



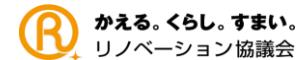
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Financial Results Briefing Material for the Fiscal year Ended May 2024

July 2024

Stock code: 8940

Intellex Co., Ltd.



Message from President

Amid a strong Japan stock market and a weak yen, inflation has progressed, leading Japan into an era of interest rates. In anticipation of rising interest rates, we have strengthened our financial balance by optimizing inventories. As a result, in the previous fiscal year, we achieved notable success by streamlining the business period and restructuring our property portfolio. However, we are only halfway to improving profitability, and this remains a key focus for the current fiscal year.



As we approach our 30th Anniversary next year, we have set the objective of **“Back to Our Core Value.”** We have valued always valued our **on-site capabilities**, particularly in condominium renovation, emphasizing the ability to identify valuable properties, the expertise to revive them through design and on-site management, and the commitment to after-sales service.

Our progress thus far has been made possible by the support of our employees, business partners, and stakeholders. I would like to extend my heartfelt gratitude to all of you and pledge that we will continue to grow together, sharing the fruits of our efforts.

In the future, we will need to further enhance energy and labor efficiency. We are dedicated to providing healthy, comfortable, and energy-efficient homes within the renovation industry. We aim to improve housing performance through renovation and promote digitalization of real estate transactions to achieve greater transparency in energy and labor savings.

We believe that each and every one of our employees must reaffirm that our **on-site capabilities** are our strength and core value. Communicating this knowledge both internally and externally will drive the company's significant growth. Additionally, we will focus on initiatives to boost employee engagement and productivity. By creating an environment where employees can feel rewarded and can grow, we aim to enhance performance and achieve sustainable growth.

Seiji Toshinari, President and CEO

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1. Results Summary for FY2024

1-1 Results Summary for FY2024

■ Completion of Inventory Liquidation from FY2023 and Property Replacement

1. Improved financial position through early liquidation of prolonged inventory and strategic acquisitions (B/S)
2. Sales growth driven by higher unit sales prices and a significant boost in operating income, attributed to reduced selling expenses (P/L)
3. Advanced initiatives in new business fields targeting medium- to long-term growth.

Strengthened Balance Sheet

Renovation Business

- Facilitated early sale of long-held inventory
- Prioritized strategic sales and acquisitions

Result: Improved capital adequacy ratio to 29.1%

Solution Business

- Securitized Leaseback properties
- Launched "Asset Sharing + (Plus)," a new series in the Asset Sharing business

Increased Sales and Profits

Renovation Business

- Sales growth driven by higher unit prices despite fewer transactions
- Focus on property replacement initially reduced profit margins

Result: Profit margin improved by the end of the fiscal year.

Solution Business

- Earnings boosted by the liquidation of leaseback properties and the introduction of asset sharing
- Hotel occupancy rates remained high, resulting in doubled profits

Promotion of New Business Fields

Energy-Efficiency Renovations

- Introduction of "Energy Efficiency Performance Report" to lead the energy in visualizing energy conservation

Result: Promotion of Ecocube

Digitalization of Real Estate Transactions

- Launched digitalization support package FLIE ONE for the real estate distribution industry

Result: Major real estate companies began adopting the platform

1-2 Summary of Consolidated Results

- In FY2024, sales increased due to higher unit sales, and both ordinary and net profit saw significant recoveries.

(Million yen)

	FY2023	FY2024	YoY changes	
Net sales	41,236	42,702	+3.6%	<ul style="list-style-type: none"> The Renovation Business segment experienced a 7.0% YoY increase in sales. Unit sales price increased with number of units slightly declined.
Renovation Business	32,500	34,781	+7.0%	<ul style="list-style-type: none"> Renovation and Decoration Business achieved steady growth of 21.7%
Solution Business	8,736	7,920	- 9.3%	<ul style="list-style-type: none"> The Solution Business segment saw a 9.3 % YoY decrease in sales.
Gross profit	6,112	5,831	- 4.6%	<ul style="list-style-type: none"> Sales in Hotel and Accommodation Business surged by 88.2%
(Profit margin)	(14.8%)	(13.7%)		<ul style="list-style-type: none"> Due to price adjustments aimed at prioritizing property sales, the gross profit margin declined, leading to a decrease in gross profit.
Renovation Business	4,128	3,744	- 9.3%	<ul style="list-style-type: none"> Renovation Business: Gross profit margin of 10.8% (down 1.9 percentage points YoY)
(Profit margin)	(12.7%)	(10.8%)		<ul style="list-style-type: none"> Operating profit increased as a result of reduced SG&A expenses
Solution Business	1,984	2,087	+5.2%	<ul style="list-style-type: none"> SG&A expenses decreased by 9.3%
(Profit margin)	(22.7%)	(26.4%)		
Operating profit	710	931	+31.1%	
Ordinary profit	239	607	+153.9%	<ul style="list-style-type: none"> Ordinary & net profit experienced significant growth, driven by a 13.8% reduction in non-operating expenses due to significant reduction in debt
Net profit	100	414	+310.9%	

Note: Changes are compared to the previous year

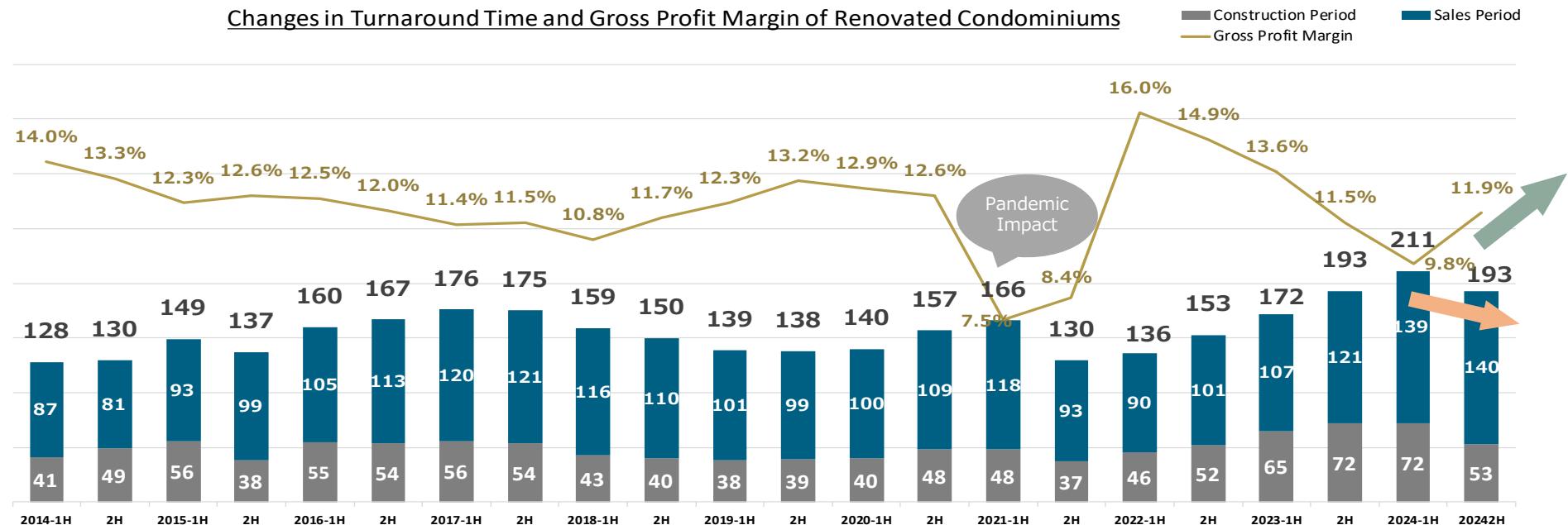
1-3 Accelerated Turnaround: The New Standard

- Turnaround time is a critical KPI for assessing our operational status.

Turnaround time of Renovated Condominiums



Changes in Turnaround Time and Gross Profit Margin of Renovated Condominiums



- Extended turnaround times were reduced in the second half of FY2024
 - The average construction period decreased in the second half due to purchase adjustments made in the first half of the fiscal year.
 - While long-term properties have been sold, average sales periods are still prolonged.

FY2025 Objectives:

- Achieve a turnaround time of 150 days.
- Enhance profit margins by reducing turnaround time

1-4 Consolidated Balance Sheets

■ FY2024 Highlight: We prioritized property sales, resulting in a reduction in total assets and achieved an improved capital adequacy ratio through strategic asset liquidation.

	As of May 31, 2023		As of May 31, 2024		Year on year changes		(Million yen)
	Amount (million¥)	Ratio	Amount (million¥)	Ratio	Amount (million¥)	Increase/ decrease	
Cash and deposits	4,965	10.9%	4,980	12.2%	14	+0.3%	
Real estate for sale	25,751	56.4%	20,308	49.9%	- 5,442	- 21.1%	
Other current assets	916	2.0%	1,162	2.9%	246	+26.9%	
Current assets	31,633	69.3%	26,452	65.0%	- 5,181	- 16.4%	
Non-current assets	13,996	30.7%	14,258	35.0%	262	+1.9%	
[Total assets]	45,629	100.0%	40,710	100.0%	- 4,919	- 10.8%	
Current liabilities	23,371	51.2%	16,353	40.2%	- 7,017	- 30.0%	
Non-current liabilities	10,484	23.0%	12,484	30.7%	2,000	+19.1%	
[Total liabilities]	33,855	74.2%	28,838	70.8%	- 5,017	- 14.8%	
[Total net assets]	11,774	25.8%	11,872	29.2%	98	+0.8%	
[Total liabilities and net assets]	45,629	100.0%	40,710	100.0%	- 4,919	- 10.8%	

Increase/decrease shows year-on-year changes

- Cash and deposit
¥4,900 mil (+¥10 mil YoY)
- Types of inventories
 - Properties for sale decreased by 21.1%
- Properties for sale
¥12,600 mil (-¥5,500 mil)
524 units (-219 units)
- Properties for rent
¥7,300 mil (+¥100 mil)
144 units (-14 units)
- Long-term earning properties
Reserves: ¥11,500 mil, 276 units
(YoY: +¥90 mil, +9 units)
- Interest-bearing liabilities significantly reduced
¥25,700 mil (YoY: -¥5,400 mil)
- Capital-to-asset ratio:
29.1% (YoY: +3.3 points)

2. Forecast for FY2025

2-1 Summary of FY2025 Forecast

Strategies to Achieve Growth in Sales and Profits for the Second Consecutive Fiscal Year

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	FY2023 (actual)		FY2024 (actual)		FY2025 (forecast)				(Million yen)	
					1st half	2nd half	Full year			
	Amount	Ratio	Amount	Ratio	Amount		Ratio	YoY changes	Changes from FY2024	
Net sales	41,236	100.0%	42,702	100.0%	21,280	23,731	45,011	100.0%	+5.4%	+2,309
Gross profit	6,112	14.8%	5,831	13.7%	3,928	3,209	7,137	15.9%	+22.4%	+1,306
Operating profit	710	1.7%	931	2.2%	1,293	326	1,619	3.6%	+74.0%	+688
Ordinary profit	239	0.6%	607	1.4%	1,062	124	1,186	2.6%	+95.2%	+578
Net profit	100	0.2%	414	1.0%	725	170	896	2.0%	+116.6%	+482

Full-year performance plan

Sales of Renovated Condominiums	Average sales price per unit
Forecast 1,100 units -29 units YoY	Forecast ¥29.14 mil +¥1.15 mil YoY

- We aim to achieve a **5.4% year-on-year increase in net sales**, driven by ¥32,000 million from Renovated Condominiums, ¥3,700 million from profitable properties, and ¥1,000 million from Asset Sharing sales, among other sources.
- Gross profit is projected to **increase by 22.4% year-on-year**, reflecting an anticipated improvement in the profit margin on Renovated Condominiums.
- While SG&A expenses are expected to increase by 12.6% year-on-year, we plan to offset this rise and **boost operating profit by 74.0% and ordinary profit by 95.2%**.

