

February 13, 2026

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(Securities code: 3865 (Prime Market, Tokyo Stock Exchange))
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Notice Concerning the Finalization of the Details of the Stock Benefit Trust (Employee Stock Ownership Association Disposal-Type) and the Disposal of Treasury Shares Through Third-Party Allotment

In relation to the introduction of a stock benefit trust (employee stock ownership association disposal-type; hereinafter, the “Trust”) announced on September 25, 2025, Hokuetsu Corporation (hereinafter, the “Company”) hereby announces that, at its meeting held today, the Company’s Board of Directors passed a resolution to finalize the details of the Trust and to approve the disposal of treasury shares through third-party allotment (hereinafter, “Treasury Share Disposal”), as outlined below.

For the outline of the Trust, please refer to the “Notice Concerning the Introduction of a Stock Benefit Trust (Employee Stock Ownership Association Disposal-Type)” dated September 25, 2025.

1. Details of the Trust

- (1) Purpose of the Trust: Stable provision of the Company’s shares to the Employee Stock Ownership Association, management of trust assets, and distribution of any profit on disposal to beneficiaries
- (2) Settlor: Hokuetsu Corporation
- (3) Trustee: Mizuho Trust & Banking Co., Ltd.
Mizuho Trust & Banking Co., Ltd. will enter into a master trust agreement with Custody Bank of Japan, Ltd., under which Custody Bank of Japan, Ltd. will act as the sub-trustee.
- (4) Beneficiaries: Employee Stock Ownership Association members who satisfy the beneficiary eligibility requirements
- (5) Trust establishment date: March 25, 2026
- (6) Trust period: From March 25, 2026 to April 15, 2031 (planned)

2. Disposal of treasury shares

(1) Outline of the disposal

(1) Disposal date	March 25, 2026 (Wednesday)
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(2) Class and number of shares to be disposed of	731,300 shares of the Company's common stock
(3) Disposal price	964 yen per share
(4) Total disposal price	704,973,200 yen
(5) Intended allottee	Custody Bank of Japan, Ltd. (Trust E Account)
(6) Other	The execution of the Treasury Share Disposal is subject to the relevant securities registration statement coming into effect.

(2) Purpose of and reason for the disposal

The purpose of the Treasury Share Disposal is to dispose of the Company's treasury shares through third-party allotment to Custody Bank of Japan, Ltd. (Trust E Account), which will be established upon the introduction of the Trust for the holding and disposal of the Company's shares.

The number of shares to be disposed of will correspond to the number of shares scheduled to be purchased by the Employee Stock Ownership Association through the Trust over the trust period of five years, which is equivalent to 0.39% of the total number of issued shares as of September 30, 2025 (188,053,114 shares) or 0.43% of the total number of voting rights as of September 30, 2025 (1,685,413) (each percentage rounded to two decimal places).

(3) Basis for calculation of disposal price

The disposal price has been set at 964 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the board resolution on the Treasury Share Disposal.

We deem it reasonable to choose the closing price on the business day immediately preceding the date of the board resolution because it represents the fair corporate value of the Company in the stock market.

The disposal price of 964 yen is equivalent to the average closing price of 942 yen (rounded down to the nearest yen) during the one month up to the business day immediately preceding the date of the board resolution multiplied by 102.34%, the average closing price of 900 yen (rounded down to the nearest yen) during the three months up to the same business day multiplied by 107.11%, and the average closing price of 941 yen (rounded down to the nearest yen) during the six months up to the same business day multiplied by 102.44%. Taking these figures into account, we have determined that the disposal price in the Treasury Share Disposal is not particularly favorable and is reasonable.

(4) Matters concerning procedures under the Code of Corporate Conduct

The Treasury Share Disposal does not require the acquisition of an independent third-party opinion or the confirmation of shareholders' intention provided for in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange because (i) the dilution rate is less than 25%, and (ii) it does not involve any changes in the controlling shareholders.

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.