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MIRARTH HOLDINGS, Inc.  
**Integrated Report 2025**

Fiscal year ended March 31, 2025

Like a Takara (treasure), the challenges of today hold the promise of future possibilities for all in the community





## Our Purpose

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

At the launch of the new organization in October 2022, MIRARTH HOLDINGS Group defined the Group's raison d'être as it moves toward the next stage of its existence as "To design sustainable environments for a happier future for both people and our planet." This Purpose includes the Group's intent to go beyond the boundaries of a general real estate business developer, and to evolve into a "future environment design company" that engages in co-creation with local communities and works toward the future of town planning.

## Our Values

- 
**Passion & Inspiration** To be passionate about creating vibrant environments and to inspire and be inspired by people who share our vision.
- 
**Sustainability** To create a sustainable world where people, nature, and society coexist in harmony.
- 
**Value Creation** To continue to evolve and keep up with the rapid change around us to create new value.
- 
**Diversity & Co-creation** To value each individual's ideas and co-create a diverse and equitable environment with local communities.
- 
**Integrity & Trust** To generate a trusting relationship among people and society through the protection of our safety and security.



## Brand Story

"THINK HAPPINESS AND MAKE THE HAPPINESS."

This philosophy has been at the core of our practice from the start and we have created homes and communities with a focus on people and their lifestyles.

However, people's lifestyles have changed dramatically as computerization, digitization, and changes in infrastructures have progressed rapidly. We also face a variety of issues, such as a declining birthrate, aging population, and depopulation of rural areas.

"In these difficult times, how do we create happiness for tomorrow?"

We have been asking ourselves this question for some time.

Our challenge has already begun.

In a Group-wide effort, we will integrate our real estate, energy, finance and other businesses that can encourage further co-creation efforts with local communities to develop better cities for the future.

We will also expand our businesses globally.

We will tackle the ever-changing challenges of the times with the determination to evolve into a company that helps realize a happier future for people and our planet through its ability to design sustainable environments.

### MIRARTH

Our Company name, MIRARTH, is a combination of 2 words—"Mirai (future)" and "Earth," representing the trajectory of our business and story of our existence to bring about a brighter and happier future.

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### Editorial Policy and Cautionary Statements Regarding Forward-Looking Statements

This report, which for the most part provides details of the MIRARTH HOLDINGS Group operations in FY2024, the fiscal year ended March 31, 2025, has been designed to provide stakeholders with a deeper understanding of the Group's business activities, management strategies, performance, and other non-financial information, including interaction with society and the environment. This document was prepared to provide information regarding the Company's consolidated results in FY2024 and should not be construed as a solicitation for investment in securities issued by MIRARTH HOLDINGS, Inc. The information provided in this report is fundamentally based on data available as of March 31, 2025. Any forward-looking statements including opinions and forecasts are based on the best judgments of management as of the time this report was prepared. Accordingly, the Company does not guarantee or promise that any forward-looking statements will be realized or achieved or provide any assurance as to the accuracy or integrity of information. Moreover, the content of this report is subject to change without prior notice.

MIRARTH HOLDINGS Group's Growth Scenarios

# Securing the Future Happiness of People and Our Planet

Our Purpose, "to design sustainable environments for a happier future for both people and our planet," is supported by a strong and earnest desire to aid regional revitalization through the actions of each and every one of us as we work together to build a sustainable society that brings a happier future to both people and our planet through business activities and contributions to society.

Here, we invite you to feel how our future-focused initiatives are delivering enthusiasm and breathing new life into our drive to become a "future environment design company."



"MIRAI for EARTH" is a project to spur the realization of our Purpose through constant organic and creative transformative endeavors undertaken with an eye to becoming a "future environment design company."

## The birth of new landmarks in cities that boast both urban functionality and livability, created via the use of community-rooted "reconstruction and urban redevelopment"

Takara Leben, which is mainly responsible for our core Real Estate Business, is presently pursuing an initiative designed to help resolve regional social issues. Through its reconstruction business, the company is promoting cooperation among local municipalities, management associations, and rebuilding associations in the renovation of aging housing complexes. One such project, LEBEN ODAWARA THE TOWER, was completed in June 2024, and was built with a design concept focused on creating a "downtown residence" of the largest scale and with the highest amount of floors that addresses such issues as building deterioration and retail store turnover by integrating housing and commerce.\* This complex project has received high praise for the asset value of the combined medical and business facilities occupying the lower levels as well as a smooth integration of housing and commerce at a convenient location that is a one-minute walk from Odawara Station's west exit. This building has truly been reborn as an Odawara landmark. Moving forward, the Company will remain proactively focused on social issues related to housing and town creation.

\* This building was the closest condominium built after 1993 to Odawara Station at one minute away. With 190 residences and 17 stories, it was the tallest and largest-scale building of its kind. Source: MRC data (from condominium data based on the analyses and understanding of MRC between January 1993 and March 15, 2021)



## Low-carbon building certification, installation of solar panels as standard, and promoting ZEH measures

Across the condominium brands handled by Takara Leben, such as the LEBEN and NEBEL series, we strive to ensure that all our condominiums are certified as low-carbon buildings. Thus far we have supplied LEBEN OITA EKINAN LUXES, LEBEN TOYAMA JINZUHONMACHI ONE TOWER, LEBEN NAGANO NAKAGOSHO THE PEERLESS, and other buildings as eco-friendly ZEH condominiums. With the exception of areas that face heavy or especially heavy snowfall, we install solar panels as a standard fixture. We seek to create products that contribute to a sustainable future by implementing renewable energy into condominiums.

## Condominiums created to meet the diversifying needs of residents The birth of the LUXENA+ series

Since the spread of COVID-19 and workstyle reforms, the needs of residents have diversified at an accelerated rate, reflecting a general shift in lifestyles toward spending more hours at home. Through its high-grade rental condominium series LUXENA, Takara Leben offers more than simple living spaces. Furthermore, it is also developing the new series LUXENA+, a concept conceived as residences that bring something special. In response to customers' desires to "enjoy music to my heart's content" or "enjoy life with a pet," this new series incorporates such concepts as condominiums fully fitted with soundproof rooms and buildings with dog parks. At the first such complex, LUXENA+ OTO MINAMI-SENJU, all units are fully equipped with soundproof rooms where music can be played at any hour as well as with 200-volt electric systems, realizing audio environments and quality that meet the needs of both amateur enthusiasts and professional musicians.

# LUXENA+



那須  
無垢の音  
mukunone

## Awarded One MICHELIN Key in the Michelin Key 2024 ratings given to exceptional hotels in the eponymous guide's selection of over 6,000 hotels

With shifts in domestic travel and a quick recovery in inbound tourism due to the effects of a weakened yen, there has been a diversification of tourist values and resort needs along with increases in the numbers of wealthy overseas customers and potential long-term guests at hotels. Takara Leben is actively working to meet these changing needs in the hotel business, and operates Nasu mukunone, an *auberge* located on a site covering over 35,000m<sup>2</sup> in the midst of the beautiful nature of Nasu that offers authentic French cuisine incorporating seasonal dishes and local specialties that guests can enjoy to their heart's content. In addition to a lush landscape that stretches out around the facility's 15 "Sweet Villas," each separated into individual 80 square meter units, the location offers a Bed & Breakfast (B&B) option for casual stays, as well as a "water garden" that reflects the precise calculations and the delicate sense of beauty of the architect Mr. Junya Ishigami. As a facility with "special potential" afforded by its unique character and charms, the *auberge* received a Michelin Key.

## The addition of wind power generation to the energy business, which has a strong focus on photovoltaic power plant development, will strengthen our business portfolio

Joining the Real Estate Business as our second pillar of operations, the Energy Business is growing its power generation capacity with each passing year. The Mirarth Wind Power Hokkaido Otohe Power Plant, which we acquired in December 2024, operates two units that on an annual basis offer a CO<sub>2</sub> reduction that has grown to be equivalent to the amount emitted by conventional thermal power generation to supply approximately 2,400 regular households (approximately 5,300 tons). By adding wind power plants, which unlike photovoltaic power generation facilities have a higher output in winter, to our portfolio, we have realized stable business operations as a power producer. This latest acquisition utilized the specialized project financing skills of MIRARTH Asset Management cultivated in the course of handling the Asset Management Business. We will continue to take full advantage of synergistic effects arising from the intersection of the Energy Business and Asset Management Business as we expand Group businesses.

## In Cambodia, the world's third leading producer of cashew nuts, we promote the biomass fuel business

In February 2024, MIRARTH Energy Solutions established MIRARTH Agri Tech Co., Ltd. in Cambodia to participate in the processing of locally grown cashew nuts and a biomass fuel business that utilizes cashew shells. This investment will diversify the Energy Business's portfolio while expanding its reach, which until now has been limited to domestic locations, as we strive to contribute to Cambodia's economic development. The new processing plant, MIRARTH Cashew Nuts Factory Kampong Thom, carries out the secondary processing of cashew nuts, and we are working on further developing factory operations rooted in local communities with the aim of building a value chain and further expanding the scale of production.

## A Message from the CEO

**The previous Medium-Term Management Plan period created a foundation for future growth after passing a significant milestone in our development**

The previous Medium-Term Management Plan (hereinafter, the Previous Plan) was atypical, covering four years rather than the usual three-year period. During this time, we were faced with a cascade of events that were hugely significant to the Group.

Foremost among these was the 50th anniversary of the Company's founding on September 21, 2022. MIRARTH started off as a small construction firm and went on to enjoy constant growth in pursuit of the creation of "affordable housing that anyone can buy with confidence and peace of mind." In all our endeavors, we have demonstrated a strong capability to maintain a feeling of speed and generate ideas that go beyond the conventional, all while being supported by an integrated system that covers development, planning, sales, and management.

In addition, in October of the same year we marked our shift to a holdings structure by changing the name of the Company to "MIRARTH HOLDINGS."

This change followed two years of discussion on the course the Group should take as it moved on to the next stage. The passage of this 50-year turning point was accompanied by a restructuring of the Group, and we came through it with the strong conviction that we had taken the correct course toward a new stage of growth.

**Promoting the Medium-Term Management Plan as a period to carry out investments and further accelerate efforts to raise awareness of our Purpose**

**Kazuichi Shimada**  
Representative Director

## A Message from the CEO

The new Purpose that was formulated during the development of the new MIRARTH HOLDINGS Group structure is "To design sustainable environments for a happier future for both people and our planet."

We seek to go beyond the framework of a general real estate developer and evolve into a "future environment design company" that works alongside local communities to co-create the towns of the future.

To encourage our employees to embody our Purpose, we also formulated a long-term vision for 2030—"Be the Takara (treasure) of the Community"—in October 2023. Through the initiatives launched in line with this vision, we began working to deepen understanding of the Purpose within the Group. Since the initial "Declaration Period" following the announcement of the vision, we have transitioned to the "Comprehension Period," a phase with a focus on employees and, even as we work to further accelerate employee understanding, we are moving toward the next phase, the "Raising Awareness Period." We have seen a growing trend among employees toward actualizing these goals, as well as the Long-Term Vision, through the roles they play in the Company and during their daily work. In the nationwide expansion of our condominium business, for example, we are seeing employees create condominiums that contribute to the resolution of local issues. It will take a little more time to provide specific examples of results, but our employees have established deep roots in communities and I can feel their consistent passion as they take action. I would be gratified if expectations for us remained high until the day that these initiatives bear fruit.

### What does it mean to "Be the Takara (treasure) of the Community"?

Here are examples from the six Tohoku prefectures.

Since January of 2015, our town creation efforts across the Tohoku area have involved the supply of residences with a high degree of design sense in line with the pursuit of "Beauty in Architecture" alongside residences furnished with comfort and safety, or "Beauty in Function,"

in mind. Our first expansion into this market was in Aomori Prefecture in April 2021, and we have since expanded our development of condominiums to all six of the prefectures in the Tohoku region.

The city of Sendai is a central location where large-scale general developers typically seek to supply condominiums. However, the Group has consistently carried out development in the region in response to actual demand, which has taken it to the prefecture's third- and fourth-largest cities, where the supply of condominiums had been stalled for several years.

We have placed particular focus on resolving the serious issues that the Tohoku region faces. Specific issues include a hollowing out of city centers as populations age or shrink and the physical burden upon residents from rooftop snow removal in the winter. In response to these issues, we have ensured that condominiums are designed with infallible measures to protect against damage from excessive snowfalls and have also promoted "downtown living" alongside public and private entities as well as landowners to create developments that produce a new sense of liveliness in cities.

As a result, we have secured the No. 1 ranking for highest amount of new built-for-sale condominiums provided to the Tohoku region in nine of the ten years since we began doing so in 2015. We view this continuous provision of housing to all six prefectures as a point of great strength for the Group. Furthermore, this can be said to be testament to the success of our community issue-centered approach to various regional housing businesses.

### Issues identified during the formulation of the new Medium-Term Management Plan

Since its founding, over half of the Group's net sales have been attributable to the Real Estate Business. Despite being simply referred to as "real estate," this segment encompasses a wide range of business fields, including such tangible ones as new built-for-sale condominiums, offices, residences, and detached houses, as well as those that are involving less tangible sources of income, including rentals, brokerage and other agency services, management, and maintenance. The Real Estate



Business as a whole thus leads us down a route that continues to produce growth and is reliable. In particular, the core of growth in the Group's net sales since its founding has always been its new built-for-sale condominium business. 10 years ago, over 90% of net sales were in fact attributable to this business. However, the 2008 financial crisis increased our awareness of the risks concentrated around this business, and we began to actively expand our other real estate businesses. As a result, new built-for-sale condominiums now comprise around half of the Group's net sales. So, even though recent sales in the new built-for-sale condominiums business have nearly doubled, their overall share of net sales has shrunk due to large expansions in other real estate businesses. With the understanding that such initiatives bring uniform success to the Real Estate Business as a whole, we have set further growth in the Real Estate Segment as an essential point in the new Medium-Term Management Plan (hereinafter, the New Plan).

On the other hand, the Energy Business began as a way to increase added value by installing solar panels on the roofs of new built-for-sale condominiums. It was not until 2013 that we began treating it as a full-fledged business. In 2016, the Takara Leben Infrastructure Fund became the first such fund to be put on the Japanese stock market. Following this, we have continued to acquire buildings, and our asset holdings have expanded in scale to around ¥60 billion. However, this business does more than just develop solar power plants as simple financial products and sell energy facilities to funds as a liquidation business. To turn it into an actual energy business, we completed a take-over bid (TOB) for the Takara Leben Infrastructure Fund, which was effectively held by the Company, and transitioned it to a stock business centered on income from energy sales. Since completing the TOB in 2022, we have made plans for the future of the Energy Business and are set for it to grow as another essential part of the New Plan.

## A Message from the CEO

The question is how to proceed with developing this business over the course of the next Medium-Term Management Plan and on a long-term basis. The “Transitional Period” prior to the TOB has now given way to an “Investment Period” under the New Plan.

### Points of focus for the New Plan's “Investment Period”

In the new built-for-sale condominium business, we are projecting sales of 2,820 units in FY2025, compared to 2,339 sold in the previous period. With the goal of ensuring a stable and continuous supply of new built-for-sale condominiums, the plan targets stable annual sales of around 2,200 units. As of the date of this publication, the number of units sold in the current period, excluding joint ventures (JV), is 2,150.

The factors that led to the formulation of the above goals include surges in building construction costs and

the trend toward prolonged construction periods. As a result of these periods lengthening due to regulations on the upper limit of overtime hours and a severe labor shortage, investment return cycles have also lengthened.

Regarding the pressure being exerted by rising costs, we are further strengthening initiatives involving land procurement, carefully selecting locations where customer needs are high and we can create high added value. We also thoroughly enforce cost controls in close collaboration with building companies with the aim of attaining gross profit margins at estimated levels.

However, to mitigate risks arising from the expansion of our balance sheet due to longer construction periods, we carefully select high-quality land and align our strong product planning and sales capabilities to promote development businesses alongside our partner companies' businesses. By doing so, we can continue to secure initial profits while maintaining sound management. For our partner companies, working with us allows them to enjoy such positives as easier access to permits and licenses

related to development and mitigating risks associated with longer construction periods. We believe the consistent trust in the Group's performance is evidence of the positive effects of these partnerships.

We believe that prices of new built-for-sale condominiums will not fall for the time being due to strong demand and the trend toward prolonged construction periods due to higher costs during the building process. By making careful selections to acquire quality land and taking into account market conditions, we believe that stable development is possible. Similarly, there has been a shift in the source of profits from the liquidation of real estate away from development, which formerly accounted for 70%, to existing buildings. This means that we must now acquire existing buildings, raise their value through renovation, and sell them off. Over the three years covered by the New Plan, we will invest a large amount into the process of liquidation to drive growth in the Real Estate Segment.

The Energy Business will continue to see high demand for renewable energy as corporate decarbonization gains momentum. The Group has developed relatively compact solar power plants with a capacity of less than 1 MW and is selling energy to off-takers. We utilize the network that we have cultivated as a real estate company to constantly acquire information on land best suited for the installation of solar panels. Furthermore, our energy storage site business is an indispensable element for maximizing the value of solar power plants. In this business, we implement initiatives to jointly use stores of daily surplus energy when there is a shortage, as such stores can be used to compensate for the instability of solar power. These vital initiatives help balance energy supply and demand.

Furthermore, we are also developing our businesses overseas. In Cambodia, we have launched a biomass fuel project using cashew nutshells as a raw material. The nuts are processed, with the shells turned into oil and the leftover residue used as a fuel for biomass power generation. This business has turned the waste of a local specialty, cashews, into a domestic industry in Cambodia, and we believe it has great potential to contribute in various ways, for example, by bringing employment and by providing its own energy supply.

While growth strategies such as these are being steadily implemented, we have positioned shareholder

returns as our most important management issue. It is our basic policy to bring such returns via stable dividends while funds are handled with a focus on growth. In the New Plan, we have raised the dividend payout ratio to be between 35%–40% while providing stable and continuous dividends. In addition, it is our policy to ensure that the initial year's level of dividends, ¥21 per share, does not fall below this amount during the second year of the New Plan and beyond.

### To our stakeholders

The MIRARTH HOLDINGS Group has seen constant growth thanks to our strong capabilities driven by a sense of urgency and supported by an integrated system along with the capability to generate ideas that go beyond the conventional.

We believe that the realization of our Purpose will be the driving force allowing us to achieve further development as a “future environment design company.” I believe it is important that the Group clearly state its Purpose—how it faces society—in a public manner. We must tell the world the kind of future we expect to bring about by centering ourselves around our Purpose. From a sustainability perspective, we are striving to bring a happy future to both people and our planet through real estate and energy, and I would like to help ensure this goal becomes a reality. Accordingly, we are cultivating expertise in each of our businesses so that they will evolve into pillars that support profit stability into the future. Also, it is necessary to employ individuals with diverse mindsets to constantly create new businesses. We will continue to make serious efforts to increase our corporate value based on our Purpose of building a happier future for both people and our planet, and I would like to ask for your continued support in this endeavor.

October 2025

**Kazuichi Shimada**

Representative Director, Group CEO,  
Group COO and President Executive Officer  
MIRARTH HOLDINGS, Inc.



# Review of the Previous Medium-Term Management Plan and Overview of the New Medium-Term Management Plan

## Roadmap to 2030 and the significance of these three years

Our roadmap to 2030 has been broken into three distinct phases, with Phase 1 covered by the previous four-year Medium-Term Management Plan, Phase 2 by the new Medium-Term Management Plan, and Phase 3, the last three years, lying in the future.

The previous plan was within Phase 1, a period of business structure reform. During this time, we transitioned to a holdings company structure, formulated our Purpose and Long-Term Vision, diversified the Energy Business, and procured funds through public offerings (POs).

In the current period, Phase 2, we are focused on investing in growth and, accordingly, will continue to concentrate on achieving an optimal balance between offense and defense within the New Plan. We will create a lean balance sheet, maintain appropriate levels of leverage, and effectively utilize such means as public offerings (POs) and outside fund procurement to enable growth investments. Our investments will largely target the Real Estate Business in addition to the Energy Business, where we are looking to actively step up investment.

We expect our Phase 2 investments to begin bearing fruit in Phase 3; in fact, we are anticipating an expansion in operating income from the second half of Phase 2 segueing into Phase 3.

In Phase 3, we will seek to enact our Long-Term Vision to "Be the Takara (treasure) of the Community" in order to fulfill our Purpose. By doing so, we hope to realize operating income topping ¥22.0 billion.

Operating income  
~¥22 billion  
or more

Operating income  
~¥15.4 billion

### Period of Business Structure 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

### Emphasis on Balancing Offensive and Defensive Investments Period of Investing in Growth

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

Operating income  
¥15~  
16.5 billion

### Period for Realizing Changes in the Profit Structure Stable Recovery Period

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

Towards a future environment design company

2030

Be the Takara (treasure) of the Community

Phase 1  
FY2021-FY2024

Phase 2  
FY2025-FY2027

Phase 3  
FY2028-FY2030

Diversifying the procurement of funds

Responding to inflation

Further promotion of sustainability

## External Environment and Recognition of Issues

### 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
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### Recognition of issues

Stable supply of real estate	Expansion of renewable energy ratio	Maximizing human capital
<ul style="list-style-type: none"> <li>● Rising construction costs</li> <li>● Longer construction periods</li> <li>● Rising interest rates</li> </ul>	<ul style="list-style-type: none"> <li>● Expanding cost burden</li> <li>● Longer construction periods</li> <li>● Increased costs due to cable theft prevention measures</li> </ul>	<ul style="list-style-type: none"> <li>● Productivity improvements</li> <li>● Ensuring diversity</li> <li>● Spreading awareness of the Purpose and Long-Term Vision further</li> </ul>

## Vision

Creating new value through real estate and energy

- Real Estate Business**
  - Provision of real estate with high environmental value
  - Cost control implementation
  - Development of diverse product lineups
- Energy Business**
  - Active development of renewable energy
  - Expansion of energy storage business
  - Adoption of renewable energy in line with BCP measures
- Asset Management Business**
  - AUM expansion
  - Diversified fund management

## Basic Policies

### 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 investments 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

Review of the Previous Medium-Term Management Plan and Overview of the New Medium-Term Management Plan

Phase 1

Review of Phase 1 (Previous Medium-Term Management Plan)

A review of performance under the Medium-Term Management Plan formulated in May 2021 (hereinafter the "Previous Plan") in terms of profit and loss shows that we hit the target for gross profit and other numerical targets set for the final fiscal year of the Previous Plan, but were not able to do so for operating income and other targets due to increased SG&A expenses.

As for the management indicators put forth in the Previous Plan, we achieved goals for the equity ratio, Loan to Value (LTV) ratio, and the D/E ratio following revisions to these indicators after completing a TOB of our infrastructure fund, but were not able to do so for ROE, which amounted to only 11% instead of reaching our initial target of 13% or more.

Numerical Targets (Millions of yen)

	Final fiscal year of the plan before the Previous Plan		Final fiscal year of the Previous Plan	
	FY2020 Results	FY2024 Plan	FY2024 Plan (as revised)	FY2024 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
EBITDA (operating income + depreciation expense)	—	—	—	19,600

Management Index (as revised)

	Before revision		FY2022		FY2023 Results		FY2024 Results	
Equity ratio (%)	30% or more*1	▶	20% or more*1	19.5%	22.3%			
LTV (%)	less than 60%	▶	less than 65%	62.4%	60.9%			
D/E ratio (Times)	less than 2.5 times	▶	less than 3.0 times	2.9 times	2.5 times			
ROE (%)	13% or more*2	▶	Unchanged	12.9%	11.0%			

\*1 at the end of FY2024 \*2 after FY2024

Phase 2

Preview of Phase 2 (New Plan)

We seek to achieve four of the management indicators that were carried over from the Previous Plan. These are an equity ratio of at least 23%, an LTV of under 65%, a D/E ratio under 3 times, and an ROE of at least 9%.

An overall summary related to profit and loss sets out plans for consistent profit in the Energy Business in FY2025 and FY2026 but anticipates a record-high profit of ¥9.0 billion in FY2027, the final year of the New Plan.

Overall Summary (Millions of yen)

	Final year of the Previous Plan		New Plan		
	FY2024 Results	FY2025 Target	FY2026 Target	FY2027 Target	
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 (operating income + depreciation expense)	19,600	20,900	20,600	22,450	

Management Indicators

	FY2024 Results		Target	
Equity ratio (%)	22.3%		23% or more (at the end of FY2027)	
LTV (%)	60.9%		Less than 65% (recurring)	
D/E Ratio (times)	2.5 times		Less than 3.0 times (recurring)	
ROE (%)	11.0%		9% or more (recurring)	

Looking back at Phase 1 (the Previous Plan)

The seven elements of the Previous Plan are: further growth of core businesses; maximize Group synergies; optimize our business portfolio; establish a stable financial base; improve productivity and create new services through DX promotion; proactively consider ESG; and develop personnel and establish a rewarding workplace environment. Focused on these areas, we worked to bring the Group together to promote businesses in order to be a company trusted by all our stakeholders.

During this period, we revised the Previous Plan in line with our transition to a holding company structure and changes in our profit structure due to the TOB for the Takara Leben Infrastructure

Investment Fund. In FY2024, the final year of the Previous Plan, for the most part our major management indicators were met as planned. However, with the exception of gross profit we failed to meet performance targets due to such factors as increased SG&A expenses. Furthermore, there were some ongoing issues, and we are approaching the new Medium-Term Management Plan (hereinafter the "New Plan") from the dual perspectives of making the balance sheet leaner and enhancing profitability. By strengthening such factors as DX and human resources we will create new opportunities for growth and will continue to improve the Energy Business and capital efficiency.

Seven Elements of the Previous Medium-Term Management Plan		Achievements
1	Further growth of core businesses	In Japan, we are promoting community-based urban development through the expansion of urban redevelopment projects and pursuit of promising construction projects. Overseas, we leverage the expertise we have cultivated in Japan to develop condominium businesses in Vietnam, Thailand, and the Philippines.
2	Maximize Group synergies	We have strengthened and expanded the scale of our Asset Management Business by leveraging our development capabilities in our core Real Estate Business to create a pipeline of diverse income-generating properties for sale to REITs.
3	Optimize our business portfolio	Looking to the future, we have created a roadmap to 2030 that aims to secure further growth by breaking away from a business portfolio solely reliant on the Real Estate Business and establishing the Energy Business as the second pillar of operations.
4	Establish a stable financial base	As a result of the tender offer bid (TOB) for the Takara Leben Infrastructure Investment Fund, borrowings increased; however, we were able to develop a scheme to secure stable recurring income. A V-shaped recovery is expected following FY2024.
5	Improve productivity and create new services by promoting DX	Aiming to unify platforms across the Group, we have built a single-use system, a multi-tiered platform, and an end-to-end integrated system.
6	Proactively consider ESG	We established CO <sub>2</sub> emissions reduction targets to achieve carbon neutrality. We also collected data from each company and disclosed Scope 3 emissions.
7	Develop personnel and establish a rewarding workplace environment	We actively invested in human capital. We increased employee base salaries and starting salaries for new graduate hires. We are supporting the development of young employees who will lead the next generation by conducting selective training to foster problem-solving from a managerial perspective.

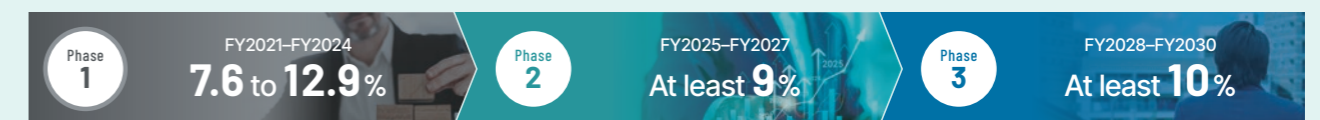
Financial Strategy

A Message from the CFO pp. 22-25

Enhancing ROE

A target has been set for an ROE of at least 9% from Phase 2 onward.

Although this is a period of investing in growth, we will exercise financial discipline while enhancing profitability as we seek to raise our asset turnover rate and achieve our goals. Furthermore, our target for Phase 3 is an ROE of at least 10%.



FY 2024 Results

ROE 11.0%

**A** Ratio of profit to net sales **4.2%** Profitability

- Improve profitability in the Real Estate and Energy Businesses
- SG&A expense control

**B** Asset turnover rate **0.6** Asset efficiency

- Aiming to improve profitability while being aware of asset turnover
- Asset replacements

**C** Financial leverage **4.8 times** Safety

- Controlling leverage ratios
- Balance between investment and return

**ROE** =  $\frac{\text{Profit attributable to owners of parent}}{\text{Shareholders' equity}^*}$  =  $\frac{\text{Profit attributable to owners of parent}}{\text{Net sales}}$  ×  $\frac{\text{Net sales}}{\text{Average total assets during the period}}$  ×  $\frac{\text{Average total assets during the period}}{\text{Shareholders' equity}^*}$

\* Average net assets during the period - share acquisition rights - minority interests

Review of the Previous Medium-Term Management Plan and Overview of the New Medium-Term Management Plan

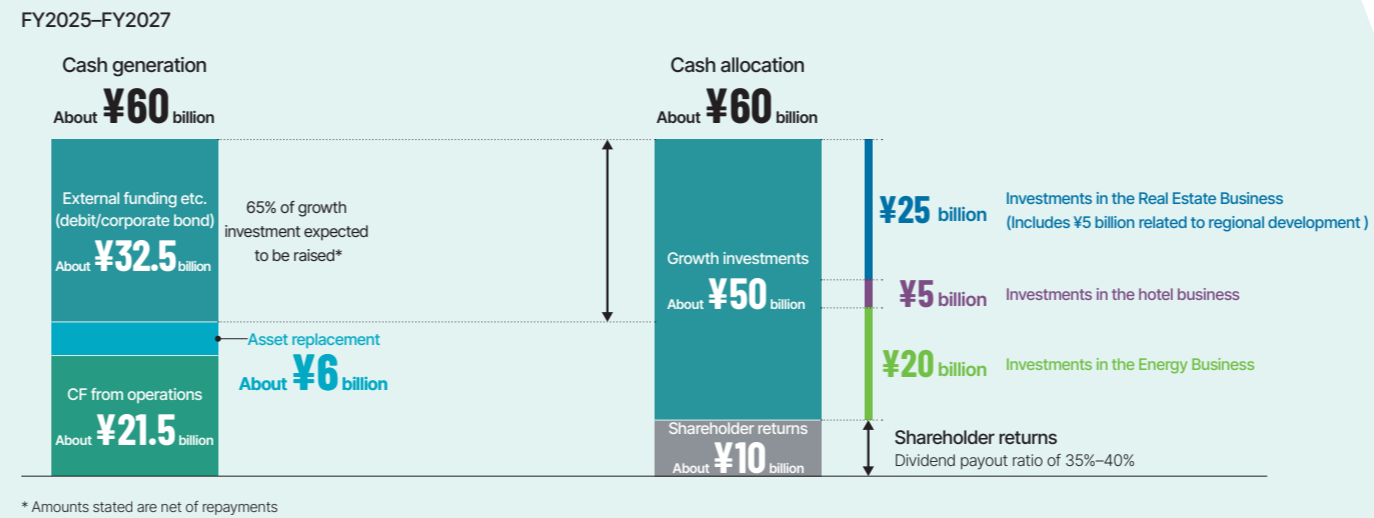
Phase 2

Financial Strategy (cont.)

Policies for capital allocation and shareholder returns

Regarding capital allocation, we plan to generate about ¥21.5 billion in cash flows from operations while securing about ¥6.0 billion through asset replacement and about ¥32.5 billion in outside funding, for a total of about ¥60.0 billion over three years. Of this ¥60.0 billion, we will allocate around ¥50.0 billion to growth investments. These investments are slated to include ¥25.0 billion for the Real Estate Business, ¥5.0 billion for the hotel business, and ¥20.0 billion for the Energy Business.

As for returns to shareholders, we have set the dividend payout ratio at 35%–40% and have made securing returns for shareholders our most important management issue. We will continue to provide these returns in the form of stable dividends, specifically, we plan to pay out approximately ¥10.0 billion in shareholder returns over the three years covered by the New Plan.



Realizing management that is aware of the cost of capital and share value

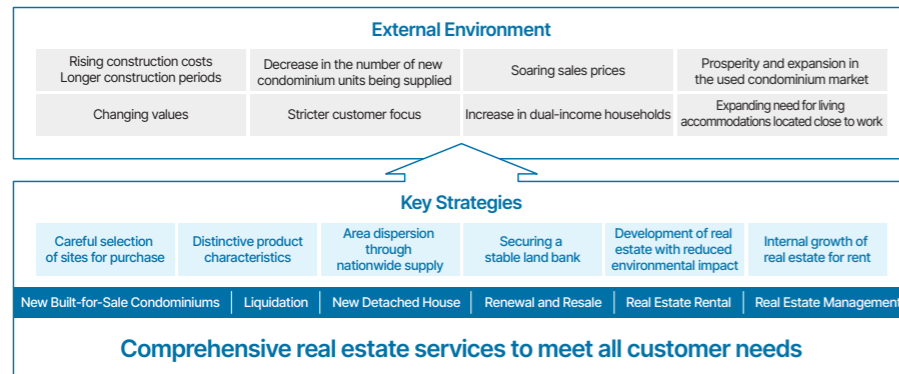
As it steadily enacts both its financial and non-financial strategies, the Group will strive to continue implementing sustainable management based on strategies combining the three themes of implementing Purpose management, reforming the growth structures, and promoting ESG management in order to realize continuous growth and enhance our medium- to long-term corporate value.

- Dissemination of our Long-Term Vision through 2030
- Creating and providing value to stakeholders
- Qualitative improvement of IR activities
- Management with an awareness of capital efficiency, such as ROE/ROIC
- Evolve our business portfolio

Business Strategies (major)

Strategies by business pp. 58-69

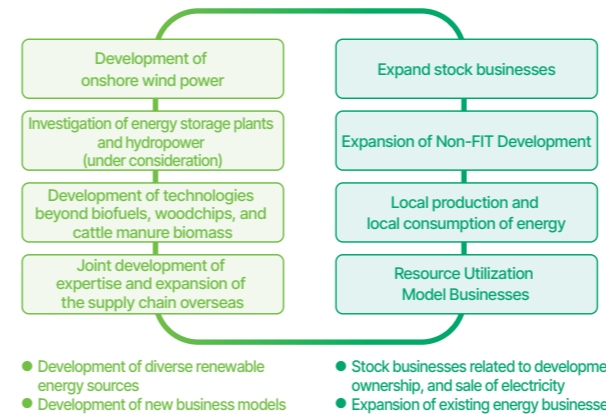
Strategies for the Real Estate Business



Energy Business: Medium- to Long-term Policies

- 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

Expansion of operating income to **¥1.7 billion** (¥7 billion on an EBITDA basis)



● Incorporate ESG into business operations

Non-Financial Strategy

Key themes and material issues related to sustainability

The Group has put forth realizing decarbonization, creating sustainable cities, enhancing well-being, and strengthening governance as key themes related to sustainability, and is promoting initiatives linked to 10 of the material issues it has identified.

Sustainability Key Themes	Related SDGs	Material Issues
<b>Environment</b>	Realizing a Decarbonized Society (SDGs 6, 7, 12, 13, 15)	Addressing climate change and decarbonization (p. 80) Promoting the stable supply and use of renewable energy (p. 80)
<b>Social</b>	Creating Sustainable Cities (SDGs 4, 8, 9, 11, 17)	Realizing sustainable growth of local communities (p. 77) Addressing the declining birthrate, aging population, and shrinking workforce (p. 77)
	Enhancing Well-Being (SDGs 3, 4, 5, 8, 10, 12)	Ensuring the health and safety of employees (p. 72) Promoting Diversity, Equity and Inclusion (DE&I) (p. 73) Respect for human rights and supply chain management (p. 76)
<b>Governance</b>	Strengthening Governance (SDG 16)	Strengthening corporate governance (p. 84) Strengthening risk management (p. 90) Ensuring corporate ethics and compliance (p. 91)

Realizing Sustainable Management

Continuous Growth and Enhancing our Medium- to Long-Term Corporate Value

## A Message from the CFO



**Daisuke Nakamura**  
 Director, Group CFO,  
 Senior Managing Executive Officer,  
 Office of Sustainability General Manager  
 MIRARTH HOLDINGS, Inc.

### Review of the previous Medium-Term Management Plan and financial results in FY2024

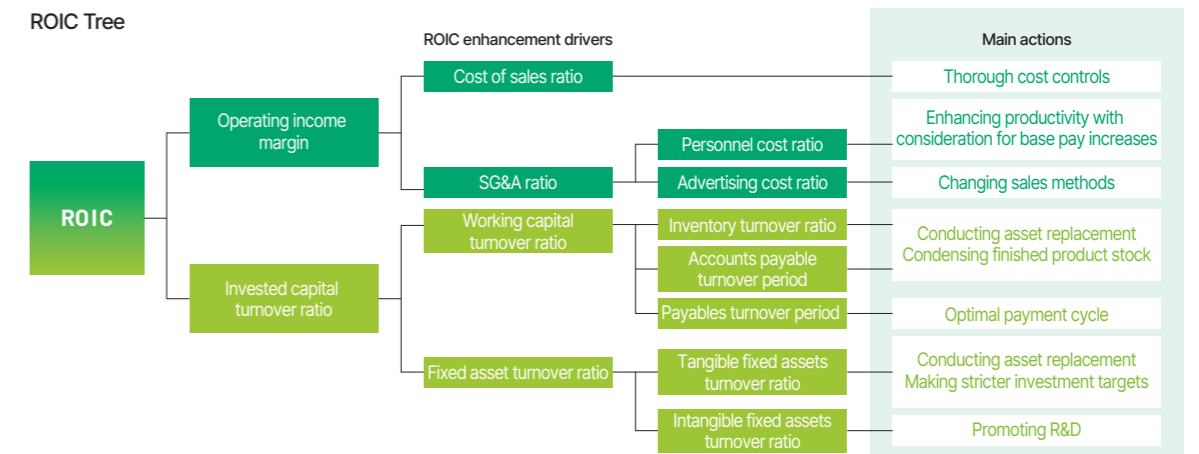
During the period covered by the Group's previous Medium-Term Management Plan (FY2021–FY2024, hereinafter the "Previous Plan"), the market underwent significant changes as the Japanese economy transitioned from deflation to inflation. In particular, the market for new built-for-sale condominiums, a business that we are focusing on, saw the cost of construction rapidly grow amid rising raw material prices and personnel costs, prompting an upward trend in prices. Amidst these conditions, net sales were steady while gross profit surpassed projections. I believe this further demonstrated the strength of the Company's sales base, which stood fast, even in the midst of changing market conditions.

In FY2024, net sales reached ¥196,523 million (up 6.1% year-on-year) and net income attributable to owners of parent reached ¥8,207 million (up 0.4% year-on-year). As such, revenue and net income increased from the previous fiscal year.

On the other hand, operating income fell to ¥14,364 million (down 7.1% year-on-year) while ordinary income fell to ¥12,427 million (down 4.3% year-on-year). The declines were attributable to the use of funds for future-oriented investment looking to build a foundation for continuous growth. Specifically, we laid the groundwork for an approximately 500-unit increase in the number of units sold in the next fiscal year and invested resources strategically to create foundations for the human capital and DX essential to improve our corporate value. As a result, SG&A expenses increased by 11.2% year-on-year.

#### Financial Position

	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales (Millions of yen)	148,397	162,744	153,472	185,194	196,523
Operating income (Millions of yen)	10,789	11,877	7,030	15,457	14,364
Ordinary income (Millions of yen)	9,933	10,258	5,033	12,984	12,427
Net income attributable to owners of parent (Millions of yen)	4,693	6,215	4,584	8,178	8,207
Interest-bearing debt (Millions of yen)	118,570	127,969	227,385	210,462	227,006
LTV (loan to value) (%)	58.0	57.3	66.6	62.4	60.9
D/E ratio (times)	2.2	2.1	3.5	2.9	2.5
ROE (%)	9.0	11.0	7.6	12.9	11.0



## Aiming for maximum profit and growth by being more proactive in responding to market changes

### Recognizing issues in line with changes in business conditions

The period covered by the Previous Plan was mostly one of deflation, in which such safety indicators as the loan-to-value ratio (LTV) and equity ratio were perceived as relatively stable.

In contrast to this, the new Medium-Term Management Plan (hereinafter the "New Plan") was introduced under inflationary conditions, with costs rising and competition becoming fiercer. As such, thorough cost controls will be important. To face these issues, it is paramount that we recognize that first of all, this will be a race against time.

