Loadstar Capital K.K.

Earnings Briefing Transcript FY2026Q2

August 6, 2026

We are developing our business with the mission of "real estate x tech to open up a new market."

First, I would like to talk about the financial results highlights and topics.

Highlights of Q2 FY2026

- Actions including the sale of large-scale office buildings resulted in the sales greater than the same period of previous year. Progress is also in line with the plan.
- Property acquisition, which Loadstar is focusing on central urban areas, is strong, and real estate inventory is also increasing.

	(Billions of yen)	Y-o-Y	% of Forecast
Net Sales	28.2	+36.0%	50.4%
Operating Profit	7.8	+4.5%	49.4%
Profit Before Tax	6.7	+2.2%	50.1%
Profit	4.5	+1.3%	50.0%

	(Billions of yen)	Change from year end of prev. fiscal year
Real Estate as Inventory	98.6	+6.6%

Here are the financial highlights for the second quarter of 2026.

Net sales were 28.2 billion yen, operating profit was 7.8 billion yen, profit before tax was 6.7 billion yen, and net income was 4.5 billion yen. Due to the sales of large-scale office buildings and other factors, net sales exceeded the same period of the previous year, and the currentfiscal year plan is progressing as scheduled at approximately 50%. In addition, property acquisition has also been strong, and the balance of real estate as inventory has been steadily increasing.

Topics of Q2 FY2026

1 Acquisition of M's CROSS Ningyocho

Loadstar acquired a relatively new property with outstanding visibility from Mitsubishi Estate Co., Ltd. The property benefits from an excellent location and convenient access to transportation, and Loadstar believes it will be an asset that supports its further growth.

The acquisition highlights investment demand for centrally located, relatively new properties.

M's CROSS Ningyocho

2 Implementation of a free allotment of shares resulting in an effective dividend increase

With the aim of enhancing the liquidity of Loadstar's shares and returning value to shareholders through the effective utilization of treasury shares, a free allotment of 0.2 shares per share was carried out on July 1.
The dividend per share remains unchanged from the most recent dividend forecast (98 yen per share), representing an effective 20% increase in dividends.

The release is available via the link above

3 First project of OwnersBook⁺ made public in July

The real estate digital securities investment service "OwnersBook⁺" made its first project as Loadstar Group public in July.

Click HERE for the official website of "OwnersBook⁺".

Next, I'd like to talk about the topics.

The first is the acquisition of M's Cross Ningyocho. This property was acquired directly from Mitsubishi Estate Co., Ltd, with whom we have an established transaction track record. It is a highly visible, high-grade, relatively new building located at the corner of the Ningyocho intersection.

Second, we implemented anallotment of shares without contribution using treasury shares. The allotment was 0.2 shares per share, meaning shareholders received a free allotment equivalent to 20% of their holdings. The expected dividend per share remains unchanged from the most recent dividend forecast of 98 yen, which effectively represents a 20% increase in dividends.

Third, we have prepared new deals for Loadstar Group's real estate digital securities OwnersBook⁺, which were successfully launched to the public the other day.

Real Estate Market Outlook

Loadstar Capital

Overall Outlook

- Office supply and demand are tightening, accelerating rent increases. Investors' appetite for investment remains high, and we believe the real estate market conditions will continue to be steady.
- Global real estate investment volume increased by 18% year-on-year in Q1 2026. Investment volume in Japan also exceeded JPY 2 trillion. By sector, office assets accounted for 48% of total investment volume, the highest share on record. Among global cities, Tokyo ranked third in terms of investment volume. (Reference: JLL, "Investment Market Dynamics Q1 2026", May 13, 2026, Investment Market Dynamics – Q1 2026 | JLL Research)

Interest Rate

- While further rate hikes are possible, rent increases are expected to outpace the rise in interest rates.
- We have entered into interest rate swap contracts in past fiscal years, hedging a certain percentage of the risk of interest rate increases.
- The rise in rents and property prices due to inflation has become apparent, which is having a positive impact on our business.

Future Actions

- **While continuing to actively acquire properties, primarily focusing on offices in urban areas, we will pay close attention to the impact on the real estate market from factors such as the Bank of Japan's interest rate hike trends and U.S. policy developments.**
- **In the Asset Management business, we will focus on increasing AUM.**
- **Building on the successful execution of our first real estate STO offering, we plan to move forward with the structuring and launch of a second offering.**

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Regarding the outlook for the real estate investment market, we believe it will generally remain solid. In particular, the office sector is improving, with rents on an upward trend, and offices now account for nearly half of the total investment allocation by sector.

Regarding interest rate trends, the financial markets have reacted somewhat negatively due to the possibility of further interest rate hikes. However, we believe that the benefits of rising rents and property prices accompanying inflation outweigh the negatives.

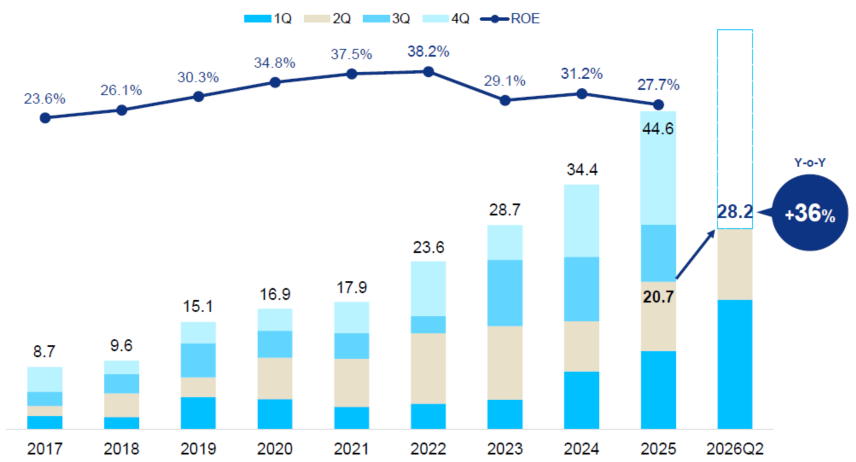
Regarding future policies, we will continue to actively acquire properties, mainly offices in Tokyo, while keeping a close eye on the Bank of Japan's interest rate hike trends and U.S. policy developments. In addition, we intendsto focus on building up AUM in its asset management business and on fundraising for real estate security token offerings.

