



Six months ended June 30, 2020 Earnings Briefing

Loadstar Capital K.K.

**Securities code: 3482
August 2020**

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1. Our Business

Mission

Real Estate X Tech to Open Up a New Market

Real Estate Tech

CROWDFUNDING
(Equity Investment-type / Loan-Type)



OwnersBook



Real Estate
Investments

CORPORATE FUNDING
(Real Estate Principal Investment)

ASSET MANAGEMENT

**BROKERAGE
/ ADVISORY SERVICES**

2. Overview of Financial Results for the Six months Ended June 30, 2020

High Light

Consolidated Financial Results

Net sales	+38% y-o-y
Ordinary profit	+59% y-o-y
Profit	+63% y-o-y

Corporate Funding

- Net sales increased due to the sale of a large property. **+40%** y-o-y
- Completed our largest-ever property acquire despite the COVID-19 crisis (See P.16)

Crowdfunding

- As a result of our cautious stance on new loans in response to impact of COVID-19, net sales decreased **△6%** y-o-y
- Number of investor members and loan amount remained somewhat weak.

Consolidated Statements of Income



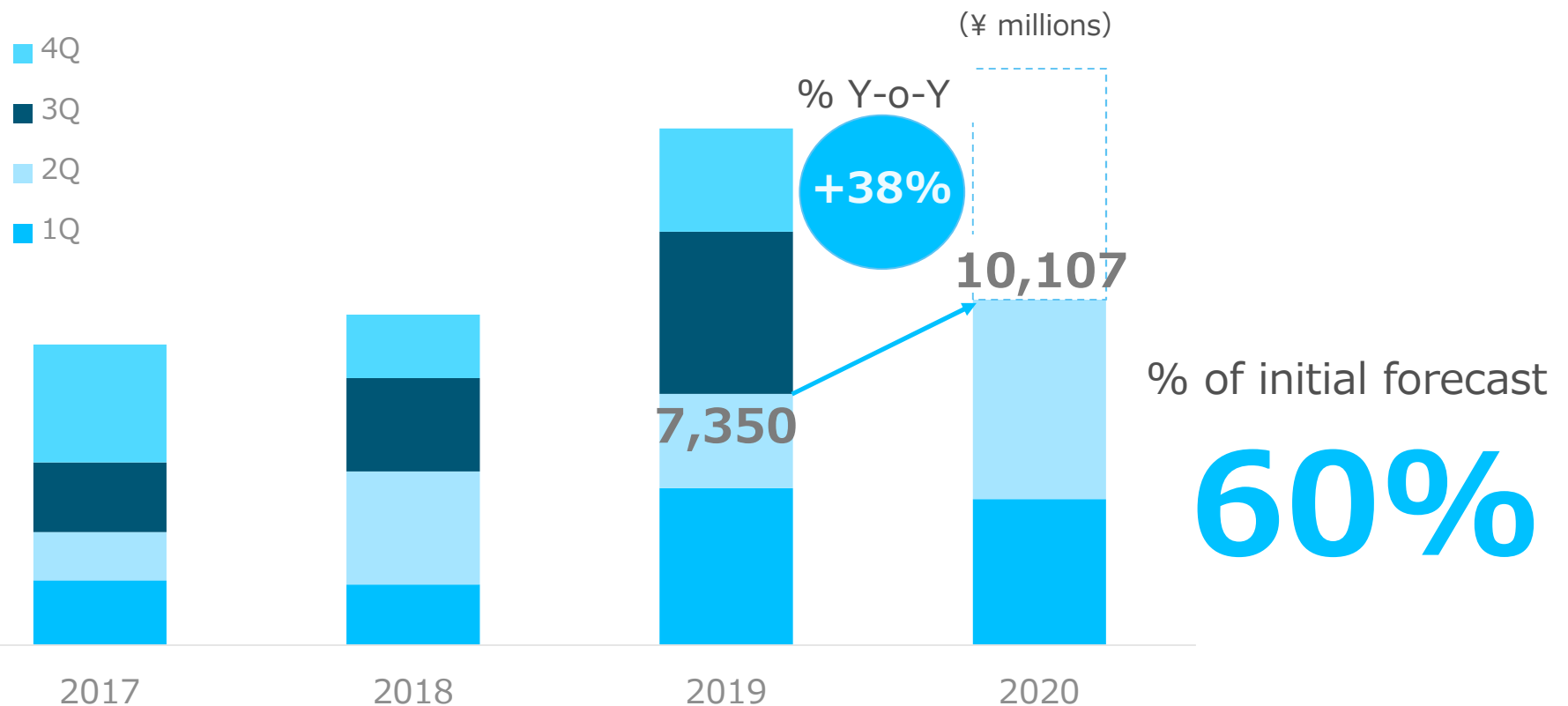
Further details provided on following pages.

(¥ millions)

	FY2020 1Q-2Q Results				FY2020 (Forecasts)		
	Amount	% of Net Sales	% Y-o-Y	% of FY2018 Forecast	After Revision	Before Revision	Amt. Changed
Net sales	10,107	100.0%	137.5%	59.9%	16,862	100.0%	111.6%
Cost of sales	6,576	65.1%	135.6%	58.0%	11,348	67.3%	109.4%
Gross profit	3,530	34.9%	141.2%	64.0%	5,514	32.7%	116.4%
SG&A expenses	558	5.5%	108.9%	40.1%	1,393	8.3%	128.5%
Operating profit	2,972	29.4%	149.6%	72.1%	4,120	24.4%	112.8%
Ordinary profit	2,792	27.6%	159.0%	74.6%	3,741	22.2%	114.3%
Profit	1,832	18.1%	162.7%	79.0%	2,319	13.8%	111.7%

Consolidated Sales

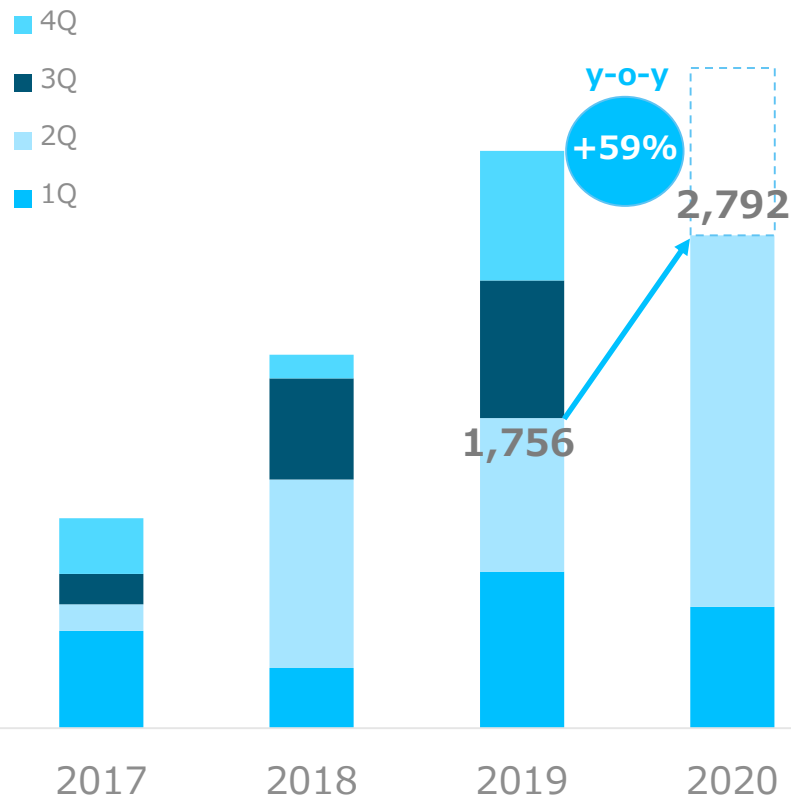
- As strategic sales of properties have been under way since the beginning of the fiscal year, consolidated sales grew mostly in line with annual plan. Achieved high year-on-year growth rate of 38%. Sales in the Crowdfunding Business & Asset Management Business lagged behind the annual plan, due to impact of Covid-19.



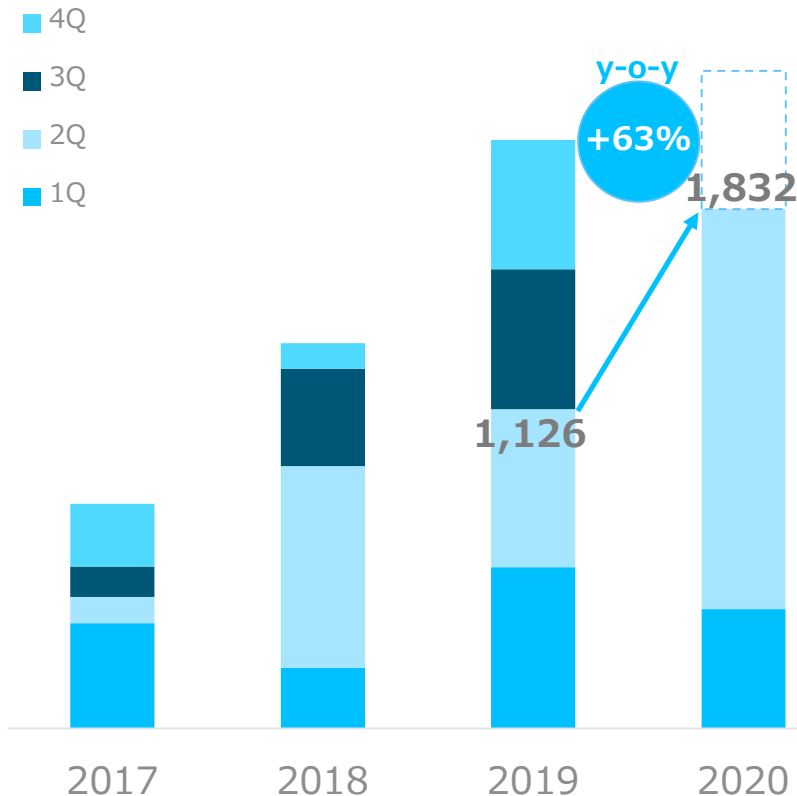
Consolidated Ordinary Profit/Profit

- Annual plan achievement rate: Ordinary Profit 75%; Profit 79%
- Remarkably steady performance, due to higher-than-expected property sales prices, while SG&A expenses also remained low.

Consolidated Ordinary Profit (¥ millions)



Consolidated Profit (¥ millions)



Consolidated Financial Position

(¥ millions)	6/30/2020		
	Amount	% of total	% vs. 12/31/2019
Current assets	51,228	99.4%	116.3%
Cash and deposits	6,245	12.1%	80.4%
Operating loans	5,476	10.6%	89.4%
Real estate as inventory	39,425	76.5%	131.2%
Non-current assets	331	0.6%	114.2%
Total assets	51,559	100.0%	116.3%
Current liabilities	7,950	15.4%	143.9%
Short-term borrowings	3,466	6.7%	145.9%
Non-current liabilities	36,792	71.4%	118.7%
long-term borrowings	29,249	56.7%	127.4%
Deposits received from silent partnership investors	5,802	11.3%	82.6%
Total liabilities	44,742	86.8%	122.5%
Net assets	6,812	13.2%	87.1%
Retained earnings	6,547	12.7%	130.3%
Treasury shares	△2,529	△4.9%	-
Total liabilities and net assets	51,559	100.0%	116.3%

- A considerable amount of unrealized gains have accrued, as we hold properties with high appraisal values.
- High liquidity since we have no development projects, and our properties are used buildings located in Tokyo.
- Under the guidance of the accounting auditor, real estate holdings reported as inventory irrespective of holding purposes.

- JPY1.85 billion of which tied to property sales in July 2020, and already repaid.

- This shows the amount that has been invested in OwnersBook projects.

- Disposition of Treasury shares will be determined based on market conditions.

Consolidated Statements of Cash Flows

(¥ millions)	FY2019 1Q-2Q	FY2020 1Q-2Q	Amount Changed
CF from operating activities	△407	△5,993	△5,585
Profit before income taxes	1,627	2,647	1,019
Decrease (increase) in operating loans receivable	△1,161	652	1,813
Decrease (increase) in Real estate as inventory	△2,821	△9,611	△6,789
Increase (decrease) in deposits received from silent partnership investors	1,619	△1,220	△2,839
Increase (decrease) in deposits received	△20	388	408
CF from investing activities	△4	-	4
CF from financing activities	2,175	4,472	2,296
Net increase (decrease) in borrowings	2,408	7,377	4,968
Purchase of treasury shares	-	△2,529	△2,529
Net increase (decrease) in cash and cash equivalents	1,764	△1,521	△3,285
Cash and cash equivalents at beginning of period	5,871	7,766	1,895
Cash and cash equivalents at end of period	7,635	6,245	△1,389

- Cash flow from operating activities will remain negative until we achieve our aim of building up real estate as inventory enough to ensure that leasing income is sufficient to cover fixed costs, but increased profit before income taxes will compensate for this.

- Due to partial change made in 2nd half of FY2019 to accounting method for deposits received in Crowdfunding Business.

- Increased due to the increase in real estate as inventory. Since, however, real estate-backed loans in principle have terms exceeding 10 years, the risk of refinancing or forcible collection is low.

- Share buyback from major shareholder, Renren. The actual purchase price of JPY2.5 billion was much lower than the initially expected JPY4.0 billion.