Amid inflationary conditions, the quality of investments has to be weighed carefully with an eye to limiting asset risk, including by conducting swift and sophisticated asset replacement. On the other hand, rising construction costs and longer construction periods impede business progress, so we must pinpoint factors contributing to profitability and enhance productivity. Furthermore, I believe that we must be very careful when selecting resources and strictly adhere to financial discipline when pursuing investments.

As there is no single sure method to enhance productivity, our efforts must include investments into human capital, such as human resource education in pursuit of higher productivity.

As individual employees' awareness of these issues evolves and they move forward in a positive manner, we will see a reduction in costs and a gradual lowering of break-even points.

### A vision for growth with an eye to business portfolio management

In the Company's roadmap to 2030, the four years of the Previous Plan constituted Phase 1 of a period of business structure reforms. Phase 2, the New Plan, is a period for investing in growth with an emphasis on balancing the offensive and defensive. Phase 3, the subsequent three years, is expected to be a period of stable recovery.

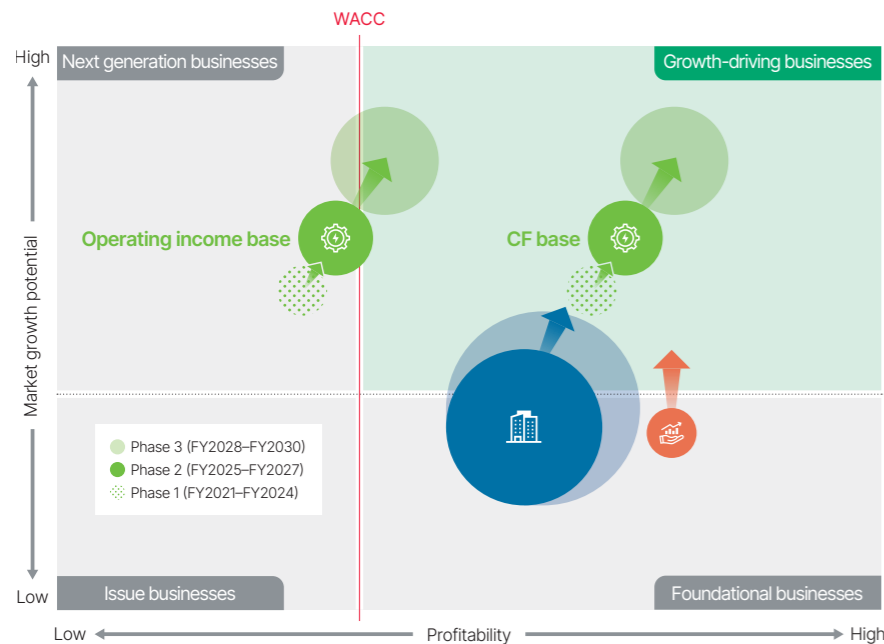
Based on business portfolio management, our vision for growth is explained in the following graph, which maps out the position of each segment with market growth as the y-axis and profitability as the x-axis.

We expect stable and steady expansion in profit within the foundational businesses in our core Real Estate Business.

The center of these efforts is the new built-for-sale condominium business, a business in which we are solidifying the base while pursuing further expansion to bring about our innovation. In particular, we are being innovative in enhancing the added value of new built-for-sale condominiums.

## A Message from the CFO

### Business Portfolio Management



#### Real Estate Business

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

#### Energy Business

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

#### Asset Management Business

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

On the other hand, in the Energy Business, our next growth driver, the operating income base remains below the WACC despite this business's potential for high market growth. This is due mainly to its depreciation period being shorter than that of the Real Estate Business and high annual depreciation expenses. If we turn our eyes toward the EBITDA base of the Energy Business, we can see that its profitability is actually higher than that of the Real Estate Business.

The New Plan (Phase 2) calls for utilizing cash procured via general fundraising as well as third-party allocations of shares to make more active investments in the Energy Business in addition to the Real Estate Business. We are striving to create a lean balance sheet and maintain an appropriate level of leverage to foster the Energy Business as the second-biggest contributor to profits after the Real Estate Business.

Overseas, we made business investments in Vietnam, Thailand, and the Philippines during Phase 1. In Phase 2, we intend to gather returns on these investments. As the Japanese domestic financial market transitions to a world of interest rates, I believe that going forward there will be higher hurdles when making investments overseas than what has been the norm for the last few years.

The Group has set ROIC as an indicator for profitability covering these varying business fields. By evaluating

each segment from the perspective of ROIC, we can strive for growth through an overall balanced portfolio that does not favor particular businesses. Specific key measures involve boldly and seriously replacing assets and condensing our finished product stock.

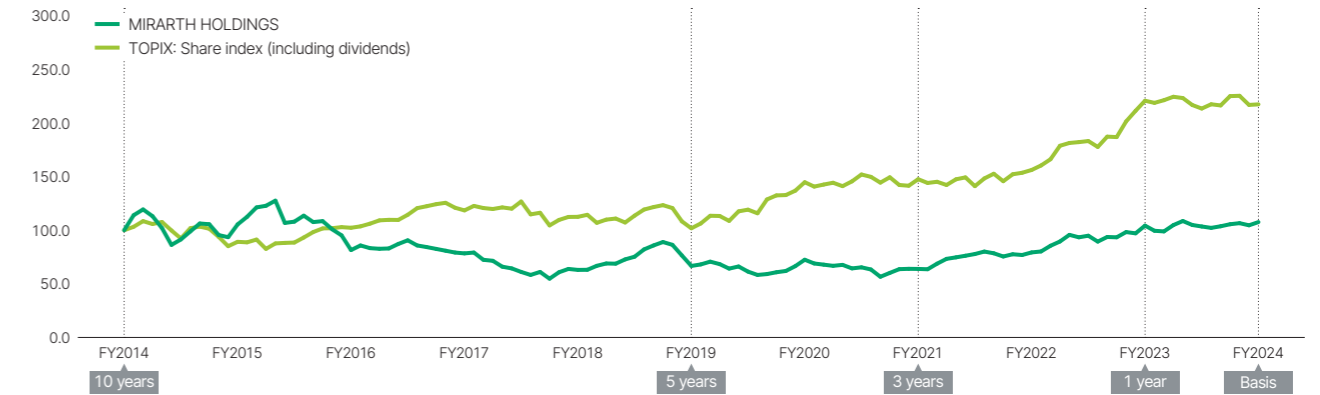
Under the New Plan, we are aiming for ROE over 9%. Although Phase 2 is a period for investment, we seek to achieve this target by enhancing profitability while respecting financial discipline to achieve higher asset efficiency. In Phase 3, our ROE target is over 10%.

The New Plan's 9% target for ROE was set after factoring in expansion in growth investments, and I would like to create paths to even higher stages, such as between 11% to 12% before beginning Phase 3.

### Management that is aware of the cost of capital and stock prices

Such initiatives as those mentioned above are expected to yield growth in operating income from the second half of Phase 2 onwards through Phase 3. In parallel with this, we will promote initiatives to lower break-even points, which I would like to use to showcase how the Company operates within a framework designed to produce stable profit.

### Stock Price Performance (based on TSR\*)



Retention period	1 year		3 years		5 years		10 years	
	Annual rate	Cumulative	Annual rate	Cumulative	Annual rate	Cumulative	Annual rate	Cumulative
MIRARTH HOLDINGS	+4.1%	+94.6%	+24.9%	+75.9%	+12.0%	+7.6%	+0.7%	
TOPIX	-1.5%	+47.2%	+13.8%	+113.4%	+16.4%	+117.4%	+8.1%	

\* Total shareholder return (TSR): Total return on investment combining capital gains and dividends  
 \* TSR for MIRARTH HOLDINGS is calculated based on cumulative dividends and stock price fluctuations. TSR for TOPIX is calculated using a stock price index that includes dividends. (Created by MIRARTH HOLDINGS using Bloomberg data and other sources.)  
 \* The values in the graph are indexed market prices based on TSR data, with the closing price as of March 31, 2015 set at 100 (assuming the stock was held until March 31, 2025).

Under the New Plan, we are solidifying our preparations for mitigating the effects of inflation while proceeding as laid out in this period of investment. By demonstrating that we are able to steadily secure profits, we hope to further deepen understanding of how the company strives toward growth. By steadily securing profits, we will be able to expand returns to shareholders.

Phase 3 is designated as a period for reaping the results of investments made in Phase 2. Continuing to embody our Long-Term Vision to "Be the Takara (treasure) of the Community" in the course of realizing our Purpose has allowed us to set a target of over ¥22.0 billion in operating income for Phase 3.

To be the "Takara (treasure) of the Community," we need to ensure that our roots in communities are deep and to strengthen our brand through strategies that will achieve market dominance. In recent years, these strategies have met with success in the Tohoku region, creating a virtuous cycle in which our brand penetration has led to further land acquisitions. I believe that this success, which demonstrates how we embody our philosophy to "Be the Takara (treasure) of the Community," is a model case for future pioneering efforts.

In this way, we do not simply stop working after creating a condominium, but rather engage in business in

peripheral areas and realize further growth through creating value that goes beyond just the building. I believe that continuing to utilize and strengthen this virtuous cycle will secure the Company's ability to sustain itself.

### In conclusion

After I took on the role of CFO, the businesses conditions the Company had to face changed significantly, particularly with regard to deflation and inflation. With the fast-paced worsening of already uncertain business conditions, the ability to make decisions quickly and accurately in accordance with a clear timeline is a necessity.

As such, I believe that ensuring that we are adequately prepared while working to secure conditions for maximizing profit and growth will enhance our corporate value. I recognize that pressing forward in pursuit of success is the mission of a CFO, and I would like to push forward with financial and cost controls. I would like to express my humble wish to provide further guidance and encouragement moving forward.

## Outside Director Roundtable

### What sort of subjects were discussed by the Board of Directors during the formulation of the new Medium-Term Management Plan?

**Yamagishi** With two years behind us since transitioning to a holdings structure, we have begun to see the emergence of related issues, but addressing these was compounded with the formulation of the next Medium-Term Management Plan (hereinafter the "New Plan"), so our discussions were largely centered on the direction that the Group as a whole should take moving forward. My impression was that securing growth in the Energy Business was recognized as having the highest priority across the entire Group.

**Uchida** That's correct, and these discussions benefit from the diversity of backgrounds the outside directors bring with them, the experience of the inside directors who have risen up through the ranks of the Company, and the leadership of the CFO and his long history in financial institutions. With inside and outside members bringing their diverse perspectives to bear, I really felt that we were able to reach consensus on the issue of whether or not the Company could successfully transition to a holdings structure. In fact, rather than a divergence of opinion, we saw each member of the Board draw on their unique qualifications during discussions to offer a multitude of insights. As we are in the midst of our third year since transitioning to a holdings structure, I believe that the reason why our discussions have been so productive

is the exceedingly favorable composition of the Board of Directors, a composition that include the steering provided by President Shimada.

As such, I fully leverage my expertise to offer opinions that reflect my experience in real estate matters while at the Ministry of Land, Infrastructure, Transport and Tourism, in regional revitalization as part of the Cabinet, and when serving as a director of the Real Estate Companies Association of Japan.

**Kanamaru** I have a background as a lawyer specializing in resolving disputes, especially those centered on human resources and labor. Among the current directors, I can verify that the knowledge I hold on these matters, including corporate legal affairs, is unmatched. The Company has entered a new phase with the New Plan, and I have been vigilant, particularly with regard to preventing future disputes while participating in discussions using the knowledge I have cultivated as we create new development projects.

### Are there any topics that have been intensively discussed by the Board?

**Uchida** The period covered by the New Plan from FY2025–FY2027 has been designated as a period of growth with a focus on balance as well as for conducting investments, while we aim to continue on to Phase 3 as a period of stable returns. As such, we will carefully

construct a lean balance sheet while holding discussions focused on specific subjects as we work on determining how to bring about new growth in each phase.

In Phase 3, regional revitalization will not be a single aspect of development but constitute an entire field. As I see it, each project the Company undertakes will be directed at contributing to communities while Company employees deepen their involvement in such development stages as area and town management as we grow closer to realizing our Long-Term Vision to "Be the Takara (treasure) of the Community." I would like to help this delicate process move forward while contributing to progress by voicing my opinions during discussions at the Board of Directors.

I believe that we must grow deeper and more extensive roots in communities to realize sustainable Group growth. This will greatly widen the scope of this conversation, but I believe that even though globalism is reaching a turning point, Japan's communities still have a lot of strength in them and there are many strong-willed people in the up-and-coming younger generations and businesses who are willing to work to revitalize their local communities. I am confident that such cooperative revitalization efforts will be a driver of continuous Group growth.

**Kanamaru** The purpose of the New Plan is to firmly establish the Company's ability to cultivate a lean business structure. In the midst of discussions on how to get investors on board with this endeavor, I have felt a growing consciousness within the Company involving looking to the future from a more long-term perspective, rather than simply trying to enhance capital efficiency. I view these three years as a vital period to develop further strength within the Company.

**Yamagishi** I said before that developing the Energy Business is positioned as the most important priority matter. When I submitted my opinion that specific initiatives regarding the Energy Business had not currently been shared sufficiently across the Group, I felt that I had had an impact and that this concern was reflected in the new organizational frameworks from April. I believe that my personal role is to be involved in creating such platforms.

### Please tell us about your appraisal of the future of the real estate market and how discussions at the Board of Directors reflect this understanding.

**Uchida** Current market conditions are very different than previous real estate bubbles. The nature of assets varies, while markets ebb and wane within the Tokyo area and beyond in Japan as well as overseas, I believe we should not take a uniformly positive or negative outlook. I think the Company is able to accurately understand how



market trends affect individual projects and that its responses are balanced as a whole.

**Yamagishi** I felt as though those in the Real Estate Business effectively communicated at the Board of Directors meetings that they were aware that the Company must not be complacent when markets are favorable but instead act to effect improvements every day and strive to ensure their ideas are very carefully constructed.

Many new plans for land acquisitions have been presented as of late. While I have felt nervous when considering large-scale plans, when I ask for views on local markets, employees have been able to reassure me, explaining how each land acquisition is based on specific and careful analysis.

As for the aspect of rising interest rates, the CFO is at the center of efforts to fine-tune financial strategies that will determine the future of the Real Estate Business, and they are being managed fairly and safely.

**Kanamaru** The Real Estate Business will continue to be our main business, and I strongly feel that the belief that it must remain the foundation of the Company no matter what changes occur is present within discussions at the Board of Directors.

On the other hand, overseas businesses do not produce results overnight, so discussions continue to be held on how next to utilize the knowledge we have amassed while we conduct elaborate risk analyses and hedging.

### What sort of initiatives regarding human capital do you believe are needed in order to realize our Purpose?

**Kanamaru** I find that employees in each region execute their duties masterfully with a strong awareness of the various issues those regions face. I find it extremely encouraging that upper management is passionate about consciously dispersing our human capital, which too often is concentrated around a company's headquarters in



**Yuko Kanamaru**  
Director (Outside Director)

**Naohito Yamagishi**  
Director (Outside Director)

**Kaname Uchida**  
Director (Outside Director)

## Outside Director Roundtable



Tokyo, among operations in more rural areas as well as toward promoting regional hiring. If we can continue to maintain such an attitude, we can realize our Purpose.

In addition, we strive to bring in personnel who share the Company's aims through mid-career hiring, and I am pleased by how these people participate at the heart of the Company.

**Uchida** The Company has made its message to "Be the Takara (treasure) of the Community" clear, which is a vision that all individual employees strive for beyond the boundaries of their own particular companies and projects. I think this is a wonderful policy.

In addition, market fluctuations are extraordinarily severe, and there is a need for constant re-skilling efforts. Reskilling initiatives cover three key points.

First, DX is not simply a technological fix that enhances productivity and operational efficiency; rather, it is a broad set of efforts taken on in tandem with human resource development.

Second, we utilize such tools as training to provide opportunities for young employees to learn a manager's perspective and instill passion for their work. I believe that a procedure that emphasizes utilizing the proposals of these young employees in the course of actual business rather than as just pen-and-paper exercises could become a crucial source of innovation.

Third, we must carry out cross-departmental personnel placement using data collected by HR department to further improve human resource capabilities across the Group. Additional human resource allocation will facilitate the further evolution of our business model toward its next stage. To create synergistic effects between the Real Estate Business and Energy Business, I believe that we must immediately address issues around proactive personnel fluidity, enhancing human resource capabilities, and creating a system in support of these efforts.

**Yamagishi** When I assumed my role as a director three years ago, there was a question at the end of the personnel materials I submitted that left a deep impression; it asked, what does happiness mean to you? In that

moment, I truly realized how sincerely the Company approaches human resource development.

As stated in the Purpose, it is our duty to respond to community issues, and, furthermore, it is incumbent upon us to continue to develop human resources that are serious in securing the happiness of communities.

### How do you feel we should approach the issue of management that is aware of the cost of capital and stock prices?

**Yamagishi** Officially, the New Plan covers three years, but in truth among its aims are effecting growth structure reforms across the Group in preparation for FY2030, six years from now. Management has thus far steadily proceeded with placing ever more emphasis on ROIC in addition to ROE with an eye to the cost of capital. As such, we are discussing how to harden our stance under the leadership of our CFO at the Board of Directors.

**Uchida** Working with the CFO, who was appointed last year, we are promoting management with an awareness of the cost of capital. In the past, the equity ratio and ROE were managed on a consolidated basis, but by managing ROIC by business division and using it as an indicator, we expect to fully embody management focused on capital efficiency.

In this way, we are striving to accurately control the three differing businesses of Real Estate, Energy, and Asset Management while maximizing corporate value. In addition, the funds we gained through the increase in capital will be allocated in a balanced way among growth investments, maintaining financial soundness, and returns to shareholders.

**Kanamaru** This will allow us to maintain a strong perspective on managing profit for invested capital. As Mr. Uchida said, how returns are reflected in profits and the time it takes to do so varies by business, so I believe it is very important that we accurately understand and quantify targets and allocate resources appropriately.



### Finally, please give us a message for our stakeholders.

**Kanamaru** I do not believe our stakeholders will view the New Plan as three sparkling years of profit. However, this is because for the Group, these three years will be a period for concentrating on shifting our growth structure. I would like our stakeholders to pay attention to the extensiveness of the reforms we will enact each year. Furthermore, I will strive to help stakeholders comprehend positive aspects about the Group that they have yet to hear about.

**Uchida** I find that within the Company our management in line with the Purpose is widely understood, and we need to further strengthen how this breaks down for the management of individual businesses and on-site locations. As for how we can utilize Purpose-driven management in the outputs of individual businesses, we are at

a stage where we can begin to communicate how it works among society and our investors. We will strive to engage in proactive information disclosure and dialogue with stakeholders. Furthermore, I believe we should quickly incorporate feedback regarding these efforts in our management strategies and an agile management culture in pursuit of continued growth.

**Yamagishi** Over the past three years I have had many opportunities to hear from employees in my visits to Sendai and Hokkaido. There, the determination of employees to make these communities better through the execution of their duties left a deep impression on me. This pride at the individual level supports the Group. As for our shareholders and investors, I would like them to know that we will constantly improve the Company, and efforts to resolve community issues are the driving force motivating our growth.

## Message from Newly Appointed Outside Directors



**Yasuko Ono**  
Director (Outside Director)

Joined Taiyo-Kobe Bank Limited in 1989. Involved in direct company management and holds specialized knowledge and an abundance of experience cultivated in domestic and international financial institutions. Also holds an occupational track record and experience as an Audit and Supervisory Board member.



When you were approached about assuming the position of Director at MIRARTH, what was your first thought? We would appreciate it if you could give a short introduction to your skills and experience, and perhaps explain your thoughts on how you would like to make use of them in this new role. Please feel free to tell us about your ambitions.

I worked at a bank for a long stretch of time and was involved in managing various risks and operations in connection with overseas businesses. When I was posted to the U.K. it was during a stretch of time that included the 2008 financial crisis. After 2014, I spent a period serving in Malaysia as the President of one of the bank's local corporations, dealing with a situation that required fast responses to extremely swift changes in the business environment amid a quickly evolving society. In particular, I put into practice the idea of "Think globally, act locally" during my time in Malaysia as the head of a corporation that consigned operations to various locations around Asia, all of which had differing legal systems and cultures. Since returning to Japan, I have engaged in managing group-based compliance and auditing, and from 2019 I have been serving as an Audit and Supervisory Board member at a total of 4 companies, thus contributing to enhancing group- and global-based governance.

MIRARTH HOLDINGS seeks to evolve from a general real estate developer into a future environment design company and continues to grow and expand both within Japan and abroad. I have the impression that the Company is cognizant of the need for even further improvements to governance and risk management in this process, and it seems that the Company is both active and earnest in its measures on these fronts. I have been deeply impressed by these efforts, and I believe that my experience and knowledge, which were born through actual practice, will be of use in furthering progress. I will continue to increase my familiarity with the Company, and I would like to engage in through discussions with other officers while responding to the expectations of our wide breadth of stakeholders.



A Medium-Term Management Plan has just been launched. What kind of growth do you expect with regard to the MIRARTH HOLDINGS Group? As an individual, what are your thoughts on how to monitor this growth?

I would like each individual to be cognizant of the Long-Term Vision for 2030, "Be the Takara (treasure) of the Community," and for all to be aware of the role they must fulfill in striving to pursue the essence of MIRARTH. I would also like to focus on maintaining an optimum balance of business offense and defense in the midst of this period of growth and expansion while monitoring the balance between progress toward growth targets and maintaining the status of initiatives aimed at ensuring ongoing sustainability. I am looking forward to cooperating with my fellow officers in contributing to the goal of turning the initiatives in the current Medium-Term Management Plan into the foundation for the Company's medium- to long-term growth.

SPECIAL FEATURE 1

A Path to Nationwide Development

# Expanding regional revitalization across Japan from the starting points of our brand capabilities and community voices

This special edition recreates an interview at Takara Leben Co., Ltd. between Masahiro Yoshida, a Senior Executive Officer, and Keiji Ito, an Executive Officer.

Nationwide development of new built-for-sale condominiums

## Building up a condominium business in the midst of earthquake recovery

In 2014, the Company established sales offices in the Tohoku and Hokuriku regions and launched property development operations across the country. This enabled the Company, which previously had mainly limited its development activities to the Tokyo area, to strategically widen its business area to cultivate new markets.

In addition, although the Long-Term Vision to "Be the Takara (treasure) of the Community" has now been clearly stated, its origin could be said to be President Shimada's strong desire to commence nationwide development in order to revitalize communities.

In the Hokuriku region, we finished creating a city center redevelopment project in Toyama City, Toyama in 2012, and this became the first business certified under the revised Act on Vitalization in City Center. We have since built up a track record in similar projects, gaining us a footing in the region and developing our Hokuriku sales office.

Following the earthquake in 2012, built-for-sale condominiums in the Tohoku area saw a building boom as large developers acted on expectations of high restoration-related demand. However, Chairman Murayama found the idea of pursuing profit in the midst of crisis distasteful, so we held off entering the region until 2014.

As we had not operated in the Tohoku region until that point, we began by creating a pipeline for success. We began by building a local supply chain from scratch through real estate companies, architectural firms, construction companies, and financial institutions, all of which are local sources of information on land vital to a condominium business.

In addition, earthquake recovery was well under way at the time, with many laborers allocated to civil engineering work, such as the restoration of roads and rivers. The construction departments of construction companies were occupied with rebuilding residences, making conditions for a newcomer such as us very difficult.



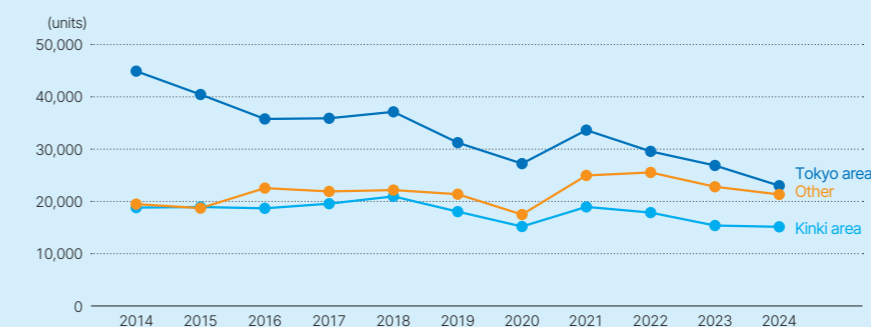
Ranking for the number of units provided by each major seller of built-for-sale condominiums nationwide by group

2013	2018	2024
1 Mitsui Fudosan Residential 7,476	1 Sumitomo Real Estate 7,377	1 Open House Group 4,941
2 Nomura Real Estate 6,517	2 Pressance Corporation 5,267	2 Nomura Real Estate Development Group 3,584
3 Sumitomo Real Estate 5,879	3 Nomura Real Estate 5,224	3 Mitsui Fudosan Group 3,089
4 Mitsubishi Estate Residence 5,599	4 Mitsubishi Estate Residence 3,614	4 Sumitomo Realty & Development Group 2,618
5 Daikyo 2,913	5 Mitsui Fudosan Residential 3,198	5 Anabuki Group 1,908
6 Daiwa House Industry 2,905	6 Anabuki Kosan 2,450	6 Mitsubishi Estate Group 1,770
7 Pressance Corporation 2,328	7 Nihon Eslead 2,401	<b>7 Takara Leben Group 1,719</b>
8 Tokyu Land Corporation 2,211	<b>8 Takara Leben 1,873</b>	8 Iida Group 1,634
9 Nippon Steel Kowa Real Estate 2,130	9 Daiwa House Industry 1,627	9 Daiwa House Group 1,573
<b>10 Takara Leben 1,705</b>	10 Nippon Steel Kowa Real Estate 1,539	10 Hankyu Hanshin Group 1,473

Ranked among the **top 10** for the first time despite not having yet entered the Kinki area

Source: "National Trends in New Built-For-Sale Condominiums 2014, 2018" (Real Estate Economic Institute Co., Ltd.), "Real Estate Economic Condominium Data & News" (Real Estate Economic Institute Co., Ltd.)

Number of built-for-sale condominium units provided by area



Buildings erected in commemoration of the 50th anniversary of Takara Leben's founding

LEBEN YOKOHAMA YAMATE ONE WARD COURT | LEBEN FUKUOKATENJIN ONE TOWER

SPECIAL FEATURE 1

A Path to Nationwide Development

Establishing the Leben brand through product planning that painstakingly incorporates community issues and business promotional capabilities

Even three years after the Great East Japan Earthquake, many people had lost their homes and were forced to live in limited and temporary establishments. With a strong desire to do something to more quickly provide homes that would become a foundation to support lifestyles, we began by building straightforward relationships with local communities.

Our first building in Sendai City had a refined façade, an imposing gate leading to a two-story lounge, and luxurious guest rooms for shared use. This sort of architectural design was the first of its kind in Tohoku and provided the new built-for-sale condominium known as **LEBEN SENDAI SILVISTA** (143 total units).

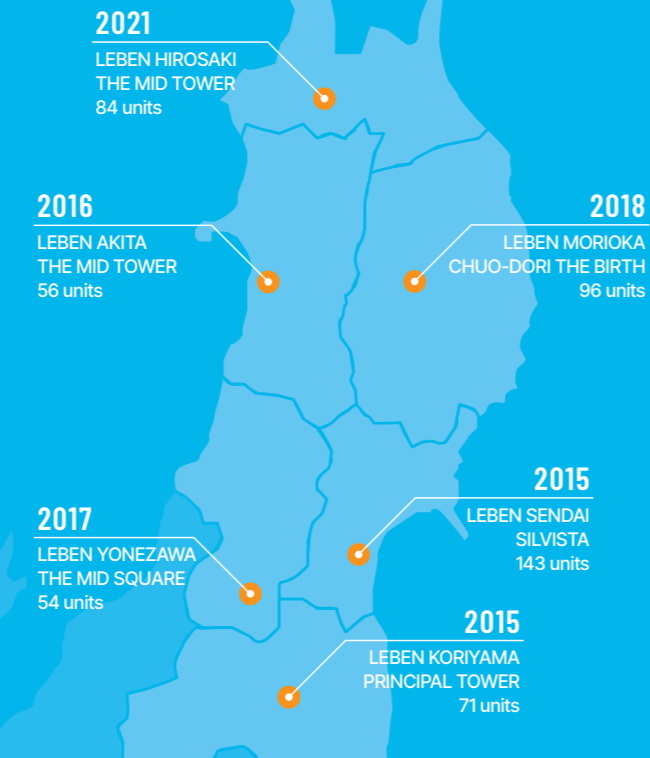
After this, we strove to improve our reputation in the community through the provision of added value in the form of comfortable spaces that met local needs. For example, to raise the comfort level even in snowy winter conditions, we installed a shared fitness gym and karaoke room and, in light of the region's car culture, a roofed parking lot as well as another with road heating and snow melting equipment, countermeasures against heavy snow buildup, and more.

At the time, construction costs in the Tohoku region were among the highest in the country, so, while many competing companies preferred to provide low-cost condominiums or low-spec rental apartments, our strategy of providing high-spec designer residences with a Tokyo-level of quality has been particularly successful.

Having become the number one provider of new built-for-sale condominiums in the Tohoku area in 2015, we have earned the top spot again in nine of the 10 years since.

The construction of a new built-for-sale condominium takes about two and a half years to complete. As we continued to build relationships with local communities and establish foundations for business collaboration, our development project, initiated in 2016, was completed in 2017 in accordance with plans. As a result, the number of units we provided in FY2019 surpassed 300, reaching around 400.

The turning point in securing a trajectory for growth was



development in Yonezawa, Yamagata, where we began sales in 2017 with **LEBEN YONEZAWA THE MID SQUARE** (54 total units), being the first new built-for-sale condominiums provided in the city in about 10 years. Our initial developments in the Tohoku area began in Sendai with the main goal of providing units in the capitals of the six Tohoku prefectures. In addition, as part of our strategy for entrenching operations in the Tohoku area, we began to target the third- and fourth-tier cities in each prefecture in which our record of activity was nonexistent or limited to the past. After Yonezawa, we expanded development to Yokote, Akita, where we sought to proceed with strategic development. These efforts could be said to be our unique strength when contributing to regional revitalization.

Developing built-for-sale condominiums in lesser-populated cities creates new forms of downtown living and has a large impact that contributes to vitalizing city centers. This became a model of success as to the latent potential of providing units to the over 280 cities where at least 100,000 people live across Japan. This



LEBEN TSURUOKA GRAN MARK TERRACE

Measures to mitigate the onerous burden of snow in winters

- Gas water floor heaters
- Parking lots with snow-clearing equipment \* A portion is excluded
- Glass for double glazing \* Excluding shared portions
- Double-glazed windows \* A portion is excluded

effort also supported our rapid advances in the Tohoku area as well as our driving force.

In December 2024 we began offering residences in **SENDAI THE GRAND SKY** (476 total units), which was the largest built-for-sale condominium building in the six Tohoku prefectures since 1973. This project utilized the Company's aforementioned presence built up in the Tohoku area to the maximum extent, and through joint ventures that included major developers, we were able to see profitable returns earlier and mitigate risks even in the midst of high construction costs.

Information gathering and product development capabilities rooted in communities are the source of a competitive edge

The Tohoku area cannot be said to be a large market from a national perspective. That is exactly why it is important to create concepts for each building built on thoroughly researched plans for what sorts of things are selected in these communities before commencing sales.

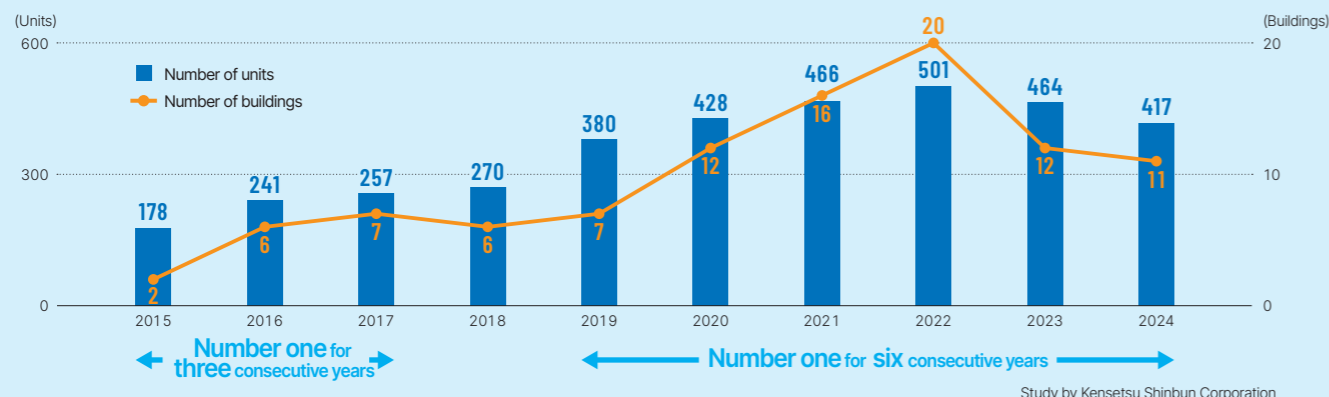
In addition, all of our activities are directly connected to our brand capabilities. With regard to model rooms, for example, we clearly distinguish ourselves from other companies by doing more than creating them simply as sales locations; rather, we fastidiously design locations that communicate our brand's worldview through features that appeal to each of the five senses, from the scent when a guest enters the room to the texture of the floors underfoot to the tactile sensation of handling a pamphlet. We are also committed to ensuring that the buildings themselves function as one of our products, with our aesthetic reflected in every nook and cranny, starting with the designs of façades.

The Tohoku area is facing structural issues with aging populations and young people leaving for larger cities, and many are voicing their worries regarding the future. However, we believe that it is exactly because of changes in the social environment that new needs will arise. In reality, 30% of the land that the Company has acquired for its condominiums is in the Tokyo area, with the Tohoku region next at 20%. These two together thus make up about half of our total owned land for condominiums.

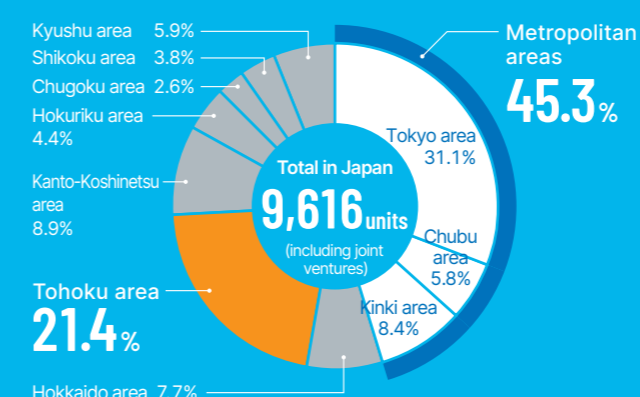
Shrinking demand in the Tohoku area stemming from population loss cannot be avoided. However, people will always need food, clothing, and shelter, and we can see the potential of providing shelter through product plans that improve the value of a post-retirement life among a growing senior population. Furthermore, we see latent potential among those who have not chosen to purchase a condominium in the past to become part of our clientele even as the market size shrinks.

We have thus built a unique position and, although the quickly rising cost of construction has become a social issue, are utilizing our networks rooted throughout the country to the maximum extent to identify issues specific to each region and create ever more measures to resolve these issues and product plans. By doing so, we believe we will enable stable provision of housing in these areas.

Number of new built-for-sale condominium units provided by the Group in the Tohoku area



Land acquisition for condominiums (As of March 31, 2025)



SPECIAL FEATURE 2

The Future of the Energy Business

Expanding the positive impacts of developing diverse energy sources and creating business models within the Energy Business

Establishing our second business pillar, starting with solutions for new high value-added built-for-sale condominiums

The Company's relationship with photovoltaic (solar) energy began in 2011, with the installation of solar energy systems for each residence in our new built-for-sale condominiums. We installed solar panels on the roofs of buildings, allocating each to a specific residence to provide independent power sources. These so-called "solar condominiums" became famous, and in 2013 we were awarded the Good Design Award from the Japan Institute of Design Promotion for our "Solar Power" project, a next-generation energy system for condominiums.



We then completed our entry into energy as a business following the launch of the renewable energy feed-in tariff (FIT) system in July 2012, and commenced work on the development of a mega solar power plant in the Kanto area.

At the time, an important point for the Energy Business to consider was the extent to which initial costs could be reduced. The first step was to acquire land where a power plant could be developed at a low cost, taking into account such considerations as locating a suitably level site that would not require significant development work and arranging for the ongoing long-term management and operation of facilities once construction had been completed. Although the project and the skills required to complete it differed in nature from our previous real estate development projects, we were able to draw on our expertise in managing condominiums.

In 2015, when our power plant development and maintenance business was proceeding as planned, the Tokyo Stock Exchange established a new Infrastructure Fund Market as a way to utilize private funding and expertise for the

development and operation of public infrastructure. In response, we established the Takara Leben Infrastructure Fund, which became the first brand listed on this market in 2016. In turn, we were able to sell our completed power plants to this fund. As a result, we created a model for recovering investment costs while earning a profit. While accelerating the development of power plants, the Company also bought up existing solar power plants, expanding its power generation capacity with each passing year. Since then, the Group's commitment to contributing to society through the expansion of the renewable energy business has grown more acute.

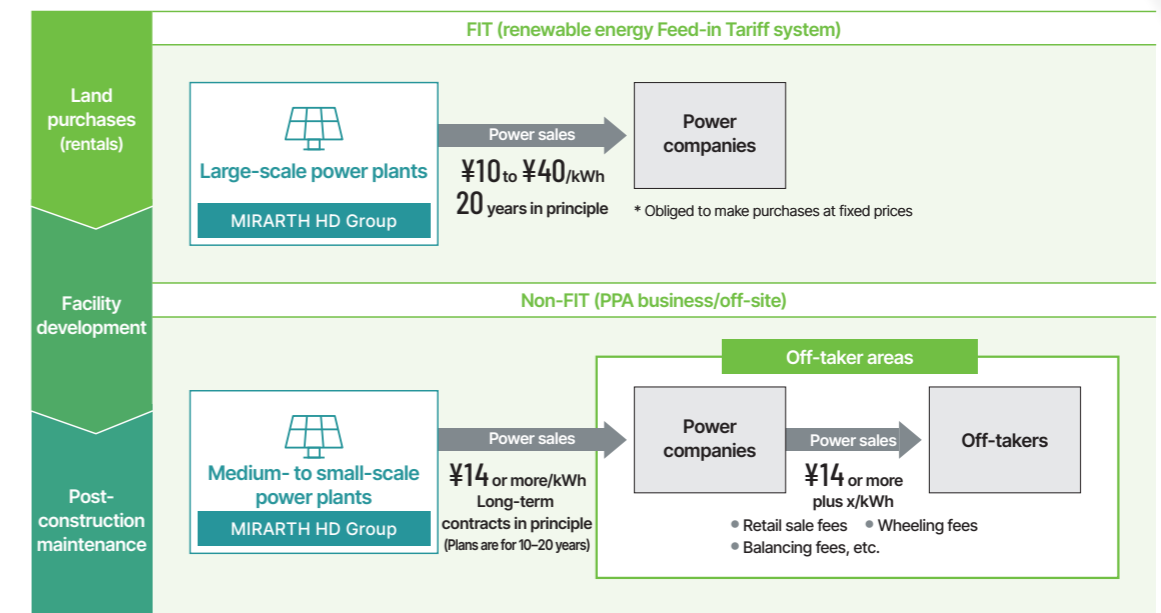
Transitioning to a Non-FIT business model to fuel further growth

The FIT system has supported the spread of renewable energy, but this spread has resulted in the purchase price of FIT systems to decline as the years pass. With development costs rising and profits declining, the number of projects undertaken through the FIT system has been decreasing. The Company is therefore planning to transition to a non-FIT business model in which we are shifting our focus toward direct Power Purchase Agreements (PPA) in which we offer the energy we generate to entities seeking renewable energy (off-takers). There are two types of PPA; "On-site PPA," where solar energy facilities are built on land owned by the off-takers, and "Off-site PPA," where facilities separate from land owned by off-takers supply energy through a conventional power grid.

