

Translation

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May 9, 2025

To whom it may concern:



Company name: CRESCO LTD.
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Notice Concerning Changes in Dividend Policy

CRESCO LTD. (head office: Minato-ku, Tokyo; President and Executive Officer: Hiroshi Tominaga; hereinafter, “the Company”) hereby announces that, at the meeting held on May 9, 2025, the Board of Directors decided to make changes in the dividend policy. Details are set forth below.

1. Reason for changes in dividend policy

The Company considers the return of its profits to shareholders as an important managerial issue, and has paid consistent dividends every fiscal year. The Company intends to adhere to this basic policy and continue returning its profits to shareholders as determined on the basis of its business results while maintaining financial soundness.

As a company listed on the Prime Market, the company has continuously discussed the appropriate dividend level as a part of the cash allocation plan outlined in the Medium-Term Management Plan 2026, in order to further improve capital efficiency, achieve sustainable growth and strengthen shareholder returns. As a result, the Company decided to change the dividend payout ratio as follows.

2. Details of dividend policy (changes are underlined)

Before changes	After changes
<p>The Company considers the return of its profits to shareholders as an important managerial issue. The Company’s basic dividend policy is to maintain payouts that are appropriate in light of its financial results, while increasing shareholders’ equity and keeping long-term and stable earning power.</p> <p>As for dividends, in principle the Company aims to continually pay out <u>40%</u> of profit attributable to owners of parent for each fiscal year.</p>	<p>The Company considers the return of its profits to shareholders as an important managerial issue. The Company’s basic dividend policy is to maintain payouts that are appropriate in light of its financial results, while increasing shareholders’ equity and keeping long-term and stable earning power.</p> <p>As for dividends, in principle the Company aims to continually pay out <u>50%</u> of profit attributable to owners of parent for each fiscal year.</p>

3. Timing of the change

The changes will be effective from an interim dividend of the fiscal year ending March 31, 2026.

(The year-end dividend of the fiscal year ending March 31, 2025 will be paid in accordance with the dividend policy before the changes.)

4. Forecast of cash dividends

Regarding the forecast of cash dividend per share for the fiscal year ending March 31, 2025, the forecasted annual dividend remains unchanged from the 42 yen per share stated in “Notice of Revisions to Forecast of Fiscal Year-End Cash Dividends (Dividend Increase)” disclosed on May 9, 2025.