

Translation

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Summary of Consolidated Financial Results for the Six Months Ended June 30, 2025 (Based on Japanese GAAP)

August 7, 2025

Company name: HOSHIZAKI CORPORATION
 Stock exchange listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities code: 6465 URL: <http://www.hoshizaki.co.jp>
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 Scheduled date to file Semi-annual Securities Report: August 8, 2025
 Scheduled date to commence dividend payments: September 12, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	238,528	9.4	30,480	11.2	31,854	(1.2)	21,944	12.6
Six months ended June 30, 2024	218,087	18.7	27,411	19.7	32,248	12.2	19,495	(2.0)

Note: Comprehensive income Six months ended June 30, 2025 ¥4,202 million [(91.9)%]
 Six months ended June 30, 2024 ¥51,773 million [36.8%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	155.12	—
Six months ended June 30, 2024	134.78	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	547,114	375,512	65.2	2,522.98
As of December 31, 2024	547,638	382,815	66.4	2,556.41

Reference: Equity As of June 30, 2025 ¥356,618 million
 As of December 31, 2024 ¥363,680 million

Note: The Company finalized provisional accounting treatment pertaining to business combination during the six months ended June 30, 2025. Accordingly, each figure as of December 31, 2024 reflects the content of the finalization of the provisional accounting treatment.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2024	—	45.00	—	60.00	105.00
Year ending December 31, 2025	—	50.00			
Year ending December 31, 2025 (Forecast)			—	55.00	105.00

Note: Revision of cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	460,000	3.3	53,500	4.8	55,900	(2.6)	38,300	3.7	270.84

Notes: 1. Revision of consolidated financial results forecast most recently announced: No

2. The Company finalized provisional accounting treatment pertaining to business combination during the six months ended June 30, 2025. Accordingly, each figure for year-on-year changes reflects the content of the finalization of the provisional accounting treatment.

*Notes

(1) Significant changes in the scope of consolidation during the six months ended June 30, 2025: No

(2) Application of special accounting for preparing semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- b. Changes in accounting policies due to other reasons: No
- c. Changes in accounting estimates: No
- d. Restatement of prior period financial statements: No

Note: For details, please refer to “2. Semi-annual consolidated financial statements, (4) Notes to semi-annual consolidated financial statements, Notes on changes in accounting policies” on page 9 of the attached material.

(4) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	144,890,100 shares	As of December 31, 2024	144,890,100 shares
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b. Number of treasury shares at the end of the period

As of June 30, 2025	3,542,420 shares	As of December 31, 2024	2,628,100 shares
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c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2025	141,470,077 shares	Six months ended June 30, 2024	144,645,384 shares
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* **Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.**

* **Proper use of earnings forecasts, and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

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1. Overview of operating results

The forward-looking matters stated herein are judgments made by HOSHIZAKI CORPORATION (the “Company”) as of June 30, 2025.

(1) Overview of operating results during the period

During the six months ended June 30, 2025, the Japanese economy continued to demonstrate a moderate recovery with some positive signs such as high levels of wage hikes implemented by companies amid stagnating personal consumption due to rising prices, while inbound demand has remained above the level prior to the COVID-19 pandemic. Overseas, despite a trend of slowing inflation except in some countries and continued robust economic growth in India, uncertainty in the global economic outlook remains strong mainly due to the uncertainty surrounding tariff policies and other measures in the U.S., economic stagnation in Europe and China, and ongoing geopolitical risks in the Middle East region. The IMF World Economic Outlook released in July indicated that the global economy would grow 3.0% in 2025, up from the previously predicted 2.8%.

Amid such circumstances, the Group expanded sales in the restaurant market as well as in non-restaurant markets such as the retail industry and the food processing industry in Japan. Overseas, the Group focused on product supply to meet continued demand and worked to improve profitability, although it was affected by an intensifying competitive environment and other factors in some regions. In addition, there was a contribution to business performance from companies that were acquired by the Group.

