



## **Our Business Model and Growth Strategy**

**December, 2023**

**(Securities code : 3491)**

**GA TECHNOLOGIES**

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.

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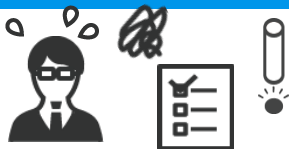
# **1. Company highlights**

## 1. Company highlights

**WHY: The issues we are tackling and the value proposition**

Solving social issues through a fusion of “Real x Technology”

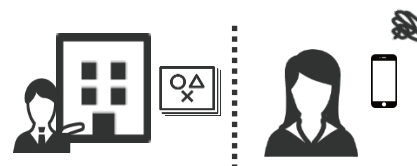
Low productivity due to analog process



Poor user experience



Information asymmetry



Solving the challenges of each industry/sector with DX  
to deliver a transparent and seamless CX

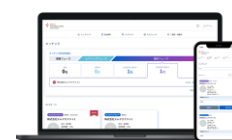
**RENOSY**



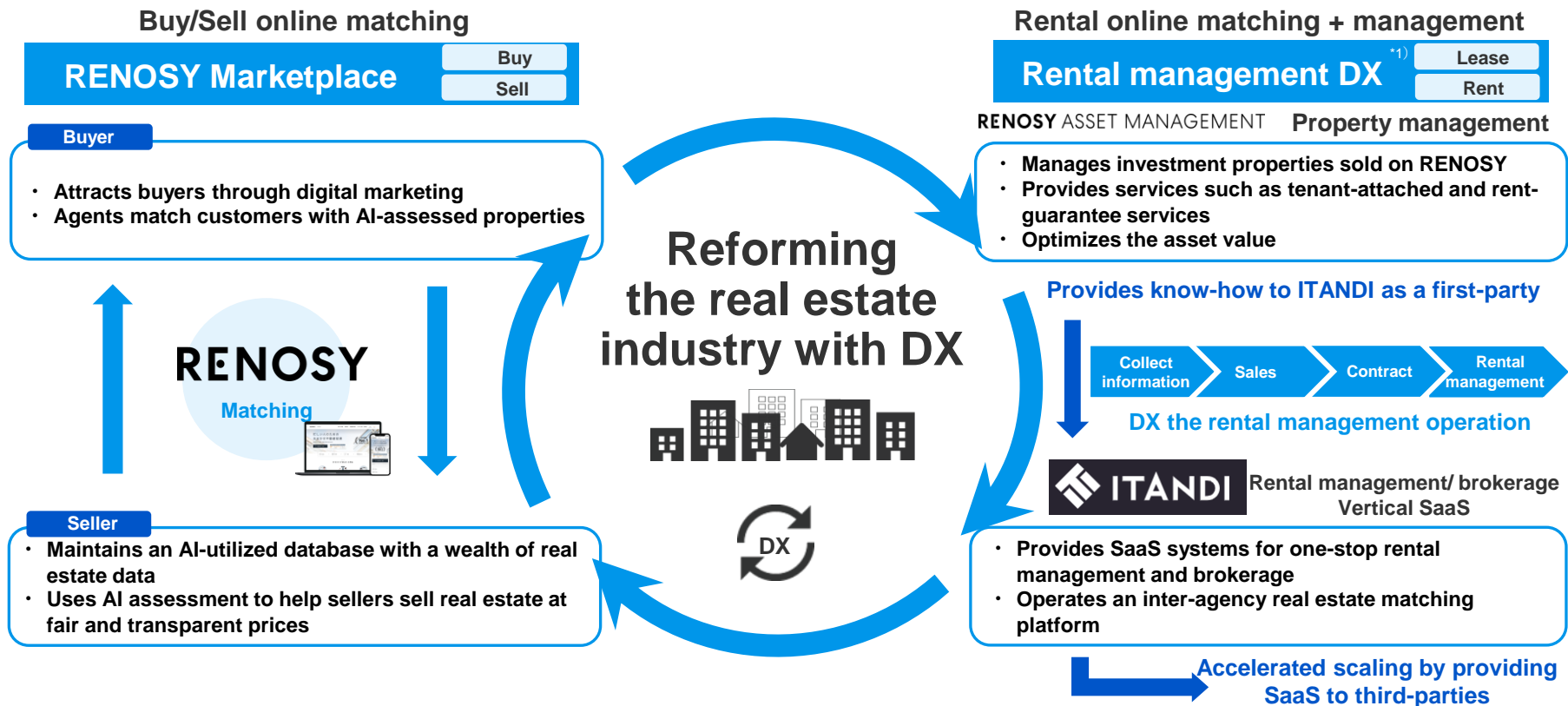
**ITANDI BB +**



**SPICA CONSULTING**



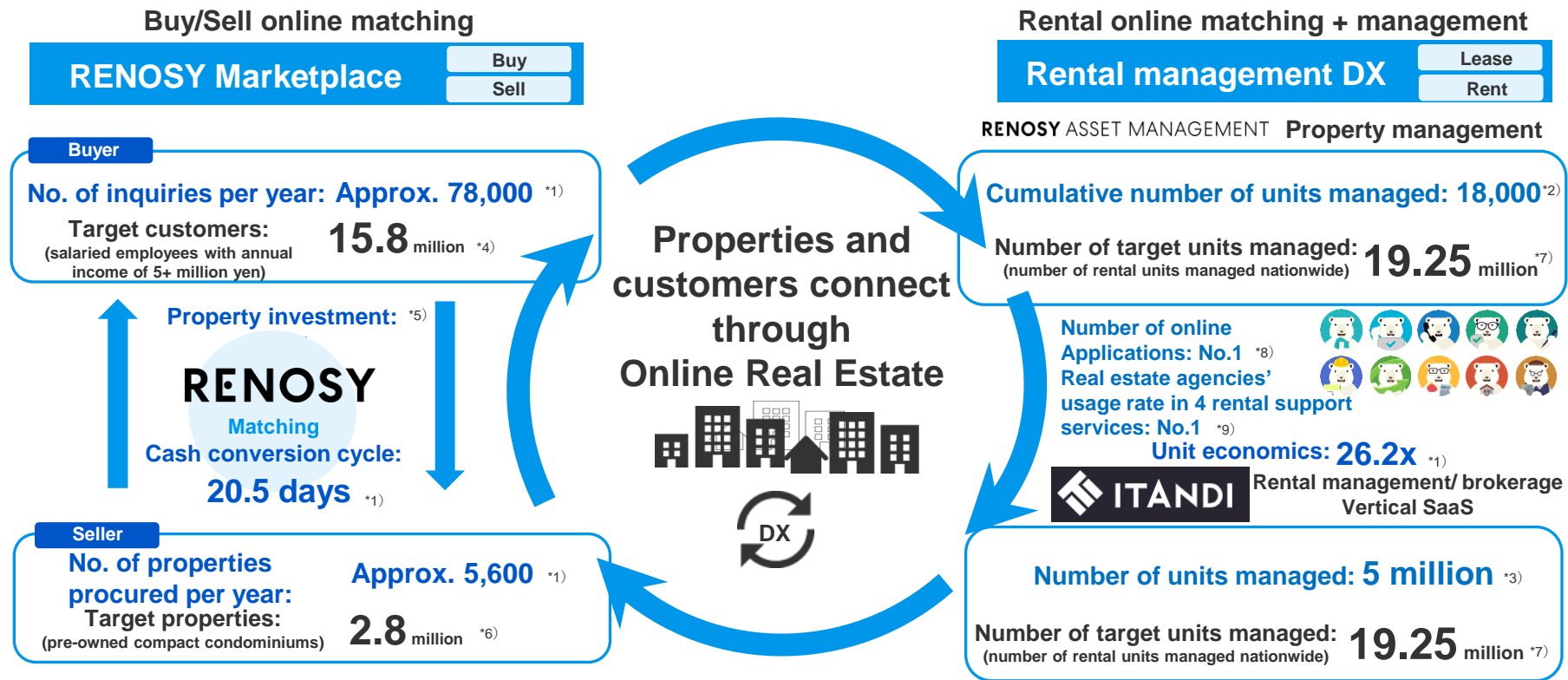
## 1. Company highlights

**WHAT: Our problem-solving initiatives – Industry DX reform with Online Real Estate**

\*1) What is Rental Management DX: DX the entire real estate rental management operation by providing third parties with the rental management know-how, gained as the first-party, through ITANDI.

## 1. Company highlights

## WHAT: Our problem-solving initiatives – Industry DX reform with Online Real Estate



\*1) Results of FY2023.10 \*2) As of October 31, 2023 \*3) The sum of managed properties of management companies that use ITANDI's "Moushikomiuketsuke-kun." As of October 31, 2023

\*4)~\*9) Refer to P.103

## 1. Company highlights

# Competitive advantages and strengths of each business

A one-of-a-kind business model that uses technology (digital) to integrate a series of processes into a one-stop operation

## RENOSY Marketplace

### (Buy/Sell)

|                                    | Investment real estate 1.0<br>Mainly paper and calls | Investment real estate 2.0<br>Partly digitized | Investment real estate 3.0<br>One-stop digital operation |
|------------------------------------|--|--|--|
| Real estate information collection | ×  | ▲  | ✓  |
| Digital Marketing                  | ×  | ▲  | ✓  |
| WEB negotiation                    | ×  | ▲  | ✓  |
| Online application                 | ×  | ×  | ✓  |
| Loan application                   | ×  | ×  | ✓  |
| Online insurance application       | ×  | ×  | ✓  |
| Electronic contract                | ×  | ×  | ✓  |
| Digital operations management      | ×  | ×  | ✓  |
| AI property assessment             | ×  | ×  | ✓  |
| Online mediation application       | ×  | ×  | ✓  |
| Online sales contract              | ×  | ×  | ✓  |

## ITANDI

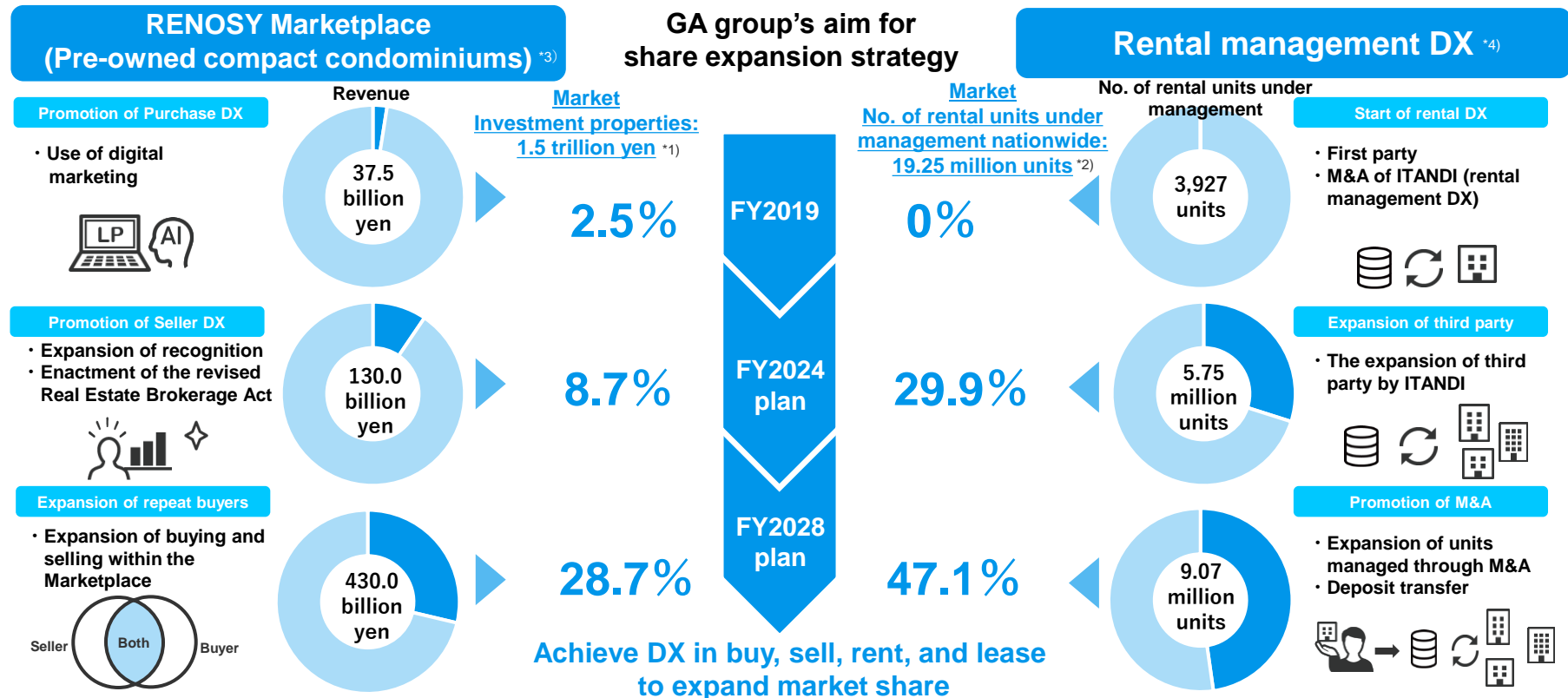
### (Rent/Lease)

|   | Rental 1.0<br>Mainly paper and calls | Rental 2.0<br>Partly digitized | Rental 3.0<br>One-stop digital operation |
|---|--------------------------------------|--------------------------------|--|
| Real estate information collection            | ×                                    | ▲                              | ✓  |
| Inquiry office visit                          | ×                                    | ▲                              | ✓  |
| Online viewing booking                        | ×                                    | ▲                              | ✓  |
| Online tenant applications                    | ×                                    | ▲                              | ✓  |
| Automatic coordination with guarantee company | ×                                    | ×                              | ✓  |
| Electronic contract                           | ×                                    | ×                              | ✓  |
| Renewal/Check out                             | ×                                    | ×                              | ✓  |
| Construction management                       | ×                                    | ×                              | ✓  |
| Billing management                            | ×                                    | ×                              | ✓  |
| Property management                           | ×                                    | ×                              | ✓  |
| Landlord management                           | ×                                    | ×                              | ✓  |



## 1. Company highlights

## Growth expansion image for “The world that GA Group aims for”



<sup>\*1)</sup> Market scale of investment pre-owned compact condominiums. Tokyo Appraisal Co. "Press release Capital city area New/pre-owned apartment market" (January, 2021), Tokyo Appraisal Co. "Press release Market trend of New/pre-owned apartments (Capital city area)" (May, 2021), Registered property data by Real Estate Information Network for East Japan, estimated based on business performance of Top 10 investment real estate companies <sup>\*2)</sup> Compiled from the "2016 Economic Census - Activity Survey Results" by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry <sup>\*3)</sup> Our existing compact condominium sales revenue (actual or projected) is used in the numerator <sup>\*4)</sup> The market share ratio is the sum of the number of units managed by our company and the number of units managed by rental management companies using ITANDI's "Moushikomiuketsuke-kun." (actual or forecast), which is used as the numerator

## 1. Company highlights

# Business model

A high value-added business model that implements DX in “buy”, “sell”, “lease”, “rent”

|                                | RENOSY Marketplace  |  | ITANDI  |   |
|--------------------------------|---|--|---|---|
| Value provided by our Company  | Providing a transparent, easy, and convenient sequence of real estate procedures through Online Real Estate |  |   |   |
| Business model                 | Online transaction<br>Buy/sell online matching  | Subscription<br>Property management                      | For rental management companies/<br>real estate agencies<br>Vertical SaaS | Lifeline services   |
| Profit structure (Net revenue) | Flow structure<br>No. of contracts<br>×<br>commission   | Stock structure<br>Managed properties<br>×<br>commission | Stock structure<br>No. of customers<br>×<br>monthly fee                   | Recurring structure<br>Number of introductions<br>×<br>commission |

## 1. Company highlights

## Business overview

| Segment             |                      | Business Activities   | Product                                |
|---------------------|----------------------|---|--|
| RENOSY Market-place | Online Transactions  | <p>▶ <b>Online real estate investment service</b></p> <ul style="list-style-type: none"> <li>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</li> </ul> | RENOSY                                 |
|                     | Subscriptions        | <p>▶ <b>Property management (asset management)</b></p> <ul style="list-style-type: none"> <li>Offering multiple plans with subscriptions for a service that protects asset value</li> </ul>   |  |
|                     | Third party services | <p>▶ <b>Third-party use of RENOSY</b></p> <ul style="list-style-type: none"> <li>Making RENOSY media available for use by third-party companies and providing them with media use and a service for customer introductions</li> </ul>   |  |
| ITANDI              | SaaS                 | <p>▶ <b>Vertical SaaS for real estate companies</b></p> <ul style="list-style-type: none"> <li>Offering a streamlined system to real estate companies (mainly rental management companies and real estate agencies) through initial, monthly, and pay-as-you-go fees</li> </ul>             | ITANDI BB+                             |
|                     | B2B Marketplace      | <p>▶ <b>Inter-agency website for real estate companies</b></p> <ul style="list-style-type: none"> <li>Providing a real-time inter-agency website as a B2B marketplace</li> </ul>  | ITANDI BB<br><small>イタンディ ビービー</small> |
|                     | B2C Marketplace      | <p>▶ <b>Online real estate rental service</b></p> <ul style="list-style-type: none"> <li>Offering a rental website as a B2C marketplace with a revenue model based on commissions for each contract, etc.</li> </ul>  | OHEYA GO<br><small>オヘヤゴー</small>       |

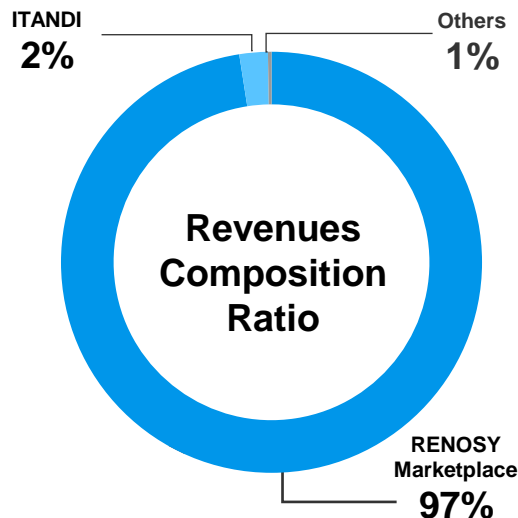
## **2. Business model**

## 2. Business model

## Latest segment results

## Consolidated Revenue

FY2023

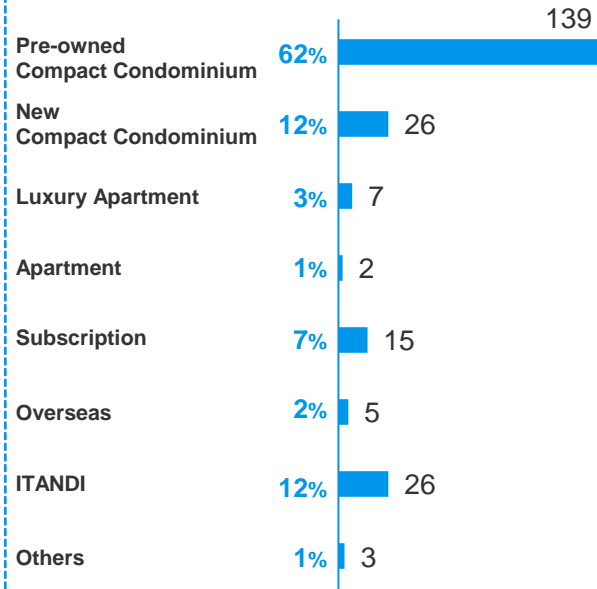
Approx. **¥146.6B**

## Consolidated Gross Profit

FY2023

Approx. **¥22.6B**

(hundred million yen)



## Business Location

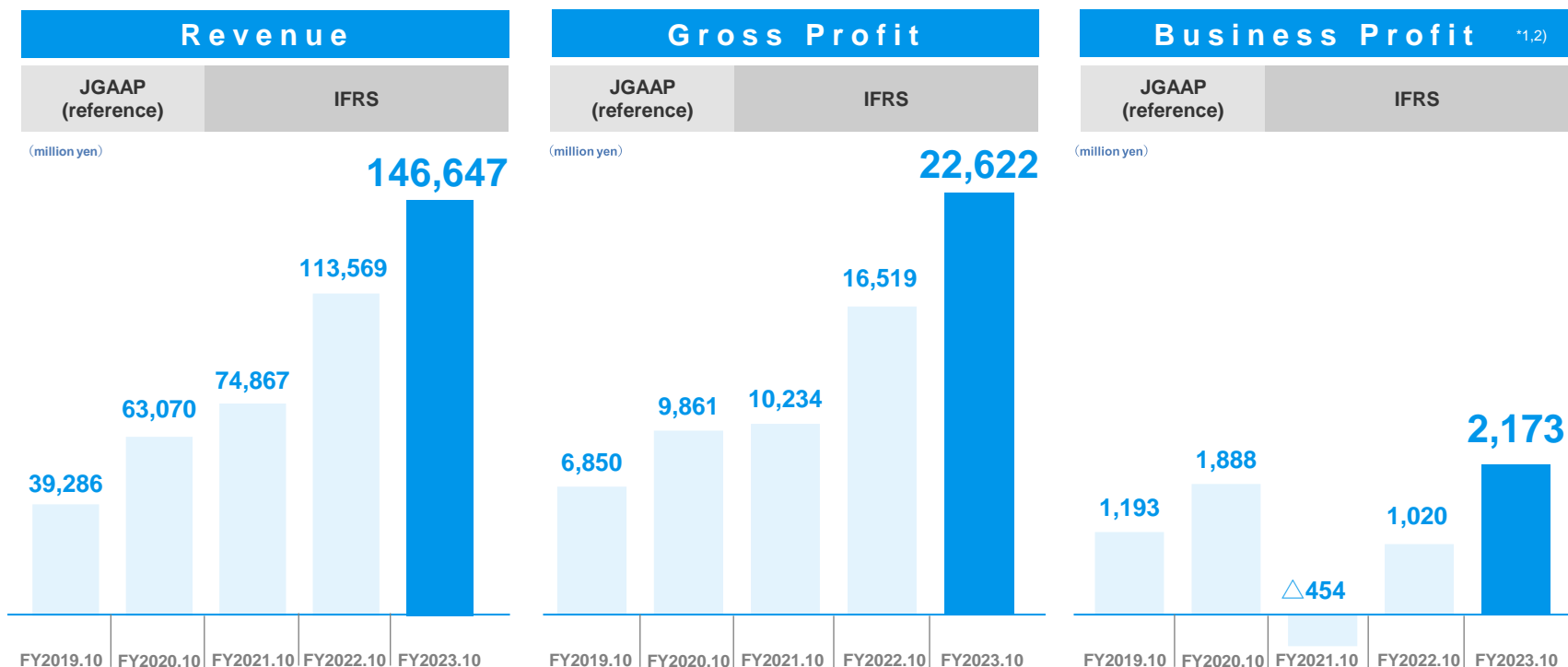
5 countries <sup>\*1)</sup>

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

## 2. Business model

## Full year consolidated performance trends

**Favorable growth in both revenue and gross profit**  
**Business profit returned to positive profit in 2022 and reached a record high in 2023**



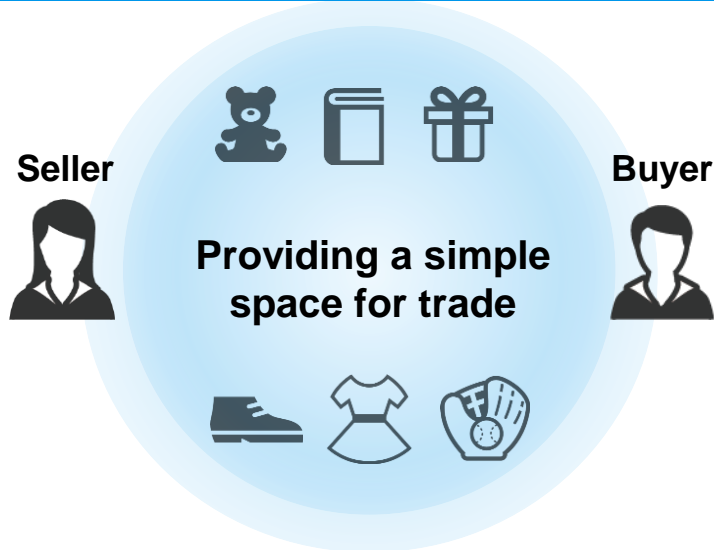
\*1) Numbers in FY2019.10 and FY2020.10 are based on operating profit \*2) For the fiscal year ending October 31, 2023, the Company is finalizing the provisional accounting treatment for the business combination, and the figure for the fiscal year ending October 31st, 2022, reflects the details of the finalization of the provisional accounting treatment

