12 May 2025

Company name: MIRARTH HOLDINGS, Inc.
Name of representative: Kazuichi Shimada, Representative Director
（Code No. 8897 Tokyo Stock Exchange Prime）
Enquiries: Enquiries: Kensuke Suzuki, Executive Officer and General Manager of IR Office
（TEL:+81-3-6551-2133）

Notice on the Formulation of the Medium-Term Management Plan

The Company has formulated a medium-term management plan covering the period from the year ending 31 March 2026 to the year ending 31 March 2028, which was resolved at a meeting of the Board of Directors held today.

Details are as follows.

1. Background to the formulation of the medium-term management plan

In the Medium-Term Management Plan formulated in May 2021, the following objectives were set out: 'Further growth of core businesses', 'Maximized group synergies', 'Optimized business portfolio', 'Establishment of a stable financial groud', 'Improvement of productivity and creation of new services through promotion of DX', 'Proactive ESG considerations', 'Personnel development and establishment of the rewarding workplace environment'. The Group has been promoting its business with the aim of becoming a company trusted by all stakeholders under the seven pillars of 'optimising the portfolio', 'establishing a stable financial base', 'improving productivity and creating new services through DX promotion', 'actively responding to ESG' and 'developing human resources and creating a rewarding working environment'. During the period, the Group announced revisions to the relevant medium-term management plan against the background of changes in the earnings structure and the formulation of a Group Purpose following the transition to a holding company structure and the implementation of the TOB for Takara Leben Infrastructure Investment Corporation. In the year ending 2025, the final year of the plan, key management indicators were generally achieved as planned, but performance targets, with the exception of gross profit, were not achieved due to an increase in selling, general and administrative expenses. The company has now decided to restructure its growth strategy based on a long-term vision towards 2030 and formulate a new medium-term management plan.

2. Basic policy

The new medium-term management plan is based on the Group's Purpose: "To design sustainable environments for a happier future for both people and our planet." and the long-term vision for 2030: "The power to design a sustainable environment for a happy future for people and the planet". and the long-term vision for 2030, "Be the Takara of the community". The Group has formulated key themes and basic strategies based on the Group's long-term vision for 2030, "Be a force for good in the community". We aim to realise sustainability management based on the three-pronged strategy of 'implementing Purpose

Management', 'reforming the growth structure' and 'promoting ESG management', and to achieve sustainable growth and increase corporate value over the medium to long term.

*For more information on the medium-term management plan, please see the attached document.

MIRAI for EARTH

MIRARTH HOLDINGS, Inc.

Medium-term Management Plan

2026/3～2028/3

May 12,2025 | Securities Code：8897

Index

1. Our Purpose and Long-term Vision P. 2

2. Overview of the Medium-term Management Plan P. 6

3. Strategies P. 14

   1. Financial Strategy P. 15

   2. Non-financial strategy P. 18

   3. Business strategy P. 24

4. Appendix P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

1. **Our Purpose and Long-term Vision** P. 2
2. Overview of the Medium-term Management Plan P. 6
3. Strategies P. 14
    1. Financial Strategy P. 15
    2. Non-financial strategy P. 18
    3. Business strategy P. 24
4. Appendix P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Our Purpose

To design sustainable environments for a happier future for both people and our planet.



Year Ending March 31, 2031 Long Term Vision

Be the Takara of the community

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Review of the Medium-term Management Plan

Seven Pillars of the Medium-term Management Plan

	Achievements	Ongoing Challenges
1 Further growth of core businesses	In Japan, we have expanded urban redevelopment projects and promising construction projects throughout the country to promote community-based urban development. Overseas, we have leveraged the expertise we cultivated in Japan to develop condominium businesses in Vietnam, Thailand, and the Philippines.	Longer balance sheet retention periods due to inflation and longer construction periods.
2 Maximized group synergies	We have strengthened the asset management business and expanded the scale of assets by taking a pipeline of extensive and diverse income-producing properties that take advantage of our development capabilities in the core real estate business, and selling them to REITs.	Started developing products that exploit synergies between the real estate and energy business. Cost control for implementation in all projects.
3 Optimized business portfolio	To achieve further growth in the future, we have created a roadmap to 2030 that aims to break away from a business portfolio that relies solely on the real estate business and make the energy business the second pillar of our operations.	Lower than expected share of the energy business in the portfolio. Need to increase the amount of development.
4 Establishment of a stable financial ground	Developed a scheme to secure stable recurring income despite increase in borrowings, etc. as a result of making a tender offer bid (TOB) for Takara Leben Infrastructure Investment Corporation. A V-shaped recovery is expected from the fiscal year ending March 31, 2025.	Although the implementation of TOB for Takara Leben Infrastructure Investment Corporation caused a temporary decline in the capital adequacy ratio, the subsequent public offering (PO) helped the ratio recover to the 20% range. We will strengthen our financial base with a stable target of 23%.
5 Improvement of productivity and creation of new services through promotion of DX	Aiming to unify platforms in the Group, we have built a one-time-only system, a multi-tiered platform, and an end-to-end integrated system, and so on.	The promotion of DX helped to improve operational productivity, but did not lead to the creation of new services.
6 Proactive ESG considerations	CO2 emission reduction targets were established to achieve carbon neutrality. We collected data from each company and disclosed Scope 3 emissions.	TNFD compliance will be promoted in the future.
7 Personnel development and establishment of the rewarding workplace environment	We actively invested in human capital. We increased employee base salaries and starting salaries for new graduate hires. We are cultivating young employees who will lead the next generation by conducting selective training to foster problem-solving thinking from a manager's perspective.	Further strengthening of human capital. Increased productivity through optimised allocation of Group personnel.

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Recognition of challenges to achieving the long-term vision

External Environment

- **Aging population and declining birth rate Decline in working-age population**
- **Inflation Increase in interest rates**
- **Sense of instability in the global situation**
- **Environmental issues Acceleration of decarbonization**

Recognition of issues

Stable supply of real estate

- Rising construction costs
- Longer construction periods
- Rising interest rates

Expansion of renewable energy ratio

- Expanding cost burden
- Longer construction periods
- Increased costs due to cable theft prevention

Maximizing human capital

- Productivity improvements
- Ensuring diversity
- Purpose, further penetration of long-term vision

Vision

Creating new value through real estate and energy

Real Estate Business

- Providing real estate with high environmental value
- Cost control
- Diverse product lineups

Energy Business

- Active development of renewable energy
- Expansion of energy storage business
- BCP measures through renewable energy

Asset Management Business

- AUM Expansion
- Diversified fund management

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

1. Our Purpose and Long-term Vision P. 2

2. Overview of the Medium-term Management Plan P. 6

3. Strategies P. 14

   1. Financial Strategy P. 15

   2. Non-financial strategy P. 18

   3. Business strategy P. 24

4. Appendix P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Our Purpose

To design sustainable environments for a happier future for both people and our planet.

Year Ending March 31, 2031 Long Term Vision

Be the Takara of the community

Key Themes

Key themes for management foundations

1. Further promotion of sustainability
2. Pursuit of capital efficiency
3. Increased stakeholder engagement

Key Themes for business strategy

1. Improved productivity and profitability
2. Active investment in cash-generating businesses
3. Business portfolio optimization

Basic Strategies

Financial Strategy

- Thorough balance sheet control
- Balance between investment in growth and financial soundness
- Improved profitability and efficiency

Non-financial strategy

- Linking management strategies to ESG
- Continued investment in human capital
- Qualitative improvements to IR activities

Business strategy

- Responding to Inflation
- Thorough ROIC management in each business
- Management of SG&A expense ratio

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Roadmap to 2030

Towards a future environment design company

Be the Takara of the community

2030

Operating income

～15.4billion yen

Phase 1 FY 2022～FY 2025

Period of Business Structural Reform

- Transition to a holding company structure
- Developing a Purpose and Long-Term Vision
- Strengthening portfolio management
- Diversification of the energy business
- Fundraising through public offering

15～16.5 billion yen

Phase 2 FY2026～FY2028

Emphasis on Offensive and Defensive Balance. Growth investment implementation phase

- Execution of investments in growth businesses
- Development of a lean balance sheet
- Maintaining appropriate leverage levels
- Management of SG&A expense ratio

22 billion yen or more

Phase 3 FY2029～FY2031

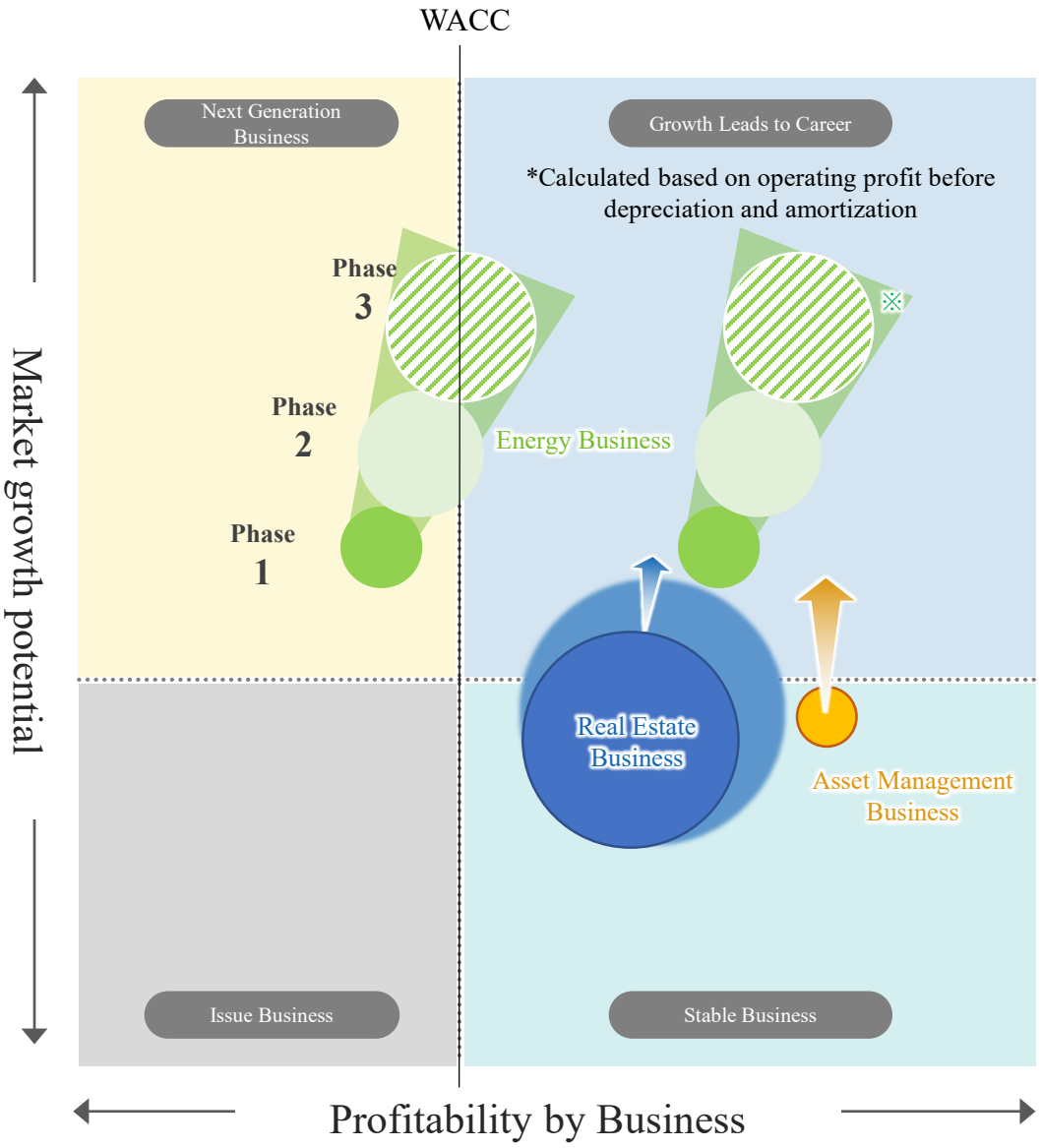
Stable Recovery Period ～Period of realization of changes in the profit structure～

