Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 23, 2025

Company name: DAIICHI KIGENSO KAGAKU KOGYO CO., LTD.
Representative: Hiroshi Kokubu
Chairman of the Board, Chief Executive Officer
(Securities code 4082; Prime Market, Tokyo Stock Exchange)
Contact: Kimio Ouchi
Director, Member of the Board; Managing Executive Officer; General Manager, Administration Unit
Telephone: +81-6-6206-3311

Notice Concerning Change in Dividend Policy (Introduction of DOE Index)

DAIICHI KIGENSO KAGAKU KOGYO CO., LTD. (the "Company") hereby announces that at the Board of Directors meeting held today, the Company decided to change the dividend policy as follows.

1. Reason for change

The Company's dividend policy is to continue stable dividend based on a payout ratio of 30%. However, in order to achieve a more stable dividend that is less susceptible to fluctuations in performance, the Company will change its dividend policy to one that uses both dividend on equity ratio (DOE) and payout ratio.

2. Details of change

(Before change)

The Company's approach to profit allocation is to continue stable dividend while securing retained earnings necessary to develop future businesses and strengthen the management practices. We will actively return profits to shareholders, based on a payout ratio of 30%, while comprehensively considering performance and investment promotion in strategic areas.

(After change)

The Company's basic policy is to continue stable dividend while securing retained earnings necessary to develop future businesses and strengthen management foundations. We will actively return profits to shareholders based on comprehensive consideration of performance and strategic investments. Specifically, we aim to achieve stable and sustainable dividend by using dividend on equity ratio (DOE), which is less susceptible to fluctuations in performance, as an index, with a lower limit of 1.8%. We also aim for a payout ratio of 30%.

3. Timing of change

This change will take effect from the fiscal year ending March 31, 2026.