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CCReB Advisors Inc.

Financial Results for the Fiscal Year Ended August 31, 2026

Summary of Questions and Answers

The following are our responses to the questions submitted during the FY2026 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 : What holding period does the Company envisage for B/S utilization investment properties?

Does the Company intend to hold assets over the long term or prioritize asset turnover?

To what level does the Company expect the balance of properties held to increase?

A1 : Until now, we have explained that the anticipated holding period is generally one to two years. However, as stated on page 31 of the financial results presentation materials, the average holding period for the fiscal year ended August 31, 2026 was approximately 3.8 months.

The Company's basic policy is to acquire properties for which prospective buyers have been identified, add value through measures such as renovation where necessary, and transfer the properties to their next owners. Accordingly, rather than holding assets over the long term, we will continue to prioritize asset turnover.

Furthermore, given uncertainties in the business environment, including interest rate conditions and global economic trends, we intend to maintain the flexibility needed to respond swiftly to changes in the environment. We will therefore control the balance of Real Estate for Sale at an appropriate level without accumulating excessive inventory.

Q2 : With the pipeline of B/S utilization investment opportunities continuing to grow, what is the Company's approach to financing?

A2 : As mentioned during the financial results presentation, we will first execute our capital recycling strategy while maintaining financial discipline based on a Net D/E Ratio of 1.0x.

Accordingly, during the period covered by the current Medium-Term Management Plan, we intend to raise funds through borrowings and, as a general rule, do not currently envisage financing through a capital increase.

Equity financing naturally remains one potential option in the future, but we do not consider it necessary at present. Our priority is to enhance corporate value and market capitalization through steady earnings growth, after which we will consider the appropriate approach to financing for the next stage of growth.

Q3 : More companies appear to be entering the real estate data services market. What impact does the Company expect this to have?

A3 : We understand that a company engaged in the real estate data business is currently preparing for a public listing. However, several companies have long provided real estate data services, and systems offering logic-based forecasting similar to CCRéB AI have also been released.

The Company's business model is to provide CRE (Corporate Real Estate) solutions by leveraging its proprietary technology services. We do not seek to compete on price in the data services market. At the same time, we view the increase in providers of real estate data services and the wider adoption of Prop-Tech services and data utilization as positive developments that will contribute to market expansion.

Because the Company operates from a distinctive position, applying Prop-Tech within the CRE market, we do not expect these developments to have a significant impact at this time.

Q4 : Based on the sales plan for the fiscal year ending August 31, 2027, the 12.0 billion yen sales target for the third and final year of the Medium-Term Management Plan (the fiscal year ending August 31, 2028) appears to be within reach. Does the Company intend to revise the Medium-Term Management Plan?

A4 : As shown in the progress update on the Medium-Term Management Plan on page 20 of the financial results presentation materials, we believe that the sales target is likely to be achieved ahead of schedule.

However, from the perspective of achieving the operating profit target, our highest priority is to steadily deliver the targets set out in the current Medium-Term Management Plan rather than revising the plan. Accordingly, we do not intend to revise the Medium-Term Management Plan at this time.

When the plan was announced, some observers regarded its targets as highly ambitious. We therefore intend to earn the trust of investors by clearly demonstrating our ability to steadily achieve the stated targets.

Q5 : The value of projects contracted or expected to be contracted in the first quarter of the fiscal year ending August 31, 2027 has already reached approximately 5.5 billion yen, which suggests that the Company has secured a substantial volume of projects. How confident is the Company in achieving its full-year forecast? Please also provide further detail on the favorable deal sourcing environment.

A5 : As stated on page 12 of the financial results presentation materials, projects contracted or expected to be contracted currently total approximately 5.5 billion yen.

We therefore believe there is a high degree of certainty regarding achievement of the earnings forecast for the fiscal year ending August 31, 2027. Securing this volume of projects at the first-quarter stage represents a very positive position from which to achieve the full-year sales target.