- Embodying the Long-Term Vision
- Realisation of regional development projects
- Establishing a circular business model
- Pursuing an optimal balance sheet
- Increased returns in energy business

Diversification of fund raising | **Responding to Inflation** | **Further promotion of sustainability**

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Business Portfolio Management



Real Estate Business

- Securing stable profits as a core business
- Expanding market share
- Providing high value-added real estate

Energy Business

- Positioning as a growth-driving business
- Scaling up through diversification of power generation sources
- ROIC management on a cash basis

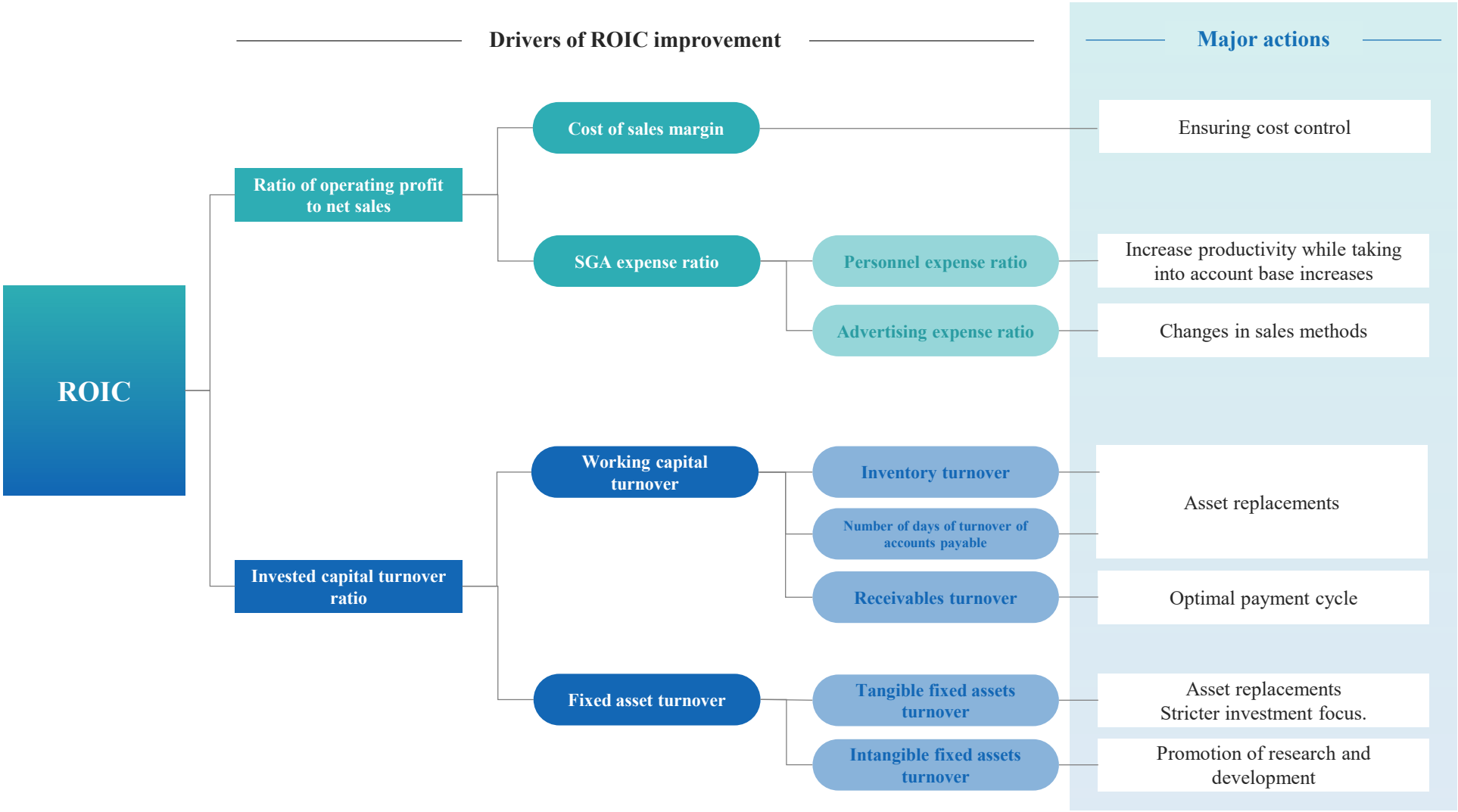
Asset Management Business

- Increased compensation due to higher AUM
- Reinforcement of operational personnel structure

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

ROIC Tree

- We work to understand ROIC by segment and implement measures to improve it



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Pursuing Improved ROE

- In Phase 2, although investments will be made ahead of time, we aim for ROE of 9% or more.
- Phase 3 will be a period of renewed growth in which we aim for ROE of 10% or more.

FY 3/2025 Results

ROE
11.0 %

FY 3/2025 Results

(1) Ratio of profit to net sales	4.2% ~	Profitability: ● Improvement of profitability in the real estate and energy businesses ● SG&A expense control
×		
(2) Asset turnover	0.6 turnover ~	Asset efficiency: ● Aiming to improve profitability while being aware of asset turnover ● Asset replacements
×		
(3) Financial leverage	4.8 x	Safety: ● Controlling leverage ratios ● Balance between investment and return

$$\text{ROE} = \frac{\text{Profit attributable to owners of parent}}{\text{Shareholders' equity}^{*1}} = \frac{\text{Profit attributable to owners of parent}}{\text{Net sales}\ (1)} \times \frac{\text{Net sales}}{\text{Total assets}^{*2}\ (2)} \times \frac{\text{Total assets}^{*2}}{\text{Shareholders' equity}^{*1}\ (3)}$$

*1 Average net assets - share acquisition rights - minority interests *2 Average total assets during the period

Phase1	Phase2	Phase3
FY2022 to FY2025	FY2026 to FY2028	FY2029 to FY2031
7.6 – 12.9%	9 % or more	10% or more

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Key Management Indicators

- Stable capital ratios are maintained while leverage levels are controlled

	FY2025/3 Actual Results	Objectives
Equity ratio (%)	22.3 %	**23% or more** (at the end of FY2028/3)
LTV(%) ※	60.9 %	**Less than 65 %**
D/E Ratio (times)	2.5 times	**3.0 times**
ROE(%)	11.0 %	**9% or more**

※ LTV：Loan to Value

Overall Summary

(Millions of yen)

	FY2025/3 Actual Results	FY2026/3 Forecast	FY2027/3 Forecast	FY2028/3 Forecast
Net sales	**196,523**	**216,400**	**228,700**	**245,200**
Gross profit	**42,311**	**44,400**	**45,000**	**47,650**
Operating income	**14,364**	**15,500**	**15,000**	**16,650**
Ordinary income	**12,427**	**12,000**	**12,100**	**13,650**
Profit attributable to owners of parent	**8,207**	**8,000**	**8,000**	**9,000**
EBITDA※	**19,600**	**20,900**	**20,600**	**22,450**

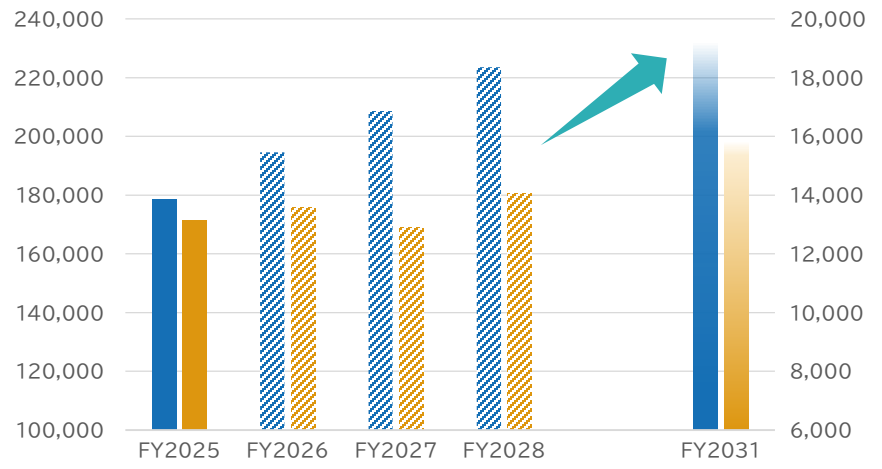
※ EBITDA＝operating income＋ depreciation expense

