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April 14, 2025

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（Securities code: 3073 TSE Prime）
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Notice of Dividend of Surplus (No Dividend on Common Stock) And Partial Reversal of Deferred Tax Assets

DD GROUP Co., Ltd. (the "Company") hereby announce that, at the Board of Directors' meeting convened on April 14, 2025, resolutions were passed regarding the dividend from surplus for common stock and preferred stock with a record date of February 28, 2025. The Company and Group also announce that we have reversed a portion of its deferred tax assets during the fourth quarter of the fiscal year ending February 2025 (December 1, 2024 to February 28, 2025).

1. Dividend from surplus

(1) Details of dividend

< Common shares (No dividend) >

	Resolved dividend amount	Most recent dividend forecast (January 14, 2025)	Actual result for previous period (FY2025)
Record date	February 28, 2025	February 28, 2025	February 29, 2024
Dividend per share	0.00 yen	Undecided	0.00 yen
Total amount of dividends	—	—	—
Effective date	—	—	—
Source of dividends	—	—	—

（Reference）

	Dividend per share		
	End of interim period	End of fiscal period	Total
Dividends for FY2025 (Ended Feb 28,2025)		0.00 yen	0.00 yen
Dividends for FY 2024 (Ended Feb 29,2024)	0.00 yen	0.00 yen	0.00 yen

< Preferred stock >

	Resolved dividend amount	Most recent dividend forecast (January 14, 2025)	Actual result for previous period (FY 2024)
Record date	February 28, 2025	February 28, 2025	February 29, 2024
Dividend per share	4,000.00 yen	Undecided	4,000 yen
Total amount of dividends	80 million yen	—	200 million yen
Effective date	May 30, 2025	—	May 30, 2024
Source of dividends	Retained earnings	—	Retained earnings

(Reference)

	Dividend per share		
	End of interim period	End of fiscal period	Total
Previous forecast (Jan 14, 2025)			
Determined dividend		4,000.00 yen	4,000.00 yen
Actual result for previous period (FY 2025)		4,000.00 yen	4,000.00 yen

(2) Reasons

The Company strives to provide stable dividends to shareholders while aiming to secure necessary internal reserves for future business development and enhancing its business structure, comprehensively considering its performance and dividend payout ratio to ensure appropriate profit returns.

However, within the industries and sectors to which the Group belongs, while the growth of personal consumption is expected to slow down, personal consumption is anticipated to remain steady due to a favorable income environment supported by high wage increase rates, and a normalized business environment is expected to continue. On the other hand, factors such as the restriction on overtime work hours starting in April 2024 due to the Work Style Reform-related Act, rising labor and logistics costs against a backdrop of labor shortages, and increasing energy and raw material prices due to unstable international conditions, are present as downward pressure on our business performance. Given this uncertain outlook for our business results and comprehensively considering preparations for future financial risks, it is with regret that the Company announces the year-end dividend for the fiscal year ended February 2025 will be revised from 'undecided,' as announced on January 14, 2025, to 'no dividend.

We believe that steadily and continuously enhancing corporate value and achieving the early redemption of Class A preferred shares will enable us to provide greater returns to our shareholders, including an early resumption of dividends. We kindly ask for the continued support.

2. Details of Partial Reversal of Deferred Tax Assets

Taking into account recent business trends and future outlook under a conservative assessment, and after careful consideration of the recoverability of deferred tax assets, the Company and Group anticipate recording an income taxes-deferred of 1,010 million yen primarily due to the reversal of approximately 940 million yen in deferred tax assets in the consolidated financial results for the fourth quarter of the fiscal year.

Consequently, the income taxes-deferred for the full fiscal year are expected to be 983 million yen.

3. Impact on Financial Results

The aforementioned reversal of deferred tax assets, income taxes-deferred, etc. are reflected in the ‘Consolidated Financial Results for the Year Ended February 28, 2025[Japanese GAAP]' released today, April 14, 2025.