

[Translation]

February 5, 2021

To whom it may concern:

Company Name: N•FIELD Co., Ltd.
(Code Number: 6077)
Representative: Akira Kubo, President and
Representative Director
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**Announcement Concerning Expression of Opinion in Favor of Tender Offer by CHCP-HN,
Inc. for Share Certificates, Etc. of Company and Recommendation to Tender**

N•FIELD Co., Ltd. (the “Company”) hereby announces as described below that the Company has resolved, at its board of directors meeting held today, to express an opinion in favor of the tender offer (the “Tender Offer”) by CHCP-HN, Inc. (the “Tender Offeror”) for the common stock of the Company (the “Company Shares”) and the Stock Acquisition Rights (as defined in “2. Price for Purchase, Etc.” below), to recommend that the shareholders of the Company tender their shares in the Tender Offer, and to leave the decision as to whether holders of the Stock Acquisition Rights (the “Stock Acquisition Rights Holders”) tender their Stock Acquisition Rights to the judgment of the Stock Acquisition Rights Holders.

Such resolution of the board of directors meeting was passed on the assumption that (i) the Tender Offeror intends to make the Company its wholly-owned subsidiary by way of the Tender Offer and a series of procedures to be implemented thereafter, and (ii) the Company Shares are to be delisted.

1. Outline of Tender Offeror

(1) Name	CHCP-HN, Inc.
(2) Location	5-12 Yaesu 2-chome, Chuo-ku, Tokyo
(3) Title and Name of Representative	Tsutomu Kunisawa, Representative Director
(4) Type of Business	1. Holding of shares in other companies and investment in businesses which are deemed necessary for management purposes 2. Any and all business incidental or related to anything in the preceding item

(5)	Amount of Capital	250 thousand yen
(6)	Date of Incorporation	December 24, 2020
(7)	Major Shareholders and Shareholding Ratio	CHCP Home Nursing, Inc. 100%
(8)	Relationship between the Company and the Tender Offeror	
	Capital Relationship	N/A
	Personnel Relationship	N/A
	Transaction Relationship	N/A
	Status as a Related Party	N/A

2. Price for Purchase, Etc.

- (1) 1,200 yen per share of common stock (the “Tender Offer Price”)
- (2) Stock Acquisition Rights

One (1) yen per unit of the third series of stock acquisition rights issued pursuant to a resolution of the Company’s board of directors meeting held on February 26, 2014 (the “Stock Acquisition Rights”) (Exercise period is from April 1, 2015 to March 31, 2022)

3. Details of, and Grounds and Reasons for, Opinion on Tender Offer

- (1) Details of the Opinion on Tender Offer

Based on the grounds and reasons described in “(2) Grounds and Reasons for the Opinion on the Tender Offer” below, the Company has resolved, at its board of directors meeting held today, (i) to express an opinion in favor of the Tender Offer, (ii) to recommend that the shareholders of the Company tender their shares in the Tender Offer, and (iii) as the price for purchase, etc. of the Stock Acquisition Rights (the “Stock Acquisition Rights Price”) is one (1) yen per unit, to leave the decision as to whether the Stock Acquisition Rights Holders tender their Stock Acquisition Rights to their judgments.

Furthermore, the above-mentioned resolution by the board of directors meeting was resolved pursuant to the method described in “d. Unanimous Approval by All Non-interested Directors (including the Audit and Supervisory Committee Members) of the Company” of “(6) Measures to Ensure Fairness of Tender Offer Such as Measures to Ensure Fairness of Tender Offer Price” below.

(2) Grounds and Reasons for Opinion on Tender Offer

Any statements regarding the Tender Offeror in the descriptions of this “(2) Grounds and Reasons for Opinion on Tender Offer” are based on explanations provided by the Tender Offeror.

a. Overview of Tender Offer

According to the Tender Offeror, The Tender Offeror is a joint stock company established on December 24, 2020, with the primary purpose of acquiring and holding, through the Tender Offer, the Company Shares listed on the First Section of the Tokyo Stock Exchange, Inc. (the “TSE”) and the Stock Acquisition Rights, and all of its issued shares are held by CHCP Home Nursing Inc. (“CHCP Home Nursing”) as of the date hereof. CHCP Home Nursing is a joint stock company in which all issued shares are held by Unison Capital Partners V, LPS (“UC V LPS”) and Unison Capital Partners V(J), L.P. (collectively with UC V LPS, “Unison V Funds”), both of which are managed and advised by Unison Capital, Inc. (“Unison Capital”), and it was established on December 17, 2020 for the purpose of holding the shares of the Tender Offeror. Since its foundation in 1998, Unison Capital has managed and advised five (5) funds, including Unison V Funds, (Unison Capital and the funds invested in and advised by Unison Capital are hereinafter collectively referred to as “Unison”). In Japan, Unison has invested a total of approximately JPY830 billion, on an accumulated corporate value basis, in a total of 35 companies. Unison is focusing on investments in the healthcare field, and three (3) of the most recent five (5) investments are related to the healthcare field. Unison Capital Partners IV, LPS and Unison Capital Partners IV(F), L.P. (Unison Capital Partners IV, LPS and Unison Capital Partners IV(F), L.P. are hereinafter collectively referred to as “Unison IV Funds”), both of which are managed and advised by Unison Capital, on December 17, 2019, invested in KYOWA Pharmaceutical Industry Co., Ltd., which is a pharmaceutical company specializing in the central nervous system field and, on January 31, 2020, provided management support to Medical Corporation Heiwakai Heiwa Hospital, which has supported community medicine in Tsurumi-ku, Yokohama since its opening in 1946. Unison V Funds, on September 30, 2020, provided management support to Social Medical Corporation Kumagaya General Hospital, which has an important role as a community medicine professional in the northern medical zone of Saitama prefecture. Unison Capital established Community Healthcare Coordination Platform, Inc. (“CHCP”) as its subsidiary in May 2017. CHCP has persons working in the medical profession and healthcare service professionals, and consolidates individual service providers of medical, nursing, nursing care, pharmacy, and other services and promotes their cooperation to build a sustainable healthcare platform through the pursuit of economies of scale and more sophisticated operations. Currently, Unison and CHCP provides management support to medical

institutions and dispensing pharmacies, etc. including the aforementioned Medical Corporation Heiwakai Heiwa Hospital and Social Medical Corporation Kumagaya General Hospital through CHCP Hospital Partners, Inc., CHCP-HP, Inc., and CHCP Pharmacy, Inc., which are investees of Unison and CHCP (CHCP Hospital Partners, Inc., CHCP-HP, Inc., and CHCP Pharmacy, Inc. are collectively referred to as the “Investees,” and the Investees and CHCP are collectively referred to as the “CHCP Group”). On the other hand, as the most recent examples of investments other than those in the healthcare field, on July 16, 2019 Unison IV Funds invested in SHiDAX CORPORATION, which provides comprehensive outsourcing services, and, on December 15, 2020 Unison V Funds invested in All Hearts Company, Inc., which is engaged in integrated planning of brands related to bread and confectionery, and the manufacture and sale thereof. As of the date hereof, neither the Tender Offeror nor Unison holds any of the Company Shares.

The Tender Offeror decided to implement the Tender Offer as part of a series of transactions (the “Transactions”) the purpose of which is to make the Company its wholly-owned subsidiary by acquiring all of the Company Shares (including the Company Shares delivered by the exercise of the Stock Acquisition Rights, but excluding the treasury shares held by the Company), and all of the Stock Acquisition Rights.

In the Tender Offer, according to the Tender Offeror, the Tender Offeror has set 8,617,000 shares (ownership percentage (Note): 66.67%) as the minimum number of shares to be purchased so that the voting rights of the Company owned by the Tender Offeror after the completion of the Tender Offer will be two-thirds (2/3) or more of the total number of the voting rights of the Company. The purpose of the Transactions is to make the Company a wholly-owned subsidiary of the Tender Offeror, and it is required that a special resolution be passed at a general shareholders’ meeting as set forth in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005; as amended; hereinafter the same applies) with respect to the implementation of the share consolidation procedures necessary for making the Company a wholly-owned subsidiary of the Tender Offeror stated in “b. Share Consolidation” of “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Relating to So-called “Two-step Acquisition”)” below. The minimum number of shares to be purchased is set such that the Tender Offeror can satisfy such requirement on its own. If the total number of the share certificates, etc., to be tendered in the Tender Offer (“Tendered Share Certificates, Etc.”) is less than such minimum number of the shares to be purchased (8,617,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. On the other hand, the Tender Offeror contemplates making the Company its wholly-owned subsidiary by acquiring all of the Company Shares in the Tender Offer and therefore, has not set the maximum number of the shares to be purchased and if the total number of the Tendered Share Certificates, Etc. is equal to or greater than the minimum number of shares to be purchased (8,617,000

shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc.

If the Tender Offeror fails to acquire all of the Company Shares (including the Company Shares to be delivered by the exercise of the Stock Acquisition Rights, but excluding the treasury shares held by the Company) through the Tender Offer, the Tender Offeror plans to implement, after completion of the Tender Offer, a series of procedures, as described in “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Relating to So-called “Two-step Acquisition”)” below, to make the Company a wholly-owned subsidiary of the Tender Offeror.

(Note) “Ownership percentage” means the percentage of the number of shares held by a relevant shareholder out of the number of shares (12,925,434 shares) calculated by the following formula (rounded to two decimal places; hereinafter the same shall apply):

(i) the total number of issued shares (13,210,000 shares) as of December 31, 2020, as stated in the “Summary of Financial Statements for the Fiscal Year Ended December 31, 2020 (Japanese GAAP) (Unconsolidated)” (the “Company’s Financial Statements Summary for the Fiscal Year Ended December 31, 2020”) published by the Company on February 5, 2021, minus (ii) the number of the treasury shares (324,566 shares) held by the Company as of the same date, plus (iii) the number of the Company Shares (40,000 shares in total) subject to the Stock Acquisition Rights, the number of which is stated as the number as of December 31, 2019 in the Annual Securities Report for the 17th Business Period filed by the Company on March 25, 2020 (the “Company’s Annual Securities Report for the 17th Business Period”); and as the number of issued shares as of December 31, 2020 (13,210,000 shares) as stated in the Company’s Financial Statements Summary for the Fiscal Year Ended December 31, 2020 does not differ from the number of issued shares as of December 31, 2019 (13,210,000 shares) as stated in the Company’s Annual Securities Report for the 17th Business Period, it is considered that no Stock Acquisition Rights had been exercised and the number remained unchanged up until December 31, 2020 (40; no Stock Acquisition Rights were exercised from January 1, 2021 to February 4, 2021).

b. Background, Purpose, and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer, and Management Policy After Tender Offer

(i) Management Environment, Etc. Surrounding the Company

Under the philosophy of “creating a safe, secure and comfortable living environment through home medical care services in local communities and contributing to individuals’ life plans,” the Company was established by the founder, who was a nurse, in Osaka City under the name of N·FIELD Co., Ltd. in February 2003, and listed on Mothers of the

TSE in August 2013, and its securities were designated for listing on the First Section of the TSE in April 2015.

The management philosophy of the Company is “we create a safe, secure and comfortable living environment through home medical care services in local communities and contribute to individuals’ life plans,” and its goal is “as a professional group in the mental health field, to realize a community where all people stay close and support each other.”

Under such management philosophy and goal, the Company is engaged in “in-home service” as its business to provide support for the living environment and home care, so that elderly people and people with psychiatric disorders (Note 1) can have “safe, secure and comfortable” lives in familiar communities and homes, in accordance with the long-term care insurance system and the medical insurance system. In the “in-home service,” the Company provides to people with psychiatric disorders (a) home-visit nursing (Note 2) as its main service, (b) rental housing services (residential support), and (c) consultation support services (planning consultation).

(Note 1) Psychiatric disorder: “Psychiatric disorder” means functional and organic impairments of the cerebral (cerebral cells or “mind”) due to exogenous or endogenous stress, etc. In some cases, abnormal symptoms in mental health may be caused by physical diseases such as meningitis.