New Dividend Policy

- Performance-linked: Based on a consolidated dividend payout ratio of 30% or higher 
- Stable dividends: Minimum annual dividend of ¥20 per share New

Dividend Results and Forecasts

- FY2024: Set at **¥10 per share**, reflecting an upward revision in profits. The annual dividend is **¥19**, resulting in a dividend payout ratio of **38.0%**
- FY2025: The **annual ordinary dividend will be ¥20**, with an additional **¥14 for the 30th Anniversary Dividend**, totaling of **¥34**. The expected dividend payout ratio is **30.4%**

	End of 1st half	Year end	Annual dividend	Dividend payout ratio
FY2023	¥9	¥9	¥18	154.5%
FY2024	¥9	¥10	¥19	38.0%
FY2025 (forecast)	¥10 (ordinary) ¥7 (anniversary)	¥10 (ordinary) ¥7 (anniversary)	¥34	30.4%

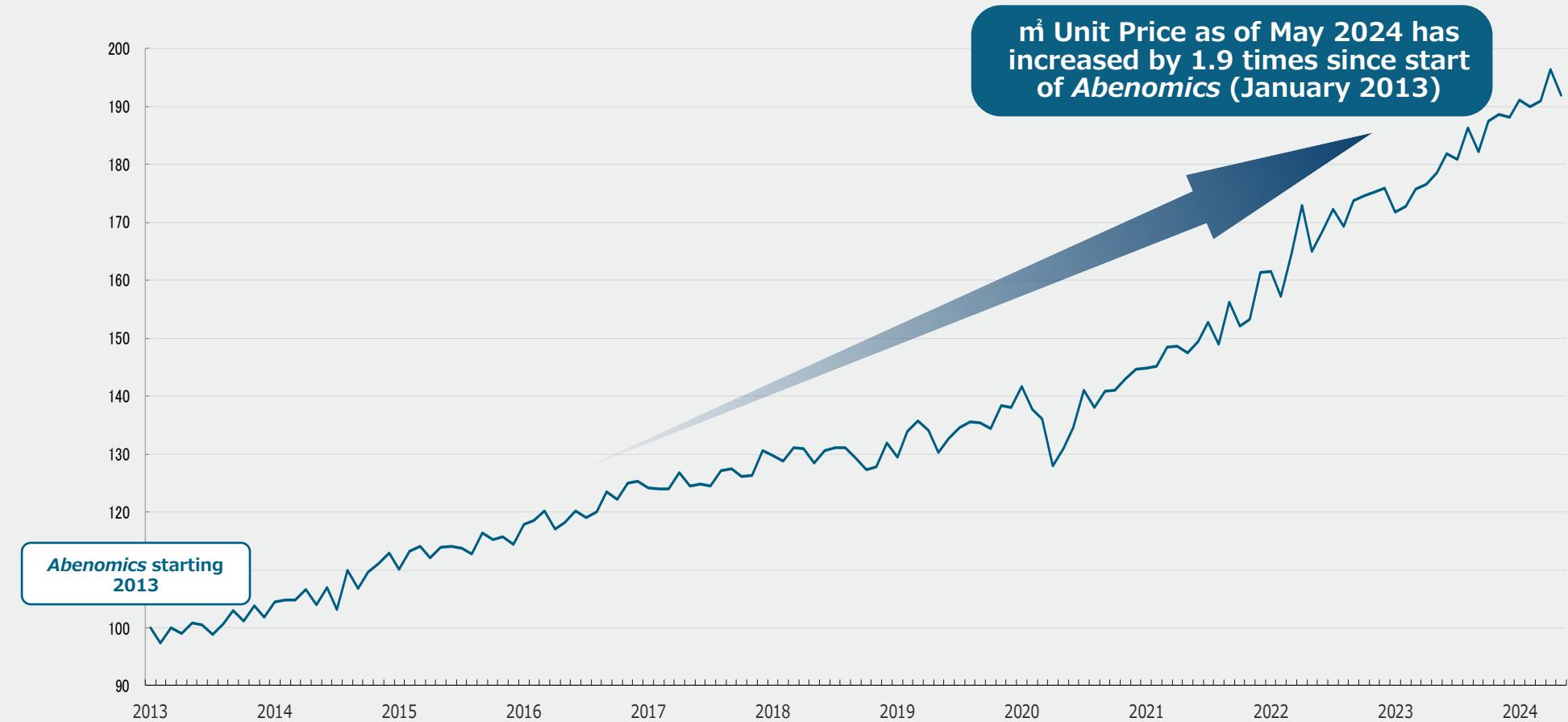
3. Trends in the Pre-Owned Condominium Market

3-1 Trends in the Pre-Owned Condominium Market **In+elleX** (Contract Price)

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■ Trends of m^2 Unit Price Index of Pre-Owned Condominiums Contracted in Metropolitan Tokyo Area (January 2013 to May 2024)

(m^2 Unit Price Index is set as 100 for January 2013)



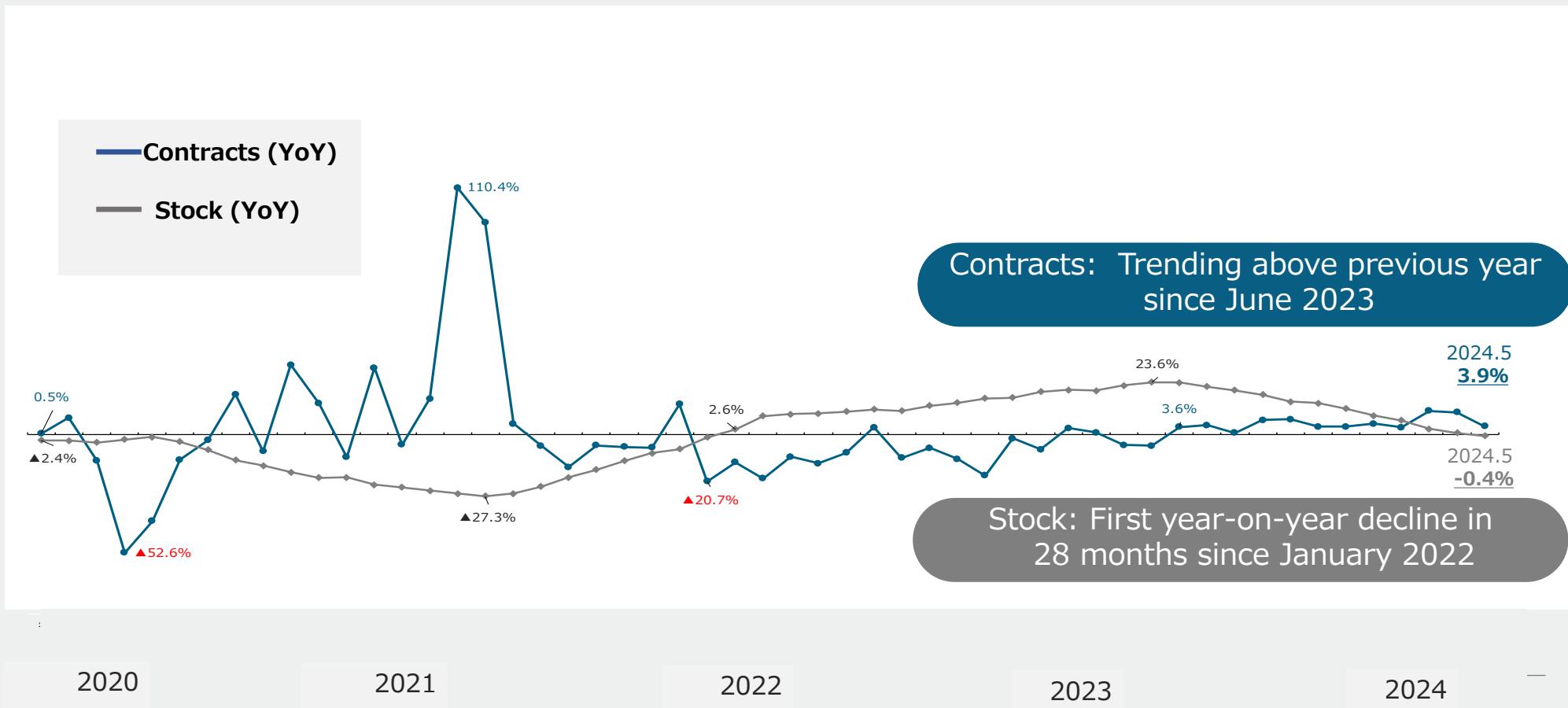
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3-2 Trends in the Pre-Owned Condominium Market **IntelleX** (Year-on-year Comparison)

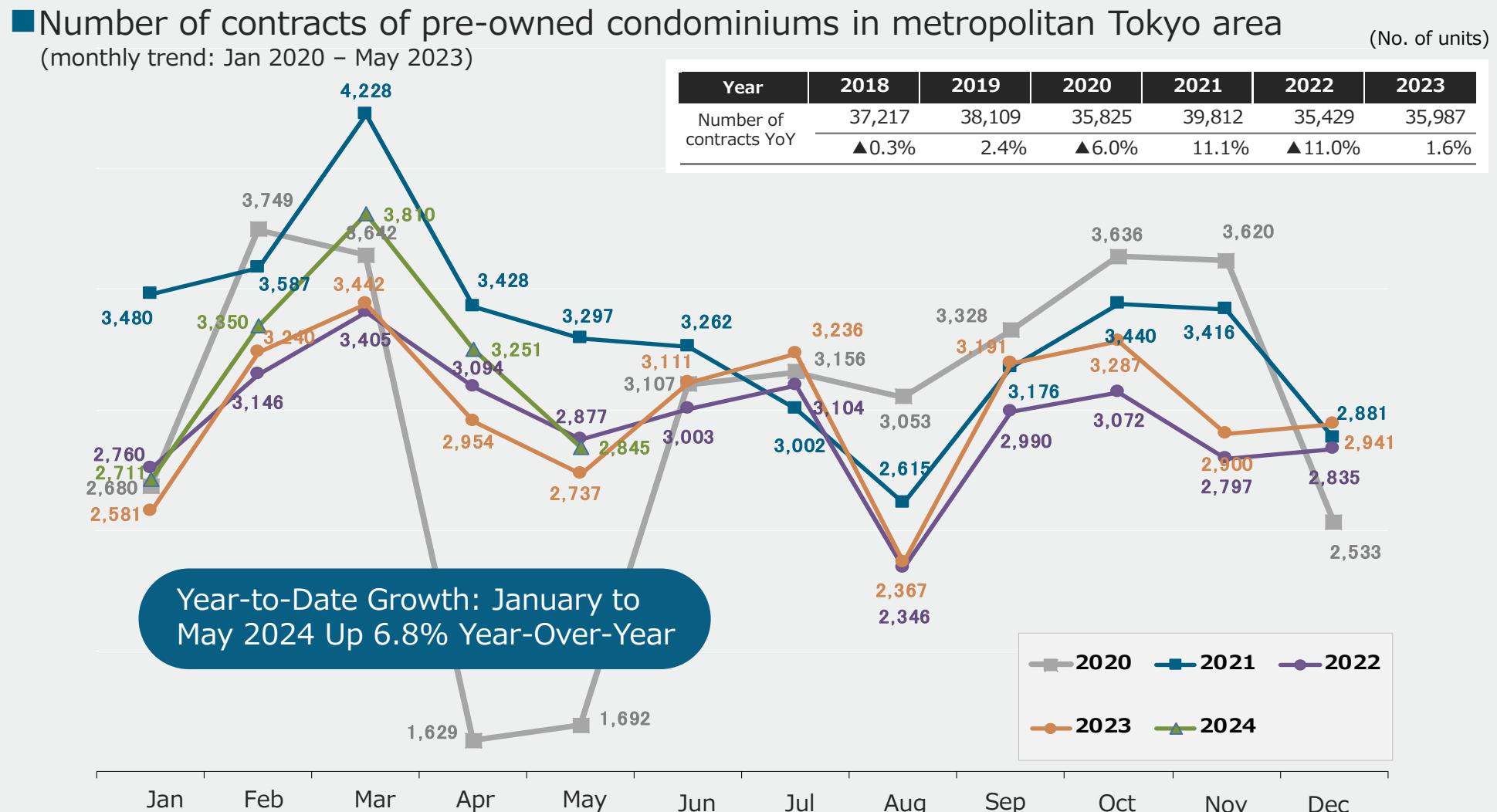
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- Number of contracts and stock of pre-owned condominiums in the Tokyo Metropolitan Area (Year-on-year growth rate: January 2019 to May 2024)