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

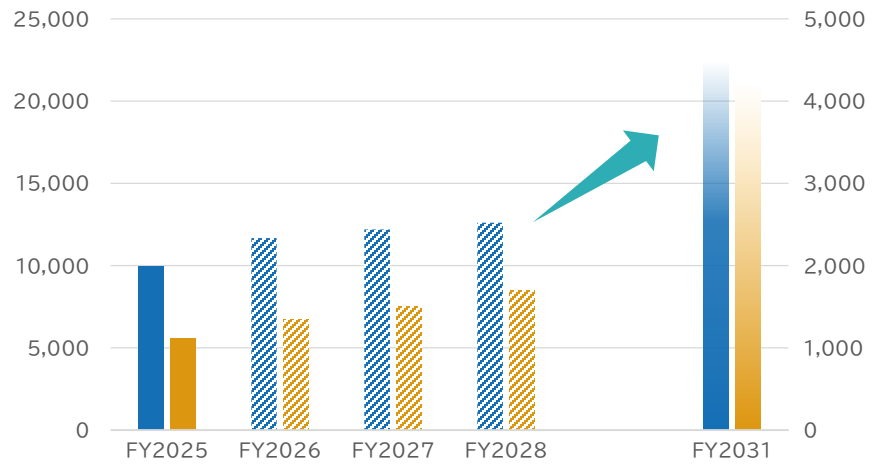
Medium-Term Management Plan Segmental Targets

Net Sales(left axis：million yen)　Operating income(Right Axis ：million yen)

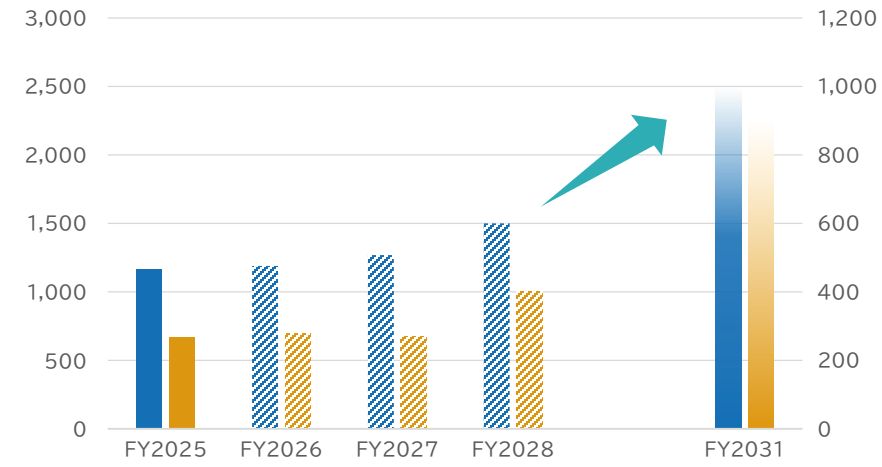
Real Estate Business



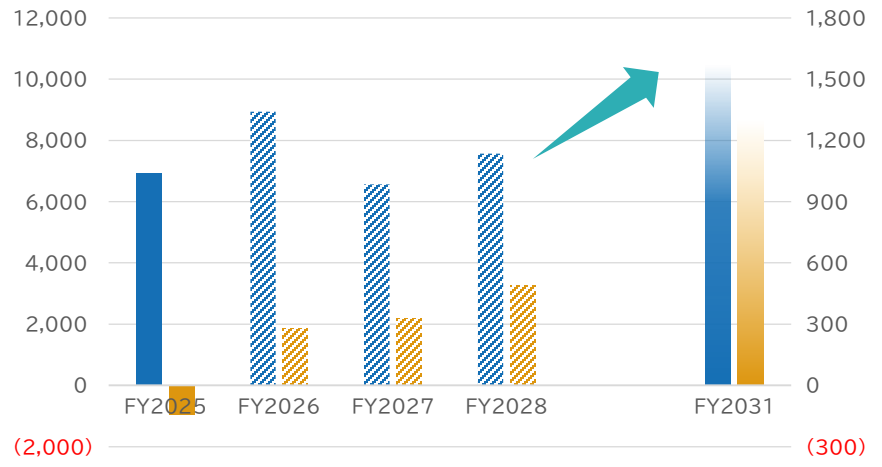
Energy Business



Asset Management Business



Other Businesses



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

1. Our Purpose and Long-term Vision — P. 2

2. Overview of the Medium-term Management Plan — P. 6

3. Strategies — P. 14

   1. Financial Strategy — P. 15

   2. Non-financial Strategy — P. 18

   3. Business Strategy — P. 24

4. Appendix — P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

- We will implement balance sheet control for renewed growth
- We will develop a lean balance sheet that can flexibly respond to changes in the external environment

Thorough balance sheet control

- Build an optimal portfolio
- Shorten the holding period
- Maintain strict financial discipline

Balance between investment in growth and financial soundness

- Secure funds for investment in growth
- Invest in long-term income-producing real estate
- Expand recurring business
- Expand sustainability-related financing
- Diversify funding methods
- Optimize investment and returns

Improved profitability and efficiency

- ROE of 9% or higher
- Implement asset replacements
- Manage ROIC in each business

LTV	D/E ratio	Equity ratio	Dividend Payout Ratio	ROE
Less than 65%	Less than 3.0x	23% or more	35~40%	9% or more

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Basic policy on shareholder returns

Our group recognizes that the return of profits to shareholders is one of the most important management issues, and its policy is to return cash through stable dividends while implementing the use of cash with a focus on growth.

Medium-term management plan shareholder return policy.

- Positioning shareholder returns as one of our top priorities
- Dividend payout ratio revised upwards from 30-35% to 35-40%. Stable and continuous payment of appropriate dividends in line with performance.
- In the second and subsequent years, the dividend per share is set at no less than 21 yen per share in the first year.



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Capital Allocation Policy

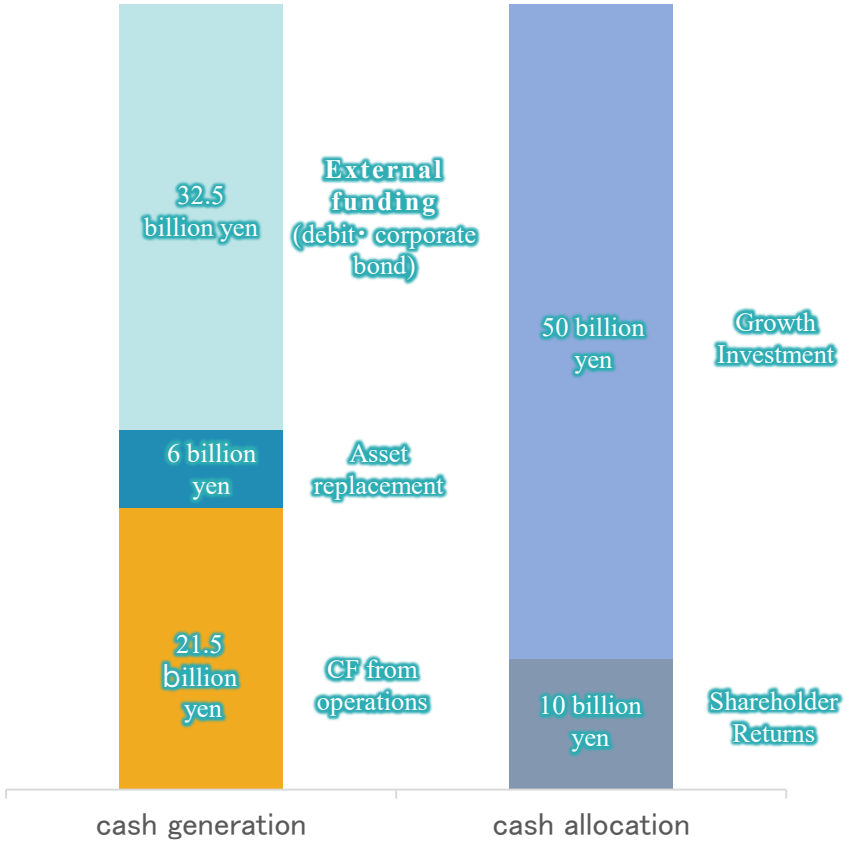
- Investment in stock business to strengthen the business base
- Shareholder returns are set at a payout ratio of 35-40%.

FY2026～FY2028

External funding

・65% of growth investment expected to be raised

※Amounts raised are stated net of repayments



Growth investment

・Investment in real estate business：25 billion yen
（Regional development relations 5 billion yen include）

・Investment in hotel business：5 billion yen

・Investment in energy business：20 billion yen

Shareholder returns

・payout ratio of 35-40%

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

1. Our Purpose and Long-term Vision P. 2

2. Overview of the Medium-term Management Plan P. 6

3. Strategies P. 14

   1. Financial Strategy P. 15

   2. Non-financial strategy P. 18

   3. Business strategy P. 24

4. Appendix P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

- Contribute to solving social issues and achieving the SDGs (Sustainable Development Goals) and aim for lasting development across all Group companies.

Sustainability key themes and relevant SDGs	Materiality

E Environment

Realizing a Decarbonized Society

While working to ensure a stable supply of renewable energy, we aim to promote environmentally friendly development with a low environmental impact by incorporating energy conservation measures and strive to mitigate climate change issues.



- Addressing climate change and decarbonization
- Promoting the stable supply and use of renewable energy

S social

Creating Sustainable Cities

We will contribute to the development of local communities and the enrichment of people's lives, and to the realization of a sustainable future through the provision of products and services that respond to social issues and changing needs.



- Realizing sustainable growth of local communities
- Addressing the declining birthrate, aging population, and shrinking workforce

Enhancing Well-Being

We will protect the mental and physical health and safety of our employees, foster a workplace culture in which diverse human resources can play an active role, and build co-creation relationships through dialogue with stakeholders.



- Ensuring the health and safety of employees
- Promoting Diversity Equity & Inclusion (DE&I)
- Respect for human rights and supply chain management

G Governance

Strengthening Governance

We aim to fulfill our corporate social responsibility by promoting sound corporate activities and ensuring transparency in decision-making, and to continuously enhance our corporate value.



- Strengthening corporate governance
- Strengthening risk managemen
- Ensuring corporate ethics and compliance

Towards lasting development together with society

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Creating a decarbonized society

Materiality	KPI
Addressing Climate Change and Decarbonization	CO2 emission reduction rate (Scope 1,2 and 3)
	Number of internal initiatives contributing to energy conservation
	Active development of refurbished and renovated condominiums
Promote stable supply and use of renewable energy	Total scale of renewable energy generation
	Acquisition of environmental performance certifications
	Adoption rate of ZEH level in detached houses
	Promoting the use of renewable energy in the new condominium business

*1
Scope 1: Direct emissions of greenhouse gases by businesses themselves (combustion of fuels such as city gas).
Scope 2: Indirect greenhouse gas emissions resulting from the use of electric power, heat and steam supplied by other companies
Scope 3: Indirect greenhouse gas emissions, which does not fall under Scopes 1 and 2 (emissions from other companies associated with the activities of the reporting company)
*2 Scope 1 and Scope 2 are to be reduced by 70% by FY2030.
*3 Neutralize residual emissions by utilizing forest-derived absorption and carbon removal technologies outside the value chain.

