

January 12, 2024

For Immediate Release

Company name: First Brothers Co., Ltd.  
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(TSE Standard Market, Stock code: 3454)  
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### Notice Regarding Change in Dividend Policy (Payment of Interim Dividends)

First Brothers Co., Ltd. hereby announces that at a meeting held on January 12, 2024, its Board of Directors resolved to revise the dividend policy (payment of interim dividends), as outlined below.

#### 1. Overview of annual dividends

Record date	Per-share dividend payout		
	Interim	Year-end	Total
Forecast for the next term (FY ending November 30, 2024)	¥33.00	¥34.00	¥67.00
Forecast for the current term (FY ended November 30, 2023)	—	¥32.00	¥32.00
Dividend paid (FY ended November 30, 2022)	—	¥30.00	¥30.00

#### 2. Purpose of change in dividend policy

From the perspective of improving shareholder value, the Company positions returning profits to shareholders as a key management policy, while acknowledging the need to allocate retained earnings to growth investment.

Because the Group's financial results tend to fluctuate significantly depending on the number of successful real estate sales transactions and the timing of such transactions, the Company determines the amount of dividends based on the dividend on equity ratio (DOE) linked to shareholders' equity, rather than on the dividend payout ratio linked to profit attributable to owners of parent. The Company pays continuous and stable dividends once a year in the form of year-end dividends based on a benchmark DOE of 2.0%.

However, dividends based on DOE grow gradually, and when financial results substantially exceed expectations, they do not allow us to sufficiently reflect the earnings in excess in shareholder returns. Going forward, in order to achieve shareholder returns commensurate with financial results and improve ROE and other capital efficiency indicators, in addition to paying year-end dividends based on a target DOE of 2.0%, we decided to pay profit-linked dividends if profit attributable to owners of parent in the fiscal year immediately preceding the fiscal year under review exceeds a certain level, for the portion of profit in excess, as interim dividends. Specifically, if profit attributable to owners of parent in the consolidated income statement for the preceding fiscal year exceeds 2.0 billion yen, we will pay interim dividends equivalent to 40% of the profit in excess. Based on the revised policy, for the fiscal year ending November 30, 2024, we plan to

pay an interim dividend per share of 33.00 yen.

We have maintained the previous (year-end) dividend forecast for the fiscal year ended November 30, 2023. The annual dividend per share for the fiscal year will solely consist of a year-end dividend of 32.00 yen we expect to pay in early February 2024.

3. Record date for interim dividends

May 31 of every year