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Notice Regarding Determination of Annual Dividend Rate of Series 1 Bond-Type Class Shares

September 9, 2025

Company Name	ZENSHO HOLDINGS CO.,LTD.
Listings	Tokyo Stock Exchange Prime Market
Securities code	7550
Representative	Yohei Ogawa, Representative Director, President & CEO
Contact	Kiyohiko Niwa, Chief Financial Officer, Executive Officer, Senior General Manager of Group Finance and Accounting Division
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ZENSHO HOLDINGS CO.,LTD. (the “Company”) hereby announces that the Representative Director today determined the Annual Dividend Rate of the Preferred Dividend to Series 1 Bond-Type Class Shares and certain other matters in connection with the issuance of the Series 1 Bond-Type Class Shares that was determined by the resolution of the Board of Directors as of August 18, 2025 (the “Offering”) pursuant to the delegation by the resolution thereat.

1. Annual Dividend Rate
 - (i) If the record date falls in a fiscal year ending on or before March 31, 2031:
4.000% per annum (*)
 - (ii) If the record date falls in a fiscal year ending on or after April 1, 2031:
The interest rate of One-Year Japanese government bonds (JGBs) as of two business days before the last day of the immediately preceding fiscal year, plus 3.905%
 - (*) The amount of the Preferred Dividend to Series 1 Bond-Type Class Shares with a record date of March 31, 2026 will be 99.72 yen (calculated based on actual day counts on a 365-day year basis).
2. Subscription Period From Wednesday, September 10, 2025 to Tuesday, September 30, 2025

Note:

This press release has been prepared for the sole purpose of publicly announcing certain information regarding the issuance of the Series 1 Bond-Type Class Shares and not for the purpose of soliciting investment or engaging in any other similar activities in Japan or any foreign country. Furthermore, this press release does not constitute an offer of securities in the United States. The securities referred to herein have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. In this case, no offering of securities will be made in the United States. No public offering of the securities will be made in the United States.

(Reference)

I. Outline of Issuance of Series 1 Bond-Type Class Shares

Underlines represent changes from those set forth in “Notice Regarding Issuance of Series 1 Bond-Type Class Shares and Reduction of Share Capital and Additional Paid-in Capital - I. Outline of Issuance of Series 1 Bond-Type Class Shares by Public Offering” as of August 18, 2025.

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| 1. | Class and Number of Shares for Subscription | Series 1 Bond-Type Class Shares of ZENSHO HOLDINGS CO.,LTD. (the “Series 1 Bond-Type Class Shares”): 10,000,000 shares |
| 2. | Aggregate Amount of Issue Price (Offer Price) | 50,000,000,000 yen (5,000 yen per share) |
| 3. | Amount to be Paid in | 4,850 yen per share |
| 4. | Amount of Increase in Share Capital and Additional Paid-in Capital (**) | Amount of increase in share capital
24,250,000,000 yen (2,425 yen per share)
Amount of increase in additional paid-in capital
24,250,000,000 yen (2,425 yen per share)
(**) The Company has, by the resolution of the Board of Directors as of August 18, 2025, determined to reduce its share capital and additional paid-in capital, by the amount of the increase in share capital and additional paid-in capital due to the issuance of the Series 1 Bond-Type Class Shares through the Offering, as of the Payment Date, on the condition that the Offering successfully closes, and to transfer the full amount of both to “other capital surplus”. |
| 5. | Offering Method | Public offering in Japan (the “Public Offering”) with firm commitment underwriting of all shares by the Japanese underwriter. |
| 6. | Consideration of Underwriter | The Company will not pay any underwriting commission to the underwriter, although the aggregate amount of the difference between the Issue Price (Offer Price) and the amount to be paid to the Company by the underwriter shall constitute proceeds to the underwriter. |
| 7. | Subscription Period | From <u>Wednesday, September 10, 2025</u> to Tuesday, September 30, 2025 |
| 8. | Payment Date | Wednesday, October 1, 2025 |
| 9. | Share Unit for Subscription | 100 shares |
| 10. | Preferred Dividends | (1) Preferred Dividends
When the Company makes a year-end dividend with March 31 as the record date, the Company shall pay the year-end dividend in cash to holders of the Series 1 Bond-Type Class Shares (“Series 1 Bond-Type Class Shareholders”) whose names appear or are recorded in the register of shareholders as of the end of the record date of that year-end dividend, in preference to the Common Shareholders, in the amount per Series 1 Bond-Type Class Share equal to the product of equivalent of the Issue Price per share of the Series 1 Bond-Type Class Shares multiplied by the annual dividend rate specified in the following subsection (not more than 10%; the “Annual Dividend Rate”)(a “Preferred Dividend to Series 1 Bond-Type Class Shares”).
(2) Annual Dividend Rate
(i) If the record date falls in a fiscal year ending on or before March |

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31, 2031:

