



FY06/2024 Materials for Financial Results Briefing

AMBITION DX HOLDINGS Co., Ltd.

Stock code: 3300

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Executive summary

- **Higher revenues / Much higher earnings were achieved in FY06/2024**
- **Operating, Ordinary, and Net profits substantially increased by around 70% YoY**
- **Operating profit was 2,700 mil. yen as compared to the forecast of 2,000 mil. yen; and annual dividend also increased to 37 yen**
- **For FY06/2025 (forecasts), published Mid-term management plan has been revised upward: Net sales: from 44,000 mil. yen to 53,000 mil. yen; Operating profit: from 2,300 mil. yen to 3,500 mil. yen; and also annual dividend is expected to be substantially increased to 105 yen**
- **For FY06/2026 (forecasts) as well, published Mid-term management plan has been revised upward: Net sales: from 50,000 mil. yen to 64,000 mil. yen; Operating profit: from 3,000 mil. yen to 4,200 mil. yen**

Performance highlights

Higher revenues / Much higher earnings Record-high sales and profit

(Points)

Net sales

42,065 mil. yen
↑16.1% YoY

Operating profit

2,726 mil. yen
↑70.0% YoY

Ordinary profit

2,507 mil. yen
↑69.1% YoY

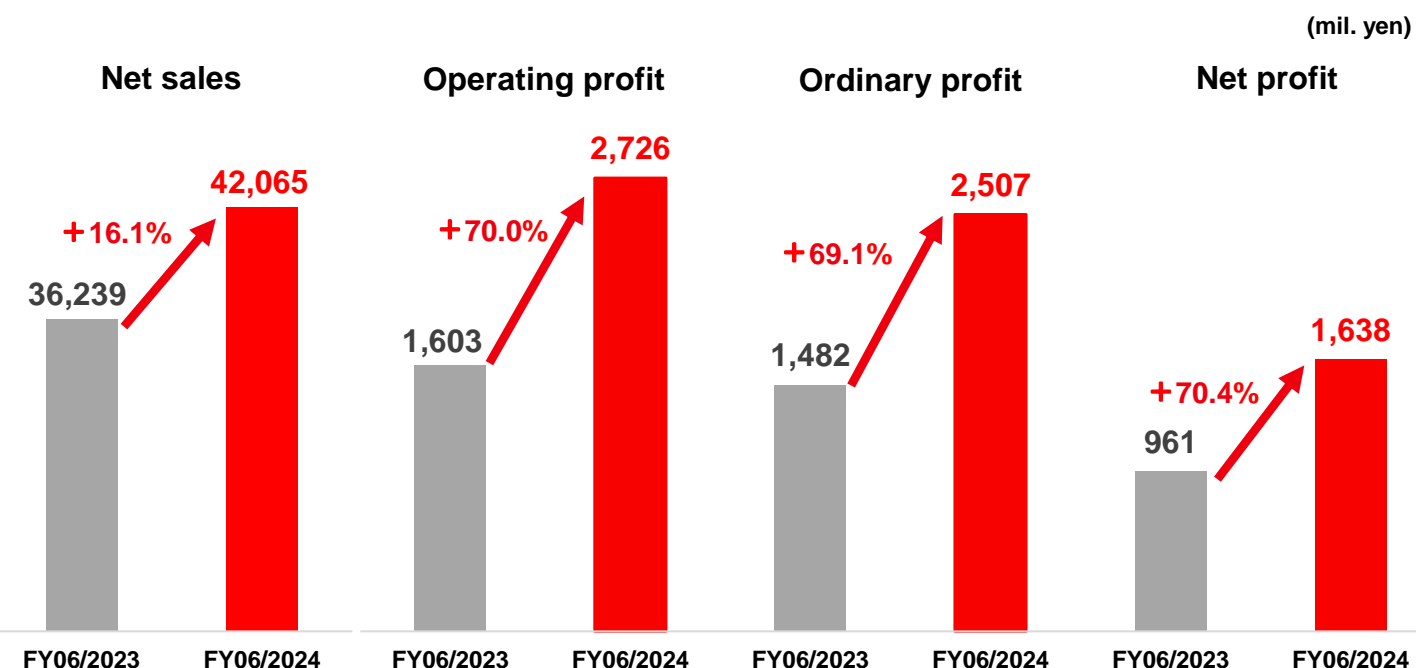
Net profit

1,638 mil. yen
↑70.4% YoY

- Higher revenues / Much higher earnings; Record-high sales & profit
- Both sales and profit exceeded full-term forecasts

- Record-high profit:
Leasing DX Property Management Business
Operating profit: 1,954 mil. yen (↑33.3% YoY)
Increase in houses under management and high level of occupancy rate
- Record-high profit:
Sales/Purchase DX Investment Business
Operating profit: 2,709 mil. yen (↑45.6% YoY)
- Adding four investees: Incubation Business
Two investees got listed in this term

Houses under management: 25,224 + 253
Subleased: 14,300 + 387
Occupancy rate (industry average: 89.4%)



News highlights

Major news in FY06/2024

News 1

Published collaboration with Dentsu Digital Inc.!

AWS SUMMIT

The largest event for learning AWS in Japan

(Jun. 21, 2024)

News 2

Started residents recruitment

NFT gaming condominium

WEB3.0 × Real Estate DX

(Nov. 15, 2023)

News 3

Registered users exceeded 49,000!

Room Concierge



Matching application which connects users searching for new rooms with our real estate salespersons

(as of Jun. 30, 2024)

News 4

Registered users exceeded 10,000

// AMBITION Me

Communication with residents can be accomplished vis their smartphones DX app for residents

(Apr. 22, 2024)

News 5

Provides all constructions works in a straightforward fashion

**FRIEND WORKS Co., Ltd.
All shares acquired**

From interior works, renovation, through to restoration after vacating

Expert of interior/restoration works

Financial results overview (company-wide)

Financial results overview

Higher revenues / Much higher earnings

- Both sales and profit **increased**
- Especially, every profit item substantially **increased by around 70%**

(mil. yen)

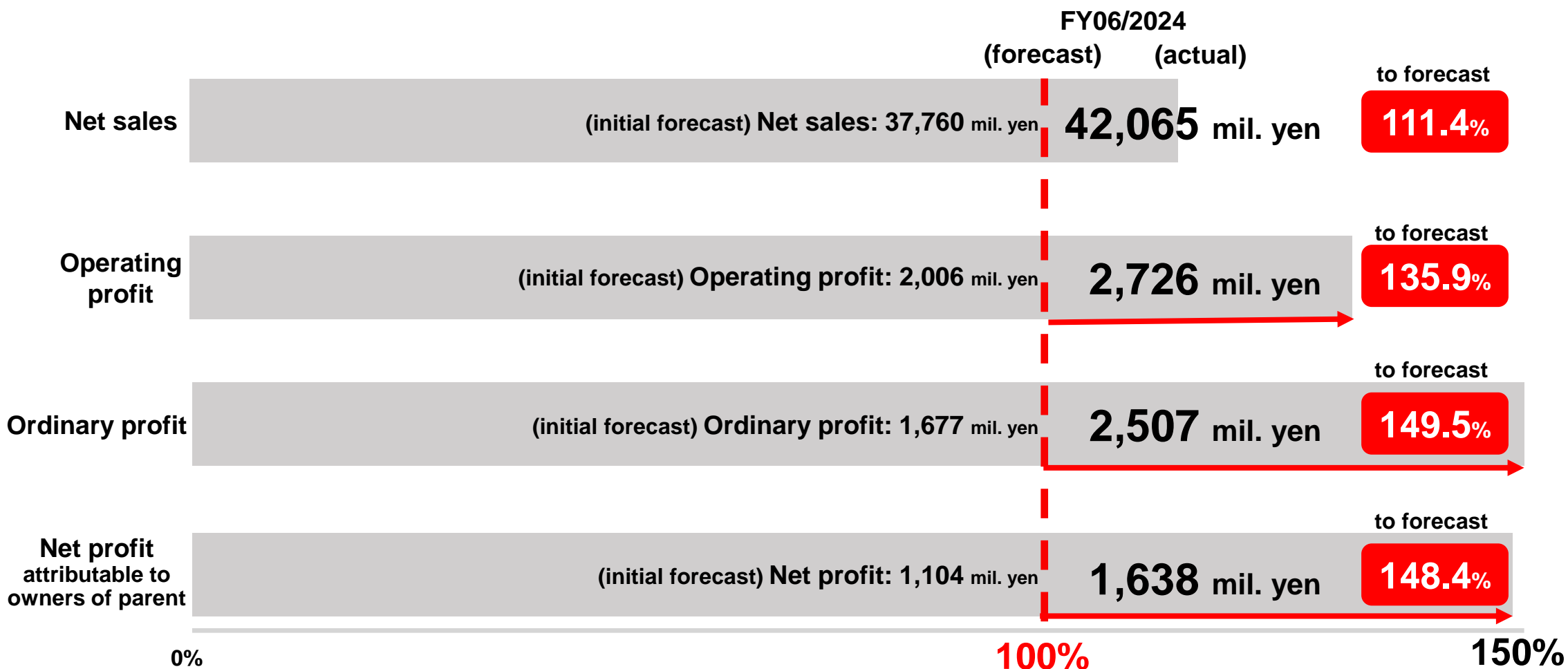
company-wide	FY06/2023	FY06/2024	+/- %	+/-amount
Net sales	36,239	42,065	↑16.1%	↑5,826
Operating profit	1,603	2,726	↑70.0%	↑1,122
Ordinary profit	1,482	2,507	↑69.1%	↑1,025
Net profit	961	1,638	↑70.4%	↑676

Net sales (by segment)	FY06/2023	FY06/2024	+/- %	+/- amount
Leasing DX Property Management	19,156	20,232	↑5.6%	↑1,075
Leasing DX Leasing Brokerage	865	920	↑6.3%	↑54
Sales/Purchase DX Investment	15,558	19,627	↑26.2%	↑4,069
Incubation	63	154	↑143.5%	↑91
Others / Real-Estate DX	595	1,130	↑89.8%	↑534

Profit (by segment)	FY06/2023	FY06/2024	+/- %	+/- amount
Leasing DX Property Management	1,466	1,954	↑33.3%	↑488
Leasing DX Leasing Brokerage	28	13	↓52.8%	↓15
Sales/Purchase DX Investment	1,860	2,709	↑45.6%	↑848
Incubation	12	32	↑172.3%	↑20
Others / Real-Estate DX	-93	-28	N/A	↑64

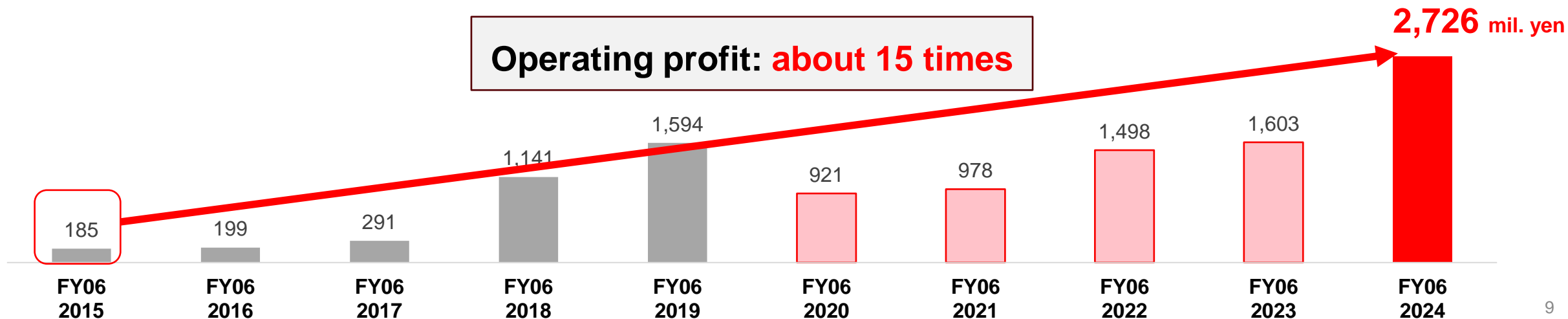
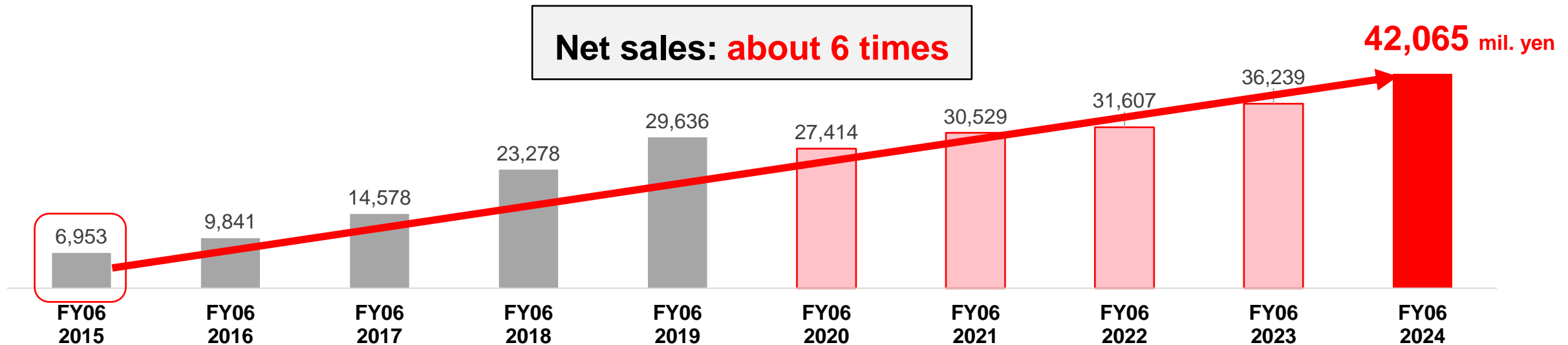
Progress (relative to full-term performance forecasts)

- Both sales and profit **exceeded initial forecasts**
- Especially, profits significantly exceeded their forecasts; Operating profit and Ordinary/Net profits were **over 135%** and **145%** respectively