As a result of the above initiatives, the Group reported operating results for the six months ended June 30, 2025 with net sales of ¥238,528 million (up 9.4% year-on-year), operating profit of ¥30,480 million (up 11.2% year-on-year), ordinary profit of ¥31,854 million (down 1.2% year-on-year) mainly due to the impact of foreign exchange rates, and profit attributable to owners of parent of ¥21,944 million (up 12.6% year-on-year) mainly due to the recording of loss on step acquisitions in the same period of the previous fiscal year.

The operating results by segment are as follows:

a. Japan

In Japan, the Group expanded sales focusing on its flagship products such as refrigerators and ice machines using HFC-free natural refrigerants, and dishwashers for the restaurant market with which it deepens engagement and the non-restaurant markets in which it proactively aims to develop. In the restaurant and service industries in particular, the Group focused on responding to rising demand for capital investment amid continued inbound demand, etc., although it continued to struggle with cost increases in raw materials, labor, etc., serious labor shortage, and other difficulties. As a result, the Group generated net sales of ¥118,950 million (up 3.8% year-on-year) and segment profit of ¥17,647 million (up 3.6% year-on-year).

b. Americas

In the Americas, we strove to expand sales of ice machines, refrigerators, dispensers, dishwashers, and other products, focusing on initiatives that include customer development and relationship building. As a result, the Group generated net sales of ¥57,811 million (up 10.2% year-on-year) and segment profit of ¥5,728 million (up 6.5% year-on-year).

c. Europe

In Europe, amidst the intensifying competitive environment and cost increases in labor, etc., we endeavored to expand sales of our flagship products, such as ice machines and refrigerators, while also focusing on strengthening collaboration and other initiatives between Group companies. As a result, the Group generated net sales of ¥27,471 million (down 1.3% year-on-year) and segment profit of ¥1,559 million (up 9.8% year-on-year).

d. Asia

As for Asia, sales of refrigerators were high mainly in India. As a result, the Group generated net sales of ¥39,392 million (up 32.4% year-on-year) and segment profit of ¥6,891 million (up 34.8% year-on-year).

(2) Overview of financial position during the period

Total assets as of June 30, 2025 decreased by ¥524 million from December 31, 2024 to ¥547,114 million.

Current assets decreased by ¥5,720 million from December 31, 2024 to ¥384,587 million. The main factors were a decrease in cash and deposits due to the payment of dividends despite an increase in notes and accounts receivable - trade, and contract assets.

Non-current assets increased by ¥5,196 million from December 31, 2024 to ¥162,527 million.

Total liabilities as of June 30, 2025 increased by ¥6,778 million from December 31, 2024 to ¥171,602 million.

Current liabilities increased by ¥11,721 million from December 31, 2024 to ¥141,644 million. The main factor was an increase in income taxes payable.

Non-current liabilities decreased by ¥4,943 million from December 31, 2024 to ¥29,957 million.

Total net assets as of June 30, 2025 decreased by ¥7,302 million from December 31, 2024 to ¥375,512 million. The main factors were a decrease in foreign currency translation adjustment and a decrease in net assets due to purchase of treasury shares, despite an increase in retained earnings due to the recording of profit attributable to owners of parent.

(3) Overview of cash flows during the period

Cash and cash equivalents as of June 30, 2025 decreased by ¥10,050 million from December 31, 2024 to ¥204,341 million. The respective cash flow positions and the factors thereof in the six months ended June 30, 2025 are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥13,541 million (¥20,766 million provided in the same period of the previous fiscal year). The main factors were an increase in accounts receivable - trade, and contract assets of ¥15,726 million, while profit before income taxes of ¥31,908 million.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥10,610 million (¥38,898 million used in the same period of the previous fiscal year). The main factors were purchase of investment securities of ¥6,421 million and purchase of property, plant and equipment of ¥4,520 million.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥7,747 million (¥21,654 million used in the same period of the previous fiscal year). The main factor was dividends paid of ¥8,437 million.

(4) Explanation of consolidated earnings forecasts and other forward-looking statements

There are currently no changes to the earnings forecasts announced on February 13, 2025.