(Note 2) Home-visit nursing: “Home-visit nursing” means visiting of homes of persons with diseases or injury by nurses with a national qualification, or associate nurses or public health nurses with a prefectural governor qualification, or other professionals in accordance with the instructions of a doctor (attending physician) pursuant to the Act on Public Health Nurses, Midwives, and Nurses to provide medical care or assistance for necessary medical care at home. It differs from home-visit long-term care in that home-visit nursing provides medical care.

Details of each of the Company’s services are as follows:

(a) Home-visit nursing

Home-visit nursing is the provision of medical care or assistance for necessary medical care at home by nurses, associate nurses, or public health nurses, or other professionals with a national qualification/license or a prefectural governor qualification/license, to persons who are living with psychiatric disorders or other diseases if such persons wish to receive home-visit nursing, and their attending

physician decides that home-visit nursing is necessary and issues an order therefor. Home-visit nursing provides support to such persons so that they can live their own lives. The Company obtains the payment for home-visit nursing by providing such support. Payment for home-visit nursing consists of medical fees paid by the Federation of National Health Insurance Association or the Social Insurance Medical Fee Payment Fund and users' self-pay.

(b) Rental housing service (residential support)

The rental housing service is a service to recommend homes for people with psychiatric disorders to live independently, and in cooperation with the home-visit nursing service provided by the Company, to provide support services so that they can live comfortable lives in the community for the purpose of supporting such people's safe and secure lives in their communities. Unlike the rental agency services conducted by general rental housing companies, the Company searches for a residence on behalf of residents, enters into a lease agreement with a property owner as the lessee, and then, as the lessor, enters into a lease agreement with the resident in a sublease form. The Company acts as a contact person and cooperates with hospitals, clinics, and other medical institutions even after the residents move in, thereby providing properties in which they can live securely.

(c) Consultation support service (planning consultation)

Planning consultation is a welfare service based on the Act on Comprehensive Support for Persons with Disabilities. In order for people with disabilities living in local communities to live their daily and social lives independently, the Company visits their homes and meets with them, and coordinates so that social resources, such as health, medical care, welfare, and employment support, are provided comprehensively and efficiently. Planning consultation support can only be provided by qualified consultation support specialists, who have completed prescribed training based on five (5) years or more of practical experience. The payment for planning consultation is paid for a series of procedures from meetings to coordination and periodic review interviews, and it is paid entirely by the Federation of National Health Insurance Association. As a result, there is no self-paying by users.

In home-visit nursing, the Company establishes a medical relationship with people with psychiatric disorders in order to stabilize the conditions of their disease through (i) observing and evaluating the users' psychiatric symptoms after they leave the hospital or during the time they are under at-home care, (ii) confirming and providing instruction regarding their hospital visits, their taking of medicine for continued treatment and, (iii)

at times, cooperating with doctors, psychiatric social workers in medical institutions, public health nurses of administrative organs, and other professionals. In addition, the Company established offices of home-visit nursing stations (Note 3) (brand name: “Home-visit Nursing Station Dune”), and service offices (including satellite offices) (Note 4), in order for users to have ordinary daily lives by (i) observing and evaluating daily living conditions, such as meals, cleaning, laundry, money management, and shopping, (ii) providing support to supplement their ability to live when their daily lives become difficult due to the conditions of their disease, and (iii) providing support to coordinate family and other personal relationships in their daily lives, and, as of December 31, 2020, the Company operates 200 offices and 17 service offices (including satellite offices).

(Note 3) Home-visit nursing station: “Home-visit nursing station” is an office that provides home-visit nursing services. In order to conduct the service, each office is certificated by the prefectural governor in the case of home-visit nursing under the Long-Term Care Insurance Act or by the director of the local health and welfare bureau in the case of home-visit nursing under the Health Insurance Act (medical insurance, etc.). Home-visit nursing for people with psychiatric disorders is provided by medical institutions that indicate psychiatry as being offered and “home-visit nursing stations.” In psychiatric hospitals, among medical institutions that indicate psychiatry as being offered, home-visit nursing stations were founded under the name of “home-visit long-term care station for elderly” as facilities for the health of elderly in 1982, and, since 1992, certificated home-visit nursing has been provided to patients with psychiatric disorders as part of certificated home-visit nursing under medical insurance. According to a survey conducted by the National Association for Visiting Nurse Service, the number of offices and service offices (actual number of operations) as of April 1, 2020 was 11,931.

(Note 4) Service offices (including satellite offices): It is permitted to establish service offices (including satellite offices) under the integrated management with the main office in the

case that such service offices are located in the same prefecture as the main home-visit nursing station is located and that the home-visit nursing services cannot be provided effectively as users' homes are spread far apart or it takes a lot of time to travel due to inconvenient transportation. A total of 2.5 or more employees (full-time equivalent) is necessary for the main office and service offices (including satellite offices). It is generally referred to as a "Satellite."

Facing the so-called "Year 2025 Problem," in which the baby-boomer generation in Japan will exceed 75 years old and become the late elderly and one (1) in three (3) people will be 65 years old and over and one (1) in five (5) people will be 75 years old and over (Source: Ministry of Health, Labour and Welfare, "Comprehensive Securing of Medical Care and Nursing Care in Areas (Reference Material)"), the Company (i) is reconsidering past company operating methods and the workplace environment in its psychiatric home-visit nursing service, (ii) is aiming to become a company capable of providing next-generation medical services to solve social issues, (iii) is formulating the medium-term management plan "NEXT FIELD 2025" in February 2019, and (iv) recognizes that the following items are key issues and is working on these issues.

(a) Improvement of profitability

Since the listing on the Mothers of the TSE in August 2013, the Company has continued to increase revenues due to the continued increase in the number of users; however, operating income has declined for two (2) consecutive fiscal years as the operating incomes in the fiscal year ended December 31, 2017 was 563 million yen, the fiscal year ended December 31, 2018 was 523 million yen and the fiscal year ended December 31, 2019 was 478 million yen. The operating margin ratio has continued to decline (8.0% in the fiscal year ended December 31, 2016, 7.0% in the fiscal year ended December 31, 2017, 5.6% in the fiscal year ended December 31, 2018, and 4.6% in the fiscal year ended December 31, 2019) since the designation of its shares for listing the First Section of the TSE. The Company recognizes that improving profitability is a top priority.

The Company believes that improving the retention rate of home-visiting nurses and other personnel will lead to the improvement of profitability through (i) an increase in the number of their visits due to the improvement of their experience and skills and (ii) controlling recruitment costs. Based on this belief, in the fiscal year ended December 31, 2019, the Company worked on the retention rate of nurses and

other personnel as a priority. As a result, the average years of service of general nurses, which was an issue to be solved, has steadily increased from 1.6 years in the fiscal year ended December 31, 2017 to 2.4 years in the fiscal year ended December 31, 2020 thanks to the enhancement of in-house education and welfare programs. On the other hand, the number of monthly visits per nurse (the “operational efficiency”), which is a key performance indicator for the Company, worsened by 1.1% in the fiscal year ended December 31, 2019 (87 visits) compared to the fiscal year ended December 31, 2018 (88 visits). However, in the fiscal year ended December 31, 2020, the number of monthly visits per nurse (90 visits) increased by 3.4% compared to the fiscal year ended December 31, 2019, partly due to the effect of in-house education, and therefore operational efficiency improved. The Company is continuing to improve the operational efficiency while paying attention to the burden on nurses and other personnel and is working on improving profitability.

In addition, with respect to recruitment costs for nurses, in the past, extra commission was paid in addition to regular recruitment agency fees in order to recruit nurses in case a site urgently needed recruitment of nurses. However, as the retention rate of nurses and other personnel has improved, extra payments for recruitment agency fees were saved and the costs were reduced by 42.2% in the fiscal year ended December 31, 2019 compared to the fiscal year ended December 31, 2018. The Company will continue to strive for improvement of the retention rate of nurses and other personnel as well as strive to increase the percentage of employment through employee referrals and direct hiring to reduce recruitment costs by controlling recruitment agency fees.

(b) Expansion of medical services

As the main business of the Company consists of home-visit nursing services specializing in psychiatry, the number of users to whom the Company provides services differs by region. In order to further increase the number of users nationwide, the Company recognizes that incorporating the businesses peripheral to psychiatric home medical care into its business is an issue to be solved.

As the Company was certificated as a residential support corporation in Okayama prefecture and Fukuoka prefecture in the fiscal year ended December 31, 2019, and in Okinawa prefecture in the fiscal year ended December 31, 2020, awareness of and confidence in the Company’s residential support services are expected to improve; therefore, the Company will attempt to further improve residential support for persons requiring special assistance in securing homes. Furthermore, in the fiscal year ended December 31, 2020, since adding occupational therapy, through which guidance is provided to restore the activities necessary for people’s daily lives and the functions

necessary to adapt to society, psychotherapy is expected to have a certain stabilizing effect on the condition of users and continuing treatments, the Company increased the number of occupational therapists who independently earn medical fees in the same way as nurses to attempt to increase the number of visits and worked on further expansion of its services. The Company will continue to make efforts to strengthen the cooperation of multiple professionals and provide higher quality services.

(c) Strengthening alliances

The environment surrounding psychiatric treatment continues to change with the treatment of transcranial magnetic stimulation (TMS) becoming insured in June 2019. The Company recognizes that, in order to respond to changes in the environment, strengthening alliances with related external organizations and building next-generation home medical care services are issues to be solved.

As part of the response to these issues, the Company launched a consultation support service in the fiscal year ended December 31, 2019 and will strengthen in the future networks in local communities by newly utilizing its consultation support service to connect with users, medical institutions, administrative organizations and welfare service providers to improve user convenience and have been strengthening its cooperation with related organizations not only in the medical care field but also the welfare field. The Company will explore additional opportunities by utilizing the networks that the Company has built up to date and will continue to strengthen alliances with related external organizations.

The Company received a proposal from a financial institution in late March 2020 that in order to solve the above issues and to realize the sustainable enhancement of corporate value from a long-term perspective without being affected by short-term fluctuations in business performance, cooperation with external partners, including reconsideration of the meaning of stock listing, as well as independent business operations or efforts would be useful. Taking this opportunity, the Company recognized that it was necessary to commence full-scale examination, and therefore, requested financial institutions to provide information about potential partners from late May 2020 to early June 2020. Subsequently, while having discussions with multiple financial institutions regarding the policy to select potential partners, etc. in late June 2020, the Company believed that Unison is the most suitable as a potential partner taking into account its extensive investment experience and support experience using its accumulated know-how and human resources networks in the healthcare field to which the Company belongs, and the Company was introduced through a financial institution to Unison in mid-August 2020.

- (ii) Discussion between Tender Offeror and Company, Tender Offeror's Decision-Making Process, Etc.

According to the Tender Offeror, Unison is focusing on investments in the healthcare field. In addition to the investments in the healthcare field, Unison Capital established CHCP as its subsidiary in May 2017. CHCP consolidates individually-existing services, such as medical, nursing, nursing care, pharmacy services, to promote cooperation among community medical professionals and build a sustainable healthcare platform through the pursuit of economies of scale and more sophisticated operations. Currently, CHCP provides management support to medical institutions and dispensing pharmacies, etc., through the Investees. Through the Investees, CHCP aims to reallocate medical resources that are unevenly distributed within a community to ensure efficient provision of optimal and high-quality medical care for patients.

CHCP began investing in, and providing business support to, dispensing pharmacies in September 2017, and began providing management support to hospitals in July 2019. Currently, the number of group dispensing pharmacies has expanded to 111 and the number of group hospitals has expanded to three (3). CHCP is aiming to expand to 300 group dispensing pharmacies and 30 group hospitals in the future. In addition to investing in hospitals and dispensing pharmacies, CHCP has been, since the establishment of CHCP, considering investment in, and providing management support to, home medical care in order to coordinate, in each local community, acute care hospital beds, backup beds in hospitals and home medical care at home and at facilities.

