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[Unofficial Translation]

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President and Representative Director
Dai-ichi Life Holdings, Inc.
Code: 8750 (TSE Prime section)

Notice Regarding Commencement of Tender Offer for Shares, Etc. of ipet Holdings, Inc. (Securities Code: 7339)

Dai-ichi Life Holdings, Inc. (the “Tender Offeror”) hereby announces that it passed a resolution, at its board of directors meeting held today, to acquire shares, etc. of ipet Holdings, Inc. (the “Target Company” listed on the Growth Market of Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) under code number 7339) through a tender offer (meaning a tender offer under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”); the “Tender Offer”).

1. Purpose of the Purchase

(1) Outline of the Tender Offer

The Tender Offeror decided, at its board of directors meeting held today, to conduct the Tender Offer as part of a transaction (the “Transaction”) intended to make the Target Company a wholly-owned subsidiary of the Tender Offeror by acquiring all of the common shares of the Target Company (“Target Company Shares”) listed on the Growth Market of the Tokyo Stock Exchange (including Target Company Shares to be issued upon exercise of Share Options (“Share Options,” and the names of relevant different series of share options are defined in “2. Outline of the Purchase,” “(3) Offer Price,” “(ii) Share Options” below; the same shall apply hereinafter) and excluding treasury shares owned by the Target Company) and all of the Share Options. As of today, the Tender Offeror does not own any Target Company Share or Share Options.

To implement the Tender Offer, the Tender Offeror entered into a tender agreement (the “Tender Agreement”) today with Dream Incubator Inc. (“Dream Incubator”), the parent company and the largest shareholder of the Target Company, pursuant to which Dream Incubator agreed to tender to the Tender Offer all of the Target Company Shares owned by it (6,068,004 shares; ownership ratio (Note): 55.21%; the “Shares Intended to Be Tendered”). For detailed information on the Tender Agreement, please refer to “(6) Matters Concerning Material Agreements Related to the Tender Offer” below. (Note) “Ownership ratio” means the ratio (any fraction to be rounded off to two decimal places; the same shall apply to any ownership ratio calculation) of the number of shares owned to the “Reference Number of Shares” (10,990,381 shares), which is obtained by deducting the number of treasury shares owned by the Target Company as of September 30, 2022 (42 shares), as stated in the “Consolidated Financial Summary (For the Second Quarter Ended September 30, 2022 (interim period)) (based on the Japanese Standards)” announced today by the Target Company (the “Target Company’s Financial Summary for the Second Quarter”), from the sum of (i) the total number of outstanding shares as of September 30, 2022 (10,890,423 shares), as stated in the Target Company’s Financial Summary for the Second Quarter, and (ii) the number of Target Company Shares to be issued upon exercise of the Share Options that are outstanding and exercisable as of September 30, 2022 (according to the Target Company, the number of Share Options is the sum of (i) 43,500 1st Series of Share Options (a) and (ii) 6,500 1st Series of Share Options (b)) (100,000 shares).

The Tender Offeror has set the minimum number of share certificates, etc. to be purchased in the Tender Offer at 7,326,900 shares (ownership ratio: 66.67%). If the total number of share certificates, etc. tendered to the Tender Offer (the “Tendered Share Certificates, Etc.”) falls short of the minimum number of share certificates, etc. to be purchased (7,326,900 shares), the Tender Offeror will purchase none of the Tendered Share Certificates, Etc. On the other hand, the Tender Offeror has set no maximum number of share certificates, etc. to be purchased in the Tender Offer since the Tender Offeror intends to make the Target Company its wholly-owned subsidiary by acquiring all of the Target Company Shares (including Target Company Shares to be issued upon exercise of Share Options and excluding treasury shares owned by the Target Company) and all of the Share Options as described above. If the total number of the Tendered Share Certificates, Etc. is equal to or greater than the minimum number of share certificates, etc. to be purchased (7,326,900 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc. The minimum number of share certificates, etc. to be purchased (7,326,900 shares) is obtained as follows: (i) the number of voting rights (109,903 voting rights) that corresponds to the Reference Number of Shares (10,990,381 shares) is multiplied by a factor of two-thirds (with the product being 73,269 voting rights, which is rounded up to the nearest whole number); then (ii) the number obtained in calculation (i) is multiplied by 100, which is the number of shares of the Target Company that consist of one unit (the result is 7,326,900 shares). The Tender Offeror has set the above-mentioned minimum number for the following reason: The Tender Offeror intends to make the Target Company its wholly-owned subsidiary through the Transaction. In order to implement the reverse share split procedures described in “(4) Policies for Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” below, a special resolution is required to be passed at a shareholders’ meeting as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”). Therefore, in order to ensure the implementation of the Transaction, the Tender Offeror has set the minimum number as described above so that it will be able to satisfy the requirement by holding at least two-thirds of the total number of voting rights of all of the shareholders of the Target Company after the Tender Offer.

In addition, as described in “(4) Policies for Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” below, the Tender Offeror plans to implement a series of procedures to make itself the sole shareholder of the Target Company and make the Target Company its wholly-owned subsidiary (the “Squeeze-out Procedures”) after the successful execution of the Tender Offer if it fails to acquire all of the Target Company Shares (including Target Company Shares to be issued upon exercise of Share Options and excluding treasury shares owned by the Target Company) and all of the Share Options through the Tender Offer.

If the Tender Offer is executed successfully, the Tender Offeror intends to use its own capital and cash on hand for the settlement of the Tender Offer and does not intend to raise any new funds.

According to the “Announcement of Opinion to Support the Tender Offer for Shares, Etc. in ipet Holdings, Inc. by Dai-ichi Life Holdings, Inc. and to Recommend Tendering Shares, Etc. in the Tender Offer” published today by the Target Company (the “Target Company Press Release”), the Target Company resolved at its board of directors meeting held today to express its opinion to support the Tender Offer and to recommend that the Target Company’s shareholders and the holders of Share Options (the “Share Options Holders”) tender their shares and Share Options in the Tender Offer. For detailed information on the decision-making process at the board of directors of the Target Company, please refer to the Target Company Press Release and “(v) Approval by All Directors without Conflicts of Interest (Including Audit and Supervisory Committee Members) at the Target Company” in “(3) Measures to Ensure Fairness of the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below.

(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer and Management Policy After the Tender Offer

(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer

The Tender Offeror was established in September 1902 under the tradename of “Dai-ichi Mutual Life Insurance Company” as the first insurance company in Japan that took the form of a mutual company. Subsequently, in April 2010, it changed its corporate structure from a mutual company to a stock company in order to transform into a company that can respond to demographic changes, diversifying lifestyles, and other challenges and to provide high-quality services that better meet customers’ diversified needs on a timely basis. In October 2016, it changed its trade

name to “Dai-ichi Life Holdings, Inc.,” its current trade name, and transitioned to a holding company structure. Shares of the Tender Offeror became listed on the First Section of the Tokyo Stock Exchange in April 2010. As a result of the market segment restructuring of the Tokyo Stock Exchange in April 2022, it is currently listed on the Prime Market of the Tokyo Stock Exchange.

As of September 30, 2022, the Tender Offeror’s group consists of the Tender Offeror, its 117 subsidiaries, and its 30 affiliates (the Tender Offeror and its subsidiaries and affiliates are hereinafter collectively referred to as the “Tender Offeror Group”) and is engaged in domestic life insurance business, overseas insurance business, and other business. Under the group vision “Protect and improve the well-being of all” and by sharing the group philosophy (Mission, Vision, Values and Brand Message) with one another, each group company of the Tender Offeror Group aims to contribute to people’s security and prosperity and to the development of local communities in their regions and countries mainly through the provision of life insurance as a lifelong partner to customers. In addition, in order to continue contributing to the well-being of all, including future generations, to enable them to lead healthy and prosperous lives with peace of mind, the Tender Offeror Group established the medium-term management plan of the Dai-ichi Life Group for FY2021-2023 “Re-connect 2023” (the “Tender Offeror MMP”) on March 31, 2021. Under the Tender Offeror MMP, the Tender Offeror has classified its domestic business into the following four domains: (i) protection, which is centered on traditional life insurance; (ii) asset formation/succession, which primarily offers asset management; (iii) health and medical care, which focuses on health care services; and (iv) enhancing connections, which pursues improvement of emotional well-being. The Tender Offeror has held up a policy to strive to deliver a superior customer experience (CX), in other words, experiences and impressions that exceed customers’ expectations, through the deepening and exploration of those business domains by offering insurance products, other financial products, and related services that meet individual lifestyles and needs of customers and standing by each customer’s side more than ever before. The Tender Offeror Group recognizes that social changes resulting from the COVID-19 outbreak, including rapid advances in digital technology and popularization of online contactless communications, as well as greater dependence on specific communities based on common interests, tastes, and lifestyles, have accelerated changes in people’s behavior and triggered more dramatic changes in the business environment than ever before. The Tender Offeror Group considers that, with people’s increasingly diversifying values, each customer expects the Tender Offeror Group to offer them products and services that meet their individual needs at the time and by the method desirable for them and that the level of services expected has been higher and the content of expected services has been more diversified. To resonate with customers and to be chosen by them, the Tender Offeror Group believes that it needs to enhance its product lineup so that it meets diversifying needs and to expand contact points with customers in the domains of nonlife insurance and QOL (Quality of Life) other than the “protection” domain centered on traditional life insurance under its CX Design Strategy, the core strategy for its domestic business, to offer products and services that meet individual needs of customers at the time and by the method desirable for each of them by combining online and face-to-face customer contact points.

On the other hand, according to the Target Company Press Release, the Target Company is a pure holding company that has ipet Insurance Co., Ltd., its core subsidiary (“ipet Insurance”), and Pet’s All Right Inc., which offers online health counseling for pets (the Target Company’s consolidated subsidiary; hereinafter “Pet’s All Right”; the Target Company, ipet Insurance, and Pet’s All Right, collectively, the “Target Company Group”), under its umbrella. The Target Company was established in October 2020 as the wholly-owning parent company of ipet Insurance, which became listed on the Mothers Market of the Tokyo Stock Exchange on April 25, 2018, for the purpose of gaining greater publicity and social credibility, diversifying financing methods, further motivating its employees and attracting excellent human resources for its further growth in the future. The Target Company Shares became listed on the Mothers Market of the Tokyo Stock Exchange on the same day as its establishment by way of a technical listing (they migrated to the Growth Market in April 2022 as a result of the market segment restructuring of the Tokyo Stock Exchange). The Target Company has been engaged in the business of pet insurance underwriting and asset management with its focus on the nonlife insurance business operated by ipet Insurance as its core business.

As of today, pursuant to its management philosophy “Create a society where pets and people live happily and healthy together” and its vision “A company that continues to consider the happiness of pets and people,” the Target Company strives not only to contribute to the health of pets but also to ensure the physical and mental well-being of people living with pets through its business of pet insurance and online health counseling for pets. Moreover, it also

aims to contribute through its business to the realization of a society where people can live with others in a good health irrespective of whether they have pets or not. With its focus on the pet insurance business, the Target Company will aim to realize its management philosophy and vision through the creation of group synergies and to enhance its corporate value in the medium- and long-term.

While the Target Company has considered measures to realize further growth, it recognizes the need to continue to address the following issues in priority to others and has been making efforts for improvements:

(i) Strengthening the foundation of the pet insurance business

According to the Target Company, when formulating “Matters on Business Plans and Growth Potential,” which includes its medium-term management plan for the three years from FY2022 (the “Target Company MMP”), the Target Company revised its methods for the review of its efforts and plans. Previously, it used to review its efforts and plans every fiscal year. However, in order to focus on progress management and evaluation of various measures to achieve its business plans, it has ceased to review the plans every fiscal year. Pursuant to the revised methods, it has fixed efforts and plans for a period of three years from FY2022 as one cycle in principle. In accordance with the most recent Target Company MMP, it will strive to increase business efficiency and strengthen its business makeup, positioning that period of three years as a period for solidifying the foundation for future growth. In the previous consolidated fiscal year, pet Insurance recorded an increase in the number of new policies due to the strong demand for pets. The number of policies in force increased to 728,724, which is greater than the initial target of 723,000. In the course of aiming for further growth and acquiring more contracts with customers, the Target Company needs to continue making tireless efforts for improved productivity and take other measures to further solidify its foundation in order to realize both expansion of scale and improvement of productivity and to continue to offer high-quality services that enhance customer satisfaction despite increasing insurance claims. With respect to the pet insurance business, the Target Company has established the following important policies of the Target Company MMP: “quality top line growth,” “improvement of productivity” and “strengthening the management foundation”. In accordance with the “quality top line growth” policy, the Target Company aims to increase the number of policies in force and to enhance its earning capacity through measures that are conscious of PAC (Pet Acquisition Cost (cost of acquiring new contracts)) by paying attention not only to scale but also to further improvement of the quality of solicitation and maintaining and improving the number of new policies and the policy renewal rate (meaning the ratio of contracts formed that continue to be in force in the following year; the same shall apply hereinafter). Under the “improvement of productivity” policy, the Target Company will make various efforts, including investments to improve administrative affairs and systems and rationalization of operating expenses, to strengthen its business foundation for further growth. In line with the “strengthening the management foundation” policy, the Target Company intends to take measures to enhance its human resources, including efforts to encourage each of its officers and employees to upgrade their skills as well as greater importance attached to their capabilities and performances in their appointment and promotion, strengthen its structure as an insurance company group (to develop and enhance its structures to voluntarily improve the quality of its governance, risk management, compliance and operation as a group company holding an insurance company under its umbrella), and further enhance its risk management system, including efforts to spread a risk culture (to enhance employee awareness, recognition and actions concerning risks to spread such awareness, recognition, and actions).

(ii) Creating group synergies

According to the Target Company, in order to realize its management philosophies, the Target Company has been promoting efforts to create synergies as a group. More specifically, it utilizes resources, data, and other information of each group company for the efforts toward increased business efficiency, offering of new services, increase of added value, and other objectives. It aims to create a business that meets customers’ needs and also contributes to the solution of social issues in the future by utilizing the group’s strength.

(iii) Promoting ESG management

According to the Target Company, through its ESG efforts, the Target Company intends to fulfill its social responsibility as a group holding a pet insurance company as its core subsidiary and further strengthen its business

for future growth. It has been committed to making ESG efforts to reduce the environmental burden through its business (Environment), to contribute to a society where people can live a healthy and happy life with pets (Social), and to improve reliability by strengthening governance (Governance). Recognizing the ESG issues as its business challenges, the Target Company will continue and evolve the efforts it has made so far and attempt new efforts and other measures in order to gain greater trust of investors and other stakeholders.

The Target Company describes its recent business performance as follows: Despite the impacts of the COVID-19 outbreak, in the first quarter ended June 30 2022, ipet Insurance had 748,308 policies in force (115.5% of the figure for the corresponding period in the previous year), with a positive trend supported by a steadily growing demand for pets. In addition, its policy renewal rate, which had been decreasing temporarily since the first quarter ended June 30 2021 due to a product revision in May 2021, recovered to approximately 90% in the first quarter ended June 30 2022. Pet's All Right has been successfully expanding its business, as shown by an increase in the number of users registered for the service offered by the business of online health counseling for pets, which reached 42,544 in the first quarter ended June 30, 2022 and which is now 220% of the figure in the corresponding period in the previous year.

On the other hand, nonlife insurance companies are required to remain sufficiently solvent even in the event of occurrence of a risk that is not predicted in an ordinary estimate, including occurrence of a disaster on a huge scale and significant decline in the value of assets held by them. More specifically, the relevant laws and regulations stipulate that they must maintain a solvency margin ratio (Note 1) of 200% or higher, which is a level indicating that "they have an appropriate level of solvency in terms of their ability to pay insurance proceeds," and ipet Insurance has established its own minimum level at 250%. While ipet Insurance has operated its business so that its solvency margin ratio always exceeds its own minimum level, its solvency margin ratio as of the end of March 2022 was 267.2% and could decline at the end of the current period due to the continued increase in the number of policies in force. In order to achieve sustainable growth and to improve its solvency margin ratio, it needs to reinforce its capital (Note 1) "Solvency margin ratio" means a ratio calculated pursuant to the provisions of Articles 86 and 87 of the Regulation for Enforcement of the Insurance Business Act (Ministry of Finance Order No. 5 of 1996) and Ministry of Finance Public Notice No. 50 of 1996.

Under such circumstances, in early March 2022, Dream Incubator approached the Tender Offeror via Nomura Securities Co., Ltd. ("Nomura Securities"), its financial advisor, for possible participation in the first bidding process (the "First Bidding Process") for selecting the Target Company's strategic partner to whom all of the Target Company Shares held by Dream Incubator would be transferred by way of a tender offer or other similar method and with whom the Target Company would collaborate to realize further growth in the future following the transfer. The deadline for submitting the first letter of intent for the First Bidding Process was May 13, 2022. In response to such approach, the Tender Offeror commenced in late March 2022 an initial examination of whether to acquire the Target Company Shares assuming that it would make the Target Company its wholly-owned subsidiary as required as a condition to participate in the First Bidding Process. While the Tender Offeror had an interview with the Target Company's management in early March 2022, where it was approached for possible participation in the First Bidding Process, it had never discussed or negotiated with the Target Company the terms and conditions of the Transaction after such interview up to the Second Bidding Process (as defined below).

