

Company Report

July 15 , 2025

The First Half of the Fiscal Year Since the Business Integration Saw a Large Increase in Both Sales and Profits, Due in Part to the Effects of the Integration. Progress is Better than Expected in Achieving FY09/2025 Forecasts

TASUKI Holdings, which was formed in April 2024 through the merger of TASUKI and SHIN-NIHON TATEMONO, reported financial results for 1H FY09/2025, with sales +199.3% YoY, EBITDA +178.0%, operating profit +175.9% and profit attributable to owners of parent +121.1% , mainly due to the effects of the merger (comparisons to the same period of the previous year are compared with the combined total of TASUKI and TASUKI Proce for FY09/2024 1H, same below).

Progress rates against the company's unchanged full-year forecasts are 44.2% for sales, 40.8% for EBITDA, 40.5% for operating profit and 38.0% for profit attributable to owners of parent. As the full-year forecast was originally weighted toward the fourth quarter, progress in 1H appears to have exceeded the company's expectations. The pipeline, which is important in predicting future earnings trends, is also progressing smoothly.

After the business integration in April 2024, the stock price fluctuated with the trend of short-term performance, but after the disclosure of the issuance of stock acquisition rights in January 2025, which will dilute the stock by more than 19%, the relative stock price against TOPIX also fell. According to the medium-term management plan ending in FY09/2027, the company aims to increase sales by 2.1x and EBITDA by 2.5x compared to FY09/2024. Future stock price formation will be based on the progress toward the targets of the medium-term management plan; but considering the valuation of similar companies, it is believed that the essential potential of the company's real estate DX is not fully evaluated by the market.

The essential potential here refers to the spread of the effects of TASUKI's specialty, "improving business efficiency and productivity through real estate DX" to SHIN-NIHON TATEMONO; and the potential of AURA's vacant house information platform, which joined the group immediately after the business integration. As

Strategy Advisors Inc.

Keita Fujino



Stock Price & Trading Volumes (1-Yr)



Source: Strategy Advisors

Key Indicators

Stock Price (7/14/25)	684
52-Week High (12/30/24)	845
52-Week Low (8/5/24)	512
All-Time High (12/30/24)	845
All-Time Low (8/5/24)	512
Shares on Issue (mn)	54.1
Market Cap. (¥bn)	35.8
EV (¥bn)	55.2
Equity Ratio (09/24 Actual, %)	35.9
ROE (09/24 Actual, %)	10.4
PER (09/25 CoE, x)	7.6
PBR (09/24 Actual, x)	1.7
Dividend Yield (09/25 CoE, %)	5.1

Source: Strategy Advisors

TASUKI Holdings | 166A (TSE Growth)

understanding of these underappreciated aspects spreads, our view remains unchanged that the valuation will rise and the advantages of the company's business model will be reflected in the stock price.

Japanese GAAP

FY	Net Sales (¥mn)	YoY (%)	Operating Profit (¥mn)	YoY (%)	Ordinary Profit (¥mn)	YoY (%)	Net Profit (¥mn)	YoY (%)	EPS (¥)	DPS (¥)
09/25 H1	33,567	-	3,505	-	3,134	-	1,806	-	34.8	-
[TASUKI]										
09/20 Parent	7,027	37.3	579	36.3	522	58.0	330	49.1	70.3	26.0
09/21 Parent	9,190	30.8	1,250	116.0	1,112	113.0	794	140.3	72.9	52.0
09/22	12,276	-	1,714	-	1,570	-	1,088	-	92.7	33.0
09/23	18,565	51.2	2,430	41.7	2,228	41.8	1,537	41.3	118.0	50.0
[TASUKI HD]										
09/24	47,455	-	4,065	-	3,560	-	2,217	-	53.4	16.0
09/25 CoE	76,000	60.2	8,650	112.8	7,550	112.1	4,750	114.2	89.8	35.0

Note: TASUKI started disclosing consolidated results from FY09/22. FY09/22 YoY comparisons are with non-consolidated results for FY09/21. EPS for FY09/25 does not include the impact of the increase in the number of shares due to the exercise of stock acquisition rights issued in February 2025 .

Source: Company Data. Compiled by Strategy Advisors.

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1. 1H FY09/2025 Financial Results

Business Integration & Increase in Consolidated Subsidiaries Led to a Large Increase in Sales & Profits in 1H, Compared to the Same Period Last Year

In 1H FY09/2025 sales increased 199.3 % YoY to ¥33.56 billion, EBITDA increased 178.0% YoY to ¥3.63 billion, operating profit increased 175.9% YoY to ¥3.50 billion and profit attributable to owners of parent increased 121.1 % YoY to ¥1.80 billion (the YoY comparison is a comparison of TASUKI and TASUKI Proce combined for 1H FY09/2024 same below). Progress against the company's full-year forecast was 44.2% for sales, 40.8% for EBITDA, 40.5% for operating profit and 38.0% for profit attributable to owners of parent. The company calculates EBITDA as operating profit + depreciation + amortization of goodwill + share-based payment expenses + reversal of PPA (revaluation of inventories).

Figure 1. TASUKI Holdings: FY09/2025 HI Financial Results Summary

(¥mn)	FY09/2025 H1 (A)	YoY	YTD (A)÷(B)	FY09/2025 CoE (B)
Net Sales	33,567	199.3%	44.2%	76,000
EBITDA	3,632	178.0%	40.8%	8,900
Operating Profit	3,505	175.9%	40.5%	8,650
Ordinary Profit	3,134	173.2%	41.5%	7,550
Profit Attributable to Owners of Parent	1,806	121.1%	38.0%	4,750

Note: TASUKI Holdings will be established in April 2024 , so the year - on-year comparison is the combined results for TASUKI and TASUKI Proce for FY09/2024H1.

Source: Company Data. Compiled by Strategy Advisors.

Business Integration & Strong Performance of Assets Consulting Led to Significant YoY Revenue Growth

The increase in sales compared to the same period last year was largely due to the addition of sales from SHIN-NIHON TATEMONO, which was consolidated in April 2024, and AURA, which was acquired in May of the same year, as a result of the business integration. In the Life Platform business, demand for asset consulting provided by AURA remains strong and quarterly sales continued to increase, reaching ¥3.91 billion in Q1 and ¥5.40 billion in Q2.

Gross Profit +188.8% YoY

Gross profit increased 188.8% YoY to ¥6.1 billion and gross profit margin decreased 0.6% YoY to 18.2%. The gross profit margin was pulled down by the posting of sales for the SHIN-NIHON TATEMONO project, which has a relatively low gross profit margin, but the gross profit amount itself increased significantly due to the large overall increase in sales.

The quarterly gross profit margin was 19.5% in Q1 and 16.8% in Q2, declining QoQ. One factor is that sales of projects with high profit margins were postponed to Q3, but it is also believed that the composition of projects for which sales were recorded had fewer projects with high gross profit margins.

TASUKI Holdings | 166A (TSE Growth)

SG&A Expenses Increased Significantly, but SG&A to Sales Ratio Increased Slightly

Selling, General and Administrative expenses (SG&A Expenses) increased by approximately 3.1x in 1H and the SG&A expense ratio increased by 0.2% to 7.7% due to an increase in personnel expenses resulting from hiring and the new consolidation of AURA, as well as the recording of goodwill amortization of ¥174 million (SHIN-NIHON TATEMONO ¥117 million, AURA ¥57 million), which was not recorded in the same period of the previous year.

Operating Profit Margin Declined, But Operating Profit Increased Significantly

As a result, EBITDA for 1H increased 178.0% YoY, operating profit increased 175.9% and the operating profit margin decreased 0.9% YoY to 10.4% (YoY comparisons include the combined total of TASUKI and TASUKI Proce for the same period last year). In addition, there were no particularly significant non-operating or extraordinary gains or losses; and profit attributable to owners of parent increased 121.1% YoY, while the net profit margin decreased 1.9% YoY to 5.4%.

Figure 2. Sales and Profit Trends by Segment (¥mn)

	Sales	By Segment				
		Life Platform	Sales Composition	Finance Consulting	Sales Composition	Adjustment
09/21 Parent	9,190	-	-	-	-	-
09/22	12,276	12,212	99.5%	63	0.5%	-
09/23	18,565	18,430	99.3%	135	0.7%	-
09/24	47,455	47,251	99.6%	202	0.4%	1
09/25 H1	33,567	33,487	99.8%	83	0.2%	-4

	Operating Profit	By Segment				
		Life Platform	Profit Margin	Finance Consulting	Profit Margin	Adjustment
09/21 Parent	1,250	-	-	-	-	-
09/22	1,714	1,701	13.9%	3	4.8%	9
09/23	2,430	2,373	12.9%	26	19.3%	30
09/24	4,065	4,084	8.6%	102	50.5%	-121
09/25 H1	3,505	3,345	10.0%	35	42.2%	124

Note: TASUKI started disclosing consolidated financial results from FY09/22

Source: Company Data. Compiled by Strategy Advisors.

