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 Second Quarter (Interim Period) of the Fiscal Year Ending December 31, 2024 (Under Japanese GAAP)

August 13, 2024

Company name: INFORICH INC. Listed on: Tokyo Stock Exchange
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Scheduled date of filing of semiannual securities report: August 13, 2024
Scheduled date of commencement of dividend payment: -
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 second quarter (interim period) of the fiscal year ending December 31, 2024 (from January 1, 2024 to June 30, 2024)

(1) Consolidated operating results (YTD) (Percentage figures represent period-on-period changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim period ended June 30, 2024	4,584	39.4	943	135.9	413	-	564	419.3	424	954.1
Interim period ended June 30, 2023	3,289	-	399	-	27	-	108	-	40	-

Note: Comprehensive income As of June 30, 2024 366 million yen (-%)
As of June 30, 2023 (37) million yen (-%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Interim period ended June 30, 2024	44.89	43.06
Interim period ended June 30, 2023	4.34	4.24

Note: 1. As INFORICH INC. (“INFORICH” or the “Company”) did not prepare interim consolidated financial statements for the interim period of the fiscal year ended December 31, 2022, period-on-period changes for the interim period of the fiscal year ended December 31, 2023, are not indicated.
2. The Company conducted a five-for-one stock split of its common shares as of April 1, 2023. Accordingly, basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the fiscal year ended December 31, 2023.
3. EBITDA = Operating profit and loss + depreciation

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
Interim period ended June 30, 2024	11,214	3,603	31.5
Fiscal year ended December 31, 2023	8,753	3,081	35.1

Reference: Total shareholders’ equity As of June 30, 2024 3,537 million yen
As of December 31, 2023 3,076 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2023	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2024	-	0.00			
Fiscal year ending December 31, 2024 (forecast)			-	-	-

Note: Revisions to the most recently announced dividend forecast: No
The Company's Articles of Incorporation set the final date of the second quarter and the fiscal year as record dates. However, the forecast of cash dividends at the end of the fiscal year has yet to be determined.

3. Consolidated forecast for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Percentage figures represent year-on-year changes)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	10,011	30.3	2,576	82.8	1,635	170.9	1,515	139.1	1,514	164.7	160.48

Note: 1. Revisions to the most recently announced earnings forecasts: None
2. EBITDA = Operating profit and loss + depreciation

*Notes

(1) Significant changes in the scope of consolidation during the period
Newly consolidated 2 companies Ezycharge Australasia Pty Ltd, Ezycharge Australia Pty Ltd : Yes

(2) Application of accounting treatment specific to the preparation of the interim consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None
(ii) Changes in accounting policies other than those in i) above : None
(iii) Changes in accounting estimates : None
(iv) Restatement : None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	As of June 30, 2024	9,465,175 shares	As of December 31, 2023	9,379,775 shares
(ii) Number of treasury shares at the end of the period	As of June 30, 2024	59 shares	As of December 31, 2023	59 shares
(iii) Average number of shares outstanding during the interim period	Interim period ended June 30, 2024	9,450,338 shares	Interim period ended June 30, 2023	9,273,379 shares

Note: 1. The Company conducted a five-for-one stock split of its common shares as of April 1, 2023. Accordingly, the total number of issued shares at the end of the period, "Number of treasury shares at the end of the period," 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, 2023.

* The financial results report for the second quarter (interim period) is not subject to audit procedures by a certified public accountant or an auditing firm.

* Explanation regarding the appropriate use of earnings forecasts, and other notes
(Notes on forward-looking statements)
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.

(How to obtain supplementary explanatory material and information on the scheduled financial results briefing)
The Company plans to hold a hybrid financial results briefing, both in-person at a venue and via live-streaming, on Tuesday, August 13, 2024. The materials used in the financial results briefing will be disclosed on TDnet and posted on the Company's website.

* ChargeSPOT mentioned in this material (including attachment) is a trademark of INFORICH INC.

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1. Overview of results of operations

(1) Overview of results of operations

During the interim period under review, the Japanese economy remained at a standstill against the backdrop of sluggish domestic demand due to high prices. The employment situation is improving moderately, but real wages remain low. On the other hand, the economy is expected to shift to a recovery trend in the future due to the impact of wage increase and other factors.

As for the world economy, steady and moderate growth continues to be seen, while many downside risks such as geopolitical tensions and division of trade remain, causing concerns about the future outlook.

