



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

Updated June 2024  
(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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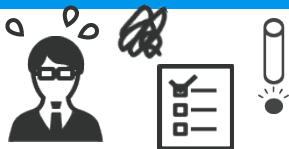
# **1. Company Highlights**

## 1. Company Highlights

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

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

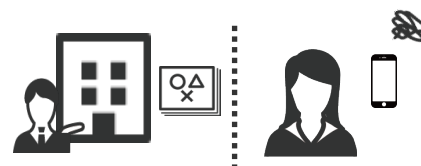
Low productivity due to analog process



Poor user experience



Information asymmetry



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

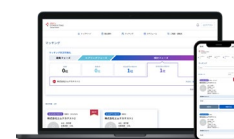
**RENOSY**



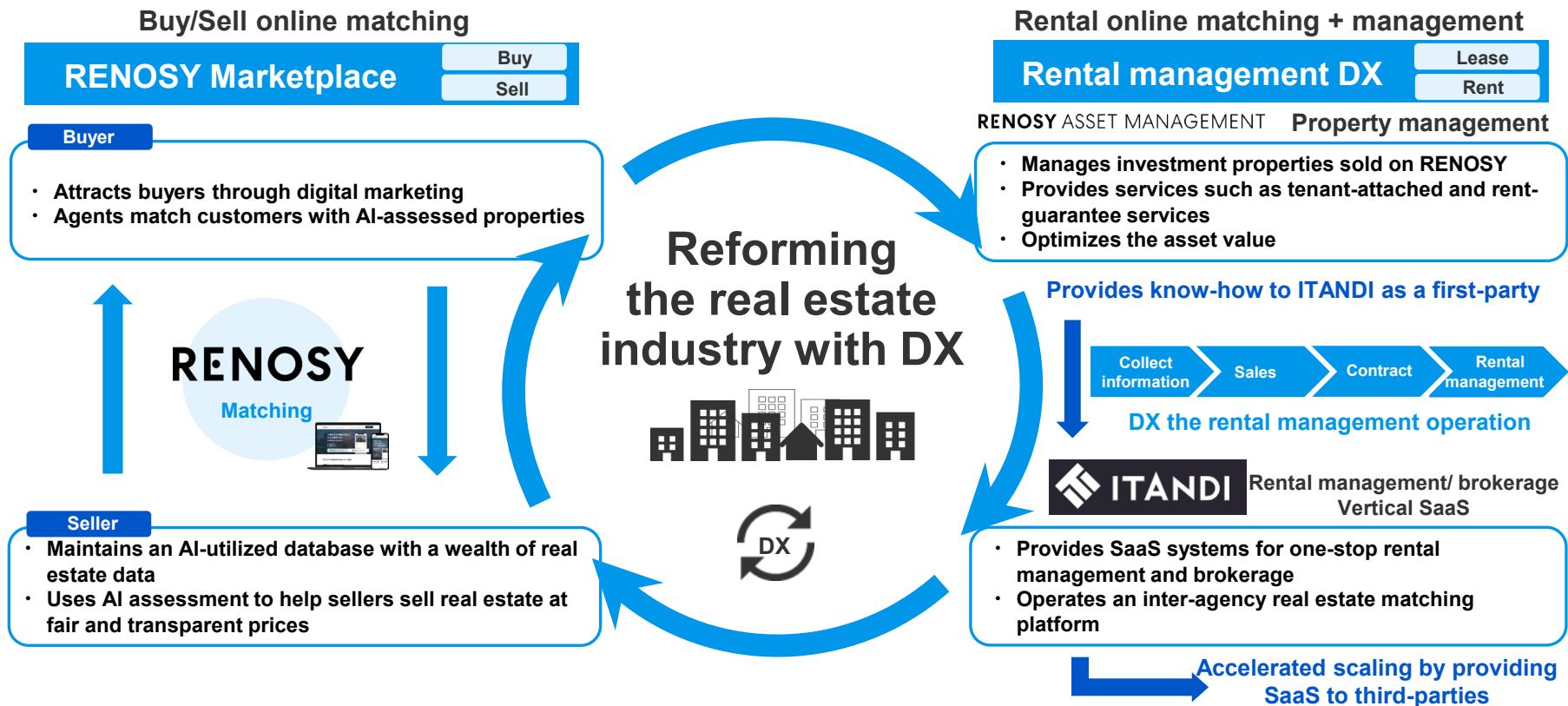
**ITANDI BB**  
**ITANDI BB +**



**SPICA**  
CONSULTING



## 1. Company Highlights

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

## 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 Mainly paper and calls	Investment real estate 2.0 Partly digitized	Investment real estate 3.0 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	×	×	✓

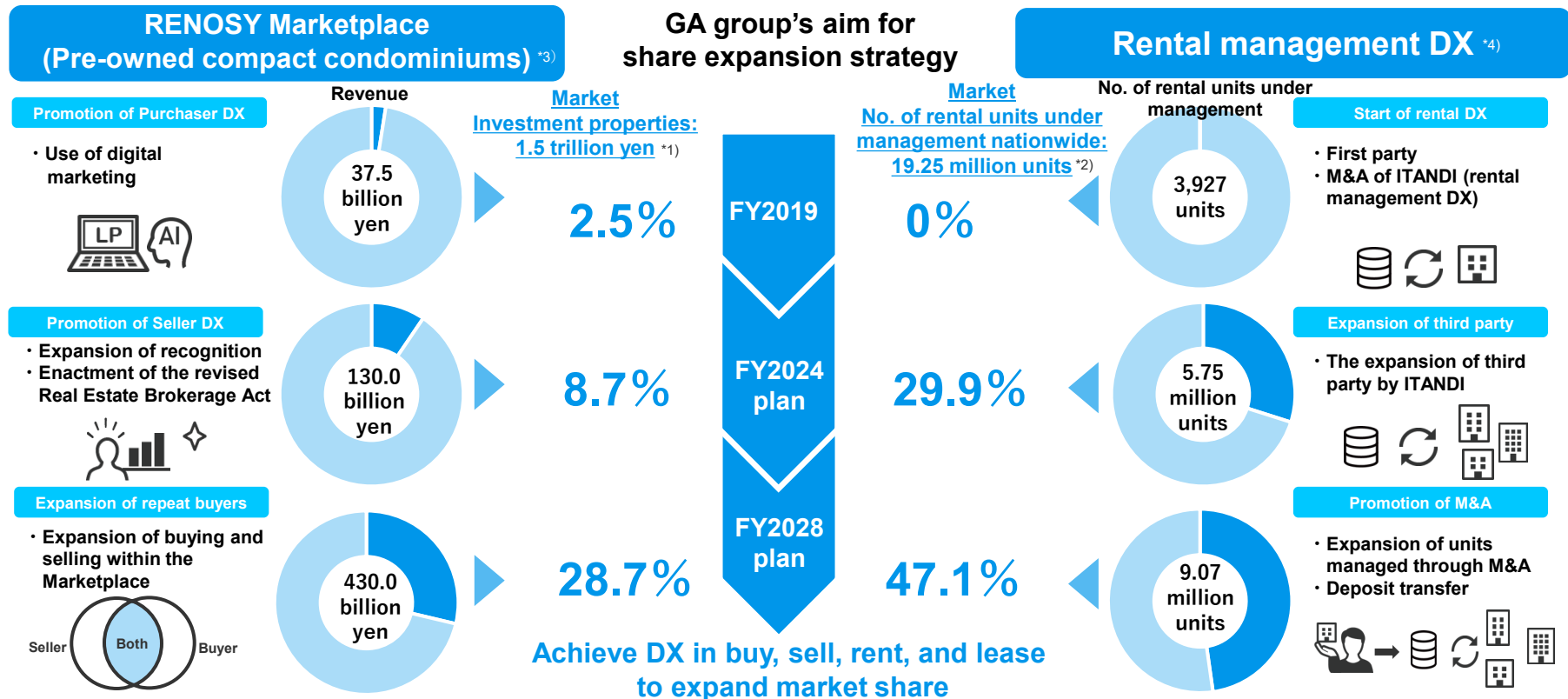
## ITANDI

### (Rent/Lease)

	Rental 1.0 Mainly paper and calls	Rental 2.0 Partly digitized	Rental 3.0 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”



\*1) 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 \*2) 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 \*3) Our existing compact condominium sales revenue (actual or projected) is used in the numerator \*4) 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 Buy/sell online matching	Subscription Property management	For rental management companies/ real estate agencies Vertical SaaS	Lifeline services
Profit structure (Net revenue)	Flow structure No. of contracts × commission	Stock structure Managed properties × commission	Stock structure No. of customers × monthly fee	Recurring structure Number of introductions × 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>	  
	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>	  
	B2B platform	<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 platform</li> </ul>	

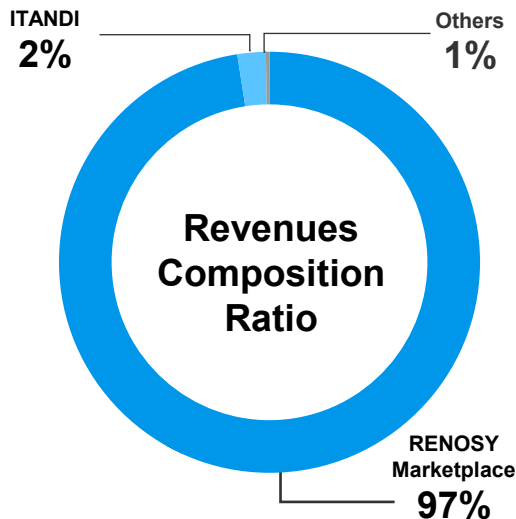
## **2. Business Model**

## 2. Business Model

## Latest Segment Results

## Consolidated Revenue

FY2023

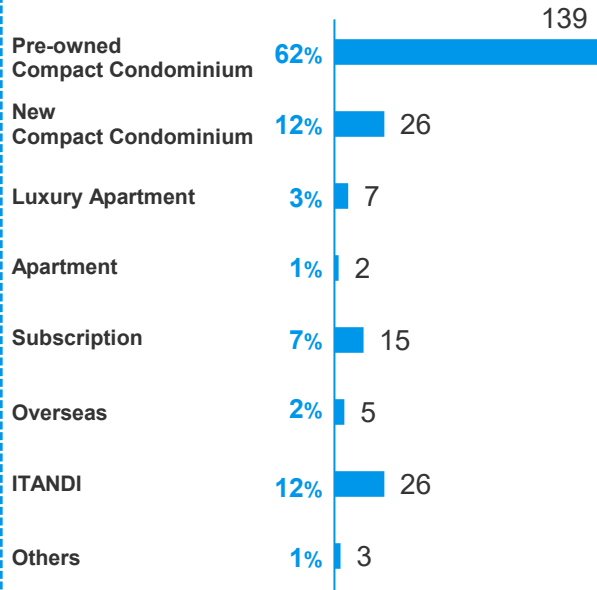
Approx. **¥146.6B**

## Consolidated Gross Profit

FY2023

Approx. **¥22.6B**

(Hundred million yen)



## Business Location

6 countries/regions <sup>\*1)</sup>

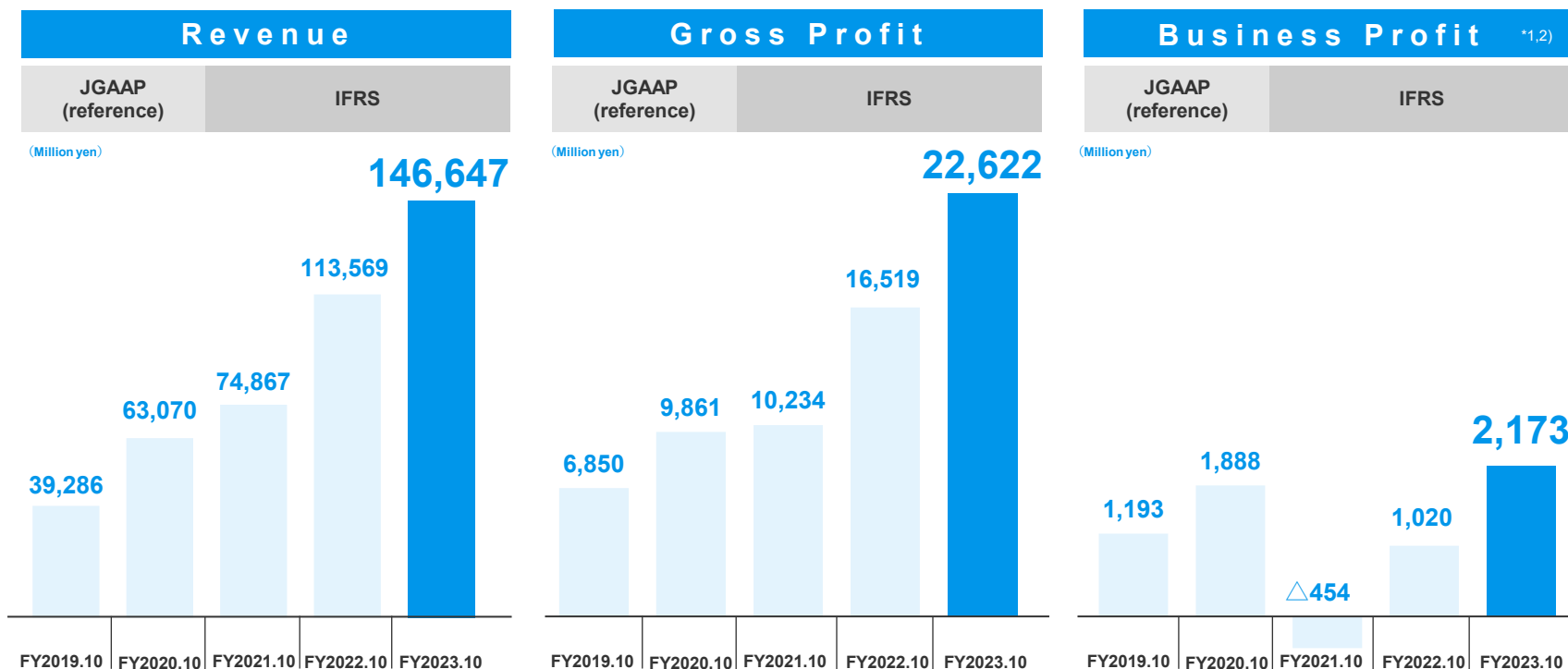
**Japan, Greater China  
(China, Taiwan, Hong Kong)  
Thailand, United States**

\*1) As of March, 2024

## 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

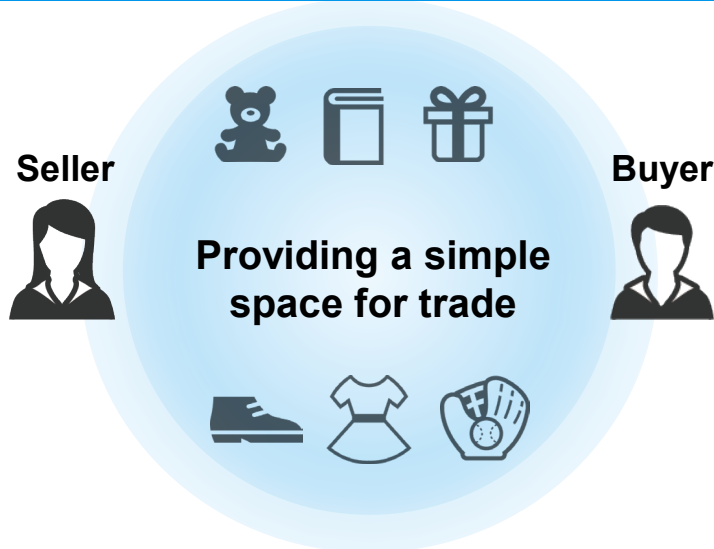
\*2) For the second quarter of the fiscal year ending October 31, 2023, the Company is finalizing the provisional accounting treatment for the business combination, and each figure for the fiscal year ending October 31<sup>st</sup>, 2022, reflects the details of the finalization of the provisional accounting 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

