

June 2, 2025

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NS Solutions Corporation

To: Representative Director Kazuhiko Tamaoki

Board of Directors

1 Temasek Avenue
#20-02A, Millenia Tower, Singapore
3D Investment Partners Pte. Ltd.

Dear Members of the Board,

We commissioned an independent third-party research firm to conduct a perception survey (the “Survey”) of market participants regarding NS Solutions Corporation (“NSSOL” or the “Company”) between April and May 2025. We were not involved in the interviews, feedback analysis, report preparation or summarization of key findings, all of which were conducted exclusively by the independent research firm. Accordingly, we had no influence on the Survey results.

The Survey targeted a broad range of buy-side and sell-side analysts, both domestic and international, and we are highly confident in the objectivity of its findings.

The results of the Survey are summarized in Appendix 1. The findings indicate that many market participants share the following views regarding NSSOL:

1. The corporate value of NSSOL and the interests of its minority shareholders are being impaired by its parent company, Nippon Steel.
2. NSSOL’s outside directors are not fulfilling their role of representing and advocating for minority shareholders.
3. The current Board of Directors of NSSOL lacks sufficient independence from NSSOL’s parent company.
4. NSSOL’s new medium-term management plan does not adequately address the issue of exploitation by the parent company.

These results demonstrate that many market participants share our concerns regarding NSSOL.

We have long pointed out that NSSOL's corporate value is being impaired due to the lack of full independence from its parent company, Nippon Steel. The issues we have identified include economically irrational value erosion from transactions with Nippon Steel—such as low-interest deposits—as well as the lack of independence of the current Board of Directors (the “Board”) and the insufficiency of the new medium-term plan, all of which are reflected in the Survey findings.

<https://www.3dipartners.com/engagement/nssol-presentation-en-202503.pdf>

In its new medium-term management plan, NSSOL has announced that outside directors will comprise a majority of the Board following the June 2025 Annual General Meeting. However, the results of the Survey indicate that a significant majority of market participants believe that the outside directors are not fulfilling their role of representing and advocating for minority shareholders. This clearly demonstrates that simply establishing a formal majority of outside directors is insufficient to assure market participants that the Board has developed a robust supervisory function over management.

In light of the concerns identified through the Survey, we hereby reiterate our request that NSSOL establish a special committee composed solely of independent outside directors to conduct a comprehensive review aimed at maximizing corporate value, including a reassessment of the Company's relationship with Nippon Steel.

If this review is led by independent outside directors, it would ensure independence from the Nippon Steel and enable a fundamental review of the relationship with the parent company. This, in turn, would allow for a resolution of the current situation in which NSSOL's value is being impaired and the interests of minority shareholders undermined. In addition, conducting the review with objectivity and transparency, under the oversight of independent outside directors, would allow NSSOL to restore confidence in market participants of the Board's independence.

To achieve the intended outcomes, the special committee must meet the following criteria:

1. It must be a committee under the direct authority of the Board, composed exclusively of independent outside directors, to ensure independence from Nippon Steel.
2. The scope of the review must include at minimum:
 - (i) Quantitative assessment of the value erosion resulting from the current relationship with Nippon Steel and consideration of concrete remedies.

- (ii) Quantitative assessment of the growth potential currently constrained by the relationship with Nippon Steel and consideration of how to realize that potential.
 - (iii) Quantitative assessment and consideration of other areas for value enhancement that remain unrealized due to the lack of independence from Nippon Steel and the absence of a KPI-driven management approach focused on maximizing corporate and shareholder value.
3. To ensure the committee's effectiveness, a working group should be formed to support its operation, and a financial advisor with a proven track record in enhancing corporate value should be appointed.
 4. In line with discussions in the “Study Group on Minority Shareholder Protection in Subsidiary Listings” and the Tokyo Stock Exchange’s December 26, 2023 guidelines on “Enhancing Disclosure on Minority Shareholder Protection and Group Governance,” the committee should produce results within a reasonable period and disclose both the review process and its findings with sufficient transparency.

The above constitutes our current request to the Board.

We respectfully ask that you inform us by **June 30, 2025**, whether you are willing to establish such a special committee.

[Appendix1]

Survey Results

1. On the relationship with Nippon Steel

- 64% of respondents answered “Yes” to the question: “Do you believe that NSSOL’s corporate value and the interests of its minority shareholders are being impaired by its parent company, Nippon Steel?”
- 62% of respondents answered “Yes” to the question: “Do you believe that Nippon Steel’s influence and control hinder NSSOL’s management from maximizing corporate and shareholder value?”
- 100% of respondents answered “No” to the question: “Do you believe NSSOL provides adequate explanations to shareholders regarding transactions with Nippon Steel that may impair corporate value or minority shareholder interests?”

2. On Outside Directors

- 84% of respondents answered “No” to the question: “Do you believe NSSOL’s outside directors engage in sufficient dialogue and interaction with shareholders?”

- 67% of respondents answered “No” to the question: “Do you believe NSSOL’s outside directors appropriately supervise conflicts of interest between Nippon Steel and minority shareholders?”
- 100% of respondents answered “No” to the question: “Do you believe NSSOL’s outside directors adequately fulfill their role in representing and advocating for shareholders?”

3. On the Board of Directors

- 90% of respondents answered “No” to the question: “Do you believe that NSSOL’s current Board of Directors maintains sufficient independence from Nippon Steel?”

4. On the New Medium-Term Management Plan

- 72% of respondents answered “No” to the question: “Do you believe that NSSOL’s new medium-term management plan sufficiently addresses exploitation by the parent company, Nippon Steel?”

Note: The above percentages have been calculated by excluding responses marked “No opinion” and rounding to the nearest whole number.