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May 14, 2026

To whom it may concern

Company name: Tokushu Tokai Paper Co., Ltd.
 Name of representative: Takashi Kimura,
 President and Chief Executive Officer
 (Securities code: 3708; TSE Prime Market)
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 Executive Officer
 and Senior General Manager
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Notice Regarding Distribution of Dividend and Revision of Dividend Policy

Tokushu Tokai Paper Co., Ltd. (the "Company") hereby announces that, at its Board of Directors meeting held today, the Company resolved to pay a dividend of surplus with March 31, 2026 as the record date and to make a dividend policy during the 7th Medium-Term Management Plan period (fiscal year ended March 2027 to fiscal year ended March 2029). Details are as follows.

The Company plans to submit the dividend of surplus to the 19 Ordinary General Meeting of Shareholders to be held on June 26, 2026.

I . Distribution of Dividend

	Determined amount	Most recent forecast (Announced on August 8, 2026)	Dividend for the year ended Mar. 31, 2025
Reference date	March 31, 2026	March 31, 2026	March 31, 2025
Dividend per share	32.00 yen	22.00 yen	20.00 yen
Total amount of dividend	1,124 million yen	-	696 million yen
Effective date	June 29, 2026	-	June 27, 2026
Source of dividend	Retained earnings	-	Retained earnings

*The Company carried out a stock split (3 shares for 1 share) with an effective date of October 1, 2025, and all dividends per share, including those for the previous fiscal year, are shown at the amounts after the stock split.

(Reference) Annual Dividend Breakdown

	Dividend per share (yen)		
	Interim dividend	Year-end dividend	Annual
Results for the current fiscal year (fiscal year ended March 2026)	21.67	32.00	53.67
Results for the previous fiscal year (fiscal year ended March 2025)	20.00	20.00	40.00

II. Revision of Dividend Policy and its Reason

Under the 7th Medium-Term Management Plan launched this fiscal year, the Company will work to strengthen shareholder returns in conjunction with flexible share buybacks, with a basic policy of "whichever returns the higher, a dividend payout ratio of 50% or DOE of 4.0%," in order to return profits to shareholders through future growth while improving capital efficiency and maintaining stable dividends to shareholders, while aggressively investing in growth mainly in the recycling business with an eye to medium- to long-term returns. The dividend will apply during the period of the 7th Medium-Term Management Plan (fiscal year ended March 2027 through fiscal year ended March 2029) and will be applied from the interim dividend for the fiscal year ended March 2027.

END