3. Business Overview

Mission

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Real Estate Tech

CROWDFUNDING
(Equity Investment-type / Loan-Type)



OwnersBook



Real Estate
Investments

CORPORATE FUNDING
(Real Estate Principal Investment)

ASSET MANAGEMENT

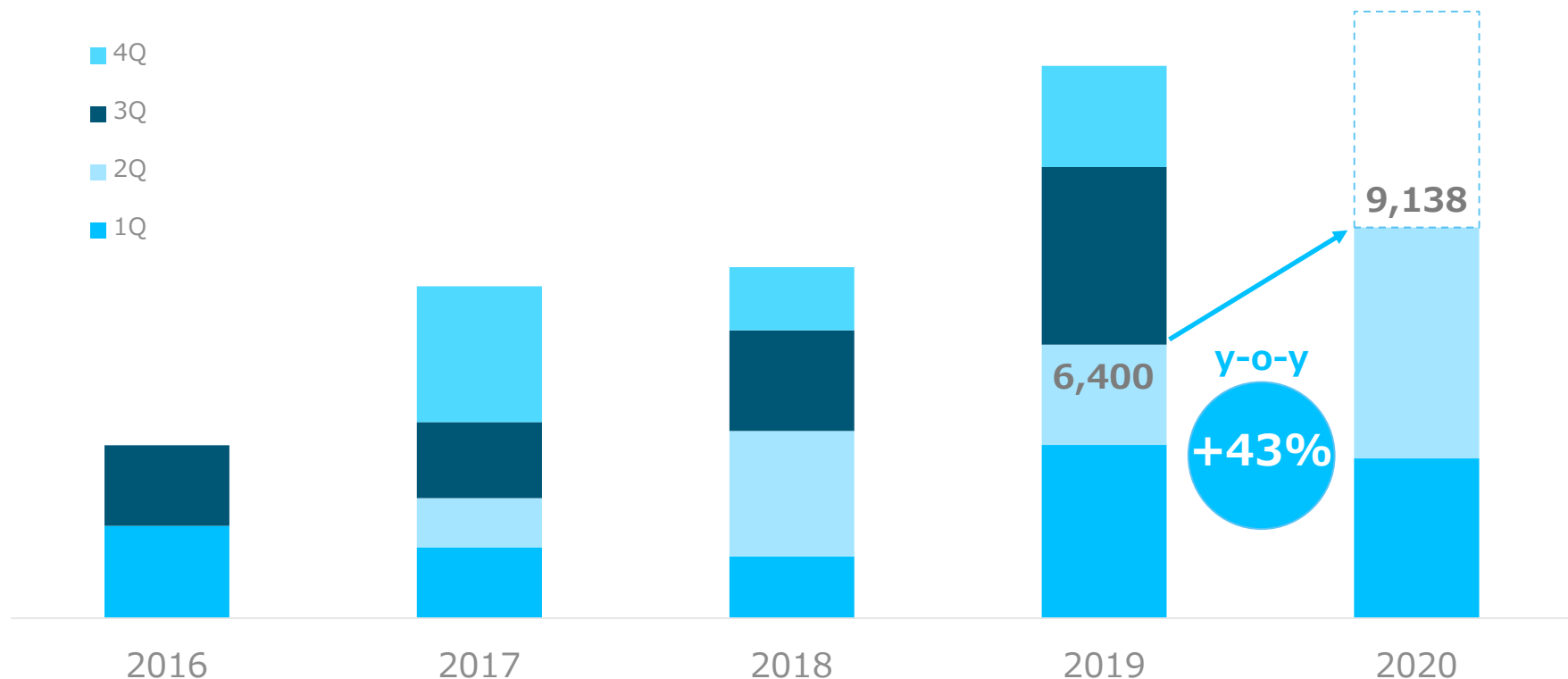
**BROKERAGE
/ ADVISORY SERVICES**

Corporate Funding Business Results

【Real estate investment sales】

- Net sales grew 43% year-on-year due to sale of large properties (with fairly high profit margins).
- Initial plan has been exceeded since some payments for property sales scheduled for the 3rd quarter have already been settled at a higher price than expected in early July.

Net sales (Real estate investment) (¥ millions)

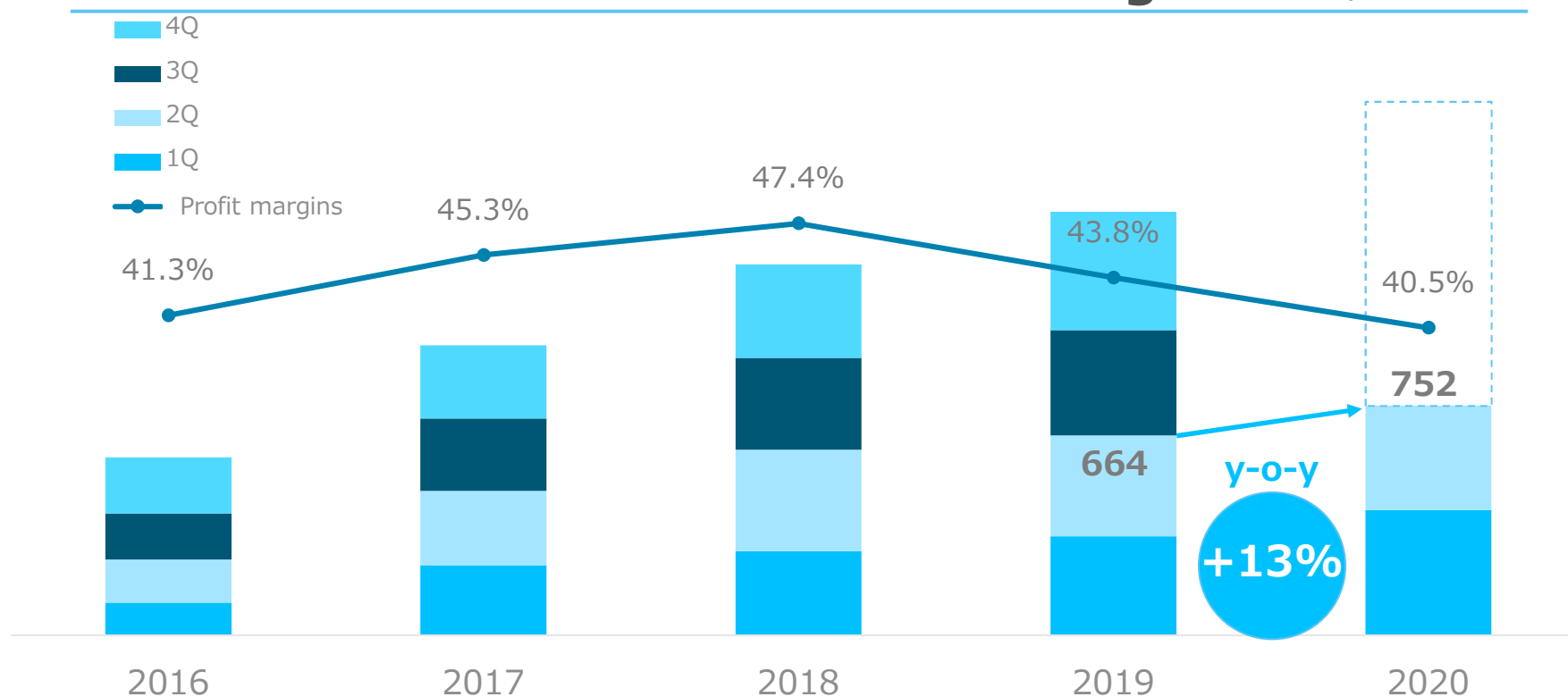


Corporate Funding Business Results

【Real estate leasing sales】

- We reduced the number of property acquisitions in the 1st quarter due to the COVID-19 pandemic and the somewhat overheated real estate market conditions at the beginning of the year. Leasing income therefore increased only slightly year-on-year.
- Amid the COVID-19 crisis, there was a good opportunity for acquiring properties at relatively low prices in the 2nd quarter. We consequently acquired 8 properties, the most since the Company's foundation. This will contribute significantly to leasing income from the 2nd half of the fiscal year onward.
- In light of the composition of our property holdings portfolio, the impact of our commercial tenants and the hotel property is minor.

Net sales (Real estate leasing) (¥ millions)

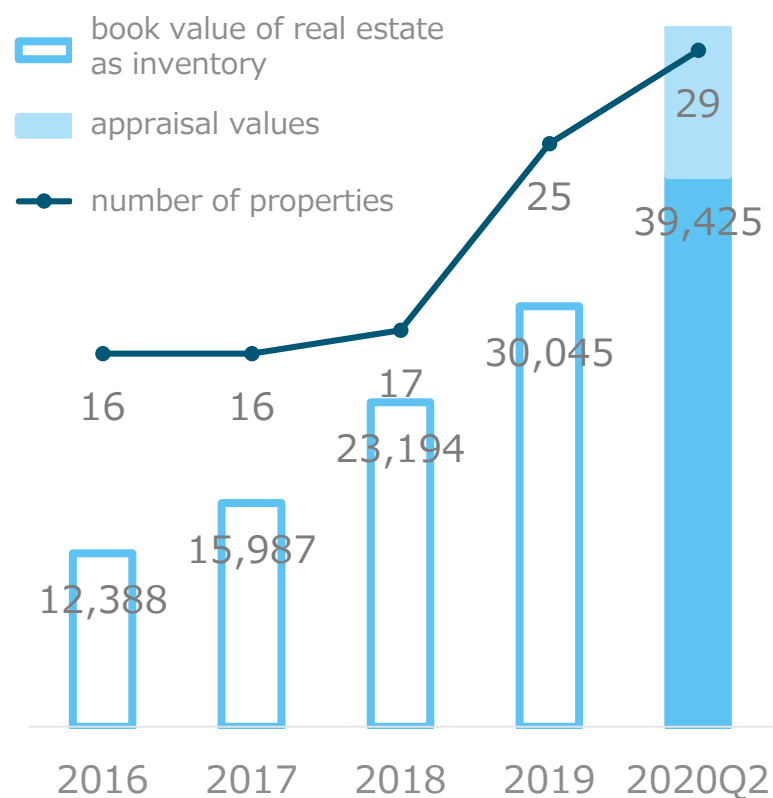


Corporate Funding Business Results

【Shareholder Value Enhancement through Property Acquisition】

- Property number and asset balance increased significantly through property acquisitions in the 2nd quarter.
- Unrealized gains have also increased considerably due to thorough scrutiny and selection of properties and property management, thereby strengthening the Company's foundations for sustainable growth.

Changes in the book value of real estate as inventory and the number of properties



Track Record	Sale price/purchase price (excluding expenses, depreciation, etc.)
2016	133%
2017	129%
2018	154%
2019	136%
2020	157%



Through appropriate management and marketing of real estate, sale prices of all properties so far have exceeded their purchase prices.

Number of properties	Possession	Cumulative sale
Five wards in central Tokyo	20	16
Other wards	8	15
Yokohama	1	1

Focusing on medium-sized office buildings, with domestic liquidity, located within or near Tokyo's Yamanote loop line.



Main purpose	Office	Logistics /Factory	Retail	Residence	Hotel
Five wards in central Tokyo	16		4		
Other wards	5	2		1	
Yokohama					1

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

Acquisition of 8 Office Buildings in Central Tokyo

- While real estate transactions stagnated across the board due to the COVID-19 pandemic, we acquired 8 office buildings in central Tokyo. As the seller desired the transaction in a relatively short period, we were able to buy the property at a bargain.
- We expect that Tokyo's office market will rebound within a year for the following reasons: Real estate companies have been reinforcing their financial stability in preparation for declining market conditions; the financial environment remains favorable, unlike during the 2007-2008 global financial crisis; the worsening of vacancy rates due to remote working will be limited.
- We received financing with the same terms and conditions as we did prior to the COVID-19 pandemic.
- 90% of the investment budget for the fiscal year ending December 2020 has been achieved. We will continue to acquire properties on a selective basis in the 2nd half of the current fiscal year.

* The Company focuses on medium-sized office buildings within and near the Yamanote loop line in central Tokyo (See P.34).

Property Acquisition During COVID-19 Pandemic

Overview of the 8 Buildings acquired in 2nd Quarter of 2020



name	(TBD)Myogadani Bldg.	(TBD)Suehirocho Bldg.	(TBD)Suidobashi Bldg.	(TBD)Takadanobaba 4-chome Bldg.
Address	5-5-5, Koishikawa, Bunkyo-ku, Tokyo	1-1-12, Ueno, Taito-ku, Tokyo	2-21-2, Kanda-misakicho, Chiyoda-ku, Tokyo	4-39-7, Takadanobaba, Shinjuku-ku, Tokyo
Acquisition	Jun-20	May-20	Jun-20	Jun-20
Land	1,585.73m ²	431.89m ²	556.95m ²	835.93m ²
Building	9,914.97m ²	3,465.90m ²	2,834.76m ²	3,778.42m ²
Built	Built by Konoike Construction Co., Ltd. in 1972, expanded in 1979.	Built by Taisei Corporation in 1984	Built by SHIMIZU CORPORATION in 1992	Built by Fujita Corporation in 1988
Description	Multipurpose building including office, retail, and mechanical parking facility with 7 floors and 1 basement.	Multipurpose building including office, retail, and parking space with 8 floors and 4 basement.	Multipurpose building including office, retail, and parking space with 8 floors and 1 basement.	Multipurpose building including office, and parking space with 6 floors and 1 basement.

