

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.

June 26, 2026

Company name : HISAKA WORKS, LTD.
Name of representative : Toshiya Usami
Director, President and CEO
(Securities Code: 6247
Prime Market in Tokyo Stock Exchange)
Inquiries : Hiroshi Hatano
Director, Senior Executive Officer,
Management, Corporate Strategy, IR Fields
(Tel: +81-(0)6-6363-0015)

Notice of Disposal of Treasury Stock as Restricted Stock Compensation

At the meeting of the Board of Directors held today, we resolved (the "Allotment Resolution Date") to dispose of treasury stock ("Treasury Stock Disposition" or "Disposition"). We announce the following.

1. Outline of Dispositions

(1) Disposition date	July 24, 2026
(2) Type and number of shares to be disposed	39,800 shares of our common stock
(3) Disposal price	1,776 yen per share
(4) Total amount disposed	70,684,800 yen
(5) Allottees, Number of Allottees, and Number of Shares to be Disposed of shares to be disposed	4 Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members) 25,000 shares 7 executive officers who do not concurrently serve as directors 14,800 shares

2. Purpose and reason of the disposition

At the meeting of the Board of Directors held on May 14, 2021, we adopted a new compensation plan for directors with a transfer restriction (hereinafter referred to as the "Plan") in order to provide incentives to our directors (excluding outside directors and directors serving as Audit and Supervisory Committee Members, hereinafter referred to as the "Eligible Directors") and executive officers who do not concurrently serve as directors (hereinafter collectively referred to as the "Eligible Recipients"), to continuously improve our corporate value, and to further promote the sharing of value with shareholders. In addition, the 92nd Ordinary General Meeting of Shareholders held on June 25, 2021 approved the issuance or disposition of common shares of our company up to 40,000 shares per year and the establishment of a transfer restriction period of 30 years from 3 years as the transfer restriction period for shares subject to transfer restriction, by providing monetary claims of up to 70 million yen per year to the Eligible Directors in accordance with the Plan.

The outline of this system is as follows.

[Outline of the System]

The Eligible Recipients shall pay all monetary claims paid by the Company under the Plan as property of contribution in kind and receive the issuance or disposition of common shares of the Company. The amount to be paid per share of common stock shall be determined by the Board of Directors on the basis of the closing price of our common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution of each Board of Directors (or the closing price on the immediately preceding trading day if no transaction has been effected on the same date), so that the amount shall not be particularly favorable to the Eligible Recipients who will subscribe for such stock.

In addition, for the issuance or disposal of our common shares under the Plan, the Company and the Eligible Recipients enter into an agreement on the allocation of shares with restriction on transfer. This includes ① the prohibition of transfer to a third party, establishment of a security interest, or any other disposition of the common shares of the Company allotted to the Company under the share allocation agreement with transfer restriction for a certain period of time, and ② the acquisition by the Company of such common shares without charge in the event of a certain event.

This time, upon deliberation by the Nomination and Compensation Committee, the Company grants 70,684,800 yen (hereinafter referred to as the "Monetary Claims") and 39,800 shares of common stock in total to improve the motivation of each Eligible Recipients, in consideration of the purpose of this system, the business conditions of the Company, the scope of responsibilities of each Eligible Recipients, and various circumstances.

In the event of the disposition of treasury stock, eleven Eligible Recipients, who are expected to be allotted to the Company, shall pay all of the Monetary Claims to us as property of contribution in kind and receive disposition of our common shares (hereinafter referred to as the "Allotted Shares") pursuant to the Plan. The outline of the Agreement on the Allotted Shares with Restriction on Transfer (hereinafter referred to as the "Allotment Agreement") concluded between the Company and the Eligible Recipients in connection with the Treasury Share Disposition is as set forth in 3. below.

3. Summary of the Allotment Agreement

(1) Restriction Period on Transfer

July 24, 2026 to July 23, 2056

(2) Termination Conditions of Restriction on Transfer

The Eligible Recipients shall, during the Restriction Period on Transfer, continuously terminate the Restriction on Transfer of all the Allotted Shares upon expiration of the Restriction Period on Transfer, provided that the Eligible Recipients held any position concurrently serving as directors, executive officers, executive officers, auditors, employees, or any other position equivalent thereto of the Company or any of its Subsidiaries.

(3) Handling of retirement or retirement of the Eligible Recipients due to expiration of their term of office, mandatory retirement age or any other justifiable reason during the period of restriction on transfer

① Timing of Cancellation of Restriction on Transfer

In the event the Eligible Recipients retire or retire from office due to expiration of their term of office, mandatory retirement age or any other justifiable reason (including retirement or retirement due to death) in any position of directors, executive officers, executive officers who do not concurrently serve as directors, auditors, employees or any other position equivalent thereto of the Company or any of its Subsidiaries, the restriction on transfer shall be terminated at the time immediately after the resignation or retirement of the Eligible Recipients.

② Number of shares subject to termination of restriction on transfer

The number of the Allotted Shares held at the time of such resignation or retirement as set forth in paragraph ① shall be the number of shares obtained by multiplying the number of months from the month including the Allotment Resolution Date to the month including the day of resignation or retirement of the Eligible Recipients by 12 (if the number exceeds one, the number shall be 1) (provided, however, that any fraction less than one share arising as a result of the calculation shall be rounded off).

(4) Free acquisition by us

We will naturally acquire the Allotted Shares without termination of the Transfer Restriction at the time of expiration of the Transfer Restriction Period or at the time of termination of the Transfer Restriction as set forth in paragraph (3) above without charge.

(5) Management of Shares

The Allotted Shares shall be managed by an exclusive account established by the Eligible Recipients at Nomura Securities Co., Ltd. during the Restriction Period of Transfer in order to prevent the transfer, establishment of security interest, or other disposition during the Restriction Period of Transfer. We enter into an agreement with Nomura Securities Co., Ltd. to manage the account of the Allotted Shares held by each the Eligible Recipients in order to ensure the effectiveness of the Transfer Restrictions relating to the Allotted Shares. In addition, the Eligible Recipients shall agree on the details of the management of such account.

(6) Treatment in Organizational Restructuring, etc.

If, during the limited period of transfer, the matters concerning the merger agreement in which we become a wholly-owned subsidiary, the Share Exchange Agreement, the Share Transfer Plan, and other organizational restructuring are approved at our General Meeting of Shareholders (provided, however, that such restructuring is not required by our General Meeting of Shareholders, the number of Allotted Shares held at that time by resolution of the Board of Directors) The restriction on the transfer of shares in the number obtained by multiplying the number of months from the month including the date of the Allotment Resolution by 12 (if the number exceeds 1, the number of shares shall be 1), but if a fraction of less than one share arises as a result of the calculation, the restriction on the transfer shall be cancelled immediately prior to the business day prior to the effective date of the Reorganization, etc. In addition, immediately after the termination of the Transfer Restriction, we shall naturally acquire, without charge, all of the Allotted Shares for which the Transfer Restriction has not been terminated.

4. Basis for calculating the amount to be paid and the specific contents thereof

The disposition of treasury stock to be allocated will be made with monetary claims paid as share remuneration with restriction on transfer for the 97th fiscal year of the Company under this Plan as the property of contribution. The disposal price is 1776 yen, the closing price of our common stock on the Tokyo Stock Exchange Prime Market on June 25, 2026 (the business day prior to the resolution date of the Board of Directors) in order to eliminate arbitrary considerations. We believe this is the market stock price immediately prior to the Board of Directors resolution date and does not constitute a reasonable and particularly favorable price.

End of document