

May 14, 2024

To whom it may concern

Company Name: TORIDOLL Holdings Corporation
Representative: Takaya Awata, President and CEO
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Notice of Amendment of Dividend Policy and Dividend Payment (Dividend Increase)

TORIDOLL Holding Corporation (the “Company”), today announces that, at the Board of Directors meeting held today, the Company resolved to revise the dividend policy and the fiscal year-end dividend for the fiscal year ended March 31, 2024. The details are as follows.

1. Revision of the dividend policy

(1) Details of Dividend Policy (Underlined: Amended areas)

(Before amendment)

TORIDOLL Holdings strives to provide steady dividends reflecting the profitability and performance of the business while maintaining efforts to maximize retained earnings to make the investments required for the Group’s growth.

Furthermore, our sustainable dividend policy targets either a dividend payout ratio of 20% or more or an adjusted dividend payout ratio of 2% or more.

(After amendment)

TORIDOLL Holdings strives to pay progressive dividends reflecting the profitability and performance of the business while maintaining efforts to maximize retained earnings to make the investment required for the Group’s growth.

In principle, we target a dividend payout ratio of at least 20%, but in order to ensure stable and continuous dividend payments, we have set the adjusted dividend payout ratio at a minimum of 2% and, with the exception of special dividends, provide dividends that are higher than those of the previous fiscal year.

(Notes)

Adjusted dividend payout ratio :

The adjusted dividend payout ratio is calculated by dividing dividends paid by (net income attributable to owners of the parent + depreciation and amortization + other operating expenses - other operating income + impairment losses + non-recurring expenses) and multiplying the result by 100.

Progressive dividends :

Our policy is to maintain or increase dividends that reflect the profitability and performance of the business, without reducing dividends in principle.

(2) Reason for amending the dividend policy

TORIDOLL Holdings places one of the highest priorities on the appropriate distribution of profits to shareholders. With the aim of further balancing the Company’s growth and shareholder returns, the Company has decided to pay a progressive dividend.

In determining the amount of dividends, the Company uses adjusted profit for the period, excluding extraordinary factors not directly related to business activities, as the source of dividends, and determines the amount of dividends by comprehensively considering the outlook for our full-year business results and the Company's capital needs for growth, while maintaining efforts to maximize retained earnings to make the investments required for the Group's growth.

In addition, we strive to provide comprehensive shareholder returns to our shareholders through shareholder benefits that can be used at domestic Group stores and preferential treatment for shareholders with continuing shareholdings.

2. Dividend Payment (Dividend Increase) for the fiscal year ended March 31, 2024

(1) Details of dividends

	Decided details	Most recent dividend forecast (Announced on May 15, 2023)	Actual dividends for the fiscal year ended March 2023
Date of record	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	¥9.00	¥7.50	¥7.50
Total dividend amount	¥785 million	—	¥653 million
Effective date	June 13, 2024	—	June 15, 2023
Source of funds	Retained earnings	—	Retained earnings

(2) Explanation of dividends

In addition to the above dividend policy, we have comprehensively taken into account our total consolidated financial results for the full FY3/24 year and our capital needs for growth, and have revised our year-end dividend for FY3/24 to ¥9.00 per share, an increase of ¥1.50 compared to our previous forecast and the end of the previous fiscal year.

For the fiscal year ending March 31, 2025, we plan our year-end dividend to ¥10.0 per share, an increase of ¥1.0 compared to current this fiscal year.

*Disclaimer

All forward-looking statements are reasonable assumptions based on information available at the time.

Actual outcomes may differ from what the forward-looking statements suggest due to a myriad of factors.