

(Amendment) Partial Amendment to “Announcement of Opinion in Support of the Tender Offer by NEC Corporation, the Parent of NESIC, for the Common Stock of NESIC and Recommendation to Tender”

Because matters have arisen that require partial amendment of the press release of NEC Networks and System Integration Corporation (“NESIC”) dated October 29, 2024, titled “Announcement of Opinion in Support of the Tender Offer by NEC Corporation, the Parent of NESIC, for the Common Stock of NESIC and Recommendation to Tender,” NESIC hereby gives notice as set forth below.

The amended portions are underlined.

3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer

(2) Basis and Reasons for the Opinion Regarding the Tender Offer

[2] Background, Purpose, and Decision-making Process of Tender Offer
(Before Amendment)

<Omitted>

After the above discussions and negotiations, NEC and NESIC agreed to set the Tender Offer Price at 3,250 yen on the assumption that NESIC will not pay year-end dividends for the fiscal year ending March 31, 2025. Therefore, NEC resolved to implement the Tender Offer as part of the Transaction at the meeting of its board of directors held today.

(After Amendment)

<Omitted>

After the above discussions and negotiations, NEC and NESIC agreed to set the Tender Offer Price at 3,250 yen on the assumption that NESIC will not pay year-end dividends for the fiscal year ending March 31, 2025. Therefore, NEC resolved to implement the Tender Offer as part of the Transaction at the meeting of its board of directors held on October 29, 2024.

Thereafter, NEC has commenced the Tender Offer since October 30, 2024; after comprehensively considering the status of tenders by NESIC’s shareholders of their NESIC Shares in the Tender Offer and the prospects for tenders in response to the Tender Offer, etc., as of today, NEC decided to extend the Tender Offer Period to December 25, 2024, for a total of 40 business days, in order to provide NESIC’s shareholders with further opportunities to make decisions on whether to tender their shares in the Tender Offer (the “Extension of Tender Offer Period”). NEC believes that the Tender Offer Price (3,250 yen), which was agreed upon after multiple rounds of sincere discussions and negotiations among NEC and NESIC and the Special Committee, fully reflects the value of NESIC and provides the shareholders of NESIC with a reasonable opportunity to sell their NESIC Shares. Therefore, NEC has no plans to change the Tender Offer Price after the Extension of Tender Offer Period.

(5) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)

(Before Amendment)

As described in “[1] Overview of Tender Offer” under “(2) Basis and Reasons for the Opinion Regarding the Tender Offer” above, if NEC does not acquire all of the NESIC Shares through the Tender Offer, NEC plans to implement, after the completion of the Tender Offer, the Squeeze-Out Procedures, which are intended to make NEC the only shareholder of NESIC, in the following manner.

<Omitted>

(ii) Consolidation of Shares

If the total number of voting rights represented by NESIC Shares held by NEC and the trustee of NEC's Employee Retirement Benefit Trust is less than 90% of the total number of voting rights of all shareholders of NESIC after the completion of the Tender Offer, NEC, promptly after the settlement for the Tender Offer, intends to request NESIC to hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") for which agenda items include the following proposals: (i) to conduct a consolidation of the NESIC Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act, and (ii) to make a partial amendment to the NESIC's Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. As of today, NESIC plans to hold the Extraordinary Shareholders' Meeting in response to the request by NEC and the Extraordinary Shareholders' Meeting is scheduled to be held in the middle of February 2025. NEC and (in the event that the delivery without compensation of the NESIC Shares contributed to NEC's Employee Retirement Benefit Trust to NEC has not been completed by the record date of the Extraordinary Shareholders' Meeting) the trustee of NEC's Employee Retirement Benefit Trust, for which NEC has the right to give voting instructions, intends to approve each of said proposals at the Extraordinary Shareholders' Meeting.

<Omitted>

(After Amendment)

As described in "[1] Overview of Tender Offer" under "(2) Basis and Reasons for the Opinion Regarding the Tender Offer" above, if NEC does not acquire all of the NESIC Shares through the Tender Offer, NEC plans to implement, after the completion of the Tender Offer, the Squeeze-Out Procedures, which are intended to make NEC the only shareholder of NESIC, in the following manner.

