



WAKACHIKU CONSTRUCTION CO., LTD.

WAKACHIKU CONSTRUCTION CO.,LTD

2026/3 Full Year Results

May 21,2026

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In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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1. Overview of Our Group

Company Overview

Trade name	WAKACHIKU CONSTRUCTION CO.,LTD.		
Head office	2-23-18, Shimomeguro, Meguro-ku, Tokyo, 153-0064 Japan		
Establishment	May 23, 1890		
Representative	Mikihiko Nagasako		
Net Sales	Consolidated	¥104.7 billion	
	Non-consolidated	¥101.7 billion	(FY 2025)
Employees	Consolidated	1,056	
	Non-consolidated	964	(FY 2025)
Common Stock	¥11.374 billion		
Stock Listing	Prime Market Tokyo Stock Exchange [Securities Code: 1888]		
Consolidated Subsidiaries	3 : SHINSOU CONSTRUCTION Co.,Ltd Daimaru Bouon Co.,Ltd、 TOSHIKUUKAN Co.,Ltd.		

Business Activities

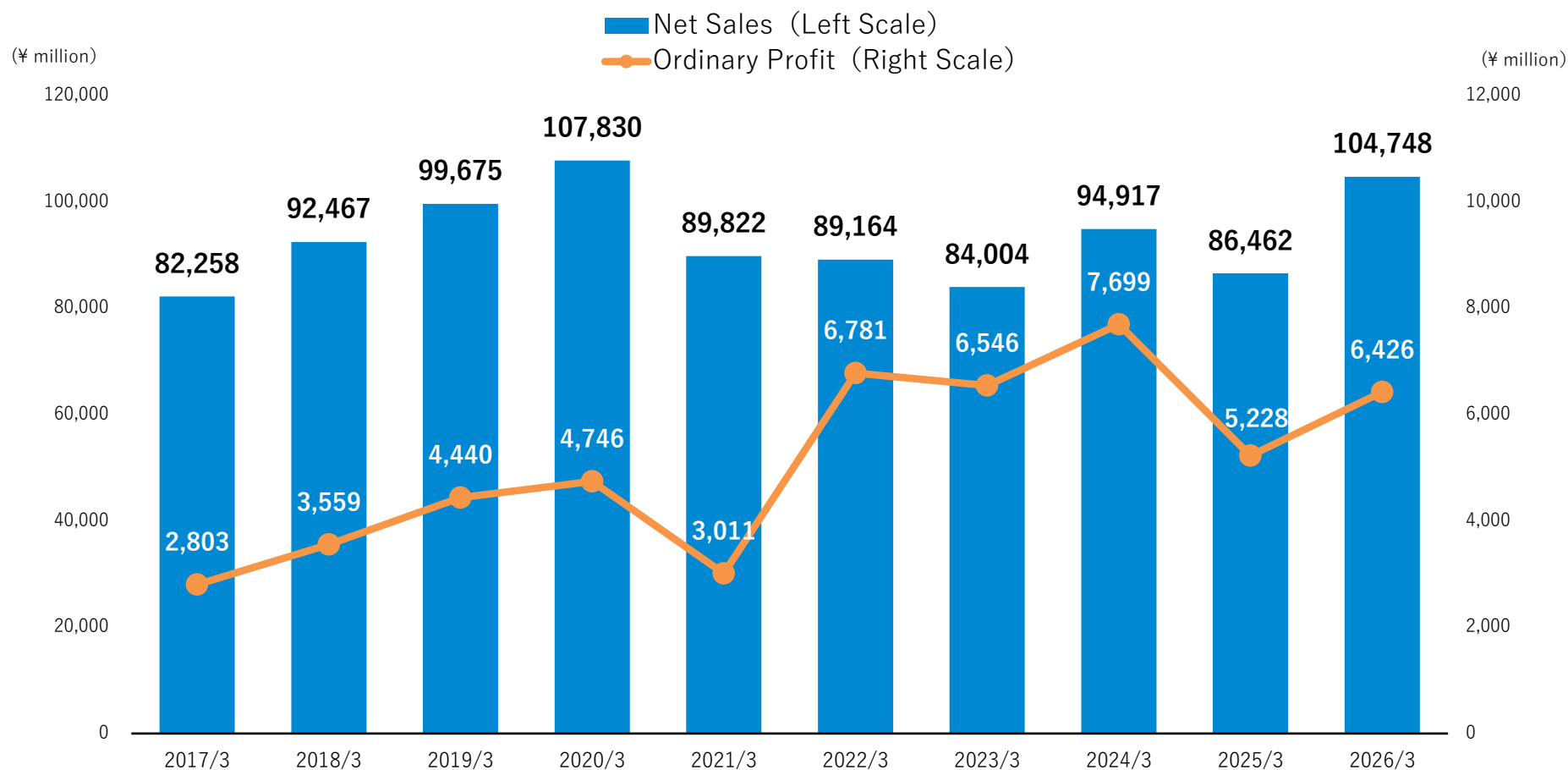
Domestic and overseas construction, Ocean development, Regional and urban development, Environmental improvement and conservation, Other construction-related businesses, Construction consulting, Management services, Real estate business



10-Year Financial Performance

Consolidated

- Net sales totaled JPY 104.7 billion, reflecting progress on large-scale projects.
- Ordinary profit came to JPY 6.4 billion, supported by higher net sales.



Collaboration within the Aso Group

Wakachiku Construction entered into a capital and business alliance agreement with Aso Corporation and its wholly owned subsidiary, ACVE Holdings GK, and, following a tender offer, became a consolidated subsidiary of Aso Corporation.



A S O
G R O U P



WAKACHIKU

若築建設

Overview of the Tender Offer for the Company Shares by ACVE Holdings GK and the Execution of the Capital and Business Alliance Agreement with Aso Corporation and ACVE Holdings GK



<https://www.wakachiku.co.jp/data/news/196/news.pdf>



2. 2026/3 Full Year Summary

Financial Summary

Point 1 Orders received reached a high level of JPY 127.9 billion, up 23.1% year on year.

Point 2 Net sales, after salse in 1Q were lagging, progressed well from 2Q onward and increased by 21.7% year on year to JPY 101.7 billion.

Point 3 Operating profit increased by 30.5% to JPY 6.2 billion, driven by higher gross profit on increased sales.

	2025/3		2026/3		Change YOY
	JPY Million	Sales ratio	JPY Million	Sales ratio	

Consolidated

Net Sales	86,462	–	104,748	–	21.1
Gross Profit	12,728	14.7	14,602	13.9	14.7
SG&A Expenses	7,508	8.7	7,952	7.6	5.9
Operating Profit	5,220	6.0	6,649	6.3	27.4
Ordinary Profit	5,228	6.0	6,426	6.1	22.9
Profit Attributable to owners of parent	3,690	4.3	4,367	4.2	18.4

Non-Consolidated

Orders Received	104,009	–	127,986	–	23.1	Point 1
Net Sales	83,636	–	101,776	–	21.7	Point 2
Gross Profit	11,925	14.3	13,821	13.6	15.9	
SG&A Expenses	7,141	8.5	7,576	7.4	6.1	
Operating Profit	4,783	5.7	6,244	6.1	30.5	Point 3
Ordinary Profit	4,876	5.8	6,104	6.0	25.2	
Quarterly Net Profit	3,566	4.3	4,253	4.2	19.3	
ROE		8.1%		9.0%		

Highlights by Business Segment

Non-Consolidated

Net Sales

(¥ Million)

