[Translation]

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Notice Regarding Commencement of Tender Offer for Shares of RYOMO SYSTEMS CO., LTD. (Securities Code: 9691)

MITSUBA Corporation ("MITSUBA") and Chubu Electric Power Company, Incorporated ("Chubu Electric Power"; MITSUBA and Chubu Electric Power collectively, the "Offerors") hereby announce that they have resolved today to enter into a joint tender offer agreement (the "Joint Tender Offer Agreement") and to conduct a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act") for all of shares of common stock of RYOMO SYSTEMS CO., LTD. (the "Target Company"; such shares of common stock, the "Target Company Shares") (excluding the Target Company Shares held by MITSUBA and the treasury shares held by the Target Company), a company listed on the Standard Market of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"), as part of a series of transactions (the "Transactions") to make the Offerors the only shareholders of the Target Company, with the ratio of voting rights to be held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively, after the Target Company is taken private. The details are described below.

1. Summary of the Tender Offer

Purpose of tender offer	Privatization
Purchase period of tender offer	From May 15, 2026 (Friday) to July 8, 2026 (Wednesday) (39 business days)
Purchase price of tender offer	5,200 yen per share of common stock
Minimum number of shares to be purchased	537,260 shares (Note 1)
Maximum number of shares to be purchased	- shares
Opinion of the Target Company	Opinion in support of the Tender Offer and to recommend the acceptance of the Tender Offer

Note 1: The ownership percentage of share certificates, etc. set forth in Article 27-2, Paragraph 8 of the Act of the Offerors after the tender offer if the Offerors purchase the minimum number of shares to be purchased will be 66.67% (Note 2). The share certificates, etc. held by special related parties (excluding the treasury shares held by the Target Company and the Target Company Shares held by the Offerors who are mutually special related parties) are also subject to the Tender Offer, the ownership percentage of share certificates, etc. of the special related parties are not added.

Note 2: In calculating the ownership percentage (rounded to two decimal places), the number of voting rights (34,984 voting rights) represented by the number of shares (3,498,487 shares; the "Reference Number of Shares") equal to the total number of issued shares of the Target Company as of March 31, 2026 (3,510,000 shares) as stated in the "Summary of Consolidated FY 2026 Financial Results (Based on Japanese GAAP)" announced by the Target Company today (the "Target Company's Financial Results") minus the treasury shares (11,513 shares) held by the Target Company as of March 31, 2026 as stated in the Target Company's Financial Results is used as the denominator.

2. Purposes of the Tender Offer

(1) Summary of purposes of the Tender Offer

MITSUBA holds 1,795,040 shares (ownership percentage (Note): 51.31%) of common stock of the Target Company Shares listed on the Standard Market of the Tokyo Stock Exchange as of today, and the Target Company is its consolidated subsidiary. As of today, Chubu Electric Power does not hold any Target Company Shares.

Note: "Ownership percentage" means the ratio of the shares held (rounded to two decimal places) to the Reference Number of Shares. This applies hereinafter in the calculation of the ownership percentage.

The Offerors entered into the Joint Tender Offer Agreement as of today and decided to jointly conduct the Tender Offer for all of the Target Company Shares (excluding the Target Company Shares held by MITSUBA and the treasury shares held by the Target

Company) as part of the Transactions. In addition, MITSUBA and Chubu Electric Power entered into a shareholders' agreement dated today (the "Shareholders' Agreement") regarding the operation of the Target Company after the Transactions, and Chubu Electric Power entered into a capital and business alliance agreement (the "Capital and Business Alliance Agreement") with the Target Company. Further, the Offerors entered into a tender agreement dated today with Mr. Sadami Hino ("Mr. Hino"; such tender agreement, the "Tender Agreement (Mr. Hino)"), who is the fifth largest shareholder (as of September 30, 2025) of the Target Company and President and Representative Director of MITSUBA, under which Mr. Hino has agreed to tender all of the Target Company Shares he holds (number of shares held: 70,600 shares, ownership percentage: 2.02%) (the "Shares Agreed to be Tendered (Mr. Hino)") in the Tender Offer. For the specific terms of the Joint Tender Offer Agreement, the Shareholders' Agreement, the Capital and Business Alliance Agreement and the Shares Agreed to be Tendered (Mr. Hino), please refer to "(A) Joint Tender Offer Agreement," "(B) Shareholders' Agreement," "(C) Capital and Business Alliance Agreement," and "(D) Tender Agreement (Mr. Hino)" in "(6) Matters relating to material agreements regarding the Tender Offer" below.

The Offerors have set the minimum number of shares to be purchased in the Tender Offer at 537,260 shares (ownership percentage: 15.36%), 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 (537,260 shares), then the Offerors will not purchase any of the Tendered Share Certificates, Etc. On the other hand, as stated above, because the Offerors intend to take the Target Company Shares private by acquiring all of the Target Company Shares (excluding the Target Company Shares held by MITSUBA and the treasury shares held by the Target Company), the Offerors have not set a limit on the maximum number of shares to be purchased, and if the total number of Tendered Share Certificates, Etc. is equal to or greater than the minimum number of the shares to be purchased (537,260 shares), then the Offerors will purchase all of the Tendered Share Certificates, Etc. The minimum number of shares to be purchased (537,260 shares) is the number of shares calculated by (i) multiplying the number of voting rights (34,984 voting rights) represented by the Reference Number of Shares (3,498,487 shares) by two thirds (23,323 voting rights; rounded to the nearest whole number), (ii) multiplying that number (23,323 voting rights) by the number of shares multiplied by the number of share units (100 shares) of the Target Company (2,332,300 shares), and then (iii) deducting from that number (2,332,300 shares) the number of Target Company Shares held by MITSUBA. As the purpose of the Tender Offer is for the Offerors to take the Target Company Shares private through the Transactions, and in light of the fact that a special resolution at a general meeting of shareholders as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended, the "Companies Act") is required for implementing the procedures for the consolidation of the Target Company Shares (the "Share Consolidation") as stated in "(4) Policy for organizational restructuring after the Tender Offer" below, in order to ensure the implementation of the Transactions, the minimum number of shares to be purchased has been set so that after the completion of the Tender Offer, the Offerors will hold two-thirds or more of the total number of voting rights of the Target Company, thereby fulfilling this requirement.

For the method of purchase of the Tendered Share Certificates, Etc. by the Offerors, MITSUBA plans to purchase the Tendered Share Certificates, Etc. up to 1,003,800 shares (ownership percentage: 28.69%) out of the total number of Tendered Share Certificates, Etc. in which 80% of the voting rights represented by the Target Company Shares will be held by MITSUBA after purchase, and Chubu Electric Power plans to purchase the remaining number of Tendered Share Certificates, Etc.

If the Tender Offer is successfully completed, but the Offerors are unable to acquire all of the Target Company Shares (excluding the Target Company Shares held by MITSUBA and the treasury shares held by the Target Company) in the Tender Offer, then, as stated in "(4) Policy for organizational restructuring after the Tender Offer" below, the Offerors intend to request the Target Company to carry out a series of procedures (the "Squeeze-Out Procedures") for making the Offerors the only shareholders of the Target Company.

The Target Company Shares are listed on the Standard Market of the Tokyo Stock Exchange as of today. However, as stated in "(5) Expected delisting, etc. and reasons therefor" below, the Target Company Shares may be delisted through prescribed procedures, depending on the result of the Tender Offer. Further, if the procedures are carried out as stated in "(4) Policy for organizational restructuring after the Tender Offer" above after the completion of the Tender Offer, then the Target Company Shares will be delisted through the prescribed procedures.

In addition, according to the "Notice Concerning Expression of Opinion in Support of Commencement of Tender Offer for Company Shares by MITSUBA Corporation and Chubu Electric Power Co., Inc., Controlling Shareholders, and Recommendation to Tender Thereto, and Execution of the Capital and Business Alliance Agreement with Chubu Electric Power Company, Incorporated" released by the Target Company today (the "Target Company's Press Release"), at the board of directors meeting of the Target Company held on May 14, 2026, a resolution was adopted to the effect that the Target Company will express an opinion in support of the Tender Offer and that it will recommend that the Target Company's shareholders tender their shares in the Tender Offer and the Target Company will enter into the Capital and Business Alliance Agreement with Chubu Electric Power. For the details of the resolution at such board of directors meeting of the Target Company, please refer to the Target Company's Press Release and refer to "(C) Details of and grounds and reasons for opinions of the Target Company on the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" below.

(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer

(A) Background, purpose, and decision-making process leading the Offeror to decide to conduct the Tender Offer

MITSUBA was established as Mitsuba Electric Mfg. Co., Ltd. in March 1946 and changed its name to MITSUBA Corporation in October 1996. MITSUBA registered its shares for over-the-counter trading with the Japan Securities Dealers Association in June 1977, and its shares were listed on the Second Section of the Tokyo Stock Exchange in February 1988 and the First Section of the Tokyo Stock Exchange in September 1989. Due to the market reorganization of the Tokyo Stock Exchange in April 2022, MITSUBA's shares were transferred to the Prime Market thereof, where they are listed as of today.

As of today, MITSUBA's corporate group (the "MITSUBA Group") is composed of 47 companies in total: MITSUBA, its 42 subsidiaries, and its four affiliated companies. The MITSUBA Group is engaged in the transportation equipment-related business and the information service business, which is conducted by the Target Company and its three subsidiaries, as well as other businesses that include agency services for group and other companies and electrical work.

Chubu Electric Power was established on May 1, 1951, and in August 1951, its shares were listed on the Tokyo Stock Exchange, Osaka Securities Exchange Co., Ltd. (currently the Tokyo Stock Exchange; the "Osaka Securities Exchange"), and Nagoya Stock Exchange, Inc. (the "Nagoya Stock Exchange"). In July 2013, the cash equity market of the Osaka Securities Exchange was integrated into the Tokyo Stock Exchange, due to which Chubu Electric Power's shares were listed on the First Section of the Nagoya Stock Exchange and the First Section of the Tokyo Stock Exchange. Due to the market reorganization of the Tokyo Stock Exchange and the Nagoya Stock Exchange in April 2022, its shares were transferred to and are currently listed on the Prime Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange.

As of today, Chubu Electric Power operates as a holding company and is engaged in the management and administration of the corporate group consisting of Chubu Electric Power and its subsidiaries and affiliates (the "Chubu Electric Power Group"; collectively with the MITSUBA Group, the "Offeror Groups") and businesses incidental thereto.

The Chubu Electric Power Group is composed of Chubu Electric Power, its 75 subsidiaries, and its 87 affiliated companies (as of March 31, 2025). With the energy business in which it provides electricity and gas, etc. as its core domain, it is engaged in a variety of businesses such as the overseas energy business, construction and manufacturing businesses related to the energy business, and the real estate business.

According to the Target Company's Press Release, in January 1970, the Target Company split off from MITSUBA's mechanical computing department and was established as Ryomo Computing Center Co., Ltd. in order to provide computing services for the region, and in June 1982, it changed its name to RYOMO SYSTEMS CO., LTD. The Target Company established Ryomo Business Support Co., Ltd., a consolidated subsidiary, in November 1998 in order to provide BPO (Note 1) services to water utilities and local governments, and it established Ryomo Vietnam Solutions Company Limited, a Vietnamese company, in September 2004 in order to act as a base for off-shore development. Furthermore, it established Ryomo Philippines Information Corporation, a Philippine company, in January 2015 for purposes such as providing customer support (the Target Company and the three companies above are hereinafter referred to as the "Target Company Group").

Note 1: BPO refers to business process outsourcing, which entails a company engaging an external specialist corporation to provide part of the company's business processes.

The Target Company registered the Target Company Shares for over-the-counter trading with the Japan Securities Dealers Association in November 1990, following which the Target Company Shares were listed on the JASDAQ Securities Exchange in December 2004 and reassigned to the Tokyo Stock Exchange JASDAQ (Standard) Market in July 2013 after a securities exchange merger. Due to the market reorganization of the Tokyo Stock Exchange in April 2022, the Target Company Shares were moved to the Standard Market thereof, where they remain listed at present.

In February 2023, the Target Company Group formulated its 10th medium-term management plan (for the fiscal year ending March 2024 to the fiscal year ending March 2028) in which it sets out a management policy of "increasing the collective strength of the group, working to resolve social issues, and growing together with customers," and the plan identifies key concepts of speed, innovation, and new value creation. Through three priority measures (enhancement and expansion, innovation and growth, and structural reform), the Target Company Group has worked to increase its orders received, enhance its products and services, and improve its profit structure.

The Target Company Group's business entails the group working together to provide both upstream and downstream IT solutions such as software development and system sales, implementation, and maintenance as well as system operation using the Target Company's data centers to local governments, energy utilities, and customers in manufacturing and other industries. The Target Company Group's business segments comprise the public sector business segment and the society and industry business segment.

(i) Public sector business

In this business, the Target Company Group provides solution services, etc. for the public sector market, such as local governments, police, water utilities, schools, and libraries. This business segment includes domains such as (a) the government domain, in which the Target Company Group provides operational systems for local governments, (b) the water utility domain, in which the Target Company Group provides WINS, a service that supports customer management, accounting operations, and other such operations, and conducts telemetering services (Note 2) for water utilities, and (c) the education domain, in which the Target Company Group offers services such as the development of network infrastructure and the provision of operational support systems for schools.

Note 2: Telemetering refers to the management of various data obtained from smart meters with communication capabilities to enable the remote measurement of the usage volume of water or gas, etc.

(ii) Society and industry business

In this business, the Target Company Group provides solution services, etc. for private sector customers operating in fields such as energy, manufacturing, printing, logistics, and medical care. This business segment includes domains such as (a) the energy domain, in which the Target Company Group provides GIOS®, a service that supports customer management, sales management, accounting operations, and other such operations, and conducts telemetering services mainly for gas utilities and provides customer fee management systems, etc. for electric utilities, (b) the industry domain, in which the Target Company Group provides operational systems for private sector companies and develops and operates internal systems for MITSUBA, and (c) the mobility domain, in which the Target Company Group provides services such as the development of vehicle controls for automobile-related companies, including MITSUBA.

In the business environment surrounding the Target Company Group, the Target Company believes that active IT investments will continue due to an increase in needs such as for renovating IT systems facing concerns of degradation and migrating systems to the cloud to reduce costs and increase convenience. In addition, in the movement to digitalize government services, developments can be seen in the central government's efforts to integrate and standardize core operational systems for local governments.

However, as an issue facing the industry as a whole, the Target Company anticipates increasingly intense competition to acquire IT personnel and a resulting increase in personnel expenses, and as it becomes more difficult to acquire personnel, strengthening the base of human resources that support sustainable growth and increasing productivity are key issues. In addition, an issue specific to the Target Company Group is that while there is widespread implementation of AI in product and solution development in the industry as a whole, the Target Company is still at the stage of considering the implementation of AI in its major services, and therefore it is necessary to utilize AI to further strengthen solution competitiveness. In the public sector business, it will be necessary to make changes to the business structure moving forward, including expanding the police and water utilities areas, due to changing revenue models caused by a shift from providing systems using the Target Company's DCs (Note 3) to using the government cloud (Note 4) as systems for local governments are standardized. As an issue facing the entire Target Company Group, the Target Company also recognizes that it is important to increase productivity by strengthening project management due to expanding projects and responding to required quality standards. In response to these management issues, the Target Company Group is advancing high-priority measures by updating the 10th medium-term management plan on a rolling basis, refining human resources, technology, and systems, and strengthening and expanding existing competitive solutions.

Note 3: DC refers to data centers, which are specialized facilities for the concentrated installation and operation of servers and network equipment, etc., including the electric power, networks, and other functions necessary for the stable operation of servers.

Note 4: The government cloud refers to the environment for cloud services shared by government entities after transitioning to systems that comply with the standardization criteria established by law.

MITSUBA believes that although the automotive industry represents a massive market, it is an unstable industry that is easily affected by changing demands and supply chain disruptions. In addition, MITSUBA believes that the industry is in the midst of a once-per-century revolution and is undergoing various changes in regard to automation, electrification, and computerization. Based on these circumstances, MITSUBA is focused on a business portfolio strategy that achieves both future growth and a balance between profit and risk by expanding the transportation equipment-related business and information service business. Specifically, in the transportation equipment-related business, which operates in the automotive industry, as there is increasing added value for software itself, MITSUBA anticipates that it will be able to implement growth strategies by enacting measures in response to SDVs (Note 5) using the Target Company's software development capabilities. In the information service business, which experiences limited impacts from the automotive industry, MITSUBA expects that the expansion of the telemetering business through cooperation between the Chubu Electric Power Group and the Target Company and the deepening of collaboration with the Target Company in the mobility domain will become pillars of growth.

