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as the primary version.

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(Code No. 8001, Prime Market)
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Announcement of Commencement of Tender Offer for Shares in Sun Frontier Fudousan Co., Ltd. (Code No. 8934) and Subscription of Shares Issued in Capital Increase by Third-Party Allotment as well as Conclusion of Capital and Business Alliance Agreement Between ITOCHU Corporation and Sun Frontier Fudousan Co., Ltd.

ITOCHU Corporation (“ITOCHU”) and SI Corporation (head office location: Minato-ku, Tokyo, Representative Director: Toshiya Takamura; the “Tender Offeror”; collectively with ITOCHU, the “Tender Offeror et al.”), a *kabushiki kaisha* wholly owned by ITOCHU, hereby announce today that, as described below, the Tender Offeror decided to acquire the common shares of Sun Frontier Fudousan Co., Ltd. (Prime Market of Tokyo Stock Exchange, Inc. (the “TSE”), Code No. 8934; the “Target Company”) (such common shares, the “Target Company Shares”) by way of a tender offer (the “Tender Offer”) as stipulated in the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”), that ITOCHU will subscribe for shares issued in a capital increase by third-party allotment carried out by the Target Company, and that ITOCHU will enter into a capital and business alliance agreement with the Target Company.

This document is disclosed by ITOCHU in accordance with the Securities Listing Regulations, and also serves as an official announcement pursuant to Article 30, paragraph 1, item (iv) of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Order”) based on the request of the Tender Offeror to ITOCHU, the parent company of the Tender Offeror.

1. Outline of Tender Offeror

(1) Name	SI Corporation
(2) Location	2-5-1 Kita-Aoyama, Minato-ku, Tokyo
(3) Title and Name of Representative	Representative Director: Toshiya Takamura
(4) Description of Business Activities	1. Controlling and managing of business activities of companies by holding shares or interests in such companies; and 2. Any and all businesses incidental or relating to the foregoing
(5) Capital	One (1) yen (as of February 25, 2026)

2. Purpose of Tender Offer, etc.

(1) Outline of Tender Offer

The Tender Offeror is a *kabushiki kaisha* wholly owned by ITOCHU and was established on January 29, 2026 primarily for the purpose of acquiring and holding through the Tender Offer the Target Company Shares listed on the Prime Market of the TSE. As of today, the Tender Offeror et al. do not hold any Target Company Shares.

At a meeting of its board of directors held today, ITOCHU resolved to enter into a capital and business alliance agreement with the Target Company (that agreement, the “Capital and Business Alliance Agreement”; the capital and business alliance between ITOCHU and the Target Company pursuant thereto, the “Capital and Business Alliance”—for an outline of the Capital and Business Alliance Agreement, please refer to “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” below). Based on the Capital and Business Alliance Agreement, ITOCHU also resolved to subscribe for 5,500,000 new shares of the Target Company (Ownership Ratio (Note 1): 9.98%; Ownership Ratio After Capital Increase (Note 2): 9.07%; the “Number of Allotted Shares”) issued in a

capital increase by third-party allotment to be conducted by the Target Company with ITOCHU as the intended allottee (the “Third-Party Allotment”; together with the Tender Offer, the “Transaction”), to acquire the Target Company Shares by implementing the Tender Offer through the Tender Offeror, and to enter into the Capital and Business Alliance with the Target Company.

(Note 1) “Ownership Ratio” means the ratio (rounded to the second decimal place; the same shall apply hereinafter in calculations of the Ownership Ratio) of the relevant Target Company Shares held by the applicable person to the number of shares obtained by deducting (i) the number of treasury shares owned by the Target Company as of December 31, 2025 (94,295 shares) (provided that the Target Company Shares (128,300 shares) owned by Mizuho Trust & Banking Co., Ltd. as trust assets under the incentive plan for granting Target Company Shares to employees (namely, the Employee Stock Ownership Plan (J-ESOP)) are not included in the treasury shares owned by the Target Company because, unlike treasury shares owned by the Target Company, the voting rights attached to such shares are exercised based on instructions from the trust administrator; the same shall apply hereinafter in descriptions concerning treasury shares) from (ii) the total number of issued shares of the Target Company as of December 31, 2025 (48,755,500 shares), as stated in the “Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)” published by the Target Company on February 5, 2026 (the “Target Company’s Third Quarter Financial Results”) (resulting in 48,661,205 shares), and then adding (iii) the number of shares underlying the share acquisition rights remaining as of today as reported by the Target Company (excluding share acquisition rights attached to the 1st series of unsecured convertible bonds with share acquisition rights; the “Share Acquisition Rights” (Note 3)) (34,580 shares) and (iv) the number of shares underlying the share acquisition rights attached to the 1st series of unsecured bonds with share acquisition rights remaining as of today (the “Bonds With Share Acquisition Rights”) (total face value: 9,999,920,000 yen) (49 units) (6,434,900 shares), which results in 55,130,685 shares (the “Base Number of Shares Before Capital Increase”). In calculating the number of Target Company Shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights, the number is calculated by dividing the total face value of the Bonds With Share Acquisition Rights as of today (9,999,920,000 yen) by the conversion price (1,554 yen), resulting in 6,434,900 shares (with fractions of less than one unit being rounded down). The same shall apply hereinafter in calculating the number of Target Company Shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights with a total face value of 9,999,920,000 yen.

(Note 2) “Ownership Ratio After Capital Increase” means the ratio (rounded to two decimal places; the same shall apply in calculating the Ownership Ratio After Capital Increase hereinafter) calculated based on the total number of

shares obtained by adding the Number of Allotted Shares (5,500,000 shares) to the Base Number of Shares Before Capital Increase, being 60,630,685 shares.

(Note 3) A breakdown of the Share Acquisition Rights reported by the Target Company as remaining outstanding as of today, totaling 3,458 units, is as follows:

Date of Issuance Resolution	Name of Share Acquisition Rights	Number of Share Acquisition Rights as of Today (units)	Number of Target Company Shares Underlying the Share Acquisition Rights (shares)	Exercise Period
June 22, 2018	1st Series of Share Acquisition Rights	393	3,930	From August 1, 2018 to July 31, 2048
June 21, 2019	2nd Series of Share Acquisition Rights	555	5,550	From August 1, 2019 to July 31, 2049
June 30, 2020	3rd Series of Share Acquisition Rights	834	8,340	From August 1, 2020 to July 31, 2050
June 22, 2021	4th Series of Share Acquisition Rights	1,676	16,760	From July 31, 2021 to July 30, 2051

In connection with the Tender Offer, the Tender Offeror entered into a tender offer agreement (the “Tender Offer Agreement”) dated February 25, 2026 with AAGS S5, L.P. (the “Shareholder Agreeing to Tender Shares”), pursuant to which the Shareholder Agreeing to Tender Shares agreed to tender, in the Tender Offer, 3,151,200 Target Company Shares (Ownership Ratio: 5.72%; Ownership Ratio After Capital Increase: 5.20%) to be acquired by the Shareholder Agreeing to Tender Shares through the exercise of all or part (conversion price as of today: 1,554 yen) of the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by the Shareholder Agreeing to Tender

Shares (the “Shares Agreed to Be Tendered”). For details of the Tender Offer Agreement, please refer to “(I) Tender Offer Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” below. According to the Target Company, even after the Shareholder Agreeing to Tender Shares tenders the Shares Agreed to Be Tendered in the Tender Offer, such shareholder will continue to hold any share acquisition rights attached to the Bonds With Share Acquisition Rights that have not been exercised. Accordingly, the Target Company thinks that no changes will arise in the business alliance between the Target Company and Advantage Partners Inc., which is the service provider of the Shareholder Agreeing to Tender Shares (for details of such business alliance, please refer to “Notice of Business Alliance” published by the Target Company on September 20, 2023). The Tender Offeror et al. have the same understanding.

As ITOCHU expects to invest certain management resources, including the secondment of personnel and the mutual utilization of information networks, in the specific measures to be implemented pursuant to the Capital and Business Alliance Agreement, ITOCHU intends to establish a closer capital relationship with the Target Company. On the other hand, while seeking to strengthen its capital relationship with the Target Company, ITOCHU considers that the independence of the Target Company as a listed company and the autonomy of its business operations should be maintained and therefore believes that it is desirable to keep ITOCHU’s voting rights ratio within a certain range. Further, the Target Company, while intending to continue practicing the management philosophy it has cultivated since its establishment and wishing to have its managerial autonomy since its founding respected, intends, in order to maintain its independence as a listed company, to keep its tradable share ratio at a level that enables it to stably secure a tradable share ratio of 35%, which is required as a maintenance criterion for listing on the Prime Market of the TSE, and as high as possible, and also intends to limit the degree of dilution resulting from the capital increase through third-party allotment to a level that would not constitute a capital increase by third-party allotment involving dilution of 25% or more, which would require obtaining an opinion from an independent third party or confirming shareholders’ intent pursuant to Article 432 of the Securities Listing Regulations of the TSE, and, taking into account the impact of dilution on existing shareholders, to restrict issuances of new shares to the minimum extent necessary to meet its funding needs. Based on such circumstances, ITOCHU and the Target Company held discussions, and as a result, ITOCHU has concluded that, by subscribing for 5,500,000 Target Company Shares (Ownership Ratio: 9.98%; Ownership Ratio After Capital Increase: 9.07%) issued by the Third-Party Allotment and, by implementing the Tender Offer through the Tender Offeror, acquiring up to 12,156,900 Target Company Shares in total together with the Target Company Shares to be acquired through the subscription for the shares issued by the Third-Party Allotment (Ownership Ratio: 22.05%; Ownership Ratio After Capital Increase: 20.05%), which is a level at which ITOCHU can stably treat the Target Company as an equity-method affiliate, ITOCHU would be able to address the funding needs of the Target Company and establish a closer capital relationship with the Target Company while the Target Company would also be able to stably secure a tradable share ratio of at least 35% even after taking into account potential future changes in its shareholder composition; therefore, ITOCHU agreed

with the Target Company to subscribe for 5,500,000 Target Company Shares issued by the Third-Party Allotment and further determined to acquire, by implementing the Tender Offer through the Tender Offeror, up to 6,656,900 Target Company Shares (Ownership Ratio: 12.07%; Ownership Ratio After Capital Increase: 10.98%). The number of Target Company Shares to be newly issued by the Third-Party Allotment is 5,500,000 shares (corresponding to 55,000 voting rights), representing 11.3% of the total number of issued shares of the Target Company (48,755,500 shares) as of December 31, 2025, and 11.3% of the total number of voting rights of the Target Company (486,319 voting rights) as of September 30, 2025. As a result, a certain degree of dilution will occur with respect to the Target Company Shares, which may give rise to a risk of a decline in the share price. However, the issuance of new shares by the Third-Party Allotment will be carried out at a scale determined by taking into consideration the Target Company's specific funding needs for the acquisition of real estate or construction costs related to new hotel development and the urban office revitalization business of the Target Company, to the extent necessary to enhance the Target Company's corporate value through the Capital and Business Alliance, and therefore such dilution is limited to the minimum extent necessary in light of the purpose of the Capital and Business Alliance. In addition, the Transaction, compared to cases in which ITOCHU would acquire, through a third-party allotment, all of the Target Company Shares at a level at which ITOCHU can stably treat the Target Company as an equity-method affiliate, is considered to involve a smaller degree of risk of a decline in the share price resulting from dilution. The purpose of the Third-Party Allotment is for ITOCHU to acquire the Target Company Shares in order to address the funding needs of the Target Company and establish a closer capital relationship with the Target Company in implementing the Capital and Business Alliance. Accordingly, the Third-Party Allotment is not subject to the successful completion of the Tender Offer and is scheduled to be carried out regardless of the success or failure of the Tender Offer.

In addition, while the purchase price per Target Company Share in the Tender Offer (the "Tender Offer Price") is 2,800 yen, the payment amount per Target Company Share in the Third-Party Allotment (the "Third-Party Allotment Payment Amount") is 2,438 yen, which is the simple average closing price of the Target Company Shares on the Prime Market of the TSE during the three-month period up to and including the business day immediately preceding the announcement. As a result, there is a difference between the Tender Offer Price and the Third-Party Allotment Payment Amount. This is because, although the Third-Party Allotment and the Tender Offer constitute a series of integrated transactions aimed at addressing the funding needs of the Target Company and establishing a closer capital relationship with the Target Company, the Tender Offer is a transaction with the Target Company's shareholders, in which the Tender Offeror acquires Target Company Shares by paying cash to such shareholders, whereas the Third-Party Allotment is a transaction with the Target Company, in which ITOCHU acquires Target Company Shares by paying cash to the Target Company, and therefore the nature of the transactions differs, resulting in different considerations to be applied. Specifically, with respect to the Tender Offer, there exists a possibility that a number of Target Company Shares may not be tendered at a

level at which ITOCHU can stably treat the Target Company as an equity-method affiliate. Accordingly, it is important to enhance the likelihood of Target Company's shareholders tendering their shares, and ITOCHU considers it necessary to offer a sufficient premium over the market price, taking into account trends in the market price of the Target Company Shares. In addition, while shareholders who do not tender their shares in the Tender Offer may enjoy benefits from enhancement of the Target Company's corporate value through the realization of synergies arising from the establishment of a closer capital relationship between the Tender Offeror and the Target Company after the Tender Offer, shareholders who tender their shares in the Tender Offer will not be able to enjoy such benefits after selling their shares. Accordingly, ITOCHU considers that it is necessary, by having the Tender Offer Price include a premium, to distribute a portion of such synergies from the Tender Offeror to the Target Company's shareholders who sell their Target Company Shares in the Tender Offer. For these reasons, taking into account factors such as the outlook for tenders, the distribution of synergies, and the results of discussions with the Shareholder Agreeing to Tender Shares, the Tender Offeror determined the Tender Offer Price to be 2,800 yen, as described above (representing a premium of 8.95% (rounded to two decimal places; the same shall apply in calculating premium rates hereinafter) over the closing price of 2,570 yen of the Target Company Shares on the Prime Market of the TSE on the business day immediately preceding the announcement of the Tender Offer).

Further, as the implementation of the Capital and Business Alliance required addressing the Target Company's business-related funding needs, the Third-Party Allotment was regarded as a given premise in ITOCHU's acquisition of the Target Company Shares. As a result, ITOCHU has not given particular consideration to acquiring, solely through a tender offer, the number of Target Company Shares it seeks to acquire in the Transaction.

As described above, because the Tender Offer, together with the Target Company Shares to be acquired by ITOCHU through the subscription for such shares issued by the Third-Party Allotment, is intended to enable ITOCHU to address the funding needs of the Target Company and establish a closer capital relationship with the Target Company within a range that allows the Target Company to maintain its independence as a listed company and the autonomy of its business operations, and because ITOCHU intends to maintain the listing of the Target Company Shares even after the successful completion of the Tender Offer, the maximum number of shares to be purchased in the Tender Offer has been set at 6,656,900 shares (Ownership Ratio: 12.07%; Ownership Ratio After Capital Increase: 10.98%). Accordingly, if the total number of shares tendered in the Tender Offer (the "Tendered Shares") exceeds the maximum number of shares to be purchased (6,656,900 shares), all or part of the excess will not be purchased, and delivery of the shares and other settlement procedures relating to the purchase of shares will be conducted in accordance with the pro rata allocation method prescribed in Article 27-13, paragraph (5) of the Act and Article 32 of the Cabinet Office Order Regarding Disclosure Required for Tender Offers for Share Certificates, etc. by Persons Other Than Issuers (Cabinet Office

Ordinance No. 38 of 1990, as amended; the “Cabinet Office Order”). On the other hand, in order to provide shareholders of the Target Company who wish to sell their shares through the Tender Offer with an appropriate opportunity to do so, and because, as described in “(1) Background, Purpose, and Decision-making Process Leading to Tender Offeror’s Decision to Conduct Tender Offer” in “(2) Background, Purpose, and Decision-Making Process Leading to Implementation of Tender Offer, and Management Policy Following Tender Offer” below, ITOCHU considers that strengthening its capital relationship with the Target Company by acquiring as many Target Company Shares as possible by implementing the Tender Offer through the Tender Offeror would serve the purpose of the Capital and Business Alliance, even if, together with the Target Company Shares to be acquired by ITOCHU through the subscription for such shares issued by the Third-Party Allotment, the Ownership Ratio After Capital Increase of the Target Company Shares held by the Tender Offeror et al. does not reach 20.0%, no minimum number of shares to be purchased has been set for the Tender Offer, and if the total number of Tendered Shares is equal to or less than the maximum number of shares to be purchased (6,656,900 shares), all of the Tendered Shares will be purchased.