In early April 2022, the Tender Offeror appointed BofA Securities Japan Co., Ltd. ("BofA Securities") as its financial advisor to serve as a third-party appraiser independent from the Tender Offeror, the Target Company and Dream Incubator and has received advice from BofA Securities as appropriate and taken other necessary measures since then. In late April 2022, based on the business plan and summary explanatory materials of the Target Company Group received via Nomura Securities, the Tender Offeror gained an understanding that the Target Company Group had advantages over its competitors in the pet insurance business for the following reasons: (i) The Target Company Group has established one of the largest networks of sales channels in Japan consisting of numerous pet shops appointed as its agents and it has also focused on expansion of web sales channels, securing certain customer contact points on the Web; and (ii) unlike general pet insurance schemes where policy holders pay in full of the treatment bill at the counter of veterinary hospitals and subsequently receive from the insurance company payment of an amount of the treatment bill less the amount to be borne by them, under the ipet OTC Settlement Service Scheme (Note 2), if

policyholders use one of the veterinary hospitals covered by the scheme, they can have their pets treated by paying at the counter only a portion of the treatment bill that corresponds to the amount to be borne by them. Through the ipet OTC Settlement Service Scheme, the Target Company Group has established a stronger relationship with veterinary hospitals than its competitors in the pet insurance business because ipet Insurance and Anicom Holdings, Inc. are the only two pet insurance providers that have established such partnerships with veterinary hospitals. In addition, the Target Company Group has strength in its steadily growing network of veterinary hospitals covered by the ipet OTC Settlement Service Scheme: after reaching 5,000 in February 2020, the number of veterinary hospitals covered by the scheme was 5,697 as of October 20, 2022. Moreover, the Tender Offeror recognizes that the QOL desired by customers has changed as a result of changing lifestyles, diversifying needs, the COVID-19 outbreak and other drastic social changes and that, in particular, pets now give the greatest joy in their lives and contribute to enhancing connections and promoting health along with their family members, things to do in their spare time, health and other factors that are considered to contribute to the improvement of individuals' QOL. For this reason, the Tender Offeror has reached the conclusion that, by incorporating the Target Company Group into the Tender Offeror Group, in the "enhancing connections" domain, which is a part of the four business domains (protection, asset formation/succession, health and medical care, and enhancing connections) of the domestic business of the Tender Offeror Group stipulated in the Tender Offeror MMP and corresponds to the domains of nonlife insurance and QOL, the Tender Offeror will be able to have contact with those customers with whom the Tender Offeror could not have contact in the "protection" domain centered on traditional life insurance. In addition, pursuant to the Basic Agreement on Business Alliance entered into by and between the Tender Offeror and ipet Insurance in February 2019, the Tender Offeror and The Dai-ichi Life Insurance Company, Limited ("Dai-ichi Life"), the core life insurance company of the Tender Offeror Group, entered into the Basic Business Alliance Agreement with ipet Insurance in April 2019, pursuant to which Dai-ichi Life sells ipet Insurance pet insurance. The Tender Offeror believes that those insurance products are useful for Dai-ichi Life to promote the development of a new customer base and has concluded that their collaborative relationship deepened through the Transaction will enable both parties to further expand their customer bases.

(Note 2) "ipet OTC Settlement Service Scheme" is a scheme where policy holders of the insurance products sold by ipet Insurance can have their pets treated at one of the veterinary hospitals that have partnerships with ipet Insurance by paying at the counter only a portion of the treatment bill that corresponds to the amount to be borne by them upon presenting at the counter their insurance cards or the screen of the web site for ipet Insurance policy holders. In contrast, under general pet insurance schemes, policy holders pay in full the treatment bill at the counter of veterinary hospitals and subsequently receive from the insurance company payment of an amount of the treatment bill less the amount to be borne by them.

In addition, in parallel with the above examination, the Tender Offeror commenced an initial examination of the method of the Transaction and other relevant issues after appointing Nishimura & Asahi as its legal advisor independent from the Tender Offeror, the Target Company and Dream Incubator in the middle of April 2022 and has received advice from Nishimura & Asahi as appropriate and taken other necessary measures since then.

Based on the results of the initial examination on whether to acquire the Target Company Shares, the method of the Transaction, and other relevant issues as described above, the Tender Offeror made specific arrangements in preparation for submission of its first letter of intent. On May 13, 2022, the Tender Offeror submitted its first letter of intent to the effect that it would implement the Transaction based on the assumption that it would make the Target Company its wholly-owned subsidiary based on the following judgment: By making the Target Company its wholly-owned subsidiary, the Tender Offeror will be able to utilize the Tender Offeror Group's domestic customer base consisting of approximately 11 million customers and a channel network of approximately 37,000 sales personnel called Total Life Plan Designers and other personnel to promote the sale of pet insurance provided by the Target Company Group through various customer contact points. At the same time, by utilizing the capital base of the Tender Offeror, the Tender Offeror will be able to provide maximum support to the Target Company Group for its growth with necessary financial assistance to implement various measures and share interests toward profit maximization.

Following the receipt of a notice on May 19, 2022 from Dream Incubator via Nomura Securities that the Tender Offeror passed the First Bidding Process, the Tender Offeror was informed on May 27, 2022 that it was permitted to participate in the second bidding process (the "Second Bidding Process"), for which the second letter of intent was to

be submitted by July 29, 2022, and decided to participate in the Second Bidding Process. In the Second Bidding Process, from late May 2022 to late July 2022, the Tender Offeror conducted due diligence on the business, finance, tax, and legal matters, etc. of the Target Company Group, had interviews with the Target Company's management to understand the details of the Target Company Group, and proceeded with further analysis and examination of, among others, specific measures to create business synergies between the Tender Offeror Group and the Target Company Group, the buy-out structure and management policies to be adopted after the Tender Offeror makes the Target Company its wholly-owned subsidiary.

As a result of such examination, in the middle of July 2022, the Tender Offeror concluded that it would be able to create the following synergy effects and advantages by making the Target Company its wholly-owned subsidiary through the Transaction, and that the entry by the Tender Offeror Group into the pet insurance business through the Transaction was consistent with the direction the Tender Offeror Group intended to follow as the Tender Offeror Group has strived to continue contributing to the well-being of all. Furthermore, based on its judgment that the pet insurance business in Japan is a rare segment in the domestic insurance market that will continue to enjoy strong growth, the Tender Offeror reached the conclusion that by making the Target Company its wholly-owned subsidiary through the Transaction, it will be able to have contact points with customers in the "enhancing connections" domain that are different from the previous ones through its entry into the business related to pets, which stay close to their owners in their daily lives, as the Tender Offeror has had contact points with customers focusing on marriage hunting, end of life planning and other life events in the said domain, and that, therefore, the Transaction had an important strategic significance in the "enhancing connections" domain and it should implement the Transaction. The Tender Offeror believes it is essential to make the Target Company its wholly-owned subsidiary in order to maximize the following synergy effects and advantages and realize the Transaction's strategic significance because, if the Target Company remained listed, the Tender Offeror would have to manage the Target Company independently from the Tender Offeror to a certain extent, which could impose certain restrictions on the sharing and utilization of management resources and know-how held by both companies or prompt decision making, including a restriction that only a limited portion of the information held by each of the Tender Offeror and the Target Company can be shared with each other from the viewpoint of information management.

The Tender Offeror expects that the following specific synergy effects and advantages will be generated for the Target Company Group:

(i) Utilization of the customer base and channel network of the Tender Offeror Group

The Tender Offeror Group has a customer base consisting of approximately 11 million customers in Japan and has established a "multi-brand, multi-channel" structure. It has developed a system that is capable of offering products that meet customers' needs through its sales channel network of financial institutions, insurance shops and other agents across the country as well as approximately 37,000 sales personnel called Total Life Plan Designers. The Tender Offeror believes that it will be able to promote the sale of pet insurance of the Target Company Group through the customer contact points utilizing them. In addition, since April 2021, Dai-ichi Life has been focusing on its efforts on the development of insurance product and sales method utilizing the Web called "Digi-ho." It has also built a collaborative relationship with certain business partners, including, for example, operators of websites that provide information and offer communication opportunities for a specific group of individuals with common values and lifestyles, such as freelance workers and healthcare professionals. The Tender Offeror is of the opinion that the Target Company Group can benefit from increased opportunities to sell its pet insurance through the cross-industrial collaboration and other advantages.

(ii) Tender Offeror Group's robust base of capital and human resources

Since FY2021, the Tender Offeror has adopted and practiced the "capital circulation management" approach, an approach to enhance corporate value through the favorable circulation of capital and cash obtained from business operations and released by risk reduction by reallocating capital to highly capital-efficient businesses and growth businesses while ensuring financial soundness. The Tender Offeror is confident that, under this management policy, it will be able to support the Target Company Group's growth potential to the maximum extent while providing financial support necessary for its business operations. In terms of human resources, the Tender Offeror Group has approximately 60,000 employees in Japan and each of them has diversified skills and expertise necessary for the

operation of an insurance company, including skills and expertise concerning sales, insurance administrative work, asset management, systems, actuarial work, product development, risk management, planning and management, legal affairs and compliance, public relations, accounting and finance. Therefore, the Tender Offeror believes that it will be able to provide personnel assistance to the Target Company Group as necessary.

On July 29, 2022, based on the results of the analysis and examination described above, the Tender Offeror, following the resolution of its board of directors on July 27, 2022, submitted to Dream Incubator its second letter of intent that includes statements on the terms and conditions, including an offer price per Target Company Share (“Tender Offer Price”) and an offer price per Share Options (“Offer Price for Share Options”) in the Tender Offer based on the assumption that it would make the Target Company its wholly-owned subsidiary. In its second letter of intent, the Tender Offeror proposed the Tender Offer Price of 3,450 yen, and the Offer Price for Share Options of 6,260 yen, which is calculated by multiplying (a) the difference (3,130 yen) between the Tender Offer Price (3,450 yen) and the exercise price of Share Options per Target Company Share to be issued upon exercise thereof (320 yen), by (b) the number of Target Company Shares to be issued per Share Options upon exercise thereof (2 shares). Thereafter, on August 23, 2022, the Tender Offeror received a notice from Dream Incubator that Dream Incubator would choose the Tender Offeror as the final candidate if the Tender Offeror increased the Tender Offer Price from 3,450 yen, which was proposed in its second letter of intent, to 3,550 yen. After receiving the communication mentioned above from Dream Incubator, the Tender Offeror, intending to secure exclusive negotiation rights, submitted an additional proposal to Dream Incubator on August 26, 2022 for a Tender Offer Price of 3,550 yen and an Offer Price for Share Options of 6,460 yen, taking into consideration measures for corporate value enhancement, including agile capital support and necessary personnel assistance to the Target Company, management policy after the Transaction, the Target Company’s recent financial results and future business plans, results of the due diligence on the Target Company Group conducted by the Tender Offeror during the period from late May 2022 through late July 2022, trends in market price of Target Company Shares, economic trends and trends in the stock market, Dream Incubator’s request for a higher Tender Offer Price to facilitate the selection of the Tender Offeror as the final candidate, among other things, and in comprehensive consideration also of whether the board of directors of the Target Company has supported the Tender Offer and outlook of tenders to the Tender Offer. The Tender Offeror did not conduct any consultation or negotiation with Dream Incubator or the Target Company concerning the terms of the Transaction, the terms of tenders, the contents of the Tender Agreement, etc., during the period between the submission of the second letter of intent and the submission of the additional proposal, except for the receipt of the request for a higher Tender Offer Price mentioned above. The Tender Offeror was notified on August 29, 2022 through Nomura Securities that it was selected as the final candidate, and the Tender Offeror concluded a memorandum of understanding with Dream Incubator on August 31, 2022 to the effect that (i) the Tender Offeror will submit a final proposal for a Tender Offer Price of 3,550 yen and (ii) Dream Incubator will negotiate exclusively with the Tender Offeror only and will not engage in any acts aimed at realizing any other capital transaction of the Target Company with a third party other than the Tender Offeror that is similar to the Transaction during the period from August 31, 2022 to the earlier of the day on which 90 days have passed since August 31, 2022 and the announcement date of the Transaction.

Thereafter, on October 21, 2022, the Tender Offeror was requested by the Special Committee (as defined in “(ii) Target Company’s Decision-Making Process Leading to, and Reasons for, the Support of the Tender Offer” below) to consider whether it can propose a Tender Offer Price and an Offer Price for Share Options that are higher than the Tender Offer Price of 3,550 yen and the Offer Price for Share Options of 6,460 yen proposed in the additional proposal in light of, among others, recent trends of the market prices of Target Company Shares and expected upward revision of the financial results of the Target Company, and, if such proposal is possible, to propose a Tender Offer Price and an Offer Price for Share Options that are higher than those proposed in the above-mentioned additional proposal. In response to such request, although the Tender Offeror reconsidered the Tender Offer Price and the Offer Price for Share Options, it concluded that it would maintain the Tender Offer Price at 3,550 yen and the Offer Price for Share Options at 6,460 yen because its view on the intrinsic value of the Target Company remained unchanged and these prices were at a premium that is comparable to the average of the premiums observed in similar cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private. On October 27, 2022, the Tender Offeror answered to the Special Committee to that effect.

In and after early October 2022, the Tender Offeror held consultations with the Target Company on an ongoing basis on the future operation of the Target Company and PMI (which stands for post-merger integration and means a Process for Management Integration after the Transaction; hereinafter the same shall apply), among other things.

From early September 2022 through early November 2022, the Tender Offeror further consulted and negotiated with Dream Incubator regarding various terms of tenders other than Tender Offer Price and Offer Price for Share Options and the contents of the Tender Agreement, among other things. The Tender Offeror reached an agreement today on the Tender Agreement that includes an agreement to set the Tender Offer Price at 3,550 yen per share and the Offer Price for Share Options at 6,460 yen. In the meantime, as a result of consultation between the Tender Offeror and the Target Company on the significance and purpose of the Tender Offer and measures for corporate value enhancement including expected synergy effects, the board of directors of the Tender Offeror, at its meeting held on the same day, resolved to carry out the Tender Offer and to enter into the Tender Agreement with Dream Incubator. For the details of the Tender Agreement, see “(6) Matters Concerning Material Agreements Related to the Tender Offer” below.

(ii) Target Company’s Decision-Making Process Leading to, and Reasons for, the Support of the Tender Offer

According to the Target Company Press Release, in response to the decision of Dream Incubator to sell Target Company Shares, the Target Company decided in mid-December 2021 to appoint a financial advisor and a legal advisor to start consultation. In early February 2022, the Target Company appointed Daiwa Securities Co., Ltd. (“Daiwa Securities”), the Target Company’s lead managing underwriter with deep understanding of the business of the Target Company as well as rich knowledge and experience in cases of the same type, as a financial advisor and third-party valuation firm independent from the Target Company and Dream Incubator, and Iwata Godo, a law firm serving as the Target Company’s legal counsel with deep understanding of the business of the Target Company as well as rich knowledge and experience in cases of the same type, as a legal adviser independent from the Target Company and Dream Incubator in order to ensure fairness and appropriateness in the decision-making process of its board of directors with regard to the Transaction including the Tender Offer. As the interest of Dream Incubator, which is the controlling shareholder of the Target Company and the interest of general shareholders of the Target Company may not necessarily agree with each other with regard to the Transaction, based on the advice of Iwata Godo, the Target Company established a special committee to deliberate on the details of the Transaction, fairness of procedure, etc., (the “Special Committee;” see “(iv) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Committee” of “(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” for the composition of committee members and other information, including specific consultation matters, about the Special Committee) as stated in “(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below in order to ensure fairness of the Transaction.

Thereafter, the Target Company, based on the consultation and negotiation policy and opinions, instructions, requests, etc., in important phases of consultation and negotiation confirmed in advance by the Special Committee, had several meetings for consultation and negotiation with Dream Incubator and its financial advisor Nomura Securities about the pros and cons of the execution of the Transaction, among other things, while receiving advice from Daiwa Securities and Iwata Godo.

Based on the recognition that the Target Company is in a situation in which it needs recapitalization as stated in “(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer” above, the Target Company proposed to Dream Incubator on September 21, 2021 that they consider measures to recapitalize the Target Company including a capital and business partnership with a new partner as one of the options. On October 22, 2021, upon receiving communication from Dream Incubator to the effect that Dream Incubator had already had a plan to sell Target Company Shares as already disclosed in the annual securities reports of Dream Incubator and the Target Company and decided to sell them by agreeing to the idea to select, in conjunction with the sale of Target Company Shares owned by it, new partner candidates to support the capital of the Target Company for the purpose of building a relationship through the sale of Target Company Share with a new partner who will support the capital policy of the Target Company (“Candidate Selection”), the Target Company adopted a plan to consider Candidate Selection.

Through the end of February 2022, Dream Incubator prepared for initial information disclosure about the business and the financial condition of the Target Company in cooperation with the Target Company. In the meantime, in mid-February 2022, Dream Incubator confirmed with the Target Company regarding its requests concerning Candidate Selection and considered candidates that could meet the recapitalization needs of the Target Company. Then, Dream Incubator sounded out 17 business companies and private equity funds in total, which reflected the requests of the Target Company, on Candidate Selection in and after early March 2022 and agreed with the Target Company to initiate the First Bidding Process to select candidates that can meet the recapitalization needs of the Target Company and help the Target Company Group achieve further growth by setting the submission due date of first letter of intent on May 13, 2022. After the initiation of the First Bidding Process, Dream Incubator conducted initial information disclosure to candidates including the Tender Offeror on the business and the financial condition of the Target Company. Dream Incubator received the first letters of intent from several business companies and private equity funds including the Tender Offeror within a few days or on the submission due date, and the letters of intent were shared with the Target Company by the Dream Incubator. Thereafter through late May, the Target Company carefully compared and considered the contents of the first letters of intent from the perspectives of, among others, stock valuation, transaction scheme, fund-raising capability and prerequisites for fund raising, management strategies after the Transaction including growth strategy and systems to support them, various conditions of management policies including treatment of employees and governance system, and the maximization of the interest of minority shareholders. In the meantime, the Target Company consulted with Dream Incubator several times. Based on the results of such consultations, Dream Incubator shortlisted candidates to be invited to the Second Bidding Process in late May 2022.

Subsequently, the candidates selected by Dream Incubator based also on the intention of the Target Company, including the Tender Offeror, conducted due diligence on the business, finance, tax, and legal affairs of the Target Company in the Second Bidding Process during about eight weeks from late May 2022 through late July 2022.

