August 2026

Fiscal Year Ending March 2027 Q1 Financial Results Presentation Material

creal

クリアル株式会社

Securities Code: 2998

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* In this document, figures are truncated below one million yen and rounded to nearest unit for amounts in hundred million yen or units

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FY2027 Q1 Consolidated Financial Results

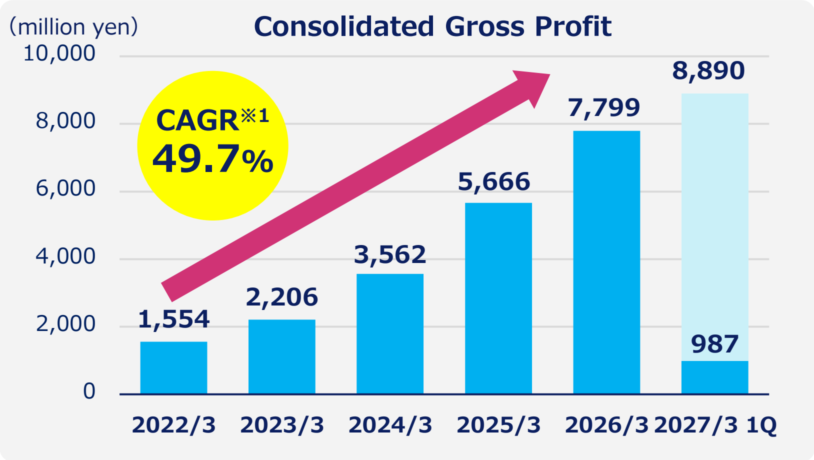
During Q1, **PRO, PB, and other businesses delivered significant year-on-year profit growth**, while the core CREAL business declined year-on-year as resources were focused on acquiring large-scale projects and the budget was weighted toward the 2nd half. Gross profit reached **74% of the prior-year level.** The number of investors acquired and GMV also declined year-on-year, as large-scale fund formation was concentrated from Q2 onward. **We expect significant growth from Q2 onward through the monetization of the pipeline, including large-scale projects already acquired.**

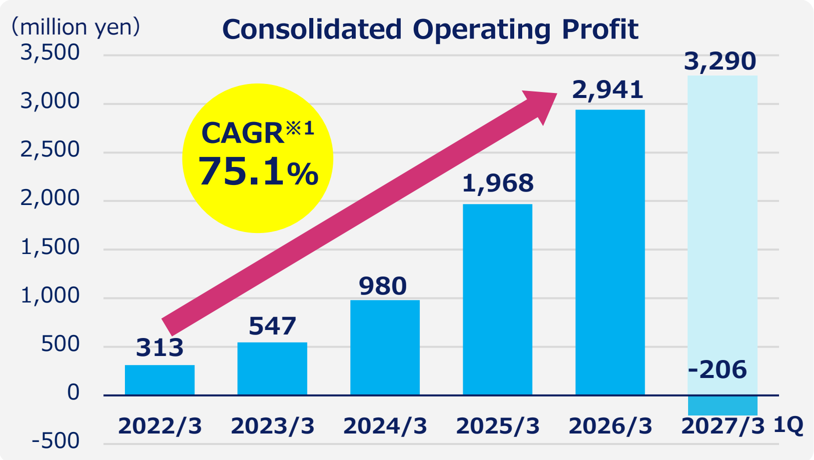
(100 million yen)	FY2027 Q1 Actual	YoY Comparison		Progress toward Full-Year Forecast	
		FY2026 Q1 Actual	YoY	Full-Year Forecast	Progress Rate
Gross Profit	9.9	13.3	74.0%	88.9	11.1%
Operating Profit	-2.1	2.7	-76.1%	32.9	-6.3%
Ordinary Profit	-2.4	2.6	-92.0%	30.5	-7.8%
Net Income	-1.8	1.9	-96.5%	21.0	-8.5%
Dividend per Share (yen)	-	-	-	8	-
Number of Registered Investors	5,822	9,748	59.7%	30,000	19.4%
GMV*1	14.4	55.4	26.0%	640.0	2.3%

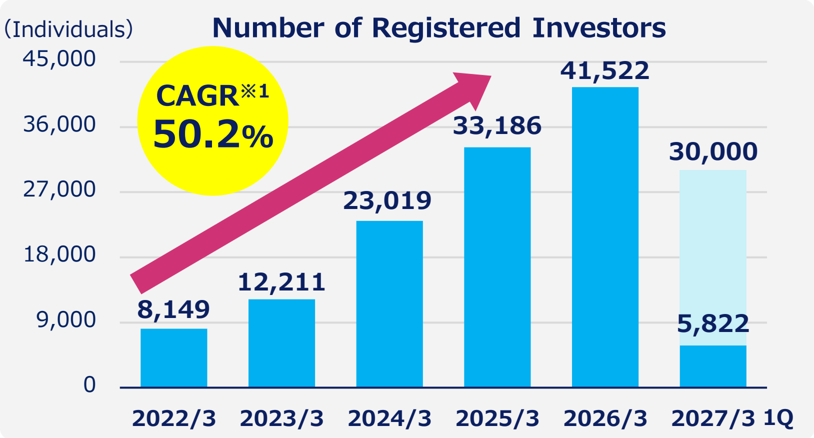
*1 GMV is the abbreviation of Gross Merchandise Value and represents the total funds raised for CREAL fund formation.

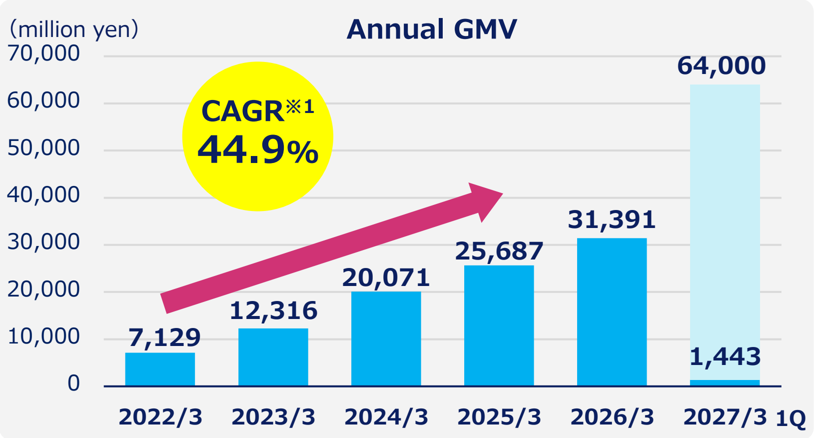
Aiming to Sustain High Growth This Fiscal Year

Slow start in 1Q, with fewer fund formations and sales planned in the budget. Accelerate fund formations from 2Q onward to drive strong growth in profit and GMV.









*1 CAGR refers to the Compound Annual Growth Rate over the four-year period from FY2022 to FY2026

Key Topics for FY2027 Q1

Largest-Ever Real Estate Crowdfunding Project	• **The Osaka Kita Semba Hotel Fund began offering in June 2025 and completed fundraising. With GMV of ¥7.21 billion, it was the largest-ever CREAL project,** with revenue recognized upon the start of operations at the end of July. • The focus on the large-scale project delayed the formation of other funds, resulting in limited fund formation in Q1. • **Continue forming funds from the accumulated pipeline of projects.**
Progress Toward Entry into the Real Estate ST Market	• **Preparing to enter the rapidly growing real estate ST market with a new investment product for individual investors.** • Progressing with **securities system development** and Type I Financial Instruments Business registration at the securities company acquired in January 2025. Also **preparing to obtain an Investment Management Business license** at a subsidiary.
Development of DX/AI-Related Products	• Developing AI-powered products, including **AI-based underwriting for real estate acquisitions** and **AI-driven revenue management for hotel operations**. • Developing **AI-powered securities systems in preparation for entry into the real estate ST market.**
Growth in Hotel Operations	• **At the end of July, CREAL Hotels began operating three Garner Hotels, including the Osaka Kita Semba Hotel, nearly tripling managed rooms to 791.** • **Alongside preparations for the launch of the new apartment hotel brand VAYS, the pipeline has grown to 10 properties and 362 rooms through development with external investors.**
New Crowdfunding Schemes through Overseas Partnerships	• Reached a basic agreement on a **business partnership with RealVantage, a Singapore-based real estate co-investment platform.** • **Aim to expand GMV by introducing preferred and subordinated investment structures under the FTK3&4 schemes and attracting professional investors to subordinated investments.**

【HOTELS】New Hotel Opening Highlights

CREAL HOTELS' new brand, **VAYS**, is scheduled to open its first property, **VAYS TOKYO STATION EAST**, in December 2026, with advance reservations available from July 1, 2026. **In addition, the Kamakura Hotel, currently operated through real estate crowdfunding, has been rebranded as LACERS SUITES KAMAKURA and reopened following renovations.**

VAYS
TOKYO STATION EAST

2026.12 Grand Open

Overview of VAYS TOKYO STATION EAST	
Hotel Name	VAYS TOKYO STATION EAST
Location	1-1-19 Irifune, Chuo-ku, Tokyo
No. of Rooms	16（36㎡）
Opening date	2026/12/01 （Advance Reservation from July 1st）

- **Well-Located Hotel for Tourism and Business**
- **High-End Apartment Hotel**
- **Sophisticated Spaces**

LACER SUITES
KAMAKURA

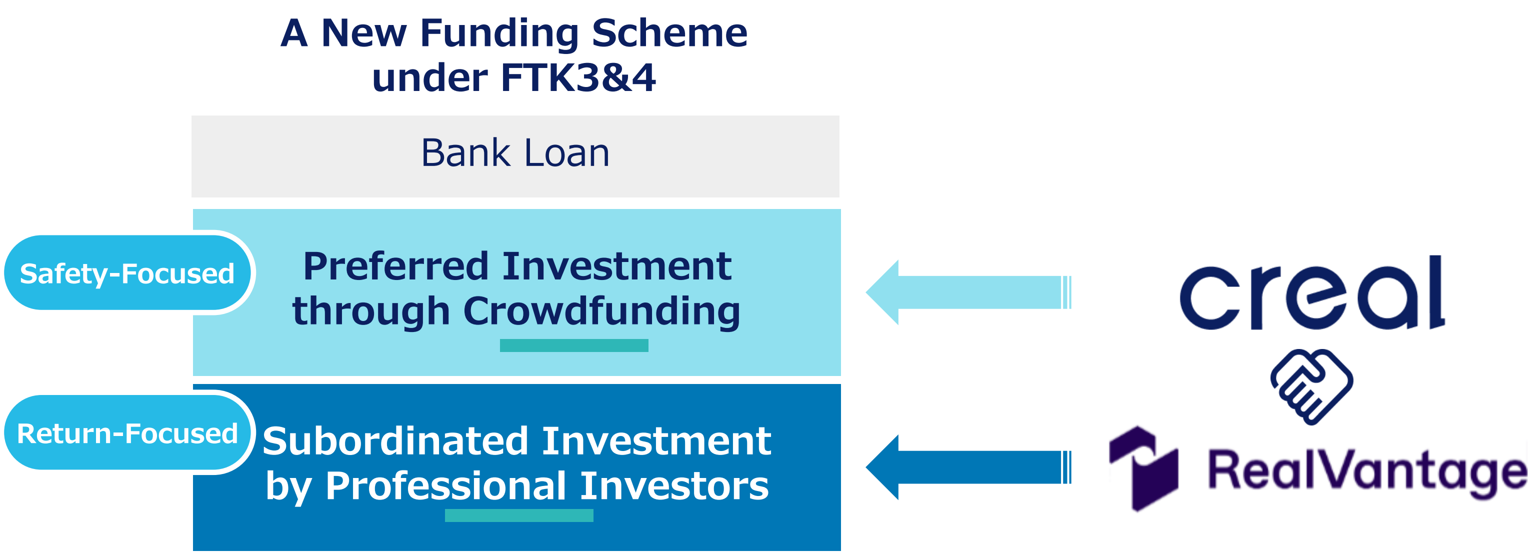
2026.5 Renewal Open

Overview of LACERS SUITES KAMAKURA	
Hotel Name	LACER SUITES KAMAKURA
Location	14-32 Onarimachi, Kamakura, Kanagawa
No. of Rooms	36（6 Types）
Opening date	2026/05/18

- **Well-Located Hotel for Tourism**
- **LACER Brand's High-End Model**
- **New Breakfast Menu Featuring Kamakura Vegetables**

【CREAL】Business Partnership for a New Real Estate Crowdfunding Scheme

On August 14, 2026, announced a basic agreement with Singapore-based real estate co-investment platform RealVantage to diversify funding and drive GMV growth through a preferred/subordinated investment scheme with professional investors under FTK3&4.

