

Translation

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To whom it may concern

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Notice Concerning Disposal of Treasury Shares as Restricted Share-based Incentives
for the Employees Shareholding Association

HOSHIZAKI CORPORATION (the “Company”) hereby announces that at the meeting of the Board of Directors held today, the Company resolved to dispose of treasury shares as restricted shares (the “Disposal of Treasury Shares” or “Disposal”) based on the restricted share-based incentive plan (the “Plan”) for the employees shareholding association. The Hoshizaki Group Employees Shareholding Association (the “Shareholding Association”) is designated as the planned allottee for the Disposal. The details are as follows.

1. Summary of Disposal

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| (1) Date of Disposal | October 16, 2025 |
| (2) Type and number of shares of Disposal | Common shares of the Company: 280,770 shares (Note) |
| (3) Disposal value | 5,206 yen per share |
| (4) Total amount of Disposal | 1,461,688,620 yen (Note) |
| (5) Method of Disposal
(planned allottee) | A number of subscription shares determined by the Shareholding Association within the scope of the number of shares of Disposal stated in item (2) of this table shall be allotted to the Shareholding Association under the condition that the Shareholding Association applies for subscription using the third-party allotment method. (The number of shares allotted will be equal to the number of shares of Disposal.)
(Hoshizaki Group Employees Shareholding Association: 280,770 shares)
No partial applications will be received from any individual Eligible Employee (definition provided below) targeting only the number of shares to be granted to them. |
| (6) Other matters | An Extraordinary Report has been submitted for the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act. |

Note: The “number of shares of Disposal” and the “total amount of Disposal” are calculated based on the assumption that 35 shares of the Company’s common shares, in the form of restricted shares, are granted to every one of the 8,022 employees of the Company and its subsidiaries, which represents the maximum number of eligible persons. The actual number of shares of Disposal and total amount of Disposal will be determined in line with the number of employees (maximum 8,022) of the Company and its subsidiaries who consent to the Plan (the “Eligible Employees”) as a result of promotional campaigns directed at non-members of the Shareholding Association and after confirming whether current members of the Shareholding Association agree to the Plan. Specifically, as stated in (5) in the above table, a number of subscription shares determined by the Shareholding Association shall be the “number of shares of Disposal,” and the amount equal to that number multiplied by the Disposal value per share shall be the “total amount of Disposal.” Each Eligible Employee will uniformly receive a monetary claim of 182,210 yen from the Company or its subsidiaries, and will be equally allotted 35 shares from the Company via the Shareholding Association.

2. Purpose and reason for Disposal

The Company has resolved, through the Board of Directors meeting held today, to introduce the Plan with the aim of assisting Eligible Employees who are members of the Shareholding Association and are employed by the Company or its subsidiaries in wealth creation. This will be achieved by providing them with the opportunity to acquire the Company’s common shares, in the form of restricted shares to be either issued or disposed of by the Company through the Shareholding Association. Additionally, the Plan aims to encourage the Eligible Employees to adopt a shareholder perspective, thereby heightening their awareness of enhancing corporate value and achieving sustainable growth, as well as to further enhance the welfare of the Eligible Employees.

Summary of the Plan is as follows:

[Summary of the Plan]

Under the Plan, each Eligible Employee of the Company and its subsidiaries is furnished with monetary claims in the form of a special incentive (the “Special Incentives”) for the purpose of granting 35 shares in the form of restricted shares. Eligible Employees then contribute the Special Incentives to the Shareholding Association. The Shareholding Association then pays the Special Incentives contributed by the Eligible Employees to the Company as a contribution in kind and receives issued or disposed of the Company’s common shares as restricted shares.

The amount to be paid in per share for the Company’s common shares in cases where such common share is to be newly issued or disposed of based on the Plan shall be determined by the Board of Directors to the extent that it is not particularly advantageous for the Shareholding Association (and by extension for the Eligible Employees) based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the Board of Directors (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day).

Concerning the issuance or Disposal of the Company’s common shares under the Plan, the Company and the Shareholding Association shall enter into a restricted share allotment agreement which shall include, among other restrictions, that (i) allotted shares may not be transferred or pledged to a third party or otherwise disposed of (collectively the “Transfer Restrictions”) for a certain period and (ii) the Company shall acquire said allotted shares without contribution in the occurrence of certain events. Moreover, the payment of the Special Incentives to the Eligible Employees shall only be made on condition that a restricted share allotment agreement has been concluded between the Company and the Shareholding Association.

