

Note: This is an English translation of the Financial Summary in Japanese and is for reference purposes only. In the event of any discrepancy between the translation and the original Japanese text, the latter will prevail.



Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (IFRS)

May 15, 2023

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 Scheduled date of general meeting of shareholders June 24, 2023 Scheduled date of payment of cash dividends June 9, 2023
 Filing date of financial statements June 26, 2023
 Supplemental materials prepared for financial results Yes
 Earnings briefing for financial results Yes (for institutional and individual investors)

(Figures are rounded to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Consolidated Financial Results

(Millions of yen, % indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income tax		Net profit		Net profit attributable to owners of the parent		Comprehensive net profit	
	Yen	%	Yen	%	Yen	%	Yen	%	Yen	%	Yen	%
Fiscal Year Ended March 31, 2023	3,378	13.8%	(2,579)	—	(2,347)	—	(1,874)	—	(1,683)	—	(1,302)	—
Fiscal Year Ended March 31, 2022	2,968	10.4%	3,445	320.3%	3,984	288.5%	2,869	247.4%	2,510	210.9%	3,288	249.3%

	Basic earnings per share	Diluted earnings per share	Ratio of net profit attributable to owners of parent	Ratio of profit before income tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
Fiscal Year Ended March 31, 2023	(100.20)	(100.20)	(21.7)	(20.2)	(76.3)
March 31, 2022	152.43	152.43	36.1	38.9	116.1

Note: Basic earnings per share and diluted earnings per share based on net profit attributable to owners of the parent.

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity attributable to owners of the parent per share
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
Fiscal Year Ended March 31, 2023	10,618	7,627	7,132	67.2	424.74
March 31, 2022	12,595	8,981	8,357	66.3	497.64

(3) Consolidated Cash Flows

(Millions of yen)

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financial activities	Cash and cash equivalents at end of period
	Yen	Yen	Yen	Yen
Fiscal Year Ended March 31, 2023	235	(67)	(266)	1,744
Fiscal Year Ended March 31, 2022	58	(499)	(225)	1,816

2. Cash Dividends

	Annual cash dividends					Total amount of dividends	Consolidated dividend payout ratio	Consolidated ratio of dividends to equity attributable to owners of the parent
	End-Q1	End-Q2	End-Q3	Year-end	Total			
Fiscal Year Ended March 31, 2022	—	0.00	—	4.50	4.50	76	3.0	1.1
Fiscal Year Ended March 31, 2023	—	0.00	—	4.50	4.50	76	—	1.0
Fiscal Year Ending March 31, 2024 (Forecast)	—	2.00	—	—	—	—	—	—

Note: Regarding the forecast of cash dividends for second quarter of the fiscal year ending March 31, 2024 (interim dividends), we will plan to implement a commemorative dividend to mark the 25th anniversary of founding. The forecast for the year-end dividends is unprovided at this time.

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Net profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,500	33.2	—	—	—	—	—	—	—

Note: Forecasts of consolidated financial results for the full fiscal year ending in March 2024 are provided in "1. Qualitative Information (4) Outlook for consolidated business results, etc." on page 4 of the attached document.

* Notes

- (1) Changes in significant subsidiaries during the fiscal year
 (Changes in specified subsidiaries that caused a change in the scope of consolidation): None
 Newly included: – company (name) –, Excluded: – company (name) –
- (2) Changes in accounting policies, changes in accounting estimation
 a) Changes in accounting policies due to IFRS requirements: None
 b) Changes in accounting policies other than a) above: None
 c) Changes in accounting estimation: None

(3) Number of issued shares (Common Stock)

a) Total number of issued shares at the end of the period (including treasury stock)	Fiscal Year Ended March 31, 2023	17,491,265 shares	Fiscal Year Ended March 31, 2022	17,491,265 shares
b) Number of shares of treasury stock at the end of the period	Fiscal Year Ended March 31, 2023	695,942 shares	Fiscal Year Ended March 31, 2022	699,092 shares
c) Average number of shares during the period	Fiscal Year Ended March 31, 2023	16,793,704 shares	Fiscal Year Ended March 31, 2022	16,469,359 shares

* These consolidated financial results are not subject to audit.