Note 5: SDVs refers to software-defined vehicles.

In particular, in the telemetering business in which the Target Company provides solutions for gas and water utilities, such as telemetering services using communication networks and IT systems, the Target Company entered into a business partnership agreement with Chubu Electric Power in November 2022, and MITSUBA recognizes that they have steadily achieved results thereafter. MITSUBA believes that further deepening collaboration between the Target Company and Chubu Electric Power will create benefits such as (i) being able to expand telemetering services for city gas (piped natural gas) utilities and water utilities on a larger scale than before and (ii) utilizing the Target Company's expertise and experience in BPO services for water and sewerage utilities and, together with Chubu Electric Power, leveraging the IT system platform used in the telemetering business to optimize and streamline operations through unified management, including for customer and facility management systems, thereby making it possible to expand orders received for BPO services.

By doing so, MITSUBA aims to optimally balance risks by achieving stable growth via enhancing the added value of products through measures in response to SDVs in the transportation equipment-related business in the automotive industry, in which the business environment undergoes severe changes, and by enacting a business portfolio strategy that does not depend excessively on the transportation equipment-related business via the expansion of the information service business. In addition, by taking the Target Company Shares private and eliminating structural conflicts of interest between the parent company and the minority shareholders of its listed subsidiary, MITSUBA will develop a structure through which it can execute that strategy with more agility and greater group unity, thereby aiming to enhance its long-term corporate value.

In addition, due to issues regarding relationships in which both a parent company and its subsidiary are listed companies, namely structural conflicts of interest between the parent company and the minority shareholders of the listed subsidiary and the burden of listing costs for both the parent company and subsidiary, MITSUBA recognizes that under the current conditions, the capital market strongly desires the dissolution of such relationships. Given these circumstances, MITSUBA believes that if it maintains the current relationship in which both it and the Target Company are listed, there are risks that activist shareholder proposals unlikely to contribute to enhancing the long-term corporate value of the Target Company and MITSUBA may be submitted or that hostile takeovers may be attempted, and if such risks materialize, they may impede the Target Company and MITSUBA from the ordinary conduct of their businesses and from implementing efforts to enhance corporate value from a long-term perspective. MITSUBA therefore determined that it is necessary to take the Target Company Shares private in order to address such risks.

In addition, if the Tender Offer is completed and the Squeeze-Out Procedures are carried out, the Target Company Shares will be delisted, and general demerits pertaining to the delisting of a company's shares include becoming unable to procure funds from the capital market and the loss of merits enjoyed as a listed company, such as the social trustworthiness gained from transaction partners and other external parties and the maintenance of name recognition. However, MITSUBA believes that there will be no impact on funding for the Target Company as even after the Target Company Shares are delisted, it will be able to procure funds with the backing of the creditworthiness of the MITSUBA Group. Furthermore, the Target Company has already gained sufficient brand power and customer trust through its current business activities, and MITSUBA believes that delisting will not cause the Target Company to lose the social trustworthiness and name recognition it has built up through the operation of its business up to the present as it will continue to be recognized as a member of the MITSUBA Group and the Chubu Electric Power Group, both of which are headed by listed companies. Instead, MITSUBA expects that the social trustworthiness and name recognition of the Target Company will be maintained and enhanced by achieving the synergies anticipated through the Transactions, and it therefore believes that the impact of that demerit is minimal and does not exceed the merits that are anticipated to enhance the Target Company's corporate value.

Based on the above, MITSUBA reached the conclusion that collaborating with Chubu Electric Power, one of the competitive companies in the telemetering service market, which includes both water and gas areas, and taking the Target Company Shares private is optimal from the perspective of enhancing corporate value, and it therefore determined to partner with Chubu Electric Power to take the Target Company private.

In the energy industry to which the Chubu Electric Power Group belongs, although Chubu Electric Power considers fuel prices to currently be at a low level, it also believes that circumstances remain highly volatile and uncertain due to reasons such as geopolitical risks and changes in the international political situation. Amid these circumstances, the Chubu Electric Power Group has set out a vision of "proactively transforming our business model in anticipation of changes in the business environment, growing together with stakeholders, and contributing to the development of a sustainable society," and it is focusing on initiatives to resolve regional issues. As part of those initiatives, in April 2026, Chubu Electric Power established a Multi-utility Business Division to perform functions such as identifying regional needs and offering solutions, promoting businesses such as water and sewerage utilities and resource recycling, and providing business incubation support and developing and implementing services. Chubu Electric Power believes that it can achieve significant growth by accelerating both internal and external collaboration and corporation and promoting digital transformation (Note 6) focusing on the infrastructure domain, where it anticipates synergies with its existing energy business, across a wide geographic area with the involvement of local governments. Under that course of action, Chubu Electric Power has positioned telemetering services using smart meter communication networks as an area of focus for priority measures moving forward, and it provides joint meter-reading services using the network of smart electric meters as an initiative to increase convenience for local communities through the regional infrastructure business in the smart water meter market, which is expected to expand in the future due to expanding the scope of telemetering from the gas utilities business to the water utilities business. Chubu Electric Power therefore believes that further growth can be anticipated through synergistic effects from collaboration with the Target Company's telemetering business.

Note 6: Digital transformation collectively refers to business and operational innovations achieved using digital technologies.

The Offerors believe that in the Japanese information service industry, active IT investments can be expected to continue due to an increase in needs such as for renovating IT systems facing concerns of degradation and migrating systems to the cloud to reduce costs and increase convenience, and in regard to the Target Company's business environment, they believe that the mobility business and DC business (including the telemetering business), in which market growth is anticipated, are positioned in growth domains. The Offerors believe that while the Target Company also positions the public sector business and society business, in which it possesses stable business foundations, as stable domains, the industry business (specifically the logistics and printing fields) is a domain facing severe market conditions. Moving forward, the Offerors believe that business expansion and the enhancement of corporate value can be aided by (a) generating revenue in the public sector business through systems for local governments (for which the Target Company anticipates stable demand due to measures in response to the standardization of core operational systems for local governments scheduled to be completed by fiscal year 2030 and needs for system modifications due to ongoing changes in specifications after standardization) and in the society business through the education field, in which the use of tablets at schools is expected to expand due to the GIGA school program (Note 7), and through solutions for small and medium gas utilities used by approximately 100 out of 189 city gas (piped natural gas) utilities in Japan (Note 8) that hold a 50% market share, and by (b) allocating human resources and funds to the mobility business and DC business (including telemetering), which have high growth potential, and to obtaining orders for services for quasi-major gas utilities in order to prepare for the risk of a reduction in customers for solutions for small and medium gas utilities due to the future restructuring of such utilities and to obtaining orders for services for electric utilities, which are expected to newly enter the city gas (piped natural gas) business.

Note 7: The GIGA school program is a plan promoted by the Ministry of Education, Culture, Sports, Science and Technology to provide student computers for each student receiving compulsory education and provide schools with high-speed networks.

Note 8: Source: "City Gas Business Overview 2026," The Japan Gas Association

The Offerors believe that the Target Company can further strengthen its existing business model through the Transactions, create new business opportunities, and establish a more robust business portfolio. Specifically, the Offerors believe that through the Transactions, the Target Company can be expected to achieve agile decision-making, conduct concentrated investments for human capital, expand sales to new OEMs and tier 1 suppliers (Note 9) using MITSUBA's customer contacts in the mobility business, expand the telemetering business using the Chubu Electric Power Group's electric smart meter communication networks and expertise, and increase BPO orders received in the water utilities business.

Note 9: Tier 1 suppliers are companies that supply parts and systems directly to OEMs.

Specifically, the Offerors believe that achieving the following synergies through the Transactions and accelerating initiatives to achieve the Target Company's growth strategies will contribute to maximizing the corporate value of the Offerors and the Target Company.

(i) Deepen collaboration with MITSUBA in the mobility business

The Offerors believe that it is possible to strengthen the structure for cooperation between MITSUBA and the Target Company and expand the engineering business centered around a team of specialists in the systems domain, as well as to utilize MITSUBA's knowledge of actuator controls (Note 10) in the development of model bases for OEMs, accelerate deployment to upstream processes (such as refining requirement documents), and achieve expanded sales to new OEMs and tier 1 suppliers by leveraging MITSUBA's customer contacts in the transportation equipment-related business. The specific measures that the Offerors are considering promoting are as follows.

(a) Develop and expand sales for high-precision models that incorporate motor and hardware control technology in modeling technology

(b) Develop and expand sales for development support tools using knowledge of automotive software development (MDiA (Note 11), AI tools, etc.)

(c) Jointly develop mobility-oriented products combining MITSUBA's motors and drivers and the Target Company's sensing technologies (general purpose low-profile driving systems)

(d) Expand development support and process consulting for automotive operating systems

(e) Expand orders received for the development of embedded software that incorporates motor and hardware control technology for customers other than MITSUBA

(f) Full-scale roll out of consulting services for automotive software development processes utilizing the technology gained from joint development with MITSUBA

Note 10: Actuators are components that perform actual, mechanical motions using the power of the motor.

Note 11: MDiA refers to Model Dr. MDiA®, a model guideline tool planned and developed by the Target Company that diagnoses MATLAB/Simulink models created in model base development (MBD) and enables the quantification and visualization of model quality.

(ii) Cooperate with the Chubu Electric Power Group in the telemetering business, public sector business, society business, and industry business

As demand for telemetering is expected to increase due to the increasing prevalence of smart meters in the water and gas utility areas, the Offerors believe that it is possible to provide products with high market competitiveness by utilizing the knowledge and technologies of the Target Company developed over many years through the development, etc. of customer management systems for water and gas utilities, an area in which the Target Company excels, in the development, etc. of MDMS (Note 12), and that by combining those products with the assets and sales capabilities of the Chubu Electric Power Group, which already has a track record in those areas, it will be possible to achieve sustainable growth in the telemetering business. In addition to other synergies in the public utilities business, society business, and industry business, the Offerors anticipate the creation of synergies in regard to human resources as well, and the specific measures that the Offerors are considering promoting are as follows.

(a) Further expand the telemetering business for infrastructure providers centered around gas and water utilities

(b) Develop and expand sales for new services by utilizing acquired data (such as tools for visualizing fees)

(c) Promote introduction of GIOS® in projects involving both city gas (piped natural gas) utilities and LP gas utilities using the Chubu Electric Power Group's sales capabilities

(d) Expand sales of the Target Company's system, WINS, in the business areas of the Chubu Electric Power Group

(e) Develop and deploy next-generation services (such as AI analysis) for security camera footage for local governments

(f) Expand contracted development orders from the Chubu Electric Power Group (such as for cloud and AI development)

(g) Cooperate in regard to supplementing and securing human resources (such as supplementing the Target Company's resources with those of the Chubu Electric Power Group and using the Chubu Electric Power brand to hire talent in Tokyo and Nagoya who are capable of contributing immediately)

Note 12: MDMS refers to meter data management systems, which are systems for managing various data obtained from smart meters.

(iii) Reduce the burden of listing maintenance costs and related administrative tasks

As seen in recent guidelines, etc. published by the Tokyo Stock Exchange and the Ministry of Economy, Trade and Industry, corporate governance requirements for listed companies that have controlling shareholders, like the Target Company, particularly in regard to the appropriate management of conflicts of interest that may arise between the controlling shareholder and minority shareholders and restrictions on and disclosure regarding transactions, etc. where such conflicts of interest are an issue, are becoming stricter day by day, and as this creates a burden in terms of both administrative tasks and finances, the Offerors believe that by conducting the Transactions, it is possible for the Target Company to reduce listing maintenance costs.

MITSUBA recognized that the Target Company and Chubu Electric Power have steadily achieved results since entering into a business partnership agreement in November 2022, and on March 14, 2024, MITSUBA received a request from Chubu Electric Power to the effect that it wished to acquire 20% or more of the Target Company Shares from those held by MITSUBA, thereby making the Target Company an equity-method affiliate of Chubu Electric Power. MITSUBA responded that it was not considering lowering its investment ratio in the Target Company, and it did not accept the request at that time.

Following that, MITSUBA learned from the Target Company that Chubu Electric Power continued to wish to acquire the Target Company Shares, and the request from Chubu Electric Power led MITSUBA to recognize that it was necessary to reconsider its future capital relationship with the Target Company and the framework for implementing growth strategies for the Target Company. MITSUBA therefore began considering this matter from late June 2025. In that consideration, taking into account that the Target Company's business is highly compatible with the assets and sales capabilities, etc. of the Chubu Electric Power Group as well as the track record of collaboration between them, when comparing capital policy options (including taking the Target Company Shares private), MITSUBA reached the conclusion that even when compared to MITSUBA making the Target Company a wholly-owned subsidiary and independently taking the Target Company Shares private, further deepening collaboration, including in regard to capital, with Chubu Electric Power and expanding opportunities for the Target Company to grow would contribute to enhancing the corporate value of the Target Company and, by extension, MITSUBA.

In addition, when conducting the above consideration, taking into account the possibility of limitations in regard to agile decision-making and the flexible implementation of capital policy and business alliances as a group due to possible structural conflicts of interest between a parent company and the minority shareholders of its listed subsidiary, as well as the recent increase in demand from the capital market for the dissolution of relationships in which both a parent company and its subsidiary are listed companies, MITSUBA came to recognize that it was necessary to also consider the capital relationship including the possibility of dissolving the relationship in which both MITSUBA and the Target Company are listed companies due to the burden of responding to corporate governance requirements and of listing maintenance costs for both companies if that relationship is continued, as well as the risk of activist shareholder proposals or hostile takeover attempts, which could impede the Target Company and MITSUBA from the ordinary conduct of their businesses and from implementing efforts to enhance corporate value over the medium to long term.

Given that, as stated above, the Target Company is at the center of the MITSUBA Group's growth strategies, and from the perspective of ensuring the stable and swift management and governance of the Target Company after the Transactions, MITSUBA determined that it would be beneficial to adopt a structure in which MITSUBA maintains its majority stake in the Target Company while Chubu Electric Power holds a certain amount of equity. Specifically, MITSUBA reached the conclusion that in order to ensure both the allocation of management resources by the Chubu Electric Power Group and incentives for the Chubu Electric Power Group to collaborate with the Target Company while at the same time ensuring consistency in the management policies of the Target Company and enabling the flexible implementation of investments and measures as a unified group, it would be optimal to create a capital relationship in which MITSUBA holds 80% of voting rights in the Target Company and Chubu Electric Power holds 20% after resolving the issue of conflicts of interest that may arise structurally between a parent company and the minority shareholders of its listed subsidiary by taking the Target Company Shares private.

Based on the above, on September 24, 2025, MITSUBA held a meeting between the Offerors and the Target Company, and following internal consideration thereafter, in late December 2025, it decided to formally commence consideration of the Transactions under the framework of a capital alliance that would include Chubu Electric Power holding 20% of the Target Company Shares after they are taken private.

In November 2022, Chubu Electric Power entered into a business partnership agreement with the Target Company. Following that, based on the awareness that it was necessary to further strengthen the relationship between the two companies in order to more surely and permanently achieve the synergies created from combining each company's strengths, in November 2023, Chubu Electric Power made a request to the Target Company to discuss a capital alliance. From 2024, Chubu Electric Power also approached and held continual discussions with MITSUBA regarding matters such as the necessity of a capital alliance. In December 2024, Chubu Electric Power established the "Plan for New Businesses Developed from the Telemetering Business" jointly with the Target Company, and in addition to explaining that plan to MITSUBA, it appealed to MITSUBA regarding matters such as the necessity of a capital alliance to achieve that plan and continued discussions regarding matters such as how to proceed with such an alliance.

As a result of those discussions, on September 24, 2025, Chubu Electric Power received a proposal regarding the Transactions from MITSUBA, and following internal consideration, in late December 2025, Chubu Electric Power decided to formally begin considering the Transactions under the framework of a capital alliance that would include Chubu Electric Power holding 20% of the Target Company Shares after they are taken private.

