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April 24, 2026

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### **Notice Concerning Updated Medium- to Long-Term Management Plan**

DAISUE CONSTRUCTION CO., LTD (the “Company”) hereby announces that the Company has updated its medium- to long-term management plan, "Road to 100th anniversary: Embracing New Challenges," which covers the seven-year period from fiscal year 2024 to fiscal year 2030, because of the achievement of targets ahead of schedule.

The Company formulated the medium- to long-term management plan in fiscal year 2023, setting management targets to be achieved by fiscal year 2030 as the final year of the plan and has been working as one to achieve these targets. Almost two years have passed since the plan was formulated. As the company's business performance has been significantly faster than expected, it has achieved the management targets for fiscal year 2030, in fiscal year 2025, ahead of schedule.

The Company recognizes that this is the result of steady measures implemented based on the plan, including promoting strategic orders and strengthening construction capabilities, as well as steady construction demands. Based on this recognition, the Company has reviewed its medium- to long-term management plan and has set new targets for fiscal year 2030 to meet the expectations of shareholders, investors and other stakeholders. While retaining the framework of the original strategies, the updated plan raised the target level based on the results that exceeded expectations and redefined at a higher level what the Company should be in fiscal year 2030.

In the current business environment, where construction demand has remained steady, the Company is reaching a point where it can increase the revenue and maintain profitability by expanding order opportunities and making progress in price negotiations.

The Company has steadily presented results in strengthening competitiveness in business domains of excellence, receiving strategic orders for high-value-added projects, aggressively investing in human resources, and promoting digital transformation. The company will continue to adhere to these policies.

In this context, the Company updated its previous strategies and set higher goals for the next stage of growth, focusing on further strengthening its non-residential construction segments, expanding business by M&A, strengthening its human resources as a driving force for growth, and utilizing DX to improve productivity.

The Company is approaching its 90th anniversary in 2027, which falls within the period of the medium- to long-term management plan. The Company adopted the concept of "Unite our hearts. Drive with will." for the 90th anniversary, positioning this milestone as a stepping stone. Heading towards its 100th anniversary, the Company will work as one to implement the plan and improve its corporate value. Thank you for your continued support and understanding.

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**Updated Medium- to Long-term Management Plan**  
**Road to 100th anniversary: Embracing New Challenges**  
**(FY2024 to FY2030)**

April 24, 2026

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# Background of the Updating the Medium- to Long-term Management Plan

Achieving the original target for FY2030 five years ahead of schedule against the backdrop of growing construction demand and progress on the enlargement of project scale

	Original Target for FY 2030	Forecast for FY 2025
Net sales	More than 100 billion yen <	<b>105.5 billion yen</b>
Operating profit	More than 5 billion yen <	<b>6.57 billion yen</b>
Operating margin	5.0% or more <	<b>6.2%</b>
PBR	More than 1.0 times <	<b>1.5 times *</b>
ROE	10.0% or more <	<b>15.8%</b>
ROIC	7.0% or more <	<b>16.7%</b>
Tradable share Market cap	More than 20 billion yen <	<b>27.4 billion yen *</b>

\* Using the stock price as of 31 March, 2026

# **1. New Targets for FY 2030**

2. Initiatives to Achieve Targets

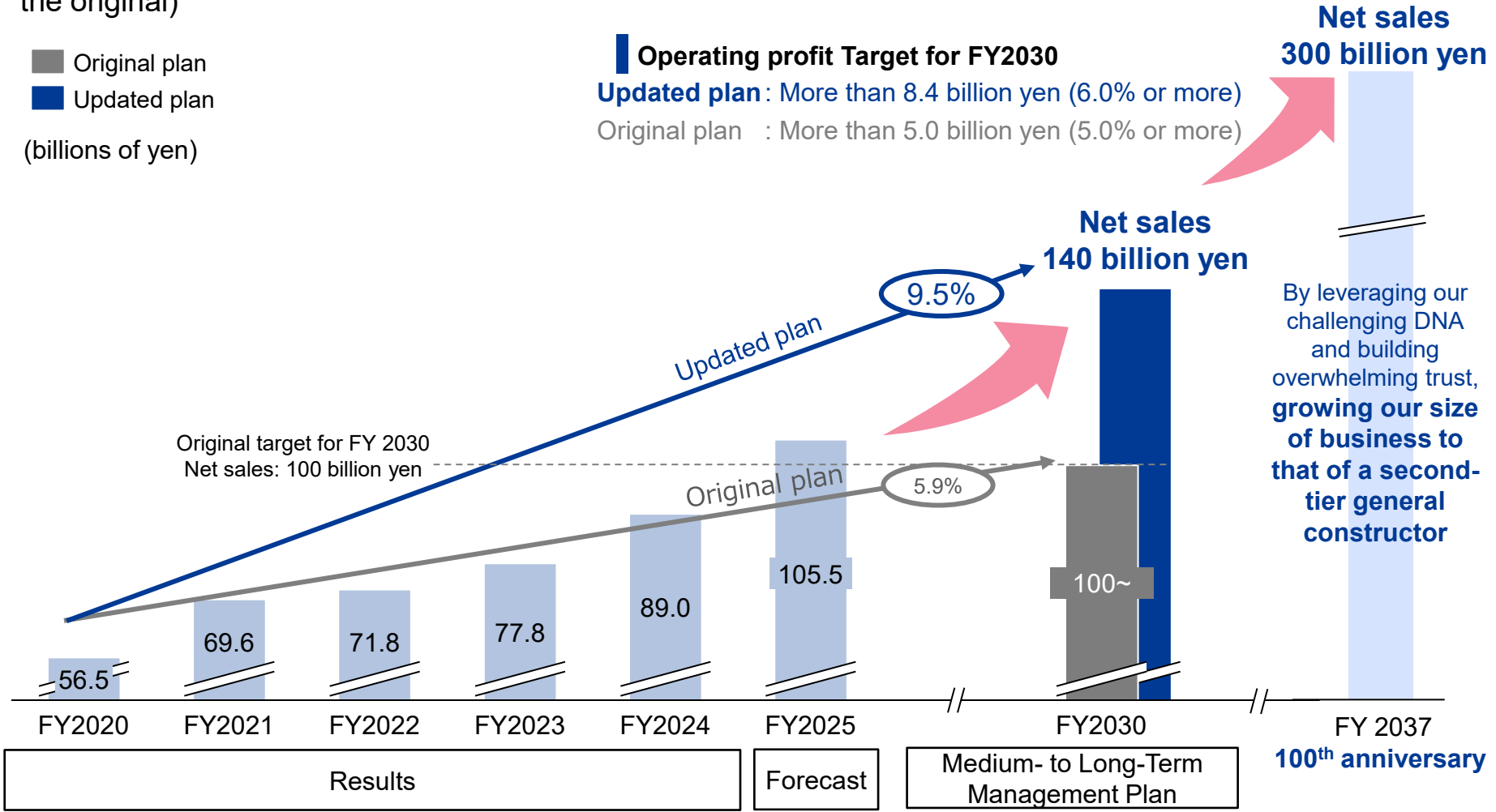
3. Capital Allocation and Policy on Shareholder Returns