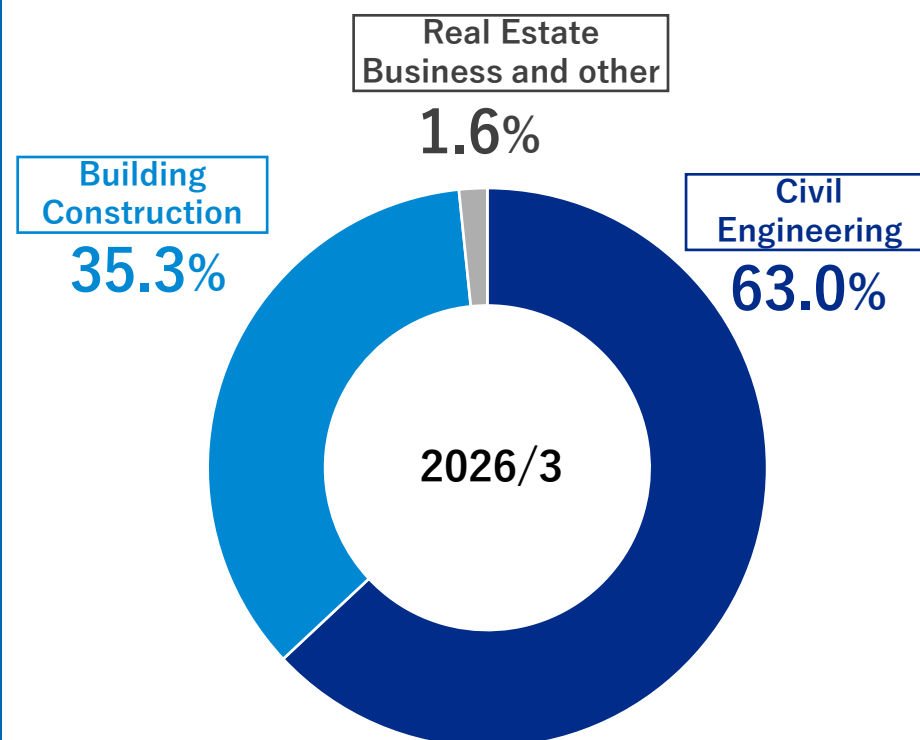
	2025/3	2026/3	Rate of change
Completed Construction Contracts	82,233	100,120	21.8
Civil Engineering	54,748	64,143	17.2
Building Construction	27,485	35,976	30.9
Real Estate Business and other	1,402	1,656	18.1
Total	83,636	101,776	21.7

Gross Profit

(¥ Million)

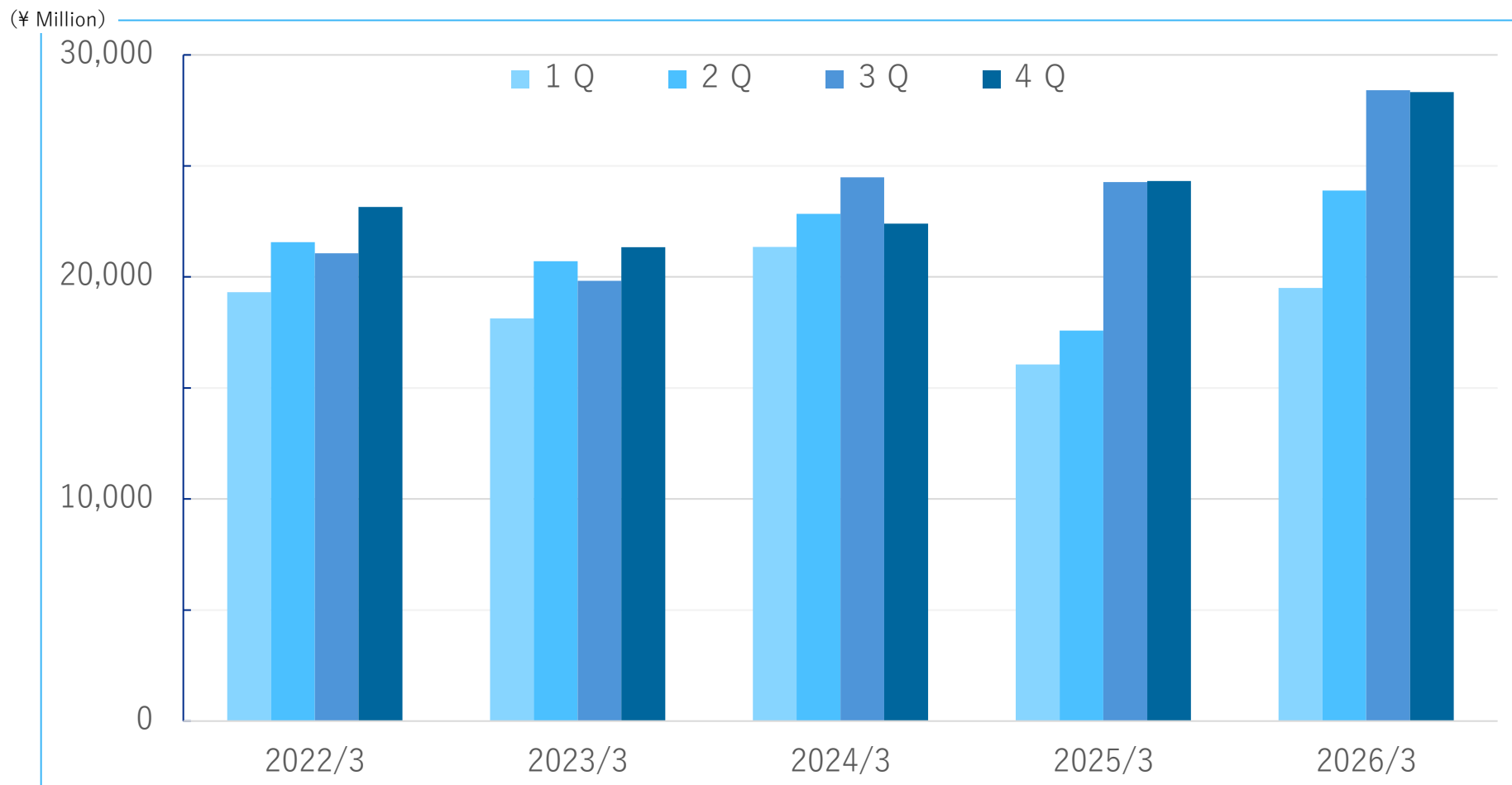
	2025/3	2026/3	Rate of change
Completed Construction Contracts	11,644	13,541	16.3
Civil Engineering	9,448	9,122	△3.4
Building Construction	2,196	4,419	101.2
Real Estate Business and other	280	279	△0.4
Total	11,925	13,821	15.9

Sales by Segment



Quarterly Trend in Completed Construction Sales

Non-Consolidated



Annual Changes in Completed Construction Sales

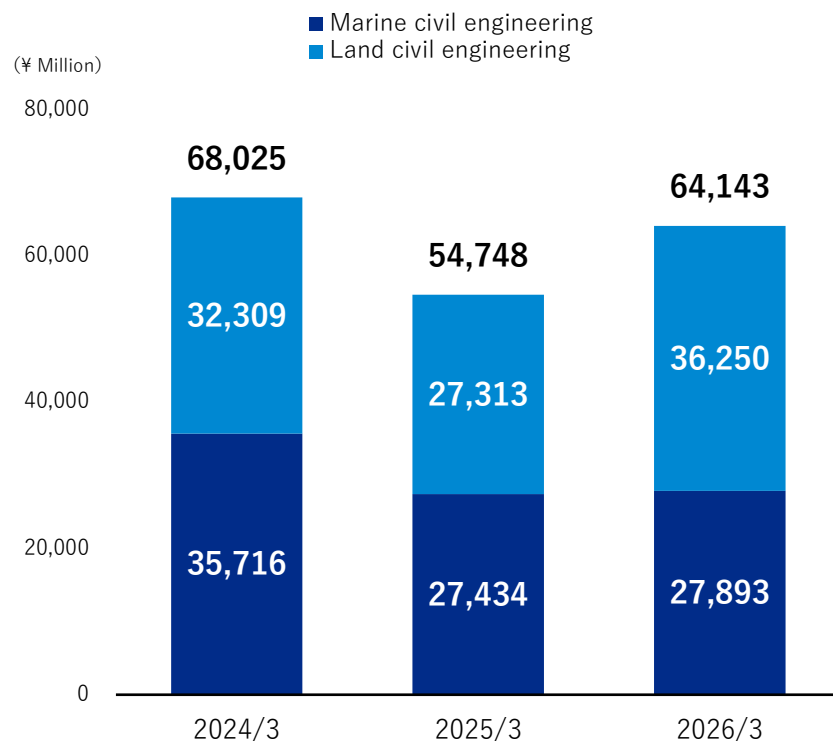
In FY2025, after a slow start in Q1, large-scale projects progressed smoothly from Q2 onward, and construction revenue in Q3 and Q4 tracked at the highest levels in the past five years.

