

KATITAS Co., Ltd.

Financial Results Presentation For the First Six Months of the 48th Fiscal Year Ending March 31, 2026 (FY2025)

November 7, 2025

Before



After



(Securities Code: 8919, Prime Market of TSE)

Presentation Highlights

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3. Overview of Business Model

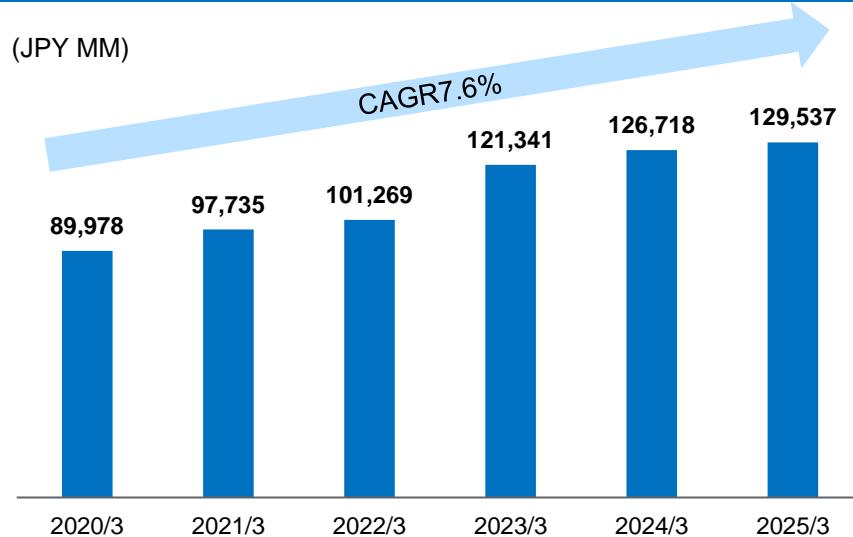
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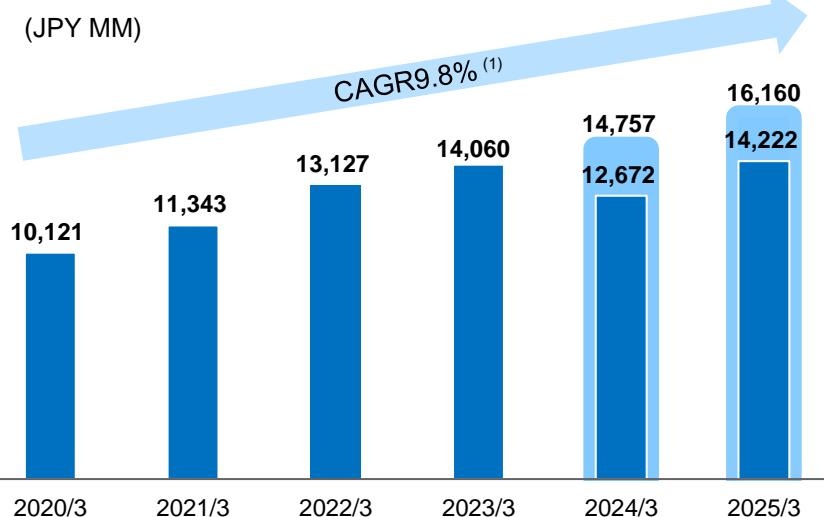
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1. Sales and Operating Profit Trend

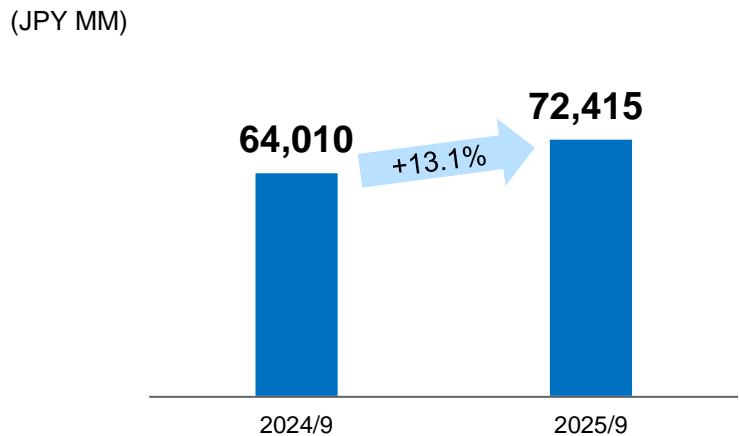
Historical Net Sales (FY-base)



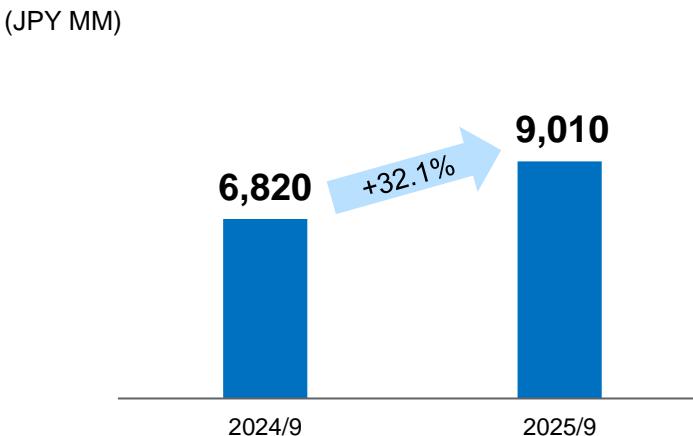
Historical Operating Profit (FY-base)



Historical Net Sales (FY2025 2Q YTD)



Historical Operating Profit (FY2025 2Q YTD)



⁽¹⁾ When calculating the CAGR for operating profit, impact from 2024/3 and 2025/3 was measured using adjusted operating profit.

1. Highlights of Financial Results for 2Q FY2025 (July 2025 - September 2025)

| (JPY MM) | FY2024 2Q | FY2025 2Q | YoY | |
|----------------|---|---------------|---------------|---------------|
| Sales | Net sales | 32,814 | 37,352 | +13.8% |
| | Number of properties sold | 1,890 | 2,088 | +10.5% |
| | Gross profit margin (%) | 23.4% | 23.6% | +0.2pt |
| | (Ref) Adjusted gross profit margin (%) ⁽¹⁾ | 23.4% | 24.8% | +1.5pt |
| Profit | SG&A expenses | 3,956 | 4,127 | +4.3% |
| | Operating profit | 3,713 | 4,679 | +26.0% |
| | Operating profit margin (%) | 11.3% | 12.5% | +1.2pt |
| Key indicators | Inventory real estates | 53,078 | 70,822 | +33.4% |
| | ROE (LTM)⁽²⁾ | 22.4% | 23.8% | +1.4pt |

- **Sales were strong. Due to higher costs associated with environmental regulations on new housing, the competitive environment has undergone structural changes that have shifted in our favor**
 - KATITAS: Number of properties sold reached a quarterly record high. Inventory was strong both in quality and quantity.
 - REPRICE: Continued efforts to offer low-priced products and implement sales channel strategies contributed to performance
- **Gross profit margin was also solid and would have reached a record high level if not for impact from consumption tax-related litigation**
 - Assuming no impact from the consumption tax-related litigation, the adjusted gross profit margin would have been 24.8%, a significant YoY improvement
 - KATITAS: Implemented a uniform price increase of ¥500,000 in April 2025. While this initially led to a temporary decline in inquiries, the market is gradually adjusting to the price increase. All inventory held was also marked up in price in October
 - REPRICE: In suburban areas, our pricing advantage over new housing remains unchanged. Gross profit margin continued to improve, driven by initiatives involving low-priced products and cost reduction measures
 - In May 2025, the company received a finalized court decision against it in the consumption tax-related litigation. In response, the company revised its accounting procedures and began subtracting "differences in consumption taxes, etc." from net sales rather than recording them under "SG&A expenses" (see slide 10 for further details). Although gross profit declined and the gross profit margin decreased, there was no impact whatsoever on profitability at the operating profit level or below, as SG&A expenses decreased by the same amount

- **Operating profit reached a record high, and the earnings forecast was revised upward, reflecting the continued favorable outlook for 2H. (See p.14 for further details.)**
 - SG&A expenses increased mainly due to higher personnel costs associated with an increase in new graduate hires and greater performance-based incentives. KATITAS also continued to invest in IT systems aimed at improving productivity. Additionally, ¥200 million has already been recorded as investment in human capital in 1H of the fiscal year.
 - As noted above, "differences in consumption taxes, etc." that had been recorded under SG&A expenses until the finalized court decision in the consumption tax-related litigation in May are now deducted from net sales

- **Properties purchased continued to increase, and the company has secured ample inventory to support double-digit growth going forward**
 - Houses purchased in 2Q: 2,573 (+19.6% YoY)
Sales were strong and the outlook was favorable, leading the company to determine that the risk of long-term inventory buildup was low and to continue actively purchasing
 - The CAGR of inventory real estates value was 12.9% compared with September 2023. Inventory was insufficient in the previous 2Q
 - Purchase price: Continued to rise slightly due to progress in purchases under the strategic inventory budget

⁽¹⁾Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. This reference value is calculated by adjusted gross profit (JPY 9,436 million) / adjusted net sales (JPY 37,981 million).

⁽²⁾ROE (LTM) = Total profit attributable to owners of parent (LTM) / average of balances of shareholders' equity at end-September of previous FY and end-September of current FY

⁽³⁾Number of inquiries (responses): The number of inquiries to property ads posted by KATITAS (parent) on its own website or other real estate portal sites. Includes telephone inquiries, e-mails, and requests for information to stores and call centers. The lead time between the receipt of an inquiry to delivery (sales booking) is about two to three months.

1. 1H Results

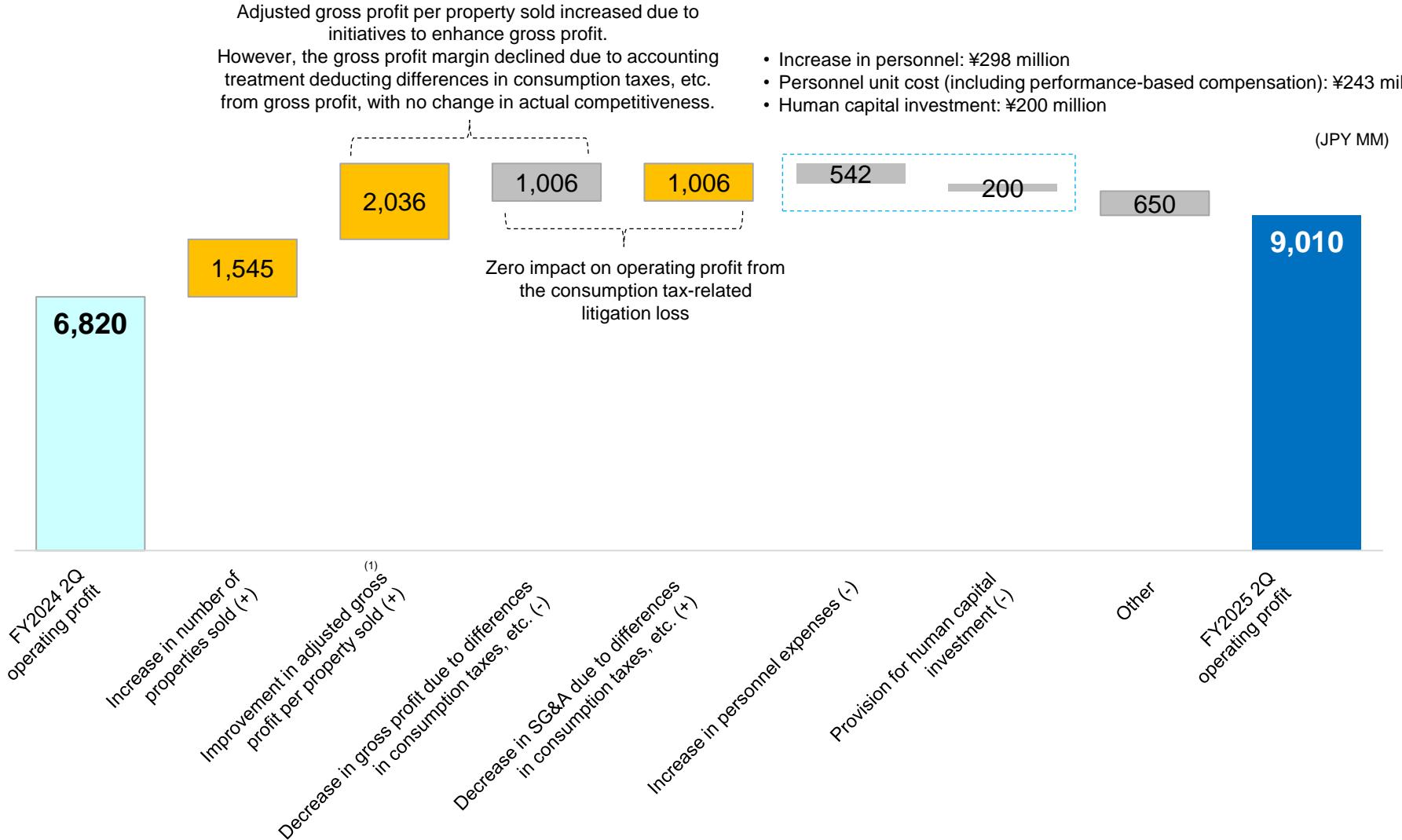
- Operating profit, our most important KGI, exceeded the plan by approximately 10% and grew by more than 30% YoY
 - ✓ Properties sold: As planned. The rise in prices of newly built houses further enhanced our price advantage. Inventory remains ample in both quantity and quality, and we expect to achieve growth of over 10% for the full year.
 - ✓ Gross profit per property sold and gross profit margin: Exceeded the plan on a comparable adjusted basis. Performance is expected to continue trending favorably going forward.
 - ✓ REPRICE: Profit-focused management has taken hold, resulting in a gross profit margin above plan. Continuing initiatives such as the sales channel strategy, operating profit also trended above plan.
- The market supply of newly built houses remains limited. In April-September, the number of housing starts for newly built detached houses declined 11% YoY. Inventory of newly built houses is not expected to increase during the current fiscal year
- In regional areas, the supply-demand balance for local construction contractors remains relaxed due to a continued decline in new housing starts, resulting in limited upward pressure on costs. In addition, U.S. tariff measures have not affected the cost of supplies provided by Katitas to contractors
- Rising interest rates have not had a notable impact on sales trends. In addition, there has been no change in the rate of cancellations after contract signing due to mortgage loan application rejections

| | FY2025 2Q YTD (ended September 30, 2025) | | | | | FY2024 2Q YTD (ended September 30, 2024) | | |
|--|---|---------------|---------------|---------------|---------------|---|---------------|---------------|
| | Results | vs sales (%) | Plan | % of plan | vs sales (%) | Results | YoY(%) | vs sales (%) |
| Sales | 72,415 | 100.0% | 71,800 | 100.9% | 100.0% | 64,010 | +13.1% | 100.0% |
| Number of properties sold | 4,064 | - | 4,050 | 100.3% | - | 3,676 | +10.6% | - |
| Gross profit | 17,222 | 23.8% | 17,200 | 100.1% | 24.0% | 14,645 | +17.6% | 22.9% |
| (Ref) Adjusted gross profit⁽¹⁾ | 18,228 | 24.8% | 17,200 | 106.0% | 24.0% | 14,645 | +24.5% | 22.9% |
| Operating profit | 9,010 | 12.4% | 8,200 | 109.9% | 11.4% | 6,820 | +32.1% | 10.7% |
| Ordinary profit | 8,784 | 12.1% | 8,000 | 109.8% | 11.1% | 6,656 | +32.0% | 10.4% |
| Profit attributable to owners of parent | 5,986 | 8.3% | 5,500 | 108.9% | 7.7% | 4,535 | +32.0% | 7.1% |

⁽¹⁾Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. This reference value is calculated by adjusted gross profit (JPY 18,228 million) / adjusted net sales (JPY 73,421 million).

1.

Breakdown of Operating Profit Growth (YoY)



⁽¹⁾Adjusted gross profit per property sold: Gross profit per property sold the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness.

1. Progress of Various Measures

Sale of low-priced products

- Demand for low-priced housing products remains strong. The sales breakdown is provided below
- These products address the needs of a diverse range of household types, including single-parent families, elderly couples, and single-person households

| | FY2024 | | | | FY2025 | |
|---------|--------|-----|-----|-----|--------|-----|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| KATITAS | 20% | 20% | 20% | 20% | 20% | 20% |
| REPRICE | 15% | 20% | 20% | 20% | 20% | 20% |

Note: All rates are approximate

Brokerage of properties between KATITAS Group companies

- An initiative through which sales representatives from KATITAS act as brokers for properties marketed by REPRICE
- Properties under construction, including low-priced products and properties under renovation that are difficult to sell through general brokerage firms, are also seeing improved sales

| | FY2024 | | | | FY2025 | |
|--------------------------------------|--------|-----|-----|-----|--------|-----|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Group brokerage ratio ⁽¹⁾ | 7% | 12% | 12% | 17% | 18% | 19% |

⁽¹⁾ Percentage of REPRICE sales unit brokered by KATITAS

New graduate recruitment

- We aim to accelerate workforce expansion by increasing the number of new graduate hires
- For April 2026 new graduate recruitment, KATITAS achieved its plan, while REPRICE slightly underperformed

Number of new graduate hires

| | April 2024 | April 2025 | April 2026 | April 2027 |
|---------|------------|------------|-------------------|------------|
| | Result | Result | Forecast | Target |
| KATITAS | 100 | 129 | 150 (plan 150) | 150 |
| REPRICE | 21 | 28 | 32 (plan 35) | 35 |

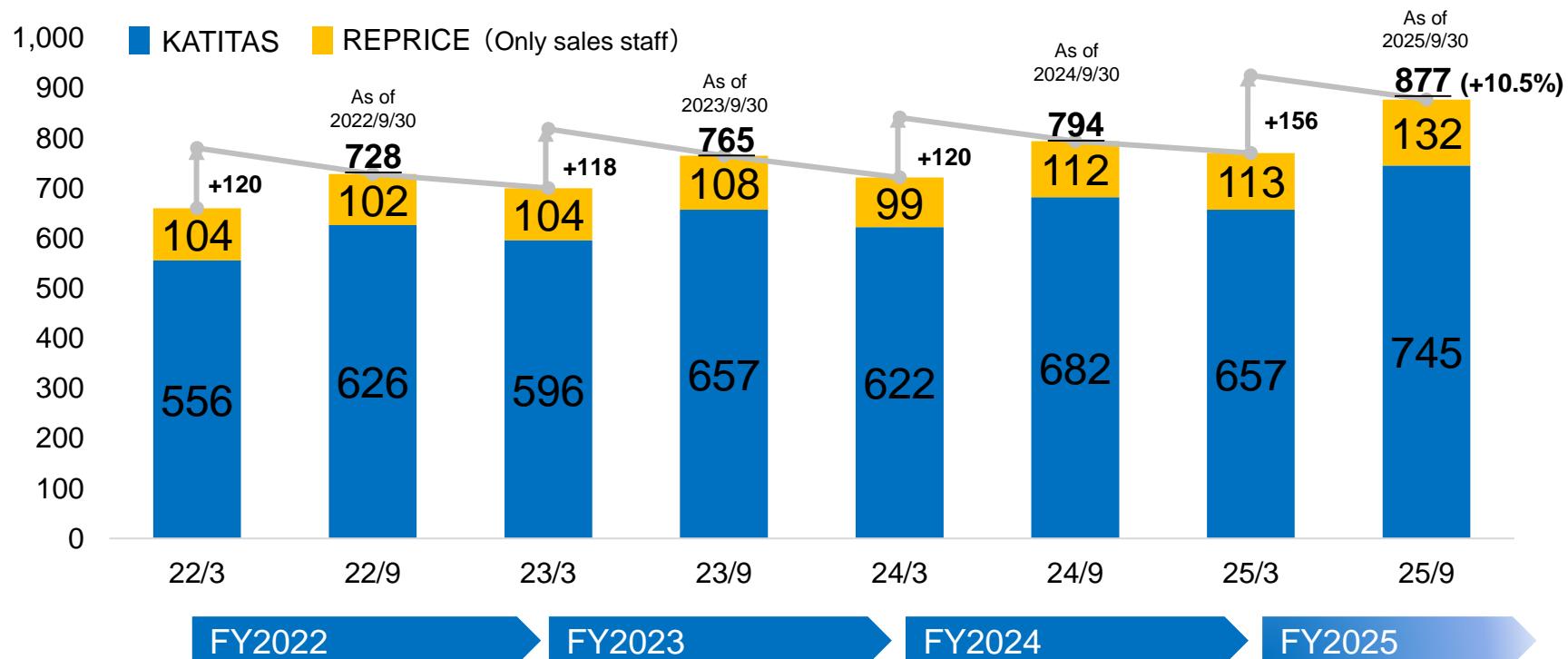
Progress associated with other elements of our fourth medium-term management plan's basic strategy

| Basic Strategy | Progress |
|--|--|
| Open stores in untapped areas • Open small stores | Two small stores scheduled to open • Nayoro City, Hokkaido (population 24,000 ⁽²⁾) • Masuda City, Shimane Prefecture (population 43,000 ⁽²⁾) |
| Strategic inventory budget | On schedule (purchasing stage) |
| Diversify purchasing channels | On schedule (planning stage) |
| M&A | Undisclosed |

