



March 9, 2026

To: All

Company name SUMIKEN MITSUI ROAD CO., LTD.
Representative Hajime Hasui, Representative Director and
President
(Stock Code: 1776 TSE Standard Market)
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**Notice Concerning Expression of Opinion in Favor of Tender Offer for the Shares of
SUMIKEN MITSUI ROAD CO., LTD. by Its Parent Company, SUMITOMO MITSUI
CONSTRUCTION CO., LTD., and Recommendation to Tender**

SUMIKEN MITSUI ROAD CO., LTD. (the “Company”) hereby announces that it passed a resolution at its Board of Directors meeting held today to express its opinion in favor of the tender offer (the “Tender Offer”) for the common shares of the Company (the “Company’s Shares”) by SUMITOMO MITSUI CONSTRUCTION CO., LTD. (the “Tender Offeror”), which is the controlling shareholder (parent company) of the Company and to recommend all shareholders of the Company to tender the Company’s Shares in the Tender Offer as explained below.

The resolution at the Board of Directors meeting of the Company as mentioned above was carried out based on the premise that the Tender Offeror intends to make the Company its wholly-owned subsidiary and plans to delist the Company’s Shares through the Tender Offer and a series of procedures thereafter.

1. Overview of Tender Offeror

(1) N a m e	SUMITOMO MITSUI CONSTRUCTION CO., LTD.
(2) L o c a t i o n	1-6 Tsukuda 2-chome, Chuo-ku, Tokyo
(3) Name and Title of Representative	Toshio Shibata, Representative Director and President
(4) Business Contents	Construction: Design and construction in civil engineering work, building and prestressed concrete construction, and other related businesses Development: Sale and purchase, lease and management of real estates
(5) C a p i t a l	12,003,000,000 yen (as of December 31, 2025)
(6) Date of Establishment	October 14, 1941
(7) Major Shareholders and Their Shareholding Ratios	INFRONEER Holdings Inc. 100%
(8) Relationship with Tender Offeror and Company	
Capital Relationship	The Tender Offeror owns 4,981,500 shares (shareholding ratio (Note 1): 53.69%) and has the Company as its consolidated subsidiary as of March 9, 2026.
Personnel Relationship	2 out of 9 directors of the Company (i.e., Mr. Kazuaki Kitahara and Mr. Yasushi Kajiki) are from the Tender Offeror.
Transaction Relationship	The Company works as a contractor of Tender Offeror to conduct paving work, civil engineering work and other work.
Status of Applicability to Relevant Parties	The Tender Offeror is the parent company of the Company and therefore, the Tender Offeror and the Company are relevant parties of each other.

(Note 1) “Shareholding ratio” refers to the ratio of shares (rounded to the nearest hundredth; hereinafter the same for the calculation of shareholding ratio) calculated by dividing the number of shares by the total number of issued shares of the Company (9,277,500 shares) as of December 31, 2025 as stated in the “Summary of (Consolidated) Financial Results for the Third Quarter of Fiscal Year ending March 31, 2026 (under Japanese GAAP)” (the “Company’s Third Quarter Financial Results Summary”) announced on February 9, 2026 after deducting the number of treasury shares owned by the Company as of December 31, 2025 as stated in the Company’s Third Quarter Financial Results Summary (53 shares; 72,600 shares of the Company’s Shares owned by Sumitomo Mitsui Trust Bank, Limited (shareholding ratio: 0.78%) as a trust property in a form of Employee Stock Ownership Plan for officers based on the stock compensation plan for directors (excluding directors who are audit and supervisory committee member and outside directors) and executive officers are not included in the treasury shares held by the Company because such 72,600 shares can be tendered in the Tender Offer by going through procedures based on the procedures established by the Company in its share delivery regulations and the agreements entered into by the Company with the trustees regarding the relevant share delivery trust; hereinafter the same in terms of number of treasury shares owned by the Company.) (9,277,447 shares).

2. Price of Tender Offer, etc.

2,000 yen per common share (the “Tender Offer Price”)

3. Contents of and Grounds and Reasons for Opinion on Tender Offer

(1) Contents of Opinion

The Company passed a resolution at its Board of Directors meeting held today to express its opinion in favor of the Tender Offer and to recommend all shareholders of the Company to tender the Company’s Shares in the Tender Offer based on the grounds and reasons provided in “(2) Grounds and Reasons for Opinion” as provided below.

The resolution at the Board of Directors meeting as mentioned above has been passed by using the method provided in “⑦ Approvals from All Directors (including Directors Who Are Audit and Supervisory Committee Member) Having No Interest in the Company” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below.

(2) Grounds and Reasons for Opinion

Among the grounds and reasons for the opinion on the Tender Offer, the explanations

concerning the Tender Offeror are based on the explanations received from the Tender Offeror.

① Overview of Tender Offer

As of today, Tender Offer directly owns 4,981,500 shares of the Company's Shares, which are listed on the Standard Market of the Tokyo Stock Exchange, Inc. ("TSE") (shareholding ratio: 53.69%), and the Company is a consolidated subsidiary of the Tender Offeror. At its Board of Directors meeting held on today the Tender Offeror passed a resolution to implement the Tender Offer for all of Company's Shares (excluding the Company's Shares that the Tender Offeror directly owns and the treasury shares possessed by the Company) as part of the series of transactions for the purpose of making the Company a wholly owned subsidiary of the Tender Offeror (the "Transaction").

In the Tender Offer, the Tender Offeror has set 1,203,500 shares (shareholding ratio: 12.97%) as the lower limit for the number of shares planned for purchase; if the total number of share certificates etc. offered for sale etc. in the Tender Offer (the "Tendered Share Certificates etc.") does not reach the lower limit for the number of shares planned for purchase, none of the Tendered Share Certificates etc. will be purchased. Meanwhile, as discussed above, the Tender Offeror's objective in the Tender Offer is to acquire all Company's Shares (excluding the Company's Shares directly owned by the Tender Offeror and treasury shares possessed by the Company), thereby making the Company a wholly-owned subsidiary of the Tender Offeror; accordingly, no upper limit has been set for the number of shares planned for purchase, and if the total number of Tendered Share Certificates etc. is at or greater than the lower limit for the number of shares planned for purchase, all Tendered Share Certificates etc. will be purchased.

The lower limit for the number of shares planned for purchase (1,203,500) shares is the number of shares obtained by subtracting from (x) the number of shares (6,185,000 shares) obtained by multiplying (a) the number voting rights (61,850; rounded up to the nearest whole number; hereinafter the same) representing at least two-thirds of the number of voting rights (92,774) attached to the number of shares (9,277,477 shares) representing the total number of issued and outstanding shares of the Company as of December 31, 2025, as set forth in the Company's Third Quarter Financial Results Summary (9,277,500 shares) less the number of treasury shares (53 shares) possessed by the Company as of such date as set forth in the Company's Third Quarter Financial Results Summary by (b) the number of shares

in one share unit of Company's Shares (100 shares) (y) the number of Company's Shares directly owned by the Tender Offeror (4,981,500 shares) as of today. This lower limit for the number of shares planned for purchase was set for the purpose of allowing the Tender Offeror to make the Company a wholly-owned subsidiary of the Tender Offeror through the Transaction; in the event that the Tender Offer is successfully completed but the Tender Offeror is unable to acquire all Company's Shares (excluding the Company's Shares directly owned by the Tender Offeror and the treasury shares possessed by the Company), as discussed below in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)", the Tender Offeror plans to implement a series of Transactions (the "Squeeze-Out Procedures") for the purpose of making the Tender Offeror the sole shareholder of the Company; when carrying out the procedures for a Share Consolidation (defined in "② Share Consolidation" in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)" below; hereinafter the same), because a special resolution at a general meeting of shareholders as specified in Article 309, Paragraph 2 of the Companies Act (Law No. 86 of 2005, as amended; hereinafter the same) is required, by owning, after successful completion of the Tender Offer, a number of voting rights (61,850) representing at least two-thirds of the total number of the Company's voting rights (the 92,774 voting rights) attached the number of shares (9,277,477) obtained by subtracting from the number of issued and outstanding shares of the Company as of December 31, 2025 the number of treasury shares possessed by the Company as of such date (53 shares), the Tender Offeror will be able to satisfy this requirement.

Because the Tender Offeror intends to make the Company its wholly-owned subsidiary, in the event that the Tender Offeror is unable to acquire all of Company's Shares (excluding the Company's Shares directly owned by the Company and the treasury shares possessed by the Company) through the Tender Offer, the Tender Offeror intends to acquire all of Company's Shares (excluding the Company's Shares directly owned by the Company and the treasury shares possessed by the Company) by implementing the Squeeze-Out Procedures described below in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)". It is noted that while as of today, the Company's Shares are listed on the TSE Standard Market, as discussed below in "(4) Possibility of Delisting and Its Reasons", depending on the results of the Tender

Offer, the Company's Shares may be delisted after certain procedures are implemented, and in the event the Squeeze-Out Procedures described below in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)" are to be implemented after completion of the Tender Offer, the Company's Shares will be delisted after the implementation of certain procedures.

② Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer

(i) Background of Tender Offer

The Tender Offeror was established in April 2003 through the merger of Mitsui Construction Co., Ltd. and Sumitomo Construction Co., Ltd. Mitsui Construction Co., Ltd. had its beginnings in 1887, when Kenjiro Nishimoto took over the family business of the Nishimoto family, which since the mid-Edo Era was allowed to have dealings with the Kishu Tokugawa family, and founded Nishimoto-Gumi, a civil engineering contractor, in Wakayama. In 1934, with a capital of one million yen, Nishimoto-Gumi Joint-Stock Co., Ltd., the predecessor of Mitsui Construction Co., Ltd., was founded, and this was reorganized into Nishimoto-Gumi Co., Ltd. in October 1941. Subsequently, in May 1945, Mitsui Fudosan Co., Ltd., with a goal of strengthening the construction division, took a stake in the company, with the trade name changing to Mitsui Construction Industry Co., Ltd. In September 1946, Mitsui Construction Industry Co., Ltd. changed its name to Sanken Industry Co., Ltd., and in June 1952, Sanken Industry Co., Ltd. changed its name to Mitsui Construction Co., Ltd. Subsequently, Mitsui Construction Co., Ltd. was listed on the Second Section of the TSE in February 1962 and in August 1963 it was reassigned to the TSE First Section. Meanwhile, Sumitomo Construction Co., Ltd. had its beginnings in engaging in the construction of assorted mining facilities and roads for transport at the Sumitomo Besshi Copper Mine, which had opened in 1691. The Sumitomo Besshi Copper Mine was directly operated for a long time by the Sumitomo family, but in March 1950, in the post-war dissolution of the zaibatsu, the company was spun off from Sumitomo Mining Co., Ltd., which had been renamed Seika Mining Co., Ltd. and was established as the independent Besshi Construction Co., Ltd., which in June 1962 was listed on the Second Section of the TSE. In October 1962 it merged with Katsuro-Gumi Co., Ltd. and changed its name to Sumitomo Construction Co., Ltd. In

August 1965 it was reassigned to the First Section of the TSE. Subsequently, in April 2003, Mitsui Construction Co., Ltd. and Sumitomo Construction Co., Ltd. merged, establishing the Tender Offeror, which in that same year was listed on the First Section of the Osaka Stock Exchange. In May 2008 it was delisted from the First Section of the Osaka Stock Exchange, and following the review of the market segments of the TSE in April 2022, Tender Offeror shares were listed on the TSE Prime Market. Through a tender offer for the common shares of the Tender Offeror by INFRONEER Holdings Inc. (“Tender Offeror Parent”) and subsequent share consolidation, the common shares of the Tender Offeror were delisted from the TSE Prime Market on December 19, 2025, and since December 23, 2025, the Tender Offeror has been a wholly-owned subsidiary of the Tender Offeror Parent.

The Tender Offeror Parent was established in October 2021, by means of share transfers, as the wholly-owning parent company of Maeda Corporation, Maeda Road Construction Co., Ltd. (“Maeda Road”), and Maeda Seisakusho Co., Ltd. The Tender Offeror Parent was listed on the First Section of the TSE in October 2021, and, through the review of the market segments of the TSE in April 2022, shares of the Tender Offeror Parent are now listed on the TSE Prime Market. The primary businesses of the Tender Offeror Parent Group (this refers to the group that today comprises 140 subsidiaries, including the Tender Offeror and the Company, and 39 affiliated companies; hereinafter the same) are the construction business, the civil engineering business, the paving business, the machinery business, and the infrastructure operation business; it also engages in a wide range of other businesses, from the retail business to the real estate business, and the businesses that the Tender Offeror engages in can be broadly classified into two segments, the civil engineering business and the construction business. In the civil engineering business, the Tender Offeror works primarily in such areas as bridge and tunnel construction, repair and reinforcement works, site preparation, and water supply and sewerage facilities; in the construction business, it is proud of its strengths in residential construction, particularly in high-rise apartment buildings, and it also engages in the construction of commercial facilities, plants, logistics warehouses and the like. In its overseas businesses, it maintains a position of strength particularly in Asia and has a lengthy track record of building construction in India and bridges and the like in Vietnam and Indonesia.

On the other hand, the Company was founded as Okamoto Kogyo Kabushiki Kaisha in February 1948 for the purpose of running construction business, etc. and changed its company name to Hokkaido Doro Kabushiki Kaisha (“Hokkaido Doro”) in December 1965. Thereafter, Hokkaido Doro merged with Sanken Doro Kabushiki Kaisha and Okada Hosokawa Kabushiki Kaisha in December 1971 with Hokkaido Doro as the surviving company, the company name was changed to MITSUI ROAD CO., LTD. (“Mitsui Doro”), and Mitsui Doro listed its shares on the TSE Second Section in February 1996. Furthermore, Mitsui Doro merged with SUMIKEN ROAD BUILDING CO., LTD. (“Sumiken Doro”) in October 2003 with Mitsui Doro as the surviving company under the spirit that the two companies are on an equal footing and changed its company name to SUMIKEN MITSUI ROAD CO., LTD. The Company currently transferred its shares to the TSE Standard Market due to market segment reorganization of TSE in April 2022.

The Company Group currently consists of the Company and one subsidiary (collectively, “Company Group”). Its main business is construction, and it manufactures and sells materials, which are ancillary to its construction business. It also runs other businesses.

The details of businesses of the Company Group are as follows:

(a) Construction Business

The Company Group is a team of road building specialists that accommodates the indispensable social needs centering around road paving work and civil engineering work by using the skills accumulated over the years.

Specifically, the Company Group conducts paving work and civil engineering work relating to various foundations of life and industrial infrastructures ranging from roads, such as local roads and expressways which are essential transportation infrastructure, to social infrastructure, such as public transportation and logistics center and community centers including sports and leisure facilities.

In addition to enhancing the functions of urban space, the Company Group contributes to building an environmentally-friendly society by taking into consideration a harmony with livelihood. Specifically, the Company controls and eases the temperature increase during summer caused by heat island phenomenon (Note 2), which is one of the social issues, by heat insulation paving and water-retentive paving (Note 3)

among other things. Furthermore, the Company is involved in undergrounding power lines and in actively promoting development of people-friendly, environmentally-friendly, safe and comfortable society. (Note 2) “Heat island phenomenon” means a condition in which an isothermal line is shaped like an island because the temperature of area, which is mainly inner urban area, inside the isothermal line is higher than its rural surroundings.

