

**Notice of Posting Non-operating Expenses  
(Foreign Exchange Loss and  
Share of Loss of Entities Accounted for Using Equity Method)  
and Income Taxes-Deferred (Gain)**

ACSL Ltd. (ACSL) hereby announces posting of non-operating expenses (foreign exchange loss and share of loss of entities accounted for using equity method) for the fourth quarter of the fiscal year ended December 31, 2022 (from October 1, 2022 to December 31, 2022).

1. Details of Non-operating Expenses (Foreign Exchange Loss and Share of Loss of Entities Accounted for Using Equity Method)

Due to fluctuations in foreign exchange rates, a foreign exchange loss of 34,995 thousand yen was recorded in non-operating expense for the fourth quarter of the fiscal year ended December 31, 2022 (from October 1, 2022 to December 31, 2022) as a result of revaluation of loans to affiliates denominated in foreign currencies, mainly in Indian rupees. This posting resulted in a foreign exchange gain of 12,277 thousand yen for the fiscal year ending December 31, 2022 (from January 1, 2022 to December 31, 2022).

In addition, based on the financial report of ACSL India Private Limited, which is accounted for using equity method, a share of loss of entities accounted for using equity method of 5,999 thousand yen was recorded for the fourth quarter of the fiscal year ended December 31, 2022. This posting resulted in a share of loss of entities accounted for using equity method of 7,328 thousand yen for the fiscal year ending December 31, 2022.

2. Details of Income Taxes-Deferred (Gain)

Due to fluctuations in foreign exchange rates, an income taxes-deferred (gain) of 12,292 thousand yen was recorded for the fourth quarter of the fiscal year ended December 31, 2022 (from October 1, 2022 to December 31, 2022) as a result of deferred tax liabilities based on revaluation of loans to affiliates denominated in foreign currencies. This posting resulted in an income taxes-deferred (loss) of 5,003 thousand yen for the fiscal year ending December 31, 2022 (from January 1, 2022 to December 31, 2022).

3. Outlook

Regarding the influence of the posting of non-operating expenses on financial results, please refer summary of consolidated financial results for the fiscal year ending December 31, 2022



[Japanese GAAP] released today.

*Attention*

*This document is an unofficial translation of the timely disclosure on February 14, 2023 by ACSL and this is for reference purpose only. In case of a discrepancy between the English and Japanese versions, the Japanese original shall prevail.*