⁽²⁾ Population data sourced from the official websites of Nayoro City, Hokkaido, and Masuda City, Shimane Prefecture

1. Number of sales staff

- The number of sales staff as of September 2025 was up 10.5% YoY. Progress is tracking at or slightly above plan, exceeding the conventional growth rate
- In April 2026, KATITAS and REPRICE expect to welcome 150 and 32 new graduate hires, respectively.



| New Graduates | Katitas | +107 people (No. of back-office employees: 1) | +102 people | +100 people | +129 people (No. of back-office employees: 1) |
|----------------------------|---------|--|-------------|---|--|
| | Reprice | +15 people (No. of back-office employees: 1) | +16 people | +21 people (No. of back-office employees: 1) | +28 people |
| Monthly avg ⁽¹⁾ | Katitas | 623 people | 652 people | 679 people | - |
| | Reprice | 108 people | 108 people | 113 people | - |

(1) Monthly avg = The total of the number of sales employees at the end of each month / 12

1. Financial Highlights

| (JPY MM) | FY2024 | | | | | | FY2025 | | | | | YoY | | | | | |
|--|--------|--------|--------|--------|--------|-----------|-----------|--------|----|----|--------|---------|------------|---------|------------|-------|-----------|
| | 1Q | 2Q | 3Q | 4Q | 2Q YTD | Full-year | 1Q | 2Q | 3Q | 4Q | 2Q YTD | vs Q | vs Q (%) | vs YTD | YTD(%) | | |
| Net sales | 31,195 | 32,814 | 32,629 | 32,897 | 64,010 | 129,537 | 35,063 | 37,352 | | | 72,415 | +4,538 | +13.8% | +8,405 | +13.1% | | |
| Number of properties sold | 1,786 | 1,890 | 1,850 | 1,846 | 3,676 | 7,372 | 1,976 | 2,088 | | | 4,064 | +198 | +10.5% | +388 | +10.6% | | |
| Number of properties purchased | 1,777 | 2,152 | 2,436 | 1,958 | 3,929 | 8,323 | 2,163 | 2,573 | | | 4,736 | +421 | +19.6% | +807 | +20.5% | | |
| Gross profit | 6,975 | 7,670 | 7,931 | 8,124 | 14,645 | 30,702 | 8,415 | 8,807 | | | 17,222 | +1,136 | +14.8% | +2,576 | +17.6% | | |
| Gross profit margin (%) | 22.4% | 23.4% | 24.3% | 24.7% | 22.9% | 23.7% | 24.0% | 23.6% | | | 23.8% | +0.2pt | | +0.9pt | | | |
| (Ref) Adjusted gross profit margin ⁽¹⁾ | 22.4% | 23.4% | 24.3% | 24.7% | 22.9% | 23.7% | 24.8% | 24.8% | | | 24.8% | +1.5pt | | +1.9pt | | | |
| SG&A expenses | 3,868 | 3,956 | 3,885 | 4,769 | 7,825 | 16,479 | 4,083 | 4,127 | | | 8,211 | +170 | +4.3% | +386 | +4.9% | | |
| Operating profit | 3,107 | 3,713 | 4,046 | 3,355 | 6,820 | 14,222 | 4,331 | 4,679 | | | 9,010 | +965 | +26.0% | +2,189 | +32.1% | | |
| Operating profit margin (%) | 10.0% | 11.3% | 12.4% | 10.2% | 10.7% | 11.0% | 12.4% | 12.5% | | | 12.4% | +1.2pt | | +1.8pt | | | |
| Ordinary profit | 3,014 | 3,641 | 3,960 | 3,259 | 6,656 | 13,876 | 4,199 | 4,585 | | | 8,784 | +943 | +25.9% | +2,128 | +32.0% | | |
| Ordinary profit margin (%) | 9.7% | 11.1% | 12.1% | 9.9% | 10.4% | 10.7% | 12.0% | 12.3% | | | 12.1% | +1.2pt | | +1.7pt | | | |
| Net income | 2,049 | 2,486 | 2,674 | 2,341 | 4,535 | 9,550 | 2,857 | 3,128 | | | 5,986 | +642 | +25.8% | +1,451 | +32.0% | | |
| Net income margin (%) | 6.6% | 7.6% | 8.2% | 7.1% | 7.1% | 7.4% | 8.2% | 8.4% | | | 8.3% | +0.8pt | | +1.2pt | | | |
| EPS (JPY) | 26.27 | 31.81 | 34.21 | 29.93 | 58.08 | 122.22 | 36.55 | 40.01 | | | 76.56 | +8.20 | +25.8% | +18.48 | +31.8% | | |
| | | | | | | | | | | | | vs 24/9 | vs 24/9(%) | vs 25/3 | vs 25/3(%) | | |
| Cash and deposits | 21,375 | 22,289 | 16,646 | 18,766 | | | 13,646 | 12,919 | | | | -9,370 | -42.0% | -5,847 | -31.2% | | |
| Real estate for sale | 35,409 | 34,214 | 36,893 | 39,141 | | | 41,812 | 44,063 | | | | +9,849 | +28.8% | +4,922 | +12.6% | | |
| Real estate for sale in process | 15,734 | 18,863 | 22,108 | 22,394 | | | 23,186 | 26,758 | | | | +7,894 | +41.8% | +4,363 | +19.5% | | |
| Inventory real estates | 51,144 | 53,078 | 59,001 | 61,535 | | | 64,998 | 70,822 | | | | +17,744 | +33.4% | +9,286 | +15.1% | | |
| Inventory turnover ratio (LTM) | 1.87 | 1.83 | 1.73 | 1.74 | | | 1.74 | 1.69 | | | | -0.14 | | -0.05 | | | |
| Total assets | 75,212 | 78,439 | 78,220 | 83,329 | | | 81,682 | 87,085 | | | | +8,645 | +11.0% | +3,756 | +4.5% | | |
| ROA (LTM) (%) | 18.2% | 18.6% | 18.8% | 17.7% | | | 19.7% | 19.8% | | | | +1.3pt | | +2.1pt | | | |
| Interest-bearing liabilities | 26,500 | 26,500 | 26,500 | 26,500 | | | 26,500 | 26,500 | | | | - | - | - | - | | |
| Shareholders' equity | 40,315 | 42,891 | 43,378 | 45,719 | | | 46,387 | 49,624 | | | | +6,733 | +15.7% | +3,905 | +8.5% | | |
| Equity-to-asset ratio (%) | 53.6% | 54.7% | 55.5% | 54.9% | | | 56.8% | 57.0% | | | | +2.3pt | | +2.1pt | | | |
| ROE (LTM) (%) | 22.1% | 22.4% | 23.1% | 22.2% | | | 23.9% | 23.8% | | | | +1.4pt | | +1.6pt | | | |
| | | | | | 1H | 2H | Full-year | | | | | 1H | 2H | YTD | vs 1H | vs 2H | Full-year |
| Decrease in Inventory real estates | | | | | -822 | -8,462 | | -9,284 | | | | -9,291 | | | -8,469 | | |
| Cash flows from operating activities | | | | | +2,363 | -1,200 | | +1,162 | | | | -3,604 | | | -5,967 | | |
| Cash flows from investing activities | | | | | -19 | -132 | | -152 | | | | -52 | | | -32 | | |
| Cash flows from financing activities | | | | | -2,081 | -2,189 | | -4,270 | | | | -2,190 | | | -109 | | |
| Net increase (decrease) in cash and cash equivalents | | | | | +261 | -3,522 | | -3,260 | | | | -5,847 | | | -6,109 | | |

(1) Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. 2Q: Adjusted gross profit (¥9,436 million) / Adjusted net sales (¥37,981 million), 1H: Adjusted gross profit (¥18,228 million) / Adjusted net sales (¥73,421 million)

(2) ROA (LTM) = Total operating profit (LTM) / average of total assets at end-September of previous FY and end-September of current FY

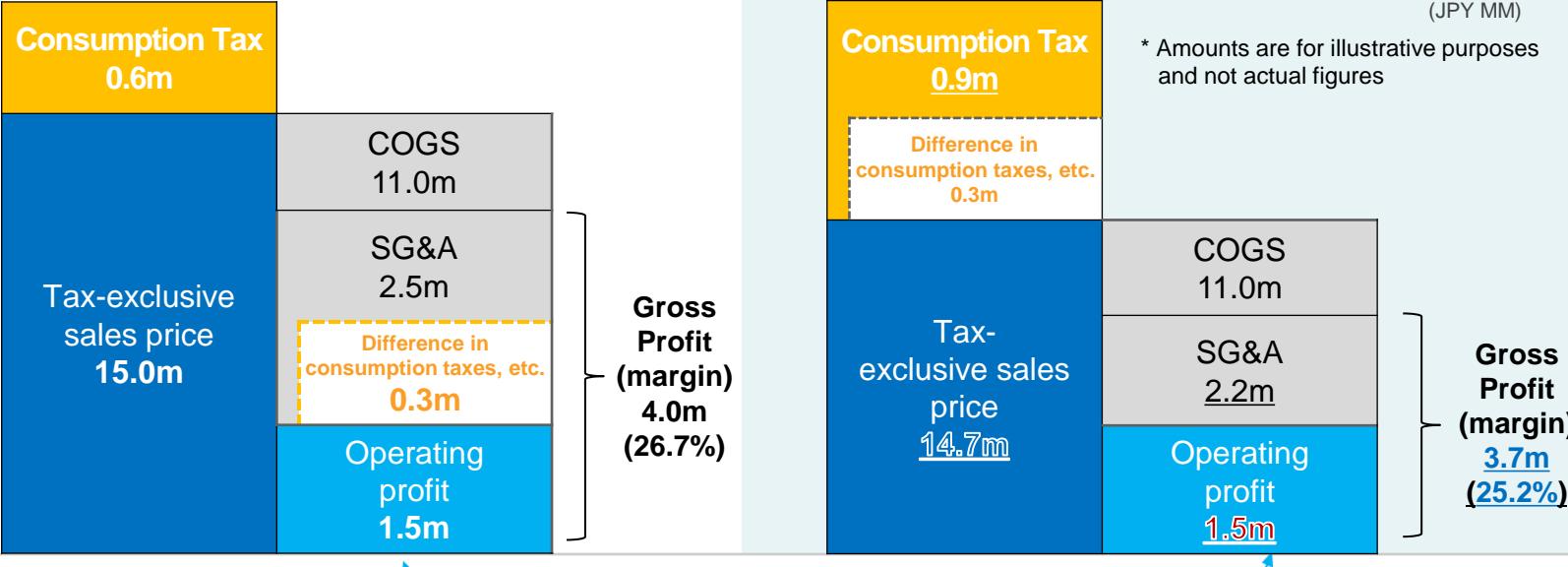
(3) ROE (LTM) = Total profit attributable to owners of parent (LTM) / average of balances of shareholders' equity at end-September of previous FY and end-September of current FY

1.

Consumption Tax-related Litigation: Accounting Treatment Following the Supreme Court's Decision to Dismiss the Appeal

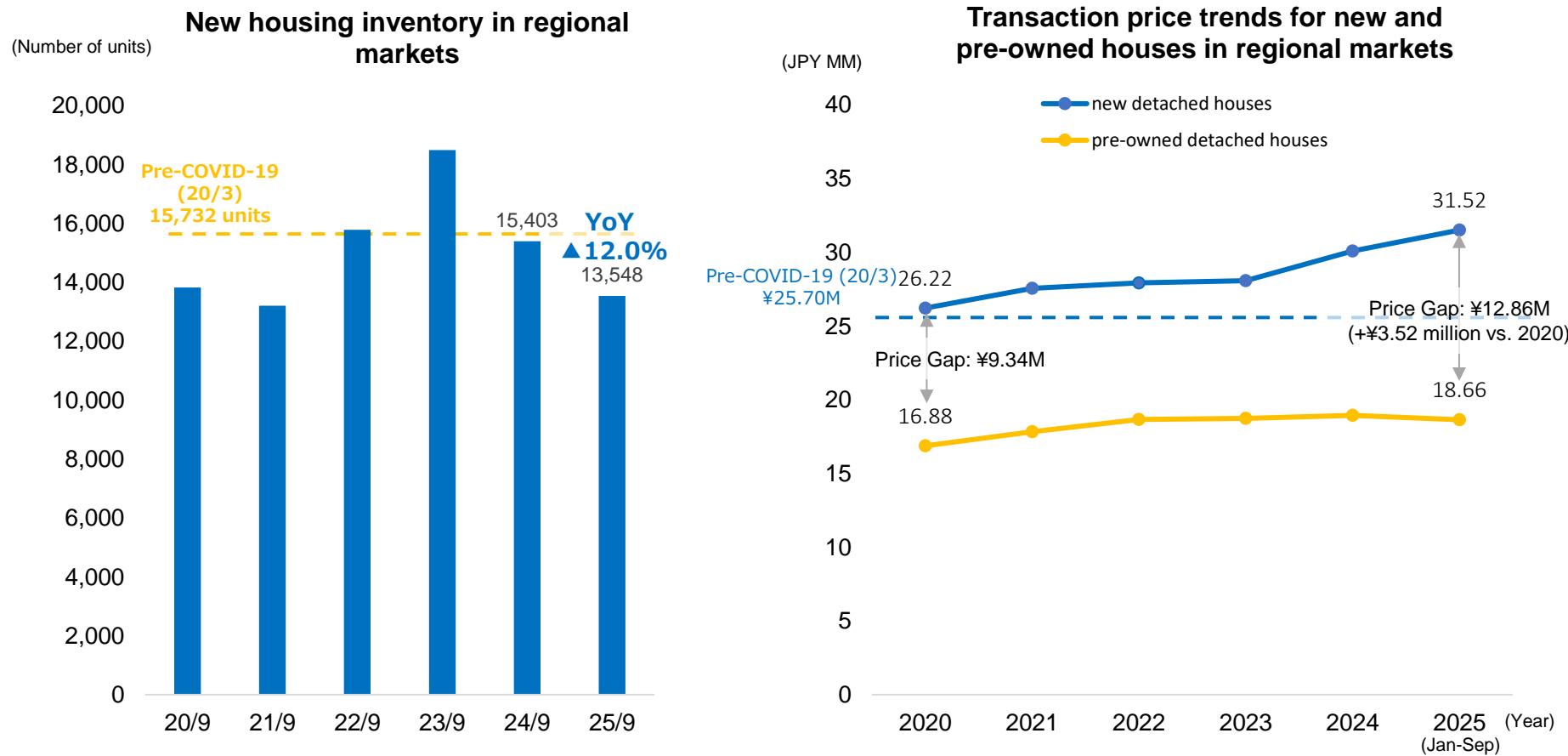
(Reposted from FY2025 1Q)

- On May 12, 2025, we received a notice from the Supreme Court stating it would not accept the appeal in the consumption tax-related lawsuit against the National Tax Agency
- Effective from May 12, 2025, we will adopt the calculation method prescribed by the National Tax Agency from the sales contract phase, which will result in a reduction in net sales and gross profit. However, since the difference in consumption taxes, etc. has already been recorded under SG&A expense, there will be no impact on operating profit. Cash flow has also remained unchanged since the period under dispute

| Before May 12, 2025 (during period of dispute) | | Since May 12, 2025 |
|---|---|--|
| Net sales & Gross profit | Calculate consumption tax using our calculation method Contract price also calculated using our calculation method | Decrease (as difference in consumption tax will be deducted from sales) |
| Operating profit | Difference in consumption tax is calculated retroactively and recorded as SG&A expenses | No change (Although sales and gross profit will decrease, SG&A expenses will also decrease by the same amount due to the difference in consumption tax) |
| Cash flow | Pay taxes based on the National Tax Agency's calculation method | No change (as we have been paying taxes using the method prescribed by the National Tax Agency during the litigation) |
|  | | (JPY MM) <p>* Amounts are for illustrative purposes and not actual figures</p> |
| Consumption Tax 0.6m | | Consumption Tax 0.9m |
| COGS 11.0m | | COGS 11.0m |
| SG&A 2.5m | | SG&A 2.2m |
| Tax-exclusive sales price 15.0m | | Tax-exclusive sales price 14.7m |
| Difference in consumption taxes, etc. 0.3m | | Difference in consumption taxes, etc. 0.3m |
| Gross Profit (margin) 4.0m (26.7%) | | Gross Profit (margin) 3.7m (25.2%) |
| Operating profit 1.5m | | Operating profit 1.5m |
| Operating profit will remain unchanged even after the appeal is dismissed | | |

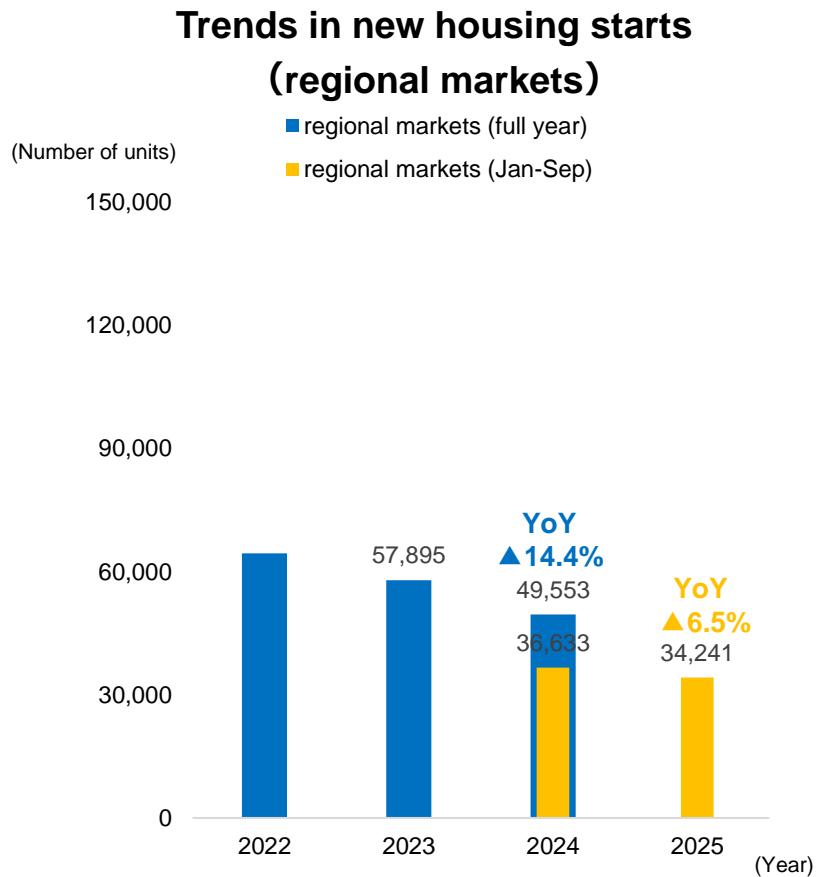
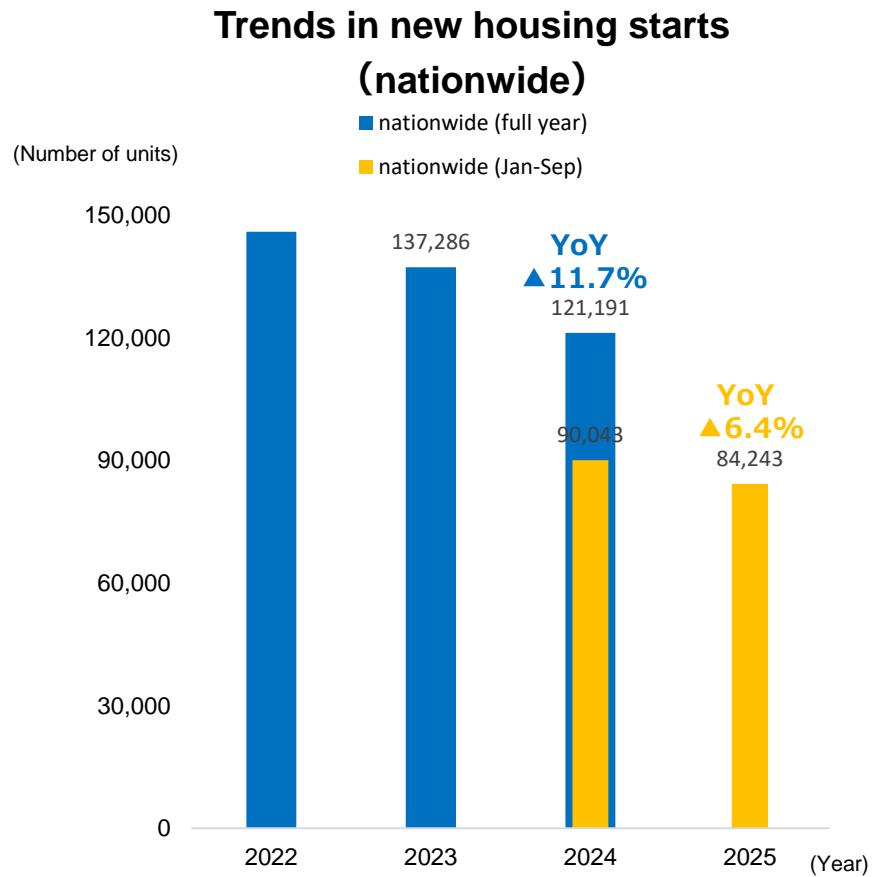
1. Market Trends for New and Pre-owned Detached Houses in Regional Markets

- The number of newly built detached housing inventory in regional markets has been declining since 2024, and recently remains consistently below pre-COVID-19 levels.
- The gap in transaction prices between new and pre-owned detached houses has been widening. From January to September 2025, prices of newly built houses increased by ¥5.82 million compared to pre-COVID-19 levels.
- Due to the decrease in new housing inventory, which limits customers' options, and the widening price gap between new and pre-owned detached houses, more customers are likely to choose pre-owned houses.



