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June 30, 2025

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Notice of Disposal of Treasury Shares as Restricted Stock Compensation

HOKKAIDO GAS CO., LTD. (the “Company”) hereby announces that, at a meeting held on June 30, 2025, its Board of Directors resolved to dispose of its treasury shares as restricted stock compensation (the “Disposal of Treasury Shares” or “Disposal”). Details are as follows.

1. Overview of disposal

(1) Date of disposal	July 29, 2025		
(2) Class and number of shares to be disposed of	The Company’s common shares 38,915shares		
(3) Disposal amount	596yen per share		
(4) Total disposal price	23,193,340yen		
(5) Recipients of disposed shares	Directors (excluding Outside Directors)	5 Directors	13,652 shares
	Executive Officer, etc.	14 Directors	25,263 shares

2. Purpose and reason for disposition

The Company resolved at a meeting of the Board of Directors held on May 19, 2025 to introduce a restricted stock remuneration system (the “System”) for the Directors (excluding Outside Directors; the “Eligible Directors”) and Executive Officers, etc. (the “Eligible Executive Officers, etc.”) for the purpose of achieving sustained growth and the medium- to long-term improvement of the corporate value of the Group.

Regarding the amount of remuneration received by Directors, an upper limit of 300 million yen per year was approved (provided, however, that this does not include the employee salaries paid to Directors who are also employees) at the 160th Annual General Meeting of Shareholders held on June 29, 2006. Regarding the total number of shares of restricted stock to be granted to Eligible Directors, an upper limit of 80,000 restricted shares per fiscal year was approved at the 179th Annual General Meeting of Shareholders held on June 20, 2025. Based on a resolution of the Board of Directors, the

Company has determined to grant each Eligible Director monetary remuneration claim as compensation regarding restricted stock within the limits of amounts of remuneration described above. At a meeting of the Board of Directors held on June 30, 2025, the Company resolved to pay, in consideration of the purpose of the System, the business results of the Company, the scope of each Eligible Person's job responsibilities and various other factors, a total of 23,193,340 yen as monetary remuneration claims to five Eligible Directors and 14 Eligible Executive Officers, etc. (the "Eligible Person(s)") who will be allotted the restricted stock, in order to allot 38,915 shares of the Company's common stock as specified restricted stock. This is after the Eligible Persons pay all of these monetary claims as contributions in kind to receive the restricted stock remuneration. For Eligible Directors, this remuneration is for the period from the day after the date of the Annual General Meeting of Shareholders immediately prior to the payment date regarding the shares (the "Payment Date") until the next Annual General Meeting of Shareholders. For Eligible Executive Officers, etc., this remuneration is for the period of the term of office of the Eligible Executive Officer, etc. (the period from April 1st of the year in which the disposal date falls until March 31 of the following year, in principle.).

Regarding the issuance or disposal of shares of the Company's common stock based on the System, a restricted stock allotment agreement (the "Stock Allotment Agreement") will be concluded between the Company and each Eligible Person.

3. Outline of the restricted stock allotment agreement

Below is an outline of the Stock Allotment Agreement to be concluded between the Company and each Eligible Person when shares of the Company's common stock are issued or disposed of based on the System (Shares of the Company's common stock allotted based on the Stock Allotment Agreement are hereinafter the "Shares.").

(i) Transfer restriction period

The Eligible Person may not transfer, create any security interest over, or otherwise dispose of the Shares from the Payment Date until the Eligible Person resigns or retires from their position as a Director, Corporate Auditor, Executive Officer or employee of the Company or a subsidiary of the Company (the "Transfer Restriction Period").

(ii) Lifting of the transfer restrictions

In any of the following cases, the transfer restriction on all the Shares will be lifted;

Provided, however, that in the case of B and C below, the transfer restriction will be lifted on the number of shares reasonably determined in light of the period until the subject case arises or is approved.

A. Case where the Transfer Restriction Period described in (i) above expires

B. Case where it is determined that an Eligible Director will resign or retire from their position as Director, Corporate Auditor, Executive Officer or employee of the Company or a subsidiary of

the Company due to their death, the expiration of their term of office or other legitimate reasons during the period from the day after the Annual General Meeting of Shareholders immediately prior to the Payment Date until the next Annual General Meeting of Shareholders (for the Eligible Executive Officers, etc., during their term of office as Executive Officers, etc.)

C. Case where a general meeting of shareholders of the Company approves, during the Transfer Restriction Period, a merger agreement under which the Company will become a non-surviving company, a stock exchange agreement under which the Company will become a wholly owned subsidiary, a share transfer agreement, or another matter regarding organizational restructuring, etc. (provided, however, if such organizational restructuring, etc. does not require the approval of a general meeting of shareholders of the Company, approval of the Board of Directors) and where the Board of Directors of the Company resolves the cancellation of transfer restriction on the shares

D. Case where a tender offer for the Company's common stock is commenced as prescribed in Article 27-2 of the Financial Instruments and Exchange Act, where the Company receives a proposal in writing from an Eligible Person requesting the lifting of transfer restrictions in order to subscribe to the tender offer, and where the Board of Directors separately determines a date on which the transfer restrictions on the Shares will be lifted.

E. Case where the Board of Directors adopts a resolution otherwise

(iii) Reasons for acquisition without consideration

A. In the cases stipulated in (2) B and C above, the Company will, by resolution of the Board of Directors, acquire the shares for which the transfer restriction is not cancelled without consideration.

B. Case where the Board of Directors adopts a resolution otherwise

(iv) Management of shares

The Eligible Person shall complete the procedures for opening an account with a securities firm to register or record the allotted shares in such a manner as designated by the Company, and shall store and maintain the allotted shares until the transfer restrictions are lifted.

4. Calculation basis of payment amounts and relevant details

To eliminate arbitrariness, the purchase price regarding the disposal of treasury shares is set at 596 yen, which is the closing price of the Company's common stock on Tokyo Stock Exchange's Prime Market on June 27, 2025 (the business day preceding the date of the resolution by the Board of Directors). This is the market share price immediately before the date of resolution of the Board of Directors, and the Company believes that it is reasonable and does not fall under a price that is particularly favorable.