Consolidated Sales and ROE

Loadstar Capital

- Consolidated sales increased 36% year on year to 28.2 billion yen.
- While the situation in the Middle East has had an impact on global investors, the real estate market has remained firm due to the effects of inflation.

Consolidated Sales and ROE (Billions of yen)



% of Progress vs. Plan

50.4%

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The following is a summary of the financial results.

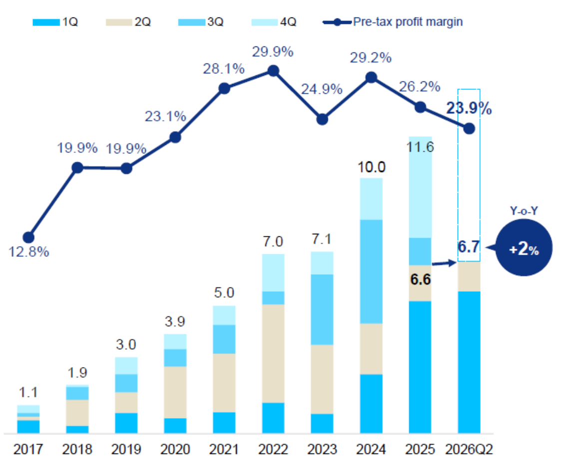
Consolidated net sales totaled 28.2 billion yen, progressing steadily at approximately 50% of the initial plan. ROE also remains at a high level of 27%.

Consolidated Profit before Income Taxes and Cost Controls

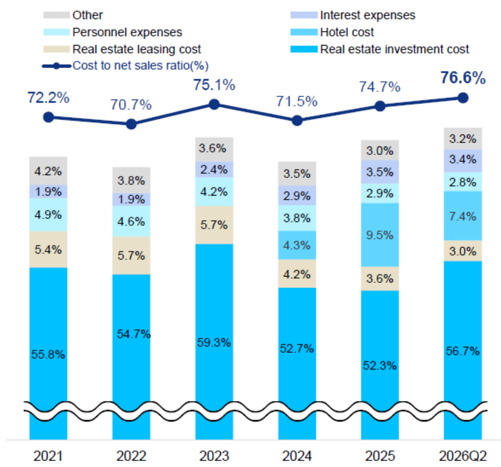
Loadstar Capital

- The consolidated profit before tax was 6.7 billion yen, up 2% year on year.
- Although the profit margin has declined, it is within the expected range, and there are no changes to the business plan.

Consolidated Profit before Income Taxes (Billions of yen)



Cost Structure



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Consolidated pre-tax profit was 6.7 billion yen, which is also approximately 50% of the initial plan. Although the profit margin has declined slightly, this is within the expected range, and there are no changes to the business plan.

Consolidated Statements of Income

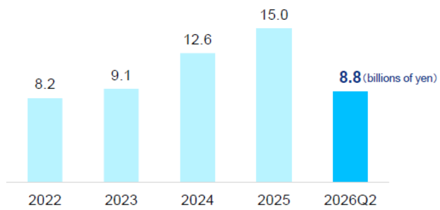
Loadstar Capital

- Both revenue and expenses are progressing according to plan.
- EBITDA and EPS are also steadily increasing.

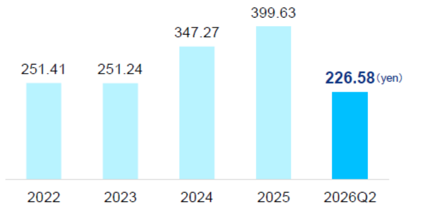
(Billions of yen)	FY2026Q1 Results				FY2026 (Forecasts)		
	Amount	% of Net sales	% Y-o-Y	Progress Vs. Original Forecast	Amount	% of Net sales	% of the Previous Fiscal year
Net Sales	**28.2**	100.0%	136.0%	50.4%	**56.1**	100.0%	125.8%
Gross Profit	9.2	32.8%	107.8%	49.3%	18.8	33.6%	122.0%
SG&A expenses	1.3	4.9%	130.5%	48.7%	2.8	5.1%	141.0%
Operating Profit	**7.8**	27.9%	104.5%	49.4%	**15.9**	28.5%	119.1%
Profit before income taxes	**6.7**	24.0%	102.2%	50.1%	**13.5**	24.1%	116.0%
Profit[*1]	**4.5**	16.2%	101.3%	50.0%	**9.1**	16.3%	115.1%

*1 Profit attributable to owners of the parent.
*2 Please see FACTBOOK for further details on financial data.

EBITDA = Operating profit + Depreciation + Amortization of goodwill + Share-based compensation expense



EPS (Earnings per share) ※Excluding treasury stock



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As you can see in the Consolidated Statements of Income, profits at each stage are around 50% of the initial plan, and all figures are above last year's results. EBITDA also reached 8.8 billion yen for the half-year period, showing steady growth.