2. Recent Trends in the Life Platform Business

Diversified Service Portfolio After Business Integration

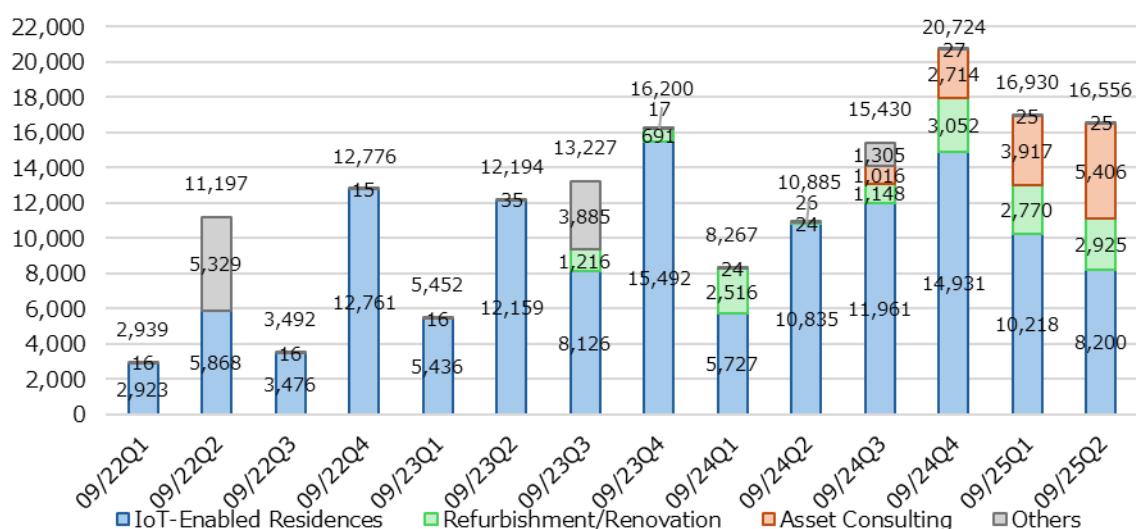
Sales of the Life Platform business will continue to be centered on IoT Residences, which sells residential properties developed for new construction investment, but after the integration (FY09/2024Q3 onwards), sales will also include refining, which involves acquiring used properties and increasing their value before selling them; and asset consulting (developed by AURA, which was acquired in 2024) for real estate owners who

Quarterly Sales Show Signs of Decreasing Volatility

are concerned about the utilization of their real estate, suggesting that the service portfolio is becoming more diversified. This trend is evident when looking at gross profit.

The quarterly sales of the Life Platform business were ¥16.93 billion in Q1 and ¥16.55 billion in Q2, and quarterly volatility in sales has been smaller than in any previous fiscal year. One could say that this depends on the projects that are recorded as sales, but the company is also working to level out procurement and construction starts in order to reduce quarterly fluctuations and it can be said that the effects of these efforts are beginning to appear.

Figure 3. Quarterly Trends in Sales for Life Platform Business (¥mn)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings.

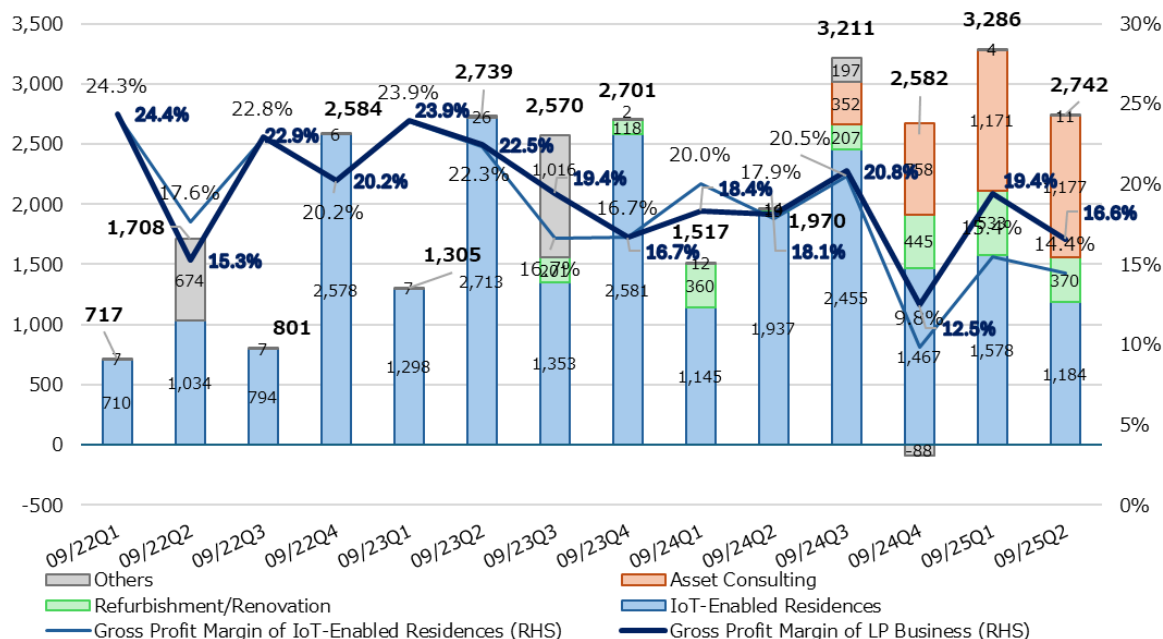
Source: Company Data. Compiled by Strategy Advisors.

Quarterly Volatility in Gross Profit Remains High

Meanwhile, quarterly gross profit was ¥3.28 billion in Q1 and ¥2.74 billion in Q2, with volatility remaining high. This is due to two factors: (1) in IoT Residences, the impact of changes in the mix of projects with high gross profit margins handled by TASUKI and projects with relatively low gross profit margins handled by SHIN-NIHON TATEMONO; and (2) the increased presence of asset consulting and refining, which cause gross profit margins to fluctuate depending on the project.

In fact, the quarterly gross profit margin was 19.4% in Q1 and 16.6% in Q2, declining from Q1 to Q2 (15.4% in Q1 and 14.4% in Q2 if we focus only on IoT Residences). According to the company, this was due to the postponement of sales of projects with high profit margins to Q3, but the two factors mentioned above are also thought to have had an impact.

Figure 4. Quarterly Trends in Gross Profit for Life Platform Business (¥mn)



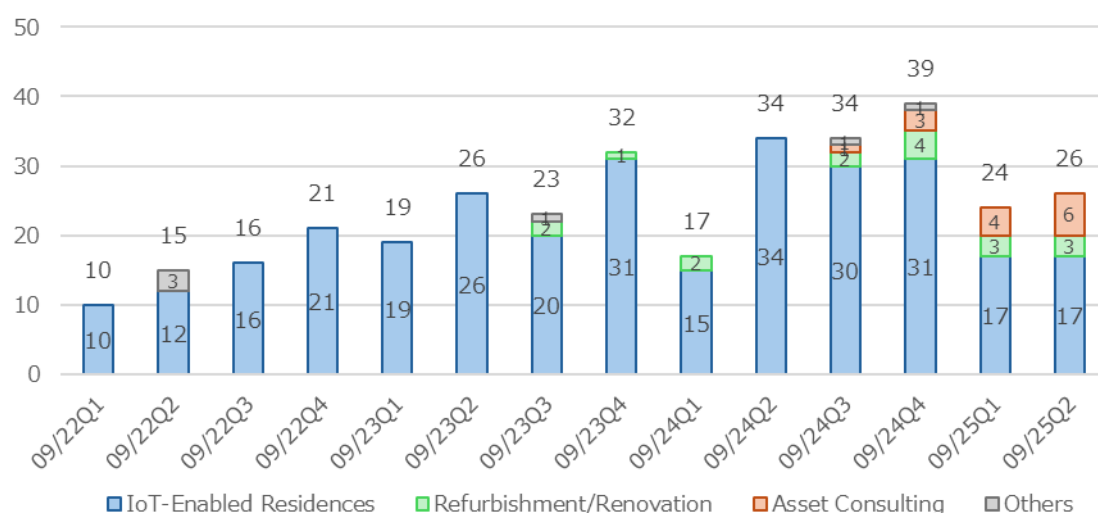
Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings.

Source: Company Data. Compiled by Strategy Advisors.