1. Trends in New Housing Starts (Detached Houses in Subdivisions)

- The number of new housing starts has been declining both nationwide and in regional areas.
- The downward trend is driven by structural factors, including rising construction costs for new houses and stricter environmental regulations.
- In 2025, there was a temporary increase in February–March due to a rush ahead of the stricter environmental regulation changes implemented in April. After April, starts declined again, remaining below the previous year. Excluding March, year-on-year declines in new housing starts have continued for 35 consecutive months.



Presentation Highlights

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3. Overview of Business Model

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4. APPENDIX

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2. Upward Revision to Earnings Forecast

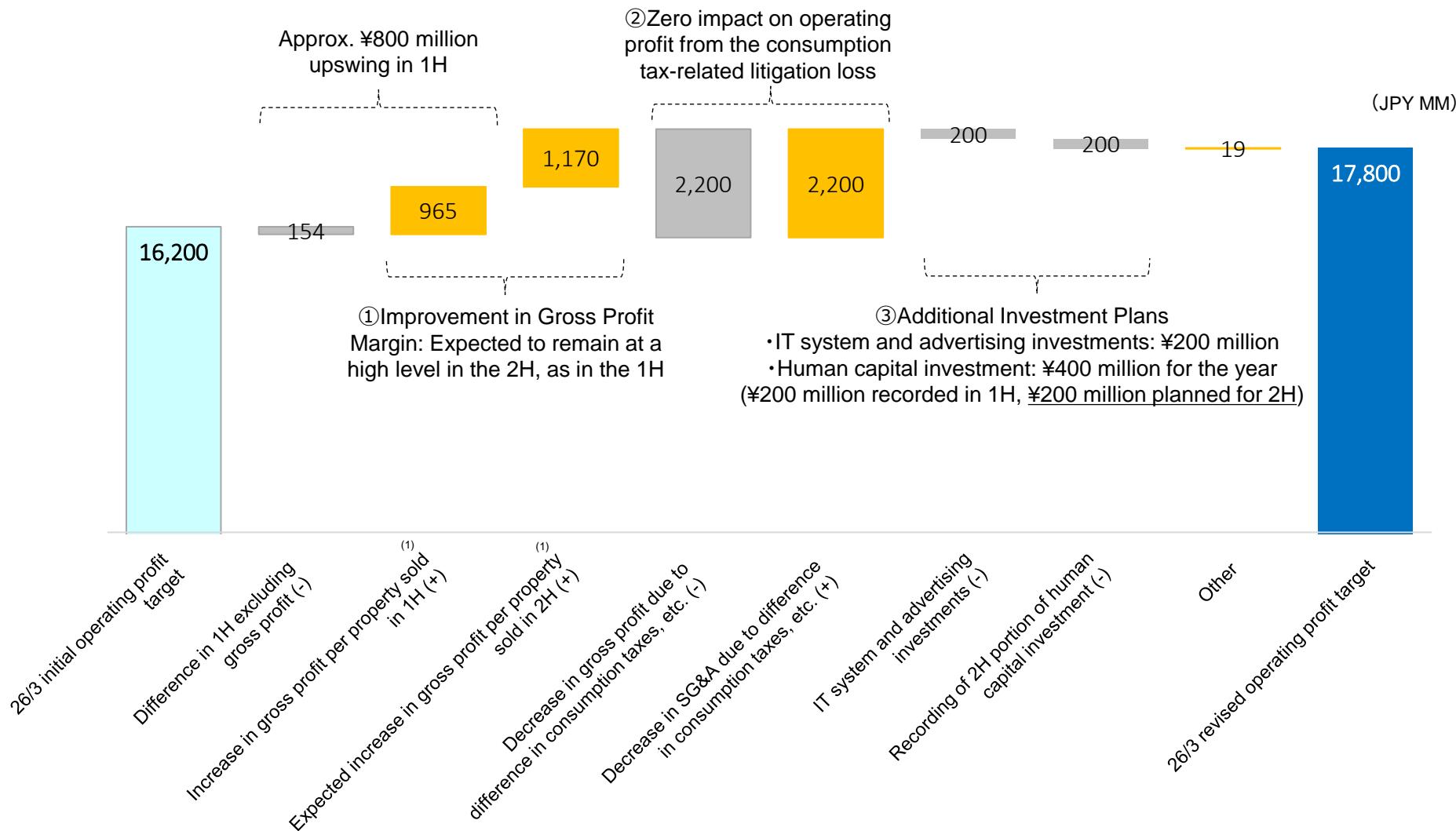
- Prices of newly built houses have risen due to higher construction costs associated with stricter environmental regulations and inflation. The price competitiveness of the pre-owned houses sold by the group improved, leading to solid performance in 1H. As profitability is expected to continue exceeding the initial plan in 2H, the earnings forecast has been revised upward.
- The three main points of revision from the initial plan are as follows:
 - Improvement in gross profit margin: The company assumes an improvement of approximately 1pt on an adjusted gross profit margin basis (a reference figure adjusted for the impact of the consumption tax-related litigation). We are aiming to recover from the approximately 1pt decline in gross profit margin resulting from the loss in the consumption tax-related litigation in May.
 - Reflecting the consumption tax-related litigation loss: Both the gross profit margin and SG&A expense ratio were reduced by approximately 1pt, resulting in no impact on operating profit
 - Revision of investment plan: Investments in human capital not included in the initial plan have been recorded (¥200 million already recorded in 1H, with ¥200 million planned for 2H). An additional ¥200 million has been recorded for IT system investments aimed at improving productivity and for advertising and promotional activities to enhance brand awareness
- Operating profit is projected at ¥9.0 billion for 1H and ¥8.8 billion for 2H, totaling ¥17.8 billion for the full year (+¥1.6 billion vs. the previous plan)

| (JPY MM) | FY2024 | | FY2025 | | | FY2025 Plan (ended Mar 31, 2026) | | | | |
|--|---------|--------------|--------------|--------|--------------|-------------------------------------|--------------|---|--------------------------------|--------|
| | Results | vs sales (%) | Initial plan | YoY(%) | vs sales (%) | New plan | vs sales (%) | Variance from initial plan | Variance from initial plan (%) | YoY(%) |
| Sales | 129,537 | 100.0% | 146,000 | +12.7% | 100.0% | 147,500 | 100.0% | +1,500 | +1.0% | +13.9% |
| Number of properties sold | 7,372 | - | 8,240 | +11.8% | - | 8,250 | - | +10 | +0.1% | +11.9% |
| Gross profit (after consumption tax adjustment) | 30,702 | 23.7% | 34,600 | +12.7% | 23.7% | 34,600 | 23.5% | - | - | +12.7% |
| Adjusted gross profit⁽¹⁾ (Reference: For comparison with previous year and plan) | 30,702 | 23.7% | 34,600 | +12.7% | 23.7% | 36,800 | 24.6% | Offsetting the approx. 1pt impact from the consumption tax-related litigation loss in May | +2,200 | +6.4% |
| Operating profit | 14,222 | 11.0% | 16,200 | +13.9% | 11.1% | 17,800 | 12.1% | +1,600 | +9.9% | +25.2% |
| Ordinary profit | 13,876 | 10.7% | 15,700 | +13.1% | 10.8% | 17,300 | 11.7% | +1,600 | +10.2% | +24.7% |
| Profit attributable to owners of parent | 9,550 | 7.4% | 10,800 | +13.1% | 7.4% | 11,900 | 8.1% | +1,100 | +10.2% | +24.6% |

⁽¹⁾Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. This reference value is calculated by adjusted gross profit (JPY 36,800 million) / adjusted net sales (JPY 149,700 million).

2.

Breakdown of Profit Fluctuations Associated with the Earnings Forecast Revision



(1) Adjusted gross profit per property sold: Gross profit per property sold the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness.

2. Revision of Dividend Forecast

- The Fourth Medium-Term Management Plan stipulates a dividend payout ratio of 50% or more and a policy of progressive dividends
- Due to strong 1H performance and the revision of the full-year earnings forecast, the dividend forecast has been revised. The interim dividend will be increased by ¥4.0, and the year-end dividend will be increased by ¥4.0. Interim dividend: ¥39.0 per share; year-end dividend: ¥39.0 per share; total annual dividend: ¥78.0 per share

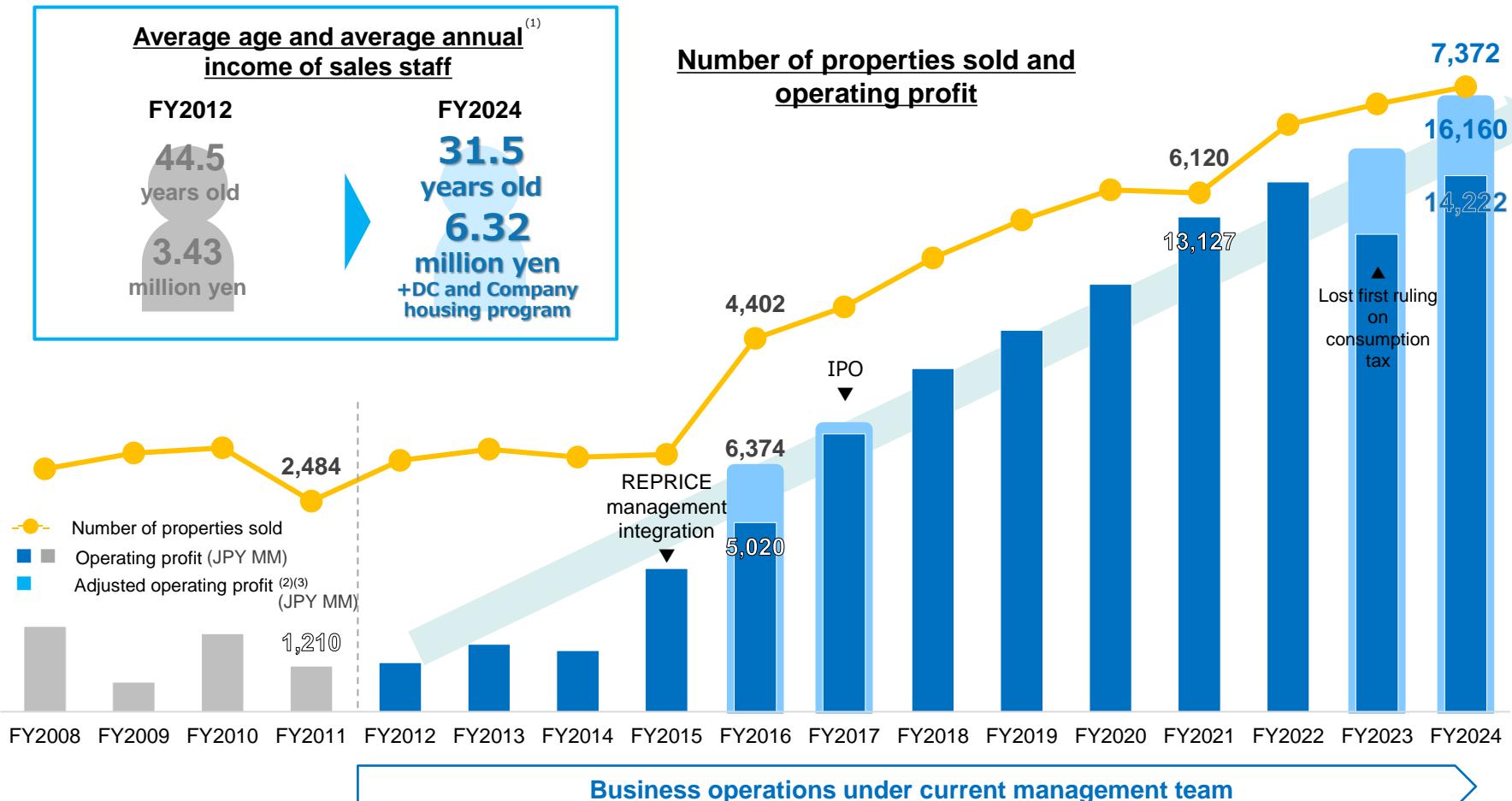
The annual dividend of ¥78.0 per share is three times the dividend paid shortly after listing in 2017 (equivalent to ¥26.0 per year)

| | FY2024 | | FY2025 (Initial forecast) | | FY2026 (New forecast) | | | |
|---|---------|----------|------------------------------|----------|--------------------------|--------------------------------|----------|--------------------------------|
| | Interim | Year-end | Interim | Year-end | Interim | Compared with initial forecast | Year-end | Compared with initial forecast |
| Dividends per share | 28.0円 | 28.0円 | 35.0円 | 35.0円 | 39.0円 | +4.0円 | 39.0円 | +4.0円 |
| Dividend payout ratio | 45.8% | | 50.7% | | | 51.3% | | |
| Dividend payout ratio (based on adjusted net profit) | 40.2% | | - | | | - | | |

2. Continuing Steady Business Growth Since Launch of Current Management Team

(Reposted from FY2024 4Q)

- Current management team established in FY2012. Achieved continuous growth while improving profitability
- Number of properties sold rose approx. 3x and operating profit rose approx. 12x (adjusted operating profit approx. 13x) compared to FY2011
- Substantially improved employee treatment, with average age of sales staff becoming 13 years younger and average annual income increasing by 84% compared to FY2012



(1) At KATITAS parent for second-year employees onward. Employees on leave are excluded.

(2) Conducted fair value assessment of inventory at the time of the REPRICE integration. Adjusted operating profit reflects operating profit assuming no such assessment had been made (FY2016–2017)

(3) Adjusted operating profit reflects the difference in consumption tax resulting from the loss of the consumption tax-related litigation (FY2023–2024)

2. Long-Term Vision and Positioning of Fourth Medium-Term Management Plan

(Reposted from FY2024 4Q)

- Our long-term vision is to become the company that enriches people's lives the most in Japan
- We achieved tangible results in our third medium-term management plan, which ended in FY2024, establishing a foundation for growth by improving the quantity and quality of human resources, etc.
- In the fourth medium-term management plan, we aim to achieve an operating profit CAGR of 12% and reach our medium-term target of 10,000 houses sold per year set in 2012

Achievement of medium-term targets under current management team



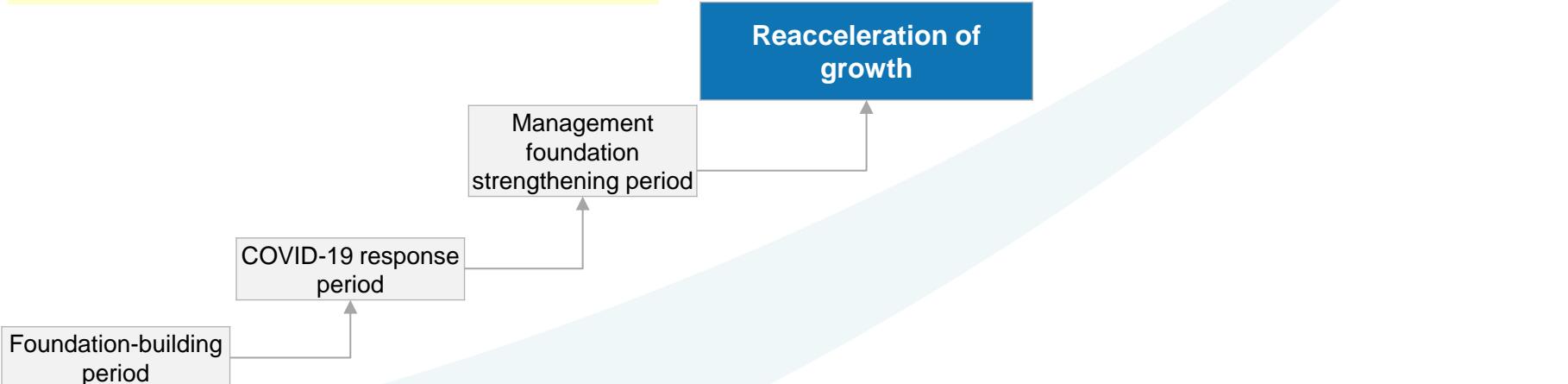
Realized the vision of
“The company to buy or
sell your home through.”

Annual houses sold: 10,000
Operating profit CAGR: 12%

Annual houses sold:
20,000

Achieve further
growth and social
impact

Become the company
that enriches people's
lives the most in Japan

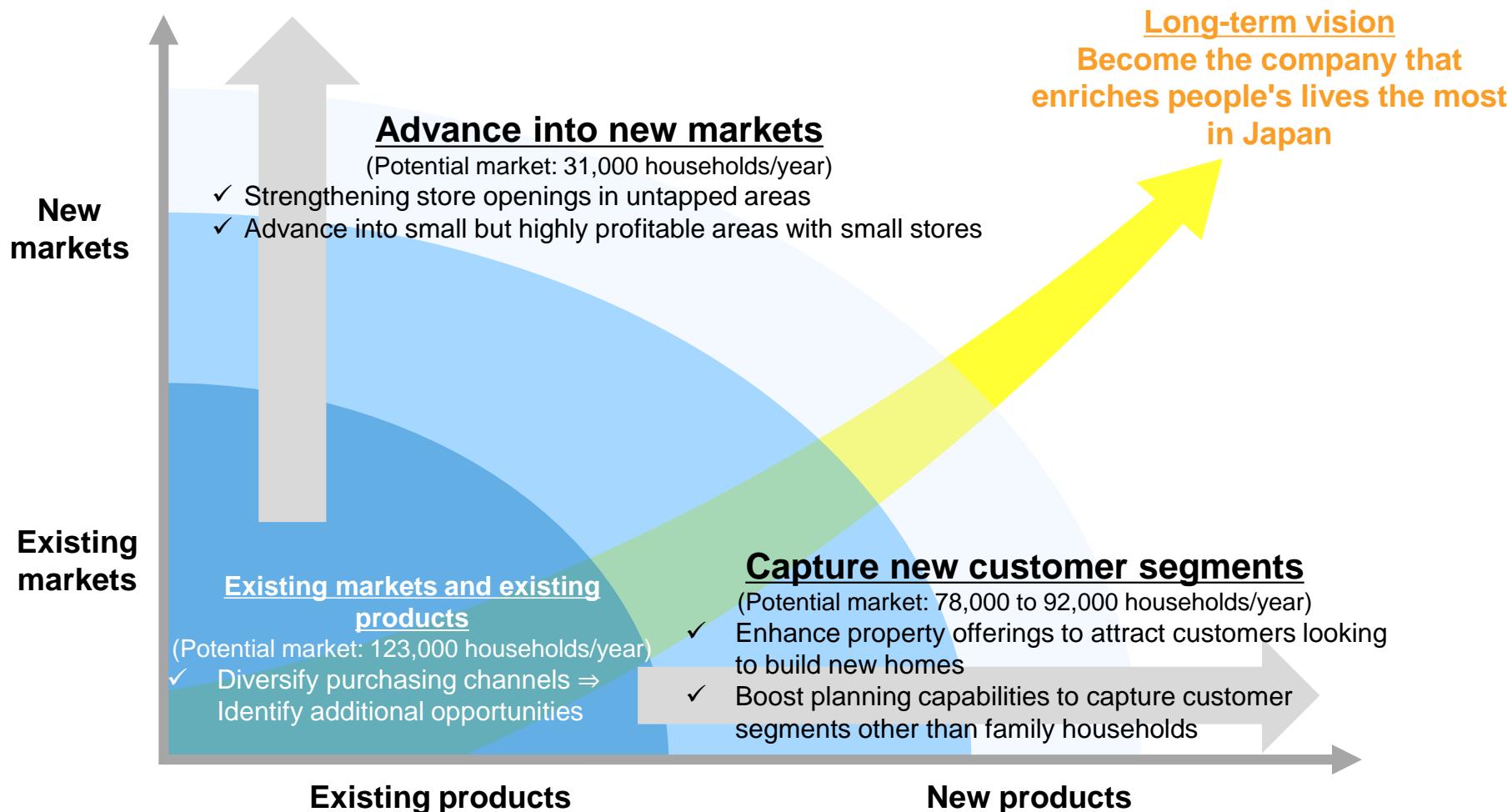


| First Medium-Term Management Plan | Second Medium-Term Management Plan | Third Medium-Term Management Plan | Fourth Medium-Term Management Plan | ... | 2035 | ... | Long-term Vision | | | | | | | | |
|-----------------------------------|------------------------------------|-----------------------------------|------------------------------------|------|------|------|------------------|------|------|------|------|-----|------|-----|------------------|
| 17.3 | 18.3 | 19.3 | 20.3 | 21.3 | 22.3 | 23.3 | 24.3 | 25.3 | 26.3 | 27.3 | 28.3 | ... | 2035 | ... | Long-term Vision |

2. Aiming to Expand Growth Potential and Accelerate Growth In the Fourth Medium-Term Management Plan

(Reposted from FY2024 4Q)

- We will deepen our existing businesses while advancing into new geographical markets and developing new products that enable us to reach new customer segments
- We will expand our growth potential and accelerate growth by developing new markets and new customer segments



2.

