May 15, 2024
ACSL Ltd.

Notice of Recording Non-operating Income/Expenses (Share of profit of entities accounted for using equity method and Foreign exchange losses), Extraordinary Income (Gain on reversal of share acquisition rights) and Income taxes-deferred (Loss)

ACSL Ltd. (ACSL or the "Company") announces that it will record the following non-operating income/expenses (share of profit of entities accounted for using equity method and foreign exchange losses), extraordinary income (gain on reversal of share acquisition rights) and income taxes-deferred (loss) for the first quarter of the fiscal year ending December 31, 2024 (January 1, 2024 to March 31, 2024).

1. Non-operating income/expenses (share of profit of entities accounted for using equity method and foreign exchange losses)

   Based on the financial report of ACSL India Private Limited, an equity-method affiliate of the Company, a share of profit of entities accounted for using equity method of 5,849 thousand yen was recorded under non-operating income.

   A foreign exchange loss of 23,705 thousand yen was recorded in non-operating expenses mainly due to revaluation of foreign currency denominated liabilities in accordance with foreign exchange rate fluctuations.

2. Extraordinary income (gain on reversal of share acquisition rights)

   The Company grants stock acquisition rights as stock options to its directors and employees, however, due to the forfeiture (retirement) of the rights holders, a gain on reversal of stock acquisition rights of 5,194 thousand yen was recorded as extraordinary income.

3. Income taxes-deferred (loss)

   8,581 thousand yen was recorded as income taxes-deferred (loss) due to the recording of deferred tax liabilities based on the revaluation of loans to affiliates denominated in foreign currencies in accordance with fluctuations in foreign exchange rates.

4. Impact on business performance

   For the impact of the above recording of non-operating income/expenses (share of profit of entities accounted for using equity method and foreign exchange losses), extraordinary income (gain on reversal of share acquisition rights) and income taxes-deferred (loss) on our

business performance, please refer to the summary of financial results for the first quarter of the fiscal year ending December 31, 2024 (Under Japanese GAAP) (Consolidated) released today.

Attention

This document is an unofficial translation of the timely disclosure on May *15, 2024 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.*