<Omitted>

(ii) Consolidation of Shares

If the total number of voting rights represented by NESIC Shares held by NEC and the trustee of NEC's Employee Retirement Benefit Trust is less than 90% of the total number of voting rights of all shareholders of NESIC after the completion of the Tender Offer, NEC, promptly after the settlement for the Tender Offer, intends to request NESIC to hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") for which agenda items include the following proposals: (i) to conduct a consolidation of the NESIC Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act, and (ii) to make a partial amendment to the NESIC's Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. As of today, NESIC plans to hold the Extraordinary Shareholders' Meeting in response to the request by NEC and the Extraordinary Shareholders' Meeting is scheduled to be held in early March 2025. NEC and (in the event that the delivery without compensation of the NESIC Shares contributed to NEC's Employee Retirement Benefit Trust to NEC has not been completed by the record date of the Extraordinary Shareholders' Meeting) the trustee of NEC's Employee Retirement Benefit Trust, for which NEC has the right to give voting instructions, intends to approve each of said proposals at the Extraordinary Shareholders' Meeting.

<Omitted>

(6) Measures to Ensure Fairness of Tender Offer, Including Those to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest

[10] Measures to ensure that the shareholders of NESIC have the opportunity to make appropriate decisions on whether or not to tender their shares in the Tender Offer

(Before Amendment)

As described in "(5) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)" above, (A) NEC intends to, promptly after the completion of the settlement of the Tender Offer, depending on the number of shares to be acquired by NEC through completion of the Tender Offer, make a Request for Share Transfers for all of the NESIC Shares, or request NESIC to hold the Extraordinary Shareholders' Meeting for which agenda items include the following proposals: (i) to conduct the Share Consolidation, and (ii) to make a partial amendment to the NESIC's Articles of Incorporation that would abolish the provision regarding the number

of shares constituting one unit of shares subject to the Share Consolidation taking effect. NEC will not adopt a method that does not secure the right to request the purchase of shares or the right to petition for the determination of price of the shares for the shareholders of NESIC; and (B) NEC has made it clear that, in the event of the Request for Share Transfers or the Share Consolidation, the amount of money to be delivered to the shareholders of NESIC as consideration will be calculated to be equal to the Tender Offer Price multiplied by the number of the NESIC shares held by each such shareholder (excluding NEC). As such, NEC is ensuring that the shareholders of NESIC have the opportunity to make an appropriate decision as to whether or not to tender their shares in the Tender Offer, and is taking care to ensure that no coercion is involved.

In addition, NEC set the Tender Offer Period to 30 business days, while the minimum period required for a tender offer under the relevant laws is 20 business days. By setting the Tender Offer Period longer than the shortest period under the relevant laws, NEC ensured opportunities for the shareholders of NESIC to make proper decisions whether to tender their shares. At the same time, NEC intended to ensure the fairness of the Tender Offer Price by ensuring opportunities for bidders other than NEC to conduct counter offers in respect of the NESIC Shares.

(After Amendment)

As described in “(5) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)” above, (A) NEC intends to, promptly after the completion of the settlement of the Tender Offer, depending on the number of shares to be acquired by NEC through completion of the Tender Offer, make a Request for Share Transfers for all of the NESIC Shares, or request NESIC to hold the Extraordinary Shareholders’ Meeting for which agenda items include the following proposals: (i) to conduct the Share Consolidation, and (ii) to make a partial amendment to the NESIC’s Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. NEC will not adopt a method that does not secure the right to request the purchase of shares or the right to petition for the determination of price of the shares for the shareholders of NESIC; and (B) NEC has made it clear that, in the event of the Request for Share Transfers or the Share Consolidation, the amount of money to be delivered to the shareholders of NESIC as consideration will be calculated to be equal to the Tender Offer Price multiplied by the number of the NESIC shares held by each such shareholder (excluding NEC). As such, NEC is ensuring that the shareholders of NESIC have the opportunity to make an appropriate decision as to whether or not to tender their shares in the Tender Offer, and is taking care to ensure that no coercion is involved.

In addition, NEC set the Tender Offer Period to 40 business days, while the minimum period required for a tender offer under the relevant laws is 20 business days. By setting the Tender Offer Period longer than the shortest period under the relevant laws, NEC ensured opportunities for the shareholders of NESIC to make proper decisions whether to tender their shares. At the same time, NEC intended to ensure the fairness of the Tender Offer Price by ensuring opportunities for bidders other than NEC to conduct counter offers in respect of the NESIC Shares.