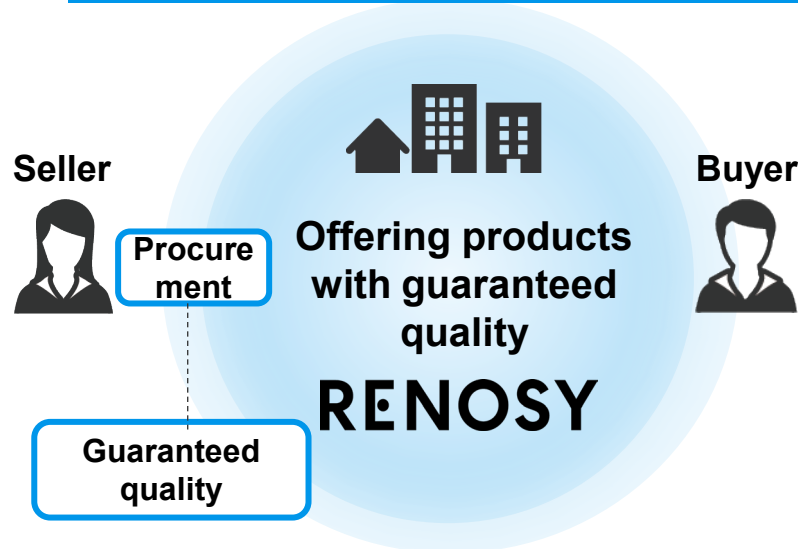
### Conventional marketplace

Low-cost products and daily necessities



### Managed marketplace

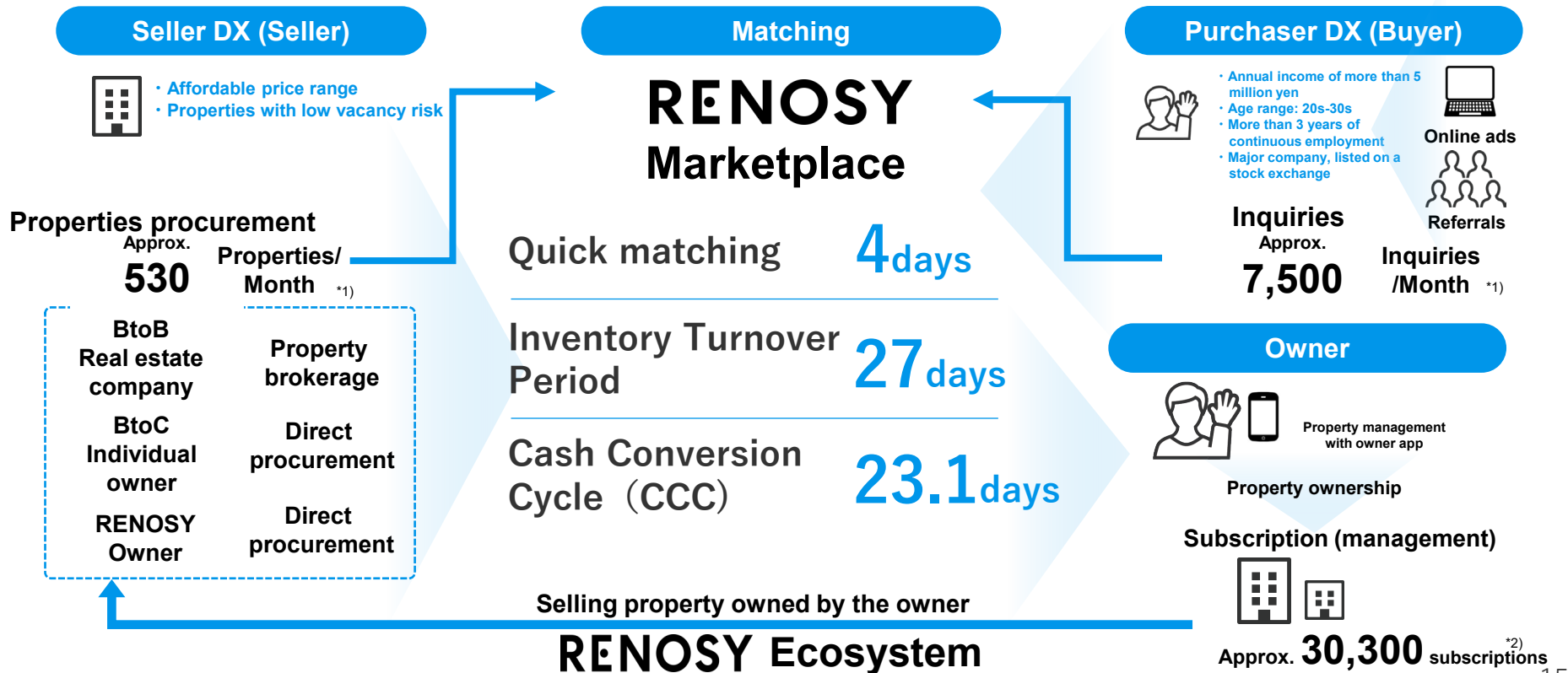
Expensive products



## 2. Business Model RENOSY Marketplace

## RENOSY Marketplace Business Model

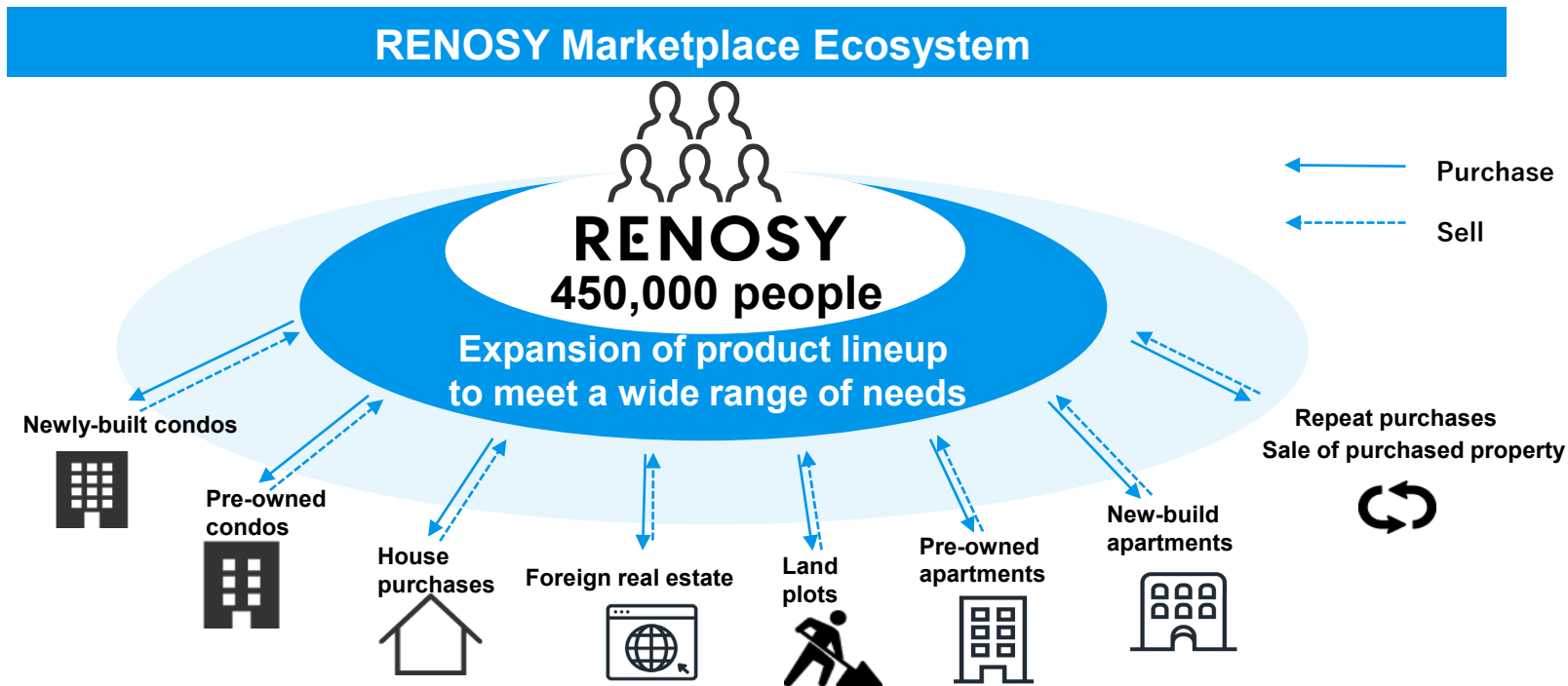
Provides one-stop online solutions from procurement of properties, attracting customers to signing contracts



<sup>\*1)</sup> Monthly average from May 2023 to April 2024 <sup>\*2)</sup> As of the end of April 2024. From FY2024.10 2Q, the number of units managed by RW Opco LLC is included.

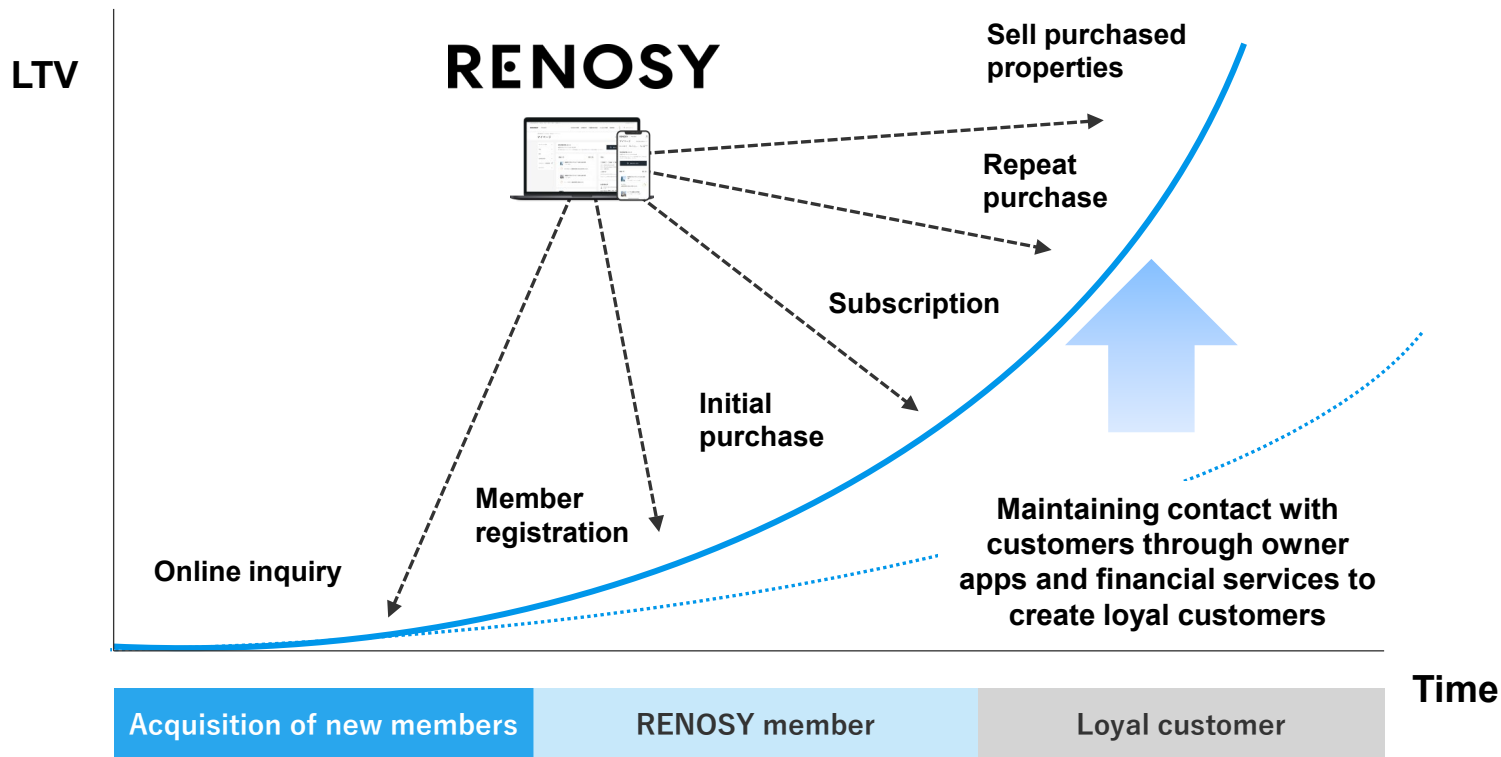
## RENOSY Building an Ecosystem

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



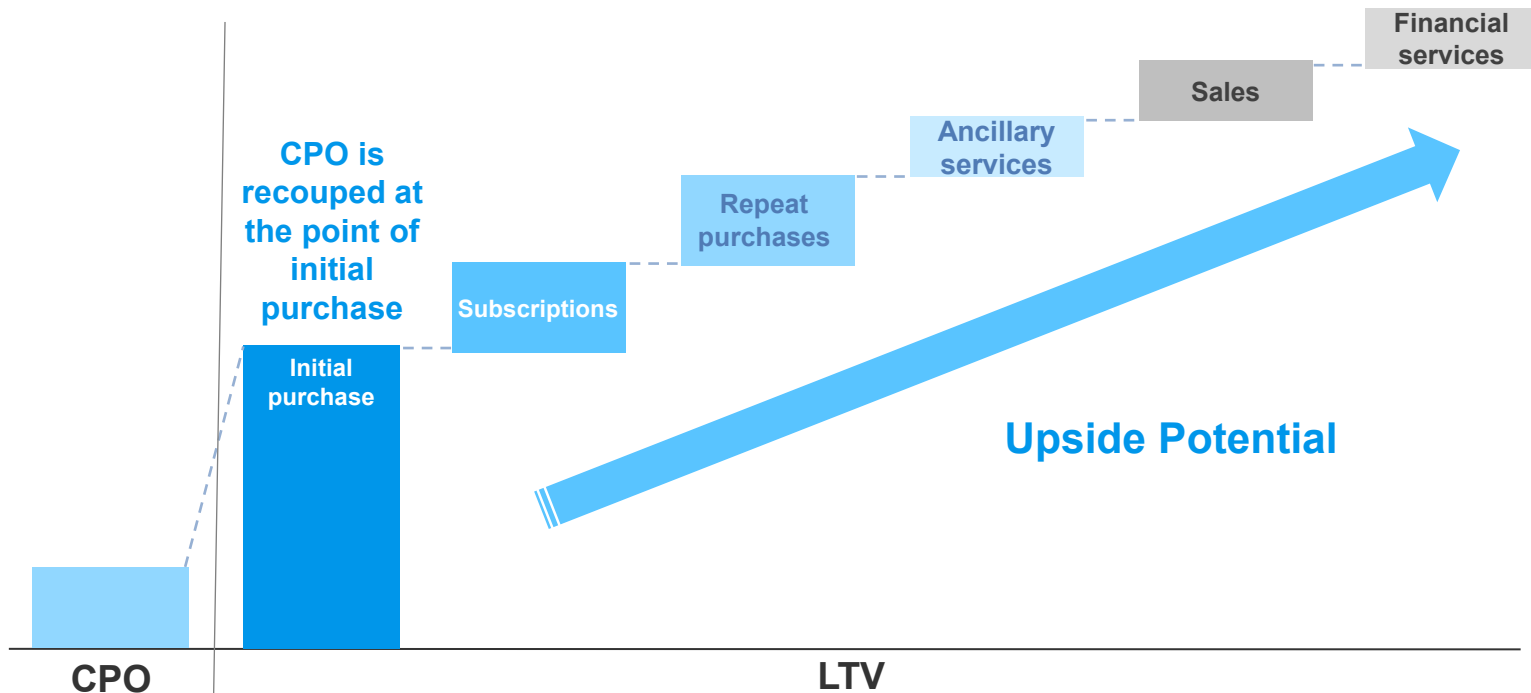


## RENOSY Marketplace Monetization Points



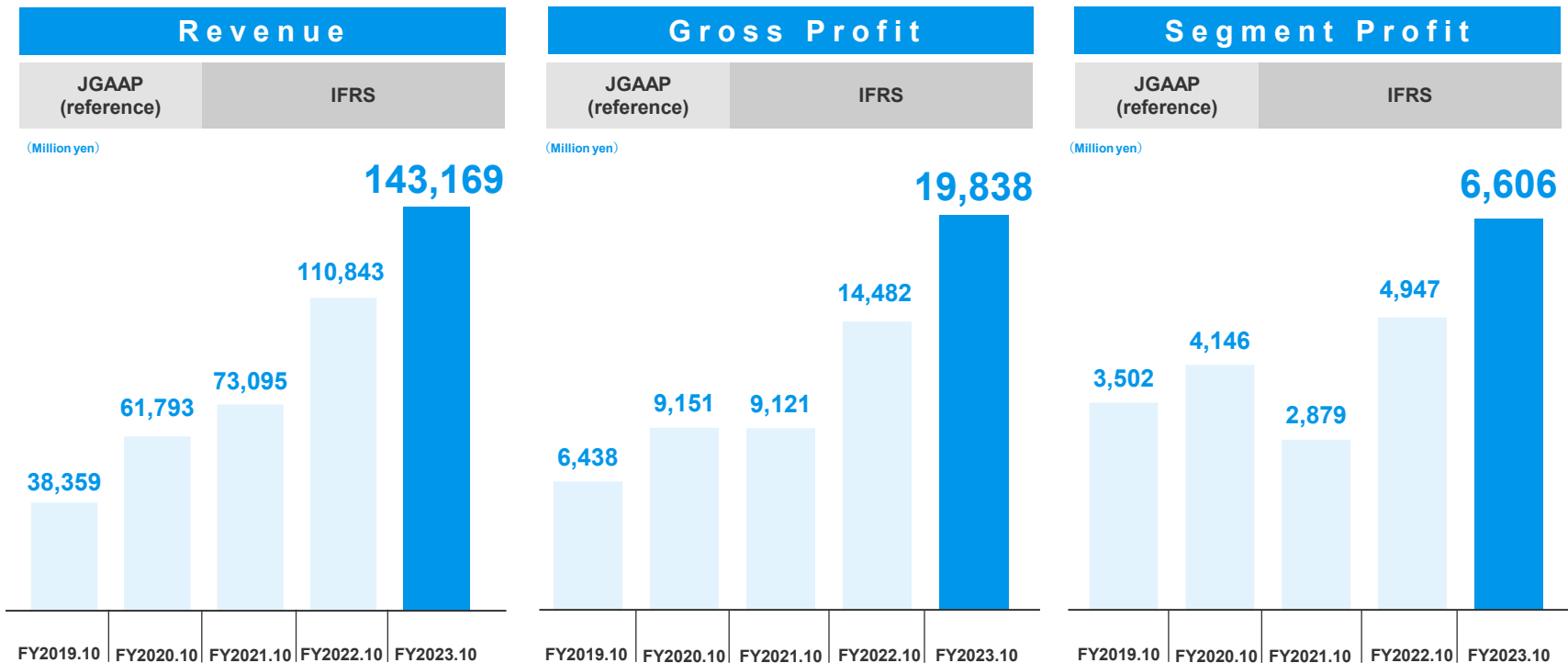
## Expansion of Unit Economics

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



# 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



CRM service for real estate agencies

SaaS for management companies

Tenant recruitment support service

Management support service

ITANDI BB +

- Automatic response to check properties
- Automatic reception feature for room-viewing request
- Online tenant application
- Digital Contracts

ITANDI管理クラウド

- Tenant renewals/ check out
- Construction management
- Billing management
- Property management
- Landlord management

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

Target



Real estate agencies



Management companies

Lifeline companies (Electricity and gas, etc.)