Setting Group-wide goals to achieve a decarbonized society

MIRARTH Holdings has set a goal of reducing greenhouse gas emissions from its business activities by 45% by FY2030 and to net zero by FY2050.
To achieve our medium- and long-term targets, we are working to implement energy-saving measures, utilize renewable energy, and reduce GHG emissions during construction and operation as reduction measures.



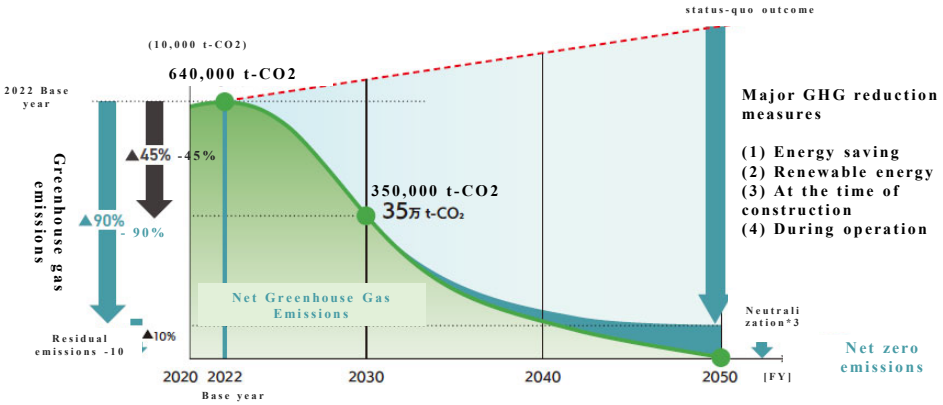
MIRARTH Holdings Group's Goals to Achieve a Decarbonized Society

Group-wide greenhouse gas emissions

Achieving a 45% reduction by FY2030
(compared with FY2022 levels)

Achieving net zero emissions by FY2050
Scope 1, Scope 2, and Scope 3*1 are covered.

Conceptual Image of Greenhouse Gas Emission Reductions



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Sustainability (S: Society / G: Governance)

Sustainable urban development

Materiality	KPI
Realizing sustainable growth in local communities	Number of housing supply projects abroad
	Number of redevelopment/reconstruction projects undertaken
	Satisfaction survey on condominium management services
	Number of nonconformities related to business processes and quality standards
Addressing the declining birthrate, aging population, and shrinking workforce	Training hours per person
	Promoting the acquisition of DX Business Certification
	Proposing new lifestyle services

Strengthening of governance

Materiality	KPI
Enhancing corporate governance	Implementing evaluations of effectiveness of the Board of Directors
	Considering the introduction of clawback clauses
Strengthening risk management	Verification and management of key risks
	BCP manual development

Improvement of well-being

Materiality	KPI
Ensuring the health and safety of employees	Percentage of employees undergoing stress checks
	Ratio of employees who took paid leave
	Percentage of eligible male employees taking childcare leave
	Conducting special patrols (safety checks) at construction sites
Promoting diversity, equity and inclusion (DE&I)	Percentage of employees with disabilities
	Percentage of managerial positions filled by women
	Percentage of hires that are women
Addressing respect for human rights and the supply chain	Conducting safety meetings
	Developing a human rights due diligence system
	Implementing supply chain management

Materiality	KPI
Ensuring corporate ethics and compliance	Conducting compliance training
	Conducting compliance surveys for all employees
	Whistleblower system awareness rate

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Human Capital Strategy

Purpose

The power of designing a sustainable environment creates a happier future for people and the the planet

Values

- Passion and inspiration
- Sustainability
- Value creation
- Diversity / co-creation
- Sincerity and trust

Long-term Vision

Be a force for good in the community

Management strategy

- Medium-term management plan

- Financial Strategy
- Non-Financial Strategy
- Business strategy

Ideal Outcome

- Build a sustainable organization with high employee happiness
- Maintain and improve a corporate culture that promotes challenges and change

Risks and Opportunities in Human Capital

- Decrease in the working population
- Increased importance of reskilling and other human resource development initiatives
- Workstyle innovation, promotion of well-being
- Organizational culture that acceptances and leverages diversity
- Rise of the digital-native generation

Human resources strategies

1. Create a fulfilling workplace environment
   - Create a diverse organization and work environment
   - Promote Group talent management
   - Strengthen regional recruitment
   - Further promote flexible work environments (telework, ABW, etc.)
2. Human resource development
   - Promote succession plans
   - Promote strategic job rotations
   - Further enhance tiered training programs

Economic Value
Social value

Indicators and Targets

- Employee happiness of 70% or higher
- Ratio of female employees 30% or higher
- managers who are female: 20% or higher
- Turnover rate of employees less than 10% or less

For more information, go to the Integrated Report.



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Toward the Realization of Management with an Awareness of Capital Costs and Stock Prices

Our group aims to achieve sustainable growth and increase corporate value over the medium to long term by realizing Sustainability management based on a trinity strategy

Implementing Purpose Management

- Dissemination of long term vision through Fiscal Year 2030
- Creating and Providing Value to Stakeholders
- Qualitative improvement of IR activities



Reforming the Growth Structure

- Management with an awareness of capital-efficiency, such as ROE/ROIC
- Evolve business portfolio

Promoting ESG Management

- Incorporating of ESG into business operations



Realizing Sustainability Management
Sustainable Growth and Increasing Corporate Value over the Medium to Long Term

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

1. Our Purpose and Long-term Vision P. 2

2. Overview of the Medium-term Management Plan P. 6

3. Strategies P. 14

   1. Financial Strategy P. 15

   2. Non-financial strategy P. 18

   3. Business strategy P. 24

4. Appendix P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

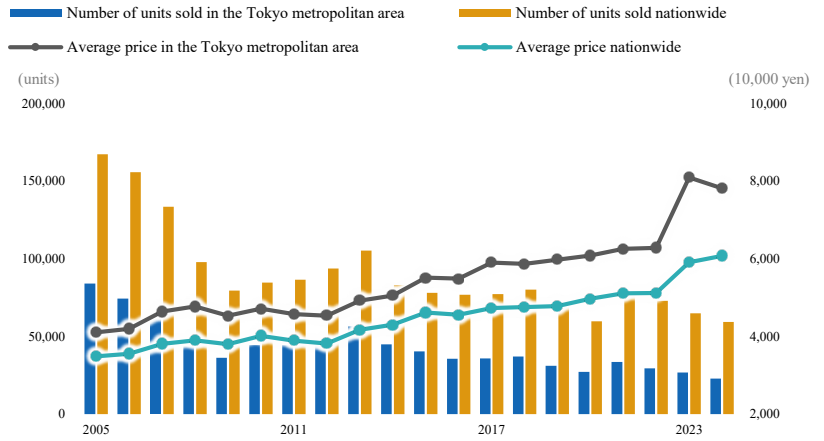
Market Outlook

- Decrease in available land for new condominium projects
- High construction costs are maintaining or decreasing the units supplied
- High construction costs have continued, keeping sales prices high
- Increase in renewal and reconstruction projects
- Rising rental market rents

Needs/Opportunities

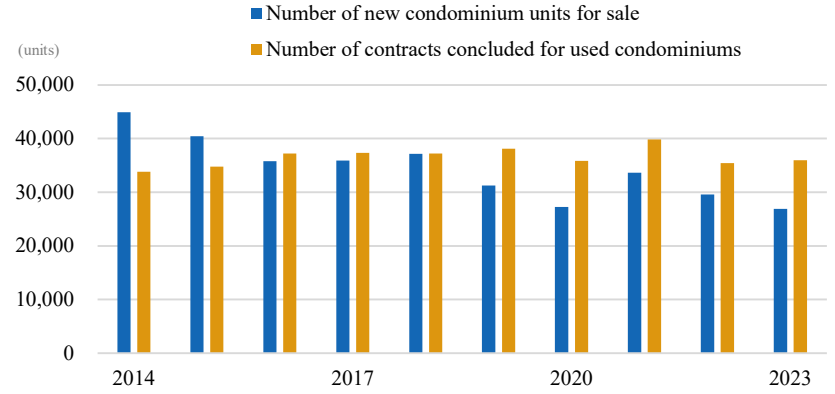
- Increase in renewal projects
- Growing hotel needs due to abundant inbound traffic
- Rising rents on real estate for lease
- Expansion of environmentally friendly real estate

National Condominium Trends



(Source: "Real Estate Economic Research Institute")

