

Q4

Securities
Code

3300



A M B I T I O N

2021

Supplementary Financial Materials

Fiscal Year Ended June 2021 (Full-Year)

August 13, 2021 (Friday)

Ambition Corporation

ISIN JP3128650003

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**Forecast for Fiscal Year Ending
June 2022**

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Policy for the Fiscal Year Ended June 2021

A year of establishing a growth base as a real estate DX company

⇒ Promote DX (digital transformation) companywide and achieve operating efficiencies and changes in ways of working.

Full-year Forecast

Net sales: **30,529** million yen (up **11.4%** year on year)

Operating profit: **978** million yen (up **6.1%** year on year)

Both net sales and operating profit increased.

Policy for the Fiscal Year Ending June 2022

Plan to change the company name in October to **Ambition DX Holdings Corporation**.*

Change the real estate business through DX and achieve rapid growth from the next fiscal year.

* The company name will change only if changing the company name is approved in the annual shareholders' meeting to be held on September 29, 2021.

Full-year Forecast

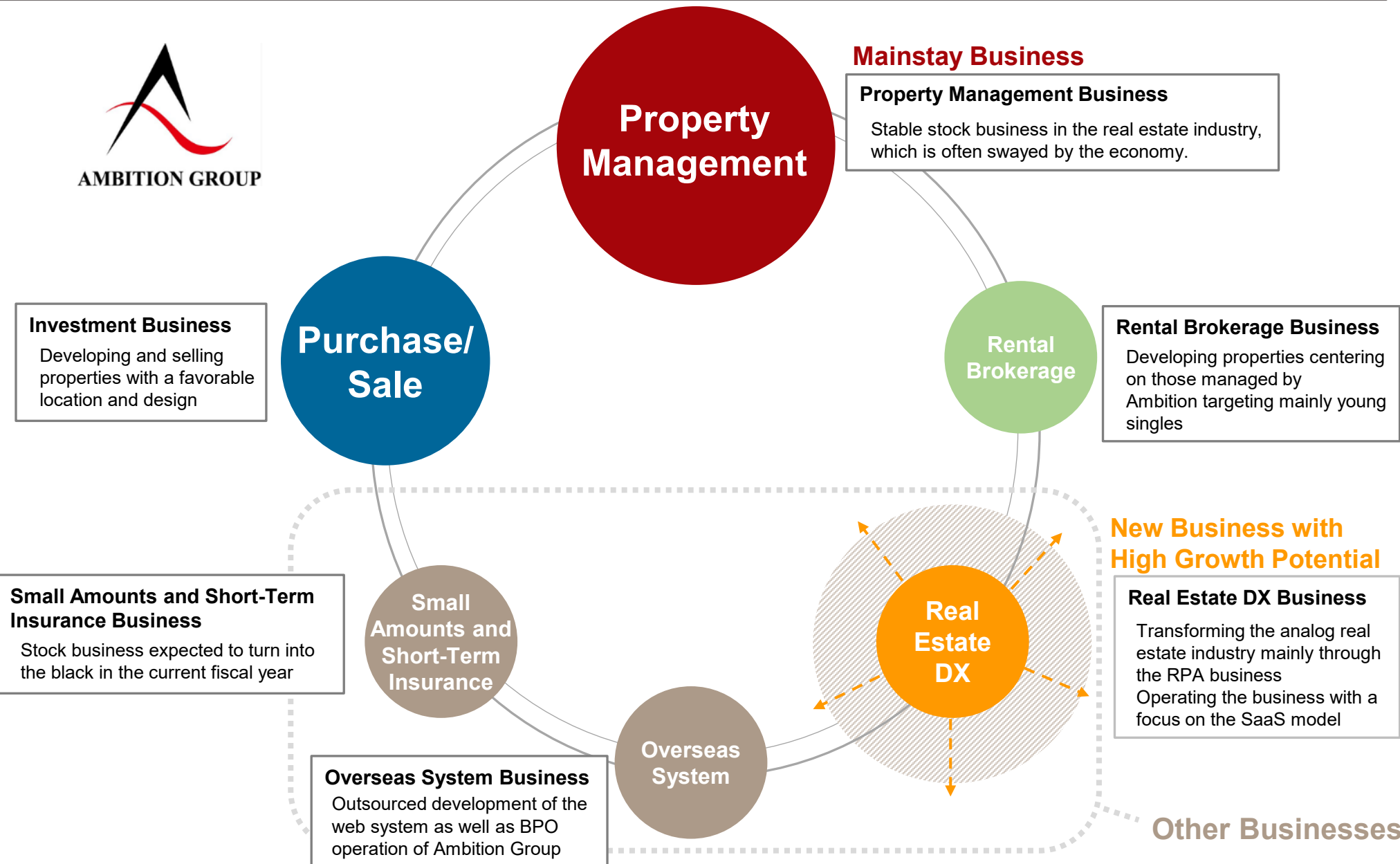
Net sales: **30,605** million yen (up **0.2%** year on year)

Operating profit: **1,226** million yen (up **25.4%** year on year)

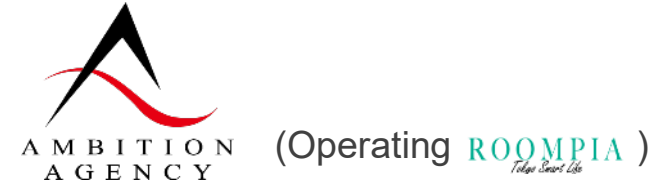
Net sales will increase only slightly, but operating profit will see a double-digit increase, chiefly due to advancing DX.

01

Business Segments and Major Topics in Fiscal Year Ended June 2021



In March 2021 (Q3), AMBITION was ranked **No. 1 in the management of designer condominiums in Tokyo** and **No.1 in the reliability of owners of sublease units**. In July 2021 (Q1 of the fiscal year ending June 2022), AMBITION AGENCY, a subsidiary engaging in the Rental Brokerage Business, was ranked **No. 1 in customer confidence among real estate companies in Tokyo**.



Ranked No.1 in two categories

Ranked No.1



No.1
 in the management of
 designer condominiums
 in Tokyo



No.1
 in the reliability of
 owners of sublease units



No.1
 in customer confidence
 among real estate
 companies in Tokyo

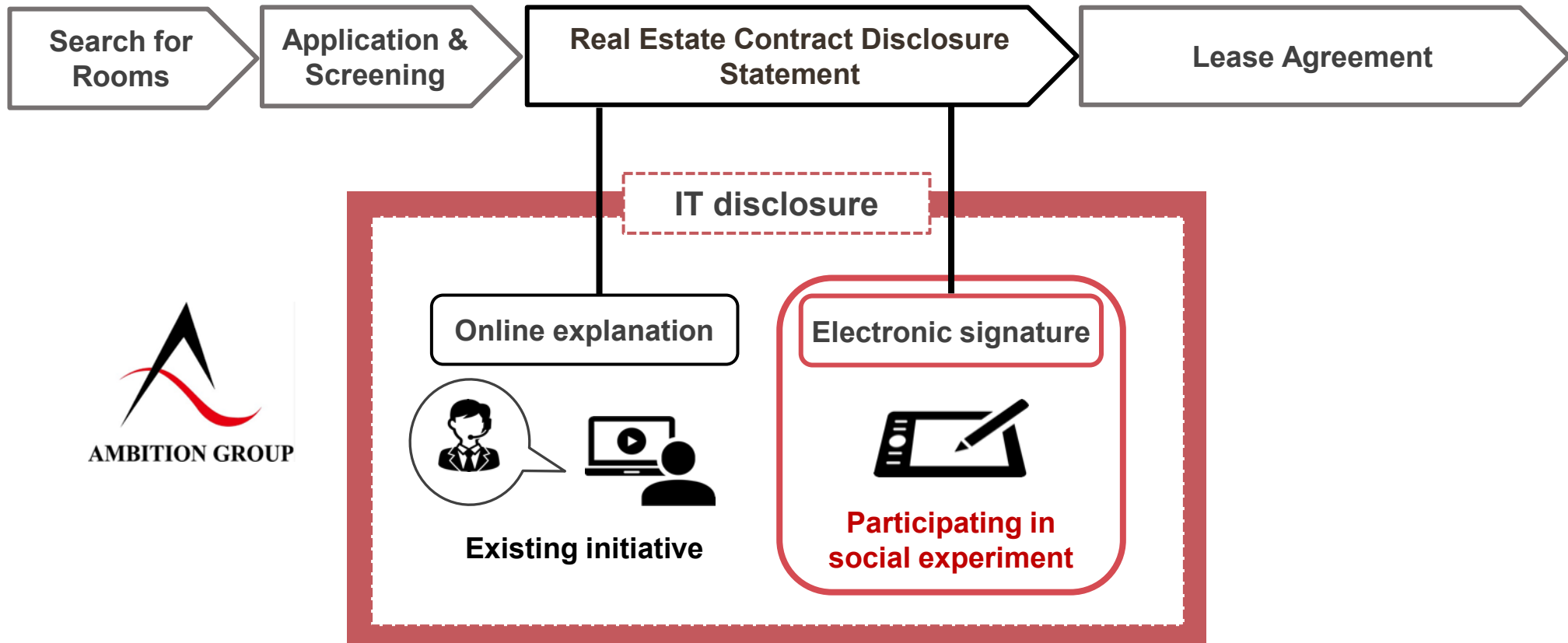
Survey by Japan Marketing Research Organization
 Outline of the survey: Brand image survey for the fiscal year ended March 2021

Survey by Japan Marketing Research Organization
 Outline of the survey: Brand image survey
 for the fiscal year ended April 2021

Participation in Social Experiment to Realize A Society Where Real Estate Contract Disclosure Statements Are Explained Online (3Q)

In February 2021, AMBITION was certified by MLIT as a **business operator enrolled in a social experiment to realize a society where real estate contract disclosure statements** are explained online (IT Disclosure). This has enabled electronic agreements for the Explanation of Real Estate Contract Disclosure Statement, in addition to the provision of online explanations that have been promoted.

[Steps to be taken by residents]



Changed name of Real Estate Tech Business to Real Estate DX Business in the current fiscal year

Basic policy: Focusing on product development by combining development by the Group and alliances in a balanced way, and transforming labor-intensive real estate business through DX

Strengths of Ambition



Product Development Structure

Development by the Group



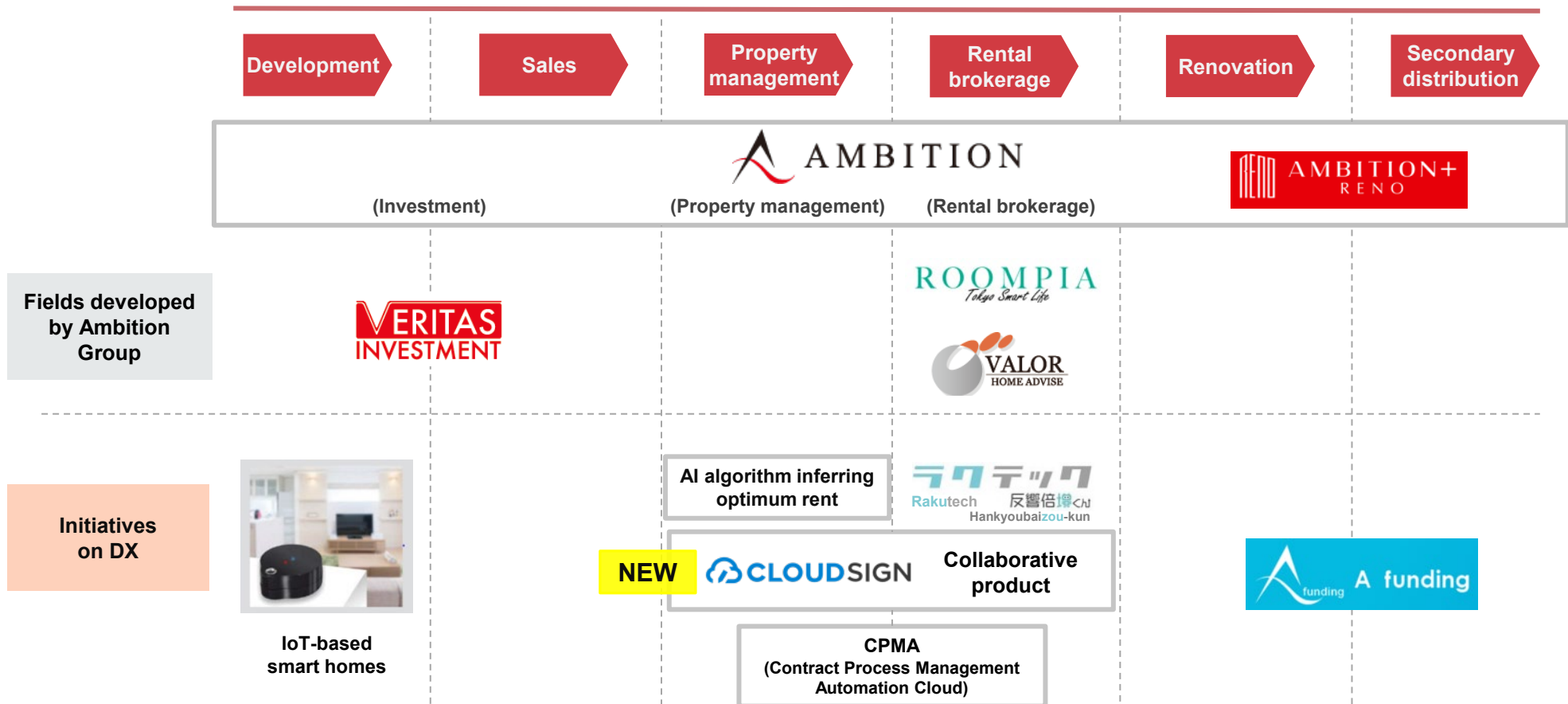
AMBITION
Development subsidiary in Vietnam, etc.

Building Alliances



- As **STEP 1**, initially focus on DX initiatives in the real estate industry with the aim of accelerating growth in Group businesses and creating new revenue sources in an SaaS format in the real estate field.

Business Value Chain



- Next, as **STEP 2**, we launched new customer-oriented services (for consumers) in the real estate field. We launched the services on April 26. (P.45)
- Finally, as **STE 3**, we will consider branching out into new fields beyond real estate.



NEW



An app matching users who are searching for rooms with real estate brokers/salespeople



(Contract progress management system)

As a new measure in **STEP 1**, we are developing new products along the following two axes through integration with the web-based cloud contract service Cloudsign provided by Bengo4.com, Inc. (6027). We plan to release products one by one.



External product development

- Developed a package of IT Disclosure and electronic contract service Cloudsign, and plan to start trial operation for properties managed by the Company in late August. (p. 44).
- Plan to continue updating functions and enhance the quality, and to start selling the package to outside customers, real estate companies in the second half of the fiscal year ending June 2022.

Improvement of own productivity

- Use of Cloudsign in communication with existing customers in the Property Management Business
- Plan to integrate the contract progress management system CPMA in the Property Management Business before the end of the year
Also aiming to introduce it for new contracts (p. 28)

In April 2021, AMBITION was selected by METI as a **DX-certified operator**.

We remain proactive in promoting DX in the real estate industry while continuing to accelerate internal DX. We will thus contribute to the evolution of the industry through creation of new value.



■ What is DX Certification?

