



# Business Plan and Growth Potential

HOUSING TECH PLATFORM COMPANY

Reinventing the housing industry and achieving a new system for supplying homes on Earth.

September 29, 2026 | Lib Work Co., Ltd. (Securities Code: 1431)



## Key Message

# From homebuilder to Housing OS company.

Lib Work is not a company to be valued solely on the number of homes it sells. Building upon our capabilities honed in our detached housing business, we are evolving into a company that expands its earnings opportunities through AI, data, licensing, and construction technology.

## Proven execution in housing

In our own detached housing operations, we have tackled the management challenges facing Japan's roughly 35,000 homebuilders and local contractors firsthand.

## Data and know-how as products

We turn the insights gained in lead generation, proposals, design, and construction into services such as My Home Robo, IP licensing, and AI lead generation.

## Expanding earnings opportunities

We are broadening our revenue sources from the single flow-revenue stream of home sales to recurring revenue and a non-linear growth area (3D-printed housing).

# Current Earnings, Next Profits, Non-Linear Growth

Our three businesses are not stand-alone diversification; they are connected as earnings layers, each with a different role.

## Current earnings



### Housing business

Our directly operated detached housing business supports profit and cash flow while serving as the field where we implement and test new products, AI proposals, and construction technology.

Proving ground

## Next profits



### Housing OS

My Home Robo, IP licensing, and our AI lead-generation platform are offered to homebuilders nationwide by subscription, generating high-margin, recurring revenue.

High-margin, recurring revenue

## Non-linear growth



### 3D-printed housing + Physical AI

We will extend our proprietary soil-based construction technology through domestic franchising and overseas expansion, creating non-linear growth opportunities that redefine how homes are supplied.

Non-linear growth in Japan and overseas

# A Shrinking Market Becomes a Housing OS Opportunity

The new-build housing market is in outright decline, and a shakeout is underway among Japan's roughly 35,000 homebuilders and local contractors. **This only increases the value of our Housing OS, which lets companies share functions they cannot sustain on their own.**

## ① New-build market in outright decline

New housing starts:  
820,000 (2024) → 610,000 (2040, forecast)

▲ **26%**

Projected decline in new housing starts

## ② Shakeout among ~35,000 firms nationwide

Construction bankruptcies: 986 in 1H 2025  
(+7.5% YoY; up for the 4th straight year)

**Approx. 35,000**

Homebuilders and local contractors in  
Japan

## ③ Housing OS value keeps growing

My Home Robo adopters:  
149 (2026) → 600 (2029, plan)

**986**

Construction bankruptcies in 1H 2025  
(+7.5% YoY)

## It is precisely because the market is shrinking that the Housing OS gains value

While high material costs and a lack of successors are accelerating the shakeout among small and mid-sized contractors, demand is growing for functions such as lead generation, design, and cost control that individual companies cannot fully develop on their own. Lib Work's Housing OS treats Japan's roughly 35,000 homebuilders and local contractors as its serviceable addressable market (SAM) and offers a shared platform on a subscription basis.

Sources: Nomura Research Institute, "Actual and Forecast New Housing Starts"; Housing Industry Research Institute; Teikoku Databank, bankruptcy trends in the construction industry (1H 2025); Lib Earth Shot 2029 (published August 21, 2026)

# Toward Solving Global Housing Challenges

Global population growth, increasingly frequent natural disasters, and a worsening shortage of tradespeople are all happening at once.

Demand for affordable homes that can be built quickly, and for repeatable construction capacity that can also respond to disasters, is driving the need for 3D-printed housing.

## ① Population growth, disasters, labor shortages

World population: ~8.3 bn (2026) → ~9.8 bn (2050, forecast) / Skilled construction workers aged 55+: 36.7%

**2.8 billion**

People worldwide without adequate housing (incl. 318 million homeless)

## ② Rising demand for speed and repeatability

Affordable, quick-to-build homes and repeatable, disaster-ready construction capacity are needed

**36.7%**

Share of Japan's construction workers aged 55+ (All industries: 32.4%; aged 29 or under: 11.7%)

## ③ Growing need for 3D-printed housing

Global 3D-printing construction market: \$15.4 bn (2025) → \$1.83 trillion (2035)

**CAGR 61.2%**

High growth in the global 3D-printing construction market

## The 3D-printed housing market lies where population growth, disasters, and labor shortages intersect

Lib Earth House uses a proprietary material made mainly from natural soil to combine short build times, reduced labor, and consistent quality.

In July 2025 we completed model B, Japan's first 3D-printed home built to standard residential specifications. With the global market expanding, we are moving from direct-operation testing to domestic franchising and overseas proofs of concept.

Sources: UN, World Population Prospects; UN-Habitat (UN-Habitat Assembly, May 2025); MLIT, White Paper on Land, Infrastructure, Transport and Tourism in Japan 2025; [Precedence Research](#); Lib Earth Shot 2029 (published August 21, 2026)

FOUNDATION → SCALE → MONETIZE

We will lay the foundation in FY2027, expand nationwide and overseas in FY2028, and complete multi-layered monetization in FY2029. All three businesses follow this same sequence.

|                    | FOUNDATION                                                                | SCALE                                                        | MONETIZE                                                         |
|--------------------|---------------------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------|
|                    | Jul 2026 – Jun 2027: Build the foundation                                 | Jul 2027 – Jun 2028: Expand nationwide and overseas          | Jul 2028 – Jun 2029: Complete multi-layered monetization         |
|                    | FOUNDATION                                                                | SCALE                                                        | MONETIZE                                                         |
| Housing business   | Establish a high-profit model by improving orders, margins, and inventory | Roll out high-profit package to all locations                | Become a cash generator through AI and higher capital efficiency |
| Housing OS         | Redesign My Home Robo; launch the AI lead-generation portal               | Nationwide sales, broader IP lineup, and a big-data platform | Establish it as a second earnings pillar with growing profits    |
| 3D-printed housing | Prepare for mass production; certifications; select overseas test sites   | Domestic franchising; full-scale overseas construction       | Establish a multi-layered earnings model and go global           |

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# Company Overview

|                       |                                                                     |
|-----------------------|---------------------------------------------------------------------|
| <b>Company name</b>   | Lib Work Co., Ltd. (Securities Code: 1431)                          |
| <b>Representative</b> | Chikara Seguchi, President & CEO (Representative Director)          |
| <b>Established</b>    | August 1, 1997                                                      |
| <b>Capital</b>        | ¥1.32 billion                                                       |
| <b>Employees</b>      | 368 (as of June 2026)                                               |
| <b>Net sales</b>      | ¥15.68 billion (FY2026)                                             |
| <b>Businesses</b>     | Detached housing / Housing platform / 3D-printed housing            |
| <b>Head office</b>    | 178-1 Nabeta, Yamaga, Kumamoto, Japan                               |
| <b>Listings</b>       | Tokyo Stock Exchange Growth Market / Fukuoka Stock Exchange Q-Board |

## VISION

**Lib Earth Shot — Reinventing the housing industry and achieving a new system for supplying homes on Earth.**

## MISSION

**Through sustainability and technology,  
we bring innovation to how people live.**

## SLOGAN

**Change lives. Change the world. Create the future.**

## Our History

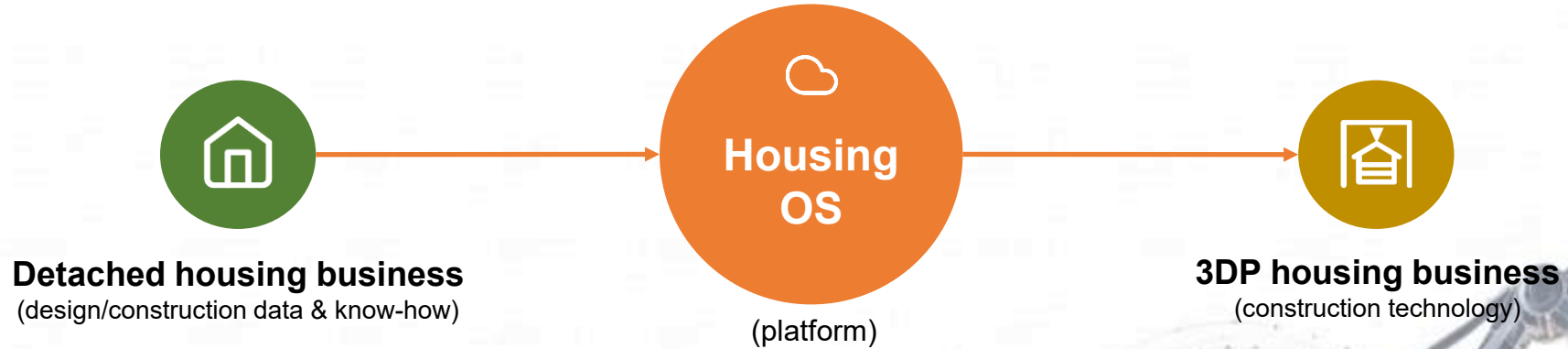
# From Homebuilder to Housing Tech Company

Digital lead generation, SaaS-based proposals, cross-industry collaborations, in-house lumber processing, and 3D-printed housing development have built up, step by step, into today's business structure.