(Reference) “NEC Announces the Extension of Tender Offer Period pertaining to Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973),” released by NEC on December 11, 2024 (Attachment)

End

[Restrictions on Solicitation]

This NESIC's Announcement is made to express NESIC's opinion regarding the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanation Statement and make their own independent decision. This NESIC's Announcement does not constitute, nor form part of, any offer to sell, solicitation of a sale of or any solicitation of any offer to buy, any securities. In addition, neither this NESIC's Announcement (nor any part of it) nor the fact of its distribution shall form the basis of or be relied on in connection with any agreement for the foregoing.

[U.S. Regulations]

The Tender Offer targets the shares of the common stock of NESIC, which is a company established in Japan. The Tender Offer shall be implemented in accordance with the procedures and information disclosure standards prescribed under Japanese law, and such procedures and standards may not be the same as comparable procedures and information disclosure standards found in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934, as amended (hereinafter the same shall apply), as well as the regulations thereunder, do not apply to the Tender Offer, and the Tender Offer will not be conducted in accordance with the procedures and standards prescribed thereby. The financial information contained in this material and documents incorporated by reference herein is based on Japanese accounting standards or International Financial Reporting Standards, which may significantly differ from generally accepted accounting principles in the United States and other countries. In addition, since NEC is a corporation incorporated outside the United States and all or some of its directors and officers are not residents of the United States, it may be difficult to exercise any rights or claims that can be asserted on the basis of U.S. securities-related laws. In addition, it may not be possible to commence legal proceedings against a non-U.S. corporation as well as its directors and officers in a non-U.S. court on the basis of a violation of the U.S. securities-related laws. Furthermore, U.S. courts may not assert jurisdiction over a non-U.S. corporation and its affiliates. Unless otherwise specified, all procedures relating to the Tender Offer will be conducted in Japanese. All or a portion of the documents relating to the Tender Offer will be prepared in English, but in the case of any discrepancy between a document in English and that in Japanese, the Japanese document shall prevail. During the Tender Offer Period, NEC, the financial advisors of each of NEC and NESIC and the tender offer agent (including their affiliates), in the ordinary course of their business or otherwise to the extent permitted by Japanese regulations related to financial instruments transactions and other applicable laws and regulations, as well as in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, may acquire NESIC Shares and stock acquisition rights by means other than the Tender Offer, or conduct acts towards such acquisitions, for their own account or the account of their clients. Such acquisitions may be made at market prices through market transactions or at prices determined through off-market negotiations. If information regarding such acquisitions is disclosed in Japan, that information will also be disclosed in the English language on the websites (or other method of disclosure) of the persons that conducted such purchases.

[Other Countries]

Some countries or regions may impose restrictions on the announcement, issue, or distribution of this NESIC's Announcement. In such cases, please take note of such restrictions and comply with them. In countries or regions where the implementation of the Tender Offer is illegal, even upon receiving this NESIC's Announcement, such receipt shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.

[Forward-looking statements]

This NESIC's Announcement and the documents referenced herein contain forward-looking expressions, such as "it is anticipated," "it is projected," "it is expected," "it is intended," "it is planned," "it is believed," "it is envisioned," "it is estimated," "it is surmised", as well as their variants. These statements are based on the business forecasts of NEC or NESIC as of the current point in time and are subject to change based on conditions going forward. Regarding this information, neither NEC, NESIC, or their subsidiaries owe any duty to update any expressions relating to future prospects in order to reflect actual results or assorted circumstances or any change in terms and conditions.

NEC Announces the Extension of Tender Offer Period pertaining to Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973)

Tokyo, December 11, 2024 – NEC Corporation (“NEC”) has commenced a tender offer (the “Tender Offer”) for the shares of common stock of NEC Networks & System Integration Corporation (Securities Code: 1973, the Prime Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”); “NESIC”) (the “NESIC Shares”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”) since October 30, 2024; after comprehensively considering the status of tenders by NESIC’s shareholders of their NESIC Shares in the Tender Offer and the prospects for tenders in response to the Tender Offer, etc., as of today, NEC decided to extend the Tender Offer Period to December 25, 2024, for a total of 40 business days, in order to provide NESIC’s shareholders with further opportunities to make decisions on whether to tender their shares in the Tender Offer.