Highlights by Business Segment Civil Engineering

Non-Consolidated

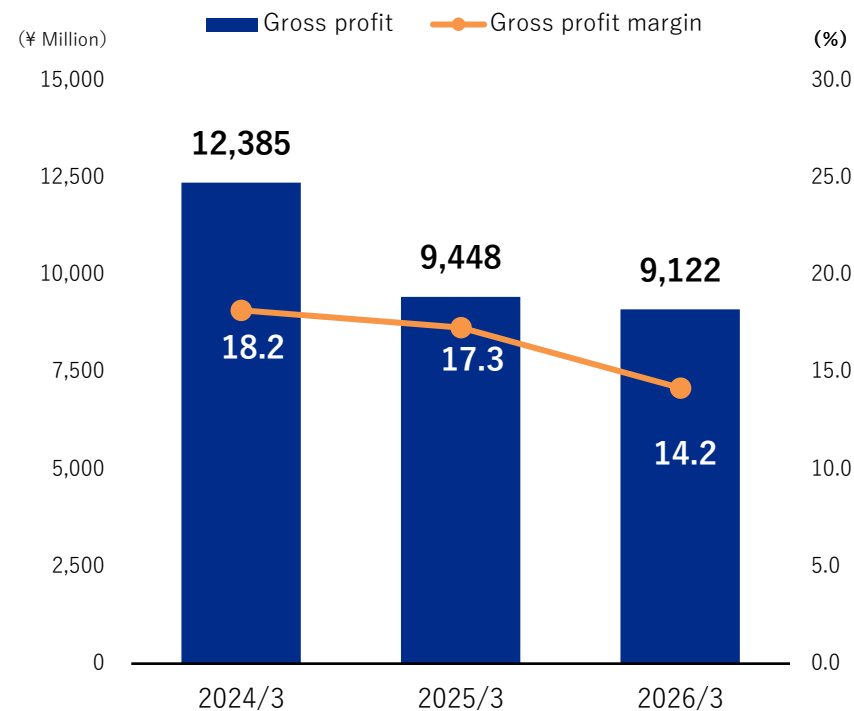
Net Salse

- Land Civil Engineering increased by 32.7% year on year, driven by progress on large-scale projects.



Gross Profit

- Profit margin for Land Civil Engineering decreased by 3.1 points due to extended construction periods on large-scale projects and related factors.

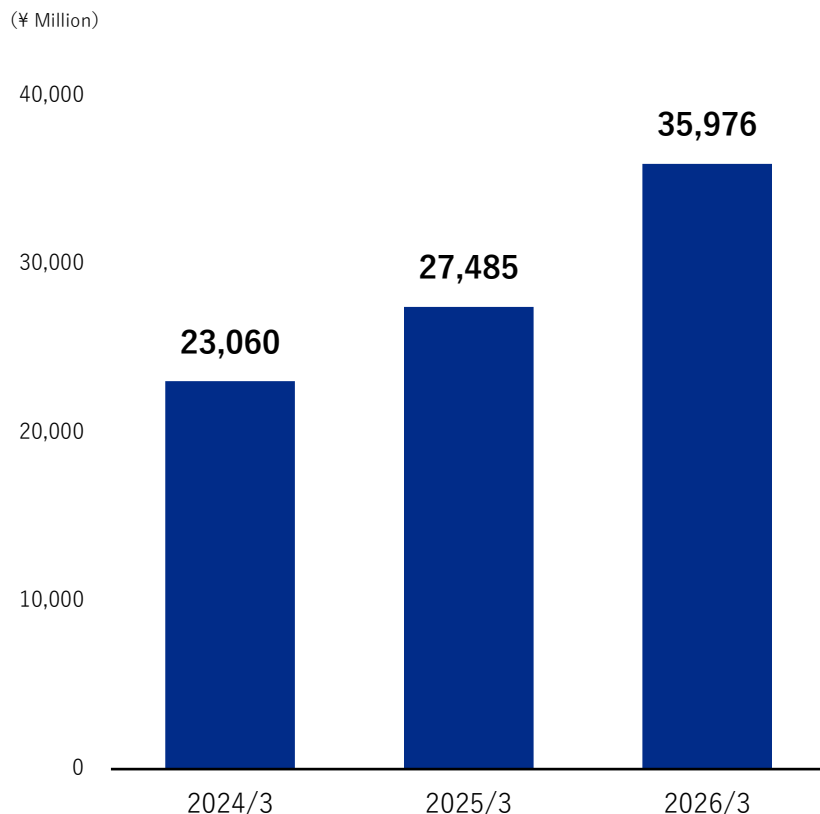


Highlights by Business Segment Building Construction

Non-Consolidated

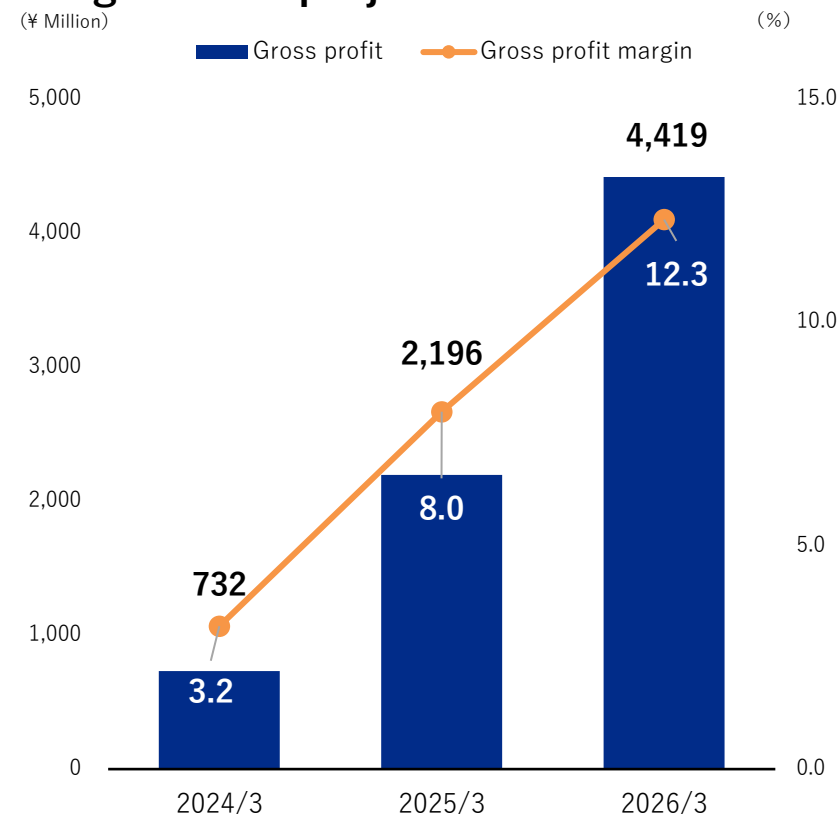
Net Sales

- Net sales increased by 30.9% year on year, driven by steady progress on large-scale projects.



Gross Profit

- Gross profit increased by 101.2% year on year, supported by higher net sales.
- Gross profit margin reached 12.3% on productivity improvements from larger-scale projects.

