

INFORICH

**Medium-term Business Plan
(Strategy & Growth Potential)**

Agenda

- 1. Medium-term Business Plan
(Strategy & Growth Potential)**
2. Appendix

Business Overview

Japan's first digital signage equipped mobile battery sharing service ChargeSPOT is the gateway to overall location services.

Borrow anywhere,



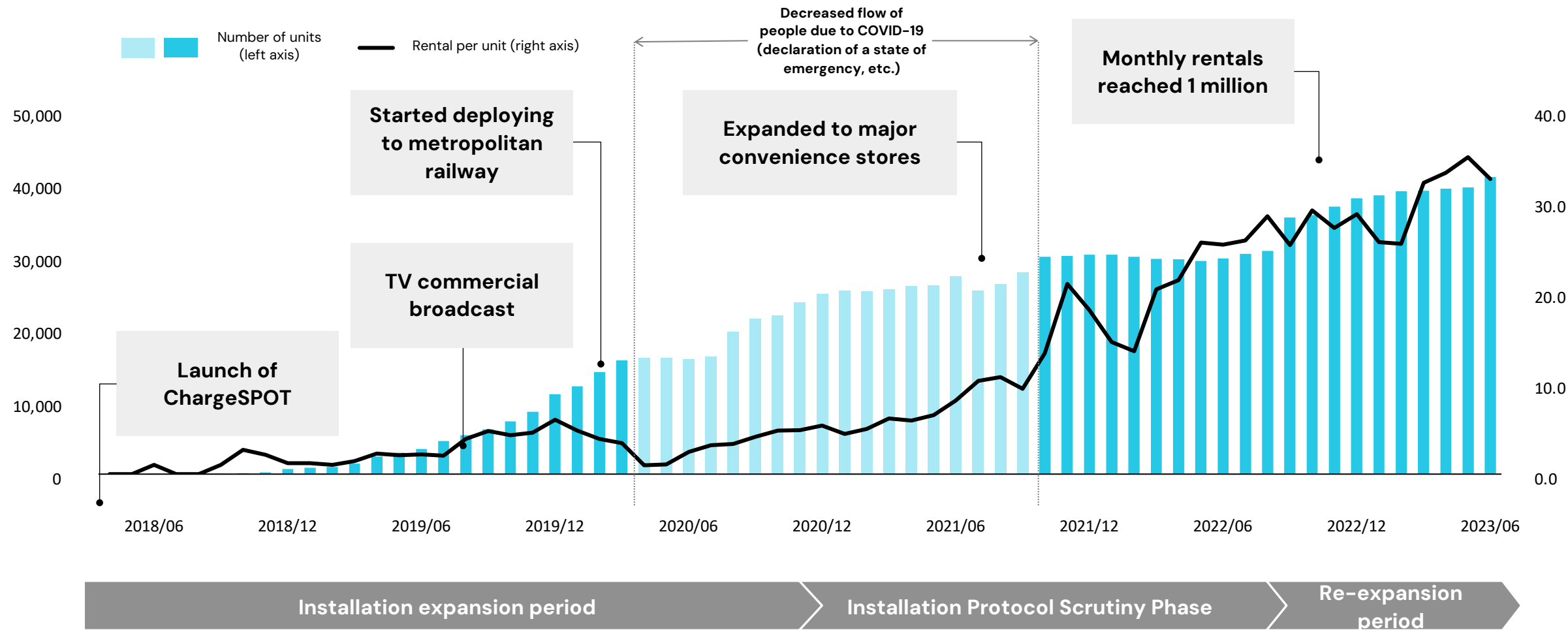
return anywhere

Since the service was launched in April 2018, it has already been provided in 47 prefectures throughout Japan. Overseas, the company is expanding its business to China (Mainland), Hong Kong, Taiwan, Thailand, Singapore, and France. To use the app, simply scan the QR code of the battery stand with digital signage. Unlike conventional wall outlets and box chargers, the users can take borrowed mobile batteries with them. Three types of cables are provided, making it compatible with most mobile devices.



Medium-term Business Plan : Growth of ChargeSPOT (domestic)

The service has grown since its release in April 2018, even during the COVID-19 pandemic
We achieved profit positive in FY2023 2Q



Medium-term Business Plan : Installation Track Record (domestic) 1/2



40,900 stations in Japan at retailers, transportation, carriers, municipalities and other locations essential to daily life

Convenience stores	Seven-Eleven, Family Mart, Lawson
Inside railway stations	JR Central, Osaka Metro, Keio Electric Railway, Keisei Electric Railway, Keihin Kyuko Electric Railway, West Nippon Railway, Seibu Railway, Toei Subway, Tokyu Electric Railway, Tokyo Metro, Tobu Railway, Nankai Electric Railway, Fukuoka Municipal Subway, Hokusai Railway, Nagoya Railway
Airports	Sapporo Okadama Airport, Sendai Airport, Yamagata Airport, Shonai Airport, Haneda Airport, Hachijojima Airport, Chubu Centrair International Airport, Matsumoto Airport, Mt. Fuji Shizuoka Airport, Kansai International Airport, Hiroshima Airport, Okayama Momotaro Airport, Iwakuni Kintai-kyo Airport, Aso Kumamoto Airport, Kitakyushu Airport, Nagasaki Airport
Amusement facilities	RED° TOKYO TOWER, Yokohama Anpanman Children's Museum, Kidzania, Sanrio Puroland, Nagashima Spa Land, Huis Ten Bosch, Round One, Laguna Ten Bosch, Legoland, Tokyo National Museum, Fuji-Q Highland
Stadiums	Es Con Field Hokkaido, Rakuten Mobile Park Miyagi, BELLUNA DOME, ZOZO Marine Stadium, Meiji Jingu Stadium, Vantelin Dome Nagoya, Fukuoka PayPay Dome
Commercial facilities Office buildings	DAIMARU, PARCO, SHIBUYA 109, ATRE, Aeon Mall, Marui, Laforet Harajuku, LUMINE, Marunouchi Building, Takashimaya, Mitsui Outlet Park, Isetan Mitsukoshi, Shin-Marunouchi Building, Shinjuku Alta, Omotesando Hills, Fukuoka Tower, Roppongi Hills
Karaoke	JOYSOUND, Karaoke Croquette Club, Karaoke no Tetsujin, Karaoke Rainbow, Karaoke Singer, Karaoke Kan, Cote D'azur, Big Echo, Uta Hiroba
Financial institutions	Mizuho Bank, Resona Bank, Sumitomo Mitsui Banking, Post offices

* Number of stations as of June 2023. Some excerpted, abbreviated, and in no particular order

* Information on some installations, not all installations.

Medium-term Business Plan : Installation Track Record (domestic) 2/2



40,900 stations in Japan at retailers, transportation, carriers, municipalities and other locations essential to daily life

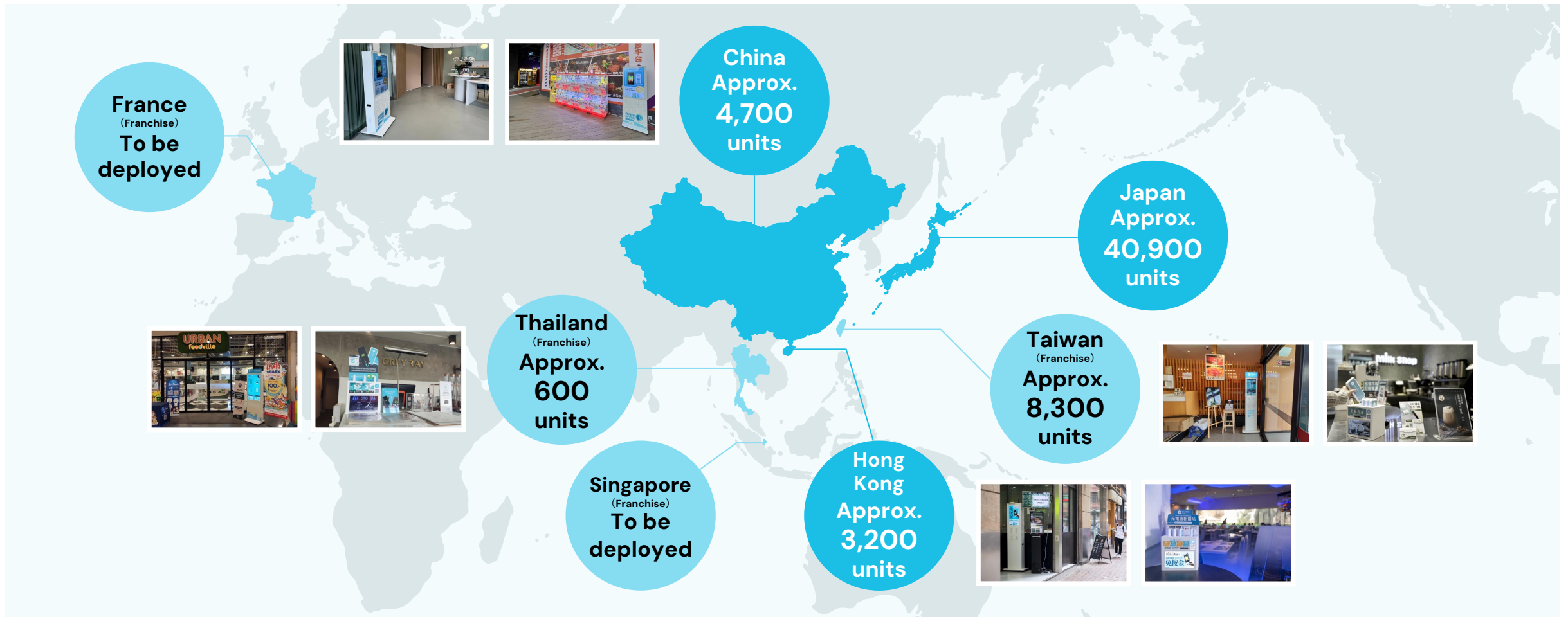
Carrier stores	docomo, Softbank, au, UQ Mobile, Ymobile, Rakuten Mobile
Electronics appliance store	Edion, Kojima, Bic Camera, Yamada Denki, Yodobashi Camera
Drugstores	Amano Drug, Welcia, Create SD, Kokumin Drug, Sugi Pharmacy, Tsuruha Drug, Drug-Eleven, Drug Seims
Retailers	TSUTAYA, ROPE' PICNIC, Thank You Mart, MaruzenJunkudo Bookstores
Restaurants Fast food restarants	Gusto, Popolamama, Yakiniku Sakai Holdings, Wendy's First Kitchen, Mos Burger
Cafes	Vie de France, Café de Crié, Komeda Coffee, St. Marc Cafe, Tully's Coffee, Doutor Coffee Shop, Chun Shui Tang, Ueshima Coffee
Hotels	APA Hotel, Sheraton Grande Tokyo Bay, Super Hotel, Dormy Inn, Hotel New Otani, Hotel Livemax, Toyoko Inn, Tokyu Stay
Municipal facilities	Yamanashi Prefecture, Shibuya Ward, Toshima Ward, Atami City, Kobe City, Fukuoka City