NEC hereby announces that, in response to this, it amended the “NEC Announces the Commencement of Tender Offer for Shares of NEC Networks & System Integration Corporation (Securities Code: 1973)” dated October 29, 2024, as follows. Amended parts are underlined.

1. Purposes of Tender Offer

- (1) Overview of Tender Offer
(Before Amendment)

<Omitted>

According to “Announcement of Opinion in Support of the Tender Offer by NEC Corporation, the Parent of NESIC for the Common Stock of NESIC and Recommendation to Tender” released by NESIC as of today (“NESIC’s Announcement”), NESIC has resolved at the meeting of its board of directors held today to express its opinion supporting the Tender Offer and to recommend that the shareholders of NESIC tender their shares in the Tender Offer. For details on decision-making process of NESIC’s board of directors, please refer to NESIC’s Announcement, “(c) Decision-Making Process Leading to and Reasons for NESIC’s Support of the Tender Offer” of “(i) Background, Purpose, and Decision-making Process of Tender Offer” of “(2) Background, Purpose, and Decision-making Process of Tender Offer, and Management Policy after Tender Offer” below, and “(VIII) Approval of all directors without an interest in NESIC and opinion stating there is no objection from corporate auditors without an interest in NESIC” of “(Measures to Ensure Fairness of Tender Offer Including Those to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest)” of “(ii) Process of Calculation” of “(4) Basis of Calculation of Tender Offer Price” of “2. Outline of Tender Offer” below.

(After Amendment)

<Omitted>

According to “Announcement of Opinion in Support of the Tender Offer by NEC Corporation, the Parent of NESIC for the Common Stock of NESIC and Recommendation to Tender” released by NESIC as of October 29, 2024 (“NESIC’s Announcement”), NESIC has resolved at the meeting of its board of directors held on October 29, 2024 to express its opinion supporting the Tender Offer and to recommend that the shareholders of NESIC tender their shares in the Tender Offer. For details on decision-making process of NESIC’s board of directors, please refer to NESIC’s Announcement, “(c) Decision-Making Process Leading to and Reasons for NESIC’s Support of the Tender Offer” of “(i) Background, Purpose, and Decision-making Process of Tender Offer” of “(2) Background, Purpose, and Decision-making Process of Tender Offer, and Management Policy after Tender Offer” below, and “(VIII) Approval of all directors without an interest in NESIC and opinion stating there is no objection from corporate auditors without an interest in NESIC” of “(Measures to Ensure Fairness of Tender Offer Including Those to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest)” of “(ii) Process of Calculation” of “(4) Basis of Calculation of Tender Offer Price” of “2. Outline of Tender Offer” below.

Thereafter, NEC has commenced the Tender Offer since October 30, 2024; after comprehensively considering

the status of tenders by NESIC's shareholders of their NESIC Shares in the Tender Offer and the prospects for tenders in response to the Tender Offer, etc., as of today, NEC decided to extend the Tender Offer Period to December 25, 2024, for a total of 40 business days, in order to provide NESIC's shareholders with further opportunities to make decisions on whether to tender their shares in the Tender Offer (the "Extension of Tender Offer Period"). NEC believes that the Tender Offer Price (3,250 yen), which was agreed upon after multiple rounds of sincere discussions and negotiations among NEC and NESIC and the Special Committee (as defined in "(i) Background, Purpose, and Decision-making Process of Tender Offer" of "(2) Background, Purpose, and Decision-making Process of Tender Offer, and Management Policy after Tender Offer"), fully reflects the value of NESIC and provides the shareholders of NESIC with a reasonable opportunity to sell their NESIC Shares. Therefore, NEC has no plans to change the Tender Offer Price after the Extension of Tender Offer Period.

- (4) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)
(Before Amendment)

<Omitted>

- (ii) Consolidation of Shares

If the total number of voting rights represented by NESIC Shares held by NEC and the trustee of the NEC's Employee Retirement Benefit Trust is less than 90% of the total number of voting rights of all shareholders of NESIC after the completion of the Tender Offer, NEC, promptly after the settlement for the Tender Offer, intends to request NESIC to hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") for which agenda items include the following proposals: (i) to conduct a consolidation of the NESIC Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act, and (ii) to make a partial amendment to the NESIC's Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. According to the NESIC's Announcement, as of today, NESIC plans to hold the Extraordinary Shareholders' Meeting in response to the request by NEC and the Extraordinary Shareholders' Meeting is scheduled to be held in the middle of February 2025. NEC and (in the event that the delivery without compensation of the NESIC Shares contributed to the NEC's Employee Retirement Benefit Trust to NEC has not been completed by the record date of the Extraordinary Shareholders' Meeting) the trustee of the NEC's Employee Retirement Benefit Trust, for which NEC has the right to give voting instructions, intends to approve each of said proposals at the Extraordinary Shareholders' Meeting.

