

A.D.Works Group Co., Ltd.

IR Briefing Materials: Third Quarter of Fiscal Year Ending December 31, 2025

November 13, 2025

TSE Prime, Code: 2982

Disclaimer

This document was prepared in English for convenience purposes only. The original Japanese document shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this document.



Contents

1.	Highlights of Third Quarter of Fiscal Year Ending December 31, 2025	P 3
2.	Overview of Financial Results for Q3 of FY2025 (Summary)	P 12
3.	Progress with Growth Strategies	P 18
4.	Appendix	P 29
	▶ Overview of Financial Results for Q3 of FY2025 (Details)	
	▶ Growth Strategies to Enhance Corporate Value (Cites material released on February 13, 2025)	
	▶ Progress with Second Medium-Term Management Plan(Fiscal Years Ending December 31, 2024 - December 31, 2026)	
	▶ Sustainability	
	▶ Business Model	
	▶ Reference Materials (Company Profile / Shareholder Composition)	

Highlights of Third Quarter of Fiscal Year Ending December 31, 2025

A.D.W. SINCE 1886
GROUP



TOPIC 1: Q3 income before income taxes: 208% y/y Upward revision of full-year plan for income before income taxes to 4.9 billion yen; increase in dividend by 2 yen decided

In Q3, income before income taxes was 3.7 billion yen (208% y/y) and operating income was 4.1 billion yen (182% y/y). We made an upward revision to our full-year plan (pre-revision 4.0 billion yen → post-revision 4.9 billion yen) and also increased year-end dividend by 2 yen (8 yen → 10 yen)



TOPIC 2: Achieved record-high quarterly sales of 6.7 billion yen in small-lot real estate business

In Q3, sales were 17.4 billion yen (172% y/y) and gross profit was 3.7 billion yen (157% y/y). Compared to the annual sales target of 20.0 billion yen, total cumulative sales in Q3 reached 17.9 billion yen (including tax), for a progress rate of 89.5%. Quarterly sales reached a record high of 6.7 billion yen, and we plan to increase our 27.0-billion-yen sales target for the next fiscal year.



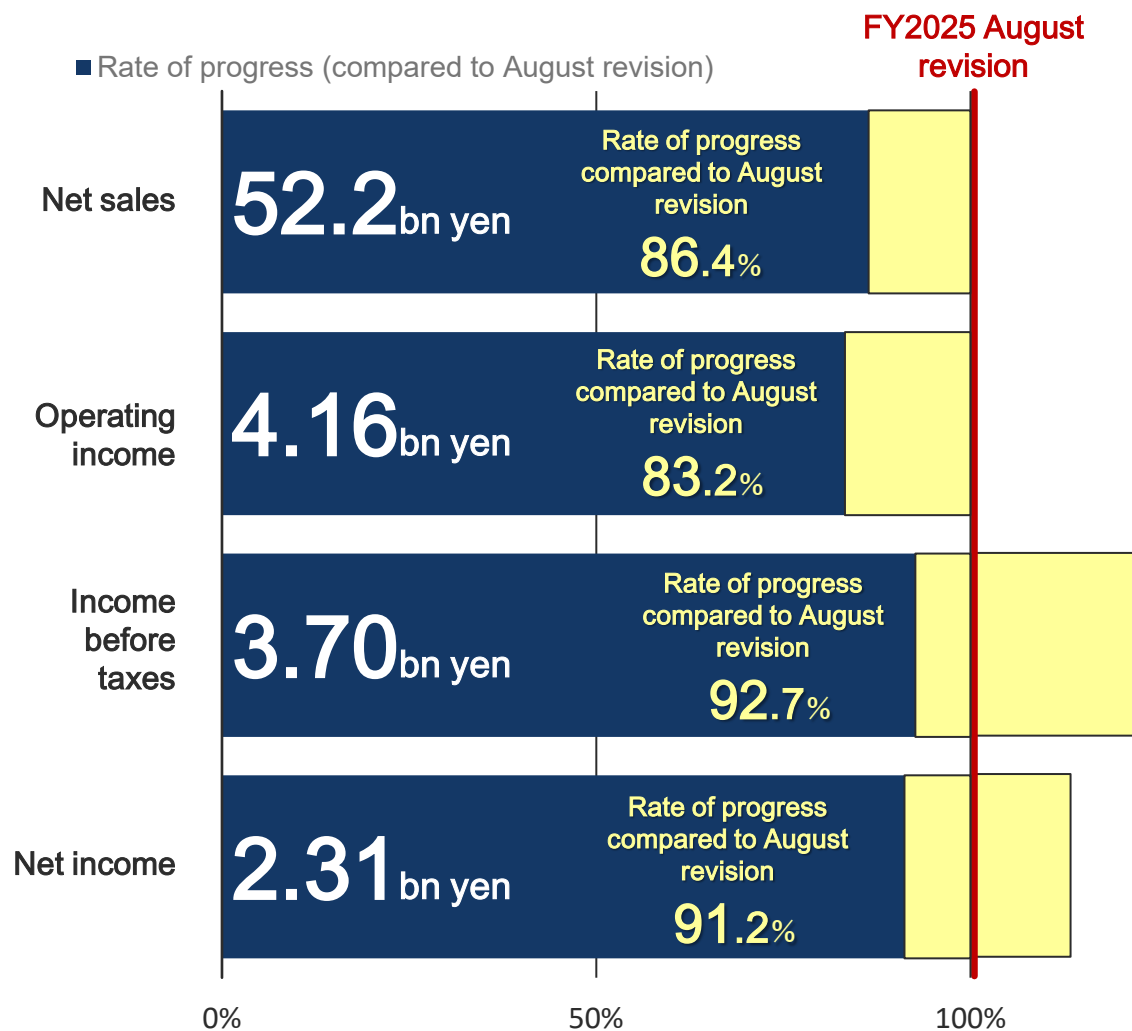
TOPIC 3: Achieved gross profit in the single-building income property sales business of 4.6 million yen : 195% y/y

In Q3, sales were 28.4 billion yen (153% y/y) and gross profit was 4.6 billion yen (195% y/y). Measures to increase property value were successful, and gross profit margin improved to 16.3% (12.8% in Q3 last year)

01 Highlights | Progress Rate vs. Forecast for FY2025 Q3 & Upward Revision to Full-Year Results Plan

A.D.W. GROUP
SINCE 1885

As of Q3, income before income taxes progressed to 92.7% of the plan.
Following on from August, we have again made an upward revision to the full-year plan
(pre-revision 4.0 billion yen → post-revision 4.9 billion yen)



FY2025 August revision (announced Aug. 7)	FY2025 November revision (announced Nov. 13)
60.5 bn yen	60.5 bn yen
5.0 bn yen	5.0 bn yen
4.0 bn yen	4.9 bn yen
2.54 bn yen	2.87 bn yen

Following the upward revision of the full-year plan, decided to increase the year-end dividend by 2 yen
(pre-revision 8 yen → post-revision 10 yen)

(Unit: billion yen)

	Net sales	Operating income	Income before taxes	Net income
Previous forecast (8/7)	60.5	5.0	4.0	2.54
Revised forecast (11/13)	60.5	5.0	4.9	2.87
Change	0	0	0.9	0.33
Change (%)	0%	0%	22.5%	13.0%
Previous FY results	49.90	3.20	2.50	1.61

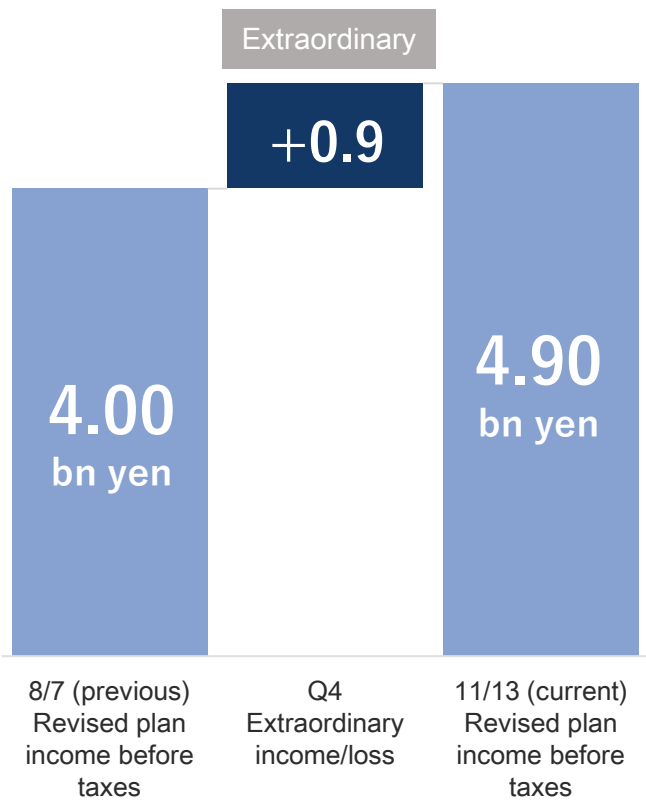
	Annual dividend (yen per share)		
	End of Q2	End of FY	Total
Previous forecast (8/7)	6.0	8.0	14.0
Revised forecast (11/13)	—	10.0	16.0
Current FY results	6.0	—	—
Previous FY results	4.5	5.5	10.0

01 Highlights | Analysis of Changes in Income Before Taxes and Net Income (August plan vs. November plan)

The overseas subsidiary (ADW-No.1 LLC) was dissolved in November, and income before taxes is expected to increase due to an extraordinary income* of approximately 0.9 billion yen. At the same time, the amount of corporate tax will be revised by reduction of deferred tax assets of overseas businesses, etc. We aim to improve capital efficiency as a result of increasing the allocation of funds to the domestic business while restructuring the overseas business.

(※Foreign currency translation adjustment gain following the dissolution of a US subsidiary)

Analysis of changes in income before taxes (August plan vs. November plan)



Analysis of changes in net income (August plan vs. November plan)



The FY2026 mid-term plan, growth is expected to significantly exceed the final year plan. Although the FY2026 plan is undecided, it is expected to significantly exceed the revised FY2025 plan (announced on November 13).

The progress of new businesses will be monitored, and the results will be disclosed at the end of FY2025.

(Unit: billion yen)

Consolidated	Second Mid-term Management Plan (FY2024 - FY2026)					
	FY2024 (Fiscal year ended December 31, 2024)	FY2025 (Fiscal year ending December 31, 2025)				FY2026 (Fiscal year ending December 31, 2026)
	Initial Plan	Initial Plan	Revised Plan (1) (Announced 2/13)	Revised Plan (2) (Announced 8/7)	Revised Plan (3) (Announced 11/13)	Initial Plan
Net sales	47.00	52.00	55.00	60.50	60.50	58.00
Operating income	3.00	3.30	3.60	5.00	5.00	3.70
Net income before income taxes	2.30	2.60	2.80	4.00	4.90	3.00
Balance of income properties	45.00	46.00	47.00	47.00	50.00	50.00
Shareholders' equity ^{*1}	17.51	18.50	18.70	19.40	19.80	20.00
ROE ^{*2}	9.2%	9.6%	9.8%	13.7%	15.4%	10.4%
ROIC ^{*3}	4.3%	4.6%	5.0%	6.4%	6.9%	4.8%
Human resource productivity "PH gross profit" ^{*4}	33 mil yen/person	34 mil yen/person	38 mil yen/person	40 mil yen/person	40 mil yen/person	35 mil yen/person
Financial soundness "Equity ratio"	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%
Shareholder value "EPS" ^{*5}	32.95 yen	36.35 yen	37.02 yen	52.68 yen	59.53 yen	41.76 yen

^{*1} Balance of income properties: Total balance of properties held for sale or rental revenue

^{*2} ROE: Net income attributable to owners of parent / average shareholders' equity (Figures may differ from net income on equity.)

^{*3} ROIC: (Net income attributable to owners of parent + interest expenses + borrowing fee) / (balance of average shareholders' equity + balance of average interest-bearing liabilities)

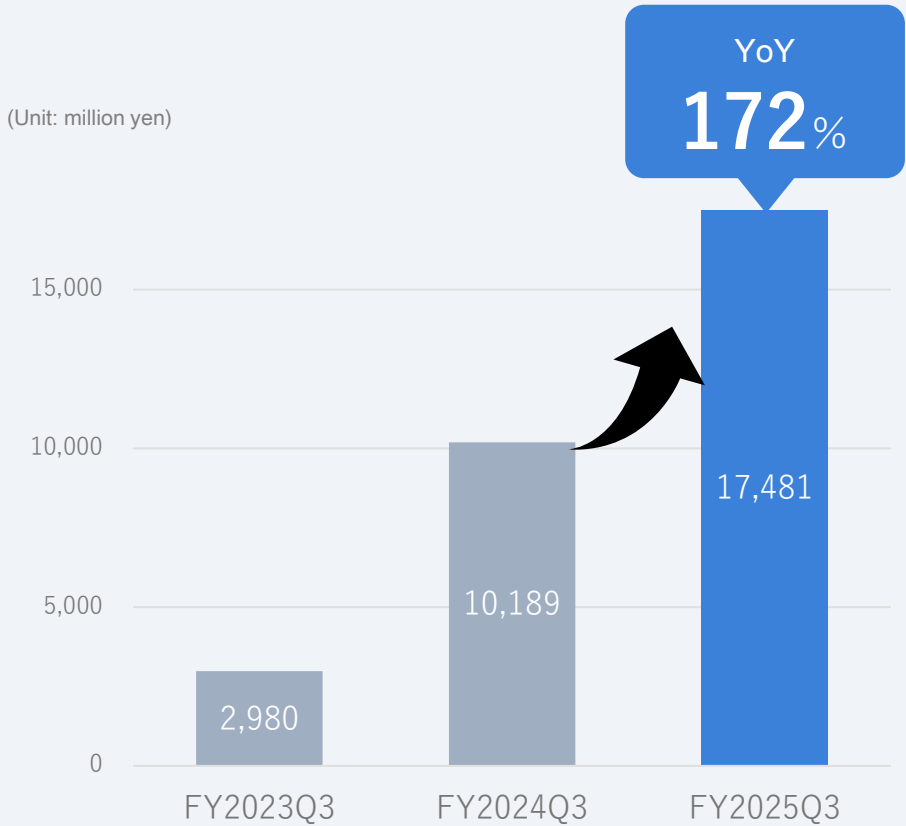
^{*4} PH gross profit (gross profit per head): Gross profit / average number of employees

^{*5} EPS (earnings per share): Net income attributable to owners of parent / average number of shares during the period

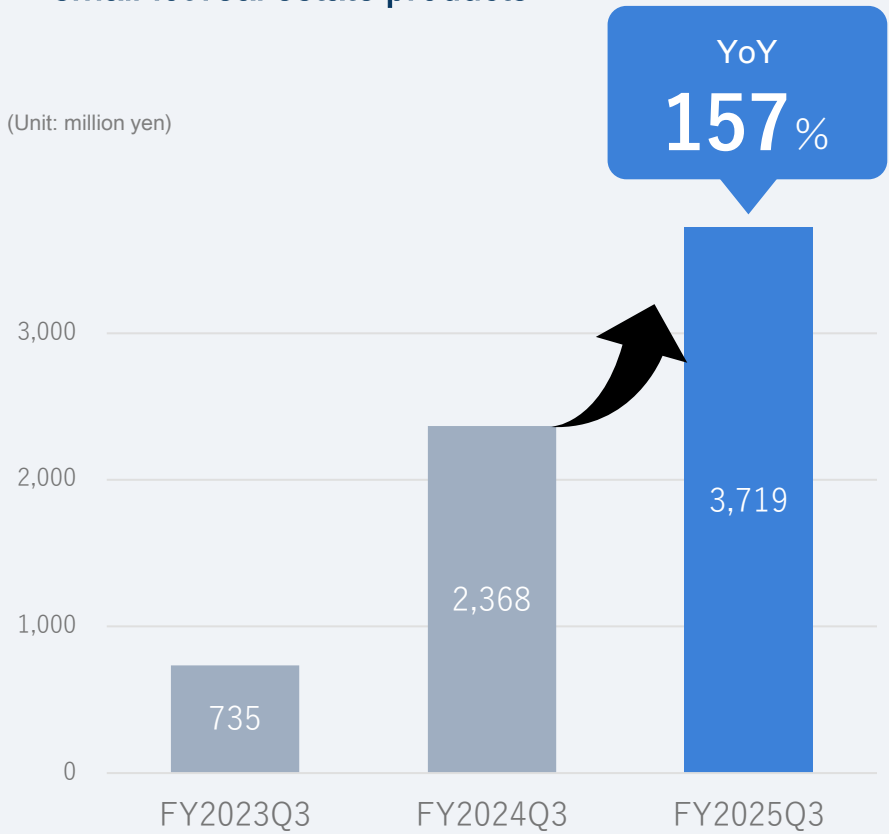
01 Highlights | **Achieved record-high quarterly sales of 6.7 billion yen in small-lot real estate business**

Achieved sales of 17.4 billion yen (172% y/y) and gross profit of 3.71 billion yen (157% y/y) in Q3. Compared to the annual sales target of 20.0 billion yen, total cumulative sales in Q3 reached 17.9 billion yen (including tax), for a progress rate of 89.5%. Sales partners increased to more than 500 companies, and continuous product is ensured. Annual sales target expected to be exceeded

Net sales of small-lot real estate products

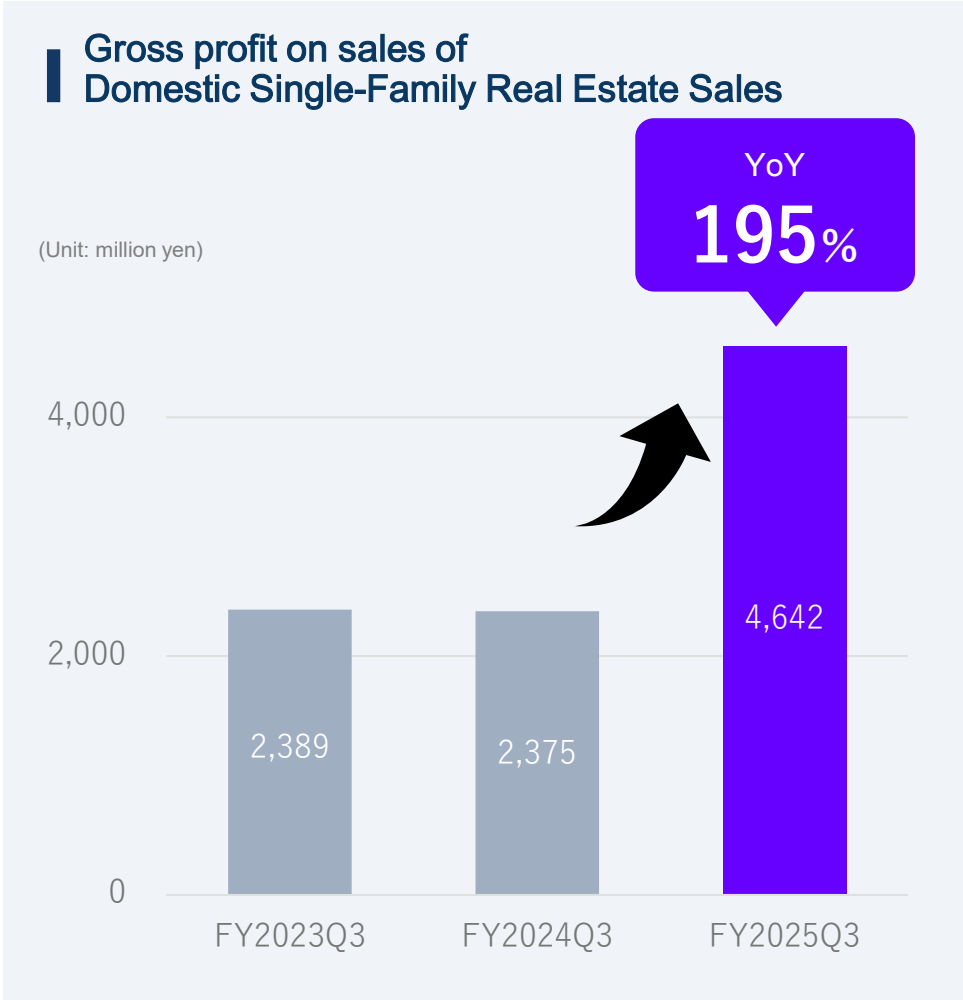
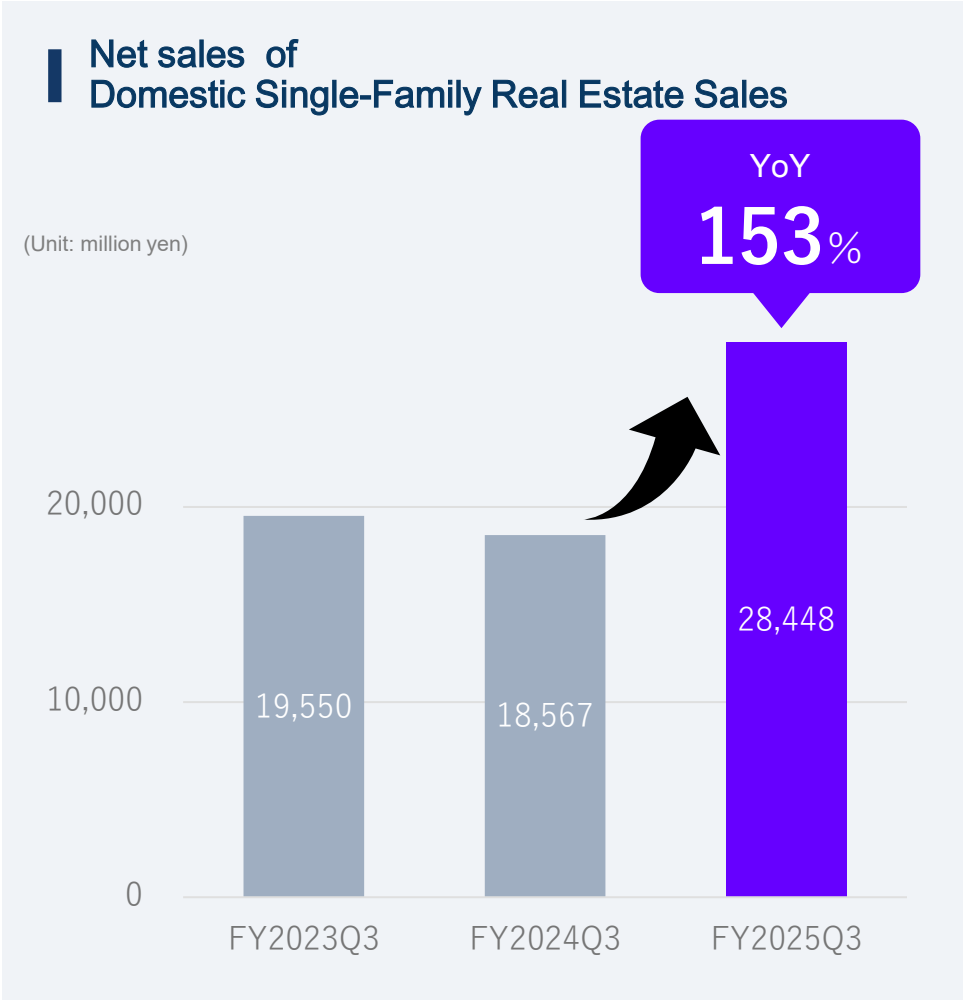