Sales PER Deal & Gross Profit PER Deal Increased YoY

Sales per deal were ¥705 million in Q1 and ¥637 million in Q2. These figures are a significant increase from ¥486 million in Q1 and ¥320 million in Q2 of the previous fiscal year. Gross profit per deal was ¥137 million in Q1 and ¥105 million in Q2, which is also a significant increase from ¥89 million in Q1 and ¥58 million in Q2 of the previous fiscal year. It can be said that the scale of deals has expanded since the merger with SHIN-NIHON TATEMONO.

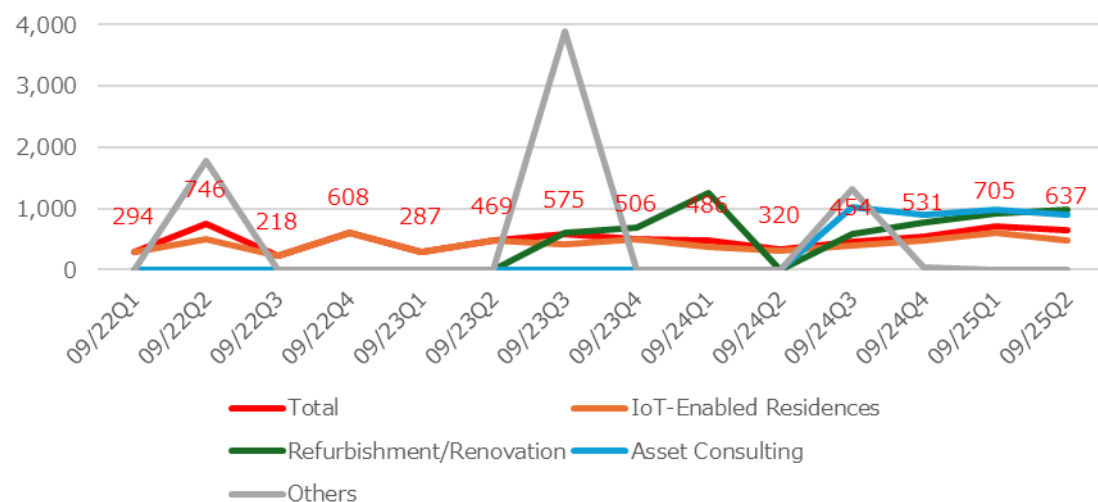
Figure 5. Quarterly Trends in Sales Volume in Life Platform Business (#Units)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings.

Source: Company Data. Compiled by Strategy Advisors.

Figure 6. Quarterly Trends in Sales per Unit in the Life Platform Business (¥mn)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings.

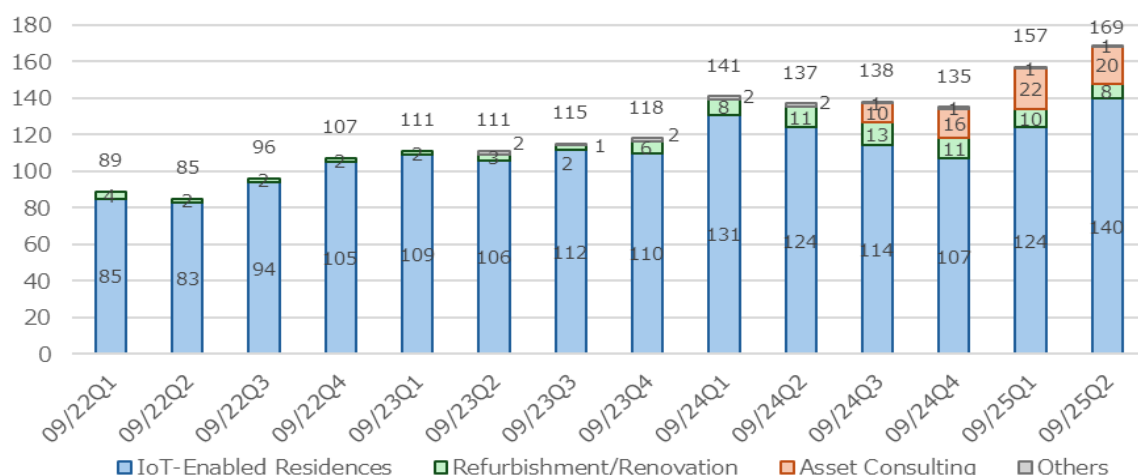
Source: Company Data. Compiled by Strategy Advisors.

TASUKI Holdings | 166A (TSE Growth)

Inventory Is Building up Steadily

As of the end of Q2, there were 169 inventory items, worth ¥42.85 billion, which indicates that both the number of items and the balance are steadily increasing. The inventory balance per item as of the end of Q2 was ¥250 million and has remained at the mid-¥250 million level since hitting ¥240 million at the end of FY09/2024Q2, just before the integration.

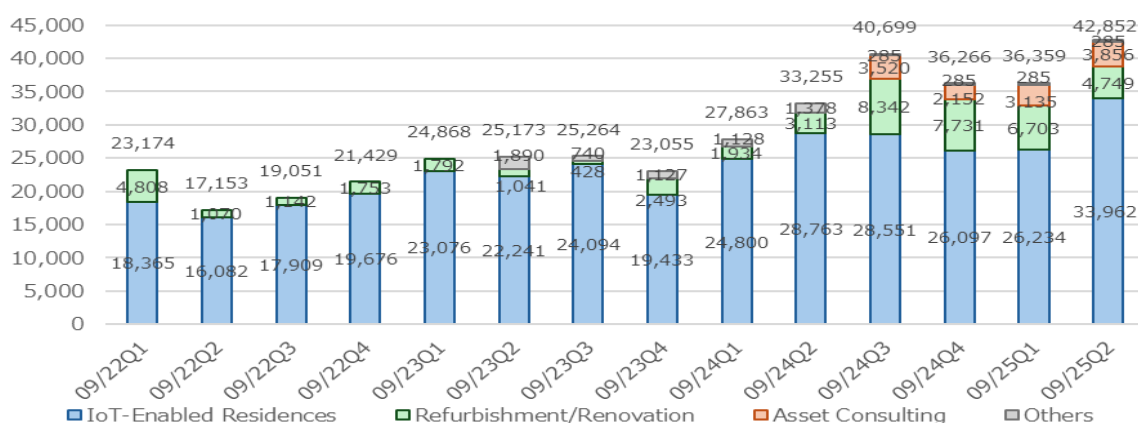
Figure 7. Quarterly Trends in Inventory Numbers in Life Platform Business (# Units)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings.

Source: Company Data. Compiled by Strategy Advisors.

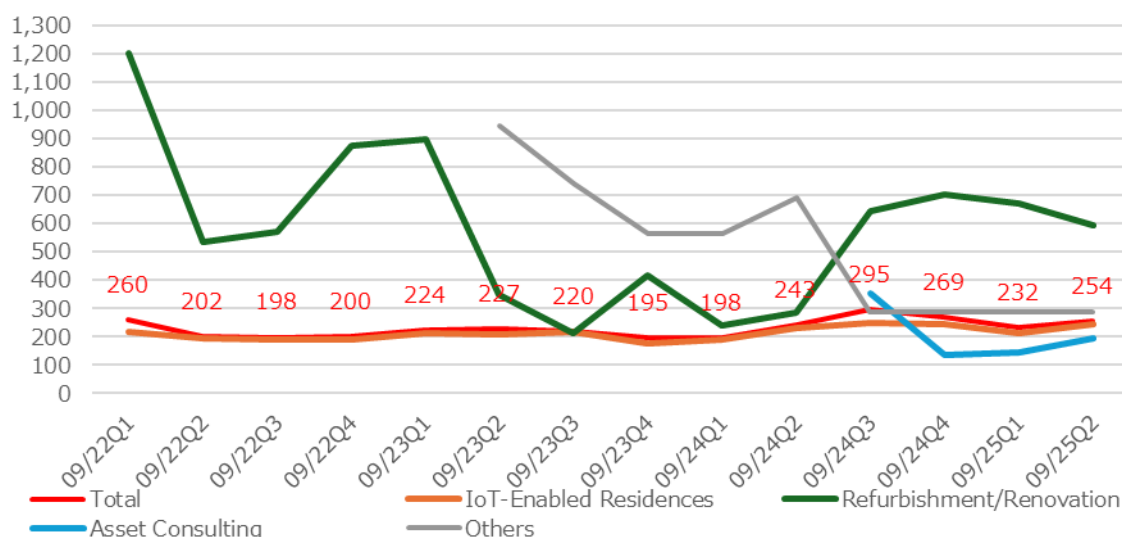
Figure 8. Quarterly Changes in Inventory Balance in Life Platform Business (¥mn)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings. Inventory balance is the sum of real estate for sale , real estate for sale in progress and advance payments .

Source: Company Data. Compiled by Strategy Advisors.