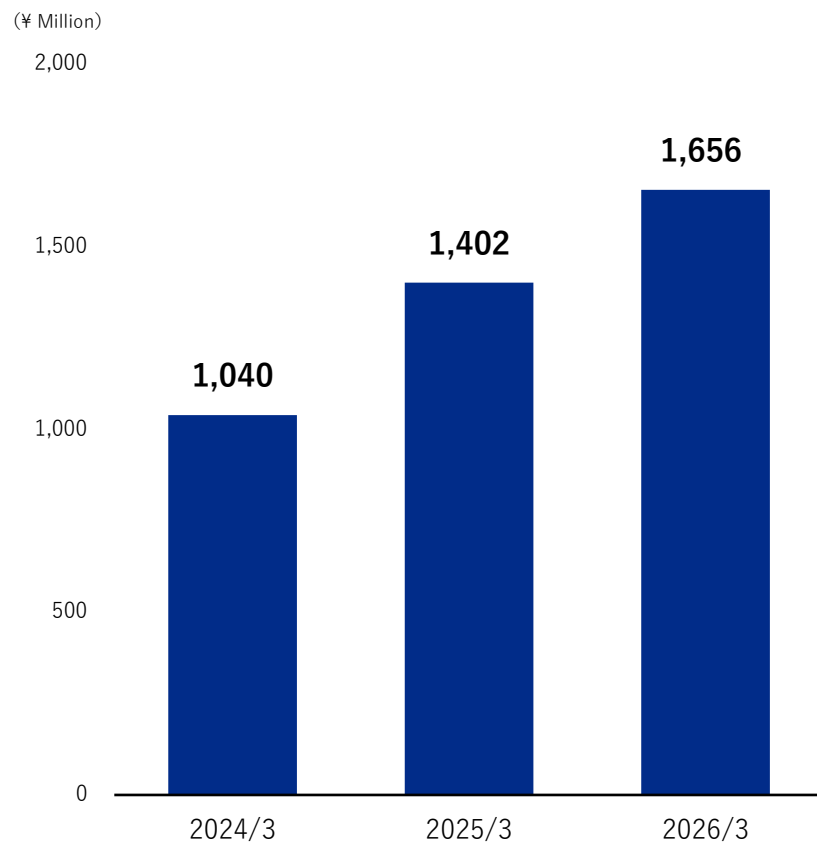


Highlights by Business Segment Real Estate and Other Businesses

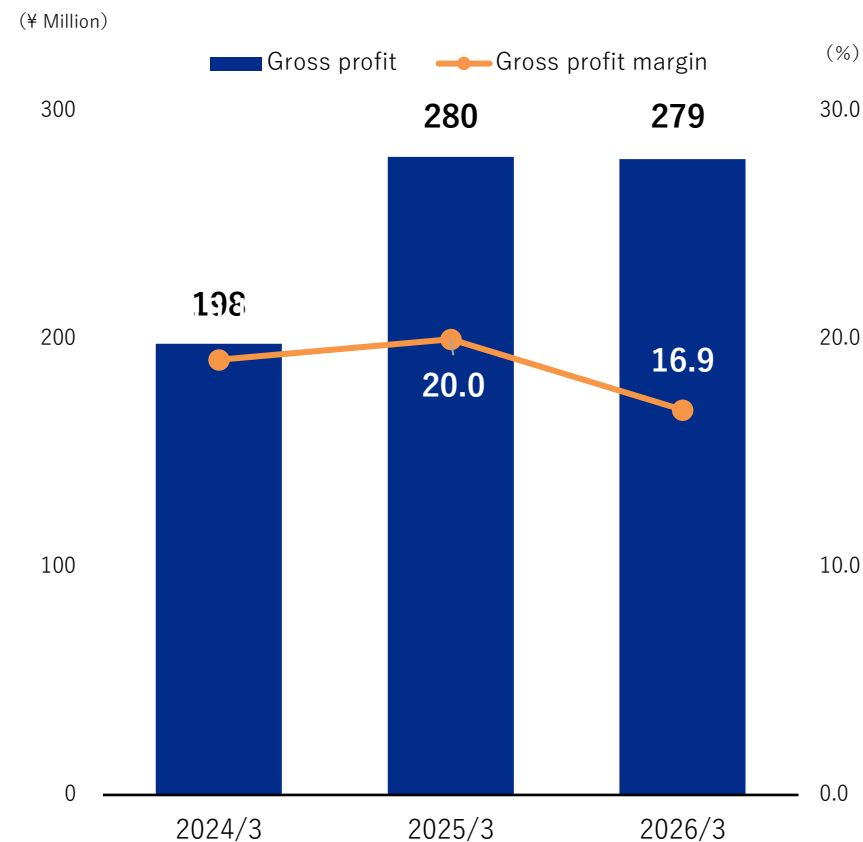
Non-Consolidated

Net Sales

- Net sales increased by 18.1% year on year to JPY 1.6 billion, driven, as in the prior year, by contributions from marine transportation services and the real estate business.



Gross Profit



Changes in Orders Received

Non-Consolidated

Point 1

Orders received increased by 23.1% year on year to JPY 127.9 billion, driven by growth in domestic public-sector civil engineering and domestic building.

Point 2

Overseas, we secured port and hospital construction projects totaling JPY 5.693 billion.

Point 3

Reflecting strong private sector demand, the public-to-private ratio stands at 54.2:45.8

Orders Received

(¥ Million)

		2024/3	2025/3	2026/3	Change YOY
Domestic Total	Government	67,047	54,747	66,149	20.8
	Private	31,855	46,881	55,968	19.4
	Total	98,902	101,628	122,117	20.2
Domestic Civil Engineering	Government	48,642	42,728	47,443	11.0
	Private	9,162	22,945	20,109	△12.4
	Total	57,804	65,674	67,552	2.9
Domestic Building Engineering	Government	18,405	12,018	18,706	55.6
	Private	22,692	23,935	35,858	49.8
	Total	41,098	35,954	54,565	51.8
Overseas		762	861	5,693	560.7
Real Estate Business and other		1,208	1,519	175	△88.5
Total		100,873	104,009	127,986	23.1

Point 3

Point 2

Point 1

Trend in Construction Backlog

Non-Consolidated

Point 1

Order backlog to be carried forward increased by 22.8% year on year to JPY 149.2 billion, reflecting strong orders.

Point 2

Marine Civil Engineering order backlog to be carried forward increased by 76.8% year on year to JPY 28.1 billion.

(¥ Million)

		2024/3	2025/3	2026/3	Change YOY
Orders Received	Marine Civil Engineering	25,806	28,519	40,102	40.6
	Land Civil Engineering	32,760	38,016	30,745	△19.1
	Building Construction	41,098	35,954	56,963	58.4
	Total	99,665	102,490	127,811	24.7
Completed Construction Sales	Marine Civil Engineering	35,716	27,434	27,893	1.7
	Land Civil Engineering	32,309	27,313	36,250	32.7
	Building Construction	23,060	27,485	35,976	30.9
	Total	91,086	82,233	100,120	21.8
Construction Backlog	Marine Civil Engineering	14,810	15,894	28,104	76.8 Point 2
	Land Civil Engineering	40,952	51,655	46,150	△10.7
	Building Construction	45,578	54,048	75,034	38.8
	Total	101,341	121,598	149,289	22.8 Point 1

Financial Position

Consolidated

Condensed Consolidated Balance Sheet

- Equity ratio stands at 44.1%

(¥ Million)

		2025/3	2026/3
Assets	Current Assets	70,253	98,185
	Non-current Assets	21,636	24,238
	Total Assets	91,890	122,423
Liabilities	Current Liabilities	37,830	58,719
	Non-current Liabilities	4,202	8,944
	Total Liabilities	42,032	67,664
Nets Assets	Shareholder's Equity	43,998	47,632
	Accumulated Other Comprehensive Income	4,323	6,363
	Non-Controlling Interests	1,535	763
	Total Net Assets	49,858	54,759
Total Liabilities and Net Assets		91,890	122,423

Condensed Consolidated Statements of Cash Flows

- Operating CF improved significantly, mainly on higher advances received.

(¥ Million)

	2025/3	2026/3
Net cash flows from operating activities	△10,211	477
Net cash flows from investing activities	△1,854	△1,162
Net cash flows from financing activities	6,399	7,086
Effect of exchange rate change on cash and cash equivalents	△8	19
Net increase in cash and cash equivalents	△5,674	6,421
Cash and cash equivalents at the beginning of the period	18,891	13,217
Cash and cash equivalents at the end of the period	13,217	19,638

Major Orders Received 2026/3

	Client	Project Name	Location
Marine Civil Engineering	MLIT Tohoku Regional Development Bureau	Sakata Port Outer Harbor District Quay Wall (-12 m) Construction	Yamagata Prefecture
	MLIT Chubu Regional Development Bureau	FY2025 Nagoya Port New Dredged Material Disposal Site Reclamation Revetment Foundation Works (Part 2)	Aichi Prefecture
	MLIT Shikoku Regional Development Bureau	Kochi Port Coastal Bay-Entrance District Tsunami Breakwater Construction Works (Part 2)	Kochi Prefecture
	MLIT Kyushu Regional Development Bureau	FY2025 Kagoshima Port (Kamoike Central Port District) Port Access Road Bridge Substructure Works (P11)	Kagoshima Prefecture
Land Civil Engineering	Nikaho Green Energy G.K.	Chokai Hydropower Plant Construction	Akita Prefecture
	MLIT Kanto Regional Development Bureau	FY2025 Tokyo International Airport P Taxiway and Related Areas Ground Improvement Works	Tokyo
	MAFF Kyushu Regional Agricultural Administration Office	Chikugo River Lower Right Bank Agricultural Land Disaster Prevention Project, Tokunaga Line (Hayatsue Section, Part 3) Canal Improvement Works	Saga Prefecture
Building Construction	Bridgestone Corporation	Kodaira New Test Building Construction	Tokyo
	Akishima Central Logistics TMK	ALFALINK Tokyo Akishima 2 Project	Tokyo
	Fukuchi Town	Fukuchi Town Multipurpose Gymnasium Construction (tentative name)	Fukuoka Prefecture