The Company has expanded nationwide as a company dealing with home-visit nursing specialized in psychiatry, and the Company is considered as a leading company in the field of home-visit nursing, which supports home medical care. Accordingly, since January 2020, Unison has hypothesized that high-quality medical care in local communities can be provided throughout Japan by combining the regional medical care coordination, which CHCP aims for, and the nationwide presence and high-quality services that the Company has cultivated.

According to the Tender Offeror, when further analyzing and considering the Company's business based on such hypothesis, Unison obtained the opportunity to meet with the Company through a financial institution in mid-August 2020, introduced itself and the CHCP Group, and held discussions on the Company's business. Through such interview, Unison recognized that the Company was also looking for potential partners for growth, introduced examples of the healthcare initiatives of Unison and CHCP, deepened its understanding of the business and business strategies of the Company, and discussed the possibility of a business cooperation with the CHCP Group, thereby deepening mutual understanding.

In the course of the consideration, in mid-October 2020, Unison and CHCP came to believe that it would be possible to promote further expansion of the Company's medical care services in the psychiatric field through the provision of support utilizing the know-how and human resource networks that Unison and the CHCP Group have accumulated in the healthcare field and the pursuit of synergies with the CHCP Group's healthcare platform. Specifically, in addition to the CHCP Group's support to acute care hospitals, backup hospitals and pharmacies, the CHCP Group can build a system to provide optimal and efficient medical care in the community by introducing home-visit nursing into the group.

Subsequently, in late October 2020, Unison made an initial proposal (the "Initial Proposal") to the Company assuming that the Company would be taken private by Unison's acquisition of the Company Shares through a tender offer. In the Initial Proposal, Unison and CHCP proposed to support the Company's strengthening of existing strategies and the Company's evolution into home-visit nursing platform, and to aim together at improving the QOL of persons who need home medical care and enhancing the working environment of the Company's employees.

According to the Tender Offeror, at first, as Unison and CHCP deeply empathized with the Company's philosophy and goals, Unison and CHCP intend to support the improvement of the Company's medical care quality and growth of business by utilizing the knowledge and network that they have accumulated through investment in, and support for, hospitals and dispensing pharmacies. Specifically, CHCP consists of members who are familiar with the management of medical institutions, including home-visit nursing, and people working in the medical profession also participate in its business. In the psychiatric field, in which patients' medical needs are increasing, Unison and CHCP will strengthen the Company's recruitment and retention of nurses, etc. by further improving the working environment for employees of the Company, and provide support to quickly deliver medical care to people with psychiatric disorders nationwide.

In addition, with an aging society, the number of complications of people with psychiatric disorders and the number of people suffering from dementia are expected to increase. Unison and CHCP believe that, in order to respond to such potential needs, it is necessary to develop psychiatric home-visit nursing and general home-visit nursing synthetically. Unison and CHCP intend to build a home-visit nursing platform to appropriately provide necessary medical care to people who need home medical care by using CHCP Home Nursing as a base and promoting cooperation between the Company and the CHCP Group, and general home-visit nursing service providers. By building such home-visit nursing platform, Unison and CHCP intend to aim at creating an environment in which the Company's employees can be active in various places.

Unison and CHCP propose to take the Company private, which would result in contributing to the enhancement of the corporate value by establishing a flexible management system with a view to long-term growth which balances the business growth and quality of medical care.

In response to the proposal, the Company has considered it, and, in mid-November 2020, the Company's board of directors decided to commence a specific examination based on the assumption that the Company Shares would be taken private.

Following the Company's approval to commence examination, Unison and CHCP conducted due diligence from late November 2020 to mid-January 2021 to scrutinize the feasibility of the Transactions and concurrently discussed with the Company the terms and conditions of the Transactions.

Subsequently, on January 18, 2021, the Tender Offeror, Unison and CHCP made a proposal to the Company that the Tender Offer Price be set at 920 yen, after taking into account, among others, (i) the results of the due diligence, (ii) the simple average closing price of the Company Shares on the First Section of the TSE for the preceding one-month period up to the record date for calculation, which was set as January 15, 2021, the business day immediately preceding the first proposal, (iii) the simple average closing price of the Company Shares for the preceding three-month period up to the same date, (iv) the simple average closing price of the Company Shares for the preceding six-month period up to the same date, (v) the premiums added in determining the prices for purchase, etc., in tender offers for share certificates, etc., implemented in and after 2017 by parties other than the issuer for the purpose of taking the issuer private (premiums ranging from approximately 38% to 63%), and (vi) the prospect of the number of shares being tendered in the Tender Offer. The said proposed price represents a premium of (a) 12.75% (rounded to the second decimal place; the same applies to the below figures for premiums) on 816 yen, the closing price of the Company Shares on the First Section of the TSE on January 15, 2021, the business day immediately preceding the first proposal, (b) 9.52% on 840 yen (rounded to the nearest one (1) yen; the same applies to the below figures for simple average closing prices), the simple average closing price for the preceding one-month period up to the same date, (c) 16.16% on 792 yen, the simple average closing price for the preceding three-month period up to the same date, and (d) 30.68% on 704 yen, the simple average closing price for the preceding six-month period up to the same date. Although the said proposed price fell below the premiums added in determining the prices for purchase, etc., in tender offers for share certificates, etc., implemented in and after 2017 by parties other than the issuer for the purpose of taking the issuer private (premiums ranging from approximately 38% to 63%), the said price would add a premium of 30.68% on 704 yen, the simple average closing price for the preceding six-month period up to the same date, which is a considerable premium and

The Tender Offeror determined that a certain number of shares will likely be tendered in the Tender Offer, and thus proposed the said price. It should be noted that the said proposed price was not expected to be increased through the negotiations with the Company. In response to the said proposal, after taking into account the report on the estimated results concerning the share valuation of the Company received from SMBC Nikko Securities Inc. (“SMBC Nikko”) and Plutus Consulting Co., Ltd (“Plutus”) and the opinion from the Special Committee (as defined in “c. Process of and Reasons for Company’s Decision-Making to Support Tender Offer” below; hereinafter the same applies), the Company reviewed the level of price based on the latest share price trends concerning the Company Shares and the circumstance that an upward adjustment for its business performance was scheduled to be made in late-January 2021; as a result, the Company determined that the price fell short of its reasonable price, and, on January 22, 2021, the Tender Offeror, Unison and CHCP received a request from the Company to reexamine the Tender Offer Price. Thereafter, according to the Tender Offeror, the Tender Offeror reexamined the Tender Offer Price and, on January 25, 2021, proposed to the Company that the Tender Offer Price be set at 1,000 yen. However, on January 27, 2021, as a result of reviewing, among others, the latest share price trends concerning the Company Shares and the level of premiums added in other similar tender offers on the assumption of taking the issuers private, the Company determined that the price still fell short of its reasonable price, and accordingly, the Tender Offeror, Unison and CHCP received a request from the Company to raise the Tender Offer Price again, and on February 1, 2021, proposed to the Company that the Tender Offer Price be set at 1,100 yen. However, on the same date, the Tender Offeror, Unison and CHCP received a request from the Company to reexamine the Tender Offer Price again by reason that the said price was insufficient in terms of the premium level, and on February 2, 2021, made a final proposal to the Company to set the Tender Offer Price at 1,200 yen. Subsequently, on February 3, 2021, the Tender Offer, Unison and CHCP received a response from the Company that, based on the assumption that the final decision would be made through the resolution of the Company’s board of directors after considering the report from the Special Committee, the Company accepted the proposal to set the Tender Offer Price at 1,200 yen.

In addition, the Tender Offeror, Unison and CHCP had examined the Stock Acquisition Rights Price so that the Stock Acquisition Rights could also be tendered in the Tender Offer. The Stock Acquisition Rights were issued as stock options to the officers and employees of the Company, and given the fact that the Stock Acquisition Rights are, as a condition for the exercise of the rights, exercisable only when the relevant persons hold the position of director or executive officer of the Company or its affiliated companies at the time of the exercise of the rights or when the board of directors of the

Company approves retirement by reason of the expiration of the term of office, or upon mandatory retirement or when there are other justifiable reasons, it is construed that even if the Tender Offeror acquires the Stock Acquisition Rights through the Tender Offer, the Tender Offeror will not be able to exercise the Stock Acquisition Rights, and accordingly, on January 18, 2021, the Tender Offeror, Unison and CHCP proposed to set the Stock Acquisition Rights Price at one (1) yen per unit of the Stock Acquisition Rights. The Company had made no particular request to reexamine the proposal for the Stock Acquisition Rights Price.

After such discussions and negotiations, the Tender Offeror, Unison and CHCP decided to set the Tender Offer Price at 1,200 yen and the Stock Acquisition Rights Price at one (1) yen on February 5, 2021 and commence the Tender Offer as part of the Transactions.

(iii) Management Policy after Tender Offer

According to the Tender Offeror, after the completion of the Tender Offer and the Transactions, the Tender Offeror plans to utilize the know-how and networks of Unison and CHCP to promote measures to enhance the corporate value of the Company, focusing on the measures described in “(ii) Discussion between Tender Offeror and Company, Tender Offeror’s Decision-Making Process, Etc.” above.

According to the Tender Offeror, with respect to the composition of the officers of the Company after the completion of the Tender Offer, the Tender Offeror expects to establish a new team consisting of the officers to be designated by the Tender Offeror to further strengthen and enhance the management system. However, there are no matters currently determined, including the future treatment of the current management, and it will be determined through future discussions between the Tender Offeror and the Company. It is also planned that the employees of the Company will generally continue to be employed on the same level of treatment after the completion of the Tender Offer. Given the foregoing, the Tender Offeror, through discussions with the Company, plans to further enhance the treatment and education programs for the Company’s employees as appropriate in order to improve the quality of the medical care for its customers (patients) and increase their security and satisfaction while maintaining and fostering a high level of ethical awareness that is appropriate for a company providing next-generation medical services to solve social issues. The Tender Offeror plans to conduct an absorption-type merger, in which the Tender Offeror will be the surviving company and the Company will be the absorbed company, promptly after the completion of the Transactions. However, since the procedures regarding the various permissions and authorizations, etc. required to operate the businesses of the Company in case the Tender Offeror will be the surviving company are still under review, the concrete details such

as a schedule have not been determined yet.

c. Process of and Reasons for Company's Decision-Making to Support Tender Offer

As set out in “(i) Management Environment, Etc. Surrounding the Company” of “b. Background, Purpose, and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer, and Management Policy After Tender Offer” above, the Company believes that under the recognition that improving profitability is a top priority, improving the retention rate of home-visiting nurses and other personnel will lead to (i) an increase in the number of their visits through the improvement of their experience and skills, and (ii) the improvement of profitability through controlling recruitment costs. On the other hand, in order to expand the healthcare services in the psychiatric field and realize the sustainable enhancement of corporate value from a long-term perspective, without being affected by short-term fluctuations in business performance, the Company has recognized that, not only independent business operations or efforts but also cooperation with external partners, including reconsideration of the meaning of stock listing, would be useful.

While proceeding with the examination of potential external partners, since Unison and CHCP have a track record of support by utilizing their extensive investments and the know-how and human resource networks that they have accumulated in the healthcare field, the Company obtained opportunities to contact Unison through a financial institution in mid-August 2020, and through an interview with Unison, the Company was introduced to Unison and the CHCP Group, and the Company and Unison held discussions on their business. Through the interviews, the Company and Unison discussed the possibility of business cooperation with each other, thereby deepening mutual understanding, and in late October 2020, Unison made the Initial Proposal to the Company.

In the said proposal, Unison and CHCP proposed to support the Company's strengthening of existing strategies and the evolution into home-visit nursing platform, and to aim together at improving the QOL of persons who need home medical care and enhance work environment of the Company's employees, and, as a result of reviewing the content of the proposal, by utilizing the know-how and human resource networks that Unison and the CHCP Group have accumulated in the healthcare field, the Company expects to secure human resources such as nurses, train personnel to be able to provide higher-quality home-visiting nursing services, and also expand the healthcare services in the psychiatric field by expanding into the medical field through the CHCP Group, collaborating with hospitals which the CHCP Group operates, and collaborating with the general home-visit nursing service field, which the CHCP Group is scheduled to enter in the future and, accordingly, the Company decided to commence discussions with Unison and CHCP in mid-November 2020, as the Company believed that the said proposal would contribute to resolving the

Company's business issues and enhancing its corporate value.

