



October 7, 2026

To whom it may concern,

Name of listed company	NITTO CONSTRUCTION CO., LTD.
Name of representative	Naoto Kami President & Representative Director
Code Number	1929 (TSE Prime)
Inquiries	Atsushi Yamazaki Representative Director, Executive Vice President, and General Manager of Corporate Strategy Division
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Notice Regarding Acquisition of Shares of Chiken Techno Co., Ltd. **(Making it a Wholly Owned Subsidiary)**

— Expansion of Business Foundation in the Foundation and Ground Improvement Field through Strategic Growth Investment
Based on the Medium-Term Management Plan —

We hereby announce that, at the Board of Directors meeting held on September 25, 2026, the Company resolved to acquire all issued shares of Chiken Techno Co., Ltd. (Head office: Sagamihara City, Kanagawa Prefecture; Representative Director: Takahide Iketomi ; hereinafter referred to as "Chiken Techno") and make it a wholly owned subsidiary, and that we entered into a share transfer agreement dated September 28 of the same year, as described below.

This matter is part of a growth investment based on our Medium-Term Management Plan, aimed at expanding the customer base, technology, human resources, and construction execution capabilities in the foundation and ground improvement field, thereby improving medium- to long-term profitability and corporate value.

Although this matter does not fall under the timely disclosure criteria of the Tokyo Stock Exchange, we have determined that it constitutes useful information for investors regarding our growth strategy and capital allocation initiatives, and are therefore disclosing it voluntarily.

Details

1. Reasons for Share Acquisition and Strategic Positioning

(1) Execution of M&A Strategy Based on Long-Term Vision and Medium-Term Management Plan

The Group has set targets under "Long-Term Vision 2035" for fiscal year 2035 (fiscal year ending March 2036) of net sales of JPY 150.0 billion, operating income of JPY 12.0 billion, and market capitalization of JPY 100.0 billion. To achieve these targets, we are pursuing growth in existing businesses, as well as expanding our business domains and strengthening our revenue base through M&A and alliances.

Under the "Medium-Term Management Plan 2026," we position this period as a time for transforming our business portfolio toward the realization of our long-term vision. In addition to growing our existing three core businesses—slope protection, foundation and ground improvement, and renewal—we have set a policy to pursue the acquisition of new business domains. We also position M&A as an important means of expanding our group's business foundation by acquiring customer bases, specialized personnel, and technical and construction capabilities.

This share acquisition embodies this policy. By combining our management foundation—technology and construction capabilities cultivated in the ground and foundation field, nationwide business locations, human resource development, safety and quality management, etc.—with Chiken Techno's business foundation in the housing and low-rise building field, we will expand our target markets and customer base while leveraging synergies with our existing businesses.

(2) Strengths of Chiken Techno and Significance of the Share Acquisition

Chiken Techno operates ground surveys, design, and ground improvement works for residential and low-rise buildings, primarily in Tokyo and Kanagawa. It has built a customer base with local home builders and construction companies, establishing a system capable of handling everything from ground surveys and design to construction and coordination with guarantee companies.

In addition, Chiken Techno possesses construction methods and related know-how, including the WINPILE method, as well as a construction system comprising in-house and partner construction teams. Its strengths lie in its expertise in the residential and low-rise building sector, where small-scale projects are completed with high turnover, and in its on-site responsiveness.

We regard this customer base, technology, human resources, and construction system as an important business foundation that would require considerable time to build from scratch. This is not merely an increase in sales scale, but a strategic growth investment to add new market access points and construction functions to our group's foundation and ground improvement business, leveraging the strengths of both parties to drive growth.

(3) Growth investment based on capital allocation policy

The Company, under the Medium-Term Management Plan 2026, has announced a policy to allocate 13.0 billion yen for future investment, 5.75 billion yen for capital investment, and 6.3 billion yen for shareholder returns over three years, while maintaining financial soundness and directing funds toward growth investment and shareholder returns. Future investment includes investment in human resources and management foundations, as well as M&A and alliances, and this matter is positioned as a concrete initiative in that regard.

In making the investment decision on this matter, we conducted business, financial, and legal due diligence as well as a share valuation by external experts, and comprehensively examined the profitability of the target business, its fit with our strategy, growth potential after acquisition, required investment, and business risks, among other factors. The decision was made not solely for the purpose of short-term scale expansion, but from the perspective of whether it would lead to the generation of medium- to long-term profit and cash flow.

We believe that advancing both the expansion of our profit base through growth investment and the improvement of capital efficiency together will lead to sustainable enhancement of corporate value. Going forward, we will continue to consider the optimal balance of capital allocation, including shareholder returns, based on growth opportunities and the financial situation after investment, and work to improve capital efficiency and shareholder value.

(4) Operating policy and growth measures after acquisition

Following the acquisition, we will respect Chiken Techno's management, human resources, corporate culture, and existing customer relationships, and will gradually advance collaboration with the Group while maintaining and strengthening the current business foundation.

Initiative	Main content
Strengthening construction capability and human resource foundation	We aim to enhance the construction system and improve on-site responsiveness through recruitment and training, personnel exchange, and sharing of construction management know-how.
Expansion of business domain and trade area	We will consider the potential use of our group's regional bases, equipment, etc., and proceed with phased business development while confirming demand, construction systems, and profitability.
Strengthening of Safety, Quality, and Management Control	We will share technical and on-site expertise with each other, and work to enhance safety and quality control, governance, and management control.