## 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

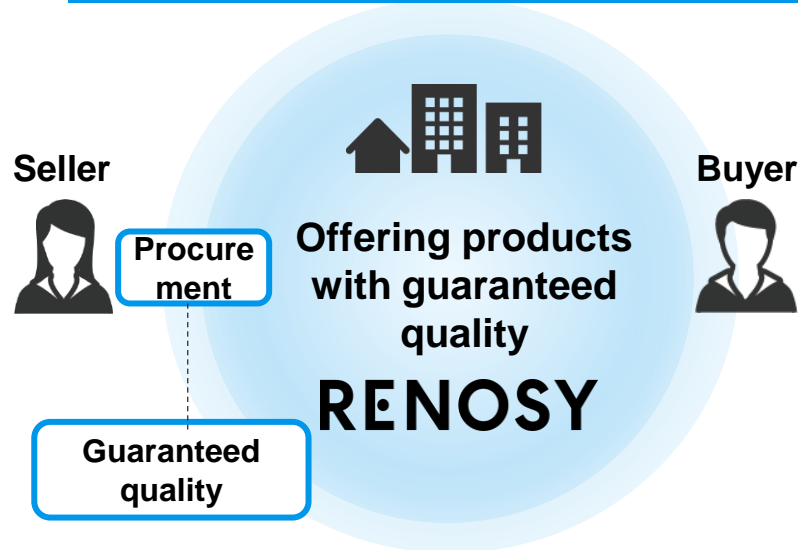
### Conventional marketplace

Low-cost products and daily necessities



### Managed marketplace

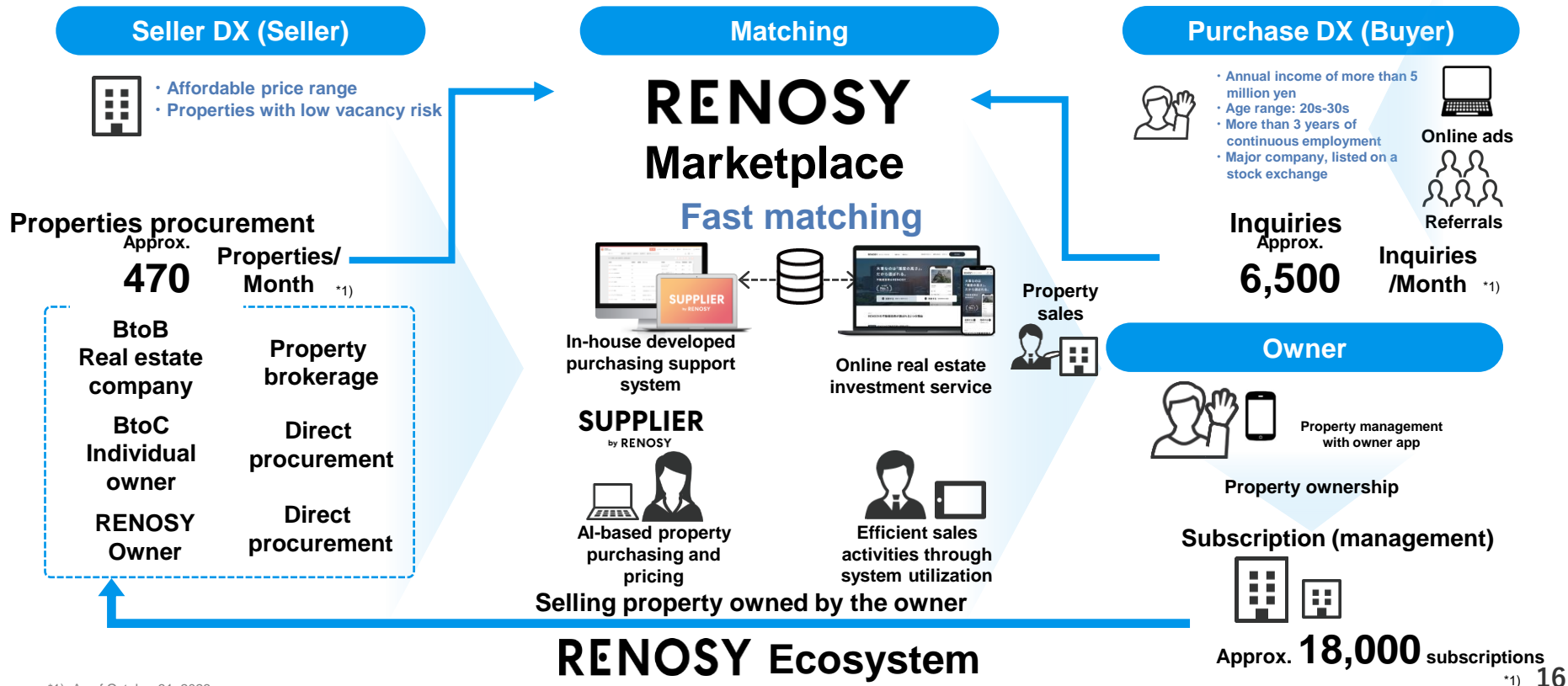
Expensive products



## 2. Business model RENOSY Marketplace

## RENOSY Marketplace business model

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

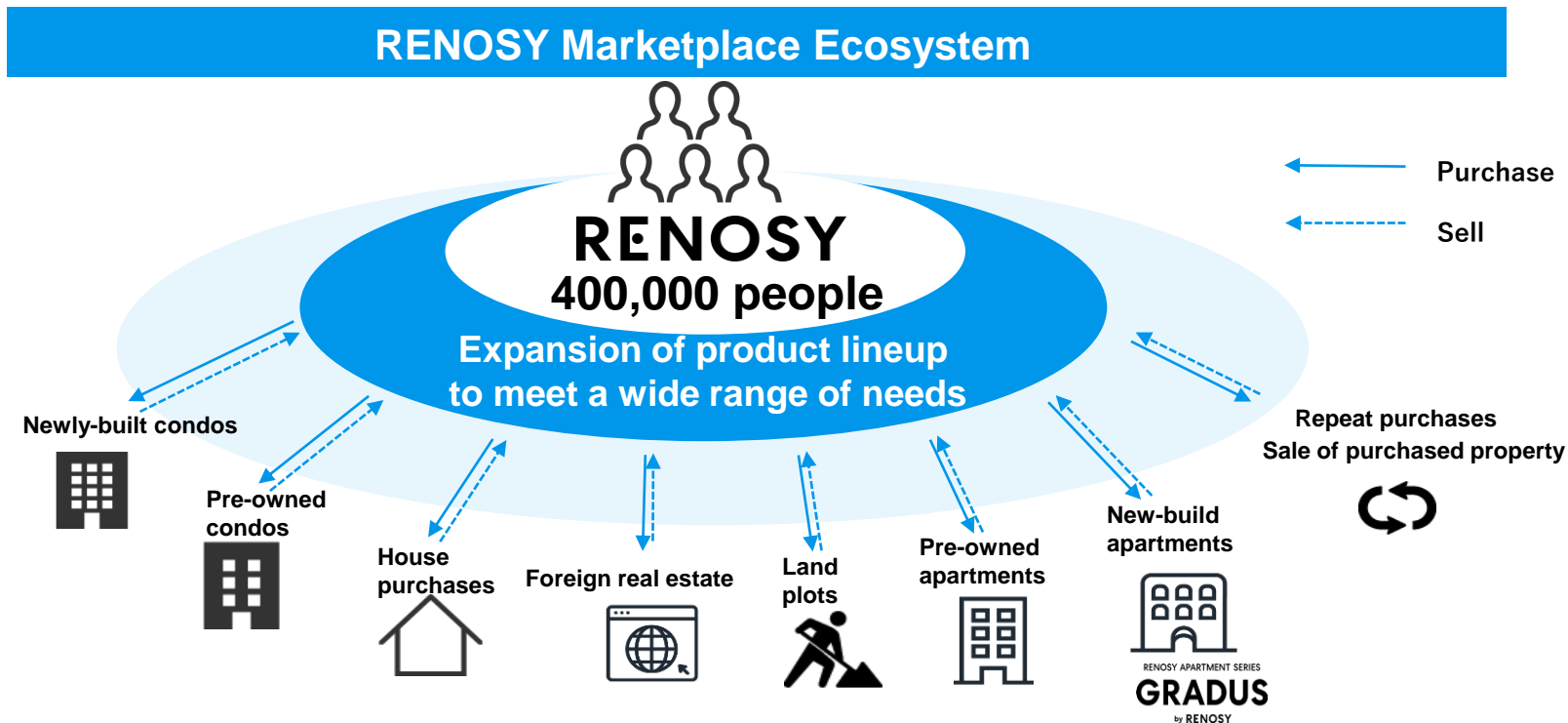


\*1) As of October 31, 2023

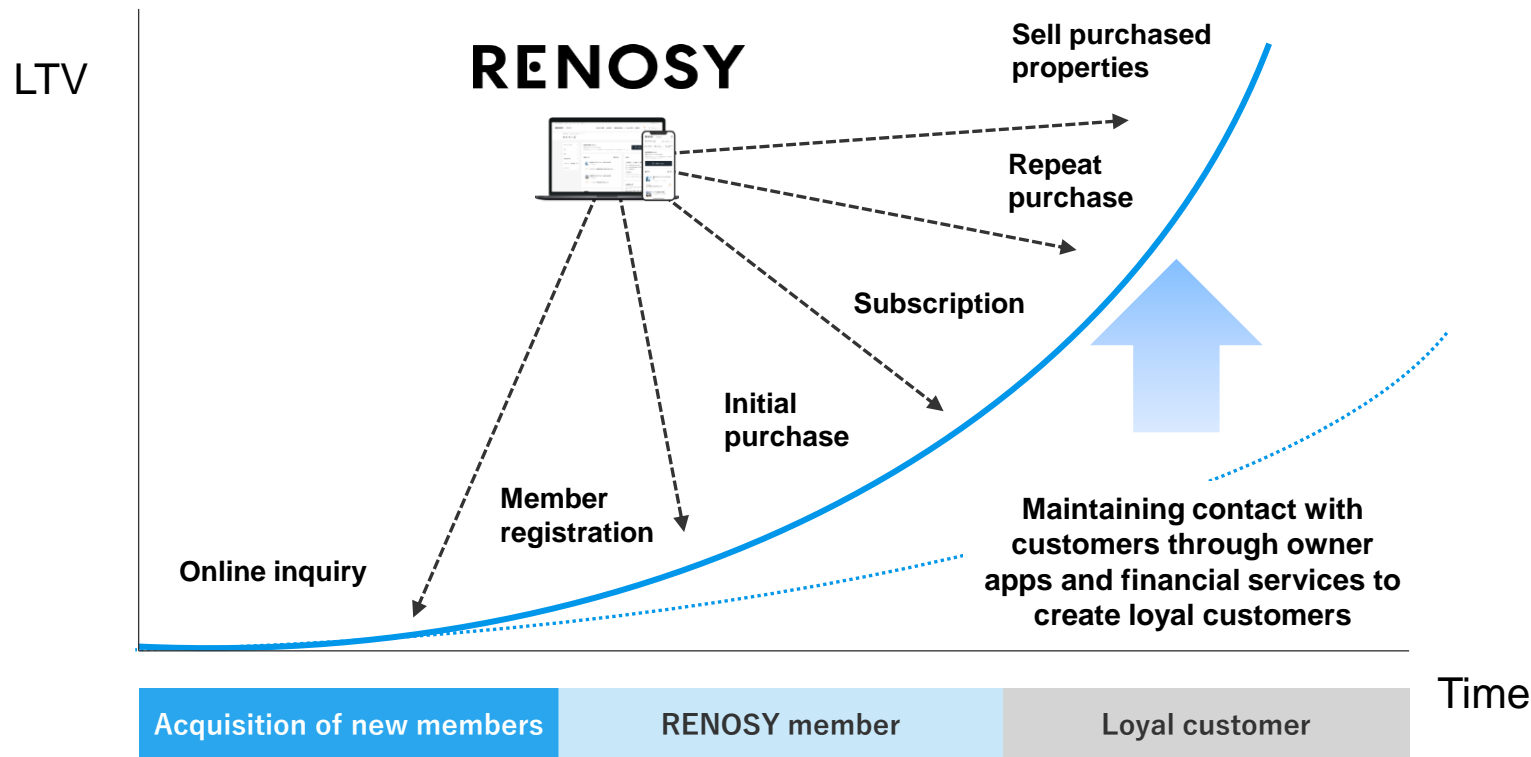


## RENOSY building an ecosystem

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

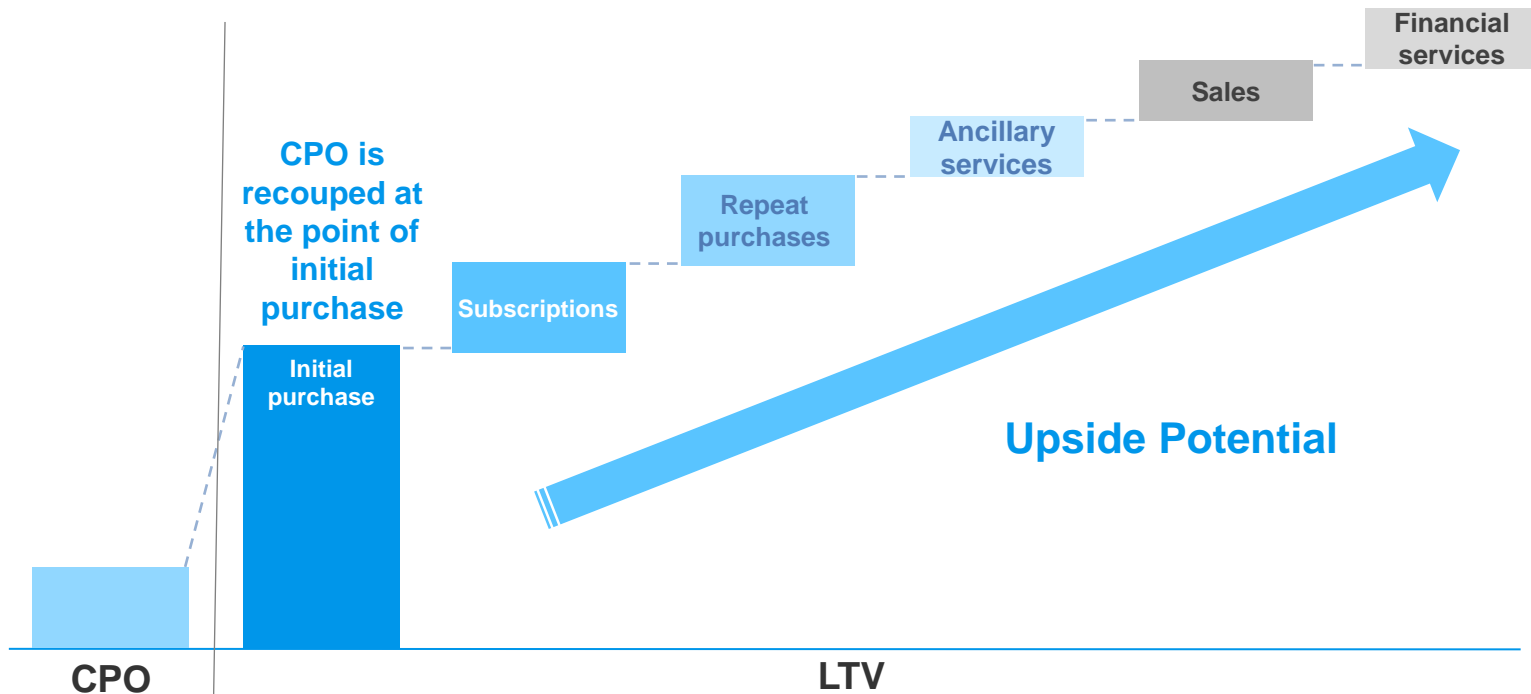


## RENOSY Marketplace monetization points



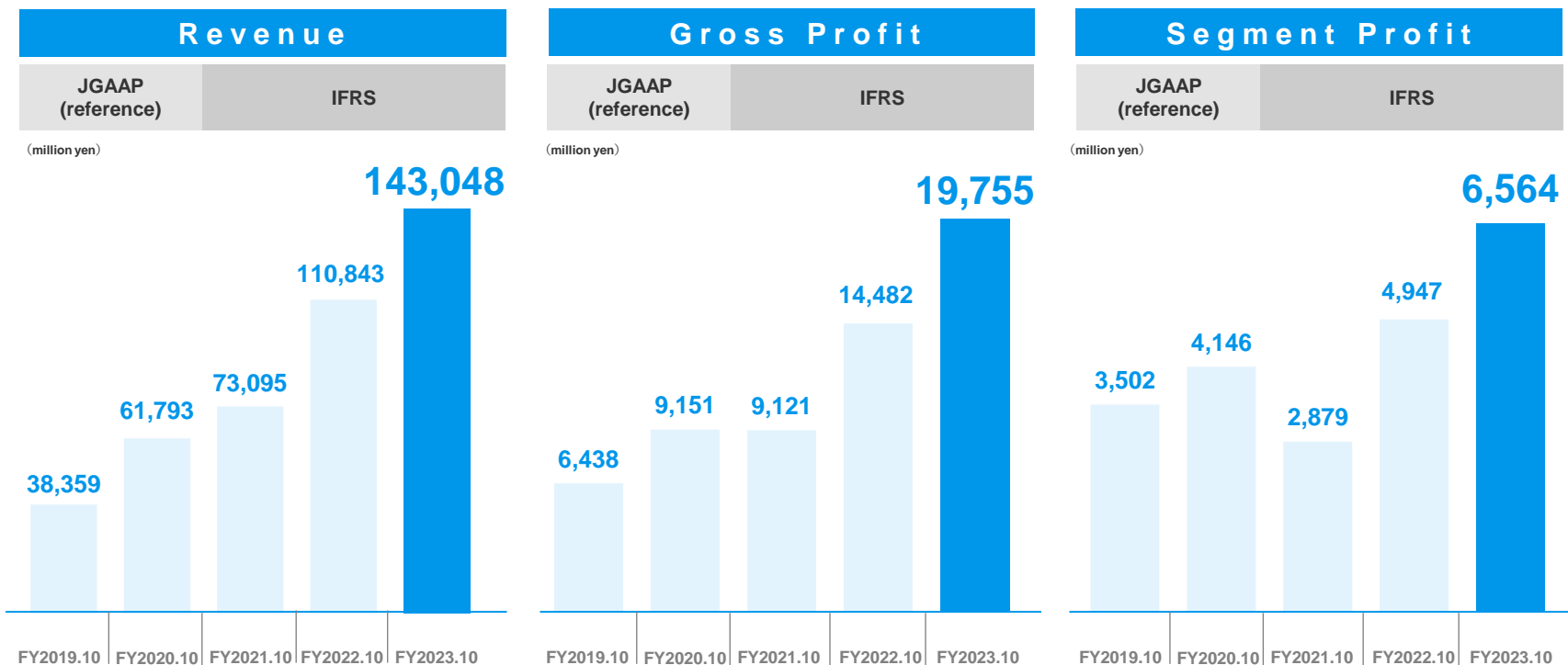
## Expansion of unit economics

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

SaaS for real estate agencies

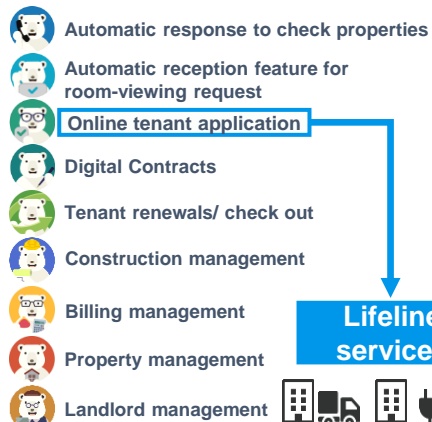
ITANDI BB +



Inquiry · Visit office

SaaS for management companies

ITANDI BB +



Lifeline services



Inter-agency website for real estate companies

ITANDI BB



Inter-agency website for Real estate company



Possession of real-time property data

A marketplace that matches management companies with real estate agencies to streamline transactions

Online real estate rental service

OHEYA GO



オヘヤゴー

Self-showing type rental site



Provides one-stop solutions including searching, room-viewing, and signing contracts online

Target



Real estate agencies

Revenue model

Number of accounts  
x Monthly fee



Management companies

Number of accounts  
x Monthly fee

Amount of service usage  
x Unit price (= pay per use)

Lifeline companies  
(Electricity and gas, etc.)

Number of clients sent  
x Commission fee

Management companies  
Real estate agencies

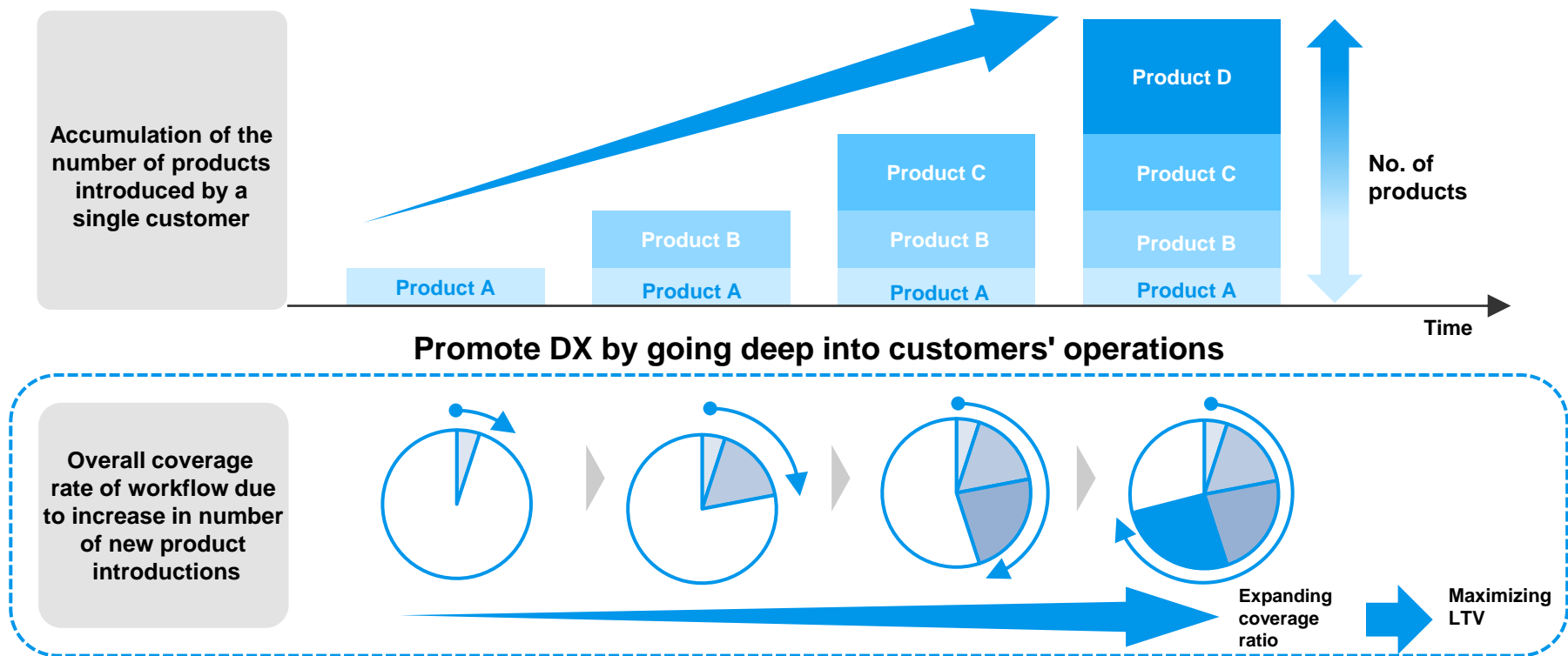
Provided free of charge

Tenants  
Management companies

Number of brokerage contracts  
x brokerage commissions

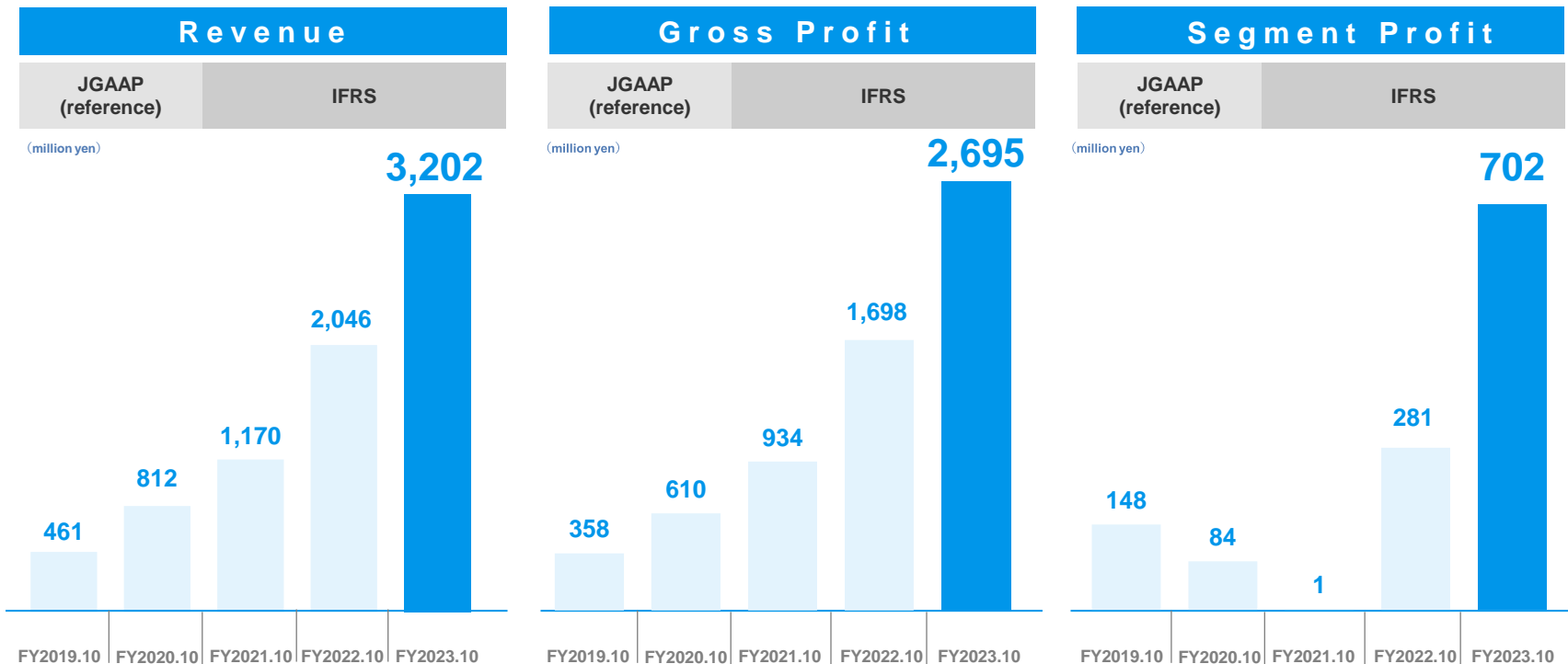
## Monetization points

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



## ITANDI full year performance trends

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



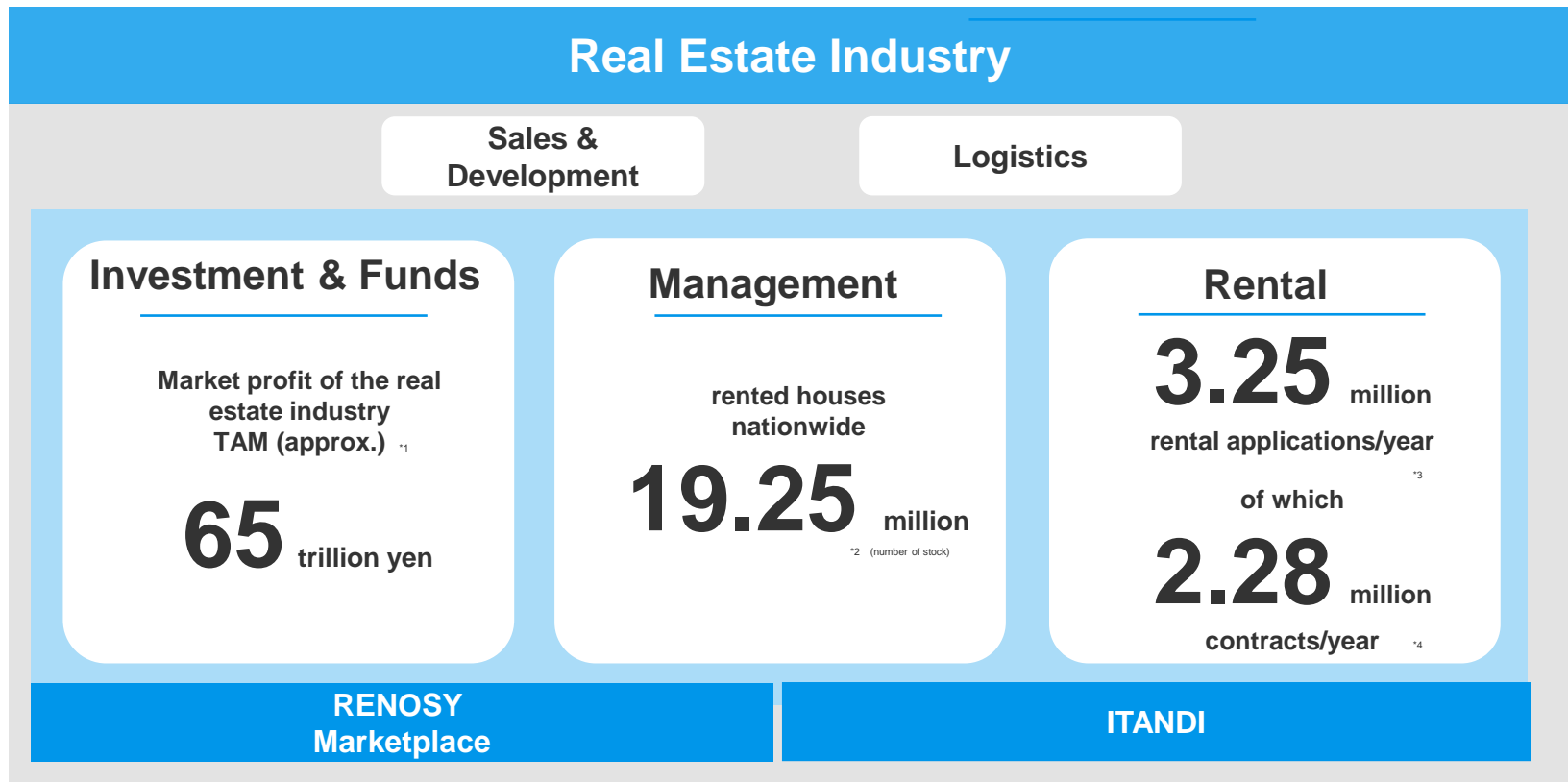
### **3. Market environment/ competitive advantage**



