

August 2, 2019

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### **Notice on Participation in Condominium Development Project in Bangkok Metropolitan Region, Thailand**

ES-CON Japan Ltd. (hereinafter “ES-CON Japan”) announces that it has decided to participate in a for-sale housing development project (hereinafter the “Project”) undertaken by Origin Property PCL (hereinafter “Origin”), a real estate developer in Thailand, in Samut Prakan, a neighboring province of Bangkok, the capital of Thailand. Details are as follows.

The Project will be ES-CON Japan’s first overseas for-sale housing development project.

#### **1. Background and purpose**

The Project involves a development project of the condominium “KNIGHTSBRIDGE SUKHUMVIT THEPHARAK” undertaken by Origin in Samut Prakan Province located approximately 12 kilometers southwest of central Bangkok. ES-CON Japan will participate in the Project through its subsidiary ESCON JAPAN (Thailand) CO., LTD.

The condominium to be developed under the Project will have a total of 474 residential units and one shop space, and will be located a 1-minute walk from Thippawan Station of the Mass Rapid Transit (MRT) scheduled to open in 2021. It will stand in an area with commercial facilities, international schools, etc. in the surrounding area, which is expected to develop further with the construction of MRT extending from central Bangkok.

The co-operator, Origin, is a leading listed developer in Thailand established in 2009, and has expanded business significantly in recent years centering on its for-sale housing business, gaining high recognition in Thailand.

The housing market in the Bangkok Metropolitan Region of Thailand has seen stable growth backed by population increase, rise in income of the middle-income bracket, and other factors, and thus housing demand is expected to continue growing going forward. ES-CON Japan has had a vision of developing businesses not only in Japan but also abroad as a new business area, eyeing its further growth in the future. Such has led to its first participation in a condominium development project overseas this time around.

Furthermore, parallel to its participation in the Project, ES-CON Japan made a commitment to the Gate City Bangkok Mezzanine Fund (hereinafter the “Fund”), a mezzanine finance fund investing in condominium development projects in Bangkok, Thailand, in which Mercuria Investment Co., Ltd. (hereinafter “Mercuria Investment”), an investment management company, has invested and taken on a role in fund management.

Mercuria Investment is an investment management company conducting investment across all borders through

its extensive network in the industrial world and investment industry, and under a basic concept of “cross border” to encourage challenging without being tied down by national borders or preconceived ideas it mainly invests in growing fields and growth potential spreading around the world based on advantages that are exclusive to Japan.

ESCON Japan believes that the Fund in which it will invest is a beneficial investment instrument since central Bangkok and its surrounding area have strong demand for development of condominiums for local people with middle or high income against the backdrop of stable economic growth of Thailand and urbanization of Bangkok.

ES-CON Japan will continue to focus its endeavors on developing new business fields with an eye on the next era, and shall globally implement a multifaceted real estate business that can contribute to the society.

## 2. Project overview

### Knightsbridge Sukhumvit-Thepharak PJ

Address	Bang Mueang Mai, Mueang Samut Prakan, Samut Prakan 10270 Thailand
Access	1.74 km from Samrong Station on BTS 1-minute walk from Thippawan Station on the MRT Yellow Line (Scheduled to open in 2021)
Site area	3,016 m <sup>2</sup>
Total floor area	25,891.52 m <sup>2</sup>
Exclusive area	13,799.00 m <sup>2</sup>
Floors (planned)	36F/B1
Total number of units (planned)	Residential units: 474 Shop: 1
Planned completion	April 2021

【Graphic rendering of the property】



【Opening ceremony】



### 3. Overview of the Fund and subsidiary

#### Fund overview

Fund name	Gate City Bangkok Mezzanine Fund
Commitment amount	500 million yen (equivalent)
Fund overview	Mezzanine fund investing in condominium development projects in Bangkok, Thailand

#### Subsidiary overview

Subsidiary name	ESCON JAPAN (Thailand) CO., LTD.
Address	Room 184, 18th Floor, Thai CC Tower, 43 South Sathorn Rd., Yannawa, Sathorn, Bangkok 10120 Thailand
Capital	1,000,000 baht (as of July 31)
Establishment	July 2019
Director	Kentaro Okamoto

### 4. Impact on operating results

The impact of the investment on ES-CON Japan's operating results for the current fiscal year is currently negligible.