In this program, business operators instituting excellent initiatives are certified upon application, in accordance with the guidelines on operation and management of information processing systems that were formulated by METI based on the Act on Partial Revision of the Act on Facilitation of Information Processing that came into force on May 15, 2020. It certifies business operators meeting criteria, such as formulation of a vision and establishment of strategy and system, aiming to promote DX in the overall society.

In April 2021, AMBITION established the **DX Property Promotion Association**, a general incorporated association, jointly with seven other companies. The purpose of its establishment is to solve various social issues by applying IoT, AI, and other advanced technologies in the real estate field and promote and activate DX, so as to help improve the environment and convenience for residents. **President Shimizu of AMBITION** was assigned as **its director**.

DX 不動産推進協会
DX PROPERTY PROMOTION ASSOCIATION



Robot Home

Casa



GA TECHNOLOGIES



ReResidence **kit**



02

Overview of Financial Results

Net sales rose 11.4% year on year and exceeded 30.0 billion yen.

Ordinary profit and the profit lines above it fell short of the forecasts because profits in the mainstay Property Management Business were less than the forecasts due to COVID-19.

Profit attributable to owners of parent exceeded the forecast due to a gain on sale of securities and recorded high growth, a rise of 81.6% year on year.

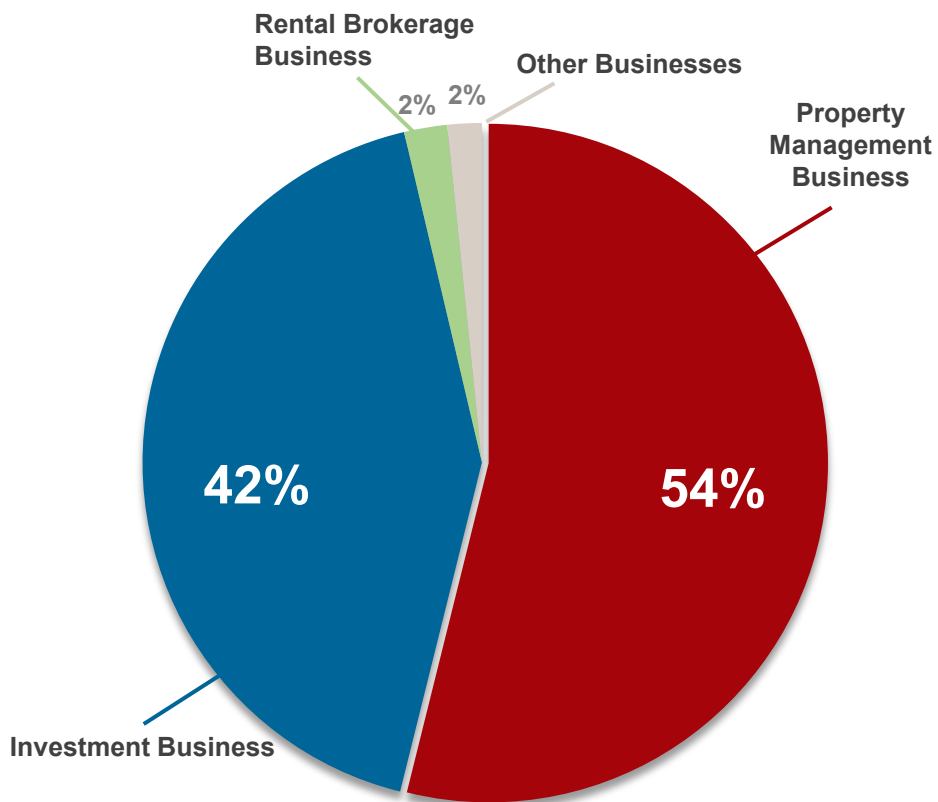
(Unit: million yen)	Results for fiscal year ended June 2020 (A)	Forecast for fiscal year ended June 2021	Results for fiscal year ended June 2021 (B)	YoY comparison (B/A)
Net sales	27,414	30,628	30,529	+11.4%
Gross profit from sales	5,241	5,955	5,511	+5.1%
Selling, general and administrative expenses	4,319	4,834	4,533	+4.9%
EBITDA*	1,173	1,372	1,231	+4.9%
Operating profit	921	1,121	978	+6.1%
Ordinary profit	817	961	897	+9.8%
Profit before income taxes	710	961	966	+36.0%
Profit attributable to owners of parent	327	589	595	+81.6%

* EBITDA = Operating profit + Depreciation + Software Depreciation + Amortization of Goodwill

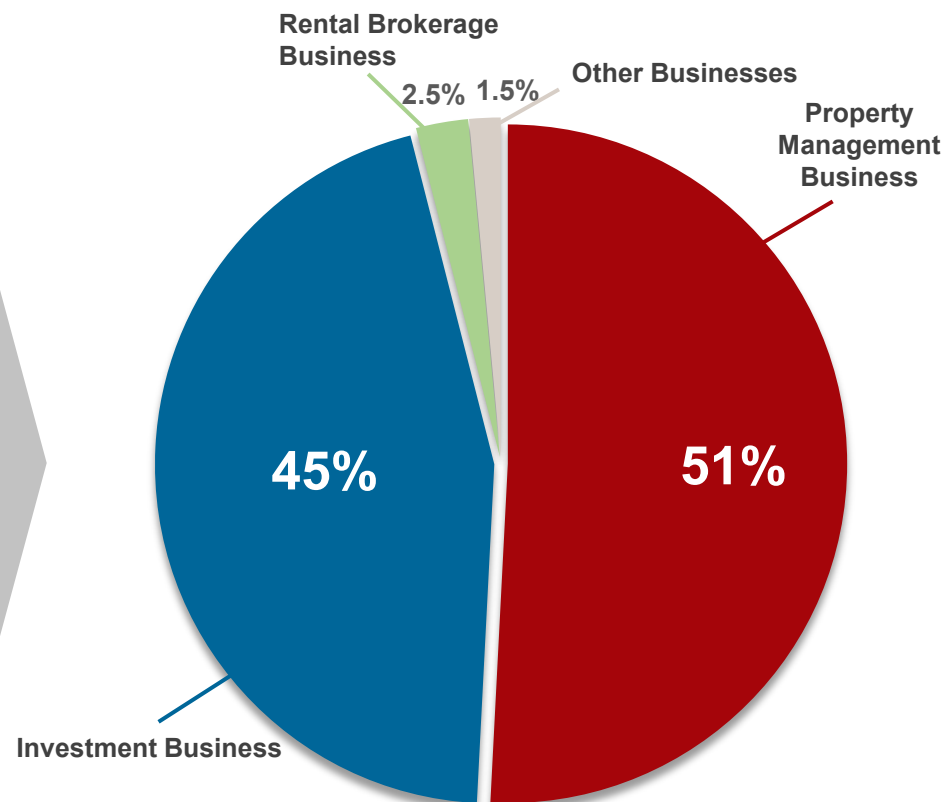
Ratio of Net Sales by Segment

Fiscal year ended June 2020: The mainstay Property Management Business accounted for the largest share of net sales (54%).

Fiscal year ended June 2021: The ratio of the Investment Business increased. The Property Management Business still accounted for the largest percentage (51%).



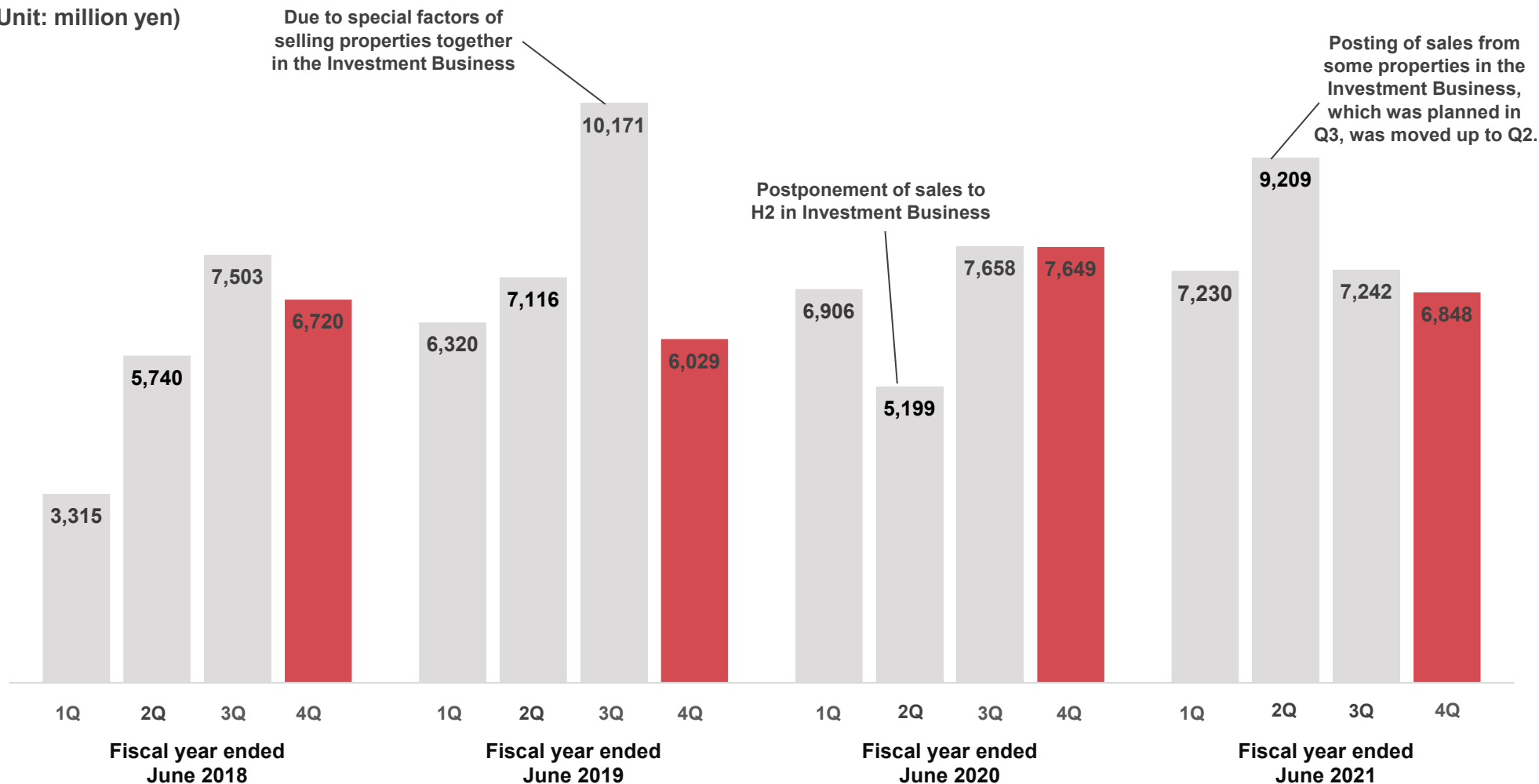
Fiscal year ended June 2020



Fiscal year ended June 2021

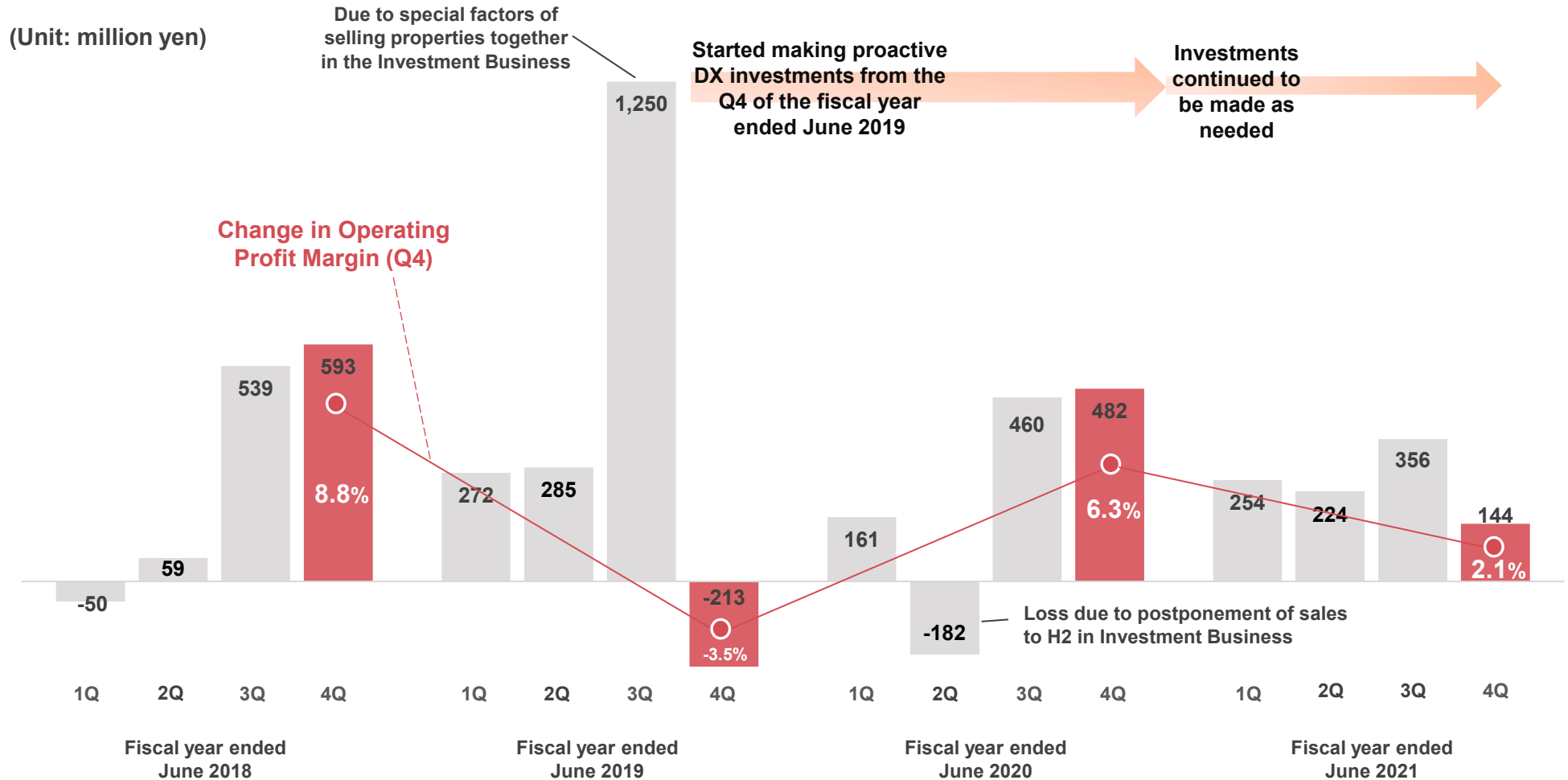
While sales normally tend to be concentrated on H2, in the fiscal year ended June 2021, posting of sales from some properties in the Investment Business, which was planned in H2, was moved up to H1. This resulted in a concentration of sales on Q2.

(Unit: million yen)



The operating profit margin tends to rise in Q3, which is the busy period of the rental business sector (PM & Rental Brokerage).

While DX investments are made as needed, operating profit was reported in all four quarters in the fiscal year ended June 2021.



Net assets rose with an increase in real estate for sale in process that resulted from property development by Veritas Investment, a subsidiary.

The decrease in net assets was due to loss on valuation of securities.

