

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



**MIYAKOSHI**



August 8, 2025

To whom it may concern

Company Name: Miyakoshi Holdings Co., Ltd.  
Representative: Kunimasa Miyakoshi,  
Representative Director Chairman & CEO  
(Securities Code: 6620,  
TSE Prime Market)  
Contact: Keita Itakura,  
Director and Managing Executive Officer  
Phone: +81-3-3298-7111

**Received Approval for Urban Renewal  
Real Estate Appraisal Value of 301 Billion Yen**

We are pleased to announce that the local authorities have approved the Urban Renewal Unit Plan Amendment for World Innovation Center (hereinafter "WIC") project, which our subsidiary, Shenzhen Crown (China) Electronics Co., Ltd. (hereinafter "Crown Electronics"), is promoting in Shenzhen, China.

Among the 6 amendments of the Urban Renewal Unit Plan Amendment (Draft) announced by the local authorities on March 26, 2025, the adjustments to the small waste transfer station and renewable energy recycle station, which was waiting for approval, is now been approved. With this, all of the amendments to the Unit Plan have been approved. The WIC project has essentially obtained development permission through the previously confirmed implementing entity and the current approval of the Urban Renewal Unit Plan Amendment. The project will accelerate rapidly from now on, aiming for the construction scheduled to begin next spring and a grand opening in 2030. Over 200 major high-tech companies from 30 countries, including Japan, Europe, and USA, will set up their operations at WIC. Moreover, we are working on "innovation business", such as supporting joint ventures between tenant companies and Chinese companies, and we will develop these into a main source of revenue alongside rent revenue.



**[Rendering of the completed WIC (center)]**

■ **Over 200 companies from Japan, USA and Europe will move in**

Shenzhen has continued to grow rapidly since being designated a special economic zone by the Chinese government, and is now home to the headquarters of global companies such as Huawei, the communications equipment company, BYD, the electric vehicle company, DJI, the drone company, and Tencent, the IT company. The planned development site for WIC (preceding area) is 21,991 m<sup>2</sup>, which is located at the former factory site of Crown Electronics in the Futian district, the center of Shenzhen city. In addition, major firm Nikken Sekkei Ltd is in charge for the design. Two 250 meters office buildings and a 150 meters residential building will be constructed. The total floor area will be approximately 454,000 m<sup>2</sup> (including the basements).

**[Overview of WIC]**

Access:	Approximately 300 meters from Che Gong Miao subway station, which is served by 4 lines
Building use:	Offices, residences, commercial facilities, underground parking lots, public facilities, etc.
Land area:	21,991 square meters
Total floor area:	Approximately 454,000 square meters (including basements)
Design:	Nikken Sekkei Ltd, CAPOL International & Associates Group
Construction to commence:	March 2026
Construction to be completed:	Around 2030

These buildings will house over 200 major high-tech companies from around 30 countries, including Japan, USA and Europe. We will bring together the best of the technology to construct these buildings, aiming to create a "Japanese quality 100-year building" that is long-lasting, safe and secure.

According to a first-class real estate appraisal company recommended by Guangdong Province, after the WIC project is completed, the real estate value will be approximately 301 billion yen (approximately 14.649 billion yuan). Meanwhile, the construction costs and land costs are expected to be approximately 92.5 billion yen (approximately 4.5 billion yuan). The development site is the former factory site of our company, which we have the right of using land. As we are acquiring the same right of using land again, the land costs are able to be kept down.

(The yen figures in this text have been converted using the Tokyo foreign exchange market rate as of August 7, which is 20.55 yen = 1 yuan).

**[WIC is home to companies from 30 countries]**



Japan, USA, Germany, United Kingdom, France, Italy, Canada, India, Brazil, Australia, Indonesia, Saudi Arabia, Spain, Netherlands, Switzerland, Poland, Sweden, Belgium, Austria, Norway, Ireland, Denmark, Finland, Thailand, Singapore, United Arab Emirates (UAE), Vietnam, Israel, South Korea, New Zealand

**■ Rent revenue and innovation revenue are the two main revenues**

China, one of the world's leading technological powers, leads the world in fields such as AI and communications. We will collaborate with the 13 provinces and 4 municipalities of China, which are the central of the economy, to create opportunities for supporting joint ventures with major high-tech companies from Japan, USA, and Europe, including the companies which set up at WIC. With the

support of the Ministry of Commerce, People's Republic of China, we have already negotiated with many provinces and municipalities and have obtained agreements from the local authorities.

