

Takeover Response Policies

1. Details of the basic policy

We believe that those who control the decision of financial and business policies of the Company must be committed to enhancing the corporate value of our Group and, consequently, the common interests of shareholders.

Our Group, as an independent technology trading company, has placed Creativity at the core of our business activities since our founding. We have continuously sought and explored advanced technologies and products from overseas, introducing them to the Japanese market. Furthermore, we have worked to realize our corporate philosophy: Increasing customer satisfaction through technology, building global trust and respect by refining our professional skills and human qualities, and contributing to society by collaborating for a prosperous future.

Based on this corporate philosophy, we have served many leading companies across a wide range of domestic industries, while building our own business foundations—including trusted relationships with leading-edge overseas manufacturers; a global network for exploring advanced technologies; and a proactive, forward-thinking corporate culture.

Through sustainable growth, we have continuously enhanced our corporate value.

The Board of Directors of the Company does not categorically oppose large-scale purchases of shares or proposals aimed at changing the management control, as long as they contribute to enhancing corporate value and, consequently, the common interests of shareholders. We believe that the decision to accept the act or the proposals should, in principle, be left to the judgment of our shareholders. To that end, we believe that both the large-scale purchaser and the Board of Directors of the Company need to provide the Company's shareholders with necessary and sufficient information, opinions, proposals, etc., and to ensure necessary and sufficient time to consider them. In addition, to ensure the merit of shareholders and other stakeholders, a certain reasonable and objective system is necessary to ensure opportunities and time for the Board of Directors of the Company to fully consider alternatives drafted by the Board of Directors and to respond, such as negotiating with the large-scale purchaser, as necessary.

2. Special initiatives contributing to the realization of the basic policy

Our Group, leveraging its strength as an independent technology trading company,

operates free from business and capital affiliations. Guided by our corporate philosophy, we capture market needs, and swiftly and openly seek out, introduce, and provide the world's cutting-edge products and services to the market. We believe this approach forms the foundation of our competitive business strategy, ensuring sustainable growth and profitability, and ultimately contributing to the enhancement of corporate value and common interests of shareholders.

Based on the concept of safety, security, and comfort, the Group will strive to build a strong earnings base and expand its business scale by providing highly specialized solutions utilizing its abundant achievements and experience as a technology trading company while promoting its global business centered on Asia and also accelerating efforts to pursue management focused on capital efficiency and shareholder value, with the aim of enhancing corporate value and ultimately contributing to the common interests of shareholders.

In addition, the Group will promote management that is trusted by all stakeholders and strive to improve corporate value with a strong awareness of CSR (Corporate Social Responsibility) that should be fulfilled as a corporate citizen, under an enhanced corporate governance system such as the establishment of the Nomination and Compensation Committee consisting of a majority of outside directors, etc. and through the continuous implementation of responsible, honest, and transparent management activities.

3. Mechanism for measures regarding large-scale purchases of the Company's shares (takeover response policies)

Since the resolution on the introduction of a plan to counter purchases of the Company's shares, etc. for the purpose of, or resulting in 20% or more of the Voting Rights Ratio of the Specified Shareholder Group (excluding those who the Board of Directors has agreed in advance; hereinafter, such a large-scale purchase is referred to as Large-scale Purchase and the party that conducts such a purchase is referred to as Large-scale Purchaser) at the Board of Directors meeting held on November 6, 2007 (hereinafter, the Plan), we have acquired approval by the shareholders on the continuation of the Plan at the 57th Ordinary General Meeting of Shareholders and every two years thereafter. The outline of the Plan is as follows.

(1) Establishment of large-scale purchase rules

When the Large-scale Purchaser intends to conduct a Large-scale Purchase, the Large-scale Purchaser shall submit a statement of intention to the Board of Directors of the Company, in which the Large-scale Purchaser shall provide the outline of the Large-scale

Purchaser, information such as the purpose and details of the Large-scale Purchase, and a pledge to comply with the large-scale purchase rules.

