

Striders Corporation

1st Quarter of 2024 March Financial Year Explanation of Financial Statements



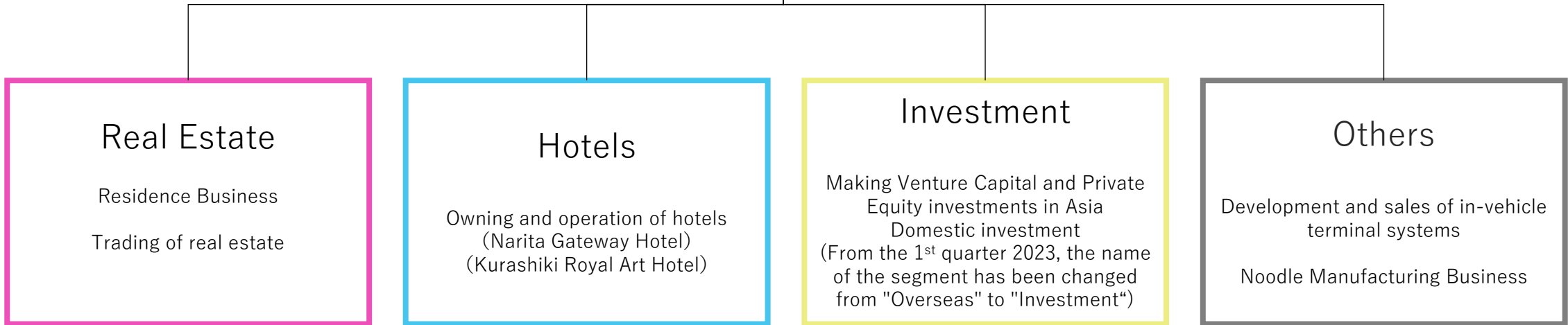
10th August 2023

1. Company Overview

 Corporate Philosophy : **To support individuals and companies that take on challenges and share inspirational experiences with all the stakeholders in order to create a better world.**
Corporate Slogan : **"Stride With Challengers"**

Business Overview : (Company) Business Investments · Management of Group companies
(Group) Real Estate · Hotels · Investment · Others

Listed Market : Tokyo Stock Exchange Standard Market (Stock Code : 9816)

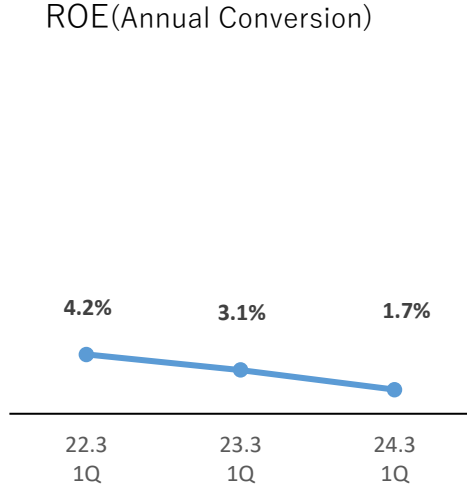
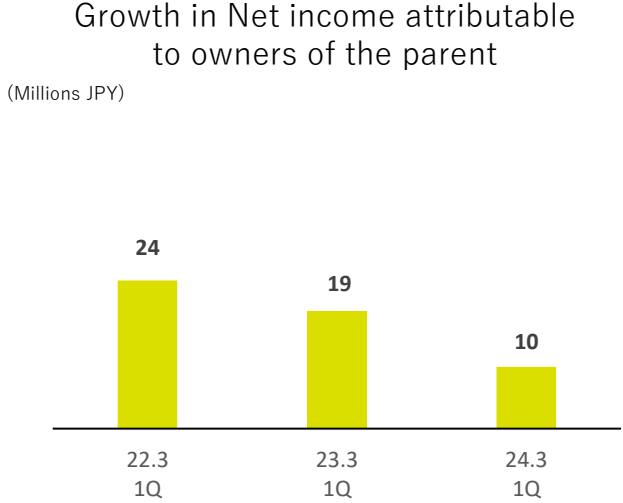
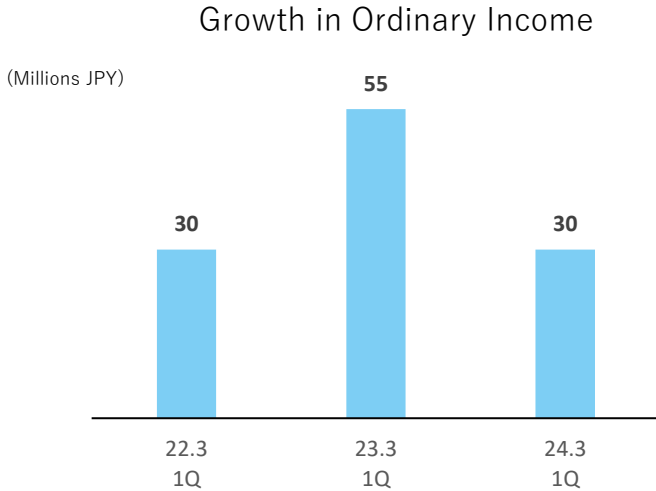
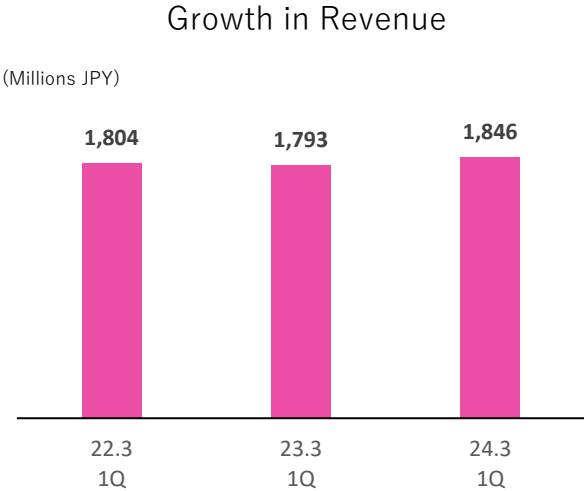