# New Targets for FY2030

Raised the targets for FY2030 to 140 billion yen for net sales (up 40 billion yen from the original), 8.4 billion yen for operating profit (up 3.4 billion yen from the original), and 6.0% for operating margin (up 1.0pt from the original)

Original plan  
 Updated plan  
 (billions of yen)

**Operating profit Target for FY2030**  
**Updated plan:** More than 8.4 billion yen (6.0% or more)  
 Original plan : More than 5.0 billion yen (5.0% or more)



# Update Management Targets with Conscious of Cost of Capital and Stock Price

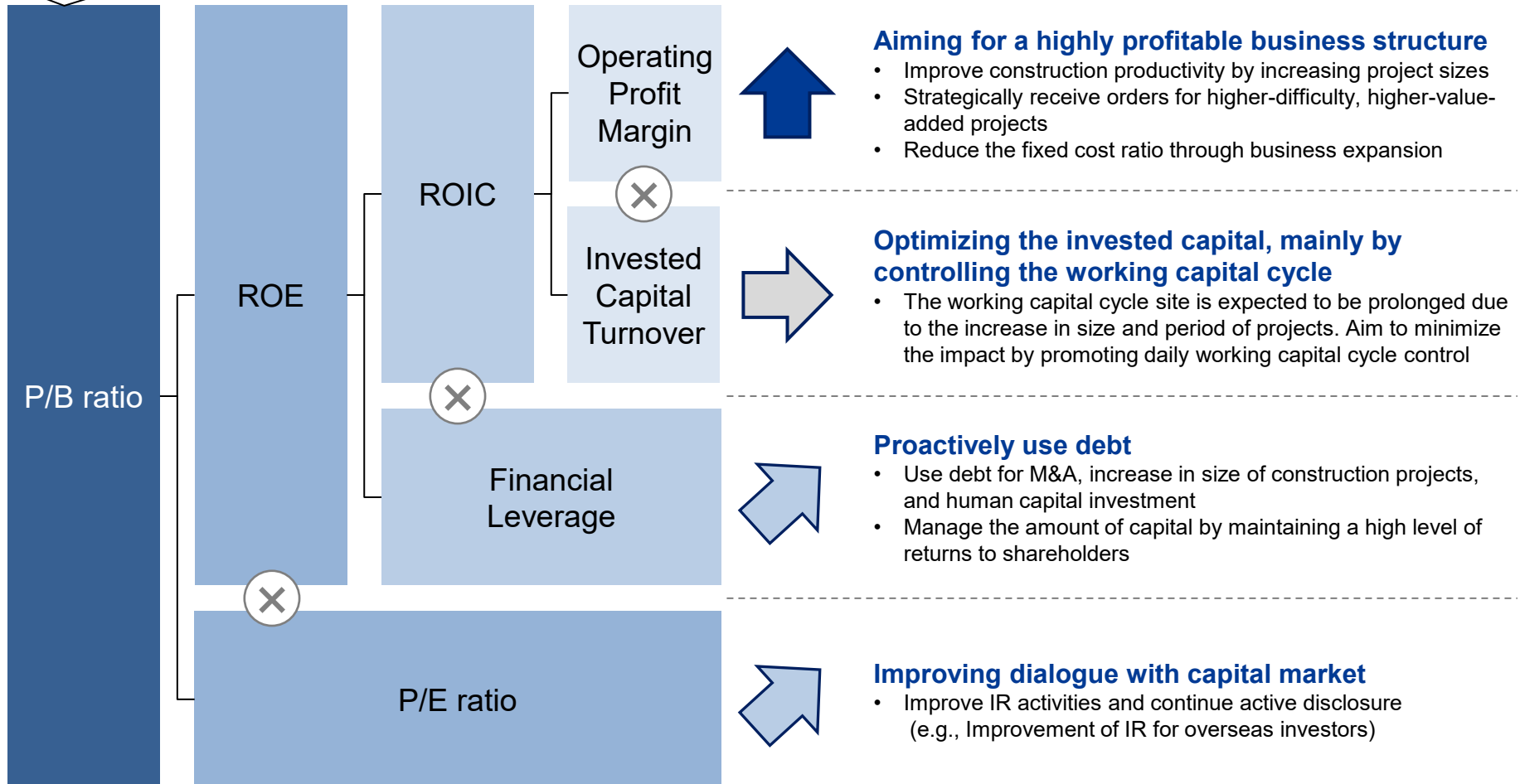
To further improve stock price and corporate value, raising the target level enhancing capital efficiency from the perspective of shareholders

		Original Target for FY2030	Updated Target for FY2030	Background and Policy of the update
Capital efficiency related indicators	ROE	10.0% or more	<b>12.0% or more</b>	<ul style="list-style-type: none"> <li>• Raised profitability target against the backdrop of improvement in the external environment beyond the initial expectation and progress in initial measures</li> <li>• Using debt to the extent necessary to maintain financial soundness for active investments such as M&amp;A</li> </ul>
	ROIC	7.0% or more	<b>8.4% or more</b>	
	D/E ratio	Approx. 0.65 times	Approx. 0.65 times	
Capital market related indicators	Tradable share Market cap	More than 20 billion yen	<b>More than 30 billion yen</b>	<p>[Tradable share Market capitalization]</p> <ul style="list-style-type: none"> <li>• Already comfortably exceeded the standards for maintaining Prime Market listing, and raised the target with the aim of enhancing corporate value</li> </ul> <p>[DOE and Total payout ratio]</p> <ul style="list-style-type: none"> <li>• Maintained the target level, while increasing the amounts of returns to shareholders by using profit growth as a source of growth</li> </ul>
	DOE	4.0% or more	4.0% or more	
	Total payout ratio	50.0% or more	50.0% or more	

# Approach to Maximizing Share Price and Corporate Value

To further enhance corporate value by improving operating margins, capital efficiency and business expansion, etc.