2. Semi-annual consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	239,035	225,859
Notes and accounts receivable - trade, and contract assets	70,253	81,911
Merchandise and finished goods	31,015	31,674
Work in process	8,694	8,261
Raw materials and supplies	29,455	31,994
Other	13,320	6,626
Allowance for doubtful accounts	(1,466)	(1,740)
Total current assets	390,307	384,587
Non-current assets		
Property, plant and equipment	80,498	80,300
Intangible assets		
Goodwill	18,958	20,671
Other	24,881	23,571
Total intangible assets	43,839	44,243
Investments and other assets	32,993	37,983
Total non-current assets	157,331	162,527
Total assets	547,638	547,114
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,252	36,307
Short-term borrowings	4,901	5,278
Income taxes payable	6,750	11,130
Contract liabilities	42,131	45,087
Other provisions	8,571	9,141
Other	31,315	34,700
Total current liabilities	129,923	141,644
Non-current liabilities		
Retirement benefit liability	18,460	14,193
Other provisions	2,299	2,155
Other	14,140	13,608
Total non-current liabilities	34,900	29,957
Total liabilities	164,823	171,602
Net assets		
Shareholders' equity		
Share capital	8,138	8,138
Capital surplus	14,660	14,660
Retained earnings	295,327	308,735
Treasury shares	(14,514)	(19,919)
Total shareholders' equity	303,611	311,615
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	253	339
Foreign currency translation adjustment	57,863	42,674
Remeasurements of defined benefit plans	1,951	1,988
Total accumulated other comprehensive income	60,068	45,002
Non-controlling interests	19,134	18,894
Total net assets	382,815	375,512
Total liabilities and net assets	547,638	547,114

(2) Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	218,087	238,528
Cost of sales	134,826	147,529
Gross profit	83,261	90,999
Selling, general and administrative expenses	55,850	60,518
Operating profit	27,411	30,480
Non-operating income		
Interest income	2,485	2,428
Foreign exchange gains	2,374	—
Gain on net monetary position	610	362
Other	511	643
Total non-operating income	5,982	3,434
Non-operating expenses		
Interest expenses	797	741
Foreign exchange losses	—	896
Other	347	423
Total non-operating expenses	1,145	2,061
Ordinary profit	32,248	31,854
Extraordinary income		
Gain on sale of investment securities	46	22
Gain on sale of non-current assets	19	49
Total extraordinary income	65	71
Extraordinary losses		
Loss on abandonment of non-current assets	12	16
Loss on step acquisitions	2,560	—
Other	11	0
Total extraordinary losses	2,584	17
Profit before income taxes	29,729	31,908
Income taxes - current	13,779	13,429
Income taxes - deferred	(3,682)	(3,759)
Total income taxes	10,097	9,669
Profit	19,632	22,239
Profit attributable to non-controlling interests	136	295
Profit attributable to owners of parent	19,495	21,944

Consolidated statements of comprehensive income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	19,632	22,239
Other comprehensive income		
Valuation difference on available-for-sale securities	105	86
Foreign currency translation adjustment	31,607	(17,631)
Remeasurements of defined benefit plans, net of tax	145	37
Share of other comprehensive income of entities accounted for using equity method	282	(528)
Total other comprehensive income	32,141	(18,037)
Comprehensive income	51,773	4,202
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	50,931	6,878
Comprehensive income attributable to non-controlling interests	842	(2,676)

