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May 12, 2026

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(Securities code: 9729; Prime  
Market Tokyo Stock Exchange)  
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### **Notice Regarding Change in Basic Guideline on Profit Distribution (Dividend Policy)**

TOKAI Corp. (the “Company”) hereby announces that, at a meeting of the Board of Directors held on May 12, 2026, it has resolved to change its basic guideline on profit distribution.

#### 1. Overview of change in basic guideline on profit distribution and the reason

With the aim of enhancing capital efficiency, the Company has identified implementing balanced growth investments and shareholder returns as one of the basic policies of the Medium-term Management Plan released in May 2025. Additionally, for shareholder returns, the Company aims for a total return ratio of 70% or higher over the cumulative three-year period of the said plan.

In accordance with this policy, the Company completed the acquisition and retirement of its treasury shares in November 2025 as part of its proactive approach to shareholder returns. Furthermore, in terms of profit and loss, the financial results for the fiscal year ended March 31, 2026 have been strong. Although the current business environment remains uncertain, the Company believes that further improving capital efficiency by distributing more profits to shareholders is essential to sustainably enhancing TOKAI Group’s corporate value.

In light of these circumstances, the Company will raise the target dividend payout ratio to 40% starting from the fiscal year ending March 31, 2027. In order to further clarify its commitment to medium- to long-term shareholder returns, the Company will also introduce a “progressive dividend” policy to maintain or increase the dividend per share.

Through engagement with the market, the Company will continue to strive to maximize shareholder value and sustainably enhance corporate value.

(Before Change)

With a view to increasing corporate value and maximizing shareholder value, the Company, while securing internal reserves as investment funds for business growth, distributes profits to shareholders through payment of stable dividends commensurate with operating results, with a target **dividend payout ratio of 35%**.

(After Change)

With a view to increasing corporate value and maximizing shareholder value, the Company, while securing internal reserves as investment funds for business growth, has set out its policy to determine dividend amounts with a target **dividend payout ratio of 40%** in accordance with business performance, and to continuously provide stable dividends through a **progressive dividend policy** to maintain or increase the dividend per share.

2. Dividend forecasts for the fiscal year ending March 31, 2027

With respect to the dividend forecasts for the fiscal year ending March 31, 2027, the Company has determined the following based on the above-mentioned basic guideline.

|  | Dividend per share |                    |                    |
|--|--------------------|--------------------|--------------------|
|  | Second quarter-end | Fiscal year-end    | Total              |
|  | Yen                | Yen                | Yen                |
| Dividend forecasts<br>for the fiscal year ending<br>March 31, 2027 | 40.00              | 40.00              | 80.00              |
| Actual results<br>for the fiscal year ended<br>March 31, 2026      | 34.00              | 34.00<br>(Planned) | 68.00<br>(Planned) |

\* The year-end dividend for the fiscal year ended March 31, 2026 is scheduled to be submitted to the 71st Annual General Meeting of Shareholders to be held on June 25, 2026 for approval.