In addition, according to “Notice concerning Opinion on the Tender Offer for the Shares of the Company by SI Corporation, a Wholly-Owned Subsidiary of ITOCHU Corporation” published by the Target Company on February 25, 2026 (the “Target Company Press Release”), as well as the securities registration statement submitted by the Target Company to the Director-General of the Kanto Local Finance Bureau on the same date (the “Target Company Securities Registration Statement”) and “Notice concerning Capital and Business Alliance with ITOCHU Corporation, Issuance of New Shares by Third-Party Allotment, and Change in a Major Shareholder” published on the same date (together with the Target Company Securities Registration Statement, the “Target Company Capital Increase-Related Disclosure Documents”), the Target Company determined at its board of directors’ meeting held on February 25, 2026 that, with respect to the Tender Offer, the establishment of a closer capital relationship with ITOCHU and the further promotion of various measures based on the Capital and Business Alliance through the Transaction would contribute to the enhancement of the Target Company’s medium- to long-term corporate value and an increase in shareholder value, and the Tender Offer Price is set at a level that gives due consideration to the protection of the interests of the Target Company’s minority shareholders, and based on the foregoing, the Target Company expressed its opinion in support of the Tender Offer, while, given that a maximum number of shares to be purchased has been set for the Tender Offer and that the Target Company plans to maintain the listing of the Target Company Shares even after the Tender Offer, it is also considered to be a sufficiently reasonable option for shareholders to continue to hold their Target Company Shares after the Tender Offer; in light of that, the Target Company resolved to leave the decision as to whether or not to tender shares in the Tender Offer to the judgment of its shareholders.

For details of the resolution of the Target Company’s board of directors described above, please refer to the Target Company Press Release and “(III) Approval of All Target Company Attending Directors (Including Directors Who Are Audit and Supervisory Committee Members) Without Conflicts of Interest” in “(4) Measures to Ensure Fairness of Tender Offer, Including Measures to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest” below.

For details of the Third-Party Allotment, please refer to the Target Company Capital Increase-Related Disclosure Documents as well as “(C) Implementation of Third-Party Allotment” in “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” and “(5) Plan to Acquire Additional Shares After Tender Offer” below.

(2) Background, Purpose, and Decision-Making Process Leading to Implementation of Tender Offer, and Management Policy Following Tender Offer

(I) Background, Purpose, and Decision-making Process Leading to Tender Offeror’s Decision to Conduct Tender Offer

ITOCHU, which is the parent company of the Tender Offeror, has listed its common shares on the former Osaka Securities Exchange and on the TSE since July 1950. ITOCHU forms the ITOCHU Group, which consists of ITOCHU and its 186 subsidiaries and 78 affiliates (as of September 30, 2025; the same shall apply hereinafter), and through its domestic and overseas business networks, “Textile Company,” “Machinery Company,” “Metals & Minerals Company,” “Energy & Chemicals Company,” “Food Company,” “General Products & Realty Company,” “ICT & Financial Business Company,” and “The 8th Company” (Note 1) (Note 2), whose business areas have been extended from “upstream” business areas, such as those relating to raw materials, to “downstream” consumer business areas, ITOCHU has been running diversified businesses, in order to offer a variety of products and services that support people’s daily lives.

Among these, the General Products & Realty Company consists of two divisions: the Forest Products, General Merchandise & Logistics Division and the Construction & Real Estate Division. The Forest Products, General Merchandise & Logistics Division deals with North American building materials, pulp, mobility, goods, and materials, and operates a distribution business including third-party logistics (3PL) (Note 3) and international transportation. The Construction & Real Estate Division deals with the construction materials business that handles wood products and OEM materials, the real estate development business that develops mainly residential housing and logistics facilities, and the

real estate investment and building operation and management business. ITOCHU believes that each division utilizes its collective strength and global network to provide society with new value and contribute to the realization of fulfilling housing experiences and the enhancement of ITOCHU's corporate value.

The Tender Offeror, the trade name of which is SI Corporation, is a *kabushiki kaisha* wholly owned by ITOCHU and was established on January 29, 2026 primarily for the purpose of acquiring and holding Target Company Shares through the Tender Offer. ITOCHU has appointed the Tender Offeror as the entity implementing the Tender Offer from the perspective of ensuring flexibility in future capital policies following the Transaction. However, as described in “(5) Plan to Acquire Additional Shares After Tender Offer” below, whether additional Target Company Shares will be acquired after the Transaction has not been determined at this time. Although the Tender Offeror et al. may reconsider the acquisition of additional Target Company Shares following the Transaction, no consideration has been given at this time to the timing or terms thereof.

(Note 1) A “Company” in the applicable sentence refers to a business division within ITOCHU that is deemed to be one highly independent unit. Delegation of management resources and discretion to each Company allows it to manage responsibly, rapidly and flexibly, and develop businesses meeting the needs in each field.

(Note 2) The 8th Company collaborates with the other seven business companies to fully leverage various business platforms, particularly in the consumer sector which is an area of strength of ITOCHU. Through this, ITOCHU accelerates initiatives that combine different industries and extend across the boundaries of business companies and create new businesses and develop new customers from a market-oriented perspective to meet market and consumer needs.

(Note 3) 3PL (Third Party Logistics) refers to a form of business in which a third-party company undertakes a customer's overall logistics operations and proposes measures to improve logistics efficiency. In its domestic logistics services, ITOCHU provides a wide range of services across various fields, including inventory storage for a broad array of products; the provision of logistics functions such as customs clearance, inspection, and distribution processing; and the resolution of fundamental logistics issues through the review and optimization of logistics bases.

On the other hand, according to the Target Company, the Target Company was established in April 1999 as Sun Frontier Co., Ltd., with the purpose of engaging in brokerage services for the sale and lease of commercial real estate, as well as property management, and subsequently changed its trade name to its current name in November 2000. Thereafter, the Target Company was listed on the JASDAQ Securities Exchange in December 2004, and in February 2007, it was listed

on the First Section of the TSE. Following the revision of the market categorization of the TSE implemented in April 2022, the Target Company is, as of today, listed on the Prime Market of the TSE.

Since its establishment in 1999, according to the Target Company, the Target Company has upheld “COMPASSION (Altruism)” (defined as “a spirit of COMPASSION”; a philosophy under which all employees work together with a spirit of consideration for others, engage in their work with sincerity, and contribute to society, based on the tenet that “the purpose of life is to help others as many as we can throughout our lives”) as its corporate credo, and has conducted its business with the aim of realizing its management philosophy, “look after every employee and pursue the happiness of both mind and matter. At the same time, to cocreate a rich and sustainable society by contributing to the evolution and the development of the human society” As of today, business operations of the Target Company group (referring to a company group consisting of the Target Company and 39 subsidiaries (as of today); the same shall apply hereinafter) consist of four segments: the Real Estate Revitalization Business, which aims at community development through the revitalization and utilization of existing real estate; the Real Estate Services Business; the Hotel and Tourism Business, which contributes to regional revitalization; and Other Business, including overseas development and operation businesses and construction businesses.

The Target Company believes that the Real Estate Revitalization Business, which represents the Target Company’s founding business, has high social significance from both environmental and economic perspectives; from an environmental perspective, the business has significance in that it contributes to the reduction of construction waste and the effective use of resources by utilizing and renovating existing buildings without demolishing them, while from an economic perspective, the Target Company positions the business as having a certain degree of social significance in that it creates added value through the effective use of real estate by revitalizing properties that are not being fully utilized due to aging or low occupancy rates and enhancing their economic value. The Target Company believes that in the Real Estate Revitalization Business, it operates a differentiated business model when compared with its competitors.

Meanwhile, the Target Company believes that the Real Estate Services Business, which serves as a platform function, has expanded and strengthened its customer base in the medium to long term by continuously providing services such as property management and brokerage for leasing and sale to real estate owners and tenants, and that through these services, it believes that the business plays a foundational role in continuously accumulating information and transaction opportunities related to real estate.

Through this customer base, property information and tenant needs obtained can be utilized in the Real Estate Revitalization Business, while properties acquired and revitalized through the Real Estate Revitalization Business can, in turn, be subject to property management and leasing by the Real Estate Services Business, thereby generating strong synergies between the two businesses.

The Target Company believes that by having promoted the Real Estate Revitalization Business and the Real Estate Services Business in an integrated manner, it has, from a relatively early stage, developed a business model in the domestic real estate revitalization market for existing properties under which the acquisition, revitalization, and operation of properties are carried out in an integrated manner. In addition, taking into account that it was a pioneer in the development of “Setup Offices,” in which interior finishes and facilities are prepared prior to tenant occupancy, and that it has registered the trademark “Replanning,” which signifies revitalization, the Target Company believes that it has established a pioneering market position in the real estate revitalization business for existing properties. The Target Company believes that such business development enabled not only expansion of its existing businesses but also careful yet bold investments in new peripheral businesses.

In addition, according to the Target Company, in the Hotel and Tourism Business, which involves hotel development and operation, it positions the business as one that aims to contribute to the revitalization of local economies by seeking to maintain and create employment in local communities and enhance the value of tourism resources through the development and operation of hotels that leverage regional resources. Further, the Target Company has been promoting its business under a revenue model whereby it develops hotels on its own throughout Japan, sells the real estate after a certain period of operation to realize development gains, and then continues hotel operations through leaseback arrangements, thereby generating ongoing operational income. Moreover, the Target Company has increasingly acquired existing hotels through M&A transactions and focused on hotel operations through management contracts and lease arrangements, and has been working to expand its network of operated hotels by leveraging a variety of such approaches.

Against this backdrop, according to the Target Company, the Target Company group set in 2013 a goal of “10x in 10 years” (in the fiscal year ending March 2013, the net sales were approximately 10.6 billion yen and ordinary income was approximately 2 billion yen) and, in its medium-term business plan with the fiscal year ending March 2025 as the final year, has now achieved its respective targets of net sales of approximately 103.1 billion yen and ordinary income of approximately 20.4 billion yen. The Target Company group has been exploring opportunities to further accelerate its next phase of growth. In addition, the Target Company group has continuously considered strategic alliances as an effective way to enhance the Target Company group’s corporate value, by addressing social issues through practicing its management philosophy while maintaining its corporate culture and distinctive strengths.

In light of these circumstances, ITOCHU has long promoted capital and business alliances with companies with which synergy effects can be expected. In particular, within the construction and real estate industries, ITOCHU has pursued initiatives based on the following basic policies: (i) to build construction partnerships (Note 4), (ii) to bring technologies to realize a more safe, secure, and decarbonized society, (iii) to collaborate in real estate businesses under a capital efficiency and optimization strategy (Note 5), and (iv) to expand its customer base and enhance competitiveness. By

constructing a value chain spanning from upstream activities (construction materials) to downstream activities (real estate), ITOCHU has strengthened alliances with leading companies in the construction and real estate fields and has worked to address social issues such as the SDGs and national resilience. More specifically, in December 2021, ITOCHU commenced a capital and business alliance with Nishimatsu Construction Co., Ltd., through which it has deepened cooperation in areas including real estate development projects, placement of construction orders, and procurement of materials and equipment. Furthermore, in May 2023, ITOCHU entered into a capital and business alliance with Oriental Shiraishi Corporation and has jointly promoted public-private partnership projects through bridge construction businesses and prestressed concrete technologies, with the aim of contributing to the development of social infrastructure.

(Note 4) Under construction partnerships, ITOCHU promotes labor savings, efficiency improvement, and DX in the construction industry through building construction partnerships with leading companies in the industry, which have the technologies and construction methods to resolve frontline issues, including investment in Nishimatsu Construction Co., Ltd. and Oriental Shiraishi Corporation.

(Note 5) The business model of real estate businesses under a capital efficiency and optimization strategy refers to the building and expansion of a value chain through real estate development and investment in and management of income-generating real estate.

Through these efforts to strengthen alliances, ITOCHU has become capable of providing an integrated set of functions across various asset classes, including residential properties, logistics facilities, and office buildings, encompassing material supply and construction, land acquisition and development, property management and leasing, and operation. On the other hand, ITOCHU has recognized challenges in further enhancing profitability within its existing business domains, due to rising domestic new construction development costs and the depletion of construction resources caused by labor shortages. As ITOCHU explored new opportunities for revenue growth as alternatives to its existing business domains, it turned its attention to the real estate renovation sector. In particular, in the office building market, which is the largest asset class in the domestic real estate market, the supply of newly constructed office buildings in central urban areas and regional core cities is becoming increasingly limited, due to constraints on land acquisition and prolonged construction periods resulting from labor shortages. Meanwhile, there exists a substantial stock of aging office buildings. ITOCHU believes that renovating such office buildings, which would previously have been demolished as sites for new development, can serve as an effective means of maintaining supply while reducing environmental impact. ITOCHU considers the resolution of these social and market challenges to be the key to unlocking potential revenue growth, and accordingly has sought to strengthen alliances in the real estate renovation sector.

Under these circumstances, in mid-February 2025, ITOCHU became aware, through Daiwa Securities Co., Ltd. (“Daiwa Securities”), of the potential for a strategic partnership between ITOCHU and the Target Company, and confirmed, via

Daiwa Securities, that both parties had an initial willingness to engage in discussions. From ITOCHU's perspective, as it was aiming to expand its business in the renovation domain as a new pillar of growth, building on the business foundation it had established in domestic residential and logistics real estate development businesses, ITOCHU considered the Target Company, whose strength lies in the Real Estate Revitalization Business, to be a potential partner for expanding its business in the renovation domain. Accordingly, in mid-March 2025, ITOCHU held an initial meeting with the Target Company and received a proposal for subscribing for shares issued in a capital increase by third-party allotment to be implemented by the Target Company. Subsequently, as ITOCHU confirmed with the Target Company that the two companies were aligned in terms of business potential and strategic direction, it commenced concrete discussions and examinations with the Target Company to explore the possibility of building a strategic partnership, including the Transaction, such as by holding multiple subcommittee meetings by business area with the Target Company for the purpose of examining concrete possibilities for collaboration. In conducting such discussions and examinations with the Target Company, on June 4, 2025, ITOCHU appointed Nishimura & Asahi as its legal advisor independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, and, on October 3, 2025, appointed KPMG FAS Co., Ltd. ("KPMG") as a third-party valuation agency independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, thereby establishing a framework for discussions and examinations regarding the formation of a partnership, including the Transaction.

In mid-March 2025, during the initial meeting with the Target Company, ITOCHU received a request from the Target Company for funding to support the expansion of its existing office building business, including engagement in large-scale projects, as well as the further development of the hotel chain operated by the Target Company. ITOCHU considered that, as the Target Company continued to pursue expansion of its business domains, its funding needs remained strong and that strengthening the Target Company's financial soundness so as to ensure liquidity on hand and additional borrowing capacity sufficient to meet such funding needs on an ongoing basis would increase the likelihood that the Target Company's business can be operated on a stable basis, which in turn would not only increase the likelihood of ITOCHU stably receiving dividend income from the Target Company, but also minimize the risk of collaboration between ITOCHU and the Target Company being disrupted due to a deterioration in the Target Company's financial soundness, thereby enabling ITOCHU to expect that it will steadily enjoy the benefits of the alliance going forward, and thereby contribute to enhancement of ITOCHU's corporate value. Accordingly, after careful consideration, ITOCHU proceeded to examine a policy of subscribing for shares in a capital increase issued by third-party allotment to be implemented by the Target Company as a means of realizing the growth strategies pursued by both companies, addressing the Target Company's funding needs, and establishing a strong capital relationship with the Target Company.