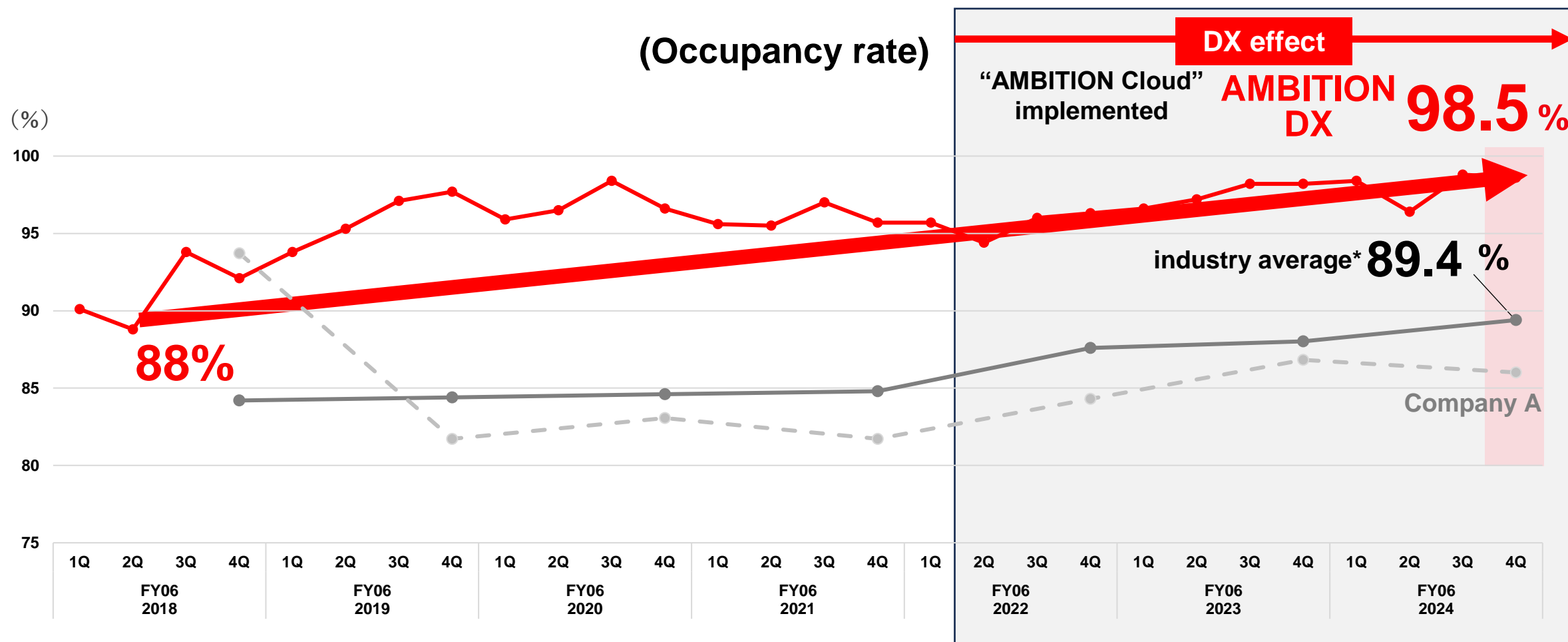
Performance trend (Net sales and Operating profit)

- Higher revenues/earnings for 5 consecutive terms
- Net sales and Operating profit were about 6 and 15 times higher (than FY06/2015)



Occupancy rate

- **Occupancy rate** is as high as **98.5%**
- **DX Effect:** “AMBITION Cloud” realized higher operational efficiency and productivity
- **Ongoingly surpassing industry average** (89.4% on the latest data)



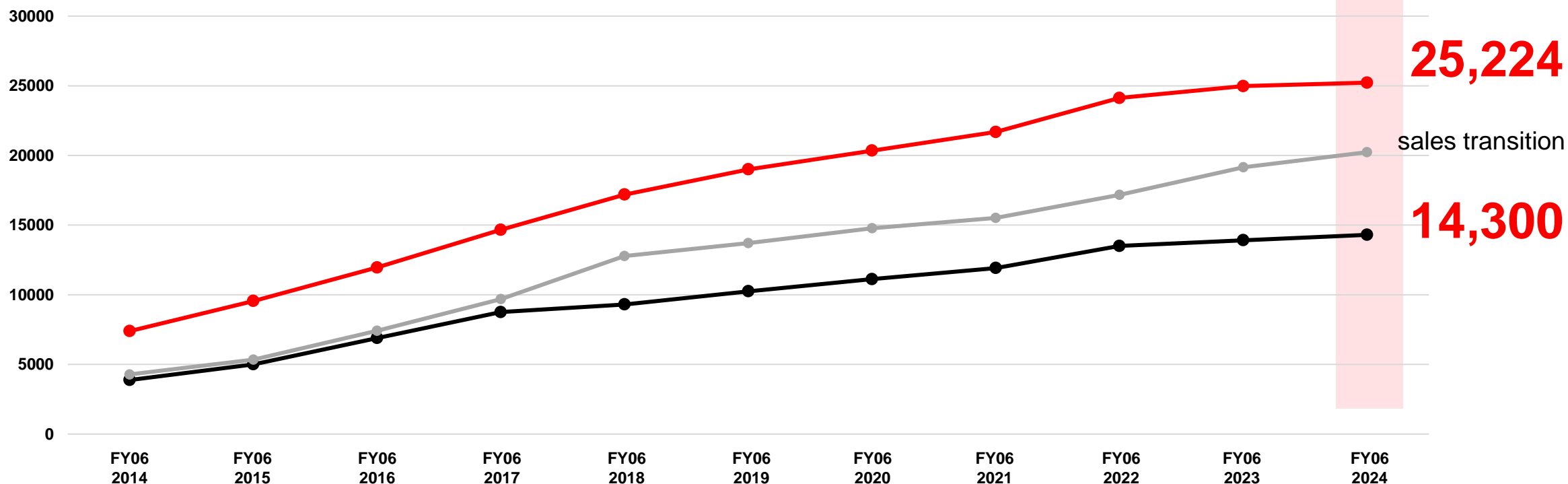
* Source: TAS Corp., “Rental Housing Market Report” (calculated from vacancy rate in Tokyo)

Number of houses under management

- Houses under management: 25,224 (↑253)
Subleased: 14,300 (↑387)
- Increased in houses under management leads to higher revenues/earnings

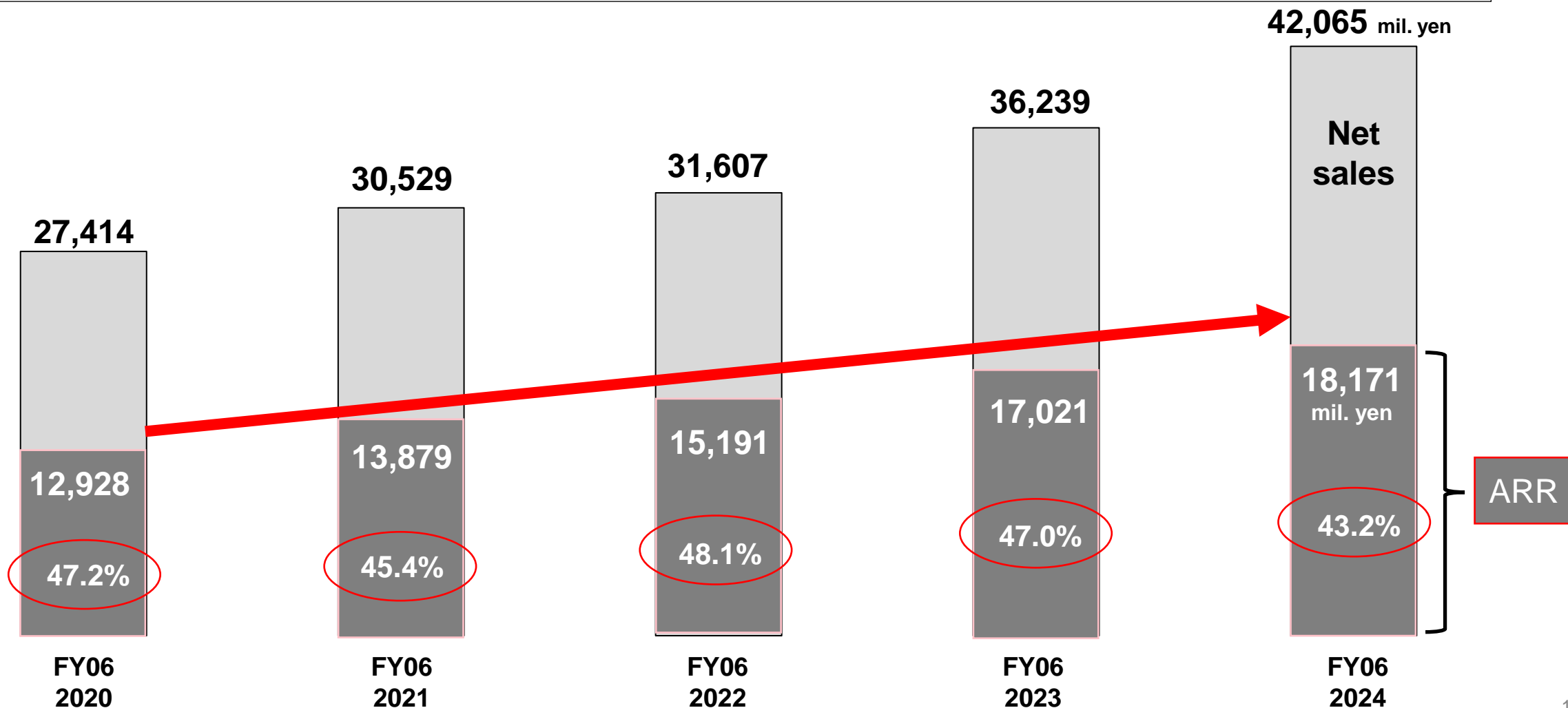
	FY06/2023	FY06/2024	increase (YoY)	YoY
Number of houses under management	24,971	25,224	253	1.0%
Number of subleased houses under management	13,913	14,300	387	2.8%

(houses)



ARR (Annual Recurring Revenue)

- ARR to sales ratio is **over 40%**, forming a stable revenue base
- **ARR is increasing every year**



Statement of Income

- Both sales and profit **increased**
- Especially, every profit item **substantially increased by around 70%**

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	36,239	42,065	16.1%	5,826
Gross profit	6,595	8,464	28.3%	1,868
SG&A expenses	4,991	5,737	14.9%	746
Operating profit	1,603	2,726	70.0%	1,122
Ordinary profit	1,482	2,507	69.1%	1,025
Net profit before income taxes	1,481	2,438	64.6%	957
Net profit	961	1,638	70.4%	676

Balance Sheet

- Procurement of real estate for sale ran smoothly.
- Lead time up to sales could be shortened, maintaining high level of inventory turnover rate

(mil. yen)	FY06/2023	FY06/2024	+/-amount
Current assets	14,902	20,654	5,751
Real estate for sale	2,817	9,291	6,473
Non-current assets	5,612	6,237	625
Total assets	20,516	26,892	6,376
Current liabilities	8,521	8,344	-177
Non-current liabilities	7,393	12,397	5,003
Net assets	4,600	6,150	1,549
Total liabilities and net assets	20,516	26,892	6,376

- Increased by 6,473 mil. yen for Procurement of real estate for sale

- Real estate for sale in process decreased by 665 mil. yen

- Increased due to Long/Short-term borrowings and Income taxes payable

Cash Flow Statement

(mil. yen)	FY06/2023	FY06/2024	+/-amount
Cash flow from operating activities	2,282	-977	-3,260
Cash flow from investing activities	-4,271	-3,299	871
Cash flow from financing activities	2,410	3,993	1,582
Cash and cash equivalents at end of period	5,571	5,188	-383

Financial results overview by segment

Segments

- Five business segments **entirely cover the variety of real estate business, building up our robust business base**
- Proactive investments in growing fields drive further growth

Leasing DX

Property Management

Leasing Brokerage

- Builds up stable business foundation with subleasing business and leasing management business for residential properties
- Next-generation management system “AMBITION Cloud” drives higher operational efficiency and productivity
- Brokerage business for leased properties, mainly those managed by the Company;
- High leasing ability of this segment contributes to the high occupancy rates maintained by the Property Management Business

Sales/Purchase DX

Investment

- VERITAS INVESTMENT (subsidiary): Develops its business around selling self-developed studio apartments for investment in new building
- Investment Division of the Company: By means of its ability to purchase properties from diverse routes, rolls out purchase/resale of and sales after renovation of condominium apartments with emphasis on location

Incubation

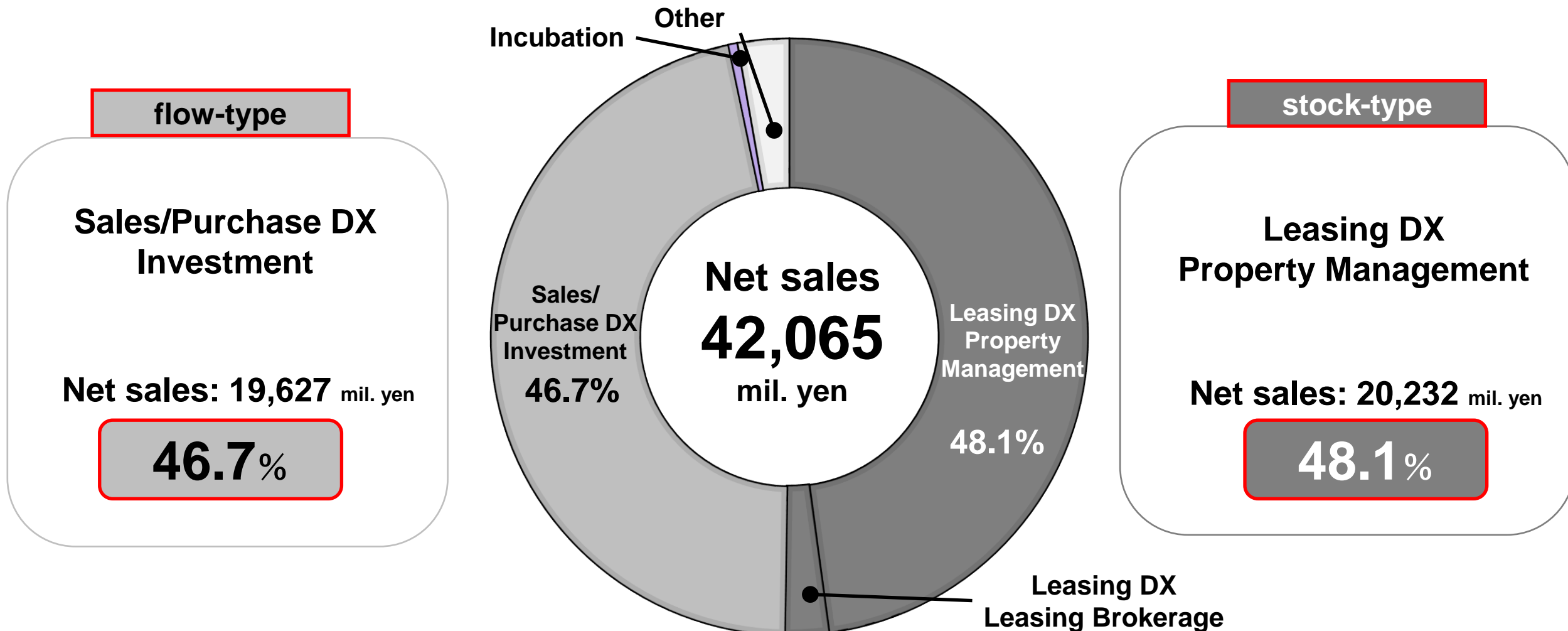
- AMBITION VENTURES (subsidiary): Invests in venture companies which carry out businesses highly compatible with those of the Group
- Provides support to invested companies through capital tie-up, leading to earnings via IPO of investees or other means

Others / Real-Estate DX

- “AMBITION Me” (app for residents) contributes to maximization of LTV (Life Time Value) in Leasing DX
- Real Estate DX, Overseas Systems, Small Amount Short-term Insurance (HOPE), ZEH/Utilities (DRAFT), and Interior Works (FRIEND WORKS)

Net sales proportions (by segment)