(Unit: million yen)	End of the fiscal year ended June 2020	End of the fiscal year ended June 2021	Amount of change
Current assets	9,395	13,079	3,684
Non-current assets	5,819	4,564	-1,255
Deferred assets	4	4	0
Total assets	15,219	17,648	2,429
Current liabilities	5,639	4,728	-911
Non-current liabilities	5,682	9,067	3,385
Net assets	3,897	3,852	-45
Total of liabilities and net assets	15,219	17,648	2,429
Equity ratio	25.5%	21.8%	-3.7%

03

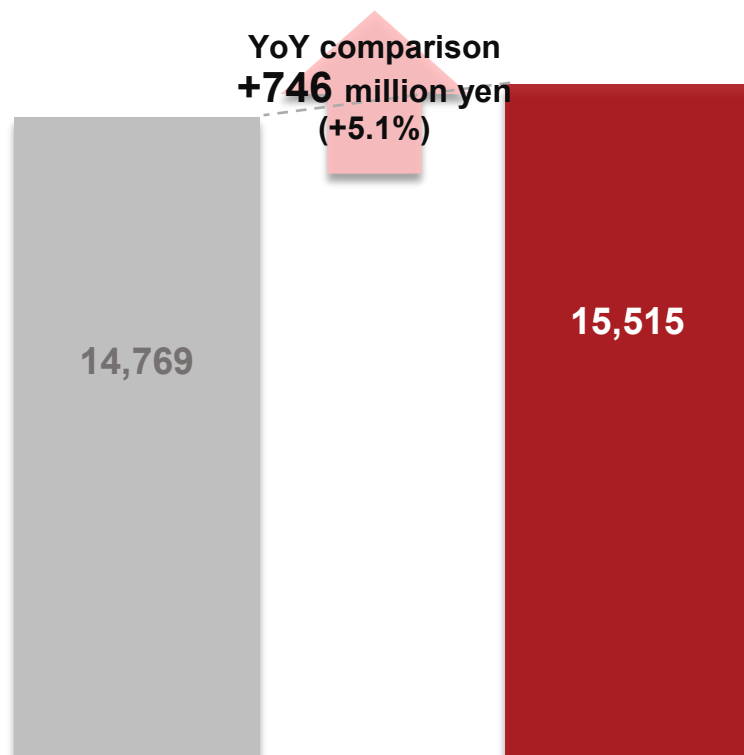
Individual Business

Property Management Business

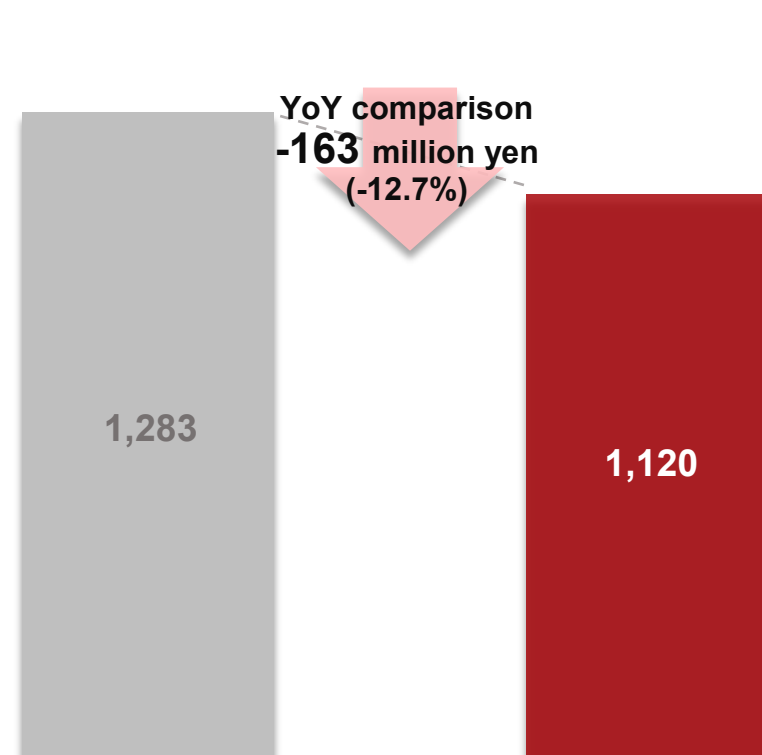
**(Mainly operated by AMBITION with some engagement
by Veritas Investment and VALOR)**

- Net sales rose 5.1% year on year due to an increase in the number of units managed, which is the KPI.
- Segment income fell 12.7% year on year.
This was due to investments made in DX, in addition to the continuing costs of finding tenants until the end of the fiscal year to address a fall in the occupancy rate in Q2, caused by a combination of more new properties being managed and COVID-19.

Net Sales (million yen)



Segment Income (million yen)

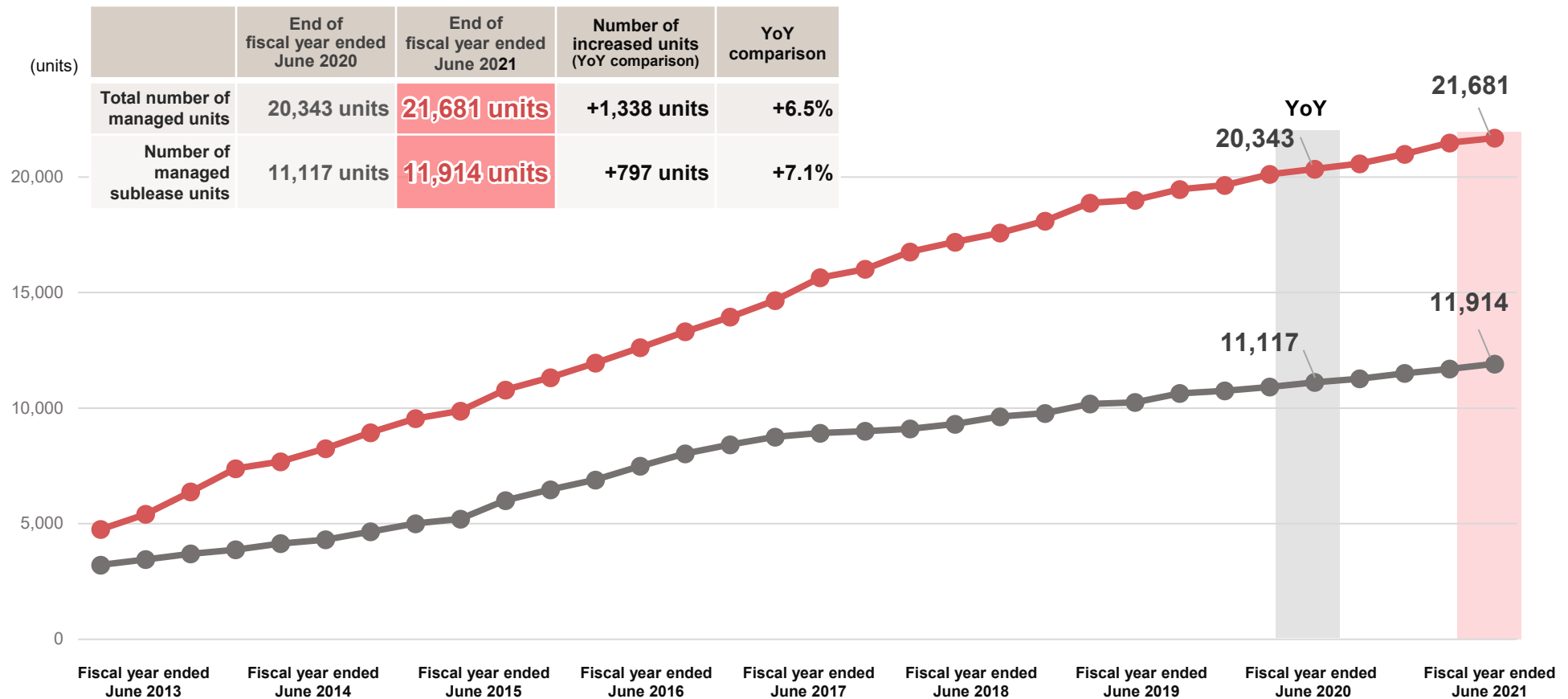
Fiscal year ended
June 2020Fiscal year ended
June 2021Fiscal year ended
June 2020Fiscal year ended
June 2021

Key Performance Indicator (KPI): Change in the Number of Managed Units

Our mainstay Property Management Business is a stock business, and the number of managed units, which is the KPI, regardless of economic situation, is increasing steadily.

— Usually, the growth rate tends to slow when the number of managed units exceeds 20,000, but Ambition continues to maintain a growth rate higher than the industry average with its unique know-how and network

Change in Number of Managed Units and Sublease Management Units

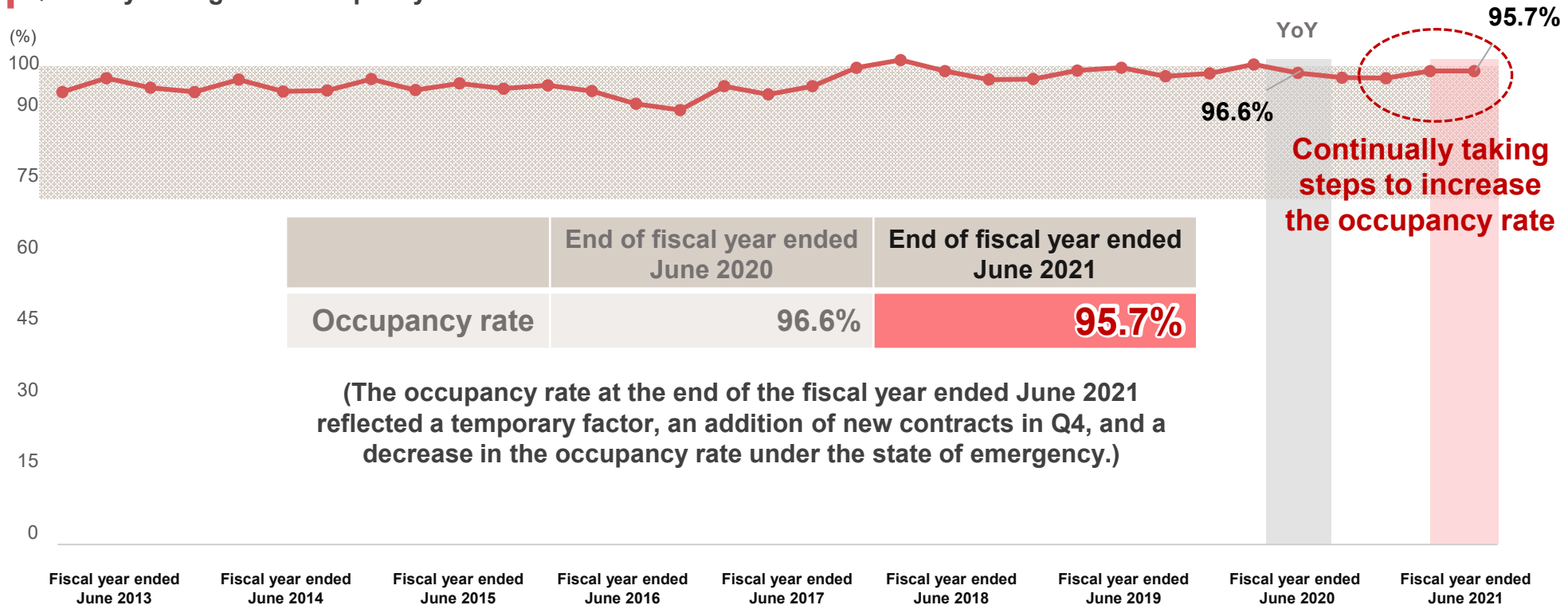


Owning several quality properties, such as designer condominiums, mainly in the 23 wards of Tokyo, which is seeing high demand.

Also maintaining a high occupancy rate compared to many competitors by operating a rental brokerage business within the Group.

- **Managed properties:** Mainly quality studio condominiums such as designer condominiums
- **Area:** Concentrated in Tokyo (mainly in the 23 wards) + Kanagawa, Chiba and Saitama prefectures
- **Target group:** Mainly the young demographic

Quarterly Changes in Occupancy Rate



Further promote real estate DX

Measure 1.

Continue to promote RPA in typical work (Rakutech was developed for other companies)

Measure 2.

Introduce multiple new systems for the promotion of next-generation management

Fiscal year ended June 2021

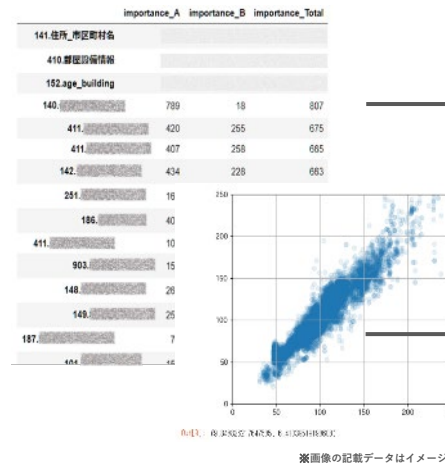
- Q1: Test introduction of CRM (Customer Relationship Management System) combining CTI (Computer Telephony Integration) and IVR (Interactive Voice Response)
- Q2: Introduction of repair and maintenance management system
- Q3: Implementation and introduction of a key delivery reservation function

Fiscal year ending June 2022

- Q1 (July): Test introduction of property management system
- Future: Planning introduction of claim management system

Measure 3.

Develop a unique AI algorithm that maximizes Lifetime Value, and realize automated calculation of optimum rent



Aggregation and analysis of our rental big data (several million) using AI

Deduction of optimum rent/plan for maximizing property income by AI



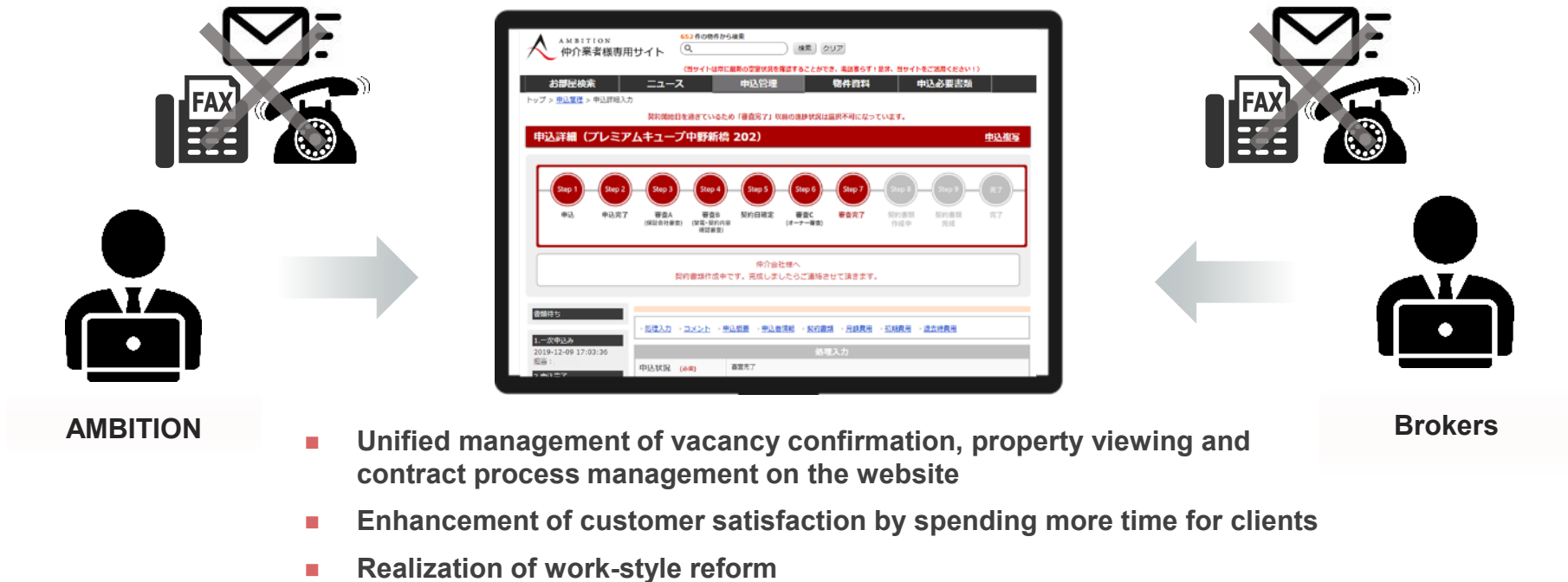
Improving customer satisfaction through real estate DX

Measure 4.