Gross profit on sales of small-lot real estate products



01 Highlights | Achieved gross profit in the single-building income property sales business of 4.6 million yen : 195% y/y

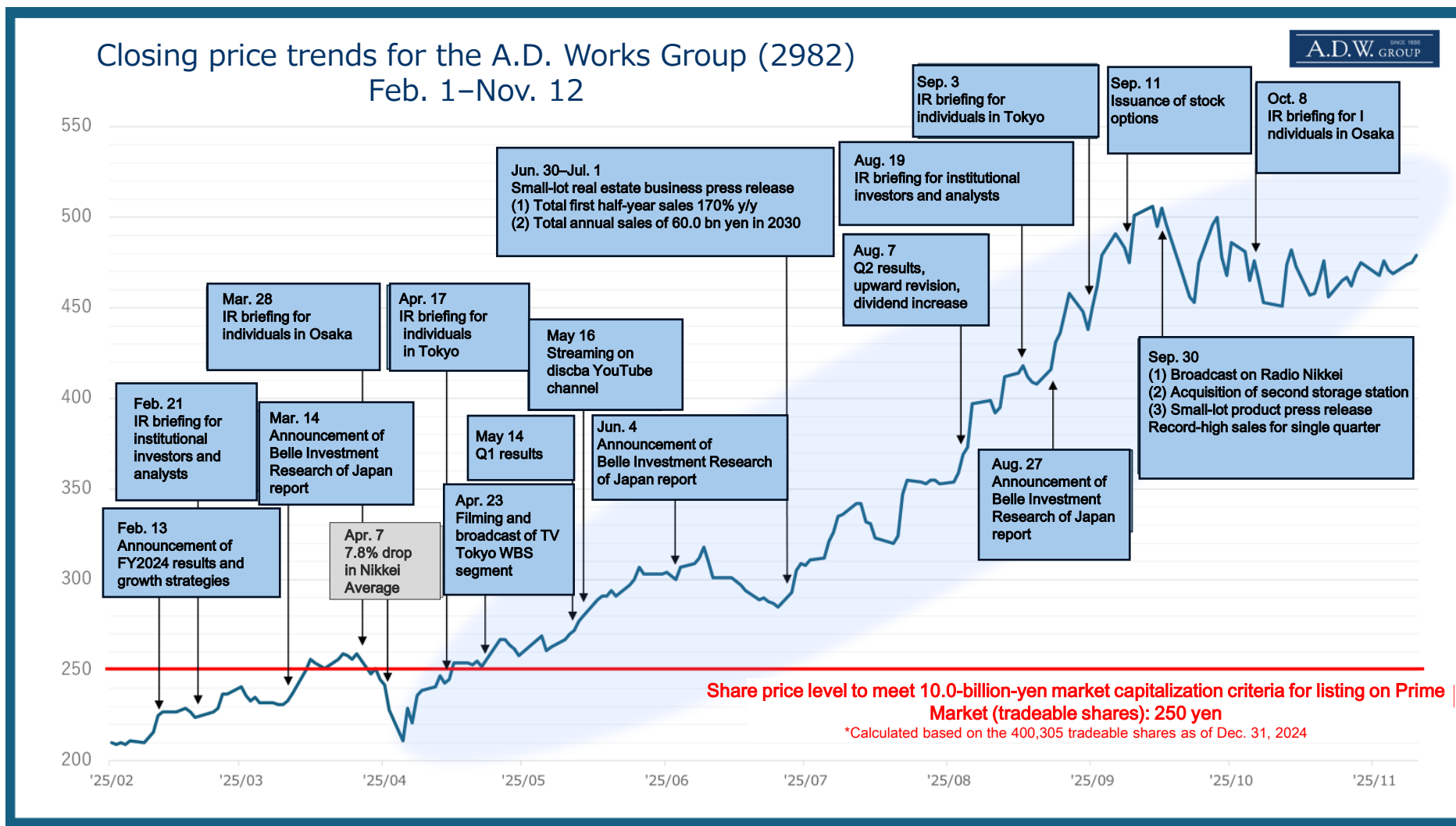
In Q3, achieved sales of 28.4 billion yen (153% y/y) and gross profit of 4.64 billion yen (195% y/y)
Improved sales & gross profit as a result of measures to increase property value



01 Highlights | Maintained a Share Price Level That Significantly Exceeds Prime Market Listing Criteria

A.D.W. GROUP

Share price has risen further since announcement of Q2 results, upward revision to plan, and decision to increase dividends. We will continue to engage in proactive IR activities for both individual investors and institutional investors.



Overview of Financial Results for Q3 of FY2025 (Summary)

Large YoY increase in sales and income

(Unit: million yen)

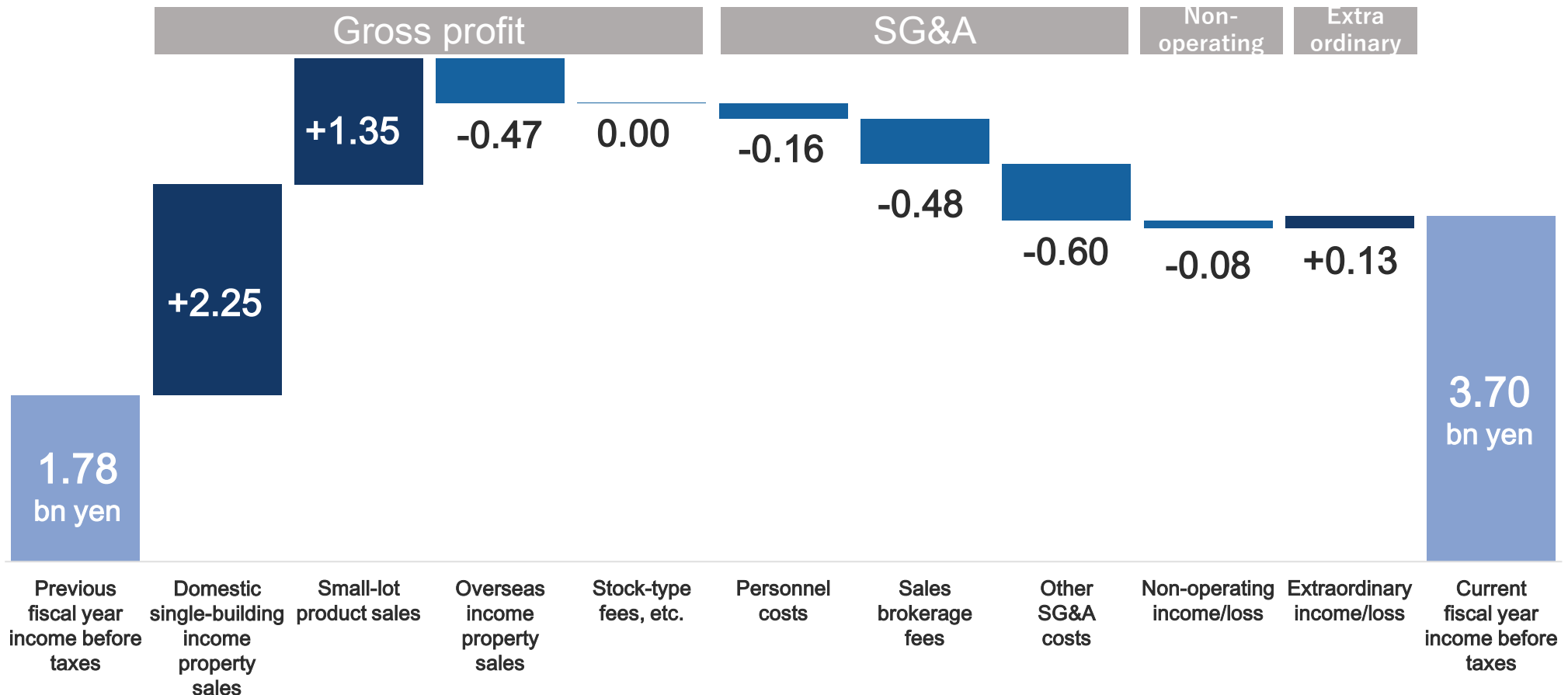
	FY2025 Q3 (Results)	FY2024 Q3		FY2023 Q3	
			YoY		Vs. two years ago
Net sales	52,278	33,797	154.7%	27,977	186.9%
Operating income	4,161	2,293	181.5%	1,797	231.6%
Income before taxes	3,706	1,782	207.9%	1,552	238.7%
Net income *	2,316	1,105	209.4%	1,043	221.9%

*Net income attributable to owners of parent

Domestic single-building income property sales and small-lot real estate product sales drive strong performance

Loss on valuation of inventories was recorded until Q3

Recorded gain on sale of subsidiary shares (Sumikawa ADD, extraordinary profit of 0.14 billion yen)

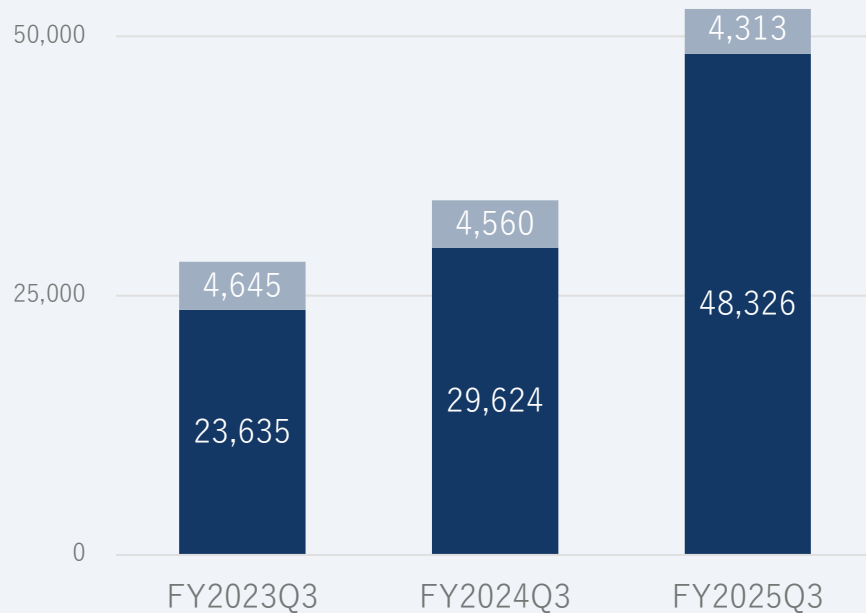


Income property sales business drives performance expansion.

Fluctuations in net sales (by segment)

(Unit: million yen)

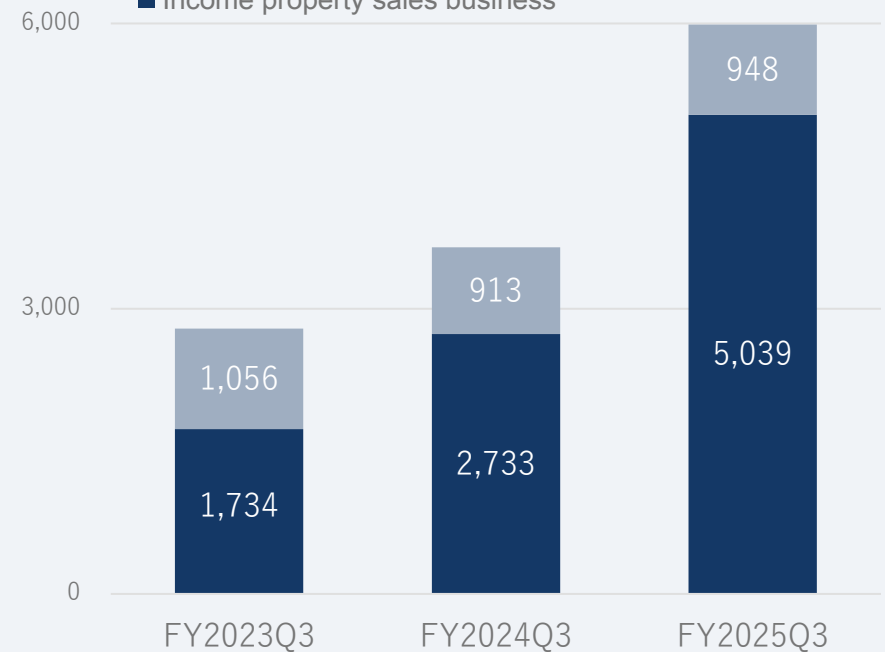
■ Stock-type fee business
■ Income property sales business



Fluctuations in Operating income (by segment)

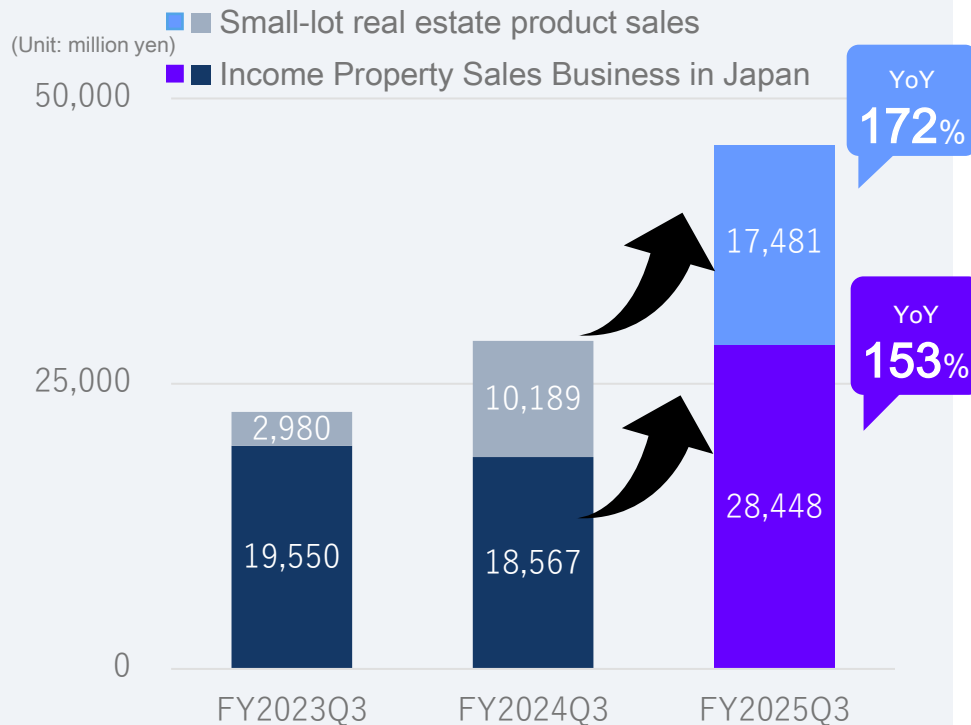
(Unit: million yen)

■ Stock-type fee business
■ Income property sales business

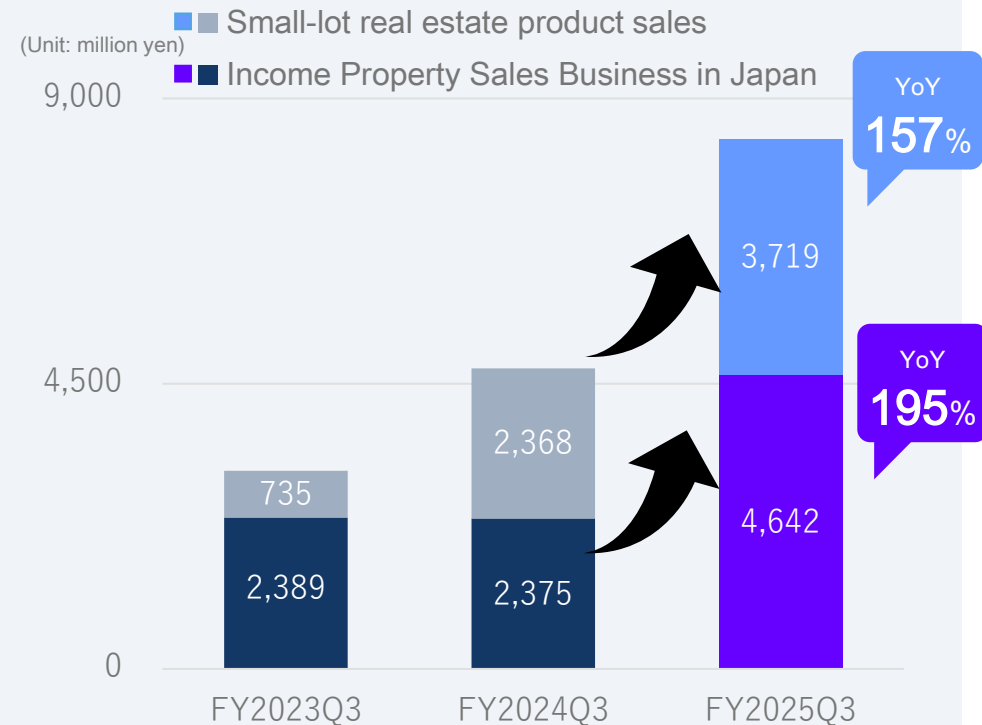


Both domestic single-building income property sales business
and small-lot real estate business grew significantly

Trend in net sales (breakdown of domestic income property sales)



Trend in gross profit (breakdown of domestic income property sales)



Progress rate of income before taxes against the revised plan in August is 92.7%
Because of the planned extraordinary income in Q4 (foreign currency translation adjustments gain),
the full-year results plan was revised upward again in November.

