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News Release (Translation)

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Notice Concerning the Establishment of a Corporate Venture Capital Fund
and a Subsidiary for the Operation of the Fund

Daiwa House Industry Co., Ltd. (hereinafter “the Company”) announces that its Board of Directors have today resolved the establishment of a corporate venture capital (hereinafter “the CVC”) fund and Daiwa House Ventures Co., Ltd., a subsidiary for the operation of the fund. Further details follow:

1. The Purpose of Establishing the CVC

The Company strives to achieve Our Hopes for the Future (Purpose) adopted in FY2022, which is “Creating the fundamental societal infrastructure and lifestyle culture rooted in regeneration, ensuring a world where we live together in harmony embracing the Joys of Life.”

In its Seventh Medium-Term Management Plan, a five-year plan announced at the same time as Purpose, the Company has set forth three management policies: “Evolve our revenue model,” “Optimize management efficiency,” and “Strengthen management base,” with the aim of completing a sustainable growth model. In this context, the Company is also working to optimize its business portfolios in order to stay ahead of and constantly respond to changes in the social environment.

And now, the Company is establishing the CVC fund (referred to as the Daiwa House Group “Our Hopes for the Future” Fund) as a strategic investment framework for the creation of new businesses that will be the source of future growth.

Since its founding in 1955, the Company has led the Japanese housing and construction industries with the invention of the Pipe House, the basis for the “industrialization of construction,” and the development of Japan's first steel pipe structural building. Since then, the Company has been involved in a wide range of new businesses that respond to social issues, including the Environment and Energy Business, which is responsible for the spread of renewable energy, and the Livness business, which redevelops and raises the value of aged facilities.

Going forward, the Company will continue to deepen its existing businesses and create value through collaboration with suppliers and partners who share the same purposes, moving toward a world where we live

together in harmony embracing the Joys of Life, as the Group that co-creates value for people, communities, and lifestyles.

2. Outline of the CVC Fund

(1) Name	Daiwa House Group Investment Limited Partnership
(2) Location	3-13-1 Iidabashi, Chiyoda-ku, Tokyo, Japan
(3) Governing law	Limited Partnership Act for Investment
(4) Objective	To invest in businesses that are closely related to Our Hopes for the Future (Purpose) of the Daiwa House Group toward its centennial year 2055 and that contribute to the realization of a world where we live together in harmony embracing the Joys of Life
(5) Total amount of the fund	30 billion yen (Capital call method)
(6) Operation period	From January 1, 2024 to December 31, 2055 (planned)
(7) Operation company	Daiwa House Ventures Co., Ltd.
(8) Capital relationship	Daiwa House Industry Co., Ltd. 99.9% Daiwa House Ventures Co., Ltd. 0.1%

3. Outline of the Subsidiary

(1) Company name	Daiwa House Ventures Co., Ltd.	
(2) Location	3-13-1 Iidabashi, Chiyoda-ku, Tokyo, Japan	
(3) Representative	Undecided	
(4) Business profile	Operation of the CVC fund, support for startups and promotion of collaboration, and advancement of business development linked with these activities	
(5) Capital stock	50 million yen	
(6) Major shareholders and shareholding ratio	Daiwa House Industry Co., Ltd. 100%	
(7) Relationship between the Company and the relevant company	Capital relationship	The Company is scheduled to have a 100% stake
	Personal relationship	The Company's officers and employees are scheduled to serve concurrently as directors of the subsidiary
	Business relationship	Service agreements, etc. are expected to occur with the subsidiary

4. Schedule

October 5, 2023	Resolution of the Board of Directors concerning the establishment of Daiwa House Group Investment Limited Partnership and Daiwa House Ventures Co., Ltd.
November 2023 (scheduled)	Establishment of Daiwa House Ventures Co., Ltd.
January 2024 (scheduled)	Establishment of Daiwa House Group Investment Limited Partnership

5. Outlook for the Future

This matter has no significant impact on the consolidated financial results. Any matters that should be disclosed in the future will be promptly announced.

End

Disclaimer:

This English translation has been prepared for general reference purposes only. The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text of the press release dated October 5, 2023.