(2) Evaluation and examination by the Company's Board of Directors

The Board of Directors of the Company shall secure a certain period (hereinafter, the Evaluation Period of the Board of Directors) after the Large-scale Purchaser completes the submission of the information on the large-scale purchase, to evaluate, examine, negotiate said information, and to formulate opinions and draft alternative plans.

Accordingly, the Large-scale Purchase shall commence only after the Evaluation Period of the Board of Directors. During the Evaluation Period of the Board of Directors, the Board of Directors will consult with the Independent Committee which has been established independent from the Board of Directors and, with the help of external experts, etc., fully evaluate and examine the large-scale purchase information provided, respect the recommendations of the Independent Committee to the maximum extent, and compile and disclose the opinions of the Board of Directors. In addition, if necessary, the Company may negotiate with the Large-Scale Purchaser to improve the conditions related to the Large-scale Purchase, and the Board of Directors of the Company may offer alternatives to shareholders.

(3) Response in the case of a Large-scale Purchase

If the Board of Directors evaluates and examines the content of the Large-scale Purchase and, as a result of consultation and negotiation with the Large-scale Purchaser, determines that the Large-scale Purchaser falls under any of the following requirements and it is appropriate to take certain measures, the Company may, regardless of the initiation or termination of the Evaluation Period of the Board of Directors, take countermeasures that Japan's Companies Act and other laws and regulations, as well as the Company's Articles of Incorporation, recognize as the authority of the Board of Directors, such as the free allocation of stock acquisition rights, etc.

- 1) When the Large-scale Purchaser does not comply with the large-scale purchase rules
- 2) When the Large-scale Purchaser performs an acquisition act that clearly violates the corporate value, and consequently, the common interests of shareholders
- 3) When performing an acquisition that may effectively compel shareholders to sell shares, such as an oppressive two-stage acquisition
- 4) When the acquisition of control by the Large-scale Purchaser damages the interests of stakeholders, thereby damaging the corporate value and, consequently, the common

interests of shareholders in the long run

5) When the conditions of the purchase are insufficient or inappropriate in light of the Company's intrinsic value

4. Objective reasonability of the Plan

The Plan does not impair the common interests of the Company's shareholders and is not intended to maintain the position of the Company's officers, and the reasons therefore can be said to be as follows:

(1) Full compliance with the requirements of the Guidelines Regarding Takeover Defense
The Plan fully satisfies the three principles stipulated in the Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests announced by Japan's Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 (principle of protecting and enhancing corporate value and shareholders' common interests, principle of prior disclosure and shareholders' will, and principle of ensuring the necessity and reasonableness of defensive measures).

In addition, the Plan takes into account the Takeover Defense Measures in Light of Recent Environmental Changes announced by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008.

Furthermore, the Plan conforms to the Guidelines for Corporate Takeovers announced by the Ministry of Economy, Trade and Industry on August 31, 2023.

(2) Intention to secure and improve the common interests of shareholders

The Plan is intended to secure and improve the corporate value and, consequently, the common interests of shareholders by securing the information and time necessary for shareholders to decide whether or not to accept the purchase, etc. and for the Board of Directors to present an alternative, as well as to negotiate with the purchaser, etc. for shareholders, when a purchase, etc. of the Company's shares is made.

(3) Emphasis on the intentions of shareholders

The Plan was continued as a result of the resolution of approval at the General Meeting of Shareholders of the Company. In addition, the Plan will be abolished if a resolution is made to abolish the Plan at the General Meeting of Shareholders of the Company even before the expiration date of the Plan, and in that regard, the development and decline of the Plan reflects the intentions of shareholders.

(4) Emphasis on decisions of the Independent Committee and information disclosure

In adopting the Plan, the Company has established an Independent Committee as an organization that eliminates arbitrary judgments by the Board of Directors and objectively makes substantive judgments on operations for shareholders, such as the activation of large-scale purchase rules, etc.