Major Completions 2026/3

	Client	Project Name	Location
Marine Civil Engineering	J-POWER Hi-Tech Co., Ltd.	Oma Nuclear Power Plant New Build: Navigation Channel and Anchorage Maintenance Dredging Works	Aomori Prefecture
	MLIT Chubu Regional Development Bureau	FY2025 Nagoya Port New Dredged Material Disposal Site Reclamation Revetment Foundation and Decant Facility Installation Works	Aichi Prefecture
	Mitsubishi Chemical Corporation	[FK143] Demolition of Inorganic Chemicals Wharves 1-3	Fukuoka Prefecture
Land Civil Engineering	Ministry of the Environment Japan	FY2025 Iitate Village Decontamination and Temporary Storage Site Restoration Works	Fukushima Prefecture
	MLIT Kanto Regional Development Bureau	R4 Kuji River Right Bank, Kami-Oga Area Improvement Works	Ibaraki Prefecture
	MLIT Kyushu Regional Development Bureau	FY2024 Fukuoka Airport Site Preparation Works	Fukuoka Prefecture
Building Construction	Chiyoda Ex One Engineering Co., Ltd.	LEGO Project	Gunma Prefecture
	East Nippon Expressway Company Limited NEXCO East	Reconstruction of the Management Facility at Chiba-Higashi IC, Chiba-Togane Road	Chiba Prefecture
	Nishi-Nippon Railroad Co., Ltd. Haseko Real Estate, Inc.	Onojo City Shirakibaru 2-chome Project New Construction tentative name	Fukuoka Prefecture
	Fukuhara Gakuen Educational Foundation	Kyushu Kyoritsu University Kakumei Memorial Hall Renovation	Fukuoka Prefecture

2026/3 Completed Projects

Marine Civil Engineering



Project Name: FY2024 Yokohama Port Shin-Honmoku District Quay Wall (-18 m, seismic) Construction Works

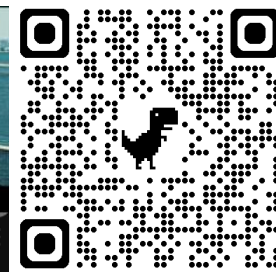
Client: MLIT Kanto Regional Development Bureau

Contractor: Wakachiku-Rinkai Nissan-Ohmoto Special Joint Venture

Location: Honmoku Pier area, Naka Ward, Yokohama, Kanagawa Prefecture

Period: Jun 2024-Mar 2026

Scope: Offshore ground improvement, Foundation works,
 Main cellular caisson works, Appurtenant works,
 Temporary works, Common works, Surveys.



Official YouTube channel: construction videos.
https://www.youtube.com/@wakachiku_official

2026/3 Completed Projects

Land Civil Engineering



Project Name: FY2023 Higashi-Kanto Expressway, Ryoshuku District Improvement Works

Client: MLIT Kanto Regional Development Bureau

Contractor: Wakachiku Construction Co., Ltd.

Location: Ryoshuku, Namegata City, Ibaraki Prefecture

Period: Oct 2023–Nov 2025

Scope: Road earthworks and lightweight embankment works on the Higashi-Kanto Expressway Mito Route; quantities include Excavation 940 m³, Road embankment 158,200 m³, Subgrade embankment 11,100 m³, Slope trimming 13,120 m³, Self-propelled ground improvement 19,700 m³, etc.

2026/3 Completed Projects

Building Construction



Project Name: FY2021 Kyushu Expressway Kita-Kumamoto SA Rest Facility Reconstruction

Client: West Nippon Expressway Company Limited NEXCO West

Contractor: Wakachiku Construction Co., Ltd.

Location: Kita Ward, Kumamoto City, Kumamoto Prefecture

Period: May 2022–Sep 2025

Overview: Rebuild the Kita-Kumamoto Service Area facilities on both inbound and outbound sides of the Kyushu Expressway, including building construction, demolition, and site preparation, under the concept of a flat, user-friendly area that serves as the finale to Kumamoto sightseeing. Site area 20,455.82 m²; building area 4,210.87 m².

3 .2027/3 Full Year Outlook

2027/3 Full Year Forecast

Consolidated

	2026/3 Results		2027/3 Forecast		Change YOY
	¥ Million	Sales ratio	¥ Million	Sales ratio	
Net Sales	104,748	—	116,000	—	10.7
Operating Profit	6,649	6.3	7,100	6.1	6.8
Ordinary Profit	6,426	6.1	6,500	5.6	1.1
Profit Attributable to owners of Parent	4,367	4.2	4,400	3.8	0.7

Non-Consolidated

Orders Received	127,986	—	115,000	—	△10.1
Net Sales	101,776	—	113,000	—	11.0
Operating Profit	6,244	6.1	6,700	5.9	7.3
Ordinary Profit	6,104	6.0	6,200	5.5	1.6
Profit	4,253	4.2	4,300	3.8	1.1

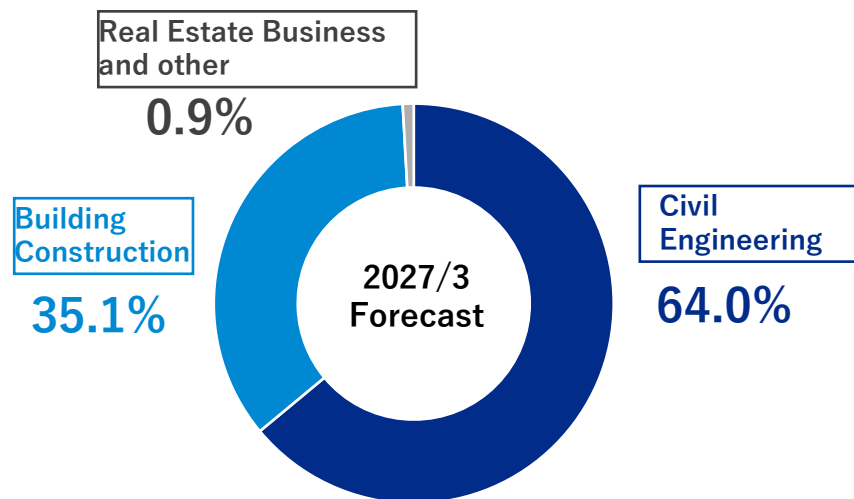
2027/3 Full Year Forecast by Segment

Non-Consolidated

Sales

(¥ Million)

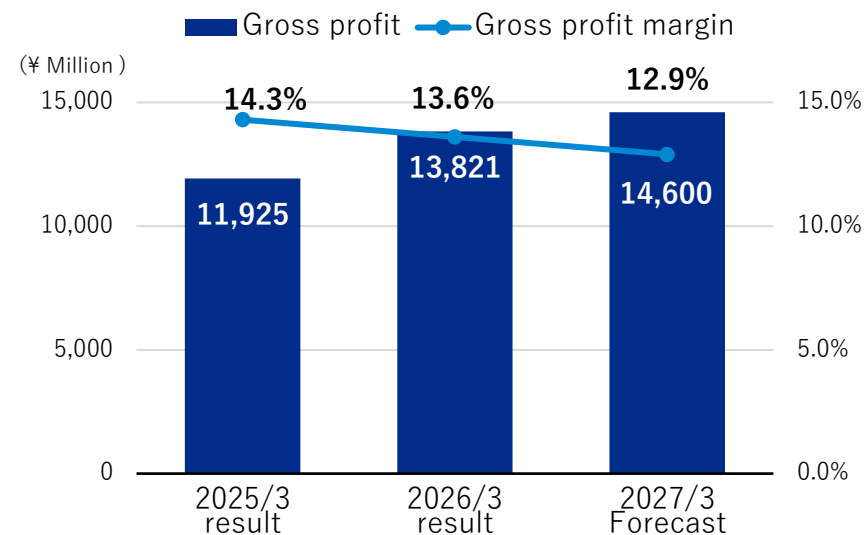
	2026/3 result	2027/3 forecast	Change YOY
Completed Construction Contracts	100,120	112,000	11.9
Civil Engineering	64,143	72,300	12.7
Building Construction	35,976	39,700	10.3
Real Estate Business and other	1,656	1,000	△39.6
Total	101,776	113,000	11.0



Gross Profit

(¥ Million)

	2026/3 Result	Sales ratio	2027/3 Forecast	Sales ratio	Change YOY
	13,541	13.5	14,400	12.9	6.3
	9,122	14.2	10,320	14.3	13.1
	4,419	12.3	4,080	10.3	△7.7
	279	16.9	200	20.0	△28.4
	13,821	13.6	14,600	12.9	5.6