Property Acquisition During COVID-19 Pandemic

Overview of the 8 Buildings acquired in 2nd Quarter of 2020



name	(TBD)Iwamotocho 1-chome Bldg.	(TBD)Koishikawa Bldg.	(TBD)Higashi-nihonbashi 1-chome	(TBD)Nihonbashi Hisamatsucho Bldg.
Address	1-6-3, Iwamotocho, Chiyoda-ku, Tokyo	4-2-6, Kohinata, Bunkyo-ku, Tokyo	1-1-4, Higashi-nihonbashi, Chuo-ku, Tokyo	12-8, Nihonbashi-hisamatsucho, Chuo-ku, Tokyo
Acquisition	Jun-20	Jun-20	Jun-20	Jun-20
Land	585.51m ²	429.79m ²	378.00m ²	294.05m ²
Building	2,570.86m ²	2,789.33m ²	2,621.74m ²	1,980.27m ²
Built	Built in 1983	Built by NISHIMATSU CONSTRUCTION CO.,LTD. in 1991	Built in 1987	Built by Taisei Corporation in 1988
Description	Multipurpose building including office, retail, and parking space with 5 floors and 1 basement.	Multipurpose building including office, and parking space with 9 floors and 2 basements.	Multipurpose building including office and clinic space with with 9 floors and 1 basement.	Multipurpose building including office and retail space with with 8 floors.

- **COVID-19 Pandemic and Real Estate Market Conditions**

We expect the impact of the COVID-19 pandemic on the Tokyo office market to be limited. Although the vacancy rate, having remained low and stable till the beginning of the 2020, is expected to get deteriorate slightly, the office market will presumably recover to a favorable level, as the supply of new large-sized properties will be small from 2021 onward. Although we owns 1 hotel property and leases properties to several commercial tenants, the impact on net sales is minor.

- **Change in Lending Stances of Financial Institutions in Japan**

Due to the COVID-19 pandemic, the workload of bank credit assessment departments has remained high, resulting in longer wait times for credit assessments. On the other hand, their lending stance for office real estate appears to be unchanged from before the COVID-19 pandemic. However, we need to continue closely monitoring financial market trends, including announcements from the Financial Services Agency.

Asset Management Business

- Due to the COVID-19 pandemic, no new asset management orders were received in the 1st half of the current fiscal year. Based on the expectation that these restrictions will be lifted gradually in the 2nd half, we will focus on winning new asset management orders.
- We have been entrusted asset management business, as the main investor, for a fund launched by global asset management firm CBRE Global Investors.

Property	Harumi Island Triton Square Office Tower Z 8-11F (34 stories with 4 basement floors)
Location	1-8-12 Harumi, Chuo-ku, Tokyo
Build	Oct-01
Zoning	Commercial - Office
Occupancy Rate	100%
Buyer	Harumi TMK



Mission

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Real Estate Tech

CROWDFUNDING
(Equity Investment-type / Loan-Type)



OwnersBook



Real Estate
Investments

CORPORATE FUNDING
(Real Estate Principal Investment)

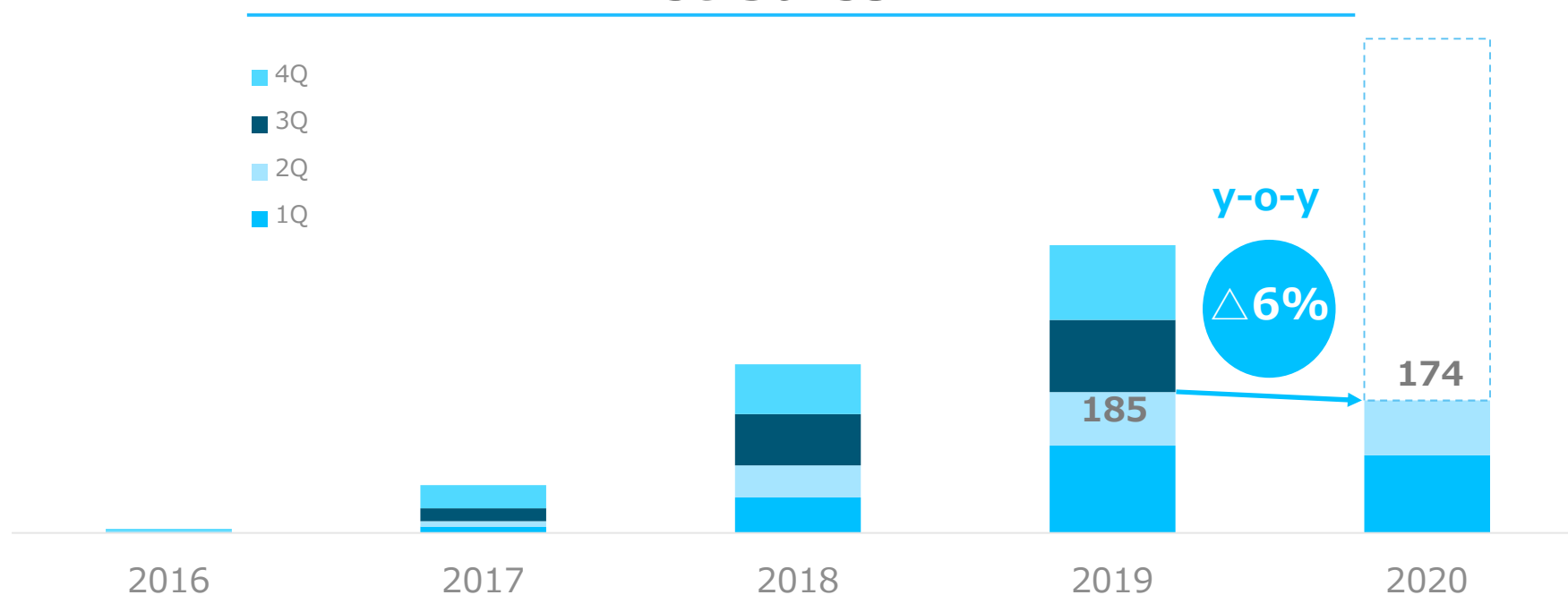
ASSET MANAGEMENT

**BROKERAGE
/ ADVISORY SERVICES**

Crowdfunding Business Results

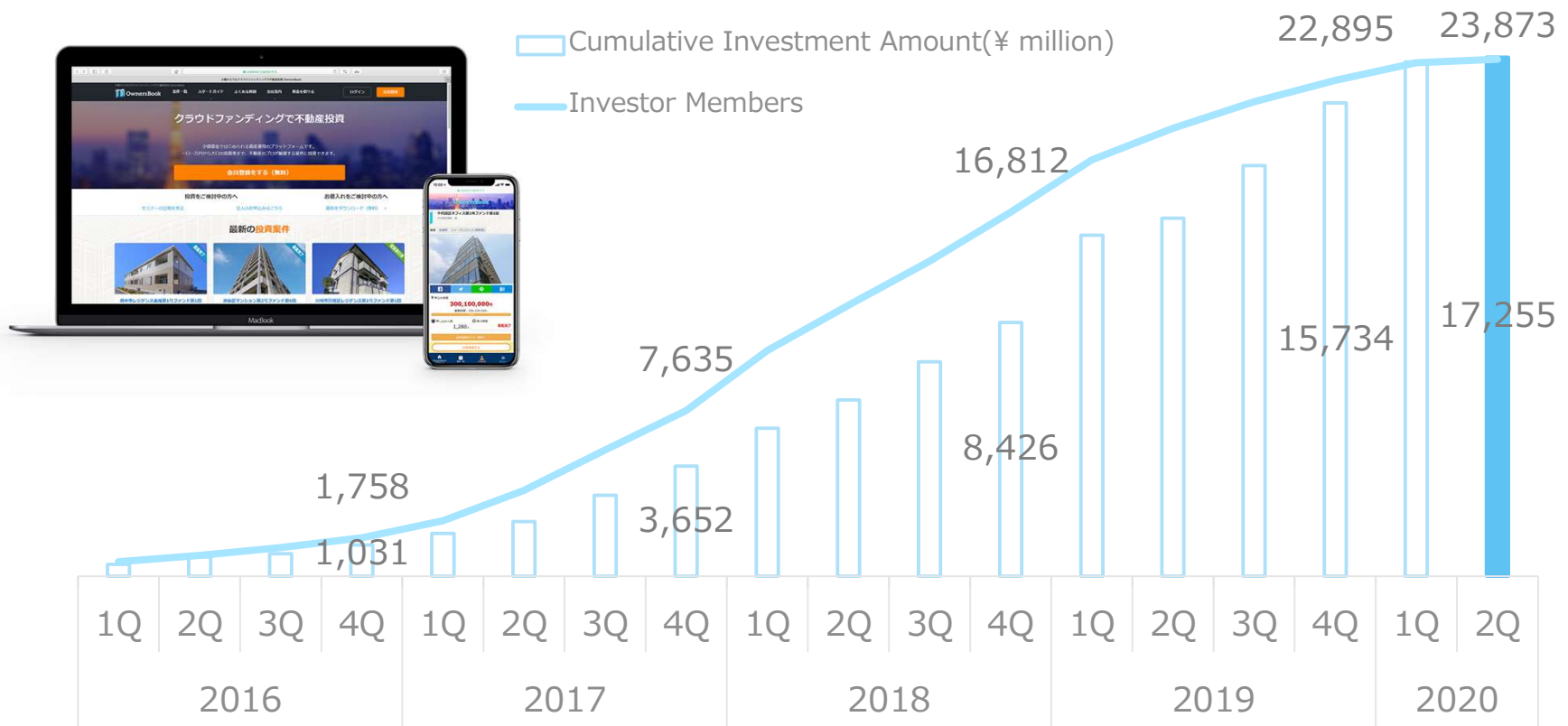
- Real estate transactions are stagnating due to the COVID-19 pandemic. As a result of our cautious credit decisions about target borrowers, the forming of new deals has also stagnated.
- On the other hand, a steady flow of applications has been received, and investor demand is strong.
- Under the current market conditions for the crowdfunding business, we will form new deals in a yet more cautious manner, while striving to prevent delays in interest payments and redemption of outstanding deals.

Net Sales (¥ million)



Investor Members / Cumulative Investment Amount

- As we are taking a cautious approach to forming new deals, we are not actively recruiting new investor members.
- Our priority is to avoid excessive risk burdens being placed on investor members. We aim to expand our business while carefully monitoring the market.



OwnersBook Growth

投資実行済 **貸付**



港区オフィス・商業素地第1号ファンド第1回

港区赤坂 他

予定利回り(年換算)	予定運用期間	運用タイプ
5.0%	19ヶ月	貸付 (シニア/メザニン)

募集総額 1,100,100,000円 **投資実行済**
100%

申込総額 **1,100,100,000円** (3053人)

投資実行済 **貸付**



新宿区商業ビル用地第1号第1回

新宿区内藤町1番4

予定利回り(年換算)	予定運用期間	運用タイプ
4.0%	25ヶ月	貸付 (シニアローン)

募集総額 360,000,000円 **投資実行済**
100%

申込総額 **360,000,000円** (1033人)

投資実行済 **貸付**



東京23区商業ビル底地・区分第1号第2回


千代田区外神田4丁目4番7号・墨田区東向島5丁目3番3号

予定利回り(年換算)	予定運用期間	運用タイプ
5.0%	25ヶ月	貸付 (シニア/メザニン)

募集総額 160,000,000円 **投資実行済**
387%

申込総額 **620,650,000円** (2326人)

投資実行済 **エクイティ**



US非上場eREIT第1号ファンド

Union City, California他 USA

予定利回り(年換算)	予定運用期間	運用タイプ
4.6%	62ヶ月	出資 (エクイティ)

募集総額 497,500,000円 **投資実行済**
66%

申込総額 **333,000,000円** (356人)

Projects are becoming larger due to an increase in number of investor members.



¥1.1bn in offering
(more than 3,000 investors)



Implementation of lottery projects



Lottery ratio:
Several times



Overseas Deal Formation



Seeking new kinds of equity investment-type products.



Remarkable growth in funding power with projects worth several hundred million yen completely funded within a few minutes.

Crowdfunding ~ Profit structure ~

● Profit structure

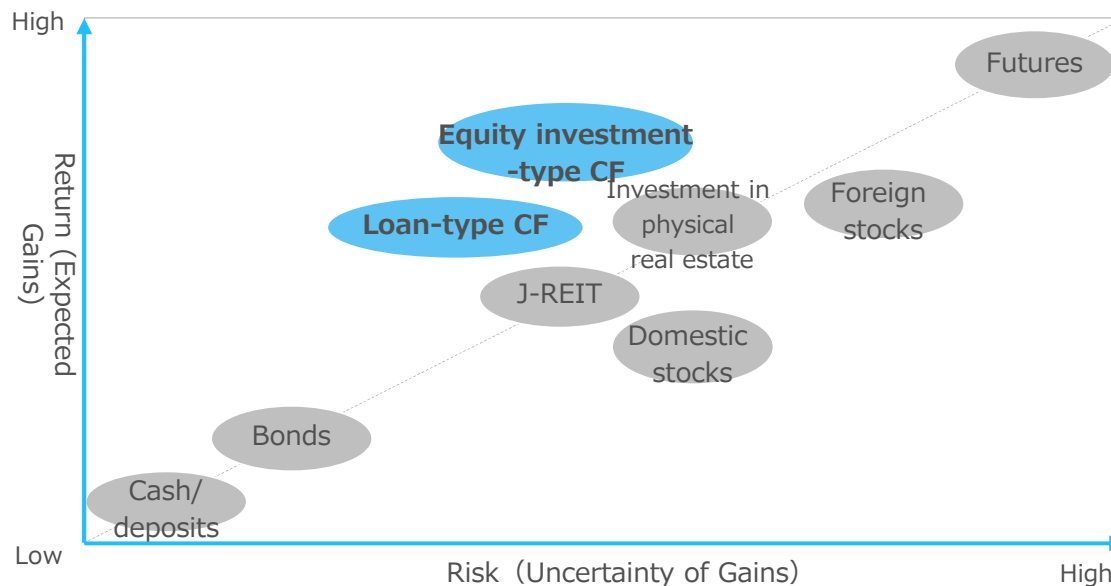
	Up-front fee	Asset Management fee	Disposition fee
Loan-type	Loan amount × 2%	—	—
Equity Investment-type	Equity Amount × 1-2%	AUM × 0.3-1%	Real Estate Sales Price × 1%

* The above fee condition is a typical sample.

