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November 12, 2025

To whom it may concern:

Company name:	Oriental Shiraishi Corporation
Representative:	Tatsuya Ohno, Representative Director and President
Securities code:	1786 (TSE Prime Market)
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Notice Concerning Absorption-Type Merger between Consolidated Subsidiaries

Oriental Shiraishi Corporation (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on November 12, 2025, that Taikoh-Giken Corporation, a consolidated subsidiary of the Company, will conduct an absorption-type merger of Kikumasa Co., Ltd. and Kikumasa Komuten Co., Ltd., both consolidated subsidiaries of the Company (hereinafter the "Merger").

Please note that as the Merger is an absorption-type merger between consolidated subsidiaries, certain disclosure items and details have been omitted.

1. Purpose

The Group is working to strengthen its caisson business foundation in order to handle anticipated new large-scale projects and highly challenging construction work in the pneumatic caisson business.

In January 2025, the Company acquired all issued shares of Kikumasa Co., Ltd. and made Kikumasa Komuten Co., Ltd., a specialized contractor for the Company's pneumatic caisson business, a consolidated subsidiary.

The Merger will be implemented to enhance caisson construction and maintenance capabilities, promote the sharing of human resources within the Group, and improve the Group's management efficiency. This will be achieved through the integrated operation of Taikoh-Giken Corporation, which handles machinery maintenance and construction support for the Group's caisson business, and Kikumasa Komuten Co., Ltd., which handles specialized construction work.

2. Summary of the merger

(1) Schedule of the merger

Date of determination by the Board of Directors and Directors (merging companies)
November 12, 2025

Date of resolution by the Company's Board of Directors November 12, 2025

Date of merger agreement execution November 12, 2025

Extraordinary General Meeting of Shareholders for merger approval (merging companies)
December 25, 2025

Effective date January 1, 2026

(2) Method of the merger

This is an absorption-type merger involving Taikoh-Giken Corporation as the company surviving the absorption-type merger and Kikumasa Co., Ltd. and Kikumasa Komuten Co., Ltd. as the companies disappearing in the absorption-type merger.

(3) Details of allotment related to the merger

In connection with the Merger, shares of Taikoh-Giken Corporation will be allocated to the Company, which is a shareholder of Kikumasa Co., Ltd.

(4) Handling of share acquisition rights and bonds with share acquisition rights in connection with the Merger

Not applicable.

3. Overview of merging companies

	Company surviving the absorption-type merger	Company disappearing in the absorption-type merger	Company disappearing in the absorption-type merger
(1) Name	Taikoh-Giken Corporation	Kikumasa Co., Ltd.	Kikumasa Komuten Co., Ltd.
(2) Location	1-1-2 Midorigahara, Tsukuba-shi, Ibaraki	5-6-52 Toyosu, Koto-ku, Tokyo	1-9-16 Edanishi, Aoba-ku, Yokohama-shi, Kanagawa
(3) Job title and name of representative	Akihiro Matsuno, Representative Director	Yoshihiro Ogihata, Representative Director	Naoto Yamazaki, Representative Director

(4) Description of business	Construction work, manufacturing of construction machinery	Management guidance through stock ownership of Kikumasa Komuten Co., Ltd.	Excavation construction of pneumatic caissons, etc.
(5) Share capital	20,000 thousand yen	10,000 thousand yen	10,000 thousand yen
(6) Month and year of establishment	February 1971	January 2024	September 1973
(7) Total number of issued shares	1,000 shares	8,000 shares	6,000 shares
(8) Fiscal year-end	March 31	June 30	June 30
(9) Major shareholders and ownership ratios	Oriental Shiraishi Corporation, 100%	Oriental Shiraishi Corporation, 100%	Kikumasa Co., Ltd., 100%
(10) Operating results and financial position for the most recent fiscal year			
Fiscal year-end	Fiscal year ending March 31, 2025 (Separate)	Fiscal year ending June 30, 2025 (Separate)	Fiscal year ending June 30, 2025 (Separate)
Net assets	2,394 million yen	374 million yen	764 million yen
Total Assets	3,045 million yen	1,228 million yen	1,140 million yen
Net assets per share (yen)	2,394,924.46 yen	46,831.64 yen	127,471.31 yen
Net sales	2,946 million yen	0 million yen	617 million yen
Operating profit	247 million yen	△8 million yen	5 million yen
Ordinary profit	256 million yen	△18 million yen	11 million yen

Current net income	168 million yen	△19 million yen	△191 million yen
Current net income per share	168,043.95 yen	△2376.72 yen	△31,928.40 yen

4. Status after the merger

   There are no changes to the name, location, job title and name of the representative, description of business, or share capital of the company surviving the absorption-type merger resulting from the Merger.

5. Future outlook

   The Merger is an absorption-type merger between consolidated subsidiaries and therefore has no impact on consolidated financial results.