



May 25, 2023

Company	Anicom Holdings, Inc.
Representative	Nobuaki Komori, Representative Director (Securities Code: 8715 TSE PRIME)
Inquiries to	Hiroshi Sato, General Manager, Corporate Planning Department

## **Notice Regarding Shareholder Return Policy and Revision to Dividends Forecast (Dividend Increase)**

Anicom Holdings, Inc. (the “Company”) hereby announces that it has decided today on the policy regarding the determination of dividends of surplus, etc. (shareholder return policy) as described below, and that it has resolved to revise its dividend forecast for the fiscal year ending March 31, 2024, which was left undetermined in Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Under Japanese GAAP] announced on May 10, 2023, as follows.

### 1. Reason for determination

Under its recognition that the return of profits to shareholders is one of the key management issues, the Company’s basic policy on shareholder returns is to conduct ongoing and stable distribution of profits from medium to long-term perspectives while taking into account financial soundness and capital efficiency.

The Company has recently discovered an error in the calculation of the solvency margin ratio for Anicom Insurance Inc., the Anicom Group’s core insurance company. We sincerely apologize for the error, and we will review the calculation process and take thorough measures to prevent recurrence. Figures for prior years are under scrutiny and will be disclosed as soon as the scrutiny is completed.

As a result, the corrected solvency margin ratio of Anicom Insurance Inc. on a non-consolidated basis is well above the FY2024 target level of 300% to 320% set forth in the “Mid-term Management Plan FY2022-FY2024” (as indicated by the actual results as of FY2022 year-end of 373.1%).

In light of this situation, the Company, as a holding company of the Group, considers it necessary to allocate capital to each group company based on its stance of improving corporate value over the medium to long term through appropriate capital allocation and capital structure. Accordingly, the Company has decided that, with respect to the portion of capital in excess of the level considered appropriate, it is appropriate for Anicom Insurance Inc. to pay dividends, etc. sourced from the excess capital to the Company, the parent company, which then will use it for share buybacks to promptly return profits to shareholders.

### 2. Shareholder Return Policy

(Before the policy change)

Basic Policy on Distribution of Profits

With respect to profit distribution, under its recognition that the return of profits to shareholders is one of the key management issues, the Company's basic policy is to conduct ongoing and stable distribution of profits from medium to long-term perspectives while taking into account financial soundness and capital efficiency.

Under the newly drafted "Mid-term Management Plan FY2022-FY2024," the Company plans to achieve even higher corporate value in line with the management vision in the second founding period phase. At the same time, the Company aims to gradually improve shareholder returns, while balancing equity, risk, and return, to achieve a dividend payout ratio at the level of 20% toward the fiscal year ending March 31, 2025.

(After the change) (Underlined parts are newly added this time)

#### Basic Policy on Distribution of Profits

With respect to profit distribution, under its recognition that the return of profits to shareholders is one of the key management issues, the Company's basic policy is to conduct ongoing and stable distribution of profits from medium to long-term perspectives while taking into account financial soundness and capital efficiency.

Under the newly drafted "Mid-term Management Plan FY2022-FY2024," the Company plans to achieve even higher corporate value in line with the management vision in the second founding period phase. At the same time, the Company aims to gradually improve shareholder returns, while balancing equity, risk, and return, to achieve a dividend payout ratio at the level of 20% toward the fiscal year ending March 31, 2025.

Based on the updated "solvency margin ratio," the Company will use approximately 4.0 billion yen, an excess over the capital level considered appropriate, for prompt share buybacks to optimize the capital level.

#### 3. Details of revision to dividend forecast

	Annual dividend (yen)		
	Second quarter-end	Fiscal year-end	Total
Previous forecast (announced on May 10, 2023)	—	—	—
Revised forecast	—	5.50	5.50
Actual results for the current fiscal year			
Actual results for the previous fiscal year (Fiscal year ended March 31, 2023)	0.00	4.00	4.00

Note: The above forecasts are based on assumptions concerning economic conditions and market trends as of the date of release of this document. Actual results may differ from the forecasts due to various factors in the future.

#### 4. Reason for revision to dividend forecast

In accordance with the above policy, the Company considers it appropriate to gradually increase the dividend for the fiscal year ending March 31, 2024 toward the target of a payout ratio of approximately 20% set in the Mid-term Management Plan, and believes that this will meet the expectations of our shareholders. Accordingly, the Company has decided to set its dividend forecast at 5.50 yen per share, an increase by 1.50 yen from the previous fiscal year.