Introduced CPMA*, a contract progress management system for the online visualization of communication with brokers conducted via phone or FAX, in October 2018

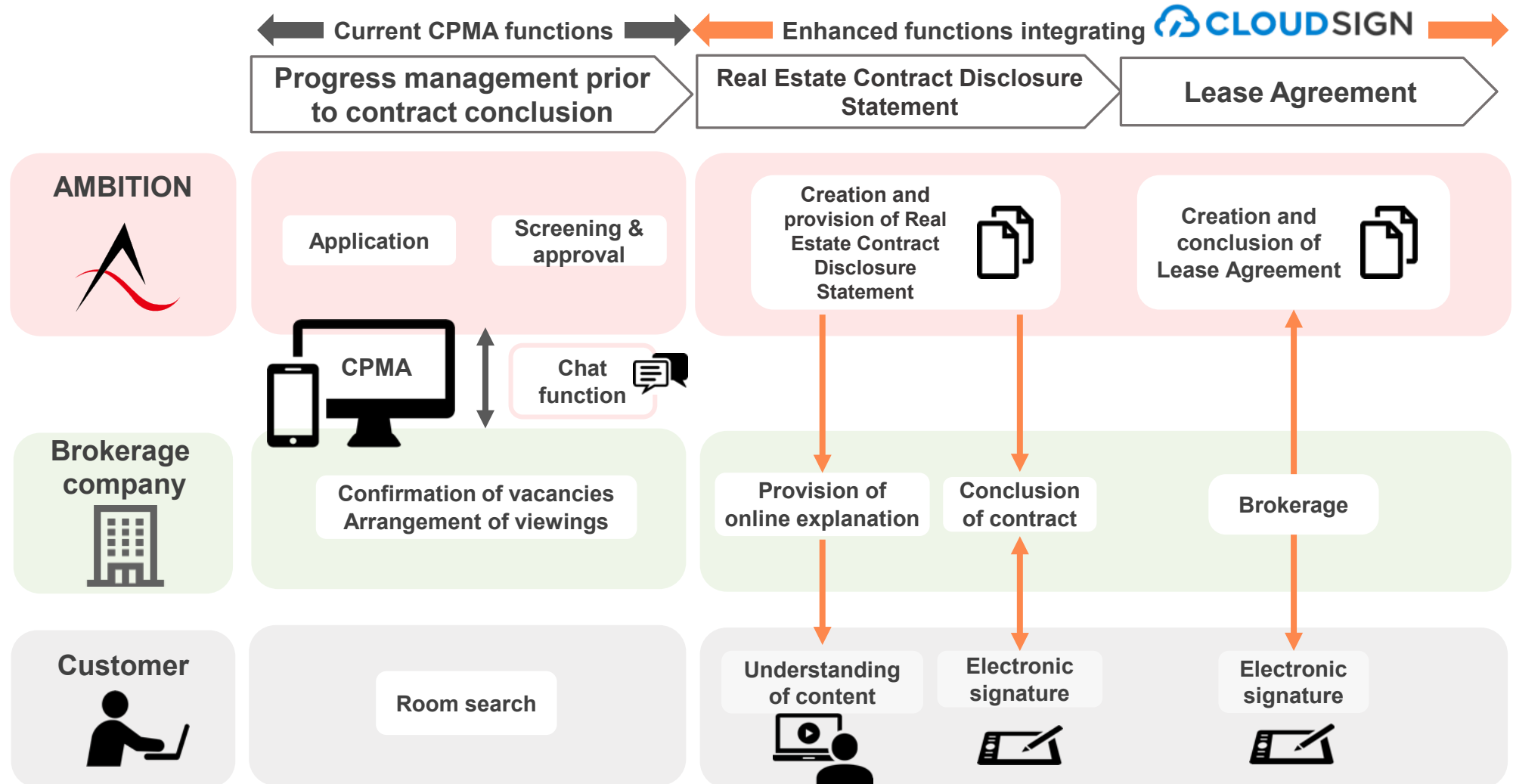
⇒ Customizing the system from time to time to increase business efficiency

CPMA, contract progress management system



* Acronym of Contract Process Management Automation

By integrating Cloudsign with CPMA, the contract progress management system used in the Property Management Business, we will achieve greater business efficiency and higher productivity.

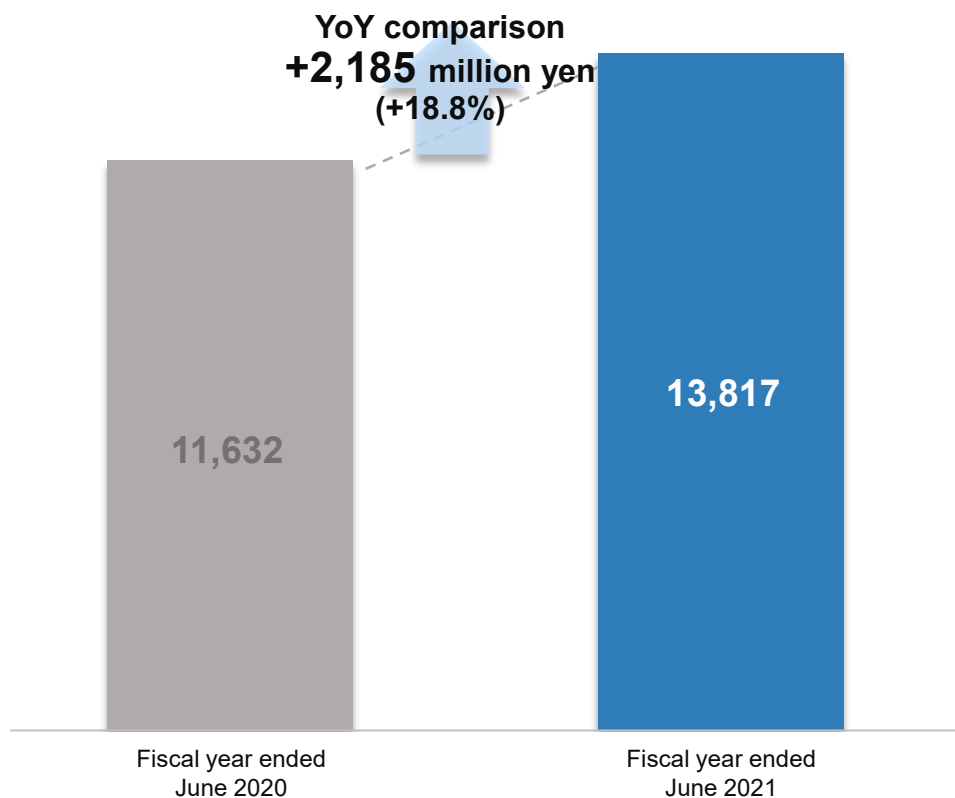


Investment Business

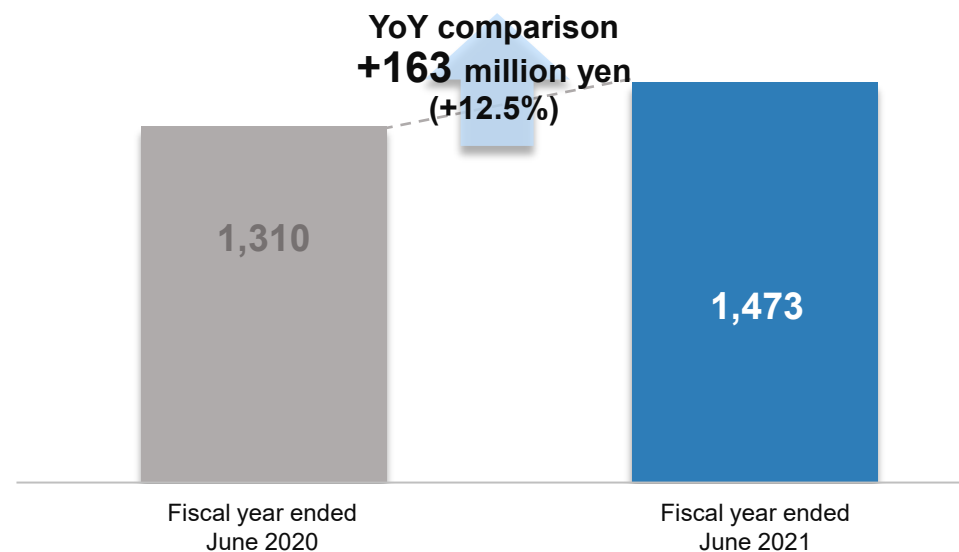
**(Mainly operated by Veritas Investment with some engagement
by AMBITION's Investment Department)**

- Net sales increased 18.8% year on year, reflecting settlement periods, which were extended due to COVID-19 but which returned to normal in the first half, in addition to the posting in Q1 of sales (around 1.5 billion yen) postponed from the previous fiscal year.
- Segment income grew 12.5% year on year, reflecting the increase in net sales.

Net Sales (million yen)



Segment Income (million yen)



Mainly operated by Veritas, a subsidiary that has strengths in new properties developed by the Group



Veritas Investment (Consolidated subsidiary)

**Sale of new studio condominiums
for investment**

Characteristics and
strengths

Favorable location
Tokyo Premium Area

×

Favorable design
Stylish designer condominiums

Number of units where
payment settlement
was completed
(in the full year)

280 units (down 15 units year on year)

**PREMIUM CUBE series curated by a
famous designer is very popular**



Investment Department

**Renovation/sale of for-sale
condominiums**



Renovation brand

Focusing on location
(Tokyo Premium Area)

**Capable of purchasing properties
through various channels**

99 units (up 28 units year on year)

**Also developing
a crowdfunding business**



VERITAS
 INVESTMENT

1Q

- Jul. 2020 Launch of sales of LUMEED CUBE Kikukawa PREMIUM

2Q

- Oct. 2020 Launch of sales of PREMIUM CUBE Komagome
- Oct. 2020 Launch of sales of PREMIUM CUBE Morishita

3Q

- Jan. 2021 Launch of sales of PREMIUM CUBE Nakano
- Feb. 2021 Launch of sales of PREMIUM CUBE G Kita-Shinjuku DEUX
- Mar. 2021 Launch of sales of PREMIUM CUBE Higashi-Nakano

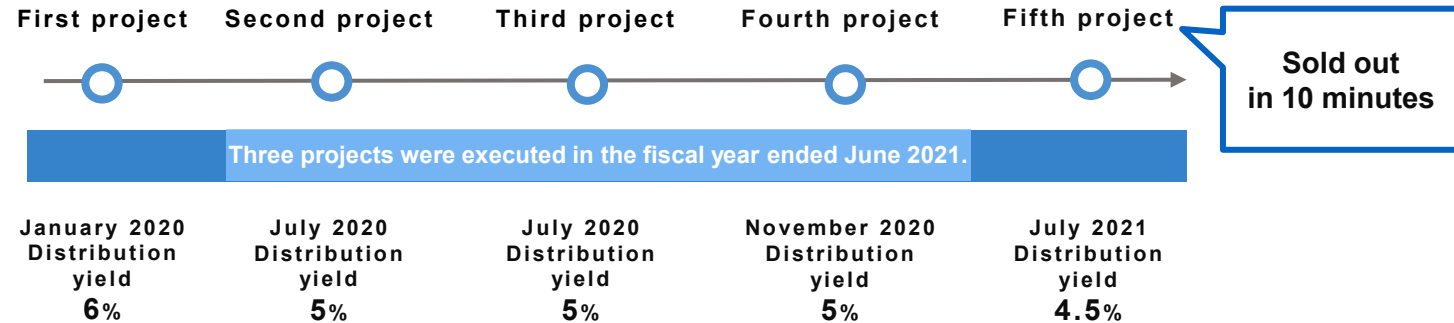
4Q

- Jun. 2021 Launch of sales of PREMIUM CUBE Ryogoku DEUX

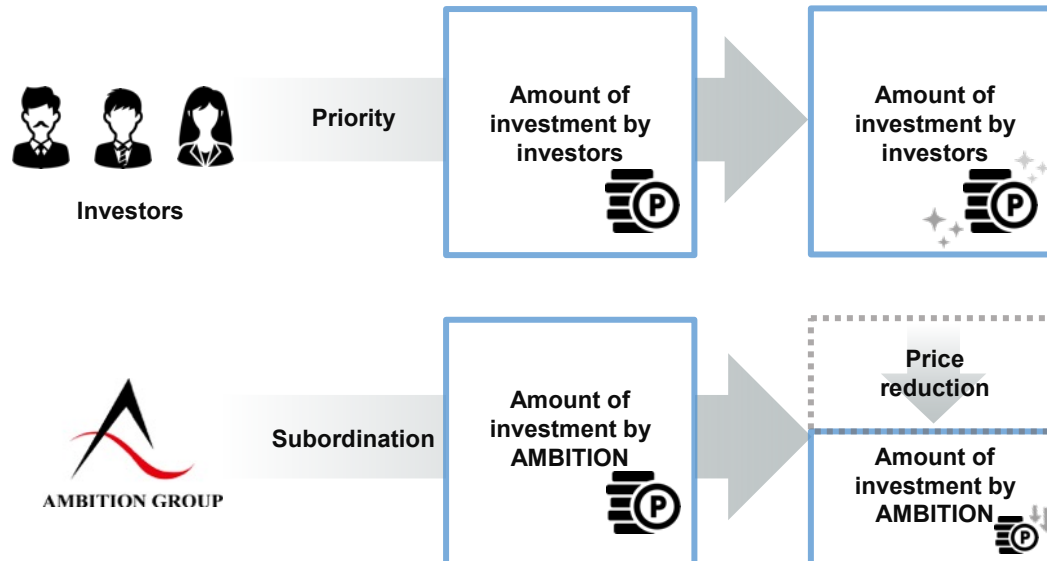


A funding, a crowdfunding service for real estate investment, enables online real estate investment in small amounts from 10,000 yen per unit.

Conduct speedy distribution with high returns exceeding the industry average



[Priority and Subordination Scheme Subordinated equity investment by AMBITION]



Even if the price of real estate in which investments are made decreases, it will be offset by the amount invested by Ambition. It is popular as a low-risk financial instrument as it preferentially protects the amount invested by investors.

