

Notice Concerning Establishment of Subsidiary (Sub-subsidiary) by Consolidated Subsidiary of Obayashi Corporation

OBAYASHI CORPORATION (hereinafter referred to as the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on February 10, 2025, that Thai Obayashi Corporation Limited (headquartered in Bangkok, Thailand, hereinafter referred to as “TOC”), the Company’s consolidated subsidiary, will establish a hotel management company (sub-subsidiary of the Company, hereinafter referred to as the “New Company”). The New Company will be jointly established with Saha Pathana Inter-Holding Public Company Limited (hereinafter referred to as “SPI”), a core company of the Saha Group, a leading general consumer goods company in Thailand. The New Company falls under the category of a specified subsidiary of the Company, and the details are described below.

1. Reason for change

Under the Obayashi Group Medium-Term Business Plan 2022 strategy to expand business portfolio for sustainable growth, the Company has been making efforts to acquire new profit opportunities through active investments by leveraging strengths in technologies and networks cultivated in various business fields. In the overseas non-construction businesses, the Company implements a strategy to enter the targeted region.

In Thailand, TOC operates construction business and has expanded its operations into real estate development business by leveraging its technological capabilities and knowledge acquired through the construction business. For instance, in March 2022, TOC completed self-developed sophisticated office building, O-NES TOWER, the largest leasing property solely owned by the Obayashi Group.

On Ratchadamri Road, Pathumwan District, Bangkok, considering the characteristics of the location, the Obayashi Group has decided to develop a multipurpose complex mainly for office use with a hotel on the upper floors, and to enter a hotel business under the management contract scheme. Since this is the first hotel business in Thailand for the Obayashi Group, TOC will jointly establish the New Company with SPI, a subsidiary of Saha Group, one of Thailand’s major corporate groups, which has experience in forming alliances and joint ventures with various Japanese companies. The capital of the New Company is equivalent to 10% or more of the Company’s capital, and therefore the New Company will fall under the category of a specified subsidiary.

2. Overview of the subsidiary (TOC)

(1) Name	Thai Obayashi Corporation Limited
(2) Location	Bangkok, Thailand
(3) Job title and name of representative	Director and President Pornchai Sittiyakorn
(4) Description of business	Construction business and real estate development business
(5) Capital (in Thai baht)	10 million
(6) Date of establishment	May 29, 1974

3. Overview of the sub-subsidiary (New Company)

(1) Name	(Tentative name) Ratchadamri Hospitality Management Company Limited
(2) Location	Bangkok, Thailand
(3) Job title and name of representative	Director, President and CEO Pornchai Sittiyakorn

(4)	Description of business	Management of hotel business in a planned multipurpose complex on Ratchadamri Road, Pathumwan District, Bangkok	
(5)	Capital (in Thai baht)	2.6 billion (approximately 12 billion Japanese yen* (planned))	
(6)	Date of establishment	June 30, 2025 (scheduled)	
(7)	Major Shareholders and ownership ratio	TOC	60%
		SPI	40%
(8)	Relationship between the Company and the New Company	Capital relationship	The Company will hold 60% of the shares of the New Company through TOC (Obayashi Group's shareholding ratio: 50%)
		Personal relationship	Employees of the Company and officers of TOC will assume the directors.
		Business relationship	None
(9)	Operating results and financial position of the New Company for the last three years	N/A (To be established on June 30, 2025)	

* Converted at 1 Thai baht at 4.64 Japanese yen (as of December 30, 2024)

4. Schedule

(1)	Date of resolution at the meeting of the Board of Directors	February 10, 2025
(2)	Date of establishment	June 30, 2025 (scheduled)
(3)	Date of investment execution	After the establishment of the New Company, investments will be made in stages by December 31, 2029 (scheduled).

5. Future Outlook

The impact of this matter on the Company's consolidated financial results for the fiscal year ending March 2025 is minimal.

■ Outline of Plan

Location	Ratchadamri Road, Pathumwan District, Bangkok
Transportation	BTS Ratchadamri Station
Land area	Approx. 9,804 m ²
Total floor area	Approx. 117,650 m ²
Number of floors	39 floor, 3 basement floors
Building use	Office, Hotel, Commercial, Parking
Completion and opening	FY2029 (scheduled)

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