dyaco

Dyaco International Inc.

1598 TT

Investor Presentation

2026/10

Disclaimer

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Dyaco Investment Highlights

☐ Dyaco: A Global Fitness Equipment Leader Driving Transformation with a Focus on Commercial Market Growth

- ✓ Shifting Commercial Competitive Landscape: Customers are diversifying suppliers to reduce risk.
- ✓ Commercial Strength-Training Product Line Expansion: Leveraging the transition to fill previous product gaps.
- ✓ Core Advantages: One of the few global players offering a "one-stop" capability across manufacturing, branding, distribution, and after-sales service, combined with a superior price-to-performance advantage.

☐ Target Multi-fold Commercial Revenue Growth and >1% Global Market Share in 5 Years

- ✓ Strong Expansion Potential: A ~0.3% global market share in 2025 indicates significant upside.
- ✓ Top Customer Recognition: Currently the top choice in active talks with several customers, including leading North American fitness chains.

☐ Execute the “ReFit” Optimization Program to Enhance Cost Control and Capital Efficiency

- ✓ Improving Marketing ROI: Reversing the post-pandemic surge in marketing expenses by centralizing marketing operations at headquarters since last year.
- ✓ Maximizing Capital Efficiency: Focusing on high value-added products and actively revitalizing idle assets.

☐ Drive Toward a 15% Return on Equity (ROE) Target

- ✓ Accelerate commercial market expansion and incubate emerging businesses, including medical rehabilitation, E-Bikes, and unmanned vehicles. Implement a "profit-first" strategy for home fitness while boosting overall profitability through focused resource allocation and operational efficiency upgrades.

Agenda

01 Company Overview

02 Transformation Strategy & Targets

03 2Q26 Results & Outlook

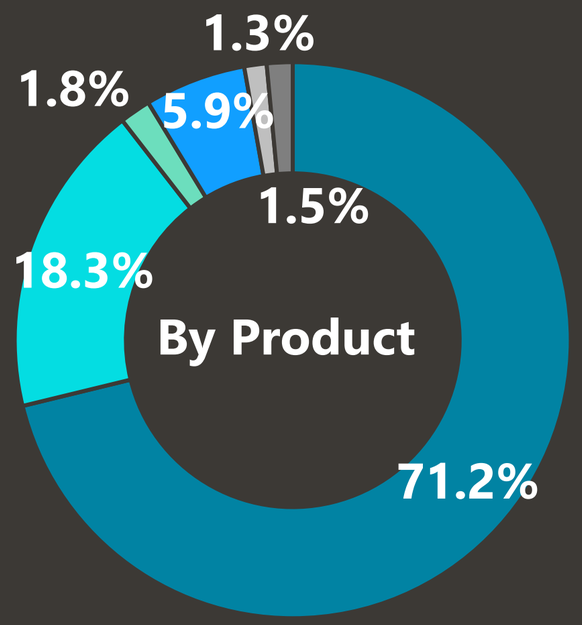
04 ESG

05 Historical Financials

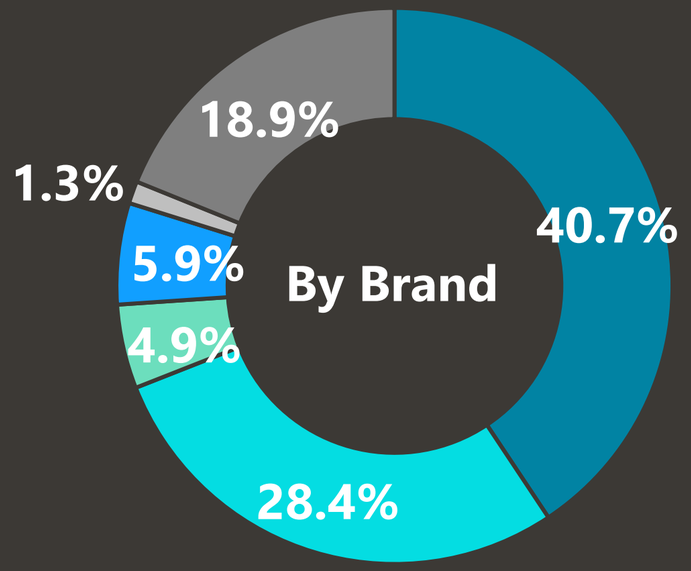
01
Company Overview

Dyaco at a Glance

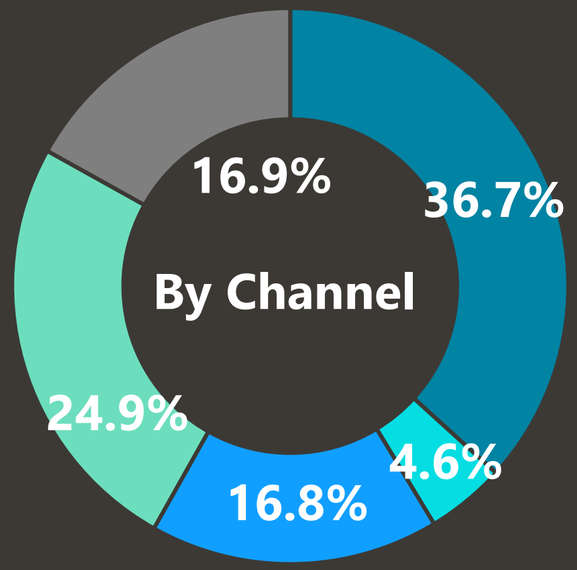
1990	NT$6.1B	NT$1.79B	900+	6	7
Established	2025 Revenue	Paid-in Capital	Employees	Factories	Branch Offices



- Home Fitness
- Commercial Fitness
- Medical Rehabilitation
- E-Bike
- Outdoor Furniture
- Others



- SOLE
- SPIRIT
- XTERRA
- E-Bike
- Outdoor Furniture
- Others



- Authorized Distributors
- Online Distributors
- Retail Store
- Dyaco Fitness E-commerce Platforms
- Others

* Based on FY2025 Revenue

Company Milestones

1990
- Dyaco established
- Started as a trading business

2008
- Started to produce **Home Fitness Equipment**
- Acquired SPIRIT, officially entering the brand business

2011
- Secured global distribution rights for SOLE
- Listed on the Emerging Board

