

March 27, 2025

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Notice Concerning Change to Shareholder Return Policy

Hokuhoku Financial Group, Inc. (the “Company”) hereby announces that we have decided to change our shareholder return policy as follows.

1. Details of the change

Before the change	We are committed to returning value to shareholders by striving to expand our management base for medium- to long- term growth and making it our basic policy to provide stable dividends. Specifically, we aim to achieve a total return ratio to 50% (including redemption of preferred shares and dividends).
After the change	We are committed to returning value to shareholders by striving to expand our management base for medium- to long- term growth and making it our basic policy to provide stable dividends. Specifically, we aim to increase the total common shares return ratio, including flexible share buybacks, to 40% by fiscal year 2027, thereby improving shareholder returns and capital efficiency.

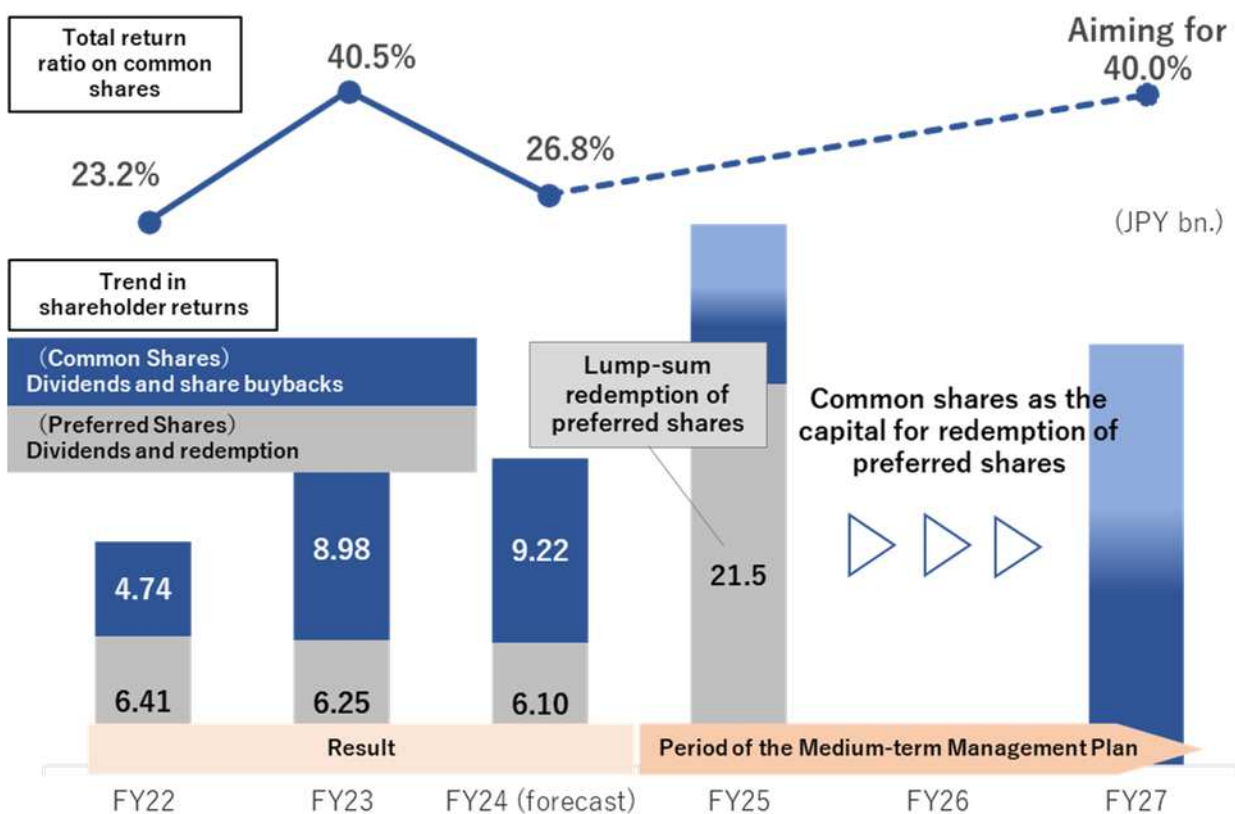
2. Reason for the change

To date, the Company have aimed for a total return ratio, including redemption of preferred shares and dividends, of 50%, based on the idea of maintaining a balance between enhancing our equity capital and returning appropriate profits to shareholders.

As part of this, as announced in the release dated on February 25, 2025, taking into consideration the current favorable performance of the Company and the accumulation of consolidated retained earnings, the Company have decided to acquire of all preferred shares, excluding treasury shares, on April 1, 2025.

In light of the acquisition of all preferred shares, the Company will be changing our shareholder return policy in order to continue to balance the accumulation of internal reserves with shareholder returns, while also enhancing the return of profits to common shareholders.

(Reference) Shareholder return performance and policy



Note:

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