(Note 3) “Heat insulation paving and water-retentive paving” mean pavement which functions as controlling the increase in road surface temperature through high reflection of infrared which leads to increase in road surface temperature and through removal of heat of vaporization by evaporation of retained moisture.

(b) Manufacturing and Sales Business

As its business area relating to pavement materials, the Company manufactures and sells asphalt mixtures and aggregates (Note 4) and other building materials, collects, transports and treats industrial waste, and sells recycled aggregates and recycled roadbed materials (Note 5).

Regarding manufacturing and sales of asphalt mixtures and aggregates and other building materials, the Company manufactures and sells products which are mainly made from asphalt mixtures used for paving to strengthen the road surface. With regard to manufacturing of asphalt mixtures, the Company undertakes to be environmentally friendly and to reduce CO₂ emissions by taking measures such as switching the fuel from heavy oil to fuel with less CO₂ emission and installing foamed asphalt equipment (Note 6).

Regarding collection, transport and treatment of industrial waste, the Company built a recycling factory(ies), collects and treats the chunks of asphalt and concrete which were used once, and recycles them.

Regarding sales of recycled aggregates and recycled roadbed materials, the Company sells recycled aggregates and recycled roadbed materials which are made from chunks of asphalt and concrete collected and treated as recycling source.

(Note 4) “Asphalt mixtures and aggregates” mean aggregates which form the framework such as macadam and sand, and mixed materials

blending materials such as asphalt materials glueing such aggregates in certain proportions.

(Note 5) “Roadbed materials” mean materials such as macadam and slags which shrink and solidify the foundation supporting the pavement.

(Note 6) “Foamed asphalt equipment” means equipment which enables reduction of CO2 emissions when manufacturing asphalt mixture by reducing the fossil fuel consumption by decreasing the heat temperature of aggregates.

(c) Other

The Company runs not only road construction business, but also environmental business and solar power generation business in order to contribute to local environmental protection and local community where people can live peacefully and safely.

Regarding the environmental business, the Company Group offers soil survey and remediation measures and promotes undergrounding power lines by using the Company Group’s own network.

Regarding solar power generation business, the Company generates electricity from October 2013 by using the unused lands at Tabusecho, Yamaguchi. The Company Group aims (i) to use the power plant premises as a testing field to test the effectiveness of research and development on matters such as weed control measures at power plant and environmentally-friendly paving, (ii) to accumulate the power generation knowhow gained from the solar power generation business, and (iii) to use such knowhow in the Company Group’s business in the future.

The Company Group has been running the businesses mentioned above and contributing to the creation of safe and comfortable social infrastructure under the corporate philosophy of “pursuit of customer satisfaction,” “increase in shareholder value,” “emphasis on employee vitality,” “emphasis on sociality,” and “contributing to the global environment.”

However, with respect to the environment surrounding the Company Group, while the steady demand for construction in the future is expected to continue against a backdrop of disaster prevention, disaster mitigation and national resilience and increase in semiconductor-related investments and urban developments, the Company Group

anticipates the energy price and raw material price to remain high and labor shortage to continue. According to “Asphalt Mixture Statistical Annual Report” (2024 Edition) announced by Japan Asphalt Mixture Association in August 2025, production quantity of asphalt mixture has decreased for 4 consecutive years. Reduction of market size due to decrease in demand for asphalt and increase in manufacturing cost of asphalt mixtures due to fluctuation in currency exchange and crude oil price, etc. have become a common issue in the industry and therefore, in order for the Company Group to overcome such harsh industry environment and to continue to play its role as a company undertaking infrastructure, it became even more important to strengthen sales capabilities and on-site capabilities by securing and developing human resources and to generate profits by enhancing productivity. Accordingly, the Company Group views that it is necessary to focus on business reform to improve business efficiency, human capital management including human resources development, and expansion of business area. By taking account such circumstances, the Company Group announced “2025–2027 Medium-Term Management Plan” (3-year period from April 2025 to March 2028) (the “Medium-Term Management Plan”) on May 14, 2025. The Medium-Term Management Plan has “enhancement of profitability and corporate value through business reform” as the basic policy and sets “business structure reform,” “strengthening business foundation,” “financial strategy” and “sustainability strategy” as 4 key topics, and the Company takes initiatives to further enhance the corporate value, focuses on enhancing profitability and efficiency, and aims to generate profits, by putting safety and compliance as top priority.

After the announcement of Medium-Term Management Plan, the Company Group promotes its business in accordance with the Medium-Term Management Plan. However, due to the fact that harsh industry environment still continues, the Company Group understands that it is necessary to establish a strong business foundation under which the Company Group can aim to enhance the corporate value of Company Group.

The capital relationship between the Tender Offeror and the Company began in 1965 when the Tender Offeror made a capital contribution to the Company (The trade name of the Company at the time was Hokkaido Doro Kabushiki Kaisha.) in a form of shareholder. Thereafter, on October 1, 2003, the Company (The trade name of the Company at the time was MITSUI ROAD CO., LTD.) ended up owning 9,963,000 shares of Company’s Shares (share ownership ratio at the time when the total number of issued shares was 18,555,000 shares: 53.69%) as of October 1, 2003 through the absorption-type merger with Sumiken Doro (wholly-owned subsidiary of Tender

Offeror at the time), in which the Company was the surviving company of absorption-type merger and Sumiken Doro was the absorbed company of absorption-type merger and in which the common shares in the Company were allocated to the Tender Offeror who was shareholder of Sumiken Doro, resulting in the Company becoming the consolidated subsidiary of Tender Offeror. Thereafter, in October 2018, the number of shares held by the Tender Offeror in the Company has become 4,981,500 shares (share ownership ratio at the time when the total number of issued shares was 9,277,500 shares: 53.69%) due to share consolidation under which every 2 shares of Company's Shares became 1 share. The number of shares held by the Tender Offeror in the Company is currently 4,981,500 shares (share ownership ratio out of 9,277,447 shares which are the number of shares after deducting the number of treasury shares held by the Company as of December 31, 2025 (53 shares) from the total number of issued shares of the Company as of December 31, 2025: 53.69%).

(Note) For the purpose of paragraph above, "share ownership ratio" means the share ownership ratio of Tender Offeror in the Company (rounded to the nearest hundredth) as compared to the total number of issued shares in the Company at each corresponding time. Due to the fact that it was difficult to grasp the number of treasury shares held by the Company at each corresponding time, the number of treasury shares has not been deducted from the total number of issued shares for the calculation of share ownership ratio.

(ii) Background and Purpose Leading up to Deciding the Implementation of the Tender Offer by the Tender Offeror

(a) Background of Consideration to Make the Company a Wholly-Owned Subsidiary

The Tender Offeror expects that for the construction industry, including road construction, because of systematic investment from such perspectives as addressing disaster prevention and mitigation, national resilience, and carbon neutrality, the demand for public investment will remain solid and that the business of maintaining and updating the domestic infrastructure will see an expanding trend. The Tender Offeror also believes that the demand for capital investment by private companies will continue to pick up against a background of improving profits. However, the impact from the prices of resources and construction materials remaining high, the tight labor supply, the

labor shortage, and the application of regulations on the construction industry which went into effect in April 2024, placing upper limits on overtime work, means that the challenging market environment will continue.

Under these circumstances, the Tender Offeror, up to now, has considered the manner of collaboration and operation that would be best for both the Tender Offeror and the Company, and prior to the Tender Offeror's joining the Tender Offeror Parent Group on December 23, 2025, following the tender offer for the Tender Offeror and share consolidation by the Tender Offeror Parent, the Tender Offeror again began its consideration of making the Company a wholly-owned subsidiary in November 2025, and came to the conclusion that given the aforementioned changes in the construction industry's business environment and market environment, implementing the Transaction at this timing would lead to enhancement of the medium-to-long-term corporate value of both companies. In addition, in November 2025, the Tender Offeror discussed with the Tender Offeror Parent the policy of making the Company a wholly-owned subsidiary of the Tender Offeror, and was able to reach a shared understanding with the Tender Offeror Parent that the Transaction would contribute to enhancement of the corporate value of both the Tender Offeror and the Company and would also lead to enhancement of the corporate value of the Tender Offeror Parent Group; accordingly, the Tender Offeror Parent concluded that the Transaction should be promoted.

(b) Synergy from Making the Company a Wholly-Owned Subsidiary

The Tender Offeror and the Company, on the basis of the cooperative relationship and capital relationship they have developed up to the present day, have collaborated in the implementation of construction works etc. and taken initiatives to enhance the corporate value of both firms; however, as discussed above in "(a) Background of Consideration to Make the Company a Wholly-Owned Subsidiary," in this difficult and unpredictable environment, the Tender Offeror believes that based on an even closer affiliation, sharing the managerial resources of both firms and moving forward with greater integration and optimization in construction works, sales, procurement, technology

and development will lead to greater competitiveness for both the Tender Offeror and the Company. Further, from the Tender Offeror's perspective, in order to share technical information and other foundations of business between the Tender Offeror Parent Group and the Company Group, it is necessary for the Company to be able to make managerial decisions from a medium-to-long-term perspective rapidly and flexibly; but because the Company is an independent listed company, it is necessary to fully consider and address any structural conflicts-of-interest relationship that may arise with the general shareholders of the Company. For this reason, by making the Company a wholly-owned subsidiary of the Tender Offeror through the Transaction, the Tender Offeror believes that this kind of structural conflicts-of-interest relationship can be resolved and rapid and flexible decision-making on the part of the Company can be achieved. Further, by further promoting the integration of the Tender Offeror and the Company, assorted synergies from new perspectives can be maximized, enabling the promotion of optimal resource allocation and investment on a group level, and for this reason, the Tender Offeror believes that the Transaction will lead to an enhancement of the corporate value of both the Tender Offeror and the Company.

In the process of considering the Transaction, the Tender Offeror made repeated efforts to verify the synergy effects that may arise; as a result of these efforts, the Tender Offeror believes that the following synergy effects can be created through the Transaction.

a. Strengthening the System for Winning Orders for Public Works

As the competitive environment for winning orders for construction becomes more challenging and the need for collaborative public-private ventures in public works has become heightened because of the falling population and financial restrictions, the Tender Offeror is aware that strengthening competitiveness in order-winning is an urgent issue and understands that the Company too has set the strengthening of its system for public works order-winning as a priority measure. The Tender Offeror believes that by further deepening the collaboration among the Company, with its strengths in road paving technology, the

Tender Offeror, with its strengths in bridges, and the Tender Offeror Parent, with its track record in public-private collaboration projects, and strengthening a system for order-winning that covers everything from civil engineering to road paving, it should become possible to improve the rate at which orders for new road and bridge construction are won as well as to participate in a new business field that is expected to expand going forward, namely, public-private collaborative ventures in the maintenance and management of roads.

Further, as it is expected that there will be an increase in tenders operated under the overall evaluation bidding method (Note 7), it will be possible for greater competitiveness resulting from utilization of the group managerial resources set forth below in “c. Mutual Utilization of Group Managerial Resources”, which will allow end-to-end handling using the full infrastructure, from upstream to downstream, of the Tender Offeror Parent Group, a “general infrastructure services corporation” - that is, everything from project conceptualization to negotiations with stakeholders, the building of facilities, the enhancement of the marketing system, and the operation of facilities and sale of products - as well as utilization of the wide-ranging road maintenance and management capabilities that will be strengthened through collaboration among the Tender Offer-Related Parties.

(Note 7) “Overall evaluation bidding method” is a bidding method where, when a contract is awarded for construction works, competing participants are asked for technical proposals etc. and both the bid price and elements other than price (quality etc.) are evaluated and the overall results are used to determine the contract winners.

b. Construction Material Procurement Cost Reduction and Resolution of Worker Insufficiencies through Expansion of Scale of Business

The Tender Offeror is aware that while robust demand for construction is expected as aging infrastructure is addressed, the business environment surrounding the construction industry remains difficult because of such factors as the high cost of materials, the tight labor supply, and the application of regulations that set a limit

on overtime work; and the Tender Offeror understands that the Company too is placing a high priority on measures for labor efficiency and productivity to address the worker shortage. Under such circumstances, by further strengthening collaboration between the two firms, the Tender Offeror believes that it will be possible to improve profitability by reductions in material procurement costs through the construction of a shared procurement system, to secure sufficient personnel by implementing joint hiring activities and training, and to strengthen the construction work system through optimal assignment of personnel.

c. Mutual Utilization of Group Managerial Resources

In the road paving industry, while road project costs have remained flat since around 2010, the relative volume of road projects has continued to decrease because of the rise in material prices and labor costs, and as the amount of asphalt mixture being produced also decreases, the Tender Offeror is aware that improving the operating rate of plants that produce the mixture is an issue that the industry overall must address. The Company shares this awareness, and it has set the consolidation of production bases and the turning of plants into profit centers (Note 8) as a high priority measure. By deepening group collaboration, it will be possible to improve operating rates and efficiency through the Company and Maeda Road, a Tender Offeror Parent Group member which operates in the same industry, complementing each other, eliminating locations where they lack production bases and consolidating bases where they overlap.

Further, by utilizing the external ratings and established credit base of the Tender Offeror Parent Group, it will be possible to procure financing from financial institutions in a more stable and flexible manner and to seek a reduction in financing costs through a review of financing terms.

(Note 8) The “turning of plants into profit centers” means, instead of considering asphalt plants to be cost centers for the road paving business, transitioning to a management style and system that emphasizes profit on the level of individual plants. Considering that

profit is secured at the production business level and that a characteristic of the demand for asphalt is that it is largely dependent on timing and regions, it is expected that this strategy of turning plants into profit centers will be highly effective for the Tender Offeror, too. The Tender Offeror is aware that in the specific execution of this strategy, there may be a need to reassign personnel from low-profitability plants to high-profitability plants and to consolidate plants.

d. Strengthening Integrated Management through Resolution of Conflicts of Interest with General Shareholders

The Company is operating its business as an independent listed company, and under these circumstances where the Company has general shareholders, there are limits to how rapidly the Company can make decisions and, furthermore, a capital structure exists where conflicts of interest may arise between the Tender Offeror, which is the Company's parent company, and the Company's general shareholders. The Transaction will resolve the structural conflicts-of-interest relationship, enabling maximum sharing of each other's managerial resources and rapid decision-making by the Company, thereby maximizing the aforementioned synergy effects.

e. Reduction of Listing Maintenance Costs

In addition to the assorted costs required for maintaining its listing, the Company is also bearing increased costs required for continuous disclosure requirements and audits brought about by recent revisions to the corporate governance code and capital market regulations. If the Company becomes a wholly-owned subsidiary of the Tender Offeror, this will enable a considerable reduction in such costs and in the operational burden, and managerial resources can be concentrated on growth investments.

f. Measures for strengthening the managerial base, and addressing other issues faced by the Company

As fundamental strategies, the Tender Offeror is advancing initiatives promoting personnel strategies and the advancement of

digital transformation (“DX”); by seeking joint promotion across the Tender Offeror Parent Group overall of DX, technical development, sustainability strategies and personnel training, the Company’s managerial foundation will also be strengthened.

Meanwhile, it is possible that through the Transaction, the following disadvantages will arise; these disadvantages will be addressed as set forth below, and it is believed the advantages arising from the synergies that can be achieved through the Transaction will outweigh any disadvantages.

