



DISCLAIMER: This English document is translated using a machine translation. This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

July 8, 2025

To whom it may concern

Company name: HIOKI E. E. CORPORATION
Name of representative: Takahiro Okazawa, President
(Securities code: 6866; Tokyo Stock Exchange Prime Market)
Inquiries: Hisashi Shimizu, Director of Corporate
Planning Department
(Telephone: +81-268-28-0555)

Notice Regarding Disposition of Treasury Shares as Restricted Stock Compensation

We hereby announce that, at the Board of Directors meeting held on July 8, 2025, the Company has resolved as follows to dispose of treasury shares as restricted stock compensation (hereinafter the “Disposition of Treasury Shares”).

Details

1. Outline of the Disposition

(1) Payment Date	July 31, 2025
(2) Class and Number of Shares to be Disposed	4,410 shares of the Company's common stock
(3) Disposal Price	5,510 yen per share
(4) Total Disposal Amount	24,299,100 yen
(5) Scheduled Allottees	Five directors of a subsidiary of the Company, 4,410 shares

2. Purpose and Reasons for the Disposition

In order to continuously enhance the corporate value of the Company Group, to motivate the directors of its subsidiary, and to further promote value sharing with our shareholders, the Company, based on resolutions of the board of directors or other authorized bodies of its subsidiary, will grant a monetary compensation claim in the total amount of 24,299,100 yen to five directors of the subsidiary (hereinafter, the “Allottees”) who satisfy certain requirements.

Subsequently, by resolution of the Board of Directors held today, it has been resolved to allot to the Allottees, as a contribution in kind of the above monetary compensation claim totaling 24,299,100 yen (the amount of monetary compensation claim to be contributed per share is 5,510 yen), 4,410 shares of the Company's common stock (hereinafter, the "Allocated Shares") as the Disposition of Treasury Shares.

To encourage medium- to long-term and continuous service, the Allocated Shares will be subject to a transfer restriction period, as described below.

The Allottees will subscribe for the Allocated Shares by contributing all of the granted monetary compensation claims in kind.

In connection with the Disposition of Treasury Shares, the Company and each Allottee will enter into a restricted stock allotment agreement (hereinafter, the "Agreement"), which will contain the principal terms outlined below.

Please note that the Allocated Shares will be allotted only to Allottees who desire to accept this allotment.

<Outline of Restricted Stock Allotment Agreement>

The Company and each Allottee will individually enter into a restricted stock allotment agreement (hereinafter, the "Allotment Agreement"). The key points are as follows:

(1) Transfer Restriction Period

The Allottees may not transfer, create a security interest on, or otherwise dispose of the Allocated Shares from July 31, 2025 (the payment date) until the date on which the Allottee no longer holds their director position at the Company's subsidiary.

(2) Conditions for Lifting the Transfer Restrictions

If, during the period from July 31, 2025 (the payment date) to July 31, 2026, the Allottee continuously retains their position as director of the Company's subsidiary, the transfer restriction on all Allocated Shares will be lifted at the expiration of the transfer restriction period. However, if the Allottee loses their position as director of the subsidiary due to death, expiration of their term, or other legitimate reasons recognized by the Company's Board of Directors during the service period, the transfer restriction on all Allocated Shares will be lifted at the expiration of the restriction period.

(3) Acquisition without Consideration by the Company

At the expiration of the transfer restriction period or at such other time as prescribed in the Agreement, the Company shall acquire for no consideration any Allocated Shares to which the transfer restriction has not been lifted.

(4) Management of Shares

During the transfer restriction period, to ensure that the Allocated Shares cannot be transferred, pledged, or otherwise disposed of, such shares shall be managed in a dedicated account for restricted stock, which the Allottees will open with Daiwa Securities Co. Ltd.

(5) Handling in the Event of Organizational Restructuring, etc.

During the transfer restriction period, if matters regarding organizational restructuring (such as a merger agreement where the Company becomes a dissolved company, a share exchange agreement

or plan making the Company a wholly owned subsidiary, or other organizational restructuring) are approved at the shareholders' meeting of the Company (or the Board of Directors, if shareholder approval is not required), then, by a resolution of the Board of Directors, the transfer restriction on all Allocated Shares will be lifted at the time immediately prior to the effective date of such organizational restructuring.

3. Basis for Calculation of Payment Amount and Specific Details

The Disposition of Treasury Shares will be conducted by allotting shares through contribution in kind of monetary compensation claims granted to the Allottees under this plan. The disposal price per share is set at 5,510 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on July 7, 2025 (the business day immediately prior to the resolution of the Board of Directors), so as to eliminate arbitrariness. As this reflects the market price immediately before the resolution date and, under circumstances where there are no particular reasons that the recent stock price does not reflect the corporate value, is considered to be reasonably reflective of the Company's corporate value and not a particularly favorable price for the Allottees.

End of announcement.