Continuously aiming for improvement



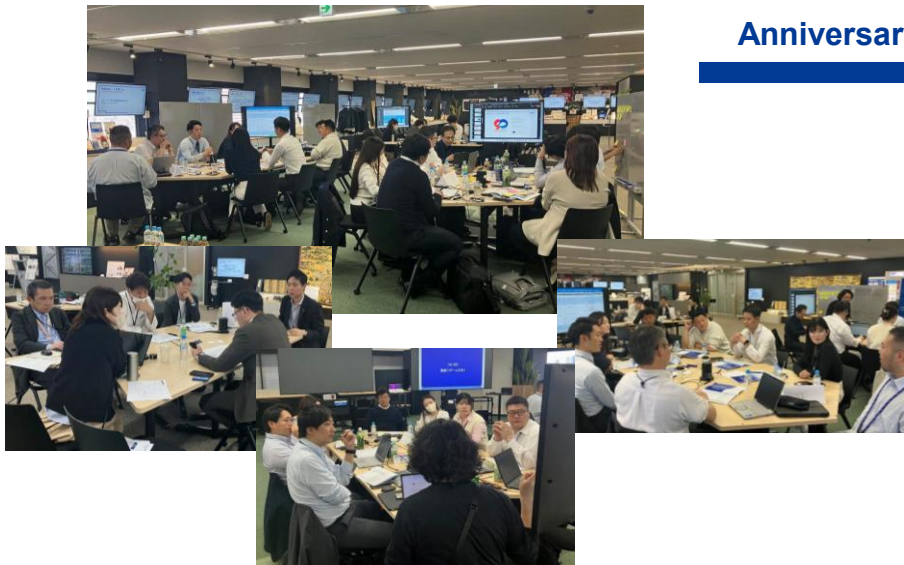
## Reference: Initiatives for the 100th Anniversary

As the 90th anniversary approached, our young members discussed what our future should look like. We defined our ideal image for the 100th anniversary and beyond, and developed a concept for the 90th anniversary project.

Based on this concept, we plan to implement various measures.

### Development Process

- For our 90th anniversary in 2027, we formed a project team of 19 members, mainly young people, to develop the project concept and ideal image in about four months.



### 90th Anniversary Project: Internal Concept

## Unite our hearts. Drive with will.

In anticipation of our upcoming 90th anniversary, all employees have returned to the starting point of "growing oneself and growing together". This concept expressed our desire to move our company in a better direction and improve the future of the town and people's lives through our unity and determination.

### Anniversary Logo

The "red" passion and "blue" integrity that have supported our company over the years are fused, with the "white" corporate logo in the center representing our future potential.



1. New Targets for FY 2030

**2. Initiatives to Achieve Targets**

3. Capital Allocation and Policy on Shareholder Returns

# Concept of the Medium- to Long-Term Management Plan

## "Road to 100th Anniversary: Embracing New Challenges"

We will realize significant growth as a company listed in the Prime Market through three challenges to accomplish radical reforms as we prepare to mark the 100th anniversary of our founding.

"Increasing the tenacity of our construction business" as we prepare to escape competition

Business development has focused on condominiums, a segment of the market that has been a strength for Daisue to date. Going forward, we will strive to pursue direct award projects (as opposed to projects with a bidding process) and improve profitability by increasing specialization in key domains, including the general construction domain, and establishing the Daisue brand while further boosting profitability by refining our strengths in the condominium domain

"Enhancing our highly profitable portfolio" through active investment and aggressive management

To date, we've limited investment and emphasized financial robustness in our management. Going forward, we will expand our business portfolio by undertaking civil engineering, real estate, and community service related businesses and build a stable, highly profitable foundation for our businesses that's able to resist the effects

"Bringing the foundations of our business into the next generation" by revamping the previous basis of our operations

To underpin the significant growth described on the left, we will strengthen and expand our human resources base, develop more sophisticated organizational structures, pursue a digital transformation (DX) to boost productivity, and undertake operational reforms as we bring the foundations of our business into the next generation

Key Policies

- Developing even more advanced condominium construction techniques by pursuing standardization **Update**
- Pursuing direct-award non-residential construction projects by securing differentiating domains **Update**
- Focusing on building reconditioning, an area of growing demand

- Reentering the civil engineering market **Update**
- Entering the real estate development and reconditioning market at scale
- Creating new businesses to solve social issues

- Building a human resources base that lets a diverse workforce do their jobs in an energetic manner **Update**
- Reforming organizational structures so that we can more readily accumulate and utilize expertise
- Increasing productivity and passing on skills to younger workers through a digital transformation (DX) **Update**
- Developing more sophisticated workflows through operational reforms

# Updates to Key Policies

Based on the current business environment, updated policies on mainly four areas: strengthening non-residential construction, M&A, strengthening human resources, and promoting digital transformation