Specifically, regarding Maeda Road, which belongs to the Tender Offeror Parent Group and engages in the road paving business, and the Company, there is the possibility of a dyssynergy (negative synergy) in the form of competition when bidding for a job; however, because it will be possible to proactively, within the scope permitted by competition laws, share information and coordinate beforehand among companies within the Tender Offeror Parent Group, it will be possible to select which jobs each of Maeda Road and the Company will bid for, taking into account their respective fields of specialization and the resources they can provide.

Further, by first establishing a JV (Note 9) and aggressively bidding, business promotion where Maeda Road and the Company collaborate can be achieved, enabling the efficient handling of jobs and operation of the Tender Offeror Parent Group, and this in turn will lead to strengthening the competitiveness of Maeda Road and the Company. (Note 9) “JV” is the abbreviation of “joint venture”, a specifically limited business organization formed by multiple contractors for the purpose of winning a bid for, and executing, a specific construction job.

Further, through the implementation of the Transaction, Company’s Shares will be delisted; general disadvantages arising from the delisting of shares include no longer being able to raise funds through equity finance from the capital markets and no longer being able to enjoy such benefits of being a listed company as greater name recognition and social reputation. However, considering that no borrowings are recorded on the Company Group’s balance sheet according to the

Company's Third Quarter Financial Results Summary and that currently no capital investments on a scale that would require equity financing have been decided upon and no other such demand for funds is envisioned, for the time being there is not expected to be any need to raise funds utilizing equity finance; the Company has built good relationships with financial institutions through long-term transactions and it is expected that where needed financing will be carried out through indirect financing; and the Company will be able to receive support from the Tender Offeror Parent Group, including financial support. Considering the foregoing, it is expected that the impact from delisting will be minor. In addition, the name recognition and enhanced social reputation of the Company Group are to a large part captured and maintained through business activities, and even after execution of the Transaction, these can be captured and maintained through the execution of business by the Company Group; in addition, the name recognition and social reputation of the Tender Offeror Parent Group, which is headed by the Tender Offeror Parent, a company listed on the TSE Prime Market, can be utilized to a greater extent. For these reasons, it is believed that the disadvantages from the delisting of Company's Shares will be limited. Furthermore, the Tender Offeror has determined that while capital relationship with existing shareholders of the Company, who are also business partners, will be dissolved through this Transaction, the business impact will be limited because the Company's transactions with existing business partners are conducted for the mutual benefit of both parties.

(c) Background Leading up to Deciding the Tender Offer

By taking into account the results of consideration as explained above, the Tender Offeror determined around November 2025 that in order to realize further enhancement of corporate value of Tender Offeror and Company, it would be necessary for both companies to further deepen the collaboration, optimally allocate the business resources and cooperate with each other, by having the Company become a wholly-owned subsidiary of Tender Offeror.

Thus, in late November 2025, the Tender Offeror selected Daiwa Securities Co., Ltd. ("Daiwa Securities") as a financial advisor

independent from the Tender Offeror Parent, the Tender Offeror, and the Company (collectively, “Tender Offer-Related Parties”) and Nishimura Asahi Gaikokuho Kyodo Jigyo as a legal advisor independent from the Tender Offer-Related Parties, and began to consider the Transaction in detail.

Then, on December 1, 2025, upon having discussions with the Company after telling its view to the Company that implementation of Transaction is necessary in order to deepen the collaboration between the Tender Offeror and the Company, the Tender Offeror had agreed with the Company to commence consideration of the Transaction. Thus, the Company established the Special Committee (as defined in “(i) Background of Development of Review Team” in “④ Process and Reason for Decision by the Company” below; hereinafter the same) on December 2, 2025 consisting of Ms. Chie Hoshi (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Outside Auditor of Konoike Transport Co., Ltd., Outside Auditor of BASE Inc., Member of Board of Councilors of Daito Bunka Educational Institution and Partner and Attorney-at-law of Tanabe & Partners), Ms. Keiko Matsubayashi (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Outside Director of FURUYA METAL CO., LTD. and Certified Public Tax Accountant of Keiko Matsubayashi Tax Accounting Office) and Mr. Yoshimichi Ando (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Head of ANDO Accounting & Tax Office, Certified Public Accountant and Certified Public Tax Accountant), who are independent outside directors, through the resolution of extraordinary Board of Directors meeting held on December 2, 2025, in order to consider, negotiate and make decisions regarding the Transaction from the perspective of enhancing the corporate value of the Company and securing the interests of all general shareholders of the Company from the standpoint independent from the Tender Offeror (On an additional note, Ms. Chie Hoshi, who is Independent Outside Director (Audit and Supervisory Committee Member) of the Company, has been appointed as the chairperson of the Special Committee as chosen by the members of the Special Committee. There has not been any change in the members of the Special

Committee since its establishment.).

Subsequently, on December 19, 2025, the Tender Offeror submitted to the Company, a non-legally binding preliminary letter of intent (“Letter of Intent”) which set forth matters such as the official expression of its intent regarding the Transaction to the Company, the purpose of which was to make the Company a wholly-owned subsidiary through the Transaction, the background of such intent, the synergies expected after implementation of the Transaction and the plan to make the Company a wholly-owned subsidiary through the procedures including the Squeeze-Out Procedures against the general shareholders of the Company after the implementation of Tender Offer as a planned structure of the Transaction.

Specifically, in order to investigate the feasibility of the Tender Offer, from mid-January until early February 2026, the Tender Offeror carried out a due diligence investigation of the Company (“Due Diligence”) and, in parallel, held continued discussions with the Company and the Special Committee regarding the significance and purpose of the Transaction, the synergies that were expected to be manifested through the Transaction, the post-Transaction managerial structure and business policies, and the purchase etc. price per one Company’s Share (“Tender Offer Price”) and other terms of the Transaction. Specifically, as part of such discussions, on January 13, 2026, the Tender Offeror received written questions from the Special Committee concerning such matters as the background to and the purpose and significance of the Transaction, synergy effects from the Transaction, disadvantages of the Transaction, post-Transaction managerial structure and policy, thoughts about the structure of the Transaction and the Tender Offer Price, and on January 27, the Tender Offeror submitted written answers to such questions. Further, at a Special Committee meeting held on February 3, the Tender Offeror gave an explanation and engaged in an exchange of opinions regarding such matters as the background to and significance and purpose of the Transaction, synergy effects, and post-Transaction managerial policies.

As a result of the Due Diligence, the Tender Offeror comprehensively considered such factors as the possibility of the Company’s Board of Directors supporting the Tender Offer, trends in

the market price of Company's Shares, and the prospects for shares being tendered in the Tender Offer, and on February 13, 2026, informed the Company and the Special Committee that it would set the Tender Offer Price at 1,810 yen assuming no final dividend for the fiscal year ending March 2026. This Tender Offer Price represented a premium of 8.06% (rounded off to the second decimal place; hereinafter the same in the calculation of premiums) over the closing price for Company's Shares on the TSE Standard Market on the day of such proposal (February 12, 2026) of 1,675 yen, a premium of 11.66% over the simple average closing price for the 1 month immediately prior to such date of 1,621 yen (rounded to the nearest hundredth; hereinafter the same in the calculation of the simple average closing price), a premium of 15.36% over the simple average closing price for the 3 months immediately prior to such date of 1,569 yen, and a premium of 19.24% over the simple average closing price for the 6 months immediately prior to such date of 1,518 yen. In response to this, on February 16, 2026, the Tender Offeror received a request from the Company to reconsider the Tender Offer Price, as the Tender Offer Price did not reflect the intrinsic value of the Company and was insufficient when viewed from the perspective of protection of the interests of general shareholders of the Company.

In response to this request, the Tender Offeror again gave serious consideration to the Tender Offer Price, and on February 20, submitted a new proposal to the Company and the Special Committee, with a Tender Offer Price of 1,900 yen (representing a 13.98% premium over the closing price for Company's Shares on the TSE Standard Market on February 19, 2026, the business day immediately prior to the day of proposal, of 1,667 yen, a 16.85% premium over the simple average closing price for the 1 month immediately prior to such date of 1,626 yen, a 19.87% premium over the simple average closing price for the 3 months immediately prior to such date of 1,585 yen, and a 24.67% premium over the simple average closing price for the 6 months immediately prior to such date of 1,524 yen). In response to this request, on February 24, 2026, the Tender Offeror received a request from the Company to reconsider the Tender Offer Price, as the Tender Offer Price still did not reflect the Company's intrinsic value and was

insufficient from the perspective of protection of the interests of the Company's general shareholders. In response to this request, the Tender Offeror carefully reconsidered the Tender Offer Price, and on February 26, 2026, submitted a re-proposal to the Company and the Special Committee with the Tender Offer Price of 1,950 yen (representing an increase of 19.27% premium over the closing price of 1,635 yen for the Company's shares on the TSE Standard Market on February 25, 2026 (the business day immediately prior to the day of proposal), a 19.41% premium over the simple average closing price of 1,633 yen for the 1 month immediately prior to such date, a 22.33% premium over the simple average closing price of 1,594 yen for the 3 months immediately prior to such date, and a 27.62% premium over the simple average closing price of 1,528 yen for the 6 months immediately prior to such date). In response to this, on February 27, 2026, the Tender Offeror received from the Company to reconsider the Tender Offer Price, as it still did not reflect the Company's intrinsic value and was insufficient from the perspective of protection of the interests of the Company's general shareholders. Based on this request, the Tender Offeror carefully reconsidered the Tender Offer Price, and on March 3, 2026, submitted the Tender Offer Price of 1,980 yen (representing a premium of 17.86% over the closing price of 1,680 yen for the Company's shares on the TSE Standard Market on March 2, 2026 (the business day immediately prior to the day of proposal), a 19.71% premium over the simple average closing price of 1,654 yen for the 1 month immediately prior to such date, a 23.21% premium over the simple average closing price of 1,607 yen for the 3 months immediately prior to such date, and a 29.07% premium over the simple average closing price of 1,534 yen for the 6 months immediately prior to such date) to the Company and the Special Committee as the maximum price it could offer (the "Final Proposal dated March 3"). In response to this, on March 4, 2026, the Tender Offeror received from the Company to reconsider the Tender Offer Price, as it still did not reflect the Company's intrinsic value and was insufficient from the perspective of protection of the interests of the Company's general shareholders. Based on this request, the Tender Offeror carefully reconsidered the Tender Offer Price, and on March 5, 2026, submitted the Tender Offer Price of 2,000 yen (representing a

premium of 24.46% over the closing price of 1,607 yen for the Company's shares on the TSE Standard Market on March 4, 2026 (the business day immediately prior to the day of proposal), a 20.99% premium over the simple average closing price of 1,653 yen for the 1 month immediately prior to such date, a 24.15% premium over the simple average closing price of 1,611 yen for the 3 months immediately prior to such date, and a 30.12% premium over the simple average closing price of 1,537 yen for the 6 months immediately prior to such date) to the Company and the Special Committee as the maximum price it could offer. As a result, the Tender Offeror received a response from the Company to the effect that it accepted the Tender Offeror's proposal, subject to final approval by its Board of Directors, and reached agreement with the Company setting the Tender Offer Price at 2,000 yen.

Following the foregoing discussions and negotiations, on March 6, 2026, the Tender Offeror decided to implement the Tender Offer as part of the Transaction, with a Tender Offer Price of 2,000 yen.

③ Management Policy after Tender Offer

In order to ensure that the synergies described above in “(ii) Background and Purpose Leading up to Deciding the Implementation of the Tender Offer by the Tender Offeror” in “② Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer” are manifested, the Tender Offeror and the Company will accelerate the collaboration between the two firms and take initiatives to speed up decision-making and combine their collective strengths. Regarding the efficient use of managerial resources directed towards enhancement of the Company's corporate value and the reallocation of such resources for the purpose of overall optimization, the Tender Offeror will discuss these matters fully with the Company's management team as these matters are considered. Regarding the Company's management structure and composition of its Board of Directors following the Tender Offer, nothing has been decided as of the present time, including whether officers will be dispatched and other personnel-related matters; following the successful completion of the Tender Offer, the Tender Offeror and the Company will hold discussions, aiming for appropriate governance that respects the Company's independence and the creation of a system that enables the maximum manifestation of synergy effects for the Tender Offeror Parent Group.

④ Process and Reason for Decision by the Company

(i) Background on Development of Review Team

Upon discussions with the Tender Offeror after receiving from the Tender Offeror on December 1, 2025 a message stating the Tender Offeror's preliminary intention on implementing the Transaction, the Company had agreed with the Tender Offeror to commence consideration of the Transaction. Then the Company received the Letter of Intent from the Tender Offeror on December 19, 2025.

In response, by taking into account the fact that (a) the Tender Offeror is a controlling shareholder (parent company) of the Company whose shareholding ratio of Company's Shares is 53.69%, (b) the Transaction including the Tender Offer falls under MBO (management buyout), etc. as prescribed in the Securities Listing Regulations of TSE and (c) the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, the Company appointed City-Yuwa Partners as the legal advisor independent from the Tender Offer-Related Parties in early December 2025 and Deloitte Tohmatsu LLC ("Deloitte Tohmatsu") as the financial advisor and third-party valuation firm independent from the Tender Offer-Related Parties in early December 2025 respectively, to consider the Transaction and to discuss and negotiate with Tender Offeror on the Transaction in order to handle such issues and to ensure fairness in the Transaction including the Tender Offeror.

Furthermore, upon preparing to establish the Special Committee as provided in "③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee" in "(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest" provided below, the Company established the Special Committee (the "Special Committee") consisting of Ms. Chie Hoshi (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Outside Auditor of Konoike Transport Co., Ltd., Outside Auditor of BASE Inc., Member of Board of Councilors of Daito Bunka Educational Institution and Partner and attorney-at-law of Tanabe & Partners), Ms. Keiko Matsubayashi (Independent Outside Director (Audit and

Supervisory Committee Member) of the Company, Outside Director of FURUYA METAL CO., LTD. and Certified Public Tax Accountant of Keiko Matsubayashi Tax Accounting Office) and Mr. Yoshimichi Ando (Independent Outside Director (Independent Outside Director (Audit and Supervisory Committee Member) of the Company, Head of ANDO Accounting & Tax Office, Certified Public Accountant and Certified Public Tax Accountant) through the resolution passed at the extraordinary Board of Directors meeting held on December 2, 2025 (On an additional note, Ms. Chie Hoshi, who is Independent Outside Director (Audit and Supervisory Committee Member) of the Company, has been appointed as the chairperson of the Special Committee as chosen by the members of the Special Committee. There has not been any change in the members of the Special Committee since its establishment.). For details on the composition of Special Committee, the authorities granted to the Special Committee, and background on and decisions made upon consideration, please see “③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” provided below.

As provided in “③ Establishment of Independent Special Committee of the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” provided below, the appointment of City-Yuwa Partners as the legal advisor of the Company and Deloitte Tohmatsu as the financial advisor and third-party valuation firm has received approval from the Special Committee upon confirming that they are independent from the Tender Offer-Related Parties and the outcome of the Transaction and there is no issue as to their expertise and track record. In addition, as provided in “④ Procurement of Share Valuation Report and Fairness Opinion from Third-Party Valuation Firm in the Special Committee” in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” provided below, the Special Committee came to a decision to appoint AGS FAS Co., Ltd. (“AGS FAS”) as a third-party valuation firm of the Special Committee

based on the authority granted to the Special Committee upon confirming that AGS FAS is independent from the Tender Offer-Related Parties and the outcome of the Transaction and there is no issue as to its expertise and track record, for the purpose of further strengthening the advisor team.