Vision for the Fourth Medium-Term Management Plan (Financial KGI)

- With a focus on vacant houses, rural areas, and adding value to the lifestyle of middle- and low-income earners, our long-term vision is to become the company that enriches people's lives the most in Japan
- In the fourth medium-term plan period, we will focus on quantitative growth while prioritizing operating profit as our most important KGI. We aim to achieve growth of 10% or more.
- We set ROE as a new KGI and aim to maintain a minimum of 20%. In addition, we increased the dividend payout ratio from the previous 40% to 50% or more and introduced a progressive dividend policy

| | FY2024 | | FY2027 | |
|----------------------------------|-----------------------|-----|---|--------------|
| | Results | | Plan | CAGR |
| Number of properties sold | 7,372 | ... | 10,000 | 10.7% |
| Operating profit | 14,222 Million yen | ... | 20,000 Million yen | 12.0% |
| ROE | 22.2% | ... | 20% or more | - |
| Dividend payout ratio | 45.8% | ... | 50.0% or more & progressive dividend payment | - |

2. External Environment and Challenges in the Fourth Medium-Term Management Plan

(Reposted from FY2024 4Q)

- Industry and business structure remains resistant to the external environment. Furthermore, changes in the external environment (society and competitive environment) creates additional growth opportunities
- We identified the following challenges to be addressed in order to take advantage of growth opportunities and continue the initiatives from the previous medium-term plan

| Growth is driven by our own efforts as the external environment has limited impact | Growth opportunities driven by changes in external environment | |
|---|---|---|
| Industry and business structure (permanent factors) | Changes in society | Changes in competitive environment |
| <ul style="list-style-type: none"> ● Many vacant houses resulting from declining birthrate and aging population ⇒ There will continue to be ample target properties available for purchase ● High demand for low-priced, high-quality housing ⇒ There is substantial underlying demand ● Difficulty in handling regional/pre-owned/detached houses ⇒ There are many new entrants, but most companies exit without scaling up, resulting in no increase in supply | <ul style="list-style-type: none"> ● High cost of new housing <ul style="list-style-type: none"> Increased costs and reduced supply of new housing due to inflation, stricter environmental regulations, etc. Rise in mortgage interest rates due to increase in policy interest rates ● Increase in demand for low-priced products due to rising living expenses ● Changes in household composition (decline in family households, increase in single-person households) | <ul style="list-style-type: none"> ● Policies to promote market circulation of vacant houses <ul style="list-style-type: none"> Making inheritance registration mandatory Revision of the Act on Special Measures for Vacant Houses Relaxation of brokerage fee regulations for low-priced vacant houses |

Challenges to be addressed during the fourth medium-term management plan period + ongoing challenges from the previous medium-term management plan (third medium-term management plan)

- [Ongoing] Increase sales staff and improve productivity to fulfill substantial underlying demand
- Shrinking household sizes and diversifying lifestyles: Address diversifying customer needs (acquire customers other than traditional family households)
- Build a purchasing channel to acquire target properties as more vacant homes become available
- [Ongoing] Explore M&A opportunities
- Curb the impact of changes in the market for newly built detached houses on REPRICE business results

2. Basic Strategy in Response to Management Challenges

(Reposted from FY2024 4Q)

- We formulated a basic strategy to address the challenges we will focus on during the fourth medium-term plan period and the ongoing challenges from the previous medium-term plan. We aim to accelerate growth by implementing this basic strategy.

Challenges to be addressed during the fourth medium-term management plan period + ongoing challenges from the previous medium-term management plan (third medium-term management plan)

Fourth Medium-Term Management Plan: Basic Strategy

Overview

| | |
|--|--|
| ① Increase sales staff and strengthen training <ul style="list-style-type: none"> Open stores in untapped areas Open small stores | <ul style="list-style-type: none"> Aim to accelerate personnel growth by increasing the number of new graduate hires and enhancing retention efforts Leverage our robust human capital to tap into areas without existing stores and small but highly profitable areas Establish a Organizational Strategy Promotion Office to strengthen organizational capabilities at stores facing challenges |
| | <ul style="list-style-type: none"> Continue efforts to improve productivity by investing in various systems Set a strategic inventory budget for inventory with high turnover potential. Aim to boost the number of properties handled while keeping sales staff workload to a minimum |
| | <ul style="list-style-type: none"> Shrinking household sizes and diversifying lifestyles: Enhance renovation projects that address customer needs Continue efforts to expand construction capacity by finding new contractors |
| | <ul style="list-style-type: none"> Maintain brokerage channel while diversifying purchasing channels through collaboration with local governments and other industries |
| | <ul style="list-style-type: none"> Objective is to leverage KATITAS sales capabilities and diversify purchasing channels Currently reviewing multiple companies. Planning to fund M&A deals using debt |
| | <ul style="list-style-type: none"> Market impact on business results decreased due to various measures implemented in FY2024 Aim to strengthen renovation cost control capabilities by finding new contractors |

2. Capital Allocation

(Reposted from FY2024 4Q)

- During the three-year-period of the fourth medium-term management plan, we will invest in strategic inventory (properties with high turnover potential) and pursue the possibility of M&A implementation
- Our minimum required equity-to-asset ratio is approximately 30%. We are currently reviewing multiple M&A opportunities and will retain the shareholders' equity necessary for these investments on our balance sheet for the time being (planning to fund investments through debt).

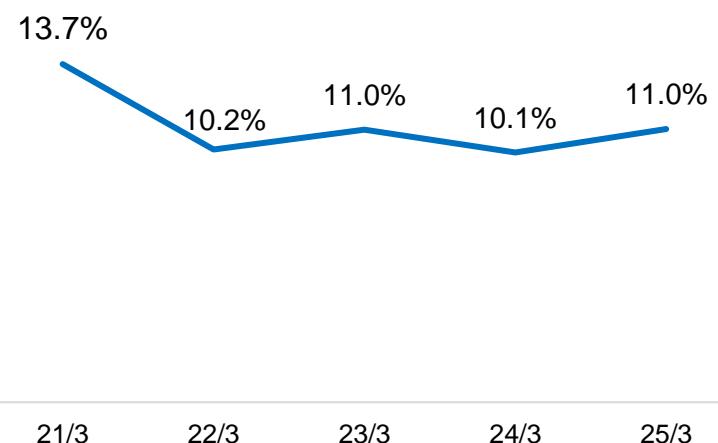
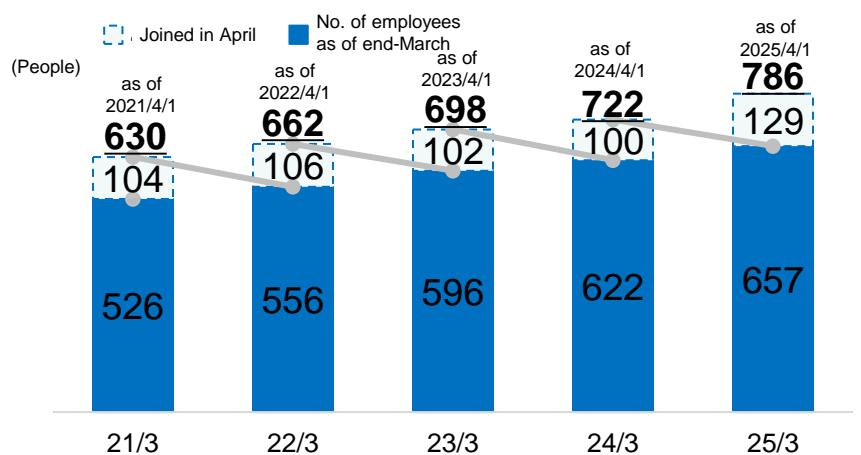
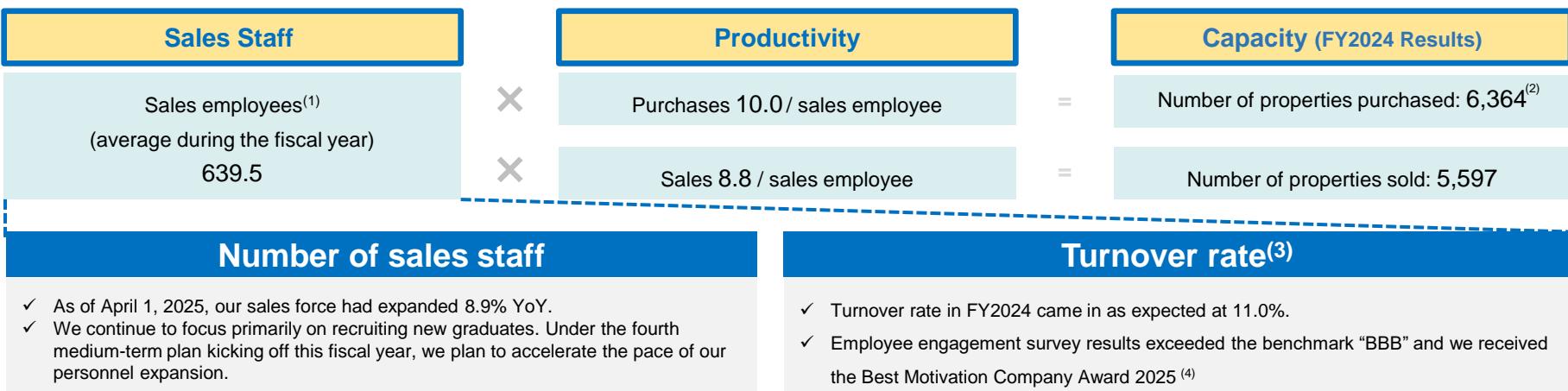
Equity-to-asset ratio



2. Growth Strategy at KATITAS (1): Enhance Sales Force (FY2024 Results)

(Reposted from FY2024 4Q)

- There's ample supply of vacant houses in Japan and sufficient demand for low-priced houses. The potential market is sizable both for purchases and sales.
- KATITAS plans to expand through an increase in procured and sold homes by increasing sales staff headcount while maintaining and improving productivity.
- We expanded our capacity to train new graduate employees by continuing our recruitment efforts. In April 2025, we increased the number of new hires from the usual 100 to 129. Next year, we plan to hire 150 new employees



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers

(2) Earnings presentation materials from the fiscal year ended March 31, 2021, will include properties purchased at auction, retroactively applied in previous fiscal years.

(3) Turnover rate = number of employees who resigned or retired during the fiscal year / number of employees at the beginning of the fiscal year

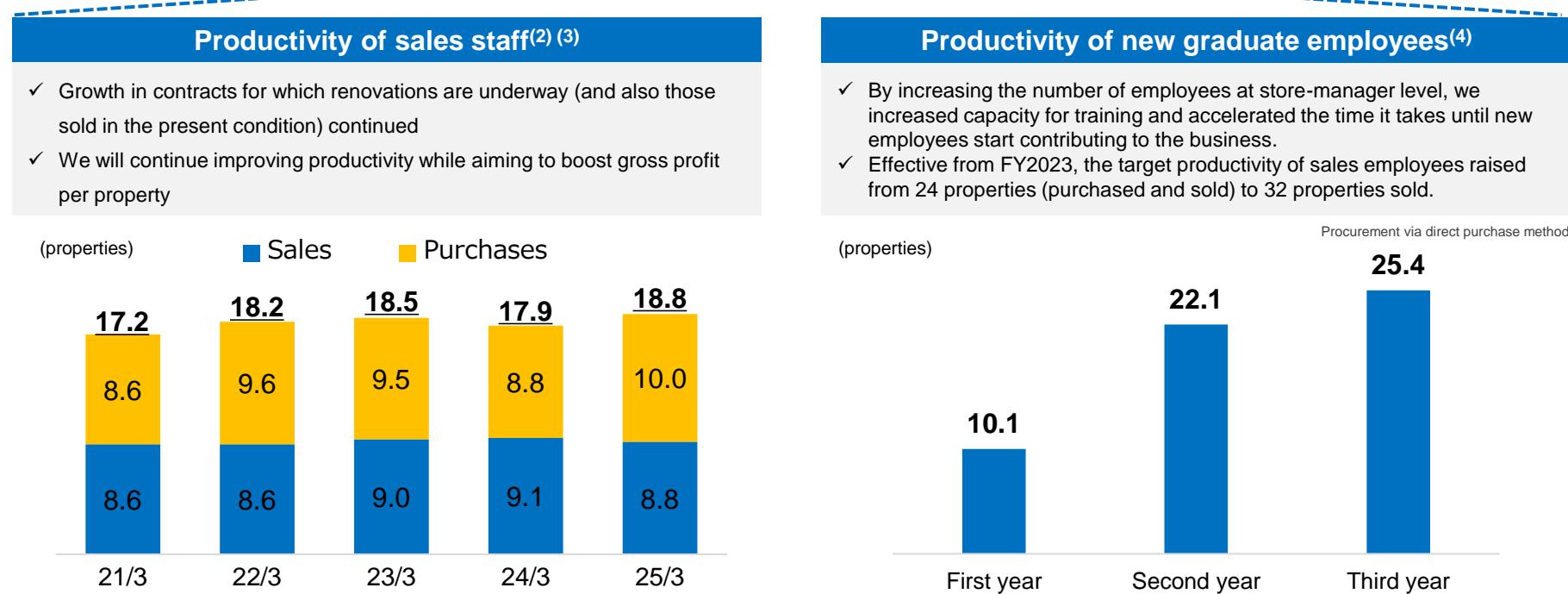
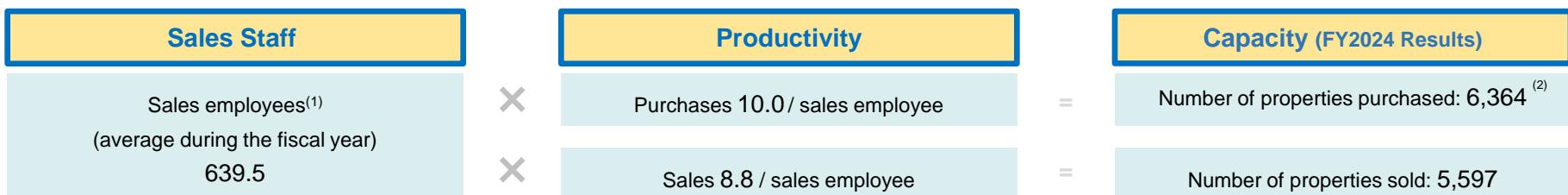
 (4) Award for companies with high employee engagement presented by Link and Motivation Inc.; [KATITAS Co., Ltd. press release](#) (5) Figures represent historical results of KATITAS (non-consolidated)

2.

Growth Strategy at KATITAS (2): Productivity Improvement (FY2024 Results)

(Reposted from FY2024 4Q)

- Productivity continued to rise, reaching a record high in FY2024. Contributing factors included strengthening KPI management for purchasing and increasing turnover through low-priced products
- In FY2025, we will focus on bolstering properties with high turnover potential, enhancing our sales website, diversifying our promotional activities, and stepping up marketing automation



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers

(2) Earnings presentation materials from the fiscal year ended March 31, 2021, will include properties purchased at auction, retroactively applied in previous fiscal years.

(3) Productivity = sum of the number of homes purchased and the number of homes sold by KATITAS over a period, divided by the average of the number of sales employees of KATITAS at the beginning and end of the period

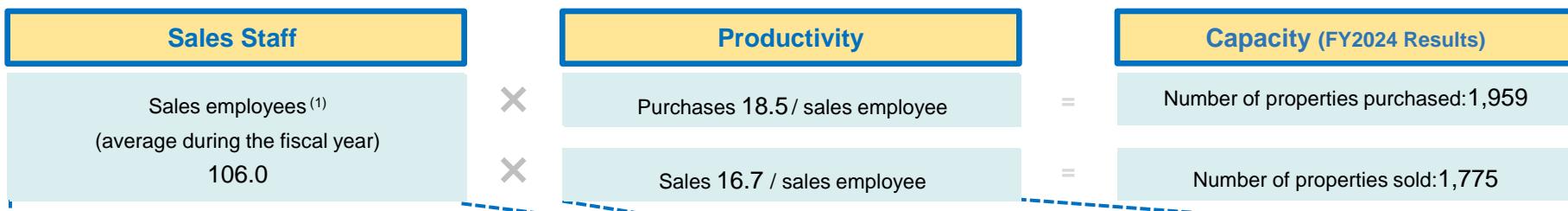
(4) Average calculated from the results of the last three fiscal years

(5) Figures represent historical results of KATITAS (non-consolidated)

2. Growth Strategy at REPRICE (FY2024 Results)

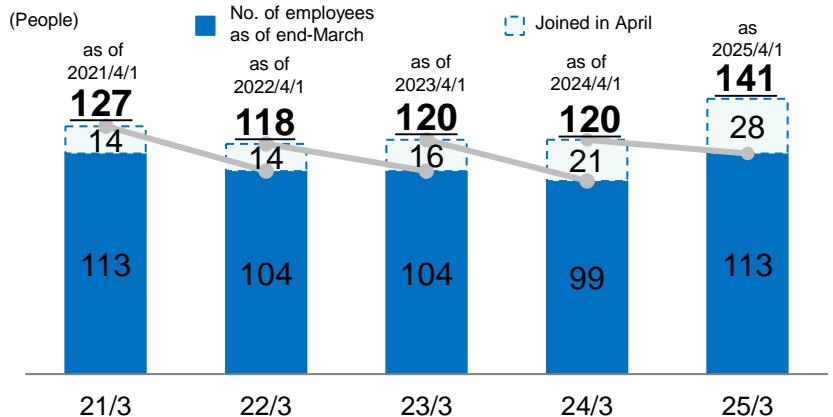
(Reposted from FY2024 4Q)

- Like KATITAS, we plan to drive growth at REPRICE by increasing sales staff and maintaining or raising productivity.
- Sales staff headcount grew substantially as we increased hiring and stepped-up retention efforts
- Productivity is trending upward and reached a record high in FY2024. Contributing factors include low-priced products and changes in sales channel strategy



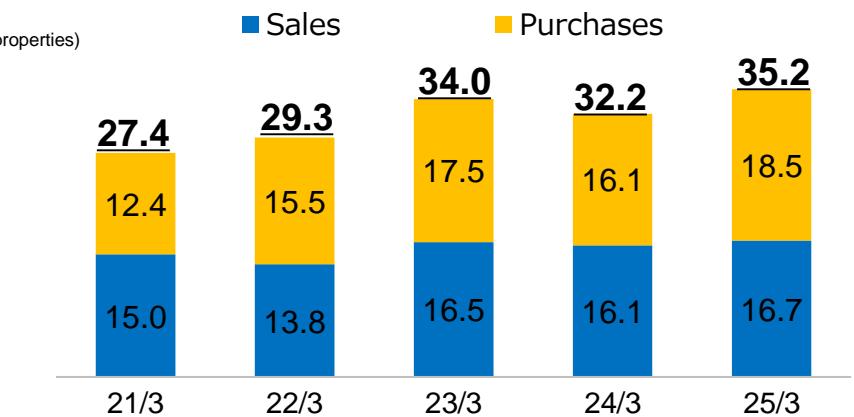
Number of sales staff

- As of April 1, 2025, our sales force had expanded 17.5% YoY.
- Hired 28 new graduates in April 2025.
- Employee engagement survey results exceeded the benchmark “BBB,” and there were no resignations among new employees hired in April 2024



Productivity⁽²⁾

- Reached a record high in FY2024
- From FY2025 onward, we will aim to improve profit per property while maintaining productivity, as the ratio of new employees will rise due to increased hiring



(1) Number of sales staff = Number of sales representatives + Number of sales block managers and area managers

(2) Productivity = sum of the number of homes procured and the number of homes sold by REPRICE over a period, divided by the average of the number of sales employees of REPRICE at the beginning and end of the fiscal year

