

2023

Third Quarter of FY06/2023
Materials for Financial Results Briefing
May 15, 2023 (Mon.)

TSE Growth: 3300

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**Financial results overview
3Q of FY06/2023(company-wide)**

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Section 1

Financial results overview

3Q of FY06/2023
(company-wide)

Higher revenues / Much higher earnings (YoY)

Company-wide results

Point
01

Much higher revenues/earnings

- **Net sales : 23.6% UP**
(3Q/FY2022) 22,570 mil. yen (3Q/FY2023) 27,896 mil. yen
(+/- amount) 5,325 mil. yen
- **Operating profit : 29.4% UP**
(3Q/FY2022) 1,178 mil. yen (3Q/FY2023) 1,525 mil. yen
(+/- amount) 346 mil. yen
- **Ordinary profit : 40.0% UP**
(3Q/FY2022) 1,037 mil. yen (3Q/FY2023) 1,451 mil. yen
(+/- amount) 414 mil. yen

Point
02

Company-wide

- **Business reform by promoting DX** is underway
- Around the next-generation management system “**AMBITION Cloud**”, DX for Leasing DX Property Management Business segment is preferentially promoted

Point
03

【Leasing DX】 Property Management Business

- **Net sales : 13.7% UP**
- **Number of houses under management : PLUS 1,404**
- **Occupancy rate : 98.2%**

Point
04

【Leasing DX】 Leasing Brokerage Business

- 16 directly-run shops + 19 bases partnered with membership-based shared offices
- Measures for attracting guests were carried out including enhanced non-face-to-face services such as those via WEB by strengthened advertising strategies, remote customer services and electronic contract

Point
05

【Sales/Purchase DX】 Investment Business

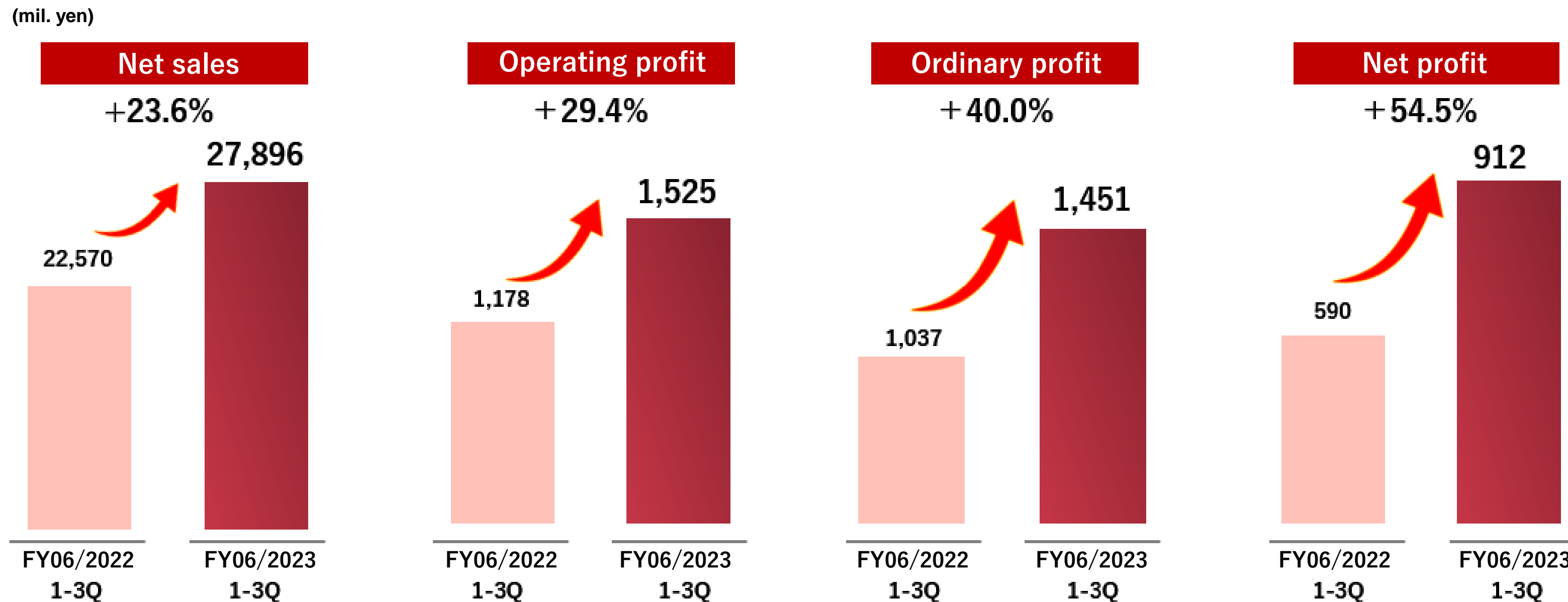
- **Actual results were as planned**
- **In total, 317 properties were sold.**

Higher revenues / Much higher earnings

Corporate policy of FY06/2023 “Reform of existing businesses by promoting DX and growth of Real Estate DX Business”

(mil. yen)	FY06/2022 1-3Q	FY06/2023 1-3Q	+/- %	+/- amount
Net sales	22,570	27,896	23.6%	5,325
Operating profit	1,178	1,525	29.4%	346
Ordinary profit	1,037	1,451	40.0%	414
* Net profit attributable to owners of parent	590	912	54.5%	321

* Net profit attributable to owners of parent



Key factors

【Leasing DX】 Property Management Business

Increase in subleased houses under management:

24,919 (+1,404 YoY)

Increase in subleased houses under management:

13,943 (+801 YoY)

Improved productivity thanks to DX measures

【Sales/Purchase DX】 Investment Business

Increased number of houses sold: 317

VERITAS: 245 (+57 YoY)

Investment Division of AMBITION DX HD: 72 (+7 YoY)

Much higher revenues/earnings

(mil. yen)	FY06/2022 1-3Q actual	FY06/2023 1-3Q actual	+/- %	+/- amount
Net sales	22,570	27,896	+23.6%	+ 5,325
Gross profit	4,569	5,210	+ 14.0%	+ 640
SG&A expenses	3,391	3,685	+8.7%	+ 294
EBITDA*	1,371	1,735	+ 26.5%	+ 364
Operating profit	1,178	1,525	+ 29.4%	+ 346
Ordinary profit	1,037	1,451	+ 40.0%	+ 414
Net profit before income taxes and minority interests	995	1,455	+ 46.1%	+ 459
Net profit attributable to owners of parent	590	912	+ 54.5%	+ 321

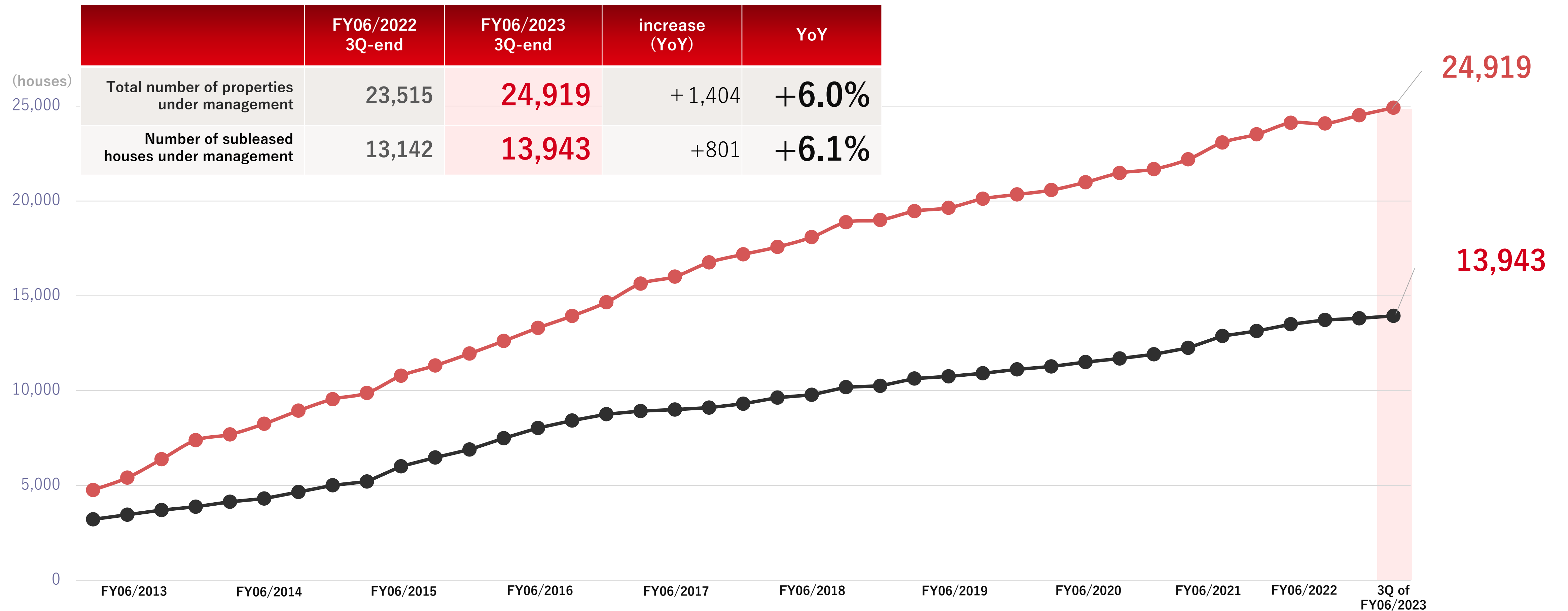
* EBITDA = Operating profit + Depreciation + Software depreciation + Goodwill amortization

Balance Sheet

(mil. yen)	FY06/2022 year-end	FY06/2023 3Q actual	+/- amount
Current assets	13,679	13,839	+ 159
Non-current assets	3,354	5,387	+2,033
Deferred assets	2	2	0
Total assets	17,036	19,229	+2,193
Current liabilities	6,727	8,254	+ 1,526
Non-current liabilities	6,564	6,472	-92
Net assets	3,744	4,502	+758
Total liabilities and net assets	17,036	19,229	+2,193

Number of houses under management continues to increase favorably

Trend in numbers of houses/subleased houses under management:

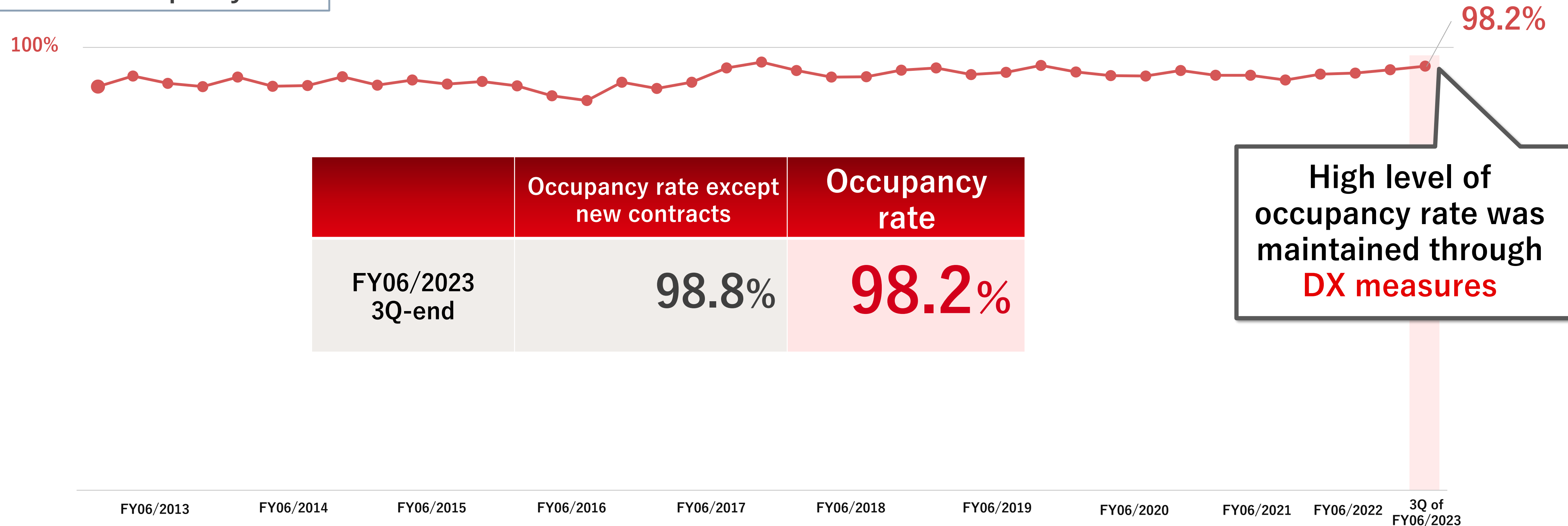


High level of occupancy rate was maintained

【Features】

- Properties under management: Mainly high-quality studio apartments such as designer’s brand
- Areas: Concentrated in Tokyo (mainly 23 wards) & Kanagawa/Chiba/Saitama Prefectures
- Target: Mainly single-person households

Trend in occupancy rate



High level of occupancy rate was maintained through DX measures

Section 2

Financial results overview

3Q of FY06/2023
(by segment)

Five business segments

【Leasing DX】
Property Management Business

【Leasing DX】
Leasing Brokerage Business

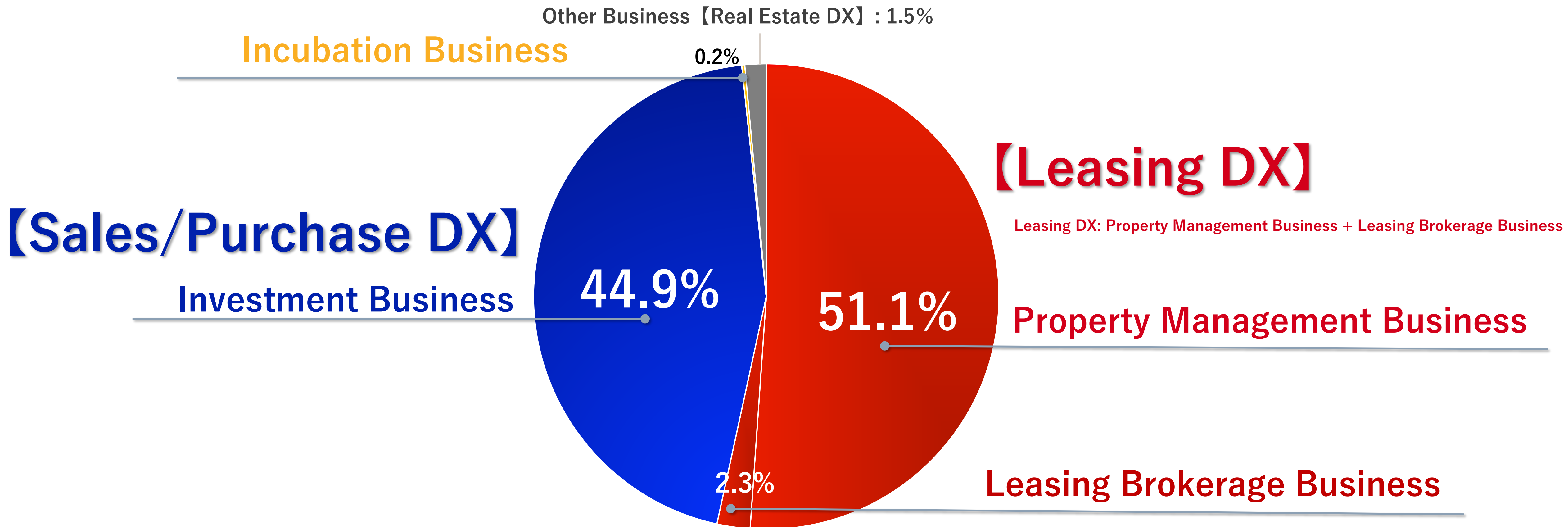
【Sales/Purchase DX】
Investment Business

Incubation Business

【Real Estate DX】
Other Business

- ◆ **Subleasing** business and **leasing management** business for residential properties
- ◆ Next-generation management system “**AMBITION Cloud**” realizes higher operational efficiency
- ◆ **Brokerage business for leased properties**, mainly those managed by the Company
- ◆ **AMBITION AGENCY Co., Ltd.** (which operates “**ROOMPIA**”) and **VALOR Co., Ltd.** (which operates “**VALOR**”), both of which are subsidiaries, run **total 16 shops**: 7 in Tokyo, 8 in Kanagawa Pref. and 1 in Saitama Pref.
- ◆ **High leasing ability** of this segment contributes to the high occupancy rates maintained by the Property Management Business
- ◆ **VERITAS INVESTMENT** (subsidiary): Develops its business around **selling self-developed studio apartments for investment in new building**
- ◆ **Investment Division** of the Company: By means of its ability to purchase properties from diverse routes, **sells renovated condominium apartments** with emphasis on location
- ◆ **AMBITION VENTURES** (subsidiary):
- ◆ Invests in **venture companies which carry out businesses highly compatible with those of the Group**
- ◆ Provides **support to invested companies through capital tie-up**, leading to **earnings via IPO or other means**
- ◆ **Real Estate DX Business (Re-Tech RaaS)** ◆ **Small Amount Short-term Insurance Business (HOPE)**
- ◆ **Overseas Systems Business (AMBITION VIETNAM)**