Regarding the mobile battery sharing service market, which is the target of the ChargeSPOT business, in China, the largest market of the service globally, 5.17 million battery stands are under operation as of the end of December 2023 (source: "2023 ChinaShared Power Bank Industry Trend Report" by Fastdata) and approximately 280 million people are using the mobile battery sharing service annually. Albeit the differences in the market, technologies, cultures and other factors between China and Japan, transition of the Chinese market size is one of the indicators to forecast the popularization of the mobile battery sharing service in Japan.

"ChargeSPOT" presupposes the sharing economy, where people do not own articles but use them by sharing them. With the recent rise of environmental awareness, there are a certain number of users that proactively use the sharing economy. According to the results of the "Sharing Economy-related Survey 2022 (announced on January 24, 2023)" jointly published by the Sharing Economy Association, Japan and InfoCom Research, Inc., the sharing economy market is expected to reach 15,116.5 billion yen (*1) in fiscal 2032.

In the ChargeSPOT business of the Group, the flow of people is a crucial factor. In the second quarter of fiscal 2023, the flow of people increased significantly and the number of rentals also increased rapidly with the lifting of the stay-at-home order that was issued due to the COVID-19 pandemic. Although the effect of reopening has been decreasing since the beginning of 2024, awareness is increasing due to the increase in the number of installations and the number of users. As a result, the number of rentals increased steadily from the first quarter, which was impacted by the decrease in the flow of people due to cold weather and other factors, and the number of rentals and monthly active users reached record highs in Japan in the second quarter. In June, the number of downloads of the "ChargeSPOT" app exceeded 10 million globally. The Company also intends to increase the number of rentals by continuing to expand installation locations and improve usability.

According to the estimates the Company made based on a survey conducted by Dentsu Inc. in April 2023, approximately 39.5 million people in Japan run out of battery on their smartphones before returning home. Of these, 16 million people need to recharge their phones at least twice over the course of a day while they are out. Smartphones use lithium-ion batteries, which have the characteristic of their charging capacity decreasing to 80% after about 600 charges (about 2 years of use).*2 However, as smartphones have become more expensive, the smartphone replacement cycle has been extended to 4 years and 7 months (according to the 2022 Consumer Confidence Survey by the Cabinet Office). By this time, the charging capacity will have dropped to about 30% of what it was when the battery was new.(*2) With smartphones becoming indispensable for daily life, it is no wonder that people who have been using their smartphones for several years want to charge them while they are out. Although a lot of research on batteries has recently been performed in various countries around the world, it is assumed that, as far as the batteries for smartphones alone are concerned, nothing better than the currently used lithium-ion batteries will be developed by at least 2030.*2 Applying the technologies developed for electric vehicles and drones to smartphones has major hurdles in terms of miniaturization and safety, and improvements in battery technology do not necessarily translate directly into enhanced smartphone performance. Improvements have also been achieved in the performance of the lithium-ion battery itself over the years, and the capacity of built-in batteries has been increasing by an average of 11.6% per year.*2 However, the average power consumption of smartphones has increased by 17.9%, exceeding the increase in the capacity of built-in batteries,*2 due to factors such as higher display resolution, larger application capacity, and 5G compatibility. Considering the above, it is assumed that the need for charging while going out is very high and will continue to grow going forward.

*1 Maximum forecast amount under the issue-solving scenario.

*2 According to the research conducted by the Company.

Under these circumstances, the Group actively invested to expand the ChargeSPOT business (rental power banks) while strengthening its collaboration with partner companies. The Group as a whole had 53,124 installed battery stands, including 44,199 in Japan, as of the end of June 2024, increasing the figure toward the goal of having batteries shared that can be borrowed and returned anywhere. The number of monthly active users on a quarterly average reached 1.246 million for the entire Group, including 944 thousand in Japan. The number of monthly rentals on a quarterly average reached 2.25 million for the entire Group, including 1.76 million in Japan, steadily expanding the range of services.

The Company has set the "spread of sharing culture" as a material item. As part of it, the Company is strengthening collaboration not only with mobile battery sharing services which it operates but also with sharing services operated by other companies such as umbrellas, bicycles, shared offices, and EV car charging stations. In March, it added a "ShareSPOT" tab to the iOS version app, enabling users to rent and pay within the same app also for items other than mobile batteries. The Company will continue to aim for sustainable business growth by not only sharing mobile batteries but also spreading and developing sharing services.

