



October 6, 2025

For Immediate Release

Company name	Okabe Co., Ltd.
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Notice of Closure of Building Materials Store “OKABE GALLERY” in Indonesia

Okabe Co., Ltd. (the “Company”) announces that a meeting of its Board of Directors held today decided to close Okabe Gallery, a building materials sales store in the suburbs of Jakarta, Indonesia. Going forward, the Company will concentrate management resources on its core B2B business centered around the wholesale of building materials, striving to further enhance corporate value.

1. Reason for the store closure

PT. Okabe Hardware Indonesia (head office: South Tangerang Indonesia; President: Kiyoshi Kudo), a consolidated subsidiary of the Company, and one of its subsidiaries opened the Okabe Gallery in the suburb of Jakarta, Indonesia in May 2023, and have since been engaged in retailing of building materials targeting building contractors with large stores and end-users. Since the opening, the company has implemented various measures — including hosting events and utilizing social media to attract customers — in an effort to increase sales and improve profitability. However, the business has fallen short of initial expectations and continued to post an operating deficit.

After careful consideration, including exploring potential business transfer options, we concluded that the continuation of this store-based B2C business was not viable. This decision was based on two primary factors: the lack of visibility for mid-to-long-term profit expansion and the low synergy with our core B2B business model.

2. Outline of the discontinued business

(1) Details of the discontinued business

Retailing of building materials and tenant leasing in Indonesia

(2) Operating results of the discontinued business (fiscal year ended December 31, 2024)

	Discontinued business (a)	Consolidated results (b)	Ratio (a/b)
Net sales	381 million yen	67,806 million yen	0.6%
Operating profit	-233 million yen	4,194 million yen	—%

* The building materials retailing business in Indonesia is included in “building products and materials (overseas)” under “construction-related products,” and the tenant leasing business is included in “other businesses”.

3. Schedule

(1) Resolution by the Board of Directors

October 6, 2025

(2) Date of store closure

December 31, 2025 (planned)

4. Future outlook

The Company expects to incur expenses, including those for the disposal of assets and the closure of stores resulting from the discontinuation of the business, in its consolidated financial results for the fiscal year ending December 31, 2025. However, the impact on business results is expected to be negligible. If there are any material developments in the future, the Company will promptly make a public announcement.