Areas	Medium-Term Management Plan (Updated)	Relevant Policies
Strengthening non-residential construction	<ul style="list-style-type: none"> <li>Based on the results achieved in the top priority area of refrigerated and cold storage warehouse, etc., <b>enter into higher-difficulty and higher-value-added areas</b> such as data centers and expand the non-residential construction business beyond the original plan</li> </ul>	<p>Pursuing direct-award non-residential construction projects by securing differentiating domains</p>
M&A	<ul style="list-style-type: none"> <li>In the construction business, the external environment has improved and our construction productivity has remained high. We will <b>promote M&amp;A, etc. to secure construction capabilities</b></li> <li>In the civil engineering business, we will <b>expand our business in a broad range of civil engineering fields, including general civil engineering, through M&amp;A and other initiatives</b></li> </ul>	<p>Developing even more advanced condominium construction techniques by pursuing standardization</p> <p>Pursuing direct-award non-residential construction projects by securing differentiating domains</p> <p>Reentering the civil engineering market</p>
Strengthening human resources	<ul style="list-style-type: none"> <li>To achieve our high growth target, it is important to secure talented human resources, particularly in construction. To gain an advantage in an environment where competition for human resources is intensifying, we will <b>strengthen our human resource base more than before</b></li> </ul>	<p>Building a human resources base that lets a diverse workforce do their jobs in an energetic manner</p>
Promoting DX	<ul style="list-style-type: none"> <li>To achieve our high growth target, we will <b>further strengthen DX promotion</b> through the use of AI to improve productivity per employee and save labor</li> </ul>	<p>Increasing productivity and passing on skills to younger workers through a digital transformation (DX)</p>

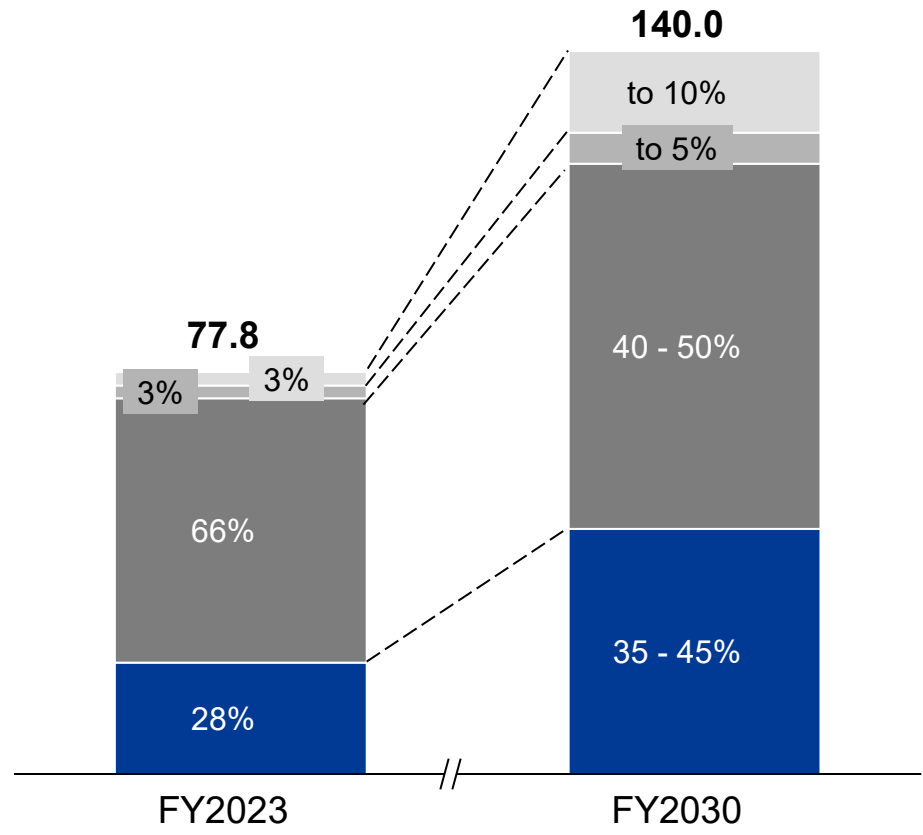
Refer to the followings for details

# Direction of Strengthening Non-residential Segment

Aim to increase the proportion of net sales by strengthening our non-residential construction business. Refrigerated and cold storage warehouse is already one of our strengths. We will continue to expand the scope of our strength into new areas with higher-difficulty and higher-value-added

## Net sales by Segment

(billions of yen)



## Strategy by Segment

Civil engineering, Real estate, M&A, etc.

- Expand the civil engineering and real estate businesses to the extent that lead to the second and third pillars in the future

Renovation

- Position small-scale repair projects as a hook for a new customer acquisition and increase orders for large-scale renovations

Residential

- Strengthen our business foundation by actively receiving orders for high-difficulty, high-rise projects

Non-residential

- Produced results in high-difficulty, high-value-added projects, which were our top priority areas. **Enhancing our strengths and brand, particularly in the refrigerated and cold storage warehouse area**
- Towards FY2030, proactively **enter into higher-difficulty areas** such as data centers in addition to refrigerated and cold storage warehouses, and expand areas of expertise

## Reference: Case Studies 1/3

Constructed many refrigerated and cold storage warehouses, in which we proactively receive orders as one of our area of expertise



### Logicross Osaka Taisho II

- A refrigerated and cold storage warehouse with four stories and a total floor area of approximately 45,430m<sup>2</sup> is under construction in Taisho-ku, Osaka. It is expected to be completed in October 2026
- Planning to obtain ZEB\*<sup>1</sup> certification and an S rank in CASBEE\*<sup>2</sup>



### LOGI FLAG TECH Koshigaya I

- A cold storage automated warehouse with three stories and a total floor area of approximately 14,361m<sup>2</sup> is under construction in Koshigaya, Saitama. It is expected to be completed in May 2027
- The refrigerated storage area is designed to operate without staff by using automated racks for receiving and shipping
- Environmentally friendly facility with solar power generation. Uses natural refrigerants to meet the 2030 CFC regulations ahead of schedule

\*1: ZEB is an abbreviation for "Net Zero Energy Building" and is the highest rating in the Buildings' "BELS" system for indicating energy performance

\*2: Tools for comprehensively evaluating the environmental performance of buildings, blocks, and cities. S rank is the highest on a scale of five

## Reference: Case Studies 2/3

Many high-difficulty high-rise projects also constructed



**MUFG Main Building \*1**

- MUFG's new main building with 28 floors, four basements and two penthouse floors is scheduled for completion in 2030 in Marunouchi, Chiyoda-ku, Tokyo
- Designed to have a rooftop terrace and passageways that open onto the surrounding blocks, and to serve a function to the neighborhood's disaster preparedness
- Plan to obtain LEED certification for involvement in carbon neutrality