* Cautionary statement on appropriate use of business results forecasts and other matters.

(Note on forward-looking statements)

This report contains forward-looking statements on future performance and other matters that are based on information currently available to the company and certain reasonable assumptions. These forward-looking statements are not guarantees of future performance. A variety of factors may cause actual performance to be materially different from that expressed or implied by these forward-looking statements. For notes on the assumptions used in business forecasts and use of these forecasts, please refer to "1. Qualitative information for business results, (4) Outlook for consolidated business results, etc."

(Access to supplementary materials for results and content from the results briefing)

The company plans to hold an online result briefing from 6.00pm (JST) on Monday May 15, 2023. The materials used in the briefing will be posted on our official website, and the briefing video itself will be streamed live on YouTube Live and will also be available on our website at a later date.

○ Index of attached materials

1. Qualitative information for business results	2
(1) Explanation of business results	2
(2) Explanation of financial position	4
(3) Explanation of cash flows.....	4
(4) Outlook for consolidated business results, etc.	4
2. Basic rationale for selection of accounting standards	4
3. Outline of consolidated financial statements and main notes	5
(1) Outline of Consolidated Statement of Financial Position	5
(2) Outline of Consolidated Statement of Profit or Loss	7
(3) Outline of Consolidated Statement of Comprehensive Income.....	8
(4) Outline of Consolidated Statement of Changes in Equity	9
(5) Outline of Consolidated Statement of Cash Flows	11
(6) Main notes to outline of consolidated financial statements	12
4. Others	14

1. Qualitative information for business results

(1) Explanation of business results

The consolidated results for the fiscal year ended March 31, 2023 (April 1, 2022-March 31, 2023, hereinafter FY2022) saw year-over-year (hereinafter YoY) 13.8% increase to ¥3,378.1mn in revenue. This was due to a 9.4% YoY increase in the Software Business and a 39.8% YoY increase in the Design Business.

Regarding profits, the company recognized an unrealized loss of ¥2,112.9mn in the Investment Business due to a fall in the share price of investee Gorilla Technology Group Inc. (hereinafter Gorilla Technology) and an impairment loss on goodwill related to subsidiary This Place Limited (hereinafter This Place) of ¥449.9mn.

As a result, operating loss amounted to ¥2,578.8mn, loss before income taxes to ¥2,346.6mn and net loss attributable to owners of the parent to ¥1,682.8mn.

<<Group business initiatives>>

As we see the shift toward digitalization as an irreversible trend, we will continue to focus our business operations and strategic investments in the "D4G" (Data, Device, Decentralized, Design for Green) domain which is believed to grow significantly over the next few years. The company will also strengthen our efforts in the no-code related area, which is a strength we have developed with our software products. In April 2022, the company opened the reskilling portal site "NoCode Gate" specializing in no-code, and in September of the same year, the company established the "No Code Promotion Association" as one of the founding companies for the purpose of transforming the software culture through no-code. Through awareness-raising activities, the association will promote DX that contributes to improving the productivity of companies and society.

The Group redefined office spaces while setting up satellite offices mainly in Japan to promote new work styles with multiple workplace options that employees can choose from at their discretion. In July of this year, the company plans to open a new office in Karuizawa Town, Nagano Prefecture, as part of our efforts to further improve the work environment.

Consolidated results for FY2022 were as follows.

(Millions of yen)

	FY2021	FY2022	YoY growth
Revenue	2,967.6	3,378.1	13.8%
Operating profit or loss	3,445.3	(2,578.8)	-%
Profit or loss before income taxes	3,984.4	(2,346.6)	-%
Net profit or loss attributable to owners of the parent	2,510.4	(1,682.8)	-%

<<Reportable segments>>

For the purposes of deciding the allocation of Group management resources and appraising performance, the Group split its businesses into two reportable segments: the “Software Business segment” and the “Investment Business segment”. The “Software Business segment” is made up of the corporate software product businesses the Group has been developing since its establishment as well as the design services business provided by This Place, which was acquired in 2017.