Consolidated Balance Sheet

Loadstar Capital

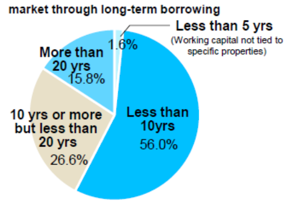
- The real estate balance is at the highest level on record, maintaining a management foundation that is resilient to inflation.
- While securing sufficient liquidity in preparation for further real estate accumulation, Loadstar is also building up its equity ratio to enhance financial stability.

(Billions of yen)	As of Q2 FY2026			As of FY2025
	Amount	% of toal	% vs. Dec 31, 2025	Amount
Current assets	128.4	97.5%	106.2%	120.9
Cash and deposits	15.8	12.0%	108.8%	14.5
Operating loans	**11.5**	8.8%	124.9%	**9.2**
Real estate as inventory	**98.6**	74.9%	106.6%	**92.5**
Liabilities	95.5	72.5%	104.8%	91.1
Interest-bearing debt	75.3	57.2%	108.1%	69.6
Deposits from tokumei kumiai (silent partnerships)	**12.1**	9.3%	109.5%	**11.1**
Net assets	36.2	27.5%	110.0%	32.9
Total liabilities and net assets	131.7	100.0%	106.2%	124.0

- Operating loans
  - Primarily external lending in the crowdfunding business.
- Real estate as inventory
  - Although there is a substantial amount of unrealized gains on properties, this is not reflected on the balance sheet.
  - Following the guidance of the accounting auditor, the property is recorded as real estate as inventory regardless of the purpose of holding.
- Deposits from tokumei kumiai (silent partnerships)
  - Funds raised from investors in the crowdfunding business.

Borrowing Period of Interest-bearing Debt

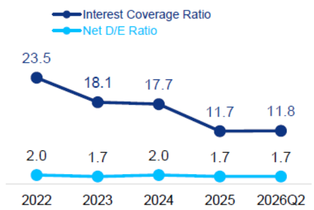
→ Avoidance of short-term fluctuation risks in the real estate market through long-term borrowing

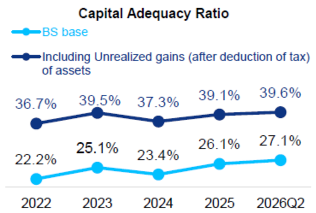


*The proportion of loans with terms less than 10 years has increased due to the Hiramatsu Hotels project financed by non-recourse loans

Safety Indicators

→ Building a strong financial foundation through high profitability, unrealized gains on properties, and steady accumulation of profits





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This is the Consolidated Financial Position. The real estate balance has reached a record high of 98.6 billion yen, and combined with an increase in unrealized gains, this provides a strong management foundation in an inflationary environment. Cash and deposits stand at 15.8 billion yen, ensuring sufficient liquidity on hand, while the equity ratio has also been built up to enhance financial stability.

Consolidated Statements of Cash Flows

Loadstar Capital

- Although CF from operating activities is negative due to an increase in real estate inventory, financial institutions are showing a positive lending attitude.
- Loadstar will continue to manage cash appropriately while maintaining its equity ratio.

(Billions of yen)	FY2026Q2	FY2025Q2
CF from operating activities	**△2.6**	**△10.6**
Profit before income taxes	6.7	6.6
Decrease (increase) in operating loans receivable	△2.3	△2.7
Decrease (increase) in Real estate as inventory	△6.8	△14.1
Increase (decrease) in deposits received from silent partnership	1.0	1.3
Increase (decrease) in deposits received	△0.5	0.0
Decrease (increase) in deposits paid	1.8	△1.3
CF from investing activities	**△0.1**	**△0.0**
CF from financing activities	**4.0**	**10.0**
Net increase (decrease) in borrowings	5.6	11.3
Net increase (decrease) in cash and cash equivalents	1.2	△0.6
Cash and cash equivalents at beginning of period	14.5	12.6
Cash and cash equivalents at end of period	**15.8**	**12.0**

- Our strategy is to accumulate real estate for sale, which will serve as our business foundation. The more we accumulate, the larger our cash outflows will be.
- This cash outflow is covered by profits and financing, which is a normal CF found in real estate companies.

Next is the Consolidated Statements of Cash Flows. Although the operating cash flow is negative due to the continued growth in real estate balance, Loadstar maintains a good relationship with financial institutions and has secured sufficient liquidity on hand.

Return to Shareholders

Loadstar Capital

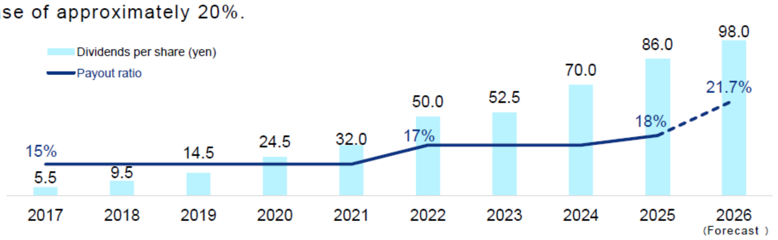
Basic Policy

Loadstar strives to improve corporate value and shareholder profit by expanding business performance.

Dividend Policy

Loadstar aims to provide stable and continuous returns to shareholders, with a target dividend payout ratio of 18% or higher.

