

Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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

November 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>
 Representative: Representative Director, President & CEO Yasuhiro Kobayashi
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 Scheduled date to commence dividend payments: —
 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 nine months ended September 30, 2025 (from January 1, 2025 to September 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	%
Nine months ended September 30, 2025	365,425	10.3	46,294	8.7	49,126	4.1	33,664	10.8
Nine months ended September 30, 2024	331,263	17.4	42,572	19.7	47,189	8.8	30,369	1.2

Note: Comprehensive income Nine months ended September 30, 2025 ¥23,874 million [(28.9)%]

Nine months ended September 30, 2024 ¥33,574 million [(39.1)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	238.02	—
Nine months ended September 30, 2024	210.68	—

Note: The Company finalized provisional accounting treatment pertaining to business combination during the second quarter of the current fiscal year. Accordingly, each figure for the nine months ended September 30, 2024 reflects the content of the finalization of the provisional accounting treatment.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2025	558,894	388,637	66.0	2,610.08
As of December 31, 2024	547,638	382,815	66.4	2,556.41

Reference: Equity As of September 30, 2025 ¥368,929 million

As of December 31, 2024 ¥363,680 million

Note: The Company finalized provisional accounting treatment pertaining to business combination during the second quarter of the current fiscal year. 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 second quarter of the current fiscal year. 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 nine months ended September 30, 2025: Yes
Newly included: Structural Concepts Corporation, SC Holding Corp., and SC Real Estate Holdings, LLC.

- (2) Application of special accounting for preparing quarterly 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. Quarterly consolidated financial statements, (3) Notes to quarterly consolidated financial statements, Notes on changes in accounting policies” on page 7 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 September 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 September 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)

Nine months ended September 30, 2025	141,433,358 shares	Nine months ended September 30, 2024	144,148,280 shares
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- * **Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No**

- * **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.

Attached Materials Index

1. Overview of operating results.....	2
(1) Overview of operating results during the period.....	2
(2) Overview of financial position during the period.....	3
(3) Explanation of consolidated earnings forecasts and other forward-looking statements.....	3
2. Quarterly consolidated financial statements.....	4
(1) Consolidated balance sheets.....	4
(2) Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative).....	5
(3) Notes to quarterly consolidated financial statements.....	7
Notes on framework for financial reporting.....	7
Notes on changes in the scope of consolidation or scope of equity method to be applied.....	7
Notes on changes in accounting policies.....	7
Notes on special accounting for preparing quarterly consolidated financial statements.....	7
Notes to segment information, etc.	8
Notes on significant changes in the amount of shareholders' equity.....	10
Notes on premise of going concern.....	10
Notes on quarterly consolidated statements of cash flows.....	10
Additional information.....	10
Notes on business combination, etc.	10

1. Overview of operating results

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

(1) Overview of operating results during the period

During the nine months ended September 30, 2025, the Japanese economy continued to demonstrate a moderate recovery due to positive signs such as high levels of wage hikes implemented by companies amid stagnating personal consumption due to rising prices, and because inbound tourism demand has remained above the level prior to the COVID-19 pandemic. On the other hand, there were instances where exports and production activities struggled to grow due to concerns about the impact of U.S. tariff policies and weak overseas demand.

Overseas, despite a trend of slowing inflation except in some countries and continued robust economic growth in India, the global economic outlook remains uncertain 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 October indicated that the global economy would grow 3.2% in 2025, up from the previously predicted 3.0%.

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.

As a result of the above initiatives, the Group reported operating results for the nine months ended September 30, 2025 with net sales of ¥365,425 million (up 10.3% year-on-year), operating profit of ¥46,294 million (up 8.7% year-on-year), ordinary profit of ¥49,126 million (up 4.1% year-on-year), and profit attributable to owners of parent of ¥33,664 million (up 10.8% year-on-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 tourism 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 ¥181,464 million (up 4.5% year-on-year) and segment profit of ¥27,206 million (up 6.1% 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, we were affected by cost increases in one-time acquisition-related costs and labor, among others. As a result, the Group generated net sales of ¥90,490 million (up 11.7% year-on-year) and segment profit of ¥9,110 million (up 0.0% year-on-year).

c. Europe

In Europe, while we focused our efforts on mainly strengthening collaboration between Group companies and expanded sales of its flagship products, such as ice machines and refrigerators, we were affected by the intensifying competitive environment and cost increases in labor, etc. In particular in Turkey, we were significantly affected by cost increases and other impacts due to the hyperinflationary economic environment. As a result, the Group generated net sales of ¥43,430 million (up 9.1% year-on-year) and segment profit of ¥2,283 million (down 13.1% year-on-year).

d. Asia

As for Asia, sales of refrigerators were strong mainly in India. As a result, the Group generated net sales of ¥58,141 million (up 25.8% year-on-year) and segment profit of ¥10,302 million (up 35.2% year-on-year).