The “Investment Business segment” is focused on corporate investments via Asteria Vision Fund (AVF) -1, which was launched in 2019.

<<Software Business>>

Software Business segment consists of two businesses, and the revenues of each were as follows:

<Software>

(Millions of yen)

	FY2021	FY2022	YoY growth
Revenue	2,531.9	2,769.2	109.4%

Data integration middleware “Warp” saw the continued expansion of demand for no-code data integration caused by legal revisions such as invoicing system and digital transformation (DX) trends to improve operational efficiency in various industries. As a result of conducting promotional activities in collaboration with major domestic cloud services, its revenue increased by approximately 11% YoY. In December 2022, Warp was adopted into IJ Cloud Data Platform Service as a data integration platform and entered the iPaaS market, a new business area.

AI-equipped IoT integration edgware “Gravio” can be used to build AI and IoT-based systems without coding. Recently, there was an increasing need for smart offices due to a reexamination of workplaces triggered by the return-to-office policy. Also, due to a rise in the number of foreign tourists visiting Japan, inquiries for Gravio are rapidly increasing as a tool to solve the labor shortage at hotels.

Mobile app building tool “Platio” has been introduced in a wide range of industries as a no-code tool that enables in-house production of various apps in response to the growing demand for DX driven by the digitalization of business processes and the planned implementation of overtime regulations, including “the 2024 issue in logistics.” In January 2022, we released a new lineup, “Platio Connect” that enables app building and data integration with various systems. As a result of active promotional activities with sales partners, its revenue increased by approximately 60% YoY.

Business negotiation support app “Handbook X” has been highly evaluated for its ease of introduction and access to various content. The number of free downloads has surpassed 150,000, and we are promoting the development of new markets beyond the field of its predecessor, “Handbook.”

<Design>

(Millions of yen)

	FY2021	FY2022	YoY growth
Revenue	435.7	608.9	139.8%

The Design Business provides consulting services mainly in the United Kingdom and the United States to improve customer experience, in addition to supporting the formulation and execution of customer companies' DX strategies. We have also started business in Japan.

Revenue increased YoY due to continued orders from existing customers in the United Kingdom and the United States, as well as the acquisition of new customers such as major US IT companies, international organizations, and Japanese retailers.

<<Investment Business>>

The Investment Business segment focuses on corporate investments via AVF-1 (in the U.S.), which was established in 2019. AVF-1 invests based on a “4D strategy” (Data, Device, Decentralized, Design), and the results of its operations on investment valuation change is booked in accordance with IFRS.

(Millions of yen)

	FY2021	FY2022	YoY growth
Investment valuation change	4,014.5	(2,033.5)	-%

The decrease was mainly due to a decrease in the valuation of the Gorilla Technology.

“Investment valuation change” is included in “Other Income” in the Condensed Consolidated Statement of Profit or Loss.

(2) Explanation of financial position

(Assets)

Total assets as of the end of FY2022 were Yen 10,617.9mn, down Yen 1,976.9mn from the end of FY2021. This owed mainly to decrease of Yen 1,478.2mn in other financial assets and Yen 449.9mn in goodwill.

(Liabilities)

Total liabilities as of the end of FY2022 were Yen 2,989.1mn, down Yen 624.2mn from the end of FY2021. This owed mainly to decrease of Yen 391.3mn in deferred tax liabilities and Yen 248.4mn in trade and other payables.

(Equity)

Equity as of the end of FY2022 was Yen 7,628.7mn, down Yen 1,352.6mn from the end of FY2021. This owed mainly to increases of Yen 433.8mn in other equity components and decrease of Yen 1,681.4mn in retained earnings and Yen 129.8mn in non-controlling interests.

(3) Explanation of cash flows

The balance of cash and cash equivalents (hereinafter “cash”) as of the end of FY2022 was Yen 1,743.6mn, down Yen 72.5mn from the end of FY2021.

Change in each cash flow item during the period and the reasons for the changes were as follows.