|   |         |                                                               |                                                                                                 |
|---|---------|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| ● | 1997.08 | <b>Seguchi Komuten Y.K. (now Lib Work) founded</b>            | Began detached housing business based in Kumamoto                                               |
| ● | 2001.04 | <b>Opened an “Internet Showroom” on our website</b>           | First foray into online lead generation                                                         |
| ● | 2015.08 | <b>Listed on Fukuoka Stock Exchange Q-Board</b>               | Full-scale shift to digital-marketing lead generation                                           |
| ● | 2019.06 | <b>Dual listing on TSE Mothers (now Growth Market)</b>        | Added more efficient CG/VR sales methods to digital lead generation                             |
| ● | 2020.06 | <b>SaaS development and cross-industry collaboration</b>      | Developed an automated plan-proposal system; collaborations with niko and ... and others        |
| ● | 2023.07 | <b>Acquired Sachinokuni Mokuzai Kogyo as a subsidiary</b>     | Entered lumber processing and sawmilling, strengthening the vertically integrated housing model |
| ● | 2024.01 | <b>Lib Earth House “model A” completed</b>                    | Japan's first 3D-printed home made mainly of soil                                               |
| ● | 2025.07 | <b>Lib Earth House “model B” completed</b>                    | One of Japan's largest 3D-printed homes (approx. 100 m <sup>2</sup> ), made mainly of soil      |
| ● | 2026.08 | <b>Lib Earth Shot 2029 Mid-Term Management Plan announced</b> | New mid-term plan sets out our evolution into a Housing OS company                              |

# Turning Our Own Data and Know-How into Services

We are building a cycle in which the customer, design, and construction data and know-how we gain from home sales become Housing OS and 3D-printed housing products offered nationwide.



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# Three Business Roles

Detached housing, the Housing OS, and 3D-printed housing differ in the value they provide and in how they earn revenue, so we evaluate each according to its role.

|                       | Detached housing business                                    | Housing OS                                         | 3D-printed housing                                      |
|-----------------------|--------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------------|
| <b>Value provided</b> | Home planning, design, construction, and after-sales service | Lead-generation, proposal, and efficiency services | Next-generation housing supply system                   |
| <b>Revenue model</b>  | Flow (order- and delivery-based)                             | Subscription (recurring)                           | Multi-layered: direct + franchise + materials/equipment |
| <b>Growth stage</b>   | Mature / profitability-improvement phase                     | Expansion phase                                    | Launch / proof-of-concept phase                         |
| <b>Key KPIs</b>       | Gross margin / inventory turnover / SG&A ratio               | Adopters / operating profit / churn rate           | Housing starts / franchisees / cost reduction           |

In FY2026, earnings were centered on the housing business. Over the next three years, we will steadily raise the profit contribution of the Housing OS and 3D-printed housing.

# Growing Flow and Recurring Revenue in Tandem

Housing business = flow revenue; Housing OS = recurring, high-gross-margin revenue; 3DP housing = multi-layered revenue from direct operations, franchising, equipment, materials, and more. Each business has its own key costs and improvement levers.



## Detached housing business

This business earns flow revenue: net sales of ¥12.4 billion at a 30.9% gross margin (Lib Work non-consolidated, FY2026). Personnel (40.5%) and advertising (15.1%) are the main SG&A costs. Improving the gross margin and SG&A ratio is the biggest lever.



## Housing OS

This business earns recurring revenue: revenue increases in proportion to the number of subscribed companies. Costs are low and the marginal profit ratio is high. A low churn rate determines the quality of earnings.



## 3D-printed housing

This business earns multi-layered revenue from direct construction, franchise fees, royalties, printer sales and leasing, and materials and data creation fees. Mass production and standardization will steadily cut the total cost per home.

## Reference | Lib Work Non-Consolidated Cost Structure (FY2026 Actual)

| Net sales       | Gross profit<br>(gross margin) | SG&A expenses                         |                                         |                                         |
|-----------------|--------------------------------|---------------------------------------|-----------------------------------------|-----------------------------------------|
|                 |                                | Personnel expenses<br>(share of SG&A) | Advertising expenses<br>(share of SG&A) | Commissions and fees<br>(share of SG&A) |
| ¥12.445 billion | ¥3.854 billion<br>(30.97%)     | ¥1.380 billion<br>(40.5%)             | ¥516 million<br>(15.1%)                 | ¥300 million<br>(8.8%)                  |

# Profit, Cash Flow, and a Proving Ground

Our directly operated housing business is the core of our profit and cash flow, and also where we put new products, AI proposals, and construction technology in front of customers and test them.

## Group Operating Profit Breakdown (FY2026 Actual)

|                                     |     |
|-------------------------------------|-----|
| Lib Work (incl. housing & platform) | 92% |
| Sachinokuni Mokuzai Kogyo           | 5%  |
| Takuei Home (incl. its subsidiary)  | 3%  |

\*Takuei Home was absorbed in a merger on June 1, 2026

**¥528** million

Group operating profit (FY2026 actual)

\*FY2027 forecast: ¥580 million

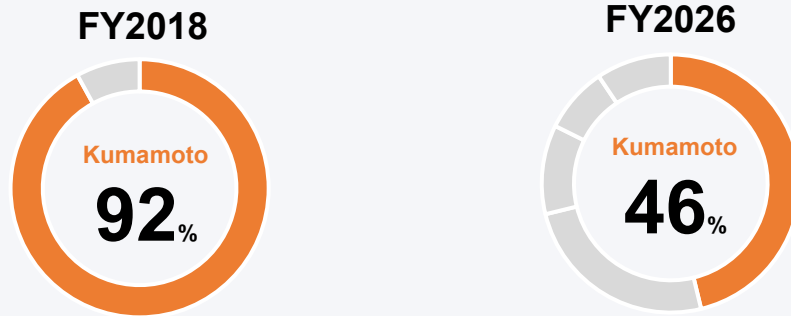
## The Housing Business as a Proving Ground

- We test new sales tools such as CG, VR, and AI proposals in our own home sales first.
- We establish in-house lumber processing and a vertically integrated housing model via Sachinokuni Mokuzai Kogyo at our own sites.
- We build up construction, quality, and cost data for our Lib Earth House 3D-printed homes through direct construction.
- Insights refined in the field feed back into Housing OS products such as My Home Robo and AI lead generation.

## Operating Areas & Brands

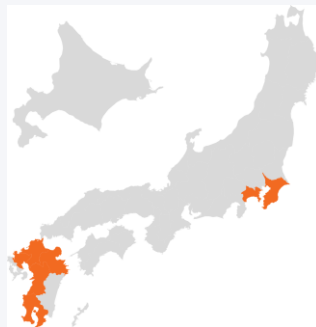
We are growing from a Kumamoto-centered business into a national one anchored in Kyushu and Kanto. Co-branded products with partners from other industries are our main tool for broadening our customer base.

### Shift in Sales Areas (sales by area, Lib Work)



### Priority Areas

We are building a dominant presence across Kyushu (Kumamoto, Fukuoka, Oita, Saga, Kagoshima) and have entered Kanto (Chiba, Kanagawa) in earnest. Having grown beyond Kumamoto to all of Kyushu, we acquired Yokohama-based Takuei Home to accelerate our expansion in Kanto.



### Lib Work's Main Brands

- NEOTELLA: New Retro — nostalgia for modern living
- Nordi: on-trend Japandi style blending Japanese and Scandinavian design
- Finole: luxury modern style with the comfort of a fine hotel
- Hiyori: cedar-scented wooden homes that grow with the family
- Archt: architect-designed homes using authentic materials
- Laiton: relaxing café-style homes in wood, brass, and mortar
- Z·E·N: a fresh contemporary style fusing modern and Japanese design

### Cross-industry collaboration brands

ink collaborate with niko and ...

Co-developed with Adastria

**Afternoon Tea House**

Co-developed with Sazaby League

**Belle Maison Days House**

Co-developed with Senshukai

**Saishunkan Seiyakusho House**

Co-developed with Saishunkan Seiyakusho

**Lively Villa Noki**

Co-developed with Teijin

# Digital Lead Generation | From Quantity to Quality

We integrate category websites, Instagram, YouTube, and model homes into a single customer journey, managed by CPA, showroom visit rate, and order win rate.

## Awareness

Instagram, YouTube,  
category websites

**103.8%**

Digital leads (YoY)

## Interest & comparison

My Home Robo, e-catalogs,  
brand collaborations

**100.6%**

Showroom visitors (YoY)

## Visits

Inside sales; referrals to each  
brand's model homes

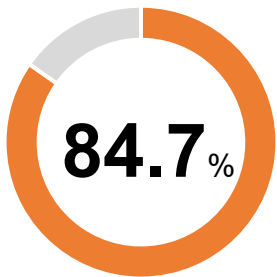
**166k**

YouTube subscribers  
(among the top in detached  
housing)

## Contracts

Field sales; CG/VR proposals

Own brands: **7**  
Collaborations: **5** brands  
A broad lineup that widens our  
customer base



Say social media is  
an effective way to  
research their ideal  
home

One of the top YouTube channels in detached housing



Photorealistic CG/VR proposals for every home



Source: Zenrin Tokai, survey on social media use in homebuilding

## Cross-Industry Collaborations | Stronger Lead Generation and Differentiation

By bringing the world of popular brands such as niko and ... into our homes, we broaden our customer base and add value at the same time.