(3) Consolidated statements of cash flows

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	29,729	31,908
Depreciation	4,271	5,253
Amortization of goodwill	564	821
Increase (decrease) in retirement benefit liability	552	283
Contribution of securities to retirement benefit trust	—	(4,325)
Increase (decrease) in provision for product warranties	205	201
Increase (decrease) in provision for bonuses	945	747
Increase (decrease) in allowance for doubtful accounts	723	267
Interest and dividend income	(2,503)	(2,450)
Interest expenses	797	741
Foreign exchange losses (gains)	(2,341)	686
Loss (gain) on step acquisitions	2,560	—
Loss (gain) on net monetary position	(610)	(362)
Share of loss (profit) of entities accounted for using equity method	(81)	(141)
Decrease (increase) in accounts receivable - trade, and contract assets	(10,362)	(15,726)
Decrease (increase) in inventories	(1,925)	(6,073)
Increase (decrease) in trade payables	(1,271)	1,647
Increase (decrease) in accounts payable - other	(3,077)	(3,685)
Increase (decrease) in accrued expenses	8,733	9,227
Increase (decrease) in advances received	40	149
Increase (decrease) in contract liabilities	3,192	2,682
Other, net	(2,335)	(1,536)
Subtotal	27,807	20,317
Interest and dividends received	2,854	2,575
Interest paid	(808)	(740)
Income taxes paid	(9,087)	(8,611)
Net cash provided by (used in) operating activities	20,766	13,541
Cash flows from investing activities		
Payments into time deposits	(24,087)	(7,538)
Proceeds from withdrawal of time deposits	11,259	10,941
Purchase of property, plant and equipment	(3,978)	(4,520)
Purchase of intangible assets	(379)	(1,578)
Purchase of investment securities	(7,859)	(6,421)
Proceeds from sale of investment securities	1,696	3,149
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(15,536)	(1,183)
Purchase of long-term prepaid expenses	(65)	(163)
Payments for acquisition of businesses	—	(3,458)
Other, net	52	162
Net cash provided by (used in) investing activities	(38,898)	(10,610)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(545)	564
Repayments of long-term borrowings	(1,114)	(154)
Repayments of lease liabilities	(324)	(410)
Purchase of treasury shares	(6,688)	(5,494)
Decrease (increase) in deposits for purchase of treasury shares	(3,496)	5,684
Dividends paid	(9,416)	(8,437)
Proceeds from share issuance to non-controlling shareholders	—	465
Other, net	(67)	34
Net cash provided by (used in) financing activities	(21,654)	(7,747)
Effect of exchange rate change on cash and cash equivalents	17,659	(6,354)
Net increase (decrease) in cash and cash equivalents	(22,127)	(11,170)
Effect of hyperinflation	1,150	1,120
Cash and cash equivalents at beginning of period	227,072	214,391
Cash and cash equivalents at end of period	206,096	204,341

(4)Notes to semi-annual consolidated financial statements

Notes on changes in accounting policies

Application of the “Accounting Standard for Current Income Taxes,” Etc.

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the six months ended June 30, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This has no impact on the semi-annual consolidated financial statements.

In addition, for revisions related to the revised treatment in the consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the six months ended June 30, 2025. This change in accounting policies has been applied retrospectively and is reflected in the semi-annual consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year. This has no impact on the semi-annual consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Notes on special accounting for preparing semi-annual consolidated financial statements

Omitted due to immateriality.

Notes to segment information, etc.

I. Six months ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

1. Information related to net sales and profit or loss and revenue breakdown for each reportable segment

	Reportable segment					Reconcili- ation (Note 1)	(Millions of yen) Amount recorded in the semi- annual consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia	Total		
Net sales							
Ice machines	9,871	19,972	11,171	2,932	43,947	—	43,947
Refrigerators	26,882	4,140	3,971	22,096	57,090	—	57,090
Dishwashers	8,844	5,202	1,666	146	15,861	—	15,861
Dispensers	3,022	14,978	22	524	18,547	—	18,547
Non Hoshizaki products	19,635	559	—	111	20,306	—	20,306
Maintenance and repairs	23,888	5,827	869	1,408	31,993	—	31,993
Other products	18,253	1,355	8,972	1,536	30,117	—	30,117
Revenue from contracts with customers	110,398	52,036	26,673	28,755	217,864	—	217,864
Other revenue	222	—	—	—	222	—	222
Sales to external customers	110,621	52,036	26,673	28,755	218,087	—	218,087
Intersegment sales or transfers	3,933	439	1,168	1,002	6,543	(6,543)	—
Total	114,554	52,475	27,842	29,758	224,631	(6,543)	218,087
Segment profit	17,028	5,376	1,420	5,111	28,936	(1,525)	27,411

Notes 1. The reconciliation amount of negative ¥1,525 million for segment profit includes amortization of goodwill of negative ¥536 million, amortization of intangible assets, etc. of negative ¥960 million, negative ¥43 million from reconciliation of inventories, and ¥15 million from reconciliation of transactions with other segments and miscellaneous items.

