

FY2022.10 2Q

Financial Results

November 1, 2021 - April 30, 2022

June 14, 2022 (Securities code:3491)



GA TECHNOLOGIES

Our Ambition

■ Our Ambition and purpose is to inspire and impress people with the power of technology and innovation. To achieve this goal, we must tackle the big unsolved issues.

■ Based on our ambition, we will solve social problems through our business activities by bringing technology into the world of housing (real estate), which is the least developed of the three essential areas of life, apart from food and clothing.

OUR AMBITION

テクノロジー×イノベーションで、
人々に感動を生む
世界のトップ企業を創る。

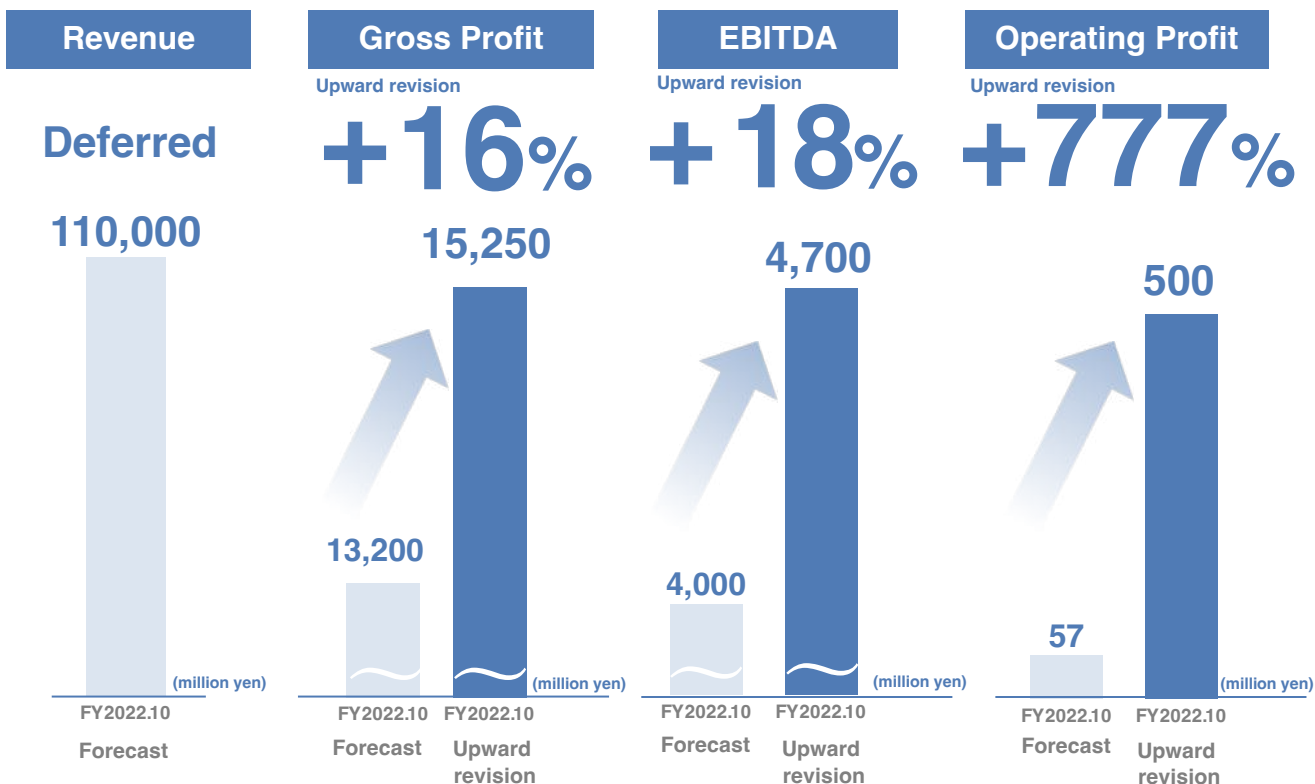
Building a world leading company
that inspires and impresses people with
the power of technology and innovation.

Revision of results forecast

■ Upwardly revised results forecast for the fiscal year ending October 2022.

■ Revenue remains the same : considering the balance between top-line growth and profits in online transactions at RENOSY Marketplace, the Company is concentrating resources on highly profitable products, and expects that sales growth will be limited to its profit growth.

Revision to results forecast for the fiscal year ending October 2022



FY2022.10 Full-Year Consolidated Results and Earnings Forecast by Segment

By Segment

(million yen)

		FY2021.10 (IFRS) ^①	FY2022.10 Initial forecast (IFRS) ^②	FY2022.10 2Q After Results Revision (IFRS) ^③	After Results Revision YoY changes (^③ / ^① - 1) ¹	After Results Revision Initial plan YoY changes (^③ / ^② - 1) ¹
RENOY Marketplace	Revenue	73,095	107,261	107,261	+47%	–
	Gross Profit	9,121	11,837	13,418	+47%	+13%
	Sector Profit	2,879	3,109	3,663	+27%	+18%
ITANDI	Revenue	1,170	1,691	1,810	+55%	+7%
	Gross Profit	934	1,340	1,504	+61%	+12%
	Sector Profit	1	▲ 152	113	+11,200%	–

Note: 1. Calculated based on the figures on the matrix

Reasons for revisions to results forecast

■ Revenues and costs improved due to selection and concentration of RENOSY Marketplace and ITANDI business from the same period prior year.

■ In RENOSY Marketplace, in addition to the effects of various commission improvement measures that has been implemented, profit improved through management integration with Ricordi, which was announced to have integrated in December 2021.

■ In ITANDI, the number of acquired companies increased due to the high evaluation of products and services, in addition to the increased market needs and inquiries ahead of the enforcement of the revised Real Estate Brokerage Act, and Monthly Recurring Revenue (MRR) improved.

RENOSY Marketplace

Successful selection and concentration of businesses and measures to improve commissions

(1) Business selection and concentration

- Improved profitability and costs by selecting and concentrating on profitable businesses

(2) Commission improvement measures

- Strengthened procurement directly from owners through seller DX
- Expansion of product lineup
- Provision of ancillary services to RENOSY members

(3) Effect of acquisition of management rights of Ricordi

- Increased performance (hit PL since March 2022)
- Expansion of product lineup
- Increase in market share
- Improvement in commissions

ITANDI

Improved MRR driven by growing market needs

(1) SaaS for management company

- Increase in utilization rate due to increased recognition of ITANDI BB
- With enforcement of the revised Real Estate Brokerage Act, the response from SMBs is increasing.

(2) SaaS for real estate agencies

- Enhancement of collaboration with ITANDI BB to improve functions
- Enhanced service reputation and increased SMB acquisition

Direction of Profit and Growth Investment for FY2022

Sharp Focus and Selection of Investments while Expanding Growth Path

Return to Profit from Last Year's Low

	Last Year	This Year
Business	<ul style="list-style-type: none"> • Cultivated numerous growth seeds, including new business 	<ul style="list-style-type: none"> • Focus on 2 businesses of RENOSY Marketplace and ITANDI • New business also focused on RENOSY Marketplace-related business
Cost	<ul style="list-style-type: none"> • Increased personnel costs owing to aggressive investments • Office expansion with more employees 	<ul style="list-style-type: none"> • Increased personnel costs only for growth businesses • Achieve annual rent reduction of approx. 100 million yen by reviewing office layouts, etc.
Revenue	<ul style="list-style-type: none"> • Commissions declined due to higher procurement costs as a result of higher procurement prices. 	<ul style="list-style-type: none"> • Implement ways to improve commission through seller DX, etc. • Build strong barriers to entry by expanding market share
Recruitment and Organization	<ul style="list-style-type: none"> • Active recruitment (investment) in all divisions, including new business 	<ul style="list-style-type: none"> • Sharp focus and selection for recruitment and staffing • Restructure, making personnel changes to strengthen businesses
M&A	<ul style="list-style-type: none"> • Aggressive M&A to accelerate market share expansion 	<ul style="list-style-type: none"> • Prioritize creating synergies with 7 existing M&A companies over new M&A

Enforcement of Real Estate Transaction Reform Bills

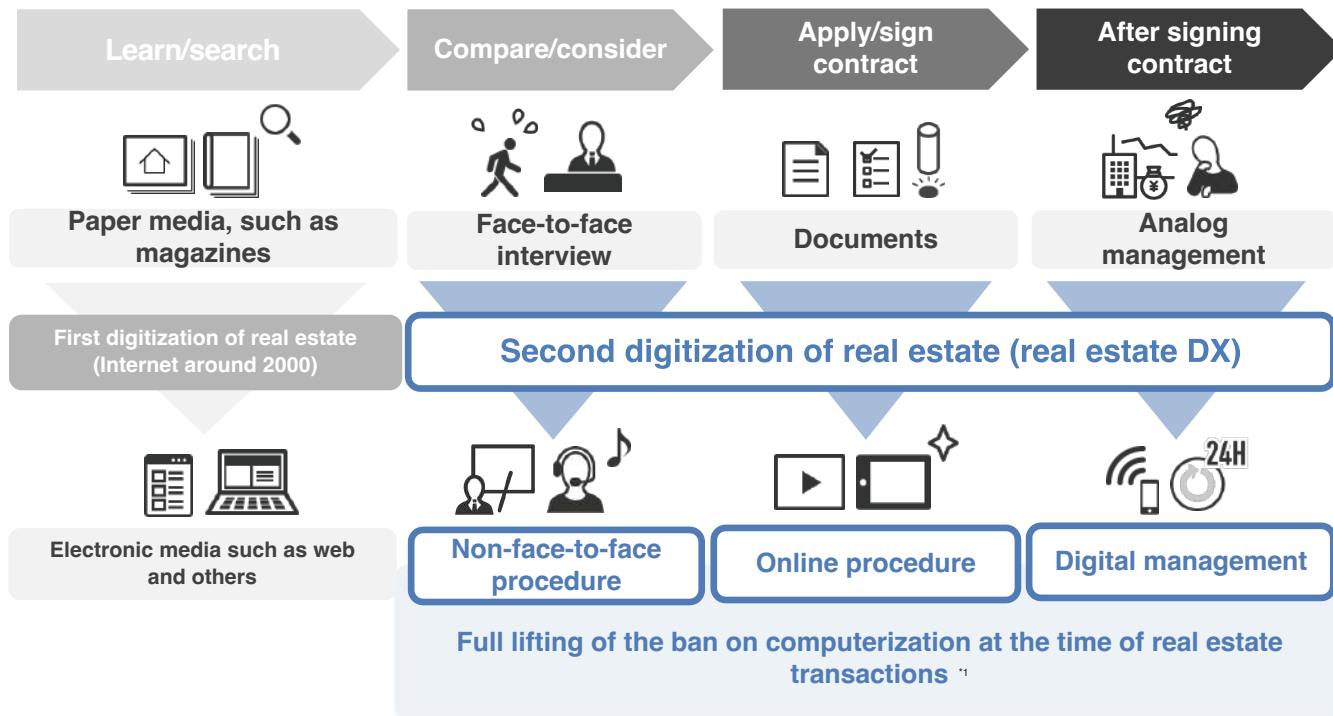
■ Acts related to digital reform were enacted in May 2021, and the revised Real Estate Brokerage Act was enforced on May 18, 2022.

■ Major changes include the introduction of electronic contract procedures that previously required face-to-face interviews and seals.

■ The real estate industry will likely take great strides in digitization moving away from in person, written transactions toward non-face-to-face, online procedures.

May 18, 2022 The revised Real Estate Brokerage Act finally was enforced

A paradigm shift in the real estate industry for the first time in 20 years

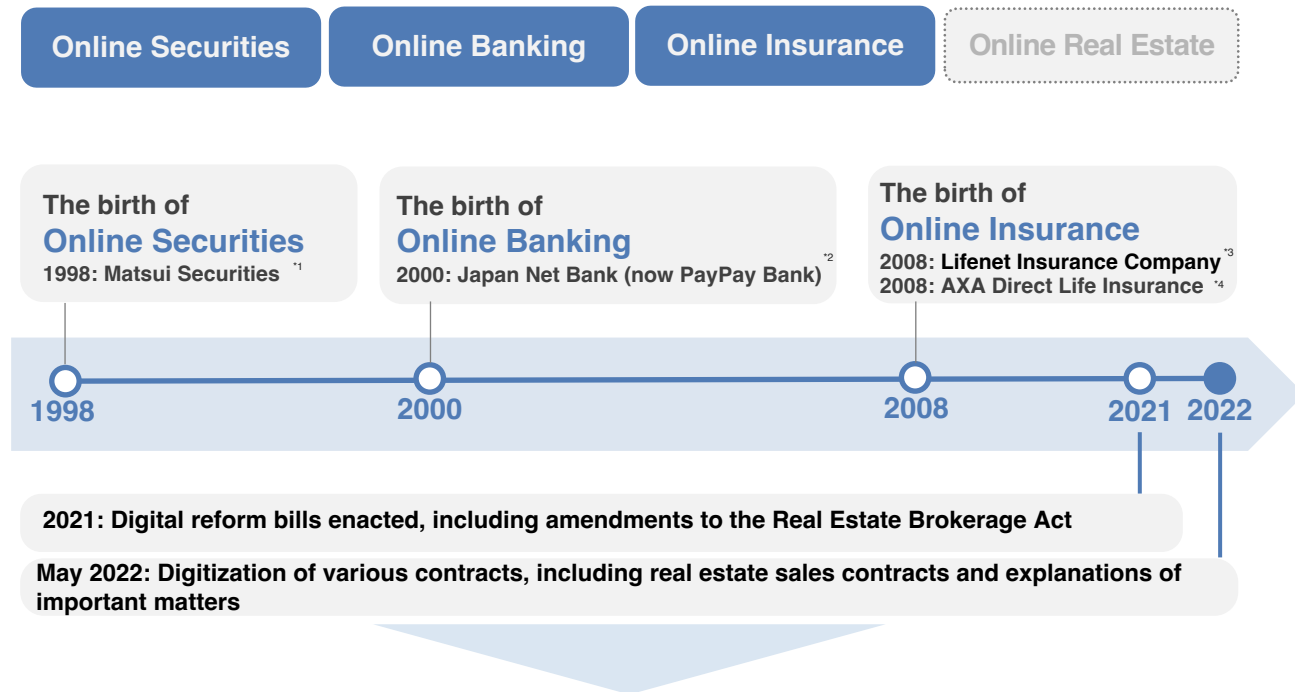


Note: 1. "Government plans to eliminate requirement of on-site pharmacists, tax documents and face-to-face procedures" in Nikkei dated October 9, 2020

The Advent of Online Real Estate

- Since the launch of Windows 95 in 1995, the online world has exploded, and various industries have merged with the Internet.
- With the amendment in April 1998 to the brokerage agreement standards for trading securities, some transactions were liberalized, and the idea of online securities was conceived.
- After that, internet banks and internet insurance were born, and with the enforcement of the revised Real Estate Brokerage Act in May 2022, Online Real Estate finally emerged.

The coming together of finance and the Internet in Japan



The Arrival of Online Real Estate

Notes:

1. See Matsui Securities website (www.matsui.co.jp/first/merit/history/)
2. See Japan Net Bank website (www.japannetbank.co.jp/company/15th/)
3. See Lifenet Insurance Company website (www.lifenet-seimei.co.jp/profile/history/)
4. See AXA Direct Life Insurance website (www.axa-direct.co.jp/company/official_info/pr/2019/190125.html)

Promotion in conjunction with the lifting of the ban on the Online Real Estate (1)

- Implemented various PR activities, media tie-ups, and the development of articles in the owned media toward the enforcement date of the revised Real Estate Brokerage Act (May 18).
- Launching an integrated campaign to raise awareness of the Online Real Estate and raise RENOSY's brand recognition.
- With creative of RENOSY's new commercial series "Online Real Estate Released" featuring Shota Sometani, commercials have been developing on taxis and websites all over Japan. In addition, OOH¹ has been started at major stations in Tokyo, Osaka and Nagoya in the project.



*When you read the QR code, it will move you to the YouTube page of "Online Real Estate Released, Confrontation on Stairs."

New CM series "Online Real Estate Released"



OOH expansion "Online Real Estate Released"



Note: 1.OOH = Out of home

Promotion in conjunction with the lifting of the ban on the Online Real Estate (2)

- On May 18, the day of the enforcement of the revised Real Estate Brokerage Act, which lifted the ban on the Online Real Estate, on the morning edition of the Nikkei nationwide edition, the creative of "Online Real Estate Released Today" was published as company advertising.
- As the main "Online Real Estate" related services provided by GA Group, it expresses the arrival of a new era of real estate transactions, together with the appeal of RENOSY, Denshikeiyaku-kun (Digital Contract Manager) and OHEYAGO.

不動産取引が変わるときが来た。

本日、全国で不動産取引が解禁された。
不動産取引における電子契約が解禁された。

これにより、オンラインで見積する不動産取引が「いよいよ実現する。

私たちGAテクノロジーズグループは、2013年の創業以来、不動産取引ネットのプラットフォームとしてこの道を歩み続け、新しい不動産取引体験の出現を目指してサービスを続けてきた。

「RENOSY」を通じて、ユーザーがオンラインで完結できる不動産取引。
「Denshikeiyaku-kun」で、不動産取引の効率化と電子契約システムの提供。
「OHEYAGO」では、無店舗でセルフ内覧予約、ネット不動産管理サービス。

ネット証券やネット銀行など、あらゆる個人資産がインターネットによって活用してきたこの20年。ついに、不動産も大きな変化の局面に入った。

ネット不動産、本日、解禁。
いよいよ、不動産取引が変わるときが来た。

GA TECHNOLOGIES GROUP

GAテクノロジーズグループが提供する「ネット不動産」サービス(注1)

オンライン不動産取引プラットフォーム RENOSY
不動産取引用に特化した電子契約システム Denshikeiyaku-kun
ネット不動産管理サービス OHEYAGO

Nikkei
Nationwide Edition,
Morning Edition of May 18

External Evaluation as Online Real Estate

- Selected for the third consecutive year as a Digital Transformation Company (DX Stock) jointly by the METI and TSE ¹⁾

- The digitization of real estate transactions and the platform services that serve as the industry's foundation were highly appraised.

2020 · 2021 · 2022

”Digital Transformation Company (DX Stock)”
3 years in a row



DX銘柄2022
Digital Transformation

The only one elected for
three consecutive years
in real estate

The only one elected for
three consecutive years
in Growth Market



GA TECHNOLOGIES

RENOSY
ITANDI

GROWTH^{TOKYO}



GA TECHNOLOGIES

Digitization of real estate transactions and other initiatives have
received high praise externally as an PropTech company

RENOSY Marketplace

Growth spurred by the realization of the Online Real Estate

■ Realization of the Online Real Estate enables simple and smart transactions from inquiries to contracts, improving RENOSY's brand power and customer experience, and increasing recognition.

■ As a result, the number of RENOSY membership and their intention to use RENOSY services increased, resulting in a higher closing rate.

■ Higher closing rates improve profitability, which in turn increases earnings and accelerates earnings growth.

Online Real Estate



RENOSY



Increased awareness

The Online Real Estate enhances RENOSY's brand power, customer experience and awareness.



Increase in the number of members

Increased RENOSY membership through increased RENOSY awareness and effective digital marketing.



Increase in intention to use

Increased members have led to increased intention to use of RENOSY not only by first parties but also by third parties.



Improvement in closing rate

Increase in intention to use and expansion of product lineup to eliminate opportunity loss and improve closing rate.



Improvement in profitability

Improvement in closing rate improves profitability.

To further raise awareness

Accelerated earnings growth

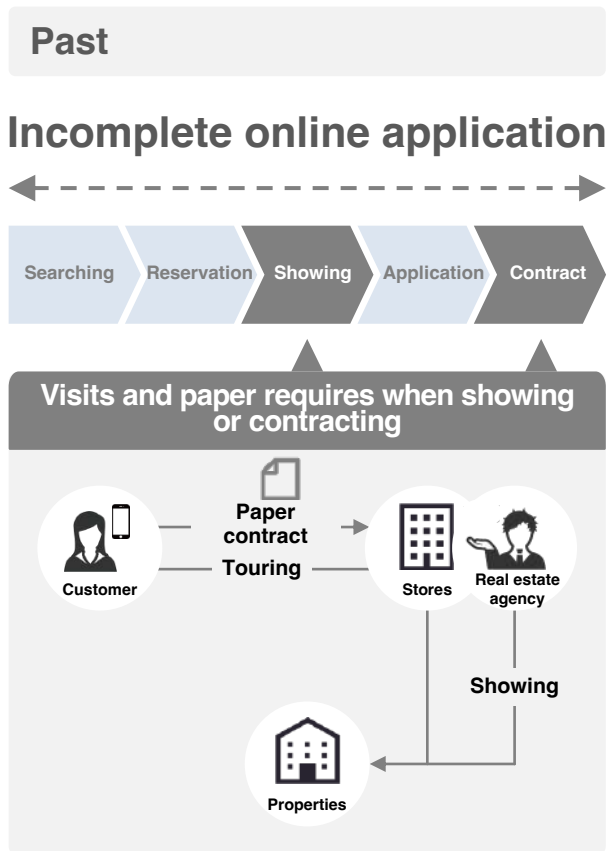
Increased earnings

ITANDI Accelerating reforms in the renting industry through the Online Real Estate

■ The arrival of the Online Real Estate will allow the rental transaction process to be fully online.

■ As a result, innovation is accelerating in the renting industry, including new business types that do not have physical stores and the penetration of remote work, which has been difficult to achieve.

■ ITANDI promotes industry transformation as a leading company in the Online Real Estate and aims to further expand its market share by taking advantage of historical turning points.



