



March 14, 2024

News Release (Translation)

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(Code number: 1925,  
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Notice Concerning Change of Specified Subsidiary (Sub-Subsidiary) in the USA

Daiwa House Industry Co., Ltd. (hereinafter “the Company”) announces that its Board of Directors have today resolved the capital increases of Broadway Community Venture LLC and Broadway Community Owner LLC (hereinafter collectively referred to as “the Sub-Subsidiaries”) through the Company’s 75% owned the U.S. sub-subsidiary, Claremont Investment CC LLC. With these capital increases, the Sub-Subsidiaries are expected to become specified subsidiaries of the Company. Further details are follows:

1. The Purpose of the Capital Increases

The Sub-Subsidiaries are engaged in the development of the “Claremont Hall” condominium in the United States. The purpose of these capital increases is to secure the necessary funds to smoothly proceed with the sales and deliveries. As a result of the capital increases, the amount of capital of the Sub-Subsidiaries will be equivalent to more than one-tenth of that of the Company, and the Sub-Subsidiaries will become specified subsidiaries of the Company.

2. Outline of the Sub-Subsidiaries

1) Broadway Community Venture LLC

|                                                |                                                                                    |
|------------------------------------------------|------------------------------------------------------------------------------------|
| (1) Company name                               | Broadway Community Venture LLC                                                     |
| (2) Place                                      | Delaware, the U.S.                                                                 |
| (3) Representative                             | Broadway Community Manager LLC (Managing member of Broadway Community Venture LLC) |
| (4) Business profile                           | Condominium development                                                            |
| (5) Capital stock<br>(Before capital increase) | 102,464,007 USD (11,142 million yen)                                               |

|                                                                                                  |                                                                                                                                                                                     |                                                                                                       |             |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------|
| (6) Date of establishment                                                                        | July 1, 2019                                                                                                                                                                        |                                                                                                       |             |
| (7) Major shareholders and shareholding ratio                                                    | Claremont Investment CC LLC *(75% owned subsidiary of Daiwa House Texas Inc.) 67.42%<br>Broadway Community Manager LLC 14.07%<br>Lendlease Broadway Community Properties LLC 18.51% |                                                                                                       |             |
| (8) Relationship between the Company and the relevant company                                    | Capital relationship                                                                                                                                                                | The relevant company is scheduled to be the specified subsidiary of the Company.                      |             |
|                                                                                                  | Personal relationship                                                                                                                                                               | There is no personal relationship required to be stated between the Company and the relevant company. |             |
|                                                                                                  | Business relationship                                                                                                                                                               | There is no business relationship required to be stated between the Company and the relevant company. |             |
| (9) Earnings Results and Financial Conditions of the Sub-Subsidiaries for the past 3 years (USD) |                                                                                                                                                                                     |                                                                                                       |             |
| Fiscal Year                                                                                      | 2020                                                                                                                                                                                | 2021                                                                                                  | 2022        |
| Net Assets                                                                                       | 51,053,138                                                                                                                                                                          | 102,336,087                                                                                           | 102,336,087 |
| Total Assets                                                                                     | 51,053,138                                                                                                                                                                          | 102,336,087                                                                                           | 102,336,087 |
| Net Sales                                                                                        | 0                                                                                                                                                                                   | 0                                                                                                     | 0           |
| Operating Income                                                                                 | 0                                                                                                                                                                                   | 0                                                                                                     | 0           |
| Ordinary Income                                                                                  | 0                                                                                                                                                                                   | 0                                                                                                     | 0           |
| Net Income                                                                                       | 0                                                                                                                                                                                   | 0                                                                                                     | 0           |

## 2) Broadway Community Owner LLC

|                                                               |                                                                              |                                                                                                       |  |
|---------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|--|
| (1) Company name                                              | Broadway Community Owner LLC                                                 |                                                                                                       |  |
| (2) Place                                                     | Delaware, the U.S.                                                           |                                                                                                       |  |
| (3) Representative                                            | Broadway Community Venture LLC (Sole Member of Broadway Community Owner LLC) |                                                                                                       |  |
| (4) Business profile                                          | Condominium development                                                      |                                                                                                       |  |
| (5) Capital stock<br>(Before capital increase)                | 102,464,007 USD (11,142 million yen)                                         |                                                                                                       |  |
| (6) Date of establishment                                     | July 1, 2019                                                                 |                                                                                                       |  |
| (7) Major shareholders and shareholding ratio                 | Broadway Community Venture LLC 100.00%                                       |                                                                                                       |  |
| (8) Relationship between the Company and the relevant company | Capital relationship                                                         | The relevant company is scheduled to be the specified subsidiary of the Company.                      |  |
|                                                               | Personal relationship                                                        | There is no personal relationship required to be stated between the Company and the relevant company. |  |

|                                                                                                  |                       |                                                                                                       |             |
|--------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------------------------------------|-------------|
|                                                                                                  | Business relationship | There is no business relationship required to be stated between the Company and the relevant company. |             |
| (9) Earnings Results and Financial Conditions of the Sub-Subsidiaries for the past 3 years (USD) |                       |                                                                                                       |             |
| Fiscal Year                                                                                      | 2020                  | 2021                                                                                                  | 2022        |
| Net Assets                                                                                       | 51,053,138            | 102,336,087                                                                                           | 102,336,087 |
| Total Assets                                                                                     | 132,645,153           | 226,196,826                                                                                           | 301,449,070 |
| Net Sales                                                                                        | 0                     | 0                                                                                                     | 0           |
| Operating Income                                                                                 | 0                     | 0                                                                                                     | 0           |
| Ordinary Income                                                                                  | 0                     | 0                                                                                                     | 0           |
| Net Income                                                                                       | 0                     | 0                                                                                                     | 0           |

\*Outline of Claremont Investment CC LLC

(owned 67.42% of capital contribution of Broadway Community Venture LLC)

|                                                |                                                                         |
|------------------------------------------------|-------------------------------------------------------------------------|
| (1) Company name                               | Claremont Investment CC LLC                                             |
| (2) Place                                      | Delaware, the U.S.                                                      |
| (3) Representative                             | Daiwa House Texas Inc. (Managing Member of Claremont Investment CC LLC) |
| (4) Business profile                           | Intermediate LLC                                                        |
| (5) Capital stock<br>(Before capital increase) | 69,086,056 USD (7,587 million yen)                                      |

3. Capital Situation Before and After the Change

|                                      | Capital Stock                        | Capital Contribution Ratio<br>of the Company |
|--------------------------------------|--------------------------------------|----------------------------------------------|
| Before Capital Increase              | 102,464,007 USD (11,142 million yen) | 67.42%                                       |
| Amount of Capital Increase<br>(Plan) | 82,500,000 USD (11,701 million yen)  | 51.00%                                       |
| After Capital Increase (Plan)        | 184,964,007 USD (22,843 million yen) | 60.10%                                       |

Note: Calculated at 141.83 yen to US dollar (exchange rate on December 30, 2023).

4. Schedule

|                              |                                     |
|------------------------------|-------------------------------------|
| Date of Directors Resolution | March 14, 2024                      |
| Date of Capital Increase     | Around the end of March 2024 (Plan) |

## 5. Future Outlook

The Changes have no significant impact on the consolidated financial results for the fiscal year ending March 31, 2024.

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 March 14, 2024.