



November 5, 2025

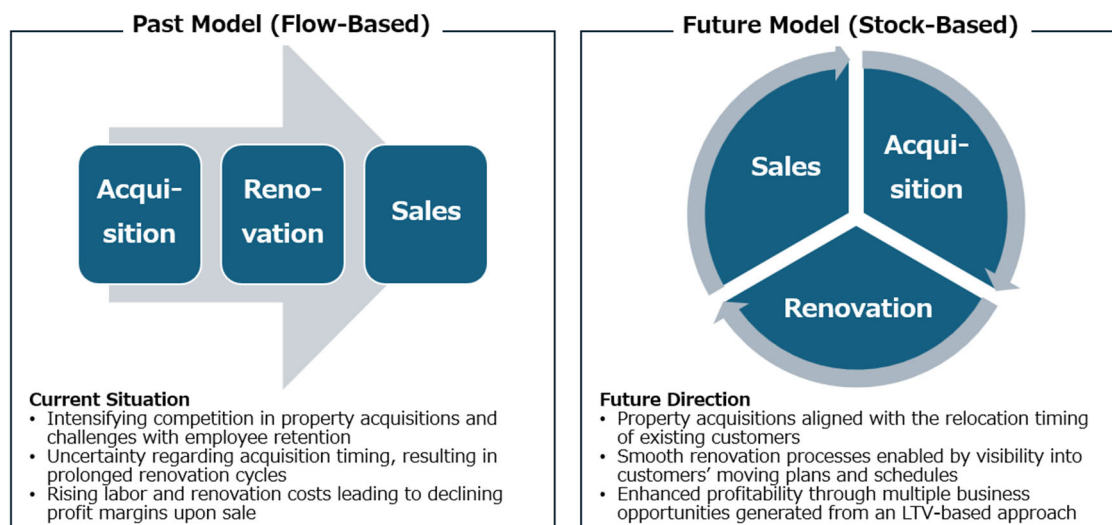
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Notice Concerning the Approach to Growth in Developing the Mid-Term Management Plan

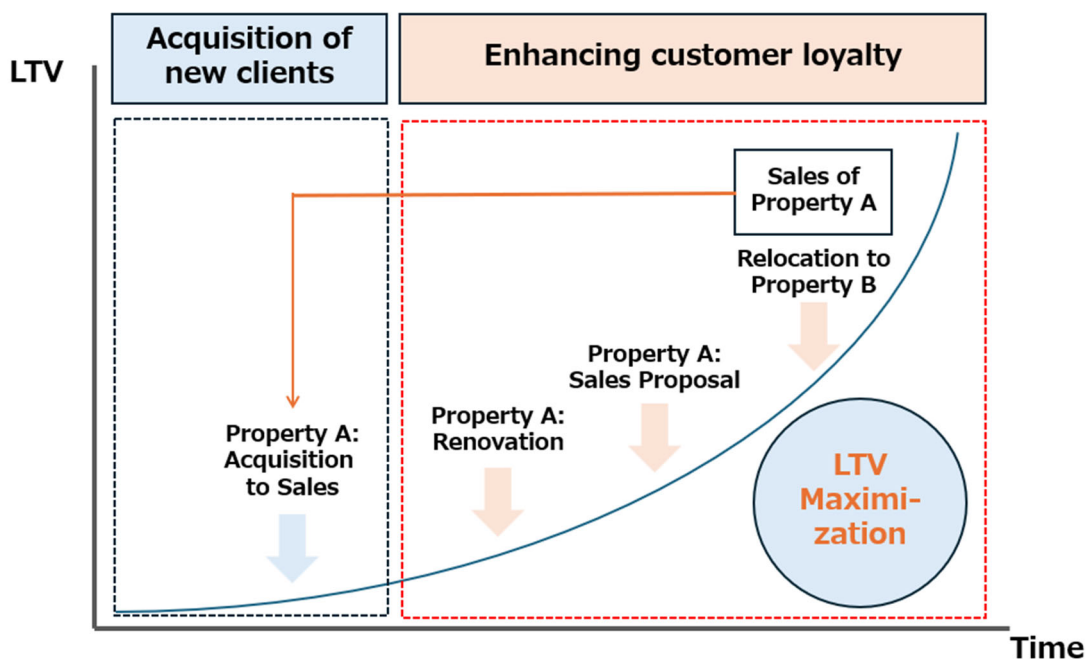
In addition to today's announcement titled "Notice Concerning the Execution of Memorandum of Understanding on Consideration of a Business Alliance with ZENKOKU HOSHO Co., Ltd." the Company would like to offer the following supplementary explanation outlining its growth strategy in the context of developing its medium-term management plan.

The Company is currently formulating a five-year medium-term management plan, scheduled to be announced on January 13, 2026. In developing this plan, the Company is working to build actionable plans that can be implemented while anticipating trends in the domestic real estate industry in 2030 and beyond. Regarding industry trends, the Company anticipates a society where an inflationary environment due to rising procurement costs for labor, materials, and capital, and population concentration in the Tokyo metropolitan area and major cities outside the Tokyo metropolitan area will progress in parallel. The Company also assumes that the evolution of technology, represented by AI, will bring significant changes to lifestyles themselves, including working styles and living arrangements.

In this environment, the Company believes it is necessary to clearly identify various challenges arising from these changes and take action that views these challenges themselves as growth opportunities. Specifically, regarding the challenges the Company faces: real estate property prices in its target markets are expected to continue their upward trend in highly convenient major urban areas, and renovation costs are also expected to remain elevated due to rising labor and material costs. Anticipating this environment, the Company will shift its business model from the conventional "flow" type towards a "stock" type that develops its business as a partner tailored to customer needs (please refer to the chart below).



By transforming the business model from flow to stock, it becomes possible not only to improve the customers' lifetime value (LTV: Lifetime Value, see the chart below), but also to promote the resolution of social issues (e.g., vacant housing problems accompanying the progression of a declining birthrate and aging population), such as value enhancement through renovation and relocation support. Further, renovations offer a more environmentally sustainable alternative to the traditional scrap-and-build approach of demolishing and constructing properties.



To achieve the business model transformation detailed above, the Company believes the following innovations are essential and indispensable.

Creation of a Unique Ecosystem Leveraging People, Assets, and Capital

1. Accelerating decision-making and business execution through holding company structure
2. Value co-creation through M&A and business alliances
3. Creation of an ecosystem (building communities not only in technology but also within and beyond the industry)

The “Notice of Execution of Memorandum of Understanding regarding Consideration of Business Alliance with ZENKOKU HOSHO Co., Ltd.” announced today aligns with the above mentioned points 1 to 3. Both companies will combine the expertise that each has cultivated in their respective specialized fields, aiming to mutually utilize data and technology, as well as strengthen the financial foundation that underpins them.

Globally, Japanese real estate is being reassessed due to rising geopolitical risks, while domestically, social issues such as an aging population are becoming increasingly apparent. In this context, the Company is committed to corporate activities that embody its mission: "Connecting people, society, and new values to create happiness." Moving forward, the Company will continue to make swift decisions toward value co-creation, both within and beyond the real estate industry, and aims to create a unique ecosystem based on the expertise it has cultivated through renovation.