On December 26, 2025, MITSUBA appointed Mizuho Securities Co., Ltd. ("Mizuho Securities") as its financial advisor and third-party valuation organization independent from the Offerors and the Target Company, and on January 16, 2026, Chubu Electric Power appointed Yamada Consulting Group Co., Ltd. ("Yamada Consulting") as its financial advisor and third-party valuation organization independent from the Offerors and the Target Company. MITSUBA, on December 25, 2025, and Chubu Electric Power, on January 15, 2026, jointly appointed Mori Hamada & Matsumoto as their legal advisor independent from the Offerors and the Target Company, and on January 26, 2026, the Offerors jointly submitted a non-binding letter of intent (the "Letter of Intent") to the Target Company stating the purpose of the Transactions, the transaction method for making MITSUBA and Chubu Electric Power the only shareholders of the Target Company, and the funds for and anticipated schedule of the Transactions.

Following that, the Offerors conducted due diligence (the "Due Diligence") from early February to late March 2026 in order to carefully examine the feasibility of the Transactions.

Through the Due Diligence, the Offerors confirmed the details of the Target Company's business, finances, tax affairs, and legal affairs, and they concluded that the Transactions would contribute to enhancing the corporate value of the Target Company Group, the implementation of MITSUBA's planned business portfolio strategy that achieves both future growth and a balance between profit and risk, and the Chubu Electric Power Group's vision of "proactively transforming our business model in anticipation of changes in the business environment, growing together with stakeholders, and contributing to the development of a sustainable society." Specifically, the Offerors concluded that through the Transactions, they can anticipate agile decision-making, focused investments in human capital, expanded sales to new OEMs and tier 1 suppliers using MITSUBA's customer contacts in the mobility business, the expansion of the telemetering business using the Chubu Electric Power Group's electric smart meter communication networks and expertise, and the expansion of BPO orders received in the water utilities business.

Following that, from March 31, 2026, the Offerors held multiple negotiations with the Target Company regarding the purchase price per Target Company Share in the Tender Offer (the "Tender Offer Price"). Specifically, based on the Due Diligence and comprehensively taking into account the results of a share value analysis of the Target Company Shares and the share price trends of the Target Company Shares, on March 31, 2026, the Offerors made an initial proposal to set the Tender Offer Price at 4,400 yen per share (which represents a premium of 25.36% (rounded to two decimal places; the same applies below in regard to the calculation of premium rates) on 3,510 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on March 30, 2026, the business day immediately preceding the proposal date, a premium of 11.68% on 3,940 yen (rounded to the nearest 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 ending on that date, a premium of 0.64% on 4,372 yen, the simple average closing price for the three-month period ending on that date, and a premium of 0.41% on 4,382 yen, the simple average closing price for the six-month period ending on that date). The Tender Offer Price of 4,400 yen is based on the assumption that dividends of surplus will not be paid by the Target Company. The same applies below in regard to proposals regarding the Tender Offer Price. In response, on April 2, 2026, the Offerors received a request from the Target Company and the Special Committee (as defined in "(i) Background to the establishment of a consideration structure" in "(C) Details of and grounds and reasons for opinions of the Target

Company on the Tender Offer” below; the same applies below) to raise the Tender Offer Price from the perspective of placing importance on the Target Company’s corporate value and the protection of the interests of its general shareholders. Therefore, the Offerors reconsidered the Tender Offer Price, and on April 8, 2026, they made a proposal to the Target Company to set the Tender Offer Price at 4,600 yen per share (which represents a premium of 26.90% on 3,625 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 7, 2026, the business day immediately preceding the proposal date, a premium of 22.50% on 3,755 yen, the simple average closing price for the one-month period ending on that date, a premium of 7.38% on 4,284 yen, the simple average closing price for the three-month period ending on that date, and a premium of 5.92% on 4,343 yen, the simple average closing price for the six-month period ending on that date). In response, on April 9, 2026, the Offerors received a request from the Target Company and the Special Committee to raise the Tender Offer Price from the perspective of placing importance on the Target Company’s corporate value and the protection of the interests of its general shareholders. Therefore, the Offerors reconsidered the Tender Offer Price, and on April 15, 2026, they made a proposal to the Target Company to set the Tender Offer Price at 4,700 yen per share (which represents a premium of 27.72% on 3,680 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 14, 2026, the business day immediately preceding the proposal date, a premium of 28.07% on 3,670 yen, the simple average closing price for the one-month period ending on that date, a premium of 11.53% on 4,214 yen, the simple average closing price for the three-month period ending on that date, and a premium of 8.72% on 4,323 yen, the simple average closing price for the six-month period ending on that date). In response, on April 16, 2026, the Offerors received a request from the Target Company and the Special Committee to raise the Tender Offer Price from the perspective of placing importance on the Target Company’s corporate value and the protection of the interests of its general shareholders. Therefore, the Offerors reconsidered the Tender Offer Price, and on April 21, 2026, they made a proposal to the Target Company to set the Tender Offer Price at 5,100 yen per share (which represents a premium of 29.28% on 3,945 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 20, 2026, the business day immediately preceding the proposal date, a premium of 38.66% on 3,678 yen, the simple average closing price for the one-month period ending on that date, a premium of 22.57% on 4,161 yen, the simple average closing price for the three-month period ending on that date, and a premium of 18.14% on 4,317 yen, the simple average closing price for the six-month period ending on that date). In response, on April 22, 2026, the Offerors received a request from the Target Company and the Special Committee to raise the Tender Offer Price from the perspective of placing importance on the Target Company’s corporate value and the protection of the interests of its general shareholders. Therefore, the Offerors reconsidered the Tender Offer Price, and on April 27, 2026, they made a proposal to the Target Company to set the Tender Offer Price at 5,150 yen per share (which represents a premium of 27.79% on 4,030 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 24, 2026, the business day immediately preceding the proposal date, a premium of 36.97% on 3,760 yen, the simple average closing price for the one-month period ending on that date, a premium of 24.64% on 4,132 yen, the simple average closing price for the three-month period ending on that date, and a premium of 19.41% on

4,313 yen, the simple average closing price for the six-month period ending on that date). In response, on April 28, 2026, the Offerors received a request from the Target Company and the Special Committee to raise the Tender Offer Price from the perspective of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders. Therefore, the Offerors reconsidered the Tender Offer Price, and on May 7, 2026, they made a proposal to the Target Company to set the Tender Offer Price at 5,200 yen per share (which represents a premium of 36.84% on 3,800 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on May 1, 2026, the business day immediately preceding the proposal date, a premium of 36.45% on 3,811 yen, the simple average closing price for the one-month period ending on that date, a premium of 28.08% on 4,060 yen, the simple average closing price for the three-month period ending on that date, and a premium of 21.04% on 4,296 yen, the simple average closing price for the six-month period ending on that date). In response, on May 8, 2026, the Offerors received a request from the Target Company and the Special Committee to raise the Tender Offer Price from the perspective of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders. On May 13, 2026, the Offerors responded to the Target Company that they would not raise the Tender Offer Price as they had determined that the proposal made on May 7, 2026 to set the Tender Offer Price at 5,200 yen took into account the previous responses from the Target Company and gave maximum consideration to the views of the Special Committee. On May 13, 2026, the Offerors received a response from the Target Company and the Special Committee accepting the proposed price subject to a final decision to be made by a resolution of the Target Company's board of directors meeting to be held on May 14, 2026.

In order to increase the likelihood of completing the Tender Offer, on April 16, 2026, the Offerors held discussions with Mr. Hino regarding the future handling of the Target Company Shares held by Mr. Hino and, on the same day, obtained his informal consent to tender the Shares Agreed to be Tendered (Mr. Hino) in the Tender Offer. Following that, on May 14, 2026, the Offerors informed Mr. Hino that as a result of negotiations with the Target Company, the Tender Offer Price would ultimately be set to 5,200 yen, and as Mr. Hino agreed to tender the Shares Agreed to be Tendered (Mr. Hino) in the Tender Offer, the Tender Agreement (Mr. Hino) was executed on the same day.

Based on the above discussions and negotiations, the Offerors decided today to conduct the Tender Offer as part of the Transactions.

(B) Background and basis of valuation of tender offer price

The Offerors ultimately decided today on the Tender Offer Price of 5,200 yen by comprehensively taking into consideration factors such as the background stated in "(A) Background, purpose, and decision-making process leading the Offeror to decide to conduct the Tender Offer" above, and the result of the valuation in a share valuation report acquired from Mizuho Securities on May 13, 2026 (the "Share Valuation Report (Mizuho Securities)") regarding the Target Company's share value and a share valuation report acquired from Yamada Consulting on May 13, 2026 (the "Share Valuation Report (Yamada Consulting)") regarding the Target Company's share value as stated in "(A) Procurement by the Offerors of a written share valuation report from an independent third-party valuation organization" in "(3) Measures to ensure the fairness of the Tender Offer" below as well as the results of the Due Diligence, fluctuations in the market price of the Target Company Shares, whether the board of directors of the Target Company would support the Tender Offer, and the prospects of tendering in the Tender Offer, and also based on the results of the discussions and negotiations with the Target Company.

The Tender Offer Price of 5,200 yen represents (i) a premium of 37.02% on 3,795 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange as of May 13, 2026, which is the business day immediately preceding the date of announcement of the Tender Offer, (ii) a premium of 34.09% on 3,878 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 31.61% on 3,951 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 21.75% on 4,271 yen, the simple average closing price for the preceding six-month period ending on that date.

(C) Details of and grounds and reasons for opinions of the Target Company on the tender offer

(i) Background to the establishment of a consideration structure

As stated in "(A) Background, purpose, and decision-making process leading the Offeror to decide to conduct the Tender Offer" above, the Target Company received the Letter of Intent from the Offerors on January 26, 2026, and on January 27, 2026 appointed Nishimura & Asahi (*Gaikokuho Kyodo Jigyo*) ("N&A") as its legal advisor independent of the Offerors, the Target Company and Mr. Hino, and AGS FAS Co., Ltd. ("AGS FAS") as its financial advisor and third-party appraiser independent of the Offerors, the Target Company and Mr. Hino regarding the Transactions in order to ensure the fairness of the Tender Offer Price and fairness of other aspects of the Transactions. In addition, in light of the factors including the fact that MITSUBA is a controlling shareholder (a parent company) of the Target Company and the Transactions involve structural conflicts of interest, the Target Company resolved at its board of directors meeting held on January 27, 2026 to establish a special committee (the "Special Committee"; for the specific activities conducted by the Special Committee, please refer to "(D) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a written report from a special committee" in "(3) Measures to ensure the fairness of the Tender Offer" below) composed of three members, namely Mr. Noboru Kojima (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company), Mr. Yoji Hoshino (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company), and Ms. Tomoko Takehara (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company) in order to address the issue of structural conflicts of interest and the issue of information asymmetry, eliminate arbitrariness in the Target Company's decision making, and ensure fairness, transparency, and objectivity of the Transactions, and also resolved to establish a structure for considering the Transactions (for the outline of the consideration structure, please refer to "(E) Establishment of an independent consideration structure at the Target Company" in "(3) Measures to ensure the fairness of the Tender Offer" below).

(ii) Process of consideration and negotiations

Under the consideration structure stated in "(i) Background to the establishment of a consideration structure" above, taking into account an overview of the Tender Offer including the purpose of the Transactions, the impact of the Transactions on the Target Company, the details of management policies after the Transactions, and current share price trends, the Target Company carefully considered the details of the proposal regarding the Tender Offer Price received from the Offerors. In the process of the following discussions and consideration, the Target Company reported to the Special Committee at appropriate times, and it engaged in multiple discussions and negotiations with the Offerors as follows up to mid-May 2026 based on negotiation policies confirmed in advance by the Special Committee and the opinions, instructions, and requests, etc. of the Special Committee at important stages of negotiations while receiving advice from AGS FAS and N&A.

Specifically, on March 2, 2026, the Target Company submitted questions to the Offerors through the Special Committee regarding the purpose of and reasons for conducting the Transactions, the merits and demerits expected due to the Transactions, management policies and governance after the Transactions, and the structure and timing of the Transactions. After first receiving written responses to those questions from Chubu Electric Power on March 11, 2026 and from MITSUBA on March 17, 2026, the Target Company conducted interviews through the Special Committee with Chubu Electric Power on March 13, 2026 and MITSUBA on March 19, 2026, during which it received explanations and answers to questions regarding the consideration process leading to proposing the Transactions, the purposes and structure of the Transactions, the synergies, merits, demerits, and other impacts expected due to the Transactions, and the management policies of the Target Company planned after the Transactions. Following that, the Target Company began discussions and negotiations with the Offerors regarding the Tender Offer Price on March 31, 2026 as it considered that the Transactions would contribute to enhancing its corporate value.

On March 31, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 4,400 yen per share (which represents a premium of 25.36% on 3,510 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on March 30, 2026, the business day immediately preceding the proposal date, a premium of 11.68% on 3,940 yen, the simple average closing price for the one-month period ending on that date, a premium of 0.64% on 4,372 yen, the simple average closing price for the three-month period ending on that date, and a premium of 0.41% on 4,382 yen, the simple average closing price for the six-month period ending on that date), comprehensively taking into account matters such as the results of the Due Diligence, the past changes in the price of the Target Company Shares, and the results of the valuations of the Target Company Shares by Mizuho Securities and Yamada Consulting. On April 2, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past (please refer to Note 2 in section (iii) below), the proposed price was at a level that could not possibly be accepted given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders and therefore requested the Offerors to make another proposal for a higher tender offer price. Following that, on April 8, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 4,600 yen per share (which represents a premium of 26.90% on 3,625 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 7, 2026, the business day immediately preceding the proposal date, a premium of 22.50% on 3,755 yen, the simple average closing price for the one-month period ending on that date, a premium of 7.38% on 4,284 yen, the simple average closing price for the three-month period ending on that date, and a premium of 5.92% on 4,343 yen, the simple average closing price for the six-month period ending on that date). On April 9, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past, the proposed price was still at a level that could not be accepted given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders and therefore requested the Offerors to make another proposal for a higher tender offer price. Following that, on April 15, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 4,700 yen per share (which represents a premium of 27.72% on 3,680 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 14, 2026, the business day immediately preceding the proposal date, a premium of 28.07% on 3,670 yen, the simple average closing price for the one-month period ending on that date, a premium of 11.53% on 4,214 yen, the simple average closing price for the three-month period ending on that date, and a premium of 8.72% on 4,323 yen, the simple average closing price for the six-month period ending on that date). On April 16, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past, the proposed price was still at a level that could not be accepted given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders, and it was below 5,060 yen, which is the highest closing price of the Target Company Shares in recent years and was recorded in January 2026, and the Special Committee therefore requested the Offerors to make another proposal for a higher tender offer price. Following that, on April 21, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 5,100 yen per share (which represents a premium of 29.28% on 3,945 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 20, 2026, the business day immediately preceding the proposal date, a premium of 38.66% on 3,678 yen, the simple average closing price for the one-month period ending on that date, a premium of 22.57% on 4,161 yen, the simple average closing price for the three-month period ending on that date, and a premium of 18.14% on 4,317 yen, the simple average closing price for the six-month period ending on that date). On April 22, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past, the proposed price was still at a level that could not be accepted given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders and therefore requested the Offerors to make another proposal for a higher tender offer price. Following that, on April 27, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 5,150 yen per share (which represents a premium of 27.79% on 4,030 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on April 24, 2026, the business day immediately preceding the proposal date, a premium of 36.97% on 3,760 yen, the simple average closing price for the one-month period ending on that date, a premium of 24.64% on 4,132 yen, the simple average closing price for the three-month period ending on that date, and a premium of 19.41% on 4,313 yen, the simple average closing price for the six-month period ending on that date). On April 28, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past, the proposed price was still at a level that could not be accepted given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders and therefore requested the Offerors to make another proposal for a higher tender offer price. Following that, on May 7, 2026, the Special Committee received a proposal from the Offerors to set the Tender Offer Price at 5,200 yen per share (which represents a premium of 36.84% on 3,800 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on May 1, 2026, the business day immediately preceding the proposal date, a premium of 36.45% on 3,811 yen, the simple average closing price for the one-month period ending on that date, a premium of 28.08% on 4,060 yen, the simple average closing price for the three-month period ending on that date, and a premium of 21.04% on 4,296 yen, the simple average closing price for the six-month period ending on that date). On May 8, 2026, the Special Committee responded to the Offerors that based on the results of the estimation of the proposed price by AGS FAS and the levels of premiums in similar transactions announced in the past, there is still potential for raising the proposed price and therefore requested the Offerors to make another proposal for a higher tender offer price given the Special Committee's position of placing importance on the Target Company's corporate value and the protection of the interests of its general shareholders. Following that, on May 13, 2026, the Special Committee received a response from the Offerors that they have no intention to further raise the Tender Offer Price as the proposal on May 7, 2026 is, in their judgement, the price proposed after giving maximum consideration to the Special Committee's intention based on written responses from the Target Company, and they made a proposal, with no change from the preceding proposal, to again set the Tender Offer Price at 5,200 yen per share (which represents a premium of 37.02% on 3,795 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on May 12, 2026, the business day immediately preceding the proposal date, a premium of 34.09% on 3,878 yen, the simple average closing price for the one-month period ending on that date, a premium of 31.61% on 3,951 yen, the simple average closing price for the three-month period ending on that date, and a premium of 21.75% on 4,271 yen, the simple average closing price for the six-month period ending on that date). On May 13, 2026, the Special Committee responded to the Offerors giving informal consent to the proposed Tender Offer Price of 5,200 yen per share subject to a final decision to be made by a resolution of the Target Company's board of directors meeting to be held on May 14, 2026.