Further, ITOCHU held discussions with the Target Company regarding the terms of the Third-Party Allotment, including the number of new shares to be issued, and in parallel, held multiple subcommittee meetings by business area with the Target Company for the purpose of examining concrete possibilities for collaboration. Thereafter, in early September 2025, ITOCHU was introduced by the Target Company to the Shareholder Agreeing to Tender Shares, a key stakeholder holding Bonds with Share Acquisition Rights, and had an opportunity to engage in initial discussions with the Shareholder Agreeing to Tender Shares regarding the potential for a business alliance between ITOCHU and the Target Company. Thereafter, in parallel with its discussions and examinations with the Target Company, ITOCHU continued to hold discussions with the Shareholder Agreeing to Tender Shares regarding the methods for implementing a business alliance between ITOCHU and the Target Company, the synergies that could arise from such business alliance, as well as the concrete methods of ITOCHU's capital participation in the Target Company, including the acquisition by ITOCHU of the Target Company Shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by the Shareholder Agreeing to Tender Shares and the subscription for shares issued in a capital increase by third-party allotment. Based on the discussions and examinations conducted respectively with the Target Company and the Shareholder Agreeing to Tender Shares, ITOCHU concluded that the likelihood of acquiring the Target Company Shares from the Shareholder Agreeing to Tender Shares was low and confirmed that the Target Company had strong funding needs, and therefore establishing a partnership with the Target Company by subscribing for shares issued in a capital increase by third-party allotment would contribute to enhancement of the corporate value of both ITOCHU and the Target Company. Accordingly, in order to begin formally considering with the Target Company the formation of such partnership, on October 1, 2025, ITOCHU submitted a written proposal (the "Letter of Intent") setting forth (i) ITOCHU's intent to subscribe for shares issued in a capital increase issued by third-party allotment to be implemented by the Target Company, (ii) ITOCHU's intention to acquire Target Company Shares such that the ratio of voting rights held by ITOCHU would be 20.0%, assuming that all Share Acquisition Rights pertaining to the Bonds With Share Acquisition Rights relating to the voting rights of the Target Company held by ITOCHU were exercised in full, and (iii) a proposal on collaboration accompanying the formation of the partnership.

In response, according to the Target Company, the Target Company stated to ITOCHU that, with respect to a capital increase by third-party allotment to ITOCHU, careful consideration would be required regarding the necessity and appropriateness of the contemplated amount of the capital increase, taking into account the impact that a large-scale third-party allotment could have on the Target Company's minority shareholders.

In addition, under these circumstances, in mid-October 2025, ITOCHU received an inquiry from the Shareholder Agreeing to Tender Shares indicating that, if it were deemed economically reasonable for it, it intended to transfer a portion of the shares underlying the Share Acquisition Rights attached to the Bonds with Share Acquisition Rights held

by it. Subsequently, on October 20, 2025, based on the content of the Letter of Intent, ITOCHU received notice from the Target Company, as described in “(1) Outline of Tender Offer” above, that, while intending to continue practicing the management philosophy it has cultivated since its establishment and wishing to have its managerial autonomy since its founding respected, the Target Company intends, in order to maintain its independence as a listed company, to keep its tradable share ratio at a level that enables it to stably secure a tradable share ratio of 35%, which is required as a maintenance criterion for listing on the Prime Market of the TSE, and as high as possible, to limit the degree of dilution resulting from the capital increase through third-party allotment to a level that would not constitute a capital increase by third-party allotment involving dilution of 25% or more, which would require obtaining an opinion from an independent third party or confirming shareholders’ intent pursuant to Article 432 of the Securities Listing Regulations of the TSE, and, taking into account the impact of dilution on existing shareholders, the Target Company had requested that any issuances of new shares be limited to the minimum necessary in light of its funding needs. Accordingly, taking into consideration the intentions of the Shareholder Agreeing to Tender Shares and the requests of the Target Company, ITOCHU, in late October 2025, conveyed to the Shareholder Agreeing to Tender Shares its interest in acquiring Target Company Shares, including the Shares Agreed to Be Tendered, in order to commence consideration of a transaction structure that would include such acquisition.

On December 16, 2025, ITOCHU proposed to the Target Company that ITOCHU build a closer capital relationship with the Target Company and, as a specific method therefor, comprehensively considering the request of the Target Company and the intention of the Shareholder Agreeing to Tender Shares to sell its shares as stated above, combine a tender offer and a third-party allotment in order to strengthen the Target Company’s financial soundness and meet the Target Company’s demand for funds, while taking into account dilution of the Target Company Shares and securing the opportunity to acquire the Target Company Shares from the Target Company’s other shareholders in addition to the Shareholder Agreeing to Tender Shares, so that ITOCHU may acquire the Target Company Shares necessary to establish a closer capital relationship with the Target Company. On December 25, 2025, ITOCHU appointed Nomura Securities Co., Ltd. (“Nomura Securities”) as a financial advisor independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, in order to discuss and consider with the Target Company a transaction based on the aforementioned structure. ITOCHU carefully discussed and considered with the Target Company the details of the capital and business alliance, the scheme for combining a tender offer and a third-party allotment, and the number of shares to be subscribed through the third-party allotment.

After submission of the Letter of Intent on October 1, 2025, ITOCHU and the Target Company commenced exchanges regarding due diligence on the Target Company, and thereafter, from early October 2025 to late November 2025, ITOCHU proceeded with discussions with the Target Company on the details of the business alliance to be specified in

the capital and business alliance agreement, and conducted due diligence on the Target Company to examine the possibility of realizing the Transaction and the Capital and Business Alliance.

Furthermore, on December 26, 2025, ITOCHU informed the Shareholder Agreeing to Tender Shares that ITOCHU was considering, with the Target Company, building a closer capital relationship with the Target Company and, as a specific method therefor, combining a tender offer and a third-party allotment, requested that the Shareholder Agreeing to Tender Shares consider tendering its shares in the Tender Offer, and commenced discussions to enter into a tender offer agreement. Specifically, based on the aforementioned trends in the market price of the Target Company Shares, the results of the due diligence, and the outlook for tenders in the Tender Offer, on February 17, 2026, ITOCHU notified the Shareholder Agreeing to Tender Shares that it was considering setting the Tender Offer Price at or above 2,600 yen (which price includes a premium of 4.84% on 2,480 yen, which was the closing price of the Target Company Shares on the Prime Market of the TSE on February 16, 2026, the business day immediately preceding the date of the proposal; 5.65% on the simple average closing price of 2,461 yen (rounded to the nearest whole number; the same applies hereinafter to the calculation of the simple average closing price) for the latest one-month period ending on the same day as a record date; 7.44% on the simple average closing price of 2,420 yen for the latest three-month period ending on the same day; and 9.66% on the simple average closing price of 2,371 yen for the latest six-month period ending on the same day) and that the Tender Offer Price will be determined on the business day immediately preceding the announcement of the Tender Offer based on the trends in the market price of the Target Company Shares.

Subsequently, on February 24, 2026, taking into account the trends in the market price of the Target Company Shares and the outlook for tenders by the Target Company's general shareholders in the Tender Offer, ITOCHU decided to conduct the Tender Offer at a price of 2,800 yen, subject to the final decision to be made by a resolution of ITOCHU's board of directors at the meeting scheduled to be held on February 25, 2026, and informed the Shareholder Agreeing to Tender Shares to that effect.

In response, on the same date, the Shareholder Agreeing to Tender Shares informed ITOCHU that it accepted the proposed price and that if the Tender Offer is conducted with the proposed price, it would tender 3,151,200 shares in the Tender Offer from among the shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by it. Thereafter, at a meeting of its board of directors held on February 25, 2026, ITOCHU decided to set the Tender Offer Price at 2,800 yen, and on the same date, the Tender Offeror and the Shareholder Agreeing to Tender Shares entered into the Tender Offer Agreement. According to the Shareholder Agreeing to Tender Shares, it has not yet determined as of today how it would handle the situation where the total number of Tendered Shares exceeds the maximum number of shares to be purchased in the Tender Offer, and as a result of settlement on a pro rata basis, there are shares remaining in its hands.

In addition, on February 24, 2026, ITOCHU notified the Shareholder Agreeing to Tender Shares that the Tender Offer Price will be set at 2,800 yen (which price includes a premium of 9.67% on 2,553 yen, which was the closing price of the Target Company Shares on the Prime Market of the TSE on February 20, 2026, the business day immediately preceding the date of the notification; 13.31% on the simple average closing price of 2,471 yen for the latest one-month period ending on the same day as a record date; 14.94% on the simple average closing price of 2,436 yen for the latest three-month period ending on the same day; and 17.70% on the simple average closing price of 2,379 yen for the latest six-month period ending on the same day), and on the same date, ITOCHU orally notified the Target Company that the Tender Offer Price would be set at 2,800 yen subject to the final decision to be made by a resolution of ITOCHU's board of directors at the meeting scheduled to be held on February 25, 2026, because ITOCHU reached an agreement on the Tender Offer Price with the Shareholder Agreeing to Tender Shares, and therefore, some of the shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by the Shareholder Agreeing to Tender Shares are expected to be tendered in the Tender Offer, and the price includes the following premiums: 9.67% on 2,553 yen, which was the closing price of the Target Company Shares on the Prime Market of the TSE on February 20, 2026, the business day immediately preceding February 24, 2026; 13.31% on the simple average closing price of 2,471 yen for the latest one-month period ending on the same day as a record date; 14.94% on the simple average closing price of 2,436 yen for the latest three-month period ending on the same day; and 17.70% on the simple average closing price of 2,379 yen for the latest six-month period ending on the same day, and therefore, ITOCHU determined that the price is at a level based on which tenders by minority shareholders of the Target Company in the Tender Offer are expected to a certain extent.

In response, on the same date, ITOCHU was informed by the Target Company that it accepted the Tender Offer Price, and they reached an agreement subject to the final decision to be made by a resolution of ITOCHU's board of directors at the meeting scheduled to be held on February 25, 2026. Thereafter, as described above, at a meeting of its board of directors held on February 25, 2026, ITOCHU informed the Target Company that it had decided to set the Tender Offer Price at 2,800 yen, and received a response from the Target Company reaffirming its acceptance thereof.

With respect to the Third-Party Allotment Payment Amount, on February 17, 2026, ITOCHU and the Target Company, after discussions taking into account trends in the market price of the Target Company Shares, determined that adopting an average share price over a certain period, rather than using the share price at a single point in time as a reference, would eliminate the impact of special factors such as temporary fluctuations in the share price and would provide a more objective basis for valuation. In addition, in light of the relatively high volatility of the Target Company Shares during the approximately two-month period prior to the date of the board of directors' resolution regarding the Third-Party Allotment, they concluded that using the average for the three-month period up to the business day immediately preceding

the announcement would be more appropriate for the valuation of the Target Company Shares, and agreed to set the Third-Party Allotment Payment Amount at the simple average closing price of the Target Company Shares on the Prime Market of the TSE for the three-month period up to and including the business day immediately preceding the announcement, subject to the final decision to be made by a resolution of ITOCHU's board of directors scheduled at the meeting to be held on February 25, 2026.

In addition, while the Tender Offer Price is 2,800 yen, the Third-Party Allotment Payment Amount is 2,438 yen, which is the simple average closing price of the Target Company Shares on the Prime Market of the TSE during the three-month period up to and including the business day immediately preceding the announcement. As a result, there is a difference between the Tender Offer Price and the Third-Party Allotment Payment Amount. This is because, although the Third-Party Allotment and the Tender Offer constitute a series of integrated transactions aimed at addressing the funding needs of the Target Company and establishing a closer capital relationship with the Target Company, the Tender Offer is a transaction with the Target Company's shareholders, in which the Tender Offeror acquires Target Company Shares by paying cash to such shareholders, whereas the Third-Party Allotment is a transaction with the Target Company, in which ITOCHU acquires Target Company Shares by paying cash to the Target Company, and therefore the nature of the transactions differs, resulting in different considerations to be applied. Specifically, with respect to the Tender Offer, there exists a possibility that a number of Target Company Shares may not be tendered at a level at which ITOCHU can stably treat the Target Company as an equity-method affiliate. Accordingly, it is important to enhance the likelihood of Target Company's shareholders tendering their shares, and ITOCHU considers it necessary to offer a sufficient premium over the market price, taking into account trends in the market price of the Target Company Shares. In addition, while shareholders who do not tender their shares in the Tender Offer may enjoy benefits from enhancement of the Target Company's corporate value through the realization of synergies arising from the establishment of a closer capital relationship between the Tender Offeror and the Target Company after the Tender Offer, shareholders who tender their shares in the Tender Offer will not be able to enjoy such benefits after selling their shares. Accordingly, ITOCHU also considers that it is necessary, by having the Tender Offer Price include a premium, to distribute a portion of such synergies from the Tender Offeror to the Target Company's shareholders who sell their Target Company Shares in the Tender Offer. For these reasons, taking into account factors such as the outlook for tenders, the distribution of synergies, and the results of discussions with the Shareholder Agreeing to Tender Shares, the Tender Offeror determined the Tender Offer Price to be 2,800 yen, as described above (representing a premium of 8.95% over the closing price of 2,570 yen of the Target Company Shares on the Prime Market of the TSE on the business day immediately preceding the announcement of the Tender Offer).

Furthermore, in parallel with these discussions, from early October 2025, ITOCHU and the Target Company held multiple discussions on the synergies expected from the Capital and Business Alliance and the specific details of the Capital and Business Alliance. ITOCHU and the Target Company have also examined potential dis-synergies arising from the Capital and Business Alliance; however, at this time, no dis-synergies are anticipated. Since the Capital and Business Alliance was implemented, ITOCHU and the Target Company have come to a common understanding that implementing the following measures while complementing both companies' respective areas of expertise will be effective in further enhancing the corporate value and interests of shareholders of ITOCHU and the Target Company:

- expanding investment opportunities by utilizing the know-how and track record that the Target Company has in the replanning business (Note 6) and the group network and financial strength that ITOCHU has (including joint efforts on projects, such as acquisition, revitalization, and development of properties located in areas into which and of a scale to which the Target Company has not been able to expand its business previously);
- increasing hotel opening opportunities by utilizing the Target Company's hotel business development and operation know-how and ITOCHU's development track record of various asset types and real estate value chain and by allocating roles designed to efficiently leverage the respective functions of both parties;
- collaboration aimed at the efficient and multilayered exploration of target real estate, utilizing information networks independently held by each party;
- improving the efficiency of material and equipment procurement in the Target Company's replanning and development business through effective utilization of ITOCHU's supplier and wholesale functions;
- achieving a broader customer approach and expanding opportunities for receiving orders for projects by complementing both parties' real estate management and operation functions;
- collaboration between both parties in the overseas real estate business, and introduction of existing business partners of both parties;
- combining the Target Company's hotel business, which captures opportunities to open facilities in real estate owned by local governments and other public entities with the perspective of regional revitalization, and ITOCHU's public-private partnership business, which develops public facilities

in collaboration with local governments, to diversify sales methods to local governments and expand business areas; and

- mutual dispatchment of human resources for the purpose of steadily promoting the aforementioned measures.

(Note 6) “Replanning business” refers to a business in which the Target Company purchases existing office buildings in central urban areas, renovates them to transform them into high-quality office buildings with a new concept that embodies customer-oriented needs and superior design, enhances their market value by increasing occupancy rates through tenant leasing based on the locations of such office buildings, and resells them to building owners and investors.

As a result of the aforementioned discussions and consideration, ITOCHU concluded that ITOCHU addressing the Target Company’s funding needs and building a closer capital relationship with the Target Company, and as a specific method therefor, combining a tender offer and a third-party allotment, would be useful as a means to enhance the corporate value of both companies. Therefore, on February 25, 2026, ITOCHU and the Target Company entered into the Capital and Business Alliance Agreement and decided to implement the Transaction and the Capital and Business Alliance.