Sales by **【Leasing DX】** segments exceed 50%



1-3Q of FY06/2023

【Leasing DX】

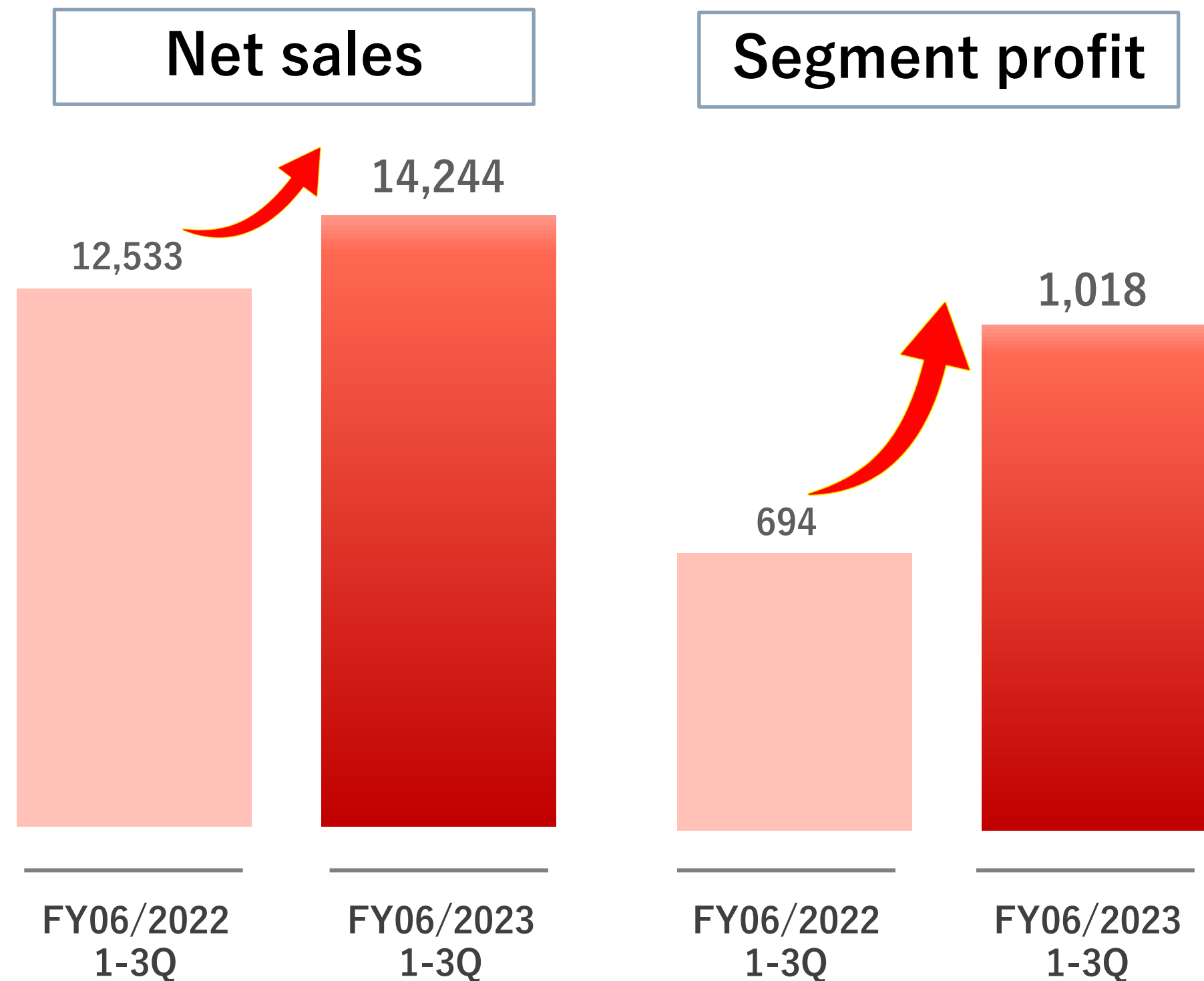
Property Management Business

**Developed mainly by the Business Division of the Company
but also partly by VERITAS INVESTMENT and VALOR**

Higher revenues / Much higher earnings

(mil. yen)	FY06/2022 1-3Q	FY06/2023 1-3Q	+/- %	+/- amount
Net sales	12,533	14,244	13.7%	1,711
Segment profit	694	1,018	46.7%	323

(mil. yen)



Higher revenues: Increased number of houses under management
Higher earnings: DX measures realized higher productivity

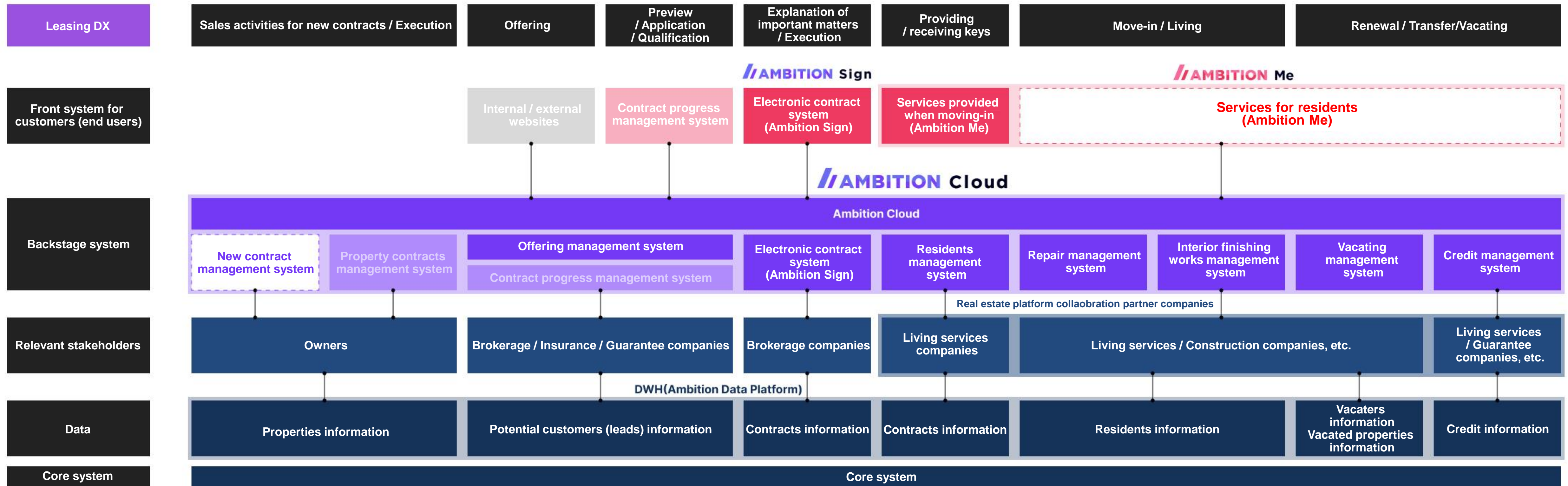
【KPI】 Maintained steady progress

- Houses under management: 24,919 (+1,404 [6.0%] YoY)
- Subleased houses under management: 13,943 (+801 [6.1%] YoY)
- Occupancy rate: **98.2%** (98.8% if newly contracted properties are excluded)
DX promotion realized high level of occupancy rate

【Major approaches】

Realization of next-generation management system named “AMBITION Cloud” (which facilitates higher operational efficiency)
“AMBITION Sign”, an electronic contract package using blockchain technologies
“AMBITION Me”, an app for residents, aiming at improvement in ongoing relationship with residents

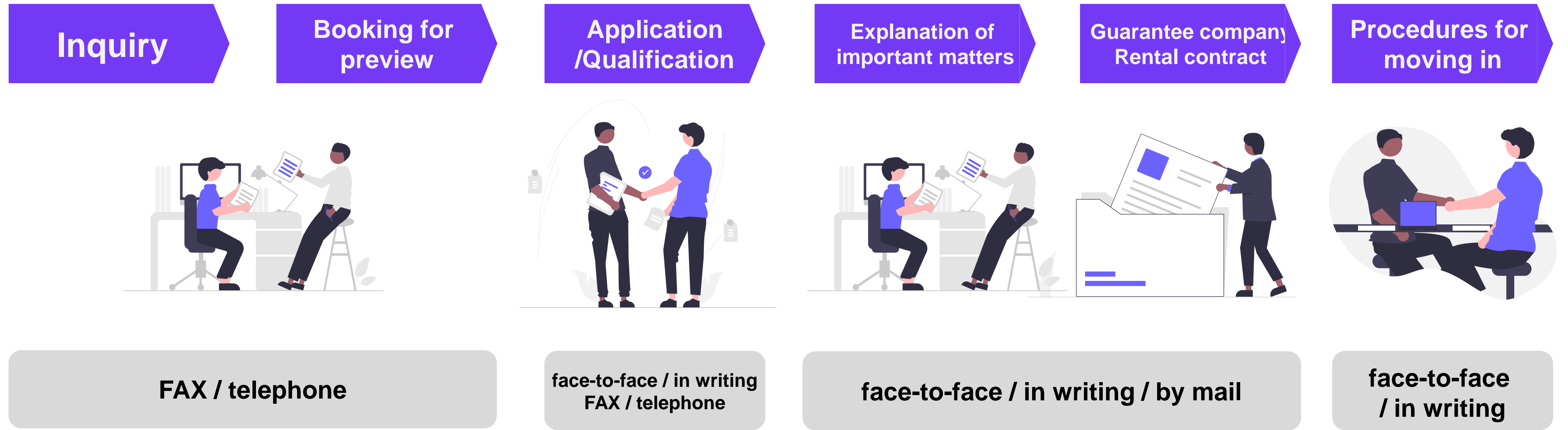
Overview of the blockchain-enabled real estate DX, “AMBITION Cloud”



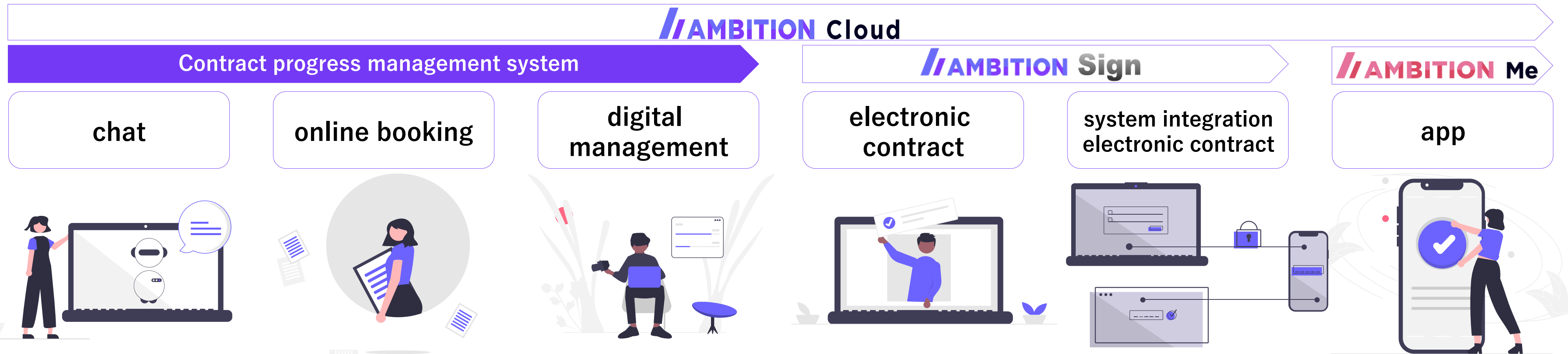
 System services currently under planning/development

Paperless process from inquiry through to move-in

Past

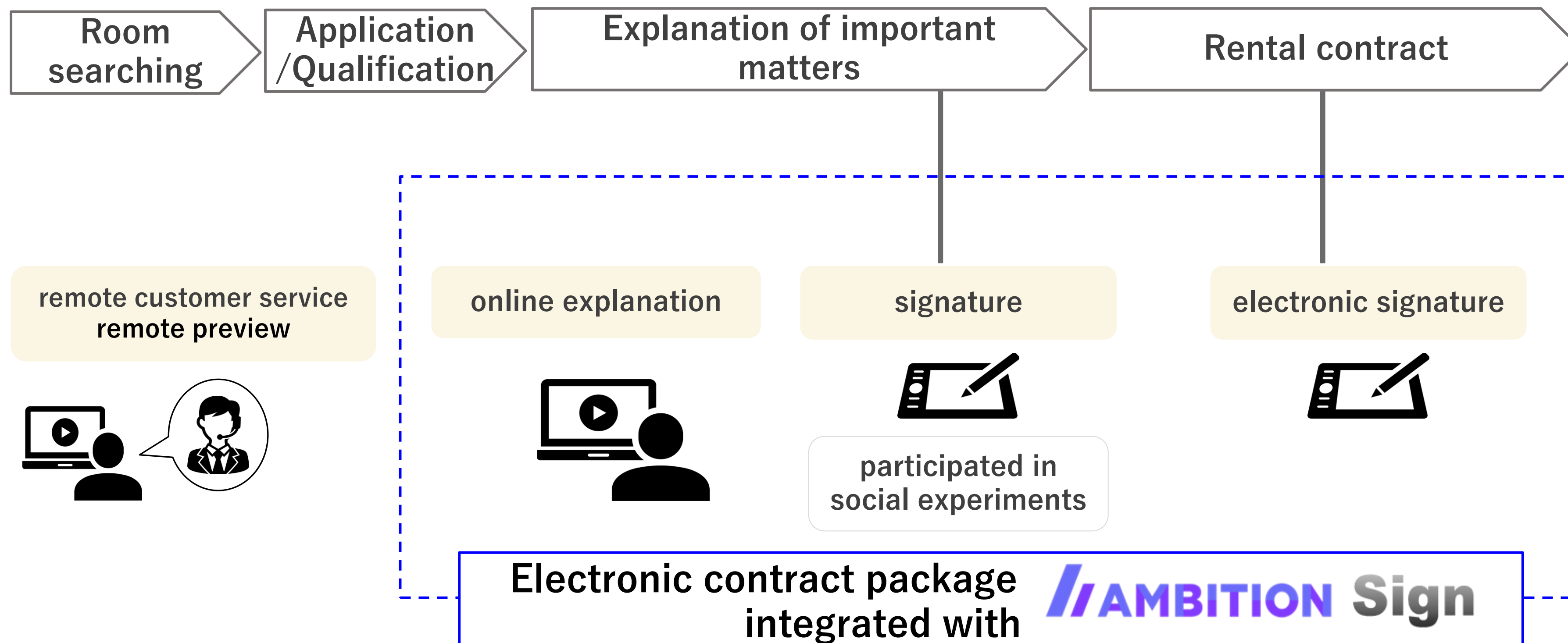


AMBITION DX
HOLDINGS
【Leasing DX】



Electronic contract package using blockchain technologies

Electronic contracts increased to about 1.7 times larger (from Aug. 2022 to Mar. 2023)



AMBITION Sign

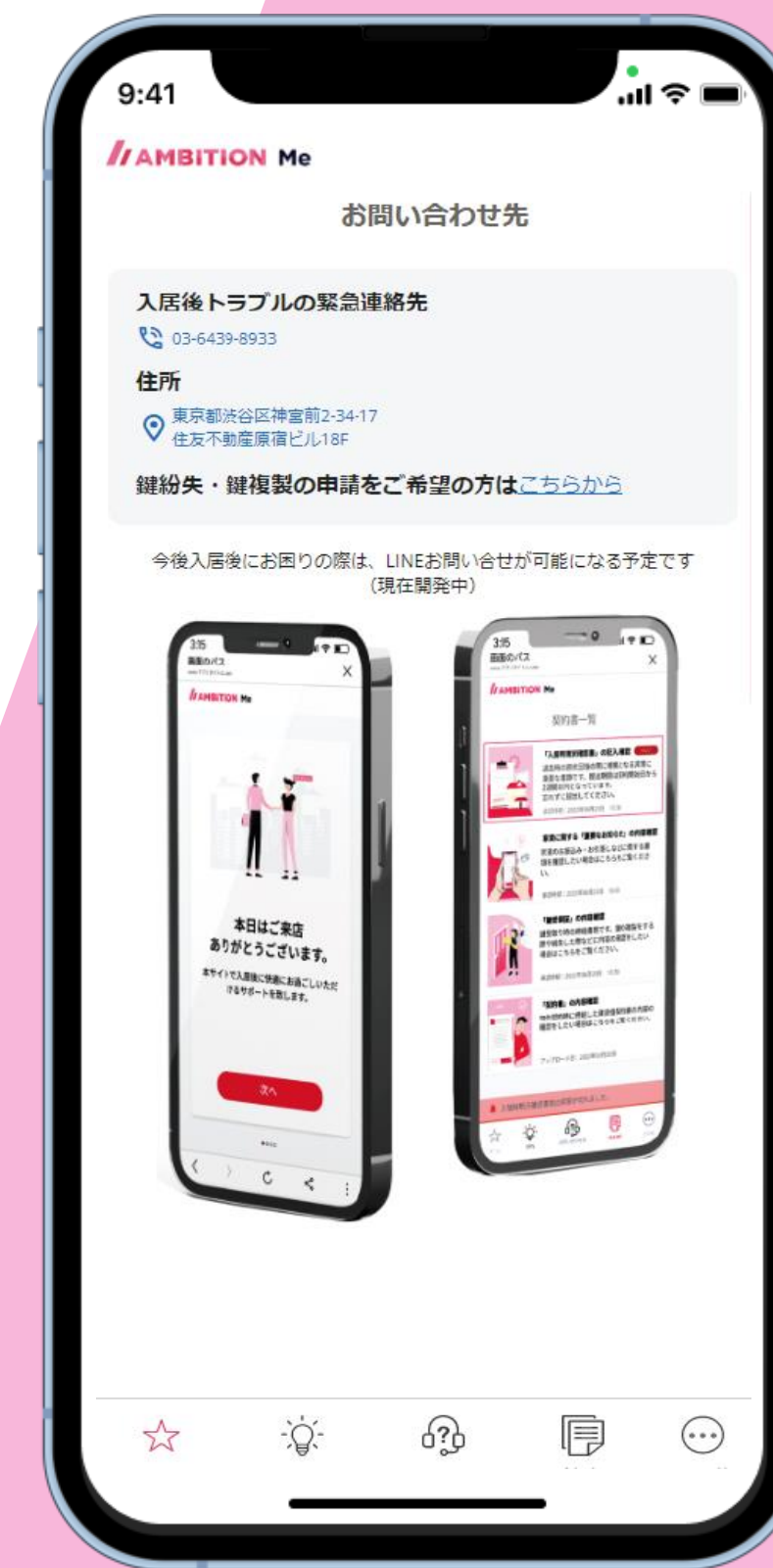


Amendments to Electronic Contracts Act (effective from May 18, 2022)
To be released from Re-Tech RaaS (subsidiary) during the current FY
The Group's operational performance will be enhanced.