2013
- Entered **Medical Rehabilitation Equipment Market**

2016
- Entered the **Commercial Fitness Equipment Market**
- Listed on the TWSE

2017
- Acquired German distributor CARDIO Fitness

2020
- Acquired SOLE to shift toward **Own-brand Business**

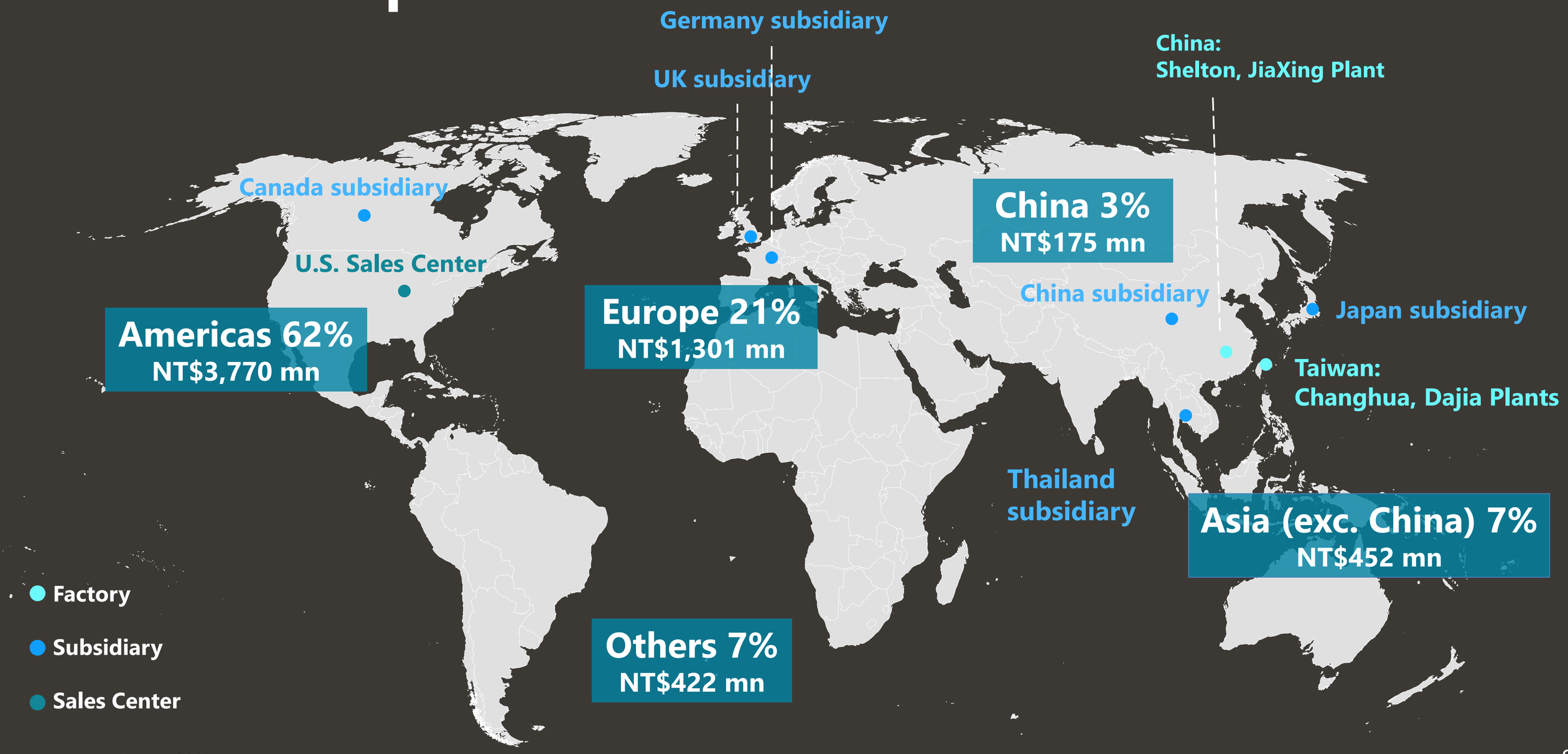
2021
- Acquired UK fitness equipment e-commerce platform Sweatband

2022
- Entered the **E-Bike Industry** by acquiring an ODM

2023
- **Second-generation succession**
- Launched e-bike brand “Cikada”

2026
- Entered the **Unmanned Vehicles Market**

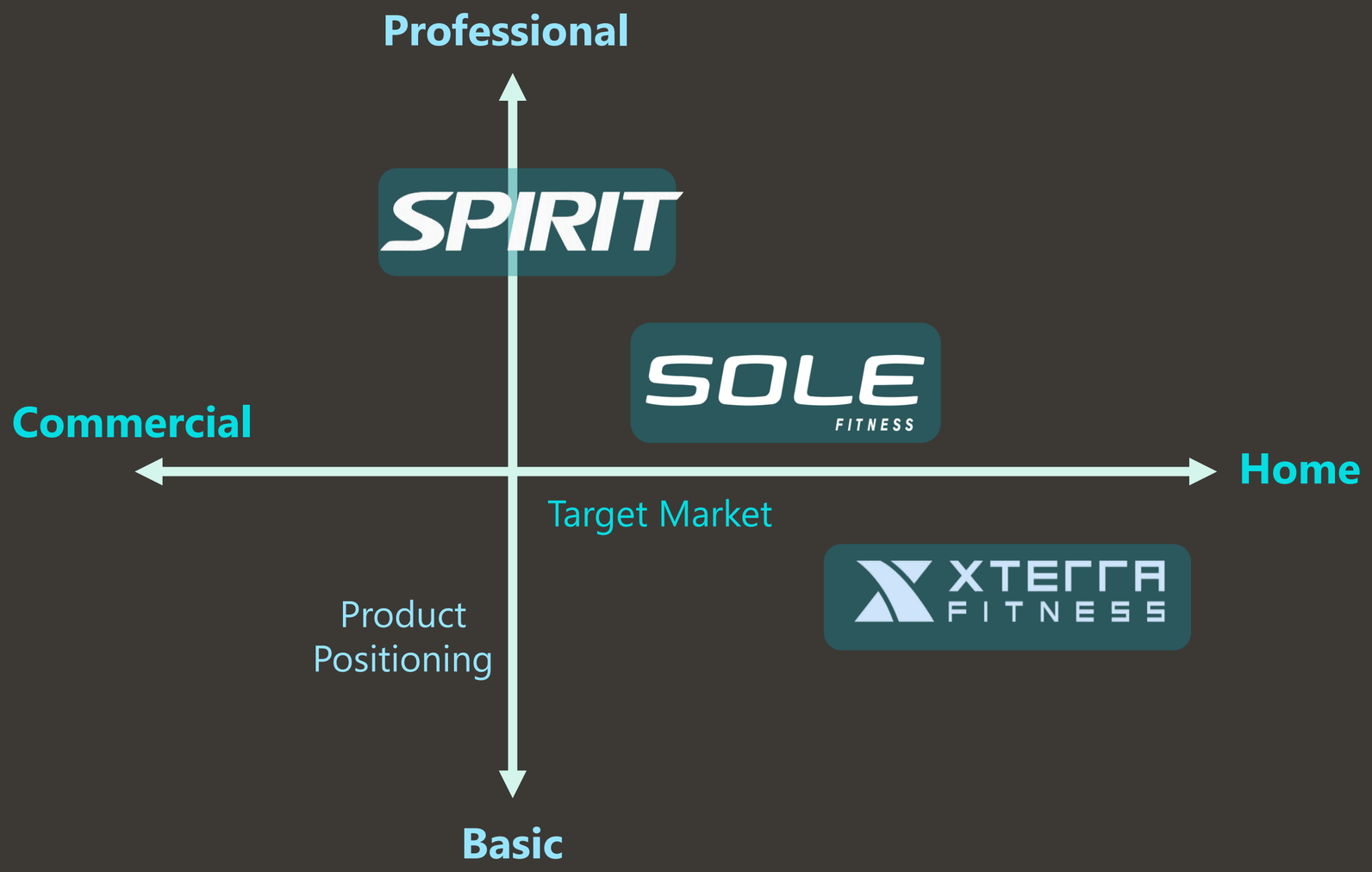
Global Footprint



Note: Based on FY2025 Revenue

Brand Position

Fitness Equipment Brands



Expanding Brands

Medical Rehabilitation

dyaco medical

Provide medical rehabilitation equipment solutions

E-Bike

Oikada

High-quality, premium e-bikes

Business Model and Distribution Channels

Components → Manufacturing → Brands → Distribution Channels → End Users → After-sales service

dyaco End-to-End Value Chain

Components

Motor System
Display & Control Interface
Steel Frame
Pedals
Plastic Housing Components

Brands

ODM

SPIRIT
SOLE FITNESS
XTERRA FITNESS

Brand Customers

Channels

Authorized Distributors
Retail Store
Online Distributors
Dyaco Fitness E-commerce Platforms

Fitness Center

Customers

Product Installation
Maintenance & Servicing
Parts Replacement
Warranty Services

*Note: Authorized (Physical) distributors refer to partners with offline retail presence, some of which also operate online channels. Retail store includes large chain retailers and department stores. Online distributors refer to pure-play e-commerce channels (e.g., Amazon, Costco Online). Dyaco fitness e-commerce platforms include Dyaco's proprietary online channels such as SOLE Fitness, Sweatband.com, and Cardio Fitness.