● Risk and Return

【Target return】

- Loan-Type **2.5%-5.0%**、
- Equity investment-type aims for returns of approximately **4-10%**



※ Image created by our company

4. Forecast for the FY2020 and Future Growth Strategy

Forecast

As we expect that the impact of the COVID-19 pandemic on performance has been limited, we do not plan to revise our earnings forecast.

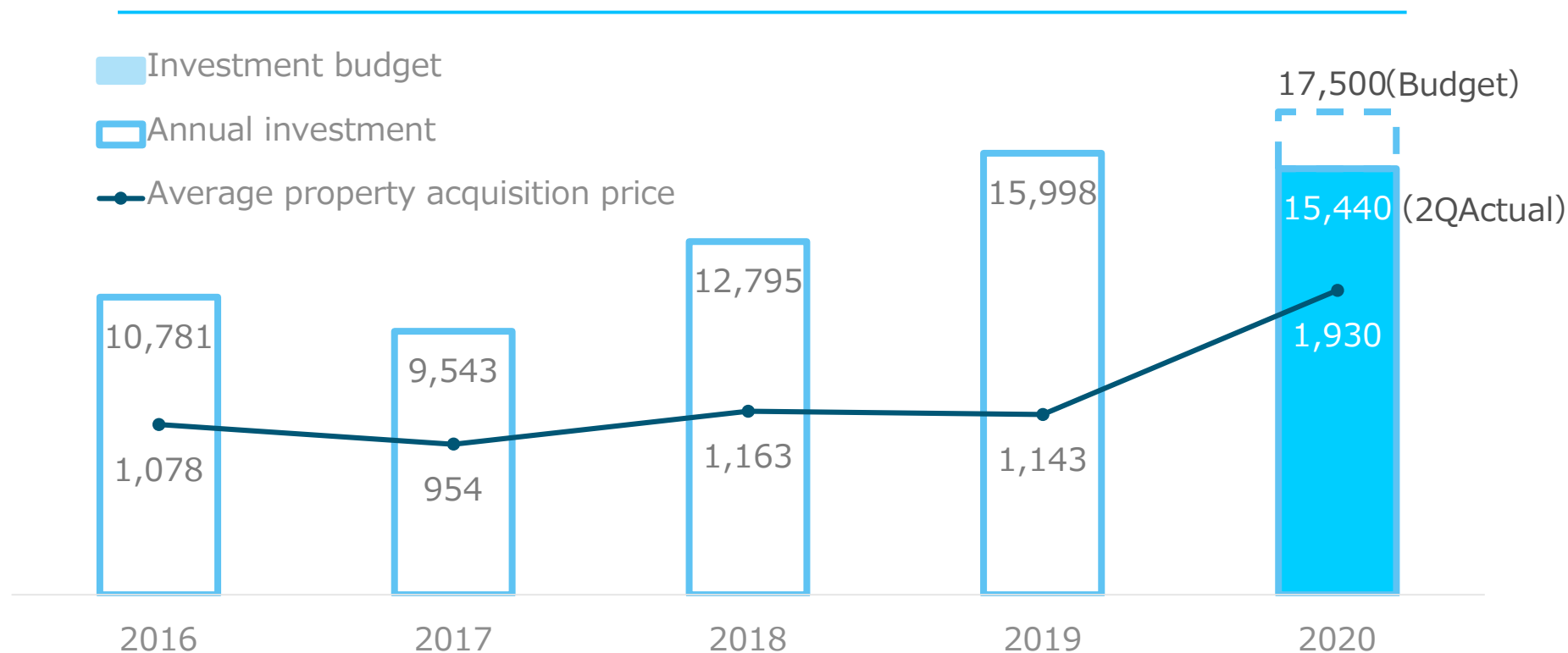
(¥ million)	FY2019		FY2020(Forecasts)		
	Amount	% of Net Sales	Amount	% of Net Sales	% Y-o-Y
Net sales	15,116	100.0%	16,862	100.0%	111.6%
Cost of sales	10,378	68.7%	11,348	67.3%	109.4%
Gross profit	4,738	31.3%	5,514	32.7%	116.4%
SG&A expenses	1,084	7.2%	1,393	8.3%	128.5%
Operating profit	3,653	24.2%	4,120	24.4%	112.8%
Ordinary profit	3,272	21.6%	3,741	22.2%	114.3%
Profit	2,077	13.7%	2,319	13.8%	111.7%

Real Estate Investments

Sustainable growth of Corporate Funding business

- We aim to build up property holdings by harnessing our strengths in real estate appraisal and speedy decision-making.
- We believe the considerable uncertainty of the market environment presents a good opportunity for us to leverage our strengths.

Annual investment amount and Average property acquisition price (¥ millions)

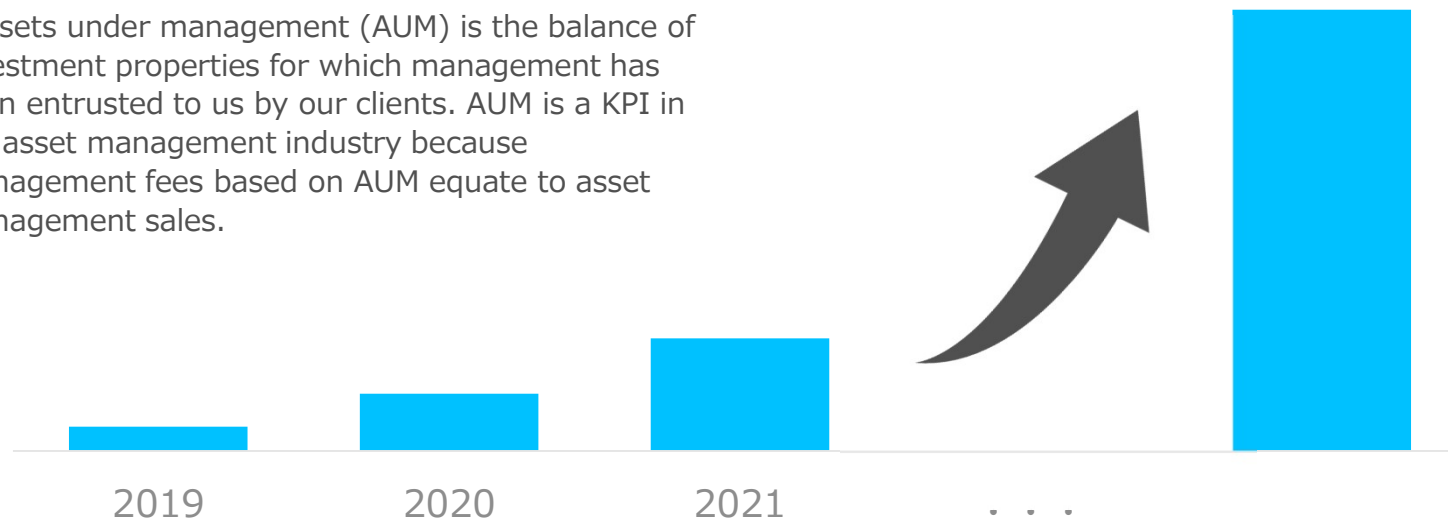


Expanding the Asset Management Business

- We aim to ramp up operations in the Asset Management Business and accumulate properties in order to expand our stable revenue base.
- Since transactions were stagnant due to the COVID-19 pandemic in the 1st half of FY2020, we focused on strengthening relationships with existing customers and establishing a framework for deal formation. In the 2nd half, we will also focus on winning new deals.

Assets Under Management (AUM) *

*Assets under management (AUM) is the balance of investment properties for which management has been entrusted to us by our clients. AUM is a KPI in the asset management industry because management fees based on AUM equate to asset management sales.



Development of Crowdfunding Business

While our OwnersBook services are unnecessary for those companies with adequate cash reserves due to the special COVID-19 loan program (with interest-free and unsecured loans), we need to remain cautious about extending new loans to companies with cash flow problems.

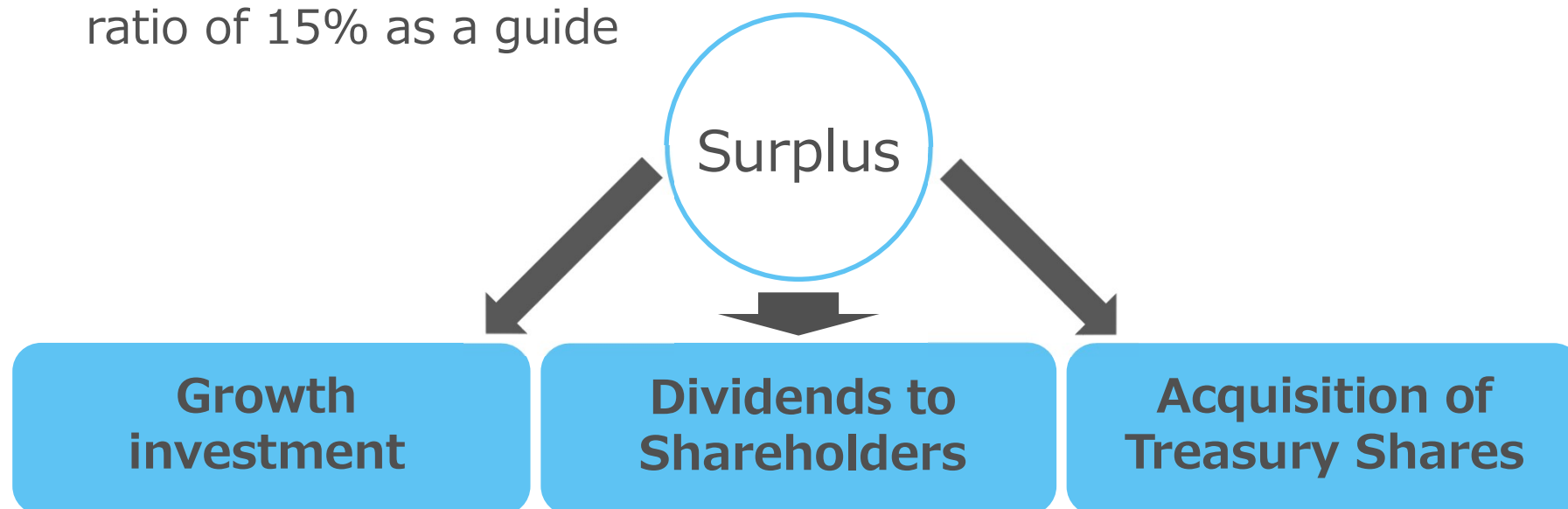
We provide investment-type crowdfunding. Since we place emphasis on avoiding excessive risk burdens being placed on investor members, we are careful to prevent delays in interest payments and redemption of outstanding deals.

While the risk of renewed spread of novel coronavirus infections remains following the lifting of the state of emergency, as the market is starting to stabilize we will work proactively on forming new projects in the 2nd half of FY2020.

Return to shareholders

《Basic dividend policy》

- We strive to improve corporate value and shareholder profit by expanding business performance
- Perform stable and continuous profit reduction with a payout ratio of 15% as a guide



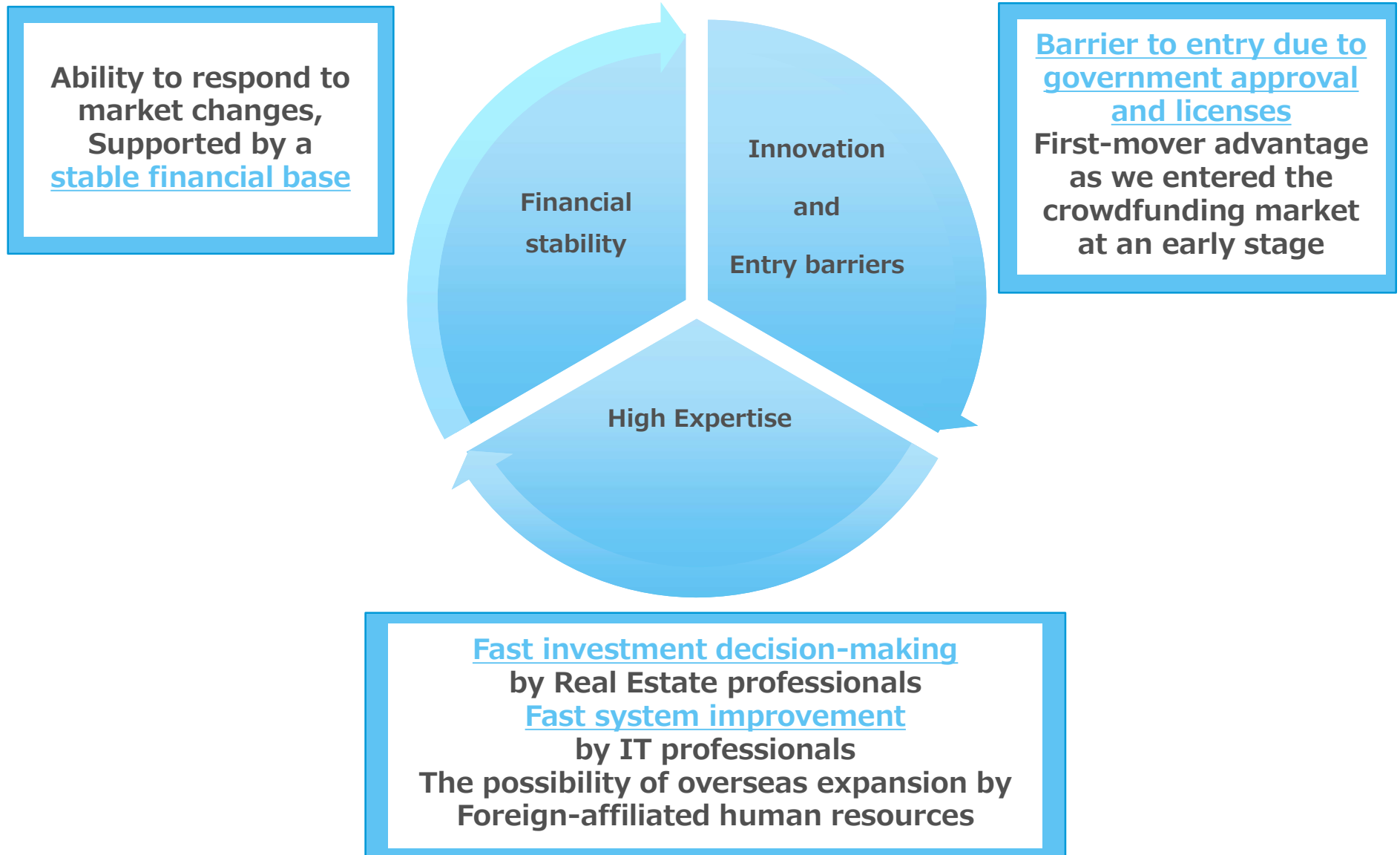
	2017	2018	2019	2020 (Forecast)
Dividends pre share	¥5.5	¥9.5	¥14.5	*¥16.0
Payout ratio	14.5%	14.8%	15.0%	*14.8%

*Figures above do not factor in acquisition of treasury shares.

