

Annex A3: KKR vs. Bain Capital / Time Series Table (Part 3)¹

<u>Date</u>	<u>Event</u>	<u>Remarks</u>
October 29, 2024	<p><u>Bain Capital Press Release</u></p> <p>A "Since (i) even if FK wishes to continue to hold the Target Company's shares and Stock Acquisition Rights, FK and the Tender Offeror are in agreement in aiming to take the Target Company private, and (ii) it is considered possible to improve the corporate value of the Target Company after the Going Private through the implementation of the Squeeze-Out Procedures the Squeeze-Out Procedures (the Squeeze-Out Procedures includes squeeze-out procedures for the purpose of making the Tender Offeror, the Non-Responsive Shareholders and FK the Target Company's only shareholders; the same shall apply hereinafter in this paragraph and the following paragraphs) which both parties will jointly conduct, the Tender Offeror believes that there is no reasonable reason for FK not to accept the request for cooperation in the Squeeze-Out Procedures "</p> <p>B "Even if the implementation of the Squeeze-Out Procedures cannot be foreseen, the Tender Offeror, in cooperation with the Target Company's shareholders remaining at that time, plans to fully support the Target Company in improving its corporate value by designing and implementing growth strategies and business structure reforms utilizing the consulting approach described below and by providing personal support.</p> <p>°C "In light of the fact that the Tender Offeror has made a proposal that may result in the FK Tender Offer remaining a partial purchase if FK wishes to continue to hold the Target Company's shares and Stock Acquisition Rights even if it is determined that the purpose of FK's taking the Target Company's shares private cannot be achieved, the Tender Offeror believes that FK should have the intention to cooperate with the Tender Offeror to jointly improve the corporate value of the Target Company, and the Tender Offeror does not exclude such an option, and, accordingly, the Tender Offeror believes that even in this case, the concern that the corporate value of the Target Company will be damaged will not be applicable.</p> <p>D "Nevertheless, if the Tender Offeror reasonably determines that there is a high probability that a material disadvantage will be caused to the remaining shareholders of the Target Company and the Stock Acquisition Right</p>	<p>We think this is a perfectly reasonable view.</p> <p>We think this is a perfectly reasonable view.</p> <p>We think this is a perfectly reasonable view.</p> <p>The expressed willingness to provide an exit opportunity for remaining shareholders who do not</p>

¹ Terms defined in the Tender Offer Registration Statement (dated September 5, 2024) and the Amendment Statements filed thereafter with respect to the tender offer by FK Corporation for FUJISOFT CORPORATION, and the Opinion Report on such tender offer (dated September 5, 2024; the "**Opinion Report**") and the Amendment Reports filed thereafter, shall have the meanings ascribed to them in such documents unless otherwise defined herein.

	<p>Holder, such as in the event that a material disagreement between the Tender Offeror and FK regarding the operation of the Target Company causes a hindrance to the Target Company's business operation that may materially damage the Target Company's corporate value, the Tender Offeror will make a reasonable withdrawal to the remaining shareholders and Stock Acquisition Right holders of the Target Company by such methods as conducting the Tender Offer again under the same conditions as the Tender Offer so as not to cause such disadvantage to the remaining shareholders and Stock Acquisition Right holders of the Target Company.”</p> <p>E "Therefore, even if the purpose of the Transaction to take the Target's shares listed on the TSE Prime Market private cannot be achieved, the purpose of the Transaction can be achieved to the extent described above, regardless of the number of the Target's shares and the Stock Acquisition Rights to be acquired by the Offeror in the Tender Offer, and regardless of whether 3DIP, Farallon or FK intends to tender its shares in the Tender Offer, the result of the First FK Tender Offer or FK's willingness to cooperate with the Squeeze-Out Procedures, we do not believe that the Transaction will be an unfeasible transaction."</p> <p>F "In the FK Amended Tender Offer Registration Statement, the Special Committee of the Target Company pointed out that 'even if the tender offer by Bain Capital is implemented, a new scenario can be assumed as the final shareholder composition of the Company in which the Offeror (Note: FK) holds the above number of shares and Bain Capital also holds a certain number of shares,' the Target Company is aware that the FK Tender Offer may only result in a partial purchase, and that there is a possibility of delisting due to a violation of the listing maintenance standards and a possibility of differences of opinion among shareholders, and nonetheless, the Special Committee supports the Tender Offer by FK. Therefore, the possibility of the Tender Offer being only a partial purchase should not be deemed to constitute a reason for the Target Company (FUJISOFT) not to support such Tender Offer.”</p>	<p>apply for either TOB is commendable.</p> <p>We believe that this view is correct.</p> <p>Logically, one would think that this would be the case.</p>
<p>November 20, 2024.</p>	<p><u>FUJISOFT Submits Opinion Report</u></p> <p>1. 2nd Tender Offer:</p> <p>(1) Expresses an opinion in favor of the offer.</p> <p>(2) Applications are encouraged.</p> <p>(3) Raised the tender offer price to 9,451 yen.</p> <p>(4) Reiterated its opposition to Bain Capital's tender offer.</p> <p>(5) "In light of the Price Hike, the Tender Offeror plans , from the standpoint of fairness, to compensate all of the Company's shareholders and holders of Stock Acquisition Rights who tendered their shares in the First Series Tender</p>	<p>The Tender Offeror (referring to FK Corporation; the same shall apply unless</p>