After the completion of this process, Dream Incubator received from the Tender Offeror and other candidates proposals based on the results of the due diligence mentioned above. Dream Incubator received on July 29, 2022 a formal proposal (second letter of intent) from the Tender Offeror for a Tender Offer Price of 3,450 yen and an Offer Price for Share Options of 6,260 yen. The second letter of intent and contents of other candidates proposals were shared with the Target Company by Dream Incubator. After carefully comparing and considering the contents of these proposals from the perspectives of, among others, stock valuation, transaction scheme, fund-raising capability and prerequisites for fund raising, management strategies after the Transaction including growth strategy of and financial assistance to the Target Company, Dream Incubator negotiated with the Tender Offeror to request that the Tender Offeror propose a higher Tender Offer Price so that it would be selected as the final candidate. Concurrently, the Target Company also carefully compared and considered the contents of these proposals from the perspectives of, among others, stock valuation, transaction scheme, fund-raising capability and prerequisites for fund raising, management strategies after the Transaction including growth strategy and systems to support them, various conditions of management policies including treatment of employees and governance system, and the maximization of the interest of minority shareholders. In the meantime, the Target Company consulted with Dream Incubator several times. Subsequently, Dream Incubator received in late August 2022 an additional proposal from the Tender Offeror for a Tender Offer Price of 3,550 yen and an Offer Price for Share Options of 6,460 yen, and the additional proposal was shared with the Target Company by Dream Incubator. After carefully examining the additional proposal received from the Tender Offeror further, Dream Incubator reached a conclusion that the additional proposal contains the best terms among those obtained through the active auction process in terms of the transfer price of the Target Company Shares held by Dream Incubator as well as certainty of the execution of the Transaction from the standpoint that the permission or approval of the Commissioner of the Financial Services Agency would be required pursuant to the provisions of the Insurance Business Act (Act No. 105 of 1995, as amended; the “Insurance Business Act”) upon the transfer of those Target Company Shares and the possibility to realize the Transaction early in light of such requirement, and that the Tender Offeror is the best partner for the Target Company, and adopted a basic negotiation plan to thereafter enter into a preferential negotiation process with the Tender Offeror. In addition, as described below, the Target Company supported the above-mentioned negotiation plan based on, among others, the following judgments: execution of the Tender Offer by the Tender Offeror would contribute to the medium- to long-term corporate value enhancement of the Target Company; the Tender Offer Price includes a premium at a sufficient level,

indicating that the Tender Offer Price is appropriate for all of the shareholders of the Target Company and the Share Options Holders.

Subsequently, Dream Incubator and the Tender Offeror concluded a memorandum of understanding on August 31, 2022 to the effect that (i) the Tender Offeror will submit a final proposal for a Tender Offer Price of 3,550 yen and (ii) Dream Incubator will negotiate exclusively with the Tender Offeror only and will not engage in any acts aimed at realizing any other capital transaction of the Target Company with a third party other than the Tender Offeror that is similar to the Transaction during the period from August 31, 2022 to the earlier of the day on which 90 days have passed since August 31, 2022 and the announcement date of the Transaction. The Target Company was informed by Dream Incubator of the above-described facts.

Thereafter, the Special Committee requested on October 21, 2022, that the Tender Offeror consider whether it can propose a Tender Offer Price and an Offer Price for Share Options that are higher than the Tender Offer Price of 3,550 yen and the Offer Price for Share Options of 6,460 yen proposed in the additional proposal in light of, among others, recent trends of the market prices of Target Company Shares and expected upward revision of the financial results of the Target Company, and that, if such proposal is possible, the Tender Offeror propose a Tender Offer Price and an Offer Price for Share Options that are higher than those proposed in the above-mentioned additional proposal. In response to such request, although the Tender Offeror reconsidered the Tender Offer Price and the Offer Price for Share Options, it concluded that it would maintain the Tender Offer Price at 3,550 yen and the Offer Price for Share Options at 6,460 yen because its view on the intrinsic value of the Target Company remained unchanged and these prices were at a premium that is comparable to the average of the premiums observed in recent cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private. On October 27, 2022, the Tender Offeror answered to the Special Committee to that effect.

Then, the Target Company, based on the contents of the second letter of intent and the additional proposal, held consultations with the Tender Offeror on the future operation of the Target Company and PMI on an ongoing basis in and after early October 2022.

The Target Company also received necessary legal advice from Iwata Godo with regard to the decision-making method and process of the Target Company's board of directors and other points to be noted including various procedures for the Transaction and received a report dated today from the Special Committee ("Report"). (For the outline of the Report and specific activities of the Special Committee, see "(iv) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Committee" of "(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest.")

The Target Company announced today the "Notice Concerning Revision of Full-year Consolidated Financial Forecast" and revised its consolidated financial forecast for the fiscal year ending March 2023 (the "Forecast Revision"). The Forecast Revision estimates an ordinary loss for the second half of the fiscal year ending March 31, 2023 alone, because a considerable amount of system investment expenses are expected to be incurred in the second half of the fiscal year ending March 31, 2023, as previously forecasted, although ordinary profit and net profit attributable to the parent company's shareholders (non-GAAP: unearned premium method) as well as adjusted ordinary profit and adjusted net profit will be upwardly revised from their respective forecasts announced previously mainly due to the following facts, at ipet Insurance: returns on asset management are expected to slightly exceed the amount assumed in the previous forecast; and the loss ratio in the first half of the fiscal year ending March 31, 2023 was significantly lower than the assumption in the previous forecast to the extent that it affected the loss ratio forecast for the full fiscal year ending March 31, 2023. The Forecast Revision has been made irrespective of the Transaction.

Following the process outlined above, at the board of directors meeting held today, the Target Company, taking into consideration the legal advice received from Iwata Godo, financial advice of Daiwa Securities, and the contents of a stock valuation report submitted on November 4, 2022 ("Daiwa Securities Stock Valuation Report") and respecting the contents of the Report submitted by the Special Committee to a maximum extent carefully discussed and deliberated on, among others whether the Transaction including the Tender Offer will contribute to the enhancement of the corporate value of the Target Company and whether the terms of the Transactions including the Tender Offer Price are appropriate and came to believe based also on results of consultation with the Tender Offeror concerning the

future operation of the Target Company and PMI that (a) it can expect the materialization of the following synergy effects by executing the Transaction including the Tender Offer. The Target Company believes it is essential to make the Target Company a wholly-owned subsidiary of the Tender Offer in order to maximize the following synergy effects and advantages and realize the strategic significance because, if the Target Company remained listed, it would have to be managed independently from the Tender Offeror to a certain extent, which could impose certain restrictions on the sharing and utilization of management resources and know-hows held by both companies or prompt decision making, including a restriction that only a limited portion of the information held by each of the Tender Offeror and the Target Company can be shared with each other from a viewpoint of information management.

(i) Quality top line growth

The Tender Offeror has a broad customer base of about 11 million customers all over Japan as well as a sales channel network consisting of agents all over Japan including financial institutions and insurance shops, in addition to about 37,000 sales representatives called Total Life Plan Designers. The Target Company believes that it can leverage these resources to promote the sales of its pet insurance. Since the formation of a business partnership between the Tender Offeror and ipet Insurance in February 2019, the Tender Offeror has been selling the products of the Target Company Group on its website and through the Total Life Plan Designers. The Target Company believes that it can deepen this collaborative relationship by becoming a member of the Tender Offeror Group by the execution of the Transaction, which will enable further expansion of its customer base. The Target Company expects that this will increase the number of new contracts acquired by ipet Insurance and will lead to the realization of “further enhancement of the partnership,” its effort to achieve the goal of “quality top line growth.” In addition, the Target Company Group recognizes that the insurance contracts sold through the existing channels of the Tender Offeror are superior in terms of underwriting quality because they are sold through painstaking face-to-face explanations by sales representatives trained at a life insurance company who deeply understand the needs of policy holders. The Target Company believes that the execution of the Transaction is likely to lead not only to increases in the number of policies in force mentioned above, but also to a boost to quality improvements.

(ii) Improvement of productivity

The Target Company is currently investing in clerical and backbone systems and implementing rationalization of project expenses, among other initiatives, in order to strengthen its business foundation for further growth. The Tender Offeror, while sharing the same background with the Target Company as a company engaging in insurance business, is also strengthening group-wide digital support to sales channels, digital healthcare services, and customer self-services as indicated in the Tender Offeror MMP. The Target Company believes that it can broaden its digital strategy options as the Tender Offeror has extensive knowhow and experience that the Target Company does not have.

(iii) Strengthening the business foundation

The Target Company has been making efforts to enhance its human resources and its risk management system in order to strengthen its business foundation. In this respect, with respect to the enhancement of its human resources, the Target Company Group faces a challenge of human resource development in the fields of actuarial operations, product development, insurance administration, risk management, systems, and planning, and it would take considerable time for the Target Company to resolve these management issues if it tries to do so by itself. However, if the Target Company can receive support from the Tender Offeror that has about 60,000 employees with various skills and expertise in Japan alone, the Target Company will be able to secure necessary human resources and strengthen its business foundation promptly, which are prerequisite for its sustainable growth, as the Target Company will be able to receive human resource support from the Tender Offeror to place right persons in the right places.

The Target Company also understands that (b) the idea of the Tender Offeror Group that the Group will contribute to safety and happiness through connections not only between persons, but also with various other things including pets in the “enhancing connections” domain, one of its four business domains of its domestic business indicated in the Tender Offeror MMP, has an affinity with the direction in which the Target Company aims to proceed; (c) this will

enable the integration of the business of the Target Company in the Tender Offeror MMP without discomfort, which is important for the realization of the synergy effects mentioned above as the Target Company will proceed with its business development in line with the Tender Offeror MMP as a member of the Tender Offeror Group going forward; and (d) while the Target Company is in a situation in which it needs agile capital support both in the short-term and over the medium- to long-term in order to achieve both sustainable growth and responses to solvency regulations, the Tender Offeror sufficiently understands the necessity and importance of the abovementioned capital support for the Target Company as the Tender Offeror engages in insurance business as the Target Company does and deeply understands capital regulations and is prepared to provide agile capital support to the Target Company to realize its maximum potential as a growth company as the Tender Offeror is one of the companies with strongest capital resources in Japan.

As a result of the consideration above, the Target Company has reached a judgment that the Tender Offeror and Target Company can realize further business growth by building a stable and strong relationship between them by the execution of the Tender Offer by the Tender Offeror through which the Target Company will become a wholly-owned subsidiary of the Tender Offeror, which will strengthen the business foundation of the Target Company and contribute to the medium- to long-term corporate value enhancement of the Target Company.

The board of directors of the Target Company has also determined that the Tender Offer Price and other various terms of the Tender Offer are reasonable for the shareholders of the Target Company, and the Tender Offer will provide the shareholders of the Target Company with reasonable opportunities to sell their shares because the Tender Offer Price (3,550 yen) (a) has been indicated by the Tender Offeror after active market checks are conducted through the bidding process; (b) is above the upper limit of the valuation using the average market price method in the Daiwa Securities Stock Valuation Report and is above the median of the valuation range obtained using a dividend discount model (“DDM Method”) in the same stock valuation report; (c) is set at a premium of 47.92% (rounding off fractions to the second decimal place; the same shall apply hereinafter to the calculation of premiums) to the closing price of 2,400 yen of the Growth Market of the Tokyo Stock Exchange on November 4, 2022, which is the business day immediately preceding the announcement date of the Tender Offer, a premium of 51.64% to the simple average of closing prices for the last one month of 2,341 yen (rounding off fractions to the nearest yen; the same shall apply hereinafter to the calculation of simple average of closing prices), a premium of 62.55% to the simple average of closing prices for the last three months of 2,184 yen, and a premium of 70.59% to the simple average of closing prices for the last six months of 2,081 yen, and at a premium that is comparable to the average 44.89% of the premiums to the closing price of the business day prior to the date of publication in the 147 cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private that have been announced during the period from the beginning of 2019 through November 4, 2022; and (d) is considered to have given sufficient consideration to the interest of minority shareholders as various measures have been taken to ensure the fairness of the Tender Offer as described in “(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below. Also, with regard to Share Options, as the Offer Price for Share Options is determined, based on the Tender Offer Price, to be an amount calculated by multiplying the difference between 3,550 yen (Tender Offer Price) and the exercise price of Share Options per share of Target Company Shares by the number of shares of common stock underlying Share Options, the board of directors of the Target Company has determined that the Offer Price for Share Options and other various terms of the Tender Offer are reasonable to Share Options Holders.

Based on the above facts and circumstances, the board of directors of the Target Company, at its meeting held today, has passed a resolution to express its intention to support the Tender Offer and to recommend that shareholders and Share Options Holders of the Target Company tender the Tender Offer by unanimous votes of all directors who have participated in deliberation and vote (all five directors excluding Mr. Tetsuro Harada among six directors in total including three outside directors who are Audit and Supervisory Committee Members).

For the details of the decision-making process of the board of directors, see “(v) Approval by All Directors without Conflicts of Interest (Including Audit and Supervisory Committee Members) at the Target Company” of “(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest” below.

(iii) Management policy after the Tender Offer

Dream Incubator has dispatched a director (Mr. Tetsuro Harada) to the Target Company Group as a director of the Target Company and ipet Insurance, and he is scheduled to resign from the office on the start date of the settlement for the Tender Offer (“Settlement Commencement Date”) following the execution of the Tender Offer. Except for this officer dispatched by Dream Incubator, it is the Tender Offeror’s intention to support the Target Company’s management policy after the Transaction to maintain, in principle, its current management structure and the Tender Offeror would like the current senior management members to continue to play a leading role in the operation of the Target Company Group. The Tender Offeror contemplates to dispatch officers and others from the Tender Offeror Group to the Target Company Group to ensure appropriate governance as the Tender Offeror Group. The details of such personnel changes will be determined through consultation between the Tender Offeror and the Target Company after the execution of the Transaction. The Tender Offeror also plans, in principle, to maintain the current terms of employment for the employees of the Target Company Group as it believes that knowledge and experience of the employees of the Target Company Group are important for the operation of the Target Company Group, and the Tender Offeror would like them to continue to engage in the business of the Target Company Group after the Transaction.

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

As of today, the Target Company is not a subsidiary of the Tender Offeror, and the Tender Offer is not a tender offer by a controlling shareholder. In addition, the Transaction including the Tender Offer does not fall under a so-called management buy-out (MBO) transaction as equity contribution by all or some of the senior management members of the Target Company directly or indirectly in the Tender Offeror is not contemplated. That said, the Tender Offeror and the Target Company has taken the measures described below to ensure the fairness and transparency of the Transaction by eliminating any arbitrariness and possibility of conflicts of interest in the decision-making process to determine the execution of the Tender Offer, while ensuring the fairness of the Tender Offer Price and the Offer Price for Share Options in consideration of, among others, the fact that the Tender Offeror has entered into a Tender Agreement with Dream Incubator, which is the parent company and the largest shareholder of the Target Company, to tender the Tender Offer for all Tendered Shares (6,068,004 shares, ownership ratio: 55.21%) and that one of the objectives of executing the Tender Offer is to make the Target Company a wholly-owned subsidiary of the Tender Offeror.

The Tender Offeror has not set the minimum number of shares to be purchased in the Tender Offer that corresponds to the level of a so-called majority of minority (“MoM”) based on the understanding that setting such minimum number may be detrimental to the interest of minority shareholders who wish to tender the Tender Offer by increasing the uncertainty of the execution of the Tender Offer as Dream Incubator has 6,068,004 Target Company Shares (ownership ratio: 55.21%) as of today. That said, the Tender Offeror believes that sufficient consideration has been given to the interest of minority shareholders of the Target Company as the measures described below have been taken by the Tender Offeror and the Target Company to ensure the fairness of the Tender Offer Price and the Offer Price for Share Options and to avoid conflicts of interest. In addition, the Target Company and the Special Committee also believes that, even though the Tender Offeror has not set the minimum number of shares to be purchased in the Tender Offer that corresponds to the level of MoM, sufficient consideration has been given to the interest of minority shareholders of the Target Company in light of the following facts: (i) it is impossible to deny the possibility that an act of setting the minimum number of shares to be purchased that corresponds to the level of MoM could have an effect of hindering the reasonable realization of the M&A, which could trigger a result that be may be detrimental to the interest of minority shareholders; and (ii) the measures described below have been taken to ensure the fairness of the Tender Offer Price and the Offer Price for Share Options and to avoid conflicts of interest.

In the following description, the description of measures taken by the Target Company is based on the Target Company Press Release and explanations received from the Target Company:

(i) Acquisition of a Stock Valuation Report by the Tender Offeror from an Independent Third-Party Valuation Firm

In early September 2022, in determining the Tender Offer Price, the Tender Offeror appointed its financial advisor BofA Securities as a third-party valuation firm independent from the Tender Offeror, the Target Company, and Dream

Incubator and requested that it perform stock valuation of the Target Company and incidental financial analyses. BofA Securities is not a related party of the Tender Offeror, the Target Company, or Dream Incubator and does not have any significant interest in the Transaction including the Tender Offer. The Tender Offeror has not acquired a fairness opinion on the fairness of the Tender Offer Price from BofA Securities as the Tender Offeror has judged and determined the Tender Offer Price through consultation and negotiation with the Target Company and Dream Incubator and in comprehensive consideration of various factors listed in “(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer” of “(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer and Management Policy After the Tender Offer” above.

For the outline of the stock valuation report on stock valuation of the Target Company acquired by the Tender Offeror from BofA Securities (“BofA Securities Stock Valuation Report”), see “(i) Basis for Calculation” and “(ii) Background of Calculation” of “(4) Basis for Calculation of the Tender Offer Price” of “2. Outline of the Tender Offer” below.

(ii) Acquisition of a Stock Valuation Report by the Target Company from an Independent Third-Party Valuation Firm

According to the Target Company Press Release, in expressing an opinion on the Tender Offer, the Target Company requested in late February 2022 that Daiwa Securities, its financial advisor and third-party valuation firm independent from the Target Company, Dream Incubator, and the Tender Offeror, perform stock valuation of Target Company Shares and acquired the Daiwa Securities Stock Valuation Report on November 4, 2022. The Target Company has not acquired a fairness opinion on the fairness of the Tender Offer Price from Daiwa Securities as the Tender Offer Price has been indicated by the Tender Offeror following active market checks conducted through the bidding process and other sufficient measures to ensure fairness have also been implemented as shown in “(3) Measures to Ensure Fairness of the Tender Offer Including Measures to Ensure Fairness of the Tender Offer Price and Avoid Conflicts of Interest.” Daiwa Securities is not a related party of the Target Company, Dream Incubator, or the Tender Offeror and does not have any significant interest in the Transaction that should be disclosed. The fees of Daiwa Securities concerning the Transaction include a contingent fee to be paid on condition that the Transaction is executed and takes effect. The Target Company has appointed Daiwa Securities as its financial advisor and third-party valuation firm under the fee structure mentioned above based on the judgment that its independence is not denied based merely on the fact that its fees include a contingent fee to be paid on condition that the Transaction is executed and takes effect in consideration of the general market practice regarding the same type of transactions and the pros and cons of the fee structure under which the Target Company will incur a reasonable monetary burden if the Transaction is not executed.

