



To whom it may concern,

July 15, 2022

Company name: HOSHIZAKI CORPORATION

Representative: Yasuhiro Kobayashi, Representative Director,  
President & COO

(Securities code: 6465; Tokyo Stock Exchange – Prime Market and  
Nagoya Stock Exchange – Premier Market)

Inquiries: Kyo Yaguchi, Director (Tel: 0562-96-1320)

### Notice Concerning share acquisition by the subsidiary

The board of directors of HOSHIZAKI CORPORATION (hereafter referred to as Hoshizaki) announces that on July 15, 2022, it has passed a resolution to acquire Beijing Royalkitchen Science and Technology Co., Ltd, a Chinese commercial kitchen design and construction company (hereafter referred to as Royalkitchen), through Hoshizaki China Holdings Co., Ltd., a wholly owned subsidiary of Hoshizaki. The details are as follows:

Further details:

1 . Purpose of acquiring the shares and the quotas

Hoshizaki aims at Global No.1 in the business of the commercial food service equipment, making investments proactively in the overseas business to expand its core business and develop new business in the market; especially, business expansion in the Chinese market is set as one of key strategies to achieve the goal.

Royalkitchen, based in Beijing, China, is a commercial kitchen design and construction company with its strength in design and construction of kitchens for luxury hotels, canteens of large-sized offices and factories, and enjoys a good reputation in the market. Royalkitchen has recently been engaged in the development of sales targeting new customers such as chain account restaurants, supermarkets and convenience stores on the top of its existing clients, with which a rise of profitability is promising.

Until now, Hoshizaki focused on the sales of its commercial ice makers and refrigerators through dealer sales channels in the market in China. By acquiring Royalkitchen, Hoshizaki will expand its business to the new area of commercial kitchen design and construction.

Furthermore, Hoshizaki will aim to pursue the development of business, firmly taken root in the Chinese market, not only by taking the opportunity of promoting sales of Hoshizaki products to the existing customers of Royalkitchen, but also creating close collaboration with Royalkitchen—a highly-valued local company.

Royalkitchen is currently listed on National Equities Exchange and Quotation in China and Hoshizaki is intending to acquire Royalkitchen after delisting of the company is completed.

2. Overview of the companies whose shares and quotas are acquired

①	Company name	Beijing Royalkitchen Science and Technology Co., Ltd		
②	Location	Beijing, China		
③	Representative's name and title	Zhang Yixin (Chairman and President)		
④	Description of business	Design and construction of commercial kitchen		
⑤	Paid-in capital	20 million RMB (approx. 400 M JPY)		
⑥	Established	April 1, 1999		
⑦	Owners and controlling shares	Beijing Simaige Technology Development Co., Ltd. 32.5% Zhang Yixin 20.4% Ningbo Meishan Bonded Port District Dongbang Asset Management Center (Limited Partnership) 20.3% Other shareholders 26.8%		
⑧	Relationship between Hoshizaki and Royalkitchen	Capital relationship	There is no capital relationship between Hoshizaki and Royalkitchen. No capital relationships exist between Hoshizaki's stakeholders or affiliates and Royalkitchen's stakeholders or affiliates.	
		Employment relationship	There is no employment relationship between Hoshizaki and Royalkitchen. No employment relationships exist between Hoshizaki's stakeholders or affiliates and Royalkitchen's stakeholders or affiliates.	
		Commercial relationship	Hoshizaki's subsidiaries has sold the products to Royalkitchen.	
⑨	Royalkitchen's recent results of operations and financial condition (1RMB = 20 JPY)			
	Financial year ending	Dec 2019	Dec 2020	Dec 2021
	Net assets	50,107K RMB (1,002M JPY)	53,632K RMB (1,073M JPY)	69,087K RMB (1,382M JPY)
	Total assets	106,278K RMB (2,126M JPY)	105,505K RMB (2,110M JPY)	137,371K RMB (2,747M JPY)

Sales	94,660K RMB (1,893M JPY)	83,888K RMB (1,678M JPY)	131,058K RMB (2,621M JPY)
Operating income	3,490K RMB (70M JPY)	3,696K RMB (74M JPY)	17,369K RMB (347M JPY)
Net income	3,435K RMB (69M JPY)	3,525K RMB (71M JPY)	15,454K RMB (309M JPY)
Dividends	— (—)	— (—)	— (—)

### 3. Overview of the participating shareholders and quota holders

① Company name	Beijing Simaige Technology Development Co., Ltd.
② Location	Beijing, China
③ Representative's name and title	Zhang Yichun
④ Description of business	Assets management company
⑤ Paid-in capital	5M RMB (100M JPY)
⑥ Established	September 25, 2000
⑦ Shareholders	Zhang Yixin 100.0%
⑧ Relationship between with Hoshizaki and Simaige	There are no capital, employment or commercial relationships between Hoshizaki and Simaige. Simaige does not have any major capital, employment or commercial relationship with Hoshizaki's stakeholders or affiliates.

① Name	Zhang Yixin
② Location	Beijing, China
③ Relationship between Hoshizaki and these individuals	There are no capital, employment or commercial relationships between Hoshizaki and the individuals. They do not have any major capital, employment or commercial relationship with Hoshizaki's stakeholders or affiliates.

4 . Overview of the number of acquiring shares and quotas, and the position of shareholdings before and after transaction

① Number of shares held before transaction	Nil (Shareholding ratios 0.0%)
② Number of shares acquired	10,200,000 shares
③ Number of shares held after transaction	10,200,000 shares (Shareholding ratios 51.0%)
④ Share purchase price	112.2M RMB (2,244M JPY) Share purchase price has been determined based on valuation from a third party's specialist and agreed by both parties.

5 . Schedule

- ( 1 ) Date of Agreements: July 15, 2022
- ( 2 ) Expected Acquisition of shares and quotas: Mid-November, 2022

6 . Effect on financial performance

The impact on the consolidated results and consolidated fiscal conditions for the current fiscal year is immaterial.

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