(II) Process of and Reasons for Decision-Making of Target Company

As stated in “(I) Background, Purpose, and Decision-making Process Leading to Tender Offeror’s Decision to Conduct Tender Offer” above, in February 2025, according to the Target Company, the Target Company was approached by ITOCHU through Daiwa Securities to express its intention to engage in discussions as a strategic partner; therefore, in order to engage in discussions and consideration with ITOCHU, in mid-February 2025, the Target Company appointed Daiwa Securities as a financial advisor independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, and Mori Hamada & Matsumoto (“Mori Hamada & Matsumoto”) as a legal advisor, respectively, and established a system to discuss and consider the establishment of a partnership, including the Transaction.

The Target Company concluded that since the Target Company is expected to have an ongoing need for funds, such as due to land acquisition and construction costs stemming from its future business development, particularly the expansion of the scale of projects and the expansion of business areas in the “Real Estate Revitalization Business” and “Hotel and Tourism Business,” it is desirable not to simply receive capital participation through the market, but to build a stable

capital relationship in the form of a third-party allotment with a strategic partner which can support the business growth of the Target Company from a medium- to long-term perspective while steadily addressing business opportunities in the course of responding to the Target Company's needs for financing. Therefore, the Target Company believed that it would be reasonable to use this method to the extent necessary based on the Target Company's specific business opportunities and demand for funds, while giving consideration to the impact of the third-party allotment on minority shareholders, and the Target Company informed ITOCHU that it considers the Third-Party Allotment to be a desirable method of building a partnership.

Thereafter, after the discussions as stated in "(I) Background, Purpose, and Decision-making Process Leading to Tender Offeror's Decision to Conduct Tender Offer" above, the Target Company received the Letter of Intent from ITOCHU on October 1, 2025. In response, the Target Company informed ITOCHU that it believed that it would be necessary to carefully consider the necessity and appropriateness of the capital increase amount envisaged in the Third-Party Allotment in light of the impact of the large-scale Third-Party Allotment on minority shareholders of the Target Company.

After careful consideration of the Letter of Intent, on October 20, 2025, based on the content of the Letter of Intent, the Target Company informed ITOCHU that while intending to continue practicing the management philosophy it has cultivated since its establishment and wishing to have its managerial autonomy since its founding respected, the Target Company intends, in order to maintain its independence as a listed company, to keep its tradable share ratio at a level that enables it to stably secure a tradable share ratio of 35%, which is required as a maintenance criterion for listing on the Prime Market of the TSE, and as high as possible, to limit the degree of dilution resulting from the capital increase through third-party allotment to a level that would not constitute a third-party allotment involving dilution of 25% or more, which would require obtaining an opinion from an independent third party or confirming shareholders' intent pursuant to Article 432 of the Securities Listing Regulations of the TSE, and, taking into account the impact of dilution on existing shareholders, the Target Company wishes that any issuances of new shares be limited to the minimum necessary in light of its funding needs. In response, on December 16, 2025, the Target Company received from ITOCHU a proposal that ITOCHU build a closer capital relationship with the Target Company and, as a specific method therefor, comprehensively considering the request of the Target Company and the intention of the Shareholder Agreeing to Tender Shares to transfer some of the shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by the Shareholder Agreeing to Tender Shares, combine a tender offer and a third-party allotment in order to secure the opportunity to broadly acquire Target Company Shares from the Target Company's shareholders in addition to the Shareholder Agreeing to Tender Shares, so that ITOCHU may acquire the Target Company Shares necessary to establish a closer capital relationship with the Target Company, while satisfying the requirement of strengthening the Target

Company's financial soundness and meeting the Target Company's demand for funds and taking into account dilution of the Target Company Shares.

The Target Company carefully considered the aforementioned proposal. The Target Company believes that ITOCHU, which is an allottee in the Third-Party Allotment and a non-conglomerate corporation that is one of the world's leading general trading companies, and its group have an abundance of promising human resources, have built a stable profit base characterized by the strengths of non-resource businesses, have an extensive track record in developing new businesses, and have a high brand power and a diverse business portfolio. The Target Company believes that this extensive network, abundant information, and financial strength, when combined with manufacturing capabilities and heartwarming services, which are the differentiating points of the Target Company group, are expected to double business opportunities and create synergies between both company groups. In particular, in terms of business, while the Target Company group has had strengths in one-stop services specializing in the revitalization and utilization of small and medium-sized office buildings in the five central wards of Tokyo (Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward, and Shinjuku Ward), the Target Company believes that the ITOCHU Group has demonstrated its strengths in the development and management of housing, mainly in the Tokyo metropolitan area and the area including Kyoto, Osaka, and Kobe, and has a track record of developing and managing large-scale properties, such as large offices, commercial facilities, and logistics facilities. Besides, the Target Company believes that since ITOCHU's corporate mission, "*Sampo-yoshi*" (Japanese for "good for all three sides": good for the seller, good for the buyer, and good for society), is a concept that emphasizes the provision of value not only to business partners and customers but also to society as a whole, and aims to realize the interests of all parties involved, and ITOCHU's attitude of emphasizing contribution to others has the same goal as "COMPASSION (Altruism)," which is the Target Company group's corporate credo, both companies' cultures have similarities and affinity with one another. In particular, the Target Company believes that it will be able to further expand its business centered on the "Real Estate Revitalization Business," such as the revitalization business of office buildings in the center of Tokyo, by leveraging the strengths of the ITOCHU Group, such as its abundant financial strength, extensive internal and external networks, stable materials and equipment procurement capabilities, advanced capabilities as a major construction company, and extensive experience and overwhelming track record fostered in commercial, distributive, and residential building businesses. The Target Company believed that by entering into the following business alliance, ITOCHU and the Target Company would be able to aim to improve their competitiveness because there is almost no overlap in the existing business fields of both company groups, but rather a complementary relationship, and that by leveraging the aforementioned strengths of the ITOCHU Group, the Target Company would be able to aim to further enhance the Target Company group's corporate value centered on the "Real Estate Revitalization Business" and "Hotel and Tourism Business," and therefore, the Target Company decided to enter into the business alliance:

- expanding investment opportunities by utilizing the know-how and track record that the Target Company has in the replanning business and the group network and financial strength that ITOCHU has (including joint efforts on projects, such as acquisition, revitalization, and development of properties located in areas into which and of a scale to which the Target Company has not been able to expand its business previously);
- increasing hotel opening opportunities by utilizing the Target Company's hotel business development and operation know-how and ITOCHU's development track record of various asset types and real estate value chain and by allocating roles designed to efficiently leverage the respective functions of both parties;
- collaboration aimed at the efficient and multilayered exploration of target real estate, utilizing information networks independently held by each party;
- improving the efficiency of material and equipment procurement in the Target Company's replanning and development business through effective utilization of ITOCHU's supplier and wholesale functions;
- achieving a broader customer approach and expanding opportunities for receiving orders for projects by complementing both parties' real estate management and operation functions;
- collaboration between both parties in the overseas real estate business, and introduction of existing business partners of both parties;
- combining the Target Company's hotel business, which captures opportunities to open facilities in real estate owned by local governments and other public entities with the perspective of regional revitalization, and ITOCHU's public-private partnership business, which develops public facilities in collaboration with local governments, to diversify sales methods to local governments and expand business areas; and
- mutual dispatchment of human resources for the purpose of steadily promoting the aforementioned measures.

According to the Target Company, the Target Company needs to continue to develop new hotels in order to continuously enhance its corporate value, and it is currently developing hotels. A portion of the funds to be procured through the Third-Party Allotment will be used for real estate acquisition for new hotel development, hotel construction costs, etc., which will lead to further expansion of the business. Specifically, the Target Company plans to use approximately 6 billion yen for the expenses associated with the planned development of hotels in Higashi-ginza in Tokyo, Karuizawa Town in Nagano Prefecture, Hakone Town in Kanagawa Prefecture, Atami City in Shizuoka Prefecture, Fujikawaguchiko Town in Yamanashi Prefecture, Ishigaki City in Okinawa Prefecture, etc., in addition to the planned hotel openings during the fiscal year ending March 2027 (in Matsuyama City in Ehime Prefecture, Ozu Town in Kumamoto Prefecture, Utsunomiya City in Tochigi Prefecture, Rokkasho Town in Aomori Prefecture, Toyokawa City in Aichi Prefecture, Sakata City in Yamagata Prefecture, Akita City in Akita Prefecture, and Nago City in Okinawa Prefecture).

In addition, the Target Company is also focusing on the revitalization business for offices in the center of Tokyo and is currently promoting certain projects, and as a joint project based on the business alliance with ITOCHU, the Target Company aims to further expand the scale of the revitalization business for offices in the center of Tokyo. Although funds for land acquisition and construction work costs are also required, by implementing the Third-Party Allotment in addition to the business alliance and using approximately 6.8 billion yen, which is a portion of the procured funds, to meet the demand for funds, the Target Company will further expand the revitalization business for offices in the center of Tokyo and promote the business alliance with ITOCHU more effectively.

As mentioned above, the Target Company believes that since the business alliance will be an effective measure that can maximize the strengths of both company groups and can also respond to the Target Company's need for financing, including those arising as a result of the Capital and Business Alliance through the Third-Party Allotment, it will contribute to enhancement of the Target Company's corporate value and shareholder value in the medium to long term.

As stated above, the Target Company determined that the Third-Party Allotment would meet the Target Company's need for financing that would arise as a result of the Capital and Business Alliance and would also contribute to enhancement of the Target Company's corporate value and shareholder value in the medium to long term and that, at the same time, ITOCHU's building a closer capital relationship with the Target Company by implementing the Tender Offer in addition to the Third-Party Allotment could build a stronger cooperative relationship between both companies and help realize the purpose of the Capital and Business Alliance, which in turn would contribute to further enhancement of the Target Company's corporate value and shareholder value.

Furthermore, regarding the Tender Offer Price, the Target Company was orally notified by ITOCHU that on February 24, 2026, ITOCHU notified the Shareholder Agreeing to Tender Shares that the Tender Offer Price would be set at 2,800 yen; that on the same date, ITOCHU reached an agreement on the Tender Offer Price with the Shareholder Agreeing to

Tender Shares; that some of the shares underlying the share acquisition rights attached to the Bonds With Share Acquisition Rights owned by the Shareholder Agreeing to Tender Shares are expected to be tendered in the Tender Offer; that ITOCHU determined that the price is at a level based on which tenders by minority shareholders of the Target Company in the Tender Offer are also expected to a certain extent; and therefore, that the Tender Offer Price would be set at 2,800 yen, assuming that the final decision would be made by a resolution at ITOCHU's board of directors at the meeting scheduled to be held on February 25, 2026. In response, as a result of detailed consideration of the Tender Offer Price notified by ITOCHU based on advice from Daiwa Securities and Mori Hamada & Matsumoto from the perspective of whether the Tender Offer will contribute to enhancement of the Target Company's corporate value and shareholder value and gives consideration to the protection of the interests of minority shareholders, the Target Company believed that (i) the Tender Offer Price of 2,800 yen exceeds the highest closing price of the Target Company Shares in the past 18 years (the longest period during which the Tender Offer Price has consistently exceeded the market price of the Target Company Shares retrospectively from February 24, 2026, the day immediately preceding the announcement date of the Tender Offer), which is 2,571 yen (February 19, 2026), and is a price that will not cause economic disadvantages for shareholders who acquire the Target Company Shares in the market, that (ii) the opportunity for minority shareholders of the Target Company who wish to sell the Target Company Shares to sell them at an appropriate price has been secured (although there is a possibility that the total number of Tendered Shares may exceed the maximum number of shares to be purchased and that settlement may be made using a pro rata method, even in such a case, minority shareholders of the Target Company who wish to sell the Target Company Shares essentially can sell some of the Target Company Shares held by them in the Tender Offer, and they have opportunities to sell the remaining Target Company Shares that could not be sold in the Tender Offer on the Prime Market of the TSE, if they still wish to sell them, because the Tender Offeror intends to continue to maintain the listing of the Target Company Shares even after the Transaction; on the other hand, if they wish to continue to hold those shares, there are opportunities for them to enjoy the benefits to result from enhancement of the Target Company's corporate value through implementation of measures by the Target Company and ITOCHU), and that (iii) the Tender Offeror intends to maintain the listing of the Target Company Shares even after the Transaction, and minority shareholders of the Target Company who do not wish to sell the Target Company Shares can choose to continue to own the Target Company Shares even after the Transaction, and that through enhancement of the Target Company's corporate value in the medium to long term that would be achieved by the measures to be implemented by the Target Company and ITOCHU, benefits that would exceed the disadvantages caused by dilution of Target Company Shares due to the Third-Party Allotment can be expected. Therefore, the Target Company determined that sufficient consideration is given to protection of the interests of minority shareholders. On the same day, the Target Company replied to the Tender Offeror that it agreed to set the Tender Offer Price at 2,800 yen, assuming that the final decision would be made by a resolution at the board of directors' meeting of the Target Company scheduled to be held

on February 25, 2026. Subsequently, ITOCHU informed the Target Company that, at the board of directors' meeting held on February 25, 2026, it decided to set the Tender Offer Price at 2,800 yen. In response, the Target Company again replied that it accepted the price.

In light of the fact that the Capital and Business Alliance Agreement specifies certain matters that require prior approval, although there is a possibility that the speed of decision-making will be slower than when the Target Company is operated independently, the Target Company believes that the benefits of enhancing both its corporate value and shareholder value by building a closer capital relationship and promoting the aforementioned measures together with ITOCHU are greater. For details of the matters that require prior approval under the Capital and Business Alliance Agreement, please refer to “(F) Matters Requiring Prior Consent” in “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” below.

As a result of such consideration, the Target Company determined that building a closer capital relationship with ITOCHU through the Transaction and further promoting the aforementioned measures would contribute to enhancement of the Target Company's corporate value and shareholder value in the medium to long term, and in light of the fact that the Tender Offer Price is also at a level that gives sufficient consideration to protection of the interests of minority shareholders of the Target Company, at the board of directors' meeting held on February 25, 2026, the Target Company resolved to express its opinion in support of the Tender Offer.

Furthermore, since a maximum number of shares to be purchased has been set for the Tender Offer and the listing of the Target Company Shares is planned to be maintained even after the Tender Offer, it is reasonable for shareholders to choose to hold the Target Company Shares even after the Tender Offer; given that, the Target Company also resolved to leave the decision on whether to tender shares in the Tender Offer up to shareholders.

For details of the Third-Party Allotment, please refer to the Target Company Capital Increase-Related Disclosure Documents as well as “(C) Implementation of Third-Party Allotment” in “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” and “(5) Plan to Acquire Additional Shares After Tender Offer” below.

(III) Management Policy after Tender Offer, etc.

ITOCHU and the Target Company aim to realize their further growth strategy by building a strong capital relationship and collaborating closely with each other after the Transaction. For details, please refer to “(G) Details of Business

Alliance” in “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” below. In addition, ITOCHU and the Target Company hope that the Target Company’s current management and employees, as the core of business operations, will continue to devote themselves to the development of the Target Company’s business.

(3) Matters Concerning Material Agreements Related to Tender Offer

(I) Tender Offer Agreement

The Tender Offeror entered into the Tender Offer Agreement with the Shareholder Agreeing to Tender Shares on February 25, 2026, and it is agreed that the Shares Agreed to Be Tendered will be tendered in the Tender Offer by the day on which 20 business days have elapsed from the commencement date of the Tender Offer. Except for the Tender Offer Agreement, no agreement has been entered into with the Shareholder Agreeing to Tender Shares in connection with the Transaction or the Capital and Business Alliance, and except for payment of the Tender Offer Price, no benefits will be granted in the Tender Offer.