Encourages market share growth

Characteristics and strengths of the Online Real Estate

- In addition to searching for properties, the Online Real Estate offers seamless online access to all necessary procedures such as interviews and contracts, making it highly productive and able to grow at an overwhelming speed.

- The top 20 companies in the ranking have been in business for 59 years on average, but GA has been in business for 9 years and has grown about 6 times faster.

- Futuristic real estate makes engineers in-house to make technology-driven decisions.

- GA technologies Group is 22nd in the list of listed real estate companies with 85 billion sales in the same period prior year. Achieving the results forecast of 110 billion for this period, the company will jump to 16th place.

Achieving sales growth in a short period of time with the strength of the Online Real Estate

Average number of years in business of top 20 companies in the ranking of domestic real estate listed companies

59 years ^{**1,4}

GA technologies
Number of years of business

9 years

Sales ranking of domestic real estate listed company 2021 ^{**1}

Sales ranking		(Million yen)
1	Mitsui Fudosan	2,007,554
2	Mitsubishi Estate	1,207,594
3	Sumitomo Realty & Development	917,472
4	Tokyu Fudosan Holdings	907,735
5	Open House Group	810,540



Guidance achievement forecast of this period ending FY2022.10 ^{**2}

16	GA technologies	110,000
----	-----------------	---------

Results in FY2021.10		
22	GA technologies	85,338

In just **9 years** since its founding, it has become **16th** in sales

Characteristics and strengths of the Online Real Estate

■ Compared to the average of the top 20 listed companies in the domestic real estate market, all indicators boast high levels of efficiency and growth potential.

■ Maximizing business leverage by leveraging technology, doing comprehensive set of services of business, and providing expertise to fellow real estate operators.







■ Another major strength is its SaaS business with high profit ratios.



GA technologies
Online Real Estate^{*1}



Domestic real estate listed companies
sales ranking
Average of the top 20 companies^{*1}

<p>9 years</p>	<p>Number of years of business^{*2} </p>	<p>59 years</p>
<p>35%</p>	<p>Net sales growth rate (YoY) </p>	<p>Δ1%</p>
<p>11 days</p>	<p>Inventory turnover </p>	<p>265 days</p>
<p>8%</p>	<p>Ratio of net sales and interest-bearing debt </p>	<p>128%</p>
<p></p>	<p>SaaS business </p>	<p>×</p>

Notes:

1. The figures were obtained with reference of Magazine Biz operated by Living Technologies Inc., real estate industry net sales ranking 2022, and calculated based on each company's financial statement disclosed from Dec 2020 to Nov 2021. 2. As of April 2022.

GA technologies Group - Business Overview

	Area of Business	Business Summary	Main Products and Services
RENOSY Marketplace	Online Transactions	Providing a complete package to find sellers and buyers, matching them together to make actual transactions happen by using the media of RENOSY. A wide-ranging product line-up covering brokerage of luxury condominiums for rent and demand for private use, as well as all investment properties including small, new build and pre-owned condominiums, and overseas real estate.	RENOSY
	Subscriptions	Property management for owners of real estate, offering multiple plans with a fixed-price subscription for services that protect asset value.	
	Third party services ^{*1}	Making RENOSY media available to third-party businesses, providing them with use of the media and introducing customers.	
ITANDI	SaaS	Providing a system to real estate companies (mainly rental housing management companies and real estate agencies) to improve work efficiency through monthly and pay-as-you-go fees.	ITANDI BB +
	Marketplace	Building a platform that connects people with living, to be offered free of charge as an exclusive real estate website for B2B, and as a rental/house-hunting website for B2C with a revenue model based on commissions for each contract.	ITANDI BB オヘヤゴ OHEYAGO オヘヤゴ
New Business/ Other	RENOSY Marketplace- related Business	Developing new business related to RENOSY marketplace. Operating a mortgage application platform and one of the largest Japanese real estate platforms in Greater China.	RENOSY X 神居秒算

Note: *1. Data for third party service is counted towards the new business

FY2022.10 2Q Summary

GA technologies Group Consolidated

- Sales revenue was almost in line with the plan. Operating income was drastically revised upward to 500 million yen, up 777% from the initial guidance of 57 million yen, due to the selection and concentration of businesses and improvement measures. In the second quarter alone, operating income was also up 76% YoY to 890 million yen.
- Enforcement of the revised Real Estate Brokerage Act on May 18, 2022. As every area has been replaced by the Internet, Online Real Estate is finally here. Since its start-up phase, our company has been expanding its business into real estate investment and rentals, which has a high affinity with online real estate, and will further online after the enforcement of the Act.
- Online Real Estate will conduct large-scale promotions, including RENOSY and ITANDI, to raise awareness and intention of using the service.

RENOSY Marketplace

Online Transaction

- Strengthen product development to continue to improve the user experience through online transactions for both sellers and buyers.
- Expansion of the product lineup has increased the number of members to approximately 290,000.
- RENOSY's membership and awareness increased, leading to increased transactions by sellers and buyers.

Subscription

- 11,583 units in custody due to increase in online transactions.
- Subscription contracts are increasing by about 450 units per month.

Third Party Service

- Started providing an interview reservation function as part of customer transfer services. Continue measures and initiatives to improve matching between users and clients.

ITANDI

SaaS

- New electronic applications and digital contracts increased before enforcement of the revised Real Estate Brokerage Act.
- Growth in SaaS sales personnel for intermediaries, led to particularly strong acquisition of SMEs.

Marketplace

- With the busy renting season approaching, ITANDI BB's PV exceeds 4 million/month. Rapidly growing with high awareness and satisfaction from real estate companies as a website where real-time information can be accessed.

New Business and others

RENOSY Marketplace related business

- Developing profitable and highly leveraged business such as No. 1 platform of Japanese Real Estate for Greater China, real estate investment loan SaaS, and technology-based membership services for insurance agents.
- Improving our services contents every day for growth.

FY2022.10 2Q Performance Highlights (Consolidated)

■ Consolidated results

Both RENOSY Marketplace and ITANDI business performed well, and both revenue and gross profit increased by more than +50% YoY. Profit ratio remained in the 14% range, and operating profit reached profitability of over 200 million.

■ RENOSY Marketplace

Sales grew significantly to +53% YoY and profit +49% YoY. Continue investment to improve commissions and increase market share. Aiming for high growth while balancing scale expansion and earnings.

■ ITANDI

SaaS led the growth, with high revenue growth of +73% YoY and profit of +83% YoY. Operating profit rose to 160 million yen on the back of strong sales and gross profit growth.

■ New business, etc.

Selection and concentration while continuing to invest with discipline.

Revenue

48,901 Million yen

YoY **+53%**

Gross Profit

6,905 Million yen

YoY **+53%**

Operating Profit

227 Million yen

(last season 2Q Δ 212 million yen)

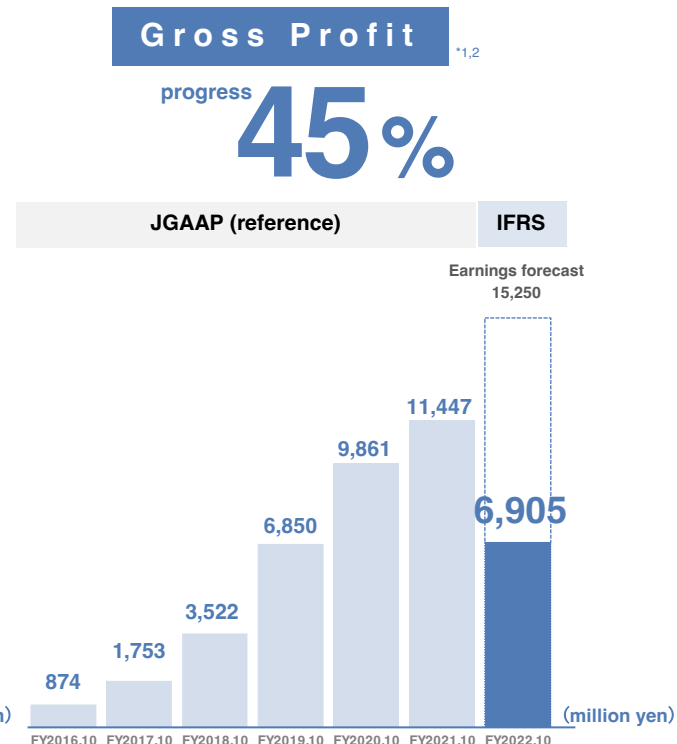
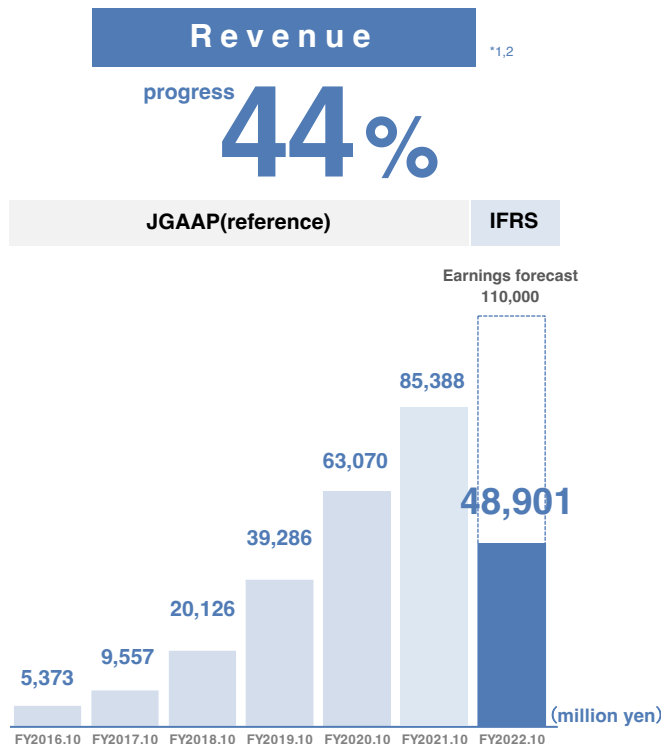
	RENOSY Marketplace	ITANDI	New Businesses	HQ expenses	Consolidated adjustment	Consolidated total
Revenue	47,782 (YoY+53%)	912 (YoY+73%)	221 (YoY+48%)	-	Δ 15	48,901
Gross profit	6,045 (YoY+49%)	768 (YoY+83%)	98 (YoY+189%)	-	Δ 7	6,905
Gross margin ratio	12.65%	84.21%	44.33%	-	-	14.12%
Sector profit	1,897 (YoY+35%)	161 (YoY+1,600%)	Δ 110 (last season 2Q Δ 121)	Δ 1,579 (last season 2Q Δ 1,429)	Δ 142 (last season 2Q Δ 79)	227

Note: 1. Consolidated adjustment includes the amount of the gap adjustment between segment profit and operating profit upon the segment information.

FY2022.10 2Q Performance Trends

■ Sales revenue (net sales) showed steady progress of 44% compared to the initial plan.

■ Gross profit was revised upward to 15.2 billion yen from 13.2 billion yen of the initial plan, mainly due to selection and concentration, measures to improve the commission ratio, and the effect of management integration with Ricordi. Progress after upward revision was 45%, which was also favorable.



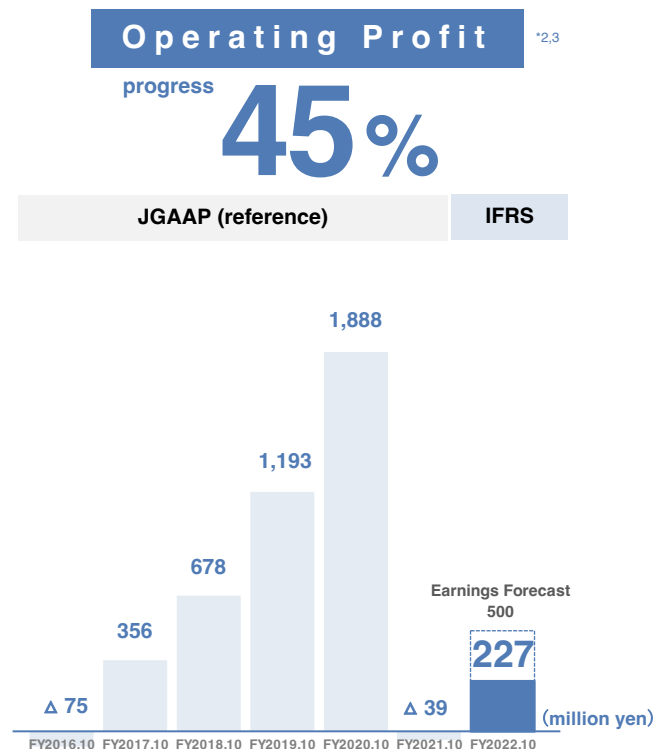
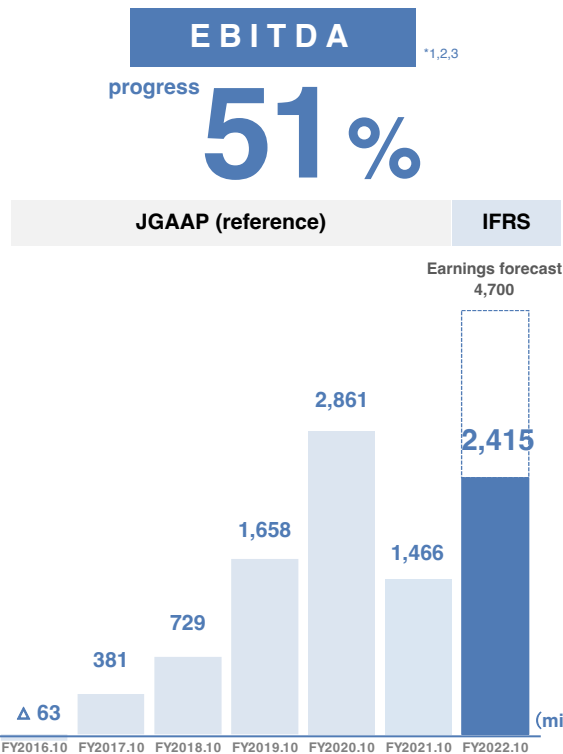
Notes:

1. Produced in consolidated financial statement since FY 2019.10
2. Forecast disclosed in our FY2022.10 2Q financial statement

FY2022.10 2Q Performance Trends

■ EBITDA was revised upward to 4.7 billion yen from 4 billion yen of the initial plan. Progress was good at 51%.

■ Operating income was revised upward to 500 million yen from 227 million yen of the initial plan. Progress toward generating profits at 45%.



Notes:

1. EBITDA representing ability to create cash flow (Operating Profit + depreciation costs)
2. Produced in consolidated financial statement since FY 2019.10
3. Forecast disclosed in our FY2022.10 2Q financial statement

FY2022.10 2Q

Quarterly Trends (IFRS)

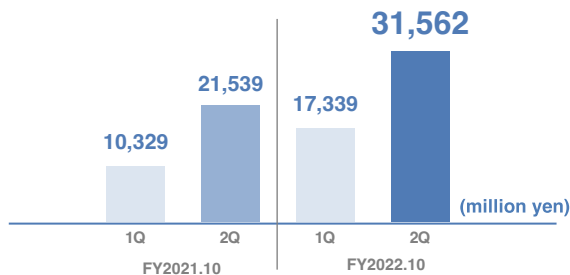
■ Both sales and gross profit increased about 50% YoY.

■ Similarly, EBITDA and operating profit achieved high YoY growth. Operating profit recorded approximately 0.9 billion yen in 2Q.

■ Please note that EBITDA is larger than operating profit because of depreciation expenses recorded on right-of-use assets (including investment real estate) under IFRS, such as lease agreements and master leases.

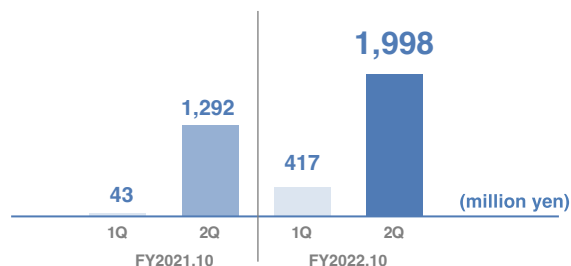
Revenue

YoY
+ 47%



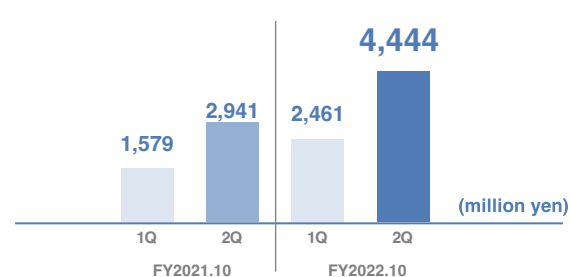
EBITDA

YoY
+ 55%



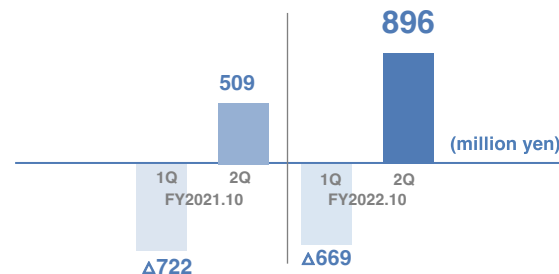
Gross Profit

YoY
+ 51%



Operating Profit

YoY
+ 76%



Notes:

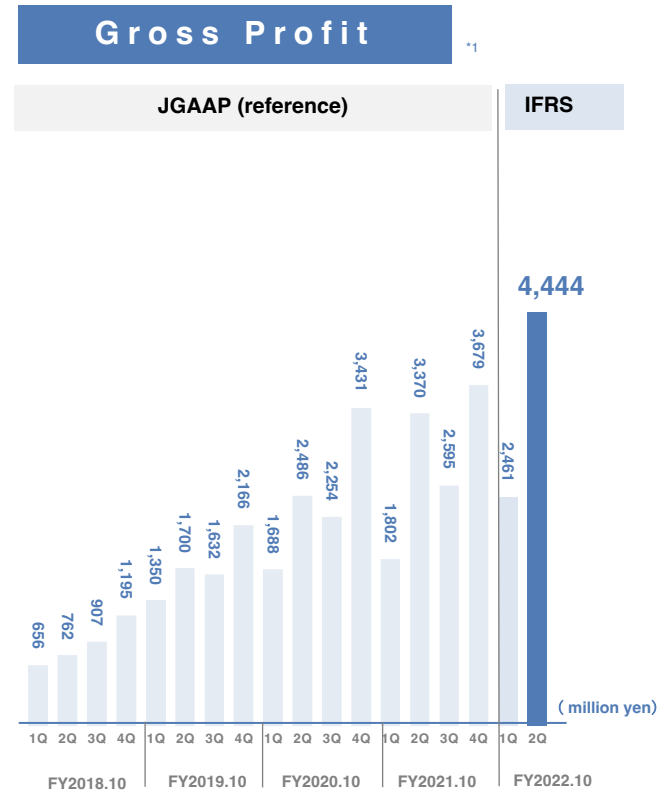
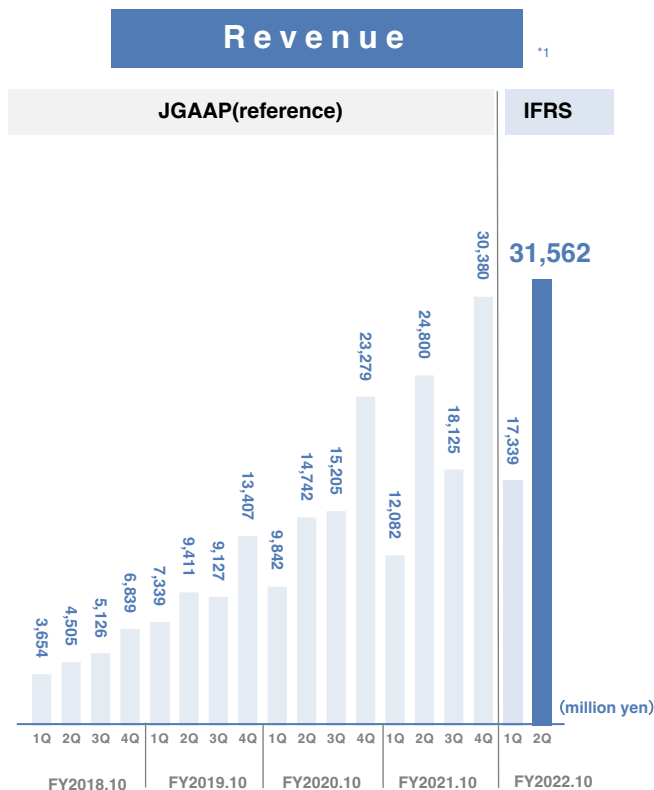
1. EBITDA refers to the productivity of cash flow (sales revenue + amortizations) 2. The data is made based on financial documents released after FY2019.10(7th season)

FY2022.10 2Q

Quarterly Trends (Reference)

■ Revenue were strong for both RENOSY Marketplace and ITANDI.

■ Profit also increased, and gross profit remained 14% range in 2Q, following 1Q.



