

PRESS RELEASE

May 10, 2022

AXELL CORPORATION

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Kazunori Matsuura

President & Representative Director

(Securities Code: 6730, Standard Market of Tokyo Stock Exchange)

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Notice on Dividends from Surplus (Increase)

Please be informed that at a meeting of its Board of Directors held on May 10, 2022, AXELL CORPORATION (the “Company”) resolved to pay dividends from surplus with a record date of March 31, 2022.

1. Details of Dividends

	Amount decided	Most recent dividend projection (Announced on December 9, 2021)	Dividends for the previous fiscal year
Record date	March 31, 2022	Same as on the left	March 31, 2021
Dividend per share	40 yen	35 yen	31 yen
Total amount of dividends	433 million yen	—	334 million yen
Effective date	June 24, 2022	—	June 30, 2021
Source of dividends	Retained earnings	—	Retained earnings

2. Reasons

The Company’s policy on profit sharing for shareholders is to maximize the return, while taking into account the adequate levels of “periodic profit returns to shareholders” and “maintenance of appropriate internal reserves that enables flexible business operations.” Based on this policy, the amount of dividends is set at 50% of profit (payout ratio of 50%) as a general rule. However, if the amount of dividends calculated at the payout ratio of 50% falls below the amount for the previous fiscal year, the amount shall be considered with the level of prior dividends taken into account after adequate internal reserves are secured. Meantime, the Company bases its calculation of payout ratio on consolidated financial results instead of non-consolidated financial results.

Based on the above basic policy, comprehensively taking into account the results for the fiscal year ended March 31, 2022 as well as the future business environment and the Company’s business development, the term-end dividend for the fiscal year ended March 31, 2022 will be set at 40 yen per share, an increase of five yen from the previous projection. The consolidated payout ratio will be 50.0%. This matter will be proposed at the 27th Ordinary General Meeting of Shareholders of the Company to be held on June 23, 2022.