In response to the Initial Proposal, the Company appointed SMBC Nikko as its financial advisor and third-party valuation institution on December 3, 2020 and Plutus as its third-party valuation institution on January 15, 2021, both of which are independent from the Company and the Tender Offeror, and also appointed Kitahama Partners ("Kitahama Partners") as its legal advisor on December 3, 2020, in order to ensure the fairness of the terms and conditions concerning the Transactions, including the Tender Offer Price.

Further, the Company established a special committee (the "Special Committee"; for the details of the composition, etc., of the special committee members, please refer to "c. The Company's Establishment of an Independent Special Committee and Obtainment of an Opinion (Report)" of "(6) Measures to Ensure Fairness of Tender Offer Such as Measures to Ensure Fairness of Tender Offer Price" below) to examine the proposal of the Transactions.

The Company has reviewed the appropriateness of the Transactions, after multiple discussions with SMBC Nikko, Plutus and Kitahama Partners, based on the negotiation policy that had been confirmed by the Special Committee in advance and the opinions, instructions and requests, etc., in important stages of the negotiations, in light of the outline of the Transactions including the Tender Offer, the impact of the Transactions on the Company, the content of the management policy after the Transactions, and the current share price trends, among others.

The Company has been continuously conducting discussions and negotiations with the Tender Offeror, Unison and CHCP on the terms and conditions, including the Tender Offer Price, since receiving the first proposal from the Tender Offeror, Unison and CHCP on January 18, 2021 to set the Tender Offer Price at 920 yen and the Stock Acquisition Rights Price at one (1) yen. In response to the said proposal, after taking into account the report on the estimated results concerning the share valuation of the Company received from SMBC Nikko and Plutus and the opinion from the Special Committee, the Company reviewed the level of price based on the latest share price trends concerning the Company Shares and the circumstance that an upward adjustment for its business performance was scheduled to be made in late January 2021; as a result, the Company determined that the price fell short of its reasonable price, and accordingly, the Company requested on January 22, 2021 that the Tender Offeror, Unison and CHCP reexamine the Tender Offer Price. Thereafter, the Company repeatedly held discussions and negotiations with the Tender Offeror, Unison and CHCP on the various terms and conditions of the Transactions and received a proposal on January 25, 2021 to set the Tender Offer Price at 1,000 yen per share. However, on January 27, 2021, as a result of reviewing the latest share price trends

concerning the Company Shares and the level of premiums added in other similar tender offers on the assumption of taking the issuers private, among others, the Company determined that the price still fell short of its reasonable price, and accordingly, the Company requested that the Tender Offeror, Unison and CHCP reexamine the Tender Offer Price again, and on February 1, 2021, the Company received a proposal to set the Tender Offer Price at 1,100 yen. However, as the Company came to the conclusion that the said price was insufficient in terms of the premium level, on the same date, the Company requested that the Tender Offeror, Unison and CHCP reexamine the Tender Offer Price again, and on February 2, 2021, the Company received a final proposal to set the Tender Offer Price at 1,200 yen. Subsequently, on February 3, 2021, the Company responded that, based on the assumption that the final decision would be made through the resolution of the Company's board of directors after considering the report from the Special Committee, the Company accepted the proposal to set the Tender Offer Price at 1,200 yen.

The Stock Acquisition Rights were issued as stock options to the officers and employees of the Company, and given the fact that the Stock Acquisition Rights are, as a condition for the exercise of the rights, exercisable only when the relevant persons hold the position of director or executive officer of the Company at the time of the exercise of the rights or when the board of directors of the Company approves retirement by reason of the expiration of the term of office, or upon mandatory retirement or when there are other justifiable reasons, it is construed that even if the Tender Offeror acquires the Stock Acquisition Rights through the Tender Offer, the Tender Offeror will not be able to exercise the Stock Acquisition Rights, and accordingly, on January 18, 2021, the Company received a proposal from the Tender Offeror, Unison and CHCP to set the Stock Acquisition Rights Price at one (1) yen per unit of the Stock Acquisition Rights. The Company had made no particular request to reexamine the proposal for the Stock Acquisition Rights Price.

The Company has carefully reviewed the said proposal, taking into account the contents of the share valuation report (the "Share Valuation Report (SMBC Nikko)") dated February 4, 2021 obtained from SMBC Nikko, the share valuation report (the "Share Valuation Report (Plutus)") and an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) (the "Fairness Opinion") dated the same date obtained from Plutus, as well as confirming the appropriateness of the said proposal with the Special Committee.

In addition, the Company has received from Kitahama Partners, its legal advisor, legal advice necessary for the decision-making methods and process and other points to be noted regarding the board of directors of the Company, including various procedures for the Transactions, and received a report dated February 4, 2021 from the Special Committee (the "Report") (For the outline of the Report and the details of the specific activities of the Special Committee, please refer to "c. The Company's Establishment of an Independent Special Committee and Obtainment of an Opinion (Report)" of "(6) Measures to Ensure

Fairness of Tender Offer Such as Measures to Ensure Fairness of Tender Offer Price” below). Based on the above, the Company conducted careful discussion and examination from the perspective of whether the Transactions can improve the corporate value of the Company and whether the terms and conditions of the Transactions, including the Tender Offer Price are appropriate, etc., taking into account the legal advice received from Kitahama Partners, the legal advisor, and the Share Valuation Report (SMBC Nikko) obtained from SMBC Nikko, the third-party valuation institution, the Share Valuation Report (Plutus) and the Fairness Opinion obtained from Plutus, the third-party valuation institution, and respecting the Report submitted by the Special Committee to the extent possible.

In the nursing and medical-related industries to which the Company belongs, while the market is expanding against the background of the progression in aging, the Company has recognized that, in order to secure human resources such as nurses and deal with the accompanying increase in personnel expenses, it is important to establish a business model in which business performance is less affected by revisions to medical fees, in addition to implementing measures such as acquiring premiums in accordance with revisions to medical fees and streamlining operations by promoting digitization. As one of the measures to resolve the Company’s management issues, while bringing utilization of know-how and platforms from externals into perspective, the Company has come to the conclusion that being affiliated with the CHCP Group operated by Unison will lead to utilizing the know-how and human resource networks that Unison and the CHCP Group have accumulated in the healthcare field, and thereby it expects to secure human resources such as nurses, train personnel to be able to provide higher-quality home-visiting nursing services, expand into the medical field through collaborations with hospitals which the CHCP Group supports, and strengthen its financing capabilities and financial base, and that accordingly the Company will be able to develop itself and further enhance its corporate value in the future. When the Company Shares are to be taken private, it will not be possible to raise funds from any capital markets; however, taking into consideration, among others, the Company’s present financial condition and the low interest environment in recent indirect finance, the Company has believed that for the time being, there is less need for raising funds from the capital markets. Moreover, in light of the recent increases in the cost of maintaining a listing, it is difficult to proactively identify the significance of continuously maintaining the Company Shares listing in the future, and in early-February 2021 the Company has come to an understanding that it will be able to concentrate management resources on growing businesses by taking the Company Shares private through the Transactions.

On the other hand, as indicated by the premium rate on the simple average closing price of the Company Shares on the First Section of the TSE for the preceding one-month period

up to the business day immediately preceding the date of the public announcement of the implementation of the Tender Offer (February 4, 2021) set out below, the Tender Offer Price can be evaluated as having added to it a premium of 43.37%, which is a considerable premium in terms of market price, and the Company determined that the Tender Offer will provide all of the shareholders of the Company with a reasonable opportunity to sell their shares at a price at which a premium is added to the average share price over the last certain period based on the following: (i) the Tender Offer Price is within the price range of the valuation results calculated under the discounted cash flow analysis (the “DCF analysis”) by SMBC Nikko and Plutus (SMBC Nikko: from 642 yen to 1,241 yen; Plutus: from 863 yen to 1,287 yen), as set out in “b. Overview of Valuation” of “(3) Matters Relating to Valuation” below; (ii) the Tender Offer Price finally proposed is a price with a 44.58% premium on the closing price of 830 yen of the Company Shares on the First Section of the TSE on February 4, 2021, which is the business day immediately preceding the date of the public announcement of the implementation of the Tender Offer; a 43.37% premium on the simple average closing price of 837 yen of the Company Shares for the preceding one-month period up to the same date (from January 5, 2021 to February 4, 2021); a 45.81% premium on the simple average closing price of 823 yen of the Company Shares for the preceding three-month period up to the same date (from November 5, 2020 to February 4, 2021); and a 61.51% premium on the simple average closing price of 743 yen of the Company Shares for the preceding six-month period up to the same date (from August 5, 2020 to February 4, 2021), and such Tender Offer Price is not lower compared to the premiums added in determining the prices for purchase, etc. in prior tender offers for share certificates, etc., conducted by parties other than the issuer for the purpose of taking the issuer private (the average premium rate is 37% in the cases of taking-private transactions publicly announced in and after 2018) and can be evaluated as a price with a considerable premium; (iii) the measures to eliminate arbitrariness and ensure fairness in the decision-making process leading to decide on the implementation of the Tender Offer are considered to have been sufficiently taken as set out in “(6) Measures to Ensure Fairness of Tender Offer Such as Measures to Ensure Fairness of Tender Offer Price” below. As a result of the above consideration, the board of directors of the Company resolved, with the unanimous approval of the directors (including the audit and supervisory committee members) of the Company, at the meeting of the board of directors held today, to express an opinion in favor of the Tender Offer and to recommend that all of the shareholders of the Company tender their shares in the Tender Offer. Further, with the unanimous approval of the directors (including the audit and supervisory committee members) of the Company, at the said meeting, the Company did not examine the appropriateness of the Stock Acquisition Rights Price, and resolved that the decision as to whether to tender their Stock Acquisition Rights for the Tender Offer should be left to the judgment of the Stock

Acquisition Rights Holders because the Stock Acquisition Rights were issued as stock options to the officers and employees of the Company, and the Stock Acquisition Rights Price is set at one (1) yen per unit of the Stock Acquisition Rights.

(3) Matters Relating to Valuation

a. Names of Valuation Institutions and their Relationship with the Company and Tender Offeror

In preparation for the expression of the opinion about the Tender Offer, the Company requested SMBC Nikko and Plutus, third-party valuation institutions independent from the Company and the Tender Offeror, to evaluate the value of the Company Shares and also requested Plutus to submit an opinion concerning the fairness of the Tender Offer Price (a fairness opinion). SMBC Nikko and Plutus are not related parties of the Company or the Tender Offeror and do not have any material interest in relation to the Transactions, including the Tender Offer. SMBC Nikko is a member of the company group of Sumitomo Mitsui Financial Group, Inc., to which Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Finance and Leasing Company, Limited, who plan to extend loans to the Tender Offeror, also belong. However, the Company has appointed SMBC Nikko as its financial advisor and third-party valuation institution, in light of the performance of SMBC Nikko as a valuation institution, and, taking into account the following; (i) the prescribed information barriers, as a measure to prevent adverse effects, have been built between the department in charge of valuation of the Company Shares and the other departments in SMBC Nikko, between such department of SMBC Nikko and Sumitomo Mitsui Banking Corporation, and between such department of SMBC Nikko and Sumitomo Mitsui Financial Group, Inc.; (ii) the independence of SMBC Nikko as a financial advisor and a third-party valuation institution is secured because the Company and SMBC Nikko have implemented transactions on the same terms and conditions as with other general business partners; and (iii) given that SMBC Nikko is not a related party of the Tender Offeror, the Company believes that there are no particular issues of requesting SMBC Nikko for valuation of the Company Shares.

b. Overview of Valuation

The Company requested SMBC Nikko to evaluate the value of the Company Shares and received the Share Valuation Report (SMBC Nikko) on February 4, 2021. The Company has not received any opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from SMBC Nikko. SMBC Nikko calculated the value of the Company Shares using (i) the market price analysis, since the Company Shares are listed on the First Section of the TSE and a market price exists for the Company Shares, and (ii) the DCF analysis in order to reflect the state of future business activities of the Company in the evaluation,

assuming that the Company is a going-concern and considering that it is appropriate to evaluate the value of the Company Shares from various perspectives.