Figure 9. Quarterly Trends in Inventory Balance per Unit in the Life Platform Business (¥mn)



Note: FY09/2022 Q1 to FY09/2024 Q2 are simple sum of TASUKI (TASUKI consolidated minus TASUKI Proce) and SHIN-NIHON TATEMONO (non-consolidated). Past results for SHIN-NIHON TATEMONO and other companies are shown based on September fiscal year endings. Inventory balance is the sum of real estate for sale , real estate for sale in progress , and advance payments .
Source: Company Data. Compiled by Strategy Advisors.

3. Recent Trends in the Finance Consulting Business

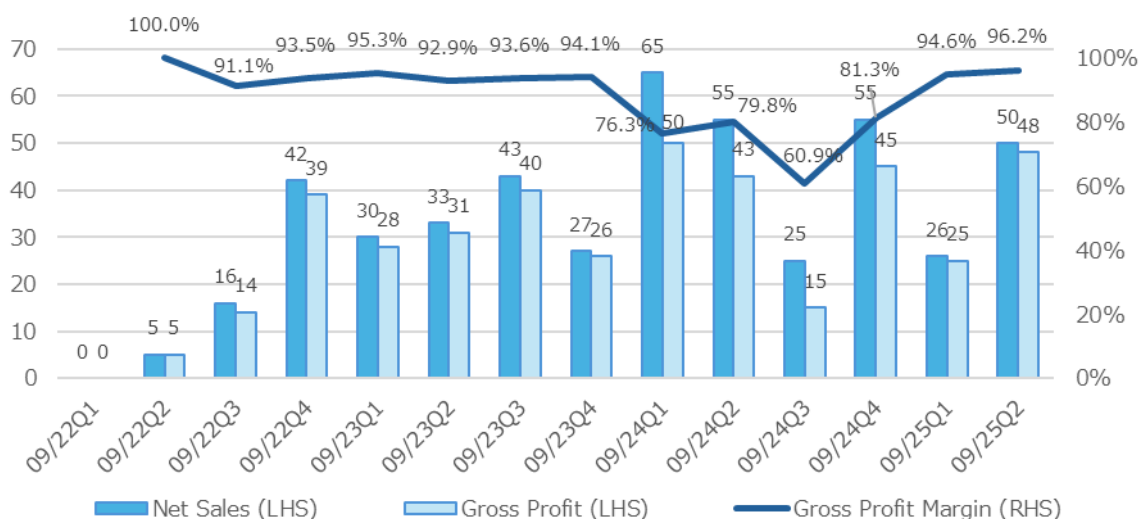
Business Loan Services Provided by TASUKI Proce

The Finance Consulting business is handled by TASUKI Proce, a consolidated subsidiary established in 2021, and provides business loan services to real estate businesses.

The company is able to conduct unique collateral evaluations utilizing the know-how it has cultivated as a real estate developer and is able to provide loans to recently established companies and small and medium-sized enterprises. The cumulative amount of real estate loans originated by the Finance Consulting business expanded to ¥926.6 billion in 1H FY09/2025.

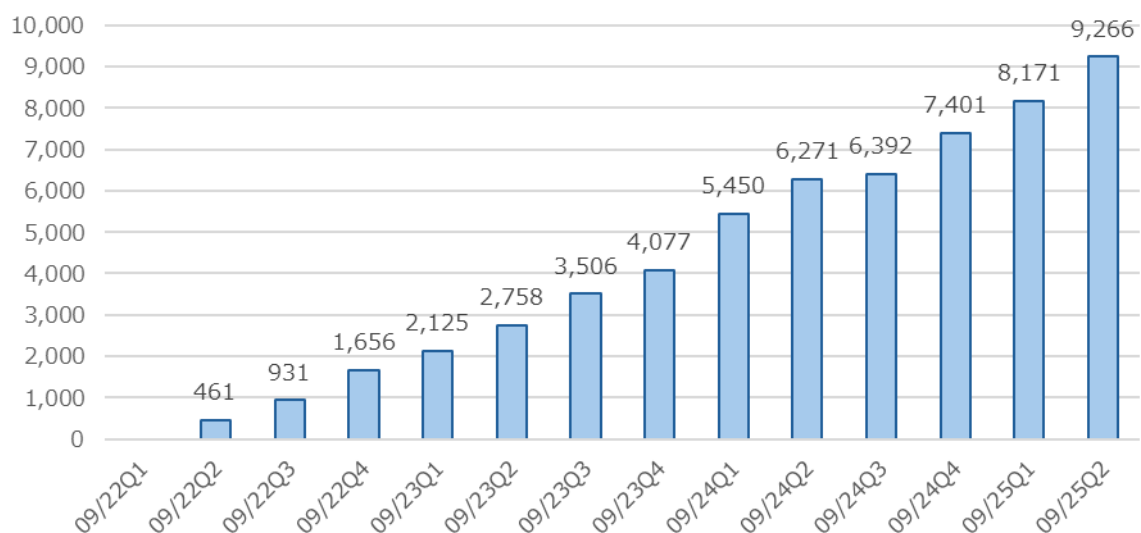
The company's revenue comes from fees and interest paid to the real estate businesses to which it lends funds. In addition, by building relationships with the real estate businesses to which it lends funds, it also indirectly contributes to its performance by connecting them to other businesses.

Figure 10. Quarterly Trends in Sales and Gross Profit for Finance Consulting Business (¥mn)



Source: Company Data. Compiled by Strategy Advisors.

Figure 11. Quarterly Trends in Cumulative Real Estate Loan Execution Amount in Finance Consulting Business (¥mn)



Source: Compiled by Strategy Advisors based on company documents and interviews with the company

4. Recent Trends in the SaaS Business

**Subsidiary
ZISEDAI
Operates a SaaS
Business that
Provides the
Value Through
Streamlining
Operations for
Real Estate
Companies**

This business develops and sells DX products for the real estate industry and is run by the subsidiary ZISEDAI. The service it provides is a SaaS for real estate procurement and development, and it provides value mainly in the form of improved operational efficiency to its main customers, real estate businesses. Currently, ZISEDAI sells the following services to outside parties: the real estate value distribution platform "ZISEDAI LAND" and the AI service for automatic generation of architectural plans "ZISEDAI TOUCH & PLAN". As the amount is still small, this business is not consolidated as of FY09/2025Q2.

**Real Estate Value
Distribution
Platform
"ZISEDAI LAND"**

1) "ZISEDAI LAND"

"ZISEDAI LAND" is a cloud-based property management service that allows you to manage property information in real time on the cloud and share it within your company. Property information can be viewed from anywhere inside or outside the company, making it possible to visualize purchasing operations and significantly improve work speed.

For example, when purchasing real estate, the work of the person in charge is complicated. Conventionally, the information written on paper at the purchasing site had to be entered into Excel or other programs when returning to the company. Under such management, it becomes difficult to share information within the company and accidents may occur, such as different people in the company trying to handle the same project.

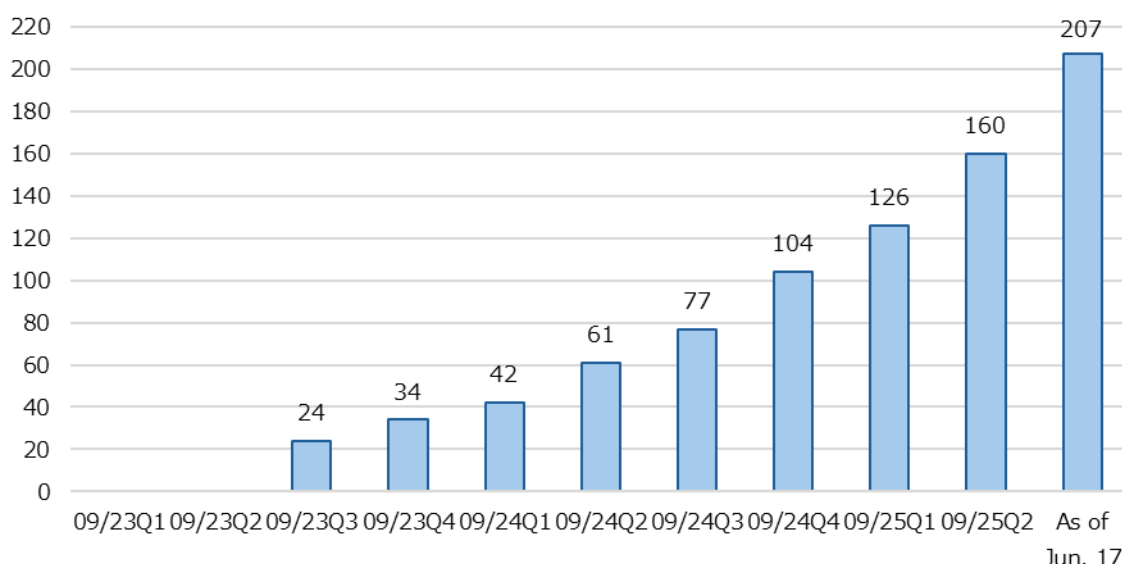
"ZISEDAI LAND" allows you to manage property information on the cloud and share it within your company. What's more, it has a function that automatically obtains the latest information on various legal restrictions, such as urban planning, so you can compare it with information that has already been accumulated, making the information even more valuable.