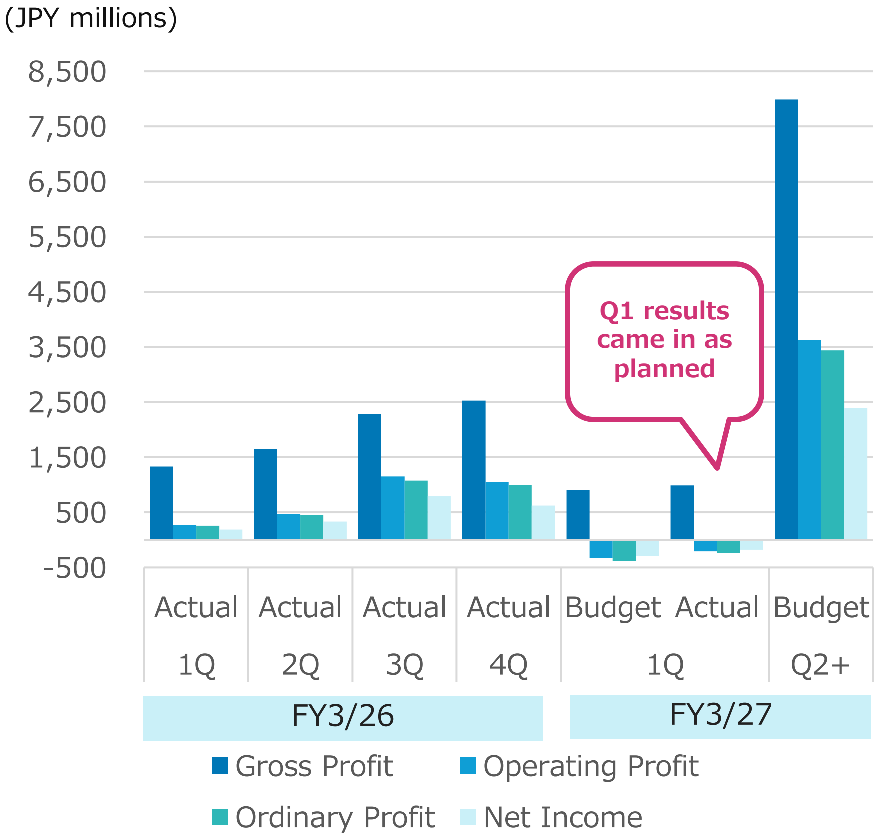


Stable access to subordinated investment will facilitate preferred investment from domestic crowdfunding investors and accelerate GMV growth.

On Q1 Results Under the H2-Weighted Budget

This fiscal year, in addition to more deal monetization being weighted to H2, we set a second-half-weighted budget due to our efforts toward launching the real estate ST business and continued upfront investment in the hotel operations business, where we expect a growing number of managed properties. Q1 results came in as budgeted, and we remain focused on achieving the full-year budget.

About This Fiscal Year's H2-Weighted Budget



Breakdown of Upfront Investment

1 Investment Toward Launching the Real Estate ST Business

Type 1 FIB & Investment Management Business Registration, Securities System

FY3/27 Plan
Usugi Securities: Op. Loss

Approx. ¥170M
*Excludes investment management business registration and securities system investment

2 Investment in the Hotel Operations Business

Building an operating structure to accelerate new openings

FY3/27 Plan
CREAL HOTELS: Op. Loss

Approx. ¥60M

Profit Contribution from FY3/28 Onward

Both the real estate ST and hotel businesses are expected to turn profitable next fiscal year, **accelerating profit growth as our foundation solidifies**

Shareholder Benefit Program: Changes & Expansion

To **further enhance the appeal of investing in our shares** and **strengthen engagement with shareholders through DX**, we will **change and expand our shareholder benefit program** starting from the record date of end-September 2026.

① Change Benefit Items

② 1,000+ Shares New Holding Tier Created

③ Holding 1+ Year Adds a Further Bonus

Benefit Changes (End-March & End-September Record Dates)

Shares Held	Before Change	After Change*1	
		Held < 1 year	Held ≥ 1 year
500-999 shares	¥10,000	¥10,000	**¥12,000**
1,000+ shares		**¥24,000**	**¥26,000**
Benefit	QUO Card	**Digital Gift®*2**	

*1 Applies from the record date of end-September 2027. Holding for one year or more requires that a holding of 500 or 1,000 shares or more be recorded under the same shareholder number for three or more consecutive record dates (end-September and end-March) in our register of shareholders.

*2 Digital Gift® is a registered trademark of Digital Plus Co., Ltd. Main redemption options include PayPay Money Light, Amazon Gift Cards, Rakuten Point Gift, d POINT, QUO Card Pay, Bitcoin (via bitFlyer), and others.

Estimated Total Yield (Dividend + Benefit)*3

Shares Held	Held < 1 year	Held ≥ 1 year
500 shares	**5.6%** Dividend 1.6% / Benefit 4.0%	**6.4%** Dividend 1.6% / Benefit 4.8%
1,000 shares	**6.4%** Dividend 1.6% / Benefit 4.8%	**6.8%** Dividend 1.6% / Benefit 5.2%

*3 Calculated by the Company based on our closing share price of ¥500 on August 13, 2026, our forecast dividend per share for the fiscal year ending March 2027 of ¥8 (announced May 15, 2026), and the total value of the revised shareholder benefit program across its two annual record dates.

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Corporate Mission

クリアル株式会社

Transforming Real Estate Investment for a Better Future

Promoting the digital transformation (DX)
of the real estate investment process innovatively.

Through real estate investment,
we create asset management services that are accessible,
user-friendly, and secure for everyone.

Company Highlights

Asset Management DX Company

Asset Management Platform Business

Promoting the DX*1 of the asset management processing real estate investment

- Property Sourcing Efficiency
- Sales Promotion through CRM Systems
- DX of Property Management and Operations

×

Leading Company in Real Estate Crowdfunding

Online Marketplace for Real Estate Funds

Leading Company in a Growing Market

Market Growth Rate（CAGR）	127%*2
Cumulative GMV	1,061 100 million yen*3
Cumulative Investor Acquisition Growth Rate	35.2%*4
GMV Growth Rate	34.6%*4

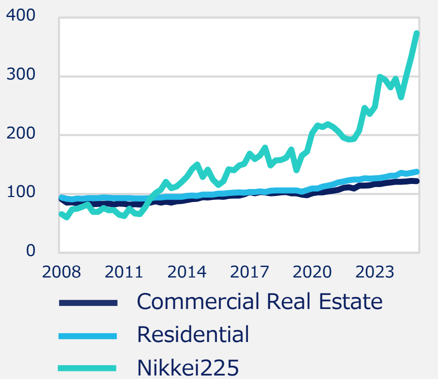
*1 Abbreviation of Digital Transformation: transforming people's lives by integrating advanced digital technologies
*2 CAGR of Investment Amounts in Real Estate Specified Joint Enterprise (Electronic Transactions / Crowdfunding), 2018–2024
*3 Total cumulative amount raised through CREAL from the launch of the service to the end of June 2026
*4 Growth rate from the end of June 2025 to the end of June 2026

Why Real Estate Investment? Why DX?

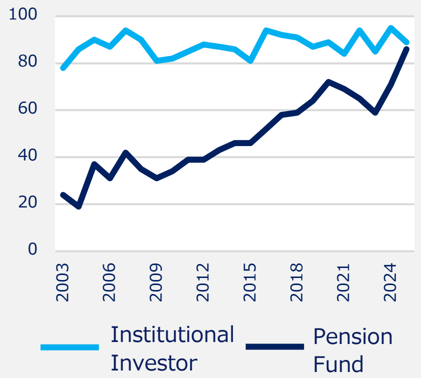
Japan's asset management policy tends to favor high-risk, high-return stock investments. By combining DX with real estate investment - a medium-risk, medium-return option - **we aim to make stable asset management accessible to everyone.**

Real estate offers a balanced investment with moderate risk and return

Trends in Real Estate Prices and Stock Prices*1



Investment Ratio in Real Estate or Real Estate Securities*2



Real estate prices exhibit lower volatility and greater stability compared to the stock market

The real estate market represents a vast market with enormous scale

	Stock Market	Real Estate Market
Market Share	Approx. 1,385 trillion yen*3 DX: FinTech	Approx. 352 trillion yen*4 DX: PropTech
Online Transaction Share	59.7%*5	Just Begun
Investment Experience Share	21.5%*5	2.3%*6 Growth Potential

Real estate investment could rapidly grow through DX, creating a big business opportunity

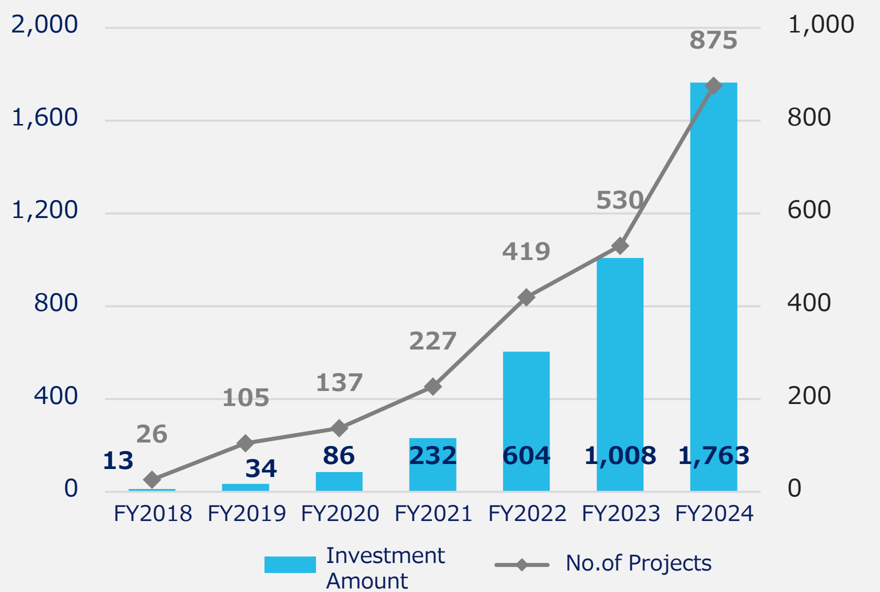
*1 Based on the real estate price index (Q2 2008 = 100) by MLIT and Nikkei Index (June 2008 = 100)
*2 Prepared by the Company on the 24th, "Survey on Real Estate Investment by Institutional Investors" conducted by the Association for Real Estate Securitization

*3 Market cap as of end of June 2026, Japan Exchange Group
*4 Size of Japan's real estate investment market (2025), NLI Research Institute
*5 Survey on securities investment (2024), Japan Securities Dealers Association
*6 Housing and Land Survey (2023), Ministry of Internal Affairs and Communications

Expansion of the Real Estate Online Investment Market Including Real Estate Security Token (ST) Fund

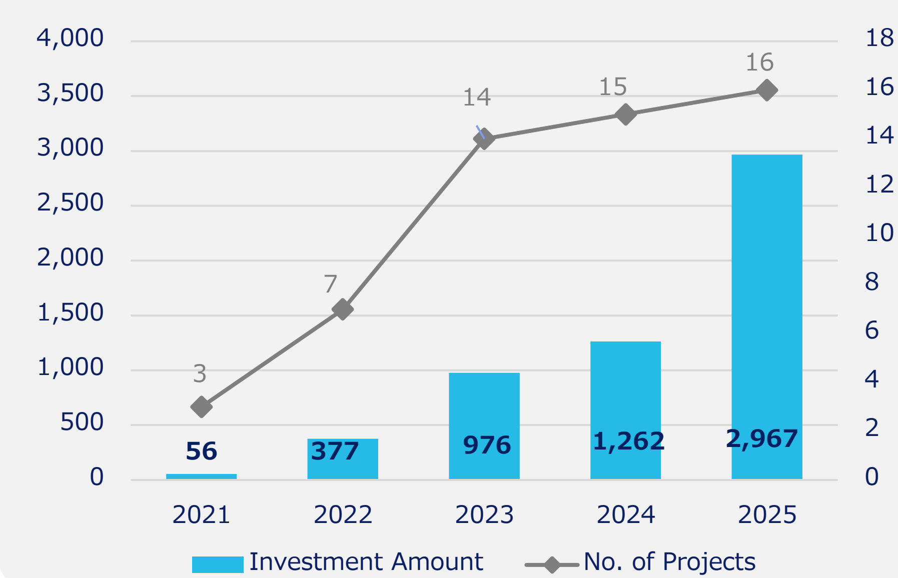
The **real estate crowdfunding market under the Real Estate Specified Joint Enterprise Act exceeded 170 billion yen in FY2024. The real estate Security Token (ST) market has also shown similar growth, reaching a scale of over 290 billion yen in 2025 and we are targeting to launch ST fund business in FY2027.** Together, they form a rapidly growing real estate online investment market entering a major growth phase.