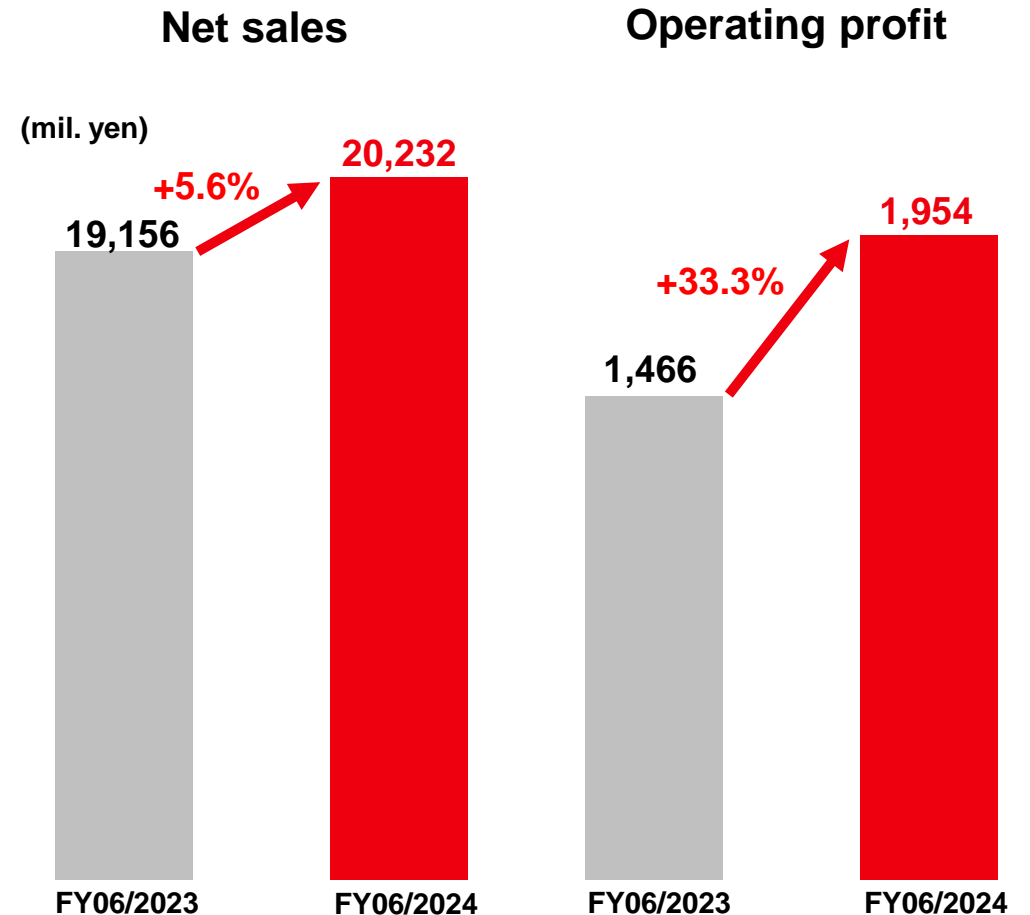
- **Well-balanced sales composition**, evenly shared by stock-type business and flow-type business



Record-high revenues/earnings

- Increase in houses under management
- DX management of properties realized higher profit

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	19,156	20,232	↑5.6%	↑1,075
Operating profit	1,466	1,954	↑33.3%	↑488



(factors)

- **Increase in houses under management**
Houses under management: 25,224 + 253) Subleased: 14,300 + 387)
- **High occupancy rate**
Occupancy rate: 98.5% (industry average: 89.4%)
- **Steady growth of REIT contracts**
Properties under management which provide stable revenues
- **Strict management of revenues/earnings from each property to realize further maximization of them**

(Others)

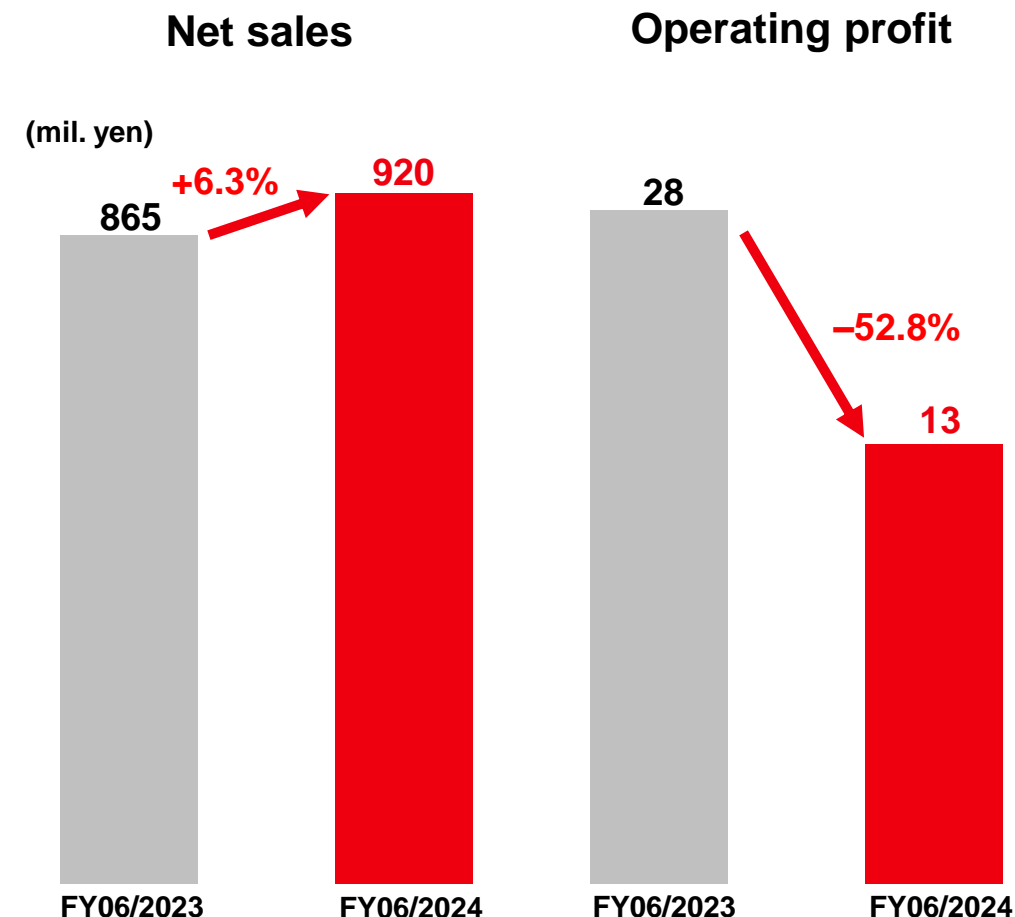
- **New services available on AMBITION Me**
 - Online healthcare services (Jul. 2023)
 - Useful services for living to improve residents' QOL (Oct. 2023)
 - ChatGPT incorporated in FAQ function (Dec. 2023)

Leasing DX Leasing Brokerage Business

Higher revenues but Lower earnings

- Contracts increased by utilizing our original DX product “RAC·TECH”
- Increase in SG&A expenses (for opening new shops and staff augmentation)

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	865	920	↑6.3%	↑54
Operating profit	28	13	↓52.8%	↓15



(factors)

- Contracts increased by utilizing “RAC TECH”
- SG&A expenses increased
Staff augmentation and new shops (three more shops)
SG&A expenses of AMBITION VALOR increased by 42 mil. yen
- AMBITION AGENCY
Higher operational efficiency and sales: Augmented sales staff enabled complete management of projects for corporations by a single team

Sales/Purchase DX Investment Business

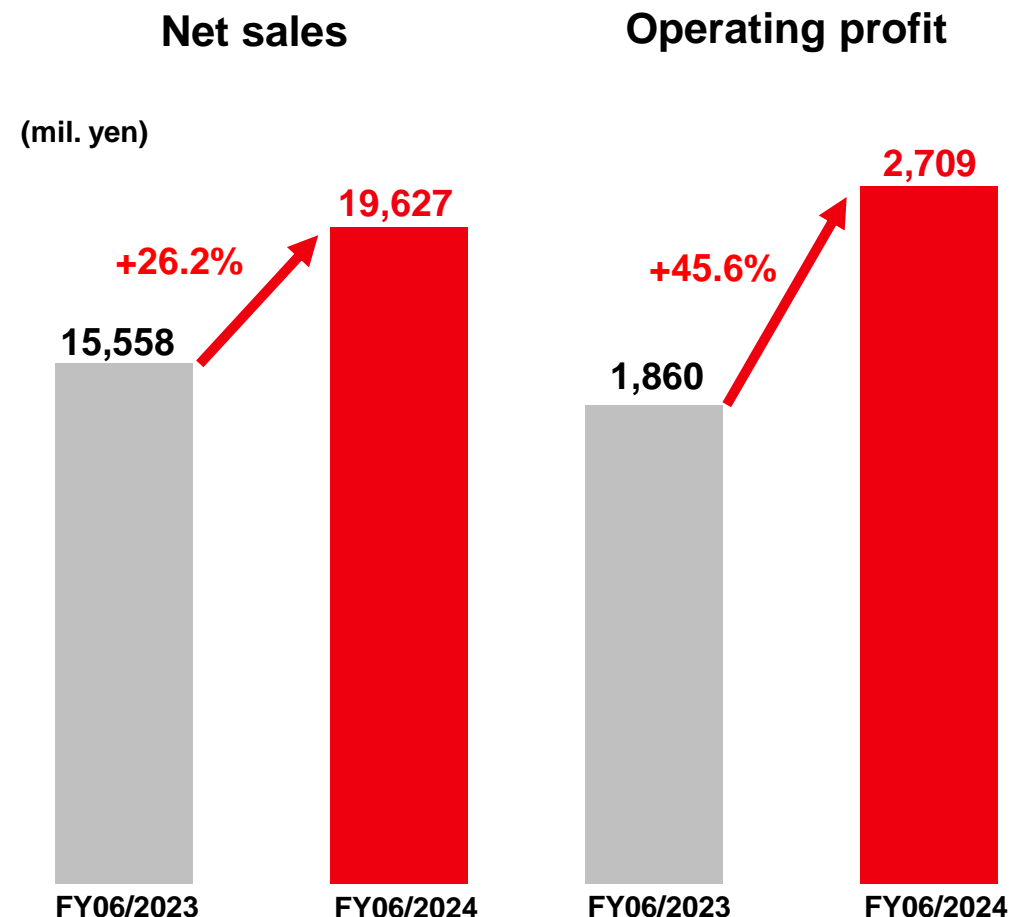
Higher revenues / Much higher earnings

- Purchase of properties with high added values in Tokyo and metropolitan area
- Sales of a newly built condominium for investment and sales strategies for purchase/resale business proceeded as planned

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	15,558	19,627	↑26.2%	↑4,069
Operating profit	1,860	2,709	↑45.6%	↑848

(factors)

- Purchase of properties with high added values in Tokyo and metropolitan area
- Sales of properties of high unit price increased (average unit price increased by 76.9%)
- Gross profit per property increased
- Sales strategies proceeded smoothly
 - Cumulative number of houses sold: 351 (↓8.4% YoY)
 - Cumulative number of houses purchased & resold: 109 (↑3.8% YoY)
- Wider sales channels led to increase in contracts with foreigners
 - Contracts with foreigners increased from 30 to 38 (↑26.7% YoY)

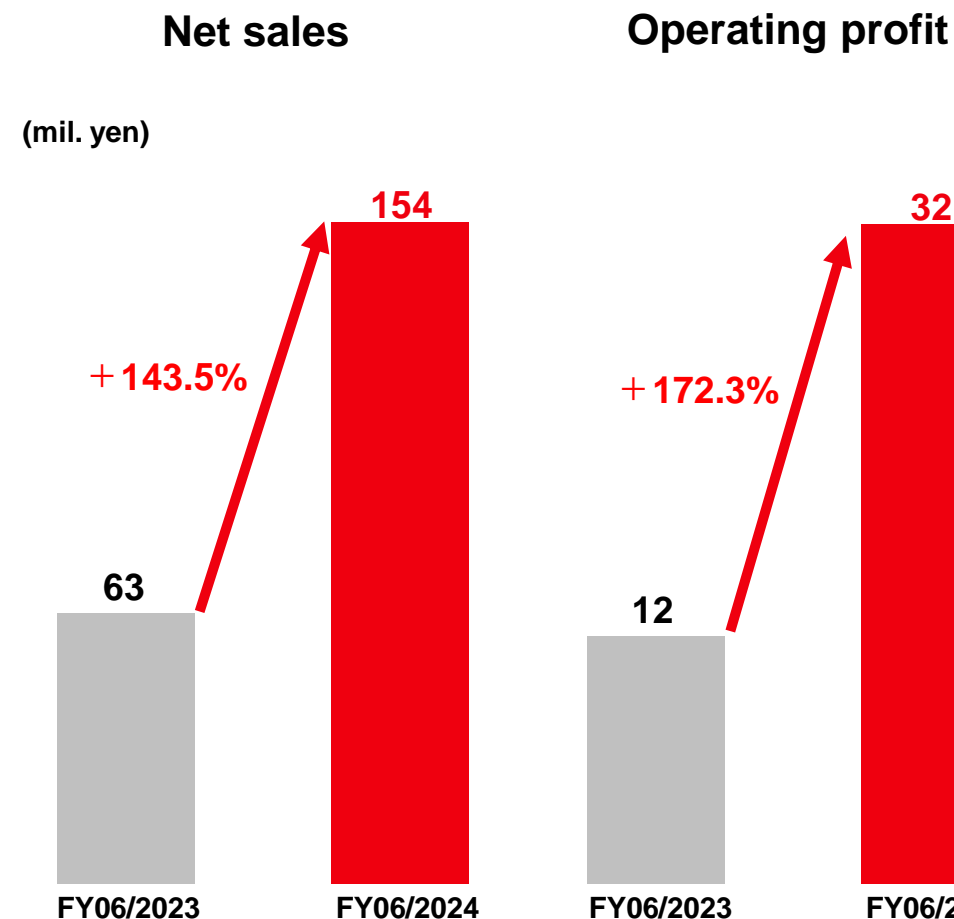


Incubation Business

Higher revenues / Much higher earnings

- Four companies were newly invested, and two of them got listed
- In total, 31 venture companies have been invested, and 6 of them are currently listed

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	63	154	↑143.5%	↑91
Operating profit	12	32	↑172.3%	↑20



(factors)

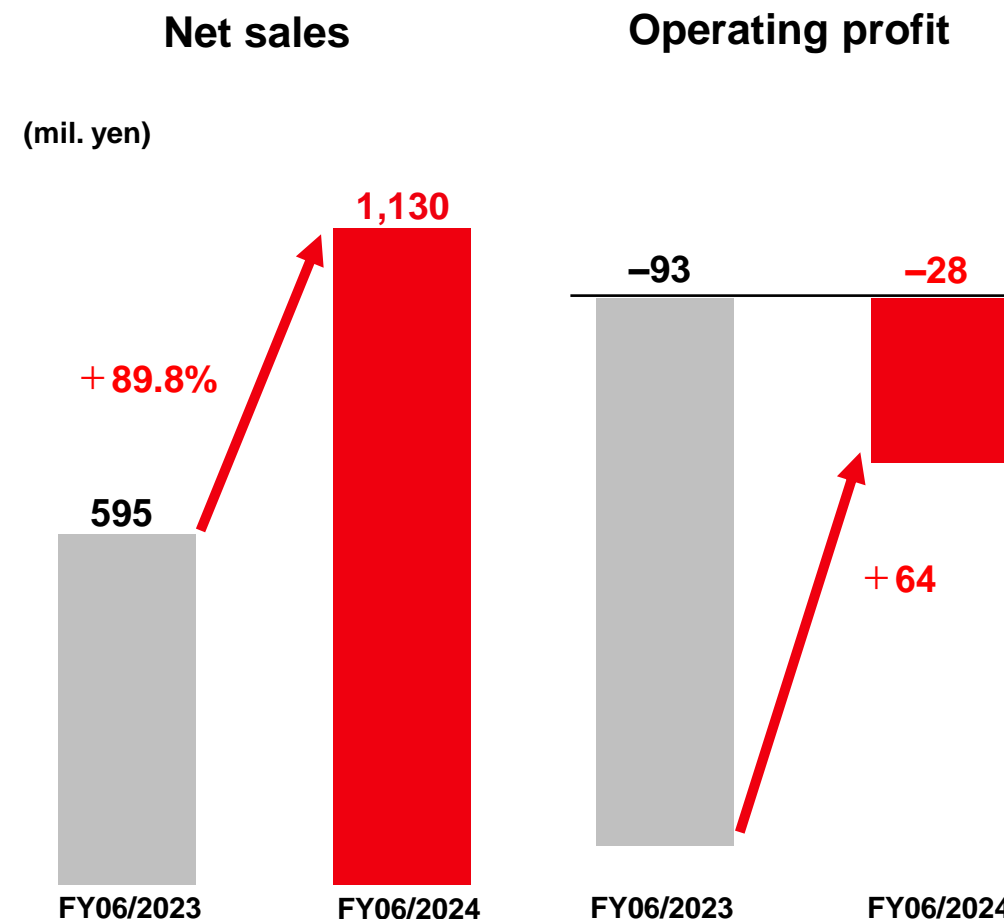
- Four companies were newly invested
- In total, 31 venture companies have been invested, and 6 of them are currently listed (as of Jun. 30, 2024)
- Proceeds from sale by funds (investees)
- Two investees (EARLYWORKS and VALUE CREATION) got listed
- Business tie-up with DEA engaging in GameFi business (users can get virtual currencies via NFT game and realize them into cash to pay their rent) (since Nov. 2023)