Furthermore, as provided in “⑥ Development of Independent Review Team of the Company” in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” provided below, the Company internally developed a structure to conduct review (including preparation of business plan which will become the basis of valuation of Company’s Shares), have negotiations and make decisions (including the scope of officers and employees of the Company who will be involved in considerations, negotiations and decisions relating to the Transaction and their duties) regarding the Transaction from the standpoint independent from the Tender Offeror and has obtained an approval from the Special Committee that such review team has no issue in terms of independence and fairness.

(ii) Background of Consideration and Negotiation

The Company has received from Deloitte Tohmatsu the report on the results of valuation of Company’s Shares, advice on how to negotiate with the Tender Offeror and other financial advice and has received from City-Yuwa Partners advice on the measures to be taken to ensure fairness in the procedures under the Transaction and other legal advice. By taking them into consideration, the Company has carefully discussed and considered the positives and negatives of the Transaction and the reasonableness of terms and conditions of the Transaction by respecting the opinion of Special Committee to the maximum extent possible.

Since the establishment of Special Committee through the resolution at the extraordinary Board of Directors meeting held on December 2, 2025, the Special Committee has continuously discussed and negotiated with the Tender Offeror on the implementation of the Transaction.

Specifically, the Company made a written inquiry to the Tender Offeror on January 13, 2026 via the Special Committee on matters such as the background to and the purpose and significance of the Transaction, synergy effects from the Transaction, disadvantages of the Transaction, post-

Transaction managerial structure and policy, thoughts about the structure of the Transaction, and view on the Tender Offer Price, and received from the Tender Offeror a written response to the matters inquired on January 27, 2026. Then on February 2, 2026, the Special Committee made a written inquiry to the Tender Offeror on February 2, 2026 by taking into account the response from the Tender Offeror. Then at the Special Committee held on February 3, 2026, the Special Committee received an oral response from the Tender Offeror on the inquired matters, conducted Q&A to the Tender Offeror, and confirmed with the Tender Offeror on the matters such as the background to and the purpose and significance of the Transaction, synergy effects from the Transaction, disadvantages of the Transaction, post-Transaction managerial structure and policy, thoughts about the structure of the Transaction, and view on the Tender Offer Price.

With regard to the Tender Offer Price, the Company and the Special Committee received from the Tender Offeror on February 13, 2026 a proposal of Tender Offer Price of 1,810 yen (i.e., a premium of 8.06% was added to 1,675 yen which was the closing price of Company's Shares on the TSE Standard Market on February 12, 2026 (which was the business day immediately prior to the proposal date), a premium of 11.66% was added to 1,621 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 15.36% was added to 1,569 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 19.24% was added to 1,518 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Company's Shares and opinions from the Special Committee, the Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 16, 2026 by arguing that the Tender Offer Price did not incorporate the intrinsic value of the Company and was not enough to secure the interests of general shareholders of the Company. Thereafter, the Company and the Special Committee received from the Tender Offeror on February 20, 2026 a proposal of Tender Offer Price of 1,900 yen (i.e., a

premium of 13.98% was added to 1,667 yen which was the closing price of Company's Shares on the TSE Standard Market on February 19, 2026 (which was the business day immediately prior to the proposal date), a premium of 16.85% was added to 1,626 yen which was simple average closing price of Company's Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 19.87% was added to 1,585 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 24.67% was added to 1,524 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Company's Shares and opinions from the Special Committee, the Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 24, 2026 by arguing that the Tender Offer Price still did not incorporate the intrinsic value of the Company and was not enough to secure the interests of general shareholders of the Company. Thereafter, the Company and the Special Committee received from the Tender Offeror on February 26, 2026 a proposal of Tender Offer Price of 1,950 yen (i.e., a premium of 19.27% was added to 1,635 yen which was the closing price of Company's Shares on the TSE Standard Market on February 25, 2026 (which was the business day immediately prior to the proposal date), a premium of 19.41% was added to 1,633 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 22.33% was added to 1,594 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 27.62% was added to 1,528 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). After taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Company's Shares and opinions from the Special Committee, the Company and the Special Committee requested the Tender Offeror to reconsider the proposal on February 27, 2026 by arguing that the Tender Offer Price still

did not incorporate the intrinsic value of the Company and was not enough to secure the interests of general shareholders of the Company. Thereafter, the Company and the Special Committee received from the Tender Offeror on March 3, 2026 a final proposal of Tender Offer Price of 1,980 yen (i.e., a premium of 17.86% was added to 1,680 yen which was the closing price of Company's Shares on the TSE Standard Market on March 2, 2026 (which was the business day immediately prior to the proposal date), a premium of 19.71% was added to 1,654 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 23.21% was added to 1,607 yen which was simple average closing price of Company's Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 29.07% was added to 1,534 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 6 months immediately prior to such date). Thereafter, after taking into account the advice from Deloitte Tohmatsu and AGS FAS on the share valuation of Company's Shares and opinions from the Special Committee, the Company and the Special Committee requested the Tender Offeror to reconsider the proposal on March 4, 2026 by arguing that the Tender Offer Price still did not incorporate the intrinsic value of the Company and was not enough to secure the interests of general shareholders of the Company. Subsequently, on March 5, 2026, the Company and the Special Committee received a revised Final Proposal dated March 3 from the Tender Offeror. The revised Tender Offer Price was set at 2,000 yen (i.e. a premium of 24.46% over the closing price of 1,607 yen for the Company's shares on the TSE Standard Market on March 4, 2026 (the business day immediately prior to the day of proposal), a 20.99% premium over the simple average closing price of 1,653 yen for the 1 month immediately prior to such date, a 24.15% premium over the simple average closing price of 1,611 yen for the 3 months immediately prior to such date, and a 30.12% premium over the simple average closing price of 1,537 yen for the 6 months immediately prior to such date).

Upon receiving and carefully considering and discussing the final proposal from the Tender Offeror, on March 6, 2026, the Company responded to the Tender Offeror that the Company would agree to the final

proposal to have the Tender Offer Price as 2,000 yen per share, provided that the final decision would be made through the resolution at the Board of Directors meeting of the Company.

In the course of continuous discussion and negotiation with the Tender Offeror as explained above, the Special Committee has made inquiries to and exchanged opinions with the Company and its advisors as necessary and has provided approvals and opinions as appropriate. Specifically, the Company first confirmed with the Special Committee on the reasonableness of the matters such as the contents of business plan of the Company prepared, important conditions precedent in the business plan and background of preparation of the business plan. Then the Company made a proposal of Business Plan (as defined in “(ii) Overview of Valuation of Company’s Shares” in “② Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Company” in “(3) Matters Concerning Valuation”) and Deloitte Tohmatsu and AGS FAS used the Business Plan as the basis of valuation of Company’s Shares. With regard to the negotiations with the Tender Offeror, the Special Committee has also provided opinions, instructions and requests, etc. each time the Special Committee received a proposal on the Tender Offer Price from the Tender Offeror, and the Company has followed such opinions, instructions and requests, etc.

After going through the review process explained above, the Special Committee has submitted a report (the “Report”) to the Board of Directors of the Company as of March 9, 2026 (For overview of Report, please see “③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest.”). Together with the Report, the Special Committee also submitted to the Board of Directors of the Company as of March 6, 2026 the valuation report on the value of Company’s Shares (the “Share Valuation Report (AGS FAS)”) and the fairness opinion that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Company from the financial perspective (the “Fairness Opinion (AGS FAS)”) received from AGS FAS. For overview of Share Valuation Report (AGS FAS) and Fairness Opinion

(AGS FAS), please see “③ Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “(3) Matters Concerning Valuation” provided below.

(iii) Details of Decision

Under the circumstances explained above, the Company has carefully discussed and considered at the Board of Directors meeting held today on matters such as whether or not the Transaction including the Tender Offer contributes to enhancing the corporate value of the Company and whether or not the terms and conditions of the Transaction including the Tender Offer are fair, by taking into consideration the financial advice received from Deloitte Tohmatsu, the contents of valuation report on the share value of the Company’s Shares received from Deloitte Tohmatsu as of March 6, 2026 (the “Share Valuation Report (Deloitte Tohmatsu)”), the contents of Share Valuation Report (AGS FAS), the contents of Fairness Opinion (AGS FAS), and the legal advice from City-Yuwa Partners on the decision-making process and method regarding the Transaction including the Tender Offer and other notable points when making decisions concerning the Transaction including the Tender Offer and by respecting the Report received from the Special Committee to the maximum extent possible.

As a result, the Company also came to a conclusion that becoming a wholly-owned subsidiary of the Company through the Transaction including the Tender Offer will contribute to the corporate value of the Company as explained below.

As provided in “② Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer by the Tender Offeror” above, with respect to the environment surrounding the Company Group, due to the fact that harsh industry environment continues, in order to handle the changes occurring in such external environment, the Company Group has put “enhancement of profitability and corporate value through business reform” as the basic policy and has set “business structure reform,” “strengthening business foundation,” “financial strategy” and “sustainability strategy” as 4 key topics in the Medium-Term Management Plan. In this regard, the Company views that steady achievement of action plans mentioned above is possible by using the knowledge, resources,

customer base and management resources, etc. of the Tender Offeror Parent Group in addition to the knowledge and management resources of the Company.

However, the Company is aware that there are certain restrictions on exchanging information between the Tender Offeror Parent Group and the Company Group from the perspective of Company's independence and protection of interests of general shareholders due to the fact that the Company is a listed company and that discussions on collaboration including sharing management resources and knowhows with each other and cooperation with the Tender Offeror Parent Group are limited. By taking into account such business environment surrounding the Company Group, the Company came to a conclusion that becoming a wholly-owned subsidiary of the Tender Offeror through the Transaction will contribute to the corporate value of the Company because by becoming a wholly-owned subsidiary of the Tender Offeror, the structural conflict of interest with the Tender Offeror Parent Group will be removed and the Company Group and the Tender Offeror Parent Group will be able to mutually utilizing the management resources, etc. and thereby expect the following synergies:

(a) Strengthening the Ability to Winning Orders Concerning Civil Engineering Work

While the construction demand relating to civil engineering work is expected to continue to be steady due to the measures for disaster prevention, disaster mitigation, national resilience and carbon neutrality, due to the intensification of competition caused by strengthening of sales activities by competitors, the Company Group acknowledges that strengthening its ability to win orders concerning civil engineering work is an urgent issue. Under such circumstances, the Company Group views that strengthening of order winning structure through exchange of information on government fee estimate calculation method (Note 10) and technical proposals between the Tender Offeror Parent Group and the Company will lead to creation of more opportunities to win orders for civil engineering work. However, due to the fact that the parent company of Tender Offeror and the Company are both listed company, there are certain restrictions on exchanging information

between the Company Group and the Tender Offeror Parent Group company other than the Company Group company in light of management's independence and necessity to protect the interests of general shareholders of the Company, and the Company Group has been viewing that such restrictions was an issue which must be resolved. Therefore, the Company believes that by having the Company become a wholly-owned subsidiary of the Tender Offeror through the Transaction, such issue will be resolved and further expansion and strengthening of civil engineering business of the Company Group will be realized by co-using the high construction management skills of Company Group and the knowledge of Tender Offeror Parent Group on government fee estimate calculation method and technical proposals. Furthermore, while the bidding based on overall evaluation bidding method is expected to increase in the future, the Company Group views its competitiveness in the civil engineering work will be further strengthened by using the resources and wide capabilities of Tender Offeror Parent Group, which proclaims itself as "comprehensive infrastructure service company" and which can handle throughout from upstream to downstream process of infrastructure, in addition to exchange of information on knowhow on government fee estimate calculation method and technical proposals.

(Note 10) "Government fee estimate calculation method" means the method to calculate the service fee based on scheduled price when the government entrusts the design work, etc. of government facility.

(b) Strengthening of Sales Activities Made to Non-Government Customers

The Company Group has been collaborating with the Tender Offeror on conducting sales activities to non-government customers and has been conducting construction work for non-government customers. However, given the fact that the Company and the parent company of Tender Offeror are both listed company, the exchange of sales information on projects and customers, etc. between the Company Group and the Tender Offeror Parent Group company other than the Company Group company requires careful review on

a case-by-case basis in light of management's independence and necessity to protect the interests of general shareholders of the Company. Therefore, the Company Group views that by having the Company as a wholly-owned subsidiary of the Tender Offeror through the Transaction, it would become possible (i) for the Tender Offeror Parent Group and the Company Group to more smoothly exchange information and conduct joint review on the sales activities to non-government customers, (ii) for the Company Group to create more opportunities to win orders of construction work for non-government customers, and (iii) for the Company Group to increase the monetary amount of its order wins and its sales.

(c) Promotion of DX and Work Efficiency Improvement and Strengthening of Human Capital

With respect to the environment surrounding the Company Group, due to the fact that harsh industry environment is expected to continue, the Company Group is reducing manpower and saving labor to enhance productivity in order to overcome such industrial environment. Specifically, the Company Group promotes renewal of its core system and use of ICT (Note 11) tools for business DX and promotes development of ICT construction promotion system and three-dimensional construction management for construction DX. However, due to the fact that harsh industrial environment is expected to continue as explained above, the Company Group views that it will be necessary to take further initiatives to enhance productivity in order for the Company Group to continue to play its role as a company undertaking transportation infrastructure. Therefore, the Company Group views that by having the Company as a wholly-owned subsidiary of the Tender Offeror through the Transaction, the Company Group believes that it would become possible for the Tender Offeror Parent Group and the Company Group to collaborate on DX promotion and that enhancement of productivity looks promising, which is difficult to achieve by Company Group alone. Furthermore, the Company Group views that the Company Group will be able to resolve the problem of labor

shortage by accommodating personnel between the Tender Offeror Parent Group and the Company Group, and securing high quality human capital and developing human capital development will become possible by both company groups jointly conducting recruitment activity and training. Furthermore, the Company Group believes that strengthening of human capital can be achieved and enhancement of employees' sense of belonging can be expected by developing the skills of employees through joint development of technology with the Tender Offeror Parent Group.

(Note 11) "ICT" is an abbreviation for "Information and Communication Technology."

On the other hand, since there is a possibility that the detriments provided below will arise in the Transaction, the measures as provided below are taken on such detriments and the Company views that the benefits of achievable synergy from the Transaction will exceed the detriments.

Specifically, with regard to the road paving work, due to the fact that the business of Company and the business of Maeda Road, which is in the Tender Offeror Parent Group, overlap with each other, a possibility cannot be ruled out that the Company joining the Tender Offeror Parent Group will cause negative synergy. However, the Tender Offeror believes that the Company and Maeda Road can fill the area not currently covered by Company's asphalt plants or Maeda Road's asphalt plants and can enhance operating rate and work efficiency through their consolidation. In addition, the Company views that although there is a possibility of negative synergy that the Company and Maeda Road will compete with each other in a bidding due to the overlap between the business of Company Group and the business of Maeda Road, the synergy exceeding the detriments (negative synergy) can be expected by mutually leveraging the expertise of both companies in areas such as knowledge on how to win construction orders and knowledge on how to manage asphalt plants efficiently, as well as their respective human resources.