(Cash flow from operating activities)

Net cash provided by operating activities for the FY2022, was Yen 234.8mn, compared to a cash inflow of Yen 58.0mn in the FY2021. This was due mainly to the booking of Yen 2,346.6mn in loss before income taxes against the increase of Yen 2,033.7mn in other expense (mainly unrealized loss on investment).

(Cash flow from investment activities)

Net cash used in investment activities for the FY2022, was Yen 67.3mn, compared to a cash outflow of Yen 498.7mn in the FY2021. This owed mainly to Yen 455.1mn provided for proceeds from the sale and redemption of investment and Yen 431.6mn provided for proceeds from collection of loans receivable against Yen 402.7 used for loans receivable and Yen 391.8mn used for purchase of property, plant, and equipment.

(Cash flow from financial activities)

Net cash used in financial activities for the FY2022, was Yen 265.5mn, compared to a cash outflow of Yen 225.0mn in the FY2021. This owed mainly to Yen 142.8mn used for the repayment of long-term debt and Yen 75.5mn used for the payment of dividends and.

(4) Outlook for consolidated business results, etc.

Regarding revenue, we expect a significant increase in the Software Business as a result of up-front investment in the first and second years of the medium-term management plan. In the Design Business, we also anticipate significant growth due to the prospect of the acquisition of new IT company customers in the United States.

Regarding profit, forecasts of consolidated financial results for the full fiscal year ending in March 2024 are not provided herein because Gorilla Technology, an AVF-1 investee, was listed on the NASDAQ last year, the shares of the company held by our Group will be measured at the market price as fair value at the end of each quarter and the company has determined that it is not possible to accurately predict the market price. When it becomes possible to calculate the market price, the company will announce the consolidated financial results forecasts in its timely disclosure.

2. Basic rationale for selection of accounting standards

The Group's business involves the supply of mainstay products such as ASTERIA Warp and Handbook in line with its vision of “developing and supplying software on a global scale to enable computing that transcends organizational boundaries.” With the Group vision requiring activities on a “global scale”, we strive to be compliant with global accounting standards with a view to improving international comparability and increasing convenience for our stakeholders. To that end, we implemented International Financial Reporting Standards (IFRS) beginning with our securities filings for fiscal year ending March 31, 2016.

3. Outline of consolidated financial statements and main notes

(1) Outline of Statement of Financial Position

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and cash equivalents	1,816,106	1,743,642
Trade and other receivables	391,602	182,641
Inventories	4,211	4,348
Other financial assets	375,804	410,012
Other current assets	234,898	91,470
Total current assets	<u>2,822,621</u>	<u>2,432,114</u>
Non-current assets		
Property, plant and equipment	503,157	812,927
Goodwill	449,860	—
Intangible assets	94,117	151,030
Investments accounted for using the equity method	352,009	348,850
Other financial assets	8,217,730	6,705,345
Other non-current assets	155,224	167,597
Total non-current assets	<u>9,772,098</u>	<u>8,185,748</u>
Total assets	<u><u>12,594,718</u></u>	<u><u>10,617,862</u></u>

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities and Equity		
Liabilities		
Current liabilities		
Borrowings	242,800	242,800
Trade and other payables	530,308	281,886
Income taxes payable	—	75,126
Other financial liabilities	43,510	53,860
Other current liabilities	656,093	771,037
Total current liabilities	1,472,711	1,424,709
Non-current liabilities		
Provisions	9,341	9,367
Borrowings	500,200	357,400
Deferred Tax liabilities	1,240,632	849,329
Other financial liabilities	385,824	343,198
Other non-current liabilities	4,648	5,133
Total non-current liabilities	2,140,646	1,564,427
Total liabilities	3,613,357	2,989,136
Equity		
Common stock	2,275,343	2,275,343
Additional paid-in capital	2,457,037	2,481,831
Treasury stock	(538,012)	(538,012)
Other equity components	258,934	692,706
Retained earnings	3,903,237	2,221,831
Total equity attributable to owners of parent	8,356,539	7,133,700
Non-controlling interests	624,823	495,027
Total Equity	8,981,362	7,628,727
Total liabilities and Equity	12,594,718	10,617,862

(2) Outline of Consolidated Statement of Profit or Loss

(Thousands of yen)

	FY2021 (April 1, 2021–March 31, 2022)	FY2022 (April 1, 2022–March 31, 2023)
Revenue	2,967,587	3,378,113
Cost of sales	473,513	604,683
Gross income	2,494,074	2,773,430
Selling, general and administrative expenses	2,496,052	2,854,181
Other income	4,057,696	10,434
Other expenses	610,463	2,508,523
Operating income	3,445,255	(2,578,839)
Finance income	553,121	303,445
Finance costs	11,256	76,675
Equity in earnings of affiliates (Figures in negative represent loss)	(2,728)	5,427
Income before income tax	3,984,392	(2,346,642)
Income tax expense	1,114,984	(472,728)
Net income	<u>2,869,408</u>	<u>(1,873,915)</u>
Attributable net income		
Net income attributable to owners of the parent	2,510,411	(1,682,810)
Attributable to non-controlling interests	358,996	(191,105)
Net income	<u>2,869,408</u>	<u>(1,873,915)</u>
Earnings per share		
Basic earnings per share (Yen)	152.43	(100.20)
Diluted earnings per share (Yen)	152.43	(100.20)

(3) Outline of Consolidated Statement of Comprehensive Income

(Thousands of yen)

	FY2021 (April 1, 2021–March 31, 2022)	FY2022 (April 1, 2022–March 31, 2023)
Net income	2,869,408	(1,873,915)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets assessed by fair value from other comprehensive income	82,367	208,321
Total items not transferrable to net income	<u>82,367</u>	<u>208,321</u>
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	336,569	363,797
Total items transferrable to net income	<u>336,569</u>	<u>363,797</u>
Total other comprehensive income	<u>418,936</u>	<u>572,119</u>
Net comprehensive income	<u><u>3,288,344</u></u>	<u><u>(1,301,796)</u></u>
Attributable comprehensive net income		
Attributable to owners of the parent	2,888,926	(1,172,000)
Attributable to non-controlling interests	<u>399,418</u>	<u>(129,796)</u>
Net comprehensive income	<u><u>3,288,344</u></u>	<u><u>(1,301,796)</u></u>

(4) Outline of Consolidated Statement of Changes in Equity

Attributable to owners of the parent

	Other equity components					Total
	Capital stock	Additional paid-in capital	Treasury stock	Translation difference for overseas business units	Financial assets assessed by fair value from other comprehensive income	
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen	
Balance as of April 1, 2021	2,275,343	2,452,226	(532,437)	119,415	(257,634)	(138,219)
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	296,148	82,367	378,515
Total net comprehensive income	—	—	—	296,148	82,367	378,515
Treasury stock purchases	—	—	(4,971)	—	—	—
Treasury stock disposals	—	162	(604)	—	—	—
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	4,650	—	—	—	—
Transactions with non-controlling interests	—	—	—	—	—	—
Transfer from other equity components to retained earnings	—	—	—	(643)	19,281	18,639
Others	—	—	—	—	—	—
Change from transactions with owners	—	4,811	(5,575)	(643)	19,281	18,639
Balance as of March 31, 2022	2,275,343	2,457,037	(538,012)	414,921	(155,986)	258,934
Net income	—	—	—	—	—	—
Other comprehensive income	—	—	—	302,488	208,321	510,809
Total net comprehensive income	—	—	—	302,488	208,321	510,809
Treasury stock purchases	—	—	—	—	—	—
Treasury stock disposals	—	—	—	—	—	—
Dividends paid	—	—	—	—	—	—
Share-based payment transactions	—	24,794	—	—	—	—
Transactions with non-controlling interests	—	—	—	—	—	—
Transfer from other equity components to retained earnings	—	—	—	—	(77,038)	(77,038)
Others	—	—	—	—	—	—
Change from transactions with owners	—	24,794	—	—	(77,038)	(77,038)
Balance as of March 31, 2023	2,275,343	2,481,831	(538,012)	717,409	(24,703)	692,706

	Attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
	Thousands of yen	Thousands of yen	Thousands of yen	Thousands of yen
Balance as of April 1, 2021	1,486,814	5,543,727	177,559	5,721,286
Net income	2,510,411	2,510,411	358,996	2,869,408
Other comprehensive income	—	378,515	40,422	418,936
Total net comprehensive income	2,510,411	2,888,926	399,418	3,288,344
Treasury stock purchases	—	(4,971)	—	(4,971)
Treasury stock disposals	—	(442)	—	(442)
Dividends paid	(75,639)	(75,639)	—	(75,639)
Share-based payment transactions	—	4,650	—	4,650
Transactions with non-controlling interests	—	—	47,845	47,845
Transfer from other equity components to retained earnings	(18,639)	—	—	—
Others	290	290	—	290
Change from transactions with owners	(93,988)	(76,113)	47,845	(28,268)
Balance as of March 31, 2022	3,903,237	8,356,539	624,823	8,981,362
Net income	(1,682,810)	(1,682,810)	(191,105)	(1,873,915)
Other comprehensive income	—	510,809	61,309	572,119
Total net comprehensive income	(1,682,810)	(1,172,000)	(129,796)	(1,301,796)
Treasury stock purchases	—	—	—	—
Treasury stock disposals	—	—	—	—
Dividends paid	(75,633)	(75,633)	—	(75,633)
Share-based payment transactions	—	24,794	—	24,794
Transactions with non-controlling interests	—	—	—	—
Transfer from other equity components to retained earnings	77,038	—	—	—
Others	—	—	—	—
Change from transactions with owners	1,404	(50,839)	—	(50,839)
Balance as of March 31, 2023	2,221,831	7,133,700	495,027	7,628,727

(5) Outline of Consolidated Statement of Cash Flows

(Thousands of yen)

	FY2021 (April 1, 2021–March 31, 2022)	FY2022 (April 1, 2022–March 31, 2023)
Cash flow from operating activities		
Income before income tax	3,984,392	(2,346,642)
Depreciation and amortization	161,835	141,193
Finance income	(553,121)	(303,445)
Finance expenses	11,256	76,675
Impairment loss (or reversal)	603,899	474,774
Earnings from equity in affiliates	2,728	(5,427)
Other income	(4,057,696)	(10,434)
Other expenses	6,564	2,033,749
Change in accounts receivable and other claims (Figures in negative represent increase)	(119,931)	208,962
Change in accounts payable and other payables (Figures in negative represent decrease)	204,222	(248,194)
Others	(38,223)	122,079
Subtotal	205,925	143,290
Interest and dividends received	15,469	45,787
Interest paid	(6,266)	(6,785)
Corporate taxes paid	(157,087)	52,533
Cash flow for operating activities	58,041	234,825
Cash flow from investment activities		
Purchase of property, plant, and equipment	(62,626)	(391,787)
Proceeds from property, plant, and equipment sales	108	203
Purchase of intangible assets	(806)	(718)
Payments for loan receivables	(333,390)	(402,660)
Payments for investment purchases	(550,830)	(144,916)
Proceeds from sales of shares of affiliated company	33,667	—
Proceeds from collection of loans receivable	—	431,590
Proceeds from redemption of investment	400,063	455,100
Others	15,122	(14,124)
Cash flow from investment activities	(498,690)	(67,313)
Cash flow from financial activities		
Repayment of long-term borrowings	(142,800)	(142,800)
Dividends paid	(75,332)	(75,538)
Income from incorporation of non-controlling interests	45,377	2,709
Repayment of lease liabilities	(52,213)	(53,594)
Proceeds from issuance of share acquisition rights	—	3,705
Cash flow from financial activities	(224,968)	(265,518)
Net change in cash and cash equivalents (Figures in negative represent decrease)	(665,617)	(98,006)
Cash and cash equivalents at beginning of period	2,451,427	1,816,106
Effect of exchange rate changes on cash and cash equivalents	30,295	25,542
Cash and cash equivalents at end of period	1,816,106	1,743,642

(6) Main notes to outline of consolidated financial statements
 (Going concern assumption)
 No matters to report.

