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May 10, 2024

Company name: Morinaga & Co., Ltd.
Name of representative: Eijiro Ota, Representative Director, President
(Securities code: 2201; Prime Market of the Tokyo Stock Exchange)
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Notice Regarding Dividend of Surplus

Morinaga & Co., Ltd. (“the Company”) today announced that its Board of Directors resolved, at a meeting held on May 10, 2024, to pay a dividend of surplus with the record date of March 31, 2024. Details are as follows.

The proposed dividend of surplus will be submitted for consideration at the 176th Annual General Meeting of Shareholders to be held on June 27, 2024

1. Overview

	Details of resolution	Latest dividend forecast (Announced on February 8, 2024)	Dividend for fiscal year ended March 31, 2023
Record date	March 31, 2024	March 31, 2024	March 31, 2023
Dividend per share	55.00 yen	55.00 yen	100.00 yen
Total amount of dividends	4,987 million yen	—	4,712 million yen
Effective date	June 28, 2024	—	June 30, 2023
Source of funds for dividend	Retained earnings	—	Retained earnings

(Note) The Company conducted a two-for-one stock split of common shares on January 1, 2024. The annual dividend per share for the fiscal year ended March 31, 2023 is the actual dividend amount before the stock split.

2. Reason for dividend increase

The Morinaga Group’s basic policy on returning profits to shareholders is to fundamentally prioritize strategic and important business investments, while providing consistent and stable returns to shareholders based on a solid management foundation. Shareholder returns are premised on our ability to maintain a sound balance sheet. While giving due consideration to the dividend payout ratio and free cash flow, we aim to raise the dividend on equity ratio (DOE), an indicator of the Group’s capital policy, over the medium to long term. With an awareness of total shareholder returns, we also will consider flexible implementation of share buybacks as needed.

Based on careful consideration of the operating results for the fiscal year ended March 31, 2024, and the outlook for future business operations, we have decided to pay a year-end dividend of ¥55 per share as per the revision of the dividend forecast published on February 8, 2024.

(Reference) Breakdown of annual dividend

Record date	Dividend per share (yen)		
	End of second quarter	End of fiscal year	Total
Dividends for fiscal year ended March 31, 2024	0.00 yen	55.00 yen	—
Dividends for fiscal year ended March 31, 2023	0.00 yen	100.00 yen	100.00 yen

(Note) The Company conducted a two-for-one stock split of common shares on January 1, 2024. The total annual dividend for the fiscal year ended March 31, 2023 is the amount before the stock split. The total annual dividend for the fiscal year ended March 31, 2024 is not shown as a simple addition is not possible due to the stock split. If the stock split is not taken into account, the annual dividend per share for the fiscal year ended March 31, 2024 is 110.00 yen per share.