The Special Committee confirmed the degree of independence, expertise, past records, etc. of Daiwa Securities, which is the Target Company’s financial advisor and the third-party appraiser, and approved the appointment of the firm. At the same time, the Special Committee confirmed that it can receive expert advice from Daiwa Securities as necessary.

As a result of considering calculation methods to be applied to the Tender Offer, Daiwa Securities reached the view that the equity value of the Target Company Shares should be evaluated from multi-viewpoints on the assumption that the Target Company is a going concern. As such, Daiwa Securities calculated the equity value of the Target Company Shares using the average market price method because the Target Company Shares are listed on the Growth Market of the Tokyo Stock Exchange, and the DDM method, a technique for analyzing the equity value by discounting the profit attributable to shareholders, after considering the internal reserves, etc. necessary to maintain a certain capital structure, to the present value based on the cost of capital in order to apply the status of future business activities to the evaluation. The DDM method is widely used to evaluate financial institutions.

According to Daiwa Securities, the following are the methods used to calculate the equity value of the Target Company Shares and the ranges of the per-share-value of the Target Company Shares calculated based on these methods:

Average market price method:	2,081 yen to 2,400 yen
DDM method:	2,619 yen to 3,921 yen

The analysis under the average market price method demonstrates that the range of the per-share-value of the Target Company Shares is between 2,081 yen and 2,400 yen, on the basis that the closing price of the Target Company Shares on the record date was 2,400 yen; a simple average of the closing prices of the Target Company Shares in the previous month was 2,341 yen; a simple average of the closing prices in the previous three months was 2,184 yen; and a simple average of the closing prices in the previous six months was 2,081 yen, all of which prices are those on the Growth Market of the Tokyo Stock Exchange having November 4, 2022 as the record date.

The analysis under the DDM method demonstrates that the range of the per-share-value of the Target Company Shares is between 2,619 yen and 3,921 yen, as a result of analyzing the equity value of Target Company Shares by discounting to the present value with a certain discount rate on the basis of business risks the free cash flow to equity (FCFE) that is expected to be generated by the Target Company if the forecasting period is extended, from the perspective of standardizing the growth rate and profitability for a continued period and under assumptions deemed reasonable, to the fiscal year ending March 2037, when the business of the Target Company can be sustained in the long term, while building on a business plan from the fiscal year ending March 2023 through the fiscal year ending March 2027, which has been prepared by the Target Company.

Specific figures for the financial projections of the Target Company that Daiwa Securities used for the assumption of calculation under the DDM method are as follows, and the projections include fiscal years in which a substantial increase/decrease in profit is expected. Specifically, the number of insurance policies in force is expected to grow, and profit is expected to start increasing steadily with continuous growth over future periods, resulting in a substantial increase in the consolidated ordinary profit to 1,240 million yen (up 970 million yen year-on-year), 2,480 million yen (up 1,240 million yen year-on-year) and 3,730 million yen (up 1,250 million yen year-on-year) for the fiscal years ending March 2025, March 2026 and March 2027, respectively. In addition, a temporary decrease in the loss ratio and returns on asset management are reflected in the performance-based projections for the first half of the fiscal year ending March 2023. These financial projections do not reflect the synergies expected by the Transaction being completed because it is difficult to specifically estimate those synergies at present. Daiwa Securities performed the above calculation upon taking the Forecast Revision into consideration.

	(in million yen)				
	FY ending March 2023 (Note)	FY ending March 2024	FY ending March 2025	FY ending March 2026	FY ending March 2027
Ordinary income	32,900	36,900	40,700	44,200	47,500
Ordinary profit	820	270	1,240	2,480	3,730
Net profit	580	130	820	1,710	2,600

(Note) In calculating the equity value, Daiwa Securities has in principle adopted the information that was supplied to it by the Target Company or publicly available, etc. and assumed, without independent verification, the accuracy and completeness of all of these materials and information, etc. adopted. Daiwa Securities has not made any independent valuation, assessment, or appraisal of the assets or liabilities (including out-of-book assets and liabilities and other contingent liabilities) of the Target Company, nor has Daiwa Securities requested a valuation, assessment, or appraisal from any third-party organization. In addition, with respect to the financial projections (including the profit plan and other information) provided by the Target Company, Daiwa Securities has assumed that they have been reasonably prepared by the management of the Target Company based on the best projections and judgments available at the time that the information was provided. Each of the financial figures for the fiscal year ending March 2023 is the sum of the actual results for the first half of the fiscal year and projections for the second half of the fiscal year.

While the Share Options are also eligible for the Tender Offer, since the Offer Price for the Share Options has been determined at the amount calculated by multiplying the difference between the Tender Offer Price of 3,550 yen and

the exercise price per Target Company Share to be issued upon exercise of the Share Options by the number of common shares to be issued upon exercise of the Share Options. Specifically, the Offer Price has been determined at 6,460 yen, which is the amount calculated by multiplying 3,230 yen, or the difference between the Tender Offer Price and 320 yen, which is the exercise price per Target Company Share to be issued upon exercise of the Share Options, by 2. As these amounts have been determined based on the Tender Offer Price, the Target Company has not obtained a valuation report or a fairness opinion on the Offer Price for the Share Options from any third-party appraiser.

Furthermore, the acquisition of the Share Options by transfer is subject to the approval of the Target Company's board of directors under the allotment agreement for share options.

(iii) Advice of an independent law firm to the Target Company

According to the Target Company Press Release, in order to ensure fairness and appropriateness in the decision-making process of the board of directors with regard to the Tender Offer, the Target Company selected Iwata Godo as the legal advisor independent from the Target Company, Dream Incubator, and the Tender Offeror. The Target Company has received necessary legal advice from the law firm regarding the method and process of decision-making by the board of directors, including procedures with regard to the Transaction and other points to be noted. Iwata Godo is not a related party of the Target Company, Dream Incubator, or the Tender Offeror, and has no material interest that must be set forth in connection with the Transaction. The fees of Iwata Godo do not include any contingent fee to be paid on condition that the Transaction is announced, or executed and takes effect. The Special Committee confirmed that there was no problem with the independence of Iwata Godo.

(iv) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Committee

The Target Company Press Release says that on June 1, 2022 it established the Special Committee that was composed of Mr. Makoto Sugimachi, Mr. Shigekazu Hoshida, and Ms. Mutsumi Ishida, outside directors of the Target Company who were Audit and Supervisory Committee Members, etc. of it and were independent from Dream Incubator and the Tender Offeror, in light of the fact that an expression of opinion on the Tender Offer fell under a "Significant Transaction with a Controlling Shareholder, etc." set forth in the Code of Corporate Conduct of the Tokyo Stock Exchange and that the Target Company was required to obtain an opinion from an entity without conflicts of interest with the controlling shareholder. This was because the Target Company was required to prevent decision-making by its board of directors from becoming arbitrary and to secure the fairness, transparency, and objectivity of its decision-making process in considering whether or not to express the opinion on the Tender Offer as, although the Transaction fell under neither a tender offer by a controlling shareholder nor what is commonly referred to as "Management Buyout (MBO)," the planned sale of shares of the Target Company by Dream Incubator by way of the Tender Offer might potentially not necessarily meet the interests of it, the controlling shareholder of the Target Company, and/or of general shareholders of the Target Company. The Chair of the Special Committee has been unchanged since its establishment and Mr. Makoto Sugimachi was elected as its Chair by its members.

The Target Company under the resolution of its board of directors inquired the Special Committee on (i) the validity and reasonableness of the purpose of the Transaction (including on whether or not the Transaction would help improve the corporate value of the Target Company), (ii) the fairness and appropriateness of the terms and conditions of the Transaction, (iii) the fairness of the procedures for the Transaction, (iv) whether or not the Target Company's board of directors should support the Tender Offer and whether or not it should be recommended that shareholders of the Target Company and the Share Options Holders tender their shares and Share Options in the Tender Offer and (v) whether or not executing the Transaction (including an act by the board of directors of the Target Company to express support for the Tender Offer and an act by the board of directors to recommend that shareholders of the Target Company and the Share Options Holders tender their shares and Share Options in the Tender Offer) would undermine the interests of general shareholders of the Target Company (hereinafter referred to collectively as the "Matters on Inquiry"). The Target Company commissioned the Special Committee to submit its opinion on these points to the Target Company.

The Target Company's board of directors has resolved: (i) that, in making decisions regarding the Tender Offer, it will give maximum respect to the contents of the Special Committee's decisions; (ii) that it will not support the Tender Offer if the Special Committee deems the execution of the Tender Offer or the terms and conditions of it, in particular, to be unreasonable. The board of directors has also resolved that it will authorize the Special Committee to: (i) obtain information required for considering or making decisions on the Tender Offer from the Target Company's officers and employees and entities the committee deems to be necessary in order to make decisions on the Transaction appropriately; (ii) appoint advisors for its finances and legal affairs, etc. at the expense of the Target Company or appoint or approve advisors for the finances or legal affairs, etc. of the Target Company (including subsequent approval).

As compensation to members of the Special Committee, no contingent fee subject to announcement or completion of the Transaction has been adopted.

During the period from June 8 to November 2, 2022, the Special Committee held meetings 16 times in total (for 19 hours in total). In addition, between the meeting dates, the Special Committee conducted discussions and deliberations, etc. on the Matters of Inquiry such by having discussions via e-mail. Specifically, the Special Committee collected and deliberated on various information and materials such as letters of intent and received an explanation from the Target Company on the background of the Transaction, the purpose of the Transaction, the business environment surrounding the Target Company, its business plans, and the status of its deliberation on the Transaction (such as the evaluation of candidates including the Tender Offeror and the Target Company's wishes on the Transaction), etc. In addition, the Special Committee asked questions on the impacts, etc. of the Transaction on the Target Company after sending a question letter to it, and received answers to the questions via an answer letter. Moreover, the Special Committee received an explanation, etc. from Daiwa Securities, the Target Company's financial advisor, on the entire process of the Transaction, including the status of progress of the case, etc., and deliberated on it. Daiwa Securities serves as a contact point for negotiations with Dream Incubator in the Transaction, and timely shared information on the status of progress of the Transaction with the Special Committee. In addition, the committee involved itself in the negotiation process in effect by informing, in important stages, an opinion and wishes on the selection of candidates to Dream Incubator by way of Daiwa Securities. While it is a third-party evaluation organization for the Target Company, the Special Committee received an explanation from Daiwa Securities on the methods for calculating the equity value of the Target Company and the result of the calculation, and held question and answer sessions with Daiwa Securities before deliberating on the reasonableness of the calculation result. The Special Committee received advice from Iwata Godo, the Target Company's legal advisor, on measures to secure the fairness of the Transaction, including for the significance and roles, etc. of the committee, and on points to be noted, etc. regarding the decision-making methods, etc. for the Transaction, and deliberated on these matters. Moreover, the Special Committee sent a question letter to the Tender Offeror to ask questions on the details, etc. of the contents shown on the second letter of intent such as the Target Company's issues known by the Tender Offeror, and received answers to these questions via an answer letter.

Thereafter, following the receipt of timely reports from the Target Company and Daiwa Securities on the background and contents, etc. of discussions and negotiations among the Target Company, Dream Incubator and the Tender Offeror regarding the Transaction as well as discussions held by the Special Committee, the Special Committee requested on October 21, 2022, that the Tender Offeror consider whether it can propose a Tender Offer Price and an Offer Price for Share Options that are higher than the Tender Offer Price of 3,550 yen and the Offer Price for Share Options of 6,460 yen proposed in the additional proposal in light of, among others, recent trends of the market prices of Target Company Shares and expected upward revision of the financial results of the Target Company, and that, if such proposal is possible, the Tender Offeror propose a Tender Offer Price and an Offer Price for Share Options that are higher than those proposed in the above-mentioned additional proposal. In response to such request, although the Tender Offeror reconsidered the Tender Offer Price and the Offer Price for Share Options, it concluded that it would maintain the Tender Offer Price at 3,550 yen and the Offer Price for Share Options at 6,460 yen because its view on

the intrinsic value of the Target Company remained unchanged and these prices were at a premium that is comparable to the average of the premiums observed in similar cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private. On October 27, 2022, the Tender Offeror answered to the Special Committee to that effect.

Moreover, the Special Committee verified the independence level, expertise, and past record, etc. of Daiwa Securities, the Target Company's financial advisor and third-party evaluation organization, and Iwata Godo, the Target Company's legal advisor before approving the appointment of them, and then verified that the Special Committee would be able to obtain expert advice from Daiwa Securities and Iwata Godo as required.

The Special Committee, as a result of having repeated discussions and deliberations in a discreet manner on the Matters of Inquiry while obtaining expert advice from Daiwa Securities and Iwata Godo as described above, submitted the Report outlined below to the Target Company's board of directors today by unanimous agreement by members of the committee.

(i) The validity and reasonableness of the purpose of the Transaction

The Target Company is in a situation in which it needs agile capital support in order to achieve both sustainable growth and responses to solvency regulations and intends to obtain through the Transaction capital support from a new shareholder that is capable of providing such capital support in place of Dream Incubator. In addition, the Target Company believes that the execution of the Transaction must contribute to the corporate value enhancement of the Target Company and must be in the interest of general shareholders of the Target Company if it is executed. On the other hand, the Tender Offeror considers that the Transaction is consistent with the Tender Offeror's visions and management strategies and expects that, through the Transaction, in the "enhancing connections" domain, which is a part of the four business domains of the domestic business of the Tender Offeror Group indicated by the Tender Offeror in the Tender Offeror MMP and corresponds to the domain of nonlife insurance and the QOL, the Tender Offeror will be able to have contact with those customers with whom the Tender Offeror could not have contact in the "protection" domain centered on traditional life insurance. The Special Committee considers that the Tender Offeror's intention to contribute to safety and happiness through connections not only between persons, but also with various other things including pets in the "enhancing connections" domain, one of its four business domains indicated in the Tender Offeror MMP, is in line with the Target Company's management philosophy "Create a society where pets and people live happily and healthy together" and the direction it intends to follow, and satisfies important preconditions to realize synergy effects to be generated through the Transaction after the implementation thereof.

In addition, according to the Tender Offeror, synergy effects to be generated through the Transaction and advantages that could be enjoyed by the Target Company Group include utilization of the extensive customer base and channel network of the Tender Offeror Group as well as the Tender Offeror Group's robust base of capital and human resources. In this respect, ipet Insurance, the Target Company's core subsidiary, has established the following three important policies for the medium term in the Target Company MMP: (i) quality top line growth; (ii) improvement of productivity; and (iii) strengthening the business foundation. The Special Committee considers that synergy effects expected by the Tender Offeror to be generated through the Transaction are sufficiently feasible in relation to, and are in conformity with, those important policies.

Moreover, the Tender Offeror sufficiently understands the necessity and importance of the abovementioned capital support for the Target Company and is prepared to provide agile capital support to the Target Company to realize its maximum potential as a growth company as the Tender Offeror is one of the companies with strongest capital resources in Japan. Accordingly, the Special Committee believes that the Target Company's needs for capital enhancement, its objective of the Transaction, will be satisfied by the Transaction.

For the reasons described above and other reasons, the Special Committee believes that the Target Company can realize further business growth by building a stable and strong relationship between the Target Company and the Tender Offeror by the execution of the Transaction through which the Target Company will become a wholly-

owned subsidiary of the Tender Offeror, which will strengthen the business foundation of the Target Company and contribute to the medium- to long-term corporate value enhancement of the Target Company.

On the other hand, the Transaction is anticipated to have certain disadvantages, including the followings: the fact that the pet business is a new business for the Tender Offeror; potential impacts of the delisting of the Target Company Shares on the social credibility, capital or financing of the Target Company; the need to give notification of the acquisition of shares pursuant to the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as amended); and the need to obtain the relevant approval pursuant to the Insurance Business Act. However, all of these matters have been properly addressed. Therefore, the Special Committee considers that they will not particularly hinder the execution of the Transaction.

In addition to the above, in light of the fact that the Tender Offeror has been considering in a concrete way how to treat the employees of the Target Company Group from the perspective of maintaining and improving the corporate value of the Target Company based on its recognition that knowledge and experience of the employees of the Target Company Group are important for the operation of the Target Company Group, and the fact that no alternative method other than the Transaction is anticipated to generate the same effects as the Transaction, the Special Committee considers that the Transaction will contribute to the corporate value enhancement of the Target Company and that the purpose thereof is valid and reasonable.

(ii) The fairness and appropriateness of the terms and conditions of the Transaction

In its second letter of intent, the Tender Offeror proposed the Tender Offer Price of 3,450 yen, and the Offer Price for Share Options of 6,260 yen, which is calculated by multiplying (a) the difference (3,130 yen) between the Tender Offer Price (3,450 yen) and the exercise price of Share Options per Target Company Share to be issued upon exercise thereof (320 yen) by (b) the number of Target Company Shares to be issued per Share Options upon exercise thereof (2 shares). Thereafter, following the negotiation with Dream Incubator, the Tender Offeror, intending to secure exclusive negotiating rights, made an additional proposal in late August 2022 for a Tender Offer Price of 3,550 yen and an Offer Price for Share Options of 6,460 yen. In addition, the Special Committee requested that the Tender Offeror consider whether it can propose a Tender Offer Price and an Offer Price for Share Options that are higher than the prices proposed in the said additional proposal in light of, among others, recent trends of the market prices of Target Company Shares and expected upward revision of the financial results of the Target Company, and that, if such proposal is possible, the Tender Offeror propose a Tender Offer Price and an Offer Price for Share Options that are higher than those proposed in the above-mentioned additional proposal on October 21, 2022. In response to such request, although the Tender Offeror reconsidered the Tender Offer Price and the Offer Price for Share Options, it concluded that it would maintain the Tender Offer Price at 3,550 yen and the Offer Price for Share Options at 6,460 yen because its view on the intrinsic value of the Target Company remained unchanged and these prices were at a premium that is comparable to the average of the premiums observed in similar cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private on October 27, 2022.

In light of the above, the Tender Offer Price has been indicated by the Tender Offeror after active market checks were conducted through the bidding process, and the bidding process as well as the process of negotiations and other discussions between the Tender Offeror and Dream Incubator regarding the Transaction seem to contain nothing that would raise doubts about the transparency or fairness of those processes. In addition, the Special Committee finds that a situation has been secured where reasonable efforts have been made, with the substantial involvement of the Special Committee, to execute the Transaction on terms and conditions that are favorable to the general shareholders to the maximum extent possible while enhancing the corporate value.