Tokyo Metropolitan Area Condominium Trends

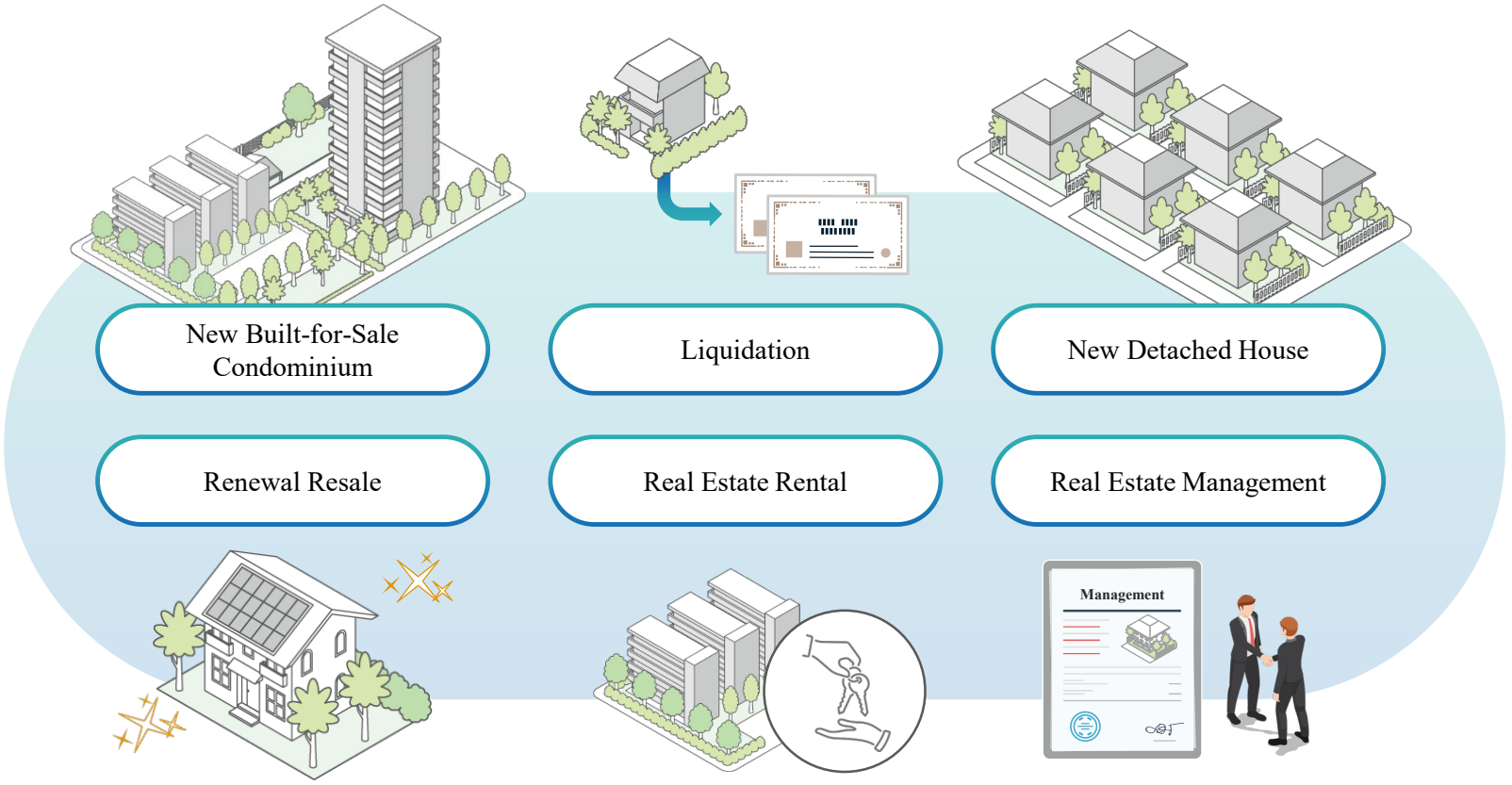


(Source: Real Estate Economic Research Institute, Real Estate Information Network for East Japan)

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : Medium to Long-term Policy

- We will aim for stable operating profit through our comprehensive real estate business, centering on the new condominium business as the core business.



Achieving operating profit of 140 billion yen on a stable basis

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

External Environment

- Rising construction costs
  Longer construction periods
- Decrease in the number of new condominium units being supplied
- Soaring sales prices
- Booming and expanding of used condominium market
- Changing values
- Stricter customer focus
- Increase in dual-income households
- Expanding need for work and living in close proximity to each other

Key Strategies

- Careful selection of sites for purchase
- Distinctive product characteristics
- Area dispersion through nationwide supply
- Securing a stable land bank
- Development of real estate with reduced environmental impact
- Internal growth of real estate for rent

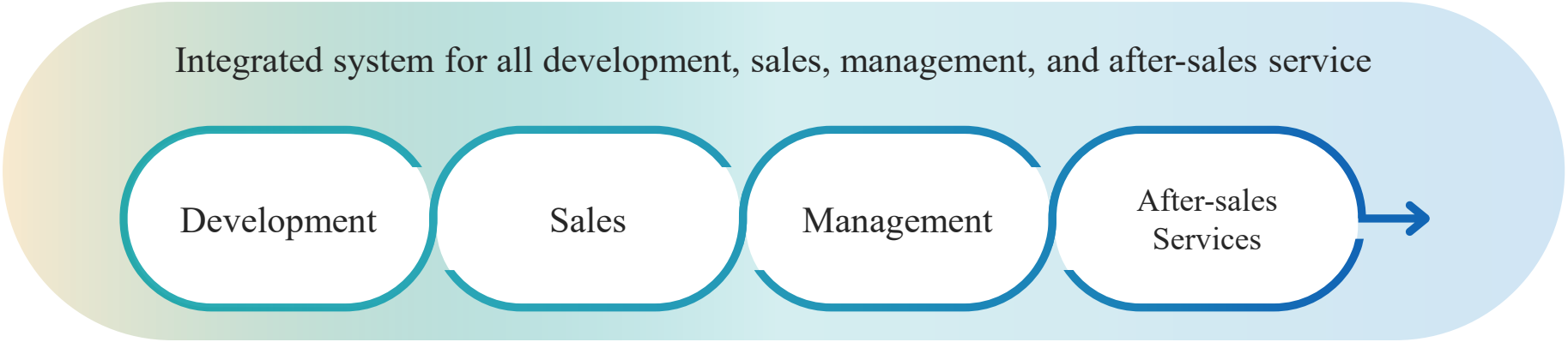
- New Built-for-Sale Condominium
- Liquidation
- New Detached House
- Renewal Resale
- Real Estate Rental
- Real Estate Management

Comprehensive real estate services to meet all customer needs

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business Strengths

- Strong regional network built on more than 50 years of experience
- Ability to plan products based on local conditions and needs



POINT

- Dispersion of risks through area diversification
- Business development and sales capabilities in regional cities
- Providing various types of real estate as an integrated real estate company
- Producing synergies between real estate and energy
- High-quality management services
- Supply targeted at actual demand for primary acquirers

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : New Built-for-Sale Condominium

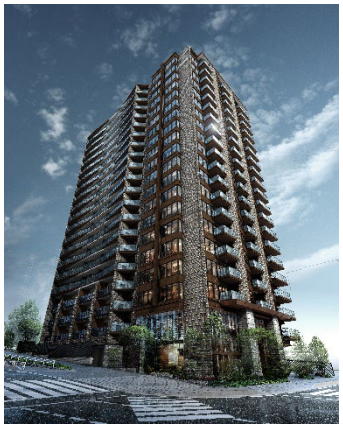
- We will secure favorable business sites in each area through nationwide expansion
- By implementing joint ventures, we will diversify risks and costs and establish competitive advantage

Key initiatives

- Leveraging a strong regional network
- Selection of sites that can withstand high sales prices
- Collaboration through joint ventures
- 50% metropolitan area ratio
- Utilization of expertise through in-house sales
- Use of virtual model rooms

Promoting stable and continuous supply through a nationwide network of eight offices









Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : Liquidation

- Increase in short-term recovery ratio
- Purchase of mid-size assets in major cities nationwide

Key initiatives

- Internal growth of rental properties owned
- Optimization of ratio of development projects to existing projects
- Expansion of procurement areas to major cities nationwide
- Development of environmentally friendly real estate
- Active purchase and development of hotel assets

LUXENA

High-grade rental flats

L.Biz

office building



Asset Portfolio Optimization

Residences + Offices

70%

Strengths and Characteristics

- Residence development that leverages the strengths of new condominiums for sale
- Securing of various buyers, including REITs and private funds
- Real estate network of locations around Japan
- Leasing capabilities
- Extensive product planning capabilities





Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : New Detached House Development, Renewal and Resale

- New Detached House : Aim to increase the number of units supplied in priority areas
- Renovation & Resale : Aim to increase the number of units for resale by effectively utilizing our group network

Key Initiatives (New detached house)

- Careful selection of housing supply areas
- Standardization of ZEH level and energy-efficient compliant housing
- Supply of products according to area needs
- Shorter investment recovery cycles

Strengths and Characteristics

- High product planning capabilities
- Middle price range housing supply





Key Initiatives (Renewal & resale)

- Aggressive purchasing by a dedicated team
- Effective use of Group information

Strengths and Characteristics

- Acquisition of units under lease
- Development of a renovation brand for entire buildings





Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : Real Estate Rental and Management

- Expanding scale as stable revenue
- Improved profitability

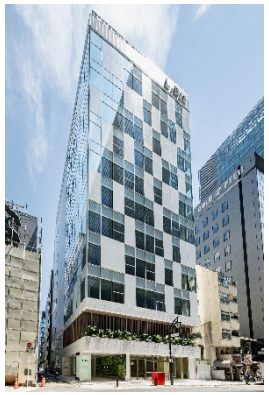
Key Initiatives (Real estate rental)

- Internal Growth of owned properties
- Replacement of real estate holdings

Strengths and Characteristics

- In-house development of rental residences
- Merchantability of the LUXENA brand.





Key Initiatives (Real estate management)

- Improved management services to ensure appropriate margins
- Cost reductions

Strengths and Characteristics

- High management ratio of properties supplied by other companies
- High service quality through training and qualification programs



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Real Estate Business : Overseas / Other Businesses: Hotel Management

- From investment to recovery phase
- We scrutinize investment projects while keeping a close eye on the global situation

Key initiatives（Overseas）

- Dispersion of risks through area diversification
- Increase in projects offering short-term investment recovery such as detached housing

Strengths and Characteristics

- Development in countries with high GDP growth rates
- Strong relationships with local partners



- We will accelerate the development of lodging-specific hotels
- We aim to achieve operating profit of 1 billion yen

by strengthening the management system and expanding the number of guest rooms

Key initiatives（Hotel management）

- Careful selection of areas for expansion
- Strengthening of operational capabilities
- Utilization of M&A
- Higher occupancy rates at existing hotels
- Effective use of social media
- Securing personnel





Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

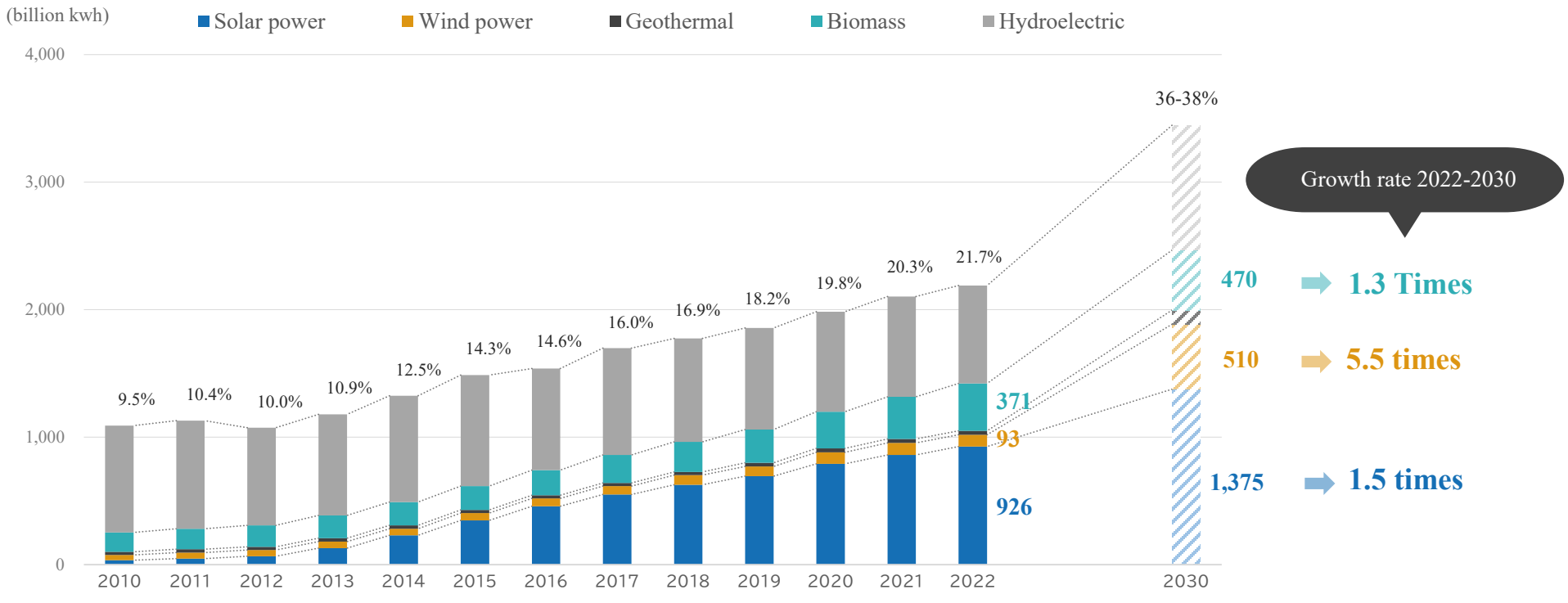
Energy Business: Environmental Awareness

- The Sixth Basic Energy Plan calls for 36-38% of the power source mix in 2030 to be from renewable energy sources.
- Under the plan, solar power is expected to increase 1.5 times and wind power 5.5 times from 2022 to 2030.

※The Seventh Basic Energy Plan also sets out a policy that 40-50% of the power source mix in 2040 will be renewable energy.

Electricity generated from renewable energy sources

Percentages (%) denote renewable energy ratios



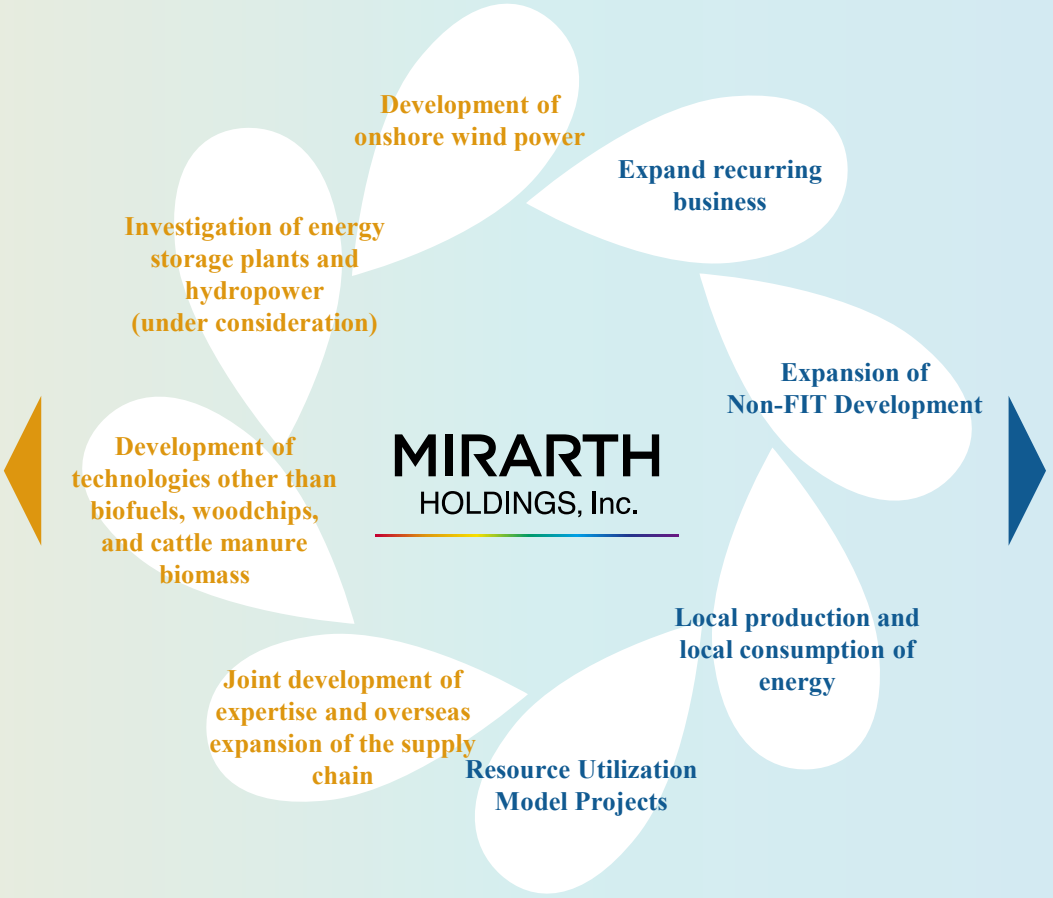
(Source) "Future Renewable Energy Policy" Agency for Natural Resources and Energy

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Energy Business: Medium- to Long-term Policy

- We will make investments to generate stable earnings as the second pillar of our business after the real estate business
- We aim to diversify energy sources and create new businesses

- Development of diverse renewable energy sources
- Development of new business models



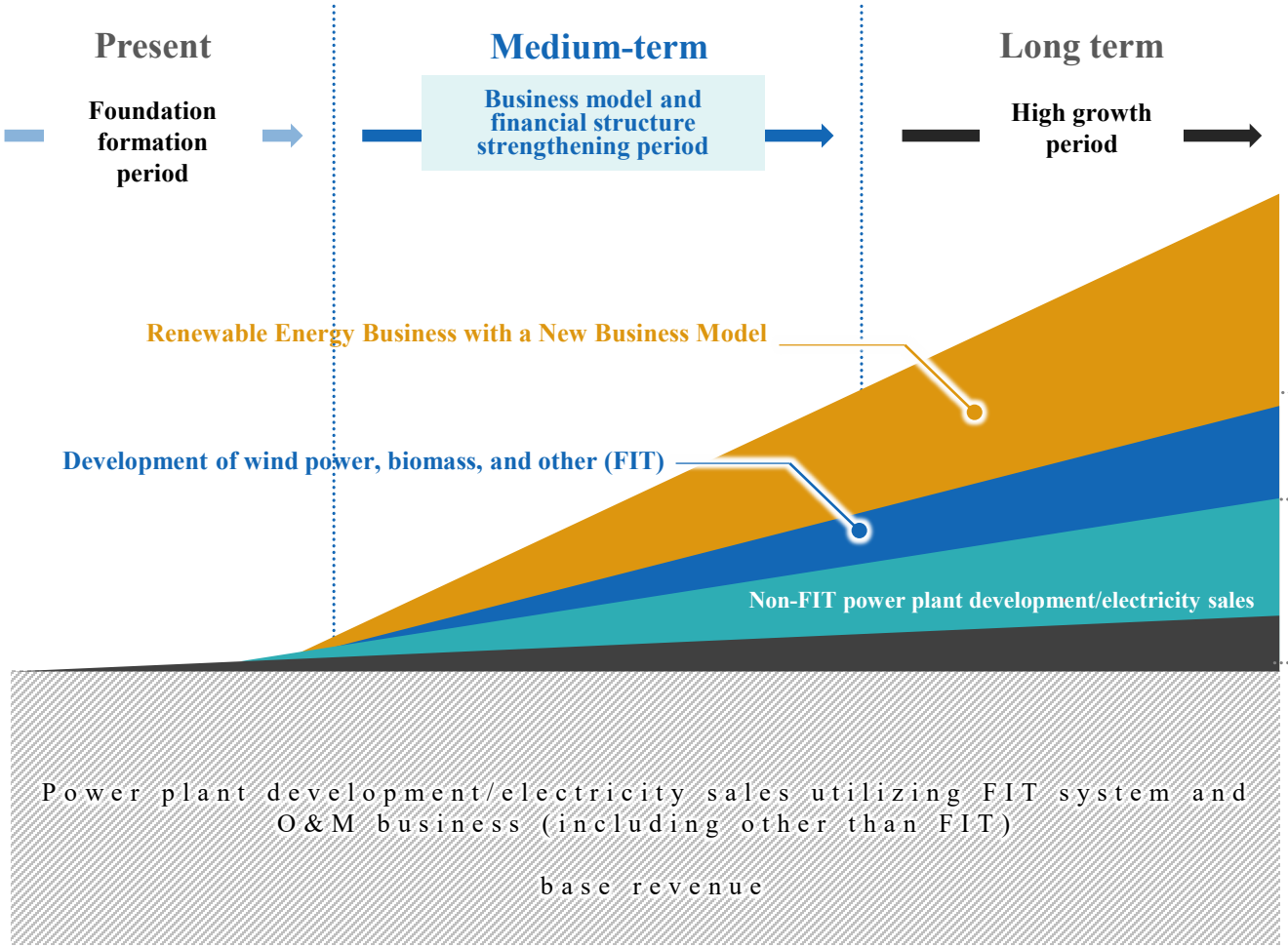
- Recurring business through development, ownership, and sale of electricity
- Expansion of existing energy business

Expansion of operating profit to 1.7 billion yen
(7 billion on an EBITDA basis)

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Growth Roadmap in Energy Business

- Securing diverse energy sources for medium- and long-term growth



Vision

【Under verification】

Importing business models from abroad along with global development.
Establishing renewable energy fuel projects.