Real Estate Crowdfunding (FTK1-4): New Offerings & Investment Trends



※Source: Ministry of Land, Infrastructure, Transport and Tourism, “Handbook for Promoting the Utilization of the Real Estate Specified Joint Enterprise Act” (July 2025)

Domestic Real Estate ST: New Offerings & Issuance Trends



※Source: Progmat Inc., “Security Token Overview (ST-Focused Edition)”

Asset Management Platform Business Attracting a Wide Range of Investors

Operating an asset management platform that leverages DX to deliver self-structured investment products to a broad range of investors. **CREAL is our core growth driver, aiming to democratize real estate investment.**

Distributing tailored products to each investor segment through proprietary channels

Asset Management Platform Business

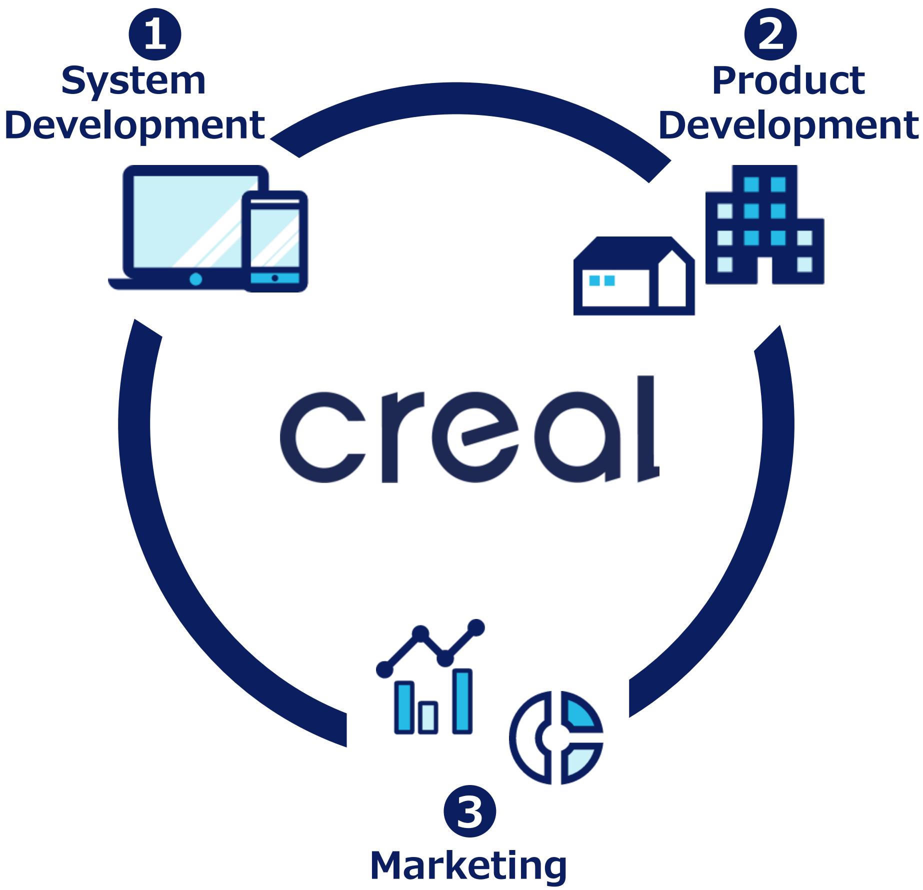
Entry-level Investors	Experienced Investors	High-Net-Worth Individuals (HNWIs)
Asset Accumulation Segment	Asset Accumulation Segment	Institutional Investors
Real Estate Fund Online Marketplace	**Direct Real Estate Investment**	**Professional Real Estate Fund Business**
creal Crowdfunding	creal PB Direct Real Estate	creal PRO Private Fund
Investment Amount from 10,000 yen	Investment Amount from 10 million yen	Investment Amount from 100 million yen
Short-Term Online Investment Products	DX-Driven Long-Term Direct Real Estate Investment	Large-Scale Real Estate Investment
Core Growth Business		

Pipeline Supply and Value-Addition

- creal HOTELS Hotel Operations — Pipeline Supply of Hotel Projects
- creal PARTNERS Property Management Services — Value-Added through Leasing and Rent Renewals

Our Competitive Advantages

In addition to acquiring the FTK electronic transaction business license, **our competitive advantage lies in the deep know-how and integration across system development, investment management, and marketing.**



① System Development — Engineering Team

Skilled in-house engineers and designers develop advanced, user-friendly DX systems
Advancing DX system development through cutting-edge technology and sophisticated UI/UX

② Product Development — Investment Management Team

A team with real estate and finance expertise offers a wide range of investment products
Developing a diverse product lineup with expertise in both real estate and finance

③ Marketing — Marketing Team

Experts from top web marketing firms use data-driven strategies to efficiently acquire investors
Driving efficient CPA through advanced, multi-faceted marketing strategies tailored to investor behavior

Executive Management

Daizo Yokota

President & CEO, Representative Director, Executive Officer

Joined the Company as President and CEO in April 2017, following tenure at Accenture, Orix, LaSalle Investment Management, and Shinsei Bank.

2020	Member, Ministry of Land, Infrastructure, Transport and Tourism's Committee on Real Estate Specified Joint Ventures (FTK)
2022	Director, Real Estate Tech Association
2023	Director, Real Estate Specified Joint Venture Association, Representative Director, Real Estate Crowdfunding Association

Yoshihiro Kaneko

Executive Vice President, Director, Executive Officer

Joined the Company in September 2016, following tenure at Chuo Aoyama Audit Corporation and PwC Advisory.

Tomoaki Ota

CTO, Director, Executive Officer

Joined the Company in July 2018, having previously served at IMJ (currently Accenture) and Recruit Technologies (currently Recruit).

Yusuke Yamanaka

CIO, Director, Executive Officer

Joined the Company in November 2018, after working at Pacific Management (later renamed Pacific Holdings) and Japan REIT Advisors.

Koji Okada

CFO, Director, Executive Officer

Joined the Company in Feb 2025; background at Nikko Citigroup, Mitsubishi UFJ Morgan Stanley (IBD), Kasumigaseki Capital (Executive Director), and CFO at startups/PE portfolio firms.

Akinari Tokuyama

Chairman, Director

Founded CREAL Group in May 2011, having previously served at Goldman Sachs Securities (Investment Banking Division) and Carlyle Japan LLC (Buyout Team).

Executive Management: Outside Directors/Audit & Supervisory Board Members

Outside Directors (Independent)

Mirai Murakami

Founded somebuddy Inc. after roles at Chuo Aoyama Audit Corporation, UBS Securities, KPMG Healthcare Japan, and Uzabase, Inc. Experienced in audit, M&A advisory, and IPO as CFO. Currently supports multiple companies and serves as an outside director for several firms. JP CPA.

Satoshi Sadakata

Joined The Mitsubishi Bank, Ltd. (now MUFG Bank, Ltd.), earned an MBA from the Wharton School, University of Pennsylvania, and held key positions including Branch Manager, Director at Tokyo-Mitsubishi Securities (now Mitsubishi UFJ Morgan Stanley Securities), and Executive Officer at Dentsu International Information Services (now DENTSU SOKEN).

Miyuki Tani

Began career in audit at Arthur Andersen LLP (Chicago), then engaged in real estate and hotel investment in Japan. Previously served as CFO of Panorama Hospitality and Executive Director at Morgan Stanley Capital. Master’s degree from Hitotsubashi University, Graduate School of International Corporate Strategy.

Statutory Auditors

Kazunori Honda

(Full-time)

Began career at Chuo Aoyama Audit Corporation and founded Kazunori Honda CPA Office in 2007. Experienced in audit, SOX compliance, and internal control. Appointed Full-time Audit & Supervisory Board Member in 2019. CPA / Certified Tax Accountant.

Tomohiro Sato

Joined Asahi & Koma Law Offices (now Nishimura & Asahi). LL.M. from Boston University (2007) and King’s College London (2008). Admitted to the New York State Bar in 2008. Currently a Partner at Nishimura & Asahi. Lawyer(JP & New York).

Kiyoshi Hirono

Worked at Deloitte Touche Tohmatsu (now Deloitte Japan) and GAGA Communications Inc. (now GAGA Corporation) before becoming independent. Currently serves as Outside Director at CELM Inc. JP CPA.

Hanae Kanzaki

Joined Japan Airlines Co., Ltd. in 2015. After leaving the company in 2022, joined Atsumi & Sakai and currently serves as a Partner Attorney.JP Lawyer.

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Gross Profit by Service Segment

Profit declined significantly year on year in our core CREAL Business as we focused on acquiring large-scale properties. PRO/PB/Other Businesses delivered significant profit growth, but consolidated gross profit declined to 74% of the prior-year level. While progress against the full-year plan remains low, we aim to monetize our pipeline projects.

(million yen)	FY2027 Q1 Actual	YoY Comparison		Progress toward Full Year Forecast	
		FY2026 Q1 Actual	YoY	Full Year Forecast	Progress Rate
CREAL	357	1,013	35.2%	3,370	10.6%
PRO	172	47	366.0%	3,530	4.9%
PB	225	173	130.1%	1,040	21.6%
Others	232	99	234.3%	950	24.4%
Consolidated	987	1,334	74.0%	8,890	11.1%

CREAL

- One FTK3&4 fund formation and one FTK1&2 property sale
- As second-half weighting is as budgeted, we aim to achieve our plan

CREAL PRO

- Significant YoY profit growth, driven by select projects and AM fees
- Progress against the full-year budget remains low, with further growth expected from 2Q onward

CREAL PB

- Year-on-year profit growth, driven by steady sales of investment condominium units and improved profitability

Others

- CREAL PARTNERS increased revenue and profit through growth in properties under management
- Gross profit increased on higher hotel operating revenue

Our Profit Structure and KPIs

As a market leader in a growing sector, **we prioritize upfront investments for growth over near-term expansion of operating profit and net income. We emphasize gross profit—an indicator of the value created on our platform—as our key management metric.**

Our DX-Driven Growth Business

- **creal**: GMV × Take Rate
- **creal PB**: Net Sales × Gross Profit Margin

creal PRO: Mainly Fee-Based Revenue

Gross Profit (Currently Our Key Profitability Metric)

SG&A
Ongoing Strategic Investments for Growth

- Personnel Expenses
- Advertising Expenses
  Marketing Expenses
- Others

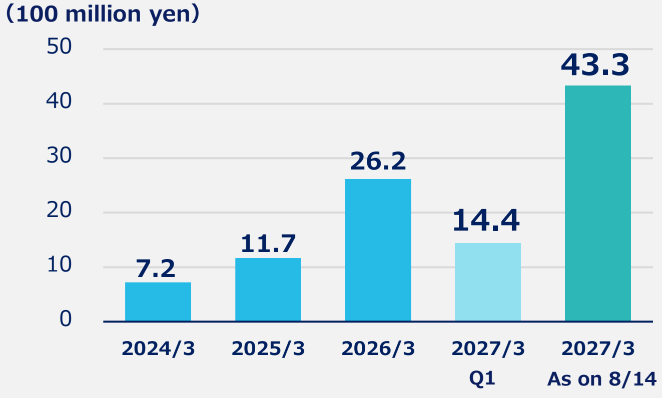
Operating Profit

【CREAL】Overview of CREAL Fund Business

Only one fund was formed in Q1, bringing the average fund size down to ¥1.44 billion. Including the ¥7.21 billion fund formed in July, the average fund size increases to ¥4.33 billion. We aim to expand GMV this fiscal year by accelerating the formation of FTK3&4 funds.

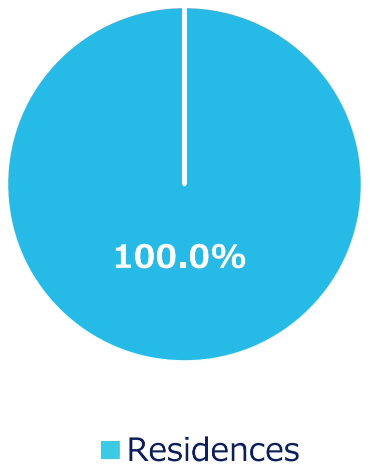
CREAL Fund Formation Track Record	FY2026 Q1 (Cumulative)	FY2027 Q1 (Cumulative)
Number of Fund Formed	3	1
Amount Raised (100 million yen)	55.4	14.4
Average Fund Size (100 million yen)	18.5	14.4

Average Fund Size



- Scaled up property size to meet the growing investor base and demand
- Increased average fund size while controlling operating costs, achieving higher productivity

FY2027 Q1 Asset Allocation*1(%)



*1 The share of total fundraising by asset type, based on the amount raised 14.43 hundred million yen for FY2027 first quarter.

【CREAL HOTELS】Landmark Project Initiatives

Focused on acquiring three Osaka hotels, our largest-ever transaction, and closed the acquisition at the end of July while securing hotel management contracts. A fund was formed for Garner Hotel Osaka Honmachi Kitasemba, symbolizing the increasing scale of FTK3&4 transactions. The remaining two properties were acquired with financing from MUFG Bank and will be utilized as future pipeline assets.