Appendix 1.

Our strengths and characteristics

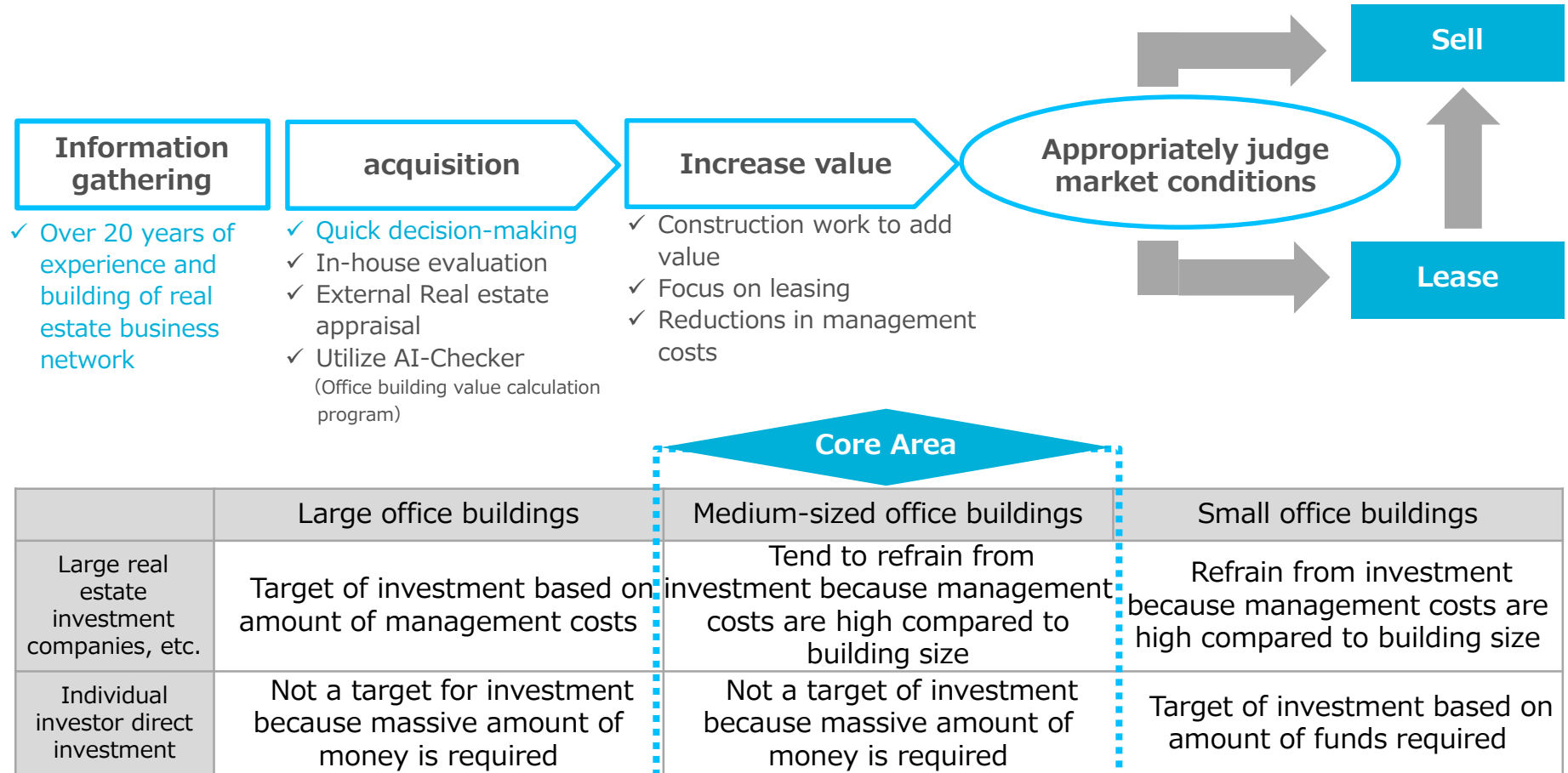
Loadstar Capital's Strength



Competitive advantage of Corporate Funding Business

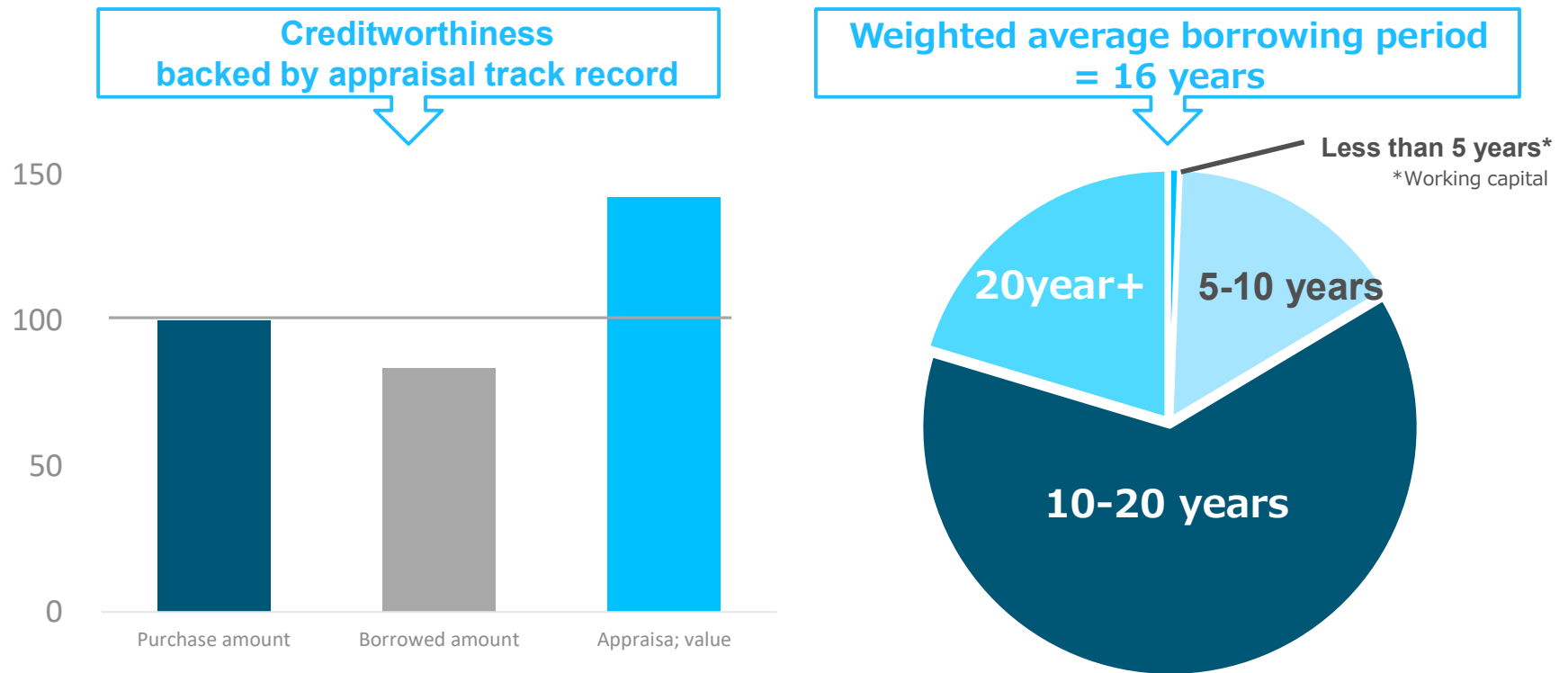


While harnessing our speedy real estate appraisal and decision-making, we will acquire **mainly medium-sized office buildings** with high liquidity **within Tokyo's 23 wards**, and work to enhance their value.



Stable Financial Base

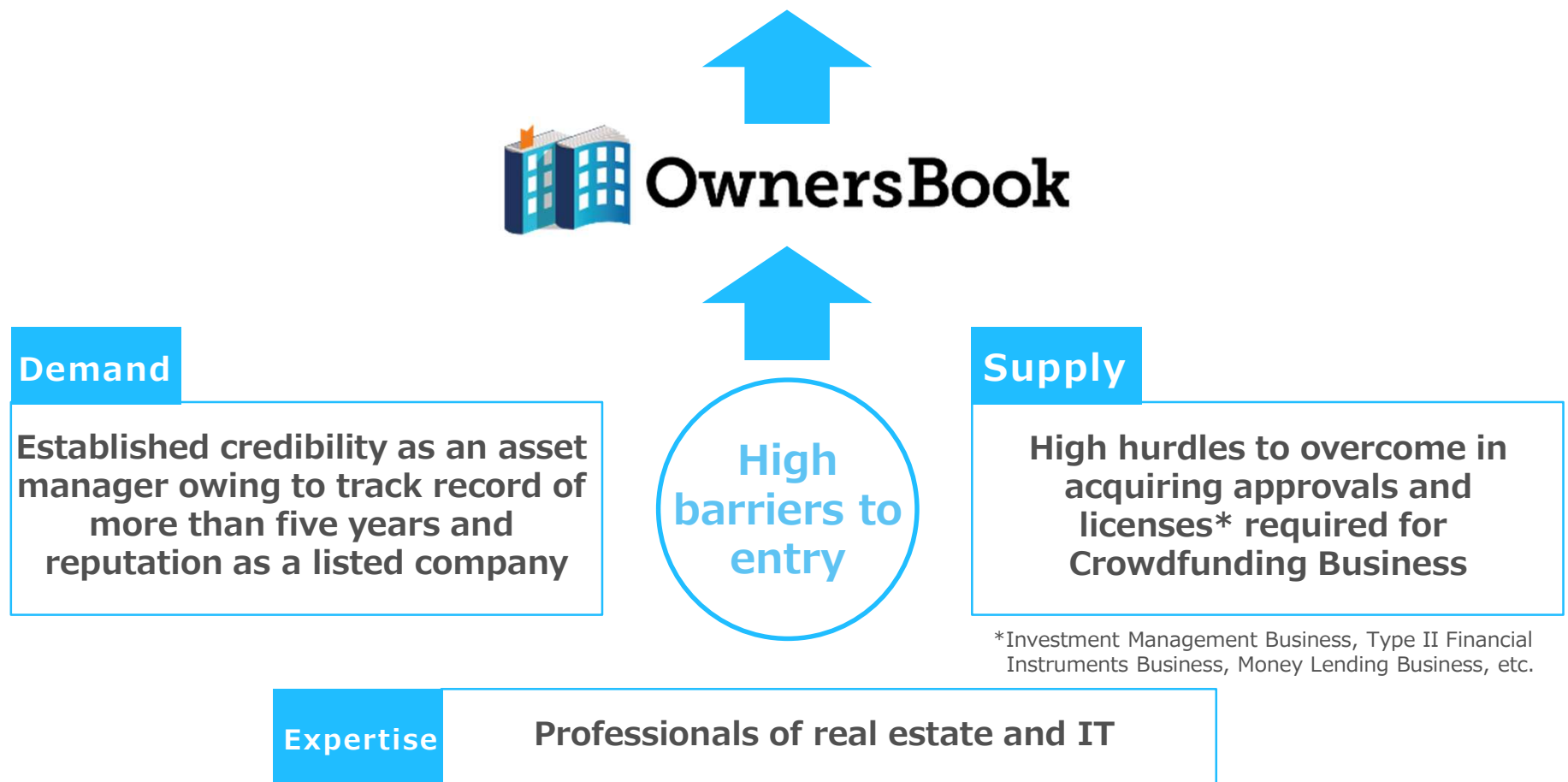
- We are working to further increase the unrealized gains of the property holdings by leveraging the advanced scrutiny and selection capabilities of the Corporate Funding Business.
- Long-term borrowings secured based on high level of creditworthiness accredited by financial institutions, and used as a hedge against short-term liquidity concerns.



Indexed with cumulative real estate purchase value = 100.
As of June 30, 2020

※As of June 30,2020

Realizing access to personal money not established in the real estate investment market



High Expertise

With a high level of expertise in both real estate and IT, we are able to accurately grasp the market's needs and quickly provide services.