Establishing an energy storage plant business

[Securing stable power supply]
Establish a stable power supply system by securing stable power sources other than solar power

[Solving social issues]
Secure end users through PPA and tie-ups with off-takers as a partner company to stably growth by securing stable customers to help achieve carbon neutrality

[Securing stable earnings]
Stable earnings and O&M expansion based on FIT system
Strengthening the financial foundation
Reuse as Non-FIT power plant after FIT ends

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Energy Business: Strategies

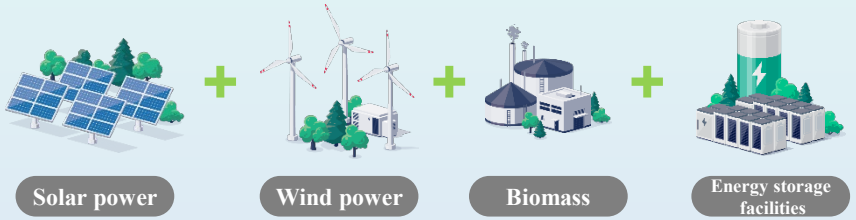
- We will accelerate the speed of development with a focus on solar power plants
- We will make aggressive investments in energy storage plants
- We will expand the cashew and fuel businesses

Key Initiatives (Power Generation Business)

- Diversification of power generation sources
- Establishment of an energy storage facility business
- Strengthening of relationships with off-takers
- Strengthening of secondary purchasing for After-Fit

Strengths and Characteristics

- Speed in listing the first infrastructure fund
- Ability to develop small and medium-sized power plants
- Diversification of power plant locations



Key Initiatives (Cashew and Fuel Businesses)

- Expansion of processing volume
- Establishment of fuel extraction technology
- Exploration of potential partners
- Accumulation of know-how

Strengths and Characteristics

- High quality
- A wide variety of customers



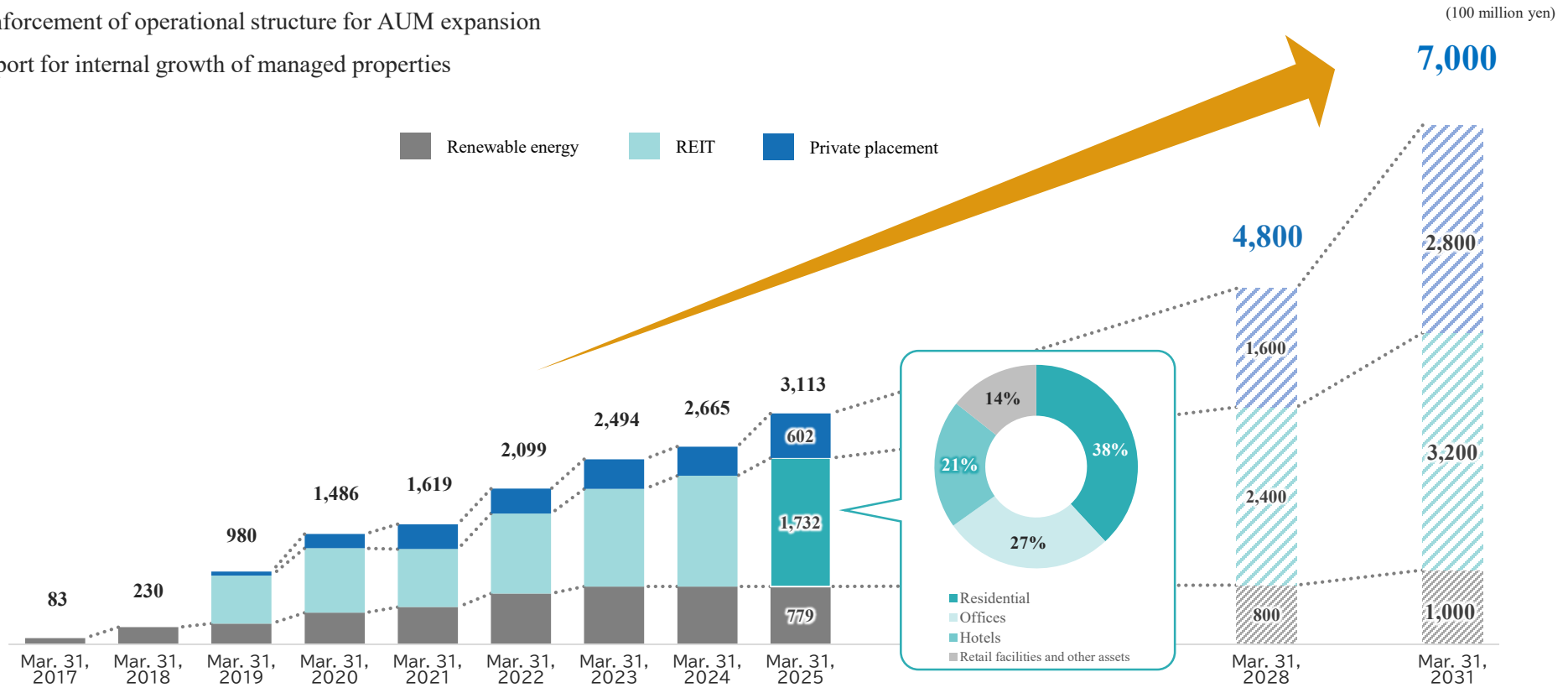
Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Asset Management Business

- We aim to expand AUM through REITs, private funds, energy funds, and other means

Key initiatives

- Reinforcement of operational structure for AUM expansion
- Support for internal growth of managed properties



※ Aggregated based on acquisition price (for renewable energy, the impact of the TOB completed on November 11, 2022 has been taken into account)

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Index

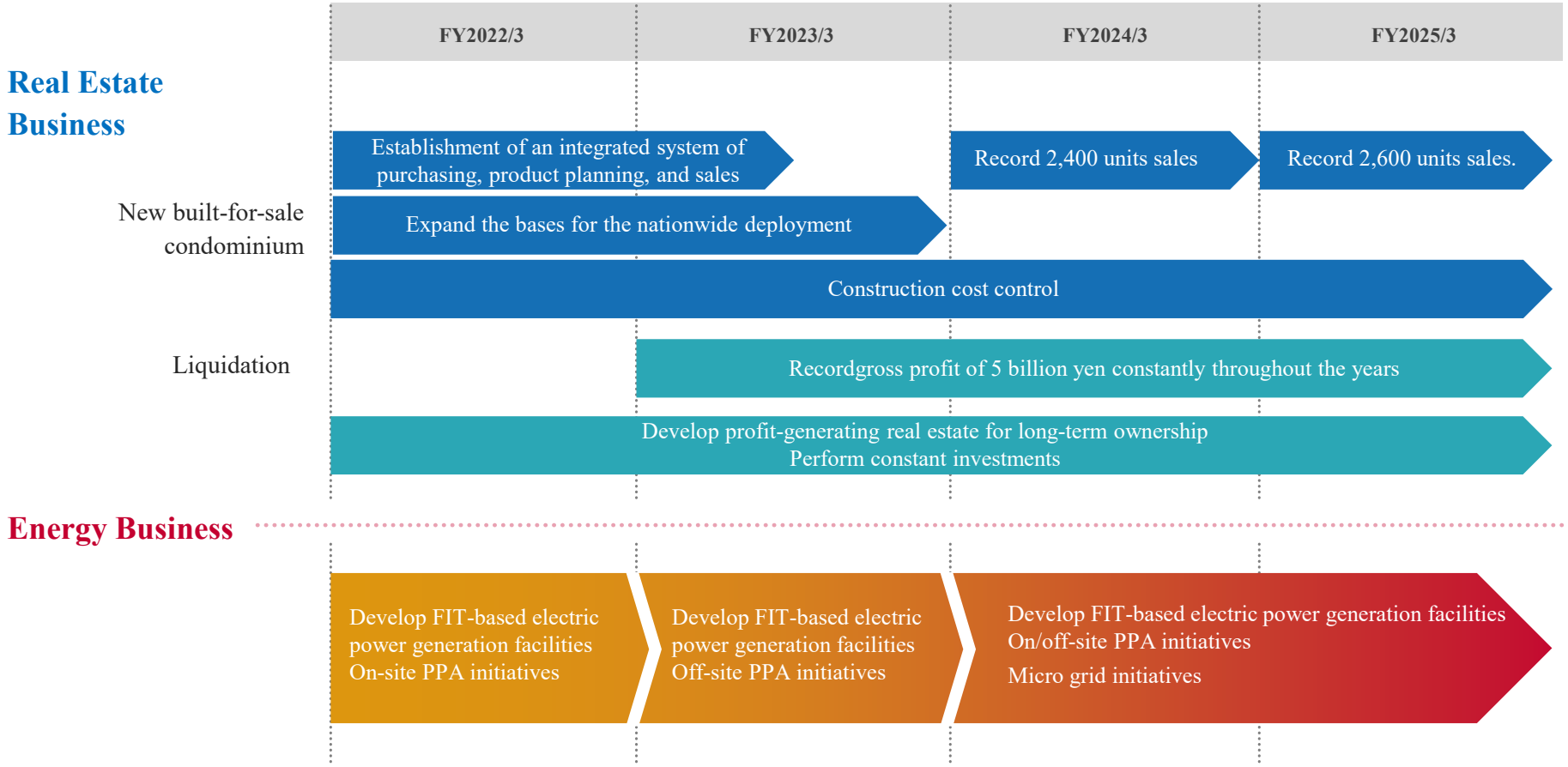
1. Our Purpose and Long-term Vision P. 2
2. Overview of the Medium-term Management Plan P. 6
3. Strategies P. 14
    1. Financial Strategy P. 15
    2. Non-financial strategy P. 18
    3. Business strategy P. 24
4. **Appendix** P. 39

Review of the Previous Medium-Term Management Plan

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

- In the real estate business segment, both the mainstay new built-for-sale condominium and liquidation businesses achieved their profit targets.
- The energy business segment has shifted to a stock business structure by acquiring Takara Leben Infrastructure Fund.

Key Measures



Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Consolidated Income Statement

- Gross profit base was achieved, but due to an increase in SG&A expenses, operating income and beyond did not reach the target.
- Key management indicators were almost achieved.

Numerical Plan (million yen)

	FY2021/3 Results	Medium-term management plan		
		FY2025/3 Plan	FY2025/3 Plan(as revised)	FY2025/3 Results
Net sales	148,397	203,700	200,000	**196,523**
Gross profit	29,928	38,700	42,300	**42,311**
Operating income	10,789	15,700	17,000	**14,364**
Ordinary income	9,933	15,000	16,000	**12,427**
Net income attributable to owners of parent	4,693	10,000	10,700	**8,207**

Management Index(as revised)

	Before revision	FY2023/3 (as revised)	FY2024/3 Results	FY2025/3 Results
Equity ratio(%)	30% or more ※at the end of FY2025/3	**20% or more ※at the end of FY2025/3**	19.5%	22.3%
LTV(%)	less than 60%	**less than 65%**	62.4%	60.9%
D/E ratio(Times)	less than 2.5times	**less than 3.0times**	2.9	2.5
ROE(%)	13% or more	**Unchanged**	12.9%	11.0%

*LTV : Loan to Value

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

- Profit exceeded the plan as the core business.
- Achieved higher profit margin than planned amid rising construction costs.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	70,000	58,000	92,700	101,500
Gross profit	14,000	12,000	20,400	21,500
Gross profit margin	20.0%	20.7%	22.0%	21.2%
Sold units	1,800	1,500	2,200	2,200
Metropolitan area ratio	50.0%	50.0%	50.0%	50.0%

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	68,912	76,110	93,474	106,582
Gross profit	14,504	16,724	21,003	23,082
Gross profit margin	21.0%	22.0%	22.5%	21.7%
Sold units	1,830	1,861	2,214	2,339
Metropolitan area ratio	47.4%	48.8%	32.2%	34.2%

Measures in the Medium-term Management Plan

- Rebuilding a stable nationwide supply system
- Strengthening of purchasing, product planning, and sales systems
- Strengthen macro marketing capabilities
- Product planning in response to changing lifestyles
- Expanding target demographics through new brand development.