(Segment Information)

(1) Overview of reportable segments

The Group's organizational structure is split into two basic components "Software Business segment" and "Investment Business segment" as reportable segments.

The "Software Business segment" is made up of the corporate software product businesses the Group has been developing since its establishment as well as the design services business provided by This Place, which was acquired in 2017. The "Investment Business segment" is focused on corporate investments via AVF-1, which was launched in 2019.

(2) Information on revenue, profits and losses, and assets by reportable segment

FY2021 (April 1, 2021–March 31, 2022)

	Reportable segment			Adjustments*1	Consolidated
	Software business	Investment business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)
Revenue					
Revenue to external customers	2,967,587	—	2,967,587	—	2,967,587
Inter-segment transactions	67	26,980	27,048	(27,048)	—
Total	<u>2,967,654</u>	<u>26,980</u>	<u>2,994,634</u>	<u>(27,048)</u>	<u>2,967,587</u>
Segment profit *2	<u>42,784</u>	<u>3,969,655</u>	<u>4,012,439</u>	<u>125</u>	<u>4,012,564</u>
Other income and expenses *2					(567,310)
Finance income					553,121
Finance expenses					11,256
Equity in earnings of affiliates (Figures in negative represent loss)					(2,728)
Income before income tax					<u>3,984,392</u>
Other items					
Depreciation and amortization expenses	161,478	356	161,835	—	161,835
Impairment losses	603,899	—	603,899	—	603,899

(Notes) *1 "Adjustments" indicates mainly elimination of inter-segment transactions.

*2 Segment profit (figure in negative represent loss) calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

FY2022 (April 1, 2022-March 31, 2023)

	Reportable segment			Adjustments* ¹	Consolidated
	Software business	Investment business	Total		
	(Thousands of yen)	(Thousands of yen)	(Thousands of yen)		
Revenue					
Sales to external customers	3,378,113	—	3,378,113	—	3,378,113
Inter-segment transactions	81	—	81	(81)	—
Total	<u>3,378,194</u>	<u>—</u>	<u>3,378,194</u>	<u>(81)</u>	<u>3,378,113</u>
Segment profit (Figures in negative represent loss) * ²	<u>(21,122)</u>	<u>(2,093,011)</u>	<u>(2,114,133)</u>	<u>(81)</u>	<u>(2,114,215)</u>
Other income and expenses					(464,624)
Finance income					303,445
Finance expenses					76,675
Equity in earnings of affiliates					5,427
Income before income tax income					<u>(2,346,642)</u>
Other items					
Depreciation and amortization expenses	140,948	245	141,193	—	141,193
Impairment losses	474,774	—	474,774	—	474,774

(Notes) *¹ "Adjustments" indicates mainly elimination of inter-segment transactions.

*² Segment profit (figure in negative represent loss) calculated by deducting Cost of goods sales and Sales, general and administrative expenses from revenue. Of other income and expenses, valuation gains / losses on investments measured at fair value through profits / losses held by AVF-1 are transferred to segment profits of the Investment Business.

(Earnings per share)

	FY2021 (April 1, 2021-March 31, 2022)	FY2022 (April 1, 2022-March 31, 2023)
Net income attributable to owners of common stock in the parent (Figures in negative represent loss) (Thousands of yen)	2,510,411	(1,682,810)
Adjusted net income		
Net income used in the calculation of diluted net income per share (Figures in negative represent loss) (Thousands of yen)	2,510,411	(1,682,810)
Average number of shares of common stock during the fiscal year	16,469,359	16,793,704
Rise in the number of shares of common stock (Impact on dilution effect: earnout)	—	—
New share options	—	—
Average number of shares of common stock during the fiscal year after dilution	16,469,359	16,793,704
Basic earnings per share (Figures in negative represent loss) (Yen)	152.43	(100.20)
Diluted earnings per share (Figures in negative represent loss) (Yen)	152.43	(100.20)

(Subsequent events)

None

4. Others

(1) Change in directors

None

(2) Other matters

None