(iii) Details of determinations

Following the above, the Target Company received the necessary legal advice from N&A, its legal advisor, regarding the methods and processes for decision-making by the Target Company's board of directors, including the various procedures relating to the Transactions, and other matters of note, and it received a written report from the Special Committee (the "Written Report") on May 13, 2026 (for a summary of the Written Report, please refer to "(D) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a written report from a special committee" in "(3) Measures to ensure the fairness of the Tender Offer" below). Following that, while taking into account the legal advice received from N&A, the Target Company's legal advisor, and the share valuation report acquired on May 13, 2026 from AGS FAS (the "Share Valuation Report (AGS FAS)"), its financial advisor and third-party valuation organization, and while respecting the content of the Written Report submitted by the Special Committee to the maximum possible extent, the Target Company conducted careful discussions and consideration from perspectives including whether the Transactions would contribute to enhancing its corporate value and whether the terms of the Transactions, including the Tender Offer Price, were fair and ensured the interests of general shareholders.

As a result, at the Target Company's board of directors meeting held today, it concluded that based on the following points, taking the Target Company Shares private through the Transactions and making the Offerors the only shareholders of the Target Company would contribute to enhancing the corporate value of the Target Company Group.

The specific synergies and merits that the Target Company believes will be achievable through the Transactions are as follows.

(a) Expanding industry and mobility businesses through strengthened collaboration with MITSUBA

The Target Company has conducted its business under a stable capital relationship with MITSUBA for many years. Mainly in the industry and mobility businesses, it engages in transactions with MITSUBA such as (i) receiving orders for systems centered around SAP (Note), (ii) receiving orders for information systems to be used internally by MITSUBA's product development divisions, (iii) receiving orders for systems provided to other sales and procurement divisions, and (iv) providing support for mass-production development using software technology, and transactions with MITSUBA account for approximately 10% of the sales of the entire Target Company Group. However, under the current circumstances in which MITSUBA and the Target Company are listed companies and conduct their businesses independently, the Target Company must make careful business decisions that take into account the interests of the Target Company's general shareholders, and therefore it believes that eliminating structural conflicts of interest by making the Offerors its only shareholders will enable it to operate its businesses in a swift and optimal manner. Based on the belief stated in "(A) Background, purpose, and decision-making process leading the Offeror to decide to conduct the Tender Offer" above that expanding opportunities for the Target Company to grow by further strengthening collaboration through making the Target Company an equity-method affiliate of Chubu Electric Power would contribute to enhancing the corporate value of the Target Company and, by extension, MITSUBA, the Target Company began considering the ratio of voting rights through discussions between MITSUBA, Chubu Electric Power, and the Target Company. Specifically, in addition to the areas in which the Target Company currently cooperates with MITSUBA, it also intends to engage in efforts such as strengthening joint system development in the mobility business.

Note: SAP refers to the enterprise resource planning (ERP) package provided by SAP SE, a company headquartered in Germany, which enables the consolidated management of a company's core business processes such as finances, sales, inventory, production, and human resources through one system.

(b) Expanding solutions for social infrastructure business and securing human resources by strengthening collaboration with Chubu Electric Power

In the social infrastructure business, the Target Company believes that by deepening collaboration with Chubu Electric Power, it can expand the telemetering business by utilizing existing smart meters, develop similar new services, and expand sales of its services such as GIOS® and WINS. In addition, the Target Company mainly hires employees in the north Kanto region, but it anticipates that it will be able to secure human resources by using Chubu Electric Power's brand power in its hiring activities.

(c) Strengthening the Target Company Group's competitiveness using the Offerors' management resources

The Transactions will unify the Offerors and the Target Company, thereby resolving the issue of conflicts of interest arising from MITSUBA and the Target Company both being listed companies and making it comparatively easier for MITSUBA to allocate funds to joint ventures while also making the Target Company an equity-method affiliate of Chubu Electric Power and accelerating Chubu Electric Power's role in providing the main contributions of human and other resources in joint ventures. The Target Company will thereby work to improve profitability by increasing the overall efficiency of utilizing resources.

In addition, the Target Company believes that utilizing the Chubu Electric Power Group's sales channels will contribute to creating new business opportunities and expanding profitability. Furthermore, it believes that it will be able to expand its existing contracted development for systems using the business expertise and knowledge of the Offerors and to jointly develop new services for both internal and external use.

Moreover, by taking the Target Company Shares private and making the Offerors the only shareholders of the Target Company, the Target Company believes that it will be able to invest in research and development from a medium- to long-term perspective without being fixated on short-term declines in profit or falls in share prices. Under that environment, after the Transactions, the Target Company is considering utilizing the practical experience and expertise of the Offerors, increasing the competitiveness of solutions by implementing AI, and thereby obtaining orders for projects in the future.

(d) Reducing the burden of listing maintenance costs

Through the delisting of the Target Company Shares, it will be possible for the Target Company to reduce audit fees as well as other fixed costs, such as costs for holding shareholder meetings and service fees paid to the shareholder register administrator. In addition, the costs for the Target Company to maintain its listing and the administrative burden on the relevant departments are increasing every year in order to comply with the listing maintenance criteria for the new market divisions and respond to changes such as revisions in the Corporate Governance Code, but the Target Company believes that these expenses and burdens can be reduced by making the Offerors its only shareholders and delisting the Target Company Shares.

In the capital relationship between MITSUBA and the Target Company, as the Target Company is a listed company and MITSUBA is its controlling shareholder, the Target Company is a member of the MITSUBA Group but is also in a position in which it must prioritize operating its business in a way that contributes to the interests of the Target Company's general shareholders. In addition, in the current relationship with Chubu Electric Power in which it does not hold any equity in the Target Company, it is not sufficiently reasonable for Chubu Electric Power to provide its management resources and expertise to the Target Company to a greater degree than at present. Therefore, the Target Company determined that in order to achieve further enhancements to the corporate value of the Target Company Group, it is necessary to delist the Target Company Shares and further deepen collaboration with the Offerors.

General demerits to delisting include the inability to procure funds from the capital market, impacts on compliance systems, impacts on transaction partners and other stakeholders due to a decline in the name recognition and social trustworthiness enjoyed as a listed company, and impacts on future hiring activities. However, since being listed on the JASDAQ Securities Exchange in December 2004, the Target Company has never procured funds through equity financing, and it is possible to strengthen its compliance systems using the management resources and expertise of the Offerors. Furthermore, since its listing, the Target Company believes that it has cultivated social trustworthiness as a listed company and gained a certain degree of name recognition, and it anticipates that there will not be any particular concerns in regard to its name recognition or social trustworthiness following its delisting. In addition, although the Target Company's capital relationships with existing shareholders other than the Offerors will be dissolved if the Transactions are conducted, any transactions with existing shareholders under present circumstances are conducted as arm's-length transactions. Therefore, the Target Company believes that the demerits of delisting the Target Company Shares will be limited.

In addition, at the board of directors meeting of the Target Company held today, the Target Company determined that based on factors such as the following points, the Tender Offer Price (5,200 yen) and other terms of the Tender Offer are appropriate and that the Tender Offer provides the Target Company's shareholders with a reasonable opportunity to sell their shares.

(a) Compared to the results of the valuation of the Target Company Shares by AGS FAS stated in "(C) Procurement by the Target Company of a share valuation report from an independent third-party valuation organization" in "(3) Measures to ensure the fairness of the Tender Offer" below, the Tender Offer Price exceeds the upper limit of the range of the valuation results based on the market share price method and is within the range and near the median (5,219 yen; rounded to the nearest yen) of the valuation results based on the discounted cash flow method (the "DCF Method").

(b) The Tender Offer Price represents of a premium of 37.02% on 3,795 yen, the closing price of the Target Company Shares on the Standard Market of the Tokyo Stock Exchange on May 13, 2026, the business day immediately preceding the announcement of the Tender Offer, a premium of 34.09% on 3,878 yen, the simple average closing price for the one-month period ending on that date, a premium of 31.61% on 3,951 yen, the simple average closing price for the three-month period ending on that date, and 21.75% on 4,271 yen, the simple average closing price for the six-month period ending on that date. Compared to the medians of premiums in similar transactions announced in the past (Note 2), although the level of premiums represented by the Tender Offer Price cannot necessarily be considered sufficient, the Nikkei average has nearly doubled over the past year, and it can be surmised that transactions during that period were conducted based on share prices that had risen to a comparatively high level, thereby leading to a trend of correspondingly lower premiums. Therefore, taking into account the medians of premiums in similar transactions during the past year (Note 3) and the fact that five of those transactions included a premium of less than 30% on the simple average closing price for the preceding six-month period, the Target Company does not find the Tender Offer Price to necessarily be unreasonable.

Note 2: The Target Company has referred to 83 tender offers by a parent company for the shares of a listed Japanese subsidiary thereof completed from June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the "Fair M&A Guidelines" (the "M&A Guidelines"), to April 30, 2026 (however, excluding management buyouts (MBOs) (Note 4), two-stage tender offers, and tender offers regarding which information was leaked or speculative media reports were made), and in those tender offers, the medians of the premiums on the closing prices on the business days immediately preceding the announcement dates of the tender offers and the premiums on the simple average closing prices for the preceding one-month, three-month, and six-month periods were 39.51%, 41.30%, 38.40%, and 37.48% respectively.

Note 3: Of the 83 similar tender offers referred to in Note 2 above, 15 were announced on or after April 7, 2025, when the Nikkei average began to rise due to factors such as the abatement of the impact of U.S. tariffs on financial markets. In those tender offers, the medians of the premiums on the closing prices on the business days immediately preceding the announcement dates of the tender offers and the premiums on the simple average closing prices for the preceding one-month, three-month, and six-month periods were 32.50%, 32.60%, 34.62%, and 36.56% respectively.

Note 4: A management buyout (MBO) is a transaction in which an offeror conducts a tender offer based on an agreement with the management of the target company and has common interests with the management.

(c) The Tender Offer Price exceeds 5,060 yen, which is the highest closing price of the Target Company Shares over the past 26 years (recorded on January 27, 2026).

(d) The Target Company finds that consideration has been given to the interests of its general shareholders due to reasons such as that the measures to ensure the fairness of the Tender Offer stated in "(3) Measures to ensure the fairness of the Tender Offer" below have been taken.

(e) The Tender Offer Price was determined following serious and ongoing discussions and negotiations between the Target Company and the Offerors after taking the measures to ensure the fairness of the Tender Offer stated above.

(f) The Special Committee, which is independent from the Offerors, the Target Company, and Mr. Hino, was substantially involved in the process of negotiating the transaction terms, and as stated in "(D) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a written report from a special committee" in "(3) Measures to ensure the fairness of the Tender Offer" below, the Special Committee has expressed its opinion in the Written Report that it believes that the fairness and appropriateness of the terms of the Transactions, including the Tender Offer Price, have been ensured.

Based on the above, at the board of directors meeting of the Target Company held today, the Target Company resolved to express an opinion in support of the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer. For details of the method of resolution at the board of directors meeting, please refer to "(F) Unanimous approval of all non-interested directors (including audit and supervisory committee members) of the Target Company" in "(3) Measures to ensure the fairness of the Tender Offer" below.

(D) Management policy after the tender offer

In order to consistently achieve the synergies stated in "(A) Background, purpose, and decision-making process leading the Offeror to decide to conduct the Tender Offer" above, the Offerors will accelerate collaboration between the MITSUBA Group, the Chubu Electric Power Group, and the Target Company Group.

While the Offerors plan to appoint the individuals nominated by each of the Offerors as the officers of the Target Company after the Share Consolidation becomes effective, the Offerors have not determined any specific candidates as of this time and will determine the candidates upon consultation with the Target Company after the completion of the Tender Offer.

MITSUBA and Chubu Electric Power entered into the Shareholders' Agreement as of today regarding the operation of the Target Company. Under the Shareholders' Agreement, Chubu Electric Power agrees to nominate one part-time director of the Target Company.

For the outline of the Shareholders' Agreement, please refer to "(B) Shareholders' Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" below.

Based on the results of the Tender Offer, if the Target Company acquires the total number of shares less than one unit of the Target Company Shares arising from the Share Consolidation as stated in "(4) Policy for organizational restructuring after the Tender Offer" below, the Target Company will implement a share split followed by the Capital Increase by Third-Party Allotment (as defined in "(4) Policy for organizational restructuring after the Tender Offer" below) in which the Target Company will allot its shares to MITSUBA and Chubu Electric Power in exchange for payment in kind by MITSUBA and Chubu Electric Power of loan claims against the Target Company held by MITSUBA and Chubu Electric Power under the Loan (as defined in "(4) Policy for organizational restructuring after the Tender Offer" below) after the Target Company acquires the total number of such shares less than one unit in order to make the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively (the timing of implementation of such procedures and other matters relating thereto have not been determined as of today. The amount to be paid per Target Company Share upon the Capital Increase by Third-Party Allotment will be determined based on the consolidation ratio of the Share Consolidation and the split ratio of the share split described above, but such ratios have not been determined as of today, and will be calculated to be substantially equivalent to the same amount as the Tender Offer Price but not equivalent to the same amount as the Tender Offer Price in order to avoid a breach of the intent of the regulation on uniformity with respect to tender offer prices (Article 27-2, Paragraph 3 of the Act).).

(3) Measures to ensure the fairness of the Tender Offer

Considering that, as of today, the date on which the Offerors decided to conduct the Tender Offer, the Target Company is a consolidated subsidiary of MITSUBA, and that the Transaction, including the Tender Offer, constitutes a material transaction, etc. with a controlling shareholder of the Target Company and, at the same time, constitutes a transaction that typically involves structural conflicts of interest and asymmetry of information between MITSUBA and shareholders of the Target Company other than MITSUBA, the Offerors and the Target Company are implementing the following measures (A) through (H) to ensure the fairness of the Tender Offer, eliminate any arbitrariness in any decision-making processes in relation to the Transactions, including the Tender Offer, and avoid conflicts of interest.

Since MITSUBA holds 1,795,040 Target Company Shares (ownership percentage: 51.31%) as of today, as stated in “(1) Summary of purposes of the Tender Offer” above, and considering the fact that setting a so-called “Majority of Minority” minimum number of shares to be purchased in the Tender Offer may render the successful completion of the Tender Offer uncertain, and may result in the Tender Offer not contributing to the interests of ordinary shareholders of the Target Company who wish to tender their shares in the Tender Offer, MITSUBA has not set a so-called “Majority of Minority” minimum number of shares to be purchased in the Tender Offer. That said, the Offerors and the Target Company believe that the interests of the Target Company’s ordinary shareholders have been sufficiently taken into consideration, since the Offerors and the Target Company have implemented the measures described below.

Also, among the measures described below, the descriptions regarding those already implemented by the Target Company are based on the Target Company’s Press Release and the explanations received from the Target Company.

(A) Procurement by the Offerors of a written share valuation report from an independent third-party valuation organization

When determining the Tender Offer Price, MITSUBA requested Mizuho Securities, its financial advisor, to evaluate the share value of the Target Company Shares as a third-party valuation organization independent of the Offerors and the Target Company.

Mizuho Securities is not a related party to the Offerors, the Target Company, or Mr. Hino, and does not have any material interest in the Transactions. The fees payable to Mizuho Securities in regard to the Transactions include conditional fees contingent upon factors such as the successful completion of the Transactions.