Management companies

Management companies  
Real estate agencies

Revenue model

Number of accounts  
x Monthly fee

Number of accounts  
x Monthly fee  
Amount of service usage  
x Unit price (= pay per use)

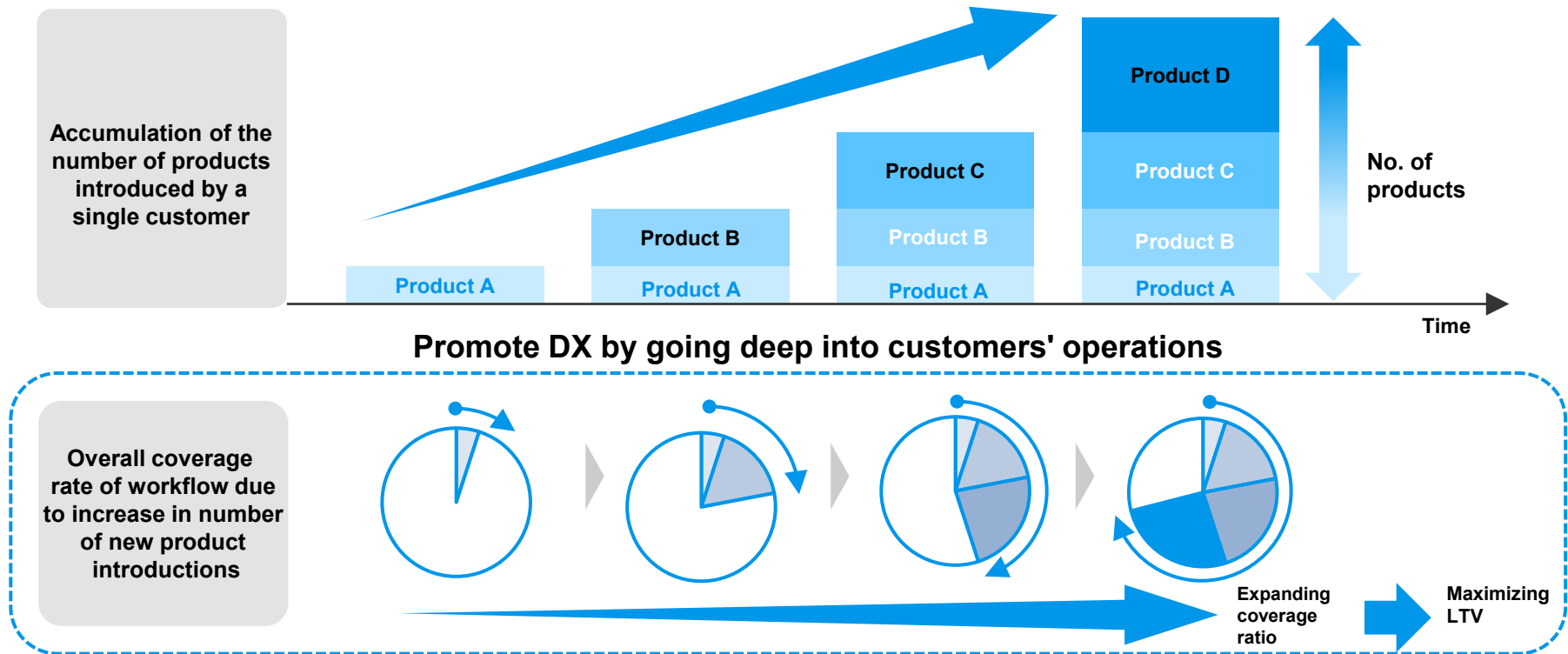
Number of clients sent  
x Commission fee

Number of accounts  
x Monthly fee

Provided free of charge

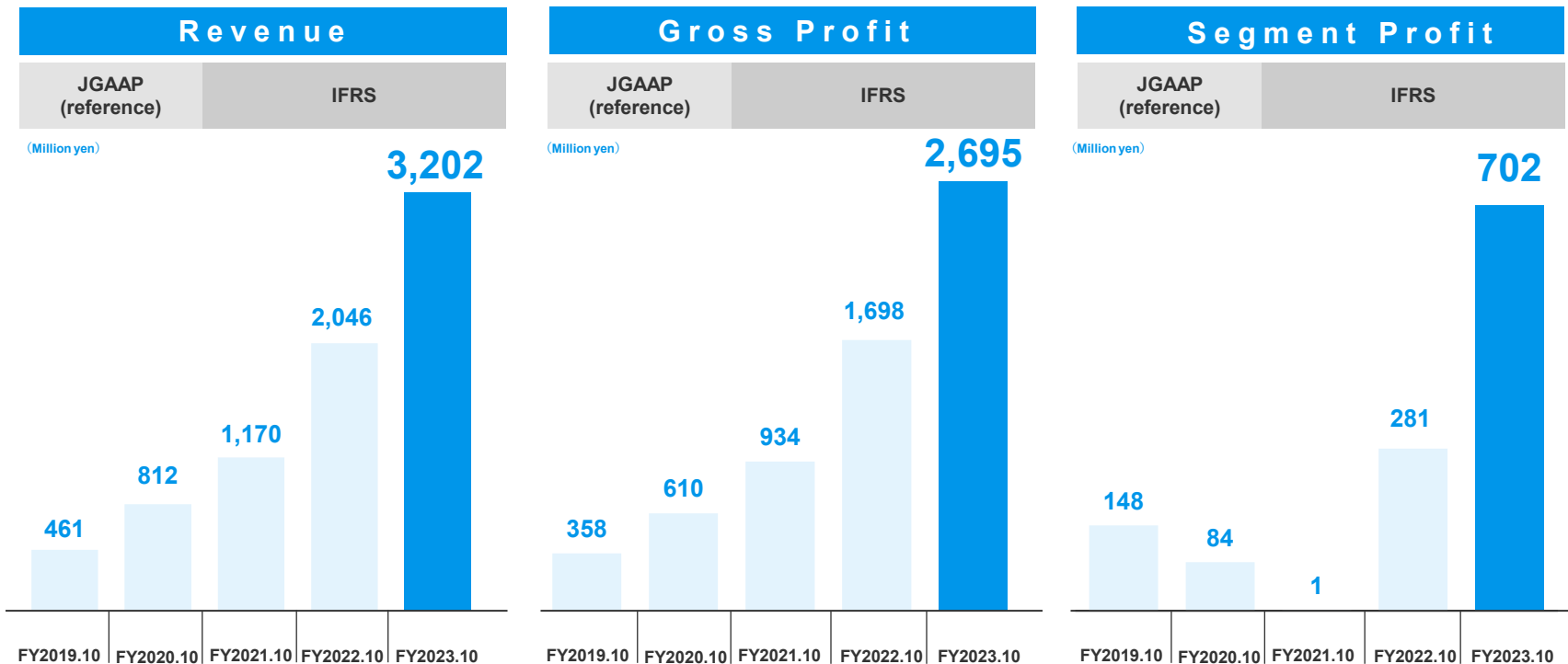
## Monetization Points

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



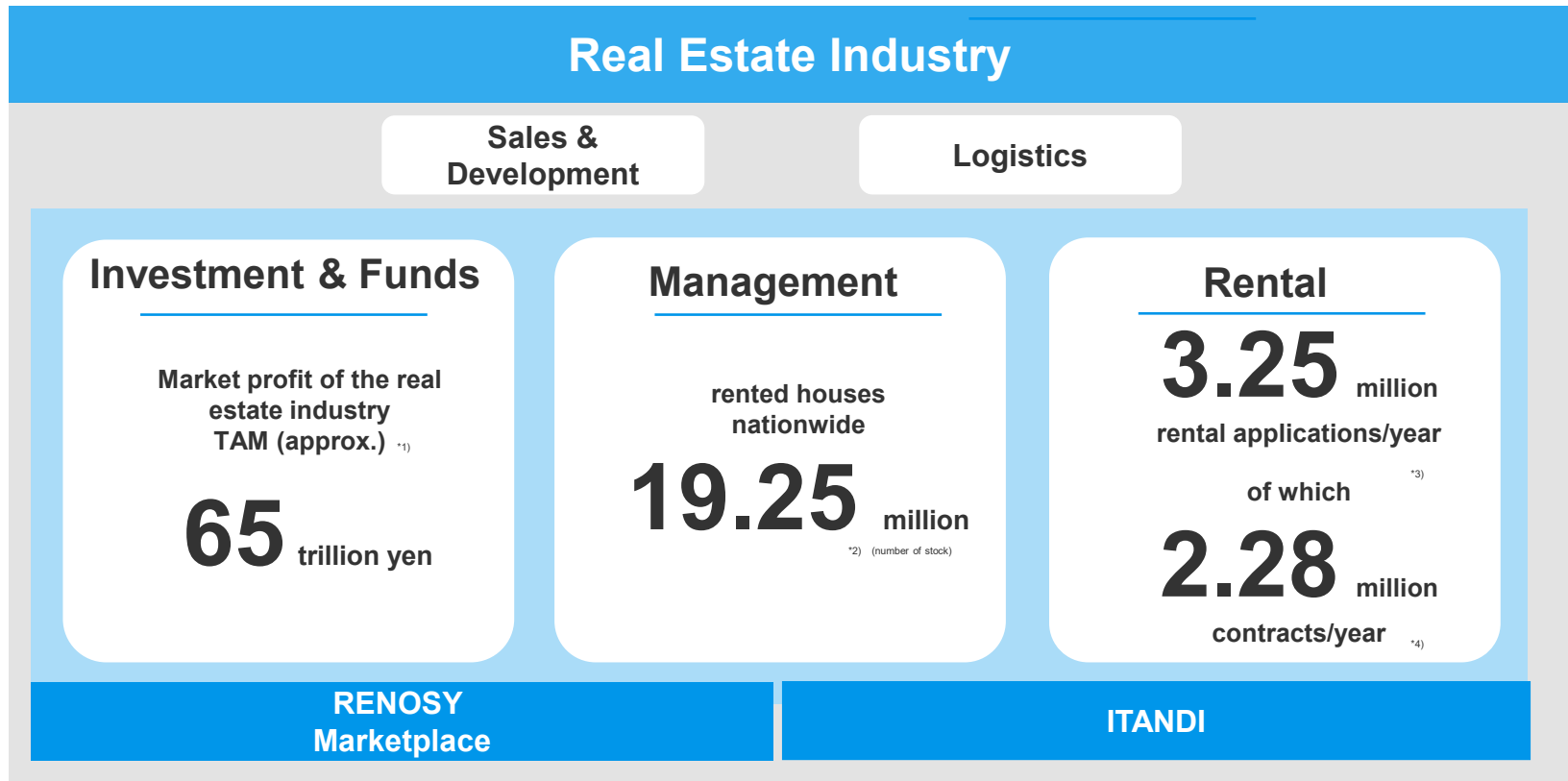
### **3. Market Environment / Competitive Advantage**

## 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)

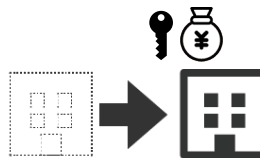
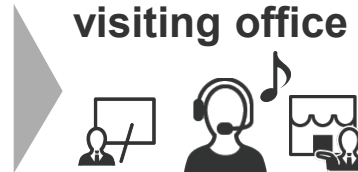
\*3) Calculated and estimated reference to the FY2022 cancellation rate for those who ITANDI's "Moushikomi uketsuke-kun" service based on the number of the contract

\*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

Aim to increase market share by making all processes of “Buying” “Selling” online

### GA technologies share of investment real estate market of 1.5 trillion yen

(pre-owned condominiums under the size of 50m<sup>2</sup> and under in the metropolitan area)<sup>\*5)</sup>

#### FY2019.10 Results

With the achievement of 37.5 billion in revenue

- Promotion of Purchaser DX
  - Use of digital marketing

#### FY2024.10 Forecast

With the achievement of 130 billion in revenue

- Promotions of Seller DX
  - Expansion of recognition
  - Enactment of the revised Real Estate Brokerage Act

#### Future (FY2028.10 Forecast)

With the achievement 430 billion in revenue

- Expansion of repeat buyers
  - Expansion of buying and selling within the Marketplace

2.5%

8.7%

28.7%

### Investment real estate market

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

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

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

GA technologies share **8.7%**

<sup>\*1)</sup> Source: Japan's real estate investment market size of profitable real estate by use, NLI Research Institute Real Estate Investment Report (March 12, 2021)

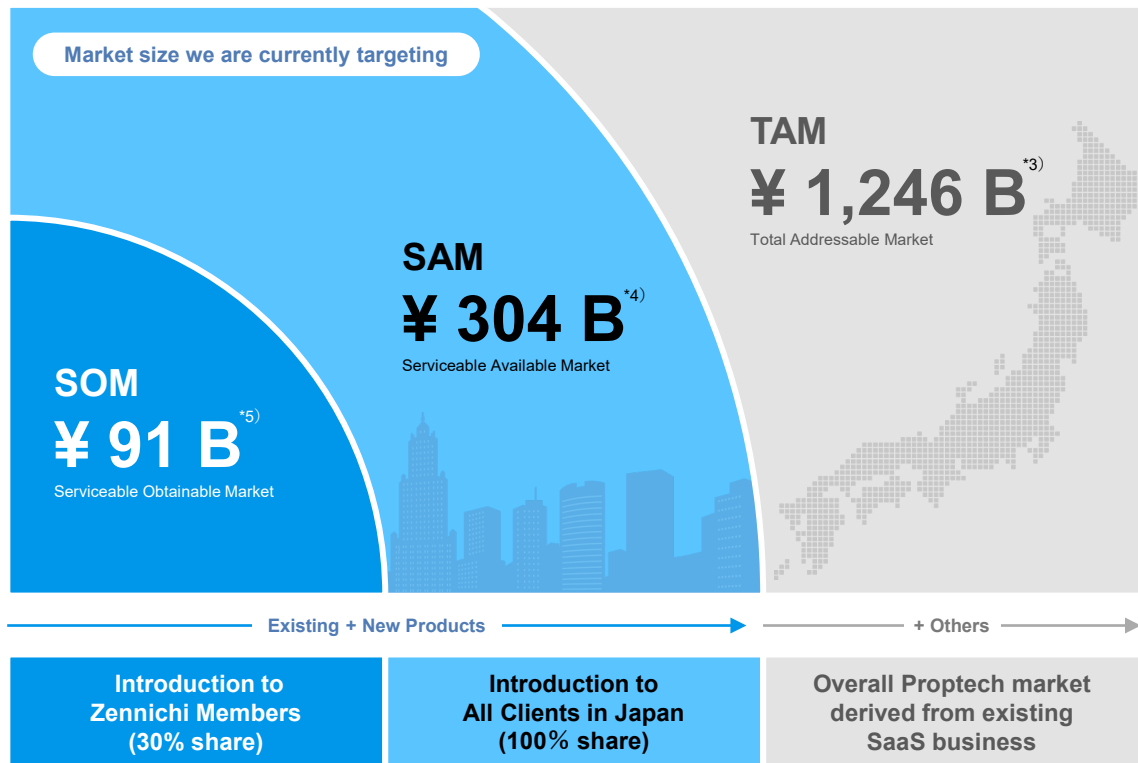
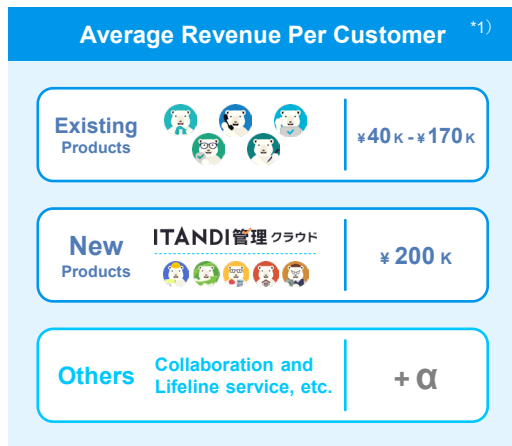
<sup>\*2)</sup> Estimated with reference to results released by Tokyo Kantai Co., Ltd.: Press release *Newly built / existing apartments market size of Tokyo metropolitan area* (Jan. 2021), Tokyo Kantai Co., Ltd.: Press release *Newly built / existing apartment logistics change of Tokyo metropolitan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

<sup>\*3)</sup> TAM: Total Addressable Market (The maximum potential market size that the RENOSY marketplace business can take over)

<sup>\*4)</sup> SAM: Serviceable Available Market (The market share size that the RENOSY marketplace business is targeting) <sup>\*5)</sup> Our existing compact condominium sales revenue (actual or projected) is used in the numerator

## 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> SOM = SAM × 30% <sup>\*5)</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.