The values per share of the Company Shares calculated by SMBC Nikko in accordance with the above-mentioned respective analyses are as follows:

Market price analysis: 743 yen - 837 yen
DCF analysis: 642 yen - 1,241 yen

In the market price analysis, the record date for calculation was set as February 4, 2021, the business day immediately preceding the announcement date of the implementation of the Tender Offer, and the price range of per share value of the Company Shares was calculated to be from 743 yen to 837 yen based on the simple average closing price of 837 yen for the preceding one-month period, the simple average closing price of 823 yen for the preceding three-month period and the simple average closing price of 743 yen for the preceding six-month period of the Company Shares.

In the DCF analysis, the price range of value per share of the Company Shares was calculated to be from 642 yen to 1,241 yen, after evaluating the corporate value and share value of the Company by discounting, against the present value at a certain discount rate, the free cash flow that the Company is expected to generate from the first quarter of the fiscal year ending December 31, 2021, based on the financial forecast included in the business plan prepared by the Company for the five (5) fiscal years from the fiscal year ending December 31, 2021 to the fiscal year ending December 31, 2025 and various elements such as publicly available information. In the business plan prepared by the Company, which SMBC Nikko used as a basis for the calculation in the DCF analysis, a fiscal year with a significant increase in earnings compared to the preceding fiscal year is not included. In addition, the business plan is not based on the assumption that the Transactions will be implemented, since it is difficult, at this stage, to specifically estimate the synergies expected to be realized as a result of the implementation of the Transactions.

(Note) In preparing the Share Valuation Report (SMBC Nikko), SMBC Nikko assumed that all of the materials and information on which it was based were accurate and complete and did not independently verify the accuracy and completeness thereof or was not obligated or responsible for such verification and assumed that the Company is not aware of any facts or circumstances indicating that the information provided is inaccurate or misleading. In addition, SMBC Nikko did not independently evaluate, appraise or assess the assets or liabilities of the Company or request that a third-party valuation institution perform such evaluation, appraisal or assessment. If any problem is identified in respect of the accuracy and completeness of these materials and information, the valuation results may differ

significantly. In addition, SMBC Nikko assumed that, in relation to the Company, there are no claims and obligations relating to undisclosed litigation, disputes, environment, tax and other matters, any other contingent liabilities and/or off-balance sheet debts or any other facts that would have a material effect on the share valuation report. SMBC Nikko assumed that the business plan, etc. it used in the Share Valuation Report (SMBC Nikko) was prepared by the Company in accordance with reasonable and appropriate procedures based on the best estimates and judgments as of the record date for calculations. Furthermore, when SMBC Nikko conducted an analysis using the assumptions provided to it based on the materials and information provided to it in the Share Valuation Report (SMBC Nikko), SMBC Nikko assumed that the materials, information and assumptions provided to it were accurate and reasonable. SMBC Nikko did not independently verify the accuracy, validity and feasibility of these assumptions and is not obligated or responsible for such verification. SMBC Nikko submitted the calculation results to the Company at the Company's request for the sole purpose of assisting the Company's board of directors with examining the Tender Offer Price and such calculation results do not express SMBC Nikko's opinion on the fairness of the Tender Offer Price. In addition, SMBC Nikko assumed that the Company's financial outlook referred to in such calculations was reasonably prepared and produced based on the Company's best currently available estimates and judgments and that such calculations reflect the information and economic conditions as of February 4, 2021.

The Company requested Plutus to evaluate the value of the Company Shares and received the Share Valuation Report (Plutus) on February 4, 2021. On the same date, the Company also received an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from Plutus.

Plutus calculated the value of the Company Shares using (i) the market price analysis, since the Company Shares are listed on the First Section of the TSE and a market price exists for the Company Shares, and (ii) the DCF analysis in order to reflect the state of future business activities of the Company in the evaluation, assuming that the Company is a going-concern and considering that it is appropriate to evaluate the value of the Company Shares from various perspectives.

The values per share of the Company Shares calculated by Plutus in accordance with the above-mentioned respective analyses are as follows:

Market price analysis:	743 yen - 837 yen
DCF analysis:	863 yen - 1,287 yen

In the market price analysis, the record date for calculation was set as February 4, 2021, the business day immediately preceding the announcement date of the implementation of the Tender Offer, and the price range of per share value of the Company Shares was calculated to be from 743 yen to 837 yen based on the closing price of 830 yen on the record date, the simple average closing price of 837 yen for the preceding one-month period, the simple average closing price of 823 yen for the preceding three-month period and the simple average closing price of 743 yen for the preceding six-month period of the Company Shares.

In the DCF analysis, the price range of value per share of the Company Shares was calculated to be from 863 yen to 1,287 yen, after evaluating the corporate value and share value of the Company by discounting, against the present value at a certain discount rate, the free cash flow that the Company is expected to generate from the first quarter of the fiscal year ending December 31, 2021, based on the financial forecast included in the business plan prepared by the Company for the five (5) fiscal years from the fiscal year ending December 31, 2021 to the fiscal year ending December 31, 2025 and various elements such as publicly available information. In the business plan prepared by the Company, which Plutus used as a basis for the calculation in the DCF analysis, a fiscal year with a significant increase in earnings compared to the preceding fiscal year is not included. In addition, the business plan is not based on the assumption that the Transactions will be implemented, since it is difficult, at this stage, to specifically estimate the synergies expected to be realized, except for the reduction in the cost of maintaining listing, as a result of the implementation of the Transactions.

c. Outline of the Fairness Opinion

The Company received a fairness opinion concerning the fairness of the Tender Offer Price (a fairness opinion) on February 4, 2021 from Plutus (Note). The Fairness Opinion expresses the opinion that the Tender Offer Price is fair to the minority shareholders of the Company from a financial point of view, in light of factors such as the result of the valuation of the Company Shares based on the financial forecast prepared by the Company. The Fairness Opinion was issued by Plutus based on the result of the valuation of the Company Shares after receiving disclosure of information such as the current state of the business and future business plan, etc. from the Company and receiving explanations thereof, as well as Q&A sessions with the Company concerning the overview, background, and purpose of the Tender Offer, examination of factors, to the extent considered necessary by Plutus, such as the Company's business environment, the economy, markets and financial conditions, and the review procedures carried out by an examination committee independent of Plutus' engagement team.

(Note) In preparing and submitting the Fairness Opinion and evaluating the share value

underlying it, Plutus relied on the information and basic materials provided by or discussed with the Company, as well as publicly available materials, on the assumption that they were accurate and complete, and that there were no facts that had not been disclosed to Plutus that could materially affect the analysis and evaluation of the value of the Company Shares, and Plutus has not independently investigated or verified such facts, nor is it obligated to investigate or verify them. In addition, Plutus has not independently evaluated or appraised assets and liabilities (including off-balance sheet assets, off-balance sheet liabilities and other contingent liabilities) of the Company including any analysis and valuation of individual assets and liabilities, and the Company has not received any report or opinion regarding such valuation or appraisal. In addition, Plutus has not assessed creditworthiness of the Company under applicable laws or regulations in respect of insolvency, suspension of payment or similar matters.

Plutus has assumed that the Company's business plan and other materials used as the basis for the Fairness Opinion have been reasonably prepared by the Company's management based on the best currently available estimates and judgments, and Plutus does not guarantee their feasibility, and expresses no view as to the analysis or forecasts on which preparation is based or the premises on which they are based. The Fairness Opinion expresses Plutus' opinion as of the date of preparation as to whether the Tender Offer Price is fair from a financial point of view to the minority shareholders of the Company, based on the financial and capital markets, economic conditions and other circumstances as of the date of preparation, and based on information available to Plutus up to the date of preparation, and while the content of the Fairness Opinion may be affected by subsequent changes in conditions, Plutus has no obligation to amend, change or supplement the content of the Fairness Opinion even in such cases. The Fairness Opinion does not infer or indicate any opinion, other than that expressly stated in the Fairness Opinion, with respect to any matter after the date of submission of the Fairness Opinion. The Fairness Opinion only expresses the opinion that the Tender Offer Price is fair to the minority shareholders of the Company from a financial point of view and is not disadvantageous to them, and does not express opinions or make recommendations concerning the propriety of implementing the Tender Offer, nor the tendering, or other actions with respect to the Tender Offer, and does not express any opinion to the holders of securities issued by the Company, creditors or other related parties.

The Fairness Opinion was provided by Plutus for the purpose of being used as a basis for decisions made by the Company's board of directors and the Special Committee regarding the Tender Offer Price, and is not to be relied upon by any

other party.

The Company has not obtained any report concerning the Stock Acquisition Rights Price or any opinion on the fairness thereof (a fairness opinion) from any third-party valuation institution.

In addition, although approval by the Company's board of directors is required for acquisition of the Stock Acquisition Rights by transfer, the Company resolved at the meeting of its board of directors held today to approve that the Stock Acquisition Rights Holders transfer their Stock Acquisition Rights to the Tender Offeror by tendering their Stock Acquisition Rights in the Tender Offer, subject to the effectuation of the Tender Offer, etc.

(4) Possibility of Delisting and Reasons Therefor

As of today, the Company Shares are listed on the First Section of the TSE. However, since the Tender Offeror has not set the maximum number of shares to be purchased in the Tender Offer, depending on the result of the Tender Offer, the Company Shares may be delisted pursuant to the prescribed procedures in accordance with the TSE's criteria for delisting. In addition, even if the Company Shares do not fall under such criteria at the time of the effectuation of the Tender Offer, the Tender Offeror plans to make the Company its wholly-owned subsidiary, as described in "(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Relating to So-called "Two-step Acquisition")" below, after the Tender Offer is completed. In such case, the Company Shares will be delisted pursuant to the prescribed procedures in accordance with the TSE's criteria for delisting. The Company Shares will no longer be traded on the TSE after the delisting.

(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Relating to So-called "Two-step Acquisition")

As described in "a. Overview of Tender Offer" of "(2) Grounds and Reasons for Opinion on Tender Offer," if the Tender Offeror is unable to acquire all of the Company Shares (including the Company Shares delivered by the exercise of the Stock Acquisition Rights, but excluding the treasury shares held by the Company) and all of the Stock Acquisition Rights in the Tender Offer, the Tender Offeror contemplates to make the Company its wholly-owned subsidiary by implementing either of the following procedures after the completion of the Tender Offer:

a. Demand for Shares, Etc. Cash-Out

According to the Tender Offeror, if, upon completion of the Tender Offer, the Tender Offeror owns 90% or more of the voting rights of all shareholders of the Company, the

Tender Offeror, promptly after the completion of the settlement of the Tender Offer, pursuant to the provisions of Article 179, Paragraphs 1 and 2 of the Companies Act, plans to request all of the Company's shareholders (excluding the Tender Offeror and the Company) (the "Shareholders Subject to the Cash-Out") to sell all of the Company Shares which they own (the "Shares Subject to the Cash-Out") (the "Demand for Shares Cash-Out") and also request all of the Stock Acquisition Rights Holders (excluding the Tender Offeror) (the "Stock Acquisition Rights Holders Subject to the Cash-Out") to sell all of the Stock Acquisition Rights which they own (the "Stock Acquisition Rights Subject to the Cash-Out") (the "Demand for Stock Acquisition Rights Cash-Out" and, together with the "Demand for Shares Cash-Out," the "Demand for Shares, Etc. Cash-Out"). In the Demand for Shares Cash-Out, the Tender Offeror plans to set forth that the amount equivalent to the Tender Offer Price will be delivered to the Shareholders Subject to the Cash-Out as the per share price of the Shares Subject to the Cash-Out. In the Demand for Stock Acquisition Rights Cash-Out, the Tender Offeror plans to set forth that the amount equivalent to the Stock Acquisition Rights Price will be delivered to the Stock Acquisition Rights Holders Subject to the Cash-Out. In such cases, the Tender Offeror will notify the Company to that effect and will require the Company to approve the Demand for Shares, Etc. Cash-Out. If the Company approves the Demand for Shares, Etc. Cash-Out by a resolution of its board of directors, in accordance with the procedures set forth in the relevant laws and regulations, without individual approvals by the Shareholders Subject to the Cash-Out and the Stock Acquisition Rights Holders Subject to the Cash-Out, the Tender Offeror will acquire, as of the acquisition date set forth in the Demand for Shares, Etc. Cash-Out, all of the Shares Subject to the Cash-Out from the Shareholders Subject to the Cash-Out and all of the Stock Acquisition Rights Subject to the Cash-Out from the Stock Acquisition Rights Holders Subject to the Cash-Out. In such cases, the Tender Offeror plans to deliver, as the consideration for the Company Shares owned by the Shareholders Subject to the Cash-Out and the Stock Acquisition Rights owned by the Stock Acquisition Rights Holders Subject to the Cash-Out, the amount equivalent to the Tender Offer Price to each of such Shareholders Subject to the Cash-Out as the per share price of the Company Shares, and the amount equivalent to the Stock Acquisition Rights Price to each of such Stock Acquisition Rights Holders Subject to the Cash-Out as the per unit price of the Stock Acquisition Rights, respectively.