2. Highlights of the Financial Results Q1 of 2024 March FY

- ✓ In the real estate business, the residential property business had no significant changes in the number of units under management or rent levels for subleasing contracts compared to the same period last year. However, due to a decrease in the vacancy rates, temporary income from new tenants and rent income proportional to the number of occupied units increased. In the land agency business, sales of condominiums for investment increased. As a result, there was an overall growth in both revenue and profit for the Real Estate business.
- ✓ In the hotel business, the leasing of Narita Gateway Hotel to Chiba Prefecture has ended and the hotel operations resumed in June 2023. However, the revenue for June was at a low level, as expected, being the first month after the restart. On the other hand, Kurashiki Royal Art Hotel experienced significant improvements in both hotel occupancy rates and room rates due to the return of inbound tourists. However, the overall hotel business saw a decrease in both revenue and profit.
- ✓ As a result, the Group recorded sales of 1,846 million yen (up 2.9% year-on-year), operating profit of 7 million yen (down 62.1% year-on-year), ordinary profit of 30 million yen (down 44.3% year-on-year) and net profit attributable to owners of the parent company of 10 million yen (down 45.9% year-on-year).

3. 2024 March FY – Q1–Summary of Consolidated Financials ~Income Statement~

In Millions JPY	2022.3 1Q	2023.3 1Q	2024.3 1Q	Net Change (YoY)	Comments (YoY)
Revenue	1,804	1,793	1,846	+52	Increase in the real estate business, decrease in the hotel business
Operating Profit	(43)	20	7	(12)	Increase in the real estate business, decrease in the hotel business
Ordinary Profit	30	55	30	(24)	Other income in non-operating income which includes subsidies decreased from 15 million yen to 5 million yen.
Net income attributable to owners of the parent	24	19	10	(9)	
ROE (Return on Equity)	4.2%	3.1%	1.7%	(1.4)	

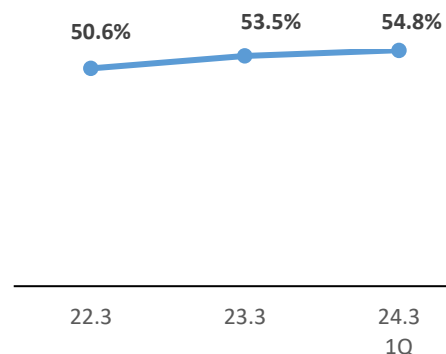


4. 2024 March FY – Q1–Summary of Consolidated Financials ~Statement of Financial Position~

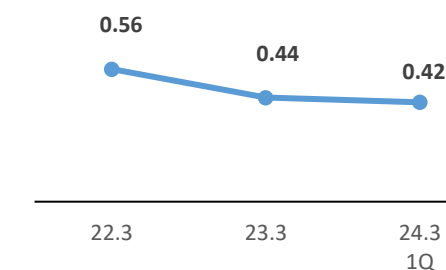
• Statement of Financial Position

(In Millions JPY)	2022.3	2023.3	2024.3 1Q	Net Change
Total Assets	4,789	4,651	4,482	(169)
Current Assets	3,046	3,065	2,898	(166)
Cash and Deposits	2,580	2,582	2,509	(73)
Inventories	158	141	109	(32)
Non-current Assets	1,743	1,586	1,583	(2)
Property, Plant and Equipment	1,223	1,137	1,131	(6)
Intangible Assets	115	102	99	(2)
Investments and Other Assets	404	346	353	+6
Investment Securities	256	155	165	+10
Shares of Subsidiaries and Associates	70	59	53	(6)
Total Liabilities	2,338	2,133	1,997	(136)
Interest Bearing Liabilities (Note 1)	1,379	1,111	1,050	(61)
Total Net Assets	2,450	2,517	2,485	(169)
Equity Ratio (Note 2)	50.6%	53.5%	54.8%	+1.3
Debt to Equity Ratio (time)(Note 3)	0.56	0.44	0.42	(0.02)

Comparison of Equity Ratio



Comparison of Debt-to-Equity Ratio



Note 1; Interest-bearing debt: short-term debt, corporate bonds due within a year, long-term debt due within a year, corporate bonds, long-term debt

