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Rebuilding the Governance Structure and Related Measures

We hereby inform you that, in response to the various deficiencies in governance identified in the investigation report of the Special Investigation Committee (the “Investigation Report”), as described in our announcement dated January 15, 2026, “Company Policy in Response to the Findings of the Special Committee’s Investigation Report,” we have implemented the following improvements to date.

We kindly ask for the continued support of our shareholders and other stakeholders.

1. Corrections to Past Disclosures

The Investigation Report concluded that certain statements opposing shareholder proposals contained factual inaccuracies or could mislead general shareholders and were therefore inappropriate.

We conducted an investigation into such incorrect or inappropriate disclosures and, as of today, have made corrections as announced in “(Correction of Disclosure Items) Notice Concerning Corrections to Past Releases.”

2. Strengthening of the Nomination and Compensation Committee

The Investigation Report made the following observations regarding the Nomination and Compensation Committee:

- No discussions were held regarding successors, including the CEO, or their development plans, and the supervisory function was not being fulfilled.
- The selection of director candidates effectively reflected the intentions of the former President.
- No discussions were held regarding the appointment or dismissal of senior management.
- With respect to compensation, the committee merely received feedback on evaluation results, without substantive deliberation on compensation decisions.

In response, we have implemented the following improvements:

- Succession planning: We will institutionalize a succession plan and incorporate it into the

committee's annual agenda, establishing a framework for ongoing discussions regarding successor candidates. In the current fiscal year, the committee deliberated on candidates for a new Representative Director and additional Audit and Supervisory Committee members, and the candidates were elected at today's Ordinary General Meeting of Shareholders.

- Selection of director candidates: We have revised the committee's regulations to explicitly grant authority to conduct individual interviews, enabling proactive involvement in candidate selection. Going forward, we will regularly create and update a skills matrix, clarify nomination policies, and enhance transparency in the evaluation process.
- Compensation: The committee has commenced substantive deliberations, including revisions to internal rules governing executive compensation and a review of the compensation framework. We will continue to consider a fundamental overhaul of the compensation system.

3. Separation of the Chair of the Board and the President

The Investigation Report pointed out a lack of effective monitoring by the Board of Directors at the time of reviewing the acquisition proposal.

In response, we have decided to appoint a director other than the President as Chair of the Board to strengthen supervisory functions. At today's Ordinary General Meeting of Shareholders, amendments to the Articles of Incorporation and the appointment of directors were approved, and the role of Chair of the Board has been established as an independent position.

4. Improvements to the Audit and Supervisory Committee

The Investigation Report indicated that the Audit and Supervisory Committee failed to fulfill its expected role regarding inappropriate statements and actions by former management during the review process of the acquisition proposal.

In response to these findings and proposals from the Nomination and Compensation Committee:

The Audit and Supervisory Committee members who had remained from the time of the former management resigned as of December 24, 2025.

The Company petitioned the court for the appointment of two Non-Executive Directors and one Executive Officer as temporary directors, and they were appointed accordingly.

To strengthen the audit and supervisory functions, we decided to increase the number of committee members by one, resulting in four members being elected at today's Ordinary General Meeting of Shareholders.

5. Response to Inappropriate Advice from Advisors

Regarding inappropriate statements, actions, and disclosures by former management in connection with opposition statements to shareholder proposals and the review process of the acquisition proposal—as

noted in the Investigation Report—we have demanded partial or full refunds or reductions of fees from the advisory firms involved, namely TransCapital Co., Ltd., Keiwa Sogo Law Offices, and Mitsubishi UFJ Trust and Banking Corporation, in relation to their advice associated with such actions.

Additionally, we have demanded the partial return of compensation and other remuneration from Mr. Yoshiki Iwasaki, former Representative Director and President, and Mr. Hideo Nakajima, former Senior Managing Director.