(百万円)

	FY2025 Q3 (Results)	FY2025 Revised plan (11/13)		FY2025 Revised plan (8/7)		FY2025 Initial plan (2/13)
			Rate of progress		Rate of progress	
Net sales	52,278	60,500	86.4%	60,500	86.4%	55,000
Operating income	4,161	5,000	83.2%	5,000	83.2%	3,600
Income before taxes	3,706	4,900	75.6%	4,000	92.7%	2,800
Net income ※	2,316	2,870	80.6%	2,540	91.2%	1,780

*Net income attributable to owners of parent

| Progress with Growth Strategies

Expecting to achieve the 2027 13-14% ROE target early (announced 2/13)
 Striving to foster further growth expectations and reduce the cost of shareholders' equity
 toward a P/B ratio of 1x (share price in the 400-yen range)

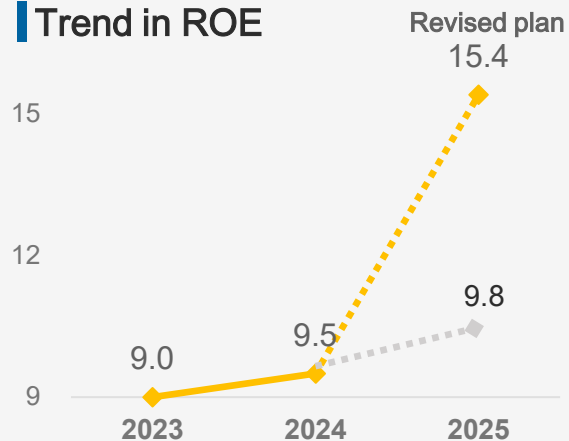
ROE Target

Target disclosed 2/13
 By 2027

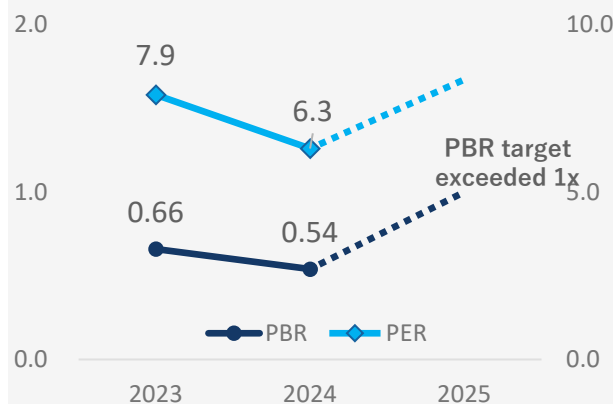
After 11/13 upward revision
 FY2025 expected ROE

13-14% ➔ 15.4%

Trend in ROE



Trend in P/E ratio / P/B ratio

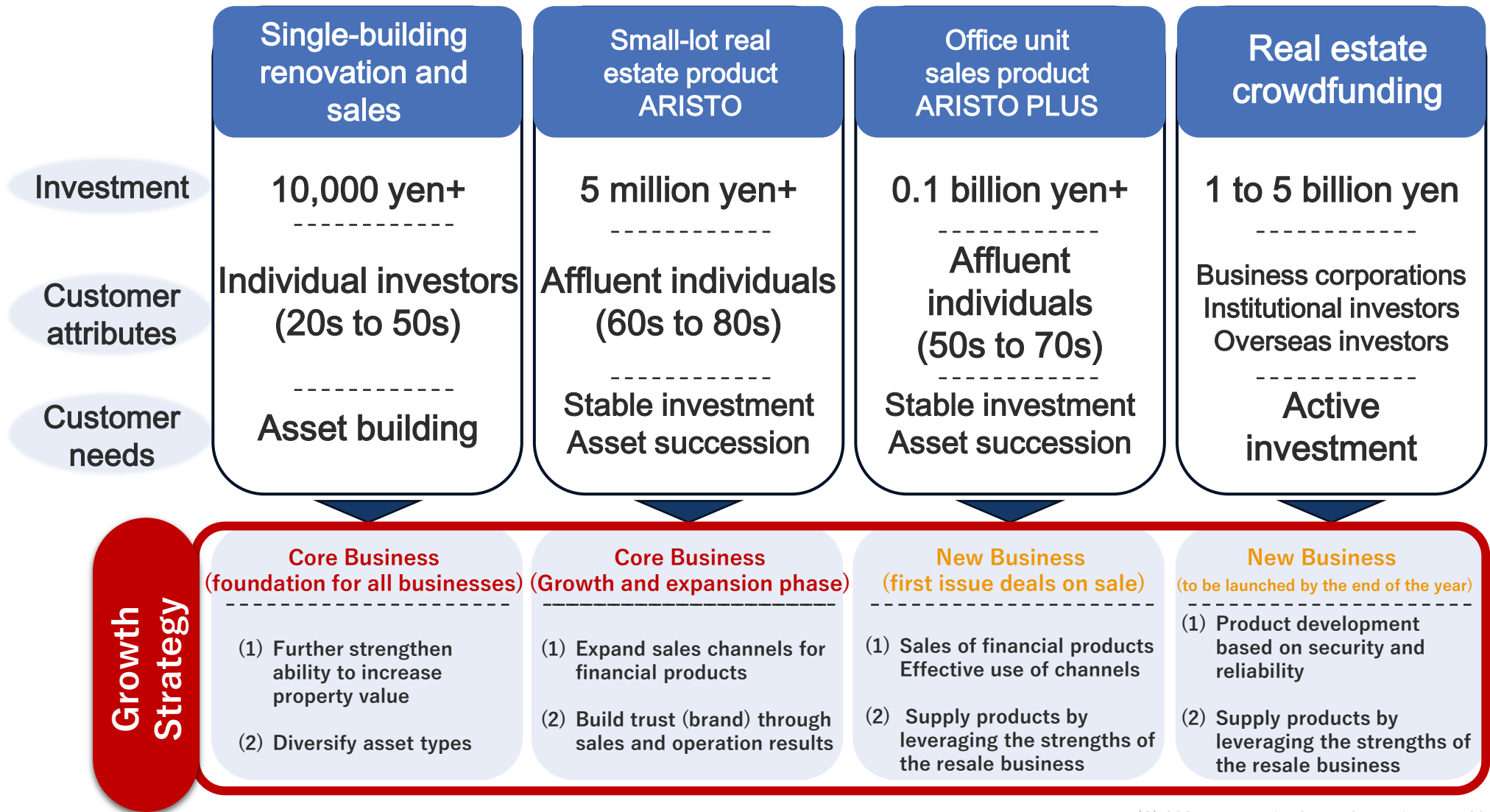


Trend in stock price



Entered the office unit sales business and real estate crowdfunding business

Strategically expand our business structure to leverage our strengths and target a diverse range of customers



Market Growth

1 Increase in inherited assets

- Inherited assets are expected to increase along with the increase in the number of elderly people in the future.

2 Raising Awareness

- 0.3-0.4% of inherited assets in the small real estate market



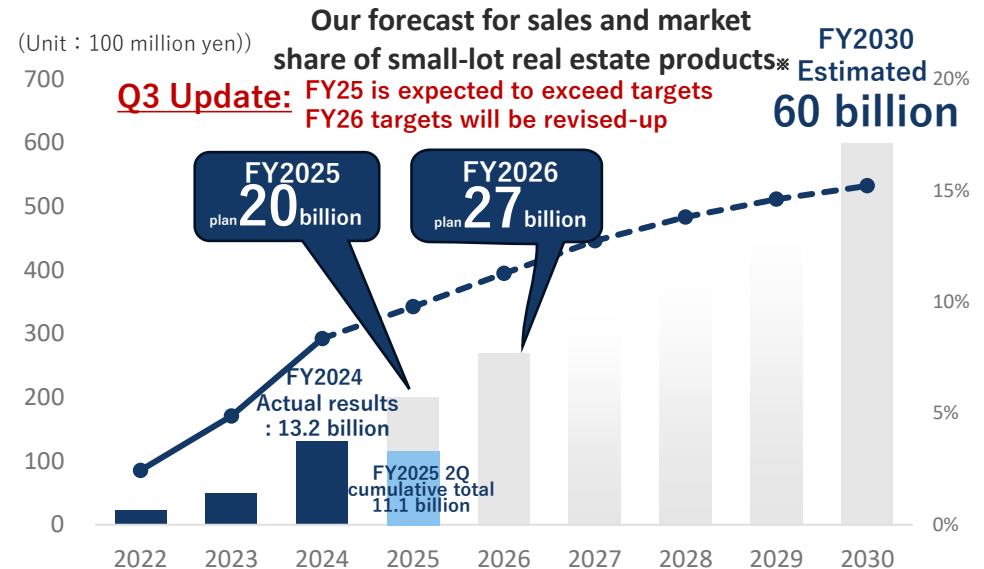
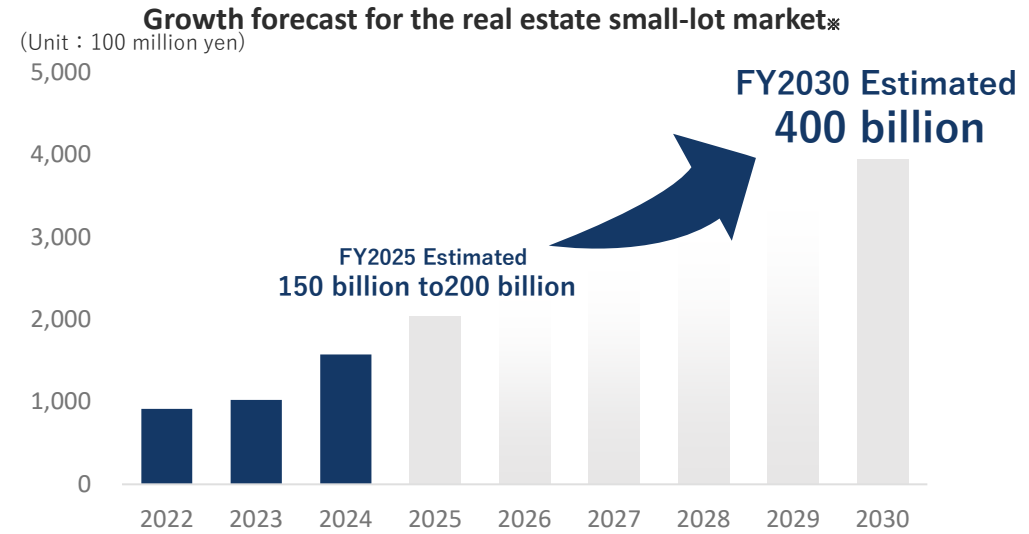
Market share expansion

1 oligopolistic market

- Barriers to building a sales channel for financial products
- A virtuous cycle in which sales performance leads to the next sale (sales -> trust -> sales)

2 Why Choose Us

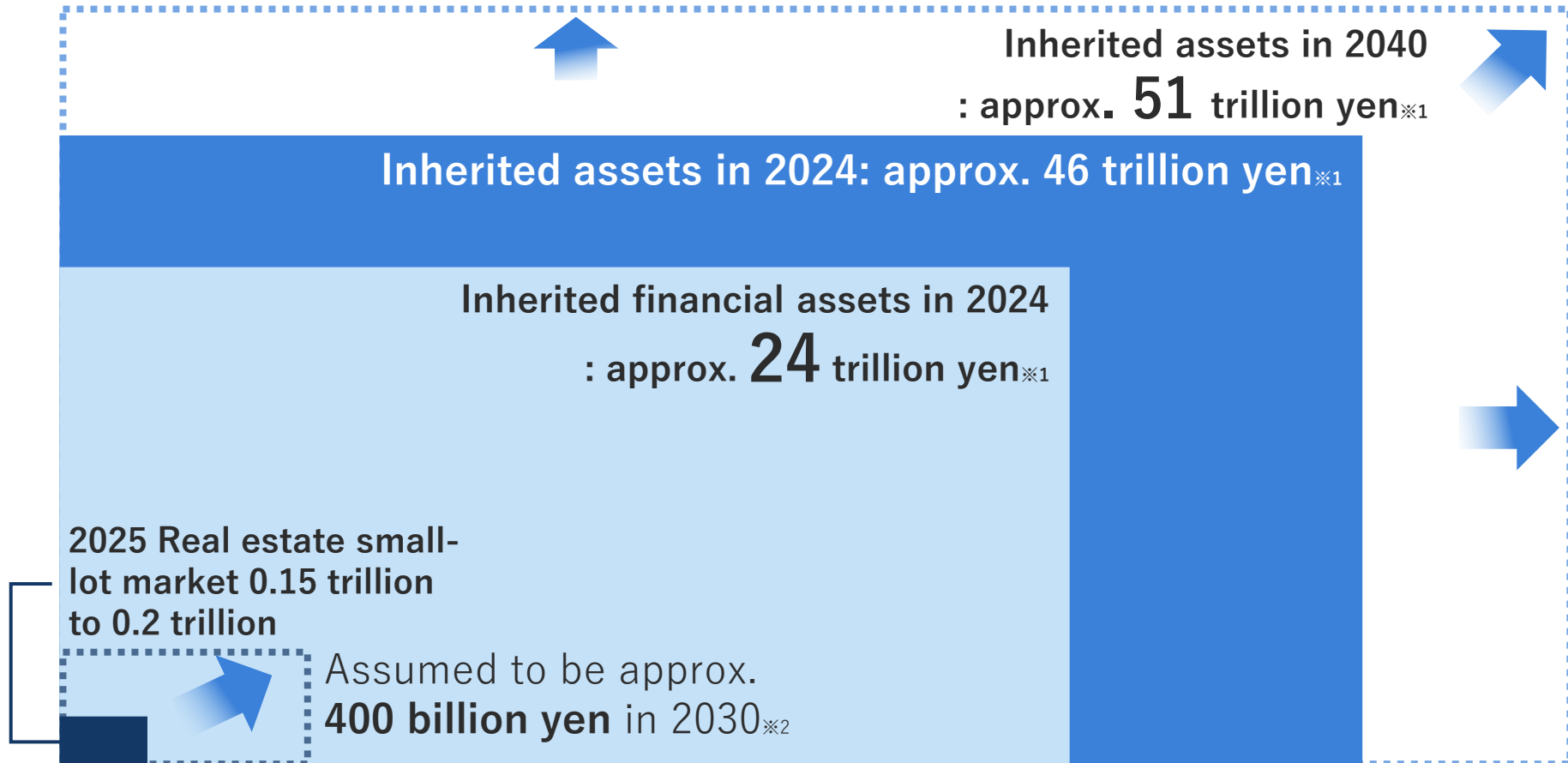
- Single-unit income-producing real estate specialist with over 20 years of experience
- Good management track record
- Security of being a prime Tokyo Stock Exchange listed company



※Created based on IR disclosure materials from each company and our own research.

(C) 2025 A.D.Works Group Co., Ltd.

According to a report by the Japan Research Institute, the value of inherited assets in 2024 is estimated to be about 46 trillion yen, expanding to about 51 trillion yen by 2040. On the other hand, the small-lot real estate market is still under-recognized, accounting for only 0.3-0.4% of the value of inherited assets. The market for small-lot real estate products is expected to expand in the future due to “increase in inherited assets” and “improvement in awareness.”



*1 Issues related to the increasing number of inheritances in a society with multiple deaths - A response based on changes in the family and society (2024/3 Japan Research Institute) Inherited assets are expected to amount to about 37 trillion yen annually - Essential and quantitative discussion of inheritance tax required (2012/8 Japan Research Institute)

*2 Assumes that the value of inherited assets in 2030 will be 48.8 trillion yen and that the small-lot real estate market will account for 0.82% of inherited assets. Assumes a compound annual growth rate (CAGR) of approximately 18% for small-lot real estate products from 2024 to 2030.

Reason 1. Company specializing in single-family income-producing real estate with over 20 years of experience.

- A system with highly specialized personnel, with more than 25 property procurement personnel / more than 20 merchandising personnel.

Highly coordinated with the existing single building revitalization and sales business to build an operation that is difficult to imitate and to realize a stable and high-quality product supply. Highly reputed by financial institutions and accounting firms, etc., contributing significantly to sales growth.

Reason 2. Good operational performance

For two straight years in FY2023 and FY2024

ARISTO Series
Investment Products

Average of all 17 products

Above the assumed
yield at the time of sale

Equity interest sold during contract period is all

Occupancy rate **99.9%**

Actual dividend yield **3.05%**

Sold at or above the principal amount

Reason 3. Thorough compliance management as a listed company

- As a company listed on the TSE Prime market, we have thorough compliance management.
- These are products that handle clients' valuable assets for a long period of time (10–15 years), leading to a certain level of trust.

Built on more than 20 years of experience further deepening our “core skills”.

- A sense of trust and a strong network in the brokerage market based on the past 20 years of transaction experience. Our large-scale repair and value-enhancement work receive high praise in the market. We continue to receive business from listed REITs and foreign real estate funds, among others.
- Leveraging and enhancing the strength of the single building resale business is an important strategy from the perspective of increasing the “basic strength” for promoting and strengthening other businesses.

The “core skills” of a single building resale business
Capturing diverse customer needs and achieving diverse property value enhancement

Area expansion

- Overseas
- Osaka / Fukuoka

Creation of exits

- Smaller products
- Office classification

Asset Diversification

- Storage Stations
- Hotels

Promoting Hotel Asset

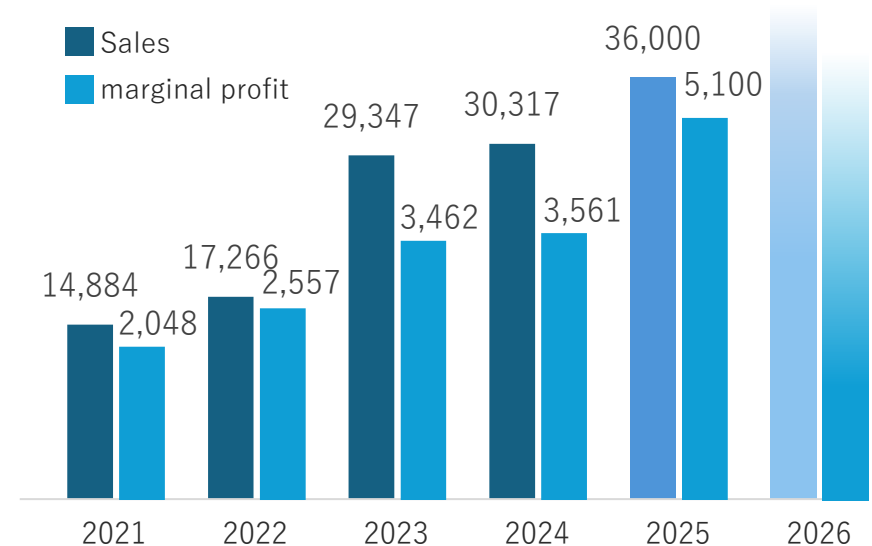
- The newly acquired and renovated Quintessa Hotel Fukuoka Watanabedori Comic & Books opened in October.
- The hotel, built 16 years ago, has been given a value boost with an investment of approximately 200 million yen. In addition to interior and exterior renovations, floor restructuring has increased the number of guests that can stay overnight, improving profitability.
- In addition, the company aims to acquire lodging operation know-how by verifying the operation of private lodging and service apartment businesses at its own property, “U place Shimokitazawa.”



- Not only will we maximize the profitability of the property, but we will also be involved in the management of the property as an operator even after it is sold, enabling us to develop a non-asset business model. We will build a profit structure that is not dependent on property ownership, and aim for the sustainability and scalability of the business.

Domestic Single-Family Income Property Sales Business Sales and Marginal Profit Results and Assumptions

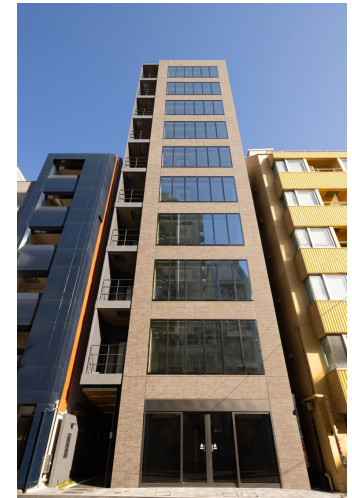
(Unit: million yen)



By effectively utilizing financial product sales channels, we obtained multiple purchase intentions and completed the sale for one floor of them.