Real Estate Pros

- Many of our members have more than 20 years of experience in the real estate business (experienced the 2007-2008 global financial crisis)
- Abundant connections, strong information-gathering capabilities
Use internal/external resources to increase business
- Speedy decision-making based on reliable judgment
- Stable business relationships, centered on megabanks

IT Pros

- Experts with more than 15 years in the IT industry create and manage systems internally
- The first in the market (social lending) to release a smartphone app
- Through in-house development and management of systems, we can quickly address investors demands
We have stringent security and personal information protection measures

Appendix 2.

Social lending market

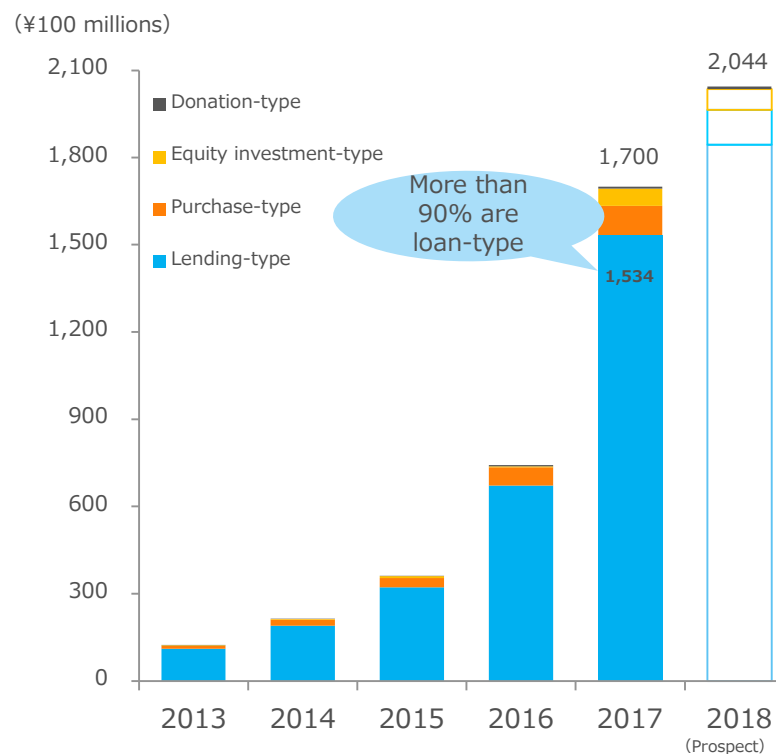
and OwnersBook

- Social lending = Loan-type crowdfunding
- Revolutionary for investors and persons seeking funds, market is expanding rapidly

Reasons Supported

Investors	High return on investment (Banks: 0.01% - 0.3%, SL2.5% - 5%) Low bad debt rate
	Convenient (Complete transaction online using PC or smartphone)
	Can invest small sums (From JPY 10,000)
Persons Seeking Funds	Flexible lending stance = can consult even when it is difficult to borrow from conventional financial institutions (Inception, short-term, working capital, refinancing, etc.)
	Collateral evaluated from a professional perspective

Japan's crowdfunding market

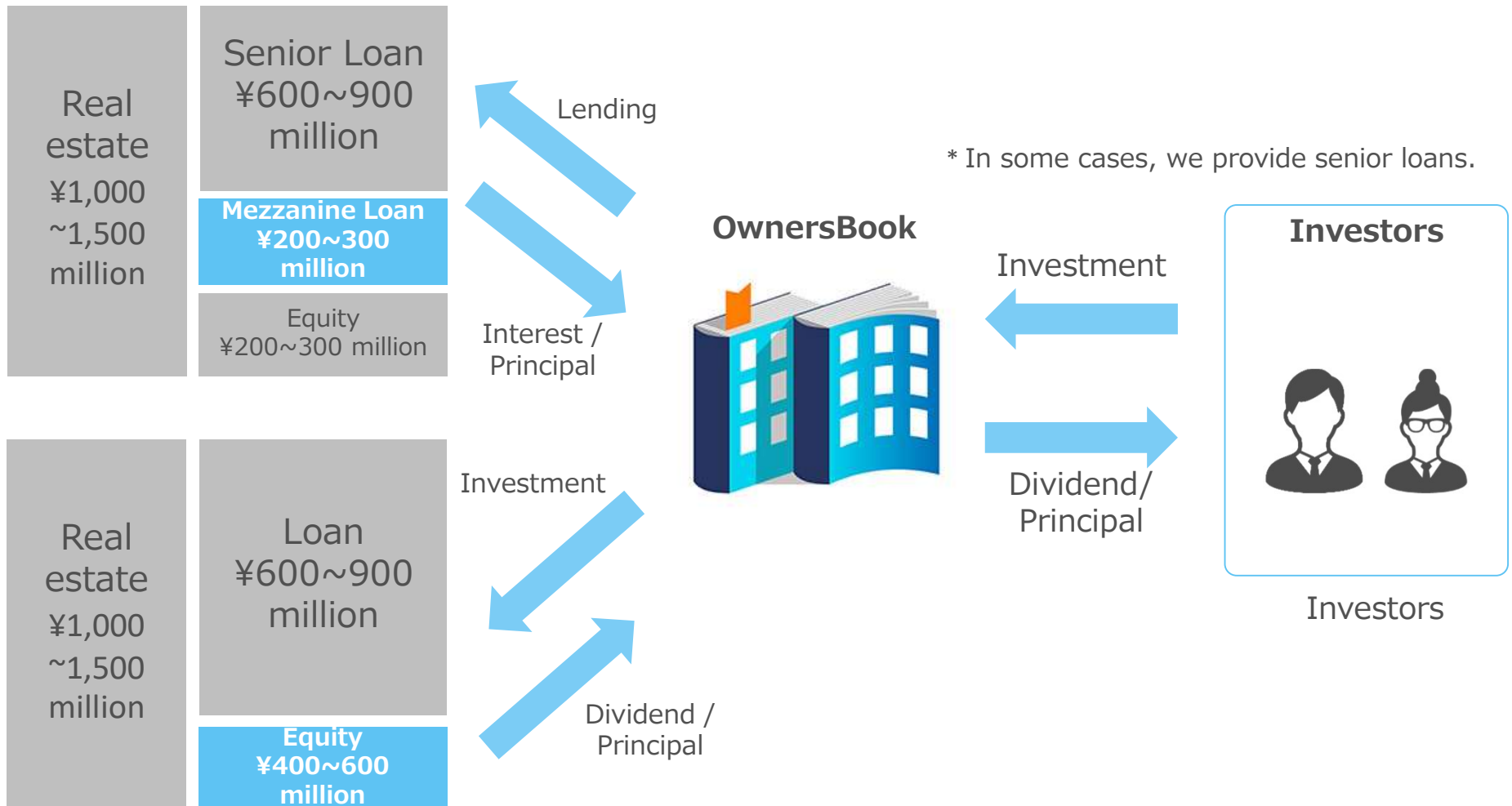


Source: Yano Research Institute "Crowdfunding Market 2018"
(Released 12/3/2018)

Note: Composition ratios for 2015 and prior years calculated by Loadstar Capital K.K. using same composition ratio as FY2016
Composition ratio for 2018 calculated by Loadstar Capital K.K. using same composition ratio as FY2017

OwnersBook (Loan-Type / Equity Investment-type)

Loan-type : Lending for real estate-backed/loans



Equity Investment-type : Open up investment areas closed to individual investors

OwnersBook Features

Small investment amounts

Makes it easy to invest in real estate through small investments

Online platform allows for lower investor costs

Free-of-charge member registration, no investment fees, free annual membership

All transactions are backed by real estate (Loan-type)

Self-assessment + external assessment
Careful selection of transactions based on stringent evaluations by real estate professionals



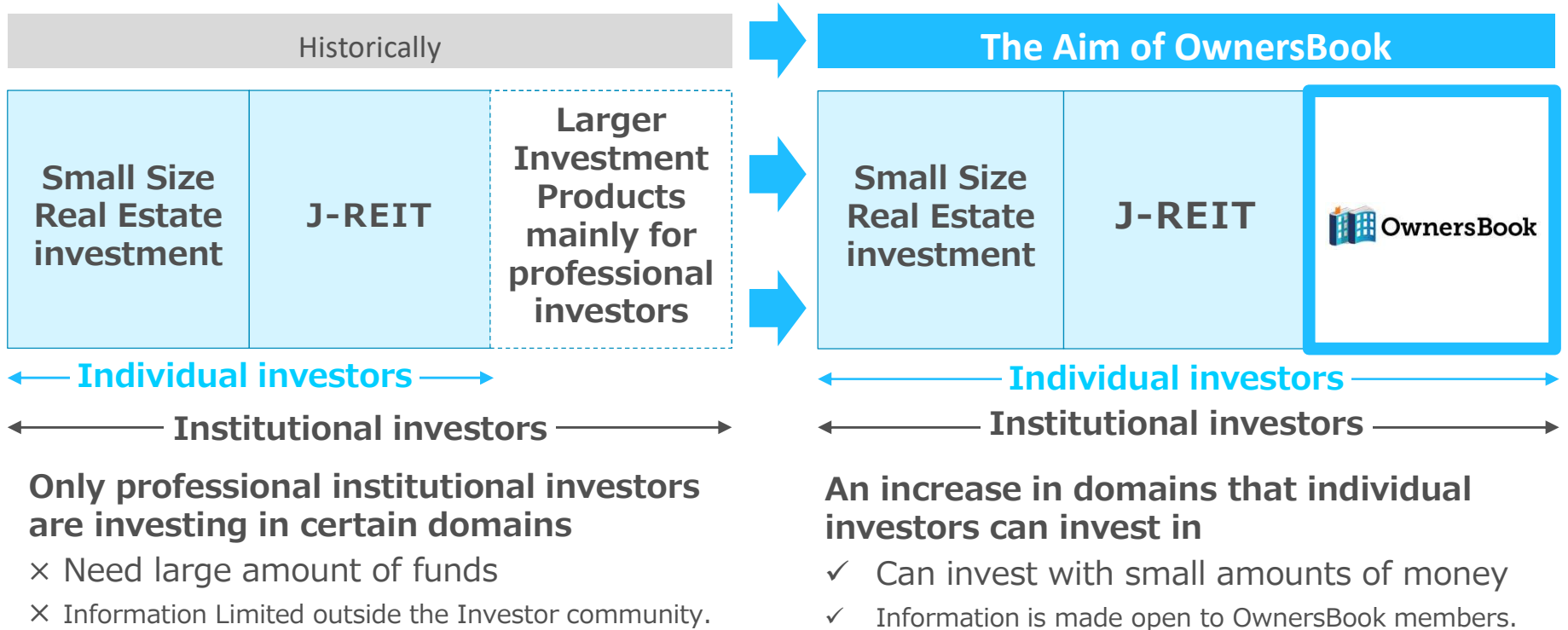
Investor base for a wide range of ages

Wide range of investors in their 20s to 70s (Mostly in the 30s to 40s). Investors all over Japan, mainly in the Greater Tokyo Area

Entry into professional investing domain (Equity investment-type)

Opening of real estate investment domain that individuals were unable to participate in

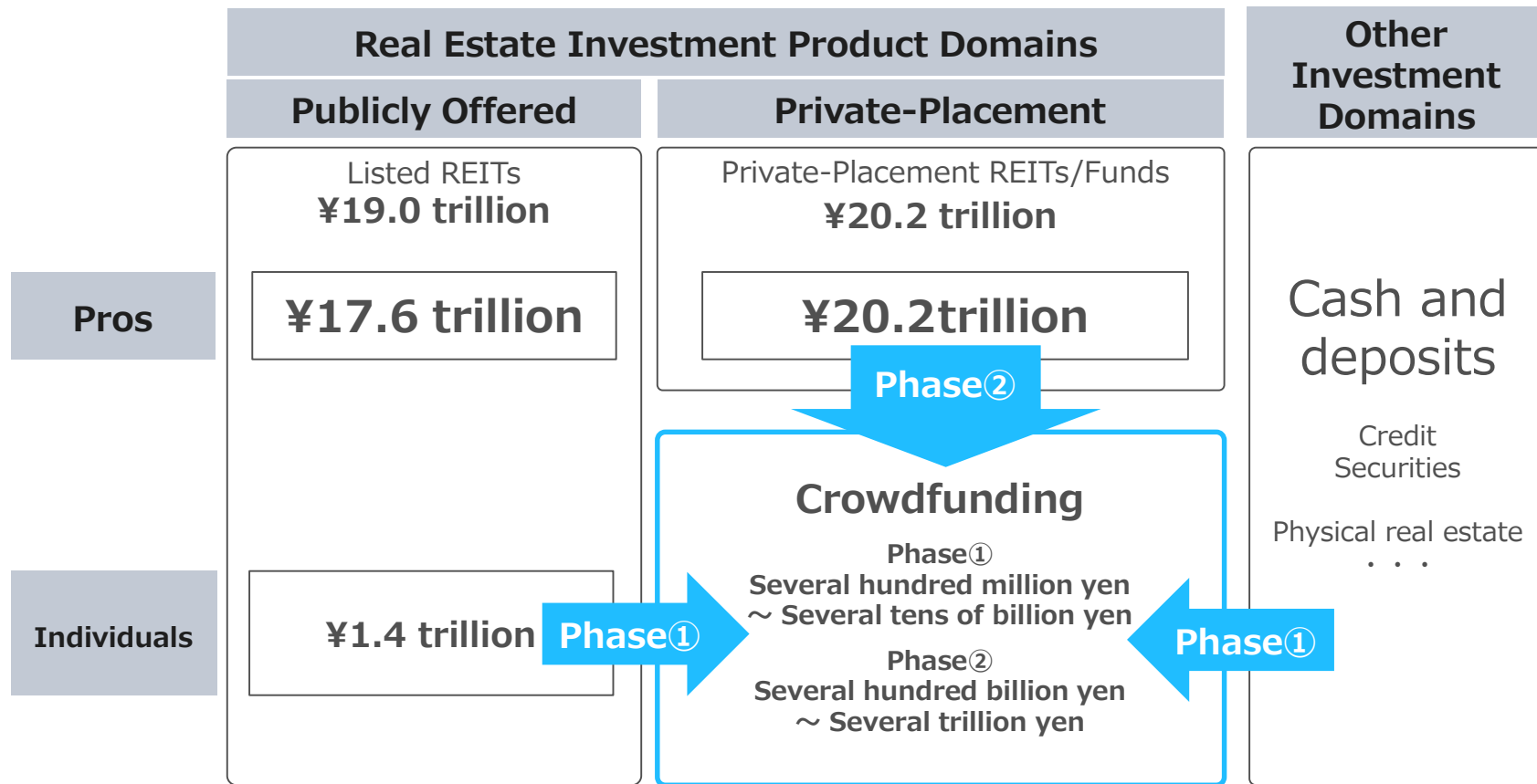
Equity Investment-type ~ The world we aim for ~



- ✓ Starting with small amounts of money, individuals can participate in large investment deals
- ✓ Having individual investors join in the investment segment that have traditionally only been open to institutional investors will help to stabilize the real estate market

Factors of Growth Potential in Japan

Going forward, there is a chance that professional investors will start to get involved due to the growth of the platform.