Dyaco's Competitive Advantages

Industry Leadership

Over 30 years of industry experience, established leadership in home fitness equipment

Vertically Integrated One-Stop Capabilities

One of the few players globally with integrated capabilities across manufacturing, branding, distribution, and after-sales services

Superior Price-to-Performance Ratio

Control costs while maintaining high product quality and premium service to secure a competitive pricing advantage

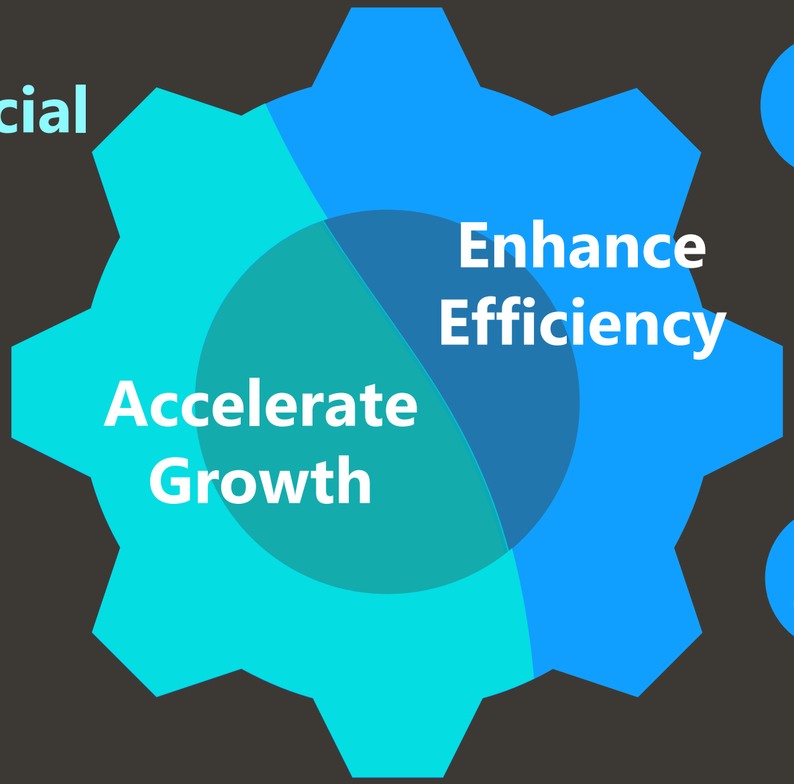
02

Transformation Strategy & Targets

Transformation Strategy: Driving Diversified Growth and Maximizing Operational Efficiency

1. Expand Commercial Market Footprint

Build a high-margin engine for multi-fold growth



2. Home Business: Profits! Profits! Profits!

Profit-first strategy, enhancing marketing efficiency

3. "Refit" Operational Optimization Program

Strengthen expense control and maximize capital efficiency

4. Steadily Expand Medical Rehabilitation and E-Bike Business

Establish diversified growth drivers

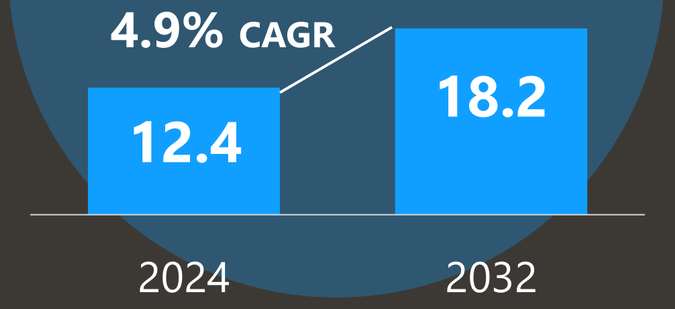
Huge Market Size and Growth Potential: Our Commercial Market Share at Only ~0.3%

Dyaco Targets a Market Exceeding USD 120 Billion

Home Fitness Equipment

USD 18.2B
2032 Market Size

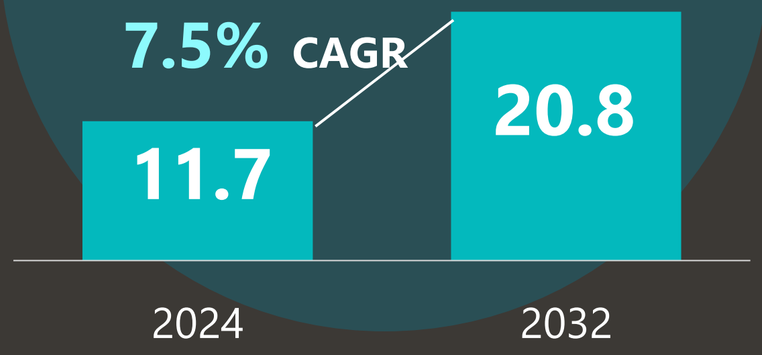
USD 139mn
2025 Dyaco Home Fitness Revenue



