

Medium-Term Business Plan (FY2025-FY2027)

March 11, 2025

We will remain **your best partner over 100 years**

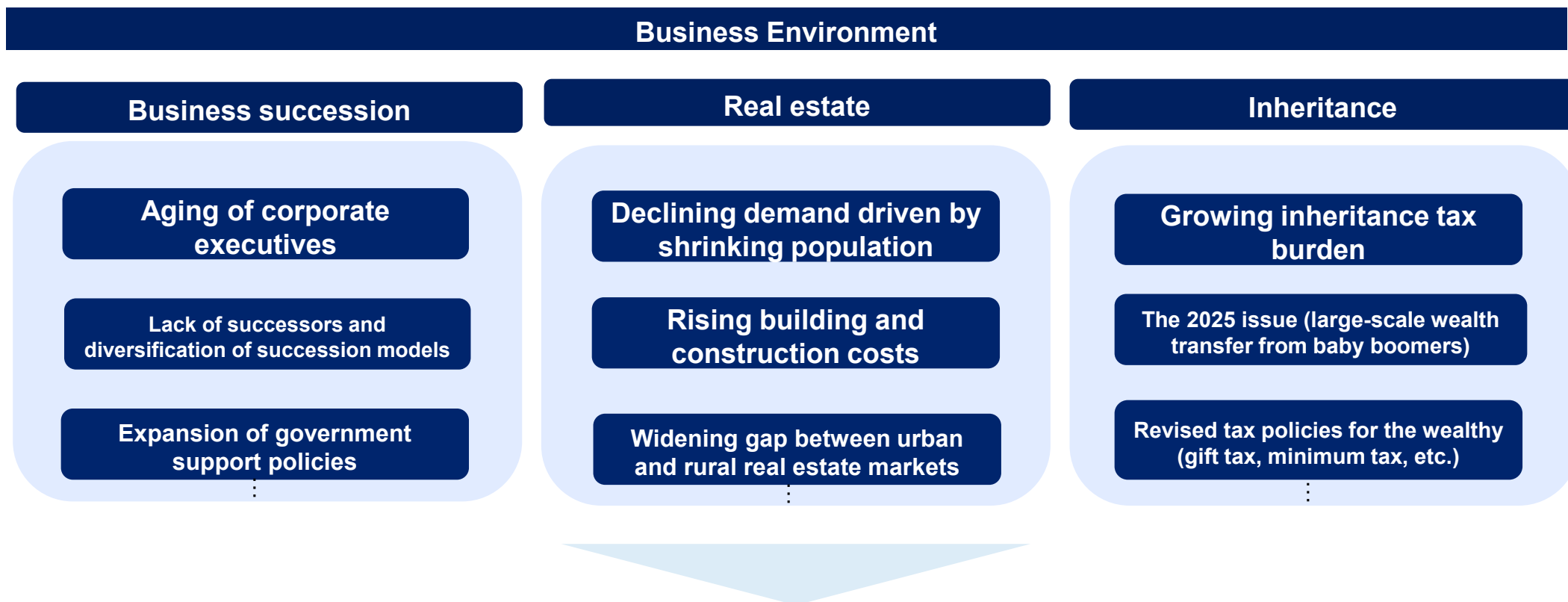
We are a comprehensive asset consulting firm that protects your assets and future.



Aoyama Zaisan Networks Co., Ltd.
Aoyama Zaisan Networks Company, Limited

Our Current Business Environment

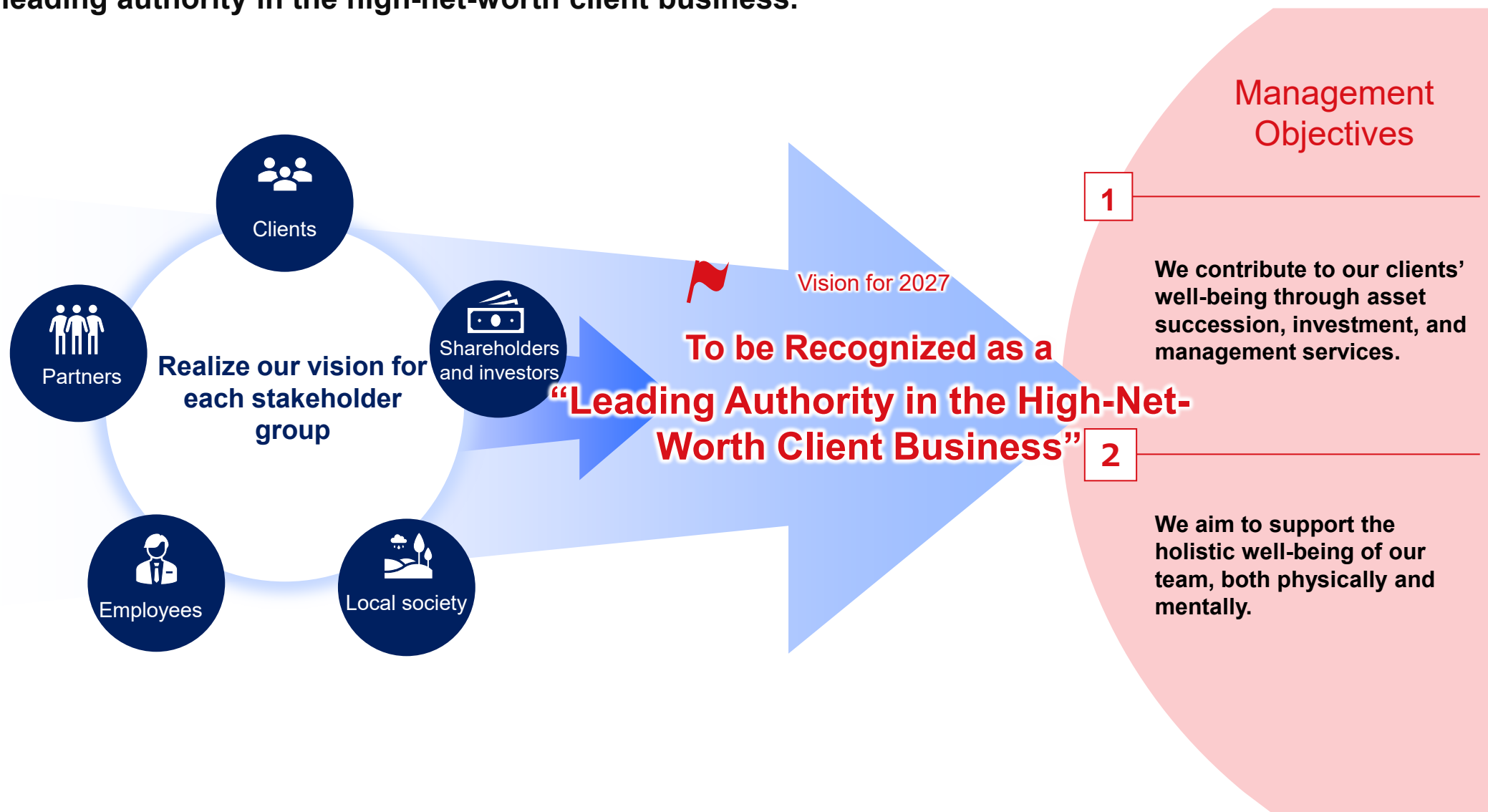
Amid changes in the business environment, such as the aging of corporate executives, we anticipate a continued increase in consultations regarding asset-related matters, including business succession, real estate, and inheritance. It is our mission to deliver high-quality services to a growing number of high-net-worth clients facing increasingly complex challenges.



We have formulated a new medium-term business plan aimed at delivering sustainable growth by providing solutions to the challenges faced by a greater number of high-net-worth clients, in a business environment where asset-related concerns are becoming increasingly diverse and complex.

Who We Strive to Be

To fulfill our management objectives, we will work on the three-year period starting in 2025 to realize our vision for each stakeholder group. As a result, by the end of 2027, we aim to be recognized as a leading authority in the high-net-worth client business.