In the Tender Offer Agreement, the following conditions precedent to the obligation of the Shareholder Agreeing to Tender Shares to tender shares in the Tender Offer are provided: (i) the Target Company has passed a resolution of its board of directors for its neutral or supportive opinion regarding the Tender Offer, the contents of which has been made public by the Target Company, and the resolution not been changed (except in the case of changing a neutral or supportive opinion regarding the Tender Offer) or withdrawn; (ii) the Tender Offer by the Tender Offeror has been lawfully commenced in accordance with applicable laws, regulations, etc., and the Tender Offer Period has been maintained (except in the case where the Tender Offer Period is extended pursuant to Article 27-8, Paragraph 8 of the Act as a result of the need to submit an amended statement of the tender offer registration statement due to reasons beyond the control of the Tender Offeror) and not withdrawn; (iii) the representations and warranties of the Tender Offeror specified in the Tender Offer Agreement are true and accurate in material respects; (iv) the Tender Offeror has fulfilled or complied with the obligations to be fulfilled or complied with by it by the commencement date of the Tender Offer based on the Tender Offer Agreement in all material respects; (v) there is no decision, etc. by a judicial or administrative agency restricting or prohibiting the Shareholder Agreeing to Tender Shares from exercising the Bonds With Share Acquisition Rights or tendering shares in the Tender Offer, and there is no specific possibility thereof; (vi) a securities account in the name of

the Shareholder Agreeing to Tender Shares has been opened with Nomura Securities, the tender offer agent, and a record of an increase by the number of the Shares Agreed to Be Tendered or more in the number of Target Company Shares in the securities account has been completed; (vii) the Shareholder Agreeing to Tender Shares is not aware of any material facts regarding the Target Company's business, etc. that have not been disclosed by the Target Company, and as of the commencement date of the Tender Offer, the Tender Offeror is not aware of any material facts regarding the Target Company's business, etc., that have not been disclosed by the Target Company or any fact that a tender offer, etc., will be launched as set forth in Article 167, paragraph 2 of the Act that has not been disclosed by the Tender Offeror, etc.; and (viii) there is no decision, etc., by a judicial or administrative agency restricting or prohibiting the Tender Offer, and there is no specific possibility thereof. However, the Shareholder Agreeing to Tender Shares may, at its discretion, waive its right to assert non-fulfillment of all or part of those conditions.

(Note 1) The Tender Offeror has represented and warranted the following to the Shareholder Agreeing to Tender Shares, on the date of execution of the Tender Offer Agreement and the commencement date of settlement for the Tender Offer: (i) its lawful and valid establishment and existence; (ii) its authority and ability to enter into the Tender Offer Agreement; (iii) validity and enforceability of the Tender Offer Agreement; (iv) non-existence of violations of laws and regulations regarding execution and performance of the Tender Offer Agreement; (v) implementation of procedures related to execution and performance of the Tender Offer Agreement; (vi) non-existence of insolvency proceedings, etc.; (vii) non-applicability of antisocial forces and absence of relationships with antisocial forces; and (viii) non-recognition of undisclosed material facts.

(Note 2) Under the Tender Offer Agreement, the Tender Offeror has (i) an obligation to give notice if a breach of any of its representations or warranties or a possibility of non-fulfillment of the conditions precedent to the obligation of the Shareholder Agreeing to Tender Shares to tender shares in the Tender Offer is found, and (ii) a confidentiality duty.

Furthermore, if the Shareholder Agreeing to Tender Shares receives a legally binding, specific, and feasible proposal from a person other than the Tender Offeror that the person conduct a tender offer for the Target Company Shares at a tender offer price that exceeds the Tender Offer Price (a "Counter Proposal") by four business days before the last day of the purchase period for the Tender Offer (the "Tender Offer Period"), the Shareholder Agreeing to Tender Shares may request a discussion with the Tender Offeror to change the Tender Offer Price. If, even after such discussion between the Tender Offeror and the Shareholder Agreeing to Tender Shares, the Tender Offeror fails to change the Tender Offer Price to an amount equal to or greater than the tender offer price pertaining to the Counter Proposal by (i) the day on which five business days have elapsed from the date of the request for discussion or the date of notification pertaining to the discussion or (ii) the day immediately preceding the last day of the Tender Offer Period, whichever comes earlier, the

Shareholder Agreeing to Tender Shares will not be obligated to tender the Shares Agreed to Be Tendered in the Tender Offer or may withdraw its tender in the Tender Offer and accept the Counter Proposal (the “Fiduciary Out Provisions”).

In addition, (a) the Shareholder Agreeing to Tender Shares has, until the commencement date of the Tender Offer, the obligation (i) not to make any agreements with a person other than the Tender Offeror et al. concerning a transaction that materially competes, contradicts, or conflicts with the Transaction or the Capital and Business Alliance or is likely to make the implementation of the Transaction or the Capital and Business Alliance difficult (a “Conflicting Transaction”) or accept such a Conflicting Transaction, (ii) not to provide any information regarding the Target Company or other information to any person other than the Tender Offeror et al. for the purpose of promoting a Conflicting Transaction, and (iii) not to offer or solicit an offer for a Conflicting Transaction or hold any discussions or negotiations in relation to a Conflicting Transaction, (b) if the Shareholder Agreeing to Tender Shares receives a proposal for a Conflicting Transaction from a third party or becomes aware of the existence of such a Conflicting Transaction, the Shareholder Agreeing to Tender Shares has, until the commencement date of settlement for the Tender Offer, the obligation to notify the Tender Offeror to that effect and the content of the proposal as promptly as practically possible, and to discuss in good faith with the Tender Offeror the response to the proposal, and (c) if the Tender Offer is successfully completed, the Target Company holds a shareholders meeting with a record date for exercising rights before the commencement date of settlement for the Tender Offer, and the Shareholder Agreeing to Tender Shares is able to exercise its voting rights at the shareholders meeting, the Shareholder Agreeing to Tender Shares has the obligation to comply with the Tender Offeror’s reasonable instructions regarding the exercise of voting rights at the shareholders meeting pertaining to the Target Company Shares purchased through the Tender Offer from among the Shares Agreed to Be Tendered. However, if the Shareholder Agreeing to Tender Shares is not obligated to tender the Shares Agreed to Be Tendered in the Tender Offer under the Fiduciary Out Provisions, it will not have the obligations mentioned in (a) and (b) of this paragraph.

In addition, the “Subscription Agreement” dated September 20, 2023, between the Shareholder Agreeing to Tender Shares and the Target Company, which was executed when the Shareholder Agreeing to Tender Shares subscribed for the Bonds With Share Acquisition Rights in connection with a business alliance between the Target Company and Advantage Partners Inc., which is the service provider of the Shareholder Agreeing to Tender Shares, provides that completion of discussion between the Target Company and the Shareholder Agreeing to Tender Shares and acquisition of consent, etc., of the Shareholder Agreeing to Tender Shares (the “Shareholder Agreeing to Tender Shares Consent, Etc.”) that are required in implementing the Transaction and the Capital and Business Alliance shall be confirmed, and that such consent, etc., shall not be changed or withdrawn. However, if, before the Third-Party Allotment is implemented, (i) (a) the main conditions for the Third-Party Allotment are changed or (b) conditions other than the main conditions for the Third-Party Allotment are changed and implementation of the Third-Party Allotment results in irreparable disadvantages for the

Shareholders Agreeing to Tender Shares, or (ii) if, due to a change in the conditions for the Capital and Business Alliance, implementation of the Transaction and the Capital and Business Alliance results in irreparable disadvantages for the Shareholders Agreeing to Tender Shares, the Shareholders Agreeing to Tender Shares may change or withdraw the Shareholder Agreeing to Tender Shares Consent, Etc., after discussion with the Target Company.

(II) Capital and Business Alliance Agreement

ITOCHU entered into the Capital and Business Alliance Agreement with the Target Company on February 25, 2026. In the Capital and Business Alliance Agreement, it is agreed that: (i) ITOCHU will subscribe for all of the 5,500,000 shares of common stock issued by the Target Company through the Third-Party Allotment at 2,438 yen per share as the payment amount, with April 1, 2026 as the payment date, and that (ii) by combining the resources and know-how of ITOCHU and the Target Company to expand their existing businesses and develop new ones, both parties will enter into a business alliance with the aim of enhancing the corporate value of both companies in the medium to long term.

An outline of the Capital and Business Alliance Agreement is as described below.

(A) Purpose

The purpose of the Capital and Business Alliance Agreement is, on the basis of practicing the management philosophy that the Target Company has cultivated since its establishment, respecting its managerial autonomy since its establishment, and maintaining its independence as a listed company, to enhance the corporate value of both parties in the medium to long term (i) by building a capital relationship between ITOCHU and the Target Company by having ITOCHU acquire Target Company Shares through the Transaction, (ii) by combining the resources and know-how of ITOCHU and the Target Company, and (iii) by expanding their existing businesses and develop new ones.

(B) Matters Related to Tender Offer

The Target Company shall resolve to support the Tender Offer at the Target Company's board of directors meeting to be held on the date of execution of the Capital and Business Alliance Agreement (the "Endorsement Resolution") and publicly announce the content thereof in accordance with laws, regulations, etc.

The Target Company shall maintain the Endorsement Resolution, and shall not change or withdraw it or pass a resolution contradictory to the Endorsement Resolution, from the date of execution of the Capital and Business Alliance Agreement until the last day of the Tender Offer Period. However, if the Target Company receives a Competitive Proposal, Etc. (as defined in "(D) Exclusive Negotiation Obligation" below) from a person other than ITOCHU and, even after discussion with ITOCHU, the Target Company's board of directors reasonably determines that expressing an opinion in support of the Tender Offer is highly likely to constitute a breach of the duty of care of a prudent manager of the Target Company's directors, then the Target Company may change or withdraw the Endorsement Resolution.

(C) Implementation of Third-Party Allotment

The Target Company shall implement the Third-Party Allotment, and ITOCHU shall subscribe for the common shares issued by the Target Company on the condition that the notification of the Target Company Securities Registration Statement submitted by the Target Company in connection with the Third-Party Allotment in accordance with the Financial Instruments and Exchange Act has come into effect.

ITOCHU's payment related to the Third-Party Allotment is subject to fulfillment of all of the following conditions precedent provided in the Capital and Business Alliance Agreement: (i) the representations and warranties of the Target Company (Note 1) are true and accurate in material respects; (ii) the Target Company has fulfilled or complied with the obligations to be fulfilled or complied with by it by the time of the payment related to the Third-Party Allotment in material respects; (iii) the Target Company Securities Registration Statement has come into effect lawfully and validly and continues to exist lawfully and validly; (iv) the share subscription agreement related to the Third-Party Allotment has been lawfully and validly entered into, and continues to exist lawfully and validly without any change; (v) there is no decision, etc. by a judicial or administrative agency restricting or prohibiting the implementation of the Third-Party Allotment or the Capital and Business Alliance, there is no lawsuit, etc. restricting or prohibiting the Third-Party Allotment or the Capital and Business Alliance or contesting the validity thereof, and there is no petition for such lawsuits,

etc. (except for those that are abusive and without reasonable grounds); (vi) the Target Company has passed a board of directors resolution approving the Third-Party Allotment, which has not been changed or withdrawn, such resolution continues to be effective validly, and ITOCHU has received a copy of the minutes of the board of directors' meeting related to the said resolution of the board of directors; (vii) the Target Company has obtained from the Shareholder Agreeing to Tender Shares the Shareholder Agreeing to Tender Shares Consent, Etc., and such consent, etc. is valid and has not been changed or withdrawn by the time of the payment related to the Third-Party Allotment; and (viii) no cause or event that could materially adversely affect the financial condition, results of operations, cash flows, business, assets, or liabilities of the Target Company group has occurred or is known. Even if such conditions precedent are not met, ITOCHU will not be prevented from making the payment related to the Third-Party Allotment at its discretion.

The Target Company's issuance of shares related to the Third-Party Allotment is subject to fulfillment of all of the following conditions precedent: (i) the representations and warranties of ITOCHU (Note 2) are true and accurate in material respects; (ii) ITOCHU has fulfilled or complied with the obligations to be fulfilled or complied with by it by the time of the payment related to the Third-Party Allotment in material respects; (iii) the Target Company Securities Registration Statement has come into effect lawfully and validly and continues to exist lawfully and validly; (iv) the share subscription agreement related to the Third-Party Allotment has been lawfully and validly entered into, and continues to exist lawfully and validly without any change; and (v) there is no decision, etc. by a judicial or administrative agency restricting or prohibiting the implementation of the Third-Party Allotment or the Capital and Business Alliance, there is no lawsuit, etc. restricting or prohibiting the Third-Party Allotment or the Capital and Business Alliance or contesting the validity thereof, and there is no petition for such lawsuits, etc. (except for those that are abusive and without reasonable grounds). Even if such conditions precedent are not met, the Target Company will not be prevented from issuing shares related to the Third-Party Allotment at its discretion.

Pursuant to Article 124, paragraph 4 of the Companies Act, the Target Company shall, at the shareholders meeting to be held on or after the date of execution of the Capital and Business Alliance Agreement, and with a record date for exercising rights on or before the day preceding the day on which the payment for the Third-Party Allotment is made, affirm that ITOCHU may exercise its voting rights pertaining to the Target Company Shares issued through the Third-Party Allotment.

(Note 1) In the Capital and Business Alliance Agreement, on the date of execution of the Capital and Business Alliance Agreement and the date of the payment related to the Third-Party Allotment, the Target Company has represented and warranted the following to the Tender Offeror as representations and warranties concerning the Target Company: (i) its lawful and valid establishment and existence; (ii) its authority and ability to enter into the Capital and Business Alliance Agreement; (iii) validity and enforceability of the Capital and Business

Alliance Agreement; (iv) non-existence of violations of laws and regulations regarding execution and performance of the Capital and Business Alliance Agreement; (v) implementation of procedures related to execution and performance of the Capital and Business Alliance Agreement; (vi) non-existence of insolvency proceedings, etc.; and (vii) non-applicability of antisocial forces and absence of relationships with antisocial forces. The Target Company also represented and warranted the following to the Tender Offeror as representations and warranties concerning the Target Company group: (a) its lawful and valid establishment, existence, and scope; (b) non-existence of insolvency proceedings, etc.; (c) its lawful and valid issuance and existence of shares, etc.; (d) appropriateness and accuracy of its financial statements; (e) non-existence of subsequent events on or after October 1, 2025; (f) lawful and valid execution and survival of agreements, etc.; (g) scope of related-party transactions; (h) absence of debt guarantees; (i) lawful and valid ownership, rights of use, and usufructs of material assets; (j) lawful and valid ownership and rights of use of material intellectual property rights; (k) lawful and valid ownership, rights of use, and usufructs of material systems; (l) thorough information security; (m) acquisition of business-related licenses and permits; (n) payment, etc. of taxes and other public charges, etc.; (o) non-existence of violations of laws or regulations; (p) compliance with labor-related laws and regulations; (q) non-existence of lawsuits and disputes; (r) compliance with environment-related laws and regulations; (s) enrollment in insurance; (t) non-applicability of antisocial forces and absence of relationships with antisocial forces; (u) non-existence of payments to brokers or advisors; and (v) accuracy and sufficiency of information disclosure.

(Note 2) In the Capital and Business Alliance Agreement, on the date of execution of the Capital and Business Alliance Agreement and the date of the payment related to the Third-Party Allotment, the Tender Offeror has represented and warranted the following to the Target Company as representations and warranties concerning the Tender Offeror: (i) its lawful and valid establishment and existence; (ii) its authority and ability to enter into the Capital and Business Alliance Agreement; (iii) validity and enforceability of the Capital and Business Alliance Agreement; (iv) non-existence of violations of laws and regulations regarding execution and performance of the Capital and Business Alliance Agreement; (v) implementation of procedures related to execution and performance of the Capital and Business Alliance Agreement; (vi) non-existence of insolvency proceedings, etc.; (vii) securing funds for the payment for the Third-Party Allotment; and (viii) non-applicability of antisocial forces and absence of relationships with antisocial forces.