Created by IntelleX based on published data by Real Estate Information Network System

3-3 Trends in the Pre-Owned Condominium Market (Monthly Trends)



Note: Created by Intellex based on data published by Real Estate Information Network System

4. Strategic Priorities for FY2025

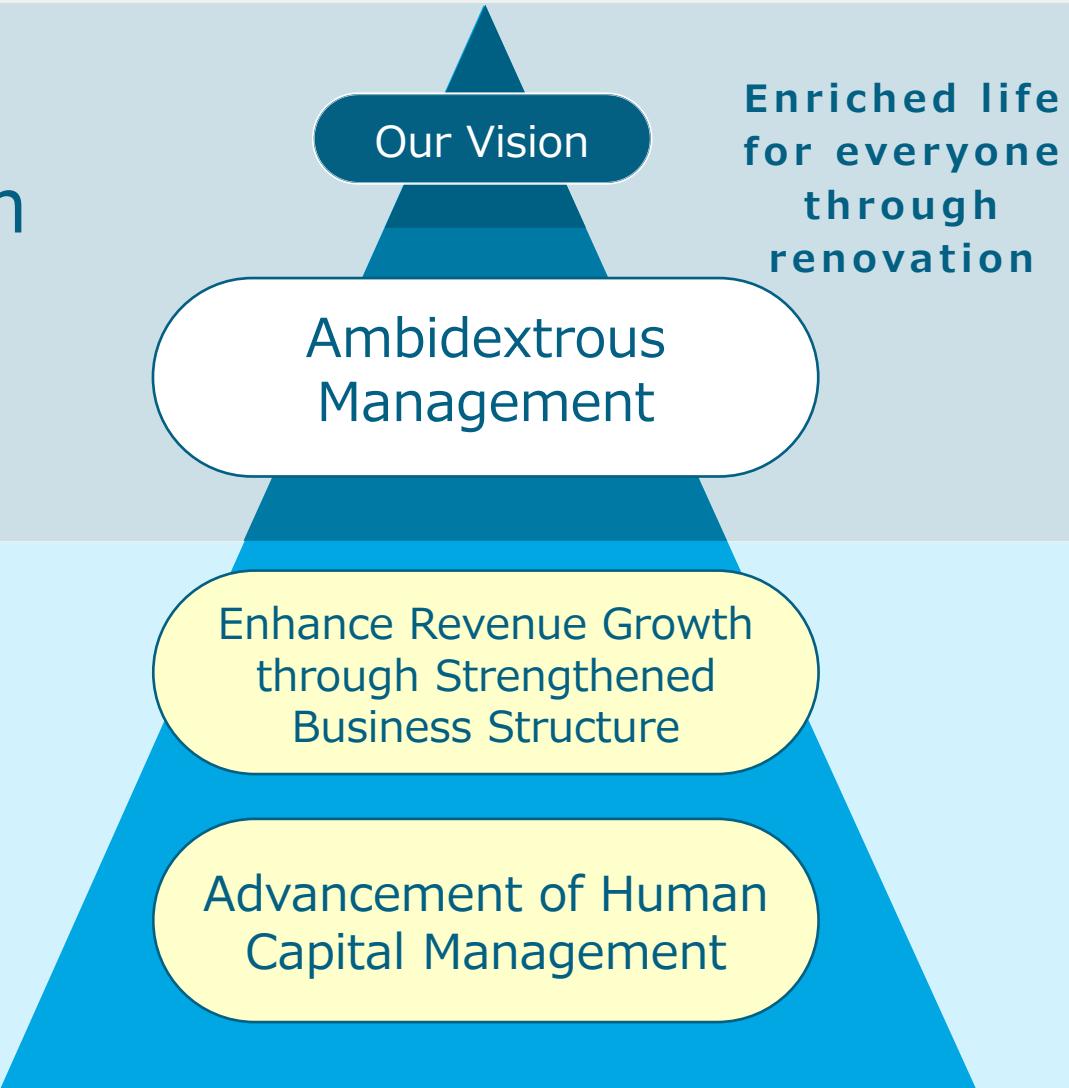
4-1 Strategic Priorities for FY2025

- Fortify the Management Framework by Advancing the Medium-Term Strategy and Implementing the Annual Management Plan

Ongoing Medium-Term Management Plan

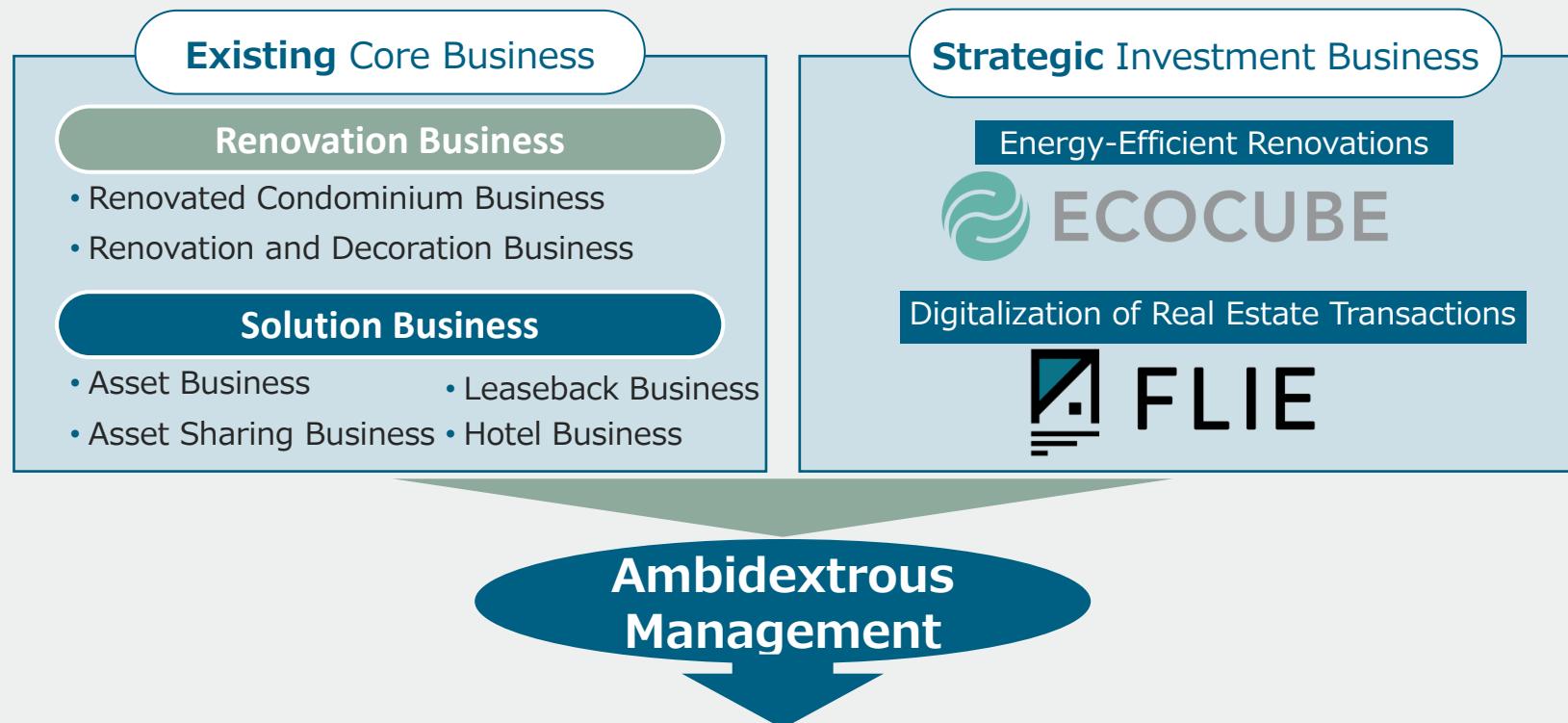
FY2025 Annual Management Plan:

30th Anniversary:
Back to Our Core Value



4-2 Advance the Medium-Term Management Plan to Implement Ambidextrous Management Strategies

- Promote ambidextrous management to **revitalize** core businesses and **drive** strategic investments.



- Achieve lean management by improving efficiency and profitability



- Earnings are projected to rise as we advance in strengthening the profitability structure of our core businesses

Renovation Business

- 1st half of FY2024:
Accelerated sale of long-term inventory
↓
- 2nd half of FY2024:
Reactivation of property acquisition
↓
- FY2025: Inventory consists of market-ready properties from the start

○ Expected Return to Profitability

(Gross Profit Margin on Property Sales)

FY2024: 10.6% ⇒ FY2025: 12.7%

○ Strategic Acquisition of High-Value Properties

○ Implementation of Energy-Efficient Renovation with Ecocube

Solution Business

○ Planned Sale of Profitable Property

- Location: Minami Otsuka, Ikebukuro, Tokyo
- Contract date: June 25, 2024
- Settlement date: August 30, 2024 (planned)



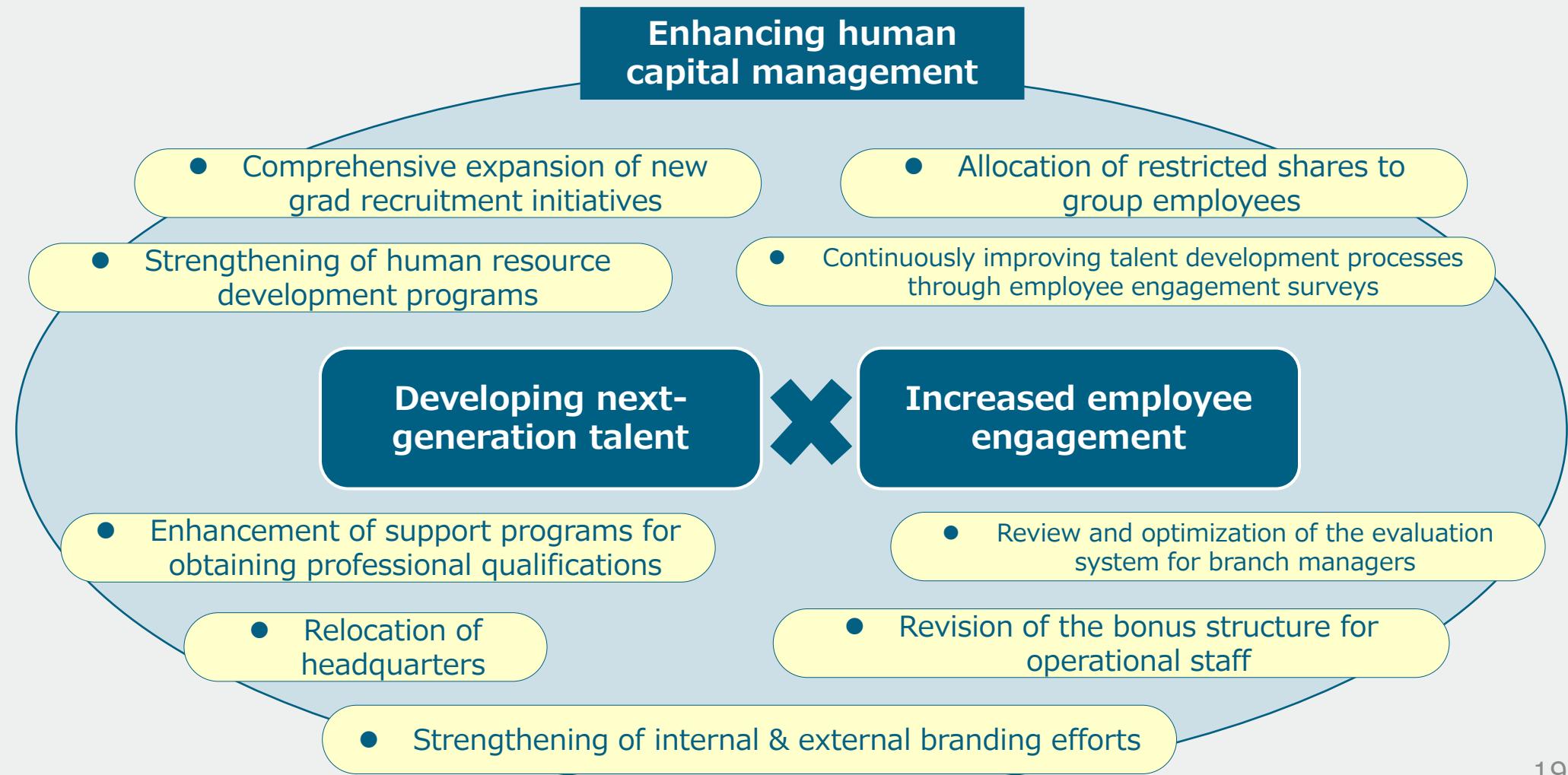
Significant contribution to profit growth in FY2025