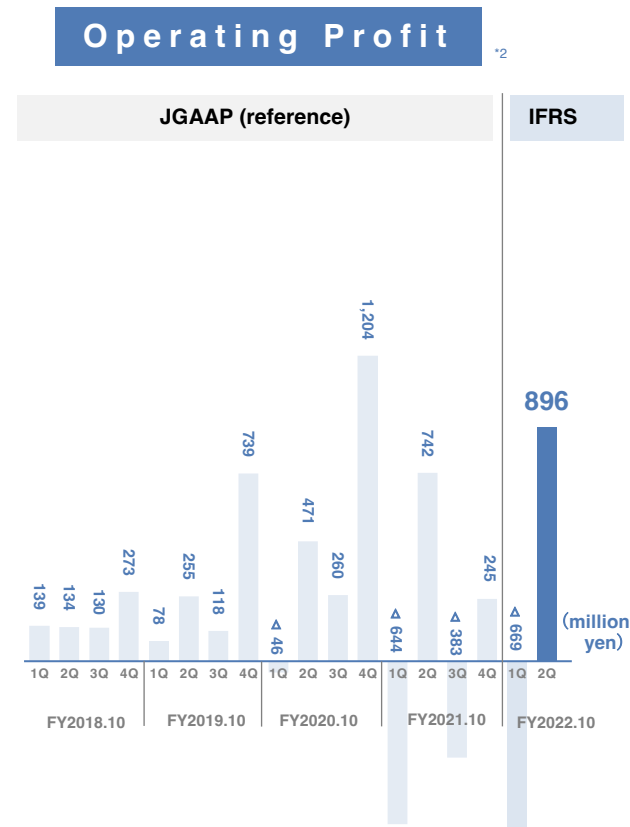
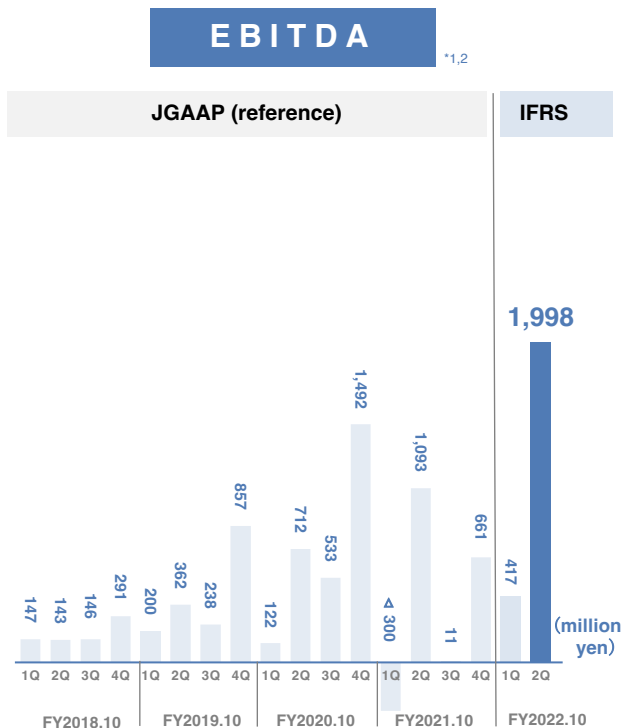
Note: 1. The data is made based on financial documents released after FY2019.10(7th season)

FY2022.10 2Q

Quarterly Trends

(Reference)

- EBITDA and Operating Profit is expanding the profit amount.



Notes:

1. EBITDA representing ability to create cash flow (Operating Profit + depreciation costs)
2. The data is made based on financial documents released after FY2019.10(7th season)

FY2022.10 2Q SG&A Trend

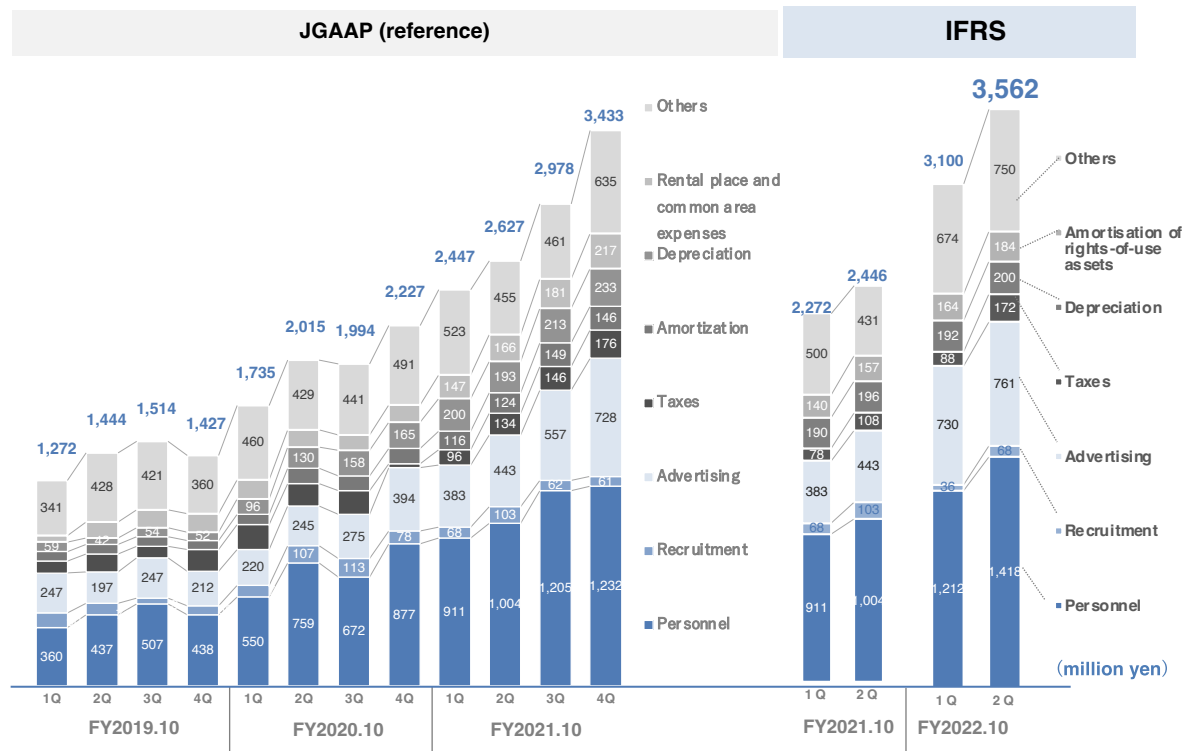
- Aggressive investment in advertising expenses to expand awareness of RENOSY.

- Personnel expenses increased due to new graduate recruitment and the management integration with Ricordi.

- Other expenses rose due to increased commissions paid by Ricordi for its sales agency and rental management.

- Added right of use depreciation as per IFRS standards (the depreciation of right of use assets such as offices, company housing, and office machines).

SG&A Trend



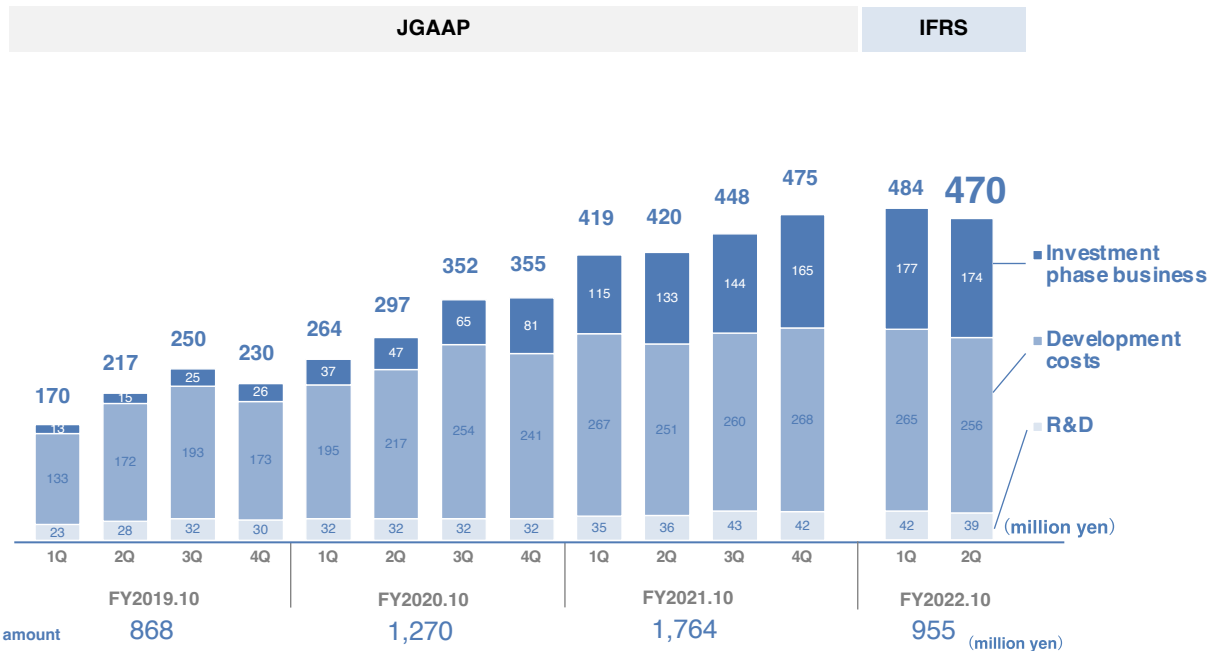
Note: 1. Based on financial documents released after FY2019.10 (7th season)

FY2022.10 2Q Growth Investment

■ Figures compiled are based on IFRS standards from Q1, but there will be no impact on past figures due to the change in accounting standards.

■ While growth investment will continue, new business investments as growth investment phase will be conducted with discipline in areas that have growth forecasts, and promptly withdraw businesses that are judged to have inadequate ROI.

Growth investment
YoY **+12%**



Note: 1. Breakdown of growth investment (including capitalization): R&D = Personnel costs for AI-related departments; Development costs = Personnel costs for development-related departments; Investment phase = Personnel costs for Shenjumiaosuan, living advisors, ITANDI (OHEYAGO, ITANDIBB, and incidental services business), and RENOSY X

FY2022.10 2Q Employees Trend

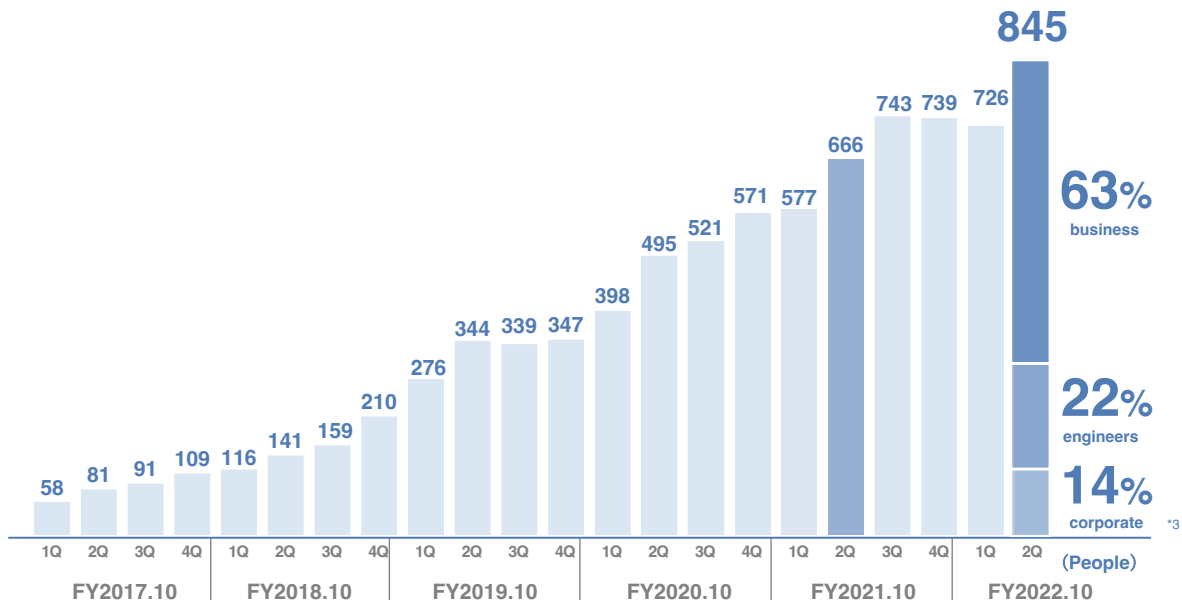
- Adopted to referral recruitment system in order to save cost and to recruit talented personnel.

- 27% YoY increase due to new graduate recruitment and the management integration with Ricordi.

- Continue to adopt selection and concentration as human resources strategy, minimizing new careers while strengthening careers in growth businesses.

No. of employees
YoY **+27%** ^{*1,2,3}

New graduates : 69 ppl.
Ricordi : 52 ppl.



Notes:
 1. Board members, contracted workers, internships, part time workers are excluded (by Apr. 30,2022)
 2. Based on financial documents after FY2019.10 (7th season)
 3. The numbers are being rounded up so it may not add up to 100% 3.Excluding 5 new graduates recruited in November 2021.

A vertical blue bar on the left side of the slide, featuring a subtle geometric pattern of overlapping triangles and polygons in various shades of blue.

RENOSY Marketplace

RENOSY Marketplace Highlights

■ As a result of the management integration with Ricordi, the total amount of distribution transactions, which is the GMV,^{*1} steadily increased to 57.6 billion and approximately +38% YoY.

■ Similarly, the number of contracts reached 2,479, an increase of approximately +49% YoY.

■ The number of RENOSY members has grown to approximately 290,000, and we aim to improve LTV through cross-selling by expanding the product lineup

GMV^{*1,2}
57.6 billion Yen
YoY about **+38%**

No. of contracts^{*3}
2,479 deals
YoY about **+49%**

No. of members^{*4}
about **290** k ppl.
YoY about **+35%**

Notes:

1. GMV = Gross Merchandise Value

2. Total volume of transactions for investment and home within RENOSY Marketplace. Figures for companies prior to the management integration are not included (cumulative total of FY2022.10 2Q).

3. Total number of contracts for investment and home within RENOSY Marketplace. Figures do not include those of pre-merger companies (FY2022.10 2Q total)

4. Refers to the total stock number of RENOSY members (accumulated numbers of member registration).

RENOSY Marketplace

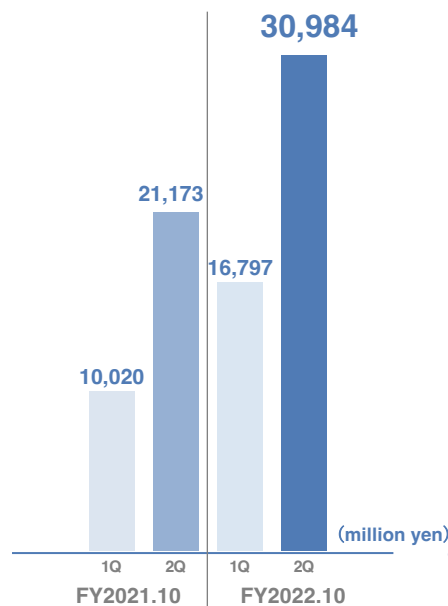
FY2022.10 trends 2Q Quarterly (IFRS)

■ The RENOSY marketplace remained strong in both supply and demand due to direct procurement by seller DX, expansion of product lineup and increase of RENOSY membership.

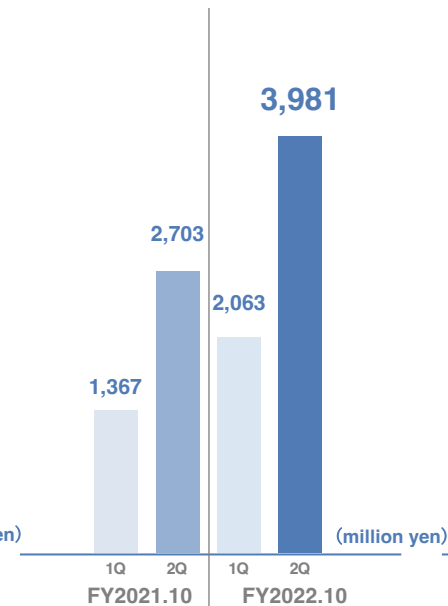
■ Sales, gross profit and division profit also grew YoY due to measures to improve commission rates and the effects of management integration with Ricordi.

■ With measures to improve commission rate, profit ratio gradually improved.

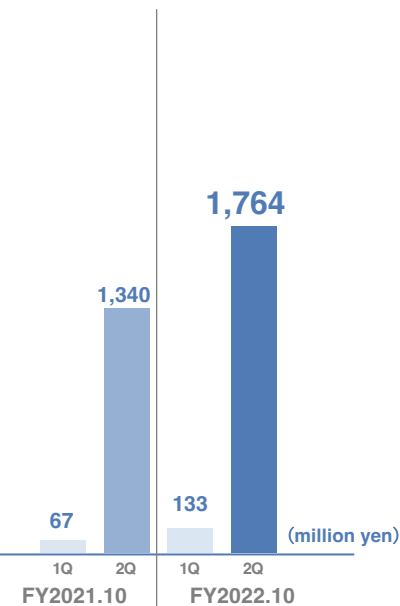
Revenue
YoY
+46%



Gross Profit
YoY
+47%



Division Profit
YoY
+32%



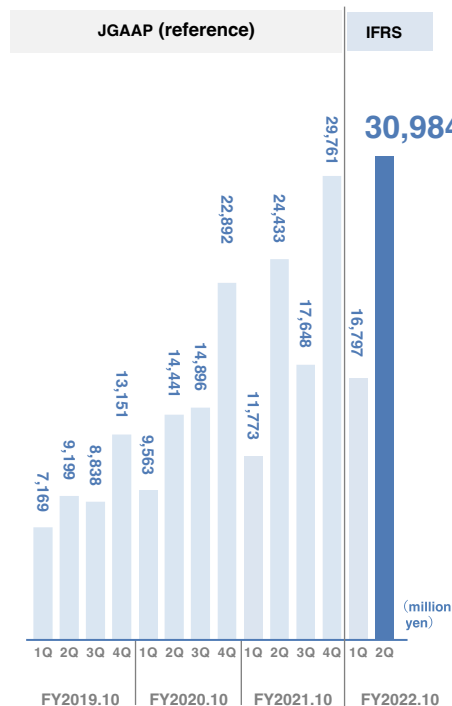
RENOSY Marketplace

FY2022.10 2Q

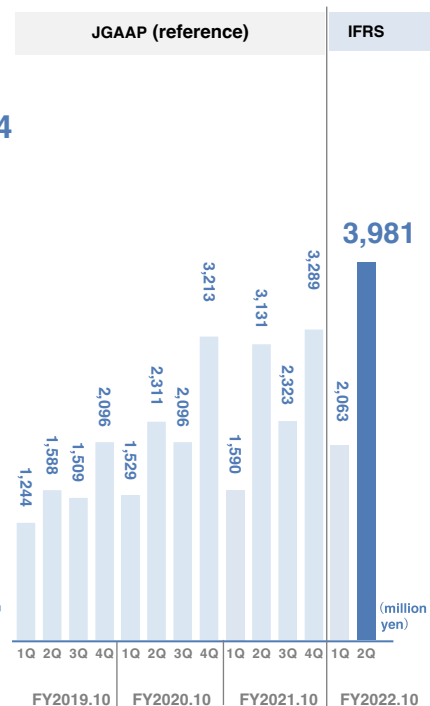
Quarterly trends(IFRS)

■ Revenue, gross profit, and sector profit favorable against backdrop of strong supply and demand.

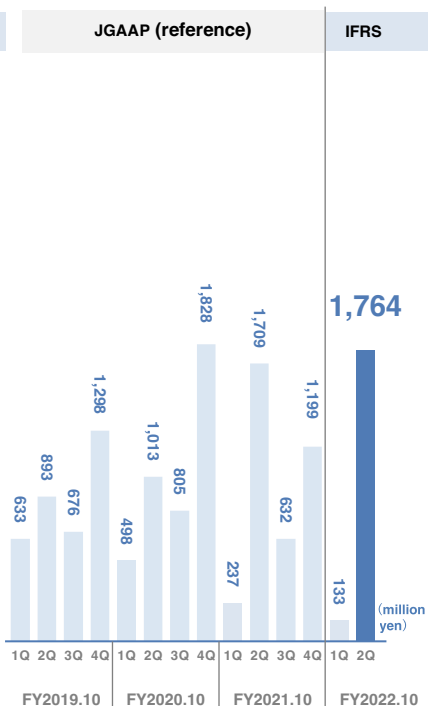
Revenue



Gross Profit



Division Profit

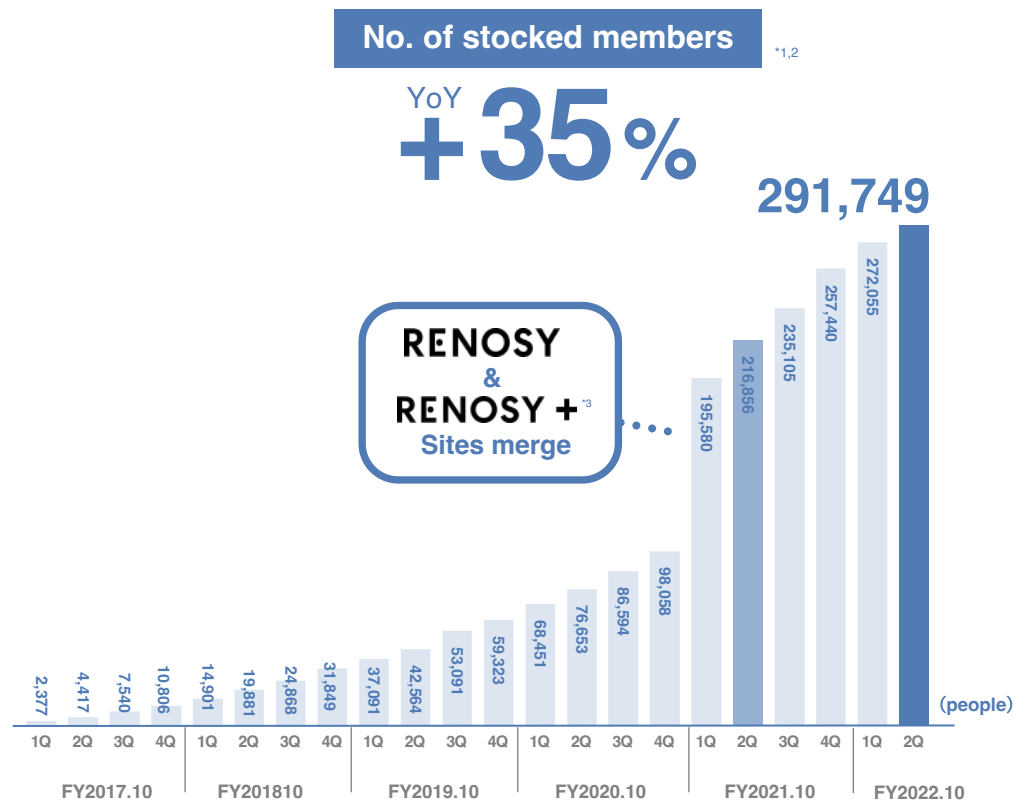


RENOSY Marketplace

RENOSY Member Stock Trends

■ Partial changes to the RENOSY members definition. Real estate investment was counted as an immediate member when a member was registered, but in demand for private use, it was counted as a member when an interview was held, so the definition was changed to the same as real estate investment (Recorded after rebating headcount since FY2021.10 1Q).