Furthermore, Mizuho Securities is not a related party to the Offerors, the Target Company, or Mr. Hino, and does not have any material interest in the Transactions, including the Tender Offer. In addition, Mizuho Bank, Ltd. ("Mizuho Bank"), which is a group entity of Mizuho Securities, conducts financing and other transactions for the Offerors and the Target Company as part of a series of ordinary banking transactions, and Mizuho Bank and Mizuho Trust & Banking Co., Ltd. ("Mizuho Trust & Banking") conduct financing and other transactions for Chubu Electric Power as part of a series of their ordinary banking transactions and hold the status of a shareholder of Chubu Electric Power. However, according to Mizuho Securities, it has established and implemented, in compliance with the applicable laws and ordinances of Article 36 of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007; as amended), an appropriate management structure for conflicts of interest with Mizuho Bank and Mizuho Trust & Banking, and has conducted the valuation in a position that is independent of Mizuho Bank's and Mizuho Trust & Banking's positions as lenders and shareholders. Based, among other things, on the fact that an appropriate management structure for conflicts of interest has been established between Mizuho Securities, on the one hand, and Mizuho Bank and Mizuho Trust & Banking, on the other, and that MITSUBA and Mizuho Securities conducted transactions on terms similar to those offered to general clients, thereby securing the independence of Mizuho Securities as a third-party valuation organization, as well as the fact that Mizuho Securities formerly served as a third-party valuation organization for a similar transaction, MITSUBA has selected Mizuho Securities as its independent third-party valuation organization.

Based on Mizuho Securities' belief that it is appropriate to evaluate the Target Company Shares from various aspects after examining factors such as the financial condition of the Target Company and trends in the market prices of the Target Company Shares, Mizuho Securities considered which of several share value calculation methods should be applied and, as a result, valued the Target Company Shares using the market share price method, the comparable company method, and the DCF Method. MITSUBA obtained the Share Valuation Report (Mizuho Securities) from Mizuho Securities on May 13, 2026 and has referred to it.

In addition, by comprehensively considering the factors stated in this "(3) Measures to ensure the fairness of the Tender Offer," MITSUBA believes that the interests of the Target Company's ordinary shareholders have been sufficiently considered. Therefore, MITSUBA has not obtained a written opinion concerning the fairness of the Tender Offer Price (known as a fairness opinion) from Mizuho Securities.

The following are the valuation methods used by Mizuho Securities in its Share Valuation Report (Mizuho Securities) and the ranges of values per Target Company Share that were calculated by using each of these calculation methods:

Market share price method:	3,795 yen to 4,271 yen
Comparable company method:	4,110 yen to 5,068 yen
DCF Method:	5,209 yen to 7,828 yen

Under the market share price method, May 13, 2026 was used as a calculation reference date, and the calculations were performed on the basis of the closing price of 3,795 yen on said reference date, the simple average closing price of 3,878 yen over the immediately preceding one-month period, the simple average closing price of 3,951 yen over the immediately preceding three-month period, and the simple average closing price of 4,271 yen over the immediately preceding six-month period, of the Target Company Shares (all such prices as listed on the Standard Market of the Tokyo Stock Exchange). Based on these valuations, the per-share value of the Target Company Share was determined to be in the range of 3,795 yen to 4,271 yen.

Under the comparable company method, the value of the Target Company Shares was valued by comparing the market price of shares and financial indicators representing the profitability of multiple listed companies engaged in businesses similar to those conducted by the Target Company, and the Target Company Shares were valued to be in the range of 4,110 yen to 5,068 yen per Target Company Share.

Under the DCF Method, based on the business plans received from the Target Company (i.e., for six terms from March 2026 to March 2031), the value of the Target Company Shares was calculated by estimating the cash flow that the Target Company can be expected to generate in and after the third quarter of the March 2026 term, on the basis of various factors including the results of the Due Diligence and publicly available information, and then deriving the present value of such cash flow using a given discount rate. Based on these valuations, the per-share value of the Target Company Share was determined to be in the range of 5,209 yen to 7,828 yen. Furthermore, the financial forecasts used by Mizuho Securities to analyze the aforementioned DCF Method include a business year in which a significant increase or decrease in profit and free cash flow (the "FCF") is expected. Specifically, for the fiscal year ending March 2026, FCF is expected to increase significantly year-on-year, primarily due to a decrease in working capital. For the fiscal year ending March 2027, net sales and operating income are projected to decline substantially, as the surge in demand for standardization in the public sector seen in the previous fiscal year subsides. For the fiscal year ending March 2028, FCF is expected to decrease significantly year-on-year due to a substantial increase in capital expenditures related to data center equipment upgrades. For the fiscal year ending March 2029, FCF is projected to increase significantly year-on-year, as capital expenditures return to a normal level. In addition, the financial forecasts do not reflect the synergies expected to arise from the completion of the Transaction, because it is difficult to specifically estimate those synergies at present.

Chubu Electric Power requested Yamada Consulting, a financial advisor, as a third-party valuation organization that is independent of the Offerors and the Target Company, to calculate the value of the Target Company Shares before determining the Tender Offer Price, in order to ensure the fairness of the Tender Offer Price. It should be noted that Yamada Consulting is not a related party to the Offerors or the Target Company and has no material interest in the Transactions, including the Tender Offer. The remuneration payable to Yamada Consulting for the Transactions includes not only a fixed amount to be paid regardless of whether the Transactions are completed, but also contingency fees to be paid subject to the completion of the Transactions. Chubu Electric Power appointed Yamada Consulting as its financial advisor and third-party valuation organization on the basis that the independence of Yamada Consulting is not negated solely based on this remuneration system, after taking into consideration customary practices in similar kinds of transactions.

Having considered the method of valuation applicable to the Tender Offer, assuming that the Target Company is a going concern, and considering it appropriate to evaluate the value of the Target Company Shares from various perspectives, Yamada Consulting considered multiple valuation methods to apply in calculating the value of the Target Company Shares and applied: (i) the market share price method, given that the Target Company Shares are listed on the Standard Market of the Tokyo Stock Exchange and market prices are therefore available; (ii) the comparable company method given that there are multiple listed companies engaged in businesses that are relatively similar to that of the Target Company, making it possible to analogize share value by comparison with companies that are determined to be engaged in businesses similar to the business of the Target Company; and (iii) the DCF Method, to reflect the future business activities of the Target Company in calculating the value per Target Company Share. Chubu Electric Power has obtained from Yamada Consulting the Share Valuation Report (Yamada Consulting) dated May 13, 2026. Chubu Electric Power did not obtain an opinion letter on the fairness of the Tender Offer Price (a fairness opinion) from Yamada Consulting.

The ranges of values per Target Company Share evaluated by Yamada Consulting are as follows:

Market share price method:	3,795 yen to 4,271 yen
Comparable company method:	4,026 yen to 4,931 yen
DCF Method:	4,787 yen to 5,801 yen

Under the market share price method, May 13, 2026, the business day immediately preceding the date of announcement of the Tender Offer, was used as a valuation reference date, and the calculations were performed on the basis of the closing price of 3,795 yen on said reference date, the simple average closing price of 3,878 yen over the immediately preceding one-month period, the simple average closing price of 3,951 yen over the immediately preceding three-month period, and the simple average closing price of 4,271 yen over the immediately preceding six-month period, of the Target Company Shares (all such prices as listed on the Standard Market of the Tokyo Stock Exchange). Based on these valuations, the per-share value of the Target Company Share was determined to be in the range of 3,795 yen to 4,271 yen.

Under the comparable company method, the value of the Target Company Shares was analyzed by comparing the market prices of shares and financial indicators representing profitability, or similar metrics, of multiple listed companies conducting comparable businesses to those conducted by the Target Company, and were valued to be in the range of 4,026 yen to 4,931 yen per Target Company Share.

Under the DCF Method, the corporate value of the Target Company, or the value of the Target Company Shares, was calculated by estimating the FCF that the Target Company can be expected to generate in and after the fourth quarter of the March 2026 term, on the basis of the Target Company’s future earnings projections as adjusted by the Chubu Electric Power by taking into account various factors by taking into consideration revenue and investment plans set forth in the business plans of the Target Company for the six terms from March 2026 to March 2031, the results of the Due Diligence, recent trends in business performance, and publicly available information, and then deriving the present value of that FCF using a given discount rate. Based on these valuations, the per-share value of the Target Company Share was determined to be in the range of 4,787 yen to 5,801 yen. Furthermore, the financial projections used in the analysis of the aforementioned DCF Method include fiscal years in which significant increases and decreases in profits and FCF are anticipated. Specifically, for the fiscal year ending March 2027, net sales and operating income are expected to decline significantly as the surge in demand for standardization in the public sector seen in the previous fiscal year subsides. For the fiscal year ending March 2028, FCF is expected to decrease significantly due to planned additional investments in data centers. For the fiscal year ending March 2029, FCF is expected to increase significantly, as the additional investments in data centers carried out in the fiscal year ending March 2028 subside and capital expenditures decrease compared to the previous fiscal year. In addition, according to Yamada Consulting, the aforementioned financial forecasts do not reflect the synergies expected to arise from the completion of the Transaction, because it is difficult to estimate those synergies at present.

(B) Advice to the Target Company from an independent law firm

According to the Target Company's Press Release, in order to ensure the fairness and appropriateness of decision-making by the Target Company's board of directors concerning the Transactions, including the Tender Offer, the Target Company selected N&A as its legal advisor, independent of the Offerors, the Target Company itself, and Mr. Hino, and has received legal advice from N&A in relation to decision-making methods and processes of the Target Company's board of directors for the Transactions, as well as other points to note in decision-making concerning the Transactions, including the Tender Offer.

N&A is not a related party to the Offerors, the Target Company, or Mr. Hino, and has no material interest in the Transactions. The fees payable to N&A in regard to the Transactions are to be calculated by multiplying the number of hours worked by an hourly rate, regardless of whether the Transactions are successfully completed, and do not include any conditional fees contingent upon factors such as public announcement or successful completion of the Transactions.

Further, at its first meeting held on February 12, 2026, the Special Committee confirmed that there are no issues with respect to the independence of N&A, and approved N&A to serve as a legal advisor for the Target Company.

(C) Procurement by the Target Company of a share valuation report from an independent third-party valuation organization

(i) Name of a valuation organization and its relationship with the Offerors and the Target Company

According to the Target Company's Press Release, in stating its opinion concerning the Tender Offer and as a measure to ensure fairness in the decision-making process of determining its opinion towards the Tender Offer Price proposed by the Offerors, as stated in "(C) Details of and grounds and reasons for opinions of the Target Company on the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, the Target Company requested AGS FAS, its financial advisor and third-party valuation organization independent of the Offerors, the Target Company, and Mr. Hino, to calculate the value of the Target Company Shares and received the Share Valuation Report (AGS FAS) dated May 13, 2026 from AGS FAS.

Further, since the Target Company has implemented the measures to ensure the fairness of the Tender Offer and measures to avoid conflicts of interest, as stated in this “(3) Measures to ensure the fairness of the Tender Offer,” and considers that the interests of the Target Company’s ordinary shareholders have been sufficiently considered, the Target Company has not obtained from AGS FAS any opinion concerning the fairness of the Tender Offer Price (a fairness opinion).

AGS FAS is not a related party to the Offerors, the Target Company, or Mr. Hino and does not have any material interest in the Transactions including the Tender Offer. In addition, while remuneration for AGS FAS for the Transactions is structured around multiple milestones during the course of the Transaction, and includes milestone-based rewards paid upon reaching each milestone, AGS FAS believes that, given the uncertainty surrounding the outcome of this Transaction, and rather than relying solely on a fixed-amount remuneration structure, it is preferable from the perspective of the Target Company’s financial burden—and makes sense for both parties—to structure part of the remuneration as milestone-based payments. The Target Company believes that the independence of AGS FAS will not be negated solely on the basis of this milestone payment remuneration system, after taking these factors into account. Further, at its first meeting held on February 12, 2026, the Special Committee confirmed that there are no issues with respect to the independence of AGS FAS, and approved AGS FAS to serve as a financial advisor and a third-party valuation organization for the Target Company.

(ii) Outline of valuation

As a result of considering the valuation method for the Tender Offer, AGS FAS calculated the value of the Target Company Shares using the market share price method because the Target Company Shares are listed on the Standard Market of the Tokyo Stock Exchange, as well as the DCF Method in order to reflect the status of future business activities, from the perspective that it would be appropriate to assess the value of the Target Company Shares in multiple ways.

According to AGS FAS, the following methods were used by AGS FAS in its share valuation of the Target Company Shares and the ranges of the per-share values of the Target Company Shares calculated using such methods are as follows:

Market share price method:	3,795 yen to 4,271 yen
DCF Method:	4,366 yen to 6,071 yen

Under the market share price method, May 13, 2026, the business day immediately preceding the date on which a resolution was adopted to the effect that the Target Company will express an opinion in support of the Tender Offer, was used as a calculation reference date, and the calculations were performed on the basis of the closing price of 3,795 yen on said reference date, the simple average closing price of 3,878 yen over the immediately preceding one-month period, the simple average closing price of 3,951 yen over the immediately preceding three-month period, and the simple average closing price of 4,271 yen over the immediately preceding six-month period, of the Target Company Shares (all such prices as listed on the Standard Market of the Tokyo Stock Exchange). Based on these valuations, the per-share value of the Target Company Share was determined to be in the range of 3,795 yen to 4,271 yen.

Under the DCF Method, the corporate value of the Target Company or the value of the Target Company Shares was calculated by estimating the FCF that the Target Company can be expected to generate in and after the March 2027 term, on the basis of various factors by taking into consideration revenue and investment plans in the business plans for five terms from March 2027 to March 2031 prepared by the Target Company (the "Business Plan") and publicly available information, and then deriving the present value of that FCF using a given discount rate. The discount rate was the weighted average cost of capital (WACC), and AGS FAS adopted range of 9.30% to 11.30% as the discount rate. Additional risk premiums have not been considered. Further, AGS FAS has adopted the perpetuity growth rate method for the calculation of the going-concern value, which was determined to be in the range of 9,849 million yen to 15,622 million yen. The perpetuity growth rate method used a range between 0.56% and 1.92% based on the Japan's inflation rate and breakeven inflation rate (BEI). As a result, based on these valuations, the value per Target Company Share was determined to be in the range of 4,366 yen to 6,071 yen. Further, AGS FAS has considered assets such as surplus cash and deposits, less required working capital, and investment securities as non-business related assets.

Furthermore, the financial forecasts that AGS FAS has used to analyze the aforementioned DCF Method include a business year in which a significant increase or decrease in profit and FCF are expected. Specifically, in the fiscal year ending March 2027, with the previous fiscal year's surge in demand driven by standardization in the public sector having subsided, AGS FAS expects that sales, operating income, and FCF will decline significantly. In addition, although AGS FAS expects operating income to increase significantly in the fiscal year ending March 2028, driven by growth in the mobility and other businesses, AGS FAS anticipates a significant decline in FCF due to planned additional investments in data centers. However, AGS FAS expects FCF to increase significantly in the fiscal year ending March 2029, as these additional investments in data centers are expected to have come to a close. In addition, the financial forecasts do not reflect the synergies expected to arise from the completion of the Transaction, because it is difficult to specifically estimate those synergies at present.

The Business Plan has been prepared by the Target Company in accordance with the previously announced 10th Medium-term Management Plan, with the aim of evaluating the appropriateness of the terms for the Transaction while considering the Target Company's future growth. It is based on the expected conclusion of the special demand associated with standardization efforts in planned public works projects, the expansion of sales of systems for police departments and prefectural governments, the expansion of the family registry system, the expansion of sales of "GIOS®" in the energy business, and the expansion of support for SDV initiatives in the mobility business. The Business Plan was prepared based on the anticipated increase in revenue throughout the target period and the current business environment, and the Offerors state that they were not involved in the preparation process of the Business Plan in any way. Furthermore, the information services industry in which the Target Company engages tends to see significant changes in future projections due to technological innovations such as AI. Since long-term projections are subject to considerable uncertainty, the Target Company has set the planning period at five years, the maximum foreseeable period, as it did in its 10th Medium-term Management Plan.