The Independent Committee consists of three or more members independent of management who execute the Company's business, and are among outside directors, outside audit & supervisory board members, corporate managers with extensive management experience, lawyers, or certified public accountants, etc.

In the case of a purchase, etc. of the Company's shares, the Independent Committee shall make substantive judgments on whether or not the Large-scale Purchase will damage the Company's corporate value and, consequently, the common interests of shareholders following the Rules of the Independent Committee. The Board of Directors shall make resolutions as an organization under the Companies Act of Japan with the maximum respect for such decisions.

In this way, the Independent Committee strictly monitors the Board of Directors to prevent it from arbitrarily implementing the large-scale purchasing rules, etc. and, in addition, the outline of the Committee's decisions will be disclosed to shareholders. The system for transparent operation of the large-scale purchase rules to suit the Company's corporate value and, consequently, the common interests of shareholders, is secured.

(5) Establishment of reasonable and objective activation requirements

The large-scale purchase rules are set so that they will not be implemented unless the prescribed reasonable and detailed objective requirements are met, and it can be said that a mechanism for preventing arbitrary activation by the Board of Directors is secured.

(6) Acquisition of opinions from third-party experts

When a Large-Scale Purchaser appears, the Independent Committee may consult with an independent third party (including financial advisors, certified public accountants, lawyers, consultants and other experts). As a result, the fairness and objectivity of the Independent Committee's decision is further ensured.

(7) Absence of dead-hand or slow-hand takeover defense measure

The Plan can be abolished by the Board of Directors composed of directors elected at the Company's General Meeting of Shareholders. It is possible for the party that purchases the

large number of shares of the Company to appoint a director or directors at the Company's General Meeting of Shareholders and to have the Plan abolished by the Board of Directors composed of those directors. Therefore, the Plan is not a dead-hand takeover defense measure (a takeover defense measure that cannot be prevented even if a majority of the members of the Board of Directors are replaced).

In addition, since the Company does not adopt a different term system for directors, the Plan is not a slow-hand takeover defense measure (a takeover defense measure that takes time to prevent because members of the Board of Directors cannot be replaced at once).

Note 1: The Specified Shareholder Group refers to (i) the holders (meaning holders as stipulated in Article 27-23, Paragraph 1 of Japan's Financial Instruments and Exchange Act (the Act) and including holders pursuant to Paragraph 3 of the same Article.) and the joint holders (meaning joint holders as stipulated in Article 27-23, Paragraph 5 of the Act, and including deemed joint holders pursuant to Paragraph 6 of the same Article) of the Company's shares, etc. (meaning stock certificates, etc. as stipulated in Article 27-23, Paragraph 1 of the Act), or (ii) the persons who make the purchases, etc. (meaning purchases, etc. as stipulated in Article 27-2, Paragraph 1 of the Act and including those made in the financial instruments exchange markets) of the Company's shares, etc. (meaning stock certificates, etc. as stipulated in Article 27-2 Paragraph 1 of the Act) and their specially related parties (meaning specially related parties as stipulated in Article 27-2, Paragraph 7 of the Act).

Note 2: The Voting Rights Ratio refers to the sum of: (i) the shareholding ratio (as defined in Article 27-23, Paragraph 4 of the Act; in this case, the number of shares held, etc. (as defined in the same Paragraph) of the joint holders of said holders shall also be considered in the calculation) of the holders of the Company's shares, etc., if the Specified Shareholder Group falls under Note 1 (i); or (ii) the shareholding ratio (as defined in Article 27-2, Paragraph 8 of the Act) of the persons who make the purchase, etc. of the Company's shares, etc. and their specially related parties, if the Specified Shareholder Group falls under Note 1 (ii). In calculating the Voting Rights Ratio, the most recent securities report, quarterly report, and share repurchase status report may be referred to for the total voting rights (as defined in Article 27-2, Paragraph 8 of the Act) and the total number of issued shares (as defined in Article 27-23, Paragraph 4 of the Act).