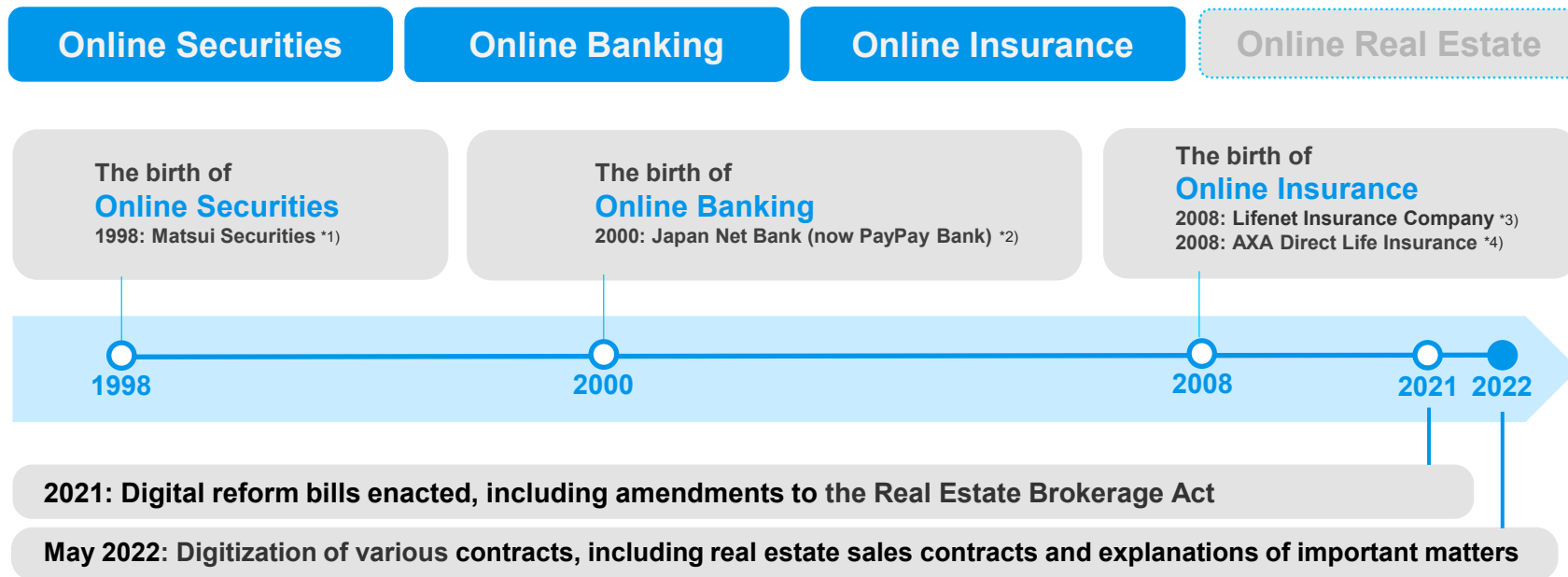
## Competitive Advantage

## 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** 

## The Advent 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 the 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



## FY2023.10 results

14	GA technologies	146,647
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## FY2022.10 results

21	GA technologies	113,569
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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 the 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

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 overview②

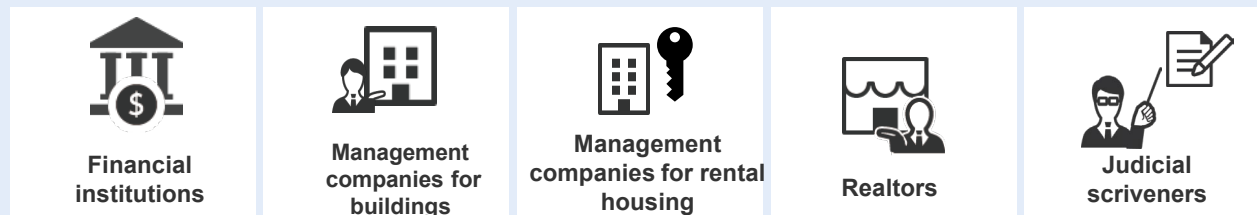
Bringing Real  
Estate Online

**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

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

## Target of Purchaser DX (Buyers)

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

## Domestic Personal Targets

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

Annual income of  
5 million yen +  
15.8 million people

Annual income of  
10 million yen +  
2.4 million people

Annual income of  
25 million yen+  
145,000 people

## Domestic Household Targets

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

50 million yen +  
3,418,000 households

100 million yen +  
1.24 million  
households

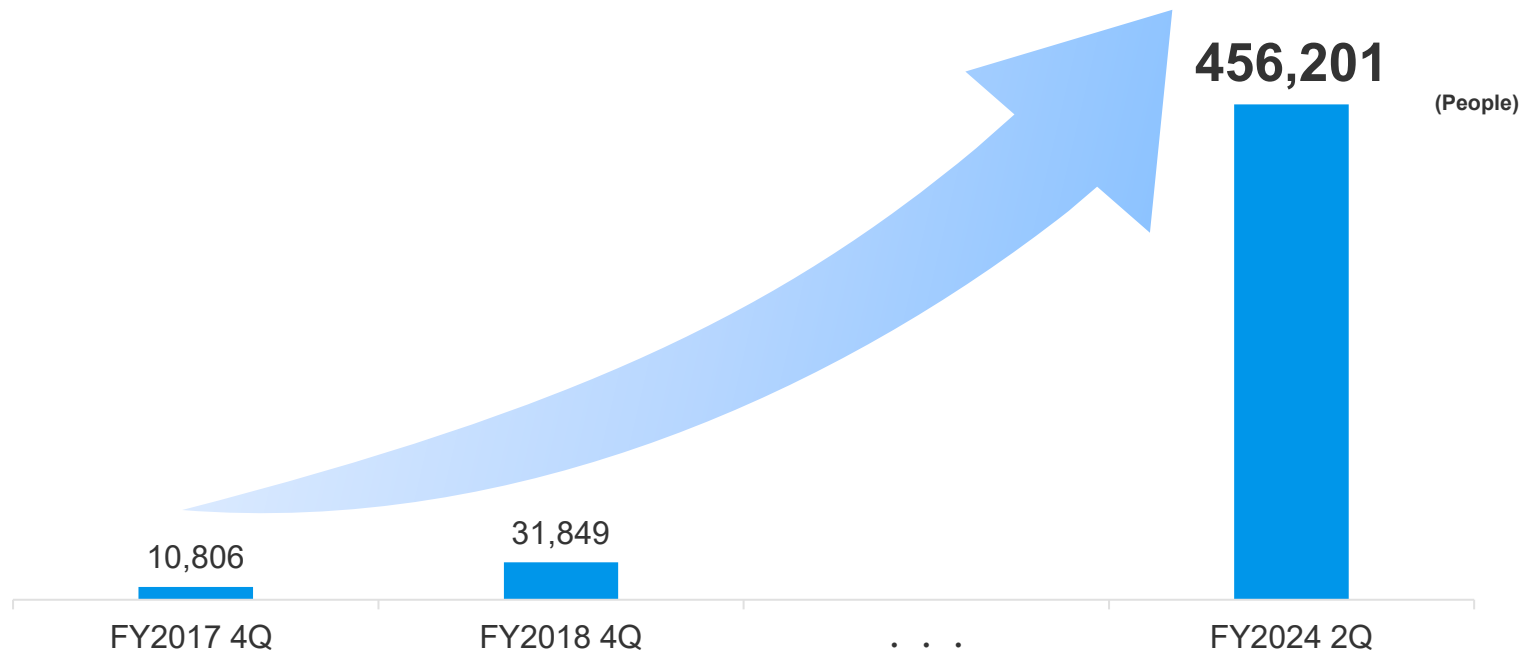
500 million yen +  
87,000 households

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

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

## Expansion of our excellent customer base

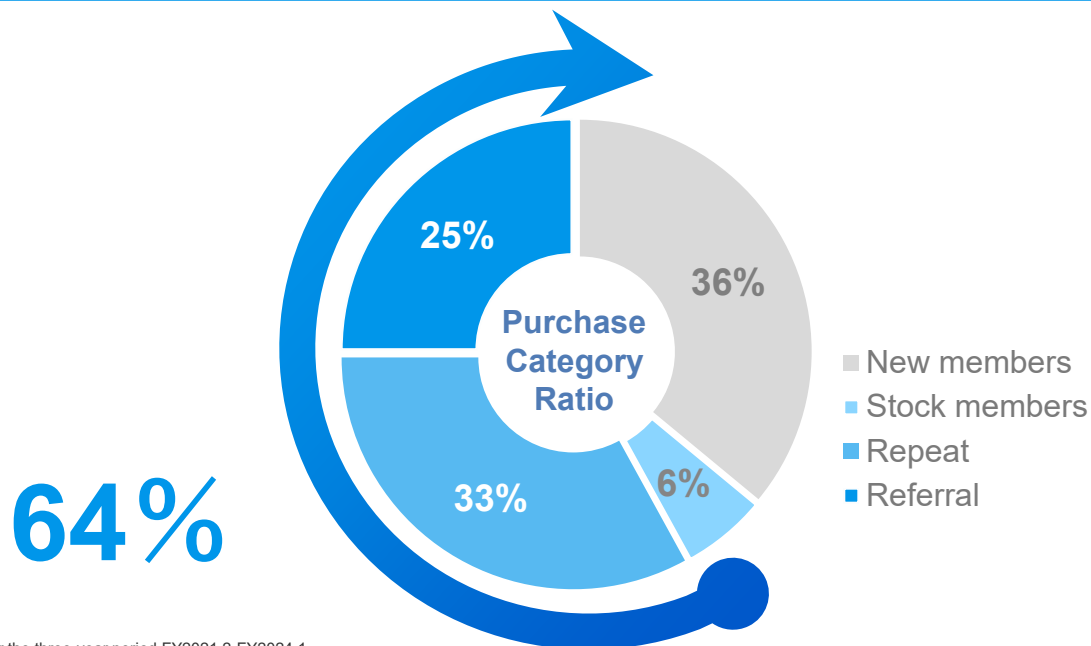
### Significant increase in high-class RENOSY members



## 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>**

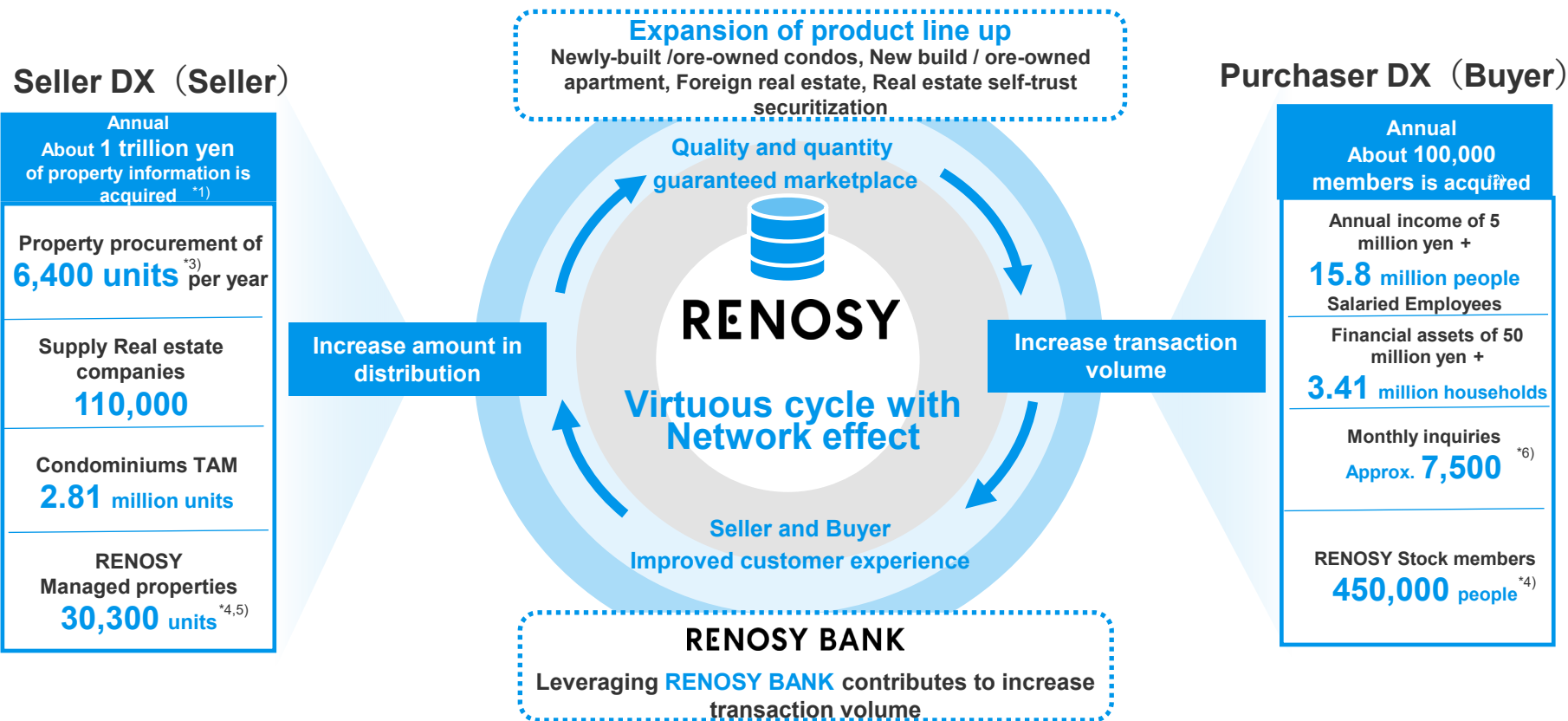


\*1) Calculated based on data by purchase for the three-year period FY2021.2-FY2024.1

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

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

## Online Transactions Growth Story



\*1) Cumulative amount of property information which the Company received during the year from November 2021 to October 2022 \*2) Increase in the number of RENOSY members as of FY2023 3Q and FY2024 2Q  
 \*3) Number of DX purchases as of FY2023 3Q and FY2024 2Q from \*4) As of the end of April 2024 \*5) From FY2024 2Q, the number of units managed by RW Opco is included \*6) Monthly average from May 2023 to April 2024

## 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



## 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

ITANDI BB + 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

93.8%

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

95.3%

<sup>\*1)</sup>ITANDI BB +  
電子契約くん  
Denshikeiyaku-kunITANDI BB +  
nomad cloud<sup>\*1)</sup> Leasing Management Consulting "2024 rental real estate market customer trend survey" (2024/3/4) n=386<sup>\*2)</sup> Made referencing "SaaS listed companies ARR Ranking updated October 2023" ([https://note.com/\\_funeco/n/nacafb1b3dfe0](https://note.com/_funeco/n/nacafb1b3dfe0)). ARR for ITANDI from FY2023.10 Full-year financial resultsARR ranking of listed SaaS companies (as of Oct. 2023) <sup>\*2)</sup>

Rank	Company Name	Aggregation scope	ARR (Billion Yen)	ARR growth rate (%/ YoY)
1	SANSAN INC	Whole company	27.14	30.3
2	RAKUS CO LTD	Cloud business	25.69	36.4
3	Applier 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	Finatext Holdings Ltd	Whole company	2.44	40.6
30	ORO CO LTD	Cloud solution business_Existing customers (recurring)	2.36	21.4

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

## Share and Customer Satisfaction Performance

Digital viewing reservation/ tenant application/ electronic contract services for management companies

**No. 1**  
\*1)  
No.1 usage rate  
by brokerage firms  
For 2 consecutive years

Operational streamlining services for real estate agencies

In satisfaction with Sales contribution  
**No.1** \*2)

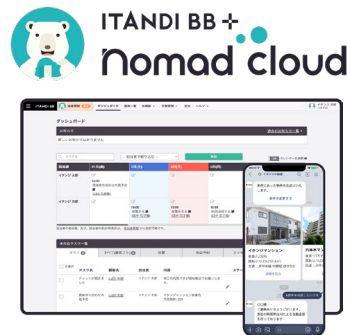
In support system satisfaction  
**No.1** \*2)

In usage rate by brokerage firms for  
2 consecutive years  
**No.1** \*1)

Inter-agency distribution website

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

**No. 1**  
Easy-to-use distribution website \*2)



\*1) Leasing Management Consulting K.K., "2024 Rental Real Estate Market Customer Trends Survey", (2024/3/4) n=386

\*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)

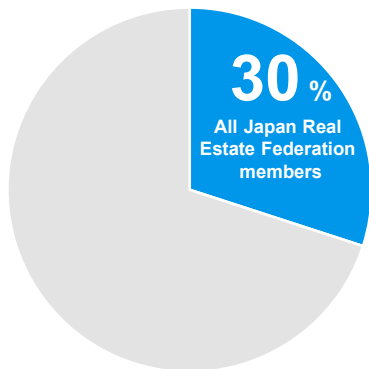
[Analysis] Comparison among the four systems with the highest number of valid responses.

## 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.  
**3,800** companies

FY2024.2Q

Approx.  
**35,000** companies

FY2024.1Q

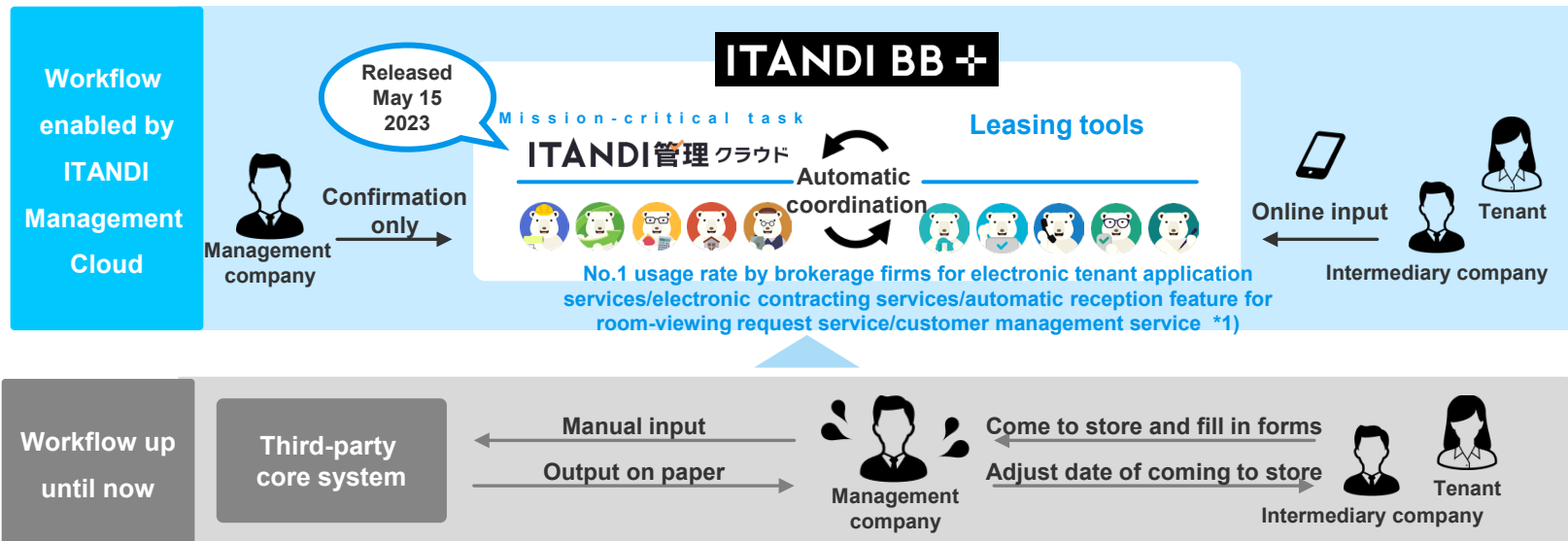
## Launch of rental management system "ITANDI Management Cloud"