Our Vision Three Years from Now (Medium-Term Vision)



Vision for 2027

To be recognized as a
“Leading Authority in the High-Net-Worth Client Business”



Consultant



Clients



Real estate wealth holders



Company owners



Wealthy individuals with financial assets

✓ To be a provider of **high-quality services** to a diverse base of wealthy clients

✓ To be a company our clients rely on for **trusted, long-term relationships and consultation**

Our Vision Three Years from Now to be Realized for Each Stakeholder Group (Medium-term Vision)



Partners

1. We strive to **deeply understand the needs** of those who refer high-net-worth clients to us, **contributing to solving their concerns**. Through this, we build **relationships of trust** based on **mutual-growth development**.

2. We have built ongoing, collaborative relationships with those who assist us in our work, **leading to continuous support and helping us improve the quality of our services**.



Employees

In a workplace **where individual circumstances are respected**, our employees work with peace of mind. Moreover, they experience **fulfillment both materially and emotionally – through a sense of purpose, personal growth, altruism, character development, and generous compensation**.



Clients

We aim to be a trusted partner that delivers **high-quality** servicers to high-net-worth clients and builds **long-term relationships**. By doing so, we are increasingly able to help solve their complex challenges. As a result, we **have contributed to resolving their concerns** and earned the strong support of a growing number of clients.



Shareholders and Investors

Our natural, client-centric approach to solving asset-related challenges for high-net-worth clients is well understood, supported, and **endorsed** by our clients and partners. We reward this support through **consistent dividend growth** and enhanced corporate value reflected in **stock price appreciation**.



Local Society

Through solving asset-related issues, we **contribute to the sustainable growth and development of society**. In addition, we actively engage in **social contribution activities**, including regional development, environmental preservation, protection of all living beings, and human resource development. Furthermore, **the establishment of a public interest foundation** demonstrates our commitment to giving back to the local community.

To be
Recognized as a
“Leading
Authority in the
High-Net-Worth
Client Business”

Quantitative Targets for Achieving the Medium-Term Vision

The quantitative targets for achieving the medium-term vision are as follows:

Financial targets

Operating profit

10% annual growth

ROE

Maintain above 20%

Business targets

Number of clients

Annual increase by 10%

Advantage club members

Annual increase by 10%

Shareholder returns

Dividend payout ratio: 50% level
Progressive dividend policy
DOE 10% level

Number of consultants:
330

*As of the end of 2027

Workforce and governance

Female employee/manager ratio 35% or higher/25% or higher

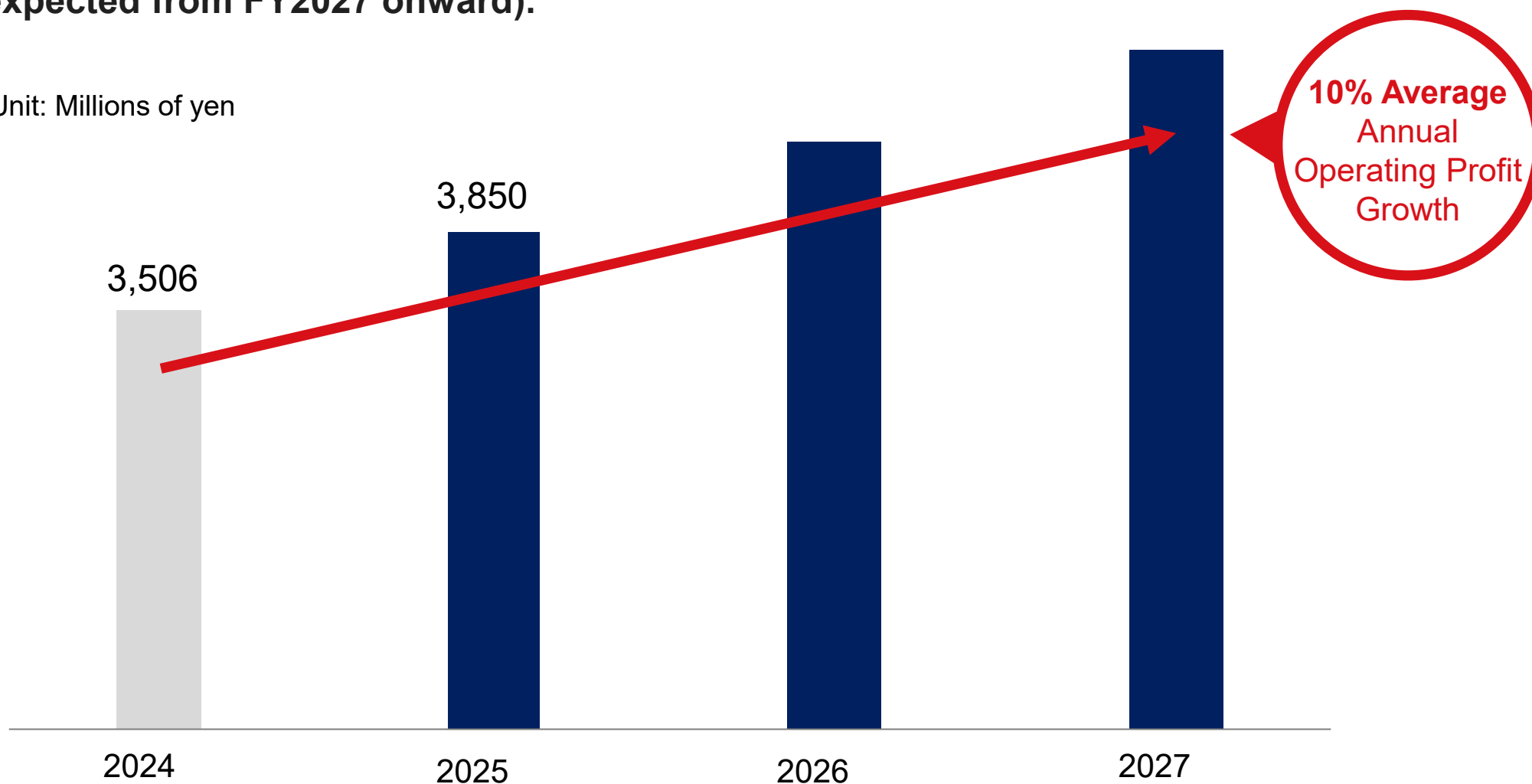
*As of the end of 2027

Outside directors
More than 4

Qualitative Targets: Operating Profit

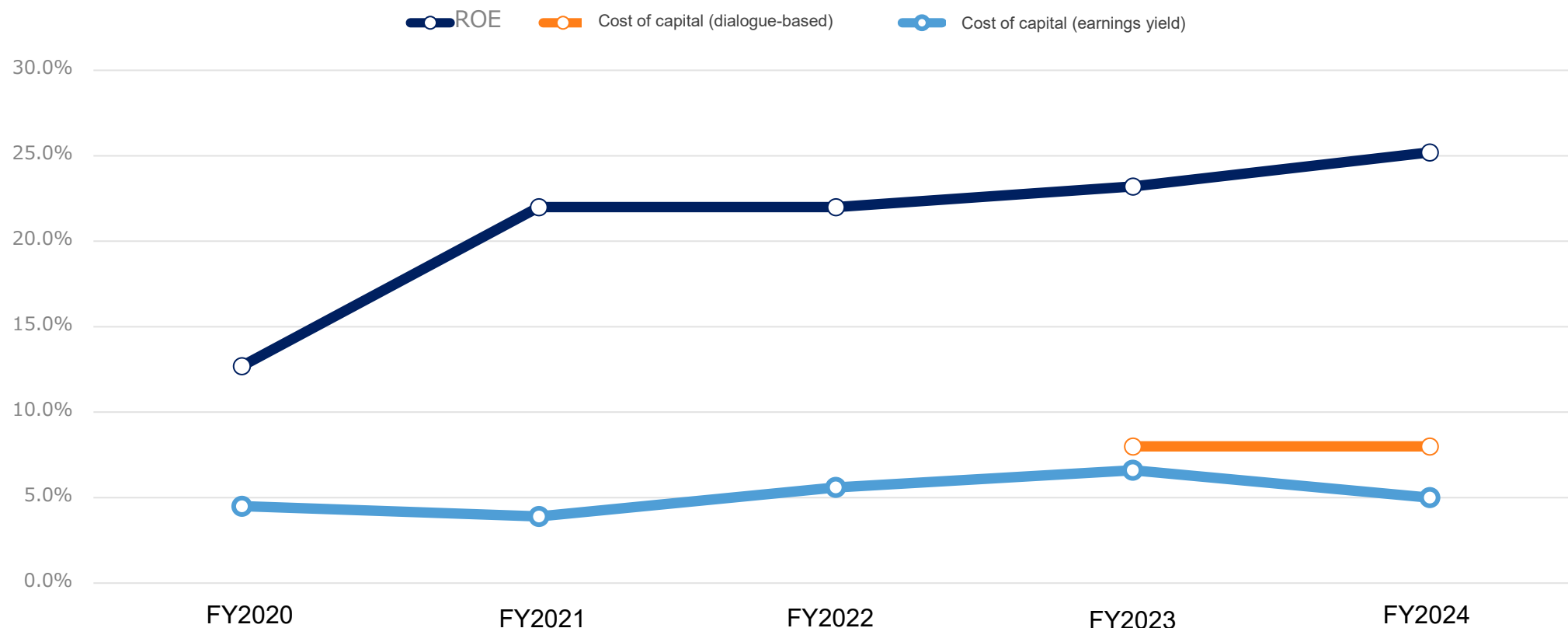
Aim for stable operating profit growth of 10% per year on average. Note that the quantitative targets do not reflect: (1) the expected synergy effects with the Chester Group (anticipated from FY2026 onward), and (2) productivity improvements from DX and AI initiatives (expected from FY2027 onward).

Unit: Millions of yen



Quantitative Targets: ROE

Excluding the COVID-19 pandemic impact in 2020, we have consistently maintained an ROE above 20%. Since FY2023, dialogues with institutional investors through IR activities have indicated that the average estimated cost of equity is approximately 8%, leading us to adopt 8% as our assumed cost of equity. Over the past five years, our ROE has significantly exceeded the cost of equity.

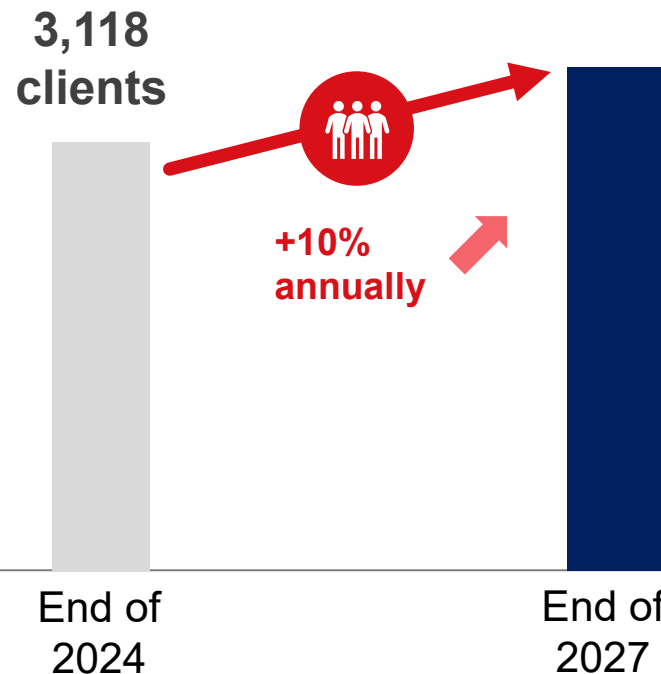


*Cost of equity based on CAPM is estimated at 5.6%-6.6% as of the end of 2024.

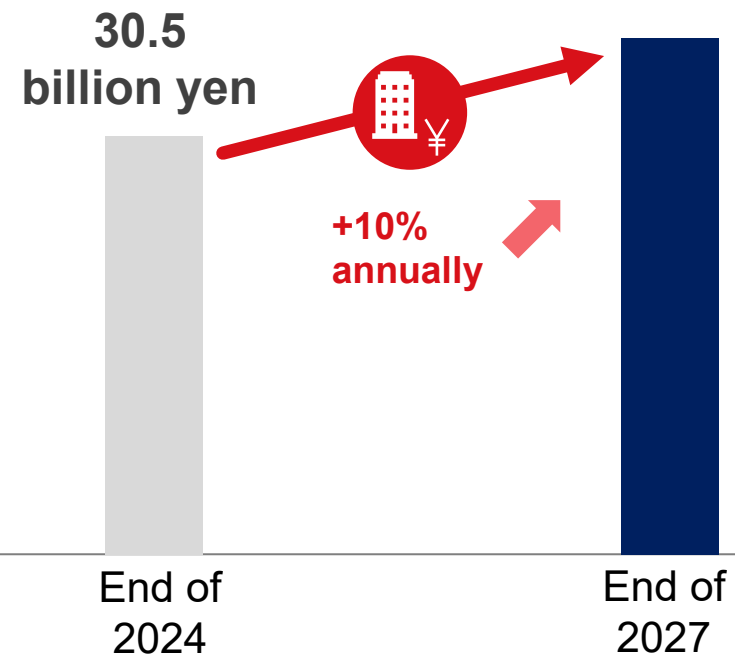
Quantitative Targets: Clients and ADVANTAGE CLUB Members

To achieve stable annual operating profit growth of 10%, we have set a 10% year-on-year increase in the number of clients and ADVANTAGE CLUB members as a KPI.

KPI for Number of Clients (Asset Consulting)



KPI for ADVANTAGE CLUB (Real Estate Transactions)



About Quantitative Targets from 2026 Onward

During the period of the 4th Medium-Term Business Plan (FY2025-FY2027), the environment and challenges surrounding high-net-worth clients are expected to change rapidly, requiring timely reviews of our strategy. In addition, we anticipate greater clarity on the synergy effects with the Chester Group and on productivity gains from DX and AI initiatives. Accordingly, we plan to review and disclose updated quantitative targets beyond FY2026 in February 2026.