Presentation Highlights

1. Overview of Financial Results for the First Six Months of the FY2025 (Ending March 31, 2026)

P3-P12

2. Fourth Medium-Term Management Plan and Management Plan for FY2025 (Ending March 31, 2026)

P14-P26

3. Overview of Business Model

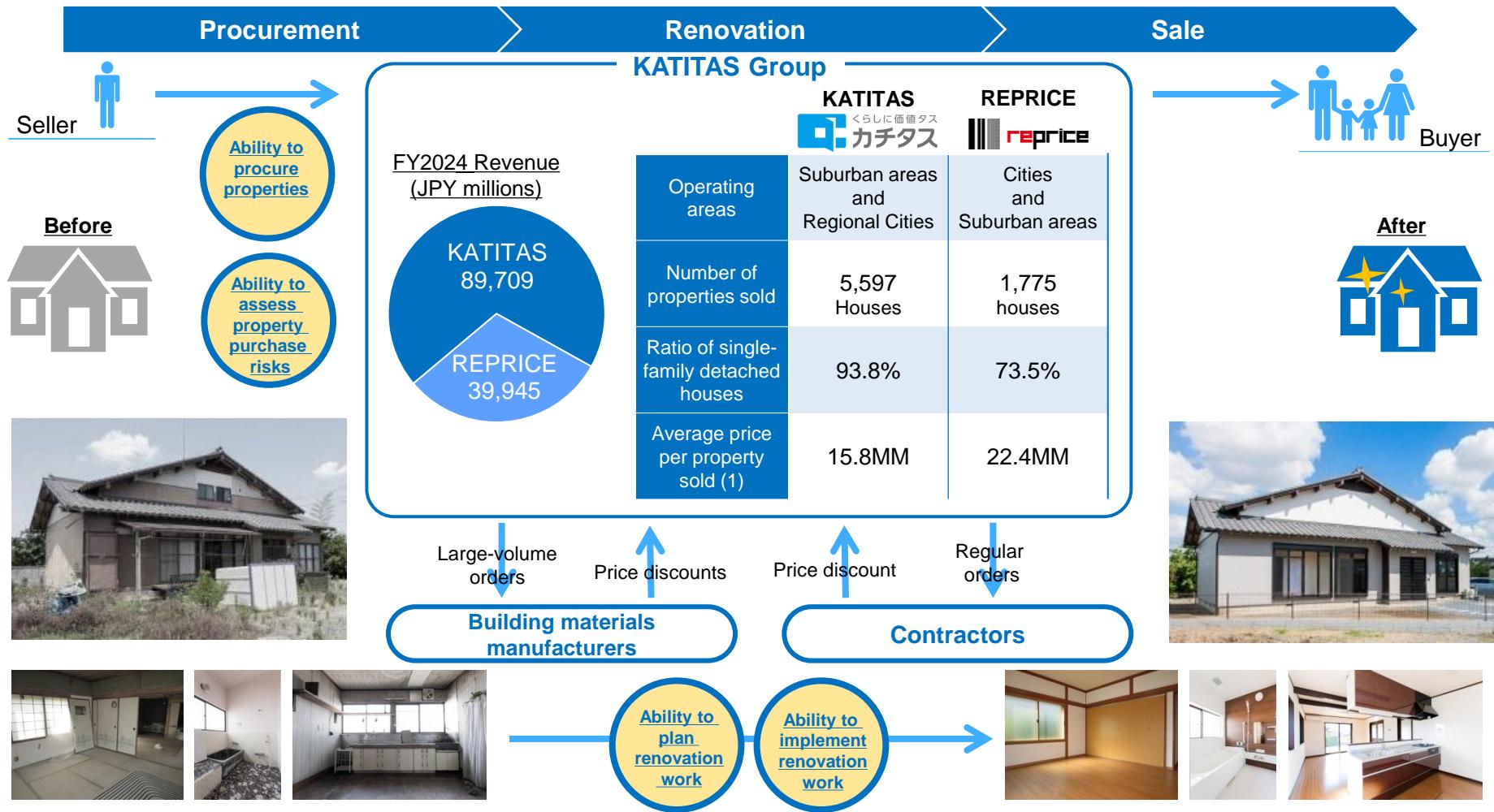
P28-P42

4. APPENDIX

P44-P51

3. Business Model of KATITAS

- KATITAS purchases pre-owned detached houses in regional areas, and renovate them to accommodate today's living styles before selling them at half the price of newly built houses.
- About 80% of properties we purchase are empty, vacant houses. We create social value by resolving the issue of vacant houses and providing affordable housing.



(1) Excluding tax

3. Business Development Areas and Building Ages of the Group

- KATITAS focuses on regional cities (population 50,000-300,000) and buildings with an average 30 years. It has strengths in in-house sales ability, survey ability, renovation planning ability, and renovation implementation ability.
- REPRICE focuses on urban and suburban areas (population 300,000-500,000) and buildings with an average 20 years. It has strengths in its broker network, speed, and pricing accuracy

| | old | 50 years | 40 years | Building age 30 years | 20 years | 10 years | New |
|--|---|----------|----------|--------------------------|----------|----------|-----|
| Lightly populated areas, holiday home and sightseeing areas ⁽¹⁾ | 985 municipalities 15.4 million people | | | | | | |
| Regional cities ⁽²⁾ | 236 municipalities 24.7 million people | | | | | | |
| Suburban ⁽³⁾ | 476 municipalities 48.6 million people | | | | | | |
| Cities ⁽⁴⁾ | 10 municipalities 10.6 million people | | | | | | |
| Metropolitan city centers ⁽⁵⁾ | 11 municipalities 27.0 million people | | | | | | |

KATITAS
 populations of 50,000-300,000
 Average building age 30 years
 Strengths: In-house sales ability, survey ability, renovation planning ability, and renovation implementation ability

REPRICE
 populations of 300,000-500,000
 Average building age 20 years
 Strengths: Relationships with brokers, speed, pricing

Properties that are not eligible for purchasing




Source: Created by KATITAS based on the Ministry of Internal Affairs and Communications' Population Census/ -Data Table by Prefecture and Municipality 2020

(1) Lightly populated areas, holiday home and sightseeing areas: Municipalities with populations under 50,000 excluding areas within the three metropolitan areas

(2) Regional cities: Municipalities with populations of 50,000-300,000 excluding areas within the three metropolitan areas

(3) Suburban areas : Areas within three metropolitan areas excluding Tokyo 23 wards, ordinance-designated cities same as above and municipalities with populations of 300,000-500,000

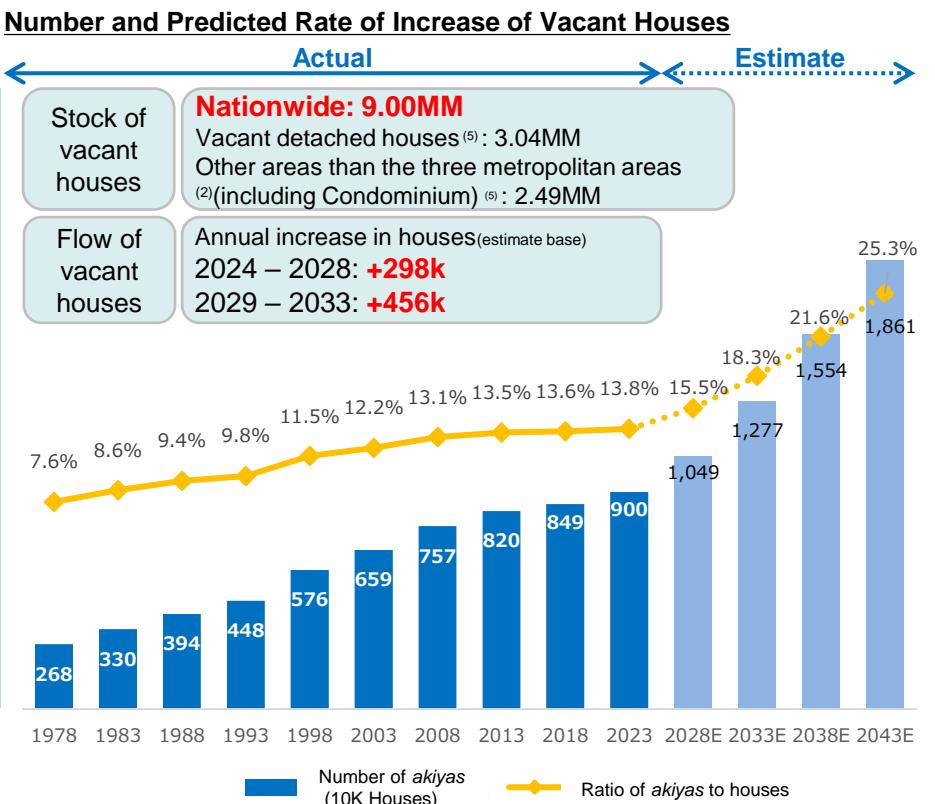
(4) Cities: Ordinance-designated cities outside the Tokyo 23 wards and three metropolitan areas (Sapporo-shi, Fukuoka-shi, Hiroshima-shi, Sendai-shi, Kitakyushu-shi, Niigata-shi, Hamamatsu-shi, Kumamoto-shi, Okayama-shi, Shizuoka-shi)

(5) Metropolitan city centers: Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Saitama-shi, Sakai-shi, Sagamihara-shi)

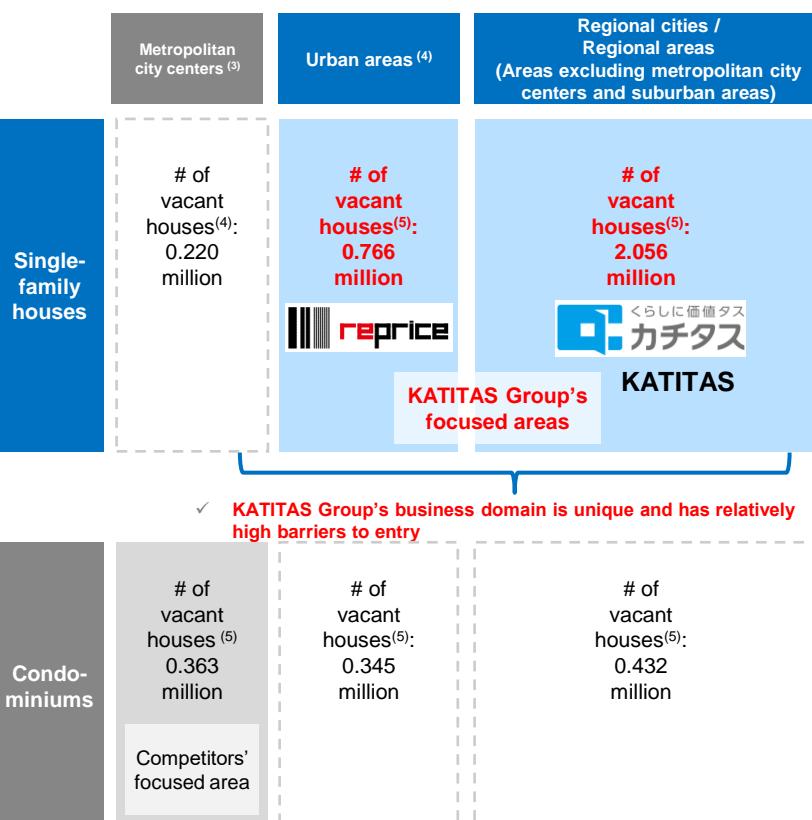
3. Medium and Long Term Expansion with Opportunities for Procurement Based on Increased Supply of Vacant Houses

- There is a large number of vacant houses and the number is expected to increase, which provides KATITAS with procurement opportunities
- Although a large majority of such vacant houses cannot be distributed in the housing market on an “as-is” basis, KATITAS is capable of acquiring such houses with a low level of competition

Abundance in Stock and Flow of Vacant Houses⁽¹⁾



Unique Business Segment



Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey Approximate Tabulation of Dwellings (Revised Report)", Estimates are prepared by KATITAS based on the news release, "New Housing Starts Expected to Fall to 580,000 in FY2040 and the Ratio of Vacant Houses Expected to Rise to Around 25% in 2043," (June 13, 2024) issued by Nomura Research Institute, Ltd.

Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey (Revised Report)"

(1) Vacant houses include pre-owned properties and rental houses.

(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures).

(3) Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Saitama-shi, Sakai-shi, Sagamihara-shi).

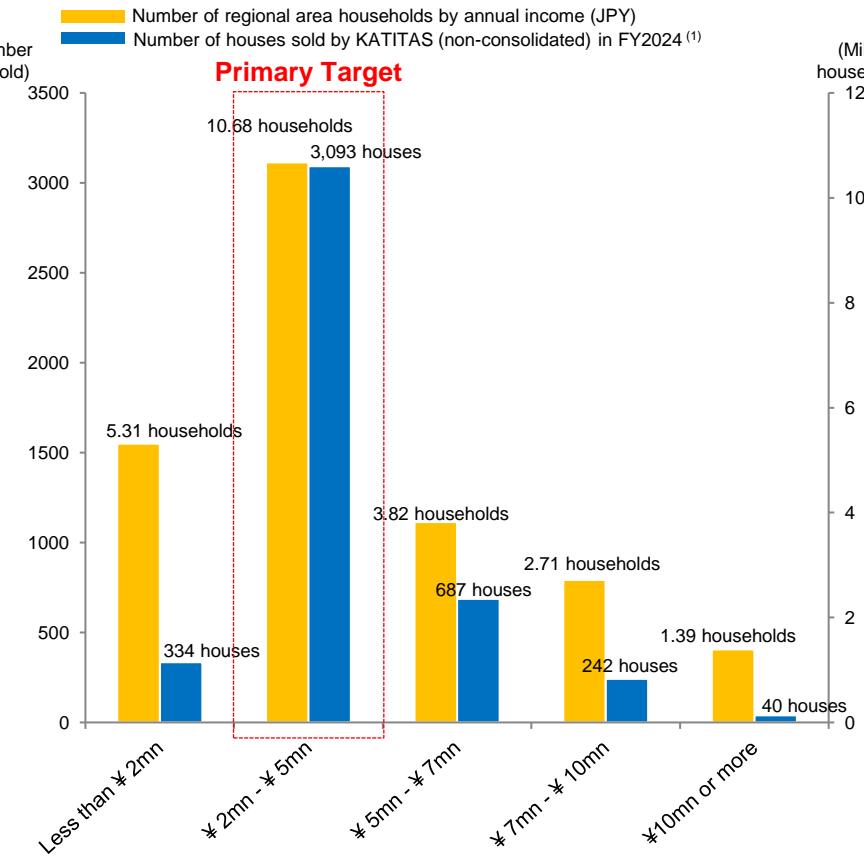
(4) Areas within three metropolitan areas excluding Tokyo 23 wards and ordinance-designated cities same as above.

(5) Pre-owned properties and rental houses are excluded from the calculation of vacant houses same as above.

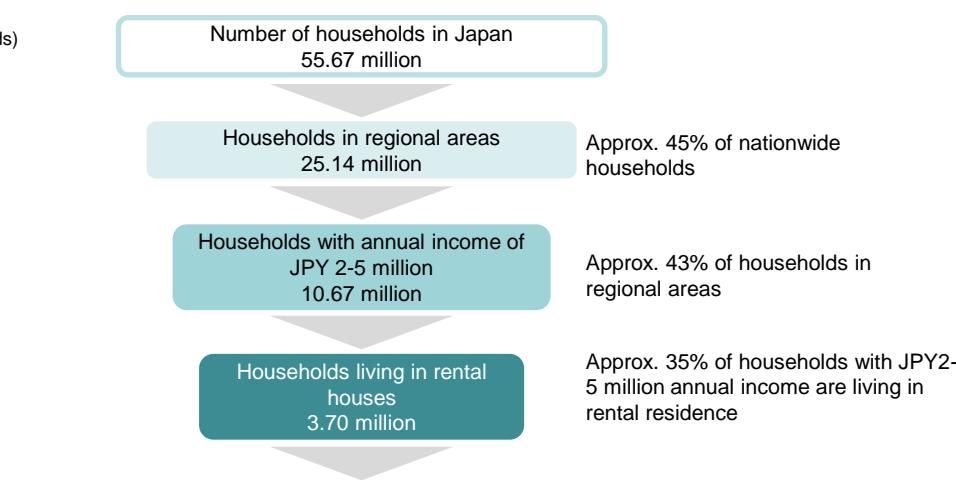
3. Fourth Housing Option in Regional Areas: Pre-Owned and Renovated Single-Family Houses

- KATITAS' primary target customer base consists of approximately 1.23 million households currently living in rental houses in regional areas, with annual income of JPY2-5 million and the intention to own a house
- Based on the assumption that there is demand for 123,000 units if the duration of the abovementioned families considering the purchase of housing units is 10 years.
- The number of properties sold by KATITAS in FY2024 was 5,597, which is equivalent to around 4.6% of the estimated market and many potential customers still exist.

Customer Group by Annual Income and Macro Environment



Large Potential Customer Base UPDATE



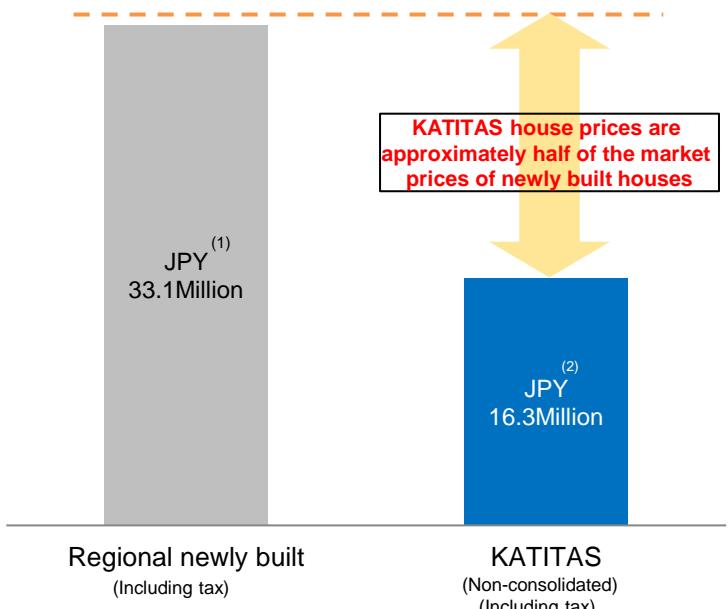
Based on the assumption that the duration of considering the purchase of housing units is **10 years**.
 ⇒ The size of the market including potential demand is estimated at about **123,000 houses** per year.

Annual number of houses sold by KATITAS: 5,597 (around 4.6% of target)
 ⇒ There are still many potential customers

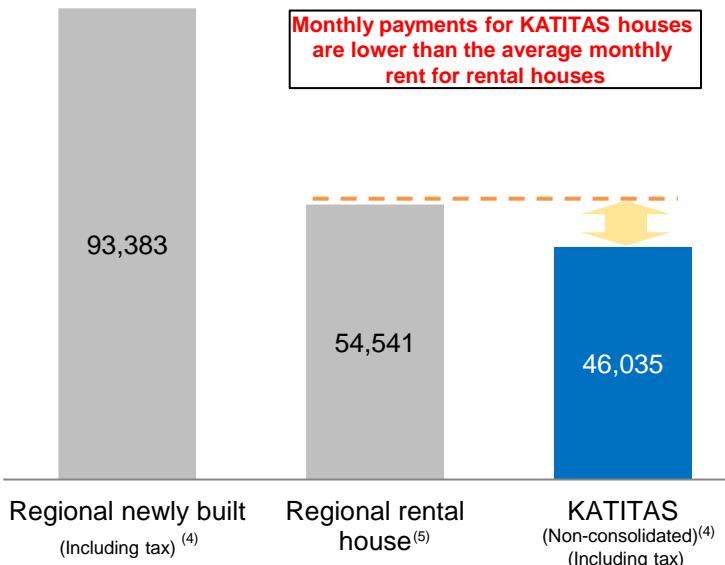
3. Offering High-Quality Renovated Houses at Reasonable Prices

- KATITAS is able to offer renovated houses at roughly half the price of comparable newly built houses, that also offer lower monthly mortgage payments compared to renting
- Customers can purchase a home with a mortgage within their means, in accordance with the growth of their children and other life stages.
- Mortgage repayments will not increase as much as newly built houses even if interest rates were to rise.

Less Expensive than the Average Selling Price of Newly Built Houses



Lower Payments than Rental Houses⁽³⁾



Monthly repayment amount when mortgage interest rate rise

| | Regional newly built | KATITAS |
|-------------------------|----------------------|-----------|
| Mortgage interest rates | 1.0% | ¥ 93,383 |
| | 1.5% | ¥ 101,289 |
| | 2.0% | ¥ 109,585 |
| | | ¥ 46,035 |
| | | ¥ 49,933 |
| | | ¥ 54,023 |

Comparison of Cost per Floor Area for Each Property (Illustrative)

| | Regional newly built house | Regional rental house | KATITAS |
|--|----------------------------|-----------------------|---------|
| Total floor area (m ²) | 100~110 | 50~65 | 110~120 |
| Payment per square meter (KATITAS = 100) | 222 | 237 | 100 |

(1)Average prices (including tax) of newly built houses are surveyed under the screening method specified below, based on the "Integrated System of Land Information" operated by Ministry of Land, Infrastructure, Transport and Tourism

Timing of transaction: From April 2024 to March 2025 / Timing of construction: In January 2024 and after / Type: Building lot (land and building) / Total floor area: Between 50m² and 200m² / Use of building: Housing

(2)The average sales price of KATITAS is calculated based on the sale price of properties constructed during the period between April 2024 and March 2025.