With respect to acquisition of the Daiwa Securities Stock Valuation Report, Daiwa Securities, third-party valuation firm for the Target Company, is independent from each of the Target Company, Dream Incubator and the Tender Offeror and does not have any significant interest in any of them. The business plan underlying the valuation of the Target Company Shares by Daiwa Securities is based on the figures prepared before the Transaction was proposed and neither the Tender Offeror nor Dream Incubator has been involved in the drafting thereof. Accordingly, no arbitrariness has been found in the business plan. No unreasonableness has been found in particular, either, in assumptions made when drafting the business plan or figures and other data based thereon. Furthermore,

no unfairness has been found in the procedures or method of obtaining the Daiwa Securities Stock Valuation Report from Daiwa Securities, or no reasonableness has been found in the selection of the valuation methods for the stock valuation or the contents of the valuation. In light of the above, the Special Committee finds the Daiwa Securities Stock Valuation Report reliable.

In light of the fact that the Tender Offer Price is above the upper limit of the valuation using the average market price method in the Daiwa Securities Stock Valuation Report, which is found to be reliable as described above, and is also above the median of the valuation range obtained using the DDM Method in the Daiwa Securities Stock Valuation Report, and the fact that the Tender Offer Price is at a premium that is comparable to the average of the premiums observed in the 147 cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private that have been announced during the period from the beginning of 2019 through November 4, 2022, the Special Committee considers that the Tender Offer Price considerably reflects the stock value to be realized for the Target Company as a result of synergies to be generated through the Transaction.

Moreover, the Special Committee considers that fairness and appropriateness have been secured for the Offer Price for Share Options as well in light of the fact that the Offer Price for Share Options has been determined based on the Tender Offer Price at the amount calculated by multiplying the difference between the Tender Offer Price of 3,550 yen and the exercise price of Share Options per Target Company Share to be issued upon exercise thereof by the number of common shares to be issued upon exercise of the Share Options and the fact that no reasonableness has been found in the said calculation method.

In addition, the Special Committee finds the scheme of the Transaction reasonable because there is no feasible scheme other than the Transaction in which the Tender Offeror acquires all of the shares of the Target Company through a tender offer (cash consideration) and because the Transaction will offer the general shareholders of the Target Company an appropriate opportunity to recover their investment.

Further, the Transaction ensures that the general shareholders will receive consideration in the same amount as the Tender Offer Price either in the Tender Offer or the Squeeze-out Procedures of the Target Company that will be implemented after the successful execution of the Tender Offer.

The Special Committee considers that the terms of the Transaction other than the Tender Offer Price are general in comparison with the terms of transactions of the same type or scale.

Although potential impacts of the Forecast Revision on the stock price are not reflected in the valuation using the average market price method or the level of the premium as the Forecast Revision had not been published yet when the Report was prepared, The Forecast Revision contains nothing unreasonable and the Forecast Revision has already been taken into account in the valuation using the DDM Method in the Daiwa Securities Stock Valuation Report. Accordingly, the Special Committee considers that the Forecast Revision does not affect the result of the examination described above.

Therefore, the Special Committee concludes that fairness and appropriateness of the terms of the Transaction have been ensured.

(iii) The fairness of the procedures for the Transaction

Various measures to ensure fairness have been taken for the Transaction as described below.

The Special Committee is composed of outside directors, who are considered to be the most suitable as special committee members. The Special Committee has been designed in a way that enables it to make appropriate decisions, as shown in the fact that the Target Company's board of directors has resolved that, in making decisions regarding the Transaction, including whether or not to support the Tender Offer, it will give maximum respect to the contents of the Special Committee's decisions. In addition, opportunities have been secured for the Special Committee to become substantially involved in the decision-making of the Target Company on the Transaction, including the Special Committee's authority to obtain information required for considering or making decisions on the Transaction from the relevant parties that the committee deems necessary. In fact, the Special Committee shared the letters of intent of the candidates with, and received other necessary information from, the Target Company, Daiwa Securities and Iwata Godo on a timely basis. Each of the committee members actively made statements and had discussions; expressed their opinions to the Target Company in important phases; sent question letters to the Target Company, Dream Incubator and the Tender Offeror; submitted written requests to Dream Incubator;

requested the Tender Offeror in writing to consider a possible increase of the Tender Offer Price and the Offer Price for Share Options; and otherwise took necessary actions. As indicated by these actions, the Special Committee believes that it has been substantially involved in the negotiation process of the Transaction. Therefore, the Special Committee finds that the establishment of, and discussions held and other actions taken by, the Special Committee ensure the fairness of the procedures for the Transaction and have been functioning effectively as measures to ensure fairness.

With respect to the decision-making process of the Target Company, among the directors of the Target Company, Mr. Tetsuro Harada concurrently serves as Representative Director & CEO of Dream Incubator and could have special interest in the Transaction. Accordingly, he has been excluded not only from discussions held and resolutions passed at the meetings of the Target Company's board of directors regarding the Transaction, but also from the examination of the Transaction in general, and it is intended that he will not participate in future discussions and resolutions on the Transaction, including the resolution to express an opinion on the Tender Offer. In addition, Ms. Atsuko Yasuda, Representative Director & CEO of the Target Company, previously served Dream Incubator. However, about eight years have passed since she resigned from the company, and she neither concurrently serves Dream Incubator or any of its subsidiaries any longer, nor is in a position to be instructed by Dream Incubator and/or any of its subsidiaries. Accordingly, the Special Committee considers that the Target Company has built a structure to examine, negotiate and make decisions on the Transaction in a position independent from Dream Incubator and that such structure ensures the fairness of the procedures for the Transaction and has been functioning effectively as a measure to ensure fairness.

In considering the Transaction, the Target Company has appointed Daiwa Securities as its financial advisor and third-party appraiser and Iwata Godo as its legal advisor. Both of them have sufficient expertise and experience, from which the Target Company and the Special Committee have received necessary and sufficient advice on a timely basis. Moreover, both are independent from each of the Target Company, Dream Incubator as well as the candidates including the Tender Offeror and have no significant interest in any of them. The fees of Daiwa Securities include a contingent fee to be paid on condition that the Transaction is executed and takes effect. The Special Committee considers that its independence is not denied based merely on the fact that its fees include a contingent fee to be paid on condition that the Transaction is executed and takes effect in consideration of the general market practice regarding the same type of transactions and the pros and cons of the fee structure under which the Target Company will incur a reasonable monetary burden if the Transaction is not executed. In addition, since the fees of Iwata Godo do not include any contingent fee to be paid on condition that the Transaction is announced, or executed and takes effect, such fee system would not affect the decision on the independence of Iwata Godo or other similar factors. Accordingly, the Special Committee considers that appointment and approval of and advice from Daiwa Securities and Iwata Godo ensure the fairness of the procedures for the Transaction and have been functioning effectively as measures to ensure fairness.

In the Transaction, the bidding process was implemented as active market checks prior to the announcement of the Transaction. Moreover, the Tender Offeror has set a period of 30 business days for the Tender Offer, which is longer than 20 business days, the minimum period set forth in the applicable laws and regulations for a tender offer period. The Tender Offeror does not prohibit any other potential purchaser from making a competing proposal after the announcement of the Transaction. In selecting the final candidate in the Second Bidding Process, the Special Committee shared the letters of intent of the candidates with and received other necessary information from the Target Company in advance; examine the fairness and appropriateness of the process; expressed its opinions or make requests in important phases; and otherwise considered sincerely and carefully which candidate should be selected as the final candidate. As a result, the Tender Offeror, which proposed transaction terms desirable for the Target Company and its general shareholders concerning, among others, the premium included in the Tender Offer Price and synergies with the Target Company, has been selected as the final candidate. The Special Committee finds that those procedures followed are reasonable for both of the Target Company and its general shareholders. The Special Committee considers that the measures described above ensure the fairness of the procedures for the Transaction and have been functioning effectively as measures to ensure fairness.

In addition to the above, in light of the fact that appropriate information is planned to be provided in the Transaction to help the general shareholders of the Target Company evaluate and make decisions on the Transaction

and the fact that absence of the minimum number of shares to be purchased that corresponds to the level of MoM would not cause any issue from the perspective of appropriate measures to ensure fairness, the Special Committee finds that various measures to ensure fairness in the Transaction have been functioning effectively and that the fairness of the procedures for the Transaction has been ensured.

- (iv) Whether or not the Target Company's board of directors should support the Tender Offer and whether or not it should be recommended that the Target Company's shareholder and the Share Options Holders tender their shares and Share Options in the Tender Offer

As described in (i) through (iii) above, the Special Committee considers that it is appropriate for the Target Company's board of directors to express its opinion to support the Tender Offer and to recommend that the Target Company's shareholders and the Share Options Holders tender their shares and Share Options in the Tender Offer in light the following facts: (i) it is found that the Transaction including the Tender Offer will contribute to the corporate value enhancement of the Target Company and that the purpose thereof is valid and reasonable; (ii) it is considered that fairness and appropriateness of the terms of the Transaction including the Tender Offer have been ensured; and (iii) it is considered that the fairness of the procedures for the Transaction including the Tender Offer has been ensured.

- (v) Whether or not executing the Transaction including the Tender Offer will harm the interests of the Target Company's general shareholders

As described in (i) through (iii) above, the Special Committee considers that executing the Transaction including the Tender Offer (including an act by the board of directors of the Target Company to express its opinion to support the Tender Offer and an act by the board of directors to recommend that shareholders of the Target Company and the Share Options Holders tender their shares and Share Options in the Tender Offer) will not harm the interests of the Target Company's general shareholders in light the following facts: (i) it is found that the Transaction including the Tender Offer will contribute to the corporate value enhancement of the Target Company and that the purpose thereof is valid and reasonable; (ii) it is considered that fairness and appropriateness of the terms of the Transaction including the Tender Offer have been ensured; and (iii) it is considered that the fairness of the procedures for the Transaction including the Tender Offer has been ensured.

- (v) Approval by All Directors without Conflicts of Interest (Including Audit and Supervisory Committee Members) at the Target Company

The Target Company Press Release says it discreetly had discussions and deliberations on whether or not the Transaction, including the Tender Offer, would contribute to enhancing the corporate value of the Target Company and whether or not the terms and conditions of the Transaction, including for the Tender Offer Price, would be appropriate by maximally respecting the contents of the Report submitted by the Special Committee in consideration of legal advice obtained from Iwata Godo and advice from a financial perspective obtained from Daiwa Securities and the contents of the Share Value Calculation Statement (Daiwa Securities) submitted to the Target Company on November 4, 2022.

As a result, directors of the Target Company who participated in the deliberation and resolution at a board of directors meeting held today (five directors out of six directors in total including three outside directors serving concurrently as corporate auditors) unanimously expressed an opinion to support the Tender Offer and resolved to recommend that its shareholders and the Share Options Holders should tender their shares in the Tender Offer as stated in "(ii) Process and Reason for Decision-making that Led the Target Company to Consent to the Tender Offer" of "(2) Background, Purpose, and Decision-making Process of the Decision to Conduct the Tender Offer and Management Policy after the Tender Offer" above.

Of six directors of the Target Company, Mr. Tetsuro Harada concurrently serves as Representative Director & CEO of Dream Incubator. Accordingly, from the perspective of eliminating the possibility of conflicts of interest and securing the fairness of the Transaction, he did not participate in any board of directors meeting of the Target Company

for discussion and deliberation on the Transaction. In the position of the Target Company, Mr. Tetsuro Harada did not participate in any discussion and negotiation with Dream Incubator on the Transaction and any discussion with the Tender Offeror concerning the future operation and PMI, etc. of the Target Company.

Of the directors of the Target Company who participated in the above-mentioned board of directors meeting, Ms. Atsuko Yasuda, Representative Director & CEO, had previously served Dream Incubator. However, about eight years have passed since she resigned from the company, and she neither concurrently serves Dream Incubator or any of its subsidiaries any longer, nor is in a position to be instructed by Dream Incubator and/or any of its subsidiaries. Moreover, as stated in “(iv) Establishment of an Independent Special Committee at the Target Company and Acquisition of a Report from the Committee,” the Special Committee was established at the Target Company on June 1, 2022 and the background and contents, etc. of discussions and negotiations with Dream Incubator are reported timely to the Special Committee, and the Target Company is now in the process of discussing and negotiating with Dream Incubator in light of opinions from the committee. Therefore, the Target Company believes the Special Committee is now functioning effectively for deliberations by the Target Company on the Transaction and for the process of its discussions and negotiations with Dream Incubator. For this reason, the Target Company has concluded that, in light of legal advice obtained from Iwata Godo, it is not problematic for Ms. Atsuko Yasuda to participate in the above-mentioned board of directors meeting in consideration of the fact that she needs to utilize for the deliberations on the Transaction such knowledge, etc. in the Target Company’s business as has been gained through duties as Representative Director & CEO of the Target Company, among other things.

(vi) Securement of an Objective Situation that Ensures the Fairness of the Tender Offer

While the minimum period set forth in the applicable laws and regulations for a tender offer period is 20 business days, the Tender Offeror set a period of 30 business days for the Tender Offer (“Tender Offer Period”). As stated in “(i) Background, Purpose, and Decision-making Process that Led the Decision to Conduct the Tender Offer” and “(ii) Target Company’s Decision-Making Process Leading to, and Reasons for, the Support of the Tender Offer” of “(2) Background, Purpose, and Process of the Decision to Conduct the Tender Offer and Management Policy after the Tender Offer” above, Dream Incubator received proposals from multiple candidates including the Tender Offeror before deciding to enter into the Tender Agreement with the Tender Offeror through comparing the proposals and the results of interviews with other companies and believes that, for the Transaction, opportunities to purchase or otherwise trade shares of the Target Company were in effect made available to parties other than the Tender Offeror. Moreover, the Tender Offeror and the Target Company did not enter into any agreement that would limit contacts, etc. between any persons who would make competing offers (“Competing Offerors”) and the Target Company such as agreement, etc. containing deal protection clauses which would prohibit the Target Company from making contacts with Competing Offerors. In conjunction with the Tender Offer Period set as described above, by ensuring that opportunities are available for competing offers, etc. to be made, consideration was given to securing the fairness of the Tender Offer.

(4) Policies for Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)

As stated in “(1) Outline of the Tender Offer” above, in the event that the Tender Offeror fails to acquire all of the Target Company Shares (including Target Company Shares to be issued upon exercise of Share Options and excluding treasury shares held by the Target Company) and all of the Share Options in the Tender Offer, it will implement the Squeeze-out Procedures intended to acquire all of the Target Company Shares by the method shown below (including Target Company Shares to be delivered due to exercise of the Share Options and excluding treasury shares held by the Target Company) after effecting the Tender Offer.

(i) Request for Selling Shares, Etc.

In the event that, due to the implementation of the Tender Offer, the total number of voting rights in the Target Company held by the Tender Offeror reaches at least 90% of the total number of voting rights of all shareholders of

the Target Company and the Tender Offeror becomes the Special Controlling Shareholder as set forth in Article 179, Paragraph 1 of the Companies Act, it will swiftly after the settlement of the Tender Offer: i) request that all shareholders of the Target Company (excluding the Tender Offeror and the Target Company) (“Selling Shareholders”) sell all their Target Company Shares pursuant to Part 2, Chapter 2, 4-2 of the Companies Act (“Request for Selling Shares”); and ii) request that all the Share Options Holders (excluding the Tender Offeror) (hereinafter referred to as “Selling Share Options Holders”) sell all their Share Options (“Request for Selling Share Options;” and Request for Selling Shares and Request for Selling Share Options are referred to collectively as “Request for Selling Shares, Etc.”). In making a Request for Selling Shares, the Tender Offeror will decide to deliver to Selling Shareholders an amount identical to the Tender Offer Price as a per-share price of the Target Company Shares. In making a Request for Selling Share Options, the Tender Offeror will decide to deliver to Selling Share Options Holders an amount identical to the Tender Offer Price as a per-right price of the Share Options. Then, the Tender Offeror will inform the Target Company to that effect and ask it to approve the Request for Selling Shares, Etc. In the event of the Target Company approving the Request for Selling Shares, Etc. by resolution of its board of directors, the Tender Offeror, on an acquisition date specified in the Request for Selling Shares, Etc., will acquire from Selling Shareholders all their Target Company Shares and will acquire from Selling Share Options Holders all their Share Options without being required to obtain consent from individual Selling Shareholders and Selling Share Options Holders, pursuant to procedures stipulated in applicable laws and regulations. Then, the Tender Offeror will decide to deliver to Selling Shareholders an amount identical to the Tender Offer Price as a per-share price of the Target Company Shares and will decide to deliver to Selling Share Options Holders an amount identical to the Tender Offer Price as a per-right price of Share Options. According to the Target Company Press Release, in the event of the Tender Offeror making a Request for Selling Shares, Etc., its board of directors will approve it.

In order to protect the rights of minority shareholders and share options holders in connection with the Request for Selling Shares, etc., the Companies Act provides that Selling Shareholders and Selling Share Options Holders who do not tender their shares or Share Options in the Tender Offer (excluding the Tender Offeror and the Target Company) are allowed to file a petition with a court of law for deciding a sale price of their Target Company Shares and a sale price of their Share Options, in accordance Article 179-8 of the Companies Act and other relevant laws and regulations. In the event of such petition being filed as set forth above, a sale price of the Target Company Shares and a sale price of the Share Options will ultimately be decided by the court of law.

(ii) Reverse Share Split

If the total number of voting rights in the Target Company held by the Tender Offeror is less than 90% of the number of voting rights held by all shareholders of the Target Company after successful completion of the Tender Offer, the Tender Offeror will request promptly after completion of settlement of the Tender Offer that the Target Company hold an extraordinary shareholders’ meeting whose agenda items will include carrying out a reverse share split of the Target Company Shares (the “Reverse Share Split”) pursuant to the provision of Article 180 of the Companies Act and partial amendments to the Target Company’s articles of incorporation in order to abolish the provision on the Share Unit, subject to effectuation of the Reverse Share Split (the “Extraordinary Shareholders’ Meeting”). The Tender Offeror will support the above agenda items at the Extraordinary Shareholders’ Meeting. At present, the Extraordinary Shareholders’ Meeting is scheduled for late February 2023.