## Market environment

## 3. Market environment / competitive advantage

## Five lines of business in the real estate industry



\*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



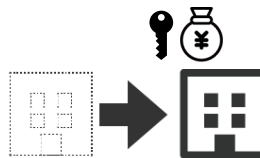
No need for  
viewings



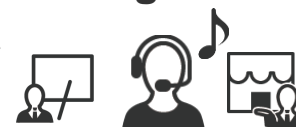
### ITANDI

#### Management & Rental

Smooth and  
simple



No need for  
room viewings or  
visiting office



\*1) Explanation of important matters related to rental agreements carried out with the use of IT such as web conferencing tools

## 3. Market environment / competitive advantage

## RENOSY Marketplace path to market share expansion

GA technologies share of pre-owned condominiums under the size of 50m<sup>2</sup> and under in the metropolitan area

FY2023.10

7.1%

Increased market share through sales of 107 billion yen



FY2024.10 (forecast)

8.7%

Through sales of 130 billion yen



Future

30%

Aim to expand market share as soon as possible

## Market profit of the industry

TAM (approx.) **65** trillion yen<sup>\*1,3)</sup>

Condominiums over the size of 50m<sup>2</sup> in the metropolitan area

SAM **6.9** trillion yen<sup>\*2,4)</sup>

Condominiums under the size of 50m<sup>2</sup> in the metropolitan area

SAM **1.5** trillion yen<sup>\*2,4)</sup>

Aim to expand share to **30%**

Grow to share of 8.7%

GA technologies share 7.1%

\*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)

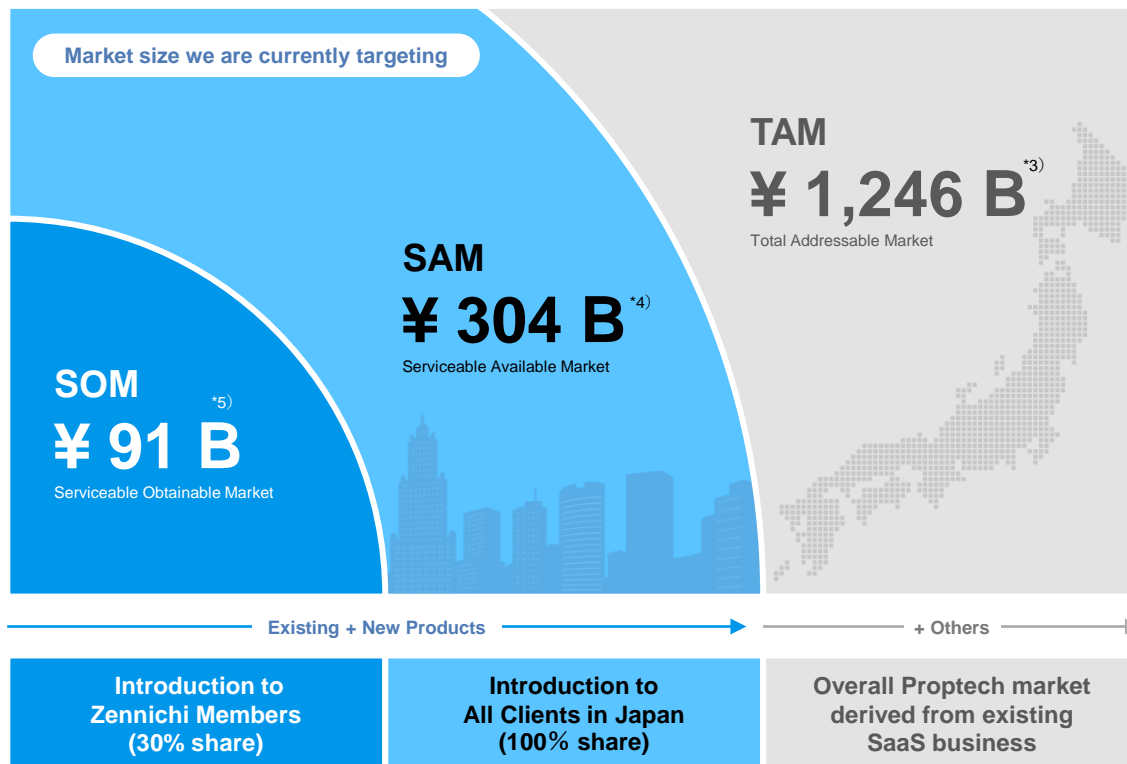
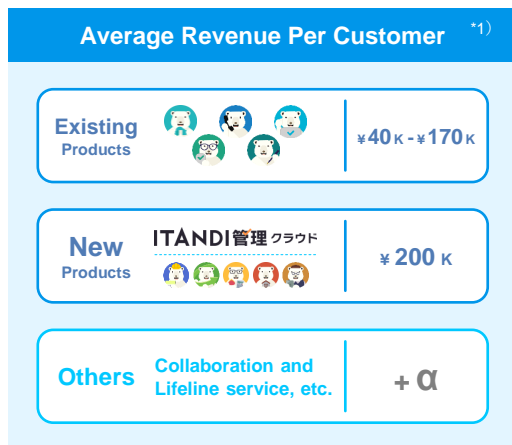
\*2) Estimated with reference to results released by Tokyo Kantei Co., Ltd.: Press release *Newly built / existing apartments market size of Tokyo metropolitan area* (Jan. 2021), Tokyo Kantei Co., Ltd.: Press release *Newly built / existing apartment logistics change of Tokyo metropolitan area* (May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









<sup>\*1)</sup> Price range of products for both property management companies, and rental agency <sup>\*2)</sup> Source: Real Estate Transaction Improvement Organization "Statistics on Registered Real-Estate Broker at the End of Fiscal Year 2021"

<sup>\*3)</sup> 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) <sup>\*4)</sup> 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. <sup>\*5)</sup> SOM = SAM × 30%

**Competitive advantage**

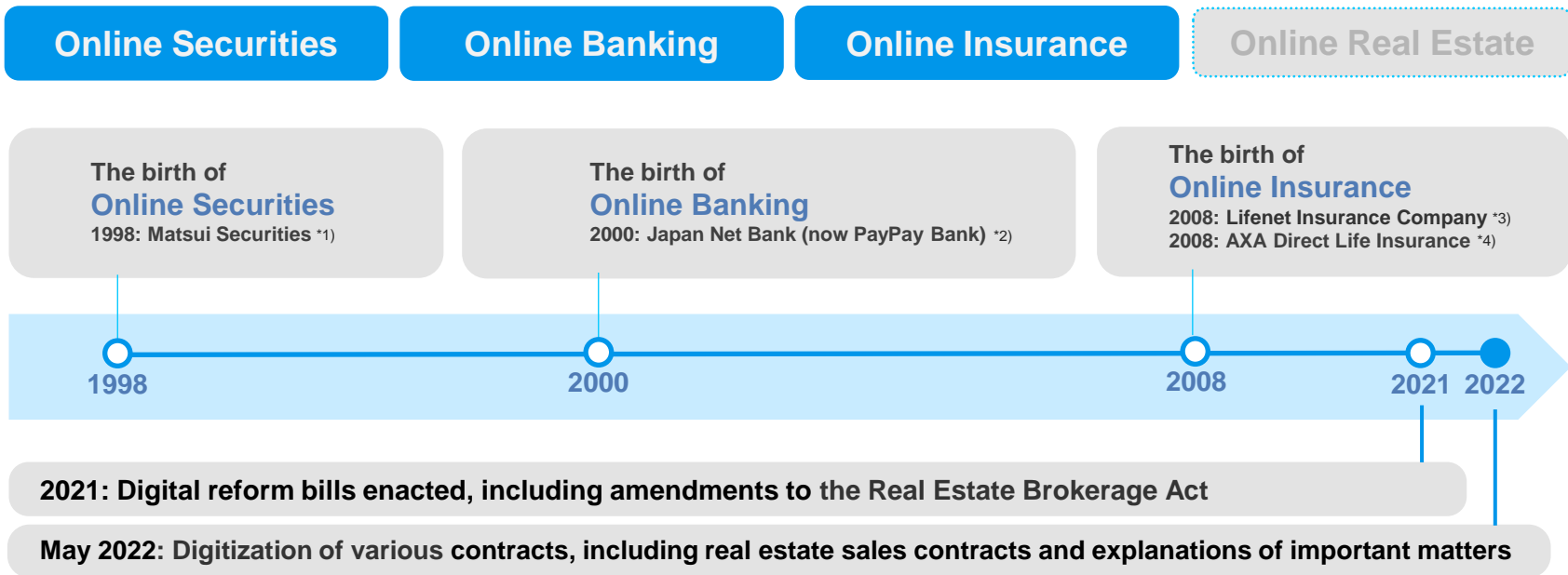
## Our competitive advantage

- 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 arrival of Online Real Estate

## The history of the integration of finance and the internet in Japan



## The Arrival of Online Real Estate

\*1) See Matsui Securities website ([www.matsui.co.jp/first/merit/history/](http://www.matsui.co.jp/first/merit/history/)) \*2) See Japan Net Bank website ([www.japannetbank.co.jp/company/15th/](http://www.japannetbank.co.jp/company/15th/))\*3) See Lifenet Insurance Company website ([www.lifenet-seimei.co.jp/profile/history/](http://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](http://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 Online Real Estate

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

Average number of years in business of top 20 companies in the sales ranking of listed domestic real estate companies \*1)

**61 years** \*2)

GA technologies  
Number of years in business

**10 years**

## Revenue ranking of domestic listed real estate companies 2023 \*1)

| Sales ranking |                               | (Million yen) |
|---------------|-------------------------------|---------------|
| 1             | Mitsui Fudosan                | 2,269,103     |
| 2             | Mitsubishi Estate             | 1,377,827     |
| 3             | Tokyu Fudosan Holdings        | 1,148,484     |
| 4             | Open House Group              | 1,005,836     |
| 5             | Sumitomo Realty & Development | 939,904       |



RENOSY



ITANDI

## FY2023.10 results

|    |                 |         |
|----|-----------------|---------|
| 14 | GA technologies | 146,647 |
|----|-----------------|---------|

## FY2022.10 results

|    |                 |         |
|----|-----------------|---------|
| 21 | GA technologies | 113,569 |
|----|-----------------|---------|

In just **10 years** since its founding, it has become **14th** in sales

\*1) The top 20 companies in terms of revenue (excluding GA) listed in the revenue ranking of domestic listed real estate companies 2023, operated by Living Technologies Inc., were compiled by the Company after obtaining the full-year revenue figures for each company's most recent fiscal year from Bloomberg \*2) Years since foundation calculated as of October 2023

## 3. Market environment / competitive advantage ① Pioneer in the Online Real Estate transactions

## Characteristics and strengths of Online Real Estate



RENOSY

GA technologies  
Online Real Estate

\*1,3



ITANDI

Domestic real estate listed companies  
sales ranking  
Average of the top 20 companies

\*2,3

10 years

Number of years  
of business

\*2



61 years

29%

Net sales  
growth rate  
(YoY)

12%

26 days

Inventory  
turnover

300 days

20%

Ratio of net sales  
and interest-  
bearing debt

133%

SaaS  
business

\*1) As of end of October 2023 \*2) The top 20 companies in terms of revenue (excluding GA) listed in the revenue ranking of domestic listed real estate companies 2023, operated by Living Technologies Inc., were compiled by the Company after obtaining the full-year revenue figures for each company's most recent fiscal year from Bloomberg \*3) As of October 2023.

3. Market environment / competitive advantage ② Unique business model with high entry barriers combining real and technology

## Marketing strategy: Strengthening Seller DX

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



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



## 3. Market environment / competitive advantage ② Unique business model with high entry barriers combining real and technology

## Online transaction business overview

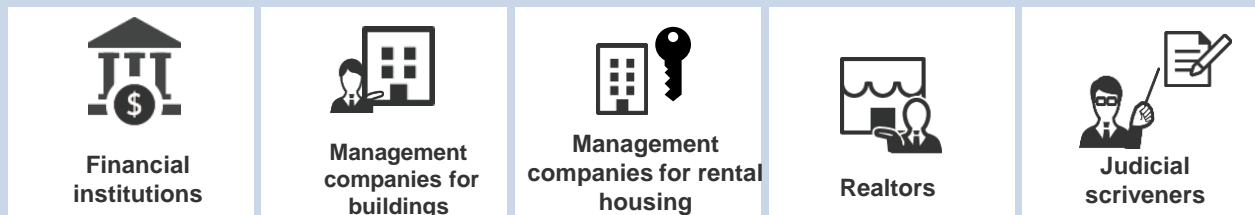
Bringing Real  
Estate Online

## RENOSY

Improving customer experience by moving real estate transactions online



### Parties involved in real estate contracts



Need human intervention

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

## 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 million** salaried workers <sup>\*1)</sup>

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 **3.42million**  
High-net-worth household <sup>\*2)</sup>

50 million yen +  
3,418,000 households

100 million yen +  
1.24 million  
households

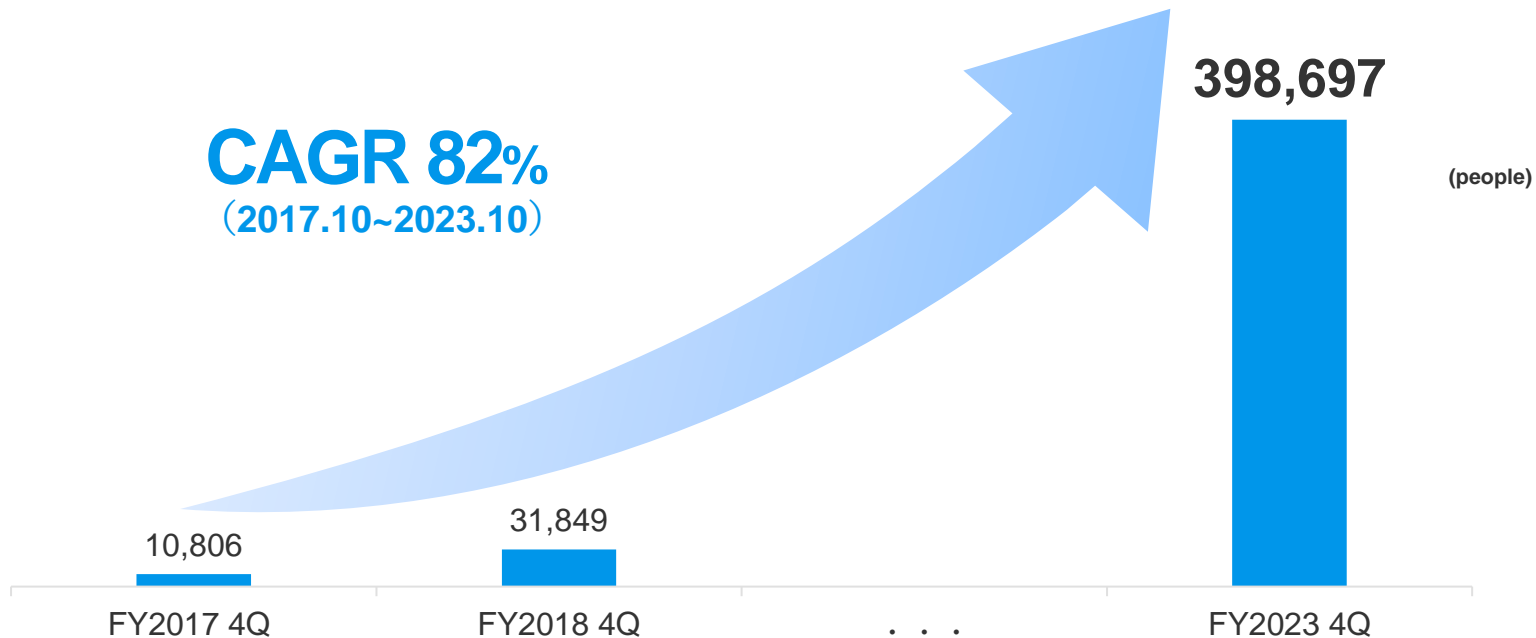
500 million yen +  
87,000 households

\*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

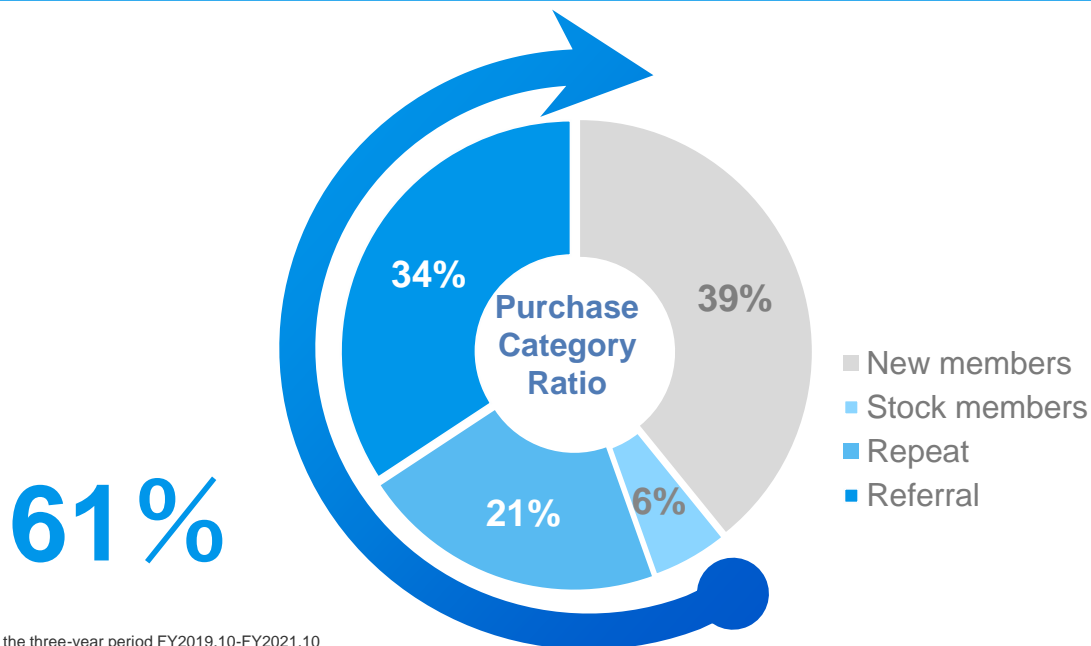
### Significant increase in high-class RENOSY members



## Stock business through utilisation of customer assets

**Strong customer assets have been built up through product utilisation and Stock ratio accounts for approx. 60% of sales <sup>\*1)</sup>**

**Stock Ratio Accounts For Revenue <sup>\*2)</sup>**

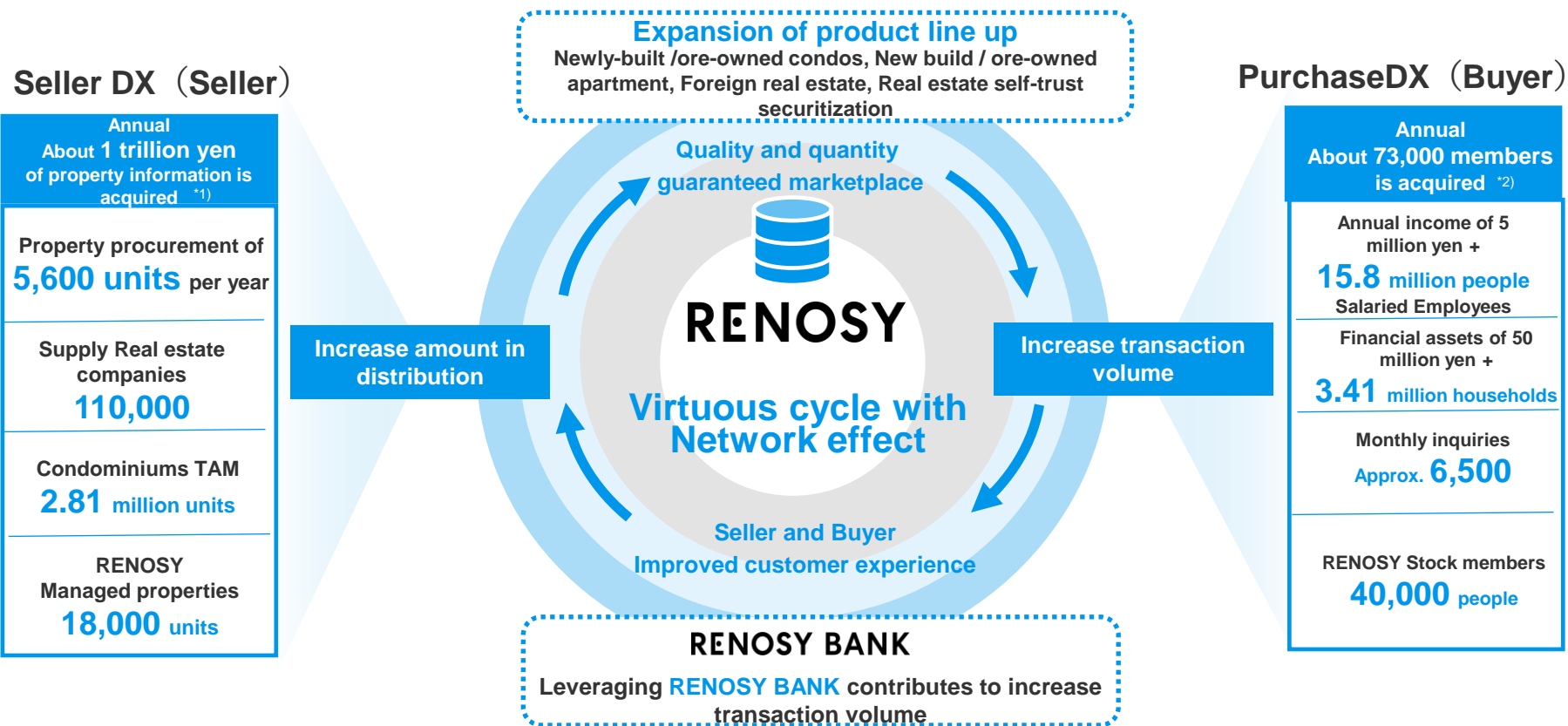


<sup>\*1)</sup> Calculated based on data by purchase for the three-year period FY2019.10-FY2021.10

<sup>\*2)</sup> 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



<sup>\*1)</sup> Cumulative amount of property information which the Company received during the year from November 2021 to October 2022 <sup>\*2)</sup> Increase in the number of RENOSY members as of FY2022 4Q and FY2023 4Q



## 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

## Expanding market share through leveraging the strengths of vertical SaaS

## Expansion of ARR and market share in a short period by utilizing our strengths

ITANDIBB+ ranked No. 1 in utilization rate by real estate agencies<sup>\*1)</sup>

Usage rates of Naikenyoyaku-kun and Moushikomiuketsuke-kun are over 90%

ITANDI BB+

Utilization rate  
by real estate  
agencies  
No.1<sup>\*1)</sup>ITANDI BB+  
内見予約くん  
Naikenyoyaku-kun