Capital Efficiency and Shareholder Returns

Capital Efficiency

The Company aims to maintain ROE at **9.0%** as of March 2027 through "stable and proactive shareholder returns" and "strategic capital investments"

Shareholder Return Policy

Dividend payout ratio to **40% or more** with a minimum DOE ratio of **3.6%**

Share Holders Returns

2026/3
scheduled

135Yen (per share)

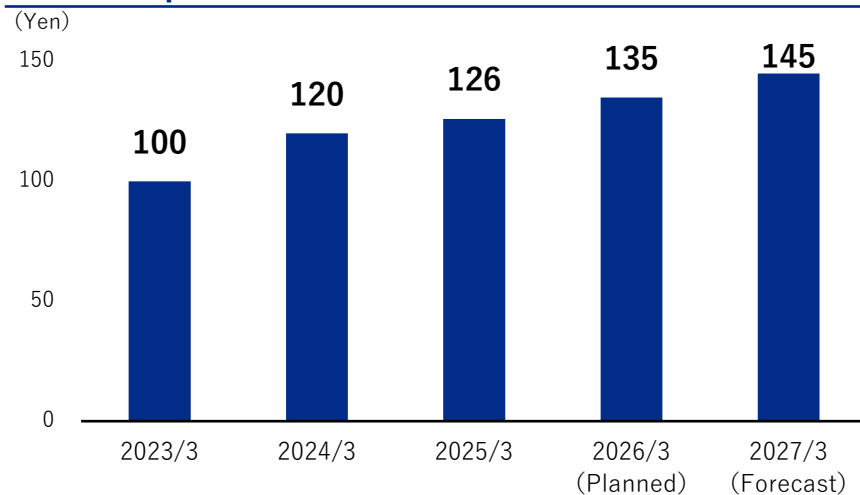
Dividend payout ratio **40.4%**
DOE **3.6%**
(non-consolidated)

2027/3
forecast

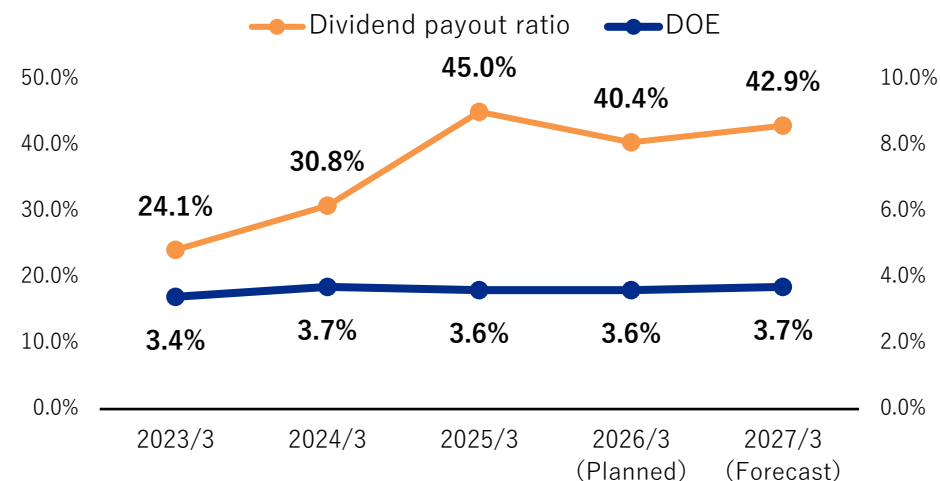
145Yen (per share)

Dividend payout ratio **42.9%**
DOE **3.7%**
(non-consolidated)

Dividend per share



Dividend Payout Ratio / DOE (non-consolidated)



4 .Progress of Medium-Term Business Plan 《FY2024-2026》

Business Strategy — Achieve larger scale and greater profitability of projects through business development that leverages the strengths of each division

6 Key Business Strategies



Government civil works

- **Infrastructure Development**
Secured multiple National Resilience-related projects, including seismic retrofitting works at Haneda Airport.
- **Port Development**
Secured offshore wind-ready quay wall improvement works at Sakata Port.
Secured multiple WTO-covered projects at Yokohama Port, Nagoya Port, and others.
- **Defense-related Projects**
Secured revetment improvement works and other projects; will continue to take on large-scale projects.



Government construction

- **Defense-Related Projects**
Secured multiple large-scale projects.
- **Large Public Facility Projects**
Secured the construction of a multipurpose gymnasium in Fukuchi Town, Fukuoka Prefecture.
- **Improving Customer Satisfaction**
Earned a high evaluation score on the Kita-Kumamoto Service Area project.



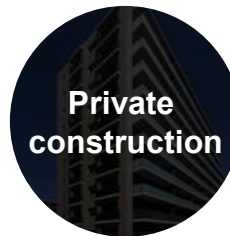
Overseas business

- **Official Development Assistance (ODA)**
Port expansion project in the Federated States of Micronesia.
Secured a hospital construction project in Timor-Leste.
- **Human Resource Development**
Actively hiring foreign engineers to strengthen our organization.



Private civil works

- **Renewable Energy**
Secured onshore wind and small hydropower plant construction projects.
Continuing our initiatives in biomass.
- **Private-sector Capital Investment**
Secured projects for privately owned quay facilities and navigation channel dredging.
Strengthening initiatives in projects aligned with the national growth strategy, including shipbuilding and related industries.
Accelerating the pursuit of large-scale projects through an integrated civil engineering and building approach.



Private construction

- **Large-Scale Project Initiatives**
Secured major projects for logistics warehouses and factories.
Further accelerating the pursuit of large-scale projects with expected productivity gains.
Strengthening initiatives for welfare facilities and related projects addressing the declining birthrate and aging society.
- **Organizational Expansion**
Established a new Architectural Design Department to meet diverse customer needs.



Real estate business

- **Continued Investment in Stable, Income-generating Rental Assets**
Rebalancing the existing asset portfolio.
Continuing to pursue investments in high-quality opportunities.
- **Effective Utilization of Existing Assets**
Utilization, improvement, and sale of real estate holdings in Kitakyushu City.

Business Strategy — Business development in new energy sector

As a key player in offshore wind power generation business

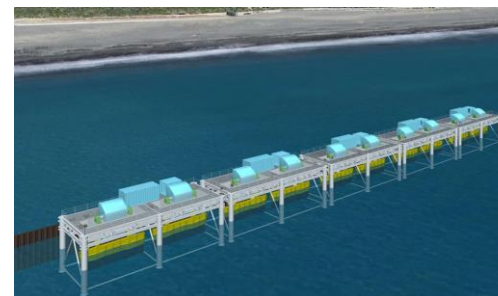
- Participation in Offshore Wind Port Hub Development
At Sakata Port, Yamagata, we are constructing an offshore wind-ready quay wall with ground improvement to accommodate large components, with completion scheduled for March 2027.



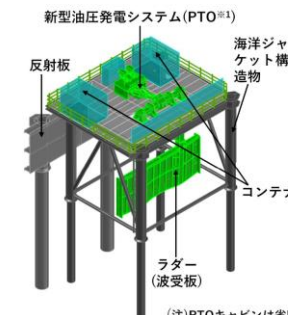
- The JWFC SUNRISE, jointly owned by six companies, is scheduled to enter a Japanese port in 2027.
- Under FLOWCON (Floating Offshore Wind Construction System Technology Research Association), we conducted joint technical studies with FLOWRA (Floating Offshore Wind Technology Research Association).
- Participated in the Construction and Installation WG on scaling up spar-type floaters to the 15 MW class.

Other renewable energy businesses

- Participating in a wave energy converter demonstration using a next-generation hydraulic PTO.



Wave Energy Farm Concept
(Institute of Industrial Science)
(The University of Tokyo)



新型油圧発電システム (PTO^{※1})
Conceptual Rendering of
The Next-generation
Wave Energy Converter
(Chubu Electric Power)

(注)PTOキャビンは省略

- Participation in the Chokai Hydropower Project
Location : Naso River, Nikaho, Akita
Project company : Nikaho Green Energy G.K.
(Wakachiku 10%)
Capacity : 999.9 kW
Estimated annual output : equivalent to about 1,240 households
(CO2 emissions reduction: about 1,941 t)
Financing : Green loan
- As part of our idle land utilization initiatives, we held study sessions to explore entry into the grid-scale battery energy storage business.

