

# Capital and Business Alliance with ITOCHU Corporation

February 25, 2026



**SUN FRONTIER**

# Purpose and Background of the Capital and Business Alliance

## Purpose

To realize our management philosophy by accelerating business growth and achieving a step-change in medium to long term corporate value through a strategic capital and business alliance.

## Background

### Market Environment

- Office : Growing demand for revitalization driven by an increasing stock of aging buildings and rising construction costs
- Hotel : Expanding inbound demand creating greater investment opportunities across regions

### Our Challenges

- Property Acquisition and Value Creation : Strengthening sourcing networks, enhancing value-added capabilities to address rising construction costs
- Investment Scale : Expanding sales channels in line with diversified asset types and larger investment scale

# Overview of the Transaction



## Business Alliance

A comprehensive business alliance with ITOCHU Corporation, focusing on the Real Estate Revitalization and Hotel Business Segments.

## Capital Alliance※

### Third-Party Allotment

Issuance of new shares through a third-party allotment to ITOCHU Corporation to raise approximately 12.8 billion yen in growth capital.

### Capped Tender Offer

Acquisition of shares through a capped tender offer conducted by ITOCHU Corporation.

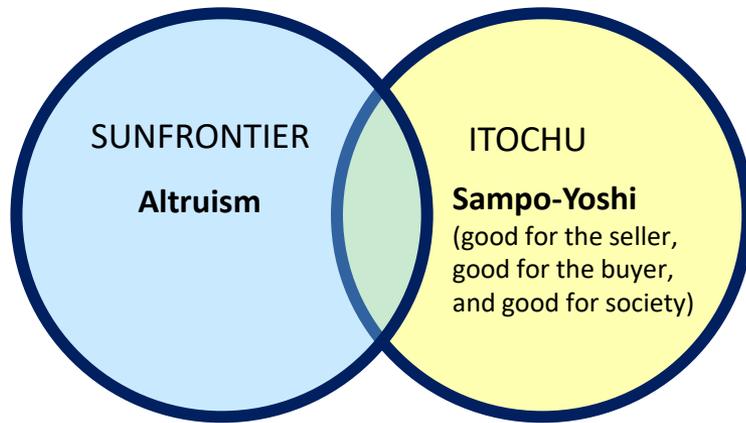
Accelerate growth by creating business synergies through our unique strengths, while maintaining management independence and operational autonomy

※ Through the third-party allotment and the capped tender offer, ITOCHU Corporation is expected to acquire approximately 20% to 21% of the shares on a fully diluted basis.

# Rationale for Selecting ITOCHU Corporation as a Strategic Partner



## Shared Corporate Culture



A strong affinity in management philosophies, enabling the building of a long-term and robust relationship of trust.

## Strategic Alignment

### SUNFRONTIER

High value-added services driven by strong on-the-ground execution and agility

Expertise in office building revitalization and hotel development and operations

### ITOCHU

Extensive business network and financial strength as a leading general trading company

Strong capabilities in development and asset management across residential, logistics, and infrastructure assets



Underpinned by shared values in management philosophy, the two companies will leverage their respective strengths and managerial autonomy to deepen existing businesses while expanding into new growth areas as long-term strategic partners.

# Key Collaboration Initiatives



# Use of Proceeds from Third-Party Allotment



Total Funds Raised: Approximately **12.8** billion yen

## Urban Office Revitalization

OFFICE Approximately **6.8** billion yen



Acquisition of high-quality properties and renovation costs

Further expansion of the Real Estate Revitalization Business, including central urban office buildings

Leveraging ITOCHU Group's strengths, including extensive information resources and financial strength, broad domestic and global networks, stable procurement capabilities for materials and equipment, advanced capabilities of general contractors, extensive experience and a strong track record in commercial, distribution, and residential buildings

## New Hotel Development

HOTEL Approximately **6.0** billion yen



Land acquisition and construction costs

Accelerating growth of the hotel operations business through the development and opening of new hotels

Hotels scheduled to open during the fiscal year ending March 2027 : Matsuyama-shi, Ehime. Ozu-machi, Kumamoto. Utsunomiya-shi, Tochigi. Rokkasho-mura, Aomori. Toyokawa-shi, Aichi. Sakata-shi, Yamagata. Akita-shi, Akita. and Nago-shi, Okinawa.

Hotels under development : Karuizawa-machi, Nagano. Fujikawaguchiko-machi, Yamanashi. Nara-shi, Nara. Higashi-ginza, Tokyo. Hakone-machi, Kanagawa. Atami-shi, Shizuoka. and Ishigaki-shi, Okinawa, etc.

# Thank you for your continued support.

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