**5** brands

Cross-industry collaborations

**45** homes

niko and ... homes ordered in the first year

**30** model homes nationwide (as of August 24, 2026)

Marketed as niko and ... EDIT HOUSE, expanding licensees nationwide

**Wider cross-industry collaboration = leads from many channels and high-value products less prone to price competition**

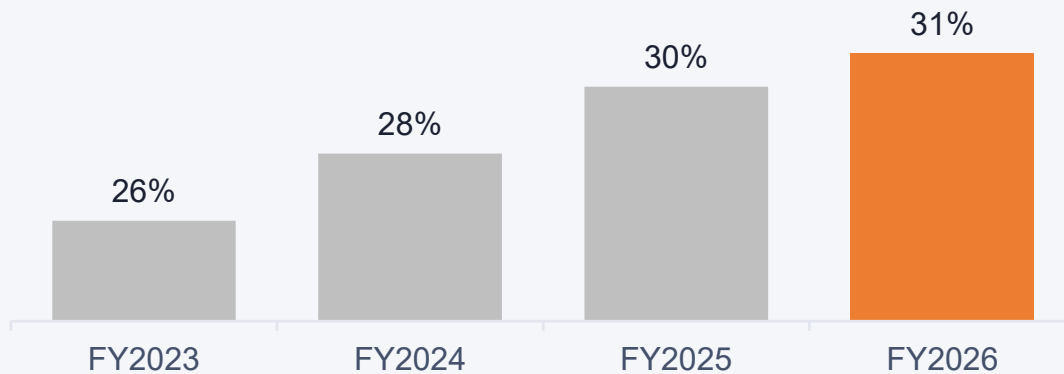
We co-develop products with brands whose customer touchpoints differ from those of housing, such as niko and ..., Afternoon Tea House, Belle Maison Days House, Saishunkan Seiyakusho House, and Lively Villa Noki (Teijin). This attracts customers beyond our own base while delivering high-value products less prone to price competition.



# Housing SPA\* Model | Better Quality, Lead Times, and Margins

Through procurement and processing ties with Sachinokuni Mokuzai Kogyo (a subsidiary since July 2023), in-house handling of key trades, standardization, and DX, our gross margin has improved for three straight fiscal years.

## Gross Margin Trend (Lib Work non-consolidated)



Up 5 pt from FY2023. Material prices remain high, but cost savings from in-house work and group integration have contributed.

\*SPA (specialty store retailer of private label apparel) is a business model that vertically integrates everything from product planning to manufacturing and retail. Many apparel retailers, such as Zara, H&M, and Uniqlo, use the SPA model and have grown strongly. We are applying it to housing.

## Key Initiatives

- We have brought three of the five main trades in-house: plumbing, foundations, and framing.
- With Sachinokuni Mokuzai Kogyo as a subsidiary, we handle everything from raw logs to precut processing, securing a stable lumber supply and lower costs.
- Beyond precut processing for all of Kyushu, we have begun shipping materials to Kanto (Chiba).
- We manage in-house investments by three metrics: uptime, quality, and payback.



# CG, VR, and AI Proposals | Raising Sales Productivity

CG and VR come standard with every home, solving the worry that you can't see a house until it's built. We standardize proposal quality while shortening the time to proposal.

## Experience before completion

Every home comes with three exterior and one interior CG rendering, plus VR that lets customers walk through the space on a smartphone, so expectations match the finished home before they sign.

## Standardized proposal quality

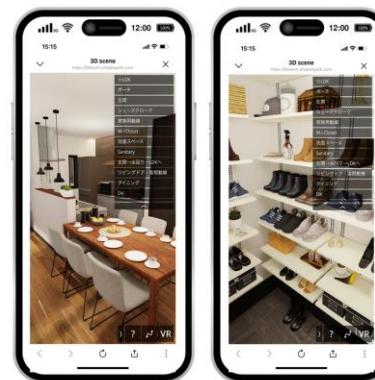
My Home Robo's generative AI quickly creates floor plans, proposal text, CG, and VR, ensuring quality proposals regardless of the salesperson in charge.

## Shorter proposal times

**Initial proposals in as little as five minutes** let each salesperson serve more customers, raising sales productivity.

Plans registered on My Home Robo

11,500+

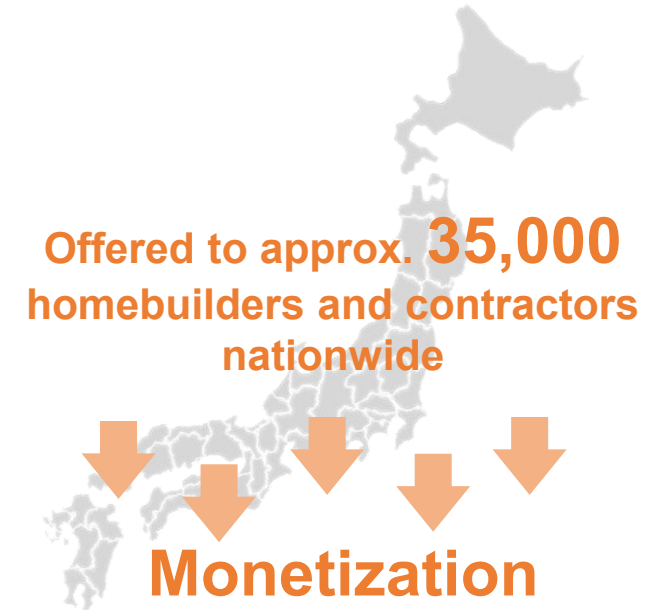


Infinite CG possibilities thanks to AI



# Becoming the Management Infrastructure for Homebuilders

An overview of our AI housing platform, which connects lead-generation, product, sales, design, and construction data and is shared by homebuilders nationwide.



Homebuilders and local contractors nationwide share, at low cost by subscription, functions that would be too costly for each to develop alone.

# From AI Home-Plan Proposals to an Integrated Solution



With 11,500+ registered plans and generative AI, initial proposals take as little as five minutes. Going forward, we will redesign it from a proposal system into a housing-construction AI solution.

| Indicator        | FY2026 (Actual) | FY2027 (Plan) | FY2028 (Plan) | FY2029 (Plan) |
|------------------|-----------------|---------------|---------------|---------------|
| Client companies | 149             | 250           | 400           | 600           |
| Operating profit | ¥23.5 million   | ¥50 million   | ¥120 million  | ¥200 million  |

## From Current Value to the Next Stage

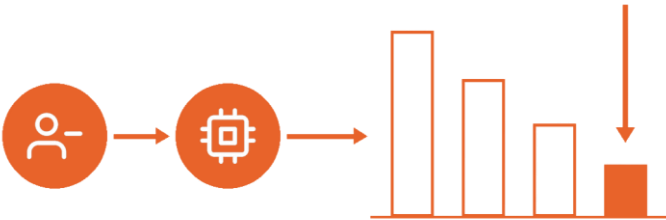
Now

Combining AI, CG, VR, and more, we automate everything from floorplan hearing to proposal documents in as little as five minutes. Offered to builders nationwide for a fixed monthly fee, it delivers major productivity gains and **lower personnel costs**.

Next

We will redesign it from a stand-alone proposal system into a housing-construction AI solution covering everything from lead generation and sales support to design and estimating, making it a core Housing OS service.

Shifting tasks to AI  
sharply cuts personnel costs



# Turning Brands into Lead-Generation Power for Homebuilders



We offer popular brands such as niko and ... to homebuilders nationwide under a flexible licensing model that differs from a housing franchise.

| Indicator          | FY2026 (Actual) | FY2027 (Plan) | FY2028 (Plan) | FY2029 (Plan) |
|--------------------|-----------------|---------------|---------------|---------------|
| Licensee companies | 20              | 30            | 50            | 100           |
| Operating profit   | ¥45 million     | ¥60 million   | ¥100 million  | ¥200 million  |

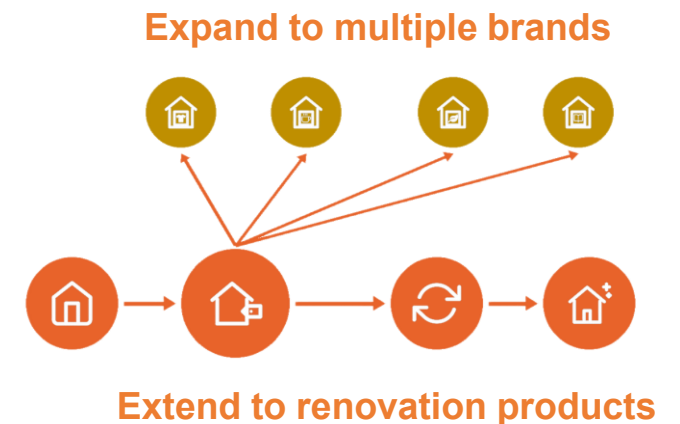
## Expanding Future Earnings Opportunities

Now

The core is a new-build brand (niko and ... EDIT HOUSE). Unlike a typical franchise, licensees need not buy designated structural materials and pay no royalties tied to units sold. Keeping this scheme, which gives licensees ample room to grow earnings, will drive demand.