In addition, if the Demand for Shares, Etc. Cash-Out is made by the Tender Offeror, the board of directors of the Company plans to approve such Demand for Shares, Etc. Cash-Out.

For the purpose of protecting the rights of minority shareholders in relation to the above, the Shareholders Subject to the Cash-Out and the Stock Acquisition Rights Holders Subject to the Cash-Out may file a petition with a court to determine the sale prices of the Shares

Subject to the Cash-Out and the Stock Acquisition Rights Subject to the Cash-Out pursuant to the provisions of Article 179-8 of the Companies Act and other relevant laws or regulations. The sale prices, by this method, of the Shares Subject to the Cash-Out and the Stock Acquisition Rights Subject to the Cash-Out will be finally determined by the court.

b. Share Consolidation

According to the Tender Offeror, if, upon the completion of the Tender Offer, the Tender Offeror does not own 90% or more of the voting rights of all shareholders of the Company, the Tender Offeror will request the Company to hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") that will resolve proposals including: (i) a proposal regarding consolidation of the Company Shares (the "Share Consolidation") and (ii) a proposal regarding a partial amendment to the articles of incorporation subject to the Share Consolidation becoming effective for the purpose of abolishing the provision regarding the number of shares constituting one unit of stock. The Tender Offeror plans to vote in favor of each of the above-mentioned proposals at the Extraordinary Shareholders' Meeting. If the proposal regarding the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, as of the effective date of the Share Consolidation, the number of the Company Shares owned by the shareholders of the Company will be changed in proportion to the ratio for the Share Consolidation approved at the Extraordinary Shareholders' Meeting. In such case, if any fractional share less than one share arises as a result of the Share Consolidation, the amount of cash to be obtained by selling the Company Shares in the amount equivalent to the aggregate of such fractional shares (any fractional shares less than one share in the aggregate will be rounded off; hereinafter the same) to the Company or the Tender Offeror, will be delivered to the shareholders of the Company to whom the fractional shares arise pursuant to Article 235 of the Companies Act and other relevant laws or regulations. With respect to the sale price of the Company Shares in the amount equivalent to the aggregate of such fractional shares, the Tender Offeror plans to determine such price so that the amount of money to be delivered to each of the Company's shareholders who did not tender their shares in the Tender Offer as a result of such sale will be equal to the amount obtained by multiplying (a) the Tender Offer Price by (b) the number of the Company Shares held by such shareholder, and file a petition with a court for permission for such voluntary sale. Although the ratio for the consolidation of the Company Shares has not yet been determined as of today, it is contemplated that the ratio will be determined so that the Tender Offeror will hold all of the Company Shares and the number of the Company Shares owned by the Company's shareholders who did not tender their shares in the Tender Offer (excluding the Tender Offeror and the Company) will be a fractional share less than one

share.

For the purpose of protecting the rights of minority shareholders in relation to the above, in the case where the Share Consolidation is conducted and any fractional share less than one share arises, the shareholders of the Company may request the Company to purchase at a fair price all of its fractional shares less than one share and file a petition with a court for determination of the price of the Company Shares pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws or regulations. The purchase price per share, by this method, will be finally determined by the court.

According to the Tender Offeror, if, upon completion of the Tender Offer, the Tender Offeror does not own 90% or more of the voting rights of all shareholders of the Company and the Tender Offeror does not also acquire all of the unexercised Stock Acquisition Rights, the Tender Offeror plans either to request the Company to implement, or to itself implement, procedures reasonably required for carrying out the Transaction, such as the acquisition of the Stock Acquisition Rights or a recommendation to the Stock Acquisition Rights Holders to waive the Stock Acquisition Rights.

The procedures described in (i) and (ii) above may take longer than anticipated or may be changed to a different method that will have approximately the same effect due to the interpretation by the authorities on the relevant laws and regulations. However, according to the Tender Offeror, even in such cases, the Tender Offeror intends to make the Company its wholly-owned subsidiary by a measure to eventually pay cash to each of the shareholders of the Company who did not tender their shares in the Tender Offer (excluding the Company). In such case, the amount of cash to be paid to each of the shareholders of the Company will be calculated so as to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Company Shares owned by such shareholder. In the case where cash is paid to the Stock Acquisition Rights Holders of the Company who did not tender in the Tender Offer, the amount of cash to be paid to each of the Stock Acquisition Rights Holders will be calculated so as to be equal to the amount obtained by multiplying the price for purchase etc. of each of the Stock Acquisition Rights in the Tender Offer by the number of such Stock Acquisition Rights owned by such Stock Acquisition Rights Holders.

According to the Tender Offeror, the above-mentioned Extraordinary Shareholders' Meeting is, if necessary, scheduled to be held around June 2021, and the specific procedures and the schedule thereof will be promptly announced by the Company once they are determined. It is not intended in the Tender Offer to solicit the affirmative vote by the Company's shareholders at the Extraordinary Shareholders' Meeting nor should it be construed as such.

- (6) Measures to Ensure Fairness of Tender Offer Such as Measures to Ensure Fairness of

Tender Offer Price

The Tender Offer does not constitute a so-called management buyout (MBO) (a tender offer in which a tender offeror is an officer of the target company or in which the tender offeror is a person who conducts a tender offer at the request of the officers of the target company and who shares common interests with the officers of the target company) nor does it fall under “significant transactions, etc., with controlling shareholders” as defined in the code of conduct of the TSE. Nevertheless, in light of the fact that, among other things, the Tender Offeror intends to make the Company a wholly-owned subsidiary of the Tender Offeror through the Transactions, including the Tender Offer, the Tender Offeror and the Company have implemented, in consideration of the impact on the shareholders of the Company, the following measures to ensure the fairness of the Tender Offer Price. With respect to the following statements, those regarding the measures implemented by the Tender Offeror are based on the explanation given by the Tender Offeror.

a. The Company’s Obtainment of the Share Valuation Reports and the Fairness Opinion from Independent Third-party Valuation Institution(s)

In preparation for the expression of the opinion about the Tender Offer, the Company requested SMBC Nikko and Plutus, third-party valuation institutions independent from the Company and the Tender Offeror, to evaluate the value of the Company Shares and also requested Plutus to submit an opinion concerning the fairness of the Tender Offer Price (a fairness opinion), in order to ensure fairness in the Company’s decision-making process concerning the Tender Offer Price proposed by the Tender Offeror.

SMBC Nikko and Plutus are not related parties of the Company or the Tender Offeror and do not have any material interest in relation to the Transactions, including the Tender Offer. In addition, the Special Committee, at its first meeting, approved SMBC Nikko as a third-party valuation institution of the Company because there were no issues pertaining to the independence and expertise of SMBC Nikko. While the remuneration of SMBC Nikko related to the Transactions includes contingency fees that will be paid to it subject to the commencement of the Tender Offer and the completion, etc. of the Transactions, including the Tender Offer, the Company appointed SMBC Nikko as its financial advisor and third-party valuation institution according to the above-mentioned remuneration structure and taking into account general customary practices in similar transactions and other factors as well. Furthermore, the Special Committee, at its fourth meeting, approved Plutus as a third-party valuation institution of the Company because there were no issues pertaining to the independence and expertise of Plutus. Thereafter, the Special Committee confirmed that it would also be able to obtain professional advice from SMBC Nikko and Plutus when necessary. Only fixed remuneration is paid to Plutus in relation to the Transactions, regardless of whether or not the Transactions are successfully

completed, and such remuneration does not include any contingency fee that will be paid to it subject to the completion, etc. of the Transactions, including the Tender Offer.

For the outline of the Share Valuation Report (SMBC Nikko), the Share Valuation Report (Plutus) and the Fairness Opinion, please refer to “(3) Matters Relating to Valuation” above.

b. Advice from an Independent Law Firm Received by the Company

In order to ensure fairness and appropriateness of the decision-making of the Company’s board of directors regarding the Transactions, including the Tender Offer, the Company appointed Kitahama Partners, as its legal advisor independent from the Tender Offeror and the Company, and has obtained legal advice on the decision-making process and methods of the Company’s board of directors regarding the Transactions, including the Tender Offer, and other points to be noted with regard to the decision-making relating to the Transactions, including the Tender Offer.

Kitahama Partners is not a related party of the Tender Offeror or the Company and does not have any material interest in relation to the Transactions, including the Tender Offer. In addition, at the first meeting of the Special Committee, the Special Committee approved Kitahama Partners as a legal advisor of the Company because there were no issues pertaining to its independence and expertise, and confirmed that the Special Committee would also be able to obtain professional advice when necessary.

c. The Company’s Establishment of an Independent Special Committee and Obtainment of an Opinion (Report)

With the objective of eliminating the arbitrariness and ensuring fairness, transparency and objectivity in the decision-making process of the Company’s board of directors, the Company’s board of directors resolved at its meeting held on December 3, 2020 to establish the Special Committee being composed of members (including outside expert members) who are independent from the Company and the Tender Offeror (The board of directors appointed the following individuals as members of the Special Committee: Mr. Hiroshi Maeno, who is an outside director, Audit and Supervisory Committee member, and Independent Committee member, of the Company (certified public tax accountant, Hiroshi Maeno Tax Accountant Office) and has many years of experience and a proven track record, as well as abundant experience and knowledge regarding financial perspectives, as a certified public tax accountant; Mr. Masakazu Mimura (attorney-at-law, S&W International Law Offices), who engages in corporate legal matters as an attorney-at-law and has abundant experience and expertise, etc.; and Mr. Yuichi Hirano (certified public tax accountant, Tokyo Kyodo Accounting Office), who has abundant experience and expertise, etc. regarding financial perspectives as a certified public tax accountant. The Company has appointed these three (3) persons as the members of the Special Committee since its

establishment, and the Company has not changed any of these members; and furthermore, Mr. Hiroshi Maeno was elected as the chairman of the Special Committee from among the members thereof.), and the Company's board of directors also resolved at such meeting held on the same day that the Company's board of directors would make decisions by respecting the determinations of the Special Committee to the extent possible and if the Special Committee determined that the terms and conditions of the Transactions were inappropriate, the Company's board of directors would not support the Transactions. Only fixed remuneration is paid to each member of the Special Committee, regardless of whether or not the Transactions are successfully completed, and such remuneration does not include any contingency fee that will be paid to them subject to the announcement, completion, etc. of the Transactions.

Based on such resolution of the board of directors, the Company consulted the Special Committee as to (a) the rationality of the purposes of the Transactions (including whether or not the Transactions would contribute to the enhancement of the Company's corporate value), (b) the appropriateness of the terms and conditions of the Transactions (including the Tender Offer Price), (c) the fairness of procedures in respect of, among other matters, the negotiation process leading up to the Transactions, and (d) whether or not the Transactions would be disadvantageous to the minority shareholders of the Company in light of (a) through (c) above (collectively, the "Consulted Matters"). The Special Committee was also entrusted to submit a report thereon to the Company. Furthermore, the Company resolved at such board of directors meeting to grant the Special Committee (a) authority to appoint and approve outside advisors of the Company, (b) authority to request officers and employees of the Company to provide and explain information necessary to consider and examine the Consulted Matters, and (c) authority to substantially engage in the negotiation process regarding, among other matters, the terms and conditions of the Transactions.