Living platform used by residents can be built up.
When moving in, contracts for essential services including living infrastructure can be executed immediately.

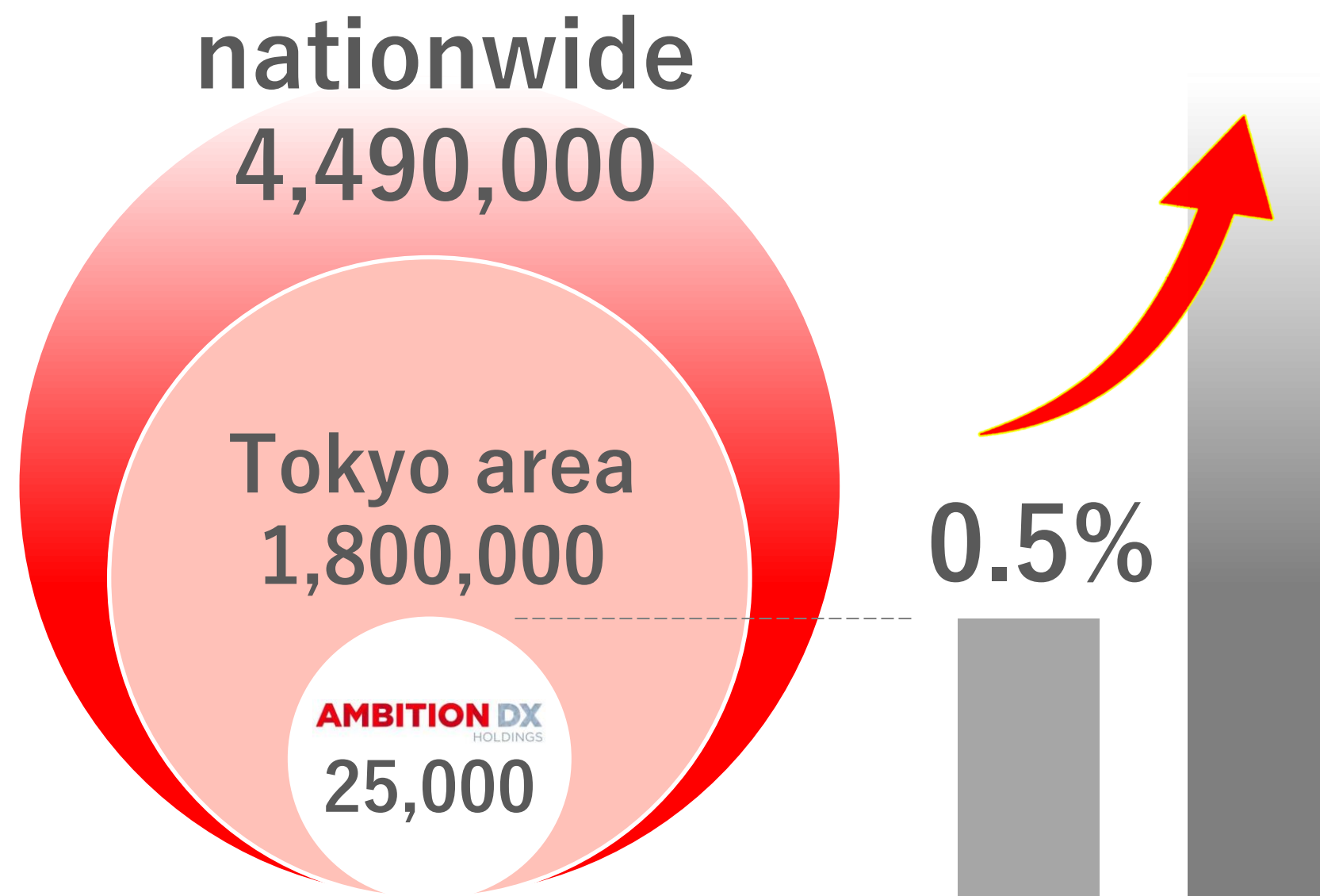
AMBITION Me

- From move-in, then through contract renewal up to vacating, this app keeps connections with residents as a touchpoint with them.
- Moving forward, it will be integrated with a variety of living-related services such as online healthcare, utilities (electricity/gas/water), insurance, etc.
- Objectives of introducing a loyalty program are to improve ongoing relationship with residents and to maximize their LTV (Lifetime Value).

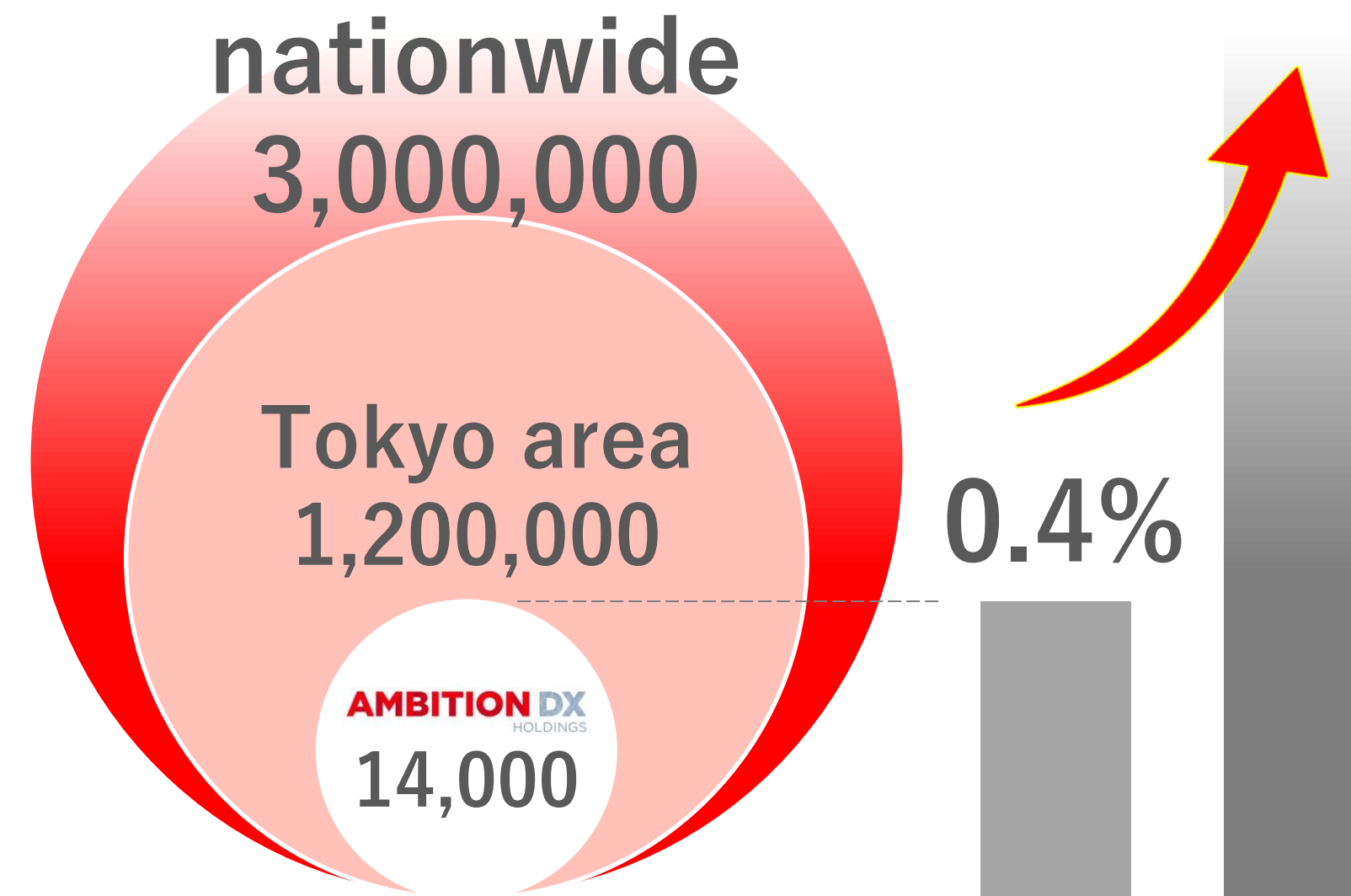


Promising market (Tokyo metropolitan area)
with potential for further growth

outsourced management*1



Subleased*2



Points of the market

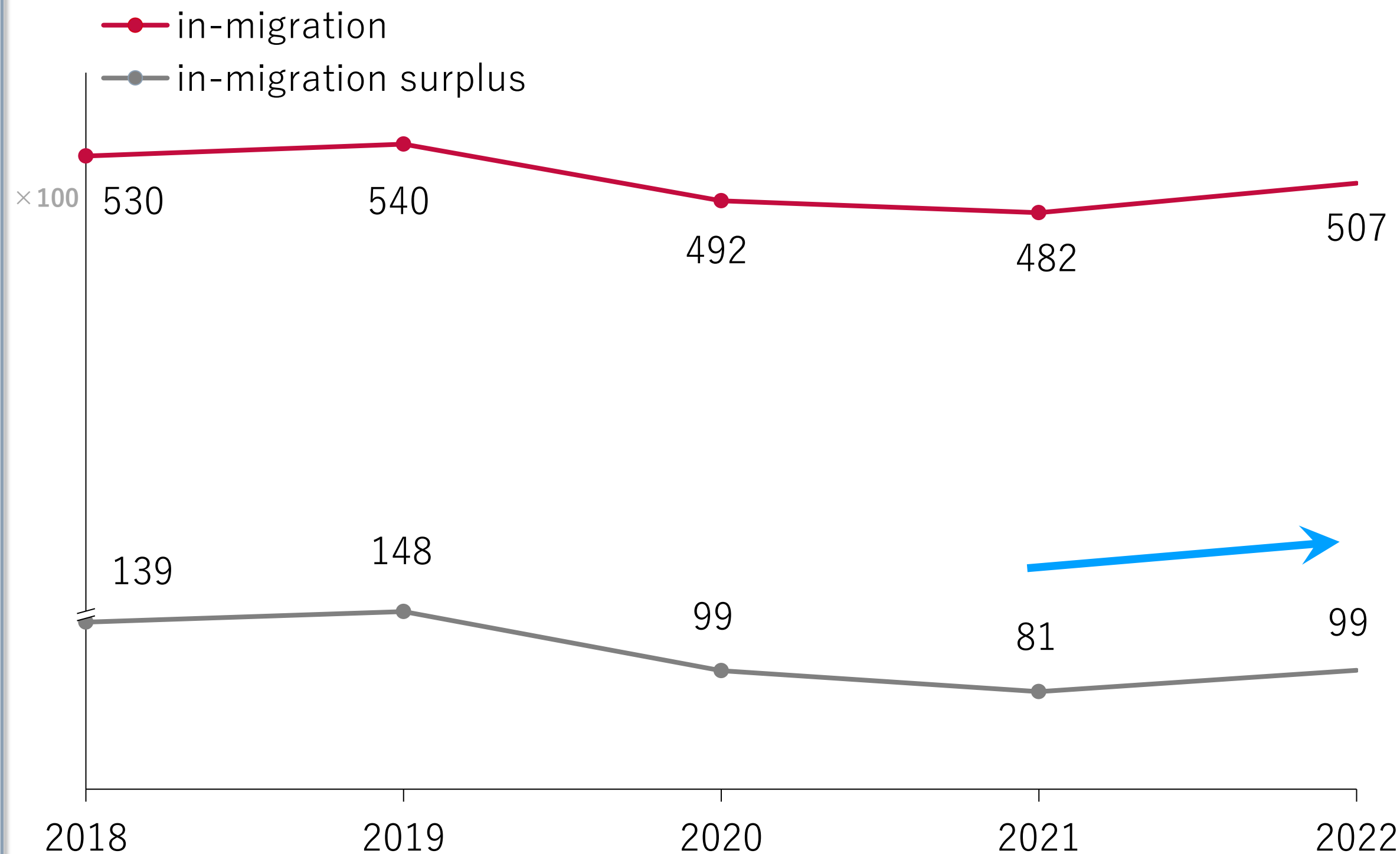
- The Company targets principally at outsourced management / subleased properties markets around Tokyo area
- These markets have potentials for further growth due to continuous concentration of population in central Tokyo
- The Company remains focused on obtaining new properties above the industry's average

*1 MLIT, *Real Estate Industry Vision 2030* (references collection)

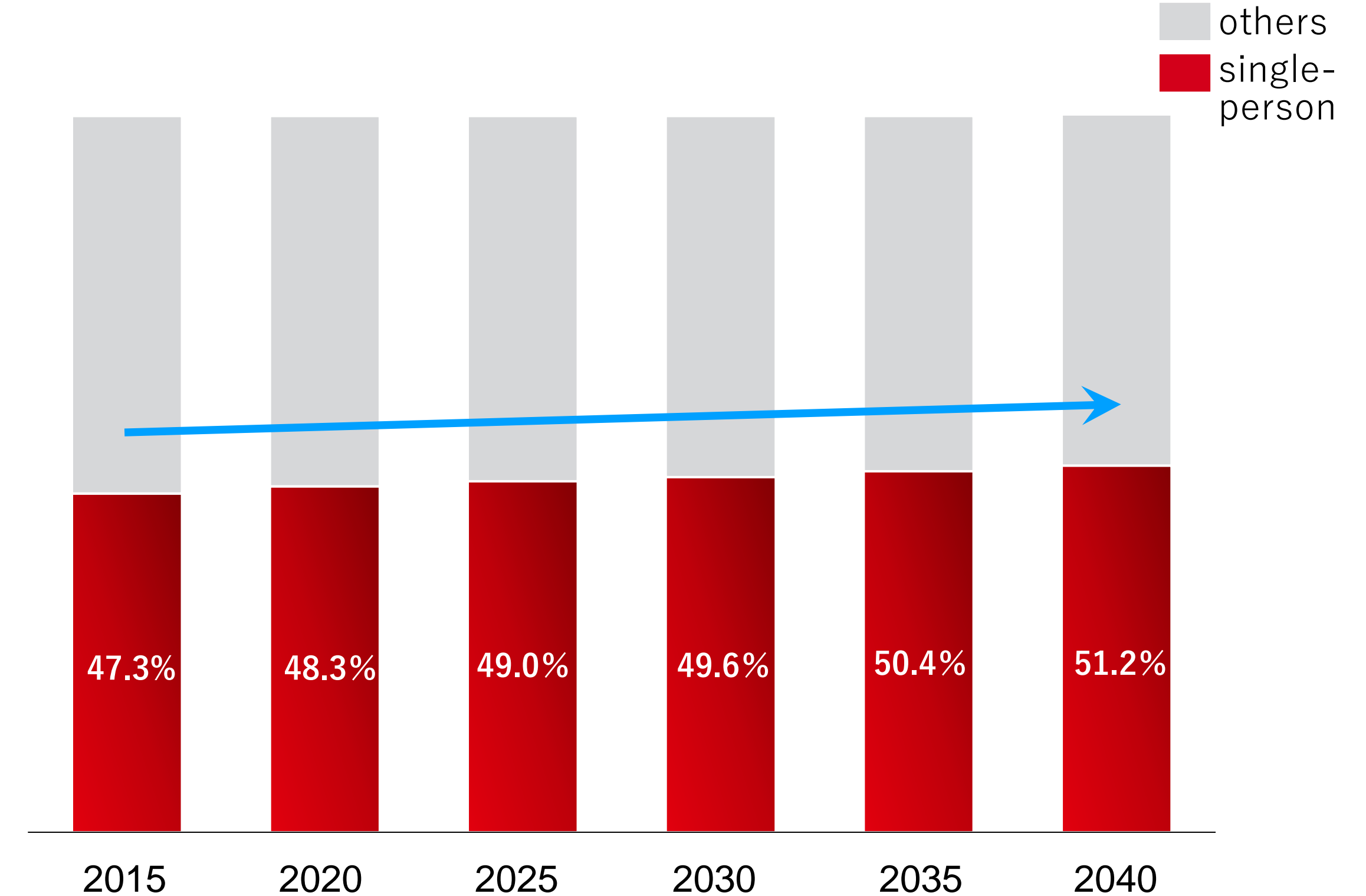
*2 MLIT: Suggestions for the future of rental housing management industry (draft), calculated based on the percentages of registered business entities in Tokyo and surrounding three prefectures

The Company has advantages for the market of “Tokyo area × single room” which has great potential for further growth

Out target: Tokyo area (Tokyo and neighboring three prefectures)
In-migration surplus has gradually recovered to pre-COVID-19 era
 (trend in the numbers of in-migration and in-migration surplus in Tokyo area *1)



In Tokyo, single-person households will continue to increase
 (trend of shares of single-person households in Tokyo*2)



