

Our Business Model and Growth Strategy

December, 2022 (Securities code : 3491)



GA TECHNOLOGIES

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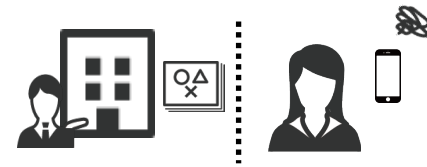
OUR AMBITION

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.

1. Company Highlights

1. Company Highlights

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**

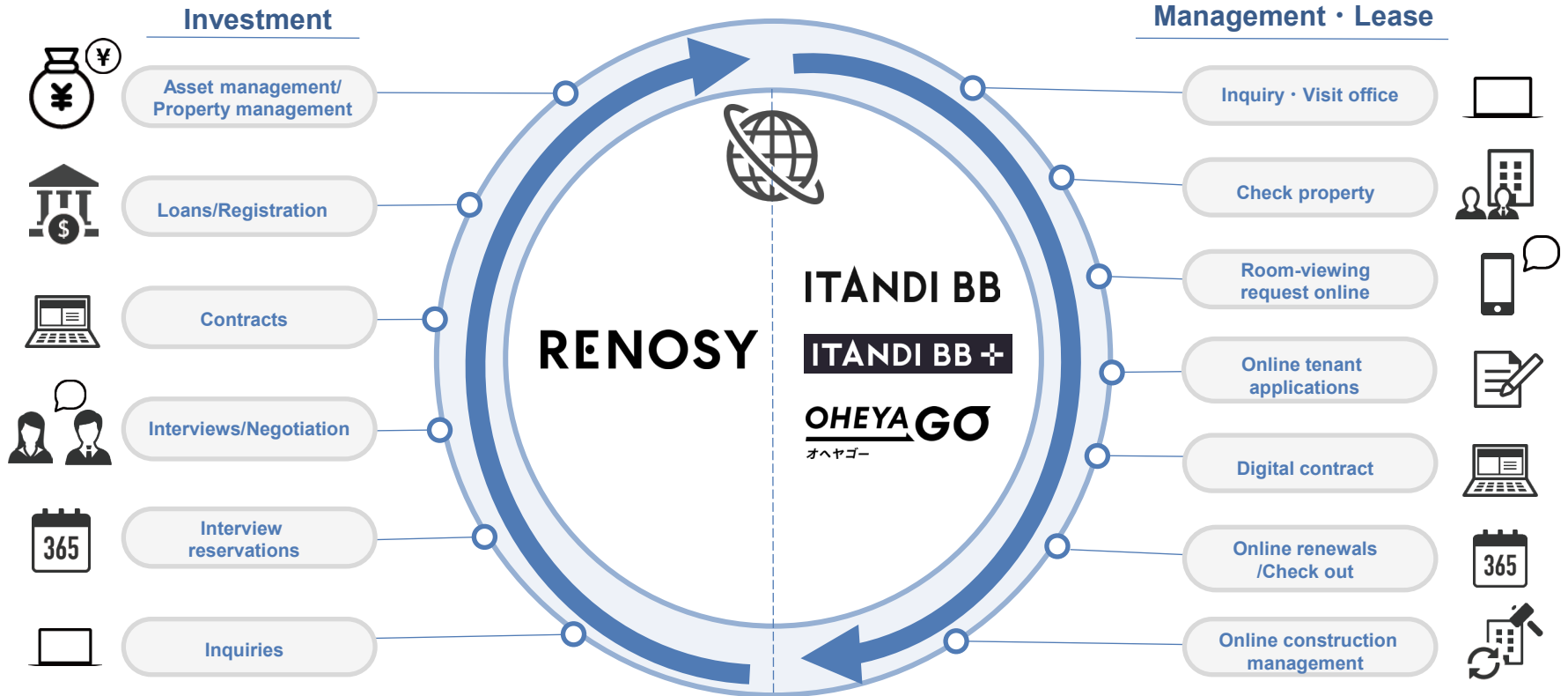
**Solving issues in the real estate industry with DX,
and providing a highly transparent, smooth customer experience with
online real estate**

RENOSY**ITANDI BB
ITANDI BB+****OHEYA GO**
オヘヤゴー

1. Company Highlights

WHAT : Our Problem-Solving Initiatives

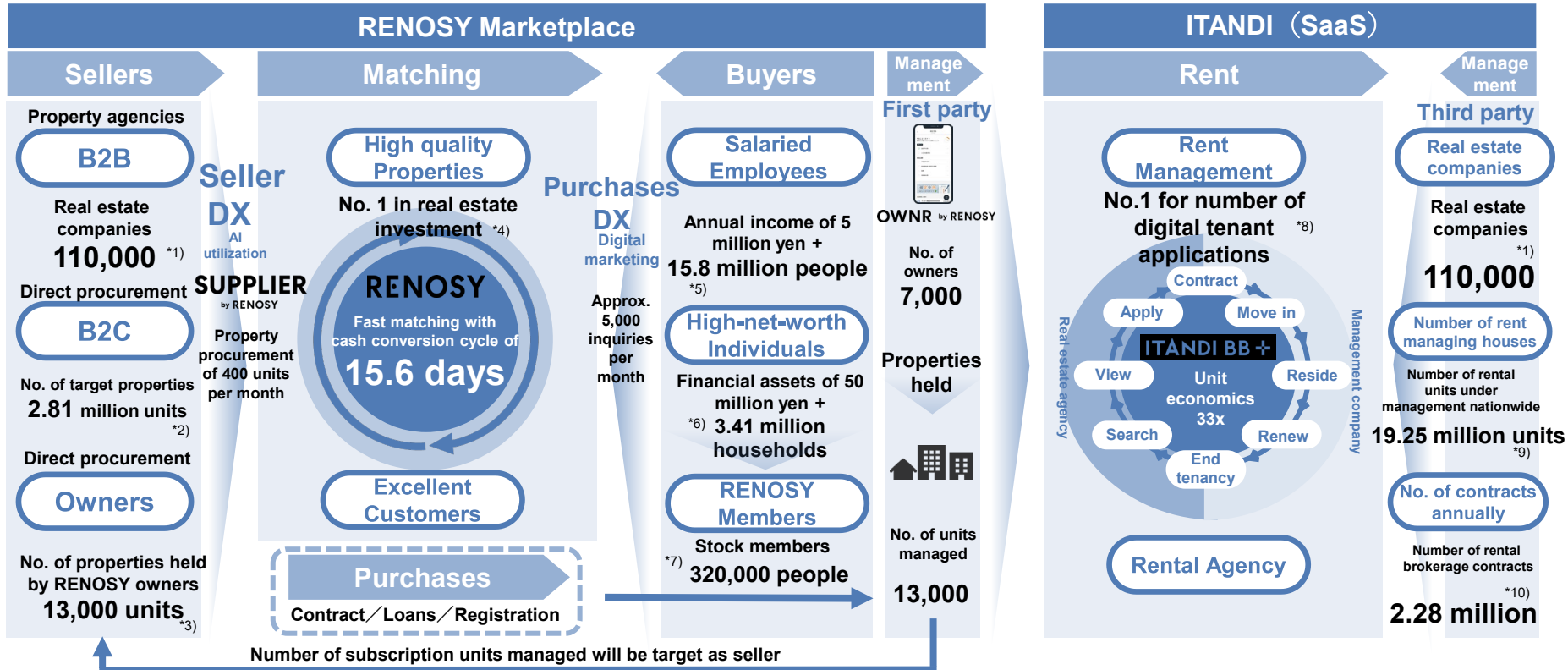
Providing end-to-end services online



1. Company Highlights

HOW : Our Business Model – Overview of Operation



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



Note: *1~*10 are at page88

1. Company Highlights

Business Overview

Segment	Business Activities	Product
RENOSY Market- Place	<p>▶ Online Transactions</p> <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 	<p>RENOSY</p> 
	<p>▶ Subscriptions</p> <ul style="list-style-type: none"> Offering multiple plans with subscriptions for a service that protects asset value 	
	<p>▶ Third party services</p> <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 	<p>MORTGAGE GATEWAY by RENOSY</p>
ITANDI	<p>▶ SaaS</p> <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 	<p>ITANDI BB +</p>
	<p>▶ B2B Marketplace</p> <ul style="list-style-type: none"> Provided as an inter-agency website as a B2B marketplace 	<p>ITANDI BB イタンシ ビービー</p>
	<p>▶ B2C Marketplace</p> <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. 	<p>OHEYA GO オヘヤゴー</p>

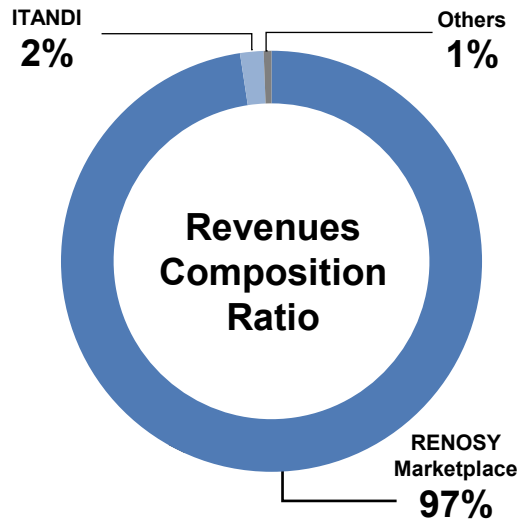
2. Business Model

2. Business Model

Latest Segment Results

Consolidated Revenue

FY2022

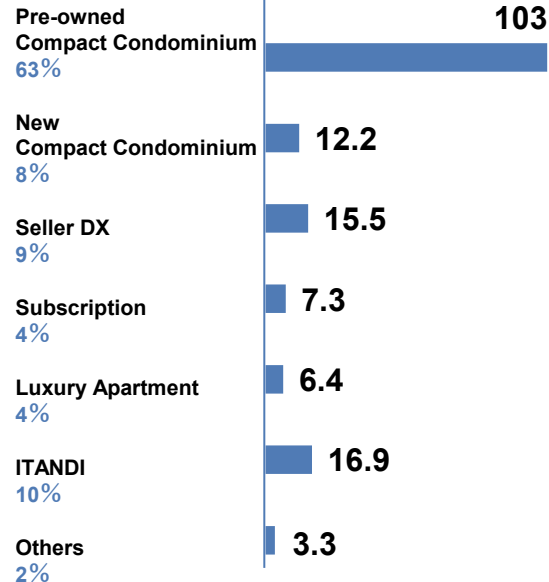
Approx. **¥113.5B**

Consolidated Gross Profit

FY2022

Approx. **¥16.5B**

(hundred million yen)



Business Location

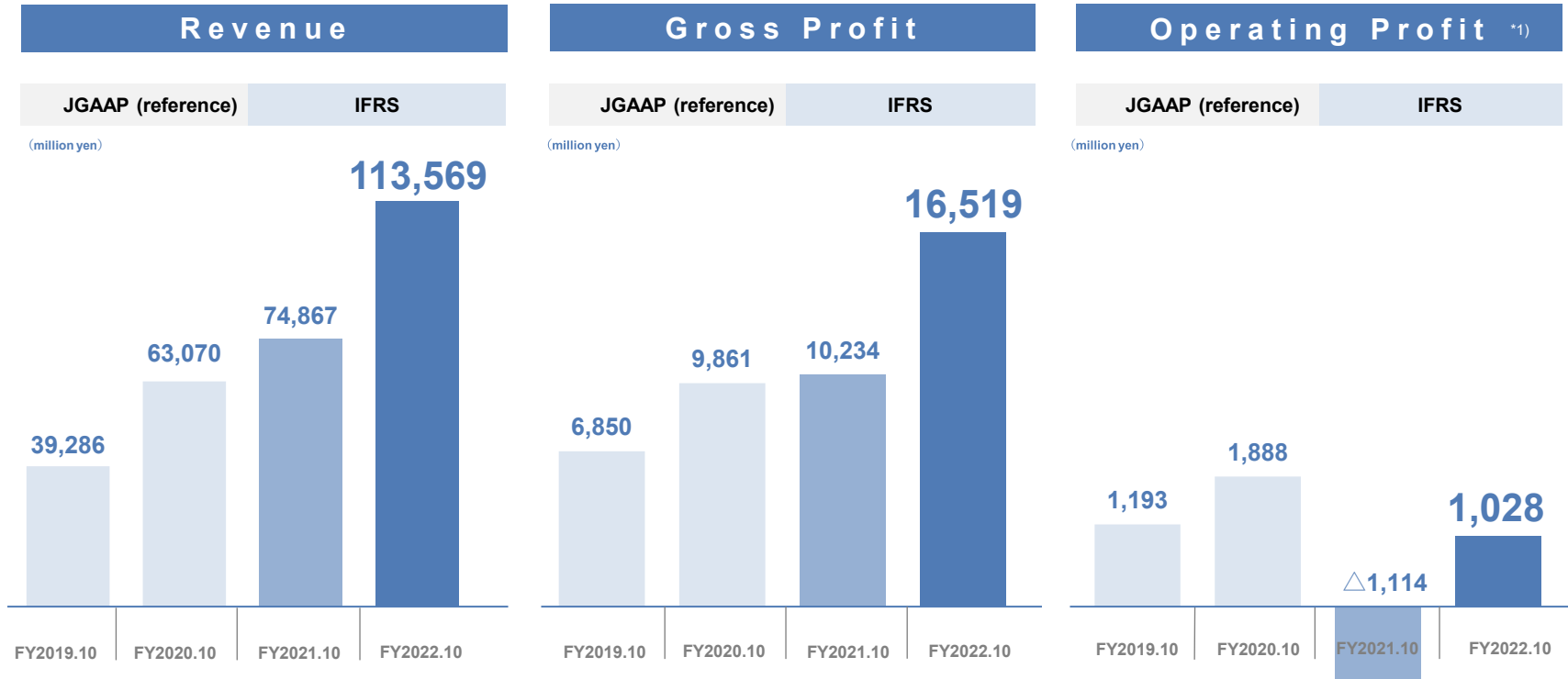
5 countries ^{*1)}

**Japan, Thailand,
Greater China
(China, Taiwan, Hong Kong)**

2. Business Model

Full Year Consolidated Performance Trends

Favorable growth in both revenue and gross profit
Operating profit will return to positive profit in 2022 from a loss in 2021



Note1: Operating profit includes adjustments for segment profit or loss. In FY2022, it was △3,971 million yen, and in FY2021, it was △3,253 million yen.

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

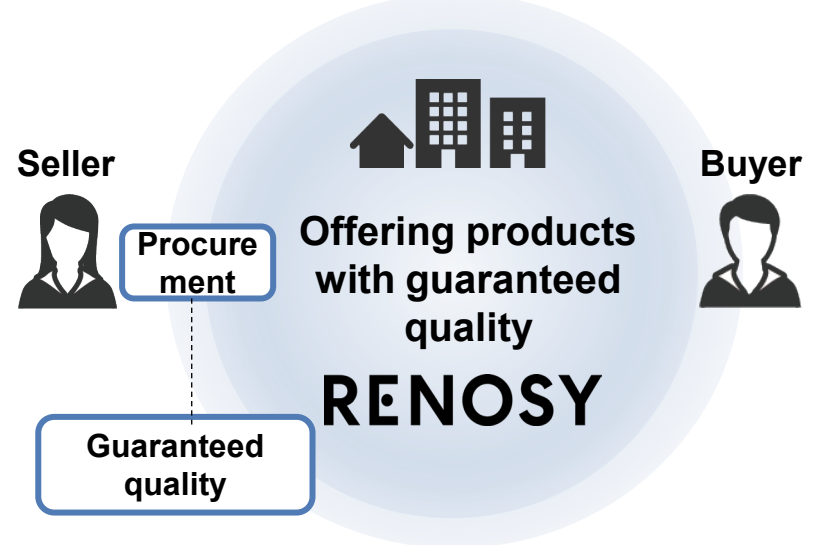
Conventional marketplace

Low-cost products and daily necessities



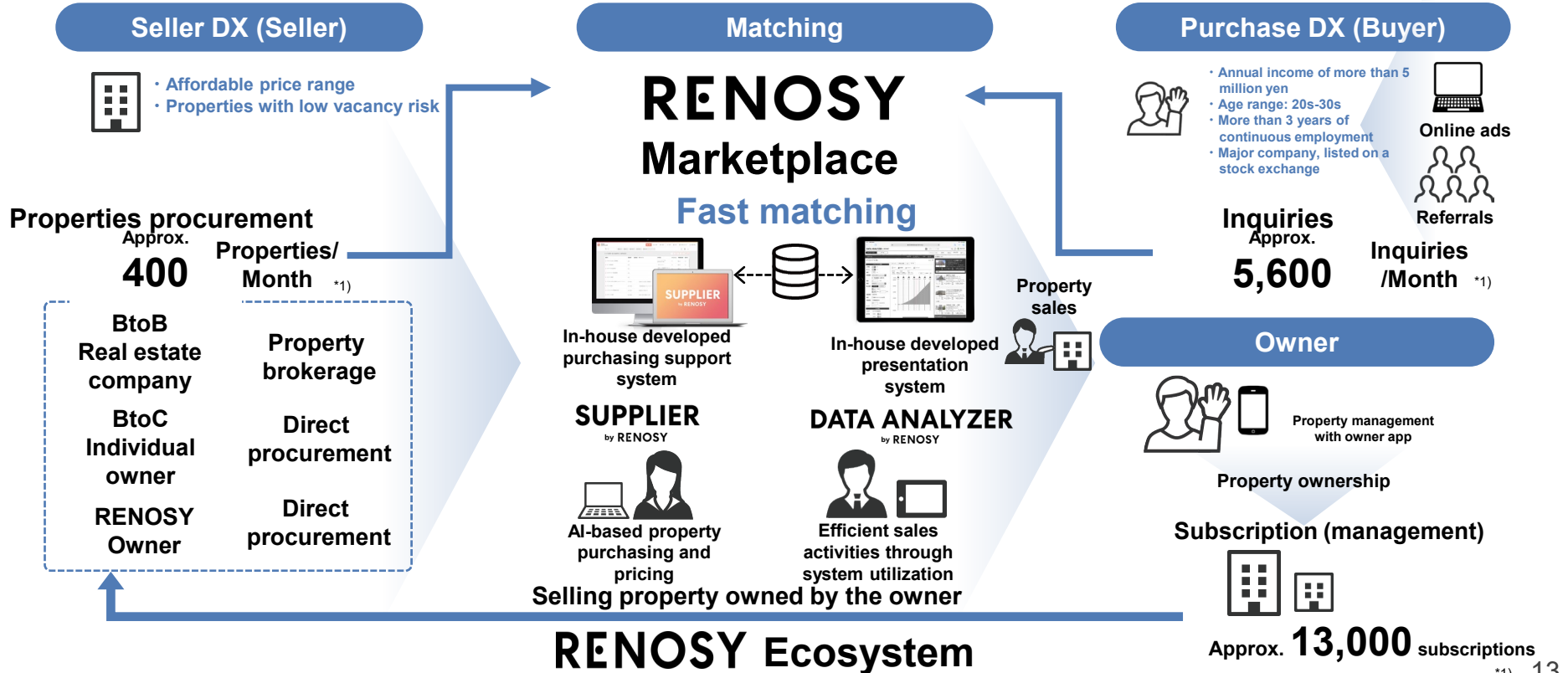
Managed marketplace

Expensive products



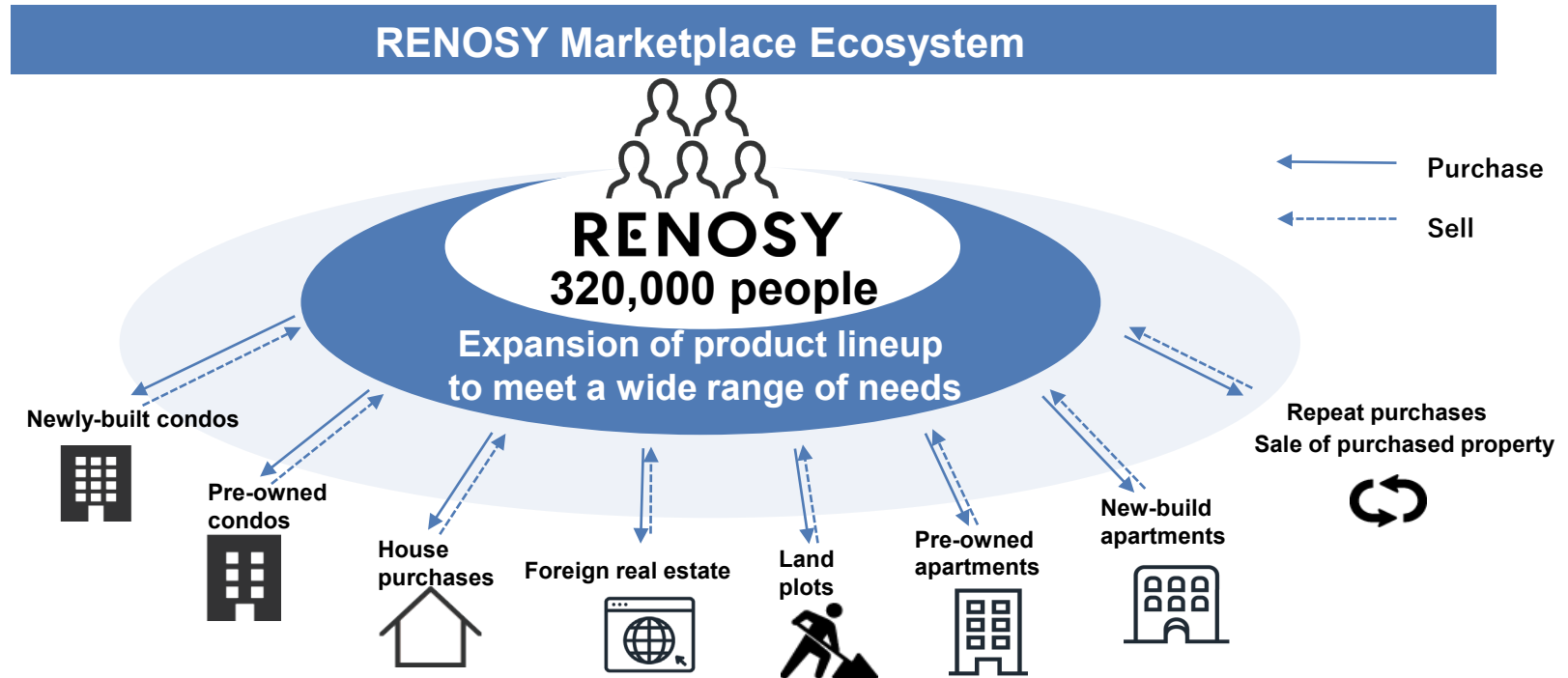
RENOSY Marketplace Business Model

Provides one-stop online solutions from procurement of properties, attracting customers to signing contracts

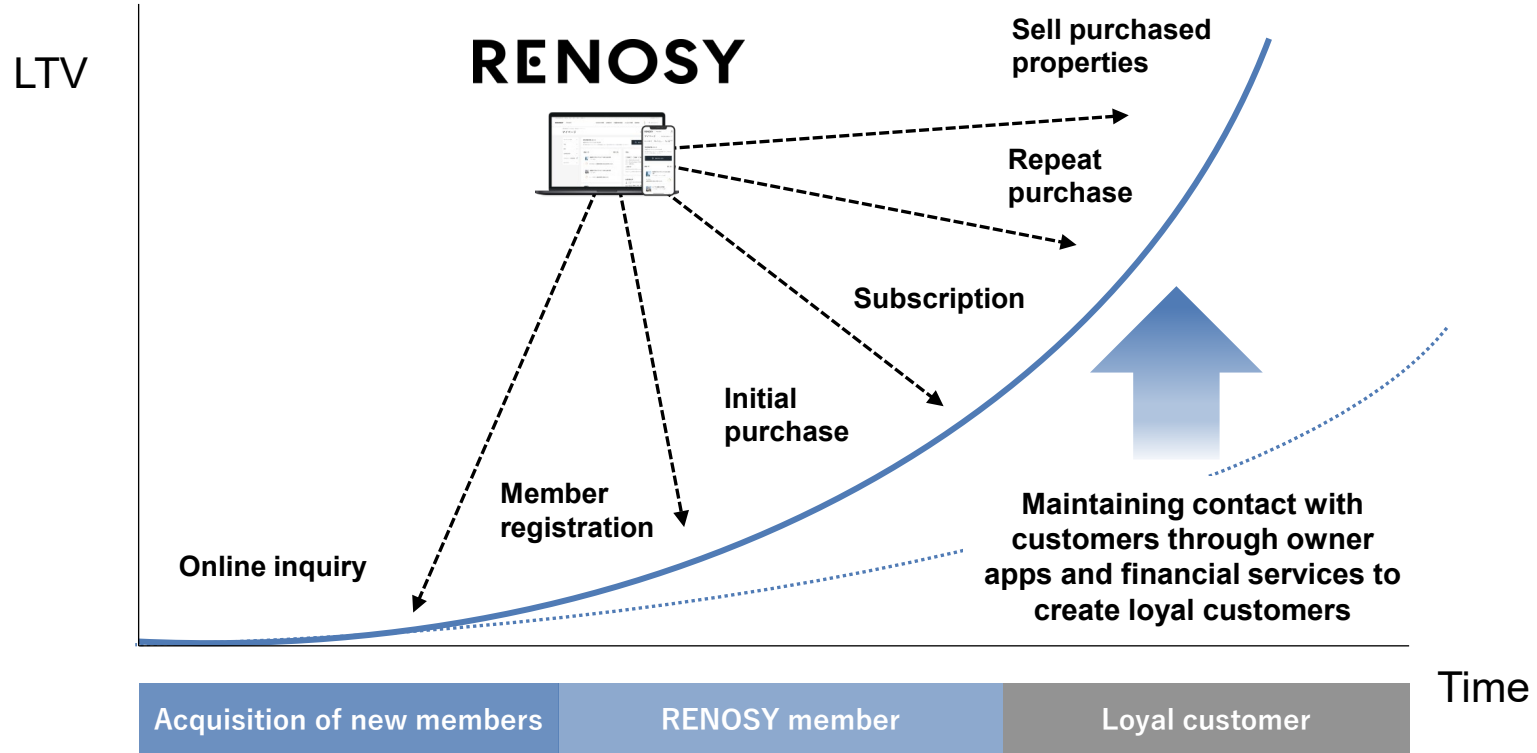


RENOSY Building an Ecosystem

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

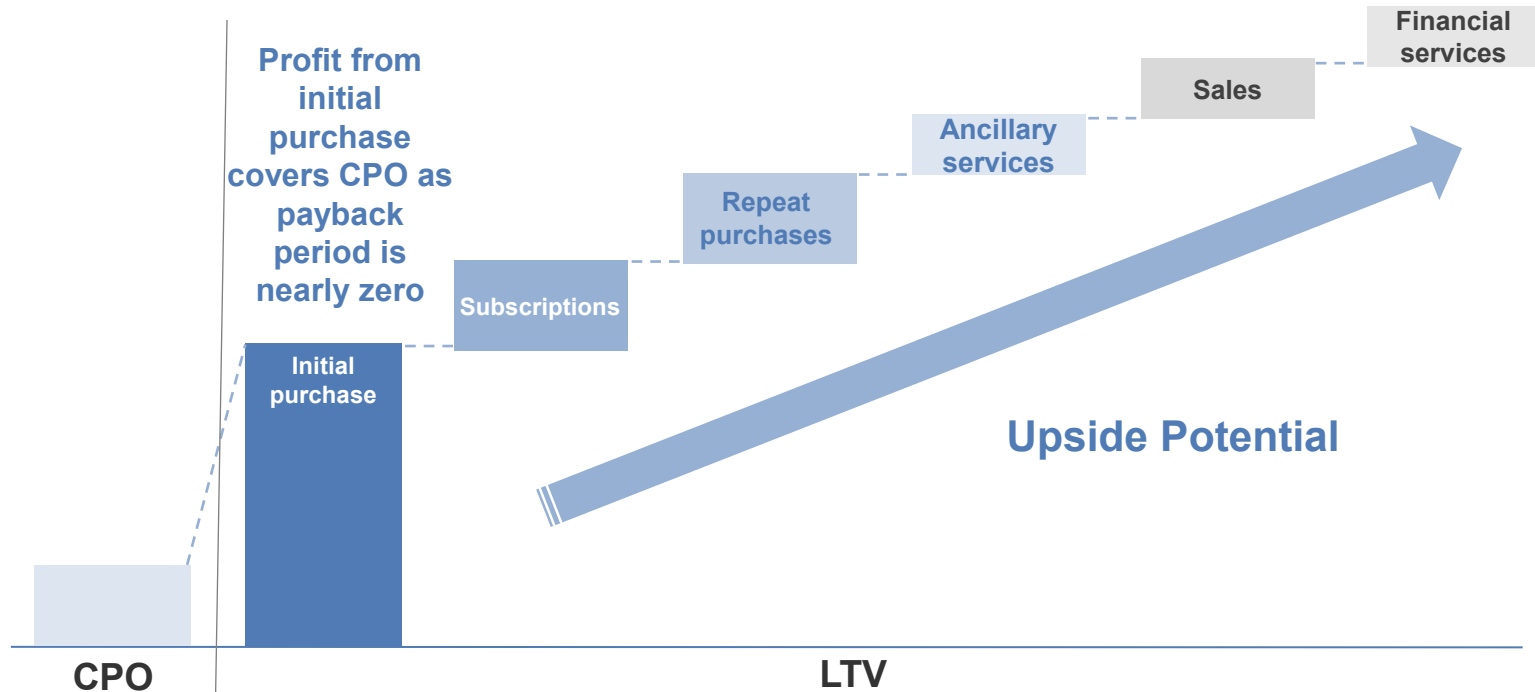


RENOSY Marketplace Monetization Points



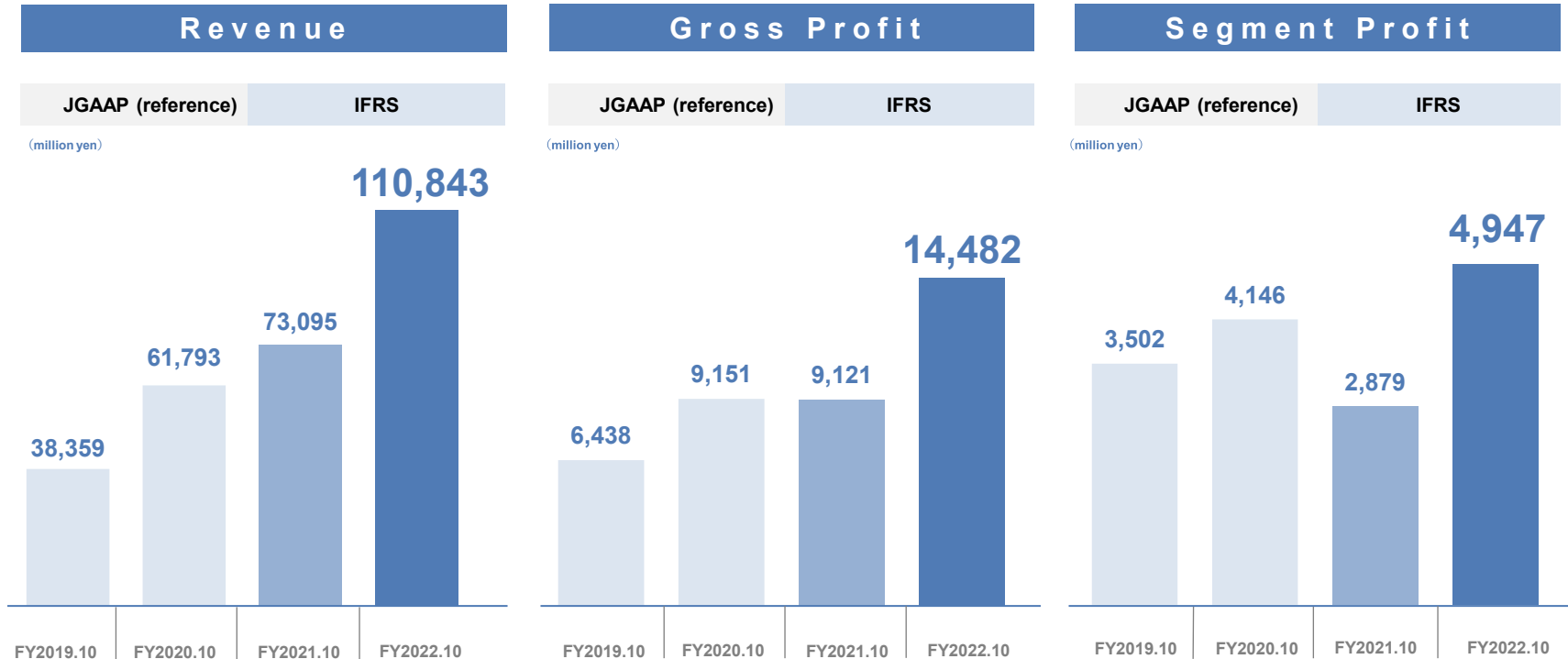
Expansion of Unit Economics

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



RENOSY Marketplace Full Year Performance Trends

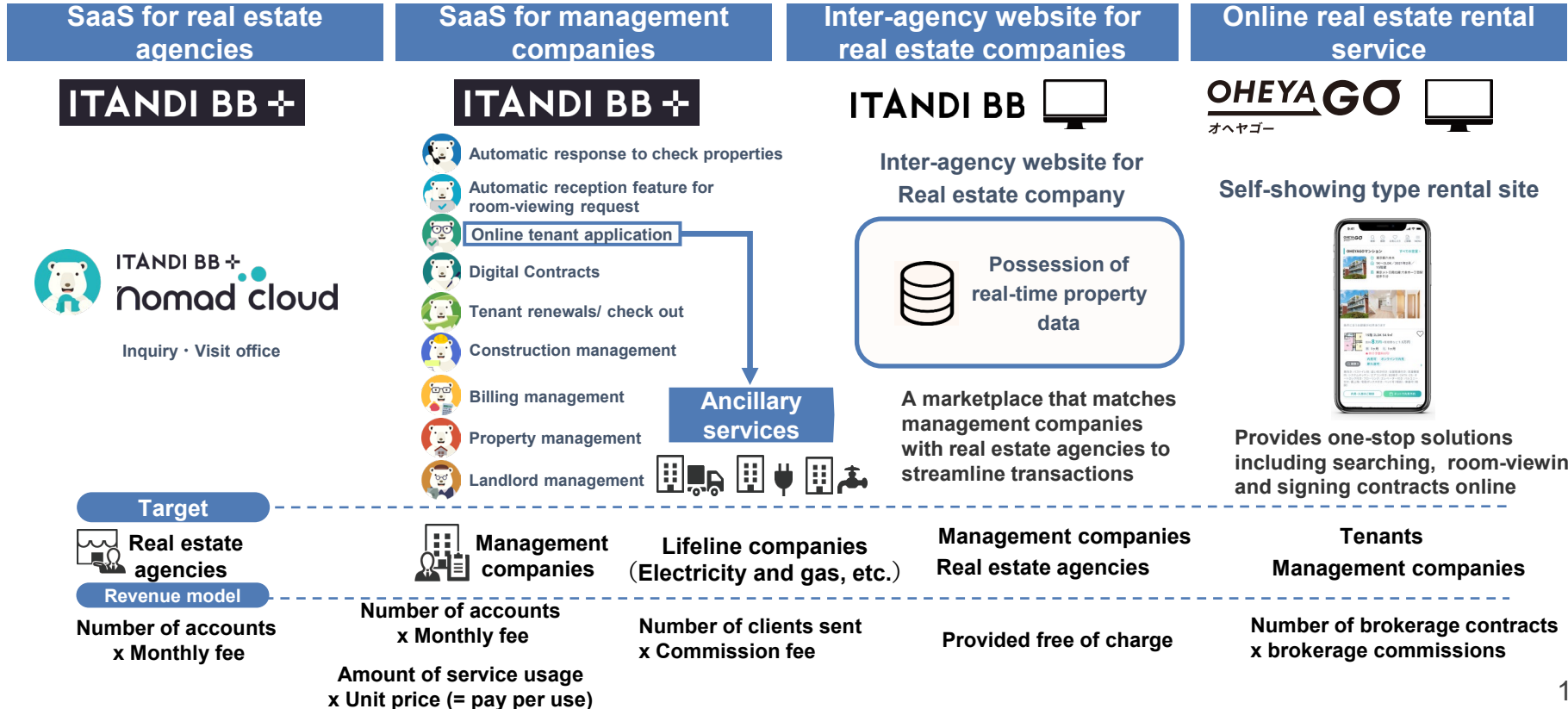
In addition to high revenue growth, maintained high profit level of gross profit and segment profit



2. Business Model ITANDI

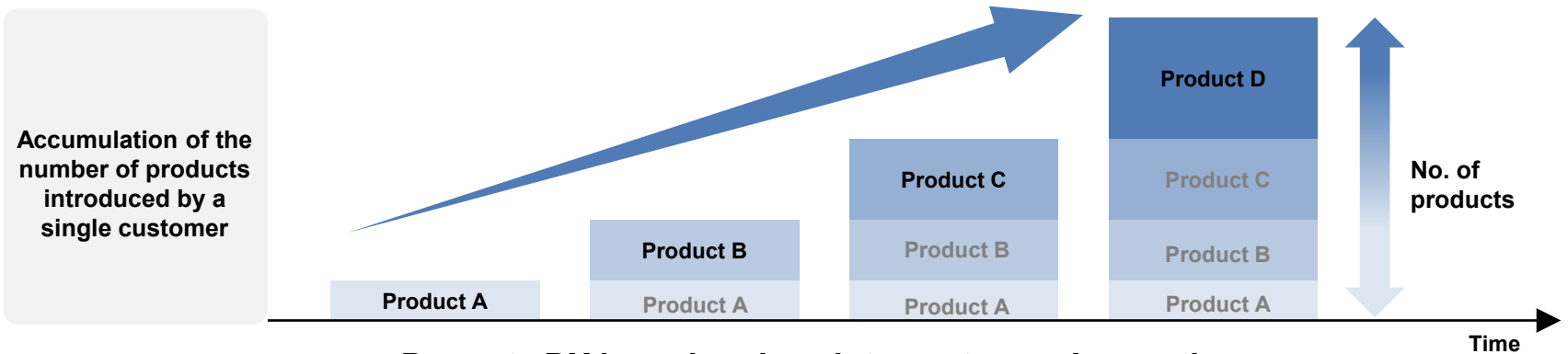
ITANDI Business Model

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

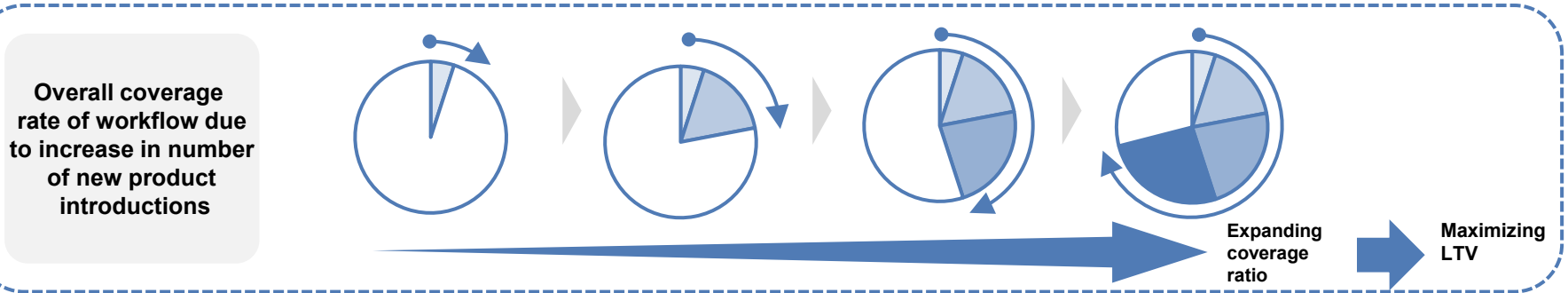


Monetization Points

Promoting the introduction of multiple products from peripheral operations to core operations in order to improve the efficiency of the workflow. Structured to maximize LTV by accumulating profit continuously and reducing the churn rate

