



DISCLAIMER: This English document is translated using a machine translation. You may use this for reference purposes only, fully understanding that it may include inaccurate translations. It is your sole responsibility if you rely not on the Japanese original but on this translation

May 26, 2026

To whom it may concern

Company name: HIDAY HIDAKA Corporation
Title of Representative: Hiroshige Aono, President and Representative Director
(Code No. 7611, Tokyo Stock Exchange Prime Market)
Jun Ishida, Director
Executive Officer
Inquiries: General Manager of Corporate Planning Department
(TEL. +81-48-644-8447)

Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation for Directors

HIDAY HIDAKA Corporation (the “Company”) hereby announces that, at the meeting of the Board of Directors held today, it resolved to dispose of treasury shares as restricted stock compensation (the “Disposal of Treasury Shares”), as described below.

1. Outline of the Disposal

(1) Payment Date	June 26, 2026
(2) Class and Number of Shares to Be Disposed	13,100 shares of the Company’s common stock
(3) Planned Allottees	Four directors of the Company*; 13,100 shares in total *Excluding outside directors and directors who are Audit and Supervisory Committee members.
(4) Disposal Price and Total Disposal Amount	Although the Disposal of Treasury Shares will be implemented by means of a gratis allotment as compensation for directors, pursuant to Article 202-2 of the Companies Act, the disposal price was determined to be ¥34,846,000, which was calculated by multiplying the closing price of the Company’s common shares on the Tokyo Stock Exchange on May 25, 2026, the business day immediately preceding the date of the Board of Directors’ resolution held today, of ¥2,660, by the number of shares to be disposed of as described above, as a fair valuation amount.

2. Purpose of and Reasons for the Disposal

At the meeting of the Board of Directors held on April 17, 2026, the Company resolved to introduce a restricted stock compensation plan (the “Plan”) for directors of the Company, excluding outside directors and directors who are Audit and Supervisory Committee members (the “Eligible Directors”), for the purpose of providing incentives for the Eligible Directors to continuously enhance the Company’s corporate value and to further

promote value sharing with shareholders.

In addition, at the 48th Annual General Meeting of Shareholders held on May 26, 2026, the Company obtained approval for the following matters under the Plan:

(i) Eligible Directors shall, based on a resolution of the Board of Directors, receive either:

(a) the issuance or disposal of the Company's common stock as restricted stock without contribution of money or other property in exchange for such shares as compensation for the performance of their duties as directors (the "Gratis Allotment Method"); or (b) the issuance or disposal of the Company's common stock as restricted stock through contribution in kind of all monetary compensation claims paid by the Company as compensation (the "Contribution in Kind Method").

(ii) The total number of shares of the Company's common stock to be issued or disposed of under the Gratis Allotment Method and the Contribution in Kind Method shall be no more than 20,000 shares per year in total for directors excluding outside directors and directors who are Audit and Supervisory Committee members; provided, however, that such total number may be adjusted within a reasonable range in the event of a stock split (including a gratis allotment of the Company's common stock), reverse stock split, or any other event requiring adjustment of the total number of shares of the Company's common stock to be issued or disposed of as restricted stock.

(iii) The total amount of the Company's common stock to be issued or disposed of for the grant of restricted stock shall be no more than JPY 50 million per year in total under both the Gratis Allotment Method and the Contribution in Kind Method, separately from monetary compensation, for directors excluding outside directors and directors who are Audit and Supervisory Committee members.

In the case of the Gratis Allotment Method, although no monetary payment is required upon the grant of restricted stock, the amount of compensation for the Eligible Directors shall be calculated based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors relating to the grant of restricted stock (or, if no trading is effected on such date, the closing price on the most recent trading day prior thereto).

In the case of the Contribution in Kind Method, the amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors relating to the grant of restricted stock (or, if no trading is effected on such date, the closing price on the most recent trading day prior thereto), to the extent that such amount is not especially favorable to the persons subscribing for such shares.

(iv) Upon the issuance or disposal of the Company's common stock pursuant to the above, the Company and each Eligible Director shall enter into a restricted stock allotment agreement including, in outline, the following provisions:

1. The allotted shares of the Company's common stock may not be transferred, pledged as collateral, or otherwise disposed of during a predetermined period.
2. The Company shall acquire such shares without consideration upon the occurrence of certain events.

Taking into account the purpose of the Plan, the Company's business performance, the scope of duties of the Eligible Directors, and other various circumstances, the Company resolved at the meeting of the Board of Directors held today to grant a total of 13,100 shares of the Company's common stock to four Eligible Directors (the "Allottee Directors") as compensation for the performance of their duties as directors.

< Outline of the Restricted Stock Allotment Agreement >

The Company plans to enter into a restricted stock allotment agreement (the "Allotment Agreement") individually with each of the Allottee Directors. The outline of the Allotment Agreement is as follows:

1) Transfer Restriction Period

The Allottee Directors may not transfer, create a security interest in, or otherwise dispose of the allotted shares during the period from June 26, 2026 (the allotment date) until the date on which they resign or retire from all positions as director, corporate auditor, executive officer, and employee of the Company.

2) Conditions for Lifting the Transfer Restriction

Provided that an Allottee Director continuously holds the position of director, corporate auditor, executive officer, or employee of the Company during the transfer restriction period, the transfer restriction shall be lifted for all of the allotted shares upon expiration of the transfer restriction period.

3)Acquisition by the Company Without Consideration

The Company shall automatically acquire, without consideration, any allotted shares for which the transfer restriction has not been lifted at the time the transfer restriction period expires or at any other time prescribed in the Allotment Agreement.

4)Management of Shares

During the transfer restriction period, the allotted shares shall be managed in dedicated accounts for restricted stock opened by the Allottee Directors at Daiwa Securities Co. Ltd. so that the shares may not be transferred, pledged as collateral, or otherwise disposed of during the transfer restriction period.

5)Treatment in Organizational Restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company becomes a dissolved company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matter relating to organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (or by the Board of Directors if approval by the general meeting of shareholders is not required), the transfer restriction shall be lifted for all of the allotted shares by resolution of the Board of Directors.

3. Grounds for calculation of the amount to be paid in and specific details thereof

Although the Disposal of Treasury Shares will be implemented by means of a gratis allotment as compensation for directors, the disposal price has been set at ¥2,660, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on May 25, 2026, the business day immediately preceding the date of the Board of Directors' resolution, in order to eliminate any arbitrariness in the pricing. This price reflects the market value of the Company's stock price immediately prior to the date of the resolution of the Board of Directors of the Company, and we believe that it is reasonable and not a particularly favorable price.