*1 MIC, Annual Report on Internal Migration in Japan, 2022 Edition

*2 Forecasted number of households in Tokyo

【Leasing DX】

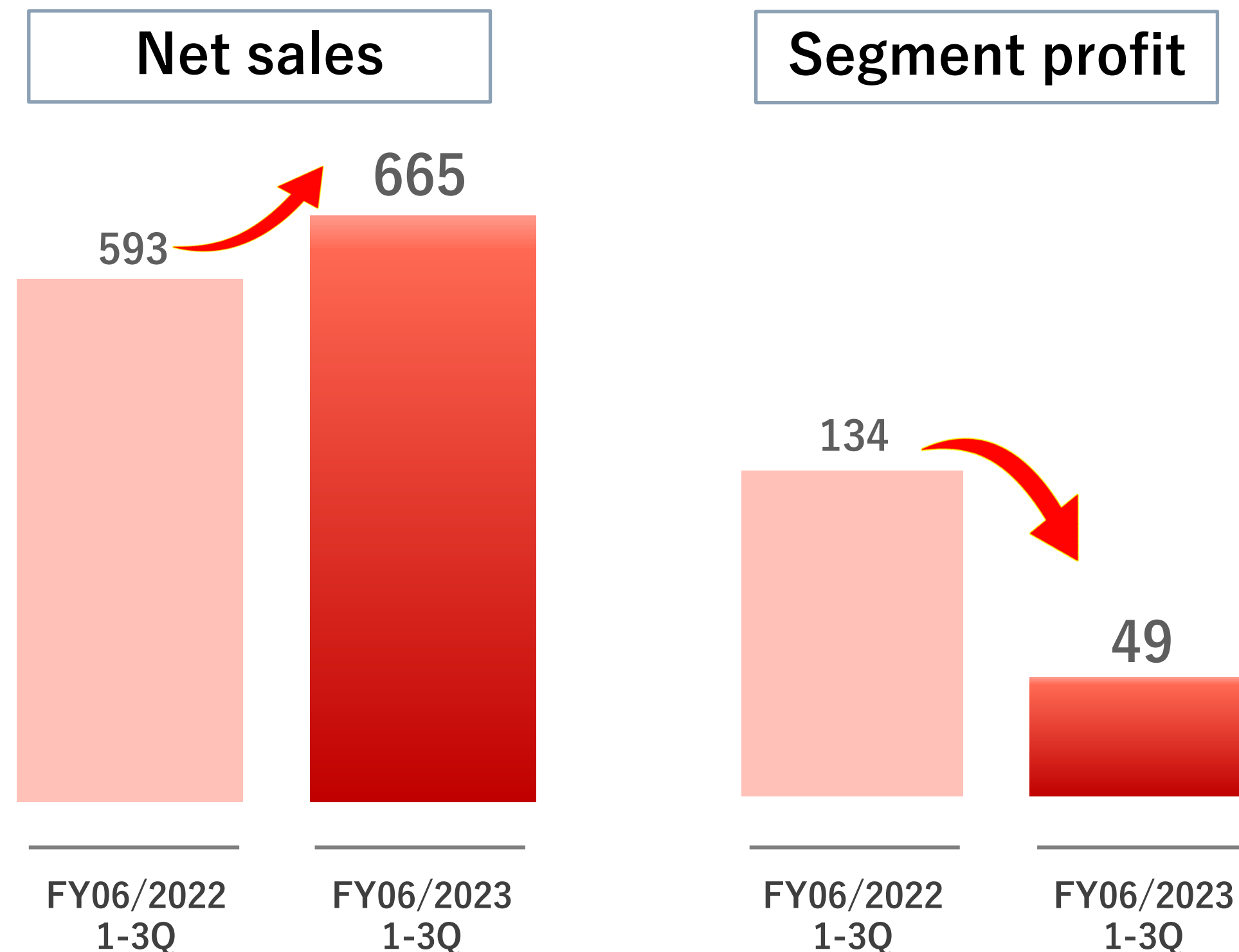
Leasing Brokerage Business

**Undertaken by AMBITION AGENCY, VALOR,
as well as AMBITION RENT and AMBITION PARTNER**

Higher revenues / Lower earnings

(mil. yen)	FY06/2022 1-3Q	FY06/2023 1-3Q	+/- %	+/- amount
Net sales	593	665	12.1%	71
Segment profit	134	49	-63.4%	-85

(mil. yen)



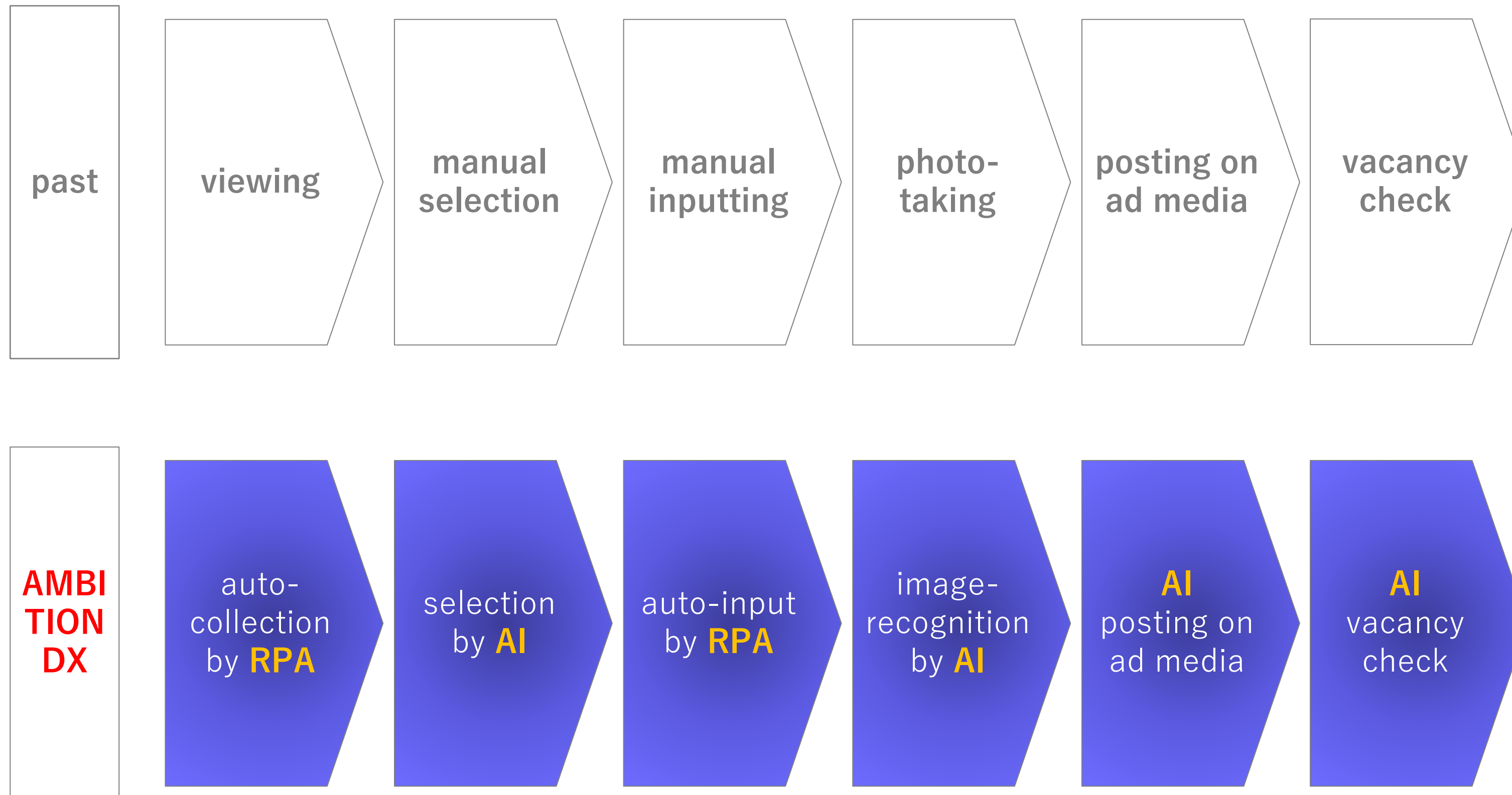
- Making use of an AIxRPA tool named “RAC-TECH” continuously contributed to downsizing of personnel for inputting work and increase in the number of response, as well as higher net sales.
- Measures for attracting guests including enhanced non-face-to-face services such as those via WEB by strengthened advertising strategies, remote customer services and electronic contract
- **These measures and HR investment** led to higher net sales, but revenues decreased

【Features】

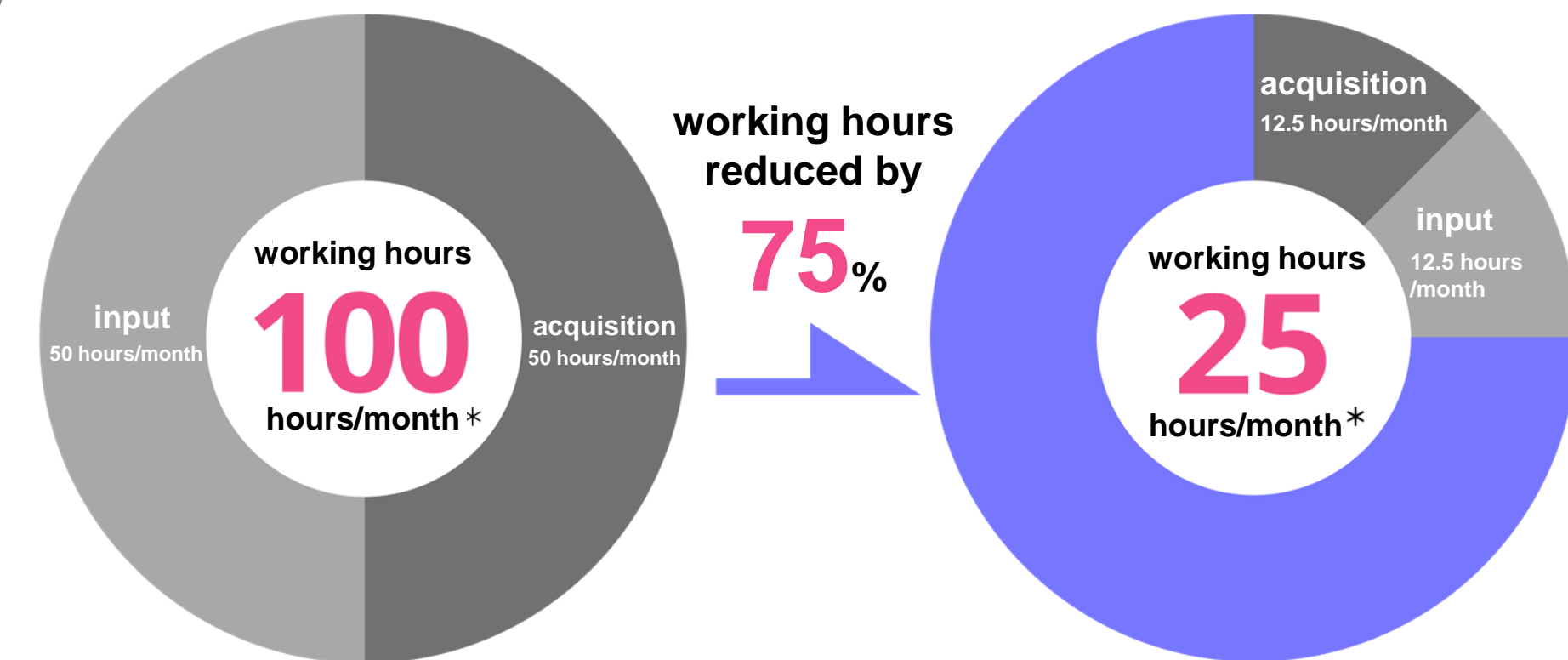
- Under the trade names of “ROOMPIA” and “VALOR” (respectively run by AMBITION AGENCY and VALOR which are subsidiaries), 16 shops in total are run: 7 in Tokyo, 8 in Kanagawa Pref. and 1 in Saitama Pref.
- High leasing ability of this segment contributes to the high occupancy rates maintained by the principal Property Management Business

Conventional **manual** work of inputting properties information could be **automated** by AIxRPA

Operational process through to posting properties information



ラクテック RAC-TECH Auto-input



* Assuming 15 pieces of information in a day, and 20 days per month

ラクテック RAC-TECH Auto-input

Numbers of both users and contracts increased

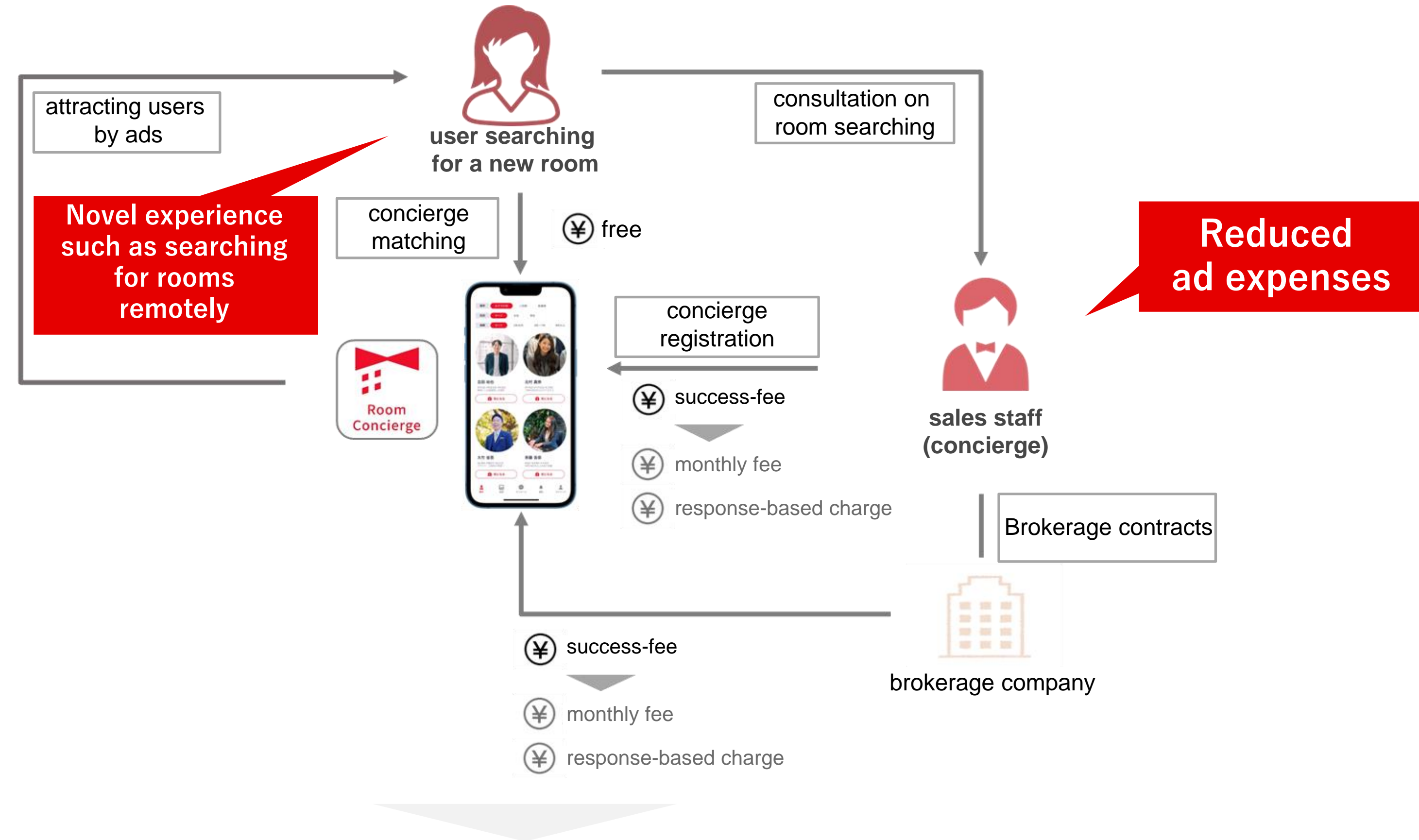
Matching application which connects users searching for new rooms with a room concierge (sales person for real estate brokerage)
“Room Concierge”



improved
UI/UX



Numbers of downloads and room concierges are increasing!



Novel experience such as **searching for rooms remotely!**

【Sales/Purchase DX】 Investment Business

Undertaken by VERITAS INVESTMENT and by Investment Division of the Company.

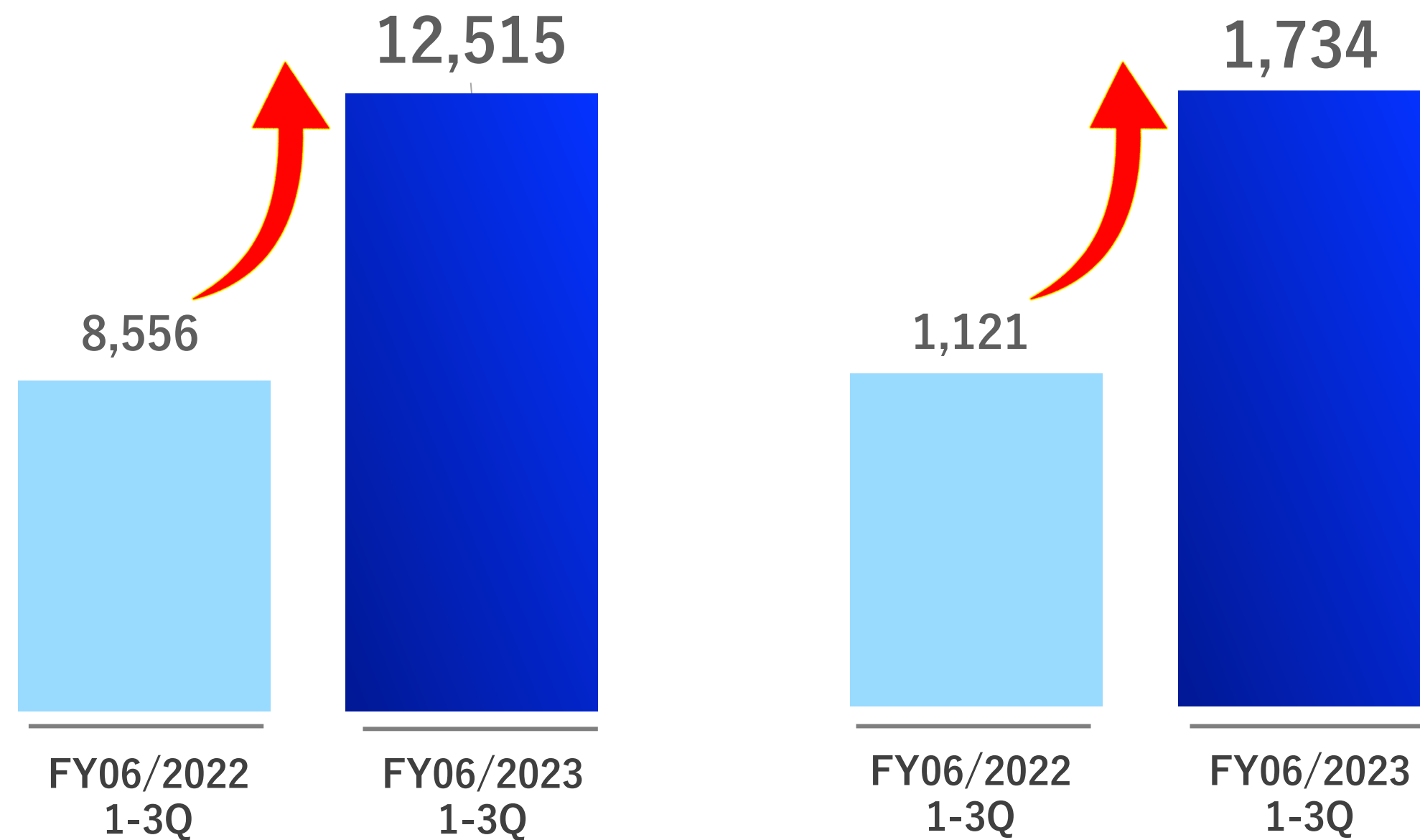
As planned

(mil. yen)	FY06/2022 1-3Q	FY06/2023 1-3Q	+/- %	+/- amount
Net sales	8,556	12,515	46.3%	3,959
Segment profit	1,121	1,734	54.6%	612

(mil. yen)

Net sales

Segment profit



- Actual results in 3Q were largely as planned
- VERITAS INVESTMENT (subsidiary) sold 245 houses (+57 YoY)
- Investment Division of AMBITION DX HD sold 72 houses (+7 YoY)

【Features】

- Number of houses which were sold is included in the increment of houses under management.

“Location”, “Design” and “Facilities specification” enables creation of our premium assets value



Concept

Good location × Modern design

Design

“PREMIUM CUBE” series
supervised by famous designers/architects

Examples
of
specialty
designs

- Security (hands-free key system “Raccess”)
- Automatic lock system with color monitor
- Flooring (LL40 grade)
- Door knob (KAWAJUN)
- Kitchen (gas stove of 3 burners with Si sensors)
- Cabinet (sliding cabinet with assisting pockets)
- Kitchen (single lever)
- Powder room (single lever, twin mirror with storage)
- Bathroom (archline bathtub, switched ecoful shower)
- Toilet (washing toilet seat with deodorizing function)
- Architecture (no sound leakage)
- Security equipment, architecture, no sound leakage
- 24-hours ventilation system, bathroom dryer, heating

…etc

Incubation Business

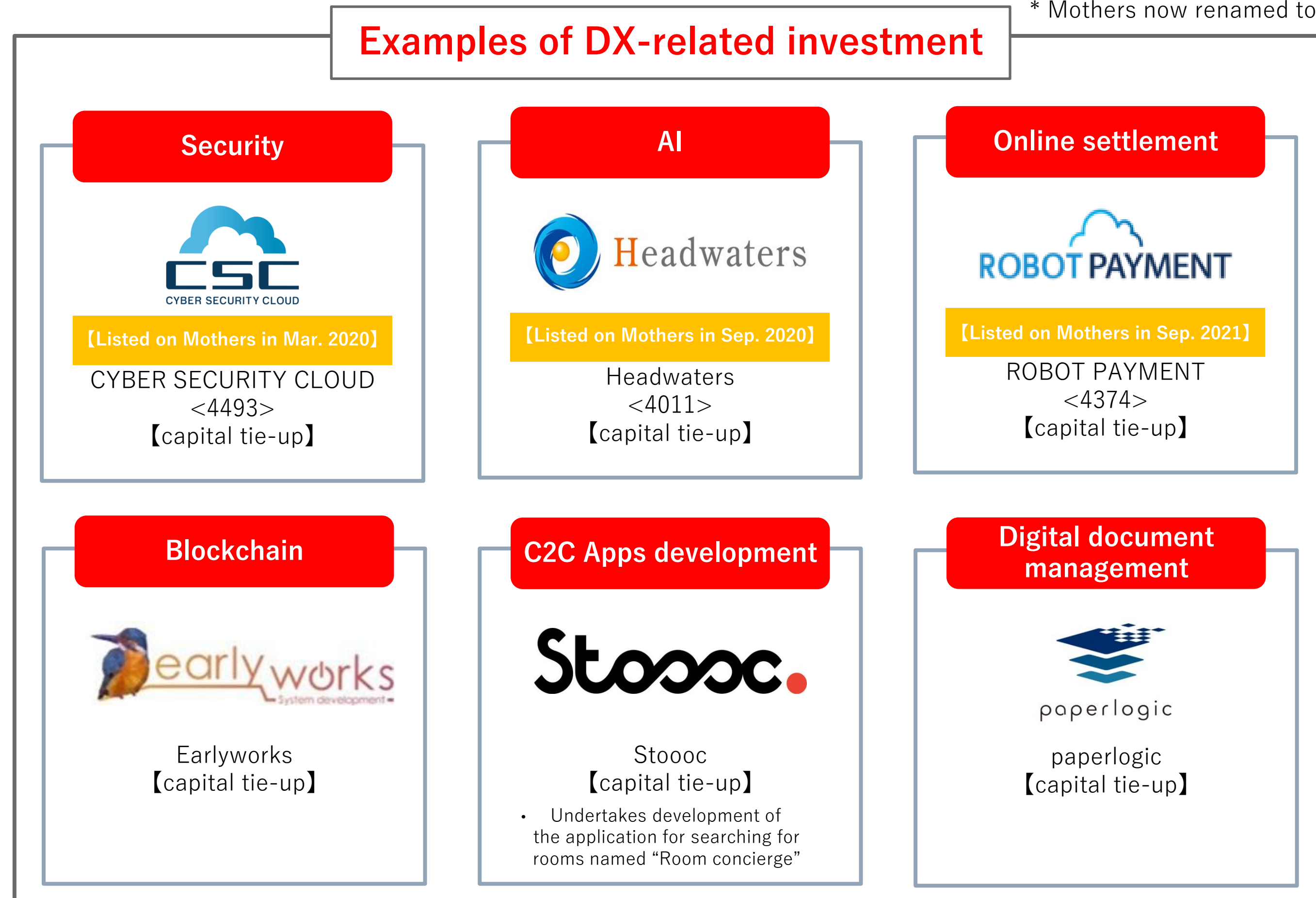
Undertaken by **AMBITION VENTURES**

Since the second quarter consolidated fiscal period of FY06/2022, “Incubation Business” segment, which was previously included in the category “Other Business”, has been presented as one of the reportable segments.

Net sales **58 mil. yen**
Segment profit **9 mil. yen**

- 10 companies were newly invested
- Investment in 28 venture companies (as of March 31, 2023) * excluding cross-shareholdings

* Mothers now renamed to Growth



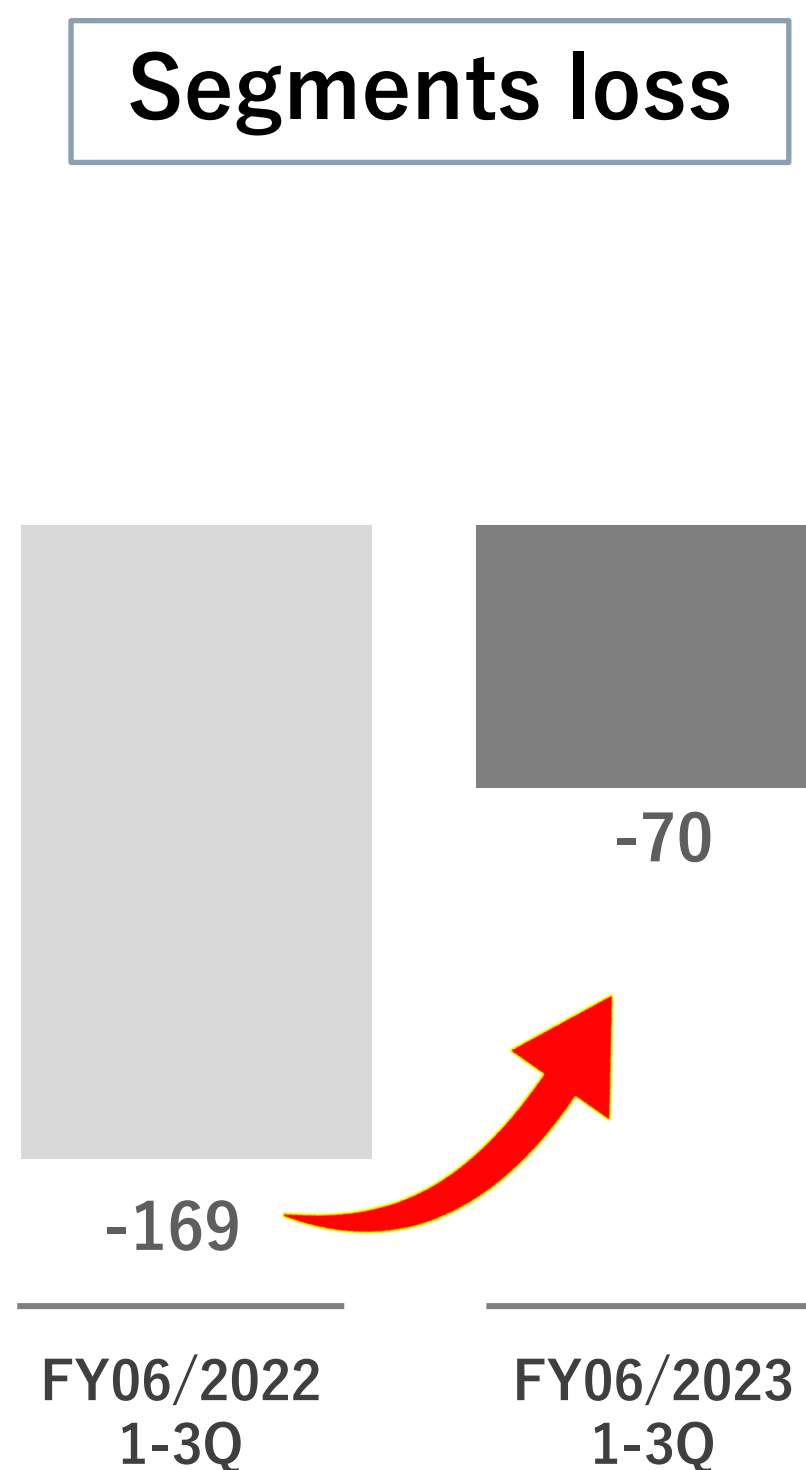
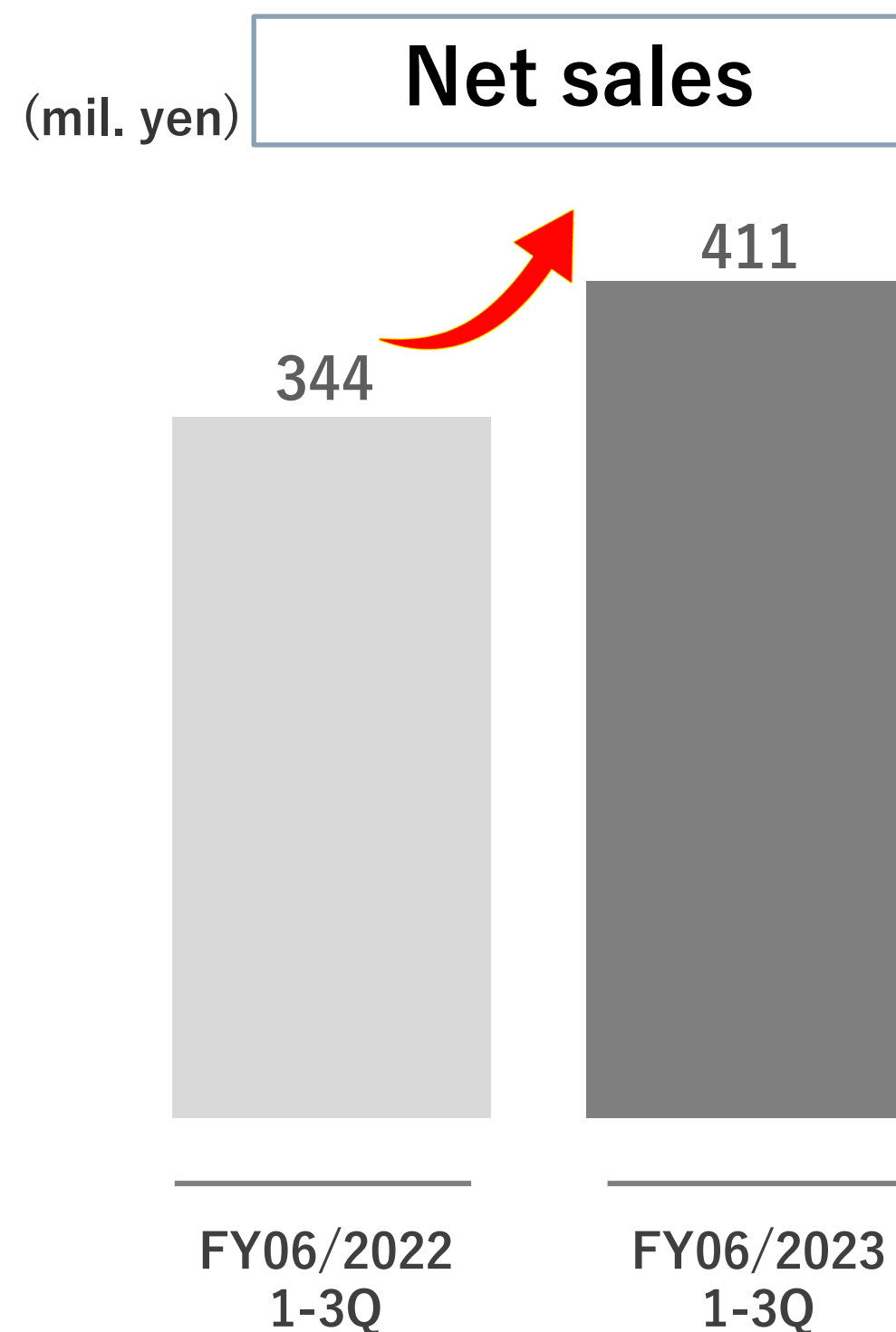
【Real Estate DX】 Other Business

■ Real Estate DX Business (Re-Tech RaaS)
Overseas Systems Business
(AMBITION VIETNAM)

■ Small Amount Short-term
Insurance Business (HOPE)

Higher revenues / Improved profitability (smaller deficit)

(mil. yen)	FY06/2022 1-3Q	FY06/2023 1-3Q	+/- %	+/- amount
Net sales	344	411	19.6%	67
Segment profit	-169	-70	-	98



【Real Estate DX Business】

- Next-generation leasing management system “AMBITION Cloud” has been developed by the overseas subsidiary, AMBITION VIETNAM Co., Ltd., and internal DX is promoted on a priority basis. This system realizes much higher operational efficiency and improved productivity for Leasing DX Property Management Business segment.
- Various systems for real estate leasing management operations such as those for contract progress management, repair management, and offering management are in full operation.
- The Company also started to provide its unique electronic signature system named “AMBITION Sign” which utilizes blockchain (distributed ledger) technologies.
It enables customers to execute contracts easily on their smartphones or PCs while doing video conferences with salespersons. Moreover, with respect to highly confidential information about real estate contracts, by utilizing blockchain (distributed ledger) technologies, information leakage/alteration is prevented and robustness is reinforced such as preventing impersonation, thereby making it possible to execute contracts in a secure environment.
- Sales of an AI × RPA tool named “RAC-TECH” developed by a subsidiary, Re-Tech RaaS Inc. is ongoing.
- Application for searching for rooms named “Room concierge” has increasing number of registered users. (the Group’s first BtoC matching service application)

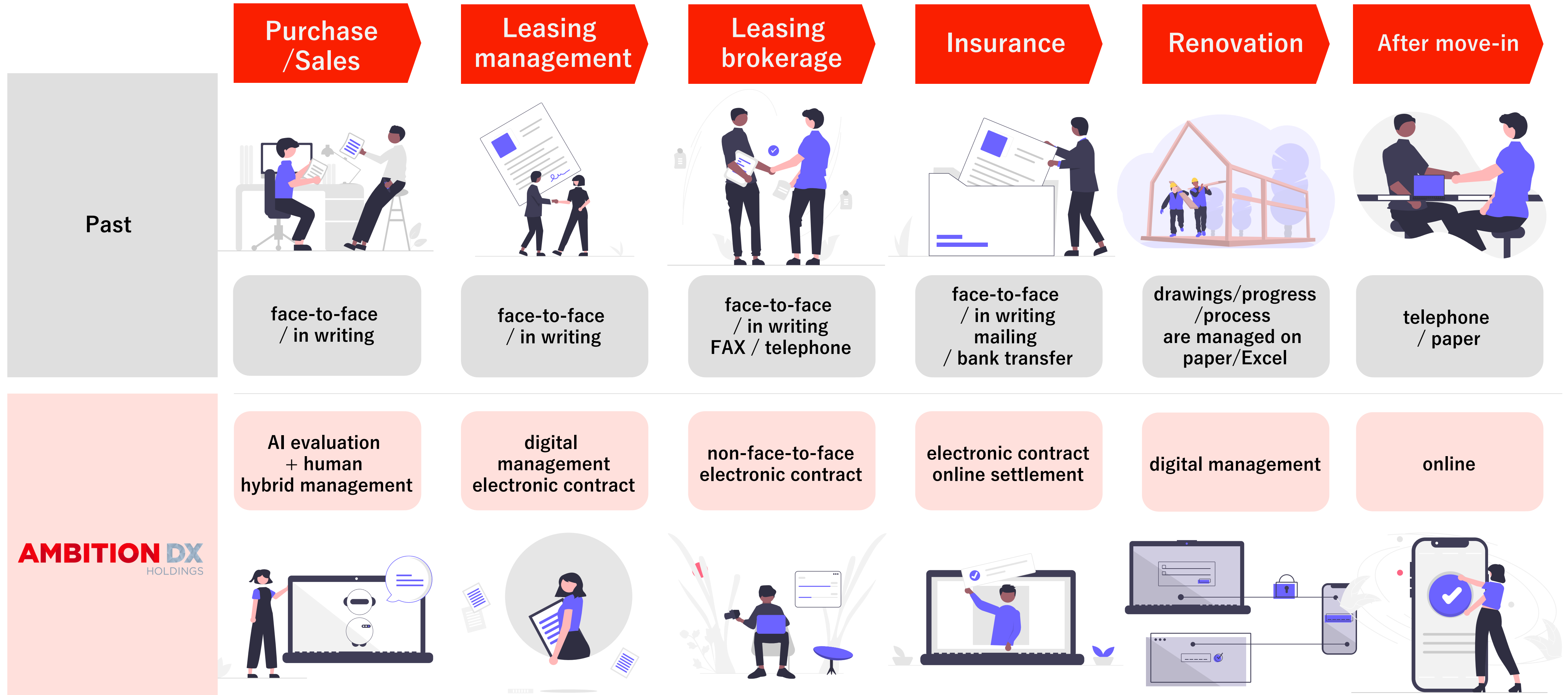
【Small Amount Short-term Insurance Business】

- Obtained new contracts smoothly
- The system “MONOLITH” realized an entirely paperless process from application through to payment
- “MONOLITH” helps integration with related services (e.g. insurance companies, management companies)

All business operations in connection with real estate are covered in a straightforward fashion

Straightforward / DX promotion

(Real estate industry)		AMBITION DX HOLDINGS	Real estate development (Developer)	Real estate sales company	Purchase/Resale company	Leasing management company	Real estate brokerage company
Sales/Purchase DX	Land acquisition	○ subsidiary: VERITAS INVESTMENT	○	×	×	×	×
	Development business	Construction	○ subsidiary: VERITAS INVESTMENT	○	×	×	×
		Sales	○ subsidiary: VERITAS INVESTMENT	○	○	×	×
	Purchase/Resale business	Purchase/Sales	○ AMBITION DX HOLDINGS	×	×	○	×
Leasing DX	Ownership business	Leasing management	○ AMBITION DX HOLDINGS	×	×	×	○
	Brokerage business	Finding customers	○ subsidiary: VALOR subsidiary: AMBITION AGENCY	×	×	×	×



Modernized real estate DX company deploying DX on its own in every field of real estate

DX fields	Conventional real estate company	AMBITION DX HOLDINGS
DX case	outsourcing (to a tech company) using some products (tools), difficult to lead to solving issues	deploying hands-on DX in every field of real estate (embodying hands-on issues) with high quality
operations	analog	digital
documents	paper	electronic
response	fax, telephone	Internet
contracts	paper	online
explanation	face-to-face	online explanation on important matters
preview	photo, visit	perfect preview experience with high-level VR
properties management	manual entry	automatic entry with RPA
	multiple tools	single platform (owner / management company / brokerage company)
	e-mail, paper and fax	Repair & restoration works are also systematically managed
settlement for properties management	bank transfer, in cash	online settlement
data management	local server	cloud
security	low robustness	safe environment with Blockchain
database	difficult to digitalize	digitalized data are managed
finding properties	users search for properties by himself/herself and contact brokerage company	matching application helps matching a user with a room concierge who finds a room
	face-to-face customer services	online customer services

Section 3

Policies



AMBITION DX HOLDINGS Co., Ltd.

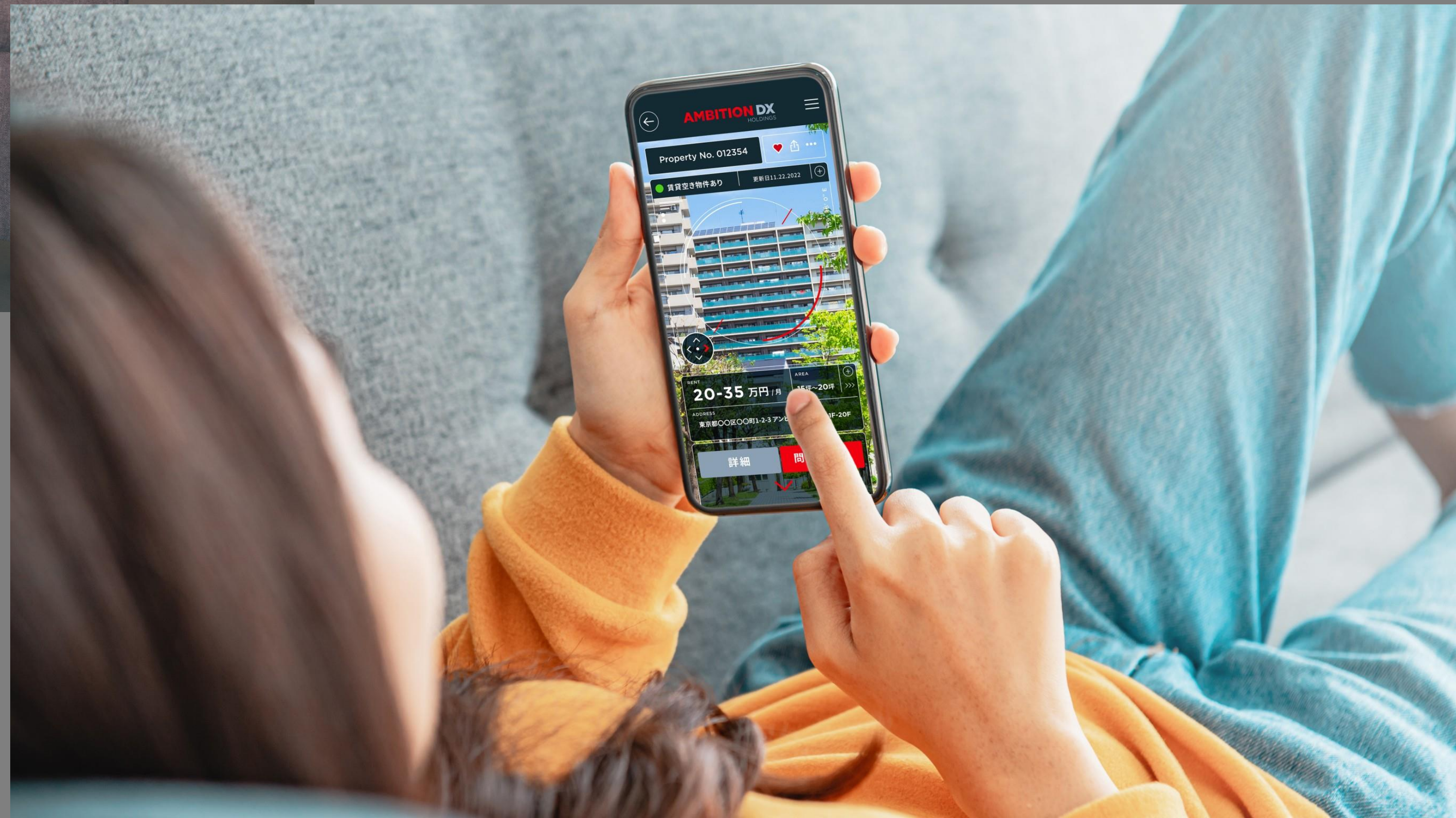
VISION

**To reform real estate business through DX
and become a sole real estate digital platformer
which fuses digital and real world together**



Perfect preview
experience with
high-precision VR

Explanation &
Contract entirely
completed on **your**
smartphone



To build up a DX platform on which real estate business can be made more efficient in a straightforward fashion, and provide comfortable residence experience

【Sales/Purchase DX】



- Non-face-to-face sales/purchase contract
- Data management on cloud, such as land prices
- Offering properties via crowdfunding

【Leasing DX】



- **//AMBITION Sign** Advanced leasing management by higher operational efficiency on a paperless basis, such as electronic contract
- More houses managed by individual staff **//AMBITION Cloud**
- Stably continued high occupancy rate
- Maximization of LTV (Lifetime Value) through a loyalty program **//AMBITION Me**



- Enhanced remote customer service, preview and electronic contract
- AIxRPA tool “RAC-TECH” reduces inputting work
- Data linkage from searching for properties, contract, through to vacating procedures

Safe and seamless data linkage by utilizing blockchain

To realize the vision

Policy
01

Business reform by promoting DX

Adding more value to existing business and creating new business

Policy
02

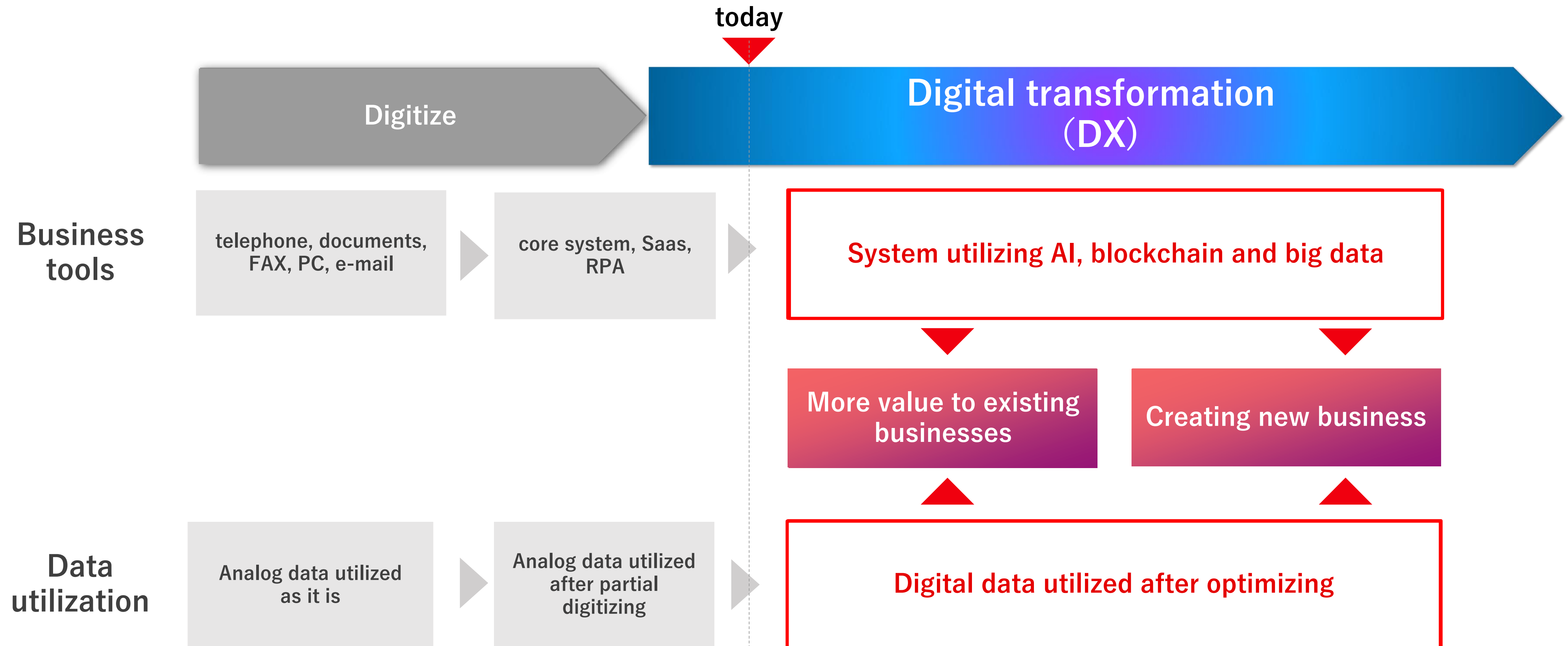
**Efforts to discrete business expansion,
such as M&A facilitation**

Business expansion by promoting M&A and alliance with others,
venture investment, etc.

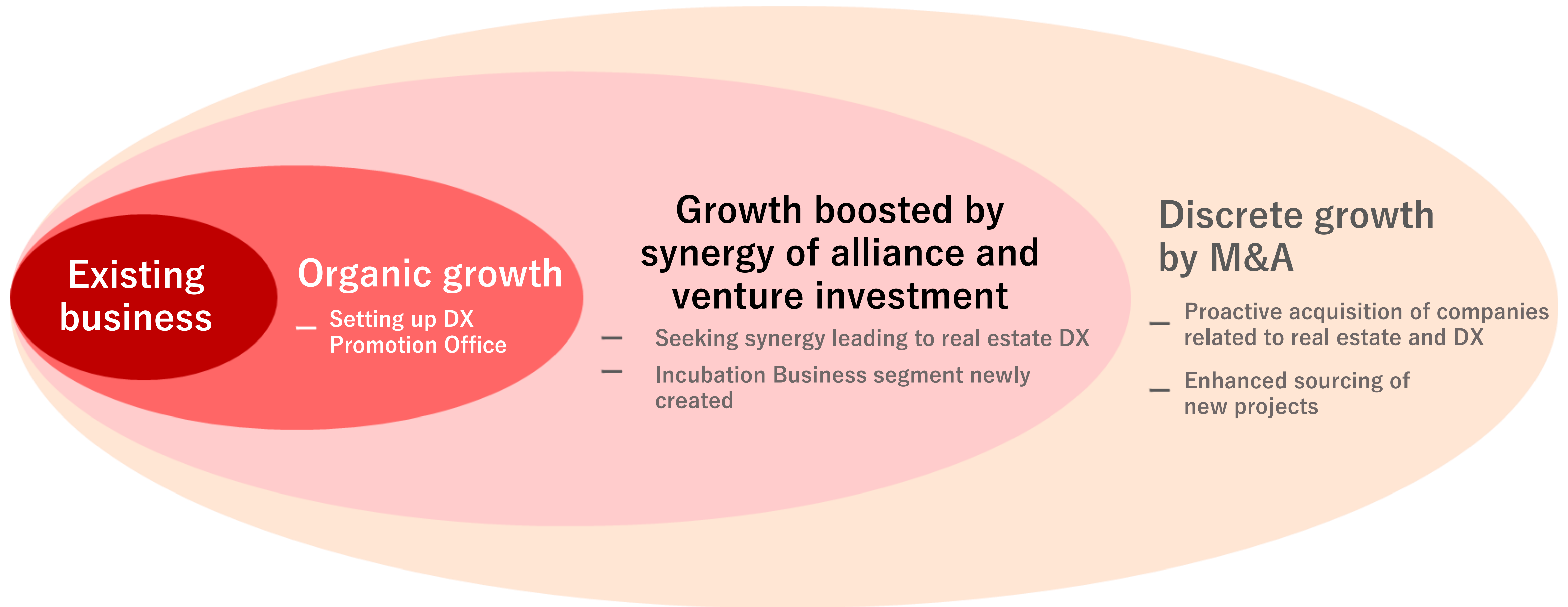
Policy
03

**Industry reform by development/sales
of novel real estate DX products**

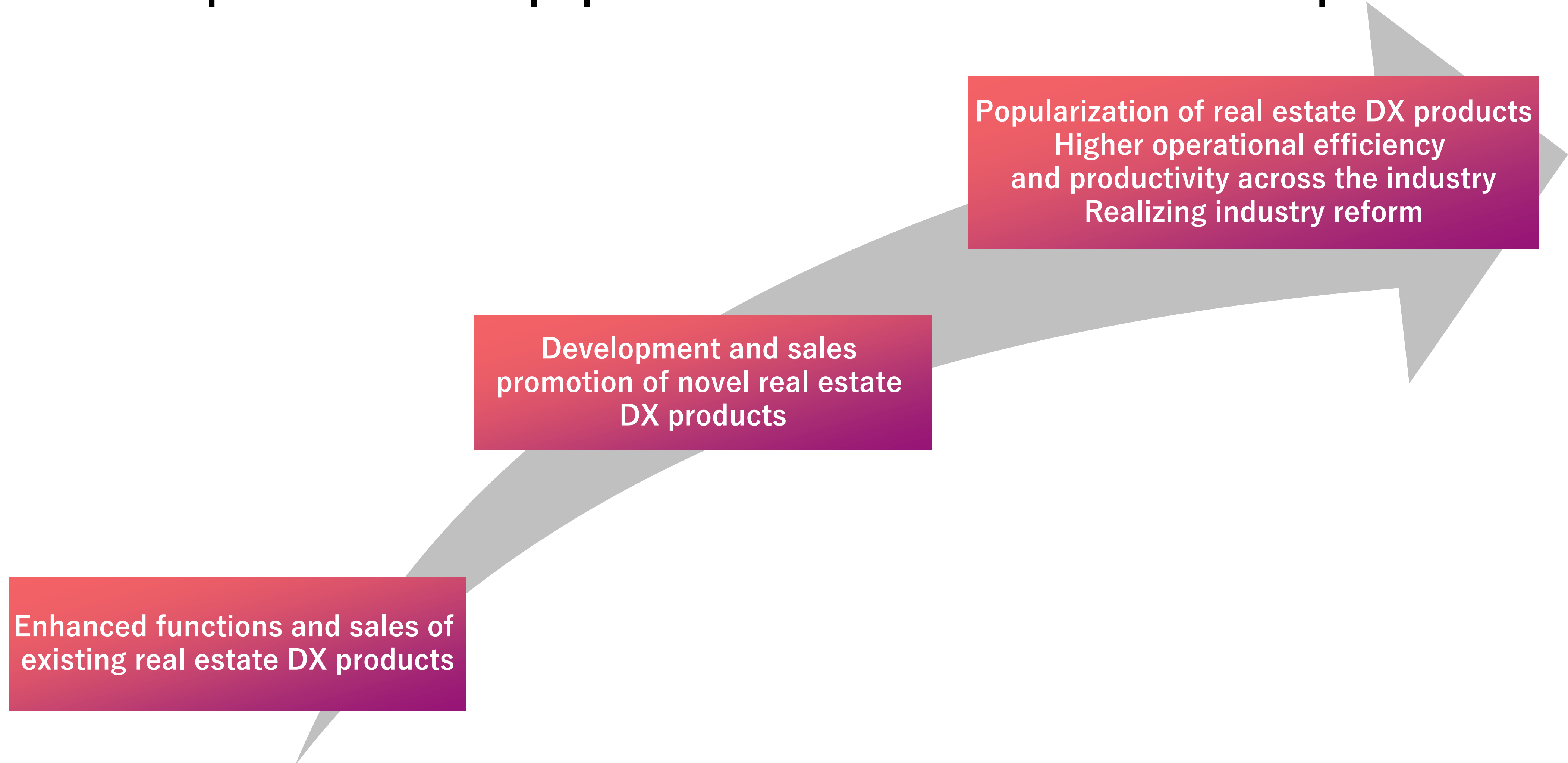
Advanced technologies and optimized digital data should add more value to existing businesses, and create new business in the future