If the agenda item on the Reverse Share Split is approved in the Extraordinary Shareholders’ Meeting, the Target Company’s shareholders will hold the number of Target Company Shares calculated based on the Reverse Share Split ratio approved in the Extraordinary Shareholders’ Meeting as of the date when the Reverse Share Split takes effect. If a fraction of less than one share arises due to the Reverse Share Split, the proceeds from the sale to the Target Company or the Tender Offeror of the Target Company Shares equivalent to the sum of such fractions (if the sum includes a fraction less than one share, the fraction is rounded down) will be delivered to the Target Company’s shareholders for whom the fractions arise, in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sale price of the Target Company Shares corresponding to the sum of such fractions, the Tender Offeror will calculate the amount of money to be delivered, as a result of this sale, to the shareholders of the Target Company (excluding the Tender Offeror and the Target Company) who have not tendered

their shares in the Tender Offer by ensuring that such amount of money becomes the same as the Tender Offer Price multiplied by the number of Target Company Shares owned by the shareholders, and then request that the Target Company file a petition for permission for voluntary sale with a court. The Reverse Share Split ratio for the Target Company Shares has not been decided as of today, but the Tender Offeror will request that the Target Company determine the ratio by ensuring that the number of Target Company Shares owned by Target Company's shareholders who have not tendered their shares in the Tender Offer (excluding the Tender Offeror and the Target Company) becomes less than one share so that the Tender Offeror holds all the shares in the Target Company (excluding treasury shares owned by the Target Company). According to the Target Company Press Release, the Target Company will meet these requests of the Tender Offeror upon successful completion of the Tender Offer.

In order to protect the rights of minority shareholders in connection with the Reverse Share Split, the Companies Act provides that if a fraction of less than one share arises due to the Reverse Share Split, the Target Company's shareholders (excluding the Tender Offeror and the Target Company) may request that the Target Company purchase all fractions of less than one share among the shares owned by them at a fair price and may file a petition for pricing the Target Company Shares with a court in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations.

As stated above, in the Reverse Share Split, the number of Target Company Shares owned by the Target Company's shareholders (excluding the Tender Offeror and the Target Company) who have not tendered their shares in the Tender Offer will be less than one share; therefore, the Target Company's shareholders (excluding the Tender Offeror and the Target Company) who oppose the Reverse Share Split will be entitled to file the above petition. In the event that such a petition is filed, the court will ultimately determine the purchase price of the Target Company Shares.

If, in the Tender Offer, the Tender Offeror is unable to acquire all Share Options and some Share Options remain unexercised, the Tender Offeror will take, or request that the Target Company take, necessary and reasonable procedures for implementation of the Transaction, such as acquiring the Share Options and recommending that the holders of the Share Options waive such Share Options. However, the details are unknown as of today.

The method and timing of the procedures for the above Request for Selling Shares, Etc. and the Reverse Share Split may change depending on the revision, enforcement, authorities' interpretations, etc. of the relevant laws and regulations. However, even in that case, money will be delivered to the Target Company's shareholders (excluding the Tender Offeror and the Target Company) who have not tendered their shares in the Tender Offer, and the amount of money to be delivered to each shareholder in that case will be calculated by ensuring that it becomes the same as the Tender Offer Price multiplied by the number of Target Company Shares owned by each shareholder. In addition, when money is delivered to the Share Options Holders who have not tendered their Share Options in the Tender Offer, the amount of money to be delivered to each Share Options Holder will be calculated by ensuring that it becomes the same as the Share Option Tender Offer Price multiplied by the number of Share Options owned by each holder of Share Options Holders.

Specific procedures and the timing of implementation and other matters in the above cases are planned to be discussed with the Target Company and will be promptly announced by the Target Company as soon as decisions are made. The Tender Offer is not intended to encourage the support of the Target Company's shareholders and the Share Options Holders in the Extraordinary Shareholders' Meeting. In addition, the Target Company's shareholders and the Share Options Holders are asked to confirm the matters related to the tendering of shares in the Tender Offer or tax treatment in the above procedures with certified tax accountants and other experts at their own responsibility.

(5) Possibility of Delisting and Reasons Therefor

Although the Target Company Shares are listed on the Growth Market of the Tokyo Stock Exchange as of today, the Tender Offeror has not set an upper limit on the number of shares to be purchased in the Tender Offer. Therefore, depending on the results of the Tender Offer, the Target Company Shares may be delisted following the prescribed procedures in accordance with the Delisting Standards of the Tokyo Stock Exchange. Even if the Target Company Shares do not satisfy those standards at the time of successful completion of the Tender Offer, if the Squeeze-Out Procedures described in "(4) Policies for Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step

Acquisition)” above are implemented after successful completion of the Tender Offer, they will satisfy the Delisting Standards of the Tokyo Stock Exchange and the Target Company Shares will be delisted following the prescribed procedures. After delisting, the Target Company Shares cannot be traded in the Growth Market of the Tokyo Stock Exchange.

(6) Matters Concerning Material Agreements Related to the Tender Offer

As stated in “(1) Outline of the Tender Offer” and “(2) Background, Purpose, and Decision-making Process Which Led to the Decision to Implement the Tender Offer and Management Policy After the Tender Offer” above, the Tender Offeror concluded as of today the Tender Agreement with Dream Incubator for the launch of the Tender Offer. In the Tender Agreement, Dream Incubator agreed to tender to the Tender Offer all of the Shares Intended to Be Tendered that are owned by it (6,068,004 shares; ownership ratio: 55.21%). The Tender Agreement includes the following conditions precedent for the tendering of shares by Dream Incubator in the Tender Offer: as of the commencement date of the Tender Offer (the “Commencement Date of the Tender Offer”) and the date of tendering of shares by Dream Incubator in the Tender Offer (the “Tender”), (i) all the representations and warranties by the Tender Offeror (Note 1) are true and accurate in material aspects; (ii) all the obligations that the Tender Agreement requires the Tender Offeror to perform by the Commencement Date of the Tender Offer or comply with (Note 2) have been performed or complied with in material respects; (iii) the Tender Offeror has taken all procedures necessary for commencement of the Tender Offer in accordance with the Act and other applicable laws and regulations, and the Tender Offer has been commenced in accordance with the Tender Agreement and has not been withdrawn thereafter; and (iv) permits, licenses, and the like required for the Tender Offer under competition laws have been obtained and exercised, the waiting period has expired, and it is reasonably expected that judicial and administrative agencies and other organizations related to competition laws will not take any measure or procedure that interferes with the Tender Offer. However, the Tender Agreement also provides that Dream Incubator may waive all the conditions precedent at its own discretion and perform the obligation to tender its shares in the Tender Offer. In addition, if a shareholders’ meeting of the Target Company is held after the Settlement Commencement Date and the record date for determining the shareholders entitled to exercise their rights at such shareholders’ meeting is before the Settlement Commencement Date, for the exercise of voting and other rights pertaining to the Shares Intended to Be Tendered at such shareholders’ meeting, Dream Incubator is obliged to (i) grant a comprehensive power of attorney to the Tender Offeror or a person designated by the Tender Offeror or (ii) exercise its voting and other rights in accordance with the instructions of the Tender Offeror based on the choice of the Tender Offeror.

(Note 1) The representations and warranties by the Tender Offeror under the Tender Agreement include (i) the effectiveness of its incorporation and existence; (ii) the legal competence to execute and perform the Tender Agreement and the implementation of necessary internal procedures; (iii) the validity and enforceability of the Tender Agreement; (iv) the absence of any violation of laws and regulations, (v) obtaining and exercising necessary permits, licenses, and the like; and (vi) the absence of any transaction with anti-social forces.

(Note 2) Under the Tender Agreement, the Tender Offeror is obliged to (i) complete necessary procedures for lawfully and effectively launching the Tender Offer in accordance with laws, regulations, and its articles of incorporation and other internal rules; (ii) perform necessary acts in accordance with applicable laws and regulations to fulfill its obligations under the Tender Agreement or make a reasonable effort to perform acts as desired for such fulfillment of obligations (in cases where the approval of the Commissioner of the Financial Services Agency is obtained with regard to the acquisition of Target Company Shares by the Tender Offeror in the Tender Offer pursuant to Article 271-22, paragraph 1 of the Insurance Business Act, if such approval is subject to a condition stipulated in Article 310, paragraph 1 of the Insurance Business Act, the Tender Offeror shall consult with Dream Incubator in good faith in advance on whether the Tender Offeror consents to such condition); (iii) notify Dream Incubator of any material and undisclosed fact that has arisen with regard to the business and other matters of the Target Company after commencement of the Tender Offer and make an effort to the extent practically and reasonably possible to ensure that the Target Company publishes the relevant fact by the end of the Tender Offer Period by the method stipulated in Article 30, paragraph 1, item 2 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Order”); (iv)

sincerely cooperate in the Tender Offer, meeting the conditions precedent for the Tender, and other matters for the smooth launch of the Tender Offer; (v) conduct the procedures for obtaining and exercising permits, licenses, and the like required for the Tender Offer under competition laws promptly to the extent reasonable after conclusion of the Tender Agreement, make an effort to the extent practically reasonable to ensure that the waiting period elapses as soon as possible, and upon expiration of the waiting period, immediately notify the Tender Offeror to that effect; (vi) maintain confidentiality; (vii) not assign the contractual status of a party to the Tender Agreement and the rights and obligations arising under the Tender Agreement; and (viii) bear its own expenses, etc. incurred in connection with execution and performance of the Tender Agreement.

The Tender Agreement provides that Dream Incubator shall not, without the prior written approval of the Tender Offeror, withdraw the Tender or terminate the agreement for the Tender Offer that has been executed based on the Tender. However, if at least five business days prior to the last day of the Tender Offer Period, (1) any person other than the Tender Offeror makes a specific, feasible, legally binding tender offer to acquire the Target Company Shares at a purchase price that is higher than the Tender Offer Price to a certain extent (limited to a tender offer in which no upper limit is set for the number of shares to be purchased; the “Counter-Tender Offer”) (including cases where a tender offer that has already been commenced comes to satisfy the requirements of the Counter-Tender Offer), and (2) (i) Dream Incubator reasonably judges that making the Tender or failure to withdraw the Tender is a breach of its directors’ duty to exercise the due care of a prudent manager or (ii) the Target Company’s board of directors withdraws or changes its opinion supporting the Tender Offer and recommending that the Target Company’s shareholders tender their shares in the Tender Offer or the Special Committee withdraws or changes its report stating that it is reasonable for the Target Company’s board of directors to express the above opinion and that the Target Company’s decision on the Tender Offer is not disadvantageous for minority shareholders of the Target Company, Dream Incubator may make a request to the Tender Offeror for consultation about changing the Tender Offer Price. If the Tender Offeror does not change the Tender Offer Price to a price higher than the purchase price of the Target Company Shares in the Counter-Tender Offer by the day on which five business days have passed from the date of making the above request or the day immediately prior to the last day of the Tender Offer Period, whichever is earlier, Dream Incubator may decide not to make the Tender or (if the Tender has already been made) terminate the agreement for the Tender Offer that has been executed based on the Tender in accordance with the procedures prescribed in the Act and the tender offer registration statement for the Tender Offer.

As of today, there are no agreements except for the Tender Agreement between the Tender Offeror and Dream Incubator, and the Tender Offeror provides no benefits to Dream Incubator except for consideration for the tendering of shares in the Tender Offer.

2. Outline of Purchase

(1) Outline of the Target Company

(i) Name	ipet Holdings, Inc.	
(ii) Location	5-6-15 Toyosu, Koto-ku, Tokyo	
(iii) Title and Name of Representative	Atsuko Yasuda, Representative Director and CEO	
(iv) Description of Business	Management of subsidiaries, etc.	
(v) Stated Capital	110 million yen (as of March 31, 2022)	
(vi) Date of Incorporation	October 1, 2020	
(vii) Major Shareholders and Shareholding Ratio (as of March 31, 2022)	Dream Incubator Inc.	55.87%
	GOLDMAN SACHS INTERNATIONAL (standing proxy: Goldman Sachs (Japan) Ltd.)	7.13%
	GOLDMAN SACHS & CO. REG (standing proxy: Goldman Sachs (Japan) Ltd.)	6.28%
	Sojitz Corporation	4.30%

	YCP HOLDINGS (GLOBAL) LIMITED (standing proxy: Mizuho Securities Co., Ltd.)	4.30%
	SO-TWO, INC.	3.86%
	NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY (standing proxy: The Hongkong and Shanghai Banking Corporation Tokyo Branch)	2.61%
	Custody Bank of Japan, Ltd. (trust account)	2.13%
	Focus Co., Ltd.	0.92%
	Teppey Yamamura	0.79%
(viii) Relationships Between the Tender Offeror and the Target Company		
Capital Relationship	N/A	
Personnel Relationship	As of today, three employees of the Dai-ichi Life Insurance are assigned on loan to ipet Insurance Co., Ltd. One of them is also assigned on loan to the Target Company (concurrently holding the relevant position).	
Business Relationship	Dai-ichi Life Insurance, which is a subsidiary of the Tender Offeror, sells pet insurance provided by ipet Insurance, and they mutually introduce the other party's products through their owned media, exchange know-how and human resources, and perform other similar activities.	
Status as Related Party	N/A	

(Note): “(vii) Major Shareholders and Shareholding Ratio (as of March 31, 2022)” is based on “Status of Major Shareholder(s)” in the Annual Securities Report for the Second Term submitted by the Target Company on June 29, 2022.

(2) Schedule

(i) Schedule

Resolution of the Board of Directors	November 7, 2022 (Monday)
Date of Public Notice of Commencement of the Tender Offer	November 8, 2022 (Tuesday) The Tender Offeror will give electronic public notice and then post in the Nihon Keizai Shimbun that such public notice has been made. (Electronic public notice address: https://disclosure.edinet-fsa.go.jp/)
Date of Submission of the Tender Offer Registration Statement	November 8, 2022 (Tuesday)

(ii) Period for Purchase in the Registration Statement

From Tuesday, November 8, 2022 to Tuesday, December 20, 2022 (30 business days)

(iii) Possibility of Extension Based on Requests by the Target Company

N/A

(3) Price of Tender Offer

(i) Common shares: 3,550 yen per share

(ii) Share Options

(i) Target Company's 1st series of share options (a) (the “1st Series of Share Options (a)”) issued on October 1, 2020

to the share option holders of the 11th series of share options (a) issued based on a resolution at a meeting of ipet Insurance's board of directors that was held on May 26, 2016, which are in place of the said 11th series of share options (a) that were extinguished due to the incorporation on October 1, 2020 of the Target Company as the wholly-owning parent company of ipet Insurance through a sole-share transfer (The exercise period is from October 1, 2020 to March 23, 2026) 6,460 yen per share option

(ii) Target Company's 1st series of share options (b) (the "1st Series of Share Options (b);" the 1st Series of Share Options (a) and the 1st Series of Share Options (b), collectively, the "Share Options") issued on October 1, 2020 to the share option holders of the 11th series of share options (b) issued based on a resolution at a meeting of ipet Insurance's board of directors that was held on February 23, 2017, which are in place of the said 11th series of share options (b) that were extinguished due to the incorporation on October 1, 2020 of the Target Company as the wholly-owning parent company of ipet Insurance through a sole-share transfer (The exercise period is from October 1, 2020 to March 23, 2026) 6,460 yen per share option

(4) Basis for Calculation of the Tender Offer Price

(i) Basis for Calculation

(Common Shares)

When determining the Tender Offer Price at the beginning of September 2022, the Tender Offeror requested that its financial advisor, BofA Securities, as a third-party appraiser independent from the Tender Offeror, the Target Company and Dream Incubator, calculate the equity value of the shares of the Target Company and perform incidental financial analyses, and obtained the BofA Securities Stock Valuation Report as of today subject to the assumptions and other certain conditions described in (Note) below. BofA Securities is not a related party of the Tender Offeror, the Target Company or Dream Incubator and does not have any significant interest that should be disclosed in the Transaction including the Tender Offer. The Tender Offeror has not obtained from BofA Securities an opinion letter on the fairness of the Tender Offer Price (a fairness opinion) since the Tender Offeror assessed and determined the Tender Offer Price through discussion and negotiation with the Target Company and Dream Incubator, comprehensively taking into consideration the various factors described in "(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer" under "(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer As Well As the Management Policy After the Tender Offer" of "1. Purpose of the Purchase" above. BofA Securities deliberated on the evaluation methods of the Target Company's share value and concluded that it would be appropriate to evaluate the value of the shares of the Target Company from a multi-faceted perspective, on the assumption that the Target Company is a going concern. Accordingly, BofA Securities analyzed the value of the Target Company Shares under the assumptions and other certain conditions described in (Note) below, using the following calculation methods: (a) a market share price analysis, as the shares of the Target Company are listed on the Growth Market of the Tokyo Stock Exchange; and (b) the DDM Method in order to reflect the future status of business activities in the calculation.

BofA Securities evaluated the value of the shares of the Target Company using the market share price analysis and the DDM Method. The methods adopted and the share value range per Target Company Share evaluated using those methods are as described below. For assumptions and considerations concerning the preparation by the BofA Securities Stock Valuation Report and the underlying evaluation analysis, please see the descriptions in (Note) below.

Market share price analysis: 2,081 yen to 2,400 yen

DDM Method: 2,883 yen to 3,925 yen

In the market share price analysis, the share value range per Target Company Share of 2,081 yen to 2,400 yen was derived based on the following figures quoted on the Growth Market of the Tokyo Stock Exchange as of the calculation reference date of November 4, 2022: 2,400 yen, which was the closing price of the Target Company Shares as of the reference date; 2,341 yen, which was the simple average closing price over the preceding one-

month period; 2,184 yen, which was the simple average closing price over the preceding three-month period; and 2,081 yen, which was the simple average closing price over the preceding six-month period.