Through the implementation of Transaction, the Company's

Shares will also be delisted and the Company will no longer be able to raise funds from the capital market through equity finance or to reap the benefits of listed company such as enhancement of name recognition and social credibility. In addition, the Tender Offeror considers changing the Company's name after the Transaction, and thus, it cannot be denied that ceasing to use a trade name bearing the "Mitsui" name may have an impact on the business partners, employees, and other stakeholders of the Company Group. However, due to the fact that the Company has enough equity capital since its equity ratio is 55.2% as of the fiscal year ended March 31, 2025, the need for fundraising through equity finance is not expected for the time being considering the current financial condition of the Company Group. The Company Group has a good relationship with financial institutions due to its transactions with them over a long period of time and is expected to raise funds as necessary through indirect financing. Furthermore, although financial support from the Tender Offeror Parent Group is not necessary at the present time, the Company Group could receive such support in the future as necessary as an alternative. In addition, name recognition and social credibility of Company Group is largely gained and maintained through its business activities and therefore, even after the implementation of Transaction, it is possible to gain and maintain them by conducting business. Furthermore, after the implementation of Transaction, the Company Group is able to continue using the name recognition and social credibility of the Tender Offeror Parent Group. Due to the fact that such overall name recognition and social credibility are expected to be maintained, the Company Group views that the detriments of delisting of Company's Shares and change of the trade name are limited. The Company Group also considered the possibility of any detriments that might arise from the Company becoming a wholly-owned subsidiary of Tender Offeror and views that business partners, employees and other stakeholders of Company Group will agree to the Transaction and no notable negative synergy will occur due to the expected benefits explained above.

The Company Group also came to a conclusion that the Tender

Offer Price of 2,000 yen is a reasonable price securing the benefits which general shareholders of the Company should reap and that the Tender Offer is a reasonable opportunity for the general shareholders of the Company to sell the Company's Shares for the following reasons:

- (a) The Tender Offer Price is a price decided after the measures were taken to ensure fairness of Tender Offer Price as provided in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below under the substantive involvement of Special Committee independent from the Tender Offer-Related Parties and upon having good faith discussions and negotiations held on equal footing between the Tender Offeror and the Company who are independent parties in the transaction.
- (b) The Tender Offer Price is a price exceeding the upper limit of the range calculated under the market share price method and exceeding the median of the range calculated under the discount cash flow method (the “DCF Method”) as provided in the Share Valuation Report (Deloitte Tohmatsu) as provided in “(ii) Overview of Valuation of Company's Shares” in “② Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Company” in “(3) Matters Concerning Valuation” provided below.
- (c) The Tender Offer Price is a price exceeding the upper limit of the range calculated under the market share price method and comparable listed companies method and is exceeding the median of the range calculated under the DCF Method as provided in the Share Valuation Report (AGS FAS) as provided in “(ii) Overview of Valuation of Company's Shares” in “③ Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “(3) Matters Concerning Valuation” provided below. Furthermore, the Special Committee has obtained from AGS FAS the Fairness Opinion (AGS FAS) stating that the Tender Offer Price of 2,000 yen per share is fair

to the general shareholders of the Company from the financial perspective.

- (d) With regard to the Tender Offer Price, a premium of 22.32% was added to 1,635 yen which was the closing price of Company's Shares on the TSE Standard Market on March 6, 2026 (which was the business day immediately prior to the announcement date of Tender Offer), a premium of 20.99% was added to 1,653 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 1 month immediately prior to such date, a premium of 23.92% was added to 1,614 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 3 months immediately prior to such date, and a premium of 29.95% was added to 1,539 yen which was the simple average closing price of Company's Shares on the TSE Standard Market during the period of 6 months immediately prior to such date. When comparing the median of premium level of Transaction to the median of premium levels of 44 comparable cases (i.e., transactions similar to the Transaction, where the PBR of target shares in tender offer exceeded 1 since before the announcement of the Transaction excluding two-tier tender offer cases) in which the tender offer, whose purpose was for a parent company to make its listed subsidiary a wholly-owned subsidiary, that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the "Guidelines for Fair M&A Practices," and for which the tender offer was concluded on or prior to February 28, 2026 (i.e., a premium of 38.64% was added to the closing price on the business day immediately prior to the announcement date, a premium of 40.47% was added to the simple average closing price during the period of 1 month immediately prior to such date, a premium of 39.20% was added to the simple average closing price during the period of 3 months immediately prior to such date, and a premium of 36.59% was added to the simple average closing price during the period of

6 months immediately prior to such date), it can be viewed that although it cannot necessarily be assessed as having high level, due to the fact that there are considerable number of cases in which the premiums are less than 30% of the closing price on the business day immediately preceding the announcement date, the simple average closing price over the 1-month period up to the business day immediately preceding the announcement date, the simple average closing price over the 3-month period up to the business day immediately preceding the announcement date, and the simple average closing price over the 6-month period up to the business day immediately preceding the announcement date (i.e., 12 cases, 13 cases, 12 cases and 14 cases respectively) (There are 17 cases in total in which the premiums are less than 30% of (i) the closing price on the business day immediately preceding the announcement date, (ii) the simple average closing price over the 1-month period up to the business day immediately preceding the announcement date, (iii) the simple average closing price over the 3-month period up to the business day immediately preceding the announcement date, or (iv) the simple average closing price over the 6-month period up to the business day immediately preceding the announcement date.), the premium level in the Transaction as compared to the recent comparable cases is comparable and the Tender Offer Price has a premium at a level which is not unreasonable.

- (e) In light of long-term changes in the price of Company's Shares, the Tender Offer Price is a price which will not cause any loss to any of the general shareholders of the Company because the Tender Offer Price is a price exceeding not only 1,684 yen (on February 27, 2026) which was the highest closing price of Company's Shares since the shares were listed, but also 1,707 yen (on February 13, 2026) which was the highest price set during the time when the stock market was open.
- (f) The Tender Offer Price has been determined to be reasonable even in the Report from the Special Committee as provided in “③ Establishment of Independent Special Committee in the

Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below.

- (g) Measures have been taken to the general shareholders of the Company such as the measures provided in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below.

For the reasons explained above, the Company passed a resolution at its Board of Directors meeting held today to express its opinion in favor of the Tender Offer and to recommend all shareholders of the Company to tender the Company’s Shares in the Tender Offer.

For method of resolution used at the Board of Directors meeting mentioned above, please see “⑦ Approvals from All Directors (including Directors Who Are Audit and Supervisory Committee Member) Having No Interest in the Company” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below.

(3) Matters Concerning Valuation

① Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Tender Offeror

In determining the Tender Offer Price, the Tender Offeror requested Daiwa Securities, which is the Tender Offeror’s financial advisor, to calculate the share value of the Company, as a third-party valuation institution independent of the Tender Offeror-Related Parties. Daiwa Securities is not a related party of the Tender Offeror or the Company and does not have any material interest in the Transaction including the Tender Offer.

As a result of reviewing multiple share valuation methods in order to choose the calculation methods to be adopted in calculating the share value of the Company, Daiwa Securities calculated the value of Company’s Shares by using as the valuation

method the market share price method which takes into account the trend of market share price of the Company, the comparable listed companies method because there are multiple listed companies relatively similar to the Company which enables analogy of share value of Company with share value of similar companies, and the DCF Method which takes into consideration the matters such as the details and forecast of business performance of the Company. The Tender Offeror procured a share valuation report dated March 6, 2026 from Daiwa Securities (“Tender Offeror Valuation Report”). Furthermore, because the Tender Offeror determined and decided the Tender Offer Price after first taking comprehensively into account the assorted factors described in below in (6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” below and then engaging in discussions and negotiations with the Company, the Tender Offeror did not obtain a written opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities.

For details on results of calculation on the value of Company’s Shares, please see “① Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Tender Offeror” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” below.

② Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Company

(i) Name of Valuation Firm and Its Relationship with Tender Offeror and Company

In order to express its opinion on the Tender Offer, the Company requested Deloitte Tohmatsu, who is financial advisor and third-part valuation firm independent from the Tender Offer-Related Parties, for share valuation of Company’s Shares and obtained the Share Valuation Report (Deloitte Tohmatsu) as of March 6, 2026. Deloitte Tohmatsu does not fall under related party of Tender Offeror or Company or have any notable material interest in the Transaction including the Tender Offer. Furthermore, as provided in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below, the Company has not obtained from Deloitte Tohmatsu a fairness opinion on the fairness of Tender Offer Price due to the fact that the measures to ensure the fairness of Tender Offer Price and the measures to avoid any conflict of interest have been taken by the Tender Offeror and the Company.

The fees to be paid to Deloitte Tohmatsu for the Transaction are fixed fee which will be paid regardless of success or failure of Transaction and contingency fee which will be paid on the conditions such as success of Transaction. Considering the facts such as the fact that making a part of fee a contingency fee has a reasonableness of limiting the transaction cost in case the Transaction falls through and is a common business practice for fee structure in similar type of transaction, the Company determined that the fact that contingency fee will be paid on the conditions such as success of Transaction does not deny the independence and therefore appointed Deloitte Tohmatsu as the financial advisor and third-party valuation firm of the Company under the fee structure explained above.

(ii) Overview of Valuation of Company's Shares

Upon considering the valuation method to be used for valuation of Company's Shares from multiple valuation methods, Deloitte Tohmatsu viewed that it was appropriate to conduct valuation of Company's Shares from multiple perspectives based on the fact that the Company is a going concern, and valued the Company's Shares by using the market share price method due to the fact that the Company's Shares are listed on the TSE Standard Market and have market stock price and by using the DCF Method to incorporate the future business activities of the Company in the valuation, and the Company received the Share Valuation Report (Deloitte Tohmatsu) from Deloitte Tohmatsu as of March 6, 2026.

The range of value of Company's Shares per share valued by using the methods mentioned above is as follows:

Market Share Price Method: 1,539 yen ~ 1,653 yen

DCF Method: 1,823 yen ~2,147 yen

Under the market share price method, the valuation range of Company's Shares per share is analyzed as between 1,539 yen and 1,653 yen by having the base date as March 6, 2026 (which was the business day immediately prior to the announcement date of Tender Offer) and based on the closing price of Company's Shares in the TSE Standard Market on such date which is 1,635 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1,653 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1,614 yen and the simple average of closing price during the period of 6 months immediately prior to such date

which is 1,539 yen.

Under the DCF Method, the corporate value and share value of the Company are assessed and the range of share value of Company's Shares per share is calculated as 1,823 yen ~ 2,147 yen after discounting to the current value by using certain discount rate the free cash flow expected to be generated by the Company in the future from the fourth quarter of fiscal year ending March 31, 2026, based on various factors such as the business plan provided by the Company for the period from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2031 which was prepared by the Company until the period which the Company is able to reasonably foresee at the present time (the "Business Plan") and the information publicly available. The weighted average cost of capital is used for the discount rate and the discount rate of 8.3% ~ 9.3% is used. For the calculation of cost of capital, the size risk premium is added by taking into account the factors such as the size of the Company. Furthermore, the perpetuity growth rate method is used for the calculation of terminal value. Under the perpetuity growth rate method, the perpetuity growth rate is 0.5% ~ 1.5% and the terminal value is calculated as 7,919 million yen ~ 10,832 million yen by taking into overall account the factors such as external environment. Surplus cash and deposits, etc. after deducting the required working capital are also taken into account as non-business assets.

The financial forecast based on the Business Plan which Deloitte Tohmatsu used as the basis on the calculation under the DCF Method is as provided below. The Business Plan includes the business year in which significant increase in earnings is expected. Specifically, significant increase in operating profit and EBITDA are expected for the fiscal year ending March 31, 2027 through the increase in sales through strengthening of ability to win orders of large-scale construction and increase in unit price in the construction business and the improvement in profit margin by improving work efficiency through DX, etc. Furthermore, the synergy effect expected to be achieved by the implementation of Transaction is not added to the calculation explained above because it is difficult to estimate it in detail at the present time.

On an additional note, the Business Plan has been prepared by the independent internal review team of the Company based on the Medium-Term Management Plan for the purpose of reviewing the reasonableness of terms and conditions of the Transaction by taking into account the status of external environment such as the intensification of price war with competitors, inflation and increase in labor

costs in the construction business and the reduction of asphalt mixture market in relation to the manufacturing and sale business.

Furthermore, as provided in “③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below, the Special Committee has checked the reasonableness of contents, important conditions precedent, background of preparation and other related matters of Business Plan.

(Note) For the valuation of Company’s Shares, Deloitte Tohmatsu generally used as is the information provided by the Company and the information generally available to the public among other things. Deloitte Tohmatsu assumes, among other things, that all of such materials and information are accurate and complete and there are no facts undisclosed to Deloitte Tohmatsu which may have material impact on the valuation of Company’s Shares, and has not independently verified their accuracy. In addition, Deloitte Tohmatsu assumes the information on the Business Plan of the Company has been reasonably prepared based on best possible forecasts and decisions of Company’s management (except for Mr. Kazuaki Kitahara) obtainable at the present time. Deloitte Tohmatsu also has not independently evaluated or assessed the assets and liabilities of Company and its affiliated companies (including financial derivatives, off-the-book assets and liabilities and other contingent liabilities) and has not requested any third-party firm to appraise or assess them. The valuation of Deloitte Tohmatsu incorporates the abovementioned information up to March 6, 2026. The sole purpose of valuation of Deloitte Tohmatsu is to provide the Board of Directors of the Company with reference materials for its review of share value of Company’s Shares.

(Unit: million yen)

	Fiscal Year Ending March 31, 2026 (3 months)	Fiscal Year Ending March 31, 2027	Fiscal Year Ending March 31, 2028	Fiscal Year Ending March 31, 2029	Fiscal Year Ending March 31, 2030	Fiscal Year Ending March 31, 2031
Sales	8,883	33,440	33,211	33,924	34,690	35,505
Operating	373	1,161	1,132	1,223	1,317	1,416

Profit						
EBITDA	505	1,769	1,770	1,849	1,920	2,043
Free Cash Flow	2,243	879	891	956	1,002	1,079

③ Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee

(i) Name of Valuation Firm and Its Relationship with Tender Offeror and Company

For the consideration of Inquiry Matters (as defined in “(i) Background of Establishment, etc.” in “③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” below), the Special Committee requested AGS FAS, which is third-party valuation firm independent from Tender Offer-Related Parties, for valuation of Company’s Shares and opinion on fairness of Tender Offer Price to the general shareholders of the Company from the financial perspective, and received from AGS FAS the Share Valuation Report (AGS FAS) and the Fairness Opinion (AGS FAS) as of March 6, 2026. AGS FAS does not fall under related party of Tender Offeror or Company or have any notable material interest in the Transaction including the Tender Offer.

The only fee to be paid to AGS FAS for the Transaction is a fixed fee, which will be paid regardless of success or failure of Transaction, and does not include any contingency fee which will be paid on the conditions such as success of Transaction.