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

×

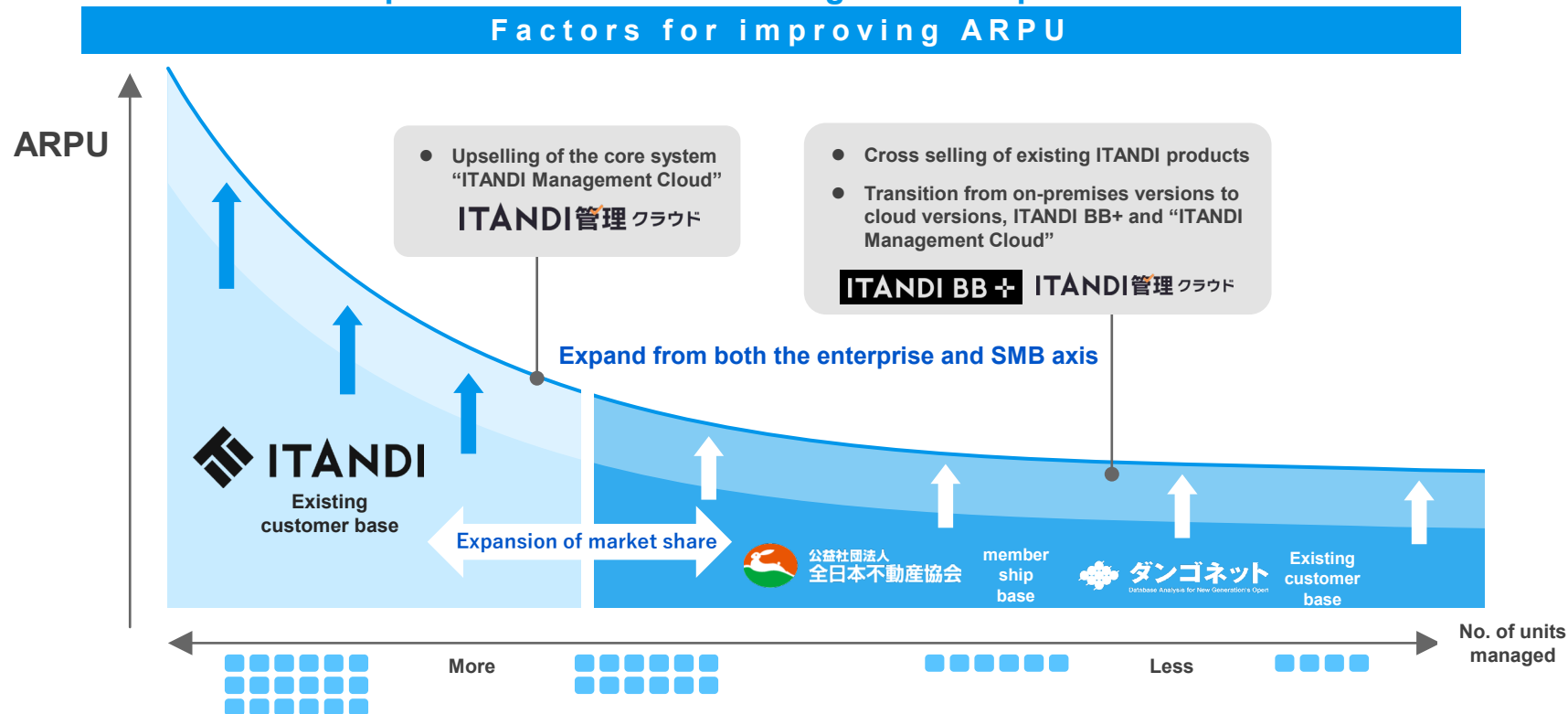
Growth by leveraging our strong track record in leasing tools



\*1) Leasing Management Consulting "2024 rental real estate market customer trend survey" (2024/3/4) n=386

## 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.

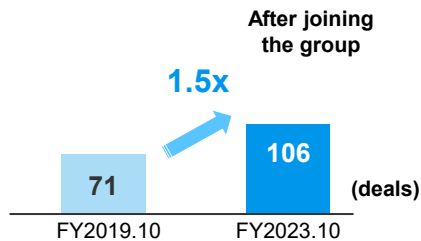
## 3. Market Environment / Competitive Advantage ⑥ Non-organic growth through M&amp;A strategy

## 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

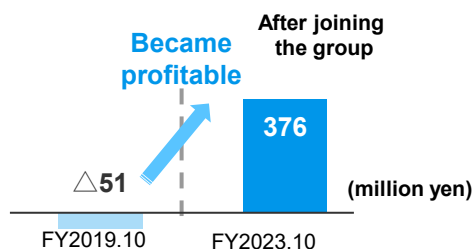


## Number of construction received

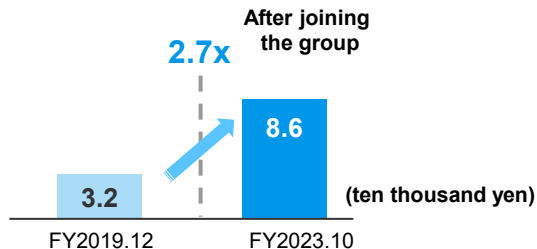


\*1)

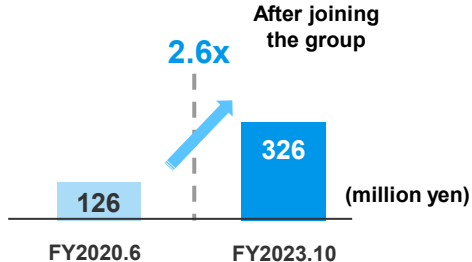
## Operating profit



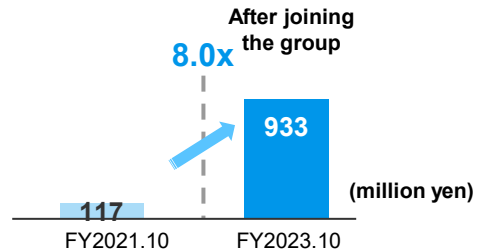
## Sales per response



## Operating profit



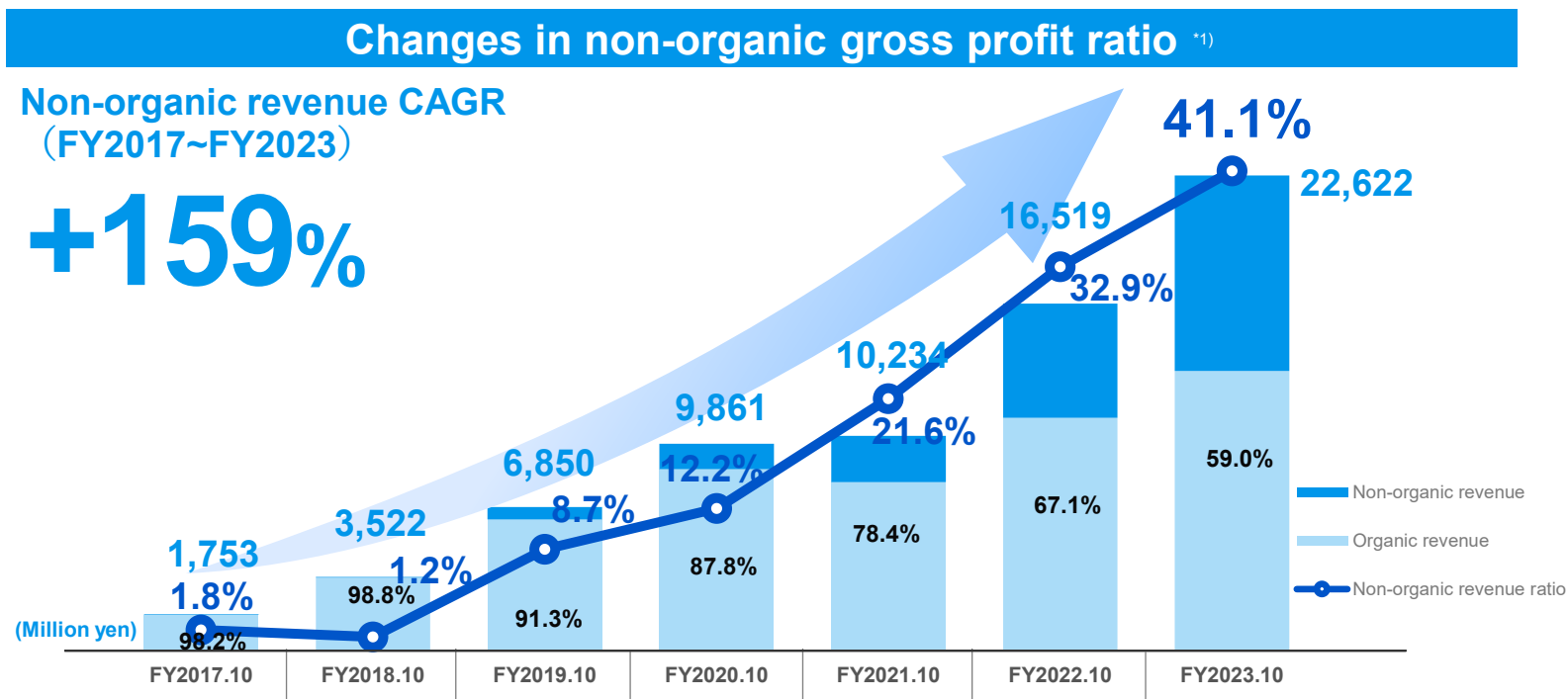
## Operating profit



\*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

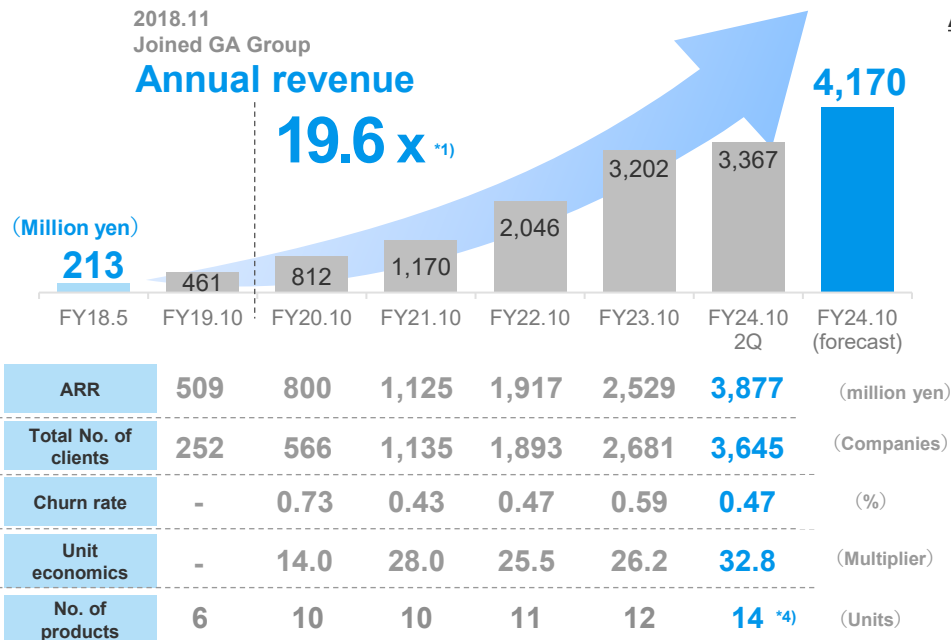


## 3. Market Environment / Competitive Advantage ⑥ Non-organic growth through M&amp;A strategy

## 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

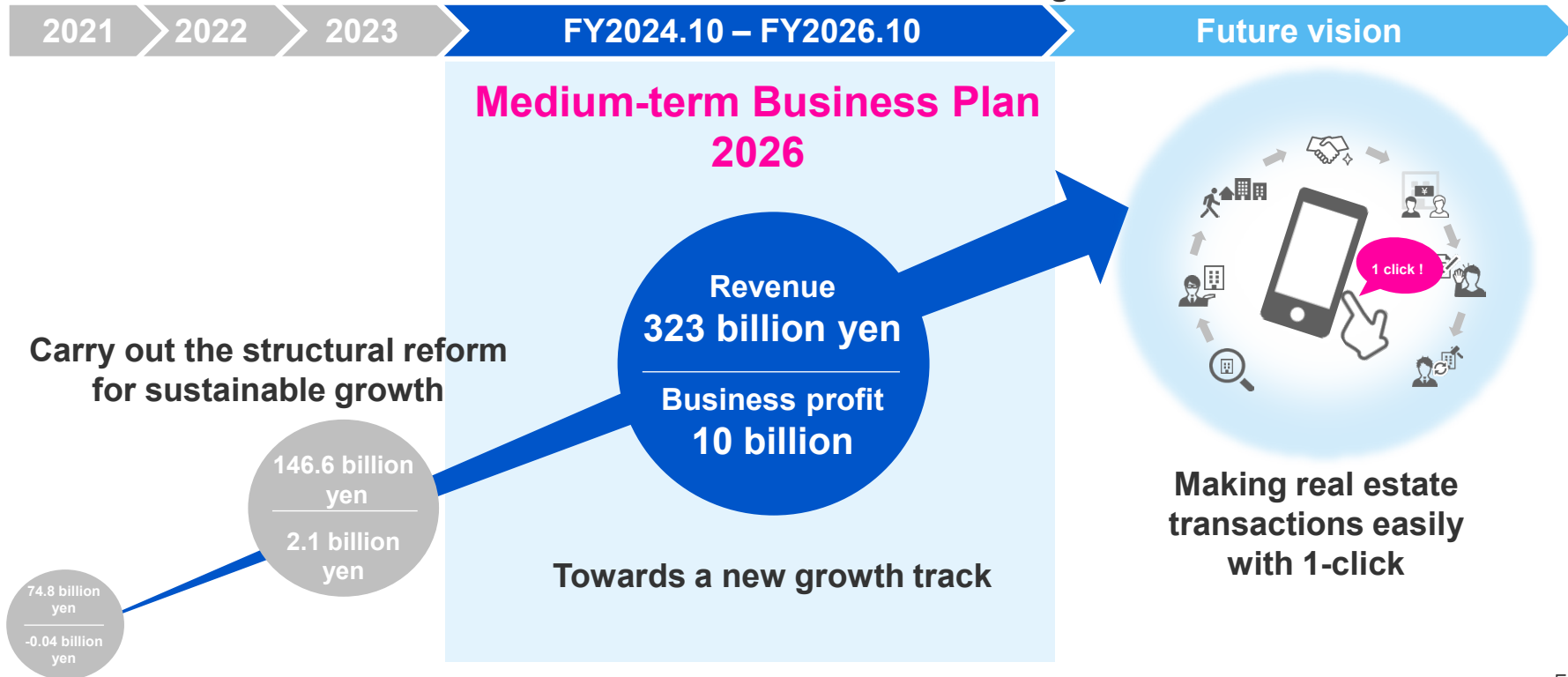
<sup>\*1)</sup> Comparing ITANDI's annual revenue in FY2018.5 before joining GA Group with ITANDI segment annual revenue (forecast) in FY2024.10 <sup>\*4)</sup> Added Housmart's "PropoCloud" and "2byo-de-bukkaku" from FY2024.10 1Q

## **4. Growth Strategy and Management Indicators**

## Medium-term Business Plan 2026

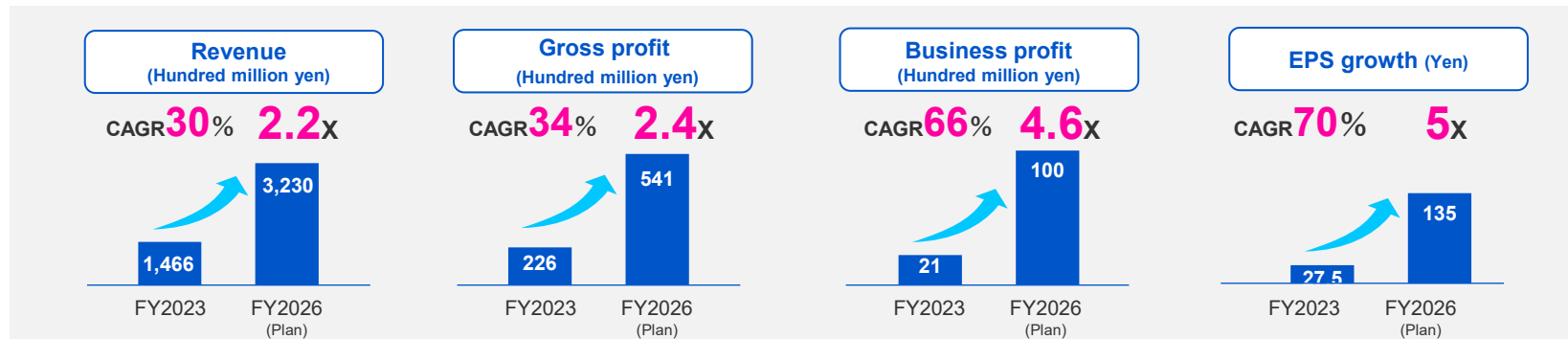
## The position of the Medium-term Business Plan 2026 (FY2024.10~FY2026.10)

The medium-term business plan was formulated to plot a new growth track based on structural reform for sustainable growth



# Medium-term Business Plan 2026

## Medium-term Business Plan 2026

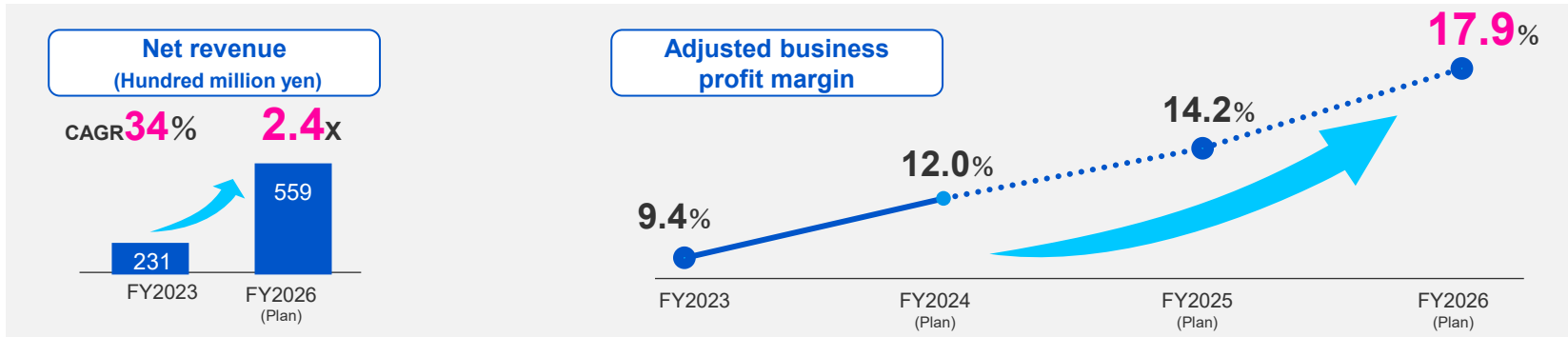


(Million yen)		FY2023.10 Actual	FY2024.10 Plan	FY2025.10 Plan	FY2026.10 Plan
Consolidated	Revenue	146,647	185,000	248,000	323,000
	Growth rate	29.1%	26.2%	34.1%	30.2%
	Gross profit	22,622	30,030	41,000	54,100
	Gross profit margin	15.4%	16.2%	16.5%	16.7%
	Business profit	2,173	3,700	6,000	10,000
	Business profit margin	1.5%	2.0%	2.4%	3.1%