(2) Overview of financial position during the period

Total assets as of September 30, 2025 increased by ¥11,255 million from December 31, 2024 to ¥558,894 million.

Current assets decreased by ¥57,233 million from December 31, 2024 to ¥333,074 million. The main factors were a decrease in cash and deposits mainly due to the purchase of shares of subsidiaries despite an increase in notes and accounts receivable - trade, and contract assets.

Non-current assets increased by ¥68,488 million from December 31, 2024 to ¥225,819 million. The main factor was an increase in goodwill.

Total liabilities as of September 30, 2025 increased by ¥5,432 million from December 31, 2024 to ¥170,256 million.

Current liabilities increased by ¥12,071 million from December 31, 2024 to ¥141,994 million. The main factors were increases in notes and accounts payable - trade, contract liabilities, and provision for bonuses.

Non-current liabilities decreased by ¥6,639 million from December 31, 2024 to ¥28,261 million.

Total net assets as of September 30, 2025 increased by ¥5,822 million from December 31, 2024 to ¥388,637 million. The main factor was an increase in retained earnings due to the recording of profit attributable to owners of parent, despite a decrease in foreign currency translation adjustment and a decrease in net assets due to purchase of treasury shares.

(3) 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. Quarterly consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	239,035	167,537
Notes and accounts receivable - trade, and contract assets	70,253	82,962
Merchandise and finished goods	31,015	33,366
Work in process	8,694	8,228
Raw materials and supplies	29,455	35,635
Other	13,320	7,268
Allowance for doubtful accounts	(1,466)	(1,925)
Total current assets	390,307	333,074
Non-current assets		
Property, plant and equipment	80,498	86,566
Intangible assets		
Goodwill	18,958	74,849
Other	24,881	23,969
Total intangible assets	43,839	98,819
Investments and other assets	32,993	40,433
Total non-current assets	157,331	225,819
Total assets	547,638	558,894
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,252	39,348
Short-term borrowings	4,901	5,352
Income taxes payable	6,750	8,553
Contract liabilities	42,131	44,007
Provision for bonuses	4,526	10,815
Other provisions	4,044	4,400
Other	31,315	29,517
Total current liabilities	129,923	141,994
Non-current liabilities		
Retirement benefit liability	18,460	12,076
Other provisions	2,299	2,414
Other	14,140	13,770
Total non-current liabilities	34,900	28,261
Total liabilities	164,823	170,256
Net assets		
Shareholders' equity		
Share capital	8,138	8,138
Capital surplus	14,660	14,655
Retained earnings	295,327	313,388
Treasury shares	(14,514)	(19,919)
Total shareholders' equity	303,611	316,261
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	253	480
Foreign currency translation adjustment	57,863	50,186
Remeasurements of defined benefit plans	1,951	2,000
Total accumulated other comprehensive income	60,068	52,667
Non-controlling interests	19,134	19,708
Total net assets	382,815	388,637
Total liabilities and net assets	547,638	558,894

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

Consolidated statements of income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Net sales	331,263	365,425
Cost of sales	204,131	226,024
Gross profit	127,131	139,400
Selling, general and administrative expenses	84,559	93,105
Operating profit	42,572	46,294
Non-operating income		
Interest income	3,730	3,148
Foreign exchange gains	1,133	—
Gain on net monetary position	595	1,077
Other	931	1,082
Total non-operating income	6,390	5,308
Non-operating expenses		
Interest expenses	1,145	1,152
Foreign exchange losses	—	440
Other	627	884
Total non-operating expenses	1,773	2,477
Ordinary profit	47,189	49,126
Extraordinary income		
Gain on sale of investment securities	88	41
Gain on sale of non-current assets	35	54
Total extraordinary income	123	95
Extraordinary losses		
Loss on abandonment of non-current assets	35	27
Loss on step acquisitions	2,558	—
Other	11	2
Total extraordinary losses	2,605	30
Profit before income taxes	44,706	49,191
Income taxes - current	16,428	17,982
Income taxes - deferred	(2,404)	(3,165)
Total income taxes	14,024	14,817
Profit	30,682	34,373
Profit attributable to non-controlling interests	312	709
Profit attributable to owners of parent	30,369	33,664