- Full-scale sales activities for the office classification product ARISTO PLUS started.
- Effective use of financial product sales channels such as regional banks and accounting firms nationwide, cultivated through the small-lot real estate business
- Aiming for growth to 30 billion yen in sales by 2035

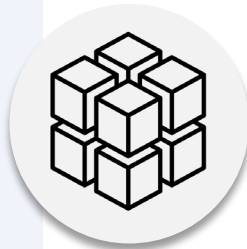
第1号商品
ARISTO神田



Differences between small-lot products and office unit products

Small-lot RE products

- Average price: 15 million yen
- Purchase with cash
- 10-20 year investment period

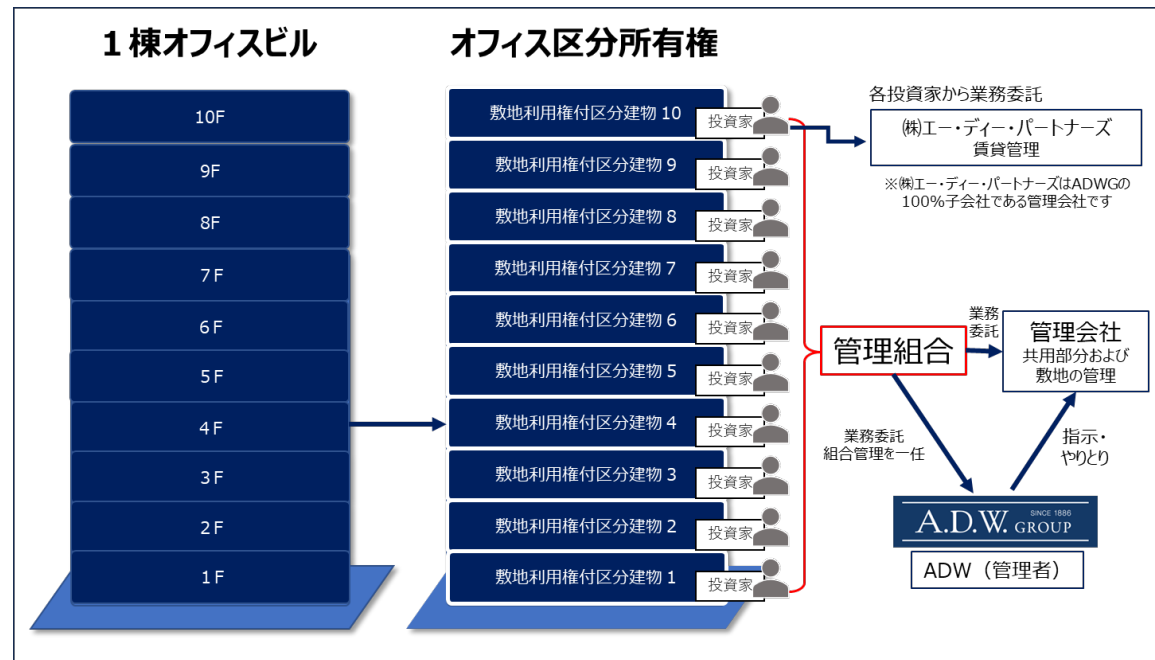


Office unit products

- Unit price: 100 mn To 300 mn yen
- Loans available
- Investment period: unlimited



Office Unit Sales Business Scheme



Acquired a second project for rapid business expansion Aiming to acquire up to five bases by the end of the year

- The grid storage facility business is expected to generate stable income from the sale of electricity. Entering a growing market based on the national energy master plan
- Since it takes about 3 years to develop a large site, we plan to speedily develop the business by focusing on relatively small sites that will be ready for operation in about 1 year.
- Acquired the first project (Matsusaka City, Mie - scheduled to begin operation in January 2026) in March 2025. After that, following progress in financing arrangements with financial institutions, acquired the second project (Mashiki Town, Kumamoto - scheduled to begin operation in August 2026) in September.
- The company aims to acquire up to five locations by the end of the year, and aims to establish a presence and seize business opportunities by entering early-stage growth markets.

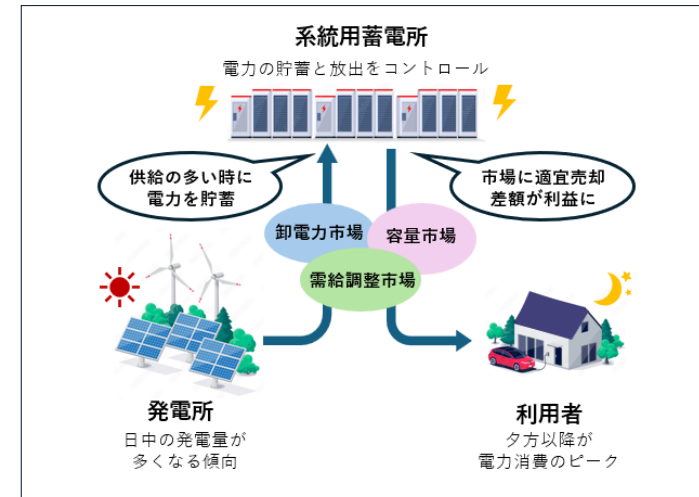


**First site in
Matsusaka City, Mie
Prefecture
Scheduled to begin
operations in January
2026**

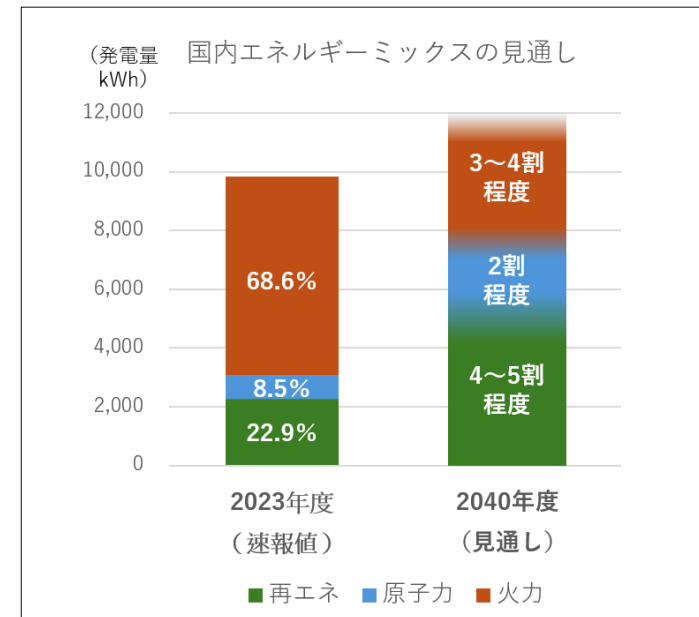
NEW

**Second site in
Mashiki Town,
Kumamoto Prefecture.
Scheduled to begin
operations in August
2026.**

イメージ図



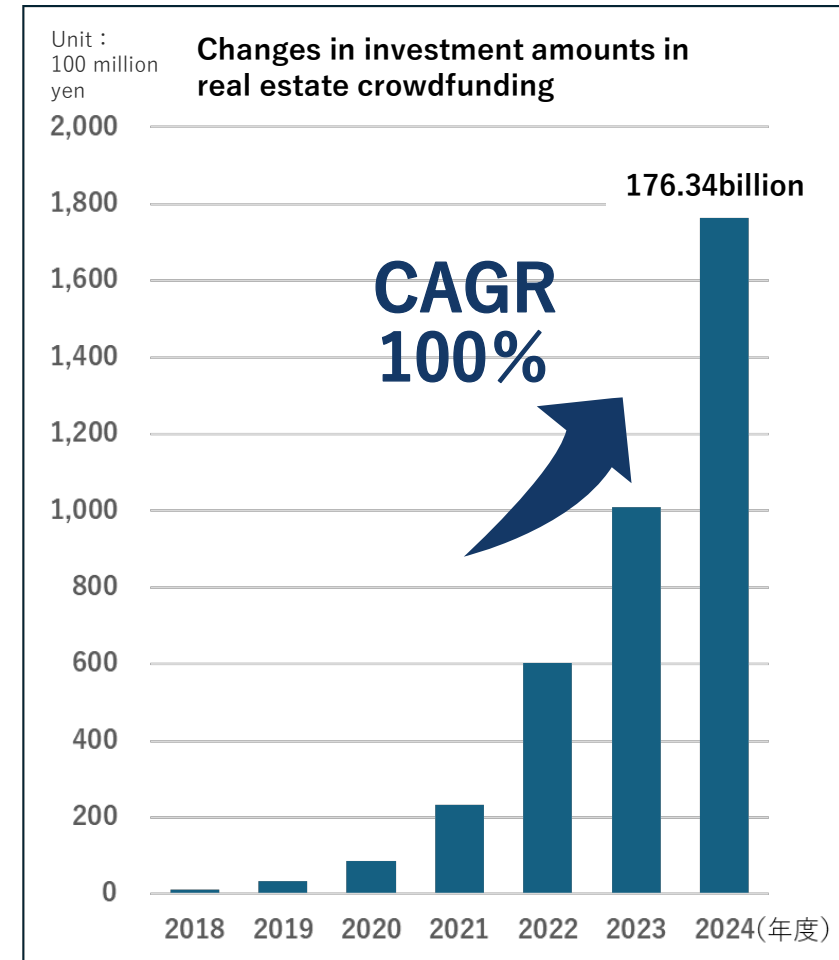
▲How the Grid Energy Storage Plant Business Works



▲Compiled by the Company from "The Seventh Basic Energy Plan" by the Energy Agency.

In parallel with the License approval process, we have acquired three properties for fundraising. Reconsidering the launch date from the perspective of our promotional strategy.

- The real estate crowdfunding, which can be completed entirely online from recruiting investors to distributing profits, targets a mass audience and is expected to expand its customer base because it allows investors to invest as little as 10,000 yen. Entering a market that has been growing at double the rate since the legal framework was established.
- Currently, we are proceeding with the approval and licensing procedures and acquiring properties to sell. We have already completed the acquisition of three properties.
- Initially, the launch was planned for the end of the year, but the launch date is being reconsidered due to the timing of obtaining licenses and the promotion strategy.
- Offers extensive expertise in the sale, purchase, and value-up of income-producing real estate and a high level of security due to being a prime TSE-listed company.
- Plans to convert to a non-asset business by acquiring additional licenses within the next few years.



▲ Prepared by the Company based on the Handbook for Promoting the Utilization of Real Estate Specified Joint Enterprises (July 2025).

Measures to improve managerial skills and promote our purpose and management strategies will continue in the second half of the year. Beginning to see some positive results in improving employee engagement.

Measure①

Time invested in management training
Approx. 1,900 hours
(31 hours/person x approx. 60 participants)

Measure②

Time invested in leadership camps
Approx. 1,200 hours
(20 hours/person x approx. 60 participants)

Measure③

Time invested in Next leader's camps
Approx. 1,100 hours
(20 hours/person x approx. 55 participants)



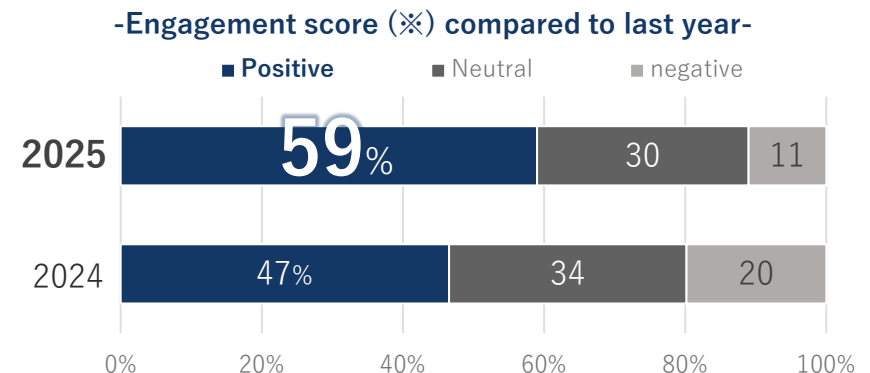
Improved engagement scores

- ✓ Both questions regarding "dissemination of management strategies" and "trust in management" improved by more than 20 points
- ✓ As a result, engagement scores improved by 12 points.

Low turnover

of 54 professional employees up to the 7th year after graduation who are enrolled at the time of the formulation of the 北極星(Purpose) (as of July 2024)

"0" employees have left the company since the establishment of Purpose



*An engagement survey provided by Qualtrics, LLC was conducted for all employees.

*Responses to the following engagement-related questions were compiled:

"I feel a sense of personal accomplishment through my work."

"I would recommend this company to a friend as a great place to work."

"At this company, I feel motivated to contribute beyond what is required to get my job done."

| Appendix

| Overview of Financial Results for Q3 of FY2025 (Details)

Large YoY increase in sales and income

(Unit: million yen)

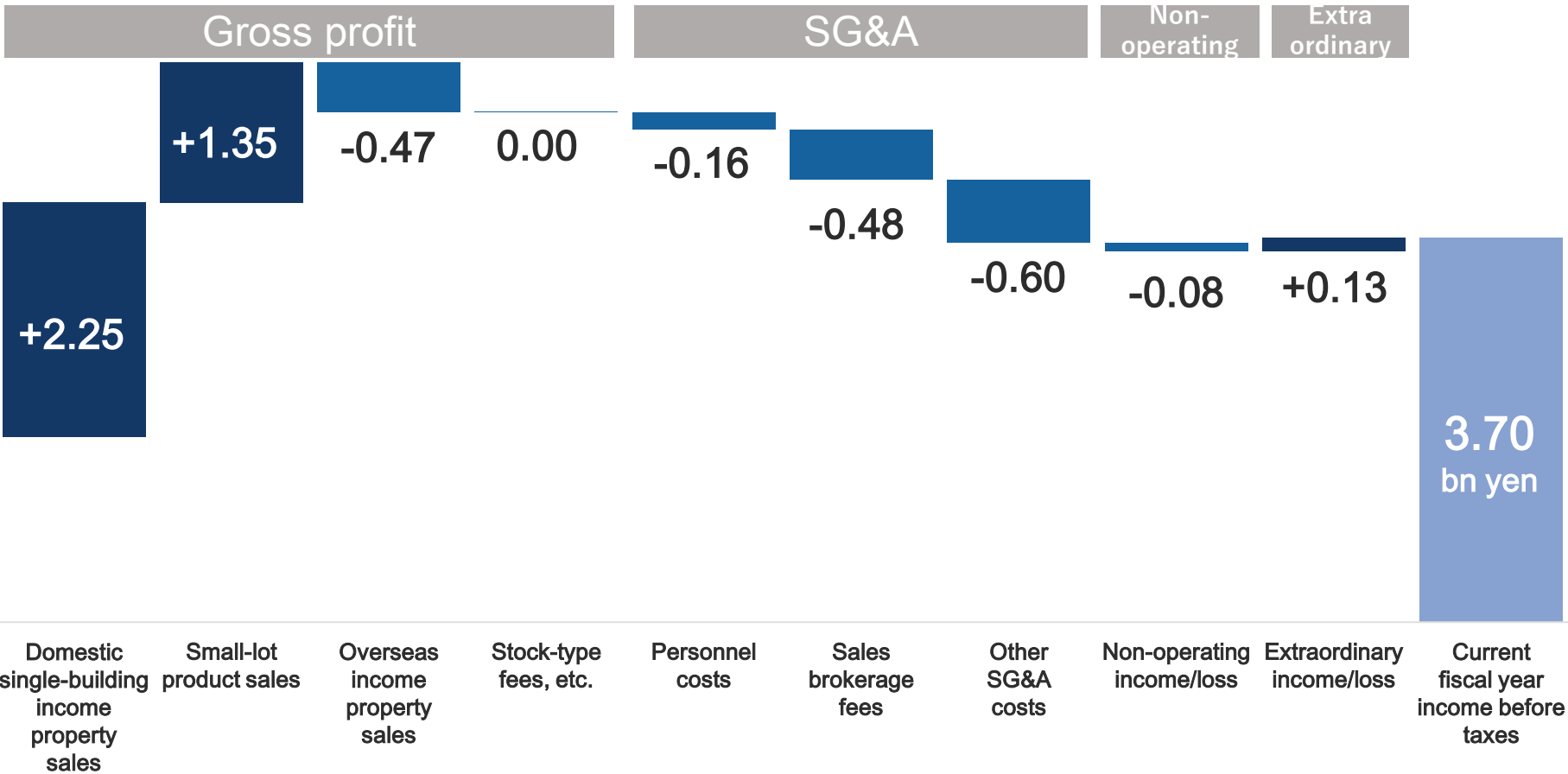
	FY2025 Q3 (Results)	FY2024 Q3		FY2023 Q3	
			YoY		Vs. two years ago
Net sales	52,278	33,797	154.7%	27,977	186.9%
Operating income	4,161	2,293	181.5%	1,797	231.6%
Income before taxes	3,706	1,782	207.9%	1,552	238.7%
Net income *	2,316	1,105	209.4%	1,043	221.9%

*Net income attributable to owners of parent

Domestic single-building income property sales and small-lot real estate product sales drive strong performance

Loss on valuation of inventories was recorded until Q3

Recorded gain on sale of subsidiary shares (Sumikawa ADD, extraordinary profit of 0.14 billion yen)

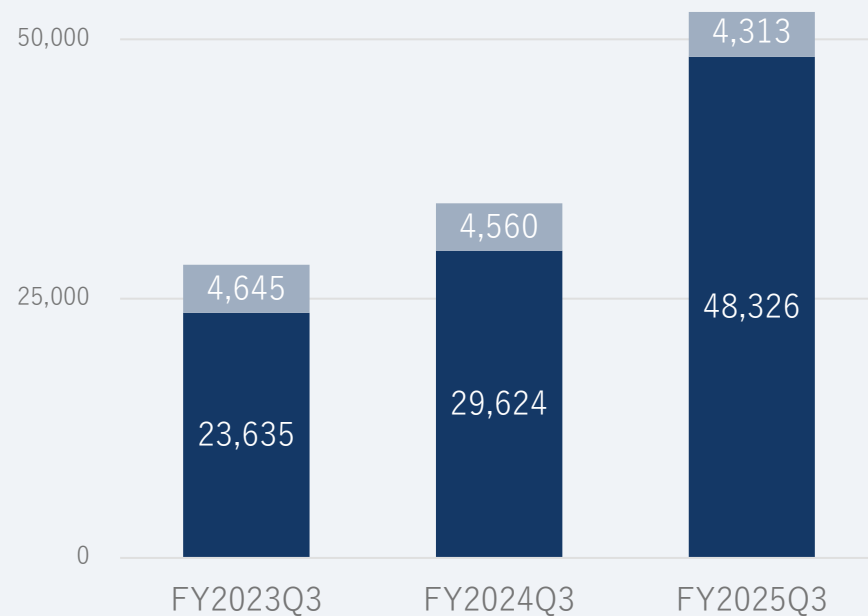


Income property sales business drives performance expansion.

Fluctuations in net sales (by segment)

(Unit: million yen)

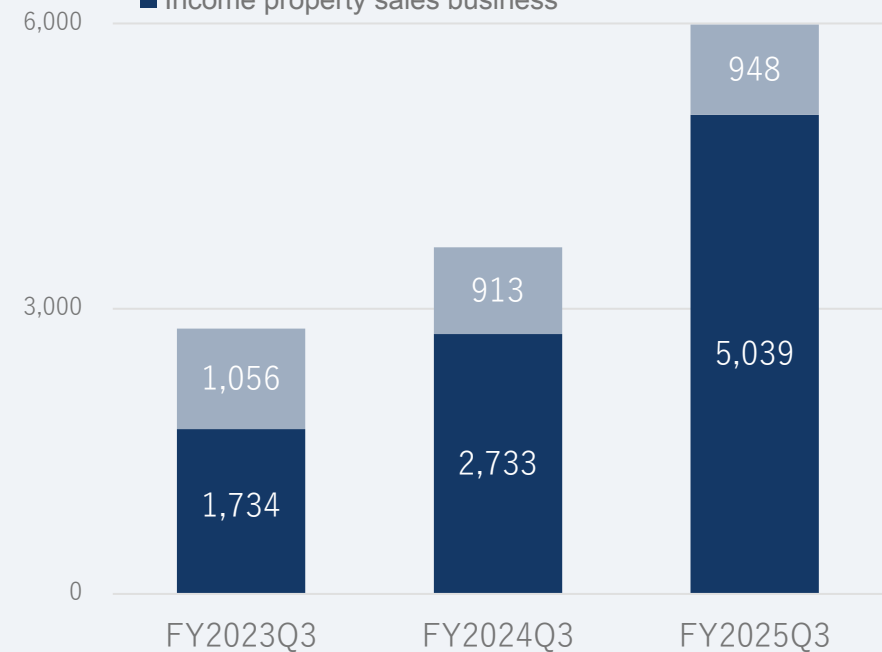
■ Stock-type fee business
■ Income property sales business



Fluctuations in Operating income (by segment)

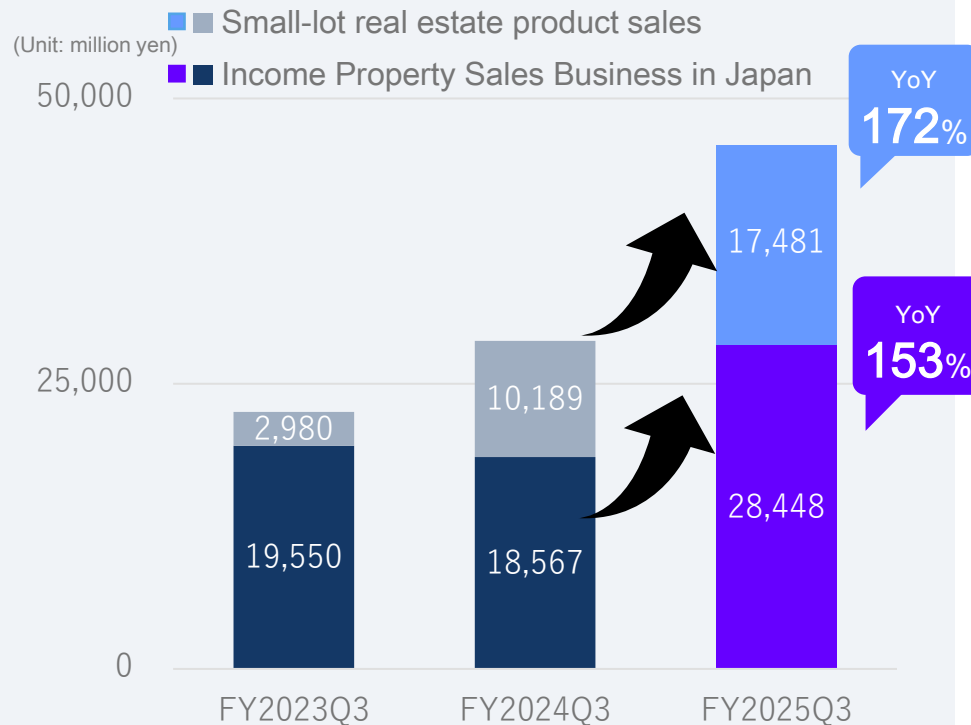
(Unit: million yen)

