

Annex A4: KKR vs. Bain Capital / Time Series Table (Part 4)¹

Date	Event	Remarks
December 18, 2024	<p><u>Bain Capital Press Release</u> Bain Capital amended our Dec-11 proposal today. If the Second FK Tender Offer is withdrawn or unsuccessful, we will commence our Tender Offer promptly</p> <p>Tender Offer Price:</p> <ul style="list-style-type: none"> • 9,600 yen per share (149 yen higher than the Second FK Tender Offer Price) <p>Threshold (Max / Min):</p> <ul style="list-style-type: none"> • Lower limit: 33.9% (together with the Non-Tendering Agreed Shares owned by the founding family, this would ensure a 50.1% stake) • Upper limit: 49.9% (together with the Non-Tendering Agreed Shares owned by the founding family, this would ensure a 66% stake; note as FK indicated that it does not plan to tender its shares into our Tender Offer, the shares held by FK are not targeted) <p>Expected timing of Tender Offer Commencement²:</p> <ul style="list-style-type: none"> • Late January 2025 or early February 2025 <p>Financing:</p> <ul style="list-style-type: none"> • Equity financing from Bain Capital <p>Tender / Non- Tender Agreements:</p> <ul style="list-style-type: none"> • Tender / non-tender agreements entered into with the founder Mr. Hiroshi Nozawa, and other founding family shareholders (ownership ratio: 18.6%³) <p>Tender Offer Conditions Precedent:</p> <ul style="list-style-type: none"> • Waiving FUJISOFT's Affirmative Opinion as a Tender Offer Conditions Precedent • Other standard conditions precedent for a pre-announced tender offer⁴ 	

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.

² We expect the timing to be late January 2025 or early February 2025, but we will disclose the specific schedule once it is decided.

³ 11,699,882 shares (including stock options held by Mr. Hiroshi Nozawa) are held by the founding family shareholders.

⁴ Standard conditions precedent are as follows: (i) no event corresponding to certain grounds for withdrawal of the

- Second FK Tender Offer has been withdrawn or was unsuccessful

Background of Waiving FUJISOFT's Affirmative Opinion as a Tender Offer Conditions Precedent

Strong concern and distrust regarding the selection process for SC members and potential partners and response to our proposals prompted our decision to waive the Affirmative Opinion as a Conditions Precedent

Special Committee Members Selection Process:

- Five of the six special committee members were appointed at an extraordinary shareholders' meeting convened by 3DIP, raising significant concerns about the committee's independence in evaluating this transaction.
- Furthermore, 3DIP is positioned to recover the price difference from the First FK Tender Offer only if the Second FK Tender Offer is successful. This raises substantial concerns that the special committee's decision, influenced by 3DIP's involvement in its selection, may give priority to proceeding with the privatization transaction with FK.

Going Private Partners Selection Process:

- We believe that if FUJISOFT had initially considered a going-private transaction, it should have conducted an open and fair process led by FUJISOFT itself, rather than a process initiated by 3DIP.
- We have consistently offered a higher price throughout the process, and we believe that FUJISOFT should have initiated a fair process upon receiving our proposal on July 26, 2024. However, we have strong concerns regarding FUJISOFT's decision to express its affirmative opinion for the First FK Tender Offer, recommend its approval, and rush the announcement without undertaking a fair evaluation process, such as providing us with a formal due diligence opportunity.
- We firmly believe that if a fair process led by

In particular, outside directors involved in the 3D proposal should immediately be excluded from deliberations and resolutions by the Special Committee and board of directors regarding any TOB from either FK or Bain Capital.

The problem is that the Target was unable to start

tender offer has occurred at FUJISOFT or its subsidiaries (ii) no event has occurred that could have a material adverse effect on the business, financial condition, management situation, assets, liabilities, cash flow or future prospects of FUJISOFT Group, or on the relevant economic or market conditions. (iii) clearances necessary for the transaction are expected to be competed (ix) Bain Capital is not aware of any material facts that concern the business or other particulars related to FUJISOFT.