Research and Development

R&D for streamlining construction

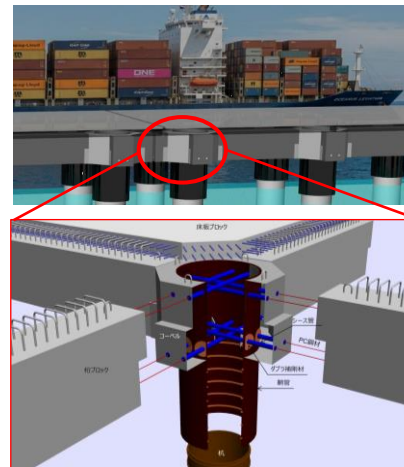
Results

- Development of the DC-PC pier superstructure (prestressed-jointed type).
- Developing an XRF-based early quality check system for improved ground.
- Developing a pile driving management system for jacket-type piers.
- Upgrading an AI-driven, water-temperature-controlled pipe cooling system.
- Introducing an AR management system for buried pipes.

New/Ongoing

- Semi-automation of the caisson installation system.
- Development of a concrete compaction depth detection sensor.
- Development of a real-time visualization system for SCP (sand compaction pile) works.
- Development of an area-wide surface heave monitoring system using LiDAR.
- Further Functional Enhancements of the DC-PC Pier.

DC-PC Pier



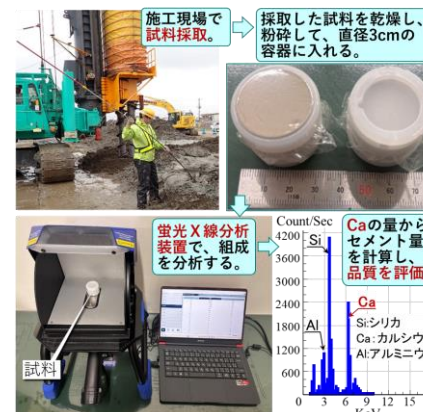
Structural features

- All major components are precast concrete.
- A lighter superstructure reduces the number of piles.

Comparison with the conventional method

- Construction period shortened by 33% versus an RC pier; 35% for marine works.
- Required labor reduced by 11% through precast fabrication; 62% for marine works.
- CO2 emissions reduced by 10%.

XRF-based early quality check system for improved ground



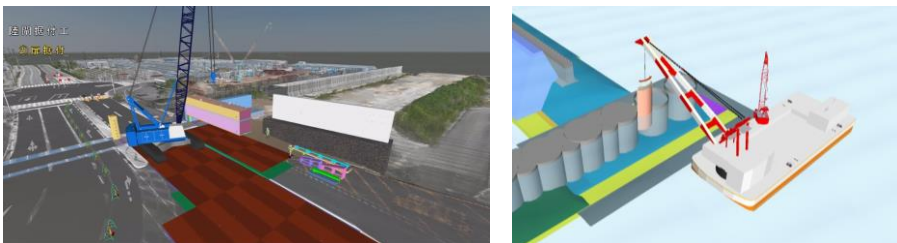
- A system to prevent quality loss of cement-treated soil caused by mix errors and insufficient mixing in cement-based ground improvement.
- Right after the work, on site, we quickly and easily evaluate cement content from the calcium Ca in the treated soil.
- Only about 50 g of sample is needed and analysis takes about 45 minutes, so many locations can be tested.
- As we check quality before the treated soil hardens, we can avoid rework and improve both quality and productivity.

Productivity Enhancement / Research & Development

Instill and enhance worksite ICT

Civil engineering

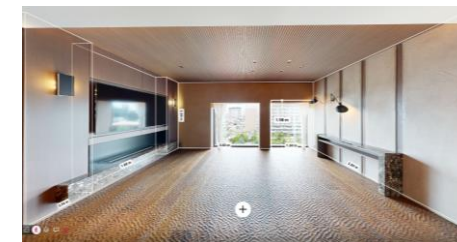
- Real-time information sharing via a remote inspection system.
- Built in-house BIM/CIM capability and supported many projects.
- Set up satellite communications at multiple sites.
- Improved 3D design using point cloud technology.
- Completed rollout of the Arc Suite design data system.



In-house BIM/CIM capability and workflow automation

Building Construction

- The new BIM Support Office accelerated 3D data use on site and enabled smoother construction progress.
- We developed and deployed a bearing layer estimation app, now in use across sites.
- We introduced 3D scanners for digital twin creation and are archiving pre-construction and post-completion records.



3D Scanners for Digital Twin Creation

R&D based on market needs

Results

- Development of an under-pier survey boat.
- R&D on the beneficial use of biomass ash as a dredged soil stabilizer and related applications.

New/Ongoing

- Offshore ROV research and testing.
- Development of a sand control geotextile installation method.

『UP(Under Pier)-mini』



Photo-based 3D model
(beams under the pier deck)

Progress of Investment /Strengthen IR

Progress of Investment

Investment Areas	Plan	2025/3 (result)	2026/3 (result)	Total
Investment Marine machinery , Real estate for profit ,etc.	15,000	870	200	1,080
R&D Ground engineering ,Concrete ,Offshore construction ICT , Environmental field ,etc.		560	860	1,430
DX ICT ,Streamlining of core systems , etc.		250	660	910
HR, Branding Hierarchical training , Scholarship system Recruitment promotion , etc.		490	690	1,180
Total		2,180	2,430	4,610

Results

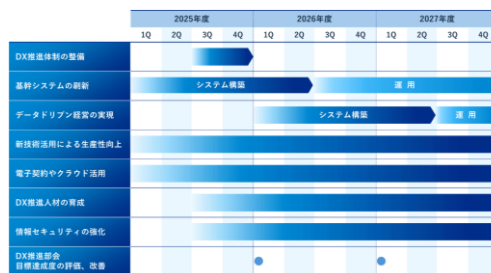
- **AI water-temperature-controlled pipe-cooling system**
Enables efficient concrete cooling even in extreme heat. Remote and automated start/stop of water pumps.
- **Development of a bearing layer estimation app**
Estimates the bearing layer during pile installation. Intuitive interface improves productivity.



AI water-temperature-controlled pipe-cleaning system

予定

- **12,000-ton floating dock**
Targeting FY2027 completion, with expected reductions in environmental impact and gains in productivity and safety.
- **Launched a data architecture initiative**
From FY2026, begin building a company-wide data platform to centralize internal data.



DX Implementation Timeline

Strengthen IR

Financial Results Briefings

Institutional investor briefings:
May 2025, May 2026
Individual investor briefing:
August 2025



Investor Dialogue:
32 meetings conducted annually

External Sustainability Ratings



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Human Capital Management



Create a rewarding and comfortable environment

- **Health and productivity management**
 - ◆ Set promotion plan and numeric targets
 - Improve paid leave use, raise paternity leave uptake, cut smoking rate, cut breakfast-skipping rate
- **Expanded leave programs**
 - ◆ New: spousal childbirth leave, wellness leave, “L leave”
- **Club activities**
 - ◆ 29 clubs; 359 participants
- **External recognitions**
 - ◆ Certified Health & Productivity Management Organization 2026, Sports Yell Company 2026, Hataraku Yell 2026



Secure human resources

- **Strengthen recruiting**
 - ◆ Talent Development Section to lead engineer-focused outreach
 - 74 new graduates hired in 2026 (+42% YoY); target 80 hires in 2027
- **Raise starting salaries to attract top talent**
- **Launch region-limited employee program**
 - ◆ Flexible scheme for employees with childcare or eldercare needs
- **Further improve compensation and benefits for experienced senior talent**



Nurture human resources

- **Certification support**
 - ◆ An Educational program we called “Hagukumi” boosted passes in Professional Engineer Japan, First-class Civil Construction Management, and First-class Building Construction Management.
- **Training programs (Civil, Building, Administrative)**
 - ◆ Each type of technology and role-based training
 - Skills Transfer Workshop, Construction DX e-learning, Design and Construction Case Forum, Structural Design Study Group etc.
 - Planning AI training for site engineers
- **Enhanced training for new hires and young employees**

Workstyle Reforms/Strengthen Supply Chain Coordination

Workstyle reforms

Formulated the Basic Plan for DX Promotion and obtained METI DX Certification.