# Medium-term Business Plan 2026

## Adjusted business profit margin

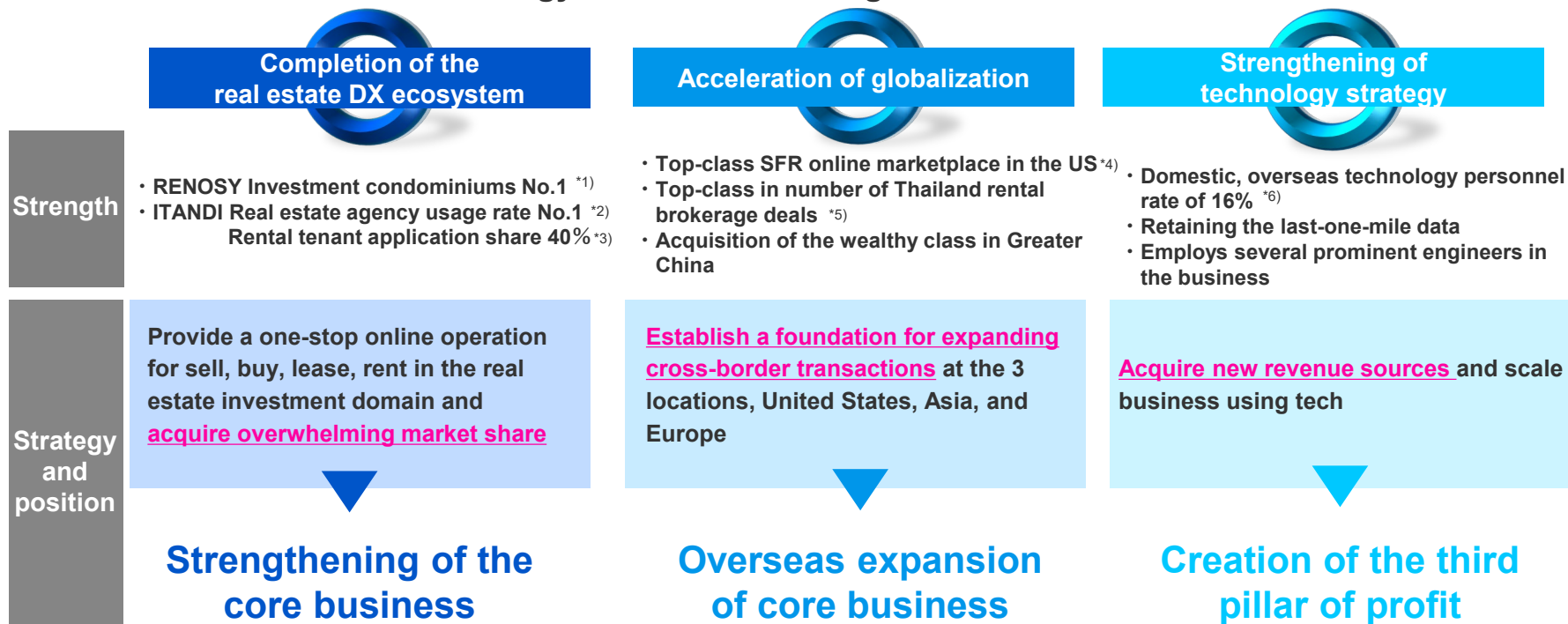
Aim for adjusted profit margin of approximately 20%



(Million yen)		FY2023.10 Actual	FY2024.10 Plan	FY2025.10 Plan	FY2026.10 Plan
Adjusted business profit margin	Net revenue	23,130	30,960	42,300	55,900
	Growth rate	34.2%	33.9%	36.6%	32.2%
	Business profit	2,173	3,700	6,000	10,000
	Adjusted business profit margin	9.4%	12.0%	14.2%	17.9%

# Medium-term Business Plan 2026 basic strategy and positioning

Solidify the realization of the medium-term business plan  
with the strategy to utilize the strengths of the business so far



<sup>\*1)</sup> <https://ssl4.eir-parts.net/doc/3491/tdnet/2437813/00.pdf> <sup>\*2)</sup> Leasing Management Consulting "2024 rental real estate market customer trend survey" (2024/3/4) n=386 <sup>\*3)</sup> Based on the estimated number of rental brokerage deals in 2023 of 1.78 million from the "Rental Brokerage and Tenant Trends Databook 2024" published by the National Rental Housing Newspaper, the number of applications for occupancy was calculated to be 2.65 million based on ITANDI's cancellation rate from application to contract of 33%, and the percentage was estimated based on ITANDI's annual electronic application for occupancy of 1.07 million <sup>\*4)</sup> <https://ssl4.eir-parts.net/doc/3491/tdnet/2382171/00.pdf> <sup>\*5)</sup> Calculated share based on earnings information from Ministry of Commerce, Thailand <sup>\*6)</sup> April 30, 2024

# Medium-term Business Plan 2026 RENOSY Marketplace

# RENOSY

## RENOSY Marketplace

Acquire overwhelming market share

Completion of the  
real estate DX ecosystem

## Focus points

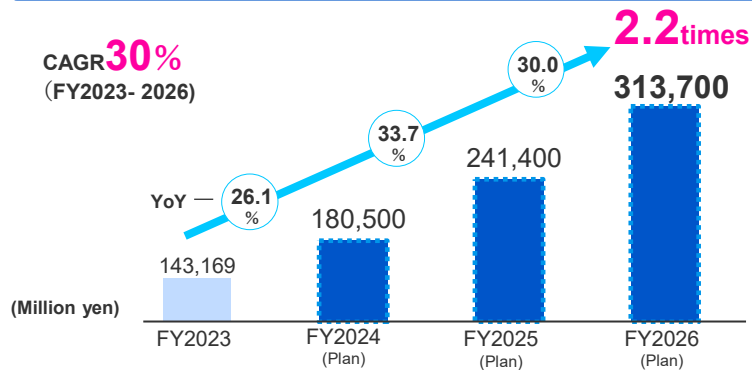
**RENOSY**  
Online transaction

**RENOSY**  
Subscription (Domestic)

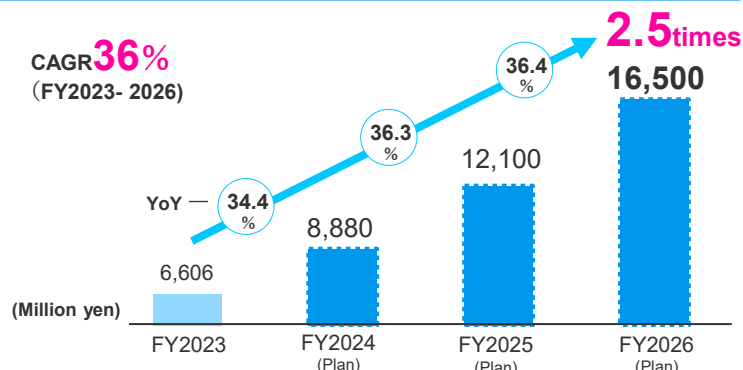
## Specific initiatives

- Expansion of market share in the main pre-owned condominium market
  - Strengthening of customer attraction through digital marketing
  - Strengthening of acquisition of real estate sales using AI assessment
  - Expansion of managed units including non-organic expansion
  - Improvement of productivity utilizing the economies of scale
- ## Important KPI
- Market share **over 20%** <sup>\*1)</sup>
  - Recognition rate **over 70%**
  - Direct procurement ratio **over 50%** <sup>\*2)</sup>
  - Managed units **over 50,000**
  - Business profit margin **over 25%**

## Revenue



## Business profit



\*1) The annual transaction value is estimated at 1.5 trillion yen, based on Tokyo Kantai Corporation's "Metropolitan Area New and Used Condominium Market Size (January 2021)" and "Metropolitan Area New and Used Condominium Status Flow (May 2021)", property data registered with the Real Estate Information Network for East Japan, and the results of the top 10 investment property companies \*2) Ratio of the number of seller contracts of investment and residential properties in the RENOSY marketplace divided by the number of purchase contracts of investment and residential properties in the RENOSY marketplace



# Medium-term Business Plan 2026 ITANDI



ITANDI

Acquire overwhelming market share

Completion of the  
real estate DX ecosystem

Focus points

ITANDI

Sales brokerage  
(Housmart etc.)

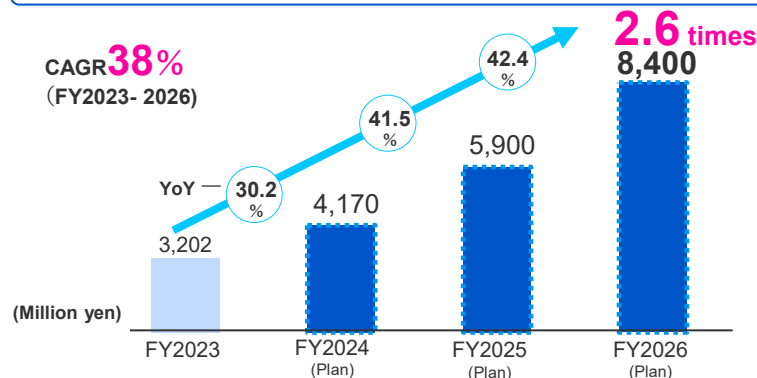
Specific initiatives

- Expand market share for rental management SaaS usage in focus areas
- Cultivating platform power and realizing cross-selling effects
- Expand market share for sales brokerage SaaS usage
- Realization of high growth rate due to the strengthening of sales

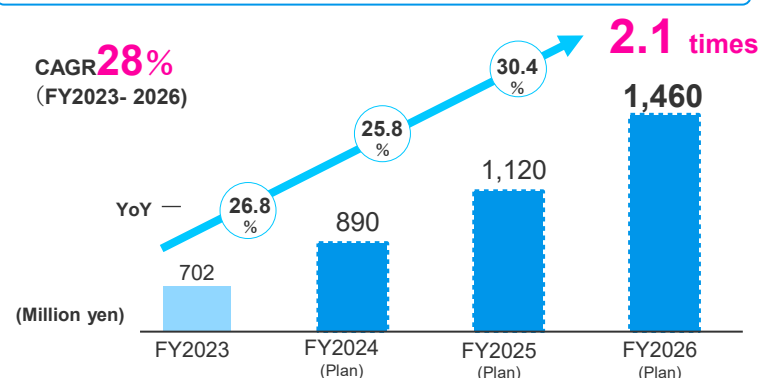
Important KPI

- Nationwide market share of **37%** (7.2 million units using the product)<sup>\*1)</sup>
- Over **15,000** products introduced
- Nationwide market share of **around 10%** (Approximately **120,000** sales contracts)<sup>\*2)</sup>
- Business revenue CAGR of **over 50%**

Revenue



Business profit



<sup>\*1)</sup> The share was calculated by assuming that 7.2 million units are managed using rental management SaaS out of the 19.25 million units managed nationwide based on the results of the 2016 Economic Census of Activities conducted by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry <sup>\*2)</sup> The estimated number of FRK existing homes in circulation nationwide is 630,000, which is estimated from the number of ownership transfer registrations, etc., but since there are sales contracts and purchase contracts, the number of contracts is doubled, and 1.26 million is used as the denominator when calculating the market share. [https://www.frk.or.jp/information/2023chiikibetsu\\_kisonjyutaku.pdf](https://www.frk.or.jp/information/2023chiikibetsu_kisonjyutaku.pdf)

# Medium-term Business Plan 2026 Globalization & Technology

## Establish a foundation for expanding cross-border transactions

Acceleration of globalization

### Focus points

US/European market

Asian market

Group synergy

### Specific initiatives

- Acceleration of profit growth of US-based RW OpCo
- Expansion of locations
- Strengthening of customer acquisition (Cumulative number of brokerage deals)
- Expansion of locations
- Strengthening of cross-border real estate transactions

### Important KPI

- Business profit rate **10%**
- 1 country⇒**3 countries**
- Approximately 20,000 deals⇒Approximately **25,000 deals** <sup>\*1)</sup>
- 5 countries and regions ⇒**8 countries and regions**
- Overseas revenue **over 10 billion yen**

## Acquire new revenue sources

Strengthening of technology strategy

Data monetization

Strengthening of technology

Investment in technology

- Data monetization
- AI-powered optimal proposals for customers
- Formalization and automation of personal business know-how
- Strengthening recruitment and training of technology personnel

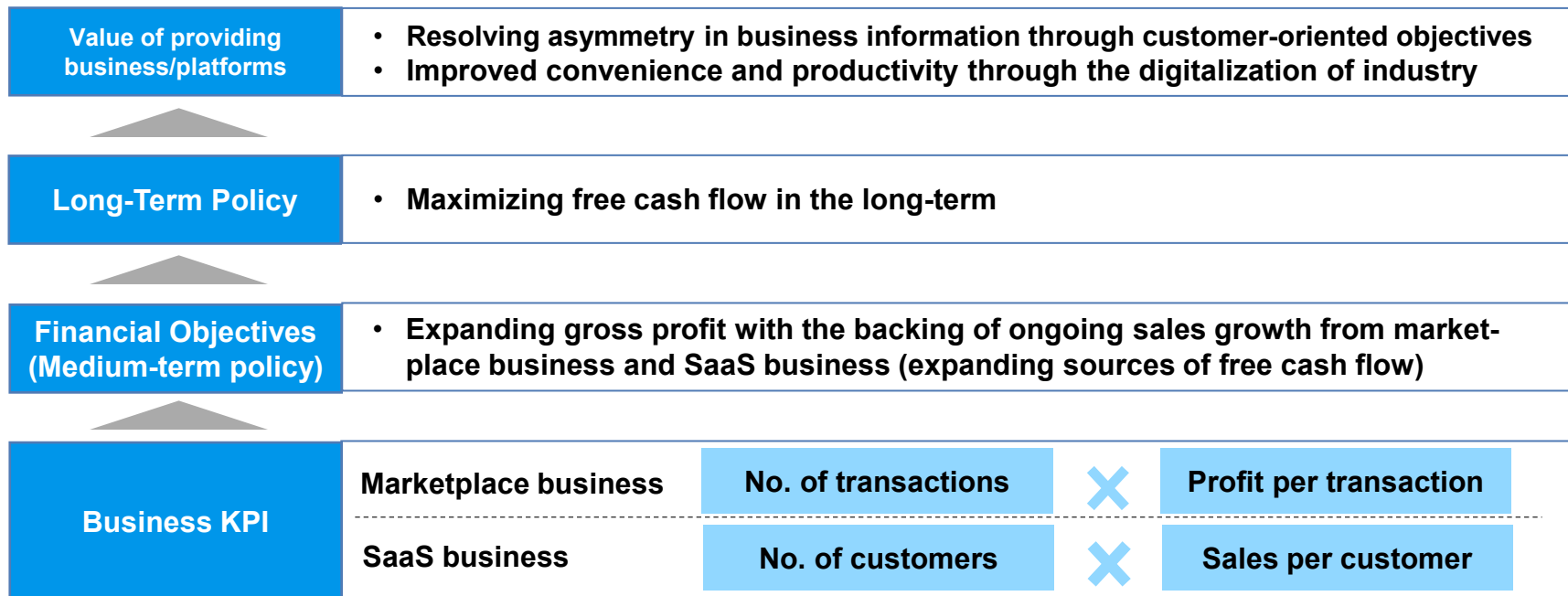
- **More than 2 billion yen** in revenue from data utilization business
- **20%** increase in deal <sup>\*2)</sup> success rate
- **Over 90%** of routine rental management tasks reduced
- **Over 10%** in technology investment (against net revenue)

\*1) Cumulative number of rental brokerage deals since 2012 \*2) The deal success rate for pre-owned compact condominiums (number of deals ÷ number of sales negotiations).