Commercial Fitness Equipment

USD 20.8B
2032 Market Size

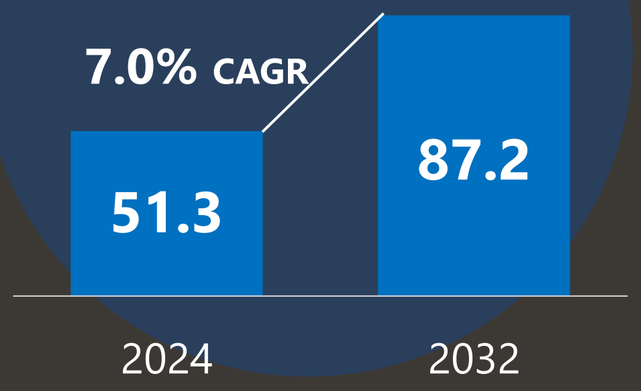
USD 36mn
2025 Dyaco Commercial Revenue



E-Bikes

USD 87.2B
2032 Market Size

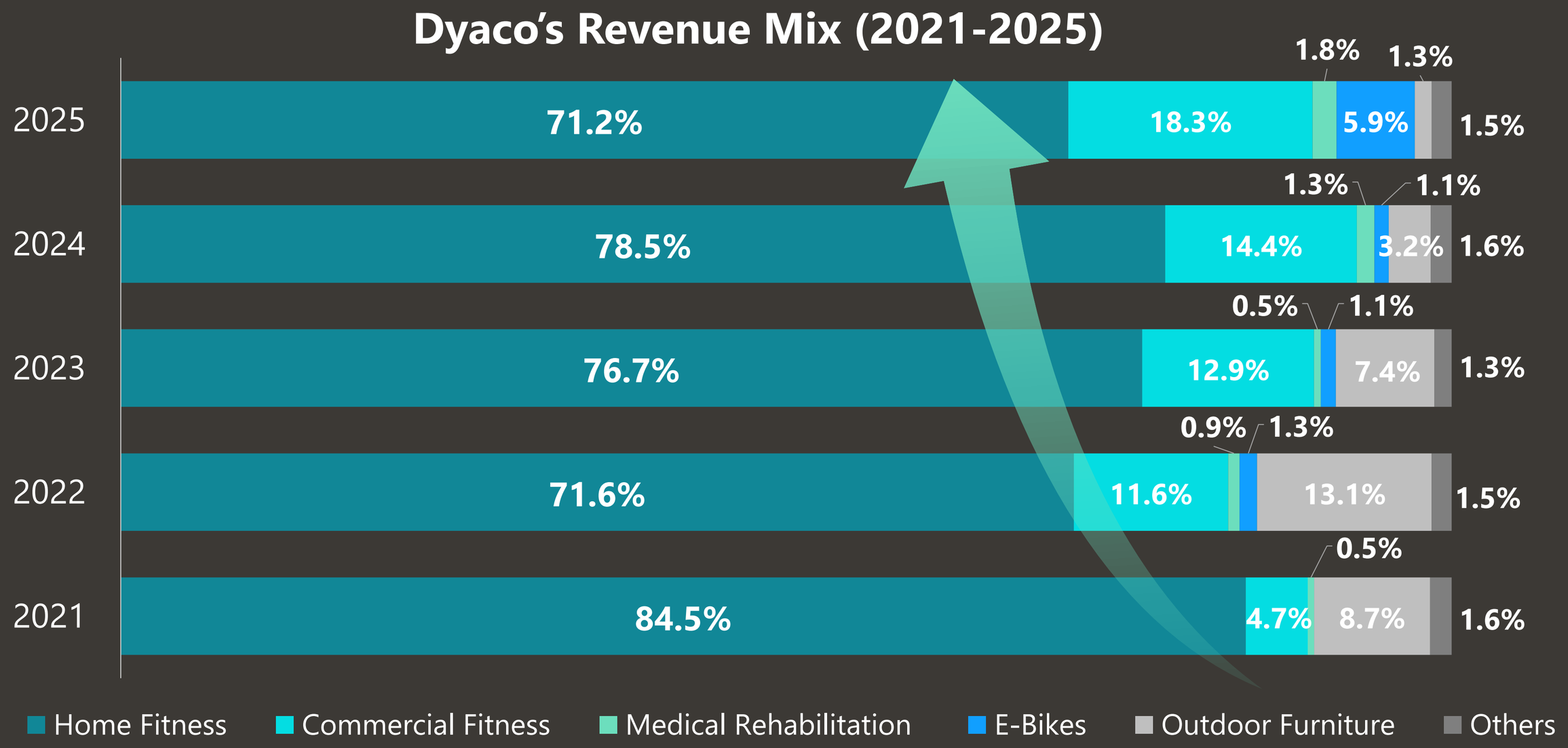
USD 11mn
2025 Dyaco E-Bike Revenue



US$ Billion

Source： SkyQuest, Future Market Report, MarketsandMarkets

Diversified Revenue Growth



Strategy 1: Expand Commercial Market Footprint

Prime market opportunity: Recent shifts in the competitive landscape have prompted customers to **actively seek diversified suppliers** to mitigate risk.

High Growth potential: Dyaco holds only **0.3%** of the global commercial market share.

Initial Target: Focus on **major gym chains in North American** and **large local operators in fast-growing emerging markets.**

Top U.S. Fitness Chains Ranking

	Brand	Location	
		US	Global
#1	Anytime Fitness	-	5,500+
#2	Planet Fitness	2,700+	2,800+
#3	Orangetheory Fitness	1,300+	1,400+
#4	F45 Training	600+	2,000+
#5	LA Fitness	600+	-
#6	Snap Fitness	460+	1,000+
#7	Crunch Fitness	-	400+
#8	24 Hour Fitness	270+	-
#9	Retro Fitness	200+	-
#10	Gold's Gym	~200	500+

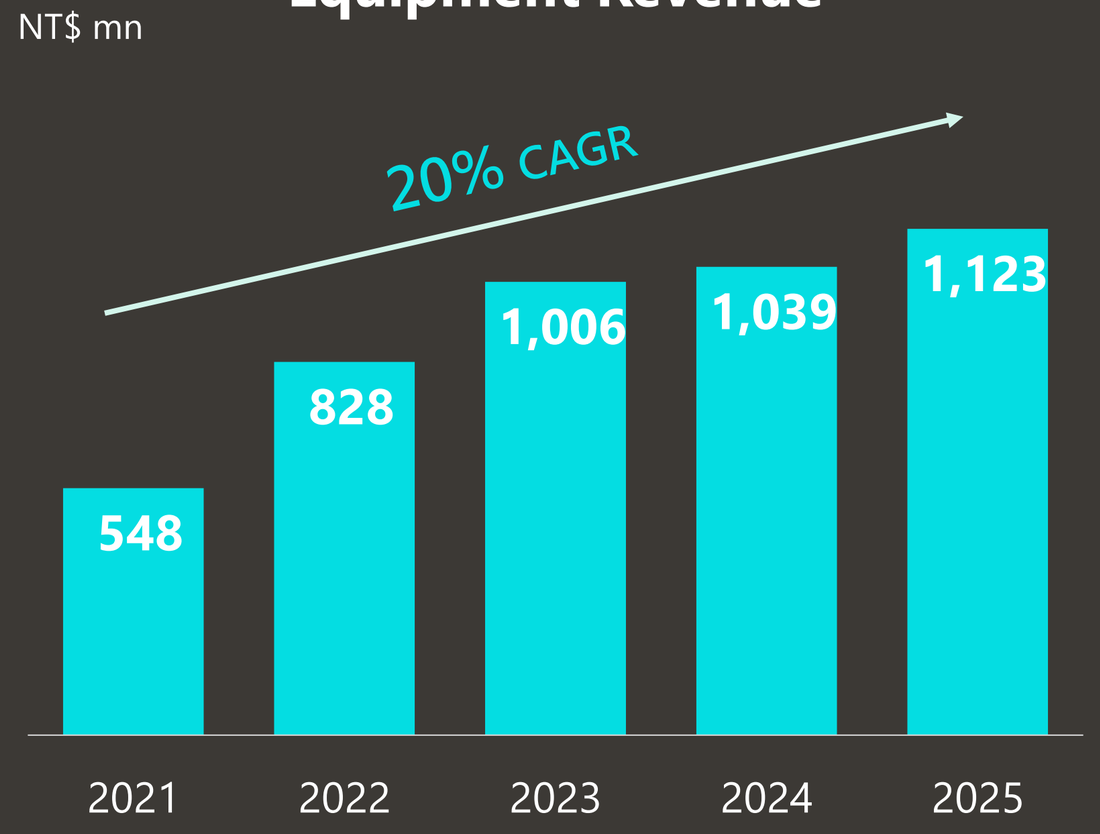
Source：Company Websites

Commercial Market: Build a High-Margin Engine for Multi-Fold Growth

Why Do Customers Choose Dyaco?

1. One of the few global players offering comprehensive "one-stop" capabilities: manufacturing, branding, channels, and after-sales service.
2. Highly competitive cost-performance ratio.
3. Increasing R&D investment to round out our commercial strength-training portfolio.
4. Leveraging our deep expertise in medical rehab equipment to penetrate gyms that are adding rehab zones for the aging population, thereby driving broader sales of standard commercial equipment.

Dyaco's Commercial Fitness Equipment Revenue



Strategy 2: Home Business - Profits! Profits! Profits!

Profit-Oriented Management & KPI Setting

- ✓ Prioritize profit over revenue and aligning team KPIs with profitability goals.

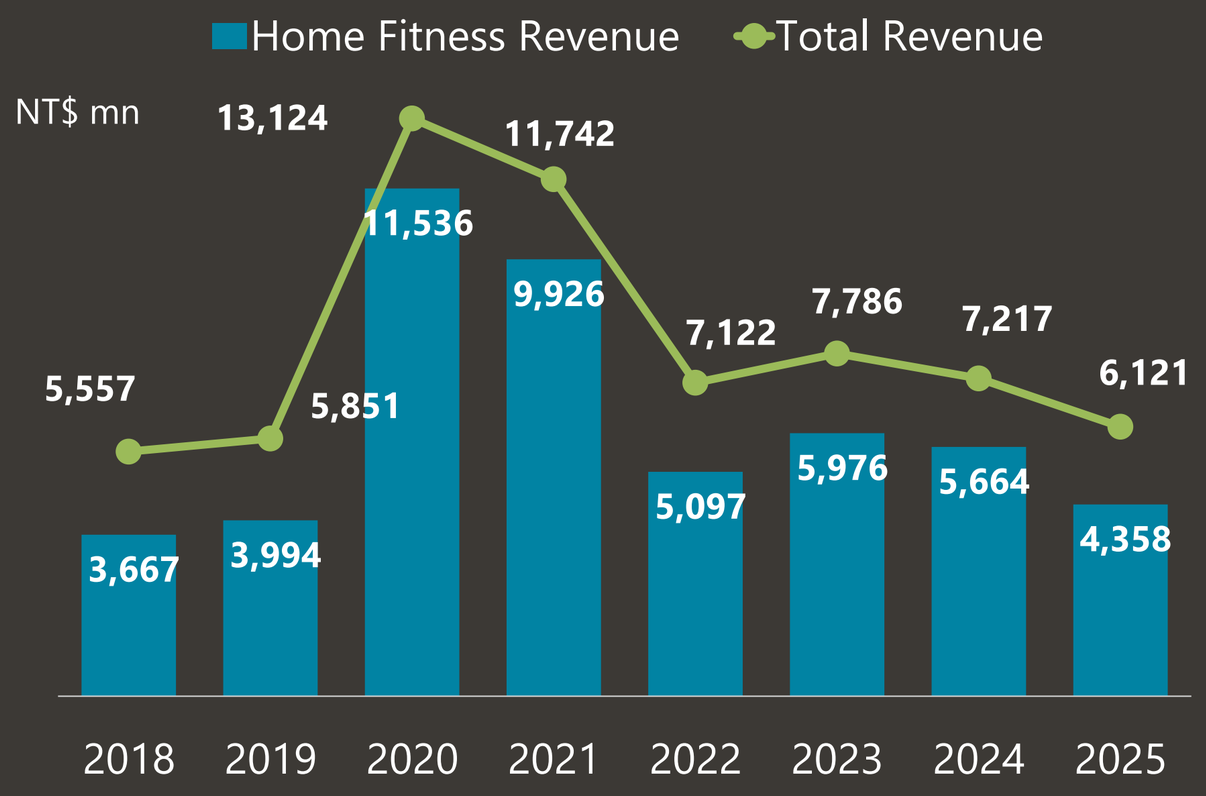
Enhancing Marketing & Customer Acquisition Efficiency

- ✓ Centralize marketing budgets at HQ to optimize spending.