In the DDM Method, the share value range per Target Company Share of 2,883 yen to 3,925 yen was derived by analyzing the corporate value and the equity value of the Target Company, calculated by setting the level of capital that is required for the Target Company to conduct its business in a stable manner based on the financial projections for the fiscal year ending March 2023 through the fiscal year ending March 2042 prepared by the Tender Offeror after making revisions to the financial forecasts such as ordinary income and expenses of the business plan from the fiscal year ending March 2023 through the fiscal year ending March 2027 that was prepared by the Target Company, based on the results of the due diligence performed on the Target Company Group from late in May to late in July 2022, and by discounting to the present value at a certain cost of capital the part of the capital that exceeds the aforementioned capital level as cash flows attributable to shareholders. The Target Company's business plan underlying the aforementioned DDM Method includes fiscal years in which a substantial increase/decrease in profit is anticipated. Specifically, significant increases are anticipated in the consolidated ordinary profit (926 million yen for the fiscal year ending March 2024 (increased by 849 million yen year-over-year), 1,595 million yen for the fiscal year ending March 2025 (increased by 669 million yen year-over-year), 3,106 million yen for the fiscal year ending March 2027 (increased by 1,577 million yen year-over-year), and 4,428 million yen for the fiscal year ending March 2028 (increased by 1,322 million yen year-over-year)) since it is expected that the profit will start to steadily build up in the future through continuous growth, with the number of contracts held by the Target Company expanding in the aforementioned fiscal years. The aforementioned financial projections do not reflect the synergies expected by the Transaction because it is difficult to specifically estimate those synergies at present.

The Tender Offer Price of 3,550 yen is the amount obtained by adding a premium of 47.92% to 2,400 yen which is the closing price of the Target Company Shares on the Growth Market of the Tokyo Stock Exchange on November 4, 2022, the business day immediately prior to the date of announcement of the Tender Offer, 51.64% to 2,341 yen, which is the simple average closing price for the period from one month before the same date up to the same date, 62.55% to 2,184 yen, which is the simple average closing price for the period from three months before the same date up to the same date, and 70.59% to 2,081 yen, which is the simple average closing price for the period from six months before the same date up to the same date.

(Note) The BofA Securities Stock Valuation Report was submitted to the Tender Offeror's board of directors for its convenience in connection with and for the purpose of the Tender Offeror's board of directors deliberating on the Tender Offer Price in its position from a financial perspective. The BofA Securities Stock Valuation Report does not represent any opinion or view concerning the consideration to be received by any holder, creditor or other stakeholders of any kind of securities of any of the concerned parties in connection with the Transaction. The BofA Securities Stock Valuation Report also does not represent any opinion or view concerning the following: (a) fairness of the Tender Offer Price or the terms of, or other aspects or results of, the Transaction (including, without limitation, the manner or structure of the Transaction, or the terms or results of any contract, arrangement, agreement or other commitment that may be entered into in connection with the Transaction or other elements); or (b) the relative advantage of the Transaction compared with other strategies or transactions that may be adopted or implemented by the Tender Offeror, or the Tender Offeror's business decision-making related to promoting or implementing the Transaction. In addition, the BofA Securities Stock Valuation Report does not express any opinion or make any recommendations in connection with the Transaction or any matters related thereto, as to whether or not the Target Company shareholders should tender their shares in the Tender Offer or how they should exercise their voting rights or conduct themselves. BofA Securities has not expressed any opinion or view, and has relied on the evaluation by the Tender Offeror pursuant to its consent, in connection with laws, regulations, accounting, tax affairs or other similar matters related to the Target Company, the Tender Offeror, other entities or the Transaction (including the profits anticipated in the Transaction). Further, BofA Securities also does not express any opinion or view regarding the fairness (whether financial or otherwise) as compared with the Tender Offer Price or other elements related to the amount, nature or other aspects of any remuneration for, or positions of, officers, directors or employees of any party to the Transaction. The BofA Securities Stock Valuation Report does not express any opinion on the price at which the Target

Company Shares should be transacted at any time including after the Transaction is publicly announced or commences.

In preparing the BofA Securities Stock Valuation Report and conducting the underlying evaluation analysis, BofA Securities did not independently verify, but assumed and relied on the accuracy and completeness of, such information, and other financial and other information and data that was publicly available or provided to or deliberated on or discussed by BofA Securities. BofA Securities also relied on the representations by the management of the Tender Offeror and the Target Company that they were not aware of any facts or circumstances that might render the information or data inaccurate or misleading in any material respect. Further, BofA Securities received from the Tender Offeror, and assumed with the Tender Offeror's consent, its representation that the business plan underlying the BofA Securities Stock Valuation Report (including financial projections of the Target Company prepared by the management of the Tender Offeror after making revisions to the business plan that was prepared by the management of the Target Company) had been reasonably prepared by the Tender Offeror reflecting the best projections available as of the date of the BofA Securities Stock Valuation Report and good-faith decisions by the Tender Offeror's management regarding the Target Company's future performance. The BofA Securities Stock Valuation Report inevitably assumes conditions and circumstance concerning finance, the economy, foreign exchange, markets and other elements as of the date of the BofA Securities Stock Valuation Report (unless otherwise stated in the analysis therein), and it is based on the information available to BofA Securities as of that date. The credit, financial and stock markets continue to be in an extremely unstable situation, and BofA Securities does not express any opinion or view regarding any potential impact that such unstable situation may have on the Target Company, the Tender Offeror or the Transaction. While details of the BofA Securities Stock Valuation Report may be affected by any event arising on or after the date of the BofA Securities Stock Valuation Report, it is understood that BofA Securities does not have any obligation to renew, revise or reconfirm the BofA Securities Stock Valuation Report.

As stated above, the above description of the analysis by BofA Securities is a summary of key financial analysis presented by BofA Securities to the Tender Offeror's board of directors in connection with the BofA Securities Stock Valuation Report above and does not cover all analyses performed by BofA Securities in connection therewith. The preparation of the BofA Securities Stock Valuation Report and the underlying analysis were a complex analysis process involving a variety of decisions on the propriety and relevance of each financial analysis method, as well as on the application of each method to specific situations. Accordingly, the analysis by BofA Securities must be taken into consideration in its entirety. It may also cause misunderstanding or incomplete understanding of the process underlying the analysis of BofA Securities to extract only a part of the analysis or factors or focus only on information expressed in a table format without taking into account all analyses or factors considered or all matters explaining the analysis. Any reference to a specific analysis that may be contained in the above summary does not mean that a particular focus was laid on that analysis over other analyses contained in the summary.

In performing the analysis, BofA Securities has taken into account the performance of the relevant industry sector, general business and economic circumstances, and other matters, many of which are beyond the control of the Tender Offeror or the Target Company. Projections of the Target Company's future performance underlying the analysis by BofA Securities does not necessarily indicate the actual value or future results, and they may significantly exceed or fall below the projections. The analysis by BofA Securities was performed as a part of the analysis for the BofA Securities Stock Valuation Report and provided to the Tender Offeror's board of directors in connection with the provision of the BofA Securities Stock Valuation Report. The analysis by BofA Securities does not intend an appraisal, nor does it indicate a price at which a company or business is sold in reality or price at which any securities were traded or may be traded in the future. Accordingly, the projections used for the above analysis and the evaluation range derived from the analysis intrinsically involve material uncertainty, and they should not be interpreted to represent how BofA Securities views the actual value of the Target Company Shares.

The Tender Offer Price was not determined by a financial advisor but was determined through negotiations among the Tender Offeror, the Target Company and Dream Incubator and was approved by the Tender

Offeror's board of directors. The decision to implement the Tender Offer was made solely by the Tender Offeror's board of directors; accordingly, the BofA Securities Stock Valuation Report is simply one of the numerous factors taken into account in the Tender Offeror's board of directors deliberating (in its position) on the Transaction as stated above and should not be interpreted as a decisive factor in how the Tender Offeror's board of directors or management views the Transaction or the Tender Offer Price.

BofA Securities has not independently conducted, or been provided with, any appraisal or evaluation of the assets or liabilities (whether contingent or otherwise) of the Target Company, the Tender Offeror or other entities, nor has it performed any onsite assessment of any property or asset of the Target Company, the Tender Offeror or other entities. BofA Securities has not evaluated the payment ability or fair value of the Target Company, the Tender Offeror or other entities under any bankruptcy, insolvency or other similar laws of any region or country or any other laws or regulations.

BofA Securities will serve as a financial advisor to the Tender Offeror in connection with the Transaction and will receive a fee for the service (a substantial part of which is subject to the completion of the Transaction). The Tender Offeror has agreed to compensate BofA Securities for the expenses incurred thereby in connection with its involvement and for certain responsibilities arising from its involvement.

BofA Securities and its affiliates are full-service securities companies and commercial banks and provide a wide range of companies, government institutions and private customers with investment banking, corporate and private banking, asset and investment management, financing and financial advisory services, and other commercial services and instruments. They also engage in securities, commodity and derivatives transactions, foreign exchange and other brokerage services, and principal investments. BofA Securities and its affiliates may invest in shares, bonds and other securities, or other financial instruments of the Target Company, Dream Incubator, the Tender Offeror or their respective affiliates (including derivatives, bank loans or other liabilities) in their normal course of business and for its own account or its customers' accounts. They may also manage funds that invest in any of the aforementioned instruments; acquire or hold long or short positions therein; provide funds to, or sell or purchase, such positions; or otherwise execute transactions by other means.

BofA Securities and its affiliates have provided, currently provide, or may provide in the future, the Tender Offeror and its affiliates with investment banking, commercial banking and other financial services, (including their service as a financial advisor to TAL Dai-ichi Life Australia Pty Limited, the Tender Offeror's subsidiary, in connection with the acquisition of Westpac Life Insurance Services Limited, which was announced in August 2021), and have received or may receive in the future, fees for any of those services.

BofA Securities and its affiliates may also provide in the future the Target Company, Dream Incubator and their affiliates with investment banking, commercial banking and other financial services, and may receive fees for any of those services in the future.

BofA Securities has not provided advice on laws, accounting or tax affairs.

(Share Options)

With respect to the Share Options, the exercise price per Target Company Share as of today (320 yen) falls below the Tender Offer Price (3,550 yen). Moreover, the exercise period has arrived and the conditions for exercise have been satisfied. The Tender Offeror has thus determined the offer price at an amount calculated by multiplying (i) the difference between the Tender Offer Price and the exercise price per Target Company Share to be issued upon exercise of the Share Options, by (ii) the number of Target Company Shares to be issued upon the exercise of a Share Option, that is, the difference (3,230 yen) between the Tender Offer Price (3,550 yen) and the exercise price per Target Company Share to be issued upon exercise of the Share Options (320 yen) multiplied by the number of Target Company Shares to be issued upon the exercise of one Share Option (2 shares) equals the amount of the offer price (6,460 yen).

Since the Offer Price for Share Options was determined as described above, the Tender Offeror has not obtained a valuation report from a third-party appraiser.

(ii) Background of Calculation

(Process of Determining the Tender Offer Price and the Offer Price for Share Options)

As described in “(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer” under “(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer As Well As the Management Policy After the Tender Offer” of “1. Purpose of the Purchase” above, at the beginning of March 2022, the Tender Offeror was asked by Dream Incubator via Nomura Securities, Dream Incubator’s financial advisor, whether the Tender Offeror was interested in participating in the First Bidding Process relating to the acquisition through a tender offer or otherwise of all the Target Company Shares owned by Dream Incubator and the related selection of a strategic partner that would help the Target Company realize further growth in the future. Thus, from late March 2022, the Tender Offeror started initial consideration of the feasibility of acquiring the Target Company Shares with a view to making the Target Company its wholly-owned subsidiary as required in participating in the First Bidding Process. At the beginning of April 2022, the Tender Offeror appointed a financial advisor, BofA Securities, as a third-party appraiser independent of the Tender Offeror, the Target Company and Dream Incubator and received necessary advice from it. In late April 2022, the Tender Offeror proceeded with the initial consideration of the feasibility of acquiring the Target Company Shares based on the Target Company Group’s business plan and company profile received via Nomura Securities. At the same time, in the middle of April 2022, the Tender Offeror engaged Nishimura & Asahi as a legal advisor independent of the Tender Offeror, the Target Company and Dream Incubator and started initial consideration of the methods of Transaction, etc. while receiving necessary advice from its legal advisor.

The Tender Offeror made concrete preparations for submitting a first letter of intent based on the results of the initial consideration of the feasibility of acquiring the aforementioned Target Company Shares, the methods of Transaction, etc. and submitted the first letter of intent on May 13, 2022 stating that it was willing to execute the Transaction with a view to making the Target Company its wholly-owned subsidiary.

On May 19, 2022, the Tender Offeror received a communication from Dream Incubator via Nomura Securities that the Tender Offeror had passed the First Bidding Process. The Tender Offeror decided to participate in the Second Bidding Process, for which the second letter of intent must be submitted by July 29, 2022, after receiving a notice on May 27, 2022 that its participation in the said process had been approved. During the Second Bidding Process, from late in May to late in July 2022, the Tender Offeror carried out further analysis and consideration of, among other things, specific measures for producing business synergies between the Tender Offeror Group and the Target Company Group, the buy-out structure, the management policy after the Target Company becoming a wholly-owned subsidiary of the Tender Offeror, while conducting due diligence on the Target Company Group’s business, finance, tax and legal affairs, etc. as well as interviews with the Target Company’s management to understand the details of the Target Company Group. In the middle of July 2022, the Tender Offeror, as a result of the consideration, decided that it should make the Target Company its wholly-owned subsidiary through the Transaction.

Based on the results of the aforementioned analysis and consideration, the Tender Offeror submitted a second letter of intent to Dream Incubator on July 29, 2022 after its board of directors adopted a resolution on July 27, 2022. In the second letter of intent, the Tender Offeror proposed the Tender Offer Price as 3,450 yen, and the Offer Price for Share Options as 6,260 yen which was obtained by multiplying (i) the difference (3,130 yen) between the Tender Offer Price (3,450 yen) and the exercise price per Target Company Share to be issued upon exercise of the Share Options (320 yen), by (ii) the number of Target Company Shares to be issued upon the exercise of one Share Option (2 shares). On August 23, 2022, the Tender Offeror was notified by Dream Incubator that if the Tender Offer Price was increased from 3,450 yen (which was proposed in the second letter of intent) to 3,550 yen, the Tender Offeror would be selected as the final candidate.

Following the aforementioned notice by Dream Incubator, on August 26, 2022, the Tender Offeror submitted to Dream Incubator an additional proposal stating that the Tender Offer Price would be 3,550 yen and the Offer Price for Share Options would be 6,460 yen, in order to obtain exclusive negotiation rights, after comprehensively taking into consideration, among other things, measures to improve corporate value, including agile capital support and necessary personnel assistance to the Target Company, and the management policy after the Transaction, the current performance and future business plan of the Target Company, the results of the due diligence that the Tender Offeror

performed on the Target Company Group from late in May to late in July 2022, trends of the market prices of the Target Company Shares, the economic conditions, trends of the share market, and the request by Dream Incubator to raise the Tender Offer Price for the Tender Offeror to be selected as the final candidate, as well as the existence or non-existence of support for the Tender Offer by the Target Company's board of directors and the estimated number of shares to be tendered in the Tender Offer. As a result of the additional proposal, on August 29, 2022, the Tender Offeror was notified via Nomura Securities that the Tender Offeror had been selected as that final candidate. Following the notice, the Tender Offeror entered into with Dream Incubator on August 31, 2022 a memorandum of understanding mainly stating that the Tender Offeror would make a final proposal with the Tender Offer Price being 3,550yen.

Thereafter, on October 21, 2022, the Tender Offeror was requested by the Special Committee to consider whether it can propose a Tender Offer Price and an Offer Price for Share Options that are higher than the Tender Offer Price of 3,550 yen and the Offer Price for Share Options of 6,460 yen proposed in the additional proposal in light of, among others, recent trends of the market prices of Target Company Shares and expected upward revision of the financial results of the Target Company, and, if such proposal is possible, to propose a Tender Offer Price and an Offer Price for Share Options that are higher than those proposed in the above-mentioned additional proposal. In response to such request, although the Tender Offeror reconsidered the Tender Offer Price and the Offer Price for Share Options, it concluded that it would maintain the Tender Offer Price at 3,550 yen and the Offer Price for Share Options at 6,460 yen because its view on the intrinsic value of the Target Company remained unchanged and these prices were at a premium that is comparable to the average of the premiums observed in recent cases of acquisitions for transformation into a wholly-owned subsidiary for the purpose of going private. On October 27, 2022, the Tender Offeror answered to the Special Committee to that effect.

As of today, the Tender Offeror has reached an agreement with Dream Incubator with respect to the Tender Agreement and its board meeting on the same date has adopted a resolution that the Tender Offer Price be 3,550 yen and the Offer Price for Share Options would be 6,460 yen.

(i) Name of the Third Party from Whom Opinions Were Obtained upon Calculation

In determining the Tender Offer Price, the Tender Offeror referred to the BofA Securities Stock Valuation Report obtained from its financial advisor, BofA Securities, as a third-party appraiser independent from the Tender Offeror, the Target Company and Dream Incubator, as of today. BofA Securities is not a related party of the Tender Offeror, the Target Company or Dream Incubator and does not have any significant interest in the Transaction. The Tender Offeror has not obtained from BofA Securities an opinion letter stating that the Tender Offer Price is fair for the Tender Offeror from a financial perspective (a fairness opinion) since the Tender Offeror assessed and determined the Tender Offer Price through discussions and negotiations with the Target Company and Dream Incubator, comprehensively taking into consideration the various factors described in "(i) Background, purpose and decision-making process which led to the decision to implement the Tender Offer" under "(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer As Well As the Management Policy After the Tender Offer" of "1. Purpose of the Purchase" above.

(ii) Outline of Advice from BofA Securities

As described in "(i) Basis for Calculation" above, BofA Securities has evaluated the value of the Target Company Shares using the market share price analysis and the DDM Analysis under the assumptions and other certain conditions described in (Note) above. The ranges of values per Target Company Share evaluated using these methods are as follows:

Market share price analysis: From 2,081 yen to 2,400 yen
DDM Analysis: From 2,883 yen to 3,925 yen

(iii) Reasons for the Decision on the Tender Offer Price upon Consideration of the Advice from BofA Securities

The Tender Offeror ultimately decided, at its board of directors meeting held today, that the Tender Offer Price would be 3,550 yen and the Offer Price for Share Options would be 6,460 yen after comprehensively taking into

consideration, among other things, the calculation results of the BofA Securities Stock Valuation Report obtained as of today from BofA Securities, results of the due diligence performed on the Target Company Group from late in May to late in July 2022, whether or not the board of directors of the Target Company could support the Tender Offer, the estimated number of shares to be tendered in the Tender Offer as well as results of discussions and negotiations with Dream Incubator. The Tender Offer Price is higher than the maximum amount of the calculation result based on the market share price analysis that is included in the BofA Securities Stock Valuation Report obtained from BofA Securities, and is within the range of the calculation result of the DDM Analysis that is included in the said report.