* Number of stations as of June 2023. Some excerpted, abbreviated, and in no particular order

* Information on some installations, not all installations.

Medium-term Business Plan : Overseas Expansion Result

Service is now available in Mainland China and Hong Kong through our subsidiaries
In addition, we have expanded franchises in Taiwan, Thailand, France, and Singapore



* As of June 2023

INFORMATION X RICH =
INFORICH

Mission Statement

Bridging Beyond Borders

We discover boundless possibilities within diverse individuals, objects, and experiences.

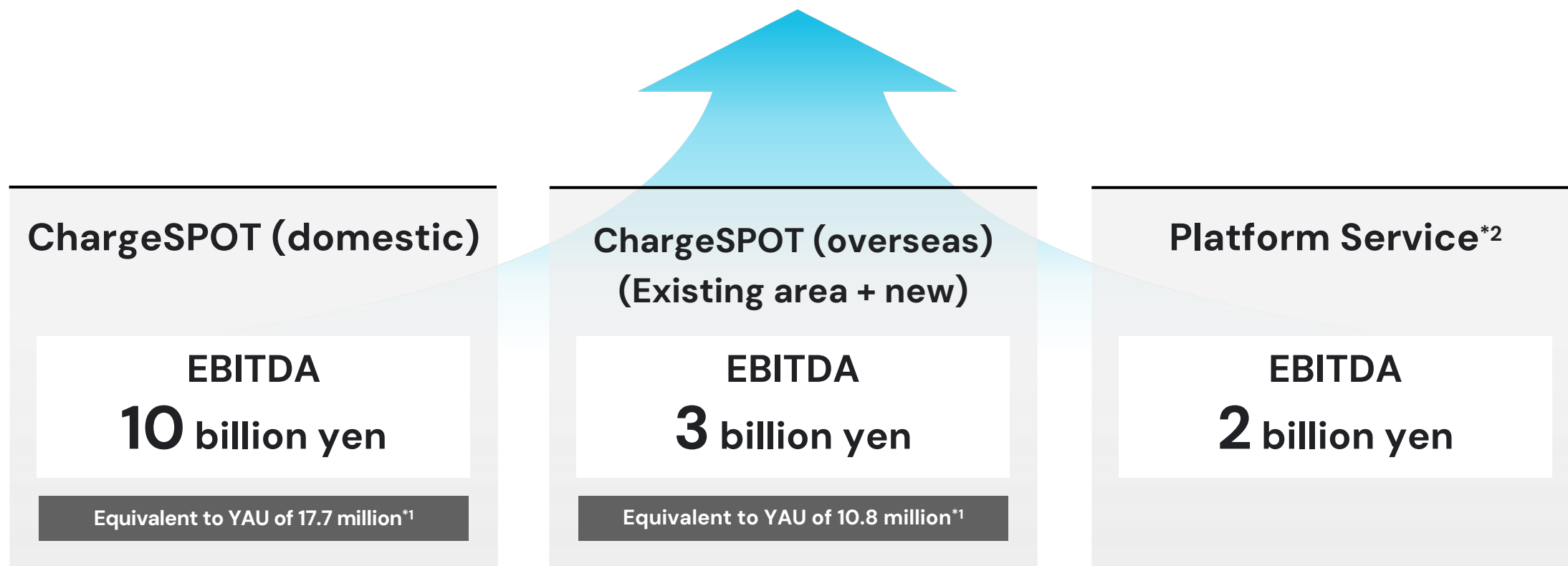
By igniting their evolution into values that transcends various boundaries, we forge an unyielding bridge connecting the world and the generations.

Our aim is to shape a society of unparalleled convenience and abundance on the other side of this bridge.

Medium-term Business Plan : **VISION 2030**

We have set EBITDA of 15 billion yen as a target by FY2030
and will become Japan's leading cross-border company

Consolidated EBITDA : **15 billion yen**



*1 YAU : Yearly Active User (Users who use the service more than once a year)

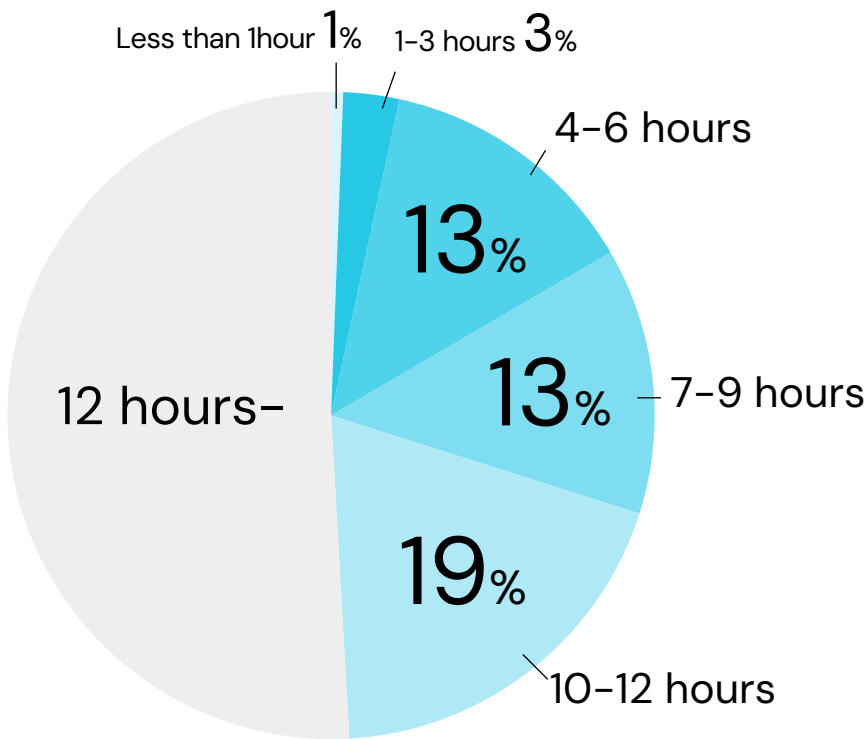
The number of uses per person and unit price are assumed to be the same as current.

*2 Deployment of different services (including advertisement) for ChargeSPOT location partners and users

Medium-term Business Plan : Smartphone Charging Needs

About 40 million people run out of charge on their smartphone before they go home
Of those, 16 million people need to charge at least 2 times per day while being away from home

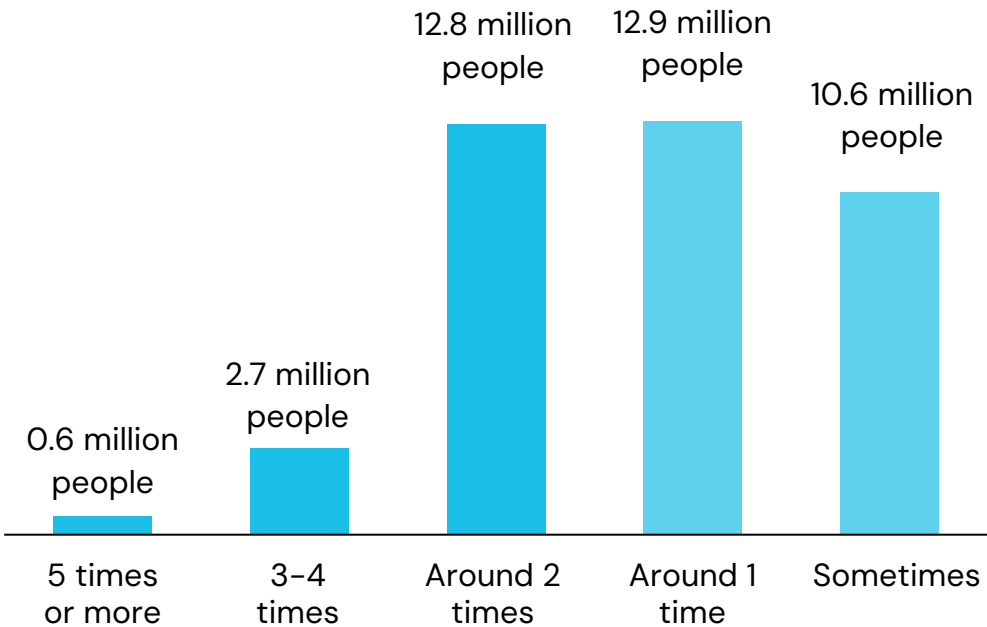
How long does your smartphone last on a single charge?