2. Segment profit has been reconciled with operating profit in the semi-annual consolidated statements of income.

2. Information about assets for each reportable segment

In the Asia segment, HOSHIZAKI SOUTHEAST ASIA HOLDINGS PTE. LTD. acquired the shares of TECHNOLUX EQUIPMENT AND SUPPLY CORPORATION and HKR EQUIPMENT CORPORATION during the six months ended June 30, 2024, thereby making these companies consolidated subsidiaries. Accordingly, the amount of assets for this reportable segment in the six months ended June 30, 2024 increased by ¥23,501 million from December 31, 2023.

3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

Significant impairment losses pertaining to non-current assets

Not applicable

Significant changes in the amount of goodwill

From the six months ended June 30, 2024, Oztiryakiler Madeni Esya Sanayi ve Ticaret Anonim Sirketi, which was previously an associate accounted for using the equity method, has been made a consolidated subsidiary due to the additional acquisition of shares. TECHNOLUX EQUIPMENT AND SUPPLY CORPORATION and HKR EQUIPMENT CORPORATION have also been made consolidated subsidiaries due to the new acquisition of shares. This has resulted in new goodwill of ¥8,790 million.

Significant gain on bargain purchase

Not applicable

II.Six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

1. Information related to net sales and profit or loss and revenue breakdown for each reportable segment

(Millions of yen)

	Reportable segment					Reconcili- ation (Note 1)	Amount recorded in the semi- annual consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia	Total		
Net sales							
Ice machines	10,444	21,024	11,012	2,925	45,405	—	45,405
Refrigerators	28,682	6,334	3,678	25,878	64,574	—	64,574
Dishwashers	9,799	5,920	1,997	152	17,870	—	17,870
Dispensers	3,162	16,947	—	416	20,526	—	20,526
Non Hoshizaki products	19,647	406	—	4,856	24,910	—	24,910
Maintenance and repairs	24,858	5,464	1,263	2,983	34,570	—	34,570
Other products	18,694	1,360	8,880	1,502	30,438	—	30,438
Revenue from contracts with customers	115,287	57,458	26,833	38,715	238,295	—	238,295
Other revenue	232	—	—	—	232	—	232
Sales to external customers	115,520	57,458	26,833	38,715	238,528	—	238,528
Intersegment sales or transfers	3,430	352	638	676	5,097	(5,097)	—
Total	118,950	57,811	27,471	39,392	243,626	(5,097)	238,528
Segment profit	17,647	5,728	1,559	6,891	31,827	(1,347)	30,480

Notes 1. The reconciliation amount of negative ¥1,347 million for segment profit includes amortization of goodwill of negative ¥703 million, amortization of intangible assets, etc. of negative ¥1,225 million, ¥563 million from reconciliation of inventories, and ¥17 million from reconciliation of transactions with other segments and miscellaneous items.

2. Segment profit has been reconciled with operating profit in the semi-annual consolidated statements of income.

2. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

Significant impairment losses pertaining to non-current assets

Not applicable

Significant changes in the amount of goodwill

Not applicable

Significant gain on bargain purchase

Not applicable

Notes on significant changes in the amount of shareholders' equity

Pursuant to a resolution of the meeting of the Board of Directors held on November 12, 2024, the Company purchased 928,700 treasury shares during the six months ended June 30, 2025. In addition, pursuant to a resolution of the meeting of the Board of Directors held on April 17, 2025, the Company disposed of 14,400 treasury shares as restricted share-based remuneration during the six months ended June 30, 2025.

As a result of the acquisition and disposal of treasury shares, including these transactions, the value of the Company's treasury shares increased by ¥5,405 million. As of June 30, 2025, the value of the Company's treasury shares was ¥19,919 million.