Next

We will add brands with new cross-industry partners and extend into remodeling and renovation, widening earnings opportunities that are less exposed to market swings.



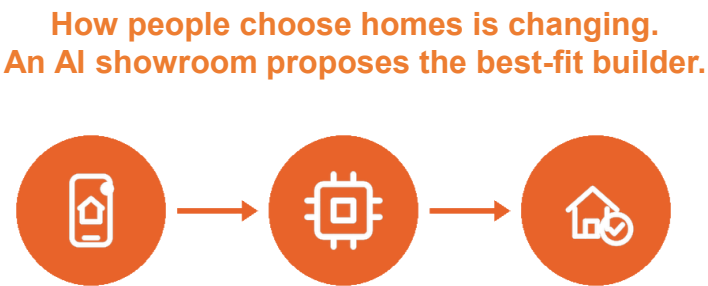
# An AI Platform That Matches Customers with the Right Builders

A new platform that connects prospective buyers with homebuilders and supports every step from referral and visit to contract. We manage it by listings, referrals, visit rate, conversion rate, and acquisition cost.

| Indicator        | FY2026 (Actual) | FY2027 (Plan) | FY2028 (Plan) | FY2029 (Plan) |
|------------------|-----------------|---------------|---------------|---------------|
| Listings         | —               | 30            | 45            | 60            |
| Operating profit | —               | ¥20 million   | ¥60 million   | ¥150 million  |

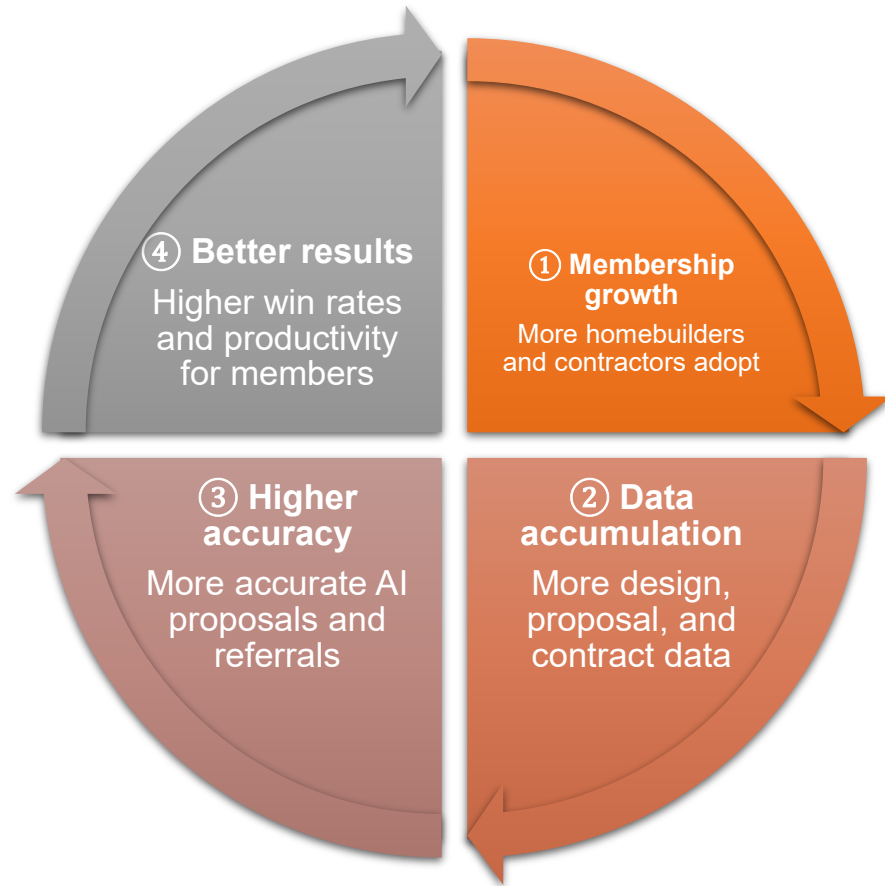
### Positioning

As visits to housing exhibition parks keep falling, we are opening an AI-powered exhibition park. It handles “stage-zero” customer engagement while buyers compare options, then refers them to homebuilders and contractors that match their needs. Together with My Home Robo and IP licensing, it forms the three pillars of the Housing OS, covering everything from lead generation to contract.



# Designing Network Effects

The more members, products, and customer touchpoints we have, the more data we accumulate and the sharper our AI proposals and promotions become; better results then attract new members, creating a positive cycle.



④ Better results → more new members → (back to ① membership growth)

The more this cycle turns, the more our data assets, at a scale no single homebuilder can match, become a competitive advantage.

## Management metrics

We track progress on three fronts: scale (adopters, licenses, listings), profitability (ARPU, operating profit), and retention (churn rate, continued-use rate).

# Providing a Production System, Not Just Houses

To address the structural challenges of global housing shortages, a lack of skilled workers, disasters, and environmental impact, we offer a supply model that integrates design, materials, construction, training, and maintenance.



### Global housing shortage

More than 1 billion people worldwide lack housing, a number expected to grow with the population.



### Shortage of skilled workers

In Japan and elsewhere, the skilled construction workforce keeps shrinking, and labor-dependent building methods are nearing their limits.



### Frequent disasters

More natural disasters are raising demand for homes and temporary housing that can be supplied quickly.



### Environmental impact

Construction generates heavy CO2 emissions and waste, so a shift to lower-impact methods is needed.

**What Lib Work provides is not the house itself but a production system integrating design data × materials × 3D printers × construction technology × training and maintenance.** Through this system, partner companies in Japan and overseas can supply homes themselves.

# Lib Earth House | Product and Technology Concept

A proprietary material made mainly from natural soil delivers short build times, reduced labor, and consistent quality. In July 2025 we completed Lib Earth House “model B,” an approx. 100 m<sup>2</sup> 3D-printed home built to standard residential specifications, a first in Japan and one of the country's largest.

### Materials, strength, and environmental performance

- The main ingredients are abundant natural materials such as soil, lime, and natural fibers; no cement, which ends up as industrial waste, is used.
- Strength is about five times that of the earlier model A (patented).
- For a 100 m<sup>2</sup> home, estimated CO<sub>2</sub> emissions are about 50.2% lower than for a reinforced-concrete home, and lower even than for a wooden home.
- An IoT sensor-based wall condensation monitoring system comes standard, so the house itself detects deterioration.

**Strength 5×**

Strength vs. the earlier model A

**CO<sub>2</sub> 50.2% lower**

CO<sub>2</sub> emissions (vs. RC home; 100 m<sup>2</sup> estimate)

Development partner

**ARUP**

A London-headquartered engineering and consulting firm whose designers, advisors, and specialists work on sustainable development projects in 140 countries.



Material  
(mainly soil)



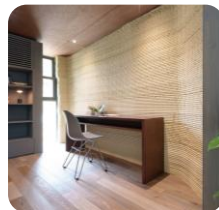
On-site  
(built in place)



Timber structure  
(Building Standards Act)



Suited to Japan  
(Japan's climate)



[3D-printed housing website](#)



# Gates to Commercialization | From Technical Proof to Regulatory Compliance

Step by step, we are clearing the regulatory requirements for selling these as homes, including third-party evaluation, certification, and insurance.

| Category                 | Completed                                                      | In progress                                                                    | Next stage                                                                                                           |
|--------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Commercialization status | model B completed (July 2025)<br>Moving to product development | Orders accepted (from January 2026)<br>Building a standard construction system | Long-Term Quality Housing and defect-liability insurance compliance<br>Preparing for mass production and franchising |

## Basic Policy for Commercialization

Rather than stopping at technical proof, we prioritize the quality and warranty systems that let people live in these homes with peace of mind for many years. We will meet Long-Term Quality Housing certification criteria and defect-liability insurance requirements ahead of mass production and franchising, and expand nationwide and overseas once our reliability as a housing business is established.

**Total cost of a 3DP home** (per m<sup>2</sup>, FY2029 target)

**40% reduction**

**Cost reductions will be the “trigger” for full-scale orders**

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# Solving Global Housing Challenges by Redesigning the Supply System

Population growth, housing shortages, rising construction costs, skilled-labor shortages, disasters, and environmental impact are growing worldwide. In Japan, these overlap with a structural industry problem: processes from lead generation to construction and after-sales are fragmented and dependent on individuals.

**1 billion+**

**People worldwide without housing  
(expected to keep rising)**



**Population growth**

Housing demand will grow over the medium to long term as the world population rises.



**Rising construction and material costs**

Soaring material and labor costs are pushing up the cost of supplying homes.



**Shortage of skilled workers and trades**

The skilled construction workforce is shrinking worldwide, and labor-dependent methods are nearing their limits.



**Frequent disasters / environmental impact**

Calls for rapid housing supply and for circular, decarbonized construction are rising together.

## Japan's Industry-Structure Challenge | Fragmented, Personnel-Dependent Processes

Lead generation, sales, design, estimations, materials procurement, construction, and after-sales service are fragmented, and much of the work depends on individual experience and local optimization. This has constrained productivity and business scalability. Lib Work will transform this very structure with our Housing OS.