Garner Hotel Osaka Honmachi Kita Semba

Garner Hotel Osaka Honmachi Station

Garner Hotel Osaka Honmachi Midosuji

Overview of "Garner"

Garner
AN IHG HOTEL

- **Launched by IHG Hotels & Resorts in August 2023 as a midscale rebranded hotel**
- **Features casual designs inspired by local appeal, lounges for a wide range of uses, and 24-hour retail stores**
- **Rebrands existing hotels, enabling a rapid pace of openings**

✓ Open hotels: 101

✓Open rooms: 9,832

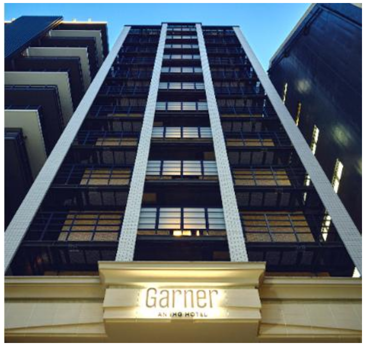
✓ Hotels in preparation or development: 92

- **The three Osaka properties in this project will be the first Garner hotels in Japan**

【CREAL HOTELS】 Structuring Our Largest-Ever GMV Fund

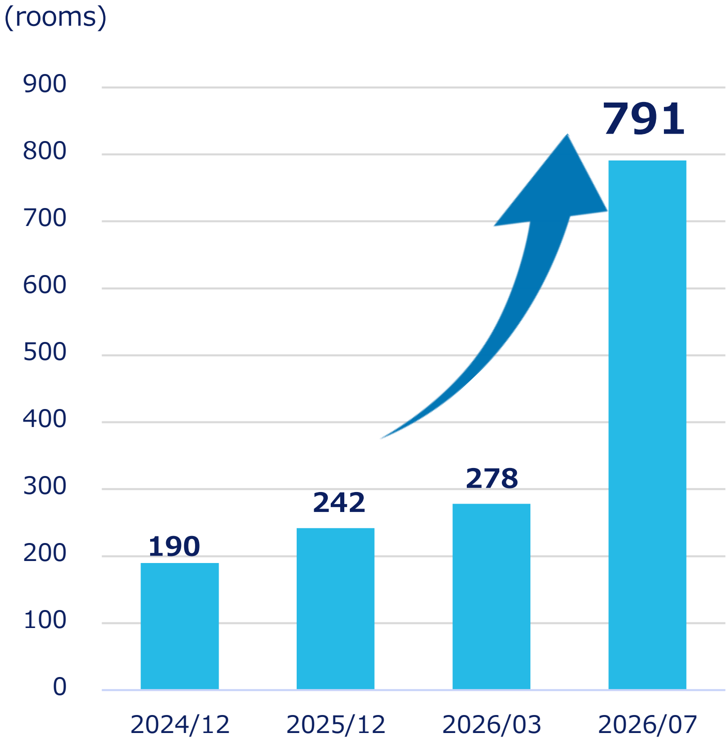
Garner Hotels is a midscale conversion brand launched by IHG Hotels & Resorts in August 2023. The Osaka Kitasenba Hotel Fund, which began fundraising at the end of June, achieved GMV of approx. ¥7.2bn — our largest deal ever at CREAL — with revenue to be recognized in Q2. CREAL Hotels was engaged at the end of July to operate three Garner Hotel properties in prime Osaka locations, including Osaka Kitasenba, expanding rooms under operation roughly threefold to 791.

Osaka Kitasenba Hotel Fund: Offering Overview



Property Name	Garner Hotel Osaka Hommachi Kitasenba
GMV	¥7,213,000,000
Crowdfunding Amount Raised	¥3,423,000,000
Bank Financing Amount	¥3,790,000,000
Expected Yield	7.4%
Expected Operating Period	Jul 31, 2026 - Jul 31, 2029

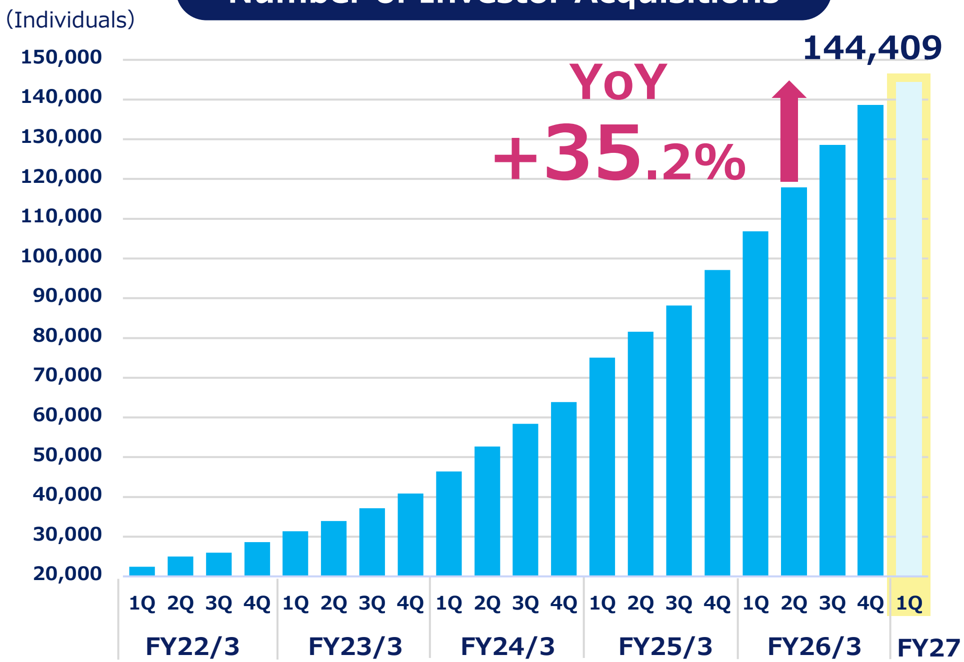
CREAL Hotels: Room Count Trend



【CREAL】 Trend in KPIs ①

Cumulative investors steadily grew to over 144K, achieved through efficient acquisition with controlled ad-spend and CPA**.** Although GMV fell short of the plan, **structuring under the FTK3&4 schemes has moved out of the trial phase into a stable cruise phase.**

Number of Investor Acquisitions



FY2027 Q1 Registered Investors	Full-Year Plan Progress	
	Full-Year Plan	Progress Rate
5,822	30,000	19.4%

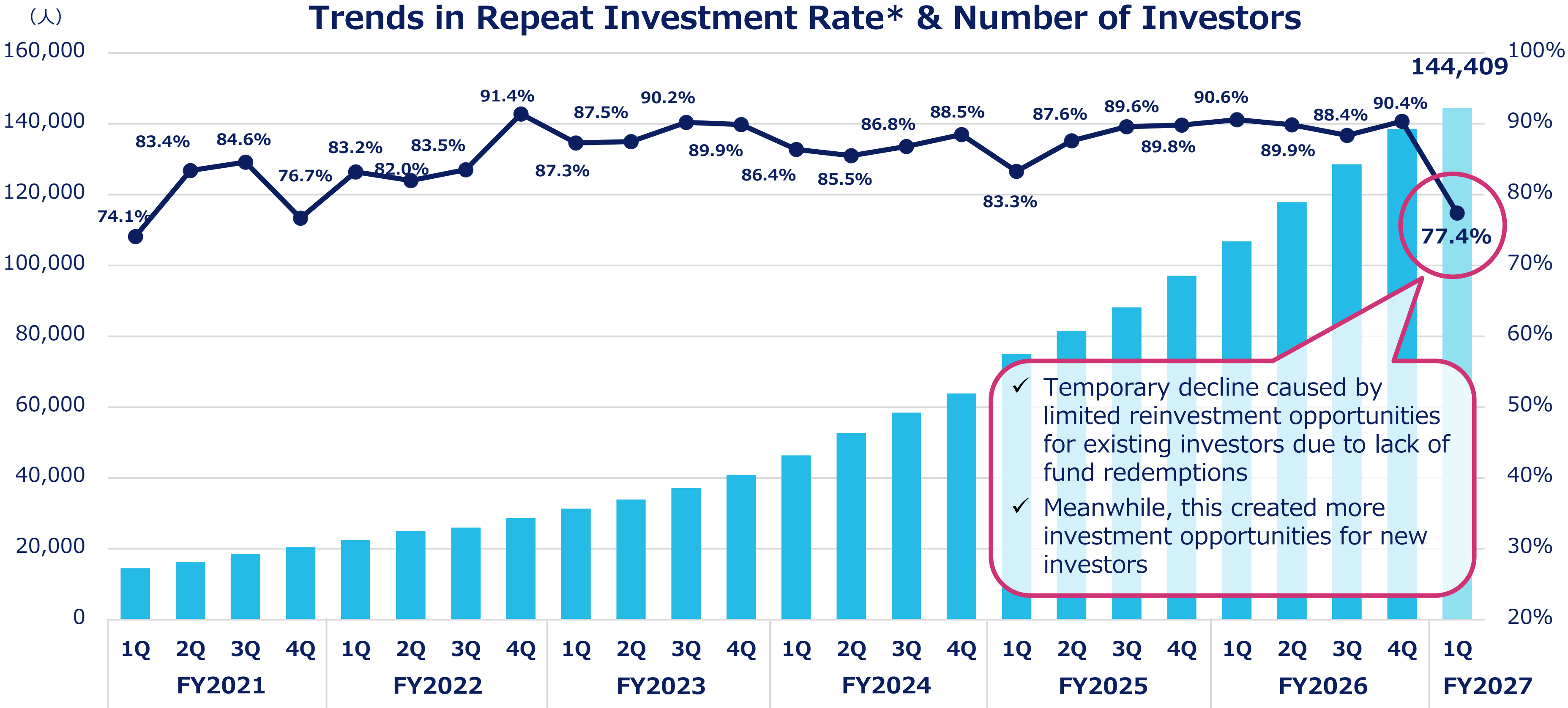
GMV

FY2027 1Q GMV	Full-Year Plan Progress	
	Full-Year Plan	Progress Rate
14.4 bn yen	64 bn yen	2.3%

【CREAL】Trend in KPIs ②

Supported by a highly loyal base, **the repeat investment rate remains at a high** level. While the rate may fluctuate temporarily during periods of rapid new member acquisition, **it has stayed at a healthy level.**

Trends in Repeat Investment Rate* & Number of Investors



* The percentage of amount invested in by investors who had invested at least once in the past year in the GMV for the quarter.

【PRO】Fee Structure

Enhanced CREAL platform's fundraising and property volume have strengthened relations with domestic and global institutional investors and ultra-high-net-worth clients. **We pursue gain on sales, transaction revenue and revenue for the period under review through many deal closures.**

	Gain on Sales	Transaction Revenue	Asset Management Revenue
	Profit from Sale of Proprietary Properties	**Fee Income from Property Transactions**	**Rental Income and Asset Management Fees**
Fee Structures	Generate revenue by selling proprietary properties based on purpose, such as long-term value-up through holding or short-term bridge to PRO Funds Large-scale properties can significantly boost sales	Includes brokerage, upfront, and exit fees. Most of the sales is recognized as profit Property size can greatly affect sales revenue	Includes rental income and fees from asset management projects Most of this revenue is recognized as profit
Track Records	 Sold a hotel in prime Osaka location to a fund formed with foreign investors invited by our company	 Facilitated sales and fund formation for hotels in regional cities to individual and local corporate investors	 Entrusted with asset management of a large-scale hotel in Osaka Yodoyabashi from a major domestic institutional investor

【PRO】Progress in Hotel Development Projects

In FY2026, multiple hotel asset development initiatives were launched. These are positioned as efforts to build a future pipeline for CREAL and CREAL ST, with continued acceleration of expansion.

Yodoyabashi Hotel Fund: asset management mandate, co-brokerage, and equity investment

(Settlement Date: March 2026)

※Rendering for illustrative purposes only.

- 1-minute walk from Yodoyabashi Station, with 312 guest rooms
- Joint investment by Taisei Corporation, Chuo-Nittochi Group Co., Ltd. and CREAL Group; financing provided by four lenders including Sumitomo Mitsui Banking Corporation, Fuyo General Lease Co., Ltd., Shizuoka Bank, Ltd. and The Hokkoku Bank, Ltd.
- CREAL Group to recognize asset management income and transaction income

Major domestic institutional investor | **Capital & Business Alliance Initiatives** | **Fund Management** | **Asset Management**

Kyoto Higashi-Kujo Hotel Development Project

(Construction start: April 2026; Completion: May 2027)

※Rendering for illustrative purposes only.

- Planned development of an apartment hotel operated by CREAL HOTELS in Kyoto City (planned brand: VAYS)
- Investors include Matsuoka Co., Ltd. and Showa Leasing Co., Ltd., with China Bank participating as senior lender
- CREAL Group expects to recognize asset management income and sales income, as well as hotel operating income

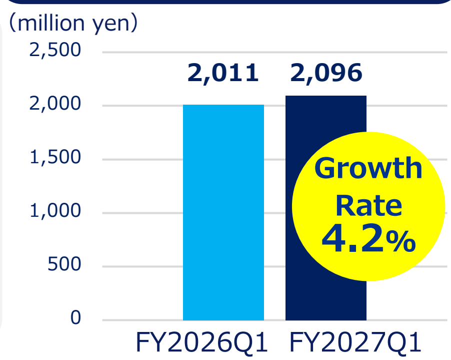
Major domestic institutional investor | **Operated by CREAL Hotels** | **Fund Management** | **Asset Management**

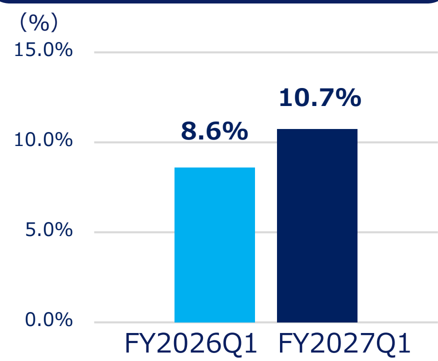
【PB】DX and Competitive Advantage Driven by CREAL PB

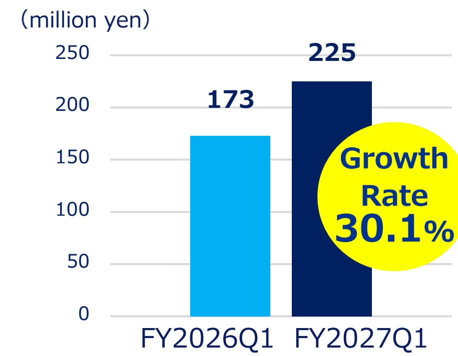
Achieved steady growth by maintaining and improving gross margin on sectional residences through an area-focused strategy and higher fee income.