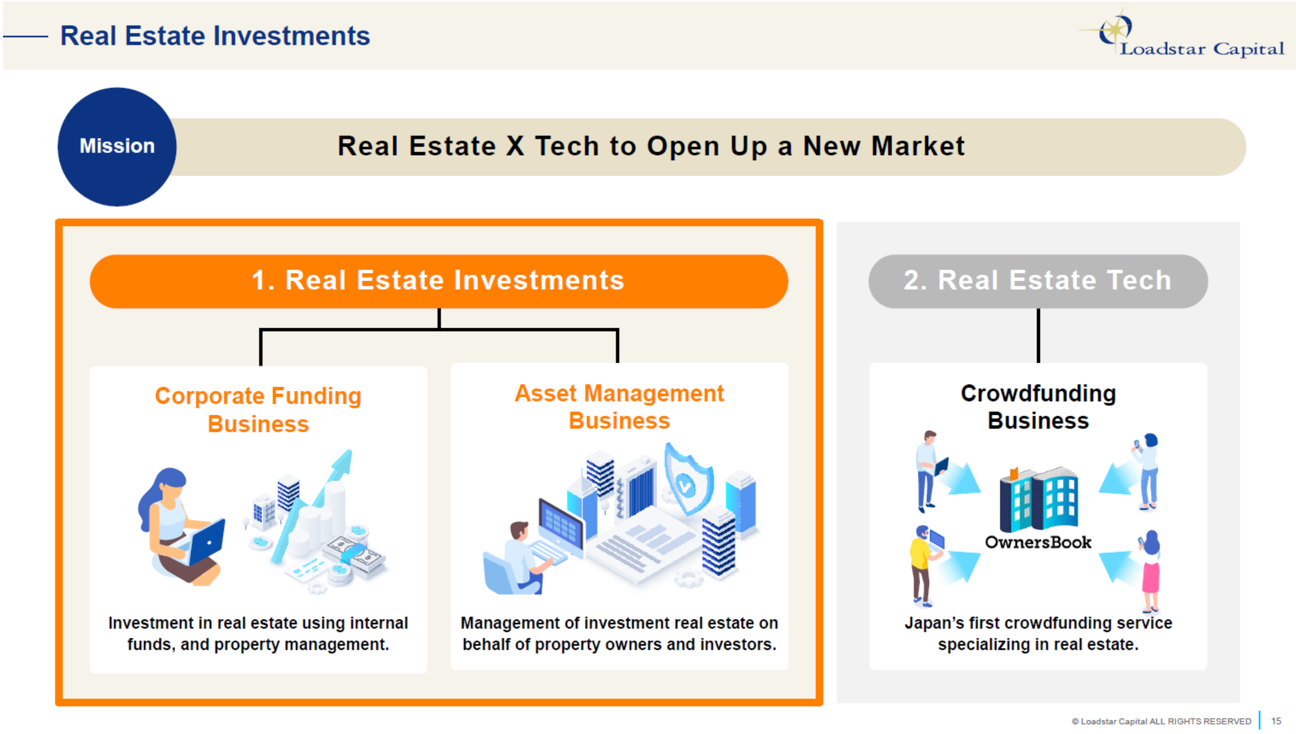
Although the number of shares held by shareholders has increased due to the free allotment of shares, the dividend per share is planned to be 98 yen as originally planned (up 14% year on year), which is expected to result in an effective dividend increase of approximately 20%.