(D) Exclusive Negotiation Obligation

The Target Company shall not, directly or indirectly, provide information, make a proposal, make a solicitation, hold a discussion, engage in negotiation, or implement a transaction to/with any third party in connection with a capital alliance, share transfer, merger, company split, share exchange, share transfer, share delivery, transfer of all or part of business, or any other similar transaction that may be contradictory to or conflict with the Transaction or the Capital and Business Alliance (a “Conflicting Transaction, Etc.”) from the date of execution of the Capital and Business Alliance Agreement to the payment related to the Third-Party Allotment (the “Exclusive Negotiation Obligation”).

In addition, if the Target Company becomes aware that a third party has made a proposal or solicitation to the Target Company group in connection with a Conflicting Transaction, Etc. (a “Competitive Proposal, Etc.”), it shall immediately notify ITOCHU of the details and discuss the response with ITOCHU in good faith. If a Competitive Proposal, Etc. is made and, even after such discussion between the Target Company and ITOCHU, the Target Company’s board of directors reasonably determines that failure to consider the Competitive Proposal, Etc. may constitute a breach of the duty of care of a prudent manager of the Target Company’s directors and the Target Company notifies ITOCHU to that effect in writing, then the Target Company will not have the Exclusive Negotiation Obligation.

(E) Right to Recommend Director Candidates

ITOCHU reserves the right to recommend one person to the Target Company as a candidate for director proposed by the Target Company at the shareholders meeting of the Target Company to be held on or after the date of the payment related to the Third-Party Allotment, and the Target Company shall consider in good faith whether the recommended person should be a candidate for director at the nomination and remuneration committee.

In addition, during the period when the person recommended by ITOCHU is not a director, in principle, ITOCHU may have one person nominated by it participate as an observer in the board of directors’ meetings of the Target Company and have the person sit in on those meetings.

(F) Matters Requiring Prior Consent

If the percentage of voting rights in the Target Company held by ITOCHU and its subsidiaries is 5% or more, the Target Company, in principle, shall not decide or implement, and shall not have its subsidiaries decide or implement, either of the following acts on or after the date of the payment related to the Third-Party Allotment, without ITOCHU's prior written consent:

- (I) issuance or disposal of shares, etc. of the Target Company, which reduces the ratio of the number of voting rights pertaining to the Target Company's shares owned by ITOCHU and its subsidiaries to the total number of voting rights pertaining to the Target Company's issued shares, or execution of an agreement related to such an act; or
- (II) the Target Company's or its subsidiaries' act of entering into (i) a business alliance that is contradictory to or conflicts with the business alliance as set forth in "(G) Details of Business Alliance" (the "Business Alliance") (however, including real estate development that is implemented by forming a joint venture with a specific third party group, and sale of real estate to a specific third party group after making it a vacant lot (meaning a lot that has become vacant or for which no lessee exists), that exceeds a certain scale) or (ii) a business alliance with a company that ITOCHU and the Target Company separately agree to be a competitor of ITOCHU or a subsidiary of such company (however, limited to a company engaging in real estate revitalization business, real estate services business, or hotel and tourism business) (in both cases, including execution of an agreement related to such an act).

(G) Details of Business Alliance

ITOCHU and the Target Company shall enter into the following business alliance in order to pursue business synergies between both parties, the details of which shall be decided separately after discussions between both parties:

- (I) expanding investment opportunities by utilizing the know-how and track record that the Target Company has in the replanning business and the group network and financial strength that ITOCHU has (including joint efforts on projects, such as acquisition, revitalization, and development of properties located in areas into which and of a scale to which the Target Company has not been able to expand its business previously);
- (II) increasing hotel opening opportunities by utilizing and mutually linking the Target Company's hotel business development and operation know-how and ITOCHU's development track record of various asset types and real estate value chain;
- (III) collaboration in sourcing of land and buildings utilizing both parties' networks;
- (IV) improving the efficiency of material and equipment procurement in the Target Company's replanning and development business through effective utilization of ITOCHU's supplier and wholesale functions;
- (V) achieving a broader customer approach and expanding opportunities for receiving orders for projects by complementing both parties' real estate management and operation functions;
- (VI) collaboration between both parties in the overseas real estate business, and introduction of existing business partners of both parties;
- (VII) combining the Target Company's hotel business with the perspective of regional revitalization and ITOCHU's public-private partnership business to diversify sales methods to local governments and expand business areas;
- (VIII) mutual dispatchment of human resources for the purpose of steadily promoting the aforementioned measures; and
- (IX) other matters agreed between both parties.

ITOCHU and the Target Company shall establish a partnership promotion committee composed of persons nominated by each party for the purpose of discussing the consideration and implementation of the business alliance described in (B) above.

(H) Effect

Among the aforementioned provisions, (E), (F), and (G) shall come into effect on condition that the Third-Party Allotment has been completed lawfully and validly.

(I) Termination Events

The Capital and Business Alliance Agreement shall be terminated if payment is not made on the payment date for the Third-Party Allotment, if it is cancelled by ITOCHU or the Target Company pursuant to the Capital and Business Alliance Agreement (Note 3), or if ITOCHU and the Target Company agree in writing to terminate the Capital and Business Alliance Agreement.

(Note 3) Under the Capital and Business Alliance Agreement, ITOCHU and the Target Company may cancel the Capital and Business Alliance Agreement by notifying the other party in writing, before payment for the Third-Party Allotment: (i) if there is a breach of the other party's representations and warranties in any material respect, (ii) if there is a breach of or default on the other party's contractual obligations in any material respect and such breach or default is not cured despite written demand, or (iii) if the other party files a petition for commencement of insolvency proceedings, etc.; after payment for the Third-Party Allotment: (a) if there is a breach of the other party's representations and warranties that has a material adverse effect on implementation of the Business Alliance, (b) if there is a breach of or default on the other party's contractual obligations that has a material adverse effect on implementation of the Business Alliance, and such breach or default is not cured by the date on which 14 days have elapsed after written demand, (c) if the other party files a petition for commencement of insolvency proceedings, etc., or (d) if ITOCHU ceases to own any shares of the Target Company.

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

As of today, the Target Company is not a subsidiary of the Tender Offeror et al., and the Tender Offer does not constitute a tender offer by a controlling shareholder; however, the Tender Offeror et al. and the Target Company have taken the following measures to ensure the fairness of the Tender Offer Price and to eliminate any arbitrariness in the decision-making process leading to the decision to implement the Tender Offer.

The measures taken by the Target Company described below are based on the explanation by the Target Company.

(I) Receipt by ITOCHU of Stock Valuation Report from Independent Third-Party Valuation Agency

Before deciding the Tender Offer Price, ITOCHU requested that KPMG, as a third-party valuation agency independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, calculate the value of the Target Company Shares. KPMG is not a related party of the Tender Offeror et al., the Target Company, or the Shareholder Agreeing to Tender Shares, nor does it have any material interest in the Tender Offer. The remuneration for KPMG consists of only fixed fees and hourly-based fees to be paid regardless of the success or failure of the Transaction, without any contingency fees subject to successful completion of the Transaction.

For details of the stock valuation report regarding the Target Company's share value that ITOCHU obtained from KPMG on February 24, 2026 (the "Stock Valuation Report"), please refer to "(I) Basis for Valuation" in "(4) Basis for Valuation of Tender Offer Price" in "3. Overview of Tender Offer" below.

(II) Receipt by Target Company of Advice from Independent Legal Advisor

In order to ensure transparency and fairness in the decision-making process by the Target Company's board of directors regarding the Transaction, the Target Company appointed Mori Hamada & Matsumoto as an external legal advisor independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares, and received advice on the method and process of decision-making by the Target Company's board of directors regarding the

Transaction, as well as other points to note. The remuneration for Mori Hamada & Matsumoto consists of only hourly-based fees to be paid regardless of the success or failure of the Transaction, without any contingency fees subject to successful completion of the Transaction.

(III) Approval of All Target Company Attending Directors (Including Directors Who Are Audit and Supervisory Committee Members) Without Conflicts of Interest

At the board of directors' meeting held on February 25, 2026, among the ten directors of the Target Company, nine directors, excluding one director who was absent for personal reasons, participated in the deliberations pertaining to the Tender Offer, and the Target Company resolved, by unanimous agreement of the directors (including directors who are audit and supervisory committee members) who participated therein, to express an opinion in support of the Tender Offer and leave the decision on whether to tender shares in the Tender Offer up to shareholders based on the reasons stated in “(II) Process of and Reasons for Decision-Making of Target Company” in “(2) Background, Purpose, and Decision-Making Process Leading to Implementation of Tender Offer, and Management Policy Following Tender Offer” above.

Among the three audit and supervisory committee members, two audit and supervisory committee members, excluding Mr. Shinichi Tominaga who was absent for personal reasons, expressed their opinion that they had no objection to the aforementioned resolution.

(IV) Securement of Objective Situation that Ensures Fairness of Tender Offer

The Tender Offeror has set the Tender Offer Period at 30 business days, which is longer than 20 business days, the minimum period provided by laws and regulations. The Tender Offeror intends to ensure the appropriateness of the Tender Offer by setting the Tender Offer Period longer than the minimum period provided by laws and regulations, thereby ensuring an appropriate period for shareholders of the Target Company to make a decision on whether to tender their shares in the Tender Offer, as well as by securing an opportunity for any person other than the Tender Offeror to make a counter-offer for the Target Company Shares.

(5) Plan to Acquire Additional Shares After Tender Offer

According to the Target Company Capital Increase-Related Disclosure Documents, the Target Company, at the board of directors' meeting held on February 25, 2026, resolved to conduct the Third-Party Allotment (5,500,000 shares of common stock, payment amount per share of 2,438 yen, and total amount of 13,409,000,000 yen), for which the payment date is April 1, 2026, and in which the allottee is ITOCHU. In the Capital and Business Alliance Agreement, ITOCHU has agreed to subscribe for all of the 5,500,000 shares of common stock (Ownership Ratio: 9.98%; Ownership Ratio After Capital Increase: 9.07%) issued by the Target Company through the Third-Party Allotment, with April 1, 2026 as the payment date. Since the purpose of the Third-Party Allotment is for ITOCHU to acquire the Target Company Shares in order to build a closer capital relationship with the Target Company, while meeting the Target Company's demand for funds, to implement the Capital and Business Alliance, the Third-Party Allotment is not conditional on the success or failure of the Tender Offer and will be implemented regardless of the success or failure of the Tender Offer.

According to the Target Company Capital Increase-Related Disclosure Documents, the aforementioned payment amount is equal to or greater than the amount obtained by multiplying the closing price of the Target Company Shares on the Prime Market of the TSE on the business day immediately preceding the date of the resolution by the Target Company's board of directors concerning the Third-Party Allotment by 0.9, and complies with the "Guidelines for Handling of Allotment of New Shares to Third Party" published by the Japan Securities Dealers Association (JSDA). Therefore, the Target Company has determined that the aforementioned payment amount is not particularly advantageous to ITOCHU, a scheduled allottee.

In addition, while the Tender Offer Price is 2,800 yen, the Third-Party Allotment Payment Amount is 2,438 yen, which is the simple average closing price of the Target Company Shares on the Prime Market of the TSE during the three-month period up to and including the business day immediately preceding the announcement. As a result, there is a difference between the Tender Offer Price and the Third-Party Allotment Payment Amount. This is because, although the Third-Party Allotment and the Tender Offer constitute a series of integrated transactions aimed at establishing a closer capital relationship with the Target Company while meeting the Target Company's demand for funds, the Tender Offer is a transaction with the Target Company's shareholders, in which the Tender Offeror acquires Target Company Shares by paying cash to such shareholders, whereas the Third-Party Allotment is a transaction with the Target Company, in which the Tender Offeror acquires Target Company Shares by paying cash to the Target Company, and therefore the nature of the transactions differs, resulting in different considerations to be applied. Specifically, with respect to the Tender Offer, there exists a possibility that a sufficient number of Target Company Shares may not be tendered at a level at which ITOCHU can stably treat the Target Company as an equity-method affiliate. Accordingly, it is important to

enhance the likelihood of Target Company's shareholders tendering their shares, and ITOCHU considers it necessary to offer a sufficient premium over the market price, taking into account trends in the market price of the Target Company Shares. In addition, while shareholders who do not tender their shares in the Tender Offer may enjoy benefits from enhancement of the Target Company's corporate value through the realization of synergies arising from the establishment of a closer capital relationship between the Tender Offeror and the Target Company after the Tender Offer, shareholders who tender their shares in the Tender Offer will not be able to enjoy those benefits after selling their shares. Accordingly, ITOCHU also considers that it is necessary, by having the Tender Offer Price include a premium, to distribute a portion of such synergies from the Tender Offeror to the Target Company's shareholders who sell their Target Company Shares in the Tender Offer. For these reasons, taking into account factors such as the outlook for tenders, the distribution of synergies, and the results of discussions with the Shareholder Agreeing to Tender Shares, the Tender Offeror determined the Tender Offer Price to be 2,800 yen, as described above (representing a premium of 8.95% over the closing price of 2,570 yen of the Target Company Shares on the Prime Market of the TSE on the business day immediately preceding the announcement date of the Tender Offer).

In addition, since it was necessary to meet the Target Company's business demand for funds in implementing the Capital and Business Alliance, it is a given premise that ITOCHU will implement the Third-Party Allotment when acquiring the Target Company Shares. Therefore, ITOCHU did not specifically consider acquiring the Target Company Shares in a number that it seeks to acquire in the Transaction through a tender offer alone.

It is currently undecided whether additional Target Company Shares will be acquired after implementation of the Transaction, and there is a possibility that the Tender Offeror et al. may reconsider acquiring additional Target Company Shares after implementation of the Transaction; however, at present, the timing and conditions thereof have not been considered.

(6) Possibility of Delisting and Reasons Thereof

As of today, the Target Company Shares are listed on the Prime Market of the TSE. The Tender Offer is not intended to delist the Target Company Shares, and the Tender Offeror has set the maximum number of shares to be purchased at 6,656,900 shares (Ownership Ratio: 12.07%; Ownership Ratio After Capital Increase: 10.98%; as stated in "(5) Plan to Acquire Additional Shares After Tender Offer" above, even if the Tender Offer is successfully completed and payment for the Third-Party Allotment is completed, the Ownership Ratio After Capital Increase of the total number of Target Company Shares to be owned by the Tender Offeror et al. after the Transaction will be 20.05% at the maximum).

Therefore, the Tender Offeror intends to maintain the listing of the Target Company Shares on the Prime Market of the TSE even after the Tender Offer.

3. Overview of Tender Offer

(1) Target Company Overview

(I)	Name	Sun Frontier Fudousan Co., Ltd.	
(II)	Location	1-2-2 Yurakucho, Chiyoda-ku, Tokyo	
(III)	Title and Name of Representative	Seiichi Saito, President & CEO	
(IV)	Description of Business Activities	Real estate revitalization business, real estate services business, hotel and tourism business	
(V)	Capital	11,965 million yen (as of December 31, 2025)	
(VI)	Date of Incorporation	April 8, 1999	
(VII)	Major Shareholders and Ownership Ratio (as of September 30, 2025)	HOUON Co., Ltd	38.03%
		The Master Trust Bank of Japan, Ltd. (Trust Account)	9.51%
		Custody Bank of Japan, Ltd. (Trust Account)	5.71%
		Tomoaki Horiguchi	5.11%
		STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.31%

	<p>THE BANK OF NEW YORK MELLON 140044 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department) 1.24%</p> <p>DFA INTL SMALL CAP VALUE PORTFOLIO (standing proxy: Citi Bank, N.A., Tokyo Branch) 1.00%</p> <p>STATE STREET BANK AND TRUST COMPANY 505103 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department) 0.97%</p> <p>Keiko Horiguchi 0.86%</p> <p>Sun Frontier Employee Stock Ownership Association 0.83%</p>								
(VIII)	Relationship between Tender Offeror and Target Company								
	<table border="1"> <tr> <td>Capital Relationship</td> <td>N/A</td> </tr> <tr> <td>Personnel Relationship</td> <td>N/A</td> </tr> <tr> <td>Transactional Relationship</td> <td>Investment corporations and private funds managed by ITOCHU REIT Management Co., Ltd., a subsidiary of ITOCHU, conduct transactions of purchasing real estate from the Target Company. In addition, ITOCHU KENZAI Corporation, a subsidiary of ITOCHU, conducts transactions of selling construction materials to the Target Company.</td> </tr> <tr> <td>Status as Related Parties</td> <td>N/A</td> </tr> </table>	Capital Relationship	N/A	Personnel Relationship	N/A	Transactional Relationship	Investment corporations and private funds managed by ITOCHU REIT Management Co., Ltd., a subsidiary of ITOCHU, conduct transactions of purchasing real estate from the Target Company. In addition, ITOCHU KENZAI Corporation, a subsidiary of ITOCHU, conducts transactions of selling construction materials to the Target Company.	Status as Related Parties	N/A
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Status as Related Parties	N/A								

(Note) “(VII) Major Shareholders and Ownership Ratio (as of September 30, 2025)” is based on “Major Shareholders” as stated in the semi-annual securities report for the 27th term submitted by the Target Company on November 11, 2025.