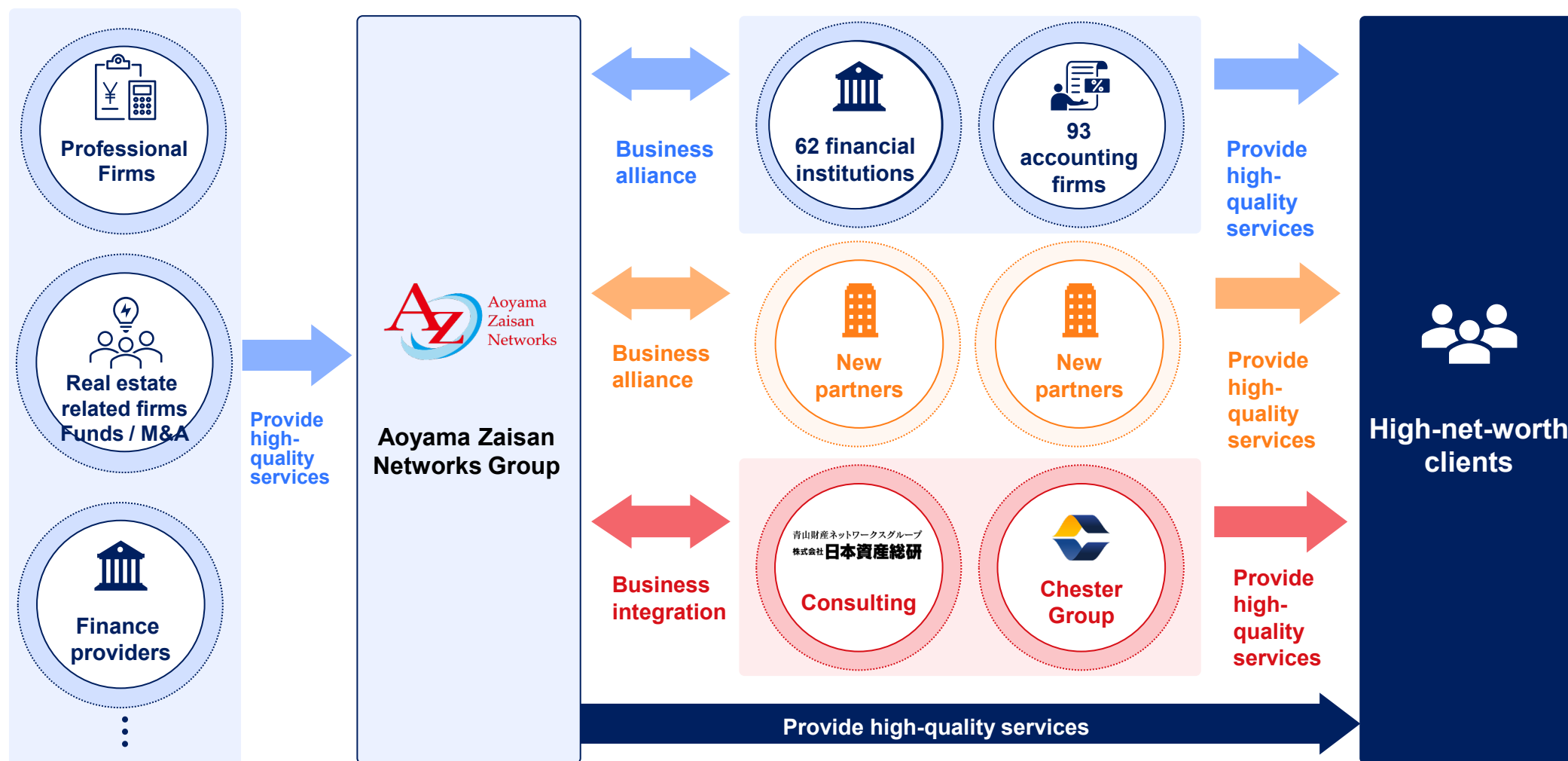
7 Strategic Pillars for Achieving the Vision from 3 Years from Now

Execute 7 strategic pillars for achieving the vision from 3 years from now.



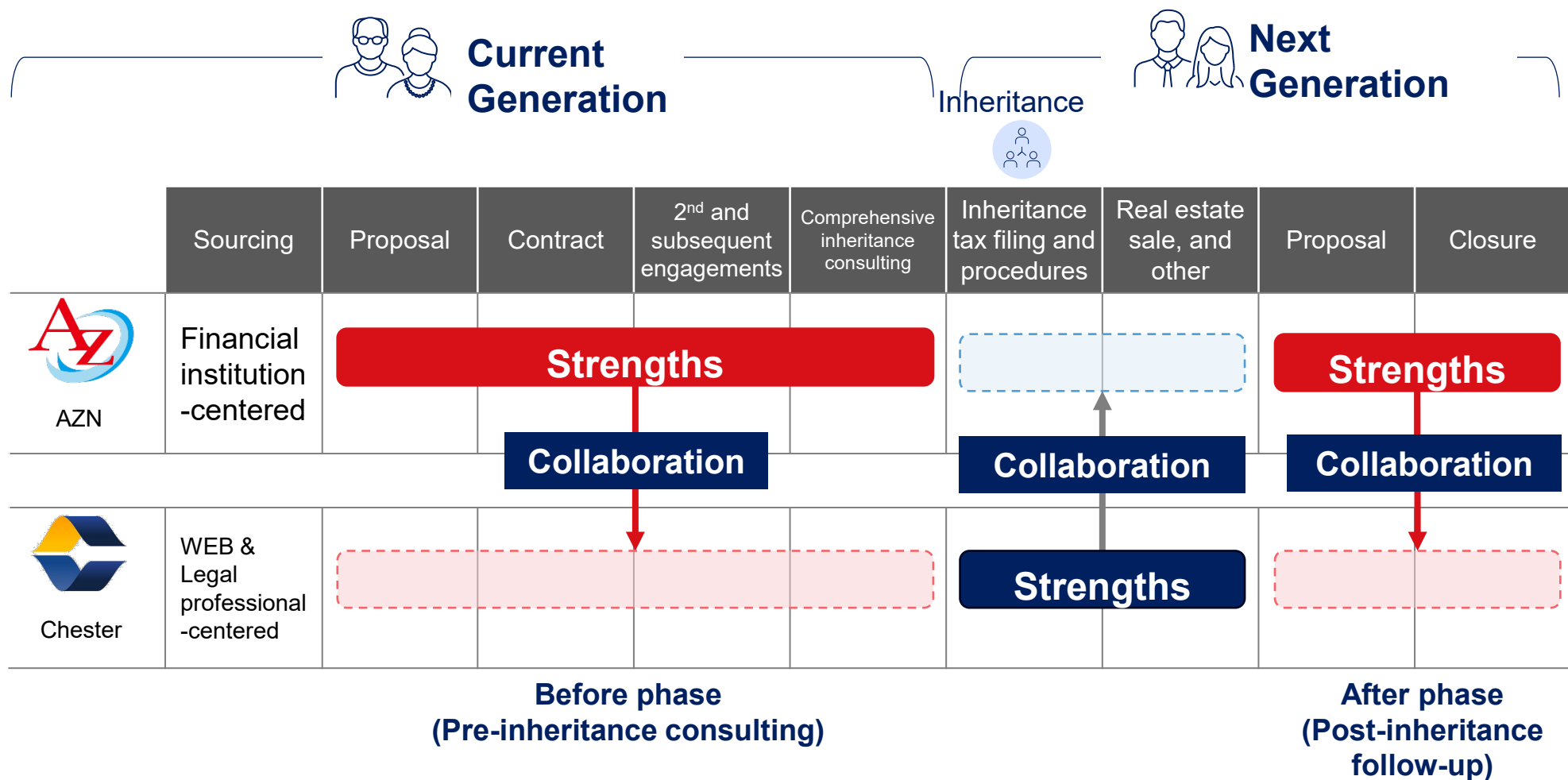
[Partner Strategy] Provide Services through Collaboration based on Trusted Relationships

With collaboration based on trusted relationships with partners, we aim to grow together with them by solving the challenges faced high-net-worth clients referred to us. We also strive to establish long-term, supportive partnerships with those who assist in our work, enabling us to deliver high-quality services continuously.