Product Mix Optimization

- ✓ Increase the proportion of high-margin products.
- ✓ Driving customer stickiness through innovative products and optimized services (e.g., software enhancements, improved after-sales support, and logistics efficiency).

Home Fitness Equipment Revenue vs. Total Revenue



Strategy 3: "Refit" Operational Optimization Program

Reduce OPEX Ratio to a Long-term Target of 30%

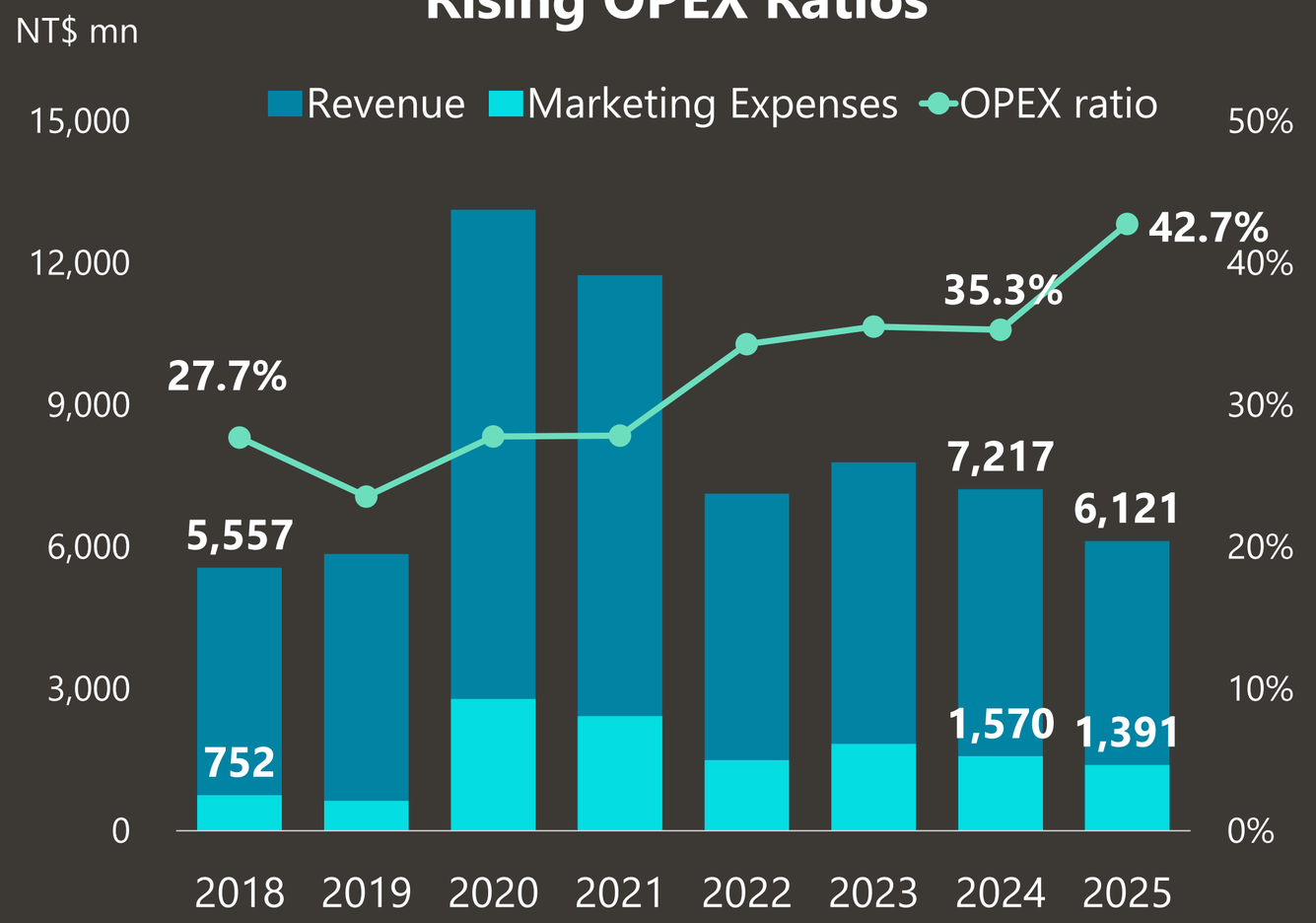
Strengthen Expense Control

- ✓ Improve marketing ROI
- ✓ Maintain strict financial discipline when expanding into new sectors
- ✓ Optimize workforce allocation

Maximize Capital Efficiency

- ✓ Focus on high value-added products and services: Successfully exited the outdoor furniture business
- ✓ Activate idle capacity and assets

Reverse the Post-Pandemic Trend of Rising OPEX Ratios



Strategy 4: Steadily Expand Medical Rehabilitation and E-Bike Business

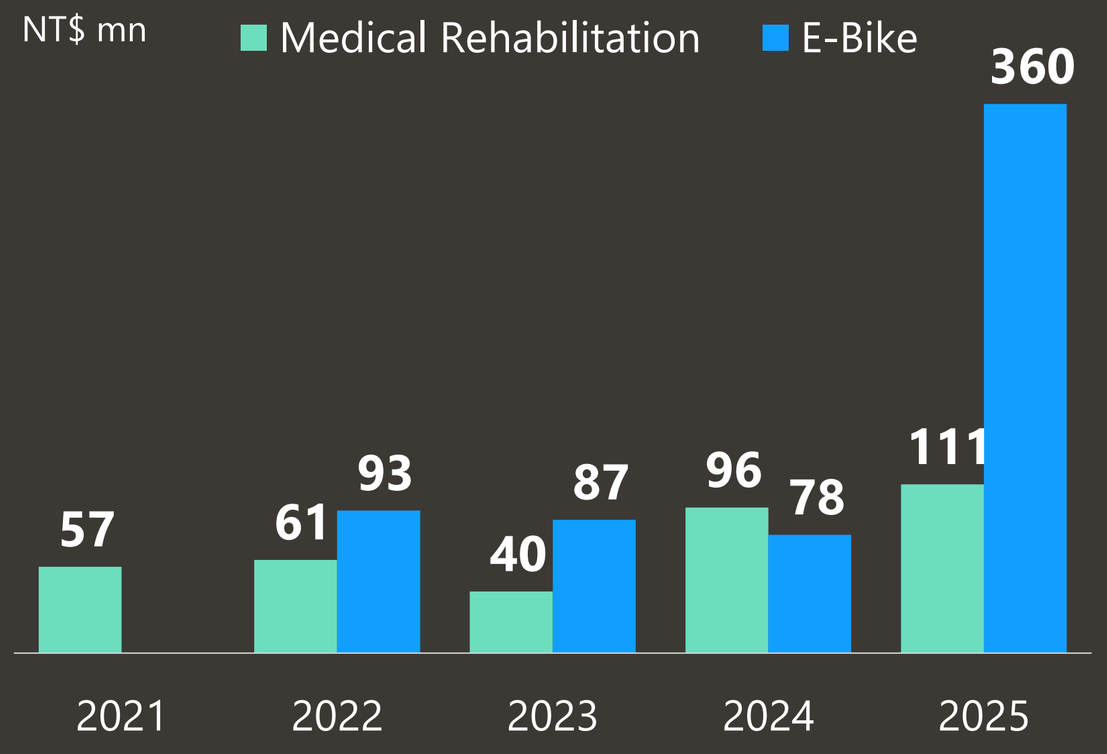
Expand the Medical Rehabilitation Niche Market

- ✓ High entry barriers for rehabilitation fitness equipment; a niche market with limited competitors.
- ✓ The all-new 8.0 series medical product line secured EU MDR certification in early 2026, enabling broader market expansion starting this year.