(ii) Overview of Valuation of Company’s Shares

Upon considering the valuation method to be used for valuation of Company’s Shares from multiple valuation methods, AGS FAS viewed that it was appropriate to conduct valuation of Company’s Shares from multiple perspectives based on the fact that the Company is a going concern, and valued the Company’s Shares by using the market share price method due to the fact that the Company’s Shares are listed on the TSE Standard Market and have market stock price, by using the comparable listed companies method because there are multiple listed companies conducting business relatively similar to the Company’s business which enables analogy of share value of the Company with share value of similar companies, and by using the DCF Method

to incorporate the future business activities of the Company in the valuation. The Special Committee received the Share Valuation Report (AGS FAS) from AGS FAS as of March 6, 2026.

The range of value of Company's Shares per share valued by using the methods mentioned above is as follows:

Market Share Price Method: 1,539 yen ~ 1,653 yen

Comparable Listed Companies Method: 1,625 yen ~ 1,825 yen

DCF Method: 1,708 yen ~ 2,099 yen

Under the market share price method, the valuation range of Company's Shares per share is analyzed as between 1,539 yen and 1,653 yen by having the base date as March 6, 2026 (which was the business day immediately prior to the announcement date of Tender Offer) and based on the closing price of Company's Shares in the TSE Standard Market on such date which is 1,635 yen, the simple average of closing price during the period of 1 month immediately prior to such date which is 1,653 yen, the simple average of closing price during the period of 3 months immediately prior to such date which is 1,614 yen and the simple average of closing price during the period of 6 months immediately prior to such date which is 1,539 yen.

Under the comparable listed companies method, upon selecting 4 companies, i.e., TOA ROAD CORPORATION, SEIKITOKYU KOGYO CO., LTD., NICHIREKI GROUP CO., LTD. and WATANABE SATO CO., LTD., as listed companies running similar business as the Company, the valuation is made by using the EV (enterprise value)/EBITDA ratio, and the range of share value of Company's Shares is calculated to be 1,625 yen ~ 1,825 yen.

Under the DCF Method, the corporate value and share value of the Company are assessed and the range of share value of Company's Shares per share is calculated as 1,708 yen ~ 2,099 yen after discounting to the current value by using certain discount rate the free cash flow expected to be generated by the Company in the future from the fourth quarter of fiscal year ending March 31, 2026, based on the Business Plan and various factors such as information publicly available. The weighted average cost of capital is used for the discount rate and the discount rate of 7.8% ~ 8.8% is used. Furthermore, the perpetuity growth rate method and exit multiple method are used for the calculation of terminal value. The perpetuity growth rate is calculated as 0.5% ~ 2.0% based on the inflation rate in Japan and the terminal value is calculated as 8,357 million yen ~ 11,896 million yen. Under the exit multiple method, the EBITDA

multiple is set at $x6.2 \sim x7.6$ by taking into consideration the factors such as standard level of companies in the same industry, and the terminal value is calculated as 8,713 million yen \sim 11,127 million yen. The amount of cash and deposits held by the Company have also been taken into account after deducting the cash and deposits for business estimated by taking into overall consideration the factors such as past track record on financing.

The financial forecast based on the Business Plan which AGS FAS used as the basis on the calculation under the DCF Method is as provided below. The Business Plan includes the business year in which significant increase in earnings and significant decrease in free cash flow are expected. Specifically, for the fiscal year ending March 31, 2027, while significant increase in operating profit is expected through increase in revenue through strengthening of ability to win orders of large-scale construction and improvement in profit margin due to promotion of construction DX in the construction business, temporary decrease in free cash flow is expected due to increase in working capital due to such increase in revenue. For the fiscal year ending March 31, 2028, significant increase in free cash flow is expected due to the steady level of working capital through maintenance of same high level of sales as the previous fiscal year. Furthermore, the synergy effect expected to be achieved by implementation of Transaction is not added to the calculation explained above because it is difficult to estimate it in detail at the present time.

On an additional note, the Business Plan has been prepared by the independent internal review team of the Company based on the Medium-Term Management Plan for the purpose of reviewing the reasonableness of terms and conditions of the Transaction by taking into account the status of external environment such as the intensification of price war with competitors, inflation and increase in labor costs in the construction business and the reduction of asphalt mixture market in relation to the manufacturing and sale business.

As provided in “③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee” in “(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” provided below, the Special Committee has checked the reasonableness of contents, important conditions precedent, background of preparation and other related matters of Business Plan.

(Note) For the valuation of Company's Shares, AGS FAS generally used as is the information provided by the Company and the information generally available to the

public. AGS FAS assumes, among other things, that all of such materials and information are accurate and complete and has not independently verified their accuracy and has no obligation to do so. AGS FAS assumes that there are no facts undisclosed to AGS FAS which may have material impact on the valuation of Company's Shares. AGS FAS also has not independently evaluated, appraised or assessed the assets and liabilities of Company and its affiliated companies (including but not limited to, financial derivatives, off-the-book assets and liabilities and other contingent liabilities), including analysis or assessment of each asset and liability, and has not requested any third-party firm to assess, appraise or assess them. AGS FAS assumes that the Business Plan and other information on the future provided to AGS FAS have been reasonably checked, considered or prepared based on best possible forecasts and decisions of Company's management (except for Mr. Kazuaki Kitahara) obtainable at the present time, and relies on such information without independently verifying such information. The valuation of AGS FAS is based on the financial situation, economic market situation and other situations as of March 6, 2026.

(Unit: million yen)

	Fiscal Year Ending March 31, 2026 (3 months)	Fiscal Year Ending March 31, 2027	Fiscal Year Ending March 31, 2028	Fiscal Year Ending March 31, 2029	Fiscal Year Ending March 31, 2030	Fiscal Year Ending March 31, 2031
Sales	8,883	33,440	33,211	33,924	34,690	35,505
Operating Profit	373	1,161	1,132	1,223	1,317	1,416
EBITDA	503	1,816	1,818	1,896	1,968	2,091
Free Cash Flow	773	500	924	864	901	979

(iii) Overview of Fairness Opinion (AGS FAS)

The Special Committee received from AGS FAS the Fairness Opinion (AGS FAS) as of March 6, 2026 in which AGS FAS views that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Company from the financial perspective. AGS FAS expresses its opinion that the Tender Offer Price of 2,000 yen per share is fair to the general shareholders of the Company from the financial perspective in light of the results of share valuation of Company's Shares

based on the Business Plan among other things.

The Fairness Opinion (AGS FAS) has been submitted upon considering the matters such as valuation results on the Company's Shares conducted by AGS FAS after receiving from the Company the current situation of Company Group's business and business outlook and explanation about them, Q&A with the Company and the Special Committee on the overview, background and purpose of Tender Offer, and business environment of Company Group, economy, market and financial situation to the extent that AGS FAS deemed as necessary, and upon going through the internal assessment within AGS FAS.

(Note) For the preparation of Fairness Opinion (AGS FAS), AGS FAS generally used as is the information provided by the Company and the information generally available to the public. AGS FAS assumes, among other things, that all of such materials and information are accurate and complete and has not independently verified their accuracy and has no obligation to do so. AGS FAS assumes that there are no facts undisclosed to AGS FAS which may have material impact on the valuation of Company's Shares. AGS FAS also has not independently evaluated, appraised or assessed the assets and liabilities of Company and its affiliated companies (including, but not limited to, off-the-book assets and liabilities and other contingent liabilities), including analysis or assessment of each asset and liability, and has not requested any third-party firm to assess, appraise or assess them. AGS FAS has not assessed the solvency or fair value of the Company pursuant to the laws applicable to bankruptcy proceedings, corporate reorganization proceedings, civil rehabilitation proceedings, special liquidation under the Companies Act or any other insolvency proceedings. AGS FAS assumes that the Business Plan and other information on the future provided to AGS FAS have been reasonably checked, considered or prepared based on best possible forecasts and decisions of Company's management (except for Mr. Kazuaki Kitahara) obtainable as of the time when the Fairness Opinion (AGS FAS) was prepared, relies on the Business Plan without independently verifying its feasibility, and does not express any opinion on its contents and assumptions which form the groundwork. For the preparation of Fairness Opinion (AGS FAS), AGS FAS used assumptions, which AGS FAS deems as reasonable and appropriate with respect to information which was not provided or disclosed by the Company or which AGS FAS could not use as the basis of its assessment even by using other methods, upon receiving the Company's consent. If it is found that any of such assumptions differ from the truth in any material respects, AGS FAS

has not independently verified its impact on the future financial condition of the Company. The Fairness Opinion (AGS FAS) does not provide any opinion on any assumed facts or assumptions which are basis of decision on the Tender Offer Price or on the Company's decision on the Tender Offer. Due to the fact that the purpose of Fairness Opinion (AGS FAS) is to assist the Company's review for expressing its opinion on the Tender Offer and that the Fairness Opinion (AGS FAS) expresses the opinion on the fairness of Tender Offer Price from the financial perspective, the Fairness Opinion (AGS FAS) does not cover the relative advantage of Tender Offer as compared to any other transaction which could be an alternative option or provide opinion on the positives or negatives of implementation of Tender Offer. The sole purpose of Fairness Opinion (AGS FAS) is for the Board of Directors of the Company to use it as a reference for its review of Tender Offer Price. The Fairness Opinion (AGS FAS) is not addressed to any third party other than the Board of Directors of the Company and such third party may not trust or rely on the Fairness Opinion (AGS FAS) for any purpose whatsoever. The Fairness Opinion (AGS FAS) is not meant to recommend or solicit general shareholders of the Company to exercise their shareholder rights such as voting rights in relation to the Tender Offer, to transfer or receive by transfer the Company's Shares, or any other related matters. The Fairness Opinion (AGS FAS) expresses the opinion on whether or not the Tender Offer Price is fair to the general shareholders of the Company from the financial perspective, and is not expected to express opinion on whether or not the Tender Offer Price is fair to any third party other than general shareholders of the Company and does not express such opinion. The Fairness Opinion (AGS FAS) expresses the opinion on the fairness of Tender Offer Price to the general shareholders of the Company from the financial perspective as of the date when the Fairness Opinion (AGS FAS) was prepared based on the financial situation, economic market situation and other situations as of such date and based on the information provided or obtained by AGS FAS up to such date. Even if any of the premises changes due to change in the circumstances hereafter, AGS FAS has no obligation to revise, change or supplement any of its opinions.

(4) Possibility of Delisting and Its Reasons

Although the Company's Shares are listed on the TSE Standard Market as of today, the Tender Offeror has not set an upper limit on the number of shares for which the Tender Offer will be made. Therefore, depending on the outcome of Tender Offer, there is a

possibility that the Company's Shares will be delisted after going through certain procedures in accordance with the Delisting Criteria prescribed by the TSE. Furthermore, even if the Tender Offer does not fall under the Delisting Criteria as of the time of conclusion of Tender Offer, the Squeeze-Out Procedures are scheduled to be implemented after the conclusion of Tender Offer as provided in "(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)" below. Therefore, if such procedures are implemented, the Company's Shares will be delisted after going through certain procedures in accordance with the Delisting Criteria prescribed by the TSE. After the delisting of Company's Shares, the Company's Shares can no longer be traded on the TSE Standard Market.

The reasons to aim for delisting and the impact of delisting on the general shareholders and its view are as provided in "(4) Process and Reason for Decision by the Company" in "(2) Grounds and Reasons for Opinion" above.

(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)

As discussed above in "(1) Overview of Tender Offer" in "(2) Grounds and Reasons for Opinion," because the Tender Offeror will implement the Tender Offer as part of the Transaction, the purpose of which is for the Tender Offeror to make the Company its wholly-owned subsidiary, in the event that the Tender Offeror is unable to acquire all Company's Shares in the Tender Offer (excluding the Company's Shares directly owned by the Tender Offeror and the treasury shares possessed by the Company), following the successful completion of the Tender Offer, the Tender Offeror plans to implement the following Squeeze-Out Procedures.

① Demand for Share Cash-Out

In the event that with the successful completion of the Tender Offer, the aggregate number of the Company voting rights owned by the Tender Offeror reaches a number representing 90% or more of the voting rights of all shareholders of the Company and the Tender Offeror becomes a special controlling shareholder as specified in Article 179, Paragraph 1 of the Companies Act, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans, pursuant to Part 2, Chapter 2, Section 4-2 of the Companies Act, to demand that all of Company's shareholders (excluding the Tender Offeror and the Company) ("Selling Shareholders") sell all Company's Shares they own to the Tender Offeror ("Demand for Share Cash-Out"). It is planned that under the Demand for Share Cash-Out, as consideration per one

Company's Share, money in the same amount as the Tender Offer Price will be delivered to the Selling Shareholders. In this case, the Tender Offeror will notify the Company to such effect and request the Company's approval of the Demand for Share Cash-Out. If the Company approves the Demand for Share Cash-Out by means of a Board of Directors resolution, in accordance with the procedures specified in the relevant laws and regulations, and without the need for the individual approval of the Selling Shareholders, the Tender Offeror will acquire from the Selling Shareholders all Company's Shares that they own on the acquisition date specified in the Demand for Share Cash-Out. The Tender Offeror plans to deliver to the Selling Shareholders, as consideration for each one Company's Share that they possessed, money in the same amount as the Tender Offer Price. If the Company receives a notice from the Tender Offeror to the effect that it wishes to make a Demand for Share Cash-Out and concerning the matters set forth in the items of Article 179-2, Paragraph 1 of the Companies Act, the Company plans to approve the Demand for Share Cash-Out at a meeting of its Board of Directors.

As procedures under the Companies Act with the purpose of protecting the interests of general shareholders in relation to the above procedures, the Selling Shareholders, in accordance with the provisions of Article 179-8 of the Companies Act and other relevant laws and regulations, are entitled to petition the court to decide the sales price for the Company's Shares that they own. If such a petition is made, the sales price for Company's Shares will ultimately be determined by the court.

② Share Consolidation

In the event that after the successful completion of the Tender Offer, the aggregate number of the Company voting rights owned by the Tender Offeror fails to reach a number representing 90% or more of the voting rights of all shareholders of the Company, promptly after completion of the settlement of the Tender Offer, the Tender Offeror plans to request that the Company include in the proposals for the Company's annual general meeting of shareholders pertaining to the term ending March 2026, scheduled for June 2026 ("Annual General Meeting of Shareholders"), a proposal for the consolidation of Company's Shares pursuant to Article 180 of the Companies Act ("Share Consolidation") and, subject to the coming-into-effect of the Share Consolidation, partial amendment of the Company's articles of incorporation eliminating the provisions for share units. The Tender Offeror plans to exercise its voting rights in favor of the above proposals at the Annual General Meeting of Shareholders.

If the Share Consolidation proposal is approved at the Annual General Meeting of Shareholders, on the day the Share Consolidation takes effect, Company shareholders will own Company's Shares in numbers adjusted in proportion to the Share Consolidation ratio approved at the Annual General Meeting of Shareholders. If fractional shares of less than one share arise through the Share Consolidation, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and regulations, Company's shareholders owning fractional shares will receive the money obtained from selling to the Company or the Tender Offeror the Company's Shares equivalent to the aggregate number of such fractions (if such aggregate number has a fraction of less than one share, such fraction will be discarded; hereinafter the same). Regarding the sale price of Company's Shares equivalent to such aggregate number of fractional shares, after first setting the price so that, as a result of such sale, the amount of money to be delivered to Company's shareholders (excluding the Tender Offeror and the Company) who did not tender their shares in the Tender Offer will be the same as the price obtained by multiplying the Tender Offer Price by the number of Company's Shares such shareholders owned, the Tender Offeror plans to request that the Company petitions the court to be allowed to make voluntary sale. Further, while the Share Consolidation ratio is undetermined as of today, the Tender Offeror plans to request that the Company decide this ratio so that the number of Company's Shares owned by Company's shareholders (excluding the Tender Offeror and the Company) who did not tender their shares in the Tender Offer is a fraction of less than one share, so that the Tender Offeror alone will own all of Company's Shares (excluding the Company's Shares owned by the Tender Offeror and the treasury shares possessed by the Company). Should this Tender Offer be successful, the Company intends to comply with each of the above requests made by the Tender Offeror.