## Market Opportunity

# TAM, SAM, SOM | Linking a Vast Market to Our Published KPIs

Starting from Japan's housing lifecycle market and the global 3D-printing construction market, we narrow down to the serviceable available market (SAM) and the FY2029 targets disclosed in our mid-term plan (SOM).

## TAM

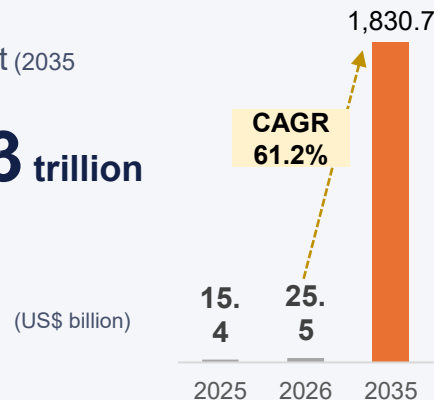
### Total addressable market

Japanese housing market (new builds + remodeling/renovation)

Approx. **¥29.4** trillion

Global 3D-printing construction market (2035 projection)

Approx. **\$1.83** trillion



## SAM

### Markets Lib Work can connect with

Homebuilders and contractors in Japan

Approx. **35,000**

**Southeast Asia, etc.**

Priority regions for 3D-printed housing

## SOM

### FY2029 published KPIs

Housing OS adopter targets (FY2029)

My Home Robo **600**

IP licensing **100**

AI lead generation **60**

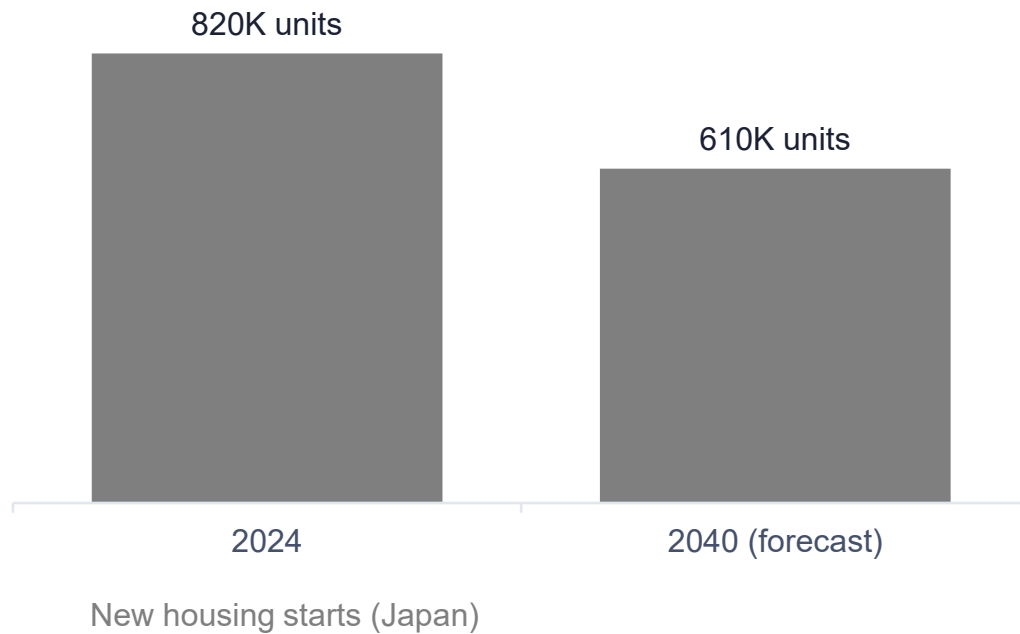
3D-printed housing franchisee target (FY2029)

3DP franchisees **50**

Sources: TAM = global 3D-printing construction market forecast by [Precedence Research](#). SAM = number of homebuilders and contractors in Japan (Housing Industry Research Institute). SOM = Lib Earth Shot 2029 (published August 21, 2026)

# Turning Japan's Shrinking Housing Market into a Platform Opportunity

New housing starts are expected to keep declining gradually as the population shrinks. Rising costs and interest rates are weeding out financially weaker small contractors, while the need for efficiency and lead-generation support is actually growing.



Source: Nomura Research Institute, "Actual and Forecast New Housing Starts"

## Management challenges are mounting for contractors nationwide

More contractors face problems that are hard to solve alone, such as fewer leads, labor shortages, and rising overtime. With costs and interest rates rising, financially weaker small and micro businesses are also being weeded out.

## Fiercer competition → growing platform demand

The less able a homebuilder or contractor is to build its own efficiency tools and lead-generation engine, the more economic sense it makes to use our Housing OS. Rather than narrowing Lib Work's customer base, a shrinking market actually widens it.

# How We Differ from Major Homebuilders and Local Contractors

We differentiate on four axes: digital lead generation, cross-industry collaboration, data from our own sites, and execution from lead generation through construction.

| Axis                      | Major homebuilders                                                  | Local contractors                              | LibWork                                                                     |
|---------------------------|---------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------|
| Lead generation           | Mass media, exhibition parks, and digital                           | Mainly referrals and local ties                | In-house web, social media, YouTube; seamless through to model-home visits  |
| Customer reach            | Own brands, plus some product/tech partnerships                     | Mainly own brands                              | Own brands plus many popular ones such as niko and ... and Afternoon Tea    |
| Data from own sites       | Rich data, but used mainly within the group                         | Data accumulation varies by contractor         | Design, cost, and construction data from own sites feed the Housing OS      |
| Execution and scalability | Strong execution in-house, but limited provision to other companies | Capable locally, but limited beyond their area | Lead gen → design → build → after-sales done in-house and offered to others |

Lib Work research (as of September 2026). This summarizes general characteristics and does not assert superiority.

# How We Differ from Other 3D-Printing Construction Players

In Japan, the field is led by general contractors, major construction firms, and startups; globally, the market is still developing. Few players use natural soil as their main material.

| Axis          | Japanese players                                          | Overseas players                                                             | LibWork                                                                                      |
|---------------|-----------------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Main material | Mainly cement-based                                       | Mainly cement-based;<br>some soil/resin systems in use                       | Proprietary material made mainly<br>from natural soil (patented)                             |
| Main business | Mainly R&D, civil engineering,<br>and non-residential use | Equipment, materials, software sales;<br>licensing; construction and housing | Commercializing via the sales, building,<br>and after-sales setup of our housing<br>business |
| Revenue model | From proofs of concept<br>to individual projects          | Equipment sales, construction<br>networks, partner rollouts                  | Domestic franchise model;<br>local partner rollout in Southeast Asia                         |

### Major players (Japan / overseas)

Obayashi, Takenaka, Shimizu, Aizawa Concrete, Polyuse, Serendix, etc.

WASP, Icon, Cobod International, CyBe Construction, Apis Cor, XtreeE, WinSun, Luyten, Tvasta, etc.

Lib Work research (as of September 2026). This summarizes general characteristics and does not assert superiority.

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# Connecting Three Business Layers Through Data

Higher profitability in housing, a nationwide Housing OS rollout, and commercialization of 3D-printed housing + physical AI. Through customer, design, and construction data, the three layers improve one another.

## Housing business



Shift to a high-profit, high-turnover model to boost cash generation



## Housing OS



Integrate My Home Robo, IP, and AI lead generation and roll them out nationwide



## 3DP + Physical AI



Commercialize housing supply as a production system, in Japan and abroad



The three businesses are connected by customer, design, and construction data. Data gained in one business improves AI proposals, cost accuracy, and construction quality in the others, creating synergies.

## Behavioral data

Customer behavior data from lead generation, visits, and contracts

## Design data

Data built up from AI proposals, CG/VR, and floorplan hearings

## Construction data

Cost and process data from direct construction and 3D printing

## Toward a High-Profit, High-Turnover Model | Managing Win Rate, Margin, and Turnover

With order win rate, gross margin, SG&A ratio, inventory turnover, and sales productivity as key metrics, we will review unprofitable stores, products, and advertising to raise profitability and capital efficiency.

### Higher win rate and productivity

Making sales processes visible and standardized (talk scripts, AI feedback) will raise the order win rate and shorten the lead time from inquiry to order.

### Higher gross margin

Expanding the vertically integrated housing model (planning, design, procurement, construction) will reduce reliance on subcontractors and raise gross margin.  
Lib Work's non-consolidated gross margin in FY2026 was 30.9%.

### Lower SG&A ratio

Rigorously reviewing low-return stores, products, and advertising, and applying strict selection and focus, will improve the SG&A ratio.

### Faster inventory turnover

Shortening turnover periods for land and completed inventory will raise capital efficiency. We are shifting our focus from entering new areas to raising share in existing ones.

# From Individual Services to an Integrated Platform

We will bring together My Home Robo, IP licensing, our AI lead-generation platform, and external service integrations, redesigning them into an integrated platform managed by adopters, usage rate, ARPU, and churn rate.