(3)Monthly rent paid by households other than single-person households

(4)Payment amounts for Regional newly built and KATITAS are calculated based on the premise assuming that a buyer pays the average sale price under a 35-year loan with no initial down payment or other incentive payments at a fixed interest rate of 1.0% for the life of the loan

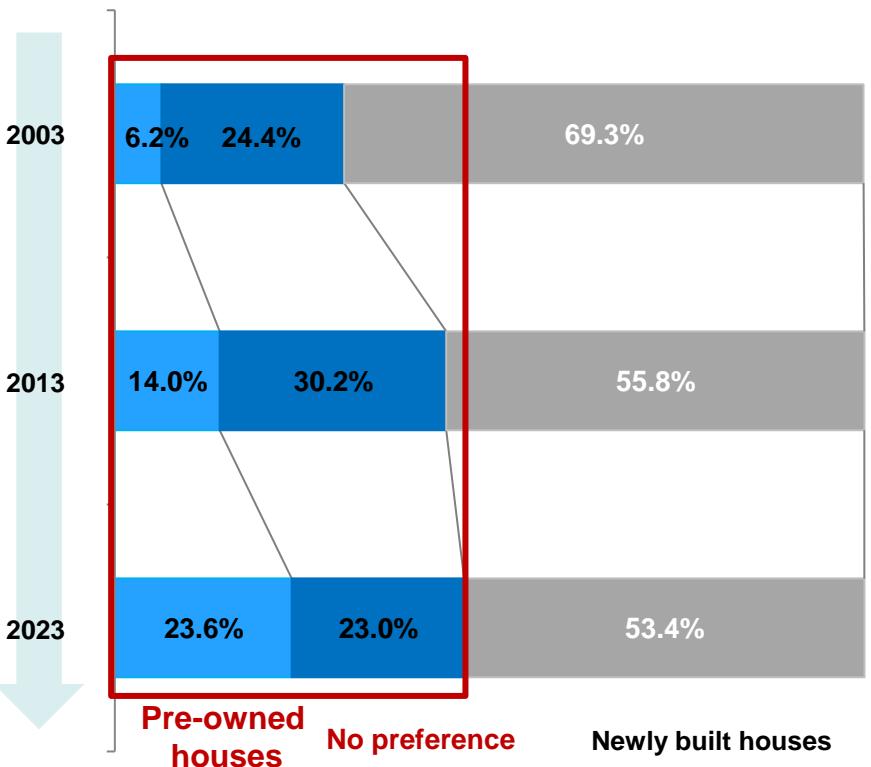
(5)Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey (Revised Report)"

3. Consumer Preferences Have Shifted Toward Accepting Pre-Owned Houses

- Increasing number of households with less preference for newly built houses and increasing preference for pre-owned houses even in the Japanese market where traditionally people tend to prefer newly built houses
- There is huge potential for more pre-owned houses to be distributed in the market if we can supply enough properties that are “clean and inexpensive.”
- The pre-owned housing market has been expanding in recent years and is expected to continue growing in the future.

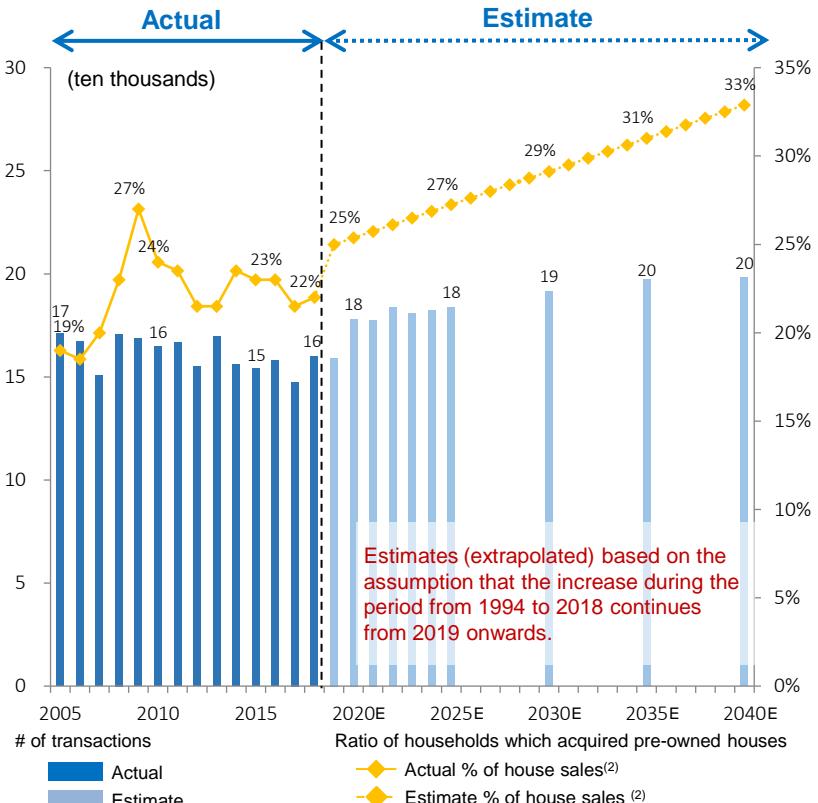
Mindset Change toward Ownership of Pre-owned Houses UPDATE

Survey of preference in moving to newly built or pre-owned houses from the current rental houses



Increase in Transactions of Pre-owned Houses

Actual and estimated figures of transactions of pre-owned houses and ratio of households which acquired pre-owned houses from 2005 to 2018



Source: Housing Bureau of Ministry of Land, Infrastructure, Transport and Tourism, “Comprehensive Survey on Housing and Living Environments (2018)” and “Comprehensive Survey on Housing and Living Environments (2023)”

Source: Produced by KATITAS based on data in NRI's June 9, 2022 press release claiming that new housing starts in 2040 are expected to decline to 490,000 units, while pre-owned houses in transactions will increase to 200,000 houses in 2040

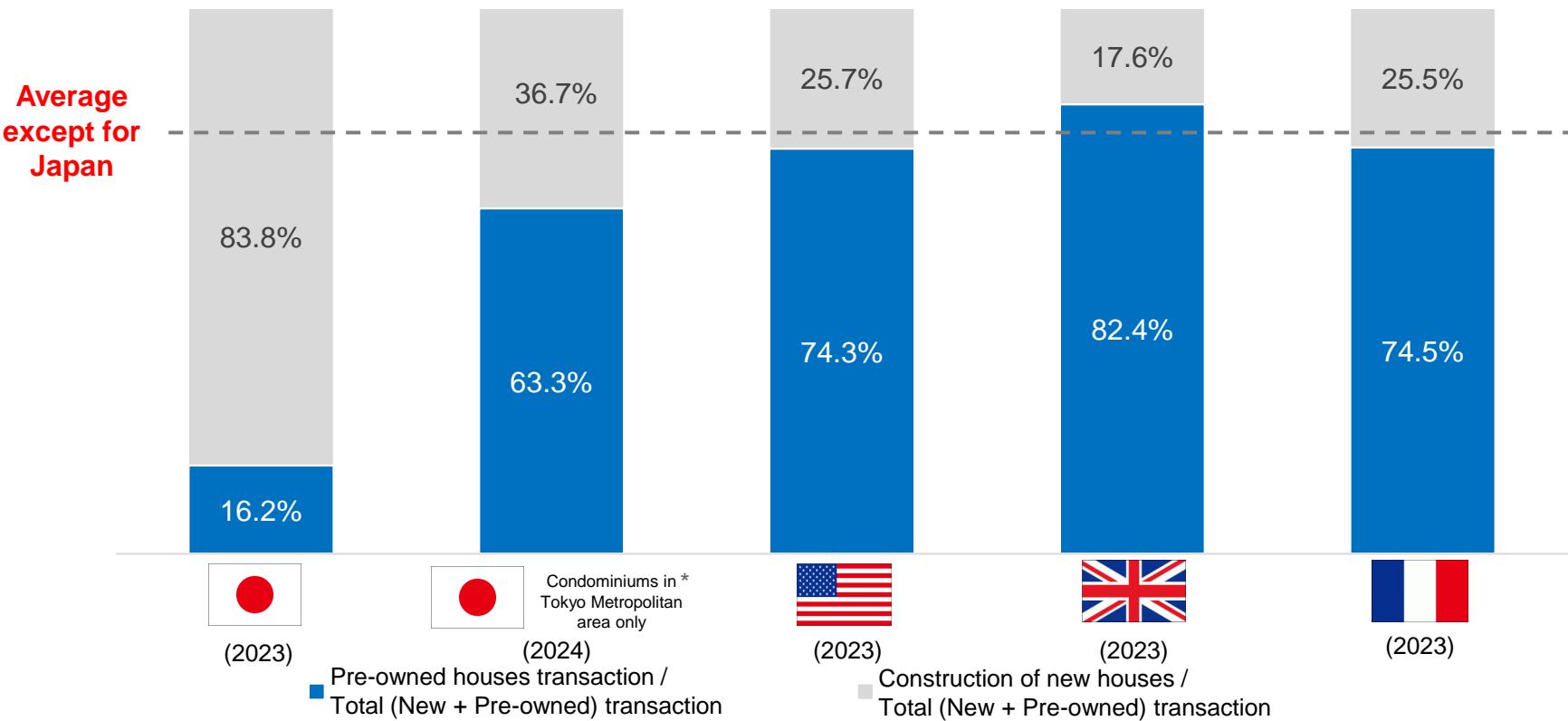
(1) NRI estimates / forecasts based on Census, National Social Security and Population Research Institute “Forecast of number of Japan’s households”, Ministry of Internal Affairs and Communications, “Housing and Land Survey”, and NRI Questionnaire on housing purchasers

(2) Questionnaire by NRI : Ratio of households which acquired pre-owned houses (excluding newly built houses) out of households which acquired a house

3. Room for Growth in the Share of Regional Pre-owned Houses in Distribution

- Lower market share of pre-owned houses compared with United States and Europe
- In the Tokyo Metropolitan area, there are many “clean and inexpensive” used condominiums being supplied that their distribution volume has already surpassed that of new condominiums.
- By supplying “clean and inexpensive” detached houses in rural areas, we have a chance of capturing the untapped market for pre-owned houses.

Pre-owned houses Market Share - Japan vs United States and Europe



*Ratio of pre-owned condominium units under contract to new condominium units on the market.

3. The Company's Customer Profile

| Customer profile | |
|---|--|
| Business area | Suburban areas surrounding regional cities (Targeting regions with populations of 50,000 – 300,000) |
| Properties handled | Mainly pre-owned single-family detached houses which have become vacant due to events such as inheritance |
| Average selling price | JPY 16.3 million (including tax) |
| Buyers' needs | Actual demand (our customers purchase the properties to live in rather than for investment) |
| Buyers' age range | 30s–50s (65.8% of the Company's sales results) |
| Buyers' annual income | JPY 2-5 million (55.3% of the Company's sales results) (home loan to annual income ratio is 4.3) * Households with annual incomes between JPY 2-5 million are the largest volume zones in rural areas, excluding the three major cities. |
| Type of buyers' loan | Mortgage |
| Financial institutions with loan transactions | Nationwide regional banks, shinkin banks, credit associations and labor banks, etc. |
| Source of loan payments | Buyer's flow income |

(1) Figures for average selling price, buyers' age range, and buyers' annual income are from cumulative results for the fiscal year ended March 31, 2025.

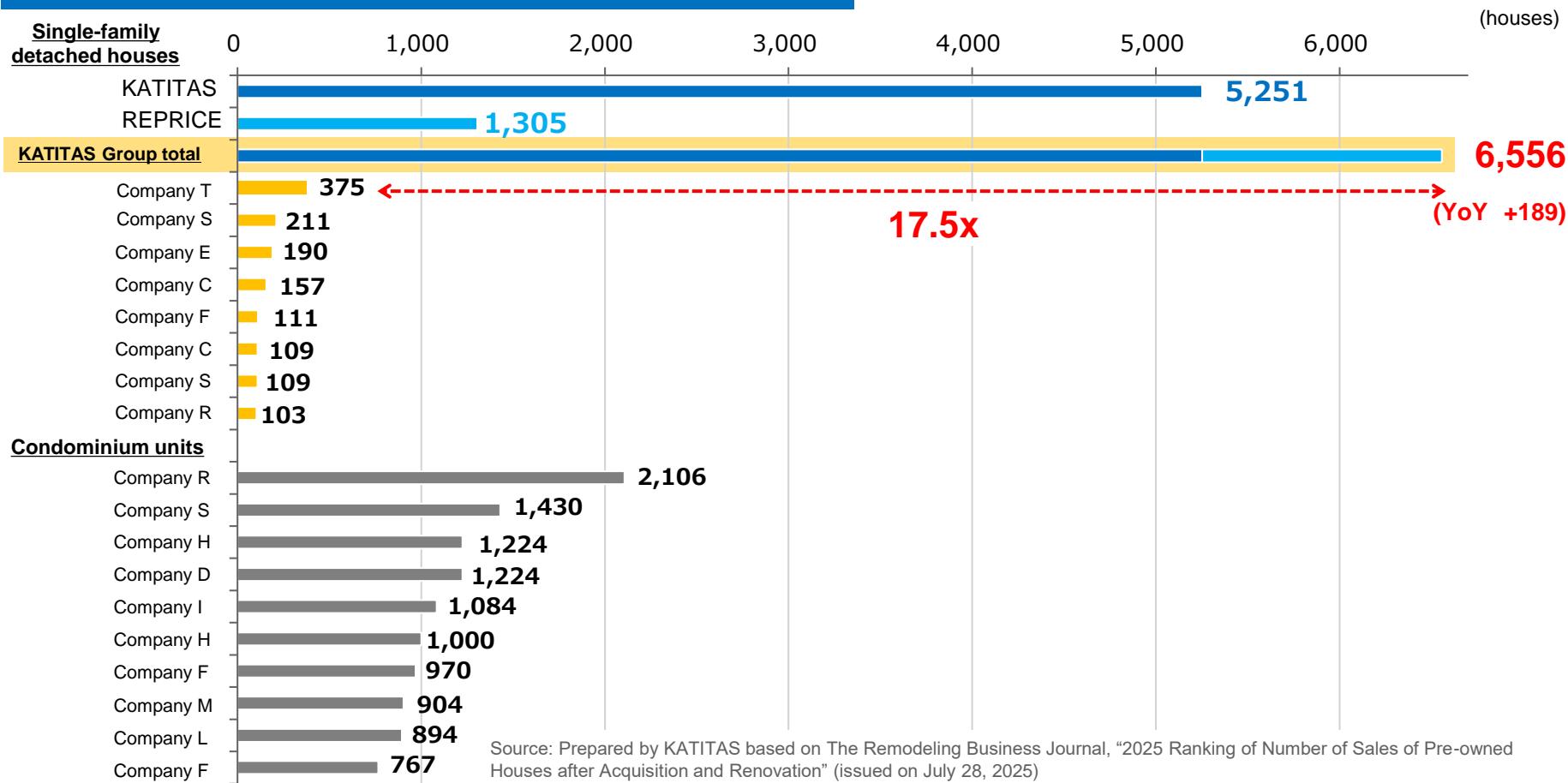
(2) Home loan to annual income ratio = selling price (including tax) / annual income

Annual income based on customer responses. Calculated excluding customers that pay in full in cash, customers with unknown income, and corporations.

3. Number of Houses Sold is Over 10 Times that of No.2 Ranked Company

- No.1 among House Reselling Businesses⁽¹⁾ in terms of number of units sold
- Established unique positioning by focusing on pre-owned single-family detached houses located in regional cities and regional areas that competitors find challenging to bring to the market

Number of Units Sold by Major House Re-sellers (FY2024)



(1) A "Housing Reselling Business" is defined as one conducted by certified "building lot and transactions" dealers with extensive know-how in renovation so as to efficiently and effectively improve the quality of existing house inventory (Requests for FY2016 Tax Reform (Special Measures Concerning Taxation))

3. Our Greatest Strength is the Know-How We Accumulated by Selling a Cumulative Total of 80,000 Houses. We Approach Even the Tedious Details with Persistent Care, While Managing Risks to Minimize Failures.

- KATITAS has accumulated a stock of "failure cases" through purchasing and selling more than 80,000 houses. These cases frequently occur as a result of errors made at the time of purchasing. The company ensures timely risk management by sharing actual failure cases with all stores nationwide through weekly company-wide morning video conferences.
- Before purchasing a property, we conduct "three-party on-site inspections" with our renovation partners and termite control specialists. Focusing on the three major risks specific to older detached houses, we thoroughly check from the crawlspace to the attic for structural deterioration, past water damage, and renovation feasibility. We also clarify property boundaries, which are a common source of disputes.
- KATITAS will also carry out extensive inspections both during renovation and at the time of completion, in order to minimize failures and problems that may occur after the property has been delivered.

Examples of Pre-purchase Inspections: Inspections concerning Three Major Risks Associated with Older Detached Houses

Termite Risk



The termite exterminator performs an inspection of the underfloor space looking for evidence of termite damage. This avoids unexpected renovation costs, and reduces the risk of procuring a property that is difficult to renovate.

Rain Leakage Risk



The renovation contractor will check the entire frame of the building including the roof space looking for evidence of roof leaks and pests. These inspections increase the accuracy of renovation cost estimates.

Risks Associated with Property Rights



A land survey is conducted on every project. This provides comfort to the buyer. Land surveys are unnecessary for pre-owned condominiums.

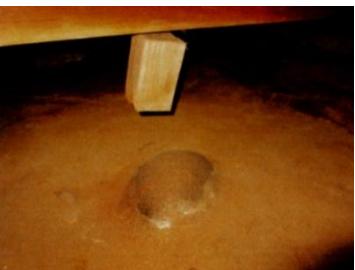
3. Examples of Post-Acquisition Failures

- Detached houses tend to have highly individual characteristics, and problems can still arise even after thorough inspection.
- In some failure cases, the holding period becomes extended, with some properties taking over 20 years from purchase to sale. To avoid adverse impact on the profit-and-loss statement at the time of sale, we record impairment losses after a certain period from purchase, in some cases writing down the book value to ¥1.
- The most common reason companies exit the market for purchasing and reselling detached houses is the difficulty in handling the highly individual nature of each property.

Examples of cases which required major repair after purchasing or after sale



Unstable foundations were discovered after purchasing. This needed to be repaired before sale which led to additional costs.



Case in which subsidence under the floor was discovered after purchasing. A major rebuilding of the foundation was necessary.



An instance where termite damage was overlooked, resulting in major restoration work including replacement of parts of the wooden structure.



Case in which the roof leaked after sale. A full repair was carried out under the warranty against defects.



Case in which deterioration in roof materials was noticed after sale. As a partial repair was not possible, the entire roof had to be replaced.



A case where residential land damage caused by erosion from a nearby waterway was discovered after sale. Significant costs were incurred for erosion control measures.

● In some cases, unforeseen defects are discovered after purchase, and the property is deemed beyond repair, forcing the company to exclude it from resale.