(iii) Relationship with the Valuation Firm

BofA Securities, the Tender Offeror's financial advisor (valuation firm), is not a related party of the Tender Offeror, the Target Company or Dream Incubator, and does not have any significant interest to be stated in relation to the Transaction including the Tender Offer.

(5) Number of Shares Scheduled to Be Purchased

Class of Shares	Number of Shares to Be Purchased	Lower Limit of Shares to Be Purchased	Upper Limit of Shares to Be Purchased
Common Shares	10,990,381 shares	7,326,900 shares	- shares
Total	10,990,381 shares	7,326,900 shares	- shares

(Note 1) If the total number of the Tendered Share Certificates, Etc. is below the lower limit of shares to be purchased (7,326,900 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc.. If the total number of the Tendered Share Certificates, Etc. is equal to or exceed the lower limit of shares to be purchased (7,326,900 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc..

(Note 2) Since no upper limit of shares to be purchased has been set for the Tender Offer, the number of shares to be purchased indicates the Reference Number of Shares (10,990,381 shares) which is the maximum number of Target Company Shares that will be purchased by the Tender Offeror through the Tender Offer.

(Note 3) No treasury shares owned by the Target Company are intended to be acquired through the Tender Offer.

(Note 4) Share Options may be exercised by the last day of the Tender Offer Period, but all Target Company Shares to be issued or delivered through such exercise are subject to the Tender Offer.

(Note 5) Shares of less than one unit are also subject to the Tender Offer. If shareholders exercise their right to request that the Target Company repurchase its shares of less than one unit in accordance with the Companies Act, the Target Company may purchase such shares during the Tender Offer Period pursuant to the procedures under laws and regulations.

(6) Changes in the Ownership Ratio of Shares as Result of the Purchase

Number of Voting Rights Pertaining to Shares Owned by the Tender Offeror Before the Purchase	-	(Ownership Ratio of Shares Before the Purchase -%)
Number of Voting Rights Pertaining to Shares Owned by Special Related Parties Before the Purchase	250 voting rights	(Ownership Ratio of Shares Before the Purchase 0.23%)
Number of Voting Rights Pertaining to Shares Owned by the Tender Offeror After the Purchase	109,903 voting rights	(Ownership Ratio of Shares After the Purchase 100.00%)
Number of Voting Rights Pertaining to Shares Owned by Special Related Parties After the Purchase	0 voting rights	(Ownership Ratio of Shares After the Purchase 0.00%)

Number of Voting Rights of All Target Company Shareholders	108,581 voting rights	
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- (Note 1) The “Number of Voting Rights Pertaining to Shares Owned by the Tender Offeror After the Purchase” indicates the number of voting rights pertaining to the number of shares to be purchased for the Tender Offer (10,990,381 shares).
- (Note 2) The “Number of Voting Rights Pertaining to Shares Owned by Special Related Parties Before the Purchase” indicates the total number of voting rights pertaining to shares owned by each of special related parties (excluding those who are excluded from special related parties in the calculations of the ownership ratio of shares under each items of Article 27-2, paragraph 1 of the Act, pursuant to Article 3, paragraph 2, item 1 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Persons Other Than Issuer (Ministry of Finance Order No. 38 of 1990, as amended; the “Cabinet Office Order”). However, since the shares owned by the special related parties are subject to the Tender Offer, the “Number of Voting Rights Pertaining to Shares Owned by Special Related Parties After the Purchase” indicates nil. The Tender Offeror will confirm the shares of the Target Company owned by the special related parties as of or after today and, if any correction is necessary, will disclose the details of correction.
- (Note 3) The “Number of Voting Rights of All Target Company Shareholders” indicates the number of voting rights held by all shareholders as of March 31, 2022 as stated in Securities Report for the first quarter of the third fiscal year submitted by the Target Company on August 10, 2022 (given that the number of shares of 1 unit is 100 shares). However, because shares of less than one unit (excluding the treasury shares of less than one unit owned by the Target Company) and the Target Company Shares that may be issued or delivered through exercise of Share Options are also subject to the Tender Offer, in the calculations of the “Ownership Ratio of Shares Before the Purchase” and the “Ownership Ratio of Shares After the Purchase,” the denominator is the number of voting rights (109,903 voting rights) pertaining to the Base Number of Shares (10,990,381 shares).
- (Note 4) The “Ownership Ratio of Shares Before the Purchase” and the “Ownership Ratio of Shares After the Purchase” have been rounded to two decimal places.
- (Note 5) Asset Management One Co., Ltd., which is a special related party under the formal criteria of the Tender Offeror (hereafter in this (Note 5) referred to as the “Special Related Party”), is engaged in the investment management business (as listed in Article 28, paragraph 4 of the Act; this being applicable hereinafter too) and has today submitted the “Notification of Special Exceptions for Prohibition of Separate Purchase” declaring the following matters to the Director-General of the Kanto Local Finance Bureau (hereafter in this (Note 5) referred to as the “Notification”) in accordance with Article 27-5, item 2 of the Act because a trust bank, etc. may own the Target Company Shares or acquire or assign the same in the future in accordance with management instructions of the Special Related Party.
- (i) As of the date when it submitted the Notification, the Special Related Party does not agree with the Tender Offeror to jointly acquire or assign the Target Company Shares or to exercise the voting right or any other rights as a shareholder of the Target Company or to assign or be assigned the Target Company Shares to or from it after the Tender Offer and is not a party listed in Article 27-2, paragraph 7, item 2 of the Act.
 - (ii) During the Tender Offer Period, the Special Related Party will not purchase shares issued by the Target Company in a course of business other than the investment management business.
 - (iii) During the Tender Offer Period, the Special Related Party will not assign shares issued by the Target Company and owned by the Special Related Party to the Tender Offeror or its special related parties and will not exercise the voting right or any other rights jointly with them as a shareholder or investor in the Target Company.
 - (iv) The Special Related Party is engaged in the investment management business and, in accordance with its management instructions, a trust bank, etc. may acquire or assign the shares issued by Target Company but, during the Tender Offer Period, the Special Related Party will not give any management

instruction to assign shares issued by the Target Company to the Tender Offeror or its special related parties.

- (v) The Special Related Party is engaged in the investment management business and, in accordance with its instructions, a trust bank, etc. may exercise the voting right pertaining to the shares issued by Target Company but, during the Tender Offer Period, the Special Related Party will not give any instruction to exercise the voting right or any other rights jointly with the Tender Offeror or its special related parties as a shareholder or investor in the Target Company.

(7) Purchase Price 39,015,852,550 yen

(Note) The “purchase price” is the amount obtained by multiplying the Number of Shares to be Purchased (10,990,381 shares) for the Tender Offer by the Tender Offer Price (3,550 yen).

(8) Method of Settlement

(i) Name and Location of the Head Office of the Securities Company, Bank, etc. that Settles the Purchase
Mizuho Securities Co., Ltd. 1-5-1, Ote-machi, Chiyoda-ku, Tokyo

(ii) Commencement Date of Settlement
December 27, 2022 (Tuesday)

(iii) Method of Settlement

After the expiration of the Tender Offer Period, a notice of purchase through the Tender Offer is mailed to the address of the parties who are tendering for the Tender Offer (i.e. shareholders and Share Options Holders; the “tendering shareholders”) (or the standing proxy in the case of shareholders residing in foreign countries (including corporate shareholders; the “foreign shareholders”)) without delay. The purchase is made for cash. On or after the commencement date of settlement, the Tender Offer Agent shall transfer the sales proceeds for purchased shares to the place designated by the tendering shareholders (or the standing proxy in the case of foreign shareholders) or shall pay to the account of the tendering shareholders who accepted a tender of the Tender Offer Agent without delay in accordance with instructions of the tendering shareholders (or the standing proxy in the case of foreign shareholders).

(iv) Method of Returning Shares, etc.

If it is decided that none of the Tendered Shares are purchased according to the conditions stated in “(i) Conditions Set Forth in Each Items of Article 27-13, Paragraph 4 of the Act and Details Thereof” or “(ii) Conditions of Withdrawal, etc. of Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, etc.” in “(9) Other Conditions and Procedures of the Tender Offer” below, the shares required to be returned are returned promptly after two business days following the last day of the Tender Offer Period (where the Tender Offer has been withdrawn, the day when the withdrawal was made) by the Tender Offer Agent. The Target Company Shares are returned by being restored to the state as of the time of tender application. Regarding the Share Options, documents submitted for application for the Share Options are returned by being delivered to the tendering shareholders or being mailed to the address of the tendering shareholders in accordance with their instructions.

(9) Other Conditions and Procedures of the Tender Offer

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

If the total number of Tendered Shares is below the lower limit of shares to be purchased (7,326,900 shares), the Tender Offeror will not purchase any of the Tendered Shares. If the total number of Tendered Shares is or exceeds the lower limit of shares to be purchased (7,326,900 shares), the Tender Offeror will purchase all of the Tendered Shares.

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

If any event listed in Article 14, paragraph 1, items 1(a) through 1(j) and items 1(m) through 1(s), items 3(a) through 3(h) and item 3(j), item 4 and Article 14, paragraph 2, items 3 through 6 of the Order occurs, the Tender Offer may be

withdrawn. The “facts equivalent to those set forth in (a) through (i)” set forth in Article 14, paragraph 1, item 3(j) of the Order mean (i) cases where statutory disclosure documents submitted by the Target Company in the past turn out to contain false statements regarding material matters or to omit statements regarding material matters to be stated, and (ii) cases where facts set forth in (a) through (g) of the same item occur in any of the Target Company’s material subsidiaries.

Also, if the Tender Offeror cannot receive approval under Article 271-22, paragraph 1 of the Insurance Business Act from the Commissioner of the Financial Services Agency by the day before the expiration of the Tender Offer Period (as extended), or if the Tender Offeror received such approval from the Commissioner of the Financial Services Agency with conditions on which the Tender Offeror cannot agree (i.e. the conditions stipulated in Article 310, paragraph 1 of the Insurance Business Act), or if such approval is revoked or withdrawn by the day before the last day of the Tender Offer Period, the Tender Offeror may withdraw the Tender Offer as a case where it could not obtain “permission, etc.” under Article 14, paragraph 1, item 4 of the Order.

In order to withdraw the Tender Offer, the Tender Offeror will issue an electronic public notice and post the notice to that effect in the Nihon Keizai Shimbun. However, if it is difficult to issue an public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance and subsequently issue a public notice as soon as possible.

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

In accordance with Article 27-6, paragraph 1, item 1 of the Act, if the Target Company conducts any act listed in Article 13, paragraph 1 of the Order during the Tender Offer Period, the purchase price may be reduced pursuant to the standards set forth in Article 19, paragraph 1 of the Cabinet Office Ordinance.

In order to reduce the purchase price, the Tender Offeror will issue an electronic public notice and post the notice to that effect in the Nihon Keizai Shimbun. However, if it is difficult to issue an public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance and subsequently issue a public notice as soon as possible. If the purchase price is reduced, Tendered Shares that were tendered on or before the date of the public notice are also purchased at the reduced purchase price.

(iv) Matters Concerning Tendering Shareholders’ Rights to Cancel Their Agreements

The tendering shareholders may cancel their agreements on the Tender Offer at any time during the Tender Offer Period. If a tendering shareholder wishes to cancel the agreement, the tendering shareholder must deliver or mail a written notice stating its intention to cancel the agreement on the Tender Offer (the “Cancellation Notice”) to the head office or nationwide branch offices of the Tender Offer Agent that accepted the tender application by 3 p.m. on the last day of the Tender Offer Period by attaching an acceptance form for tender offer application. Cancellation of agreement comes into effect when the Cancellation Notice is delivered to or reaches the Tender Offer Agent. Therefore, the cancellation is conditional on the Cancellation Notice reaching the Tender Offer Agent by 3 p.m. on the last day of the Tender Offer Period.

The Tender Offeror will not make any claim for damages or a penalty payment to the tendering shareholders due to the cancellation of the agreement by the tendering shareholders. In addition, the Tender Offeror will bear the cost of returning the Tendered Shares to the tendering shareholders. If a cancellation is proposed, the Tendered Shares will be returned in a manner stated in “(iv) Method of Returning Shares, etc.” in “(8) Method of Settlement” above promptly after completion of procedures for the cancellation proposed.

(v) Method of Disclosure in Case of Changing Purchase Terms

Excluding cases prohibited by Article 27-6, paragraph 1 of the Act and Article 13 of the Order, the Tender Offeror may change the purchase terms during the Tender Offer Period. If the Tender Offeror wishes to change the purchase terms, it will issue an electronic public notice regarding the details of the change and post the notice to that effect in the Nihon Keizai Shimbun. However, if it is difficult to issue an public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance and subsequently issue a public notice immediately. If the purchase terms have been changed,

Tendered Shares that were tendered on or before the date of the public notice are also purchased based on the changed purchase terms.

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

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

(vii) Method of Disclosure of Results of Tender Offer

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

(viii) Other

The Tender Offer is not made, directly or indirectly, within the U.S. or for the U.S. or by use of the U.S. post or other interstate commercial or international commercial method/means (including without limitation a facsimile, e-mail, Internet communications, telex and telephone) or through the securities exchange facilities in the U.S. No one can tender for the Tender Offer by the above method/means or through above facilities or from within the U.S.

The tender offer statement associated with the Tender Offer or relevant purchase documents are not sent or distributed within or to the U.S. or from within the U.S. or by post or other means and cannot be sent or distributed in such manner. No application for the Tender Offer directly or indirectly violating the above restriction is acceptable.

In applying for the Tender Offer, the tendering shareholders (or the standing proxy in the case of foreign shareholders) may be required to represent and warrant to the Tender Offer Agent that:

they are not located in the U.S. at the time of tender offer application or at the time of sending tender offer application documents; they do not directly or indirectly receive or send any information (including copies thereof) relating to the Tender Offer within or to the U.S. or from within the U.S.; they do not directly or indirectly use the U.S. post or other interstate commercial or international commercial method/means (including without limitation a facsimile, e-mail, Internet communications, telex and telephone) or through the securities exchange facilities in the U.S. with respect to the purchase or the delivery of signature on the tender offer application documents; and they are not a person acting as a proxy, trustee or mandatory of any other party without discretionary power (except a case where they are given by such other party all instructions for purchase from outside the U.S.).

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

November 8, 2022 (Tuesday)

(11) Tender Offer Agent

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

3. Policies After the Tender Offer and Future Outlook

Regarding the policies after the Tender Offer, please refer to “(2) Background, Purpose and Decision-making Process Which Led to the Decision to Implement the Tender Offer As Well As the Management Policy After the Tender Offer,” “(4) Policies for Reorganization After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” and “(5)

Possibility of Delisting and Reasons Therefor” in “1. Purpose of the Tender Offer” above.

4. Other Information

(1) Whether There Is Any Agreement Between the Tender Offeror and the Target Company or Its Directors; Details Thereof

According to the Target Company Press Release, at the board of directors meeting held on today, the Target Company has declared its opinion supporting the Tender Offer and has made a resolution recommending the Target Company’s shareholders and the Share Options Holders to tender their shares in the Tender Offer.

For details, please refer to the Target Company Press Release and “(v) Approval by All Directors without Conflicts of Interest (Including Audit and Supervisory Committee Members) at the Target Company” in “(3) Measures to Ensure the Fairness of the Tender Offer Including Measures to Ensure the Fairness of the Tender Offer Price and Avoid Conflicts of Interest” in “1. Purpose of Purchase” above.

(2) Other Information Deemed Necessary for Investors to Determine Whether to Tender Their Shares in the Tender Offer

(i) Release of the Consolidated Financial Summary (For the Second Quarter Ended September 30, 2022 (interim period))(based on the Japanese Standards

Today, the Target Company has released the Financial Summary for the Second Quarter in the Tokyo Stock Exchange. Based on the released statement, the outline of the Target Company’s Financial Summary for the Second Quarter is as follows. The content of the quarterly summary has not been reviewed by an auditing firm pursuant to the provisions of Article 193-2, paragraph 1 of the Act. For details, please refer to such announcement.

(i) Profit and loss (consolidated)

Accounting period	YE. March 2023 (Consolidated accounting interim period)
Ordinary income	16,005 million yen
Ordinary profit	1,071 million yen
Interim net profit attributable to the parent company’s shareholders	780 million yen

(ii) Figures per share (consolidated)

Accounting period	YE. March 2023 (Consolidated accounting interim period)
Interim net profit per share	71.75 yen
Dividend per share	- yen

(ii) Release of “Notice Concerning Revision of Full-year Consolidated Financial Forecast”

The Target Company released today the “Notice Concerning Revision of Full-year Consolidated Financial Forecast” in the Tokyo Stock Exchange. The summary of the release is as described below. The summary of the release described below is an excerpt of the notice released by the Target Company. The Tender Offeror is not in a position to independently verify, and has not independently verified, the accuracy or validity of such information. Please refer to the release for details.

	Ordinary income	Ordinary profit	Net profit attributable to the parent company’s shareholders	Net profit per share
Previous forecast announced on May 13,	32,900 million yen	50 million yen	30 million yen	2.81 yen

2022 (A)				
Forecast announced this time(B)	32,900 million yen	820 million yen	580 million yen	53.63 yen
Amount of increase/decrease (B-A)	—	770 million yen	550 million yen	
Percentage change(%)	—	—	—	
(Reference) Actual results of the previous period (fiscal year ended March 2022)	28,675 million yen	917 million yen	560 million yen	51.78 yen

(iii) Announcement of “Notice for Abolition of Shareholder Special Benefit Plan”

At the board of directors meeting held on today, the Target Company has made a resolution abolishing the shareholder special benefit plan at the end of Y.E. March 2023 on the condition that the Tender Offer is successfully completed. For details, please refer to the “Notice for Abolition of Shareholder Special Benefit Plan” announced by the Target Company as of today.

Investor Contact:

Investor Relations Group

Corporate Planning Unit

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This press release may contain statements that are “forward-looking statements” regarding our intent, belief or current expectations of management with respect to our future results of operations and financial condition. Any such forward-looking statements are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. Important factors that could cause actual results to differ from those in specific forward-looking statements include, without limitation, economic and market conditions, consumer sentiment, political events, level and volatility of interest rates, currency exchange rates, security valuations and competitive conditions. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ.