
(vi)	Date of incorporation	June 23, 1987	
(vii)	Major shareholders and shareholding ratio (as of September 30, 2022) (Note)	Mitsui & Co. Ltd.	36.56%
		CENTRAL SECURITY PATROLS Co., Ltd.	9.55%
		The Master trust of Japan Trust Bank, Ltd. (trust account)	6.91%
		GOLDMAN SACHS & CO. REG (standing proxy; Goldman Sachs)	5.41%
		Custody Bank of Japan, Ltd. (trust account)	4.09%
		Nippon Life Insurance Company	2.25%
		SMBC Trust Bank Ltd. (SMBC employee pension trust account)	2.22%
		STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002 (standing proxy: Settlement Sales Department of Mizuho Bank Ltd.))	1.57%
		STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS-UNITED KINGDOM (standing	1.56%

	proxy: Custody Service Department HSBC Tokyo Branch) The Nomura Trust and Banking Co., Ltd. 1.55% (investment trust account)
(viii)	Relationships between the Offeror Parties and the Target
Capital relationship	As of today, the Company owns 23,707,200 shares of the Target's Stocks (ownership ratio: 36.56%).
Personal relationship	One of the eight directors of the Target is also an employee of the Company. In addition, 10 employees are seconded from the Company to the Target.
Business relationship	There are transactions such as contract of contact centers for the Company and the group companies of the Company with the Company.
Status as related party	The Target is an equity method affiliate of the Company and constitutes a related party of the Company.

(Note) "Major shareholders and shareholding ratio (as of September 30, 2022)" is extracted from "Major Shareholders" in the Target's Annual Securities Report for the Target's Q2 Securities Report

(2) Schedule

The Tender Offer is intended to be promptly consummated once Preconditions are satisfied (or waived by the Company and KDDI) pursuant to the Basic Transaction Agreement. As of the date of this Press Release, the Offeror Parties aim to commence the Tender Offer around March 2023. However, as it is difficult to accurately predict the period required for the procedures to be taken, at the competition authorities inside and outside Japan, the details of the schedule for the Tender Offer will be announced promptly after it is determined. The Offeror Parties intends to make the Tender Offer Period 20 business days, which is the shortest period provided by laws and regulations (Note).

(Note) The Tender Offer Period will be a period by which 20 business days in the United States, which is the minimum number of days required for the Tender Offer Period under the U.S. securities laws, will be covered. The same shall apply hereinafter for the business days of the Tender Offer Period.

Under laws and regulations, the Target has the right to request the Offeror to change the Tender Offer Period to 30 business days if the Tender Offer Period is shorter than 30 business days.

However, since as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) 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 conflict of interests" under "1. Purposes of the Purchase" above, although the Tender Offer Period is set as 20 business days, which is the shortest period specified by laws and regulations, the Special Committee has determined that an opportunity for the general shareholders to make an appropriate decision regarding the tender of the Tender Offer and an opportunity for persons other than the Offeror Parties to purchase the Target's Stocks are secured due to the facts that the period from the announcement of the proposed Tender Offer to the actual commencement of the Tender Offer is long the Offeror Parties currently believe that there is no possibility of receiving a request from the Target for an extension of the Tender Offer Period.

(3) Price of tender offer

1,465 yen per share of the common stock

(4) Basis of calculation of the price of tender offer

(I) Basis of calculation

The Company, in determining the Tender Offer Price, retained Nomura Securities which is its financial adviser as its third-party valuator independent of the Offeror Parties, KDDI, the Target, and KDDI Evolva to calculate the value of the Target's Stock.

Nomura Securities evaluated the value of the Target's Stocks based on its judgment that it is appropriate to multilaterally evaluate the value of the Target's Stocks based on the assumption that the Target is a going concern after considering the calculation method to be adopted from among multiple methods for calculating the value of the Target's Stocks. Nomura Securities used the average market price method since the Target's Stocks are listed on the Prime Market of the Tokyo Stock Exchange and its market price exists, the comparable peer company multiple method as there are multiple listed companies comparable to the Target and it is possible to infer the value of the Target's Stocks by comparing similar companies, and the DCF method to reflect the status of future business activities in the calculation. On January 13, 2023, the Company received the Share Valuation Report from Nomura Securities. The Company has not procured an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Nomura Securities since the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest, and the Company believes that it has given sufficient consideration to the interests of the Target's

minority shareholders.

According to the Share Valuation Report, the share value range per share of the Target's Stock calculated using each of the above methods used is as follows:

Average market price method:	from 973 yen to 1,017 yen
Comparable peer company multiple method:	from 925 yen to 1,318 yen
DCF method:	from 1,233 yen to 2,339 yen

Under the average market price method, the reference date of calculation being January 12, 2023, the share value range per share of the Target's Stock was analyzed to be 973 yen to 1,017 yen, based on the simple average closing price for the most recent five days ending the same date (from January 5 2023 to January 12, 2023) (973 yen), the simple average closing price for the most recent one month of the Target's Stock on the Prime Market of the TSE ending on the reference date of calculation (from December 13, 2022 to January 12, 2023) (1,002 yen), the simple average closing price for the most recent three months ending the same date (from October 13, 2022 to January 12, 2023) (1,005 yen), and the simple average closing price for the most recent six months ending the same date (from July 13, 2022 to January 12, 2023) (1,017 yen).

Under the comparable peer company multiple method, the share value of the Target's Stock was calculated, and the share value range per share of the Target's Stock was calculated to be 925 yen to 1,318 yen through comparison with the market share price of listed companies operating businesses relatively similar to those of the Target and the indicators of their profitability and other financial conditions.

Under the DCF method, based on the Target's future earnings forecasts adjusted by the Offeror Parties, the share value range per share of the Target's Stock was analyzed to be 1,233 yen to 2,339 yen by analyzing the Target's share value based on various elements such as the Business Plan from the fiscal year ending March 2023 to the fiscal year ending March 2026, and information generally disclosed to the public, and discounting at a certain rate to the present value the cash flow to be generated by the Target in the future after the third quarter of its fiscal year ending March 2023. The financial forecasts of the Target used as the basis for the DCF method do not include fiscal years in which significant increases in profits and losses are projected.

The Tender Offer Price (1,465 yen) accounts for a 50.41% premium on the closing price (974 yen) of the Target's Stock on the Prime Market of the TSE on January 12, 2023, i.e. the

business day immediately prior to the date of announcement of the planned commencement of the Tender Offer, a 46.21% premium on the simple average closing price (1,002 yen) for the last one month, a 45.77% premium on the simple average closing price (1,005 yen) for the last three months, and a 44.05% premium on the simple average closing price (1,017 yen) for the last six months, respectively.

(Note) In calculating the share value of the Target's Stock, Nomura Securities assumed that the publicly available information and all information provided to Nomura Securities are accurate and complete, and did not independently verify the accuracy and completeness thereof. Nomura Securities has not independently evaluated, appraised or assessed the assets or liabilities (including derivatives, off-balance sheet assets and liabilities, and other contingent liabilities.) of the Target and its associated companies, including the analysis and evaluation of individual assets and liabilities, nor has it requested a third-party organization to conduct an appraisal or assessment. It is assumed that the financial projections of the Target (including profit plans and other information) were reasonably examined or prepared by the Company and the Target's management based on the best and good faith projections and judgments available at the present time. Nomura Securities' calculation reflects the information it obtained up to January 12, 2023 and economic conditions. The sole purpose of Nomura Securities' valuation is to serve as a reference for the Company's board of directors to review the value of the Target's shares.