○ Ongoing sales of Asset Sharing Products: Our small-lot real estate product

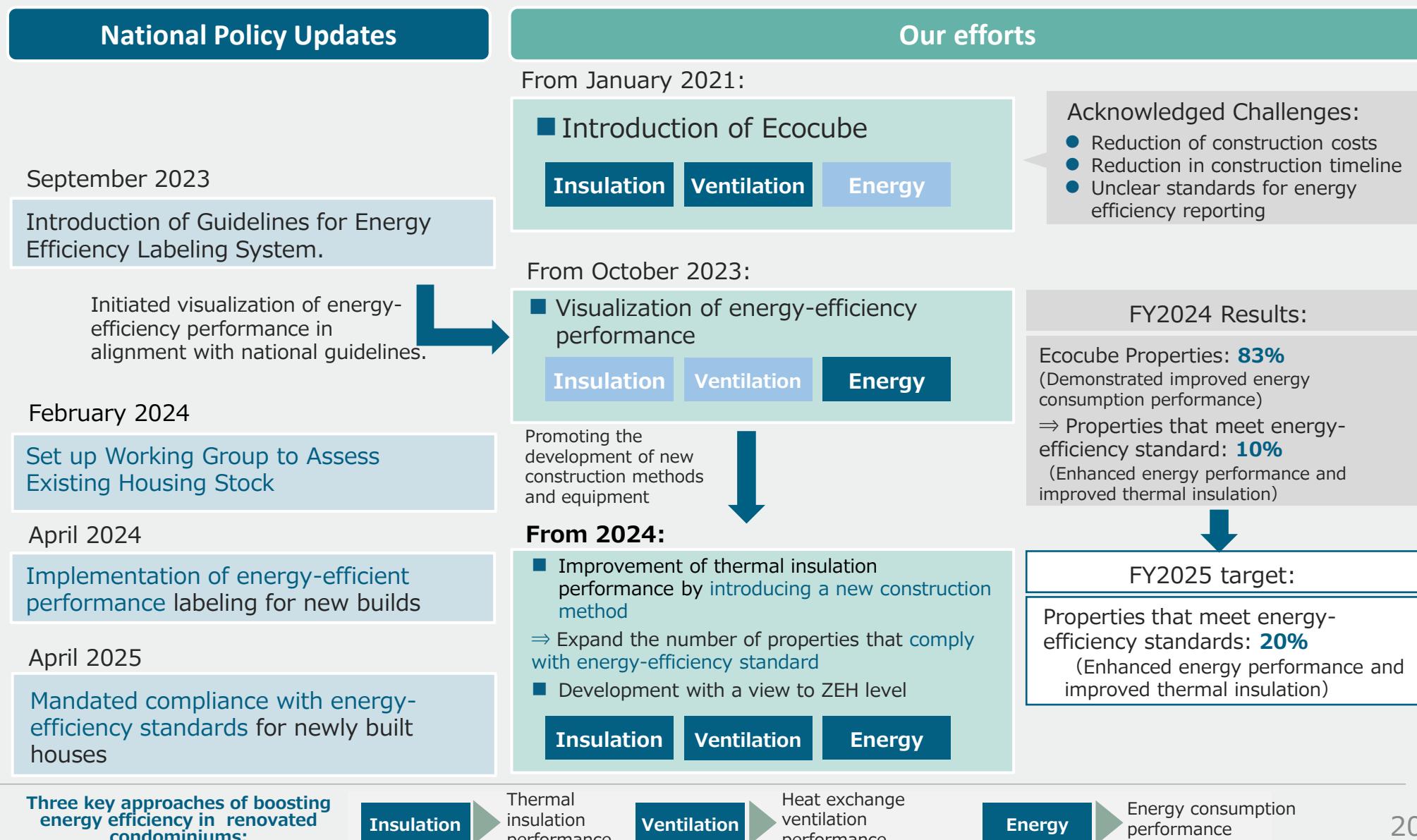
○ Revenue boost from high-occupancy hotels

4-4 Annual Management Plan II: Enhancing Human Capital Management

- As we celebrate our 30th anniversary, we are advancing the development of next-generation talent and establishing a robust system to support our next phase of growth.



4-5 Status of Ecocube Initiative I



4-6 Status of Ecocube Initiative II



Government Evaluation

- August 2023: Tokyo Metropolitan Government Office for Housing Policy chose us as operator for its "Tokyo Existing Housing Distribution Initiative"
- December 2023: Tokyo Metropolitan Government Office for Housing Policy selected us as operator of its "Tokyo Renovation Model House Initiative"

Our Initiatives

Visualization of Energy Efficiency Performance

- Provide an "Energy Efficiency Performance Report" to Ecocube, visualizing performance such as estimated utility costs and CO₂ reductions numerically

Enabling comparison of homes based on energy-efficiency performance values



Examples of display (items listed)

- Estimated utility costs
- CO₂ emissions reduced
- Energy consumption performance
- Insulation performance
- Energy-efficient renovation work details



Improvement of Energy Efficiency Performance

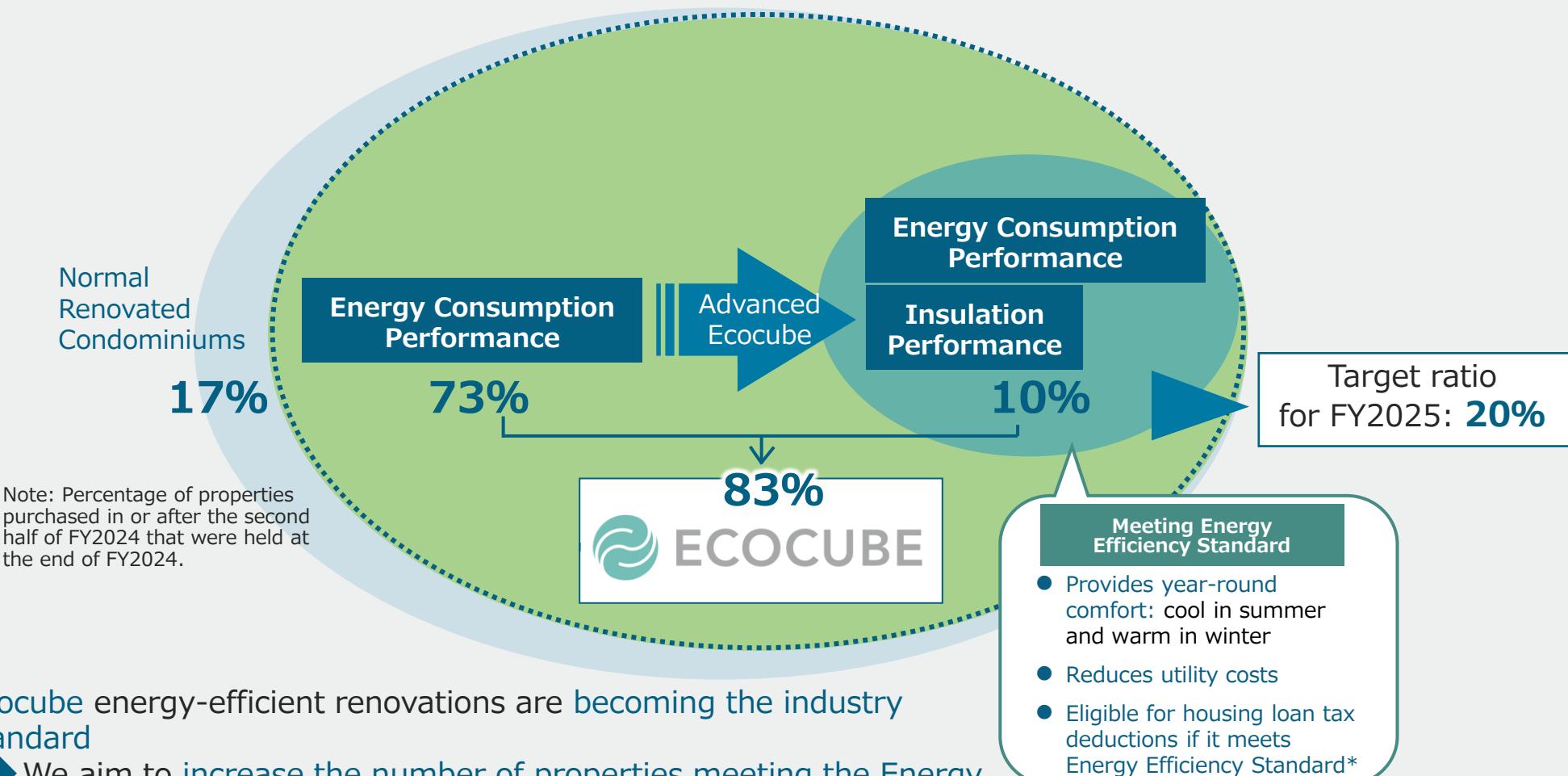
- Adoption of highly energy-efficient equipment
- Promoting the development of new construction methods and equipment

▶ Improved energy consumption performance

▶ Improved thermal insulation performance

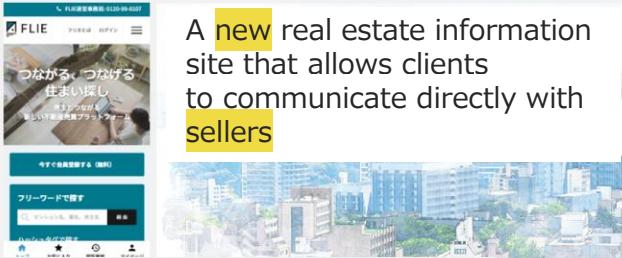
Promote the **industry standardization** of energy-efficient renovations

■ Current Status of Ecocube in Renovated Condominiums



4-8 FLIE: Leading the Way in Real Estate Direct Sales I

■ A Comprehensive Platform Anchored in FLIE ONE - A Cutting-Edge Online/Offline Real Estate Digital Transformation Solution



A new real estate information site that allows clients to communicate directly with sellers

FLIE (Furi-ë)



Sales activities

FLIE Property Inquiry



Regarding property confirmation, all properties registered on FLIE are automatically integrated with our property confirmation system. This system ensures timely synchronization of prices and sales status, simplifying property management.

- Japan's Largest Marketplace for Property Sales
- Over 2,000 Properties Listed
- Expanded Coverage from Metropolitan Tokyo to Nationwide

Seamless Integration with Related Services for Enhanced Listing Experience

FLIE ONE

To fully showcase a property's appeal, we capture images from the buyer's perspective and maintain the property in optimal condition through regular cleaning.



