



PRESS RELEASE



March 18, 2026

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(Securities code: 3865, Prime Market,
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Notice Concerning Tender for Purchase of Treasury Shares Through the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) at Affiliated Company Accounted for Under the Equity Method

Hokuetsu Corporation (hereinafter, the “Company”) hereby announces that, at its meeting held today, the Company’s Board of Directors passed a resolution to tender 11,000,000 shares of Daio Paper Corporation (an affiliated company of the Company accounted for under the equity method; hereinafter, “Daio Paper”) held by the Company, in the purchase of treasury shares (hereinafter, the “Purchase”) through the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) announced by Daio Paper today.

In the event that the purchase of all shares tendered by the Company is successfully completed, Daio Paper is expected to no longer qualify as an affiliated company of the Company accounted for under the equity method.

1. Reasons for participating in the Purchase

As stated in the “(Progress of Disclosure) Notice Concerning the Deepening of the Strategic Business Alliance Agreement between Daio Paper Corporation and Hokuetsu Corporation” issued today, the Company and Daio Paper have decided to establish a mutually equal capital relationship to further deepen the strategic business alliance between the two companies. As a part of this step, the Company decided to tender 11,000,000 shares out of the total 41,589,008 shares of Daio Paper stock held by the Company in the Purchase. This decision was undertaken upon discussions with Daio Paper, and with consideration of factors including the Company’s capital policy, various investments, and shareholder return measures, while also taking into account the potential impact on Daio Paper’s stock price.

2. Details of the Purchase

Concerning the details of the Purchase conducted by Daio Paper, please refer to the “Notice Concerning Acquisition of Own Shares and Repurchase Through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)” issued by Daio Paper today.

3. Future outlook

In the event that the sale of all shares tendered by the Company in the Purchase is successfully completed and 11,000,000 shares of Daio Paper stock held by the Company are transferred, the

Company expects to record a loss on sales of shares in affiliated companies in its consolidated financial statements for the fiscal year ending March 31, 2026. Should any significant anticipated impact on the Company's consolidated financial results for the fiscal year ending March 31, 2026, arise in the future, the Company will promptly make the necessary disclosure.