Notes on premise of going concern

Not applicable

Additional information

Accounting practices under hyperinflationary economies

Due to the three-year cumulative inflation rate in Türkiye exceeding 100%, the Group has adjusted the financial statements of its subsidiary in Türkiye in accordance with IAS 29, "Financial Reporting in a Hyperinflationary Economies" before consolidation.

Notes on business combination, etc.

Finalization of provisional accounting treatment pertaining to business combination

Regarding the business combination with TECHNOLUX EQUIPMENT AND SUPPLY CORPORATION and HKR EQUIPMENT CORPORATION, acquired on May 29, 2024, provisional accounting treatment was applied to results of the previous fiscal year, but the provisional accounting treatment was finalized during the six months ended June 30, 2025.

The comparative information presented in the semi-annual consolidated financial statements for the six months ended June 30, 2025, reflects material revisions to amounts initially allocated to acquisition cost accompanying finalization of provisional accounting treatment.

As a result, goodwill previously calculated as ¥9,355 million on a provisional basis has been lowered by ¥5,411 million to ¥3,944 million due to finalization of accounting treatment. The decrease in goodwill is attributable to increases in other under intangible assets of ¥9,549 million, other under current liabilities of ¥1,332 million, other under non-current liabilities of ¥2,387 million, and non-controlling interests of ¥418 million. In addition, as of December 31, 2024, other under intangible assets increased by ¥8,895 million, other under current liabilities increased by ¥1,332 million, other under non-current liabilities increased by ¥2,223 million, and non-controlling interests increased by ¥380 million, while goodwill decreased by ¥5,201 million, retained earnings decreased by ¥234 million, and foreign currency translation adjustment decreased by ¥8 million.

Significant subsequent events

Business combination through acquisition of shares

On June 12, 2025, in accordance with Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation, the Company passed a resolution of the Board of Directors in writing to acquire SC Holding Corp., the parent company of Structural Concepts Corporation based in Norton Shores, MI, U.S. (hereinafter referred to as "SC"), through Hoshizaki USA Holdings, Inc., which is wholly owned by the Company. Accordingly, the Company acquired all shares of SC Holding Corp. on July 31, 2025, making it a subsidiary (sub-subsidiary of the Company).

(1) Outline of business combination

- a. Name and business description of the acquired company
Name of the acquiree: SC Holding Corp.
Business description: Manufacturing and sale of food display cases
- b. Primary reasons for the business combination
SC is a manufacturer of food display cases with manufacturing and sales bases in Michigan, U.S., and it has the technological capabilities to develop and produce high-quality products. SC is also recognized for its strong profitability and growth driven by the sales of its food display cases and other products to a diverse range of customers, including supermarkets, convenience stores, cafes and restaurants primarily in the U.S. market.
By acquiring SC, the Company expects to expand its current product lineup in the U.S. region, enabling sales to a broader range of customers, and anticipates a wide range of synergies, including joint purchase of production materials and sharing of an after sale parts network.
- c. Date of the business combination
Scheduled for September 30, 2025 (Deemed acquisition date)
July 31, 2025 (Share acquisition date)
- d. Legal form of the business combination
Acquisition of shares for cash consideration through "reverse triangular merger"
- e. Name of company after the business combination
SC Holding Corp.
- f. Percentage of voting rights acquired
100% (Of which, 100% is indirect ownership)
- g. Primary basis for determining the acquiring company
The Company's subsidiary acquired shares for cash consideration.

(2) Acquisition cost of the acquiree and components thereof by consideration type

Consideration for acquisition	Cash	US\$377 million
Acquisition cost		US\$377 million

The acquisition price will be adjusted in conjunction with the changes in working capital, liabilities, and cash and deposits on the date of completion for the acquisition of shares.

- (3) Amount of goodwill, reason for recognition, amortization method and amortization period
Yet to be confirmed at this time.
- (4) Amount and breakdown of assets acquired and liabilities assumed as of the date of the business combination
Yet to be confirmed at this time.

Disposal of treasury shares as restricted share-based incentives for the employees shareholding association

At the meeting of the Board of Directors held on July 16, 2025, 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

(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 per share
(4)	Total amount of Disposal	¥1,461,688,620 (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.

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 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 on July 16, 2025, 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.