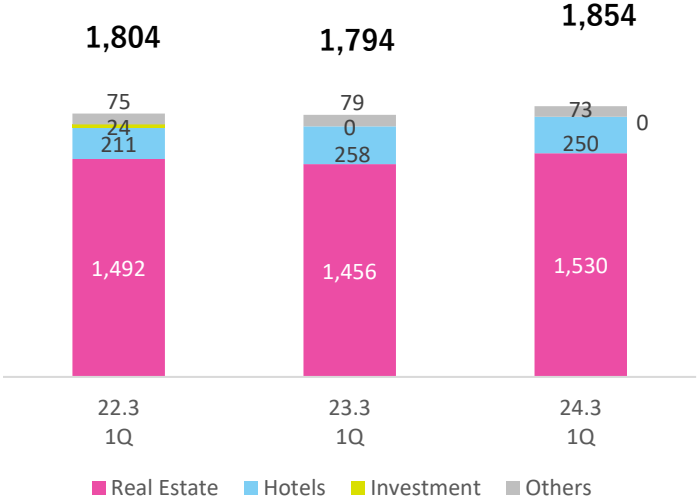
Note 2: Equity ratio: (total shareholders' equity + total accumulated other comprehensive income) / total liabilities and net assets

Note 3: Debt to Equity Ratio :Interest Bearing Liabilities / Total Net Assets

5. 2024 March FY – Q1–Summary of Consolidated Financials ~Overall Segment Performance~

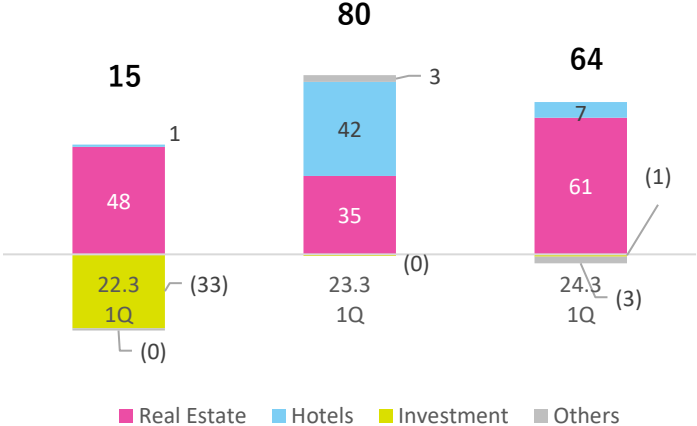
Revenue by Segment

(Millions JPY)



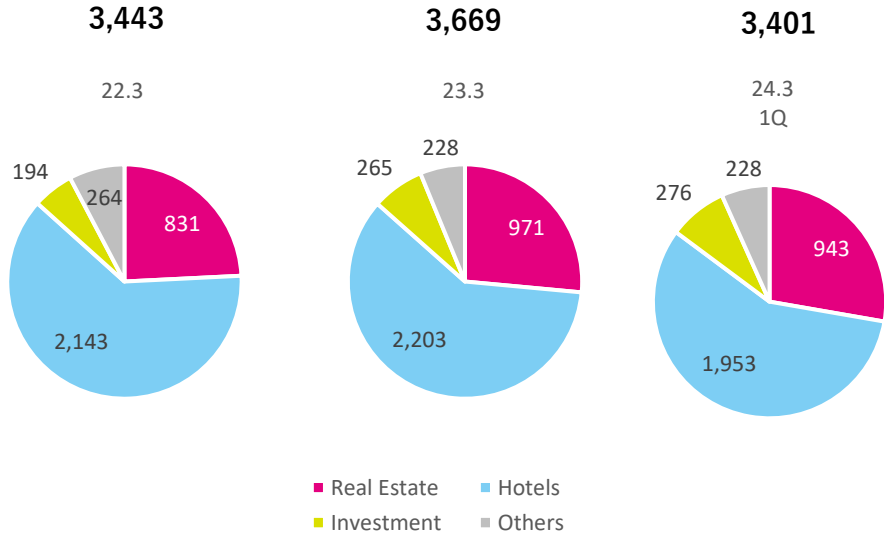
Profitability by Segment

(Millions JPY)



Assets held by each segment

(Millions JPY)



※Inter-segment transactions are included in segment sales for the sake of simplicity, as the impact will be minor.
 ※Operating income of each segment is disclosed as segment income. The total segment income minus adjustments (mainly personnel and expenses related to administrative departments) is the operating income in the consolidated statements of income.
 ※In the first quarter of the fiscal year ended in March 2022, the investment business included the overseas advertising agency business. However, since the second quarter of the fiscal year ended in March 2022, this business has been excluded from the consolidation scope due to a partial transfer of shares in PT. Citra Surya Komunikasi.

6. 2024 March FY – Q1–Overview by Segment ~Real Estate Segment ①~

Business activities: Residence business (leasing, rental management, condominium building management), real estate sales

Subsidiaries : Trust Advisers, Tokyo Apartment Guarantee, etc.