Profit Structure

Revenue × **Gross Margin** = **Gross Profit**







DX Initiatives

CREAL PB	Other Businesses
Sales / Customer Management	Rental Management*3
Traditional: Offline Income Reporting and Customer Management Methods	Traditional: Offline and Decentralized Information Management

1 creal concierge

- Online Report System
- In-house Developed SFA/CRM*2
- Mobile App Development

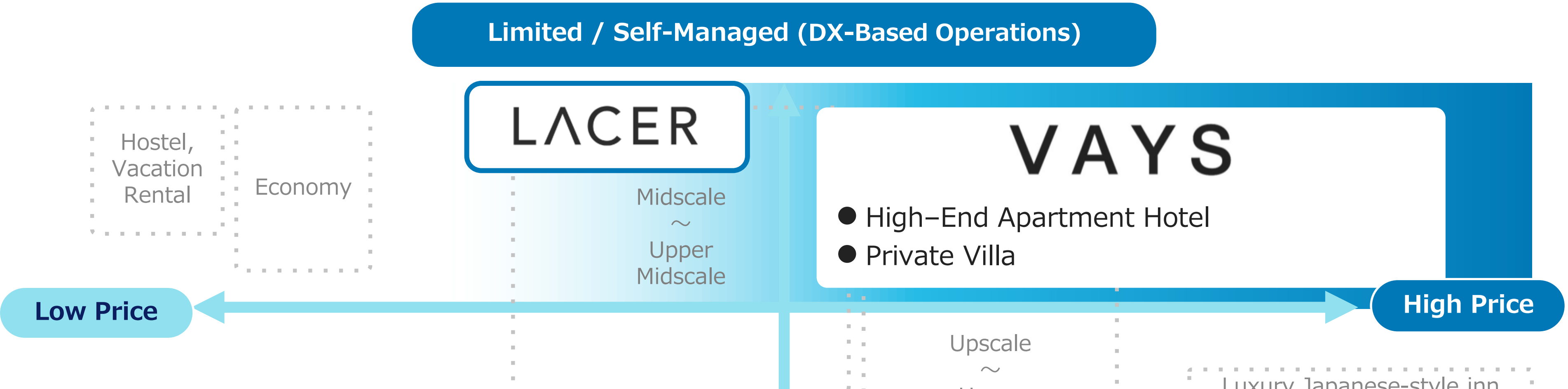
2 creal manager

- Online Management System
- Expansion of PM Report Creation Features
- Automated Payment Matching

*1 Excludes single-building property transactions
*2 SFA: Sales Force Automation; CRM: Customer Relationship Management
*3 Rental management business is operated by a subsidiary and classified as "Other Business"

【HOTELS】Target Segments

Target segments are limited-service hotels in the mid-to-high price range, and near-future hotels that embody "more freedom, more innovative, and enhanced lodging experience value" by leveraging our core strength in DX.



Apartment Hotel: A hotel with spacious rooms equipped with kitchens and washing machines, suitable for long-term stays

Villa: A hotel style featuring private buildings or cottages, offering a high degree of privacy

Growth Strategy

- Plan to build a pipeline of 50 properties over the next four years
- Improve customer experience and operational efficiency through DX, enhancing profitability
- Strengthen deal sourcing through collaboration with CREAL

【HOTELS】Pursuing Group Synergies

By managing hotel operations within the group, we have strengthened collaboration among CREAL Group companies.

【HOTELS】Maximizing Hotel Profitability through DX, AI and Marketing

creal HOTELS

- Development of a proprietary revenue management system utilizing AI
- Leveraging data-driven insights to increase hotel sales

AI Hotel Revenue Growth × DX Operational Cost Reduction

AI: Hotel Revenue Growth

Automated Revenue Management Powered by AI

Input

- Historical stay data
- Day of week and seasonality
- Competitor hotel pricing

Output

Purpose
Pricing optimization to maximize RevPAR

DX: Operational Cost Reduction

Provide guests with an optimal experience
Standardize a comfortable stay through process simplification

+

Higher profit margins through operational efficiency
Streamlined operations with reduced manpower

Mobile Key

Mobile Check in/Check out

Ticketless

Marketing

Increase in Organic Traffic

Strengthening Organic Traffic through the In-House Marketing Team

Reduction of OTA Costs through Higher Direct Booking Ratio

SNS

- Gained approximately **150,000** followers*
- Implemented initiatives to drive direct bookings from social media posts

Blog

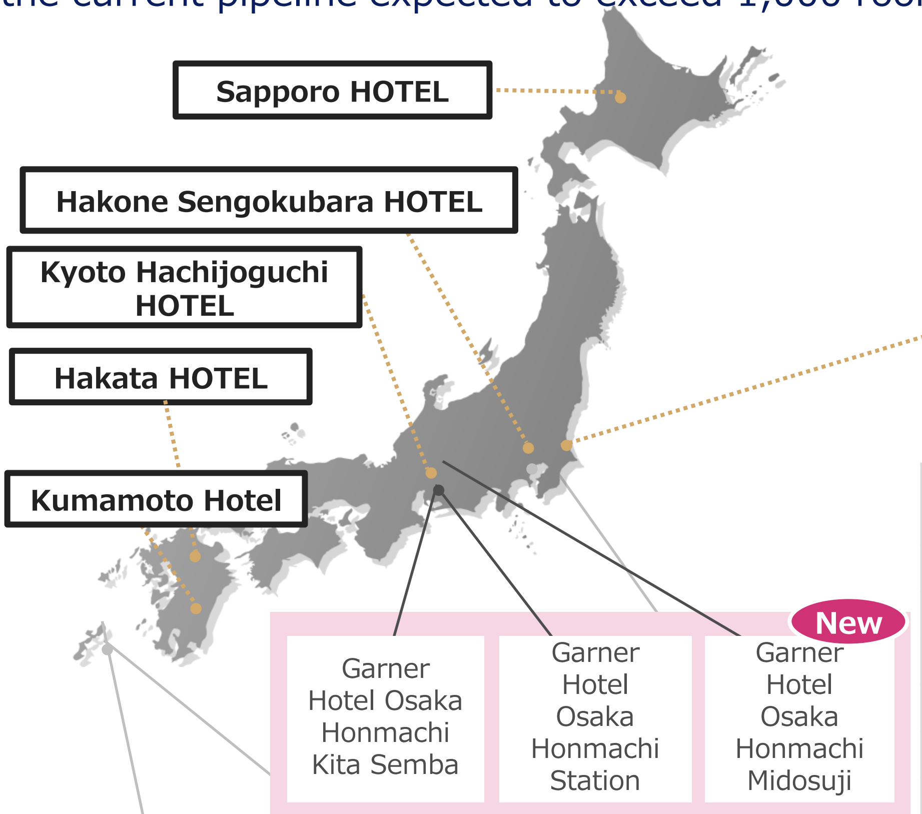
Expanding Search Traffic through Regional Content Management

*Five official accounts across "CREAL" and "LACER Okinawa" on X, Instagram, TikTok and YouTube

Enhancing and Evolving Customer Value through Data-Driven Insights

【HOTELS】Hotel Operations Pipeline

CREAL HOTELS' managed rooms increased from 273 across 4 properties to 791 across 7, with the current pipeline expected to exceed 1,000 rooms.



LACER Okinawa Naha Tomari Wharf | LACER Okinawa Naha Miebashi | Holiday Inn & Suites Shin-Osaka | LACER SUITES Kamakura

Under Operation (7 Properties/791 Rooms)

Hotel Operations Pipeline for Further Growth

10 Properties/ 362 Rooms

Ginza HOTEL① | Ginza HOTEL② | Nishi-Azabu HOTEL | Hatchobori HOTEL | Shimbashi HOTEL

No	Project Name	Scheduled Opening	Rooms
1	Ginza Hotel PJ①	FY2028 H1	12
2	Hakone Sengokubara Hotel PJ	FY2028 H1	11
3	Hatchobori Hotel PJ	FY2027 H2	16
4	Ginza Hotel PJ②	FY2027 H2	18
5	Hakata Hotel PJ	FY2028 H1	28
6	Shimbashi Hotel PJ	FY2028 H2	36
7	Nishiazabu Hotel PJ	FY2028 H1	36
8	Sapporo Hotel PJ	FY2028 H1	27
9	Kyoto Hachijoguchi Hotel PJ	FY2028 H1	24
10	Kumamoto Hotel PJ	FY2029 H1	154

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Strengthening the Financial Base through the FTK3&4 Schemes and Capital Increase

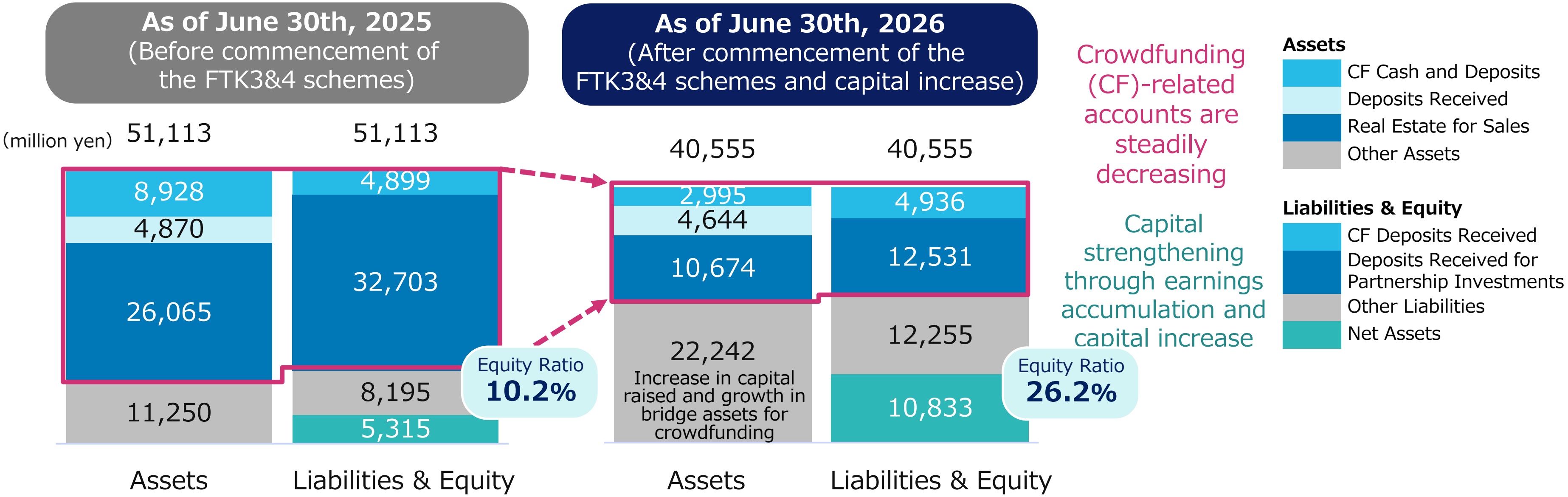
By leveraging the FTK3&4 schemes, we expect to enhance asset efficiency and financial soundness through the off-balance treatment of assets, while strengthening our equity ratio through a capital increase to accelerate growth investments.

FTK1&2 Schemes (Conventional)

When a fund is recognized on-balance sheet, investor contributions—despite having no legal repayment obligation—are recorded as liabilities, and acquired properties are recorded as assets.
Issue: The balance sheet (B/S) becomes inflated relative to the Company's economic substance.

FTK3&4 Schemes (Current)

- ✓ Clearer reflection of economic substance
- ✓ Improved B/S metrics and efficiency indicators
- ✓ More stable revenue recognition timing



*1 Depending on fund terms, some funds may be treated on-balance sheet following consultation with our audit firm.