Offer for the difference between (i) the purchase price determined by the Price Hike and (ii) the First Series Tender Offer Price or the purchase price for the Stock Acquisition Rights in the First Series Tender Offer (the "First Series Stock Acquisition Rights Purchase Price") (651 yen per share, 130,200 yen per unit for the 5th Series Stock Acquisition Rights, 130,200 yen per unit for the 6th Series Stock Acquisition Rights, and 65,100 yen per unit for the 7th Series Stock Acquisition Rights), although details such as timing and method are under consideration and will be announced as soon as determined.

(6) "The minimum number of shares to be purchased, 12,133,398 shares, is the 12,133,398 shares (shareholding ratio: 19.25%), which is the number of shares obtained by deducting (i) the number of shares of the Company held by the Tender Offeror as of the date of submission of this document (21,413,302 shares; shareholding ratio: 33.97%) from (ii) the number of shares (33,546,700 shares) obtained by multiplying (A) the number obtained by deducting (I) the number of voting rights (159 units) for the number of shares (total: 15,937 shares; shareholding ratio: 0.03%) owned by the Company's directors among the shares with transfer restrictions, from (II) the number (335,626 units) obtained by multiplying (a) the number of voting rights (630,282 units) pertaining to the total number of shares of the Company after taking into account its latent shares by (b) 53.25%, by (B)100, which is the number of shares constituting one unit of the Company's shares."

(7) "On November 18, 2024, the Company received a report from the Special Committee, similar to the November 15 Opinion, stating that the Special Committee (i) continues to believe that the proposal from the Offeror aims to take the Company private solely through the acquisition of all of the Company's shares by KKR alone and will contribute to improving the corporate value of the Company, and (ii) on the basis that the 2nd Tender Offer is more attractive than the Tender Offer by Bain Capital in terms of price, recommends that the Company (i) express an opinion in favor of the 2nd Tender Offer and (ii) express an opinion in favor of recommending that the Company's shareholders and stock acquisition right holders tender their shares to the 2nd Tender Offer."

(8) Regarding the Bain Capital press release dated November 1, 2024:

Opinion of the Special Committee: "(a) Bain Capital's proposal is not sufficiently tailored to the issue of coercion, as KKR already owns approximately 34% of the Company's shares, and there are still doubts about the improvement in corporate value due to deadlock and other risks; (b) in terms of price, Bain Capital's tender offer is

otherwise specified) plans to compensate for the difference between the first tender offer price and the second tender offer price to those who have lost their shareholder rights by selling their shares to the Tender Offeror.

We believe that a sufficient legal explanation is required to determine whether this would not be regarded as a gift or donation since it would be a delivery of money to a person who does not have a legal right to claim payment of the difference.