Review

- Despite rising construction costs, steady sales exceeded the plan.
- Strengthen purchasing and sales by consolidating three branches
- Supply ZEH condominiums

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Real Estate Business / Liquidation

- Established as the second pillar of real estate business after new built-for-sale condominiums.
- In addition to residences, which are the company's forte, we developed a diverse range of real estate assets.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Investment amount	25,000	30,000	35,000	35,000
Sales amount	22,000	38,000	36,000	36,000

Measures in the Medium-term Management Plan

- Investing at a pace of 30 to 50 billion yen per term
- Actively promote development of rental residences
- Promote environmentally friendly new development
- Obtain CASBEE certification for new developments
- Optimize asset portfolio (Residence + Office 70%, Others 30%).

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Investment amount	30,217	24,464	23,316	49,271
Sales amount	25,870	30,631	30,661	30,898
Gross profit	5,191	6,707	6,621	7,375
Gross profit margin	20.1%	21.9%	21.6%	23.9%

Review

- Improving Profitability through Proactive Development
- In addition to rental residences, the Group's first logistics facility was also developed.

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Real Estate Business / New Detached House

- Enclosure of customers by carefully selecting sales areas.
- Profitability declined due to rising costs.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	8,900	11,000	14,890	17,290
Gross profit	900	1,500	1,530	1,900
Gross profit margin	10.1%	13.6%	10.3%	11.0%
Sold units	170	220	240	290

Measures in the Medium-term Management Plan

- Rebuild procurement and supply system by strengthening area marketing
- Determine the supply-demand balance and carefully select procurement areas

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	8,621	10,041	13,414	12,950
Gross profit	1,270	1,328	1,585	1,501
Gross profit margin	14.7%	13.2%	11.8%	11.6%
Sold units	180	189	222	217

Review

- Carefully Selected Areas for Purchase and Sale
- Development of detached houses with rental space that won the GOOD DESIGN Award
- Enclosure of customers through dominant strategy
- Failed to fully pass on higher construction costs to customers

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Real Estate Business / Renewal Resale

- The used condominium market is booming as sales prices of new condominiums soared
- Although profit margins varied slightly, they were generally in line with plans

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	5,900	6,400	10,660	8,900
Gross profit	900	1,000	1,260	1,600
Gross profit margin	15.3%	15.6%	11.8%	18.0%
Purchased units	213	370	430	440
Sold units	170	200	220	260
Owned units at the end of FY	440	610	820	1,000

Measures in the Medium-term Management Plan

- Establish a stable renewal business cycle
- Aim to own 800 to 1,000 units
- Reduce ratio of old earthquake-resistant buildings
- Promote profit-enhancing measures, including IT and DX promotion.

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	5,748	6,159	7,875	10,554
Gross profit	1,082	990	1,041	1,568
Gross profit margin	18.8%	16.1%	13.2%	14.9%
Purchased units	249	274	160	208
Sold units	171	179	202	242
Owned units at the end of FY	475	570	528	494

Review

- Aggressively purchase single buildings as well as condominiums
- Although the number of units was not achieved due to careful selection of purchases, profit margin remained high.
- Controlled inventory at the end of the period at around 500 units due to the establishment of a cap on the balance sheet.

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Real Estate Business / Real Estate Rental

- Although the plan was not achieved due to the sale of properties through liquidation, master lease contracts from REITs increased.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	5,400	6,500	6,000	6,300
Gross profit	1,600	2,000	1,460	1,700
Gross profit margin	29.6%	30.8%	24.3%	27.0%

Measures in the Medium-term Management Plan

- Growth of stock business

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	5,950	5,819	5,871	6,229
Gross profit	1,488	1,255	1,396	1,690
Gross profit margin	25.0%	21.6%	23.8%	27.1%

Review

- rental business fell short of plan due to sales of real estate through liquidation
- Increase in the number of master lease contracts from
- Secured long-term assets

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

- The number of units under management increased steadily.
- Profitability is declining due to rising costs. Reexamination of fees and services is underway.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	5,500	5,900	9,400	10,080
Gross profit	600	600	1,940	2,240
Gross profit margin	10.9%	10.2%	20.6%	22.2%
Number of managed units	70,000 units	74,500 units	78,800 units	82,000 units
Percentage of non-group units managed	52.0%	52.5%	53.0%	53.5%

Measures in the Medium-term Management Plan

- Increase the number of units under management as a pillar of the stock business
- Aim to manage more than 80,000 units in total
- Structural reforms to improve profitability
- Strengthen derivative businesses

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	8,084	8,809	9,118	9,623
Gross profit	1,799	1,719	1,646	1,564
Gross profit margin	22.3%	19.5%	18.1%	16.3%
Number of managed units	69,335 units	72,603 units	76,661 units	79,624 units
Percentage of non-group units managed	51.8%	51.9%	51.7%	50.6%

Review

- Steady accumulation as a pillar of stock business
- Decline in profit margin due to rising costs
- Reexamination of fees and services to secure appropriate margins

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review -Real Estate Business / Overseas

- Completion of first overseas project in Haiphong, Vietnam
- Aggressively promoting condominium business in Thailand; detached house sales business in the Philippines also in progress
- Expand into the real estate sales business and management business, with Southeast Asian countries as the immediate target





Vietnam

Project Title	Location	Units	Completion schedule
THE MINATO RESIDENCE CT2 (South Wing)	Haiphong	462	FY2021/12
THE MINATO RESIDENCE CT2 (North Wing)	Haiphong	462	FY2024/4

Thailand

Project Title	Location	Units	Completion schedule
Atomoz Bangna	Bangkok	1,103	FY2023/3
Atomoz Flow Minburi	Bangkok	739	FY2023/11
Kave Seed Kasset	Bangkok	600	FY2024/4

Measures in the Medium-Term Management Plan

- Target Southeast Asia
- Establishment of management business
- Securing local partners

Review

- Expansion into Vietnam, Thailand, and the Philippines
- Expansion into the detached house business with short-term payback
- Full recovery of Vietnam 1 project

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Energy Business

- Tender offer for Takara Leben Infrastructure Investment Corporation in September 2022.
- Transition from a flow revenue to a stock revenue-centered business model

Plan(as revised)

(million yen)

		FY2022/3	FY2023/3	FY2024/3	FY2025/3
Sale of Facilities	Net sales	23,260	11,000	3,770	2,000
	Gross profit	3,940	1,400	800	530
	Gross profit margin	16.9%	12.7%	21.1%	26.5%
Electricity sales income	Net sales	7,740	8,900	10,020	10,700
	Gross profit	560	500	3,720	4,200
	Gross margin ratio	7.2%	5.6%	37.1%	39.3%

Results

(million yen)

		FY2022/3	FY2023/3	FY2024/3	FY2025/3
Sale of Facilities	Net sales	25,379	–	3,677	–
	Gross profit	4,796	–	1,100	–
	Gross profit margin	18.9%	–	29.9%	–
Electricity sales income	Net sales	8,869	9,045	10,172	9,921
	Gross profit	600	826	3,261	2,551
	Gross margin ratio	6.8%	9.1%	32.1%	25.7%

Measures in the Medium-Term Management Plan

- Building a business model for after-FIT
- Active participation in relative trading of electricity (On-site PPA*, off-site PPA)
- Building a system for microgrids
- Cumulative power generation scale from 240 MW (end of March 2021) to 360 MW (end of March 2025)

Review

- Cumulative scale of power generation reached 378MW by the end of March 2025
- Shift to a stock revenue model based on electricity sales
- Diversification of power generation sources

*PPA：Power Purchase Agreement

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Asset Management Business

- AUM increased 149.4 billion yen over the four years from FY2022/3 , mainly due to REIT property acquisitions.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	1,020	1,140	820	1,070
Gross profit	940	1,050	610	810
Gross profit margin	92.2%	92.1%	74.4%	75.7%
Asset Management Scale	2,000	2,500	2,650	3,000

Measures in the Medium-Term Management Plan

- Providing a stable pipeline
- Reinforcement of operational structure

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	1,315	1,096	734	1,162
Gross profit	1,223	963	594	934
Gross profit margin	93.0%	87.8%	81.0%	80.4%
Asset Management Scale	2,099	2,494	2,665	3,113

Review

- Steadily expanding AUM
- Expansion of private funds
- TOB for infrastructure funds

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Previous Medium-Term Management Plan Review - Other Business

- Hotel management business expanded.
- Cost controlling issues remain in the construction business.

Plan(as revised)

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	7,780	7,360	8,550	9,260
Gross profit	2,360	2,650	500	630
Gross profit margin	30.3%	36.0%	2.3%	3.3%

Measures in the Medium-Term Management Plan

- Establish hotel management business
- Expand construction business
- Turnaround of the nursing care business

Results

(million yen)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	2,895	4,219	7,805	6,927
Gross profit	92	△35	25	373
Gross profit margin	3.2%	－	0.3%	5.4%

Review

- Began operation of three hotels in the hotel management business
- Obtained the Michelin key for Nasu Muku-no-Ne
- Unachieved in construction business due to rising costs
- Nursing care business slightly in the red due to rising costs

Copyright © MIRARTH HOLDINGS Group. ALL RIGHTS RESERVED.

Handling of this document

These materials were prepared based on data current as of the end of March 2025.

The plans, projections, and so on, provided herein are based on Mirarth Holdings best judgment at the time the materials were prepared, and do not constitute a guarantee or promise that anything contained herein will be realized or achieved, nor do they provide any guarantees or promises as to the accuracy or completeness of the information contained herein.

The contents of these materials are subject to change without notice.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

MIRARTH HOLDINGS, Inc.
Investors Relations Office

E-mail: **irinfo@mirarth.co.jp**