



May 12, 2023

Listed company: Penta-Ocean Construction Co., Ltd.

Code number: 1893

Stock exchange: Prime market of the Tokyo Stock Exchange,
Premier Market of the Nagoya Stock Exchange

Notice of Dividends of Surplus

Penta-Ocean Construction Co., Ltd. hereby announces that the Company resolved to distribute the following dividends of surplus, with the record date of March 31, 2023, at the Board of Directors Meeting Held on May 12, 2023. The resolution will be submitted for approval at the 73rd Ordinary General Shareholders Meeting, scheduled for June 27, 2023.

1. Description of Dividends of Surplus

	Dividends for FY 3/23	Most recent dividend forecast (published on May 13, 2022)	Dividends for FY 3/22
Record date	March 31, 2023	March 31, 2023	March 31, 2022
Dividend per share	24 yen	24 yen	23 yen
Total amount of dividend	6,859million yen	-	6,573 million yen
Effective date	June 28, 2023	-	June 27, 2022
Source of dividends	Retained earnings	-	Retained earnings

2. Reasons for the dividend decision

The Company's basic policy is "to make strategic investments for future growth including capital enhancement and capital investments while making stable returns to shareholders on an ongoing basis." Under the above policy, the Company sets the target of total return ratio(consolidated) at 40% (of which, a dividend payout ratio of 30% or higher.)

For the term-end dividend for FY 3/23, although the business results fell far short of the initial forecasts, the Company decided to pay 24 yen of regular dividends per share as announced on May 13, 2022, and will submit the proposal to the 73rd Ordinary General Shareholders Meeting for approval.

As for the term-end dividend for FY 3/24, the Company plans to aim for the total rerun ratio of 40% by paying 24 yen of regular dividends per share (dividend payout ratio: 31%) and by conducting a share buyback.

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