The INFORICH Group has set "Act Global" as its fiscal 2024 slogan and aims to further promote overseas development. INFORICH commenced franchise service development in Vietnam during fiscal 2024 in January and franchise service development in Macau in February, and resolved the shares acquisition of "Ezycharge," an Australian sharing battery business, in March. "Ezycharge" has been included in the consolidation from the second quarter of the fiscal year ending December 2024, and INFORICH will also promote its operation in Australia in the future.

The Company will continue to aim for sustainable business growth by not only sharing mobile batteries but also spreading and developing sharing services.

As a result, the Group posted net sales of 4,584,949 thousand yen (up 39.4% year-on-year), EBITDA*3 of 943,250 thousand yen (up 135.9% year-on-year), operating profit of 413,912 thousand yen (up 1,413.9% year-on-year), ordinary profit of 564,715 thousand yen (up 419.3% year-on-year), and profit attributable to owners of parent of 424,229 thousand yen (up 954.1% year-on-year) for the interim period under review.

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

*3 EBITDA = Operating profit and loss + Depreciation + Amortization of goodwill

(2) Overview of financial position

(i) Assets, liabilities, and net assets

(Current assets)

Current assets at the end of the interim period under review were 7,608,292 thousand yen (up 1,676,942 thousand yen from the end of the previous fiscal year). This was mainly due to an increase in cash and deposits of 1,626,204 thousand yen.

(Non-current assets)

Non-current assets at the end of the interim period under review were 3,606,587 thousand yen (up 784,474 thousand yen from the end of the previous fiscal year). This was mainly due to an increase in tools, furniture and fixtures of 573,030 thousand yen resulting from the acquisitions of battery stands and mobile batteries, against a decrease in leased assets of 56,634 thousand yen and construction in progress of 125,081 thousand yen, against an increase in goodwill of 403,757 thousand yen resulting from the acquisition of a new consolidated subsidiary.

(Current liabilities)

Current liabilities at the end of the interim period under review were 6,701,107 thousand yen (up 1,803,024 thousand yen from the end of the previous fiscal year). This was mainly due to increases in contract liabilities of 677,424 thousand yen associated with the business expansion of INFORICH ASIA HONG KONG LIMITED, a sub-subsidiary and short-term borrowings by 1,018,580 thousand yen.

(Non-current liabilities)

Non-current liabilities at the end of the interim period under review were 910,375 thousand yen (up 136,525 thousand yen from the end of the previous fiscal year). This was mainly due to an increase in lease liabilities of 138,930 thousand yen.

(Net assets)

Net assets at the end of the interim period under review were 3,603,396 thousand yen (up 521,866 thousand yen from the end of the previous fiscal year). This was mainly due to a decrease in share capital of 334,382 thousand yen, a decrease in capital surplus of 3,366,700 thousand yen and an increase in retained earnings of 3,701,082 thousand yen due to capital reduction for the purpose of deficit disposition and an increase in retained earnings of 424,229 thousand yen due to the recording of profit attributable to owners of parent.

(ii) Cash flows

Cash and cash equivalents at the end of the interim period under review were 6,299,548 thousand yen, up 1,872,547 thousand from the end of the previous fiscal year. The status of respective cash flows interim period under review and their contributing factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 1,404,429 thousand yen (in contrast to net cash provided amounting to 821,189 thousand yen in the same period of the previous fiscal year). The major factor was profit before income taxes of 444,471 thousand yen (52,188 thousand yen in the same period of the previous fiscal year) and depreciation of 514,983 thousand yen (372,468 thousand yen in the same period of the previous fiscal year).

(Cash flows from investing activities)

Net cash used in investing activities amounted to 896,653 thousand yen (in contrast to net cash used amounting to 636,509 thousand yen in the same period of the previous fiscal year). The major factor was purchase of property, plant and equipment of 628,980 thousand yen (563,093 thousand yen in the same period of the previous fiscal year) due to the purchase of mobile batteries and battery stands, etc. and acquisition of shares of subsidiary resulting in change in scope of consolidation of 409,538 thousand yen.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 1,110,593 thousand yen (in contrast to net cash provided amounting to 119,701 thousand yen in the same period of the previous fiscal year). The major factors included proceeds from sale and leaseback transactions of 678,282 thousand yen (608,820 thousand yen in the same period of the previous fiscal year) and proceeds from issuance of shares resulting from exercise of share acquisition rights of 114,341 thousand yen (17,342 thousand yen in the same period of the previous fiscal year), against such factors as repayments of lease liabilities of 644,617 thousand yen (533,254 thousand yen in the same period of the previous fiscal year).

