



October 24, 2025

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 (Securities code: 7438; Tokyo Stock Exchange Prime Market)
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Notice Concerning Acquisition of Shares of SUZUTOH CO., LTD. (to Make It a Subsidiary)

KONDOTEC INC. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on October 24, 2025, to acquire all shares of SUZUTOH CO., LTD. and make it a subsidiary of the Company. SUZUTOH CO., LTD. is engaged in the manufacturing and sales of construction materials, wholesale of steel products, lease of temporary construction materials, and construction of buildings. The details are described below. The directors shall be appointed from within the Company’s Board of Directors and employees.

1. Reason for acquisition of shares

In order to pursue a growth strategy under the medium-term management plan (FY2026–FY2028), the Company aims to actively invest in the future to strengthen its efforts in areas with growth prospects (increasing demand for maintenance and repairs, overseas markets, and labor-saving technology to addressing labor shortages and workstyle reforms) and enhances its existing businesses through the strengthening its supply system of products, merchandise, and services.

2010	Made Sanwa Denzai Co., Ltd. a subsidiary with an eye toward business expansion into the field of energy-saving and environmental merchandise including LED lighting.
2012	Established KONDOTEC INTERNATIONAL(THAILAND) CO., LTD. with a view to business expansion in the ASEAN region.
2014	Made CHUOH GIKEN Co., Ltd., which specializes in designing and manufacturing labor-saving equipment, a subsidiary with an eye toward business expansion into the field of labor-saving technology and automation business.
2016	Took over “ALPS-mark iron pulley” manufacturing business from Akinaga Factory Co., Ltd. with a view to quality improvement of products and enhancing services.
2019	Made HIROSE KOSAN CO., LTD. (currently TECBUILD CO., LTD.), which provides scaffolding construction services for civil engineering and construction projects, a subsidiary with an eye toward business expansion into the field of maintenance and repairs given the aging of social infrastructure.

2020	Made TOKAI STEP CO., LTD., which provides scaffolding construction services for civil engineering and construction projects, a subsidiary with an eye toward business expansion into the field of maintenance and repairs given the aging of social infrastructure.
2021	Made FUKOKU, Ltd., which provides scaffolding construction services for civil engineering and construction projects, a subsidiary with an eye toward business expansion into the field of maintenance and repairs given the aging of social infrastructure.
	Established Nippon Scaffolding Holdings Co., Ltd., an intermediate holding company newly established by a company split to manage subsidiaries that provide scaffolding construction services.
	Made KURIYAMA ALUMINUM Co., Ltd., a manufacturer and developer of aluminum extrusion products, a subsidiary with the aim of adding aluminum products to the group's product and merchandise lineup.
2024	Made UEDA CONSTRUCTION CO., LTD., which provides scaffolding construction services for civil engineering and construction projects and machine and equipment installation work services a subsidiary with the aim of securing a business foundation in the scaffolding construction sector for plant construction sites.

SUZUTOH CO., LTD. sells and manufactures site hoarding panels “Safety steel site hoarding”, which are widely used across Japan on construction sites. SUZUTOH CO., LTD. also sells and rents a wide range of products and merchandise. By making SUZUTOH CO., LTD. a subsidiary, the Company anticipates enhancing its manufacturing functions of materials for construction sites, for which demand is expected to increase in the future and expanding sales methods (other than sales of products and merchandise), such as rentals, and it expects this, in turn, to support the group's sustainable growth and enhance its corporate value over the medium to long term. Based on these factors, the Company decided on the share acquisition of SUZUTOH CO., LTD.

2. Overview of the subsidiary (SUZUTOH CO., LTD.) subject to change

(1) Name	SUZUTOH CO., LTD.	
(2) Location	1-12-3 Iwamoto-cho, Chiyoda-ku, Tokyo	
(3) Job title and name of representative	President and Representative Director Hiroaki Saitoh	
(4) Description of business	Manufacturing and sales of construction materials, wholesale of steel products, lease of temporary construction materials, and construction of buildings	
(5) Share capital	100 million yen (as of March 31, 2025)	
(6) Date of establishment	September 17, 1963	
(7) Major shareholders and ownership ratios	Three individual shareholders 100.0%	
(8) Relationship between the Company and said company	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Sale and procurement transactions for materials exist between the Company and said company. Construction transactions exist between the Company's subsidiary and said company.

(9) Operating results and financial position of said company for the last three years				
	Fiscal year ended	March 31, 2023	March 31, 2024	March 31, 2025
	Net assets	435	412	464
	Total assets	1,519	1,789	1,708
	Net assets per share (Yen)	1,393.12	1,320.04	1,486.19
	Net sales	2,130	2,310	2,733
	Operating profit	△43	△29	64
	Ordinary profit	△47	△21	59
	Profit	△44	△22	51
	Earnings per share (Yen)	△141.47	△73.08	166.14
	Dividend per share (Yen)	—	—	—

(Millions of yen, unless otherwise noted)

3. Overview of the counterparty to the acquisition of shares

【Three individual shareholders】

(1) Name	The details are not disclosed because the counterparty to the acquisition of shares is individual shareholders.
(2) Address	
(3) Relationship between the Company and said person	Not applicable.

4. Number of shares acquired, acquisition costs, and shareholding held before and after acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights : 0 units) (Ratio of voting rights held : 0.0%)
(2) Number of shares to be acquired	312,422 shares (Number of voting rights : 312,422 units)
(3) Acquisition costs	The acquisition costs are not disclosed due to a confidentiality agreement and personal information protection reasons. The M&A advisory fee related to the acquisition is not disclosed due to a confidentiality agreement.
(4) Number of shares held after the change	312,422 shares (Number of voting rights : 312,422 units) (Ratio of voting rights held : 100.0%)

5. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	October 24, 2025
(2)	Date of conclusion of the agreement	October 24, 2025
(3)	Date of commencement of share transfer	November 27, 2025 (Scheduled)

6. Appointment of key executive members of the subsidiary (as of November 27, 2025)

New appointment	Name	Concurrent position
President and Representative Director	Yukio Kumagai	
Director	Kazuyuki Asakawa	Director, Manager of Eastern Japan Sales Division, and Manager of Tokyo Branch, the Company
Director	Tomoyuki Ejiri	Director, the Company President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. Representative Director and Chairman, TOKAI STEP CO., LTD. President and Representative Director, FUKOKU, Ltd.
Auditor	Norio Nishida	Director (Full-time Audit & Supervisory Committee member), the Company Audit & Supervisory Board Member, Sanwa Denzai Co., Ltd. Audit & Supervisory Board Member, CHUOH GIKEN Co., Ltd. Audit & Supervisory Board Member, Nippon Scaffolding Holdings Co., Ltd. Audit & Supervisory Board Member, TECBUILD CO., LTD. Audit & Supervisory Board Member, TOKAI STEP CO., LTD. Audit & Supervisory Board Member, FUKOKU, Ltd. Audit & Supervisory Board Member, KURIYAMA ALUMINUM Co., Ltd. Audit & Supervisory Board Member, UEDA CONSTRUCTION CO., LTD.

7. Future outlook

The Company expects that the impact on FY2026 parent and consolidated results would be minor, and that it would announce the impact on FY2027 and subsequent years as soon as this is determined.

Note: This material contains performance targets and other forward-looking statements involves risks, uncertainties and assumptions based on information available to the Company as of the date of the release. Various factors and changes could cause actual results to differ materially from these forward-looking statements.