(Unit: million yen)

Item	FY Ending March 2027	FY Ending March 2028	FY Ending March 2029	FY Ending March 2030	FY Ending March 2031
Sales amount	21,000	22,000	23,000	24,500	26,000
Operating profit	2,000	2,200	2,300	2,450	2,600
EBITDA	3,352	3,554	3,690	3,784	3,934
FCF	1,296	526	1,484	1,472	1,766

Note: According to AGS FAS, it has used the materials and information provided by the Target Company and publicly available information as is (in principle) in calculating the value of the Target Company Shares, has assumed that all of those materials and information subject to its analysis and review are accurate and complete, and has not independently verified the accuracy or completeness of those materials and information and is not obligated to verify them. AGS FAS has assumed that there are no undisclosed circumstances that would have a material impact upon the calculations of the value of the Target Company Shares. AGS FAS has not conducted a valuation, assessment, or appraisal of the assets or liabilities of the Target Company Group (including, without limitation, financial derivatives, out-of-book assets and liabilities, and other contingent liabilities), including analysis and valuation of individual assets and liabilities, nor has AGS FAS requested a valuation, assessment, or appraisal from any third-party organization. According to AGS FAS, AGS FAS has assumed that the Target Company's Business Plan or other information provided to it was reasonably confirmed, reviewed, and prepared by the management of the Target Company based on the best estimates and judgments practically available at that time, and has relied on such information without conducting its own independent verification. According to AGS FAS, its calculation is based on the current financial, economic, market, and other conditions as of May 13, 2026. Furthermore, the valuation results per Target Company Share provided by AGS FAS are not intended to express an opinion on the fairness of the Tender Offer Price.

(D) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a written report from a special committee

According to the Target Company's Press Release, in light of factors including the fact that the Transactions are material transactions, etc. with a controlling shareholder and that structural conflicts of interest may arise in the process of examining the Transactions by the Target Company, the Target Company resolved at its board of directors meeting held on January 27, 2026 to establish the Special Committee composed of three members, namely Mr. Noboru Kojima (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company), Mr. Yoji Hoshino (Independent Outside Director (Audit and

Supervisory Committee Member) of the Target Company), and Ms. Tomoko Takehara (Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company) in order to eliminate arbitrariness in the Target Company's decision making, and ensure fairness, transparency, and objectivity in the Target Company's decision-making process. Those three members are the original members of the Special Committee appointed by the Target Company, and the membership of the Special Committee has not changed since such appointment. The Special Committee selected Mr. Noboru Kojima, who is an Independent Outside Director (Audit and Supervisory Committee Member) of the Target Company, as the chairman of the Special Committee by mutual vote.

Mr. Noboru Kojima, Mr. Yoji Hoshino, and Ms. Tomoko Takehara are independent because they are not related parties of the Offerors, the Target Company, or Mr. Hino and do not have any material interests in relation to the Transactions. The remuneration of the members of the Special Committee is solely composed of fixed-rate fees to be paid irrespective of whether the Transactions are completed and does not include any contingency fees to be paid on the condition that the Transactions are completed or the like.

Following this, in order to consult as to whether expressing an opinion to support the Tender Offer and recommending that the Target Company's shareholders tender in the Tender Offer would be fair to the Target Company's general shareholders, the Target Company consulted with the Special Committee pursuant to the resolution of the board of directors described above on the following matters (collectively, the "Matters of Inquiry"): (a) the justification and reasonableness of the purpose of the Transactions (including whether the Transactions would contribute to the enhancement of the Target Company's corporate value), (b) the fairness and appropriateness of the transaction terms of the Transactions, (c) the fairness of the procedures concerning the Transactions, (d) whether the Transactions could be considered fair to the Target Company's general shareholders, (e) the appropriateness of the board of directors of the Target Company to express an opinion to support the Tender Offer in the Transactions and recommend that the Target Company's shareholders tender in the Tender Offer in light of the matters described in (a) through (d) above, and (f) other matters pursuant to inquiries from the board of directors of the Target Company from time to time when examining the Transactions. Further, the Target Company commissioned the Special Committee to submit to its board of directors a written report regarding the above matters.

In addition, in the resolution of the board of directors meeting described above, the Target Company resolved that, in light of the purpose of the establishment of the Special Committee, the board of directors of the Target Company will make decisions concerning the Transactions while respecting the particulars of the report from the Special Committee on the matters of inquiry set out above to the utmost extent, and in particular that it will not execute the Transactions if the Special Committee decides that the execution of the Transactions are not appropriate. Pursuant to the resolution of the board of directors described above, the Target Company granted to the Special Committee (i) the authority to be substantially involved in the process of negotiation, (ii) the authority to appoint advisors, etc., and (iii) the authority to collect information (meaning the authority to request the Target Company, or any advisors, etc. of the Target Company, to collect any and all information necessary for making its reports). In response, at the first meeting held on February 12, 2026, the Special Committee approved the appointment of AGS FAS (financial advisor and third-party valuation organization) and N&A (legal advisor) after confirming that there were no issues regarding the independence of the advisers appointed by the Target Company.

The Special Committee held meetings during the period from February 12, 2026 to May 13, 2026, 13 times in total. In addition, the Special Committee carefully considered the Matters of Inquiry by expressing opinions, exchanging or collecting information and deliberating as necessary through e-mail and the like between those meetings. Specifically, the Special Committee received explanations from and held question and answer sessions with the Target Company regarding the business details and business performance of the Target Company, its major management issues, the advantages and disadvantages expected to arise from the Transactions with respect to the business of the Target Company, the measures for formulating the Business Plan that was used as the basis for examining the terms of the Transactions, and other matters. The Special Committee also received explanations from and held question and answer sessions with the Offerors regarding the process of examinations leading to the Offerors proposing the Transactions, the purpose and structure of the Transactions, the advantages and disadvantages expected to arise from the Transactions, the details and degree of other impacts resulting from the Transactions, and the management policy of the Target Company expected to be implemented after the Transactions. In addition, after receiving explanations from AGS FAS, the Target Company's financial advisor and third-party valuation organization, regarding the calculation of the share value of the Target Company Shares, and holding question and answer sessions with AGS FAS regarding the process of such calculation, the Special Committee examined the reasonableness of the results of such calculation. Upon conducting the examinations above, the Special Committee received advice from N&A, the Target Company's legal advisor, regarding the details of the measures to ensure the fairness of the Transactions, including the significance, role, etc. of the Special Committee, and the measures to avoid conflicts of interest.

Subsequently, the Special Committee received timely reports from AGS FAS on the details of the proposals of the Offerors, the status of the discussions and negotiations, and other matters, and conducted deliberations and considerations based on the opinions received from N&A and AGS FAS. In addition, the Special Committee discussed and approved the negotiation policy and a written response to the proposal, and provided instructions and requests to the Target Company while expressing its opinion on these matters from time to time. As a result, the Special Committee was substantially involved in the negotiation process with the Offerors by taking actions such as providing its opinion to the Target Company on 6 occasions in total to the effect that the Target Company should request the Offerors to increase the Tender Offer Price, which resulted in the Target Company holding negotiations with the Offerors based on such opinions.

Based on the background stated above, as a result of carefully deliberating and considering the Matters of Inquiry, the Special Committee, with the unanimous consent of its members, submitted to the board of directors of the Target Company the Written Report as of May 13, 2026. For the details of the Written Report, please refer to the Target Company's Press Release.

(E) Establishment of an independent consideration structure at the Target Company

According to the Target Company's Press Release, the Target Company established an internal structure to consider (including preparing the Business Plan) and negotiate the Transactions independent from the Offerors.

Specifically, after receiving the Letter of Intent from the Offerors, the Target Company established an executive office composed of the Target Company's employees and officers who do not currently belong to the Offeror Groups (excluding the Target Company Group) and had not previously belonged to companies in the Offeror Groups other than the Target Company Group (specifically, four members, namely Mr. Kazunori Kamiyama, who is Director of the Target Company, and three employees). In addition, with respect to nine directors of the Target Company, there are and were no directors who concurrently serve or served as officers, employees, or advisors of the Offerors at present or in the past three years at the board of directors meeting of the Target Company regarding the Transactions.

The Target Company obtained the confirmation of the Special Committee regarding its consideration structure for the Transactions, including the treatment as described above, to the effect that such structure had no issues from the perspective of independence and fairness.

(F) Unanimous approval of all non-interested directors (including audit and supervisory committee members) of the Target Company

According to the Target Company's Press Release, the Target Company carefully discussed and considered the terms of the Transactions, including the Tender Offer, taking into consideration the Share Valuation Report (AGS FAS) acquired from AGS FAS and the legal advice received from N&A, while giving the utmost respect to the contents of the Written Report submitted by the Special Committee.

As a result, as stated in "(C) Details of and grounds and reasons for opinions of the Target Company on the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer)" above, because the Target Company believed that as a result of sharing the Offerors' management resources by making the Offerors the sole shareholders of the Target Company through the Transactions, it could expect synergies such as strengthening its response to labor shortages, expanding sales through proactive collaboration, executing research and development investments from a medium- to long-term perspective, and reducing the costs associated with maintaining its listing, the Target Company determined that the corporate value of the Target Company Group could be expected to be enhanced through the Transactions, including the Tender Offer, that the Tender Offer Price and other terms of the Tender Offer would be reasonable to the Target Company's shareholders, and that the Tender Offer would provide the Target Company's shareholders with a reasonable opportunity to sell their shares. Therefore, the Target Company adopted a resolution at the board of directors meeting held today with the approval of all directors to express an opinion in support of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

(G) Measures to ensure opportunities for purchase for parties other than the Offeror

Although the shortest purchase period in a tender offer stipulated by law is 20 business days, the Offeror has set the purchase period of the Tender Offer (the

"Tender Offer Period") to be 39 business days. By setting the Tender Offer Period as described above as a long period when compared to the shortest purchase period in a tender offer stipulated by law, the Offeror has ensured that the Target Company's shareholders will have an opportunity to properly determine whether to tender their shares, etc. in the Tender Offer.

In addition, the Target Company and the Offerors have not entered into any agreement that would restrict the Target Company from contacting competing offerors, such as any agreement containing a transaction protection clause that forbids the Target Company from contacting competing offerors, and had thereby not obstructed any opportunities for a competing purchase. The Offeror believes that consideration has been given to ensuring the fairness of the Tender Offer by ensuring opportunities for competing purchase together with the setting of the Tender Offer Period as described above.

(H) Measures to ensure opportunities for the Target Company's shareholders to appropriately decide whether or not to tender their shares in the Tender Offer

As stated in "(4) Policy for organizational restructuring after the Tender Offer" below, the Offerors have ensured an opportunity for the Target Company's shareholders (excluding the Offerors and the Target Company) to properly decide whether or not to tender their shares in the Tender Offer and give consideration to avoid placing coercive pressure on the Target Company's shareholders (excluding the Offerors and the Target Company) by making clear to the Target Company that (i) the Offerors will request the Target Company, promptly after the completion of the settlement of the Tender Offer, to hold an extraordinary shareholders' meeting at which the proposal will be submitted to make a partial amendment to the Target Company's Articles of Incorporation to abolish the share unit number provisions on the condition that the Share Consolidation under Article 180 of the Companies Act becomes effective (the "Extraordinary Shareholders' Meeting") and (ii) the amount of money to be delivered to the Target Company's shareholders as consideration for the Share Consolidation will be calculated to be equal to the price obtained by multiplying the Tender Offer Price by the number of the Target Company Shares held by those shareholders (excluding the Offerors and the Target Company).

(4) Policy for organizational restructuring after the tender offer

As stated in "(1) Summary of purposes of the Tender Offer" above, if the Offerors fail to acquire all of the Target Company Shares (excluding the Target Company Shares held by MITSUBA and the treasury shares held by the Target Company) in the Tender offer, the Offerors will carry out a series of procedures for making the Offerors the only shareholders of the Target Company via the methods set out below.

Promptly after the completion of the settlement of the Tender Offer, the Offerors will request the Target Company to hold the Extraordinary Shareholders' Meeting around mid-September 2026, at which the following proposals will be submitted: (i) to conduct the Share Consolidation under Article 180 of the Companies Act and (ii) to make a partial amendment to the Target Company's Articles of Incorporation to abolish the share unit number provisions on the condition that the Share Consolidation becomes effective. According to the Target Company Press Release, as of today, the Target Company intends to hold the Extraordinary Shareholders' Meeting pursuant to the request of the Offerors. The Offerors intend to approve each of these proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the shareholders of the Target Company will come to own the number of Target Company Shares proportionate to the ratio of the Share Consolidation that is approved at the Extraordinary Shareholders' Meeting as of its effective date. If, due to the implementation of the Share Consolidation, such number is a fraction less than one, each shareholder of the Target Company who holds such fractional shares will receive an amount of cash obtained by selling the Target Company Shares equivalent to the total number of shares less than one unit (with such aggregate sum rounded down to the nearest whole number; the same applies hereinafter) to the Target Company or the Offerors as per the procedures specified in Article 235 of the Companies Act and other relevant laws and regulations. The purchase price for the aggregate sum of the Target Company Shares that are less than one unit will be valued so that the amount of cash received as a result of the sale by each shareholder who did not tender its shares in the Tender Offer will be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares owned by each such shareholder. The Offerors will request the Target Company to file a petition to the court for permission to purchase such Target Company Shares on this basis.

According to the provisions of the Companies Act that aim to protect the rights of minority shareholders in relation to the Share Consolidation, the Companies Act provides that if the Share Consolidation occurs and there are shares less than one unit as a result thereof, each shareholder of the Target Company may request that the Target Company purchase all of the Target Company Shares less than one unit at a fair price, and such shareholders may file a petition to the court to determine the price of the Target Company Shares in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. The purchase price in the case such petition is filed will be ultimately determined by the court.

Although the ratio of the Share Consolidation has not been determined as of today, if the ownership percentage of the Target Company Shares held by MITSUBA immediately before the Share Consolidation becomes effective is expected to be 80% or more, the Offerors will request the Target Company to set the consolidation ratio so that the number of issued shares of the Target Company after the Share Consolidation will be five shares, the number of Target Company Shares held by MITSUBA after the Share Consolidation will be four shares, and the total number of fractions less than one unit of the Target Company Shares as a result of the Share Consolidation will be one share. The consolidation ratio was set on the assumption that the number of Target Company Shares held by all of the shareholders of the Target Company excluding MITSUBA would be a fraction less than one as a result of the Share Consolidation, the total number of fractions less than one unit arising from Target Company Shares as a result of the Share Consolidation would be one or more shares, there would be no fraction less than one unit of the Target Company Shares held by MITSUBA as a result of the Share Consolidation (or, if a fraction less than one unit arises, the number of fractions less than one unit would be minimized), and the total number of fractions less than one unit as a result of the Share Consolidation would be sold to Chubu Electric Power, with the intention of making the number of Target Company Shares held by MITSUBA four shares and the number of Target Company Shares held by Chubu Electric Power one share as well as making the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively, as a result of such sale. However, in light of the result of the Tender Offer, if the ownership percentage of the Target Company Shares held by MITSUBA immediately before the Share Consolidation becomes effective is not expected to be 80% or more, the Offerors will request the Target Company to implement the Share Consolidation at a ratio under which the following conditions are satisfied: that the number of Target Company Shares held by MITSUBA will be one or more, the number of Target Company Shares held by all of the shareholders of the Target Company excluding MITSUBA will be a fraction less than one as a result of the Share Consolidation, the total number of fractions less than one unit arising from Target Company Shares as a result of the Share Consolidation will be one or more shares, and there will be no fraction less than one unit of the Target Company Shares held by MITSUBA as a result of the Share Consolidation (or, if a fraction less than one unit arises, the number of fractions less than one unit will be minimized). In such case, the Target Company will acquire the number of fractions less than one unit of the Target Company Shares as a result of the Share Consolidation, and in order to secure funds for such acquisition, the Target Company will receive a loan (the "Loan") from MITSUBA or Chubu Electric Power (the amount of loans made by MITSUBA and Chubu Electric Power to the Target Company has not been determined as of today, but will be determined upon a separate agreement by the Offerors so that the ratio of voting rights represented by the Target Company Shares held by MITSUBA and Chubu Electric Power after the implementation of the Capital Increase by Third-Party Allotment will be 80% and 20%, respectively.). In addition, in order to make the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively, the Target Company will implement a share split followed by a capital increase by a third-party allotment (the "Capital Increase by Third-Party Allotment") in which the Target Company allots its shares to MITSUBA and Chubu Electric Power in exchange for payment in kind by MITSUBA and Chubu Electric Power of loan claims against the Target Company held by MITSUBA and Chubu Electric Power under the Loan, after the Target Company acquires the total number of such shares less than one unit (the timing of implementation of such procedures for adjustments and other matters relating thereto have not been determined as of today. The amount to be paid per Target Company Share upon the Capital Increase by Third-Party Allotment will be determined based on the consolidation ratio of the Share Consolidation and the split ratio of the share split described above, but such ratios have not been determined as of today, and will be calculated to be substantially equal to the same amount as the Tender Offer Price but not equivalent to the same amount as the Tender Offer Price in order to avoid a breach of the intent of the regulation on uniformity with respect to tender offer prices (Article 27-2, Paragraph 3 of the Act).). Because all of the above constitute the Offerors' expectations as of the date hereof, and the actual consolidation ratio will be determined through discussions with the Target Company based on the facts as of the time of determining the specific conditions of the Share Consolidation, there is a possibility that the consolidation ratio may be different from the expectations described above due to the occurrence of unexpected events after today.