■ Stock-type fee business
■ Income property sales business

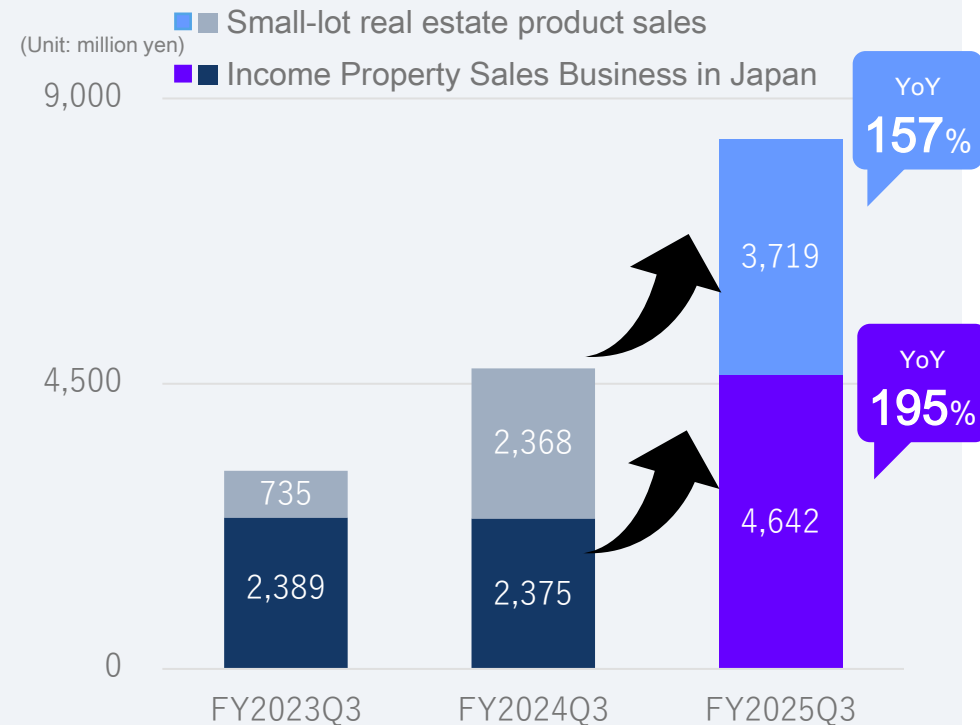


Both domestic single-building income property sales business
and small-lot real estate business grew significantly

Trend in net sales (breakdown of domestic income property sales)

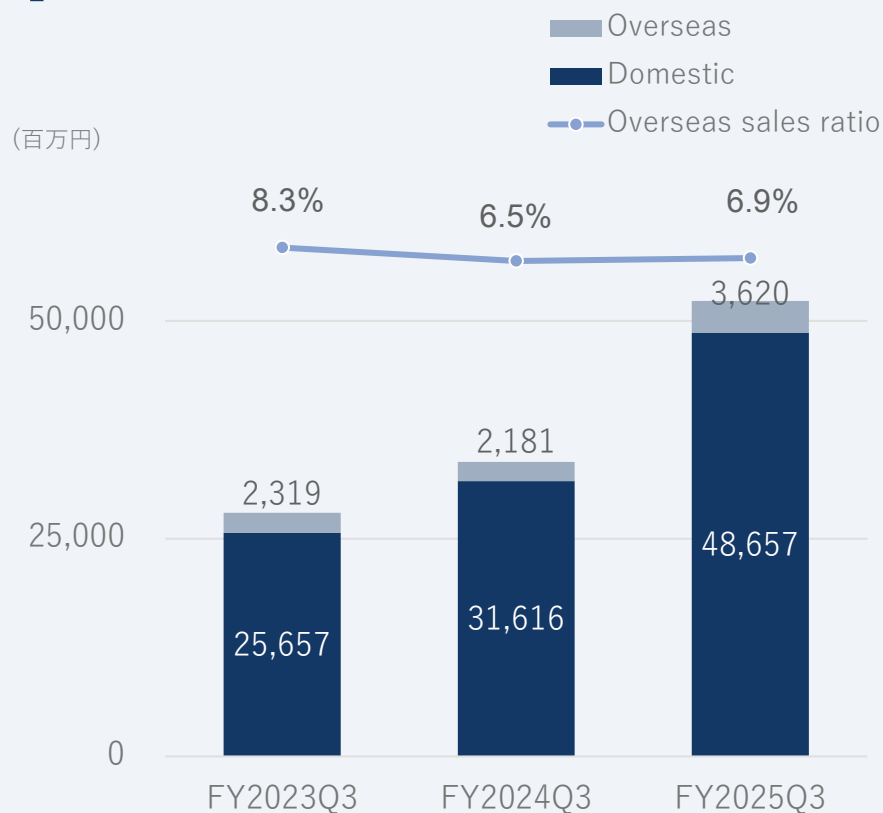


Trend in gross profit (breakdown of domestic income property sales)

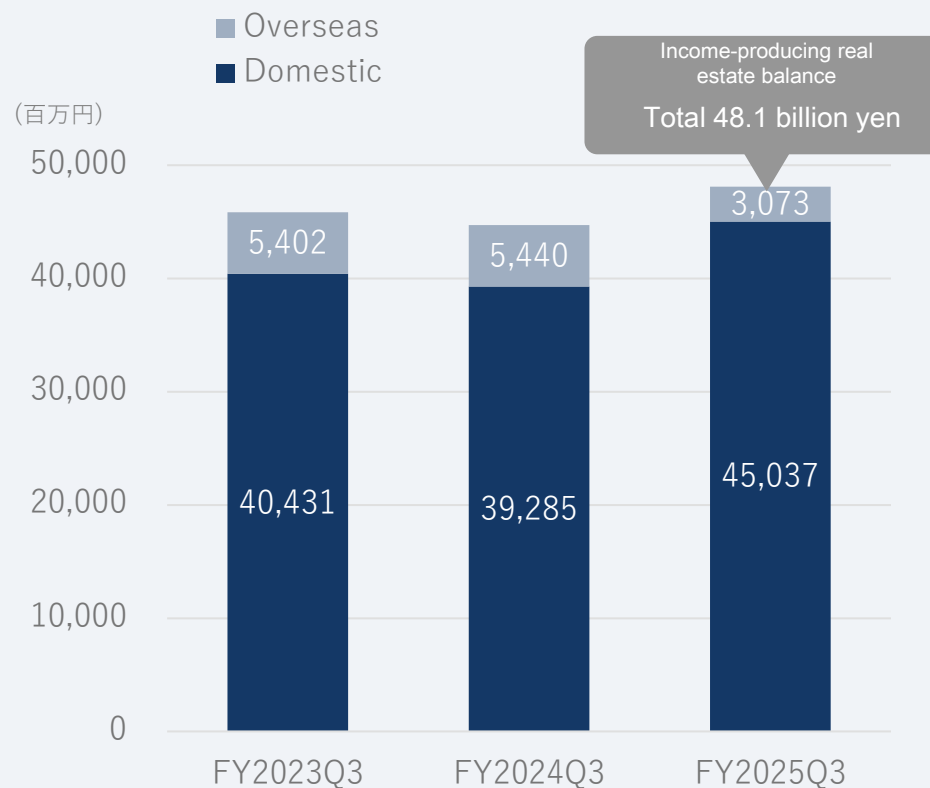


Due to continued high interest rates in the U.S., overseas purchasing and sales activities will be pursued cautiously. Improved total asset turnover resulted in higher revenues and income even with the same level of real estate balance.

Net Sales (by region)



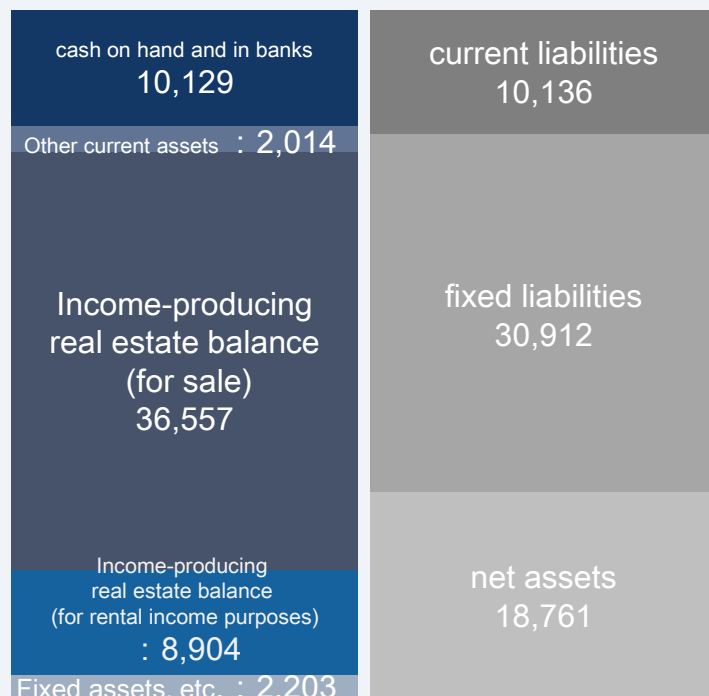
Balance of Income-producing Real Estate (by region)



Capital adequacy ratio of 31.0%, stable against the target of 30%.

As of December 31, 2024

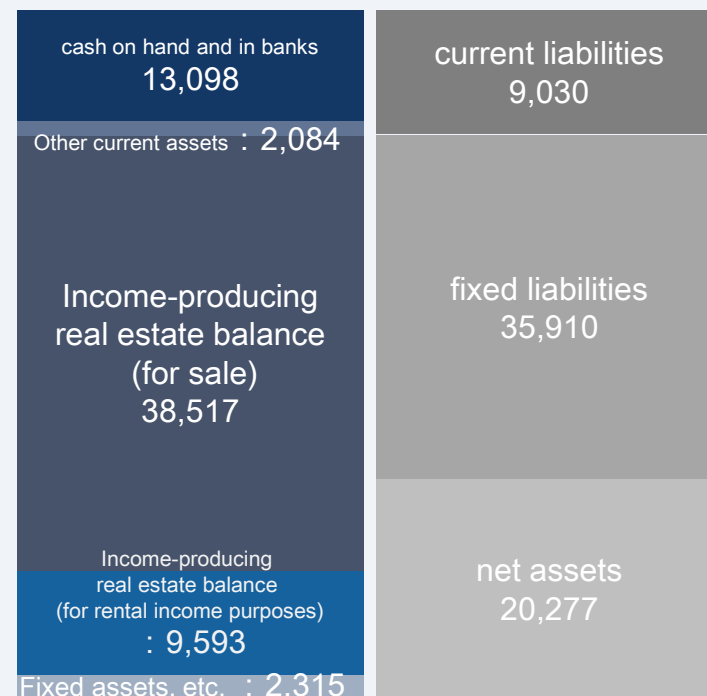
(Unit: million yen)



Total assets: 59,809 million yen

As of September 30, 2025

(Unit: million yen)



Total assets: 65,218 million yen

(Unit: million yen)

	FY2015 (Fiscal year ended March 31, 2015)	FY2016 (Fiscal year ended March 31, 2016)	FY2017 (Fiscal year ended March 31, 2017)	FY2018 (Fiscal year ended March 31, 2018)	FY2019 (Fiscal year ended March 31, 2019)	FY2020 (Fiscal year ended March 31, 2020)	FY2020 (Fiscal year ended December 31, 2020)	FY2021 (Fiscal year ended December 31, 2021)	FY2022 (Fiscal year ended December 31, 2022)	FY2023 (Fiscal year ended December 31, 2023)	FY2024 (Fiscal year ended December 31, 2024)
Net sales	10,735	15,733	18,969	22,299	24,861	24,687	16,840	24,961	27,856	41,342	49,910
Income before taxes	539	650	835	924	1,043	933	432	650	910	2,066	2,547
Net income	333	426	540	584	663	625	264	312	527	1,419	1,610
Net assets	5,478	5,842	6,415	10,152	11,947	13,005	13,216	14,817	15,857	17,166	18,761
Total assets	16,681	17,925	25,832	30,801	30,625	35,468	35,850	42,047	53,359	58,854	59,809
Balance of income properties	12,931	14,551	20,318	22,376	21,229	23,118	24,682	28,914	41,476	44,798	45,461
ROE	6.1%	7.5%	8.8%	7.0%	5.9%	5.0%	2.7%	2.2%	3.5%	9.0%	9.5%
ROIC	3.6%	3.8%	3.9%	3.1%	3.4%	3.1%	2.0%	1.8%	2.2%	4.0%	4.4%
Number of employees	99	115	136	146	167	185	195	207	219	232	240

※1:ROE: Net income attributable to owners of parent / average shareholders' equity (Figures may differ from net income on equity.)

※2:ROIC: (Net income attributable to owners of parent + interest expenses + borrowing fee) / (balance of average shareholders' equity + balance of average interest-bearing liabilities)

Growth Strategies to Enhance Corporate Value

(Cites material released on February 13, 2025)

Growth Strategies to Enhance Corporate Value



A.D.Works Group Co., Ltd.

Hideo Tanaka, President and CEO

February 13, 2025

Code number: TSE Prime 2982

Inquiries: Taizo Muroya, Director, Executive Officer and General Manager, Group Strategy Division

Phone number: 03-5251-7641



Contents

01	Introduction	P41
02	Current situation analysis	P42
03	Growth Strategies to Enhance Corporate Value	P44
04	Growth Strategies to Enhance Corporate Value (Details) (1) Accelerate top-line growth in the small-lot real estate business	P47
05	Growth Strategies to Enhance Corporate Value (Details) (2) Reinforcing the ability to increase property value in the renovation and sales business	P51
06	Growth Strategies to Enhance Corporate Value (Details) (3) Multiple new businesses, including non- asset businesses	P56
07	Growth Strategies to Enhance Corporate Value (Details) (4) Measures to Improve Productivity and Human Resource Engagement	P57



01 Introduction

In August 2024, the Group formulated its long-term management guidelines, 北極星 (Purpose) , Vision and Values.

After a year of discussion with the participation of all employees, we determined that the Group should aim to “re-dye the world in vivid colors with flexible creativity that transcends boundaries”—this is our 北極星. Setting this direction enabled the Group to accelerate its management speed, and we are now considering and implementing various measures to achieve the vision that we set at the same time of 20 billion yen in income before taxes and a 40% share of BtoC by 2034.

The Group's performance reached record profits for two consecutive fiscal years, with income before taxes of 2,066 million yen in FY2023 and 2,547 million yen in FY2024, compared to 910 million yen in FY2022. The small-lot real estate business, which started in 2018, took a big leap forward in the previous fiscal year, and it has grown into a core business, together with the single-building renovation and sales business, and will continue to achieve significant growth into the future.

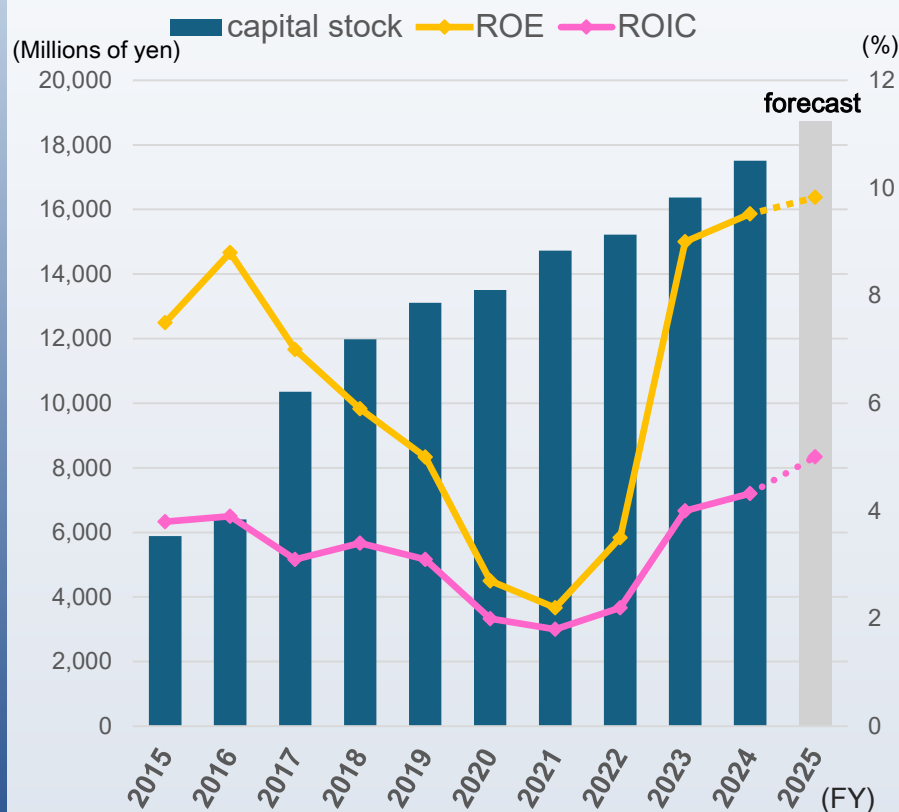
However, as of December 31, 2024, our P/B ratio was 0.5x, and we recognize that we face a significant challenge in improving our corporate value. To resolve this issue, we have formulated the Growth Strategy for Enhancing Corporate Value with a strong desire to face the issue of increasing corporate value head-on. In formulating this strategy, we have incorporated the opinions of outside experts, analyzed the current situation, identified issues, and laid out measures to resolve these issues.

We hope that you will continue to support us as we meet the expectations of our stakeholders and society at large. We will continue to focus squarely on improving our corporate value.

02 Current situation analysis –P/B ratio and P/E ratio analysis–

At the end of 2024, the ROE stood at 9.5%, while the P/E ratio was 6.3x and the P/B ratio was 0.5x.

Shareholders' Equity and ROE/ROIC

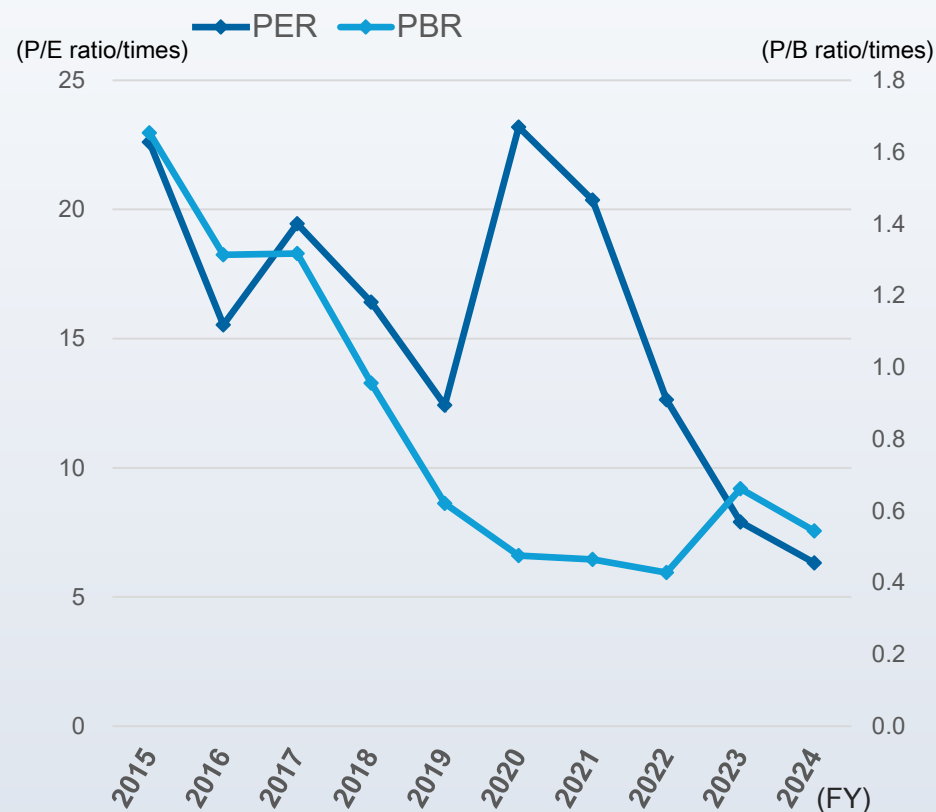


* FY2020 is an irregular nine-month period from April 2020 to December 2020.