(II) Process of calculation

(Circumstances leading to the decision of the Tender Offer Price)

The Company continued to discuss and negotiate with KDDI the implementation of the Business Integration, terms and conditions of the transaction including details of the transaction structure, and plans for management and business operation after the Business Integration, and on December 6, 2022, the Company submitted to the Target the First Proposal. The Company conducted a multifaceted and comprehensive analysis of the Target's business, finance and future plans, and determined the Tender Offer Price to be 1,300 yen in the First Proposal, since the Tender Offer Price of 1,300 yen reflected a premium over the market price of the Target's Stock of (a) 29.10% over the closing price (1,007 yen) of the Target's Stock on the Prime Market of the TSE as of December 2, 2022 (rounded to the second decimal place; hereinafter the same in calculation of the premiums), (b) 26.83% over the simple average closing price (1,025 yen) on the Prime Market of the TSE for the one (1) month ending December 2, 2022 (rounded to the whole number; hereinafter the same in calculation of the simple average closing prices),

(c) 30.78% over the simple average closing price (994 yen) on the Prime Market of the TSE for the three (3) months ending December 2, 2022, and (d) 25.97% over the simple average closing price (1,032 yen) on the Prime Market of the TSE for the six (6) months ending December 2, 2022, and was a price that is not disadvantageous to the Target's shareholders.

Following the submission of the First Proposal, on December 9, 2022, the Company received a request from the Target and the Special Committee to reconsider the Tender Offer Price in the First Proposal for the reason that the Target and the Special Committee determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 19, 2022, the Company made the Second Proposal to the Target and the Special Committee.

Following the submission of the Second Proposal, on December 23, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,640 yen per share for the reason that the Tender Offer Price in the Second Proposal still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 28, 2022, the Company made the Third Proposal to the Target and the Special Committee.

Following the submission of the Second Proposal, on December 30, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 6, 2023, the Company made the Fourth Proposal to the Target and the Special Committee.

Following the submission of the Fourth Proposal, on January 10, 2023, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Fourth Proposal to 1,480 yen per share from the viewpoint of securing

transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 11, 2023, the Company made the Final Proposal

On January 11, 2023, following the submission of the Final Proposal, the Company received a response from the Target and the Special Committee agreeing to set the Tender Offer Price at 1,465 yen, based on the belief that such price is reasonable from the viewpoint of the minority shareholders' interests, comprehensively taking into account recent market price trends and other factors, and is at a level that will enable the Target to gain broad understanding and support from its minority shareholders and other stakeholders.

As a result of the above discussions and negotiations, on January 11, 2023, the Company, KDDI, and the Target reached an agreement on the Tender Offer Price of 1,465 yen per share. As of today, the Company and KDDI executed the Basic Transaction Agreement and the Shareholders Agreement, and decided that the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions.

(a) Name of third-parties consulted at the time of calculation

The Company, in determining the Tender Offer Price, referenced Share Valuation Report submitted by Nomura Securities which is the third-party valuator independent of the Offeror Parties, KDDI, the Target and KDDI Evolva. The Company has not procured a fairness opinion on the Tender Offer Price from Nomura Securities since the Company believes that the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest and that sufficient consideration has been given to the interests of minority shareholders of the Target.

(b) Summary of the opinion

The range of the value per share of the Target's Stock calculated using each method of the average market price method, the comparable peer company multiple method, and the DCF method which was calculated by Nomura Securities is as follows:

Average market price method: from 973 yen to 1,017 yen

Comparable peer company multiple method: from 925 yen to 1,318 yen
DCF method: from 1,233 yen to 2,339 yen

(c) Circumstances leading to the decision of the purchase price based on the opinion

As described in "(I) Basis of calculation" above, in addition to the results of calculation of the Share Valuation Report procured from Nomura Securities on January 13, 2023, the Company comprehensively considered elements such as the results of due diligence conducted on the Target during the period from late September to early December 2022, the premium level (premium's median/average of the closing prices on the business day before the announcement date (37.50%, 42.42%), premium's median/average of the closing prices for the last one month (45.65%, 50.50%), premium's median/average of the closing prices for the last three months (51.12%, 55.92%), and premium's median/average of the closing prices for the last six months (49.13%, 56.94%)) of 16 cases of tender offers for shares of other companies that intend to make domestically listed equity method affiliates to wholly-owned subsidiaries that were announced on or after January 1, 2018, the trends in market price of the Target's Stock being stable with an average market closing price of 1,017 yen over the last six months, approval or disapproval of the Tender Offer by the Target's board of directors, prospects for acceptance of the Tender Offer, and took into account the results of discussions and negotiations with KDDI and the Target, and decided to set the Tender Offer Price at 1,465 yen per share as of the date of this Press Release. This amount exceeds the upper limit of the range of the results of calculation based on the average market price method and comparable peer company multiple method in the Share Valuation Report described in "(1) Basis of calculation" above, and is within the range of the results of calculation based on the DCF Method.