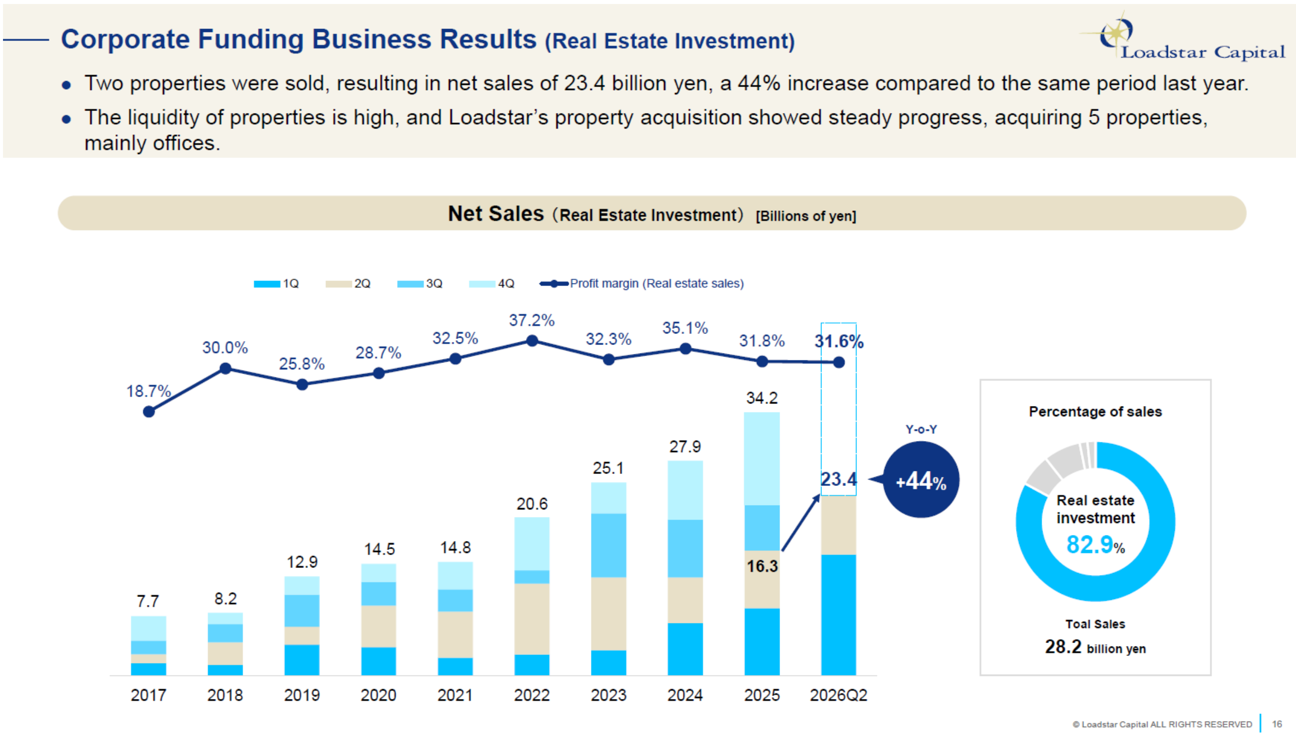
Shareholder Benefits Program

Loadstar now offers a special OwnersBook investment allotment and no refund fees to our shareholders who have held at least 1,000 of the Company's shares for at least six months.

This is regarding shareholder returns. Although there was an allotment of shares without contribution during the current fiscal year, the dividend per share is planned to be 98 yen as initially planned. The dividend payout ratio for the current fiscal year is expected to exceed 20%, and we plan to continue providing stable dividends going forward.



Next, I will explain the performance by business.



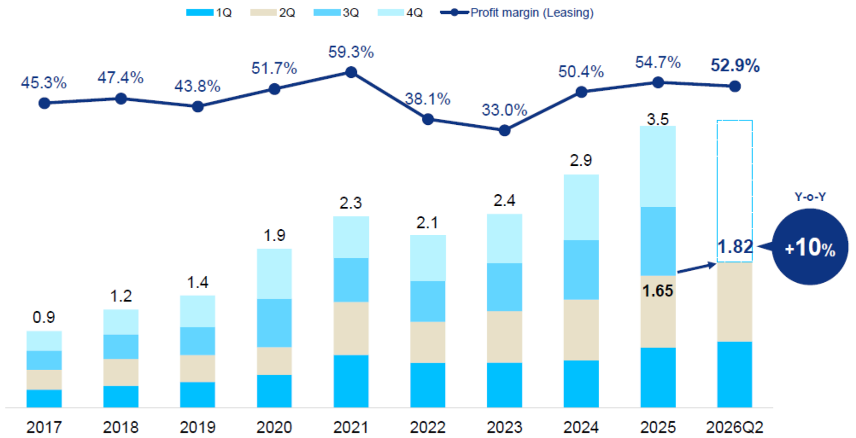
Regarding the real estate investment business of the Corporate Funding, Loadstar sold 2 large office buildings. As a result, net sales totaled 23.4 billion yen, up 44% year on year. In addition, Loadstar acquired 5 new office properties, steadily building up its real estate portfolio that will serve as the foundation for future business operations. Not only domestic institutional investors and business corporations, but also European and U.S. investors are showing an aggressive stance, and an active market is expected to continue.

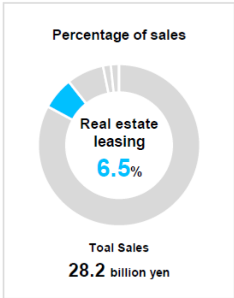
Corporate Funding Business Results (Real Estate Leasing)

Loadstar Capital

- Due to the return-to-office trend and the limited new supply of mid-sized offices, rents have risen, resulting in net sales of 1.8 billion yen, up 10% year on year.
- The rental profit margin also maintained a high level.

Net Sales (Real Estate Leasing) [Billions of yen]





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Next, regarding the real estate leasing business . The leasing business is performing well due to the return-to-office trend, with net sales up 10% year on year to 1.8 billion yen. The office vacancy rate in central Tokyo has been declining, and upward pressure on rents has been increasing. In addition, the leasing profit margin remains at a high level of 52%.

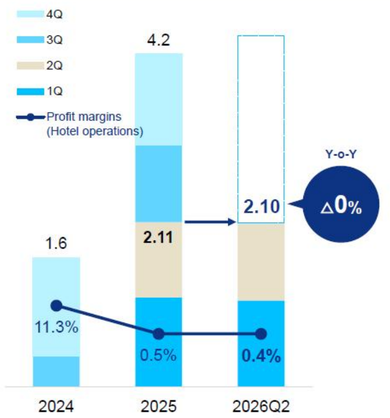
Corporate Funding Business Results (Hotel Operations)

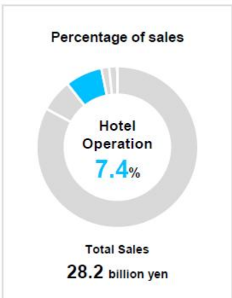
Loadstar Capital

- Net sales from hotel operations were 2.10 billion yen, while operating costs were 2.09 billion yen (including depreciation of approximately 350 million yen).
- Although the competitive and business environment remains challenging, we aim to improve our ability to attract customers by strengthening our efforts to review pricing strategies and enhance value.

(The Corporate Funding Business (Hotel Operations) records operating revenues from six luxury resort hotels acquired from Hiramatsu.)