dentsu

Source: Portable Battery Survey (Survey conducted in April 2023 – Japan)

Number of charges you take for your smartphone from the time you leave home until you return home (average per day, including weekdays and weekends)



The number of smartphone users in Japan is estimated at 96.6 million. Source: Population Estimates (as of October 1, 2022)/2022 Communications Usage Trend Survey, the Ministry of Internal Affairs and Communications

dentsu

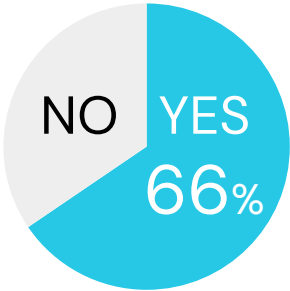
Source: Created based on "Portable Battery Survey" (Survey conducted in April 2023 – Japan) and NHK National Time of Life Survey Report, "Time at Home," "Time Out"

Medium-term Business Plan : Portable Battery Owner's Intention

Portable battery owners are ChargeSPOT's potential users

Survey to portable battery owners:
Do you want to use ChargeSPOT? (YES=65.5%)

Q1 Do you want to use ChargeSPOT?

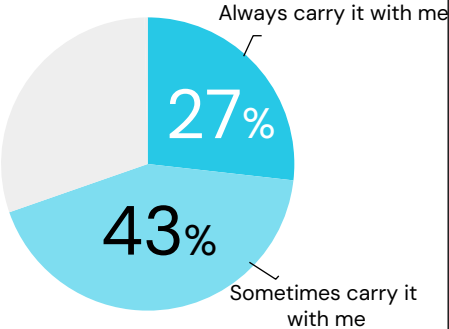


Q2 Why do you want to use ChargeSPOT while you have a portable battery?



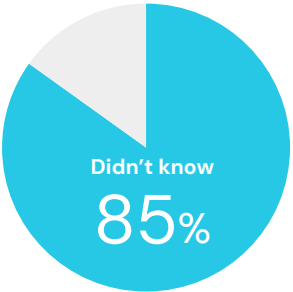
Q3 Do you carry your portable battery around?

Only a quarter of them always carry it around



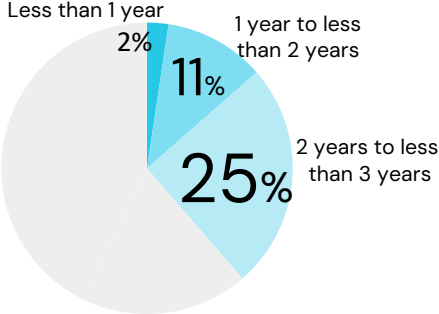
Q4 Did you know about ChargeSPOT when you bought a portable battery?

Most people didn't know about ChargeSPOT when they bought a portable battery



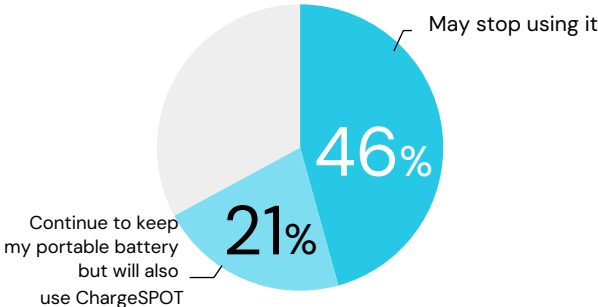
Q5 How often do you replace your portable battery?

More than one third replace their portable batteries within 3 years



Q6 What do you think you will do with your portable battery in the future after learning about ChargeSPOT?

About half of them are aware of the possibility of switching to ChargeSPOT



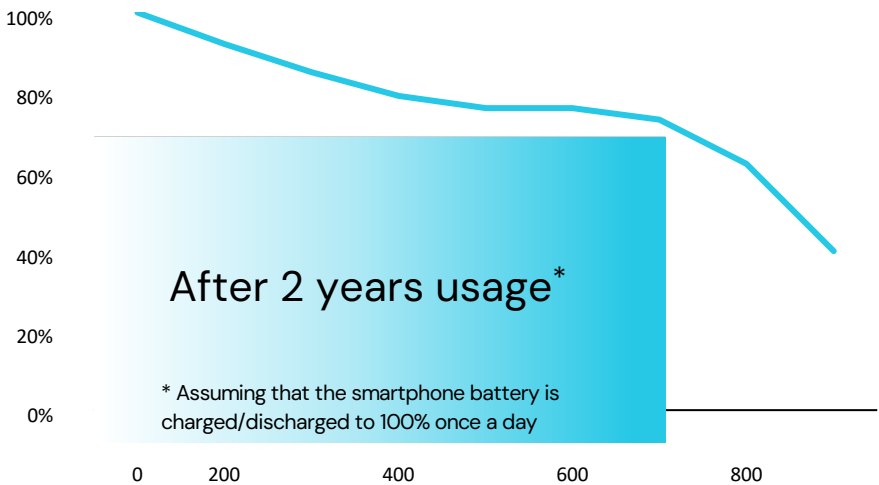
Medium-term Business Plan : Longer Smartphone Replacement Cycle

Aging characteristics of lithium-ion batteries, the prolonged trend of smartphone replacement cycle will accelerate such characteristics

- The charge capacity of lithium-ion batteries drops to 80% after about 600 charge/discharge cycles, and then the charge efficiency decreases rapidly
- When considering normal smartphone usage, the standard charging capacity after 5 years is about 30% (compared to when it was new)
- On the other hand, the smartphone replacement cycle has been prolonged due to the rising price of new models and the suspension of sales incentives by telecom carriers. As of 2022, the replacement cycle is approximately 4 years and 7 months

Charge/discharge cycle characteristics of lithium-ion battery

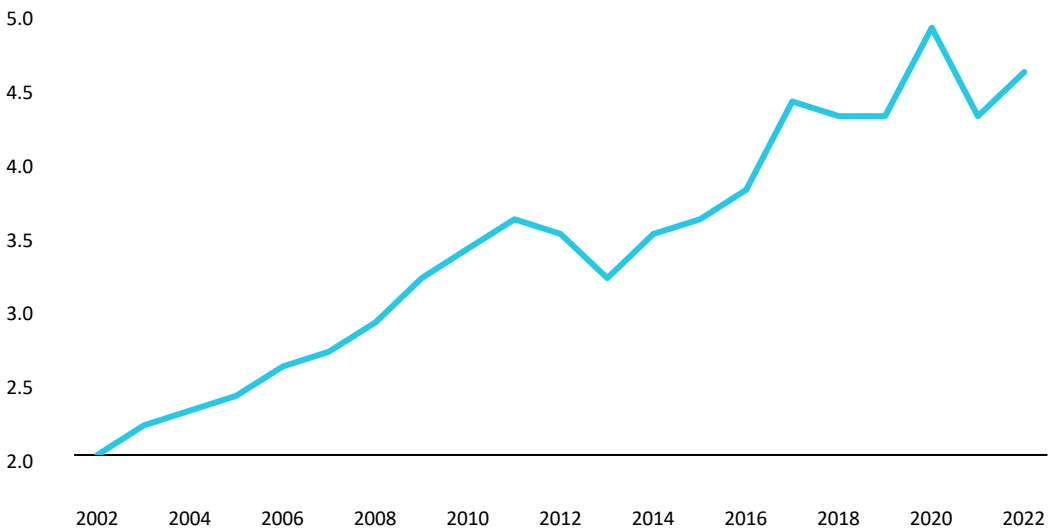
(Number of charge cycles: times, battery charge capacity: %)



Source: Image created by the Company based on “Capacity Degradation Characteristics of Lithium-ion Batteries for Mobile Terminals” (NTT DoCoMo Technical Journal)

Mobile phone/Smartphone replacement cycle

(Year, Average replacement cycle)



Source: 2022 Consumption Trend Survey, the Cabinet Office

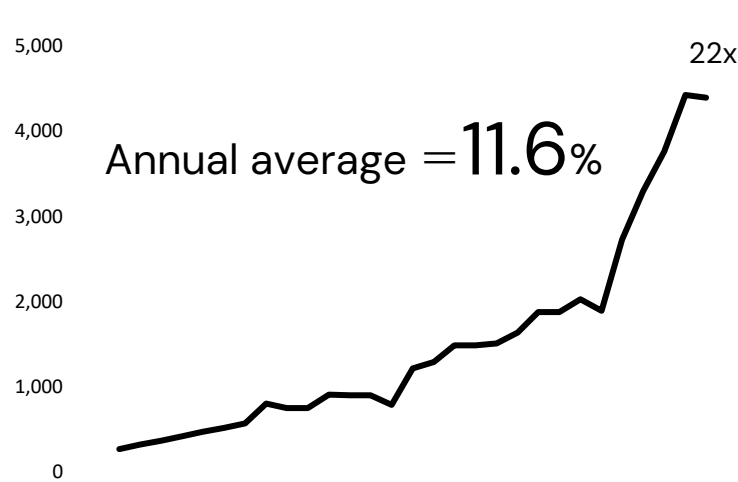
Medium-term Business Plan : Increase in Smartphone Power Consumption

Battery technology has not quite caught up with the evolution of mobile devices:
Despite technological advances, smartphone battery life is getting shorter

- Since 1994, mobile device battery capacity has increased 22 times
- However, the average daily power consumption of mobile devices is 102 times higher: **Higher display quality, higher app capacity, higher frequency with the transition from 3G to 4G to 5G**
- As a result of 28 years of "Difference (11.6% vs. 17.9%)" in growth rate, there is a 5-fold gap between internal battery capacity and power consumption (power required for one-day use of smartphones)

Internal battery capacity of mobile device

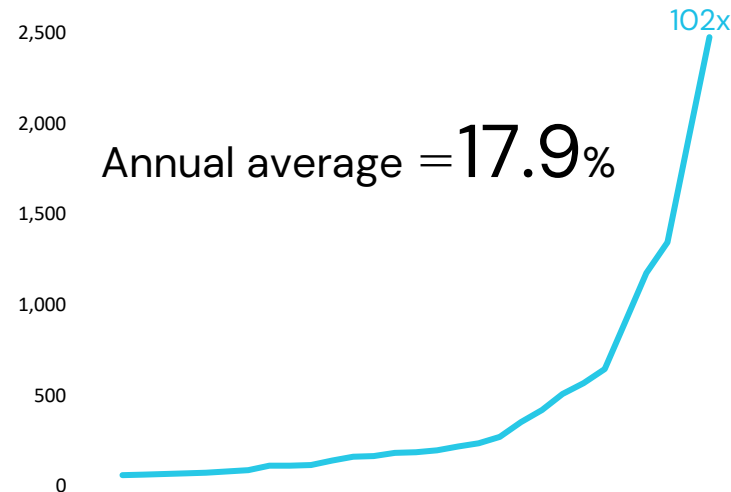
(Latest model for each year)



Note: The measurement period is from 1994 to 2022.
Source: Created based on data from Matsushita Communication Industrial and Apple

Power consumption of mobile device

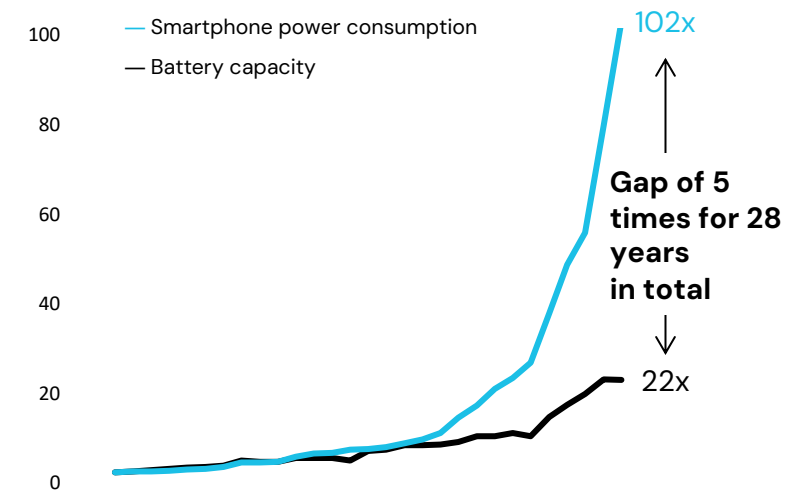
(Average per unit per day)



Note: The measurement period is from 1994 to 2022.
Source: Created based on data from Nielsen Mobile NetView, Marketing Research Camp and Peers Co., Ltd.

Battery capacity vs. Power consumption

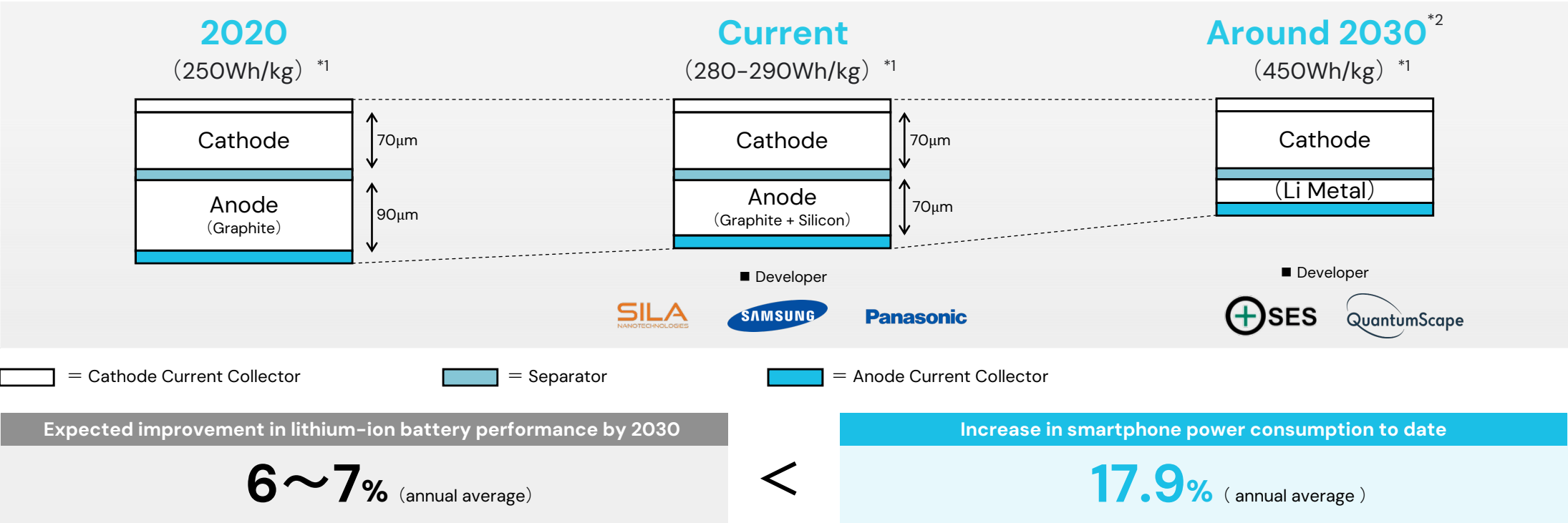
(Average per unit per day)



Medium-term Business Plan : Macro trend of smartphone battery

State-of-the-art technology trends of lithium-ion batteries:
Performance improvement by 2030 is about 6 to 7% per year on average,
far from the average annual growth of smartphone power consumption

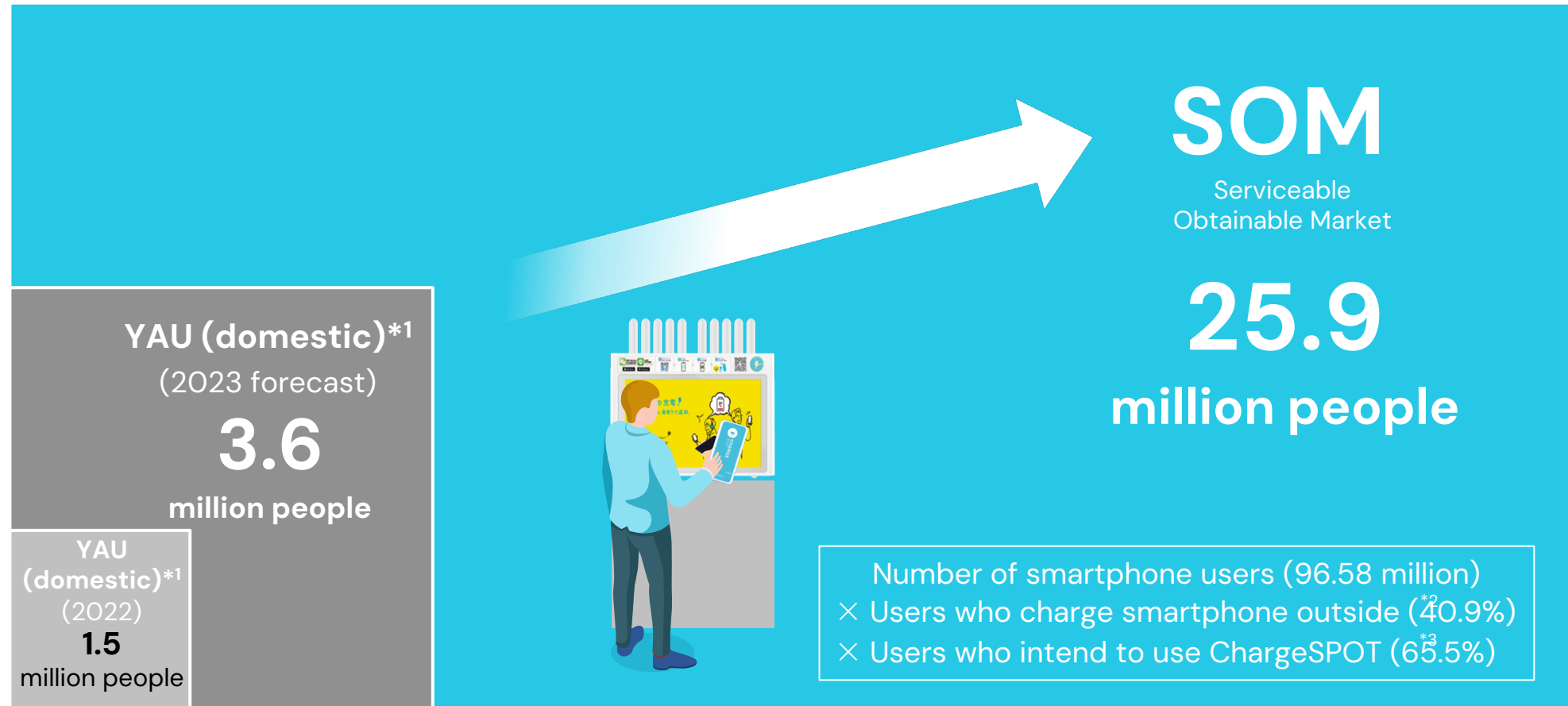
- Currently, SILA and other companies in the U.S. are developing new materials by mixing silicon (Si) into a graphite-based anode. Improvement in performance is about 15%
- The next promising breakthrough is a move to use lithium metal for anode materials, led by Solid Energy in the U.S. Given the number of usable cycles and safety, it is likely that the technology will be converted to realistic smartphone batteries around 2030



*1: Index of compactness indicating the battery capacity per unit weight *2: Rough guide for when it will be put to practical use for smartphone batteries

Medium-term Business Plan : Potential of ChargeSPOT (domestic)

There are 25.9 million SOM in Japan alone who have needs and intend to use ChargeSPOT. YAU are 3.6 million (2023 forecast), so there is a growth potential of approximately 7 times



*1 YAU : Yearly Active User (Users who use the service more than once a year)

*2 Estimates of the number of smartphone users based on the Population Estimates by the Ministry of Internal Affairs and Communications (as of October 1, 2022) and the 2022 Communications Usage Trend Survey

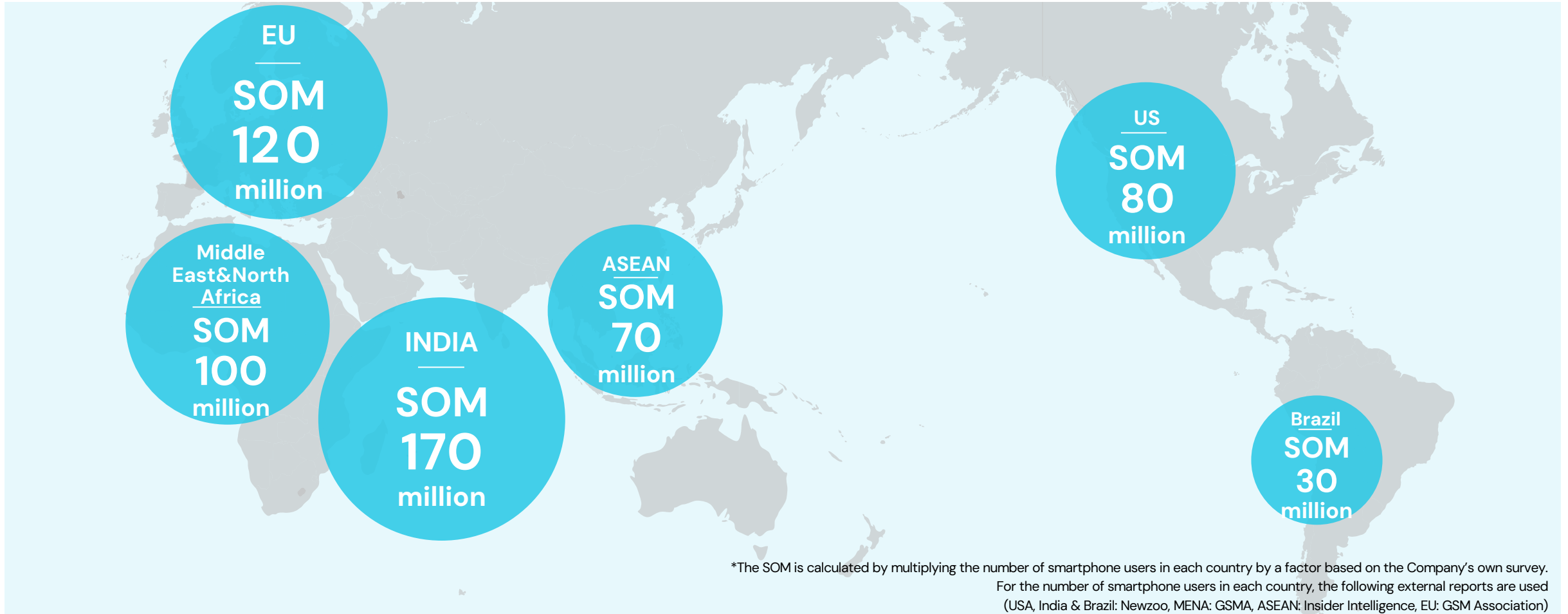
*3 Users who charge their smartphones while being away from home and their intent to use ChargeSPOT are the results of Dentsu questionnaire

Medium-term Business Plan : Potential of ChargeSPOT Overseas

We will deploy ChargeSPOT in target areas with high population density and high smartphone charging needs

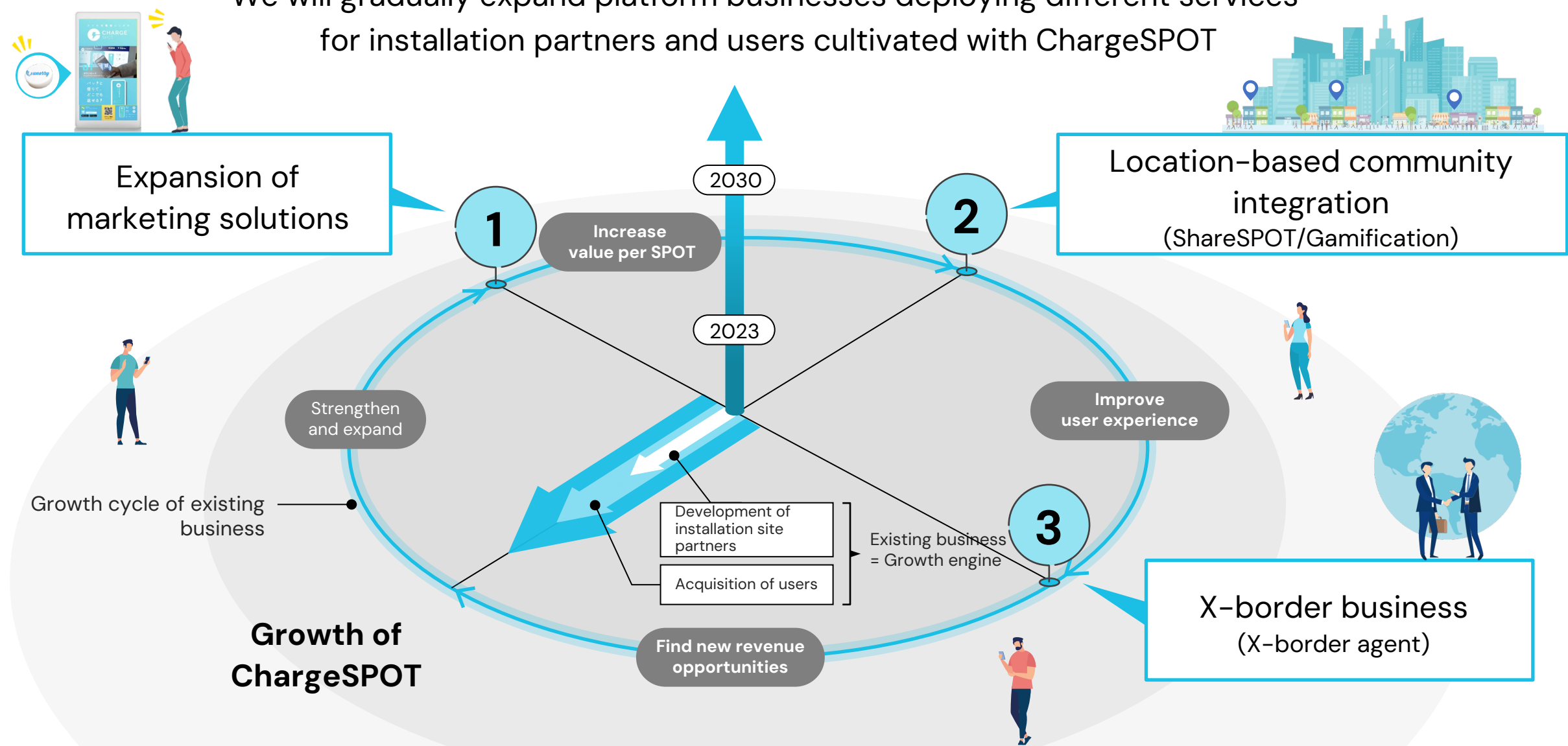
The target SOM* totals 570 million excluding existing areas

(Japan/China(mainland))/Hong Kong/Taiwan/Thailand)



Medium-term Business Plan : Platform Service Expansion

We will gradually expand platform businesses deploying different services for installation partners and users cultivated with ChargeSPOT



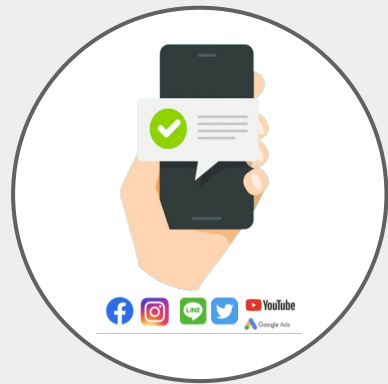
Medium-term Business Plan : Platform Service

[1] Marketing solutions

- In collaboration with Unerry Co., Ltd., we are conducting a PoC installing beacon on ChargeSPOT device
- Together with existing signage, send push advertisements to visitors and measure the effectiveness of advertisements as a package



App Banner



Digital
Advertising

**Deliver information that is
useful now to those who
are there now**



Medium-term Business Plan : Platform Service

[1] Marketing solutions

- ChargeSPOT has a track record of placing advertisement for a wide range of products, including financial services, media, and consumer goods
- Its ability to freely mix and match areas and installation site types is an advantage

Example of broadcasting in area × installation site type

Downtown area	×	Convenience stores
Tokyo Metropolitan Area	×	Home appliance chains
Hong Kong	×	Commercial facilities

ChargeSPOT is able to distribute
advertisement tailored
to 48,000 global products
and promotions



Medium-term Business Plan : Platform Service

[2] ShareSPOT

- We released ShareSPOT, a sharing economy platform app, in November 2022
- Japan's first platform app that allows users to find and use sharing services using a single app

Participating partners*2



Collaborative partners



Plan to participate:
EV charging *TBC

*1 In-house research

*2 Source: Sharing Economy Association press release

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A variety of services in one app
Provide a seamless experience



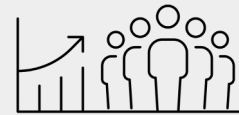
Medium-term Business Plan : Platform Service

[2] Gamification

- Expecting more ChargeSPOT users by tagging with game apps and AR services
- Encouraging customers to visit the location will also increase the value of ChargeSPOT to site owners
- We will continue to consider measures to make more effective use of the ChargeSPOT “location”

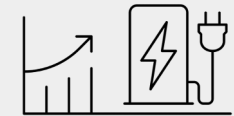
**Increase the fan base
through collabs with
various content**

= Increase in users



**Increased visit meaning
value
to installation site owners**

**= Increase in
number of units**



×

||

**More effective use of the
ChargeSPOT “location”**

**= Attractiveness of
ChargeSPOT**

**= Increase in
utilization**



Medium-term Business Plan : Platform Service

[3] X-border agent

- We realize X-border agent functionality that blends advanced services from Asia, including Hong Kong, the birthplace of ChargeSPOT, with existing apps and locations in Japan and overseas



Music streaming ^{*TBC} (II Studio)



Retail media ^{*TBC} (Smart Retail)



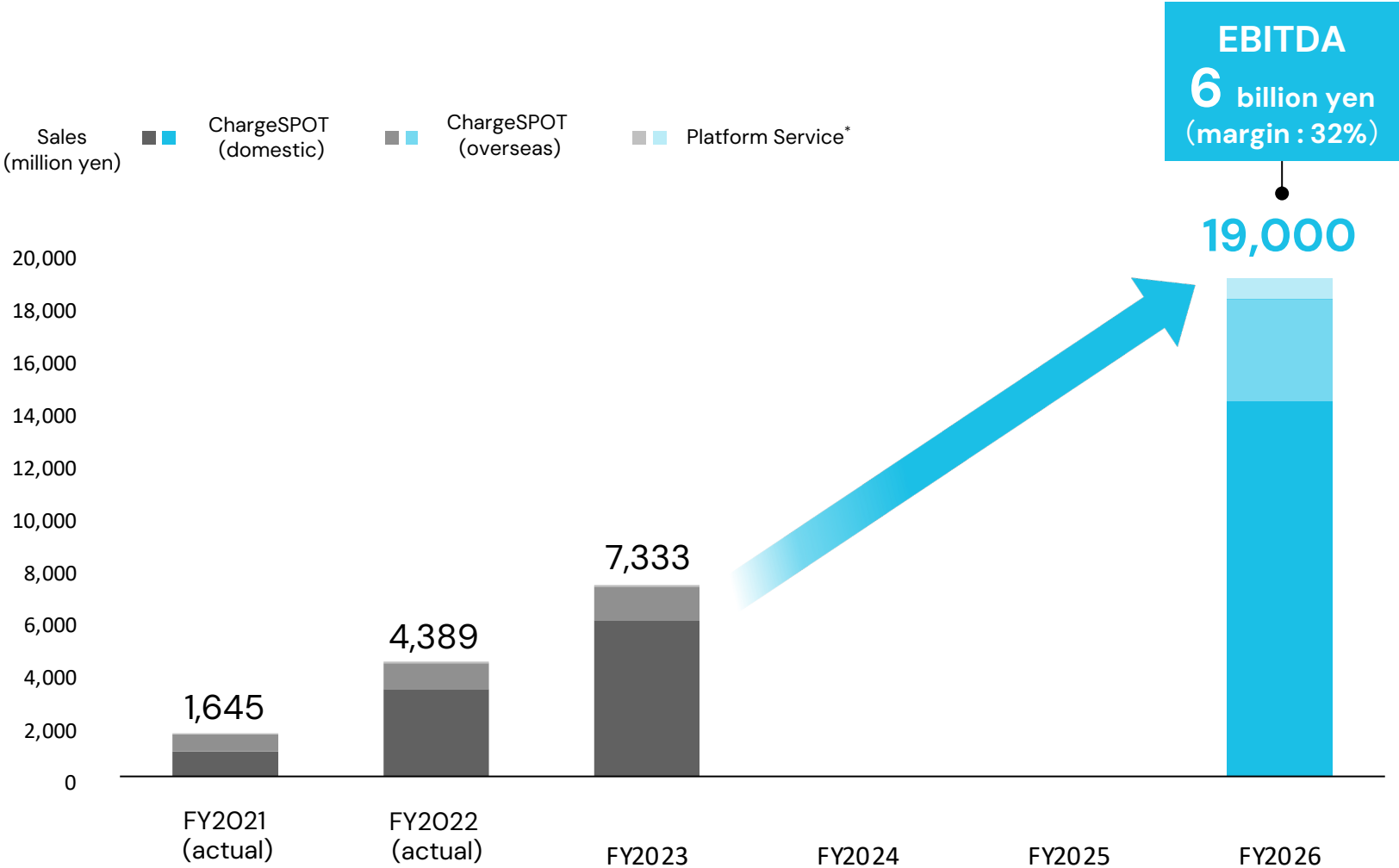
SNS ^{*TBC} (Jagat)



Indoor navigation ^{*TBC} (Mapxus)

Medium-term Business Plan : Sales/EBITDA Plan

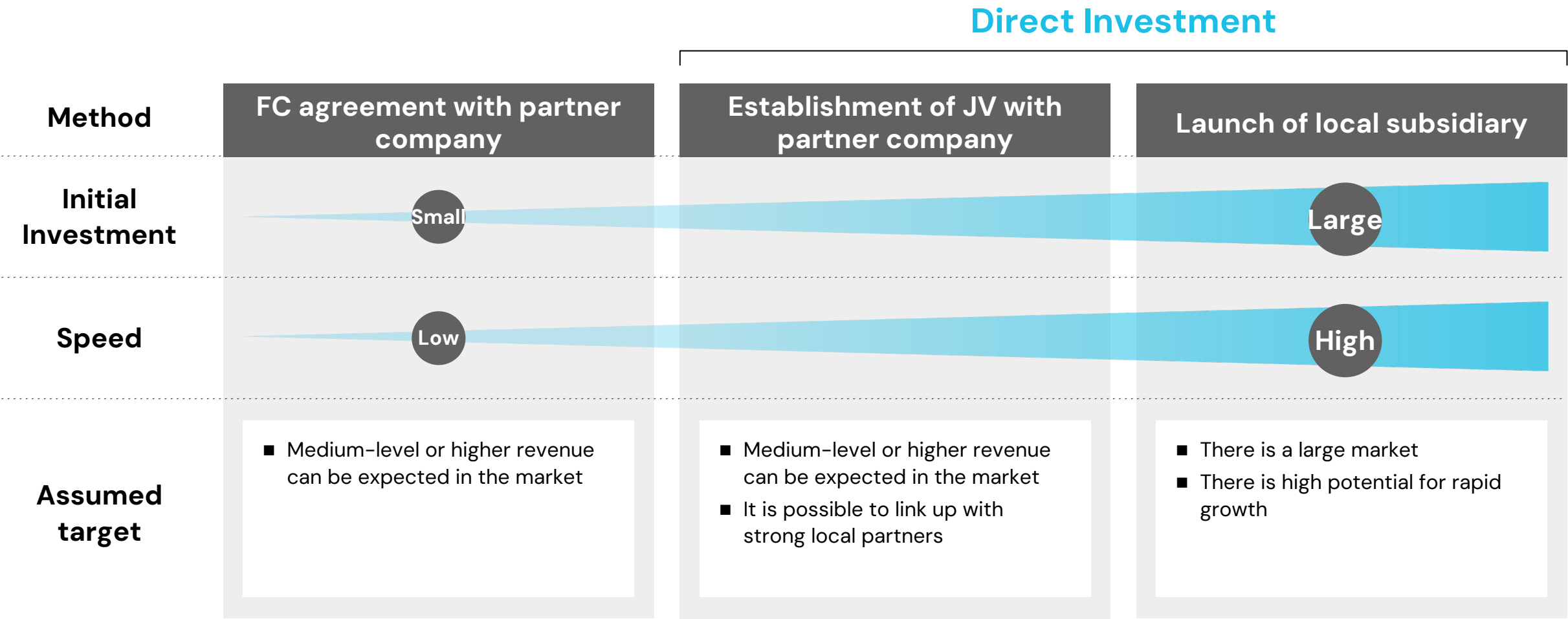
In the first 3 years to achieve VISION 2030 (EBITDA of 15 billion), our FY2026 is consolidated sales of 19 billion yen and EBITDA of 6 billion yen (margin of 32%)