4.000% per annum

(ii) If the record date falls in a fiscal year ending on or after April 1, 2031:

The interest rate of One-Year Japanese government bonds (JGBs) as of two business days before the last day of the immediately preceding fiscal year, plus 3.905%

(3) Accumulation

If the total amount of dividend of surplus actually paid in cash to the Series 1 Bond-Type Class Shareholders per Series 1 Bond-Type Class Share in a given fiscal year in which the record date falls is less than the amount of the Preferred Dividend to Series 1 Bond-Type Class Shares for that fiscal year, that shortfall amount shall accumulate in subsequent fiscal years by a simple interest calculation (such accumulated shortfall shall be hereinafter referred to as "Accumulated Dividends Payable to Series 1 Bond-Type Class Shares"). The Company shall pay dividend of surplus in cash to the Series 1 Bond-Type Class Shareholders until such payment reaches the amount of the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares per share of Series 1 Bond-Type Class Shares, in preference to any dividend of surplus provided for in the subsection (1) of this section or the following section.

(4) Non-Participation

No dividend of surplus shall be paid to the Series 1 Bond-Type Class Shareholders in excess of the total of the Preferred Dividend to Series 1 Bond-Type Class Shares and the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares.

11. Interim Preferred Dividend

When the Company makes an interim dividend for a record date other than March 31 (an "Interim Dividend Record Date"), the Company shall pay a dividend in cash in the amount per share of Series 1 Bond-Type Class Shares to the Series 1 Bond-Type Class Shareholders whose names appear or are recorded in the register of shareholders as of the end of the Interim Dividend Record Date of that dividend, in preference to the Common Shareholders, in the amount determined by the resolution of the Board of Directors per Series 1 Bond-Type Class Share not exceeding one-half of the Preferred Dividend to Series 1 Bond-Type Class Shares.

12. Distribution of Residual Assets

(1) Distribution of Residual Assets

When the Company makes a distribution of residual assets, the Company shall pay in cash to the Series 1 Bond-Type Class Shareholders in preference to the Common Shareholders in the amount per Series 1 Bond-Type Class Share equal to the sum of the equivalent of the Issue Price per Series 1 Bond-Type Class Share plus the total of the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares and the Accrued Dividend (defined below) as of the date of the distribution of residual assets (the "Distribution Date").

"Accrued Dividend" means the amount obtained by multiplying the amount of the Preferred Dividend to Series 1 Bond-Type Class Shares for which the record date falls within that fiscal year by the number of days in the period beginning from (inclusive) the first day of the fiscal year in which the Distribution Date falls and ending on (inclusive) the Distribution Date, and then dividing such amount by the number of the days in the fiscal year.

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| | | (2) | Non-Participation
No distribution of residual assets shall be made to the Series 1 Bond-Type Class Shareholders other than the distribution provided for in the preceding subsection. |
| 13. | Order of Priority | (1) | Payments of Preferred Dividend to Bond-Type Class Shares, Interim Preferred Dividend to Bond-Type Class Shares and residual assets payable to Series 1 Bond-Type Class Shares through Series 10 Bond-Type Class Shares, and class A preferred dividends, class A preferred interim dividends and residual assets payable to class A preferred shares are ranked <i>pari passu</i> . |
| | | (2) | Payments of Accumulated Dividends Payable to Bond-Type Class Shares payable to Series 1 Bond-Type Class Shares through Series 10 Bond-Type Class Shares and cumulative unpaid class A preferred dividends payable to class A preferred shares are ranked <i>pari passu</i> . |
| 14. | Voting Rights | | The Series 1 Bond-Type Class Shareholders shall have no voting rights at the General Meeting of Shareholders with respect to any matter. |
| 15. | Resolutions of General Meeting of Class Shareholders | (1) | Unless otherwise provided by law, ordinance or the Articles of Incorporation, the resolutions of a General Meeting of Class Shareholders shall be adopted by a majority of the voting rights represented by the shareholders present who are entitled to exercise voting rights. |
| | | (2) | The resolutions provided for in Article 324, Paragraph 2 of the Companies Act shall be adopted by no less than two-thirds of the voting rights of shareholders present at the meeting whereby shareholders representing no less than one-third of the voting rights of shareholders who are entitled to exercise voting rights are present. |
| | | (3) | No resolution of a General Meeting of Class Shareholders constituted by the Series 1 Bond-Type Class Shareholders is required for the Company to conduct any of the acts provided for in the items of Article 322, Paragraph 1 of the Companies Act, unless otherwise provided by law. |
| | | (4) | If the Company performs any of the following acts and it is likely to cause detriment to the Series 1 Bond-Type Class Shareholders, that act shall not take effect without a resolution of the General Meeting of Class Shareholders constituted by the Series 1 Bond-Type Class Shareholders, in addition to a resolution of the General Meeting of Shareholders or the Board of Directors, unless there are no Series 1 Bond-Type Class Shareholders who are entitled to vote at that General Meeting of Class Shareholders:
(a) a merger in which the Company will be the absorbed company or a share exchange or share transfer in which the Company will be the wholly-owned subsidiary (except for a sole-share transfer conducted by the Company); or
(b) an approval by the Board of Directors of a demand for a cash-out by a special controlling shareholder against the other shareholders of the Company. |
| 16. | Acquisition (Acquisition by the Company in Exchange for Cash) | (1) | Acquisition in Exchange for Cash
If either of the events specified in (a) or (b) below occurs, the Company may acquire all or part of the Series 1 Bond-Type Class Shares as of the acquisition date separately determined by a resolution of the Board of Directors or a determination of a director |