(2) Schedule, etc.

(I) Schedule

Date of Board of Directors Resolution	February 25, 2026 (Wednesday)
Date of Public Notice of Commencement of Tender Offer	February 26, 2026 (Thursday) Electronic public notice will be issued, and notice to that effect will be posted in the Nikkei. (URL for electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Date for Filing of Tender Offer Registration Statement	February 26, 2026 (Thursday)

(II) Tender Offer Period Originally Specified in Registration Statement

From February 26, 2026 (Thursday) to April 9, 2026 (Thursday) (30 business days)

(III) Possibility of Extension upon Request of Target Company

N/A

(3) Tender Offer Price

2,800 yen per share of common stock

(4) Basis for Valuation of Tender Offer Price

(I) Basis for Valuation

In connection with the determination of the Tender Offer Price, ITOCHU requested that KPMG calculate the value of the Target Company Shares as a third-party valuation agency independent from the Tender Offeror et al., the Target Company, and the Shareholder Agreeing to Tender Shares. KPMG is not a related party of the Tender Offeror et al., the Target Company, or the Shareholder Agreeing to Tender Shares, nor does it have any material interest in the Tender Offer.

Having considered several methods for the valuation of the share price of the Target Company Shares, KPMG performed such valuation using (i) an average share price analysis, in light of the fact that the Target Company Shares are listed on the Prime Market of the TSE and have an observable market price, and (ii) the discounted cash flow analysis (the “DCF Analysis”) to reflect the status of the future business activities in the valuation. ITOCHU received the Stock Valuation Report from KPMG on February 24, 2026. ITOCHU has not obtained any opinion from KPMG concerning the fairness of the Tender Offer Price (known as a “fairness opinion”), as the Tender Offeror et al. and the Target Company implemented measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest.

The ranges of value per share of the Target Company Shares based on the valuation methods used are as follows:

Average share price analysis : 2,382 yen to 2,570 yen

DCF Analysis : 2,486 yen to 3,033 yen

In performing the average share price analysis, KPMG set February 24, 2026, the business day immediately preceding the date of the resolution by ITOCHU’s board of directors concerning the Tender Offer, as the base date. Based on the closing price per share of the Target Company Shares of 2,570 yen on the Prime Market of the TSE on such date, a simple average closing price of 2,472 yen for the latest one-month period ending on the same day (from January 26, 2026 to February 24, 2026); a simple average closing price of 2,439 yen for the latest three-month period ending on the

same day (from November 25, 2025 to February 24, 2026); and a simple average closing price of 2,382 yen for the latest six-month period ending on the same day (from August 25, 2025 to February 24, 2026), KPMG determined the range of value per share of the Target Company Shares under average share price analysis to be 2,382 yen to 2,570 yen.

In performing the DCF Analysis, based on the Target Company's financial forecast for the fiscal year ending March 2026 to the fiscal year ending March 2031 that ITOCHU adjusted based on the results of the due diligence conducted on the Target Company, other publicly available information, and various other factors, KPMG calculated the range of value per share of the Target Company by discounting the equity cash flow expected to be generated by the Target Company in the fiscal year ending March 2026 and thereafter to the present value by a certain range of discount rates, and dividing the resulting equity value by the number of shares of the Target Company. KPMG determined the range of value per share of the Target Company Shares under DCF Analysis to be 2,486 yen to 3,033 yen. In calculating the value per share of the Target Company Shares, the Base Number of Shares Before Capital Increase was used as the number of shares of the Target Company. In addition, the synergy effects expected to be realized through the Tender Offer are not reflected, as it is currently difficult to specifically estimate such synergies.

The financial forecast used as the basis of the DCF Analysis by KPMG does not include fiscal years for which significant increases or decreases in operating profit are expected. However, the forecast includes fiscal years for which significant increases or decreases in equity cash flows are expected. Specifically, in the fiscal year ending March 2026, an increase in equity cash flow is expected due to an increase in borrowings for the purchase of real estate; in the fiscal year ending March 2027, a decrease in equity cash flow is expected due to an increase in the purchase of real estate; in the fiscal year ending March 2028, a decrease in equity cash flow is expected due to an increase in repayment of borrowings; and in the fiscal year ending March 2029, an increase in equity cash flow is expected due to an increase in the sale of real estate and an increase in borrowings related to the purchase of additional real estate.

(Note) In calculating the value of the Target Company Shares, KPMG has, in principle, relied upon the materials and information provided by ITOCHU and the Target Company, as well as publicly available information, assuming that all such materials and information are accurate and complete and that there are no undisclosed facts that would have a material impact on the valuation of the Target Company Shares. KPMG has not independently verified the accuracy or completeness of such information. Furthermore, KPMG has not conducted any independent evaluation or appraisal of individual assets and liabilities (including any off-balance-sheet assets, liabilities and other contingent liabilities) of the Target Company, nor has it requested any third party to conduct an evaluation or assessment. In addition, regarding the information concerning the Target Company's financial forecasts, KPMG has assumed that such financial forecasts have been reasonably prepared based on the best forecasts and judgments currently available to the Tender Offeror et al. The

valuation of the Target Company Shares reflects information available and economic conditions existing as of February 24, 2026.

In addition to the calculation results in the Stock Valuation Report obtained from KPMG on February 24, 2026, ITOCHU comprehensively considered the results of due diligence conducted by ITOCHU on the Target Company, whether the Target Company's board of directors approved the Tender Offer, trends in the market price of the Target Company Shares, prospects of tenders in the Tender Offer, and whether the Tender Offer provides a reasonable sale opportunity for shareholders of the Target Company, and based on the results of the discussions with the Shareholder Agreeing to Tender Shares and other matters, ITOCHU, at the board of directors' meeting held on February 25, 2026, decided to set the Tender Offer Price at 2,800 yen per share.

The Tender Offer Price of 2,800 yen per share includes the following premiums: 8.95% on 2,570 yen, which was the closing price of the Target Company Shares on the Prime Market of the TSE on February 24, 2026, the business day immediately preceding the announcement date of the Tender Offer; 13.27% on the simple average closing price of 2,472 yen for the latest one-month period; 14.80% on the simple average closing price of 2,439 yen for the latest three-month period; and 17.55% on the simple average closing price of 2,382 yen for the latest six-month period.

(II) Background of Valuation

(Background Leading to Determination of Tender Offer Price)

Please refer to “(I) Background, Purpose, and Decision-making Process Leading to Tender Offeror's Decision to Conduct Tender Offer” in “(2) Background, Purpose, and Decision-Making Process Leading to Implementation of Tender Offer, and Management Policy Following Tender Offer” in “2. Purpose of Tender Offer, etc.” above.

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

Please refer to “(4) Measures to Ensure Fairness of Tender Offer, Including Measures to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest” in “2. Purpose of Tender Offer, etc.” above.

(III) Relationship with Valuation Agency

KPMG, a third-party valuation agency for ITOCHU, is not a related party of the Tender Offeror et al., the Target Company, or the Shareholder Agreeing to Tender Shares, and it has no material interest in the Tender Offer.

(5) Number of Shares to Be Purchased

Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
6,656,900 (shares)	— (shares)	6,656,900 (shares)

(Note 1) If the total number of Tendered Shares is below the maximum number of shares to be purchased (6,656,900 shares), the Tender Offeror will purchase all of the Tendered Shares. If the total number of Tendered Shares exceeds the maximum number of shares to be purchased (6,656,900 shares), the Tender Offeror will not purchase all or part of the excess, and will acquire shares and conduct other settlement procedures for the purchase by the pro rata method as specified in Article 27-13, paragraph 5 of the Act and Article 32 of the Cabinet Office Order.

(Note 2) The Tender Offeror does not intend to acquire treasury shares owned by the Target Company through the Tender Offer.

(Note 3) Shares of less than one unit are also subject to the Tender Offer. If shareholders exercise their right to request that the Target Company repurchase its shares of less than one unit in accordance with the Companies Act (Act

No. 86 of 2005, as amended; the same shall apply hereinafter), the Target Company may purchase such own shares during the Tender Offer Period pursuant to the procedures under laws and regulations.

(Note 4) Although the Share Acquisition Rights and the share acquisition rights attached to the Bonds With Share Acquisition Rights may be exercised by the end of the Tender Offer Period, the Target Company Shares issued or transferred due to such exercise will also be subject to the Tender Offer.

(6) Changes in Ownership Ratio of Shares after Purchase

Number of voting rights pertaining to shares owned by the Tender Offeror before the purchase	— voting rights	(Ownership ratio of shares before the purchase: —%)
Number of voting rights pertaining to shares owned by specially related parties before the purchase	— voting rights	(Ownership ratio of shares before the purchase: —%)
Number of voting rights pertaining to shares owned by the Tender Offeror after the purchase	66,569 voting rights	(Ownership ratio of shares after the purchase: 12.07%)
Number of voting rights pertaining to shares owned by specially related parties after the purchase	— voting rights	(Ownership ratio of shares after the purchase: —%)
Number of voting rights of all shareholders, etc. of the Target Company	486,319 voting rights	

(Note 1) “Number of voting rights of all shareholders, etc. of the Target Company” is the number of voting rights of all Target Company’s shareholders as of September 30, 2025, as stated in the semi-annual securities report for the 27th term submitted by the Target Company on November 11, 2025 (the number of shares constituting one unit is stated as 100 shares). However, since shares of less than one unit and the Target Company Shares which may be issued or transferred due to exercise of the Share Acquisition Rights and the share acquisition rights

attached to the Bonds With Share Acquisition Rights are also subject to the Tender Offer, for the purpose of calculating the “Ownership ratio of shares before the purchase” and the “Ownership ratio of shares after the purchase,” the number of voting rights pertaining to shares of less than one unit (299 voting rights, which is the number of voting rights pertaining to 29,903 shares obtained by deducting 97 shares, which are treasury shares of less than one unit owned by the Target Company as of September 30, 2025, from 30,000 shares, which are shares of less than one unit as of the same date as stated in the aforementioned semi-annual securities report) and the maximum number of voting rights (64,802 voting rights) pertaining to the Target Company Shares that may be issued or transferred due to exercise of the share acquisition rights as of March 31, 2025 as stated in the annual securities report for the 26th term submitted by the Target Company on June 23, 2025 (4,531 share acquisition rights) and the share acquisition rights pertaining to the Bonds With Share Acquisition Rights (49 share acquisition rights), based on the conditions as of the same date were added, and “Number of voting rights of all shareholders, etc. of the Target Company” was calculated as 551,420 voting rights.

(Note 2) According to the Target Company Capital Increase-Related Disclosure Documents, the Target Company, at the board of directors’ meeting held on February 25, 2026, resolved to conduct the Third-Party Allotment (5,500,000 shares of common stock, payment amount per share of 2,438 yen, and total amount of 13,409,000,000 yen), for which the payment date is April 1, 2026, and in which the allottee is ITOCHU. In the Capital and Business Alliance Agreement, ITOCHU has agreed to subscribe for all of the 5,500,000 shares of common stock issued by the Target Company through the Third-Party Allotment on such payment date. If the Third-Party Allotment is implemented, the “Ownership ratio of shares after the purchase” will be 20.05%, which is calculated by using the number of voting rights (606,420 voting rights) obtained by adding the number of voting rights pertaining to the common shares to be subscribed for by ITOCHU (55,000 voting rights) to the “Number of voting rights of all shareholders, etc. of the Target Company” (551,420 voting rights) used in the calculation of the “Ownership ratio of shares before the purchase” and the “Ownership ratio of shares after the purchase” as stated in Note 1 above, instead of the “Number of voting rights of all shareholders, etc. of the Target Company,” as the denominator, and using the number of voting rights (121,569 voting rights) obtained by adding the number of voting rights pertaining to the common shares to be subscribed for by ITOCHU (55,000 voting rights) to the “Number of voting rights pertaining to shares owned by the Tender Offeror after the purchase” as the numerator.

(Note 3) With regard to the “Ownership ratio of shares before the purchase” and the “Ownership ratio of shares after the purchase,” any fraction is rounded to two decimal places.

(7) Purchase Price 18,639,320,000 yen

(Note) The “Purchase Price” is the amount obtained by multiplying the number of shares to be purchased in the Tender Offer (6,656,900 shares) by the Tender Offer Price (2,800 yen).

(8) Method of Settlement

(I) Name and Location of Head Office of Financial Instruments Business Operator, Bank, etc. Settling Purchase

Nomura Securities Co., Ltd. 1-13-1 Nihonbashi, Chuo-ku, Tokyo

(II) Commencement Date of Settlement

April 16, 2026 (Thursday)

(III) Method of Settlement

Without delay after the end of the Tender Offer Period, notice of the purchase through the Tender Offer will be sent by post to the addresses of the tendering shareholders (in the case of foreign shareholders, their standing proxies).

Purchase will be made in money. The tendering shareholders will receive the sales proceeds in the Tender Offer by remittance or any other method designated by the tendering shareholders on or after the commencement date of settlement without delay (remittance fees may be incurred).

(IV) Method of Returning Shares

If all or part of the Tendered Shares are not to be purchased pursuant to the terms and conditions set forth in “(I) Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof” and “(II) Conditions of Withdrawal, etc. of Tender Offer, Details Thereof, and Method of Disclosure of Withdrawal, etc.” in “(9) Other Conditions and Methods of Tender Offer” below, the shares required to be returned will promptly be returned by returning the record to the state immediately before such shares were tendered on the tendering shareholders’ accounts with the tender offer agent, on and after the business day after the last day of the Tender Offer Period (in case of withdrawal, etc. of the Tender Offer, the day on which the withdrawal, etc. was made) (in the case of transferring shares to a tendering shareholder’s account opened with any other financial instruments business operator, etc., please contact the tender offer agent’s head office or each branch in Japan where the tendering shareholder’s tender was accepted).

(9) Other Conditions and Methods of Tender Offer

(I) Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of Tendered Shares falls short of the maximum number of shares to be purchased (6,656,900 shares), the Tender Offeror will purchase all the Tendered Shares.

If the total number of tendered shares exceeds the maximum number of shares to be purchased (6,656,900 shares), the Tender Offeror will not purchase all or part of the excess, and will acquire shares and conduct other settlement procedures for the purchase by the pro rata method as specified in Article 27-13, paragraph 5 of the Act and Article 32 of the Cabinet Office Order (if each number of Tendered Shares includes shares of less than one unit (100 shares), the number of shares to be purchased, which is calculated by the pro rata method, will be capped at the number of Tendered Shares).

If the total number of shares purchased from the tendering shareholders, which is calculated by rounding the number of shares of less than one unit resulting from the calculation using the pro rata method, falls short of the maximum number of shares to be purchased, one unit of Tendered Shares (if the additional purchase of one unit results in exceeding the number of Tendered Shares, up to the number of Tendered Shares) will be purchased for each tendering shareholder from the tendering shareholder with the largest number of shares rounded off, until such total number becomes equal to or

exceeds the maximum number of shares to be purchased. However, if the purchase using this method from all of multiple tendering shareholders with an equal number of shares rounded off results in exceeding the maximum the number of shares to be purchased, the shareholders from whom the purchase will be made will be determined by lottery from among those tendering shareholders to the extent that such total number does not fall below the maximum number of shares to be purchased.