(III) Relationship with valuator

Nomura Securities as a financial advisor for the Company and third-party valuator is not a related party of the Offeror Parties or the Target, and has no material interests in the Transaction including the Tender Offer.

(5) Number of shares to be purchased

Class of stock	Number of tendered shares to be purchased	Minimum number of tendered shares to be purchased	Maximum number of tendered shares to be purchased
----------------	---	---	---

Common Stock	41,130,833 shares	19,518,200 shares	- shares
Total	41,130,833 shares	19,518,200 shares	- shares

(Note 1) If the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase none of the Tendered Shares. If the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased in the Tender Offer, the Offeror Parties will purchase all of the Tendered Shares.

(Note 2) The number of tendered shares to be purchased (41,130,833 shares) is the maximum number of the Target's Stock that the Offeror Parties shall acquire by the Tender Offer. Such maximum number of shares to be purchased is the total number of issued shares as of September 30, 2022 as stated in the Target's Q2 Securities Report, less the number of shares owned by the Company (23,707,200 shares) as of the same date (64,838,033 shares. As of September 30, 2022, the Target has no treasury shares.). The above number of shares to be purchased is a provisional number based on the information as of the same date, and the actual number of shares to be purchased in the Tender Offer, which will be set based on the latest information available at the time of commencement of the Tender Offer, may differ from the above number due to changes after that date.

(Note 3) Shares less than one unit are also subject to the Tender Offer. If a shareholder exercises the right to demand purchase of shares less than one unit pursuant to the Companies Act, the Target may purchase its shares during the Tender Offer Period in accordance with statutory procedures.

(Note 4) The treasury shares held by the Target are not scheduled to be acquired through the Tender Offer.

(6) Change in shareholding ratio after tender offer

Number of voting rights pertaining to the shares held by the Offeror before the Tender Offer	-	(Shareholding Ratio before the Tender Offer -%)
Number of voting rights pertaining to the shares held by special related parties before	237,072	(Shareholding Ratio before the Tender Offer 36.56%)

the Tender Offer		
Number of voting rights pertaining to the shares held by the Offeror after the Tender Offer	411,308	(Shareholding Ratio after the Tender Offer 63.44%)
Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer	237,072	(Shareholding Ratio after the Tender Offer 36.56%)
Total number of voting rights of all shareholders of the Target	648,283	

(Note 1) "Number of voting rights pertaining to the shares held by the Offeror after the Tender Offer" is the number of voting rights (411,308) pertaining to the number of shares to be purchased (41,130,833 shares) in the Tender Offer.

(Note 2) "Number of voting rights pertaining to the shares held by special related parties before the Tender Offer" is only the provisional numbers of voting rights pertaining to Target's Stock held by the Company as of the date of this Press Release among the shares held by each special related party (excluding parties that shall be excluded from special related parties pursuant to Article 3, Paragraph 2, Item (i) of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other Than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended) for the purpose of calculating the holding ratio of shares, etc. set out in each item of Article 27-2, Paragraph 1 of the Act). With regards to the Tender Offer, since the shares, etc. held by special related parties (excluding the Target's Stock held by the Company) are also subject to tender offers, the "Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer" is the numbers of voting rights pertaining to Target's Stock held by the Company as of the date of this Press Release. Since the Offeror intends to confirm the shares of the Target held by special related parties other than the Company by the consummation of the Tender Offer, if it is necessary to amend the above "Number of voting rights pertaining to the shares held by special related parties before the Tender Offer" and "Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer" the Offeror Parties will disclose the amendments made at the consummation of the Tender Offer.

(Note 3) "Total number of voting rights of all shareholders of the Target" is the number of the voting rights of all shareholders as of September 30, 2022 as indicated in the Target's Q2 Securities Report. However, because shares less than one unit are also subject to tender offer, "Shareholding Ratio before the Tender Offer" and "Shareholding Ratio after the Tender Offer" are calculated based on the denominator of the number of voting rights (648,380) pertaining to the total number of issued shares as indicated in the Target's Q2 Securities Report (64,838,033 shares. As of September 30, 2022, the Target has no treasury shares.)).

(Note 4) "Shareholding Ratio before the Tender Offer" and "Shareholding Ratio after the Tender Offer" are indicated by rounding to the second decimal place.

(7) Aggregate tender offer price (scheduled)

60,256,670,345 yen

(Note) The aggregate tender offer price indicated is the amount obtained by multiplying the number of shares scheduled to be purchased in the Tender Offer (41,130,833 shares) by the Tender Offer Price (1,465 yen). Due to changes after the date of this Press Release, if the actual number of shares purchased in the Tender Offer differs, the tender offer price may be subject to change.

(8) Other conditions and method of tender offer

(I) Conditions in each item of Article 27-13, Paragraph 4 of the Act and contents thereof

If the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase none of the Tendered Shares. If the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase all of the Tendered Shares.

(II) Other conditions and method of tender offer

The method of settlement, the date of public notice of commencement of the tender offer, and other conditions and method of tender offer will be announced as soon as they are determined. Nomura Securities will be appointed as the tender offer agent.

(III) Others

This Press Release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell or to make an offer to purchase shares pertaining to the Tender Offer. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanatory Statement concerning the Tender Offer and make an offer to sell their shares or place an offer to purchase shares at their own discretion. This Press Release shall neither be, nor constitute a part of, an offer of solicitation to sell, or an offer to purchase any securities, and neither this Press Release (or a part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

The Tender Offer is for common shares issued by the Target, a company incorporated in Japan. The Tender Offer will be consummated in compliance with the procedures and information disclosure standards prescribed by Japanese law, and these procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. In particular, Sections 13 (e) or 14 (d) of the Securities Exchange Act of 1934 (including subsequent revisions. The same shall apply hereinafter.) and the rules and regulations thereunder do not apply to the Tender Offer and the Tender Offer is not consistent with these procedures and standards. The financial information contained in this Press Release and its reference documents is based on Japanese accounting standards, which may differ materially from generally accepted accounting principles in the United States and other countries. In addition, since the Offeror is a corporation incorporated outside the United States and all or some of its officers are not residents of the United States, it may be difficult to exercise rights or claims that may be asserted on the basis of the securities laws of the United States. In addition, it may not be possible to commence legal proceedings against a non-U.S. corporation and its officers in a non-U.S. court for violations of U.S. securities laws. In addition, U.S. courts may not assert jurisdiction over non-U.S. entities and their subsidiaries and affiliates.

Unless otherwise stated, all procedures relating to the Tender Offer shall be conducted in the Japanese language. Although all or part of the documents relating to the Tender Offer are prepared in English, if there is any discrepancy between the English documents and the Japanese documents, the Japanese documents shall prevail.

Certain statements in this Press Release and its reference documents are forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933 (including subsequent revisions.) and Section 21 E of the Securities Exchange Act of 1934. Known and

unknown risks, uncertainties and other factors could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Neither the Offeror, the Target nor their affiliates can guarantee that the results expressed or implied by these forward-looking statements will be achieved. The forward-looking statements contained in this Press Release and its reference documents have been prepared based upon the information the Offeror possesses as of the date of this Press Release, and unless otherwise obligated under laws and regulations, the Offeror Parties, the Target and their affiliates assume no obligation to change or revise the statements to reflect the future events and circumstances.

The Offeror Parties and KDDI, and each of the financial advisors and the tender offer agent of the Offeror Parties, KDDI and the Target (including their affiliates) may, in the ordinary course of its business and to the extent permitted under the Financial Instruments and Exchange Related Laws and Regulations of Japan and other applicable laws and regulations, purchase the Target's Stocks for its own account or for the account of its customers in accordance with the requirements of Rule 14 e -5 (b) of the Securities Exchange Act of 1934 or otherwise conduct acts in connection therewith before the commencement of the Tender Offer or during the Tender Offer Period. Such purchases may be made at market prices through market transactions or at prices determined by off-market negotiations. If such information is disclosed in Japan, such information shall also be disclosed in the United States in a similar manner.