Enter the E-Bike Sector

- ✓ Expand ODM business; steadily develop our own brand with strict financial discipline.
- ✓ Leverage our brand marketing experience and after-sales service capabilities from the fitness equipment industry.

Medical Rehabilitation & E-Bike Revenue



Five-Year Targets

Target **over 1%** market share in the commercial fitness market

Improve **profitability** and **operational efficiency** in the home fitness business

Expand into **emerging businesses** such as Medical Rehabilitation and E-Bikes

Drive ROE toward a **15%** target

Become a **world-class** fitness equipment brand

03

2Q26 Results & Outlook

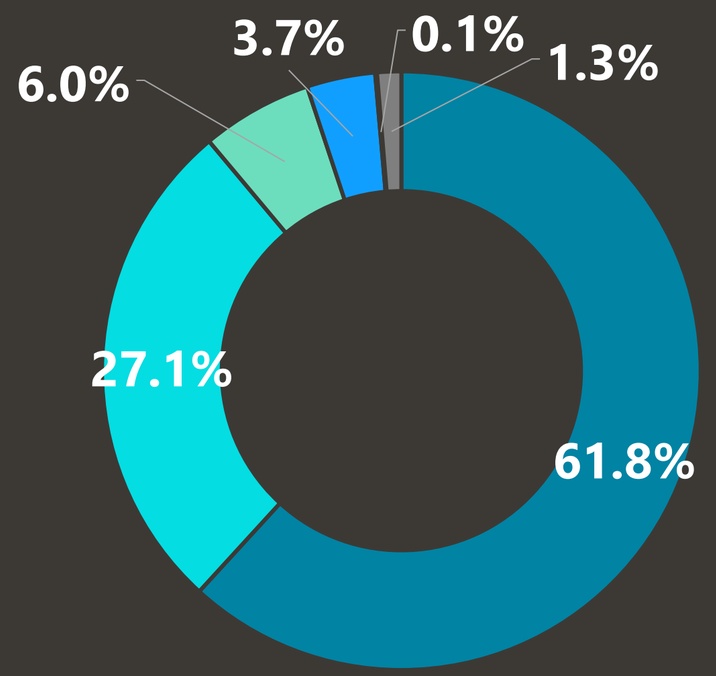
Income Statement – 2Q26

NT$ million	2Q26	1Q26	2Q25	QoQ	YoY
Net Revenue	1,281	1,638	1,302	-22%	-2%
Gross Profit	494	690	511	-28%	-3%
Gross Margin	38.6%	42.1%	39.2%		
Operating Expenses	621	633	591	-2%	5%
OPEX Ratio	48.5%	38.6%	45.4%		
Operating Income	-127	57	-80	-	-
Operating Margin	-10.0%	3.5%	-6.2%		
Net Non-Operating Income (Loss)	151	7	-215		
Pre-Tax Income	24	64	-296	-63%	-
Income Tax Expense	-30	29	-77		
Minority Interest	-11	-7	-29		
Net Income to Parent	65	42	-190	56%	-
Net Margin	5.1%	2.5%	-14.6%		
EPS (NT$)	0.40	0.25	-1.10	60%	-
ROE (Not Annuallized)	1.6%	1.0%	-4.1%		
Depreciation and Amortization	59	60	66		
CAPEX	49	15	73		

2Q26 Revenue Mix

- 2Q26 Home Fitness Equipment revenue declined amid a transition between new and legacy products, but is expected to gradually normalize in 2H26 as new products roll out. Commercial Fitness Equipment revenue continued to grow, fueled by strategic initiatives. Medical Rehabilitation revenue increased significantly as the new 8.0 series began shipping and contributing to revenue in 2Q26. E-bike revenue declined mainly due to a high base from a large ODM customer order last year. Outdoor Furniture revenue fell sharply following our exit from the business as part of a strategic refocus on core businesses.

2Q26 Revenue Mix - By Products



	YoY%
Home Fitness	-8%
Commercial Fitness	21%
Medical Rehabilitation	218%
E-Bikes	-56%
Outdoor Furniture	-71%
Others	8%

Income Statement – 1H26

NT$ million	1H26	1H25	YoY
Net Revenue	2,919	3,166	-8%
Gross Profit	1,184	1,178	1%
Gross Margin	40.6%	37.2%	
Operating Expenses	1,254	1,371	-9%
OPEX Ratio	43.0%	43.3%	
Operating Income	-70	-193	-
Operating Margin	-2.4%	-6.1%	
Net Non-Operating Income (Loss)	158	-205	
Pre-Tax Income	88	-398	-
Income Tax Expense	0	-99	
Minority Interest	-18	-31	
Net Income to Parent	107	-268	-
Net Margin	3.6%	-8.5%	
EPS (NT$)	0.64	-1.61	-
ROE (Not Annuallized)	2.6%	-6.1%	
Depreciation and Amortization	119	131	
CAPEX	65	168	

Balance Sheet – 1H26

NT$ million	2026/6/30		2026/3/31		2025/6/30	
	$	%	$	%	$	%
Cash and Cash Equivalents	835	9%	829	8%	556	6%
Notes & Accounts Receivable	771	8%	904	9%	809	8%
Inventories	1,887	20%	2,005	20%	2,039	21%
Other Current Assets	813	8%	375	4%	423	4%
Long-term Investments	241	2%	210	2%	169	2%
Fixed Assets	3,310	34%	4,061	40%	3,933	40%
Other Long-term Assets	1,804	19%	1,794	18%	1,970	20%
Total Assets	**9,660**	**100%**	**10,177**	**100%**	**9,898**	**100%**
Current Liabilities	3,832	40%	3,729	37%	3,000	30%
Long-Term Borrowings	1,040	11%	1,565	15%	1,662	17%
Other Non-Current Liabilities	330	3%	339	3%	534	5%
Total Liabilities	**5,202**	**54%**	**5,633**	**55%**	**5,195**	**52%**
Common Stock	1,791		1,791		1,791	
Total Equity	**4,459**	**46%**	**4,544**	**45%**	**4,703**	**48%**
Book Value per Share (NT$)	25.2		25.3		25.6	
Current Raio (Current Assets/Current Liabilities)	112%		110%		128%	
Net Debt/Equity	65%		76%		65%	

Strategy Update: Unmanned Vehicles

Expanding into the Unmanned Vehicles Market

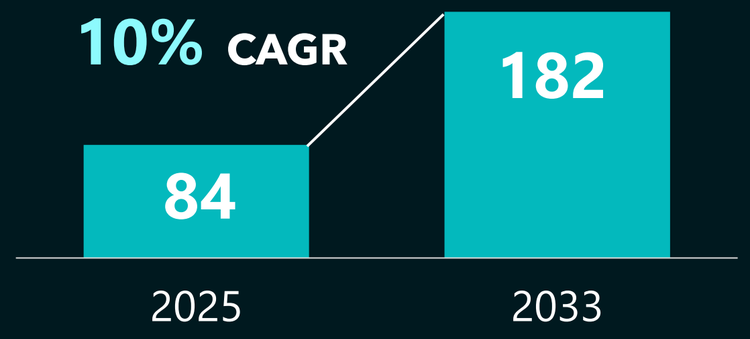
Established SANTI Innovation in the U.S. and a Taiwan subsidiary, building dual manufacturing capabilities in Taiwan and the U.S.