In addition, since "ZISEDAI LAND" is a cloud-based service, it has the advantage of being easy to add functions and services. In fact, on June 25, 2025, the development of "Sales Z", a sales AI agent that analyzes registered property information and selectively provides information to businesses that are likely to be interested; plus, the addition of new functions to "Direct Buying and Selling" which matches the needs of both sellers and buyers in real estate transactions by incorporating "Sales Z" were announced. These will provide new value to businesses that use the service by reducing sales costs while increasing the number of transactions. Therefore, it is thought that "ZISEDAI LAND" is evolving into a platform that not only improves business efficiency but also has the function of promoting sales.

The pricing structure for "ZISEDAI LAND" is ¥300,000 per company for the introductory fee and ¥50,000 (Standard) or ¥100,000 (Enterprise) per month. In addition, optional features such as AI-OCR generation (¥100,000 per month + ¥30 per item per pay-per-use charge) and automatic registration information acquisition (¥30,000 per month + actual cost per pay-per-use charge) can be added.

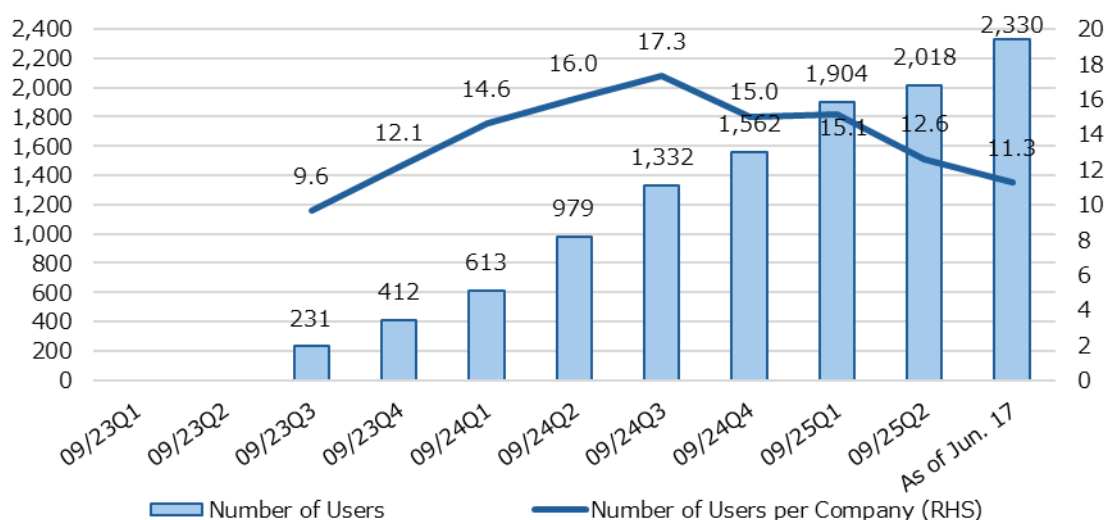
The number of customers exceeded 100 companies about a year and a half after the service started, reaching 160 companies in FY09/2025Q2 and 207 companies as of June 17, 2025. The number of users per company increased until FY09/2024Q3, but then began to decrease, fluctuating between 15 people in FY09/2024Q4 and FY09/2025Q1, 12.6 people in FY09/2024Q2 and 11.3 people as of June 17, 2025. The reason for the recent large decrease in the number of users per company is the strengthening of the policy to quickly gain market share and the intentional targeting of small and medium-sized businesses that are quick to make adoption decisions as customers.

Figure 12. Number of Companies Introducing "ZISEDAL LAND" (Unit: Companies)



Source: Company Data. Compiled by Strategy Advisors.

Figure 13. Changes in the Number of " ZISEDAL LAND" Users (Unit: Persons)



Source: Company Data. Compiled by Strategy Advisors.

"ZISEDAI TOUCH & PLAN" - An AI Service for Automatically Generating Architectural Plans

2) "ZISEDAI TOUCH & PLAN"

"ZISEDAI TOUCH & PLAN" is an AI service that automatically generates architectural plans, automatically obtaining building regulations and automatically calculating the optimal volume plan. By using "ZISEDAI TOUCH & PLAN", it is possible to automate the volume check work and the associated document creation work, which are essential for considering business commercialization, therefore it is possible to significantly reduce the cost and time of business consideration compared to requesting it from a design office. "ZISEDAI TOUCH & PLAN" is offered as an option for the enterprise version of "ZISEDAI LAND". The fee is ¥100,000 per account per month.

5. FY09/2025 Financial Outlook

FY09/2025 Company Forecasts Unchanged

For FY09/2025, the company forecasts sales of ¥76.0bn (+60.2 % YoY), operating profit of ¥8.65bn (+112.8%), EBITDA of ¥8.9bn (+62.5%) and profit attributable to owners of parent of ¥4.75bn (+114.2%). FY09/2025 is expected to be weighted towards the fourth quarter, with the company's full-year forecast remaining unchanged as of the 1H results announcement.

The FY09/2024 results include the 12-month results of TASUKI and TASUKI Proce, as well as six months of SHIN-NIHON TATEMONO (April-September 2024) and five months of AURA (May-September 2024). Both sales and profits are expected to increase significantly as SHIN-NIHON TATEMONO and AURA's performance will contribute throughout the year and the factor behind the increase in cost of sales due to the aforementioned PPA will be almost eliminated.

Figure 14. Sales and Profit Trends

(¥mn)	09/21 TASUKI (P) (Pre- Integration)	09/22 TASUKI (C) (Pre- integration)	09/23 TASUKI (C) (Pre- integration)	09/23 *Ref Point	09/24 TASUKI HD (Post)	09/25 CoE (Post)
Net Sales	9,190	12,276	18,565	36,308	47,455	76,000
% Change	30.8%	33.6%	51.2%	-	30.7%	60.2%
EBITDA	-	-	-	4,452	5,478	8,900
% Change	-	-	-	-	23.0%	62.5%
EBITDA Margin	-	-	-	12.3%	11.5%	11.7%
Operating Profit	1,250	1,714	2,430	4,415	4,065	8,650
% Change	116.0%	37.1%	41.7%	-	-7.9%	112.8%
OP Margin	13.6%	14.0%	13.1%	12.2%	8.6%	11.4%
Profit Attributable to Owners of Parent	794	1,088	1,537	2,866	2,217	4,750
% Change	140.3%	37.0%	41.3%	-	-22.7%	114.2%
NP Margin	8.6%	8.9%	8.3%	7.9%	4.7%	6.3%

Note: September 2022, for which consolidated results were disclosed, is a comparison with non-consolidated results for the fiscal year ending September 2021. "Reference" for the fiscal year ending September 2023 is a simple sum of TASUKI and TASUKI Proce's full fiscal year ending September 2023 and SHIN-NIHON TATEMONO's first half of the fiscal year ending March 2024. FY09/2024, when TASUKI Holdings was established, is compared with FY09/2023 (Reference)
Source: Company Data. Compiled by Strategy Advisors.

Pipeline is Progressing Smoothly

Regarding the pipeline that will be the source of future earnings, in IoT and refining, 74 cases have been completed in 1H, out of the 137 cases expected for FY09/2025, with the progress rate at 54.0%. In addition, the asset consulting pipeline has increased to 20 cases as of the end of H1.

The Impact of PPA, Which Reduced Profits in FY09/24, Will Disappear & the Operating Profit Margin Will Increase

The company expects EBITDA margin to increase 0.2% YoY to 11.7% and operating profit margin to be +2.8% at 11.4% for FY09/2025. The difference in the changes in EBITDA margin and operating profit margin are due to the purchase price allocation (PPA) that occurred in FY09/2024.

PPA is called "allocation of acquisition cost" and is an accounting procedure that appropriately allocates the consideration (acquisition cost) paid when acquiring a company or business to the assets and liabilities of the acquired company. Following the business integration, the company revalued the inventory and fixed assets held by the acquired company, SHIN-NIHON TATEMONO, and the increase in the valuation was allocated to SHIN-NIHON TATEMONO's inventory and fixed assets. Due to the sale and transfer of SHIN-NIHON TATEMONO's inventory after the business integration, the allocation of the acquisition cost due to the revaluation was reversed and the amount recorded as an expense increased. Most of this expense will be completed in FY09/2024, and the impact on FY09/2025 is expected to be minor. The elimination of the impact of the PPA will be a factor in increasing the operating profit margin in FY09/2025.