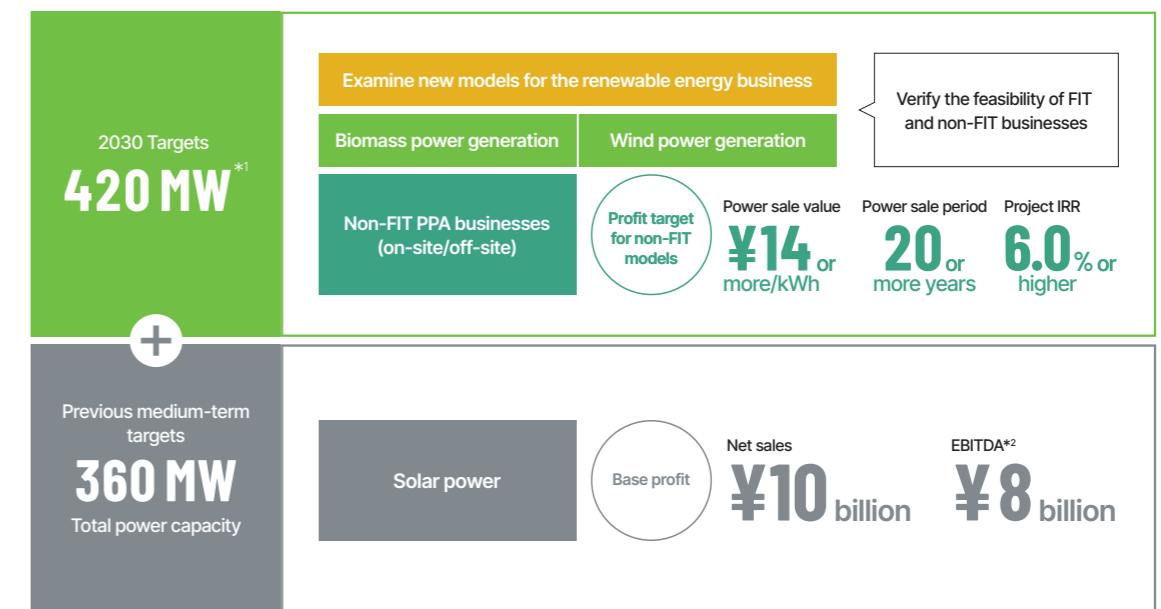
As our next step for on-site PPA, we are looking to realize regional microgrid concepts. A regional microgrid is a method of "local production for local consumption" that involves using renewable energy to generate power within a community, then controlling the energy capacity through energy storage and other related technologies while covering the community's energy demand.

The MIRARTH HOLDINGS Group will utilize synergies with the Real Estate Business, its core business, to further expand its positive impact on the Energy Business related to "energy," "atmosphere," and "climate." To realize this concept, we have delivered proposals for on-site PPA projects to around 1,700 local municipalities across Japan since June 2021.

Expanding Businesses by Combining FIT with Non-FIT Models



Projects with an IRR of 6.0% or higher are commercialized under a non-FIT business model



\*1 Number of MW equivalent to solar power

\*2 EBITDA = Operating income + Depreciation and amortization

SPECIAL FEATURE 2

The Future of the Energy Business

Formulating new business models and accelerating growth

PPA models are mainly medium- to small-scale endeavors with 300–500 kW being generated on plots of land covering approximately 6,600–9,900 m<sup>2</sup>. Therefore, to strengthen our development of medium- to small-scale power facilities, in April 2021 we acquired ACA Clean Energy (currently MIRARTH Energy Solutions), a company specializing in the development, operation, and maintenance (O&M) “middle solar” facilities, that is, entities handling more than 50 kW and less than 1 MW of power. Following this M&A, we invested in Fujisan Asagiri Biomass LLC in July of the same year, thus entering the biomass power generation field before going on to acquire the Company's first wind power plant, Leben Wind Plant Nagasaki Tsushima Power Plant, in November. This allowed us to further diversify our power generation portfolio, extending it from solar to wind and biomass.

Additionally, in February 2023, the Infrastructure Fund was made into a Group consolidated subsidiary through a takeover bid (TOB) and was removed from its market listing. This allowed the Company to shift from a flow-style business centered on selling off facilities to a stock-based business centered on selling power generated at our directly owned facilities. Currently, mega-solar power plants previously owned by the Infrastructure Fund have had their operations and management (O&M)

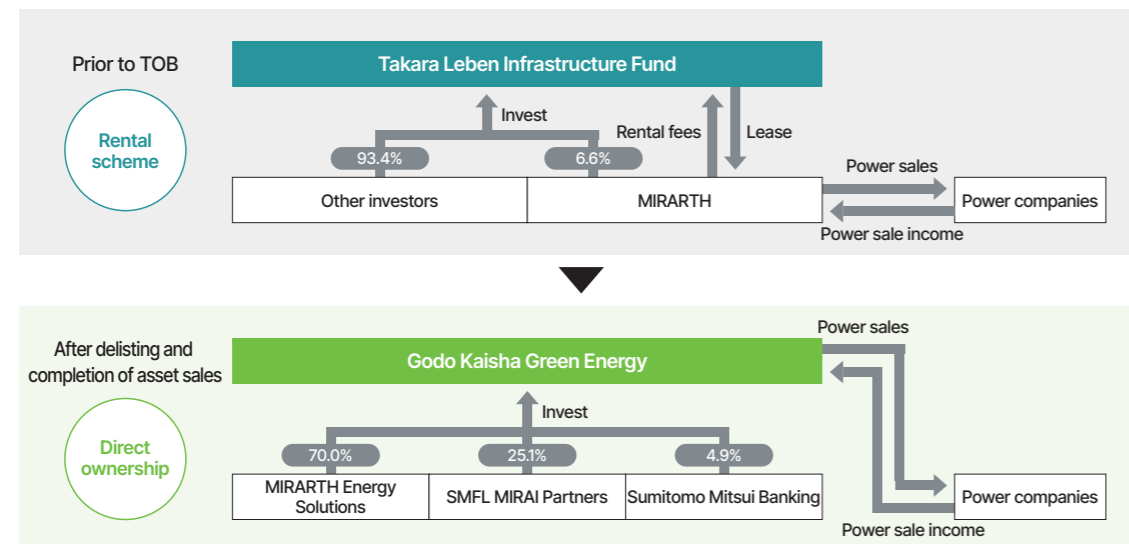
transferred to Godo Kaisha Green Energy, a company in which the Group and its partner companies invest.

We are also presently stabilizing income from PPA as we seek to establish a non-FIT business model. We are therefore expanding our off-taker model by finalizing long-term power sales contracts with multiple partners, including Osaka Gas Co., Ltd.

We chose to focus on these endeavors due to a rising demand for green energy. Many corporations in Japan, including the ones participating in an international initiative with the aim of having companies utilize 100% renewable energy in their corporate activities know as RE100, have set 2030 reduction targets for Scope 1 and 2 greenhouse gas (GHG) emissions, and have announced their commitment to net zero CO<sub>2</sub> emissions by 2050 through the use of green energy as a method for eliminating CO<sub>2</sub> emissions.

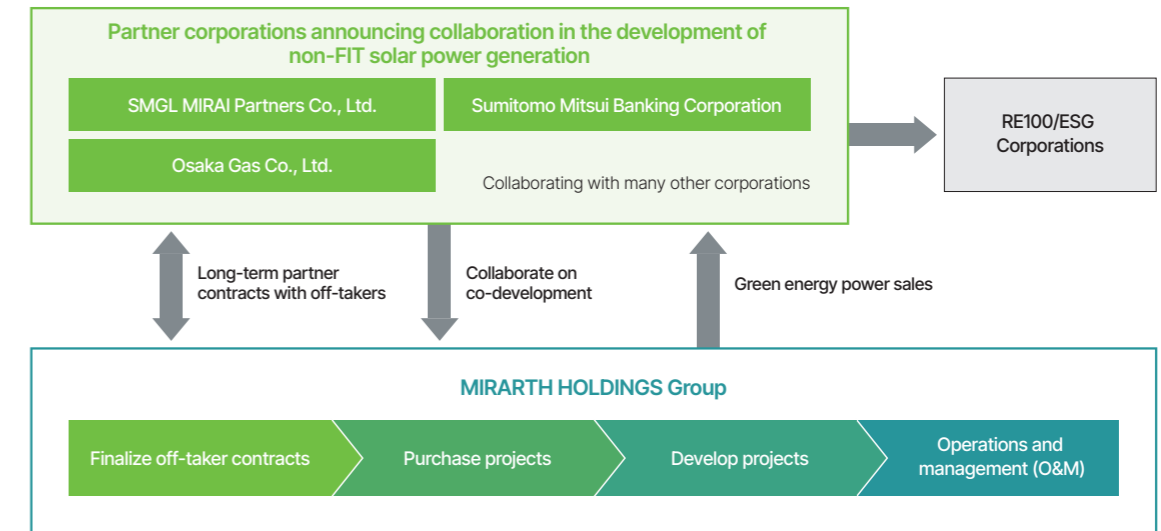
The Energy Business is currently reforming its foundations, and through the previously mentioned initiatives, is increasing its ability to generate power as well as its profitability, thus accelerating its growth. As of March 31, 2025, we have a total power capacity of 385 MW, which we plan to expand to 780 MW by 2030.

After Takara Leben Infrastructure Fund Inc. was delisted, the solar power generation facilities it owned were transferred to Godo Kaisha Green Energy



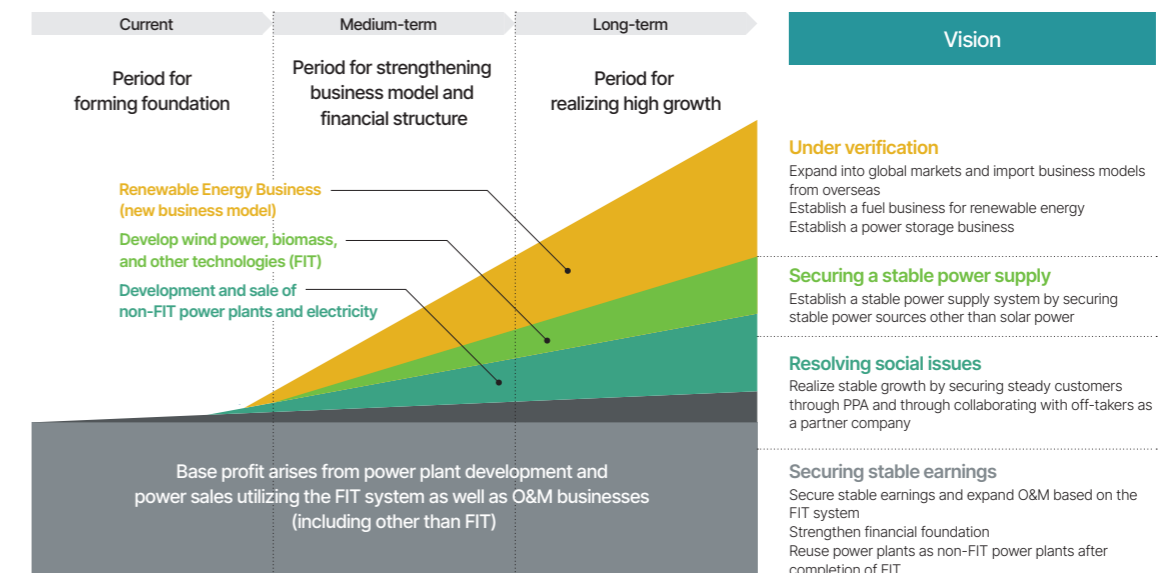
Off-taker model

- Cooperation through an off-taker model with partner companies regarding the development of non-FIT solar power generation
- Through retail power businesses, provide green energy over a long period to corporations committed to RE100 or ESG management



Energy Business Medium- to Long-Term Policy

Acquire diverse energy sources to strive toward medium- to long-term growth



## INTERVIEW

## Initiatives for a Company Culture That Creates Innovation

## Delivering what will be common in the future a little sooner and creating products to meet yet unnamed social needs faster than anyone else

### Mika Takaara

Managing Executive Officer  
General Manager of the Group Business  
Leading Office



#### Please share your thoughts on the mission of the Group Business Leading Office and its current initiatives.

The Group Business Leading Office was established in April 2024 to support the realization of our Long-Term Vision, "Be the Takara (treasure) of the Community," through new business development. It is also charged with further enhancing our ability to generate innovation in existing businesses across the Group.

The office consists of the Social Innovation Section and the Community Future Strategy Section, both of which engage seriously with various social issues and regional revitalization.

The Social Innovation Section takes on issues around decarbonization, well-being, the promotion of women in the workforce, and more. It looks to create various new forms of value in response to the changing times.

The Community Future Strategy Section works as a team alongside communities to create the cities of the future. While collaborating with local governments and companies, it works to restore a sense of liveliness in communities and contribute to their economic revitalization.

All of these activities trace their origins to the New Common Sense Development Project, which the Company launched following its 50th anniversary in 2022. The project began as a Company-wide idea competition and quickly revealed that it had the potential to become much more as our employees demonstrated a stronger desire for the future than ever anticipated. To avoid letting this passion die out, an executive decision

was reached regarding the need to continue with these activities. As such, the Business Development Promotion Office, our predecessor organization which at the time operated within Takara Leben, took over the role of promoting future-oriented initiatives as a whole.

Then, the internal recruiting system, which has played an essential role in these activities, evolved into the current "Shinjoshiki (New Common Sense) Pic (Personal Innovation Challenge)." After that, the name of our office was changed in April 2024, and in April 2025 it transitioned into a directly controlled holdings organization. I feel that the ability of our employees undertake these challenges has provided firm roots and a sturdy trunk to support the Company.

#### What are your thoughts on how you will develop the Group Business Leading Office's activities towards the realization of our Purpose?

Our mission is to deliver what will be common in the future a little sooner. I believe this to mean creating products to meet yet unnamed social needs faster than anyone else.

Creating the future of living together—first, I would like to make sure everyone truly embraces our Purpose in their day-to-day work. "Together" does not mean a lack of personal ownership, but rather that the wills of individual employees are united in striving toward shared goals. To do so, it is paramount to foster a culture in which ideas transcend the boundaries of individual departments. I also feel that we have an important role to play in nurturing a culture where challenging oneself is encouraged.

#### Please tell us about the driving force and secrets behind your innovation.

Innovation is commonly believed to be born from some sort of huge realization or a feeling that something is lacking, but my understanding of it is a little different.

At first, I thought innovation is driven by a sense of necessity. This is partially true, however, before anything is done someone must first speak up. And, it's fine if your opening move isn't perfect. By taking that first step, you can start to gather partners and knowledge. Innovation is an enjoyable process much like solving a puzzle, filled with trial-and-error while seeing what will or will not work.

Personally, I am endlessly curious and am not the type to stick to a single avenue of development, which may be why I am proficient in constantly creating new ideas by asking myself what I should do next.

When creating a new business, I think it is important to understand the prevailing zeitgeist and identify the needs of society faster than anyone else. I believe that hints to success in this process hide in the landscape of a town, social media, small talk with others, and other subtle everyday moments.

This is because we are in the midst of an era where real value is revealed without the need for advertising. As such, we must pursue what the customer truly desires rather than what we or what we assume others want. I believe that our mission is to make those things a reality.

#### Last, please share a message for those who are about to take on challenges as well as those who are timid when facing change.

Whenever I challenge myself with something new, I feel uncertain about whether I am really the right person for the job. However, I tell myself that someone has to do it and it might as well be me.

I believe that even if you feel imperfect, a little incomplete, or lost, the most important thing is to try taking action. It's fine if the people around you think that you're strange, because only the people who dare to act are the ones who can see the landscape of the future.

A strength of the era in which we live is that diverse characteristics are given respect. I feel that the society of the future will need the perspectives of women, flexibility, creativity, and the ability to act in harmony with one's surroundings while pursuing a goal. I believe we need to shake loose from preconceived stereotypes and nurture flexible perspectives that allow the winds of change to blow.

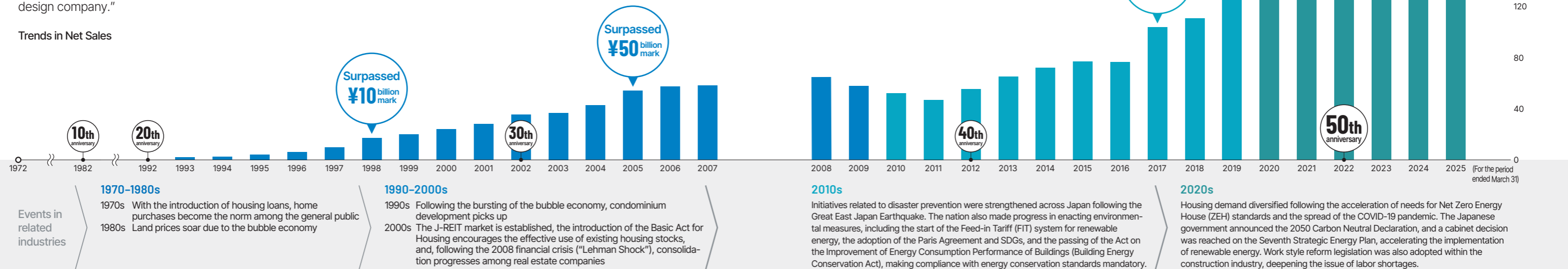
I want to prove that even if you are not confident, all you need is a sense of responsibility to take that first step. Nothing would make me happier than if the example I set could play even a small role in bringing someone to believe that they could accomplish a goal and challenge themselves to do so.

# History of the MIRARTH HOLDINGS Group

Established in 1972 as a small building contractor, the Group has provided its customers with homes that become the "Takara" (treasure) of a lifetime. The Group celebrated its 50th anniversary in 2022 and transitioned to a holding company as MIRARTH HOLDINGS Group. Working to attain an accurate understanding of the current, constantly changing era, we are proactively diversifying operations, particularly in the Real Estate Business, as well as in Energy, Asset Management, and other businesses.

The Group is aiming to evolve beyond the boundaries of a general real estate developer to become a "future environment design company."

## Trends in Net Sales



**Events in related industries**

**1970-1980s**  
 1970s With the introduction of housing loans, home purchases become the norm among the general public  
 1980s Land prices soar due to the bubble economy

**1990-2000s**  
 1990s Following the bursting of the bubble economy, condominium development picks up  
 2000s The J-REIT market is established, the introduction of the Basic Act for Housing encourages the effective use of existing housing stocks, and, following the 2008 financial crisis ("Lehman Shock"), consolidation progresses among real estate companies

**2010s**  
 Initiatives related to disaster prevention were strengthened across Japan following the Great East Japan Earthquake. The nation also made progress in enacting environmental measures, including the start of the Feed-in Tariff (FIT) system for renewable energy, the adoption of the Paris Agreement and SDGs, and the passing of the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Conservation Act), making compliance with energy conservation standards mandatory.

**2020s**  
 Housing demand diversified following the acceleration of needs for Net Zero Energy House (ZEH) standards and the spread of the COVID-19 pandemic. The Japanese government announced the 2050 Carbon Neutral Declaration, and a cabinet decision was reached on the Seventh Strategic Energy Plan, accelerating the implementation of renewable energy. Work style reform legislation was also adopted within the construction industry, deepening the issue of labor shortages.

<b>1970-1980s</b> Founding period	<b>1990-2000s</b> Expanded the domain of the Real Estate Business Business expanded as sales of the Company's condominium series begin	<b>2010s</b> Promoted business diversification	Launched the Energy Business and the Asset Management Business	<b>2020s</b> 2022 Changed the Company's name to MIRARTH HOLDINGS Tackled the challenge of a changed business model based on the holding company structure
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**1972** Established as Takara Komuten Co., Ltd. in Yamato-cho, Itabashi-ku



**1982** Launched the real estate rental business

**1986** Established Takara Jyuhan Co., Ltd. in an effort to expand sales and intermediary operations

**1988** Established Takara Management Co., Ltd. as a real estate management company

**1994** Commenced sales of our "Leben Heim" series of condominiums



**1996** Changed the name of Takara Management Co., Ltd. to Leben Community Co., Ltd.

**2000** Changed the name of Takara Komuten Co., Ltd. to Takara Leben Co., Ltd.



**2001** Listed on the JASDAQ market  
 Established TAFUKO Co., Ltd. (currently Leben Zestock Co., Ltd.)

**2003** Listed on the Second Section of the Tokyo Stock Exchange

**2004** Listed on the First Section of the Tokyo Stock Exchange



**2008** Launched new "Takara Leben brand"



**2010** Launched the detached house business with detached houses built by the Company in its own right

**2012** Launched the new "LEBEN" and "THE LEBEN" condominium brands



Made the real estate rental and management business Takara Housing Co., Ltd. (formerly Takara Property Co., Ltd.) a subsidiary

**2013** Launched the Energy Business



Established investment management business Takara Asset Management Co., Ltd. (currently MIRARTH Asset Management Inc.)

**2014** Made Oasis Co., Ltd. (currently Takara Leben Realnet Co., Ltd.) a subsidiary  
 Made Nikko Kensetsu Co., Ltd. (currently Leben Home Build Co., Ltd.) a subsidiary

**2015** Made Live Net Home Co., Ltd. (formerly Takara Leben Tohoku Co., Ltd.) a subsidiary; relocated to Sendai City, Miyagi Prefecture  
 Made Jutaku Joho Kan Co., Ltd. (formerly Takara Leben West Japan Co., Ltd.) a subsidiary

**2016** Made Nikko Property Co., Ltd. (currently Leben Trust Co., Ltd.) a subsidiary  
 Completed steps for Takara Leben Infrastructure Fund, Inc. to be the first listing on the Tokyo Stock Exchange Infrastructure Fund Market

**2017** Launched the new condominium brand "NEBEL"




**2018** Made PAG Investment Management Ltd. (formerly Takara PAG Real Estate Advisory Ltd.) a subsidiary  
 Established representative office of Takara Leben Co., Ltd. in Hanoi City, Vietnam  
 Takara Leben Real Estate Investment Corporation was listed on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market

**2019** Changed the name of Nikko Property Co., Ltd. to Leben Trust Co., Ltd.; completed the absorption-type merger with Takara Property Co., Ltd.

**2021** Made renewable energy business ACA Clean Energy Co., Ltd. (formerly Leben Clean Energy Co., Ltd.) a subsidiary

**2022** Established Takara Leben (Thailand) Co., Ltd.  
 Transitioned to a holding company structure and changed its name to MIRARTH HOLDINGS, Inc.




Takara Leben West Japan Co., Ltd. changed its name to Takara Leben Co., Ltd.; took over a portion of the business of the former Takara Leben, and completed the absorption-type merger of Takara Leben Tohoku Co., Ltd.

Included Takara Leben Infrastructure Fund, Inc. in the Company's scope of consolidation as a subsidiary through a takeover bid

**2023** Delisted Takara Leben Infrastructure Fund, Inc.  
 Established renewable energy business MIRARTH Green Tech Co., Ltd.  
 Established biomass fuel business MIRARTH Agri Tech Co., Ltd.

**2024** Takara PAG Real Estate Investment Advisory Ltd. changed its name to MIRARTH Real Estate Investment Advisory Inc.  
 Leben Clean Energy Co., Ltd. changed its name to MIRARTH Energy Solutions Co., Ltd.  
 Takara Asset Management Co., Ltd. changed its name to MIRARTH Asset Management Inc.  
 Launched the Purpose Promotion Project "MIRAI for EARTH"




**Origin of "Takara Leben"**

The "Takara" that we have used in our company name since the days of "Takara Komuten" refers to "treasure," as in a home is the treasure of a lifetime. The word "leben" which was added following the change in our company name is German for "life, lifestyle and living," which are key words essential when discussing a home. This represents our concept of seeking to offer homes that are the treasure of a lifetime to as many people as possible.

**Harmonic Circle:**


The Group's symbol is the Harmonic Circle, and comprises three rings representing customers, partners, and employees. The configuration illustrates how these elements are linked and expand organically to create harmony while supporting each other. The three rings convey our hope of carrying out our corporate vision to "THINK HAPPINESS AND MAKE THE HAPPINESS" while they resonate with one another. The gradation of striking blue to deep navy expresses the intelligence and sincerity pursued by everyone in the Group.



**MIRARTH**

**MIRARTH: Mirai (Future) + Earth**

This new name embodies our desire to evolve into a company that makes a happier future for both people and our planet by contributing to all communities everywhere.



# At a Glance

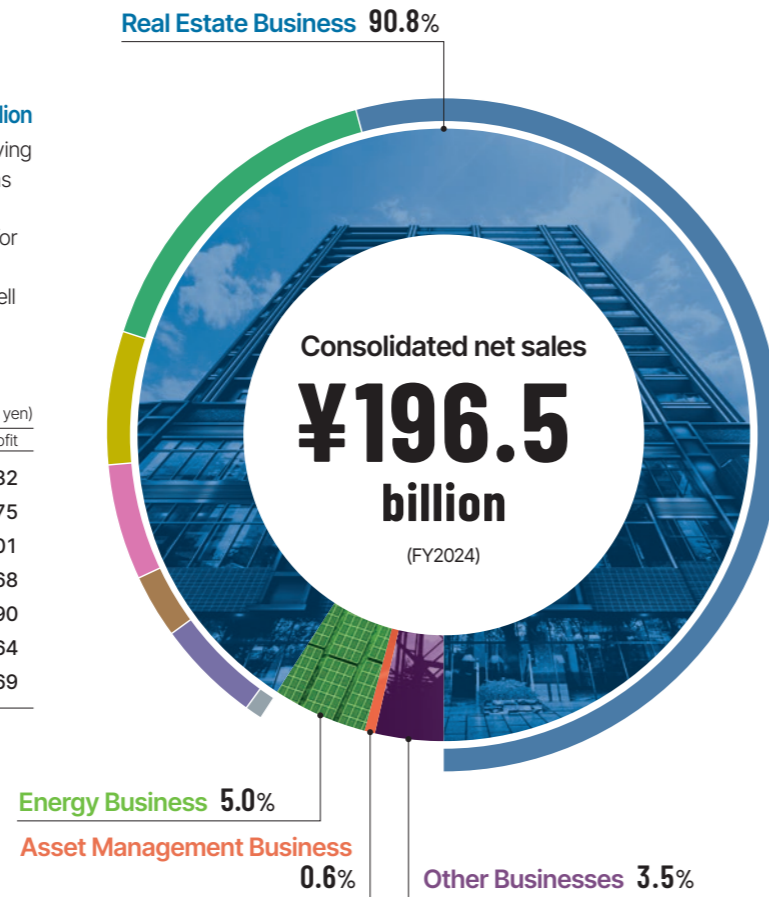
While maintaining a focus on its core Real Estate Business, the MIRARTH HOLDINGS Group is actively developing its Energy and Asset Management Businesses, pursuing expansion while promoting business diversification and collaboration. By utilizing the synergies generated by business cooperation, we strive to create a "circular business model that contributes to regional revitalization."

## Real Estate Business

Net sales ¥178,512 million / Gross profit ¥38,451 million

With the new built-for-sale condominium business serving as the core of this segment's operations, our operations include the liquidation business, which undertakes development and sale of profit-generating real estate for both residences and offices, the sale of new detached houses, the renewal and resale of condominiums as well as the real estate rental and management businesses.

Sales by segment (FY2024)	(Millions of yen)	
	Net sales	Gross profit
New built-for-sale condominiums	106,582	23,082
Liquidation	30,898	7,375
New detached houses	12,950	1,501
Renewal and resale	10,554	1,568
Real estate rental	6,229	1,690
Real estate management	9,623	1,564
Real estate other	1,674	1,669

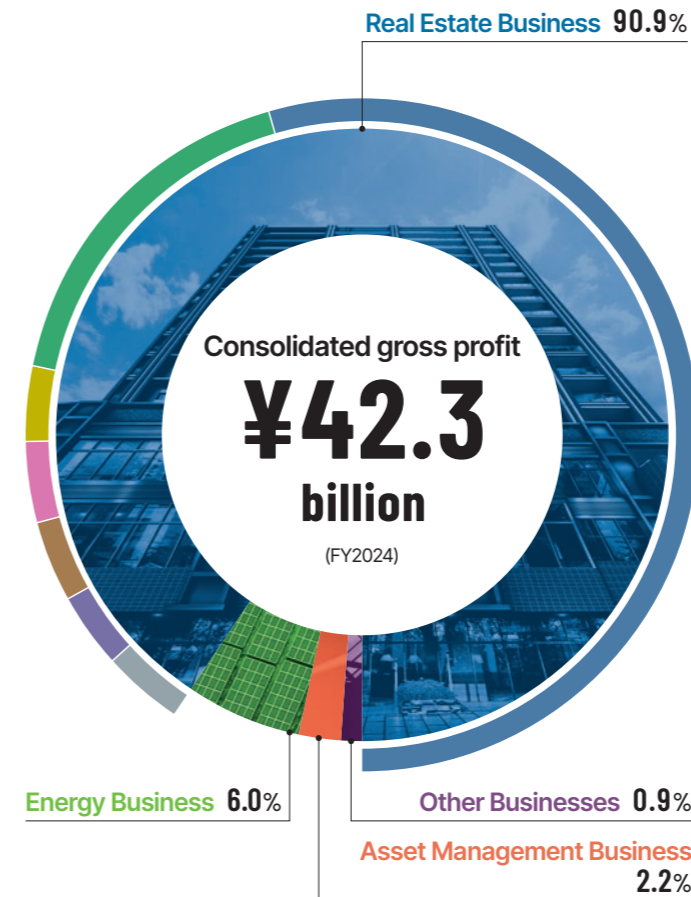


### Flow Business

The core of flow businesses (one-time sales) is the new built-for-sale condominium business, which mainly targets families, dual-income and single-person households in metropolitan areas, and active seniors in regional city centers. In addition, the MIRARTH HOLDINGS Group is engaged in renovating and redeveloping buildings in partnership with government.

### Stock and Fee-Based Businesses

In the stock business, the MIRARTH HOLDINGS Group is building stable revenue from the sale of electric power generated at our facilities, as well as through rent, revenue, etc. generated by our over 70,000 housing units managed on consignment. In addition, in the fee-based business, we are building a system that does not rely on flow businesses by expanding management fees for listed investment corporations.



## Energy Business

Net sales ¥9,921 million / Gross profit ¥2,551 million

Focusing on solar power, the Group's Energy Business utilizes renewable energy and sells excess electricity generated to electric power companies, thereby contributing to society. In addition, we are pursuing initiatives supporting the creation of a business model that does not rely on the Feed-in Tariff (FIT) system.

## Asset Management Business

Net sales ¥1,162 million / Gross profit ¥934 million

With a wealth of expertise, knowledge, and connections to networks spanning the real estate and renewable energy domains, the MIRARTH HOLDINGS Group is entrusted with the management of J-REIT, private placement, and other funds. Through its Asset Management Business, the Group provides excellent investment opportunities and solid asset management services.

## Other Businesses

Net sales ¥6,927 million / Gross profit ¥373 million

Other Businesses include construction contracting and hotel management.

## MIRARTH HOLDINGS Group by the Numbers

Net income attributable to owners of parent  
**¥8.2 billion**  
(FY2024)

ROE (FY2024)  
**11.0%**

Dividend per share (FY2024)  
**¥30**

2024: Nationwide ranking of developer groups based on number of condominium units sold  
**7<sup>th</sup>**  
(Units)

Nationwide condominium brand recognition ranking (2024)  
**5<sup>th</sup>**

Founded  
**1972**

1	Open House Group	4,941
2	Nomura Real Estate Development Group	3,584
3	Mitsui Fudosan Group	3,089
4	Sumitomo Realty & Development Group	2,618
5	Anabuki Group	1,908
6	Mitsubishi Estate Group	1,770
<b>7</b>	<b>Takara Leben Group</b>	<b>1,719</b>
8	Iida Group	1,634
9	Daiwa House Group	1,573
10	Hankyu Hanshin Group	1,473

1	THE LIONS
2	PROUD
3	GRANDE MAISON
4	The Parkhouse
<b>5</b>	<b>LEBEN</b>
6	Brillia
7	PARK HOMES
8	SURPASS
9	GALA
10	City House

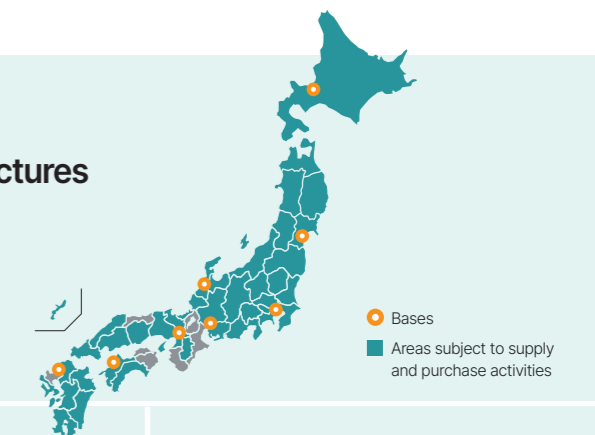
Number of employees (As of March 31, 2025)  
**1,506**

\* Source: Real Estate Economic Institute Co., Ltd.

\* Research contractor: Macromill, Inc.

New built-for-sale condominium supply areas  
Nationwide areas expanded to **40** prefectures

Cumulative number of new built-for-sale condominium units supplied nationwide (As of March 31, 2025)  
**43,293** units



Assets under management (As of March 31, 2025)  
**¥311.3 billion**

Number of managed housing units (As of March 31, 2025)  
**79,624** units

Current power generation capacity (As of March 31, 2025)  
\* Including sold portions  
**385** MW

Percentage of female managers (As of March 31, 2025)  
**14.2%**

Percentage of employees taking paid leave (As of March 31, 2025)  
\* Data compiled for Group companies that grant annual paid leave all at once  
**70%**

Ratio of outside directors (As of June 26, 2024)  
**57%**



# Brands that Satisfy Diverse Lifestyles

—Our Track Record in the Ability to Design Sustainable Environments—

The MIRARTH HOLDINGS Group is leveraging the wealth of real estate-related knowledge it has cultivated over many years of operations to develop a wide array of brands. By applying the expertise gained through the condominium business, such as from the new built-for-sale condominium business, to hotel and other businesses, we are promoting the creation of future cities that will revitalize local communities.


**New Built-for-Sale Condominiums**

Through an integrated approach that covers every real estate transaction stage from land purchase to product planning and sales, we provide residences that meet needs associated with the various lifestyles and life stages of customers throughout Japan.

## LEBEN

LEBEN

A brand that brings the Takara Leben vision of "THINK HAPPINESS AND MAKE THE HAPPINESS" to life



LEBEN Toyama Kansui Park TERRACE FORT



LEBEN Kemigawahama GRANVARDI




## THE LEBEN

THE LEBEN

A brand that seeks to offer higher-than-average quality homes



THE LEBEN KANAZAWA OTEMON Galleria Gran




THE LEBEN SAPPORO ODORI MASTERS ONE

## NEBEL

NEBEL

A brand of urban compact condominiums tailored to diverse lifestyles




NEBEL SAPPORO legend core



NEBEL YOKOHAMA KANNAI

**Reconstruction and Urban Redevelopment**

Our reconstruction business focuses on upgrading deteriorating and antiquated apartment complexes and other such buildings, and our urban redevelopment business strives to enhance the functions and livability of cities. Addressing a variety of problems faced by today's urban areas, we strive to create living environments for the future that allow residents and cities to shine.



LEBEN FUKUI CHUO ARCGATE

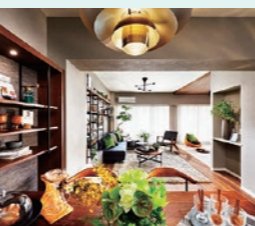
**Renewal and Resale**

In addition to the renewal and resale of individual units, we operate a renewal brand for entire condominium buildings. We conduct full-scale renewals of existing buildings that utilize advanced remodeling techniques to create new value.

## LÉ ART

Lé Art

A brand of cutting-edge renovated condominiums



Lé Art Minami-Nagareyama


**New Detached Houses**

We strive to carefully design each residence by being thorough in providing comfort as well as plans tailored to each location and environment.


## LEBEN PLATZ

LEBEN PLATZ

Detached houses that strive to be "Homes You Will Fall in Love With"



LEBEN PLATZ KAZO HANASAKI PARK



LEBEN PLATZ MATSUDO-SHINDEN

**Liquidation**

In line with the regional characteristics and market needs, we develop and enhance the value of all manner of income-generating real estate, including residences, offices, hotels, retail outlets, and logistics facilities.

## LUXENA

LUXENA

A brand of high-grade rental apartments that offer a high level of design quality and comfort



LUXENA YOGA

## LUXENA+

LUXENA+

A new series under the LUXENA brand that incorporates special concepts, such as noise-cancelling facilities in all buildings, dog parks, etc.



LUXENA+ OTO MINAMI-SENJU

## L.Biz

L.Biz

An office building series chosen by corporate leaders to serve as a shared business space where people gather to create success



L.Biz Matsuyama Ichibancho

**Hotels**

We operate original hotel brands that leverage our development capabilities and knowledge on spatial planning established through the condominium business while also drawing on our affiliates' knowledge related to hotel operations and management.



## mukunone

In line with the theme, "Soothe your soul in the breathtaking forest," this hotel's facilities offer each guest a unique experience in an extensive natural setting covering more than 35,000 m<sup>2</sup>.



Nasu mukunone

## HOTEL THE LEBEN

HOTEL THE LEBEN

In line with the vision, "Spreading the joy of travel that provides everyday comfort." This hotel brand offers premium spaces that encourage every guest to fully relax, as if they were at home.



HOTEL THE LEBEN OSAKA

# Value Creation Process

Our Purpose

## To design sustainable happier future for both

## environments for a people and our planet.

Our Values



Passion & Inspiration



Sustainability



Value Creation



Diversity & Co-creation



Integrity & Trust

Our Materiality [p. 52](#)

Our Business [p. 58](#)

Our Strategy [p. 16](#)

Our Impact [p. 54](#)

Our Vision

### Environment

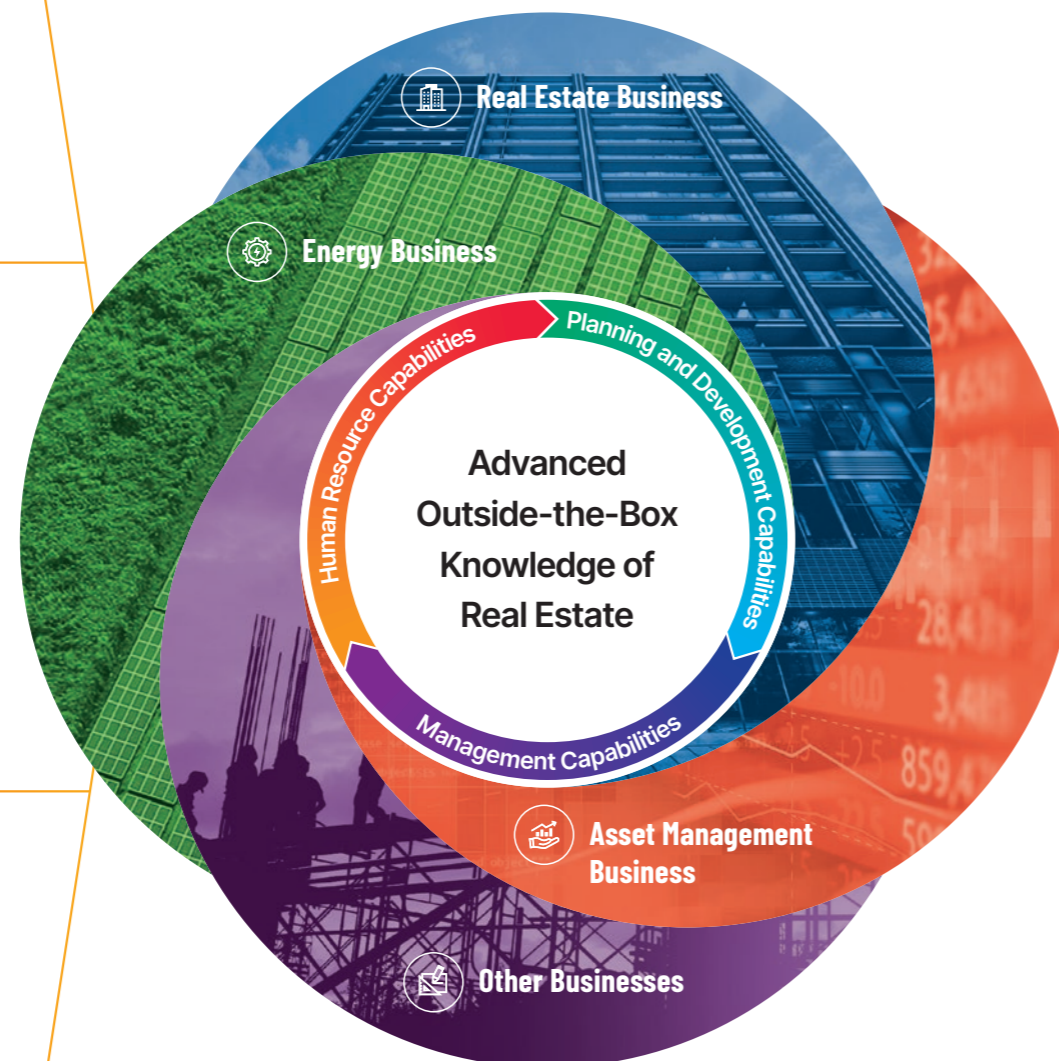
- Addressing climate change and decarbonization
- Promoting the stable supply and use of renewable energy

### Social

- Realizing sustainable growth of local communities
- Addressing the declining birthrate, aging population, and shrinking workforce
- Ensuring the health and safety of employees
- Promoting Diversity, Equity, and Inclusion (DE&I)
- Respect for human rights and supply chain management

### Governance

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



### Medium-Term Management Plan

#### Basic Policies

##### 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 Strategy

Financial strategy

Non-financial strategy

Business strategy

### Environment

- Continued operation of a stable renewable energy business
- Creation of a new business model

### Customers (Corporations and Individuals)

- High-quality, comfortable living spaces that address diversifying lifestyles
- Lower environmental impact due to the provision of renewable energy

### Local Communities

- Regional revitalization through development projects
- Creating sustainable cities in which people, nature, and society coexist

### Trading Partners

- Sustainable growth throughout the supply chain
- Safe, secure construction

### Employees

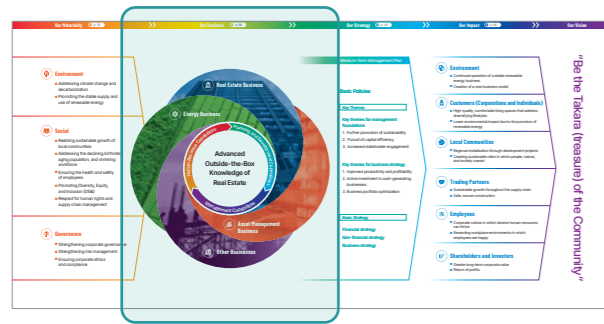
- Corporate culture in which diverse human resources can thrive
- Rewarding workplace environments in which employees are happy

### Shareholders and Investors

- Greater long-term corporate value
- Return of profits

“Be the Takara (treasure) of the Community”

## Co-Creating Future Value in Our Businesses



The corporate culture of the MIRARTH HOLDINGS Group is one of fearlessness in the face of change, continually taking on challenges while maintaining a sense of urgency, and pursuing creativity in new and unconventional ways. In this, it is backed by advanced outside-the-box knowledge of real estate and strong capabilities in the areas of planning and development, management, and human resources. These last three attributes are strengths common to the Group.