Other Business

Much higher sales / Substantial improvement in profit

- Both sales and profit substantially increased
- Profitability significantly improved

(mil. yen)	FY06/2023	FY06/2024	+/-%	+/-amount
Net sales	595	1,130	↑89.8%	↑534
Operating profit	-93	-28	N/A	↑64



(factors)
(DRAFT)

- Utilities business
Sales channels (alliance customers) increased (0%→80%)
- ZEH business
Sales bases increased: Saitama (existing) + Osaka (new)
- Staff agency business started
Internal synergies by utilizing interns

(HOPE)

- Contracts increased
- Promoting sales activities targeting real estate management companies
- Tie-up with insurance companies increased

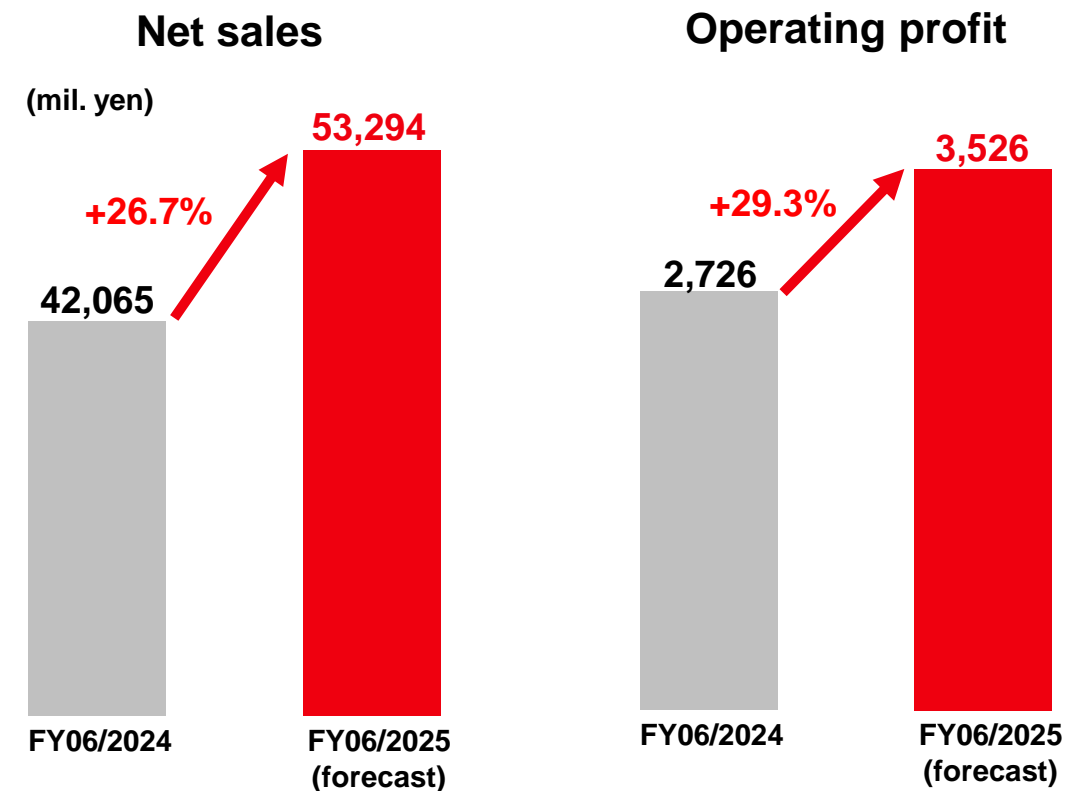
Performance forecasts

Full-term performance forecasts (FY06/2025)

Higher revenues / Higher earnings Record-high sales and profit (forecasts)

- **Steady stock-type business (Leasing DX): Synergies** among segments are anticipated
- **Growing flow-type business (Sales/Purchase DX):**
Significant growth of purchase/resale is also anticipated

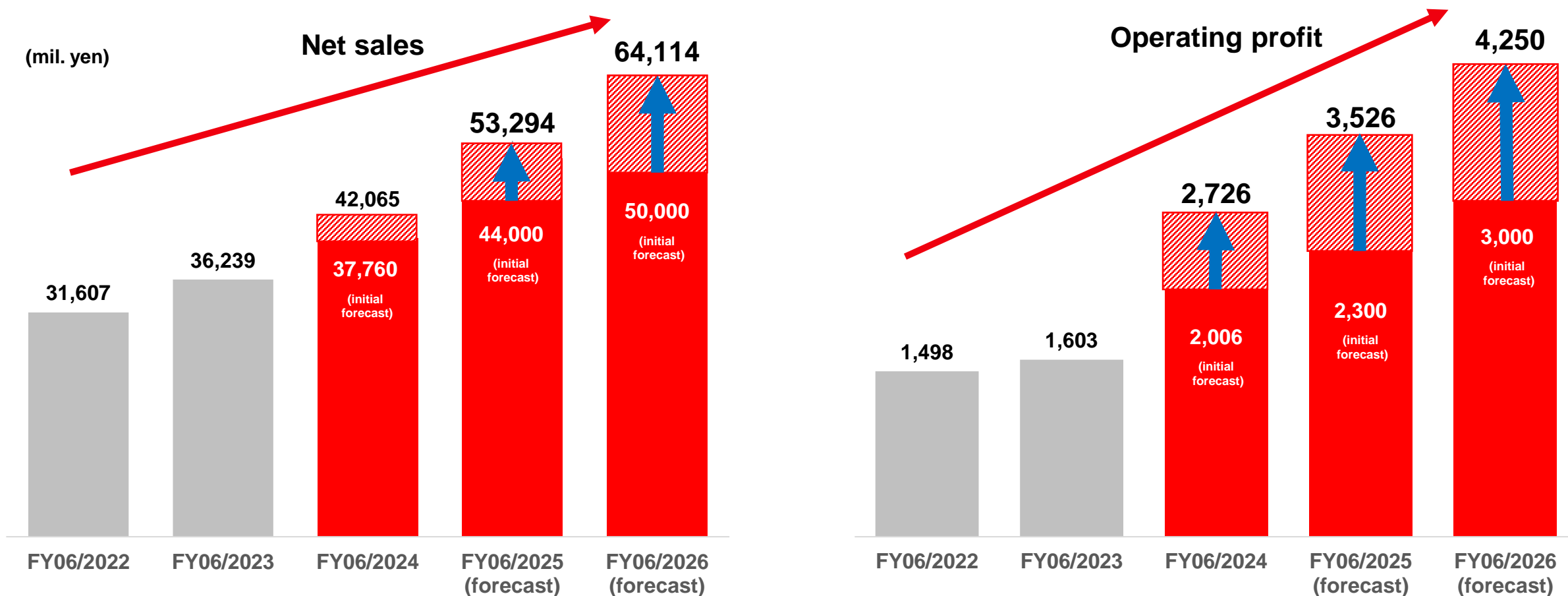
(mil. yen)	FY06/2024 actual	FY06/2025 forecast	YoY
Net sales	42,065	53,294	↑26.7%
Operating profit	2,726	3,526	↑29.3%
Ordinary profit	2,507	3,101	↑23.7%
Net profit attributable to owners of parent	1,638	2,279	↑39.1%



Mid-term management plan

Substantial upward revision to the plan in line with upward revision for FY06/2024

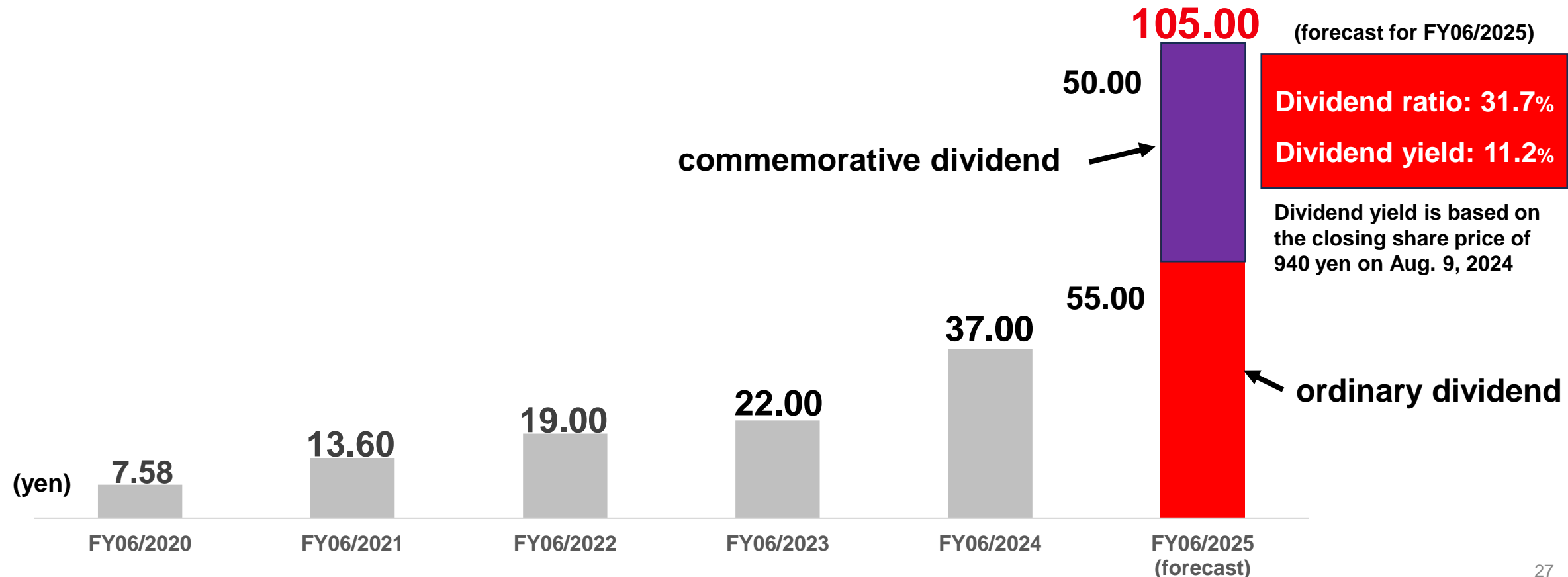
- (actual) FY06/2024: Operating profit 2,000 mil. yen → **upward to 2,700 mil. yen**
- (forecast) FY06/2025: Operating profit 2,300 mil. yen → **upward to 3,500 mil. yen**
- (forecast) FY06/2026: Operating profit 3,000 mil. yen → **upward to 4,200 mil. yen**



Dividend (forecast)

Much increase in dividend (forecast for FY06/2025)

- **FY06/2025 (forecast): 105.00 yen** (ordinary dividend of 55.00 yen plus commemorative [10th anniversary of getting listed] dividend of 50.00 yen)
- **Dividend yield: 11.2%** (based on the closing share price of 940 yen on Aug. 9, 2024)



Measures for the next FY (FY06/2025)

Segment	Measures
Leasing DXX Property Management	<ul style="list-style-type: none"> • To enhance acquisition of properties in Kansai/Chubu regions • To strengthen management of individual properties • To upgrade DX services
Leasing DX Leasing Brokerage	<ul style="list-style-type: none"> • To increase corporate contracts • To enhance incidental services • To increase number of sales/purchase brokerage • To further promote DX
Sales/Purchase DX Investment	<ul style="list-style-type: none"> • To increase unit selling price • To strengthen purchase of properties with high added values
Other	<p>(DRAFT)</p> <ul style="list-style-type: none"> • To utilize call center (telemarketing alliance) <p>(HOPE)</p> <ul style="list-style-type: none"> • To develop tie-up commodities with partner companies • To expand sales channels

Management of owned condominiums for rent

- **Preconditions of properties to be managed: Newly-built high-class condominiums with emphasis on good location, good design and superior equipment specification**



THE PREMIUM CUBE G Shiomi

NEW Since Nov. 2023; 158 units



PREMIUM CUBE Musashikoyama

NEW Since Feb. 2023; 36 units



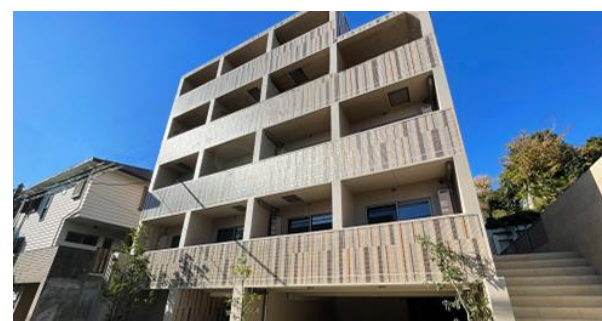
PREMIUM CUBE Setagaya #mo

NEW Since Sep. 2020; 42 units



THE PREMIUM CUBE G Higashinakano

NEW Since Nov. 2023; 151 units



PREMIUM CUBE G Shirokanedai

NEW Since Dec. 2022; 43 units



PREMIUM CUBE Nakano

NEW Since Dec. 2020; 39 units

Sales of condominiums for investment; Purchase/resale and sales after renovation

- Properties with high added values are **developed and offered on our own** mainly around Tokyo
- We also engage in **purchase/resale and sales after renovation**

Sales of studio apartments for investment

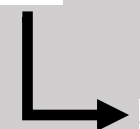


Our original PREMIUM CUBE series featuring “Good location”, “Good design” and “Superior equipment specification” are present in 6 Wards of Tokyo

Purchase/resale and Sales after renovation



before



after



Procurement from diverse routes,
and resale with **extra value added**

Investees

- **Four companies** were **newly** invested, of which EARLYWORKS and VALUE CREATION got listed in this term
- To date, 31 venture companies relating to DX have been invested, and **6 of them are currently listed** (as of Jun. 30, 2024)

Security



CYBER SECURITY CLOUD
(4493)
【capital tie-up】

Listed on Mothers in Mar. 2020

AI



Headwaters
(4011)
【capital tie-up】

Listed on Mothers in Sep. 2020

Online settlement



ROBOT PAYMENT
(4374)
【capital tie-up】

Listed on Mothers in Sep. 2021

Blockchain



Earlyworks
【capital tie-up】

Listed on NASDAQ in Jul. 2023

HR



HR CLOUD
【capital tie-up】

Digital marketing



VALUE CREATION
(9328)
【capital tie-up】

Listed on Growth in Nov. 2023

Philosophy / Strength / Growth potential

Philosophy & Vision

Philosophy

**With an “AMBITION” of creating future of “housing”,
we aim at becoming a “real company” that can give “dreams” to everyone we meet
Dreams become goals, goals become realities**