During the period from December 16, 2020 to February 4, 2021, the Special Committee meetings were held nine (9) times in total and for approximately ten (10) hours in total and the Consulted Matters were examined and discussed by, among other methods, frequently making reports, sharing information, and engaging in deliberations and decision-making by e-mail, telephone, etc. between each meeting. Specifically, at the first meeting of the Special Committee, the Special Committee approved SMBC Nikko, a third-party valuation institution appointed by the Company, and Kitahama Partners, a legal advisor appointed by the Company, as a third-party valuation institution of the Company and a legal advisor of the Company, respectively, because there were no issues pertaining to their independence and expertise, and confirmed that the Special Committee would also be able to obtain professional advice when necessary. Thereafter, at the fourth meeting of the Special Committee, the Special Committee approved Plutus, a third-party valuation institution

appointed by the Company, as a third-party valuation institution of the Company because there were no issues pertaining to the independence and expertise of Plutus, and confirmed that the Special Committee would also be able to obtain professional advice when necessary. Furthermore, as a policy of engaging in the process of negotiations with the Tender Offeror, Unison and CHCP, the Special Committee confirmed that, while certain employees and advisors of the Company would directly negotiate, as liaison persons of the Company, with the Tender Offeror, the Special Committee would substantially engage in the negotiation process regarding the terms and conditions of the Transactions by, among other matters, timely receiving status reports from persons in charge of negotiations, stating opinions in crucial phases, and providing instructions and requests.

Thereupon, the Special Committee received explanations from the Company on matters such as the history of the Company, its business activities, trends of its business performance, its current management issues, details of the expected effects on businesses of the Company resulting from the Transactions, the prospect of its business continuity assuming cases where no Transactions would be conducted, including the possibility of taking measures in lieu of the Transactions, and circumstances that led up to the preparation of the business plan of the Company, and the Special Committee held Q&A sessions with the Company and confirmed the rationality of such business plan. In addition, after sending a questionnaire regarding the purposes of the Transactions and other related matters to the Tender Offeror, Unison and CHCP, the Special Committee received explanations from the Tender Offeror, Unison and CHCP on matters such as the reasons and background for which the Tender Offeror, Unison and CHCP had proposed the Transactions, the purposes of the Transactions, the details and degree of the expected advantages, disadvantages and other effects resulting from the Transactions, and the planned management policy of the Company after the Transactions, and held Q&A sessions with the Tender Offeror, Unison and CHCP. Furthermore, the Special Committee received explanations from SMBC Nikko and Plutus as the third-party valuation institutions of the Company on the valuation of the Company Shares (including the details of the Fairness Opinion received from Plutus), and held Q&A sessions, and thereafter such committee examined the rationality of such business plan and such valuation results. Moreover, the Special Committee received legal advice from Kitahama Partners, a legal advisor of the Company, on the measures to ensure fairness in the procedural aspect of the Transactions (including the meanings, roles and other matters of the Special Committee) and on the method and process of decision-making pertaining to the Transactions by the Company's board of directors and other points to be noted in making decisions regarding the Transactions.

After timely receiving explanations from the Company on the progress and details, etc. of discussions and negotiations regarding the Transactions between the Company, and the

Tender Offeror, Unison and CHCP, the Special Committee held discussions and engaged in the negotiation process with the Tender Offeror, Unison and CHCP by expressing opinions and giving advice on several occasions to the effect that the Company should request the Tender Offeror, Unison and CHCP to raise the Tender Offer Price until, as stated in “c. Process of and Reasons for Company’s Decision-Making to Support Tender Offer” of “(2) Grounds and Reasons for Opinion on Tender Offer,” negotiations were conducted and it was finally proposed by the Tender Offeror, Unison and CHCP to set the Tender Offer Price at 1,200 yen and to set the Stock Acquisition Rights Price at one (1) yen.

After going through the procedures above, the Special Committee, as a result of careful discussions on and examinations of the Consulted Matters, submitted the Report, the content of which is as follows, to the board of directors of the Company with the unanimous approval of all the members of the Special Committee on February 4, 2021.

- (a) The rationality of the purposes of the Transactions (including whether or not the Transactions would contribute to the enhancement of the Company’s corporate value)

Based upon the following, the Transactions contribute to the enhancement of the Company’s corporate value, and the purposes of the Transactions are considered to be rational.

- The purposes of the Transactions, recognized by both sides, as set out in “b. Background, Purpose, and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer, and Management Policy After Tender Offer” and “c. Process of and Reasons for Company’s Decision-Making to Support Tender Offer” of “(2) Grounds and Reasons for Opinion on Tender Offer” of “3. Details of, and Grounds and Reasons for, Opinion on Tender Offer” above are based on, among other matters, the outcomes of the Q&A sessions held with each side by the Special Committee and of the Special Committee’s requests for the provision of specific explanations. The purposes of the Transactions are to resolve management issues in respect of the Company and to further enhance its corporate value through, among other matters, the development of an environment that makes it easier for the Company’s employees to work and that supports the improvement of their skills, the expansion of the healthcare services in the psychiatric field, and the establishment of a home-visit nursing platform through the collaboration between the Company and the CHCP Group and general home-visit nursing service providers. The Special Committee believes that the above-mentioned purposes of the Transactions are rational.
- With regard to the synergies expected to be realized as a result of the implementation of the Transactions as set out in “c. Process of and Reasons for Company’s Decision-Making to Support Tender Offer” of “(2) Grounds and

Reasons for Opinion on Tender Offer” of “3. Details of, and Grounds and Reasons for, Opinion on Tender Offer” above, there is an issue of how effectively the know-how that the Tender Offeror, Unison and CHCP have cultivated to date through their management support to medical institutions and dispensing pharmacies, etc. in separate regions should be applied to the Company’s nationwide businesses. However, it is considered that there is a certain rationality with respect to considering that such synergies can be realized by the Company, and the Tender Offeror, Unison and CHCP, collaborating with each other and spreading, nationwide, efforts that have been commenced in one region while taking into consideration regional characteristics.

- The Tender Offeror, Unison and CHCP deeply empathize with the Company’s management philosophy of “creating a safe, secure and comfortable living environment through home medical care services in local communities and contributing to individuals’ life plans,” against the background of social issues such as an increase in the number of late elderly people and people with mental illnesses. The Company, the Tender Offeror, Unison and CHCP are sharing their perceptions of the issues and paths to be followed by the entire group after the Transactions. In addition, with regard to the system for implementing such initiatives, it is planned to establish a governance system that enables flexible decision-making and, given the foregoing, it is also planned to establish a basic policy of further enhancing the appropriate treatment of and education programs for the Company’s employees in order to enhance the quality of the medical care of its customers (patients) and increase their security and satisfaction while maintaining and fostering a high level of ethical awareness. The perceptions of both sides are considered to be generally in agreement. The Special Committee was concerned that, since the business of the Company has a strong public aspect of providing medical care services, the lowering of governance resulting from the delisting of the Company might adversely affect the Company’s business. However, since the Tender Offeror, Unison and CHCP consider it important to maintain and foster the employees’ ethical awareness as stated above, it cannot be said that there is a specific risk of adverse effects to the Company’s business in connection with the Company’s governance. In light of these factors, it can be said that there is a certain rationality with regard to the Company’s decision that the Transactions can contribute to the medium-to long-term enhancement of the corporate value of the Company that will become a member of the Tender Offeror, Unison and the CHCP Group, and with regard to the process of such decision making.

(b) The appropriateness of the terms and conditions of the Transactions (including the Tender Offer Price)

Based upon the following, the terms and conditions of the Transactions, including the Tender Offer Price, are considered to be appropriate.

- The business plan, which is used as a basis for the calculation in the DCF analysis in the Share Valuation Report (SMBC Nikko) and the Share Valuation Report (Plutus), was prepared based on the medium-term management plan formulated by the Company in February 2019 by revising the sales and income, etc., set out in such medium-term management plan to levels that are considered realistically achievable, and it can be considered that there is no particular irrationality with regard to the purpose and procedures for such preparation, or the content of the business plan.
- As it can be considered that there is no particular irrationality with regard to the calculation methods or details of calculation in the Share Valuation Report (SMBC Nikko), and the Share Valuation Report (SMBC Nikko) is determined to be reliable, it is considered that the Tender Offer Price exceeds the upper limit of the price range of the valuation results calculated under the market price analysis and is within the price range of the valuation results calculated under the DCF analysis as set out in the Share Valuation Report (SMBC Nikko) and above the median of such range.
- As it can be considered that there is no particular irrationality with regard to the calculation methods or details of calculation in the Share Valuation Report (Plutus), and the Share Valuation Report (Plutus) is determined to be reliable, it is considered that the Tender Offer Price exceeds the upper limit of the price range of the valuation results calculated under the market price analysis and is within the price range of the valuation results calculated under the DCF analysis as set out in the Share Valuation Report (Plutus) and above the median of such range.
- It is considered that the Company has obtained an opinion that the Tender Offer Price is fair to the minority shareholders of the Company from a financial point of view, in light of factors such as the result of the valuation of the Company Shares based on the financial forecast prepared by the Company.
- The premium for the Tender Offer Price can be evaluated as being at a level that is comparable to the premiums added in determining the prices for purchase, etc., in prior tender offers for share certificates, etc., conducted by parties other than the issuer for the purpose of taking the issuer private, and the Tender Offer Price can be evaluated as a price with a considerable premium.

(c) The fairness of procedures in respect of, among other matters, the negotiation process

leading up to the Transactions

Based upon the following, the procedures in respect of, among other matters, the negotiation process leading up to the Transactions is considered to be fair.

(i) Efforts made for the Special Committee to function effectively

The efforts for the Special Committee to function effectively have been fully made as stated below, and it is considered that the Special Committee has functioned effectively.

- There is a period of approximately two (2) months from the establishment of the Special Committee to the commencement of the Tender Offer and it can be said that the Special Committee was established with a time allowance for the Special Committee to function effectively.
- No members of the Special Committee have a special interest relationship with the Company or with the Tender Offeror, Unison or CHCP and the remuneration paid to each member thereof is fixed. Therefore, it is considered that each member thereof is also independent with respect to the relationship with the Transactions.
- In light of the identity, specialized experience, and expertise, etc., of each member of the Special Committee, each member thereof is suitable as a member of the Special Committee.
- After timely receiving explanations from the Company on the progress and details, etc., of discussions and negotiations regarding the Transactions between the Company, and the Tender Offeror, Unison and CHCP, the Special Committee substantially engaged in the negotiation process with the Tender Offeror, Unison and CHCP, by expressing opinions and giving advice on several occasions with respect to the negotiation policies, e.g. to the effect that the Company should request the Tender Offeror, Unison and CHCP to raise the Tender Offer Price.
- The Special Committee received explanations from SMBC Nikko and Plutus as the third-party valuation institutions of the Company on the valuation of the Company Shares (including the details of the Fairness Opinion received from Plutus), and held Q&A sessions, and thereafter such committee examined the rationality of such business plan and such valuation results. Moreover, the Special Committee received legal advice from Kitahama Partners, a legal advisor of the Company, on the measures to ensure fairness in the procedural aspect of the Transactions (including the meanings, roles and other matters of the Special Committee) and on the method and process of decision-making pertaining to the Transactions by the Company's board of directors and other points to be noted in making decisions regarding the Transactions.
- As the Special Committee has the authority to request directors and employees of the Company, and other persons deemed necessary by the Special Committee to

explain and provide necessary information by attending meetings of the Special Committee, by providing written replies, and by other appropriate methods, the Special Committee obtained information necessary to submit the Report by, among other methods, making inquiries to employees of the Company in charge.

