

FY2022.10

Full-Year Financial Results

November 1, 2021 - October 31, 2022

December 15, 2022 (Securities code:3491)



GA TECHNOLOGIES

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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.

WHY: The Issues We Are Tackling and the Value Proposition

Pioneers of online real estate for solving social issues with technology

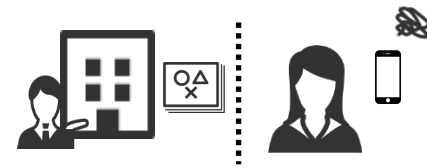
Low productivity due to analog process



Poor user experience



Unbalanced information



Solving issues in the real estate industry with DX,
and providing a highly transparent, smooth customer experience with
online real estate

RENOSY



ITANDI BB
ITANDI BB+

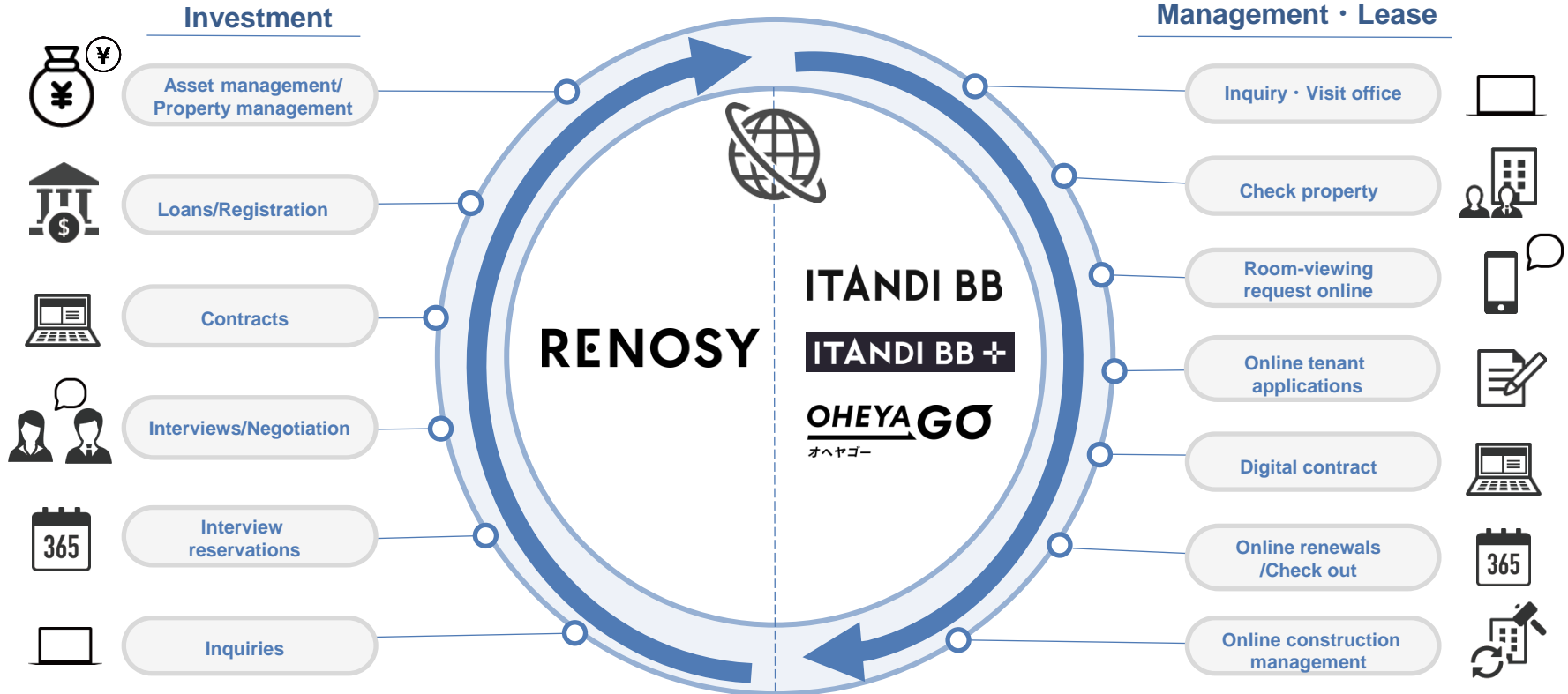


OHEYA GO
オヘヤゴー



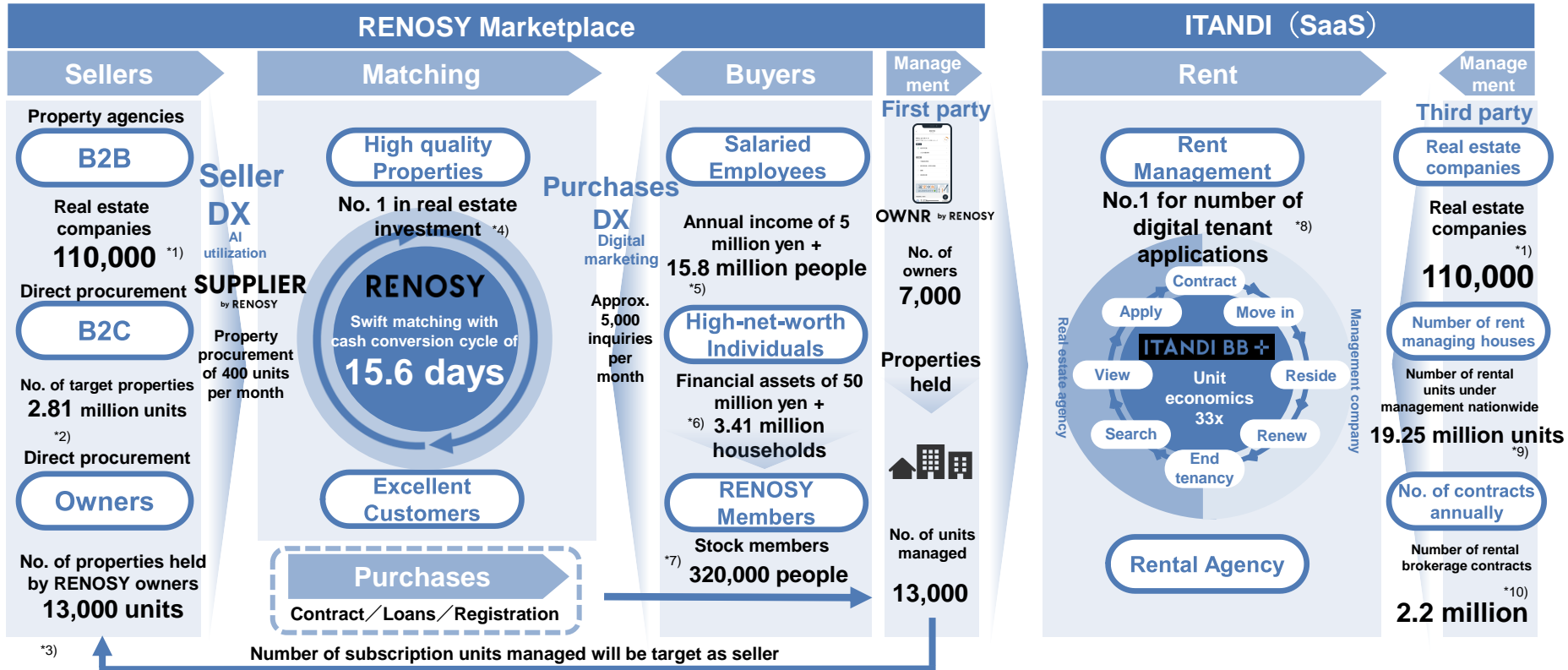
WHAT: Our Problem-Solving Initiatives

Providing end-to-end services online





HOW: Our Business Model – Overview of Operation

Using technology for the streamlined operation of sequential processes in a unique business model



Business Overview

Segment	Business Activities	Product
RENOSY Market-Place	Online Transactions <ul style="list-style-type: none"> ▶ Online real estate investment service <ul style="list-style-type: none"> Utilizing RENOSY media to acquire real estate investment customers who are sellers (sales) and buyers (purchases), matching both, and utilizing technology to provide sales service 	RENOSY 
	Subscriptions <ul style="list-style-type: none"> ▶ Property management (asset management) <ul style="list-style-type: none"> Offering multiple plans with subscriptions for a service that protects asset value 	 powered by RENOSY
	Third party services <ul style="list-style-type: none"> ▶ Third-party use of RENOSY <ul style="list-style-type: none"> Making RENOSY media available for use by third-party companies and providing them with media use and a service for customer introductions 	MORTGAGE GATEWAY by RENOSY
ITANDI	SaaS <ul style="list-style-type: none"> ▶ Vertical SaaS for real estate companies <ul style="list-style-type: none"> Offering a streamlined system to real estate companies (mainly rental management companies and real estate agencies) through monthly and pay-as-you-go fees 	ITANDI BB +
	B2B Marketplace <ul style="list-style-type: none"> ▶ Inter-agency website for real estate companies <ul style="list-style-type: none"> Provided as an inter-agency website as a B2B marketplace 	ITANDI BB イタンディ ビービー
	B2C Marketplace <ul style="list-style-type: none"> ▶ Online real estate rental service <ul style="list-style-type: none"> Offering a rental website as a B2C marketplace with a revenue model based on commissions for each contract, etc. 	OHEYA GO オヘヤゴー

Part I

FY2022.10 Full-year Consolidated Results



Toward Faster Profit Growth

FY2022.10 Summary - Highlights

FY2022.10 Initial Plan

A return to profit generation after bottoming out from previous fiscal year

- Focusing on the two businesses of RENOSY Marketplace and ITANDI
- Only investing costs in growth businesses. Reexamining SG&A expenses and reducing costs
- With RENOSY Marketplace, implementing measures for improving commission through promoting seller DX, etc.
- In recruiting and staffing, implemented personnel changes to strengthen businesses, and applied thorough focus and selection
- Prioritizing the generation of synergy with our eight existing M&A companies over new M&A

RENOSY Marketplace

- Improved profits and costs through sharp focus and selection for RENOSY Marketplace business
- Improved commission through expansion of product range, using seller DX for direct procurement from property owners, etc.

ITANDI

- Increased customer recognition with both SaaS, as well as greater improvement than expected in ARR and MRR, driven by high market needs around the time of the revised Real Estate Brokerage Act
- Product expansion through M&A of Dangonet, which has core software products for rental management operations

Others

- Following on from Shenjumiaosuan in China, implementing stronger foundations for expansion into overseas markets, for example through RENOSY Thailand becoming a group company
- Through implementation of PMI with our eight existing M&A companies, setting KPIs, reciprocal relocation of officers and employees, etc.

FY2022.10 Full-Year Consolidated Results

FY2022.10 Full-Year Consolidated Results Highlights

Both the RENOSY Marketplace and ITANDI businesses performed well, we achieved a high growth rate YoY, and recorded all time high revenue and gross profit

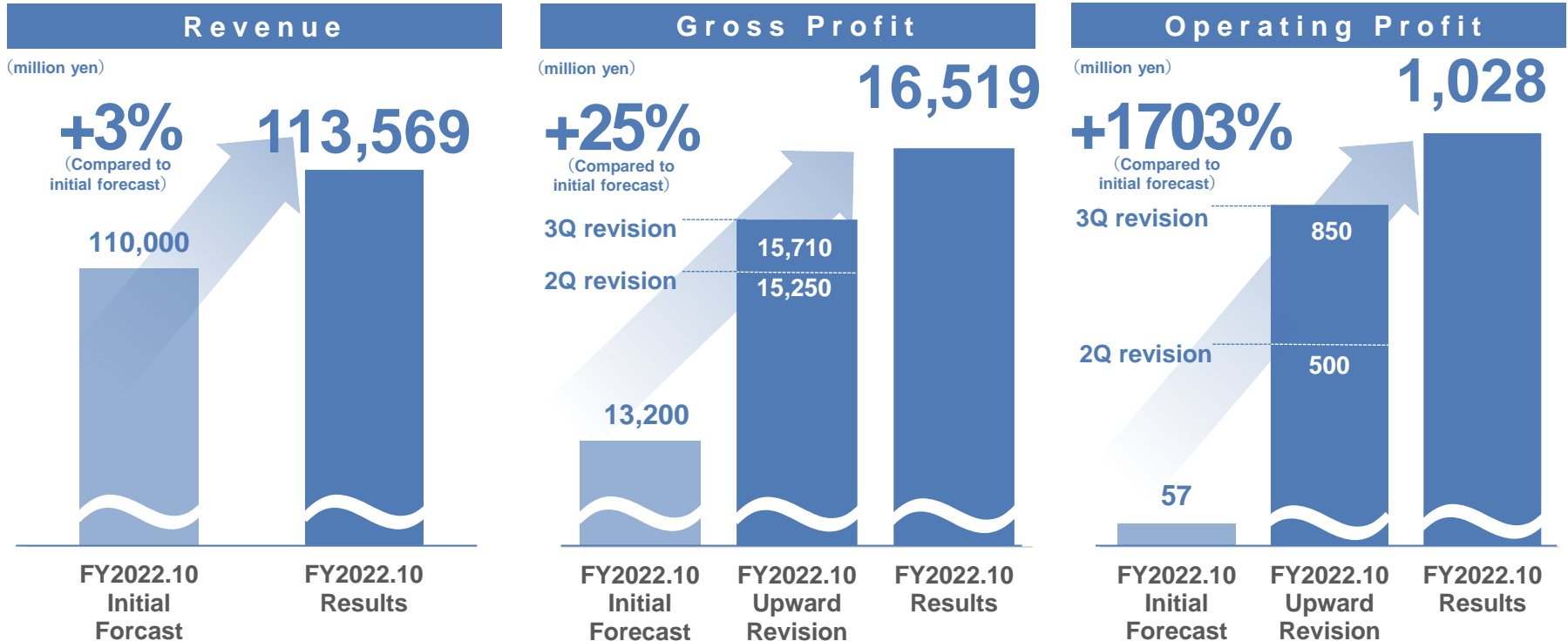
	Revenue	Gross Profit	Operating Profit (Segment profit)	Topics
Consolidated	YoY +52% 113.5 billion (YoY+38.7billion)	YoY +61% 16.5 billion (YoY+6.2billion)	Previous Year Reference : △1.1billion 1 billion	Selected by METI and TSE ^{*1)} DX brand 2022 <u>Selected for the three consecutive year</u>
RENOSY Marketplace	YoY +52% 110.8 billion (YoY+37.7billion)	YoY +59% 14.4 billion (YoY +5.3billion)	YoY +72% 4.9 billion (YoY+2billion)	No.1 ^{*2)} <u>for 3 consecutive years</u> in pre-owned condominium investment sales
ITANDI	YoY +75% 2 billion (YoY+0.8billion)	YoY +82% 1.6 billion (YoY+0.7billion)	YoY +28000% 280 million (YoY+270million)	No. 1 ^{*3)} <u>for 2 consecutive years</u> in the number of tenant application service users

Notes: 1. METI DX brand 2022* and "DX Companies to Watch 2022" have been selected <https://www.meti.go.jp/press/2022/06/20220607001/20220607001.html> 2. Survey subjects: Top five companies in Japan undertaking sales of condominiums for investment purposes./Survey items: Sales and number of units for pre-owned condominiums for investment use, as listed in fiscal year reports of savings for each company./Survey method: Along with desk-based research, a hearing-based survey of related companies, etc./Survey period: The most recent fiscal year for each company./Survey company: Tokyo Shoko Research, Ltd. 3. Survey time period: April 1, 2021-March 31, 2022. Survey by: TPC Marketing Research Corp.

FY2022.10 Full-Year Consolidated Results

FY2022.10 Difference from Earnings Forecast

Both revenue and profits exceeded the forecasts at the time of the 3Q announcement.
Compared with initial forecasts, operating profit increased significantly at about 1 billion yen



FY2022.10 Full-Year Consolidated Results

Full-Year Consolidated Results

RENOSY Marketplace maintained a high growth rate and ITANDI also grew significantly

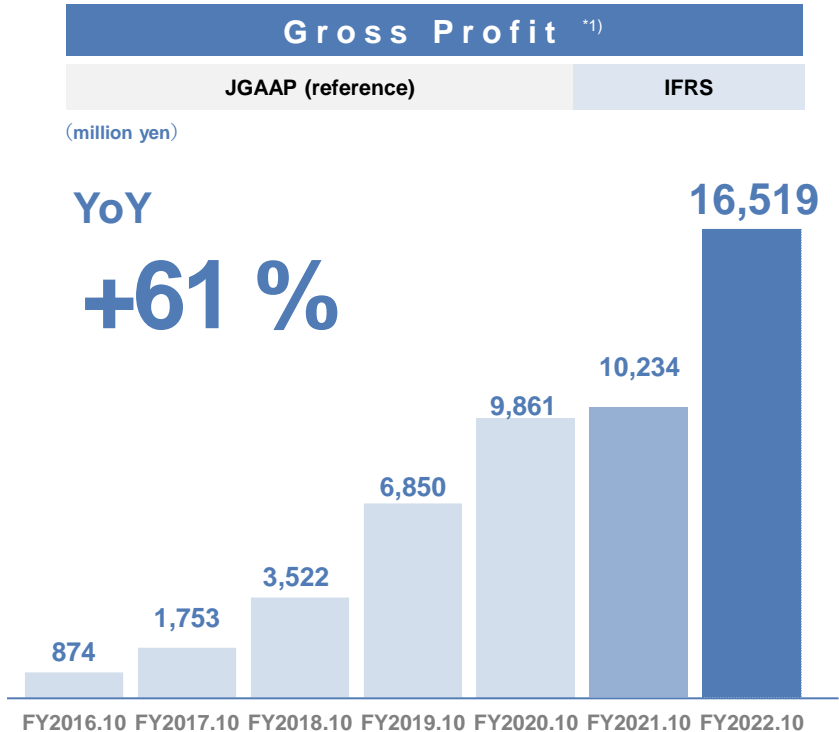
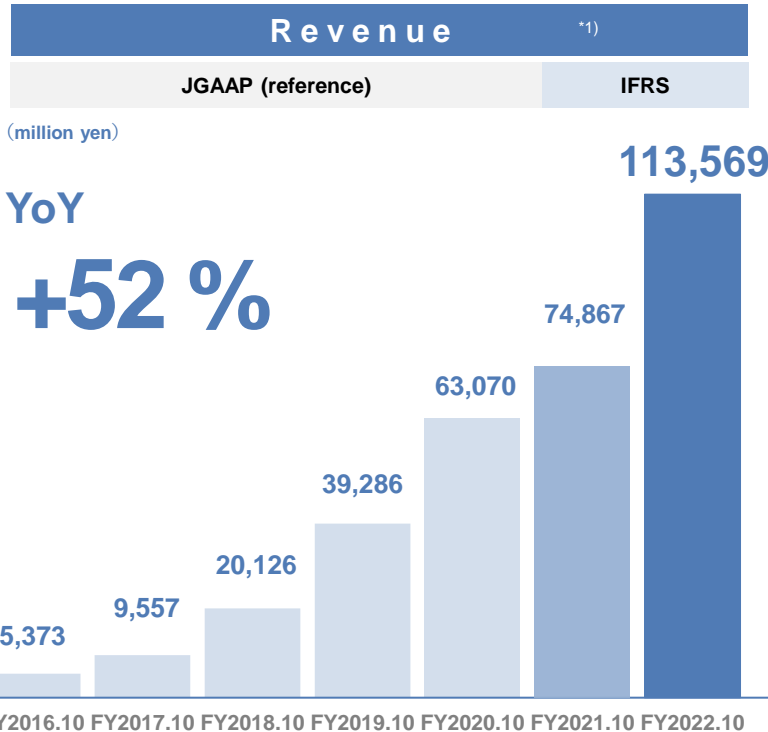
(million yen)		FY2021.10 (IFRS)	FY2022.10 Initial forecast (IFRS)	FY2022.10 3Q Earnings Revision (IFRS)	FY2022.10 Actual (IFRS)	YoY changes ⁽¹⁾
Consolidated	Revenue	74,867	110,000	110,000	113,569	+52%
	Gross Profit	10,234	13,200	15,710	16,519	+61%
	Operating profit	△1,114	57	850	1,028	–
	Profit attributable to owners of parent	△854	△700	180	395	–
RENOSY Marketplace	Revenue	73,095	107,261	107,390	110,843	+52%
	Gross Profit	9,121	11,837	13,730	14,482	+59%
	Segment Profit	2,879	3,109	4,395	4,947	+72%
ITANDI	Revenue	1,170	1,691	1,970	2,046	+75%
	Gross Profit	934	1,340	1,630	1,698	+82%
	Segment Profit	1	△152	265	281	+28000%

Note: 1. Calculated based on the figures on the table FY2022.10 4Q Actual ÷ FY2021.10 Actual -1

FY2022.10 Full-Year Consolidated Results

Full Year Consolidated Performance Trends

Revenue performed well with a 1.5-fold increase YoY, while improvement measures were successful for gross profit, which reached a high level by 61% YoY



Notes:

1. Produced in consolidated financial statement since FY 2019.10

FY2022.10 Full-Year Consolidated Results

Full Year Consolidated Performance Trends

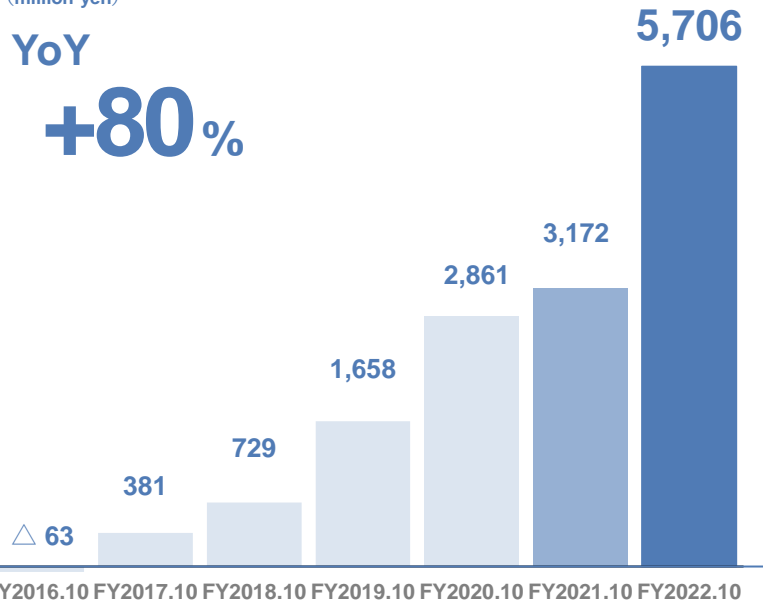
EBITDA achieved a high growth rate of 80% YoY, and thanks to increased earning power, operating profit was raised and improved significantly from being in the red in the previous fiscal year

EBITDA ^{*1)}	
JGAAP (reference) ^{*2)}	IFRS ^{*3)}

(million yen)

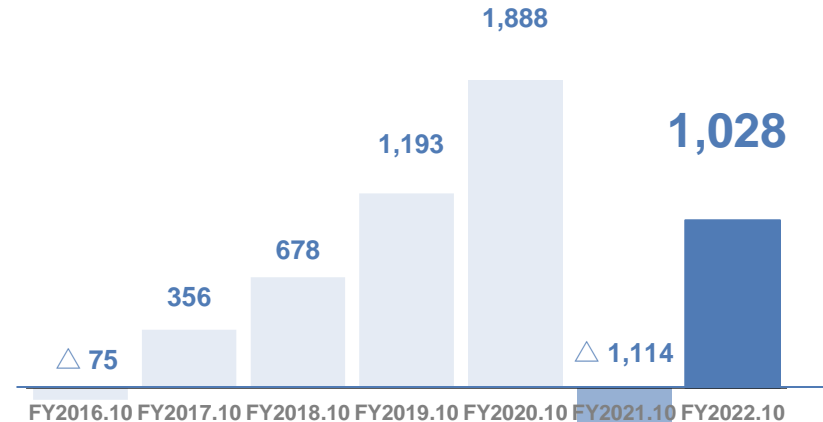
YoY

+80%



Operating Profit ^{*1)}	
JGAAP (reference)	IFRS

(million yen)



Notes:

1. Developed in consolidated financial statement since FY 2019.10 2. JGAAP EBITDA : Operating Profit + Depreciation costs, 3. IFRS EBITDA = Business Profit + Depreciation Costs (Operating expenses)

FY2022.10 Full-Year Consolidated Results

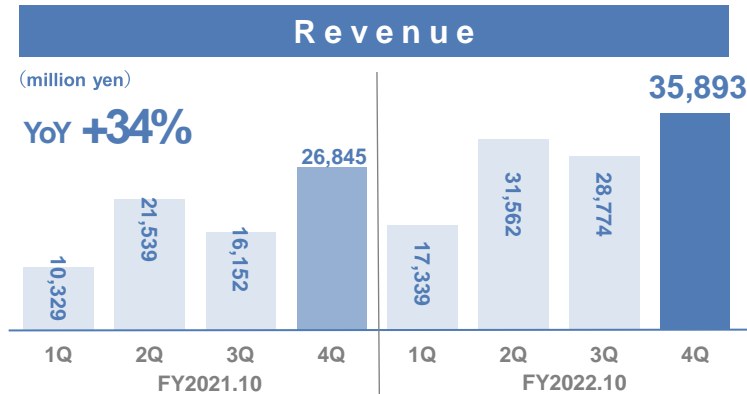
Quarterly Results Trends (IFRS)

Revenue and gross profit margins achieved record highs. EBITDA and operating profit decreased in QoQ due to various prior investments include personnel expenses for the next fiscal year

Revenue

(million yen)

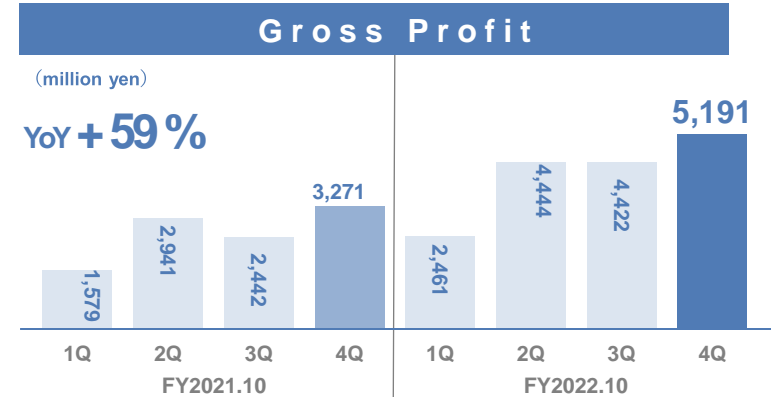
YoY +34%



Gross Profit

(million yen)

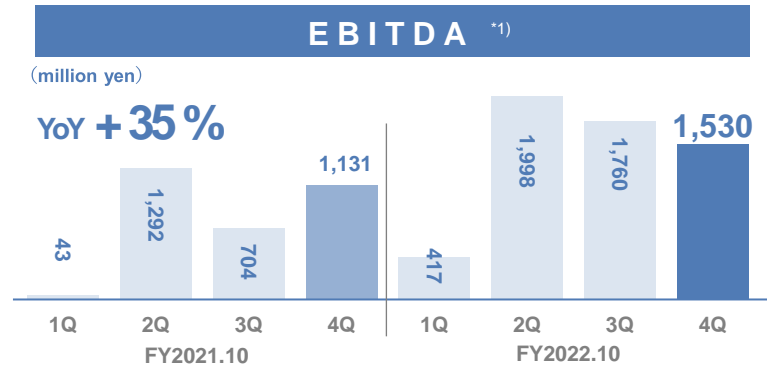
YoY +59%



EBITDA ⁽¹⁾

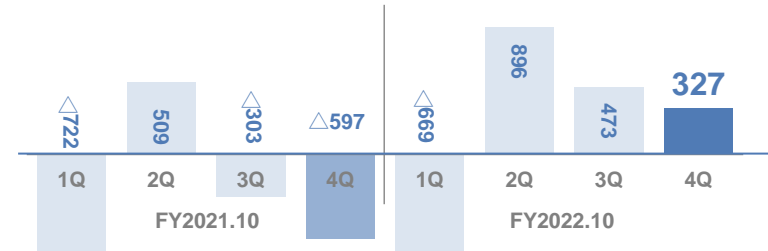
(million yen)

YoY +35%



Operating Profit

(million yen)



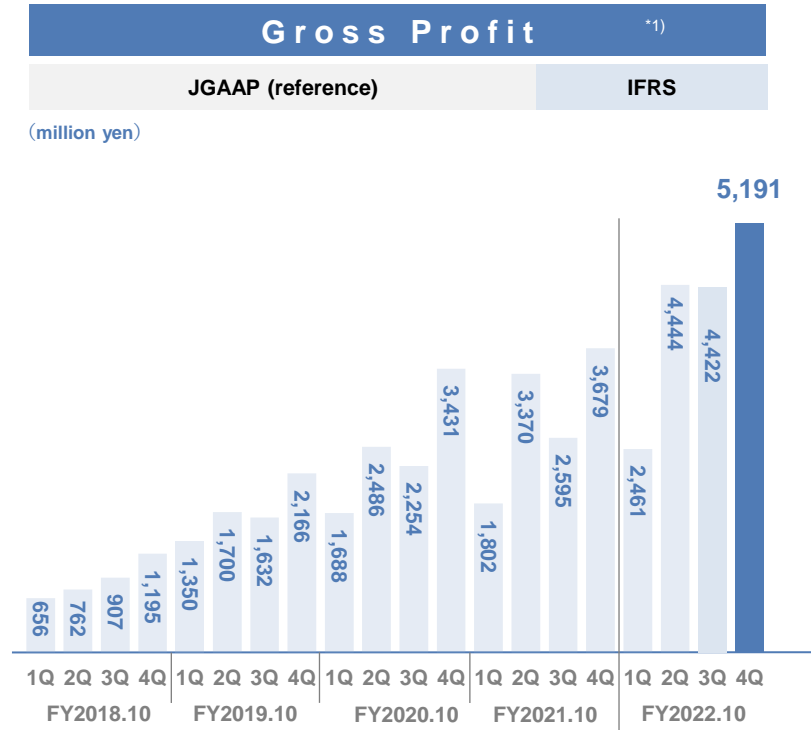
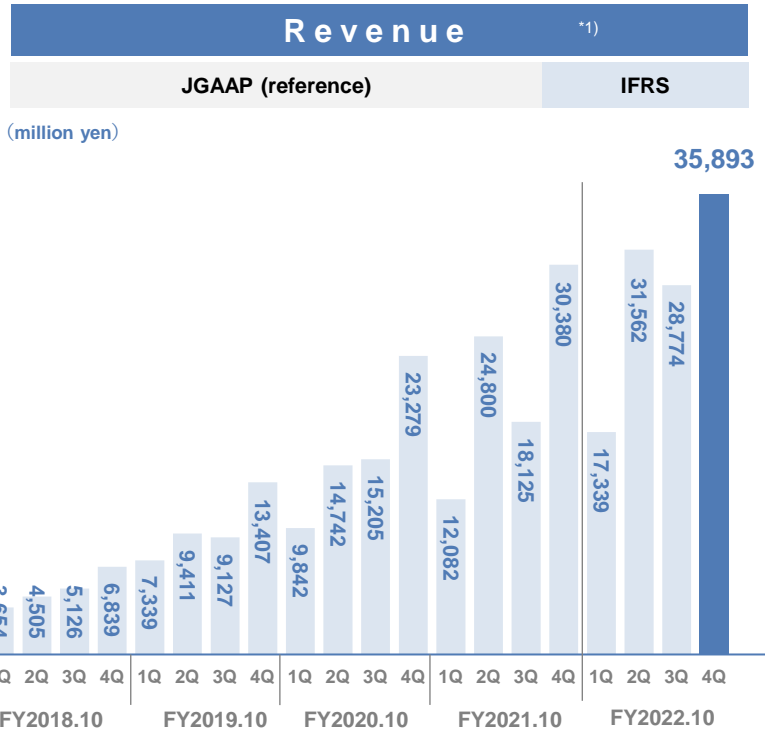
Notes:

1. EBITDA = Business Profit + Depreciation Costs (Operating expenses)

FY2022.10 Full-Year Consolidated Results

Quarterly Results Trends (Reference)

Revenue (sales) and gross profit performed well

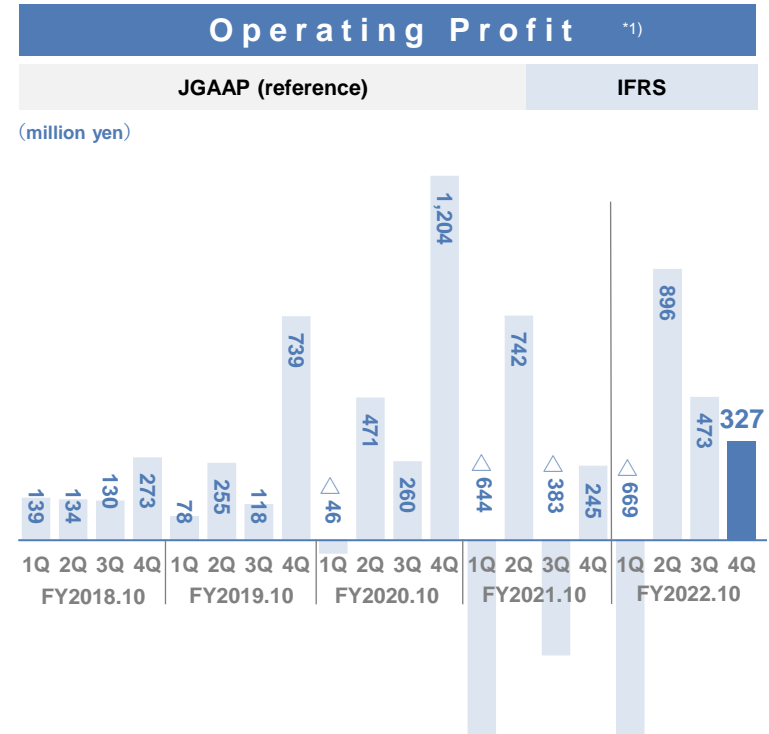
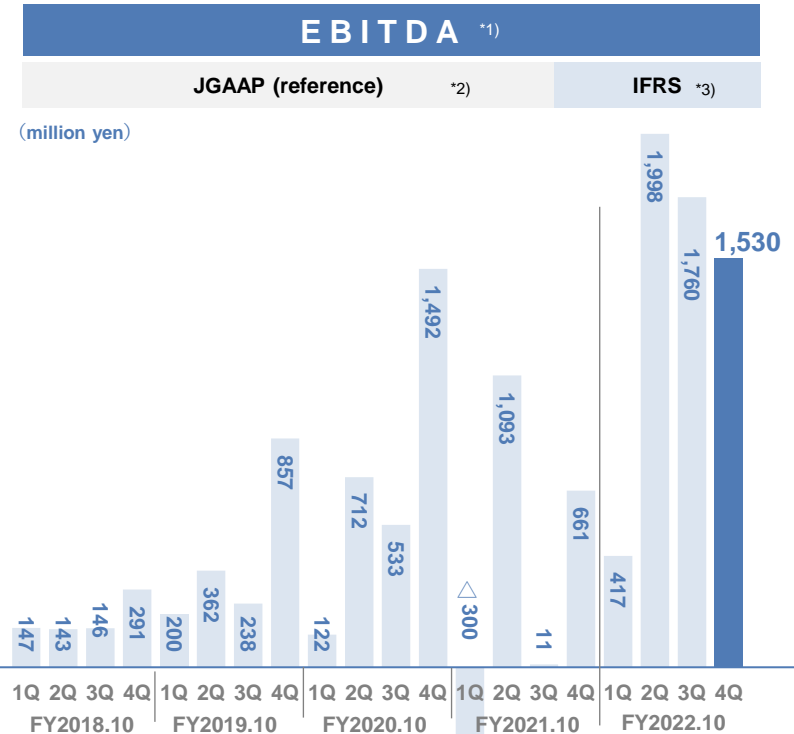


Note: 1. The data is made based on financial documents released after FY2019.10

FY2022.10 Full-Year Consolidated Results

Quarterly Results Trends (Reference)

EBITDA and operating profit decreased in QoQ due to various prior investments include personnel expenses for the next fiscal year



Notes:

1. The data is made based on financial documents released after FY2019.10 2. JGAAP EBITDA : Operating Profit + Depreciation costs

3. IFRS EBITDA = Business Profit + Depreciation Costs (Operating expenses)

SG&A Trends

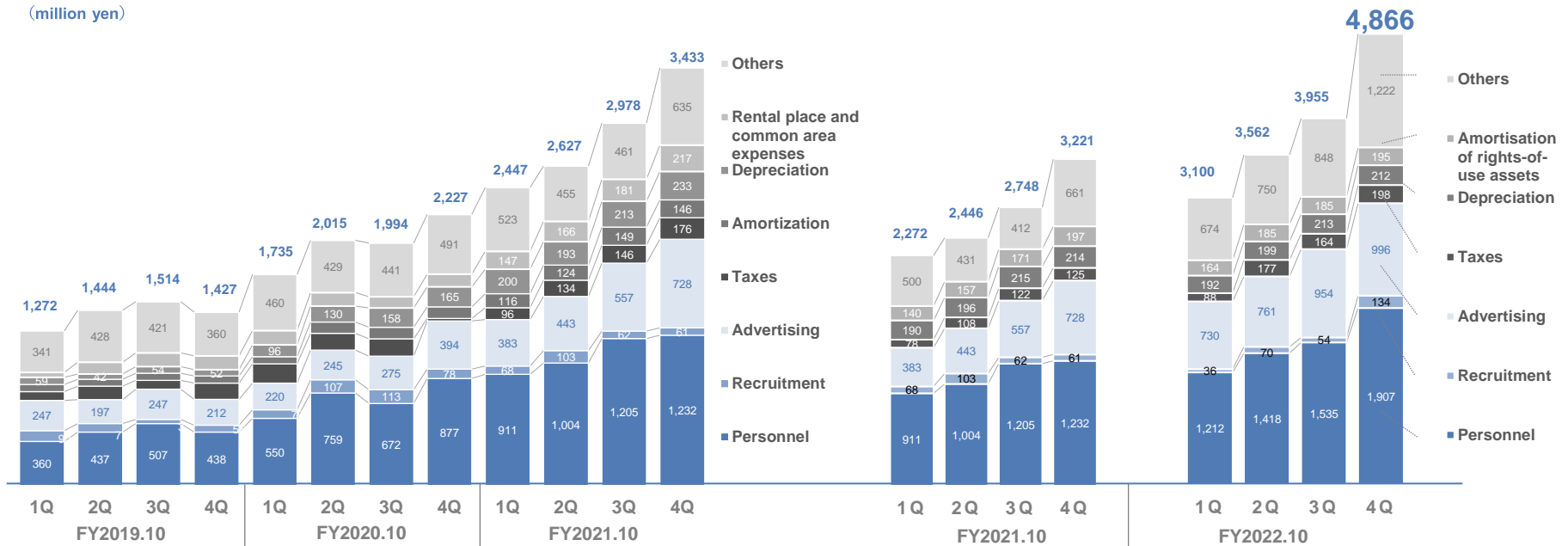
Both personnel costs for growth investment and advertising costs were augmented to increase brand awareness of RENOSY

SG&A Trends ^{*1)}

JGAAP (reference)

IFRS

(million yen)

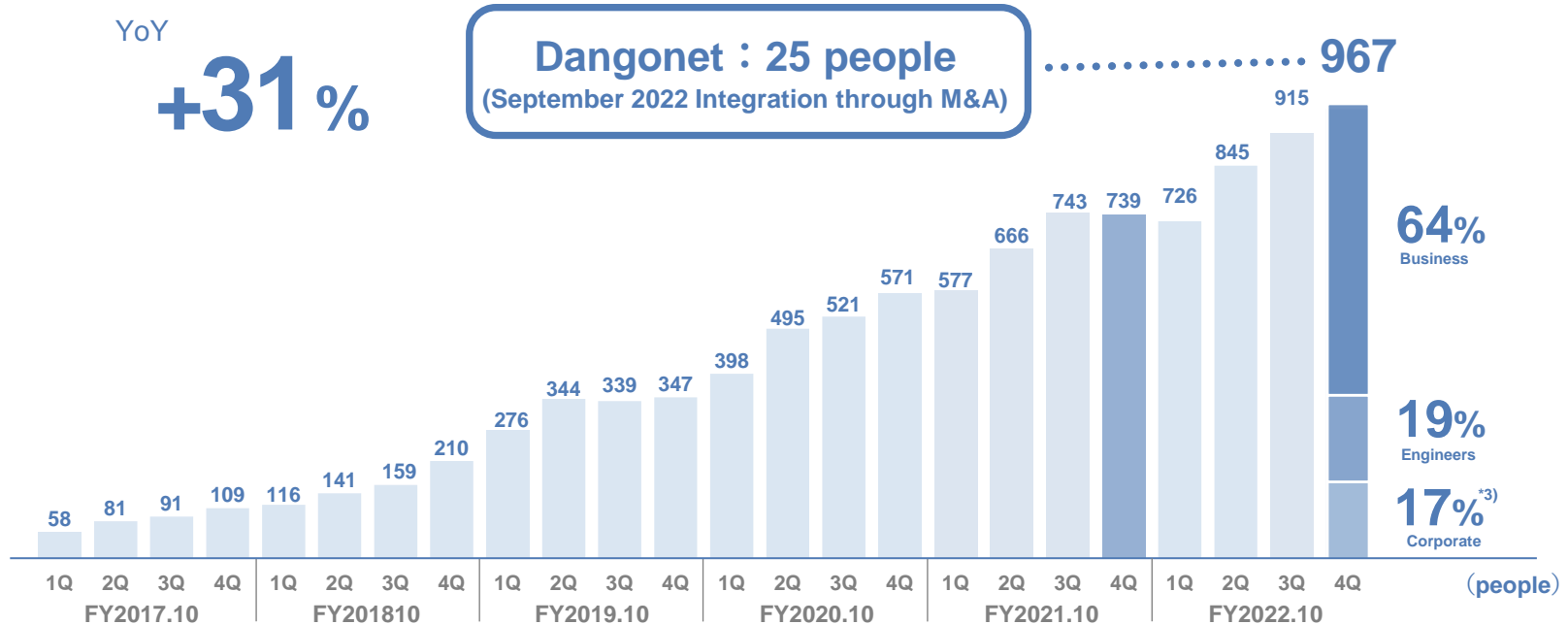


Note: 1. Based on financial documents released after FY2019.10

Employees Trends

Aggressively implementing the recruitment of talented personnel, the adoption of a referral recruitment system in order to cut costs, etc., with a YoY increase of 228 employees (+31%)

Number of Employees ^{*1,2}



Notes:

1. Board members, contracted workers, internships, part time workers are excluded (as of October 31 2022)

2. Based on consolidated number of employees after FY2019.10

3. The numbers are being rounded up so it may not add up to 100%

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

RENOSY Marketplace Results

Key KPI Highlights

Full-year results achieved a growth rate of approximately 1.5 times in both revenue and gross profit. Also in the number of contracts for Purchase DX and Seller DX increased significantly

Full-Year Revenue Growth Rate

Target : 20%~30%

Revenue

110.8billion
(YoY appx.+52%)

Full-Year Gross Profit Growth Rate

Target : 20%~30%

Gross Profit

14.4billion
(YoY appx.+59%)

RENOSY Members ^{*1)}

YoY appx. +26%

325,000
(YoY appx.+67,000 members)

Full-Year Number of Purchase DX Contracts ^{*2)}

YoY appx. +21%

4,593deals
(YoY+1,008 deals)

Full-Year Number of Seller DX contracts ^{*3)}

YoY appx. +51%

1,342deals
(YoY+782 deals)

Subscriptions ^{*4)}

YoY appx. +43%

13,406units
(YoY+4,040 units)

*1) Refers to the total stock number of RENOSY members at the end of October 2022 (accumulated numbers of member registration).

*2) Total number of contracts for investment and home within RENOSY Marketplace through Purchase DX. Figures do not include those of pre-merger companies (FY2022.10 4Q total)

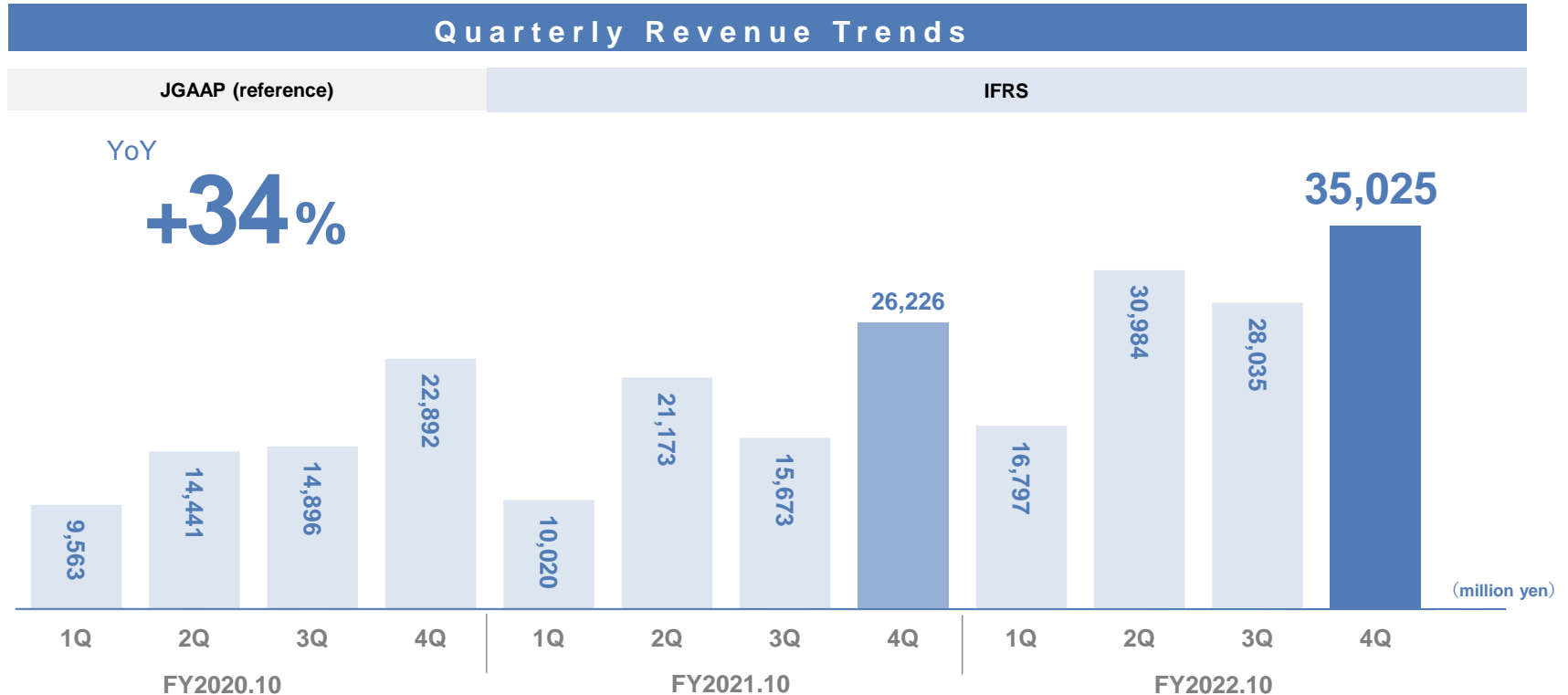
*3) Total number of contracts for investment and home within RENOSY Marketplace through Seller DX. Figures do not include those of pre-merger companies (FY2022.10 4Q total)

*4) 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

FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

Revenue Trends (Quarterly)

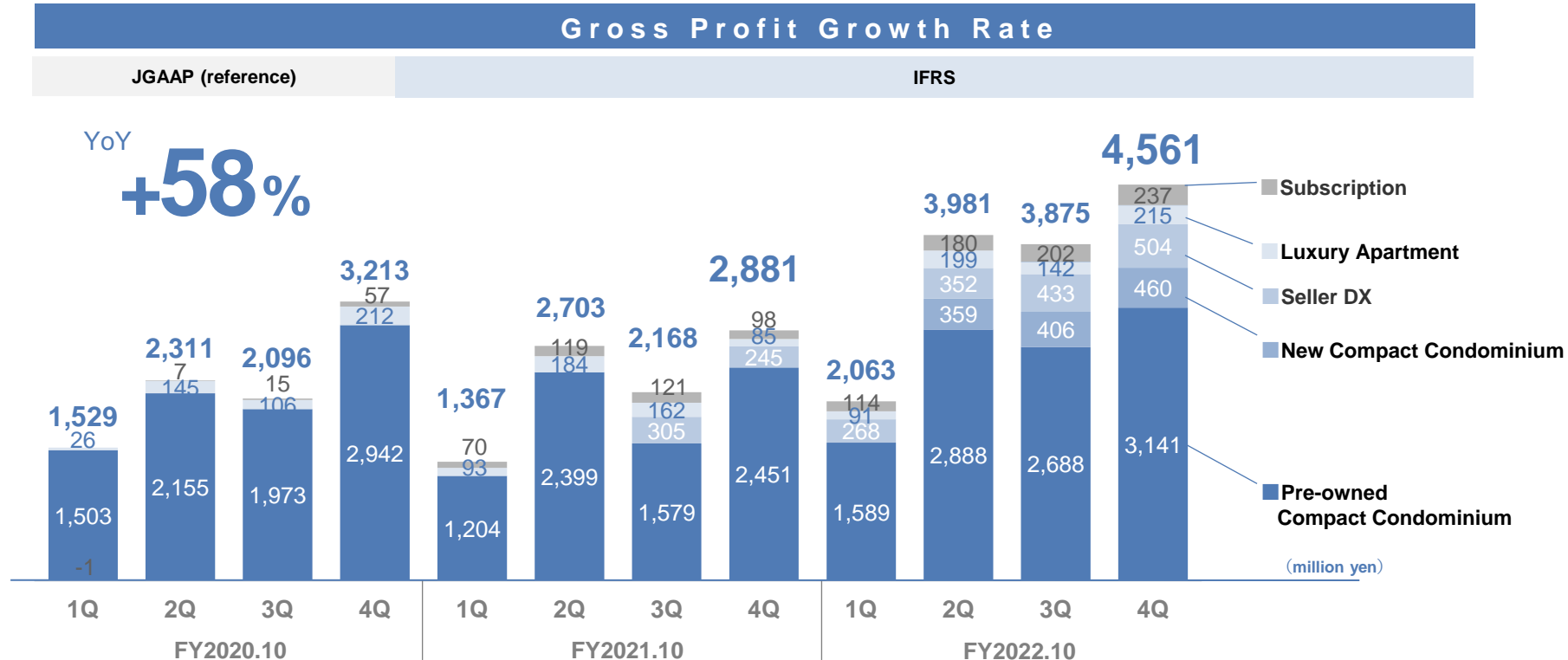
Quarterly revenue grew +34% YoY and achieved a record high of 35 billion yen



FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

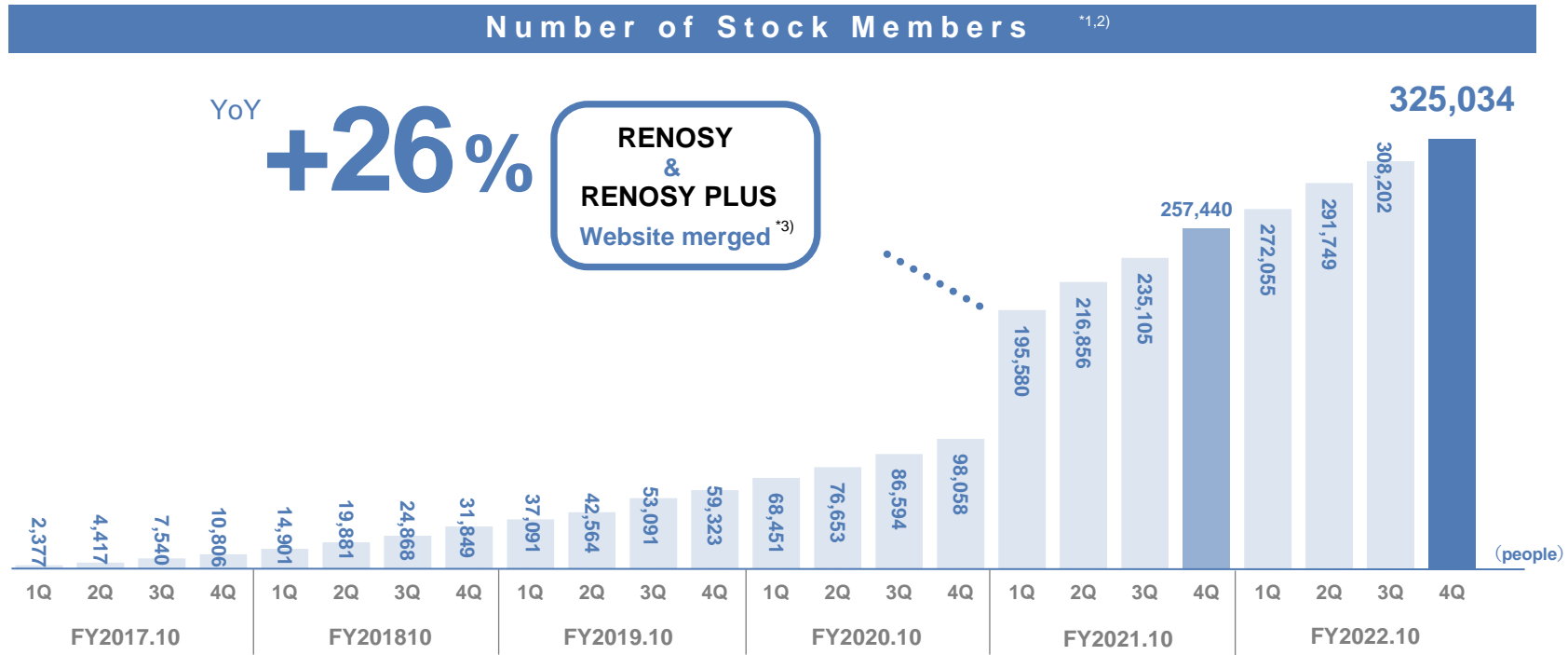
Gross Profit Growth Rate Trends (Quarterly)

Through promoting Seller DX and expanding our product lineup, gross margin ratio was improved, which led to increase in YoY growth rate



RENOSY Member Stock Trends

Efficient use of digital marketing to attract customers brings the number of members to the 320,000 level



*1 The number of RENOSY member stocks refers to the cumulative number of people who have registered as members

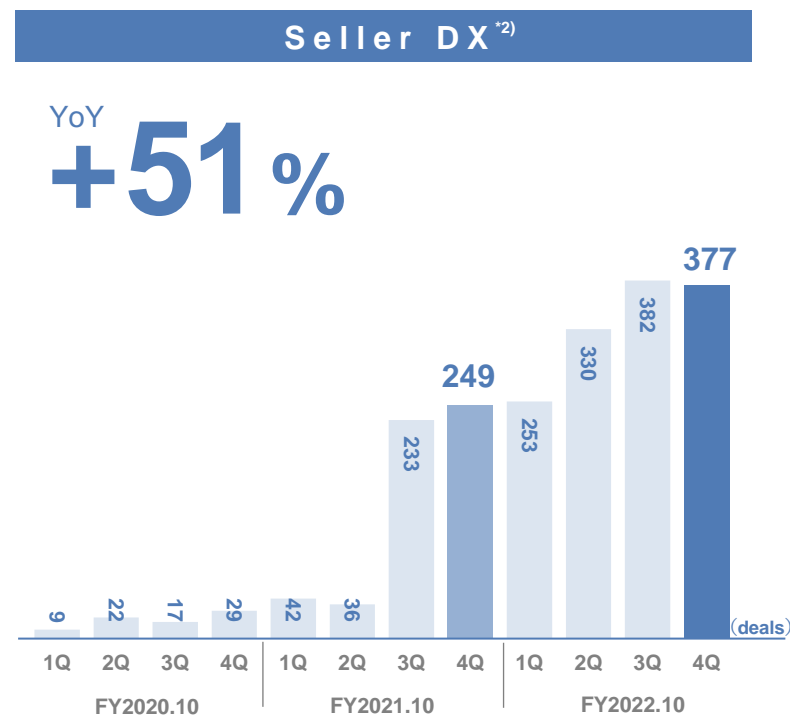
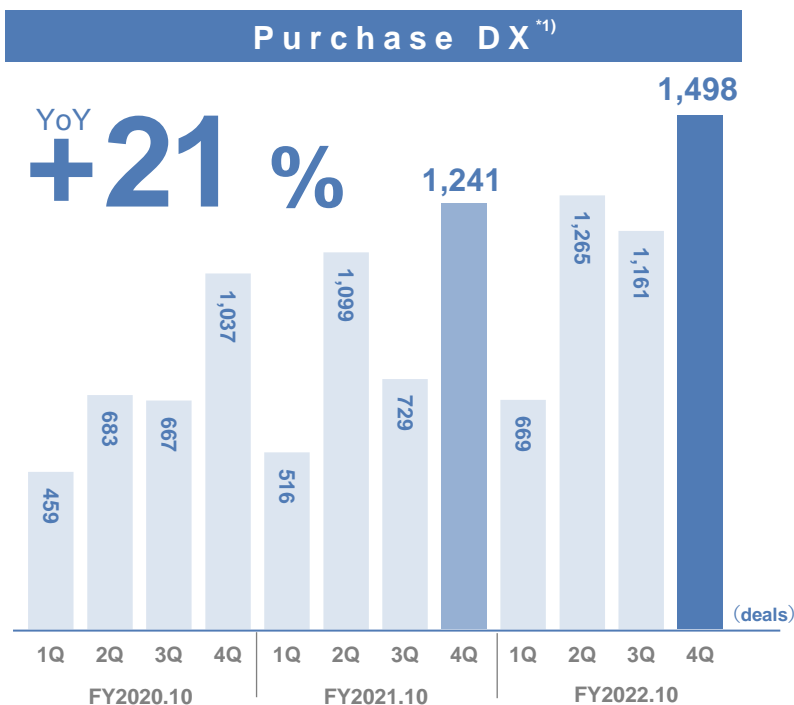
*2 The number of RENOSY member stocks after FY2021.10 1Q in the graph differs from the number of members announced before FY2022.10 1Q due to a change in the definition of aggregation from FY2022.10 2Q

*3 Company name changed from 'Modern Standard Inc.' on April 1 2022

FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

Number of Contract Trends for Purchase DX, Seller DX

The number of contracts in the Purchase DX remained strong at 21% YoY. Strengthening the Seller DX contributed to a 1.5x YoY increase in contracts and improved gross profit margins



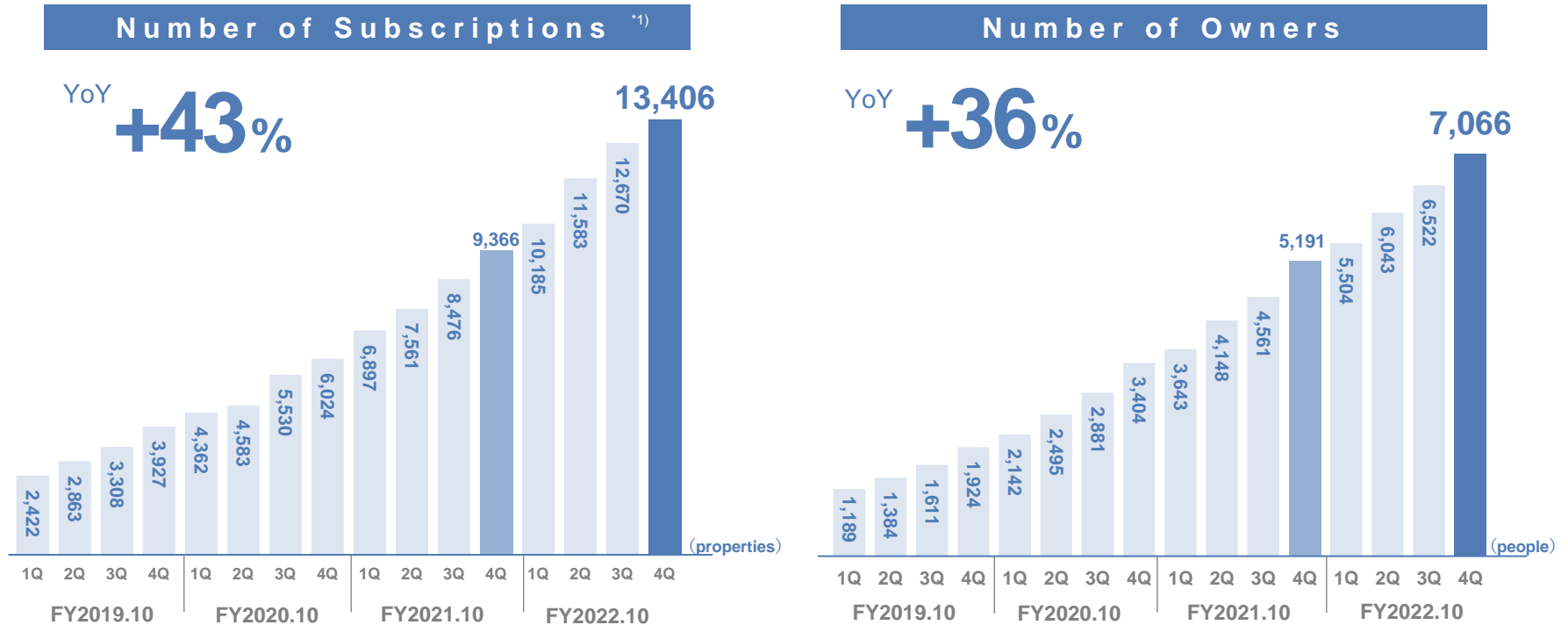
*1) Total number of contracts for investment and home within RENOSY Marketplace through Purchase DX. Figures do not include those of pre-merger companies (FY2022.10 4Q total)

*2) Total number of contracts for investment and home within RENOSY Marketplace through Seller DX. Figures do not include those of pre-merger companies (FY2022.10 4Q total)

FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

Number of Subscriptions Trends

Subscription numbers grew to 43% YoY and strong growth in owner numbers, with a 36% increase YoY for a cumulative total over 7,000 people

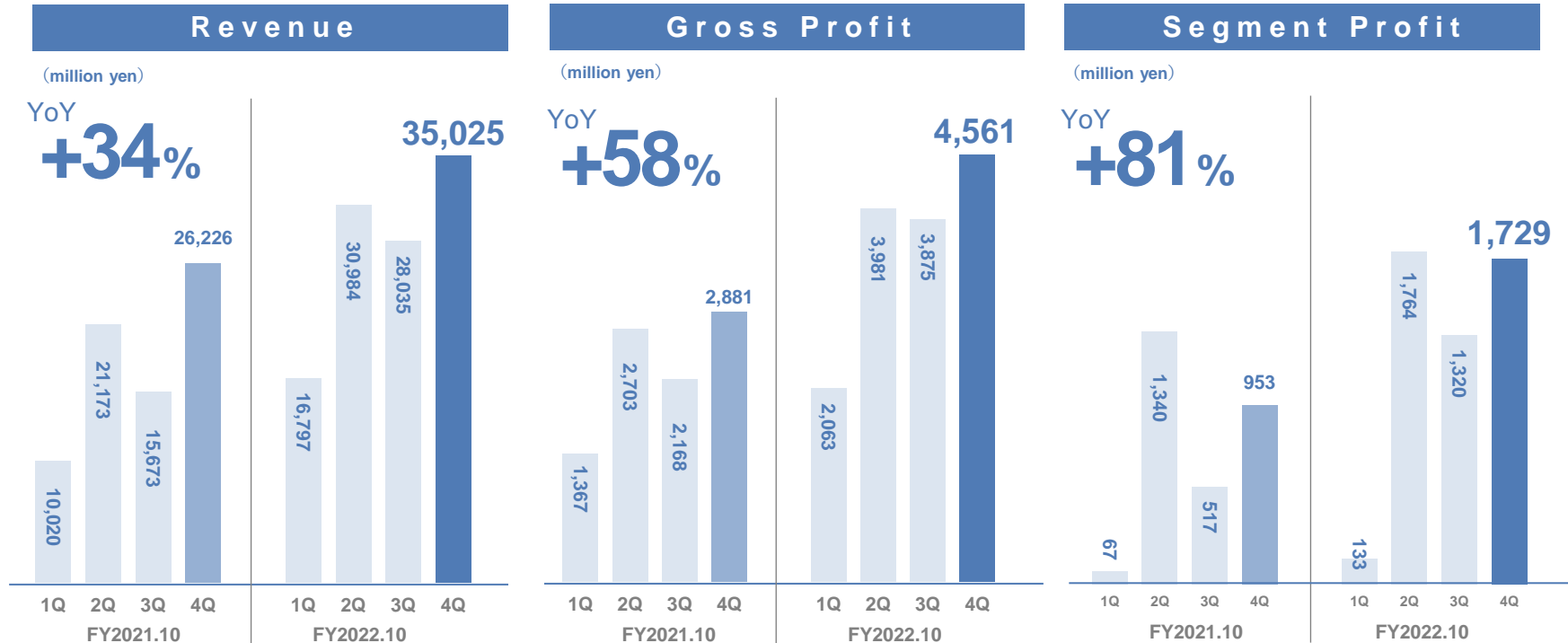


Note: 1. The number was collected based on the number of deals made before FY2020.10 1Q and changed the standard for collection to number of listings managed after that.

FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

Quarterly Trends (IFRS)

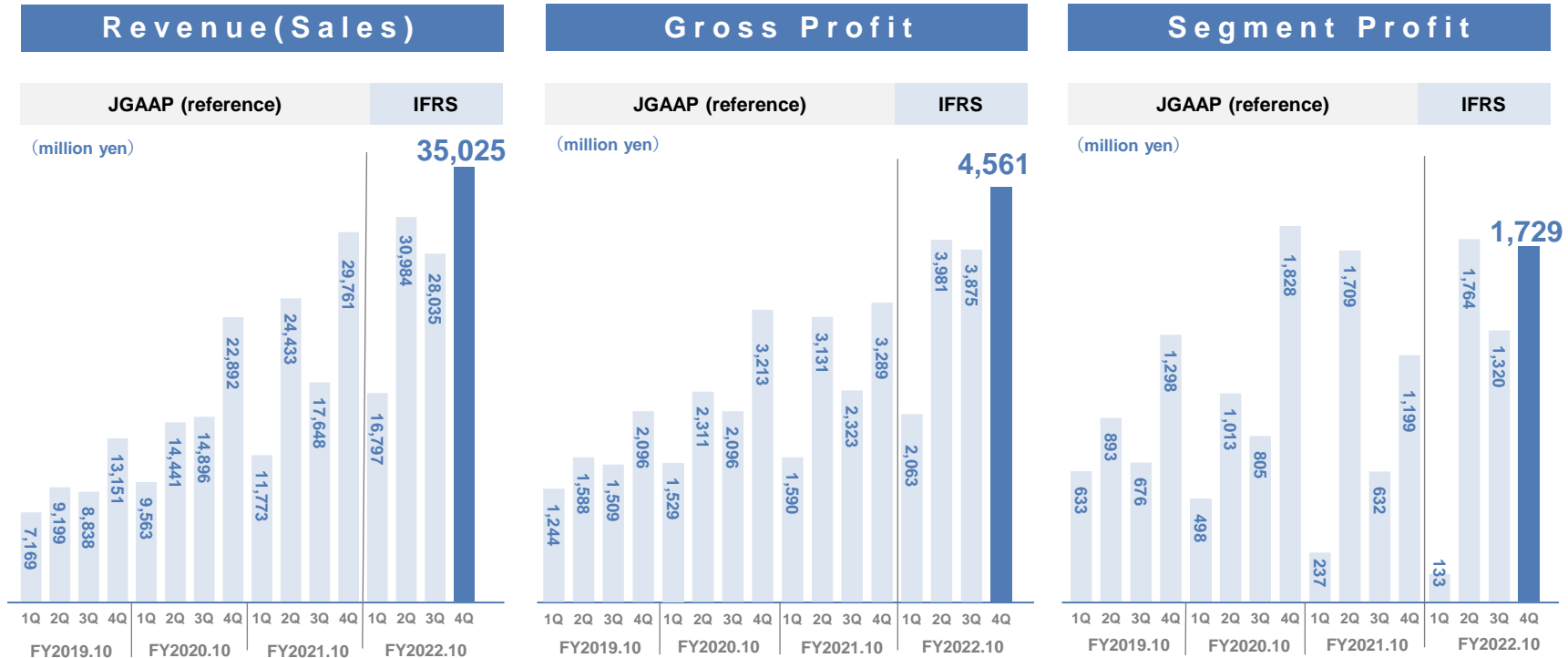
Revenue, gross profit and segment profit all increased compared with the same period the previous year and contributed significantly to positive growth of full-year earnings



FY2022.10 Full-Year Consolidated Results RENOSY Marketplace Results

Quarterly Trends (reference)

Through Seller DX, expanding our product lineup and an increase in RENOSY membership, both revenue and profits increased



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ITANDI Results

Key KPI Highlights

Achieved No.1 in the number of digital tenant applications for two consecutive years due to increased market needs from the revised Real Estate Brokerage Act. It linked to significant growth in ARR growth rate and number of customers. Also unit economics remained high at 33x

YoY ARR Growth Rate ^{*1)}

YoY +70%

1.9 billion

(YoY +0.7billion)

Churn rate ^{*2)}

0.47%

(Same period last year 0.43%)

Number of Customers ^{*3)}

YoY +67%

2,000 companies

(YoY+800 companies)

Unit Economics ^{*4)}

33 times

(Same period last year 23 times)

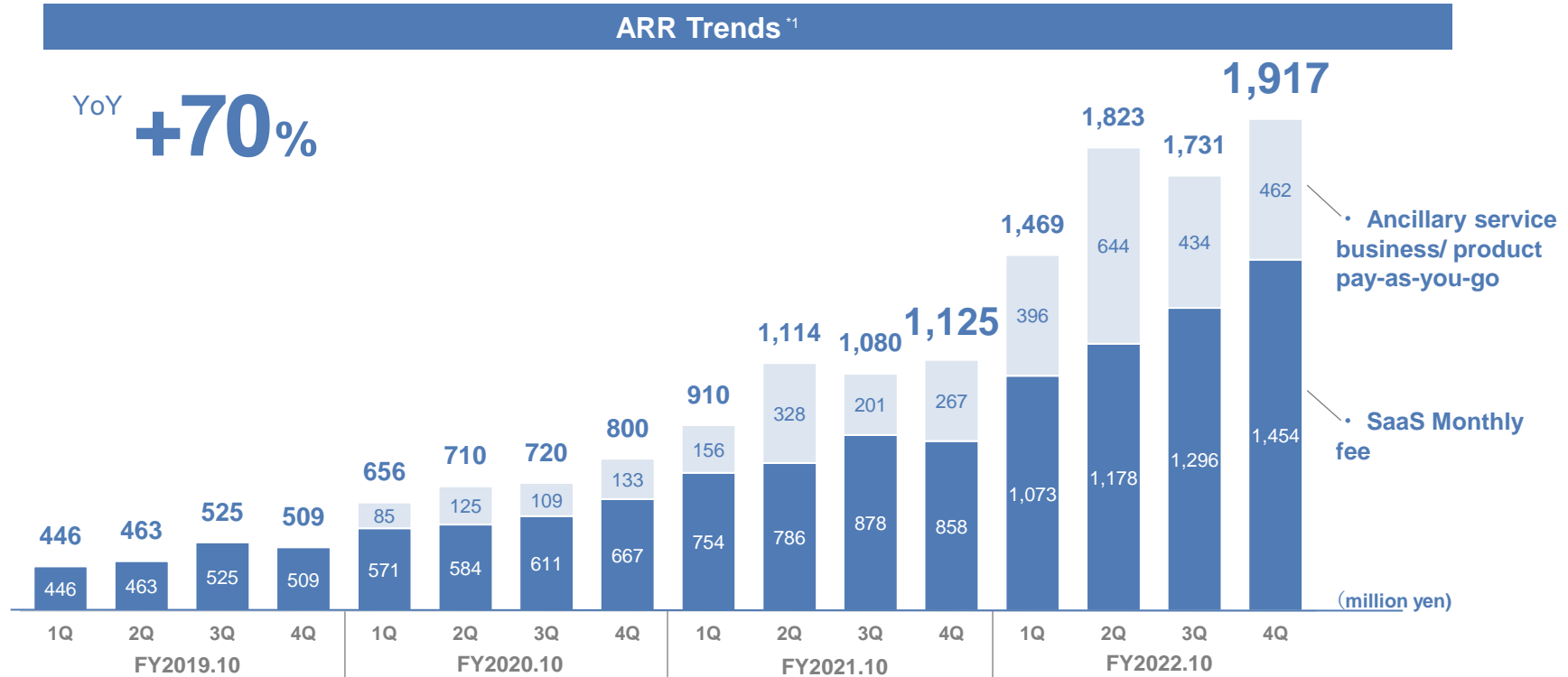
*1) 1. Annual Recurring Revenue is calculated based on the MRR of each quarterly month (by the end of each month) times 12. MRR which includes monthly usage fee, pay-as-you-go fee, profit from additional businesses. It is calculated based on the ARR comparison between the numbers from October 2021 and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

*2) Average monthly churn rate of ITANDI BB+ for the last 12 months as of the end of October 2022 *3) As of October 2022 *4) Multiple of LTV divided by CAC over the last 12 months /Unit: Multiple As of October 2022

FY2022.10 Full-Year Consolidated Results ITANDI Results

ARR Trends (Quarterly)

Recurring revenue from ancillary services, which grew in proportion with online tenant applications contributed to ARR grew significantly at +70% YoY



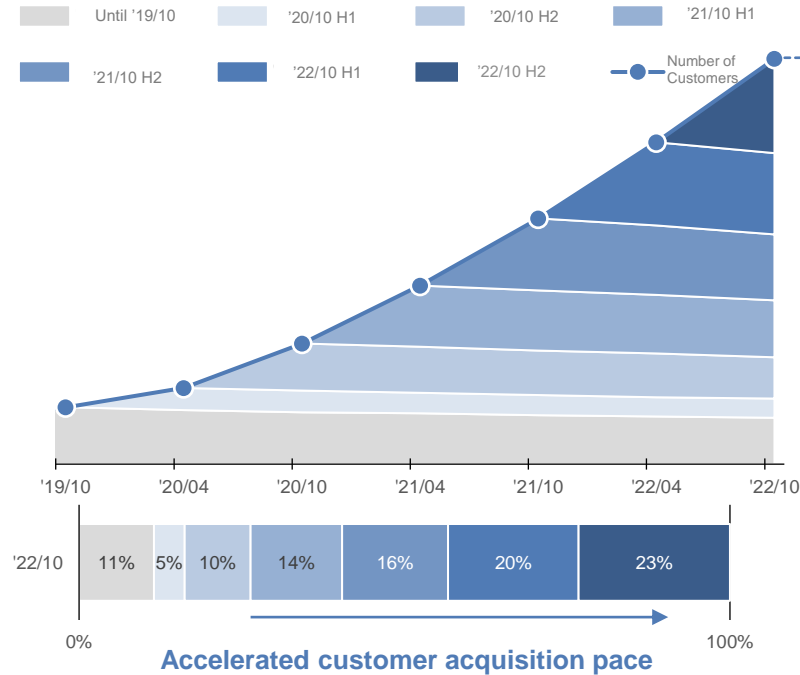
Notes:

1) Annual Recurring Revenue. Calculated by multiplying the month-end MRR at the end of each quarter by 12/Compare ITANDI BB+ ARR as of July 2021 with ARR as of October 2022 at the end of each quarter

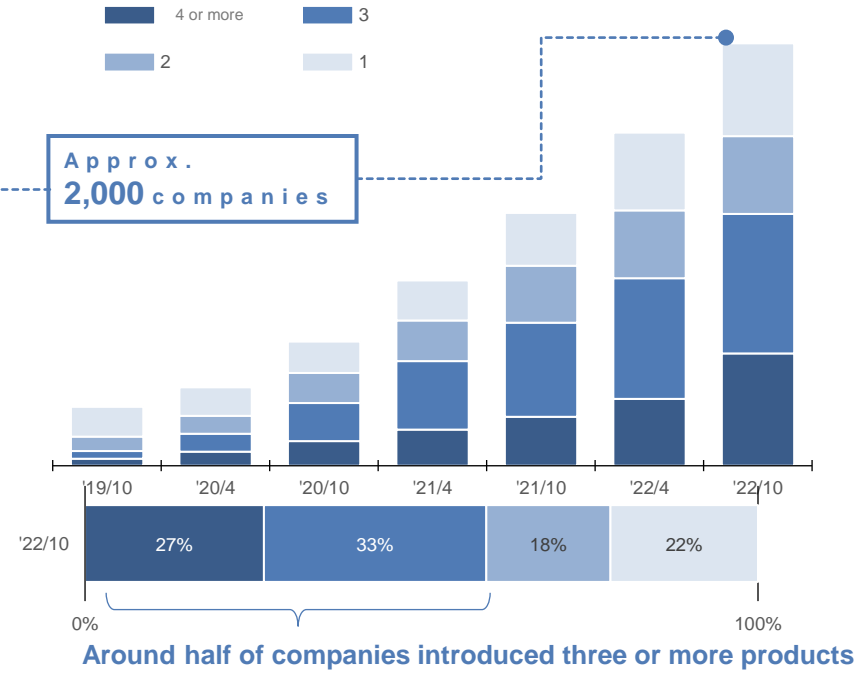
Cumulative Trends for Numbers of Customers and Products Introduced

We capitalized on the strengths of vertical SaaS and accelerated our customer acquisition pace, while product introductions with cross-selling also increased

Trends in customers numbers by year of introduction



Trends in customer numbers by number of products introduced

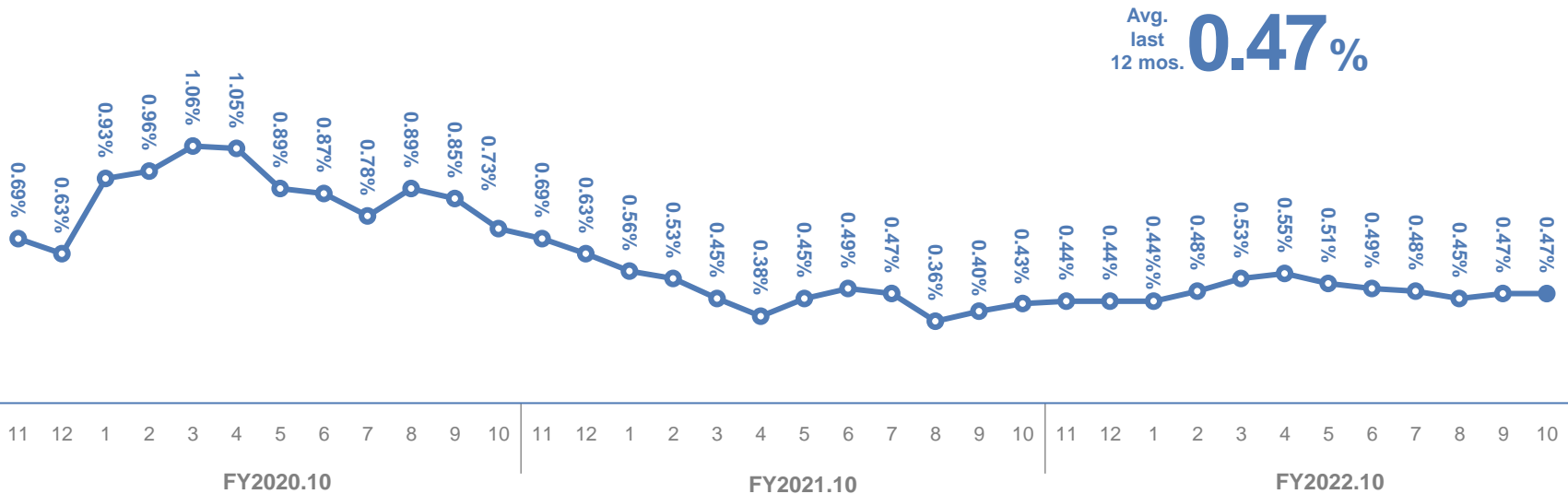


FY2022.10 Full-Year Consolidated Results ITANDI Results

Churn Rate

Churn rate is improving due to higher evaluation of products and services by customers and strengthening of customer satisfaction

Churn Rate ¹



Notes:

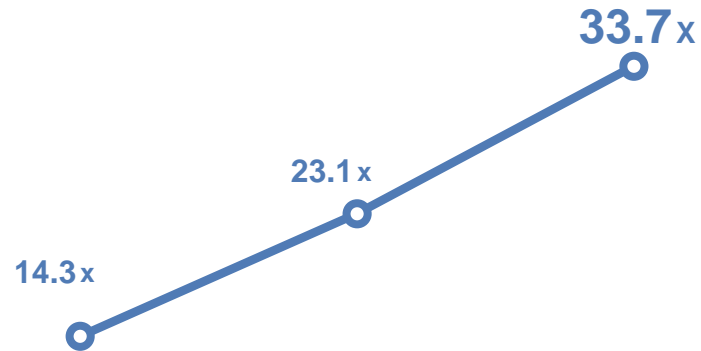
1. Calculated monthly average churn rate of recent 12 months of ITANDI BB+ as of end of October 2022

FY2022.10 Full-Year Consolidated Results ITANDI Results

Unit Economics in the Last 12 Months

Maximizing unit economics and aiming to increase new acquisitions while reducing CAC payback period

Unit Economics ^{*1)}



CAC Payback Period ^{*2)}



FY2020.10

FY2021.10

FY2022.10

FY2020.10

FY2021.10

FY2022.10

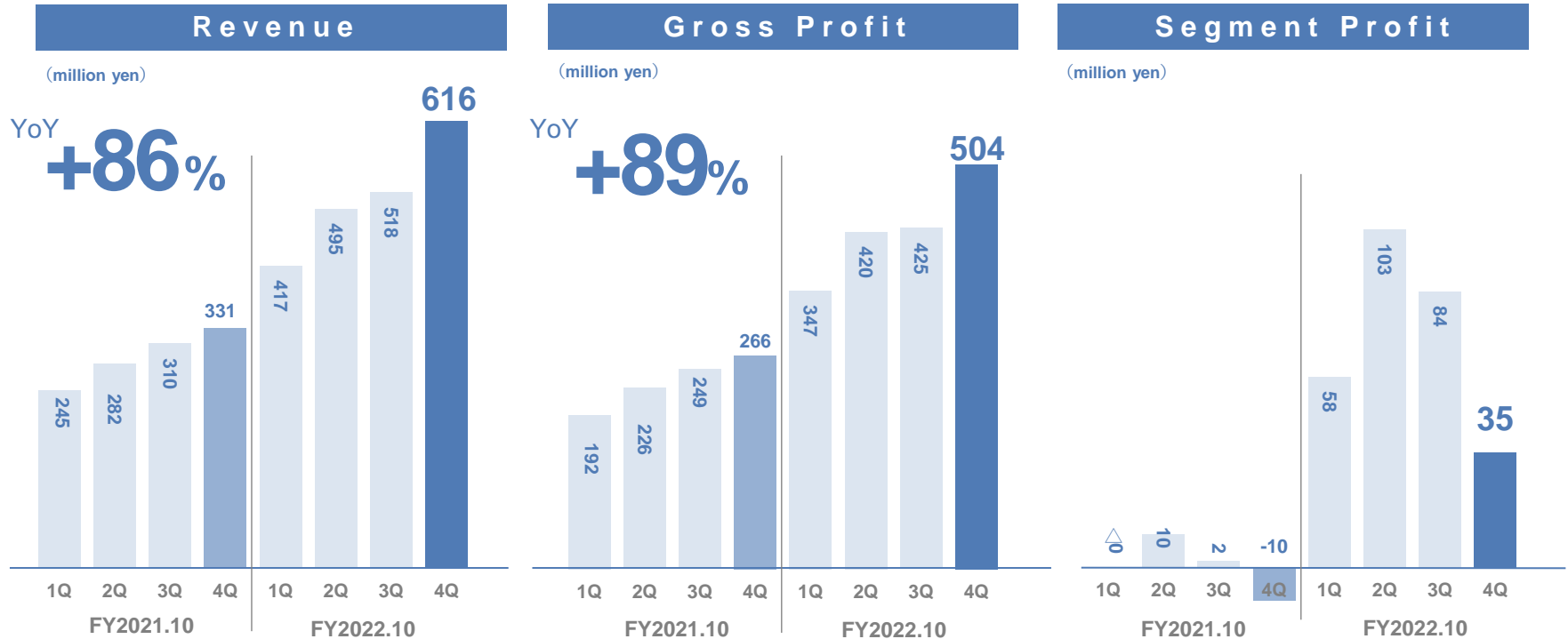
Notes: 1. Economy per customer calculated as LTV (lifetime value) ÷ CAC (customer acquisition cost) (CAC: Historical 12-month average /Unit: multiples) LTV: Monthly gross profit (including ancillary and pay-per-use revenue), divided by the average churn rate over the last 12 months/Unit: yen

2. Customer acquisition cost.: Historical 12-month average Includes sales personnel costs, planning/public relations/marketing costs, advertising costs, and onboarding personnel costs/Unit: JPY CAC payback period: CAC divided by single month gross profit per customer/Unit: Months

FY2022.10 Full-Year Consolidated Results ITANDI Results

Quarterly Trends (IFRS)

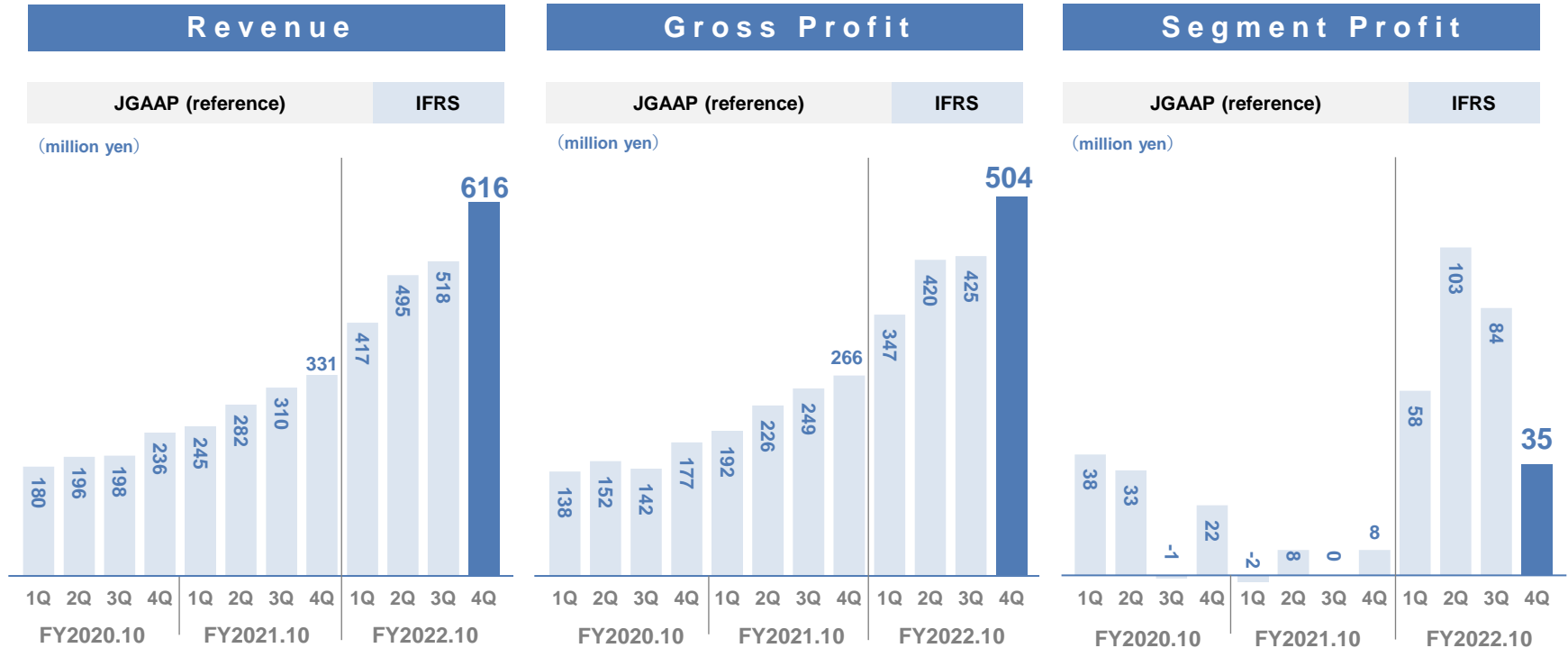
Gross profit grew significantly due to an increase in revenue that surpassed expectations. Due to increase in SG&A expenses from Dangonet acquisition, etc. that segment profit decreased



FY2022.10 Full-Year Consolidated Results ITANDI Results

Quarterly Trends (reference)

SaaS business performed well, expanding revenue and gross profit. Segment profit decreased due to an increase in revenue that surpassed expectations



SaaS for Management Companies KPI Trends

ITANDI BB+

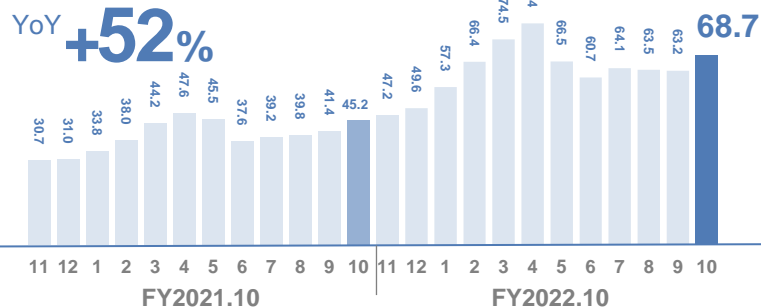


The churn rate remained at a low level of 0.33% on a downward trend

Boosted by increased market needs, the number of companies subscribing exceeded 1,500

MRR ^{*1)}

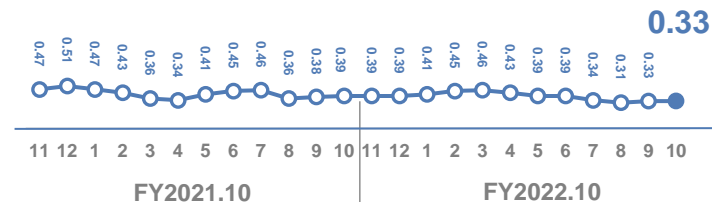
(million yen)



Churn Rate ^{*2)}

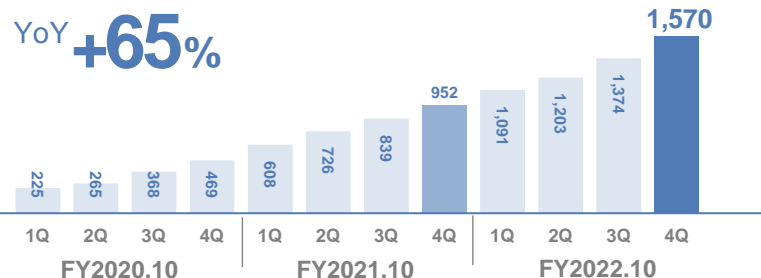
(%)

Avg. last 12 mos. **0.33%**



Companies subscribing SaaS ^{*3)}

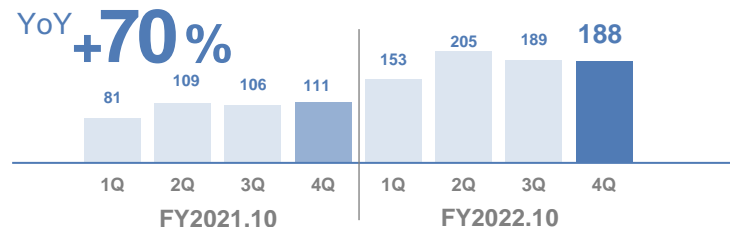
(companies)



Gross Profit

IFRS

(million yen)



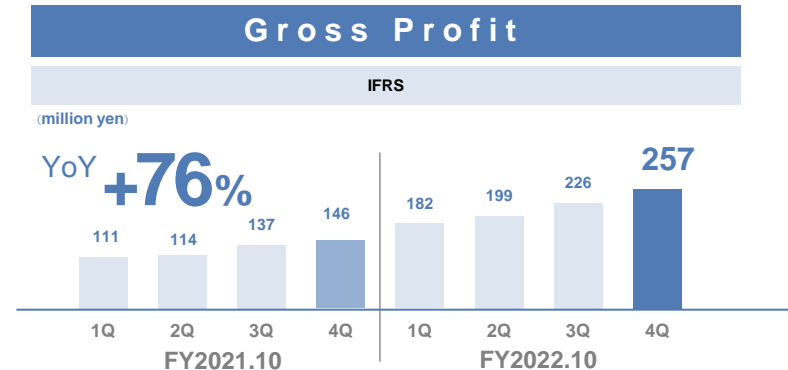
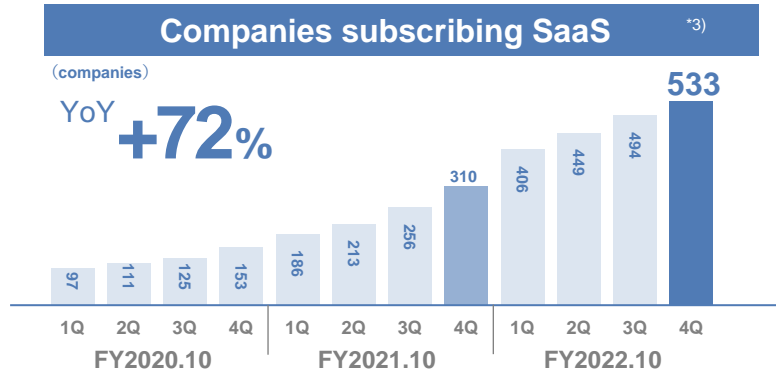
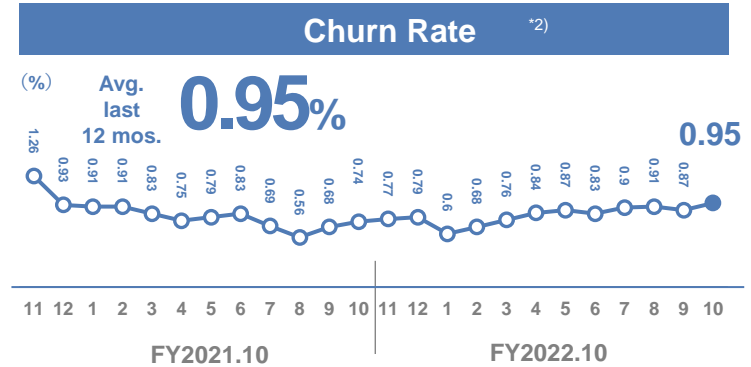
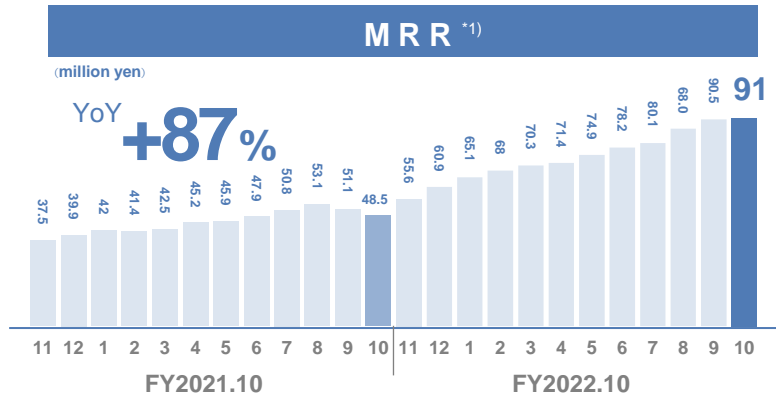
Notes:

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

SaaS for Real Estate Agencies KPI Trends



The number of companies subscribing exceeded 500 and MRR was on the verge of reaching 100 million yen. Gross profit also improved as MRR rose



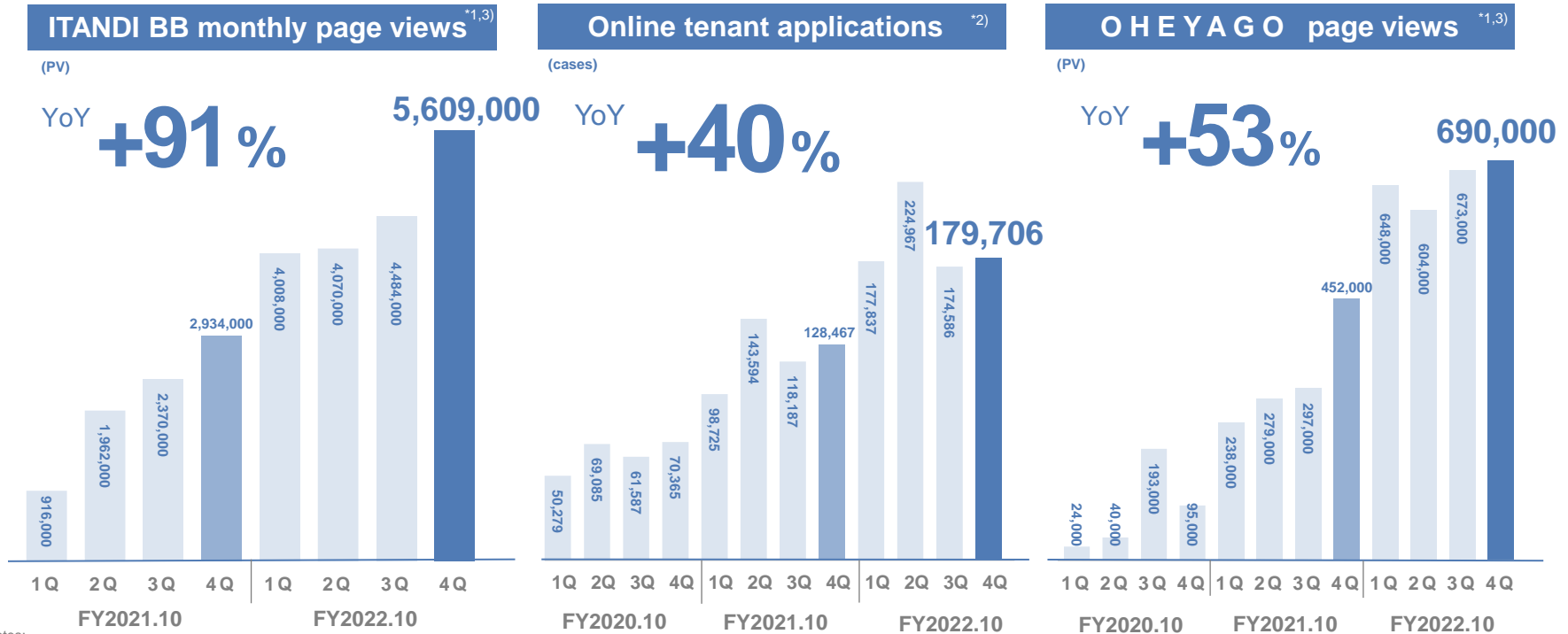
Notes:

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

FY2022.10 Full-Year Consolidated Results ITANDI Results

Other Indicators

Thanks to factors such as an increase in the number of companies introducing each SaaS product, all indicators showed significant increases YoY



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

Part II

FY2023.10 Earnings Forecast and Growth Drivers

FY2023.10 Earnings Forecast and Growth Drivers

FY2023.10 Full Year Consolidated Earnings Forecast

While continuing to securely maintain profits, also aiming for high revenue growth in order to expand market share. From FY2023.10, business profit will replace operating income as the performance target measure for consolidated results

(million yen)		FY2022.10 (IFRS) ①	FY2023.10 Plan (IFRS) ②	YoY Amount of change ②-①	YoY Percentage of change (②/①-1) *1)
Consolidated	Revenue	113,569	145,500	31,931	+28.1%
	Gross Profit	16,519	20,900	4,381	+26.5%
	Segment Profit	1,033	1,600	567	+54.8%
	Profit attributable to owners of parent	395	430	35	+8.8%
RENOSY Marketplace	Revenue	110,843	142,000	31,157	+28.1%
	Gross Profit	14,482	18,200	3,718	+25.6%
	Segment Profit	4,947	5,950	1,003	+20.2%
ITANDI	Revenue	2,046	3,000	954	+46.6%
	Gross Profit	1,698	2,480	782	+46%
	Segment Profit	281	510	229	+81.4%

Note: 1. Calculated based on the figures on the table FY2023.10 Plan ÷ FY2022.10 Actual -1

FY2023.10 Assumptions For The Full-year Consolidated Earnings Forecast

FY2023.10 Budget Assumptions (Top Line)

Overall	↗	Expansion of sales and market share except for new businesses, etc
RENOSY Marketplace Online transactions	↗	Continue to expand sales by continuously increasing the market share. Maintain and enlarge commission fees by direct procurement from property owners through Seller DX and expansion of product lineup
RENOSY Marketplace Subscriptions	↗	Increase sales in proportion to the number of online transactions. Promote DX and improve profitability as a standalone business
RENOSY Marketplace Third party	→	Focus on achieving product market fit with a limited expansion of the top line
ITANDI SaaS for real estate agencies	↗	The core of ITANDI's profitability. Further increase the sales and aim for higher profit to fund growth 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

FY2023.10 Budget Assumptions (Cost)

Overall	↗	Increase personnel to grow sales, invest in existing and new businesses, and strengthen M&A strategy. Maximize the effectiveness of management resources and continue to avoid unnecessary costs through selection and focus
RENOSY Marketplace Online transactions	↗	Although there are costs to bear for market share expansion, such as by increasing sales personnel, continue to maintain the profit rate through the optimization of marketing, increasing of contract rate, etc
RENOSY Marketplace Subscriptions	→	Although there are costs for increasing sales personnel and DX, profit rates are expected to rise
RENOSY Marketplace Third party	→	Positioned as the investment phase, not expecting a large profit contribution for the period. However, cost is to be controlled within a certain range
ITANDI SaaS for real estate agencies	↗	Increase personnel focusing on sales and CS to expand sales. Contribution to profit is expected in return to prior investment made up until the last period
ITANDI SaaS for management companies	↗	Increase personnel focusing on sales and CS to expand sales. Further increase prior investment to expand market share
New Business	↗	After setting certain rules, determine increase/decrease in personnel and investment amount according to business progress

FY2023.10 Business Expansion's Growth Drivers

Four important measures for each businesses that will drive growth in the expansion of earnings during FY2023.10

RENOSY Marketplace

Utilization of NEOBANK®



Realizing improved customer experience through developing and offering financial services, which have a high affinity with real estate

Launched business securitization business through the utilization of Self-trusts



Initiating business securitization by utilizing self-trusts. Realizing the improvement of productivity through revenue streams and sales efficiency

ITANDI

Collaboration with the All Japan Real Estate Association

ITANDI BB



Adopted as the infrastructure system for members of the All Japan Real Estate Association, which has around 35,000 affiliated member companies. The aim is to promote digitalization in the industry as a whole, up to and including the domain of SMBs

Dangonet M&A/Starting provision of Core system



Adoption of Dangonet's "Chintai Meijin" and starting provision of the "ITANDI Management Cloud" core system. Streamlined digitalization of all operations

Part III

Growth Strategy by Business Segment

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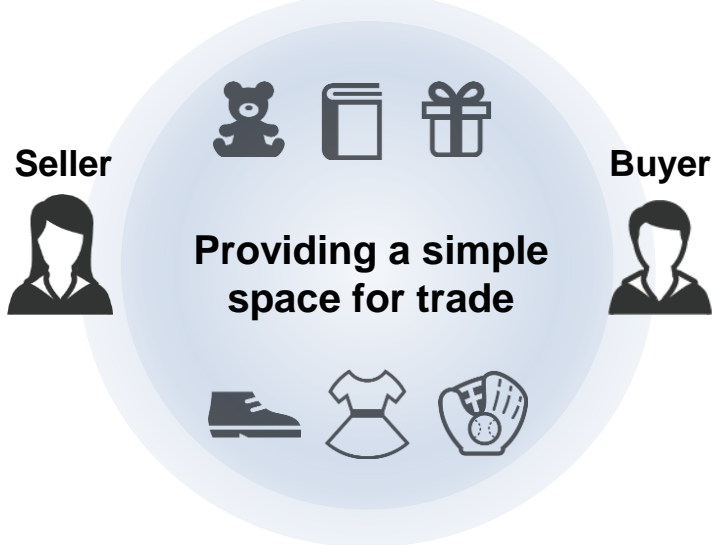
RENOSY Marketplace

The RENOSY Model Managed Marketplace

This differs from the conventional marketplace model, in which service quality is completely delegated to the supplier. The managed marketplace leverages expertise with technology, with service quality controlled by the provider

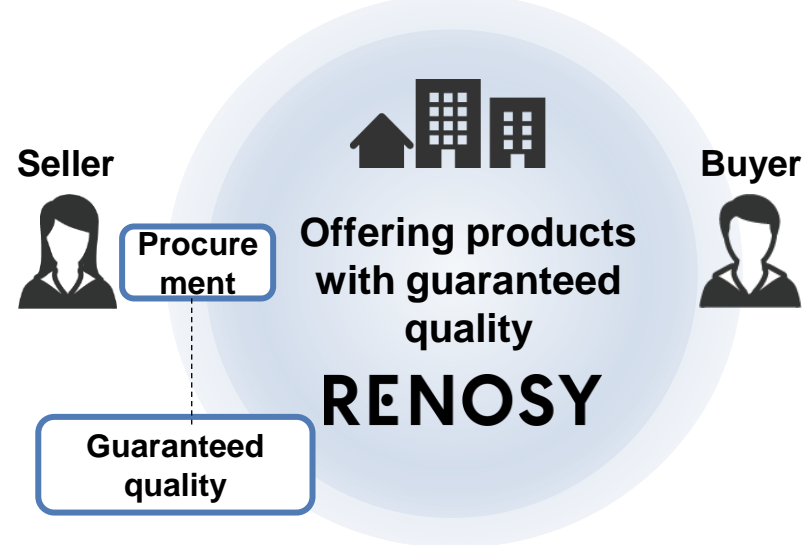
Conventional marketplace

Low-cost products and daily necessities



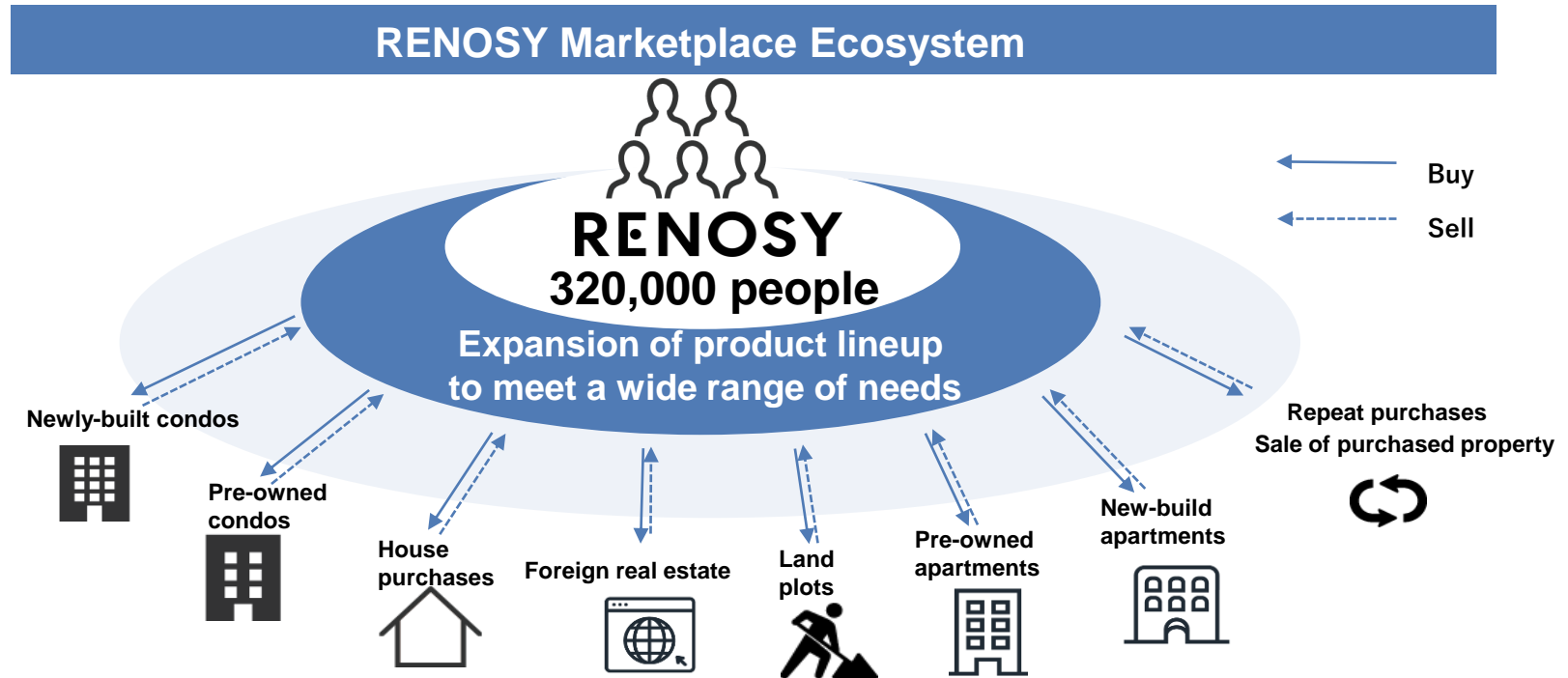
Managed marketplace

Expensive products



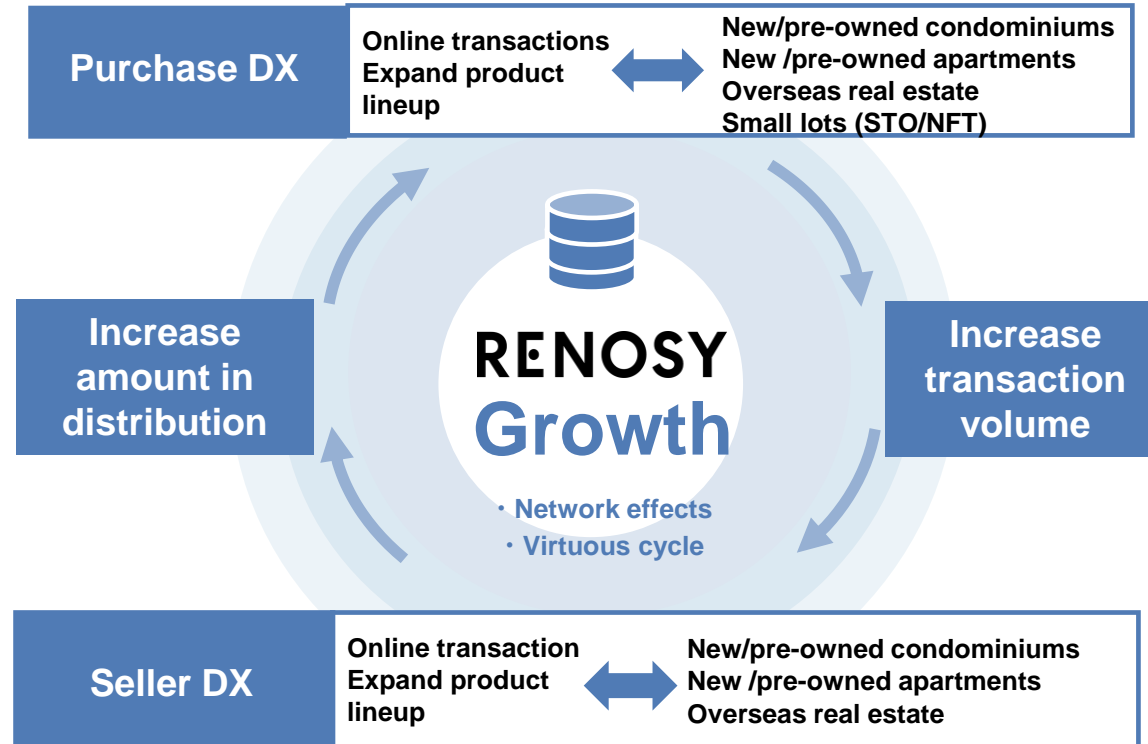
RENOSY Building an Ecosystem

Build a buy/sell ecosystem based on RENOSY marketplace and further expand the product lineup to maximize LTV



RENOSY Marketplace Growth Story and Improvement of GMV/LTV

In addition to the Purchase DX, a virtuous cycle model was developed in which the network effect is enhanced by strengthening the Seller DX



High Customer Engagement

Due to high customer satisfaction, churn rate is only 0.78%
for owners who acquired investment property

OWNER App MAU rate approx. 80%

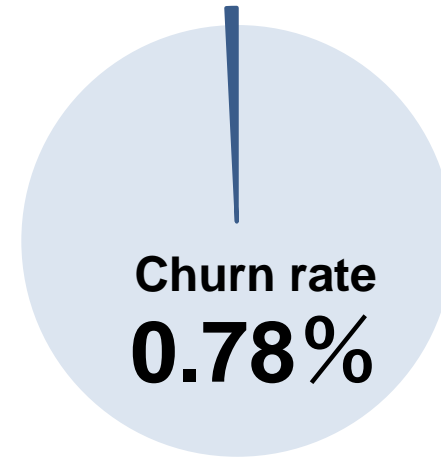
Highly rated by owners due to extensive
functionality, including a tax return function

OWNER by RENOSY

Approx. ^{*1)}
7,000
owners



Churn rate: 0.78% ^{*2)}



Number of
subscription managed
approx. 13,000 units

Note

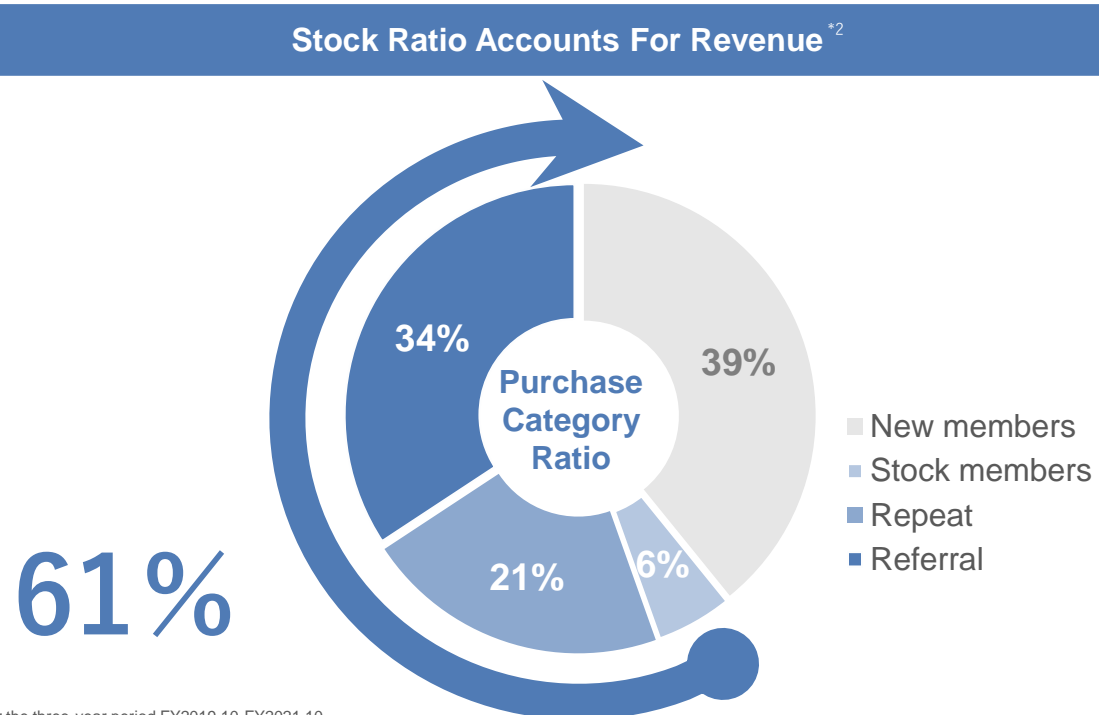
*1) As of October 31, 2022

*2) As of July 31, 2022

Growth Strategy by Business Segment RENOSY Marketplace

Stock Business Through Utilisation of Customer Assets

Strong customer assets have been built up through product utilisation and Stock ratio accounts for approx. 60%^{*1)} of sales



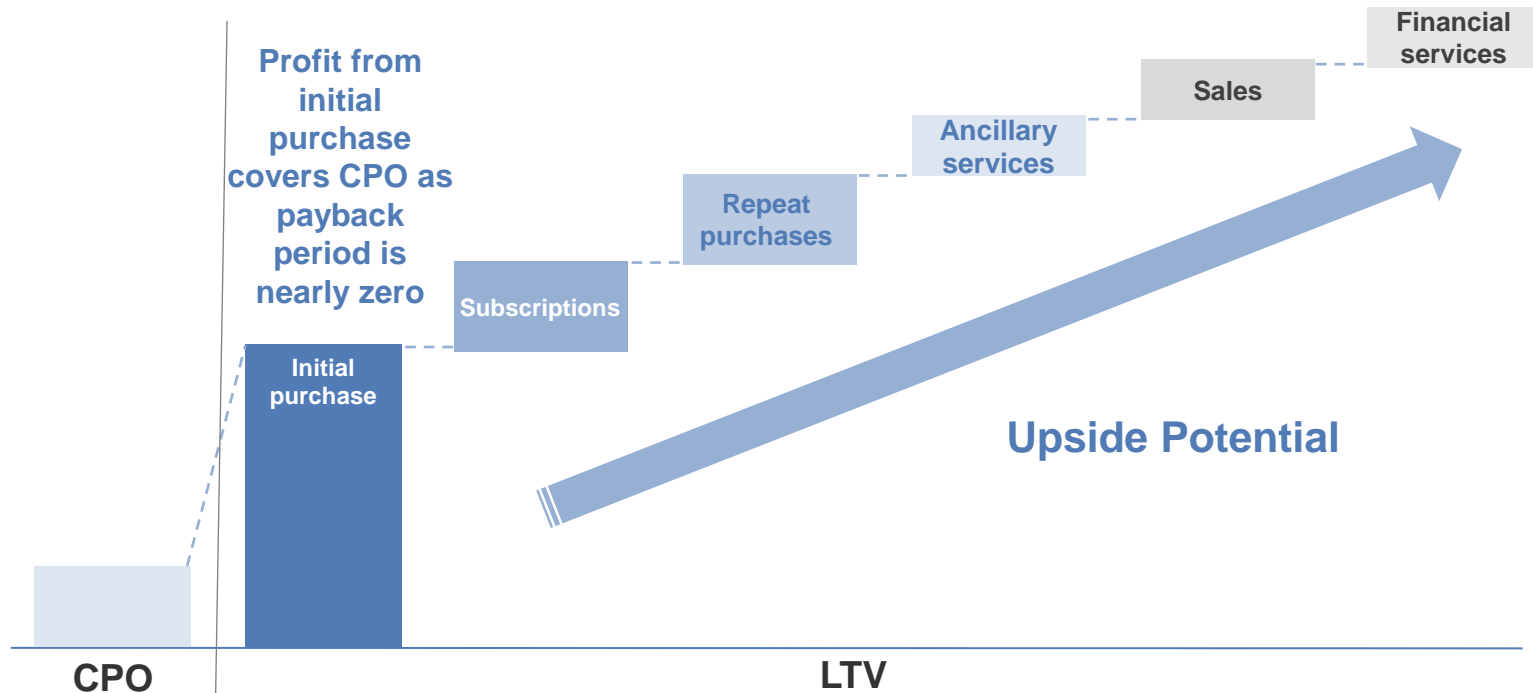
*1 Calculated based on data by purchase for the three-year period FY2019.10-FY2021.10

*2 Definition of purchase categories are as follows: Stock members - new purchases from members who were members in the past but had not yet purchased. Repeat members - purchases by customers who have previously purchased. Referral members - purchases by word of mouth from customers. New members - purchases within three months after a new enquiry

Growth Strategy by Business Segment RENOSY Marketplace

Growth Strategy: Expanding Unit Economics

LTV is further improved through increases in repeat purchases, subscriptions, other ancillary services

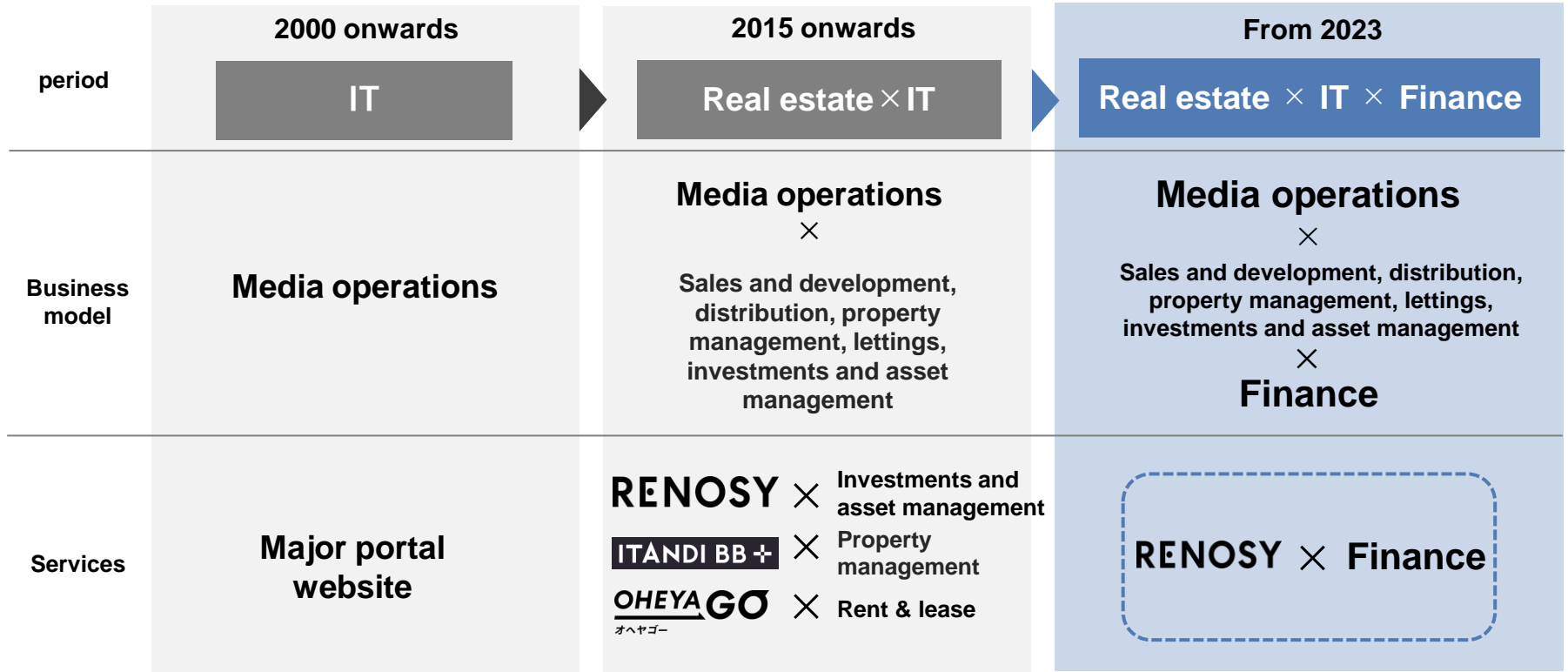


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RENOSY Marketplace Growth Driver

Growth Strategy by Business Segment RENOSY Marketplace

Trends in Integrating Real Estate and Technology



Collaborations for Providing Financial Services

**Started discussion to
realize financial services**

RENOSY



 **NEOBANK**
住信SBIネット銀行

RENOSY connected with financial services

Growth Strategy by Business Segment RENOSY Marketplace

About Financial Services that Utilize NEOBANK®

By providing banking services through utilize NEOBANK® for partner companies, generating loyalty from those companies' customers

Offering financial services with RENOSY that utilize NEOBANK®

Providing banking functions to companies in various industries



Partner companies (selection)



Joined as a partner company ✨

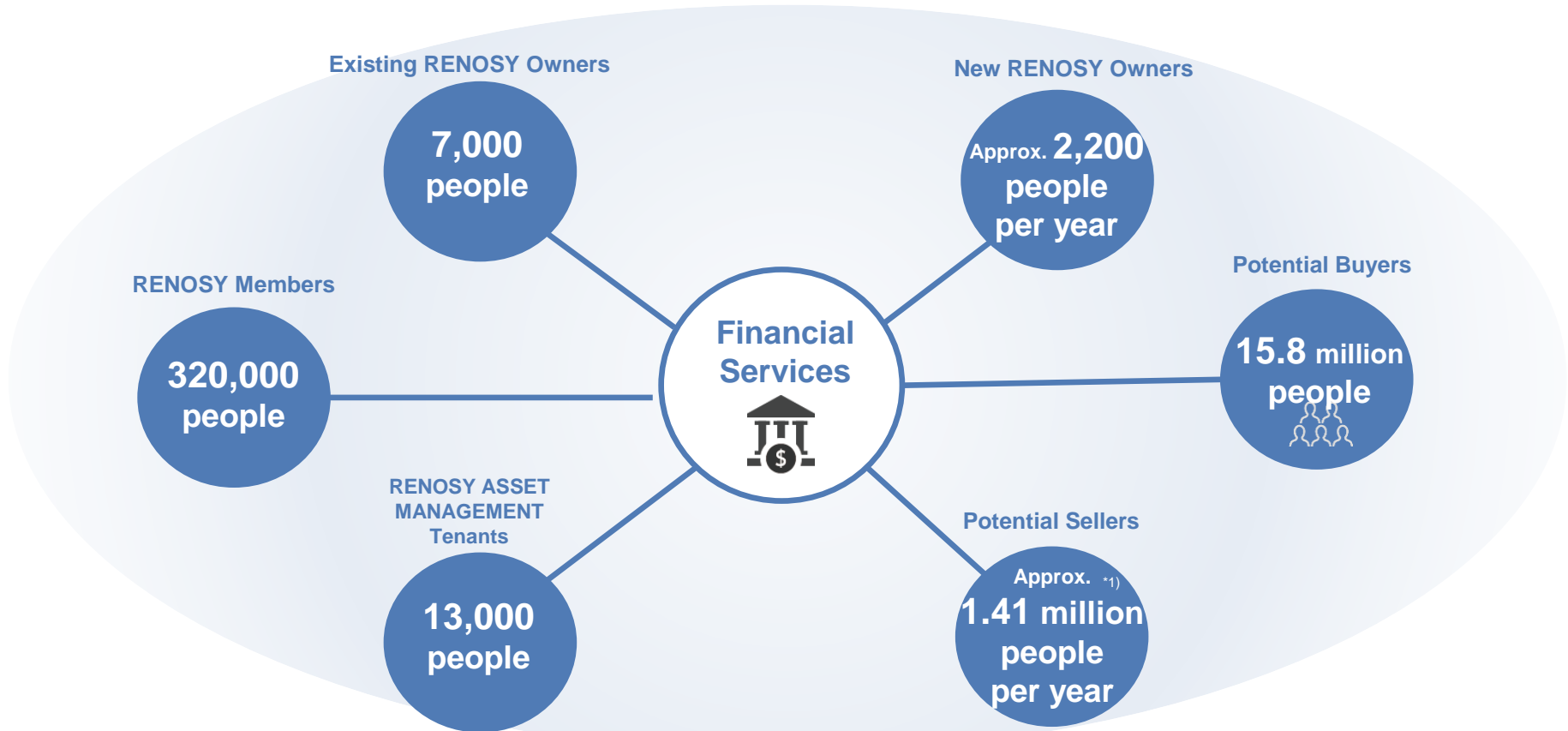


From service functions held by banks, linking only what is necessary for solving partner companies' issues with the collaboration of APIs and Fintech. By providing services that create new value, it will be possible to improve satisfaction for partner companies' customers

Using the NEOBANK® service that is being introduced to each company and offering new real estate × technology × financial services

Growth Strategy by Business Segment RENOSY Marketplace

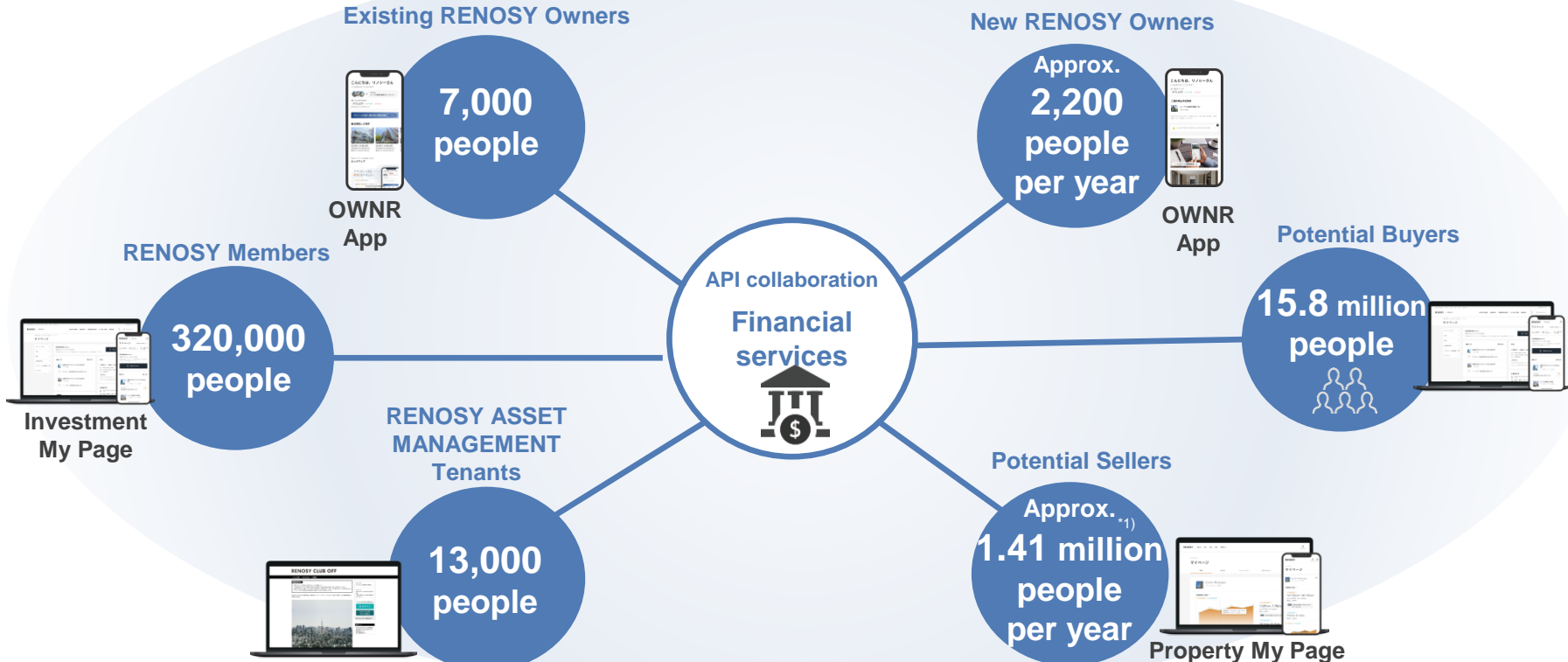
Financial Services: Target Customers



Note: Estimated number of target units as 2.81 million units based on the data from : Ministry of Land, Infrastructure, Transport and Tourism Survey Results of the Comprehensive Condominium Survey for FY 2008 Data Edition : https://www.mlit.go.jp/jutakukentiku/house/jutakukentiku_house_tk5_000058.html Sumitomo Mitsui Fudosan Used Condominium Exclusive Area Trends June 2016 : https://smtrc.jp/useful/knowledge/market/2016_06.html The number of units owned per owner is calculated based on the number of owners and units under management as of October 31, 2022. Estimated by dividing the target number of units (2.81 million) by the average number of properties owned by our company's owners, assuming that the average owner owns approximately 2 units.

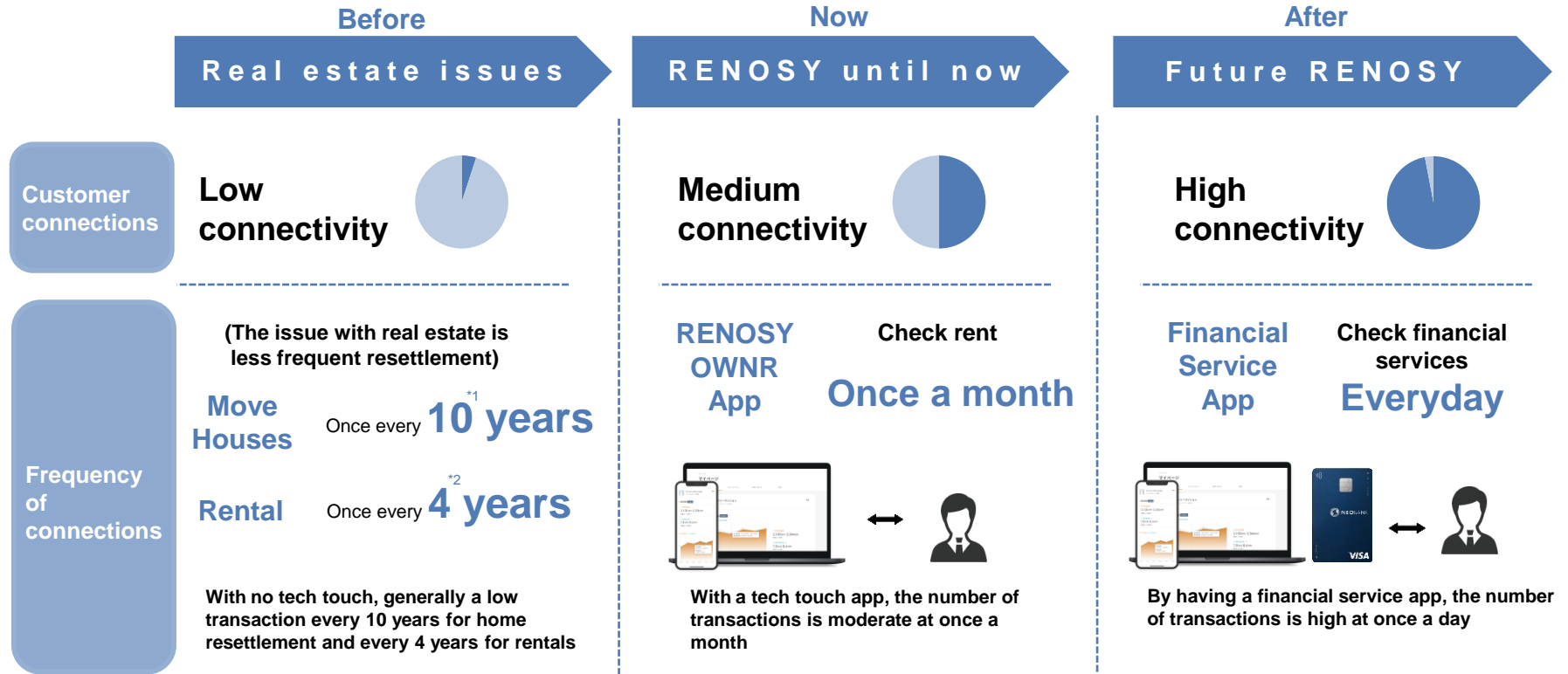
Strengthening Engagement by Utilizing Technology

Building long-term relationships with acquired customers by utilizing the internet and apps



Note: Ministry of Land, Infrastructure, Transport and Tourism Survey Results of the Comprehensive Condominium Survey for FY 2008 Data Edition : https://www.mlit.go.jp/jutakukentiku/house/jutakukentiku_house_tk5_000058.html Sumitomo Mitsui Fudosan Used Condominium Exclusive Area Trends June 2016 : https://smtrc.jp/useful/knowledge/market/2016_06.html From above, estimated the number of targeted units nationwide is calculated to be 2.81 million. Assumes that each owner owns approximately 2 units, since there are 7,066 owners and 14,039 units under management (as of November 9, 2022). Calculated by dividing the number of targeted units nationwide by the average number of properties owned by our owners.

Outlook for Financial Services

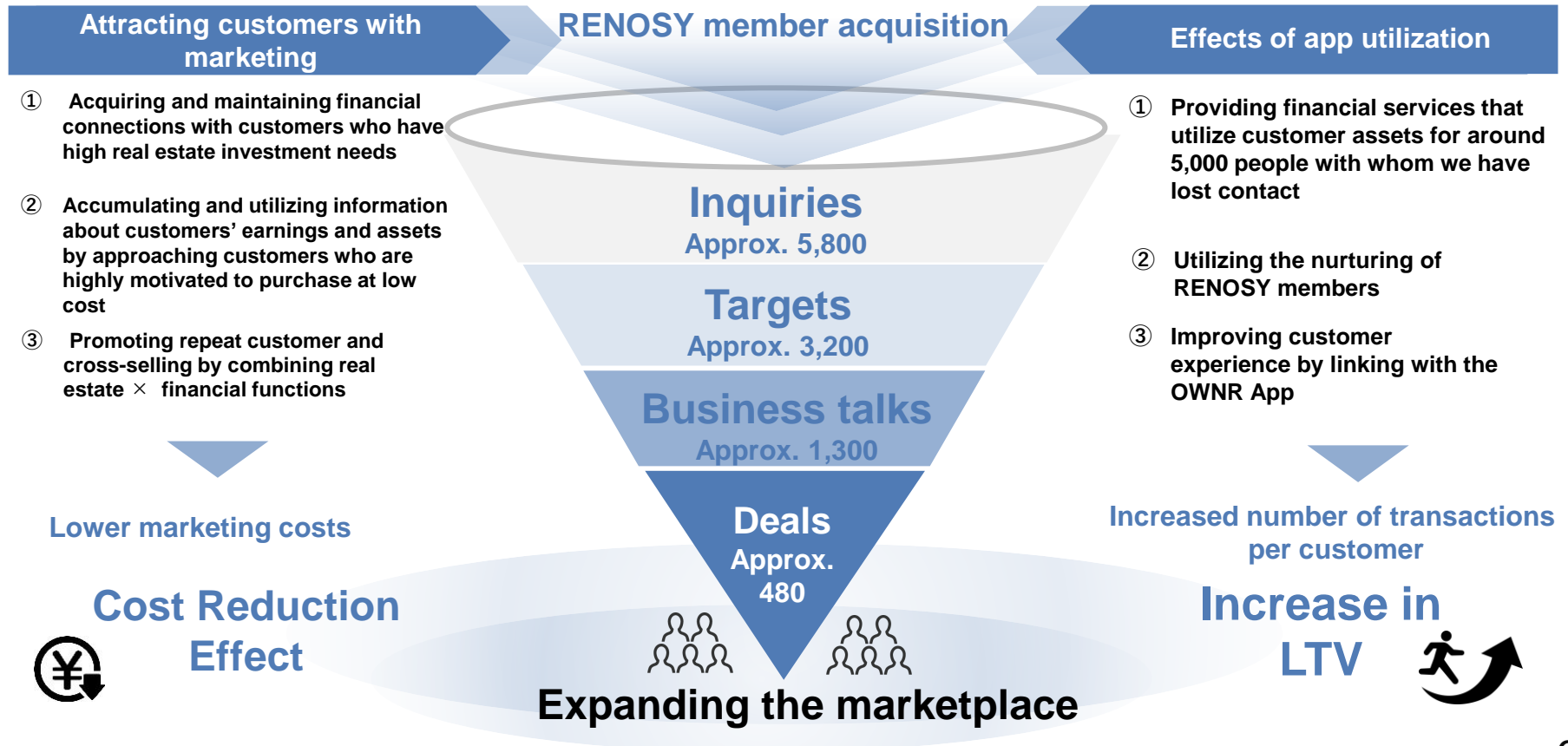


Notes: 1. Survey by ieu.jp. Conducted: October 16-30, 2020. Survey method: questionnaire emailed to users who had previously sold real estate via ieu.jp. Aggregated figures: 100 men and women from around Japan with experience of selling real estate via ieu.jp. <https://prtimes.jp/main/html/rd/p/000000053.000014788.html>

2. Average number of years residing in rental condominiums. From the 26th short-term survey of business confidence in rental housing, Japan Property Management Association. Average residence time periods taken from nationwide data. <https://www.jpma.jp/marketdata/pdf/tankan26.pdf>

Growth Strategy by Business Segment RENOSY Marketplace

PL Impact of Providing RENOSY Financial Services



Growth Strategy by Business Segment RENOSY Marketplace

Securitization in Business Activation by Utilizing Self-Trusts

Initiation of Real Estate Securitization Business



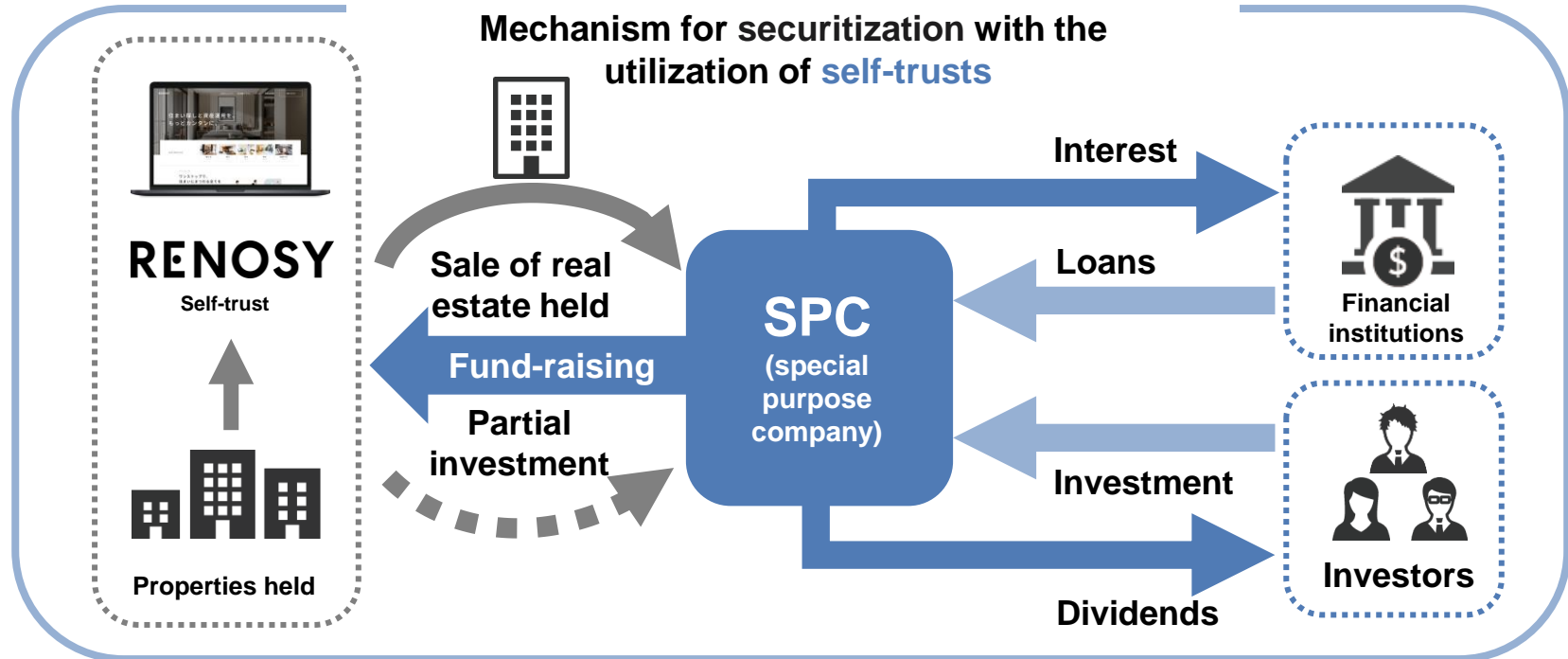
Securitization in real estate that utilizes self-trusts



Participating in the financial field, which has a high affinity with the real estate industry, to improve productivity by increasing revenue sources and sales efficiency

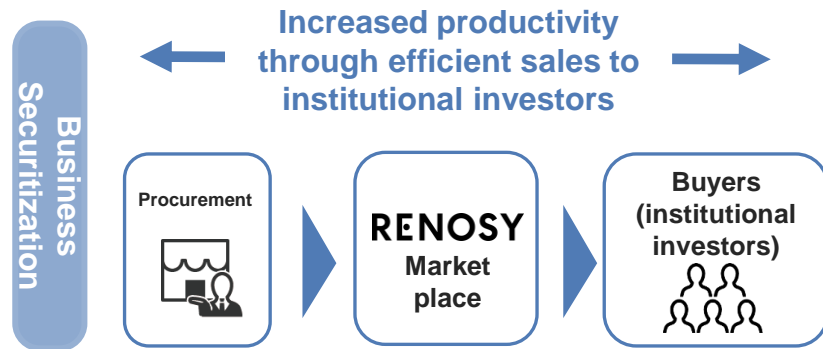
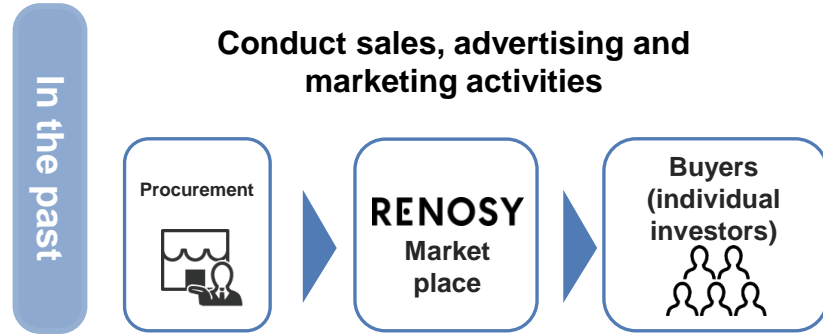
Business Team for Securitization in Business Utilizing Self-Trusts

Fundraising using self-trusts for properties held. Raising asset effectiveness through the securitization of acquired assets

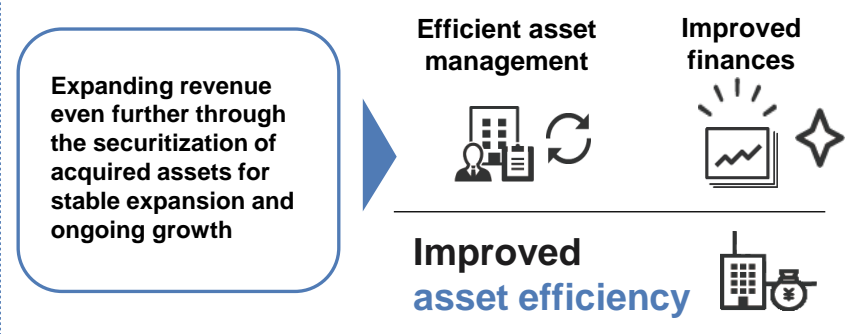


Benefits to be Gained from Business Securitization Utilizing Self-Trusts

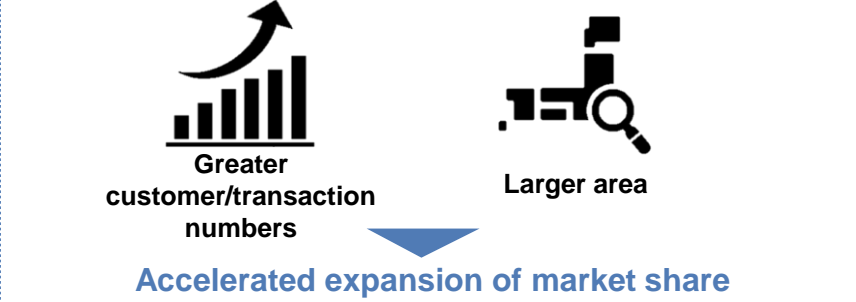
Improved productivity through more efficient sales activities



Realizing improved asset efficiency and expanded market share



Also, with business securitization there is expansion in the **area** and the **number** of customers/transactions.



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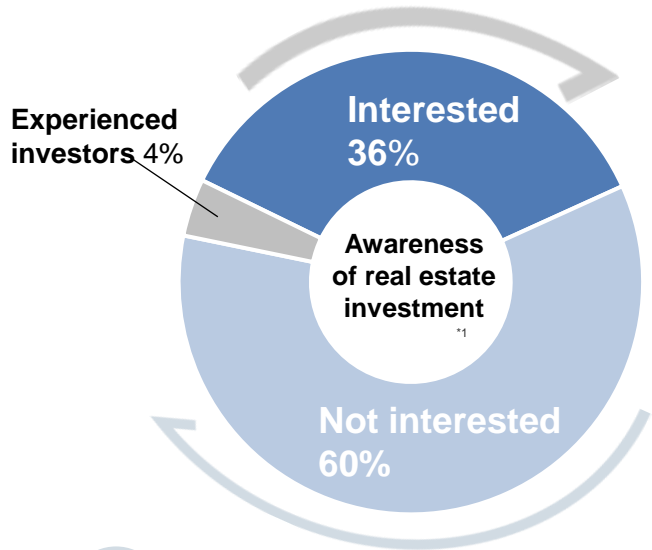
RENOSY Marketplace Other Key Strategy

Marketing Strategy: Expansion of Purchase DX

Implementing measures aimed at both actualized and potential customers

STEP 01

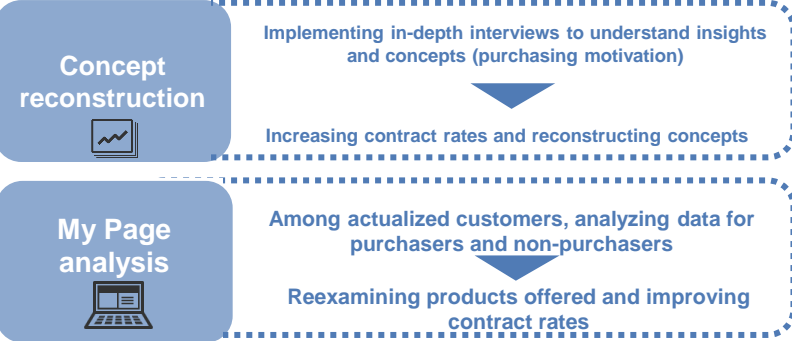
Turning **actualized customers with an interest in investing** into **customers with investment experience**



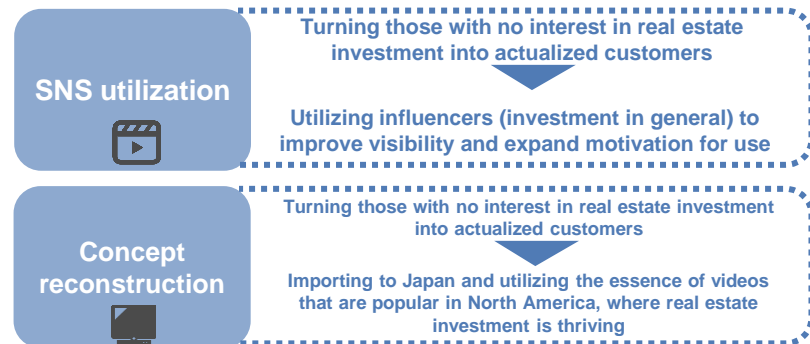
STEP 02

Turning **potential customers with no interest in investing** into **actualized customers**

[Step 1] Strategy for actualized customers



[Step 2] Strategy for potential customers



Growth Strategy by Business Segment RENOSY Marketplace Other Key Strategy

Target of Purchase DX (Buyers)

Even domestically, the TAM for Purchase DX target customers is large, with extensive scope for growth

Domestic Personal Targets

15.8^{**1)} million salaried workers

Annual income of
5 million yen +
15.8 million people

Annual income of
10 million yen +
2.4 million people

Annual income of
25 million yen+
145,000 people

Domestic Household Targets

Approximately **3.42**^{**2)} million
High-net-worth household

50 million yen +
3,418,000 households

100 million yen +
1.24 million
households

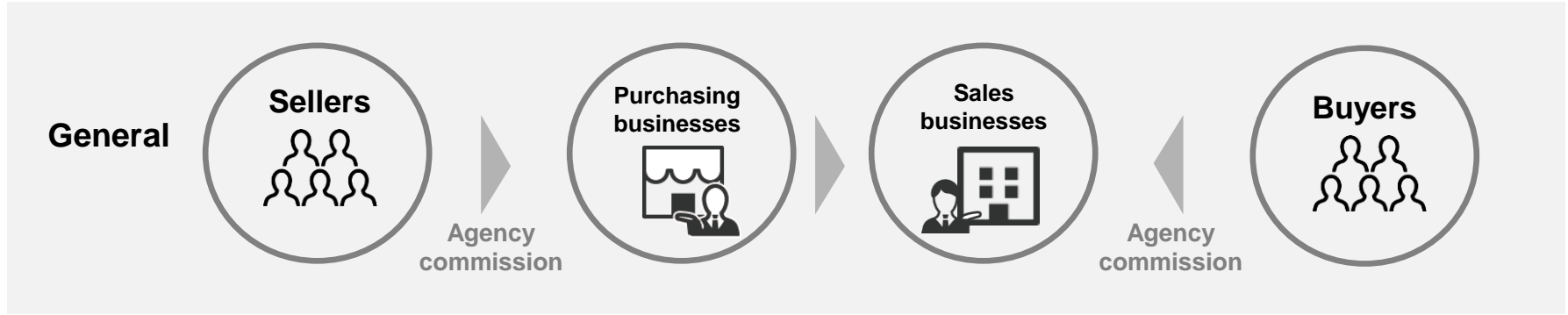
500 million yen +
87,000 households

*1 Source: National Tax Administration Agency, Results of the Private Sector Salary Survey, FY2020 data compiled by the Company.

*2 Source: Nomura Research Institute Research Number of households and asset size by net gold assets held in Japan in 2019 Data dated 21 December 2020

Marketing Strategy : Expansion of Seller DX

From **RENOSY** for real estate investment to **RENOSY** for selling investment properties



With no agencies in between, midterm margins are cut, which benefits sellers and buyers.



Target of Seller DX (Sellers)

The number of our target properties within Japan is around 2.81 million units.
TAM expands every year when new property additions are taken into account

Domestic Targets of Seller DX

Total number of
condominiums nationwide

Approx. 6.859^{*1}
million units



TAM

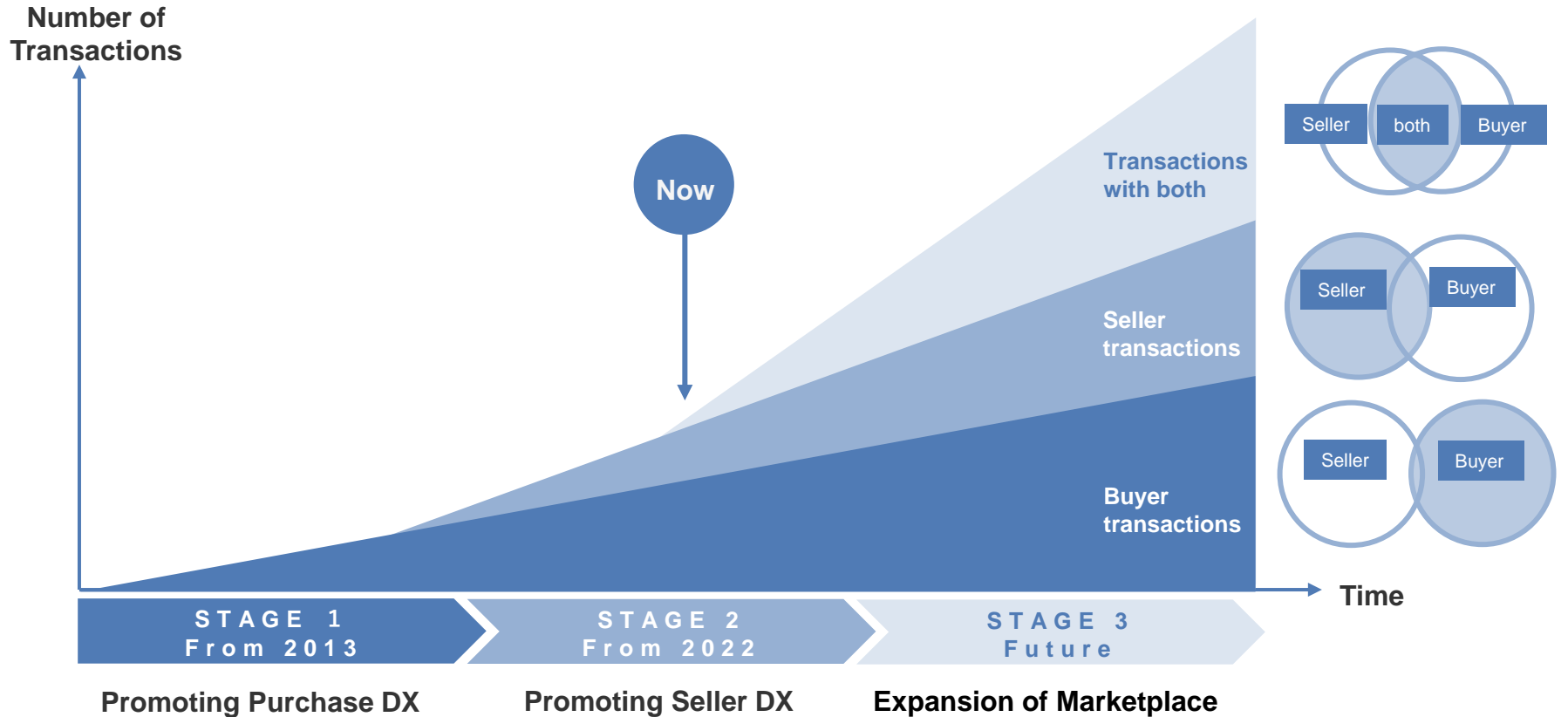
Our target
(Condominiums of up to 50m²)

Approx. 2.81^{*1}
million units



Growth Strategy by Business Segment RENOSY Marketplace

Growth Strategy: Strengthening the Marketplace at Each Stage



Growth Strategy by Business RENOSY Marketplace Other Key Strategy

RENOSY Marketplace Path to Market Share Expansion

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

FY2022.10

7.1%

Increased market share through sales of 110 billion yen



FY2023.10 (forecast)

9.3%

Through sales of 140 billion yen



Future

20%

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

Market profit of the industry

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

Condominiums over the size of 50m² in the metropolitan area

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

Condominiums under the size of 50m² in the metropolitan area

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

Aim to expand share to **20%**

Grow to share of 9.3%

GA technologies share 7.1%

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)

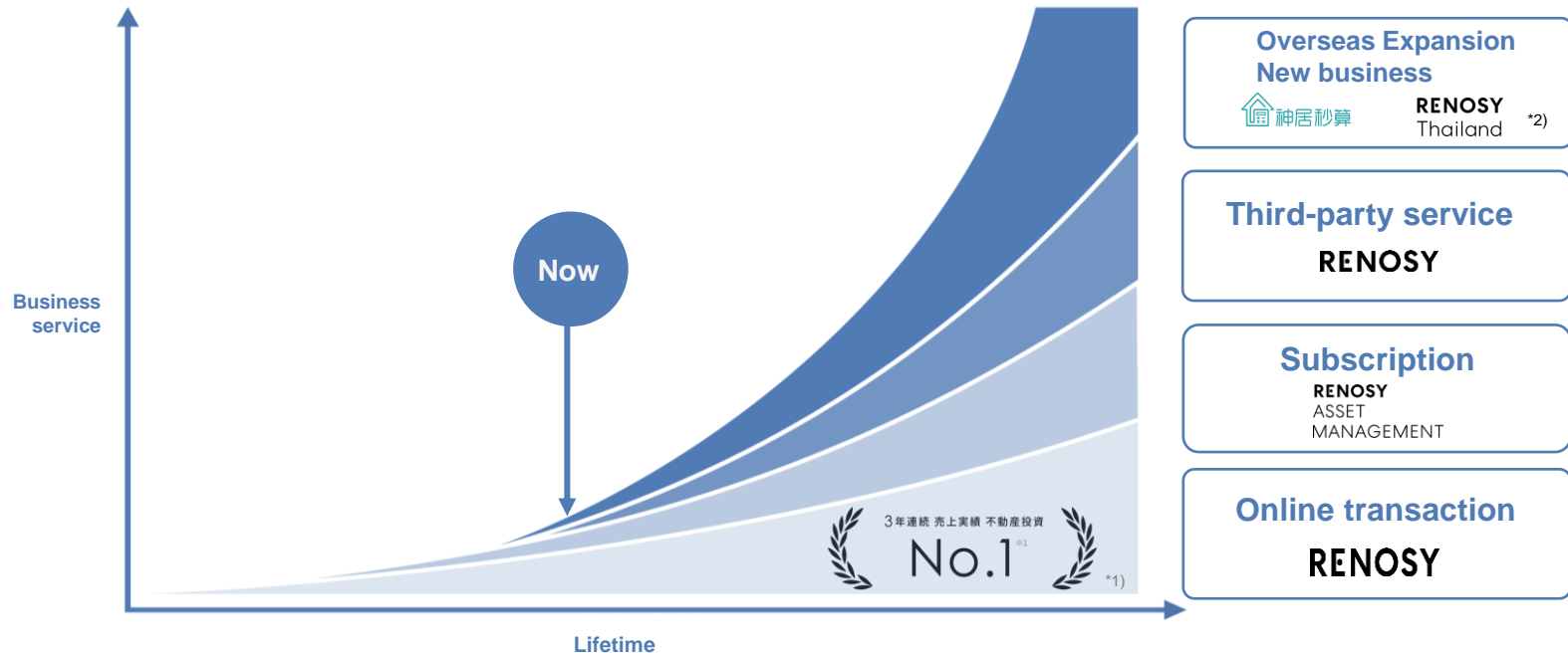
2. Estimated with reference to results released by Tokyo Kantei Co., Ltd.: Press release *Newly built / existing apartments market size of Tokyo metropolitan area* (Jan. 2021), Tokyo Kantei Co., Ltd.: Press release *Newly built / existing apartment logistics change of Tokyo metropolitan area* (May 2021). 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)

Growth Strategy

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)

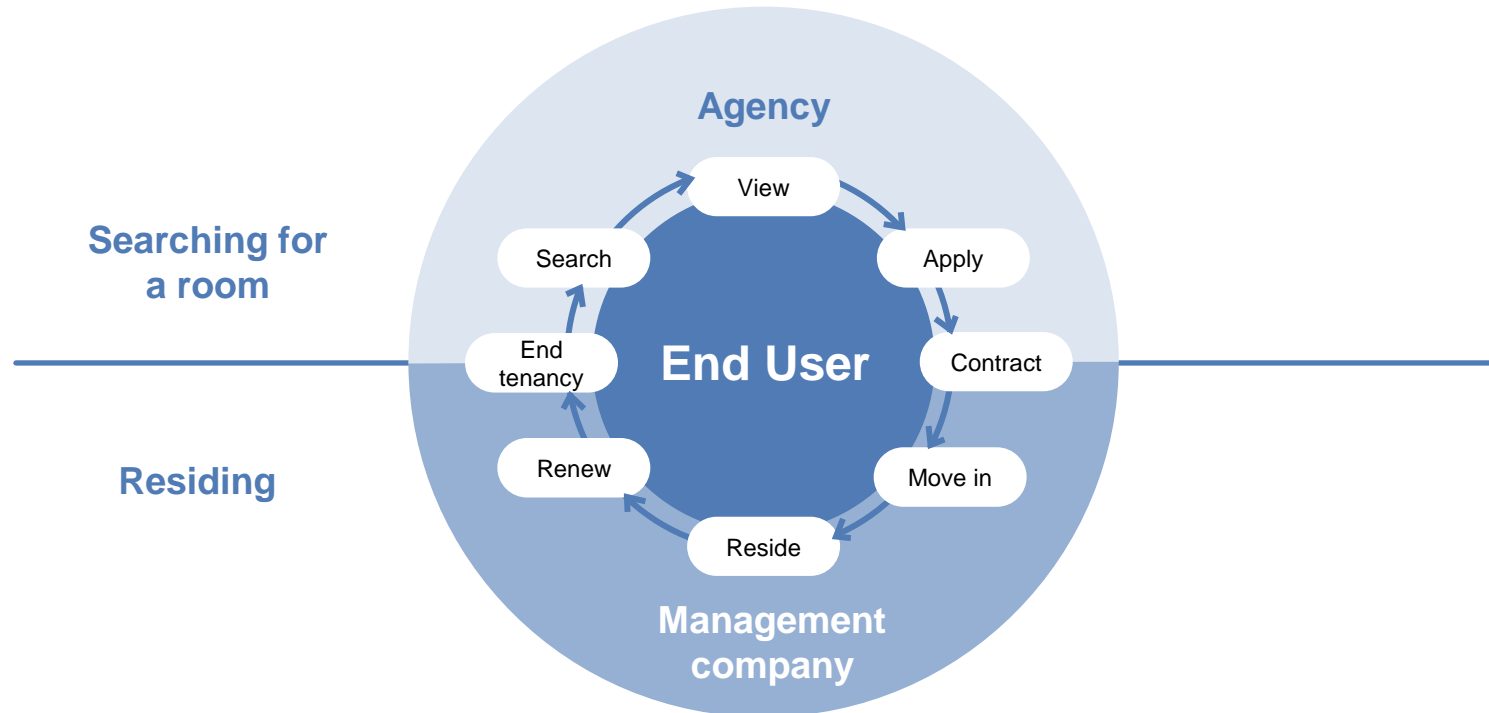
2. Changed name from DEAR LIFE CO.,LTD. on May 1, 2022.

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ITANDI

Vision: Enrich People's Life Through Our Platform by Connecting People and Their Living

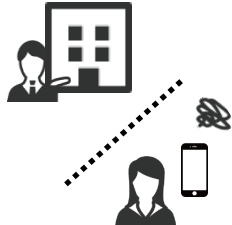
In the short term, aim for smooth real estate transactions through SaaS and marketplace.
In the long term, aim for a platform that modernizes overall "living" after occupancy including real estate



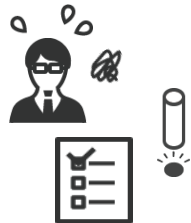
Issues in the Rental Housing Industry and ITANDI's Value Promise

- [Issue ①] Unbalanced information : Problems with bait and switch properties where inaccurate information is advertised to consumers
- [Issue ②] Inefficiency of analog work : Even compared with other industries, telephone calls and faxes are used more, and a lot of monotonous work and manual labor still remains, such as that of transferring data from paper to electronic formats
- [Issue ③] Shortage of capable staff : With about 50% of real estate workers over the age of 60, and a turnover rate of 8.1%, the future labor shortage is even more serious than in other industries

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

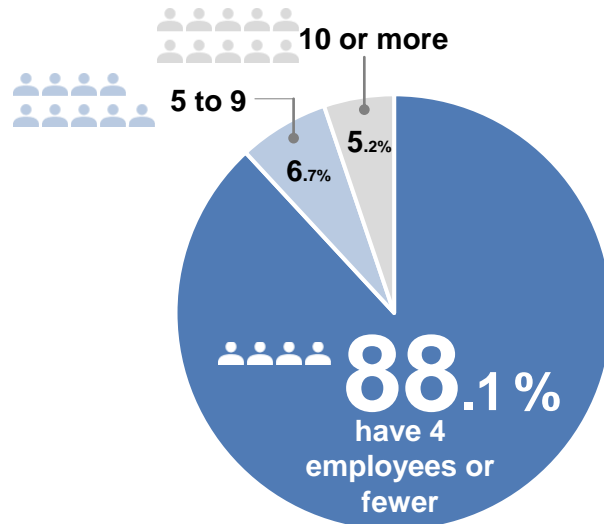
Growth Strategy by Business ITANDI

Structure and Trends in Target Markets

The real estate rental industry (agency business/management business) that is ITANDI's target has an extremely long-tailed structure, with SMBs accounting for approximately 90% of the total.

Based on trends in related industry law, through development and expanding market share with SMBs, we are aiming for DX in the industry as a whole

Ratio of employees per company in the real estate rental industry



Trends in related industry law

Management industry law

From June 2021

Complete enforcement

- Explanation of important items and issuance of written documentation when management contracts are entered into are made compulsory
- Segregated asset management, regular reports of management operations, etc.

Increased amount of work on site

Real Estate Brokerage Act

From May 2022

Introduction of digital contracts

- The affixing of seals when issuing all kinds of documents has abolished and issuing documents by electronic means became possible

Boosting the implementation of work efficiency by utilizing IT

Topics

01



Collaboration with the
All Japan Real Estate
Association

02



Acquisition of
management rights for
Dangonet Co., Ltd.

03

ITANDI管理クラウド

Commencement of the
provision of core systems

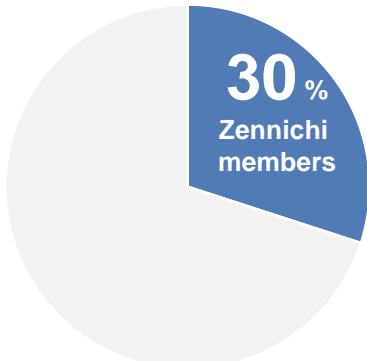
The All Japan Real Estate Association Adopts ITANDI BB as its Infrastructure System

The Company's system has been adopted as the infrastructure system aimed at members of the All Japan Real Estate Association, which is one of the two biggest real estate associations in Japan, with approximately 35,000 affiliated member companies.


It provides affiliated members with a product lineup that enables linking with Rabinet BB and aims to promote digitalization of the industry as a whole up to and including SMBs

About the All Japan Real Estate Association (Zennichi)



Domestic real estate companies



*Does not include a proportion of major real estate companies that are not members of the Credit Guarantee Corporation.

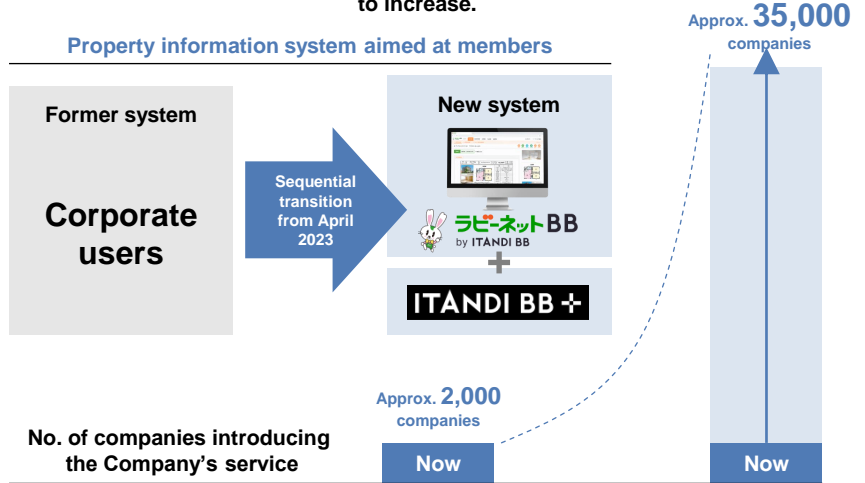


**公益社団法人
全日本不動産協会**

-  One of the **two** major real estate associations in Japan
-  **Approx. 30%** of real estate companies are members
-  **Approx. 35,000** companies are association members

The impact of this initiative

By the Company's product being linked with new systems that become part of companies' infrastructure, the number of companies introducing it is expected to increase.



Acquisition of “Chintai Meijin” from Dangonet Co., Ltd.

In September 2022, we obtained management rights for Dangonet Co., Ltd., which supplies “Chintai Meijin”, the core software (on-premises type) for rental management operations

Dangonet has been a pioneer of real estate industry DX since its founding more than 20 years ago and boasts high brand recognition, with a particular focus on SMBs



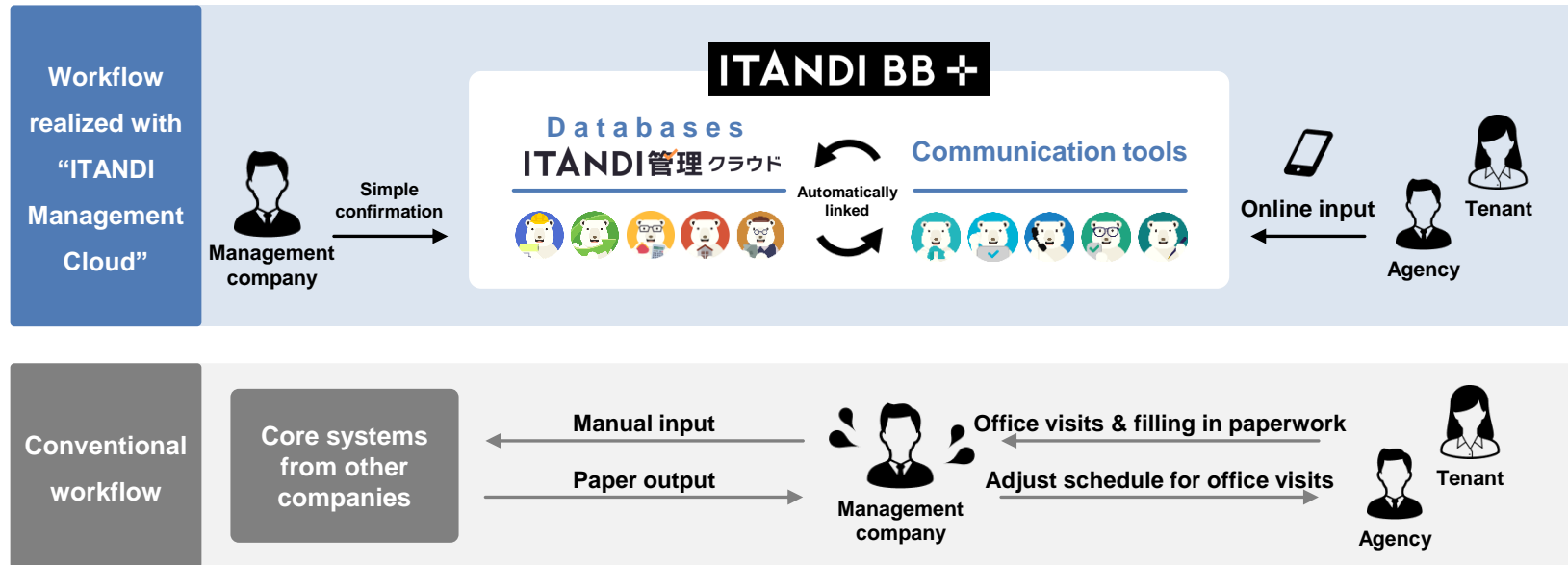
Name	Dangonet Co., Ltd.
Founded	February 1998
Location	7F/8F Sentokuoku Bldg., 2-2-14 Hon-cho, Kokubunji, Tokyo
No. of employees	25
Business content	<ul style="list-style-type: none"> • Development, sales, and maintenance of software packages for the real estate industry • Undertaking system development
Summary of products	<ul style="list-style-type: none"> • Core software (on-premises type) for real estate management companies • Rental management operations functionality, e.g., property management and billing management • Cumulative total of companies introducing Dangonet software: 5,500¹⁾
History	<ul style="list-style-type: none"> • Established in 1998 • 2002: Commenced sales of the predecessor to the real estate management software “Chintai Meijin” • 2005: Commenced sales of “Chintai Meijin”

Growth Strategy by Business ITANDI

Start of Provision of the Core System “ITANDI Management Cloud”

In addition to the communication tools offered until now by ITANDI BB + , provision of the work database core system “ITANDI Management Cloud” will start providing in Spring 2023

By covering workflow as a whole, this will realize even greater convenience



Challenges Faced by SMB Companies in the Real Estate Rental Industry and Our Solution

Challenges faced by SMB companies

1 Shorthanded



- Approximately 90% of real estate companies are operated by a **small group of less than 4 people**
- **Chronic understaffing** for workload, caused by many analog operations that remain

2 Budget Shortage



Insufficient in-house development resources and budget for development outsourcing to digitalize the entire workflow (only individual IT tools are introduced and analog operations are mixed)

Provide as
Package

Solutions through our Products lineup

Digitization of all operations

(Interagency Listing Media, Communication Tools, and Databases)

ITANDI BB

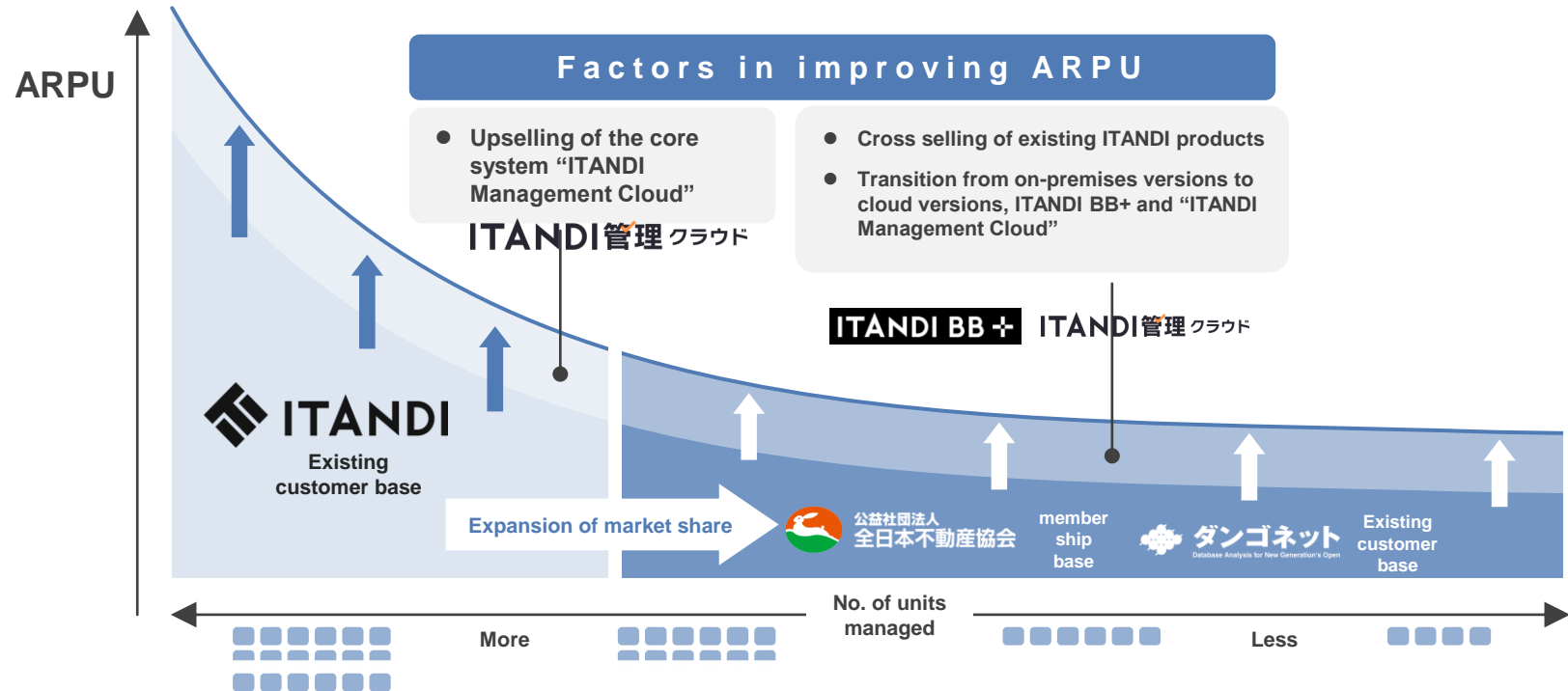


ITANDI BB +



Strategic Positioning of Core Systems

With core systems as a starting point, coexistence of an expanded number of companies introduced to the long tail and improved ARPU



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

SaaS

ITANDI BB+



For management companies



For real estate agencies



Marketplace

ITANDI BB



Real estate industry
professionals' website

OHEYAGO

オヘヤゴ



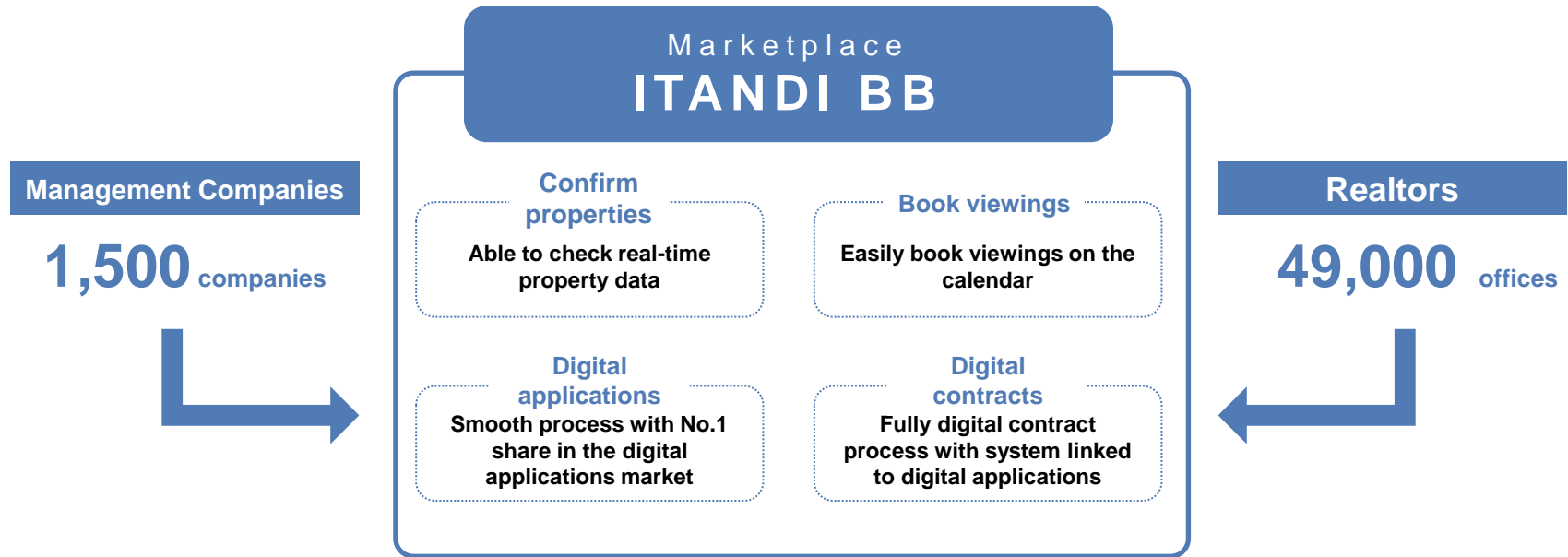
Online Real Estate
Rental Service

Growth Strategy by Business 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



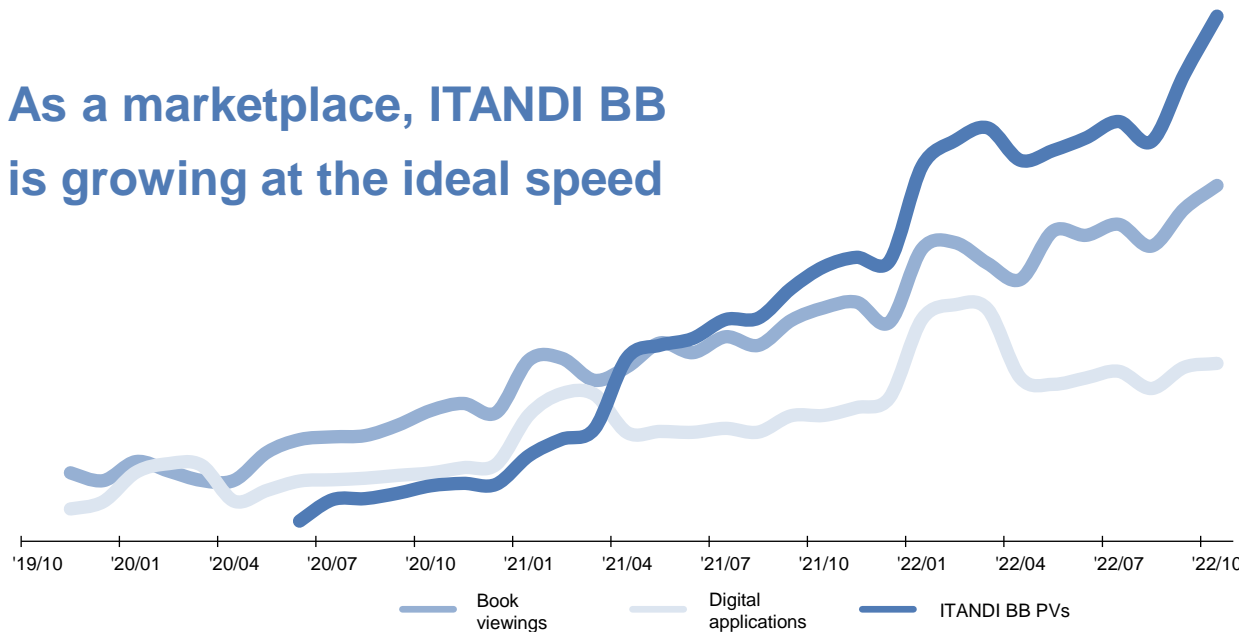
Growth Strategy by Business ITANDI

Network Effects of ITANDI BB

Through an increased number of properties being listed on ITANDI BB, the number of PVs, viewings booked, digital tenant applications, etc., from agencies also grew exponentially

The growth of ITANDI BB led to work efficiency and improved sales for management companies using SaaS, and further boosted the increase in the number of companies subscribing

As a marketplace, ITANDI BB
is growing at the ideal speed



5.6 million PV/month

ITANDI BB

120,000

Showing
appointment/month



ITANDI BB +
内見予約くん

60,000

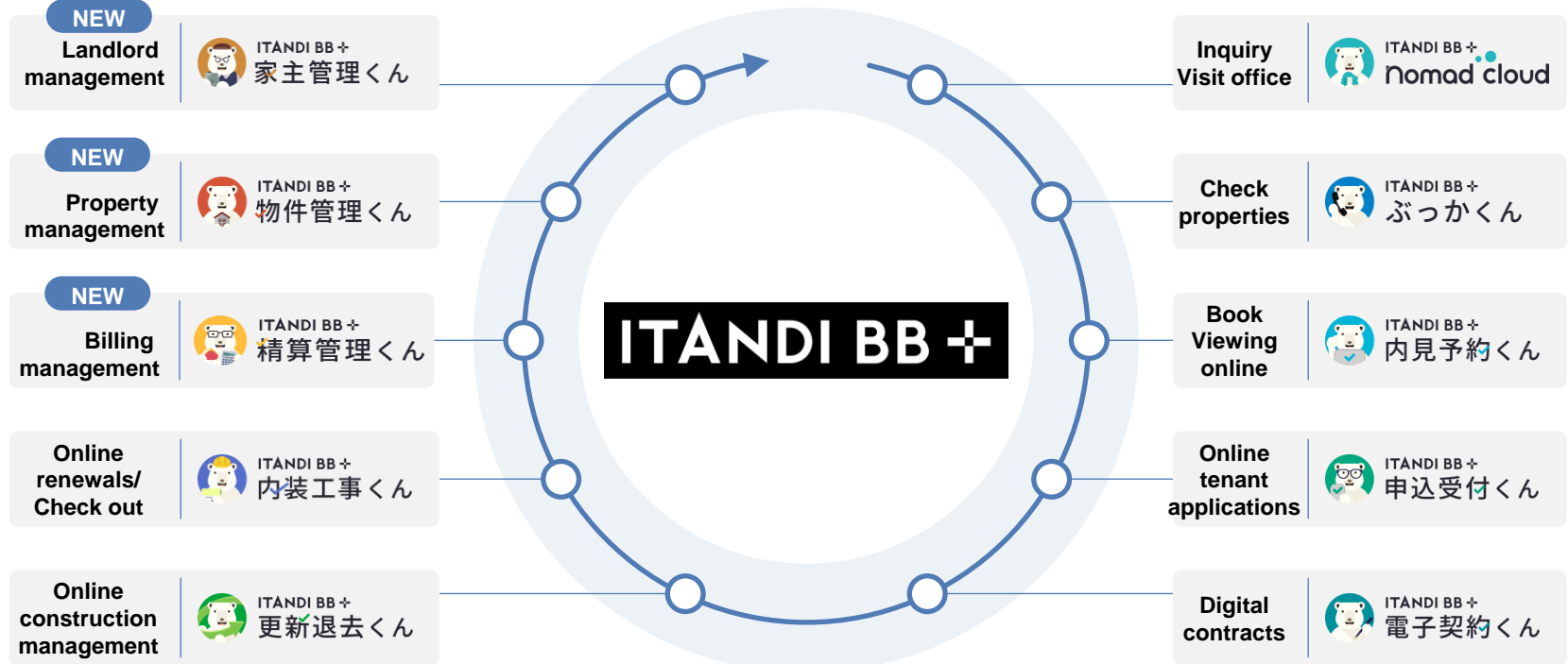
Digital
application/month



ITANDI BB +
申込受付くん

One-Stop Service Lineup

Expanded service line-up for real estate companies in the rental housing market. A complete package to help digitize real estate related work