If a shareholder exercises the right to demand purchase of shares less than one unit pursuant to the Companies Act, the Target may purchase its shares during the Tender Offer Period in accordance with statutory procedures.

3. Policies after the Tender Offer and Perspectives

For our policies after the Tender Offer, see "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" and "(5) Possibility of delisting and reason therefor" under "1. Purposes of the Purchase" above.

4. Others

(1) Agreements between the Offeror Parties and the Target or its officers, and the details thereof

According to the Target's Press Release, the Target resolved at the board of directors' meeting held

on the date of this Press Release to express its current opinion of expressing an opinion supporting the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer. For the details of the process of the decision-making by the Target's board of directors, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) 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 conflict of interests" under "1. Purposes of the Purchase" above.

- (2) Other information considered to be necessary for investors to determine whether to tender their shares in the Tender Offer

- (I) Announcement of "Notice Regarding Revision to Full-Year Financial Forecast and Revision to Dividend Forecast for the Fiscal Year End"

According to the Target, the Target resolved at its board of directors' meeting held on January 13, 2023 to revise the dividend forecast for the fiscal year ending March 2023 and not to pay a year-end dividend for the fiscal year ending March 2023 and to revise the full-year consolidated financial forecast. The outline of the revision to the full-year consolidated financial forecast is as follows. For details, please refer to the "Notice Regarding Revision to Full-Year Financial Forecast and Revision to Dividend Forecast for the Fiscal Year End" announced by the Target on January 13, 2023.

(million yen)

	Net sales	Operating profit	Ordinary profit	Current net profit attributable to owners of parent	Current net profit per share (yen)
Previous forecast (A)	125,000	8,600	8,600	5,700	87.91
Revised forecast (B)	126,500	8,100	8,100	5,350	82.51
Change (B-A)	1,500	(500)	(500)	(350)	—
Change (%)	1.2%	(5.8)%	(5.8)%	(6.1)%	—
(Reference) Results of the previous fiscal year (Year ended March	117,884	8,300	8,180	5,439	82.99

2022)					
-------	--	--	--	--	--

Soliciting Regulations

This Press Release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell or to make an offer to purchase shares pertaining to the Tender Offer. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanatory Statement concerning the Tender Offer and make an offer to sell their shares at their own discretion. This Press Release shall neither be, nor constitute a part of, an offer of solicitation to sell, or an offer to purchase any securities, and neither this Press Release (or a part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

Forward-Looking Statements

This information may contain expressions concerning future prospects for business of the Offeror Parties and other companies, including "expect," "anticipate," "intend," "plan," "strongly believe," and "project." These expressions are based on the business prospects of the Offeror Parties at present, and are subject to change depending on the future circumstances. In respect of this information, the Offeror Parties assume no obligation to update these expressions concerning future prospects to reflect actual performance and other circumstances, and changes in the terms.

U.S. Regulations

Although the Tender Offer will be consummated in compliance with the procedures and information disclosure standards prescribed by the Act, these procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. In particular, Sections 13 (e) or 14 (d) of the Securities Exchange Act of 1934 and the rules and regulations thereunder do not apply to the Tender Offer and the Tender Offer is not consistent with these procedures and standards.

Unless otherwise stated, all procedures relating to the Tender Offer shall be conducted in the Japanese language. Although all or part of the documents relating to the Tender Offer are prepared in English, if there is any discrepancy between the English documents and the Japanese documents, the Japanese documents shall prevail.

Other Countries

The announcement, issuance, or distribution of this Press Release may be legally restricted in some countries or territories. In such case, shareholders should be aware of and comply with such restriction. The announcement, issue or distribution of this Press Release shall not be interpreted as an offer to purchase or solicitation of an offer to sell shares concerning the Tender Offer, but simply as a distribution of information.