As the provisions in the Companies Act whose purpose is to protect the rights of minority shareholders in connection with the Share Consolidation, if the Share Consolidation produces any fractional share less than 1 share in the number of the shares, Articles 182-4 and 182-5 of the Companies Act and other provisions in the relevant laws and regulations prescribe that the shareholders of the Company (excluding the Tender Offeror and the Company) are entitled to request the Company to purchase all of the fractional Company's Shares held by them which are less than 1 share at a fair price and to petition to the court for determination of sales price of Company's Shares. Since the Company's Shares held by all of shareholders of the Company who do not tender the Company's Shares in the Tender Offer (excluding the Tender Offeror and the Company) are scheduled to become less than 1 share, all of

shareholders of the Company who oppose the Share Consolidation (excluding the Tender Offeror and the Company) will be entitled to make such petition. The purchase of Company's Shares in case such petition is made will ultimately be determined by the court. The Tender Offer is not a solicitation to have all shareholders of the Company agree at the Annual General Meeting of Shareholders.

With respect to the procedures explained in ① and ② above, there is a possibility that the method and timing of their implementation may change depending on the situation such as amendment, enforcement of relevant laws and regulations or interpretation of relevant laws and regulations by the authorities. However, even in such case, the method, by which payment will ultimately be made to all shareholders of the Company (excluding the Tender Offeror and the Company) who did not tender the Company's Shares in the Tender Offer, will be adopted, and the amount of payment to be made to each of such shareholders in such case is scheduled to become the amount equivalent to the Tender Offer Price multiplied by the number of Company's Shares held by each of such shareholders. The details of procedure and its implementation date, etc. for the case explained above are scheduled to be announced by the Company as soon as the Company and the Tender Offeror discuss and come to a decision.

For how to tender the Company's Shares in the Tender Offer and how to handle each procedure in terms of tax, all shareholders of the Company are requested to check with the professionals such as certified public tax account at their responsibility.

(6) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.

By taking into account the facts that the Tender Offeror is the controlling shareholder (parent company) of the Company and that the Transaction including the Tender Offer falls under MBO, etc. as prescribed in the Securities Listing Regulations of TSE and falls under the transaction in which the issue of structural conflict of interest between the Tender Offeror and the general shareholders of the Company and the issue of information asymmetry categorically exist, the measures described below have been implemented to ensure the fairness of the Tender Offer and to avoid conflict of interest.

Out of the measures described below, the measures, etc. implemented by the Tender Offeror are based on the explanation received from the Tender Offeror.

As discussed above in “① Overview of Tender Offer” in “(2) Grounds and Reasons for Opinion,” as of today, because the Tender Offeror directly owns 4,981,500 shares of Company's Shares (shareholding ratio: 53.69%), if in the Tender Offer, a so-called

“majority of minority” is set as the lower limit for the number of shares planned for purchase, this would make the successful completion of the Tender Offer uncertain, and the Tender Offeror believes that this would in fact not be in the interests of general shareholders who wish to tender their shares in the Tender Offer, and so no “majority of minority” has been set as the lower limit for the number of shares planned for purchase in the Tender Offer. The Tender Offeror and the Company have taken the measures set forth below, and thus sufficient measures have been taken to ensure the fairness of the Tender Offer Price and other transactional terms of the Transaction, and for these reasons the Tender Offeror believes that sufficient consideration has been given to the interests of the Company’s general shareholders.

① Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Tender Offeror

In determining the Tender Offer Price, the Tender Offeror requested Daiwa Securities, which is the Tender Offeror’s financial advisor, to calculate the share value of the Company, as a third-party valuation institution independent of the Tender Offeror-Related Parties. Daiwa Securities is not a related party of the Tender Offeror or the Company and does not have any material interest in the Transaction including the Tender Offer.

As a result of reviewing multiple share valuation methods in order to choose the calculation methods to be adopted in calculating the share value of the Company, Daiwa Securities calculated the value of Company’s Shares by using as the valuation method the market share price method which takes into account the trend of market share price of the Company, the comparable listed companies method because there are multiple listed companies relatively similar to the Company which enables analogy of share value of Company with share value of similar companies, and the DCF Method which takes into consideration the matters such as the details and forecast of business performance of the Company. The Tender Offeror procured the Tender Offeror Valuation Report dated March 6, 2026 from Daiwa Securities. Furthermore, because the Tender Offeror determined and decided the Tender Offer Price after first taking comprehensively into account the assorted factors described in below in “(6) Measures to Ensure Fairness in the Tender Offer Including Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” and then engaging in discussions and negotiations with the Company, the Tender Offeror did not obtain a written opinion on the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities.

According to the Tender Offeror Valuation Report, the calculation methods adopted by Daiwa Securities and the range of the per-share value of Company's Shares calculated using each of the methods above are as follows:

Market Share Price Method: 1,539 yen ~ 1,653 yen

Comparable Listed Companies Method: 1,492 yen ~ 2,020 yen

DCF Method: 1,922 yen ~ 2,411 yen

The Tender Offer, in addition to the calculations and calculations results set forth in the Tender Offeror Valuation Report, also took into consideration such factors as the results of the Due Diligence, the possibility of the Board of Directors of the Company supporting the Tender Offer, trends in the market price of Company's Shares, and the prospects for the tendering of shares in the Tender Offer, and then, in light of the results etc. of discussions and negotiations with the Company, on March 6, 2026, decided that the Tender Offer Price would be 2,000 yen per share.

The Tender Offer Price of 2,000 yen represents a premium of 22.32% over the closing price of 1,635 yen for Company's Shares on the TSE Standard Market on March 6, 2026, the business day prior to the day of announcement of the implementation of the Tender Offer, a premium of 20.99% over the simple average closing price over the past one month (from February 9, 2026, to March 6, 2026) of 1,653 yen, a premium of 23.92% over the simple average closing price over the past three months (from December 8, 2025, to March 6, 2026) of 1,614 yen, and a premium of 29.95% over the simple average closing price over the past six months (from September 8, 2025, to March 6, 2026) of 1,539 yen.

(Note) In calculating the share price of Company's Shares, which forms the basis for the Tender Offeror Valuation Report, Daiwa Securities assumed that all public information and all provided to Daiwa Securities was accurate, complete, and appropriate, and Daiwa Securities did not make its own verification of the accuracy, completeness, or appropriateness of these materials and information. Daiwa Securities made no evaluation, appraisal or assessment of any assets or liabilities (including contingent liabilities) of the Company or its affiliates and did not ask any third party to make any such evaluation, appraisal or assessment. Daiwa Securities assumes that the Business Plan was prepared based on the best predictions and judgments as of the time the Tender Offer Valuation Report was prepared, pursuant to reasonable and appropriate procedures, did not make its own verification of the accuracy, appropriateness, or feasibility of the Business Plan, and owes no duty or responsibility

to do so. The sole purpose of the calculations by Daiwa Securities was to serve as reference for the Tender Offeror's Board of Directors when considering the share price of the Company.

② Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Company

As provided in “② Procurement of Share Valuation Report from Independent Third-Party Valuation Firm of the Company” in “(3) Matters Concerning Valuation” provided above, the Company requested Deloitte Tohmatsu, who is financial advisor and third-part valuation firm independent from the Tender Offer-Related Parties, for share valuation of Company's Shares and obtained the Share Valuation Report (Deloitte Tohmatsu) as of March 6, 2026. Deloitte Tohmatsu does not fall under related party of Tender Offeror or Company or have any notable material interest in the Transaction including the Tender Offer. Since there was no issue as to its independence or expertise, the Special Committee approved Deloitte Tohmatsu as the financial advisor and third-part valuation firm of the Company and confirmed that the Special Committee is also able to receive professional advice from Deloitte Tohmatsu as necessary.

③ Establishment of Independent Special Committee in the Company and Procurement of Report from the Special Committee

(i) Background of Establishment, etc.

As provided in “(i) Background of Development of Review Team” in “④ Process and Reason for Decision by the Company” in “(2) Grounds and Reason for Opinion” provided above, through the resolution at the extraordinary Board of Directors meeting held on December 2, 2025, the Company established the Special Committee and made an inquiry to the Special Committee on (i) the legitimacy and reasonableness of the purpose of Transaction (including review on whether or not the Transaction contributes to the enhancement of corporate value of the Company), (ii) fairness and reasonableness of terms and conditions of Transaction, (iii) fairness of procedures concerning the Transaction, (iv) whether or not the implementation of Transaction is fair to the general shareholders of the Company, and (v) any other matters ancillary to the matters provided in (i) through (iv) (including positives and negatives for the Board of Directors of the Company “to express opinion in favor of Tender Offer and to recommend the shareholders of the Company to tender the Company's Shares in

the Tender Offer”) (collectively, “Inquiry Matters”). Upon establishing the Special Committee, the Board of Directors of the Company passed a resolution that (i) the Board of Directors of the Company will respect to the maximum extent possible the decisions of Special Committee made in the report which is made in response to the Inquiry Matters and (ii) if the Special Committee determined that conducting the Transaction or terms and conditions of Transaction are not reasonable, the Board of Directors will not agree to the Transaction. The Board of Directors of the Company also passed a resolution that the Board of Directors will grant the following authorities, etc. to the Special Committee:

- (a) The Special Committee or an appropriate person entrusted by the Special Committee will negotiate with counterparty or any other third party regarding the Transaction. Even in cases where the Special Committee itself will not negotiate, the Special Committee will prescribe the policy on such negotiation, timely receive the status report, provide its opinion at critical moments, give instructions and make requests.
- (b) The Special Committee will be able to request information, which may have substantial impact on the negotiation process concerning the terms and conditions of Transaction, and will secure a structure to obtain such information (including establishing an office in the Company which is necessary to operate the Special Committee).
- (c) The Special Committee will have the employees of Company involved in the operation of Special Committee as necessary (including demanding such employees to attend the Special Committee meeting and requesting them to provide explanation on required matters).
- (d) The Special Committee will appoint its financial advisor, third-party valuation firm and legal advisor (the “Advisors, etc.”) as necessary. If the Special Committee determines that the Special Committee is able to trust and seek professional advice from any Advisors, etc. appointed by the Company by confirming the matters such as the fact that such Advisors, etc. have high expertise and there is no issue as to their independence, the Special Committee will be able to seek their professional advice. The Company will bear the reasonable costs for the professional advice from the Advisors, etc. of Special Committee.
- (e) Each member of Special Committee will receive from the Company the compensation whose content and level are in accordance with his or her responsibilities.

Each member of Special Committee will receive as consideration for his or her responsibilities the compensation in the amount corresponding to the number of Special Committee meeting held and such compensation does not include any contingency fee conditional upon the success of Transaction.

(ii) Background of Review

The Special Committee has carried out its duties relating to the Inquiry Matters by, among others, holding 20 meetings in total for the period from December 2, 2025 to March 6, 2026, reporting and sharing information, discussing and deciding via e-mail as necessary in between such meetings. Specifically, the Special Committee first approved City-Yuwa Partners appointed by the Company as legal advisor and Deloitte Tohmatsu appointed by the Company as financial advisor and third-party valuation firm to respectively become legal advisor and financial advisor and third-party valuation firm of the Company because there is no issue as to their independence from the Tender Offer-Related Parties and the Transaction and there is no issue as to their expertise and track record, and confirmed that the Special Committee can also receive their professional advice as necessary. The Special Committee also confirmed that the review team that the Company internally developed for the Transaction (including the scope of officers and employees of the Company involved in the review, negotiation and decision concerning the Transaction and their duties) does not have any issue as to its independence and fairness.

Furthermore, the Special Committee came to a decision to appoint AGS FAS as third-party valuation firm of Special Committee at the Special Committee meeting held on January 9, 2026 upon confirming the independence of AGS FAS from the Tender Offer-Related Parties and the Transaction and there is no issue as to its expertise and track record.

In addition, the Special Committee (a) received from the Tender Offeror the explanations such as background, purpose and meaning of Transaction, synergy from the Transaction, detriments of Transaction, management structure and management policy after the Transaction, and structure of Transaction, (b) conducted Q&A to the Tender Offeror, (c) received from the Company the explanations such as background on how the Company received the proposal for the Transaction, purpose and meaning of Transaction, and management structure and management policy after the Transaction, and (d) conducted Q&A to the

Company.

The Special Committee also received from the Company the explanations such as the contents of Business Plan of the Company prepared, important conditions precedent in the Business Plan and background of preparation of the Business Plan, and confirmed the reasonableness of such matters.

Furthermore, the Special Committee (a) received from Deloitte Tohmatsu the background of negotiation such as the terms and conditions of Transaction, received from Deloitte Tohmatsu and AGS FAS the explanation on the share valuation of Company's Shares, (b) received from City-Yuwa Partners the explanations on the measures to ensure the fairness of Transaction from the procedural perspective, method and process of making decisions on the Transaction at the Board of Directors meeting of the Company and other measures to avoid conflict of interest, and (c) conducted Q&A to Deloitte Tohmatsu, AGS FAS and City-Yuwa Partners on these matters.

Upon timely receiving reports from the Company on the matters such as the background and contents of discussions and negotiations between the Company and the Tender Offeror concerning the Transaction, the Special Committee negotiated as provided in "(ii) Background of Consideration and Negotiation" in "④ Process and Reason for Decision by the Company" in "(2) Grounds and Reasons for Opinion" provided above, and was substantially involved in the negotiation process with the Tender Offeror for the period until the Special Committee received from the Tender Offeror a proposal of Tender Offer Price of 2,000 yen per share such as discussing and considering the policy on how to negotiate with the Tender Offeror each time the Special Committee received the proposal on the Tender Offer Price from the Tender Offeror by taking into account the financial advice received from Deloitte Tohmatsu.

Furthermore, the Special Committee received from City-Yuwa Partners multiple times the explanations on the contents of the draft of press release concerning the Tender Offer scheduled to be announced by the Company and confirmed that adequate disclosure of information is scheduled to be made.

(iii) Details of Decision

As a result of careful discussion and review on the Inquiry Matters by taking into account the legal advice received from City-Yuwa Partners, financial advice received from Deloitte Tohmatsu, the Share Valuation Report (Deloitte Tohmatsu) received from Deloitte Tohmatsu as of March 6, 2026, and the Share Valuation

Report (AGS FAS) and the Fairness Opinion (AGS FAS) received from AGS FAS as of March 6, 2026 under the background explained above, the Special Committee, by unanimous vote, submitted the Report to the Board of Directors of the Company as of March 9, 2026 expressing an opinion in favor of Tender Offer and providing an opinion recommending the shareholders of the Company to tender their Company's Shares in the Tender Offer. For details of Report, please see Appendix 1.

④ Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee

As provided in “③ Procurement of Share Valuation Report and Fairness Opinion from Independent Third-Party Valuation Firm of the Special Committee” in “(3) Matters Concerning Valuation” provided above, for the purpose of further strengthening the advisor team for the review of Inquiry Matters, the Special Committee appointed AGS FAS as third-party valuation team independent from the Tender Offer-Related Parties, requested AGS FAS to value the Company's Shares and to express its opinion on the fairness of Tender Offer Price to the general shareholders of the Company from the financial perspective, and received the Share Valuation Report (AGS FAS) and the Fairness Opinion (AGS FAS). AGS FAS does not fall under a party related to the Tender Offeror or the Company and does not have any material interest in the Transaction including the Tender Offer.

⑤ Advice from Independent Law Firm of the Company

As provided in “④ Process and Reason for Decision by the Company” in “(2) Grounds and Reasons for Opinion” provided above, the Company appointed City-Yuwa Partners as legal advisor independent from the Tender Offer-Related Parties and received from City-Yuwa Partners the legal advice including advice on the matters such as the measures to be taken to ensure fairness in the procedures in the Transaction, the procedures in the Transaction and the method and process of decisions of the Company concerning the Transaction.

Upon confirming that City-Yuwa has no issue of independence and expertise, the Special Committee approved the appointment of City-Yuwa Partners. City-Yuwa Partners does not fall under a party related to the Tender Offeror or the Company and does not have any material interest in the Transaction including the Tender Offer. The fee to City-Yuwa Partners is the amount equivalent to the number of hours worked multiplied by hourly rate regardless of success of Transaction and does not include

contingency fee conditioned upon success of Transaction.

⑥ Development of Independent Review Team in the Company

As provided in “④ Process and Reason for Decision by the Company” in “(2) Grounds and Reasons for Opinion” provided above, the Company internally developed a team conducting reviews, negotiations and making decisions concerning the Transaction from the position independent from the Tender Offeror. Specifically, from December 1, 2025, (i) the Company considered and established a project team to conduct review concerning the Transaction (including preparation of business plan which will be the foundation to value the Company’s Shares) and to discuss and negotiate with the Tender Offeror, (ii) its members consist of 9 officers and employees of the Company (consisting of 1 director (Mr. Tadashi Sawaki)), who are not concurrently working as officer or employee of Tender Offeror Parent Group (excluding the Company Group) and who are determined as independent from Tender Offeror Parent Group (excluding the Company Group), and (iii) the Company continues to conduct review concerning the Transaction and to discuss and negotiate with the Tender Offeror in such way. Mr. Kazuaki Kitahara, who is from the Tender Offeror, does not participate in the project team described above by taking into account that the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, in order to eliminate the risk of impact from such issues.

The Company has received an approval from the Special Committee that no issue on the review team of the Company (including the scope of officers and employees of the Company involved in the reviews, negotiations and decisions concerning the Transaction and their duties) exist in terms of its independence and fairness including how it is handled as explained above.

⑦ Approvals from All Directors (including Directors Who Are Audit and Supervisory Committee Member) Having No Interest in the Company

As a result of careful discussion and review on whether or not the Transaction including the Tender Offer by the Tender Offeror contributes to the enhancement of corporate value of the Company and whether or not the terms and conditions of the Transaction including the Tender Offer Price are reasonable by taking into account the legal advice received from City-Yuwa Partners, financial advice received from Deloitte Tohmatsu, the Report received from the Special Committee, the contents of continuous discussions held multiple times with the Tender Offeror and other related

materials, as provided in “④ Process and Reason for Decision by the Company” in “(2) Grounds and Reasons for Opinion” provided above, the Board of Directors of the Company determined that (i) the Transaction including the implementation of Tender Offer contributes to the enhancement of corporate value of the Company, (ii) with respect to the terms and conditions of Transaction including the Tender Offer Price, the Tender Offer Price secures the benefits which all general shareholders of the Company should reap, and (iii) the Tender Offer provides all shareholders of the Company with an opportunity to reasonably sell the Company’s Shares, and passed a resolution at the Board of Directors meeting of the Company held today to express its opinion in favor of Tender Offer and to recommend the shareholders of the Company to tender the Company’s Shares in the Tender Offer.

At the Board of Directors meeting of the Company mentioned above, out of all 9 directors of the Company, Mr. Kazuaki Kitahara, who is from the Tender Offeror, did not participate in the deliberation and resolution at the Board of Directors meeting mentioned above or participate in the discussions and negotiations on the Transaction from the Company’s position, by taking into account that the Transaction falls under a transaction in which structural issue of conflict of interest and issue of information asymmetry categorically exist, in order to eliminate the risk of impact from such issues. Mr. Yasushi Kajiki, who is director of the Company, is from the Tender Offeror, but the Board of Directors of the Company determined that there is no conflict of interest which requires him to be excluded from the review of Transaction including the participation in the deliberation and resolution at the Board of Directors meeting mentioned above because more than 10 years have elapsed since he transferred from the Tender Offeror.

⑧ No Deal Protection Clause

Neither the Tender Offeror nor the Company has entered into any agreement restricting competing bidders from contacting the Company such as agreement including a deal protection clause which prohibits the Company from contacting any competing bidders. Accordingly, the Tender Offeror and the Company have taken care to ensure fairness in the Tender Offer by not hindering an opportunity for any competing tender offers, etc.

⑨ Measures to Secure Opportunity for the Shareholders of the Company to Appropriately Decide Whether or Not to Tender the Company’s Shares in the Tender Offer

As provided in “(5) Policy on Reorganization, etc. after Tender Offer (Matters

Concerning So-called Two-Tier Takeover Strategy), (i) the Tender Offeror plans to make Demand for Share Cash-Out or to request the Company to hold an Annual General Meeting of Shareholders including a proposal for Share Consolidation and a proposal to partially amend the Articles of Incorporation which will delete the provision on share unit on the condition that the Share Consolidation becomes effective promptly after the completion of closing of Tender Offer, and the method, which will not ensure all shareholders of the Company to have the right to demand for cash out of shares or right to petition to determine the sale price of shares, will not be used and (ii) due to the fact that when the Demand for Share Cash-Out or Share Consolidation is made, it is clear that the payment to be made to all shareholders of the Company as consideration will be the amount equivalent to the Tender Offer Price multiplied by the number of Company's Shares held by each of such shareholders (excluding the Tender Offeror and the Company), the Tender Offeror will secure an opportunity for all shareholders of the Company to appropriately decide on whether or not to tender the Company's Shares in the Tender Offer.

Furthermore, despite the shortest period for purchase, etc. in a tender offer as prescribed in laws and regulations being 20 business days, the Tender Offeror has set the period for purchase etc. in the Tender Offer ("Tender Offer Period") at 30 business days which is a longer period as compared to the shortest period prescribed in laws and regulations. The Tender Offeror intends to secure an opportunity for all shareholders of the Company to make appropriate decision on tendering the Company's Shares in the Tender Offer and to ensure fairness of Tender Offer Price by setting the Tender Offer Period at a longer period.

4. Matters Concerning Material Agreements between the Tender Offeror and any Shareholder of the Company Relating to Tendering of Company's Shares in the Tender Offer
Not applicable.
5. Details of Provision of any Benefits by Tender Offeror or any Person in Specified Relationship with Tender Offeror
Not applicable.
6. Policy on the Measures Concerning the Basic Policy Relating to the Control over the Company
Not applicable.

7. Questions to Tender Offeror

Not applicable.

8. Request for Extension of Tender Offer Period

Not applicable.

9. Future Outlook

Please see “② Background, Purpose and Process of Decision Leading up to Deciding the Implementation of the Tender Offer of the Tender Offeror” in “(2) Grounds and Reasons for Opinion,” “(4) Possibility of Delisting and Its Reasons” and “(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)” in “3. Contents of and Grounds and Reasons for Opinion on the Tender Offer” provided above.

10. Matters Concerning MBO, etc.

(1) Conformity Status to the Policy on the Plan to Protect Minority Shareholders upon Conducting Transactions, etc. with Controlling Shareholder

The Tender Offeror is a controlling shareholder (parent company) of the Company and “Matters to be Observed Pertaining to MBOs, etc.” prescribed in Rule 441 of the Securities Listing Regulations of TSE to be announced by TSE will apply to the expression of opinion on the Tender Offer.

The Company provides in the corporate governance report disclosed on November 13, 2025 that as the “Policy on the Plan to Protect Minority Shareholders upon Conducting Transactions, etc. with Controlling Shareholder,” “The Board of Directors of the Company conducts its business by paying attention at all times not to conduct any favorable transaction with any relevant party such as its parent company. With regard to the terms and conditions of any transaction with the parent company, the Company takes into consideration the factors such as market price, makes reasonable decisions based on the Company’s own decisions, and conducts the transaction similarly to the transaction it conducts with any company without any affiliation to the Company.” For the Transaction including the Tender Offer, the Company takes measures against the issue of structural conflict of interest and takes measures to ensure fairness to the terms and conditions of Transaction including Tender Offer Price as provided in “(6) Measures to Ensure Fairness in the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and Measures to Avoid Conflict of Interest, etc.” in “3. Contents of and Grounds and Reasons for Opinion on Tender Offer,” and views that such measures conform to the policy mentioned above.

(2) Matters Concerning Measures to Ensure Fairness and Measures to Avoid Conflict of Interest

As provided in “(1) Conformity Status to the Policy on the Plan to Protect Minority Shareholders upon Conducting Transactions, etc. with Controlling Shareholder” above, due to the fact that “Matters to be Observed Pertaining to MBOs, etc.” prescribed in Rule 441 of the Securities Listing Regulations of TSE to be announced by TSE will apply to the Transaction including the Tender Offer, the Company determined that it is necessary to take measures to ensure fairness and measures to avoid conflict of interest and has made decisions upon ensuring fairness and avoiding conflict of interest by taking the measures provided in “(6) Measures to Ensure Fairness of the Tender Offer Such as Measures to Ensure Fairness in Tender Offer Price and Measures to Avoid Conflict of Interest” in “3. Contents of and Grounds and Reasons for Opinion on Tender Offer” above.

(3) Opinion Received from Special Committee that the Transaction, etc. Are Fair to the General Shareholders

The Company received from the Special Committee on March 9, 2026 the Report stating the view that the Board of Directors of the Company passing a resolution to express its opinion in favor of Tender Offer and recommending the shareholders of the Company to tender the Company’s Shares is fair to general shareholders of the Company. For details of Report, please see Appendix 1. The Report also includes an opinion that having the Company as a wholly-owned subsidiary of Tender Offeror after the conclusion of Tender Offer as provided in “(5) Policy on Reorganization, etc. after Tender Offer (Matters Concerning So-called Two-Tier Takeover Strategy)” in “3. Contents of and Grounds and Reasons for Opinion on Tender Offer” is fair to the general shareholders of the Company.

11. Matters Necessary for Other Investors to Appropriately Understand and Make Decisions on Company Information

Announcement of “Notice Concerning Revision of Year-End Dividend Forecast for Fiscal Year Ending March 31, 2026 (No Dividend)”

The Company passed a resolution at its Board of Directors meeting held today that the dividend forecast will be revised from the forecast announced on February 9, 2026 and the year-end dividend for the fiscal year ending March 31, 2026 will not be paid. For details, please see the “Notice Concerning Revision of Year-End Dividend Forecast for Fiscal Year Ending March 31, 2026 (No Dividend)” announced today by the Company.

End

【Soliciting Regulations】

- This document is a press release for the purpose of making a public announcement of the Tender Offer and was not prepared for the purpose of soliciting sales. When making an offer for sale etc. please carefully read the tender offer explanation statement regarding the Tender Offer and make an offer at your own judgment. This press release does not constitute a solicitation or offer to sell any securities, or a solicitation of offers to purchase any securities, nor does it constitute any part of the foregoing, and neither this press release (or any part hereof) nor the fact of its distribution shall serve as the basis for any contract related to the Tender Offer, nor may they be relied upon when executing any contract.

【U.S. Regulations】

- The Tender Offer is a tender offer for the common shares of the Company, which is a company established in Japan. The Tender Offer will be implemented in compliance with procedures and information disclosure standards stipulated by the laws of Japan, and these procedures and standards are not necessarily the same as the procedures and disclosure standards in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; hereinafter the same) and regulations based on those provisions do not apply to the Tender Offer, and the Tender Offer is not in compliance with the procedures and standards thereunder. The financial information contained or mentioned in this press release is information based on accounting standards in Japan and these accounting standards may differ significantly from the general accounting principles of the United States and other countries. Further, because the Tender Offeror is a corporation incorporated outside the United States and all or some of its officers are not U.S. residents, it may be difficult to enforce any right or demand that can be asserted under U.S. federal securities laws. It may also not be possible to commence legal action against a non-U.S. corporation or its officers in a non-U.S. court for a violation of U.S. securities laws. Furthermore, U.S. courts are not necessarily granted jurisdiction over non-U.S. corporations or their affiliates.
- Unless otherwise expressly provided, all procedures related to the Tender Offer will be conducted in the Japanese language. While all or part of the documents in connection with the Tender Offer may be prepared in English, the Japanese language documents shall prevail in the case of any discrepancy between the Japanese language documents and the corresponding English language documents.
- There is a possibility that the Tender Offeror, the respective financial advisors of the Tender Offeror and the Company, and the tender offer agent (and affiliates of the foregoing) may, in the ordinary

course of business and to the extent permitted by regulations in Japan relating to financial instruments and exchange, and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, for their own account or their customers' account, purchase or take action for the purchase of Company's Shares outside of the Tender Offer prior to or during the Tender Offer Period. Such purchases may be conducted at market prices through market transactions, or may be conducted at prices decided through negotiations outside of the market. If information regarding such a purchase is disclosed in Japan, it will also be disclosed on the English website of the person making such purchase (or by using another disclosure method).

- In the event that in accordance with the Companies Act, shareholders exercise the right to demand purchase of shares of less than one unit, the Company may buy back own shares during the Tender Offer Period in accordance with statutory procedures.

【Forward-Looking Statements】

- Statements in this press release include “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. Actual results may significantly differ from the projections implied or expressly stated in these forward-looking statements due to known or unknown risks, uncertainties, or other factors. Neither the Tender Offeror, nor its affiliates guarantee that the results expressed or implied as “forward-looking statements” will be achieved. The “forward-looking statements” contained in this press release have been prepared based on the information available to the Tender Offeror as of today, and unless required by laws and regulations, neither the Tender Offeror nor its affiliates are obligated to change or correct the statements made herein in order to reflect future events or circumstances.

【Other Countries】

- Legal restrictions may be imposed on the announcement, publication, or distribution of this press release in certain countries or regions. In such cases, please be aware of and comply with such restrictions. The announcement, issue or release of this press release does not constitute solicitation of an offer to purchase or an offer to sell share certificates related to the Tender Offer, and shall be deemed to be simply the distribution of materials as information.

(Reference)

Report (Appendix 1)

Notice Regarding Commencement of Tender Offer by an INFRONEER Holdings Inc. Subsidiary (Sumitomo Mitsui Construction Co., Ltd.) for the Shares of SUMIKEN MITSUI ROAD CO., LTD. (Stock Code: 1776) (Appendix 2)