Vision

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

Policy & Aspiration

Policy

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

	(Business domain)	(Approaches)	
DX for leasing	Leasing management <small>Property Management Business</small>	<ul style="list-style-type: none"> Advanced leasing management by higher operational efficiency on a paperless basis, such as electronic contract More houses managed by individual staff Stably continued high occupancy rate Maximization of LTV (Lifetime Value) through a loyalty program 	<p>What we aspire is:</p> <p>Safe and seamless data linkage utilizing blockchain and AI realizes experiences of comfort living</p>
	Leasing brokerage	<ul style="list-style-type: none"> Enhanced remote customer service, VR preview and electronic contract AIxRPA tool “RAC·TECH” reduces inputting work Data linkage from searching for properties, contract, through to vacating procedures 	
DX for sales/purchase	Sales/purchase of real estate <small>Investment Business</small>	<ul style="list-style-type: none"> Non-face-to-face sales/purchase contract Data management on cloud, such as land prices Offering properties via crowdfunding 	
DX for other real estate business	Insurance, utilities, interior, etc.	<ul style="list-style-type: none"> Digitally integrated customers bases Data linkage in line with workflow Paperless operations such as executing electronic contracts 	

Strength

Straightforward workflow

- The entire real estate business workflow, both **digital and real**, is **fused together**, where **DX** is promoted in **a straightforward** fashion

Segment	Category		AMBITION DX	Leasing management company	Real estate brokerage company	Real estate development (Developer)	Real estate sales company	Purchase/Resale company	Relevant areas
Leasing DX	Ownership business	Leasing management	○	○					
	Brokerage business	Leasing brokerage	○		○				
Sales/ Purchase DX	Development business	Land acquisition	○			○			
		Construction	○			○			
		Sales	○			○	○		
	Purchase/Resale business	Purchase/Sales	○					○	
Others	Insurance	Fire insurance	○						○
	Infrastructure Services	Utilities	○						○
	Interior work	Renovation	○						○
	System development	Restoration	○						○

What we cover (in the field of real estate technologies)

• We **cover all 15** fields of “real estate tech”* in this trade (including investees)

* “Real estate tech” means real estate x technologies. This is an approach to utilizing technologies such as AI and IoT in order to solve various issues and to reform old-fashioned business practices in real estate industry.

Real estate chaos map*



Fields of real estate DX	Covered by AMBITION DX
Loan/guarantee	○
Operational support (attracting guests)	○
Operational support (customer facing)	○
Operational support (design/construction)	○
Operational support (contract/settlement)	○
Operational support (management/after-sales)	○
Real estate information	○
Property information/media	○
Price visualization/evaluation	○
Space sharing	○
Matching	○
Remodeling/renovation	○
IoT	○
VR/AR	○
Generative AI	○

9th edition: August 2023 (463 services)

Created by Real Estate Tech Association for Japan

* Real estate tech chaos map: A map that represents landscape of real estate tech industry showing players, categories and their relationship

- In addition to organic growth of existing businesses, we will accelerate M&A and investment in alliance and ventures, to realize non-continuous growth

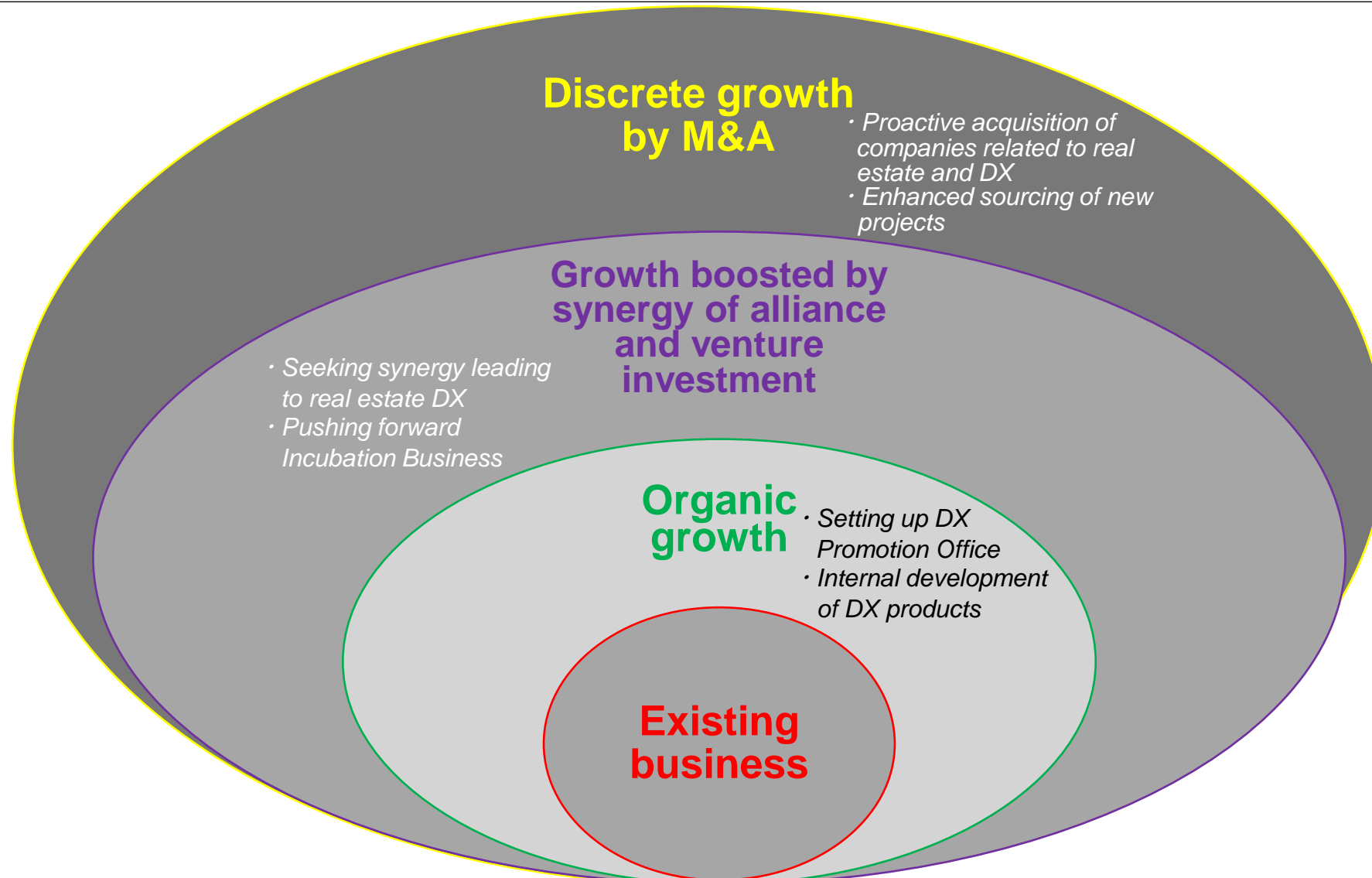
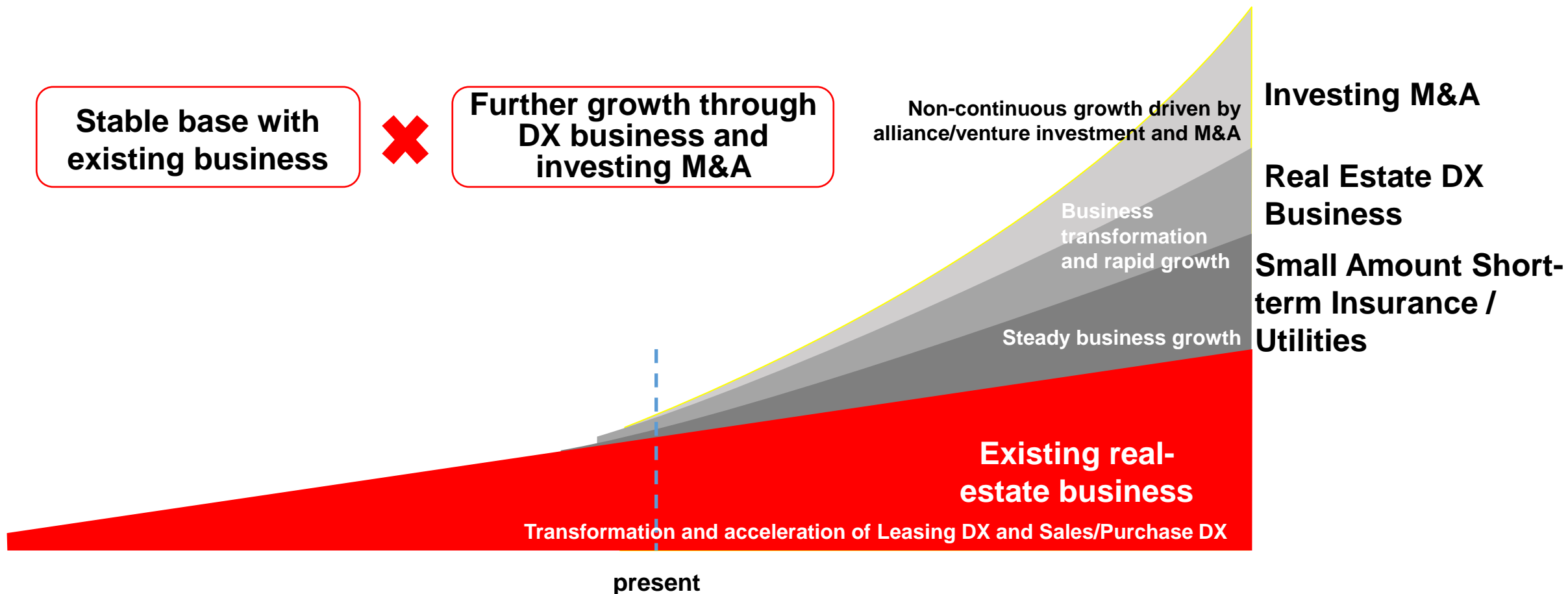


Image of business growth

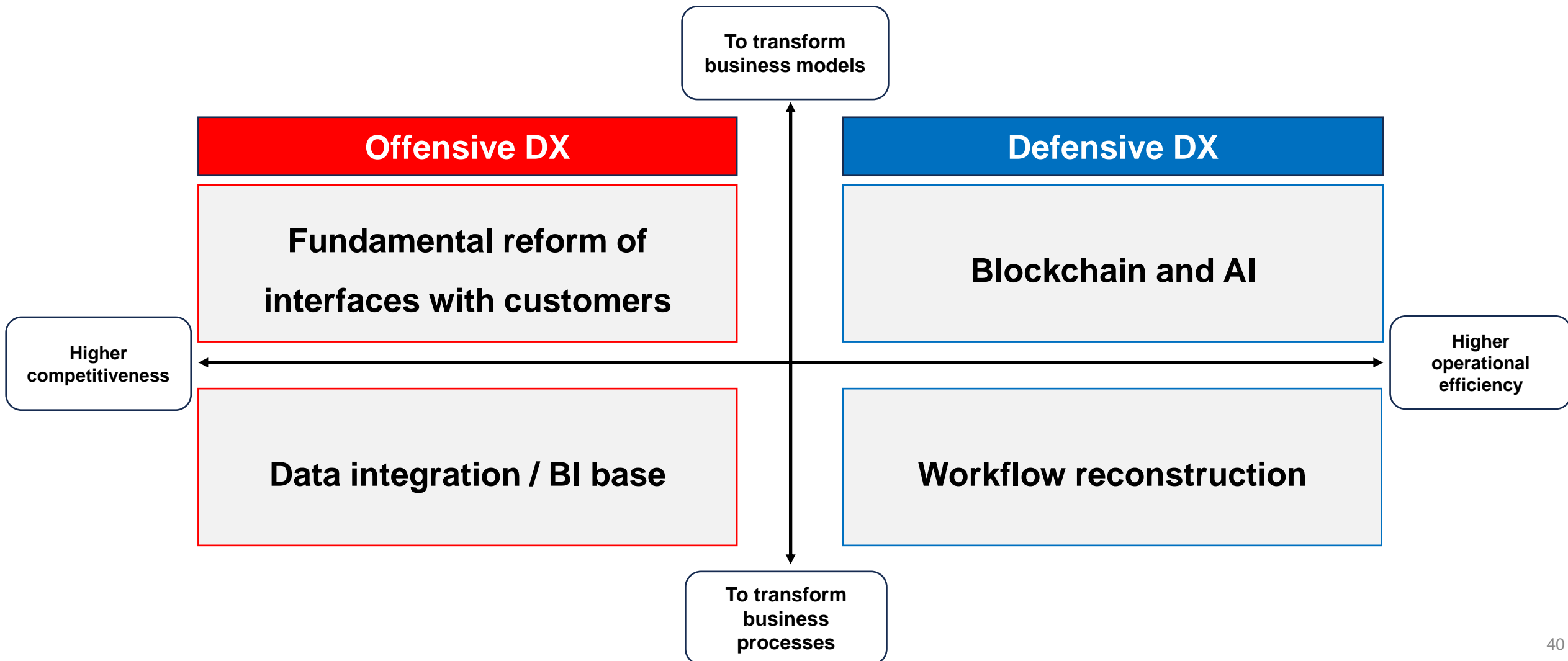
• Further growth is pursued through existing businesses, DX business, and investing M&A



DX strategies / approaches

DX strategies (offensive DX and defensive DX)

- **Offensive DX** and **defensive DX** realize DX of every operation of real-estate business



DX strategies (**offensive DX**)

• **Offensive DX** is an **innovative approach** that realizes **further growth** by means of **breakthrough with DX**

Offensive DX

		(Strategy in detail)	(Milestone)
Fundamental reform of interfaces with customers	Fundamental reform of business models	<ul style="list-style-type: none"> • Making a platform for real-estate by building up a consortium integrated with ecosystems (cross-selling) 	<ul style="list-style-type: none"> • 2023/07: Online healthcare services started • 2023/11: Integration with ecosystem • 2023/12: Incorporating ChatGPT in FAQ function
	More value to existing businesses	<ul style="list-style-type: none"> • Improved engagement (LTV) to facilitate communication with residents after move-in 	<ul style="list-style-type: none"> • 2021/04: “Room concierge”, a matching application for room-searching • 2022/11: AMBITION Me started (LINE services for residents)
Data integration BI base	More value of data-driven services	<ul style="list-style-type: none"> • Utilizing data integration base (Ambition Core Platform) to offer services optimized for individual customers 	<ul style="list-style-type: none"> • 2022/10: Data analyses across systems and services • 2023/10: Distribution of service recommendation for individual residents started via AMBITION Me
	Data integration foundation	<ul style="list-style-type: none"> • CRM internalization of customer information obtained through brokerage and management • Developing data integration base (Ambition Core Platform) to build up BI structure and to visualize company management 	<ul style="list-style-type: none"> • 2022/09: BI structure was organized • 2023/01: Construction of master DB started • 2023/10: CRM internalization

DX strategies (defensive DX)

• **Defensive DX** is an approach that realizes **higher operational efficiency** by means of DX of conventional core businesses