Net Sales (Hotel Operation) [Billions of yen]






THE HIRAMATSU HOTELS & RESORTS GINOZA


THE HIRAMATSU KYOTO


THE HIRAMATSU HOTELS & RESORTS KASHIKOJIMA

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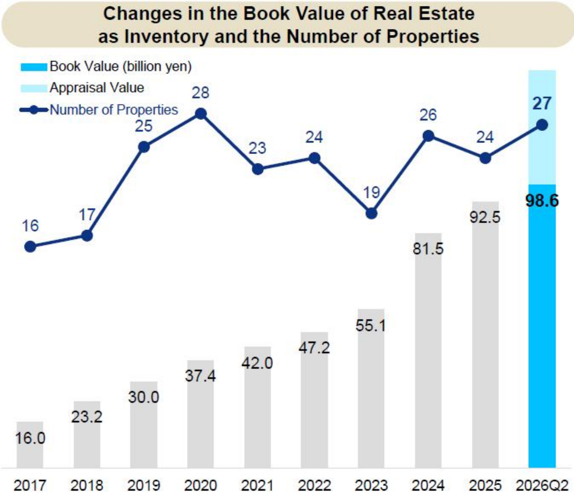
Next, regarding the hotel operations business. Net sales from hotel operations were 2.1 billion yen, and the cost of hotel operations was also approximately 2.1 billion yen. Performance continues to struggle at a similar level to last year, butwe plan to work with the operating company to strengthen its ability to attract customers.

Corporate Funding Business Results

Loadstar Capital

- Loadstar actively acquired properties such as offices in Tokyo, where vacancy rates have declined and rents have risen, building up its real estate inventory balance.
- While focusing on acquiring offices, we will actively invest in properties ranging from around 1 billion yen to over 10 billion yen, with no limit to the scale or property type.



CORNES HOUSE Ⅱ　GINZA PREX East　THE HIRAMATSU Karuizawa Miyota

	Office	Hotel	Retail	Residence
Five wards in central Tokyo	9	2	2	-
Other wards	2	2	-	1
Outside of Tokyo	-	8	1	-

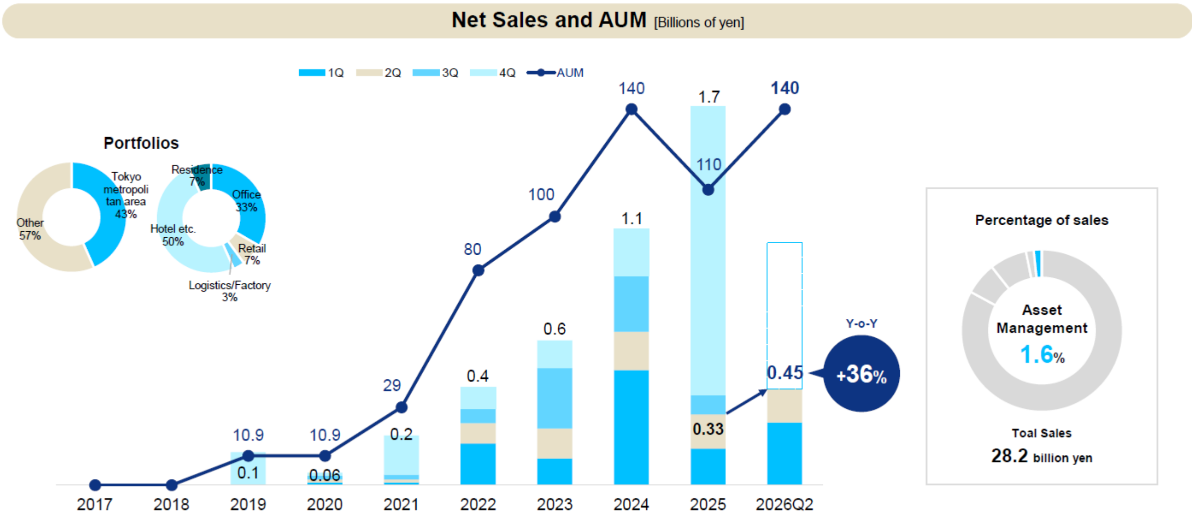
*Five wards in central Tokyo：Chiyoda-ku, Chuo-ku, Minato-ku, Shibuya-ku, Shinjuku-ku

This slide shows the history of holdings in the Corporate Funding business. The number of properties, real estate balance, and unrealized gains have all been steadily increasing. We are also preparing to acquire large-scale properties in the second half of the fiscal year, and we are taking an aggressive approach at this time when prices are expected to rise further.