For example, we have built an integrated and comprehensive system to handle real estate operations; cultivated product development capabilities that take into account community issues, conditions, and needs; and careful land purchasing and robust sales capabilities based on longstanding connections with community networks in the Real Estate Business. We are thus able to provide high-quality residences that conform to actual demand, draw on our strength in regional cities to supply housing nationwide and achieve geographic diversification, and contribute to community vitalization through the promotion of downtown living and the restoration of prosperity.

In the Energy Business, we take advantage of the synergistic effects of the Group's businesses, utilizing knowledge cultivated through the Real Estate Business to secure land for low-cost power generation facilities as well as applying our skills and expertise regarding property management in the maintenance and management of power generation sites. Energy storage sites and other such locations are currently attracting immense attention as efforts to realize decarbonization ramp up. We anticipate that our capabilities in the areas of real estate and asset management will play an important role as we continue to expand renewable energy businesses.

Similarly, the greatest differentiating factor of our Asset Management Business is its handling of real estate and renewable energy generation facility-related assets. Utilizing knowledge amassed by the Real Estate and Energy Businesses, this business created the first listing on the Infrastructure Fund Market established by the Tokyo Stock Exchange in April 2015. In addition, through Takara Leben Real Estate Investment Corporation, which gained a market listing in 2018, the Asset Management Business continues to actively expand the scale of our assets under management.

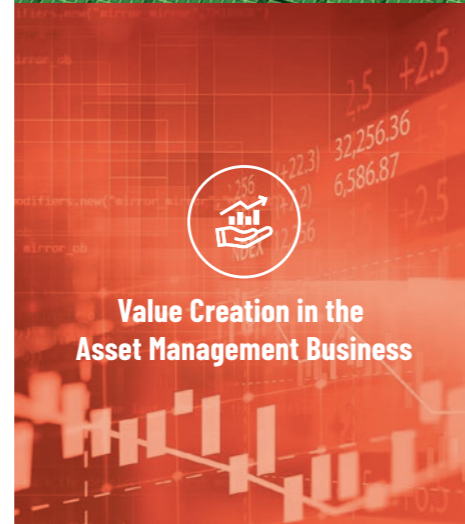
In this way, the MIRARTH HOLDINGS Group's value creation is constantly evolving through the close collaboration among its businesses.



Value Creation in the Real Estate Business



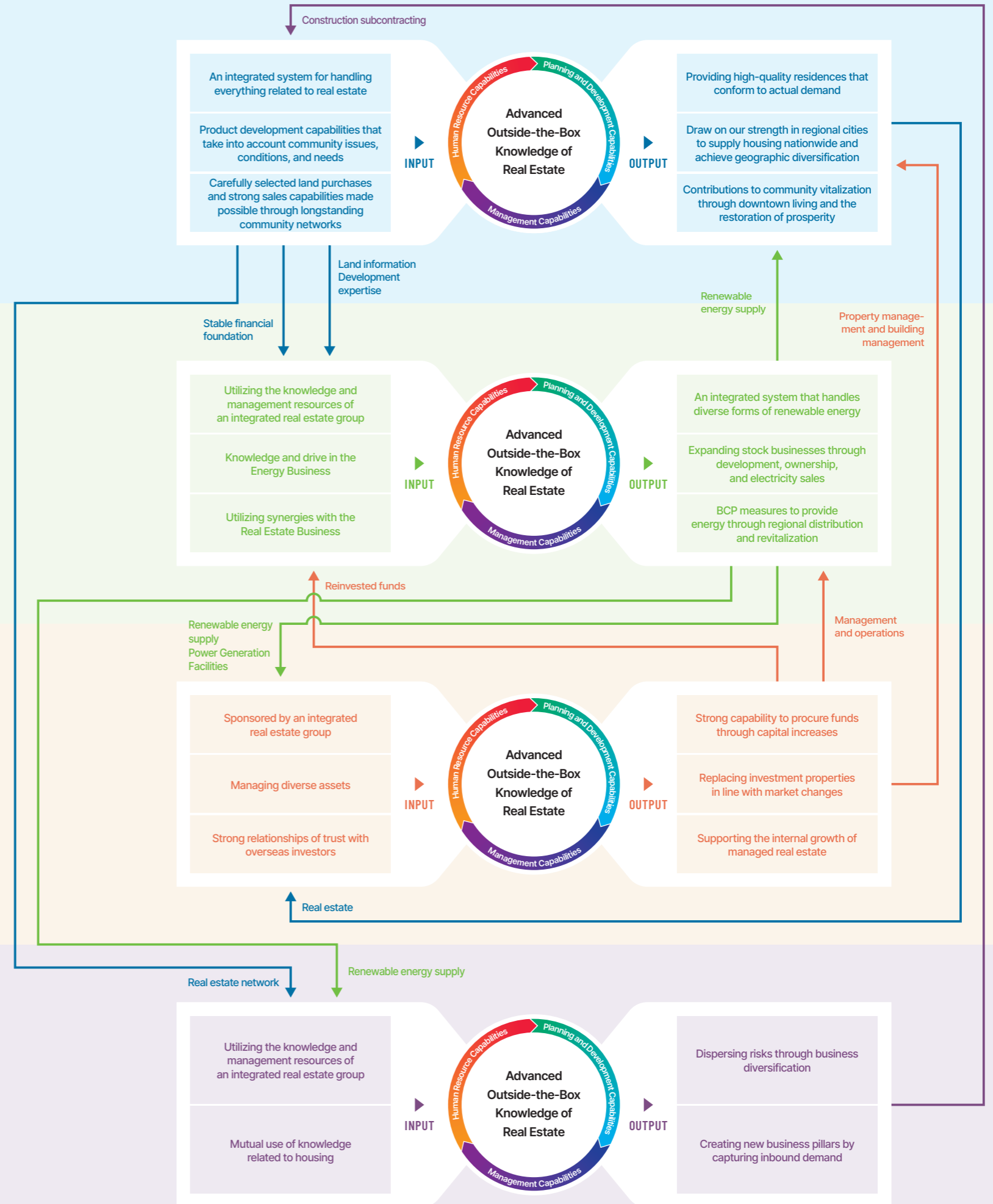
Value Creation in the Energy Business



Value Creation in the Asset Management Business






Value Creation in Other Businesses



# Risks & Opportunities

The MIRARTH HOLDINGS Group has organized and clarified its responsibilities regarding and relationships with society in light of changes in the external environment. In addition, it has identified major social issues with the potential to impact medium- to long-term value creation. The Group has determined risks and opportunities related to these and reconfirmed the material issues (materiality) that need to be addressed. Working as a unified front, we will benefit local customers and help realize a sustainable society.

Social issues and external environment	Risks					Opportunities	Response		Relevant materiality	
	Details	Occurrence	Likelihood of occurrence	Impact on business	Stakeholder(s) impacted		Details	Timeframe		
Environment	Increase in the intensity of global environmental issues	<ul style="list-style-type: none"> <li>Stricter regulations for greenhouse gas usage/emissions and energy conservation</li> <li>More stringent building standards due to stricter laws and regulations</li> </ul>	Medium term	High	Large	Business partners	<ul style="list-style-type: none"> <li>Invigoration of the renewable energy market</li> <li>Increased demand for environmentally friendly products</li> </ul>	<ul style="list-style-type: none"> <li>Develop renewable energy generation facilities</li> <li>Reduce carbon dioxide emissions</li> <li>Build an internal compliance system with external evaluation organization standards</li> <li>Acquire environmental performance certification</li> </ul>	Short term	 <b>Environment</b> <ul style="list-style-type: none"> <li>Addressing climate change and decarbonization</li> <li>Promoting the stable supply and use of renewable energy</li> </ul>
	Incidence of natural disasters and accidents/Spread of infectious diseases	<ul style="list-style-type: none"> <li>Raw materials/component supply shortages</li> <li>Asset damage</li> <li>Disruptions in Group business facility, supply chain, and customer operations</li> <li>Disruptions in business operations</li> <li>Decline in hotel and tenant occupancy rates</li> </ul>	Short term Long term	Medium	Large	Customers Employees Business partners	<ul style="list-style-type: none"> <li>Increased interest in disaster-resistant buildings</li> <li>Creating demand for new products and services related to disaster prevention</li> </ul>	<ul style="list-style-type: none"> <li>Promote earthquake-proofing of buildings and facilities, implement countermeasures for tsunamis, torrential rain, and floods</li> <li>Stockpile emergency supplies necessary for disasters</li> <li>Conduct disaster prevention drills, formulate and promote BCP</li> <li>Differentiate products and services (equipment, meeting of specifications, installation of telework spaces through renovation, etc.)</li> </ul>	Short term	
Social	Excess supply of renewable energy	<ul style="list-style-type: none"> <li>Decline in electricity sales prices due to falling energy market value</li> <li>Decline in electricity sales revenue due to frequent hindrances to renewable energy output</li> </ul>	Short term	Medium	Small	Shareholders and investors	<ul style="list-style-type: none"> <li>Expansion of Corporate PPA</li> <li>Expansion of demand for energy storage facilities</li> </ul>	<ul style="list-style-type: none"> <li>Implement area strategies in the Energy Business</li> <li>Promote the utilization of battery storage devices</li> <li>Develop energy storage facilities</li> </ul>	Medium term	 <b>Social</b> <ul style="list-style-type: none"> <li>Realizing sustainable growth of local communities</li> <li>Addressing the declining birthrate, aging population, and shrinking workforce</li> <li>Ensuring the health and safety of employees</li> <li>Promoting Diversity Equity and Inclusion (DE&amp;I)</li> <li>Respect for human rights and supply chain management</li> </ul>
	Acts of terrorism, riots, and war	<ul style="list-style-type: none"> <li>Disruptions in Group business facility, supply chain, and customer operations</li> <li>Geopolitical risk</li> <li>Supply chain fragmentation</li> </ul>	Short term Long term	Low	Medium	Customers Employees Business partners		<ul style="list-style-type: none"> <li>Verify geopolitical risk</li> <li>Stabilize procurement prices mainly by diversifying suppliers, decentralizing on a regional basis, and using long-term contracts</li> </ul>	Medium term	
	Economic policy changes (Changes in laws and regulations, interpretations of laws and regulations, and operational policies)	<ul style="list-style-type: none"> <li>Decrease in number of business opportunities due to subsidy system revisions</li> <li>Lost business opportunities due to changes in FIT system</li> <li>Stricter energy conservation regulations</li> <li>Stricter building standards</li> </ul>	Short term Medium term	High	Large	Business partners	<ul style="list-style-type: none"> <li>Increased number of business opportunities due to an expansion in subsidies</li> <li>Eased tax reduction requirements</li> <li>Introduction of new systems to replace FIT system</li> </ul>	<ul style="list-style-type: none"> <li>Pursue new businesses, such as PPA</li> <li>Strengthen information-gathering activities</li> </ul>	Short term	
	Diversification of housing needs due to changes in lifestyles (Growth in DINKs, dual-income households, seniors relocating to condominiums, development of telework)	<ul style="list-style-type: none"> <li>Decline in products' competitive capabilities due to insufficient responses to changing consumer needs</li> </ul>	Short term Medium term	High	Large	Customers	<ul style="list-style-type: none"> <li>Capture demand generation/growth opportunities via new products and services</li> <li>Expansion in demand for compact condominiums</li> <li>Expansion of business areas</li> </ul>	<ul style="list-style-type: none"> <li>Quickly reflect consumer needs in product planning</li> <li>Supply a wide range of products, including compact condominiums and renovated properties</li> <li>Launch new businesses</li> </ul>	Short term	
	Changes in political conditions and economic trends	<ul style="list-style-type: none"> <li>Deteriorating supplier operating conditions</li> <li>Intensified competition, including new entrants, and rapid environmental changes</li> </ul>	Medium term	Medium	Large	Business partners	<ul style="list-style-type: none"> <li>Reduced competition resulting in increased opportunities to acquire land and properties</li> <li>Increase in M&amp;A opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Diversify financing methods, strengthen financial management</li> <li>Implement continuous performance monitoring and countermeasures</li> <li>Strengthen overseas business</li> </ul>	Short term	
	Changes in interest rate trends	<ul style="list-style-type: none"> <li>Decline in buyer appetite due to increasing housing loan interest rates</li> <li>Increased funding costs due to changes in financial institution lending attitudes and financing market conditions</li> </ul>	Short term	High	Large	Customers	<ul style="list-style-type: none"> <li>Fund management (equity, bonds, and investment)</li> <li>Diversification of housing loan services</li> </ul>	<ul style="list-style-type: none"> <li>Make use of fixed interest rates</li> <li>Appropriate LTV management</li> </ul>	Short term	
	Declining birthrate, an aging population, and depopulation	<ul style="list-style-type: none"> <li>Decreasing demand for housing</li> </ul>	Long term	High	Large	Customers Business partners	<ul style="list-style-type: none"> <li>Increased demand for condominiums among seniors</li> <li>Increase in opportunities for proposing solutions to vacant house issues and aging buildings</li> <li>Development of compact cities</li> </ul>	<ul style="list-style-type: none"> <li>Supply condominiums in the center of regional cities</li> <li>Promote redevelopment and reconstruction business</li> <li>Strengthen overseas business</li> </ul>	Short term	
	Changes in the operating environment	<ul style="list-style-type: none"> <li>Declining business profitability</li> <li>Imbalance between purchasing (investment) and recovery (selling)</li> <li>Stagnation of new businesses</li> </ul>	Short term Medium term	High	Medium	Customers Employees Business partners		<ul style="list-style-type: none"> <li>Control financial indicators set as targets</li> <li>Thoroughly manage the Group's portfolio</li> <li>Visualize profitability in each division</li> </ul>	Short term	
	Surge in land prices as well as raw material and construction (labor) costs	<ul style="list-style-type: none"> <li>Surge in procurement prices</li> <li>Decrease in profit</li> <li>Slower sales due to higher selling prices</li> </ul>	Short term Medium term	High	Large	Customers Business partners	<ul style="list-style-type: none"> <li>Invigoration of the secondhand home market</li> <li>Expansion of demand for homes that have undergone renewals</li> </ul>	<ul style="list-style-type: none"> <li>Stabilize procurement prices mainly by diversifying suppliers, decentralizing on a regional basis, and using long-term contracts</li> <li>Strengthen the renewal and resale business and the distribution business</li> </ul>	Short term	
	Difficulties in securing human resources, shortages and mobility in human resources	<ul style="list-style-type: none"> <li>Lower product and service quality</li> <li>Occurrence of occupational accidents</li> <li>Decrease in labor productivity</li> <li>Decrease in employee satisfaction</li> <li>Talent drain</li> </ul>	Medium term Long term	Medium	Large	Employees	<ul style="list-style-type: none"> <li>Increased hiring opportunities due to mobility in human resources</li> </ul>	<ul style="list-style-type: none"> <li>Implement measures aimed at improving employee loyalty</li> <li>Implement personnel system reform, enhance and upgrade various training systems</li> <li>Implement branding penetration measures</li> <li>Promote DX (digital transformation)</li> <li>Welcome a diverse workforce</li> </ul>	Short term	
Governance	Incidents of unauthorized access and cyberattacks	<ul style="list-style-type: none"> <li>Leakage of confidential information and stoppages of production lines and logistics systems</li> <li>Payment of damages and fines, incurring countermeasure expenses</li> </ul>	Short term Medium term	Low	Medium	Customers Business partners		<ul style="list-style-type: none"> <li>Strengthen insurance contracts and information security systems</li> <li>Improve security literacy</li> </ul>	Short term	 <b>Governance</b> <ul style="list-style-type: none"> <li>Strengthening corporate governance</li> <li>Strengthening risk management</li> <li>Ensuring corporate ethics and compliance</li> </ul>
	Insufficient internal control function	<ul style="list-style-type: none"> <li>Improper conduct, leakage of confidential information</li> <li>Payment of damages and fines, incurring countermeasure expenses</li> <li>Impact on reputation and standing</li> </ul>	Short term Medium term	Low	Medium	Customers Business partners Shareholders and investors		<ul style="list-style-type: none"> <li>Identify issues and promote resolutions via the Compliance Committee and the Risk Management Committee</li> <li>Conduct thorough compliance education</li> <li>Introduce clawback provisions</li> </ul>	Short term	

Short term: to 2027 / Medium term: to 2030 / Long term: to 2050

# Materiality

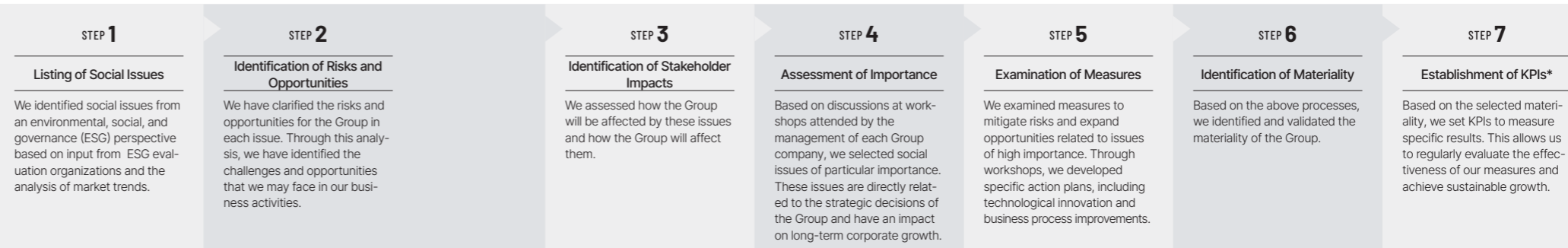
In light of its transition to a holding company structure and changes in the business climate, the MIRARTH HOLDINGS Group reidentified its materiality (key issues) in FY2023. With “realizing a decarbonized society,” “creating sustainable cities,” “enhancing well-being,” and “strengthening governance” as our key themes for sustainability, we are advancing initiatives based on 10 points of materiality that we have identified.

**Sustainability Basic Policy**  
 The MIRARTH HOLDINGS Group holds its Purpose as “To design sustainable environments for a happier future for both people and our planet,” and contributes to solving social issues and achieving the Sustainable Development Goals (SDGs) by engaging in sustainability activities through its business, such as supplying housing and developing renewable energy, in order to gain trust from different stakeholders and society to achieve continuous development.

## Sustainability Key Themes and Materiality Identification Process

The Group has identified key points of materiality and implemented measures to address them through the following process with the aim of contributing to a sustainable society and enhancing corporate value. The Group contributes to the realization of a sustainable society and enhancement of corporate value by proactively addressing social issues.

\* The contents of the points of materiality and targets/KPIs have been approved by the Sustainability Committee and are made public.



Key Themes	Materiality	KPI	FY2023		FY2024
			Targets	Achievements	Targets
<b>Environment</b> 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	CO <sub>2</sub> emission reduction rate (Scopes 1, 2 and 3)	45%*1 (compared to FY2022)	Scopes 1 and 2: 41%*2 Scope 3: Down 18%	45%*1 (compared to FY2022) Scopes 1 and 2: 70% Scopes 3: 45%
	Promoting the stable supply and use of renewable energy	Number of internal initiatives contributing to energy conservation	10 initiatives	14 initiatives	10 initiatives
		Active development of renewed/renovated condominiums			
		Total renewable energy generation capacity	780 MW*2	385 MW	410 MW*3
		Acquisition of environmental performance certification	5 buildings	9 buildings	5 buildings
		Adoption rate of ZEH standard for detached houses*4	100%	100%	100%
<b>Social</b> 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.  Enhancing Well-Being We will safeguard 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.	Realizing sustainable growth of local communities	Number of housing supply projects overseas	3 projects	7 projects	5 projects
		Number of redevelopment/reconstruction projects undertaken*5	10 initiatives	14 initiatives	10 initiatives
		Results of satisfaction survey on condominium management services	5.0 or higher (out of 6)	5.09 points	5.0 or higher (out of 6)
	Addressing the declining birthrate, aging population, and shrinking workforce	Number of nonconformities related to business processes and quality standards	10 or fewer cases	3 cases	10 or fewer cases
		Training hours per person	25 hours	11.8 hours*6	25 hours
		Promoting the acquisition of DX Business Certifications		Revised*7	
		Proposing new services for lifestyles	10 properties	15 properties	10 properties
	Ensuring the health and safety of employees	Percentage of employees receiving a stress check*8	100%	93.7%	100%
		Percentage of employees taking paid leave*9	70%	70%	70%
		Percentage of male employees taking childcare leave	85%*1	57.6%	85%*1
<b>Governance</b> Strengthening Governance We aim to fulfill our social responsibility as a corporation by promoting sound corporate activities and ensuring transparency in decision-making as we seek to continuously enhance our corporate value.	Promoting Diversity, Equity and Inclusion (DE&I)	Special patrols (safety checks) at construction sites	4 times / year	4 times	4 times / year
		Employment rate of persons with disabilities	2.5%	1.5%	2.5%
		Percentage of female managers	20%*1	14.2%	20%*1
		Percentage of females hired	30%	36%	30%
	Respect for human rights and supply chain management	Holding safety conventions	Once a year	1 time	Once a year
		Establishment of human rights due diligence system			
	Implementation of supply chain management		Revised*10		
	Strengthening corporate governance	Evaluation of the effectiveness of the Board of Directors			
		Consideration of introduction of clawback provisions			
	Strengthening risk management	Verification and management of critical risks			
		Formulation of BCP manuals			
	Ensuring corporate ethics and compliance	Providing compliance education	3 times / year	5 times	3 times / year
		Compliance questionnaire for all employees	Once a year	1 time	Once a year
		Awareness rate of whistleblower system	100%	97%	100%

\*1 Set as a mid-term target until FY2030. \*2 MW is based on solar power conversion and set as a mid-term target until FY2029. \*3 This KPI was revised to be "Cumulative total power generation capacity of renewable energy power plants in operation." \*4 Houses with insulation performance grade 5 and primary energy consumption grade 6 (excluding renewable energy standards). \*5 Including maintenance projects for excellent buildings, etc. \*6 Some online training programs are not included in the calculation. \*7 DX training is being undertaken due to a change in policy. This KPI has been revised to be "Promoting education of DX staff." \*8 Only companies that conducted stress checks are included in calculations. \*9 Companies that designate specific dates for paid leave are included in calculations. \*10 An implementation plan has been formulated.

<https://mirarth.co.jp/en/sustainability/strategies/materiality/>



# Creating Value with Our Stakeholders

The MIRARTH HOLDINGS Group is evolving into a “future environment design company” as it works to secure continuous development. We consider the happiness of our stakeholders and conduct dialogues in line with the Sustainability Basic Policy as we focus on co-creating value.

## Main stakeholders

## Examples of our main engagement efforts with stakeholders

<p><b>Environment</b></p> <ul style="list-style-type: none"> <li>● Ecosystems</li> <li>● Local communities</li> <li>● Future generations, etc.</li> </ul> <p>In order to realize its Purpose, “To design sustainable environments for a happier future for both people and our planet,” the Group actively implements initiatives regarding this ideal. By announcing our endorsement of the TCFD and through decarbonization initiatives, we can provide plans to realize a sustainable, eco-friendly society.</p>	<ul style="list-style-type: none"> <li>● Providing properties with such environmental certifications as ZEH-M Oriented, low-carbon buildings, etc. <a href="#">p. 80</a></li> <li>● Acquiring CASBEE certifications <a href="#">p. 80</a></li> <li>● Announcing endorsement of the TCFD Recommendations <a href="#">p. 81</a></li> </ul>
<p><b>Customers (corporations and individuals)</b></p> <ul style="list-style-type: none"> <li>● Contracting parties and tenants of condominiums and detached houses</li> <li>● Users of tenant buildings</li> <li>● Users of various services, etc.</li> </ul> <p>The Group believes that it is important to be close to its customers and to promote the provision of better products and services. In addition to providing products and services that address today’s increasingly diversified lifestyles, we also meet the needs of our customers by providing products and services that leverage group synergies, including those in the areas of liquidation, asset management, and the provision of renewable energy.</p>	<ul style="list-style-type: none"> <li>● Issuing and explaining our <i>Disclosure Statements on Disaster Prevention</i> <a href="#">p. 77</a></li> <li>● Initiatives to improve quality by acquiring ISO 9001 certifications <a href="#">p. 77</a></li> <li>● Service Quality Management System (SQMS®) <a href="#">p. 77</a></li> </ul>
<p><b>Local communities</b></p> <p>Local communities, residents, local governments, etc., related to MIRARTH HOLDINGS Group business</p> <p>In response to social issues, such as the growing concentration of population in large urban areas and concomitant depopulation of rural areas, we are working to revitalize rural areas through local city-building efforts. In addition to working together with the public and private sectors to create safe, secure, and attractive cities through improvements in functionality and livability, we are also taking on the challenge of creating cities of the future by promoting the collaboration of our Real Estate, Energy, and Asset Management Businesses.</p>	<ul style="list-style-type: none"> <li>● UKIHA RIVERCAMP, a campsite repurposing a former school <a href="#">p. 78</a></li> <li>● Higashikawaguchi Station Administrative Center Opened at LEBEN Higashikawaguchi GRANDEST <a href="#">p. 78</a></li> <li>● Fukui Station Railway Street North District B Block Type 1 Urban Redevelopment Project <a href="#">p. 78</a></li> <li>● Charity Events in Thailand and Vietnam <a href="#">p. 78</a></li> <li>● Sea of Japan Takaoka Hot Pot Festival / Takaoka Craft Market Street / Takaoka Tanabata Festival <a href="#">p. 78</a></li> </ul>
<p><b>Trading partners</b></p> <ul style="list-style-type: none"> <li>● Construction contractors</li> <li>● Business operators related to the provision of various services, etc.</li> </ul> <p>We are working to build new partnerships and further strengthen our relationships of trust by cooperating with all parties connected to our supply chains and by promoting coexistence and co-prosperity. In addition to ensuring clear communication with our partner companies and conducting thorough on-site inspections in line with the aim of improving quality and minimizing workplace accidents, we are also working to bolster our cooperative relationships to ensure appropriate responses in times of disaster.</p>	<ul style="list-style-type: none"> <li>● Fair and even-handed transactions</li> <li>● Collaboration and coordination in operations</li> <li>● Safety and Health Patrols <a href="#">p. 79</a></li> <li>● Safety Conventions <a href="#">p. 79</a></li> </ul>
<p><b>Employees</b></p> <p>MIRARTH HOLDINGS Group employees and their families</p> <p>We aim to provide a steady level of training and create a sense of purpose among our employees so that they can be co-creators in continuous growth. In addition, we are working to train future leaders so as to create a workforce with the ability to think and act for themselves, while also working to create an environment in which young employees can work with a sense of purpose. Moreover, with a focus on the life stages of our employees, we are striving to create a workplace environment that allows our diverse workforce to put their abilities to the best use.</p>	<ul style="list-style-type: none"> <li>● Expansion of the education and training system, including MIRARTH INNOVATION LABO <a href="#">p. 75</a></li> <li>● Strengthening communications with employees through Group events <a href="#">p. 73</a></li> <li>● Promoting the active participation of a diverse range of human resources through the Women’s Activity Promotion Project and by encouraging male employees to take childcare leave <a href="#">p. 74</a></li> <li>● Promoting employee safety and health management <a href="#">p. 72</a></li> <li>● Idea Competition “Shinjoshiki (New Common Sense) Pic” <a href="#">p. 79</a></li> </ul>
<p><b>Shareholders and investors</b></p> <p>Individual and institutional investors</p> <p>We believe that a constructive dialogue with our shareholders and investors can be established only if they are provided with appropriate information. We are working to advance dialogue that deepens shareholder and investor understanding of the Group initiatives that aim to transform our business model and evolve the Group into a future environmental design company.</p>	<ul style="list-style-type: none"> <li>● Providing management with feedback and incorporating into the Group’s management the opinions and requests of shareholders and investors as learned through IR activities</li> <li>● Improving the website in order to enhance dialogue with shareholders and investors</li> <li>● Communicating with shareholders <a href="#">p. 79</a></li> </ul>

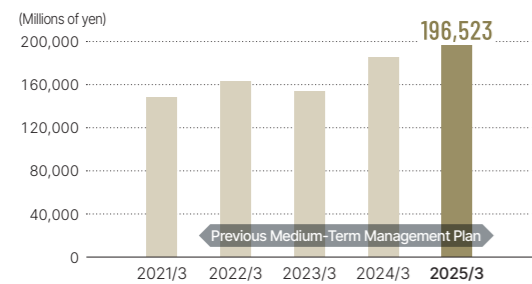
# Commentary on Management Capital

Strengthening management capital is an important part of the MIRARTH HOLDINGS Group’s efforts to raise corporate value. Not only do we nurture management capital in the cycle of value creation, we utilize this capital for future city creation with the aim of growing alongside society.

	INPUT / Management Capital (March 31, 2025)	OUTCOME / Results (FY2024 Results)	
<b>Financial Capital</b>	<p><b>Ability to generate stable cash flow</b></p> <ul style="list-style-type: none"> <li>● Shareholders’ equity <b>¥82.2 billion</b></li> <li>● Interest-bearing debt <b>¥227.0 billion</b></li> </ul>	<p><b>A sound financial foundation that enables further investments for growth</b></p> <ul style="list-style-type: none"> <li>● TSR over the past 10 years <b>+7.6%</b></li> <li>● Dividend per share <b>¥30 annually</b></li> </ul>	<p>In order to achieve sustainable growth, we have emphasized asset management allocation that optimizes the balance between investments and returns in our core Real Estate Business, Energy Business, and Asset Management Business, and have organized a structure that generates stable revenues and cash flows. Similarly, we are seeking to diversify our funding sources by strengthening our ties with local financial institutions and by utilizing sustainability finance-based funding procurement.</p>
<b>Human Capital</b>	<p><b>Diverse human resources that possess expertise</b></p> <ul style="list-style-type: none"> <li>● No. of employees <b>1,506</b></li> <li>● Real Estate Transaction Agent <b>602</b></li> <li>● First-class registered architects <b>36</b></li> <li>● Redevelopment planners <b>5</b></li> <li>● Training hours per employee <b>11.8</b></li> </ul> <p><small>* A portion of livestreamed training is not included in the scope of calculation</small></p>	<p><b>Encouraging the strong roles of diverse employees</b></p> <ul style="list-style-type: none"> <li>● Acquisitions by type of qualification Real Estate Transaction Agent <b>602</b></li> <li>● First-class registered architects <b>36</b></li> <li>● Redevelopment planners <b>5</b></li> <li>● Percentage of women in management <b>14.2%</b></li> <li>● Percentage of persons with disabilities employed <b>1.5%</b></li> </ul>	<p>The Group believes that realizing our Purpose relies heavily on the development of human resources that can undertake challenges of their own initiative. Likewise, we support employees in their efforts to acquire Real Estate Transaction Agent licenses and other types of certifications, and work to develop experts of the highest quality. Moreover, by offering working conditions that correspond to the life stages of each employee, we are improving work environments in a way that enables diverse human resources to maximize their potential.</p>
<b>Intellectual Capital</b>	<p><b>Technologies and expertise that respond to customer requests</b></p> <ul style="list-style-type: none"> <li>● No. of trademark registrations <b>49</b></li> <li>● Major condominium brands <b>LEBEN, THE LEBEN, NEBEL, Lé Art</b></li> <li>● ISO certifications <b>3</b></li> </ul>	<p><b>Advanced technologies and services that respond to diversifying lifestyles</b></p> <ul style="list-style-type: none"> <li>● Housing performance evaluation report acquisition rate <b>100%</b></li> <li>● Energy-saving rank certification rate (Flat 35 for detached houses) <b>100%</b> of detached houses</li> </ul>	<p>The skills and expertise the Group has acquired serve as the source of business value. With our original condominium brands, we are working to set ourselves apart through superior design capabilities and high-quality management systems, and to satisfy a diverse range of lifestyles. As a result, the LEBEN new built-for-sale condominium brand placed fifth on the Nationwide Condominium Brand Recognition Ranking (2024), indicating a steadily growing awareness among society.</p>
<b>Social and Relationship Capital</b>	<p><b>Social and Relationship Capital Trust, reliability and a collaborative framework</b></p> <ul style="list-style-type: none"> <li>● Major Group companies <b>13</b></li> <li>● Major business locations <b>19</b></li> <li>● Redevelopment and rebuilding projects <b>14</b></li> </ul>	<p><b>Building regional revitalization and relationships of trust for the long term with all stakeholders</b></p> <ul style="list-style-type: none"> <li>● Number of new built-for-sale condominiums sold Metropolitan areas <b>1,031</b></li> <li>● Outside metropolitan areas <b>1,308</b></li> <li>● Increase in the number of units under management <b>2,963</b></li> <li>● Total number of redevelopment and rebuilding projects <b>14</b> (year-on-year decrease of 4 projects)</li> </ul>	<p>The Group’s major subsidiaries and business locations leverage our strengths in their respective regions to exercise synergy together with governments, local public agencies, and partner companies. Under the long-term vision of “Be the Takara (treasure) of the Community,” our individual employees perceive the unique policies and needs of their regions, and address these through business in order to help solve the challenges faced by local communities.</p>
<b>Natural Capital</b>	<p><b>Effective use of resources</b></p> <ul style="list-style-type: none"> <li>● Land and the global environment</li> <li>● Nationwide power generation facilities</li> <li>● Greenhouse gas emissions <b>729,545 t-CO<sub>2</sub>*</b> (* Total for Scope 1, 2, and 3)</li> <li>● Energy consumption <b>1,051.4 kL</b> (crude oil equivalent)</li> </ul>	<p><b>Effective use of resources and initiatives for renewable energy to reduce environmental impact</b></p> <ul style="list-style-type: none"> <li>● Increase in renewable energy generation capacity <b>22 MW</b></li> <li>● Energy consumption decreased by <b>238.2 kL</b> (crude oil equivalent)</li> <li>● Current power generation capacity <b>385 MW</b></li> </ul>	<p>The Group sells electricity generated using renewable energy to electric power companies, thereby ensuring a stable supply of power as part of our efforts to fulfill our roles in contributing to society. Moreover, we are advancing initiatives to establish a business model that does not rely on the FIT system. This move will enable us to contribute to a sustainable future by diversifying our business portfolio beyond solar power to include wind and biomass power, and a business that produces biomass fuel from cashew shells, for example.</p>

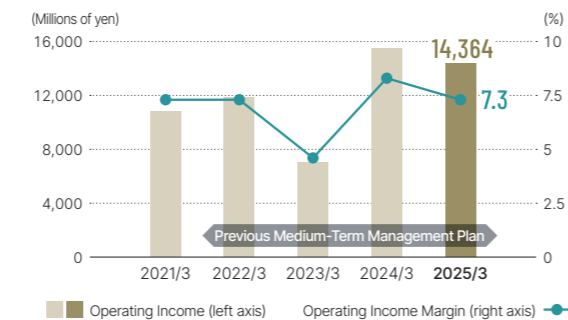
# Financial / Non-Financial Highlights

## Net Sales



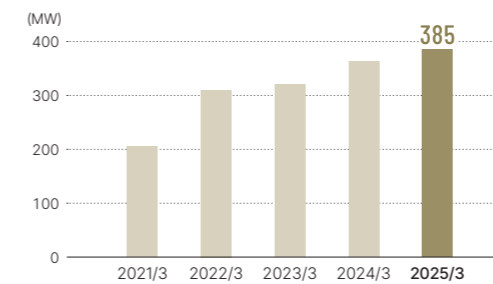
Net sales in FY2024 totaled ¥196,523 million, up 6.1% year on year. Although there was a loss attributable to the cancellation of the sale of power plant equipment in the Energy Business, favorable trends in contracts for new built-for-sale condominiums caused net sales in the Real Estate Business to improve 9.6% year on year, and the formation of private placement funds in the Asset Management Business greatly contributed to net sales expanding 58.2% year on year.

## Operating Income and Operating Income Margin



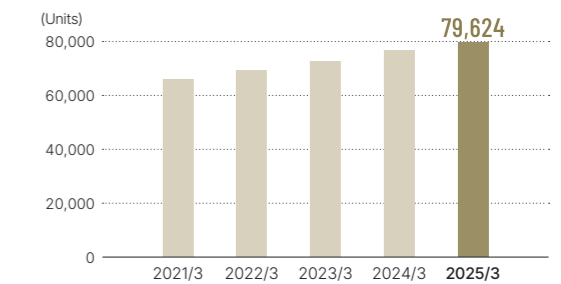
Operating income in FY2024 was down 7.1% year on year to ¥14,364 million. Though the figure for net income shows increased revenue and profit, SG&A expenses, including consumption taxes, also increased due to expenses incurred in connection with the launch of sales activities aimed at securing revenue in the subsequent period or later. The operating income margin fell 1.0 percentage points year on year to 7.3% from 8.3% in the previous year.

## Current Power Generation Capacity



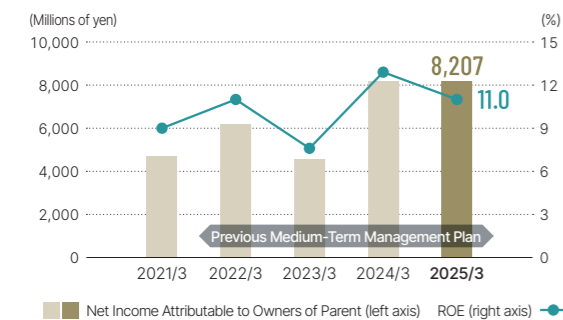
In FY2024, power generation capacity was 385MW, up 22MW compared with the previous fiscal year. Sales of electricity met the target value for total power generation capacity of 360 MW, and we plan to increase power generation capacity as an area of growth moving forward.

## Number of Managed Housing Units



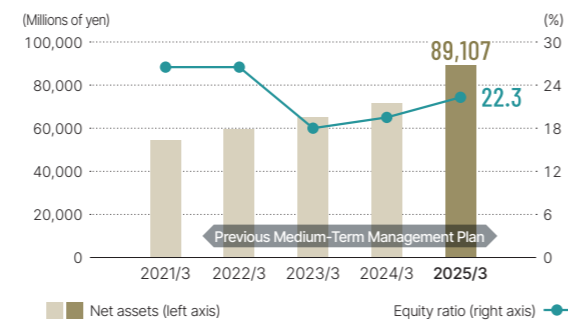
In the real estate management business, the number of units under management is steadily increasing, amounting to 79,624 as of March 31, 2025, an increase of 2,963 units compared with the previous fiscal year. We will continue to actively acquire properties for management, including those managed by other companies, to attain stable revenue as a pillar supporting our stock business.

## Net Income Attributable to Owners of Parent and ROE



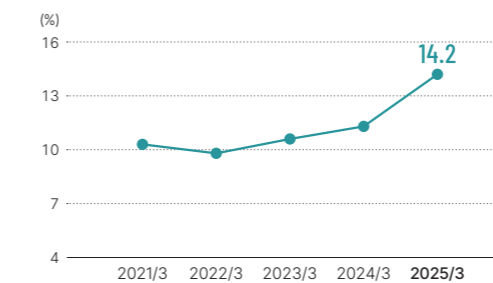
Backed by an increase in net sales and other factors, net income attributable to owners of parent in FY2024 improved 0.4% year on year to ¥8,207 million. At 11.0%, ROE was down 1.9 percentage points year on year, falling short of the 13% or higher targeted under the previous Medium-Term Management Plan. Moving forward, we will put into practice management that is more conscious of capital efficiency, and will strive to achieve our FY2025 target of 9.0% or more.

## Net Assets and Equity Ratio



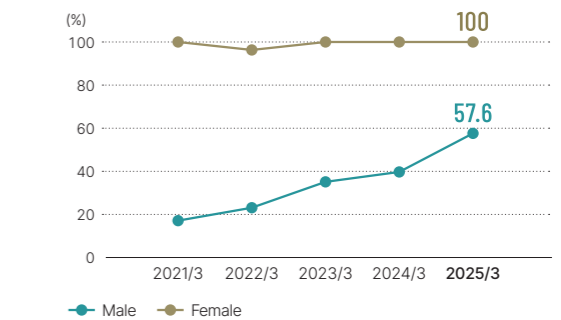
Net assets at the end of FY2024 were up ¥17,438 million year on year to ¥89,107 million, due mainly to a large increase in assets as the result of public stock offerings taking effect in June 2024. The equity ratio also improved greatly due to public stock offerings, increasing 2.8 percentage points year on year to 22.3%. In line with our goal of achieving an equity ratio of 23% or higher in FY2025, we intend to continue to diversify our financing methods and ensure improved stability in the equity ratio.

## Percentage of Female Managers



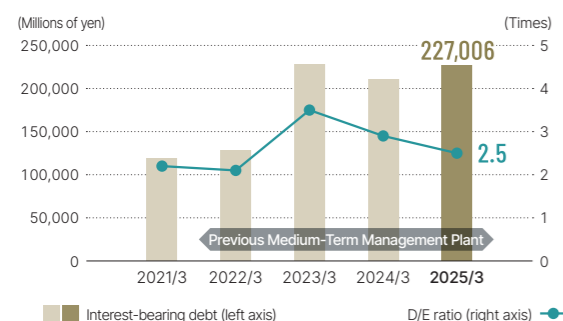
The percentage of female managers was 14.2% in FY2024, an increase of 2.9 percentage points compared with the previous fiscal year that shows steady progress toward the FY2030 goal of 20%. The Group considers the promotion of women's empowerment as one of its most important measures and has implemented such measures as the launch of the Women's Activity Promotion Project Team and the introduction of a babysitter subsidy system.

## Percentage of Employees Taking Childcare Leave



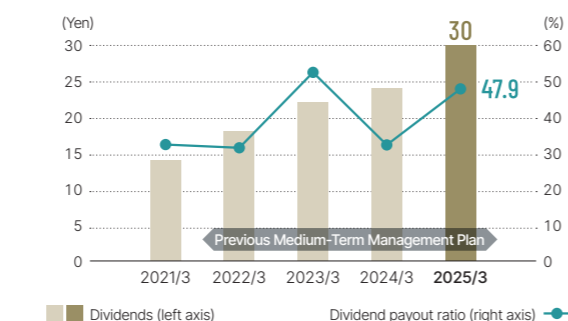
Almost 100% of our female employees take advantage of childcare leave each year. On the other hand, 57.6% of male employees took childcare leave in FY2024, an increase of 17.9 percentage points compared to the previous year. The Group is working toward raising the percentage of male employees taking advantage of childcare leave to 85% by FY2030.

## Interest-Bearing Debt and D/E Ratio



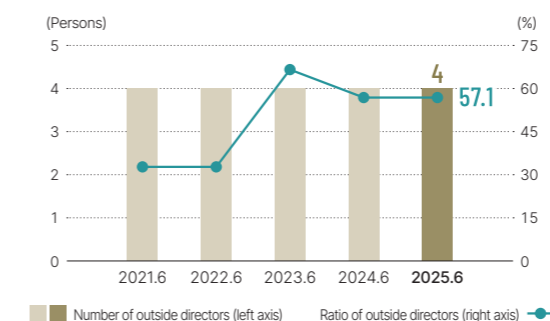
Interest-bearing debt as of the end of FY2024 was ¥227,006 million, up ¥16,543 million from the end of the previous year on the increase of short-term borrowings and other factors. Achieving the target of under 3.0 times within the previous Medium-Term Management Plan, the D/E ratio as of the end of FY2024 was 2.5 times. We will continue to work towards reducing the D/E ratio and maintaining financial soundness.

## Dividends and Dividend Payout Ratio



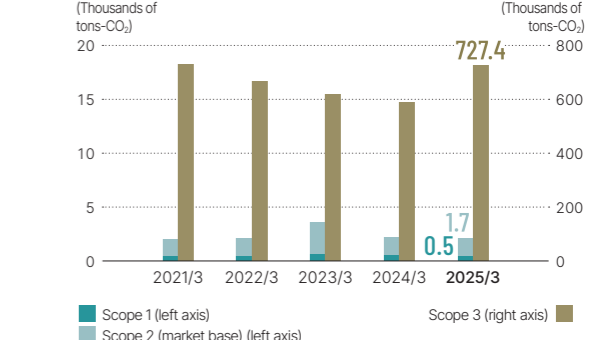
The dividend per share for FY2024 was ¥30, up ¥6 from the previous year. The dividend payout ratio was up 15.6 percentage points year on year to 47.9%. The Group recognizes that profitable returns to shareholders are an important management issue and plans to raise the dividend payout ratio over the course of the period covered by the new Medium-Term Management Plan from 30%–35% to 35%–40%. We will continue to realize stable and constant dividends that properly align with results.

## Number and Ratio of Outside Directors



All outside directors are designated as independent directors. Outside directors have accounted for one-third or more of all directors as of June, 2021, and half or more since June, 2023.

## Greenhouse Gas (CO<sub>2</sub>) Emissions Volume



Greenhouse gas emissions volume in FY2024 was 729,545 t-CO<sub>2</sub>, up 140,222 t-CO<sub>2</sub> compared to the previous year. We have set a target to reduce GHG emissions (Scope 1, 2 and 3) due to the business activities of the Group by 45% by FY2030 (compared to FY2022), and a target to reduce these same emissions to net zero by FY2050.

MESSAGE



**Shoichi Akisawa**  
Representative Director and  
President Executive Officer  
Takara Leben Co., Ltd.

**Results for FY2024 and reviewing the previous Medium-Term Management Plan**

For FY2024, the results for the Real Estate Business were as follows: net sales grew 9.6% to ¥178,512 million, gross profit grew 8.0% to ¥38,451 million, and operating income declined 4.8% to ¥13,130 million. These results fell within the range predicted at the beginning of the period and were deemed satisfactory.

When evaluating the degree to which targets for the previous Medium-Term Management Plan were achieved, the number of units sold in the new built-for-sale condominium business steadily increased, and the gross profit margin was maintained at a high level, growing beyond 21%. The liquidation business, which derives profit through the development and sale of real estate, has been engaged in development projects, using the Takara Leben Real Estate Investment Corporation (a publicly offered J-REIT) to handle sales. It has also developed a variety of business lines for real estate reinvestment, which, combined with the previous efforts, led the business to grow beyond expectations. These core efforts both drive profit in the real estate sector and contribute greatly to ensuring stable profit for the Company.

However, swiftly rising building costs and longer construction periods have become pressing issues for this business. Amidst regulations on the upper limit for overtime hours in the construction industry and a falling number of workers, projects are becoming more time-consuming and assets remaining on the balance sheet longer than

**“Focusing on local issues” is the starting line to “Be the Takara (treasure) of the Community.”**

anticipated, causing a trend of lower returns on assets (ROA).

We are responding to these issues by strictly controlling costs and development periods while striving to create high value-added products. Although increasing sales costs in line with rising expenses is certainly unavoidable, the Group acts as a partner for first-time condominium buyers and in this capacity will continue its efforts around the country to set appropriate prices.

**Developing joint ventures (JVs) that utilize the Company's outstanding sales abilities**

Advanced outside-the-box planning capabilities and sales capabilities support the growth of the new built-for-sale condominium business. In particular, we have established a sales department in an industry full of developers who outsource sales to specialist agencies that enables us to comprehensively handle sales on our own. By consistently operating at an exceptionally high level, this sales system gives the Group a competitive edge that supports ongoing growth.

Recently, condominium prices in the Tokyo metropolitan area have risen extremely quickly, and many developers are striving to diversify their businesses into different regions. However, there are many difficulties associated with creating bases in new regions, and the Company has been encountering an increasing number of opportunities for partnerships that make use of its sales capabilities, which can cover every corner of Japan.

In addition to responding to these external needs, the Company must also tackle the issues of longer construction periods and sudden increases in construction costs. In this regard, one effective strategy is to actively pursue JVs instead of handling everything ourselves. Using JVs in this way allows us to better control the balance sheet and optimize business risks. This is an effective strategy that helps ensure the stable provision of our planned annual base of 2,200 units. Employing such approaches increases business opportunities through JVs and allows us to build win-win relationships with other developers.

**Continuing to be the Takara (treasure) of the Community**

Alongside our outstanding sales capabilities, our pursuit of development nationwide has also helped stabilize profits. By taking our time and overcoming various difficult periods, we have been able to steadily spread the LEBEN brand to more areas throughout Japan.

Continuously securing land is paramount to earning the trust of people and becoming deeply rooted in their communities. Toward that end, we work with construction firms and building companies that are in close contact with these communities. We also procure business funding from local financial institutions while asking them to furnish housing loans to our customers. These initiatives create new employment opportunities for communities and contribute to economic revitalization. This brings long-term profit for financial institutions through the Company's procurement of business funds and housing loans for our customers. We believe this virtuous cycle to be the reason why we are involved in housing businesses.

“Be the Takara (treasure) of the Community.” Through these initiatives, we continue to make this a reality.

I try to communicate to our employees that sustainability is brought about when three ideas meet. These are: first, contributing to resolving local issues; second, maintaining and growing our business as a private corporation; and third, mitigating environmental burdens throughout this cycle.

By upholding relationships with local communities, which begin at the “point” of a single condominium, we can develop “lines” connecting this point to two or three more buildings to eventually build a “face” through town creation. By also working to manage facilities that attract customers, we will also begin to need offices for companies that offer such services as lodging facilities and shops for the people that visit them. I believe that it is paramount to first look for issues a community faces to bring about this ongoing cycle. I am working to inspire employees by telling them that these places help us, so it is our turn to go help them.



**New built-for-sale condominiums**

**Business Overview**

The new built-for-sale condominium business, which we have developed across Japan through an integrated system covering everything from the acquisition of land to product planning and sales, is a core business accounting for more than half the units we sell on a consolidated basis. This business includes the mainstay LEBEN brand, which focuses on first-time home buyers, while the NEBEL series offers compact condominiums in urban areas. In the Tokyo metropolitan area, we mainly focus on units for single-family, single-person, and double income no kids (DINKs) households, and in regional city centers we concentrate our efforts around housing for active seniors.

**Review of FY2024**

For FY2024, the new built-for-sale condominium business recorded net sales of ¥106,582 million (up 14.0% from the previous fiscal year) and gross profit of ¥23,082 million (up 9.9%). The gross profit margin fell to 21.7% (down 0.8 percentage points), exceeding the initial plan by 0.9 percentage points. The new built-for-sale condominium business thus continued to play its role as a core business for the Group, accounting for 54.2% of company-wide sales and 54.6% of total gross profit.

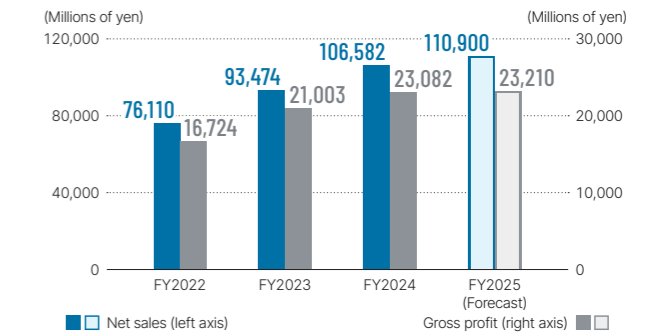
The number of new built-for-sale condominiums sold stood at 2,339, an increase of 125 units from the previous year, marking a

**Future Initiatives**

Amidst a procurement environment where there have been sharp increases in material costs as well as an acute labor shortage causing similar increases in construction costs, sales prices in the new built-for-sale condominium market have also trended upward. On the other hand, real estate demand continued to reflect customers' high and persistent willingness to purchase residences. As of the first quarter of FY2025, delivered units for the entire fiscal year are projected to reach 2,820 units, with contracts already finalized for 1,349, or 47.8%, of these units. This means net sales are estimated to grow to ¥110,900 million, with gross profit growing to ¥23,210 million.

In the domestic market, where population is increasingly concentrated in the Tokyo area while regional cities face declining

**Trends in Net Sales and Gross Profit**



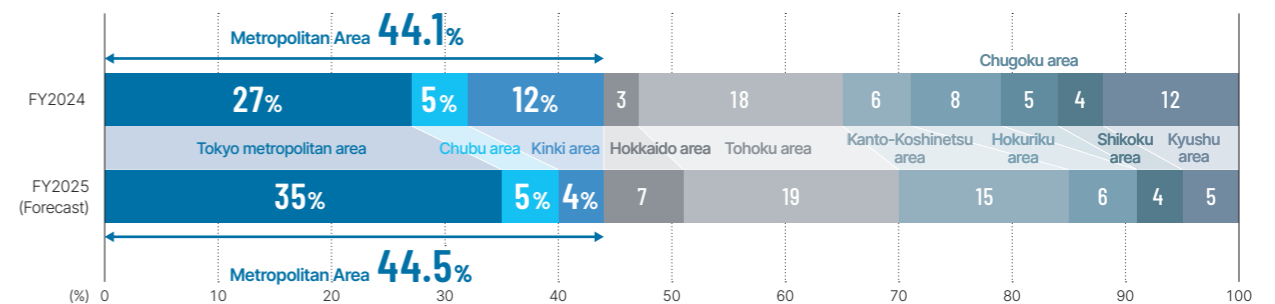
favorable shift. Steady progress was made on regional efforts to strengthen the brand, and the business was able to maintain its profit margin at a high level.

The Company provides units across the country, from Hokkaido to Kyushu, with the 27% of units being supplied to the Tokyo metropolitan area, and the Chubu area and Kinki area accounting for 5% and 12%, respectively. Together, these three metropolitan areas accounted for 44.1% of units supplied, up 9.9 percentage points from the previous year, with higher results in the Kinki area in this period being of note.

populations, we predict that the ratio of buildings in metropolitan areas will grow to 44.5% (up 0.4 percentage points) in FY2025. As for such issues as lengthening construction periods and sharply increasing construction costs, we are responding through cost controls, time controls, and high product standards. At the same time, we have a policy of striving to maintain desirable price levels as a partner for first-time home buyers.

With the number of domestic households continuing to decline, it is estimated that the number of condominium units supplied will fall as well. To sustain growth in such an environment, we make careful selections when acquiring land and will provide our target customer groups across Japan with more appealing condominiums that are carefully designed to meet their needs.

**Metropolitan Area Ratio**





**Liquidation**

**Business Overview**

The liquidation business is our second pillar of earnings in the Real Estate Business. This business draws on expertise cultivated within the new built-for-sale condominium business to help develop our diverse array of real estate assets. Specifically, this includes the high-grade rental condominiums "LUXENA" as well as residences, office buildings, and hotels. We have sold 60%–70% of the properties developed to date to Takara Leben Real Estate Investment Corporation and support the company's external growth.

**Review of FY2024**

As the market environment continues to be sound, beneficial contributions from newly developed residences led to gross profit of ¥7,375 million, which was 19.0% higher than initial targets.

We also promote the development of new products centered on the LUXENA series, such as "LUXENA+ OTO MINAMI-SENJU," which was created to meet the demand for soundproof facilities. In addition, steady progress has continued in efforts to increase the value of our owned real estate and around leasing.

The amount we invested nearly doubled compared with the previous period, growing to ¥49,270 million, due to the acquisition at locations around Japan of superior assets matching our investment standards.

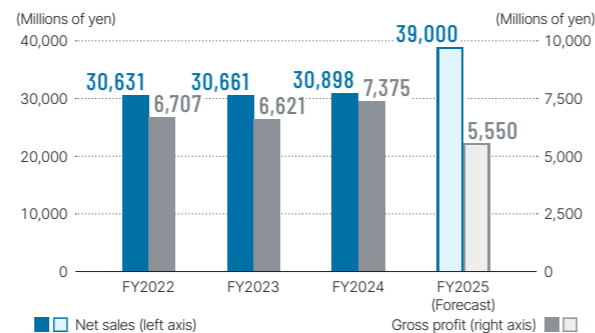
We marked strategic progress by taking advantage of opportunities provided by a sound real estate market, resulting in sales increasing to ¥30,898 million. The gross profit margin improved far beyond the initial target of 17.2% to 23.9%, contributing to stable profit across the entire Group.

**Future Initiatives**

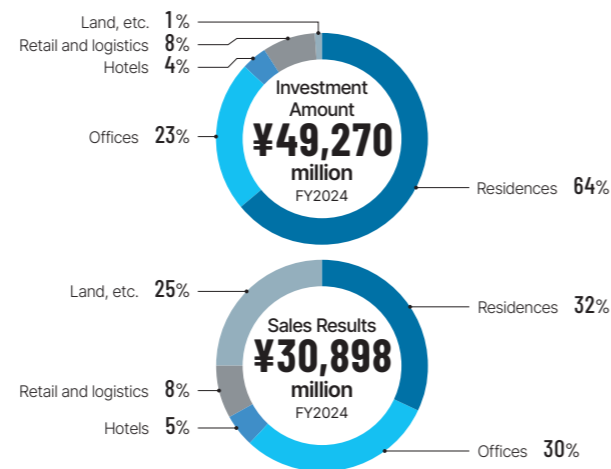
We will continue to actively acquire and develop assets nationwide. To achieve the targeted level of expansion in the Takara Leben Real Estate Investment Corporation's asset scale, that is, increasing it from the current ¥173.2 billion to ¥320.0 billion by March 31, 2031, we strive to accurately assess demand in each area and carefully select and secure investment opportunities.

With a focus on market trends, we will also challenge ourselves to develop new concept products.

Trends in Net Sales and Gross Profit



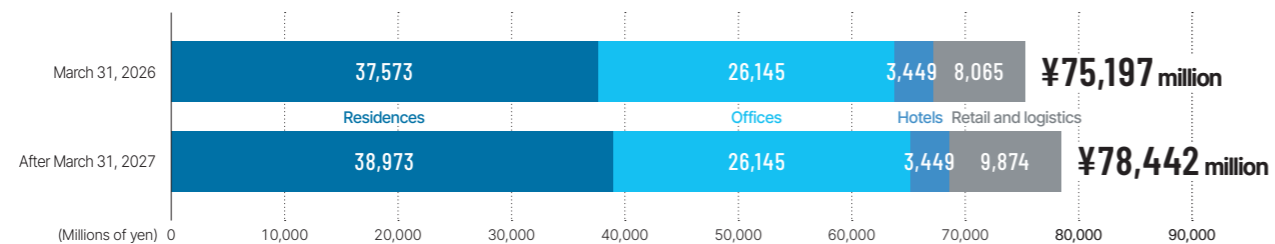
Investment Amount / Sales Results



Regarding asset scale, as of March 31, 2025, we are holding ¥45,109 million\* in assets in addition to owned assets undergoing development that are valued at ¥17,704 million. The projected value of these assets once development is completed is ¥33,333 million. Combined with existing assets this will bring total assets held to ¥78,442 million.

\* Includes assets for liquidation that are included when calculating total real estate for sale

Assumed Asset Value after Completion



**New detached houses**

**Business Overview**

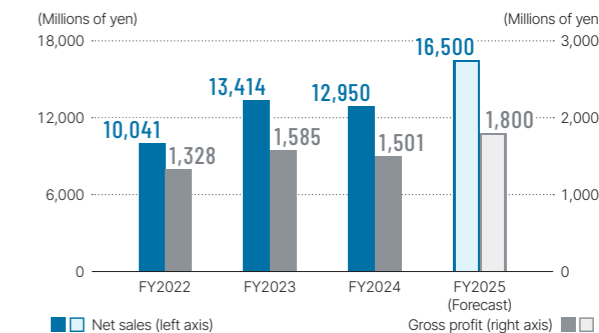
Through Leben Home Build, we have established an integrated system in the new detached house business covering development, construction, and sales. At quality sites that are selected based on our own high standards—covering such factors as lifestyle convenience, educational environment, natural environments, and accessibility—we provide mainly mid-priced 4LDK residences. We also offer an expansive array of after-sale services and extended warranties that enable us to achieve the dual goals of offering "the ideal home that anyone can purchase affordably and with peace of mind" and "high quality at an accessible price point."

**Review of FY2024**

Although only 217 units were sold, fewer than the 230 units initially planned, we saw progress generally in line with our plans. Gross profit amounted to ¥1,501 million while the gross profit margin came to 11.6%, both falling short of initial plans.

During the fiscal year, we promoted strategies aimed at improving the synergistic effects of our brand and deepened regional cooperation via business development in areas in and around which the Group supplies condominiums.

Trends in Net Sales and Gross Profit



**Future Initiatives**

We are working to distinguish our new detached houses business from those of other companies by focusing on particular areas when developing homes and applying a community-rooted approach, with efforts centered on our LEBEN PLATZ series.

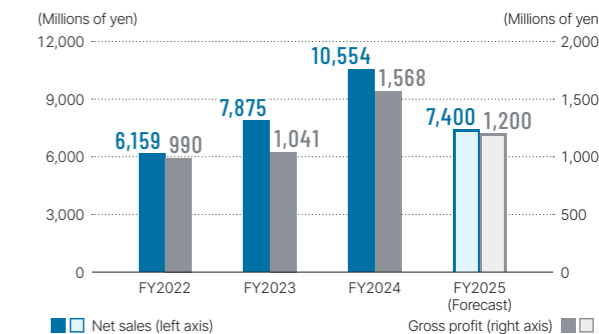
We are aware of the need to improve our market analysis capabilities for individual areas; our hybrid investment strategies designed in accordance with scale; and the structure of teams that handle the execution of such strategies. By continuing to enhance business development that accounts for regional characteristics, we seek to create stable, long-lasting structures for supplying housing.

**Renewal and resale**

**Business Overview**

In the renewal and resale business, we focus on Tokyo and its three neighboring prefectures. We purchase second-hand condominium units that are about 30 years old with about 60 square meters of floor space to meet the needs of customers for pre-owned properties in highly convenient and favorable locations. Then, after the tenants have moved out, we renovate and resell them. We are also developing the Lé Art brand, where we acquire entire condominium buildings secondhand and utilize our design and planning capabilities to renew them.

Trends in Net Sales and Gross Profit



**Review of FY2024**

Profitability improvements allowed us to surpass initial targets for total gross profit of ¥1,568 million. We have set the standard for average prices in each area, and efforts to raise the value of buildings to the level of "near newly built" have contributed to business performance. The gross profit margin was 14.9%, 2.5 percentage points better than initially planned.

**Future Initiatives**

At present, we do not expect a recurrence of the bulk sales of multiple buildings seen in the first half of FY2025, so net sales are projected to fall. Because the price of purchases in the second-hand condominium market is continuing to rise, we are carefully proceeding with building acquisitions while paying close attention to the profitability of each property.



**Real estate rental**

**Business Overview**

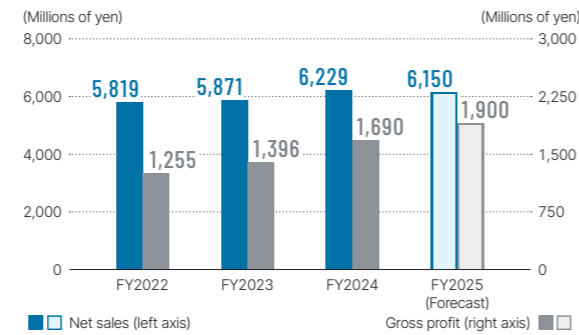
The rent generated from properties the Group owns is the real estate rental business's main source of income, and around 90% of these properties were acquired by the liquidation business or the renewal and resale business for the purpose of securing a lineup for the future. This business is also actively acquiring rental properties across Japan while striving to maintain high occupancy rates. Operations such as those related to rental property tenant acquisition are handled mainly by Leben Trust.

**Review of FY2024**

Soundness in rental apartments and office buildings markets led to net sales of ¥6,229 million with a gross profit margin of 27.1%, showing results that exceeded initial plans.

Inflationary trends in rent combined with enhanced occupancy rates for our owned properties over long periods allow us to steadily promote internal growth.

Trends in Net Sales and Gross Profit



**Future Initiatives**

We will continue to supply products in exceptional locations centered on our specialty of floor plans for units sized 165 to 330 m<sup>2</sup>. In addition, we seek to further secure income by strengthening profitability through the enhancement of the value of currently held buildings (promoting internal growth) as well as by pursuing strategic asset exchanges in accordance with the market environment.

**Real estate and other**

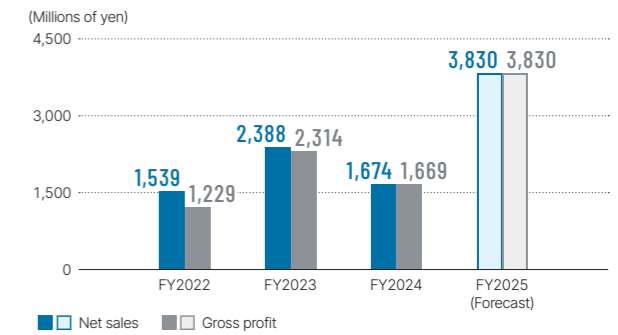
**Business Overview**

In the real estate and other business, we mainly provide real estate distribution services that include acting as an intermediary or sales agent when real estate is bought and sold. This entails utilizing our expertise and informational capabilities to formulate the most suitable proposals to meet the diverse needs of customers and may include anything from determining contract terms to organizing handovers. Our ability to utilize both our customer base and wealth of knowledge pertaining to buildings that we have gained through our various other businesses, in such areas as properties for sale, managed properties, and rental properties developed by the Group, comprises a huge point of strength within the industry.

**Review of FY2024**

Net sales rose to ¥1,674 million, 23.1% above the initial target, while the gross profit margin was 99.7%, 0.3% below the initial target. Despite these results being down from the previous fiscal year, we saw sound progress in terms of initial targets.

Trends in Net Sales and Gross Profit



**Future Initiatives**

We will continue to utilize Group assets to their fullest extent as we strive for stable growth as a fee business. In FY2025, we expect that income from fees collected through acting as a sales agent will increase due to a higher number of joint ventures (JVs) in the new built-for-sale condominium business, and net sales are expected to expand by a factor of roughly 2.3 times from the previous fiscal year.

**Real estate management**

**Business Overview**

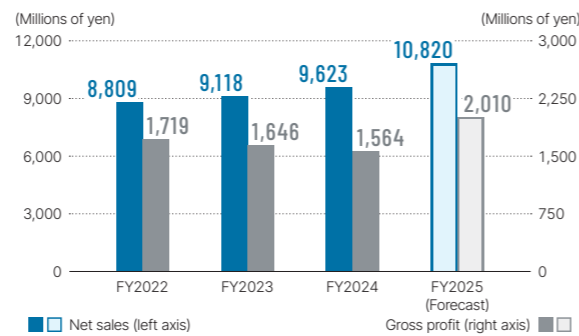
We manage a wide array of real estate assets, such as condominiums, rental residences, and office buildings, with Leben Community at the center of such efforts. Leben Community provides optimal management services ranging from everyday upkeep and maintenance to the planning of long-term repairs, building inspections, and proposals for large-scale repairs while maintaining dialogue with co-owner associations.

**Review of FY2024**

The gross profit margin declined slightly amid a rise in personnel costs. Falling short of initial targets, the number of housing units managed was 79,624, net sales were ¥9,623 million, and the gross profit margin was 16.3%.

Although profitability was impacted by rising costs, the number of housing units managed increased by 2,963 compared to the previous period and the business base continued to steadily expand. We expect to see measures to reduce costs and make management costs more reasonable to begin yielding results after FY2025.

Trends in Net Sales and Gross Profit



**Future Initiatives**

Personnel costs appear to be continuing to rise, and we recognize that enhancing management services and reducing costs are both important management issues towards ensuring suitable rates of profit.

High quality service capabilities secured through the provision of training and certification systems is one of the Company's fortes. Through measures that include regular training and proficiency tests, we have strengthened condominium managers' business skills and ability to serve customers. We will further refine our initiatives to educate human resources to enhance both customer satisfaction and profitability.

**Development of the Overseas Business**

Our long-term vision, to "Be the Takara (treasure) of the Community," is not limited to Japan, but is key to the development of our overseas business.

Collaboration with local partners is essential to our overseas business, which we will continue to expand as we share this vision. On the other hand, we have a policy of always seriously evaluating the unique business risks overseas.

**The Philippines**

**Sentro**

Our second housing business project in the Philippines, Sentro, is a housing development located in the city of San Pablo, Laguna, about 80 km southeast of the capital city of Manila. This is the same location as our first project, SAVANA SOUTH. Laguna houses many of those who work in the industrial parks in and around Manila, and this project is in a highly convenient and appealing setting approximately 10 minutes by car from the center of San Pablo. Construction is projected to finish in October 2025 at the housing site, which covers 92,808 m<sup>2</sup> and includes 758 units, including townhouses (shared spaces such as clubhouses are to be included as annexes).

**Vietnam**

**THE MINATO RESIDENCE**

In Vietnam, we completed the construction of two buildings for THE MINATO RESIDENCE in February 2024 and have been steadily collecting returns. This project was developed and built

by Takara Leben and Fujita Corporation, with management being handled by Leben Community Vietnam. This is the first project undertaken in Vietnam under an integrated system involving only Japanese companies.

**Thailand**

**Malton Reserve Pinklao-Kanchana**

In Thailand, we announced our participation in our fifth project in that country, Malton Reserve Pinklao-Kanchana, our first housing project. Located approximately 15 km west of the center of Thailand's capital city Bangkok, the project comprises a housing development in the Thawi Watthana District. On a 21,913 m<sup>2</sup> site, we will build 25 planned residential units and shared facilities, such as clubhouses, with construction slated to finish in April 2026. This is our first business partnership with the local company Major Development Public Company Limited (hereinafter MJD), and the Malton series is one of MJD's housing brands. This is a unique brand boasting a refined, high-class feeling and a unique lineup of shared facilities.



**MESSAGE**



**Kentaro Taniguchi**  
President and Representative Director  
MIRARTH Energy Solutions Inc.

**The Group's positioning of the Energy Business and focus points for the new Medium-Term Management Plan**

A strength of the Group's Energy Business is that it is derived from real estate. Securing a business site is the key first step when developing solar power plants. It goes without saying that the Energy Business is positioned to utilize the Group's nationwide network in these efforts. Then, the knowledge we have gained and networks we have nurtured through handling a profitable real estate business over the years can be used to acquire information when purchasing existing power plants as secondaries.

The Group actively promotes the Energy Business as its second pillar after the core Real Estate Business. After 2013, when we made our first real foray into the energy industry we centered development on mega solar plants. The new Medium-Term Management Plan (hereinafter, the New Plan) published in May 2025 calls for more active investments in solar, wind, and biomass power plants, as well as the power storage site business, which has recently come into further focus. We have already secured more than half of the land for the projects we have planned for this business and are continuing with steady efforts toward full-fledged commercialization. We are also

**Embracing the "grand designs" demanded by society is precisely the raison d'être of the MIRARTH Holdings Group**

able to utilize government subsidies for the establishment of energy storage facility businesses, and we expect this business to expand further as it plays an important role as a source of backup power.

Under the New Plan, we will continue to accelerate the speed of development centered on solar power plants via Power Purchase Agreements (PPAs) and make other active investments.

We recognize that there is a need to create a new business model in the medium-term.

As part of this, we are continuing with our cashew business in Cambodia. This business has the potential to develop across the three business fields of food, fuel, and power, contributing to expanded hiring within Cambodia and the enhancement of infrastructure, making it future-oriented. Our cashew nuts that were consumed as food products have received high praise, and we will continue to expand the amount we produce.

We are conducting R&D and analyses on commercializing CNSL (cashew nutshell liquid) as a fuel. This also has high potential, as the remaining material after the oil has been extracted is used as fuel for biomass power generation, which we believe can provide stable renewable energy.

**Prospects for the Energy Business**

The Japanese government's 6th Strategic Energy Plan calls for renewable energy to account for 36%–38% of the energy generated in 2030. This would mean a 1.5 times increase in solar power generation and a 5.5 times increase in wind power generation between 2022 and 2030.

Although the future of renewable energy is bright, it is also true that there

are many issues to overcome.

For example, in biomass projects, 50% of the calories in wood chips that are used as fuel become power, with the other 50% converted to heat. Currently, that heat is not being used effectively in Japan, but in Europe, which is more advanced in this aspect, it is. In addition, distribution networks for wood chips and wood pellets are being developed, allowing both power and heat to be utilized, and small-scale biomass power generators are being installed in hotels and other such locations. In Japan, we must resolve the two issues of utilizing heat and establishing distribution networks for biomass fuel.

Japanese power infrastructure, which is essential to the supply of renewable energy, must contend with the fundamental issue of power distribution networks having insufficient capacity and decaying due to age, making it an obstacle to interconnected systems and power exchanges around renewable energy.

A way of resolving this issue that has drawn attention is Watt-Bit Collaboration. It is thought that by dispersing the locations of data centers, which consume a large volume of power, it will be possible to even out disparities in power production and consumption sites via renewable energy, thus lowering costs.

One aspect of the MIRARTH HOLDINGS Group's Purpose is handling society's demand for large-scale design. To make an infrastructure business viable we must act in this capacity by continuing to challenge ourselves and contributing to the realization of a sustainable society.

**Business Overview**

With operations centered on MIRARTH Energy Solutions, we promote the development and sales of electricity produced by power plants that utilize solar energy, wind, or other such renewable energy resources along with the operation and maintenance of such facilities, as well as biomass fuel conversion using cashew nutshells. In addition to the stable profit generated through the Feed-in Tariff (FIT) system, we are actively pursuing the expansion of these businesses through Power Purchase Agreements (direct energy purchase contracts with such entities as corporations or municipal governments) as we seek further growth in what has become the second pillar of our main business efforts after the Real Estate Business.

**Review of FY2024**

In FY2024, net sales fell by 21.9% from initial targets to ¥9,921 million while gross profit fell by 42.4% from initial targets to ¥2,551 million due to the considerable impact of a halt in sales of power plant facilities. Factors that caused power sales to fall short of plans included costs incurred in taking measures against cable theft and repairs, but as these are temporary effects we expect profitability to improve in FY2025.

On the other hand, power generation capacity expanded to 385 MW as of March 31, 2025, and we are making steady progress. We are also currently expanding our portfolio with

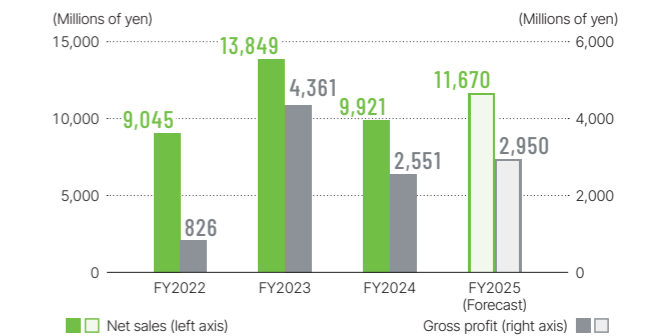
**Future Initiatives**

For FY2025, we do not anticipate any facility sales and will focus on expanding our power generation capacity. For our operational power generation capacity, we expect an increase of 25 MW compared to FY2024, reaching 410 MW. We project net sales of ¥11,670 million and gross profit of ¥2,950 million.

MIRARTH Energy Solutions is creating medium- to long-term business plans and is enhancing its ability to generate profits. We will actively invest in power storage sites and accelerate our power facility development, with efforts centering on solar power plants. In addition, we will also seek growth in new areas, including our cashew and fuel businesses. As even comparatively cramped power storage sites can be highly profitable, we will utilize the network we have cultivated in our Real Estate Business to acquire land and optimally distribute the sites where such facilities are built.

In addition, in line with efforts to diversify our energy sources, we create a biomass power plant that uses wooden chips as fuel. Compared with solar power facilities, the operation and maintenance of biomass power generation facilities is more difficult, and we are strengthening systems in pursuit of stable operations.

**Trends in Net Sales and Gross Profit**

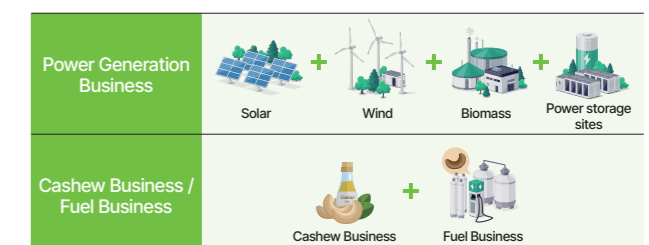


the goal of securing stable power sources, having acquired the Hokkaido Ootobe Power Plant (a wind energy plant) in December 2024. This has given us a new power source that is effective in the winter, when solar energy efficiency drops. MIRARTH Energy Solutions has also entered into an on-site Power Purchase Agreement (PPA)\* with Yamanashi Prefecture as of January 2025, as well as with the city of Sapporo in February of the same year. Through these initiatives, we continue to create a non-FIT business model.

\* A contract for providing renewable energy generated within sites where there is demand

Regarding the cashew and fuel businesses, we completed construction of a cashew nut processing plant in Cambodia in June 2024. Products manufactured at this site have been rated highly, and we will continue with efforts that include the expansion of processing and the cultivation of technical knowledge.

The 6th Strategic Energy Plan published by the Agency for Natural Resources and Energy contains a policy to have renewable energy account for 36%–38% of the energy generated in Japan by 2030, and the Group recognizes this as an opportunity for growth. As such, the Energy Business has been positioned as our second pillar after the Real Estate Business, and we will strive to expand business areas and strengthen profitability.

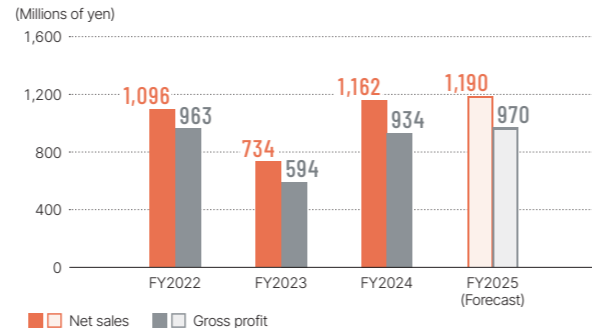




**Business Overview**

Utilizing the wealth of expertise, knowledge, and networking capabilities regarding real estate and renewable energy accumulated by the MIRARTH HOLDINGS Group, we actively manage J-REITs and private funds. The Asset Management Business is handled by MIRARTH Asset Management and MIRARTH Real Estate Advisory. We respond to the diverse needs of investors by properly handling the unique attributes of specific investments as well as by providing them with excellent investment opportunities.

**Trends in Net Sales and Gross Profit**



**MESSAGE**



**Takehiko Kusajima**  
President and Representative Director  
MIRARTH Asset Management Inc.

**Utilizing our strength as a growing business to build a track record contributing to society**

MIRARTH Asset Management has taken charge of asset management centered on solar power facilities via its private infrastructure and real estate funds. Upon our founding in October 2013, we were entrusted with handling a listed infrastructure fund related to the Group's sustainable energy generation business (the Takara Leben Infrastructure Investment Fund, delisted in December 2023). In March 2018, we drew on our experience to set up a private fund department and, thanks to our strong pipeline with overseas investors, have been entrusted with a growing number of private real estate funds that invest in office buildings, rental residences, and other properties.