Defensive DX

		(Strategy in detail)	(Milestone)
Blockchain and AI	Building up systems for IT explanation of important matters and electronic contracting	<ul style="list-style-type: none"> Realizing IT explanation of important matters and electronic contracting on our business system (AMBITION Cloud; and management of contract documents with blockchain 	<ul style="list-style-type: none"> 2022/05: Service of AMBITION Sign started 2022/09: Internal utilization of IT explanation of important matters and electronic contracting
	Utilizing blockchain technologies for ecosystems	<ul style="list-style-type: none"> Facilitating contracts for third-party services by smart contract systems within services for residents 	<ul style="list-style-type: none"> Future vision: Implementation of smart contract system on a platform integrated with other ecosystems
Workflow reconstruction	Reforming/redesigning business processes	<ul style="list-style-type: none"> Higher operational efficiency and automation by renovating business processes along with building up AMBITION Cloud 	<ul style="list-style-type: none"> 2022/09: Workflow renovation by internal adoption of AMBITION Cloud 2023/09: Automation utilizing API
	Higher operational efficiency	<ul style="list-style-type: none"> Higher efficiency in data consolidation by API integration of core system and AMBITION Cloud 	<ul style="list-style-type: none"> 2023/09: API integration of AMBITION Cloud and Core Platform

DX effects

• DX of real estate business operations **reduces** time to execute a contract by **about 70%**

Reduced working time
Higher operational efficiency by utilizing DX tools substantially reduces working time for leasing brokerage and leasing management

Working time for brokerage of one leased property
reduced by 44%

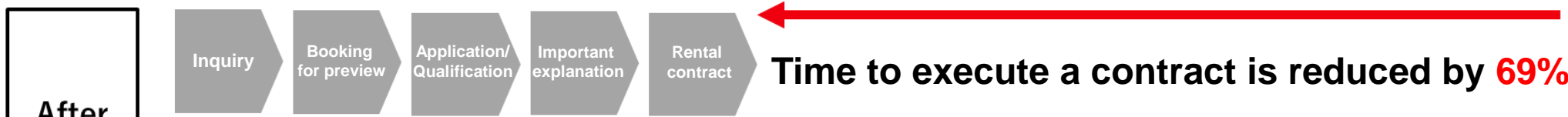
Working time for managing one leased property
reduced by 93%



Improved productivity
Reduced working time for handling each matter leads to improved productivity per employee

Occupancy rate surpasses industry average
98.5% (industry average) 89.4%

Overall sales by Leasing DX sector:
21,152 mil. yen
1,130 mil. yen YoY



// **AMBITION** Cloud

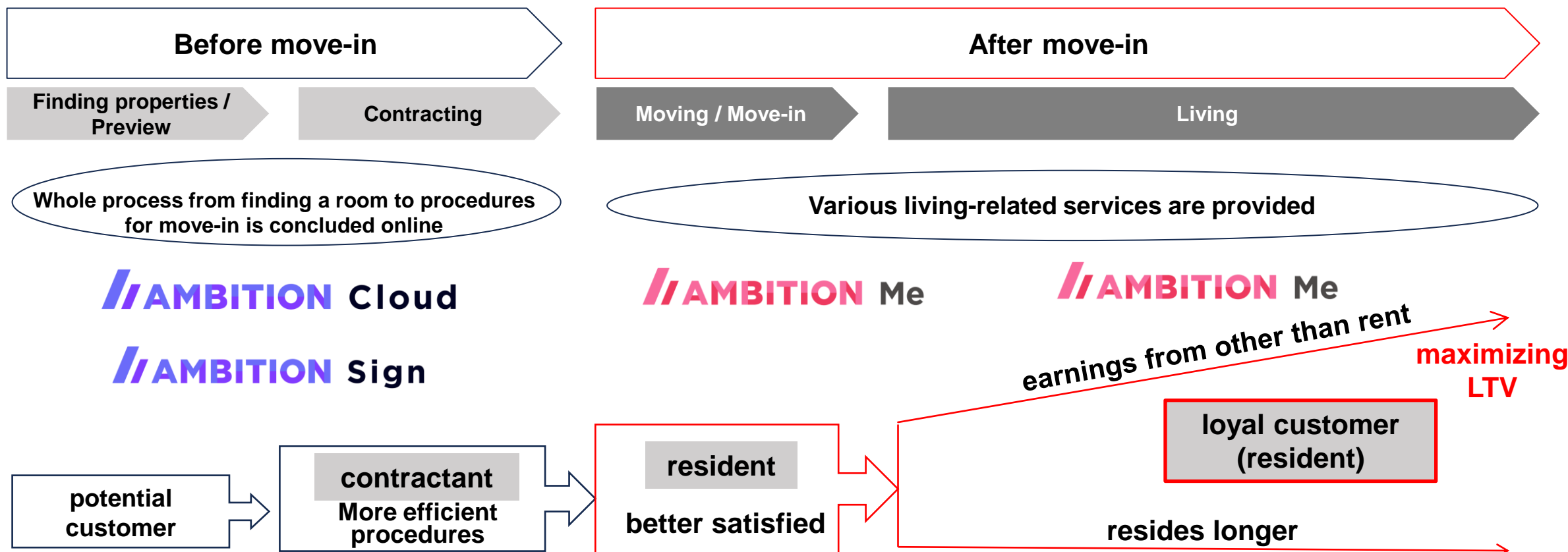
Contract progress management system

// **AMBITION** Sign

DX for residents

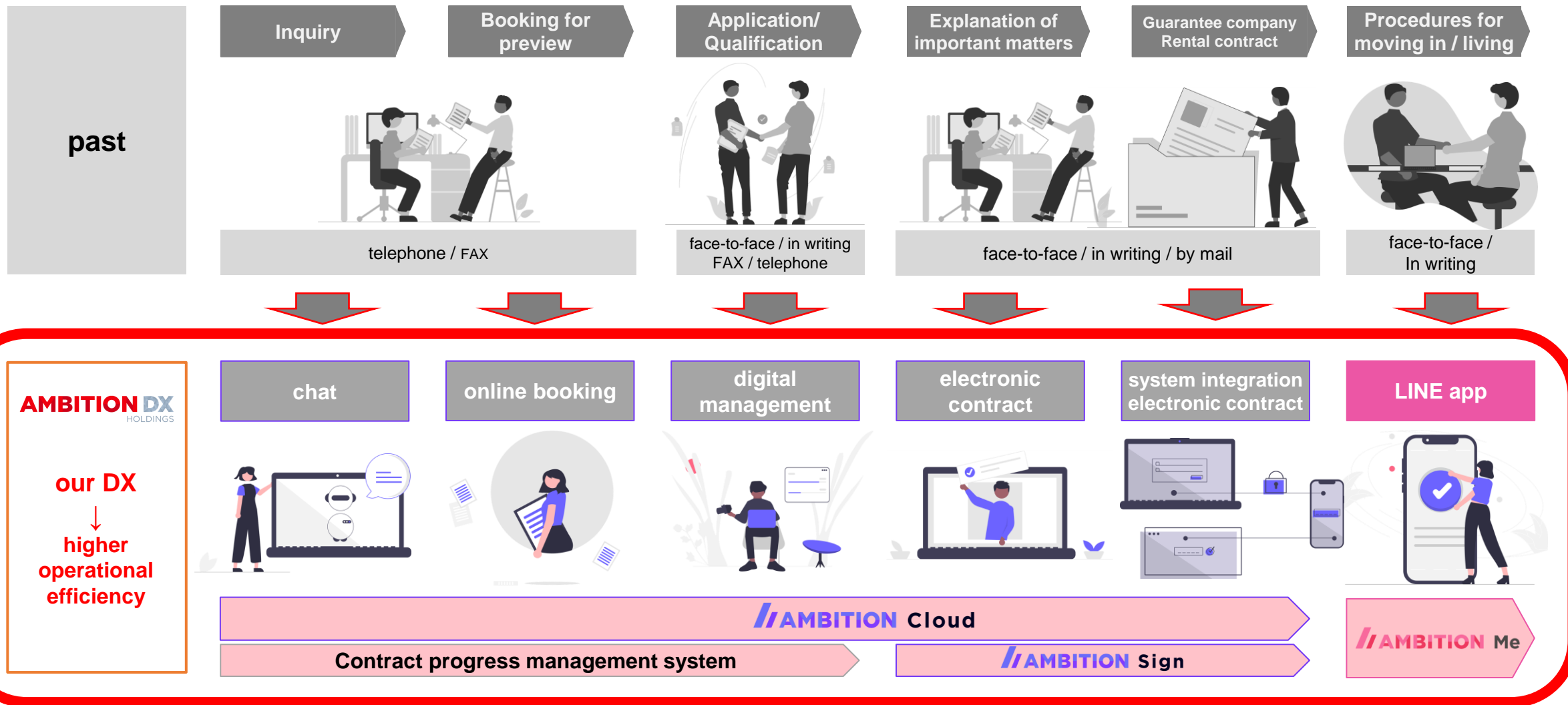
Maximizing LTV (Lifetime Value) for customers

- Our DX products cover a series of services starting from establishing interfaces with potential customers before moving in, to living support after moving in
- Residents are highly satisfied → will reside there longer → provide more opportunities for us to make profit from other than rent → have their **LTV (Lifetime Value) maximized**



DX for operational reform

- Whole process from inquiry through to move-in is digitalized (paperless)
- Significant improvement in operational efficiency



DX for staff education

- In various scenes of staff education, AI (ChatGPT) is utilized for higher efficiency

Utilization of AI in staff education (examples)



ChatGPT



Automated creation of manuals

Knowledge required for real estate business can be organized into manuals. It is useful not only for reducing steps of searching but also for solving problems with labor shortage and advancement of knowledge.



Continuous learning and skill improvement

It becomes possible to develop and automate learning plans required for upskilling. Self-updating information about the trade and products is also possible.



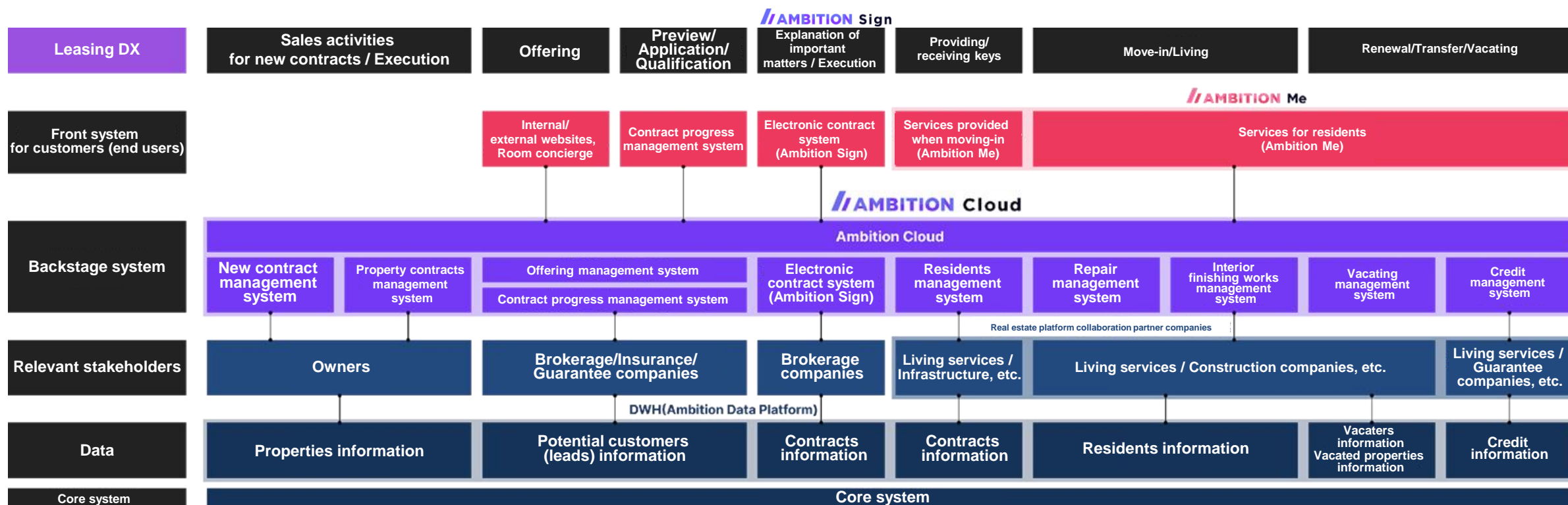
Training new employees

It is used for educating new employees about corporate basic principles and policies promptly. It is also used for training in expertise of real estate.

AI is utilized in role-playing

Global image of DX system

- All operations of real estate business, ranging from B2B to B2C, and from properties management to brokerage, are systemized by DX
- DX also enables systemization of establishing long-lasting relationship with residents after move-in



DX products

- We develop DX products on our own, as such we will reform real estate business

AMBITION Cloud

- **Contract progress management system** Manages overall process from inquiry through to contract
- **Repair management system** Manages overall repair management such as estimation of repair work and recording actual progress
- **Offering management system** Manages registration/publishing properties information in tandem with New contract management / Vacating management systems
- **Credit management system** Manages overall debt such as management of debt/debtor information and payment history
- **Vacating management system** Manages various processes such as vacating procedure and restoration to original state
- **New contract management system** Manages process for commissioned operations such as acceptance/registration/progress management of commissioned matters

AMBITION Sign

- **Online contracting system** System which enables explanation of important matters and execution of contracts online

ラクテック Auto-input

- **Collective proposal of properties** Auto-posting tool for properties information which utilizes response prediction by AI and leasing business data
- **Individual proposal of properties** A tool limited to highly-demanded functions (RPA: auto-post)

AMBITION Me

- **App for residents** Supports residents with various services ranging from key acceptance to daily life services



Room Concierge

- **Matching app** Connects users searching for new rooms with a concierge (salesperson for real estate brokerage)

DX product (AMBITION Cloud)