● KATITAS regards these failure cases as the “assets of the company.”. They are shared with the entire company on a weekly basis to prevent recurrences (= minimize risk)

Properties with Extended Turnover Periods

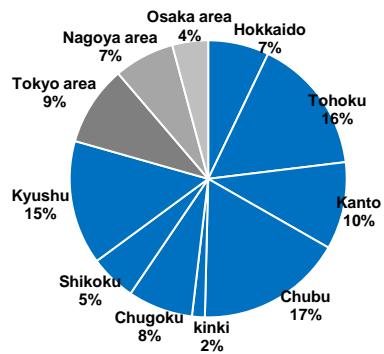
| | Branch | Turnover (days) | Cause |
|----|----------|-----------------|---------------------------------------|
| 1 | Tochigi | 7,245 | Ownership/legal rights-related issues |
| 2 | Hirosaki | 3,990 | Ownership/legal rights-related issues |
| 3 | Izumo | 2,979 | Building-related issues |
| 4 | Oita | 2,317 | Ownership/legal rights-related issues |
| 5 | Okinawa | 1,783 | Conditions in the surrounding area |
| 6 | Fukui | 1,757 | Building-related issues |
| 7 | Nobeoka | 1,483 | Conditions in the surrounding area |
| 8 | Tsuyama | 1,250 | Building-related issues |
| 9 | Niigata | 1,218 | Building-related issues |
| 10 | Nakatsu | 1,194 | Ownership/legal rights-related issues |

3. Nationwide Branch Network and High Brand Recognition

- KATITAS maximizes purchasing and sales opportunities by covering geographic areas not or rarely accessed by competitors, including small- and medium-sized cities with populations between 50,000-300,000
- KATITAS has No.1 brand recognition in regional areas

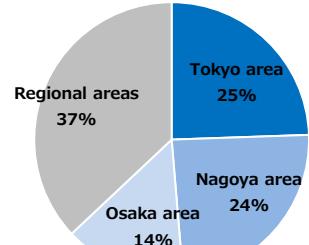
Nationwide Branch Network

KATITAS: Sales by area⁽¹⁾
(FY2024, based on number of units)



*Number of properties sold (FY2024): 5,597

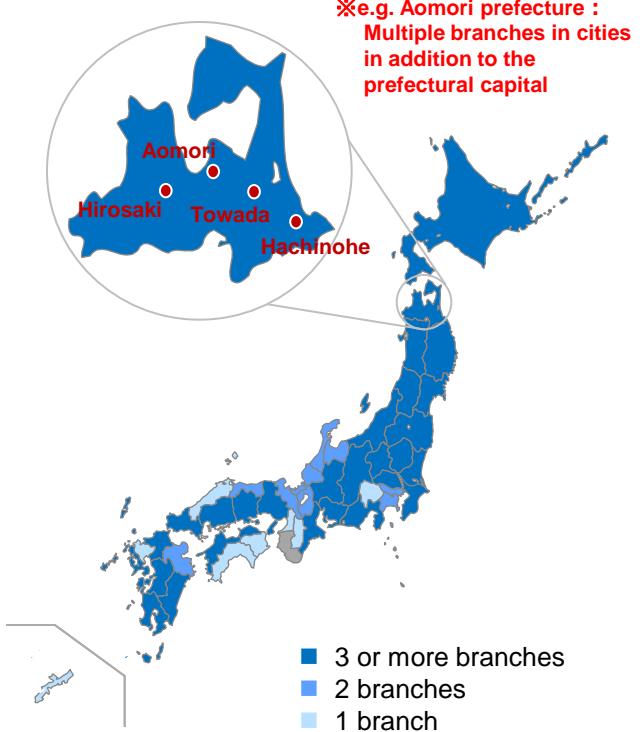
REPRICE: Sales by area
(FY2024, based on number of unit)



*Number of properties sold (FY2024): 1,775

**Regional areas" are other areas than the "three metropolitan areas"⁽²⁾

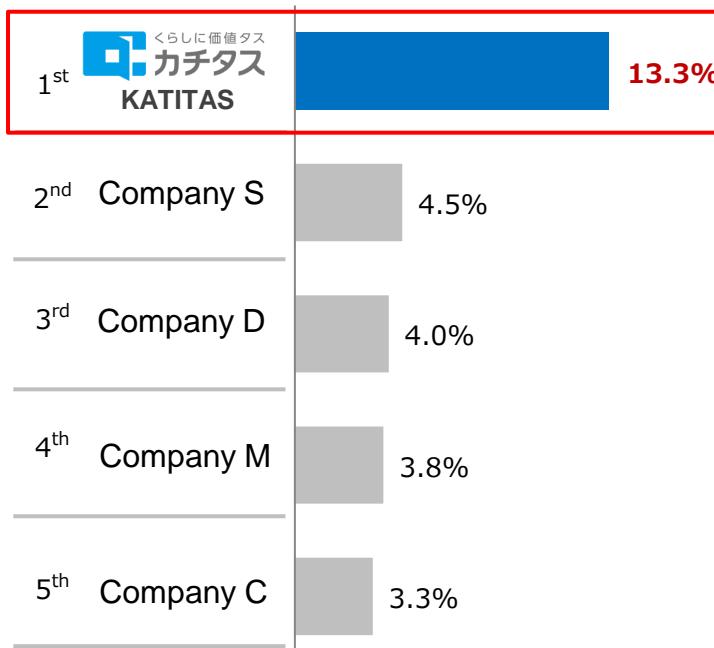
Branch Locations⁽³⁾ of KATITAS
(As of March 31, 2025)



High Brand Recognition in Regional Areas

Survey on Brand Recognition⁽⁴⁾

Q. "Which company comes to mind if you are asked about a company to which one could sell a house?"



Source: Web-based survey without presenting answers options in February 2025 conducted by a third-party research firm requested by KATITAS. The number of samples of each survey was 1,100. 10 prefectures were selected as target survey areas and the surveys were conducted in rotation. The above chart shows aggregated results of prefectures where KATITAS TV commercials were aired

(1) Tohoku: Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures. Kanto: Ibaraki, Tochigi and Gunma Prefectures. Chubu: Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Shizuoka prefectures. Kinki: Shiga and Wakayama prefectures. Chugoku: Tottori, Shimane, Okayama, Hiroshima and Yamaguchi prefectures. Shikoku: Tokushima, Kagawa, Ehime and Kochi prefectures. Kyushu: Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa prefectures.

(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures)

(3) Branch list is explained in detail on P.47

(4) Surveyed areas in February 2025 were Akita, Yamagata, Niigata, Ishikawa, Nagano, Ehime, Nagasaki, Kagoshima prefectures (where TV commercials were aired), as well as Gunma and Shiga prefectures (where no TV commercials were aired)

3.

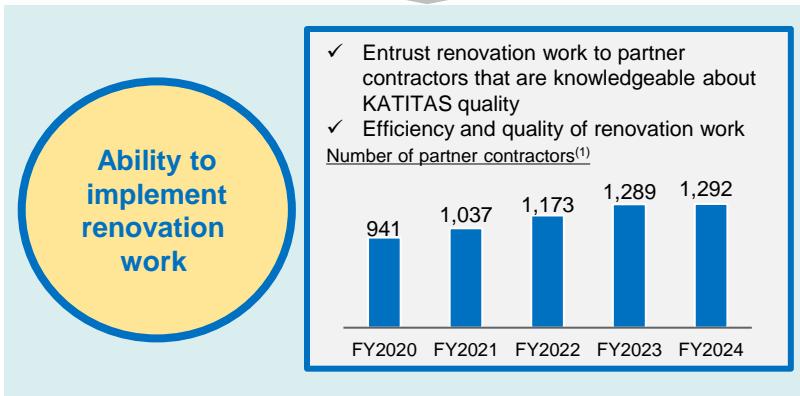
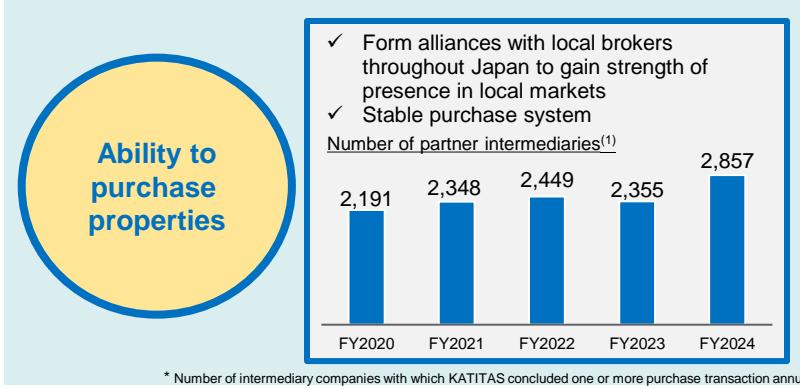
KATITAS' Advantages in Supplying High-Quality Renovated Homes at Reasonable Prices

- Track record of dealing over 80,000 pre-owned single-family homes, leading to accumulation of know-how (Management of failure)
- Conducting efficient procurement and renovation by utilizing organized third parties such as builders and intermediaries
- Advantage in ability to procure vacant pre-owned homes that competitors are unable to acquire, utilizing our ability to judge, procure, plan and renovate

Accumulated Knowhow based on Track Record



Well-organized Third Parties



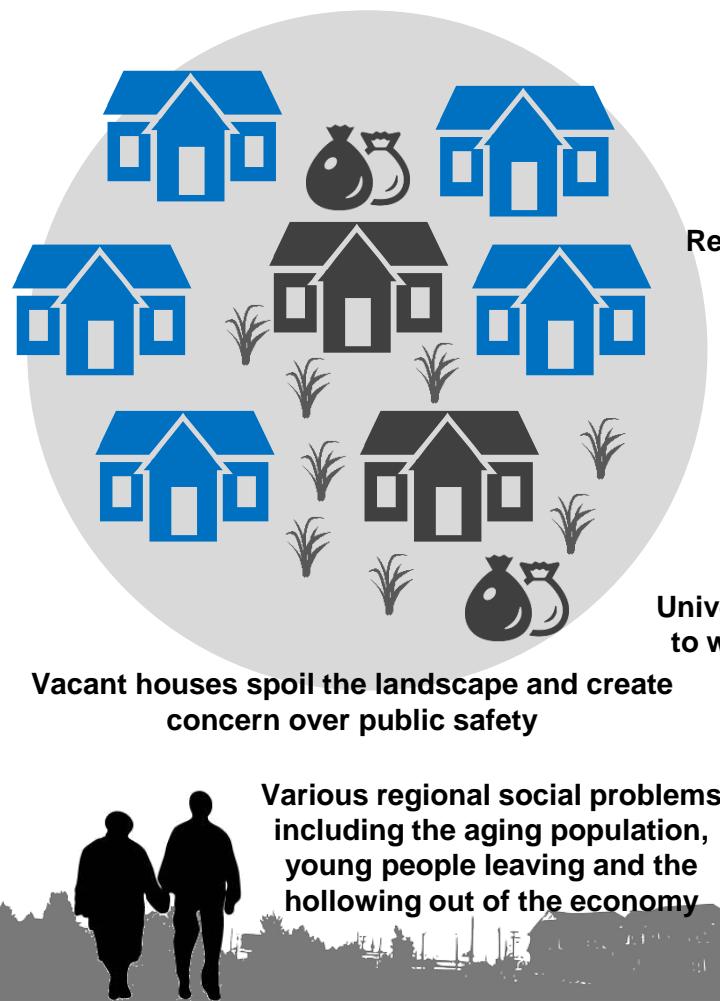
(1) The number of contractors and intermediary companies are on a non-consolidated basis

(2) Starting in 2014, METI has been granting annual awards to companies that address a variety of needs of consumers with the strengths of their unique business models

3.

KATITAS' ESG and SDGs : Contributing to Acquisition of Affordable Housing for Low- and Middle-Income Households

There are 9.00 million vacant houses nationwide,
a large social problem



17 PARTNERSHIPS FOR THE GOALS



Renovation contractors


 University students wishing
to work for the community

 8 DECENT WORK AND
ECONOMIC GROWTH


Resolving the vacant house issue by
renovating and distributing vacant houses

Affordable houses for people with annual household
income of ¥2-5 million

1 NO POVERTY



3. KATITAS' ESG and SDGs: Status of Overall Initiatives

KATITAS' pre-owned house renovation business



Scrap and build new houses



CO2 emissions volume ⁽¹⁾

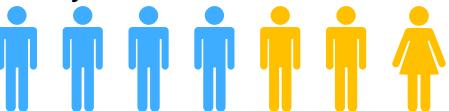


The wooden materials used



Independent outside directors: 1/3 of the total

- ✓ Of those, three are Independent Outside Directors.
- ✓ Outside Director attendance ratio: 91.7% ⁽⁴⁾
- ✓ Flat Board of Directors operations in which Directors can comment freely.



Salaries of sales employees are mainly fixed salaries

- ✓ Incentives make up a small percentage of salaries, which are less likely to become contributors to unreasonable sales activities and sales.



Weekly video conference connecting all branches nationwide

- ✓ Communication including failure cases and compliance.



The three reporting principles

- ✓ Thorough internal notifications on compliance awareness.
- 1. **Promptly report trouble**
- 2. **Report the bad things first**
- 3. **Do not lie**

- Voluntary Remuneration Advisory Committee
- Monthly partner meetings held with renovation contractors (KRP Meeting)
- Regular distribution of awareness-raising materials related to human rights

(1) Source: Kimoto, Ikaga, Hanaki, Shintani, and Noguchi (2009), "Projection of CO2 Emissions from Construction, Renovation, and Demolition of Housing to 2050"

(2) Source: "Current Status and Issues in the Forestry, Logging, and Timber Industry," Forestry Agency (March 2021)

(3) Our standard remodeling property results, constructed in December 2018

(4) Results for the fiscal year ended March 31, 2025

(5) Results for the fiscal year ended March 31, 2025
(for employees ranging from personnel in charge to sales department managers)

Presentation Highlights

1. Overview of Financial Results for the First Six Months of the FY2025 (Ending March 31, 2026)

P3-P12

2. Fourth Medium-Term Management Plan and Management Plan for FY2025 (Ending March 31, 2026)

P14-P26

3. Overview of Business Model

P28-P42

4. APPENDIX

P44-P51

4. History

| Date | Event |
|-----------|--|
| Sep. 1978 | Established as Yasuragi Co., Ltd., in Kiryu, Gunma Prefecture with ¥10 million in capital to conduct the stone quarrying business |
| Dec. 1988 | Acquired a real estate brokerage license and started the real estate sales and agency business |
| Aug. 1998 | In line with the revised Civil Execution Act, established a business model of purchasing real estate at property auctions and selling refurbished properties |
| Mar. 1999 | Opened the Takasaki Branch (later opened more regional branches, reaching a total of 135 as of March 31, 2025) |
| Feb. 2004 | Listed on the Centrex Market of the Nagoya Stock Exchange |
| Mar. 2012 | Tender offer for the Company's shares by Advantage Partners Inc., a private-equity fund |
| Jul. 2012 | Delisted from the Centrex Market of the Nagoya Stock Exchange |
| Jul. 2013 | Changed company name to KATITAS Co., Ltd. |
| Feb. 2016 | Received the METI Minister Award for "Advanced Rehabilitation Remodeler" from the Ministry of Economy, Trade and Infrastructure |
| Mar. 2016 | Acquired all shares of REPRICE Co., Ltd. (now a consolidated subsidiary) |
| Apr. 2017 | Formed a capital and business alliance with Nitori Holdings Co., Ltd. |
| Oct. 2017 | Received the 17th Porter Prize (sponsored by the School of International Corporate Strategy, Hitotsubashi University Business School) |
| Dec. 2017 | Listed on the First Section of the Tokyo Stock Exchange |
| Mar. 2020 | Due to stable growth post-listing, achieved consolidated operating profit of ¥10.0 billion |
| May. 2021 | Cumulative number of homes sold by REPRICE surpasses 10,000 |
| Apr. 2022 | Listed on the Prime Market of the Tokyo Stock Exchange |
| Feb. 2025 | Cumulative number of homes sold by KATITAS surpasses 80,000 |

4. KATITAS Group Branch List (All Own Branches)

Branches (As of September 30, 2025) UPDATE



⇒ Nationwide network covering regional
small- to medium- sized cities

| Hokkaido | Kanto | Koshinetsu, Hokuriku | Kansai | Shikoku |
|-----------------|--------------|-----------------------------|---------------|----------------|
| Sapporo | Mito | Hikone | Tokushima | |
| Otaru | Tsukuba | Nagaoka | Kusatsu | Takamatsu |
| Asahikawa | Shimotsuma | Niigata | Fukuchiyama | Marugame |
| Iwamizawa | Hitachi | Joetsu | Fushimi | Matsuyama |
| Kitami | Utsunomiya | Shibata | Kobe | Saijo |
| Hakodate | Oyama | Tsubamesanjo | Himeji | Uwajima |
| Kushiro | Nasu | Toyama | Takarazuka | Kochi |
| Obihiro | Tochigi | Takaoka | Akaho | |
| Muroran | Ota | Uozu ⁽¹⁾ | Nara | |
| | Midori | Kanazawa | | |
| Tohoku | Numata | Nanao | | |
| Hirosaki | Takasaki | Fukui | | |
| Towada | Maebashi | Tsuruga | | |
| Hachinohe | Kumagaya | Kofu | | |
| Aomori | Koshigaya | Ueda | | |
| Morioka | Kawagoe | Nagano | | |
| Ichinoseki | Iruma | Matsumoto | | |
| Hanamaki | Higashi- | Ina | | |
| Sendai | Matsuyama | Suwa | | |
| Osaki | Honjo | | | |
| Natori | Mobara | Tokai | | |
| Ishinomaki | Sakura | Gifu | | |
| Akita | Kisarazu | Tajimi | | |
| Yokote | Chiba | Ogaki | | |
| Odate | Hachioji | Shizuoka | | |
| Yamagata | Hon'atsugi | Numazu | | |
| Sakata | | Iwata | | |
| Yonezawa | | Fuji | | |
| Koriyama | | Nagoya | | |
| Iwaki | | Toyohashi | | |
| Aizu | | Toyota | | |
| Fukushima | | Matsuzaka | | |
| | | Nabari | | |
| | | Yokkaichi | | |

Total 136 Branches

(1) The branches newly opened in FY2025.

(1) Primarily regional cities and suburban areas in proximity to the three major metropolitan cities of Japan (Tokyo, Nagoya and Osaka)

(2) Suburban areas surrounding regional cities across Japan

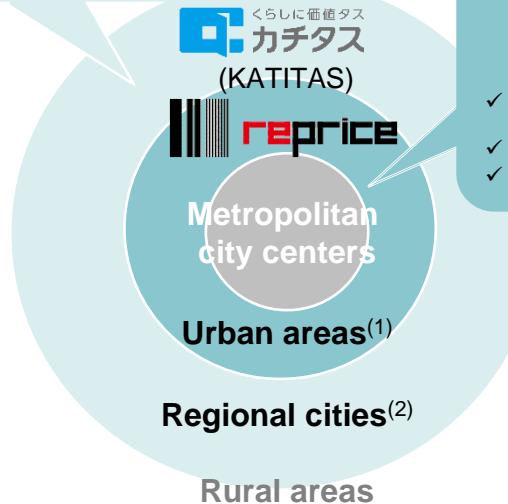
⇒ Focus on urban areas

REPRICE Tokai
REPRICE Tokyo
REPRICE Kanagawa
REPRICE Hokkaido
REPRICE Tohoku
REPRICE Kita-Kanto
REPRICE Shinshu
REPRICE Shizuoka

Total 15 Branches

Main types of house sellers

- ✓ Local home builders
- ✓ くらしに価値タス (KATITAS)
- ✓ Real estate brokers



Main types of house sellers

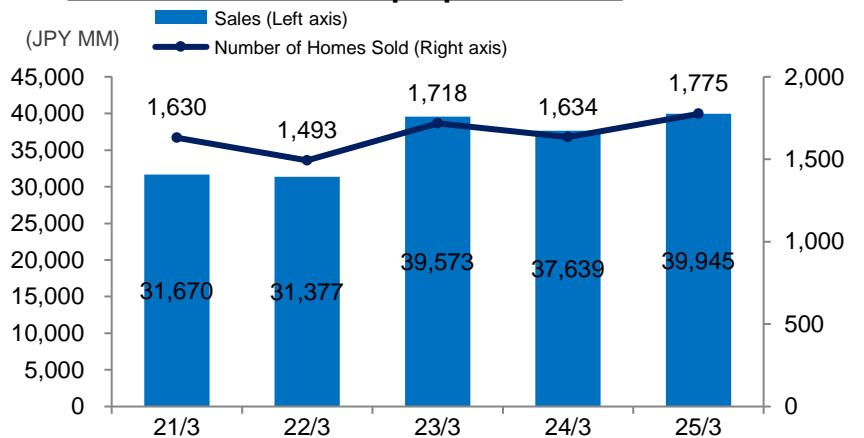
- ✓ Home builders
- ✓ "Power Builders" (home builders specializing in built-for-sale houses primarily targeting customers purchasing home for the first time in the price range of JPY20MM-30MM)
- ✓ House re-sellers (primarily condominium units)
- ✓ reprice
- ✓ Real estate brokers

4. Merger and Synergies with REPRICE

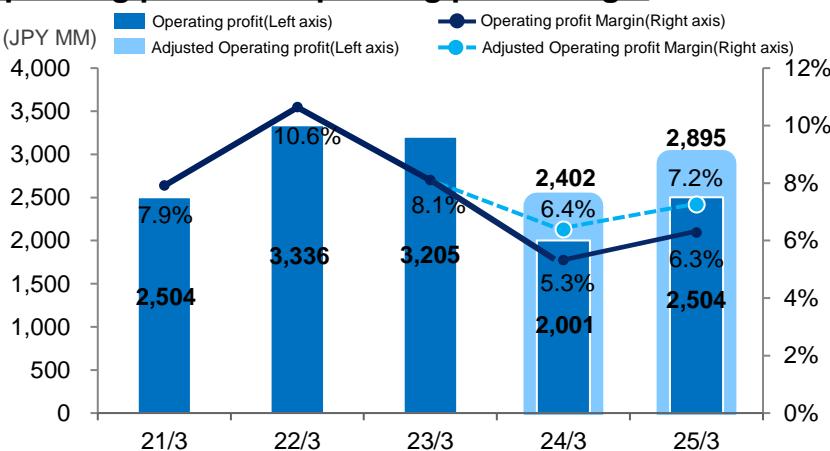
(Reposted from FY2024 4Q)

- In March 2016, we conducted a merger with REPRICE by acquiring 100% of its shares and thereby removed funding constraints, which was the biggest hindrance to REPRICE's growth.
- We injected our know-how to REPRICE and have effectively switched their purchase strategy from auction to direct purchase and shifted property types from condominiums to detached houses.
- Both sales and operating profit have increased since the merger. Unlike KATITAS' operations which are centered around rural areas, REPRICE's operations are in the suburbs of the three major metropolitan areas where there are competitors.

