

May 14, 2024

To whom it may concern

(This is an English translation of the Japanese original)

Company: SOHGO SECURITY SERVICES CO., LTD.
Representative: Ikuji Kayaki, Representative Director, Group COO
(Securities Code: 2331, TSE Prime Market)
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Notice Regarding Revision of Payout Ratio and Dividends from Surplus

SOHGO SECURITY SERVICES CO., LTD. (hereinafter referred to as "ALSOK" or the "Company") hereby announces that, at the meeting of the Board of Directors held on May 14, 2024, the Board of Directors resolved to pay dividends of retained earnings with a record date of March 31, 2024, as described below.

1. Reasons for revision of payout ratio

ALSOK's basic profit distribution policy is to provide shareholder returns that reflect its business performance while maintaining internal reserves, with returning profits to our shareholders being a crucial management policy.

Based on the above policy, we have maintained stable dividends with a payout ratio of around 30%. However, following a revision to our payout ratio in order to further enhance the return of profits to shareholders, we will maintain a payout ratio of around 40% to 50% going forward.

2. Dividends from surplus

(1) Details of dividend

	Resolved amount	Latest dividend forecast (announced on October 31, 2023)	Dividend for fiscal year ended March 31, 2023
Record date	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	¥15.00	¥8.70	¥43.00
Total dividend amount	¥7,511 million	—	¥4,354 million
Effective date	June 26, 2024	—	June 28, 2023
Dividend source	Retained earnings	—	Retained earnings

* The Company has conducted a five-for-one stock split as of July 1, 2023. If this stock split does not take into consideration, the dividend share would be ¥75.00.

The dividend per share for fiscal year ended March 31, 2023 is the dividend amount of financial results before the stock split.

(2) Reasons

On October 31, 2023, we announced a year-end dividend for the fiscal year of "8.7 yen per share". However, as a result of revising our payout ratio and through comprehensive consideration of factors such as the results of the period, we plan to pay a year-end dividend of "15.0 yen per share", the annual dividend per share will exceed the previous period, amounting to a planned "23.7 yen per share" combined with the interim dividend.

Moreover, we plan to discuss this item at the 59th General Meeting of Shareholders to be held on June 25, 2024.

Reference: Breakdown of dividend per share

Record date	Dividend per share		
	End of second quarter	End of fiscal year	Annual
Fiscal year ending March 31, 2024	¥8.70	¥15.00	¥23.70
Fiscal year ended March 31, 2023	¥43.00	¥43.00	¥86.00

Note: The dividend per share for fiscal year ended March 31, 2023 is the dividend amount of financial results before the stock split.

End