

**English Translation**

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

**Consolidated Financial Results for the Fiscal Year Ended December 31, 2022 (Under Japanese GAAP)**

February 14, 2023

Company name	INFORICH INC.	Listing	Tokyo Stock Exchange
Securities code	9338	URL	https://inforich.net
Representative	(Title) President and CEO	(Name)	Hironobu Akiyama
Inquiries	(Title) CFO	(Name)	Yuki Hashimoto Telephone: +81-3-4500-9221
Scheduled date of annual general meeting of shareholders:		March 31, 2023	
Scheduled date of commencement of dividend payment:		-	
Scheduled date of filing of annual securities report:		March 31, 2023	
Preparation of supplementary material on financial results:	: Yes		
Holding of financial results briefing:	: Yes (for institutional investors and securities analysts)		

(Yen amounts are rounded down to the nearest million, unless otherwise noted.)

## 1. Consolidated financial results for the fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

## (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2022	4,389	166.7	(1,397)	-	(1,177)	-	(1,241)	-
Fiscal year ended December 31, 2021	1,645	192.8	(1,937)	-	(1,946)	-	(2,209)	-

Note: Comprehensive income	Fiscal year ended December 31, 2022	(1,485 million yen)	(-%)
	Fiscal year ended December 31, 2021	(2,299 million yen)	(-%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2022	(692.66)	-	(40.7)	(20.2)	(31.8)
Fiscal year ended December 31, 2021	(1,432.64)	-	(82.9)	(42.0)	(117.8)

Reference: Share of profit (loss) of investments accounted for using equity method	Fiscal year ended December 31, 2022	- million yen
	Fiscal year ended December 31, 2021	- million yen

- Notes:
- Diluted earnings per share of common stock for the fiscal year ended December 31, 2021 is omitted because, while potential shares of the Company's stock exist, the Company's stock is unlisted and its average share price during the period is unknown, and basic earnings per share is negative. Diluted earnings per share of common stock for the fiscal year ended December 31, 2022 is also omitted because, while potential shares of the Company's stock exist, basic earnings per share is negative.
  - A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. "Basic earnings per share" has been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.

(2) Consolidated financial condition

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended December 31, 2022	5,992	2,437	40.5	1,314.50
Fiscal year ended December 31, 2021	5,693	3,675	64.5	(7,597.17)

Reference: Shareholders' equity Fiscal year ended December 31, 2022 2,427 million yen  
Fiscal year ended December 31, 2021 3,671 million yen

Note: 1. A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. "Net assets per share" has been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2022	(830)	(1,298)	1,081	2,014
Fiscal year ended December 31, 2021	(1,518)	(724)	4,030	3,004

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2021	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended December 31, 2022	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending December 31, 2023 (forecast)	-	-	-	-	-		-	

Note: The Articles of Incorporation of INFORICH INC. ("INFORICH" or the "Company") set the final date of the second quarter and the fiscal year as record dates. However, the forecast of cash dividends at the record date has yet to be determined.

3. Consolidated forecast for the fiscal year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)  
(%: Changes from the corresponding period of the previous fiscal year)

	Net sales		Operating profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	6,776	54.4	(959)	-	(1,073)	-	(598.82)

Note: As for the average number of outstanding shares of common stock during the period, which constitutes the basis for calculating basic earnings per share of common stock, we have used the number of outstanding shares of common stock (excluding treasury shares) as of December 31, 2022, excluding 8,400 shares offered by way of third-party allotment (secondary offering by way of over-allotment).

\* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation) : Yes  
 Newly included: One company (Company name) CHARGESPOT MARKETING, INC.
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes
- (ii) Changes in accounting policies due to other reasons : None
- (iii) Changes in accounting estimates : None
- (iv) Restatement : None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	Fiscal year ended December 31, 2022	1,846,620 shares	Fiscal year ended December 31, 2021	1,790,520 shares
(ii) Number of treasury shares at the end of the period	Fiscal year ended December 31, 2022	-	Fiscal year ended December 31, 2021	-
(iii) Average number of shares outstanding during the period	Fiscal year ended December 31, 2022	1,792,518 shares	Fiscal year ended December 31, 2021	1,542,295 shares

