



UNITED ARROWS LTD.

May 8, 2025

Notice Concerning Change in Dividend Policy (Introduction of Progressive Dividend) and
Dividend from Surplus (Dividend Increase)

We hereby announce that our Board of Directors has resolved at a meeting held on May 8, 2025 to change our dividend policy (introduction of progressive dividend) and to distribute dividends (dividend increase) from surplus with a record date of March 31, 2025, as described below.

1. Change in Dividend Policy (Introduction of Progressive Dividend)

(1) Details of changes (underlined parts are changes)

Before change	After change
We recognize that maximizing shareholder value is an important management issue. Our basic policy is to maximize shareholder value through measures such as stable dividends linked to business performance, stock splits, share repurchases, and share cancellations, while increasing earnings per share through sustained growth and improved performance.	We recognize that maximizing shareholder value is an important management issue. Our basic policy is to maximize shareholder value through measures such as <u>stable progressive dividends * with a payout ratio of 40% or more</u> , stock splits, share repurchases, and share cancellations, while increasing earnings per share through sustained growth and improved performance. A dividend policy that, in principle, does not reduce dividends but maintains or increases dividends.

(2) Reason for change

Since registering with the Japan Securities Dealers Association in 1999, the Company has been paying stable dividends, except for the fiscal year ended March 31, 2021, during the COVID-19 pandemic. During the medium-term management plan period ending in the fiscal year ending March 31, 2026, the Company's basic policy is to maintain a dividend payout ratio of approximately 30%. However, in order to further enhance shareholder returns, the Company has set a dividend payout ratio standard of 40% or higher and has decided to pay a progressive dividend that will be increased in line with profit growth. We will continue to maximize shareholder value by flexibly implementing measures such as stock splits, share buybacks and retirement, in addition to stable dividends.

(3) Timing of change

This will be applied from the fiscal year ended March 31, 2025.

2. Dividends from Surplus (Dividend Increase)

For the fiscal year ended March 31, 2025, in addition to the stronger-than-expected performance of our business results, we will pay a year-end dividend of 46 yen per share, an increase of 8 yen from the initial

forecast, based on the above change in our dividend policy. As a result, the annual dividend per share for the fiscal year ended March 31, 2025, including the interim dividend of 17 yen per share, will be 63 yen per share, an increase of 8 yen from the previous fiscal year, for a payout ratio of 40.6% and DOE of 4.8%.

The dividend (dividend increase) will be proposed at the Company's 36th Ordinary General Meeting of Shareholders scheduled to be held on June 23, 2025.

	Amount to be determined	Most recent dividend forecast (Announced on May 8, 2024)	Results for the previous period (Fiscal year ended March 31, 2024)
Record Date	March 31, 2025	same as on the left	March 31, 2024
Dividend per share	46.00 yen	38.00 yen	38.00 yen
Total dividends	1,275 million yen	-	1,054 million yen
Effective date	June 24, 2025	-	June 26, 2024
Dividend resource	Retained earnings	-	Retained earnings

Reference: Breakdown of annual dividends

	Dividend per share (yen)		
Reference Date	2nd quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	17.00 yen	46.00 yen	63.00 yen
Results for the previous period (Fiscal year ended March 31, 2024)	17.00 yen	38.00 yen	55.00 yen