	<p>FUJISOFT had been initiated at that time of our proposal (end of July to early August 2024), the best partner for FUJISOFT could have been selected transparently and fairly, without causing unnecessary confusion to shareholders and other stakeholders.</p>	<p>the fair process at that point. As for the cause of this, (1) in 2022, an employee of the Bank of Yokohama (called “Mr. T”); he had transferred from Deutsche Bank to the Bank of Yokohama) was transferred to FUJISOFT in the form of a secondment from the Bank of Yokohama, and Mr. Mitsu Imai (who had been Mr. T’s boss (President) at RECOF, a M&A intermediary company, before Mr. T joining Deutsche Bank), who was transferred from Merrill Lynch Japan Securities as Deputy President to become the Deputy President of RECOF, becoming its President five months later), was pushed by Mr. T into the position of outside director of FUJISOFT at a special general meeting of shareholders (held on December 4, 2022) called by 3D⁶, by obtaining 3D’s⁷ approval despite Mr. Imai being proposed by FUJISOFT, (2) the true aim of the Bank of Yokohama and Mr. T was to get on board with 3D’s strategy, ultimately delisting FUJISOFT, and thereby taking control of the financing that would accompany the delisting and to seize the position of main bank at a stroke, (3) Mr. T planned for each fund to raise funds from</p>
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	<p>Special Committee Response after our Proposal:</p> <ul style="list-style-type: none"> • We were unable to obtain an affirmative opinion from FUJISOFT for our proposals on October 11, 2024 and December 11, 2024, despite both proposals being legally-binding offers at the highest prices available in the market at that time. 	<p>the Bank of Yokohama, and in fact, the Bank of Yokohama acted as lead arranger for the bank loan (290 billion yen) to KKR, and it was decided that the bank itself would provide a loan of 100 billion yen, as part of such bank loan, to KKR, (4) Mr. Imai of the Special Committee would have no reason to seriously consider the Bain proposal now, and (5) the opinion paper of the Special Committee, which was revealed on November 15, not only recommended against the Bain proposal, but also prohibited the board of directors from entering into negotiations with Bain to raise the price, as reported in the magazine “<i>Sentakū</i>” (December 2024 issue, pp. 70-71). FUJISOFT should investigate whether or not these matters are true (it is possible that a third-party committee could be asked to investigate), and if they are true, FUJISOFT immediately should dismiss Mr. Imai from his position as a Special Committee member, and prohibit him from being involved in any deliberation or resolution at board meetings with respect to any TOB from either FK or Bain Capital.</p>
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	<ul style="list-style-type: none"> • Furthermore, regarding the proposal on December 11, 2024, despite it being a legally-binding offer at the highest price, the Special Committee not only withheld their affirmative opinion but also expressed opposition. We believe this decision has undermined the value that minority shareholders should rightfully receive based on the Special Committee's judgment. - Lack of a significant price difference, including the consideration of the time value of money has been cited as one of the rationales for its opposition. However, we believe that shareholders may apply different criteria in evaluating proposals. - Additionally, there is no valid reason for FUJISOFT to express an opposing opinion at this timing. We are deeply concerned about the timing of this statement, as it was deliberately made just before the completion of the FK Tender Offer. <p>Given the above circumstances, we have decided to waive FUJISOFT's affirmative opinion as a tender offer conditions precedent in order to provide shareholders with the opportunity to make an appropriate decision.</p> <p>Although the final decision will be left to shareholders, we are confident that this proposal is meaningful not only for shareholders but also for the appropriate development of the capital market in Japan.</p> <p>After jointly acquiring more than 50.1% of FUJISOFT's shares together with the founding family, we will make the utmost efforts with the founding family and FUJISOFT's management team to maximize FUJISOFT's enterprise value.</p> <p>Other Points to Note⁵</p> <p>Providing an exit opportunity for general shareholders in the event of a deadlock:</p> <p>“Notwithstanding such request, in the unlikely event that FK does not accept the request and the Tender Offeror reasonably determines that there is no prospect of implementing the Squeeze-out Procedures and there is a high probability that the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders will be materially disadvantaged in the situation where period stipulated in the delisting standards is about to pass without the Target Company meeting the</p>	<p>We believe that this is correct.</p> <p>We believe that this is correct.</p> <p>With respect to the point “the Tender Offeror plans to provide the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders reasonable opportunities to exit by such methods as</p>
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⁵ This section is a summary of the points in the Bain Capital press release that we believe should be noted by general shareholders.

criteria for maintaining its listing on the TSE, the Tender Offeror plans to provide the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders reasonable opportunities to exit by such methods as conducting another tender offer under practically the same terms and conditions as the Tender Offer again so that the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders will not be subject to such disadvantage.”

