

October 10, 2025

### Notice Regarding Dividend of Surplus

Watts Co., Ltd. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on October 10, 2025, to pay dividends from retained earnings with a record date of August 31, 2025. This matter is scheduled to be submitted for approval at the Annual General Meeting of Shareholders to be held in November 2025.

#### 1. Details of dividend

	Determined amount	Most recent dividend forecast (Announced on January 10, 2025)	Actual results for the previous fiscal year (FY8/24)
Record date	August 31, 2025	August 31, 2025	August 31, 2024
Dividend per share	12.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 5.00 yen)	7.50 yen (Ordinary dividend: 7.50 yen)	20.00 yen (Ordinary dividend: 15.00 yen) (Special dividend: 5.00 yen)
Total amount of dividends	165 million yen	—	263 million yen
Effective date	November 27, 2025	—	November 28, 2024
Source of dividends	Retained Earnings	—	Retained Earnings

#### 2. Reason for the revision

The Company regards long-term, continuous profit growth for shareholders to be a management priority. Its basic policy on dividends is to pay stable and continuous dividends without a decrease while taking into consideration the accumulation of retained earnings required for future business development, strengthening the financial condition, and other reasons, with the possibility of a special dividend depending on business performance and other factors.

Based on these policies and taking into account the Company's business performance for the fiscal year ended August 2025, the year-end dividend forecast for the same fiscal year has been revised from the previously announced ordinary dividend of 7.50 yen per share to 12.50 yen per share, including a special dividend of 5.00 yen.

As a result, the annual dividend for the fiscal year is expected to total 23.00 yen per share.

#### (Reference)

	Dividend per share (yen)		
	End of Q2	Year-end	Total
Actual results for the fiscal year under review (FY8/25)	10.50 yen (Ordinary dividend: 7.50 yen) (Commemorative dividend: 3.00 yen)	12.50 yen (Ordinary dividend: 7.50 yen) (Special dividend: 5.00 yen)	23.00 yen (Ordinary dividend: 15.00 yen) (Commemorative dividend: 3.00 yen) (Special dividend: 5.00 yen)
Actual results for the previous fiscal year (FY8/24)	0.00 yen	20.00 yen (Ordinary dividend: 15.00 yen) (Special dividend: 5.00 yen)	20.00 yen (Ordinary dividend: 15.00 yen) (Special dividend: 5.00 yen)