Consolidated statements of comprehensive income

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit	30,682	34,373
Other comprehensive income		
Valuation difference on available-for-sale securities	13	227
Foreign currency translation adjustment	2,917	(10,480)
Remeasurements of defined benefit plans, net of tax	220	48
Share of other comprehensive income of entities accounted for using equity method	(258)	(295)
Total other comprehensive income	2,892	(10,499)
Comprehensive income	33,574	23,874
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	34,721	26,262
Comprehensive income attributable to non-controlling interests	(1,146)	(2,388)

(3)Notes to quarterly consolidated financial statements

Notes on framework for financial reporting

The quarterly consolidated financial statements are prepared in accordance with Article 4, paragraph 1 of the standard for preparation of the quarterly financial statements established by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. and accounting principles for quarterly financial statements generally accepted in Japan (provided, however, the Company applies the practice of omitting the descriptions provided for in Article 4, paragraph 2 of the aforementioned standard for preparation of the quarterly financial statements).

Notes on changes in the scope of consolidation or scope of equity method to be applied

In the third quarter of the current fiscal year, Structural Concepts Corporation, SC Holding Corp., and SC Real Estate Holdings, LLC were included in the scope of consolidation due to the new acquisition of shares. Since the deemed acquisition date is September 30, 2025, in the third quarter of the current fiscal year, its consolidation is limited to the balance sheet.

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 first quarter of the current fiscal year.

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 quarterly 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 first quarter of the current fiscal year. This change in accounting policies has been applied retrospectively and is reflected in the quarterly 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 quarterly 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 quarterly consolidated financial statements

Omitted due to immateriality.

Notes to segment information, etc.

I. Nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

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 quarterly consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia	Total		
Net sales							
Ice machines	15,418	31,022	16,174	4,584	67,199	—	67,199
Refrigerators	42,191	6,680	5,666	31,104	85,643	—	85,643
Dishwashers	12,769	8,536	2,288	222	23,816	—	23,816
Dispensers	4,633	23,108	33	811	28,586	—	28,586
Non Hoshizaki products	29,471	770	—	3,277	33,519	—	33,519
Maintenance and repairs	36,906	8,382	1,486	2,303	49,078	—	49,078
Other products	26,203	1,922	12,508	2,448	43,083	—	43,083
Revenue from contracts with customers	167,594	80,423	38,157	44,751	330,927	—	330,927
Other revenue	335	—	—	—	335	—	335
Sales to external customers	167,930	80,423	38,157	44,751	331,263	—	331,263
Intersegment sales or transfers	5,705	560	1,647	1,466	9,380	(9,380)	—
Total	173,636	80,983	39,805	46,218	340,644	(9,380)	331,263
Segment profit	25,647	9,110	2,626	7,618	45,002	(2,430)	42,572

- Notes
1. The reconciliation amount of negative ¥2,430 million for segment profit includes amortization of goodwill of negative ¥853 million, amortization of intangible assets, etc. of negative ¥1,835 million, ¥223 million from reconciliation of inventories, and ¥34 million from reconciliation of transactions with other segments.
 2. Segment profit has been reconciled with operating profit in the quarterly consolidated statements of income.
 3. The Company finalized provisional accounting treatment pertaining to business combination during the second quarter of the current fiscal year. Accordingly, segment profit reflects the content of the finalized provisional accounting treatment.

2. Information about assets for each reportable segment

In the Asia segment, the Company's consolidated subsidiary, HOSHIZAKI SOUTHEAST ASIA HOLDINGS PTE. LTD. acquired the shares of TECHNOLUX EQUIPMENT AND SUPPLY CORPORATION and HKR EQUIPMENT CORPORATION during the second quarter of the fiscal year ended December 31, 2024, thereby making these companies consolidated subsidiaries. Accordingly, the amount of assets for this reportable segment in the third quarter of the fiscal year ended December 31, 2024 increased by ¥17,835 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