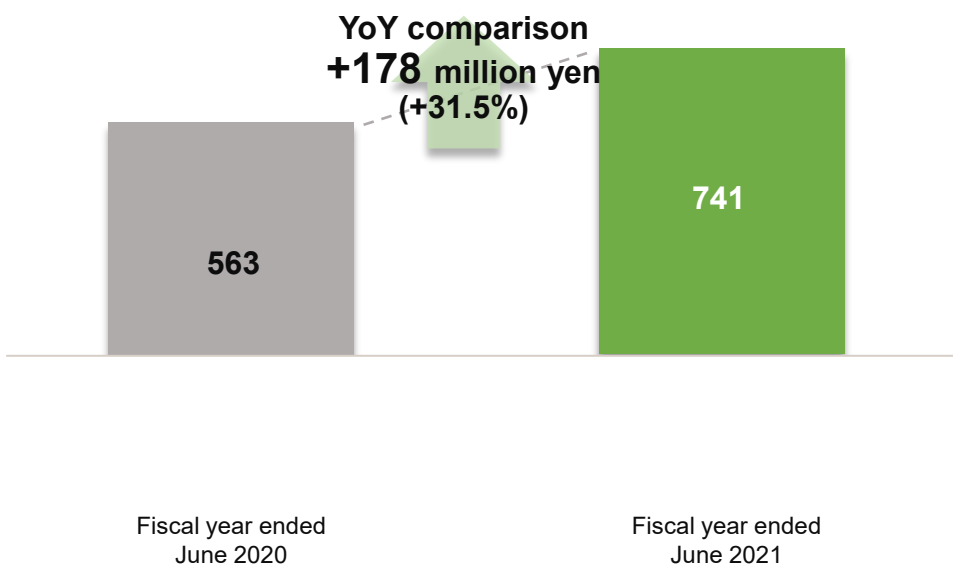
It is enjoying a favorable reputation as many people are on the waiting list immediately after the start of solicitation (2 minutes at the shortest)

Rental Brokerage Business

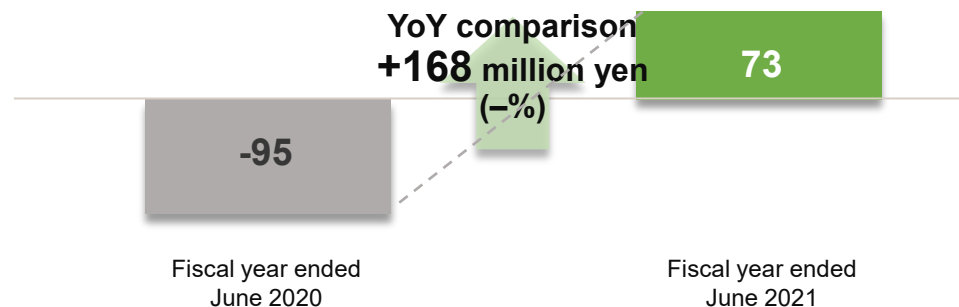
**(Operated by Ambition Rent and Ambition Partner
in addition to Ambition Agency and VALOR)**

- Net sales increased a whopping 31.5% year on year due in part to successful online customer attraction through the strengthening of our advertising strategy, in addition to a favorable performance in remote customer attraction.
- In terms of segment profit and loss, we recorded a higher profit in Q3, the busy season, than in a usual year and returned to the black for the full year on improvements in productivity per store (following the strengthening of remote customer attraction and reduction of selling, general and administrative expenses with the introduction of the AI × RPA tool Rakutech).

Net Sales (million yen)



Segment Income (million yen)



Although Ambition intends to change its area of focus to attracting customers mainly through websites, it possesses as one of its strengths the leasing capabilities of brick-and-mortar stores, which helps to maintain a high occupancy rate in the mainstay Property Management Business.



(Ambition Agency)



(VALOR)



Opening of
branch in Q2

+1 branch

Opened Roompia Ikebukuro Higashiguchi, which will become a model branch of next-generation room searches, in November 2020

No new
branch as of
the end of Q3
in the current
fiscal year

- Successfully reduced personnel in input operations and increased the number of inquiries substantially with the introduction of AI x RPA tool Rakutech
- Strengthen remote customer service and VR property viewing
- Plan to start trial operation of a package of IT Disclosure and electric contract service Cloudsign for properties managed by the Company from late August

Number of current branches

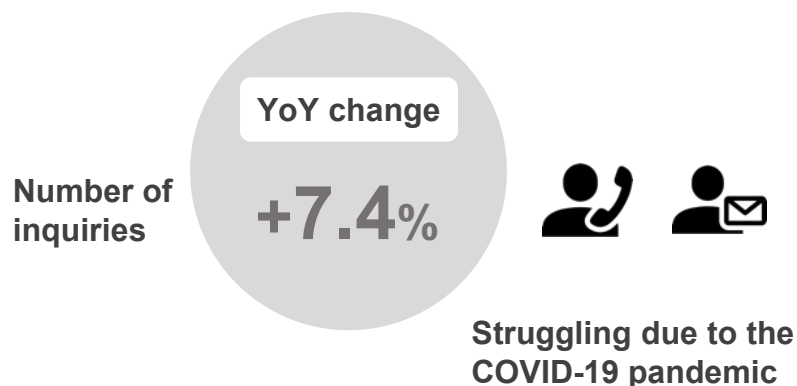
6 branches

7 branches

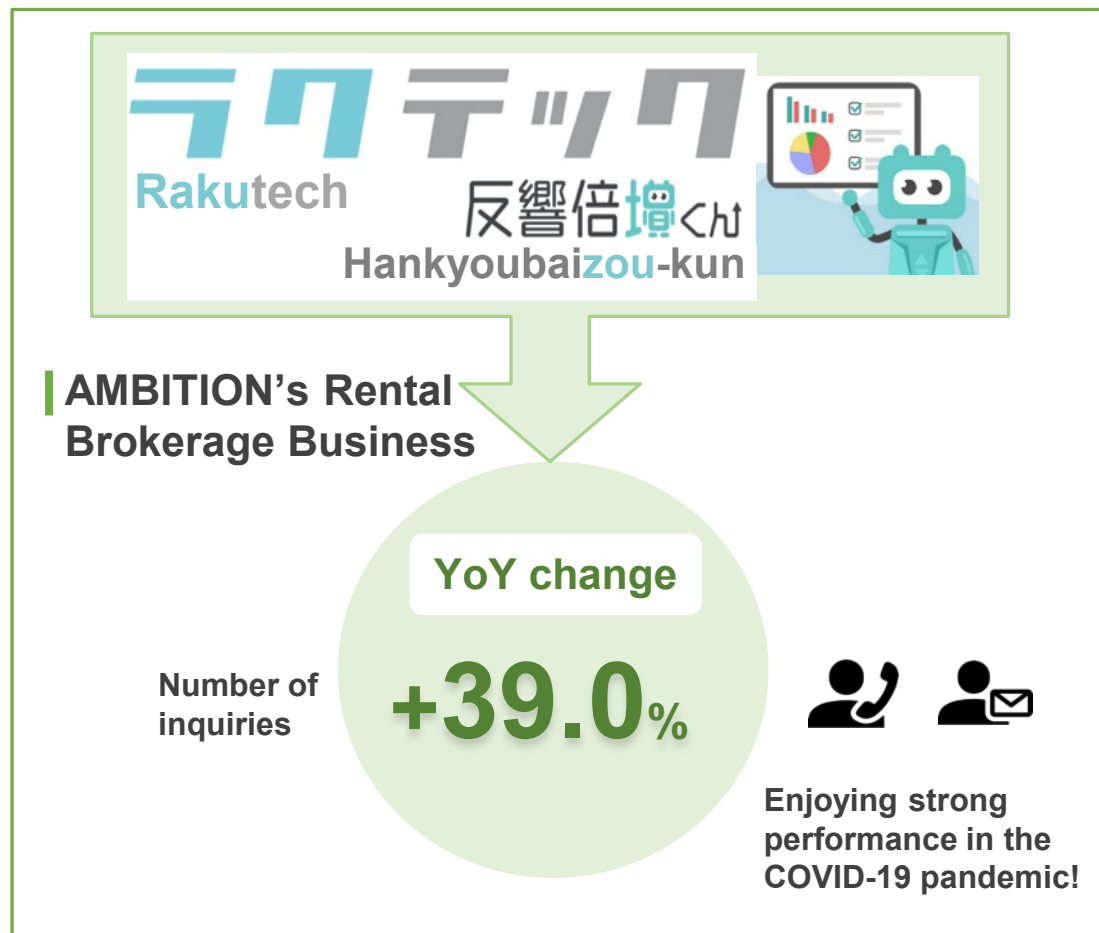
(5 branches in Tokyo, 7 in Kanagawa, and 1 in Saitama)

The Rental Brokerage Business of AMBITION saw an increase in the number of inquiries due to the use of AI x RPA tool Rakutech.

Overall rental brokerage industry in the Tokyo Metropolitan Area*2



AMBITION's Rental Brokerage Business



*1 In Q3 in the fiscal year ended June 2021

*2 Source: A business sentiment survey of local real estate brokers by At Home Co., Ltd. (Jan-Mar quarter of 2021)
<https://athome-inc.jp/wp-content/themes/news/pdf/keikyokan-2021-firstquarter/keikyokan-2021-firstquarter.pdf>
(Japanese only)

AMBITION AGENCY's PR Strategy

PR strategy using celebrities

Announced January 13, 2021 (3Q)

Participated in Project to Energize Japan from Small and Medium Enterprises for which Atsushi Tamura of the London Boots comedy duo serves as official ambassador



Digital Marketing

- Strengthen communication and PR capabilities by using influential celebrities in online ads.
- Seek to create a buzz and improve recognition and ability to attract customers.



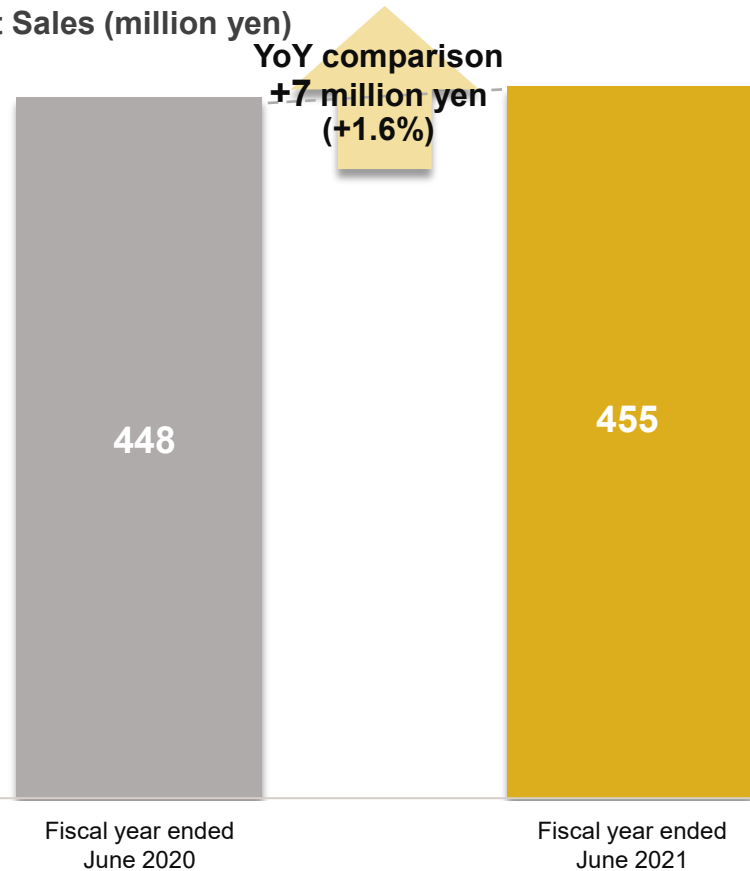
Project URL: <https://nippon-smes-project.com/>

Other Businesses

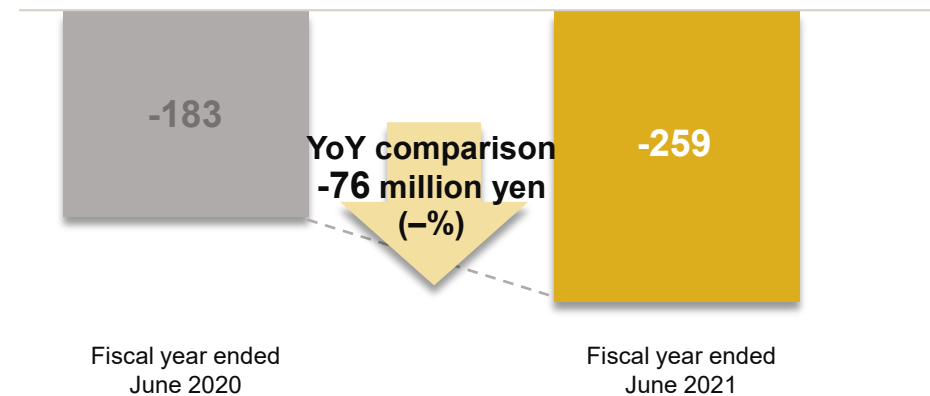
- Real Estate DX Business (Re-Tech RaaS, a new company)
- Small Amounts and Short-Term Insurance Business (Hope)
- Hotel Business (Ambition)
- Overseas System Business (Ambition Vietnam)

- Net sales increased 1.6% year on year, reflecting an increase in the Small Amounts and Short-Term Insurance Business due to an increase in the number of new contracts, which was partially offset by a significant adverse impact from COVID-19 on the Hotel Business.
- In terms of segment profit and loss, the loss in the Hotel Business and upfront investment in DX (approx. 200 million yen) resulted in an increased loss, although the Small Amounts and Short-Term Insurance Business moved into the black.

Net Sales (million yen)



Segment Income (million yen)



Rakutech, a tool combining AI and RPA launched as a SaaS in **STEP 1** in December 2019, has hitherto been marketed under three brand names, but Rakutech Hankyoubai zou kun will be the main brand from September.