■ The stock of members has grown along with RENOSY's recognition. YoY growth was 35% and members increased by 20,000 QoQ.



Notes:

- 1.The number refers to the total number of users registered as the official RENOSY member
2. The number of RENOSY membership since FY2021.10 1Q in the graph differs from the number of members announced by FY2022.10 1Q due to a change in the aggregation definition since FY2022.10 2Q.
- 3.Changed name from Modern Standard Inc. on April 1, 2022.

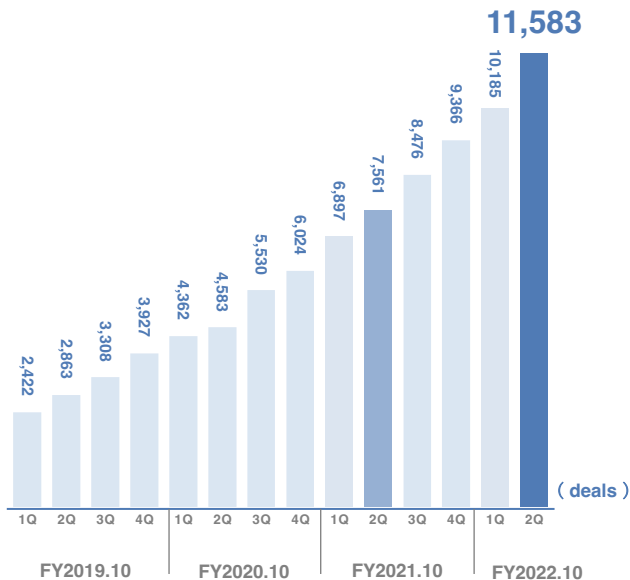
RENOSY Marketplace (Subscriptions) KPI Trends

■ Cumulative total of subscription contracts grew +53% YoY on strong sales, with more than 10,000 units in stock.

■ The number of owners also grew by 46% year-on-year, with strong growth totaling approximately 6,000 owners.

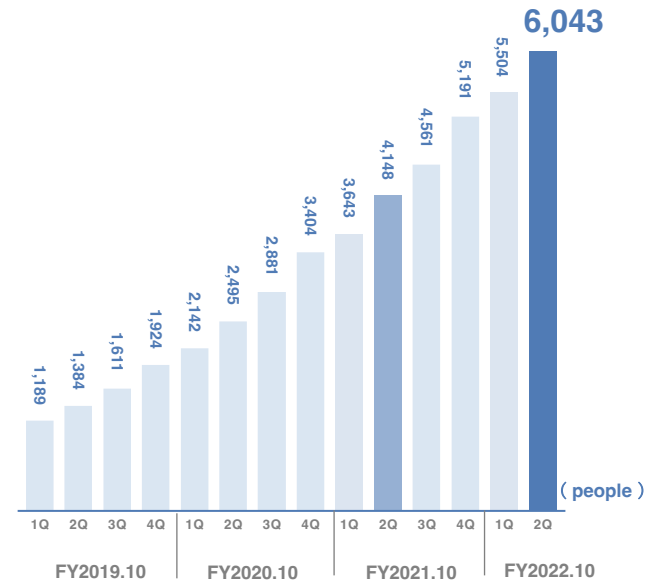
No. of subscriptions

YoY
+53%



No. of owners

YoY
+46%



Note: 1. The number was collected based on the number of deals made before FY2020.10 1Q and changed the standard for collection to number of listings managed after that.

A vertical blue bar on the left side of the page, featuring a subtle geometric pattern of overlapping triangles and polygons in various shades of blue.

ITANDI

ITANDI Highlights

- ARR growth rate accelerated to 63.6% YoY.
- With deregulation of electronic contracts on the horizon, we have gained about 76% share of the (pre-contract stage) online tenant application market.
- Revenues from stock gained with high gross profit margin from SaaS development.
- SaaS churn rates remain low and future earnings are expected to be stable.

YoY ARR Growth Rate ^{*1}

+63.6%

Online Tenant Application Share ^{*2}

75.5%

SaaS Gross Profit Margin ^{*3}

85.0%

Churn Rate ^{*4}

0.57%

Notes:

1. Annual Recurring Revenue is calculated based on the MRR of each quarterly month (by the end of each month) times 12. MRR which includes monthly usage fee, pay-as-you-go fee, profit from additional businesses. It is calculated based on the ARR comparison between the numbers from April 2021 and April 2022 of ITANDI BB+.

2. As of April 15, 2022, our estimate based on TPC Market Research, Inc.

3. ITANDI BB+ for 2Q FY2022 (February 2022 to April 2022) figures

4. Average monthly churn rate of ITANDI BB+ for the last 12 months as of the end of April 2022

ITANDI

FY2022.10 2Q

Performance trends (IFRS)

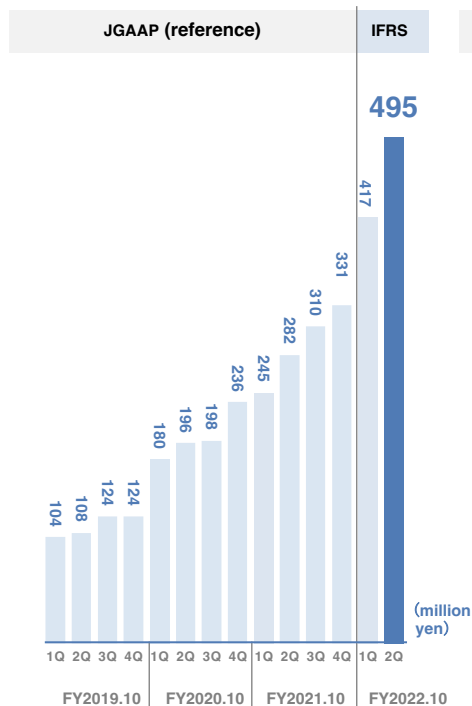
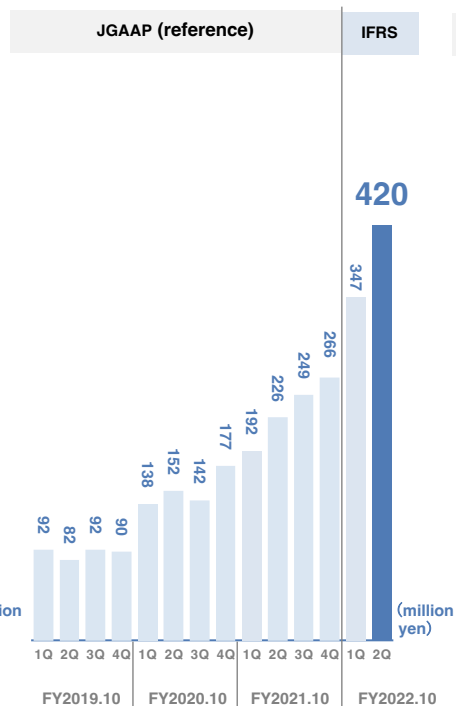
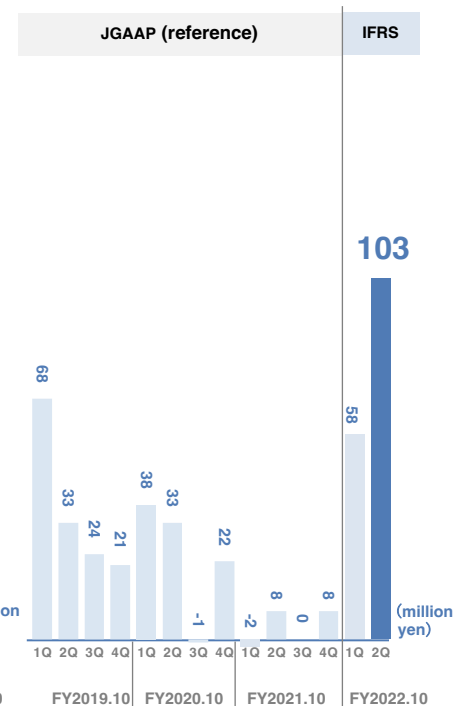
- SaaS business performed well with net sales up 75% YoY.
- A high growth rate for gross profit, up 86% YoY.
- Sector profit made it into the black at 103 million yen. High growth rate achieved while maintaining profitability through cost-effective investments.



ITANDI

FY2022.10 2Q**Performance trends
(Reference)**

- SaaS business performed well, expanding net sales, gross profit, and sector profit.

Revenue**Gross Profit****Division Profit**

ITANDI
SaaS for Management
Companies
KPI Trends

■ KPI has been changed from number of subscribing companies to number of companies using SaaS. The churn rate is also calculated based on the number of companies using SaaS.

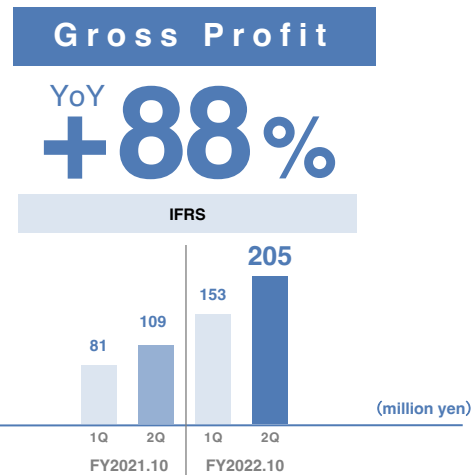
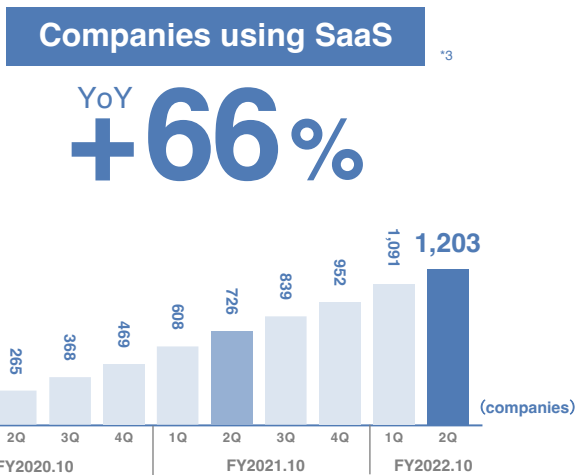
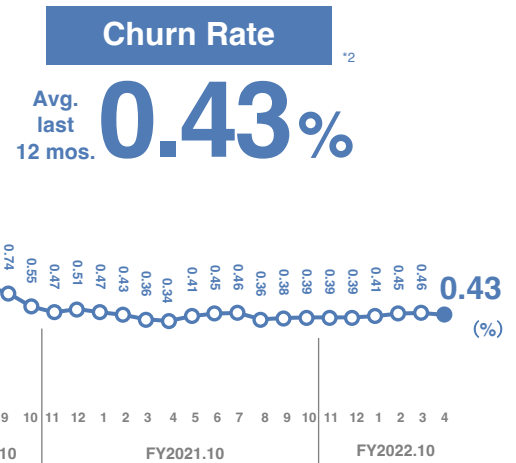
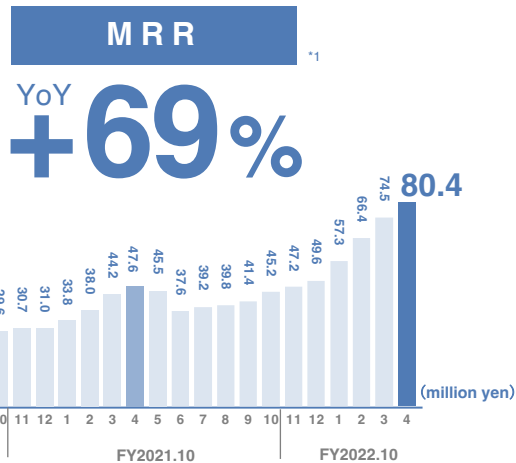
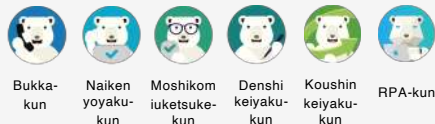
■ MRR growth accelerated to +69% YoY. Strong growth in electronic applications and incidentals, leading to a significant increase in recurring revenues.

■ The churn rate has been on a downward trend, declining to 0.43% on average for the last 12 months.

■ The number of companies using SaaS exceeded 1,200, growing significantly, up 66% YoY.

■ Gross profit also remained strong, up 88% YoY surpassing MRR growth.

ITANDI BB +



Notes: 1. Monthly SaaS user fees, incidental services business, product pay-as-you-go fees. 2. Calculated monthly average churn rate of recent 12 months, based on the numbers of companies with system subscription. 3. Management companies those started with the service

ITANDI

SaaS for Real Estate Agencies KPI Trends

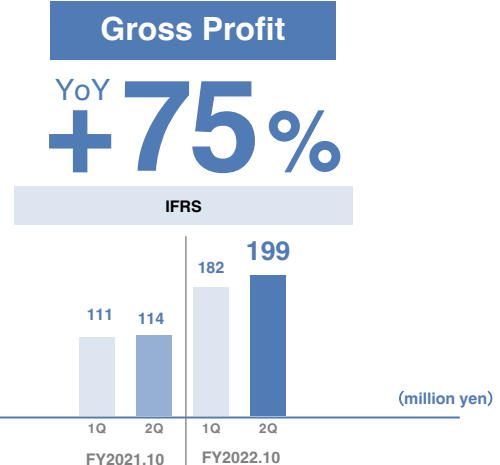
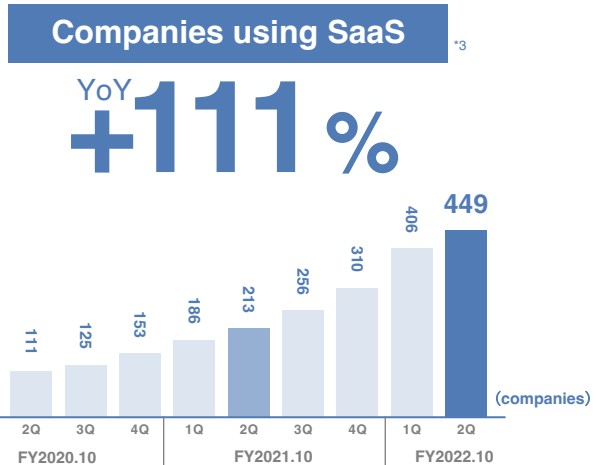
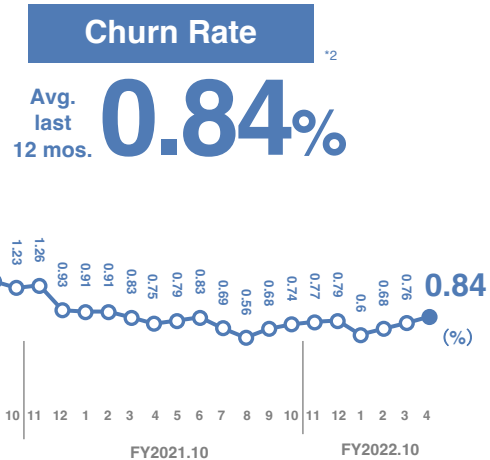
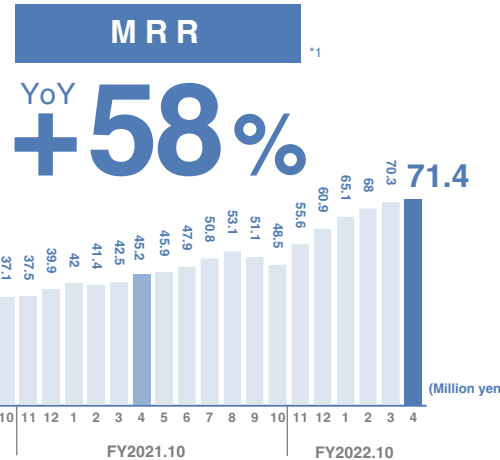
■ The definition was changed from number of subscribing companies to number of companies using SaaS. As a result, the churn rate is now calculated based on the number of real estate agencies using SaaS.

■ MRR was favorable with +58% YoY. In September and October 2021, temporarily decreased due to enterprises' withdrawal but the trend is expanding again.

■ The churn rate has been on a downward trend, declining to 0.84% on average for the last 12 months.

■ Over 450 real estate agencies are now using SaaS, up 111% and more than doubling thanks to boosting sales personnel, etc.

■ Gross profit remained strong, up 75% YoY.



Notes: 1. Monthly SaaS user fees, product pay-as-you-go fees 2. Calculated monthly average churn rate of recent 12 months, based on the numbers of companies with system subscription. 3. Real estate agencies those started with service

ITANDI's Key Metrics

■ Significant YoY growth in all metrics thanks to aggressive investments.

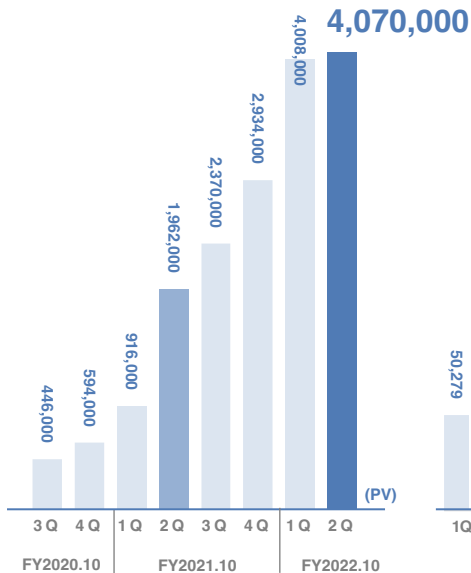
■ ITANDI BB has seen strong PV numbers since its release in June 2020 and continues to grow by more than 2 times YoY.

■ Online tenant applications have increased after acquiring new online tenant application customers.

■ With more companies introducing electronic tenant applications, the number of property listings also increased. However, now that certain number of enterprises have already introduced the service, the number of property listings is expected to increase slightly in the future. Therefore, KPI will be changed from the number of property listings to the number of PV from 3Q.

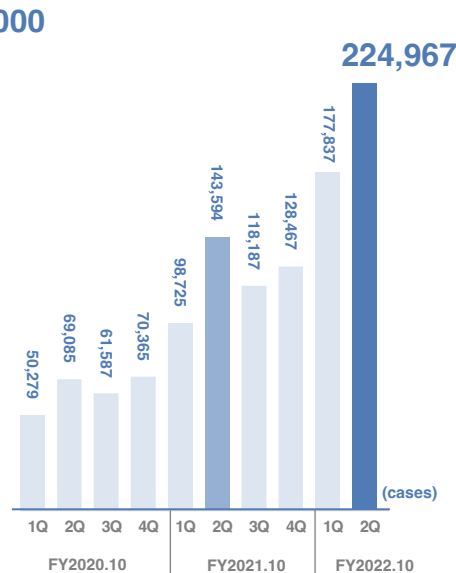
ITANDI BB monthly page views ^{1,3}

YoY **+107%**



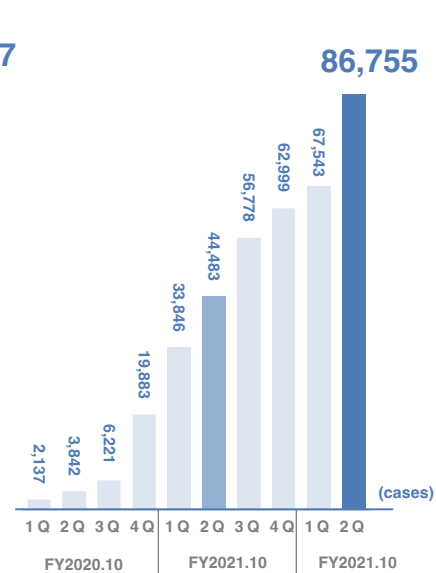
Online tenant applications ²

YoY **+57%**



O H E Y A G O listed properties ³

YoY **+95%**



Notes:

1. Round down to the 1,000

2. Certain data published prior to FY2021.10 3Q have been tabulated differently. Please refer to the figures published after FY2021.10.

3. The figures are the last month of each quarter

Our growth strategy

A vertical blue bar on the left side of the slide, featuring a subtle geometric pattern of overlapping triangles and polygons in various shades of blue.

RENOSY Marketplace

RENOSY Marketplace Service Overview

- Based on the concept of “Finding a home and managing assets is easy with RENOSY”, the RENOSY marketplace consists of three services.

Finding a home and managing assets is easy with RENOSY

Online Transaction

RENOSY



All real estate transactions on the RENOSY marketplace

Subscription

RENOSY



Providing unique, fixed-price management plans for property owners

Third Party Services

RENOSY



Providing other services to RENOSY members

RENOSY Marketplace

Business Summary

■ RENOSY Marketplace

Attract customers interested in investing, selling, leasing, and renting real estate.