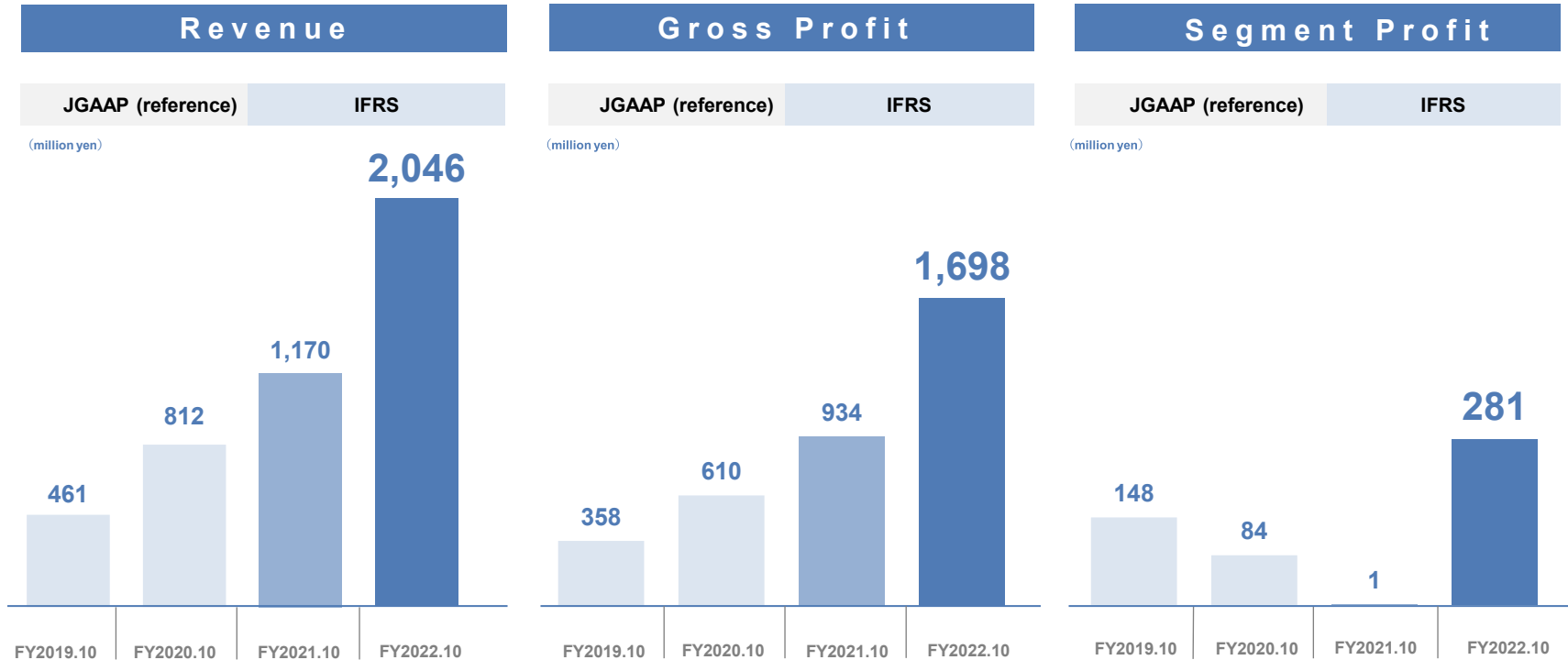


Promote DX by going deep into customers' operations



ITANDI Full Year Performance Trends

The SaaS business had strong growth with expanding revenue and gross profit.
Segment profit also grew significantly



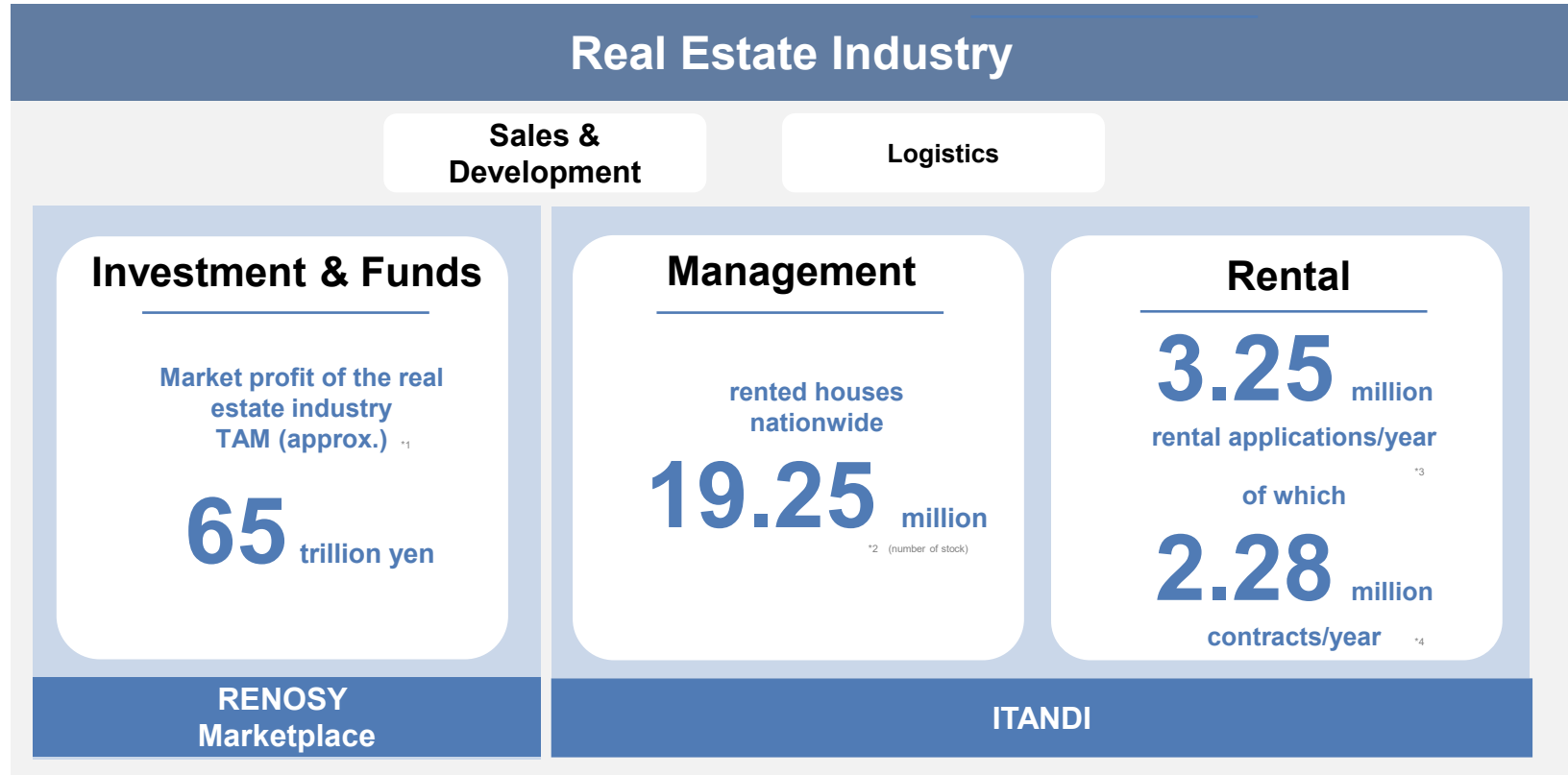
3. Market Environment / Competitive Advantage

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, creating a textured, crystalline effect.

Market Environment

3. Market Environment / Competitive Advantage

Five lines of business in the real estate industry



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. Taken from the Ministry of Internal Affairs and Communications 2018 Housing and Land Survey (changes in number of houses in relation to home ownership)
3. Calculated and estimated reference to the FY2022 cancellation rate for those who ITANDI's "Moushikomi uketsuke-kun" service based on the number of the contract
4. Estimated with reference to the Survey on the Real Estate Agent Market for Individuals, Yano Research Institute Ltd. press release (August 2019), and the Holistic Company Report, Japan Corporate Housing Service Inc. (8945 TSE Mothers), Stock Research Center (June 2011)

3. Market Environment / Competitive Advantage

An Affinity with Technology

- Investment real estate is the same as a financial product because it can be quantified by rent, price, and yield, and so is highly compatible with technology. Consequently, it is possible to invest from a distance or from overseas in the same way as with stock investment, with about 90% of purchases taking place without viewings
- Compared to buying and selling, the real estate rental market is less costly, and it is easier to move and relocate. With less demand for room viewings and revisions to the law enabling the use of IT(*1), etc., it will be possible to continue non-face-to-face contact without having to go to the office. In such a way, real estate has a high affinity with technology

RENOSY Marketplace

Investments & Funds

Financial
products



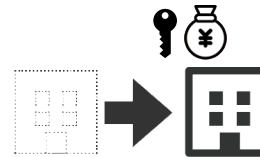
No need for
viewings



ITANDI

Management & Rental

Smooth and
simple



No need for
room viewings or
visiting office



3. Market Environment / Competitive Advantage

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%

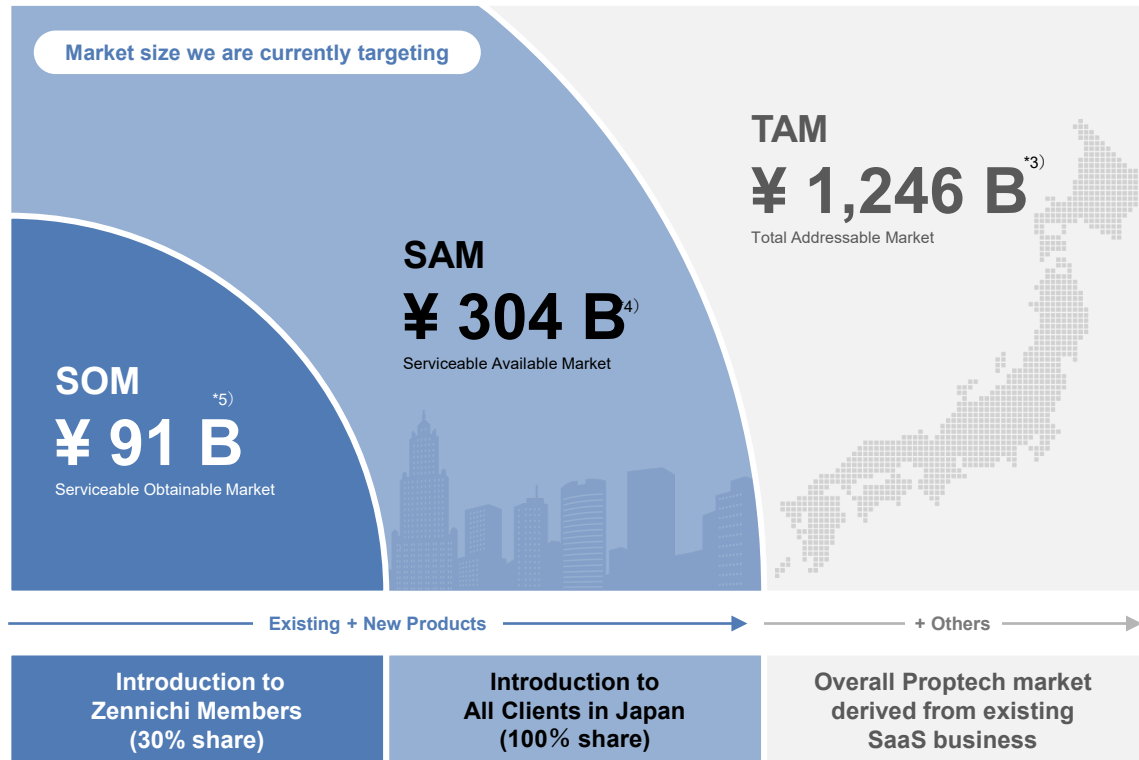
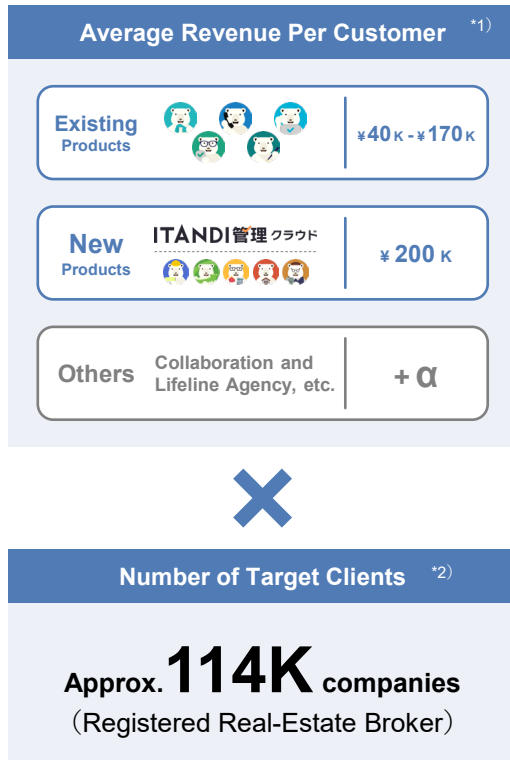
GA technologies share 7.1%

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)

3. Market Environment / Competitive Advantage

ITANDI Target Market Size









Note: 1. Price range of products for both property management companies, and rental agency 2. Source: Real Estate Transaction Improvement Organization "Statistics on Registered Real-Estate Broker at the End of Fiscal Year 2021"
 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) 4. SOM = SAM × 30% 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 brokerage companies = Number of real estate contractors × brokerage companies rate/number of management companies = number of real estate contractors × Percentage of management companies ※ There is overlap because some cases are concurrently engaged in other businesses.

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Competitive Advantage

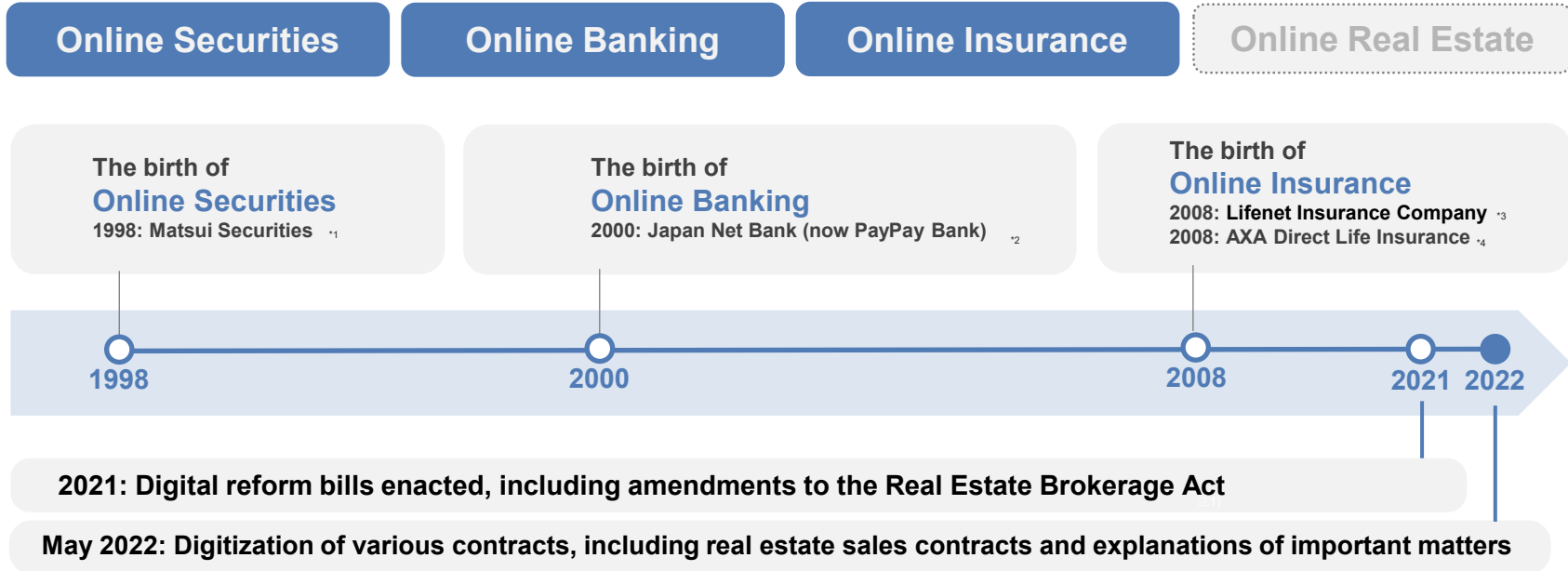
Our Competitive Advantage

- 1 Pioneer in the Online Real Estate transactions** 
- 2 Unique business model with high entry barriers combining real and technology** 
- 3 Stock business based on superior customer base** 
- 4 Marketplace that has a strong network characteristic and continues to expand** 
- 5 Development of a highly profitable SaaS business** 
- 6 Non-organic growth through M&A strategy** 

3. Market Environment / Competitive Advantage ① Pioneer in the Online Real Estate transactions

The Advent of Online Real Estate

The coming together of finance and the Internet in Japan



The Arrival of Online Real Estate

Notes:

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

3. Market Environment / Competitive Advantage ① Pioneer in the Online Real Estate transactions

Characteristics and strengths of the Online Real Estate

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

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

59 years

*1,4

GA technologies
Number of years of business

9 years

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

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



Results in FY2022.10

16	GA technologies	113,569
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Results in FY2021.10

22	GA technologies	85,388
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*2

*3


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

3. Market Environment / Competitive Advantage ① Pioneer in the Online Real Estate transactions

Characteristics and strengths of the Online Real Estate



Domestic real estate listed companies sales ranking
Average of the top 20 companies ^{+2,3}

<p>9 years</p>	<p>Number of years of business ⁺²</p> 	<p>59 years</p>
<p>52%</p>	<p>Net sales growth rate (YoY)</p> 	<p>△ 1%</p>
<p>20 days</p>	<p>Inventory turnover</p> 	<p>265 days</p>
<p>26%</p>	<p>Ratio of net sales and interest-bearing debt</p> 	<p>128%</p>
	<p>SaaS business</p> 	<p>×</p>

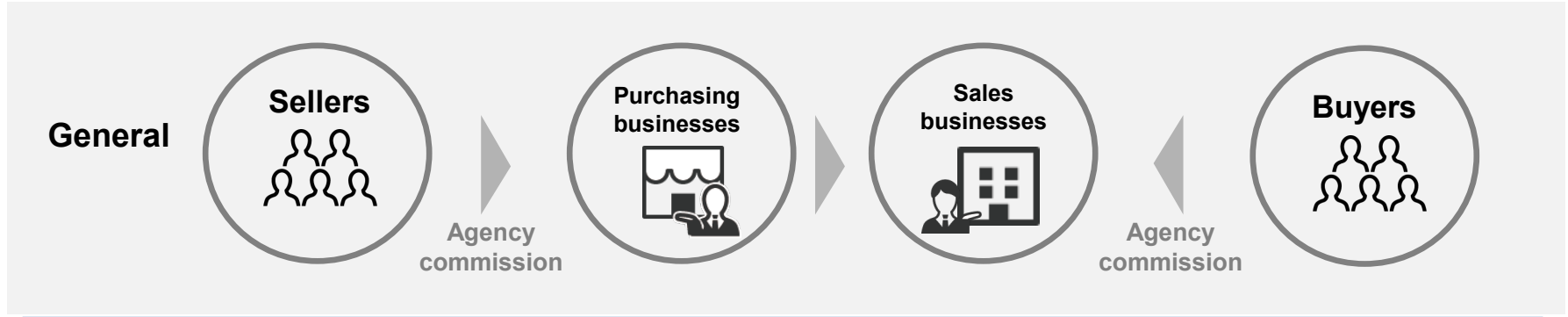
Notes:

1.As of end of October 2022 2. The figures were obtained with reference of Magazine Biz operated by Living Technologies Inc., real estate industry net sales ranking 2022, and calculated based on each company's financial statement disclosed from Dec 2020 to Nov 2021. 3. As of April 2022.

3. Market Environment / Competitive Advantage ② Unique business model with high entry barriers combining real and technology

Online transaction business overview①

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

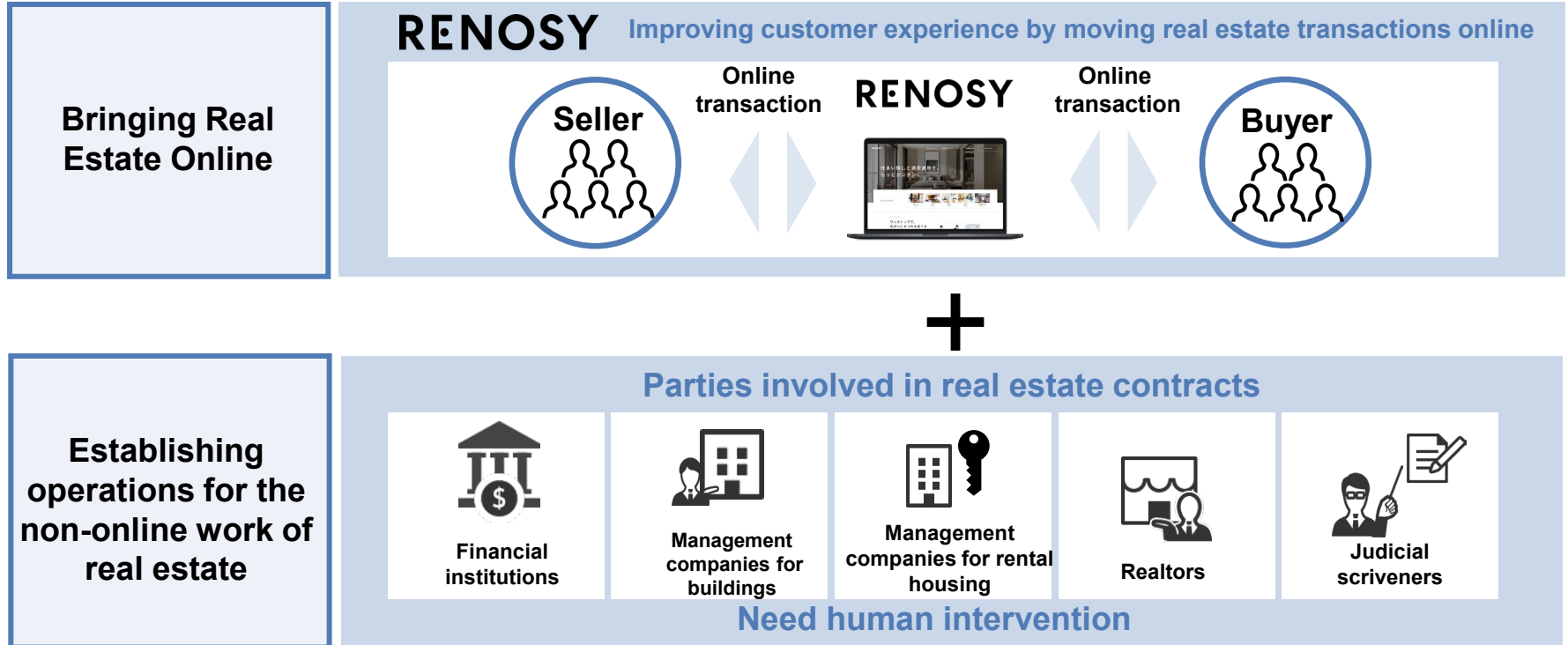


With no agencies in between, midterm margins are cut, which benefits sellers and buyers.



3. Market Environment / Competitive Advantage ② Unique business model with high entry barriers combining real and technology

Online transaction business overview②



Strengthening both online and real operation to form high entry barrier as real operation cannot be realized in one day

3. Market Environment / Competitive Advantage ③ Stock business based on superior customer base

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

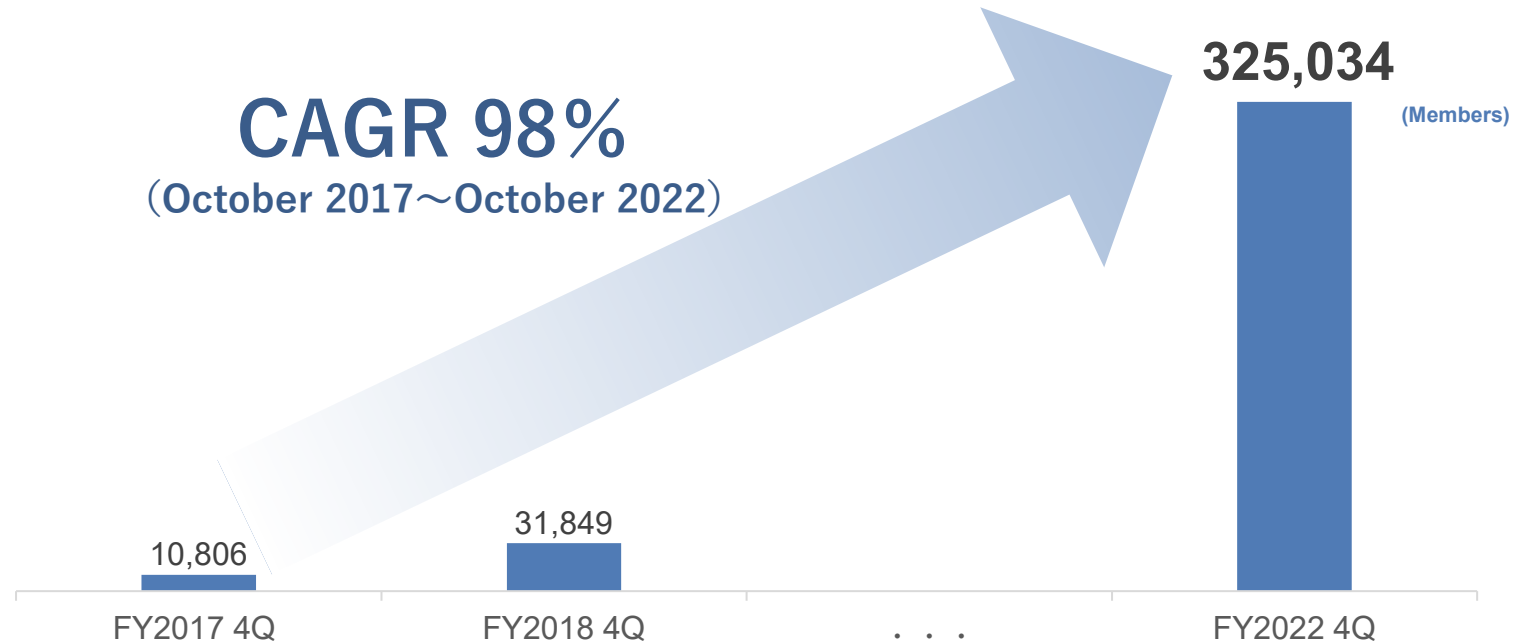
500 million yen +
87,000 households

*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

Expansion of our excellent customer base

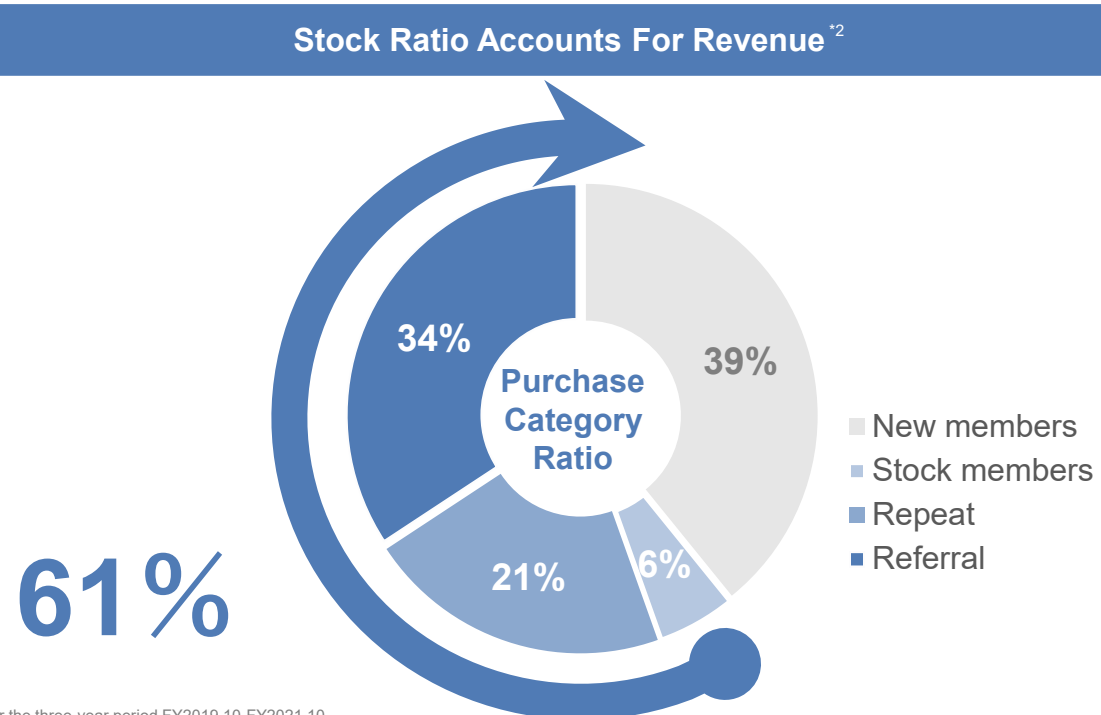
Increase of high-class members has led
high average annual growth rate of RENOSY members



3. Market Environment / Competitive Advantage ③ Stock business based on superior customer base

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



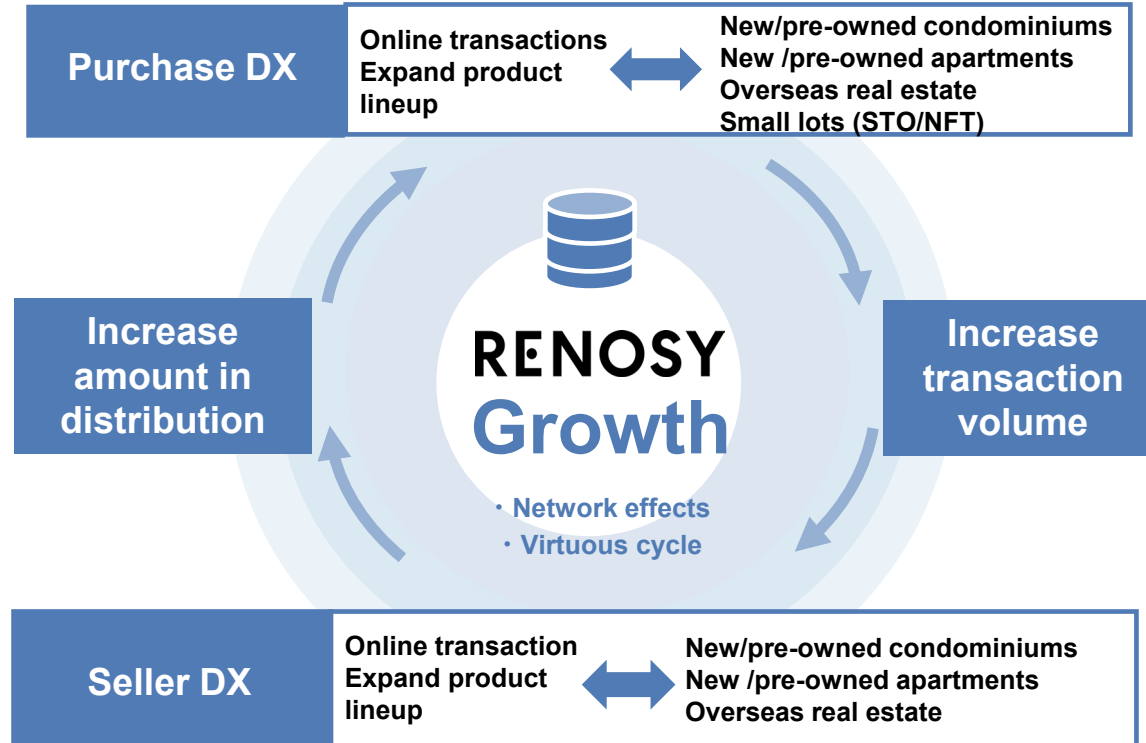
*1 Calculated based on data by purchase for the three-year period FY2019.10-FY2021.10

*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

3. Market Environment / Competitive Advantage ④ Marketplace that has a strong network characteristic and continues to expand

Online Transactions 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



ITANDI 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

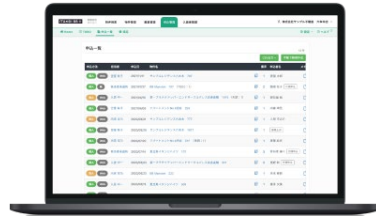
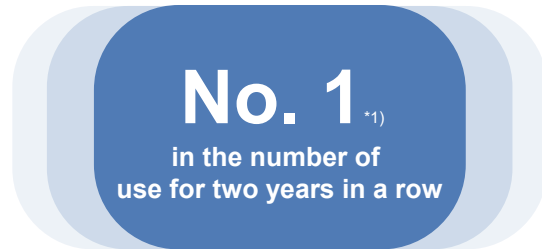
OHEYA GO
オヘヤゴー

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

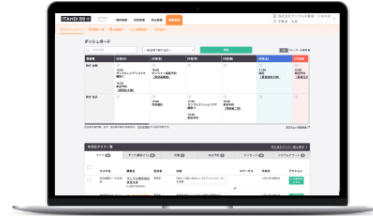
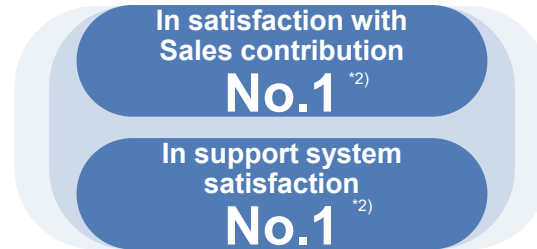
3. Market Environment / Competitive Advantage ⑤ Development of a highly profitable SaaS business

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.

3. Market Environment / Competitive Advantage ⑤ Development of a highly profitable SaaS business

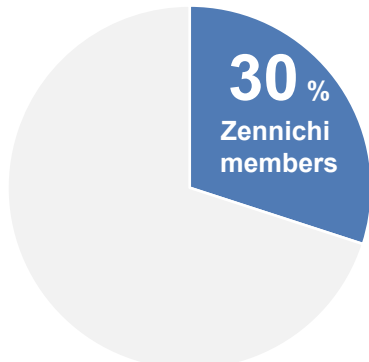
The All Japan Real Estate Association Adopts ITANDI BB as its Infrastructure System

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 Rabbinet 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.

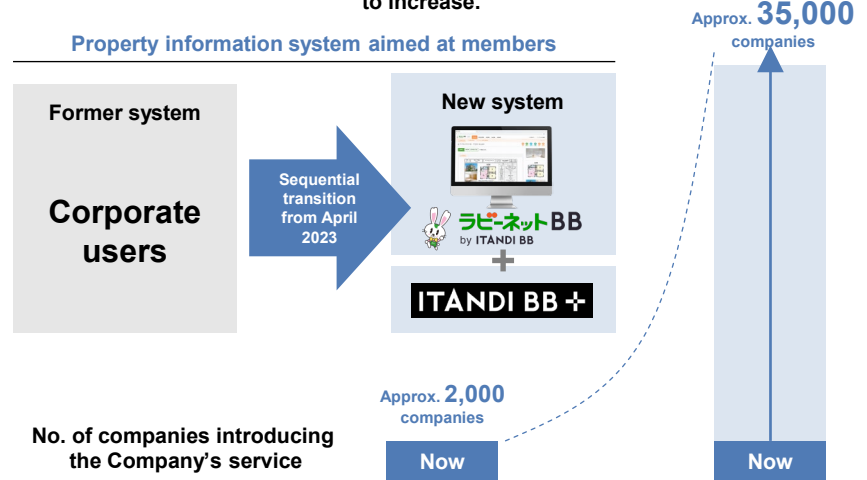


**公益社団法人
全日本不動産協会**

-  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.

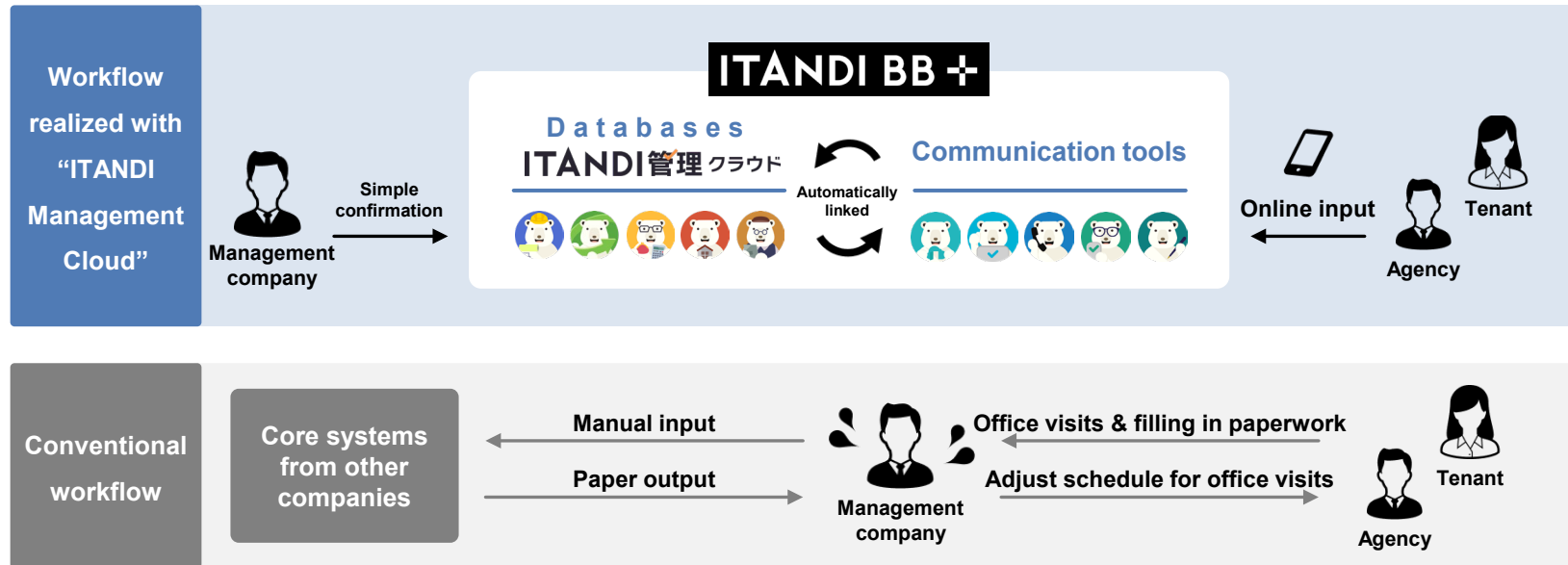


3. Market Environment / Competitive Advantage ⑤ Development of a highly profitable SaaS business

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

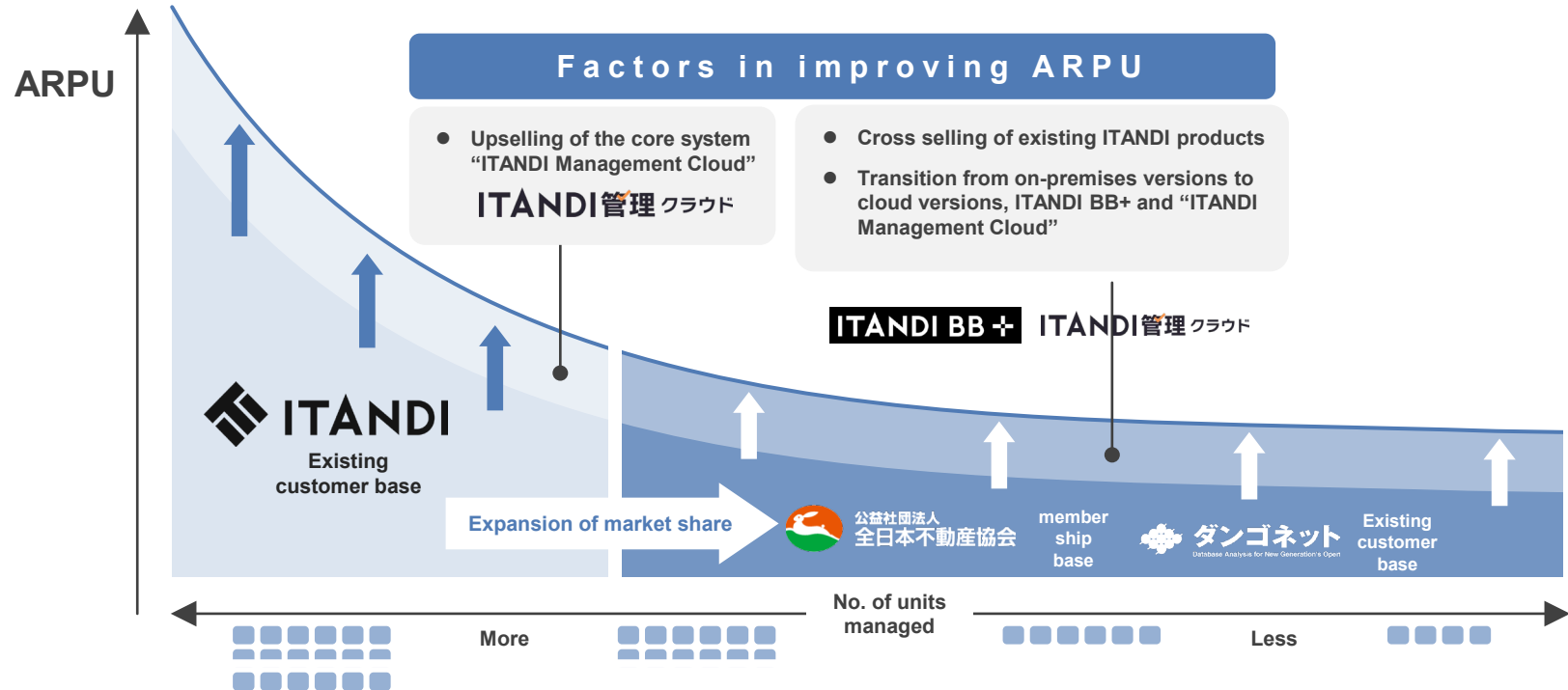
In addition to the communication tools offered until now by ITANDI BB+, provision of the work database core system “ITANDI Management Cloud” will start providing in Spring 2023

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



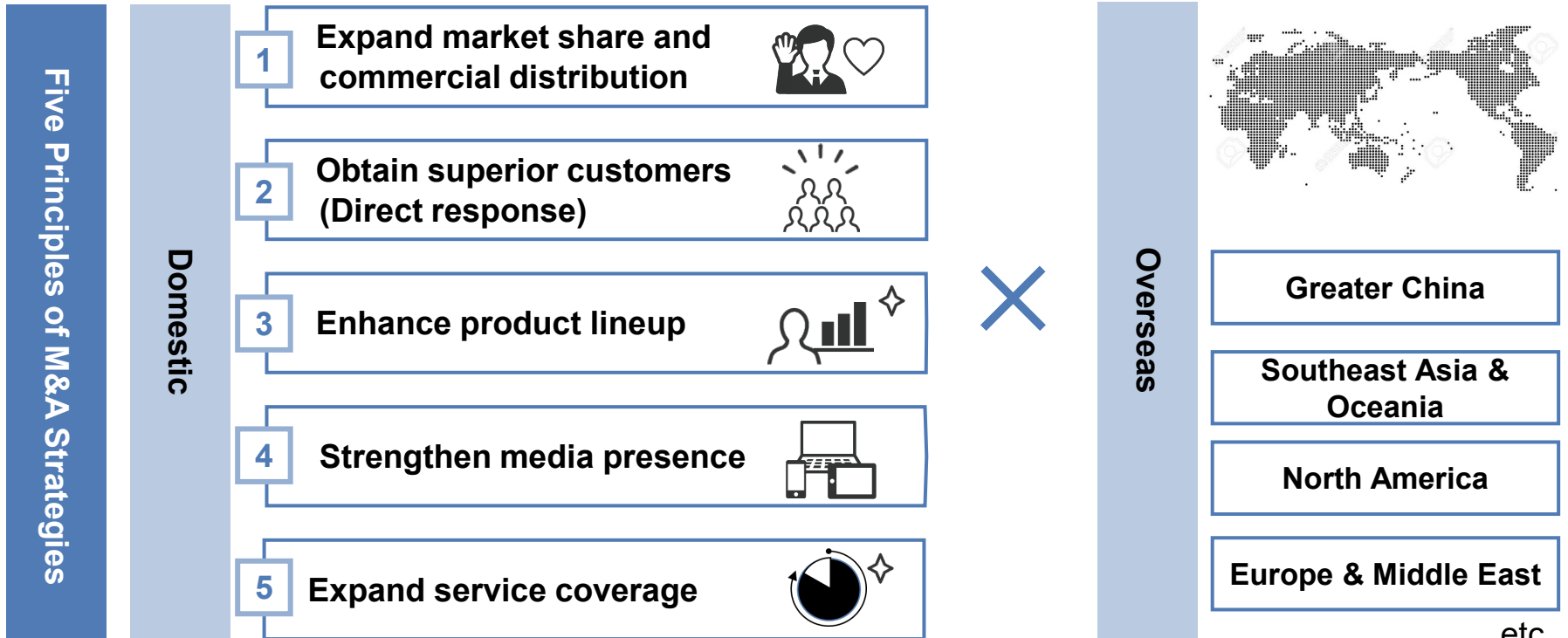
Strategic Positioning of Core Systems

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



M&A Strategy

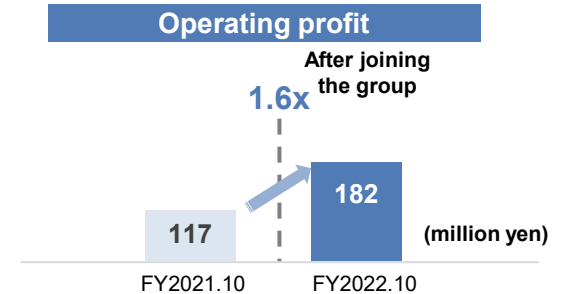
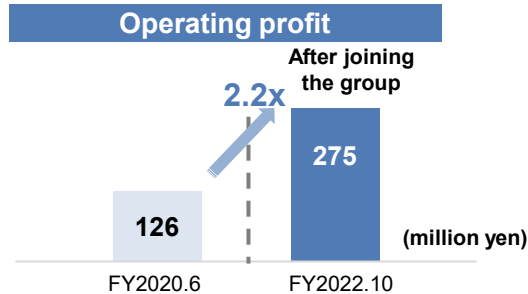
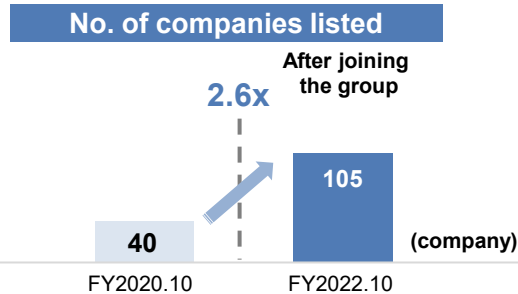
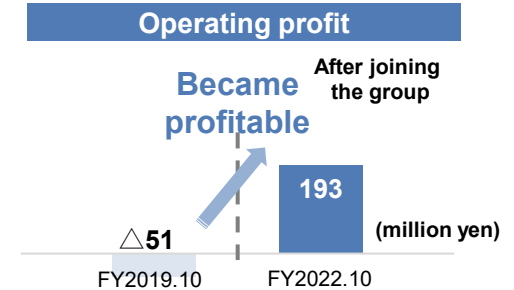
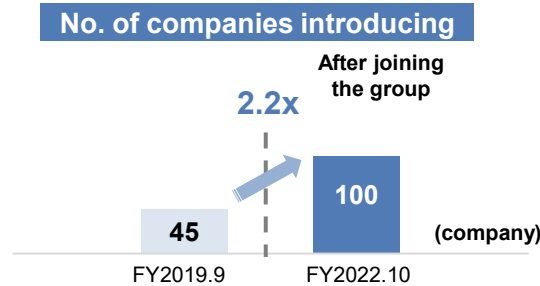
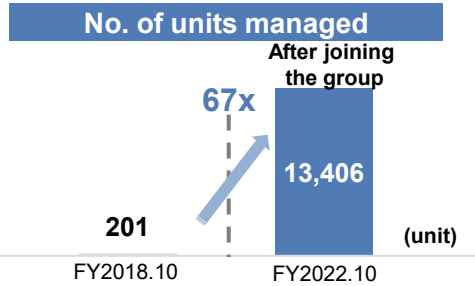
M&A is based on the following principles to strengthen the business, and the same principles apply overseas as well



3. Market Environment / Competitive Advantage ⑥ Non-organic growth through M&A strategy

Changes in KPI Indicators from Post-M&A to Present

Improved performance of M&A target companies in the past in a speedy manner



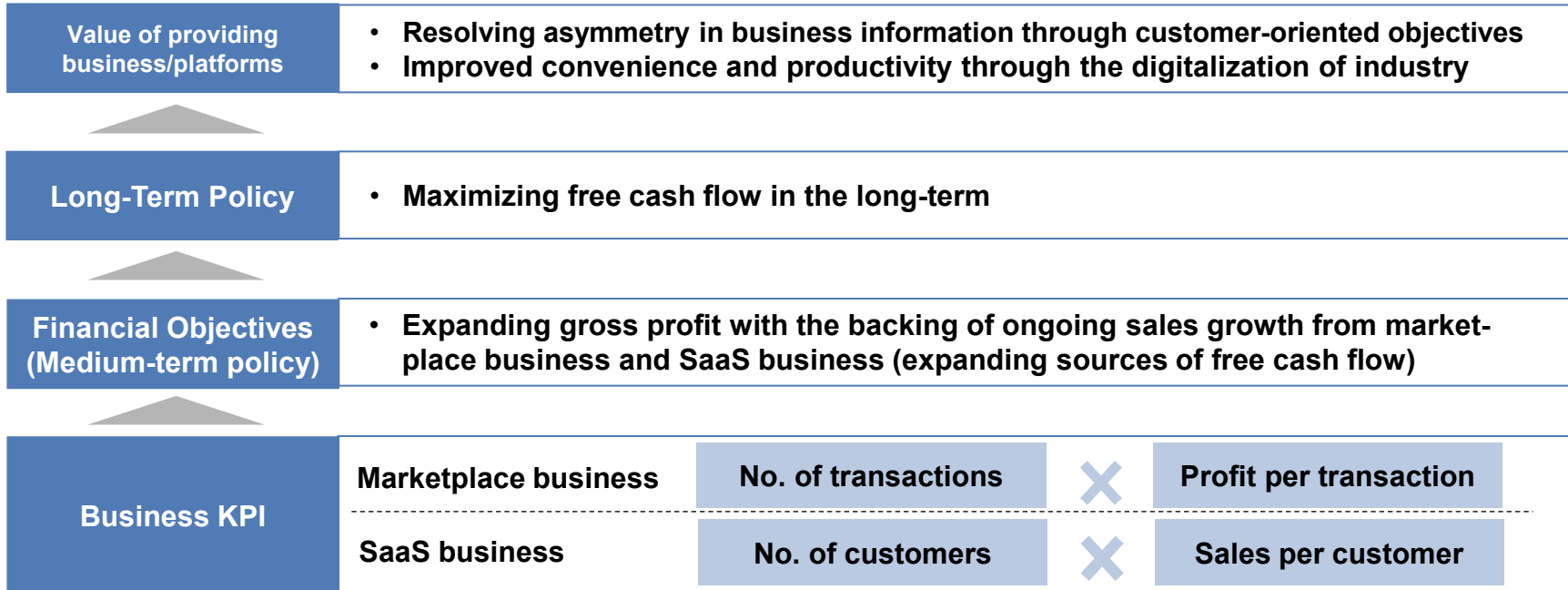
* 1) In May 2020, the company name was changed to RENOSY ASSET MANAGEMENT Inc.

* 2) In April 2021, the company name was changed to RENOSY PLUS Co., Ltd.

4. Growth Strategy and Management Indicators

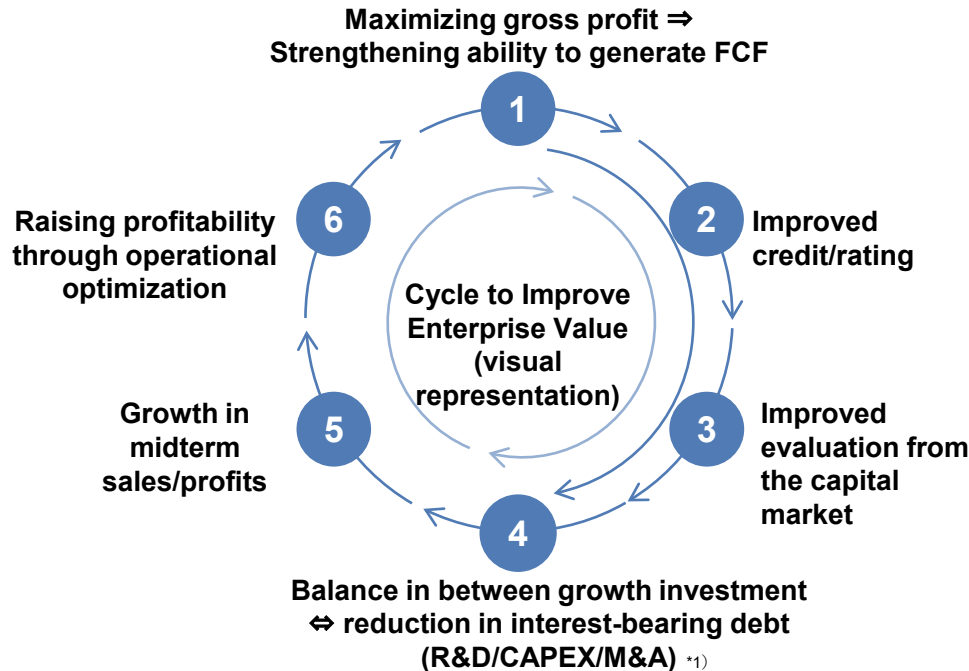
Strategy to Maximize the Enterprise Value (1/2)

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



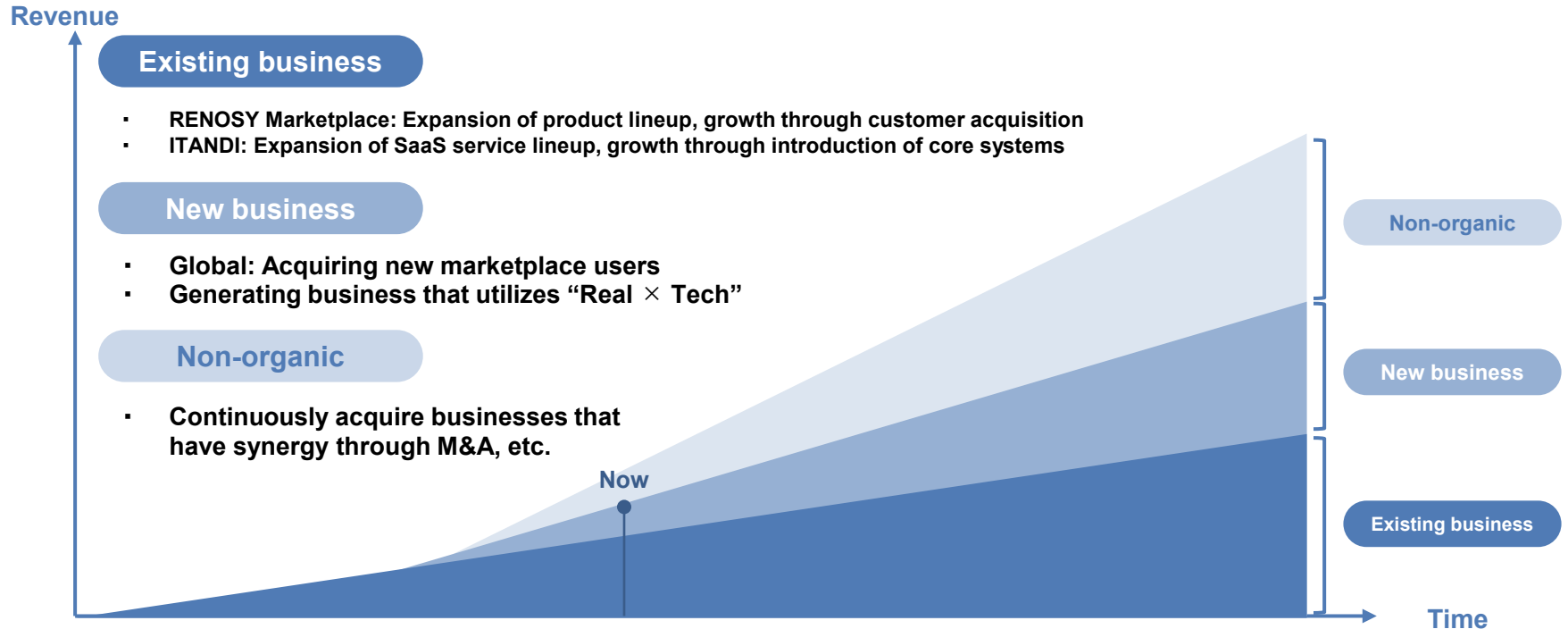
Cycle of enterprise value improvement

- 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

Note:1) R&D (Research and Development)
 CAPEX(Capital Expenditure) :Capital expenditures to maintain and enhance asset value
 M&A (Mergers and Acquisitions)

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

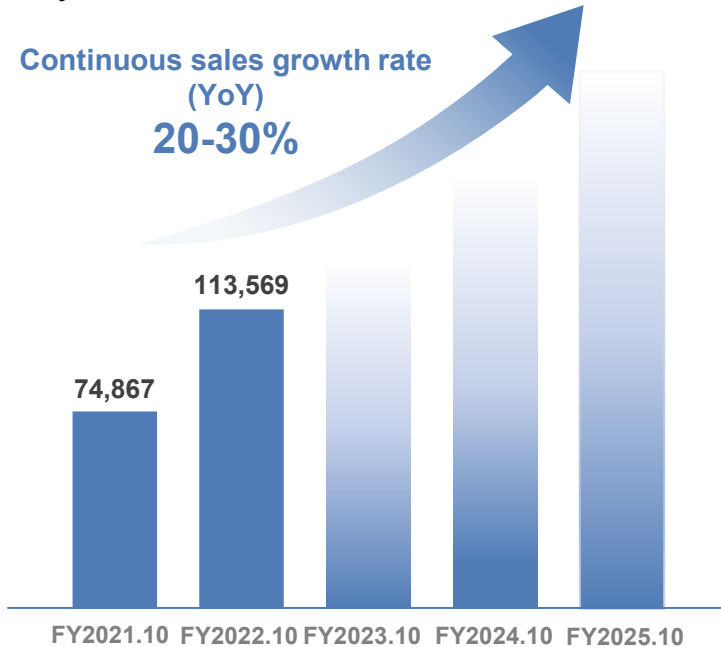


Consolidated Revenue / Gross Profit Objectives

Expanding business while balancing growth in both top line and profits

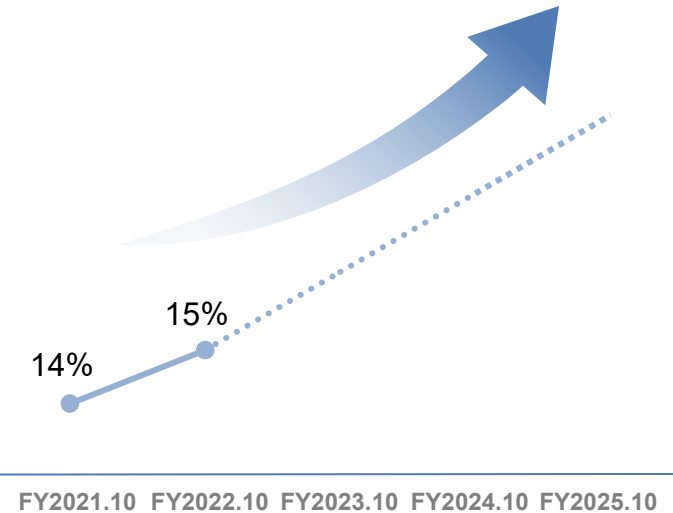
Consolidated Revenue

(million yen)



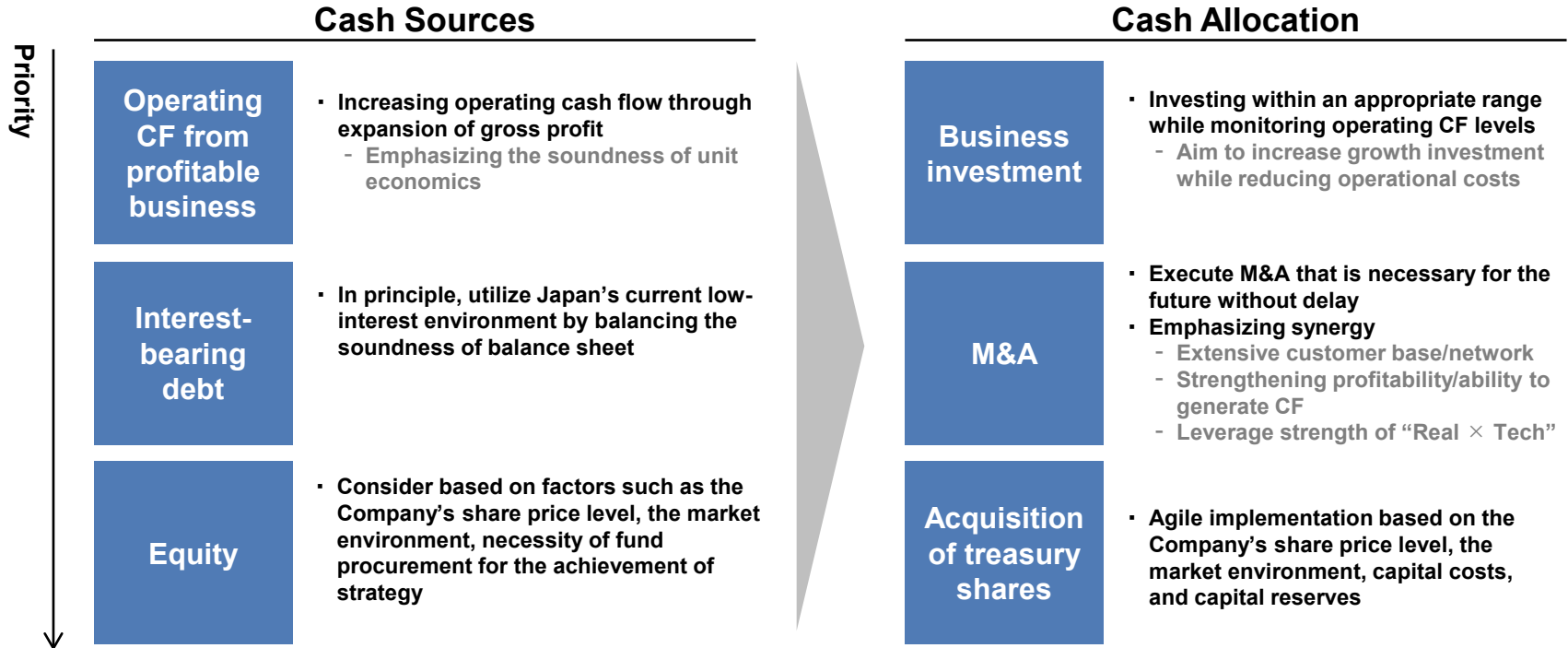
Consolidated Gross Profit Ratio

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



4. Growth Strategy and Management Indicators

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

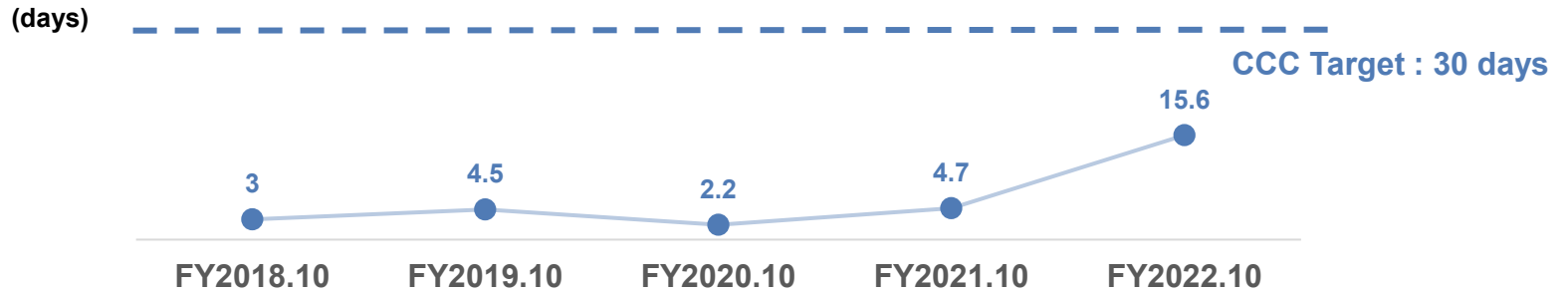
3. Trade and other receivables 4. Trade and other payables

5. CCC (Cash Conversion Cycle) = Inventory turnover days + Receivables turnover days - Accounts Payable Turnover days- 6. Total Shareholder Return (TSR)

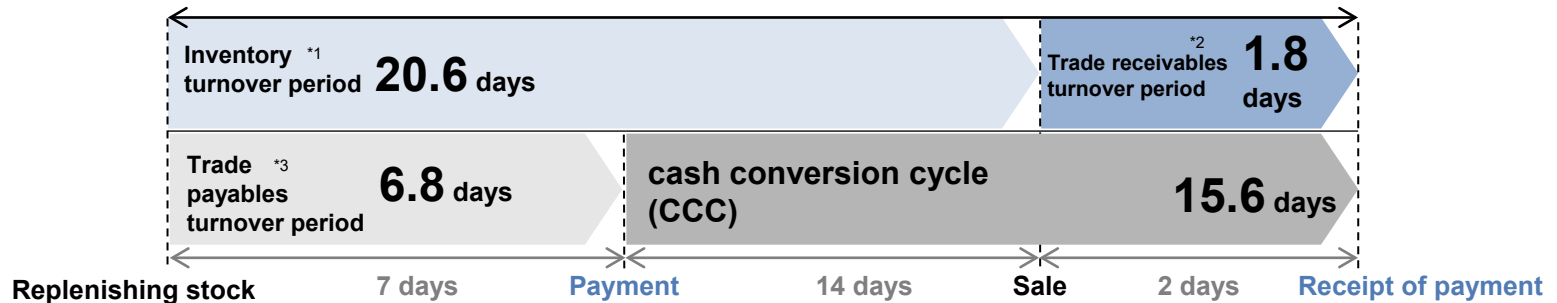
4. Growth Strategy and Management Indicators

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



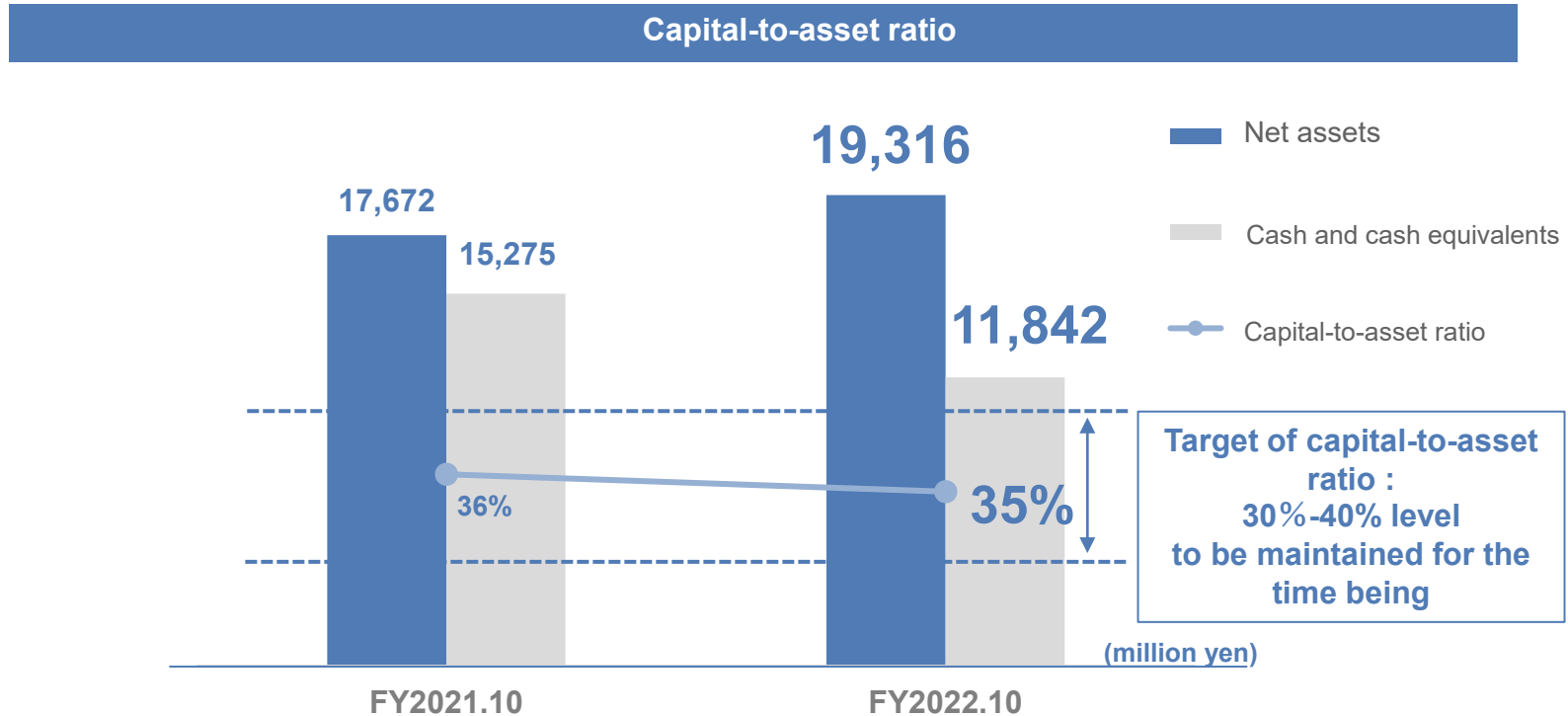
$$\text{CCC} = \text{Inventory turnover period}^{*1} + \text{Trade receivables turnover period}^{*2} - \text{Trade payables turnover period}^{*3}$$



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

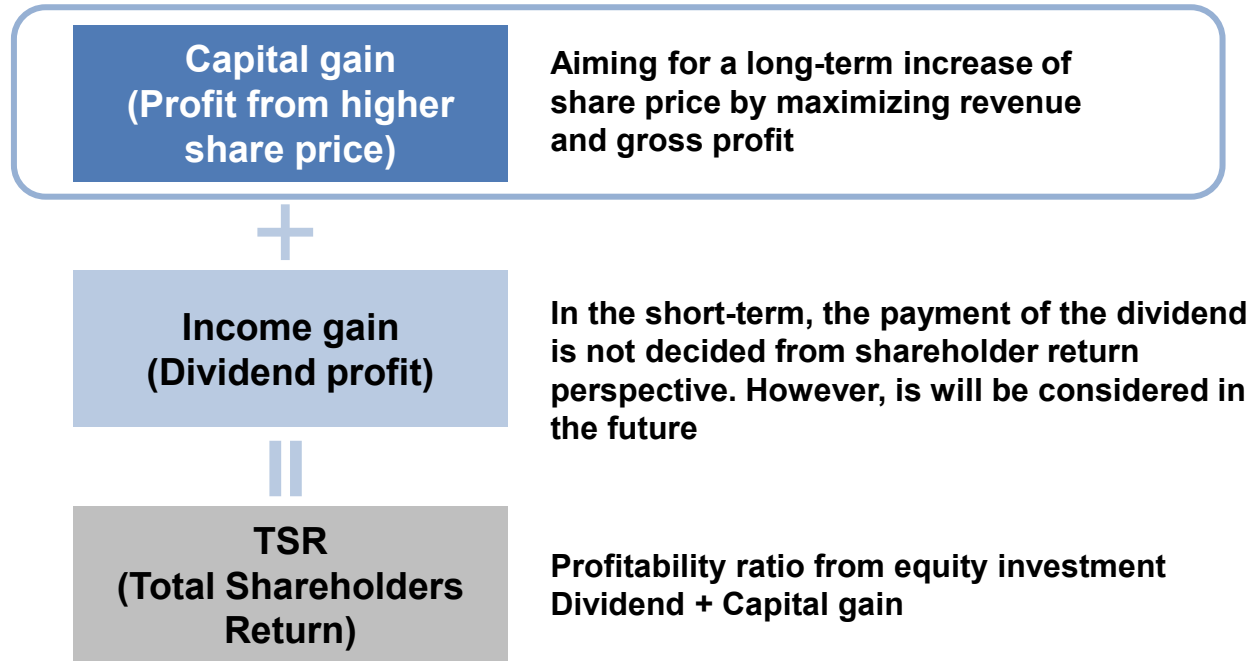
A Stable Financial Base (Sound Capital-to-Asset Ratio)

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. While in the short-term, the payment of the dividend is not decided from shareholder return perspective



4. Growth Strategy and Management Indicators

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

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FY2022.10 Full-year Consolidated Results

4. Growth Strategy and Management Indicators

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

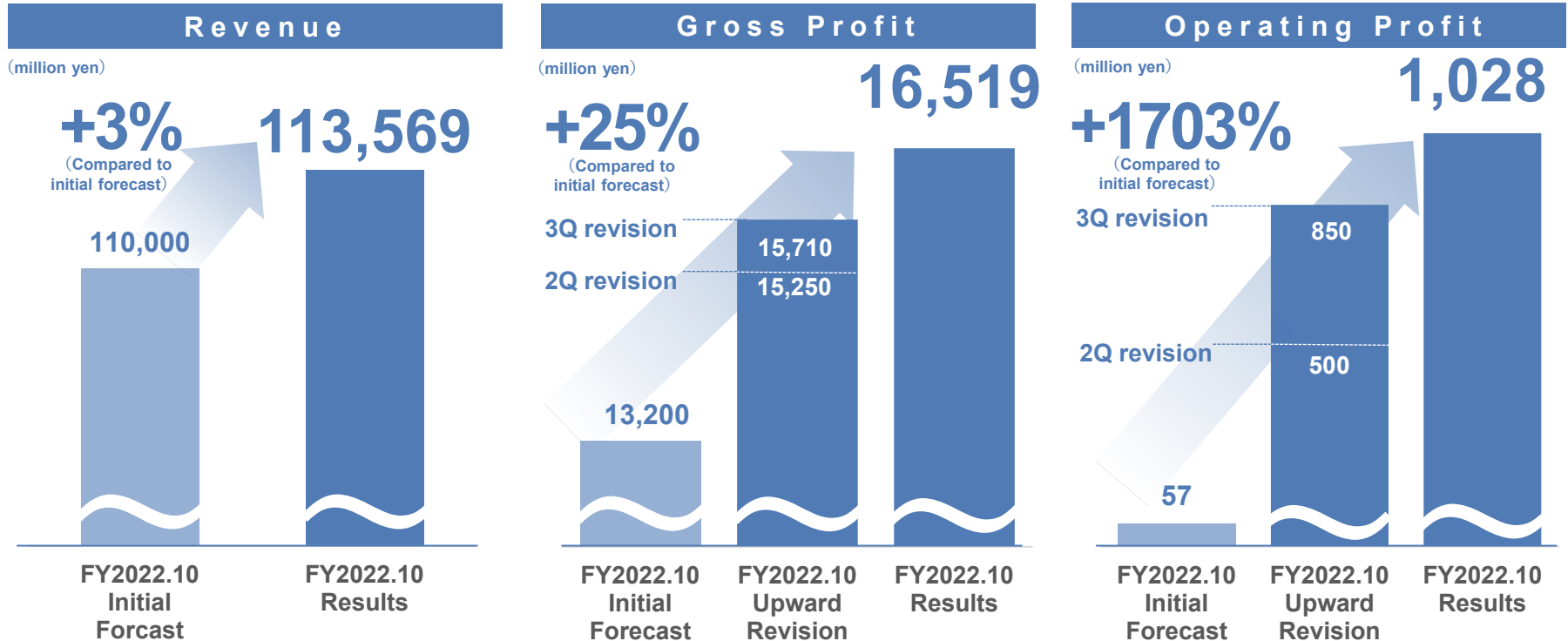
	Revenue	Gross Profit	Operating Profit (Segment profit)	Topics
Consolidated	YoY +52% 113.5 billion (YoY+38.7billion)	YoY +61% 16.5 billion (YoY+6.2billion)	Previous Year Reference : △1.1billion 1 billion	Selected by METI and TSE DX brand 2022 ^{*1)} <u>Selected for the three consecutive year</u>
RENOSY Marketplace	YoY +52% 110.8 billion (YoY+37.7billion)	YoY +59% 14.4 billion (YoY +5.3billion)	YoY +72% 4.9 billion (YoY+2billion)	<u>No.1</u> ^{*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)	<u>No. 1</u> ^{*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.

4. Growth Strategy and Management Indicators

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



RENOSY Marketplace Key KPI Highlights ^{*5)} (FY2022.10)

Full-year RENOSY Marketplace results for FY2022.10 have achieved a growth rate of approximately 1.5x in both revenue and gross profit. The number of contracts for Purchase DX and Seller DX also 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)

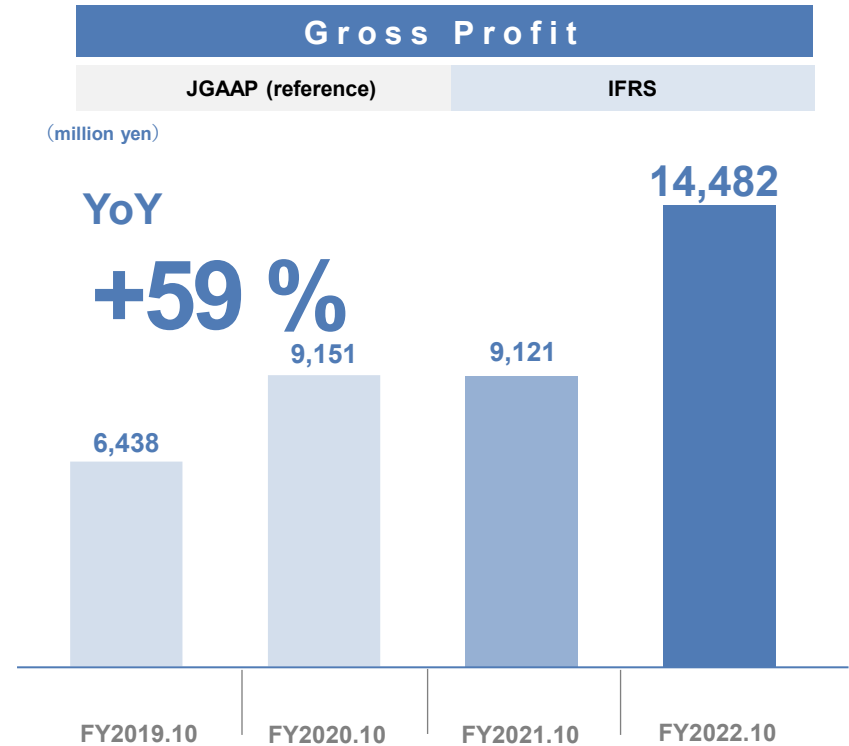
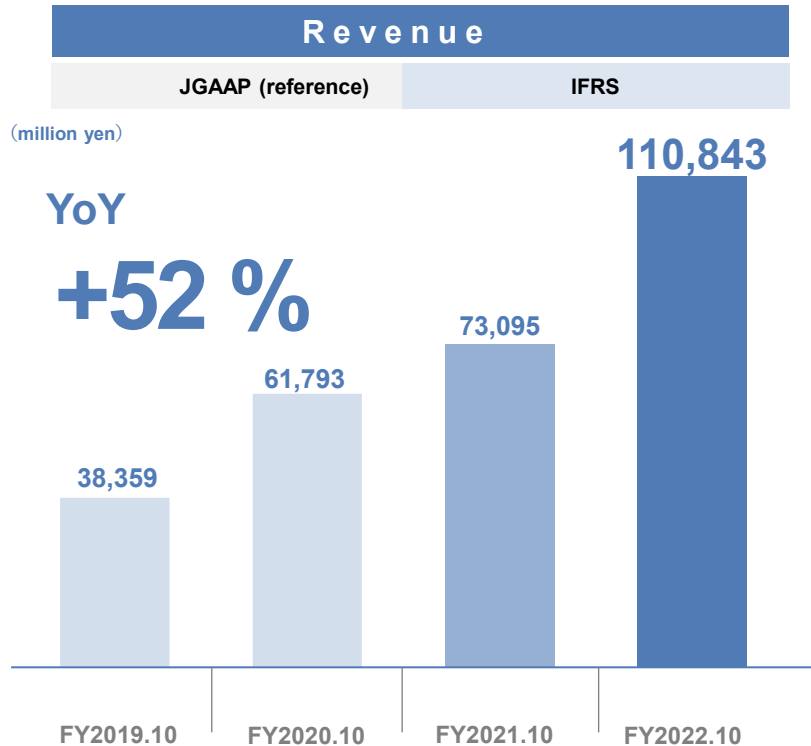
*3) Total number of contracts for investment and home within RENOSY Marketplace through Seller DX. Figures do not include those of pre-merger companies (FY2022.10 4Q total)

*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

*5) As described in the "Our Business Model and Growth Strategy" disclosed on December 29, 2021, GMV was included before but revenue growth rate and gross profit growth rate are selected from KPI's easy to understand perspective