In addition, because the expense recognition through PPA is a one-time non-cash transaction, it will not affect EBITDA and therefore the change in EBITDA margin is expected to be small.

Dividend Expected to Increase Significantly in FY09/2025

The company forecasts a dividend per share of ¥35.0 (year-end only), up ¥19.0 from the previous fiscal year, for FY09/2025. The company plans to pay progressive dividends and aims for a dividend payout ratio of 35% or more of net income per share excluding non-cash transactions (amortization of goodwill associated with M&A, etc.). Based on net income including non-cash transactions, the dividend payout ratio is expected to be 38.0% for FY09/2025, compared to 30.0% for FY09/2024.

6. Topics

1) Measures to Increase Gross Profit Margins for Projects Handled by SHIN-NIHON TATEMONO

Upside in Gross Profit Margins in SHIN-NIHON TATEMONO Projects

In the Life Platform business, IoT Residences are being developed by TASUKI and SHIN-NIHON TATEMONO, but the gross profit margin is higher for projects handled by TASUKI. In other words, there is room to increase the gross profit margin for projects handled by SHIN-NIHON TATEMONO and the company is working on measures to achieve this.

SHIN-NIHON TATEMONO Commercializing Compact-Sized Land

In the IoT Residence business, SHIN-NIHON TATEMONO has always specialized in large-scale residences, but in the 23 wards of Tokyo, where the company is based, competition for purchases has intensified due in part to rising real estate prices. As a result, the company is promoting the commercialization of compact-sized sites with sales prices of ¥300 to 500 million, which is less competitive. As part of this, SHIN-NIHON TATEMONO

has strengthened the development of its "Renai Court" series of wooden residences for investment and added a 5-story model to the "Renai Court" series (previously only 4-story models were available). The 5-story wooden model can be built in about 2/3 the time and in about 1/2 the cost compared to SHIN-NIHON TATEMONO's previous reinforced concrete residences of the same size and is expected to be a model that combines environmental friendliness through low-carbon construction with profitability through short construction times, low costs and high floor area ratios.

2) Utilizing Funds

Currently, On-Balance Funds Are the Focus

The company currently manages the on-balance fund "TASUKI FUNDS" crowdfunding and a real estate private placement fund for specified investors. Crowdfunding has a track record of 12 funds to date, with the number of deals formed in 1H reaching 6, 3x the number in the same period last year and the value of deals increased by 108.5% to ¥2.96 billion.

Off-Balance Sheet Funds Are Showing Signs of Becoming More Common

Going forward, the company is looking to begin forming off-balance funds in earnest. The company has already formed two real estate private placement funds and one trust beneficiary rights private placement fund using off-balance schemes. With the addition of the development fund announced in the most recent Q2 financial results; if off-balance funds are formed in earnest, the company's real estate holding risk will be significantly reduced and the efficiency of capital turnover will increase, which is expected to significantly improve the company's financial position.

3) Issuance of Stock Acquisition Rights in February 2025 & Beyond

25% of Stock Acquisition Rights Issued in February 2025 Will Be Exercised by the End of May

The company issued stock acquisition rights in February 2025 (disclosed on January 24th). A total of 100,000 stock acquisition rights were issued, of which 22,000 had been exercised by the end of March and 25,000 by the end of May, raising ¥1.505 billion by the end of May.

If all 100,000 options are exercised, 10,000,000 shares will be issued, resulting in a 19.4% dilution. The funds raised through the exercise will be approximately ¥7.9 billion, of which approximately ¥4.7 billion will be used for purchases and approximately ¥3 billion for future M&A, etc.

The company needs to continue to expand its purchasing in order to expand its business. As sales increase, inventory also increases, but before the business integration, TASUKI's inventory at the end of each fiscal year was within the range of its interest-bearing liabilities. The latest issue of stock acquisition rights to raise funds appears to have been undertaken in consideration of the possibility of future interest rate increases, but it is possible that the company has changed its policy to have inventory that exceeds the total amount of its interest-bearing liabilities. This is a policy to accelerate future growth and it can also be seen as an indication of the company's confidence that it can make purchases commensurate with its growth.

On the other hand, investors' concerns that the company will continue to raise funds and this will result in more dilution in order to acquire funds for purchasing purposes cannot

be dispelled and this is thought to be one of the reasons why the relative stock price is below that of TOPIX.

7. Stock Price Trends

In order to see the stock price trends of the company after it becomes TASUKI Holdings in April 2024, with Figure 15 showing the stock price trends of major real estate finance companies and TOPIX Index (Tokyo Stock Price Index), with the stock price at the end of March 2024 set as 100.

Stock Markets Experienced 2 Periods of Volatility Since 2024

The Japanese stock market was on an upward trend since earlier 2024, driven by large-cap stocks since the previous year and hit its highest price since the beginning of the year in July. It then turned downward and after a sudden drop and recovery due to the sudden appreciation of the yen in August, it has remained in a stalemate. Then, in April 2025, when U.S. President Trump announced mutual tariffs, uncertainty about the content and impact of the policy suddenly increased and stock prices around the world fluctuated wildly.

Since Disclosing the Issuance of Stock Acquisition in Jan 25, the Relative Stock Price Has Remained Below TOPIX

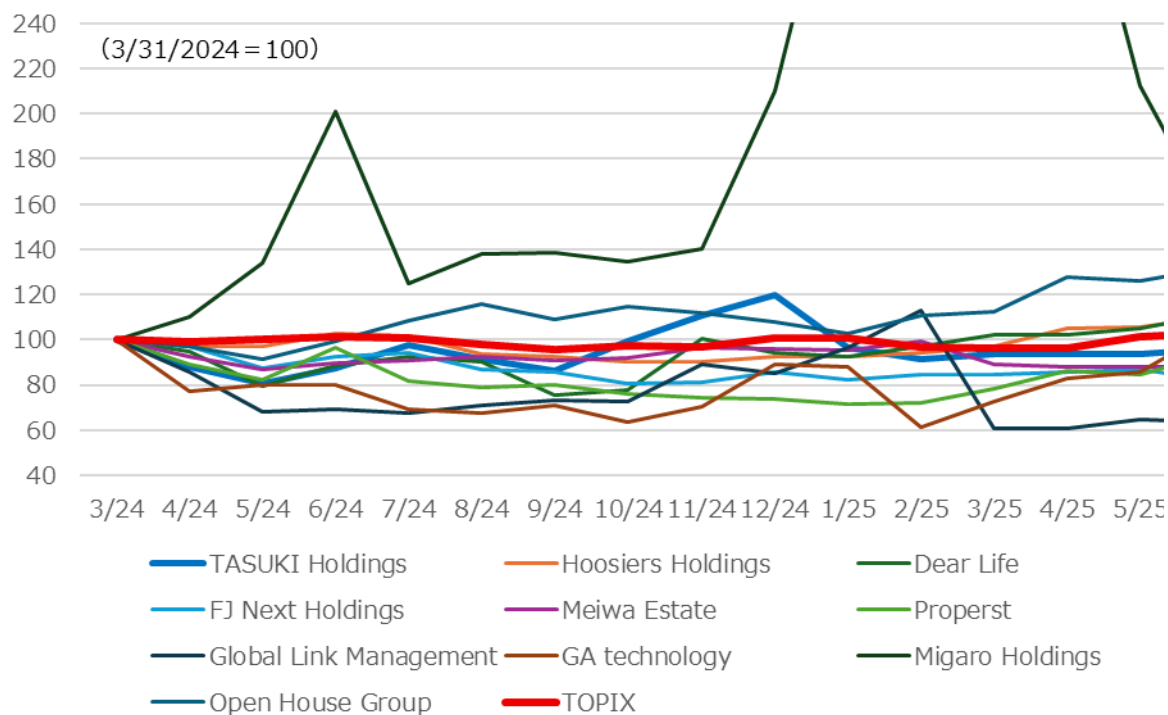
Looking at the period since April 2024, when the company became TASUKI Holdings, it has continued to be affected by short-term performance. However, when it announced that its FY2033 target had been raised following the business integration, the company's relative stock price exceeded TOPIX due to expectations for performance at one time. However, when the issuance of a large stock acquisition right was disclosed on January 24, 2025, the company's stock price fell due to concerns about dilution of shares and the relative stock price once again fell below TOPIX.

The reason why the share price of Migaro Holdings, one of the companies used for comparison, has risen sharply in 2024 is thought to be due to the fact that it has shown high sales growth in its digital transformation promotion business and that the CEO's plan to sell shares was withdrawn following feedback from shareholders, which has eased concerns about a worsening supply and demand situation.