[Partner Strategy] Promote Business Integration with the Chester Group

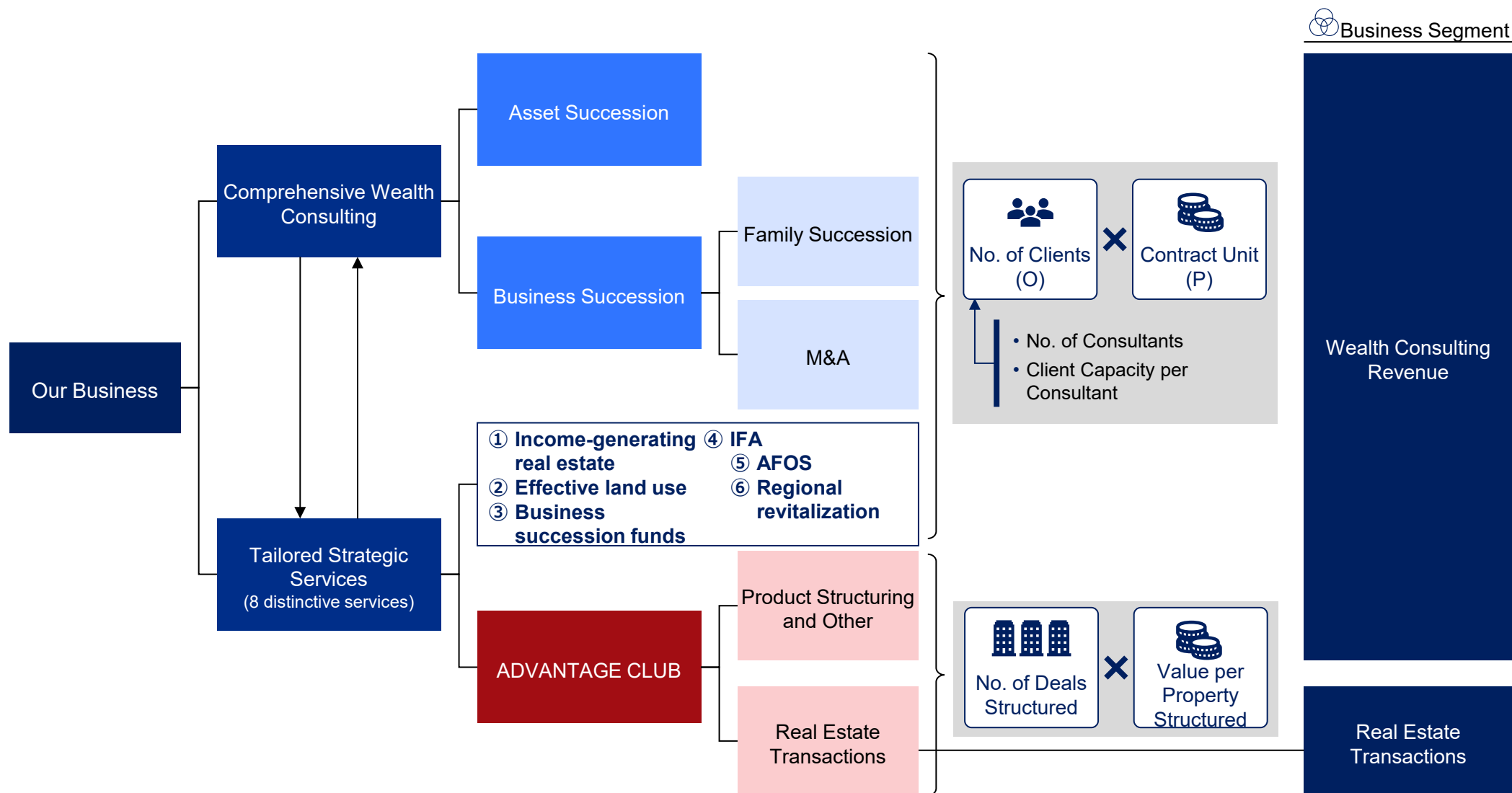
The business integration with the Chester Group complements each other's strengths and weaknesses through collaboration. We also aim to enhance the quality of our one-stop services and expand their scale.



[Service Strategy (Business Strategy)]

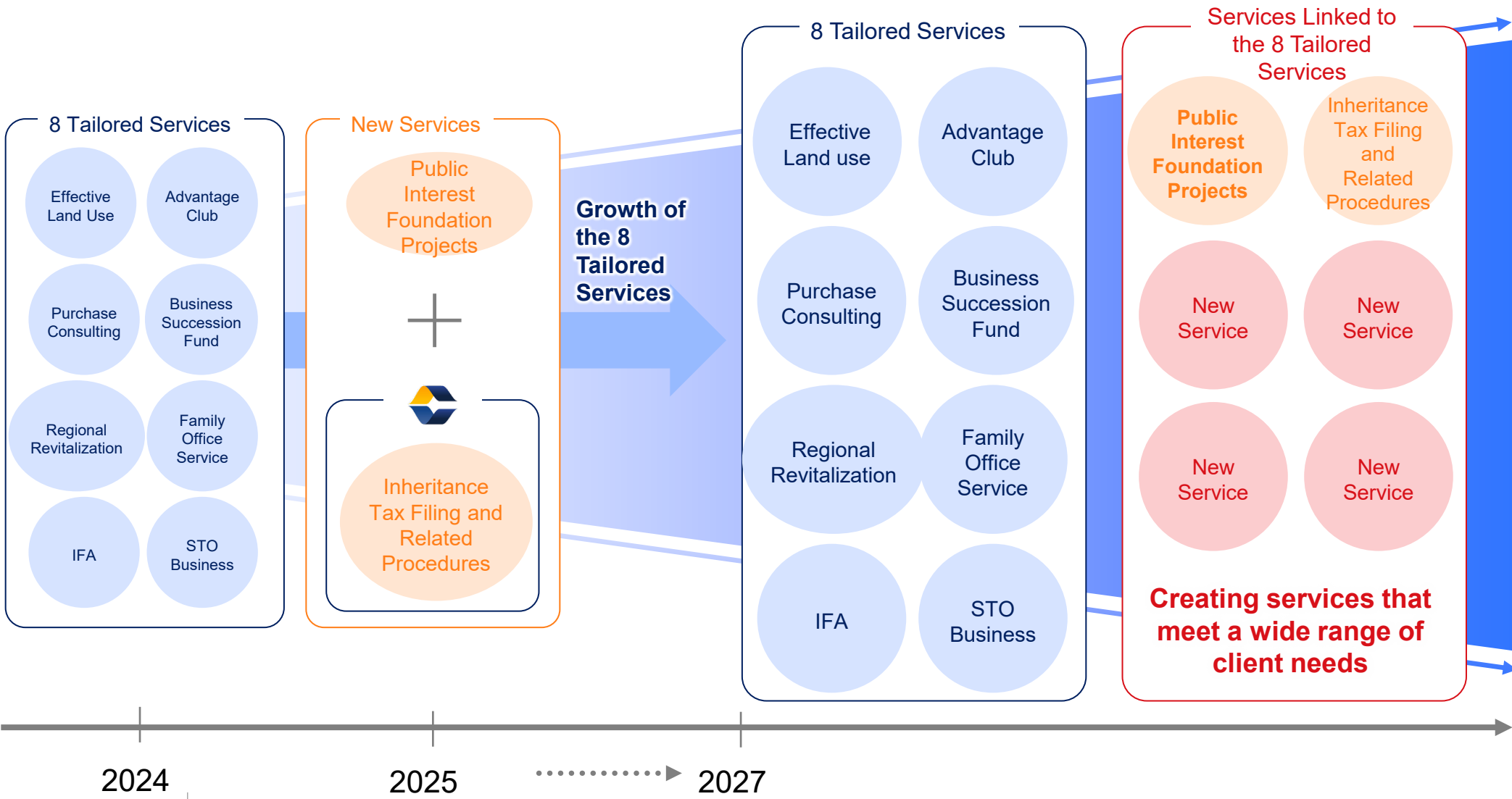
Drive Growth through Both Comprehensive Wealth Consulting and Tailored Strategic Services

To become a trusted, long-term partner delivering high-quality services to high-net-worth clients, we aim to drive company-wide growth by advancing both our comprehensive wealth consulting and tailored strategic services in parallel. We will pursue steady increases in the number of clients and engagements across both services.



[Service Strategy] Develop Services that Respond to Changing Times

In addition to growing our eight tailored services, we will continue to develop and expand new services that address a wide range of evolving asset-related challenges in response to changing times.



[HR Strategy] Enhance Human Capital and Expand the Number of Consultants

[Enhance Human Capital]

To enhance human capital, we will focus on three key pillars – talent acquisition, talent development, and a supportive work environment – for all employees across the organization.



[Expand the Number of Consultants]

We aim to expand the consultant workforce delivering services to clients from 257 at the end of 2024 to 330 by the end of 2027.



*Including the AZN Group and Chester, and other 3 companies

[HR Strategy] Continue Character-Based Training Focused on Altruism and Virtue

We will continue to provide thorough education focused on cultivating altruism and virtue as a foundation for strengthening personal character.

For those who work at our company, the most important quality is human strength of character, and it is also what matters most for living a fulfilling life.

- Embed the formula for success, happiness, and results.