Captures Natural Colors and Optimal Viewing Angles

Enhances Depth and Increases Property Appeal

Property cleaning
Photo and video shooting

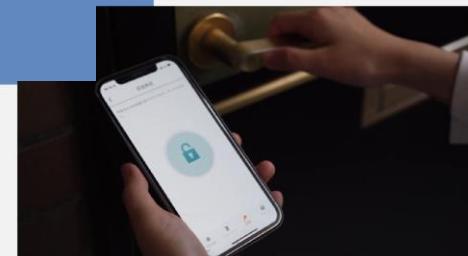
Sales Promotion Support Services

Property confirmation

Self-viewing



Smaview (smart viewing)



In addition to the FLIE Property Inquiry service, we offer a self-viewing system for real estate agents. The Smaview technology removes the need for physical keys and minimizes the risks associated with key exchanges.



4-9 FLIE: Leading the Way in Real Estate Direct Sales II

- We operate **FLIE**, a **secure platform** enabling real estate direct transactions between sellers and buyers.

Expanding the Marketplace Connecting Sellers and Buyers



What is **FLIE**?

Flea market × *Ie* (houses in Japanese)

No brokerage fees with FLIE!

- One of Japan's largest websites dedicated to direct real estate transactions
- Over 2,000 properties listed in the Tokyo metropolitan area, with more than 3,000 properties nationwide
- Expanding the property listing area from the Tokyo metropolitan area to a nationwide reach



<https://flie.jp/>

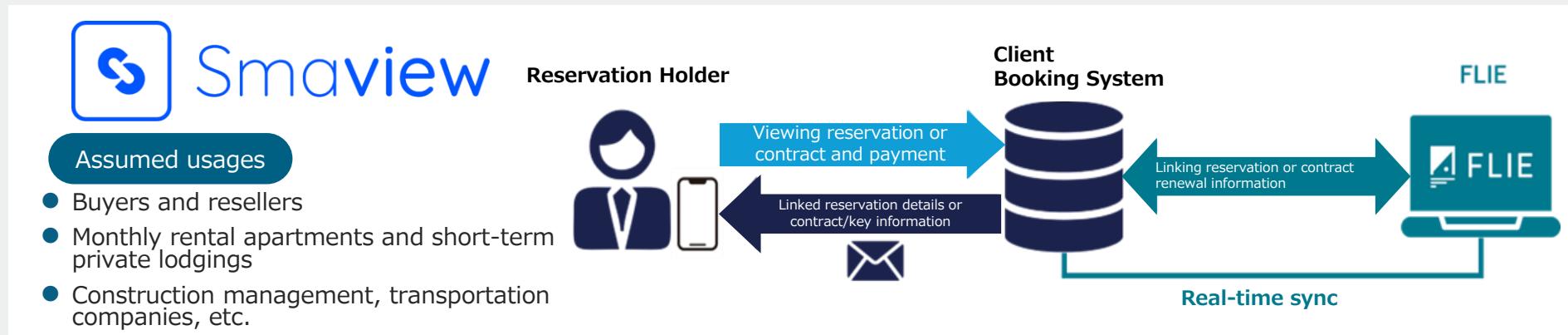
■ **FLIE Property Inquiry**, our Digital Tool for Sellers and Brokerages

Improving Business Efficiency for Sellers and Brokerages

- A digital tool that manages property information online and **accepts confirmations and viewing reservations 24/7**
- Accessible outside business hours and during times when phone communication is inconvenient.
- **Streamline operations** for both parties and **reduces communication costs**.



■ Expanding *S maview* Applications and Industries (Scheduled for Release in July 2024)



- Partner Details: CANDY HOUSE JAPAN plans, manufactures, and sells smart locks with **over 600,000 units shipped both domestically and internationally**
- Enhancing the self-viewing (*S maview*) scheme and integrating with various companies for entrance and exit management, enabling automatic **unlocking of private apartment areas when unoccupied**
- Improving property management efficiency and reducing redelivery issues, addressing labor shortages in real estate, construction, and logistics**

Customers: Includes Mitsubishi Estate Residence Co., Ltd among others.

Intellex Group creates a circular economy through renovation

Together with Stakeholders

Our stakeholders are our partners
We **X** co-create new value with our partners

For a Sound Market

We promote DX conversion of real estate transactions in order to create a transparent renovation platform where more participants can trade
= fairly



For Our Environment and Society

We **-** reduce CO₂ through renovation

Enriched Life for Everyone

Through renovation, we **+** create a space that satisfies each individual and enhances QOL

5. Appendix [Reference]

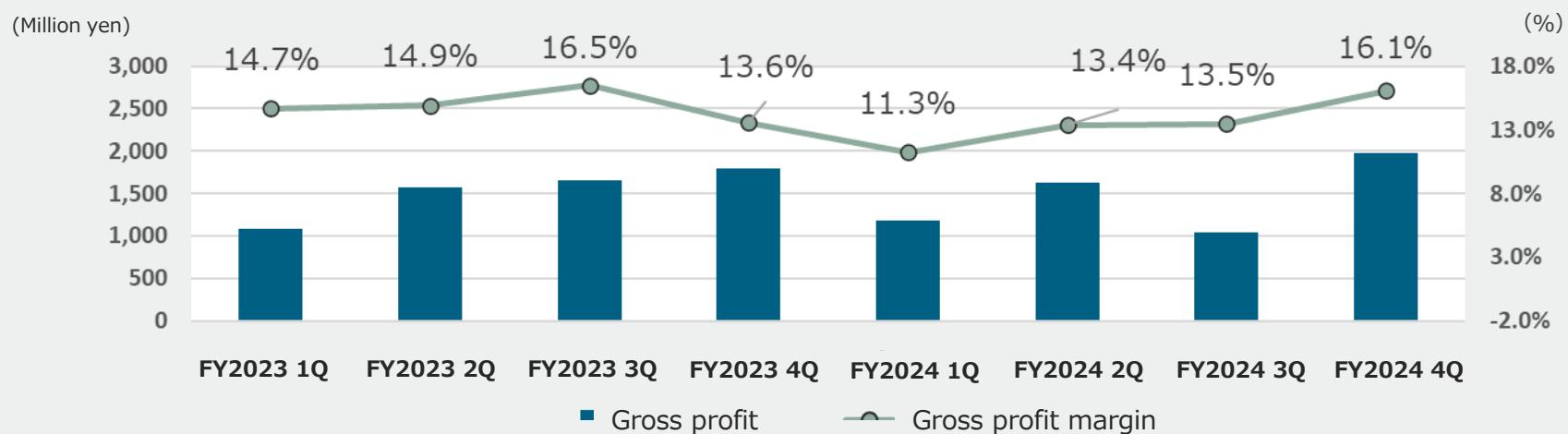
5-1 Summary of Consolidated Quarterly Results

■ Trends of Consolidated Results

(Million yen)

	FY2023 1Q		FY2023 2Q		FY2023 3Q		FY2023 4Q		FY2024 1Q		FY2024 2Q		FY2024 3Q		FY2024 4Q	
	Million ¥	Sales ratio														
Net sales	7,401	100.0%	10,526	100.0%	10,060	100.0%	13,248	100.0%	10,483	100.0%	12,186	100.0%	7,711	100.0%	12,320	100.0%
Gross profit	1,085	14.7%	1,570	14.9%	1,659	16.5%	1,797	13.6%	1,180	11.3%	1,630	13.4%	1,039	13.5%	1,980	16.1%
Operating profit	-41	—	230	2.2%	161	1.6%	359	2.7%	-88	—	327	2.7%	-74	—	765	6.2%
Ordinary profit	-102	—	89	0.8%	21	0.2%	217	1.6%	-131	—	235	1.9%	-159	—	662	5.4%
Net profit	-80	—	50	0.5%	-22	—	123	0.9%	-55	—	127	1.0%	-109	—	450	3.7%

■ Trends of Gross Profit and Gross Profit Margin



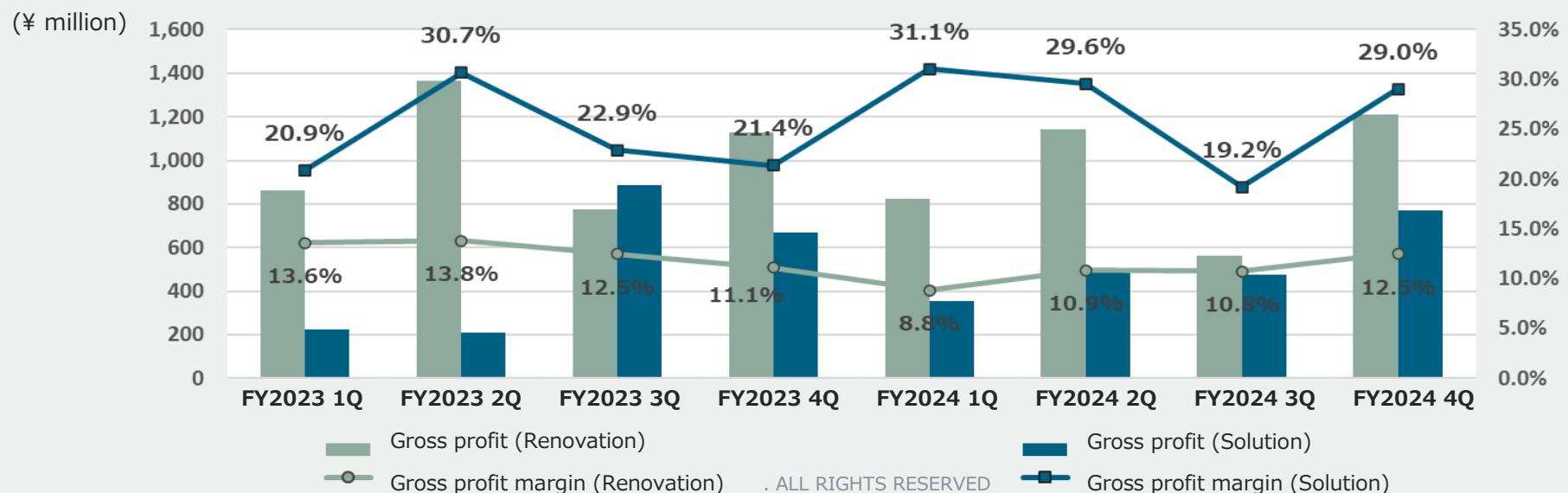
5-2 Trends of Quarterly Profitability by Segment

■ Trends of Sales and Gross Profit by Segment

(¥ million)

	FY2023 1Q		FY2023 2Q		FY2023 3Q		FY2023 4Q		FY2024 1Q		FY2024 2Q		FY2024 3Q		FY2024 4Q	
	Sales	Gross margin														
Renovation	6,335		9,849		6,190		10,126		9,345		10,540		5,226		9,668	
Solution	1,066		677		3,870		3,122		1,137		1,645		2,484		2,651	
Total sales	7,401		10,526		10,060		13,248		10,483		12,186		7,711		12,320	
Renovation	863	13.6%	1,363	13.8%	773	12.5%	1,129	11.1%	826	8.8%	1,144	10.9%	562	10.8%	1,210	12.5%
Solution	222	20.9%	207	30.7%	886	22.9%	668	21.4%	353	31.1%	486	29.6%	477	19.2%	770	29.0%
Total gross profit	1,085	14.7%	1,570	14.9%	1,659	16.5%	1,797	13.6%	1,180	11.3%	1,630	13.4%	1,039	13.5%	1,980	16.1%