* 1:ROE Net income attributable to owners of parent / average shareholders' equity (Figures may differ from net income on equity.)

* 2:ROIC (Net income attributable to owners of parent + Interest expenses + borrowing fees) / (balance of average shareholders' equity + balance of average interest-bearing liabilities)

Changes in P/E ratio and P/B ratio



02 Current Situation Analysis –Review of ROE Targets–

Since our first medium-term management plan, released in May 2021, we had set targets for shareholders' cost of equity and ROE of 8%.

On the other hand, the P/B ratio as of December 31, 2024 was 0.5x, even though the ROE was 9.0% and 9.5% in 2023 and 2024, respectively, exceeding the 8% target set for shareholders' cost of equity and ROE in 2022, due to earnings growth from 2023 onward.

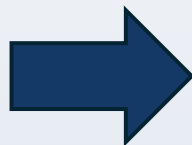
Based on the above analysis of the Company's situation, as well as a comparative review of the P/B ratio and ROE of competitors in the same sector (single-building renovation and sales sector and small-lot real estate products sector) and a comprehensive consideration of the market environment and other factors, including rising interest rates, we recognize that the Company is currently facing challenges in terms of the return on assets and ROE.

Going forward, we will take all possible measures to improve ROE to 13–14% or more by 2027, accelerate growth, and reduce shareholders' cost of equity by taking a serious look at increasing corporate value.

ROE Target

Previous target

8%



Future target

13–14%

We aim to achieve ROE of 13–14% by 2027.

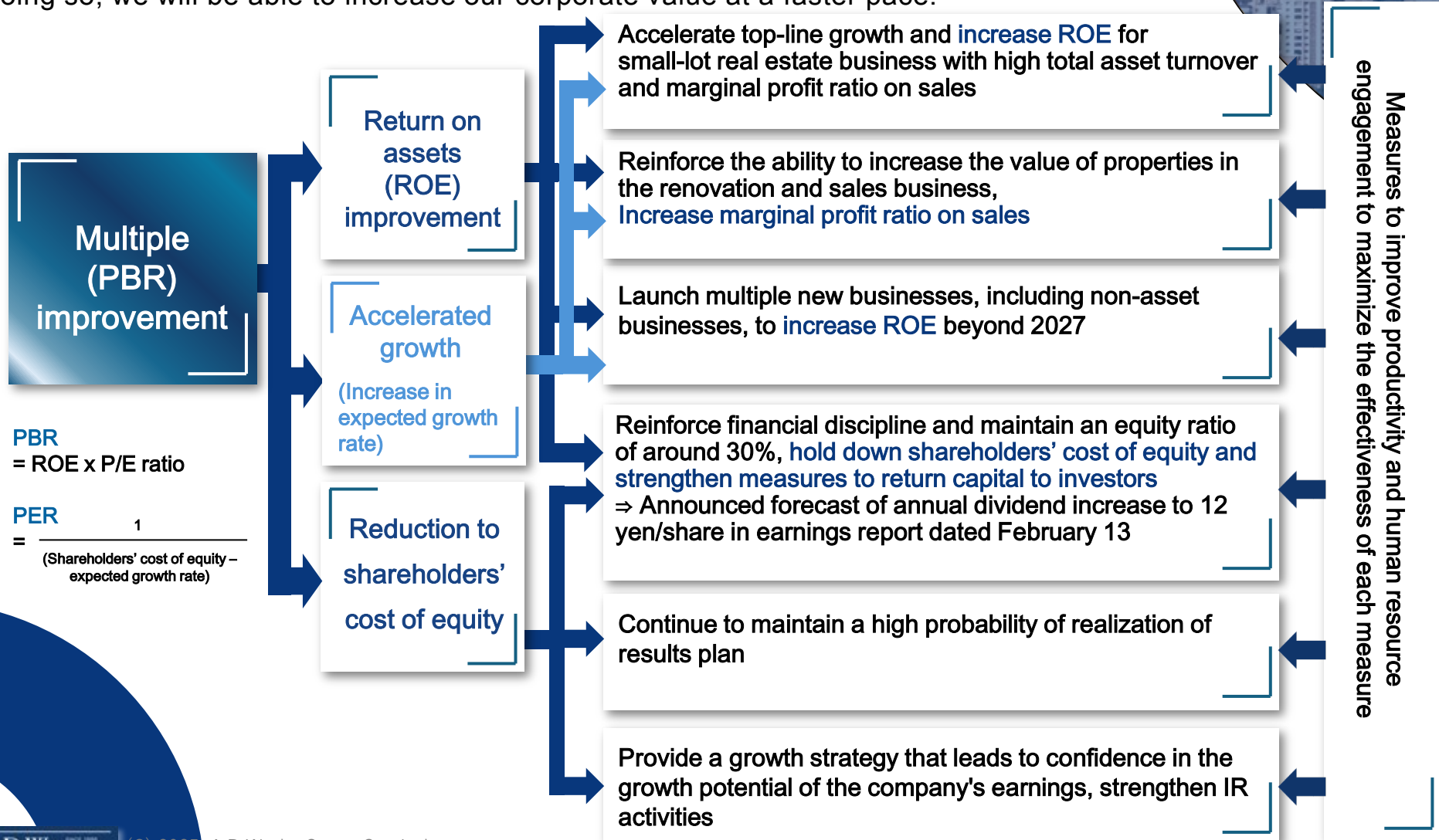
ROE 9.5% < Future ROE target 13–14%

(As of December 31, 2024)

(Target by the end of December 2027)

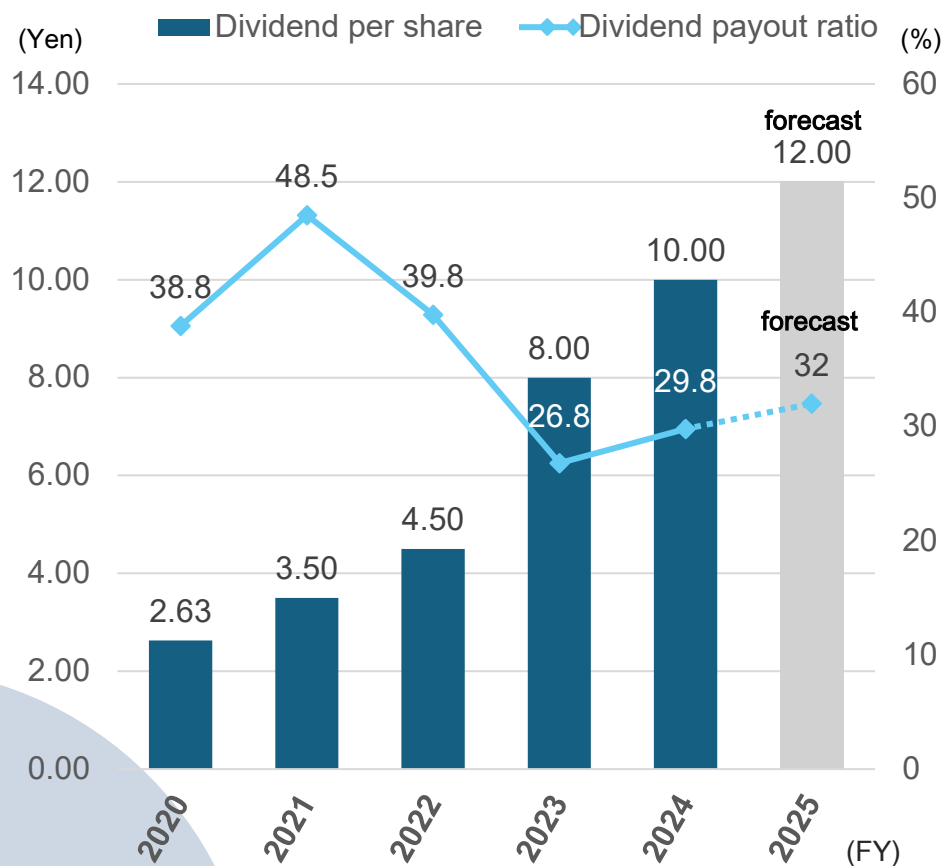
03 Growth Strategies to Enhance Corporate Value

In addition to implementing the following key measures, we will review the ROE/ROIC of each business and will implement business reforms and review our business portfolio. By doing so, we will be able to increase our corporate value at a faster pace.



While considering a balance with growth investments, we expect to provide greater shareholder returns in the allocation of funds.

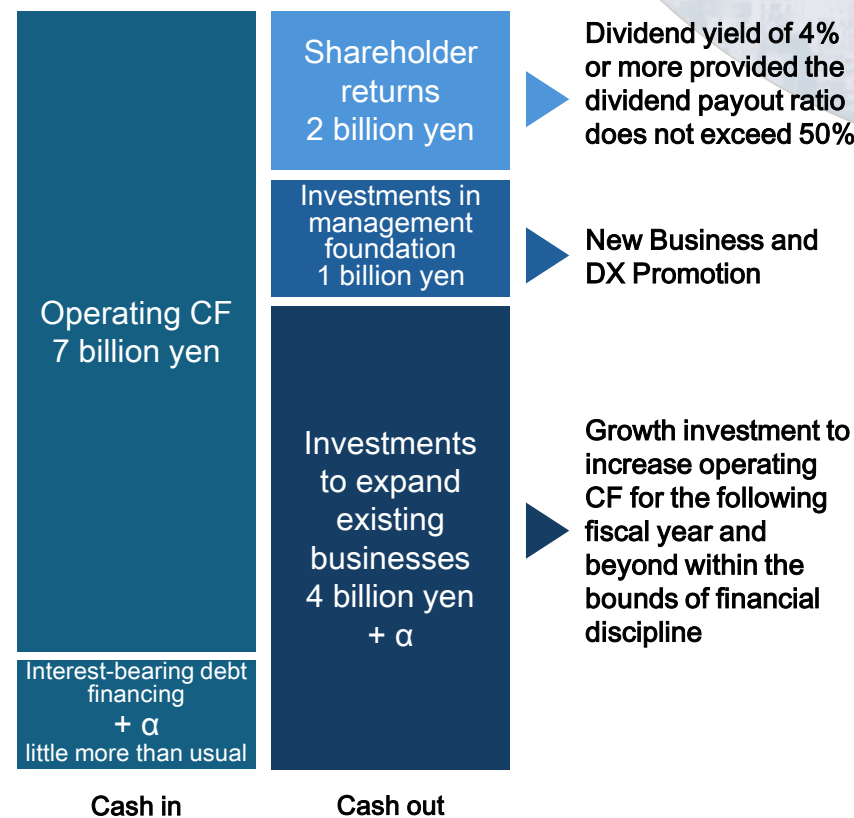
Dividends per share and dividend payout ratio



* FY12/2020 is an irregular nine-month period from April 2020 to December 2020

Capital allocation

FY2024-2026 Plan



03 Growth Strategies to Enhance Corporate Value (Supplement)

High probability of realization of results plan

Over the past 10 years, we have achieved the results plan announced at the beginning of the fiscal year at a rate of nearly 100%.

Going forward, we will not only continue to maintain a high probability of realization of results plan but also aim to achieve results that far exceed the results plan announced at the beginning of the fiscal year. We will face the task of increasing corporate value head-on.

Achievement rate for initial plan

Fiscal period Income before income taxes (Ordinary)		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Plan	(Bn yen)	0.45	0.50	0.60	0.80	0.90	1.00	0.89	0.40	0.60	0.80	2.00	2.30
Result	(Bn yen)	0.45	0.54	0.65	(0.835)	0.924	1.043	0.933	0.432	0.65	0.91	2.066	2.547
(Achievement rate)		100%	108%	108%	(104%)	103%	104%	105%	108%	108%	114%	103%	110%

*1: The figures for FY2013–FY2016 are ordinary income; figures for FY2017–FY2024 are income before taxes.

*2: In FY2016, a gain of 86 million yen from the sale of real estate classified as non-current assets was recorded as extraordinary income. Ordinary income was 748 million yen, but 835 million yen in income before taxes was effectively deemed ordinary income and is listed as the actual results relative to the ordinary income forecast of 800 million yen (no forecast for income before taxes was announced for FY2016).

*3: FY2020 is a 9-month irregular accounting period covering the period from April 1, 2020 to December 31, 2020.



04 Growth Strategies to Enhance Corporate Value (Details) (1)

Accelerate top-line growth in the small-lot real estate business

Business Sale of investment products nationwide that allow clients to own prime real estate from small amounts without the inconvenience of managing the property

We purchase income properties based on thorough market research and legal scrutiny and enhance asset value through construction work to raise value, efforts to attract tenants, and tenant negotiations, and then sell it as a small-lot real estate product with a minimum investment of 5 million yen to investors nationwide through referrals from financial institutions, accounting firms, and other partners. This is a business model that generates revenue.

What is the small-lot real estate product ARISTO?

- 1 Investments in prime real estate in good locations from as little as 5 million yen
*The minimum investment amount varies depending on the property in question.
- 2 A.D.Works takes care of all management and administration.
- 3 Investors jointly own the property in question in proportion to their financial investment.

Differences between small-lot real estate products and REITs

	Small-lot real estate product	REIT
Investment Target	Specific real estate	Multiple property replacement
Valuation at the time of inheritance and donation	Valuation under Inheritance Tax Law	Market value
Sale method	Negotiated transaction	Sale on the open market
Price fluctuations	Short-term fluctuations are small	Fluctuations possible

Voluntary Association Scheme

The voluntary association-type scheme for small-lot real estate products under the Act on Specified Joint Real Estate Ventures is as follows.

*Investors will jointly own the real estate in question (land and building) in proportion to their financial investment.



(*) The amount of rent paid by the master lease company to the Association will be determined based on the amount of rent actually received by the master lease company from the tenants, and the master lease company does not guarantee that the Association will receive a certain amount of rental income in the future.

04 Growth Strategies to Enhance Corporate Value (Details) (1)

Accelerate top-line growth in the small-lot real estate business

Supporting factors

Significant market growth

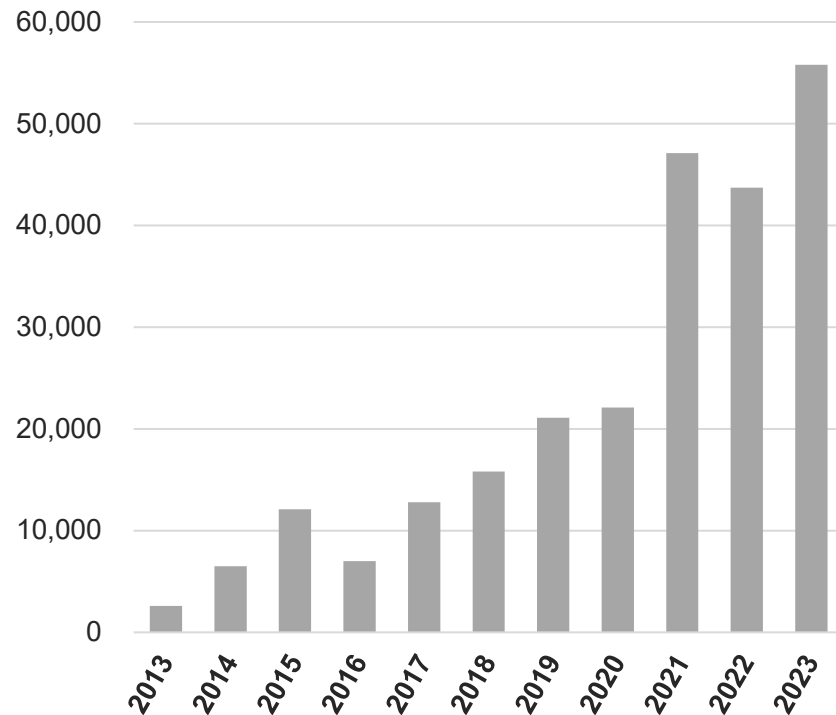
The amount of new investments in specified joint real estate ventures has increased significantly in recent years, and the market is expected to continue to grow.

As the market grows, our sales performance is also growing at a CAGR of more than 50%. (FY2018–FY2024)

We are targeting sales of 20 billion yen (including tax) in fiscal 2025, aiming for further growth over the medium to long term.

Trends in new investment in real estate specified joint enterprises (voluntary partnership type)

(Mn yen)

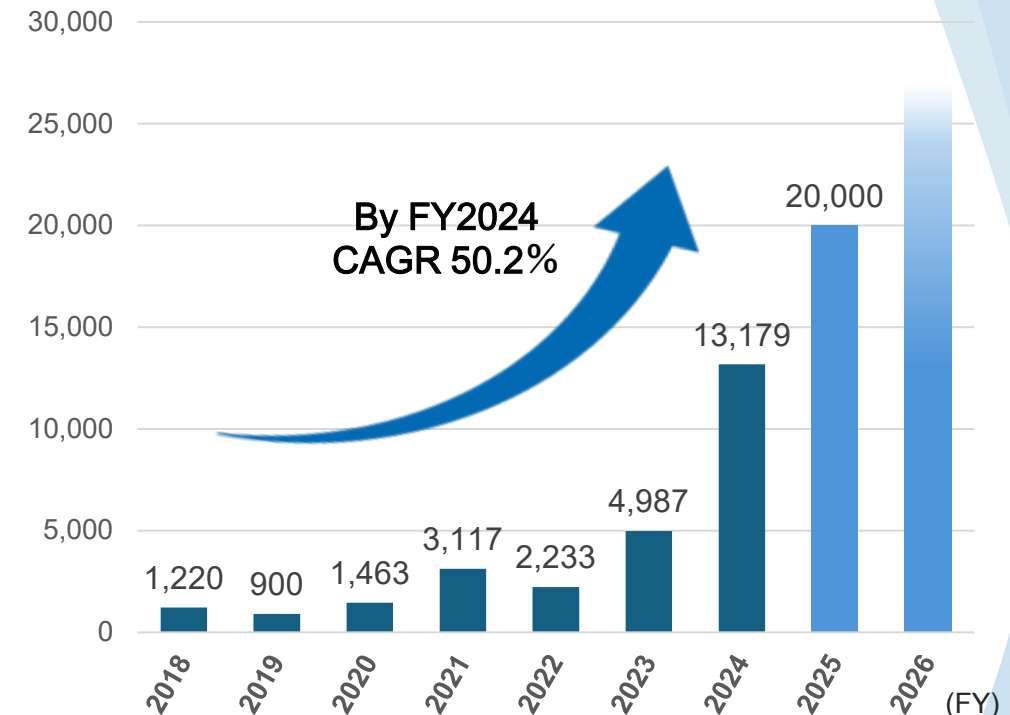


Source: Ministry of Land, Infrastructure, Transport and Tourism, "Handbook for Promoting the Utilization of Real Estate Specified Joint Enterprises" (July 2024)

Sales results and targets for small-lot real estate business

* Sales prices include tax

(Mn yen)



04 Growth Strategies to Enhance Corporate Value (Details) (1)

Accelerate top-line growth in the small-lot real estate business

Strengths (1) Our Unique Competitive Advantage

1 Company specializing in income properties

- With more than 25 staff members specializing in property procurement and more than 20 staff members specializing in commercialization (nine first-class architects and four first-class construction management engineers [as of December 31, 2024]), we have highly specialized personnel. We are able to supply high-quality products through an operation system that is difficult to imitate and **is integrated at a high level with our existing business (single-building renovation and sales business)**.
- The company's impressive reputation among financial institutions, accounting firms, etc. has contributed greatly to sales growth.

2 More than 400 sales channels nationwide

- We receive client referrals from financial institutions, accounting firms, etc. nationwide.
- Sales performance tends to lead to increased trust from sales channels and customers, and since the number of product companies handled by the referring company is limited, we tend to benefit from first-mover advantages and **there is a tendency toward an oligopoly market**.
- In January 2025, **a new organization dedicated to the promotion of major corporate tie-ups was established** to further reinforce the development of sales channels.

3 Thorough compliance management as a listed company

- As a company listed on the TSE Prime market, we have thorough compliance management.
- These are products that handle clients' valuable assets for a long period of time (10–15 years), leading to a certain level of trust.

We are the only company that has the above three strengths and supplies more than 10 billion yen in small-lot real estate products per year.

(as of February 2025)

04 Growth Strategies to Enhance Corporate Value (Details) (1)

Accelerate top-line growth in the small-lot real estate business

Strengths (2) Solid investment performance

We properly market quality products to customers nationwide, but our involvement does not end with a sale. We also provide thorough management during the period to ensure that we achieve good investment performance that satisfies investors.

For two straight years in FY2023 and FY2024

**ARISTO Series
Investment Products**

Occupancy rate **99.9%**

Average of all 17 products

**Above the assumed
yield at the time of sale**

Actual dividend yield **3.05%**

Assumed dividend yield at time of sale (Average
for all products)
(when occupancy rate is 95%-100%)

2.81% to 3.01%

Equity interest sold during contract period is all
Sold at or above the principal amount

Solid investment performance has led to improvements in the branding and sales strength of our products.