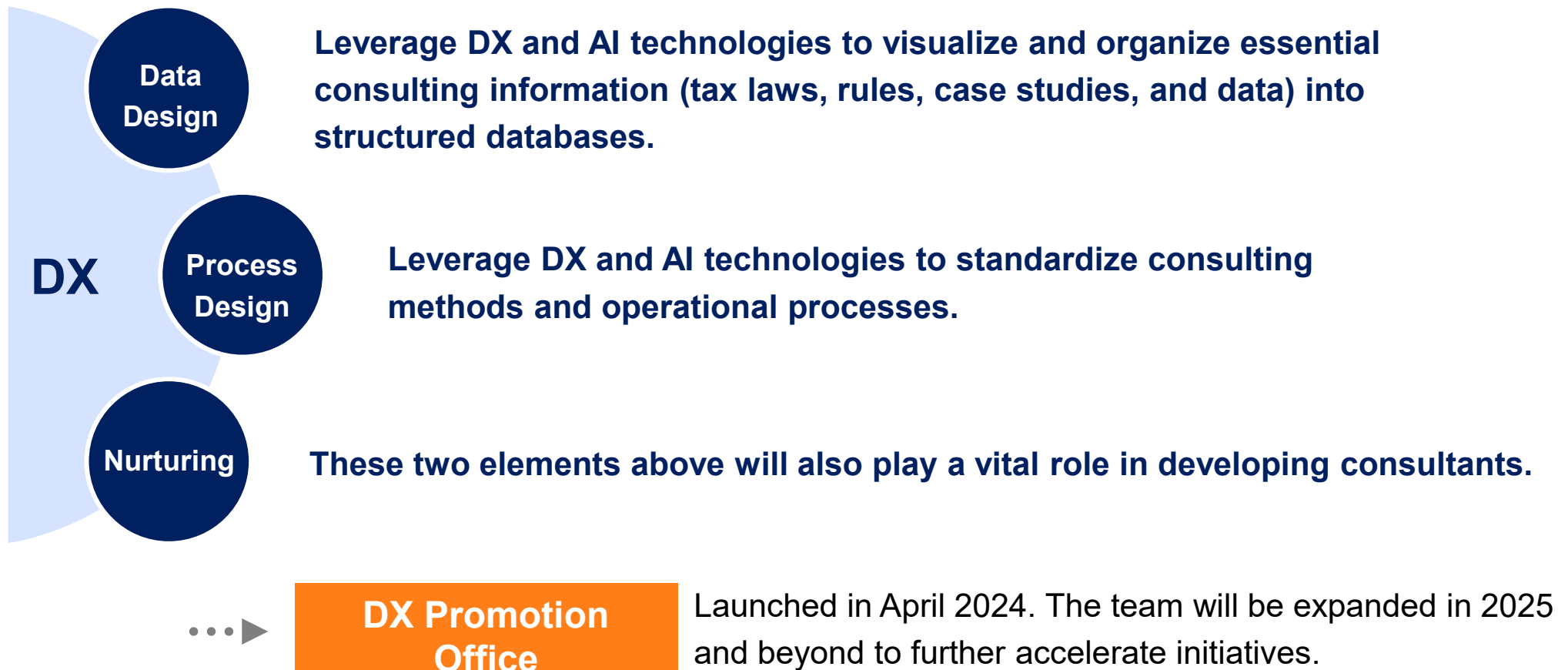


- To deepen understanding of our core values, we are reviewing our employee behavior guidelines and creating opportunities for open dialogue across all divisions and departments.

[Intellectual Property Strategy] Build an Environment to Support Consultants Leveraging DX and AI

The core of our intellectual property strategy lies in organizing and leveraging consultant know-how and client data. By leveraging DX and AI technologies to systematize this knowledge, we enhance performance, streamline operations, and boost productivity across the company. Beyond consulting, we are harnessing AI company-wide to improve efficiency and create smarter ways of working.

[Establish an Environment that Supports Consultants]



Vision at the end of 2027

Establish New Workstyle Through Collaboration between Consultants and AI



AI-generated content

We will develop AI agents that are available 24/7, 365 days a year, to provide on-demand support. By assisting consultants, especially those in the early stages of their careers, we aim to improve operational efficiency and accelerate deal execution. This will **enhance both the quality and quantity of consulting operations, increase client satisfaction, and enable us to serve a larger number of clients.**

[Marketing Strategy] Implement Various Initiatives to Increase Brand Recognition

With cross-media and simultaneous advertising and public relations initiatives,

Enhance >

Credibility

Business Awareness

Brand Recognition



<Planned Initiatives for FY2025>



Website Renewal



Merger Commemoration
Seminar with Chester



Publication of New Books
& Launch Seminar



Media Promotion
Focused on Web Channels

<Initiatives from FY2026 Onward>

- Expand advertising initiatives in business media
- Strengthen media promotion not only via web media, but also through print media such as magazines and newspapers

Increase in Referrals from Partners and Direct Inquiries from Clients

- Partners: Partners believe that collaborating with AZN is the best option and are introducing their clients to AZN.
- Clients (High-Net-Worth): Clients facing asset-related issues consider, "Let's consult AZN first."
Satisfied clients are also referring others to AZN with confidence.

[Sustainability Strategy] Promote Sustainability-Driven Management

Aim to address social issues to achieve a sustainable society and enhance corporate value.

Environment

Responding to
Climate Change

Economy

Revitalizing Local
Communities

Society

Promoting
Corporate
Philosophy

Creating a Fulfilling
Workplace

Social Contribution
Activities

Examples of Initiatives



Promoting 100% renewable energy use in ADVANTAGE CLUB properties (Response to climate change)



Regional revitalization projects leveraging the real estate specified joint enterprise act (Revitalizing local communities)



Establishing a public interest incorporated foundation to promote activities contributing to public benefit (Social contribution activities)



Realizing a society of coexistence with pets (Social contribution activities)



Food distribution volunteering & support through food assistance programs (Social contribution activities)

[Financial Strategy] (1) Initiatives to Maintain ROE Above 20%

■ Net Profit Margin

Improve profitability by increasing the proportion of revenue from asset consulting services.

■ Total Asset Turnover

Maintain efficiency by continuing the policy of not holding real estate inventory.