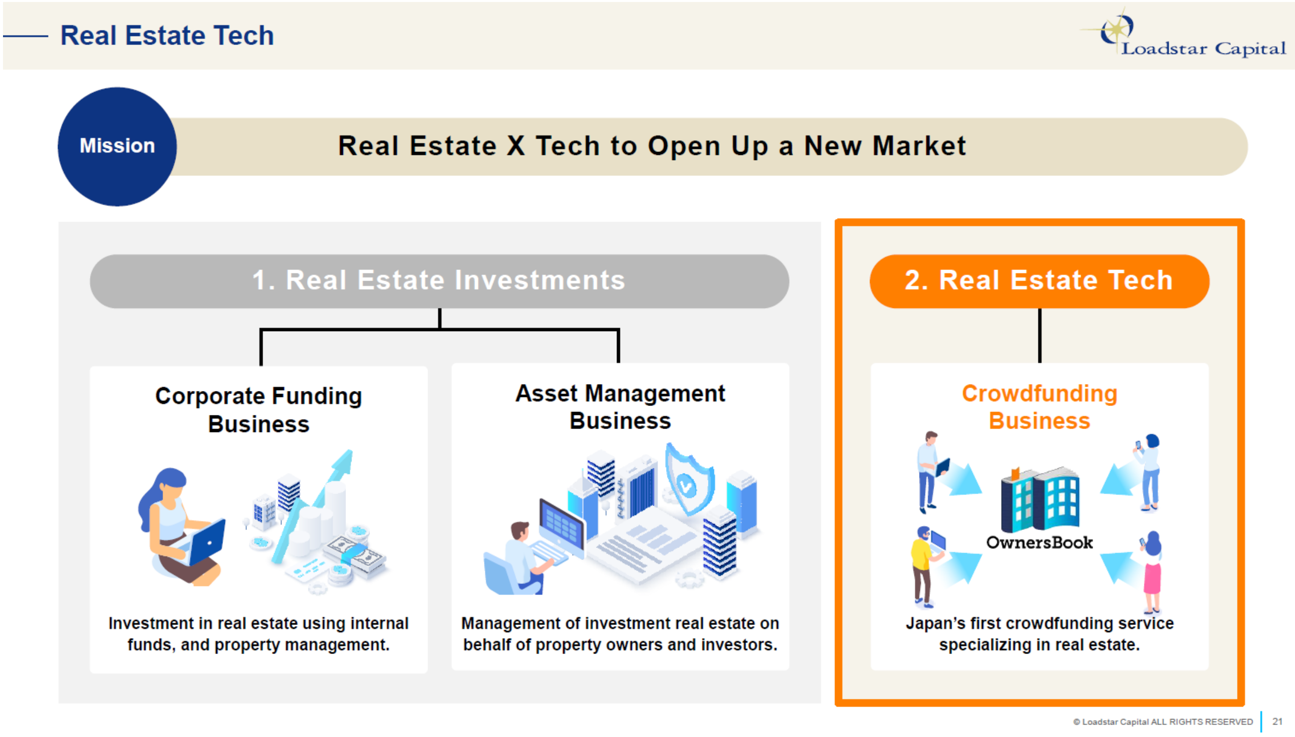
Asset Management Business Results

Loadstar Capital

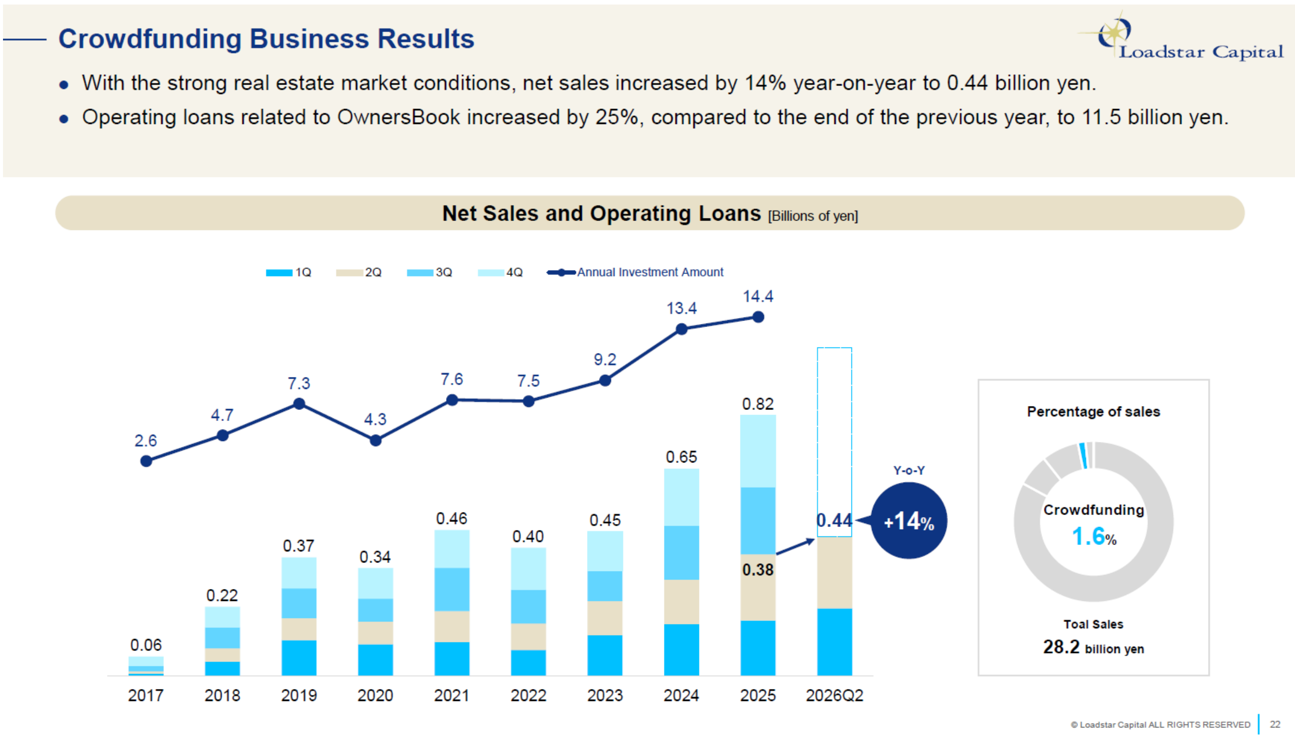
- With new AUM accumulation, net sales increased by 36% year-on-year to 0.45 billion yen, and AUM recovered to over 140 billion yen.
- We will continue to focus on increasing our AUM.



Next is the Asset Management business. We have been strengthening our operational structure, and we are making progress in forming funds with new overseas institutional investors. In addition, we are also making progress in acquiring deals with domestic institutional investors, and we have been able to build up AUM to 140 billion yen. In the second half of the fiscal year, we expect to acquire large-scale deals, as well as AUM mandates through the formation of STO deals, and we are developing our business broadly.