92.2%

<sup>\*1)</sup>ITANDI BB+  
申込受付くん  
Moushikomiuketsuke-kun

94.3%

<sup>\*1)</sup>ITANDI BB+  
電子契約くん  
Denshikeiyaku-kunITANDI BB+  
nomad cloudARR ranking of listed SaaS companies (as of Oct. 2023) <sup>\*2)</sup>

| Rank | Company Name                 | Aggregation scope                                      | ARR<br>(Billion Yen) | ARR growth<br>rate (%/ YoY) |
|------|------------------------------|--|----------------------|-----------------------------|
| 1    | SANSAN INC                   | Whole company  | 27.14                | 30.3                        |
| 2    | RAKUS CO LTD                 | Cloud business   | 25.69                | 36.4                        |
| 3    | Appier Group INC             | Whole company  | 22.5                 | 35.0                        |
| 4    | CYBOZU INC                   | Cloud-related business                                 | 22.08                | 18.6                        |
| 5    | MONEY FORWARD INC            | Group SaaS ARR   | 21.13                | 40.0                        |
| 6    | FREEE KK                     | Whole company  | 20.57                | 36.1                        |
| 7    | INFOMART CORP                | Whole company  | 11.71                | 19.5                        |
| 8    | PLUS ALPHA CONSULTING CO LTD | Whole company  | 9.46                 | 31.7                        |
| 9    | SMS CO LTD                   | Elderly Care Operators (Kaipoke)                       | 9.11                 | 15.0                        |
| 10   | SAFIE INC                    | Whole company  | 8.09                 | 27.1                        |
| 11   | PLAID INC                    | Consolidated   | 7.6                  | 17.6                        |
| 12   | KAONAVI INC                  | Whole company  | 6.71                 | 29.9                        |
| 13   | HENNGE KK                    | HENNGE ONE business                                    | 6.55                 | 21.9                        |
| 14   | MEDLEY INC                   | Medical platform                                       | 5.7                  | 89.0                        |
| 15   | PKSHA Technology Inc         | AI SaaS  | 5.5                  | 19.0                        |
| 16   | CHATWORK CO LTD              | Chatwork business                                      | 5.32                 | 29.8                        |
| 17   | BENGO4.COM INC               | CloudSign  | 4.93                 | 35.2                        |
| 18   | SMAREGI INC                  | Monthly fee of Cloud Services                          | 4.66                 | 49.6                        |
| 19   | Link and Motivation Inc      | Motivation Cloud series                                | 4.31                 | 26.0                        |
| 20   | YAPPLI INC                   | App platform business                                  | 3.99                 | 20.5                        |
| 21   | WANTEDLY INC                 | Flow revenue   | 3.92                 | 4.5                         |
| 22   | AI INSIDE INC                | Recurring  | 3.76                 | 16.7                        |
| 23   | TEAMSPIRIT INC               | Whole company  | 3.36                 | 15.7                        |
| 24   | NULAB INC/JAPAN              | Whole company  | 3.36                 | 32.1                        |
| 25   | SPIDERPLUS & CO              | ICT business   | 3.06                 | 27.0                        |
| 26   | CYBER SECURITY CLOUD INC     | Whole company  | 2.87                 | 42.5                        |
| 27   | ITANDI                       | Whole company  | 2.52                 | 32.0                        |
| 28   | Startia Holdings Inc         | Digital marketing business                             | 2.46                 | 13.3                        |
| 29   | Fintext Holdings Ltd         | Whole company  | 2.44                 | 40.6                        |
| 30   | ORO CO LTD                   | Cloud solution business_Existing customers (recurring) | 2.36                 | 21.4                        |

<sup>\*1)</sup> Leasing Management Consulting "Survey on the Impact of COVID-19 on the Rental Real Estate Market during the 2023 Moving Season (January-March)" (2023/01/24) n=405 (2023/07/26) n=333<sup>\*2)</sup> Made referencing "SaaS listed companies ARR Ranking updated October 2023" ([https://note.com/\\_funeo/n/nacafb1b3dfe0](https://note.com/_funeo/n/nacafb1b3dfe0)). ARR for ITANDI from FY2023.10 Full-year financial results

## 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

**No. 1**<sup>\*1)</sup>  
No.1 usage rate  
by brokerage firms

Operational streamlining services  
for real estate agencies

In satisfaction with  
Sales contribution  
**No.1**<sup>\*2)</sup>

In support system  
satisfaction  
**No.1**<sup>\*2)</sup>



## Inter-agency distribution website

**No. 1**  
Inter-agency distribution website that is  
wanted to be introduced by rental  
management companies<sup>\*2)</sup>

**No. 1**  
Easy-to-use distribution website<sup>\*2)</sup>

**ITANDI BB**



\*1) Leasing Management Consulting K.K., "Survey on the Impact of the New Corona Virus on the Rental Real Estate Market during the 2023 Moving Season (January-March)". (2023/01/24) n=405

\*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.

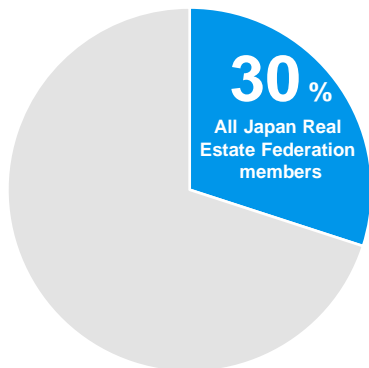
## 3. Market environment / competitive advantage ⑤ Development of a highly profitable SaaS business

## Launch of "Rabbynet" from the All Japan Real Estate Federation

All Japan Real Estate Federation's member support system "Rabbynet" available from April 2023.  
This provides a single, integrated update of the real estate operations of more than **35,000 members of the association.**

## All Japan Real Estate Federation

Japanese real estate companies



\*Not including some major real estate companies that are not members of guarantee associations.



公益社団法人  
全日本不動産協会



One of the **two**  
largest real estate  
associations in Japan



Approx. 30% of  
real estate  
companies are  
members



Approx. 35,000  
corporations  
are members

## Impact of this initiative

Expecting an increase in the number of companies using the new system, which will be linked to our products, as the infrastructure.

Property information system for members

Old system

Companies using our services

Gradual transition



Starting from April 19, 2023

Number of companies  
using our services

Approx.  
2,000 companies

Currently

Approx.  
35,000 companies

Currently

## 3. Market environment / competitive advantage ⑤ Development of a highly profitable SaaS business

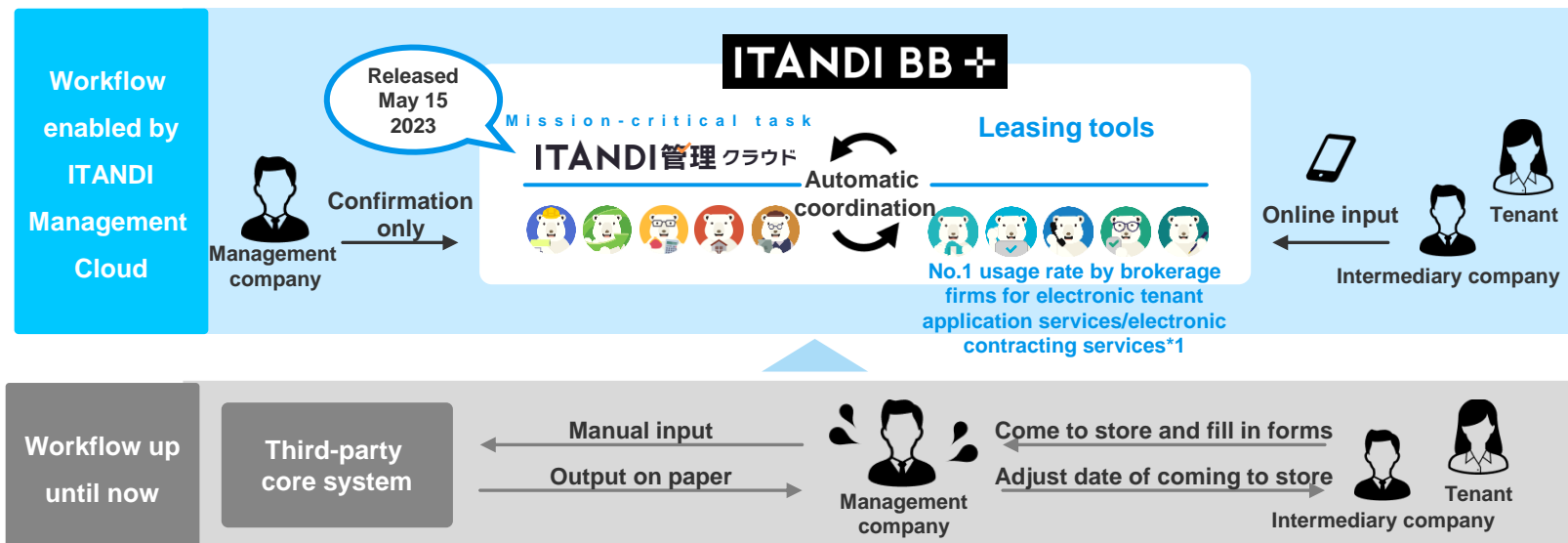
## Launch of rental management system "ITANDI Management Cloud"

In addition to leasing tools, we launched "ITANDI Management Cloud," a key component of rental management, covering the entire flow of rental management operations, which in turn contributes to further improvement in convenience and customer satisfaction.

Core business system advancement to complete the one-stop solutions

×

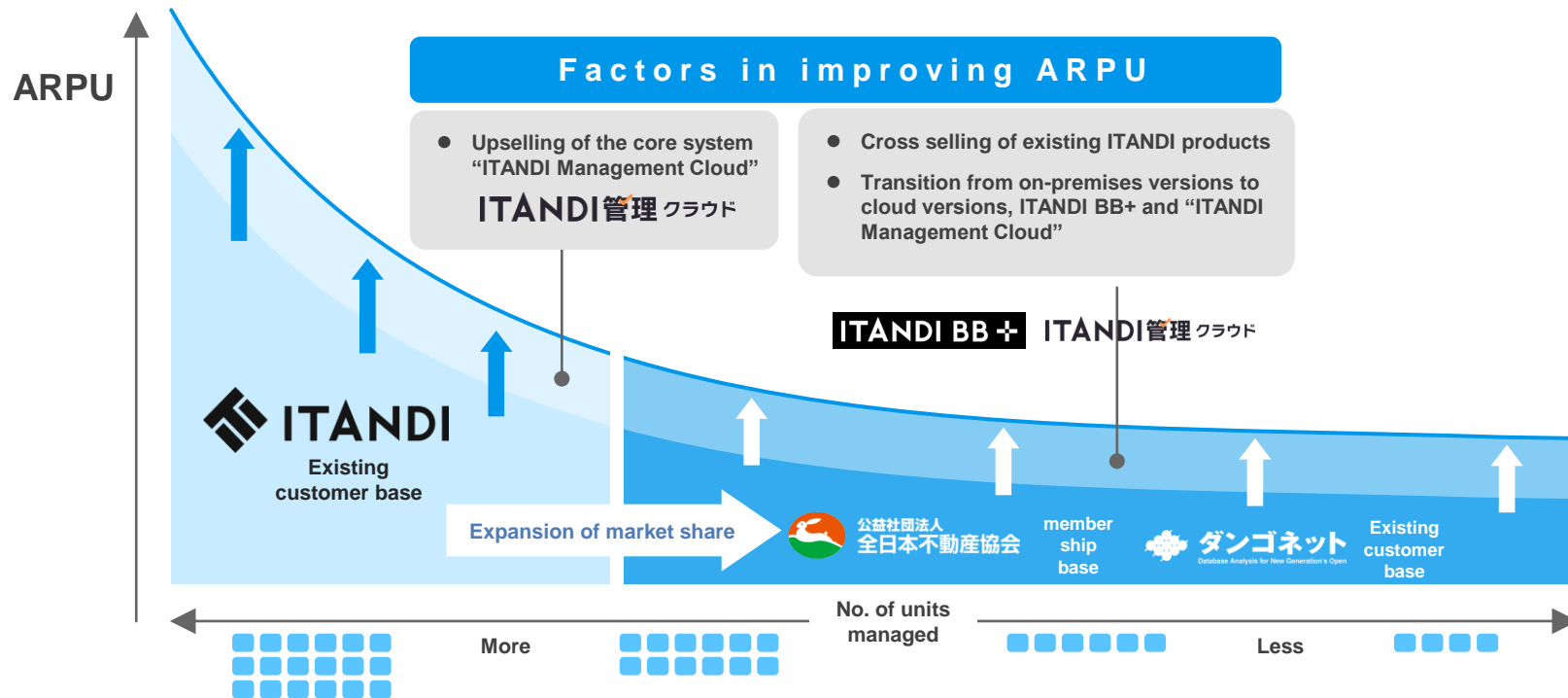
Growth by leveraging our strong track record in leasing tools



\*1) Leasing Management Consulting "Survey on the Impact of COVID-19 on the Rental Real Estate Market during the 2023 Moving Season (January-March)" (2023/01/24) n=405

## Strategic positioning of rental management systems

With rental management 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

### Five Principles of M&A Strategies

1

Expand market share and commercial distribution



2

Obtain superior customers (Direct response)



3

Enhance product lineup



4

Strengthen media presence



5

Expand service coverage



### Region



Japan

Greater China

Southeast Asia &  
Oceania

North America

Europe & Middle East

etc.

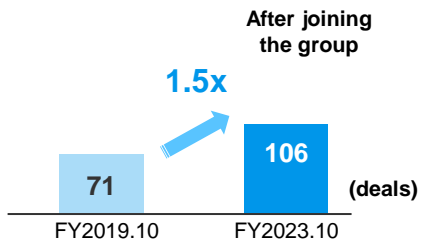
## 3. Market Environment / Competitive Advantage ⑥ Non-organic growth through M&amp;A strategy

## Improvement of KPI Indicators from post-M&amp;A to present

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

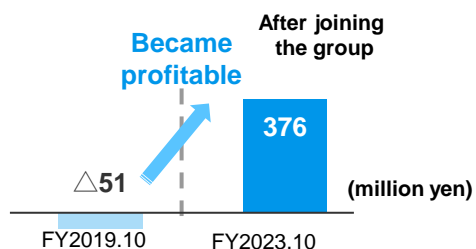
**Yes Renovation**  
Package Renovation For Rent

## Number of construction received



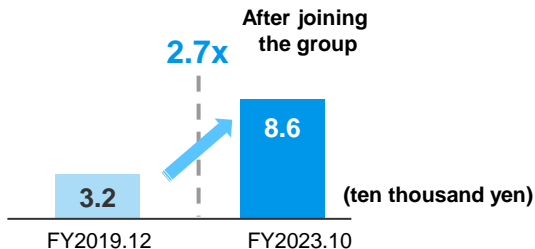
**MODERN STANDARD** \*1)

## Operating profit



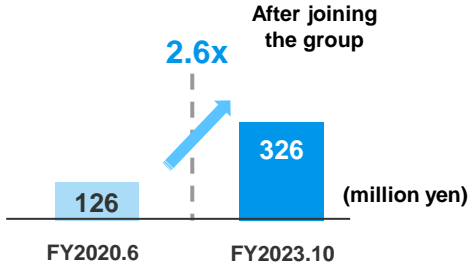
**神居秒算**

## Sales per response



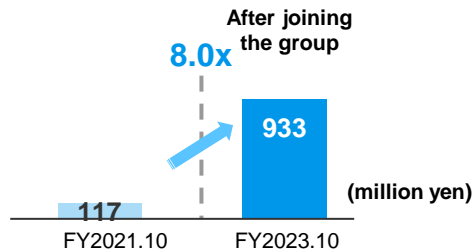
**PARTNERS**

## Operating profit



**Ricordi**

## Operating profit

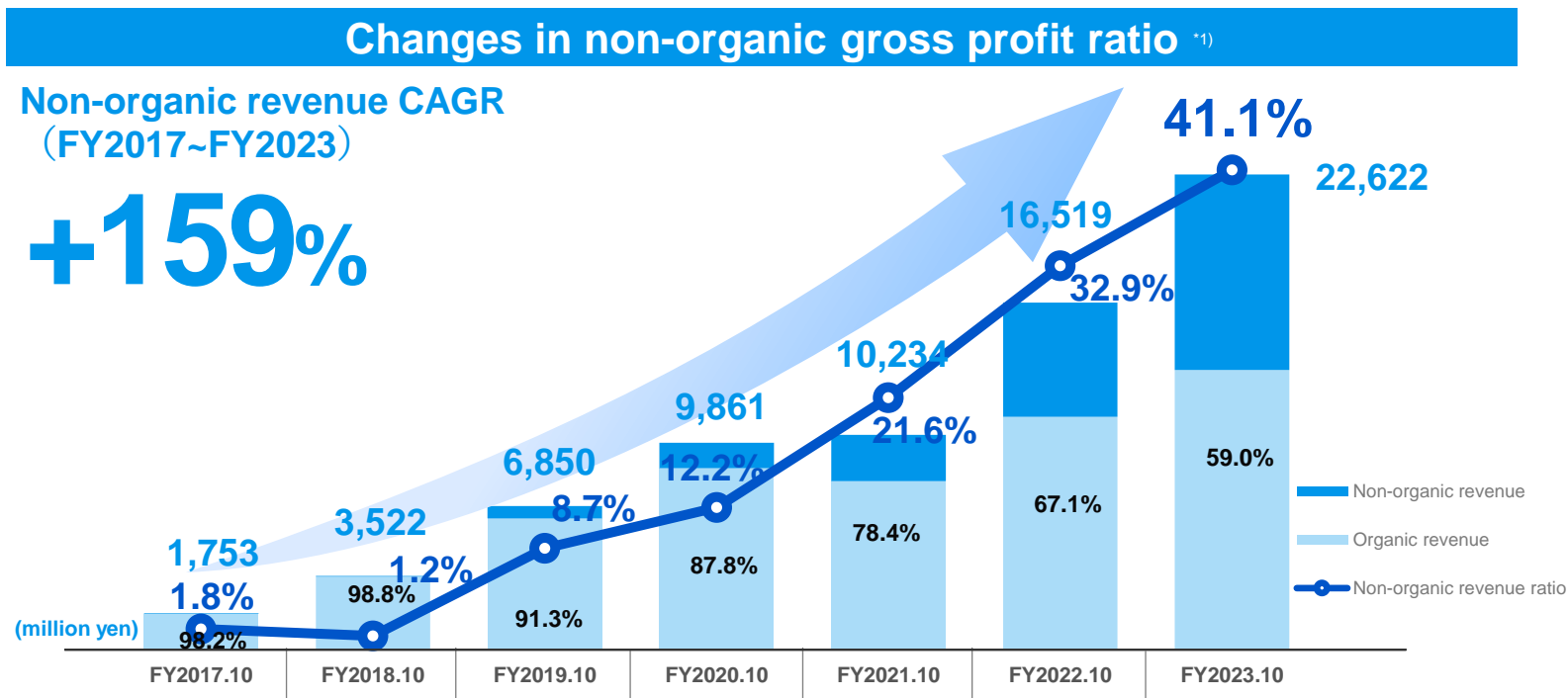


\*1) In April 2022, the company name was changed to RENOSY PLUS Co., Ltd.



## Trend of non-organic gross profit ratio

Non-organic gross profit as a percentage of total gross profit increased to 41.1% in 6 years  
Non-organic gross profit CAGR is high at 159%



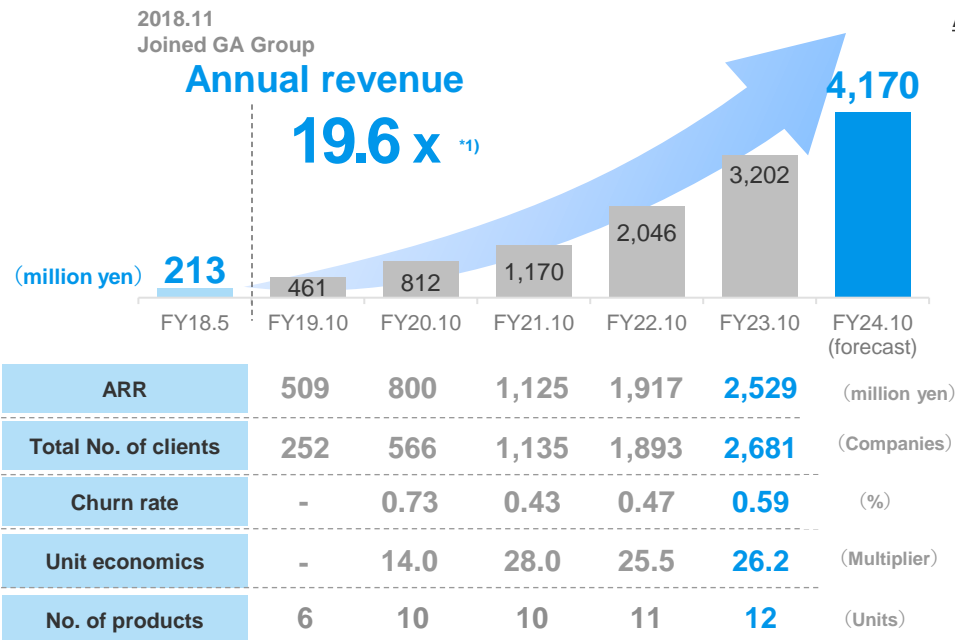
<sup>\*1)</sup> Calculated under JGAAP from FY10/2017 to FY10/2020, and under IFRS from FY10/2021 onward. Organic revenue is the sum of revenue of existing compact condominiums and subscriptions, and non-organic revenue is the sum of revenue from other businesses

## 3. Market environment / competitive advantage ⑥ Non-organic growth through M&amp;A strategy

## ITANDI equity value trends

Successfully increased value continuously after M&A. Aiming to further increase equity value in the future

## ITANDI's key performance and equity value



## At time of M&amp;A

(million yen)

Equity value ...①

2,800<sup>\*2)</sup>

## Latest FYE (FY2023.10)

(million yen)

FY2024.10

Forecasted revenue...②

4,170

Estimated PSR...③<sup>\*3)</sup>

8.0 ~ 10.0x

② × ③  
Estimated equity value...④

33,360~41,700

④/①

Increase in equity value

11.9 ~ 14.9x

<sup>\*2)</sup> Calculated based on our acquisition price of ITANDI shares

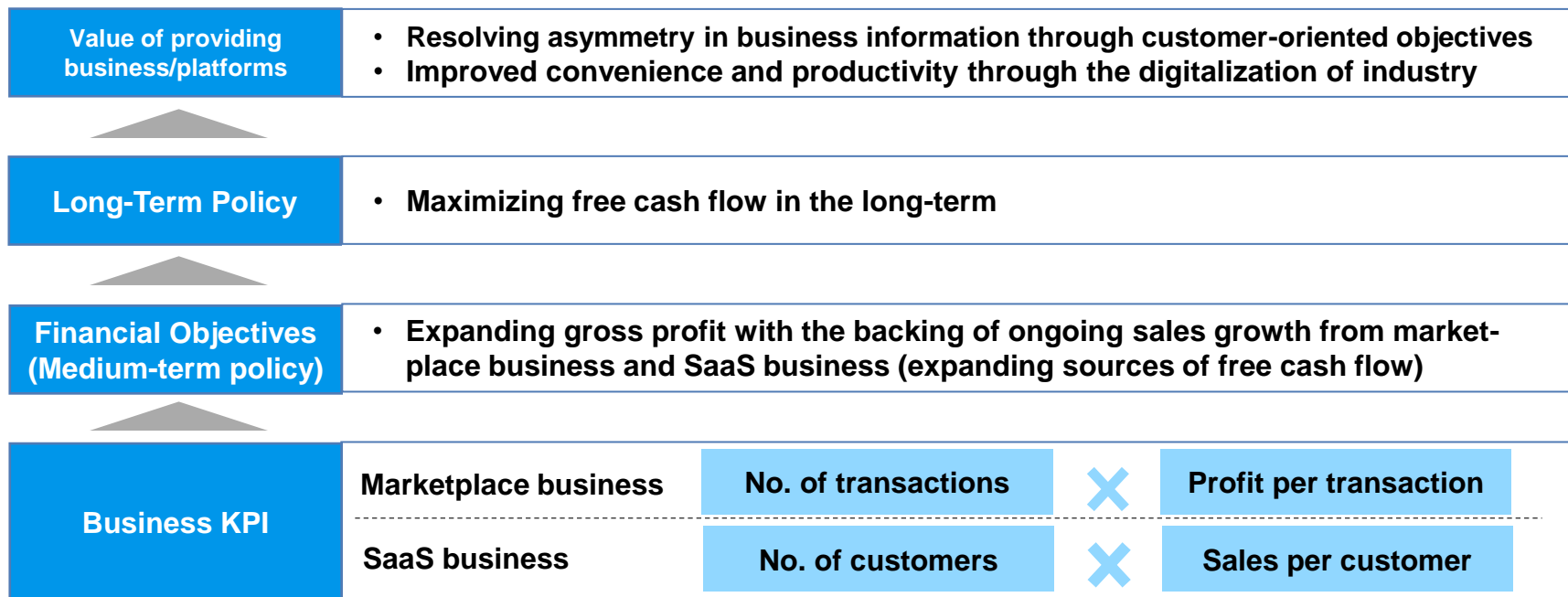
<sup>\*3)</sup> Among major listed SaaS companies in Japan, with an annual revenue growth rate of 30%+ as of June 7, 2023, calculated by dividing the Bloomberg Consensus of revenue by the annual revenue of the most recently disclosed annual financial results, were selected as reference companies. Estimated PSR range for the domestic SaaS industry to be 8-10x by referring to the median expected PSR (9x) for each company, which was calculated by dividing the market cap as of June 7, 2023 by the Bloomberg Consensus. The references and estimated PSRs are as follows; Rakus(3923) 12.0x, Money Forward (3994) 11.4x, Plus Alpha Consulting (4071) 12.5x, Appier Group (4180) 6.0x, SpiderPlus (4192) 7.4x, Sansan (4443) 7.5x, Chatwork (4448) 7.7x, Freee (4478) 10.3x, Medley (4480) 9.1x

<sup>\*1)</sup> Comparing ITANDI's annual revenue in FY2018.5 before joining GA Group with ITANDI segment annual revenue (forecast) in FY2023.10

## **4. Growth strategy and management indicators**

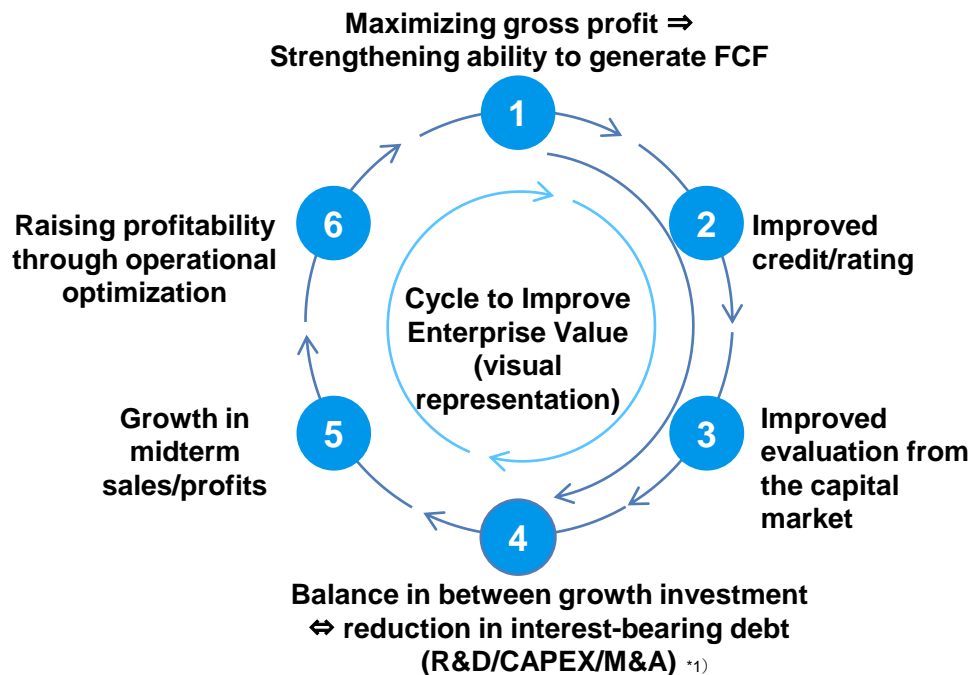
## Strategy to maximize the enterprise value (1/2)

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**

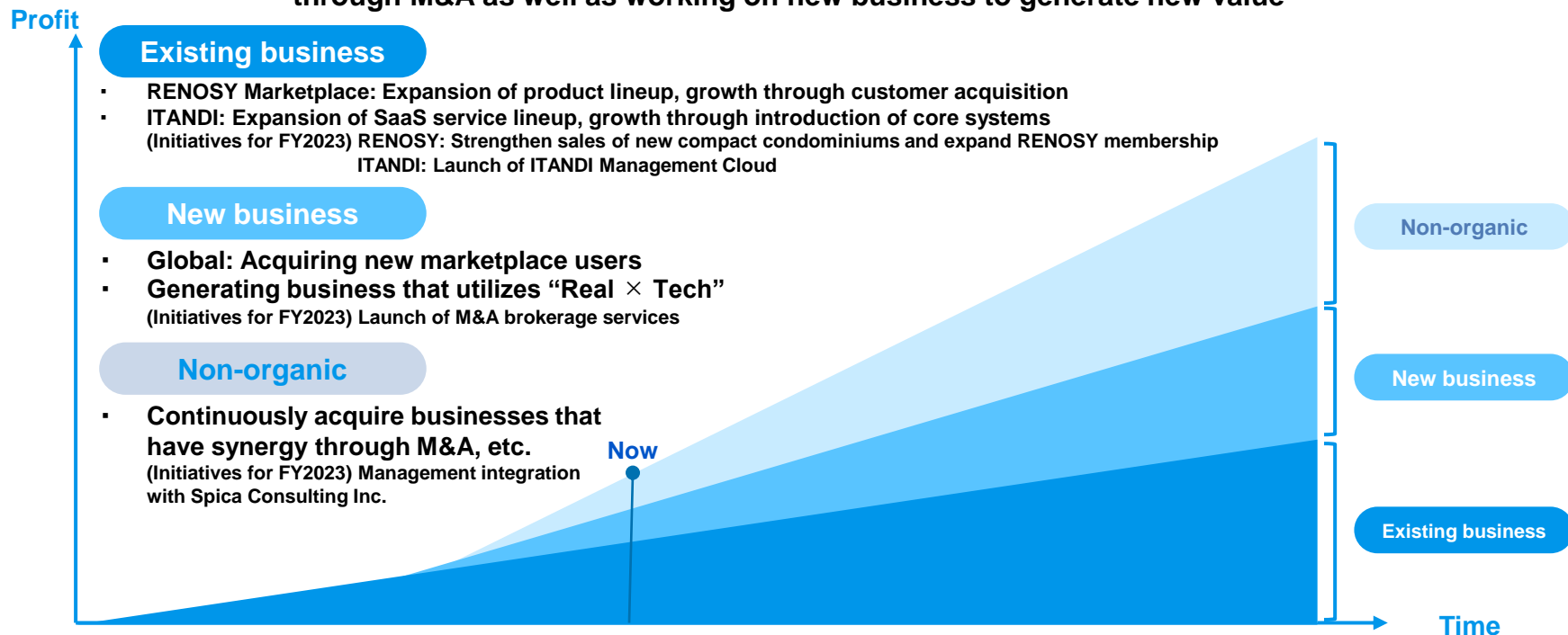


### Cycle of enterprise value improvement

- 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

## 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



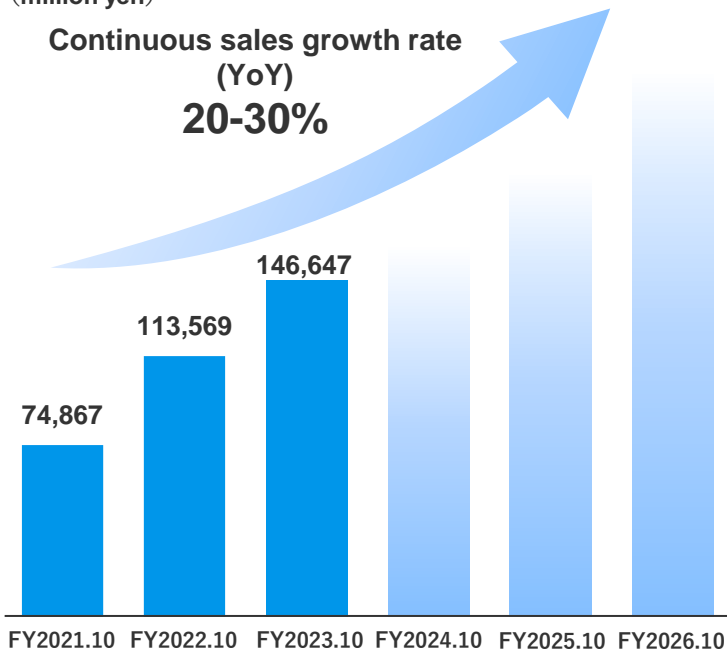
## Consolidated revenue / gross profit objectives

Expanding business while balancing growth in both top line and profits

### Consolidated revenue

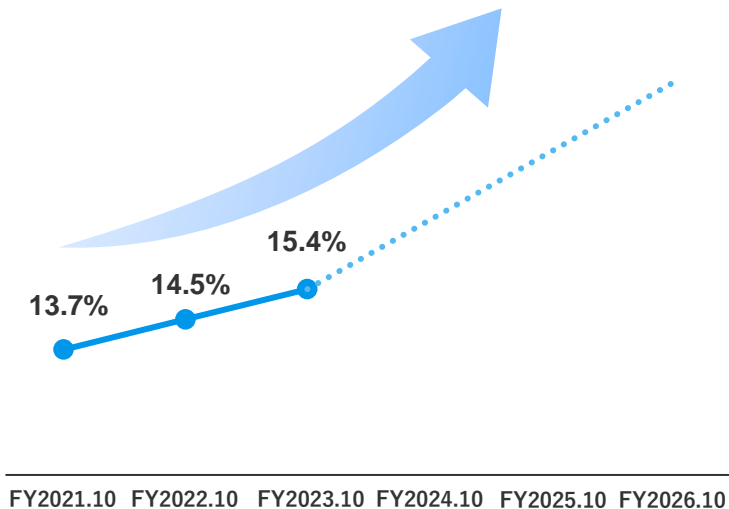
(million yen)

Continuous sales growth rate  
(YoY)  
**20-30%**



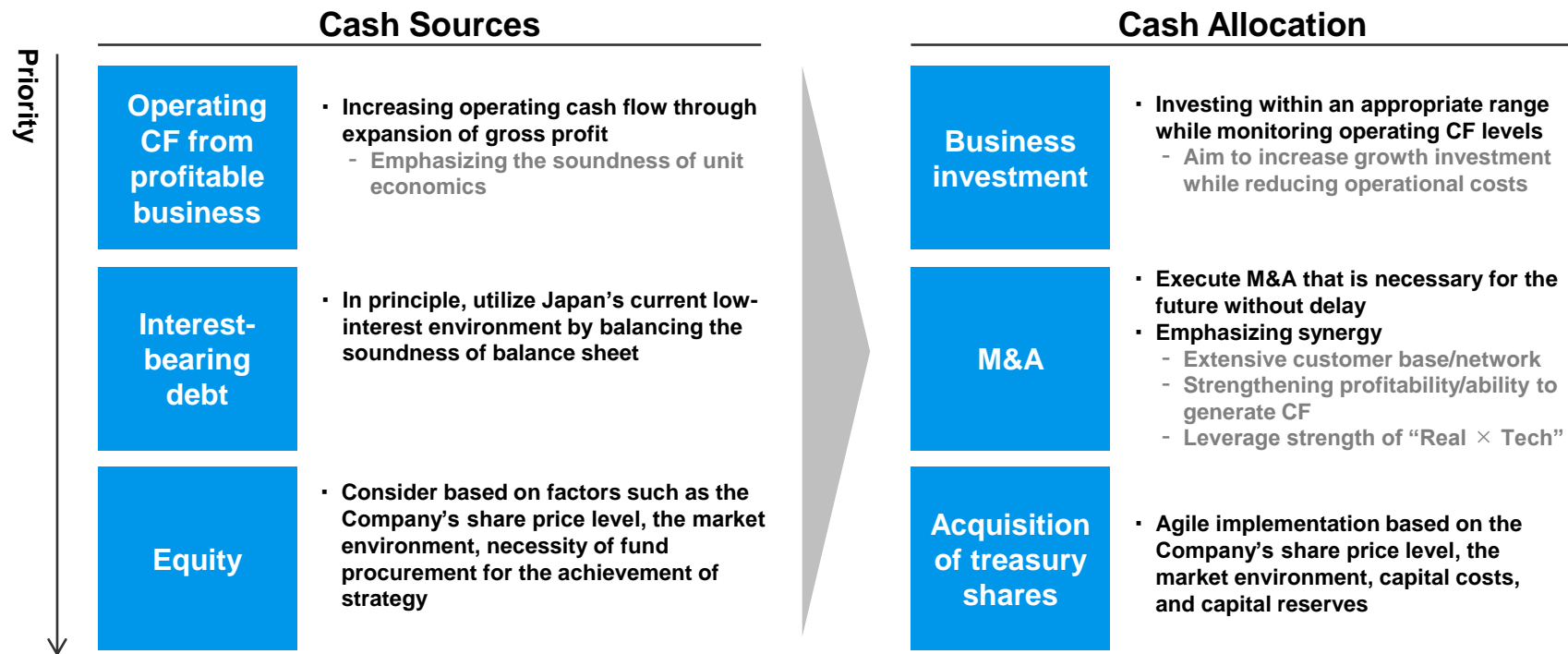
### Consolidated gross profit ratio

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)                |                                  | FY2022.10 <sup>(1)</sup> | FY2023.10 <sup>(2)</sup> | Amount of Change (②-①) | Rate of Change (②-①) |
|------------------------------|----------------------------------|--------------------------|--------------------------|------------------------|----------------------|
| Current assets               | Cash & cash equivalents          | 11,842                   | 17,452                   | 5,610                  | 47%                  |
|                              | Inventories <sup>*2)</sup>       | 8,056                    | 10,183                   | 2,127                  | 26%                  |
|                              | (Turnover period <sup>*3)</sup>  | (20.6 days)              | (26.8 days)              | (6.2 days)             | 30%                  |
|                              | Trade receivables <sup>*4)</sup> | 667                      | 867                      | 200                    | 30%                  |
|                              | (Turnover period <sup>*3)</sup>  | (1.8 days)               | (1.9 days)               | (0.1 days)             | 6%                   |
|                              | Others                           | 2,298                    | 2,639                    | 341                    | 15%                  |
| Non-current assets           |                                  | 32,348                   | 30,210                   | -2,138                 | -7%                  |
| Total assets                 |                                  | 55,211                   | 61,352                   | 6,141                  | 11%                  |
| Liabilities                  | Trade payables <sup>*5)</sup>    | 2,073                    | 3,516                    | 1,443                  | 70%                  |
|                              | (Turnover period <sup>*2)</sup>  | (6.8 days)               | (8.2 days)               | (1.4 days)             | 21%                  |
|                              | Others                           | 33,833                   | 37,251                   | 3,418                  | 10%                  |
| Equity                       | Share capital                    | 7,238                    | 7,262                    | 24                     | 0%                   |
|                              | Retained earnings                | -33                      | 989                      | 1,022                  | -                    |
|                              | Others                           | 12,100                   | 12,333                   | 233                    | 2%                   |
| Total liabilities and equity |                                  | 55,211                   | 61,352                   | 6,141                  | 11%                  |

Low working capital :  
Strict control of  
Cash Conversion  
Cycle (CCC)<sup>(6)</sup>

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

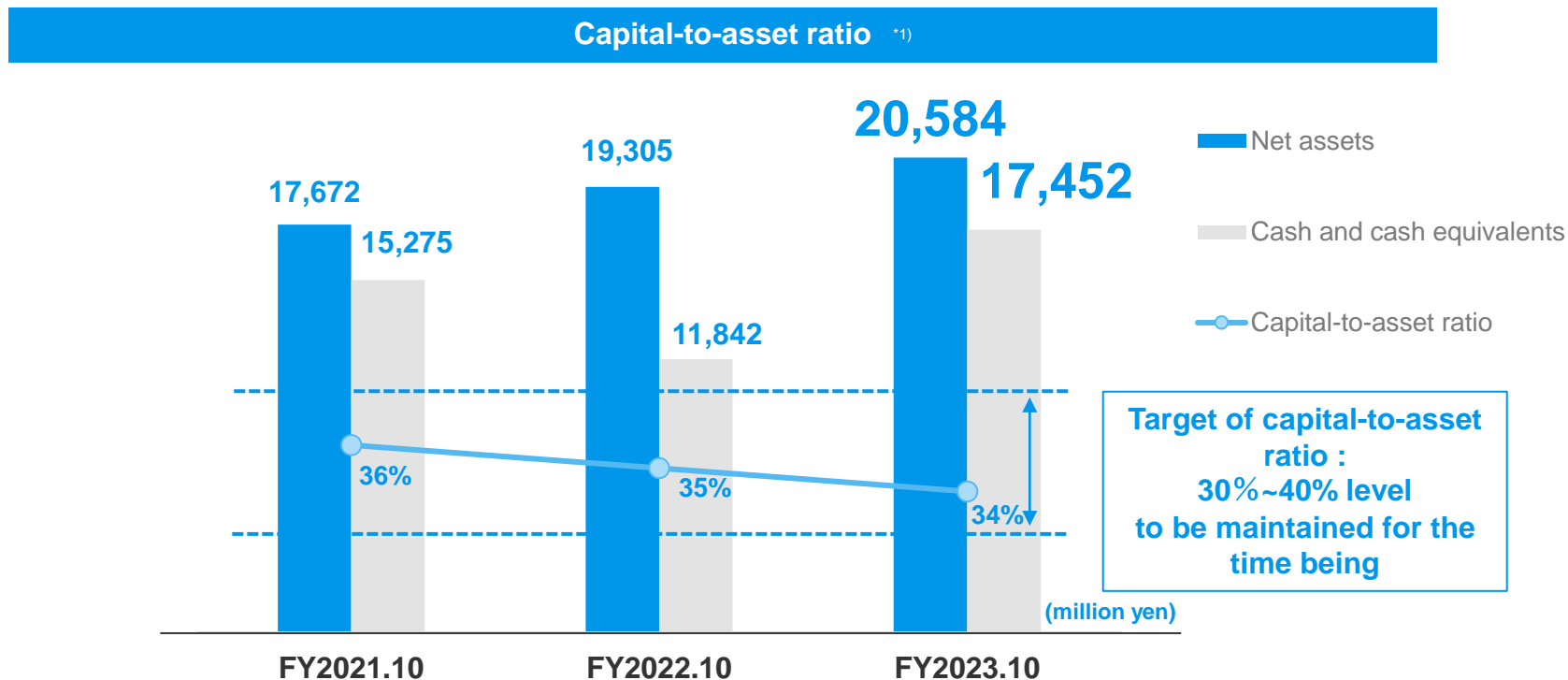
Shareholder return  
policy:  
Total Shareholders  
Return (TSR)<sup>\*7)</sup>

\*1) 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) Inventories \*3) Averages during the applicable period are used for inventory, operating credit, and operating liabilities when calculating turnover time \*4) Trade and other receivables \*5) Trade and other payables \*6) CCC (Cash Conversion Cycle) = Inventory turnover days + Receivables turnover days - Accounts Payable Turnover days- \*7) Total Shareholder Return (TSR)

## 4. Growth strategy and management indicators

## A stable financial base (Sound capital-to-asset ratio)

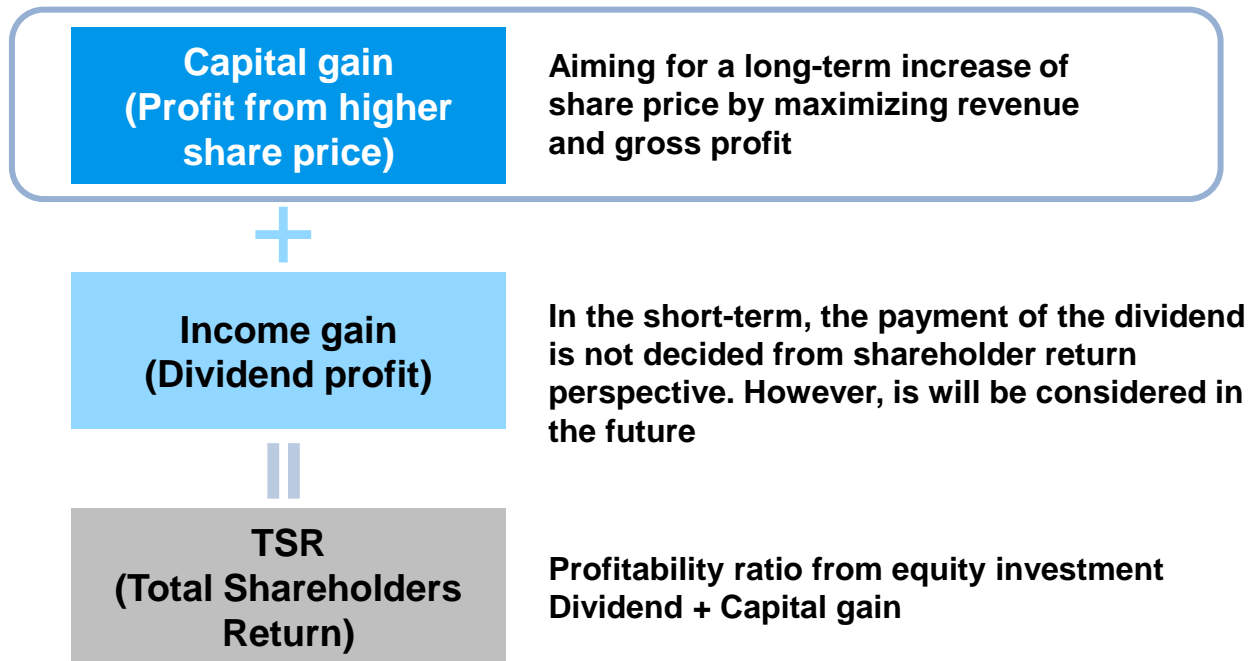
By maintaining a sound capital-to-asset ratio and the level of cash and cash equivalents at hand, we will maintain our stable financial base



<sup>\*1)</sup> 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

## 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

|                                 | FY2022.10<br>results | FY2023.10<br>results | Medium-term target  |
|---------------------------------|----------------------|----------------------|---|
| Revenue growth rate             | 51.7 %               | 29.1 %               | ▶ Continuous revenue growth<br>20~30 %                    |
| SaaS revenue growth rate        | 74.8%                | 56.5%                | ▶ Continuous revenue growth<br>40~50 %                    |
| Consolidated gross profit ratio | 14.5%                | 15.4%                | ▶ ~20 %   |
| Cash Conversion Cycle (CCC)     | 15.6 days            | 20.5 days            | ▶ Within 30 days  |
| Capital-to-asset ratio          | 35%                  | 34%                  | ▶ 30%~40% level<br>to be maintained<br>for the time being |

## 4. Growth strategy and management indicators

## Growth strategies update

Further promote growth strategies to achieve medium-term targets of 20-30% revenue growth and 20% profit margin

## Growth strategies

1

**RENOSY Marketplace:** Expansion of product lineup, customer acquisition

2

**ITANDI:** Expansion of SaaS service lineup, implementation of core system

3

**Global:** Acquire new marketplace users

4

**New business:** Creation of businesses utilizing "real business combined with technology"

5

**Non-organic:** M&A and other synergistic business acquisitions

## FY2024 Target

- Growth in direct procurement rate due to the strengthening of Seller DX
- Growth in gross profit with the provision of a mix of products

- Sales expansion of rental management system, "ITANDI Management Cloud"
- Introduction/provision of products for real estate sales agencies

- Area expansion of the Asian market
- Strengthening of the hiring of global human resources

- Further use of technology in the M&A brokerage business

- Continuously strengthen M&A activities that lead to business growth and realization of synergy with companies that have joined the Group through M&A

## **FY2023.10 full-year consolidated results**

4. Growth strategy and management indicators FY2023.10 full-year consolidated results

## FY2023.10 full-year highlights of financial results

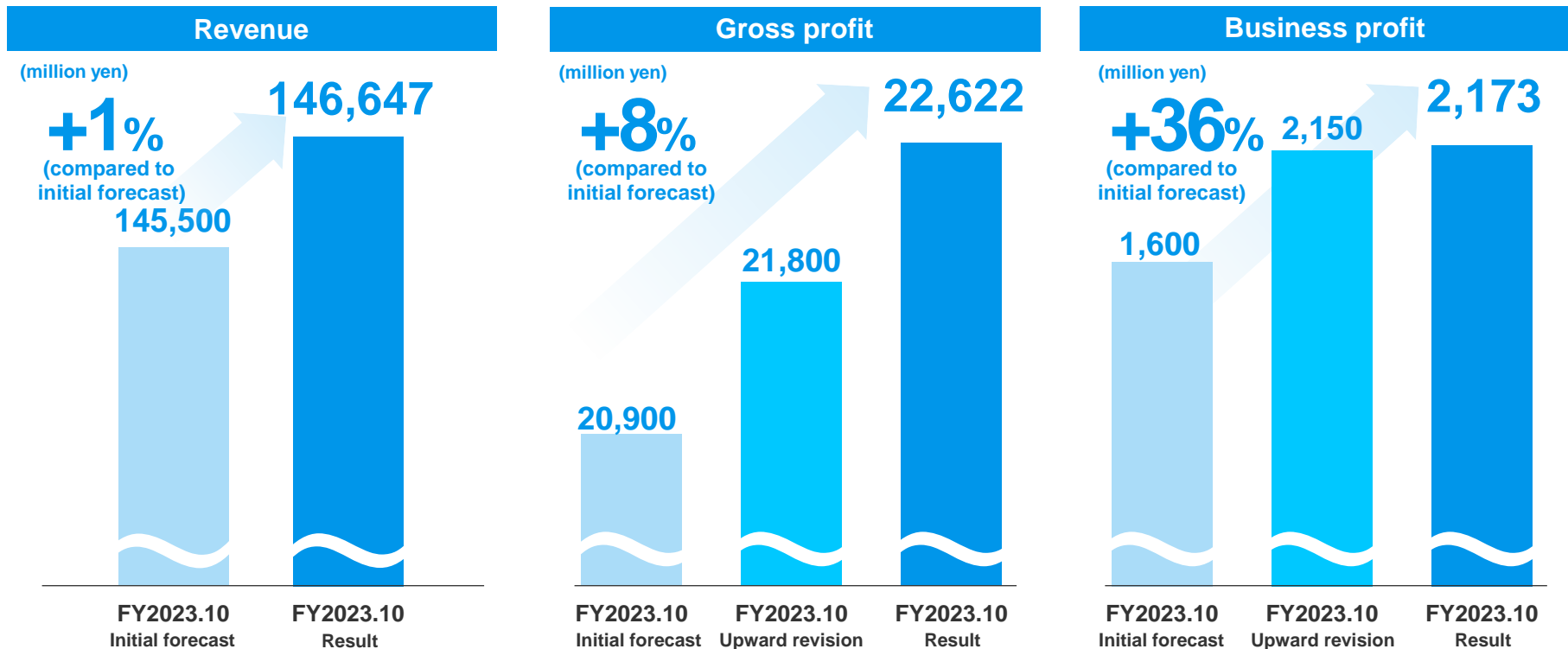
Revenue and all profit items achieved record highs due to strong performance growth in both RENOSY and ITANDI businesses and profit structure reforms

|                       | Revenue   | Gross profit  | Business profit<br>(Segment profit)                | Topics   |
|-----------------------|---|---|--|--|
| Consolidated          | YoY +29%<br><b>146.6billion</b><br>(YoY+33.0 billion) | YoY +37%<br><b>22.6billion</b><br>(YoY+6.1billion)  | YoY +113%<br><b>2.1billion</b><br>(YoY+1.1billion) | <u>Revenue exceeded the initial guidance of 145.5 billion by 1.1 billion. Profit growth exceeded revenue growth rate, increasing 113% YoY to 2.1 billion, a significant jump</u>                     |
| RENOSY<br>Marketplace | YoY +29%<br><b>143billion</b><br>(YoY+32.2billion)    | YoY +36%<br><b>19.7billion</b><br>(YoY +5.2billion) | YoY +33%<br><b>6.5billion</b><br>(YoY+1.6billion)  | <u>Gross profit grew favorably to about 20 billion, up 36% YoY. Gross profit margin was also on a recovery trend reaching 13.8%. Profit also exceeded guidance due to higher gross profit margin</u> |
| ITANDI                | YoY +56%<br><b>3.2billion</b><br>(YoY+1.1billion)     | YoY +59%<br><b>2.6billion</b><br>(YoY+0.9billion)   | YoY +149%<br><b>0.7billion</b><br>(YoY+0.4billion) | <u>Achieved high growth rates and increased revenue and profit as a result of strong growth in the number of companies using the service in product cross-selling, etc.</u>                          |

## 4. Growth strategy and management indicators FY2023.10 full-year consolidated results

## FY2023.10 difference from earnings forecast

All indicators, including revenue, gross profit and operating profit exceeded initial forecasts and achieved record highs





## RENOSY Marketplace Important KPI highlights

**Made favorable progress on each indicator. Gross profit growth rate exceeded the plan by 36% YoY due to measures to improve gross profit margin, etc.**

### Gross profit

YoY appx. +36%

**19.7billion**

(YoY appx. + 5.2billion)

Target growth rate: 20%~30%

### RENOSY members <sup>\*1)</sup>

YoY appx. +23%

**398,000people**

(YoY+approx. 73,000people)

### Number of subscription contracts <sup>\*2)</sup>

YoY appx. +33%

**17,879units**

(YoY +4,473 units)

### Number of Purchase DX contracts <sup>\*3)</sup>

YoY appx. +25%

**5,621deals**

(YoY+1,142 deals)

### Number of Seller DX contracts <sup>\*4)</sup>

YoY appx. +61%

**2,165deals**

(YoY+823 deals)

### Number of agents/ARPA (Pre-owned compact condominiums)

Number of agents: 108 people

YoY appx. +20%

ARPA **1,061million**

(YoY +approx. 0.18billion)

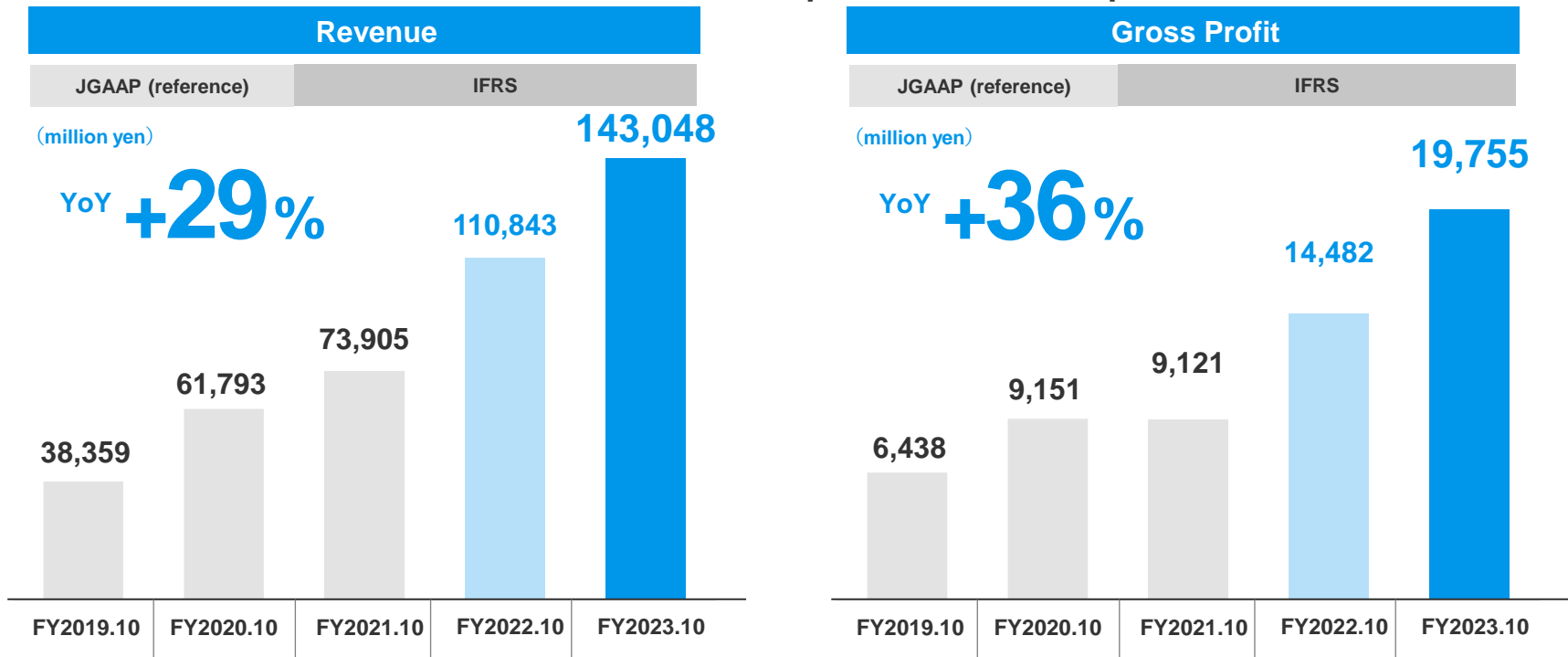
\*1) Refers to the total stock number of RENOSY members at the end of July 2023 (accumulated numbers of member registration).

\*2) 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 \*3) Total number of contracts for investment and home within RENOSY Marketplace through Purchase DX. Figures do not include those of pre-merger companies (FY2023.10 3Q total) \*4) Total number of contracts for investment and home within RENOSY Marketplace through Seller DX. Figures do not include those of pre-merger companies (FY2023.10 3Q total) \*5) Pre-owned compact condominium agent number is as of Oct. 2023. ARPA (Average Revenue per Agent) is calculated by dividing the full-year revenue of pre-owned compact condominiums by the average number of agents as of the end of each month of the fiscal year

4. Growth strategy and management indicators FY2023.10 full-year consolidated results

## RENOSY Marketplace full-year performance trends

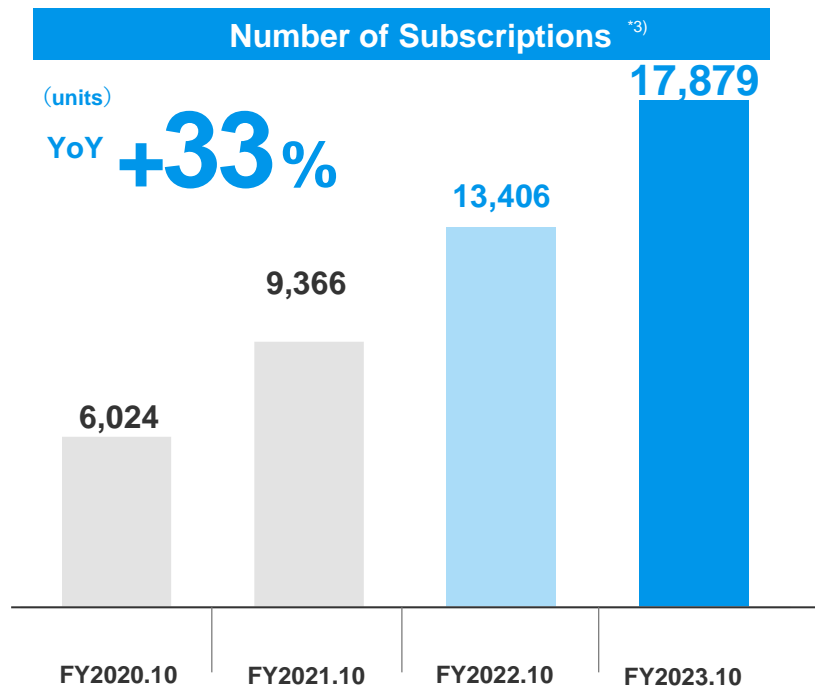
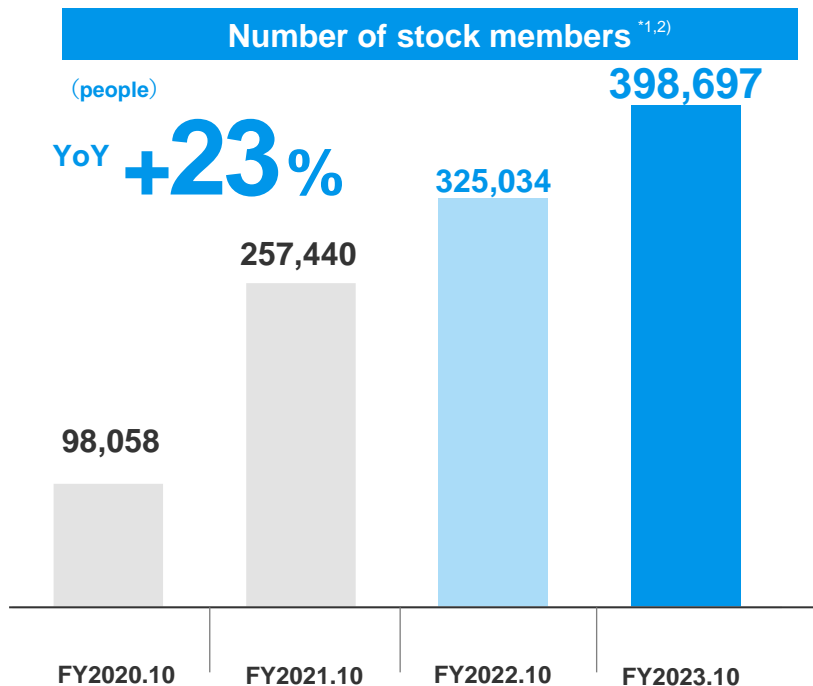
**Strong revenue performance with 29% increase YoY**  
**Gross profit achieved a record high due to direct procurement from owners and favorable business expansion of subscription**



## 4. Growth strategy and management indicators FY2023.10 full-year consolidated results

**RENOSY Marketplace full-year performance trends**

**Efficient use of digital marketing etc. to attract customers  
brings the number of members to over approximately 400,000  
Subscription numbers increased as the number of purchase DX increased**



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

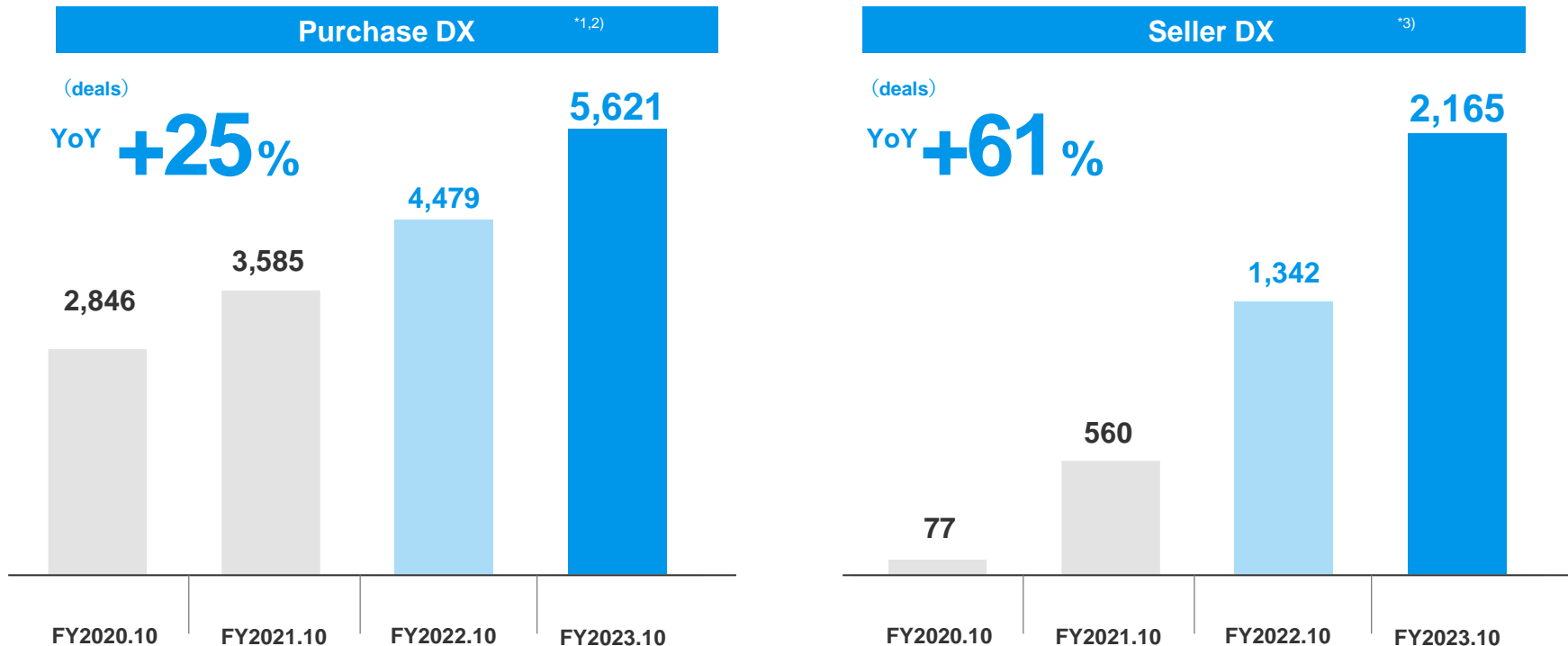
\*2) The number of RENOSY member stocks after FY2021.10 1Q in the graph differs from the number of members announced before FY2022.10 1Q due to a change in the definition of aggregation from FY2022.10 2Q

\*3) 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.

## 4. Growth strategy and management indicators FY2023.10 full-year consolidated results

**RENOSY Marketplace full-year performance trends**

The number of contracts in the Purchase DX remained strong at 25% YoY  
 The number of seller DX increased by 1.6x 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

\*2) Re-aggregated excluding intragroup transactions from FY2023.3Q since previous aggregation had been double counting intragroup transactions. As a result, the data may be different from the data presented in previous financial results

briefing materials \*3) Total number of contracts for investment and home within RENOSY Marketplace through Seller DX. Figures do not include those of pre-merger companies

## ITANDI important KPI highlights

**ARR, number of customers, and number of products introduced increased  
due to network effects of vertical SaaS**

**ARR <sup>\*1)</sup>**

YoY +32%

**2.5 billion**

(YoY +0.6 billion)

Target growth rate: 30%~40%

**Number of customers <sup>\*3)</sup>**

YoY appx. +42%

**2,681 companies**

(YoY+788 companies)

**Number of products introduced**

YoY appx. +56%

**8,487 products**

(YoY+3,034 products)

**Churn rate <sup>\*2)</sup>**

**0.59%**

(FY2022 0.47%)

**Unit economics <sup>\*4)</sup>**

**26.2 times**

(FY2022 25.5 times)

**ITANDI BB monthly page views**

YoY appx. +32%

**9.56 MPV**

(YoY+2,300,000PV)

<sup>\*1)</sup> Annual Recurring Revenue is calculated based on the MRR of each quarterly month (by the end of each month) times 12. MRR 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 July 2022 and July 2023 of ITANDI BB+

<sup>\*2)</sup> Average monthly churn rate of ITANDI BB+ for the last 12 months as of the end of Oct. 2023 <sup>\*3)</sup> As of Oct. 2023 <sup>\*4)</sup> Refer to page 99. The calculation method for CAC has changed from FY2023.10 results presentation, the calculation was limited to personnel and advertising costs, but it has been recalculated to include related costs (e.g., personnel costs related to planning positions and system costs), then payback period has been changed. There is no change in the calculation method for LTV. As a result, the unit economics value, which is last 12-month average of the multiple of LTV divided by CAC, was also changed. As of Oct. 31, 2023

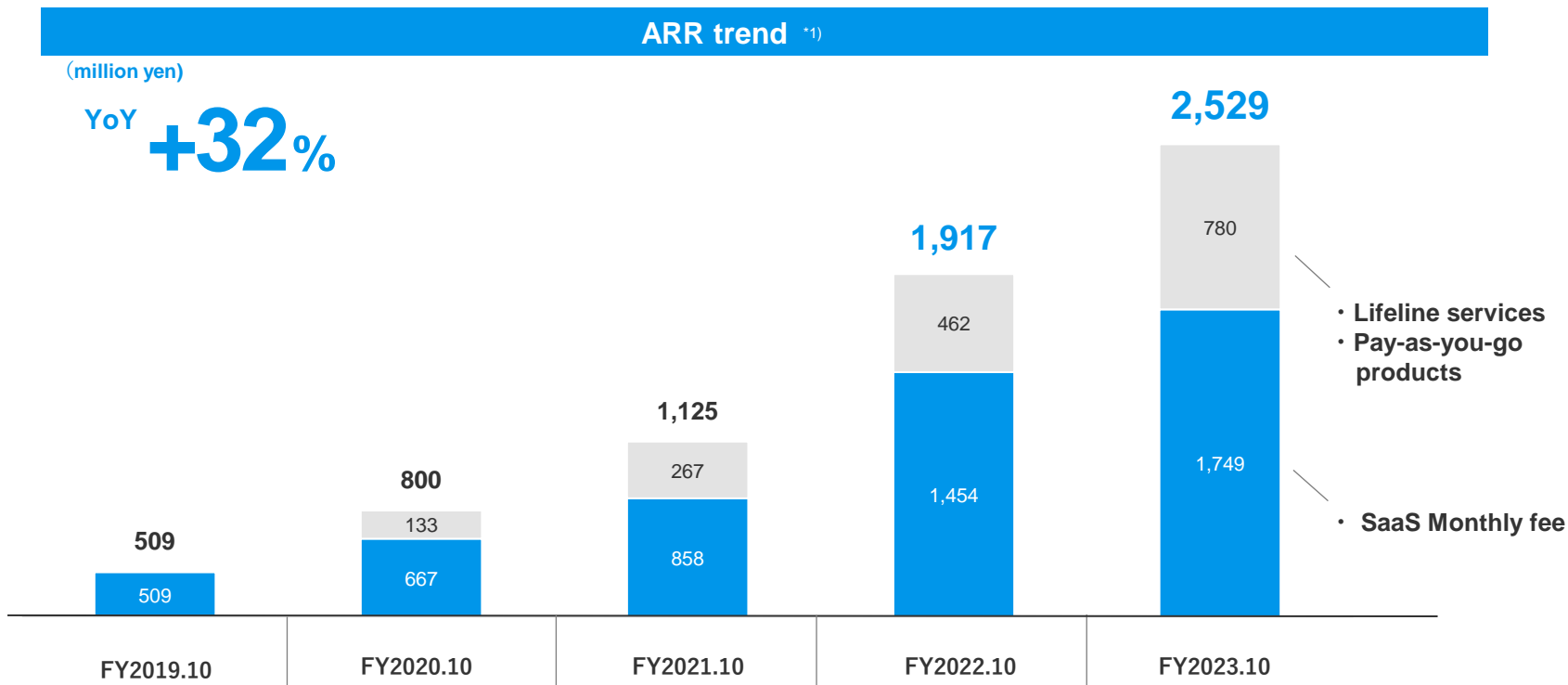
## ITANDI full-year performance trends

Recurring revenue from ancillary services grew in proportion with online tenant applications  
This contributed to strong ARR growth at +32% YoY

ARR trend <sup>\*1)</sup>

(million yen)

YoY **+32%**



\*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 2022 with ARR as of October 2023 at the end of each quarter

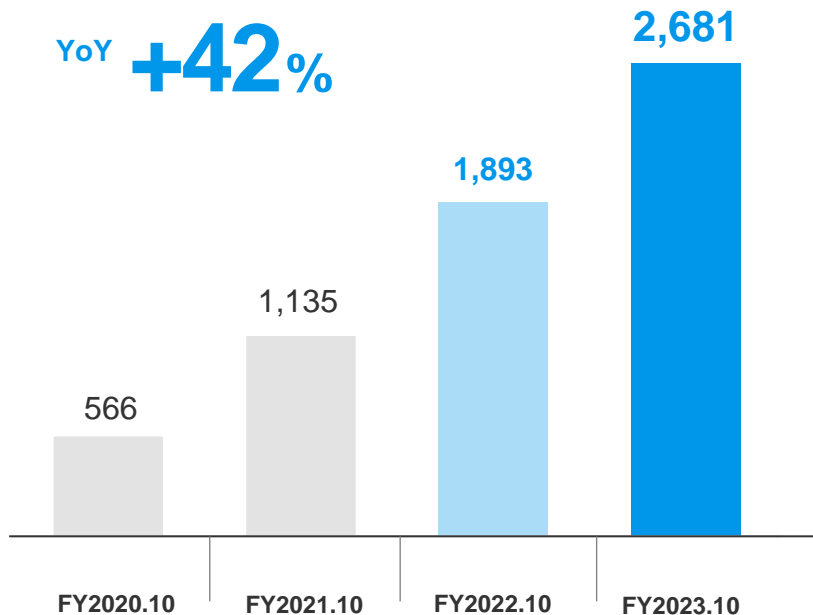
## ITANDI full-year performance trends

Accelerated our customer acquisition pace and product introductions by cross selling, leveraging the strengths of vertical SaaS

Total number of customers

(Company)

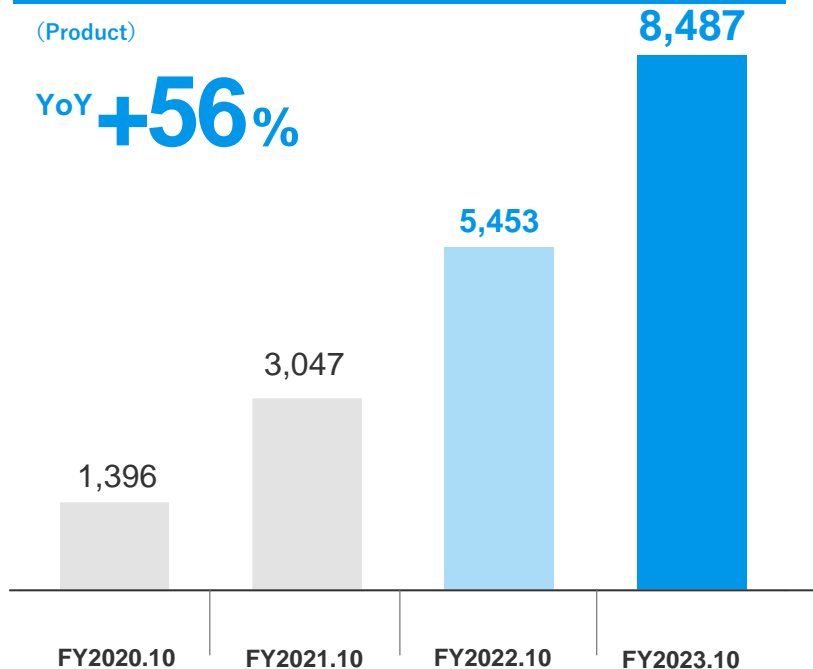
YoY **+42%**



Number of products introduced

(Product)

YoY **+56%**



4. Growth strategy and management indicators FY2023.10 full-year consolidated results

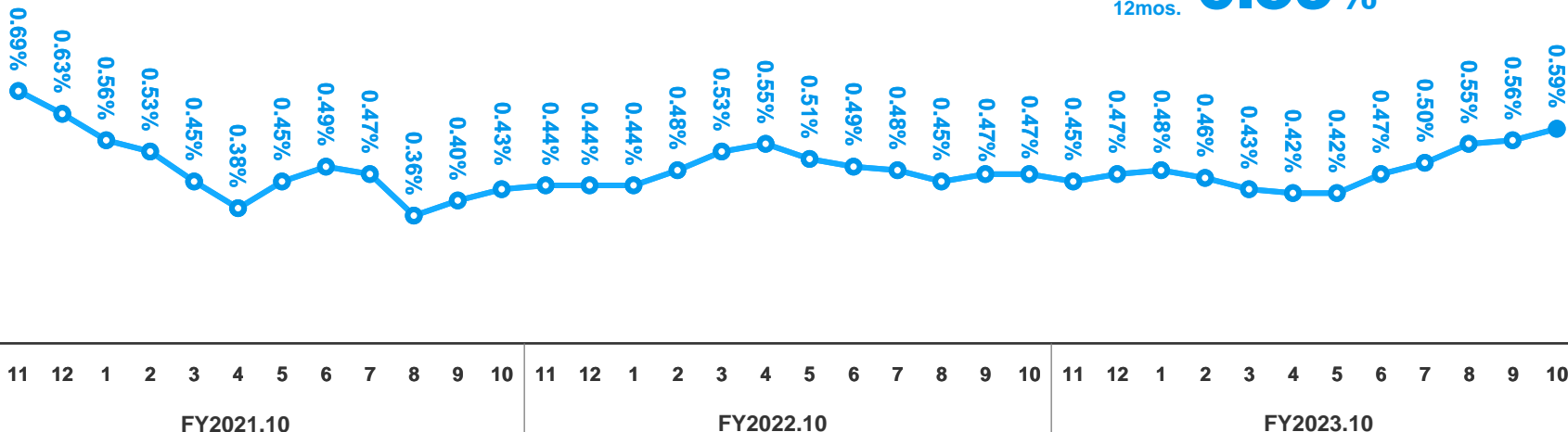
## ITANDI full-year performance trends

The churn rate remained at a low level due to the rise in customer evaluation of products and services and enhancement of customer success

Churn Rate <sup>\*1)</sup>

(%)

Avg.  
Last  
12mos. **0.59%**



\*1) Calculated monthly average churn rate of recent 12 months of ITANDI BB+ as of end of July 2023