(3) Overview of future forecast information such as consolidated earnings forecast

The consolidated earnings forecast for the fiscal year ending December 31, 2024, has not been revised from the earnings forecast announced in the “Consolidated Financial Results for the Fiscal Year Ended December 31, 2023” dated February 14, 2024.

2. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Thousands of yen)

	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	4,831,291	6,457,495
Accounts receivable - trade	180,317	191,972
Supplies	25,509	32,712
Accounts receivable - other	706,910	670,233
Other	225,023	298,404
Allowance for doubtful accounts	(37,702)	(42,527)
Total current assets	5,931,349	7,608,292
Non-current assets		
Property, plant and equipment		
Tools, furniture and fixtures	1,249,136	1,822,167
Leased assets	2,032,131	1,975,496
Construction in progress	459,297	334,215
Other	267,714	292,760
Accumulated depreciation	(1,369,494)	(1,516,009)
Total property, plant and equipment	2,638,785	2,908,630
Intangible assets		
Goodwill	—	403,757
Other	12,429	20,480
Total intangible assets	12,429	424,237
Investments and other assets		
Deferred tax assets	129,755	133,135
Distressed receivables	36,037	38,736
Other	40,178	139,421
Allowance for doubtful accounts	(35,072)	(37,573)
Total investments and other assets	170,899	273,719
Total non-current assets	2,822,113	3,606,587
Total assets	8,753,463	11,214,880

(Thousands of yen)

	As of December 31, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Short-term borrowings	1,680,000	2,698,580
Current portion of long-term borrowings	15,600	8,604
Lease liabilities	991,393	1,081,381
Income taxes payable	63,072	16,169
Contract liabilities	1,283,842	1,961,266
Provisions	64,540	96,100
Other	799,634	839,006
Total current liabilities	4,898,083	6,701,107
Non-current liabilities		
Long-term borrowings	36,400	32,991
Lease liabilities	736,227	875,157
Other	1,223	2,225
Total non-current liabilities	773,850	910,375
Total liabilities	5,671,933	7,611,483
Net assets		
Shareholders' equity		
Share capital	291,210	14,125
Capital surplus	6,078,472	2,769,069
Retained earnings	(2,936,109)	1,189,202
Treasury shares	(182)	(182)
Total shareholders' equity	3,433,390	3,972,214
Accumulated other comprehensive income		
Foreign currency translation adjustment	(356,815)	(434,951)
Total accumulated other comprehensive income	(356,815)	(434,951)
Share acquisition rights	4,954	4,701
Non-controlling interests	—	61,432
Total net assets	3,081,529	3,603,396
Total liabilities and net assets	8,753,463	11,214,880

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

(Consolidated statement of income)

(Interim period under review)

(Thousands of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Net sales	3,289,096	4,584,949
Cost of sales	864,914	1,076,321
Gross profit	2,424,182	3,508,627
Selling, general and administrative expenses	2,396,840	3,094,715
Operating profit	27,341	413,912
Non-operating income		
Interest income	4,291	15,913
Foreign exchange gains	121,938	178,327
Subsidy income	7,784	—
Other	1,410	23,254
Total non-operating income	135,424	217,495
Non-operating expenses		
Interest expenses	52,172	66,575
Other	1,842	117
Total non-operating expenses	54,015	66,692
Ordinary profit	108,750	564,715
Extraordinary income		
Gain on forgiveness of debts	—	15,068
Total extraordinary income	—	15,068
Extraordinary losses		
Impairment losses	55,744	116,641
Loss on retirement of non-current assets	816	16,492
Loss on cancellation of lease liabilities	—	2,179
Total extraordinary losses	56,561	135,312
Profit before income taxes	52,188	444,471
Income taxes - current	7,940	6,452
Income taxes - deferred	5,301	(2,545)
Total income taxes	13,242	3,906
Profit	38,946	440,564
Profit (loss) attributable to non-controlling interests	(1,300)	16,334
Profit attributable to owners of parent	40,247	424,229

(Consolidated statement of comprehensive income)

(Interim period under review)