■ Trends of Gross Profit and Gross Profit Margin by Segment



5-3 Sales Results by Segment

Segment	Sales categories	FY2023		FY2024		Year-on-year changes	
		Amount	Ratio	Amount	Ratio	Increase/decrease	Increase/decrease ratio
Renovation Business	Property sales	30,321	73.5%	31,610	74.0%	1,289	+ 4.3%
	Rents	146	0.4%	115	0.3%	- 30	- 21.0%
	Others	2,032	4.9%	3,055	7.2%	1,022	+ 50.3%
	Subtotal	32,500	78.8%	34,781	81.5%	2,281	+ 7.0%
Solution Business	Property sales	6,999	17.0%	5,259	12.3%	- 1,739	- 24.9%
	Rents	1,013	2.5%	942	2.2%	- 71	- 7.0%
	Others	722	1.8%	1,718	4.0%	995	+ 137.6%
	Subtotal	8,736	21.2%	7,920	18.5%	- 815	- 9.3%
Total	Property sales	37,320	90.5%	36,870	86.3%	- 450	- 1.2%
	Rents	1,160	2.8%	1,058	2.5%	- 102	- 8.8%
	Others	2,755	6.7%	4,773	11.2%	2,017	+ 73.2%
	Total	41,236	100.0%	42,702	100.0%	1,465	+ 3.6%

■ Renovation Business:

- Renovation, resale, leasing and brokerage of pre-owned condominiums and houses
- Renovation and Decoration Business
- FLIE (real estate direct transaction platform) business

■ Solution Business:

- Development, sales, leasing, management and brokerage of other real estate (buildings, lands, etc).
- Development and sales of newly built condominiums
- Leaseback Business
- Asset Sharing Business
- Hotel & Accommodation Business

5-4 Gross Profit by Segment

Segment	Sales categories	FY2023		FY2024		Year-on-year changes		(Million ¥)
		Amount	Gross margin	Amount	Gross margin	Increase/decrease	Increase/decrease ratio	
Renovation Business	Property sales	3,807	12.6%	3,365	10.6%	- 441	- 11.6%	
	Rents	101	69.2%	79	68.3%	- 22	- 22.0%	
	Others	219	10.8%	299	9.8%	80	+ 36.4%	
	Subtotal	4,128	12.7%	3,744	10.8%	- 384	- 9.3%	
Solution Business	Property sales	1,248	17.8%	1,005	19.1%	- 243	- 19.5%	
	Rents	530	52.4%	495	52.5%	- 35	- 6.7%	
	Others	204	28.4%	587	34.2%	382	+ 186.5%	
	Subtotal	1,984	22.7%	2,087	26.4%	103	+ 5.2%	
Total	Property sales	5,055	13.5%	4,370	11.9%	- 685	- 13.6%	
	Rents	632	54.5%	574	54.3%	- 58	- 9.2%	
	Others	424	15.4%	887	18.6%	462	+ 108.9%	
	Total	6,112	14.8%	5,831	13.7%	- 281	- 4.6%	

■ Renovation Business:

- Renovation, resale, leasing and brokerage of pre-owned condominiums and houses
- Renovation and Decoration Business
- FLIE (real estate direct transaction platform) business

■ Solution Business:

- Development, sales, leasing, management and brokerage of other real estate (buildings, lands, etc).
- Development and sales of newly built condominiums
- Leaseback Business
- Asset Sharing Business
- Hotel & Accommodation Business

■ Number of Units Sold

	FY2023	FY2024	Year-on-year changes
Renovated condominiums	1,152	1,129	- 2.0%
Other real estate properties <small>※</small>	30	169	+463.3%
Total (no. of units)	1,182	1,298	+9.8%

※ Other real estate properties include: buildings, houses, lands, newly built condominiums, Asset Sharing properties, Leaseback properties, etc.

■ Summary of Renovated Condominium Sales

	FY2023	FY2024	Year-on-year changes
Average age (year)	34.3	34.1	- 0.3
Average land area (m ²)	64.7	66.6	+ 1.8
Average sales price (thousand ¥)	26,298	27,999	+ 1,701

■ Sales of Renovated Condominiums by Area

Area	FY2023			FY2024			
	No. of units sold	Area share	Average price per unit (¥)	No. of units sold	YoY changes	Area share	Average price per unit (¥)
Tokyo 23 wards	268	23.3%	37 million	246	- 8.2%	21.8%	43 million
Greater Tokyo	46	4.0%	28 million	55	+19.6%	4.9%	31 million
Kanagawa	151	13.1%	26 million	163	+7.9%	14.4%	28 million
Saitama	46	4.0%	27 million	49	+6.5%	4.3%	26 million
Chiba	31	2.7%	26 million	17	- 45.2%	1.5%	30 million
Tokyo							
Metropolitan total	542	47.0%	32 million	530	- 2.2%	46.9%	35 million
Sapporo area	125	10.9%	19 million	128	+2.4%	11.3%	18 million
Sendai area	79	6.9%	22 million	90	+13.9%	8.0%	21 million
Nagoya area	75	6.5%	17 million	77	+2.7%	6.8%	18 million
Osaka area	197	17.1%	21 million	146	- 25.9%	12.9%	24 million
Hiroshima area	39	3.4%	21 million	37	- 5.1%	3.3%	23 million
Fukuoka area	95	8.2%	22 million	121	+27.4%	10.7%	21 million
Major local cities total	610	53.0%	21 million	599	- 1.8%	53.1%	21 million
Total	1,152	100.0%	26 million	1,129	- 2.0%	100.0%	27 million

■ Summary of Property Purchases

Segments	FY2023		FY2024			
	No. of units	Amount ¥	No. of units	YoY changes	Amount ¥	YoY changes
Renovated Condominiums	1,271	23.0 billion	869	- 31.6%	15.8 billion	- 31.3%
Other real estates	3	1.7 billion	22	+633.3%	2.5 billion	+50.3%
Total	1,274	24.7 billion	891	- 30.1%	18.4 billion	- 25.7%

- During the first half of FY2024, we restricted our purchases due to the inventory levels of Renovated Condominiums.
- We have since transitioned to a more proactive purchasing strategy and are actively pursuing new purchasing opportunities.

5-8 Property Purchases II

■ Purchases of Renovated Condominiums by Area

Area	FY2023			FY2024			
	Number of purchases	Area share	Average unit price (¥)	Number of purchases	Year-on-year changes	Area share	Average unit price (¥)
Tokyo 23 wards	263	20.7%	29 million	173	- 34.2%	19.9%	29 million
Greater Tokyo	44	3.5%	22 million	42	- 4.5%	4.8%	21 million
Kanagawa	160	12.6%	18 million	123	- 23.1%	14.2%	22 million
Saitama	45	3.5%	20 million	32	- 28.9%	3.7%	20 million
Chiba	28	2.2%	20 million	19	- 32.1%	2.2%	18 million
Metropolitan Tokyo total	540	42.5%	24 million	389	- 28.0%	44.8%	24 million
Sapporo area	150	11.8%	11 million	114	- 24.0%	13.1%	9 million
Sendai area	110	8.7%	13 million	76	- 30.9%	8.7%	12 million
Nagoya area	82	6.5%	10 million	54	- 34.1%	6.2%	9 million
Osaka area	210	16.5%	15 million	126	- 40.0%	14.5%	16 million
Hiroshima area	50	3.9%	14 million	24	- 52.0%	2.8%	16 million
Fukuoka area	129	10.1%	13 million	86	- 33.3%	9.9%	12 million
Outside Tokyo total	731	57.5%	13 million	480	- 34.3%	55.2%	12 million
Total	1,271	100.0%	18 million	869	- 31.6%	100.0%	18 million

5-9 Our Sales Performance and "R Housing" Issuance Numbers

■ Renovated Condominium sales results (by fiscal year) and cumulative number of "R Housing" issued by Renovation Council



※Created from materials published by the Renovation Council on June 21, 2024
"The number of "R housing" certificates issued that meet quality standards of excellent renovations reached 6,383 in FY2023, exceeding 74,000 in total over a period of 15 years.

■ "R-Housing"

"R-Housing" is given to renovated homes that meet the stringent quality standards set by the Renovation Council. R-Housing certification is a **standard feature of Renovated Condominiums**.



- Provision of safe and secure housing.
- We take pride in leading the industry by establishing standardized warranty periods.

■ "R1 Housing Eco"

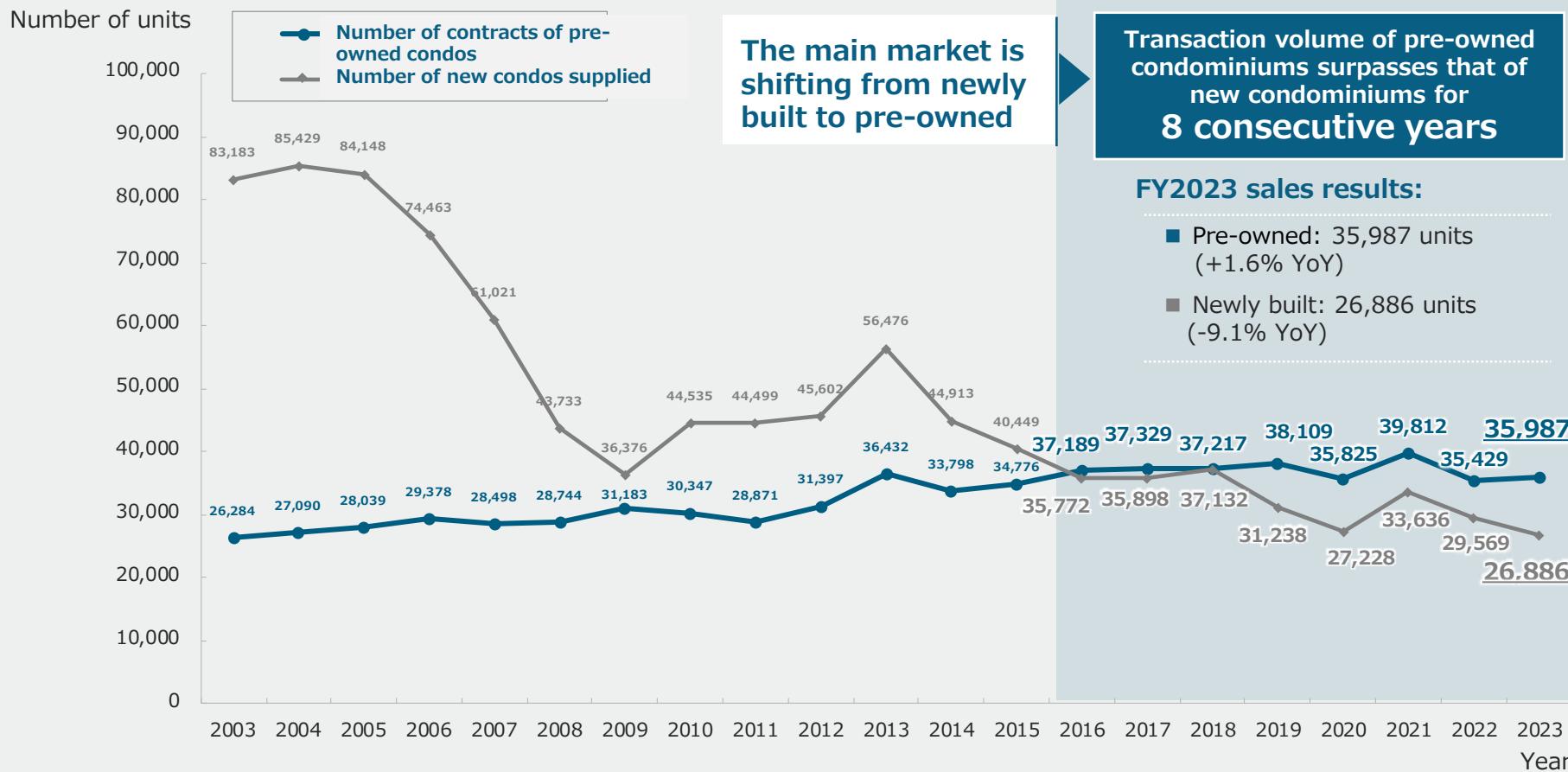
Building on the standards established by the Renovation Council in 2022, these homes further incorporate energy-efficiency requirements. As part of the push **for Ecocube**, we endeavor to make homes compatible with the R1 Housing Eco standard.