Phase① : At launch, increase scale centered on individual investors
 Phase② : Professional investors start to join due to platform expansion

Source for market size <https://j-reit.jp/market/12.html>
<https://www.smtri.jp/news/pdf/20200318.pdf>

Crowdfunding Business Alliance

We will continue to strengthen cooperation with financial institutions, etc.



OwnersBook



Acquire investor members

Matsui Securities

Project (Equity-investment type)

Fundrise

Project (Lending type)

THE SEIBU SHINKIN BANK

ORIX Bank Corporation

SAISON FUNDEX CORPORATION

Shinsei Investment & Finance Limited

AEON Bank, Ltd.

Appendix 3. Company Profile

Company Profile (as of June 30, 2020)

Company Name	Loadstar Capital K.K.
Address	Ginza First Building 2F, 1-10-6 Ginza, Chuo-ku, Tokyo, Japan
Founded	March 14, 2012
Representative	President & CEO Tatsushi Iwano
Share Capital	¥1,402 million
Number of Officers and Employees	69



Tatsushi Iwano President

April 1996 Joined Japan Real Estate Institute
April 2000 Joined Goldman Sachs Realty Japan Ltd.
August 2004 Joined Rockpoint Management Japan LLC
March 2012 Founded Loadstar Capital K.K. Assumed office as
President (current)
May 2014 Assumed office as President of Loadstar Funding K.K. (current)

Certifications: Certified Real Estate Appraiser, Real Estate Transaction Agent

History

- Mar 2012** Established Loadstar Capital K.K. in Ebisu, Shibuya-ku, Tokyo
- Mar 2014** Accepted capital increase through third-party allocation by Renren Lianhe Holdings
- May 2014** Established Loadstar Funding K.K. (wholly owned subsidiary)
- Sep 2014** Launched crowdfunding service on the internet under the brand name “OwnersBook”
- Apr 2015** Relocated head office to Ginza, Chuo-ku, Tokyo
- Sep 2017** Listed on Tokyo Stock Exchange Mothers market (Securities code: 3482)
- Jan 2018** Publicly registered investment management business and electronic-based application type electronic public offering services (equity investment-type crowdfunding)
- Oct 2018** Relocated within Ginza, Chuo-ku, Tokyo
- Aug 2019** Established Loadstar Investments K.K. (wholly owned subsidiary)

- **New share acquisition rights granted to executives and employees**

- For executives:

These share acquisition rights are incentives to expand our business performance and maximize our corporate value. Also, these rights requires the executives to exercise the rights when the Company share price falls below a certain level so as to owe the share price fluctuations risk.

For employees:

These share acquisition rights are incentives to expand our business performance and maximize our corporate value.

- **Completion of share buyback from a major shareholder**

As a result of the share buyback from a major shareholder Renren in April 2020, the voting rights ratio of Renren decreased from 35.6% to 15.5%.

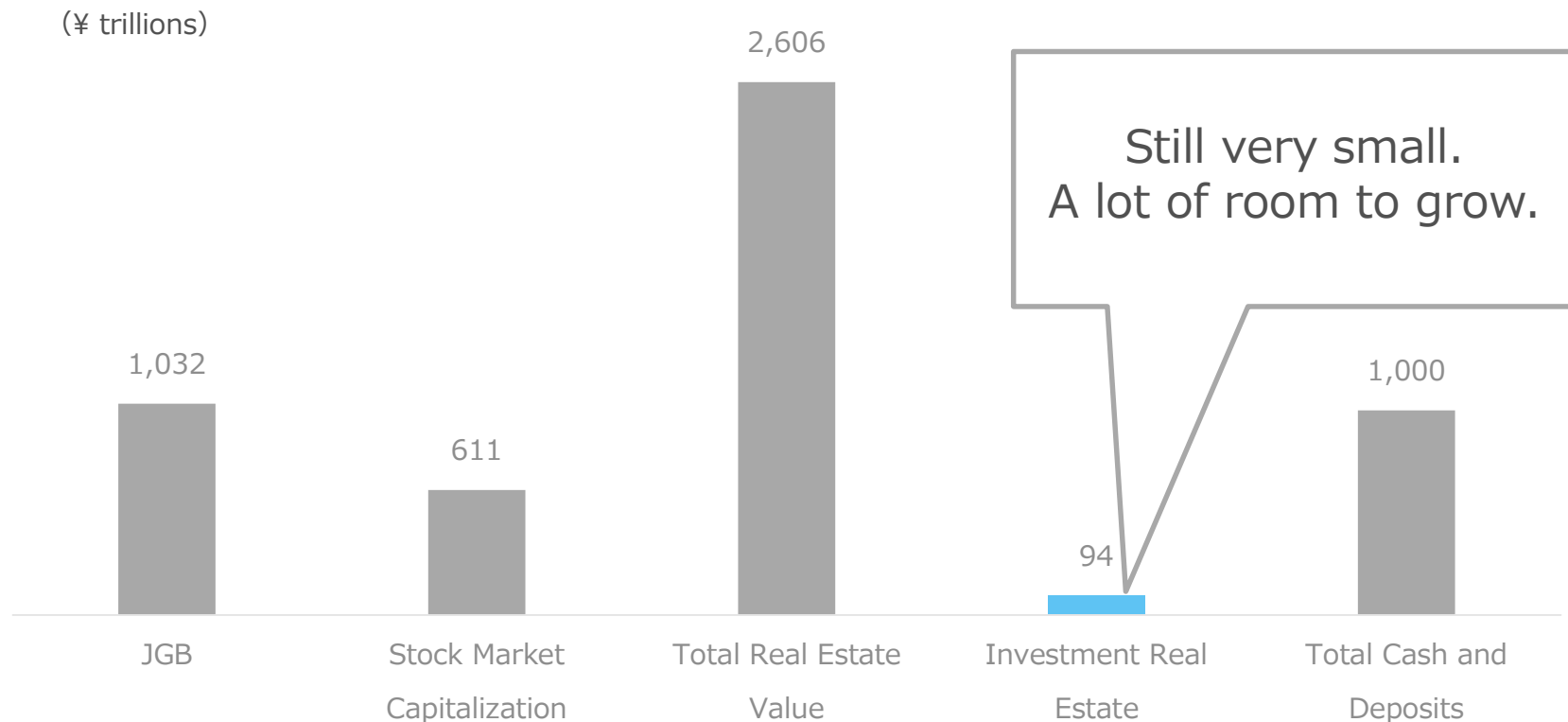
Appendix 4.

Real Estate Market Analysis

Japan's position in the real estate market and Our Advantages
in our Core Domains

Japan's Investment Real Estate Market

Japan's investment real estate market has a lot of room to grow further

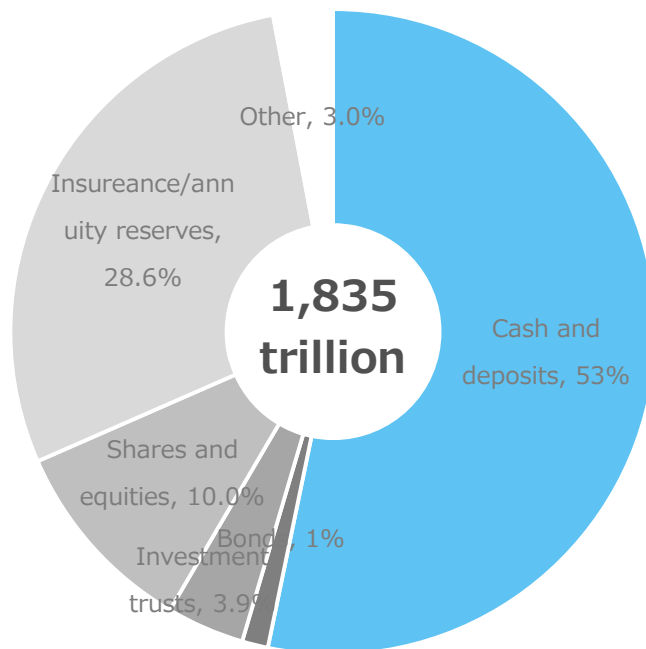


JGB (balance as of March 31, 2020), Stock Market capitalization (based on shares issued on TSE as of June 30, 2020), Total Real Estate Value (2017 data based on Ministry of Land, Infrastructure, Transport and Tourism materials), Investment Real Estate (Taken from MSCI Real Estate Market Size 2019. Converted at \$1 = ¥107), Total Cash and Deposits (based on values as of March 31, 2020) prepared by Loadstar Capital.

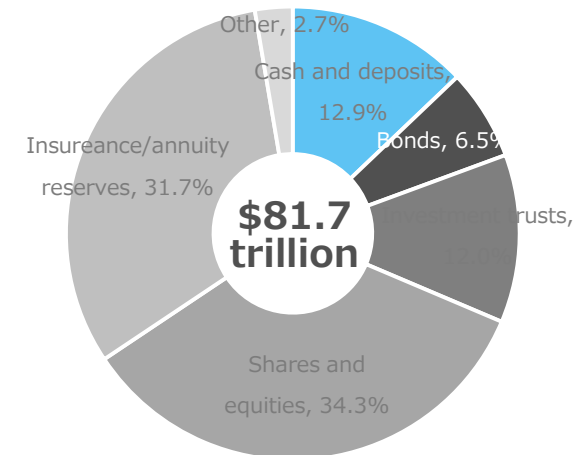
Japanese People's Wealth

More than half of Japan's household financial assets are waiting on the sidelines, not being invested.
Cash and deposits total ¥978 trillion.

Composition of Japan's Household Financial Assets



Composition of U.S. Household Financial Assets



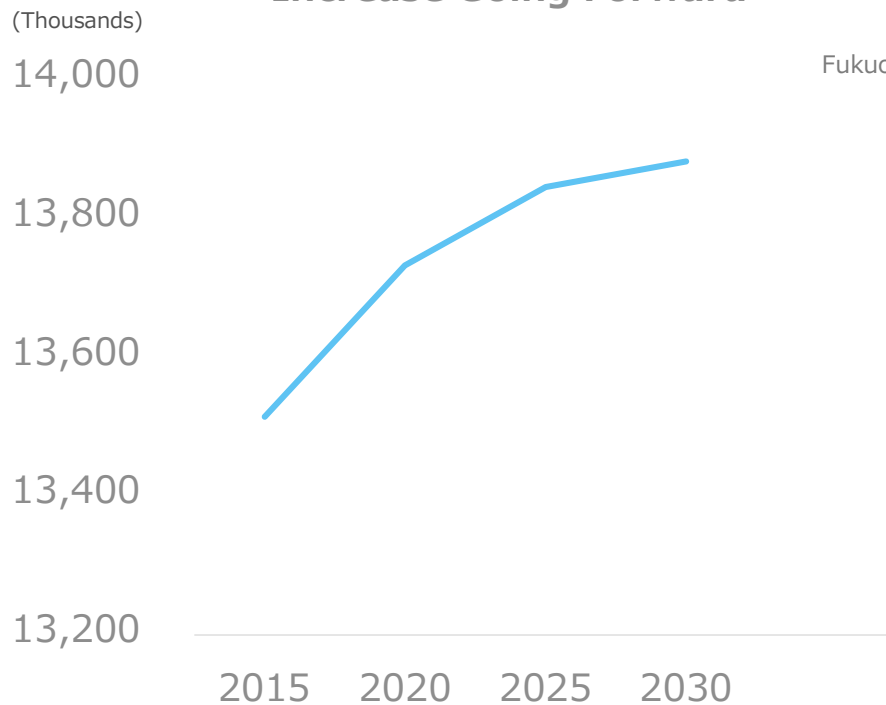
Source: The Bank of Japan Research and Statistics Department "Flow of Funds Accounts (Q1 2019, Preliminary Figures)" (Released on August 29, 2019)

Population Growth in Tokyo

Tokyo with sufficient infrastructure to compete with major overseas cities.