## **Growth Strategy and Management Indicators**

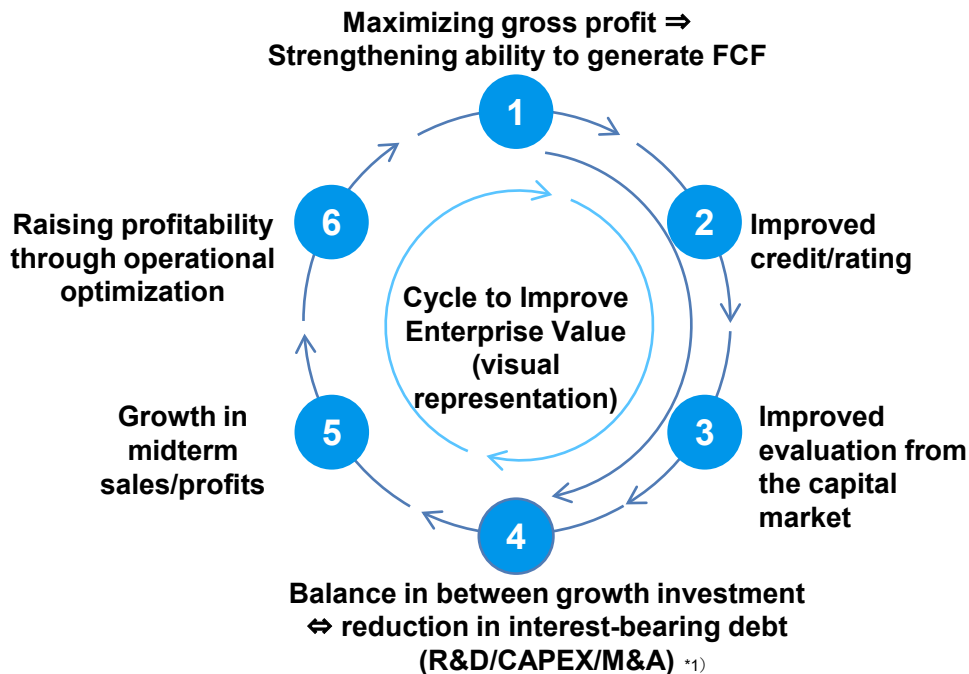
## Strategy to Maximize the Enterprise Value (1/2)

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**

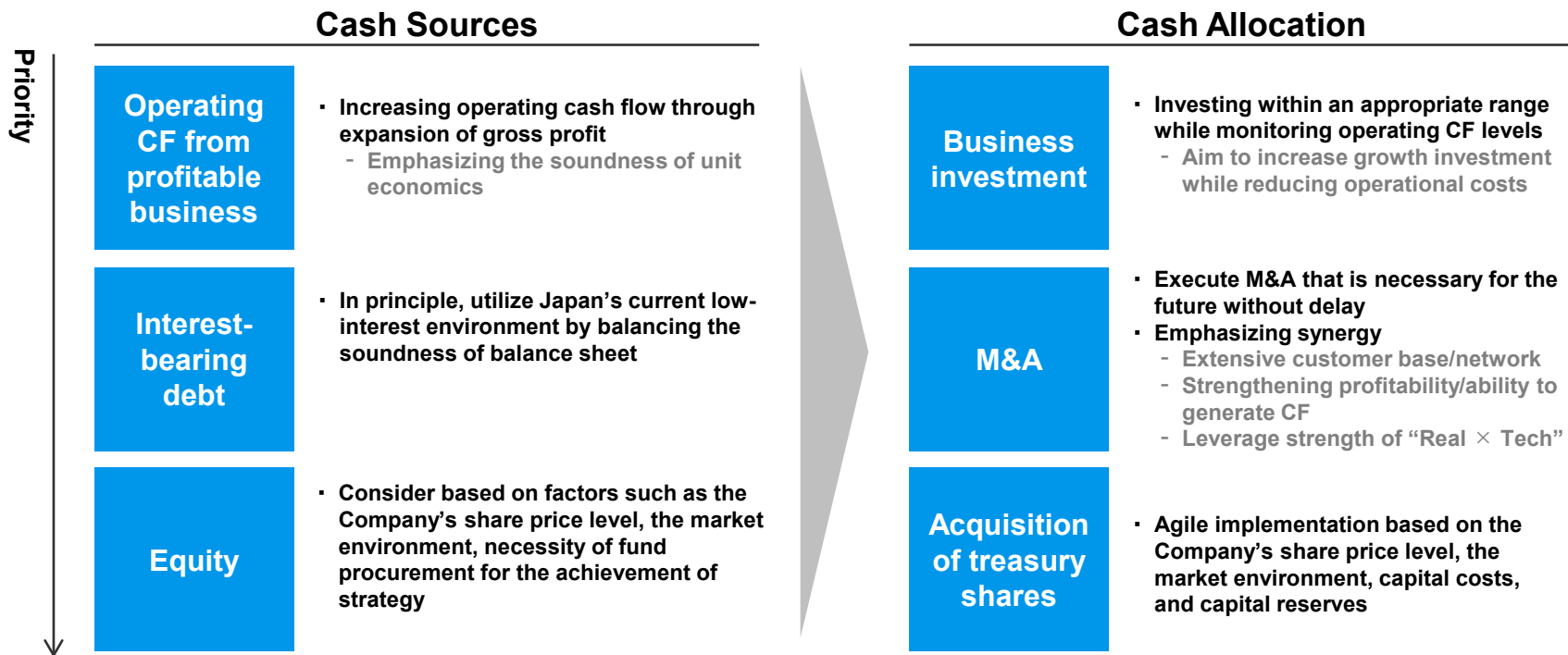


### Cycle of enterprise value improvement

- 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

## 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>①</sup>	FY2024.10 2Q <sup>②</sup>	Amount of change (②-①)
Current assets	Cash & cash equivalents	11,842	17,452	20,216	2,764
	Inventories <sup>*2)</sup>	8,056	10,183	11,277	1,094
	(Turnover period <sup>*3)</sup>	(20.6days)	(26.8days)	(27.6days)	(0.8days)
	Trade receivables <sup>*4)</sup>	667	867	1,219	352
	(Turnover period <sup>*3)</sup>	(1.5days)	(1.9days)	(2.2days)	(0.3days)
Others		2,296	2,637	6,342	3,705
Non-current assets		32,348	30,210	36,506	6,296
Total assets		55,211	61,352	75,562	14,210
Liabilities	Trade payables <sup>*5)</sup>	2,073	3,516	3,431	-85
	(Turnover period <sup>*2)</sup>	(6.8days)	(8.2days)	(6.7days)	(-1.5days)
	Others	33,833	37,250	50,288	13,038
Equity	Share capital	7,238	7,262	7,272	10
	Retained earnings	-33	989	1,917	928
	Others	12,100	12,332	12,651	319
Total liabilities and equity		55,211	61,352	75,562	14,210

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

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

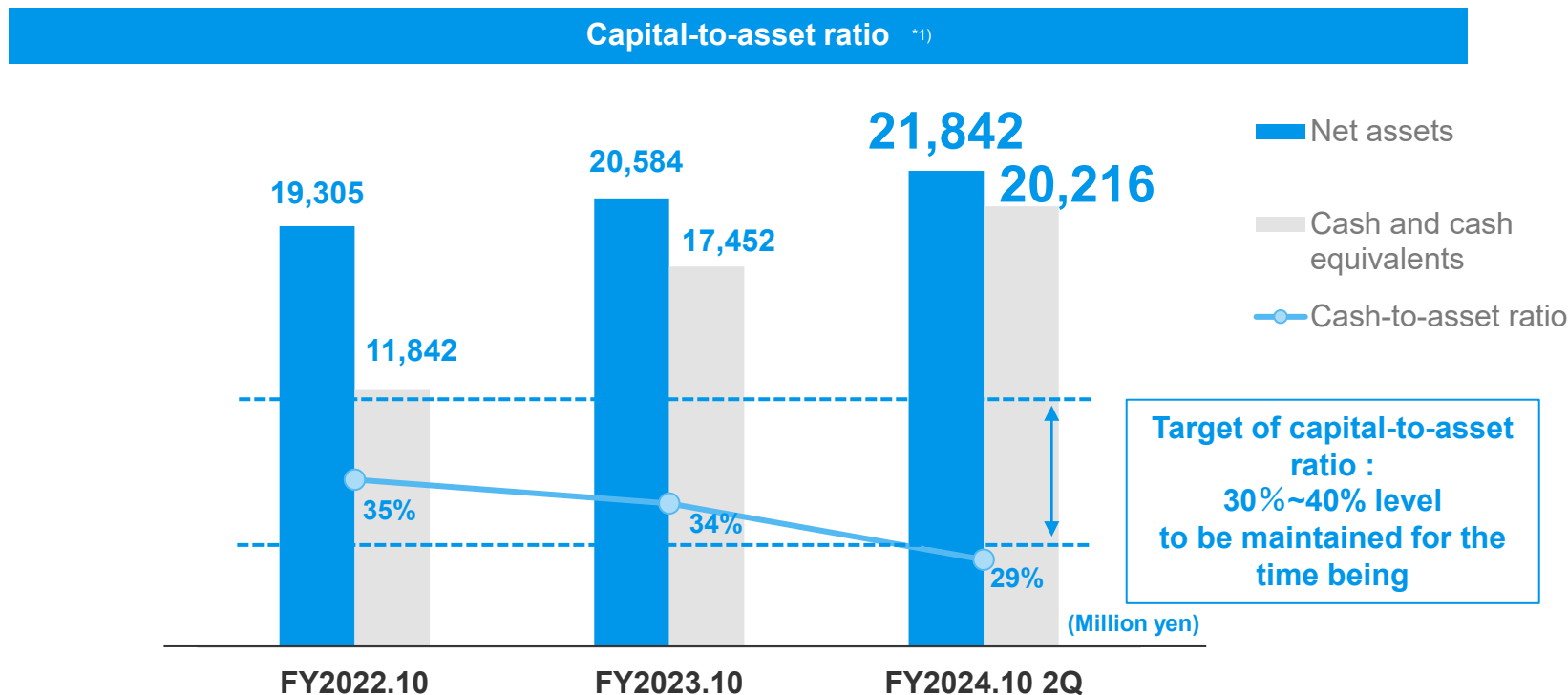
Shareholder return  
policy:  
Total Shareholders  
Return (TSR)<sup>\*7)</sup>

<sup>\*1)</sup> For FY2023.10, 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 <sup>\*2)</sup> Inventories <sup>\*3)</sup> Averages during the applicable period are used for inventory, operating credit, and operating liabilities when calculating turnover time <sup>\*4)</sup> Trade and other receivables <sup>\*5)</sup> Trade and other payables <sup>\*6)</sup> CCC (Cash Conversion Cycle) = Inventory turnover days + Receivables turnover days - Accounts Payable Turnover days- <sup>\*7)</sup> 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

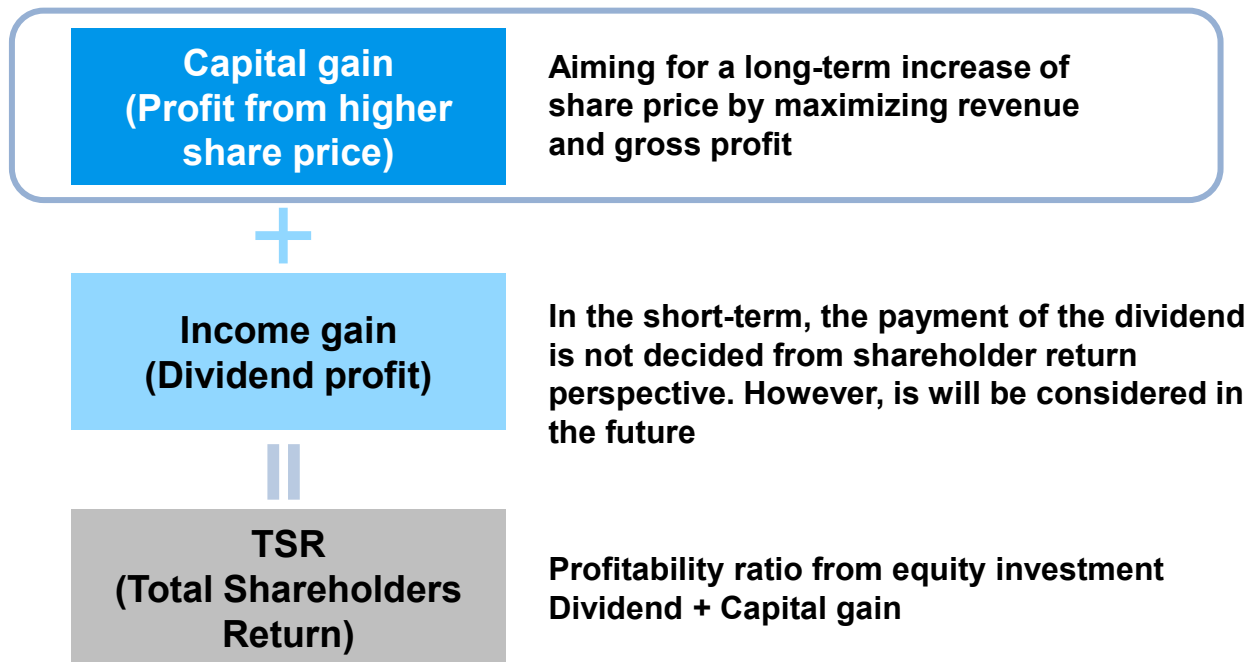


<sup>\*1)</sup> For FY2023.10, the Company is finalizing the provisional accounting treatment for the business combination, and each figure for the fiscal year ending October 31st, 2022, reflects the details of the finalization of the provisional accounting treatment. Cash-to-asset ratio refers to the equity ratio attributable to owners of the parent company



## 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

	FY2023.10 results	FY2024.10 2Q results	Medium-term target
Revenue growth rate	29.1%	35.5 %	Continuous revenue growth 30 %
SaaS revenue growth rate	56.5%	34.1%	Continuous revenue growth 30~40 %
Consolidated gross profit ratio	15.4%	16.4%	20%~
Adjusted business profit ratio	9.3%	15.4%	20%~
Cash Conversion Cycle (CCC)	20.5 days	23.1 days	Within 30 days
Capital-to-asset ratio	34%	29%	Aim for the level of 30%~40%

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

## GA group's 10-year vision

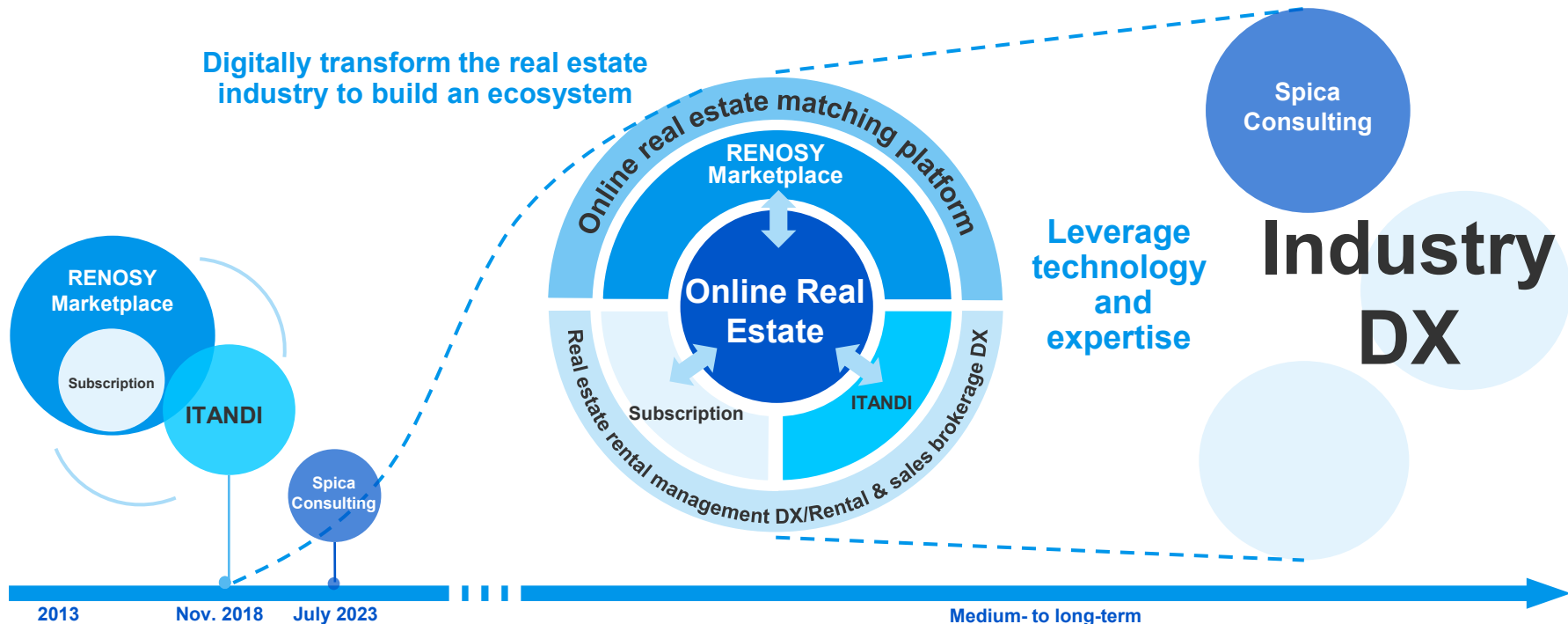
**Real estate transactions with one click**

**Application to delivery in 1 day**



## The world 10 years from now

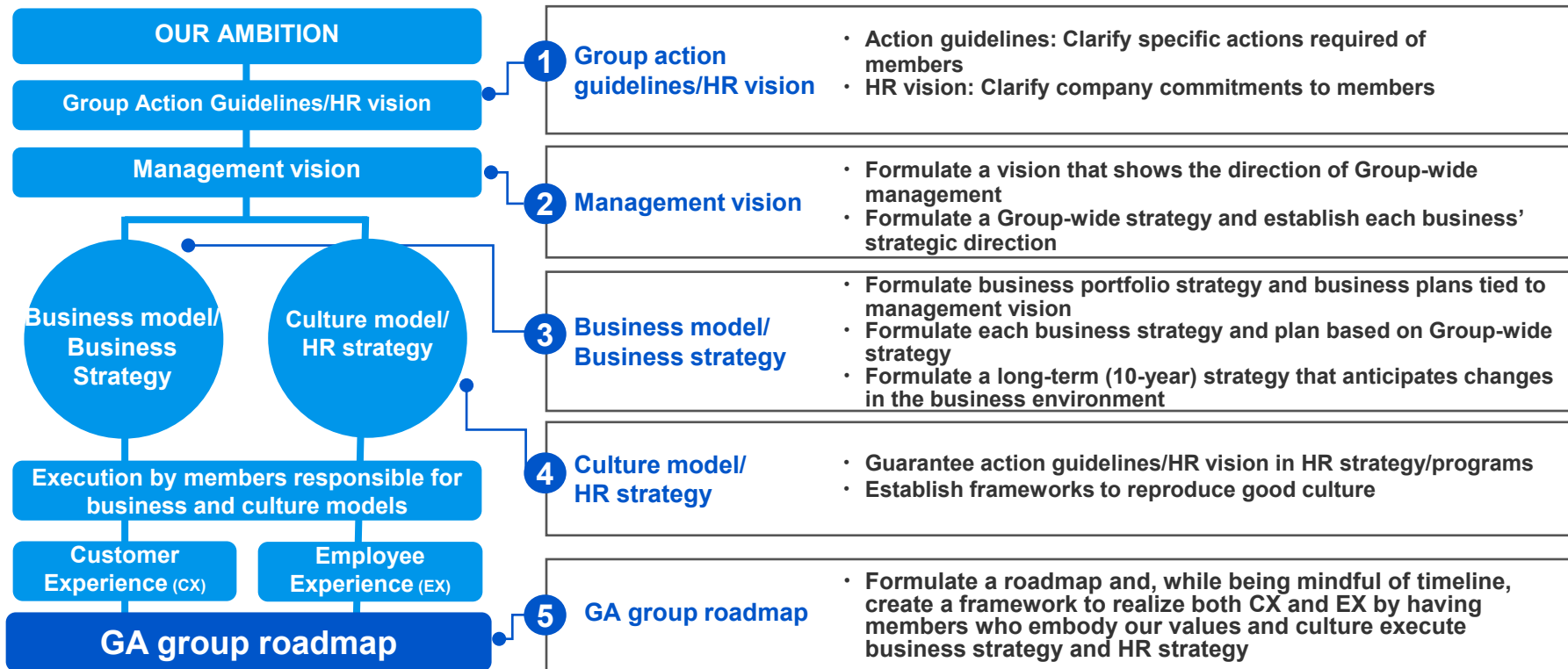
Digital transformation of the real estate industry to be realized  
through the completion of an online real estate ecosystem  
Real x Technology expertise leveraged to promote further industrial DX