- Sales of domestic ChargeSPOT in FY2026 are expected to be 14.3 billion yen through continued MAU expansion (EBITDA of 5.2 billion yen)
- Sales of overseas ChargeSPOT in FY2026 are expected to be 3.9 billion yen through continued MAU expansion and expansion into new areas (EBITDA of 0.4 billion yen)
- Sales of platform service is expected to be 0.8 billion yen in FY2026, focusing on the expansion of marketing solutions already underway (EBITDA of 0.4 billion yen)

Medium-term Business Plan : Global Investment Policy

We previously have focused on franchise development with a priority on securing cash on hand, but will be considering options to accelerate global expansion, including direct investment



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We plan to disclose matters related to strategy and growth potential next time around March 2024.

Agenda

1. Medium-term Business Plan
(Strategy & Growth Potential)
- 2. Appendix**

Appendix : Company Profile

Company Name	INFORICH Inc.
Head office address	A-6A, 6-31-15 Jingumae, Shibuya-ku, Tokyo
Representative	Hironobu Akiyama (Stephen Chan)
Established	September 2015
Listed market	Tokyo Stock Exchange Growth Market (Security code 9338)
Capital stock	6,279,164,519 yen (Including capital reserve as of June 2023)
# of emplpyees	Non-consolidated: 112, Consolidated: 220 (Including temporary employees, as of June 2023)
Sales offices	Japan : 7 locations Overseas : 2 locations (Guangzhou,HongKong)
Affiliated companies	INFORICH ASIA HOLDINGS LIMITED / INFORICH ASIA HONG KONG LIMITED Inforich (Guangzhou) Technology Company Limited CHARGESPOT (MACAO), SOLE SHAREHOLDER LIMITED CHARGESPOT MARKETING



Representative Director,
President & CEO
(Founder)
Hironobu Akiyama
(Stephen Chan)

Born in Hong Kong and raised in Japan. In 2007, he was active as a trilingual artist at Universal Music. Moved to Hong Kong in 2012 and worked as an advisor to the Hong Kong representative office of Fukuoka Prefecture, and as the head of the overseas business office at the time of the establishment of IGNIS Co., Ltd., which was listed on Mothers in 2014. . Founded INFORICH Co., Ltd. in 2015. Currently working on developing ChargeSPOT globally.



Director & COO
Tomonori Tkahashi

As a system engineer and project manager at Rugasia Co., Ltd., developed a workflow management system. In 2012, joined Velocity Co., Ltd., an e-commerce platform that handles smartphone accessories. After that, co-founded FOTOwd (currently acquired by PicSPOT business of INFORICH) and continues to the present.



Director & CFO
Yuki Hashimoto

Certified public accountant of Japan. Started career at Deloitte Touche Tohmatsu LLC and covered statutory audit, J-SOX, and IPO preparation support in various industries such as retail, restaurant, advertising, and IT startups. After taking charge in book-closing, timely disclosure, subsidiary, and investment control at a publicly listed company joined the FinTech subsidiary of Mercari Co., Ltd., Merpay. As the person in charge of business planning, responsibilities included budget management and developing management accounting. Joined INFORICH in December 2019 and oversees the domestic corporate division.



Independent Director
Daisuke Iwase

Founder of LIFENET INSURANCE COMPANY. He retired after serving as president and chairman of the board. In 2018, he was invited as a member of the Headquarters Management Board and Group Chief Digital Officer of AIA Group, the largest life insurance company in Asia. After his retirement, he established Tiger Gate Capital, a Hong Kong-based advisory firm that supports the growth of fintech and healthtech companies, and became Managing Partner. He also serves as outside director of Benesse Holdings and YCP Holdings. He graduated from the University of Tokyo Law School (passed the bar exam) and graduated from Harvard Business School (MBA with High Distinction). His hobbies include jazz piano, listening to Bunraku, yoga, running marathons, and cooking, which he honed during his stay-at-home life.



Independent Director
Eriko Suzuki

Investor and ESG consultant in sustainability, well-being, and Web3 fields. She participated in the founding of Japan's first ESG-focused venture capital, MPower Partners, as a managing director, and has led several other VCs. She has been engaged in global M&A and IPO operations in the investment banking division of Morgan Stanley. She later launched a Japanese subsidiary of an American drone venture and became the Japan representative. She has authored the book: "From now on, the way we live will become the way we work" (April 2018, Yamato Shobo) as well as translated the book :“Mission Economy: The time has come to create a “new capitalism” with the country and the company” (December 2021, NewsPicks Publishing). She is also the mother of two children.



Independent Director
Koichi Tsunoda

After graduating from UC Berkeley, he engaged in M&A execution at a foreign investment bank. As CFO at Manabo Co., Ltd., he is mainly in charge of corporate affairs such as finance, fundraising, and legal affairs. In 2017, he became CFO of Yapuri Co., Ltd., and has been a director of the company since 2018. He has also been the Outside director of C Channel Co., Ltd. since 2022.

Appendix : ChargeSPOT Image of Usage



Step 1
First, download the app.

Search for the app with “ChargeSPOT.” Alternatively, if you add the official ChargeSPOT LINE account as a friend, you can use the service without downloading the ChargeSPOT app.



Step 2
Find a battery stand.

You can find a battery stand near you on the map in the app. Currently available battery stands are shown in light blue. With the app, you can also check the number of batteries available for rent and the number of available return slots.



Step 3
Scan QR code with app.

Use the app to scan the QR code displayed on the battery stand.



Step 4
Remove battery.

Remove the mobile battery from the slot on the battery stand. Choose from the three built-in cables to charge your device.

Appendix : ChargeSPOT Various Payment Methods



Payment methods available in Japan

- Various types of carrier settlement (docomo, Softbank, au)
- Various credit cards (VISA, JCB, MasterCard, American Express)
- LINE Pay
- Paidy
- PayPay
- Wechat Pay
- dPay
- T point