Strong doubts about the independence of the five outside directors who are members of the Special Committee (composed of six outside directors):

“Of the members of the Target Company’s Special Committee (the “**Target Company’s Special Committee Members**”), five members, i.e., Hikaru Imai, Takao Tsuji, Hidetaka Nishina, Yuya Shimizu, and Shintaro Ishimaru, were appointed at the extraordinary general shareholders meeting of the Target Company, which was held on December 4, 2022 (the “**December 4, 2022 Extraordinary General Shareholders Meeting**”) in response to the request to convene an extraordinary general shareholders meeting made by 3D OPPORTUNITY MASTER FUND on August 31, 2022, a related fund of 3DIP and a shareholder of the Target Company, and the Tender Offeror has strong doubts about the independence of the five outside directors from 3DIP (in particular, two of these five outside directors (Yuya Shimizu and Shintaro Ishimaru) were candidates under the shareholder proposal from 3D OPPORTUNITY MASTER FUND and the other three (Hikaru Imai, Takao Tsujii, and Hidetaka Nishina) were also candidates proposed by the Target Company in response to a request from 3D OPPORTUNITY MASTER FUND to convene an extraordinary general shareholders meeting (although we are not aware of any objective facts that suggest that those three individuals were selected as candidates proposed by the Target Company, based on instructions, etc. from 3DIP), and as such, the Tender Offeror believes that it cannot be said that 3DIP has had no influence).”

“In addition, according to the Second FK Tender Offer Commencement Press Release, with regard to the shareholders of the Target Company and the Stock Acquisition Rights Holders who tendered their Shares, etc. in the First FK Tender Offer, FK is planning to

conducting another tender offer under practically the same terms and conditions as the Tender Offer again so that the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders will not be subject to such disadvantage”, too, we think the Bain Capital proposal is superior to the FK proposal.

Including the issue of Mr. Hikaru Imai mentioned above, we think that the renewal of the members of the Special Committee should be deliberated and resolved by the board of directors of FUJISOFT in a way that excludes interested parties, from the perspective of independence.

Since the implementation of the “Compensation” is conditional on the success of the second tender offer by FK, it must be said that

provide compensation for the difference between the purchase price determined by the price increase in the Second FK Tender Offer and the First FK Tender Offer Price / the First FK Stock Acquisition Right Purchase Price (Target Company Shares: 651 yen per share, 5th Series of Stock Acquisition Rights: 130,200 yen per stock acquisition right, 6th Series of Stock Acquisition Rights: 130,200 yen per stock acquisition right, and the 7th Series of Stock Acquisition Rights: 65,100 yen per stock acquisition right) (as the “**Compensation**”). The Tender Offeror strongly suspects the situation to be one in which 3DIP is participating in the deliberations and resolutions regarding the Transaction because 3DIP continues to have a strong interest in the completion of the Second FK Tender Offer since 3DIP, which tendered its shares in the First FK Tender Offer, is in a position to receive the Compensation in the event that the Second FK Tender Offer is completed.”

Strong doubts from the perspective of the independence of the Special Committee:

“The Tender Offeror strongly suspects that it is because the Target Company’s Special Committee, influenced by 3DIP, respects the results of the 3DIP process and gives priority to proceeding with the privatization transaction with KKR, which was selected through the 3DIP process, over the interests of the shareholders of the Target Company and the Stock Acquisition Rights Holders. As mentioned above, at the meeting of the Target Company’s Board of Directors held on October 18, 2024, four of the eleven directors of the Target Company who participated in the resolution expressed their opposition to maintaining the recommendation to tender in the First FK Tender Offer. However, as it is not stated in the Target Company’s October 18 Expression of Opinion Press Release that any of the Target Company’s Special Committee Members, which are all outside directors, opposed the Special Committee’s report to maintain the recommendation, the Tender Offeror believes that the Target Company’s directors who participated in the resolution at the Board of Directors meeting held on the same date expressed their opposition to maintaining the recommendation to tender in the First FK Tender

concerns about conflicts of interest regarding outside directors who have a relationship with 3D have become more serious than at the time of the first tender offer by FK.

With respect to the point “The Tender Offeror believes that the peculiar situation in which the Target Company’s Special Committee, which should focus on the interests of the shareholders of the Target Company and the Stock Acquisition Rights Holders (i.e., the Tender Offer Price), voted in favor of maintaining the recommendation to tender in the First FK Tender Offer while all of the internal directors voted against it, is one proof that the independence of the Target Company’s Special Committee Members from 3DIP is questionable,” this should be taken seriously. We think it would be very difficult for the relevant members of the Special Committee to be independent of 3D.