■ Online Transaction

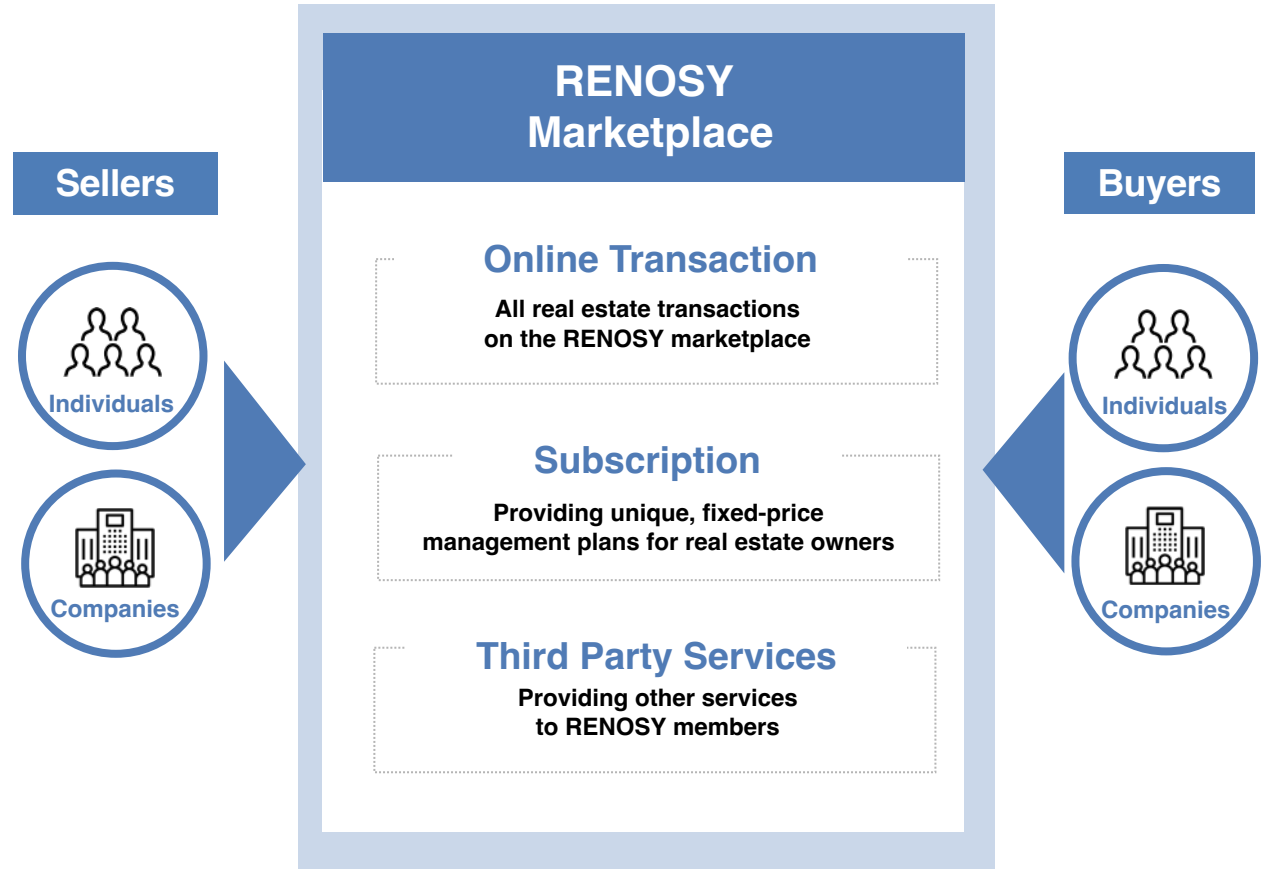
Not only matching supply and demand in terms of investments, sales, leases, and rentals on the RENOSY marketplace, but also conducting all real estate transactions with in-house sales.

■ Subscription

Providing a number of flat-fee services as a management business to protect the value of real estate assets for the owners.

■ Third Party Services

Providing other related services by forging better digital contact with customers for RENOSY members.



RENOSY Marketplace Features

■ RENOSY has been chosen by customers as a result of pursuing customer satisfaction by incorporating technology into real estate since it was first founded.

RENOSY Features

(Why customers are choosing RENOSY)



Note:

1. Source: Searched by TOKYO SHOKO Research upon actual sale number of pre-owned condominium investment (March 2022)

RENOSY Marketplace Strengths

■ RENOSY Marketplace has six major strengths.

RENOSY Marketplace Strengths



Notes:

1. This refers to the accumulated number of registered members

2. The result was researched using net research service "Fastask"

3. The number refers to the avg. number of inquiries we received regarding investment and own used properties

4. The number refers to the avg. number of deals made by RENOSY marketplace in a month (except for PARTNERS)

5. The number refers to the monthly avg. contracts of direct procurement from retail made by PARTNERS.

6. Calculated by dividing investment sales result of FY2021.10 by the SAM estimated with reference to results released by Tokyo Kantei Co.,Ltd.: Press release Newly built / existing apartments market size of Tokyo metropolitan area (Jan. 2021), Tokyo Kantei Co.,Ltd.: Press release Newly built / existing apartment logistics change of Tokyo metropolitan area (May 2021), Data of registered properties released by Real Estate Information Network for East Japan, Data from top 10 companies in the property investment industry

RENOSY Marketplace Growth Feasibility

■ In order to quickly expand RENOSY Marketplace's market share, we will continue to develop our business aggressively by aiming for a high growth rate without ever slowing down.

	FY2019.10 1Q	FY2022.10 2Q	Future
RENOSY stocked Members ^{*1}	Approx. 40,000	Approx. 290,000 (X7.3)	Aiming for high growth speed in the future
Brand Awareness ^{*2}	Approx. 27%	Approx. 69% (X2.6)	
Inquiries ^{*3}	Approx. 2,100	Approx. 5,500 (X2.6)	
Contracts ^{*4}	Approx. 200	Approx. 430 (X2.2)	
Direct procurement (deals made) ^{*5}	Approx. 1	Approx. 100 (X100)	
Market share (pre-owned apartments in Tokyo) ^{*6}	2.6%	5.3% (X2)	

Notes:

1. This refers to the accumulated number of registered members.

2. The result was researched using net research service "Fastask".

3. The number refers to the avg. number of inquiries we received regarding investment and own used properties.

4. Average of investment within RENOSY Marketplace (including the number of Partners brokering and the number of direct procurement properties) and the number of monthly contracts of demand for private use.

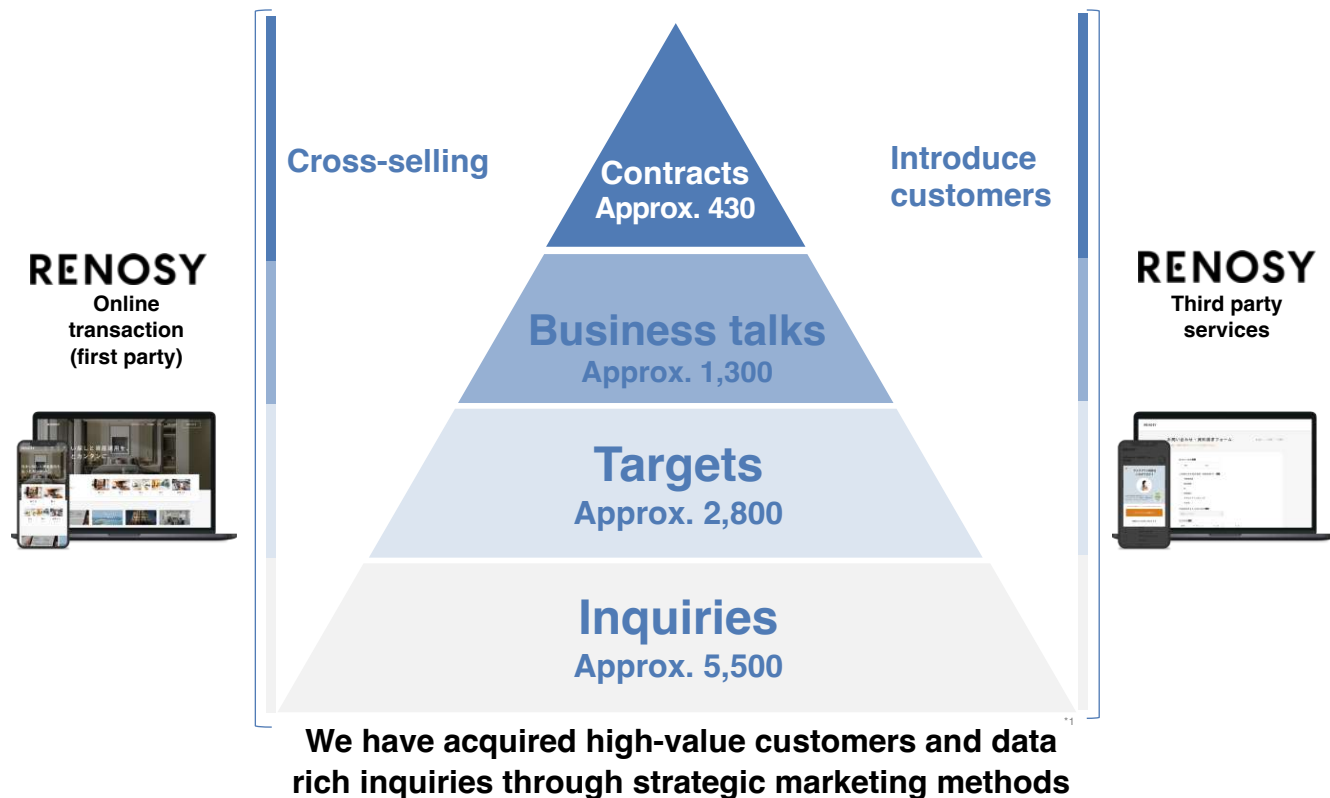
5. Average of the number of Partners brokering and the number of monthly contracts of direct procurement properties.

6. Calculated by dividing investment sales result of FY2021.10 by the SAM estimated with reference to results released by Tokyo Kantei Co., Ltd.: Press release Newly built / existing apartments market size of Tokyo metropolitan area (Jan. 2021), Tokyo Kantei Co., Ltd.: Press release Newly built / existing apartment logistics change of Tokyo metropolitan area (May 2021), Data of registered properties released by Real Estate Information Network for East Japan, Data from top 10 companies in the property investment industry.

RENOSY Marketplace Strengthening Profitability

- There has been an increase in RENOSY members due to more brand awareness, leading to more inquiries.
- By introducing customers to third party services and cross-selling with first parties with an expanded product line-up, we will eliminate any missed opportunities in the process of acquiring customers from inquiries to contracts, leading to greater revenues.

Maximizing revenues by eliminating missed opportunities for both first and third parties



Note: 1. Monthly average over the past year within RENOSY Market place for investment and residence.

RENOSY Marketplace

Online Transactions Important KPI

■ In the future, measures to acquire new and repeat customers will improve CPA¹ making it possible to attract customers with low unit prices. By doing so, aim to optimize the CPO.²

■ LTV is improved through measures to acquire sellers and expanded product lineup.³

■ Optimize CPO, improve LTV, and maximize unit economics through better up-selling and cross-selling, pursuing customer benefits, and increasing satisfaction.

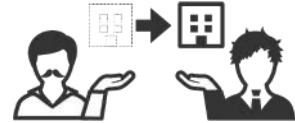
Optimize CPO

Measures to acquire new and repeated customers

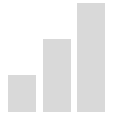


Improve LTV

Measures to acquire sellers and expanded product lineup

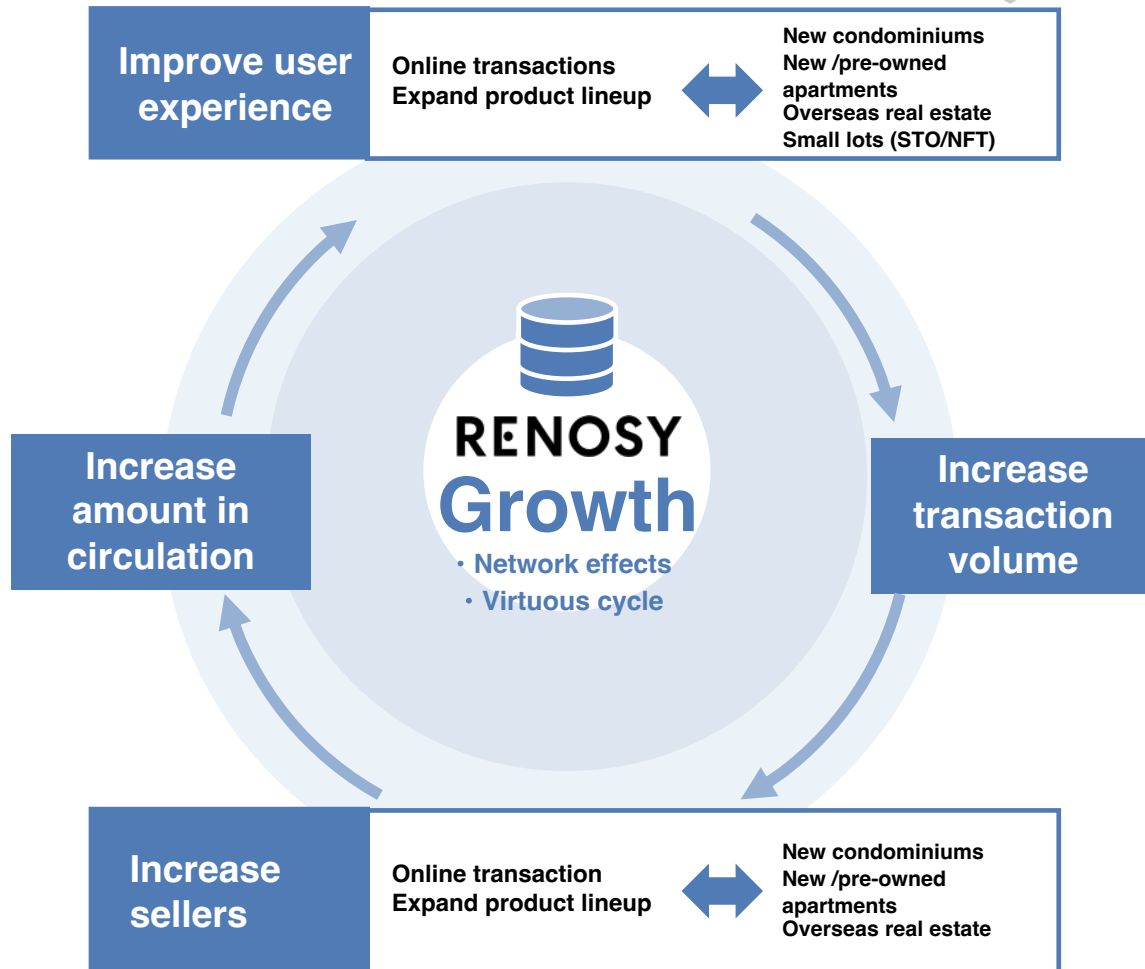


Maximize unit economics



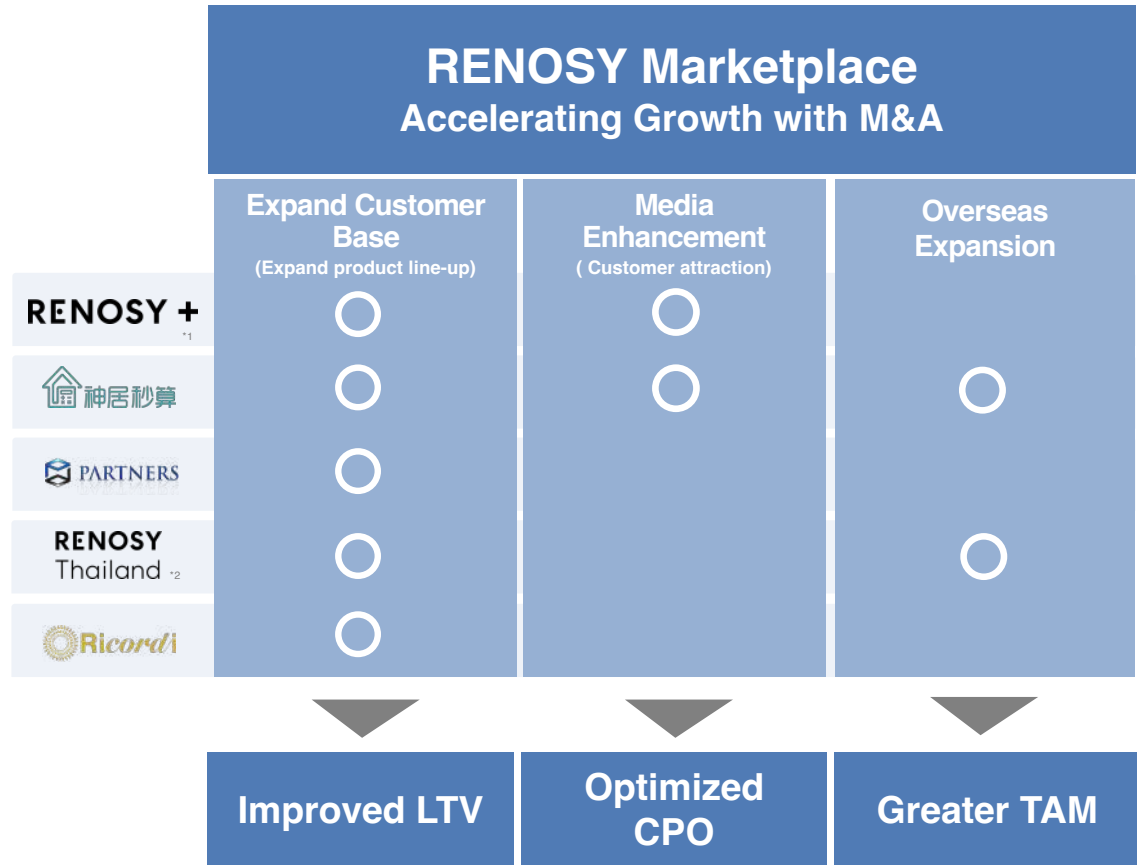
RENOSY Marketplace Online Transactions Strategy to Improve Commission

- Until now, the focus has been on expanding market share of existing small condominiums in existing business.
- New small condominiums and new and existing apartments have been introduced to strengthen the marketplace.
- Aiming to expand our product lineup to third parties as well as first parties.
- These network effects lead to an increase in buyers and sellers, creating a virtuous revenue model.



RENOSY Marketplace Accelerating Growth with M&A

- Using M&A to accelerate the growth of the RENOSY Marketplace.
- M&A is focused on the RENOSY Marketplace area and does not conduct any diversified M&A outside the area.
- Improving CPO by enhancing LTV and enhancing media (i.e., improving customer attraction) with a focus on expanding customer base (i.e., expanding product lineup).
- Building a foothold in overseas development through M&A to lead to the expansion of TAM.
- For the period, priority is placed on creating synergies with the seven existing M&As rather than new M&As.



Notes: 1. Changed name from Modern Standard Inc. on April 1, 2022. 2. Changed name from DEAR LIFE CO.,LTD. on May 1, 2022.