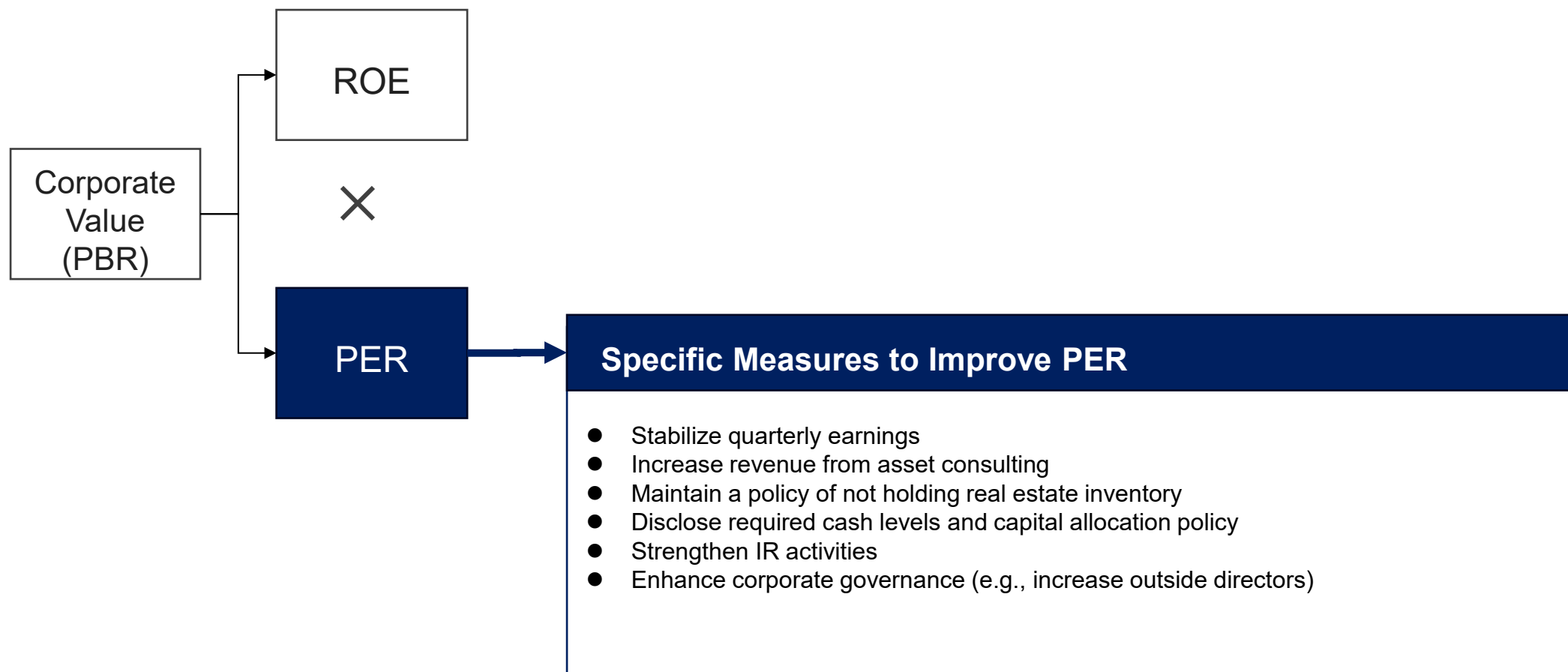
■ Financial Leverage

Maintain financial leverage at around 2 to 2.5 times to enhance capital efficiency while ensuring financial soundness.

	ROE		Net Profit Margin		Total Asset Turnover		Financial Leverage
Dec. 2022	22.0%	=	4.7%	×	1.84 times	×	2.55 times
Dec. 2023	23.2%	=	5.7%	×	1.60 times	×	2.55 times
Dec. 2024	25.2%	=	5.3%	×	1.99 times	×	2.38 times
Dec. 2027 (est.)	20%-30%	=	Approx. 5-6%	×	Approx. 2.0 times	×	Approx. 2-2.5 times

[Financial Strategy] (2) Efforts to Enhance Corporate Value

Although the PBR has consistently remained above 1.0 (averaging 4.1 at fiscal year-end over the past five years), we recognize that market valuation based on PER has not fully reflected our capital efficiency (ROE and ROIC). To further enhance corporate value, we will continue to maintain an ROE of over 20% while striving to improve our PER.



[Financial Strategy] (3) Shareholder Return Policy

(Unit: Yen)

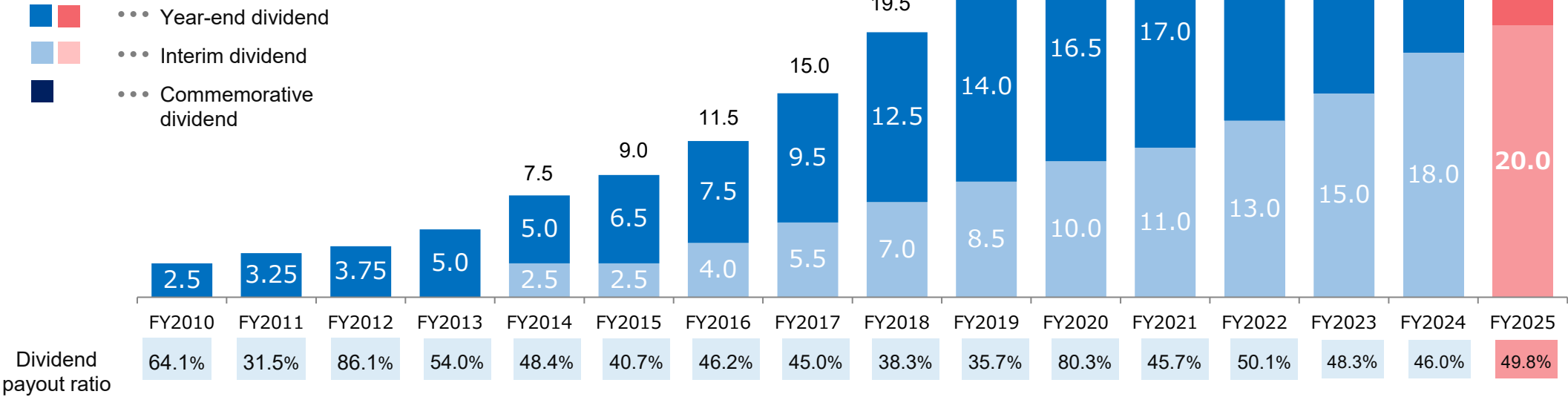
- 1

Dividend payout ratio target of 50%
- 2

Progressive dividend policy
- 3

Maintain DOE level above the cost of equity

*Share buybacks will be considered flexibly as needed.



*On Sep. 11, 2021, a stock split was implemented at a ratio of 2-for-1. The dividend amounts shown have been adjusted to reflect this split.

[Financial Strategy] (4) Balance Sheet Policy

Concept on Cash Reserve

Maintain sufficient cash reserves to cover working capital, real estate acquisition funds, and AD refund reserves.

Concept on Real Estate for Sale

Do not hold real estate inventory, in principle.

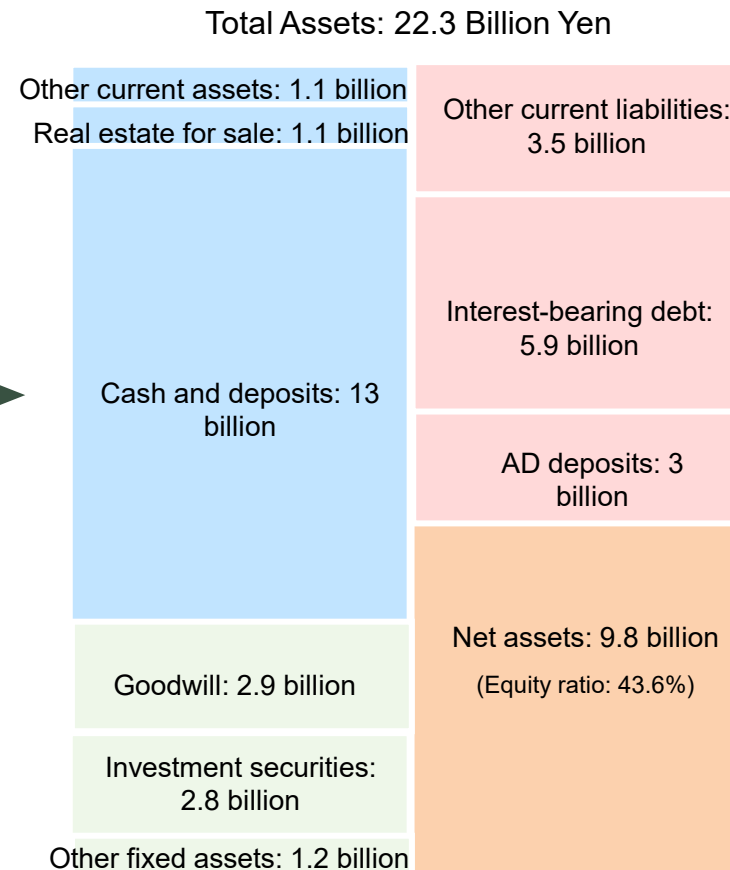
[Required Cash Reserve Level by End of FY2024]

- Working capital: 2.0 billion yen
 - Real estate acquisition funds: 9.8 billion yen
 - AD deposit return funds: 3.0 billion yen
- Total: 14.8 billion yen