Unmanned Vehicles Opportunities & Strategy

Market Opportunity

The rising demand for AI and automation has made unmanned vehicles a key global industry.

Drone Market Size (US$ bn)



Applications include education, defense, logistics, smart agriculture, infrastructure inspection, disaster relief, and public safety.

Three Core Advantages:

1. Dedicated team with unmanned vehicle industry experience.
2. Decades of in-house R&D, precision manufacturing, and supply-chain resources, enabling full integration of Taiwanese components.
3. With our global export network and extensive direct-to-consumer experience worldwide, we provide ample production capacity and responsive service through dual hubs in Taiwan and the US.

Strategic Positioning:

- Offering end-to-end solutions, from key component sourcing and design to full-scale manufacturing and assembly.
- Driven by a long-term focus on AI and integrated autonomous hardware-software systems, we aim to build a full-spectrum unmanned vehicle platform to provide one-stop solutions.

*Market size data source: Grand View Research

Unmanned Vehicle Products

Assembly Services for a Range of Unmanned Vehicles

Surveillance Drone

Aerial surveillance, search and rescue, and fire assessment

Agricultural Spraying Drone

Pesticide spraying, fertilizer application, and crop health monitoring

Partnering with UVAI to Establish U.S. Demo Site and Expand into North America

- ✓ In early September, Taiwan UVAI (Taiwan Unmanned Vehicle Alliance) and Dyaco announced a joint initiative to establish US demonstration sites. This allows Taiwanese companies to share existing manufacturing and supply chain resources, lowering entry barriers to the North American market without needing heavy investments in overseas production facilities.

- ✓ The partnership between UVAI and Dyaco bridges the gap between technology and manufacturing. Dyaco's Arkansas facility, the collaboration will support assembly, testing, and mass production, offering strategic partners OEM/ODM manufacturing, component integration, and final assembly to help Taiwanese unmanned vehicle developers enter the North American market.

Strategy Update: Commercial Fitness Equipment

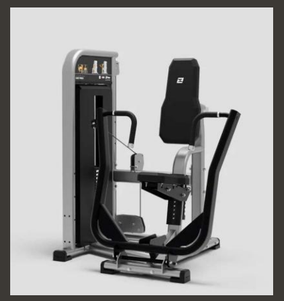
Acquisition of UK Strength Brand: Exigo

- ✓ On October 1, our UK subsidiary completed the acquisition of **Exigo (A&D Sports Ltd)**, a premier British Commercial Strength brand
- ✓ The acquisition secures a **local UK manufacturing base** and significantly strengthens our Commercial Strength equipment line-up
- ✓ Together with our in-house i-Strength Smart Strength Training System, we will offer customers a **truly complete Commercial Fitness solution**

Exigo at a Glance

1995	300+	25,000 ft²	20+
Established	Products	UK Manufacturing	Countries

Plate Loaded


Selectorised

Racks & Rigs

Benches

New Commercial Strength Line: i-Strength

New Arrival

Smart Strength Training System

Replacing traditional bulky weight stacks with high-precision servo motor technology, it integrates intuitive programming to deliver a safe, smooth, and highly efficient workout experience.

New Commercial Strength Line: i-Strength

New Arrival

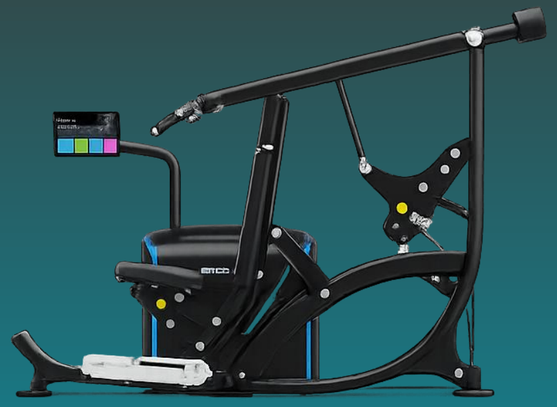
Smart Strength Training System

In early 2026, four smart training machines were launched, covering upper-body, lower-body, and core training. Featuring smart software, four dynamic training modes, a wide resistance range, and commercial-grade durability, the new models deliver smooth operation, robust performance, and versatile training applications.

Biceps Curl / Triceps Extension

Leg Extension / Leg Curl

Low Row



Chest Press / Shoulder Press

New Commercial Strength Line: i-Strength

Coming Soon

Smart Strength Training System

By year-end 2026, five smart training machines covering upper-body, lower-body, core, and full-body functional training will be launched. With adjustable resistance and four dynamic training modes, the new models support both light training and high-intensity strength workouts, while their streamlined design helps save space and reduce costs.

Leg Press

Abdominal / Back Extension

Inner Thigh / Outer Thigh

Pec Fly / Rear Delt

Functional Trainer

Commercial Market Expansion Progress

- ✓ Recently secured partnerships with several leading North American fitness chains, covering both nationwide and regional operators
- ✓ Gradually penetrating gym accounts across Europe and Asia
- ✓ Expanding into hotel channels, and qualified as an approved vendor for several chains including IHG, with initial small-batch shipments to begin.

Top U.S. Fitness Chains Ranking

Secured	Ranking	Brand	Location	
			US	Global
✓	#1	Anytime Fitness	-	5,500+
	#2	Planet Fitness	2,700+	2,800+
✓	#3	Orangetheory Fitness	1,300+	1,400+
	#4	F45 Training	600+	2,000+
	#5	LA Fitness	600+	-
✓	#6	Snap Fitness	460+	1,000+
	#7	Crunch Fitness	-	400+
	#8	24 Hour Fitness	270+	-
	#9	Retro Fitness	200+	-
	#10	Gold's Gym	~200	500+

Source: Company websites

2026 Outlook

2026 Outlook

☐ Momentum in Commercial Expansion and Positive Reception of New Home Products Expected to Drive a Return to Overall Revenue Growth This Year

- ✓ Strong growth expected for Commercial Fitness Equipment this year. Having recently secured partnerships with several leading North American fitness chains. We have also begun engaging with the hotel channel. Our recently launched i-Strength commercial strength training line is gradually converting into actual orders. We will continue to strengthen our commercial strength training portfolio while deepening R&D and product development.
- ✓ New Home Fitness Products are seeing solid order momentum. Home Fitness Equipment revenue is expected to return to growth in 2H26, with full-year revenue flat to slightly up.

☐ Focus on Enhancing Operational Efficiency to Target a Turnaround to Profitability This Year, Marking the Start of Sustained Earnings

- ✓ Driven by a steady revenue recovery in 2H26 and ongoing expense control, we aim to reduce the expense ratio to below 36% by year-end.
- ✓ Prioritize profitability for Home Fitness Equipment this year and improve marketing and customer acquisition efficiency.

☐ Establish Diversified Sources of Growth

- ✓ New Medical Rehabilitation 8.0 series secured EU MDR early this year and began contributing revenue in 2Q26, with broader market expansion starting this year. For E-Bikes, we continue to advance a dual-track strategy in both proprietary brand and ODM development.
- ✓ Our new unmanned vehicle business is capable of fully integrating Taiwan-sourced components. Site qualification is underway, with initial sample orders target for shipment by late 2026 to early 2027.

04
ESG

ESG Highlights

Environment

- Dedicated **ESG Committee** overseeing climate strategy formulation, target setting, and performance review.
- 2030 Scope 1 and Scope 2 GHG emissions reduction targets of **3%** and **8%**, respectively, using 2024 as the baseline. **6** solar power systems in operation.
- Ongoing development of green products and promotion of the circular economy, with revenue contribution targeted at **25%** by 2040.

Social

- Total training hours reached **5,645**, covering leadership development and soft skills training.
- **NT$3.08 million** invested in employee welfare to foster a healthy, safe, and supportive workplace.
- Total charitable donations reached **NT$0.96 million**, supporting sports promotion initiatives and after-school programs for underprivileged children.