Note: 1. A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. "Number of issued shares at year-end," "Number of treasury shares at year-end," and "Average number of shares outstanding during the period" have been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2022	3,393	241.7	(1,473)	-	(1,738)	-	(1,706)	-
Fiscal year ended December 31, 2021	993	241.9	(1,609)	-	(2,183)	-	(2,445)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2022	(951.87)	-
Fiscal year ended December 31, 2021	(1,585.48)	-

Notes: 1. Diluted earnings per share of common stock for the fiscal year ended December 31, 2021 is omitted because, while potential shares of the Company's stock exist, the Company's stock is unlisted and its average share price during the period is unknown, and basic earnings per share is negative. Diluted earnings per share of common stock for the fiscal year ended December 31, 2022 is also omitted because, while potential shares of the Company's stock exist, basic earnings per share is negative.

2. A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. Basic earnings per share have been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.

(2) Non-consolidated financial condition

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended December 31, 2022	5,264	2,413	45.7	1,304.21
Fiscal year ended December 31, 2021	5,430	3,880	71.4	(7,344.63)

Reference: Shareholders' equity      Fiscal year ended December  
31, 2022      2,408 million yen  
Fiscal year ended December  
31, 2021      3,877 million yen

Note: 1. A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. "Net assets per share" has been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters  
(Notes to statements regarding the future, etc.)

The forward-looking statements, including earnings forecasts, in this material are based on information currently available to management and certain assumptions that management believes are reasonable, and are not intended as a guarantee that the Company will achieve such targets. The actual results may differ materially from those projected herein, depending on various factors.

(Obtaining supplementary explanatory documents and information on the scheduled financial results briefing)

The Company plans to hold a financial results briefing on Wednesday, February 22, 2023. The materials used in the financial results briefing will be posted on the Company's website.

○ Table of contents of the appendix

1.	Overview of consolidated results of operations and financial condition .....	2
(1)	Overview of results of operations .....	2
(2)	Overview of financial condition .....	2
(3)	Overview of cash flows .....	3
(4)	Future outlook .....	3
2.	Basic view on the selection of appropriate accounting standard .....	3
3.	Consolidated financial statements and significant notes thereto .....	4
(1)	Consolidated balance sheet .....	4
(2)	Consolidated statement of income and consolidated statement of comprehensive income .....	6
	(Consolidated statement of income) .....	6
	(Consolidated statement of comprehensive income) .....	7
(3)	Consolidated statement of changes in equity .....	8
(4)	Consolidated statement of cash flows .....	10
(5)	Notes to consolidated financial statements .....	11
	(Matters related to the assumption of going concern) .....	11
	(Changes in accounting policies) .....	11
	(Business segment information, etc.) .....	11
	(Per share information) .....	13
	(Subsequent events) .....	13

## 1. Overview of consolidated results of operations and financial condition

### (1) Overview of results of operations

During the fiscal year ended December 31, 2022, the Japanese economy showed signs of a recovery as COVID-19 activity restrictions were eased, advancing the normalization of economic activities. However, amid continuing increases in consumer prices and energy prices due to disarray in the international community and acute currency fluctuations, the future direction of the business environment surrounding the Company remains uncertain.

As for the sharing economy area, the key business area of the INFORICH Group (the “Group”), according to the results of the “Sharing Economy-related Survey 2022” jointly published by the Sharing Economy Association Japan and InfoCom Research Inc., the sharing economy market reached a record-high of 2,615.8 billion yen in fiscal 2022 and is expected to expand by about 5.7 times to 15,116.5 billion yen in fiscal 2032.

Under these circumstances, the Group actively invested to expand the ChargeSPOT business, strengthening its collaboration with partner companies. The number of battery stands installed increased stably to 38,032 as of the end of December 2022, toward the realization of the sharing of batteries that can be borrowed and returned anywhere. The Group also ran an advertising campaign, etc. mainly through TV commercials to raise awareness thereof.

As a result, net sales increased significantly to 4,389,053 thousand yen, up 166.7% from the previous fiscal year. However, due to an increase in anticipatory investment costs, operating loss was 1,397,069 thousand yen (1,937,960 thousand yen in the previous fiscal year), ordinary loss was 1,177,173 thousand yen (1,946,355 thousand yen in the previous fiscal year), and loss attributable to owners of parent was 1,241,596 thousand yen (2,209,555 thousand yen in the previous fiscal year.)