Since TASUKI's Listing in Oct 20, its Valuation has Been Adjusting

Currently, the company's PER is 7.6x and its PBR is 1.7x. Since TASUKI's listing in October 2020, its stock price has adjusted to a level that makes it appear cheap in terms of valuation. Companies with lower PER's than the company are Hoosiers Holdings (3284 TSE Prime), FJ Next Holdings (8935 TSE Prime) and Properst (3236 TSE Standard), while Hoosiers Holdings, FJ Next Holdings, Meiwa Real Estate (8869 TSE Standard), Properst and Global Link Management (3486 TSE Prime) have lower PBR.

Figure 15. Stock Price Trends of Listed Companies That Provide Urban Compact Apartments and Those That Utilize Real Estate DX (Since April 2024)



Note: TASUKI Holdings' stock price at the end of March 2024 is substituted with the stock price on April 1, 2024. The number of shares in Migaro Holdings exceeds 2 4 0 and cannot be included in the chart.

Source: Strategy Advisors.

TASUKI Holdings | 166A (TSE Growth)

Figure 16. Profitability Comparison with Peer Companies

Company	Code	FY	Sales (¥mn)	Sales Growth Rate (%)	OP (¥mn)	OP Growth Rate (%)	Sales OP Margin (%)	ROE (%)	ROIC (%)	Equity Ratio (%)
TASUKI Holdings	166A	2024/09	47,455	56.1	4,065	57.1	8.6	10.4	5.2	35.9
Hoosiers Holdings	3284	2025/03	92,153	1.6	9,227	6.6	10.0	13.5	4.5	23.4
Dear Life	3245	2024/09	46,880	18.7	4,619	6.7	9.9	13.1	7.7	52.5
FJ Next Holdings	8935	2025/03	112,429	5.8	9,488	-1.8	8.4	9.2	7.6	69.1
Meiwa Estate	8869	2025/03	79,902	14.5	5,240	26.2	6.6	8.8	3.9	22.3
Properst	3236	2024/05	23,301	5.3	3,056	17.3	13.1	18.9	7.5	32.8
Global Link Management	3486	2024/12	64,482	20.8	5,732	29.6	8.9	33.3	12.5	31.9
GA technology	3491	2024/10	189,883	37.0	3,878	26.6	2.0	8.5	4.6	29.6
Migaro Holdings	5535	2025/03	51,709	17.9	2,713	7.3	5.2	12.9	3.9	20.5
Open House Group	3288	2024/09	1,295,862	19.1	119,088	15.6	9.2	21.1	7.8	36.2
Average	-	-	-	19.7	-	19.1	8.2	15.0	6.5	35.4
Median	-	-	-	18.3	-	16.4	8.7	13.0	6.4	32.3

Note: Growth rate is the average of the past five fiscal years. For TASUKI Holdings, the figures for five fiscal years prior are TASUKI's performance. For Migaro Holdings, the figures for five fiscal years prior are Property Agent's performance.

Source: Strategy Advisors.

Figure 17. Comparison with Peer Companies

Company	Code	FY	Stock Price (Jul. 14)	Market Cap (¥mn)	PER CoE (x)	PBR Actual (x)	Dividend Yield CoE (%)	ROE Actual (%)
TASUKI Holdings	166A	2024/09	684	37,020	7.6	1.7	5.1	10.4
Hoosiers Holdings	3284	2025/03	1,316	46,786	7.2	1.1	5.6	13.5
Dear Life	3245	2024/09	1,267	55,159	-	2.2	4.9	13.1
FJ Next Holdings	8935	2025/03	1,223	40,030	6.1	0.5	4.6	9.2
Meiwa Estate	8869	2025/03	947	22,205	7.7	0.7	4.8	8.8
Properst	3236	2024/05	210	7,016	3.8	0.7	1.9	18.9
Global Link Management	3486	2024/12	2,120	34,012	8.3	1.5	3.4	33.3
GA technology	3491	2024/10	1,992	81,694	24.5	3.2	0.0	8.5
Migaro Holdings	5535	2025/03	970	57,092	43.7	5.1	0.8	12.9
Open House Group	3288	2024/09	6,738	776,320	7.8	1.7	2.6	21.1

Note: ROE is not applicable to companies that posted a loss in their most recent fiscal period. The figures for Market Cap. based on outstanding shares excl. treasury stocks.

Source: Strategy Advisors.

TASUKI Holdings | 166A (TSE Growth)

Figure 18. Half- Year/Quarterly Performance Trends

(¥mn)	TASUKI			TASUKI HD	
	09/23		09/24	H2	09/25
	H1	H2	H1		H1
Income Statement					
Net Sales	6,808	11,757	11,216	-	33,567
Cost of Sales	4,951	9,515	9,102	-	27,461
Gross Profit	1,857	2,242	2,114	-	6,106
Gross Profit Margin	27.3%	19.1%	18.8%	-	18.2%
SG&A Expenses	719	950	843	-	2,600
SG&A Ratio	10.6%	8.1%	7.5%	-	7.7%
Operating Profit	1,138	1,292	1,271	-	3,505
Operating Profit Margin	16.7%	11.0%	11.3%	-	10.4%
Non-Operating Income/ Loss es	-98	-104	-123	-	-370
Ordinary Profit	1,040	1,188	1,147	-	3,134
Ordinary Profit Margin	15.3%	10.1%	10.2%	-	9.3%
Extraordinary Profit / Loss es	0	22	0	-	1
Profit before income tax	1,040	1,166	1,147	-	3,136
Total Income Taxes	322	346	330	-	1,329
(Corporate Tax Rate)	31.0%	29.7%	28.8%	-	42.4%
Profit Attributable to Owners of Parent	718	820	817	-	1,806
Net Profit Margin	10.5%	7.0%	7.3%	-	5.4%

(¥mn)	TASUKI						TASUKI HD			
	09/23		09/24		09/24		09/24		09/25	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Income Statement										
Net Sales	3,418	3,390	5,114	6,643	5,426	5,790	-	20,781	16,959	16,608
Cost of Sales	2,454	2,497	4,146	5,369	4,518	4,583	-	18,152	13,646	13,815
Gross Profit	964	893	968	1,274	908	1,206	-	2,629	3,313	2,793
Gross Profit Margin	28.2%	26.3%	18.9%	19.2%	16.7%	20.8%	-	12.7%	19.5%	16.8%
SG&A Expenses	368	351	339	611	425	418	-	1,549	1,176	1,424
SG&A Ratio	10.8%	10.4%	6.6%	9.2%	7.8%	7.2%	-	7.5%	6.9%	0.9%
Operating Profit	597	541	629	663	483	788	-	1,079	2,137	1,368
Operating Profit Margin	17.5%	16.0%	12.3%	10.0%	8.9%	13.6%	-	5.2%	12.6%	8.2%
Non -Operating Income/ Loss es	-41	-57	-50	-54	-58	-66	-	201	-156	-214
Ordinary Profit	556	484	579	609	425	722	-	878	1,981	1,154
Ordinary Profit Margin	16.3%	14.3%	11.3%	9.2%	7.8%	12.5%	-	4.2%	11.7%	6.9%
Extraordinary Profit / Loss es	0	-0	-2	-20	0	0	-	2	0	1
Profit before income tax	556	484	577	589	425	722	-	880	1,981	1,155
Total Income Taxes	172	150	178	168	133	197	-	399	783	546
(Corporate Tax Rate)	30.9%	31.0%	30.8%	28.5%	31.3%	27.3%	-	45.3%	39.5%	47.3%
Profit Attributable to Owners of Parent	384	334	399	421	292	525	-	481	1,198	609
Net Profit Margin	11.2%	9.9%	7.8%	6.3%	5.4%	9.1%	-	2.3%	7.1%	3.7%

Note: Due to the business integration in April 2024, figures for TASUKI Holdings are from FY09/2024H2 onwards or FY09/2024Q3 onwards. No figures for FY09/2024H2 and FY09/2024Q3 due to business integration during the period.

Source: Company Data. Compiled by Strategy Advisors.