RENOSY Marketplace: The Road to Increase Market Share

GA technologies share of pre-owned condominiums under the size of 50m² and under in the Tokyo metropolitan area

FY2021.10

Increased market share through sales of 80 billion yen

5.3%



FY2022.10 (forecast)

Through sales of 100 billion yen

6.6%



Future

Aim to expand market share as soon as possible, including third-party services

20%

Market profit of the industry

TAM (approx.) **65** trillion yen^{*1,3}

Condominiums over the size of 50m² in the Tokyo

SAM **6.9** trillion yen^{*2,4}

Condominiums under the size of 50m² in the Tokyo

SAM **1.5** trillion yen^{*2,4}

Aim to expand share to **20%**

Grow to share of 6.6%

GA technologies share 5.3%

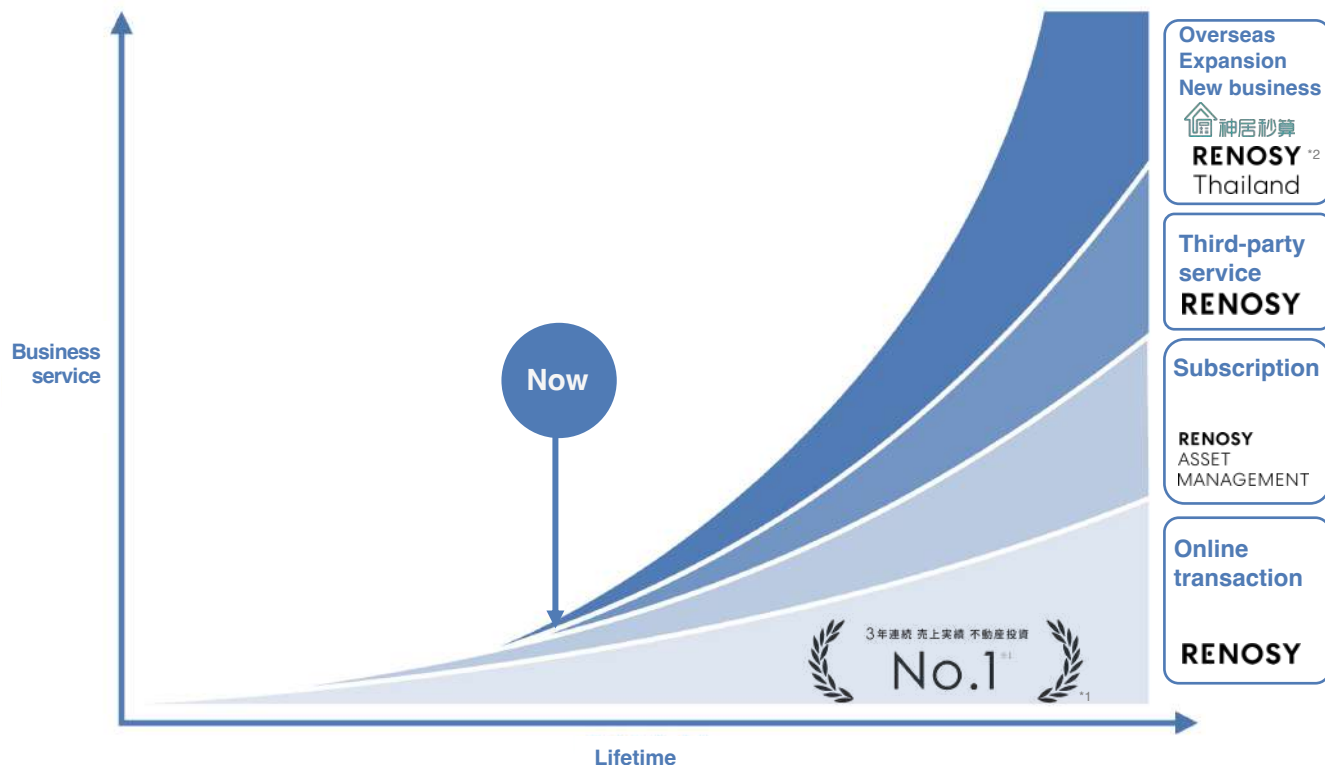
Notes:

1. Source: Japan's real estate investment market size of profitable real estate by use, NLI Research Institute Real Estate Investment Report (March 12, 2021)
2. Estimated with reference to results released by Tokyo Kantei Co.,Ltd.: Press release *Newly built / existing apartments market size of Tokyo metropolitan area* (Jan. 2021), Tokyo Kantei Co.,Ltd.: Press release *Newly built / existing apartment logistics change of Tokyo metropolitan area* (May 2021). Data of registered properties released by Real Estate Information Network for East Japan, Data from top 10 companies in the property investment industry
3. TAM: Total Addressable Market (The maximum potential market size that the RENOSY marketplace business can take over)
4. SAM: Serviceable Available Market (The market share size that the RENOSY marketplace business is targeting)

RENOSY marketplace Growth Strategy

- In the mid to long term, we will expand our market share based on online transactions and grow each sector including overseas business

Expand use of services to other businesses by leveraging customer base of RENOSY, No.1 real estate investment company in terms of sales in Japan



Note:
1. Sales results of used condominium investment by Tokyo Shoko Research (surveyed in March 2022)
2. Changed name from DEAR LIFE CO.,LTD. on May 1, 2022.

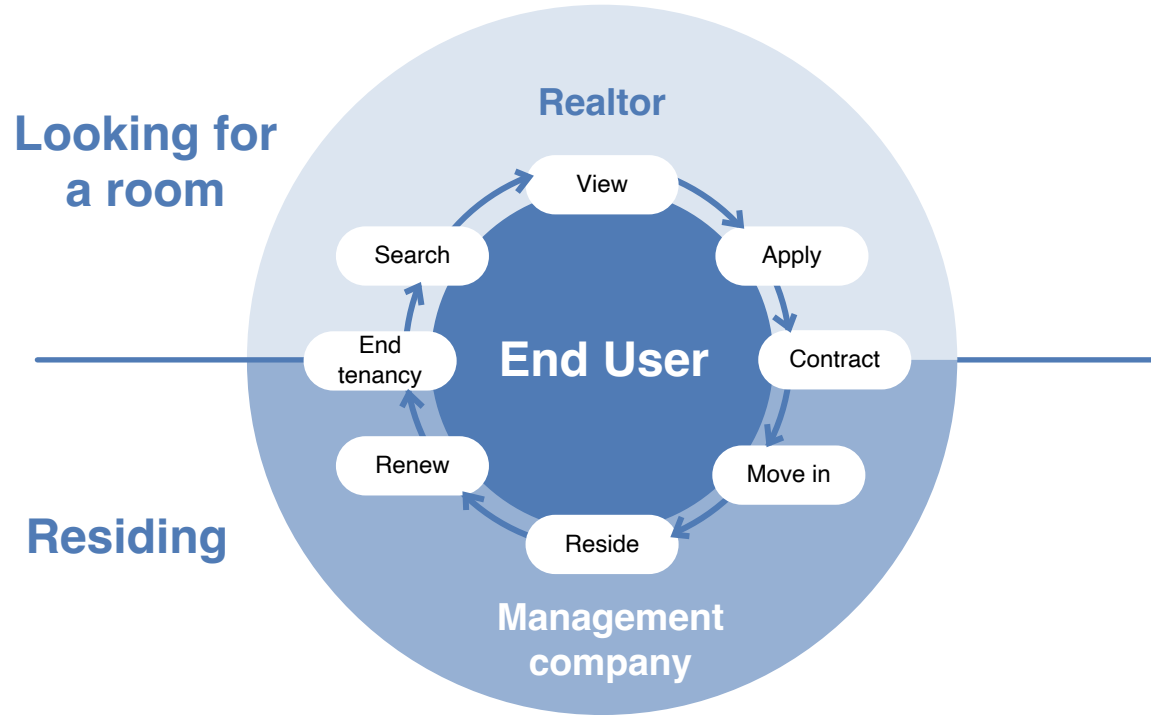
A vertical blue bar on the left side of the page, featuring a complex geometric pattern of overlapping triangles and polygons in various shades of blue.

ITANDI

ITANDI's Vision

- In the short term, aim for smooth real estate transactions through SaaS and marketplace.
- In the long term, aim for a platform that modernizes overall "living" after occupancy including real estate.

Enrich people's life through our platform by connecting people and their living



ITANDI Issues in the Rental Housing Industry and ITANDI's Value Promise

■ Information asymmetry

Problems with bait and switch properties where inaccurate information¹ is advertised to consumers.

■ Low productivity due to analog working style

Phone and fax are still being used. Compared to other industries, the adoption of IT has lagged behind, leaving many monotonous and geriatric tasks such as data entry from paper to systems.

■ Worker shortages due to falling laboring population

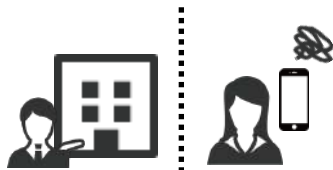
With about 50% of real estate workers over the age of 60,¹ and a turnover rate of 8.1%,² the future labor shortage is even more serious than in other industries.

Notes:

1. Taken from *Real Estate Industry Vision 2030*, Ministry of Land, Infrastructure, Transport and Tourism

2. Taken from *2020 R2 Employment Trends Survey*, Ministry of Health, Labor and Welfare

Issues in the Rental Housing Industry



Information
asymmetry



Low productivity due
to analog work style



Worker shortages due
to falling laboring
population

ITANDI's Value Promise

Provide accurate information in
real time

Marketplace

Streamline operations to promote
DX

**SaaS tailored to the rental
housing industry**

ITANDI's Service Overview

- Rollout services in both SaaS and marketplace to achieve Vision.
- Each service shares real-time property data and has established its own position.

Enrich people's life through our platform by connecting people and their living

SaaS

ITANDI BB +



For management companies



For real estate agencies



Marketplace

ITANDI BB



Real estate industry professionals' website

OHEYA GO
オヘヤゴー



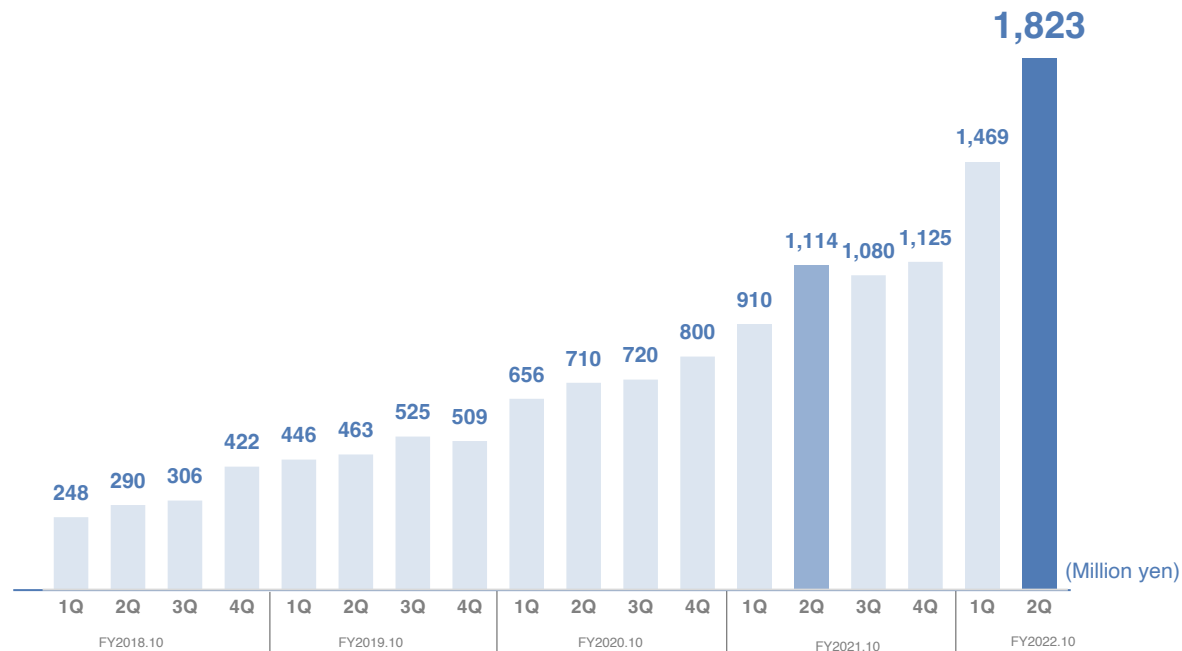
Online Real Estate Rental Service

ITANDI

Sustainable Growth in the SaaS Business

- ARR was up 64% year-on-year due to growth in the main services of SaaS for management companies and SaaS for real estate agencies.

ARR Growth ^{*1,2}
YoY **+64%**



Notes:

1. Annual Recurring Revenue. Calculated by multiplying the end of quarter MRR by 12.
2. Comparison of ITANDI BB+ ARR as of April 2021 and April 2022.

ITANDI Three Growth Driving Factors

- Growing market needs
- ITANDI BB network effects
- Expansion of service lineup



ITANDI Growing Market Needs

- There is high demand among both prospective tenants and real estate businesses to move to digital contracts. Revisions to the Real Estate Brokerage Act, which has been introduced in May 2022, are expected to further elevate demand.

High Expectations for Digital Contracts before Enforcement

Prospective tenants



Real estate businesses



Notes:

1. Source: *Survey on the intention to use digital contracts in rental agreements*, ITANDI, Inc. (2021)

The percentage of respondents who answered they "Want to use digital contracts" in answer to the question, "After revisions to the law come into effect, you will also have the choice of using digital contracts for signing rental agreements. In which case, what form of contract do you want to use?"

2. Source: *Survey on DX Promotion in the Real Estate Industry*, Joint project between 7 real estate tech companies and 1 organization (2021).

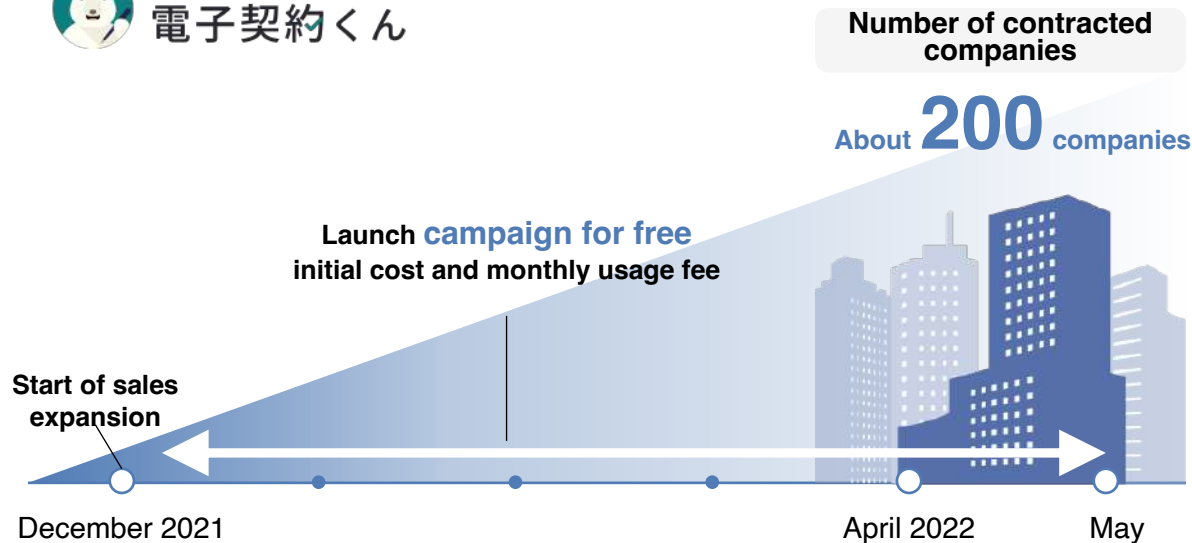
The percentage of respondents who answered, "Making preparations to move" (30%), "Will move after assessing the situation" (33%), "Want to move but unsure about operations" (10%), or "Want to move but unsure about what system to use" (10%) in answer to the question, "Digital reform bills have been passed at the plenary session of the House of Representatives with revisions coming into effect for the real estate industry regarding the digitization of documents (Articles 34, 35, and 37). Are you making preparations for a move to digital contracts?"

ITANDI Expansion of the number of electronic contract services

■ The number of contracts by Denshikeiyaku-kun (Digital Contract Manager) increased to about 200 companies by April 2022 after expanding sales in December 2021.

■ Daito Trust Construction Group, the largest management company, plans to introduce the system this autumn.

About 200 companies signed contracts in half a year after full-scale sales expansion



Example of a
contracted
company

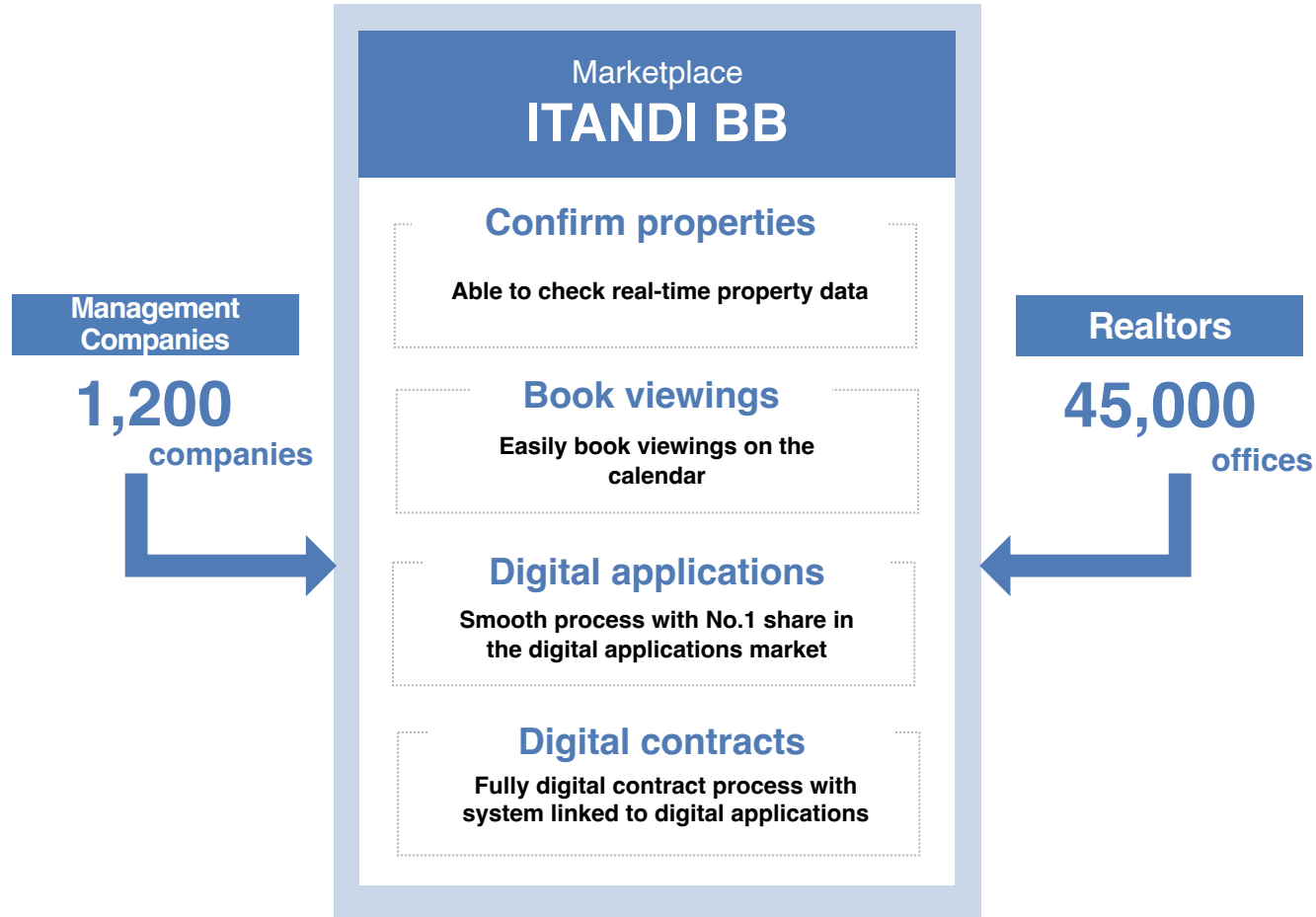
No. 1 in the number of managing houses^{*1}

 **大東建託グループ** and more

ITANDI

What is ITANDI BB?

- A marketplace that makes transactions more efficient by matching management companies that list vacant properties with real estate agencies that want to introduce properties to consumers.
- Increases market share by differentiating with features not available on other real estate websites, such as real-time property information confirmation, viewing reservations, digital applications and digital contracts.



Network effects of ITANDI BB

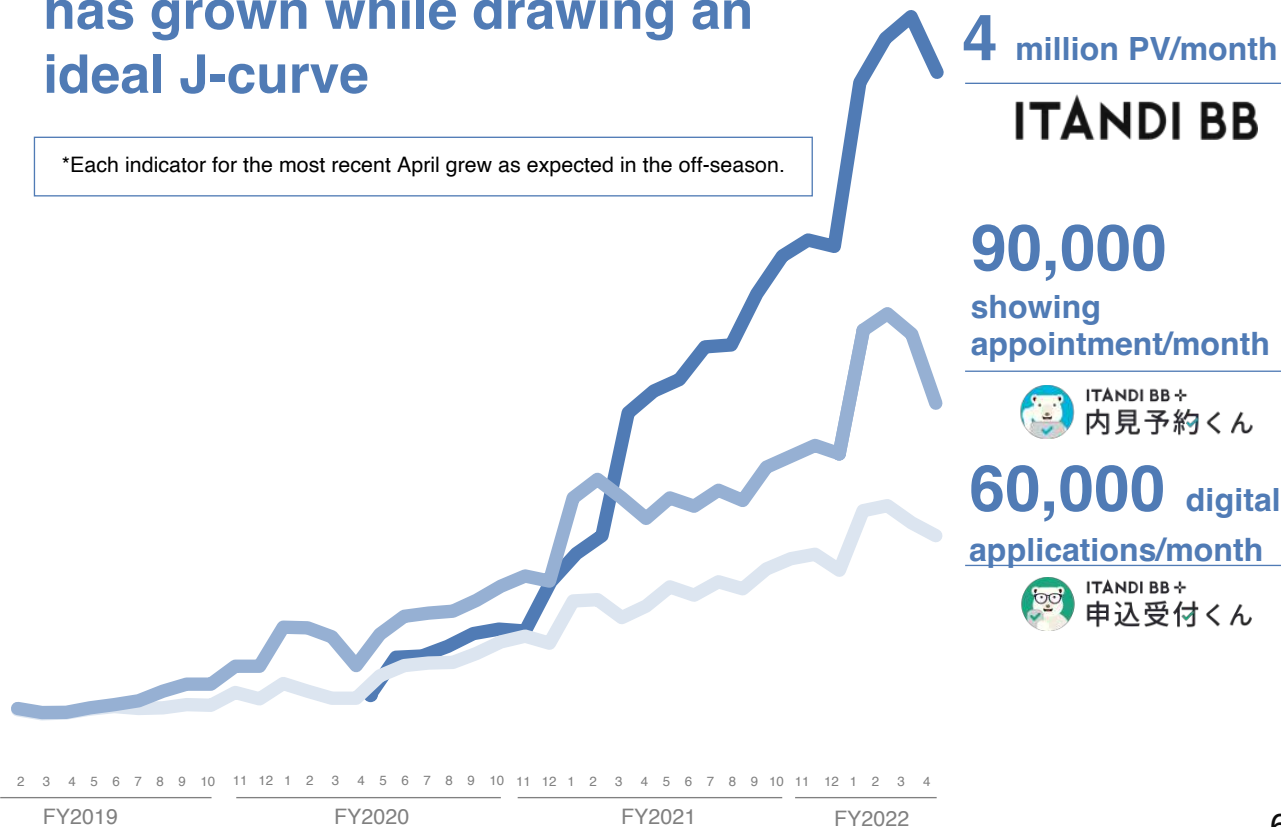
■ As the number of property listing on ITANDI BB increased, the number of page views (PV), showing appointment, and digital tenant applications by real estate agencies also grew exponentially.