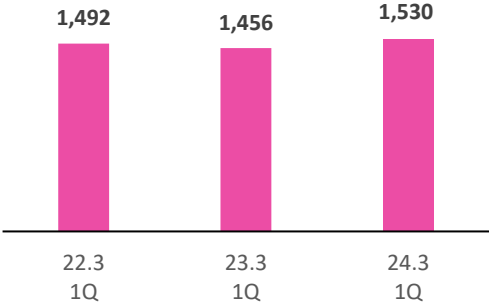
Segment Revenue 1,530 Millions JPY
(YoY +5.1%)

Segment Profitability 61 Millions JPY
(YoY +74.9%)

- ✓ In the residential property business, the number of units under management and rent rates remained at the same level. However, due to a decrease in the vacancy rates, temporary income from new tenants and rent income proportional to the number of occupied units increased
- ✓ In the land agency business, sales of condominiums for investment were at a low level but increased compared to the same period last year.
- ✓ In the overall segment, there was a growth in both revenue and profit. Will continue to ensure efficient management and to develop a structure for the promotion of digitization

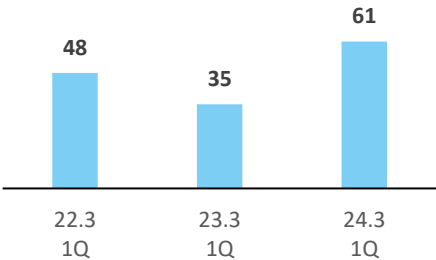
Segment Revenue

(Millions JPY)



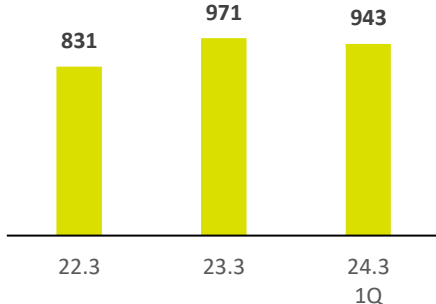
Segment Profitability

(Millions JPY)



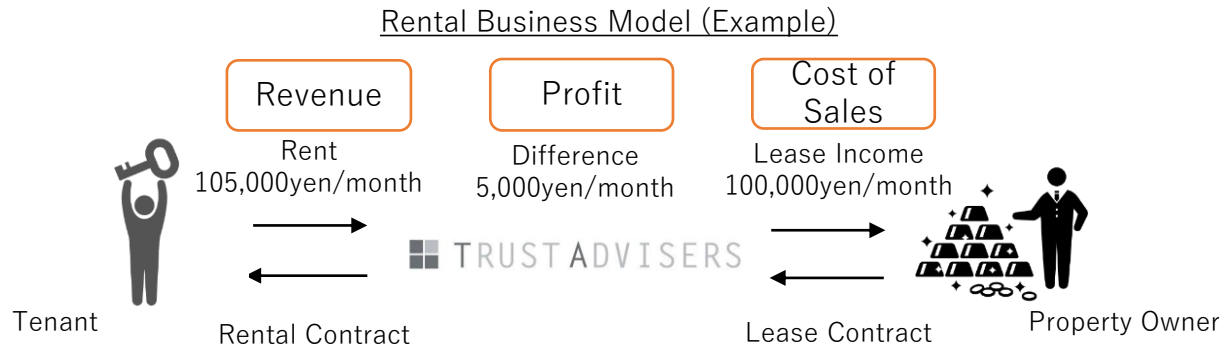
Segment Assets

(Millions JPY)



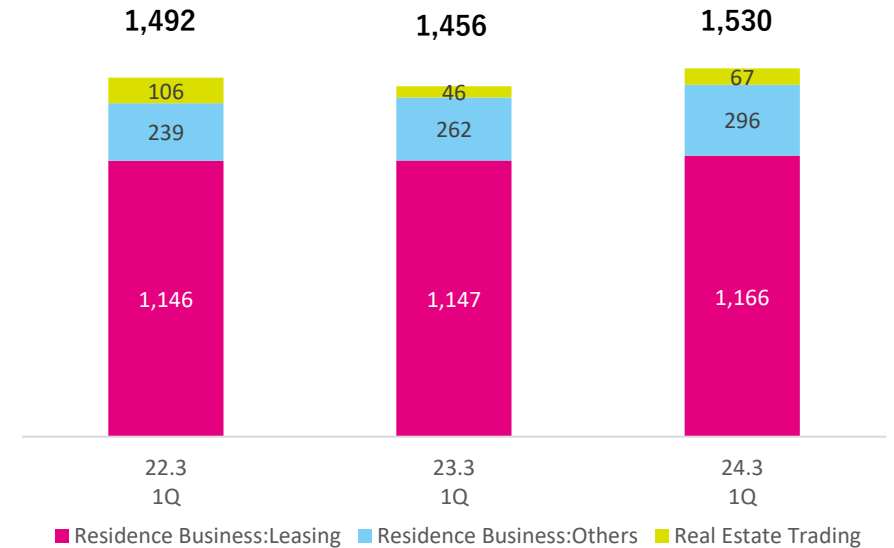
7. 2024 March FY – Q1– Overview by Segment ~Real Estate Segment ②~

✓ The stable earning base in the real estate segment is the rental revenue from the residence business
 →Acquisition of properties from owners under leasing and renting those properties to tenants. A part of the rent revenue from the tenants will be paid to the owners.