- Redesign My Home Robo from a plan-search service into a housing-construction AI solution
- Develop and roll out remodeling and renovation products in the IP licensing business to expand earnings opportunities
- Bring the AI lead-generation platform into full operation, supporting everything from referral to contract
- Build a housing data platform usable across adopting companies, and leverage big data
- Strengthen customer success to reduce the churn rate

## Management metrics

### Adopters (scale)

Adopters of My Home Robo, IP licensing, and AI lead generation

### ARPU (profitability)

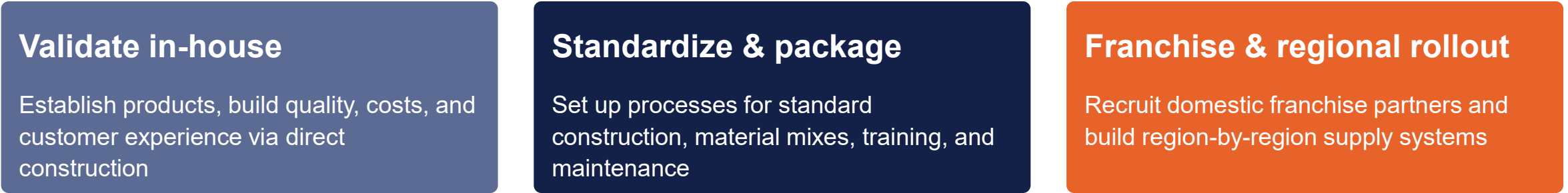
Average revenue per member company; higher subscription pricing

### Churn rate (retention)

Lower churn; continued use driven by customer success

# From In-House Validation to Franchising

We validate products, construction, costs, and customer experience through direct construction, package standard construction, training, and maintenance, and then roll out to regional construction partners.



| Category                        | FOUNDATION<br>(to FY2027)                                                              | SCALE<br>(to FY2028)                                                        | MONETIZE<br>(to FY2029)                                     |
|---------------------------------|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------|
| 3DP housing:<br>Status in Japan | In-house development, material standardization; select franchise/construction partners | Begin recruiting domestic franchise partners; build regional supply systems | Establish a franchise partner network in Japan and overseas |

# Managing Uncertainty Through Phased Investment

We proceed in sequence, from researching markets, regulations, and materials through local proofs of concept to choosing a business model (direct, JV, or franchise), with a go/no-go decision at each stage.

## ① Research

Study markets, regulations, materials

## ② Local proof of concept

Select partners, build model homes

## ③ Choose business model

Pick the best fit: direct, JV, or franchise

## ④ Go/no-go decision

Decide whether to keep investing based on results

## Priority Region | Southeast Asia

We are selecting partners, running proofs of concept, and building model homes in Indonesia, Malaysia, and elsewhere. In Indonesia, the world's fourth most populous country with about 280 million people, some 10 million households cannot afford a home.

## Market Growth Drivers

Rapid urbanization and population growth are expected to drive fast growth in Asia-Pacific's 3D-printing construction market. The Philippines alone faces a shortage of about 6.5 million homes.

# Digital AI × Housing OS × Physical AI

We integrate Digital AI, which handles demand creation, sales discussions, and design, with Physical AI, which handles printing, transport, construction, and inspection, on the Housing OS data platform.



## Digital AI

We are automating home proposals with My Home Robo, creating demand with the AI lead-generation platform, and advancing design automation with Maket Technologies Inc. of Canada.



## Physical AI

We are automating construction with 3D printers, running physical AI trials with development partners, and standardizing material mixes and build quality to establish a labor-saving construction model.

## Value as an AI company and a robotics company

By 2029, Lib Work will have evolved into a company that adds AI-driven design automation (as an AI company) and construction automation with 3D printers and physical AI (as a robotics company) to its value as a homebuilder.



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# Previous Mid-Term Plan | Summary of Key KPIs

We fell short of our key KPIs under NEXT STAGE 2026. We have examined the changes in the market and our challenges, and are reflecting them in our next growth strategy.

| Indicator                     | 2023 (Initial forecast) | Nov. 2025 (Revised forecast) | FY2026 (Actual) |
|-------------------------------|-------------------------|------------------------------|-----------------|
| Net sales                     | ¥28.5 billion           | ¥15.0 billion                | ¥15.68 billion  |
| Operating profit              | ¥3.0 billion            | ¥500 million                 | ¥530 million    |
| ROE                           | 30%                     | 4.0%                         | 2.2%            |
| My Home Robo operating profit | ¥450 million            | ¥90 million                  | ¥23.5 million   |
| IP licensing operating profit | ¥100 million            | ¥60 million                  | ¥45 million     |

## Foundations That Advanced

Although we missed the plan, the business foundations for our next phase of growth advanced steadily, including stronger digital lead generation, the IP licensing rollout to 27 model homes nationwide (as of June 30, 2026), and technology development for 3D-printed housing.

\*Revised forecasts for My Home Robo and IP licensing are those announced on August 12, 2025.  
Source: Lib Earth Shot 2029

# Analyzing the Shortfalls and Reflecting Them in the New Plan

We separated external and internal factors and reflected them in a management framework that prioritizes profitability, capital efficiency, and speed to commercialization.

## External factors

Rising material and labor costs (construction cost index up 4–5% YoY), higher mortgage rates, and the continuing decline in new housing starts (820,000 in 2024 → 610,000 forecast for 2040) affected sales prices and order conditions.

## Internal factors

For My Home Robo, the rapid advance of generative AI made it hard to differentiate on individual features. For IP licensing, prospective licensees became more cautious about investing. For 3D-printed housing, we prioritized quality verification, and productization and market launch slipped about a year behind plan.

## Reflected in the New Plan (Lib Earth Shot 2029)

- Gross margin, inventory turnover, and SG&A ratio set as key metrics; returns on store, product, and advertising investments rigorously tested
- Annual KPIs set for each business; technical-proof gates for 3DP housing, and phased investment and exit criteria for overseas expansion

# Basic Policies | Four Pillars for Transforming Our Earnings Structure

We are moving from construction and real estate to a Housing OS company, rebuilding corporate value around four policies: profitability, capital efficiency, productivity, and market valuation.

## 01 Shift to a High-Profit Structure

From construction and real estate to a Housing OS company

**ROE  $\geq 20\%$  and operating margin  $\geq 10\%$**

## 02 Management Focused on ROA and Cash Flow

Raising capital efficiency and cash-generating capacity

**ROA  $\geq 15\%$  and operating CF margin  $\geq 15\%$**

## 03 Higher Productivity Through AI

Rebuilding design, sales, and construction processes with AI

**Labor productivity:  $\geq 200\%$  vs FY2026**

## 04 Meeting the Requirements for a Move to the TSE Prime Market

Targeting a move to the TSE Prime Market, with FY2029 as the preceding fiscal year

**Market cap target of  $\geq \text{¥}50$  billion**

\*ROA = ordinary profit  $\div$  average total assets (the mean of opening and closing balances). Ordinary profit is a Japanese GAAP measure: operating profit plus non-operating income, less non-operating expenses.

## FY2029 | Quantitative Targets

We set FY2029 targets from three perspectives: profitability, efficiency and financial position, and growth.



ROA

≥15%



ROE

≥20%



Operating margin

≥10%



Labor productivity  
(FY2026 = 100)

200%



Operating CF margin

≥15%



Recurring profit ratio

≥25%



Overseas sales ratio

≥3%

\*1 Labor productivity = annual units delivered ÷ number of employees in the detached housing business. Planned values indexed to FY2026 = 100.

\*2 Recurring profit ratio = share of profit from recurring-billing services, such as 3D-printed housing royalties and the operating profit of My Home Robo, IP licensing, and AI lead generation.

\*3 ROA = ordinary profit ÷ average total assets (the mean of opening and closing balances). Ordinary profit is a Japanese GAAP measure: operating profit plus non-operating income, less non-operating expenses.

# FOUNDATION | Build a Foundation for Profitable Growth

Standardize technology, products, and operations to complete a scalable business foundation.

## 3D-Printed Construction Mass-Production Prep

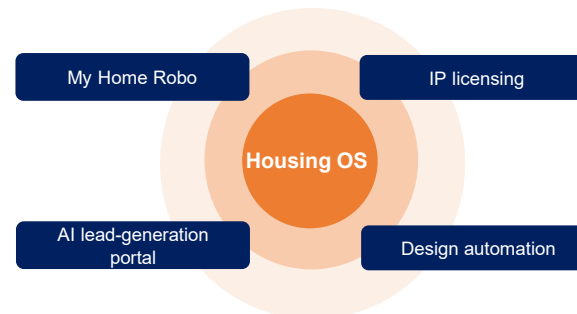
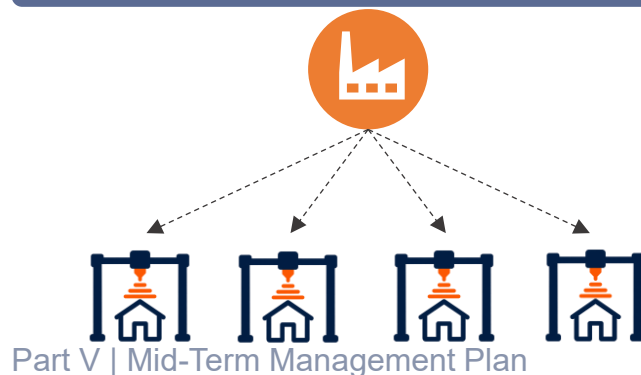
- Develop construction 3D printers in-house; standardize material mixes and construction quality
- Select domestic franchise and construction partners; design the earnings model
- Select partners, run proofs of concept, and build model homes in Southeast Asia (Indonesia and Malaysia)
- Select physical AI development partners; prepare the franchise business manual

## Housing OS Building the Foundation

- Redesign My Home Robo from a plan-search service into a housing-construction AI solution
- Develop remodeling and renovation products in the IP licensing business
- Launch the AI lead-generation portal
- Complete Phase 2 of the design-automation proof of concept with Maket Technologies of Canada

## Housing Business Establishing a High-Profit Model

- Raise the order win rate by making sales activity visible and standardized (talk scripts and AI feedback)
- Shorten the lead time from inquiry to order
- Improve gross margin by expanding the vertically integrated housing model
- Review unprofitable stores, products, and advertising; shorten turnover periods for land and completed inventory



# SCALE | Rapidly Scale Proven Models

Move to repeatable growth through franchising, data integration, and rollout across all locations.