I would like to explain the Crowdfunding business in Fintech area.



Driven by favorable real estate market conditions, net sales increased 14% year on year to 440 million yen. Business loans through OwnersBook also grew 25% to 11.5 billion yen, expanding steadily. In addition, sales of real estate security tokens (ST) have commenced, and Loadstar plans to expand the expertise and individual investor network cultivated through its Crowdfunding business into the real estate ST domain.

In summary, the first half of the fiscal year has progressed as planned, and all officers and employees are committed to achieving revenue growth, profit growth, and record-high profits for the full fiscal year.

That concludes my presentation.

Question & Answer

Participant [Q]： Regarding the outlook for the real estate market, could you please provide information on the situation in the second half of fiscal year 2026, along with concerns about the stronger yen and rising interest rates?

Iwano [A]：While concerns about rising interest rates persist, in terms of real estate, we believe that the current strong rent increases mean that the market will not be significantly impacted. We think the same applies to the yen appreciation as well.

While concerns about rising interest rates are often raised in financial markets, within our real estate transaction network, both domestic and foreign institutional investors continue to show strong appetite for investment. There is a strong sense of anticipation for future price increases, particularly as office rents are expected to rise, which in turn will drive up property prices. As there are many funds that have been unable to deploy their allocated budgets over the past few years, we believe the market will become even more active in the second half of the year.

Participant [Q]：Could you please explain the purpose and effect of the allotment of shares without contribution?

Iwano [A]： This type of allotment is rarely seen in the market, so it may have come as a surprise to some of our shareholders. However, our intention was to enhance the liquidity of our shares and to make effective use of treasury shares, which we had held in large proportions in the past.

Originally, we had hoped to use the treasury shares for M&A and similar purposes, but since some time had passed since Loadstar acquired them without being able to put them to use, we decided to make effective use of them by distributing them to our shareholders free of charge. This approach aims to enhance liquidity while maintaining the dividend amount, which in effect represents an increase in dividends, and in that sense, we intend to return value to our shareholders.

In that process, we believe that the margin balance could be reduced, and trading volume after the allotment may also be increasing.

Participant [Q]：An STO deal has been launched. Could you tell us about the features of this deal?

Iwano [A]：This STO (Security Token Offering) deal is one that became possible for the first time through the acquisition of a securities company last fiscal year and its subsequent integration into the Loadstar Group. This particular deal involves offering a portion of a hotel in Yokohama Isezakicho, which Loadstar had owned, as security tokens.

One of the features, which is a rather unusual pattern compared to other companies, is that this time there is no borrowing, meaning we are offering the full amount equivalent to the property price. In other words, this product is not affected by interest rates, and is structured to pay dividends solely based on the profitability of the hotel itself.

The second point is that this is a hotel in the Yokohama area, and with major events such as the Flower Expo scheduled for next year and beyond, we believe the market prospects are very promising going forward.

Finally, one of the attractions of this ST (Security Token) offering is that when the property is ultimately sold, any capital gains will also be distributed to individual investors. This is a product structure that differs from conventional crowdfunding, so if you are interested, please visit our company's website.

Participant [Q]：This is a question regarding the asset management business. AUM has been recovering, but will this trend continue going forward?

Iwano [A]： This is something that is quite difficult to explain every time, and as a company, we are focusing our efforts on finding new investors and sourcing new deals. At the same time, when large properties are sold, the AUM tends to decrease, so sustainably growing AUM is indeed a very challenging task.

Fortunately, since the beginning of this fiscal year, we have formed a fund in partnership with one large overseas investor, which has made a significant contribution to AUM. Additionally, as a company, we have been able to close several large deals, including those with domestic institutional investors.

In addition, we anticipate the formation of large-scale deals heading into the second half of the fiscal year, so we believe that, albeit gradually, the AUM is finally beginning to build up steadily.

Participant [Q]： Could you please elaborate a little more on the pipeline for property acquisitions? I would like to know about the current acquisition environment, the scale of deals currently under consideration, and the trends in asset types.

Iwano [A]： We have been able to make purchases as budgeted, and in the second half of the fiscal year, multiple properties have already been contracted, are scheduled for settlement, or are in the process of being contracted.

Regarding our targets, Loadstar continues to focus on acquiring offices in Tokyo. In particular, we are focusing on areas where rent increases are expected. At the same time, we are also keeping an eye on areas that were previously somewhat overlooked as office locations but are now showing signs of revival, taking a dual approach in our property acquisitions.

In the office market, we are targeting both the higher and lower ends of the market, while being cautious about the more challenging middle segment. Overall, our focus remains on acquiring high-quality, large-scale properties, as well as properties in prime central areas where we can benefit from rising rents.

Participant [Q]：Could you please explain the direction of improvements for the hotel operation business?

Iwano [A]：We believe this is regarding the Hiramatsu Hotels that Loadstar owns. As you pointed out, the performance has fallen below our expectations. As for our future policy, we will be consulting with Hiramatsu, the hotel operator, but we are currently in discussions about measures such as adopting a dual-brand approach with some foreign brands, and more aggressively capturing demand from travelers to Japan.

Also, since we are now entering our third year of ownership, we are at a stage where we will be considering an exit at some point. While discussing the direction internally, we would like to refine it into a better hotel and improve its performance.

We may be causing some concern in terms of operational revenue, but we believe that the real estate as land and buildings continues to be an attractive property, and we believe that there is demand in the market, or a need to purchase such properties in the market.

［END］