✓ Real Estate Segment: Sales Composition by Business Units

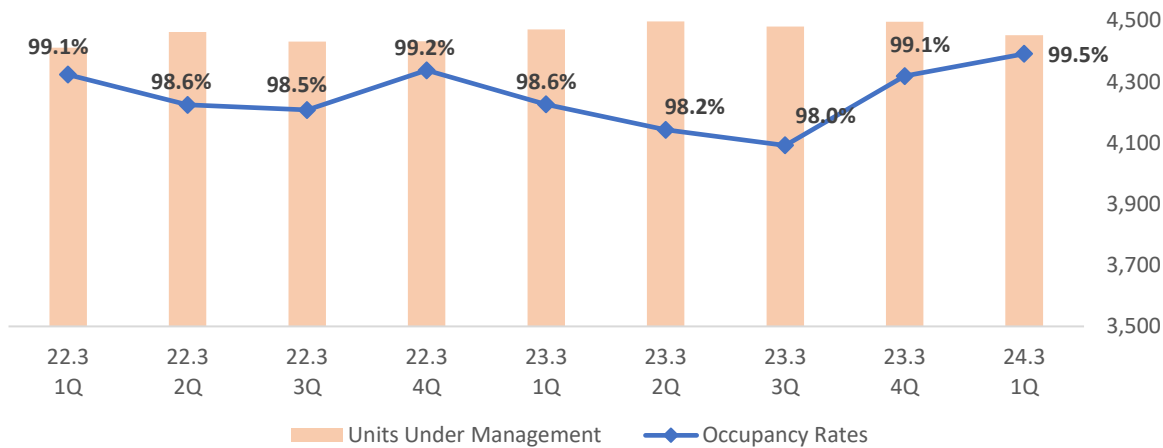
(Millions JPY)



※Included in "Residential Business: Others": Business consignment fee income, administration fees, restoration, repair sales, renewal administration fees, collection agency fees, and fire insurance fees.

※Due to a review of the aggregation method, there have been changes from the past disclosed figures.

Number of Units Managed Under Rental Business & Occupancy Rates



8. 2024 March FY – Q1– Overview by Segment ~Hotel Segment ①~

Business Description: Ownership and operation of hotels

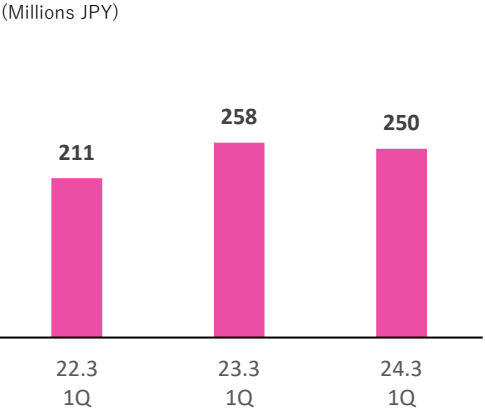
Subsidiaries : Narita Gateway Hotel, Kurashiki Royal Art Hotel, Global Holdings

Segment Revenue 250 Millions JPY
(YoY (3.0%))

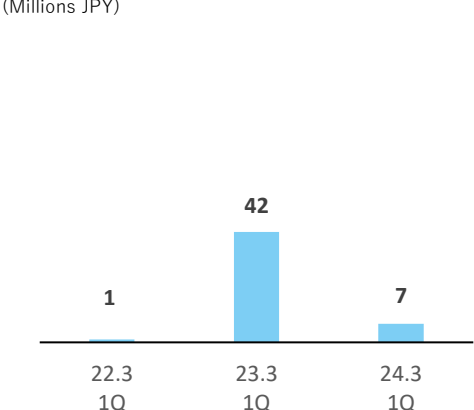
Segment Profitability 7 Millions JPY
(YoY (81.6%))

- ✓ **Narita Gateway Hotel resumed its hotel operations in June 2023 and is in the process of gradually recovering its occupancy rates. As a result, the revenue for June 2023 decreased significantly, as expected, compared to the same month last year when the facility was being operated as a recuperation facility.**
- ✓ **On the other hand, Kurashiki Royal Art Hotel experienced significant improvements in both hotel occupancy rates and room rates compared to the same period last year, due to the return of inbound tourists.**