05 Reinforcing the ability to increase property value in the renovation and sales business

Business

An investment product that allows you to own used and renovated real estate with earnings growth potential

We purchase income properties based on thorough market research and legal scrutiny.

This is a business model in which we improve asset value through construction work to raise value, attraction of tenants, tenant negotiations, and corrective work to ensure legal compliance, and then sell them as products that are easy for financial institutions to lend, thereby generating revenues.

Strengths (1)

Competitive advantages built up over 20 years of experience

1 Insight into and ability to purchase income properties

- A sense of trust and a strong network in the brokerage market based on the past 20 years of transaction experience.
- Prompt decision-making made possible through a highly coordinated operational structure with highly discerning members.

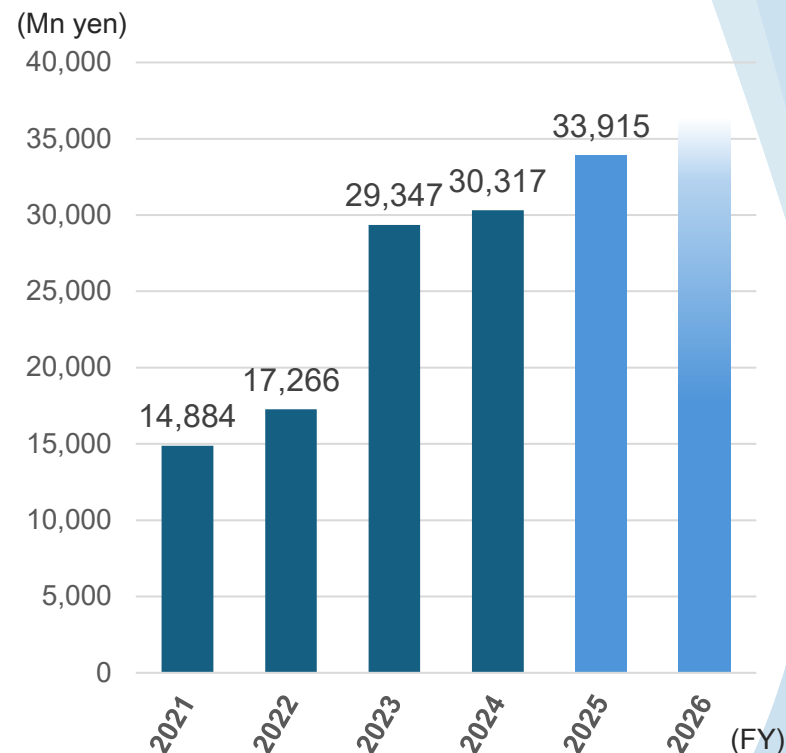
2 Value enhancement that maximizes property values

- High-quality products are produced in a short period of time through high-level cooperation between staff specializing in construction (nine first-class architects and four first-class construction management engineers (as of December 31, 2024)), leasing, tenant negotiation, and legal compliance.
- Our large-scale repair and value-enhancement work receive high praise in the market. We continue to receive business from listed REITs and foreign real estate funds, among others.

3 Sales results and trust

- Our track record in supplying high-quality products has resulted in a sense of security and trust.
- We maintain high profitability by providing thorough property management even after the sale.

Domestic Single-building Sales Results and Targets



Reinforcing the ability to increase property value in the renovation and sales business

Strengths (2)

Further competitive advantages from area expansion and further increase in earnings in the future

Area expansion

In addition to the **Tokyo head office**, the company has established offices in western Japan, including an **Osaka branch** and a **Fukuoka sales office**. We are expanding opportunities to purchase and sell properties that will have higher marginal profit ratio on sales.

The Osaka branch is achieving remarkable growth, with a high total marginal profit ratio over the last three years at a CAGR of 82%.

The Fukuoka Sales Office, which began operations in January 2025, will increasingly seize opportunities in the Fukuoka area, which is expected to continue to boom into the future.

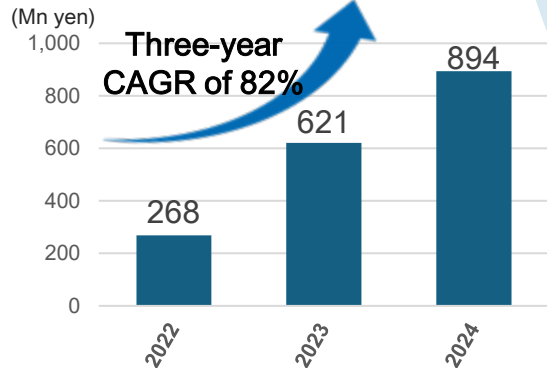
Further increase in earnings (additional value enhancement)

Because we have enhanced value in ways that are valuable to all tenants in the building, including common areas as well as private areas, **existing tenants** have seen an increase in the value of their properties, and we have seen an increasing number of cases where we have been able to significantly increase rents for the entire property beyond what was previously possible.

In FY2024, two properties on which we focused efforts to enhance revenue achieved marginal profit ratios on sales that were more than 6% higher than the overall average.

In the current fiscal year, while going further with our initiatives to provide attractive space for use and demonstrate the social significance of our services, we will carry out measures to increase rent on a full scale at more than 10 properties and strive to improve marginal profit ratio on sales and net income on equity.

Osaka Branch: Marginal Profit Ratio



Details of Key Measures (2)

Growth Strategies to Enhance Corporate Value (Details) (2)

05 Reinforcing the ability to increase property value in the renovation and sales business

Strengths (3) Sustainable Commercialization Initiatives

We are promoting sustainable commercialization to add further value and social impact to the socially significant business of revitalizing existing real estate.

Starting from FY2024, a budget will be allocated to cover the expenses of promoting sustainability in the commercialization process. We continue to actively initiate and conduct research to promote sustainable renovation using materials that do not deteriorate easily and recycled materials, and to construct spaces that are comfortable for users.

We are also actively working to acquire environmental certifications, particularly for our development properties.

In September 2024, Orchid Residence Nerima Kitamachi received another CASBEE® real estate evaluation “A Rank” for energy efficiency, conservation of natural resources, etc.

In October 2024, U square Takadanobaba received an award for obtaining LEED O+M GOLD at the LEED Plaque Ceremony within the GBJ Symposium 2024 organized by Green Building Japan (GBJ) and USGBC.

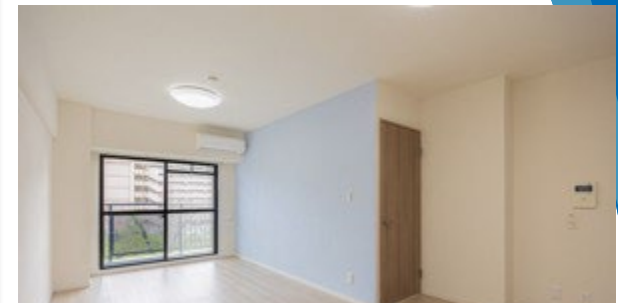
We will continue our efforts to commercialize products that help solve social issues from various perspectives, such as responding to environmental needs and pursuing user comfort.

Examples of A.D.W. Group’s environmental certifications

Year acquired	Property Name	Certification type
Year 2017	AD-O Shibuya Dogenzaka (Development)	CASBEE A Rank
Year 2021	ARISTO Fukuoka Daimyo (Development)	BELS★★★★
Year 2023	U square Takadanobaba (existing property)	LEED O+M GOLD
Year 2023	ARISTO Aoyama II (Development)	BELS★★★★
Year 2023	AD-G Shijo-Kawaramachi (Development)	BELS★★★★★
Year 2024	Orchid Residence Nerima Kitamachi (existing property)	CASBEE A Rank



Exterior of Orchid Residence Nerima Kitamachi



Property interior of above building: Damage-resistant materials are used



LEED Plaque Ceremony Awards Ceremony

05 Growth Strategies to Enhance Corporate Value (Details) (2)

Reinforcing the ability to increase property value in the renovation and sales business



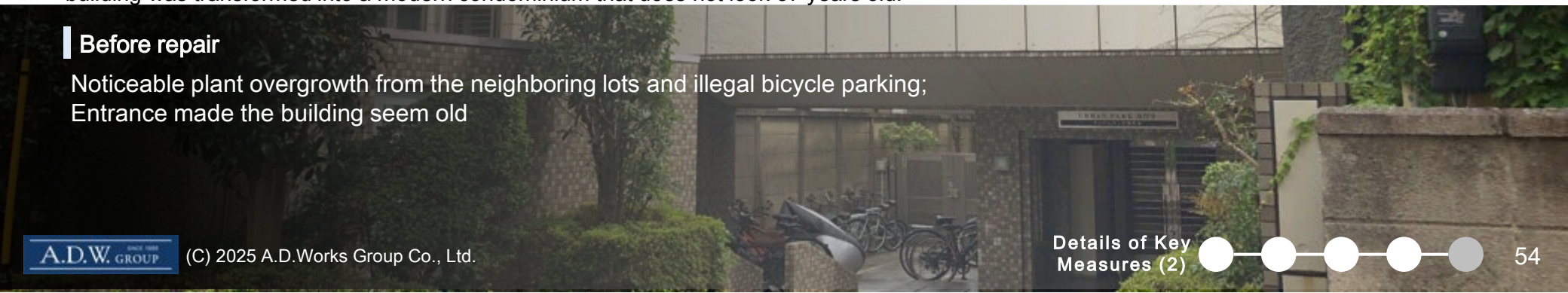
Case 1 Improvement of property value through legal compliance and adjustments to occupancy agreements, as well as updates to the entrance

Koenji (3) Project

Many bicycles were parked in a space that had to be left open for evacuation in case of emergency, but we resolved this situation by providing thorough explanations to each resident who uses the space, amended contracts, and introduced other bicycle parking lots, among other measures, which enabled us to sell the property with safety ensured. In addition, the aesthetics of the entrance and common areas were greatly improved, and the building was transformed into a modern condominium that does not look 37 years old.

Before repair

Noticeable plant overgrowth from the neighboring lots and illegal bicycle parking;
Entrance made the building seem old



05 Growth Strategies to Enhance Corporate Value (Details) (2)

Reinforcing the ability to increase property value in the renovation and sales business



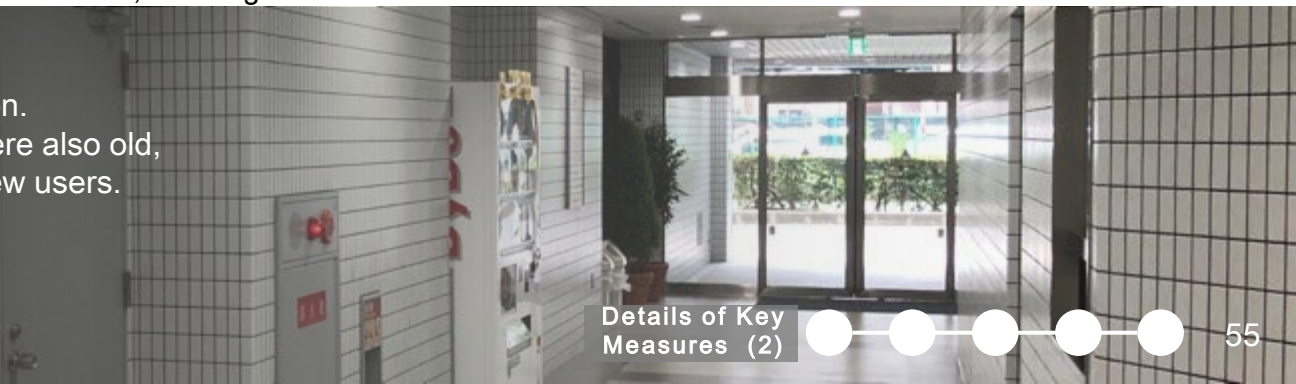
Case 2 Significantly increased revenues by improving the use value with renovations of common areas on all floors

Shin-Osaka ③ Project

The aesthetics of the wide entrance, which determines impressions of the building, as well as the rear entrance were thoroughly improved. In addition, the fixtures in the elevator halls and washrooms on each floor, which are mainly used by tenants, have been replaced to greatly improve user satisfaction. The renovation of the common areas to create a warm atmosphere using sustainable materials resulted in full occupancy at the time of sale, and existing residents agreed to an increase in rent, resulting in a 29.8% increase in rental income.

Before repair

The office building gave an impersonal impression. Common areas and washrooms on each floor were also old, and these conditions made it difficult to attract new users.



06 Growth Strategies to Enhance Corporate Value (Details) (3) Multiple new businesses, including non-asset businesses

We are examining ways to expand our new business portfolio, which will help to increase our corporate value.

Basic Policy for New Business

Utilization of “**Our Strengths**” x “**Growth Markets**”

Insight into real estate x Financial
product sales channel

Business expansion
expected

Promotion of **non-asset businesses**

ROE Improvement

Narrowing down reviewed projects

A total of more than 50 projects were reviewed, including those considered by the Business Planning Office, which was newly established in January 2024, and those proposed in an in-house new business contest.

Three projects that have [potential for success and prospects for business expansion](#) are moving into the project preparation phase.

Businesses in the Preparatory Stage

New Business (1)

Real estate crowdfunding business

- Ability to acquire purchases and commercialize them, which is a strength of our domestic and overseas revitalization business
- As with the real estate small-lot business, products based on the Act on Specified Joint Real Estate Ventures
- Business that is expected to generate non-asset business income and dramatically improve ROE

New Business (2)

Office Unit Sales Business

- Sales channels can be leveraged, which is a strength of the small-lot real estate business
- Fewer companies entering this sector
- Office rental demand in central Tokyo has already bottomed out and is on the rise

New Business (3)

Energy storage plant development project

- Entry into growth markets aligned with national policy
- ESG investment business with stable earnings potential
- Advantages in securing optimal sites due to extensive experience with real estate transactions

07 Growth Strategies to Enhance Corporate Value (Details) (4) Measures to Improve Productivity and Human Resource Engagement

We will thoroughly implement measures to improve engagement that will contribute to further value realization and productivity improvement of all employees in order to achieve the 10-year vision in the 北極星 (Purpose) management.

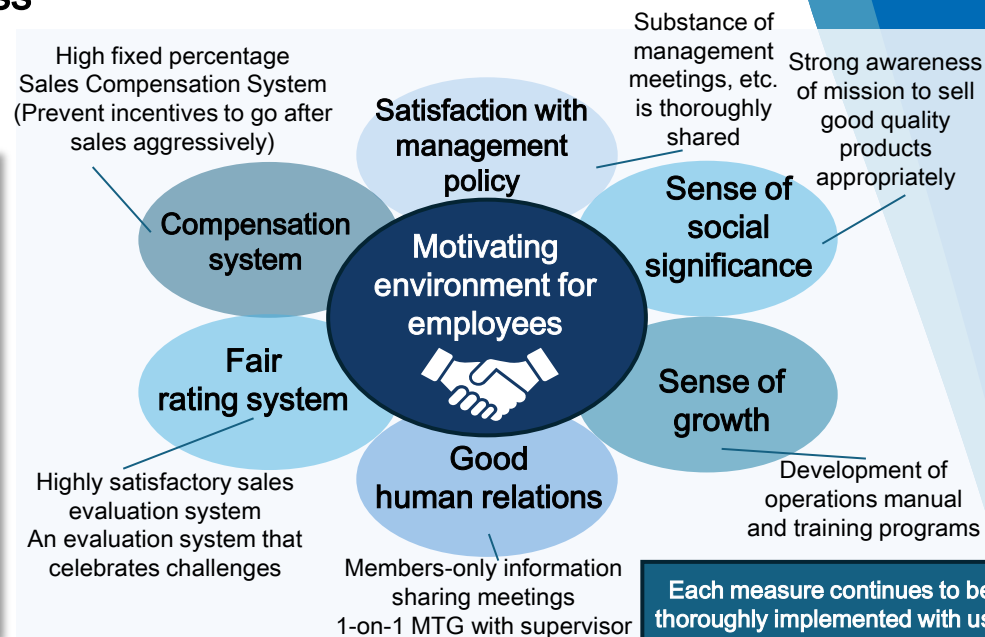
Examples from the Small-lot Real Estate Business

The Company has accelerated measures to create a motivating environment for sales employees and improved sales performance from the second half of 2022 onward.

Of the 26 mid-career and new graduate sales employees (small-lot real estate business) assigned since 2021, only three have left the company (turnover rate: 11.5%).

Measures to create a motivating work environment for employees have contributed significantly to improvements in sales capabilities.

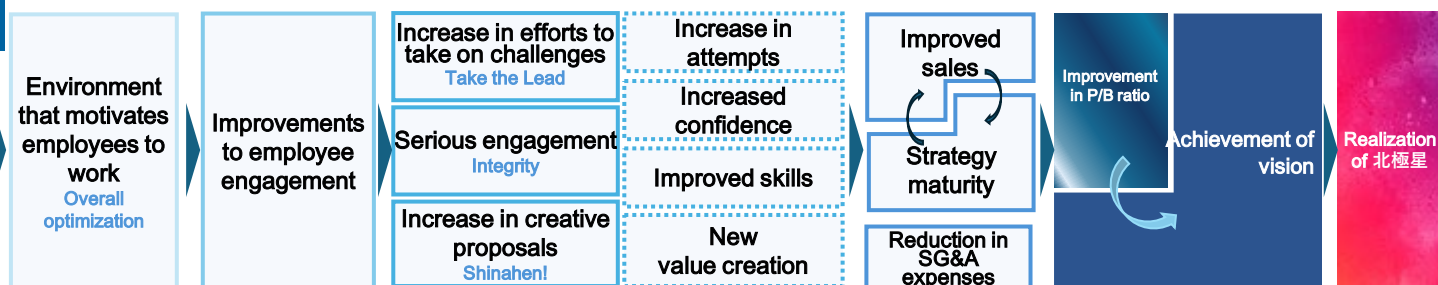
At the same time, we have established a system that can promote appropriate customer-oriented sales and contribute to improving the brand value of our products.



Flow to achieve our vision by improving human capital engagement

Some of the measures being implemented throughout the company

- Company-wide use of 1-on-1 meetings
- Augmentation of various training programs
- Upgrade to values-aligned evaluation and compensation system
- Peer Bonus® Program
- Communication measures



Progress with Second Medium-Term Management Plan

(Fiscal Years Ending December 31, 2024- December 31, 2026)

The FY2026 mid-term plan, growth is expected to significantly exceed the final year plan. Although the FY2026 plan is undecided, it is expected to significantly exceed the revised FY2025 plan (announced on November 13).

The progress of new businesses will be monitored, and the results will be disclosed at the end of FY2025.

(Unit: billion yen)

Consolidated	Second Mid-term Management Plan (FY2024 - FY2026)					
	FY2024 (Fiscal year ended December 31, 2024)	FY2025 (Fiscal year ending December 31, 2025)				FY2026 (Fiscal year ending December 31, 2026)
	Initial Plan	Initial Plan	Revised Plan (1) (Announced 2/13)	Revised Plan (2) (Announced 8/7)	Revised Plan (3) (Announced 11/13)	Initial Plan
Net sales	47.00	52.00	55.00	60.50	60.50	58.00
Operating income	3.00	3.30	3.60	5.00	5.00	3.70
Net income before income taxes	2.30	2.60	2.80	4.00	4.90	3.00
Balance of income properties	45.00	46.00	47.00	47.00	50.00	50.00
Shareholders' equity ^{*1}	17.51	18.50	18.70	19.40	19.80	20.00
ROE ^{*2}	9.2%	9.6%	9.8%	13.7%	15.4%	10.4%
ROIC ^{*3}	4.3%	4.6%	5.0%	6.4%	6.9%	4.8%
Human resource productivity "PH gross profit" ^{*4}	33 mil yen/person	34 mil yen/person	38 mil yen/person	40 mil yen/person	40 mil yen/person	35 mil yen/person
Financial soundness "Equity ratio"	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%	Approx. 30%
Shareholder value "EPS" ^{*5}	32.95 yen	36.35 yen	37.02 yen	52.68 yen	59.53 yen	41.76 yen

^{*1} Balance of income properties: Total balance of properties held for sale or rental revenue

^{*2} ROE: Net income attributable to owners of parent / average shareholders' equity (Figures may differ from net income on equity.)