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to whom the authority to make such determination has been delegated by a resolution of the Board of Directors:

(a) five years have passed from and including the Payment Date (i.e., on or after October 1, 2030); or

(b) a capitalization event has occurred and exists.

(2) Replacement Restrictions

If the Company acquires the Series 1 Bond-Type Class Shares in exchange for cash in accordance with the call option under this section or repurchases Series 1 Bond-Type Class Shares (together with an acquisition in exchange for cash under this section, the “Acquisition for Monetary Consideration”), the Company shall not conduct that Acquisition for Monetary Consideration unless the Company funds the amount required for the Acquisition for Monetary Consideration with the issuance or disposition of replacement securities or borrowing with equal or greater equity credit within 12 months prior to the date of that Acquisition for Monetary Consideration.

(3) Method of Acquisition

In the case of an acquisition in exchange for cash in accordance with the call option under this section, the Company shall notify or announce the date of acquisition to the Series 1 Bond-Type Class Shareholders at least one month before the date of acquisition.

17. Share Consolidation;
Share Split

(1) The Company shall not split nor consolidate the Series 1 Bond-Type Class Shares, except as otherwise provided by law.

(2) The Company shall not grant to the Series 1 Bond-Type Class Shareholders any rights to receive an allocation of offered shares or stock acquisition rights, or shall not make any gratuitous allotment of shares or stock acquisition rights.

(3) If the Company conducts a share transfer (limited to a sole-share transfer conducted by the Company), the Company shall deliver to the Common Shareholders to be issued by the wholly-owning parent company to be incorporated in the share transfer that are of the same class as the common shares of the Company in exchange for the common shares, and deliver to the Series 1 Bond-Type Class Shareholders shares to be issued by the wholly-owning parent company to be incorporated in the share transfer that are of the same class as the Series 1 Bond-Type Class Shares in exchange for the Series 1 Bond-Type Class Shares, in the same ownership ratio respectively.

18. Absence of Seller Put
Options When the
Company Acquires
Series 1 Bond-Type
Class Shares

If the Company decides to acquire all or part of the Series 1 Bond-Type Class Shares held by the Series 1 Bond-Type Class Shareholders under an agreement with such Series 1 Bond-Type Class Shareholders pursuant to a resolution of the General Meeting of Shareholders, and further decides to notify the Series 1 Bond-Type Class Shareholders of matters prescribed in any item of Article 157, Paragraph 1 of the Companies Act, the provisions of Article 160, Paragraphs 2 and 3 of the Companies Act shall not apply.

19. Listing

The Series 1 Bond-Type Class Shares are to be listed on the Prime Market of the Tokyo Stock Exchange.

20. Applicability of the
Act on Book-Entry
Transfer of Corporate
Bonds and Shares,
etc.

All of the Series 1 Bond-Type Class Shares are subject to the book-entry transfer system of Japan.

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II. Use of Proceeds

Of the approximate net proceeds of 48,276,000,000 yen from the Offering, 12,500,000,000 yen will be used by the end of March 2027 to finance the opening of new restaurants and stores as well as capital investments for renovating existing restaurants and stores, globally in Global Sukiya segment, 12,500,000,000 yen will be used by the end of March 2027 to finance the opening of new restaurants and stores as well as capital investments for renovating existing restaurants and stores, globally in Global Hama-sushi segment, 10,000,000,000 yen will be used by the end of March 2027 to finance the opening of new restaurants and stores as well as capital investments for renovating existing restaurants and stores in Restaurants segment, 10,000,000,000 yen will be used by the end of March 2027 for capital investments related to the establishment and relocation of factories and enhancement of business platforms such as DX and AI investments in Corporate and Support segment, and the remaining amount will be used by the end of March 2027 to finance the opening of new restaurants and stores as well as capital investments for renovating existing restaurants and stores in Global Prepared Food segment.

Such net proceeds will be allocated through investments and loans to the Company's consolidated subsidiaries, except for capital investments related to enhancement of business platforms such as DX and AI investments.

Until they are specifically allocated, such amounts will be properly managed in the Company's bank account.

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