	<p>not superior to the second tender offer by the Offeror, and (c) it is considered that the early establishment of a situation in which the Offeror's proposal is superior in each of the above points and the Company can move forward to achieve its new medium-term management plan will further contribute to improving corporate value, we therefore express our opposition to the tender offer by Bain Capital."</p> <p>(9) Opinion of the Special Committee: "(a) The Committee is of the opinion that the Board of Directors should not negotiate a further price increase with Bain Capital in order to promptly resolve the current situation as described above. (b) The Committee is of the opinion that the Board of Directors should request Bain Capital to destroy any and all confidential information disclosed to Bain Capital in accordance with the confidentiality agreement concluded between Bain Capital and the Company."</p> <p>(10) The Special Committee's opinion: "(a) The Bain Capital tender offer will not be initiated because the Committee is opposed to the Bain Capital proposal. (b) However, since going private by KKR is the best way to enhance corporate value and shareholders are reasonably expected to expect the sale at the highest price, such a consequence is not considered to be against the reasonable will of shareholders and there are no circumstances that violate the principle of shareholder's will."</p>	<p>Regarding (a): We are of the opinion that the general shareholders would prefer to sell at a higher price, and therefore, to express an opinion that the Company should not negotiate a raise would be detrimental to the interests and rights of the general shareholders.</p> <p>Regarding (b): The opinion is that the request for the destruction of confidential information can also be evaluated as being made for the purpose of preventing Bain Capital from offering a higher tender offer price, which would be detrimental to the interests and rights of the general shareholders.</p> <p>Regarding (a): We believe that it may not be possible to determine this much. It is possible that Bain Capital will issue a notice of commencement of the tender offer that is higher than KKR's second tender offer price and seek the approval of FUJISOFT's board of directors. Although Bain Capital has set the approval of FUJISOFT's board of directors as a condition for the commencement of the</p>
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	<p>(11) Special Committee's opinion: "Looking at the Bain Capital tender offer, it is difficult to avoid the evaluation that the response regarding coercion is still inadequate in light of the following points:</p> <p>(a) As already mentioned, the Bain Capital Proposal cannot completely dispel the risk that the Company's corporate value will be destroyed;</p> <p>(b) Where there is an argument that coercion can be reduced by (i) separating the indication of approval or disapproval of a takeover from the indication of intention</p>	<p>tender offer, it is possible that Bain Capital will waive such condition and commence the tender offer without the approval of FUJISOFT's board of directors.</p> <p>Regarding (b): The Special Committee said, "Since shareholders can reasonably be expected to expect to sell at the highest price," and "there are no circumstances in which such a conclusion would be contrary to the reasonable intentions of the shareholders and therefore contrary to the principle of shareholder volition," but it is the shareholders' desire that a higher tender offer by Bain Capital be initiated. It is not appropriate to express opposition to Bain Capital's tender offer without approaching Bain Capital about raising the tender offer price, as it is the shareholders' desire to see Bain Capital launch a higher tender offer. The general shareholders are only interested in selling their shares at a higher price, and they do not care if there are multiple controlling shareholders or if the company does not go private.</p> <p>(a) The risk of becoming a deadlock is supposed to say that there is a risk of damaging the corporate value, but because general shareholders are not</p>
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	<p>to tender, and (ii) confirming the will of shareholders in favor of a majority of the shares, no reduction measures such as setting a minimum majority limit on the number of shares to be purchased in the Bain Capital Tender Offer have been taken; and</p> <p>(c) The inability to execute a squeeze-out using procedures under the Companies Act, such as a reverse stock split, unless KKR's consent is obtained, which would not guarantee a legal remedy through the exercise of a right to purchase shares or a petition for price determination."</p>	<p>interested in whether or not FUJISOFT will become a deadlock after selling at a high price. Therefore, they would not consider the risk of a deadlock to constitute a reason to block Bain Capital's tender offer at a higher price.</p> <p>Regarding (b): If Bain Capital launches a tender offer at a higher price, the general shareholders will simply tender their shares to Bain Capital's tender offer, so it is irrelevant whether or not "reduction measures such as setting a minimum majority limit on the number of shares to be purchased in the Bain Capital tender offer" have been taken.</p> <p>Regarding (c): Even if some of the general shareholders remain as shareholders of FUJISOFT without tendering their shares in any of the tender offers in the event that the Company is unable to go private, it is because such shareholders wished such a situation of their own volition. Therefore, we do not think there is any particular problem even if the legal remedy is not secured through the exercise of the right to request the purchase of their shares or the filing of a petition for price determination.</p>
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