AMBITION Flagship DX Model

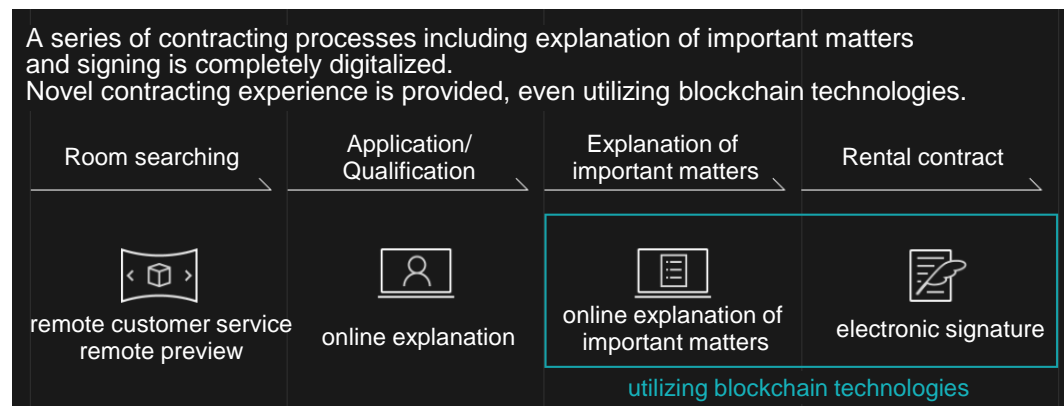
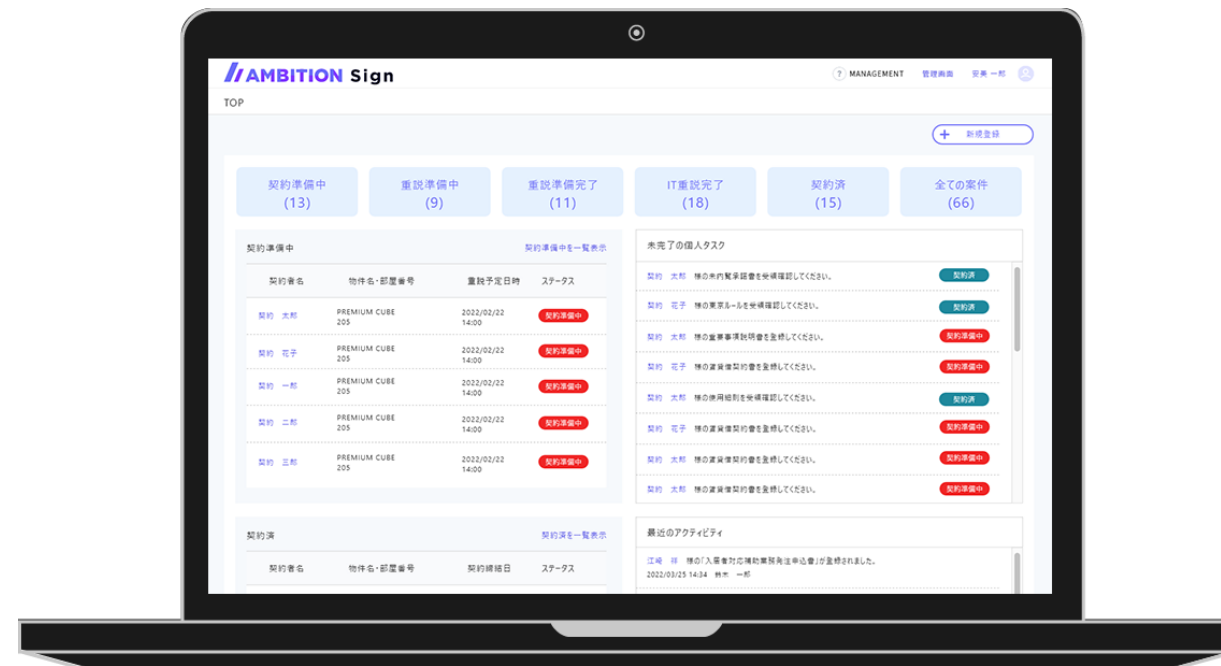


It carries out DX covering the entire leasing management operations, and realizes higher operational efficiency and productivity

AMBITION Cloud is a service which digitally transforms (DX) every operation related to real-estate leasing management

Developed fully from scratch by us, it handles API integration with various systems and in addition, also integrates with our core system by utilizing RPA.

With this unique system, the Company will evolve to a platform that collaborates also with brokerage companies, guarantee companies and real-estate owners.



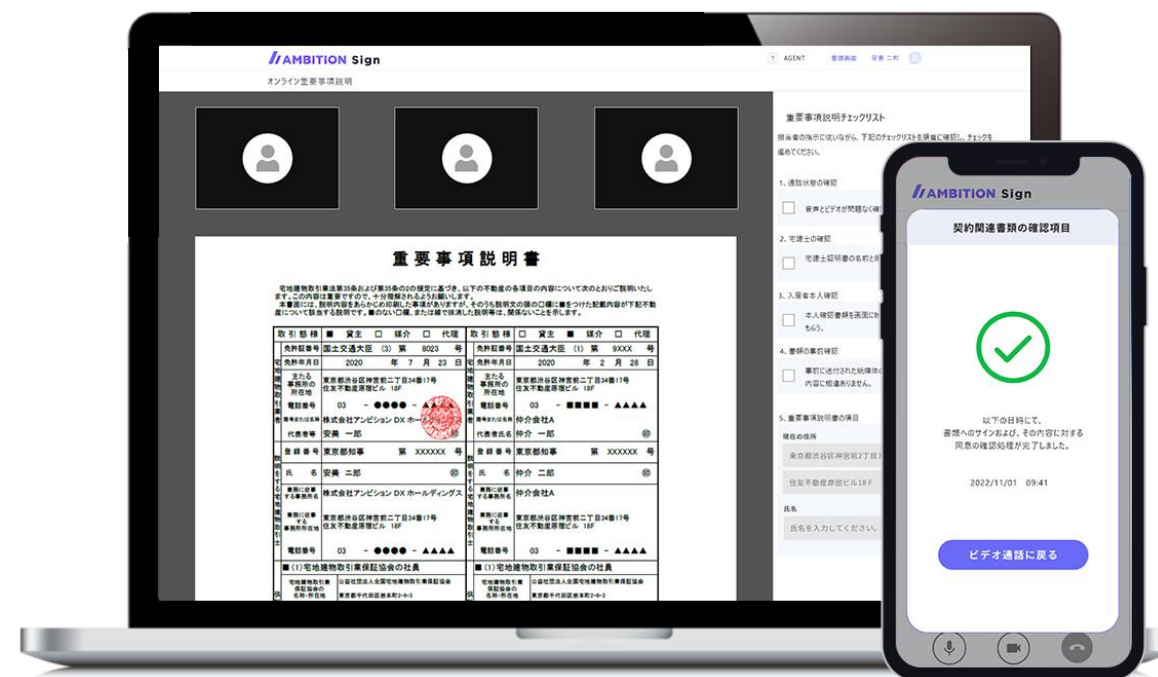
DX product (AMBITION Sign)

Electronic contracting system that utilizes blockchain technologies



DX of contracting experience that realizes IT-enabled explanation of important matters and electronic signature through one-stop service

- AMBITION Sign is one of the services which play central roles for AMBITION Cloud, and is a system that realized explanation of important matters and signing contracts done online, which were not feasible before, along with the relevant law amendment in 2021.
- Highly usable functions were realized, as an online video conference system specialized on explanation of important matters.
- Utilizing even blockchain technologies and ensuring high-level of security, customers' seamless experiences will be realized in the future, such as services for residents.



DX product (AMBITION Me)

It supports permanent relationship with residents



LINE service that supports residents from key acceptance to daily life services

- Wide variety of services such as contract renewal, vacating, communication while living, utilities (electricity/gas/water), and insurance, are integrated into this all-in-one application. It is also a service that realizes improvement in residents' satisfaction and engagement, to lead to maximization of their LTV (Lifetime Value).
- For the future, we will collaborate with partner companies ranging from various life services, infrastructure through to finance, and deploy services which would upgrade engagement of residents having established their own economic circles.



Jul. 2023 Online healthcare services started

Reservation for medical examination can be made seamlessly via LINE app

Oct. 2023 Useful services for living

You can reexamine and take procedures for utilities at lower cost

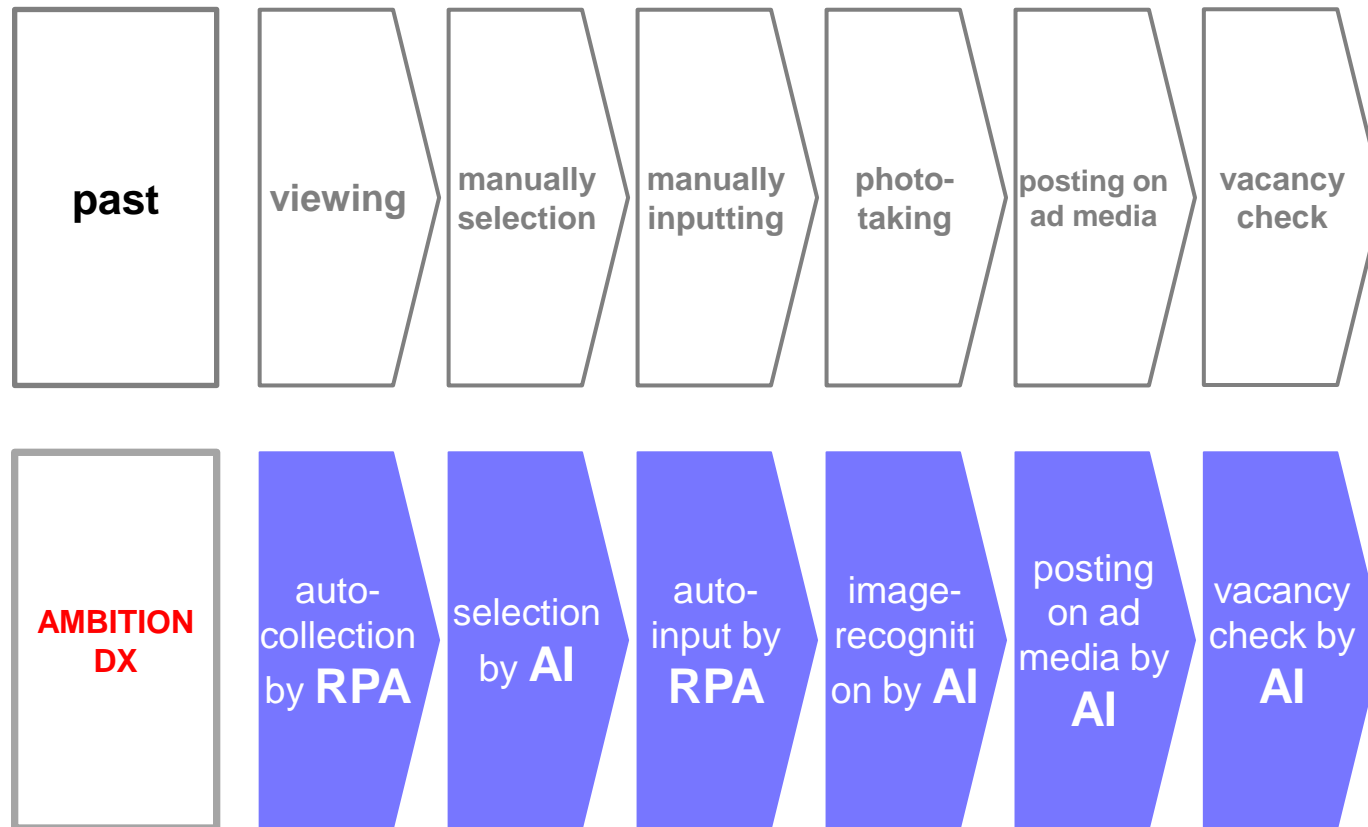
Dec. 2023 FAQ service incorporating ChatGPT

Consultation with AI about living; answers can be given anytime

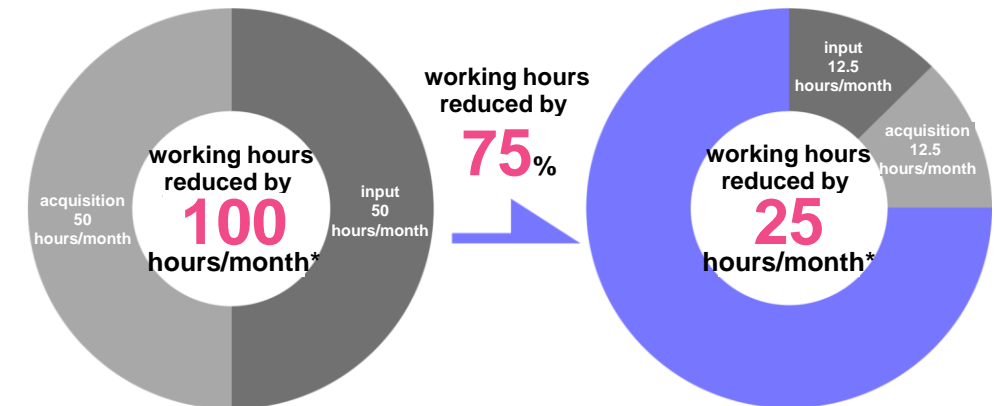
DX product (RAC-TECH)

AIxRPA tool “RAC-TECH” for Leasing DX

Operational process through to posting properties information



Substantial reduction in working hours



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

 **Auto-input**

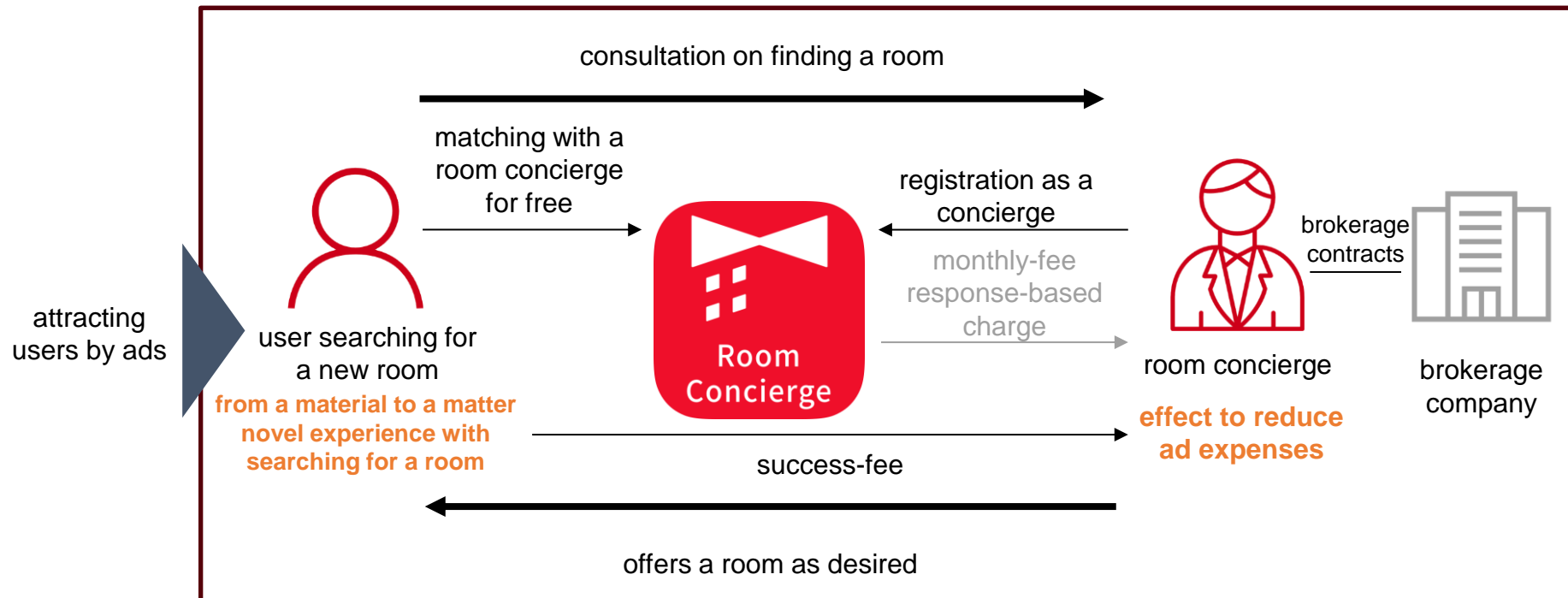
【RPA】 Robotic Process Automation (software robot)

DX product (Room Concierge)

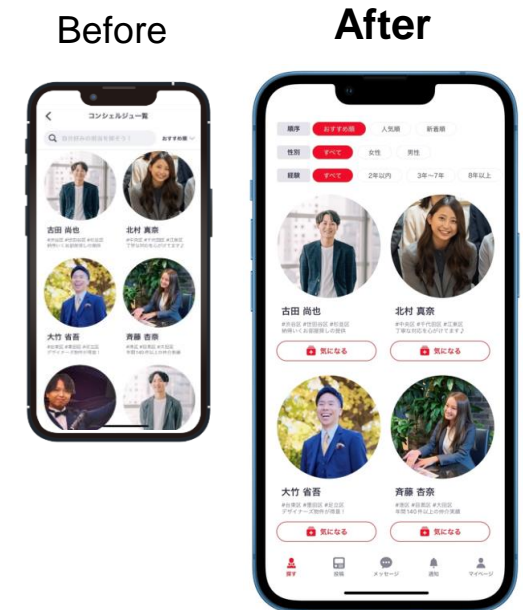
“Room Concierge” (a service for general consumers)

Matching application which connects users searching for new rooms with a room concierge (salesperson for real estate brokerage)
More and more are downloaded. This will further be expanded to nationwide areas and to the leasing brokerage industry as a whole

Overview



improved UI/UX



ESG efforts

ESG (goal)

- **Our goal is to promote business innovation through DX, thereby realizing higher efficiency and proactively contributing to realizing sustainable society.**

Governance

Environment

Contribution to paperless operations

This contributes to reducing wastes which is included in mitigation measures for reducing GHG emissions as part of responses to climate change. Business activities themselves are affected by sustainable environment.