Past



Rakutech for brokers



Rakutech 反響倍増くん
Hankyoubai zou kun



Rakutech for management companies

Present



Rakutech 反響倍増くん
Hankyoubai zou kun

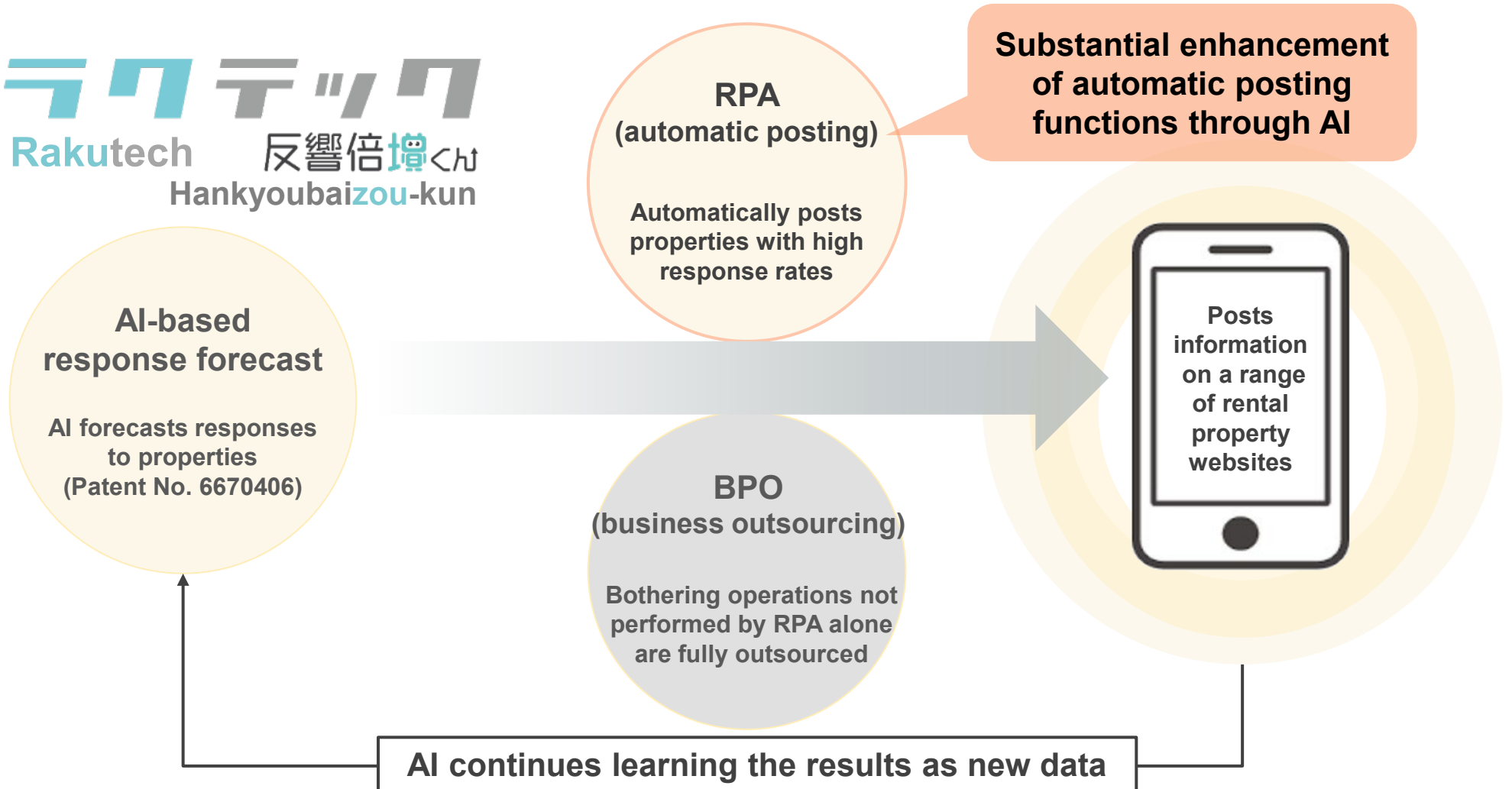
Plan to integrate with Rakutech for brokers and market as main brand.
Aim for expansion in customer base.




Rakutech for management companies

AI + RPA + BPO + big data on leasing = overwhelming improvement in work efficiency

Moreover, the accuracy of the AI improves autonomously through continuous learning and inference cycles



In the fiscal year ended June 2021, the functions were enhanced significantly, and customer satisfaction increased.

In the fiscal year ending June 2022, we will bolster sales with the strategies below to expand market share.

Strengthen Marketing



Strengthen Sales

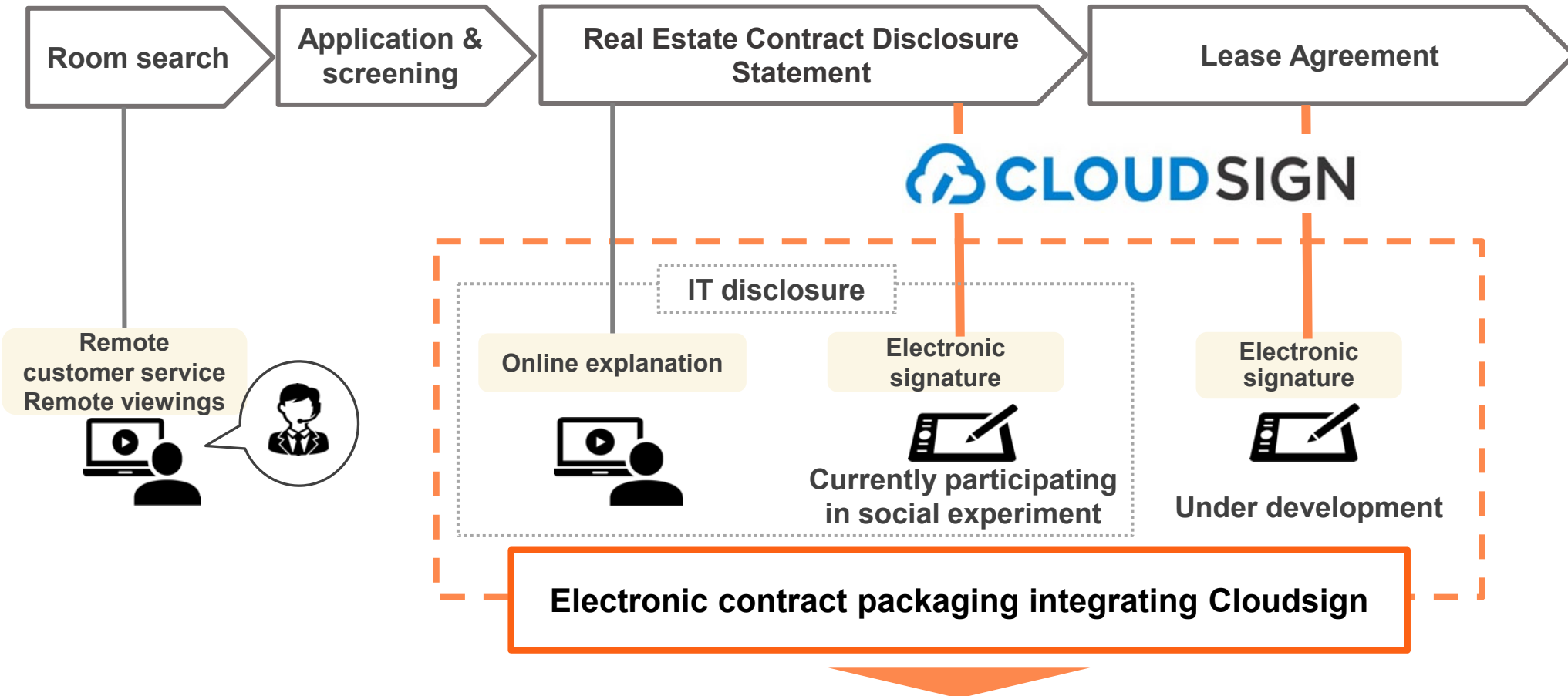


Implement Agency and Alliance Strategies



Approach around 120,000 real estate management and brokerage companies nationwide

We are developing an electronic contract package integrating the Cloudsign service provided by BENG04.COM, INC. and plan to start test introduction of the package in our Rental Brokerage Business in late August. We will improve the functions and plan to start external sales in the second half of the fiscal year ending June 2022.



Re-Tech RaaS inc. will begin external sales to real estate companies

* See P. 28 for [Own Model].

App matching users who are searching for rooms and Room Concierge (real estate brokers/salespeople)

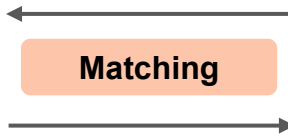


Room Concierge

Service launched
on Apr. 26, 2021



Room Concierge
(Real estate brokers/salespeople)
[Registration required]



App user
[No usage fee]



- App matching users who are searching for rooms and Room Concierge (real estate brokers/salespeople)
- Rating of posts through “Likes” or comments
- Room Concierge search and chat functions

-- Advertising revenue and fees from registered operators assumed to be earned, starting next year --

Remote search as a new form of room search

Also effective for cutting advertising costs

Expanding **nationwide**,
to the **entire rental brokerage industry**

Fiscal year ending June 2022
 Maximize the number of
 customers to be acquired



Priority costs

- Fiscal year ended June 2021:
Development cost
- Fiscal year ending June 2022:
Marketing/sales cost, advertising cost

**Consider development of
 new products**



CLOUDSIGN
 Collaborative product

**Transforming
 the analog real
 estate industry**



Also eyeing expansion into industries
 other than real estate in the future

**Expected to significantly
 contribute to profits with a high
 profit margin after turning into
 the black**

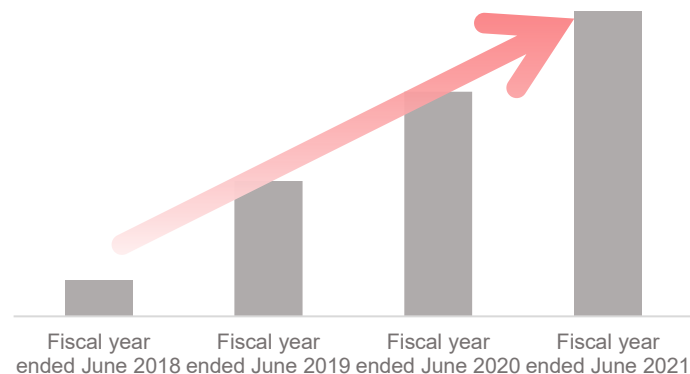
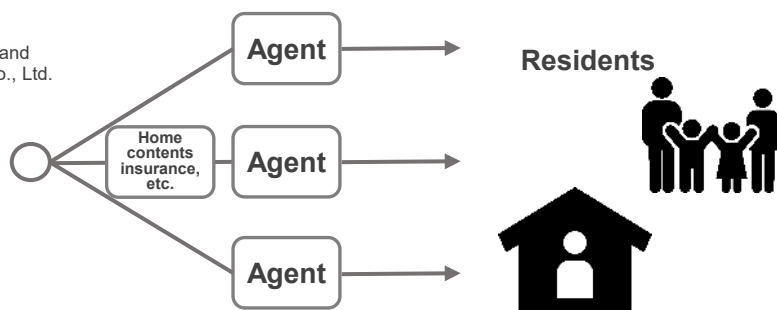
The New Living Security Insurance Wide, which offers even wider coverage than New Living Security Insurance launched in September 2020 (Q1), was released on March 1, 2021 (Q3).

Aim for growth in new contracts by further strengthening market competitiveness.



- Covering the risk of facility damages
- Enhanced coverage of home contents, repair cost, and other services
- Rapid Solution Service for House Problems (24/7 service)

Around 21,000 contracts held currently



Change in the Number of Contracts Held
(illustrative drawing)

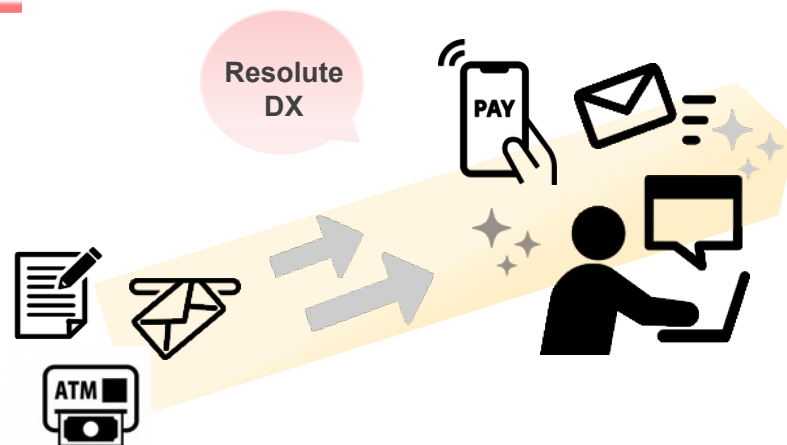
MONOLITH, a system for small amounts and short-term insurance provided by HOPE SSI, which promotes InsurTech

MONOLITH

HOPE SSI CO,LTD

Introduced the system, which enables complex insurance procedures to be completed in a paperless and cashless manner, in Q1 (September).

Updated the system from time to time.



- Advantage for customers

No need to attend in person for any part of the process from application to payment

- Advantage for agents

No need to print or send documents, eliminating the labor involved in sending, collecting the original and checking. The contract rate will also rise by shortening the period from proposal to conclusion of contract.

Fiscal year ended June 2021
Moved into the black in the fourth year after the start of operations.



Fiscal year ending June 2022
After the business moved into the black, liability reserves are required. As a result, we expect the business will fall into the red temporarily.

- Aim to expand our share by increasing the number of new contracts and agents by promoting InsurTech
- Aim to win contracts with property management companies with a large number of managed units



Fiscal year ending June 2023
The business is expected to move into the black.

Subsequently, a stock business reliably generating profits



Hope Small Amounts and
Short-Term Insurance Co., Ltd.

■ [Osaka] Hommachi East

Currently operating with comprehensive implementation of COVID-19 prevention measures

■ [Tokyo] Asakusa

Suspended operations again in response to weak inbound demand due to COVID-19

⇒ * The contract will be terminated in November 2021.



* Contract with [Tokyo] Kanda was terminated at the end of March 2021 (end of Q3).

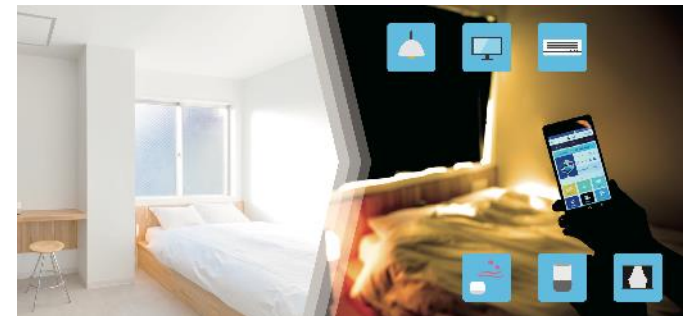
Measures to Prevent Infection from COVID-19

<For staff>

- In consideration of the health and safety of staff, staff are to wear a face mask while working.
- Health checks and measurements of body temperature are required of staff upon arrival at work (rest at home if 37.5°C or higher).
- Thoroughly ensuring frequent washing of hands and gargling during and out of work.

<For guests>

- All guest rooms have the inside of room disinfected using hypochlorous acid prior to check-in.
- All guest rooms are equipped with hand soap and mouthwash.
- Guests can rent thermometers free of charge to measure their body temperature.



From April 28 to June 30, 2021 (Q4), we provided an accommodation service* featuring collaboration with Osomatsu-san, a popular anime character, at &AND HOSTEL HOMMACHI EAST in Osaka.

Limited-time
offer

[Special IoT
experience]

A dedicated
smartphone with an
augmented reality
(AR) function allows
guests to enjoy
experiencing the
world of Osomatsu-
san.



* A variation of the guestroom featuring collaboration with Osomatsu-san, which was offered at EJ Hotel (a hotel featuring special experience offered to guests, which operates guestrooms in collaboration with various IP under the concept of “Staying in a story you love”) in Tokorozawa Sakura Town operated by KADOKAWA Corporation. Offering of this guestroom ended with very positive feedback.

International operations have been run through our affiliate in Vietnam since it was established in April 2015.

Addressing the shortage of engineers in the real estate industry by offshoring

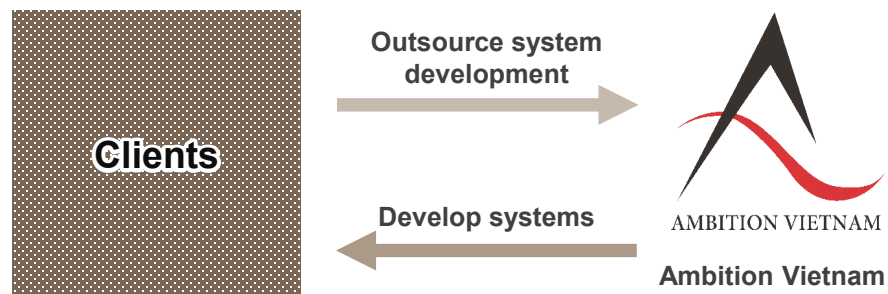
<<Major Operations>>

- Web system development outsourced from companies in Vietnam and Japanese venture firms
- Development of new systems for advancing DX in the Property Management Business, our main business
- BPO operations for the Ambition Group (data entry service)
- Real estate purchase/sale and leasing brokerage services for foreigners in Vietnam

We are engaged in development and renovation not only for the real estate business but also for the creation of a better life.