During the first quarter of the fiscal year ended December 31, 2024, Oztiryakiler Madeni Elya Sanayi ve Ticaret Anonim Sirketi, which had previously been an associate accounted for using the equity method, was made a consolidated subsidiary due to the additional acquisition of shares. In addition, during the second quarter of the fiscal year ended December 31, 2024, TECHNOLUX EQUIPMENT AND SUPPLY CORPORATION and HKR EQUIPMENT CORPORATION were also 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. Nine months ended September 30, 2025 (from January 1, 2025 to September 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 quarterly consolidated statements of income (Note 2)
	Japan	Americas	Europe	Asia	Total		
Net sales							
Ice machines	16,653	32,181	16,645	4,804	70,284	—	70,284
Refrigerators	45,620	10,107	5,995	36,977	98,701	—	98,701
Dishwashers	14,083	9,179	3,246	257	26,767	—	26,767
Dispensers	4,636	27,288	—	649	32,574	—	32,574
Non Hoshizaki products	29,031	701	—	7,422	37,155	—	37,155
Maintenance and repairs	38,593	8,367	1,963	4,603	53,528	—	53,528
Other products	27,054	2,059	14,609	2,338	46,061	—	46,061
Revenue from contracts with customers	175,672	89,885	42,459	57,055	365,072	—	365,072
Other revenue	352	—	—	—	352	—	352
Sales to external customers	176,025	89,885	42,459	57,055	365,425	—	365,425
Intersegment sales or transfers	5,439	605	971	1,086	8,101	(8,101)	—
Total	181,464	90,490	43,430	58,141	373,526	(8,101)	365,425
Segment profit	27,206	9,110	2,283	10,302	48,903	(2,608)	46,294

- Notes
1. The reconciliation amount of negative ¥2,608 million for segment profit includes amortization of goodwill of negative ¥1,097 million, amortization of intangible assets, etc. of negative ¥1,899 million, ¥357 million from reconciliation of inventories, and ¥31 million from reconciliation of transactions with other segments.
 2. Segment profit has been reconciled with operating profit in the quarterly 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

During the third quarter of the current fiscal year, Structural Concepts Corporation, SC Holding Corp., and SC Real Estate Holdings, LLC were made consolidated subsidiaries due to the new acquisition of shares, resulting in an increase in goodwill of ¥53,973 million.

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 first quarter of the current fiscal year. 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 second quarter of the current fiscal year.

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 September 30, 2025, the value of the Company's treasury shares was ¥19,919 million.

Notes on premise of going concern

Not applicable

Notes on quarterly consolidated statements of cash flows

The Company has not prepared quarterly consolidated statements of cash flows for the nine months ended September 30, 2025. The amounts of depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of the current and previous fiscal years are as stated below.

The Company finalized provisional accounting treatment pertaining to business combination during the second quarter of the current fiscal year. Accordingly, amounts for the nine months ended September 30, 2024 reflect material revisions of amounts initially allocated to acquisition prices due to finalization of provisional accounting treatment.

	(Millions of yen)	
	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Depreciation	6,864	8,116
Amortization of goodwill	894	1,277

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 second quarter of the current fiscal year.

The comparative information presented in the quarterly consolidated financial statements for the nine months ended September 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.

In the quarterly consolidated statements of income for the nine months ended September 30, 2024, operating profit decreased by ¥361 million, ordinary profit decreased by ¥361 million, and profit attributable to owners of parent decreased by ¥219 million.

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 "SCC"), 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

(1) Name and business description of the acquired company

- a. Name of the acquiree: Structural Concepts Corporation
Business description: Manufacturing and sale of food display cases
- b. Name of the acquiree: SC Holding Corp.
Business description: Holding company (wholly-owning parent company of SCC)
- c. Name of the acquiree: SC Real Estate Holdings, LLC
Business description: Commercial real estate management company of SCC

(2) Primary reasons for the business combination

SCC 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 SCC, 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.

(3) Date of the business combination

July 31, 2025 (Share acquisition date)
September 30, 2025 (Deemed acquisition date)

(4) Legal form of the business combination

Acquisition of shares for cash consideration through "reverse triangular merger"

(5) Name of company after the business combination

No change

(6) Percentage of voting rights acquired

100% (Of which, 100% is indirect ownership)

(7) 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	¥56,280 million
Acquisition cost		¥56,280 million

This amount was calculated on a provisional basis, and the acquisition price will be adjusted due to fluctuations in working capital, etc. based on the share transfer agreement.

3. Amount of goodwill, reason for recognition, amortization method and amortization period

(1) Amount of goodwill

¥53,973 million

The amount of goodwill was calculated on a provisional basis because the allocation of acquisition cost was not completed as of September 30, 2025.

(2) Reason for recognition

Since the acquisition cost exceeded the net amount of assets acquired and liabilities assumed, the excess amount was recorded as goodwill.

(3) Amortization method and amortization period

The goodwill will be amortized on a straight-line basis over 10 years in accordance with the alternative accounting treatment for private companies under U.S. Generally Accepted Accounting Principles (GAAP) (ASU 2014-02) and ASBJ Practical Solution No. 18.