The Group will work to increase the awareness and use of the service, while being committed to further enhancing service quality. Since the Group operates in a single segment of the ChargeSPOT business, information by business segment is omitted.

### (2) Overview of financial condition

#### (Current assets)

The balance of current assets at the end of the fiscal year ended December 31, 2022 was 3,665,784 thousand yen (down 370,007 thousand yen year on year). This was partly due to a decrease in cash and deposits by 679,738 thousand yen, and increases in accounts receivable - trade by 44,818 thousand yen and accounts receivable - other by 228,502 thousand yen, mainly owing to an increase in net sales.

#### (Non-current assets)

The balance of non-current assets at the end of the fiscal year ended December 31, 2022 was 2,327,021 thousand yen (up 668,980 thousand yen year on year). This was mainly due to increases in leased assets by 987,012 thousand yen owing to the new installation of battery stands and in tools, furniture and fixtures by 68,528 thousand yen,.

#### (Current liabilities)

The balance of current liabilities at the end of the fiscal year ended December 31, 2022 was 2,751,934 thousand yen (up 1,315,273 thousand yen year on year). This was mainly due to an increase in short-term borrowings by 516,000 thousand yen and in lease obligations by 427,576 thousand yen.

#### (Non-current liabilities)

The balance of non-current liabilities at the end of the fiscal year ended December 31, 2022 was 803,060 thousand yen (up 221,338 thousand yen year on year). This was mainly due to an increase in lease obligations by 277,438 thousand yen.

#### (Net assets)

The balance of net assets at the end of the fiscal year ended December 31, 2022 was 2,437,811 thousand yen (down 1,237,638 thousand yen year on year). This was mainly due to an increase in both share capital and legal capital surplus by 118,707 thousand yen, and on the other hand, a decrease in retained earnings by 1,241,596 thousand yen due to the recording of loss attributable to owners of parent, which partly resulted from the fact that the Company listed its stock on the Tokyo Stock Exchange Growth Market and offered its shares to the public.

### (3) Overview of cash flows

Cash and cash equivalents at the end of the fiscal year ended December 31, 2022 amounted to 2,014,275 thousand yen, down 990,085 thousand yen year on year. Consolidated cash flows by activity and factors affecting cash flows are as follows.

#### (Cash flows from operating activities)

The funds used in operating activities amounted to 830,411 thousand yen (1,518,975 thousand yen in the previous fiscal year). The decrease was mainly due to the recording of loss before income taxes of 1,238,205 thousand yen (2,205,542 thousand yen in the previous fiscal year), an increase in trade receivables by 40,799 thousand yen due to the expansion of sales (17,443 thousand yen in the previous fiscal year), and an increase in accounts receivable - other by 186,377 thousand yen (155,105 thousand yen in the previous fiscal year), while the increase was mainly attributable to the recording of depreciation of 481,305 thousand yen (307,097 thousand yen in the previous fiscal year) and impairment losses of 125,382 thousand yen (238,575 thousand yen in the previous fiscal year).

#### (Cash flows from investing activities)

The funds used in investing activities came to 1,298,969 thousand yen (724,586 thousand yen in the previous fiscal year). This was mainly due to the purchase of property, plant and equipment (mobile batteries and battery stands, etc.) of 965,554 thousand yen (1,066,421 thousand yen in the previous fiscal year) and payments into time deposits of 310,347 thousand yen (398,238 thousand yen in the previous fiscal year).

#### (Cash flows from financing activities)

The funds provided by financing activities amounted to 1,081,327 thousand yen (4,030,036 thousand yen in the previous fiscal year). This was mainly due to the recording of proceeds from issuance of shares, including stock listing, of 236,584 thousand yen (3,910,899 thousand yen in the previous fiscal year), proceeds from sale and leaseback transactions of 1,150,204 thousand yen (1,015,608 thousand yen in the previous fiscal year), and proceeds from short-term borrowings of 716,500 thousand yen (700,000 thousand yen in the previous fiscal year), while recording repayments of lease obligations of 801,304 thousand yen (1,002,948 thousand yen in the previous fiscal year) and repayments of short-term borrowings of 200,500 thousand yen (580,000 thousand yen in the previous fiscal year), etc.

### (4) Future outlook

While we must continue to keep watch for a resurgence of COVID-19 and climate change risks, various measures implemented by the central and regional governments are expected to promote economic recovery amid a shift to a new “Living with COVID-19” phase. Mobile batteries are used actively in the areas of tourism, sports and events as flows of people increase, raising expectations for growth in the mobile battery sharing service market.

Under these circumstances, the consolidated earnings forecasts for the fiscal year ending December 31, 2023 are net sales of 6,776,256 thousand yen (up 54.4% year on year), operating loss of 959,351 thousand yen (1,397,069 thousand yen in the previous fiscal year), and loss attributable to owners of parent of 1,073,395 thousand yen (1,241,596 thousand yen in the previous fiscal year.)

The earnings forecasts are based on exchange rates of 17 yen to the Hong Kong dollar and 19 yen to the Chinese yuan.

The above earnings forecasts have been prepared based on information available at the time of releasing this material. The actual results may differ from those projected herein, depending on various factors in the future.

## 2. Basic view on the selection of appropriate accounting standard

To ensure comparability with its domestic peers, the Group has adopted Japanese GAAP. The Group will consider the application of international accounting standards based on future business development and trends in Japan and overseas.

### 3. Consolidated financial statements and significant notes thereto

#### (1) Consolidated balance sheet

(Thousands of yen)

	Fiscal year ended December 31, 2021 (December 31, 2021)	Fiscal year ended December 31, 2022 (December 31, 2022)
<b>(Assets)</b>		
Current assets		
Cash and deposits	3,293,782	2,614,044
Accounts receivable - trade	31,868	76,687
Supplies	29,986	43,173
Accounts receivable - other	265,952	494,455
Other	454,481	464,708
Allowance for doubtful accounts	(40,280)	(27,284)
<b>Total current assets</b>	<b>4,035,791</b>	<b>3,665,784</b>
Non-current assets		
Property, plant and equipment		
Buildings	37,610	37,874
Tools, furniture and fixtures	979,986	1,048,514
Leased assets	553,151	1,540,164
Construction in progress	489,606	442,924
Other	2,104	46,019
Accumulated depreciation	(428,445)	(849,574)
<b>Total property, plant and equipment</b>	<b>1,634,014</b>	<b>2,265,922</b>
Intangible assets		
Other	1,089	12,995
<b>Total intangible assets</b>	<b>1,089</b>	<b>12,995</b>
Investments and other assets		
Distressed receivables	213,054	158,616
Other	22,937	48,103
Allowance for doubtful accounts	(213,054)	(158,616)
<b>Total investments and other assets</b>	<b>22,937</b>	<b>48,103</b>
<b>Total non-current assets</b>	<b>1,658,041</b>	<b>2,327,021</b>
<b>Total assets</b>	<b>5,693,832</b>	<b>5,992,805</b>



(Thousands of yen)

	Fiscal year ended December 31, 2021 (December 31, 2021)	Fiscal year ended December 31, 2022 (December 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	200,000	716,000
Current portion of long-term borrowings	15,600	39,600
Lease obligations	424,457	852,033
Accounts payable - other	350,107	425,684
Income taxes payable	4,968	54,846
Advance received	316,180	-
Provision for sales discount	7,520	-
Contract liabilities	-	511,542
Provision for defect handling expenses	20,730	1,426
Provision for bonuses	31,894	40,675
Provision for paid annual leave	2,589	5,910
Other	62,610	104,214
<b>Total current liabilities</b>	<b>1,436,660</b>	<b>2,751,934</b>
Non-current liabilities		
Long-term borrowings	68,100	12,000
Lease liabilities	513,621	791,060
<b>Total non-current liabilities</b>	<b>581,721</b>	<b>803,060</b>
<b>Total liabilities</b>	<b>2,018,382</b>	<b>3,554,994</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	100,000	218,707
Capital surplus	5,888,781	6,007,488
Retained earnings	(2,266,401)	(3,507,998)
<b>Total shareholders' equity</b>	<b>3,722,379</b>	<b>2,718,197</b>
Accumulated other comprehensive income		
Foreign currency translation adjustment	(50,406)	(290,808)
<b>Total accumulated other comprehensive income</b>	<b>(50,406)</b>	<b>(290,808)</b>
Share acquisition rights	3,477	5,393
Non-controlling interests	-	5,029
<b>Total net assets</b>	<b>3,675,449</b>	<b>2,437,811</b>
<b>Total liabilities and net assets</b>	<b>5,693,832</b>	<b>5,992,805</b>