RENOSY Marketplace Full Year Performance Trends

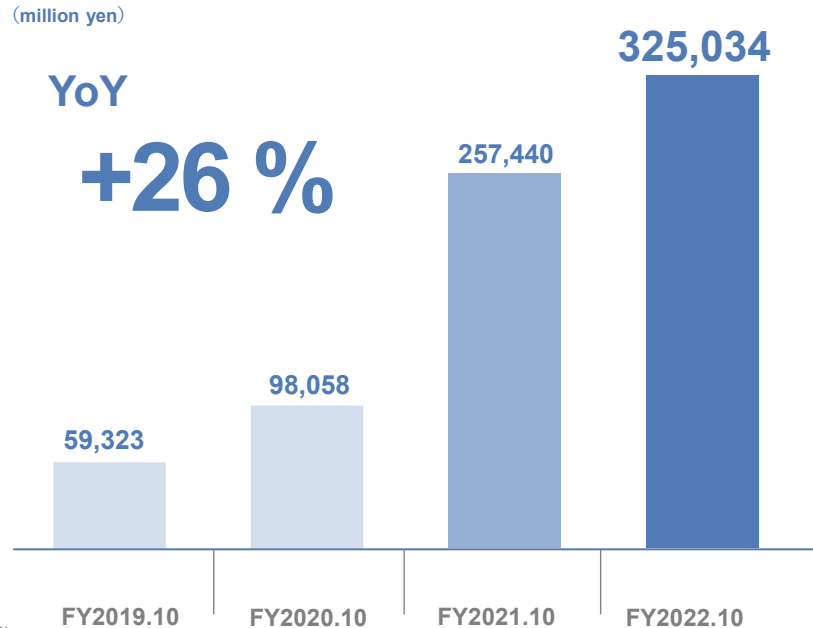
**Strong revenue performance with 52% increase YoY,
Gross Profit also increased YoY of 59% at high level, due to contribution of improvement measures**



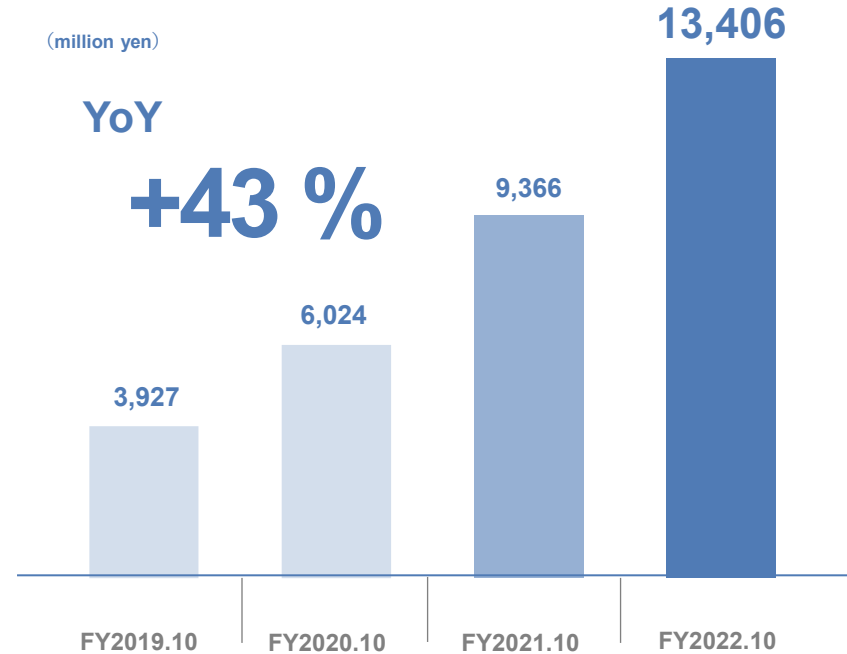
RENOSY Marketplace Full Year Performance Trends

Subscription numbers increased as the number of purchase DX increased
 Number of stock members grew +26% YoY by approx. 67,000 members

Number of stock members ^{*2,3}



Number of Subscriptions ^{*1}

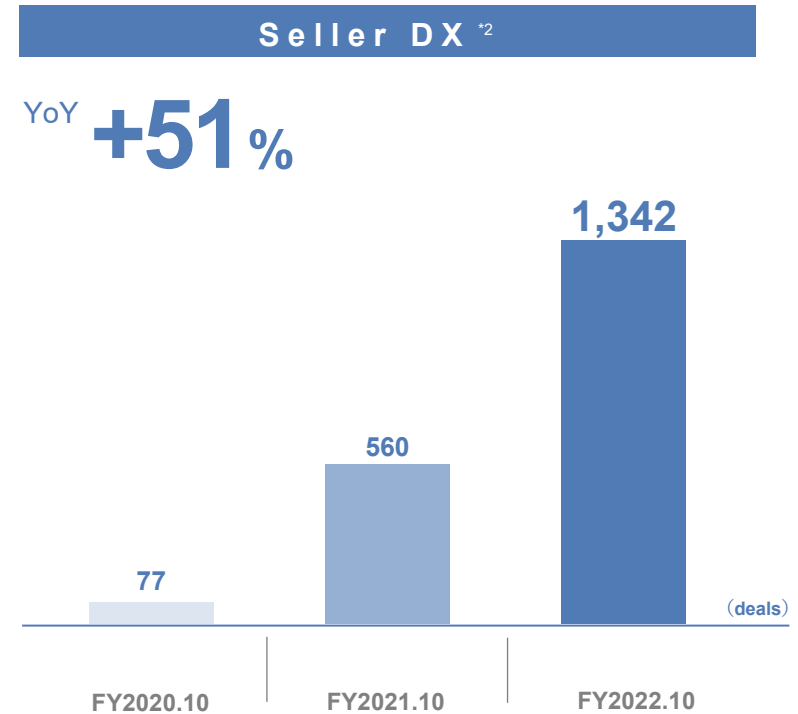
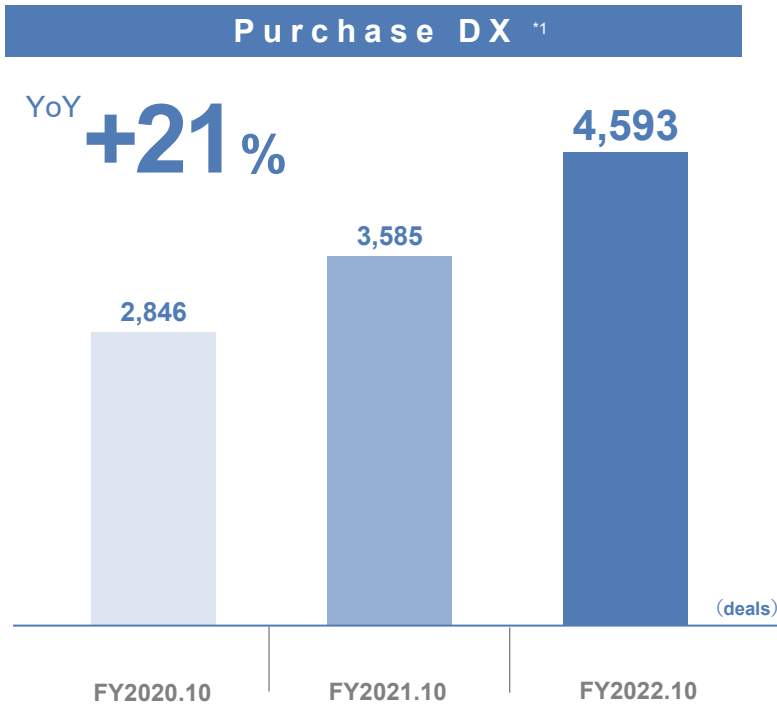


Note:

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.
2. The number of RENOSY member stocks refers to the cumulative number of people who have registered as members
3. 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

RENOSY Marketplace Full Year Performance Trends

The number of contracts in the Purchase DX remained strong at 21% YoY
The number of seller DX increased by 1.5x YoY, improving 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)

ITANDI Key KPI Highlights ^{*5)} (FY2022.10)

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

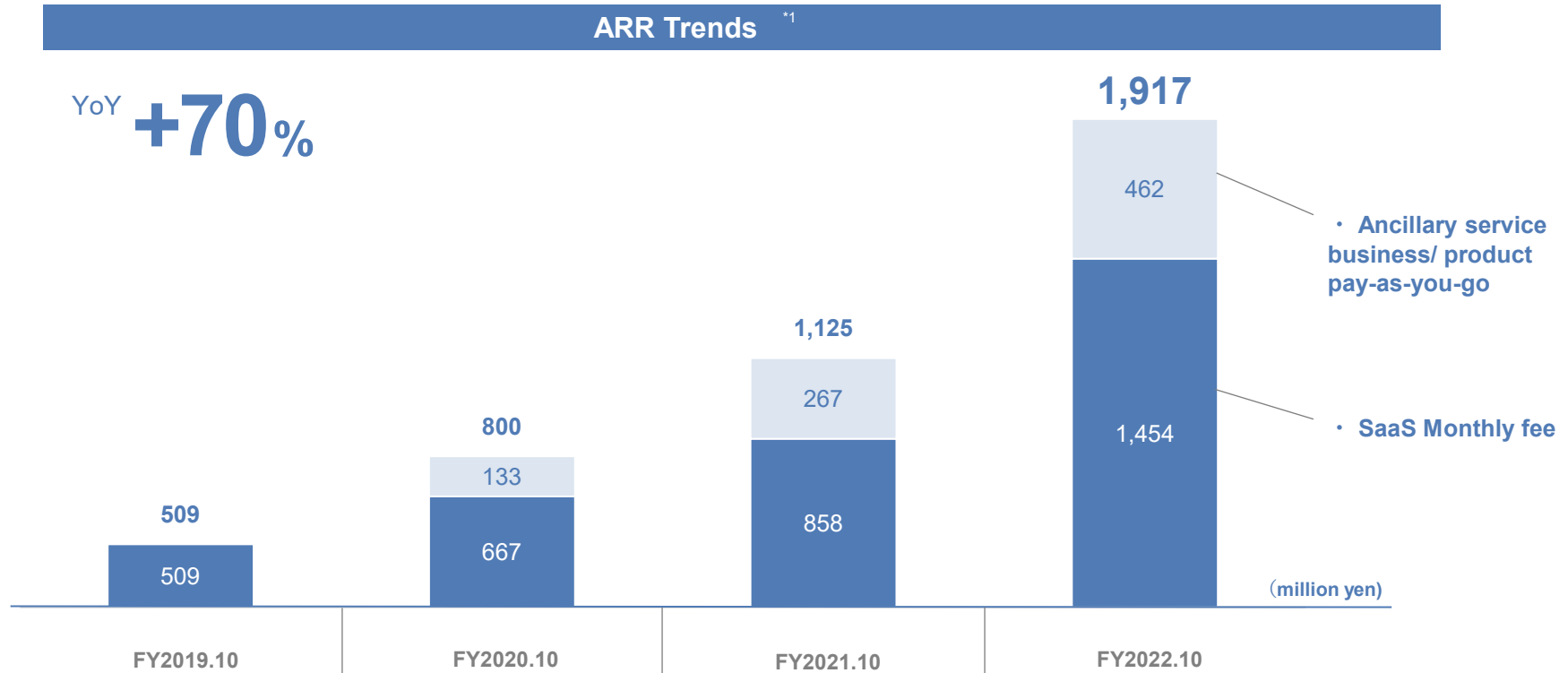
(Same period last year 23 times)

*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 *5) Other indicators of ITANDI are described on page 40 of the FY2022.10 Full-Year Financial Results presentation material

ITANDI Full Year Performance Trends

Recurring revenue from ancillary services grew in proportion with online tenant applications
This contributed to strong ARR growth at +70% YoY



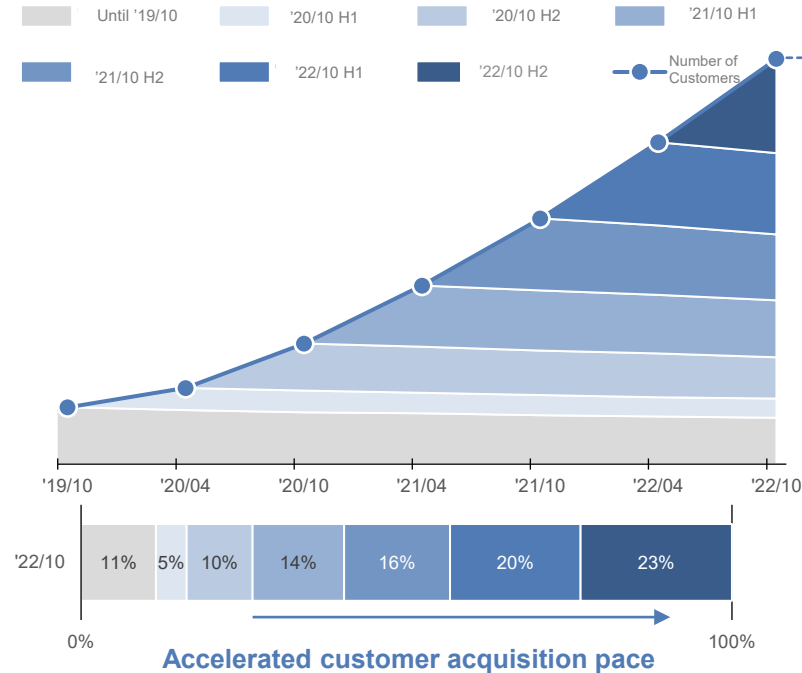
Notes:

*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 October 2021 with ARR as of October 2022 at the end of each quarter

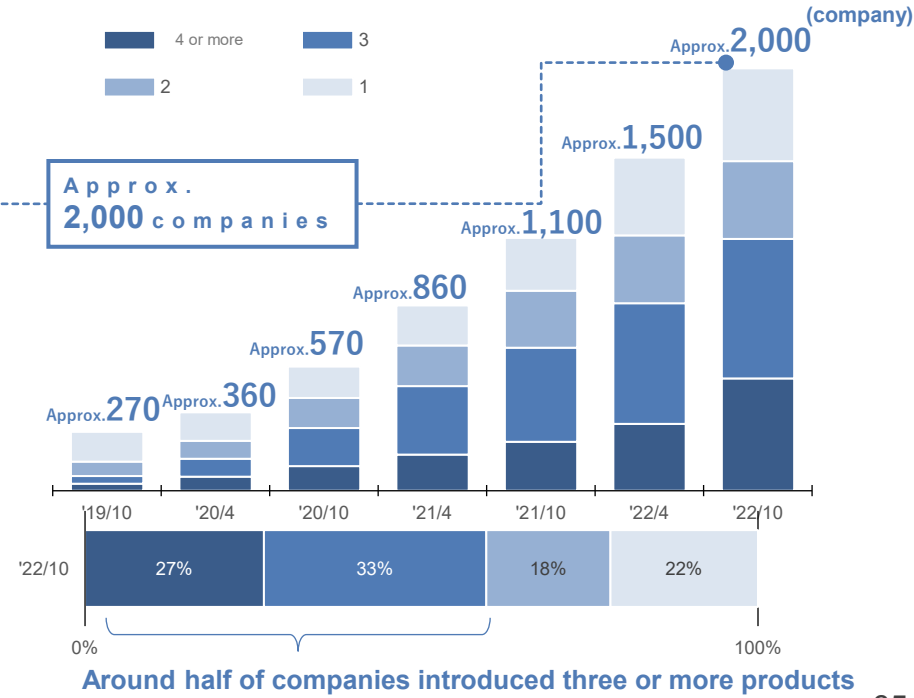
ITANDI Full Year Performance Trends

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

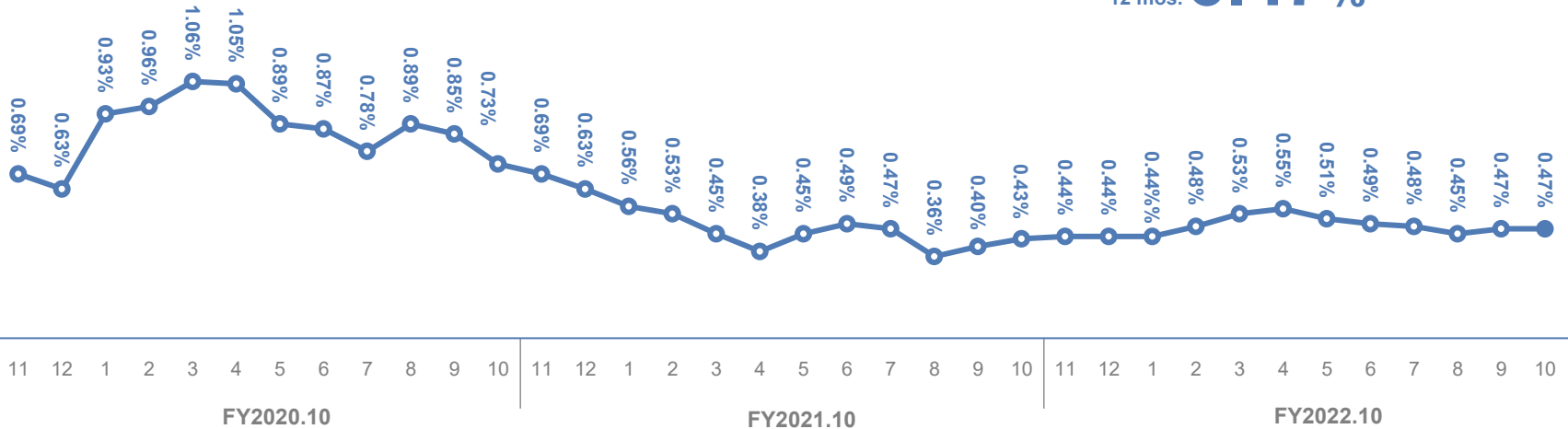


ITANDI Full Year Performance Trends

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

Churn Rate ^{*1}

Avg. last 12 mos. **0.47%**

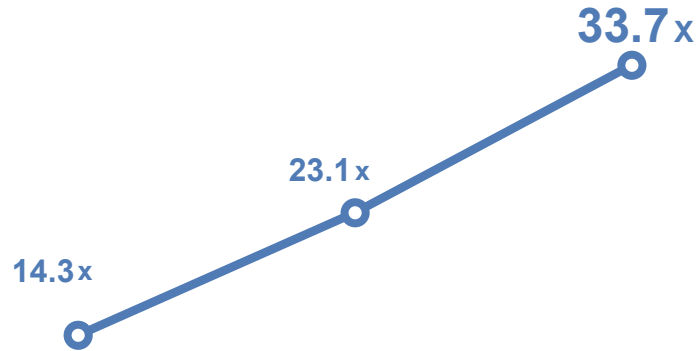


Notes:
1. Calculated monthly average churn rate of recent 12 months of ITANDI BB+ as of end of October 2022

ITANDI Full Year Performance Trends

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

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FY2023.10 Earnings Forecast

4. Growth Strategy and Management Indicators

Full-Year Consolidated Results

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	FY2023.10	YoY	YoY
		(IFRS) ①	Plan (IFRS) ②	Amount of change ②-①	Percentage of change (②/①-1) ^(*)
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. Business Profit= (Revenue - Cost of Sales - SG&A expenses)

2. Calculated based on the figures on the table

4. Growth Strategy and Management Indicators

FY2023.10 Assumptions For The Full-year Consolidated Earnings Forecast ^{*1)}

FY2023.10 Budget Assumptions (Top Line)

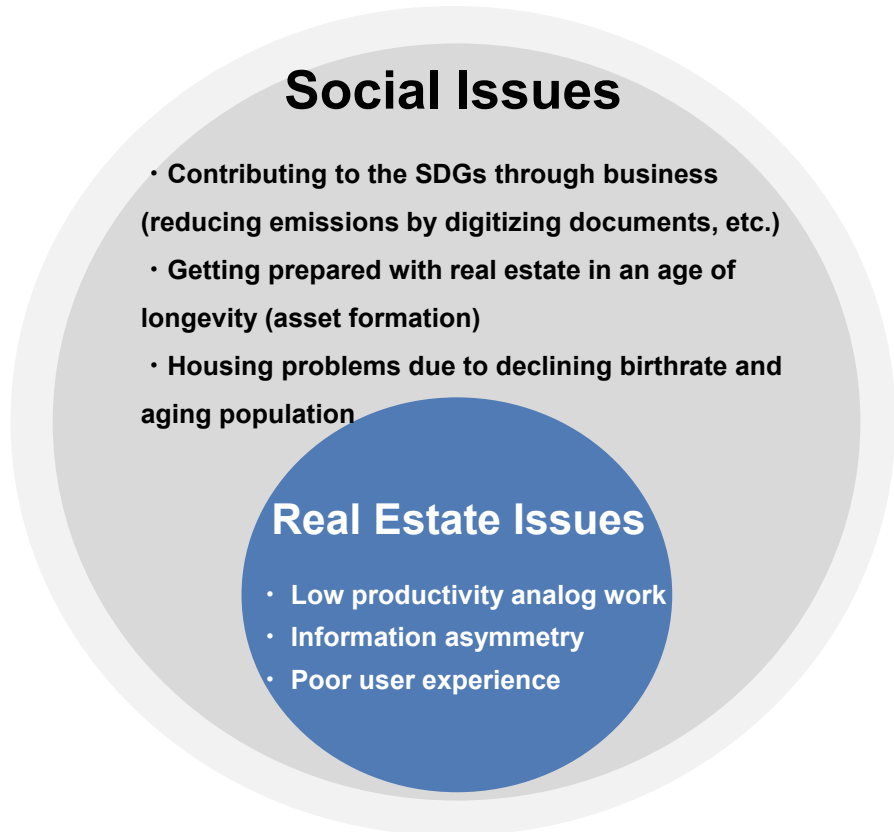
Overall	↗	Expansion of sales and market share except for new businesses, etc
RENOSY Marketplace Online transactions	↗	Continue to expand sales by continuously increasing the market share. Maintain and enlarge commission fees by direct procurement from property owners through Seller DX and expansion of 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 1-2 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