In addition to organic growth, M&A and alliance and venture investment are boosted towards business expansion



In addition to enhanced functions and external sales of existing services in Real Estate DX Business, industry reform should be realized by development, sales promotion and popularization of new real estate DX products



Corporate policy of FY06/2023

Reform of existing businesses by promoting DX and growth of Real Estate DX Business

DX measures (FY06/2023)

DX measure

01

AMBITION Cloud

DX management system (AMBITION Cloud):
contributes to higher productivity

DX measure

03



Services for consumers (Room concierge):
Numbers of both users and contracts increased

DX measure

02

AMBITION Sign

Electronic contract package:
(online explanation of important matters and online contract)
Brokerage version and Management version
started to be distributed

DX measure






04

AMBITION Me

App for residents:
Realized paperless process through to move-in
In view of service extension linked with partners
during the current term

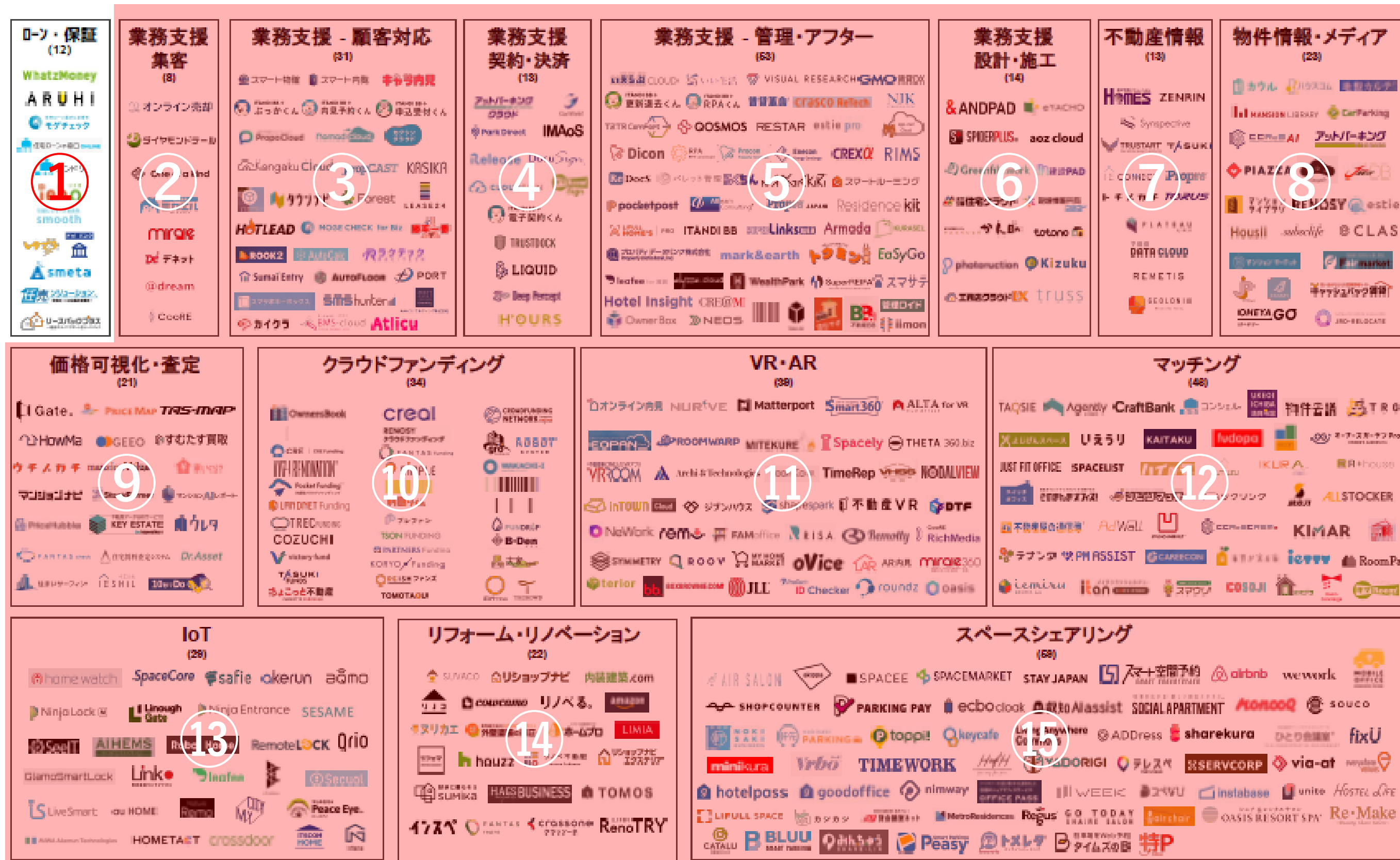
Now in promotion!

Real estate business reform by AMBITION DX products

	service name	service overview
B2C	 Room Concierge	Matching application which connects users searching for new rooms with a room concierge (sales person for real estate brokerage)
Re-Tech Raas	 Auto-input	【Collective proposal of properties】 Auto-posting tool for properties information which utilizes response prediction by AI and leasing business data
		【Individual proposal of properties】 A tool specialized particularly in highly-demanded functions (RPA: auto-post) among others of main brand
AMBITION Cloud		App for residents which realizes improved living experiences through services provided by the consortium
		System which enables explanation of important matters and execution of contracts online
		【Contract progress management system】 Manages overall process from inquiry through to contract
		【Repair management system】 Manages overall repair management process such as estimation of repair work and recording actual progress
		【Offering management system】 Manages registration/publishing properties information in tandem with New contract management / Vacating management systems
		【Credit management system】 Manages overall debt management process such as management of debt/debtor information, process management for debt collection and management of payment history
【Vacating management system】 Manages vacating procedure and cost adjustment for restoration to original state		
【New contract management system】 Manages process for commissioned operations such as acceptance/registration/progress management of commissioned matters		

Real estate DX services are deployed in all 15 areas (except “loan/guarantee”)

Real Estate Tech, chaos map (computerized areas in real estate industry)



8th edition: August 2022 (430 services)

Created by Real Estate Tech Association for Japan

NO	15 areas	pertaining to the Company
①	Loan/guarantee	X
②	Operational support (attracting guests)	○
③	Operational support (customer facing)	○
④	Operational support (contract/settlement)	○
⑤	Operational support (management/after-sales)	○
⑥	Operational support (design/construction)	○
⑦	Real estate information	○
⑧	Property information/media	○
⑨	Price visualization/evaluation	○
⑩	Crowd-funding	○
⑪	VR/AR	○
⑫	Matching	○
⑬	IOT	○
⑭	Remodeling/renovation	○
⑮	Space sharing	○

Section 4

FY06/2023 (full term)

Performance forecasts • Dividend forecasts

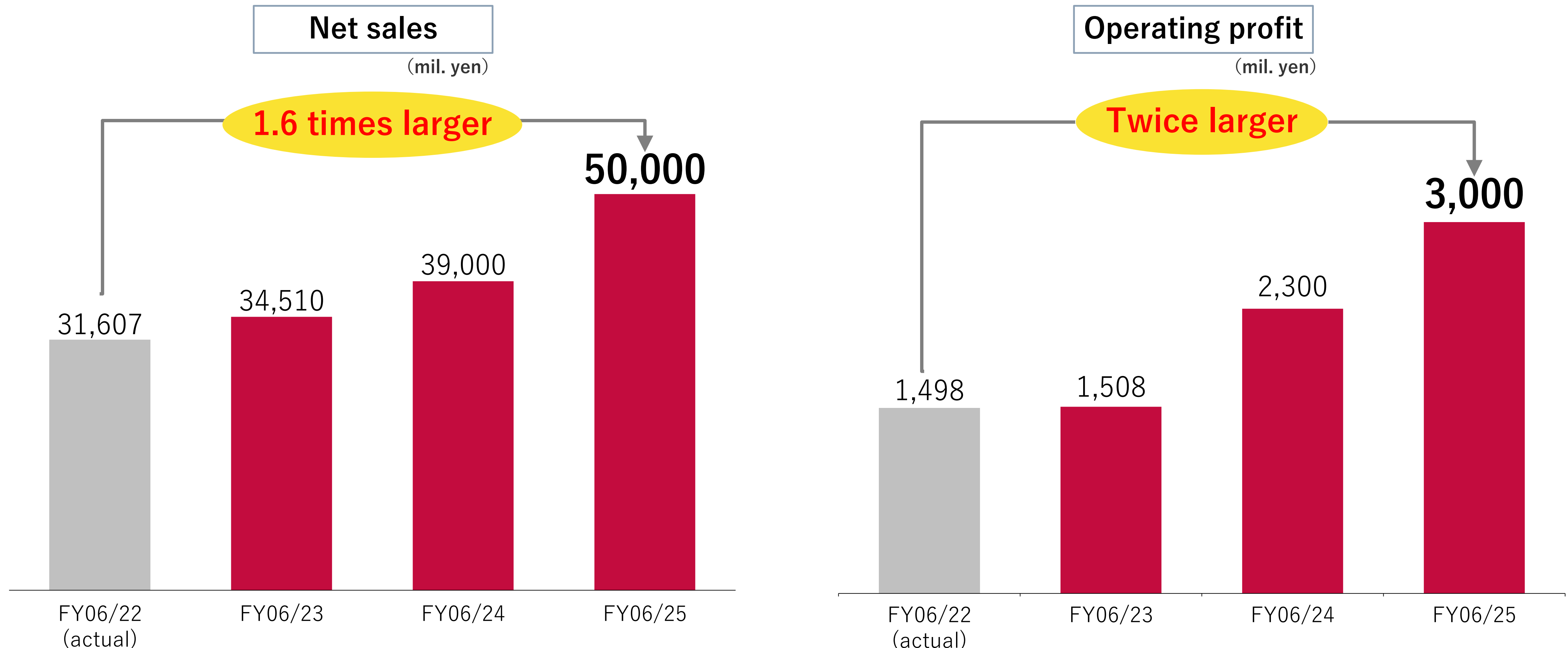
Higher revenues / Higher earnings forecasted

(mil. yen)

	FY06/2022 Actual	FY06/2023 actual*	YoY
Net sales	31,607	34,510	+9.2%
EBITDA (for reference)	1,758	1,825	+3.8%
Operating profit	1,498	1,508	+0.6%
Ordinary profit	1,355	1,371	+1.2%
Net profit attributable to owners of parent	826	838	+1.5%

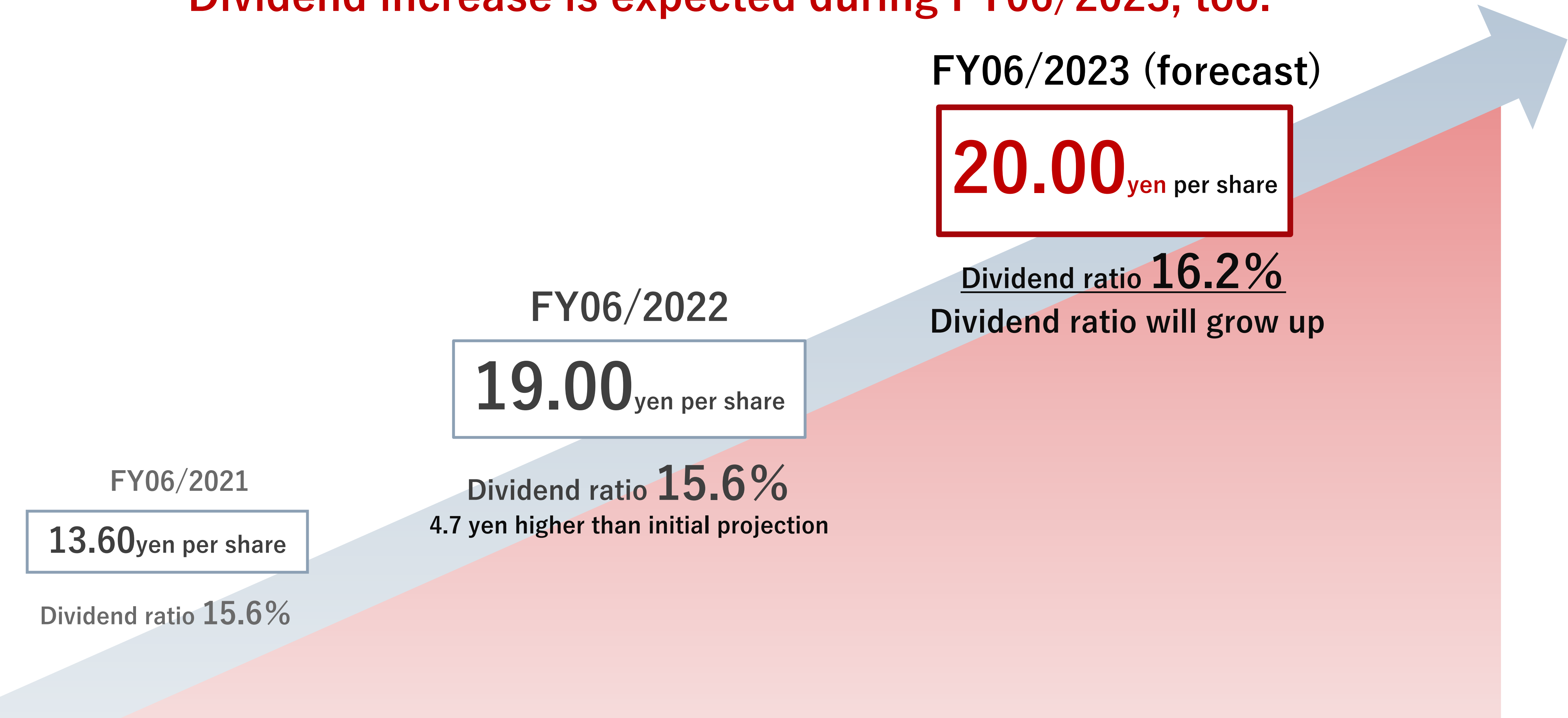
* Descriptions about the future such as performance forecasts contained in this document are based on information currently available to the Company and certain presumptions considered to be reasonable, and therefore actual business performance and other elements may differ substantially due to various factors.

By the end of FY06/2025, Net sales of 50 bln. yen and Operating profit of 3 bln. yen will be achieved.



* Descriptions about the future such as performance forecasts contained in this document are based on information currently available to the Company and certain presumptions considered to be reasonable, and therefore actual business performance and other elements may differ substantially due to various factors.

The Company intends to continue stable return to shareholders while proactively investing in growing fields.
Dividend increase is expected during FY06/2023, too.



Section 5

Most recent TOPICS

“DRAFT Inc.” joined as a subsidiary

~Growth strategy supported by synergies with existing business~



Living becomes more comfortable, providing utilities commodities to every customer

■Background and objectives of the business tie-up

DRAFT engages in door-to-door sales of commodities relating to daily lives such as electricity, gas, and water-servers, and those relating to housing environment/facilities such as storage batteries, photovoltaics, and EcoCutes; and also carries out its own internship program in which one can gain practical experiences through sales activities and acquire skills and knowledge at workplace.

With sales activities for utilities commodities handled by DRAFT target at our customers of existing segments of leasing management business and leasing brokerage business, synergies with the Group can be anticipated. So we are going to expand business operations and improve our corporate values.

■Overview of the subsidiary

Established: March 2, 2020

Capital stock: 500 thousand yen

Representative: Yuto Tanaka, Representative Director

Address: 406 room, Primera Dogenzaka, 1-15-3 Dogenzaka, Shibuya Ward, Tokyo

Business activities: Substitute sales activities relating to utilities and energy services, etc.

Net sales during the last two fiscal years:

FY02/2021: 57,083 thousand yen

FY02/2022: 261,540 thousand yen



Web3.0 × Real Estate DX Announced “Capital tie-up with DEA that leads Web3.0”

～Aiming at offering novel user experiences with real estate in the Web3.0 era～

In order to put its efforts to promoting collaboration in the field of Web3.0, the Company decided to enter into business tie-up with Digital Entertainment Asset Pte. Ltd. including capital participation and to evaluate feasibility of Web3.0.



■ Elevated worldwide attention to Web3.0

“Environmental improvement in order for promotion of Web3.0 including usage of NFT (Non-Fungible Token) based on blockchain technologies” was incorporated in the “Priority Policy Program on the Formation of a Digital Society” (Cabinet decision of June 7, 2022), and Web3.0 Study Group was established mainly by the Digital Agency. This would expand possibilities for us to develop new business, leading to accelerated economic growth. In addition, recently worldwide attention to Web3.0 has been elevated. The Company thinks that by making use of Web3.0 also in the domestic real estate industry it would be possible to create new business and living experiences, so that living and business of the general public could be improved. Therefore, the Company decided to evaluate feasibility of Web3.0.