In operating a real estate business, Ambition Vietnam provides brokerage services centering on real estate leasing and purchase/sale by fusing IT and Ambition's businesses.

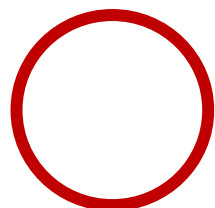
Model Diagram of Outsourced System Development



04

**Forecast for Fiscal Year Ending
June 2022**

Many businesses are expected to have no adverse effect from COVID-19.

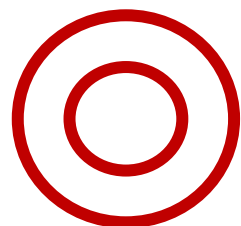


Adverse effects of COVID-19 to be avoided

Prioritized business in DX

Property Management

The number of managed units, a KPI, is expected to continue rising steadily.
Aim to keep a maintain occupancy rate even amid the COVID-19 pandemic, while controlling the cost of finding tenants and advancing DX. Undertake DX initiatives to enhance business efficiency, improve convenience for brokerage companies, and increase customer satisfaction **to return to an upward trend in profit.**



No adverse effects of COVID-19

Investment (Purchase/Sale)

Development projects and properties for sale are expected to decrease year on year, reflecting changes in markets in target premium areas.

Rental Brokerage

Strengthen remote customer service and property viewing.

Real Estate DX

The loss is expected to be reduced owing to an increase in the number of Rakutech contracts.

Small Amounts and Short-Term Insurance

The business is forecast to fall into the red. Although the number of contracts is expected to increase.

Overseas System

Continue to develop systems to advance internal digital transformation.



Hotel

Continue to be adversely affected by weak demand from inbound tourists.

Consolidated Forecasts for Fiscal Year Ending June 2022

Forecast for the Current Fiscal Year

While sales in the Property Management Business, our main business, are forecast to increase, sales in the Investment Business are set to decline. Overall sales are expected to rise only slightly.

Operating profit is projected to rise significantly, chiefly due to an expected increase in the PM Business owing to the advancement of DX.

• Reason for higher profit in the second half: Profit in the rental business (Property Management Business and Rental Brokerage Business) is expected to rise in the second half as in a usual fiscal year, and profit in the Investment Business is also forecast to climb in the second half in the fiscal year ending June 2022.

(Unit: million yen)	Results for fiscal year ended June 2021 (A)	Forecast for H1 of fiscal year ending June 2022*	Forecast for fiscal year ending June 2022 (B)*	YoY comparison (B/A)
Net sales	30,529	14,881	30,605	+0.2%
EBITDA (Reference value)	1,231	552	1,438	+16.7%
Operating profit	978	446	1,226	+25.4%
Ordinary profit	897	383	1,083	+20.7%
Profit attributable to owners of parent	595	178	620	+4.2%

* Business forecasts and other forward-looking statements in this document are based on information currently available to Ambition as well as certain assumptions deemed rational. Therefore, actual results may differ significantly due to various factors.

We will continue with a plan for stable shareholder returns going forward while conducting proactive upfront investment in growth areas.

We plan to increase dividends in the fiscal year ending June 2022.

Fiscal year ending June 2022 (forecast)

14.30 yen per share

Fiscal year ended June 2021

13.60 yen per share

Payout ratio: 15.69%

Maintain the payout ratio as in the previous fiscal year and increase period-end distribution amount by 0.70 yen.

Fiscal year ended June 2020

7.58 yen per share

Payout ratio:
15.7%

Payout ratio: 15.6%

We plan to establish an Incubation Business* in late August 2021 and change the company name in October.

Please refer to “Change in Company Name and New Vision.”



* A results forecast for the Incubation Business, which will be established, is not included in the consolidated forecasts for the fiscal year ending June 2022 on p. 55.

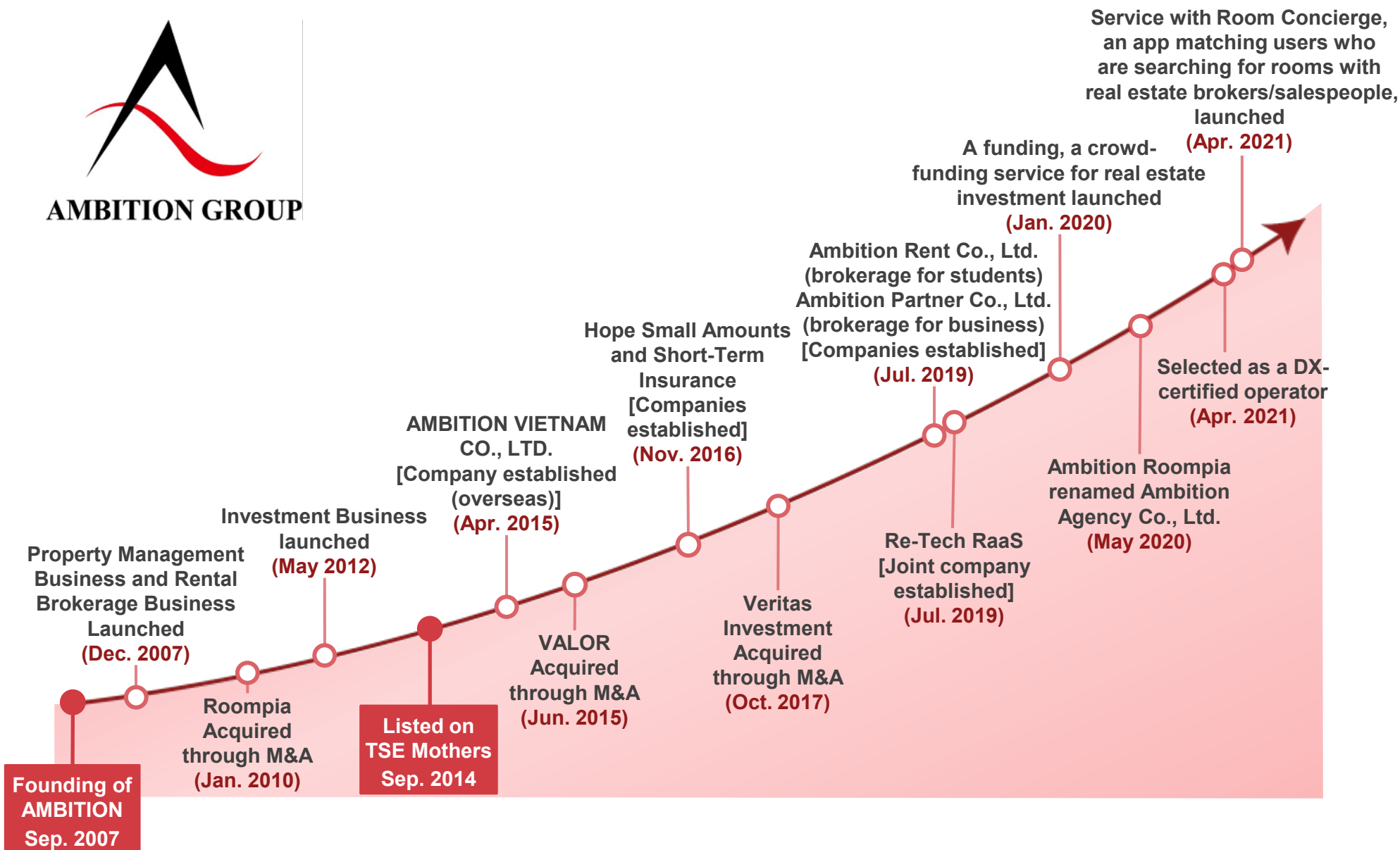
APPENDIX

Profile of Ambition Group Companies

Company name	Ambition Corporation
Representative	Takeshi Shimizu
Established	September 14, 2007
Listed exchange	Tokyo Stock Exchange (Mothers)
Listing date	September 19, 2014
Capital	379,780,200 yen
Settlement period	End of June each year
Directors	Takumi Suzuki, Executive Managing Director; Masaaki Yamaguchi, Director Fumio Nagase, Director (Supervisory Auditor, etc.); Miki Hayashi, Director (Supervisory Auditor, etc.); Hiroto Kawano, Director (Supervisory Auditor, etc.)
Real estate transaction business license number	Minister of Land, Infrastructure, Transport and Tourism (3) No. 8023
Head office location	Sumitomo Fudosan Harajuku Building 18F, 2-34-17 Jingumae, Shibuya-ku, Tokyo
Department	Property Management Department / Investment Department / Information Strategy Division / Business Administration Department / Corporate Planning Office / Internal Audit Office
Consolidated subsidiary	Veritas Investment Co., Ltd. VISION Co., Ltd. (Subsidiary of Veritas) Ambition Agency Co., Ltd. VALOR Co., Ltd. Ambition Partner Co., Ltd. Ambition Rent Co., Ltd. Re-Tech RaaS Inc. Hope Small Amounts and Short-Term Insurance Co., Ltd. AMBITION VIETNAM CO., LTD.
Partner banks	MUFG Bank, Resona Bank, Mizuho Bank, Sumitomo Mitsui Banking Corporation, ORIX Bank Corporation, The Hokuriku Bank, Ltd., The Towa Bank, Ltd., The Daishi Bank, Ltd., Chiba Bank, etc.

Company name	Ambition Agency Co., Ltd.
Representative	I Toru Oishi
Directors	Takumi Suzuki, Director; Masaaki Yamaguchi, Director; Fumiyoshi Ozeki, Auditor
Real estate transaction business license number	Minister of Land, Infrastructure, Transport and Tourism (1) No. 9692
Head office location	Sumitomo Fudosan Harajuku Building 16F, 2-34-17 Jingumae, Shibuya-ku, Tokyo
Branches	Naka-Meguro Branch, Takadanobaba Branch, Ginza Branch, Web Division, Higashi-Omiya Branch, Ikebukuro Higashiguchi Branch
Company name	VALOR Co., Ltd.
Representative	I Naoto Tamura
Directors	Takumi Suzuki, Director; Kazuto Sato, Director; Fumiyoshi Ozeki, Auditor
Real estate transaction business license number	Minister of Land, Infrastructure, Transport and Tourism (1) No. 9662
Head office location	Nagaoka Building 3F, 2-1-22 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa
Branches	Yokohama Branch, Hiyoshi Branch, Kamiooka Branch, Futamatagawa Branch, Tsurumi Branch, Yokohama Okano Branch, Sagami-Ono Branch
Company name	Veritas Investment Co., Ltd.
Representative	I Hideki Kawada
Directors	Tomohiko Maeda, Representative Director and Vice President; Yoshio Maruyama, Director; Takeshi Shimizu, Director; Takumi Suzuki, Director; Masaaki Yamaguchi, Director; Fumiyoshi Ozeki, Auditor
Real estate transaction business license number	Building Lots and Building Transaction Business, Governor of Tokyo (3) No. 89191 Condominium Management Business, Minister of Land, Infrastructure, Transport and Tourism (2) No. 033520 First-class architect office, registered with the Governor of Tokyo, No. 55840
Head office location	I Shibuya Mark City West 19F, 1-12-1 Dogenzaka, Shibuya-ku, Tokyo
Company name	Hope Small Amounts and Short-Term Insurance Co., Ltd.
Representative	I Ryohei Fukumoto
Directors	Takeshi Shimizu, Director; Takumi Suzuki, Director; Fumiyoshi Ozeki, Auditor
Registration number	Director-General of the Kanto Finance Bureau (small amounts and short-term insurance) No. 80
Head office location	Sumitomo Fudosan Harajuku Building 18F, 2-34-17 Jingumae, Shibuya-ku, Tokyo

History of AMBITION GROUP



Main Topics During the Fiscal Year Ended June 2021

1Q	Aug. 14, 2020	Insurance	Announced development (introduced Sep.) of MONOLITH, a new system that promotes InsurTech
	Sep. 1, 2020	Insurance	Launched New Living Security Insurance, a new product
	Sep. 30, 2020	PM	Announced business partnership with Market Enterprise Co., Ltd. engaged in the online reuse business
2Q	Nov. 1, 2020	Brokerage	[Ambition Agency] Opened Roompia Ikebukuro Higashiguchi
	Nov. 13, 2020	DX	Announced change of name from Real Estate Tech Business to Real Estate DX Business
	Nov. 13, 2020	DX	Announced a business partnership in real estate DX product collaboration with Bengo4.com, Inc. providing the electronic contract system Cloudsign
	Nov. 19, 2020	Purchase/Sale	Commenced solicitation of funds for the fourth project of A funding, a crowd-funding service for real estate investment
3Q	Jan. 13, 2021	Brokerage	[Ambition Agency] Announced participation in Project To Energize Japan From Small and Medium Enterprises for which Atsushi Tamura of the London Boots comedy duo serves as official ambassador
	Feb. 12, 2021	DX	Announced the release this spring of Room Concierge, an app matching users who are searching for rooms with real estate brokers/salespeople
	Feb. 12, 2021	Company-wide	Certified by MLIT as business operator enrolled in a social experiment to realize a society where real estate contract disclosure statements are explained online
	Mar. 1, 2021	Insurance	Launched New Living Security Insurance Wide, a new product
	Mar. 26, 2021	PM	Announced winning of No.1 in the management of designer condominiums in Tokyo and No.1 in the reliability of owners of sublease units in a brand image survey
4Q	Apr. 5, 2021	DX	Selected by METI as a DX-certified operator
	Apr. 19, 2021	DX	Announced joint establishment of the DX Property Promotion Association (with President Shimizu of AMBITION serving as its board member)
	Apr. 26, 2021	DX	Launched the service with Room Concierge, an app matching users who are searching for rooms with real estate brokers/salespeople
	Apr. 28, 2021	Hotel	[&AND HOSTEL (Osaka: Hommachi East)] Launched limited-time offer of guestroom featuring collaboration with anime, Osomatsu-san
	May 19, 2021	PM	Announced API cooperation between J-LEASE, a rent guarantee service provider, and CPMA
	Jun. 21, 2021	Company-wide	Announced a capital and business alliance with Early Works, which develops next-generation blockchains

(Reference) Major Topics from Q1 of Fiscal Year Ending June 2022

1Q	Jul. 8, 2021	Brokerage	(Ambition Agency) Received the Work Style Reform Award for Excellence at the 1st Japan SME Awards
	Jul. 13, 2021	Brokerage	(Ambition Agency) Ranked No. 1 in customer reliability among real estate rental companies in Tokyo in a brand image survey
	Jul. 13, 2021	Purchase/Sale	A funding No. 5 project raised the target amount
	Jul. 15, 2021	Company-wide	Announced the acquisition and cancellation of the 6th series of stock acquisition rights (stock acquisition rights with an exercise price adjustment option; the initial exercise price is 4,000 yen)
	Aug. 10, 2021	Company-wide	Announced completion of the acquisition and cancellation of the 6th series of stock acquisition rights (stock acquisition rights with an exercise price adjustment option; the initial exercise price is 4,000 yen)