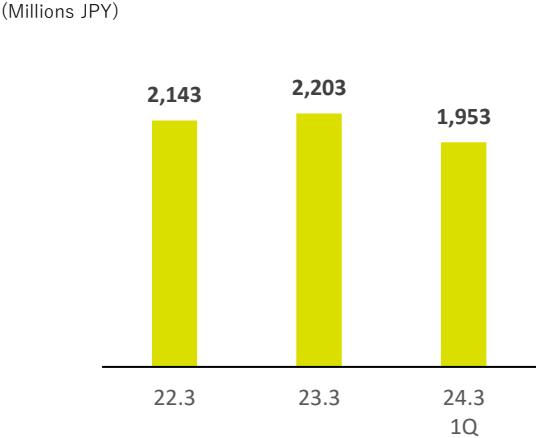
Segment Revenue



Segment Profitability



Segment Assets



9. 2024 March FY – Q1- Overview by Segment ~Hotel Segment ②~



Narita Gateway Hotel

Subsidiary

<https://gateway-hotel.co.jp>



KURASHIKI ROYAL ART HOTEL
倉敷ロイヤルアートホテル

Kurashiki Royal Art Hotel

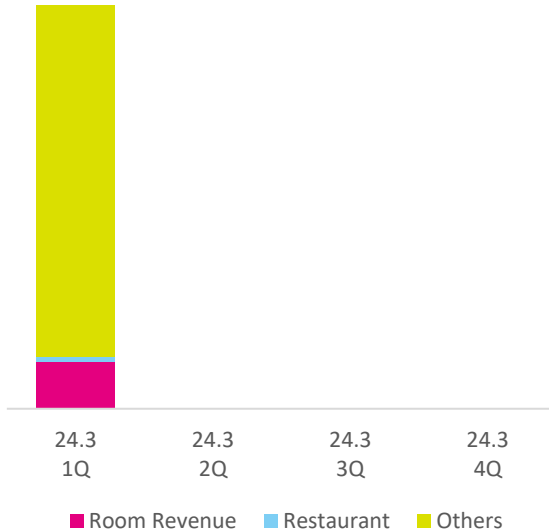
Subsidiary

<http://www.royal-art-hotel.co.jp>

Revenue (Millions JPY)



141



- Number of Rooms : 307
- Japanese travelers who use the Narita Airports & inbound travelers are the target market

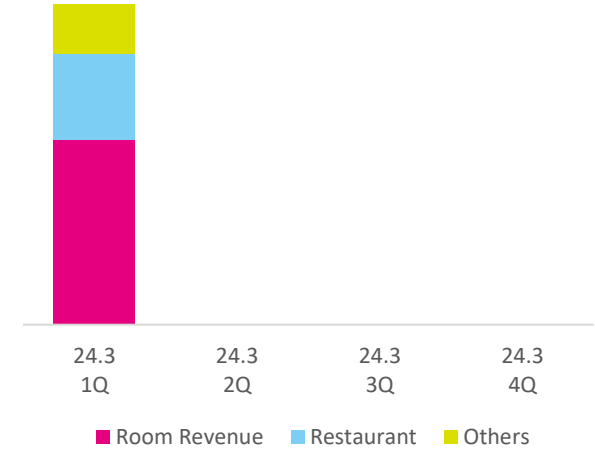
Since April 2020, the property had been leased to Chiba Prefecture as a facility for mild and asymptomatic COVID-19 patients. On June 1, 2023 (Thursday), the hotel operations resumed.

The hotel marked a low occupancy rate in June 2023, being the first month of hotel operations after a three-year hiatus. The operation of the restaurant is in a limited capacity, offering breakfast service only.



Revenue (Millions JPY)

109



- Number of Rooms : 71
- 2 minutes walk from the tourist hot spot, Bikan historical district area.

Amid the lively atmosphere gradually returning to the Kurashiki Bikan Historical Quarter, the hotel's occupancy rate and room rates have shown significant improvements compared to the same period last year.

Demand for banquets and group travels is gradually showing signs of recovery. To prepare for the increase in demand, the hotel plans to address staffing issues, including recruitment and placement. Additionally, a renewal of the official website is scheduled.

10. 2024 March FY – Q1– Overview by Segment ~Investment Segment ①~

Business Description : Investment business in Asia, domestic investment

Subsidiary : Striders Global Investment (Singapore), M&A Global Partners (MAGP)

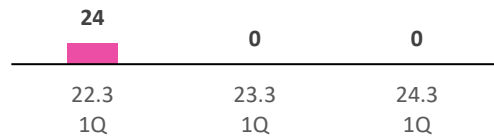
Segment Revenue – Million JPY
(Previous FY -Millions JPY)

Segment Loss (1) Million JPY
(Previous FY a loss of 0 million JPY)

- ✓ Starting from the first quarter, the "Overseas Business" has been renamed as the "Investment Business," and MAGP, which was previously included in the "Other", has been reclassified under the "Investment Business."
- ✓ While actively pursuing business succession and inbound investment opportunities within Japan, the company also explored startup investments in areas such as Agri-Tech, Insure-Tech, Health-Tech, and Green-Tech. However, revenue from the investment business was not recorded.

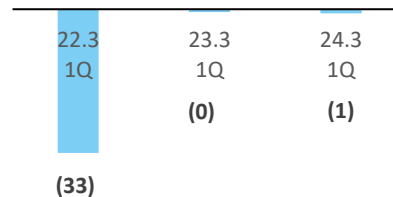
Segment Revenue

(Millions JPY)



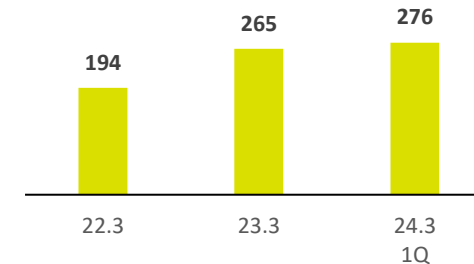
Segment Profitability

(Millions JPY)



Segment Assets

(Millions JPY)



11. 2024 March FY – Q1– Overview by Segment ~Investment Segment ②~

Subsidiary



Striders Global Investment uses its growth oriented and global investment strategy to identify companies with high growth potential, mainly in the markets such as Singapore, Indonesia & Sri Lanka. The company aims to maximize the sustainable returns by making investments, business tie-ups, project financing, etc. with high growth potential companies.



M&A Global Partners specializes in corporate rehabilitation and restructuring, fund-raising support, and M&A consulting. The company also offers financial support for unlisted companies and provides consultations for corporate revival.