Being involved in asset management related to renewable energy generation facilities in addition to real estate is one of our defining characteristics, and we are working to differentiate ourselves from

the competition by exercising our ability to source buildings as well as the provision of detailed and bilingual support for overseas investors.

Overseas investors continue to have a strong desire to invest in Japanese real estate, which means that there is room for growth in the private fund market. In addition, the Asset Solutions Dept., which handles the above-mentioned infrastructure fund, has transformed it from a public to a private business following a TOB from MIRARTH HOLDINGS, a change that we expect will yield growth in stable assets.

As the private fund was built up from nothing not too long ago, our company still considers it to be in a start-up phase. As such, we would like to secure human resources that find this situation to be appealing as we enter into a stable period of growth under the Group's new Medium-Term Management Plan.

**MESSAGE**



**Tetsuo Saida**  
President and Representative Director  
MIRARTH Real Estate Advisory Inc.

**Pursuing management that brings out the latent value of real estate and expansions to the scale of our assets**

MIRARTH Real Estate Advisory is entrusted with asset management for a diversified REIT known as the Takara Leben Real Estate Investment Corporation. One of our strengths is how we maintain a very good relationship with our parent company, MIRARTH HOLDINGS. Although our staff is small, we are blessed with members that have many years of experience and a wealth of knowledge, and, when we purchase a building, these members are able to draw on their personal connections, experience, and understanding of current market conditions. This ability to build close networks with sellers and agents is a huge point of strength.

To overcome our handicap with respect to scale, which places us number 53 out of the 57 REITs on

the TYSE in July 2018, we seek stability and growth in our portfolio of properties. With the exception of the logistics sector, the REIT market fell in the midst of the COVID-19 pandemic, but we were able to take a bold stance and took advantage of growth opportunities, increasing assets via the issuance of new investment units five times in the three years after September 2021. As a result, assets under management expanded from ¥86.3 billion as of February 29th, 2020, to ¥172.6 billion as of February 28th, 2025. Moreover, we issued new investment units twice in the 2024 calendar year, allowing us to acquire properties valued at over ¥40 billion.

We will continue to pursue intrinsic value for real estate and achieve growth.

**Review of FY2024**

In FY2024, the formulation of a private fund greatly drove performance, with net sales reaching ¥1,162 million, up 29.2% from the initial target. At ¥934 million, gross profit also grew, up 33.5% from our initial target. Thus, performance outstripped plans by a wide margin.

In addition to expanding building acquisitions, we followed a strategy of turning over assets through timely sales, leading to steady growth.

The appetite for investments in Japanese real estate was strong both at home and abroad, and performance remained favorable thanks to a sponsor system that utilized the Group's planning capabilities along with our steady building procurement capabilities. Through careful investments undertaken with an eye to maintaining high levels of diversity in tenants and high asset value in individual buildings, we continued to acquire new buildings.

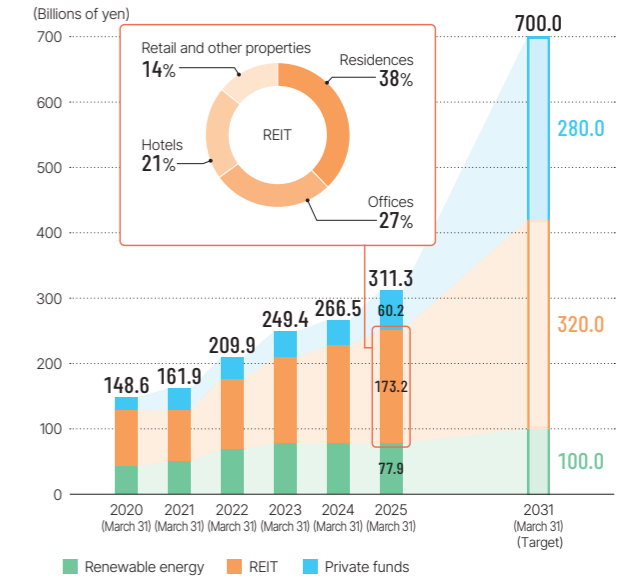
Assets under management (the value base for acquisitions) totaled ¥311.3 billion, achieving the previous Medium-Term Management Plan goal of ¥300.0 billion assets in assets under management. This total breaks down into ¥77.9 billion related to renewable energy, ¥173.2 billion related to REITs, and ¥60.2 billion in the private fund.

**Future Initiatives**

We will continue striving to expand assets under management and achieve steady internal growth as we strengthen our management systems. A robust organizational foundation is paramount when expanding assets, and the creation of favorable office environments becomes an important issue when securing and integrating exceptional human resources. We believe that securing these human resources is as important as acquiring buildings, and we are focusing our efforts on this goal.

Regarding capital increases, we are aware that there is an impact on net asset value (NAV), but we adhere to a policy of

**Assets Under Management**



**COLUMN**

**Receiving the highest DBJ Green Building Certification ranking**

In March 2025, the Royal Parks ER Bandai apartment complex in Niigata City, Niigata, which is managed by MIRARTH Asset Management, received the highest DBJ Green Building Certification ranking. This certification is awarded to buildings in Japan that are exceptional in their care for the environment and society.

The DBJ Green Building Certification system was created by the Development Bank of Japan (DBJ) for the evaluation and recognition of buildings based on various measures relevant to stakeholders. The ranking is based on comprehensive evaluations regarding a property's environmental functions, disaster prevention capabilities, and care for local communities.

In recent years, evaluations of the environmental functions of real estate have become more stringent, with investors and financial institutions in Europe in particular at the vanguard of this trend. In response, the Group is strengthening its ESG measures. Acquiring this certification is a specific result of these efforts, and we will continue to promote real estate management with an eye to care for the environment and society.



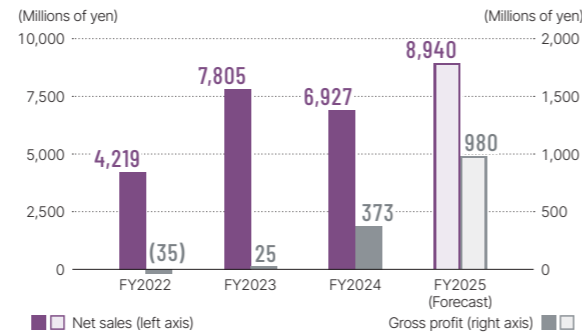
Other Businesses



Business Overview

Group companies are involved in a wide array of other businesses, such as the hotel business, the construction business, and the caregiving business. In addition, the construction business implements strict quality management systems, including internal inspections of various processes across multiple levels, and provides buildings for such various uses as apartment complexes, welfare facilities, and retail facilities. Moreover, in the hotel management business, we draw on the Group's housing creation expertise and apply knowledge related to comfortable spaces to the development of the unique "HOTEL THE LEBEN" brand. In these and similar ways, we seek to create new value by taking on the challenge of expanding into new fields.

Trends in Net Sales and Gross Profit



Review of FY2024 and Future Initiatives

Profit from other businesses was attributable to efforts including construction contracts, hotel management, and rehabilitation/day care services. Due to these efforts, net sales amounted to ¥6,927 million (4.3% below the initial target) while gross profit amounted to ¥373 million (58.9% below the initial target). Profitability was impacted due to rising costs in construction and nursing care businesses, but the operation of our managed hotels has produced favorable results, with gross profit rising ¥348 million above that of the previous fiscal year. We also received high ratings, including the acquisition of a Michelin Key for our Nasu mukunone project in July 2024. We expect occupancy rates and individual room prices to remain high in our hotel management efforts and aim to further enhance profit ratios. Strategies toward this end

include accelerating the development of hotels specializing in lodging accommodations as well as improving operations and enhancing profitability among our existing hotels. We are also promoting efforts to take charge of managing the hotels of other companies as well as expanding the scale of our management efforts, including via M&As. Through these efforts, we aim to achieve an operating profit of ¥1 billion in FY2030.



COLUMN

HOTEL THE LEBEN OSAKA



Official website  
<https://leben-hotels.jp/en/>



Hotel Overview

HOTEL THE LEBEN is Takara Leben's first hotel brand, and in commemoration of the 50-year anniversary of the founding of the Takara Leben Group, HOTEL THE LEBEN OSAKA commenced operations in March 2022. In contrast to the average 15–20 m<sup>2</sup> rooms offered by hotels in Japan specializing in lodging accommodations, each of this facility's spacious guest rooms are over 30 m<sup>2</sup>. Furthermore, to help guests relax as if the hotel were their own home, we have installed partitions at the edges of the living area and sleeping rooms in some of the guest rooms.

This hotel offers a "take off your shoes in the room" approach to lodging, seeking to have its Japanese guests feel as if they are staying in their own home, while overseas guests can enjoy the opportunity to really experience Japanese culture. We believe that spaciousness in our guest rooms is an important point in helping customers relax and enjoy the longest stays. Physical spaciousness encourages a similar generosity of spirit, and we began this business with the hope that guests could enjoy exceptionally relaxed vacations.

From opening to now

This business began in March 2022, which was in the midst of the COVID-19 pandemic. Because of this, initial occupancy was slim upon opening, with the average price for a single room at around ¥10,000 a night.

Currently, overseas customers make up over 90% of all guests and room prices have shifted to a more favorable ¥40,000 a night.

With a rise in room rates comes a rise in customer expectations, and we have been striving to enhance value by offering thoughtful services that include expanding amenities and offering snacks.

Furthermore, overseas guests are the core of this business, and we have allocated staff with foreign language skills to our facilities to ensure comfortable stays on an everyday basis. Recently, the opening of the Osaka Expo has brought in more overseas guests than in previous years.

	FY2022	FY2023	FY2024
Average room price (yen)	18,095	27,084	35,183

INTERVIEW with the General Manager

Things to Keep in Mind in Daily Operations

Since this hotel opened for business, guests from many different countries and regions have made use of its services, so a warm attitude towards hospitality in our daily operations is paramount. We strive to make the hotel more than a simple lodging facility; our goal is to provide a place that washes away the fatigue of a journey and feels like home. To this end, our staff values opportunities to meet with guests and engage in compassionate communication. We strive to understand what our guests really seek and, instead of providing merely a standard array of services, offer a personal experience tailored to them.

For example, we provide overseas guests with details of

local recommended sightseeing spots that will give them an opportunity to come into contact with Japanese culture as well as information that fits their particular interests. Through these and other efforts, we hope to help, even a little, to make each guest's entire vacation more fulfilling. In accordance with their expectations, we are also always aware of listening to even the smallest request a guest may have. Our greatest pleasure as staff is a simple "thank you" or heartfelt smile from our guests.

We will continue to strive with all sincerity to provide every guest, regardless of nationality or culture, with the opportunity to feel spiritually at ease.

Satisfaction and external evaluations

This business started with the hope that physical spaciousness would encourage a similar generosity of spirit so that vacationers would enjoy greater relaxation. Customer reviews for guest rooms were extremely high, with many positive comments extolling the spaciousness and comfort of the rooms.

Moving forward

Our many years of developing condominiums has given us a good basis for realizing maximum comfort in hotel life and has gained wide appreciation among our overseas and Japanese guests. In order to offer even greater comfort in lodging, we will continue to pursue comfortable hotel living without resting on our laurels.

# Human Resources Strategy for Supporting Sustainable Growth



**Go Yamaji**  
Group CRO and Managing Executive Officer  
General Manager of Group Human Resources Strategy Department

## Seeking to maximize organizational capabilities through HR strategies and the promotion of well-being

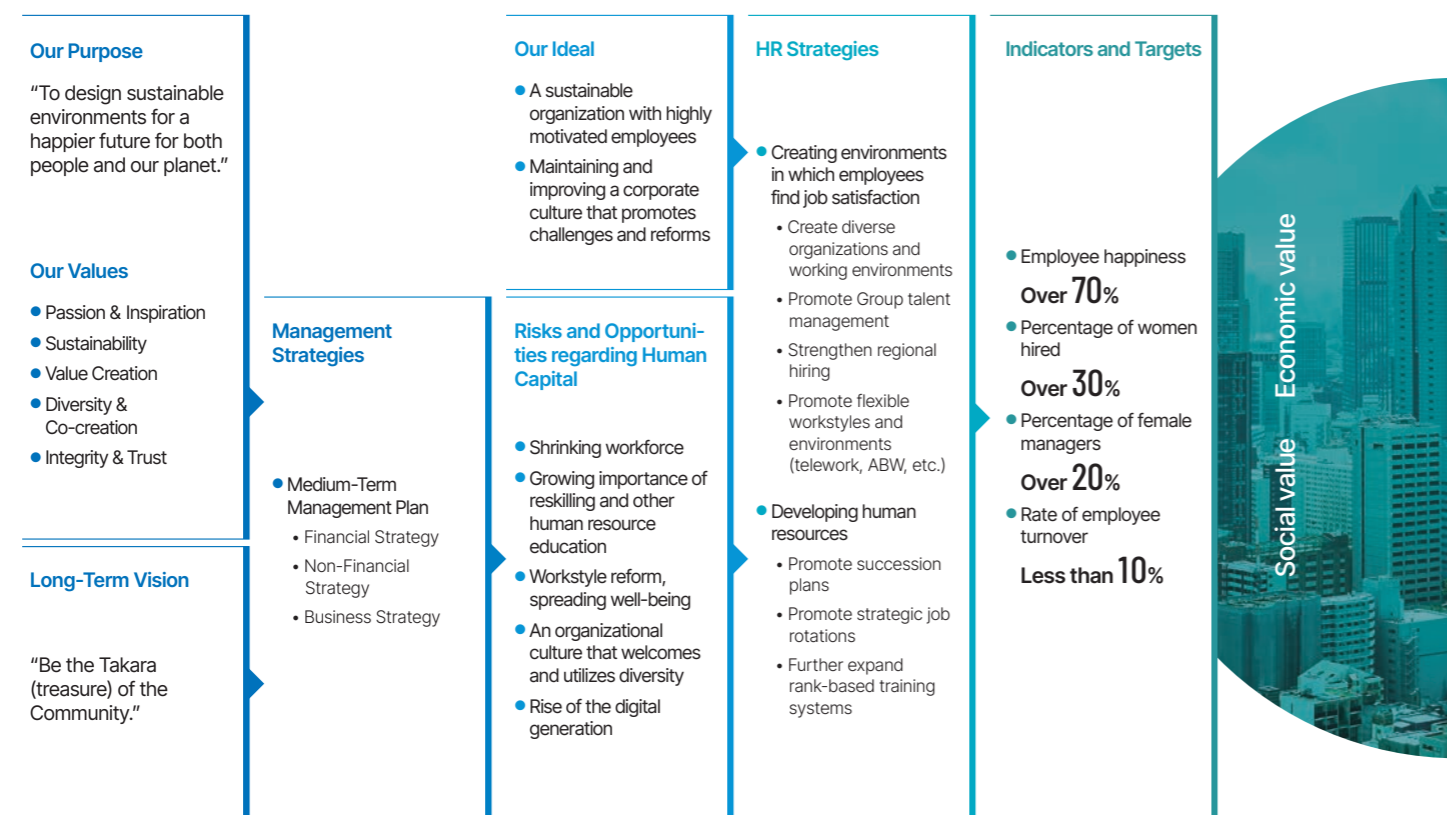
I believe the MIRARTH HOLDINGS Group's human resources comprise outstanding professionals bound by a strong sense of responsibility and boasting the capabilities needed to achieve their objectives. We have recently begun augmenting this talent base by actively promoting mid-career hiring alongside the regular recruitment of new graduates and are steadily enhancing our hiring rates for both younger workers and women. Such talent offers diversity of both experience and perspective and may help us achieve unprecedented success.

In addition, the Group has established a Human Resources Development Policy and strives to realize its Vision of Ideal Group Human Resources. To this end, we have implemented e-learning to enhance basic business capabilities and created an environment that enables continuous learning. In particular, we provide management-level employees with opportunities to begin acquiring executive knowledge and skills from an early stage in their career path and thereby accelerate their growth. We create opportunities for individual growth and encourage employees' desire to take

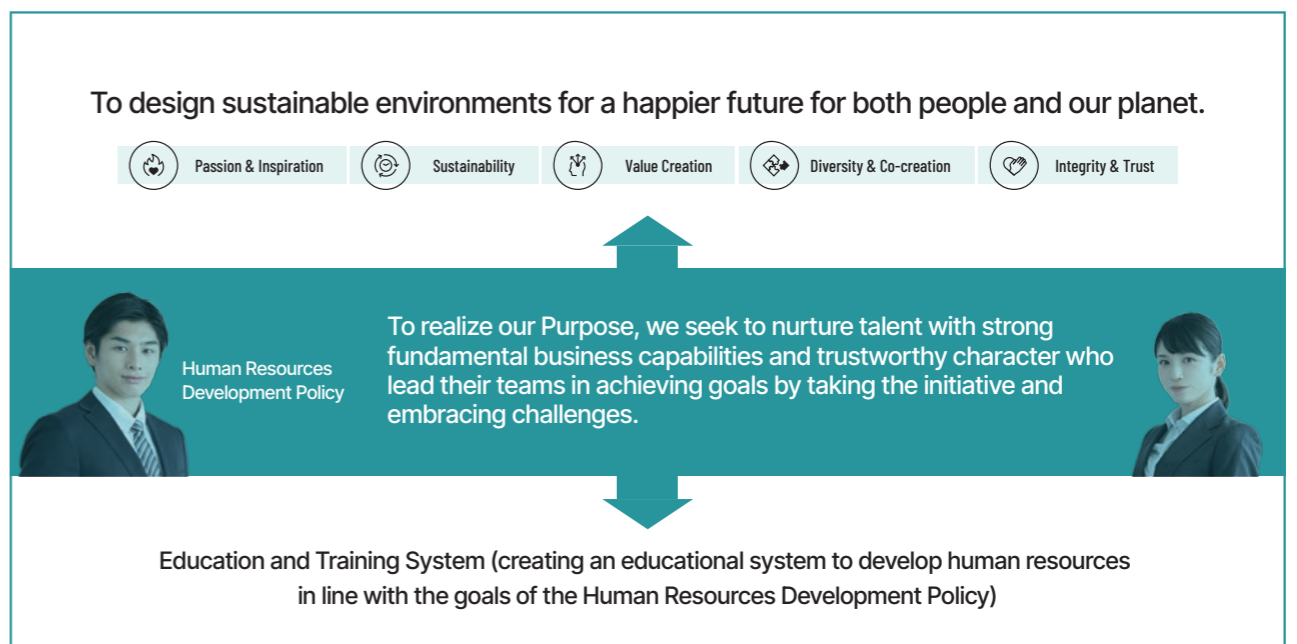
on challenges through a job rotation system utilizing in-house job postings. By its nature, this system provides employees with diverse experiences and offers important opportunities for them to feel a sense of personal growth as they learn new skills. They are also able to experience and understand the perspectives of other departments, which, in turn, fosters a company-wide perspective. I believe this enables employees to learn to respect other people and departments.

To realize the Group's Purpose, it is necessary to be mindful of employees' well-being and establish the necessary support structures. Our efforts in this area cover not only improvements to working environments but the establishment of flexible workstyle systems based on data from the Employee Happiness Surveys, the introduction of independent learning programs, and other initiatives that enhance support for both physical and mental health. Through these initiatives, we will improve employee engagement and foster an organizational culture that maintains a high degree of motivation to strive for corporate growth and to contribute to society.

## Overview of Human Capital Strategies



## The Group's Human Resources Vision (Human Resources Development Policy)



## Training Outline

Rank	Definition	Viewpoint	Company-Wide Education		Workplace	Selections	Others
				Rank-Based Training			
Board members	<ul style="list-style-type: none"> <li>Formulating management strategies and making decisions</li> <li>Company operations</li> </ul>	Company		<ul style="list-style-type: none"> <li>Management strategies</li> <li>Company management</li> </ul>	Evaluation		
M3	<ul style="list-style-type: none"> <li>Promoting and managing strategies for organizations the person is in charge of</li> <li>Achieving organizational goals</li> <li>Facilitating smooth organizational operations</li> <li>Developing deputy department managers and General Managers</li> </ul>	Organization	Compliance & Harassment Purpose & Values	<ul style="list-style-type: none"> <li>Management strategies</li> <li>Governance</li> </ul>	360-degree evaluation	Feedback interviews evaluating results and activities	System supporting the acquisition of Real Estate Transaction Agent licenses
M2	<ul style="list-style-type: none"> <li>Promoting and managing strategies for organizations the person is in charge of</li> <li>Achieving departmental goals</li> <li>Facilitating smooth organizational operations</li> <li>Developing deputy section heads and section heads</li> </ul>			<ul style="list-style-type: none"> <li>Strategies in line with the Vision</li> <li>Organizational development</li> <li>Accounting (applied)</li> <li>DX</li> </ul>			
M1	<ul style="list-style-type: none"> <li>Promoting and managing strategies for organizations the person is in charge of</li> <li>Achieving section goals</li> <li>Facilitating smooth organizational operations</li> <li>Nurturing subordinates</li> </ul>			<ul style="list-style-type: none"> <li>Basic management skills</li> <li>Marketing</li> <li>Accounting (basic)</li> <li>Labor management, goal management</li> <li>Evaluation</li> </ul>			
G3	<ul style="list-style-type: none"> <li>Instructing and guiding subordinates</li> <li>Fulfilling roles centered on carrying out duties, improving processes, and resolving issues</li> </ul>	Team		<ul style="list-style-type: none"> <li>Applying logical thinking</li> <li>Data analysis</li> </ul>	On-the-job training	Management model	e-learning
G2	<ul style="list-style-type: none"> <li>Carrying out duties in accordance with general instruction provided by superiors</li> <li>Carrying out duties, improving processes, and resolving issues</li> </ul>		<ul style="list-style-type: none"> <li>Basic logical thinking</li> <li>Assertive communication</li> </ul>				
G1	<ul style="list-style-type: none"> <li>Carrying out duties in accordance with detailed instruction provided by superiors</li> <li>Acquiring operational experience and knowledge</li> </ul>	Individual	<ul style="list-style-type: none"> <li>Business attitude</li> <li>Business manner</li> <li>Business communication</li> <li>IT literacy</li> </ul>				

## Human Resources Strategy for Supporting Sustainable Growth



Materiality

KPI (Targets for FY2025)

### Ensuring the health and safety of employees

- Percentage of employees receiving a stress check **100%**  
\* Data from participating companies only.
- Percentage of employees taking paid leave **70%**  
\* Calculated based on companies that grant annual paid leave to employees collectively.

- Percentage of male employees taking childcare leave **85%**  
\* Set as a mid-term target for FY2030
- Special patrols (safety checks) at construction sites **4 times / year**

Materiality

KPI (Targets for FY2025)

### Promoting Diversity Equity and Inclusion (DE&I)

- Employment rate of persons with disabilities **2.5%**
- Percentage of female managers **20%**  
\* Set as a mid-term target for FY2030
- Percentage of females hired **30%**

Our Values

Objectives / Strategies

Initiatives

MH MIRARTH HOLDINGS TL Takara Leben LC Leben Community MES MIRARTH Energy Solutions Gr Group-wide

### Passion & Inspiration

To be passionate about creating vibrant environments and to inspire and be inspired by people who share our vision.

#### Objective

Creating an environment in which Group employees can work toward realizing a shared vision

#### Strategies

- Actively challenging ourselves
- Strengthening Group cooperation
- Spreading awareness of our Purpose and Long-Term Vision

#### Expansion of MIRARTH NOTE Gr

The Group operates an intra-group website called MIRARTH NOTE for the purpose of sharing information and increasing communications that maximize Group synergy.

MIRARTH NOTE shares information on individual Group company initiatives and releases, as well as features manuals, bulletin boards, and other up-to-date information useful for improving operational efficiency. In FY2023, we established the new Sustainability Action! page to provide timely information on Group-wide sustainability activities. We disseminate articles that link various social issues with information on individual Group company sustainability initiatives and how they are related to the 17 goals of the SDGs in order to promote sustainability within the Group.

#### Holding Group events Gr



In May 2024, the Group held "KICK OFF FORUM 2024," an event that allowed Group employees to meet and communicate. The event gave us the opportunity to spread awareness of the Company's Purpose and Long-Term Vision through talks given by members involved in the formulation of our Long-Term Vision. We also encouraged information sharing between employees and top management by creating a Q&A corner to field employee inquiries. We thus took advantage of this important opportunity with an eye toward fostering a sense of unity across the Group.

#### Tohoku Miyagi Revive Marathon 2024 Gr



MIRARTH HOLDINGS participated in the Tohoku Miyagi Revive Marathon 2024, which was held on November 3, 2024, as a supporting partner. First held in 2017, this event began as a means of contributing to the revival of areas damaged by the Great East Japan Earthquake, and the many runners that have come together over the years with the goal of reviving such areas have made the event the biggest of its kind in the Tohoku region. Poor weather and the COVID-19 pandemic prevented the marathon from taking place from 2019 to 2022, but an in-person competition was held once again in 2023 and most recently in 2024. The entire Group worked together to recruit volunteers and runners to help support this event.

### Sustainability

To create a sustainable world where people, nature, and society coexist in harmony.

#### Objective

Creating working environments in which employees can continue to work through various life stages and find happiness with their families

#### Strategies

- Personnel education
- Workstyle reforms
- Employee happiness
- Relationships of trust with employees

#### Employee Well-Being Survey (Sense of Happiness) Gr



Since FY2023, this Well-Being Survey has been conducted at every Group company. The survey used a seven-grade rating system and, based on responses received, we estimated and quantified the level of employee happiness. We also examined future measures and established KPIs reflecting our understanding and analysis of employee happiness levels as well as of which items rated as sufficient or insufficient.

#### New employee training Gr



Over the three years after a new employee begins working with the Company, we hold regular training sessions with goals that include raising awareness of oneself as a member of society, an organization, and a workplace; being conscious of one's duties within and one's sense of responsibility to the Company; and learning the skills to improve one's results as a professional. In accordance with the New Employee 3-Year Development Curriculum, we clarify the roles, targets, and sense of purpose we seek from employees after their first, second, and third years in line with our objective of developing autonomous employees.

#### Conducting feedback interviews MH TL

Each employee sets targets for evaluating results that are tied to management strategies, and evaluators conduct feedback interviews twice per year with said employees with the purpose of promoting individual growth. We also evaluate employee conduct (conduct required of each grade of employee) based on Our Values, holding interviews at the start, middle, and end of each year.

#### Introducing the Premium One Hour system MH TL

We have introduced the Premium One Hour system, which allows employees to set aside an hour and work a shorter workday once a week, using the time gained for non-work activities. In principle, this system allows employees to leave their workplaces an hour earlier than their shift would normally allow, but it can also be used at the beginning of the day, allowing an employee to start an hour later than usual. By helping employees to refresh themselves, this system's goals are to improve productivity, promote creativity, and improve interpersonal relationships.

#### Stress checks Gr

In order to preemptively prevent poor mental health among employees, we conduct stress checks as a part of stress management and share the results at executive meetings.

## Human Resources Strategy for Supporting Sustainable Growth

Our Values

Objectives / Strategies

Initiatives

MH MIRARTH HOLDINGS TL Takara Leben LC Leben Community MES MIRARTH Energy Solutions Gr Group-wide



### Value Creation

To continue to evolve and keep up with the rapid change around us to create new value.

#### Objective

Fostering an organizational culture in which we are able to challenge ourselves in new pursuits and promote reform

#### Strategies

- Develop executive human resources
- Properly allocate human resources
- Foster innovation

### Succession plan MH



The Nomination and Consultation Committee formulated a succession plan to facilitate the development and selection of successors to fill the CEO and other positions in FY2024. Based on this plan, we conduct training for successor candidates and 360-degree examinations as well as hold interviews between outside directors serving as committee members and successor candidates as needed.

### MIRARTH INNOVATION LABO (Mirai Labo) TL MH



Believing that it is necessary to interact across departmental lines and encourage the creation of new products, strategies, and businesses through flexible thinking to secure MIRARTH HOLDINGS' continued existence for the next 100 years, we are pursuing initiatives aimed at developing younger staff members, promoting cross-functional involvement across divisions, and realizing an environment in which employees want to continue working. In FY2024, we created a three-year educational curriculum for new graduates, held interdepartmental roundtable discussions and study meetings, began posting examples of scenarios involving taking paid leave and childcare leave on internal bulletin boards, and made other such efforts.

### Introducing the talent management system Gr



As it is difficult to maintain an accurate picture of our employees capabilities while the scale of the Group expands and as HR information and data is managed separately at each Group company, the Group has introduced a talent management system with an eye to resolving these issues and utilizing our human resources to the fullest extent through the effective and multi-sided management of HR information. This talent management system is a tool designed to enable unified management by turning various data—in such areas as the skills, abilities, transfers, and evaluations of individual employees—into data. We can thus unify the management of what was once scattered data points to enable multi-sided analyses and visualizations of HR information, which will allow us to strategically utilize this information.



### Diversity & Co-creation

To value each individual's ideas and co-create a diverse and equitable environment with local communities.

#### Objective

Creating environments that produce new value through cooperation among people from diverse backgrounds

#### Strategies

- Promote the participation of women
- Employ persons with disabilities
- Facilitate interpersonal communications

### Acquiring the highest level of L-boshi MES

MIRARTH Energy Solutions received third level (the highest) L-boshi Certification from the Minister of Health, Labor and Welfare based on the Act on Promotion of Women's Participation and Advancement in the Workplace in November 2023. L-boshi Certification is a system under which the Minister of Health, Labor and Welfare certifies companies that are making outstanding efforts to promote the empowerment of women. This certification is conducted across five evaluation criteria (recruitment, continuous employment, working hours and work style, ratio of managers, diverse career paths), and we received the third level for meeting all of these criteria.



### Leben Village TL



Contributed  
**¥38,110**  
through activities  
in FY2024

Since November 2018, Takara Leben has managed Leben Village, a farm in Chiba City, Chiba Prefecture, where it employs three people with disabilities and a farm manager to grow a variety of vegetables. We provide a secure long-term working environment and offer employment that enables people with disabilities to play an active role. The vegetables harvested are offered to internal staff who express interest, and we also continue to contribute to TABLE FOR TWO International, an NPO whose goal is to eliminate the issue of international food disparities.

### Promoting Male Childcare Leave Gr



The Group has set a KPI for the percentage of male employees taking childcare leave and is taking steps to encouraging the practice. At Takara Leben, such information as interviews of employees who took childcare leave is regularly posted on bulletin boards. MIRARTH Energy Solutions achieved a 100% male childcare utilization rate in FY2022 and was registered as a Gold Company—the highest grade awarded by the Tokyo Metropolitan Government's Tokyo Dad Childcare Promotion Company Registration Mark.



### Integrity & Trust

To generate a trusting relationship among people and society through the protection of our safety and security.

#### Objective

Create fair and harassment-free environments in which people can work with peace of mind and psychological security

#### Strategies

- Secure outside recognition
- Foster awareness of compliance
- Pursue product quality

### Preventing harassment Gr



We distribute monthly newsletters regarding harassment and compliance as well as educational content to each Group company. In addition, we hold compliance training for all Group companies at least once a year. In our rank-based training on harassment, themes include "Workplace Communication" and "Diversity" and are geared towards spreading awareness of basic mindsets and specific actions required to eliminate harassment, beginning with training on recognizing harassment.

### Sales Staff Survey TL



To understand customers' perceptions of sales staff and the Company as well as improve customer satisfaction, we survey model room visitors. The survey furnishes us with evaluations of all aspects of the sales staff's response, including whether they were able to make proposals that met customers' needs, whether their explanations were easy to understand and appropriately timed, and whether they were able to considerately and politely interact with customers. In FY2024 we received over 11,000 responses from visitors and are using them to inform customer service and the creation of comfortable spaces.

### Frontman training / Condominium manager training LC



To improve the quality of our frontman services, which demand abundant professional knowledge to support the operations of co-owner associations, we conduct regular training for all frontmen. This training ensures they have all the skills needed to carry out their duties. In addition, condominium managers need a wide array of skills to properly carry out their duties, which include reception, security patrols, cleaning, consultation, and more. We therefore also conduct regular training for such managers to ensure the quality of service.

# Human Rights Due Diligence Initiatives



The MIRARTH HOLDINGS Group respects the fundamental human rights of all its stakeholders, starting with its employees, and complies with laws and regulations, social norms, and ethical guidelines.

Materiality	KPI (Targets for FY2025)
Respect for human rights and supply chain management	<ul style="list-style-type: none"> <li>● Holding safety conventions <b>Once a year</b></li> <li>● Establishment of human rights due diligence system</li> <li>● Implementation of supply chain management</li> </ul>

## MIRARTH HOLDINGS Group Human Rights Policy

MIRARTH HOLDINGS Group (hereinafter referred to as "the Group") is committed to addressing social issues in the course of its business activities and works with stakeholders to achieve a sustainable society and mutual growth. The Group Human Rights Policy (hereinafter referred to as the "Policy") clarifies the Group's approach to human rights in the course of its business activities, and, as a member of society, the Group respects human rights and conducts its activities in accordance with the Policy. The Group also expects all stakeholders involved in its business to understand and respect human rights in line with the Policy, and to work together to promote respect for human rights.

1. Respect for International Human Rights Standards
2. Scope of Application
3. Key Issues Related to Human Rights
4. Human Rights Due Diligence and Remedy/Correction
5. Dialogue and Discussion with Stakeholders
6. Information Disclosure



Human Rights Policy (full text) <https://en.mirarth.co.jp/sustainability/social/humanrights/>

## Promotion System

Officers in charge of human resources within the Group take responsibility for promoting initiatives that focus on respect for human rights, with undertakings centered on the activities of Human Rights Working Group.

The Group Human Resources Strategy Department acts as the secretariat for the Human Rights Working Group, which collaborates with the Group Legal Dept. and Group General Affairs Dept. as well as the Office of Sustainability to identify important human rights risks and create frameworks to prevent and mitigate such risks.

The content of these initiatives is reported to the Sustainability Committee and the Board of Directors. Through regular monitoring and reviews, these initiatives are continuously improved.



## Important Human Rights Risks

Labor environment
Safety management/Safety and Health
Harassment
Discrimination due to residence/birthplace/etc.
Privacy violations
Safety of local residents
Rights of foreign national workers
Child/Forced labor

## Identification Steps



# Initiatives for Co-Creating Value with Stakeholders



Materiality	KPI (Targets for FY2025)
Realizing sustainable growth of local communities	<ul style="list-style-type: none"> <li>● Number of housing supply projects overseas <b>5 projects</b></li> <li>● Number of redevelopment/reconstruction projects undertaken* <b>10 initiatives</b></li> </ul> <p>* Including maintenance projects for excellent buildings, etc.</p>
Addressing the declining birthrate, aging population, and shrinking workforce	<ul style="list-style-type: none"> <li>● Training hours per person <b>25 hours</b></li> <li>● Promoting education of DX staff</li> <li>● Results of satisfaction survey on condominium management services <b>5.0 or higher (out of 6)</b></li> <li>● Number of nonconformities related to business processes and quality standards <b>10 or fewer</b></li> <li>● Proposing new services for lifestyles <b>10 properties</b></li> </ul>

## Customers (corporations and individuals)

### Issuing and explaining our Disclosure Statements on Disaster Prevention



To ensure that all customers holding contracts for our new built-for-sale condominiums possess a deep and comprehensive knowledge of actions to be taken in the event of a disaster, Takara Leben conduct initiatives to relay important information on such items as the location of nearby evacuation sites. In addition to providing legally required disclosure statements for real estate transactions (covering the conditions of the property transaction, etc.), we create and issue our own disclosure statements on disaster prevention. Moreover, we seek out opportunities to explain to customers how disaster prevention may vary in differing regions before they move in. Based on an evaluation of how it implements perspectives on disaster prevention that go beyond individual buildings, the Company was awarded the GOOD DESIGN AWARD 2024.

### Initiatives to improve quality by acquiring ISO 9001 certifications



With the goal of increasing our product quality and providing comprehensive support for our customers in creating comfortable living environments, Leben Home Build and Leben Community formulate quality management systems based on the ISO 9001 tenets established by the International Organization for Standardization, acquiring certifications indicating compliance. Both groups regularly monitor and update management processes, reviewing policies and targets as needed. By doing so, they ensure the continued provision of ever higher quality services.

### Service Quality Management System (SQMS®)



So that Leben Community, which provides condominium management services, can continue to manage our customers' important assets over long periods, we constantly enhance our quality structure through our unique Service Quality Management System (SQMS®). SQMS®, which adapts the quality management systems of ISO 9001 to the condominium management industry, allows us to approach condominium management as four types of support service—on-site management, financial management, asset management, and administrative management. Through the application of a PDCA cycle in each category, we ensure continuous quality enhancement. A specific initiative in this process is having condominium co-owner associations provide feedback to relevant departments via surveys and using this feedback to improve the quality of a wide variety of services.



In addition, Leben Community placed third in the 16th Management Company Satisfaction Survey Rankings 2024 (Under 100,000 Managed Housing Units Division). SumaiSurfin is a second opinion site with approximately 310,000 subscribers who are considering purchasing or selling a condominium. The site posts the results of surveys on topics including their satisfaction with and degree to which they would recommend managers, front desk workers, and management companies. Because this survey gathers responses from actual residents, including condominium buyers and large-scale co-owner association directors from across the nation, the survey results reflect the actual opinions of residents, and the site is used as a point of reference when purchasing condominiums or selecting a management company.

Initiatives for Co-Creating Value with Stakeholders

**Local communities**

**UKIHA RIVERCAMP, a campsite repurposing a former school**



Takara Leben has opened UKIHA RIVERCAMP, a campsite developed in collaboration with VILLAGE INC, a company that plans, develops, and operates camping and glamping sites across Japan. This site utilizes the facilities of the now-closed Himeji Elementary School in Ukiha, Fukuoka, and is situated in the midst of a lush green natural environment adjacent to the Kumanoue River. This project contributes to regional revitalization in Ukiha by addressing the local issue of unused real estate. The facility is also equipped to function as an evacuation shelter in times of emergency, supporting the city's disaster preparedness efforts.

**Higashikawaguchi Station Administrative Center Opened at LEBEN Higashikawaguchi GRANDEST**



In November 2023, Takara Leben completed construction on LEBEN Higashikawaguchi GRANDEST, a joint venture undertaken with SaitamaKenko Co., Ltd. and the first built-for-sale condominium created under a public-private partnership in Saitama.

In April 2025, the Higashikawaguchi Station Administrative Center opened, with its facilities on the first and second floors of the building. This property is situated at a convenient location only a one-minute walk away from Higashikawaguchi Station, which receives service from the JR Musashino Line and the Saitama Railway Line. Designed around built-for-sale condominiums, the facility boasts 18 aboveground and 2 belowground floors. Many local residents make use of the public facilities at this location, such as the aforementioned Administrative Center as well as a neighborhood police station. In addition, the Higashikawaguchi Station-Front Bus Rotary is situated in front of the property. In short, it is a hub of activity and source of liveliness in the city while providing ever more convenience for residents.

**Fukui Station Railway Street North District B Block Type 1 Urban Redevelopment Project (LEBEN Fukui Chuo ARCGATE)**



Takara Leben has joined the Type 1 Urban Redevelopment Project for Block B in the north district of Fukui Station Railway Street as a participating associate, and began offering LEBEN Fukui Chuo ARCGATE at the so-called "triangle zone" at the west exit of JR Fukui Station in July 2024. In this district, a growing number of vacant storefronts, aging buildings, and the rapid progression of demographic graying have highlighted the need to renew urban infrastructure and create environments that are better suited to an aging society. The project, scheduled for completion in January 2026, is a mixed-use facility consisting of commercial facilities on the first floor, medical and welfare facilities on the second floor, and 62 residential units from the third floor and above. It promotes smart wellness housing, which is increasingly in demand in an aging society, and aims to renew urban functions as well as contribute to community revitalization in the city center.

**Charity Events in Thailand and Vietnam**



In December 2023, Takara Leben's local subsidiary in Thailand carried out a fundraising campaign and hosted an in-house charity event that involved collecting used clothing, unwanted books, and other items. Items collected were purchased by a recycling company and the proceeds donated to the Mirror Foundation,\* an NGO working to address social issues in Thailand. The campaign brought in 2,977 baht (approximately ¥12,500) in donations, which went toward supporting educational costs, and three boxes of donated goods that were distributed to children from stateless ethnic minority groups in northern Thailand who currently lack access to support services. In July 2024, Takara Leben and Leben Community Vietnam carried out another charity initiative, donating items that included books and textbooks to students in remote areas of northern and southern Vietnam through the local charity group Fly to Sky. Residents of the properties we supplied and local partner companies were also invited to take part, and a total of four cardboard boxes' worth of items were donated.

