

Notice Regarding Distribution of Dividends from Surplus (Dividend Increase)

ADEKA Corporation (the “Company”) announces that the Board of Directors, at a meeting held today, resolved to submit the dividends from surplus (dividend increase) with Mar. 31, 2024 as the record date to the 162nd Ordinary General Meeting of Shareholders to be held on Jun. 21, 2024. Details are as follows.

1. Details of dividend

	Amount determined	Latest dividend forecast (As of May 12, 2023)	Dividend paid for the year ended Mar. 31, 2023
Record date	Mar. 31, 2024	Mar. 31, 2024	Mar. 31, 2023
Dividends per share	50 yen	40 yen	35 yen
Total amount of dividends	5,127 million yen	–	3,604 million yen
Effective date	Jun. 24, 2024	–	Jun. 26, 2023
Source of dividends	Retained earnings	–	Retained earnings

2. Reason for dividend increase

The Company recognizes that the return of profits to shareholders is one of management's most important tasks. Under **ADX 2023** (FY2021-2023) mid-term management plan, we worked to gradually improve the level of dividends based on our comprehensive consideration of appropriate shareholder returns, maintaining stable dividends as our policy, and achieved our target of maintaining a dividend payout ratio of 30% or more. Under **ADX 2026** mid-term management plan launched in Apr. 2024, we are targeting a further increase in the dividend payout ratio to 40% or more, while investing in growth and maintaining a sound financial base.

Based on the above, the Company has decided to raise the year-end dividend for the fiscal year ended Mar. 31, 2024 by 10 yen from the initial forecast of 40 yen per share (announced on May 12, 2023), to 50 yen, taking into overall account the consolidated business results of the fiscal year under review announced today, its financial position, and other factors. Totaled with the 2nd quarter-end of 40 yen, the annual dividend of the FY2023 under review will be 90 yen per share, up 20 yen from the FY2022 (annual dividend: 70 yen), with a consolidated dividend payout ratio at 40.0%.

(ref.) Details of annual dividend

Record dates	Dividends per share			Consolidated dividend payout ratio
	2nd quarter-end	Year-end	Total	
Results for the year ended Mar. 31, 2024	40 yen	50 yen	90 yen	40.0%
Results for the year ended Mar. 31, 2023	35 yen	35 yen	70 yen	42.9%