(Thousands of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Profit	38,946	440,564
Other comprehensive income		
Foreign currency translation adjustment	(76,480)	(74,116)
Total other comprehensive income	(76,480)	(74,116)
Comprehensive income	(37,534)	366,447
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(36,233)	346,093
Comprehensive income attributable to non-controlling interests	(1,300)	20,354

(3) Consolidated statement of cash flows

(Thousands of yen)

	Six months ended June 30, 2023	Six months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	52,188	444,471
Depreciation	372,468	514,983
Amortization of goodwill	—	14,354
Impairment losses	55,744	116,641
Gain on forgiveness of debts	—	(15,068)
Loss on retirement of non-current assets	816	16,492
Loss on cancellation of lease liabilities	—	2,179
Increase (decrease) in allowance for doubtful accounts	14,240	7,325
Increase (decrease) in provisions	19,512	28,493
Interest income	(4,291)	(15,913)
Interest expenses	52,172	66,575
Subsidy income	(7,784)	—
Share issuance costs	155	—
Foreign exchange losses (gains)	(136,246)	(196,562)
Decrease (increase) in trade receivables	(27,074)	16,734
Decrease (increase) in inventories	28,078	(5,795)
Decrease (increase) in accounts receivable - other	(141,488)	82,744
Decrease (increase) in other current assets	224,655	29,056
Decrease (increase) in distressed receivables	(8,277)	(2,699)
Increase (decrease) in contract liabilities	310,895	471,465
Increase (decrease) in accounts payable - other	3,746	27,442
Increase (decrease) in other current liabilities	40,828	(125,955)
Other, net	33,736	(2,487)
Subtotal	884,080	1,474,476
Interest and dividends received	4,291	15,913
Interest paid	(52,172)	(66,182)
Subsidies received	7,784	—
Income taxes paid	(22,793)	(19,777)
Net cash provided by (used in) operating activities	821,189	1,404,429
Cash flows from investing activities		
Purchase of property, plant and equipment	(563,093)	(628,980)
Payments into time deposits	(71,534)	—
Proceeds from withdrawal of time deposits	—	246,343
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(409,538)
Other, net	(1,881)	(104,476)
Net cash provided by (used in) investing activities	(636,509)	(896,653)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,000)	1,018,580
Proceeds from long-term borrowings	30,000	43,030
Repayments of long-term borrowings	(35,600)	(99,022)
Proceeds from sale and leaseback transactions	608,820	678,282
Repayments of lease liabilities	(533,254)	(644,617)
Proceeds from issuance of shares	35,393	—
Proceeds from issuance of shares resulting from exercise of share acquisition rights	17,342	114,341
Net cash provided by (used in) financing activities	119,701	1,110,593
Effect of exchange rate change on cash and cash equivalents	83,767	254,176
Net increase (decrease) in cash and cash equivalents	388,150	1,872,547
Cash and cash equivalents at beginning of period	2,014,275	4,427,001
Cash and cash equivalents at end of period	2,402,425	6,299,548

(4) Notes to interim consolidated financial statements

(Matters related to the assumption of a going concern)
There is no applicable information.

(Notes to significant changes in shareholders' equity)
At the Annual General Meeting of Shareholders held on March 28, 2024, INFORICH resolved to reduce the amount of its share capital and capital reserve, which became effective as of March 28, 2024. As a result, INFORICH's share capital and capital reserve decreased by 334,382 thousand yen and 4,166,195 thousand yen, respectively, and other capital surplus increased by 4,500,577 thousand yen. The appropriation of surplus by the same resolution resulted in a decrease of 3,701,082 thousand yen in other capital surplus and an increase of 3,701,082 thousand yen in INFORICH's retained earnings.

(Changes in the scope of consolidation or in the scope of application of equity method)

(Significant changes in the scope of consolidation)
INFORICH acquired the shares of Ezycharge Australasia Pty Ltd on April 30, 2024, and made the company and its subsidiary Ezycharge Australia Pty Ltd as INFORICH's subsidiaries. Both Ezycharge Australasia Pty Ltd and Ezycharge Australia Pty Ltd are included in the scope of consolidation from the interim period under review.

(Business combination, etc.)

(Business combination by share acquisition)
At the Board of Directors' meeting held on March 21, 2024, INFORICH resolved to acquire shares of Ezycharge Australasia Pty Ltd (hereafter "Ezycharge") and make Ezycharge and its subsidiary INFORICH's subsidiaries. INFORICH concluded a share purchase agreement as of April 2, 2024, and acquired the shares on April 30, 2024.