The Tender Offer is not intended to solicit the shareholders of the Target Company to approve the proposal at the Extraordinary Shareholders' Meeting. Shareholders of the Target Company are requested to confirm with tax experts regarding tax treatment relating to tendering in the Tender Offer and the procedures set out above at their own responsibility.

(5) Expected delisting, etc. and reasons therefor

As of today, the Target Company Shares are listed on the Standard Market of the Tokyo Stock Exchange. However, since the Offerors have not set a limit on the maximum number of share certificates, etc. to be purchased in the Tender Offer, the Target Company Shares may be delisted through prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange, depending on the result of the Tender Offer.

Further, even in the event that the delisting standards are not met upon completion of the Tender Offer, if the Squeeze-Out Procedures are carried out as stated in "(4) Policy for organizational restructuring after the Tender Offer" above after the successful completion of the Tender Offer, then the Target Company Shares will be delisted through the prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange. After delisting, the Target Company Shares will no longer be traded on the Standard Market of the Tokyo Stock Exchange.

(6) Matters relating to material agreements regarding the tender offer

(A) Joint Tender Offer Agreement

As stated in "(1) Summary of purposes of the Tender Offer" above, the Offerors have executed the Joint Tender Offer Agreement regarding the Transactions as of today as described below. The terms of the Joint Tender Offer Agreement are as follows.

(a) Agreements regarding the implementation of the Tender Offer

The Offerors agree to jointly implement the Tender Offer, and each of the Offerors agrees that if the other party fails to perform its obligations to implement the Tender Offer, it will not owe any obligation to solely implement the Tender Offer or the Squeeze-out Procedures. The Offerors also agree that (i) the Offerors may conduct a withdrawal, etc. of the Tender Offer during the Tender Offer Period only if an event of withdrawal described in "(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc." in "(8) Other conditions and methods of purchase" below occurs and the Offerors jointly implement the withdraw upon consultation and agreement with the other party, (ii) if the Tender Offer is completed, the Offerors will purchase the Tendered Share Certificates, Etc. relating to the Tender Offer by the method in which MITSUBA will purchase the Tendered Share Certificates, Etc. up to 1,003,800 shares (ownership percentage: 28.69%) out of the total number of Tendered Share Certificates, Etc. in which 80% of the voting rights will be held by MITSUBA after the completion of the settlement of the Tender Offer, and Chubu Electric Power will purchase the remaining number of Tendered Share Certificates, Etc., (iii) each of the Offerors will provide accurate information about itself to the other party upon the preparation of the tender offer registration statement and other disclosure documents relating to the Tender Offer, and (iv) if one of the Offerors suffers damage due to failure by the other Offeror to provide accurate information, the damaging Offeror will indemnify the other Offeror for such damage.

(b) Agreement regarding the Share Consolidation, Etc.

The Offerors agree that, subject to the completion of the Tender Offer and the settlement thereof and as soon as practicable after the completion of such settlement, they will implement the Squeeze-out Procedures as described in "(D) Management policy after the tender offer" above in order to make the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively, and make the Offerors the only shareholders of the Target Company.

(c) Other agreed matters

The Joint Tender Offer Agreement stipulates general provisions, including, but not limited to, representations and warranties of the Offerors (Note 1), indemnification obligations at the time of a breach of the Agreement or the breach of the representations or warranties, penalties (Note 2), cancellation rights of the Offerors in the case of a breach of the obligations or the breach of the representations or warranties, or in the case of the filing of a petition for commencement of insolvency proceedings with respect to the other party or the Target Company Group, obligations of the Offerors to implement the Tender Offer, obligations to purchase the Tendered Share Certificates, Etc. relating to the Tender Offer, provisions stipulating that other obligations and responsibilities are divisible obligations that are mutually independent, provisions regarding the termination of the agreement, and confidentiality obligations.

Note 1: Each of the Offerors has made representations and warranties regarding (i) their establishment and existence, (ii) the execution and performance of the Joint Tender Offer Agreement, (iii) the enforceability, (iv) no conflict with laws and regulations, (v) the acquisition of permits and approvals, etc., and (vi) no dealings with anti-social forces.

Note 2: Each of the Offerors is obligated to pay to the other party, as penalty, (i) in the case of a breach of its obligations set out in (a) above, the amount calculated by multiplying the number of Target Company Shares that the breaching party is obligated to purchase on the assumption that all of the issued Target Company Shares (excluding treasury shares) are tendered, by the Tender Offer Price, and (ii) in the case of a breach of its obligations set out in (b) above, the amount equal to the amount the breaching party should have paid.

(B) Shareholders' Agreement

As stated in "(1) Summary of purposes of the Tender Offer" above, the Offerors have executed the Shareholders' Agreement regarding the operation of the Target Company as of today as described below. The provisions of the Shareholders' Agreement, excluding some provisions, will become effective when the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company becomes 80% and 20%, respectively, in accordance with the provisions of the Joint Tender Offer Agreement.

(a) Matters regarding the organization and operation of the Target Company

(i) Chubu Electric Power may nominate one part-time director of the Target Company.

(ii) MITSUBA shall appoint a representative director of the Target Company upon consultation in good faith with Chubu Electric Power.

(iii) MITSUBA shall obtain prior approval from Chubu Electric Power if it causes the Target Company to conduct an amendment to the articles of incorporation, organizational change, merger, share exchange, share transfer, share delivery, absorption-type merger, incorporation-type merger, transfer of all or a material part of the business, share consolidation, dissolution, liquidation, petition for the commencement of insolvency proceedings, issuance of shares, etc. requiring a special resolution of the shareholders' meeting, and other matters requiring a special resolution of the shareholders' meeting.

(iv) MITSUBA shall consult with Chubu Electric Power in advance if it causes the Target Company to conduct any establishment of affiliates, contributions in other companies to make them its affiliates, dissolution of affiliates, commencement of new business or termination of existing business, acts that may dilute shares, execution of an agreement with a third party involving more than certain amount, matters regarding ordering, amendment to the Capital and Business Alliance Agreement, cancellation, or conflict of interest transactions under the Companies Act.

(b) Matters regarding shares

(i) Neither of the Offerors shall transfer, assign, create any pledge or other security interest, or otherwise dispose of all or part of the Target Company Shares that it holds to a third party without the prior written approval of the other party.

(ii) Chubu Electric Power shall obtain put options if MITSUBA breaches the Shareholders' Agreement or the Joint Tender Offer Agreement.

(iii) MITSUBA shall obtain call options if Chubu Electric Power breaches the Shareholders' Agreement or the Joint Tender Offer Agreement, or if the Capital and Business Alliance Agreement terminates.

(c) Other matters

General provisions, including, but not limited to, the Offerors' non-competition obligations, Chubu Electric Power's obligations not to solicit and to manage information, indemnification obligations at the time of a breach of obligations, the termination or cancellation of the agreement, and confidentiality obligations.

(C) Capital and Business Alliance Agreement

As stated in "(1) Summary of purposes of the Tender Offer" above, Chubu Electric Power and the Target Company have executed the Capital and Business Alliance Agreement as of today as described below.

(a) Promotion of collaboration

The scope of the business collaboration between the Target Company and Chubu Electric Power (the "Collaboration") has been set as the business for providing MDMS (a data management system) and CIS (a customer information system) for gas and water utility providers using telemetering as well as the development of services which use the data accumulated through those systems (excluding solutions provided by the Chubu Electric Power Group for internal Group use). The Target Company and Chubu Electric Power will each promote the Collaboration in order to achieve the objectives of the Capital and Business Alliance Agreement based on the following division of roles.

(i) Target Company

The roles of the Target Company as referred to above are the following: developing primary systems related to telemetering, including MDMS; developing applications for using and employing the data acquired through telemetering; outsourced water utility services using telemetering; adopting and promoting the comprehensive management support solution (“GIOS®”) of the Target Company in integration projects between city gas (toshi gas) providers and LP gas providers, utilizing the sales capabilities of the Chubu Electric Power Group; expanding sales of the system of the Target Company (WINS) in business areas of the Chubu Electric Power Group; and expanding contract development (through cloud services, AI, and the like).

(ii) Chubu Electric Power

The roles of Chubu Electric Power as referred to above are the following: overall front-end business operations for reflecting customer needs, sales, and the like through various developments in the telemetering and other businesses; providing the electricity smart meter communication network and expertise of the Chubu Electric Power Group; developing and expanding sales of new services by using the data acquired through telemetering; adopting and promoting the comprehensive management support solution (“GIOS®”) of the Target Company in integration projects between city gas (toshi gas) providers and LP gas providers, utilizing the sales capabilities of the Chubu Electric Power Group; expanding sales of the system of the Target Company (WINS) in business areas of the Chubu Electric Power Group; and expanding contract development (through cloud services, AI, and the like).

(b) Personnel exchanges

The Target Company and Chubu Electric Power shall carry out ongoing exchanges of their personnel within the scope necessary to achieve the objectives of the Collaboration and shall consult in good faith with respect to having their respective employees who are deemed necessary in accordance with the content of the work in the Collaboration seconded to each other (including employee secondments from the Target Company to the Chubu Electric Power Group and vice versa) if the need arises in order to achieve those objectives.

(c) Conditions for the Agreement to Become Effective

The Capital and Business Alliance Agreement will become effective subject to the condition precedent that, as a result of the Transactions, the voting rights attached to the Target Company Shares held by Chubu Electric Power and MITSUBA are 20% and 80%, respectively, and the transfer of record in the Target Company’s shareholder register has been completed.

(d) Miscellaneous

General provisions in the Capital and Business Alliance Agreement include those regarding the non-compete obligations of the Target Company and Chubu Electric Power, the termination and rescission of the agreement, compensation for loss or damage, force majeure events, restrictions on assignment of contractual status and rights and obligations, as well as confidentiality, public announcement, exclusion of anti-social forces, allocation of expenses, governing law and dispute resolution, and good faith consultation.

(D) Tender Agreement (Mr. Hino)

As stated in “(1) Summary of purposes of the Tender Offer” above, the Offerors have executed the Tender Agreement (Mr. Hino) as of today and Mr. Hino has agreed to tender the Shares Agreed to be Tendered (Mr. Hino) (number of shares held: 70,600 shares, ownership percentage: 2.02%) in the Tender Offer. The terms of the Tender Agreement (Mr. Hino) are described below.

(a) Consent to tender in the Tender Offer

Mr. Hino agrees to tender all of the Shares Agreed to be Tendered (Mr. Hino) (70,600 shares) in the Tender Offer, and not to withdraw such tender or cancel the agreement regarding the purchase of the Shares Agreed to be Tendered (Mr. Hino) completed as a result of such tender.

In addition, during the period from the execution date of the Tender Agreement (Mr. Hino) until the commencement date of the settlement of the Tender Offer, Mr. Hino agrees that he will not, directly or indirectly, or for his own account or the accounts of others, conduct any transactions in which he transfers, gifts, creates any security interest on, or otherwise disposes of the Shares Agreed to be Tendered (Mr. Hino), or which otherwise substantially conflict with the Tender Offer or make the Tender Offer difficult to be executed, nor enter into any agreement in relation therewith, nor make any proposal, solicitation, consultation, negotiation or other information provision regarding such transactions. Mr. Hino also agrees that if, during the aforementioned period, he receives any provision of information, proposal, solicitation, consultation, or other offer from a third party regarding such transactions, he will promptly inform each of the Offerors of the facts and details thereof, and consult with the Offerors in good faith regarding the response to such transactions.

(b) Consent to exercise voting rights related to the Target Company Shares

If a shareholders' meeting is held with the record date of exercise of rights as a day before the commencement date of settlement of the Tender Offer, Mr. Hino agrees that, at the Offeror's discretion, he will (i) exercise his voting rights related to the Shares Agreed to be Tendered (Mr. Hino) and other rights in accordance with the instructions of the Offerors at such shareholders' meeting, or (ii) grant a proxy to the Offerors or a person designated by the Offerors by delivering the proper power of attorney with the name and seal of an authorized person in a form and substance designated by the Offerors and will not withdraw such grant of the proxy at such shareholders' meeting.

(c) Other agreed matters

The Tender Agreement (Mr. Hino) stipulates general provisions, including, but not limited to, representations and warranties of the Offerors and Mr. Hino (Note), indemnification obligations at the time of a breach of the Agreement or the breach of the representations or warranties, the termination of the agreement, and confidentiality obligations. As of today, there is no agreement between the Offerors and Mr. Hino regarding the Transactions other than the Tender Agreement (Mr. Hino), and there are no benefits that the Offeror will grant to Mr. Hino with respect to the Shares Agreed to be Tendered (Mr. Hino) other than money to be paid by tendering in the Tender Offer.

Note: (1) The Offerors have made representations and warranties regarding (i) their establishment and existence, (ii) the execution and performance of the Tender Agreement (Mr. Hino), (iii) the enforceability of the Tender Agreement (Mr. Hino), (iv) no conflict with laws and regulations, (v) the acquisition of permits and approvals, etc., (vi) no grounds for petition for insolvency, and (vii) no dealings with anti-social forces, and (2) Mr. Hino has made representations and warranties regarding (i) his legal capacity, (ii) the execution and performance of the Tender Agreement (Mr. Hino), (iii) the enforceability, (iv) no conflict with laws and regulations, (v) the acquisition of permits and approvals, etc., (vi) no grounds for petition for insolvency, (vii) no dealings with anti-social forces, and (viii) their rights to the Target Company Shares.

(7) Other material matters relating to the Tender Offer

As stated in "(4) Policy for organizational restructuring after the Tender Offer" above, based on the results of the Tender Offer, if the Target Company acquires the total number of shares less than one unit of the Target Company Shares arising from the Share Consolidation the Target Company will implement a share split followed by the Capital Increase by Third-Party Allotment after the Target Company acquires the total number of such shares less than one unit in order to make the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively (the timing of implementation of such procedures and other matters relating thereto have not been determined as of today. The amount to be paid per Target Company Share upon the Capital Increase by Third-Party Allotment will be determined based on the consolidation ratio of the Share Consolidation and the split ratio of the share split described above, but such ratios have not been determined as of today, and will be calculated to be substantially equivalent to the same amount as the Tender Offer Price but not equivalent to the same amount as the Tender Offer Price in order to avoid a breach of the intent of the regulation on uniformity with respect to tender offer prices (Article 27-2, Paragraph 3 of the Act).).

3. Outline of the Target Company and conditions of the tender offer

(1) Outline of the Target Company

<table>
<tr><td>(A) Name</td><td colspan="2">RYOMO SYSTEMS CO., LTD.</td></tr>
<tr><td>(B) Address</td><td colspan="2">3-4025, Hirosawa-cho, Kiryu City, Gunma</td></tr>
<tr><td>(C) Name and title of representative</td><td colspan="2">Naoki Kitazawa, Representative Director and President</td></tr>
<tr><td>(D) Businesses</td><td colspan="2">Software development and system sales
Information processing services
System equipment and product related sales
Other information services</td></tr>
<tr><td>(E) Capital</td><td colspan="2">1,966,900,000 yen (as of March 31, 2026)</td></tr>
<tr><td>(F) Date of foundation</td><td colspan="2">January 31, 1970</td></tr>
<tr><td>(G) Major shareholders and ownership percentage (as of September 30, 2025)</td><td colspan="2">• MITSUBA Corporation – 51.30%
• The Bank of Yokohama, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.) – 4.95%
• HIKARI TSUSHIN INVESTMENTS OKINAWA Co., Ltd. – 3.07%
• Tomohiro Yoshida – 3.00%
• Sadami Hino – 2.01%
• Ryomo Systems Employee Shareholding Association – 1.97%
• SECOM General Insurance Co., Ltd. – 1.85%
• Sunfield Industry Inc. – 1.68%
• Kiryu Gas Co., Ltd. – 1.15%
• Ryuei Seiko Co., Ltd.– 1.15%</td></tr>
<tr><td colspan="3">(H) Relationships between the Offerors and the Target Company</td></tr>
<tr><td></td><td>Capital relationships</td><td>As of today, MITSUBA holds 1,795,040 Target Company Shares (ownership percentage: 51.31%) and the Target Company is a consolidated subsidiary of MITSUBA.</td></tr>
<tr><td></td><td>Personnel relationships</td><td>Two employees of the Target Company are seconded to MITSUBA.</td></tr>
</table>

	Business relationships	MITSUBA has outsourced development work for software installed in its products (such as control motors) to the Target Company. Furthermore, some companies within the Chubu Electric Power Group have outsourced software development work related to their telemetering business to the Target Company.
	Related party relationships	The Target Company is a consolidated subsidiary of MITSUBA and therefore constitutes a related party of MITSUBA.