The pipeline is as explained on page 24 of the financial results presentation materials. As also discussed at the beginning of the presentation in relation to the CRE market, we are seeing a clear change in corporate awareness, which we believe is creating strong tailwinds for the market. As more companies review and sell non-core assets to reallocate capital to other investments, the Company's pipeline has continued to expand.

Q6: Please explain CCRéB's strengths once again. What differentiates the Company from other real estate companies?

A6: We believe the Company's principal strength lies in its specialization in the CRE (Corporate Real Estate) market.

By applying Prop-Tech to the CRE market, we improve operational efficiency and use technology to formulate hypotheses that would be difficult to derive using conventional methods alone. We regard this capability as one of our key strengths.

Although the Company sources and sells properties, and may therefore appear no different from a conventional real estate company when viewed solely from that perspective, CRE assets are not simply properties to be sold. They reflect the intentions of the companies disposing of these assets and provide scope to create value by determining how the properties can be transformed and passed on to their next use. We believe this added value is the source of the Company's profits.

The Company also uses Prop-Tech to visualize the vast CRE market, estimated at approximately 500 trillion yen, and leverages technology to enhance operational efficiency while conducting business with a small team of highly capable professionals. These characteristics give the Company a sharply differentiated position.

Q7: Is the forecast operating profit margin of 20% for the fiscal year ending August 31, 2027 a conservative and achievable figure? Although the margin is expected to increase year on year, how should investors view the operating profit margin target of 25% to 30% set out in the Medium-Term Management Plan?

A7: The forecast operating profit margin of 20% for the fiscal year ending August 31, 2027 has been calculated by aggregating the expected gross profit from each project in the pipeline. In that sense, we consider it to be a solid and achievable figure.

The planned margin is higher than the 16.3% recorded in the previous fiscal year. However, as noted in the question, the Medium-Term Management Plan aims for an operating profit margin of 25% to 30%.

As stated on page 10 of the financial results presentation materials, B/S utilization investments generate an average gross profit margin of approximately 20%, which differs from the margins of the Company's other services. The operating profit margin therefore varies depending on the business portfolio and project mix. At present, corporate demand for real estate disposals is extremely strong, and we plan to increase the proportion of B/S utilization investments during the current fiscal year. This accounts for the difference from the operating profit margin envisaged when the Medium-Term Management Plan was formulated. It does not indicate any decline in the profitability of the individual services themselves.

The Company does not manage the business with the operating profit margin itself as a management target. Rather, we place priority on steadily achieving the amount of operating profit set out in the Medium-Term Management Plan. Because the operating profit margin is determined by the business portfolio and project mix through which profit growth is generated, the margin may fluctuate from year to year.

We will continue to pursue sustainable profit growth while maintaining a high level of profitability that exceeds that of conventional real estate companies.

Q8: Regarding the pipeline, has greater market recognition or a more favorable external environment made it easier to secure projects or changed the nature of those projects? Please also explain whether there are any business domains in which the Company intends to increase its activities going forward.

A8: We clearly feel that the quality of the pipeline has changed since the Company's listing.

With respect to a recent initiative, we understand that the client selected the Company after evaluating the Company's name recognition and track record. In that sense, we believe that the listing and our branding activities aimed at enhancing market awareness are beginning to produce tangible results.

While our commitment to industrial real estate remains unchanged, demand for factories has recently become particularly strong, and we intend to actively originate projects in this area. We are also focusing on HAZMAT warehouses, including a project currently under development. Because demand for these assets is particularly high in certain locations, we intend to provide HAZMAT warehouses based on accurate demand forecasts.

Q9: Why is profit expected to be low in the first quarter of the fiscal year ending August 31, 2027?

A9: As stated on page 19 of the financial results presentation materials, in the first quarter of the fiscal year ending August 31, 2027, the Company expects to record expenses related to the relocation of its head office and recognize, in a lump sum, upfront fees related to borrowings by a development TMK and borrowings for the Company's property acquisitions.

In particular, the upfront fees on borrowings are expected to have a substantial impact. These fees are projected to total approximately 80 million yen and account for the majority of the one-time expenses, making them the principal reason for the lower level of profit expected in the first quarter.

END

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