**Hiroshima Station North Gate Project \*2**

- A skyscraper complex with a site area of approximately 8,147m<sup>2</sup>, total floor area of 53,271m<sup>2</sup>, and 31 stories in Futabanosato area of Hiroshima Station North Gate is under construction. Consolidation of hotels, condominiums, offices, hot spring facilities, and more
- Planned construction period from February 2026 to April 2029
- Enhance local accessibility and disaster preparedness and meeting domestic and international tourism and business demands

\*1\*2: By a joint venture group

## Reference: Case Studies 3/3

Handled a wide range of construction projects including the Osaka Expo and Osaka IR



### EXPO2025 Osaka, Kansai, Czech National Pavilion

- One of the largest wooden buildings in Japan with CLT\*1 and partially steel frame
- Creative structure with 250m long spiral corridor using Czech CLT panels and Bohemian glass. Completed in approximately half a year with the collaboration of Czech and Japanese craftsmen
- Equipped with an exhibition space, restaurant, multi-purpose hall, and rooftop observation space

\*1: Architectural method using large wooden panels made by alternately laminating and gluing sawn lumber (lamina) so that the fiber directions are perpendicular

\*2: By a joint venture group

\*3: MICE: A term for business events such as Meetings, Incentive Travel, Conventions, and Exhibitions/Events



Provided by MGM Osaka Corporation / Reproduction Prohibited

### (Tentative) Osaka IR Project Block-C \*2

- One of the largest MICE\*3 complexes in Japan is under construction in the Yumeshima district, Osaka
- Consists of an international conference facilities with a total floor area of approx. 40,000m<sup>2</sup> and a capacity of over 6,000 people, and exhibition facilities with a total floor area of approx. 33,000m<sup>2</sup>. The exhibition facilities will be equipped with movable partitions and ceiling hangers
- Contribute to strengthening industries and international competitiveness in Osaka and the Kansai region

# M&A Strategy

Within this medium- and long-term management plan period, our top primary M&A objective is to secure construction personnel and strengthen our construction business

In the civil engineering and real estate sectors, we will promote M&A in stages to expand our business areas

## Securing construction personnel essential for growth Scaling up our business



Top priority

Construction Business

- To increase M&A opportunities, targeting small firms as well as medium-sized construction companies with an ability to build projects of a certain scale

Medium-sized construction company (tens of billions of yen)



Local construction firm (billions of yen)



- Following the M&A, we expect to gradually increase the proportion of construction projects we receive

## Expand business areas other than construction



Civil Engineering and Real Estate Business

- Promote M&A in civil engineering and real estate businesses to expand our business areas

Civil engineering

- Considering to acquire a general civil engineering company in the medium to long term, as it has become clear that expanding our business quickly with our current base would be difficult

Real estate

- Considering the promotion of M&A with aim of enabling us to make proposal-based sales with land

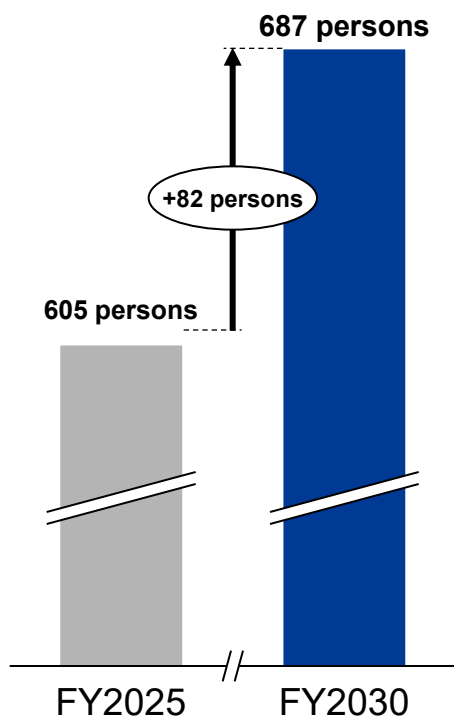


# Overview of Personnel Initiatives for Strengthening Human Resources

To achieve our high growth target, we need to increase the number of employees by approximately 80 through FY2030. In particular, we will prioritize initiatives to make us more attractive to employees

## Personnel Plan (Non-consolidated)

In particular, we will strengthen the hiring of construction personnel and site managers



## Personnel Initiatives

Refer to the following slides for details

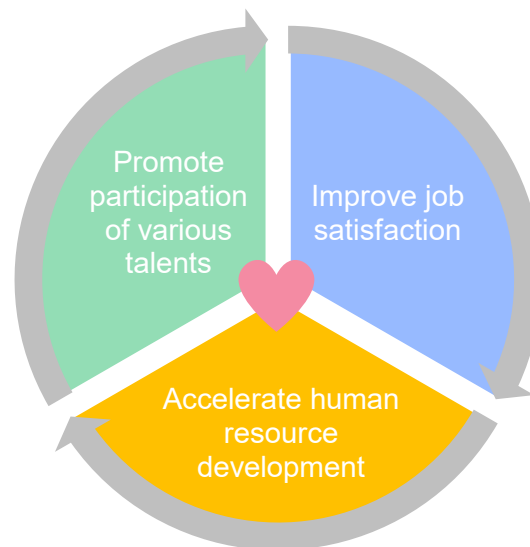
Our highest priority is making our company **more attractive to employees**



**Reinforce recruiting activities**

Target number of recruitment

More than **40** annually  
(incl. five or more experienced hires)



## New graduate recruitment

- Raise company's awareness through transmission of SNSs such as Instagram, and reinforcement of various advertisements
- Strengthen sharing our attractiveness by securing early contact with candidates

## Career recruitment

- Headhunt for industry-ready talent and establish an internal referral recruitment program
- Grant of sign-on bonus



# Policies and Measures to Increase Attractiveness

To increase attractiveness, we will work comprehensively, including improving treatment by increasing the base salary and allowance, improving the work environment by reducing work load, increasing pride through the anniversary project, strengthening the human development system, and promoting the active engagement of seniors

