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October 29, 2026

Company name: Daido Steel Co., Ltd.
Representative: Tetsuya Shimizu, President and CEO, Representative Executive Director
(Securities code: 5471; Prime Market of Tokyo Stock Exchange, Premier Market of Nagoya Stock Exchange)
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Notice of Introduction of a Restricted Stock Incentive Plan Aimed at the Employee Stock Ownership Association

Daido Steel Co., Ltd. (the "Company") announces that, at the meeting of the Board of Directors held on October 29, 2026, the Company resolved to introduce a restricted stock incentive plan (the "Plan") aimed at its employee stock ownership association (the "Association"), for employees of the Company who are eligible for membership in the Association, as described below.

1. Purpose of introducing the Plan

On the occasion of the Company's 110th anniversary, the Plan is being introduced to support employees' asset building by providing, through the Association, an opportunity to acquire restricted shares issued or disposed of by the Company as a measure to enhance employee benefits. It also seeks to foster a stronger sense of participation in management among employees through ownership of the Company's common stock and to further align their interests with those of shareholders.

2. Outline of the Plan

Under the Plan, employees of the Company who are members of the Association and consent to the Plan ("Eligible Employees") will receive monetary claims as special incentives for the allotment of restricted shares ("Special Incentives"). Eligible Employees will contribute Special Incentives to the Association, which will aggregate the Special Incentives and make an in-kind contribution to the Company, through which Eligible Employees will receive the Company's common stock as restricted shares via the Association through issuance or disposal.

The total amount reasonably expected for the restricted shares issued or disposed of by the Company based on the Plan will be a maximum of ¥1.0 billion. Further specific details regarding the Company's common stock to be issued or disposed of as restricted shares based on the Plan will be promptly announced once determined.