

ENGLISH TRANSLATION FOR REFERENCE PURPOSE ONLY

This notice is an English translation of the original Japanese text of the timely disclosure statement dated July 01, 2025 issued by Daio Paper Corporation, and is for reference purposes only. In the event of any discrepancy between the original Japanese text and this English translation, the Japanese text shall prevail.

July 01, 2025

To whom it may concern

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Representative: Yorifusa Wakabayashi, Representative Director, President and Chief Executive Officer

Securities Code: 3880 Prime Market of Tokyo Stock Exchange

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(Progress of Disclosure) Restoration and Restart of Boiler at Subsidiary Iwaki Daio Paper Corporation

Iwaki Daio Paper Corporation (Address: Minamidai, Iwaki City, Fukushima Prefecture; hereinafter referred to as "Iwaki Daio Paper"), a consolidated subsidiary of Daio Paper Corporation, has completed restoration work for the boiler that was completely demolished by the boiler breakage accident on September 06, 2022, and has resumed operations from July 01, 2025.

We would like to once again express our sincere apologies for the worry and inconvenience caused to local people and related parties.

Since the accident, we have made every effort to investigate the cause of the accident and to formulate measures to prevent recurrence through the Accident Investigation Committee, which includes external experts. As part of the recovery, we have taken recurrence prevention measures relating to multiple probable causes based on the reports compiled by the Accident Investigation Committee, with the advice of the relevant government agencies, and have resumed operation.

Iwaki Daio Paper manufactures newsprint and containerboard from 100% recycled paper and is working to reduce its environmental impact through material recycling. With the restart of the boiler, energy used at the mill will be 100% renewable, with non-fossil fuels such as wood chips, RPF, and waste being used, making the mill a sustainable paper mill that also engages in thermal recycling. Moreover, combined with the existing power generation equipment (two biomass boilers and two turbines), the proportion of in-house power generation exceeds 100%. By transmitting surplus power to group company ELLEAIR PRODUCT's Fukushima Plant (Minamidai, Iwaki City, Fukushima Prefecture), energy from fossil fuel usage will be reduced by approximately 29,000 kl per year.

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1. Outline of boiler restart

- 1) Power output: 33,333 kilowatts
- 2) Boiler type: Circulating Fluidized Bed (CFB)
- 3) Fuel: Wood chips, RPF, tire chips, on-site waste
- 4) Capital investment: 19 billion yen
- 5) Start of operation: July 01, 2025

Reference: [Restoration of Boiler at Subsidiary Iwaki Daio Paper, dated August 10, 2023](#)

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