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FY2027 Full Year Forecast

Q1 progress toward the FY2027 full-year earnings forecast was **11.1% for consolidated gross profit, (6.3%) for consolidated operating profit, (7.6%) for consolidated ordinary profit, and (8.5%) for consolidated net income. Pipeline projects are accumulating across all businesses, and the full-year earnings forecast remains unchanged.**

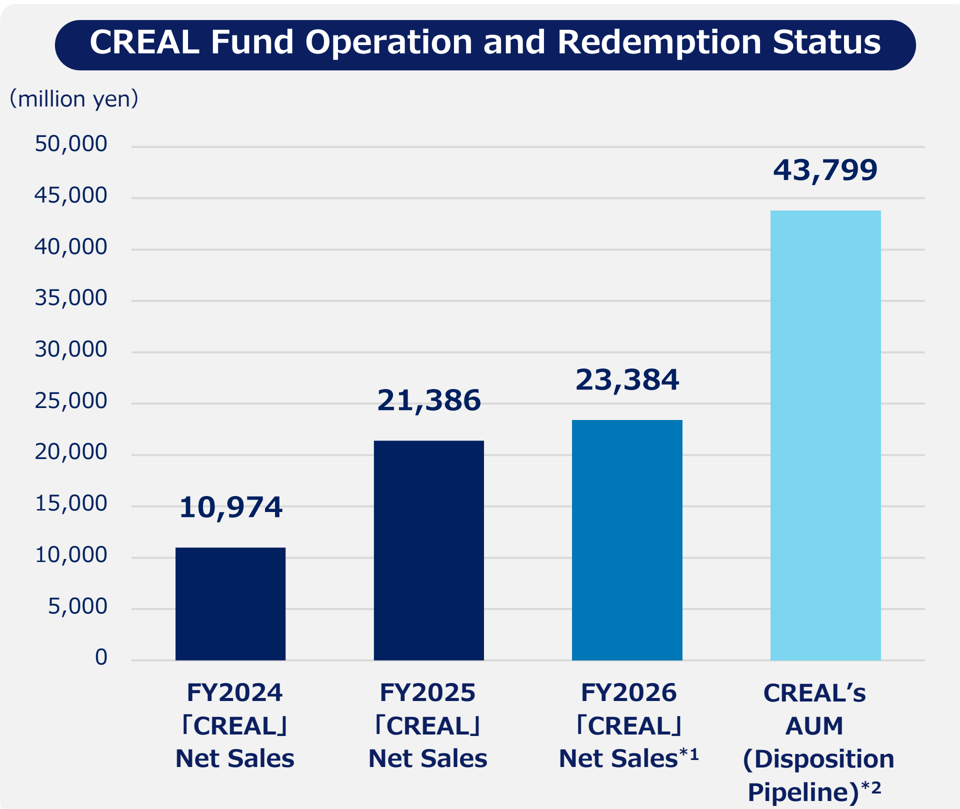
(million yen)	FY2027 Q1 Actual	FY2027 Full Year Forecast	Q1 Progress Rate
Gross Profit	**987**	**8,890**	**11.1%**
CREAL	**357**	**3,370**	**10.6%**
CREAL PRO	**172**	**3,530**	**4.9%**
CREAL PB	**225**	**1,040**	**21.6%**
Others	**232**	**950**	**24.4%**
SG&A	**1,194**	**5,600**	**21.3%**
Operating Profit	**-206**	**3,290**	**-6.3%**
Ordinary Profit	**-238**	**3,050**	**-7.8%**
Net Profit	**-179**	**2,100**	**-8.5%**
Dividend per Share(yen)	**-**	**8**	**-**
GMV	**1,443**	**64,000**	**2.3%**
Number of Registered Investors	**5,822**	**30,000**	**19.4%**

FY2027 Q1 Actual

- **CREAL:** Focus on large-scale acquisitions resulted in only one FTK3&4 fund formation and one property sale. We aim to accelerate profit growth through faster fund formation and property sales, leveraging our accumulated pipeline and AUM.
- **CREAL PRO:** Focused on building a pipeline of apartment hotel development funds, with plans to generate transaction, sale, and fee income as these projects move forward.
- **CREAL PB:** Progress is on track. We aim to expand profit by strengthening sales activities and improving profitability.
- **Other:** Rental management and hotel operating income, which provide recurring revenue, are expected to grow toward the fiscal year-end.
- **SG&A:** Personnel costs and system development investments for organizational build-out will continue, while advertising expenses will be managed through greater efficiency.

【CREAL】Property Sales Pipelines

Only one commercial property was sold in Q1. **Assets under management have grown to approximately ¥43.8 billion**, providing a **pipeline for future property sales and sequential profit recognition.**



No of Properties	FY2024 Sales	FY2025 Sales	FY2026 Sales	FY2027 Q1 Sales	AUM
Residence	10	18	9	–	9
Hotel	–	1	4	–	3
Healthcare	–	–	–	–	5
Office	–	–	–	–	4
Retail	1	1	1	1	0
Logistics	2	1	1	–	1
Nursery	1	–	–	–	1
Others	–	1	–	–	0
Total	14	22	15	1	23

*1 Includes acquisition fees from the FTK3&4 schemes in addition to revenue from the FTK1&2 schemes.
*2 Total CREAL fund amount raised or under management as of June 30th, 2026 (preferred and subordinated equity), including signed sales contracts

【CREAL】 Property Acquisition Pipeline from Q2 Onward

* Only includes properties where acquisition probability had increased as of Aug 14, 2026

No.	Location	Asset Type	Planned Amount (GMV)
FY3/27 Pipeline			**Fund Formed**
1	Osaka	Hotel	¥7,213M
2	Osaka	Hotel	Approx. ¥7,200M
3	Osaka	Hotel	Approx. ¥8,800M
4	Tokyo	Hotel	Approx. ¥1,600M
5	Tokyo	Hotel	Approx. ¥3,300M
6	Tokyo	Hotel	Approx. ¥2,900M
7	Tokyo	Hotel	Approx. ¥2,600M
8	Tokyo	Residence	Approx. ¥750M
9	Tokyo	Residence	Approx. ¥6,500M
10	Tokyo	Residence	Approx. ¥870M
11	Tokyo	Residence	Approx. ¥2,000M
12	Tokyo	Residence	Approx. ¥1,200M
13	Tokyo	Residence	Approx. ¥670M
14	Tokyo	Residence	Approx. ¥620M
15	Tokyo	Residence	Approx. ¥1,700M
16	Saitama	Residence	Approx. ¥1,100M
17	Saitama	Residence	Approx. ¥1,500M
18	Tokyo	Residence	Approx. ¥680M
19	Tokyo	Office	Approx. ¥2,400M
		Total	Approx. ¥53,603M

No.	Location	Asset Type	Planned Amount (GMV)
FY3/28 Onward Pipeline			
1	Fukuoka	Hotel	Approx. ¥2,300M
2	Kyoto	Residence	Approx. ¥1,300M
3	Tokyo	Hotel	Approx. ¥3,200M
3	Hokkaido	Hotel	Approx. ¥2,800M
5	Tokyo	Hotel	Approx. ¥3,000M
6	Tokyo	Hotel	Approx. ¥4,200M
7	Osaka	Hotel	Approx. ¥3,500M
8	Tokyo	Hotel	Approx. ¥2,800M
		Total	Approx. ¥23,100M

【PRO】 Deal Pipeline

Mandate accumulation for AM-mandated deals in the CREAL PRO business progressed in H1, but **closing timing is weighted to H2.**
In addition to the pipeline shown below, **we are also pursuing land acquisition for apartment hotel development on our own balance sheet.**

No.	Location	Asset Type	Deal Type	Est. AUM
FY2027 Pipeline				
1	Kanagawa	Hotel	AM Mandate	Approx. ¥20,000M
2	Okinawa	Hotel (Development)	AM Mandate	Approx. ¥18,800M
3	Tokyo	Hotel (Development)	AM Mandate	Approx. ¥3,300M
4	Tokyo	Residence	AM Mandate	Approx. ¥3,800M
5	Hiroshima	Land (Development)	AM Mandate, etc.	Approx. ¥1,200M
6	Tokyo	Residence	AM Mandate	Approx. ¥6,900M
7	Tokyo	Land (Development)	AM Mandate, etc.	Approx. ¥2,000M
			Total	Approx. ¥56,000M

* Development deals show estimated total project cost

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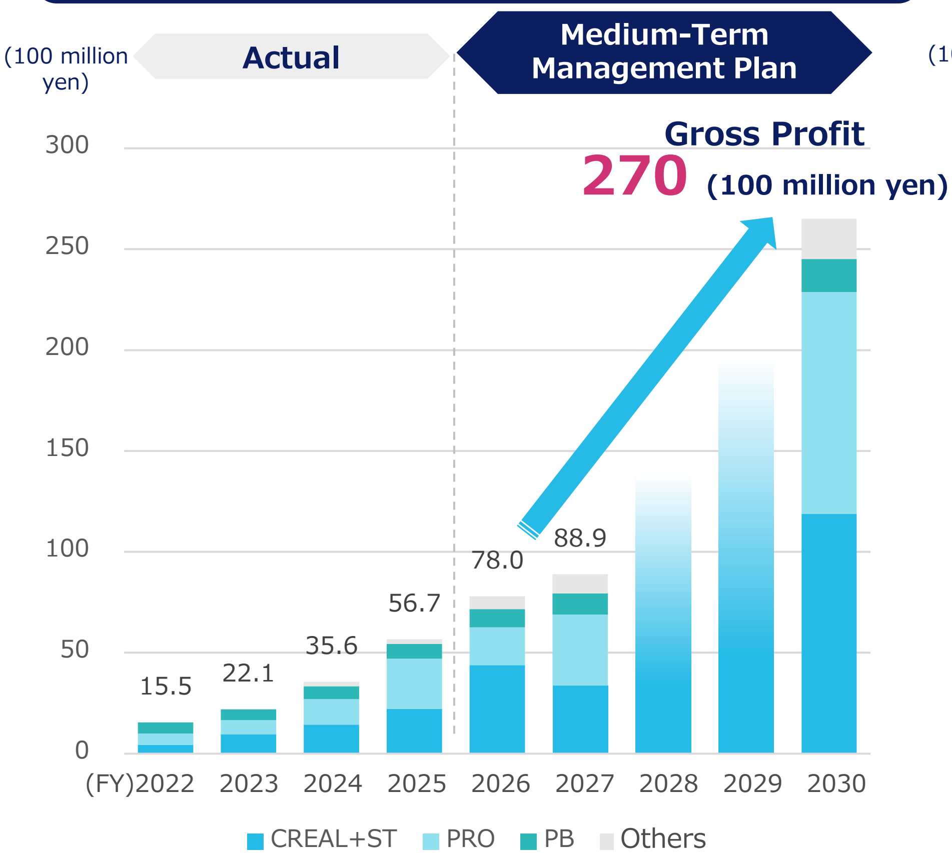
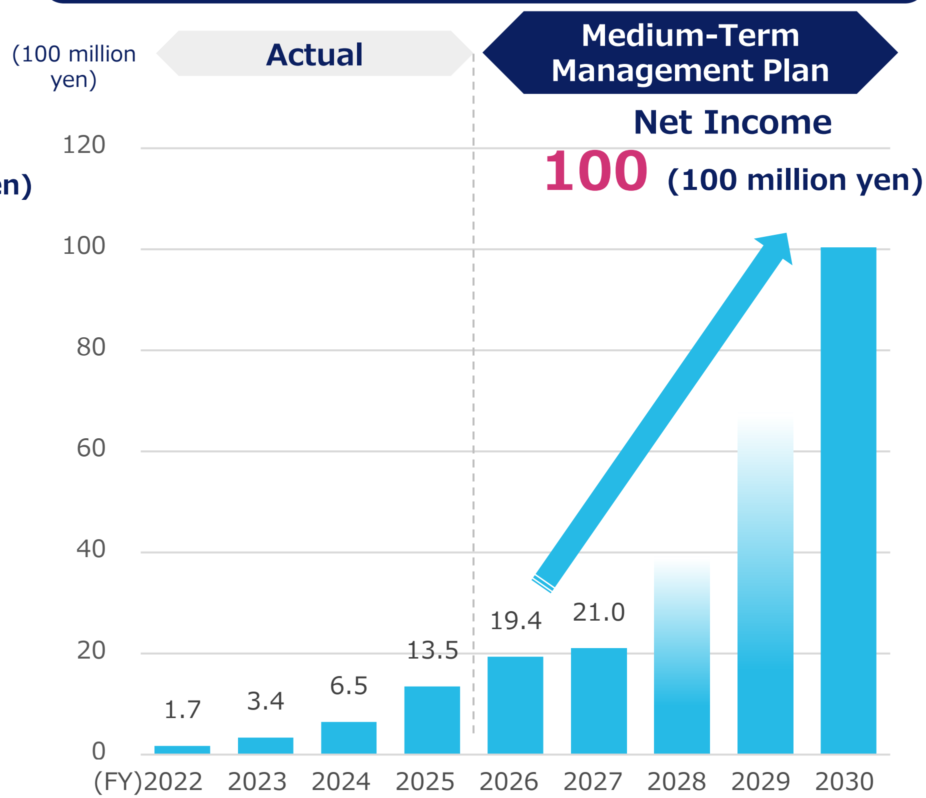
Progress of the Medium-Term Management Plan: Gross Profit and Net Income

In Year 1 of the Medium-Term Management Plan, gross profit increased 37.6% year-on-year and net income increased 43.7% year-on-year, achieving strong growth as planned. The Company also entered the real estate security token (ST) market and aims to achieve further profit growth.