TASUKI Holdings | 166A (TSE Growth)

Figure 19. Income Statement (¥mn)

FY	TASUKI (P) 09/18	TASUKI (P) 09/19	TASUKI (P) 09/20	TASUKI (P) 09/21	TASUKI (C) 09/22	TASUKI (C) 09/23	TASUKI HD 09/24	TASUKI HD 09/25 CoE
Net Sales	3,117	5,118	7,027	9,190	12,276	18,565	47,455	76,000
Cost Of Sales	2,578	3,983	5,623	6,967	9,321	14,466	39,483	
Gross Profit	538	1,135	1,404	2,222	2,955	4,099	7,972	
Gross Profit Margin	17.3%	22.2%	20.0%	24.2%	24.1%	22.1%	16.8%	
SG&A Expenses	365	710	825	972	1,241	1,669	3,907	
Operating Profit	173	424	579	1,250	1,714	2,430	4,065	8,650
Operating Profit Margin	5.6%	8.3%	8.2%	13.6%	14.0%	13.1%	8.6%	11.4%
Non-Operating Income	1	2	31	1	6	13	29	
Non-Operating Expenses	66	96	88	140	150	215	534	
Ordinary Profit	108	330	522	1,112	1,570	2,228	3,560	7,550
Ordinary Profit Margin	3.5%	6.4%	7.4%	12.1%	12.8%	12.0%	7.5%	9.9%
Extraordinary Profit	0	-	-	26	14	-	1	
Extraordinary Losses	2	0	-	2	14	22	0	
Profit Before Income Tax	106	329	522	1,135	1,570	2,206	3,561	
Income Taxes (Current)	46	113	192	360	504	694	1,689	
Income Taxes (Deferred)	-13	-4	-1	-18	-22	-26	-488	
Total Corporate Tax, etc.	32	108	191	341	482	668	1,200	
(Corporate Tax Rate)	31.1%	32.7%	36.6%	30.0%	30.7%	30.3%	33.7%	
Profit Attributable to Owners of Parent	73	221	330	794	1,088	1,537	2,217	4,750
Net Profit Margin	2.3%	4.3%	4.7%	8.6%	8.9%	8.3%	4.7%	6.3%
EPS (¥)	25.41	69.32	70.25	72.94	92.69	117.98	53.39	89.81
Tangible and Intangible Fixed Asset Investments	9	79	30	31	13	38	11	
Depreciation and Goodwill Amortization	3	7	11	8	9	8	195	
Cash Flow	76	229	342	803	1,098	1,546	2,412	
CFPS (¥)	9.5	28.6	68.4	136.8	93.5	109.7	46.8	
ROE	-	37.7%	23.2%	30.4%	-	28.0%	-	
ROIC (Invested Capital)	-	9.3%	9.2%	12.7%	-	12.5%	-	
ROIC (Business Assets)	-	10.8%	13.6%	21.1%	-	21.6%	-	
DPS (¥)	0.00	0.00	26.00	52.00	33.00	50.00	16.00	35.00
Average Number of Shares During the Period (Million Shares)	2.8	3.2	4.7	5.4	11.7	13.0	41.5	
End of Period Shares (Million Shares)	8.0	8.0	5.0	5.8	11.7	14.0	51.5	

Note: Up until FY21 / 9, TASUKI's standalone results are disclosed, from FY22/9 to FY23/9, TASUKI's consolidated results are disclosed, and from FY09/2024 onwards, TASUKI Holdings' consolidated results are disclosed.

A 2.5:1 reverse stock split was carried out on June 12, 2020, and a 1:2 stock split was carried out on December 10, 2021, and EPS and other figures have been adjusted retroactively.

Source: Company Data. Compiled by Strategy Advisors.

Figure 20. Balance Sheet (¥mn)

FY	TASUKI (P)	TASUKI (P)	TASUKI (P)	TASUKI (P)	TASUKI (C)	TASUKI (C)	TASUKI HD
	09/18	09/19	09/20	09/21	09/22	09/23	09/24
Current Assets	3,313	3,684	5,068	9,412	12,072	16,925	53,172
Cash and Deposits	515	574	2,485	3,253	3,711	6,228	14,430
Accounts Receivable	-	-	-	-	-	-	-
Inventories	2,731	2,996	2,458	5,896	7,052	9,114	35,496
Short -Term Loans	-	-	-	-	1,145	1,289	1,964
Others	65	112	125	263	163	293	1,280
Fixed Assets	80	170	186	496	548	561	6,223
Tangible Fixed Assets	30	84	91	85	15	21	1,546
Intangible Fixed Assets	3	32	39	35	98	4	3,352
Investments and Other Assets	45	52	54	375	433	535	1,325
Investment Securities	-	-	-	300	319	355	844
Deferred Tax Assets	13	18	19	38	61	86	232
Others	31	33	35	37	53	93	247
Total Assets	3,392	3,854	5,255	9,909	12,621	17,487	59,415
Current Liabilities	1,358	2,568	1,543	2,101	5,459	3,855	16,139
Accounts Payable for Construction Contracts	54	34	79	41	84	137	477
Accounts Payable - Others	27	46	57	65	141	82	1,018
Interest-Bearing Debt	1,183	2,305	1,186	1,622	4,615	2,946	12,189
Short-Term Borrowings	411	604	326	194	1,261	1,059	5,802
Current Portion of Long-Term Borrowings	772	1,701	861	1,429	3,354	1,887	6,388
Unpaid Corporate Taxes	49	115	156	283	345	480	61
Others	42	66	62	88	271	209	2,454
Non-Current Liabilities	1,556	586	1,557	4,728	3,299	6,504	21,346
Interest-Bearing Debt	1,527	547	1,495	4,700	3,255	6,422	21,031
Others	29	39	61	27	44	81	315
Total Net Assets	477	699	2,155	3,079	3,862	7,127	21,929
Shareholders' Equity	477	699	2,155	3,079	3,862	7,127	21,306
Capital and Surplus	400	400	1,525	1,784	1,784	4,194	16,938
Retained Earnings	77	299	630	1,294	2,078	2,932	4,375
Treasury Shares	-	-	-	-	-0	-0	-7
Accumulated Other Comprehensive Income	-	-	-	-	-	-	-5
Stock Acquisition Rights	-	-	-	-	-	-	-
Non -Controlling Interests	-	-	-	-	-	-	628
Total Liabilities and Net Assets	3,392	3,854	5,255	9,909	12,621	17,487	59,415
Interest Bearing Debt	2,711	2,853	2,682	6,323	7,871	9,369	33,220
Equity Ratio	14.1%	18.2%	41.0%	31.1%	30.6%	40.8%	35.9%
D/E Ratio	5.73	4.10	1.27	2.06	2.04	1.31	1.56

Note: Up until FY21 / 9, TASUKI's standalone results are disclosed, FY22/9-FY23/9 are disclosed as consolidated results, and FY09/2024 and onwards, TASUKI Holdings' consolidated results are disclosed.

Source: Company Data. Compiled by Strategy Advisors.

Figure 21. Cash Flow Statement (¥mn)

FY	TASUKI (P) 09/18	TASUKI (P) 09/19	TASUKI (P) 09/20	TASUKI (P) 09/21	TASUKI (C) 09/22	TASUKI (C) 09/23	TASUKI HD 09/24
Cash Flows from Operating Activities							
Profit Before Taxes	106	329	522	1,135	1,570	2,206	3,561
Depreciation	3	6	11	8	9	8	195
Working Capital	-1,713	-287	517	-3,476	-1,112	-2,009	-3,624
Others	61	4	-95	-313	-160	-653	-1,480
Total	-1,543	52	955	-2,646	307	-448	-1,348
Cash Flows from Investing Activities							
Purchase of Tangible Assets	-9	-59	-11	0	72	-13	-6
Purchase of Intangible Assets	-0	-19	-18	-31	-84	-24	-5
Purchase of Investments	-	-	-	-288	-0	53	-29
Others	-27	-36	33	42	-1,159	-159	-2,583
Total	-36	-115	3	-277	-1,172	-144	-2,624
Cash Flows from Financing Activities							
Net Increase/Decrease in Short-Term Borrowings	164	432	-241	-44	1,245	27	798
Net Increase/Decrease in Long-Term Borrowings	1,503	-288	73	3,678	306	1,470	7,548
Issuance of Shares	100	-	1,110	256	-	2,349	-
Expenditures for or Acquisition of Treasury Stock	-	-	-	-0	-	-	-7
Dividends Paid	-	-	-	-130	-303	-683	-1,371
Others	-17	-21	10	-70	76	-54	-124
Total	1,751	122	952	3,690	1,323	3,109	6,844
Exchange Differences on Cash	-	-	-	-	-	-	-
Cash Increase/Decrease	172	58	1,910	768	457	2,516	8,202
Cash at Beginning Balance	343	516	574	2,485	3,253	3,711	6,228
Ending Cash Balance	515	574	2,485	3,253	3,711	6,228	14,430

Note: Up until FY21 / 9, TASUKI's standalone results are disclosed, FY22/9-FY23/9 are disclosed as consolidated results, and FY09/2024 and onwards, TASUKI Holdings' consolidated results are disclosed. FY09/2024 cash increase/decrease includes increase in cash and cash equivalents due to share transfer

Source: Company Data. Compiled by Strategy Advisors.

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