

Translation

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May 14, 2021

To whom it may concern:

Company name: CRESCO LTD.
Representative: President, Executive Officer Hiroyuki Nemoto
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Notice Concerning Dividends from Surplus

CRESCO LTD. (the “Company”) hereby announces the decision made at the Board of Directors meeting held on May 14, 2021 to distribute dividends from surplus to shareholders as of record date, March 31, 2021, as set forth below:

1. Details of dividends (Year-end dividends)

	Amount determined for the fiscal year ended March 31, 2021	The most recent forecast of the dividend (announced on March 15, 2021)	Results for the previous fiscal year ended March 31, 2020
Record date	March 31, 2021	Same as on the left	March 31, 2020
Dividend per share	20 yen	Same as on the left	18 yen
Total amount of dividend	420,425 thousand yen	–	377,827 thousand yen
Effective date	June 21, 2021	–	June 22, 2020
Source of dividend	Retained earnings	–	Retained earnings

2. Reason

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. As for dividends, in principle the Company aims to continually pay out about 30% of profit attributable to owners of parent for each fiscal year, which is calculated from consolidated ordinary profit and assuming extraordinary income and losses are zero.

In accordance with the above policy, the Company has resolved to pay 20 yen per share as the year-end dividend for this fiscal year.

(Reference) Breakdown of annual dividends per share

Record date	Dividend per share		
	2nd quarter-end	Fiscal year-end	Annual dividend total
Results for the fiscal year ended March 31, 2021	18 yen	20 yen	38 yen
Results for the previous fiscal year ended March 31, 2020	36 yen	18 yen	–

Note: The Company conducted a 2-for-1 share split of its common shares with the effective date of February 1, 2020. The amount shown for the interim dividend for the fiscal year ended March 31, 2020 is the amount of dividend before the share split.

In addition, the total of the previous fiscal year ended March 31, 2020 is not stated in the table above because the implementation of the share split makes it impossible to perform a simple calculation. The annual dividends when calculated as dividends before the share split would be 72 yen for the previous fiscal year and 76 yen for the fiscal year under review, and based on a comparison of those figures, it is effectively an increase of 4 yen.