<Omitted>

- (After Amendment)

<Omitted>

- (ii) Consolidation of Shares

If the total number of voting rights represented by NESIC Shares held by NEC and the trustee of the NEC's Employee Retirement Benefit Trust is less than 90% of the total number of voting rights of all shareholders of NESIC after the completion of the Tender Offer, NEC, promptly after the settlement for the Tender Offer, intends to request NESIC to hold an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") for which agenda items include the following proposals: (i) to conduct a consolidation of the NESIC Shares (the "Share Consolidation") pursuant to Article 180 of the Companies Act, and (ii) to make a partial amendment to the NESIC's Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. According to the NESIC's Announcement, as of today, NESIC plans to hold the Extraordinary Shareholders' Meeting in response to the request by NEC and the Extraordinary Shareholders' Meeting is scheduled to be held in early March 2025. NEC and (in the event that the delivery without compensation of the NESIC Shares contributed to the NEC's Employee Retirement Benefit Trust to NEC has not been completed by the record date of the Extraordinary Shareholders' Meeting) the trustee of the NEC's Employee Retirement Benefit Trust, for which NEC has the right to give voting instructions, intends to approve each of said proposals at the Extraordinary Shareholders' Meeting.

<Omitted>

2. Outline of Tender Offer

- (2) Schedule

- (ii) Tender Offer Period as of Filing Date
(Before Amendment)

From October 30, 2024 (Wednesday) through December 11, 2024 (Wednesday) (30 business days)

(After Amendment)

From October 30, 2024 (Wednesday) through December 25, 2024 (Wednesday) (40 business days)

(4) Basis of Calculation of Tender Offer Price

(ii) Process of Calculation

(Before Amendment)

<Omitted>

(Measures to Ensure Fairness of Tender Offer Including Those to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest)

<Omitted>

(X) Measures to ensure that the shareholders of NESIC have the opportunity to make appropriate decisions on whether or not to tender their shares in the Tender Offer

As described in “(4) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)” in “1. Purposes of Tender Offer” above, (A) NEC intends to, promptly after the completion of the settlement of the Tender Offer, depending on the number of shares to be acquired by NEC through completion of the Tender Offer, make a Request for Share Transfers for all of the NESIC Shares, or request NESIC to hold the Extraordinary Shareholders’ Meeting for which agenda items include the following proposals: (i) to conduct the Share Consolidation, and (ii) to make a partial amendment to the NESIC’s Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. NEC will not adopt a method that does not secure the right to request the purchase of shares or the right to petition for the determination of price of the shares for the shareholders of NESIC; and (B) NEC has made it clear that, in the event of the Request for Share Transfers or the Share Consolidation, the amount of money to be delivered to the shareholders of NESIC as consideration will be calculated to be equal to the Tender Offer Price multiplied by the number of the NESIC shares held by each such shareholder (excluding NEC). As such, NEC is ensuring that the shareholders of NESIC have the opportunity to make an appropriate decision as to whether or not to tender their shares in the Tender Offer, and is taking care to ensure that no coercion is involved.

In addition, NEC set the Tender Offer Period to 30 business days, while the minimum period required for a tender offer under the relevant laws is 20 business days. By setting the Tender Offer Period longer than the shortest period under the relevant laws, NEC ensured opportunities for the shareholders of NESIC to make proper decisions whether to tender their shares. At the same time, NEC intended to ensure the fairness of the Tender Offer Price by ensuring opportunities for bidders other than NEC to conduct counter offers in respect of the NESIC Shares.