## (2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(Thousands of yen)

	Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)	Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)
Net sales	1,645,439	4,389,053
Cost of sales	801,179	1,383,449
Gross profit	844,260	3,005,603
Selling, general and administrative expenses	2,782,220	4,402,672
Operating loss	(1,937,960)	(1,397,069)
Non-operating income		
Interest income	2,643	1,431
Foreign exchange gains	109,780	266,706
Other	4,308	26,763
Total non-operating income	116,733	294,901
Non-operating expenses		
Interest expenses	70,898	68,659
Provision of allowance for doubtful accounts	38,145	-
Bad debt expenses	-	5,442
Share issuance costs	15,093	830
Other	990	72
Total non-operating expenses	125,129	75,005
Ordinary loss	(1,946,355)	(1,177,173)
Extraordinary income		
Compensation gain on noncurrent assets	-	64,840
Gain on cancellation of leases	3,033	-
Total extraordinary income	3,033	64,840
Extraordinary losses		
Loss on retirement of non-current assets	2,231	490
Impairment losses	238,575	125,382
Loss on valuation of investment securities	682	-
Provision of defect handling expenses	20,730	-
Total extraordinary losses	262,220	125,872
Loss before income taxes	(2,205,542)	(1,238,205)
Income taxes - current	4,995	20,989
Income taxes - deferred	(982)	(13,877)
Total income taxes	4,012	7,112
Loss	(2,209,555)	(1,245,317)
Loss attributable to non-controlling interests	-	(3,720)
Loss attributable to owners of parent	(2,209,555)	(1,241,596)

(Consolidated statement of comprehensive income)

(Thousands of yen)

	Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)	Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)
Loss	(2,209,555)	(1,245,317)
Other comprehensive income		
Foreign currency translation adjustment	(89,498)	(240,401)
Total other comprehensive income	(89,498)	(240,401)
Comprehensive income	(2,299,053)	(1,485,719)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,299,053)	(1,481,998)
Comprehensive income attributable to non-controlling interests	-	(3,720)

## (3) Consolidated statement of changes in equity

Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	259,935	6,464,609	(5,105,181)	1,619,363
Changes during period				
Issuance of new shares	2,156,285	2,156,285		4,312,571
Capital reduction	(2,316,220)	2,316,220		-
Deficit disposition		(5,048,335)	5,048,335	-
Loss attributable to owners of parent			(2,209,555)	(2,209,555)
Change in ownership interest of parent due to transactions with non-controlling interests		(0)		(0)
Net changes in items other than shareholders' equity				
Total changes during period	(159,935)	(575,828)	2,838,780	2,103,016
Balance at end of period	100,000	5,888,781	(2,266,401)	3,722,379

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	39,091	39,091	2,200	-	1,660,654
Changes during period					
Issuance of new shares					4,312,571
Capital reduction					-
Deficit disposition					-
Loss attributable to owners of parent					(2,209,555)
Change in ownership interest of parent due to transactions with non-controlling interests					(0)
Net changes in items other than shareholders' equity	(89,498)	(89,498)	1,277		(88,220)
Total changes during period	(89,498)	(89,498)	1,277	-	2,014,795
Balance at end of period	(50,406)	(50,406)	3,477	-	3,675,449

Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	100,000	5,888,781	(2,266,401)	3,722,379
Changes during period				
Issuance of new shares	118,707	118,707		237,415
Capital reduction				
Deficit disposition				
Loss attributable to owners of parent			(1,241,596)	(1,241,596)
Change in ownership interest of parent due to transactions with non-controlling interests				
Net changes in items other than shareholders' equity				
Total changes during period	118,707	118,707	(1,241,596)	(1,004,181)
Balance at end of period	218,707	6,007,488	(3,507,998)	2,718,197