In accordance with the Shareholding Association Rules and the Shareholding Association Operating Bylaws, etc. (the “Shareholding Association Rules, etc.”; see Note), the Eligible Employees shall be restricted from withdrawing their member’s equity interests in the restricted shares, which will be held by the Eligible Employees in proportion to monetary claims contributed to the Shareholding Association (the “Restricted Share Equity Interests”) until the Transfer Restrictions are lifted.

Note: Following a resolution of the Board of Directors regarding Disposal of Treasury Shares, and prior to Disposal of Treasury Shares taking place, the administrative board of the Shareholding Association will be convened promptly to produce resolutions regarding amendments to the Shareholding Association Rules, etc. in accordance with the Plan. Members of the Shareholding Association will be notified of the amendments to the Shareholding Association Rules, etc. resolved by the administrative board of the Shareholding Association, and said amendments shall take effect two weeks after the notification is issued, provided that objections have not been received from one-third or more of the members of the Shareholding Association during this time.

For the Disposal of Treasury Shares under the Plan, the Shareholding Association, which is the planned allottee, will make a payment of all the Special Incentives provided to them by the Eligible Employees as property contributed in kind, and in return, the Shareholding Association shall receive the Company's common shares from the Disposal (hereinafter the "Allotted Shares"). A summary of the restricted share allotment agreement (the "Allotment Agreement") to be entered into between the Company and the Shareholding Association in connection with the Disposal of Treasury Shares is set forth in section "3. Summary of the Allotment Agreement" below. The number of shares of Disposal in connection with the Disposal of Treasury Shares is to be determined at a later date, as per the Note to section 1 above. In the event that the maximum number of employees of the Company and its subsidiaries who are potentially eligible under the Plan, being 8,022 employees, elect to join the Shareholding Association and give their consent to the Plan, the number of shares will be 280,770. When assuming such a number of shares of Disposal, the level of dilution of shares in connection with the Disposal of Treasury Shares is equivalent to 0.19% of the total shares issued of 144,890,100 as of June 30, 2025 (this percentage and all subsequent percentages are rounded to two decimal places), and 0.20% of the total number of voting rights of 1,413,178 as of June 30, 2025.

The introduction of the Plan aims to assist the Eligible Employees in wealth creation by providing them with the opportunity to acquire the Company's common shares, in the form of restricted shares to be either issued or disposed of by the Company through the Shareholding Association. Additionally, the Plan aims to encourage the Eligible Employees to adopt a shareholder perspective, thereby heightening their awareness of enhancing corporate value and achieving sustainable growth, as well as to further enhance the welfare of the Eligible Employees. The Plan is expected to contribute to the increase in the corporate value of the Group. Both the number of shares of Disposal and the level of share dilution in the Disposal of Treasury Shares are considered reasonable. Furthermore, the impact on the market of this level of dilution is considered to be negligible.

The Disposal of Treasury Shares is contingent on the Shareholding Association Rules, etc. having come into effect by the day before the Disposal of Treasury Shares, and on the Allotment Agreement between the Company and the Shareholding Association being signed within the prescribed period.

3. Summary of the Allotment Agreement

(1) Transfer restriction period: October 16, 2025 to November 1, 2028

(2) Conditions for lifting the Transfer Restriction

At the expiration of the transfer restriction period, where the Eligible Employees have remained in the Shareholding Association for the duration of the transfer restriction period, the Transfer Restrictions shall be lifted in relation to all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employees who have fulfilled such condition.

(3) Treatment of withdrawal from the Shareholding Association

In the event that an Eligible Employee withdraws from the Shareholding Association during the transfer restriction period due to retirement or other justifiable reasons (either through loss of membership status or

application for withdrawal; includes death of the Eligible Employee), the Company shall, on the date when the Shareholding Association receives said application from the Eligible Employee (for loss of membership status, the date of loss of membership status; for death, the date of death; collectively the “Date of Receipt of Withdrawal Application”), lift the Transfer Restrictions applicable to all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee, effective on the Date of Receipt of Withdrawal Application.

(4) Treatment of non-residents

In the event that an Eligible Employee becomes a non-resident during the transfer restriction period due to a decision made by the Company, for example an overseas transfer, the Transfer Restrictions shall be lifted in relation to all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee as of the date of the decision (the “Date of Overseas Transfer Decision”), effective on the Date of Overseas Transfer Decision.