## 3DP Construction Domestic Franchising & Overseas Expansion

- Begin recruiting domestic franchise construction partners
- Build region-by-region material supply and construction systems
- Run construction proofs of concept using physical AI
- Begin full-scale construction overseas

## Housing OS Full-Scale Expansion

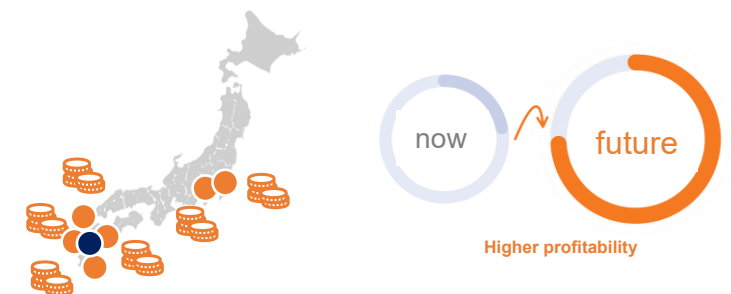
- Establish a nationwide sales structure for the new My Home Robo
- Expand the IP licensing product lineup
- Bring the AI lead-generation portal into full operation
- Build a housing data platform usable across adopting companies, and leverage big data

## Housing Business Roll Out High-Profit Model

- Deploy high-profit package model to all locations
- Reduce SG&A expenses
- Shift from expanding into new areas to raising share in existing areas
- Standardize sales, design, estimating, and construction processes with AI



Part V | Mid-Term Management Plan



# MONETIZE | Establish Earnings as a Housing OS Company

Make 3D-printed housing highly profitable, grow the Housing OS into a second earnings pillar, and establish a high-profit housing business.

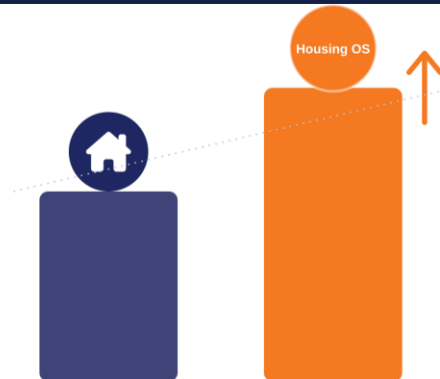
## 3DP Housing Business Going Global

- Establish a franchise partner network in Japan and overseas
- Build recurring revenue from materials, printers, and data creation
- Establish a labor-saving construction model using physical AI
- Establish a standard 3D printing construction model that can be deployed worldwide



## Housing OS A Second Earnings Pillar

- Integrate lead generation, sales support, design, and estimating with AI
- Reduce the churn rate through a focus on customer success
- Grow revenue from the AI lead-generation portal business



## Housing Business A High-Profit Cash Generator

- Apply AI to most of the sales, design, and production processes
- Complete the withdrawal from low-margin projects, stores, and businesses
- Raise inventory turnover and capital efficiency to the top level in the industry
- Use the directly operated housing business as a proving ground for the Housing OS



## Key KPIs

# Housing OS and Housing Business | Yearly Plan

Annual targets for adopters and operating profit in the three published Housing OS businesses, and for the housing business's gross margin, productivity, and SG&A ratio.

| Indicator                                      | FY2026 (Actual) | FY2027 (Plan) | FY2028 (Plan) | FY2029 (Plan)       |
|------------------------------------------------|-----------------|---------------|---------------|---------------------|
| <b>My Home Robo (client companies)</b>         | 149             | 250           | 400           | <b>600</b>          |
| <b>My Home Robo (operating profit)</b>         | ¥23.5 million   | ¥50 million   | ¥120 million  | <b>¥200 million</b> |
| <b>IP licensing (licensee companies)</b>       | 20              | 30            | 50            | <b>100</b>          |
| <b>IP licensing (operating profit)</b>         | ¥45 million     | ¥60 million   | ¥100 million  | <b>¥200 million</b> |
| <b>AI lead-gen platform (listings)</b>         | —               | 30            | 45            | <b>60</b>           |
| <b>AI lead-gen platform (operating profit)</b> | —               | ¥20 million   | ¥60 million   | <b>¥150 million</b> |
| <b>Detached housing gross margin</b>           | 30%             | 31%           | 33%           | <b>35%</b>          |
| <b>Labor productivity*</b>                     | 100             | 135           | 160           | <b>200</b>          |
| <b>SG&amp;A-to-sales ratio</b>                 | 25.1%           | 24%           | 22%           | <b>20% or less</b>  |

\*Labor productivity = annual units delivered ÷ employees engaged in the detached housing business. Planned values indexed to FY2026 = 100.

## Key KPIs

# 3D-Printed Housing Business | Yearly Plan

Alongside direct construction in Japan and overseas, we will create multiple revenue streams, including franchise fees and royalties, printer sales and leasing, and materials and data creation fees. Initial franchise fees are received as new franchisees join, while royalty income builds up as recurring revenue as the franchise network grows.

| Indicator                                                 | FY2026 (Actual) | FY2027 (Plan) | FY2028 (Plan)          | FY2029 (Plan)            |
|-----------------------------------------------------------|-----------------|---------------|------------------------|--------------------------|
| 3DP construction, directly operated sales (Japan)         | —               | ¥50 million   | ¥800 million           | ¥2.0 billion             |
| 3DP construction, directly operated sales (overseas)      | —               | —             | ¥200 million           | ¥720 million             |
| 3DP franchisees                                           | —               | —             | 20                     | 50                       |
| 3D printer sales and lease revenue                        | —               | —             | ¥100 million           | ¥500 million             |
| 3DP initial franchise fees                                | —               | —             | ¥20 million            | ¥50 million              |
| 3DP materials and data creation fees                      | —               | —             | ¥50 million (20 units) | ¥250 million (100 units) |
| 3DP royalty revenue                                       | —               | —             | ¥10 million            | ¥50 million              |
| Total cost of a 3DP home (per m <sup>2</sup> ): reduction | —               | 20% reduction | 30% reduction          | 40% reduction            |

Source: Lib Earth Shot 2029

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# From Leading Indicators to Financial Results

Progress on leading indicators such as adopters, licensees, and certifications feeds through to the recurring profit ratio, operating margin, ROA, and operating CF.

## ① Leading indicators: scale

Adopters, usage rate, licensees, franchisees

## ② Leading indicators: execution

Certifications, standard construction system, franchise rollout

## ③ Profitability indicators

Gross margin, inventory turnover, SG&A ratio, labor productivity

## ④ Financial results

Recurring profit ratio, operating margin, ROA, operating CF

## How the Indicators Connect

The more companies adopt the Housing OS, the more recurring earnings (and the recurring profit ratio) build up; the more 3D-printed housing certification and franchising progress, the more direct-operation and royalty revenue grows. Better gross margin, inventory turnover, and productivity in housing contribute directly to operating margin and ROA. We will disclose these leading indicators regularly and keep verifying how they connect to financial results.

\*ROA = ordinary profit ÷ average total assets (the mean of opening and closing balances). Ordinary profit is a Japanese GAAP measure: operating profit plus non-operating income, less non-operating expenses.

# Standardized Disclosure of Divergences and Next Steps

We disclose financial indicators, business KPIs, and technology/overseas milestones against the plan. Where we fall short, we explain the causes, corrective measures, and what to watch over the next 12 months.

| Category             | Items disclosed                                                                         | Base year (FY2026)                          |
|----------------------|-----------------------------------------------------------------------------------------|---------------------------------------------|
| Financial indicators | ROA, ROE, operating margin, operating CF margin, recurring profit ratio                 | ROA 2.3% / ROE 2.2% / operating margin 3.4% |
| Business KPIs        | Housing OS adopters, 3DP franchisees, detached housing gross margin, labor productivity | MHR 149 / IP 20 / gross margin 30%          |
| Milestones           | 3DP certification status; overseas proof-of-concept progress                            | model B completed; orders accepted          |

## Disclosure Format | When Results Diverge from Plan

- ① Quantify the variance between plan and actual
- ② Identify the main causes (external / internal)
- ③ Present corrective measures and when their effects should be visible
- ④ Specify the indicators and milestones to watch over the next 12 months

\*1 MHR = My Home Robo

\*2 ROA = ordinary profit ÷ average total assets (the mean of opening and closing balances). Ordinary profit is a Japanese GAAP measure: operating profit plus non-operating income, less non-operating expenses.