Social

Innovation in the field of real-estate leasing management

Innovation base in the field of real-estate leasing management is built up, leading to shorter timeline. Innovation contributes to building up sustainable industries.

Human capital

Employees' health and human growth promote corporate growth, thereby contributing to customers, and further contributing to society sustainably.

ESG (Environment)

- We have promoted paperless operations through DX, resulting in reducing paper prints by 14.3% YoY.

number of prints

reduced by 14.3%



FY23

FY24

Virtually **NO paper** is required for contract

Customer side

0 paper with **//AMBITION Sign**

Important explanation

Contract execution

Document management

Management/business side

0 paper with **//AMBITION Cloud**

Drawings

Apply for preview

Apply for occupation

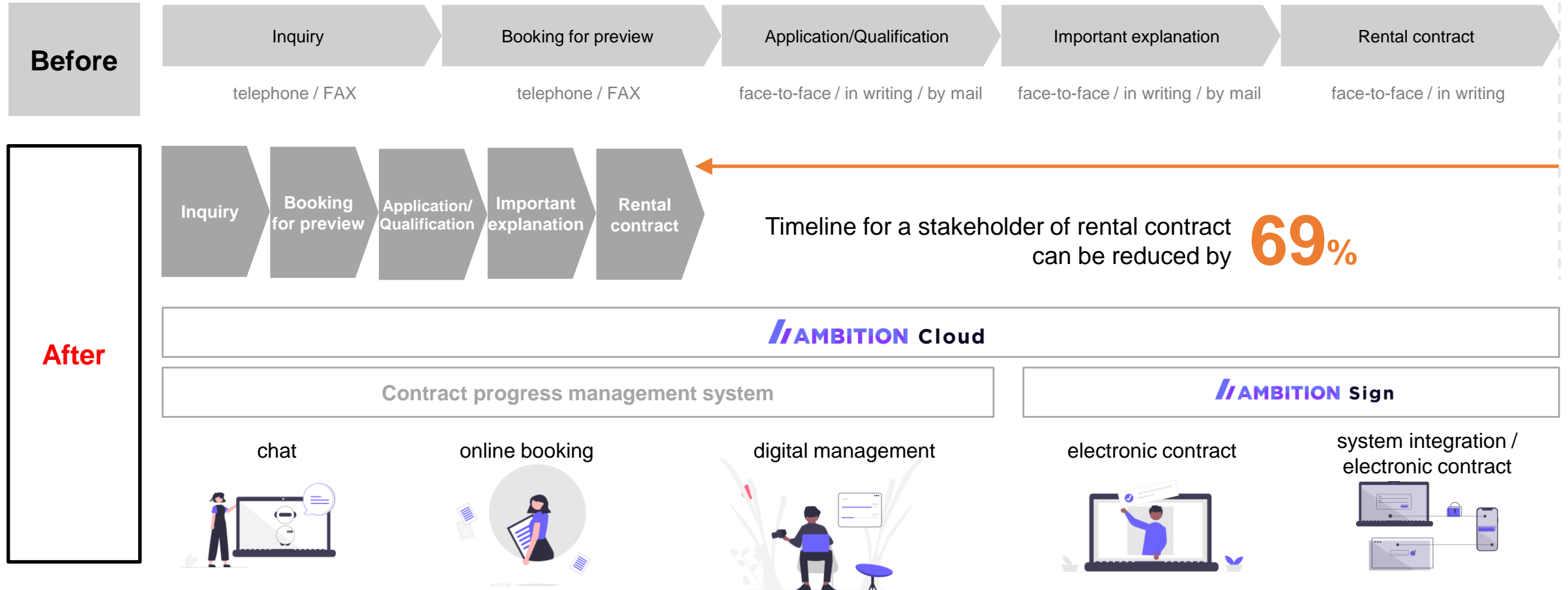
Qualification

Contract execution

Document management

ESG (Social)

- Innovation base in the field of real-estate leasing management is built up. Time required up to contract execution is remarkably shortened.



ESG (Social)

- Support for individual growth leads to fostering new corporate culture and strengthening efforts towards healthy and safe ways of working.

Expertness

Employees qualified as real-estate transaction specialists: **54%**

- Expenses for this qualification are subsidized
- Environment for successful qualification is arranged, such as prep tests and study during working hours
- Those who passed receive qualification allowance
- Percentage of those qualified is higher than industry average

Health



In 2024, same as 2023, the Company filed “Healthy Company Declaration” and worked on proactive and healthy management, and consequently acquired “Excellent Healthy Company (Silver accreditation)”.

Health



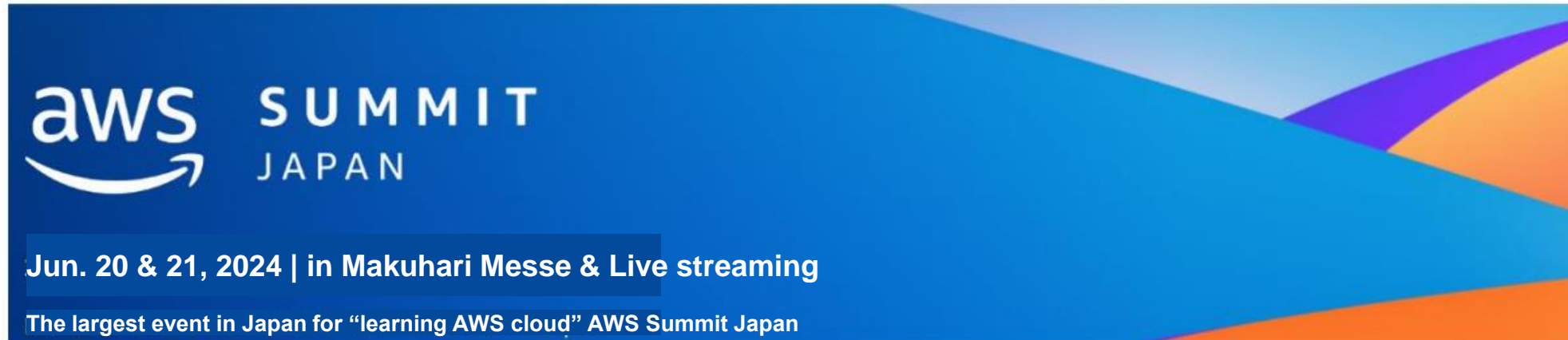
In 2024, the Company was evaluated and accredited as the one that considered its employees’ health management from managerial viewpoints and worked on it strategically. For the future as well, the Company will incorporate viewpoints of healthy management into its management strategies and pursue its employees’ health and organizational sustainability.

News

News

At “AWS SUMMIT”, the largest event in Japan for learning AWS, our collaboration with Dentsu Digital Inc. was publicized

(Jun. 21, 2024)



What is AWS Summit Japan?

The largest event in Japan for “learning AWS”

AWS Summit is an event where members of cloud computing community meet together, learn Amazon Web Service (AWS), and then can share best practices and exchange information, which is organized for people interested in giving rise to innovations in every cloud

News

< Information > WEB3.0 × Real estate DX

“Residents recruitment for NFT*1 gaming condominium started”

~ Condominium where residents “can play and live in” by playing NFT games produces by famous creators, possibly they might have their rent practically free ~

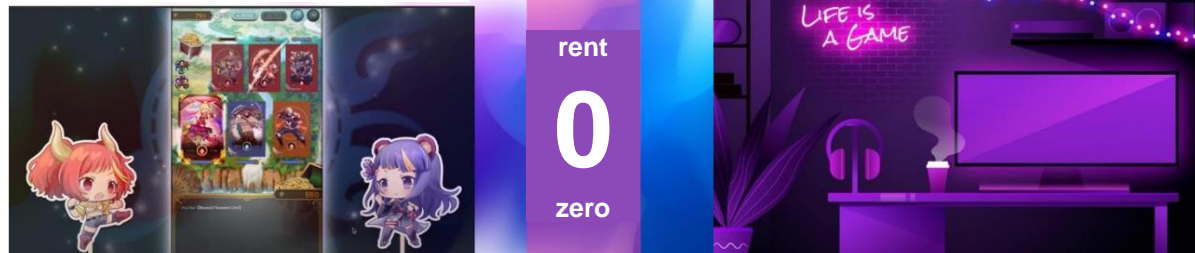
*1 NFT: Non-Fungible Token

■ Overview

In cooperation with Digital Entertainment Asset Pte. Ltd. (DEA; Head office: Singapore; Founder & CEO: Naoto Yoshida; Founder & CoCEO: Kozo Yamada) engaging in GameFi platform business globally with its base at Singapore and with IGG Japan Inc. (IGG; Head office: Minato Ward, Tokyo; President: Keisuke Matsuda), an NFT guild that connects NFT games with players thereby practicing Play to Earn style, residents recruitment for “NFT gaming condominium” (where residents possibly might have their rent practically free by playing games installed on “PlayMining”, an NFT gaming platform provided by DEA) will start in a Tokyo premium area (Shinjuku area).

【Overview of the property】 Located in Shinjuku Ward, Tokyo;
6 stories of reinforced concrete structure

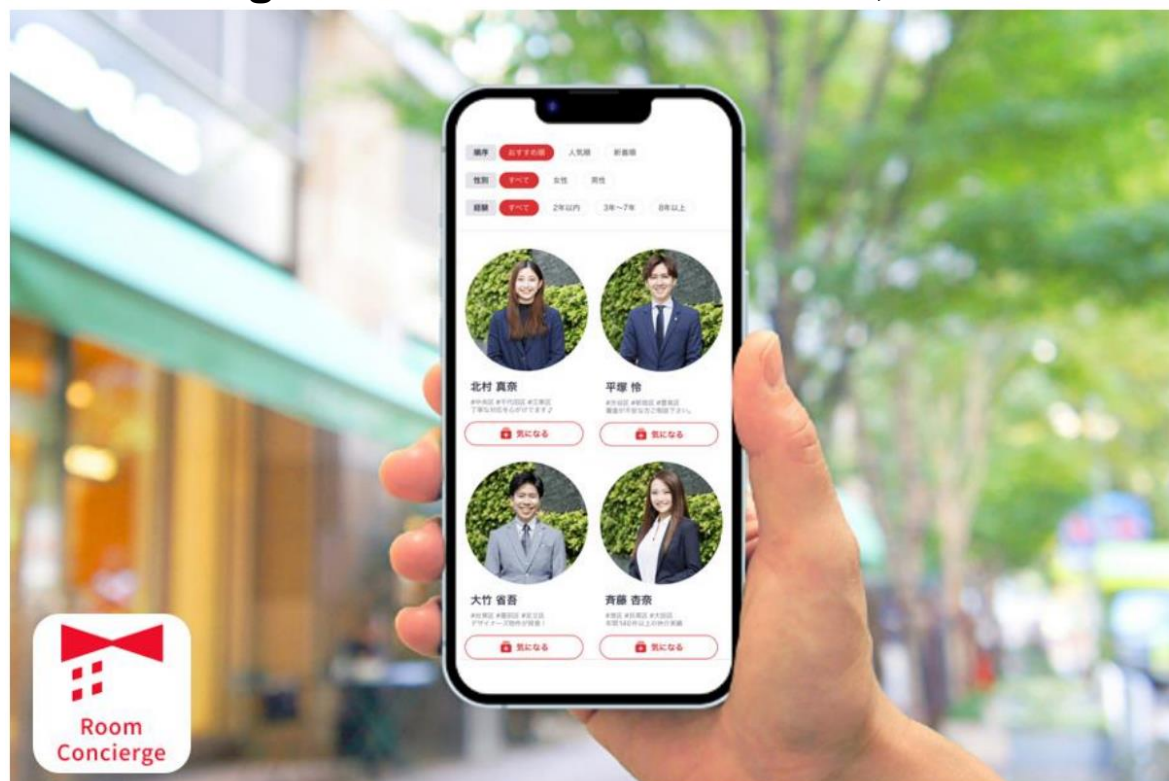
Play with free rare NFT cards



News

“Room Concierge”, our original matching application which connects users searching for new rooms with real estate salespersons, is well appreciated!

Registered users exceeded 49,000! (as of Jun. 30, 2024)



■ What is Room Concierge? と

“Room Concierge” has been highly favored by users, as a mobile platform that provides unprecedented functions/contents with the help of its functionalities meeting users’ needs and user-friendliness, by which users can freely contact with any preferred room concierge just via their smartphones with one-hand clicking actions, thereby realizing a novel form of service of searching leased properties.

■ Features

- ① The first SNS-type app in this industry, that combines matching and room-searching
- ② Any preferred concierge can be chosen
- ③ Users can find a concierge whom they are “interested in” and consult him/her

News

Acquisition of entire shares of FRIEND WORKS Co., Ltd. (Feb. 14, 2024)

~ Proactive acquisition of companies related to real estate and realization of non-continuous growth by M&A ~



■Background

Our real estate industry has been required to reform itself, amid the wave of digitalization. As a pioneer, we have provided new services taking advantages of digital technologies and driven such reform of this industry. This acquisition is part of that reform and also one of our strategies for further heightening our service quality and providing wider range of values for customers, by joining a company having real and professional technical capabilities and then fusing that capabilities with our DX driving force.

We determined that, by joining FRIEND WORKS as a subsidiary that carries out restoration works for our 【Leasing DX】 Property Management Business segment and interior/renovation works for our 【Sales/Purchase】 Investment Business segment, synergies with our Group can be anticipated, which would contribute to further expansion of our business operations and greater corporate values.

■Future outlook

While facilitating digitalization of real estate business, more efforts will be put to improvement in physical values of real estates. This would enable us to provide integrated services covering the whole life cycle of properties, so that we can further enhance provision of added values for our customers.

Looking to the future, by combining technical capabilities of FRIEND WORKS and our digital capabilities, we intend to develop new services for more efficient/effective management and operation of real estate. In addition, our DX product “AMBITION Cloud” makes it possible to capture real-time progress of interior/restoration works and quality control, so that we can raise the levels of transparency and reliability for our customers.

News

Number of registered users of “AMBITION Me”, our original DX application for residents, exceeded 10,000

～Experience of even more comfortable living is realized for every resident～

It supports permanent relationship with residents



LINE service that supports residents
from key acceptance to daily life services

- Wide variety of services such as contract renewal, vacating, communication while living, utilities (electricity/gas/water), and insurance, are integrated into this all-in-one application. It is also a service that realizes improvement in residents' satisfaction and engagement, to lead to maximization of their LTV (Lifetime Value).
- For the future, we will collaborate with partner companies ranging from various life services, infrastructure through to finance, and deploy services which would upgrade engagement of residents having established their own economic circles.
- Online healthcare services started in July 2023.
- In October 2023, useful services in collaboration with DRAFT started.



Contact

AMBITION DX HOLDINGS Co., Ltd.

Email: ir@ambition.jp

Tel: (81) 3-6632-3700

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