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(50,406)	(50,406)	3,477	-	3,675,449
Changes during period					
Issuance of new shares					237,415
Capital reduction					-
Deficit disposition					-
Loss attributable to owners of parent					(1,241,596)
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity	(240,401)	(240,401)	1,916	5,029	(233,456)
Total changes during period	(240,401)	(240,401)	1,916	5,029	(1,237,638)
Balance at end of period	(290,808)	(290,808)	5,393	5,029	2,437,811

## (4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)	Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)
<b>Cash flows from operating activities</b>		
Loss before income taxes	(2,205,542)	(1,238,205)
Depreciation	307,097	481,305
Impairment losses	238,575	125,382
Gain on cancellation of lease obligations	(3,033)	-
Loss on retirement of non-current assets	2,231	490
Compensation gain on noncurrent assets	-	(64,840)
Loss (gain) on valuation of investment securities	682	-
Increase (decrease) in allowance for doubtful accounts	94,850	(97,189)
Increase (decrease) in Provision for defect handling expenses	20,730	(19,303)
Increase (decrease) in provision for bonuses	10,253	8,780
Interest income	(2,643)	(1,431)
Interest expenses	70,898	68,659
Share issuance costs	15,093	830
Foreign exchange losses (gains)	(130,928)	(263,037)
Decrease (increase) in trade receivables	(17,443)	(40,799)
Decrease (increase) in inventories	9,262	(11,986)
Decrease (increase) in accounts receivable - other	(155,105)	(186,377)
Decrease (increase) in other current assets	49,476	121,961
Decrease (increase) in distressed receivables	(20,937)	84,193
Increase (decrease) in advances received	114,992	-
Increase (decrease) in contract liabilities	-	141,618
Increase (decrease) in accounts payable - other	134,020	73,047
Increase (decrease) in other current liabilities	(17,320)	69,789
Other, net	6,861	(11,094)
Subtotal	(1,477,928)	(758,205)
Interest and dividends received	2,659	1,431
Interest paid	(44,009)	(68,659)
Income taxes paid	(3,826)	(4,977)
Income taxes refund	4,130	-
Net cash provided by (used in) operating activities	(1,518,975)	(830,411)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,066,421)	(965,554)
Payments into time deposits	(398,238)	(310,347)
Proceeds from withdrawal of time deposits	781,645	-
Loan advances	(38,145)	-
Proceeds from collection of loans receivable	6,841	-
Other, net	(10,268)	(23,067)
Net cash provided by (used in) investing activities	(724,586)	(1,298,969)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share acquisition rights	1,277	3,193
Proceeds from short-term borrowings	700,000	716,500
Repayments of short-term borrowings	(580,000)	(200,500)
Repayments of long-term borrowings	(14,800)	(32,100)
Proceeds from sale and leaseback transactions	1,015,608	1,150,204
Repayments of lease obligations	(1,002,948)	(801,304)
Proceeds from issuance of shares	3,910,899	236,584
Proceeds from share issuance to non-controlling shareholders	-	8,750
Net cash provided by (used in) financing activities	4,030,036	1,081,327
Effect of exchange rate change on cash and cash equivalents	32,105	57,967
Net increase (decrease) in cash and cash equivalents	1,818,579	(990,085)
Cash and cash equivalents at beginning of period	1,185,781	3,004,360
Cash and cash equivalents at end of period	3,004,360	2,014,275

(5) Notes to consolidated financial statements

(Matters related to the assumption of going concern)

There is no applicable information.

(Changes in accounting policies)

(Accounting standard for revenue recognition and others)

INFORICH has applied "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020; hereinafter "Accounting Standard for Revenue Recognition") and others from the beginning of the fiscal year ended December 31, 2022. Accordingly, INFORICH recognizes revenue at the time the promised goods or services are transferred to the customer, in an amount that reflects the consideration to which INFORICH expects to be entitled in exchange for said goods or services.

In accordance with the transitional treatment set out in the proviso to Paragraph 84 of the Accounting Standard for Revenue Recognition, the cumulative effects arising from the retroactive application of these new accounting policies to all previous fiscal years were reflected in retained earnings as of the beginning of the fiscal year ended December 31, 2022, and the new accounting policies have been applied from the beginning of the same fiscal year.

