

Listed company name	Sanwa Holdings Corporation
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Notice Regarding Change of Dividend Policy and Payment of Commemorative Dividends

This is to announce that, as shown in “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2026” which was announced on the date hereof, Sanwa Holdings Corporation (hereinafter “the Company”) has resolved to change dividend policy and make payment of commemorative dividends as follows:

< Change of Dividend Policy>

1. Reason for change

As our basic capital policy, we place importance on the balance between financial stability and capital efficiency, ensuring optimal allocation of funds for investment in sustainable growth and shareholder returns, while also enhancing corporate value in the medium to long term through management in consideration of capital cost and share price.

Based on the above capital policy, from the fiscal year 2025, we changed our dividend policy from the one aiming for a dividend payout ratio of 40% to the one aiming for a DOE (Dividend on Equity) of 8% in order to implement more stable dividends. This time, with the aim to provide continuous and stable dividends with an index which is less susceptible to market price fluctuations and more accurately reflects our company's actual situation, we have decided to change the calculation basis for DOE from equity-based to shareholder equity-based, and raise the DOE level from 8% to 10%.

2. Details of change

(1) Before 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 the DOE (Dividend on Equity) based on equity capital and future management policies. Specifically, we aim to pay stable dividends with a target DOE (Dividend on Equity) of 8%.

$$\text{DOE (Dividend on Equity)} = (\text{Total Annual Dividends} / \text{Consolidated Equity (Before Interim Dividend)}) \times 100$$

(2) After change (changed parts are underlined)

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 the DOE (Dividend on Shareholders' Equity) based on shareholders' equity capital and future management policies. Specifically, we aim to pay stable dividends with a target DOE (Dividend on Shareholders' Equity) of 10%.

$$\text{DOE (Dividend on Shareholders' Equity)} = (\text{Total Annual Dividends} / \text{Consolidated Shareholders' Equity}) \times 100$$

(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, 2027.

< Commemorative Dividend>

The Company celebrated the 70th anniversary of its founding in April 10 this year. The Company would like to express its sincere gratitude to its shareholders and all other stakeholders for their continued support and patronage.

In order to appreciate this support and to further enhance returns to our shareholders, the Company has decided to pay 14 yen per share (7 yen for the end of the second quarter and 7 yen for the end of the fiscal year) during the fiscal year ending March 31, 2027.

<Annual dividend forecast for the fiscal year ending March 2027>

For the fiscal year 2026, the dividend for the end of the second quarter will be 73 yen, which are an ordinary dividend of 66 yen and a commemorative dividend of 7 yen, and the dividend for the end of the fiscal year will also be 73 yen, which are an ordinary dividend of 66 yen and a commemorative dividend of 7 yen, resulting in an annual dividend of 146 yen per share.

Regarding future dividends, we will consider further enhancing shareholder returns in accordance with our performance and business environment, while giving full consideration to the balance between financial stability and capital efficiency, with the above-mentioned annual dividend of 146 yen as a lower limit.

	Dividend per share		
	Dividend for the end of the second quarter	Dividend for the end of the fiscal year	Annual dividend
Forecasts of the fiscal year ending March 2027	Ordinary dividend: 66 yen Commemorative dividend: 7 yen (Total: 73 yen)	Ordinary dividend: 66 yen Commemorative dividend: 7 yen, (Total: 73 yen)	Ordinary dividend: 132 yen Commemorative dividend: 14 yen (Total: 146 yen)
(For reference) Results of the fiscal year ending March 2026	Ordinary dividend: 62 yen	Ordinary dividend: 68 yen	Ordinary dividend: 130 yen