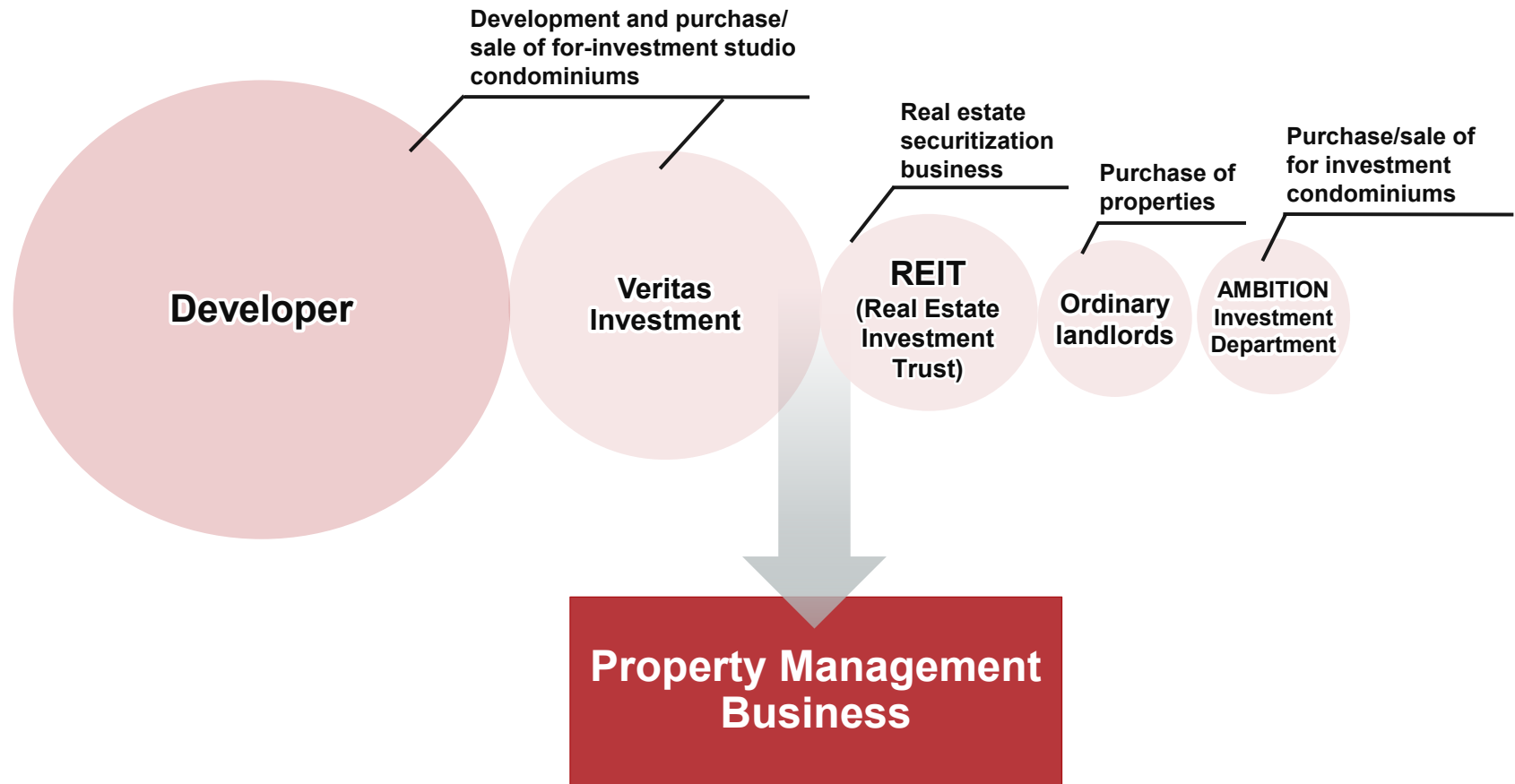
(Left) Ambition Agency Representative Toru Oishi

(Right) Official Ambassador Atsushi Tamura (London Boots comedy duo)

Construct a business scheme for stable acquisition of properties to self-manage.

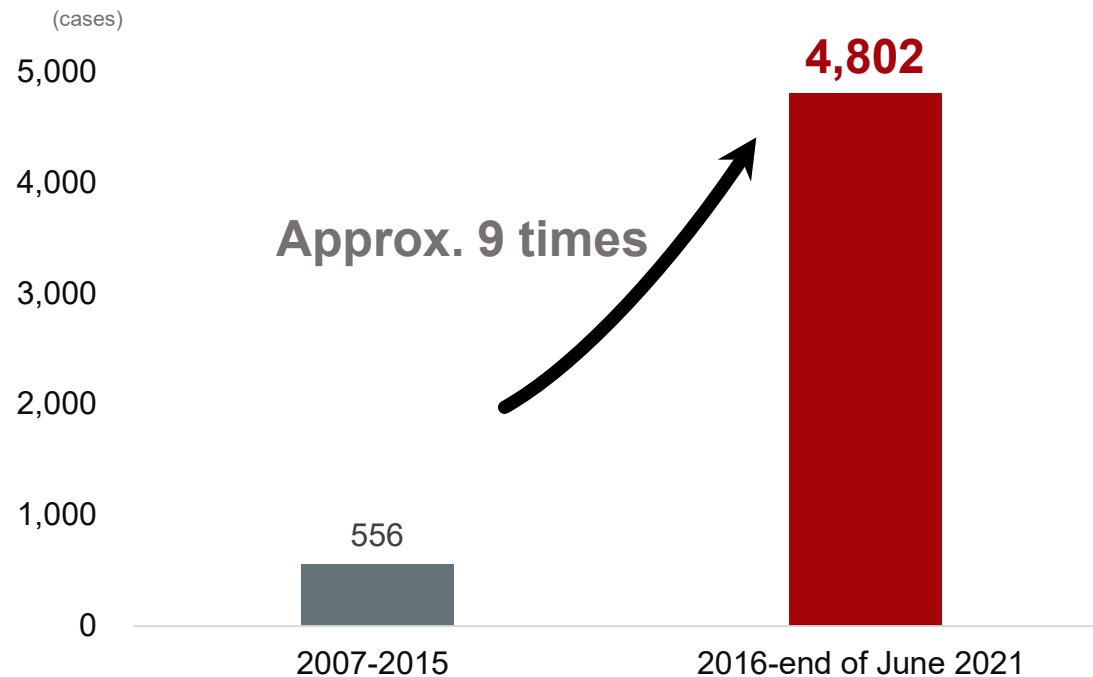
Continue to strengthen the property supply pipeline for increasing the number of managed units, which is the KPI.

Property Supply Pipeline



While inbound demand is stagnant due to COVID-19, the rate of foreign residents in the 21,681 units managed by AMBITION was 10.3% (as of the end of June 2021), exceeding the level before the outbreak of COVID-19 (9.1% at the end of Dec. 2019), through the incorporation of demand from foreign residents for relocations by way of brokers specializing in foreign nationals.

Number of Contracts with Foreign Residents in Properties Managed by Ambition



Number of Foreign Residents in Japan

2,887,000
 (Approx. 2.2% of total population)

YoY comparison - **52,000** (Note)

(Note) Ministry of Justice "Statistics on Foreign Residents," Dec. 2020

We are expanding our initiatives with Market Enterprise Co., Ltd. <3135>, which operates the Oikura purchasing platform, aiming to create a one stop shop for all moving needs including real estate appraisal and purchasing.



**Initiative on
formation of
business alliance**

**Needs for purchasing
unnecessary items upon
relocation by customers of
Ambition**

**Assessment and comparison of the
purchase price as well as the sale of
unnecessary items is possible in a
single request**

**Additional
initiative**

**Launch real estate appraisal
and purchasing service from
January 2021 (Q2)
Build new real estate
purchasing pipeline**

**Real estate purchasing needs
of Oikura customers**



Sales of Veritas Investment's new designer condominiums for investment was favorable

The most important thing in sales of studio condominiums for investment is to minimize risk for investors

The properties of Veritas have helped many investors avoid risks by realizing high rent x high occupancy rate = high return

PREMIUM CUBE Series

Realized the creation of premium asset value from location, design and facility specifications (CUBE)



Curation by a famous designer
+ Tokyo Premium Area*

High rent x High occupancy rate = High return



PREMIUM CUBE
Higashi-Nakano



PREMIUM CUBE
Ryogoku DEUX

*: Tokyo Premium Area: Meguro Ward, Shibuya Ward, Shinjuku Ward, Minato Ward, Shinagawa Ward, and Chuo Ward

The Investment Department at the main unit of AMBITION excels in maximization of value of used properties with a focus on location (Tokyo Premium Area)

[Business]

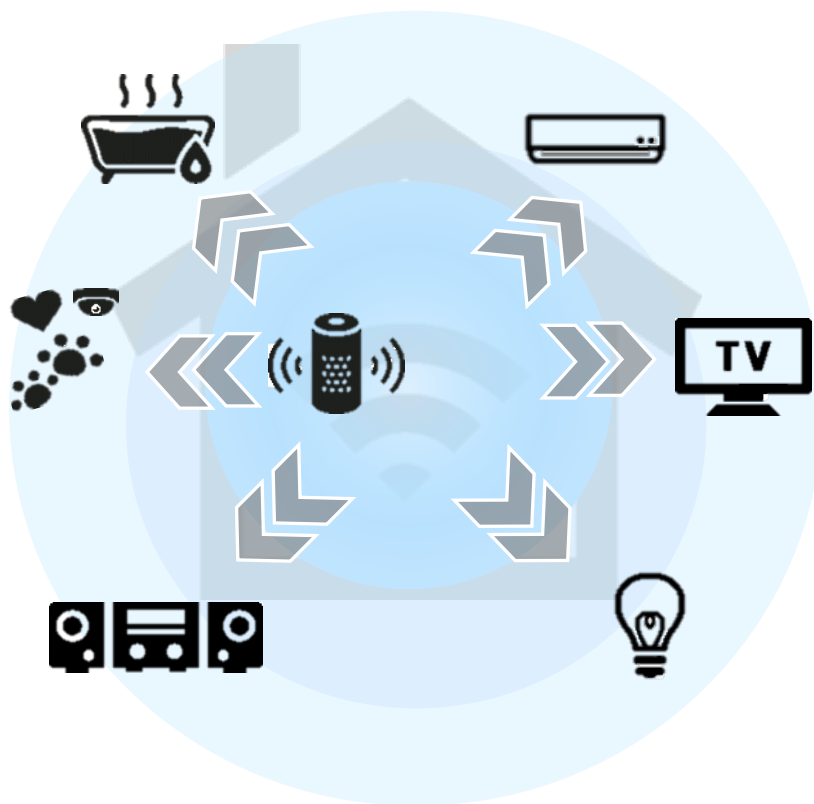
- Sale of entire real estate
- Renovation/resale of for-sale condominiums <Used>
- Real estate brokerage

Developing a unique renovation brand AMBITION + RENO, and creating and providing new value in housing.



Veritas adds IoT to Tokyo x Designers x Studio Condominiums

Creation of a new condominium standard in Tokyo realizing support for safer, more comfortable urban living



VERITAS
INVESTMENT

Using remote controllers
for home appliances

Residents

Using smartphones when going out
Using smart speakers at home
Controlling home appliances

Status of property management
and notification function

Owners

Notification of management status
Smooth contact through chats

Provision of information on
condominium management

Owners

Information on real estate investment
and condominium management
Distribution of property information
and provision of useful information

A range of initiatives to realize DX in the residential field



Promoting RPA (Robotic Process Automation)



RE-TECH RAAS

Establishment of
Re-Tech RaaS



Development and marketing of
Rakutech, an RPA tool
incorporating AI

Going Paperless



Promotion of electronic contracts
through business alliance



Proactive investment in IT systems
aiming to realize a society where
real estate contract disclosure
statements are explained online

Evolving Customer Experience



Initiatives on IoT-based
smart homes



Attempts on VR services to
allow remote property viewing

The Rakutech series by Re-Tech RaaS is a real estate RPA package offering advanced functions such as AI forecasts and BPO in addition to regular RPA functions

Improvement in work efficiency can be expected as employees can focus on core jobs.



Cumbersome exchange of massive amounts of paper and documents

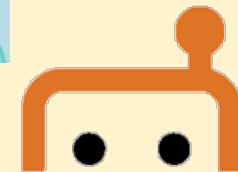
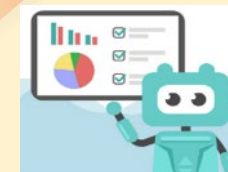


Cumbersome data input and output

Introduce Rakutech



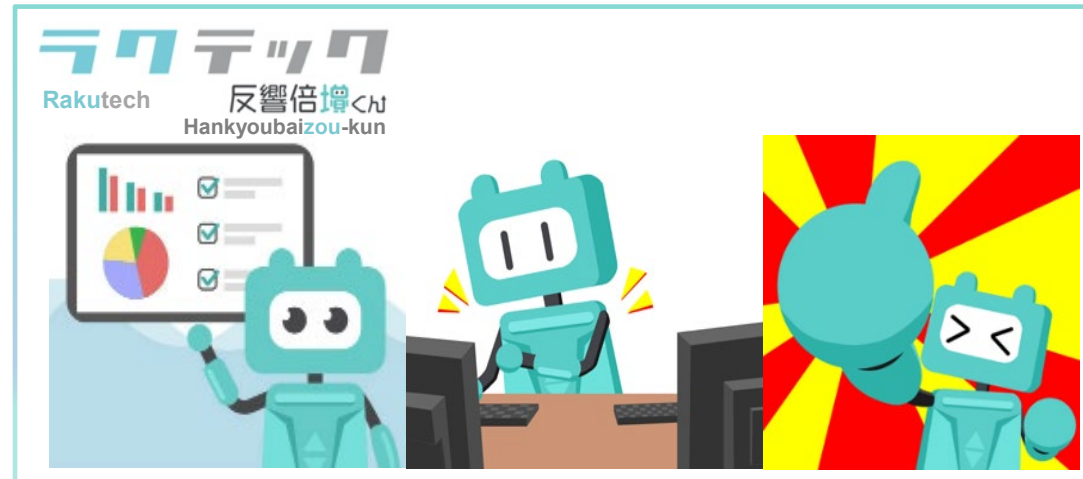
Focus on core jobs and make progress in business growth



RE-TECH RAAS

Forecasting responses to properties using AI based on abundant big data on leasing provides a major market advantage

(Patent No. 6670406)



AI-based robot to forecast responses to rental properties

With real estate knowledge installed in RPA, AI analyzes property information to predict properties that customers want to rent.

AI-related patents have been obtained to establish market advantage for Rakutech.

Advantages of Customers Using the Product

Well received as a robot for increasing work efficiency and capturing customer needs, as shown in the comment: “Even a part-time worker can enter property information instead of the shop manager and receive more inquiries (customer reactions) than the shop manager.”

The more Rakutech is used, the more its accuracy improves, as it creates a model utilizing the user’s original features, repeatedly conducts learning, and forecasts inquiries from customers in consideration of the seasonal characteristics.

About the &AND HOSTEL Smart Hostel Brand

&AND HOSTEL produced by the company, and factory, is an experiential lodging facility which consolidates cutting-edge IoT devices in one place and provides an enjoyable near-future IoT space.

It is a smart hostel to connect to the world, providing not only IoT experiences but also a place for encounters and gatherings of lodgers with the vibrant communication only possible at hostels.

& AND HOSTEL



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Forecasts include various uncertain factors and actual performance may differ materially from these future outlooks.

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