5. ESG / Sustainability

Issues Addressed By The GA technologies Group



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



5. ESG / Sustainability

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)

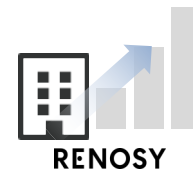


Contribution to sustainable urban development



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



5. ESG / Sustainability

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

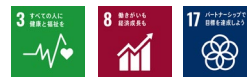


MORTGAGE GATEWAY

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

NIKKEI
Smart Work

★★★★ 2022

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



Efforts for ESG ~ Governance ~

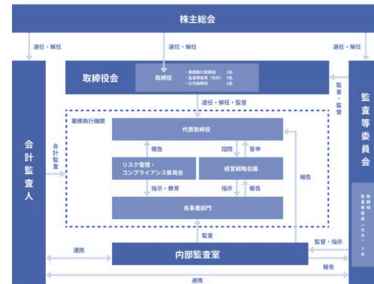
Creating new value through technology x innovation while managing with good governance

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**

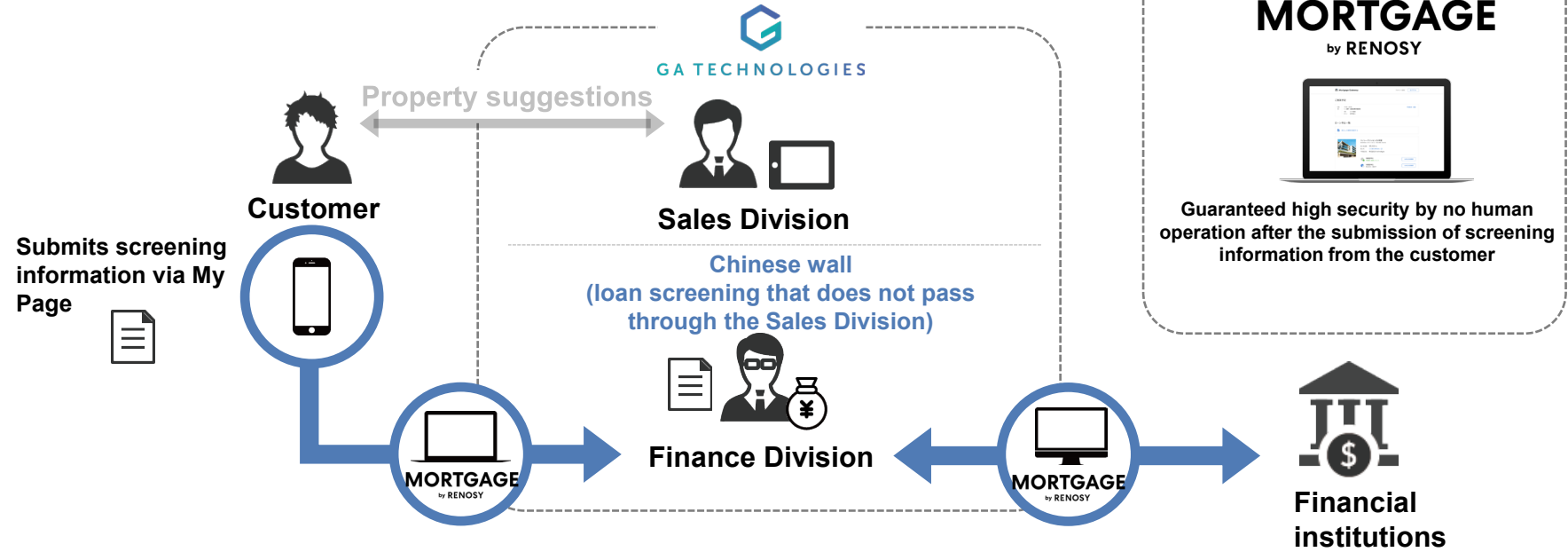
Response When Supporting Loan Screening

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



5. ESG / Sustainability

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



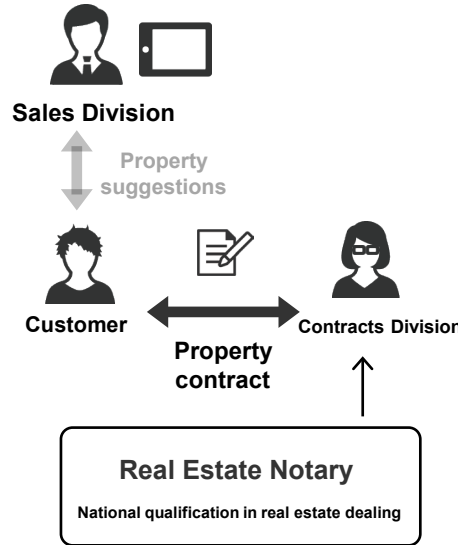
In addition, strengthening of training for Sales Division managers

Implemented once every 2 weeks

Also holding occasional compliance training

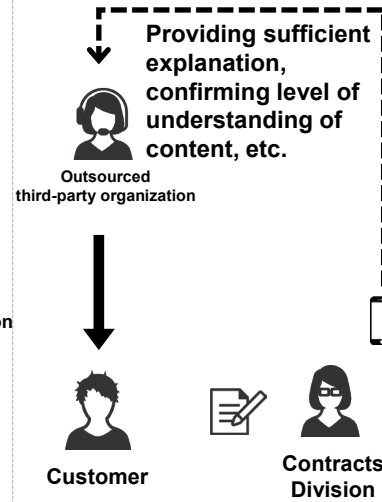
④

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



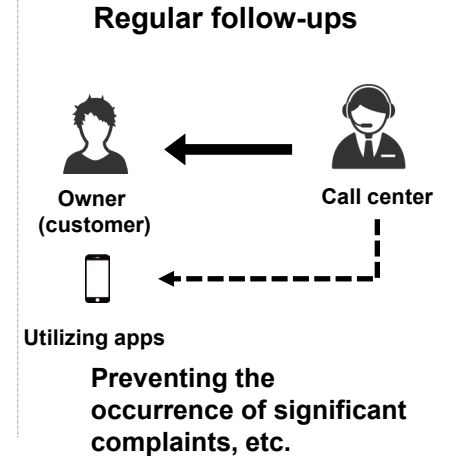
⑤

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



5. ESG / Sustainability

ESG Data

■ Environment ^{*1}

FY2022

Scope1 ^{*2}	0
Scope2 ^{*3}	384,542 (kg-CO2)
Scope1,Scope2 total	384,542 (kg-CO2)
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}	1,169 people
Number of full-time employees ^{*5}	967 people
Number of non-full-time employees ^{*6}	202 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) *6) Consolidated(part-time, internships, contract employees)

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

6. Perceived Risk and Countermeasures

6. Perceived Risk and Countermeasures

Perceived Risk①

Items	Major Risks	Potential of being actualized and timing	Revealed impact when actualized	Risk Countermeasures
About new COVID-19 infections	In the real estate industry, to which our group belongs, the spread of the COVID-19 could have a serious impact on our business, such as stagnation of sales activities due to reduced utilization by financial institutions and a decrease in the number of properties available for brokerage due to stagnation of sales by management companies.	Middle/ Unknown	High	We recognize that there is a reasonable possibility that such risks may actualize due to the spread of the COVID-19 infection. In order to reduce these risks, we are focusing on the promotion of DX with an awareness of long-term changes in the industry, including the early establishment of a non-personal sales system, strengthening of own media, and a DX shift in the leasing industry.
Business environment : About the real estate transaction market	In the real estate industry, to which our group belongs, is affected by trends in the real estate transaction market due to changes in economic trends, interest rate levels, land price levels, etc. Therefore, trends in the real estate transaction market may affect our clients' willingness to invest in real estate, which in turn may affect our group's business performance and the financial position.	Middle/ mid-to-long term	High	We recognize that there is a reasonable possibility that such risks may materialize due to a cooling down of the real estate transaction market. In order to reduce these risks, our Group monitors trends in the real estate market and strives to build a system that can respond flexibly to such trends.
Business Activities and Services Offered: About the competition	In the real estate industry, to which our group belongs, there are many competitors. If we are unable to differentiate ourselves sufficiently due to the entry of other companies into the market and competition intensifies, our business performance and financial position may be affected by price competition, a decrease in the number of sales, and an increase in procurement prices.	Middle/ mid-to-long term	High	We recognize that there is a reasonable possibility that such risks may materialize due to increasing competition. In order to reduce these risks, our Group is using "RENOSY," a comprehensive real estate platform utilizing IT, to differentiate itself from other companies. We intend to continue to strengthen our differentiation from other companies by improving the functions of "RENOSY" and other measures.
Business Activities and Services Offered : When the rental property is vacant	Our group provides a whole range of services, including leasing and management of investment properties that we have sold, and we have rent guarantee contracts with our clients who have purchased investment properties for a portion of such rental properties in the case of vacancies. Although our group has taken measures to reduce the vacancy rate, if vacancies increase, the cost of rent guarantees may increase, which may affect our group's business performance and financial position	low/ mid-to-long term	High	We believe that this risk is unlikely to materialize because the investment properties we sell are condominiums for single persons located close to train stations in major metropolitan areas in Japan, mainly Tokyo, but the risk may change in the future as the demographics of Japan change over the medium to long term. However, we consider that there is a possibility that such risks may change in the future as Japan's demographics change over the medium to long term. In order to reduce these risks, we are taking various measures, such as using AI technology to identify and sell investment properties with low vacancy risk and restore them to their original condition in a short period of time.
Business Activities and Services Offered : About Technological innovation etc.	The IT technology field in which RENOSY provides its services is rapidly advancing and if our group's technology or services were to lose competitiveness due to technological innovation beyond our group's expectations, our group's business performance and financial position could be affected.	low/ mid-to-long term	High	Although we always try to operate our business by introducing the most advanced IT technology to our services, we recognize that the direction and speed of technological progress in IT technology are difficult to predict and that there is a reasonable possibility that such risks will materialize. To reduce such risks, we take measures such as continuously hiring engineers with the latest technology and conducting continuous company training.
Business Activities and Services Offered : About Securing and training human resources	Since our group has both online and actual operations, we recognize that hiring and training excellent personnel for future business expansion and securing the number of personnel needed for business growth are critical issues. However, there is a possibility that we may not be able to secure the necessary human resources, or that the human resources we have trained may not be able to fully contribute to our group's business. In such cases, our group's business performance and financial position may be affected.	low/ mid-to-long term	High	We recognize that there is always a certain degree of possibility that such risks may occur, and that if such risks do occur, they will have a commensurate impact on the growth of our group in particular. In order to reduce these risks, Our group's policy is to actively recruit personnel from a wide range of employment channels and to develop human resources through training programs and other means.

* For other risks, please refer to "Business and Other Risks" in the Securities Report.

6. Perceived Risk and Countermeasures

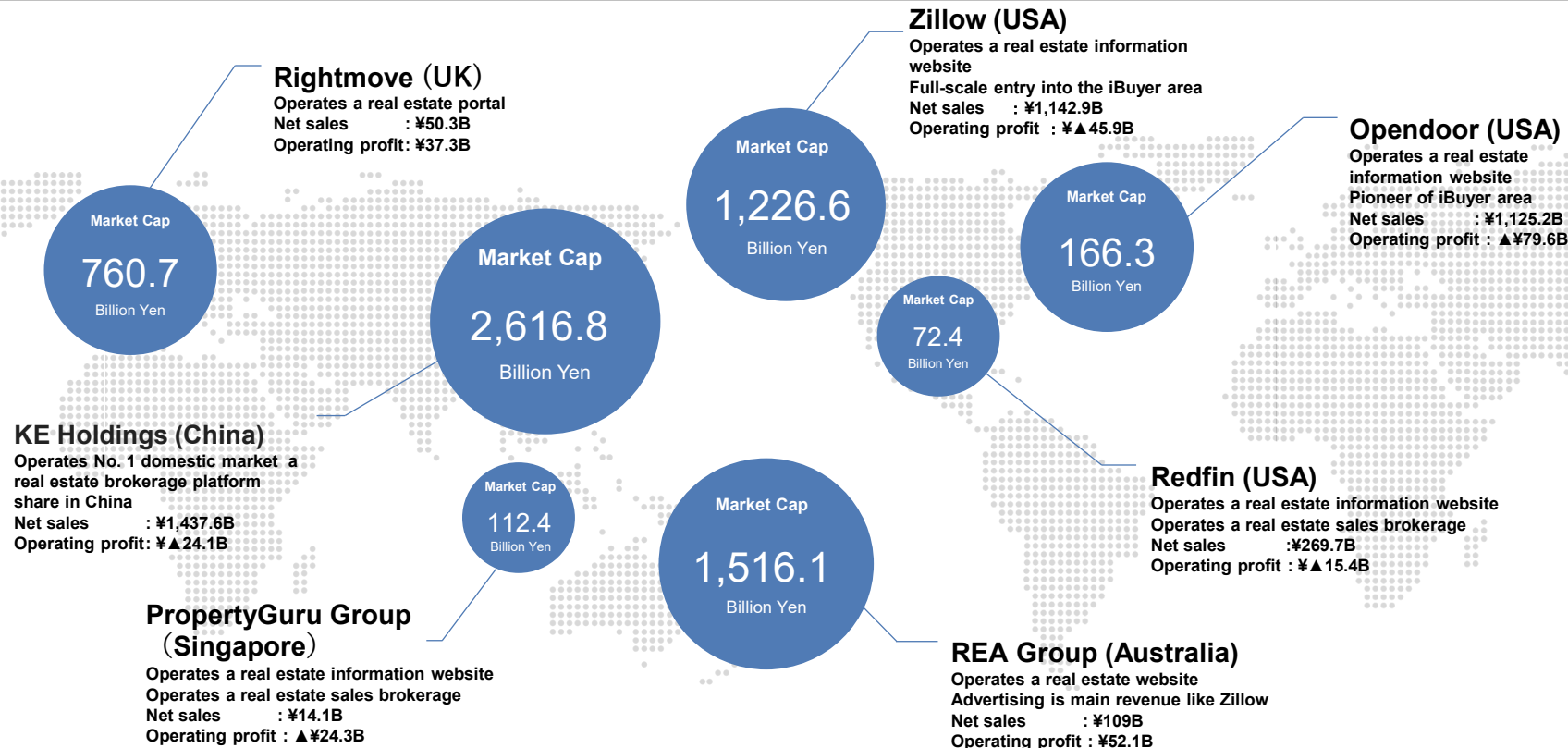
Perceived Risk⁽²⁾

Items	Major Risks	Potential of being actualized and timing	Revealed impact when actualized	Risk Countermeasures
Business activities and services offered : About legal regulations	<p>In the real estate industry, to which our group belongs, is subject to legal regulations such as the "Real Estate Brokerage Act," "Construction Business Act," "National Land Use Planning Act," "Building Standards Act," "City Planning Act," "Act on Building Unit Ownership, etc." and "Act on Proper Management of Rental Housing, etc." etc. Our group is committed to complying with these legal regulations. Although our group strives to comply with these legal regulations, the occurrence of legal violations or the enactment of new laws or amendments to laws and regulations could restrict the Group's business activities and affect the Group's operating results and financial position. In addition, our group has obtained the following permits and licenses in the course of conducting business activities, and there are currently no reasons for the revocation of any of these permits or licenses. However, should these permits or licenses be revoked for any reason in the future, the Group's business performance and financial position could be affected.</p>	<p>low/ mid-to-long term</p>	<p>High</p>	<p>The Legal Division leads the company's efforts to comply with various legal regulations, and the Risk Management and Compliance Committee promotes risk management and compliance plans. Therefore, we consider the likelihood of such risks materializing to be low. However, we recognize the risk of legal infringement as an extremely important risk that could lead to extremely serious problems. In order to reduce such risks, the Legal Department is constantly updating itself on revisions to laws and regulations of each company, and at the start of new businesses, the Legal Department has established a system of compliance checks and checks in cooperation with outside attorneys to prevent violations of law and other regulations. In addition, the Legal Department plays a central role in regularly conducting compliance training related to each department and group company to raise awareness of compliance within the Group.</p>
Business activities and services offered : About information management	<p>The Group holds personal information of its members and owners and is subject to the "Act on the Protection of Personal Information". In addition, RENOSY X Co., Ltd. develops systems on order and provides services to financial institutions, and is required to establish and operate a system that complies with the "FISC (Financial Information Systems Center)" security standards. If such information were leaked for any reason, the RENOSY Group's business performance and financial position could be affected due to loss of trust, suspension of transactions, claims for damages, etc.</p>	<p>low/ mid-to-long term</p>	<p>High</p>	<p>Our group has established and is operating a personal information protection management system, and its subsidiaries that develop systems have established and are operating a management system that satisfies the FISC security standards and ISO27001. Although the likelihood of such risks materializing is low, we recognize the possibility of an extremely serious problem if an information leak were to occur. Our group has acquired Privacy Mark and ISMS certifications, and is taking measures to continuously educate employees on the importance of handling various types of information through in-house training and other means.</p>
M&A	<p>Our group's policy is to continue to conduct mergers and acquisitions as necessary when it is an effective means of continuously increasing corporate value or when significant synergistic effects can be expected, such as establishing superiority in the market in a short period of time. However, if there are inadequacies in the research and considerations, or if there are significant changes in the market environment or competitive environment after the acquisition, the acquired business may not develop as planned, or the invested funds may not be recovered, and goodwill impairment or additional expenses may be incurred. In such cases, the group's performance, growth prospects, and business development may be significantly affected.</p>	<p>low/ mid-to-long term</p>	<p>High</p>	<p>As our group continuously conducts M&A, we recognize that there is a small possibility that such risks may materialize. In accordance with investment management regulations, our group thoroughly examines market trends, customer needs, other company's performance, financial condition, technological superiority, market competitiveness, and our group's business portfolio of the counterparty company, etc. In addition, the Investment Committee is held to select investment targets, determine research policies, and conduct research and examination in making investment decisions. The Company recognizes that such risks can be reduced by holding investment committee meetings to select investment targets, determine research policies, and conduct research and examination in making investment decisions.</p>

* For other risks, please refer to "Business and Other Risks" in the Securities Report.

7. Appendix

7. Appendix

Market Scale of Proptech ^{*1)}

Notes:

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

7. 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)	100%	2018.11	Providing property management, customer success, renovation and other services for property owners and tenants
	Shenjumi-aosuan Co., Ltd.	100%	2020.9	Provides an operating website for "Shenjumi-aosuan," 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

7. Appendix

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
No. of properties held by RENOSY owners	Sumitomo Mitsui Fudosan Used Condominium Exclusive Area Trends June 2016 : https://smtrc.jp/useful/knowledge/market/2016_06.html
No.1 in real estate investment	*3) FY2022.10 Number of properties held by RENOSY owners
Annual income of 5 million yen+	*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.
Financial assets of 50 million yen+	*5) Source: National Tax Administration Agency, Results of the Private Sector Salary Survey, FY2020 data compiled by the Company.
RENOSY members	*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
No.1 for number of digital applications	*7) FY2022.10 Number of RENOSY members
No. of managing house	*8) Survey time period: April 1, 2021-March 31, 2022. Survey by: TPC Marketing Research Corp.
No. of rental agency contracts annually	*9) Totals from the 2016 Economic Census for Business Activity survey results, Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry 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

7. Appendix

Company Overview

Established	March 12, 2013
Head Office	40F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo
Capital	7, 2 3 8, 7 9 8, 4 6 6 Yen (October. 31, 2022)
Number of employees*1	967 People (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),</p> <p>Saori Sato (outside)</p>

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.

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The next update of this material is scheduled for December 2023.

Progress of KPI for each business will be updated in the financial results presentation material.