Gross Profit



Net Income

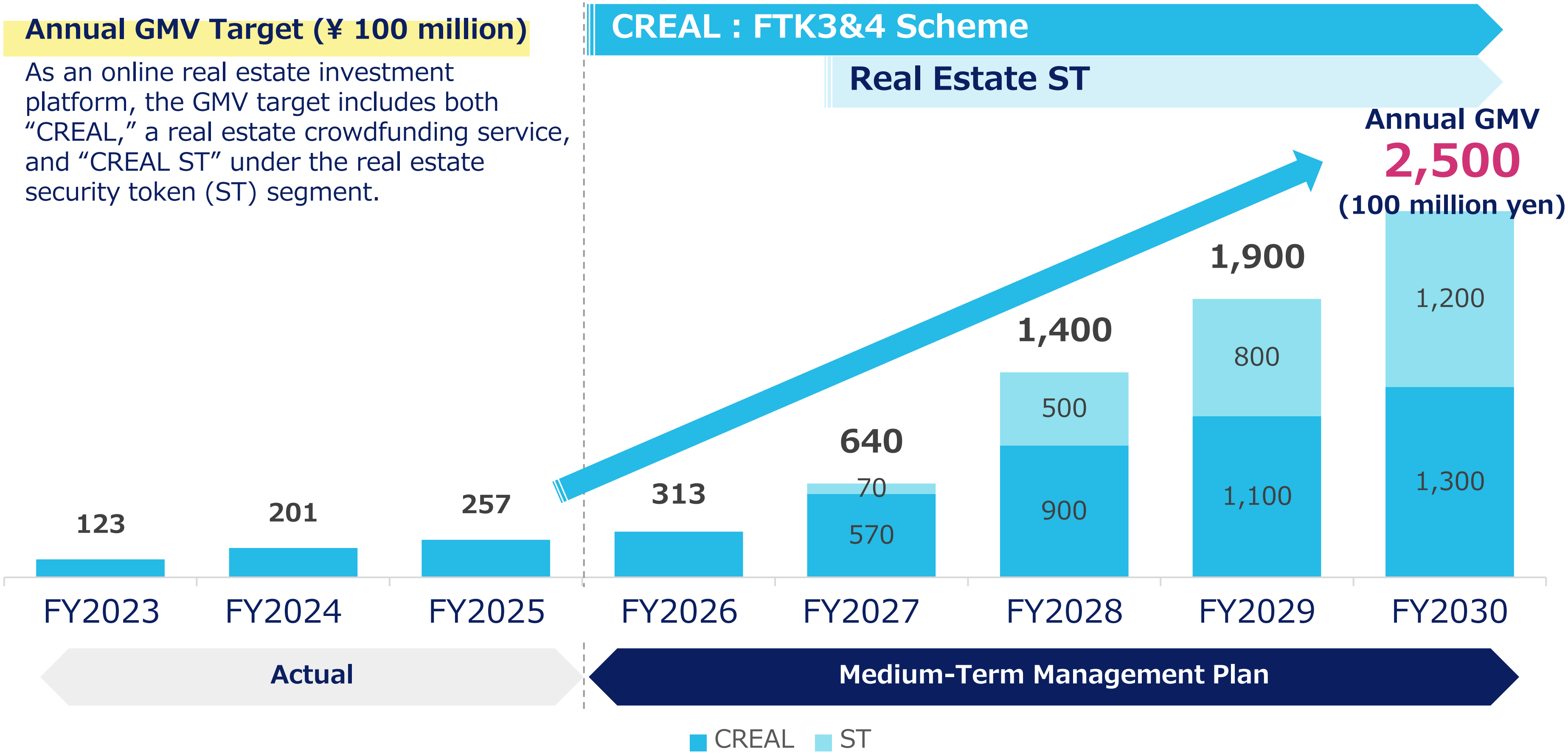


Progress of the Medium-Term Management Plan: GMV

In the previous fiscal year, the Company prioritized optimizing the structuring process under the FTK3&4 schemes, resulting in GMV of ¥31.3 billion (78% of the target).For the current fiscal year, although the GMV target is set conservatively based on prior results, the Company aims to achieve strong GMV growth through stable execution of FTK3&4 scheme structuring and entry into the real estate security token (ST) market.

Annual GMV Target (¥ 100 million)

As an online real estate investment platform, the GMV target includes both "CREAL," a real estate crowdfunding service, and "CREAL ST" under the real estate security token (ST) segment.



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Supplementary Business Information

Our Aspirational Future — Product Portfolio and Customer Reach in Five Years

We plan to launch new asset management products backed by real estate, such as security tokens (ST) and digital bonds. In addition, we are developing funds that target a wide range of alternative assets beyond real estate, **promoting a "multi-asset × multi-product" strategy.**

Multi-Product Strategy Tailored to Each Investor Segment via Proprietary Channels

Entry-level Investors | Experienced Investors | High-Net-Worth Individuals (HNWIs)

Asset Accumulation Segment | Institutional Investors

Multi-product

creal Crowdfunding

creal ST (Tentative) security token (ST)

creal PRO Private Fund

creal PB Direct Real Estate

creal FUND (Tentative) Other Alternative Investments

×

Diversified Pipeline of Alternative Assets Beyond Real Estate

Multi-Asset

Real Estate

Private Credit

creal PARTNERS

creal HOTELS

STOCK

Evolving into an Asset Management Platform Covering a Broad Range of Alternative Assets

Creating and Distributing Financial Products In-House :

"Financial Product SPA" (Financial Product Manufacturer-Retailer)

【CREAL】Obtaining Approval for FTK3 & 4(2025/06/26)

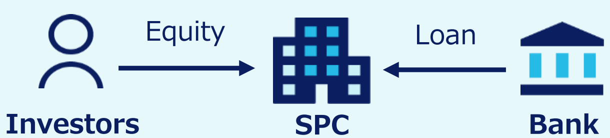
After preparations, **we obtained approvals under the Act on Specified Joint Real Estate Ventures (including electronic trading)** and launched FTK3&4 SPC funds, enhancing investor safety and profitability while entering a stable and accelerated growth phase ourselves.

Our Benefits

① Larger funds and more investors boost GMV
② Better equity ratio from off-balance treatment
③ Stable income without relying on property sales

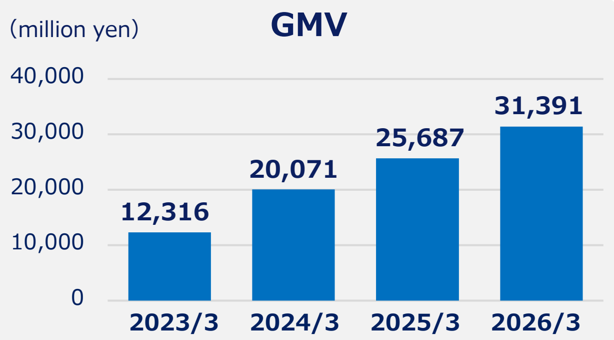
Investor Benefits

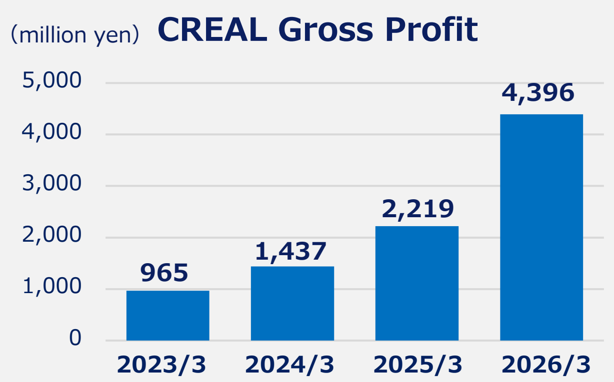
④ Bankruptcy isolation for safety
⑤ Higher returns leveraged with non-recourse loans

	FTK1&2	FTK3&4
		
Offered Yield	**Around 5%**	**Around 6%**
Investment Period	**1-2 Years**	**1-5 Years**
Target Investors	**Broad individual investors from entry to asset accumulators**	**Broad individual investors plus corporate and institutional investors**
Ownership	**FTK1 Business Operator (CREAL)**	**Special Purpose Company (SPC)**
Accounting	**On-balance sheet transaction**	**Off-balance sheet transaction possible**
Revenue Recognition Timing	**At property sale**	**At fund setup, during term, and property sale (diversified)**
Bankruptcy Isolation	**No Bankruptcy Isolation**	**With Bankruptcy Isolation**

【CREAL】Trend in KPIs ③

Gross profit is driven by GMV and take rate. Under the FTK 1&2 schemes, funds raised through CREAL are generally sold within about a year, with gains recognized in the P/L. **In the FTK3&4 schemes, revenue recognition for acquisition and management fees occurs earlier, creating a more stable earnings structure less affected by property sale timing.**





Changes in Revenue Recognition under FTK3&4

		FTK1&2 (Current)		FTK3&4 (Newly Stared)	
		Profit Rate (vs Property Transaction Price)	Revenue Recognition Timing	Profit Rate (vs Property Transaction Price)	Revenue Recognition Timing
Fixed Profit	Acquisition	3%	Upon Sale	3%	At Fund Arrangement
	Operation	1%	Upon Sale	0.5%	During Operation
	Disposition	1%	Upon Sale	1%	Upon Sale
Variable Profit	Subordinated Profit	3-5%*1	Upon Sale	–	–
	Success Fee	–	–	A fixed percentage of property sale profits	Upon Sale
	Subordinated Investment	5%		Generally None (flexibly respond by project types)	

*1 Estimated figures based on past performance

②【CREAL ST】 Initiatives in the Security Token (ST) Business

Following the January 2025 securities company acquisition, we began **entering the growing ST business**. After system development and registration, **service launch is targeted for 1H FY2027, alongside preparation of acquiring an investment management business.**

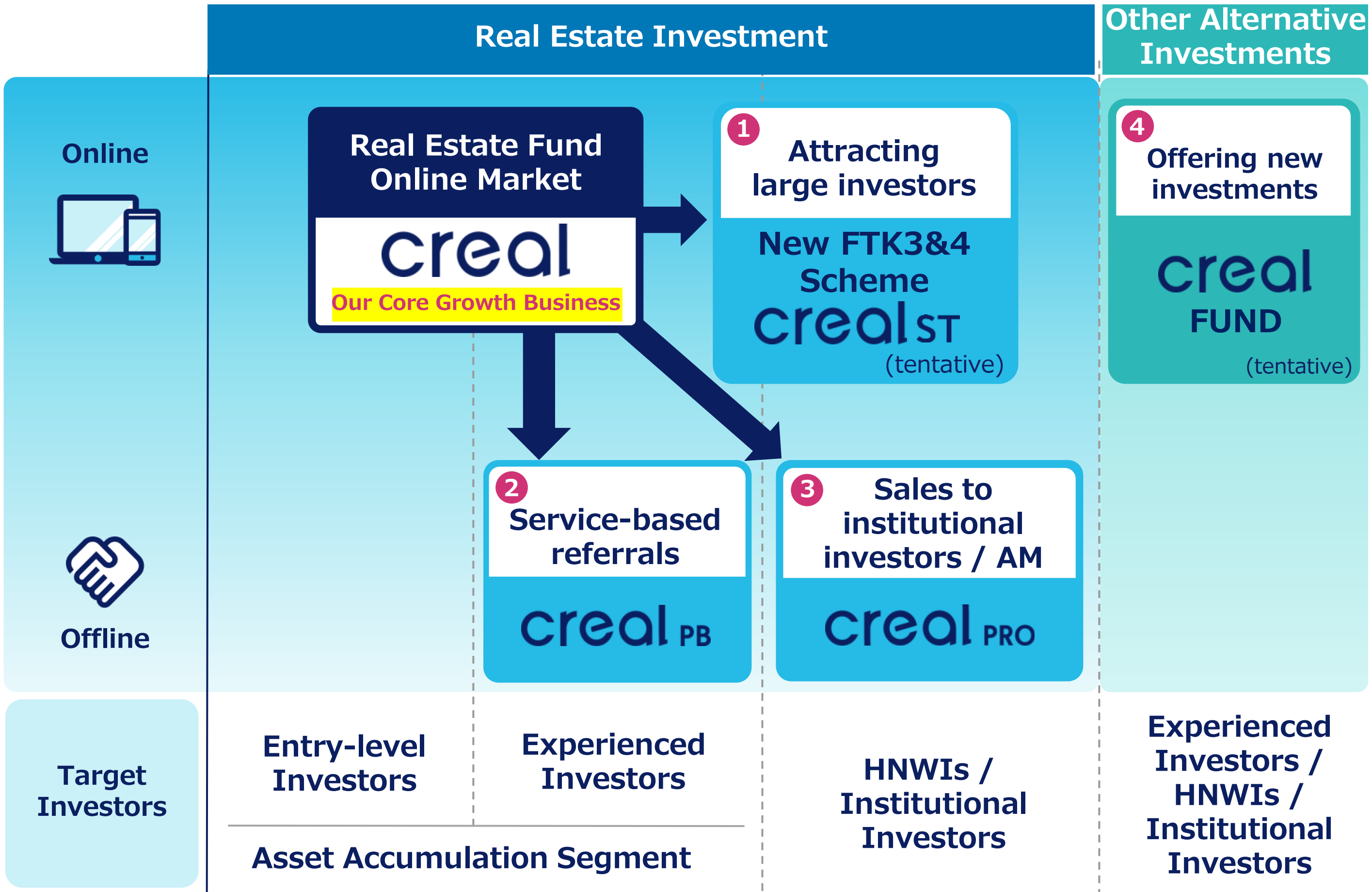
creal | creal ST (Tentative)

	Current Status	Already Obtained	Change of Registration Scheduled	
Product	Real Estate Crowdfunding (FTK1&2 Schemes)	Real Estate Crowdfunding (FTK3&4 Schemes)	Real Estate ST[*1]	Digital Corporate Bond
Target (Underlying Asset)	Real Estate	Real Estate	Real Estate	Real Estate, Private Credit and Various Alternative Assets
Yield	Around 5%	**Around 6%**	**4%～**	**4～8%**
Investment Period	1～2 Years	**1～5 Years**	**5 Years～**	**1～5 Years**
Investor Segment	From Entry-Level Investors to a Broad Range of Asset-Building Individuals	**From a Broad Range of Individual Investors to Corporate and Institutional Investors**	**Individual, high-net-worth, corporate, and institutional investors**	
Key Applicable Laws	Real Estate Specified Joint Enterprise Act	**Real Estate Specified Joint Enterprise Act**	**Financial Instruments and Exchange Act**	
Taxation	Comprehensive Taxation	**Comprehensive Taxation**	Separate taxation (beneficiary certificate issuing trust type)	
Secondary Market	None	**None**	Available	
Fund Characteristics	Cost-efficient and flexible fund formation	**Moderate cost with off-balance sheet fund structuring**	**High cost, off-balance sheet fund** Wide range of assets beyond real estate	

*1 Real Estate ST (Security Token) refers to a type of security backed by real estate or real estate-related assets, issued and managed using digital technologies such as blockchain
*2 Private Credit is a type of alternative investment involving direct lending to companies or funds

Pursuing Business Synergies as an Asset Management Platform

We aim to become **"best-in-class"** asset management platform **by offering a wide range of products starting from our core base of entry-level and experienced investors**, and by expanding into alternative investments beyond real estate.