\* The Mirror Foundation: An NGO that supports both the improvement of quality of life and the preservation of culture and traditions for hill tribe communities living in Thailand. The organization works in collaboration with the Thai government and other NGOs to help these communities address such issues as poverty, human trafficking, drug abuse, civil rights, education, and discrimination by empowering them to find their own solutions.

**Sea of Japan Takaoka Hot Pot Festival / Takaoka Craft Market Street / Takaoka Tanabata Festival**



Since 2019, Takara Leben has taken part in the Sea of Japan Takaoka Hot Pot Festival, a winter event in Takaoka. At the 39th festival in 2025, 17 employees joined the event in collaboration with our in-house study group team. They sold a record-breaking 1,400 bowls of the ever-popular imoni stew despite the snow and slippery footing. Since 2021, we have also participated in Takaoka's Craft Market Street, an event that promotes the appeal of this small town in Toyama Prefecture that has an over 400-year-old tradition of craftsmanship and manufacturing. We have also been supporting the Takaoka Tanabata Festival since 2019, a summer event that lights up the night sky with a dazzling display of approximately 1,000 Tanabata decorations, including a massive 20-meter-tall Tanabata streamer.

**Suppliers**

**Safety and Health Patrols**



At Leben Home Build, which is responsible for condominium construction and related work, safety and health patrols are conducted at least once a month to ensure safer construction sites. These patrols involve checking the implementation status of safety and health management measures, such as monthly and daily inspections as well as the assignment of qualified personnel, while also raising safety awareness through safety instructions and other such efforts. In addition, senior management and partner contractors carry out a joint special patrol once every quarter. In December 2024, during the Year-End and New Year Accident Prevention Period in the Construction Industry, representatives from six partner contractors joined in visiting three construction sites. The patrol focused on such matters as daily management, on-site organization, accident prevention, fall prevention, and machine-related hazard prevention. Actual site conditions and work practices were reviewed, and the implementation of appropriate countermeasures was encouraged.

\* Year-End and New Year Accident Prevention Period: A safety initiative aimed at raising awareness during the busy fiscal year-end period, when multiple construction activities often overlap and are delayed due to a rise in projects nearing completion. The campaign promotes accident- and injury-free worksites heading into the new fiscal year.

**Safety Conventions**



The Group holds "Safety Conventions" to further promote occupational health and safety management and raise awareness and knowledge regarding such matters among those working at construction sites. In June 2024, 24 partner construction companies participated in a convention hosted by Leben Community, during which lectures were given on daily safety measures. A representative from an insurance company also took the stage to introduce examples of claims related to damage restoration and exchange opinions on key points during construction.

**Employees**

**Idea Competition "Shinjoshiki (New Common Sense) Pic"**



"Pic" stands for Personal Innovation Challenge and is the name of an internal system for creating new businesses that encourages employees to freely propose business ideas rooted in their own knowledge, experience, and creativity. After internal review, selected proposals move forward toward real-world business development. Participants progress through the first and second screening rounds, culminating in a final pitch to board members. Ideas that pass this have their business potential validated through proof-of-concept, whereafter the originator may choose to spin off the idea as an independent business, lead a newly established division, or transfer the concept to the Company.

**Shareholders and Investors**

**Communication with Shareholders**



MIRARTH HOLDINGS conducts periodic surveys to promote two-way communication with our shareholders. The valuable opinions we receive from the surveys are introduced to our shareholders through the shareholder newsletters posted on our website and are reflected in our subsequent IR activities. In addition, we actively engages in communication with individual investors via regularly held briefing sessions for such investors in various regions across Japan. In FY2024, a session was held in Nagoya, where the company explained our business operations and medium- to long-term strategy.

# Contributing to the Reduction of Environmental Impact



Based on its environmental policy, the MIRARTH HOLDINGS Group has set a target for achieving net zero CO<sub>2</sub> emissions by FY2050. The Company aims to help realize decarbonization and achieve continuous Group growth by promoting initiatives to reach this target.

Materiality	KPIs (Targets for FY2025)	
Addressing climate change and decarbonization	<ul style="list-style-type: none"> <li>CO<sub>2</sub> emission reduction rate (Scopes 1, 2 and 3) <b>45%*</b> (compared with FY2022)</li> <li>Active development of renewed/renovated condominiums</li> </ul>	<ul style="list-style-type: none"> <li>Number of internal initiatives contributing to energy conservation <b>10 initiatives</b></li> </ul>
	<ul style="list-style-type: none"> <li>Cumulative total power generation capacity of renewable energy power plants in operation <b>410* MW</b> (solar equivalent)</li> <li>Acquisition of environmental performance certifications <b>5</b></li> </ul>	<ul style="list-style-type: none"> <li>Adoption rate of ZEH standard for detached houses <b>100%</b> (Houses with insulation performance grade 5 and primary energy consumption grade 6 (excluding renewable energy standards))</li> <li>Promoting the use of renewable energy in the business of newly built condominiums for sale</li> </ul>

**MIRARTH HOLDINGS Group Environmental Policy**  
We strive to think more positively about the future happiness of people and the Earth than anyone else and propose the creation of a sustainable environment that is friendly to the Earth.

- Environmental Policy (excerpts)**
1. Providing environmentally friendly buildings and spaces
  2. Addressing climate change
  3. Maintenance and conservation of biodiversity
  4. Promotion of resource recycling
  5. Compliance with environmental laws and regulations and environmental education
  6. Establishment of environmental management

Environmental Policy full text <https://mirarth.co.jp/en/sustainability/environment/policy/>



## Providing environmentally friendly buildings and spaces

In line with our environmental policy, we strive to improve environmental performance and reduce environmental burden. In addition, we proactively incorporate environmentally friendly technologies and concepts into our products and services, with the aim of creating circular communities and addressing climate change.

### ZEH Condominiums

Takara Leben is committed to supplying environmentally friendly ZEH condominiums.\*<sup>1</sup> LEBEN KUMAMOTO RENPEICHO (Kumamoto City, Kumamoto) is certified as a ZEH-M Oriented facility. It features outstanding thermal insulation and high-efficiency systems that have received a third-party certification under the Building-Housing Energy-efficiency Labeling System (BELS) based on the Building Energy Efficiency Act. While offering a living environment that is comfortable throughout the year, this ecological residence conserves energy and reduces utility costs, paving the way for a future of ecological homes that are friendly to both the planet and to household budgets.

The LEBEN Naha Shintoshin Park PREMIST (Naha, Okinawa) features high-efficiency systems that have secured a reduction of over 20%\*<sup>2</sup> in primary energy consumption for the entire building, including common areas. It is certified as both ZEH-M Oriented and a Low-Carbon Building,\*<sup>3</sup> offering compliance with next-generation standards for environmentally conscious and resident-friendly buildings.



LEBEN KUMAMOTO RENPEICHO

\*<sup>1</sup> ZEH (Net Zero Energy House): A house that simultaneously achieves a "comfortable indoor environment" and a "net annual residential energy consumption of approximately zero or less." \*<sup>2</sup> Comparison with the standard primary energy consumption for heating, cooling, ventilation, lighting, and hot water supply based on the FY2016 energy efficiency performance standards. \*<sup>3</sup> A house recognized by the relevant local authority (such as a prefectural or municipal government) for efforts to reduce CO<sub>2</sub> emissions and environmentally conscious features.

### CASBEE Certification

The Group is promoting the acquisition of CASBEE\*<sup>1</sup> Building (New Construction) certification, a comprehensive building environmental performance evaluation system.

The L.Biz MATSUYAMA ICHIBANCHO building from our L.Biz series of office buildings (scheduled for completion in December 2025 in Matsuyama, Ehime) has received an A Rank under CASBEE for Building (new Construction). The property is also positioned as an advanced facility designed with future ZEB\*<sup>2</sup> compliance in mind and is scheduled to obtain ZEB Ready certification due to its high external thermal insulation and energy efficiency. To achieve this high level of thermal insulation, the building incorporates enhanced insulation materials as well as Low-E double glazing, which aims to reduce the burden of air conditioning compared to that imposed on conventional buildings. Indoor air conditioning units will be equipped with sensors that detect occupants and floor temperatures to improve operational and energy efficiency.



L.Biz MATSUYAMA ICHIBANCHO

\*<sup>1</sup> CASBEE (Comprehensive Assessment System for Built Environment Efficiency): A system for evaluating and rating the environmental performance of buildings. It is used to comprehensively evaluate the quality of buildings from the standpoint of such environmental considerations as energy conservation, the use of low-environmental impact materials and equipment, and consideration given to securing indoor comfort and harmony with the exterior landscape. \*<sup>2</sup> Net Zero Energy Building (ZEB): An architectural concept aimed at achieving a net zero annual energy balance by offsetting energy consumption with renewable energy generated on-site.

# Information Disclosure Based on the TCFD Recommendations

In June 2022, MIRARTH HOLDINGS, Inc. endorsed the TCFD\*<sup>1</sup> recommendations and joined the TCFD Consortium.\*<sup>2</sup> We analyzed and responded to risks and opportunities related to climate change and its impact on Group businesses, and we intend to expand and augment our disclosure of information pertinent to stakeholders on climate change in line with the TCFD recommendations for information covering four thematic areas.

\*<sup>1</sup> TCFD (Task Force on Climate-related Financial Disclosures): An international initiative established by the Financial Stability Board (FSB) at the request of the G20 to examine how climate-related information should be disclosed and how financial institutions should respond. \*<sup>2</sup> TCFD Consortium: A private-sector initiative established in 2019 to discuss the effective disclosure of corporate information and efforts to link disclosed information to appropriate investment decisions by financial institutions and others.

## Governance

To address risks and opportunities related to climate change, the Company has established a governance structure centered on the Sustainability Committee and supervision by the Board of Directors. The Chief Executive Officer for climate-related responses is the Representative Director and President, and the Executive Officer is the Director in charge of sustainability. This officer reports regularly to the Chief Executive Officer on matters related to climate change, including the

identification and assessment of climate change impacts, management of risks and opportunities, progress of adaptation and mitigation efforts, and establishment of indicators and targets at the Sustainability Committee meetings. After deliberation and consideration of each agenda item by the members of the Sustainability Committee, decisions are made by the Chief Executive Officer.

## Strategy

### Scope of Analysis

The scenario analysis conducted this time covered two of the Group's major businesses, the Real Estate Business and the Energy Business, which are relatively more exposed to the effects of climate change.

### Referenced External Scenarios

The TCFD recommendations advise explaining the resilience of the Company's strategy based on multiple scenarios, including those below 2°C.

Source Organization	1.5°C–2°C Scenario	4°C Scenario
IEA (International Energy Agency)	NZE2050 <b>A</b>	STEPS <b>C</b>
IPCC (Intergovernmental Panel on Climate Change)	RCP4.5 <b>B</b>	RCP8.5 <b>D</b>

### Why this scenario was chosen

- A IEA NZE2050** 1.5–2°C scenario **Transition risk**  
IEA was selected as a possible reference since the main source of greenhouse gas emissions is energy consumption.
- B IPCC RCP4.5** 1.5–2°C scenario **Physical risk**  
IPCC reports were selected for physical risk analysis scenarios as they are considered standard reference documents for meteorological conditions.
- C IEA STEPS** 4°C scenario **Transition risk**  
IEA was selected as a possible reference as the main source of greenhouse gas emissions is energy consumption.
- D IPCC RCP8.5** 4°C scenario **Physical risk**  
IPCC reports were selected for physical risk analysis scenarios as they are considered standard reference documents for meteorological conditions.

### Possible conditions around the world under each scenario

- E 1.5–2°C scenario** **Transition risk** **Large** **Physical risk** **Small**  
This is a scenario which limits in global temperatures at the end of the 21st century to 1.5°C to 2°C above pre-industrial levels, as social policies and emission regulations for decarbonization are strengthened and progress is made in addressing climate change to achieve the Paris Agreement targets. The trend toward decarbonization or low carbonization on all fronts, including policy, investors, and consumers, will become more pronounced and companies are expected to take even stronger measures towards climate change. If not, transition risk will increase, and competitive advantage will decrease. On the other hand, it is assumed that the high frequency and severity of climate disasters will be suppressed to a certain degree, and physical risks will be relatively low.
- F 4°C scenario** **Transition risk** **Small** **Physical risk** **Large**  
This is a scenario in which the global temperatures at the end of the 21st century will rise by 4°C above pre-industrial levels, since sufficient climate change mitigation measures are not realized and greenhouse gas emissions continue to increase. Physical risks are expected to increase, with a marked increase in the severity of natural disasters, sea level rise, and extreme weather events. On the other hand, as efforts toward decarbonization stall in policy and in capital markets and consumers, transition risks will be relatively small.

## Identification of risks, opportunities and response measures, strategies

Based on the 1.5°C to 2°C scenario, in which policies and regulations are strengthened to move toward a decarbonized society, and the 4°C scenario, in which the physical impacts of climate change will occur due to more intense extreme weather events, we have identified risks and opportunities and assessed their

impact on our business as follows. Financial impact has been evaluated qualitatively, referring to each scenario as described previously. In response to the risks and opportunities identified, the Company will pursue the following initiatives.

## Information Disclosure Based on the TCFD Recommendations

### Real Estate Business

S: Small M: Medium L: Large

Classification	Major Risks and Opportunities	Financial Influence	Timespan	Financial Impact		Response Measures, Strategies
				4°C Scenario	1.5°C-2°C Scenario	
Policy and Law	Strengthening taxation by introducing a carbon tax	Decrease in sales volume due to higher selling prices	Short term	S	M	Targets for GHG emissions' settings and management
	Strengthening various regulations, etc. due to energy conservation policy	Increased development costs due to regulatory compliance	Medium term	L	L	Collaboration with suppliers to improve energy efficiency and strengthen sales strategies
Technology	Evolution and diffusion of renewable energy and energy-saving technologies	Increased costs associated with the development and introduction of new technologies	Medium term	M	L	Gather information on new technologies and services, and develop and introduce new technologies as appropriate
	Increased response to the transition to low emission technologies	Increased costs related to new measures and implementation	Medium term	S	S	Securing professional human resources, building an organization and internal systems
Market	Increase in service prices by relevant suppliers against a backdrop of growing decarbonization needs	Development and construction of properties with high environmental performance such as ZEB/ZEH, etc., and increase in renovation/repair costs	Medium term	M	M	Price stabilization through collaboration with suppliers
Reputation	Increasing scarcity of wind- and flood-resistant sites and intensifying competition in acquiring sites in favorable locations	Decrease in sales due to lost business opportunities	Long term	L	L	Location selection and strengthening ties with other companies in the industry
	Declining value of products and brands that do not address climate change	Decrease in sales due to lower property sales prices and rents resulting from the decline in brand value	Medium term	S	M	Set energy conservation standards for new development projects and consider installing equipment that meets the above standards at existing properties
Acute	Damage to properties under construction due to wind and flood damage, prolonged construction periods	Increase in construction-related expenses	Short term	L	M	Adoption of construction methods resistant to wind and flood damage Enrollment in construction insurance
Chronic	Lower productivity at construction sites due to rising temperatures	Increased costs due to prolonged construction periods	Medium term	M	M	Thorough management of occupational safety considerations at construction sites
Resource Efficiency	Promoting the use of renewable energy	Reduction of externally procured fuel and lighting expenses	Medium term	S	S	On-site and off-site PPA implementation
Products and Services	Increase in demand for low emission facilities and ZEB/ZEH condominiums	Increase in sales	Medium term	S	M	Promote the introduction of low emission equipment and renewable electricity
Market	Utilization of public support schemes	Reduction of cash outflows	Medium term	M	M	Business expansion through urban redevelopment projects, etc.
	Creation of opportunities to change residence	Increase in sales	Medium term	M	S	Development and promotion of ZEH/disaster-resistant condominiums
	Higher evaluations from market participants due to climate change response measures	Increase in procurement opportunities and amount raised due to higher corporate value	Medium term	M	M	Enhancement of climate-related information disclosure

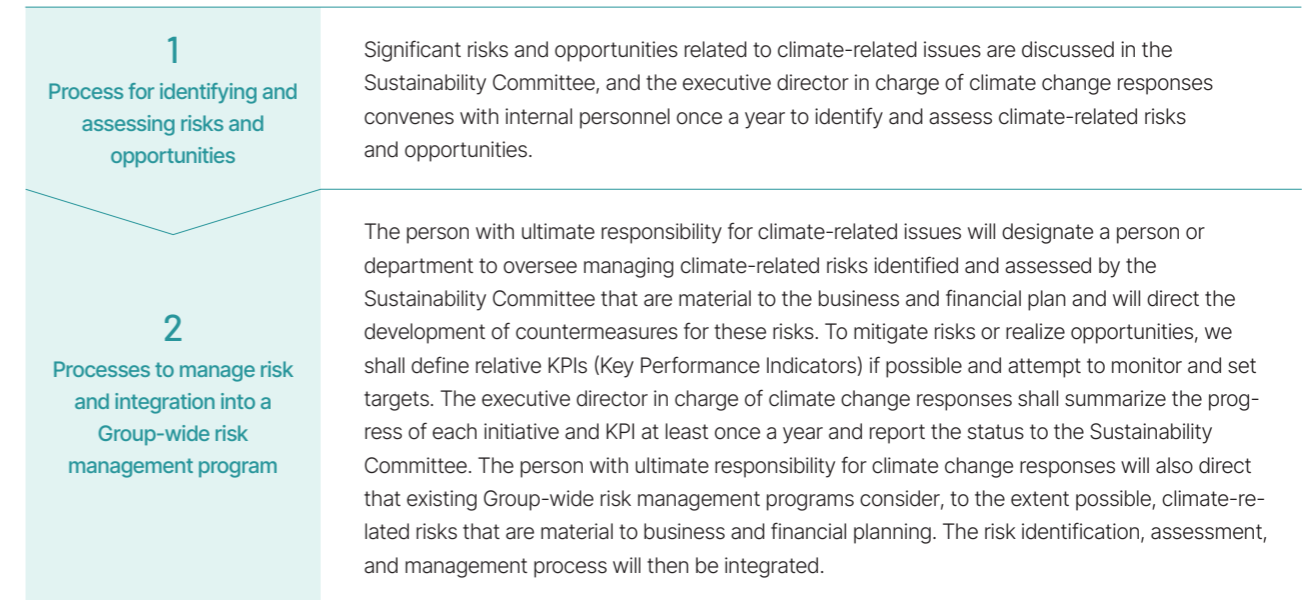
### Energy Business

S: Small M: Medium L: Large

Classification	Major Risks and Opportunities	Financial Influence	Timespan	Financial Impact		Response Measures, Strategies
				4°C Scenario	1.5°C-2°C Scenario	
Policy and Law	Stricter environmental assessments and strengthening of related regulations	Increase in costs due to prolonged development periods	Short term	S	M	Promote business in accordance with various regulations
Technology	Evolution and diffusion of renewable energy and energy-saving technologies	Increased costs related to the introduction of new technologies	Medium term	S	S	Strengthen information gathering on new technologies and the systematic introduction of power generation equipment
Market	Increasing difficulty in securing land due to intensifying competition for energy conservation	Shrinking revenue opportunities due to the stagnation of new development	Short term	M	L	Selection of project areas where grid connection is possible
Reputation	Reduced value of brands	Reduced revenues due to customer attrition and limited access to capital, etc.	Short term	S	S	Maintain brand image by taking a firm response to climate change
Acute	Damage to operating power generation facilities due to natural disasters	Decrease in sales due to lower electricity sales and increase in repair and other costs	Short term	L	L	Introduction of a resilient design concept, risk identification using hazard maps, profit insurance coverage, and accumulation of funds for repairs
Chronic	Increased failure rate of in-service equipment due to constant extreme weather conditions	Increase in repair expenses	Long term	M	M	Introduction of design concepts and selection of product standards that address climate change
Policy and Law	Establishment of legal systems to expand and promote the diffusion of renewable energy	Positive impact on speed and volume of development	Medium term	S	L	Secure funding and reinforce personnel for asset expansion
Resource Efficiency	In-house use of renewable energy	Reduction of externally procured fuel and lighting expenses	Short term	S	S	Selecting a development site and securing financing
Products and Service	Development of technologies and products to address climate change	Decrease in capital expenditures and other expenses due to the development of less expensive technologies	Medium term	S	M	Strengthen information gathering on new technologies and the systematic introduction of power generation equipment
	Expansion of O&M business	Increase in O&M sales	Medium term	S	M	Capital investment and securing engineers to expand O&M business
Market	Growing demand for renewable energy	Increase revenue opportunities through new development and business expansion	Medium term	S	L	Market research and development of new business models
	Expand investment in renewable energy	Create sales and revenue synergies with the real estate business	Short term	S	M	Formation of a project team with personnel that has renewable energy and real estate knowledge
	Utilization of green finance	Increase in stock price and a reduction in financial costs due to higher corporate value	Short term	M	M	Securing human resources related to green finance

### Risk Management

Our process for managing climate change-related risks is as follows.



### Indicators and Targets

We have established key performance indicators (KPIs) and targets to manage and monitor risks and opportunities. The indicators and targets we have set are as follows.

### Greenhouse gas emissions

**Long-term targets**

**Net zero by 2050**

Achieve net-zero Scope 1, 2, and 3\*1 emissions across the entire Group by FY2050.

**Medium-term targets**

**45% reduction in GHG emissions**

Reduce Scope 1, 2, and 3 emissions across the entire Group by 45% from FY2022 levels by FY2030

- Reduce Scope 1 and 2 emissions by 70% from FY2022 levels by 2030 (SBT validated)
- Reduce Scope 3 emissions\*2 by 45% from FY2022 levels by 2030 (SBT validated)

### Greenhouse Gas Emission Reduction Targets and Results

(t-CO<sub>2</sub>)

	FY2022 (base year)	FY2023 Performance	FY2024 Performance	FY2030 Target (SBT validated)
Scope 1 and Scope 2	3,593	2,191 (down 39.0%)	2,133 (down 41.2%)	1,078 (down 70.0%)
Scope 3	616,368	587,132 (down 4.7%)	727,432 (up 18.0%)	339,002 (down 45.0%)

\*1 Scope 1: Direct greenhouse gas emissions from the Company's own activities (e.g. combustion of fuels such as city gas)

Scope 2: Indirect emissions from the use of electricity, heat, or steam supplied by other companies

Scope 3: Indirect emissions outside Scope 1 and 2 (emissions from other entities related to the Company's activities)

\*2 Scope 3 emissions cover Category 1 (Purchased goods and services), Category 2 (Capital goods), and Category 11 (Use of sold products).

The FY2030 targets have been validated as Science Based Targets (SBTs) by the Science Based Targets initiative (SBTi), a global climate action organization, based on scientific evidence.

# Corporate Governance



Materiality

KPI (Targets for FY2025)

## Strengthening corporate governance

- Evaluation of the effectiveness of the Board of Directors
- Consideration of introduction of clawback provisions

### Basic Approach

Having defined "Our Purpose" as "To design sustainable environments for a happier future for both people and our planet," the MIRARTH HOLDINGS Group recognizes that addressing topics related to sustainability is an important management issue. Based on this, we not only pursue profits, but also comply with laws, regulations, and standards of corporate ethics; fulfill our social responsibilities as a member of the corporate community; and aim to sustainably enhance

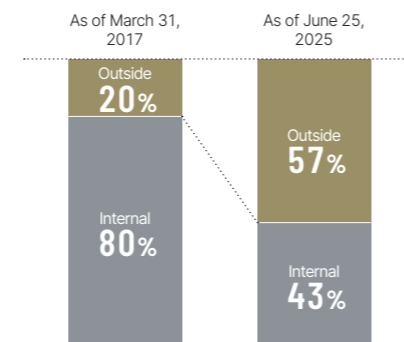
our corporate value.

The Group's basic approach to corporate governance emphasizes always considering the happiness of customers, employees, business partners, local communities, shareholders, and all other stakeholders, as well as prompt and transparent decision-making, flexibly responding to changes in the business environment, and thorough compliance to ensure healthy corporate activities.

### Efforts to Strengthen Corporate Governance

Year	Details of Initiatives
2010	Introduction of executive officer system
2012	Introduction of stock-based compensation stock option plan for directors (excluding outside directors) and executive officers
2016	Start of evaluations of the effectiveness of the Board of Directors
2017	Change in term of office for directors from two years to one year
2019	Establishment of the Nomination Committee and Compensation Committee
2020	Appointment of outside directors as chairpersons of the Nomination Committee and Compensation Committee
2021	Appointment of two female outside directors Increase in ratio of outside directors to one-third (4 out of 12) Revision of executive compensation system (introduction of non-financial indicators as evaluation items)
2022	Disclosure of the skills matrix Transition to a holding company structure

### Ratio of outside directors on the Board of Directors

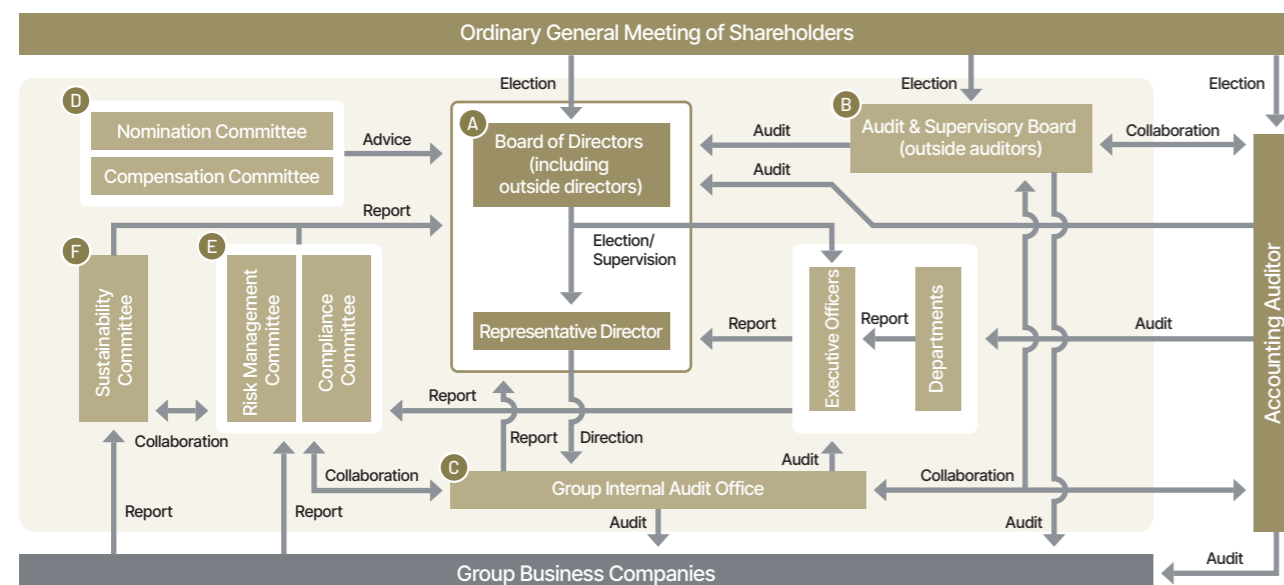


### Corporate Governance System

The Group's Board of Directors strives to be careful and prompt in its decision-making and, to ensure the appropriate execution of management, has formulated a system wherein directors are held mutually responsible for overseeing business execution and Audit & Supervisory Board members are responsible for the supervision

and auditing of directors' activities. In addition, the Group utilizes an Executive Officer system that clearly separates the management oversight responsibilities of directors from the business execution responsibilities of the executive officers.

### Corporate governance system (as of June 25, 2025)



### A Board of Directors

The Board of Directors is authorized to implement the following key roles and responsibilities: "to show the major direction of corporate strategies, etc.," "to develop an environment that supports an appropriate level of risk-taking by senior management," and "to conduct highly effective supervision of executives and directors from an independent and objective standpoint." Chaired by the Representative Director, the Board of Directors currently consists of seven members, including four outside directors, and, in principle, meets once per month. Moreover, extraordinary Board of Directors meetings are held as necessary, allowing for make careful and prompt decision-making while ensuring that directors can monitor one another in the execution of their respective duties.

Auditors are always in attendance at the Board of Directors' meetings and state their opinions as necessary. At the same time, auditors work closely with outside directors and, as necessary, audit and oversee the running of the Board of Directors' meetings and the status of business execution. Based on internal regulations, executive officers, the head of the Group Internal Audit Office, the heads of other departments, and others who have received requests from the Board of Directors may attend the Board of Directors' meetings and express their opinions on issues or reporting on matters as appropriate.

### B Audit & Supervisory Board

The Audit & Supervisory Board is authorized as its primary role and responsibility to audit the execution of duties by directors and implement accounting audits from an independent and objective standpoint. Meeting once a month in principle, the board currently consists of three members—two full-time members and one part-time member—all of whom are outside Audit & Supervisory Board members. This composition ensures the propriety of audits, including those pertaining to the status of the Board of Directors' operations and the execution of duties by directors.

### C Group Internal Audit Office

In order to enhance and strengthen internal audits, the Group established the Group Internal Audit Office as an independent unit. The Group also formulated the Internal Audit Regulations to devise a system whereby the Internal Audit Office can fully coordinate with the audits performed by the Audit & Supervisory Board members and the Accounting Auditor when formulating and implementing internal audit plans, thereby ensuring its various functions are efficiently carried out. Moreover, Audit & Supervisory Board members accompany and attend business audits performed by the Group Internal Audit Office in an effort to establish an effective and efficient audit system that confirms the details of audits and collects opinions as appropriate. The Group Internal Audit Office directly reports the results of these auditing activities to the Board of Directors and the Audit & Supervisory Board on a

regular basis, thereby ensuring a coordinated framework with the directors and Audit & Supervisory Board members.

### D Nomination Committee and Compensation Committee

In order to increase the objectivity and transparency of decision-making processes relating to personnel appointments and the compensation of directors, etc., as well as to further enhance and reinforce corporate governance structures, the Company established the Nomination Committee and Compensation Committee as voluntary advisory bodies. These committees comprise representative directors and outside directors, with outside directors serving as their chairs.

### Discussions held in FY2024

#### Nomination Committee

In FY2024, the Nomination Committee determined plans for nurturing and selecting successors for the CEO and other positions. In line with this succession plan, it conducted training and 360-degree inspections of candidates, with outside directors who serve as committee members interviewing candidates as needed. Based on information gained through this process, the Committee considered the election of directors for every Group company. It also evaluated and finalized the required skills matrix.

#### Compensation Committee

Addressing issues related to the executive remuneration system and officer evaluations, the Compensation Committee considered improvements to the executive remuneration system that would raise the relative weight given to business results in evaluations of executives when determining incentives while also conducting evaluations mindful of enforcing compliance. In addition, clawback provisions aimed at preventing executive scandals were evaluated, as was the implementation of malus provisions. Based on the performance of other companies and the aforementioned evaluations, the Committee determined the payment of incentives for each executive.

### E Compliance Committee and Risk Management Committee

In principle, the Compliance Committee meets once per month and the Risk Management Committee meets once each quarter, but each will meet at other times as necessary. These Committees serve to ensure compliance at the Company, Group subsidiaries, and affiliated companies, as well as to assess and manage risk for these organizations. The head of the Group Internal Audit Office and the individual Audit & Supervisory Board members also conduct regular audits of Group subsidiaries and affiliated companies.

### F Sustainability Committee

In principle, the Sustainability Committee meets once every quarter, but will meet at other times as necessary to formulate policies related to the Group's sustainability, to identify and regularly review the key issues of materiality, to determine environmental policies and measures, and to report on sustainability promotion activities to the Board of Directors.

### Corporate Governance System Overview

Organization	Chairpersons	Number of members	Number of meetings (FY2024)
Board of Directors	Kazuichi Shimada	7 (of which, 4 outside directors)	19
Audit & Supervisory Board	Yuko Miura	3 Audit & Supervisory Board members	12
Nomination Committee	Naohito Yamagishi	3 (of which, 2 outside directors)	11
Compensation Committee	Kaname Uchida	3 (of which, 2 outside directors)	11
Compliance Committee	Yuko Kanamaru	4 (of which, 2 outside directors)	12
Risk Management Committee	Go Yamaji	4 (of which, 2 outside directors)	5
Sustainability Committee	Kazuichi Shimada	9 (of which, 4 outside directors)	4

## Corporate Governance

### Skills Required of Candidates for Director

Candidates for director must be excellent in character and insight, boast a solid track record in their previously assigned duties, and be familiar with corporate management or in possession of highly specialized skills.

Adhering to principles of fair and transparent decision-making, the Board of Directors takes into account evaluations of Company performance and other such factors to promptly pass resolutions

regarding current conditions. The Board of Directors has realized highly effective monitoring capabilities and comprises seven members, four of whom are outside directors. In addition, three Audit & Supervisory Board members attend meetings, and the Board regularly consults the Nomination Committee, a voluntary advisory body in which independent outside directors comprise over half of its members.

#### Director's skills matrix (as of June 25, 2025)

Name	Position	Corporate Management	Finance/Accounting	Legal/Risk Management	Sales/Marketing	Personnel and Labor Management	IT	Global Business	Nomination Committee	Compensation Committee
Kazuichi Shimada	Representative Director, Group CEO, Group COO and President Executive Officer	●	○	○	○	○		○	○	○
Daisuke Nakamura	Director, Group CFO, Senior Managing Executive Officer and Office of Sustainability General Manager		●	○		○				
Shoichi Akisawa	Director (in charge of the Real Estate Segment)	●	○	○	○	○				
Naohito Yamagishi	Outside Director			●		○		○	○	
Kaname Uchida	Outside Director			●			○	○	○	
Yuko Kanamaru	Outside Director			●		○		○		
Yasuko Ono	Outside Director		○	○				●		

\* Areas of particular "strength" are marked with "●"

#### Reasons for nomination as outside director and frequency of attendance at Board of Directors' meetings

Name	Reason for Nomination	Attendance at Board of Directors' Meetings for FY2024
Naohito Yamagishi	Mr. Yamagishi was nominated based on his expertise and extensive experience developed over many years with the National Police Agency as well as his occupational track record and experience at the Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism).	19/19
Kaname Uchida	Mr. Uchida was nominated based on his extensive experience and broad insight in the real estate industry as well as for his occupational track record and experience at the Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism).	15/15*
Yuko Kanamaru	Ms. Kanamaru was nominated based on her legal qualifications as an attorney licensed in Japan and the U.S. state of New York well as for her expertise and extensive experience and track record as a lawyer in Japan and overseas.	15/15*
Yasuko Ono	Ms. Ono was nominated based on a record of direct engagement in company management, expert knowledge and plentiful experience cultivated at financial institutions in Japan and overseas, and professional achievements and experience as an Audit & Supervisory Board member.	—

\* Based on the number of Board of Directors' meetings held in FY2024 following the appointment of its membership on June 26, 2024.

### Support System for Outside Directors

In response to requests from outside directors, the Company has established a system that offers constant professional and operational support. The duty of supporting outside directors is handled by the Group Corporate Planning Department, which furnishes them with advance knowledge on meeting agendas and

responds to requests for informational materials and resources prior to Board of Directors meetings. In addition, it informs them of topics up for debate at various other meeting bodies and manages the communications and scheduling for meeting bodies.

### Items Discussed by the Board of Directors as Key Management Issues

- In formulating our management strategy, we undertook the election of managers in the HD system to clarify management responsibilities. We also actively exchange views on wage base pay increases as an investment in human resources.
- As part of the implementation of our management strategy, we made decisions on such important business execution matters as the various types of transaction the Company and each Group company are authorized to enter into and the establishment of new companies, as well as the execution of investments and loans and debt guarantees, as appropriate, taking into account the financial condition of each Group company.
- We evaluated the effectiveness of the Board of Directors and then discussed future initiatives to strengthen Group governance systems while pursuing more robust discussions on management strategies, which include crisis-management systems and investments into human capital, for the entire Group.

### Evaluating the Effectiveness of the Board of Directors



**Overview**

In order to improve the functionality of the Board of Directors, the Company, with the help of outside consulting organizations, performs an anonymous survey (A) of all directors and Audit & Supervisory Board members, including outside directors, to analyze and evaluate the effectiveness of the Board of Directors. Topics covered by this questionnaire include the composition of the Board of Directors, its operations, status of discussions, voluntary committees, dialogue with investors, executive training, and performance of directors. Using the effectiveness evaluation conducted in FY2024 as a starting point, the Company has improved its evaluation methods by conducting interviews (B) of all directors and Audit & Supervisory Board members based on the results of the survey conducted by outside consulting organizations, and by reviewing third-party assessments (C).



#### Evaluation results for FY2024 and initiatives for FY2025

Evaluation results for FY2023	<p>Although the results of the multiple-choice questionnaire showed overall improvement compared with the previous year, the evaluation showed a slight lack of effectiveness in terms of the central supervisory function of the entire Group, which is vital for the Board of Directors of a holding company, as well as regarding Group governance system improvement efforts. We expect to see stronger Group governance going forward, given changes made to strengthen actions that reflect the needs of the entire Group, including director reassignments, organizational updates, and Group company renaming. These changes were announced in press releases dated March 25 and April 1, 2024.</p> <ul style="list-style-type: none"> <li>● We are aware of an issue showing that debates regarding Group governance, the most important role of the Board of Directors of a holding company, were extremely limited.</li> </ul>	<ul style="list-style-type: none"> <li>● We received opinions requesting the appointment of more internal directors with greater expertise in the real estate and energy businesses.</li> <li>● We received opinions on issues regarding the length of discussions, our timing for providing materials in advance, material contents, setting agenda items that should be discussed by the Board of Directors of a holdings company, and the taking of meeting minutes.</li> <li>● Overall, the evaluation regarding the details of discussions held by executives on the Board of Directors improved compared with the previous year.</li> <li>● We received opinions praising our discussions on regularly revising the business portfolio for the entire Group.</li> </ul>
Initiatives from FY2024	<p>The Board of Directors has evaluated and analyzed the results for previous years, and has exchanged opinions on issues and future initiatives to improve the effectiveness of the Board of Directors based on them. As a result, the Company, as a new initiative, <b>revised agendas and updated regulations</b> in order to establish a system through which the Board of Directors can more effectively contribute to</p>	<p>management. Moreover, the Company <b>revised the collection and distribution methods for Board of Directors meeting materials</b>, provided materials in a timely manner, and <b>monitored each company on a regular basis</b> as a means of Group company risk management. We evaluated issues as necessary and continued our efforts to improve the capabilities of the Board of Directors.</p>
Evaluation results for FY2024	<p>Results of the FY2024 survey showed that although discussions of management strategies and plans at the Board of Directors were felt to be insufficient, the Board of Directors maintained effectiveness.</p> <ul style="list-style-type: none"> <li>● Some respondents noted that issues remain around management strategies and enhancements to Group governance, both of which should be addressed by the Board of Directors of a holding company.</li> <li>● Some respondents wished for wider discussions related to cybersecurity and human capital (in particular, internal education of human resources).</li> </ul>	<ul style="list-style-type: none"> <li>● Some respondents wished for greater feedback on summaries of specific opinions in IR interviews.</li> <li>● Some respondents offered the opinion that better organizing the agenda items up for discussion at the Board of Directors meetings would enhance the quality of discussions.</li> <li>● Some respondents favorably noted a deepening of discussions at the Board of Directors following an increased number of explanatory sessions held prior to Board meetings.</li> </ul>
Initiatives for FY2025	<p>Based on these results, the Board of Directors conducted evaluations and analyses, and opinions were exchanged regarding issues related to enhancing the effectiveness of the Board of Directors as well as on future initiatives. Specifically, an ongoing initiative from the previous fiscal year involves establishing a structure to enable the Board of Directors to contribute to management to a greater degree</p>	<p>by <b>reevaluating agenda items</b> and <b>revising regulations</b>. A new initiative has been created to <b>enhance discussions by establishing a space to conduct debates related to management freely</b>. We will continue to discuss issues as necessary and promote initiatives geared towards enhancing the capabilities of the Board of Directors.</p>

Corporate Governance

Executive Compensation

Basic policy

When determining the overall amount set aside for executive remuneration, etc., we aim to ensure that remuneration effectively functions as a reward for actions that expand business performance and enhance corporate value in ways that support sustainable growth. Furthermore, with the aim of linking remuneration to actions that promote the sound, efficient, and stable continuation of operations, we set it at a level commensurate with the Company's business performance based on comparisons with other companies in the same industry and companies of a similar size. Moreover, we determine specific amounts of compensation based on how much individual directors have contributed to business performance and other such factors.

The Board of Directors meeting held on December 25, 2023, resolved the policy for determining the details of compensation for directors on an individual basis.

The specific basic policy regarding executive directors' remuneration is as follows.

