September 14, 2023

To whom it may concern:

Company name: GA technologies Co., Ltd.
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# Notice Regarding Revision of Earnings Forecast

GA technologies Co., Ltd. (the "Company") hereby announces that, in light of recent performance trends and other factors, the Company has revised its consolidated earnings forecast (International Financial Reporting Standards: IFRS) for the fiscal year ending October 31, 2023, which was announced on December 15, 2022, as follows.

1. Consolidated earnings forecast (IFRS) for the fiscal year ending October 31, 2023 (From November 1, 2022 to October 31, 2023)

(million yen)

| | Revenue | EBITDA | Business profit | Profit attributable to owners of parent | Basic earnings per share (yen) |
|---|---|---|---|---|---|
| Previous Forecast (A) | 145,500 | 6,800 | 1,600 | 430 | 11.68 |
| Revised Forecast (B) | 145,500 | 7,370 | 2,150 | 940 | 25.60 |
| Amount of change (B-A) | 0 | 570 | 550 | 510 | 13.92 |
| Percentage of change | 0.0% | 8.5% | 34.4% | 118.6% | — |
| (Reference) Results for the previous fiscal period ended October 2022※ | 113,569 | 5,706 | 1,022 | 386 | 10.73 |

※For the second quarter of the fiscal year ending October 31, 2023, the Company is finalizing the provisional accounting treatment for the business combination, and each figure for the fiscal year ending October 31st, 2022, reflects the details of the finalization of the provisional accounting treatment.

2. Reason for revision

In the RENOSY Marketplace, profit is expected to exceed forecast due to the success of measures, that have been implemented from before, to improve commission on online transactions. In addition, revenues in recurring revenue businesses are expected to exceed forecast due to the increase in likeliness of the emergence of the economies of scale for the property management subscription business after the number of units managed reached around 17,000 units, as well as the provision of multiple plans and the improvement of business efficiency through DX.

Meanwhile, in ITANDI, the leasing tool ITANDI BB+ increased its market share (*1) and gained high evaluation (*2) and the number of companies using the service increased favorably to over 2,400 (*3). In addition, the Company leveraged its strength in vertical SaaS, leading to an increase in the introduction of products through cross-selling and as a result of this and other factors, ITANDI is expected to post higher revenue and segment profit.

The Company also controlled costs through initiatives such as adopting a business selection and concentration strategy, including a withdrawal from unprofitable businesses and focused investment on the RENOSY Marketplace and ITANDI, the reduction of personnel expenses through the allocation of human resources based on the optimization of the group's human resources portfolio and improved efficiency through DX, and the consolidation of corporate functions.

Largely due to the above, EBITDA, business profit and profit attributable to owners of parent are all now expected to be higher than the previously announced earnings forecasts.

(*1) Survey of impact of COVID-19 Pandemic on Rental Real Estate Market in 2023 Moving Season (January-March) according to a survey by LMC, Inc. (https://lmc-c.co.jp/wp/wp-content/uploads/2023/07/lmc_releace_20230726.pdf)

(*2) According to DX-related survey of rental real estate agencies conducted by INDUSTRIAL MARKETING CONSULTANTS CO.,LTD., the real estate service provider site ITANDI BB ranked No. 1 in two categories ("site that real estate service providers most want property managers to use" and "most easy to use site") (https://www.ga-tech.co.jp/news/12429/)

(*3) Cumulative number of customers as of end of July 2023: 2,474 companies

3. Other

The abovementioned earnings forecasts are calculated based on certain assumptions that the Company deems reasonable based on the information available at this time. Therefore, the Company does not promise to achieve this. In addition, actual business results may differ from the forecast figures due to various factors.