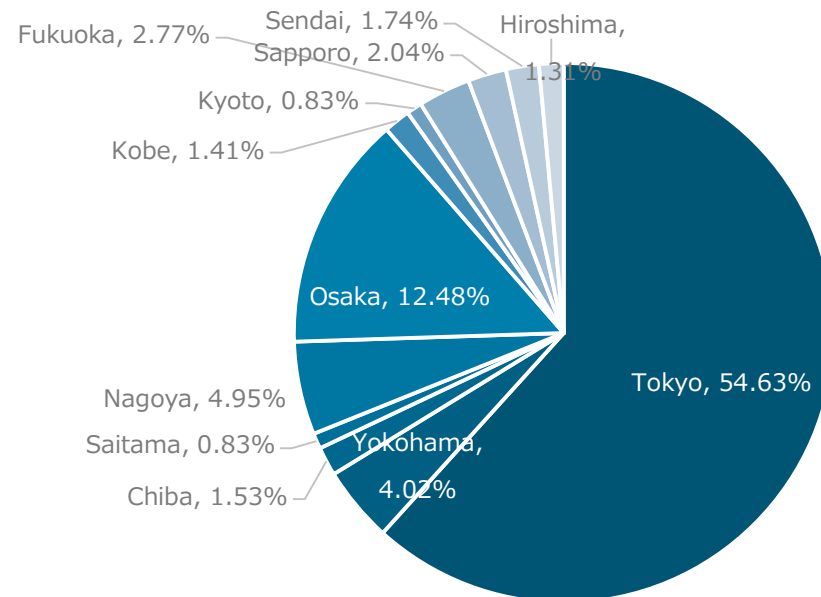
About 61% of investable assets stay in the greater Tokyo area.

Tokyo's Population will Increase Going Forward



Source: Loadstar Capital K.K., based on data from Ministry of Justice "Statistical Survey of Registered Foreigners," and Ministry of Internal Affairs and Communications "Basic Resident Register"

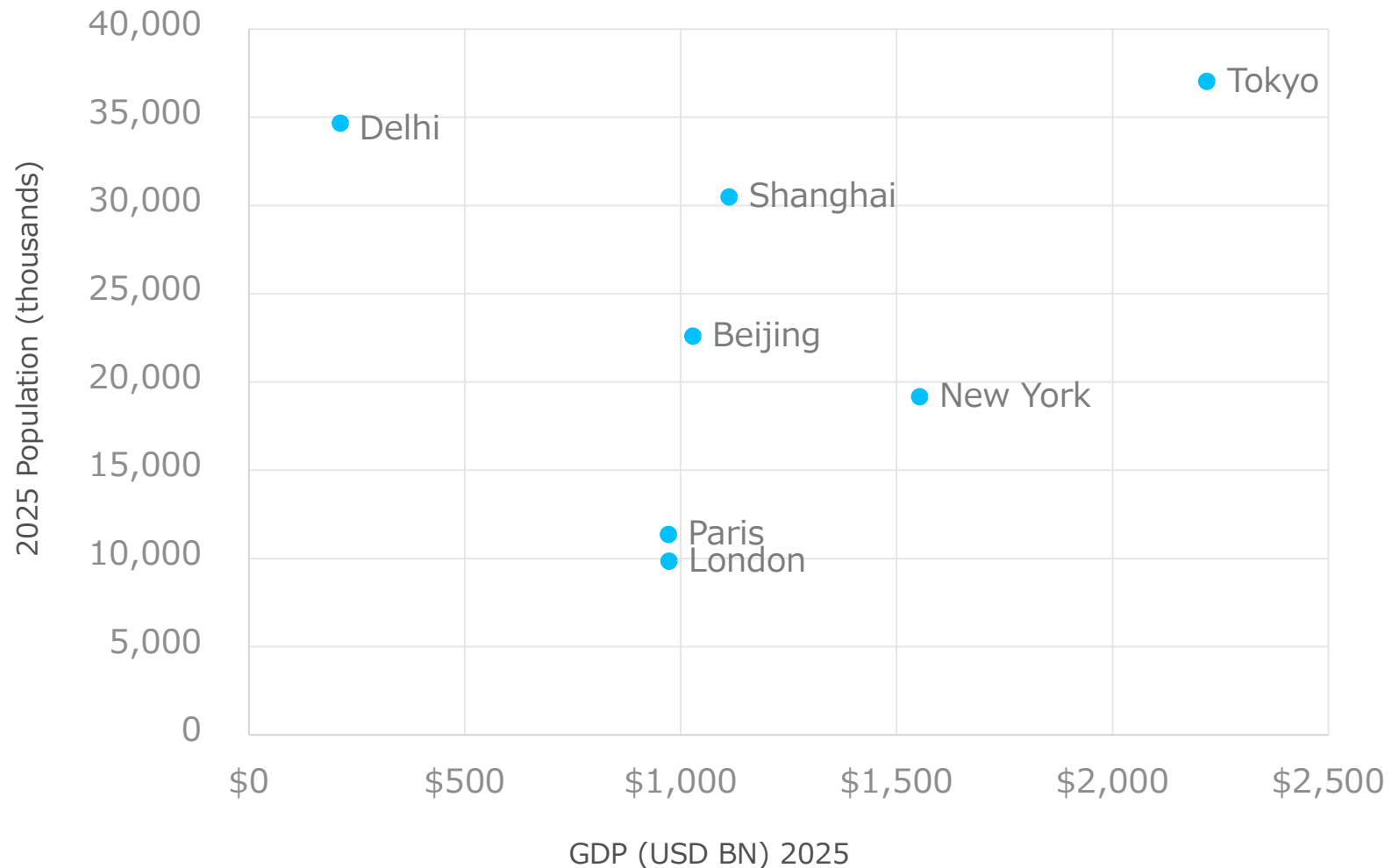
Ratio of office floor space in Japanese cities



Source: Loadstar Capital K.K., based on data from Japan Real Estate Institute's "The Annual Japanese Office Buildings Survey (as of January 2019)"

The World in 2025 (Urban Population & GDP)

The greater Tokyo area continues to have the largest urban population and GDP in the world.

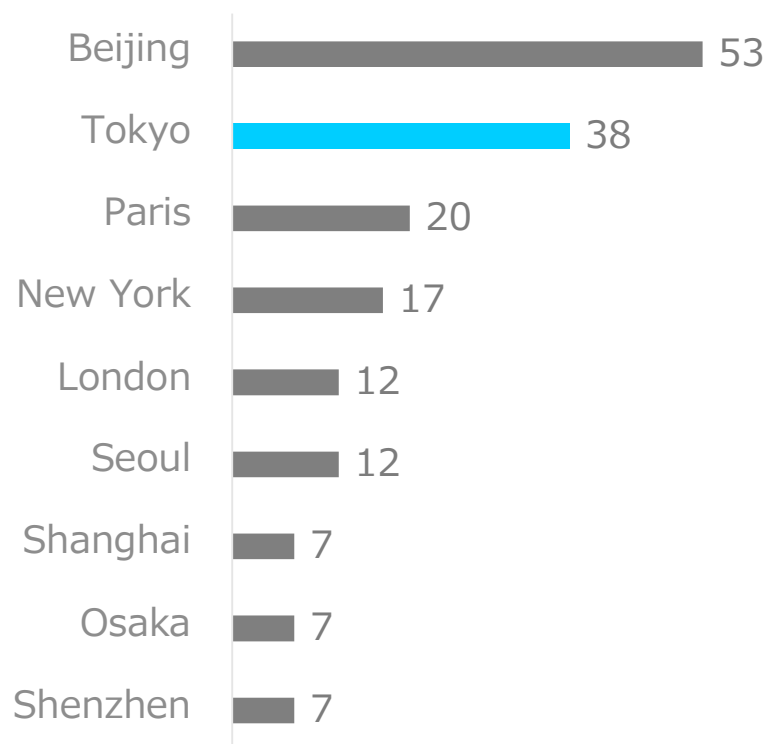


(Population) Population Dept., United Nations [World Urbanization Prospects], (GDP) McKinsey Global Institute Cityscope database 2.0.
Prepared by Loadstar Capital K.K.

Concentration of Large Companies in Tokyo

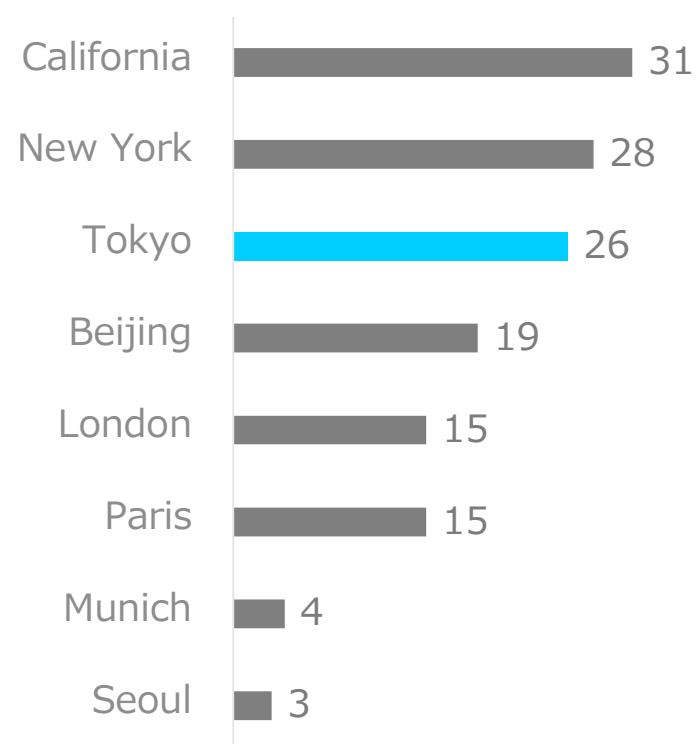
Fortune Global 500 2019

Number of Global Corporate HQ's by City



FT 500 2015

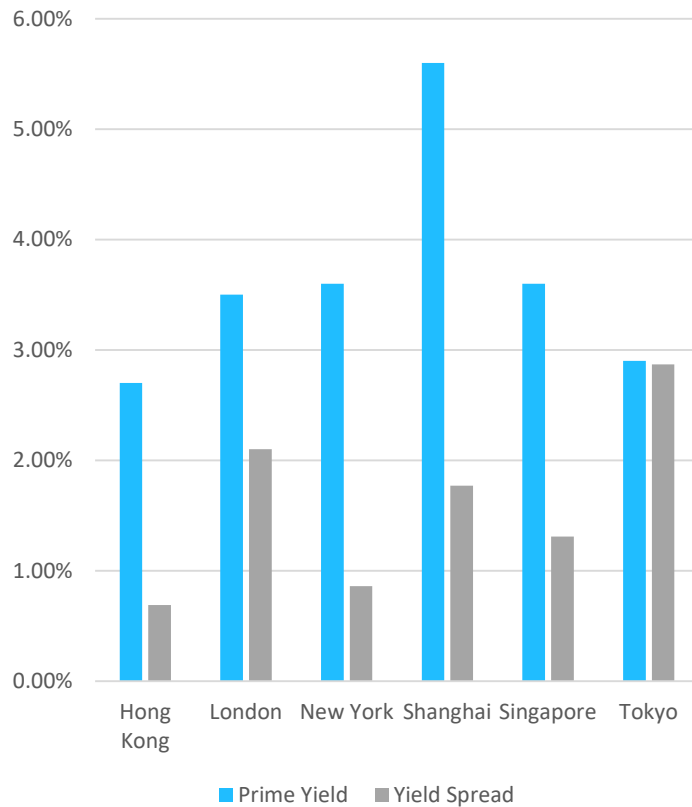
Number of Global Corporate HQ's by City
(Corporate ranking by market capitalization)



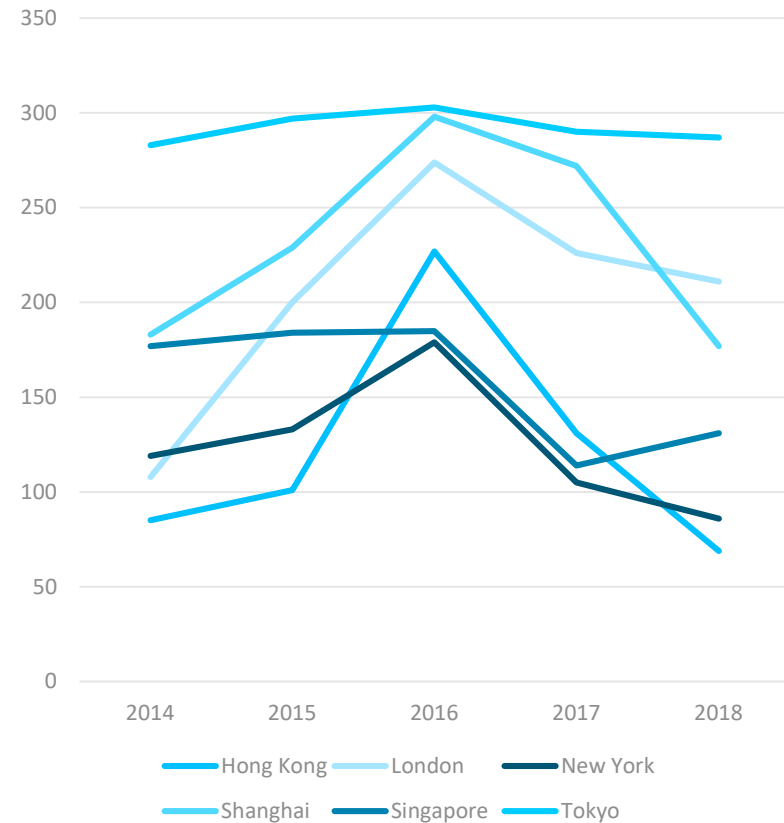
Source: <https://www.mlit.go.jp/kokudoseisaku/content/001319312.pdf>
Prepared by Loadstar Capital K.K.

Tokyo has a favorable environment.

**Prime Office Yield to Gov't Bond
Yield Spread**



**Historical Yield Spread by Major Cities
(unit: bps)**



Source: Loadstar Capital K.K., based on data from Jones Lang Lasalle (Global Market Perspective) 2014 – 2018

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