- Remuneration is structured in a way that increases corporate value
- Remuneration is set at a level and configured so as to secure and retain high-quality human resources
- Remuneration reflects the Company's medium- to long-term management strategies and motivates executive directors to achieve it
- Remuneration is determined through an appropriate process that shareholders, employees, and other stakeholders find transparent, fair and reasonable
- Remuneration consists of basic compensation as well as compensation that rewards individual performance based on evaluations and the Company's overall operating results

Policy and method for determining and calculating remuneration

Basic compensation (monetary compensation)

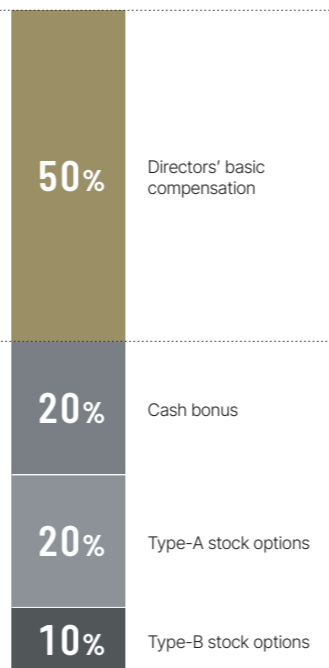
In accordance with a basic compensation table that is prepared based on a comprehensive consideration of each director's position and responsibilities, industry and other company standards, and employee salary levels, directors are provided with consistent compensation on a monthly basis.

Performance-based compensation (stock options as compensation)

Consists of cash bonuses and stock options in the form of equity securities, where payment or non-payment is determined based on the achievement of progress toward performance and ESG targets during the relevant period. Each individual is also evaluated annually on a 5-point scale that employs the following five assessment items ("P.C.F.P.A." assessments) and the Compensation Committee, a voluntary advisory committee, is consulted before the appropriate amount of remuneration is decided on.

- P Performance:** results in the division for which the director is responsible
- C Compliance:** legal compliance, morality, etc.
- F Foresight:** the ability to assess and analyze the situation as well as to prepare business plans
- P Physical:** the ability to drive business
- A Affinity:** the ability to build relationships

Composition of directors' remuneration



Total amount of remuneration paid to directors and corporate auditors (as of March 31, 2025)

Position	Total remuneration (Millions of yen)	Total amount by compensation type (Millions of yen)					Number of recipients
		Basic compensation	Stock options	Bonuses	Retirement benefits		
Directors (of which, outside directors)	323 (41)	= 170 (41)	+ 84 (—)	+ 68 (—)	+ —	—	9 (6)
Auditors (of which, outside auditors)	21 (21)	= 21 (21)	+ —	+ —	+ —	—	3 (3)
Total (of which, outside directors and outside auditors)	345 (63)	= 192 (63)	+ 84 (—)	+ 68 (—)	+ —	—	12 (9)

\* The amount paid to directors does not include the employee salaries of directors concurrently serving as employees.  
\* Stock options are recorded as an expense in the fiscal year related to acquisition rights for the allocated stock and have been awarded to two directors.

Board of Directors, Auditors and Executive Officers (As of June 2025)

Directors

	<b>Kazuichi Shimada</b> Representative Director, Group CEO, Group COO, and President Executive Officer	May 1987 Joined Takara Komuten Co., Ltd. (currently MIRARTH HOLDINGS, Inc.) Jun. 2006 Representative Director, Vice President, and General Manager of Development Division Apr. 2014 Representative Director, President, CEO, COO, and CFO Jun. 2019 Representative Director, CEO, and President Executive Officer Oct. 2022 Representative Director, Group CEO, Group COO, and President Executive Officer (present) Jun. 2024 Director and Vice Chairman, Takara Leben Co., Ltd. (present) Outside Director, Jutaku Sangyo Shinyo Hoshio Co., Ltd. (present) Jun. 2025 Director, Zenkoku Jutaku Sangyo Kyokai (present)	
	<b>Daisuke Nakamura</b> Director, Group CFO, and Senior Managing Executive Officer, and Office of Sustainability General Manager	Apr. 1991 Joined The Taiyo-Kobe Bank Ltd. (currently Sumitomo Mitsui Banking Corporation) Apr. 2020 Executive Officer and Manager of 1st Sales Department, Kanda Corporate Business Office, Sumitomo Mitsui Banking Corporation Apr. 2021 Executive Officer and General Manager of East Japan 1st Corporate Sales Department, Sumitomo Mitsui Banking Corporation Apr. 2023 Managing Executive Officer and Deputy Responsible Officer of Wholesale Division, Sumitomo Mitsui Banking Corporation Managing Executive Officer and Assistant General Manager of Wholesale Business Division, Sumitomo Mitsui Financial Group Inc. May 2024 Managing Executive Officer, MIRARTH HOLDINGS Co., Ltd. Jun. 2024 Director and Senior Managing Executive Officer, Takara Leben Co., Ltd. Director, Group CFO, and Managing Executive Officer (in charge of Group Finance Department and Group Accounting Department) Apr. 2025 Director, Group CFO, Senior Managing Executive Officer, and Office of Sustainability General Manager (present)	
	<b>Shoichi Akisawa</b> Director	Apr. 1988 Joined Towa Real Estate (currently Mitsubishi Estate Residence Co., Ltd.) May 1997 Representative Director, Etec Co., Ltd. Jan. 2002 Director, Intas Co., Ltd. Feb. 2004 Executive Officer, Pacific Management Co., Ltd. (currently Pacific Holdings Co., Ltd.) Jun. 2008 Representative Director, Pacific Realty Co., Ltd. (currently Pacific Properties Investment, Inc.) Jan. 2011 General Manager of Strategic Business Department, Star Mica Co., Ltd. Dec. 2014 Representative Director, Star Mica Co., Ltd.	Jun. 2016 Representative Director, Rising Force Co., Ltd. (currently DaiTokentaku Asset Solution Co., Ltd.) Jun. 2019 Director, Executive Officer and General Manager of Investment Development Division, Takara Leben Co., Ltd. (currently MIRARTH HOLDINGS, Inc.) Oct. 2022 Executive Officer Representative Director, COO and Vice President Executive Officer, Takara Leben Co., Ltd. Jun. 2024 Representative Director and President Executive Officer, Takara Leben Co., Ltd. (present) Director (present)
	<b>Naohito Yamagishi</b> Director (Outside Director)	Apr. 1986 Joined the National Police Agency Aug. 1994 Assistant Director, Road Policy Division, Bureau of Public Roads, Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism) Aug. 2010 Chief, Wakayama Prefectural Police Headquarters Aug. 2013 Director, Driver's License Division, Traffic Bureau, National Police Agency Jun. 2014 Deputy Director of the Imperial Guard Headquarters Feb. 2016 Chief, Niigata Prefectural Police Headquarters	Mar. 2018 Director, International Police Center, National Police Academy and Deputy Director-General, National Police Agency (in charge of care for victims of crimes) Jan. 2019 Chief, Hokkaido Prefectural Police Headquarters Aug. 2020 Resigned Jan. 2021 Advisor, Mitsui Sumitomo Insurance Co., Ltd. Jun. 2022 Outside Director, Takara Leben Co., Ltd. (currently MIRARTH HOLDINGS, Inc.) (present) May 2023 Senior Executive Director, Japan Contractors Association of Traffic Signs and Lane Markings (present) Jun. 2023 Auditor, UTMS Society of Japan (part-time) (present)
	<b>Kaname Uchida</b> Director (Outside Director)	Apr. 1978 Joined Bureau of Public Roads, Ministry of Construction (currently Ministry of Land, Infrastructure, Transport and Tourism (MLIT)) Jul. 2004 Director of Policy Division, Policy Bureau, MLIT Jul. 2007 Director-General, Minister's Secretariat (Policy Bureau), MLIT Jul. 2009 Director-General for General Affairs, Minister's Secretariat, MLIT Aug. 2010 Director-General, Land and Water Bureau, MLIT Jul. 2011 Director-General, Land Economy and Construction Industries Bureau, MLIT Jul. 2012 Vice-chairman, the Urban Renaissance Agency Jun. 2014 Councillor, Cabinet Secretariat Director-General of the Regional Revitalization Bureau, Cabinet Secretariat	Jan. 2015 Councillor, Cabinet Secretariat Director-General of the Regional Revitalization Bureau, Cabinet Secretariat (Councillor, Cabinet Secretariat as the Director of the Cabinet Secretariat's Promotion Office for Industrial Heritage Registration as a World Heritage Site) Director, Regional Revitalization Promotion Office, Cabinet Office Jul. 2015 Resigned Nov. 2015 Vice Chairman and Managing Director, The Real Estate Companies Association of Japan Apr. 2017 Visiting professor at Reitaku University (present) Jul. 2023 Advisor, The Real Estate Companies Association of Japan (present) Jul. 2023 Chairman, Land Institute of Japan (present) Jun. 2024 Outside Director, MIRARTH HOLDINGS Co., Ltd. (present)
	<b>Yuko Kanamaru</b> Director (Outside Director)	Oct. 2006 Registered as lawyer with the Tokyo Bar Association Joined Mori Hamada & Matsumoto May 2012 Completed Law School, University of California, Los Angeles Aug. 2012 Joined Rajah & Tann Asia (Singapore) Aug. 2013 Seconded to Sumitomo Electric Industries Co., Ltd. Jan. 2018 Partner lawyer, Mori Hamada & Matsumoto Apr. 2018 Part-time lecturer, Keio University Law School (International Commercial Arbitration) Jul. 2022 Outside Auditor, Aculyss Pharma, Inc. (present)	Jan. 2023 Partner lawyer, Gaien Partners (present) Feb. 2023 Outside Auditor, Bleaf Co., Ltd. Jun. 2023 Outside Director (Audit and Supervisory Committee member), AI Inc. (present) Jul. 2023 Outside Director (Audit and Supervisory Committee member), HEROZ, Inc. (present) Jun. 2024 Outside Director, MIRARTH HOLDINGS Co., Ltd. (present) Jun. 2025 Audit & Supervisory Board Member (External/Independent), SoftBank Group Corp. (present)
	<b>Yasuko Ono</b> Director (Outside Director)	Apr. 1989 Joined The Taiyo-Kobe Bank Co., Ltd. (present Sumitomo Mitsui Banking Corporation) Apr. 1997 Deputy General Manager, Financial Markets Sales Dept., The Taiyo-Kobe Bank Co., Ltd. Nov. 2006 Deputy Senior General Manager, Sumitomo Mitsui Banking Corporation Europe (U.K.) (present SMBC Bank International plc) Dec. 2009 Loan Officer, International Corporate Sales Division, Sumitomo Mitsui Banking Corporation Apr. 2010 Group General Manager, International Corporate Sales Dept., Sumitomo Mitsui Banking Corporation Apr. 2012 Deputy General Manager, International Corporate Sales Dept., Sumitomo Mitsui Banking Corporation Apr. 2014 President, SMBC SSC (Malaysia)	May 2016 Senior Promoter of General Affairs Department of Sumitomo Mitsui Banking Corporation Apr. 2017 General Manager of Credit Review Department of Sumitomo Mitsui Banking Corporation Apr. 2019 Advisor, SMBC Consumer Finance Co., Ltd. Jun. 2019 Part-time Auditor, SMBC Mobit Co., Ltd. Jun. 2022 Part-time Auditor, SMBC Guarantee Co., Ltd. Jul. 2023 Advisor in charge of overseas operations, SMBC Consumer Finance Co., Ltd. May 2024 Outside Corporate Auditor, AEON Financial Service Co., Ltd. (present) Jun. 2025 Outside Director, MIRARTH HOLDINGS Co., Ltd. (present)

Auditors

- Yuko Miura**  
Outside Full-time Auditor
- Masaki Kimura**  
Outside Full-time Auditor
- Akihito Watanabe**  
Outside Part-time Auditor

Executive Officers

- Yoshitaka Tejima**  
Senior Managing Executive Officer
- Mamoru Takahashi**  
Managing Executive Officer, General Manager of Group Corporate Planning Department
- Mika Takaara**  
Managing Executive Officer, General Manager of the Group Business Leading Office
- Go Yamaji**  
Group CRO, Managing Executive Officer, General Manager of Group Human Resources Strategy Department
- Kensuke Suzuki**  
General Manager of Group Corporate Planning Department and IR Officer
- Jun Miura**  
General Manager of Group Finance Department
- Ken Yasuda**  
General Manager of Group DX & VX Strategy Department
- Shinya Yokota**  
General Manager of Group General Affairs Department
- Kosuke Yamamoto**  
General Manager of Group Legal Department

# Risk Management



Materiality KPI (Targets for FY2025)

## Strengthening risk management

- Verification and management of critical risks
- Formulation of BCP manuals

### Risk Management Basic Policy

The MIRARTH HOLDINGS Group identifies and manages each risk in line with its basic risk management policy, which encompasses ensuring the safety of customers, partners, officers, employees, and their families; fulfilling its social responsibility; harmonizing with the global environment; maintaining sustainable business practices; and enhancing corporate value. In addition, the Risk Management Committee has been established as a structure to promote thorough risk management throughout the Group.

### Risk Management System

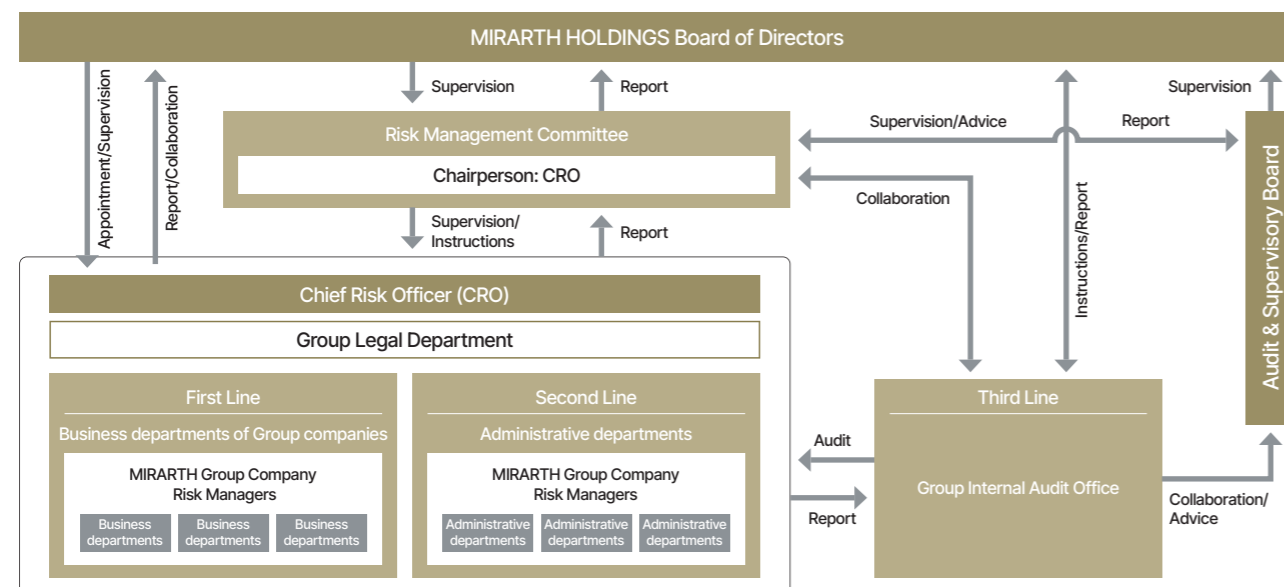
To support the stable and sustainable growth of the Group, the Company actively and strategically implements risk management through the medium of regular Risk Management Committee meetings, which are held for the purpose of overseeing risks throughout the Group.

In addition to regularly scheduled quarterly meetings, the Risk Management Committee holds meetings as needed to respond to industry and marketplace changes. This ensures swift decision

making and the appropriate response to risks.

Members of the Risk Management Committee include the Group CFO and two outside directors, with the Group CRO serving as chairperson. Together, they strive to establish a system capable of examining cases and making decisions from a perspective that is both flexible and professional. In addition, the head of the legal department is a member, ensuring appropriate supervision over the risk management process as well as objectivity.

### Risk Management Structure



### Strengthening the Business Continuity Plan (BCP)

The MIRARTH HOLDINGS Group has established a Groupwide information aggregation policy to ensure prompt and accurate information aggregation and decision making should there be an occurrence of a risk event, such as a major earthquake or other large-scale natural disaster, an infectious disease outbreak, or man-made disaster (war, terrorism, accident, etc.). In the event of a major earthquake, it is essential to gather information efficiently and accurately, and to make decisions quickly based on an assessment of the damage, the safety and welfare of the employees, and the impact of the emergency on the Group's business. We have accordingly established specific rules regarding reporting standards and information aggregation and are

working to ensure that all Group companies are fully aware of these standards and rules as part of our efforts to quickly establish business continuity systems.

In FY2024, we formulated a response manual setting out a clear plan for responding to an earthquake with an epicenter in the Tokyo metropolitan area as we believe that the occurrence of such an event could have a potentially serious impact on our Head Office functions and major businesses.

We also conducted training in order to spread awareness of this manual and make its contents common knowledge. In addition, this training allowed us to verify foundational knowledge of BCPs and response systems to be used in the event of an emergency.

# Compliance



Materiality KPI (Targets for FY2025)

## Ensuring corporate ethics and compliance

- Providing compliance education **3 times / year**
- Compliance questionnaire for all employees **Once a year**
- Awareness rate of whistleblower system **100%**

### Compliance Basic Policy

The MIRARTH HOLDINGS Group constantly strives to fulfill its corporate social responsibility by requiring each organization as well as its officers and employees to comply with laws, social norms, and separately established ethical guidelines. In addition, the Group has established a basic compliance policy that may become an example for society.

### Management System

The MIRARTH HOLDINGS Group established a Compliance Committee to promote and enforce a compliance system throughout the Group. The Compliance Committee determines the Company's compliance-related policies and measures, and, when it receives a report of a compliance violation or potential

violation, it investigates and directs actions. A system has been developed to monitor the status of compliance at each Group company that includes a Harassment Compliance Helpline and collaboration between the Compliance Committee and the Group Internal Audit Office.

### Internal Whistle-Blowing System (Helpline)

The Group established an internal whistle-blowing system (helpline) as a means of reporting or consulting on issues, such as those related to harassment and compliance violations. The previous whistleblowing system was reviewed in August 2018, and we outsourced the duty of reviewing and responding to inquiries to a law firm with no prior business connections with the Group that serves as an outside consultation desk. We also established an independent internal consultation desk that directs inquiries to corporate auditors. In addition, we reinforced our protections for reporting individuals, the subjects of reports, individuals cooperating with investigations, and others by establishing a mechanism to prevent access to information concerning consultations and reports by involved directors. We are working to strengthen compliance management through the early detection and rectification of improper conduct and other issues.



Pocket-size card

### Personal Information Protection

The Group considers the protection of personal information to be part of its CSR and has therefore have established a management system for the appropriate protection of personal information. To ensure that all employees who handle valuable personal information in the course of their business duties do so appropriately, we have created a personal information protection manual, distributed a personal information usage and protection handbook, and worked to ensure that all employees are thoroughly aware of basic knowledge and rules. We also provide internal training led by instructors who are legal experts.

### PrivacyMark System Contributor

Leben Community was granted the PrivacyMark in January 2008 and has since been working on and updating its management and operation of personal information. In January 2020, we received a letter of appreciation from the Japan Information Processing Development Corporation (JIPDEC) for our efforts over the years to maintain and improve our own personal information protection management system (PMS) and for our contribution to the promotion of the Privacy Mark System. The most recent periodic renewal audit was completed in January 2024.

### Thorough Compliance Initiatives

#### Compliance Handbook

In August 2023, the Group created a "Compliance Handbook," establishing behavioral guidelines that all Group members are expected to observe. In January 2025, we launched a learning program to promote deeper understanding of these matters. The handbook brings together essential knowledge and perspectives necessary for selecting appropriate words and actions in response to the various situations and issues encountered in daily business activities, and efforts are being made to ensure this is thoroughly communicated and instilled throughout the Group.

#### Dealing with Anti-Social Forces

The Group maintains a basic policy against anti-social forces that advocates the adoption of a firm stance. Under the guidance of our legal advisors, we actively participate in activities to eliminate organized crime and, in collaboration with such external specialized agencies as local police stations and legal authorities, have established a system for dealing with anti-social forces. With regard to our suppliers, we are thorough in implementing measures for the elimination of anti-social forces, exchanging memorandums on severing all ties to such forces and including clauses to this effect in our various contracts and agreements.

# Eleven-Year Financial / Non-Financial Summary

## Financial Data

(Millions of yen)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	76,956	76,268	103,599	110,851	132,005	168,493	148,397	162,744	153,472	185,194	<b>196,523</b>
Gross profit	18,311	17,835	21,869	25,779	26,886	30,516	29,928	33,117	31,708	40,590	<b>42,311</b>
Operating income	9,257	7,563	10,349	12,597	10,046	11,901	10,789	11,877	7,030	15,457	<b>14,364</b>
Ordinary income	8,540	6,708	9,496	11,792	9,027	11,201	9,933	10,258	5,033	12,984	<b>12,427</b>
Net income attributable to owners of parent	5,718	4,308	6,107	7,367	6,426	5,361	4,693	6,215	4,584	8,178	<b>8,207</b>
Cash flows from operating activities	(8,155)	2,428	22,644	9,869	22,428	47,708	26,330	23,189	(722)	36,777	<b>7,877</b>
Cash flows from investing activities	(7,998)	(19,816)	(27,540)	(34,463)	(34,347)	(32,136)	(25,090)	(27,871)	(46,354)	(26,329)	<b>(24,807)</b>
Cash flows from financing activities	6,314	19,663	6,129	24,012	3,427	(1,608)	2,654	(1,132)	61,531	(15,464)	<b>22,042</b>
Capital expenditure	8,095	22,756	20,814	30,302	29,902	28,841	25,666	25,400	20,837	26,641	<b>21,670</b>
Depreciation and amortization	717	1,192	2,397	1,943	2,447	2,031	1,803	2,838	3,020	5,370	<b>5,965</b>
Total assets	101,738	129,744	139,874	177,588	184,893	195,448	204,315	223,473	341,669	337,447	<b>372,508</b>
Current assets	67,319	75,753	86,585	102,931	98,512	115,314	125,686	142,625	188,728	191,937	<b>215,263</b>
Fixed assets	34,400	53,945	53,237	74,618	86,286	79,874	78,531	80,792	152,884	145,441	<b>157,198</b>
Net assets	31,189	33,677	36,792	42,907	47,734	51,139	54,632	59,601	65,142	71,669	<b>89,107</b>
Interest-bearing debt	48,812	70,396	79,864	106,663	111,821	114,036	118,570	127,969	227,385	210,462	<b>227,006</b>
Per Share Information:											
Net income per share (Yen)	50.61	38.99	56.14	68.12	59.33	49.45	43.22	57.10	41.90	74.39	<b>62.69</b>
Net assets per share (Yen)	279.11	304.71	339.29	394.90	436.68	467.05	498.78	542.04	558.95	596.90	<b>610.61</b>
Dividend per share (Yen)	6.0	13.0	15.0	16.0	16.0	19.0	14.0	18.0	22.0	24.0	<b>30.0</b>
Operating Indices:											
ROE (%)	19.7	13.3	17.4	18.6	14.3	10.9	9.0	11.0	7.6	12.9	<b>11.0</b>
ROA (%)	5.8	3.7	4.5	4.6	3.5	2.8	2.3	2.9	1.6	2.4	<b>2.3</b>
Operating income margin (%)	12.0	9.9	10.0	11.4	7.6	7.1	7.3	7.3	4.6	8.3	<b>7.3</b>
LTV (%)	48.0	54.3	57.1	60.1	60.5	58.3	58.0	57.3	66.6	62.4	<b>60.9</b>
D/E ratio (Times)	1.6	2.1	2.2	2.5	2.3	2.2	2.2	2.1	3.5	2.9	<b>2.5</b>
Debt ratio (Times)	2.3	2.9	2.8	3.1	2.9	2.8	2.7	2.7	4.2	3.7	<b>3.2</b>
Current ratio (%)	193.4	176.7	171.5	182.0	168.3	175.7	225.9	190.1	116.4	156.6	<b>160.6</b>
Inventory turnover (Times/Year)	2.2	2.0	2.3	1.9	1.9	2.4	2.1	2.0	1.4	1.5	<b>1.5</b>
Equity ratio (%)	30.6	25.8	26.2	24.1	25.6	25.9	26.5	26.5	18.0	19.5	<b>22.3</b>
Dividend payout ratio (%)	11.9	33.3	26.7	23.5	27.0	38.4	32.4	31.5	52.5	32.3	<b>47.9</b>

\* On July 1, 2013, the Company split its shares at a ratio of 1:4 for one common stock. The dividends per share for FY2013 and FY2014 are calculated reflecting the effect of the stock split. Net income per share and net assets per share are also calculated based on figures after the stock split.

## Non-Financial Data

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Number of employees	551	613	690	789	892	973	1,061	1,200	1,293	1,377	<b>1,506</b>
Male	426	455	496	547	618	675	739	815	867	907	<b>928</b>
Female	125	158	194	242	274	298	322	385	426	470	<b>578</b>
Percentage of female managers (%)*	9.4	8.2	9.2	8.1	8.2	9.9	10.3	9.8	10.6	11.3	<b>14.2</b>
Employment rate of persons with disabilities (%)*	0.34	0.94	1.20	1.09	2.19	1.7	1.4	1.5	1.5	1.8	<b>1.5</b>

\* The above figures were calculated on a non-consolidated basis (Takara Leben only) for FY2014 to FY2018 and on a consolidated basis for FY2019 to FY2024.

## ESG Data

### Environment

#### Greenhouse gas (CO<sub>2</sub>) emissions

(t-CO<sub>2</sub>)

Category	Details of Activities	FY2020	FY2021	FY2022	FY2023	FY2024	
Scope 1	Direct emissions from the business itself	374	380	609	540	456	
Scope 2 Market-based standard ( ) indicates location-based standard	Indirect emissions from electricity and other sources from other companies	1,584 (1,674)	1,696 (1,719)	2,984 (3,026)	1,651 (1,779)	1,658 (1,618)	
Subtotal (Scope 1 + Scope 2)		<b>1,958</b>	<b>2,076</b>	<b>3,593</b>	<b>2,191</b>	<b>2,113</b>	
Category 1	Purchased goods and services	335,928	298,820	291,900	306,544	394,006	
Category 2	Capital goods	69,384	28,492	32,092	41,291	22,316	
Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	300	327	576	701	756	
Category 4	Upstream transportation and distribution	—	—	—	—	—	
Category 5	Waste generated in operations	2,596	2,744	2,595	3,490	3,062	
Category 6	Business travel	153	169	183	194	202	
Category 7	Employee commuting	290	321	348	370	383	
Scope 3	Category 8	Upstream leased assets	—	—	—	—	
	Category 9	Downstream transportation and distribution	—	—	—	—	
	Category 10	Processing of sold products	—	—	—	—	
	Category 11	Use of sold products	301,745	321,303	271,413	222,241	298,010
	Category 12	End-of-life treatment of sold products	4,892	4,517	3,946	4,767	5,109
	Category 13	Downstream leased assets	13,194	10,984	13,315	7,534	3,588
	Category 14	Franchises	—	—	—	—	—
	Category 15	Investments	—	—	—	—	—
Subtotal (Scope 3)		<b>728,482</b>	<b>667,677</b>	<b>616,368</b>	<b>587,132</b>	<b>727,432</b>	
Total (Scope 1 + Scope 2 + Scope 3)		<b>730,440</b>	<b>669,753</b>	<b>619,961</b>	<b>589,323</b>	<b>729,545</b>	

\* The scope of environmental data calculation covers the MIRARTH HOLDINGS Group (10 consolidated companies). \* The period covered is FY2020 to FY2024 (April 1, 2020 to March 31, 2025). \* Scope 1 includes emissions from fuel combustion (gas, kerosene, gasoline), while Scope 2 includes indirect emissions due to electricity and chilled water usage. \* From FY2022, Scope 1 and 2 targets include additional aggregation targets due to the expansion of boundaries defining the use of electricity, gas, and other utilities. \* After FY2023, the Scope 2 values for CO<sub>2</sub> emissions reflect the use of renewable energy (including non-fossil certificates under the FIT scheme). \* For Scope 3, starting from FY2023, some calculation methods have been revised to improve accuracy. Additionally, values prior to FY2022 include some estimates. \* The Group excludes greenhouse gases other than CO<sub>2</sub> (such as fluorocarbons) from calculation and reporting due to their minimal quantities, and only reports CO<sub>2</sub>.

#### Energy consumption

(KL of crude oil equivalent)

Energy Type	FY2020	FY2021	FY2022	FY2023	FY2024
Electricity	915.2	1,020.9	1,774.7	1,067.1	852.4
City gas	3.2	0.5	61.5	75.0	71.4
LP gas	0.0	0.4	55.3	26.3	29.8
Gasoline	140.8	145.2	136.8	118.1	91.0
Kerosene	0.7	0.3	0.1	0.0	0.0
Diesel gas	0.0	0.0	3.0	2.6	6.5
Cold water	1.2	0.4	0.5	0.5	0.3
Total	<b>1,061.1</b>	<b>1,167.7</b>	<b>2,031.9</b>	<b>1,289.6</b>	<b>1,051.4</b>

\* The scope and period covered by the energy data are the same as for CO<sub>2</sub>.

### Social

#### MIRARTH HOLDINGS Group

		FY2020	FY2021	FY2022	FY2023	FY2024	
Number of employees (Persons)	Total	1,061	1,200	1,293	1,377	1,506	
	Male	739	815	867	907	928	
	Female	322	385	426	470	578	
Average age (Age)	Total	36.7	37.6	37.7	37.3	37.5	
	Male	38.0	39.0	38.9	38.7	39.1	
	Female	33.9	34.7	35.1	34.8	34.9	
Average years of service (Years)	Total	4.6	4.6	4.6	5.1	5.1	
	Male	4.9	4.8	5.1	5.4	5.7	
	Female	4.0	4.1	4.4	4.5	4.2	
Number of managers (Persons)	Male	262	266	304	370	356	
	Female	30	29	36	47	59	
Management ratios (%)	Male	89.7	90.2	89.4	88.7	85.8	
	Female	10.3	9.8	10.6	11.3	14.2	
Employment rate of persons with disabilities (%)		1.4	1.5	1.5	1.8	1.5	
Gender-based wage gap (%) <sup>*1</sup>	All employees	73.2	69.0	67.0	75.2	74.8	
	Full-time employees	76.6	71.8	67.9	75.4	74.8	
	Part-time and fixed-term employees	21.1	22.3	26.0	34.1	37.2	
Rate of access to leisure (%) <sup>*2</sup>	Total	57.6	62.5	68.8	72.8	70.0	
	Male	54.0	60.0	65.1	69.8	66.1	
	Female	70.0	70.1	78.6	79.4	75.6	
Childcare leave	Number of subjects	Male	35	26	37	68	33
		Female	21	27	17	29	24
	Number of recipients	Male	6	6	13	27	19
		Female	21	26	17	29	24
Usage rate (%)	Male	17.1	23.1	35.1	39.7	57.6	
	Female	100	96.3	100	100	100	
Stress check examination rate (%) <sup>*3</sup>		88.8	84.8	89.3	89.8	93.7	
Training hours per person (Hours) <sup>*3</sup>		9.0	10.0	15.9	21.2	11.8	
Training cost per person (Yen) <sup>*3</sup>		10,883	13,578	26,383	36,401	53,040	
Happiness survey (well-being)		—	—	—	64	59	

\*1 Scope of calculation: Takara Leben \*2 The data were compiled for companies that grant annual paid leave on designated days for all employees. \*3 Only companies that have implemented the program are counted.

### Governance

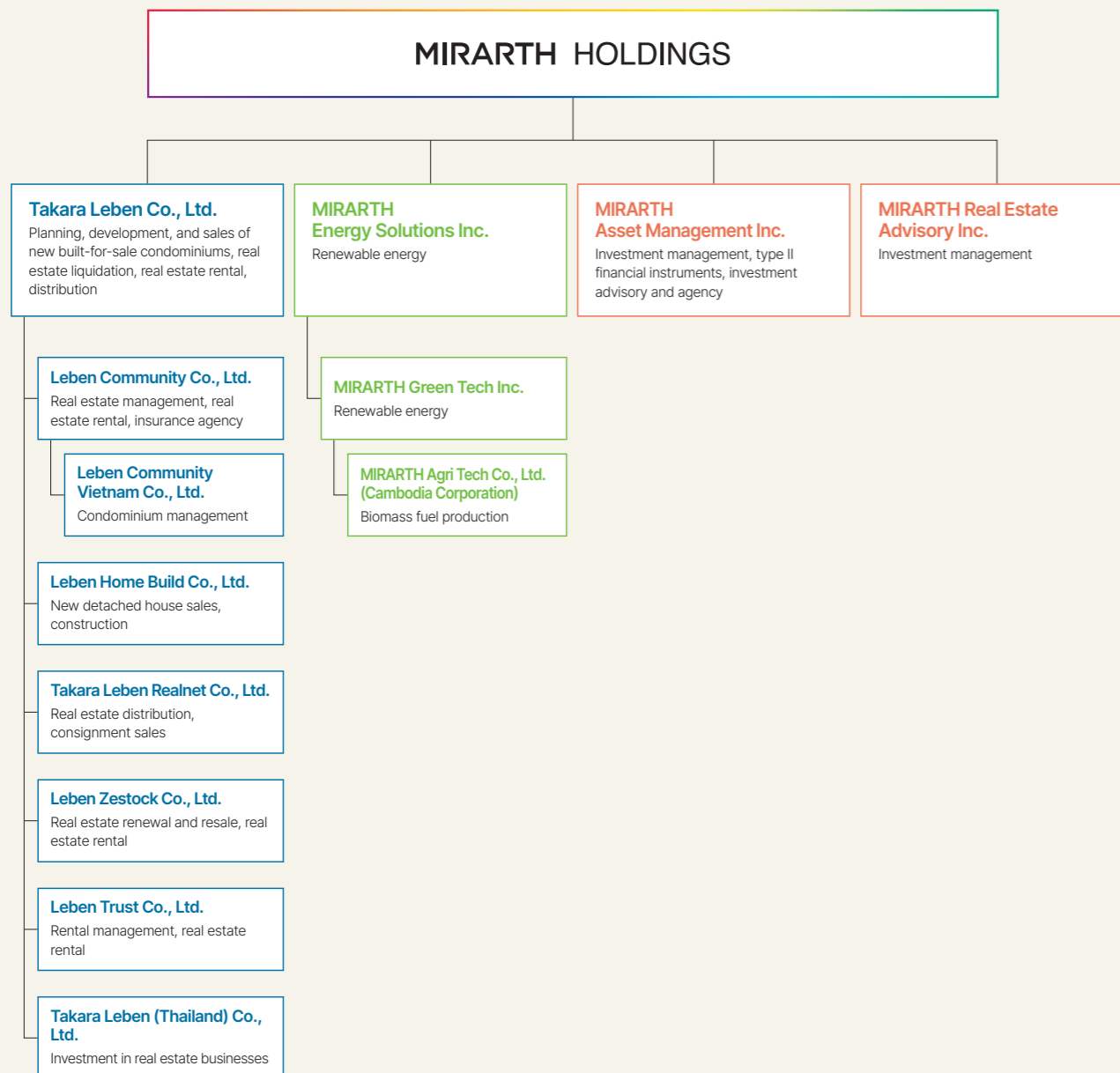
	As of June 2021	As of June 2022*	As of June 2023	As of June 2024	As of June 2025
Total number of directors (Persons)	12	12	6	7	7
Number of outside directors (Persons)	4	4	4	4	4
Ratio of outside directors	33.3%	33.3%	66.7%	57.1%	57.1%
Number of female directors (Persons)	3	3	2	2	2
Ratio of female directors	25.0%	25.0%	33.3%	28.6%	28.6%

\* Transferred to holding company structure as of October 1, 2022

## Corporate Data

Company name	MIRARTH HOLDINGS, Inc.	Net sales	¥196,523 million (FY2024, consolidated)
Representative	Kazuichi Shimada, Representative Director	No. of employees	1,506 (Male, 928; Female, 578) (As of March 31, 2025, consolidated)
Established	September 1972	Head office	TEKKO BUILDING, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo, 100-0005, Japan TEL.: +81-3-6551-2125
Capital stock	¥9,056 million		

## Main Operating Companies



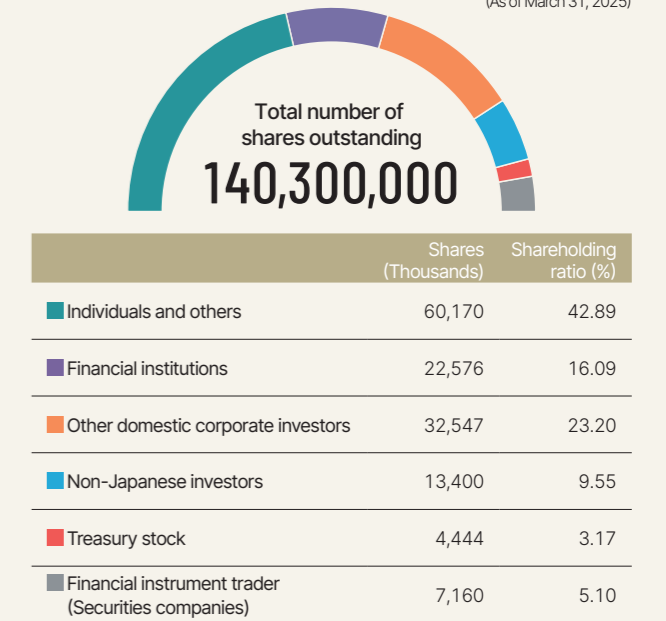
## Stock Information

Securities Code	8897	Total Number of Shares Outstanding	140,300,000 shares (As of March 31, 2025)
Stock Exchange Listing	Prime Market, Tokyo Stock Exchange	Trading Unit of Shares	100 shares
Shareholder Registry Administrator	Sumitomo Mitsui Trust Bank, Ltd. 1-4-1, Marunouchi, Chiyoda-ku, Tokyo	Number of Shareholders	83,447 (As of March 31, 2025)

## Major Shareholders (Top 10) (As of March 31, 2025)

Name of shareholder	Shares (Thousands)	Shareholding ratio (%)
General Incorporated Association Murayama Asset Management	25,633	18.27
The Master Trust Bank of Japan, Ltd. (for trust account)	15,476	11.03
MIRARTH HOLDINGS, Inc.	4,444	3.17
Custody Bank of Japan, Ltd. (for trust account)	3,469	2.47
Morgan Stanley MUFG Securities Co., Ltd.	2,076	1.48
Goldman Sachs Japan Co., Ltd. BNYM	2,052	1.46
Murayama Kikaku Co., Ltd.	1,800	1.28
MIRARTH HOLDINGS Business Partner Shareholding Association	1,478	1.05
Kazuichi Shimada	1,299	0.93
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	1,250	0.89

## Number of Shares Held by Investor Segment (As of March 31, 2025)



## Declaration of Authenticity



**Kensuke Suzuki**  
General Manager of Group  
Corporate Planning Department  
and IR Officer

## Publication of the MIRARTH HOLDINGS, Inc. Integrated Report 2025


MIRARTH HOLDINGS has published an integrated report since 2022 as a tool for facilitating dialogue with our internal and external stakeholders.

This marks the publication of the fourth such report, *MIRARTH HOLDINGS, Inc. Integrated Report 2025*. This report provides detailed explanations of the focal points of the new Medium-Term Management Plan, which was announced in May 2025, as well as of our strategies and progress along the Group's roadmap to 2030. In the discussion of the Real Estate Business, the foundation of the Group's growth, we take a detailed look at progress made in condominium development in Tohoku, an area of special focus, as well as at co-creation efforts undertaken with local communities. In addition, in a special feature, we discuss the Energy Business's transition into our second pillar of profits as well

as how its business model has evolved.

We held many discussions in close coordination with relevant departments in order to secure comprehensive and accurate information for the preparation of this report. As the executive manager in charge of the report's compilation, I hereby announce that this process was fair and that its contents are accurate.

I hope that this report helps to provide a better understanding among our shareholders, investors, and other stakeholders as to our initiatives for realizing the Group's Purpose, and for generating corporate value in an enduring manner. Furthermore, I humbly ask for your unreserved opinions and requests so that we may improve our disclosure efforts and prepare a more thorough integrated report in the future. Thank you.



Our knowledge and passion will help create the  
conditions for happiness for people and our planet  
for at least 50 if not 100 years