- ▣ Corporate revitalization: Establishment of business revitalization and reorganization schemes
- ▣ M&A-related: Consulting services related to business partnerships, business and business transactions
- ▣ Fundraising support: Arrangement work for domestic and foreign financial institutions and investors, direct investment

List of Overseas Investments



A digital media startup that operates in Sri Lanka & Bangladesh.

IC Fund II (LP)



by **INDOGEN**
CAPITAL

Indogen Capital is one of the leading venture capital firms in Southeast Asia.



Attention Holdings Pte. Ltd. is the owner of Evos Esports, which is the largest esports company in Southeast Asia.



A SaaS company to DX smallholder farmers in Sri Lanka and South Asia



Travelio is one of the largest Prop-Tech startups in Indonesia which engages in management of residential properties



Providing a platform to consult with medical professionals via smartphone apps, mainly in Southeast Asia.

List of Domestic Investments

Angel Bridge
Small-cap Fund 1

by **Angel Bridge**

The VC fund established by Angel Bridge Co., Ltd. in 2019.



A real estate tech company that operates platforms such as "Canary," a real estate transaction platform.

12. 2024 March FY – Q1– Overview by Segment ~Others ①~

Business Description : Development & Sale of In-vehicle Terminal Systems, Noodle Manufacturing Business

Subsidiaries : Mobile Link, Masuda Seimen

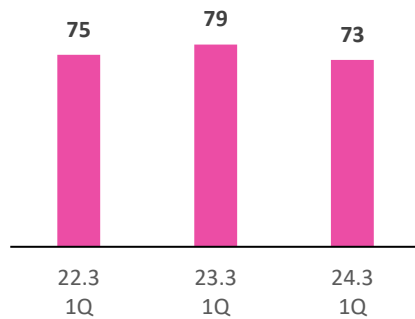
Segment Revenue 73 Million JPY
(YoY (7.4%))

Segment Loss (3) Million JPY
(Previous FY a profit of 3 million JPY)

- ✓ **Mobile Link experienced sluggish orders. Expectations are set on subsidies for the second half of the year.**
- ✓ **Masuda Seimen saw a market recovery from the impact of the COVID-19 pandemic; however, the company continues to face challenges due to soaring raw material prices.**

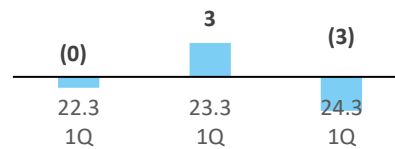
Segment Revenue

(Millions JPY)



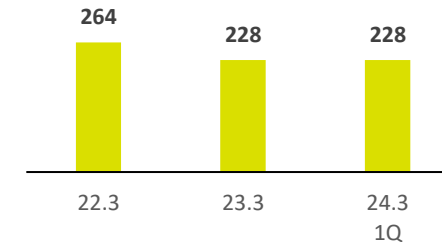
Segment Profitability

(Millions JPY)



Segment Assets

(Millions JPY)



13. 2024 March FY – Q1 Overview by Segment ~Others ②~

Subsidiary



Mobile Link Inc.

<http://www.mobile-link.co.jp>

Mobile Link develops and sells built-in technology for vehicle operation and management.



Y.K. Masuda Seimen

Y.K. Masuda Seimen manufactures and sells Chinese noodles at their Yokosuka factory in Kanagawa Prefecture for about 100 customers in the Tokyo metropolitan area.



Associated Companies

MIRAI IP and Technology Research Center Co., Ltd.

<https://mirai-iptrc.co.jp>



One of the nine "registered research institutions" in Japan that can conduct advanced technology research ordered by JPO.

Mirai Intellectual Property Technology Research Institute, in collaboration with Frontier Link Co., Ltd. (located in Chiyoda-ku, Tokyo, CEO: Kei Sato), has initiated the "Corporate Version Furusato Tax Donation Program for Supporting Education and Employment of Reclusive Individuals, Single Parents, and People with Disabilities" in Soja City, Okayama Prefecture, starting from March 2023. On April 20, 2023 (Thursday), a joint press conference was held with Soja City and Frontier Link to explain the significance of this initiative. For more details, please refer to the following press release.

<https://contents.xjstorage.jp/xcontents/AS70673/3b84c0c8/bc59/4a03/bafb/36927d4c724d/140120230330539607.pdf>

14. Reference Information

- Basic Company Information

Company Name	Striders Corporation
Headquarters	Shimbashi MCV Building 8F, 5-13-5 Shimbashi, Minato-ku, Tokyo, Japan (Postal Code: 105-0004)
Established	February 1965
Capital	1,585 Million JPY
Businesses Segments	Real Estate, Hotel, Investment & Others
Listed Market	Standard Market at Tokyo Stock Exchange (Stock code : 9816)
Consolidated Sales	7,371Million JPY (March 2023)
Number of Employees	135 (March 2023)



Striders Corporation
President & CEO

Ryotaro Hayakawa

- Corporate Philosophy

「 **Supporting individuals and companies with challenging spirit and sharing inspirational experiences with all stakeholders, to create a better world** 」

- Corporate Slogan **Stride With Challengers**

- Investor Relations <https://www.striders.co.jp/ir/information.html>

- Contact for IR related matters Finance and Accounting Department Tel (+81) 03-5777-1931 *via online <https://www.striders.co.jp/contact/contact.html>

- Notes about the statements related to future

Forward-looking statements such as business forecasts contained in this material are based on the information currently obtained by the Company and on certain assumptions that are deemed reasonable and are not intended to promise the achievement by the company. In addition, actual business results may differ significantly due to various factors.