The Chinese companies are speedy in making decisions and have high applied technological capabilities, while the Japanese, American and European companies have strong technological foundations. We will create innovation by utilizing the strengths of each company. Furthermore, WIC's home city, Shenzhen, is one of the world's leading clusters of startup companies. We will develop various innovation business, such as acting as an intermediary between approximately 30,000 startup companies recommended by Shenzhen government and Japanese, American and European companies.

By focusing on innovation business even before the grand opening, we aim to increase innovation revenue to the same level as rent revenue.

**■ First investment project: Expanding to Europe, USA and Asia**

We are positioning the WIC project as the first step in our full-scale investment business. We will expand our business in Europe, USA, Asia, and other regions in the future. As our business expands in other regions, the proportion of our Chinese business will decrease, and we expect it to account for about half of our total revenue in the future.

Regarding the development of the WIC project, we will continue to hold specific discussions with the relevant authorities, including Shenzhen government. Once the detailed plan and schedule are finalized, we will make the announcement accordingly. In addition, we consider the impact of this matter on our consolidated financial results for this fiscal year will be minor.

Attachment: WIC Project Evaluation & Revenue Model

## **Attachment: "World Innovation Center (WIC)" Project Evaluation and Revenue Model**

The WIC project, currently being promoted by Shenzhen Crown (China) Electronics Co., Ltd., has essentially received development permission from the Chinese government, with the approval of the implementing entity for Block 01-01 and all amendments to the same block's construction indicators in Urban Renewal Unit Plan Amendment (Draft). Following the approval of the total floor area, we have calculated the approximate construction costs and land costs for both the buildings and land currently involved. In addition, we also conducted a real estate valuation for the project at the same block after completion. The revenue models indicated by our group for the rental management and innovation businesses are shown below. Please note that the figures in the revenue model are target figures based on the information currently available to us and certain assumptions deemed reasonable, and include potential risks and uncertainties. Therefore, actual performance may differ from the revenue model due to various factors. (The yen figures in this text have been converted using the Tokyo foreign exchange market rate as of August 7, which is 20.55 yen = 1 yuan)

1. Construction Costs and Land Costs: Approximately 4.5 billion yuan (approximately 92.5 billion yen) (20.55 yen = 1 yuan)

2. Real Estate Appraisal Value: 301 billion yen

With the approval of the development permission, the real estate appraisal value of Urban Renewal Unit Plan Block 01-01 after completion will be approximately 301 billion yen (14.649 billion yuan).

(Based on an appraisal report from a first-class real estate appraisal company recommended by Guangdong Province).

3. Revenue Model

(1) Rental Management Business

Land Area: 21,991 square meters

Total Floor Area (including basements): 454,000 square meters

#### Rental Area, Operating Revenue, and Operating Profit

Item	Rental Area, etc	Operating Revenues (Million Yen)	Operating Profit (Million Yen)
Office	251,460 square meters	23,253	13,115
Residence	78,700 square meters	3,881	2,189
Commercial	12,000 square meters	1,480	834
Parking lots (basements)	59,385 square meters (1,400 lots)	276	156
Total	-	28,890	16,294

#### (2) Innovation Business

Over 200 leading foreign companies from 30 countries around the world are expected to set up their operations at WIC. WIC will provide a variety of information and services to these major foreign companies, as well as major companies and startups in Shenzhen at the surrounding area, and will provide strong support for these companies in creating new innovations.

We will begin the preparations for these businesses as the construction of WIC begins, and they will begin contributing to business performance from the fiscal year ending March 2028. We aim to achieve the following operating revenue after the project is completed.

Item	Revenues details	Operating Revenues (Million Yen)	Operating Profit (Million Yen)
13 provinces and 4 municipalities-related business	Membership fees and commission income	1,400	420
Mobility-related business	Commission income	1,000	300

Startup collaboration business	Membership fees and commission income	200	60
AI enterprise solutions business	Consulting income	300	90
Recruitment business	Recruitment fees	4,680	1,404
Total	-	7,580	2,274

END