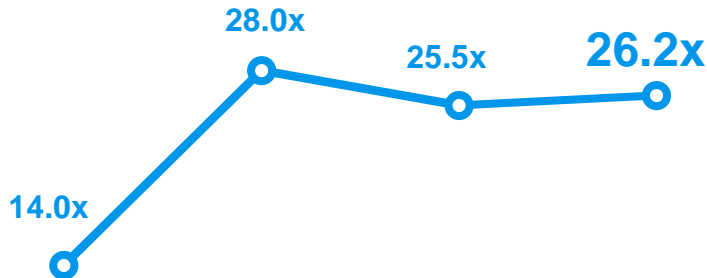


4. Growth strategy and management indicators FY2023.10 full-year consolidated results

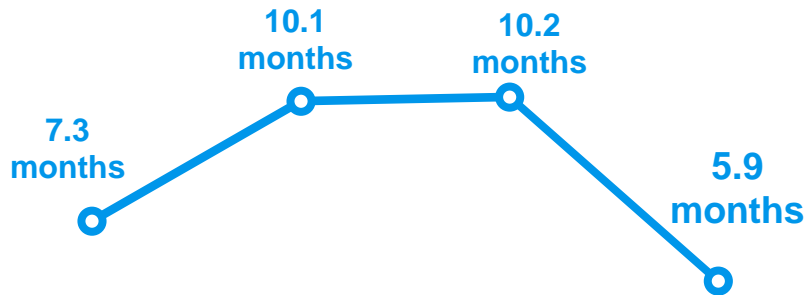
## ITANDI full-year performance trends

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

### Unit Economics <sup>\*1,2)</sup>



### CAC Payback Period <sup>\*1,2)</sup>



FY2020.10

FY2021.10

FY2022.10

FY2023.10

FY2020.10

FY2021.10

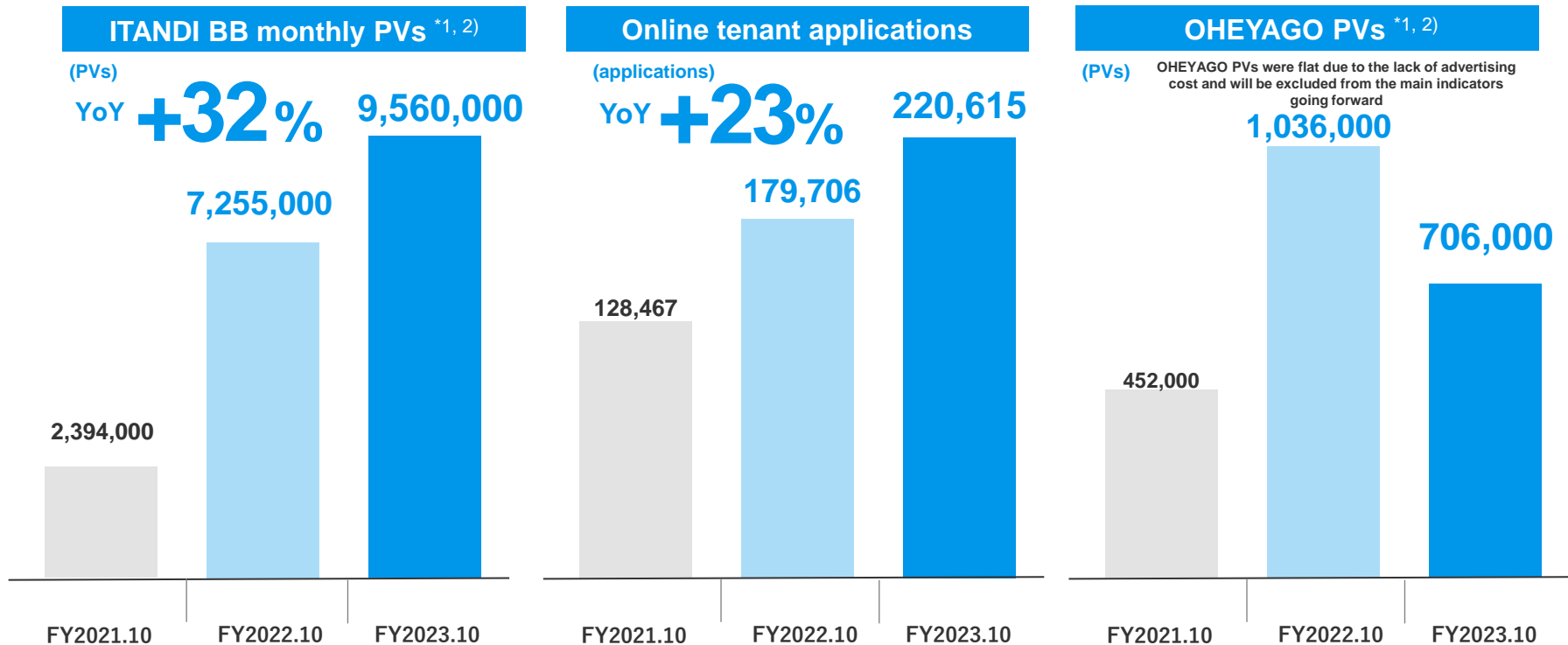
FY2022.10

FY2023.10

\*1) Refer to page 99 \*2) The calculation method for CAC has changed; in the FY2022.10 results presentation, the calculation was limited to personnel and advertising costs, but was recalculated to include related costs (e.g., personnel costs related to planning positions and system costs). There is no change in the calculation method for LTV. No change was made to the LTV calculation method. As a result, the unit economics value, which is last 12-month average of the multiple of LTV divided by CAC, was also changed, resulting in a change in the payback period.

## ITANDI full-year performance trends

**ITANDI BB monthly page views (PVs) grew 32% YoY**  
**Online tenant applications also increased 23% YoY**



<sup>\*1)</sup> Rounded down to the nearest thousand. Figures for the last month of the quarter

<sup>\*2)</sup> We switched to Google Analytics 4 as the data acquisition tool for the number of page views because Universal Analytics properties stopped processing hits on July 1, 2023. The figures from July 2022 (FY2022.10 3Q) onwards have been updated based on the data processing definitions used in Google Analytics 4 and are therefore different from the data presented in earlier financial results briefing materials

## **FY2024.10 earnings forecast**

## 4. Growth strategy and management indicators FY2024.10 earnings forecast

**FY2024.10 full-year consolidated earnings forecast**

**Aim for revenue growth to expand market share, while maintaining a solid 1.5x YoY growth in business profit**  
**Introducing net sales and adjusted business profit margin as new indicators from FY2024.10**

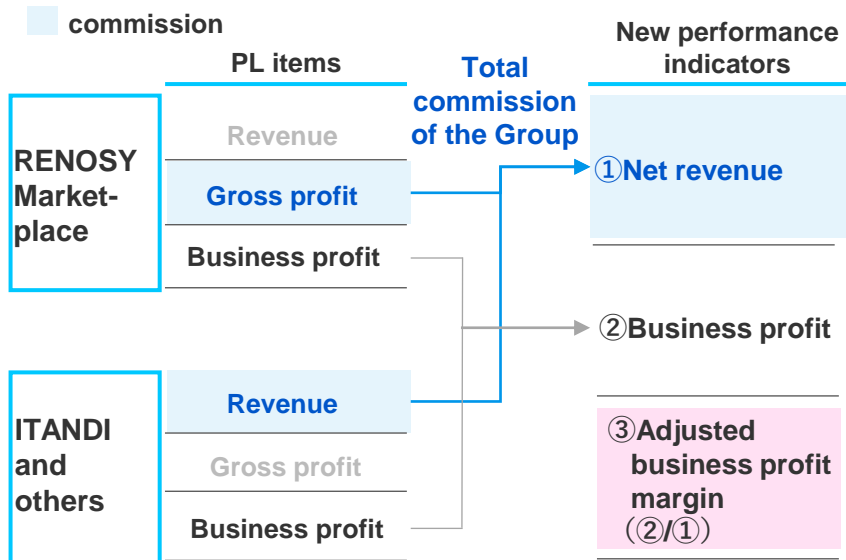
| (million yen)                 |   | FY2023.10<br>results (IFRS) | FY2024.10<br>results (IFRS) | YoY changes    | YoY change rate <sup>*1)</sup> |
|-------------------------------|---|-----------------------------|-----------------------------|----------------|--------------------------------|
| <b>Consolidated</b>           | <b>Revenue</b>  | <b>146,647</b>              | <b>176,300</b>              | <b>+29,653</b> | <b>+20.2%</b>                  |
|                               | <b>Gross profit</b><br>(Gross profit rate)                                  | <b>22,622</b><br>(15.4%)    | <b>27,330</b><br>(15.5%)    | <b>+4,708</b>  | <b>+20.8%</b>                  |
|                               | <b>Business profit</b><br>(Business profit rate)                            | <b>2,173</b><br>(1.5%)      | <b>3,300</b><br>(1.9%)      | <b>+1,126</b>  | <b>+51.8%</b>                  |
|                               | <b>Profit for the period</b> <sup>*2)</sup><br>(Profit for the period rate) | <b>1,011</b><br>(0.7%)      | <b>1,690</b><br>(1.0%)      | <b>+679</b>    | <b>+67.2%</b>                  |
| <b>RENOSY<br/>Marketplace</b> | <b>Revenue</b>  | <b>143,048</b>              | <b>171,800</b>              | <b>+28,752</b> | <b>+20.1%</b>                  |
|                               | <b>Gross profit</b><br>(Gross profit rate)                                  | <b>19,755</b><br>(13.8%)    | <b>23,760</b><br>(13.8%)    | <b>+4,005</b>  | <b>+20.3%</b>                  |
|                               | <b>Segment profit</b><br>(Segment profit rate)                              | <b>6,564</b><br>(4.6%)      | <b>8,150</b><br>(4.7%)      | <b>+1,586</b>  | <b>+24.2%</b>                  |
| <b>ITANDI</b>                 | <b>Revenue</b>  | <b>3,202</b>                | <b>4,170</b>                | <b>+968</b>    | <b>+30.2%</b>                  |
|                               | <b>Gross profit</b><br>(Gross profit rate)                                  | <b>2,695</b><br>(84.1%)     | <b>3,420</b><br>(82.0%)     | <b>+725</b>    | <b>+26.9%</b>                  |
|                               | <b>Segment profit</b><br>(Segment profit rate)                              | <b>702</b><br>(21.9%)       | <b>890</b><br>(21.3%)       | <b>+188</b>    | <b>+26.8%</b>                  |

\*1) Calculated based on the figures on the table FY2024.10 forecast ÷ FY2023.10 Actual -1 \*2) Profit for the period refers to profit attributable to owners of parent

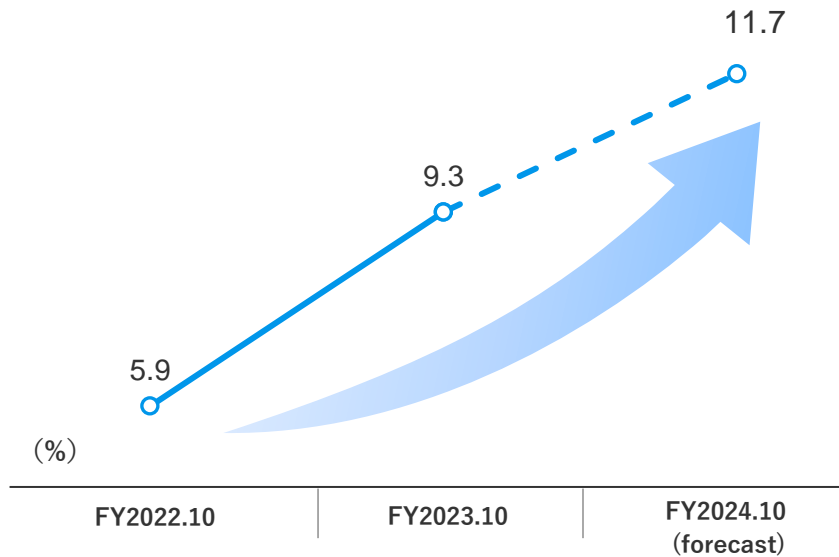
## Introduction of new performance indicators

Going forward, we will utilize net revenue to visualize the Group's ability to earn commissions and set adjusted business profit margin, which shows the ratio of business profit to net revenue, as KPI

### Composition of net sales revenue and adjusted business profit margin



### Adjusted business profit margin trend



## Important KPI targets

**Target growth rate for revenue and gross profit is over 20%**  
**Adjusted business profit margin is expected to increase to 11.7%**

### Revenue

**176.3**billion

(YoY appx.+20%)

Target growth rate: 20%~30%

### Gross profit

**27.3**billion

(YoY appx.+21%)

Target growth rate: 20%~30%

### Stock business gross profit <sup>\*1)</sup>

**5.3**billion

(YoY appx.+28%)

Target growth rate: 30%~40%

### Net revenue <sup>\*2)</sup>

**28.2**billion

(YoY appx. +21%)

Target growth rate: 20%~30%

### Adjusted business profit <sup>\*3)</sup>

**11.7%**

(FY2022 9.3%)

Target margin: 10%~

### Non-organic ratio <sup>\*4)</sup>

**41.1%**

(FY2022 32.9%)

Target ratio: 40%~50%

<sup>\*1)</sup> Total gross profit from RENOSY Marketplace's subscription business and ITANDI business <sup>\*2)</sup> Gross profit is used as net sales revenue because the Company's performance indicator that corresponds to the so-called commission revenue in RENOSY Marketplace is gross profit <sup>\*3)</sup> Gross profit (= net sales revenue) ÷ revenue

<sup>\*4)</sup> Total gross profit from businesses other than pre-owned compact condominiums and subscriptions is defined as non-organic gross profit, calculated by ratio to gross profit

## 4. Growth strategy and management indicators FY2024.10 earnings forecast

**FY2024.10 Assumptions for the full-year consolidated earnings forecast****FY2024.10 Budget assumptions (top line)**

|   |   |   |
|---|---|---|
| Overall   | → | Expansion of sales and market share for both existing and new businesses  |
| RENOSY Marketplace<br>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<br>Subscriptions               | ↗ | Increase sales in proportion to the number of online transactions. Promote DX and continue to improve profitability as a standalone business  |
| ITANDI SaaS for rental management companies       | ↗ | Continue to prioritize expanding market share rather than short-term profits as still in investment phase. Certain profit contribution is expected from the current fiscal year                         |
| ITANDI SaaS for real estate rental/sales agencies | ↗ | Continue to expect solid revenue from SaaS for real estate rental agencies, and expand revenue from SaaS for real estate sales agencies by leveraging synergies with other products                     |
| New business                                      | ↗ | Establish business model by expanding and developing sales channels as still in business start-up phase   |

**FY2024.10 Budget assumptions (cost)**

Ratio to sales (compared to last quarter)

|   |   |  |
|---|---|--|
| Overall   | → | Increase personnel to grow sales, invest in existing and new businesses and strengthen M&A strategy, with forecast to increase around 200 people. Maximize the effectiveness of management resources and continue to avoid unnecessary costs through selection and concentration |
| RENOSY Marketplace<br>Online transactions         | → | Increase personnel with forecast to hire 20~30 people. Although there are costs to bear for market share expansion, continue to maintain profit ratio through making each operation more effective with DX and increasing contract rate, etc.                                    |
| RENOSY Marketplace<br>Subscriptions               | ↗ | Although there are costs for increasing sales personnel and DX, profit ratio are expected to rise  |
| ITANDI SaaS for rental management companies       | ↘ | Although investments will continue to be made to expand market share, reduce cost by increasing operational efficiency and productivity  |
| ITANDI SaaS for real estate rental/sales agencies | ↗ | Secure necessary human resources such as engineers, sales, CS, etc., and plan to invest to a certain extent for the launch of SaaS for sales real estate agencies  |
| New business                                      | ↘ | After setting certain rules, determine increase/decrease in personnel and investment amount according to business progress   |

## **5. GA group's value creation story**



## GA group's 10-year vision

**Real estate transactions with one click**

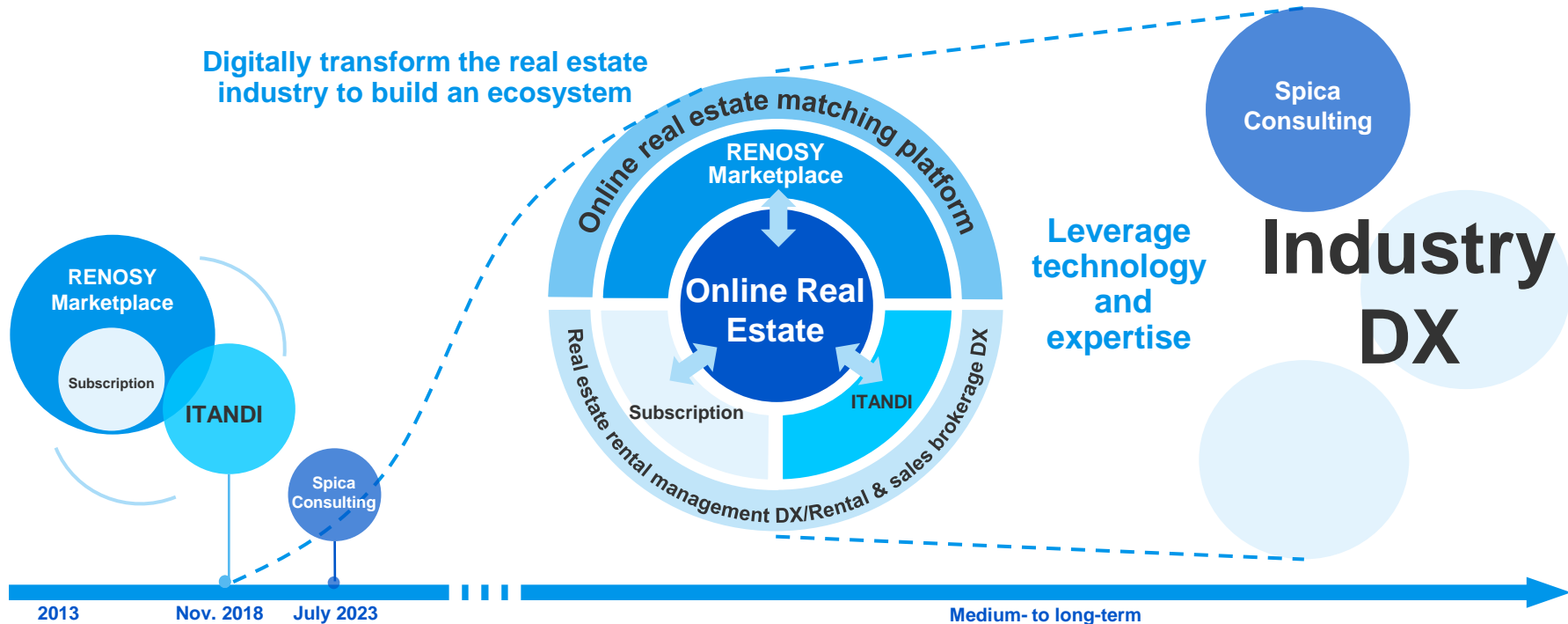
**Application to delivery in 1 day**



## 5. GA group's value creation story

# The world 10 years from now

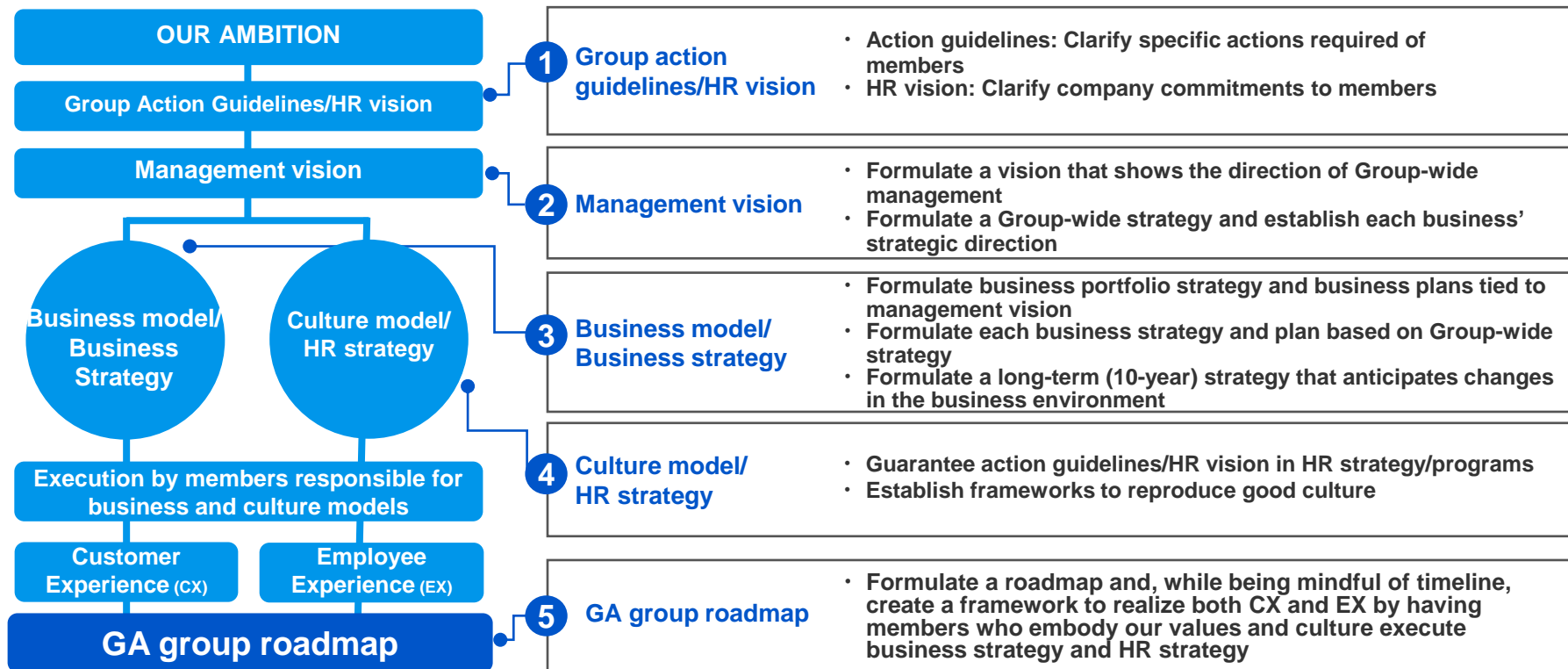
Digital transformation of the real estate industry to be realized  
through the completion of an online real estate ecosystem  
Real x Technology expertise leveraged to promote further industrial DX