If the total number of shares purchased from the tendering shareholders, which is calculated by rounding the number of shares of less than one unit resulting from the calculation using the pro rata method, exceeds the maximum number of shares to be purchased, one unit of purchased shares (if the number of purchased shares calculated using the pro rata method includes the number of shares of less than one unit, such number of shares of less than one unit) will be reduced for each tendering shareholder from the tendering shareholder with the largest number of shares rounded up, until such total number does not fall below the maximum number of shares to be purchased. However, if reducing the number of purchased shares using this method from all of multiple tendering shareholders with an equal number of shares rounded up results in falling below the maximum number of shares to be purchased, the shareholders whose number of purchased shares will be reduced will be determined by lottery from among those tendering shareholders to the extent that such total number does not fall below the maximum number of shares to be purchased.

(II) Conditions of Withdrawal, etc. of Tender Offer, Details Thereof, and Method of Disclosure of Withdrawal, etc.

The Tender Offer may be withdrawn upon the occurrence of any event listed in Article 14, paragraph 1, items (i)(a) through (i)(j) and items (i)(m) through (i)(t), items (iii)(a) through (iii)(h) and (iii)(j), item (iv), as well as Article 14, paragraph 2, items (iii) through (vi) of the Order. (I) If the body responsible for making decisions on the execution of operations of the Target Company decides to distribute dividends of surplus with a record date before the commencement date of settlement for the Tender Offer (excluding where the amount of money or other assets to be delivered to shareholders is expected to be less than the amount equivalent to 10% of the book value of the net assets on the Target Company's non-consolidated balance sheet at the end of the most recent fiscal year (9,310 million yen (Note)) (including cases where such body decides that a day before the commencement date of settlement for the Tender Offer will be the record date for dividends of surplus without specifying the specific amount of dividends of surplus), and (II) if the body responsible for making decisions on the execution of operations of the Target Company decides to repurchase its shares (excluding where the amount of money or other assets to be delivered in exchange for the repurchase of shares is expected to be less than the amount equivalent to 10% of the book value of the net assets on the Target Company's non-consolidated

balance sheet at the end of the most recent business year (9,310 million yen)), the Tender Offeror may withdraw the Tender Offer by deeming that “an action equivalent to what is set forth in sub-items (a) through (s)” as set forth in Article 14, paragraph 1, item (i)(t) of the Order has occurred. In the Tender Offer, the “facts equivalent to those set forth in (a) to (i)” mentioned in Article 14, paragraph 1, item (iii)(j) of the Order means (i) any case where it is found that there is a false statement regarding a material matter, or an omission of a material matter required to be stated in the statutory disclosure documents submitted by the Target Company in the past, or (ii) any case where any of the events listed in items (iii)(a) through (iii)(g) occurs with respect to any of the important subsidiaries of the Target Company.

If, in connection with the advance notification concerning the acquisition of shares through the Tender Offer to the Japan Fair Trade Commission pursuant to Article 10, Paragraph 2 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as amended; the “Anti-monopoly Act”), the measure period and acquisition prohibition period have not expired, an advance notice of a cease-and-desist order is issued, or a petition for a court order of emergency suspension is filed due to the Tender Offeror being suspected of conducting an act violating Article 10, Paragraph 1 of the Anti-monopoly Act, by the day immediately preceding the expiration date of the Tender Offer Period (including any extended period), then it will be deemed that “permission, etc.” under Article 14, Paragraph 1, Item 4 of the Order was not obtained and the Tender Offer may be withdrawn.

If the Tender Offeror intends to withdraw the Tender Offer, it will give public notice thereof through electronic disclosure and make an announcement with respect thereto in the Nikkei. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement pursuant to Article 20 of the Cabinet Office Order and give public notice immediately thereafter.

(Note) If there is no change in the total number of issued shares and the number of treasury shares, the dividend amount per share is equivalent to 192 yen (specifically, this was calculated by dividing 9,310 million yen, which is equivalent to 10% of the net assets of 93,100 million yen on the Target Company’s non-consolidated balance sheet as of March 31, 2025, as set forth in the annual securities report for the 26th term submitted by the Target Company on June 23, 2025, by the number of shares (48,661,205 shares) obtained by deducting the number of treasury shares (94,295 shares) owned by the Target Company as of December 31, 2025 from the total number of issued shares (48,755,500 shares) of the Target Company as of the same date, as described in the Target Company’s Third Quarter Financial Results, with any fraction of less than one yen rounded up).

(III) Conditions to Reduce Purchase Price, Details Thereof, and Method of Disclosure of Reduction

In accordance with Article 27-6, paragraph 1, item (i) of the Act, if the Target Company conducts any act listed in Article 13, paragraph 1 of the Order during the Tender Offer Period, the purchase price may be reduced pursuant to the standards set forth in Article 19, paragraph 1 of the Cabinet Office Order. If the Tender Offeror intends to reduce the purchase price, it will give public notice thereof through electronic disclosure and make an announcement with respect thereto in the Nikkei. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement pursuant to Article 20 of the Cabinet Office Order and give public notice immediately thereafter. If the purchase price is reduced, the Tendered Shares on or before the date of the public notice will also be purchased at the reduced purchase price.

(IV) Matters Concerning Tendering Shareholders' Rights to Cancel Their Agreements

The tendering shareholders may cancel an agreement related to the Tender Offer at any time during the Tender Offer Period. If you wish to cancel such an agreement, please deliver or send a document to the effect that an agreement regarding the Tender Offer will be cancelled (the "Cancellation Document"), to the tender offer agent's head office or each branch in Japan where your tender was accepted, by 3:30 p.m. on the last day of the Tender Offer Period. In the case of sending the Cancellation Document, the document must arrive by 3:30 p.m. on the last day of the tender offer period.

When canceling an agreement regarding your tender made through the online service, please cancel the agreement via the online service (<https://hometrade.nomura.co.jp/>) or by delivering or sending the Cancellation Document. If canceling the agreement via the online service, please follow the instructions provided on the online service screen and complete the cancellation procedures by 3:30 p.m. on the last day of the Tender Offer Period. No agreement regarding your tender made at a transaction branch can be cancelled via the online service. In the case of delivering or sending the Cancellation Document, please first request a Cancellation Document form from your transaction branch and then deliver or send the Cancellation Document to the transaction branch by 3:30 p.m. on the last day of the Tender Offer Period. However, in the case of sending the Cancellation Document, the document must arrive by 3:30 p.m. on the last day of the Tender Offer Period.

The Tender Offeror will not make any claims for damages or penalty payments against the tendering shareholders due to cancellation of their agreements. In addition, the Tender Offeror will bear the cost of returning the Tendered Shares. If a

tendering shareholder applies for cancellation, their Tendered Shares will be returned by the method stated in “(IV) Method of Returning Shares” in “(8) Method of Settlement” above promptly after completion of the procedures related to the cancellation application.

(V) Method of Disclosure in Case of Change in Purchase Terms

The Tender Offeror may change the purchase terms during the Tender Offer Period, excluding cases where it is prohibited by Article 27-6, paragraph 1 of the Act and Article 13, paragraph 2 of the Order. If the Tender Offeror intends to change the purchase terms, it will give public notice of these changes through electronic disclosure and make an announcement with respect thereto in the Nikkei. However, if it is difficult to give such public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement pursuant to Article 20 of the Cabinet Office Order and give public notice immediately thereafter. If the purchase terms are changed, the Tendered Shares on or before the date of the public notice will also be purchased based on the changed purchase terms.

(VI) Method of Disclosure in Case of Filing of Amendment Statement

If the Tender Offeror files an amended statement with the Director-General of the Kanto Local Finance Bureau (excluding the cases set forth in the proviso to Article 27-8, paragraph 11 of the Act), the Tender Offeror will immediately make a public announcement of the details relating to those described in the public notice of tender offer commencement among other things stated in the amended statement, pursuant to Article 20 of the Cabinet Office Order. The Tender Offeror will also immediately amend the tender offer explanatory statement and deliver the amended tender offer explanatory statement to the tendering shareholders to whom the tender offer explanatory statement has already been delivered. However, if the scope of the amendment is limited, the amendment may be made by preparing a document stating the reason for the amendment and the subject matter before and after the amendment, and delivering the document to the tendering shareholders.

(VII) Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be publicly announced on the day following the last day of the Tender Offer Period by the method set forth in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Order.

(VIII) Others

The Tender Offer is not conducted within the U.S. or directed to the U.S., whether directly or indirectly, is not conducted using the U.S. post or any other method or means for interstate commerce or international commerce (including, but not limited to, telephone, telex, facsimile, email, and Internet communication), and is not conducted through any U.S. securities exchange facility. No one can tender shares in the Tender Offer by the aforementioned method or means, through the aforementioned facility, or from the U.S.

Neither the tender offer registration statement nor relevant purchase documents are sent or distributed within the U.S., to the U.S., or from the U.S. by post or any other method, and such sending or distribution is not allowed. Any tender in the Tender Offer directly or indirectly violating the aforementioned restrictions will not be accepted.

When tendering shares in the Tender Offer, tendering shareholders (in the case of foreign shareholders, etc., their standing proxies) may be required to represent and warrant the following to the tender offer agent:

- the tendering shareholder is not located in the U.S. at the time of both tendering its shares and sending a tender offer application form;
- the tendering shareholder has not received or sent any information related to the Tender Offer (including copies thereof) within the U.S., to the U.S., or from the U.S., whether directly or indirectly;
- the tendering shareholder has not used the U.S. post or any other method or means for interstate commerce or international commerce (including, but not limited to, telephone, telex, facsimile, email, and Internet communication), or any securities exchange facility within the U.S., whether directly or indirectly, at the time of purchase or execution and delivery of a tender offer application form; and

- the tendering shareholder is not acting as an unauthorized agent, trustee, or mandatory of any other person (excluding where such other person provides all instructions related to purchase outside the U.S.).

(10) Date of Public Notice of Commencement of Tender Offer

February 26, 2026

(11) Tender Offer Agent

Nomura Securities Co., Ltd. 1-13-1 Nihonbashi, Chuo-ku, Tokyo

4. Policies Following Tender Offer and Outlook Going Forward

Please refer to “(III) Management Policy after Tender Offer, etc.” in “(2) Background, Purpose, and Decision-Making Process Leading to Implementation of Tender Offer, and Management Policy Following Tender Offer” and “(5) Plan to Acquire Additional Shares After Tender Offer” in “2. Purpose of Tender Offer, etc.” above.

5. Other

(1) Agreement between Tender Offeror and Target Company or its Officers, and Details Thereof

(I) Support for Tender Offer

According to the Target Company Press Release, at its board of directors' meeting held on February 25, 2026, the Target Company resolved to express an opinion in support of the Tender Offer and leave the decision on whether to tender shares in the Tender Offer to shareholders. For details of the resolution at the board of directors' meeting of the Target Company, please refer to the Target Company Press Release.

(II) Capital and Business Alliance Agreement

ITOCHU entered into the Capital and Business Alliance Agreement with the Target Company on February 25, 2026. In the Capital and Business Alliance Agreement, it is agreed that: (i) ITOCHU will subscribe for all of the 5,500,000 shares of common stock issued by the Target Company through the Third-Party Allotment at 2,438 yen per share as the payment amount, with April 1, 2026, as the payment date, and that (ii) they will enter into a business alliance for the purpose of enhancing the corporate value of both parties in the medium to long term by combining the resources and know-how of ITOCHU and the Target Company and expanding their existing businesses and develop new ones. For an outline of the Capital and Business Alliance Agreement, please refer to “(II) Capital and Business Alliance Agreement” in “(3) Matters Concerning Material Agreements Related to Tender Offer” in “2. Purpose of Tender Offer, etc.” above.

(2) Other Information That Is Considered to Be Necessary When Investors Determine Whether to Tender Shares in an Offer to Purchase

(I) Third-Party Allotment

According to the Target Company Capital Increase-Related Disclosure Documents, the Target Company, at the board of directors' meeting held on February 25, 2026, resolved to conduct the Third-Party Allotment (5,500,000 shares of common stock, payment amount per share of 2,438 yen, and total amount of 13,409,000,000 yen), for which the payment date is April 1, 2026, and in which the allottee is ITOCHU. In the Capital and Business Alliance Agreement, ITOCHU has agreed to subscribe for all of the 5,500,000 shares of common stock issued by the Target Company through the Third-Party Allotment, with April 1, 2026 as the payment date. For an outline of the Third-Party Allotment, please refer to the Target Company Capital Increase-Related Disclosure Documents and “(5) Plan to Acquire Additional Shares After Tender Offer” in “2. Purpose of Tender Offer, etc.” above.

(II) Announcement of “Notice of Changes (Expansion) to the Shareholder Benefit Program”

According to the “Notice of Changes (Expansion) to the Shareholder Benefit Program” issued by the Target Company on February 25, 2026, the Target Company, at the board of directors' meeting held on the same day, resolved to change (expand) the shareholder benefit program. For details, please refer to the content of the announcement.

(III) Announcement of “Notice of the Sale of Real Estate”

According to the “Notice of the Sale of Real Estate” issued by the Target Company on February 25, 2026, the Target Company, at the board of directors' meeting held on the same day, resolved to sell real estate. For details, please refer to the content of the announcement.

End

[Solicitation Regulations]

This document is news statement intended to publicly release the Tender Offer, and was not prepared for the purpose of soliciting a tender for a sale. If you intend to tender an offer to sell shares in the Tender Offer, please make sure that you refer to the Tender Offer Explanatory Document regarding the Tender Offer in advance, and tender shares at your own discretion. This document is not a tender for, or a solicitation for a tender for, a sale or purchase of securities, and does not constitute a part of the foregoing. In addition, this document (or any part of it) and any distribution hereof will not be the basis for any agreement concerning the Tender Offer, nor will it be relied upon when executing an agreement.

[Future Prospects]

The matters stated in this document contain “forward-looking statements,” including, among others, statements regarding the outlook for business developments, based on views of the management of the Tender Offeror et al., in the case where the Target Company Shares are acquired. Actual results may significantly differ from the outlook depending on many factors. Known or unknown risks, uncertainties, or other factors may cause actual results to differ significantly from the projections implied or expressed in the “forward-looking statements.” The Tender Offeror et al. do not promise that the projections implied or expressly stated as “forward-looking statements” will actually be realized. “Forward-looking statements” contained herein were prepared based on the information held by the Tender Offeror et al. as of the announcement date of this document and, unless required by the applicable Japanese laws and regulations, the Tender Offeror et al. shall not be obligated to update or correct the statements made herein in order to reflect the future events or circumstances.

[U.S. Regulations]

The Tender Offer will not be conducted, directly or indirectly, in or targeted at the U.S., through the U.S. postal mail services or other interstate or international commercial methods or means (including, but not limited to, telephone, telex, facsimile, e-mail, and internet communication), or through any stock exchange facilities in the U.S. No one can tender shares in the Tender Offer by the aforementioned method or means, through the aforementioned facility, or from the U.S. In addition, no disclosure regarding the Tender Offer or relevant document will, or may, be sent or distributed to, in, or from the U.S. by postal mail or other means. No application for the Tender Offer that violates, directly or indirectly, the aforementioned restrictions will be accepted. No solicitation for the purchase of securities or other equivalents is made to U.S. residents or in the U.S., and the Tender Offeror et al. will not accept any solicitation that is sent from U.S. residents or from the U.S. All procedures regarding the Tender Offer will be made in Japanese unless otherwise stated. All or a part of the documents regarding the Tender Offer shall be prepared in English, but in case of any inconsistencies between English documents and Japanese document, Japanese document shall prevail.

[Other Countries]

In some countries or regions, the release, issuance, or distribution of this document may be restricted by relevant laws, in which case, please keep such restriction in mind and comply with it. This document does not constitute a solicitation for a tender for, a sale, etc. of shares in relation to the Tender Offer, and is deemed solely as a distribution of information material.