



April 30, 2026

To whom it may concern:

Daito Trust Construction Co., Ltd.
16-1 Konan 2-chome, Minato-ku, Tokyo, Japan
Kei Takeuchi, Representative Director, CEO
(Securities code: 1878; Tokyo Stock Exchange Prime
Market, Nagoya Stock Exchange Premier Market)

Notice Regarding Disposal of Treasury Shares by Third-Party Allotment in Connection with the Reintroduction of Employee Stock Ownership Plan (ESOP) Trust

In its meeting held today, the Board of Directors of Daito Trust Construction Co., Ltd. (“Company” hereinafter) resolved to dispose of treasury shares by third-party allotment (“Disposal of Treasury Shares” hereinafter), as outlined below.

Details

1. Overview of disposal

(1) Date of disposal	May 22, 2026
(2) Class and number of shares to be disposed of	3,819,800 shares of common stock
(3) Disposal price	3,508 yen per share
(4) Total disposal amount	13,399,858,400 yen
(5) Planned recipient of disposal	The Master Trust Bank of Japan, Ltd. (Employee stock ownership plan [ESOP] trust)
(6) Other matters	The Disposal of Treasury Shares is conditional on the notice under the Financial Instruments and Exchange Act having taken effect.

2. Purposes of and reasons for disposal

In its meeting held today, the Company Board of Directors decided to introduce, as a part of Company employee benefits programs, an employee stock ownership plan (ESOP) trust intended to stimulate the Company’s Shareholders’ Association to encourage stable asset-building by Company employees and strengthen employee engagement by promoting awareness of participation in management and incentivizing efforts to improve business results, thereby enhancing the Company’s corporate value over the medium to long term. In connection with the introduction of the ESOP trust, through the Disposal of Treasury Shares, the Company will dispose of Company treasury shares by third-party allotment to the Master Trust Bank of Japan, Ltd. (ESOP trust account), the co-trustee under the ESOP trust agreement concluded between the Company and Mitsubishi UFJ Trust and Banking Corporation (“Trust Agreement”; the trust established based on the Trust Agreement is referred to as the “Trust” hereinafter).

The number of shares to be disposed of is the number of shares expected to be delivered by the Trust to the ESOP during the trust period. The scale of dilution thereof is 1.11% of the total number of 344,594,895 shares issued as of March 31, 2026 (rounded to the second decimal point; 1.17% of the total number of 3,254,887 voting rights as of March 31, 2026).

Since the shares of Company stock allotted through the Disposal of Treasury Shares will be delivered to the Company Shareholders' Association during the trust period and no shares are expected to flow temporarily into the stock market due to the Disposal of Treasury Shares, the impact on the stock market is expected to be negligible. The number of shares to be disposed of and the scale of dilution are also deemed reasonable.

For an overview of the ESOP trust, please refer to "Notice Regarding Reintroduction of Employee Stock Ownership Plan (ESOP) Trust," the news release issued today.

[Details of the trust agreement]

Type of trust	Individually-operated designated money trust (beneficiary trust)
Purposes of trust	The stable and continuous supply of shares of Company stock to the Company Shareholders' Association and enhancement of benefits programs for employees who meet the beneficiary requirements
Trustor	The Company
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiaries	Members of the Company Shareholders' Association who meet the beneficiary requirements
Trust administrator	A third-party specialist with no vested interest in the Company
Date of trust agreement	May 18, 2026
Trust period	May 18, 2026 – June 15, 2031
Exercise of voting rights	The trustee will exercise voting rights on the shares of Company stock in accordance with instructions issued by the trust administrator that reflect the status of the exercise of voting rights by the Company Shareholders' Association.

3. Basis of calculation and specific details of the disposal price

To reflect the prevailing stock price trend and to ensure the price is not determined arbitrarily, the disposal price is set to 3,508 yen per share, the closing price of one share of Company common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution concerning the Disposal of Treasury Shares. The Company has determined that the closing price of a share of Company common stock on the business day immediately preceding the date of the Board resolution appropriately represents corporate value as assessed by the market immediately preceding the Board's decision and is therefore a reasonable and impartial basis for calculation.

Additionally, the Audit and Supervisory Committee (three of whose four members are outside Directors) has expressed its opinion that the above basis for calculating the disposal price is reasonable and that the disposal price is lawful and does not constitute an unduly favorable price.

4. Procedures under the Code of Corporate Conduct

Since the dilution ratio is less than 25% and no change in controlling shareholders will occur, this Disposal of Treasury Shares requires neither an opinion from an independent third party nor confirmation of shareholder intent, as specified in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.