Regarding these initiatives, we will clarify the responsibility structure after acquisition and continuously verify business performance, operational challenges, and investment outcomes, thereby achieving sustainable growth for both Chiken Techno and the Group.

2. Method of Share Acquisition

Prior to this share acquisition, organizational restructuring is planned, including an absorption-type merger in which Chiken Techno will be the surviving company and Chiken Techno Holdings Co., Ltd. will be the dissolved company, as well as a company split related to the investment real estate business. After completion of this organizational restructuring, the Company will acquire, for cash consideration, 200 issued shares of Chiken Techno (100% of voting rights) held by 10 individual shareholders, including Mr. Hideaki Kimura.

3. Overview of Chiken Techno

(1) Company Overview

Name	Chiken Techno Co., Ltd.	
Location	Kanagawa-ken Sagami-hara-shi Minami-ku Sounan 4-23-15	
Title and Name of Representative	President and CEO: Takahide Iketomi	
Business Description	Ground surveys, ground reinforcement work, ground warranty, etc.	
Capital	10 million yen	
Date of Establishment	May 20, 1997	
Number of Employees	97 employees (excluding directors, executive officers, and advisors. As of January 31, 2026)	
Major Shareholders and Shareholding Ratio	CHIKEN TECHNO Holdings Co., Ltd. 100.0%	
Relationship with the Company	Capital Relationship	Not applicable.
	Personnel Relationship	Not applicable.
	Business Relationship	Not applicable.
	Status as a Related Party	Not applicable.

*Prior to this share acquisition, an absorption-type merger is planned, with CHIKEN TECHNO as the surviving company and CHIKEN TECHNO Holdings Co., Ltd. as the dissolving company.

(2) Business performance and financial condition over the past 3 years

Item	Fiscal Year Ended March 2024	Fiscal Year Ended March 2025	Fiscal Year Ended March 2026
Net Assets	1,356	1,478	1,647
Total Assets	1,927	2,166	2,344
Net Assets per Share	6,779,717	7,392,372	8,233,570
Net Sales	2,990	3,218	3,519
Operating income	249	271	333
Ordinary income	267	303	369
Net income for the period	105	160	203
Net Income per Share	523,080	798,241	1,014,108
Dividend per share	221,495	185,586	172,910

(Unit: millions of yen; per-share figures are in yen)

*Dividend per share is calculated based on total dividends, including distributions in kind of real estate.

**Since CHIKEN TECHNO does not prepare consolidated financial statements, the figures are presented on a non-consolidated basis.

4. Overview of the Counterparty to the Share Acquisition

Name	Mr. Hideaki Kimura and 9 others
Address	Kanagawa Prefecture, Yokohama City (Mr. Hideaki Kimura)
Relationship with the Company	There are no capital, personnel, or business relationships between the Company and any of the shareholders that should be disclosed.

5. Number of Shares Acquired, Acquisition Price, and Status of Shareholdings Before and After Acquisition

Number of shares held before the change	0 shares (voting rights ownership ratio: 0%)
Number of shares acquired	200 shares of common stock
Acquisition price	Not disclosed
Number of shares held after the change	200 shares of common stock (voting rights ownership ratio: 100%)
Method of acquisition	Share acquisition for cash consideration

The acquisition price is not disclosed in light of confidentiality obligations with the counterparty. The acquisition price was determined through discussions with the counterparty, comprehensively taking into account the target business's earning power, financial condition, business risks, contractual terms, etc., with reference to a stock valuation by an external expert.

6. Schedule

Date of board of directors' resolution (approval of SPA execution)	September 25, 2026
Date of execution of the share transfer agreement	September 28, 2026
Explanation to employees of the target company	October 6, 2026
Board of directors' resolution regarding disclosure content	October 7, 2026
Date of share transfer execution	November 30, 2026 (planned)

This share acquisition is premised on the completion of organizational restructuring, including the absorption-type merger with Chicken Techno Holdings Co., Ltd. (with Chicken Techno as the surviving company) and the carve-out of the investment real estate business, as well as the satisfaction of other conditions precedent set forth in the share transfer agreement.

Please note that the share transfer execution date may change depending on the status of fulfillment of the conditions precedent and other factors.

7. Future Outlook

Regarding the impact of this share acquisition on consolidated business results for the fiscal year ending March 2027, we are currently examining the matter in detail, including the timing of consolidation, acquisition-related expenses, and accounting treatment of goodwill, among other items. Should any revisions to business forecasts or other matters requiring disclosure arise, we will promptly announce them.

The Company positions this matter as a growth investment aimed at strengthening our medium- to long-term earnings base. While steadily advancing business growth and reinforcing our management foundation after acquisition, we will aim to realize Long-Term Vision 2035 and achieve sustainable improvement of corporate and shareholder value through appropriate capital allocation between growth investment and shareholder returns.

(Reference) Forecast of Consolidated Results for the Current Fiscal Year and Actual Consolidated Results for the Previous Fiscal Year

	Net Sales	Operating income	Ordinary income	Net Income Attributable to Owners of Parent
Fiscal Year Ending March 2027 (Forecast)	80,500	5,500	5,500	3,700
Fiscal Year Ended March 2026 (Actual)	83,797	5,827	6,035	4,165

(Unit: Millions of Yen)

End