Pursued Business Synergies

1. Fund expansion and GMV growth via new FTK3&4 scheme
2. PB growth via cross-selling and product expansion
3. PRO growth via institutional sales and asset management
4. Growth from new alternative investments beyond real estate

DX/AI-Related Products Under Development and Operation (1)

Internalized development capabilities to continuously pursue greater efficiency and productivity across all businesses through the utilization of DX and AI.

creal ST (tentative)

Targeting Launch in 1H FY2027

Development of Real Estate ST Services

Partial In-House System Development

Initial Cost

Running Cost

Both Significantly Reduced

+

Utilization of AI in Development

98% of Development Code Generated by AI

Development Period: **2–3 Years**

Reduced to

1 Year

Shorter Development Timelines and Significant Reduction in Development Costs

creal / creal PRO

Pilot Operation Underway

AI Utilization in Fund Formation

Integration of Property Overview Documents Containing Various Information

Store PDFs and Extract Data with AI

Identify High-Profitability Properties Based on Extracted Data

Current Data Extraction Accuracy

95%

Key Extracted Items

Property Price / Exclusive Floor Area / Building Age / Address/ Asset Type

Promoting the Transition from Experimental Initiatives to Practical Implementation

Increased Deal Formation, Faster Screening, and Cost Reduction

DX/AI-Related Products Under Development and Operation (2)

By internalizing development capabilities, the Company continuously pursues greater efficiency and productivity across all businesses through the utilization of DX and AI.

creal HOTELS

Pilot Operation Underway

AI-Driven Revenue Management

AI Automatically Sets Optimal Room Prices

AI Sales Performance
(March 2026)
vs. Human Performance RevPAR※1

109%

AI Pricing Ratio
(Reservations Through the End of October)

approximately

20%

Targeting **100% per Building** by the end of FY2027

Increased hotel projects driven by higher profitability and improved margins

*1 RevPAR: A metric representing revenue per available room

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Under Operating

Automated Marketing Content Generation

AI Automates Creative Production for Advertising Operations

In-House Advertising Creative Operations

AI Content Generation Ratio **100%**

Human-Created

AI-Generated

Reduced production costs and improved marketing precision

Approach to M&A and Strategic Capital Alliances

M&A is essential for our nonlinear, dynamic growth. We have established a top-management-led M&A team to actively pursue opportunities.

Real Estate Related Companies

Expand business scale and diversify products by incorporating rental management and asset management firms with developers and investors

PropTech / FinTech

Integrate DX into asset management to pursue efficient asset operation and management

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Operating Companies

Invest in hotels, healthcare, education, and facility management companies to support growth and expand our pipeline

Invested in November 2024 — TAT

Asset Management & Sales Firms

Enhance distribution channels, acquire investors, and strengthen alternative product development capabilities

Wholly acquired in January 2025 — 臼木証券株式会社 USUKI SECURITIES CO.,LTD.

Positioning of Shareholder Return Measures for Enhancing Corporate Value

We aim to enhance corporate value through four key pillars, focusing on growth investments and balanced measures including shareholder returns.

1. Business Growth

- From a leading real estate crowdfunding company to an alternative investment platform via digital securities
- Focusing on long-term growth with active investments in platforms, DX, and new products
- Completed 2 M&As in FY2025/3, with more planned
- Investing only when returns exceed capital costs.

2. Shareholder Returns

- Initiating stable and continuous shareholder returns through "dividends". However, as business growth is significant, we will allocate funds to growth investment for the time being while implementing dividends within a reasonable range (Payout ratio target of 15%)
- Also considering flexible share buybacks depending on market conditions.

Goal: Increase Corporate Values

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3. Improving Stock Liquidity

- Track institutional investor meetings as KPIs; expand communication with individual investors
- To improve liquidity and expand the investor base, we will implement a 5-for-1 stock split and introduce a shareholder benefit program (digital gift twice a year)

4. Optimizing Capital Structure

- Maintain high ROE by managing financial leverage
- Consider **share buybacks** with surplus funds

Target Financial Indicators in the Medium-Term Management Plan

Due to fund operations being principally off-balance under FTK3&4 scheme, **the equity ratio is expected to gradually improve**. While financial soundness will be enhanced, management will prioritize investment and capital efficiency, alongside the continued execution of shareholder returns.

ROE*1

FY2025/3	FY2026/3	Target Level
30.2%	23.2%	40%

※1 ROE = Net income attributable to parent company shareholders ÷ [(Shareholders' equity at the end of the previous fiscal year + Shareholders' equity at the end of the current fiscal year) ÷ 2]

Equity Ratio*2

FY2025/3	FY2026/3	Target Level
9.8%	25.5%	40%

※2 Equity Ratio = Shareholders' Equity ÷ Total Assets

Dividend Payout Ratio

Current Guideline

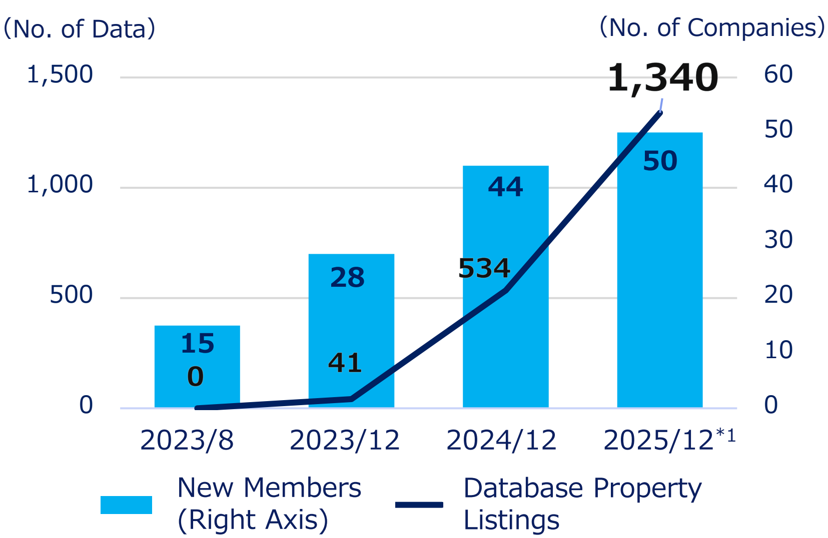
Prioritize growth investments with a target of around **15%**

Includes shareholder benefits and share buybacks; total return ratio also emphasized

Strengthening the Activities of the Real Estate Crowdfunding Association

In December 2024, the Japan Real Estate Crowdfunding Association, chaired by President and Representative Director Yokota, integrated with other organizations to become the industry’s sole trade association. The Association participated in the Real Estate Crowdfunding Parliamentary League General Meeting in December 2025 and held three “Self-Regulatory Rules Review Committees” by January 2026. In March 2026, it released a checklist for solicitation screens related to FTK products and plans to implement strict operations, including penalties.

Number of members and number of properties registered in the database



Association Founded → **Association Merger**

*1 Data as of the end of December for each year

Transparency

Building a Real Estate Crowdfunding Database

"Self-Regulation Rule Review Committee"

Recognition

Information Dissemination as an Industry Group (Industry Reports, White Papers, etc.)

Participation in the General Meeting of the Parliamentary Federation for the Promotion of Real Estate Crowdfunding

Quarterly Trends in Revenue and Gross Profit by Business Segment

(million yen)	FY2025				FY2026				FY2027
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Revenue	13,827	7,845	4,968	15,182	10,069	6,724	12,790	8,210	7,376
CREAL	2,406	5,143	1,999	11,837	7,723	3,746	9,877	2,036	3,031
PRO	9,577	434	988	689	102	241	407	3,039	1,721
PB	1,747	2,170	1,876	2,487	2,011	2,348	2,109	2,672	2,096
Others	96	96	104	167	231	388	394	461	527
Gross Profit	1,588	1,063	950	2,064	1,334	1,651	2,284	2,528	987
CREAL	137	504	412	1,165	1,013	1,046	1,779	557	357
PRO	1,239	309	324	618	47	164	127	1,525	172
PB	151	189	158	217	173	238	216	270	225
Others	60	59	53	63	99	202	161	174	232

FAQ

FAQ

This section presents questions and answers anticipated from investors

Q. Finance **How will rising rates affect the real estate market and our results?**

A. Rising interest rates generally increase costs for real estate buyers, which can be a negative impact both when acquiring and selling property. That said, we believe the impact on us is limited, for the following reasons.

1. While the Bank of Japan has been raising rates intermittently, there is limited room for further increases, and we have seen no major change in banks' lending stance.
2. The rise in rates also reflects continuing inflation, and well-located properties are currently seeing rapid inflation (rising rents, falling cap rates). We expect continued strong demand for real estate investment as an inflation hedge.

Q. CREAL **Why do you not disclose revenue in your earnings forecasts?**

A. Following completion of our application on March 31, 2025, and the subsequent registration and launch of services under Type 3/4 of the Real Estate Specified Joint Enterprise Act, our core CREAL business now involves a mix of on-balance-sheet fund management, where crowdfunding assets and liabilities are recorded on our consolidated balance sheet, and off-balance-sheet management, where they are not. Given this mix, we believe gross profit is more useful to investors for valuing our company than revenue, which fluctuates significantly based on the property sale amounts of on-balance-sheet funds; gross profit excludes those sale amounts and better reflects fund management earnings.

Actual revenue figures by business are disclosed in the Appendix.

Q. CREAL **Do you have any competitors?**

A. There are not many listed companies with real estate crowdfunding as their core business. In the broader B2C “asset management x tech” category, we consider online securities brokers and robo-advisors to be competitors or comparable companies.

FAQ

This section presents questions and answers anticipated from investors

Q. Quarterly Results **Could results be skewed on a quarterly basis?**

A. Our business has almost no seasonality by nature, but the size of properties we acquire or sell, and variability in settlement timing, mean results can end up skewed by quarter. As our business scales and recurring revenue accumulates, the impact of any single sale on our results becomes relatively smaller, so we expect results to smooth out as our business grows.

Q. CREAL **What is the impact of the class action against the operator of "Minna de Ooyasan"?**

A. "Minna de Ooyasan" is a real estate investment product sold to individual investors under the Real Estate Specified Joint Enterprise Act, but it differs from the real estate crowdfunding we operate, which raises funds from individual investors online. CREAL has long provided robust information disclosure as an investment product, so this matter has had no impact on CREAL's fundraising activities or our business.

Given the recent expansion of products soliciting retail investment through real estate crowdfunding, the Ministry of Land, Infrastructure, Transport and Tourism has, since April 2025, led a council examining the future of the specified joint real estate enterprise system, including the need for enhanced retail disclosure. The Real Estate Crowdfunding Association, whose representative director is our CEO Yokota, also joined as an observer. The council met three times as a "Self-Regulatory Rules Committee" through January 2026, and in March released a "Checklist for Product Solicitation Screens," with strict enforcement, including penalties, planned going forward.

Q. CREAL **Will the inheritance-tax reform for small-lot real estate products affect your business?**

A. The CREAL business differs in nature from small-lot real estate products designed for inheritance tax purposes, and since our products are not intended to achieve any specific tax effect, we do not believe the tax reform will affect us.

FAQ

This section presents questions and answers anticipated from investors

Q. Hotels **Will China's travel advisory affect hotel revenue?**

A. Chinese guests make up a limited share of our hotels' customers, so we have seen no impact on bookings or occupancy, though we are monitoring room-rate trends at some hotels. The apartment hotels we plan to develop going forward target inbound travelers from the US, Europe, and Australia, so we expect them to be less affected.

Q. Hotels **Would closure of the Strait of Hormuz and a resulting naphtha shock affect your business?**

A. Regarding apartment hotels, the CREAL PRO business manages development funds, and for some projects under development, the naphtha shock could delay delivery of certain materials and push back completion. A few projects are developed on our own balance sheet, but most are held within funds, so the impact of any such delay on our results is minor.

Disclaimer

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