Black: Measures already implemented

**Bold: Measures to be considered for future implementation**

## Policies for the Mid to Long-term Plan

## Focused measures

Improve job satisfaction	Improve treatment	As soon as possible during the medium- to long-term plan period, aim for an <b>average annual income of over 10 million yen</b>	<ul style="list-style-type: none"> <li>• <b>Continue to increase base-pay (Increase in merit pay, position-based pay, etc.)</b></li> <li>• Implement stock-based compensation (ESOP)</li> <li>• New establishment and increase of allowances (Site manager, building management engineer, remote area allowance, <b>support for scholarship repayment, retention bonus</b>)</li> </ul>
	Improve work environment	By reducing site load thoroughly, aim for <b>complete two days off per week</b>	
	Increase pride	Aim for <b>improving engagement score* by 5%pt</b>	
Accelerate human resource development		<b>Create site managers in their 20s</b> by development of a nurturing environment	<ul style="list-style-type: none"> <li>• <b>Reduce frontline workloads particularly for site managers</b></li> <li>• <b>Improve welfare benefits</b></li> <li>• Strengthen initiatives toward 8 days off per 4 weeks to shift to a <b>complete two days off per week</b></li> <li>• Improve the paid leave acquisition rate by systematically granting annual paid leave</li> </ul>
Promote participation of various talents		Commit to <b>providing seniors with full-time employment-grade treatment</b>	<ul style="list-style-type: none"> <li>• <b>Build a sense of unity through the anniversary project</b></li> <li>• <b>Strengthen initiatives to raise our company's awareness and provide information</b></li> <li>• <b>Promote and strengthen measures for improving the above treatment and workplace environment</b></li> <li>• <b>Promote young talents employees and incorporate training into managerial evaluations</b></li> <li>• Establishment of a section specializing in human resource development</li> <li>• Strengthen training (First-class building construction management engineer training, training for supervisory candidates, <b>creation of site managers in their 20s program, performance-building training for young employees</b>, etc.)</li> </ul>

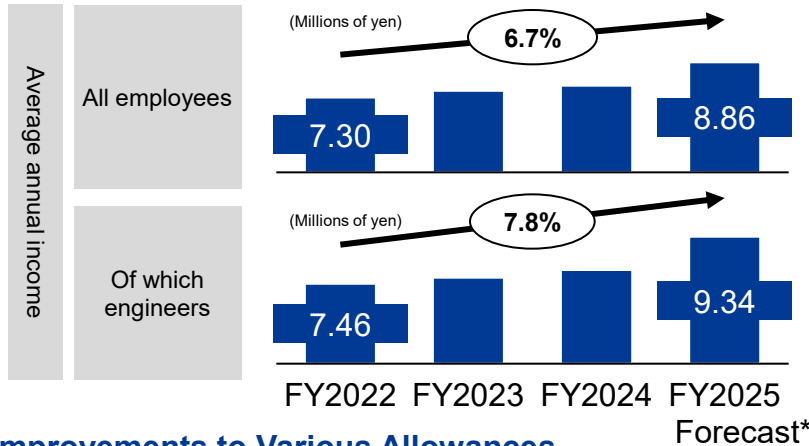
\* Evaluation based on the employee engagement survey provided by HR Brain (annually conducted since FY2024)

# Reference: Recent Examples of Human Resource Measures

Addressing to utilize elderly personnel and strengthen training programs as well as improving compensation and allowances

## Compensation Improvement

- Continuously raising salary levels, reaching the 9 million yen level of average annual income for engineers



## Improvements to Various Allowances

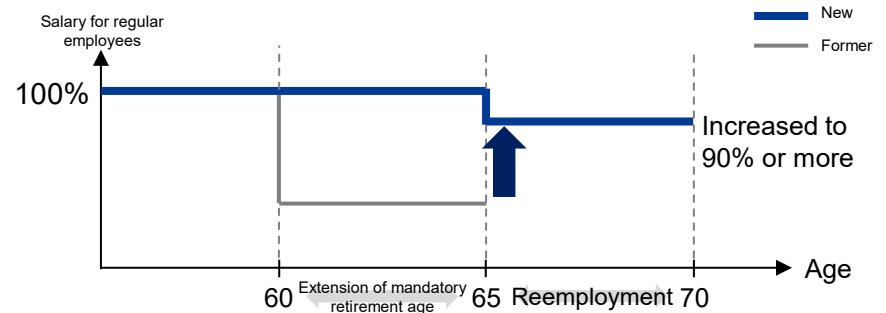
- Focus on raising total employee compensation by increasing and establishing various Allowance

Remote area allowance	Increased to a maximum of 60,000 yen per month
Field allowance	Increased to 50,000 yen per month
Stock compensation	Establishment of ESOP

\* Including profit-sharing bonus

## Utilizing Elderly Personnel

- In addition to extending the retirement age to 65, raise the salary level for re-employee at the age of 65 and above to 90% of that of regular employees



## Strengthening Human Resource Development

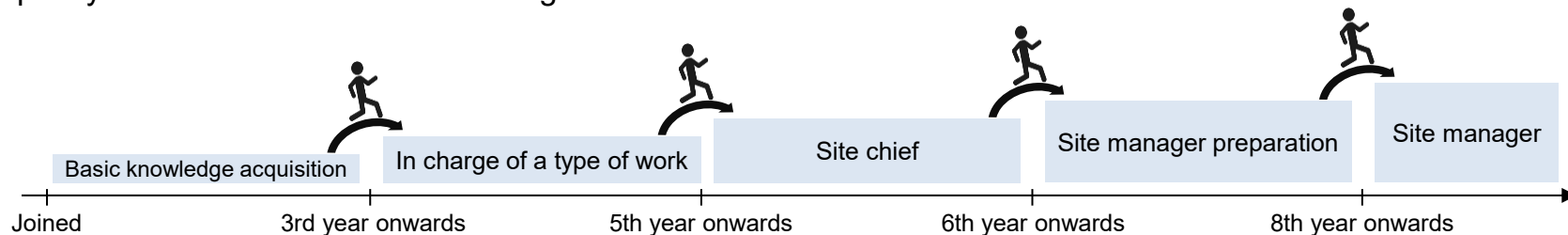
- Established a specialized section to further advance human resource development and increase and renew various training programs

Example of Training	Details
Training for first-class building operation and management engineer	8 sessions for newly hired 7 sessions for employees who have not yet obtained the license
Young site managers training course	11 sessions inviting outside lecturers
Supervisor candidate training	Improvement to management skills before promotion



# Reference: Creation of Site Managers in their 20s Program

Promote the early development of young engineers through planned assignments, working experience, and training, and develop a system that can create site managers in their 20s