■ The growth of ITANDI BB will lead to operational streamlining and higher sales for management companies that use SaaS, which will further increase the number of companies that introduce it.

■ After the revised Real Estate Brokerage Act was enforced in May 2022, the number of digital contract is used as an indicator.

ITANDI BB as a marketplace has grown while drawing an ideal J-curve

*Each indicator for the most recent April grew as expected in the off-season.



4 million PV/month

ITANDI BB

90,000
showing
appointment/month

ITANDI BB +
内見予約くん

60,000 digital
applications/month

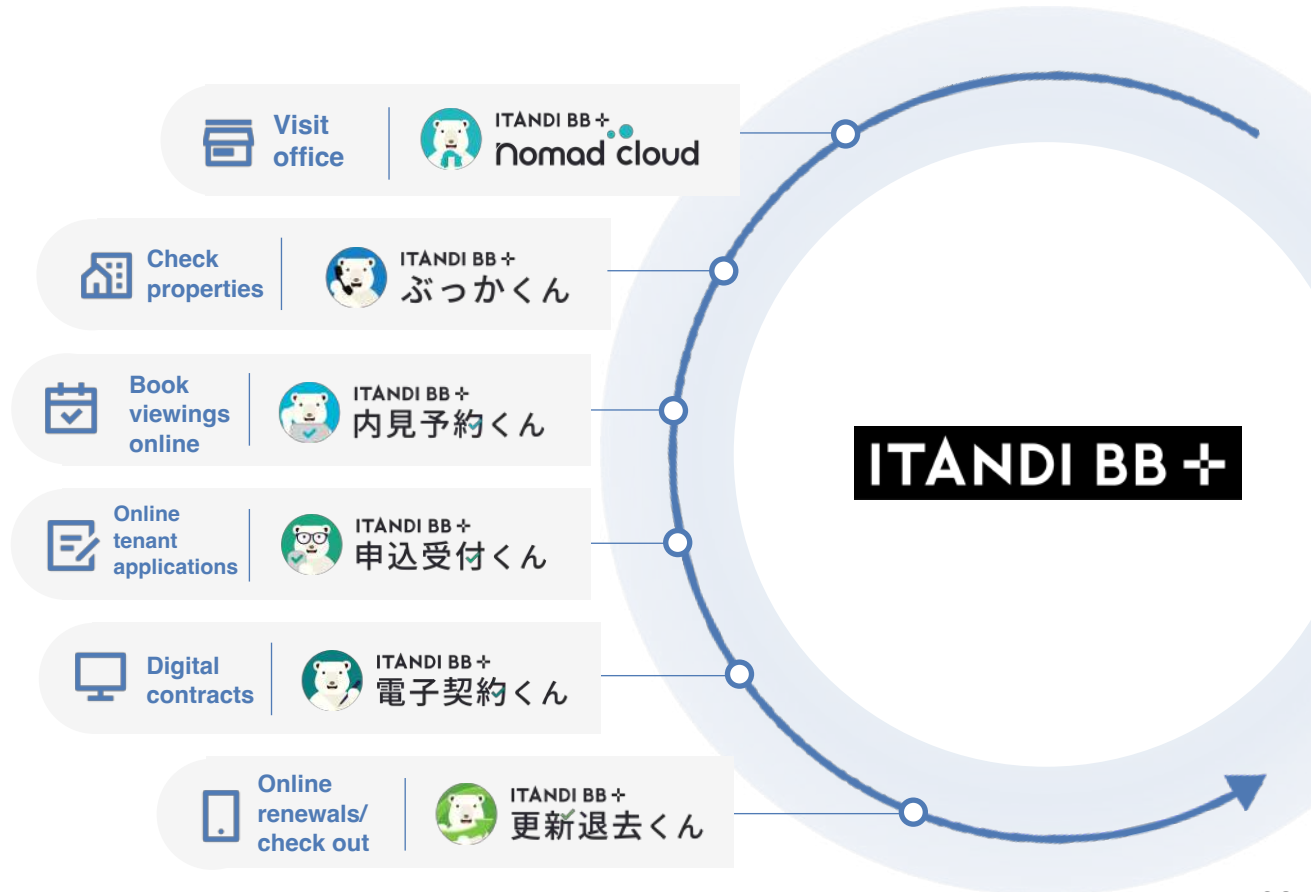
ITANDI BB +
申込受付くん

ITANDI Expanded Service Line-up

■ Expanded service line-up for real estate companies in the rental housing market.

A complete package to help digitize real estate related work.

Providing services in a complete package



ITANDI Growth Strategy

- ITANDI BB improves convenience for real estate companies that use the book viewings and digital application features, as well as the property search function which makes use of the real-time nature of properties available, to create a competitive advantage as an inter-agency website.

- ITANDI BB+ (SaaS) aims to improve ARPU by promoting the use of new products for existing customers while accelerating the acquisition of new customers through the network effect of the marketplace ITANDI BB.

- OHEYAGO continuously increases the number of listed properties while taking advantage of its high level of customer satisfaction to strengthen its ability to attract customers.

Aiming for growth by honing our strengths in every area in light of future digital expansion in the real estate market

ITANDI BB

Enhancing competitive advantage with improved convenience and real-time strengths

ITANDI BB +

Leveraging ITANDI BB's network to acquire new customers and improve ARPU for existing customers

OHEYAGO

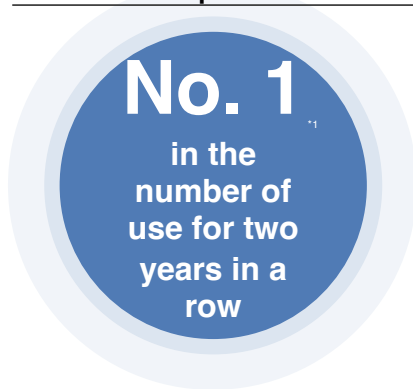
オヘヤゴー

Aiming to improve ability to attract customers by running promotions that leverage high levels of customer experience

ITANDI Share and customer satisfaction performance

- Moshikomiuketsuke-kun (Application Receiver) has been No. 1 in the number of use as a digital tenant application service since last year.
- Nomad Cloud is ranked No. 1 in terms of convenience and satisfaction with its sales contribution, which differentiates it from its competitors.
- ITANDI BB is the No. 1 inter-agency distribution website that real estate agencies want management companies to introduce, which boasts a high level of customer satisfaction that far outstrips competitors.

Digital tenant application services for management companies



Operational streamlining services for real estate agencies



Inter-agency distribution website



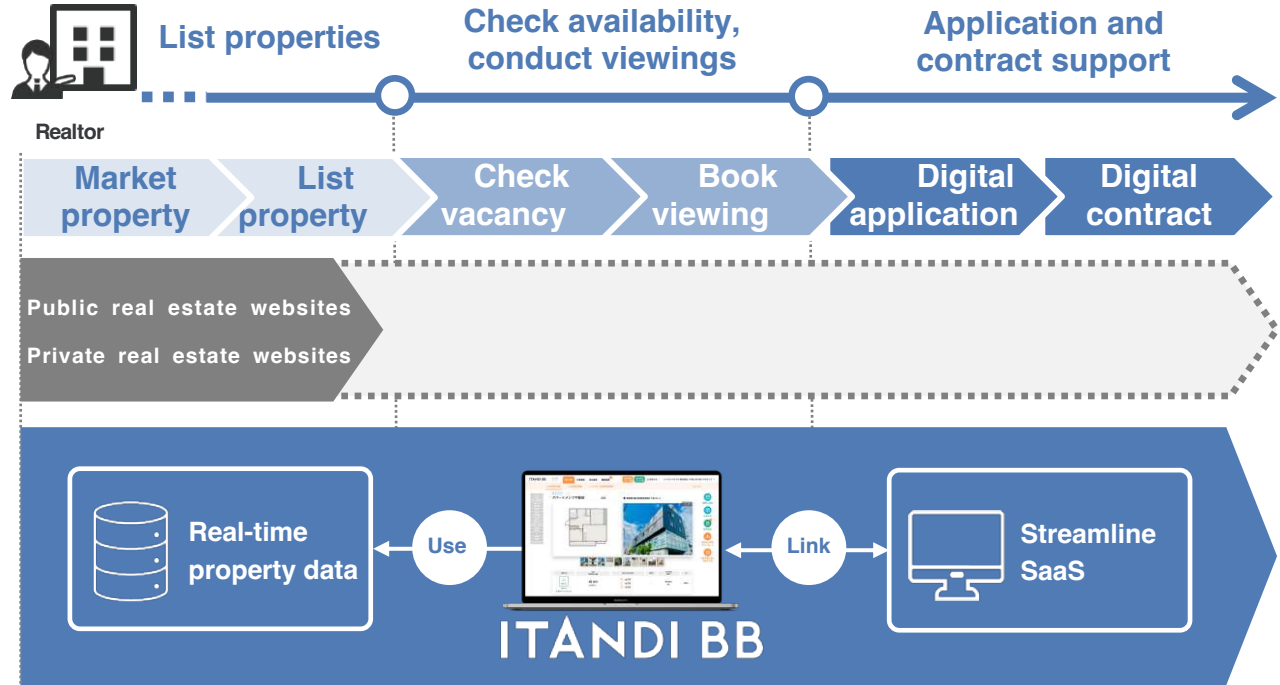
Notes: 1. [Survey period] April 1, 2021 to March 31, 2022 [Survey contractor] TPC Market Research K.K.
 2. [Survey conducting agency] Industrial Marketing Consultations Co., Ltd. [Survey period] February 21 to April 8, 2022
 [Target of survey] Real estate agents listed on the register of real estate brokers, mainly in prefectural capitals and ordinance-designated cities, that have adopted a customer management system.
 [Survey method] Telephone interview survey + Fax questionnaire [Number of hearings] 2,900 phone calls, 426 questionnaires that sent [Valid responses] 145 (*Companies that introduced CRM systems for brokering rentals) [Analysis] Comparison among the four systems with the highest number of valid responses.

ITANDI ITANDI BB Growth Strategy

- Enhance competitive advantage by supporting the business of real estate agencies to differentiate from other companies' public and private real estate websites through further improvements to ITANDI BB's real-time capabilities and convenience.

- Meet the needs of SMBs (and enterprises which have been the main target to date) improved vacancy rates to increase the number of listings by utilizing website networks.

Enhancing competitive advantage with improved convenience and real-time strengths



ITANDI ITANDI BB+ (SaaS) Growth Strategy

- Roll out SaaS paid services by utilizing the network effect of ITANDI BB's 45,000 offices and 4 million PV/month.
- Improve ARPU while continuing to acquire new customers.
- Following on from Moshikomiuketsuke-kun and Nomad Cloud, focus on expanding sales in 2022 for Koshintaikyo-kun and Denshikeiyaku-kun.

Improving ARPU by expanding multiple services utilizing ITANDI BB's network

ITANDI BB



45,000 offices

Start to charge free
users on the
marketplace

Key services this year



ITANDI BB+
更新退去くん



ITANDI BB+
電子契約くん



ITANDI BB+
申込受付くん



ITANDI BB+
Nomad cloud

ITANDI OHEYAGO Growth Strategy

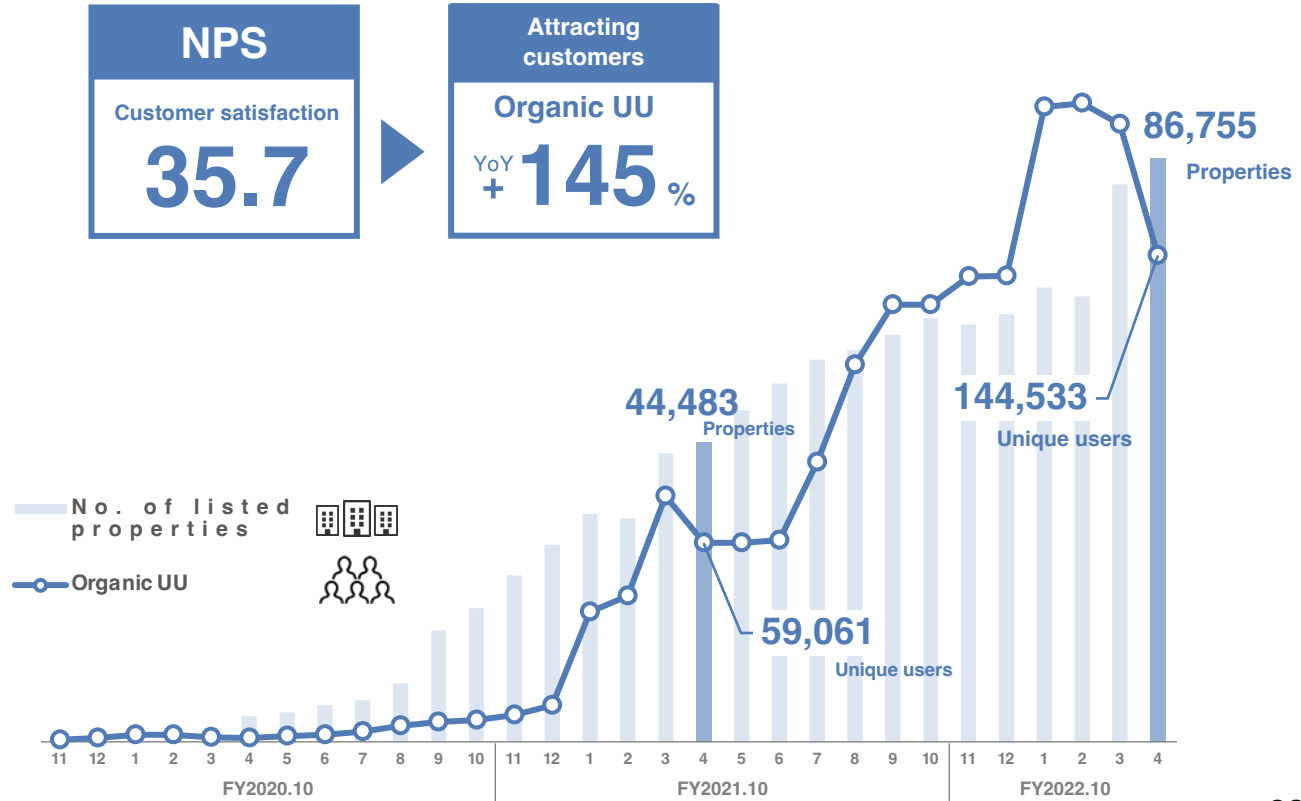
- Obtained NPS¹ of 35.7 (the average for other companies' real estate websites is -36.7²) with a smart property search experience using technology.

- As well as an increase in the number of properties, the number of unique users (UU) to the site has greatly improved with the start of the moving season.

- Aiming for viral effect through enhanced SEO owing to increasing number of properties and marketing measures that enjoy high customer satisfaction levels.

Notes:
1. Net Promoter Score, a metric used to measure customer loyalty.
2021/05/01 – 2022/04/30
2. Taken from the NPS® Benchmark Survey 2019, Real Estate Information Websites, NTTCom Online Marketing Solutions Corporation.

Greater ability to attract customers with high levels of customer satisfaction

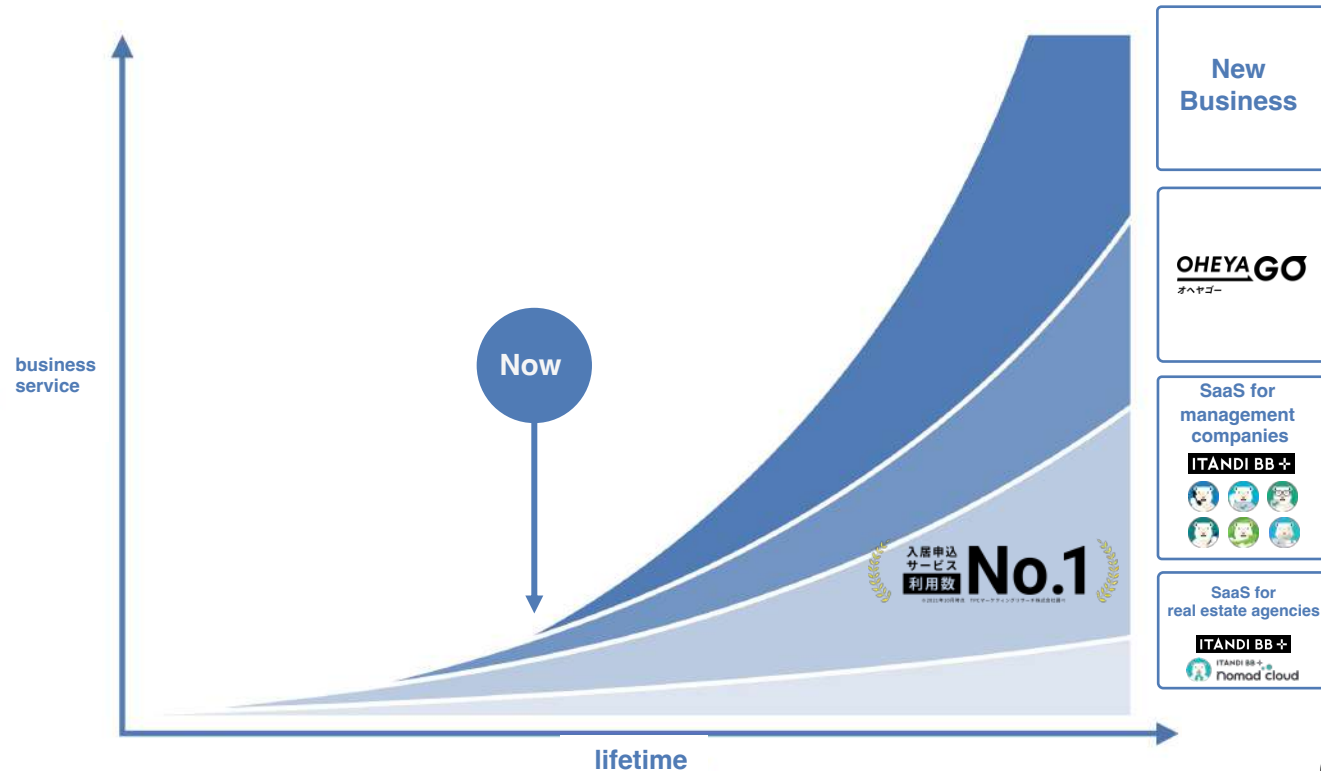


ITANDI

Future Expansion

■ Expand market share based on SaaS for management companies and SaaS for real estate agencies, aiming to grow as a platform essential for the real estate industry that “connects people with their lives” in the medium to long term.

Expand use of services in other businesses by leveraging customer base of Moshikomiuketsuke-kun, which has the largest number of users



Appendix

FY2022.10 Full-Year Consolidated Results and Earnings Forecast

Consolidated

(million yen)

	FY2021.10 (IFRS)①	FY2022.10 Initial Forecast (IFRS)②	FY2022.10 2Q After Results Revision (IFRS)③	After Results Revision YoY changes (③/① - 1) % ¹⁾	After Results Revision Initial plan YoY changes (③/② - 1) % ¹⁾
Revenue	74,867	110,000	110,000	+47%	—
Gross Profit	10,234	13,200	15,250	+49%	+16%
EBITDA	3,172	4,000	4,700	+48%	+18%
Operating Profit	▲ 1,114	57	500	—	+777%
Profit attributable to owners of parent	▲ 854	▲ 700	▲ 350	—	—

Summary of Income Statement (Consolidated) (IFRS)

■ EBITDA

EBITDA is larger than operating profit because of depreciation expenses recorded on right-of-use assets (including investment real estate) under IFRS, such as lease agreement and subleases of head office.

■ Current income attributable to owners of the parent

Finance expenses totaled 285 million yen, including 158 million yen in interest paid on interest-bearing debt and 122 million yen in fees paid on loans and commitment lines.

YoY comparisons

	FY2022.10 2Q ①	FY2021.10 2Q ②	Amount of change (③=①-②)	Percentage of change (①/② - 1)
Revenue	31,562	21,539	10,022	+47%
Gross Profit	4,444	2,941	1,502	+51%
EBITDA	1,998	1,292	705	+55%
Operating Profit	896	509	387	+76%
Revenue attributable to owners of parent	500	235	264	+112%

Progress on forecast (million yen)

FY2022.10 2Q Accumulative amount ④	FY2022.10 Results forecast ⑤	Achievement rate (④/⑤)
48,901	110,000	44%
6,905	14,340	48%
2,415	4,700	51%
227	500	45%
△61	△350	---

Summary of Balance Sheet (Consolidated) (IFRS)

■ Current assets

Increased due to increase in real estate for sale by newly consolidated Ricordi and increase in rent receivables by new rental management plan.

■ Fixed assets

Increased due to increased right-of-use assets related to investment real estate (capitalized sublease rent), which was due to newly consolidated Ricordi, goodwill and head office lease agreement, as well as an increase in right-of-use assets due to extension of head office lease agreement.

■ Liabilities

Increased in interest-bearing debt due to new borrowings and newly consolidated Ricordi.

