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CCReB Advisors, Inc.

## **Financial Results for the First Quarter of the Fiscal Year Ending August 31, 2026**

### **Q&A Session Summary**

The following are our responses to the questions submitted via the question form during the FY2026 1Q Financial Results Presentation. We sincerely appreciate all shareholders and investors who took the time to submit their inquiries.

Please note that similar or overlapping questions have been consolidated and answered collectively.

#### **【Summary of Questions and Answers】**

**Q1** : Regarding the pipeline status on page 17 of the financial results presentation, it states there are currently 34 cases totaling approx. 66 billion yen. Is this more or less than the previous year? Please explain the trend.

**A1** : The number has increased compared to the previous year, especially for projects related to B/S utilization investments. As CRE strategies have become more widespread as a means of improving corporate capital efficiency, companies that prioritize capital efficiency are increasingly considering whether to continue holding or to divest their assets. In addition to direct inquiries to our company, requests for collaboration from partner companies have also increased, resulting in a growing pipeline.

**Q2** : You mention that one real estate M&A project has been added to the pipeline. Where do you obtain information on such real estate M&A deals?

**A2** : In October 2025, we established the Corporate Development Office to lead M&A, capital alliances, and other strategic investments, and hired one dedicated staff member. This member actively contacts M&A brokerage firms and, as of recently, has obtained information on 17 M&A opportunities aligned with our strategy. Of these, one project that matches our criteria and real estate potential, and is expected to contribute to results in the short to medium term, has been added to the pipeline.

**Q3** : Please tell us about the status of sales activities for the CCReB CREMa (matching system) to financial institutions.

**A3** : We continue to promote sales activities to financial institutions, mainly regional banks that have many medium-sized and small business clients, which are our target customers. However, many regional banks have already introduced business matching and other platform services provided by other companies, so it is true that it takes a certain amount of time to introduce new services. We will continue to vigorously promote sales activities, focusing on regional banks.

**Q4** : In the quarterly plan for this fiscal year, both sales and profits are expected to increase significantly in the third quarter. Is there any change to this plan?

**A4** : For the third quarter of this fiscal year, we plan sales of 2,231 million yen, operating profit of 434 million yen, and net profit of 285 million yen.

The majority of this sales amount is from a hazardous materials warehouse development project in Kitahiroshima-shi, Hokkaido. We acquired the development land for this project in August 2025 and currently own it. Once the building confirmation application is completed, we plan to sell it to a development TMK (special purpose company), and the application process is progressing as planned. In addition, sales from the real estate brokerage service announced on December 25, 2025, are also expected to be booked in the third quarter.

**Q5** : Regarding the approx. 6 billion yen in investments (including planned investments) up to the present, as shown on page 8 of the financial results presentation, are these included in the figures of the medium-term management plan, or are they investments made after the plan was formulated?

**A5** : The approx. 6 billion yen in investments (including planned investments) up to the present were projects planned within the medium-term management plan and are included in its figures.

The plan was to use both cash on hand and borrowings for these acquisitions. Due to the recent public offering, our cash on hand has increased, so for projects acquired after the public offering or those to be acquired in the future, we plan to use funds raised through the public offering and, by recycling capital, capture the increasing pipeline. As indicated on pages 18–20 of the financial results presentation, new projects (marked “NEW”) are also increasing. These are projects that have emerged after the formulation of the medium-term management plan. By capturing these new projects using cash on hand and debt capacity, we aim to accelerate the reliable achievement of the medium-term management plan.

**Q6** : In the first quarter, sales increased but profits decreased compared to the same period last year. I understand that for the second quarter as well, both sales and profits are expected to decrease year-on-year. Will such quarterly fluctuations continue in the future? Please explain any seasonality.

**A6** : Our sales consist of variable sales (flow income) and fixed sales (stock income).

Our quarterly results will continue to fluctuate depending on the timing of when variable sales are booked. Variable sales are booked when deals such as B/S utilization investments or real estate brokerage are completed. Fixed sales are recurring and stable revenues such as rental income, asset management fees, monthly consulting fees, and subscription income from Prop-Tech services. Fixed sales are on an upward trend due to increased rental income during the holding period of investments in business-use real estate and increased subscription income from more paid users of Prop-Tech services.

By disclosing quarterly plans, we aim to make the factors behind performance fluctuations transparent and provide reassurance to investors.

We ask that you evaluate our progress and growth on a full-year basis, taking into account the seasonality of quarterly sales, rather than on a quarterly basis.

**Q7** : You state that the public offering was conducted to raise funds for the reliable and early realization of

the medium-term management plan. Specifically, how will these funds be used?

**A7** : Amid a rapid increase in our pipeline, driven by the growing need for asset sales as companies focus on improving capital efficiency, we raised approx. 2.4 billion yen through a public offering to respond to these needs and to accelerate the reliable achievement of the medium-term management plan.

Of the funds raised, we plan to allocate approx. 2.3 billion yen to B/S utilization investments and 100 million yen to the development of Prop-Tech systems. With increased cash on hand from the public offering and expanded debt capacity, we will use these resources for investments in new pipeline projects.

After a certain period of investment, we will create capital gains through sales, recover funds, and reinvest in new growth opportunities, thereby advancing capital recycling.

Through this, we aim to accelerate the reliable achievement of the medium-term management plan.

**Q8** : You mention plans to invest using debt capacity in the future. What is your view on the impact of rising interest rates?

**A8** : As of the end of November 2025, our equity ratio was 72.8%, indicating a sound financial position. For future borrowings from financial institutions, we will operate with a net D/E ratio of 1.0x as our financial discipline. Although we are in a rising interest rate environment, our operating profit margin is currently in the 30% range, indicating strong profitability, so we believe the impact of rising interest rates will be limited.

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