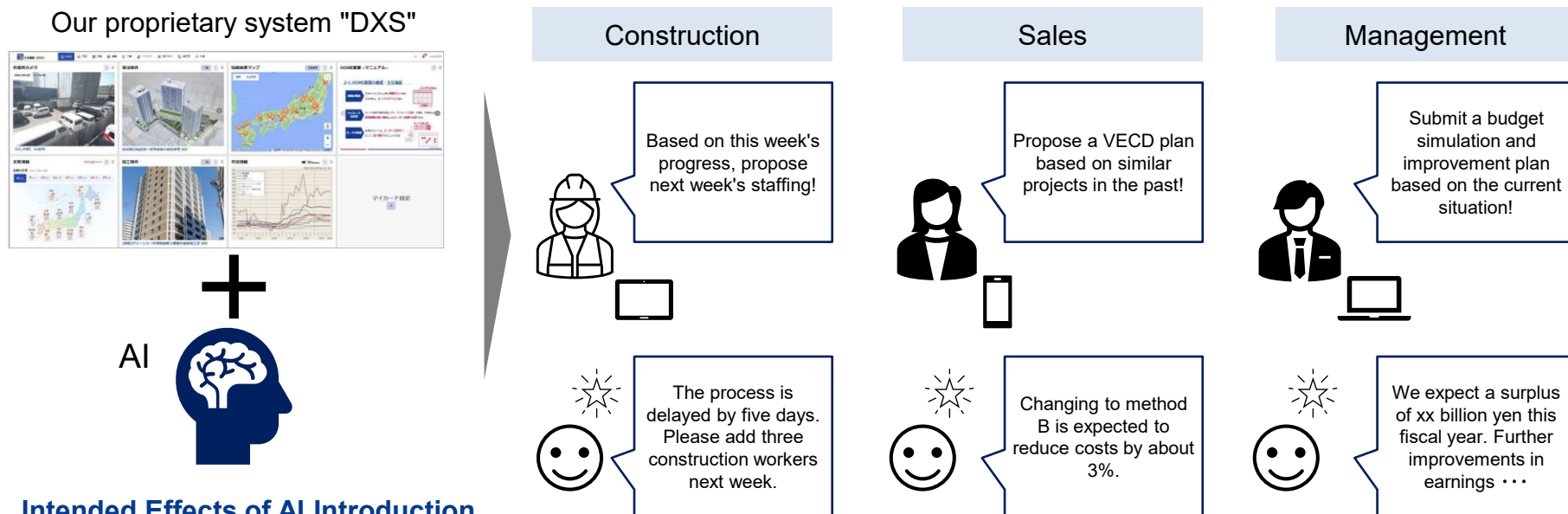
Expected ability at the time of promotion		Independently perform basic operations	Independently manage a type of work in charge	Manage an entire site and act as a substitute site manager	Independently operate a construction site
Key initiatives in human resource development	Assignment	<ul style="list-style-type: none"> <li>Assigned to standard site</li> <li>Assigned to sites of different construction types/phases after 2nd year</li> </ul>	<ul style="list-style-type: none"> <li>Assigned to a main type of work such as foundation / structure, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Assigned to small and medium-sized site management as Site Manager</li> </ul>	<ul style="list-style-type: none"> <li>Assigned to a large-scale site as a deputy site manager</li> <li>Assigned to a site manager of a small-scale site with the support of Headquarters</li> </ul>
	Operations Experience	<ul style="list-style-type: none"> <li>Basic work such as daily reports and photography</li> <li>Assisting in preparation of progress sheets, quantity of output, and operation procedures</li> <li>Preparation of foundation structural drawing, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of standard parts of progress sheets, construction plans and cost control materials</li> <li>Operation of quality control</li> <li>Providing OJT to juniors, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of safety and health plan and budget</li> <li>Participation in dealing with public offices, subcontractors, owners and design firms</li> <li>Responding to quality correction measures</li> <li>Junior staff OJT, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation and management of progress sheets and implementation budgets</li> <li>Taking the lead in dealing with public offices, subcontractors, owners, and design firms</li> <li>Operation of safety management system</li> <li>Overall project management, etc.</li> </ul>
	Training	<ul style="list-style-type: none"> <li>New employee training</li> <li>Construction drawing training (Foundation structural drawing)</li> <li>Cost control basic training</li> <li>Support for acquisition of 1st Class Construction Management Assistant Engineer, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Construction Drawing Training (Structural Drawing, Tile layout, Plan)</li> <li>Cost Management Intermediate Training</li> <li>Support for acquisition of 1st Class Construction Management Engineer, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Cost Management Advanced Training</li> <li>VE/CD Method Training</li> <li>Support for acquisition of 1st Class Construction Management Engineer, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Training of development of site manager candidates</li> <li>Labor management training</li> <li>Pre-appointment training for site manager</li> <li>Assessment for site manager, etc.</li> </ul>

# DX Strategy

By incorporating AI technology into our proprietary system, "DXS", which was released in 2024, we aim to create AI partners that are familiar with each operation and site, thereby improving the productivity of all our employees and those of our partner companies

## DX Strategy Policy

### Creating an "AI Partner" that knows each business well



## Intended Effects of AI Introduction

- We have many records in a specific field centered on condominiums and **expect AI to produce "highly accurate" outputs**
- The data infrastructure for AI is already in place on "DXS", and we **expect to "facilitate the early introduction of AI and improve productivity"**

1. New Targets for FY 2030
2. Initiatives to Achieve Targets
- 3. Capital Allocation and Policy on Shareholder Returns**

# Capital Allocation

Allocate cash generated during the period in a balanced manner to both shareholder returns and investments for business growth including M&A