- Provision of energy-efficient renovated homes
- We promote this standard's adoption and standardization throughout the housing industry.

5-10 Pre-Owned Condominiums Continue to Outperform New-Build Housing Market

- Comparison of the number of contracts for pre-owned condominium units and newly built condominium units supplied in Tokyo metropolitan area

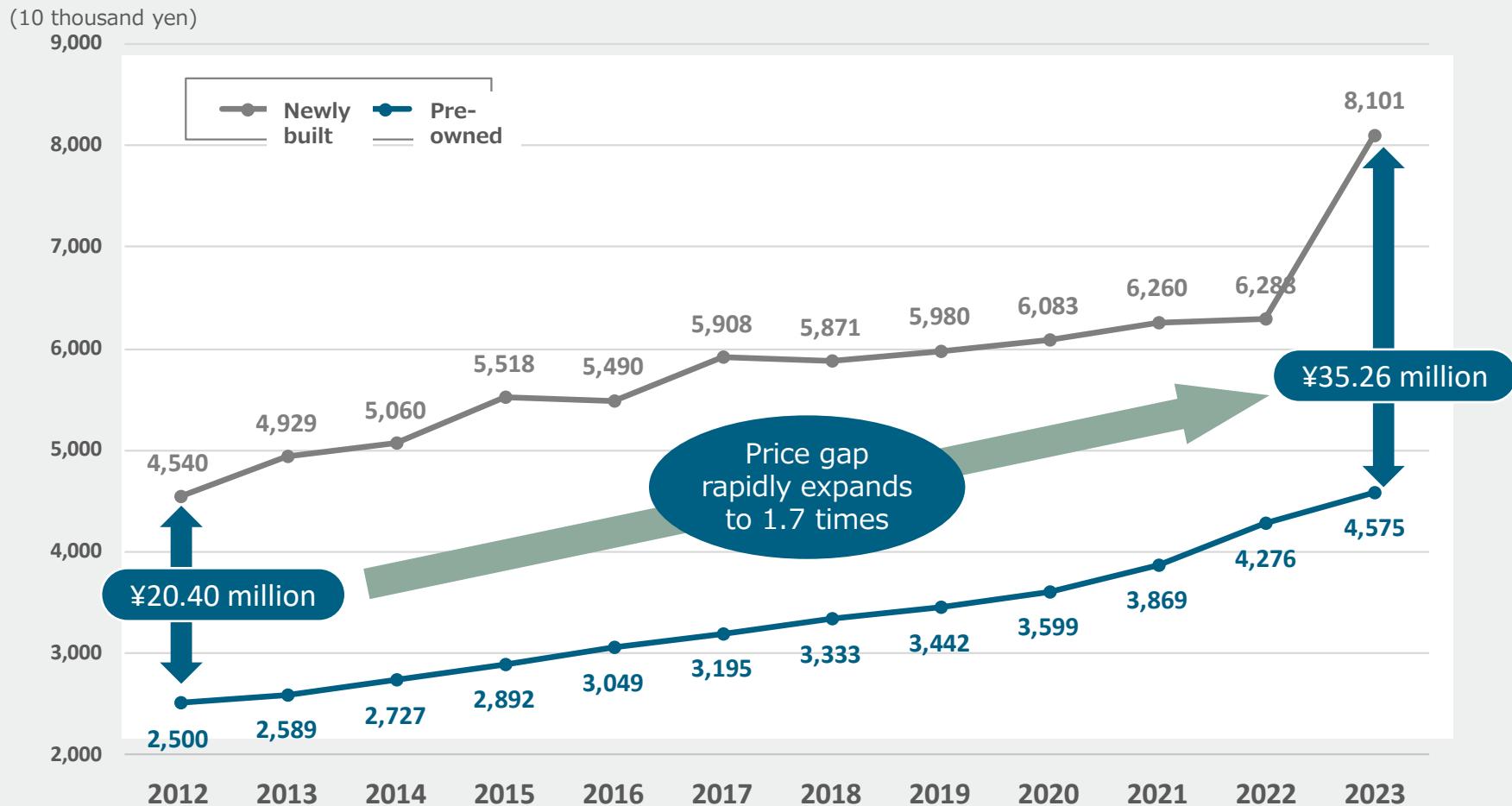


Number of newly built condominium units supplied: Created by Intellex based on data published by the Real Estate Economic Institute

Number of contracts for pre-owned condominium units : Created by Intellex based on data published by Real Estate Information Network System

5-11 Widening Price Gap: New-builds vs Pre-Owned Markets

- Trends in sales prices for newly built condominiums and contract prices for pre-owned condominiums in the Tokyo Metropolitan Area



Note: Sales prices for newly built condominiums: Created by Intellex based on data published by the Real Estate Economic Institute

Contract prices for pre-owned condominiums: Created by Intellex based on data published by the Real Estate Information Network System

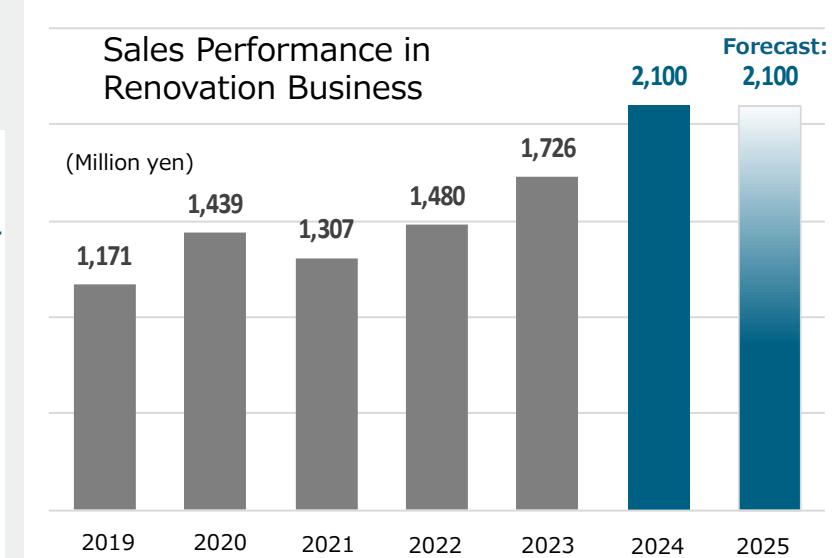
- Extensive know-how gained over years satisfy diverse renovation needs

Contracted works for corporate clients... Collaboration with industry peers

- Increased renovation orders from major industry peers who value our high-quality works



- FY2024 Results:**
Net sales reached **¥2,100 million**, a 21.7% year-on-year increase, driven by a rise in renovation orders from corporate clients.
- FY2025 Forecast:**
Combined sales for both corporate and individual clients are projected to maintain **the same level as FY2024**, at **¥2,100 million**.



■ Stabilize Profit Opportunities through a Diverse Business Portfolio

Leaseback Business

- Expand as a purchasing route from a medium- to long-term perspective
- Implement securitization for regular monetization



- Enhance promotions to boost awareness
 - TV commercials & web marketing
- Strengthen collaboration with major real estate brokerage firms.
 - Partnerships with Century 21 Group, Toho House, leading railway brokerage firms, etc.



Acquisition Record of Leaseback properties (As of May 2024)

- Cumulative number of properties acquired: 888 (+121 YoY)
- Cumulative acquisition amount: ¥14,300 million (+¥1,800 million YoY)

- In December 2023, we implemented **securitization of Leaseback Properties**
Transfer amount: ¥1,840 million

Asset Sharing Business

- Meeting investor and inheritance needs by continuously offering real-estate fractional ownership products



Address real estate investment challenges:

- Investment possible in **small units starting ¥1 million**
- Comprehensive management, ensures a **worry-free experience for investors**
- **Equitable distribution during inheritance or gifting**



Track Record of Asset Sharing (As of May 2024)

- 9 series completed to date
- Total composition amount: ¥8,850 million

- In May 2024, **we launched the first project of a new Asset Sharing series**

5-14 Asset Sharing: New Series on Sale



■ Launch of New Series *Asset Sharing + (plus)*

- We have curated a portfolio of real estate from a diverse selection of properties, integrating various types and categories with proven business viability
- By infusing our products with unique elements and value, we aim to make investing more engaging.

■ *Asset Sharing +: Series I*

- This project includes three residences located in different areas: Tokyo Ryogoku, Kawasaki, and Sapporo Soen.
- We focus on residential properties with stable occupancy rates and mitigate risk through geographical diversification of investments



TOKYO RYOGOKU
東京両国

KAWASAKI
川崎

SAPPORO SOEN
札幌桑園

Now on Sale: Asset Sharing +

Series I: In Operation

- Operation Start Date: May 31, 2024
- Number of Shares: ¥790 million (790 shares)
- Operation Period: 10 years
- Expected Yield: approx. 4.84%

Series II: On Sale

- Application period: June 10 to August 23, 2024
- Funding Amount (shares) ¥555 million (555 shares)
- Operation Period: 10 years
- Expected Yield: approx. 4.84 %

Note: The expected yield represents the ratio of annual rental income to the proposed investment amount, excluding public taxes, maintenance fees, and other expenses. This yield is a projection and not a guarantee of future returns.

5-15 Achievements of Asset Sharing Series



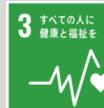
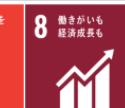
■ Cumulative composition amount of Asset Sharing series is ¥8,850 million (as of May 2024)

	Operating	Operating	Operating	Operating	Redeemed	Redeemed	Operating	Operating
Exterior	Harajuku 	Yokohama Motomachi 	Shibuya Aoyama 	Kitasenju 	Kyomachiya 1 	Hakata 	Sangenjaya 	Sapporo
Name	Social Apartments Harajuku	MID Yokohama Motomachi	Aoyama Luka Building	Urbain Tokyo Ueno Kitasenju	Nagaya Chawanzaka, etc.	SunHeim21 Hakata (montan HAKATA)	Laspacio Sangenjaya	LILAC Ichibankan
Type	Share house	Commercial	Commercial	Business hotel	Inn	Hotel & Residence	Residence	Residence
Address	Shibuya, Tokyo	Yokohama, Kanagawa	Shibuya, Tokyo	Adachi, Tokyo	Kyoto	Hakata, Fukuoka	Setagaya, Tokyo	Sapporo, Hokkaido
Access	5 min. walk from Kitasando Sta.	5 min. from Motomachi Chinatown Sta.	7 min. from Omotesando Sta.	4 min. from Kitansenju Sta.	Walkable from various stations	8 min. from Hakata Sta.	10 min. from Sangenjaya sta.	13 min. from Sapporo sta.
Gross rate of return	4.5%	5.2%	4.5%	5.1%	Performance-linked	6.1%	4.3%	5.2%
Price/unit	¥800 million /800 units	¥1,050 million /1,050 units	¥1,250 million /1,250 units	¥1,900 million /1,900 units	¥480 million /480 units	¥1,500 million /1,500 units	¥600 million /600 units	¥480 million /480 units

Note: Gross rate of return is the ratio of annual rental income to the total amount offered. In addition, the yield shown is the one at the time of offering.

Sustainability Policy and Initiatives

➤ In alignment with our corporate philosophy, we are integrating sustainability into our business operations. We identify key issues for sustainable growth (materiality) and actively promote initiatives to drive our business forward.

Materiality	Achieving a Circular Economy	Embracing Diverse Human Resources	Establishing Responsible Business Processes
Initiative Policy	We strive to decarbonize and attain carbon neutrality across our entire value chain by developing and promoting business models that support to a circular economy	We foster a corporate culture that empowers diverse talents to reach their full potential, evolving into employees and a company that can adapt effectively to change.	We mitigate ESG risks across the supply chain and build trust with stakeholders
Specific Initiatives	<ul style="list-style-type: none">Promotion of Ecocube, our energy-efficient renovation solutionStandardization and optimization of thermal calculation processesEnhancement of energy-efficiency performance visualizationInitiatives to reduce greenhouse gas emissions	<ul style="list-style-type: none">Embedding corporate philosophyInitiatives to promote female participationCreating an inclusive workplaceDeveloping and implementing a strategic education system	<ul style="list-style-type: none">Standardization of business processesImplementation of compliance training
SDG goals	   	  	 

■ Team E: Environmental Issues

➤ Promotion of Environmental Initiatives

- CDP (Carbon Disclosure Project) and TCFD Disclosure Implementation

CDP: Achieved a B- score in the first response in 2023.