Sales and number of properties sold



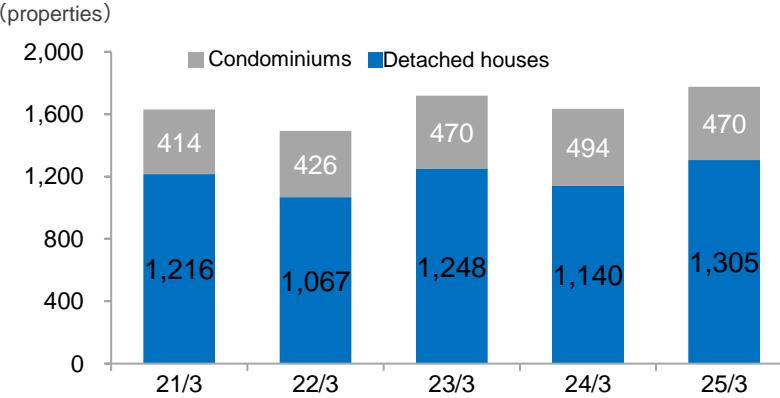
Operating profit and operating profit margin



Number of Houses Procured by Procurement Method



Number of sales by detached houses/condominiums

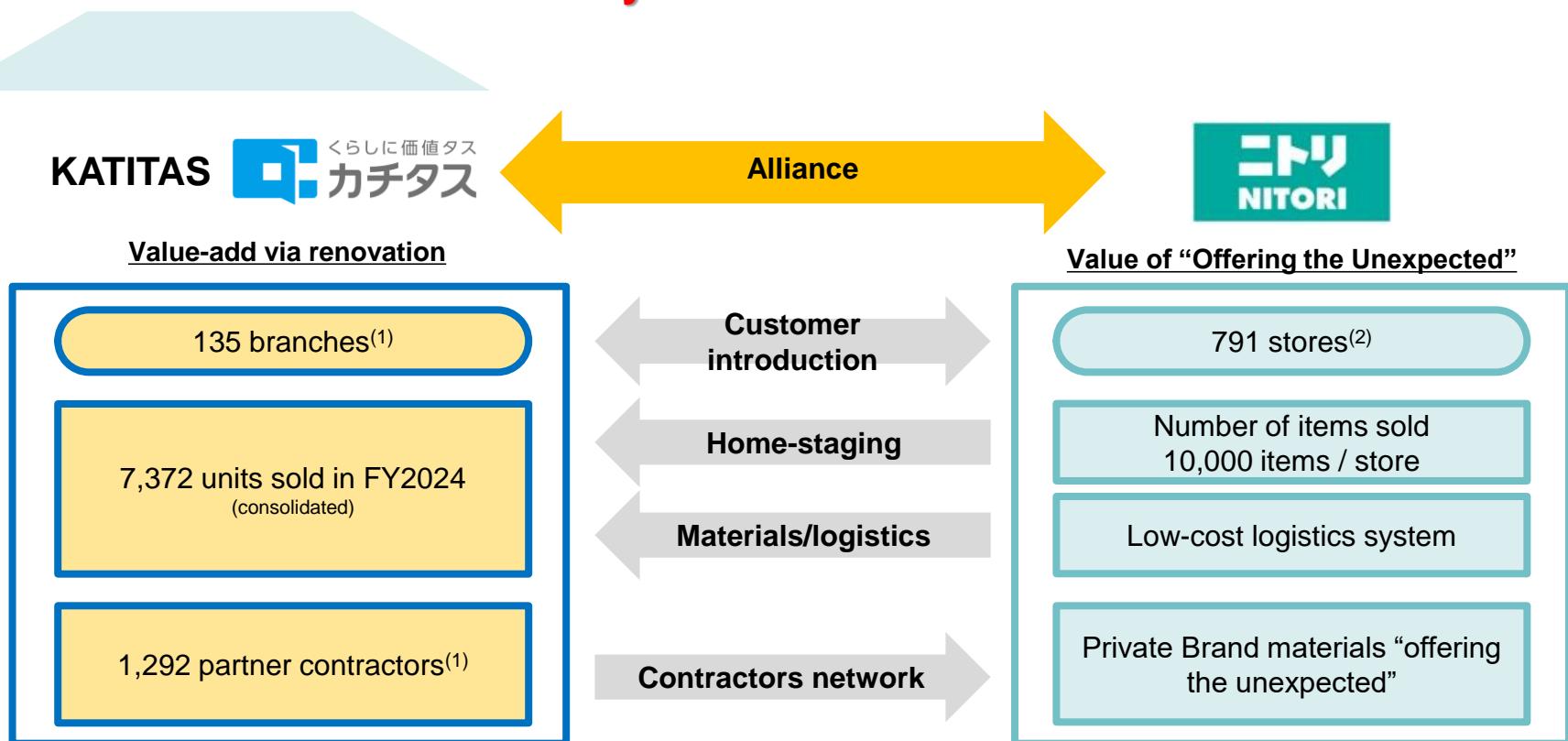


4. Alliance with Nitori Holdings (Announced on April 28, 2017)

- Advantage Partners transferred 34% of KATITAS' shares to Nitori Holdings for JPY23,300 MM
- KATITAS and Nitori entered into an alliance that aims to utilize their respective strengths to provide enriched and more comfortable living environments to their customers

Expected Synergies

From House Re-seller to Lifestyle Provider



(1) As of March 31, 2025

(2) Aggregate of “Nitori” stores, “Nitori Deco home” stores, “Nitori Express” stores and “Shimachu” stores in Japan (as of March 31, 2025)

4. Progress of Alliance-based Operations(1/2)

- Pre-owned houses fitted with Nitori furniture and interior items not only convey a more concrete image of the post-move lifestyle and living space to those considering purchasing, but also have the advantage to the purchaser of incorporating the expense into the home loan, so that there is no burden associated with the new lifestyle.
- Buyers of KATITAS Group properties will receive two coupons that multiply reward points received through purchases at NITORI by five.

Sales Service

Offering and selling pre-owned houses fitted with Nitori furniture and interior items



Sales Service

Issuing coupons that can be used for purchases of Nitori products

カチタス・リブライスご成約者様 ニトリ特別クーポン

ニトリ
メンバーズ
ポイント
5倍
プレゼント!

SAMPLE

（クーポンご利用上のご注意）

●お一人様1回までのご利用とさせていただきます。●ニトリメンバーズ会員様対象です。（当日入会可）●ニトリネット・電話でのご注文、ニトリ法人事業部・リフォーム事業部ではご利用いただけません。●送料・組立料・設置料などのサービス料金は除きます。●クーポンのコピーはご利用いただけません。●付与されたポイントはお買い物の翌日からご利用いただけます。●クーポンはお会計時に回収させていただきます。●他のクーポンや割引、キャンペーンとの併用はできません。●有効・無効問わず、クーポンの第三者への譲渡は禁止します。●購入金額が100円（税別）未満の場合はポイント加算いたしません。※お会計の前に店員へお渡しください。

Coupons provided to buyers upon conclusion of property contracts and upon delivery

ニトリ
NITORI

【ニトリ×カチタス 業務提携特別サービス】

※詳細は物件内覧時に弊社担当にお尋ねください

カチタスの住宅をご成約いただいた方に、ニトリでの商品購入時に利用できる
ニトリポイント5倍クーポンを差し上げます

ニトリ
NITORI

× reprice

業務提携特別サービス実施中

リブライスの住宅をご購入頂くと、ニトリ店舗・デコホーム店舗で使える

ニトリメンバーズポイント5倍クーポン
プレゼント！

※詳細は物件内覧時に弊社担当にお尋ねください

Website banner announcing that coupons will be given

4. Progress of Alliance-based Operations(2/2)

- "VHS (Virtual Home Staging)" virtually installs Nitori furniture in KATITAS properties.
- This can be implemented more easily in terms of cost and furniture delivery logistics than showing a "furnished house".
- VHS increases the success rate, so using VHS before revising prices helps to curtail price reductions.

中古戸建 1 Yokomori, Akita-shi, Akita (single-family homes)

【リフォーム済】4月24日(土)予約制見学会開催(前日18時まで要電話予約) 5LDK。駐車場並列3台駐車可能。大家族におすすめの住宅です。

Land 325.98m² Building 125.85m² (5 bedroom + 1 bathroom)

予約制見学会受付中 4月24日(土)

Selling Price
JPY 15.8MM
 (Including tax)

Monthly payments
JPY 44,573

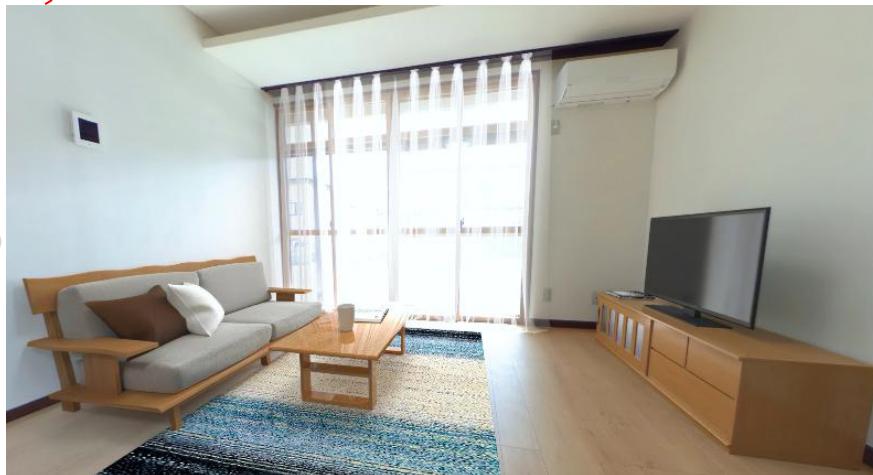
現地見学会 パノラマ写真有り




Links to a 360° panorama allows viewers to take virtual tour of a property while moving the view around.



Switchable with one click



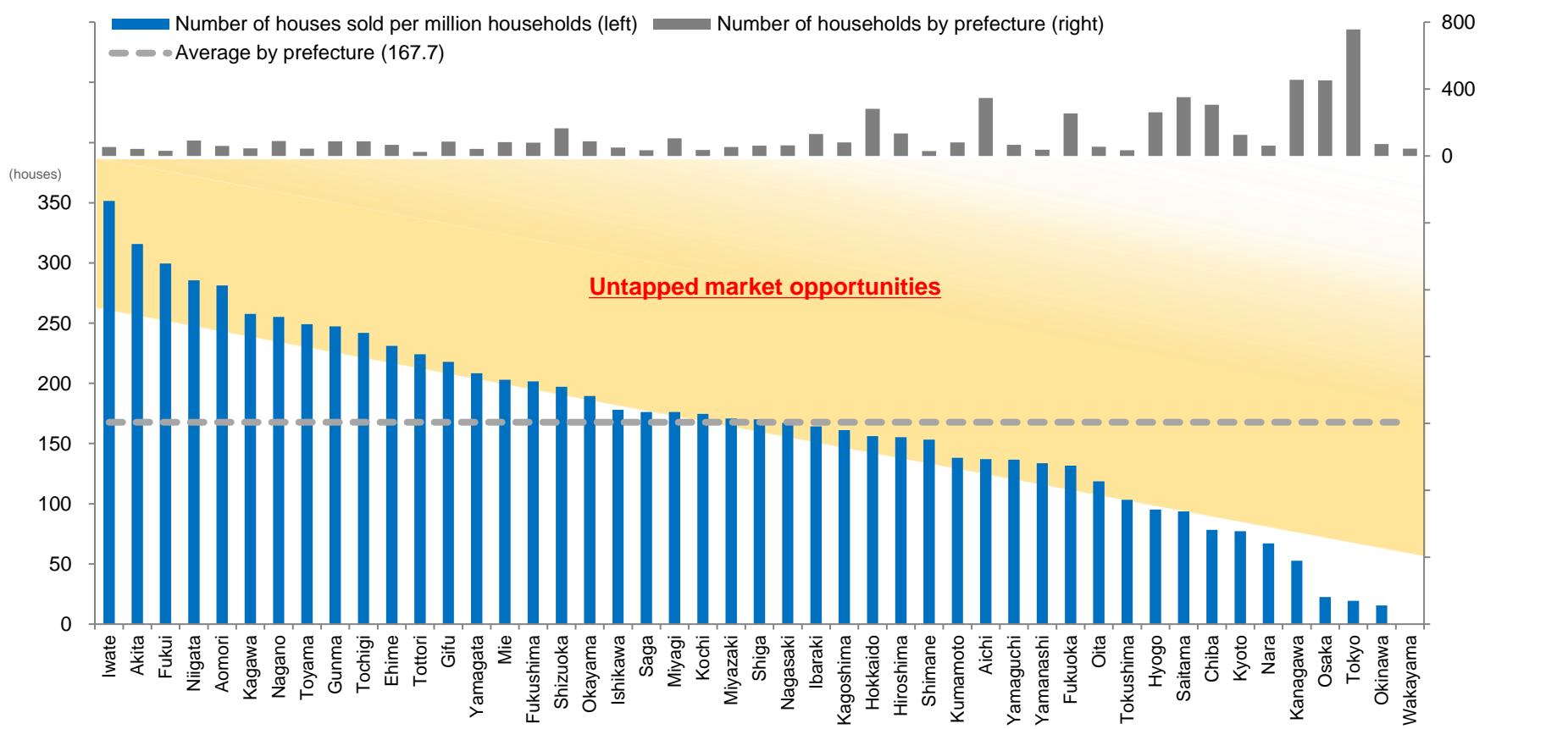
Currently, VHS is used mainly for living rooms

4. Untapped Market Opportunities

- Rural areas where the population is declining are more likely to see power builders* and new homebuilders pull out. Hence, the more rural a region is, the more attention our homes are getting.
- Prospective homebuyers in rural areas tend to have a lower income than those in the three major metropolitan areas, making it difficult for them to purchase expensive new homes.

Gap in Market Share by Region

[Sales by Prefecture (FY2024)]

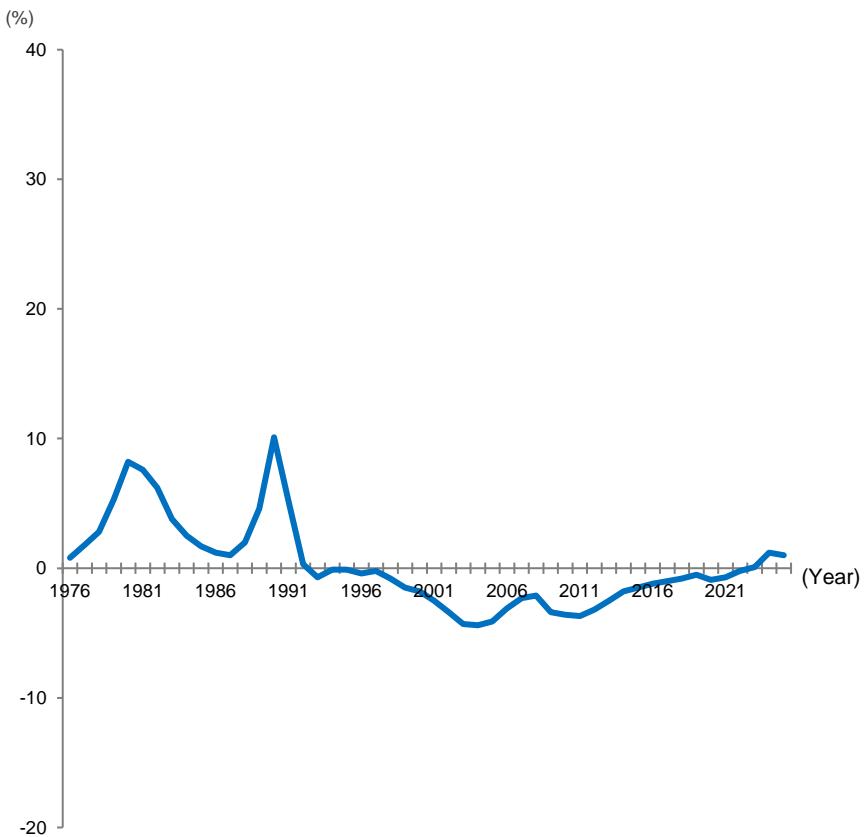


*Power builders: Home builders specializing in built-for-sale houses primarily targeting customers purchasing homes for the first time in the price range of JPY20MM-30MM.

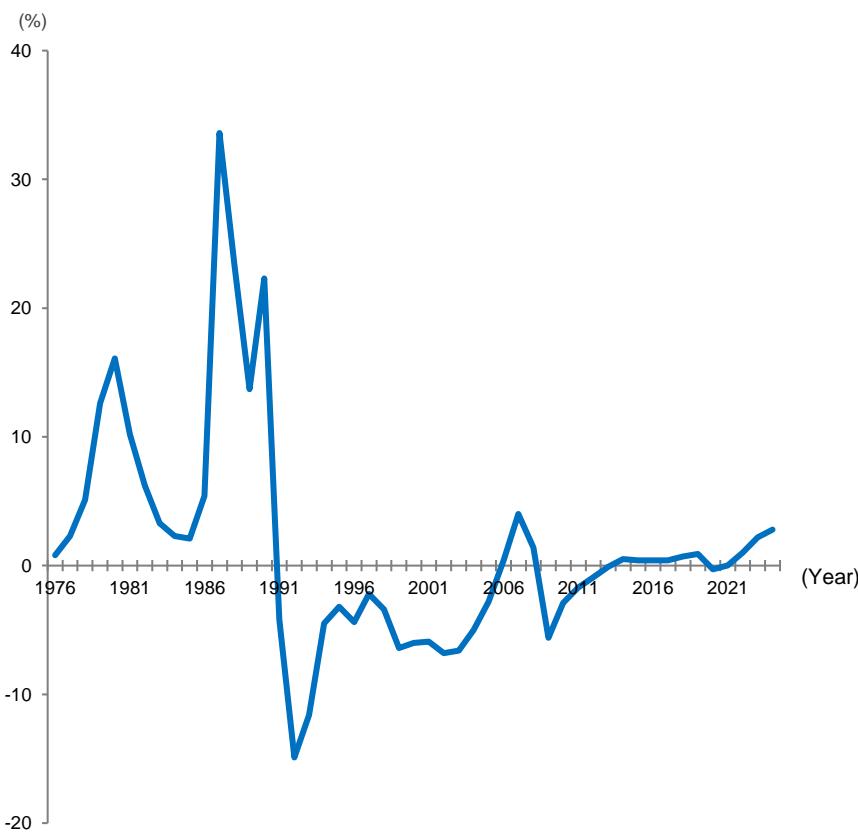
4. Trends in Land Prices - Regional Areas vs Three Metropolitan Areas

- As land prices in regional areas fluctuate based on actual demand, the level of volatility is lower than that in urban areas.
- In addition, with the trend of stable and low land prices, fluctuations in land prices have a limited influence on prices of residential properties in regional areas.
- As a result, buying and re-selling residential properties in regional areas is less subject to market volatility.

Trends in land prices of residential districts in regional areas, compared to the previous year



Trends in land prices of residential districts in the three metropolitan areas, compared to the previous year



Disclaimer

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Throughout this presentation, unless otherwise specified, FY refers to the fiscal year ended March 31 of the following year (for example, FY2025 refers to the fiscal year ended March 31, 2026).

In this presentation, unless otherwise specified, references to our "homes" include single-family detached houses and condominium units that KATITAS acquires, renovates and resells as part of its business. Data presented for "homes" is on a gross basis, excluding home returns.

This is a partial English translations of the original Japanese version prepared only for the convenience of shareholders residing outside Japan. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

On March 30, 2016, KATITAS completed the acquisition of REPRICE Co., Ltd. ("REPRICE") and its two wholly owned subsidiaries (Comprehensive Urban Development Corporation and Arctive Co., Ltd.), and REPRICE became a wholly owned subsidiary of KATITAS as of the same date. Because the date of the acquisition of REPRICE was deemed to be March 31, 2016 for accounting purposes, the consolidated balance sheet of KATITAS as of March 31, 2016 reflects the consolidation of REPRICE but the consolidated results of operations of REPRICE for the period from March 30, 2016 to March 31, 2016 are not reflected in KATITAS' consolidated statements of income, comprehensive income, changes in equity and cash flows for the fiscal year ended March 31, 2016. On September 2, 2016, KATITAS sold all of the shares of Comprehensive Urban Development Corporation, and on September 30, 2016, KATITAS sold all of the shares of Arctive Co., Ltd. to third parties. Due to the consolidation of the results of operations of REPRICE and its subsidiaries in KATITAS' results of operations for the fiscal year ended March 31, 2017, KATITAS' results of operations for that fiscal year are not directly comparable to the results of operations for prior fiscal years. Further, prior to the completion of the acquisition of REPRICE on March 30, 2016, KATITAS did not have any subsidiaries.