## 5. GA group's value creation story

## Value creation framework : Management mechanism

We manage our businesses based on the following management mechanism



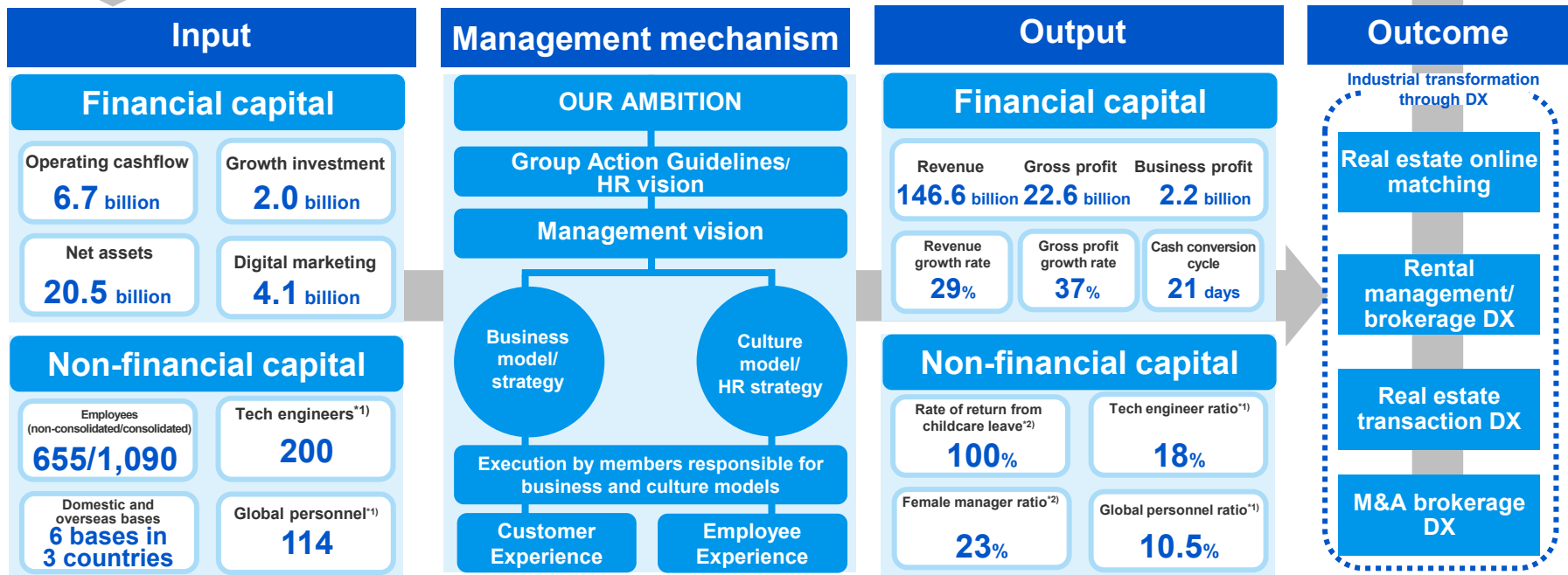
## 5. GA group's value creation story

## 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.

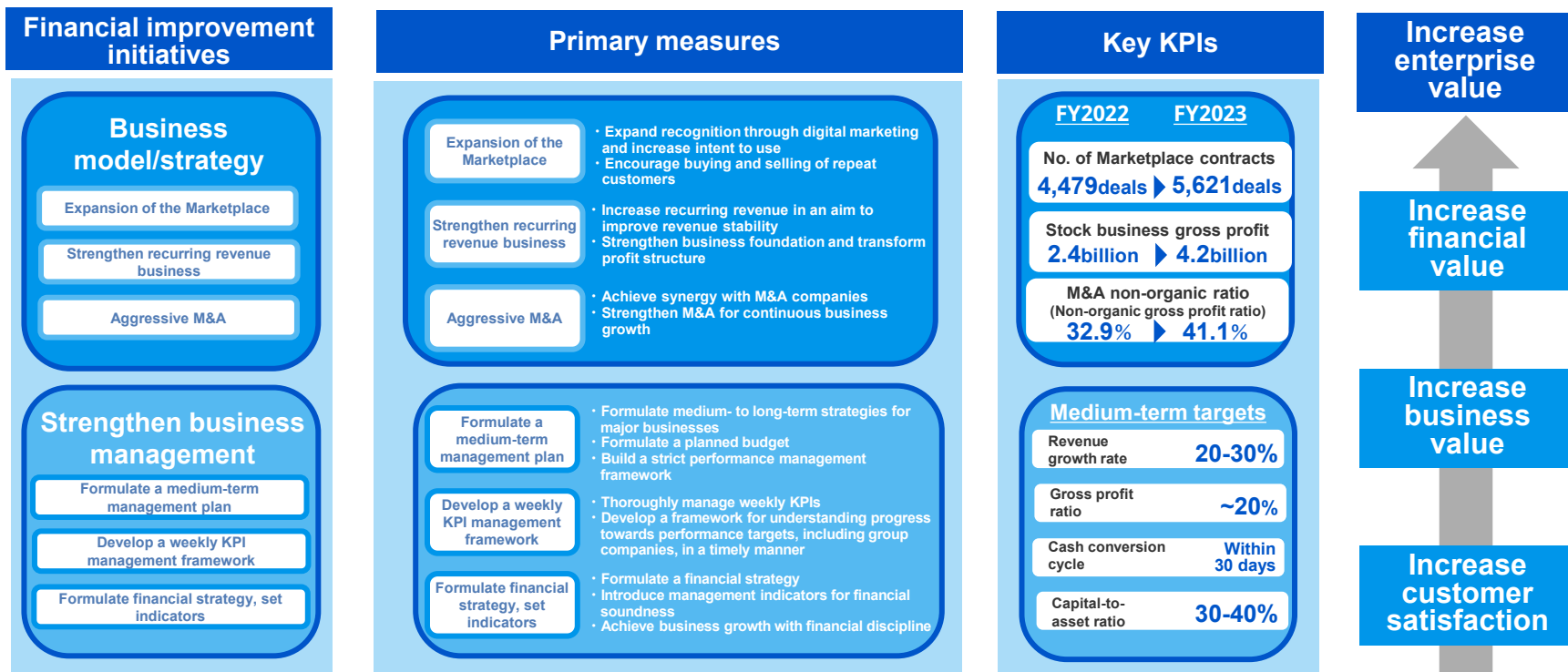
Increase enterprise value



\*1) Consolidated

\*2) Non-consolidated

## 5. GA group's value creation story

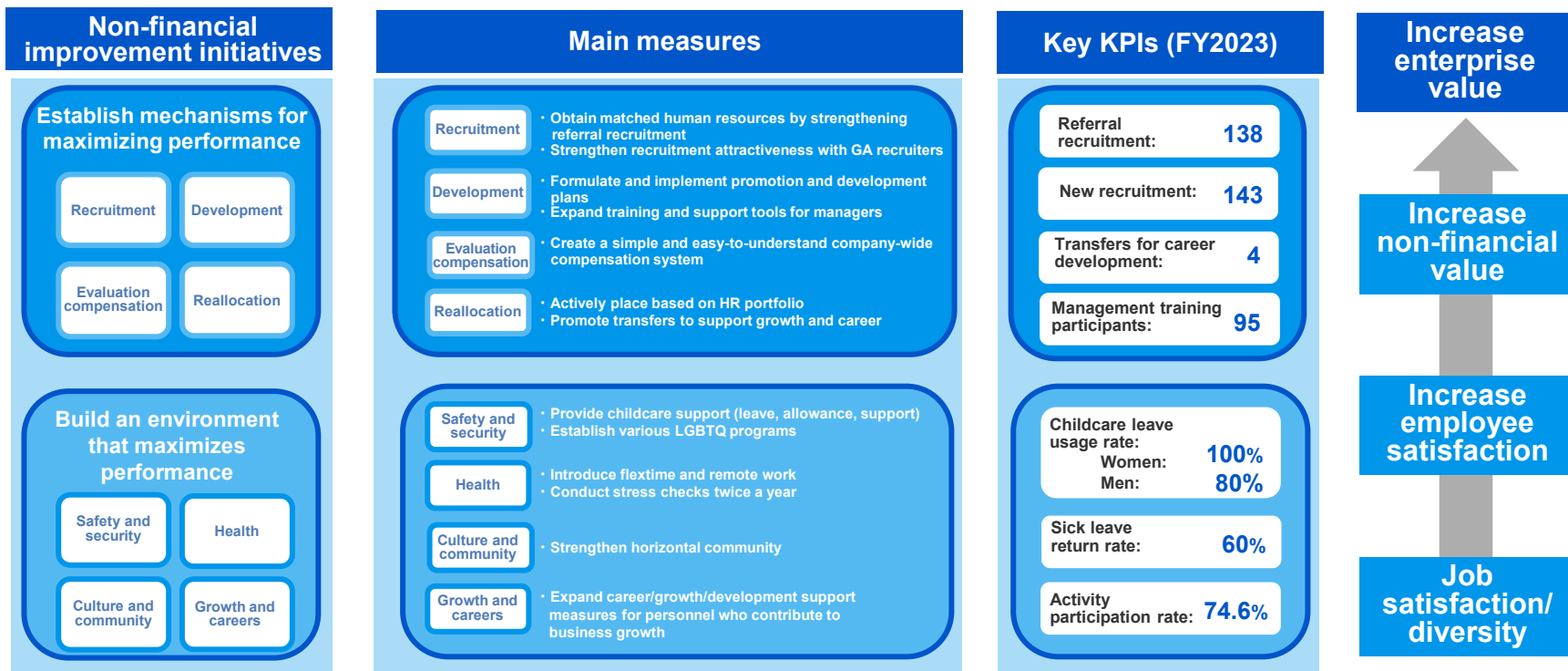
**Value creation process: Approach to enhancing enterprise value through business strategies****Aim to enhance enterprise value through structural reform toward sustainable growth**



## 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

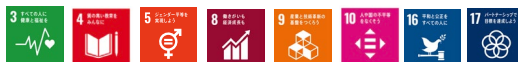
Undertaking environmentally conscious business activities



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 14.99 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, 2023 to the end of March 2024)

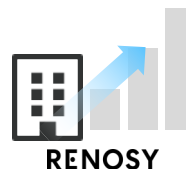
Paperless transactions through real estate  
DX leading to decrease of approx. 14.99  
million sheets of paper annually

#### Contribution to sustainable urban development

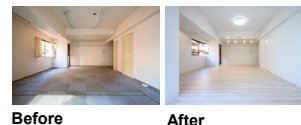


Based on three themes as sustainability activities, GA technologies and RENOSY ASSET MANAGEMENT to realize measures to contribute to sustainable community development through revitalization and minimal renovation of existing properties.

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

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 in a healthy way, with pride and enthusiasm. Such efforts have been highly rated

Certified as Health and Productivity  
Management Organization 2024  
(Large corporate sector)



2024  
健康経営優良法人  
Health and productivity

Awarded 3 stars in the  
Nikkei Smart Work Management Survey



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

### 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



### 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. Compliance training etc. also been conducted on a regular basis. 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**

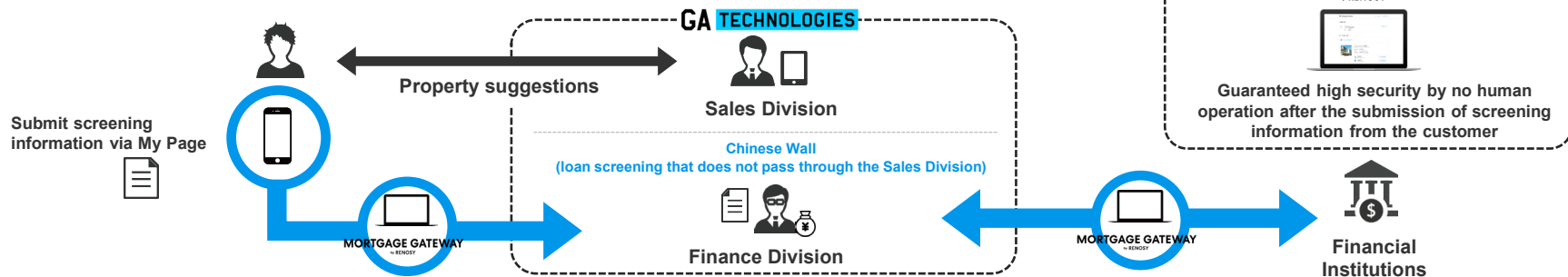
Outside Director  
(Auditory and  
supervisory committee  
member)

## 6. ESG / Sustainability

## Measures for our loan screening and governance/ compliance when entering into a contract

## ① Finance Division independent of Sales Division

## ② Linking information to prevent falsification in in-house



## 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 training

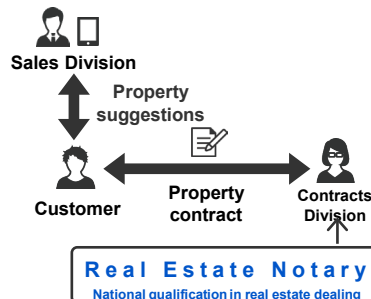


In addition, the strengthening of training for Sales Division managers

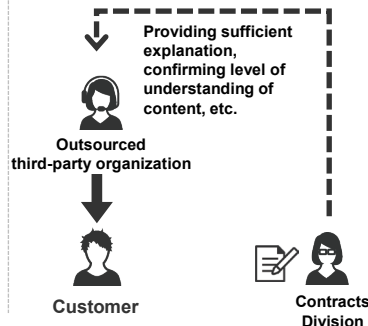
Implemented once every 2 weeks

Also holding occasional compliance training

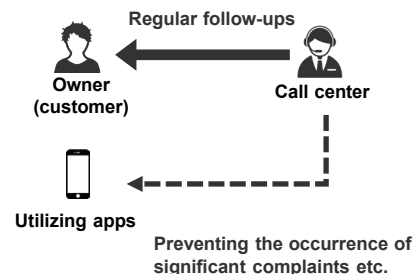
## ④ Property contracts by a specialist contracts team that differs from the Sales Division in that its members hold real estate licenses



## 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 (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% Female : 100%	Male : 45.8% Female : 100%	Male : 80.0% Female : 100%
Return to work rate after childcare leave (by gender) <sup>*10)</sup>	Male : 100% Female : 100%	Male : 100% Female : 100%	Male : 100% 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>Business environment : 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, land price levels, etc. Therefore, trends in the real estate transaction market may affect our clients' willingness to invest in real estate, which in turn may affect our group's business performance and the financial position.	Middle/ mid-to-long term	High	We recognize that there is a reasonable possibility that such risks may materialize due to a cooling down of the real estate transaction market. In order to reduce these risks, our Group monitors trends in the real estate market and strives to build a system that can respond flexibly to such trends.
<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/ 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/ 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/ 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/ 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.
<b>Business Activities concerning business development overseas</b>	The Group is currently conducting business in Thailand and China and is considering expanding into Singapore and other Southeast Asian and North American countries in the future. In conducting business overseas, various factors, such as legal systems, business practices, labor-management relations, economic trends, and exchange rate fluctuations that differ from those in Japan, as well as other political and social factors, are expected to arise, which may affect the Group's performance.	Middle/ mid-to-long term	High	There is always a certain degree of possibility that such risks will occur, and we recognize that if they do occur, there will be a corresponding impact, particularly on the growth of our Group. In order to reduce these risks, our Group believes that we can do so by establishing a governance system after expanding overseas and by establishing a system for timely understanding changes in legal systems, political, economic, and social conditions.

\* 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. 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/ 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 Subcommittee, 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/ 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/ 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.

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

## 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
Modern Standard Inc. *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 Inc.	100%	2019.11 Established		Development/operation of mortgage loan application platform service "MORTGAGE GATEWAY", etc.
RENOSY ASSET MANAGEMENT Inc. *3)	100%	2018.11		Provide a variety of management plans for property owners on a subscription basis (flat-rate use)
Shenjumiaosuan Inc.	100%	2020.10		Operate Shenjumiaosuan Co., Ltd., a platform for matching investors in Greater China with real estate in Japan
GA technologies (Shanghai) Co., Ltd.	100%	2020.10		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 Inc.	100%	2022.3		Provide services utilizing new compact-size condos
RENOSY(Thailand) Co.,Ltd.	100%	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%	*4) 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
Core Asset Management Inc.	100%	2023.12		Provide a variety of management plans for property owners on a subscription basis (flat-rate use)
Housmart Inc.	100%	2024.1		Operation of real estate sales support SaaS "PropoCloud"
RW OpCo, LLC	100%	2024.3		Investment real estate in the US Online marketplace development and Provides property management services.

\*1) M&amp;A period for those not listed as establishment \*2) Company name changed from "RENOSY PLUS Inc." on April 1, 2024

\*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. 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 : <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> 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 April 30 2024 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 April 30 2024 Number of RENOSY members
<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. of rental agency contracts annually</b>	REAN JAPAN Market Report ~ 1st Edition 2020_1224 <a href="https://rean-japan.jp/images/REAN-JAPAN-Market-Report%E7%AC%AC1%E7%89%88_2020_1224.pdf?20201223">https://rean-japan.jp/images/REAN-JAPAN-Market-Report%E7%AC%AC1%E7%89%88_2020_1224.pdf?20201223</a>
<b>No.1 in Real estate agencies' usage rate in 4 rental support services</b>	According to results of "(*) Leasing Management Consulting "2024 rental real estate market customer trend survey" (2024/3/4) n=386 " by LMC, Inc. <a href="https://lmc-c.co.jp/wp/wp-content/uploads/2024/03/lmc_release_20240304.pdf">https://lmc-c.co.jp/wp/wp-content/uploads/2024/03/lmc_release_20240304.pdf</a>

## Company overview

Established	March 12, 2013
Head Office	40F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku, Tokyo
Capital	7,272,998,541 Yen (April 30, 2024)
Number of employees*1)	1,350 people (April 30, 2024)
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 Officer: 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.

### Contact us

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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.