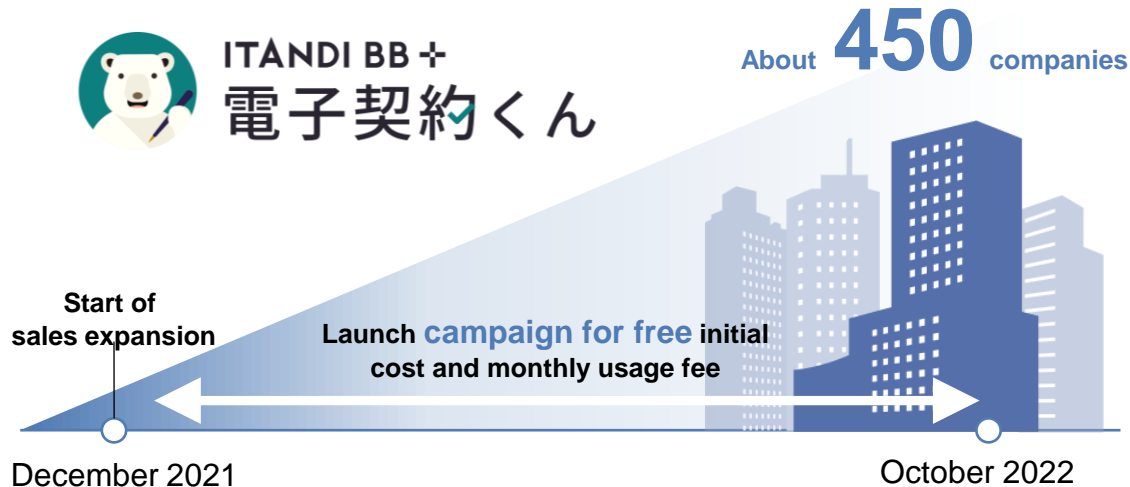
Growth Strategy by Business ITANDI

Expansion of The Number of Electronic Contract Services

The number of contracts by Denshikeiyaku-kun (Digital Contract Manager) increased to about 450 companies by October 2022 after expanding sales in December 2021

One of Japan's industry-leading management companies, the Daito Trust Construction Group, has completed introduction

Number of contracted companies



Example of a contracted company

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

 大東建託グループ

 木下の賃貸
KINOSHITA GROUP

architect
developer

 株式会社 タイセイ・ハウジー

 エステムプランニング

Growth Strategy

Focusing on the expansion of digitalization in the real estate market and aiming for growth by honing our strengths in every area

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

OHEYA GO

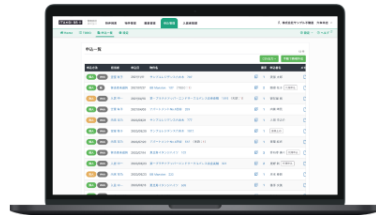
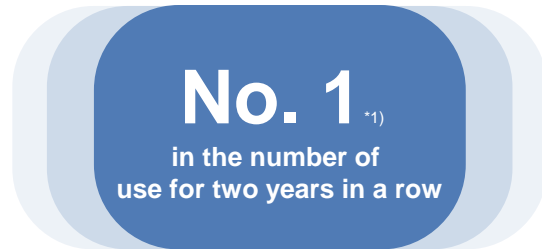
オヘヤゴー

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

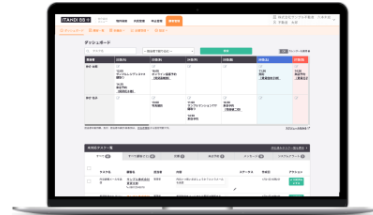
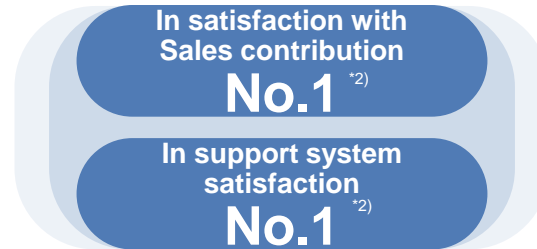
Growth Strategy by Business ITANDI

Share and Customer Satisfaction Performance

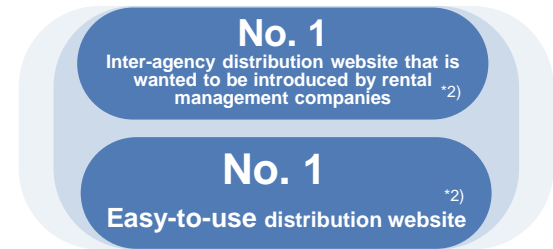
Digital tenant application services
for management companies



Operational streamlining services
for real estate agencies



Inter-agency distribution website



ITANDI BB



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.

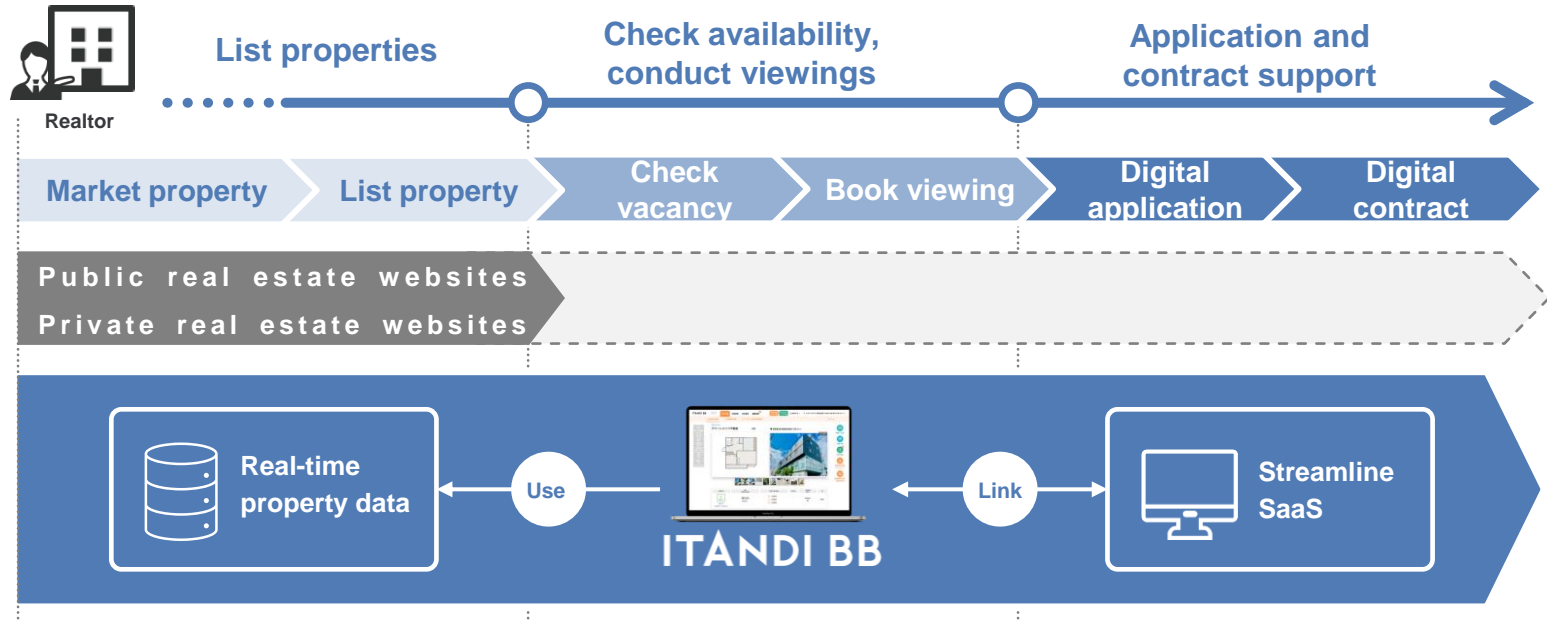
[Survey method] Telephone interview survey + Fax questionnaire [Number of hearings] 2,900 phone calls, 426 questionnaires that sent [Valid responses] 145 (*Companies that introduced

CRM systems for brokering rentals) [Analysis] Comparison among the four systems with the highest number of valid responses.

Growth Strategy by Business ITANDI

ITANDI BB Growth Strategy

Enhancing competitive advantage with improved convenience and real-time strengths



Growth Strategy by Business ITANDI

ITANDI BB+ (SaaS) Growth Strategy

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

ITANDI BB



49,000 offices

Start to charge free
users on the
marketplace

FY2023.10 Key services



ITANDI BB+
更新退去くん



ITANDI BB+
nomad cloud



ITANDI BB+
電子契約くん



ITANDI BB+
内装工事くん



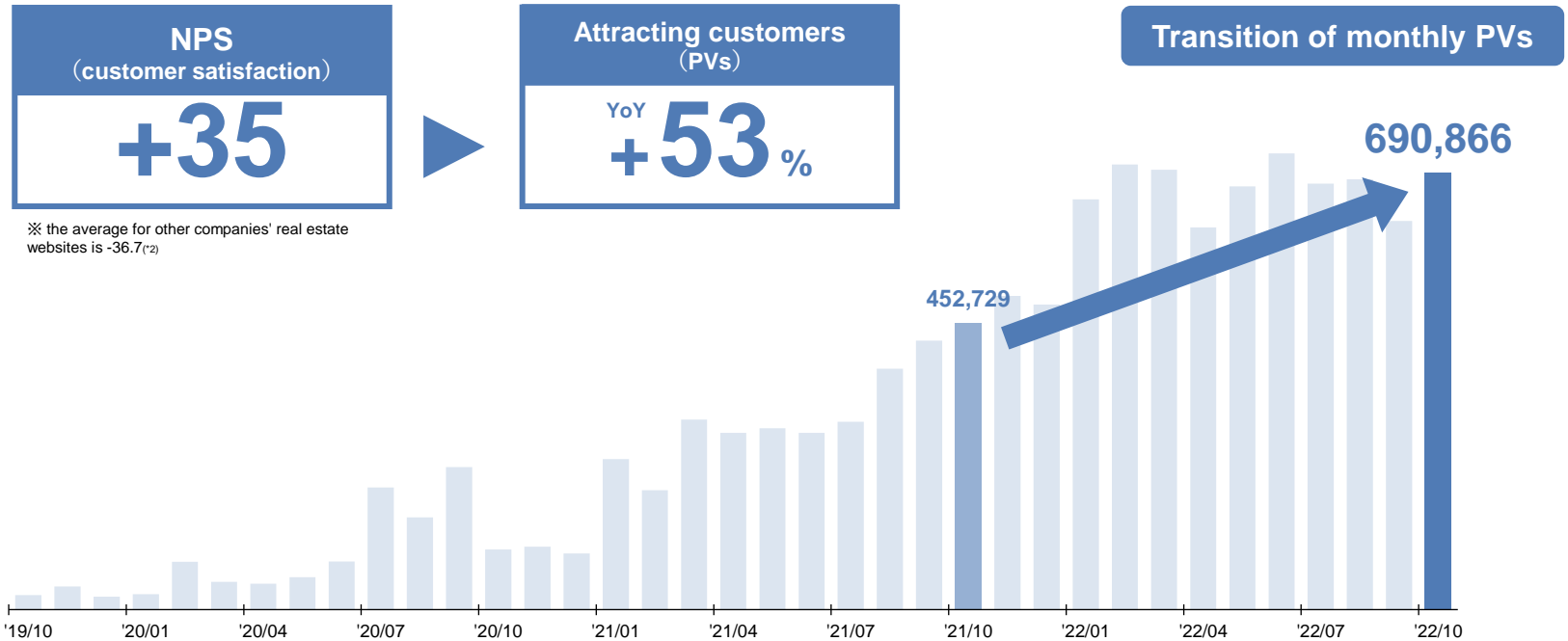
ITANDI BB+
申込受付くん

ITANDI管理クラウド

Growth Strategy by Business ITANDI

OHEYAGO Growth Strategy

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

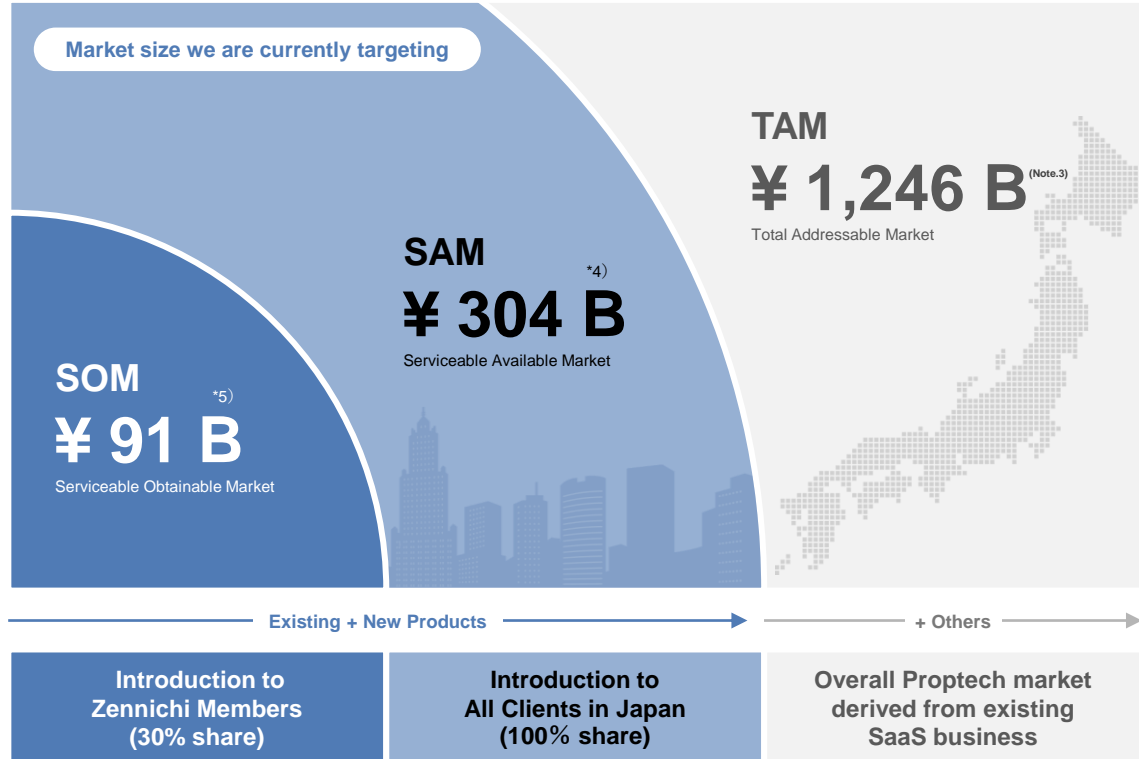
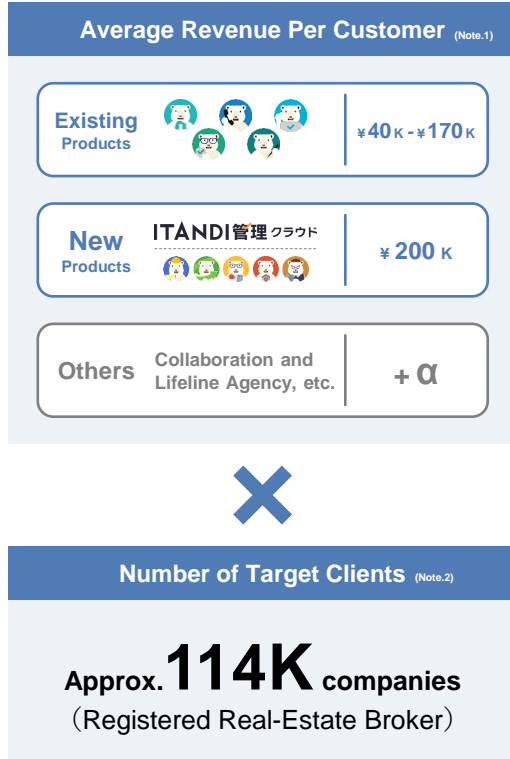


Notes:

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.

Growth Strategy by Business ITANDI

Target Market Size



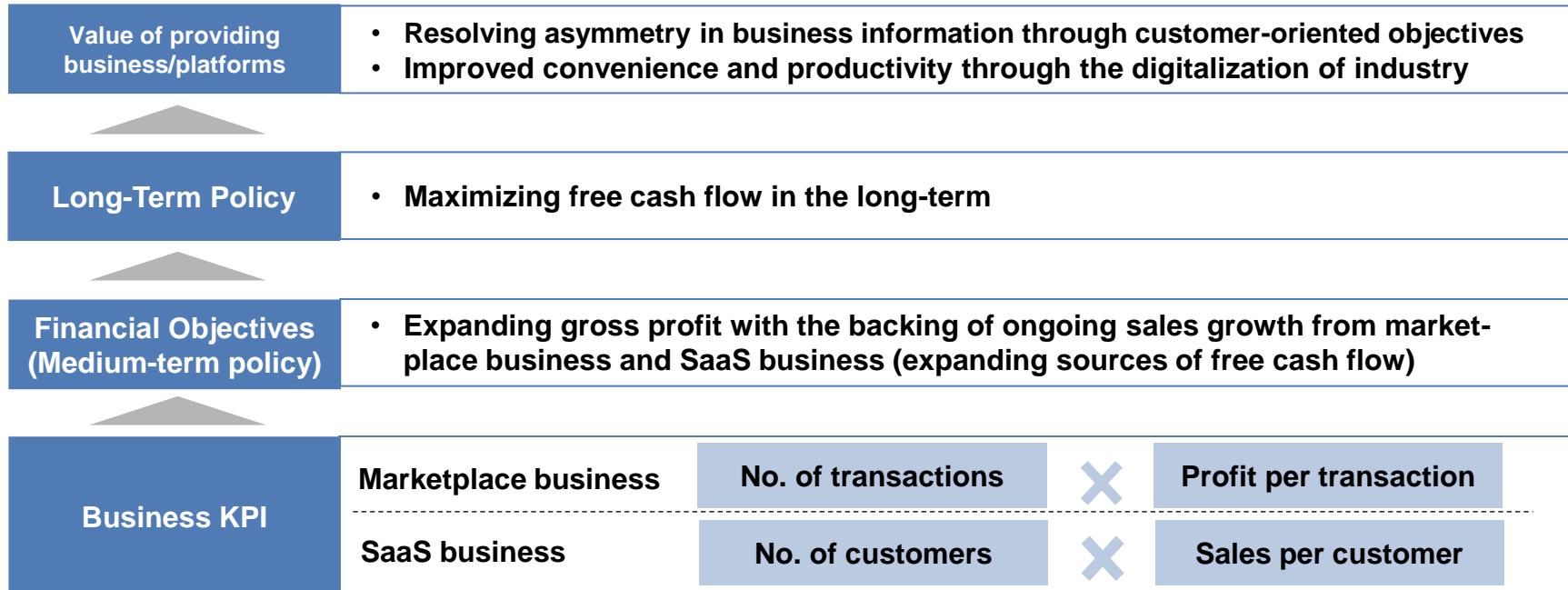
Note.1) Price range of products for both property management companies, and rental agency Note.2) Source: Real Estate Transaction Improvement Organization "Statistics on Registered Real-Estate Broker at the End of Fiscal Year 2021"
 Note.3) Source: Yano Research Institute Ltd. "Proptech Market 2021" TAM includes the following business areas: [B2C] Media, Matching, Design/Construction (Renovation), Home Loan, Sharing (Parking, Space, Co-living)
 [B2B] Matching, Business Support (Business support, Value assessment), VR/AR, IoT (Smart lock) Note.4) SOM = SAM × 30% Note.5) SAM = Total ARR for each products = ①ARR of existing products for brokerage companies + ②ARR of existing products for management companies + ③ARR of new products for management companies
 ①ARR of existing products for brokerage companies = Number of brokerage companies × ARPU
 ②ARR of existing products for management companies = Number of management companies × ARPU
 ③ARR of new products for management companies = Number of management companies × ARPU
 number of real estate contractors × Percentage of management companies ※ There is overlap because some cases are concurrently engaged in other businesses.

Part IV

Financial Strategy

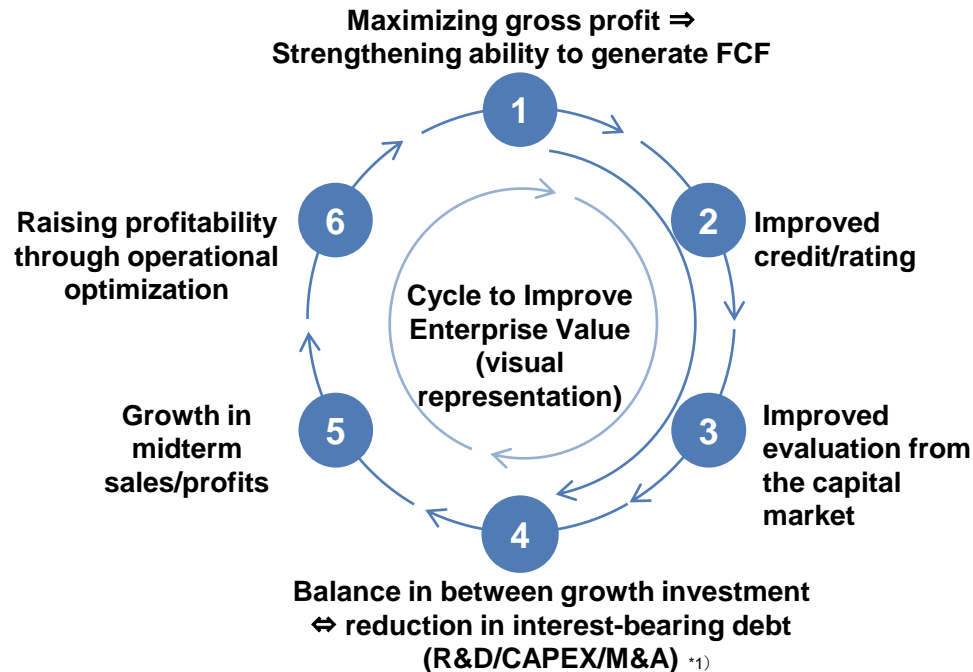
Strategy to Maximize the Enterprise Value (1/2)

With the maximizing of free cash flow in the long-term as our management objective, in the medium-term, we are aiming to maximize gross profit through improved value, with marketplace business and SaaS business as focal points



Strategy to Maximize the Enterprise Value (2/2)

Generate a cycle to improve enterprise value by aiming to maximize gross profit

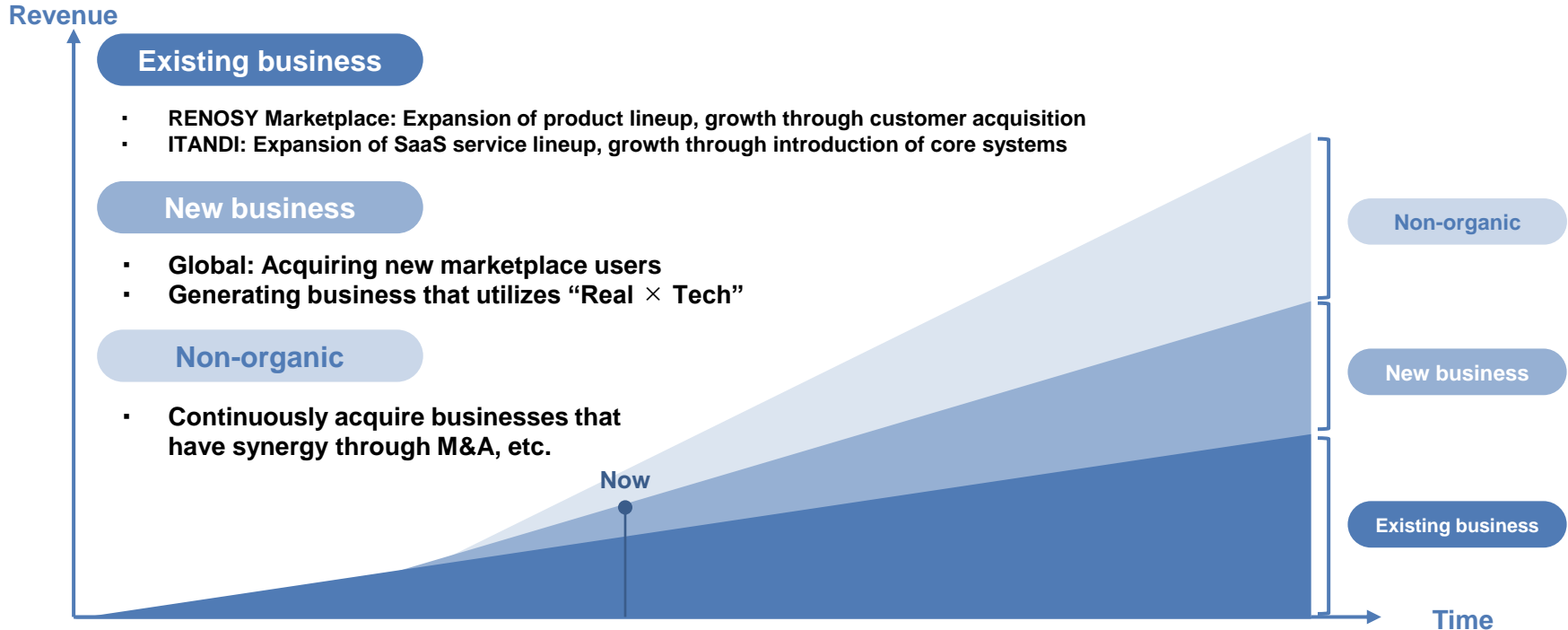


Cycle of enterprise value improvement

- Strengthening the ability to generate Free cash Flow (FCF) through expansion of user base and growth in gross profit
- Raising profitability level through operational optimization
- Further expansion of gross profit through reinvestment of profits generated

Medium/Long Term Growth Strategy

In the short-term, we will undertake aggressive growth investment to maximize returns from strengthened profitability in existing business. In the medium-to-long-term, we will continuously focus on non-organic growth through M&A as well as working on new business to generate new value

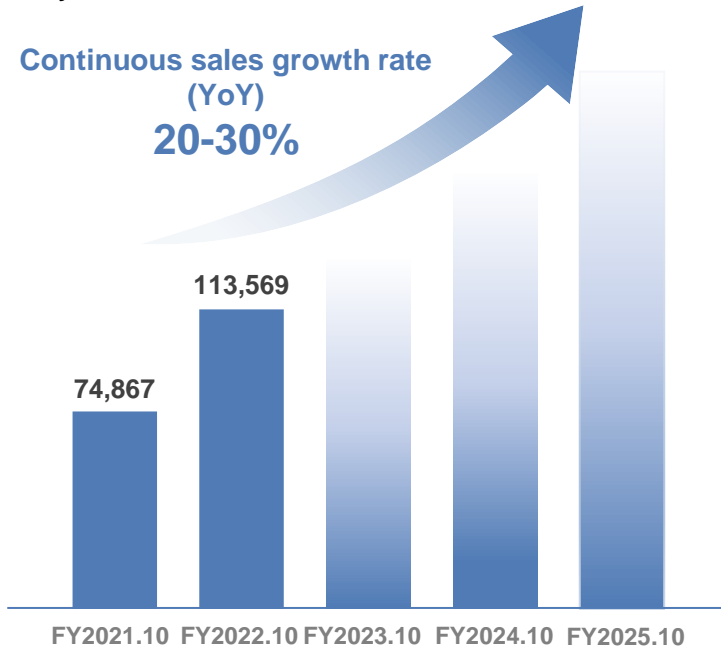


Consolidated Revenue/Gross Profit Objectives

Expanding business while balancing growth in both top line and profits

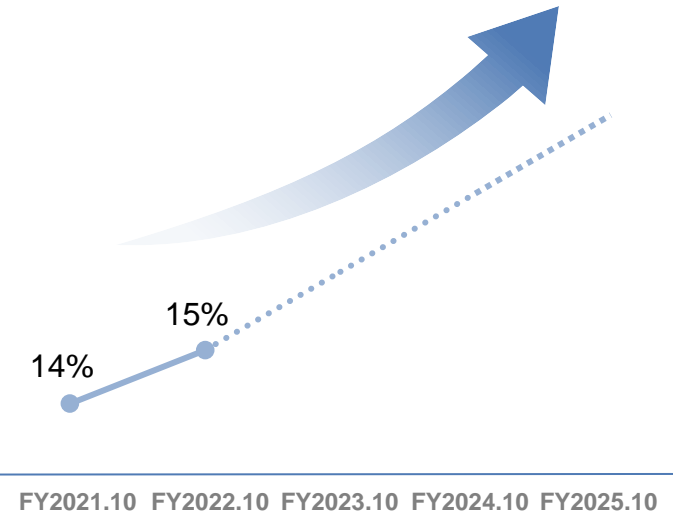
Consolidated Revenue

(million yen)



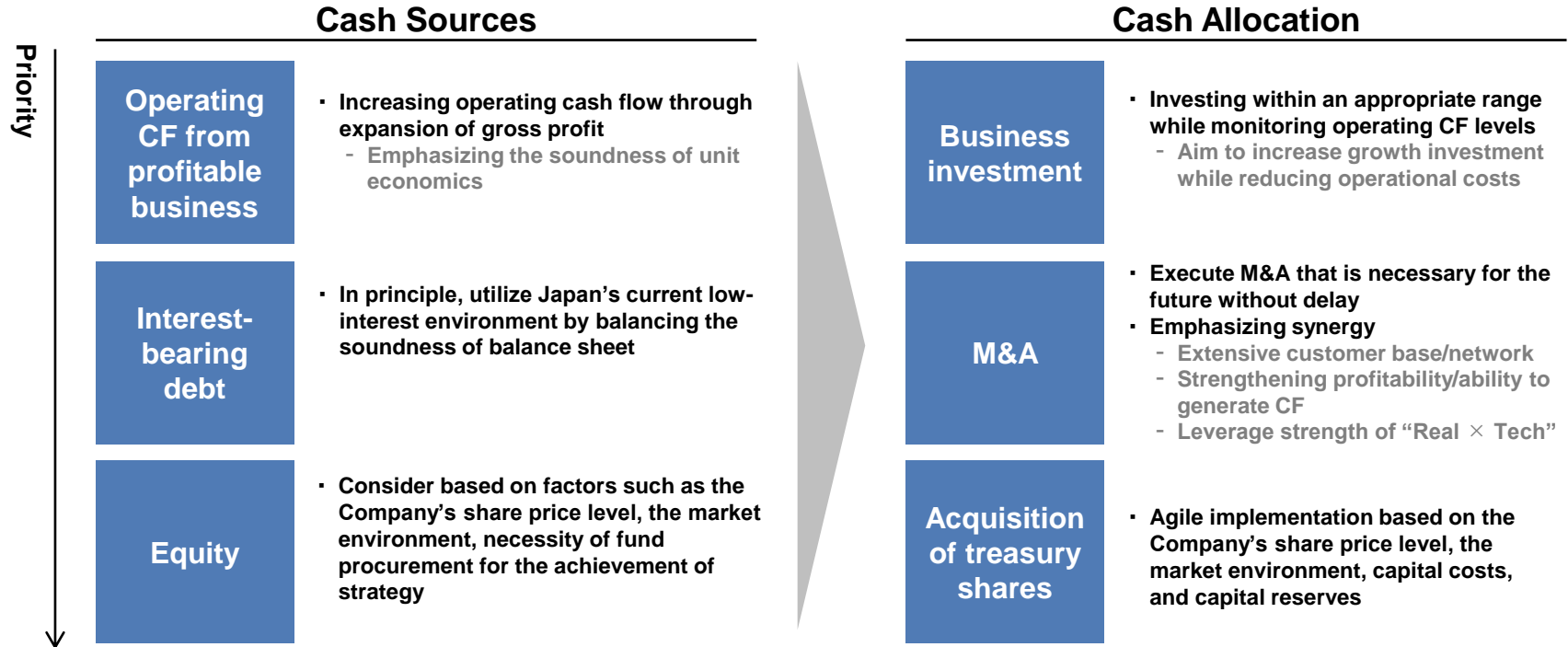
Consolidated Gross Profit Ratio

Aim to achieve **20%** for consolidated gross profit ratio in the future



Disciplined Capital Allocation

We will aggressively invest our cash sources, such as operating cash flow(CF) and interest-bearing debt, primarily on business investment and M&A to accelerate our growth



