

May 14, 2025

News Release

Listed company name	Sanwa Holdings Corporation
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Notice Regarding Change in Dividend Policy

Sanwa Holdings Corporation (“the Company”) hereby announces that it has changed the dividend policy as stated in “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (J-GAAP)” and “Presentation Materials : FY2024 Consolidated Results Sanwa Global Vision 2030 Mid-Term Management Plan 2027 (2025-2027)” released today. The details are as follows.

1. Reason for change

Under “Sanwa Global Vision 2030,” the Sanwa Group aims to become a corporate group recognized by all stakeholders through its efforts in sustainability management and strengthening human resources. On May 14, 2025, the Company announced the “Presentation Materials : FY2024 Consolidated Results Sanwa Global Vision 2030 Mid-Term Management Plan 2027 (2025-2027).” Regarding our capital policy within this plan, we place importance on the balance between financial stability and capital efficiency. Our basic approach is to achieve investments aimed at sustainable growth and optimal allocation of funds for shareholder returns, while increasing corporate value in the medium to long term through management that is mindful of capital costs and stock prices. Accordingly, to provide more stable dividends, we will change the dividend policy from a dividend payout ratio of 40% to a target DOE (dividend on equity ratio) of 8%. This is equivalent to maintaining an ROE of 18% or more and achieving a dividend payout ratio of 45%.

2. Details of change

(1) Before change

The Company considers the appropriate return of profits to shareholders as an important management issue, and that stable dividends will meet the needs of our shareholders, taking into account our business performance in each fiscal year, the dividend payout ratio based on profits, and future management policies. Concretely, we aim to pay stable dividends with a target payout ratio of 40%.

(2) After change

The Company considers the stable return of profits to shareholders as an important management issue, and that stable dividends will meet the needs of our shareholders, taking into account a DOE based on shareholders’ equity and future management policies. Concretely, we aim to pay stable dividends with a target DOE of 8%.

$$\text{DOE} = (\text{total annual dividend} / \text{consolidated equity (before interim dividend)}) \times 100$$

3. Timing of change

The new policy will be applied starting with the interim dividend (second quarter-end) for the fiscal year ending March 31, 2026.