	<p>Offer (if the four directors who opposed the resolution were included the Target Company’s Special Committee Members, it would mean that the Target Company’s Special Committee failed to disclose material aspects of its deliberations). The Tender Offeror believes that the peculiar situation in which the Target Company’s Special Committee, which should focus on the interests of the shareholders of the Target Company and the Stock Acquisition Rights Holders (i.e., the Tender Offer Price), voted in favor of maintaining the recommendation to tender in the First FK Tender Offer while all of the internal directors voted against it, is one proof that the independence of the Target Company’s Special Committee Members from 3DIP is questionable.</p> <p>Furthermore, we believe that the fact that the Target Company not only did not express the Affirmative Opinion to the Tender Offeror’s legal binding proposal which exceeded the tender offer price in the Second FK Tender Offer as of December 11, 2024, but expressed an opinion in opposition to such proposal, harmed the interests of the Target Company’s shareholders and holders of the Share Acquisition Rights Holders.”</p>	
<p>December 20, 2024</p>	<p><u>FUJISOFT Submits Amendment Report to its Opinion Report</u></p> <p>1. Regarding the Second Tender Offer:</p> <p>(i) The Company continues to express its support for the proposal.</p> <p>(ii) The Company continues to recommend that shareholders tender their shares.</p> <p>(iii) The Company expresses its opposition to the tender offer by Bain Capital (with a tender offer price of 9,600 yen).</p> <p>(iv) The Second Tender Offer period is extended to January 9, 2025.</p> <p>2. Additional opinion statement from the Special Committee:</p> <p>(i) ① Because the Bain Capital proposal on December 11, 2024 involves the risk of a deadlock on matters requiring special resolution at the general meeting of shareholders due to the coexistence of major shareholders, there are still doubts about whether the Company can achieve inorganic growth through going private that requires a special resolution, compared to the Transaction, and</p>	<p>To begin with, it has not been explicitly resolved at a board meeting that going private is the best way to improve the corporate value of FUJISOFT (at least, there is no mention in past disclosure materials that it was</p>

	<p>② the completion of the tender offer by Bain Capital is expected to be at least three months later than the completion of the Second Tender Offer, and there is no possibility that the tender offer by Bain Capital will be completed prior to the Second Tender Offer, the Bain Capital Proposal dated December 11, 2024 is expected to delay the start of the implementation of measures to improve corporate value to achieve the Company's medium-term plan by about three months compared to the Transaction, and is inferior to the Transaction in terms of the quantitative perspective of the discounted present value of future cash flows, and</p> <p>(ii) ① The Second Tender Offer price was formed after reasonable efforts to secure shareholder profits, as required by the action guidelines for corporate</p>	<p>explicitly resolved at a board meeting). Bain Capital's proposal is that, in the event that a deadlock situation arises that is disadvantageous to general shareholders, "the Tender Offeror plans to provide the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders reasonable opportunities to exit by such methods as conducting another tender offer under practically the same terms and conditions as the Tender Offer again so that the remaining shareholders of the Target Company and the Stock Acquisition Rights Holders will not be subject to such disadvantage," there is nothing wrong with the proposal from Bain Capital, from the perspective of general shareholders.</p> <p>We agree with Bain Capital's statement "Lack of a significant price difference, including the consideration of the time value of money has been cited as one of the rationales for its opposition. However, we believe that shareholders may apply different criteria in evaluating proposals." It is a matter for each shareholder to decide.</p> <p>Whether or not it is sufficient is a matter for the shareholders to decide.</p>
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	<p>acquisitions, were carried out, and the price is recognized as being sufficient, and</p> <p>② While the difference between the Bain Capital tender offer price and the Second Tender Offer price is 149 yen (approximately 1.58%), the Second Tender Offer price also has a time value in that it allows for early cashing out,</p> <p>and, as a result, when you consider the foregoing together, the necessity of securing the opportunity to sell at the Bain Capital tender offer price is low, so we recommend that the Company's board of directors express its opposition to the Bain Capital tender offer.</p>	<p>It is not permissible for the board of directors of the Target Company to interfere with this opportunity for decision-making.</p> <p>As stated above, we agree to Bain Capital's statement "Lack of a significant price difference, including the consideration of the time value of money has been cited as one of the rationales for its opposition. However, we believe that shareholders may apply different criteria in evaluating proposals."</p> <p>We have to say that this is a conclusion that is not based on rational grounds.</p>
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