

To Whom It May Concern,

Company name	Adastria Co., Ltd.
Representative	Osamu Kimura, Representative Director and President (Securities code: 2685 TSE Prime Market)
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**Notice Concerning Revisions to Consolidated Earnings Forecasts for the Fiscal Year  
Ending February 2024 and Dividends From Surplus (Interim Dividend);  
Upward Revision of Dividend Forecast**

At a meeting held September 29, 2023, the Adastria Co., Ltd. (“Company”) board of directors resolved to revise consolidated earnings published April 4, 2023 and dividends from surplus (interim dividend) forecasts referenced as of August 31, 2023 for the fiscal year ending February 2024, as well as to revise the annual dividend forecast upward, as follows.

1. Revision of Full-Year Consolidated Earnings Forecast (March 1, 2023 to February 29, 2024)

	Net sales	Operating profit	Ordinary profit	Net income attributable to owners of the parent	Net income per share
Previous Forecast (A)	million yen 260,000	million yen 14,000	million yen 14,000	million yen 9,400	yen 207.27
Revised Forecast (B)	270,000	18,000	18,200	12,000	263.65
Change (B-A)	10,000	4,000	4,200	2,600	—
Change (%)	3.8%	28.6%	30.0%	27.7%	—
(Reference) Previous-year results (FYE February 2023)	242,552	11,515	12,026	7,540	166.37

(Note) The forecasts above are based on information available at the time this report was prepared. Actual results may differ from forecasts due to various factors.

2. Reasons for Full-Year Consolidated Earnings Forecast Revisions

When publishing the original forecasts on April 4, 2023, the Company assumed that the impact of COVID-19 on economic activities would gradually subside during the first half of the fiscal year ending February 2024. In addition, the Company factored in uncertainties in the business environment, including exchange rate fluctuations, rising energy prices, and increasing geopolitical risks. However, economic activities for the current fiscal year have normalized beyond projections and product planning and price revisions have been successful. Therefore, we expect net sales, operating profit, ordinary profit, and net income attributable to owners of the parent to exceed initial projections for the current fiscal year.

### 3. Dividends From Surplus (Interim Dividend) and Dividend Forecast

#### (1) Dividends From Surplus (Interim Dividend)

	Resolved (interim dividend for the fiscal year ending February 2024)	Most-recent dividend forecast (April 4, 2023)	Previous-year dividend (interim dividend for the fiscal year ended February 2023)
Record date	August 31, 2023	August 31, 2023	August 31, 2022
Dividend per share	35.00 yen	30.00 yen	25.00 yen
Total dividend	1,597 million yen	—	1,141 million yen
Effective date	October 10, 2023	—	October 24, 2022
Source of dividends	Retained earnings	—	Retained earnings

#### (2) Revision of Dividend Forecast

	Annual Dividend		
	End of Q2	Year-End	Total
(Previous forecast) Fiscal year ending February 2024	yen 30.00	yen 35.00	yen 65.00
Revised forecast	—	45.00	80.00
Current-year results	35.00	—	—
(Previous-year results) Fiscal year ending February 2023	25.00	35.00	60.00

### 4. Reasons for Dividends From Surplus (Interim Dividend) and Dividend Forecast Revisions

The basic policy of the Company is to pay a dividend payout ratio of 30% as a means of returning profits to shareholders. The Company determines dividends per share on a case-by-case basis while considering the stability of dividend payments.

Based on the policy described above and earnings results through the second quarter of the current consolidated fiscal year, the Company has decided to increase the interim dividend payment by 5 yen per share compared with the most-recent forecast to 35 yen per share. Further, the Company expects to pay a year-end dividend of 45 yen per share (10 yen per share increase compared with the most-recent forecast). As a result, the annual dividend is expected to be 80 yen per share (consolidated payout ratio of 30.3%).