(After Amendment)

<Omitted>

(Measures to Ensure Fairness of Tender Offer Including Those to Ensure Fairness of Tender Offer Price and to Avoid Conflicts of Interest)

<Omitted>

(X) Measures to ensure that the shareholders of NESIC have the opportunity to make appropriate decisions on whether or not to tender their shares in the Tender Offer

As described in “(4) Policy for organizational restructuring after Tender Offer (matters relating to two-step acquisition)” in “1. Purposes of Tender Offer” above, (A) NEC intends to, promptly after the completion of the settlement of the Tender Offer, depending on the number of shares to be acquired by NEC through completion of the Tender Offer, make a Request for Share Transfers for all of the NESIC Shares, or request NESIC to hold the Extraordinary Shareholders’ Meeting for which agenda items include the following proposals: (i) to conduct the Share Consolidation, and (ii) to make a partial amendment to the NESIC’s Articles of Incorporation that would abolish the provision regarding the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. NEC will not adopt a method that does not secure the right to request the purchase of shares or the right to petition for the determination of price of the shares for the shareholders of NESIC; and (B) NEC has made it clear that, in the event of the Request for Share Transfers or the Share Consolidation, the amount of money to be delivered to the shareholders of NESIC as consideration will be calculated to be equal to the Tender Offer Price multiplied by the number of the NESIC shares held by each such shareholder (excluding NEC). As such, NEC is ensuring that the shareholders of NESIC have the opportunity to make an appropriate decision as to whether or not to tender their shares in the Tender Offer, and is taking care to ensure that no coercion is involved.

In addition, NEC set the Tender Offer Period to 40 business days, while the minimum period required for a tender offer under the relevant laws is 20 business days. By setting the Tender Offer Period longer than the shortest period under the relevant laws, NEC ensured opportunities for the shareholders of

NESIC to make proper decisions whether to tender their shares. At the same time, NEC intended to ensure the fairness of the Tender Offer Price by ensuring opportunities for bidders other than NEC to conduct counter offers in respect of the NESIC Shares.

- (8) Method of Settlement
 - (ii) Commencement Date of Settlement
(Before Amendment)
December 18, 2024 (Wednesday)
 - (After Amendment)
January 8, 2025 (Wednesday)

End of Announcement

Soliciting Regulations

This material is a statement to announce the Tender Offer to the public and were not prepared for the purpose of soliciting an offer to sell the NESIC shares. If shareholders wish to make an offer to sell their NESIC shares, they should first read the Tender Offer Explanation Statement for the Tender Offer and offer their NESIC shares for sale at their own discretion. This material shall neither be, nor constitute a part of, an offer to sell or purchase any securities, or solicitation of such sale or purchase thereof, and neither this material (or any parts thereof) nor the distribution thereof shall be interpreted to be the basis of any agreement in relation to the Tender Offer, and may not be relied on at the time of entering into any such agreement.

Regulations related to the U.S.

The Tender Offer targets the shares of the common stock of NESIC, which is a company established in Japan. The Tender Offer shall be implemented in accordance with the procedures and information disclosure standards prescribed under Japanese law, and such procedures and standards may not be the same as comparable procedures and information disclosure standards found in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934, as amended (hereinafter the same shall apply), as well as the regulations thereunder, do not apply to the Tender Offer, and the Tender Offer will not be conducted in accordance with the procedures and standards prescribed thereby. The financial information contained in this material and documents incorporated by reference herein is based on Japanese accounting standards or International Financial Reporting Standards, which may significantly differ from generally accepted accounting principles in the United States and other countries. In addition, since NEC is a corporation incorporated outside the United States and all or some of its directors and officers are not residents of the United States, it may be difficult to exercise any rights or claims that can be asserted on the basis of U.S. securities-related laws. In addition, it may not be possible to commence legal proceedings against a non-U.S. corporation as well as its directors and officers in a non-U.S. court on the basis of a violation of the U.S. securities-related laws. Furthermore, U.S. courts may not assert jurisdiction over a non-U.S. corporation and its affiliates. Unless otherwise specified, all procedures relating to the Tender Offer will be conducted in Japanese. All or a portion of the documents relating to the Tender Offer will be prepared in English, but in the case of any discrepancy between a document in English and that in Japanese, the Japanese document shall prevail. During the Tender Offer Period, NEC, the financial advisors of each of NEC and NESIC and the tender offer agent (including their affiliates), in the ordinary course of their business or otherwise to the extent permitted by Japanese regulations related to financial instruments transactions and other applicable laws and regulations, as well as in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, may acquire NESIC Shares and stock acquisition rights by means other than the Tender Offer, or conduct acts towards such acquisitions, for their own account or the account of their clients. Such acquisitions may be made at market prices through market transactions or at prices determined through off-market negotiations. If information regarding such acquisitions is disclosed in Japan, that information will also be disclosed in the English language on the websites (or other method of disclosure) of the persons that conducted such purchases.