1. Overview of business combination
(1) Name and the business description of the acquired company

Name of the acquired company:	Ezycharge Australasia Pty Ltd
Business description:	Operation of mobile sharing service and locker-type battery chargers and their installation at events and booth exhibitions at music festivals in Australia

(2) Major reasons for the business combination
Under the mission "Bridging Beyond Borders," INFORICH aims to develop the business model originated overseas in Japan and deploy Japanese technologies abroad. Currently, it operates the mobile battery sharing service "ChargeSPOT®" in Japan, Hong Kong, and China (partially franchised) and is developing franchises in Taiwan, Thailand, Singapore and Macau.
In "Vision 2030" announced in August 2023, INFORICH is targeting consolidated EBITDA of 15 billion yen, of which 3 billion yen is set to be generated from overseas development of ChargeSPOT.
INFORICH had been conducting overseas development centering on franchise development from before, but considering accelerating developments in Europe, the United States, and the rest of the world, the Company hereby resolved the share acquisition of Ezycharge, an Australian mobile battery sharing business, and acquired the shares.

(3) Date of business combination
April 30, 2024 (share acquisition date)
April 1, 2024 (deemed acquisition date)

(4) Legal format of business combination
Share acquisition by cash used as consideration

(5) Company name after business combination
Unchanged

(6) Ratio of voting rights acquired
51%

(7) Grounds for determining acquiring company
The Company is acquiring the shares with cash as consideration

2. Period of performance of acquired company included in the interim consolidated statement of income
From April 1, 2024 to June 30, 2024

3. Acquisition cost of acquired company and type of consideration

Type of consideration	Cash	449,438 thousand yen
Acquisition cost		449,438 thousand yen

4. Details and amount of acquisition related expenses
Fee and commission for advisory service 2,630 thousand yen

5. Amount of goodwill, reason for recognition, and method and period of amortization

(1) Amount of goodwill

387,249 thousand yen

Moreover, the amount of the goodwill is a tentatively calculated amount since the allocation of acquisition costs has not been completed as of the end of the interim period under review.

(2) Reason for recognition

Goodwill was recognized due to the excess earning power expected from future business development.

(3) Method and period of amortization

Evenly amortized over seven years

(Significant subsequent events)

(Establishment of subsidiary)

At the Board of Directors' meeting held on August 13, 2024, INFORICH resolved to establish an overseas subsidiary in the U.K. for the purpose of making it a foothold for the expansion into the European market as follows.

1. Purpose of establishment

Under the mission "Bridging Beyond Borders," INFORICH aims to develop business models originated overseas in Japan and deploy Japanese technologies abroad. Currently, it operates the mobile battery sharing service "ChargeSPOT®" in Japan, Hong Kong, and China (partially franchised). In Australia, INFORICH acquired and also currently operates Ezycharge. It is also developing franchises in Taiwan, Thailand, Singapore, and Macau.

Under "Vision 2030" announced in August 2023, INFORICH targets consolidated EBITDA of 15 billion yen, of which 3 billion yen is set to be generated from overseas development of ChargeSPOT. INFORICH conventionally conducted overseas development centering on franchises, but considering accelerating developments in Europe, the United States, and the rest of the world, the Company hereby decided to establish an overseas subsidiary in the U.K.

Europe has a high penetration rate of smartphones, a culture of holding activities until late at night, and abundant outdoor events. Furthermore, it is a region with a strong interest in sustainability wherein share services for various articles, especially bicycles, are spreading. Therefore, Europe is believed to be an area that shares a high affinity with the ChargeSPOT business and has high demand for battery charging. On the other hand, since only a small number of mobile battery sharing stands have been installed, the demand for battery charging is not fully fulfilled. The establishment of a subsidiary in the U.K. will facilitate access to various areas in Europe, making it possible for us to promptly and effectively address the regional needs of each country in the E.U. including France where business development is scheduled to be implemented.

INFORICH will make efforts to form markets in Europe by making use of its track record of developing the market of mobile battery sharing services in Asia including Japan and the experience of Ezycharge of Australia in event business.

2. Overview of the subsidiary to be established

(1) Name	INFORICH Europe Limited (tentative)
(2) Representative	TBD
(3) Location	London, United Kingdom
(4) Business description	Expansion of ChargeSPOT business in Europe
(5) Share capital	TBD
(6) Period of establishment	October 1, 2024 (planned)
(7) Investment ratio	INFORICH INC. 100%