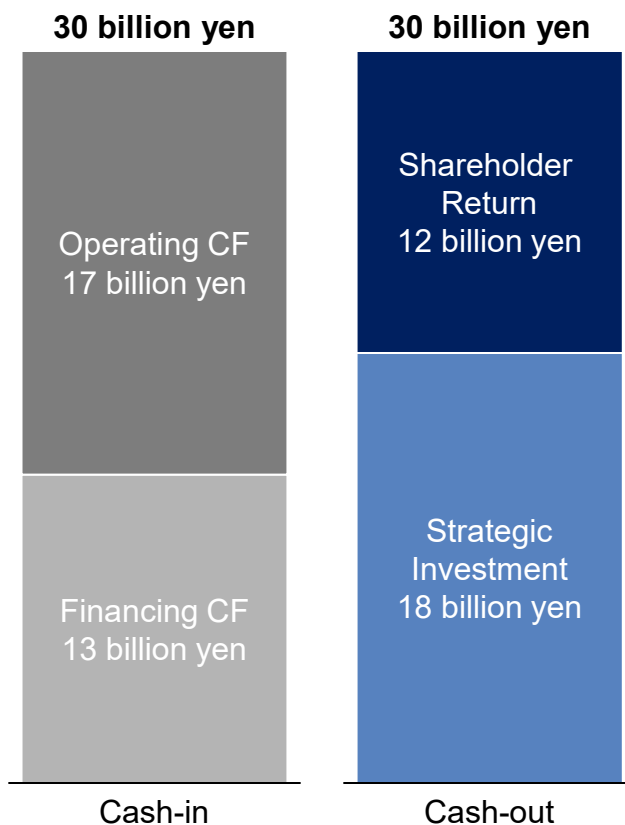
Capital allocation  
(FY 2026 – FY 2030)

## Operating CF\*

- Making efforts to maximize operating CF through profit growth
- Focusing on shortening the working capital cycle in the face of an increase in larger and longer projects

## Financing CF

- Procure funds more aggressively than ever to accelerate growth investments including M&A



## Shareholder Return

- **Increase shareholder return through profit growth** by maintaining our policy of a total payout ratio of at least 50% and a DOE of at least 4.0%

## Strategic Investment

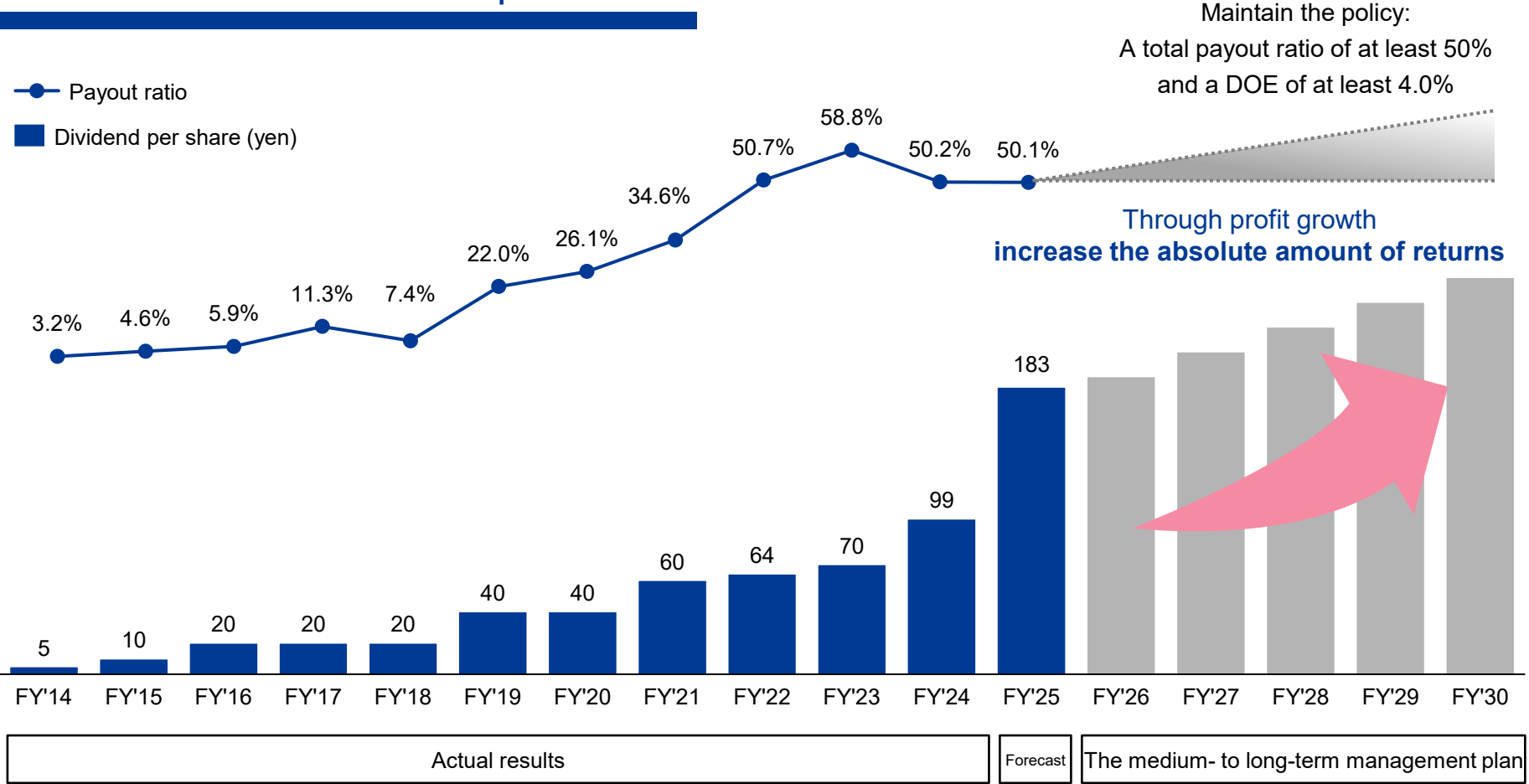
- **M&A with the aim of securing construction personnel and strengthening our construction business**, and M&A in civil engineering and real estate fields with the aim of expanding our business areas
- Strengthen human resources by **actively investing in the revision of the compensation system, bolstering recruitment and human development, and improving the work environment**
- Continuously investing in DX to improve employee productivity, and plan to **invest in the introduction of AI**

\* Figures before deduction of strategic investment expenses such as human resource-related expenses

# Shareholder Return Policy

Maintaining the shareholder return policy and increasing the absolute amount of shareholder returns through profit growth

## Shareholder return results and future plans



A company that creates spaces  
rich in security and joy



DAISUE COSTRUCTION CO., LTD.