Other Countries

The announcement, issuance, or distribution of this material may be legally restricted in some countries or territories. In such case, shareholders should be aware of and comply with such restriction. The announcement, issuance, or distribution of this material shall be interpreted not to be a solicitation of an offer to purchase or sell the NESIC shares with respect to the Tender Offer, but simply to be a distribution of information.

Forward-Looking Statements

This material and documents incorporated by reference herein contain forward-looking statements pertaining to the strategies, financial targets, technology, products and services and business performance of the NEC Group consisting of NEC and its subsidiaries and affiliated companies. Written forward-looking statements may appear in other documents that NEC files with stock exchanges or regulatory authorities, such as the Director of the Kanto Local Finance Bureau, and in reports to shareholders and other communications. Forward-looking statements necessarily depend on currently available assumptions, data, or methods that may be incorrect or imprecise and NEC may not be able to realize the results expected by them. You should not place undue reliance on forward-looking statements, which reflect NEC's analysis and expectations only. Forward-looking statements are not guarantees of future performance and involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. Among the factors that could cause actual results to differ materially from such statements include (i) adverse economic conditions, foreign currency exchange and interest rate risks, and changes in the markets in which the NEC Group operates, (ii) impact from the outbreak of infections, (iii) potential inability to achieve the goals in the NEC Group's medium-term management plan, (iv) fluctuations in the NEC Group's revenue and profitability

from period to period, (v) difficulty achieving the benefits expected from acquisitions, business combinations, reorganizations and business withdrawals, (vi) potential deterioration in the NEC Group's relationships with strategic partners or problems relating to their products or services, (vii) difficulty achieving the NEC Group's growth strategies outside Japan, (viii) potential inability to keep pace with rapid technological advancements in the NEC Group's industry and to commercialize new technologies, (ix) intense competition in the markets in which the NEC Group operates, (x) risks relating to the NEC Group's concentrated customer base, (xi) difficulties with respect to new businesses, (xii) potential failures in the products and services the NEC Group provides, (xiii) potential failure to procure components, equipment or other supplies, as well as potential increases in procurement costs, (xiv) difficulties protecting the NEC Group's intellectual property rights, (xv) potential inability to obtain certain intellectual property licenses, (xvi) the NEC Group's customers may encounter financial difficulties, (xvii) difficulty attracting, hiring and retaining skilled personnel, (xviii) difficulty obtaining additional financing to meet the NEC Group's funding needs, (xix) potential failure of internal controls, potentially costly and time-consuming legal proceedings, risks related to regulatory change and uncertainty, risks related to environmental laws and regulations, and information security and data protection concerns and restrictions, (xx) potential changes in effective tax rates or deferred tax assets, or adverse tax examinations, (xxi) risks related to corporate governance and social responsibility requirements, (xxii) risks related to natural disasters, public health issues, armed hostilities and terrorism, (xxiii), risks related to the NEC Group's pension assets and defined benefit obligations, (xxiv) risks related to impairment losses with regard to goodwill, (xxv) the possibility that the transactions contemplated in this material are not successfully completed, and (xxvi) the possibility that the expected benefits from the transactions in this material may not be realized. New risks and uncertainties come up from time to time, and it is impossible for NEC to predict these events or how they may affect the NEC Group. Furthermore, the forward-looking statements in this material were prepared based on the information held by NEC as of today and unless required by law, NEC does not undertake any obligation to update or revise any of the forward-looking statements to reflect any future events or circumstances.

The management targets of NEC included in this material and documents incorporated by reference herein are not projections, and do not represent management's current estimates of future performance. Rather, they represent targets that management will strive to achieve through the successful implementation of NEC's business strategies. NEC cautions you that the statements made in this material and documents incorporated by reference herein are not an offer of securities for sale. Securities may not be offered or sold in any jurisdiction in which any required registration has not been conducted or an exemption from registration under the applicable securities laws is not unavailable.