

Date: May 12, 2023

Contact:
Executive Officer
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Notice Concerning Dividends of Surplus (Increased)

Hanwa Co., Ltd. (“Hanwa”) hereby announces that the Board of Directors meeting held on May 12, 2023 resolved to pay dividends with a record date of March 31, 2023, as follows;

1. Contents of dividends

	Resolved	Latest dividend forecasts (announced on May 13, 2022)	Results for FY2021 (ended March 31, 2022)
Record date	March 31, 2023	March 31, 2023	March. 31, 2022
Dividend per share (yen)	80.00	50.00	50.00
Total amount of dividends (millions of yen)	3,250	-	2,031
Effective date	June 26, 2023	-	June 27, 2023
Source of dividends	Retained earnings	-	Retained earnings

2. Reason

Hanwa considers sustainable return to shareholders to be one of its most important policies. We have always made consistent distribution of stable dividends to shareholders our primary policy. We dedicate to sustainable growth of our corporate value, aiming increase dividend amount over the medium to long term. We also make efforts to further develop Hanwa group by measures such as making effective use of retained surplus, to strengthen our management foundation and to invest in growth and new businesses.

For FY2022, we attained record highs in both net sales and income for two consecutive fiscal years and our finance condition and cash flow foundation improved more. Comprehensively considering these circumstances, we will pay the year-end dividend of 80 yen per share for FY2022, increasing of 30 yen from the latest dividend forecasts. Combined with the interim dividend of 50 yen per share already paid, the annual dividend per share will be 130 yen.

This resolution is subject to approval at the 76th Ordinary General Meeting of Shareholders, scheduled to be held on June 23, 2023.

(Reference) Breakdown of annual dividends

	Cash dividends per share (yen)		
Record date	Interim	Year-end	Annual
Revised forecasts		80.00	130.00
Results for FY2022	50.00		
Results for FY2021 (ended March 31, 2022)	50.00	50.00	100.00

(Note) Dividend policy from FY2023 to FY2025

Hanwa will adopt the dividend on equity ratio (DOE) during the period of the “Medium-Term Management Plan 2025”, as stated in “Financial Results for the Fiscal Year ended March 31, 2023” and “Notice Concerning New Medium-Term Business Plan(From FY2023 to FY2025)” announced on May 12, 2023. DOE indicates the dividend level according to shareholders' equity, aiming for stable and progressive dividends that are not easily affected by single-year performance. In addition to setting DOE of 2.5% as the minimum dividend level for consolidated shareholders' equity at the beginning of the fiscal year, we will flexibly consider additional shareholder returns such as the acquisition of treasury stock. For FY2023, we expect to pay an annual dividend of 170 yen per share (DOE 2.5%).

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