- (ii) Treatment of determinations of the Special Committee by the Company's board of directors

With respect to the decision-making regarding the Transactions by the Company's board of directors, it was decided that such board of directors would make decisions by respecting the determinations of the Special Committee, including the determinations of whether to support the Tender Offer, to the extent possible and if the Special Committee determined that the terms and conditions of the Transactions were inappropriate, the Company's board of directors would not support the Transactions.

- (iii) Obtainment of share valuation reports and a fairness opinion from independent third-party valuation institutions and obtainment of professional advice from independent outside experts

It is recognized that the Company obtained the valuation of the Company Shares (including the details of the Fairness Opinion received from Plutus) from SMBC Nikko and Plutus as the third-party valuation institutions of the Company and obtained professional advice on the rationality of such valuation results. In addition, it is recognized that the Special Committee received legal advice from Kitahama Partners, a legal advisor of the Company, on the measures to ensure fairness in the procedural aspect of the Transactions and on the method and process of decision-making pertaining to the Transactions by the Company's board of directors and other points to be noted in making decisions regarding the Transactions.

- (iv) Ensuring opportunities for other purchasers to make a purchase offer (market check)

The Company has not entered into any agreement with the Tender Offeror that would restrict a person proposing a competing purchase from contacting the Company in the tender offer period, such as an agreement containing transaction protection clauses that would prohibit the Company from contacting such person proposing a competing purchase, and the Tender Offeror has set the tender offer period for 30 business days, which is longer than the 20 business days, the shortest period required by law. Based on these matters, it is considered that an indirect market check will be conducted.

- (v) Consideration on the establishment of the majority-of-minority conditions

The Tender Offeror holds no Company Shares at the time of commencement of the Tender Offer and there are no shareholders who have entered the tender agreement with the Tender Offeror. Therefore, there are no reasons to consider the

establishment of the majority-of-minority conditions with respect to the Transactions.

- (vi) Sufficient provision of information to general shareholders and enhancement of transparency of process

It is considered that, through the disclosure of press releases, etc., an effort is being made to ensure sufficient provision of information to minority shareholders and to enhance the transparency of the process.

- (vii) Elimination of coercion

With respect to the squeeze-out procedures to be conducted after the Tender Offer, a scheme securing the opposing shareholders' right to request the determination of price has been adopted and the consideration to be paid to the Company's minority shareholders is to be fixed at the same price as the Tender Offer Price. In addition, the squeeze-out procedures are to be conducted as soon as possible after the effectuation of the Tender Offer. Therefore, it can be evaluated that due consideration has been given so that coercion will not be created.

- (d) Whether or not the Transactions would be disadvantageous to the minority shareholders of the Company in light of (a) through (c)

As stated in (a) above, the Transactions contribute to the enhancement of the Company's corporate value and the purposes of the Transactions are considered to be rational. As stated in (b) above, the terms and conditions of the Transactions, including the Tender Offer Price, are considered to be appropriate. As stated in (c) above, the procedures in respect of, among other matters, the negotiation process leading up to the Transactions are considered to be fair. Based on the foregoing, it is considered that the Transactions are not disadvantageous to the Company's minority shareholders.

- d. Unanimous Approval by All Non-interested Directors (including the Audit and Supervisory Committee Members) of the Company

The Company conducted careful discussion and examination on the terms and conditions of the Transactions, including the Tender Offer, taking into account the Share Valuation Report (SMBC Nikko) obtained from SMBC Nikko, the Share Valuation Report (Plutus) and the Fairness Opinion obtained from Plutus, and the legal advice received from Kitahama Partners, and respecting the Report submitted by the Special Committee to the extent possible. As a result, as set out in "c. Process of and Reasons for Company's Decision-Making to Support Tender Offer" of "(2) Grounds and Reasons for Opinion on Tender Offer" above, the Company believed that by utilizing the know-how and human resource networks that Unison and the CHCP Group have accumulated in the healthcare field, the Company expects to secure human resources such as nurses, train personnel to

be able to provide home-visiting nursing services with higher quality, and also expand the healthcare services in the psychiatric field by expanding into the medical field through the CHCP Group, collaborating with hospitals which the CHCP Group operates, and collaborating with the general home-visit nursing service field, which the CHCP Group is scheduled to enter in the future, and that accordingly the Transactions would contribute to the solution of the Company's business issues and the enhancement of its corporate value. Moreover, according to the Company, after taking account of the fact that the Tender Offer Price (a) is within the price range of the valuation results calculated under the DCF analysis by SMBC Nikko and Plutus, as set out in "a. The Company's Obtainment of the Share Valuation Reports and the Fairness Opinion from Independent Third-party Valuation Institution(s)" above, (b) is a price with a 44.58% premium on the closing price of 830 yen of the Company Shares on the First Section of the TSE on February 4, 2021, which is the business day immediately preceding the date of the public announcement of the implementation of the Tender Offer; a 43.37% premium on the simple average closing price of 837 yen of the Company Shares for the preceding one-month period up to the same date (from January 5, 2021 to February 4, 2021); a 45.81% premium on the simple average closing price of 823 yen of the Company Shares for the preceding three-month period up to the same date (from November 5, 2020 to February 4, 2021); and a 61.51% premium on the simple average closing price of 743 yen of the Company Shares for the preceding six-month period up to the same date (from August 5, 2020 to February 4, 2021), and such Tender Offer Price is not low compared to the premiums added in determining the prices for purchase, etc., in prior tender offers for share certificates, etc., conducted by parties other than the issuer for the purpose of taking the issuer private (the cases of taking-private transactions publicly announced in and after 2018) and can be evaluated as a price with a considerable premium; (c) reflects the fact that the measures to eliminate arbitrariness and ensure fairness in the decision-making process leading to decide on the implementation of the Tender Offer are considered to have been sufficiently taken, the Company determined that the Tender Offer will provide all of the shareholders of the Company with a reasonable opportunity to sell their shares, and the board of directors of the Company resolved, with the unanimous approval of the directors (including the audit and supervisory committee members) of the Company, at the meeting of the board of directors held today, to express an opinion in favor of the Tender Offer and to recommend that all of the shareholders of the Company tender their shares in the Tender Offer. Further, with the unanimous approval of the directors (including the audit and supervisory committee members) of the Company, at the said meeting, the Company did not examine the appropriateness of the Stock Acquisition Rights Price, and resolved that the decision as to whether to tender their Stock Acquisition Rights for the Tender Offer should be left to the judgment of the Stock Acquisition Rights Holders because the Stock Acquisition Rights were issued as stock

options to the officers and employees of the Company, and the Stock Acquisition Rights Price is set at one (1) yen per unit of the Stock Acquisition Rights.

In addition, all of the directors of the Company have no interest in relation to the Transactions.

e. Measures to Secure Opportunities for Others to Make Competing Offers

The Company has not entered into any agreement with the Tender Offeror that will restrict the Company from contacting persons making competing offers during the Tender Offer Period, including any agreement providing a deal protection clause that may forbid the Company from contacting persons making competing offers. According to the Tender Offeror, it has set the Tender Offer Period at thirty (30) business days, which is longer than the statutory minimum period of twenty (20) business days. By setting the Tender Offer Period for a relatively long period of time, the Tender Offeror intends to secure an appropriate opportunity for the shareholders of the Company to make a decision as to whether to tender their shares in the Tender Offer and an opportunity for persons other than the Tender Offeror to make competing offers with respect to the Company Shares, and, thereby, to ensure the appropriateness of the Tender Offer Price.

4. Matters Regarding Material Agreements Regarding Tendering of Shares in Tender Offer between Tender Offeror and Shareholders of Company

N/A

5. Details of Inappropriate Profits Received From Tender Offeror or its Specially Related Parties

N/A

6. Policy for Responses Regarding Basic Policies on Control of Company

N/A

7. Inquiries to Tender Offeror

N/A

8. Request for Extension of Tender Offer Period

N/A

9. Future Prospects

Please refer to “b. Background, Purpose, and Decision-Making Process Leading to Decision by Tender Offeror to Implement Tender Offer, and Management Policy After Tender Offer” of

“(2) Grounds and Reasons for Opinion on Tender Offer” of “3. Details of, and Grounds and Reasons for, Opinion on Tender Offer,” “(4) Possibility of Delisting and Reasons Thereof” and “(5) Policy for Organizational Restructuring, Etc. after Tender Offer (Matters Relating to So-called “Two-step Acquisition”)” above.

10. Others

(1) Announcement of “Summary of Financial Statements for the Fiscal Year Ended December 31, 2020 (Japanese GAAP) (Unconsolidated)”

The Company announced the “Summary of Financial Statements for the Fiscal Year Ended December 31, 2020 (Japanese GAAP) (Unconsolidated)” on February 5, 2021.

An outline of the financial results of the Company based on such announcement is as stated below. The outline below is an excerpt from the information disclosed by the Company and the Tender Offeror has not independently verified the accuracy and truthfulness thereof. For details, please refer to the financial results disclosed by the Company.

Outline of “Summary of Financial Statements for the Fiscal Year Ended December 31, 2020 (Japanese GAAP) (Unconsolidated)” (February 5, 2021)

a. Profit & Loss

(in millions of yen)

Fiscal Period	Fiscal Year Ended December 31, 2020
Net sales	11,735
Operating income	769
Ordinary income	773
Net income	406

b. Per Share Information

(in yen)

Fiscal Period	Fiscal Year Ended December 31, 2020
Net income per share	31.54
Dividends per share	5.00

End

Reference: “Announcement Concerning Commencement of a Tender Offer for the Share Certificates, Etc. of N•FIELD Co., Ltd. (Securities Code: 6077)” dated February 5, 2021 (attached hereto)

Unless otherwise specified, all procedures relating to the Tender Offer will be conducted entirely in Japanese. While some or all of the documentation relating to the Tender Offer will be prepared in English, if there is any inconsistency between the English documentation and the Japanese documentation, the Japanese documentation will prevail.

The Tender Offer relates to the common shares of the Company, a company incorporated in Japan. The Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed under Japanese laws and these procedures and standards may differ from the procedures and information disclosure standards in the United States. In particular, Sections 13(e) and 14(d) of the U.S. Securities Exchange Act of 1934 (as amended), and the rules prescribed thereunder, do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards, and thus may not be comparable to the financial statements of U.S. companies. The financial information contained or referred to in this notice is prepared in accordance with accounting principles generally accepted in Japan and such accounting principles may be considerably different from accounting principles generally accepted in the U.S. or other countries. It may be difficult to enforce any right or claim arising under U.S. federal securities laws because the Tender Offeror is incorporated outside the United States and some or all of its directors are non-U.S. residents. Shareholders may not be able to sue a company outside the United States and its directors in a non-U.S. court for violations of the U.S. securities laws. Furthermore, there is no guarantee that shareholders will be able to compel a company outside the United States or its subsidiaries and affiliates to subject themselves to the jurisdiction of a U.S. court.

The information provided in this notice and the documents referenced herein contains “forward-looking statements” as defined in Section 27A of the Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act of 1934. Actual results may differ substantially from the projections or similar statements implicitly or explicitly made in the forward-looking statements due to known or unknown risks, uncertainties or other factors. No promises are made by the Tender Offeror or its affiliates that the projections or similar statements implicitly or explicitly made in the “forward-looking statements” will ultimately be accurate. The forward-looking statements in this notice and the documents referenced herein have been prepared based on the information available to the Tender Offeror at the date of this notice and unless required by laws, regulations or financial instruments exchange rules, neither the Tender Offeror nor its affiliates are obligated to update or revise the forward-looking statements to reflect any future events and conditions.

The Tender Offeror, the financial advisors of the Tender Offeror and the Company and the tender offer agent (including their respective affiliates) may, in the ordinary course of its business, engage

in the purchase or any trade leading to the purchase of the common shares of the Company outside the Tender Offer for its own or its customer's account before commencement of, or during the period for purchases, etc. that is specified under, the Tender Offer, in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934 (as amended) and to the extent permitted under Japanese financial instruments transaction-related laws and regulations. If any information regarding such purchase is disclosed in Japan, such information will also be disclosed in English on a website of such person who has conducted such purchase (or by other means of disclosure).