The adoption of this accounting standard had no impact on the profit and loss for the fiscal year ended December 31, 2022. Further, it had no impact on the balance of retained earnings at the beginning of the current period.

Due to the application of the Accounting Standard for Revenue Recognition, advances received and reserve for sales discount, which were presented under current liabilities on the consolidated balance sheet of the previous fiscal year, were included in contract liabilities from the current fiscal year.

In accordance with the transitional treatment set out in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, the figures for the fiscal year ended December 31, 2021 have not been reclassified using a new reporting method.

(Business segment information, etc.)

[Business segment information]

Since the Group operates in a single segment of the ChargeSPOT business, the information is omitted.

[Related information]

Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)

1. Information by product and service

Since net sales to external customers in the single product and service category exceed 90% of the net sales in the consolidated statement of income, the information is omitted.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	China (including Hong Kong)	Other	Total
993,217	551,863	100,358	1,645,439

(2) Property, plant and equipment

(Thousands of yen)

Japan	China (including Hong Kong)	Total
1,261,649	372,364	1,634,014

3. Information by major customer

Since net sales to specific customers do not constitute more than 10% of the net sales in the consolidated statement of income, the information is omitted.

Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)

1. Information by product and service

Since net sales to external customers in the single product and service category exceed 90% of the net sales in the consolidated statement of income, the information is omitted.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	China (including Hong Kong)	Other	Total
3,393,877	782,317	212,858	4,389,053

(2) Property, plant and equipment

(Thousands of yen)

Japan	China (including Hong Kong)	Total
2,078,105	187,817	2,265,922

3. Information by major customer

Since net sales to specific customers do not constitute more than 10% of the net sales in the consolidated statement of income, the information is omitted.

[Impairment losses on non-current assets by reportable segment]

Since the Group operates in a single segment of the ChargeSPOT business, the information is omitted.

[Amortization of goodwill and the balance of unamortized goodwill by reportable segment]

Since the Group operates in a single segment of the ChargeSPOT business, the information is omitted.

[Gain on bargain purchase by reportable segment]

There is no applicable information.



(Per share information)

	Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)	Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)
Net assets per share	(7,597.17 yen)	1,314.50 yen
Loss per share	(1,432.64 yen)	(692.66 yen)

- Notes:
1. Diluted earnings per share of common stock for the fiscal year ended December 31, 2021 is omitted because, while potential shares of the Company's stock existed, the Company's stock was unlisted and its average share price during the period was unknown, and basic earnings per share was negative. Diluted earnings per share of common stock for the fiscal year ended December 31, 2022 is also omitted because basic earnings per share is negative, though potential shares of the Company's stock exist.
  2. Net assets per share for the fiscal year ended December 31, 2021 are calculated after deducting the amount of distributions of residual assets to preferred shareholders.
  3. A 5-for-1 common stock split was conducted with an effective date of September 30, 2022. Net assets per share and loss per share have been calculated assuming the stock split was conducted at the beginning of the fiscal year ended December 31, 2021.
  4. Loss per share has been calculated on the following basis.

	Fiscal year ended December 31, 2021 (From January 1, 2021 to December 31, 2021)	Fiscal year ended December 31, 2022 (From January 1, 2022 to December 31, 2022)
Loss per share		
Loss attributable to owners of parent (Thousands of yen)	(2,209,555)	(1,241,596)
Amount not attributable to common shareholders (thousands of yen)	-	-
Loss attributable to owners of parent related to common stock (thousands of yen)	(2,209,555)	(1,241,596)
Average number of shares of common stock outstanding during the period	1,542,295	1,792,518
(Number of shares of common stock)	(812,680)	(1,792,518)
(Number of shares of Series A preferred stock)	(106,500)	-
(Number of shares of Series B preferred stock)	(115,025)	-
(Number of shares of Series C preferred stock)	(231,825)	-
(Number of shares of Series D preferred stock)	(276,265)	-
Description of potential shares that were not included in the calculation of diluted earnings per share of common stock as they have no dilutive effects	7 types of share acquisition rights (58,668 share acquisition rights)	7 types of share acquisition rights (159,906 share acquisition rights)

(Subsequent events)

There is no applicable information.