Note: "(G) Major shareholders and ownership percentage (as of September 30, 2025)" are based on the information stated in the "Status of the Major Shareholders" in the Semiannual Securities Report for the 57th fiscal year submitted by the Target Company on November 12, 2025 (the "Target Company's Semiannual Securities Report").

(2) Schedule, etc.

(A) Schedule

Determination date	May 14, 2026 (Thursday)
Date of public notice of commencement of the Tender Offer	May 15, 2026 (Friday) Public notices will be made electronically via the Internet, and a notice to that effect will be published in the Nikkei Newspaper. (URL of the electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Filing date of the tender offer registration statement	May 15, 2026 (Friday)

(B) Tender offer period

From May 15, 2026 (Friday) to July 8, 2026 (Wednesday) (39 business days)

(C) Possibility of extension of tender offer period upon request of the Target Company

N/A

(3) Price of tender offer

5,200 yen per common share

(4) Number of share certificates, etc. to be purchased

Class of share certificates, etc.	Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased

Common stock	1,703,447 (shares)	537,260 (shares)	- (shares)
Total	1,703,447 (shares)	537,260 (shares)	- (shares)

Note 1: If the total number of Tendered Share Certificates, Etc. is less than the minimum number of shares to be purchased (537,260 shares), the Offerors will not purchase any of the Tendered Share Certificates, Etc. If the total number of Tendered Share Certificates, Etc. is equal to or exceeds the minimum number of shares to be purchased (537,260 shares), the Offerors will purchase all of the Tendered Share Certificates, Etc.

Note 2: In the Tender Offer, the Offerors have not set a maximum number of shares to be purchased, so the number of shares to be purchased is stated as the maximum number of Target Company Shares that can be purchased by the Offerors in the Tender Offer (1,703,447 shares). This maximum number is equal to the figure (1,703,447 shares) calculated by the Reference Number of Shares (3,498,487 shares) less the number of shares held by MITSUBA as of today (1,795,040 shares).

Note 3: The Offerors do not intend to acquire the treasury shares held by the Target Company through the Tender Offer.

Note 4: Shares less than one unit are also subject to the Tender Offer. If a right to request a purchase of shares less than one unit is exercised by shareholders in accordance with the Companies Act, the Target Company may purchase its own shares less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

Note 5: The Offerors intend to ultimately make the ratio of voting rights held by MITSUBA and Chubu Electric Power in the Target Company 80% and 20%, respectively, through the Transactions. Therefore, MITSUBA will purchase up to 1,003,800 shares of the total number of Tendered Share Certificates, Etc. and Chubu Electric Power will purchase the remaining number of Tendered Share Certificates, Etc. exceeding 1,003,800 shares.

(5) Changes to share ownership percentages due to the tender offer

Number of voting rights represented by share certificates, etc. held by the Offerors prior to the tender offer	17,950	Ownership percentage of share certificates, etc. prior to the tender offer: 51.31%
Number of voting rights represented by share certificates, etc. held by special related parties prior to the tender offer	0	Ownership percentage of share certificates, etc. prior to the tender offer: -%
Number of voting rights represented by share certificates, etc. held by the Offerors after the tender offer	34,984	Ownership percentage of share certificates, etc. after the tender offer: 100.00%
Number of voting rights represented by share certificates, etc. held by special related parties after the tender	0	Ownership percentage of share certificates, etc. after the tender offer: -%

offer		
Total number of voting rights of all shareholders of the Target Company	34,963	

Note 1: The "Number of voting rights represented by the share certificates, etc. held by special related persons prior to the tender offer" states the total number of voting rights represented by share certificates, etc. held by each special related person (except for persons excluded from special related persons under Article 3(2)(i) of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Ordinance No. 38 of 1990, as amended; the "Cabinet Ordinance") for the purpose of calculating the ownership percentage of share certificates, etc. under each item of Article 27-2, Paragraph 1 of the Act as well as the Offerors, who are special related persons to each other). Given that the share certificates, etc. held by special related persons (excluding the treasury shares held by the Target Company and the Target Company Shares held by the Offerors who are special related persons to each other) will also be subject to the Tender Offer, the "Number of voting rights represented by the share certificates, etc. held by special related persons after the tender offer" is stated as zero. In addition, the Offeror plans to confirm the share certificates, etc. of the Target Company held by special related persons on or after today, and if any amendment is necessary, the Offeror will disclose the details of such amendment.

Note 2: The "Total number of voting rights of all shareholders of the Target Company" is the number of voting rights (based on the number of shares per unit being 100 shares) of all shareholders as of September 30, 2025 stated in the Target Company's Semiannual Securities Report. However, given that the shares less than one unit (excluding treasury shares less than one unit held by the Target Company) will also be subject to the Tender Offer, the denominator in the calculation of the "Ownership percentage of share certificates, etc. prior to the tender offer" and the "Ownership percentage of share certificates, etc. after the tender offer" will be 34,984 voting rights, which is the number of voting rights represented by the Reference Number of Shares (3,498,487 shares).

Note 3: The "Ownership percentage of share certificates, etc. prior to the tender offer" and the "Ownership percentage of share certificates, etc. after the tender offer" have been rounded to the second decimal place.

(6) Funds required for tender offer

8,857 million yen

Note: "Funds required for tender offer" has been calculated by multiplying the number of shares to be purchased in the Tender Offer (1,703,447 shares) by the Tender Offer Price (5,200 yen).

(7) Method of settlement

(A) Name and address of head office of the securities firm, bank, etc. in charge of settlement of tender offer

Mizuho Securities Co., Ltd. 1-5-1, Otemachi, Chiyoda-ku, Tokyo

(B) Commencement date of settlement

July 15, 2026 (Wednesday)

(C) Method of settlement

A notice regarding the purchase under the Tender Offer will be mailed to the address of the shareholders tendering their shares in the Tender Offer (the "Tendering Shareholders") (or the standing proxy in the case of shareholders residing outside Japan (including corporate shareholders, "Non-Resident Shareholders")) without delay after the expiration of the Tender Offer Period. The purchase will be settled in cash. The tender offer agent will remit the sales proceeds of the share certificates, etc. purchased, in accordance with the instructions given by the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders), without delay after the commencement date of the settlement, either to the address designated by the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders), or into the account of the Tendering Shareholders who tendered their shares through the tender offer agent.

(D) Method of return of share certificates, etc.

In the event that all of the Tendered Share Certificates, Etc. will not be purchased under the terms set forth in "(A) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof" or "(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc." under "(8) Other conditions and methods of purchase" below, the tender offer agent will revert the share certificates, etc. that are required to be returned promptly after the date falling two business days after the last day of the Tender Offer Period (or the day of withdrawal, etc. if the Offeror withdraws the Tender Offer) to their original condition at the time of the tender.

(8) Other conditions and methods of purchase

(A) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof

If the total number of the Tendered Share Certificates, Etc. does not meet the minimum number of shares to be purchased (537,260 shares), the Offerors will not purchase any of the Tendered Share Certificates, Etc. If the total number of the Tendered Share Certificates, Etc. meets or exceeds the minimum number of share certificates, etc. to be purchased (537,260 shares), the Offerors will purchase all of the Tendered Share Certificates, Etc.

(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc.

If any event listed in Article 14, Paragraph 1, Items (1)1 through (1)10 and Items (1)13 through (1)19, Items (3)1 through (3)8 and (3)10, and Item (5) of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the "Enforcement Order"), Article 26, Paragraph 4, Items (3) through (5) and (7) of the Cabinet Ordinance, and Article 14, Paragraph 2, Items (3) through (6) of the Enforcement Order occurs, the Offeror may withdraw the Tender Offer. The "events which are equivalent to those listed in Items (3)1 through (3)9" set out in Article 14, Paragraph 1, Item (3)10 of the Enforcement Order refers to either (i) the case where any of the statutory disclosure documents submitted by the Target Company in the past is found to contain a false statement on a material fact, or omit a statement on a material fact that should have been stated, but MITSUBA was not aware of the existence of such false statement, etc. nor could MITSUBA have been aware of such false statement, etc. even with reasonable care, or (ii) the case where any of the facts listed in Article 14, Paragraph 1, Items (3)1 through (3)7 of the Enforcement Order occurs in respect of a significant subsidiary of the Target Company.

If the Offeror intends to withdraw the Tender Offer, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Ordinance and give a public notice immediately after the announcement.

(C) Conditions to reduce purchase price, details thereof and method of disclosure of reduction

Under Article 27-6, Paragraph 1, Item (1) of the Act, if the Target Company conducts any act set out in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Offeror may reduce the purchase price in accordance with the standards set out in Article 19, Paragraph 1 of the Cabinet Ordinance.

If the Offeror intends to reduce the purchase price, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Ordinance and give public notice immediately after the announcement. If the purchase price is reduced, the Offeror will also purchase the share certificates, etc. tendered on or before the date of the public notice at the reduced purchase price.

(D) Matters concerning right of Tendering Shareholders to cancel the agreement

The Tendering Shareholders may, at any time during the Tender Offer Period, cancel their agreements for the Tender Offer. A Tendering Shareholder who wishes to cancel an agreement must deliver or send a notice stating the intention to cancel the agreement for the Tender Offer (a “Cancellation Document”) to the head office or any domestic branch office of the tender offer agent that accepted the tendering of shares by no later than 3:00 p.m. on the last day of the Tender Offer Period. The cancellation of such agreement will take effect at the time when the Cancellation Document is delivered to or reaches the tender offer agent. Accordingly, Tendering Shareholders should be aware that if the Cancellation Document is sent by mail, the Tendering Shareholders may not cancel the agreement unless the Cancellation Document reaches the tender offer agent by no later than 3:00 p.m. on the last day of the Tender Offer Period.

The Offeror will not make any claim for damages or a penalty payment due to the Tendering Shareholders’ cancellation of their agreements. Further, the cost of returning Tendered Share Certificates, Etc. to the Tendering Shareholders will be borne by the Offeror. If a Tendering Shareholder has requested cancellation, the Tendered Share Certificates, Etc. will be returned promptly thereto after the procedures for such cancellation request are consummated in the manner set out above in “(D) Method of return of share certificates, etc.” under “(7) Method of settlement.”

(E) Method of disclosure if the conditions of the Tender Offer are changed

The Offeror may change the conditions, etc. of the Tender Offer during the Tender Offer Period unless such change is prohibited under Article 27-6, Paragraph 1 of the Act or Article 13 of the Enforcement Order. If the Offeror intends to change any conditions, etc. of the Tender Offer, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the notice by the last day of the Tender Offer Period, the Offeror will make a public announcement in the manner set out in Article 20 of the Cabinet Ordinance and give a public notice immediately after the announcement. If the conditions, etc. of the Tender Offer are changed, the Offeror will also purchase the share certificates, etc. tendered on or before the date of the public notice in accordance with the changed conditions, etc. of the Tender Offer.

(F) Method of disclosure if amendment statement is filed

If an amendment statement is submitted to the Director-General of the Kanto Local Finance Bureau (unless otherwise provided for in the proviso in Article 27-8, Paragraph 11 of the Act), the Offeror will immediately make a public announcement of the content of that amendment statement that is relevant to the content of the public notice of the commencement of the Tender Offer in the manner set out in Article 20 of the Cabinet Ordinance. Except in cases specified in Article 24, Paragraph 6 of the Cabinet Ordinance where the statement is considered as having only a minor influence on investors’ investment decisions, the Offeror will also immediately amend the explanatory statement of the Tender Offer and deliver the amended explanatory statement to the Tendering Shareholders who have already received the previous explanatory statement. However, if the amendments are limited in scope, the Offeror may instead prepare and deliver to Tendering Shareholders a document stating the reason for the amendments, the matters amended, and the details thereof.

(G) Method of disclosure of results of the Tender Offer

The results of the Tender Offer will be made public on the day following the last day of the Tender Offer Period in the manner set out in Article 9-4 of the Enforcement Order and Article 30-2 of the Cabinet Ordinance.

(H) Other matters

The Tender Offer is not conducted, directly or indirectly, in or into the United States, nor is it conducted by making use of the U.S. postal mail or any other means or instrumentality of interstate or international commerce (including, but not limited to, facsimile, email, internet communication, telex, or telephone), nor is it conducted through any facility of a national securities exchange within the United States. Any tender of shares in the Tender Offer by any of the above means or instrumentality, through any of the above facilities, or from within the United States will not be accepted.

Furthermore, the tender offer registration statement for the Tender Offer or related tender documents are not, and shall not be, sent or distributed in, into or from the United States by postal mail or other means. Any tender of shares in the Tender Offer that directly or indirectly breaches the above restrictions will not be accepted.

Upon tendering shares in the Tender Offer, the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders) may be required to make the following representations and warranties to the tender offer agent.

At the time of tendering shares in the Tender Offer and submitting a Tender Offer Subscription Form, the Tendering Shareholder (i) is not located in the United States, (ii) has not directly or indirectly received or sent any information or document regarding the Tender Offer (including copies thereof) in, into, or from the United States, (iii) has not directly or indirectly used any U.S. postal mail or other means or instrumentality of interstate or international commerce (including, but not limited to, telephone, telex, facsimile, email, and internet communication), or any facility of a national securities exchange within the United States with respect to the tender, or execution or delivery of a Tender Offer Subscription Form, and (iv) is not a person who acts as an agent, or trustee or delegatee who has no discretion on behalf of a principal in the United States (excluding the case where the relevant principal gives instructions regarding the Tender Offer from outside the United States).

(9) Tender offer agent

Mizuho Securities Co., Ltd. 1-5-1, Otemachi, Chiyoda-ku, Tokyo

4. Future outlook

For policies after the Tender Offer, please refer to "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer," "(4) Policy for organizational restructuring after the Tender Offer," and "(5) Expected delisting, etc. and reasons therefor" in "2. Purposes of tender offer" above.

The Offerors are currently investigating the impact of the Tender Offer on their consolidated financial results. The Offerors will promptly disclose any matters that should be announced in the future.

5. Other matters

(1) Details of benefits received from the Offeror or any of its special related persons

N/A

(2) Other information considered necessary for investors to decide whether to tender their shares in response to the tender offer

(A) Announcement of "Summary of Consolidated FY 2026 Financial Results (Based on Japanese GAAP)"

The Target Company announced the Target Company's Financial Results through the Tokyo Stock Exchange today. An outline of the Target Company's Financial Results based on the announcement is as follows. The matters disclosed in the announcement have not been subject to a review by an auditing firm in accordance with the provisions of Article 193-2, Paragraph 1 of the Act. In addition, the outline of the matters disclosed in the announcement provided below is an excerpt of the matters disclosed by the Target Company, so please refer to the announcement for details.

(i) Status of profit and loss (consolidated)

Accounting period	Fiscal year ending March 2026
Net sales	25,735,007 thousand yen
Cost of sales	19,098,676 thousand yen
Selling, general and administrative expenses	3,626,545 thousand yen
Non-operating income	59,358 thousand yen
Non-operating expenses	82,327 thousand yen
Net income attributable to owners of parent	2,155,927 thousand yen

(ii) Status per share (consolidated)

Accounting period	Fiscal year ending March 2026
Net income per share	616.24 yen
Dividend per share	22 yen
Net assets per share	4,676.79 yen

(B) Announcement of “Notice Concerning Dividends of Surplus (No Dividend)”

The Target Company resolved at its board of directors meeting held today that it will not pay out any dividend of surplus with a record date of September 30, 2026 (the end of the second quarter). For details, please refer to the “Notice Concerning Dividends of Surplus (No Dividend)” announced by the Target Company today.

End