# A Lean Organization for the AI Era

We will use AI and standardization to raise per-person productivity, becoming an organization that can sustain growth with a small team. At the same time, we will recruit specialists and reskill our people.

## Raising productivity

We will rebuild design, sales, and construction processes with AI to raise labor productivity to at least 200% of the FY2026 level (FY2029 target).

We will move to job-based employment in stages to put the right people in the right roles.

## Securing specialists

We are recruiting the specialists our new growth areas need, in sales, 3D-printed construction, materials development, robotics, overseas business, and more.

## Training, Development, and Reskilling

Beyond conventional training, we are speeding up learning across the organization by building shared knowledge through manuals and videos of our work (knowledge-sharing management). We will continue to develop, in a planned way, people who understand our management philosophy and code of conduct.

Source: Lib Earth Shot 2029

# Building Individual Know-How into the Housing OS

We turn best practices in sales, design, and construction into organizational knowledge through videos and manuals, and feed it back into the products themselves.

## ① Field insights

Individual know-how in sales, design, construction

## ② Digital capture

Turned into shared knowledge via videos/manuals

## ③ Company-wide sharing

Shared digitally in all areas to accelerate training

## ④ Fed back into products

Sharper AI proposals in the Housing OS

## No knowledge silos

Keeps knowledge and information from being held by only a few people

## Greater efficiency

Centrally managed knowledge lets anyone work to the same standard

## An organizational asset

Individual knowledge is managed centrally and becomes a greater asset the more it accumulates

# Capturing Non-Linear Growth with Discipline

Our priority areas are the Housing OS, 3D-printed housing, materials, AI, and regional infrastructure. We screen deals on strategic fit, expected returns, payback period, PMI progress, and exit criteria.

## Priority Areas

We focus on Housing OS-related services, 3D-printed housing materials and technology, AI and data utilization, and the construction and materials-supply infrastructure that supports regional expansion.

## Track Record | Sachinokuni Mokuzai Kogyo

We have experience bringing a lumber processor into the group to secure a stable lumber supply and reduce costs. We also value diversifying procurement routes as a risk hedge.

## Screening Discipline

- Strategic fit, expected returns, and payback period assessed quantitatively in advance
- Post-merger integration (PMI) KPIs set and monitored; shortfalls judged against exit and downsizing criteria

# Prioritizing Growth Investment, Allocated with Discipline

Our priorities, in order, are higher profitability in housing, expansion of the Housing OS, and 3DP housing and overseas expansion, all screened with the cost of capital in mind.

## ① Higher profitability in housing

Hone existing execution and boost cash generation

## ② Housing OS expansion

Invest to build recurring revenue

## ③ 3DP housing and overseas

Expand while managing risk through phased investment

## Investment Screening Approach

Each investment is screened on whether it is expected to earn returns above the cost of capital. We set the investment cap, payback period, and downside scenarios in advance, along with criteria for scaling back or exiting if results fall short. For 3D-printed housing and overseas expansion, we invest in phases based on the results of technical and local proofs of concept, never committing large amounts of capital at once.

## Financial Discipline

# Maintaining Financial Soundness, Anchored on Equity Ratio and Debt Dependence

Our financial-discipline benchmarks are an equity ratio of at least 40% and debt dependence of no more than 30%. Together with a better operating CF margin, these will raise capital efficiency.



Equity ratio (benchmark)



Debt dependence (benchmark)



Operating CF margin (FY2029 target)

## Monthly Monitoring and Gate Reviews for Major Investments

We monitor inventories (land and completed homes), capital expenditure, and borrowings monthly, continually checking progress on shorter turnover periods and better capital efficiency.

Major investments such as 3D-printed housing and overseas expansion proceed only after gate reviews based on the results of technical and market proofs of concept. Whenever we raise funds, our policy is to disclose the use of proceeds, timing, expected effects, and dilution impact on existing shareholders.

# Shareholder Returns Balanced with Growth Investment

We continue to pay quarterly dividends with a target payout ratio of 35–40%, and have never cut our dividends. We also keep enhancing our shareholder benefit program, including quarterly Premium Yutai Club points.

## Dividend Policy

With a target payout ratio of 35–40%, we pay **quarterly dividends** to encourage long-term shareholding. We have never cut our dividends, and our basic policy is to keep paying stable dividends.

## Shareholder Benefit Program

Shareholders with 100 or more shares receive a ¥1,000 QUO Card once a year. Shareholders with 1,000 or more shares receive Premium Yutai Club points **every quarter**.

**5,000** shares held for **1** year



QUO Card

**¥1,000**

+



Benefit points  
(4 times a year)

**¥140,000**  
equiv.

+



Dividends

**¥32,000**

Total annual return

**¥173,000**

equivalent (pre-tax)

# Board Skills Matrix

We have defined the areas most important to achieving the mid-term plan and ensured an appropriate mix of director skills across them.

|          | Name               | Strategy | Sales & marketing | Finance & M&A | Legal & risk | Tech & quality | DX | ESG |
|----------|--------------------|----------|-------------------|---------------|--------------|----------------|----|-----|
| Internal | Chikara Seguchi    | ●        | ●                 |               | ●            | ●              | ●  | ●   |
|          | Etsuko Seguchi     | ●        | ●                 | ●             |              |                | ●  |     |
|          | Yoshiyuki Nanke    | ●        | ●                 |               |              |                | ●  | ●   |
|          | Noriyuki Tsukamoto | ●        |                   |               |              | ●              |    |     |
|          | Kosuke Jo          | ●        |                   | ●             | ●            |                |    | ●   |
| External | Shinya Matsumura   | ●        |                   | ●             | ●            |                | ●  |     |
|          | Nobuo Nishimura    | ●        |                   | ●             | ●            |                |    |     |
|          | Takashi Maeda      | ●        | ●                 | ●             | ●            |                |    |     |
|          | Hiroshi Sugiyama   | ●        |                   | ●             | ●            |                | ●  | ●   |

# Key Risks and Countermeasures

Below are our key risks (housing demand and material prices, 3DP technology and certification, overseas expansion, human resources, disasters, and more), with their impact and our countermeasures.

| Risk                                                                                                                                        | Countermeasures                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Material price and interest rate fluctuations</b><br><b>Rising material costs and interest rates may affect sales prices and orders.</b> | Diversified procurement routes and an in-group lumber processor secure stable supply.<br>We work to secure appropriate gross margins through measures such as revising sales prices. |
| <b>Delays in 3DP technical proof and certification</b><br><b>Regulatory compliance may fall behind plan.</b>                                | We manage third-party testing and certification in stages and put quality and reliability first at each commercialization gate.                                                      |
| <b>Uncertainty in overseas business</b><br><b>Local regulations, exchange rates, and other factors may affect business plans.</b>           | We invest in phases (market and regulatory research → local proof of concept → choice of business model) with go/no-go criteria.                                                     |
| <b>Recruitment and shortage of specialists</b><br><b>Recruiting and developing specialists may not progress as planned.</b>                 | We are accelerating development through job-based employment, expanded training, and knowledge-sharing management.                                                                   |
| <b>Natural disasters, pandemics, etc.</b><br><b>Unforeseen events such as disasters or pandemics may affect results.</b>                    | We maintain business continuity through internal response policies, remote sales meetings, and other measures.                                                                       |

For other risks, please refer to our Annual Securities Report.

## MESSAGE TO INVESTORS

# To Our Investors | Lib Work's Investment Value

Lib Work's investment value lies not only in expanding its share of the housing market. It lies in our ability to convert the on-site data and customer touchpoints accumulated through our housing business into the Housing OS, and to make it available to homebuilders across Japan.

### **Housing business**

**supports cash flow**

### **Housing OS**

**raises margins and delivers stable earnings**

### **3DP + Physical AI**

**substantially lifts the ceiling on corporate value**

In short, Lib Work will build on a stable housing business foundation and evolve into a company that also holds growth opportunities in SaaS, AI, platforms, and robotics.

# Disclaimer

This document has been prepared by Lib Work Co., Ltd. (the “Company”) based on information currently available to it and on certain assumptions it considers reasonable; the Company does not guarantee its accuracy or completeness. Statements concerning the Company's future performance, plans, management targets, strategies, and the like are forward-looking statements based on assumptions and outlooks at the time of preparation, and do not constitute a commitment by the Company that they will be achieved. Actual results may differ materially from these statements owing to economic conditions, the market environment, and various other factors.

Market data and statistics in this document are based on published third-party surveys and similar sources; for figures the Company has estimated independently, the calculation method is stated in the footnotes. KPI figures are presented according to their respective definitions, scopes, and reference dates, and are consistent with the figures in our earnings releases (Kessan Tanshin), financial results presentations, and Annual Securities Report.

The contents of this document are as of its reference date (September 22, 2026), and the Company assumes no obligation to update them. This document is not intended as a solicitation of investment, and investors are asked to make all final investment decisions at their own discretion.

# Next Update

We plan to publish the next update around September 2027.