Financial Results - Supplementary Materials



1. Quarterly performance trends (Group)

<Consolidated income statement>

(Millions JPY)

2024 March FY	1Q	2Q	3Q	4Q	Total
Revenue	1,846	-	-	-	1,846
Operating Profit	7	-	-	-	7
Ordinary Income	30	-	-	-	30
Net Income (※)	10	-	-	-	10

2023 March FY	1Q	2Q	3Q	4Q	Total
Revenue	1,793	1,793	1,938	1,845	7,371
Operating Profit	20	5	62	55	143
Ordinary Income	55	40	71	65	232
Net Income (※)	19	22	34	41	118

2022 March FY	1Q	2Q	3Q	4Q	Total
Revenue	1,804	1,926	1,973	1,801	7,505
Operating Profit	(43)	(24)	33	0	(33)
Ordinary Income	30	20	107	47	205
Net Income (※)	24	22	89	32	168

(※Net income attributable to shareholders of the parent)

<Consolidated balance sheet>

(Millions JPY)

2024 March FY	1Q	2Q	3Q	4Q
Total Assets	4,482	-	-	-
Net Assets	2,485	-	-	-
Equity Ratio	54.8%	-	-	-
Net assets per share	293.46JPY	-	-	-

2023 March FY	1Q	2Q	3Q	4Q
Total Assets	4,716	4,639	4,712	4,651
Net Assets	2,429	2,441	2,470	2,517
Equity Ratio	51.0%	52.1%	51.8%	53.5%
Net assets per share	284.22JPY	286.56JPY	290.89JPY	296.42JPY

2022 March FY	1Q	2Q	3Q	4Q
Total Assets	5,079	4,785	4,833	4,789
Net Assets	2,306	2,322	2,427	2,450
Equity Ratio	44.8%	48.0%	49.7%	50.6%
Net assets per share	268.00JPY	270.81JPY	283.01JPY	286.26JPY

2. Quarterly performance trends (Segment)

< Revenue by Segment and Net sales >

(Millions JPY)

2024 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	1,530	-	-	-	1,530
Hotel	250	-	-	-	250
Investment	0	-	-	-	0
Others	73	-	-	-	73
Adjustment	(8)	-	-	-	(8)
Total(Net Sales)	1,846	-	-	-	1,846

2023 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	1,456	1,444	1,499	1,505	5,906
Hotel	258	285	291	268	1,104
Investment	-	0	3	3	6
Others	79	64	143	68	355
Adjustment	(0)	(0)	(0)	(0)	(1)
Total(Net Sales)	1,793	1,793	1,938	1,845	7,371

2022 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	1,492	1,570	1,584	1,469	6,117
Hotel	211	230	282	232	956
Investment	24	51	5	-	81
Others	75	74	100	99	350
Adjustment	(0)	(0)	(0)	(0)	(0)
Total(Net Sales)	1,804	1,926	1,973	1,801	7,505

< Operating Profit by Segment and Total >

(Millions JPY)

2024 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	61	-	-	-	61
Hotel	7	-	-	-	7
Investment	(1)	-	-	-	(1)
Others	(3)	-	-	-	(3)
Adjustment	(57)	-	-	-	(57)
Total	7	-	-	-	7

2023 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	35	17	44	74	171
Hotel	42	43	57	32	175
Investment	(0)	(1)	2	2	3
Others	3	(0)	15	(0)	17
Adjustment	(59)	(53)	(57)	(53)	(224)
Total	20	5	62	55	143

2022 March FY	1Q	2Q	3Q	4Q	Total
Real Estate	48	40	31	67	187
Hotel	1	16	42	(12)	47
Investment	(33)	(23)	4	(1)	(54)
Others	(0)	1	13	2	16
Adjustment	(59)	(58)	(57)	(55)	(231)
Total	(43)	(24)	33	0	(33)

< Assets held by each Segment and Total assets >

(Millions JPY)

2024 March FY	1Q	2Q	3Q	4Q
Real Estate	943	-	-	-
Hotel	1,953	-	-	-
Investment	276	-	-	-
Others	228	-	-	-
Adjustment	1,080	-	-	-
Total assets	4,482	-	-	-

2023 March FY	1Q	2Q	3Q	4Q
Real Estate	796	811	845	971
Hotel	2,193	2,129	2,172	2,203
Investment	255	275	263	265
Others	222	210	284	228
Adjustment	1,248	1,212	1,146	981
Total assets	4,716	4,639	4,712	4,651

2022 March FY	1Q	2Q	3Q	4Q
Real Estate	1,139	1,022	1,015	831
Hotel	2,116	2,071	2,177	2,143
Investment	507	322	192	194
Others	230	234	252	264
Adjustment	1,086	1,134	1,195	1,355
Total assets	5,079	4,785	4,833	4,789