(million yen)

	FY2022.10 2Q ①	FY2021.10 4Q ②	Amount of change (③=①-②)	Percentage of change (①/② - 1)
Total Assets	55,225	48,594	6,631	+14%
Current assets (Cash and cash equivalents) (Real estate for sale) (Rental claims)	21,540 (15,095) (3,504) (389)	19,453 (15,275) (2,836) (—)	2,086 (Δ180) (667) (389)	+11% (Δ1%) (+24%) (—)
Fixed assets (Investment property) (Goodwill) (Intangible assets) (Right-to-use assets)	33,685 (16,153) (7,346) (3,515) (2,832)	29,140 (15,222) (5,082) (3,451) (1,773)	4,544 (931) (2,263) (64) (1,059)	16% (+6%) (+45%) (+2%) (+60%)
Liabilities (interest-bearing debt)	36,247 (30,518)	30,921 (26,100)	5,326 (4,418)	17% (+17%)
Net assets	18,977	17,672	1,304	+7%
Total liabilities and net assets	55,225	48,594	6,631	+14%

Voluntary adoption of International Financial Reporting Standards (IFRS)

Objectives of voluntary adoption of IFRS

■ Facilitation of fund procurement

Facilitate explanations of financial statements to overseas investors and expand fund-raising options

■ Peers comparison

Compliance with international accounting standards facilitates comparisons with global peers.

■ Improved efficiency of business management

By applying IFRS to all companies in the group, including overseas subsidiaries, indicators between companies will be unified, making business management more efficient.

JGAAP

Allowance for leave with pay

No special treatment

Evaluation method for unlisted stocks, etc.

Unlisted stocks, etc., for which it is difficult to determine the market value are left unchanged at acquisition cost (not marked to market), except in cases where they are impaired.

Accounting for goodwill

Amortization of goodwill arising as a result of M&A is not subject to amortization
Regularly amortized each fiscal year over a certain amortization period

Accounting for operating leases

BS	PL
No special treatment	Rents related to office and other lease contracts are recorded as expenses in the month they are incurred.

IFRS

Allowance for leave with pay

Provide for reserves based on the number of days of leave granted and the rate of use.

Evaluation method for unlisted, etc. stocks

All financial instruments, including unlisted stocks, etc., shall be valued at fair value by reasonably calculating their fair value.

Accounting for goodwill



Regular amortization is not implemented. However, a more rigorous evaluation (impairment test) of the value of goodwill generated as a result of M&A is conducted every fiscal year, taking into account the business conditions of the target business, future market environment, and other factors.

Accounting for operating leases







BS	PL
Present value of total rent is recorded in the balance sheet (assets and liabilities)	<ul style="list-style-type: none"> Assets are amortized every fiscal year using the straight-line method. Interest expense from liabilities is recognized each period.

FY2022.10 Assumptions for the full-year consolidated earnings forecast

FY2022.10 Budget Assumptions (Top Line)

Overall		Increase sales and market share in all businesses
RENOSY Marketplace Online transactions		Increase market share through aggressive marketing activities, continuing to expand sales. Secure business profits despite a certain amount of leeway for lower commission with priority given to expanding market share.
RENOSY Marketplace Subscriptions		Increase sales in proportion to the number of online transactions. Promote DX and improve profitability as a standalone business.
ITANDI SaaS for real estate agencies		Revenue pillar of the ITANDI. Further accelerate the pace of sales expansion by strengthening sales and other stuff/ other activities, while securing profits to fund investment.
ITANDI SaaS for management companies		Continue to prioritize expanding market share rather than short-term profits as still in investment phase. Likely to see profits in 2-3 years.
New Business		Establish business model by expanding and developing sales channels as still in business start-up phase.

FY2022.10 Budget Assumptions (Costs)

Overall		Increase personnel for sales expansion, investment in business, and M&A strategy. Maximize the effective use of management resources and avoid incurring excess costs.
RENOSY Marketplace Online transactions		Plan to increase number of employees by about 90 (up approx. 20%), mainly for sales. Costs required to expand market share, such as advertising costs, will increase.
RENOSY Marketplace Subscriptions		Although sales will increase, number of employees will increase slightly, and cost increases will be limited. Likely to see profits from the current fiscal year.
ITANDI SaaS for real estate agencies		In order to expand sales, increase number of employees by about 15 (up approx. 35%) mainly in sales and customer service, making upfront investment to accelerate sales.
ITANDI SaaS for management companies		Increase number of employees by about 50 (up approx. +55%) mainly in sales and customer service, continuing to make upfront investment to expand market share.
New Business		After setting certain rules, determine increase/decrease in personnel and investment amount according to business progress.

Digital Reform Bills

■ What are the Digital Reform Bills?

The digital reform bills refer not just about one specific law but to several different laws. The Bill on Development of Related Laws to Form a Digital Society relaxes rules and regulations to facilitate future use of digital means.

■ The real estate industry needs to pay attention to the review of procedures for issuing documents and affixing seals

A total of 48 laws will be amended through this review.

It is hoped that digitization in the real estate industry will accelerate with the easing of regulations, such as contract procedures that previously had to be done either in person or by post.

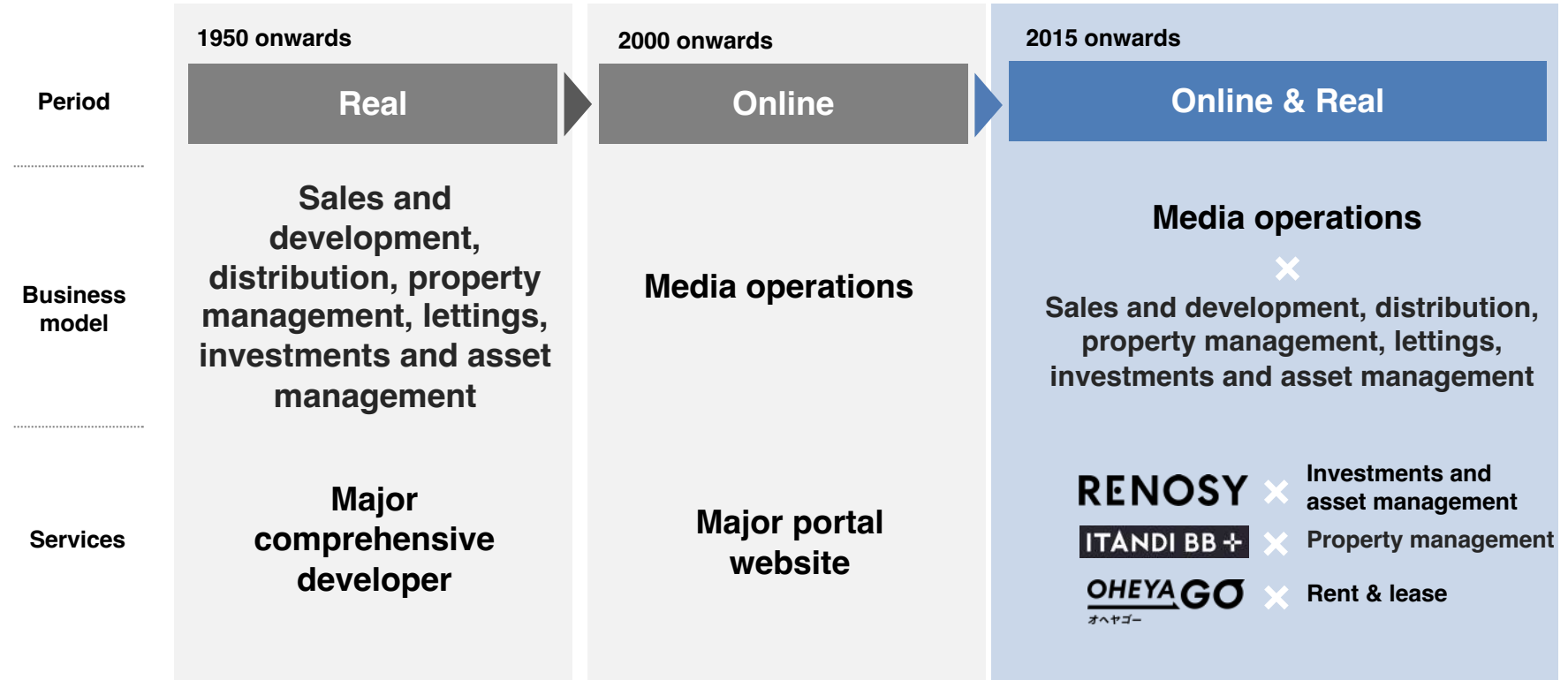
Government Trends in Bringing Real Estate Transactions Online

		Application	Contract			
		Application process	Explanation of important matters	Art. 35 documents	Rental/Sales agreement	Art. 37 documents
Previously	Standard issuing of contract documents must be on paper	✓	✓	✗	✓	✗
After enforcement	All online	✓	✓	✓	✓	✓

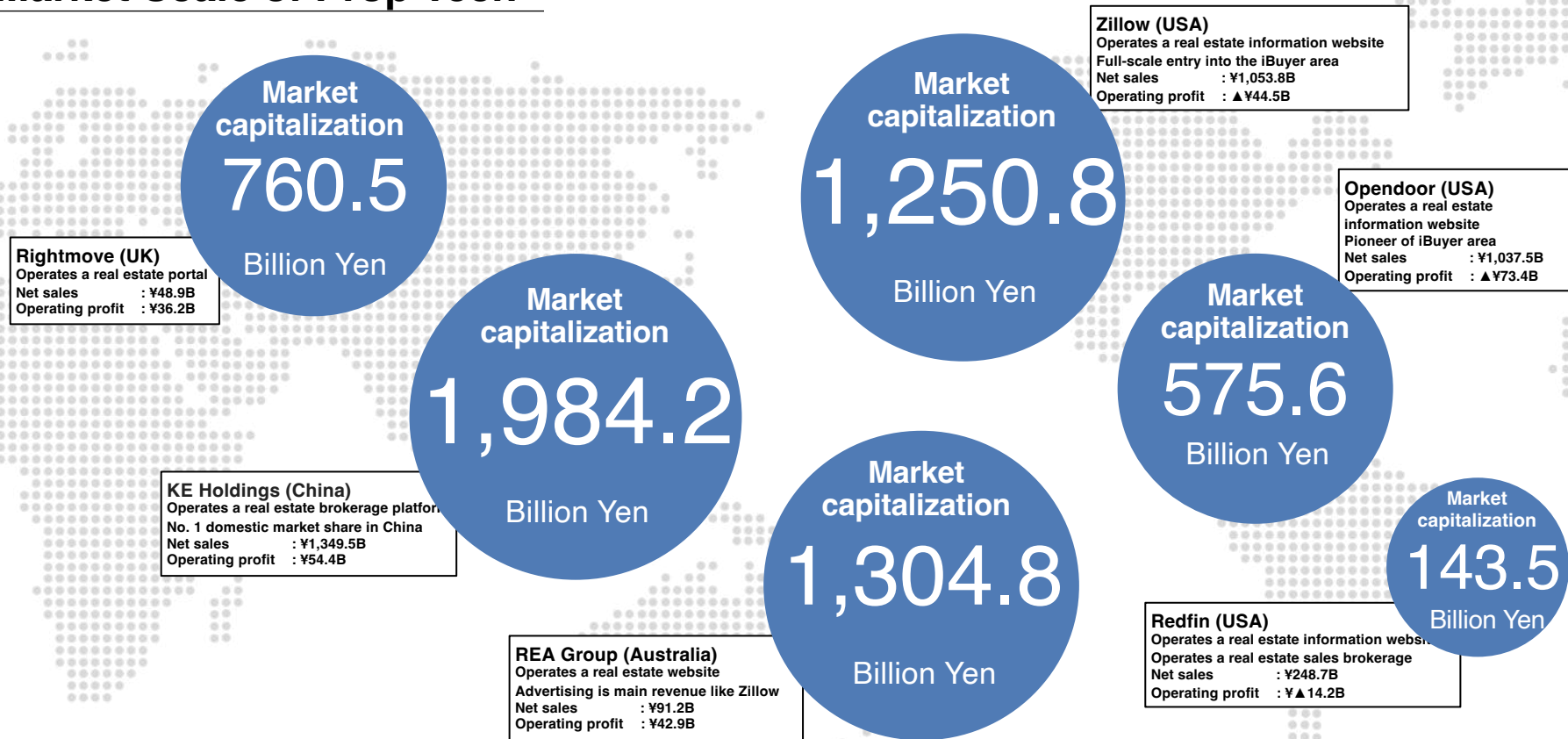
	Now	After Enforcement of Digital Reform Bills (Revisions scheduled for May 2022)
Issuing documents on important matters	The real estate broker must have a real estate transaction specialist issue documents to parties involved to explain important matters related to the real estate transaction up until the contract is concluded. If certain conditions are met, explanations can be given by means other than face-to-face, such as by video conferencing, but important matters must be provided on paper. Furthermore, the signature and seal of the real estate transaction specialist is required for the documentation explaining important matters.	With consent from other parties involved in the transaction, documentation on important matters can be provided in digital form instead of on paper. Furthermore, the signature and seal of the real estate transaction specialist is not required.
Issuing contract documents	When a contract is concluded, the real estate broker must issue a contract that describes the contents of the real estate transaction to each party. Furthermore, the signature and seal of the real estate transaction specialist is required for the contract.	With consent from parties concerned in the transaction, the real estate contract can be provided in digital form instead of on paper. Furthermore, the signature and seal of the real estate transaction specialist is not required for the contract.

Rental and purchase contracts can be completed digitally by digitizing documents and making contracts non face-to-face by putting them online.

GA technologies Group Unique Positioning



Market Scale of Prop Tech



Notes:

1. The numbers are based on the IR report released by each company
2. The price is based on the data validated until 16th May, 2022
3. Currency exchange rate: 1 dollar =129.350 yen ,1 pond =160.464 yen,1 Australian dollar =90.739 yen (by 17th May, 2022)

The Team Driving Our Technology

The team leading the way in solving real estate issues with technology, improving productivity and convenience in all real estate operations, and achieving technology-driven corporate growth.



**Shinpei
Noguchi**

COO

A graduate of Waseda University, he won a business contest organized by the university and gained work experience while still attending university.

After graduating, he established his second company, a web media company, and later sold it to a listed company. Joined ITANDI from the early stage, launched media business and SaaS, became CEO and committed to the revenue expansion.

2014 Joined ITANDI as executive officer
2018 Appointed as representative director of ITANDI
Appointed as executive officer of the Company
2019 Appointed as Chief Product Officer (CPO)
2021 Appointed as Chief Operating Officer (COO)



**Hiroshi
Tabuki**

CMO

Joined Imagineer after graduating from Meiji University.

Worked in planning and marketing. Engaged in business development and management at Kakaku.com. Served as marketing executive at an IT startup company. Had been working on the planning and the development of RENOSY Marketplace's system as well as the semi-auto system for the purpose of improving customer engagement at GA technologies.

2018 Joined the Company
Responsible for Product Planning
and Marketing Division
2020 Appointed as Chief Marketing Officer (CMO)



Akira Endo

CTO

After graduating from Gakushuin University, he joined a leading securities system development company.

He served as the chief technology officer of a venture company specializing in reunion services. Later, he joined GungHo Online Entertainment and worked in system development. Had been working on the development and the operation of CRM, SFA that are assisting to improve the work efficiency of the sales at GA technologies.

2018 Joined the Company
Responsible for new graduate engineer
training team
2020 Appointed as executive officer (CDO)
2021 Appointed as Chief Technology Officer (CTO)



**Hirohisa
Inamoto**

CAIO

Joined Ricoh after completing graduate school at Osaka University.

Engaged in R&D on image processing and recognition technology. In charge of launch of "theta360.biz" virtual reality service for real estate.

After joining GA technologies, developed floor plan auto description system by using AI and introduced AI/RPA to our procurement operation process.

2017 Joined the Company
Developed real estate service
automation
system utilizing AI/RPA.
2019 Appointed as Chief AI Officer (CAIO)
Appointed as Head of AI Strategy Center

Issues Addressed by the GA technologies Group

■ The issues with housing (real estate) include increasing vacancy ratio, aging housing stock, information asymmetry, non-transparent pricing and fees, an analog (non-digital) industry, vertical industry structure, and complicated transactions.

■ The GA Technologies Group is aiming to create highly transparent, smooth, user-friendly real estate transactions by utilizing technology to solve three of the above real estate issues, namely: analog, information asymmetry, and user experience. By tackling these problems, we also hope to solve some of the broader social issues.

Solutions to social issues

- Contributing to the SDGs through business (reducing emissions by digitizing documents, etc.)
- Getting prepared with real estate in an age of longevity (asset formation)
- Housing problems due to declining birthrate and aging population

Solutions to real estate issues

- Low productivity analog work
- Information asymmetry
- Poor user experience

GA technologies Group Sustainability Strategy

Consideration for the global environment

Contribution to sustainable urban development

Creating a safe and secure trading environment

Creating rewarding workplaces

Contributing to society through sports

Strong governance and compliance



Efforts for ESG ～Environment～

Environment conscious business activities

Consideration for the global environment



By contributing to the real estate industry through the digitization of real estate transactions in-house (GA technologies) and SaaS services provided through the ITANDI, the amount of paper generated in real estate transactions has been reduced by about 6.55 million sheets per year. Contracts can be fully digitized since after the digital contract law revision.

Reduction of 7.94 million sheets of paper for the Group
(One year from April 1, 2021 to March 31, 2022)



Contribution to sustainable urban development



Measures have been developed based around three sustainability themes to contribute to sustainable urban development through revitalization and minimum renovation of pre-owned real estate, mainly at GA technologies and RENOSY ASSET MANAGEMENT.

Pre-owned condominium sales*



Participation in the implementation of video conferencing for explanations for new tenants promoted by MLITT*



Reducing vacancies with minimum renovation for rental condominiums



Before

After

Efforts for ESG ~Social~

Contribute to society and fulfill our responsibility to create the future through our business activities

Creating a safe and secure trading environment



The GA Group aims to conduct highly transparent real estate transactions with technology, providing the following trading platforms and systems to improve market soundness.

OHEYAGO

Property website with no listings for properties already concluded



MORTGAGE GATEWAY

Loan screening platform to prevent data tampering

MORTGAGE GATEWAY by RENOSY

Contributing to society through sports



We support people who continue to challenge themselves to achieve their dreams in the field of sports by supporting professional sports teams, educational institutions, and hiring para-athletes. We also work to foster a sports culture within the company.

Kawasaki Frontale top sponsor



Para-athlete employees



Sports Yell Company



Creating rewarding workplaces



Various systems and initiatives have been implemented to allow a diverse range of work styles and encourage active participation so that employees can work with pride and enthusiasm. Such efforts have been highly rated.

Selected as best company in the medium-sized business category in the Best Workplaces awards



Awarded 3.5 stars in the Nikkei Smart Work Management Survey



Efforts for ESG ~Governance~

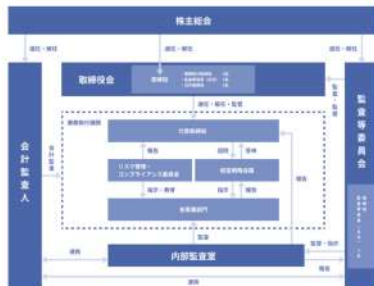
Creating new value through technology x innovation while managing with good governance

Building a governance system



In order to achieve sustainable development and maximize corporate value, the Group will carry out sound and transparent management that respects all stakeholders and will enable prompt and rational decision-making and business execution. We will strive to build an internal system. Compliance training and stuff also been conducted on a regular basis

Outline of the Company's Corporate Governance System



Strengthening governance in the security field



In addition to the existing governance system, a team in charge of incident response called GA-CSIRT (Computer Security Incident Response Team) has been established. The GA Group is also joining the Nippon CSIRT Association and strengthening its focus on cybersecurity.



Efforts for ESG ~Governance~

Board of Directors based on Governance and Diversity



The majority are outside directors due to strengthened governance of the Board of Directors. Moreover, in view of the diversity of management and the globalization of economic activities, the Board is composed of directors who are diverse in terms of gender, nationality, and age, etc.

3 internal directors



**Ryo
Higuchi**

Managing Director,
Member of the Board
& CEO



**Fumio
Sakurai**

Vice President,
Member of the Board



**Dai
Higuchi**

Member of the Board



**Ken
Kutaragi**

Outside Director



**Piotr Feliks
Grzywacz**

Outside Director



**Tomohisa
Matsuba**

Outside Director
(Auditory and supervisory
committee member)



**Toshiro
Kuwabara**

Outside Director
(Auditory and supervisory
committee member)



**Saori
Sato**

Outside Director
(Auditory and supervisory
committee member)

Company Overview

Established	March 12, 2013
Head Office	40F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo
Capital	7, 2 2 4 , 8 1 6 , 2 0 3 Yen (April. 30, 2022)
Number of employees*1	845 (April. 30, 2022)
Business Description	<ul style="list-style-type: none"> • Development and operation of the online real estate service platform “RENOSY” • Development of SaaS type of BtoB PropTech products
Directors	<p>President, CEO and Representative Director: Ryo Higuchi</p> <p>Vice President, Member of the Board: Fumio Sakurai</p> <p>Member of the Board: Dai Higuchi</p> <p>Outside Director: Ken Kutaragi, Piotr Feliks Grzywacz</p> <p>Director, Audit & Supervisory Committee Member: Tomohisa Matsuba (outside), Toshiro Kuwabara (outside), Saori Sato (outside)</p>

Note: 1. Excluding officers, contract employee, part-time workers, and interns at consolidated subsidiaries.

Disclaimer

This material contains forward-looking statements, which are based on current expectations, forecasts and assumptions that involve risks.

These forward-looking statements contain uncertainties, and actual results may differ substantially from these statements.

These risks and uncertainties include general industry and market conditions as well as Japanese and international economic conditions such as changes in interest rates and exchange rates.

GA Technologies has no obligation to update or correct the forward-looking statements contained in this material, regardless of any new information, future events, etc.

Contact us

IR

Email : ir@ga-tech.co.jp

IR Web site : <https://www.ga-tech.co.jp/ir/>