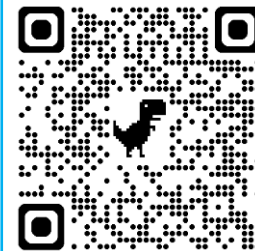
Enhance worksite support system

METI DX Certification

- Obtained METI DX Certification in March 2026
- Formulated the Basic Policy and Plan for DX Promotion



<p>1 経営理念達成への寄与 経営層と現場が一体となり、デジタル技術を活用することで組織変革を推進し、経営理念の実現に寄与します</p>	<p>2 生産性の向上 業務の自動化やデジタルツールの導入を積極的に進め、社員一人ひとりの付加価値を高め、生産性を向上し、働きやすい環境を実現します</p>
<p>3 データ資産の有効活用 これまで蓄積されたデータやナレッジを集約・分析し、意思決定の高度化や新たな価値創造につなげます</p>	<p>4 IT技術革新への対応 AI、IoT、BIM/CIMなどの最新技術を積極的に導入し、技術革新に柔軟に対応する企業風土を醸成するとともに、各部署でDX推進の中核となる人材を育成します</p>
<p>5 情報セキュリティの強化 サイバー攻撃や情報漏えいリスクに備え、強固なセキュリティ体制を構築します。同時に継続的に社員教育を行い、安全・安心な事業運営を確保します</p>	



Basic Policy for DX Promotion

DX Promotion
(Wakachiku website)

Civil engineering

- Expand training to boost productivity.
- Promote digital tools to streamline site management; improve document creation support, including AI-assisted construction plan preparation.

Build construction

- Stronger on-site support via the new BIM Support Office.
- Reduced staff workload through new software and AI tools.

Ensuring adequate construction periods

Civil engineering

- Public sector : Achieved adequate periods in line with guidelines.
- Private sector : Aim to win contracts with bids that secure days off and proper durations

Build construction

- To promote a full two-day weekend via our declaration.

Strengthen supply chain coordination

Strengthen coordination with partner company organizations

- Published our Supplier Code of Conduct.
- Conducted joint safety patrols with management and partner contractors.

Express stance of solidarity for co-existence and co-prosperity

- We announced our self-declaration as a company that values skilled construction workers.

Strengthen governance

Governance Enhancement

- **Strengthen the governance framework following consolidation as a subsidiary**
 - Review of the governance framework
 - Started a review to secure a more independent governance structure following consolidation as a subsidiary.
 - Conflict-of-interest management
 - Set up a special committee of outside directors to ensure transparency and fairness in transactions with the parent company,
 - Maintain continued listing compliance
 - Monitor the free-float ratio and execute necessary capital measures.

- **Risk Management Enhancement**
 - Cybersecurity
 - Conducted an external assessment and are implementing prioritized measures.
 - Group-wide reinforcement
 - Provide cybersecurity training and plan to build an incident response framework.

Provide Safe and Top-quality Infrastructure

Provide Safe and Top-quality Infrastructure

Engagement in Disaster Recovery Construction Work Following Noto Peninsula Earthquake.

Ushitsu-Port restoration work

Nov 2024–Mar 2027

Restoration of the cargo-handling wharf and port access road at Ushitsu Port.



Noetsu Expressway and Noto Satoyama Kaido Restoration Works

Jul 2024–Oct 2026

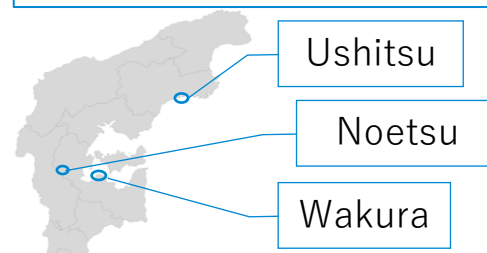
National Route 470 Noetsu Expressway Restoration Works



Wakura Port Restoration Works (two contracts)

Nov 2024–Mar 2027

Restoration works at Wakura Port and the Wakura Port coastal area



Secure Workforce for Construction Industry Contribution to Communities

Securing the Construction Workforce

- **Industry-academia-government education program**
Since 2017, we have continued our industry-academia-government talent program, and this fiscal year we awarded scholarships to 30 students. We held site visits and roundtable sessions to showcase the appeal of marine engineering.
- **Enhanced internship program**
In FY2025, accepted 95 students in civil engineering and building.
Plan to keep accepting as many students as possible.

Community Engagement

- **Hosted a site tour of the Wakura Onsen revetment works.**

We supported, as the construction contractor, a site tour of the Wakura Onsen revetment works hosted by the MLIT Noto Port and Airport Reconstruction Promotion Office, held alongside the Wakura Onsen Reconstruction Oyster Festival. A total of 300 people attended.



Achieve Carbon Neutrality

Achieve Carbon Neutrality

- **Obtained SBTi approval**

Revised GHG emissions reduction targets

- ① Reduce Scope 1 and 2 by 42% by FY2030 vs FY2024
- ② Reduce Scope 3 absolute emissions by 25% over the same period

Validation Statement


NEAR-TERM AND NET-ZERO SCIENCE-BASED TARGETS


SBTi Services has validated that the greenhouse gas emissions reduction target(s) submitted by WAKACHIKU CONSTRUCTION CO.,LTD. conform with the SBTi Criteria and Recommendations (Near-Term Criteria V1.0 and Net-Zero Criteria V1.3).

The official validated target language:


Near-Term
WAKACHIKU CONSTRUCTION commits to reduce absolute scope 1 and 2 GHG emissions 42.0% by FY2030 from a FY2024 base year. WAKACHIKU CONSTRUCTION also commits to reduce absolute scope 3 GHG emissions 25.0% within the same timeframe.

DATE OF APPROVAL: 14th November, 2025





SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



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Registered address: 66 Lincoln's Fields, London, WC2A 3LH
SBTi Services Limited is a wholly owned subsidiary of Science Based Targets Initiative.

- **Eco Vadis Commitment Badge**

- **CDP Climate Change score C**

- **Eco-First Company activities**

Eco Test holders: 361 (+137) certification rate 44.1% (target 90% by 2028)

Numerical Targets

Targets in 3 Years (non-consolidated)

	2025/3 actual	2026/3 actual	2027/3 Forecast (target)
Orders	103.9 billion yen	127.9 billion yen	115 billion yen (110bn yen or More)
Net sales	83.6 billion yen	101.7 billion yen	113 billion yen (110bn yen or More)
Operating profit	4.7 billion yen	6.2 billion yen	6.7 billion yen (6.5bn yen or More)
Profit	3.5 billion yen	4.2 billion yen	4.3 billion yen (4.5bn yen or More)
ROE	8.1%	9.0%	8.5% (9% or more)

Non-financial Information KPI

Targets by 2030 / Actual Figures as of FY2025

GHG emissions during construction stage 40% reduction compared to FY2013 60.4% actual reduction FY2024	Annual cumulative total of power generated through construction of renewable energy-related facilities 10 billion kWh 4.2 billion kWh	Technical development to boost work productivity by 20% 15 projects or more 8 projects completed, 7 projects under development
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2027/3 targets / Actual Figures as of FY2025

Work engagement score 2.70 2.65 in 2025 (National average 2.52)	Ratio of Saturday closures 100% 70.2% in 2025	No. of employees recruited 80/year 90 in 2025
Ratio of newly hired female graduates 30% 17.3% in 2025	Ratio of male employees taking childcare leave 100% 36.4% in 2025	No. of meetings with investors and analysts 30/year 32 in 2025

Long-term Vision 2030

Pursuing sustainability: Looking toward Wakachiku Construction's 140th anniversary

Pursuing three components of sustainability underpinned by construction centered on quality and safety

2030

Serve as a company that meets the expectations of all of its stakeholders

SUSTAINABLE DEVELOPMENT GOALS

WAKACHIKU 若築建設

Wakachiku Construction's 140th anniversary

Sustainability I
Market sustainability



- Increase corporate value
- Achieve consistent shareholder returns

Sustainability II
Organizational sustainability



- Ensure business continuity in the after-corona era
- Increase employee satisfaction

Sustainability III
Social sustainability



- Social contribution to communities
- Address global environmental challenges

Medium-Term Business Plan

Phase1 (2021-2023)

Strengthen business foundations and promote ESG management

Phase2 (2024-2026)

Pursuing sustainability through greater coordination with stakeholders

Phase3 (2027-2029)



WAKACHIKU CONSTRUCTION CO., LTD.

Disclaimer

The forward-looking statements, such as performance forecasts, contained in this document are based on information currently available to us and certain assumptions that we consider reasonable, and are not intended to be a commitment by us to achieve them. Please also note that actual performance may vary significantly due to various factors.