^{*3} ROIC: (Net income attributable to owners of parent + interest expenses + borrowing fee) / (balance of average shareholders' equity + balance of average interest-bearing liabilities)

^{*4} PH gross profit (gross profit per head): Gross profit / average number of employees

^{*5} EPS (earnings per share): Net income attributable to owners of parent / average number of shares during the period



| Sustainability

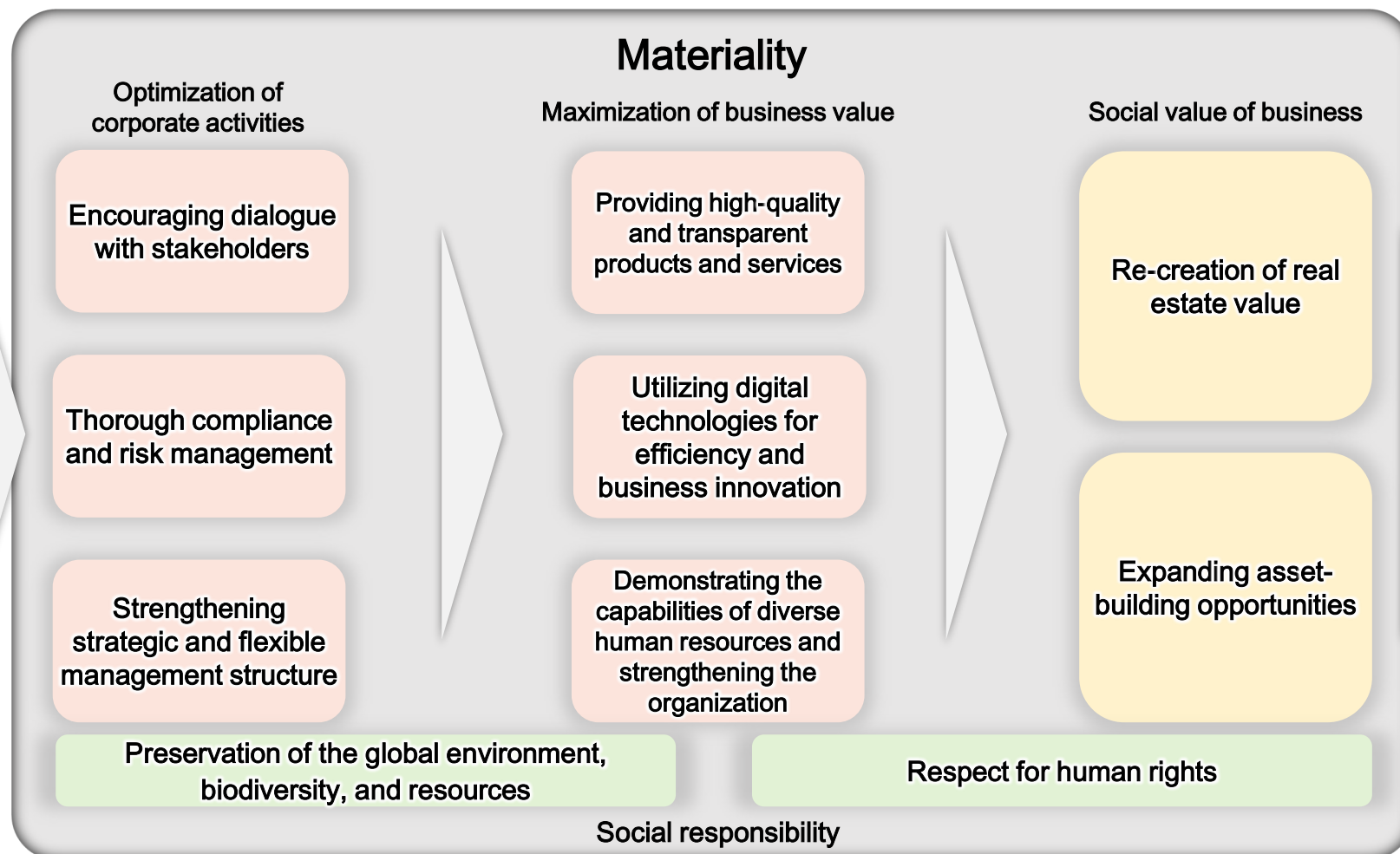
Materiality revised with the development of the 北極星 (Purpose) and Vision

Reason for Being
Values

Vision

ワクを超えるしなやかな発創で、世界を色鮮やかに染め直す。

富の循環を創出し、誰もが心に火を灯せる社会をつくる





Renovation to “Lignification x Wellness Office” to approach social issues and improve the profitability of the property

The social significance of the project and the thoughts of employees are communicated through video content.

Wellness office with a real wood feel" by A.D. Works

Chapter 1 : prologue

<https://youtu.be/amlKVe3PxpE>

Chapter 2 : SetUp

<https://youtu.be/kbc2mOW-1RA>

Chapter 3 : Complete

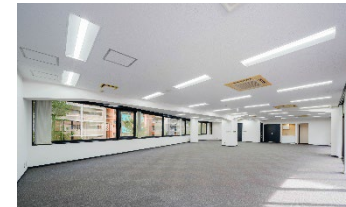
https://youtu.be/lyKJBWNO_t0



Case study

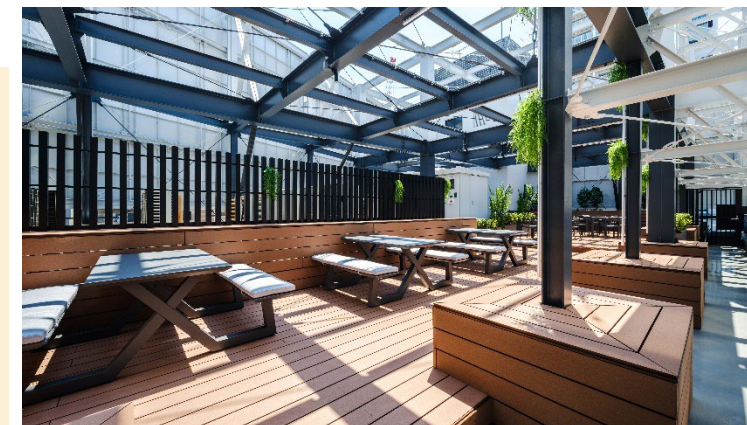
Stores and office buildings Hatchobori Project ②

Although the building is conveniently located about a 15-minute walk from Tokyo Station, rent growth was sluggish for the 35-year-old offices with general furnishings, and two of the seven floors were vacant. The property was renovated into a setup office with an eye toward relocating a foreign company from a location lined with multinational restaurants. We succeeded in signing a lease at a market rate equivalent to that of high-grade office space in the surrounding area.



Before repair

The offices have general carpet tile specifications. Common areas are also in a state of age commensurate with the age of the building.



| Business Model

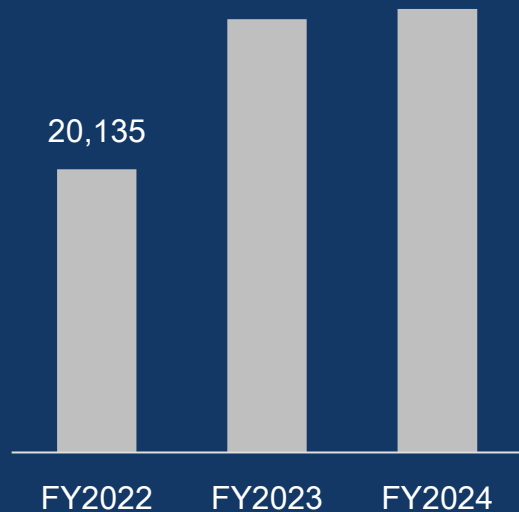
1 Income Property Sales Business

In our business model, we purchase income properties in Japan and overseas based on extensive market research and legal examination, and then increase asset value by carrying out construction work to raise its value and attract tenants in order to generate income through their subsequent sale.

Business model: One-Time Sales-type

Fluctuations in sales (by segment)

(Unit: million yen) 30,812 31,536



Three business characteristics

Properties handled



Focus on residences and offices

Areas of focus



Focus on the Tokyo metropolitan area, Kansai metropolitan area, Fukuoka area and US

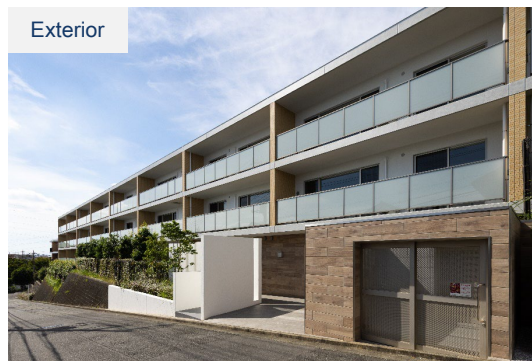
Strengths



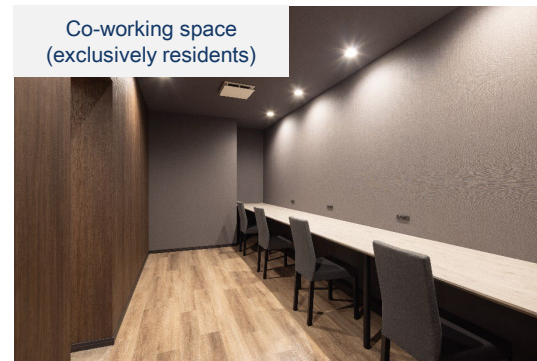
Value-Add Strategy

Example of value-added project : Saginuma Project(Residential real estate)

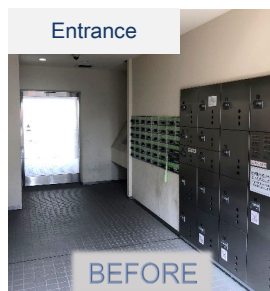
Exterior



Co-working space (exclusively residents)



Entrance



BEFORE



AFTER

Plans tailored to characteristics of property and site and residents' needs

- Former trunk room turned into a co-working space
- Apartments suited for living together with pets

Other

- Large-scale repair work
- Interior decoration work on residents' rooms
- Steps taken to address legal infringements, etc.

2

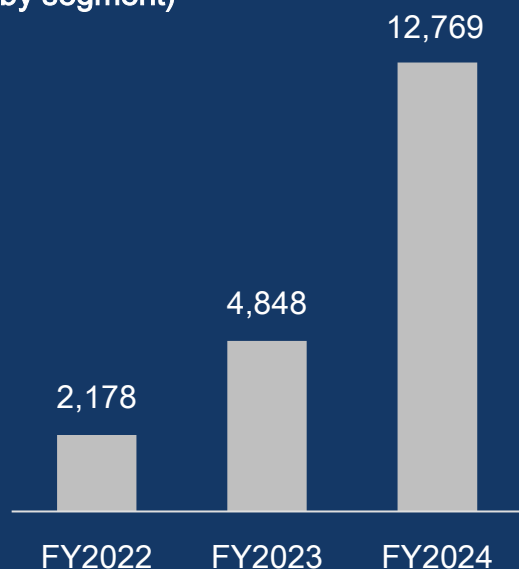
Small-lot real estate product sales

A business model that sells and generates profits on well-located prime real estate in small lots with a minimum investment of 5 million yen to investors nationwide through referrals from financial institutions, accounting firms and others.

Business model: Shot-type

Fluctuations in sales (by segment)

(Unit: million yen)



Three points about small-lot real estate product ARISTO Series

Investments in well-located prime real estate from as little as **5 million yen**

(1 lot is 1 million yen)

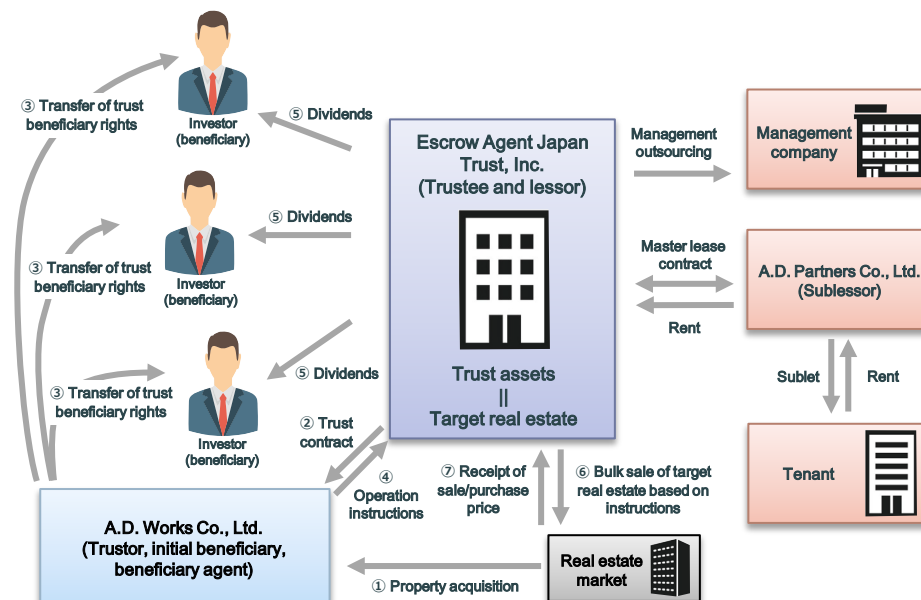
*The minimum investment amount differs depending on the real estate property in question.

None of the hassle of management and administration

Succeeding assets is **efficient** since the assets can be distributed per the number of shares

Trust beneficiary rights

Under real estate trust beneficiary rights, the trustee (trust company) is entrusted with single-building real estate or other trust assets and placed in charge of their management and operation, and the trust company is granted rights to receive any profit (rental income, gains on sale, etc.) arising from operation of said assets. Through ARISTO, these rights can be held in small lots.



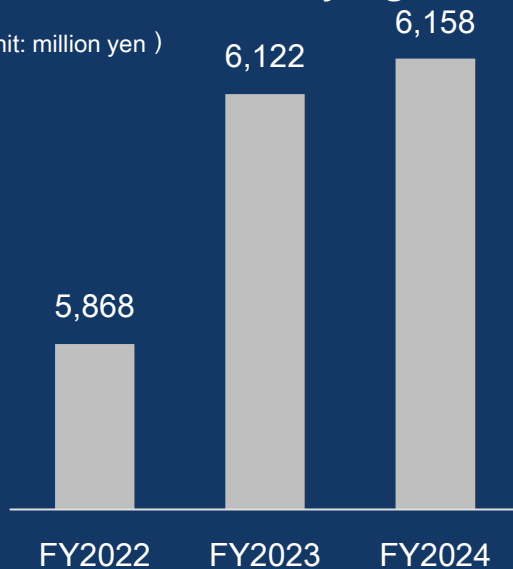
3 Stock-type Fee Business

This business model generates stable revenue through rent income from income properties held by the Group, property management support, and fee revenue from property investment consulting.

Business model: Stock-type

Trends in net sales (by segment)

(Unit: million yen)



① Property management



Leasing

Rent collection

Building management

We provide property owners with total property management, including leasing, building management, and rent collection.

② Asset consulting



Architectural consulting

Condominium renovations

Renovations

We provide multi-faceted asset consulting through private consulting, such as real estate appraisal and real estate utilization consulting, and support customers' real estate investments over a long time span extending across lifetimes.



| Reference Materials

(Company profile / Shareholder Composition)

Company name	-----	A.D. Works Group Co., Ltd.
Headquarters	-----	Fifth Floor, Hibiya Kokusai Building, 2-2-3, Uchisaiwai-cho, Chiyoda-ku, Tokyo
Establishment	-----	April 1, 2020 (A.D.Works Co., Ltd., the Company's predecessor, was founded in February 1886 and incorporated in May 1936.)
Capital	-----	6,283 million yen (as of December 31, 2024)
Listing date	-----	Moved to TSE Prime in April 2022 Listed in the First Section of the TSE in a technical listing in April 2020 (2982) (A.D. Works, the Group's predecessor, was moved to the first section of TSE in October 2015/ Listed on the JASDAQ Securities Exchange (3250) in October 2007)
Main subsidiaries	-----	A.D.Works Co., Ltd. (real estate transactions, brokerage) A.D.Partners Co., Ltd. (real estate management) Angel Torch Co., Ltd. (corporate venture capital business, finance arrangement business) Jupiter Funding Co., Ltd. (financing utilizing crowd funding and other) A.D.Works USA, Inc. (management of US subsidiaries) ADW Management USA, Inc. (US property income management business) ADW Hawaii LLC (property income business in Hawaii, USA)

The Group, which started as the Aoki Dyeing Works in 1886, has changed with the times and now operates its business on the TSE's Prime Market



Founding

1886

A.D.Works, the Company's predecessor, was founded as Aoki Dyeing Works, a dyeing business, in 1886



Listing

October 2007

The Company's predecessor, A.D.Works, was listed on JASDAQ in October 2007 and the first section of TSE in October 2015; the Company was established through sole share transfer in April 2020



Market

TSE Prime



Number of employees (consolidated)

244 people

as of September 30, 2025



Number of Group companies

10 companies

as of September 30, 2024



Office



Tokyo・Osaka・
Fukuoka



Los Angeles, USA

Operates business in Japan and overseas

- 1

Number of issued shares

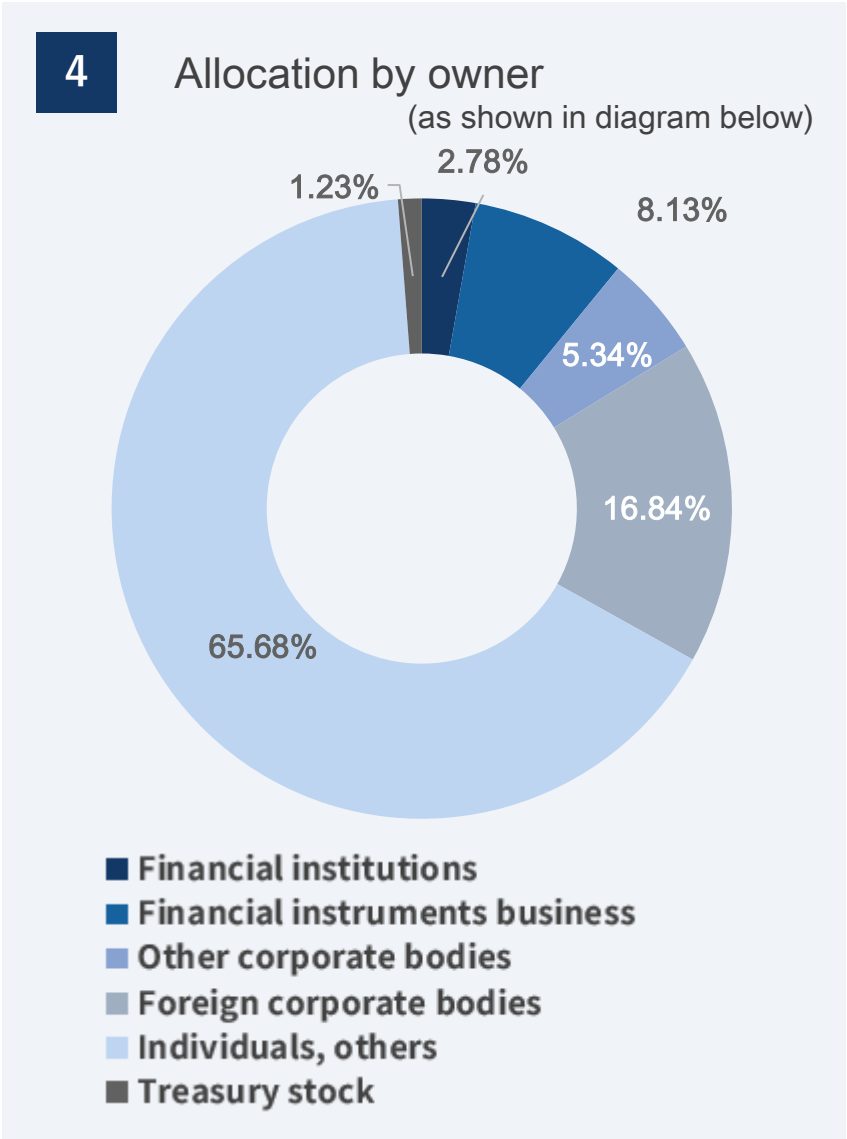
50,080,864 shares
- 2

Number of shareholders

(議決権有株主：16,963名)
- 3

Major shareholders(as shown in table below)

No.	Shareholder name	Percentage of shareholdings
1	Hideo Tanaka	10.22%
2	Liberty House Co., Ltd.	3.93%
3	SBI Securities, Inc.	3.92%
4	BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	3.92%
5	NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	2.28%
6	Rakuten Securities, Inc.	2.00%
7	The Master Trust Bank of Japan, Ltd. (Directors' Stock Compensation Trust Account, 76735 units)	1.67%
8	STATE STREET BANK AND TRUST COMPANY 505044	1.42%
9	BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE	1.38%
10	A.D.Works Group Co., Ltd.	1.22%



Notes on these Materials

These materials were created in order to provide an understanding of the A.D.Works Group. They are not intended to solicit investment in our company. The future forecasts contained in these materials were determined based on the information available at the present time, and include many uncertain elements. Please understand that actual results may differ from the forecasts here due to changes in a wide variety of factors.

The overall business objectives of the Group are announced in the form of plans. The plans of our company are targets for our business, and are different from "forecasts and predictions" that are calculated rationally based on highly accurate information.

The data contained in these materials contains publicly-available information that we judge to be trustworthy and accurate, however the A.D.Works Group does not guarantee the accuracy and correctness of this information.

| Inquiries

Public Relation · IR Division, A.D.Works Group



ir@re-adworks.com



03-5251-7641