■ Adopting a more creative business model is expected

DEA has, since its foundation, been specialized in the field of Web3.0. Services of “PlayMining”, a GameFi platform of DEA’s principal business, started to be provided on May 26, 2020. As of April 2023 it operates in more than 100 countries worldwide and expanded its business scale with users having increased to more than 270 million. In addition, DEAPcoin (DEP) is a Play to Earn token to be distributed for the first time in Japan, and PlayMining has begun to lead the global field of GameFi as the world’s first Play to Earn token economy. Moreover, to date the Company has proactively worked on digital transformation (DX) and as part of such efforts develops and provides new services which utilize know-hows of the real estate industry such as “AMBITION Sign”, the first electronic contract system in this industry that makes use of blockchain technologies namely the core technologies for Web3.0.

In line with this capital tie-up, the Company intends to make use of Web3.0 technologies and provide novel living experiences in the field of real estate DX. This tie-up would enable both companies to utilize their insights and know-hows, leading to some innovation. By considering new services and ways to provide them, such as providing NFT and linking GameFi platform with a range of services for residents, it may be possible to offer living experiences which are much more attractive for our customers. It is expected that this tie-up would drive the entire real estate industry to introduce more advanced technologies and to adopt more creative business models. Recent technological progress brought about big changes also to the real estate industry. Making use of these technologies, such as utilization of Web3.0 technologies and adoption of NFT, makes it possible to provide novel services and values which have not existed in the conventional real estate industry. The Company thinks this would enable us to obtain wider range of customers and to realize higher profitability.

Distribution of “AMBITION Me”, a DX app for residents started

~Immediate contracts for services essential for new life, and experience of comfortable living are realized~

The Company released “AMBITION Me” through which our customers can handle application process easily and smoothly on their smartphones ranging from dedicated services for moving-in to receiving keys.



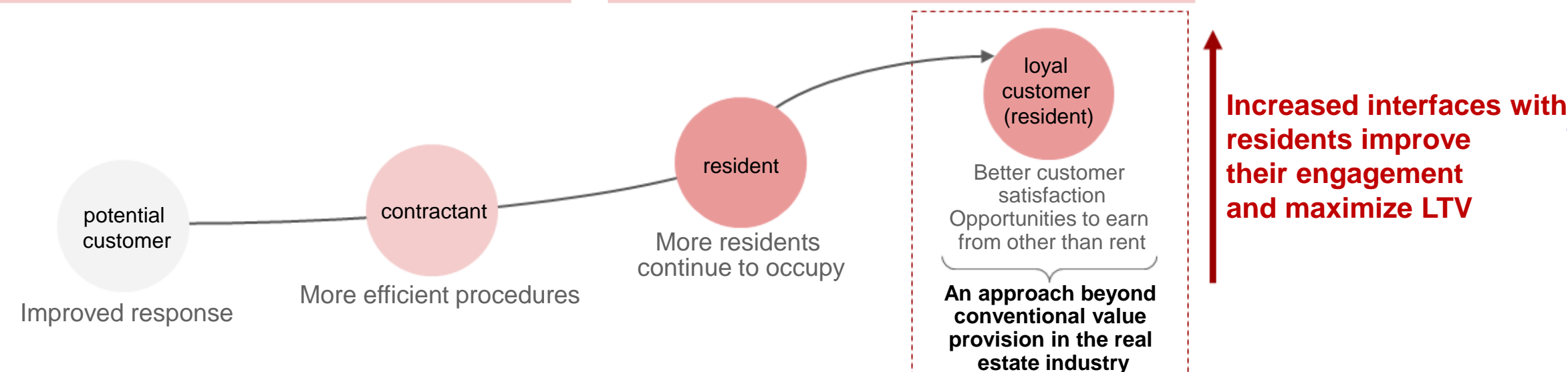
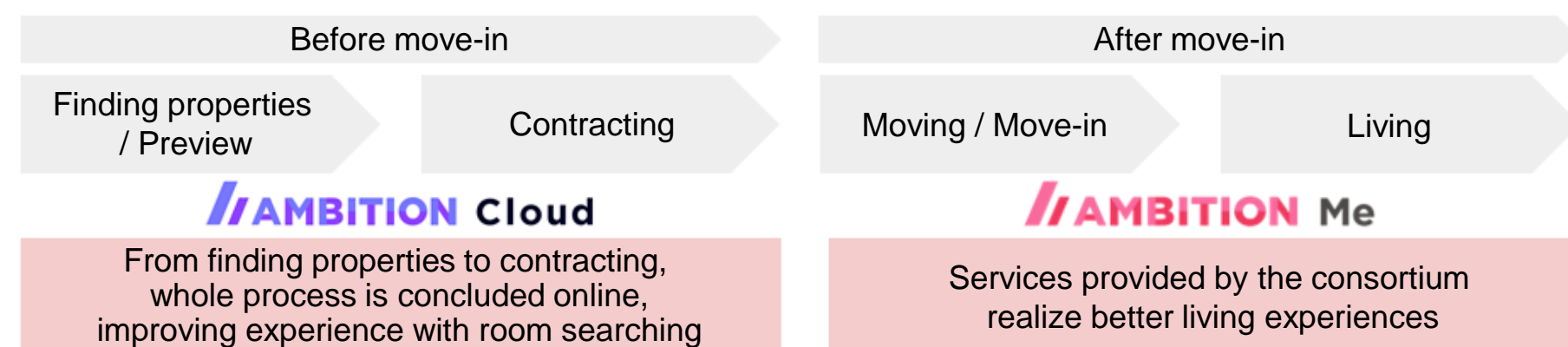
■ Shift from conventional paper-based contracts to brief contracts on smartphones is realized

Conventionally in the real estate industry when customers moved in to their new rental house, they used to make contacts via telephones and emails, and then apply for a series of procedures from paper-based information. This has made confirming information on a paper basis and a set of procedures for customers extremely cumbersome.

The Company has, in order to solve this problem, developed an app for residents (AMBITION Me) from the viewpoints of our customers. And to realize higher value of experience with room searching, we simplified providing/receiving keys via our customers’ smartphones, thereby making smooth application procedures possible. By further promoting digitalization of a set of procedures related to real estate leasing contracts and by realizing greater value of experience with room-searching, as well as controlling unnecessary indirect costs, the Company tries to improve profitability for the industry as a whole.

■ For the future, it will be expanded to living infrastructures, insurance and our unique point system

From now on, this app will be expanded to wider variety of smart contracts, such as contract renewal, vacating, communication while living, utilities (electricity/gas/water), and insurance. In addition, as a loyalty program, residents would be able to use services affiliated with the consortium, get points/status in accordance with their usage / rent payment, and make smooth payments for services via a settlement program and/or in exchange of their points, so that their satisfaction and engagement with us, as well as their LTV (Life Time Value) could be maximized.

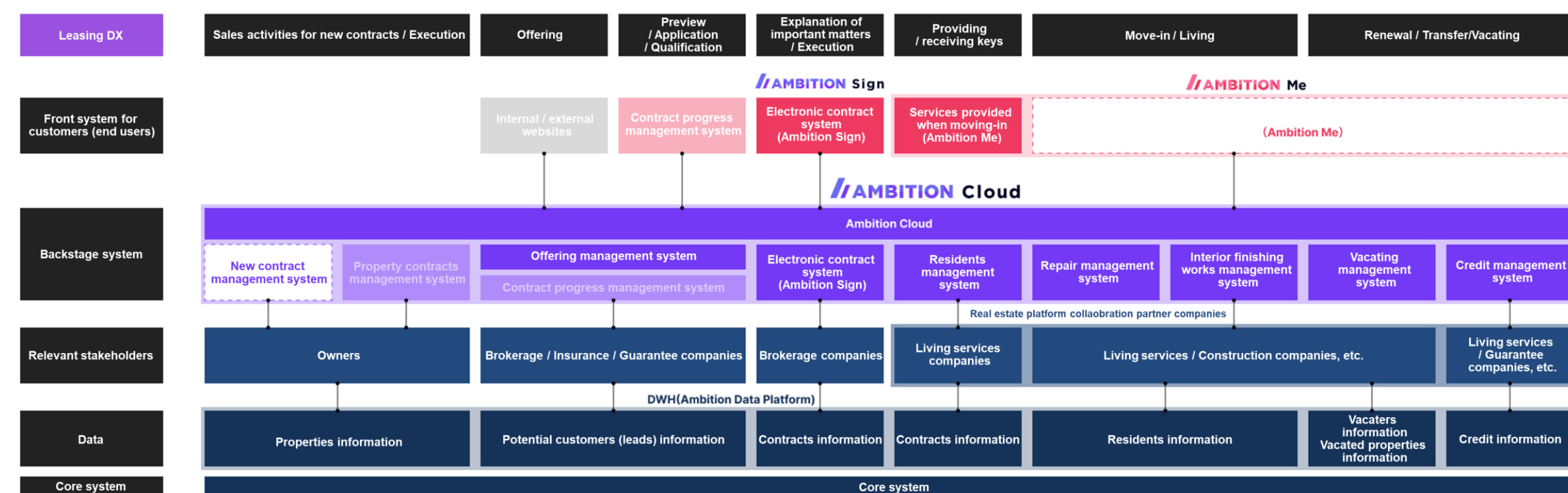


Announced the concept of “AMBITION Cloud”, a blockchain-enabled real estate DX

~Secure environment and overwhelmingly high operational efficiency are realized, in order for improved operating profit rate~

The Company has been working on building up a next-generation cloud system for managing real estates named “AMBITION Cloud” that utilizes blockchain technologies for the purpose of bringing about improved lives and businesses of all the people involved, by means of DX.

AMBITION Cloud



■Unproductive operations in the real estate industry can be solved

At present, many of business operations concerning leasing/management of real estates are irregular, so companies are forced to operate their business in an unproductive manner. In addition, common core systems for real estate industry are at most linkage with accounting data, and it is quite usual that progress management is carried out with scattered information dependent on analog hand-written memos, spreadsheets and verbal explanation. Such a situation has prevented growth of number of houses under management per personnel and hence was a big problem that disturbs improvement in profitability of real estate industry. Amid such a situation, the Company makes use of its know-how on comprehensive practices of real estate industry, puts its efforts to building up next-generation management cloud system named “AMBITION Cloud” which utilizes blockchain technologies aiming at improvement in productivity, and had steadily materialized it. So this time the concept towards further enhancement and current status of its implementation are reported here.

■Utilization of blockchain also realizes secure environment

AMBITION Cloud is a platform which utilizes the strength of field interface being the business domain that the Company has fostered over time and the specialty of DX domain based on high-level understanding of system, and is based on a consistent model consisting of an operational arrangement / practice / IT system and a multichannel, which enables seamless on-cloud management on cloud of any and all business operations of real estate industry and stakeholders. By further promoting digitalization of a set of procedures related to real estate leasing contracts and by realizing greater value of experience with room-searching, as well as controlling unnecessary indirect costs, the Company tries to improve profitability for the industry as a whole. In order for such higher efficiency, protection of our customers’ personal information becomes a challenge, due to the nature specific to the real estate industry where a lot of entities are involved. So, by utilizing the Company’s unique blockchain (distributed ledger) technologies, transactions of real estate leasing which are even safer for customers will be realized.

■For higher efficiency in the real estate industry to which AMBITION Group belongs, and even higher profit rate

So far, in the complicated real estate industry it has been difficult to implement a centralized management platform for real estate business from the viewpoint of protecting information about customers and external business partners. In this cloud, by ensuring a secure environment through adoption of blockchain technologies it would be possible to facilitate usage of this cloud. Along with promotion of such adoption, efficiency in our business of dealing with comprehensive real estate business would be higher, leading to improved operating profit rate. Also, upon brushing up the product, we will try to ensure new sources of revenues by expanding external sales of this product to the overall real estate industry.

Hope Small Amount and Short Term Insurance Co., Ltd. (a subsidiary) made a big progress in the ranking of premium income ~InsurTech contributed to eight ranks higher than the previous year~

HOPE SSI CO., LTD., an InsurTech subsidiary, raised its rank in the 2021 premium income ranking of small amount and short term insurance companies, reaching to a high rank (39th among all companies).

MONOLITH HOPE SSI CO.,LTD

common transactions

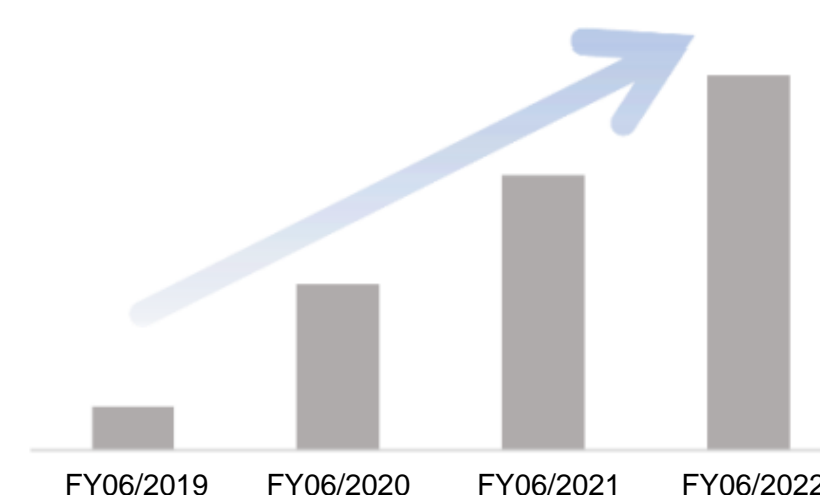
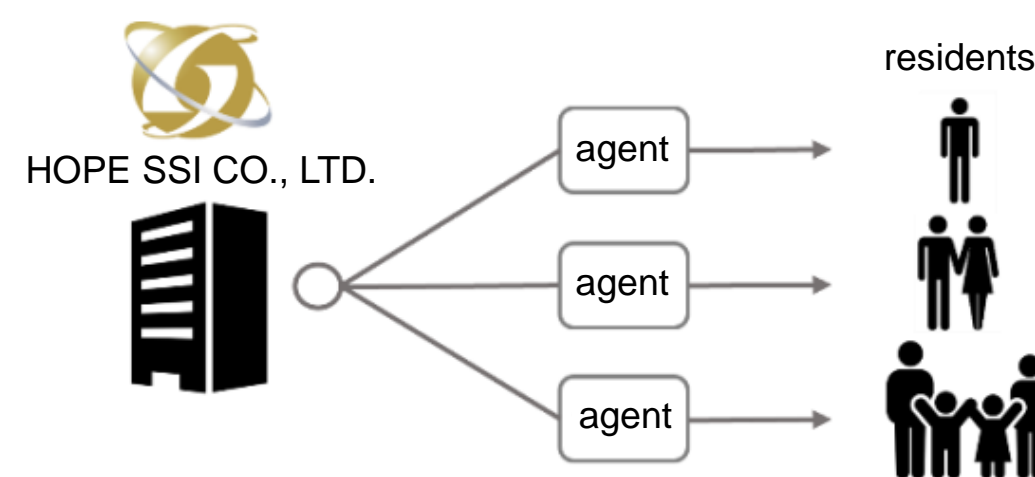


face-to-face / in writing
mailing / bank transfer

HOPE



electronic contract
online settlement



trend in the number of agents (image)

■ Overview

As a key factor of increased number of contracts, HOPE utilized its unique electronic insurance contract system named “MONOLITH” and realized higher efficiency in procedures between customers and service providers, leading to increase in the number of agents to 343.

Functions provided by MONOLITH which are actually implemented include, for example, those for rendering every operation paperless, and for easy completion of application procedures for customers via smartphones and other devices from their homes, workplaces and elsewhere.

Furthermore, increased number of houses under management in the Company’s flagship of 【Leasing DX】 Property Management Business, and improved ability to attract more residents in 【Leasing DX】 Leasing Brokerage Business also contributed to increased number of contracts for HOPE. Going forward, the Company still envisions great growth of both Property Management Business and Leasing Brokerage Business segments, and hence at the same time even more increased number of contracts for HOPE can be anticipated. It should be noted that small amount and short term insurance business that HOPE engages in is a stock business in which number of contracts and revenues associated with it pile up year after year, thereby contributing to building up further stable revenue base of the Company.

For the future, too, by strengthening seamless linkage by means of InsurTech (digital technologies for insurance industry), the Company will promote DX for the entire real estate industry including insurance business so that greater value of customers’ experiences with room searching and wider range of business partners can be realized.

【About HOPE SSI CO., LTD.】

HOPE SSI CO., LTD was registered as a subsidiary of AMBITION DX HOLDINGS CO., LTD. listed on the TSE Mothers Market, with Director-General of the Kanto Local Finance Bureau (small amount and short term insurance) in July 2017. It always challenge as a trusted company which contributes to the society at large by commoditize a variety of new insurance needs such as offering “New Insurance on Reassurance for Home” and “Insurance on Reassurance for Tenants” which cover household belongings for residents of rental housing. Putting emphasis on customers’ opinions and through “Solid compensation” and “Familiar and reassuring services”, HOPE puts its efforts to offering products and services that can realize reassured living.



【Contact for IR】
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Disclaimer

This material has been prepared by AMBITION DX HOLDINGS Co., Ltd. (“the Company”) only for purpose of providing corporate information on the Company and its affiliated group companies (“the Group”) and it does not, whether domestically or overseas, constitute inducement of any shares and/or securities issued by the Company.

Performance forecasts and future projections such as prospects, plans and targets related to the Company and the Group as presented in this material have been determined by the Company based on such information as practically available at this point.

Forecasts inherently include wide variety of uncertainty, and therefore actual performance may differ substantially from these future prospects.