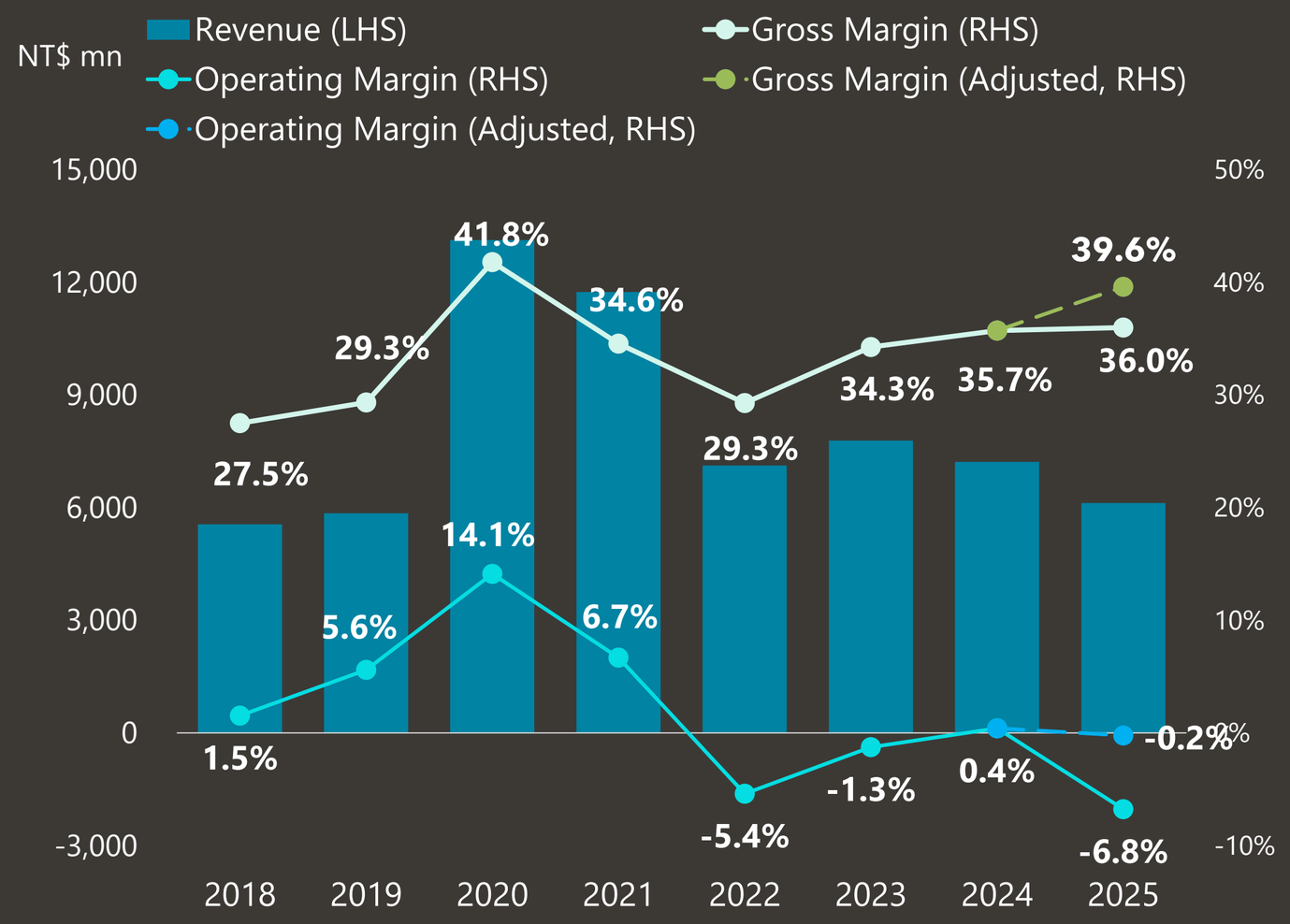
Governance

- Board Independence and Gender Diversity – **57%** independent directors. Added one female director to the board.
- Ranked in the top **6–20%** of all listed companies in the 2025 TWSE Corporate Governance Evaluation; top **2-10%** within sub-NT$5bn market cap peers
- **81%** local sourcing rate; ESG assessments conducted for **258** suppliers covering environmental, occupational safety, and social responsibility aspects

Thank You

05
Historical Financials

Long-Term Financial Performance



Note: Adjusted Gross Margin adds back a one-time inventory write-down in 2025. Adjusted Operating Margin adds back workforce optimization costs and credit losses.

- Pandemic-driven home fitness demand surged in 2020, followed by a post-pandemic adjustment phase.
- Gross margin has gradually improved in recent years, driven by ongoing product mix optimization.
- The significant drop in the 2025 operating margin was primarily due to the exit from the outdoor furniture business, which led to the recognition of higher expected credit losses and workforce optimization costs.

Income Statement Highlights

NT$ million	2021	2022	2023	2024	2025	YoY (%) 2021	2022	2023	2024	2025
Net Revenue	11,742	7,122	7,786	7,217	6,121	-11%	-39%	9%	-7%	-15%
COGS	7,685	5,037	5,119	4,640	3,918	1%	-34%	2%	-9%	-16%
Gross Profit	4,057	2,085	2,667	2,577	2,203	-26%	-49%	28%	-3%	-15%
Operating Expense	3,269	2,442	2,766	2,547	2,616	-10%	-25%	13%	-8%	3%
Operating Profit	785	-384	-98	30	-414	-58%	-	-	-	-
Income before tax	548	-81	-169	79	-779	-67%	-	-	-	-
Net Income	440	-76	-123	72	-561	-67%	-	-	-	-
EPS (NT$)	$3.47	-$0.61	-$0.88	$0.45	-$3.35	-70%	-	-	-	-
Gross Margin	34.6%	29.3%	34.3%	35.7%	36.0%					
Opex/Sales	27.8%	34.3%	35.5%	35.3%	42.7%					
Operating Margin	6.7%	-5.4%	-1.3%	0.4%	-6.8%					
Net Margin	3.8%	-1.1%	-1.6%	1.0%	-9.2%					
ROE	10.4%	-2.0%	-3.1%	1.6%	-12.9%					

Balance Sheet Highlights

NT$ million	2021	2022	2023	2024	2025
TOTAL ASSETS	**12,201**	**11,965**	**11,289**	**11,124**	**10,227**
Cash	1,213	1,121	1,159	1,159	610
NR & AR	1,649	1,096	1,072	1,211	1,109
Inventory	3,531	2,989	2,474	2,251	2,091
Fixed Asset	2,924	3,692	3,756	3,934	4,065
TOTAL LIABILITIES	**7,820**	**7,901**	**6,517**	**6,172**	**5,759**
Long-Term Borrowings	558	1,484	1,919	1,831	1,578
AP & NP	1,371	1,062	985	1,128	738
TOTAL EQUITY	**4,381**	**4,064**	**4,772**	**4,952**	**4,468**

	2021	2022	2023	2024	2025
A/R Turnover Days	73	70	51	58	69
Inventory Turnover Days	158	236	195	186	202
A/P Turnover Days	109	88	73	83	87
Cash Conversion Cycle	122	218	173	160	185

Stands for Assets (%)				
2021	2022	2023	2024	2025
100%	**100%**	**100%**	**100%**	**100%**
10%	9%	10%	10%	6%
14%	9%	9%	11%	11%
29%	25%	22%	20%	20%
24%	31%	33%	35%	40%
64%	**66%**	**58%**	**55%**	**56%**
5%	12%	17%	16%	15%
11%	9%	9%	10%	7%
36%	**34%**	**42%**	**45%**	**44%**

Cash Dividend Payout

NT$ million	2021	2022	2023	2024	2025
Net Income	440	-76	-123	72	-561
Dividends Paid	318	63	0	87	82
DPS (NT$)	2.51	0.50	0.00	0.50	0.50
Payout Ratio	72%	-	-	121%	-
Cash Dividend Yield[1]	6.6%	1.2%	-	2.3%	2.6%

Note：

1. Dividend yield for 2021–2025 is calculated based on the share price as of the day prior to the ex-dividend date.

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