Summary of Balance Sheet

(million yen)		FY2021.10	FY2022.10	Amount of change
Current assets	Cash & cash equivalents	15,275	11,842	-3,433
	Inventories ^{*1} (Turnover period ^{*2})	2,891 (12.1 days)	8,056 (20.6 days)	5,165 (+8.5 days)
	Trade receivables ^{*3} (Turnover period ^{*2})	284 (1.2 days)	667 (1.8 days)	384 (+0.6 days)
	Others	1,003	2,298	1,295
Non-current assets		29,140	32,289	3,149
Total assets		48,594	55,152	6,558
Liabilities	Trade payables ^{*4} (Turnover period ^{*1})	1,531 (8.6 days)	2,073 (6.8 days)	541 (-1.8 days)
	Others	29,390	33,763	4,373
Equity	Share capital	7,129	7,238	109
	Retained earnings	-419	-23	396
	Others	10,872	12,101	1,229
Total liabilities and equity		48,594	55,152	6,559

Low working capital :
Strict control of Cash Conversion
Cycle (CCC) ^{*5}

Stable financial base
(Sound capital-to-asset ratio)

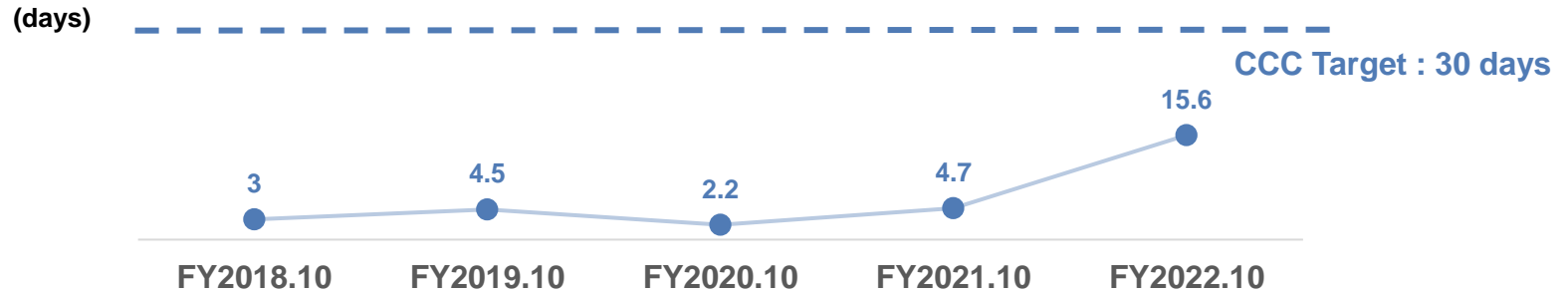
Shareholder return policy:
Total Shareholders Return (TSR)

*6

Note:
 1. Inventories 2. Averages during the applicable period are used for inventory, operating credit, and operating liabilities when calculating turnover time
 3. Trade and other receivables 4. Trade and other payables
 5. CCC (Cash Conversion Cycle) = Inventory turnover days + Receivables turnover days - Accounts Payable Turnover days- 6. Total Shareholder Return (TSR)

Balance Sheet with Low Working Capital (Strict Control of CCC)

CCC has been maintained at very low level and targeted to be below 30 days



$$\text{CCC} = \text{Inventory turnover period}^{*1} + \text{Trade receivables turnover period}^{*2} - \text{Trade payables turnover period}^{*3}$$

The Company's 20.0-day operating cycle

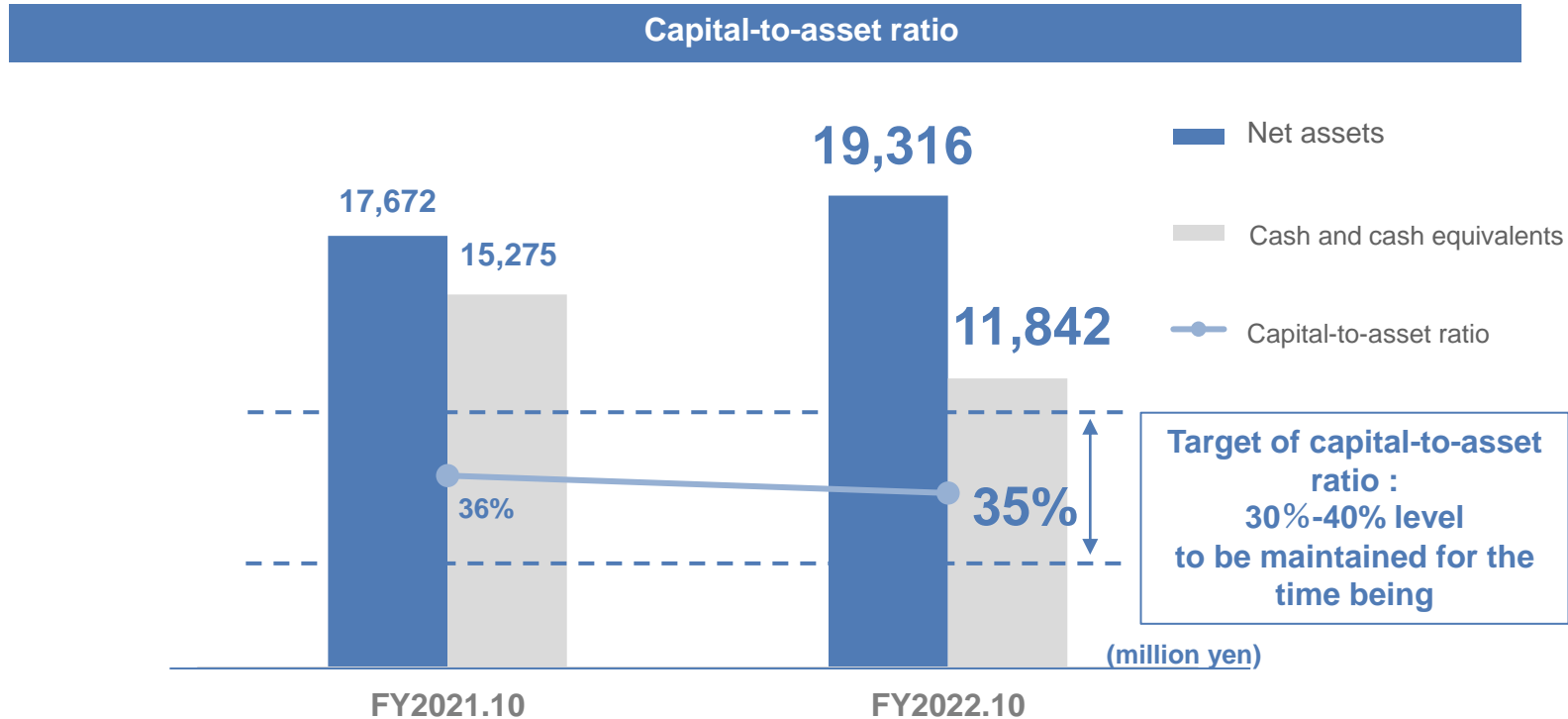


Note:

1. Inventories 2. Trade and other receivables 3. Trade and other payables

A Stable Financial Base (Sound Capital-to-Asset Ratio)

By maintaining a sound capital-to-asset ratio and the level of cash and cash equivalents at hand, we will maintain our stable financial base



Shareholder Return Policy

We consider long-term increase of share price is essential that we prioritize the most on revenue growth to maximize future cash flow. Thus, in the short-term, we will not undertake shareholder return in the form of dividends

Capital gain
(Profit from higher share price)

Aiming for a long-term increase of share price by maximizing revenue and gross profit

+

Income gain
(Dividend profit)

In the short-term, we will not undertake shareholder return in the form of dividends but possibility to consider in the future

||

TSR
(Total Shareholders Return)

Profitability ratio from equity investment
Dividend + Capital gain

Objectives for Financial Figures

	<u>FY2022.10 results</u>	<u>Medium-term Target</u>
Sales growth rate	51.7 %	▶ Continuous sales growth rate 20~30 %
Consolidated gross profit ratio	15%	▶ ~20 %
Cash Conversion Cycle (CCC)	15.6days	▶ Within 30 days
Capital-to-asset ratio	35%	▶ 30%~40% level to be maintained for the time being

Appendix

Summary of Income Statement (Consolidated) (IFRS)

Both sales and income increased due to steady growth in top line and profit

Quarterly Results

	FY2022.10 4Q ①	FY2021.10 4Q ②	Amount of change (③=①-②)	Percentage of change (①/②-1)
Revenue	35,893	26,845	9,047	+34%
Gross Profit	5,191	3,271	1,919	+59%
EBITDA	1,530	1,131	399	+35%
Operating Profit	327	△597	925	-
Profit attributable to owners of parent	230	△229	460	-

Landing of Earning Forecast (million yen)

FY2022.10 Results④	FY2022.10 3Q Earning Forecast⑤	Achievement rate (④ / ⑤)
113,569	110,000	103%
16,519	15,710	105%
5,706	5,450	105%
1,028	850	121%
395	180	219%

Summary of Balance Sheet (Consolidated)(IFRS)

Total assets increased due to new borrowings and new consolidation of RENOSY Thailand

(million yen)

	FY2022.10 4Q ①	FY2021.10 4Q ②	Amount of changes (③=①-②)	Percentage of change (①/②-1)
Total Assets	55,152	48,594	6,558	+13%
Current assets	22,863	19,453	3,409	+18%
(Cash and cash equivalents)	(11,842)	(15,275)	(△3,432)	(△22%)
(Real estate for sale)	(7,980)	(2,836)	(5,144)	(+181%)
(Rental claims)	(193)	(—)	(193)	(—)
Fixed assets	32,289	29,140	3,148	+11%
(Investment property)	(14,607)	(15,222)	(△614)	(△4%)
(Goodwill)	(7,590)	(5,082)	(2,508)	(+49%)
(Intangible assets)	(3,582)	(3,451)	(130)	(+4%)
(Right-to-use assets)	(2,426)	(1,773)	(653)	(+37%)
Liabilities	35,836	30,921	4,914	+16%
(interest-bearing debt)	(29,206)	(26,100)	(3,106)	(+12%)
Net assets	19,316	17,672	1,643	+9%
Total liabilities and net assets	55,152	48,594	6,558	+13%

Voluntary Adoption Of International Financial Reporting Standards (IFRS)

With the purpose of smoother capital procurement, more efficient business management, global development, etc., we will commence voluntary adoption of IFRS

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 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.

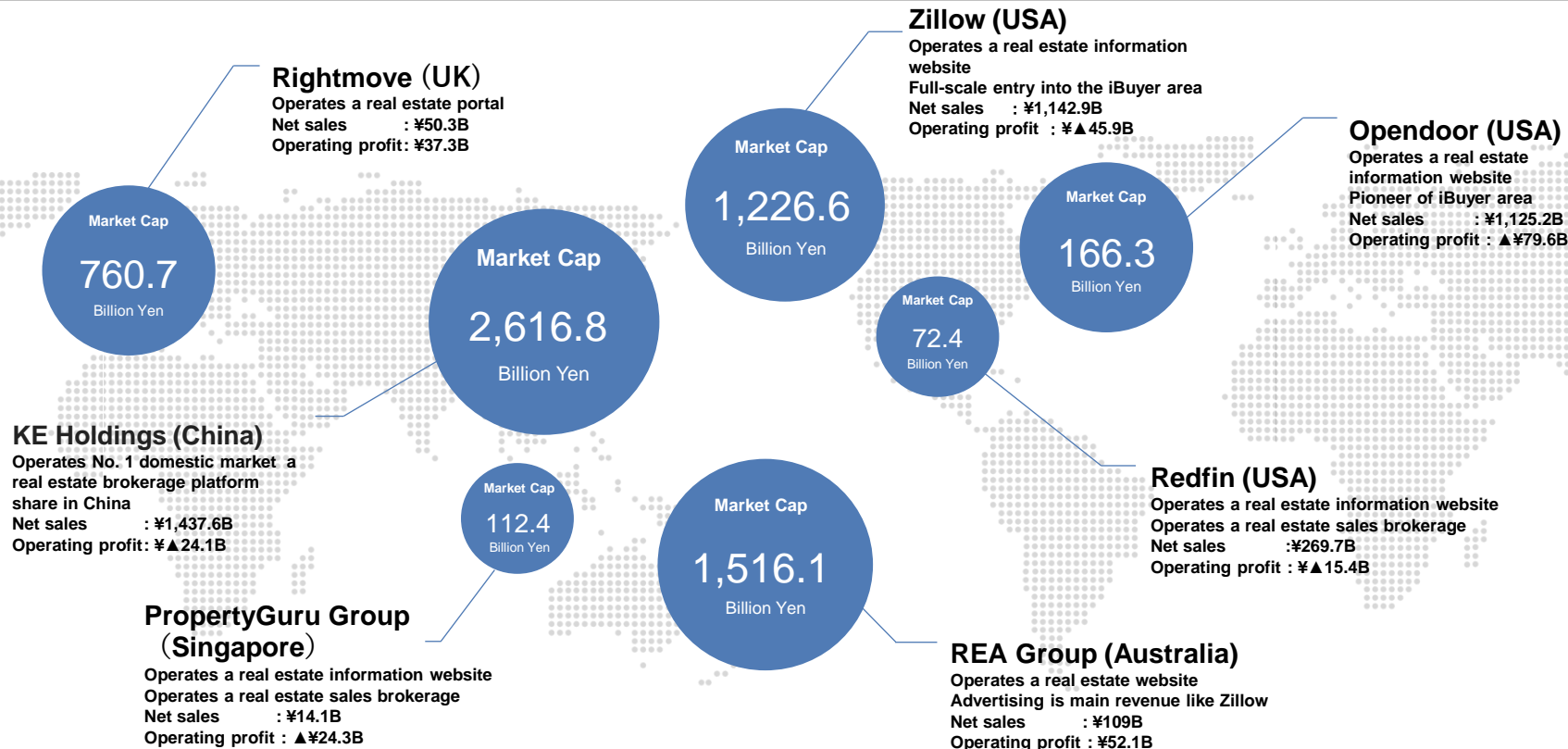
Accounting for goodwill

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.

Market Scale of Prop Tech



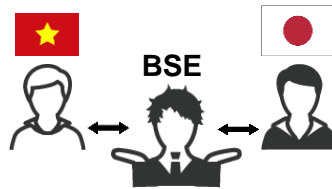
Notes:

1. The numbers are based on the IR report released by each company
2. The price is based on the data validated until 15th, November, 2022
3. Currency exchange rate: 1 dollar =140.290 yen , 1 pond =165.008 yen, 1 Australian dollar =93.995 yen, 1Hongkong dollar=17.803 (by 15th,November, 2022)

Enhancement Of Measures To Recruit

Implementing distinctive and unique measures to recruit superior personnel

Offshore development at Vietnam



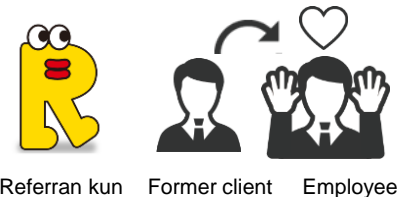
Offshore development in Vietnam, which has a large number of highly-skilled IT personnel. Train bridge SEs in-house to reduce mis-communication. Gain cost and speed benefits

Bootcamp for newly recruited graduate engineers



8-12 months of programming and other technical training for new graduates who have been offered engineering positions, prior to joining the company. Train engineers who will be immediately effective when joining the company, such as in the development of web applications required on site

Referral & Customer recruitment



Strengthening recruitment via referral has resulted more than 250 employees joining the company through the introduction of employees
In total, more than 100 customers who were attracted to the business and its growth potential have joined the company, attracting top talent through distinctive and unique recruitment channels

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
(CEO of ITANDI)

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 of RENOSY

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 of RENOSY

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

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

Real Estate Issues

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

GA technologies Group Sustainability Strategy

Consideration for the global environment

Creating a safe and secure trading environment

Contributing to society through sports

Contribution to sustainable urban development

Creating rewarding workplaces

Strong governance and compliance



Our Way of Thinking Regarding ESG and Sustainability

The Group proclaims **Our Ambition** as “Building a world leading company that inspires and impresses people with the power of technology and innovation”. Our business is real estate, which is a large, socially meaningful field that involves everyone in society. While solving real estate issues with an approach that utilizes technology, working on solutions for larger social issues, and generating services and products that provide value, we will continue to contribute to the sustainable development of society



Solving real estate issues

- Low productivity and analog work
- Unbalanced information
- Poor user experience


Solving social issues








- Contributing to SDGs through our business (e.g., reducing emissions by digitizing paperwork)
- Utilizing real estate to prepare for the era of longevity (asset formation)
- Housing problems caused by the declining birthrate and aging population

Environment

Undertaking environmentally conscious business activities



The Group aims to build an environment in which real estate investment is more familiar. By providing various online services, such as RENOSY and ITANDI, we will strive to contribute to reducing the burden on the environment—for example, by cutting back on unnecessary travel and going paperless—and to sustainable growth in society and the economy.

Social

Contributing to society and fulfilling our responsibility to create the future through our business activities












The active participation of every employee is essential for improving our business activities. We will use technology and all kinds of systems to remove various restrictions, such as those of time, place, gender, age, nationality, and changes in life stages, and provide a location and environment that enables the active participation of all employees. Our aim is for the contributions of individuals to lead to the growth of the company as a whole and to the growth of society.

Governance

Managing with effective governance while creating new value








Along with maximizing corporate value, the Group is striving to increase long-term, stable value for shareholders. We will build an internal system that enables prompt and rational decision-making and business execution. We will also earnestly work on preventing corruption and strengthening corporate governance.

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. Contracts can be fully digitized since after the digital contract law revision in **May 2022**.

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

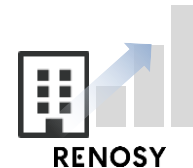


Contribution to sustainable urban development



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



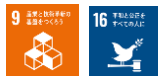
Before

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

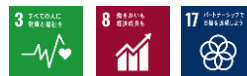


MORTGAGE GATEWAY

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



★★★★ 2022

Received an award in the climate creation category at the famione Conference



Efforts for ESG ~Governance~

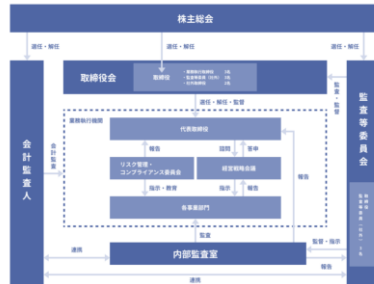
Creating new value through technology x innovation while managing with good governance

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. Also 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)

The Company's Loan Screening and Governance/Compliance Measures When Entering into Contracts

- 1. Separating the Sales and Finance Divisions and screening loans that do not pass through the Sales Division.**
- 2. Linking information to prevent falsification when utilizing systems that do not involve human operation.**
- 3. Implement training from in-house lawyers and those in business divisions working full-time in judicial affairs (grant licenses to those who complete the training)**
- 4. Property contracts by a specialist team that differs from those sales staff responsible for operations, with the condition that its members hold real estate licenses.**
- 5. When entering into contracts, using third-party organizations to provide explanations and confirm levels of understanding.**
- 6. Regular contact with owners (customers) regarding their concerns and to check their circumstances.**

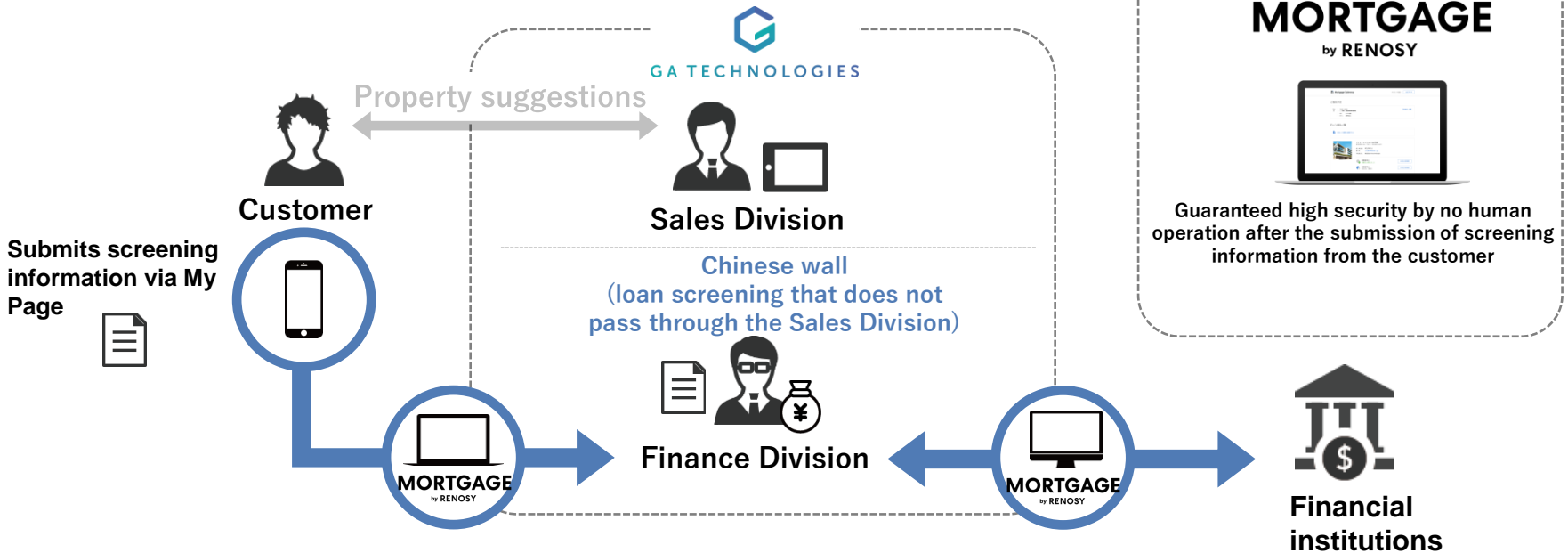
Response When Supporting Loan Screening

①

Finance Division independent of Sales Division

②

Linking of information to prevent falsification in in-house development systems that do not involve human operation



Compliance Measures and Strengthening Governance

③ Training for the Sales Division from in-house lawyers and those in business divisions working full-time in judicial affairs.

Implemented once every 3 months



RENOSY License granted to those who complete the training

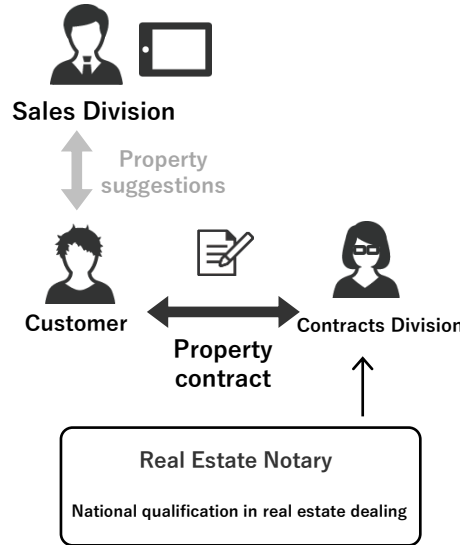


In addition, strengthening of training for Sales Division managers.

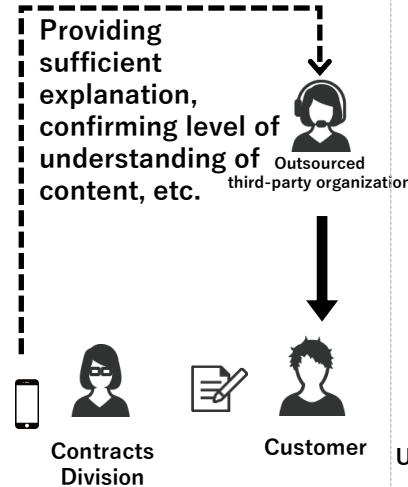
Implemented once every 2 weeks

Also holding occasional compliance training.

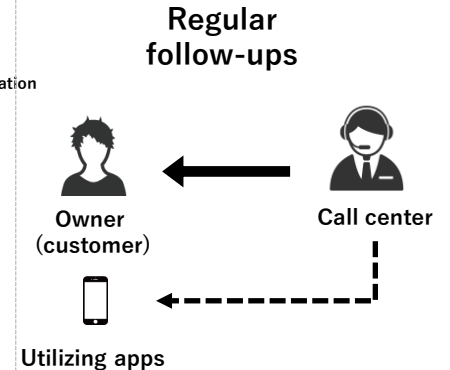
④ Property contracts by a specialist contracts team that differs from the Sales Division in that its members hold real estate licenses.



⑤ When entering into contracts, using third-party organizations to provide explanations and confirm levels of understanding.



⑥ Regular contact (utilizing call centers and apps) with owners (customers) regarding their concerns and to check their circumstances.



Preventing the occurrence of significant complaints, etc.

ESG Data

■ Environment ^{*1}

FY2022

Scope1 ^{*2}	0
Scope2 ^{*3}	384
Scope1,Scope2 total	384
Electricity consumption(kwh)	860,275
CO ₂ emissions per unit of production	420

■ Governance

FY2022

Number of directors	8 people
Number of female directors	1 people
Ratio of Outside Directors	2 people

■ Social

FY2022

Number of Employees ^{*4}	967 people
Number of full-time employees ^{*5}	936 people
Number of non-full-time employees ^{*6}	201 people
Percentage of female employees	38.50%
Average age (full-time employees)	30.49 years old
Childcare leisure acquisition rate (by gender) ^{*8}	Male : 47.82% Female : 100.00%
job turnover rate ^{*7}	15.61%

Note :

*1) Calculation applies to Tokyo headquarters only *2) Scope1 is out of calculation *3) Scope 2 is carbon dioxide emissions from electricity use in offices. CO2 factor : 0.0447kg-CO2/kwh. Results based on Location-based

*4) Consolidated (board members, full-time workers, part time workers , internships) *5) Consolidated (board members and full-time workers) the number of employees are same as P20 *6) Consolidated(part-time, internships, contract employees)

*7) Calculated by full-time employees *8)Non-consolidated number of GA technologies










List of Indicator Definitions and Notes

Items	Definition and calculation (ITANDI)
Unit Economics	Multiple of CLV divided by CAC over the last 12 months/Unit: Multiple
LTV (Lifetime Value)	Monthly gross profit (including ancillary and pay-per-use revenue), divided by the average churn rate over the last 12 months/Unit: JPY
CAC (Customer Acquisition Cost)	Historical 12-month average /Includes sales personnel costs, planning/public relations/marketing costs, advertising costs, and onboarding personnel costs /Unit: JYP
CAC Payback Period	CAC divided by single month gross profit per customer/Unit: Months
Notes	Contents
Real Estate Companies	*1) Source: Real Estate Transaction Improvement Organization "Statistics on Registered Real-Estate Broker at the End of Fiscal Year 2021"
No. of Target properties	*2) Calculated from : Ministry of Land, Infrastructure, Transport and Tourism Survey Results of the Comprehensive Condominium Survey for FY 2008 Data Edition : https://www.mlit.go.jp/jutakukentiku/house/jutakukentiku_house_tk5_000058.html Sumitomo Mitsui Fudosan Used Condominium Exclusive Area Trends June 2016 : https://smtrc.jp/useful/knowledge/market/2016_06.html
No. of properties held by RENOSY owners	*3) FY2022.10 Number of properties held by RENOSY owners
No.1 in real estate investment	*4) Survey subjects: Top five companies in Japan undertaking sales of condominiums for investment purposes./Survey items: Sales and number of units for pre-owned condominiums for investment use, as listed in fiscal year reports of savings for each company./Survey method: Along with desk-based research, a hearing-based survey of related companies, etc./Survey period: The most recent fiscal year for each company./Survey company: Tokyo Shoko Research, Ltd.
Annual income of 5 million yen+	*5) Source: National Tax Administration Agency, Results of the Private Sector Salary Survey, FY2020 data compiled by the Company.
Financial assets of 50 million yen+	*6) Source: Nomura Research Institute Research Number of households and asset size by net gold assets held in Japan in 2019 Data dated 21 December 2020
RENOSY members	*7) FY2022.10 Number of RENOSY members
No.1 for number of digital applications	*8) Survey time period: April 1, 2021-March 31, 2022. Survey by: TPC Marketing Research Corp.
No. of managing house	*9) Totals from the 2016 Economic Census for Business Activity survey results, Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry
No. of rental agency contracts annually	注10) REAN JAPAN Market Report ~ 1st Edition_2020_1224 https://rean-japan.jp/images/REAN-JAPAN-Market-Report%E7%AC%AC1%E7%89%88_2020_1224.pdf?20201223

Appendix

Group Companies



		Shareholding ratio	M&A/ Establishment Date ^{*1)}	Business
	ITANDI, Inc.	100%	2018.11	Provide the SaaS system "ITANDI BB" for rental companies and the self-viewing room search service "OHEYAGO"
	RENOSY PLUS Co., Ltd. ^{*2)}	100%	2020.1	Provides brokerage services for luxury rental properties in the 23 wards of Tokyo
	RENOSY FINANCE Inc.	100%	2018.11 Established	Provide one-stop lending service for renovation expenses
	RENOSY X Co., Ltd.	100%	2019.11 Established	Provides mortgage application platform services and SaaS-type services for BtoB to promote DX in real estate operations
	RENOSY ASSET MANAGEMENT ^{*3)} Co., Ltd.	100%	2018.11	Providing property management, customer success, renovation and other services for property owners and tenants
	Shenjiumiaosuan Co., Ltd.	100%	2020.9	Provides an operating website for "Shenjiumiaosuan," a platform for matching Chinese investors with Japanese real estate
	GA technologies (Shanghai) Co., Ltd.	100%	2020.9	Providing technical services, technology development, and technical consulting in the areas of information technology and computer technology
	Partners Co., Ltd.	100%	2021.6	Strength in direct procurement, providing crowdfunding, insurance business, real estate brokerage business, and rental management business, etc
	Ricordi Co., Ltd.	100%	2022.3	Providing new asset management condominium sales and leasing, renovation and sales of existing homes, etc
	RENOSY(Thailand) Co.,Ltd.	100% ^{*4)}	2022.5	Operation of "dearlife by RENOSY", a rental search platform in Thailand, providing brokerage services for high-end rental properties mainly in Bangkok and Sriracha for Japanese and foreigners.

*1 M&A period for those not listed as establishment *2 Company name changed from 'Modern Standard Inc.' on April 1 2022

*3 In May 2020, the company name was changed from Regal Rental Assurance Co., Ltd to RENOSY ASSET MANAGEMENT Co., *4 Indirectly holds 100% of voting rights

Company Overview

Established	March 12, 2013
Head Office	40F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo
Capital	7,238,798,466 Yen (October. 31, 2022)
Number of employees ^{*1}	967 (October. 31, 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.

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