Concept on Interest-Bearing Debt and Net Assets

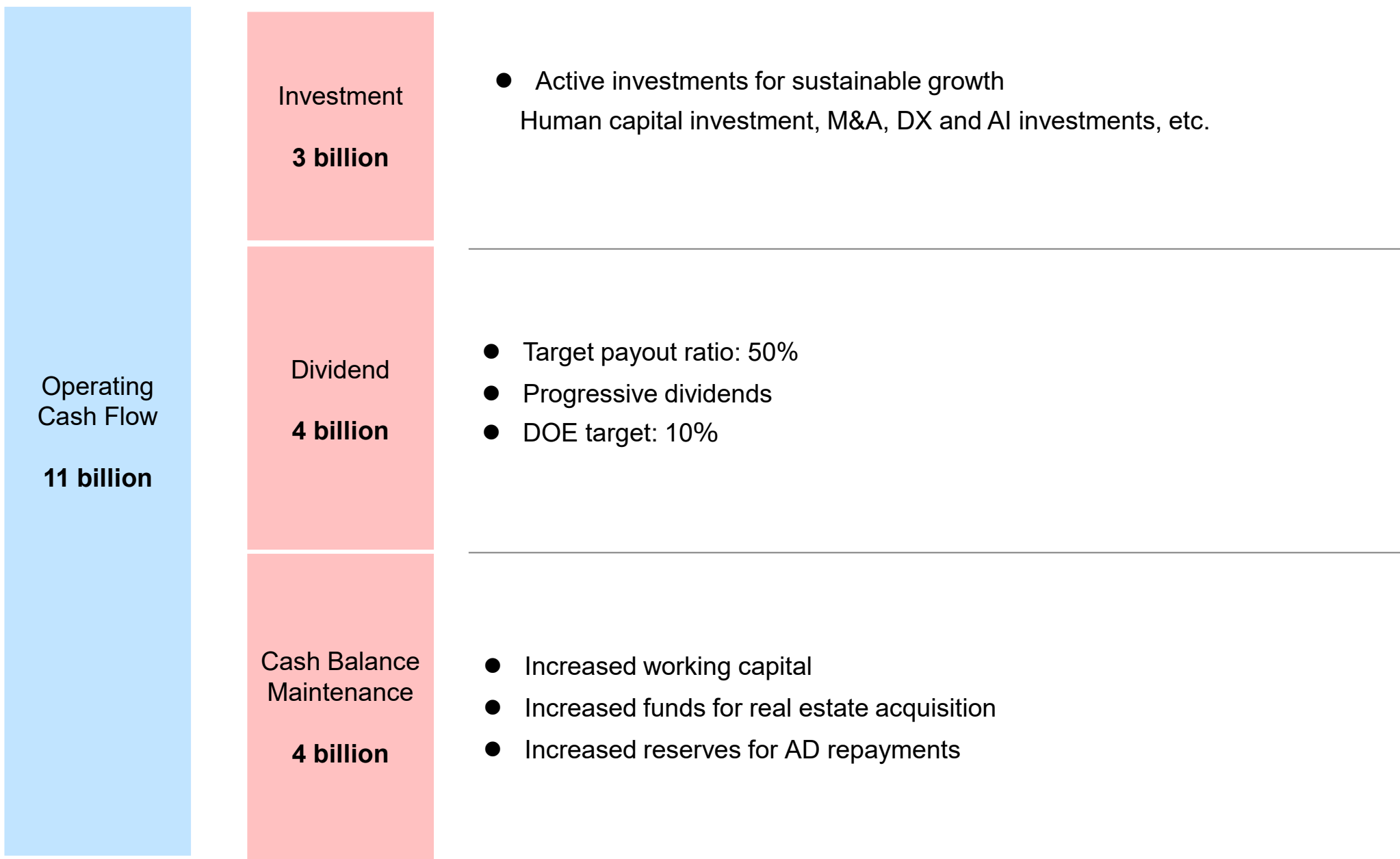
Utilize interest-bearing debt to maintain the necessary level of cash reserves.

Make investments, as a rule, within the scope of net assets.



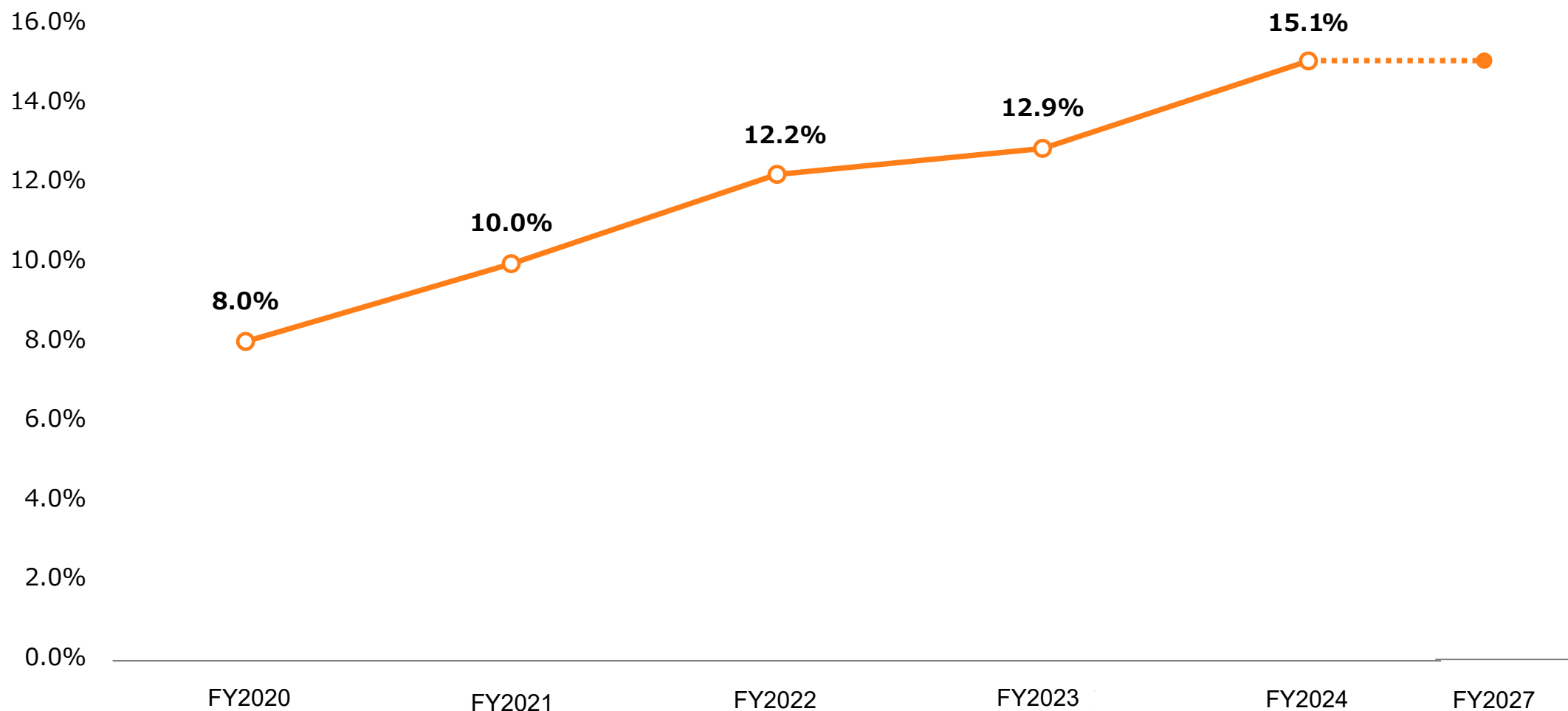
As of end-FY2024

[Financial Strategy] (5) Capital Allocation during the Medium-Term Plan Period



ROIC Trend

Since FY2021, we have implemented ROIC management at the department level. By having each department define its ROIC improvement drivers, the company-wide ROIC has been improving annually. We will continue to maintain a high ROIC level going forward.



FY2024 IR Achievements and Activities of FY2025 Onward

1 FY2024

- Held two small meetings annually targeting institutional investors
- Held a briefing meeting for individual investors in April
- Held approximately 130 IR meetings through the year
- Published a comprehensive report in May

2 FY2025

- Continue to hold two small meetings annually targeting institutional investors
- Plan to hold briefing meetings for individual investors twice a year in spring and autumn
- Plan to resume overseas roadshows
- Aim to be selected a new TOPIX constituent and enhance market capitalization through improved PER

Plan to significantly increase engagement with overseas investors, given progress toward meeting the liquidity and market capitalization thresholds requested by institutional investors during the previous roadshow

3 Post-FY2026

- Promote initiatives to enhance corporate value and increase market capitalization, and expand engagement with new institutional investors to accelerate the efforts of FY2025



For more IR information, please visit the website below.

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

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