Securities Report TCFD: Calculated Scope 3 CO₂ emissions in addition to Scope 1 and Scope 2

■ Team SG: Social Issues

➤ Advancement of Human Capital Management Practices

- **Development and Implementation of a Strategic Education System**

Redesigned the education framework, including tailored training programs by role and job type, to rapidly equip employees with necessary skills, enhance their capabilities, and cultivate highly skilled professionals

- **Conducting Engagement Survey**

Analyzing employee feedback and identifying issues to drive improvements and boost engagement.

- **Enhancing Internal Communication**

Promoting a culture of mutual trust and recognition through expanded awards programs and increased communication via internal newsletter and social events

■ Enhancement of Corporate Governance

- We aim to improve corporate value by proactively working based on the principles of the Corporate Governance Code
- **Regular Management Meetings:** Conducted to support the Board of Directors and ensure timely decision-making. These meetings focus on discussing and deliberating on fundamental policies and critical business matters, with the goal of enhancing the governance framework.
- The Sustainability Committee forms teams for each issue and responds to them.

■ Strengthening IR Activities

- Elevating corporate value through the proactive dissemination of Investor Relation information and cultivating engagement with investors on a medium- to long-term perspective.
- Fostering awareness and comprehension among investors regarding the alignment of our core business with **environmental sustainability**.
- Facilitating the recognition and understanding of our **industry-leading energy-efficient renovation initiative, ECOCUBE**, among investors
- **Enhancing Sustainability Recognition:** Strive to enhance our reputation as a **sustainable company** and engage with medium- to long-term ESG investors.
- **International Investor Relations:** Developed an English version of the corporate website to expand the reach of investor relations materials to international investors.

- With our corporate vision “Enriched Life for Everyone Through Renovation,” we strive to solve social issues with businesses that take advantage of our strengths

Renovation Business

Renovation-related business,
The Intellex Group core business

Renovated Condominium Business

Sales of high-quality renovated condominiums

Renovation & Decoration Business

Freely order your home renovation

Renovation Platform Initiative

Building a foundation for revitalizing
renovation market

Warranty

Long-term warranty for
up to 20 years

Industry group

Leadership in
Renovation Council

Product development

ECOCUBE
etc.

Partnership

Construction cooperation
association, **FLIE**,
franchising

Solution Business

We offer value-added **solutions**
for various types of real estate asset management

Asset Business

Revitalization of qualitative properties through renovation

Leaseback Business

Asset utilization: Enabling owners to sell without moving out

Asset Sharing Business

Qualitative and inexpensive real estate asset management

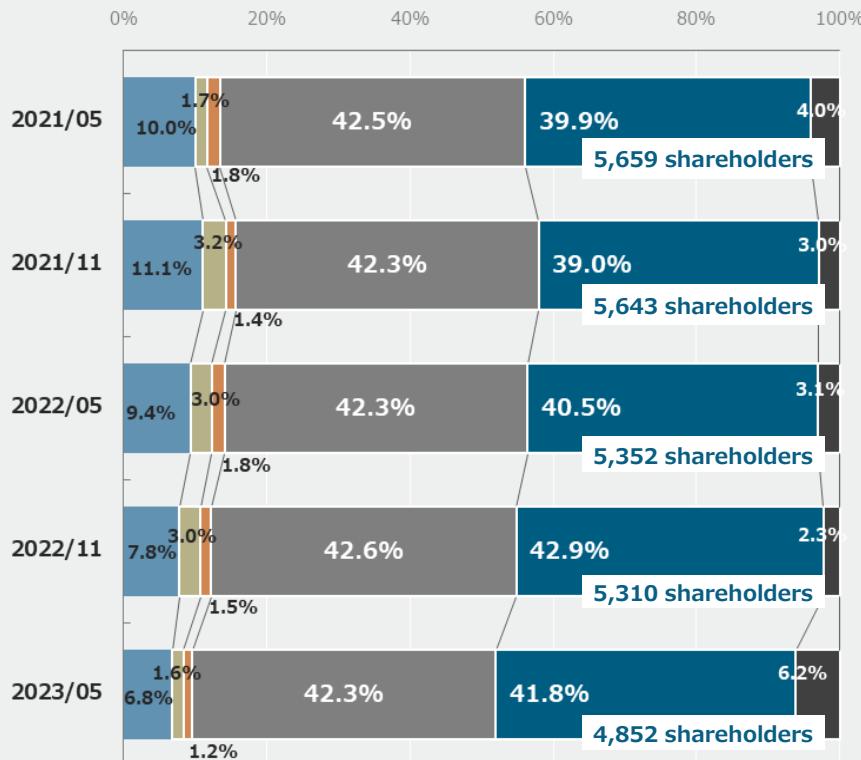
Hotel & Accommodation Business

Providing a relaxing time at our hotels
and accommodations

5-20 Share Information

■ Changes in Shareholder Structure (by Number of Shares held) ■ Major shareholders

█ Financial Institutions █ Foreign Corporations, etc. █ Security Firms
█ Other Domestic Corporations █ Individual Investors and others █ Treasury Shares



- Domestic institutional investors: **-1.8 points** (7.9 % ⇒ 6.1%)
- Individual investors: **-2.5 points** (42.2% ⇒ 39.8%)
- Treasury shares: **917,009 shares** (6.3% ⇒ 10.3%)

(As of May. 31, 2024)

Major shareholders	Number of shares held	Voting rights ratio (%)
1 E-alliance Co., Ltd.	3,594,500	44.85
2 The Master Trust Bank of Japan, Ltd. (Trust account)	323,600	4.04
3 Intellex Employees' Share Ownership Association	190,400	2.38
4 Seigo Naito	133,700	1.67
5 KITAZAWA SANGYO CO., LTD.	71,400	0.89
6 Tomohiro Suzuki	70,000	0.87
7 Junko Kitagawa	66,600	0.83
8 THE BANK OF NEW YORK MELLON 140042	61,600	0.77
9 Hideki Utou	60,200	0.75
10 THE BANK OF NEW YORK MELLON 140040	57,000	0.71

*Ratio of voting is calculated deducting 557,909 treasury shares

- Shares issued: **8,932,100 shares**
- Number of shareholders: **4,852** (- 458 since Nov. 2023)

5-21 Corporate Profile I and History

Company Profile

■ Company name	Intellex, Co., Ltd	Jul 95	Established Prestage Co., Ltd., as a renovation specialist in Setagaya, Tokyo, with capital of ¥10 million
■ Established	July 17, 1995	Feb 96	Certified by the Governor of Tokyo as a house agent (Reg#(1)73719) and started Renovated Condominium Business
■ President	Seiji Toshinari	Jul 96	Changed company name to Intellex Co., Ltd.
■ Capital	¥2,253 million	Feb 98	Established Intellex Space Plan Co., Ltd. (later subsidized by Intellex Co., Ltd.)
■ Issued shares	8,932,100 shares	July 00	Implemented in-house General Management System to manage real estate properties under management
■ Listed	Standard section of Tokyo Stock Exchange	Feb 03	Established Branch in Nishi-ku, Yokohama
■ Fiscal year end	May 31	Feb 03	Certified by Minister of Land, Infrastructure and Transport as a house agent (Reg#(1)6392, later changed to #(4)6392)
■ Branches	Shibuya, Sapporo, Sendai, Tokyo Nihombashi, Yokohama, Nagoya, Osaka, Kyoto, Hiroshima, Fukuoka	Jun 03	Absorbed Central Plaza Co., Ltd., in merger
■ Employees	319 (consolidated), 213 (non-consolidated) As of May 31, 2024	Apr 05	Listed in JASDAQ Securities Exchange (code#8940)
■ Permits	Real Estate Broker License: Minister of Land, Infrastructure, Transport and Tourism (5) No. 6392	May 07	Listed in the Second Section of Tokyo Stock Exchange
	Real estate specified joint venturer license: Tokyo Governor No. 97	Jul 09	Joined the General Incorporated Association Renovation Housing Promotion Council at the time of establishment
■ Membership of professional institutions	Renovation Council Metropolitan Real Estate Fair Trade Council Real Estate Distribution Management Association National Housing Industry Association Real Estate Securitization Association	Mar 15	Obtained permission based on the Real Estate Specified Joint Enterprise Law (Governor of Tokyo permission)
		Apr 15	Established Intellex Property Co., Ltd. (consolidated subsidiary)
		Jun 16	Listed in the First Section of Tokyo Stock Exchange
		Jan 18	Established Intellex Credit Guarantee Co., Ltd. (consolidated subsidiary) (currently Intellex Revitalization Housing Partner, Co., Ltd.)
		Nov 19	Established FLIE Co., Ltd. (consolidated subsidiary)
		Jan 21	Established Intellex TEI Co., Ltd. (currently TEI Japan Co., Ltd.)(consolidated subsidiary)
		Feb 22	Established RECOSYS, Inc. (consolidated subsidiary)
		Apr 22	Listed in the Prime Section of Tokyo Stock Exchange
		Mar 23	Absorbed Intellex Housing Co., Ltd. in merger
		Oct 23	Changed listing market to Standard Section of Tokyo Stock Exchange

Group Companies

■ Intellex Space Design, Inc.

- Business Areas Interior Decoration (Interior Industry), Design, Coordination
- Permits [First-Class Kenchikushi Office Registration] Tokyo Governor Permit No. 52796
 [General Construction Industry Permit] Tokyo Governor Permit (General-2) No. 152419
 Interior Finishing Work Business
 [Specified Construction Industry Permit] Tokyo Governor Permit (Special-2) No. 152419
 Construction Business, Painting Business, Waterproofing Business
- Memberships Renovation Council General Incorporated Association

■ Intellex Properties Co., Ltd.

- Business Areas Real Estate Management Business
- Permits [Real Estate Transaction License] Governor of Tokyo (2) No. 99689
 [Rental Housing Management Company Registration] Minister of Land,
 Infrastructure, Transport and Tourism (02) No. 002468
- Memberships Public Interest Incorporated Association Tokyo Real Estate Brokers Association
 Metropolitan Real Estate Fair Trade Council, Public Interest Incorporated Association

Group Companies

■ **FLIE CO., Ltd.**

- Business Areas Operation of Real Estate Buying and Selling Platform
Real Estate Buying and Selling Support Agent
- Permits [Real Estate Transaction License] Governor of Tokyo (1) No. 104498

■ **RECOSYS, Inc.**

- Business Areas Energy Efficient Renovation Franchise Business

■ **TEI Japan Co., Ltd.**

- Business Areas Consulting Business regarding Thermal Environment and Fuel Efficiency of Buildings
- Permits [First-Class Kenchikushi Office Registration] Tokyo Governor Permit No. 65665

■ **Saisei Jutaku Partners Co., Ltd.**

- Business Areas Real Estate Buying and Selling, Real Estate Rental Business, Real Estate Consulting
- Permits [Real Estate Broker License] Minister of Land, Infrastructure,
Transport and Tourism (1) No. 10418

For IR-related inquiry, please contact:
Mr. Abe/Ms. Hama at Corporate Strategy Department

TEL: 03-5766-7070 E-Mail: ir@intellex.co.jp

<https://www.intellex.co.jp/>

The information contained in these materials is based on data available as of July 2024 and certain assumptions and judgments made by the management of Intellex at the time these materials were created and is subject to change without notice. Accordingly, you should not rely solely on this information when making any projection about Intellex's business results, etc. Furthermore, please be reminded that any investment decisions ultimately must be made based on your own decision.