(5) Acquisition without contribution by the Company

Where an Eligible Employee commits an illegal act during the transfer restriction period, or falls under certain conditions stipulated in the Allotment Agreement, the Company shall rightfully acquire, without consideration, all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee at that point in time. Furthermore, the Company shall rightfully acquire, without contribution, the Allotted Shares for which the Transfer Restrictions are not lifted at the time of the expiration of the restricted transfer period or at the time of lifting of the Transfer Restrictions stipulated in (3) or (4) above.

(6) Administration of shares

Throughout the transfer restriction period, the Allotted Shares shall be managed in a dedicated account opened by the Shareholding Association with Nomura Securities Co., Ltd. to ensure that they cannot be transferred, pledged, or otherwise disposed of during the transfer restriction period. The Shareholding Association shall ensure that the Restricted Share Equity Interests are registered and administered separately from the member’s equity interests held by Eligible Employees (the “Ordinary Equity Interests”) per the provisions of the Shareholding Association Rules, etc.

(7) Treatment during reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or reorganization, etc. are approved at the Company’s general shareholders meeting (or at a meeting of its Board of Directors in cases where approval at the Company’s general shareholders meeting is not required in relation to the reorganization, etc.), upon resolution of the Board of Directors, the Transfer Restrictions shall be lifted, as of a time immediately before the business day preceding the effective date of the reorganization, etc. for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by Eligible Employees among the Allotted Shares held by the Shareholding Association on the date of such approval.

4. Basis of calculation and specific details of the Disposal price

The Disposal of Treasury Shares to the Shareholding Association, which is the planned allottee, will be carried out using the Special Incentives provided to Eligible Employees for the grant of restricted shares and contributed to the Shareholding Association by said Eligible Employees as an in-kind contribution. In order to prevent any arbitrariness in the Disposal price, the Disposal price has been set to 5,206 yen, which was the closing price of the Company’s common shares on the Prime Market of the Tokyo Stock Exchange on July 15, 2025 (the business day before the date of the resolution by the Board of Directors). This is the market share price

immediately prior to the date of the Board of Directors resolution. As such, the Company believes that it is reasonable and does not constitute a particularly advantageous price.

The deviation ratio of the Disposal price from the average closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market is given below, rounded to two decimal places.

Period	Average closing price (amounts less than one yen rounded down)	Deviation ratio
One month (June 16, 2025 to July 15, 2025)	5,074 yen	2.60%
Three months (April 16, 2025 to July 15, 2025)	5,448 yen	-4.44%
Six months (January 16, 2025 to July 15, 2025)	5,676 yen	-8.28%

The Company's Audit & Supervisory Committee, comprised of three members including two outside Directors, has indicated that the Disposal price defined above is lawful and does not represent a particularly advantageous price for the planned allottee. This indication has been made on the basis that the Disposal of Treasury Shares is for the purpose of implementing the Plan, and that the Disposal price represents the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on the business day before the resolution by the Board of Directors.

5. Procedures associated with the Code of Corporate Conduct

Given that the Disposal of Treasury Shares (i) has a dilution ratio of less than 25% and (ii) is not associated with a change in controlling shareholder, the procedures set out in Rule 432 of the Securities Listing Regulations from the Tokyo Stock Exchange in regards to seeking the opinion of an entity who has a specific degree of independence and confirming the intent of shareholders shall not be required.

(Reference)

[Structure of the Plan]

- (i) The Company and its subsidiaries provide Eligible Employees with monetary claims in the form of the special incentives for the grant of restricted shares.
- (ii) Eligible Employees contribute the monetary claims defined in (i) above to the Shareholding Association.
- (iii) The Shareholding Association collects the monetary claims contributed in (ii) above and pays them to the Company.
- (iv) The Company allots the Allotted Shares to the Shareholding Association in the form of restricted shares (shown as RS in the diagram below).
- (v) The Allotted Shares are deposited in an exclusive account opened by the Shareholding Association through Nomura Securities Co., Ltd., in order to prevent them from being withdrawn during the transfer restriction period.
- (vi) After the Transfer Restrictions are lifted, the Allotted Shares can be converted to the Ordinary Equity Interests or transferred to a securities account in the name of the Eligible Employee.

