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April 10, 2026

Company name: Halows Co., Ltd.
Representative: Toshiyuki Sato
President and Chief Executive Officer
(Securities code: 2742; Tokyo Stock Exchange Prime Market)
Inquiries: Hidenori Hanaoka, Senior Managing Director and General Manager of Administrative Groups
(Telephone: +81-86-483-1011)

Notice Concerning Dividends of Surplus (Increase in Dividends)

Halows Co., Ltd. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on April 10, 2026, to pay dividends of surplus with a record date of February 28, 2026 as described below.

The Company has provided in its Articles of Incorporation that it may, by resolution at a meeting of the Board of Directors, conduct the matters set forth in each item of Article 459, Paragraph 1 of the Companies Act.

1. Details of the year-end dividend

	Determined amount	Most recent dividend forecast (Announced on December 26, 2025)	Actual results for the fiscal year ended February 28, 2025
Record date	February 28, 2026	February 28, 2026	February 28, 2025
Dividend per share	¥36.00 (Ordinary dividend: ¥36)	¥34.00	¥34.00 (Ordinary dividend: ¥32) (Commemorative dividend: ¥2)
Total amount of dividends	¥768,458,952	–	¥727,116,588
Effective date	May 29, 2026	–	May 30, 2025
Source of dividends	Retained earnings	–	Retained earnings

(Note) The year-end dividend for the fiscal year ended February 28, 2025 was ¥34 per share, consisting of an ordinary dividend of ¥26 per share and a commemorative dividend of ¥2 per share to mark the achievement of operating revenue of ¥200 billion, together with an additional increase of ¥6 per share to the ordinary dividend.

2. Reason of revision

The Company positions returning profits to shareholders as one of the top management priorities.

Its basic policy is to maintain stable dividend payments while securing internal reserves necessary for establishing a business foundation, including capital investments mainly for store openings and other facilities.

During the fiscal year under review, consumer trends reflected a continued preference for lower-priced goods, driven by heightened cost-of-living awareness in day-to-day purchasing amid inflation stemming from rising import prices.

In response, the Company implemented measures including continuing to operate all stores 24 hours a day, 365 days a year to ensure that customers can shop at any time, and offering products with high customer demand at low prices as key items while contending with rising per-unit costs driven by recent price increases. As a result, both sales and profit performed favorably across the board.

Taking these solid financial results into account, the year-end dividend has been set at ¥36, comprising the dividend forecast of ¥34 announced on December 26, 2025, plus an additional ordinary dividend of ¥2. Accordingly, the annual dividend will be ¥70, including the interim dividend of ¥34 already paid.

(Reference) Details of annual dividends

	Dividend per share		
Record date	2nd quarter-end	Year-end	Total
Actual results for the fiscal year ended February 28, 2026	¥34.00	¥36.00	¥70.00
Actual results for the fiscal year ended February 28, 2025	¥26.00	¥34.00	¥60.00