

December 8, 2023

Dear valued shareholders:

Name of listed company: Toyo Construction Co., Ltd.

Representative: Haruhisa Obayashi, President and Representative Director

(Code: 1890 Tokyo Stock Exchange Prime Market)

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Announcement of Construction of Self-propelled Cable-laying Vessel

We are pleased to announce that we have decided to construct a self-propelled cable-laying vessel as follows at the board meeting held today.

Note

1. Reason for the construction

Projects of offshore wind power generation are progressing well mainly in the area of bottom-fixed type, and together with technology development of floating type and consideration of EEZ expansion, it is steadily advancing towards the realization of carbon neutrality by 2050 in line with the government target.

We will construct one of the largest self-propelled cable-laying vessels for offshore construction works including offshore wind power generation in which the market is expected to grow.

2. Overview of the cable-laying vessel

The cable-laying vessel to be constructed is designed to fit the requirements of environmental conditions and construction conditions in Japan, which allows construction at a high utilization rate in a vast marine area, from shallow area to very deep area where floating wind power generation or DC power transmission projects are conducted.

Also, the vessel can be used not only as a self-propelled cable-laying vessel, but also, with a high-performance crane and wide deck, can be used for various purposes including bottom-fixed type foundation works, floating offshore wind power mooring works as well as marine resource development.

Primary specification	Gross tonnage: approx. 11,500 t, Thrust power: approx. 13,000kw, DPS Class2
	Ship's classification: Class NK
	Accommodation capacity: 90 persons (all private rooms, fully equipped with shower & restroom)
Dimensions of vessel	150 m long x 28 m wide x 12 m deep max. draft: 7.0 m
Cable tank	Capacity: 9,000 t (including portable-type)
Main/Sub crane	Lifting capacity of 250 t / 100 t (with active heave compensation)
Other equipment	Helideck, 4-point mooring device (for works in shallow sea area), 2xROV system, Storage battery system
Investment value	Approx. 30 bil. yen
Financing	Own funds and bank loan (※Green Loan scheduled)

3. Construction schedule

Contract conclusion: Mid-December 2023

Completion and delivery: First half of 2026

4. Future prospects

The impact of this investment on consolidated performance for this term is expected to be slight. This investment has been also reflected in the mid-term business plan released on March 23, 2023, and the impact on consolidated performance is slight.

If any impact is expected on our performance in the future, we will promptly disclose it.

5. Others

For this investment, we have made the decision at the board meeting based on deliberate discussion and consideration of capital cost and capitalization rate.

【Image of cable-laying vessel】



End