## 5. GA group's value creation story

## Value creation framework : Management mechanism

We manage our businesses based on the following management mechanism



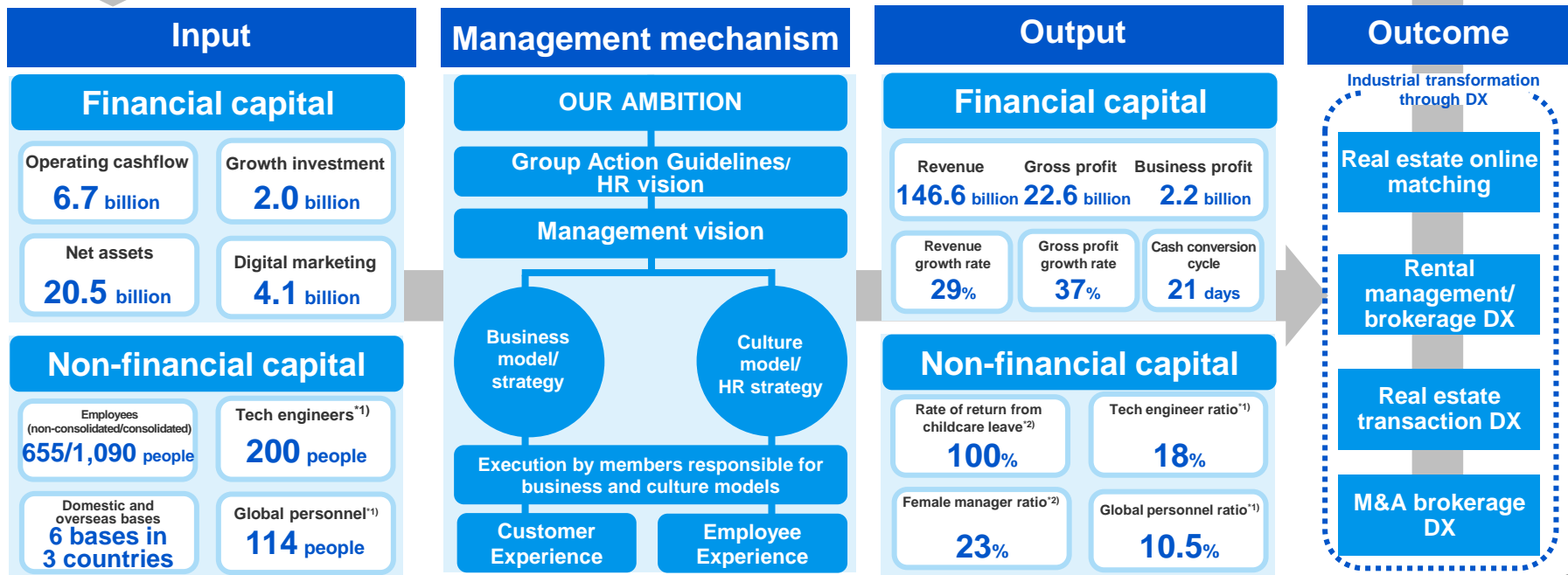
## 5. GA group's value creation story

## Value creation model

## OUR AMBITION - Realizing our basic philosophy

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

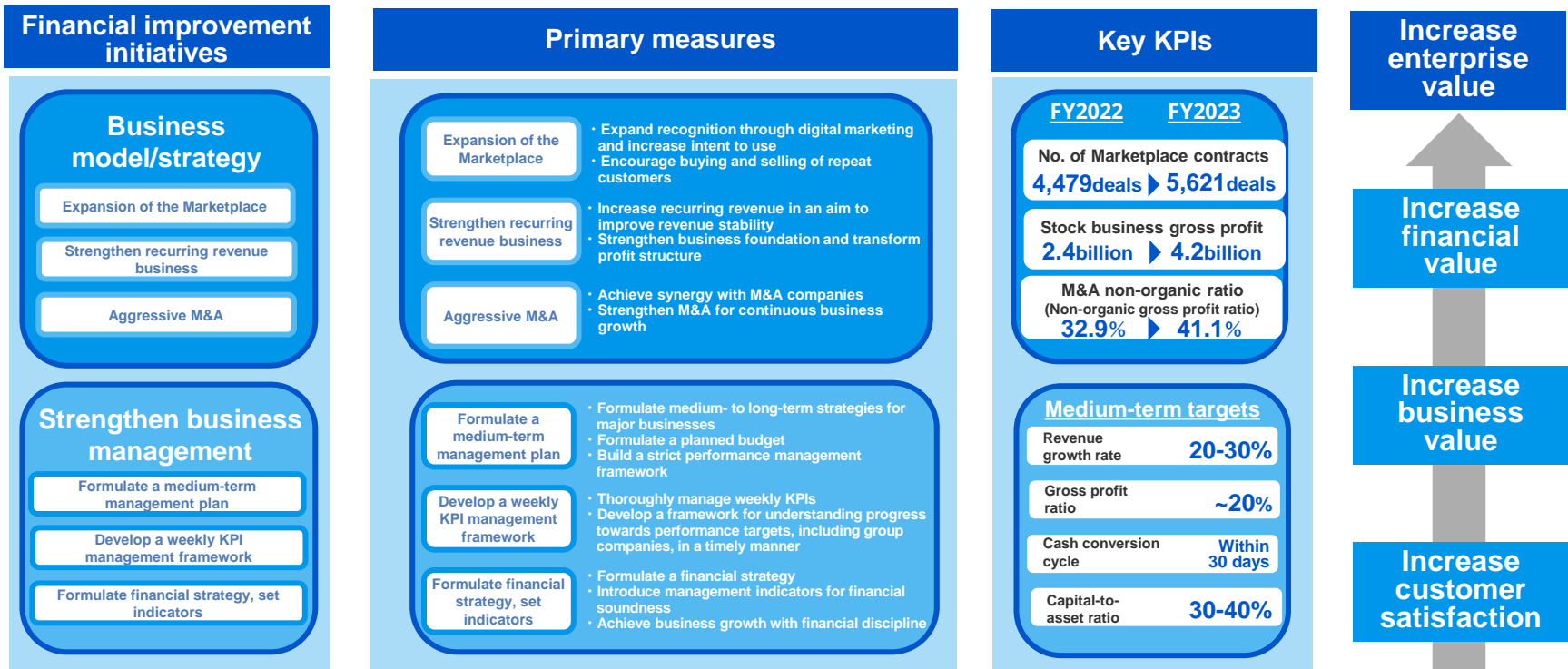
Increase enterprise value



\*1) Consolidated

\*2) Non-consolidated

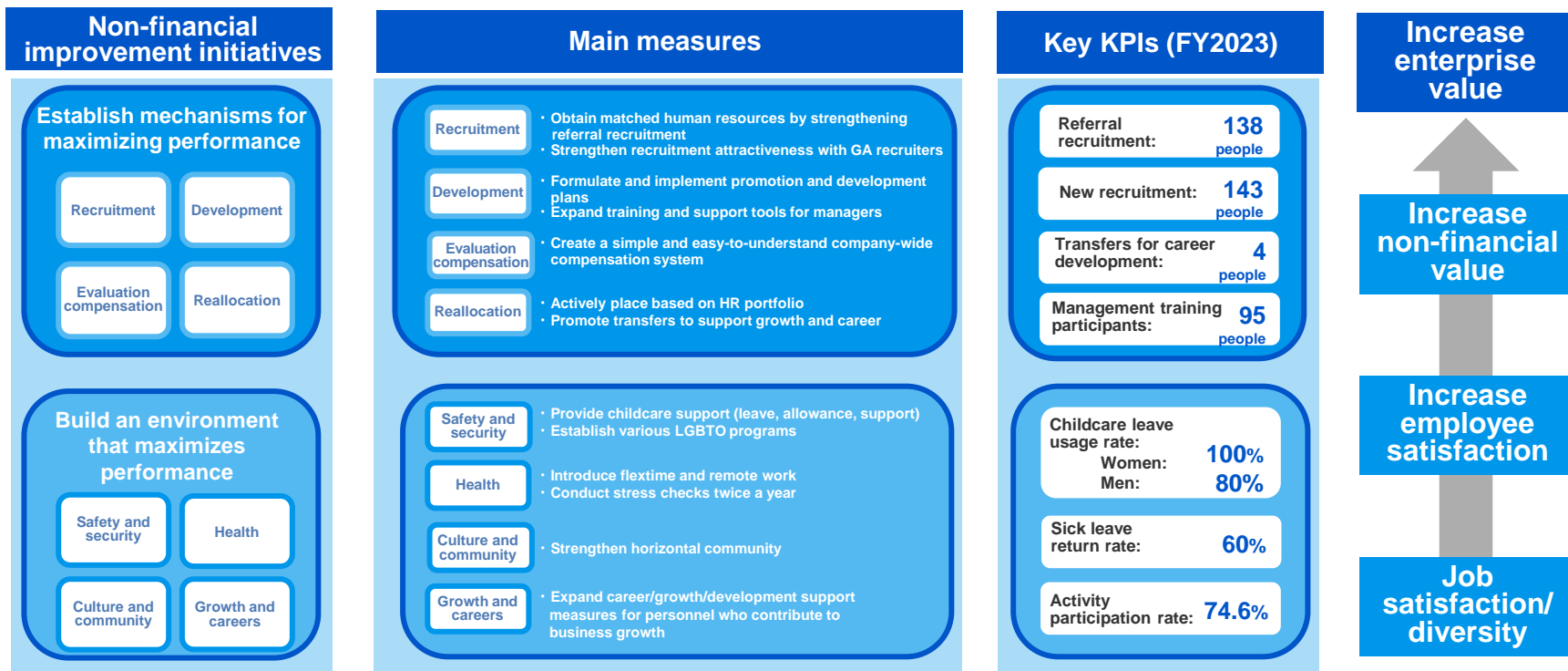
## 5. GA group's value creation story

**Value creation process: Approach to enhancing enterprise value through business strategies****Aim to enhance enterprise value through structural reform toward sustainable growth**

## 5. GA group's value creation story

## Value creation process: Approach to enhancing enterprise value through HR strategies

Aim to enhance enterprise value by maximizing employee performance



## **6. ESG / Sustainability**

## Issues addressed by the GA technologies Group

### Social Issues

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

### Real Estate Issues

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

## GA technologies Group Sustainability Strategy

Consideration for  
the global environment

Creating a safe and  
secure trading environment

Contributing to society  
through sports

Contribution to sustainable urban  
development

Creating rewarding workplaces

Strong governance and compliance





## 6. 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



The number of Group companies working to go paperless through DX in the real estate industry has increased, including ITANDI, which provides “Denshikeiyaku-kun,” the use of which expanded after implementation of the revised Real Estate Brokerage Act in May 2022, RENOSY, which is promoting online real estate transaction procedures, RENOSY ASSET MANAGEMENT, which is responsible for digitizing occupancy management, and Shenjumi-aosuan, which operates the largest Japanese real estate platform for Greater China, contributing to a reduction of 11.77 million sheets of paper for the Group as a whole

Reduction of 11.77 million sheets of paper for the entire group  
(one year from April 1, 2022 to the end of March 2023)

Paperless transactions through real estate  
DX leading to decrease of approx. 11.77  
million sheets of paper annually

#### Contribution to sustainable urban development

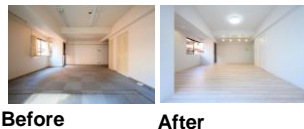


Based on three themes as sustainability activities, GA technologies and RENOSY ASSET MANAGEMENT to realize measures to contribute to sustainable community development through revitalization and minimal renovation of existing properties.

Pre-owned condominium sales



Reducing vacancies with minimum renovation for rental condominiums



## 6. 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

**OHEYAGO**  
オヘヤゴ

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

Awarded 3 stars in the  
Nikkei Smart Work Management Survey

**NIKKEI**  
**Smart Work**  
★★★★ 2024

Awarded 3 stars as  
“eruboshi certification”

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



# Efforts for ESG ～ Governance ～

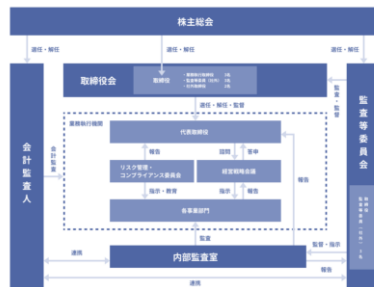
Creating new value through technology x innovation while managing with good governance

## 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  
& CSO



**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)

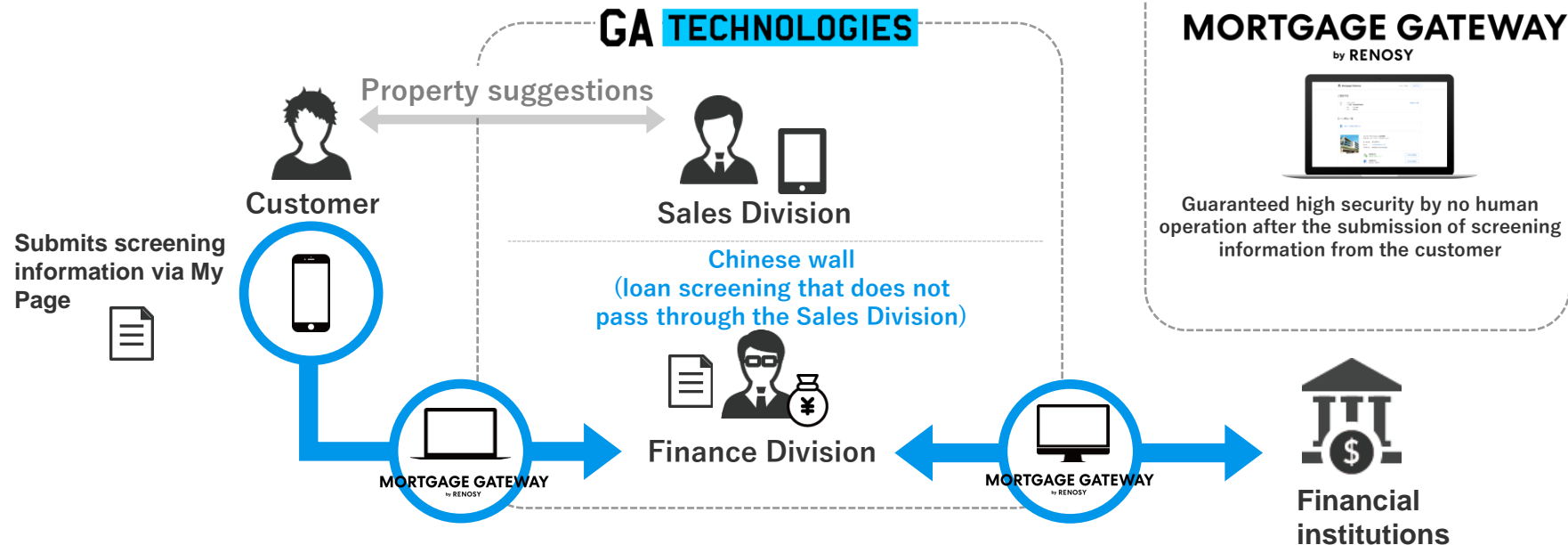
## The company's loan screening and governance / compliance measures when entering into contracts

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

# Response when supporting loan screening

- ① Finance Division independent of Sales Division
- ② Linking of information to prevent falsification in in-house development systems that do not involve human operation



## Compliance measures and strengthening governance

③

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

Implemented once every 3 months



**RENOSY License**  
granted to those who  
complete the training



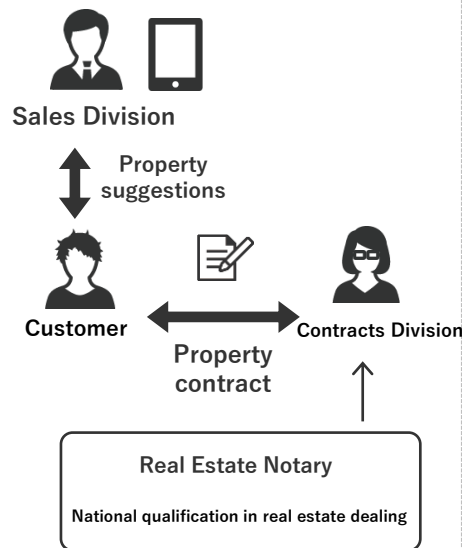
In addition, strengthening of training for Sales Division managers.

Implemented once every 2 weeks

Also holding occasional compliance training.

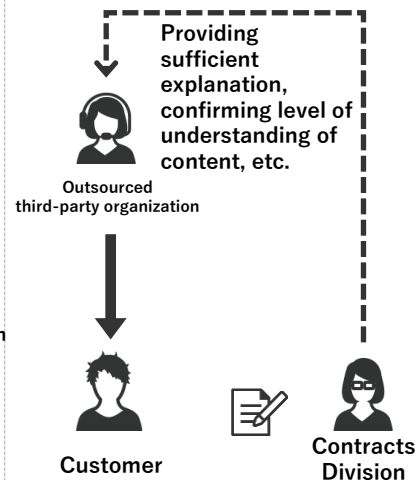
④

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



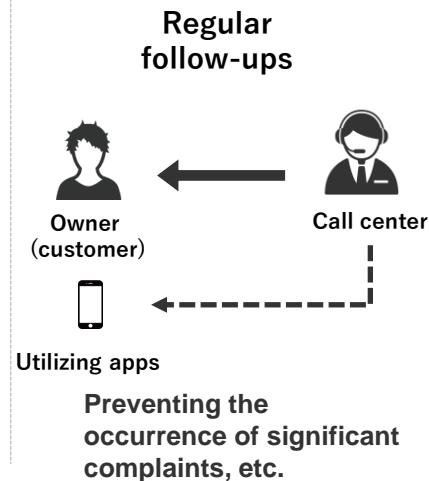
⑤

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



⑥

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





## 6. ESG / Sustainability

## ESG data

■ Environment <sup>\*1,12)</sup>

FY2023

|  |         |
|--|---------|
| Scope1 <sup>*2)</sup>                          | 0       |
| Scope2 <sup>*3)</sup>                          | 395     |
| Scope1,Scope2 total                            | 395     |
| Electricity consumption (kwh)                  | 866,345 |
| CO2 emissions per sales<br>(t/hundred million) | 0.0026  |

■ Governance <sup>\*12)</sup>

FY2023

|                            |          |
|----------------------------|----------|
| Number of directors        | 8 people |
| Number of female directors | 1 people |
| Ratio of outside directors | 62.50%   |

■ Social <sup>\*12)</sup>

FY2021

FY2022

FY2023

|   |                               |                               |                               |
|---|-------------------------------|-------------------------------|-------------------------------|
| No. of employees <sup>*4)</sup>                                       | 886 people                    | 1,169 people                  | 1,373 people                  |
| No. of full-time employees <sup>*5)</sup>                             | 739 people                    | 967 people                    | 1,090 people                  |
| No. of non-full-time employees <sup>*6)</sup>                         | 147 people                    | 202 people                    | 281 people                    |
| Percentage of female employees <sup>*7)</sup>                         | 36.0%                         | 38.5%                         | 40.1%                         |
| Average age (full-time employees) <sup>*8)</sup>                      | 30.27 years old               | 30.49 years old               | 31.27 years old               |
| Childcare leave usage rate (by gender) <sup>*9)</sup>                 | Male : 77.7%<br>Female : 100% | Male : 45.8%<br>Female : 100% | Male : 80.0%<br>Female : 100% |
| Return to work rate after childcare leave (by gender) <sup>*10)</sup> | Male : 100%<br>Female : 100%  | Male : 100%<br>Female : 100%  | Male : 100%<br>Female : 100%  |
| Job turnover rate <sup>*11)</sup>                                     | 17.41%                        | 15.61%                        | 17.38%                        |
| Ration of female in leadership positions                              | 19.82%                        | 17.46%                        | 23.18%                        |

\*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 : 0.0004457t-CO2/kWh. Results based on Location-based

\*4) Consolidated (board members, full-time workers, part time workers, contract employees) \*5) Consolidated (board members and full-time workers) \*6) Consolidated (part-time, contract employees) \*7) Consolidated

\*8) Consolidated (full-time workers) \*9) Non-consolidated number of GA technologies. Due to change in recording for 1 person from FY2022 to FY2023, percentage of FY2022 differs from previously disclosed number

\*10) Non-consolidated number of GA technologies \*11) Non-consolidated number of GA technologies (full-time workers). FY2021,FY2023: Number of workers who left ÷ enrolled employees at the start of the period (or end of the last period) x 100  
FY2022: Number of employees that left out of enrolled employees at the start of the period \*12) As of October 31, 2023

## **7. Perceived risk and countermeasures**

## 7. Perceived risk and countermeasures

## Perceived risk①

| Items   | Major Risks   | Potential of being actualized and timing | Revealed impact when actualized | Risk Countermeasures   |
|---|---|--|---------------------------------|--|
| <b>About new COVID-19 infections</b>  | In the Group's real estate platform business for investors in Greater China, sales activities continue to stagnate due to difficulties in cross-border transactions, and if this stagnation is prolonged, the Group's business performance may be significantly affected.   | Middle/<br>Unknown                       | High                            | We recognize that there is a reasonable possibility that such risks may actualize due to the spread of the COVID-19 infection. To reduce these risks, the Group's policy for this platform business is to launch alternative solutions such as services for Chinese people in Japan.   |
| <b>Business environment :<br/>About the real estate transaction market</b>                    | 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, and 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/<br>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.   |
| <b>Business Activities and Services Offered: About the competition</b>                        | In the real estate industry, to which our group belongs, there are many competitors. We also recognize that the M&A brokerage business is a business with comparatively low barriers to entry as no licenses or permits or qualifications are required. 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, customer defection, a decrease in the number of sales, and an increase in procurement prices. | Middle/<br>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. Moreover, in the M&A brokerage DX business, we will seek to differentiate ourselves from our competitors by using the knowhow we have accumulated in real estate DX in areas, including the utilization of AI. We intend to continue to strengthen our differentiation from other companies by improving the functions of "RENOSY", through DX of the M&A brokerage and other measures.   |
| <b>Business Activities and Services Offered : When the rental property is vacant</b>          | 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/<br>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. |
| <b>Business Activities and Services Offered : About Technological innovation etc.</b>         | 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/<br>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.  |
| <b>Business Activities and Services Offered : About Securing and training human resources</b> | 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/<br>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.

## 7. Perceived risk and countermeasures

## Perceived risk②

| Items  | Major Risks   | Potential of being actualized and timing | Revealed impact when actualized | Risk Countermeasures   |
|--|---|--|---------------------------------|--|
| <b>Business activities and services offered : About legal risks</b>            | 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.," "Act on Advancement of Proper Condominium Management," "Act on Land and Building Leases" 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. The M&A brokerage business is currently not subject to much restriction by the regulatory authorities such as permits and licenses; however, M&A transactions are likely to be impacted by various laws and regulations including the Financial Instruments Act, the Companies Act and various tax laws. The enactment, revision or abolition of laws and regulations in the future that impacts the expansion or promotion of M&A transactions may affect the business results and financial position of the Group.<br>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. | low/<br>mid-to-long term                 | High                            | 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 as well as the Compliance Sub-committee, which is directly under the Risk Management and Compliance Committee, 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. |
| <b>Business activities and services offered : About information management</b> | 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.   | low/<br>mid-to-long term                 | High                            | 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.   |
| <b>M&amp;A</b>   | 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.   | low/<br>mid-to-long term                 | High                            | 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.  |

## 8. Appendix

## 8. Appendix

## List of group companies

| Company                               | % of shareholding | Date of M&A/establishment *1) | Business Activities  |
|---------------------------------------|-------------------|-------------------------------|--|
| ITANDI, Inc.                          | 100%              | 2018.11                       | Provides ITANDI BB+ SaaS series for rental companies, ITANDI BB website for real estate agents, and "OHEYAGO" B-to-C online real estate rental service |
| RENOSY PLUS Co., Ltd. *2)             | 100%              | 2020.1                        | Provides luxury rental brokerage and real estate transaction services, mainly dealing in luxury condominiums and tower condominiums in Tokyo           |
| RENOSY FINANCE Inc.                   | 100%              | 2018.11 Established           | Provide a one-stop lending service for renovation expenses for real estate owners  |
| RENOSY X Co., Ltd.                    | 100%              | 2019.11 Established           | Development/operation of mortgage loan application platform service "MORTGAGE GATEWAY", etc.   |
| RENOSY ASSET MANAGEMENT Co., Ltd. *3) | 100%              | 2018.11                       | Provide a variety of management plans for property owners on a subscription basis (flat-rate use)  |
| Shenjumi-aosuan Co., Ltd.             | 100%              | 2020.9                        | Operate Shenjumi-aosuan Co., Ltd., a platform for matching investors in Greater China with real estate in Japan  |
| GA technologies (Shanghai)Co., Ltd    | 100%              | 2020.9                        | Providing technical services, technical development, technical consulting, etc. in the areas of information technology and computer technology         |
| Partners Co., Ltd.                    | 100%              | 2021.6                        | Provides real estate sales DX services on the online real estate marketplace "RENOSY".   |
| Ricordi Co., Ltd.                     | 100%              | 2022.3                        | Provide services utilizing new compact-size condos   |
| RENOSY(Thailand) Co.,Ltd.             | 100% *4)          | 2022.5                        | Operate "dearlife", a rental platform for expatriates in Thailand  |
| MtechA Inc.                           | 100%              | 2022.8.1 Established          | Provide MtechA, an M&A brokerage DX service leveraging AI and other technologies   |
| Dangonet Co.,Ltd.                     | 100%              | 2022.9                        | Development and operation of "Rental Meijin", the core software for rental management operations   |
| Spica Consulting Inc.                 | 51.5%             | 2023.7                        | Provide complete industry-specific M&A brokerage services  |

\*1) M&amp;A period for those not listed as establishment

\*2) Company name changed from "Modern Standard Co., Ltd." on April 1, 2022

\*3) Company name changed from Regal Lease Guarantee Corporation to RENOSY ASSET MANAGEMENT Corporation in May 2020

\*4) 100% of voting rights are indirectly held by the Company

## 8. Appendix

## List of indicator definitions and notes

| Items  | Definition and calculation (ITANDI)  |
|--|--|
| <b>Unit Economics</b>  | Multiple of CLV divided by CAC over the last 12 months. Unit : Multiple  |
| <b>LTV (Lifetime Value)</b>  | Monthly gross profit (including Lifeline Services Revenue), divided by the average churn rate over the last 12 months. Unit : JPY  |
| <b>CAC (Customer Acquisition Cost)</b>   | Historical 12-month average /Includes sales personnel costs, planning. Public relations/marketing costs, advertising costs, and onboarding personnel costs.<br>Unit : JYP  |
| <b>CAC Payback Period</b>  | CAC divided by single month gross profit per customer. Unit: Months  |
| Notes  | Contents   |
| <b>Real Estate Companies</b>   | Source: Real Estate Transaction Improvement Organization "Statistics on Registered Real-Estate Broker at the End of Fiscal Year 2021"  |
| <b>No. of Target properties</b>  | Calculated from : Ministry of Land, Infrastructure, Transport and Tourism Survey Results of the Comprehensive Condominium Survey for FY 2008 Data Edition :<br><a href="https://www.mlit.go.jp/utakukentiku/house/utakukentiku_house_tk5_000058.html">https://www.mlit.go.jp/utakukentiku/house/utakukentiku_house_tk5_000058.html</a><br>Sumitomo Mitsui Fudosan Used Condominium Exclusive Area Trends June 2016 : <a href="https://smtrc.jp/useful/knowledge/market/2016_06.html">https://smtrc.jp/useful/knowledge/market/2016_06.html</a> |
| <b>No. of properties held by RENOSY owners</b>   | As of October 31 2023 Number of properties held by RENOSY owners   |
| <b>No.1 in real estate investment</b>  | 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.  |
| <b>Annual income of 5 million yen+</b>   | Source: National Tax Administration Agency, Results of the Private Sector Salary Survey, FY2020 data compiled by the Company.  |
| <b>Financial assets of 50 million yen+</b>   | 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  |
| <b>RENOSY members</b>  | As of October 31 2023 Number of RENOSY members   |
| <b>No.1 usage rate by brokerage firms for electronic tenant application services/electronic contracting services</b> | Leasing Management Consulting K.K., "Survey on the Impact of the New Corona Virus on the Rental Real Estate Market during the 2023 Moving Season (January-March)". (2023/01/24) n=405  |
| <b>No. of target managed units</b>   | Totals from the 2016 Economic Census for Business Activity survey results, Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry   |
| <b>No.1 in rental support service</b>  | According to results of "Survey of Impact of COVID-19 Pandemic on Rental Real Estate Market in 2023 Moving Season (January-March)" by LMC, Inc. <a href="https://lmc-c.co.jp/wp-content/uploads/2023/07/lmc_release_20230726.pdf">https://lmc-c.co.jp/wp-content/uploads/2023/07/lmc_release_20230726.pdf</a>  |

## 8. Appendix

## Company overview

|                        |  |
|------------------------|--|
| Established            | March 12, 2013   |
| Head Office            | 40F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo  |
| Capital                | 7,262,476,717 Yen (October 31, 2023)   |
| Number of employees*1) | 1,090 people (October 31, 2023)  |
| Business Description   | <ul style="list-style-type: none"> <li>• Development and operation of the online real estate investment service brand RENOSY</li> <li>• Development of SaaS type of BtoB PropTech products</li> </ul>  |
| Directors              | <p>President and Chief Executive Office: Ryo Higuchi</p> <p>Director Vice President and Executive Officer and Chief Sales Officer: Fumio Sakurai</p> <p>Director and Managing Executive Officer: Dai Higuchi</p> <p>Outside Director: Ken Kutaragi, Piotr Feliks Grzywacz</p> <p>Outside Director Audit and Supervisory Committee Member: Tomohisa Matsuba, Toshiro Kuwahara, Saori Sato</p> |

\*1) Excluding officers, contract employee, part-time workers, and interns at consolidated subsidiaries.



## Disclaimer

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

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

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

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The next update of this material is scheduled for December 2024.

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