Payment methods that can be used overseas

- Apple Pay
- Wechat Pay
- Alipay
- LINE Pay
- Google Pay
- Union Pay



Smartphone payment app

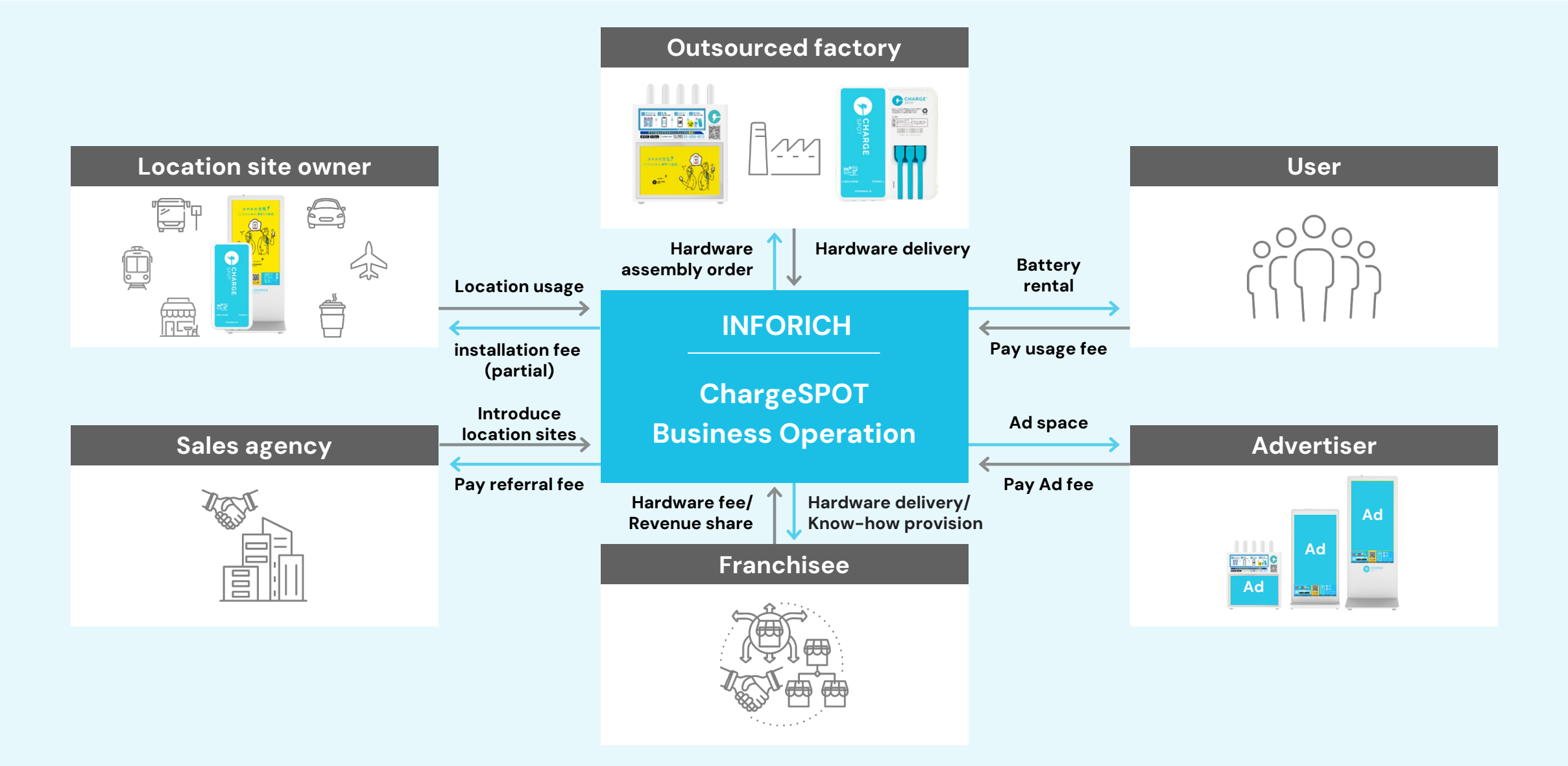


You can rent a mobile battery using your regular apps such as PayPay and dPay. There are no bothersome procedures to follow. You can rent a battery right away.

Appendix : ChargeSPOT Device lineup

	Tabletop type				Freestanding type	
						
	“S5” model	“S10” model	“S10-A” model	“M10” model	“LL20-J” model	“LL40” model
# of battery slots	5 pcs.	10 pcs.	10 pcs.	10 pcs.	20 pcs.	40 pcs.
Size(H × W × D)mm	180 x 195 x 145	246 x 350 x 149	226 x 350 x 149	631 x 346 x 300	1490 x 633 x 500	1956 x 660 x 610
Weight	Approx. 2.7kg	Approx. 5.4kg	Approx. 5.3kg	Approx. 20kg	Approx. 60kg	Approx. 100kg
Power consumption	2~60w	10~96w	9~96w	25~150w	60~320w	60~622w
Estimated electricity charges/month	136yen/month	334yen/month	316yen/month	689yen/month	1588yen/month	2077yen/month
Power cord length	3m	3m	3m	3m	3m	3m

Appendix : Earnings structure of existing businesses



Appendix : Our Strengths and Entry Barriers

The essence of the business is to quickly deploy location-based touchpoints with reliability
This is also the source of high barriers to new entrants to the market

Elements that enable quick and reliable deployment



No charge for installation

This service has a low hurdle for introduction, as stands are loaned free of charge to stores that can expect user’s usage.



Short payback period

Batteries and battery stands provide a quick return on investment through high frequency repetitive use.
(See Appendix " Hardware Recoup Period")



Installation through sales agency companies

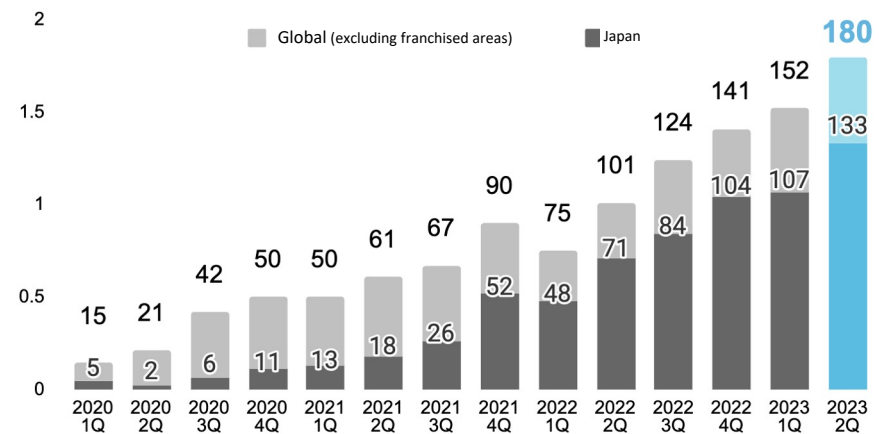
In addition to our direct sales team, we work with distributors who have nationwide network to enable rapid deployment.

Appendix : 【Consolidated】 Progress for Main KPIs

of monthly Rentals

(Average for each quarter)

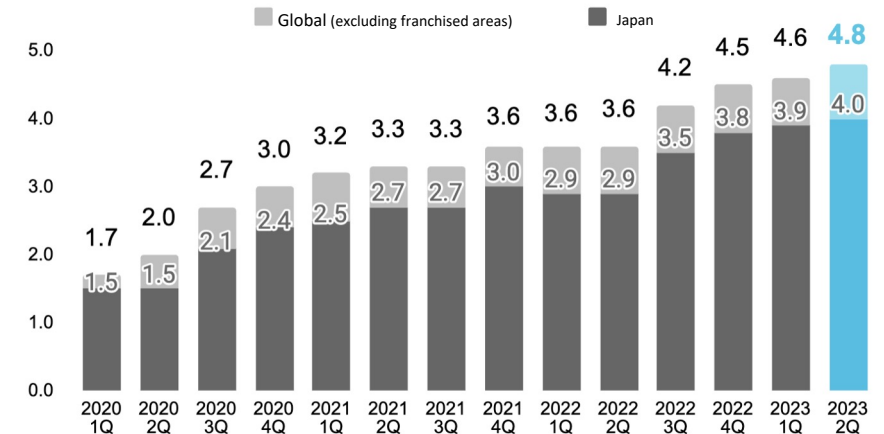
Unit : 10,000



of Machines installed

(End of each quarter)

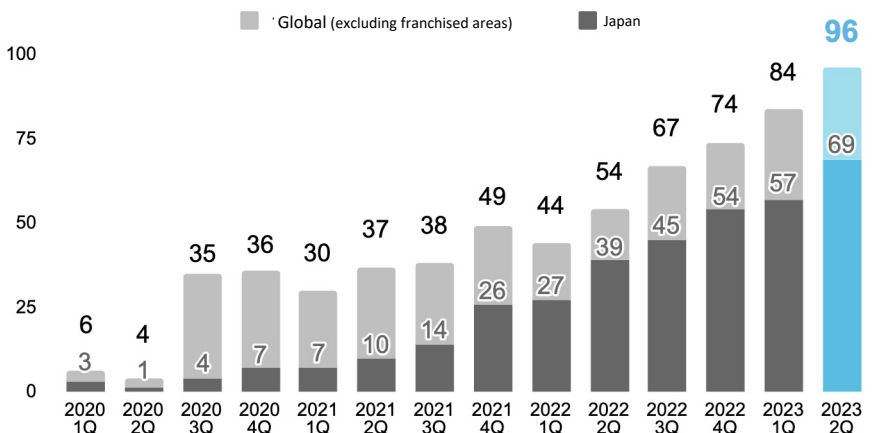
Unit : 10,000



of Active users

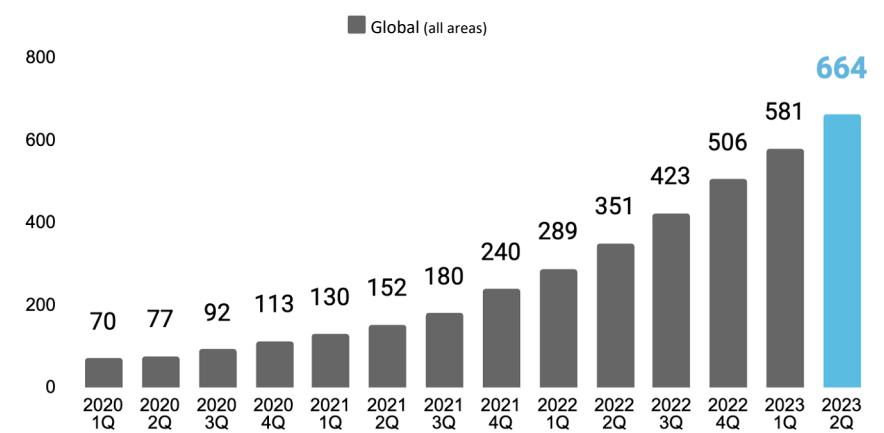
(Average for each quarter)

Unit : 10,000



Cumulative downloads

Unit : 10,000



* Monthly rentals: Expressed as end month of each quarter in previous materials. Changed to average 3 months from this time.
* # of Active user : Users who use the service at least once a month (FY2020 1Q and 2Q data do not include data for China.)

Appendix : Installation Protocol

From the perspectives of profitability, recognition, and cost reduction,
the location of the machine is reviewed prior to installation

Purpose of establishing installation protocol

Profitability

Increase profitability
by locating in location
with high potential

Recognition

Increase user awareness by
concentrating installation area

Cost Reduction

Reduce maintenance costs by
concentrating installation area



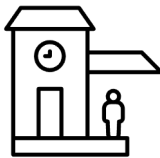
Specific Screening Criteria



**Legal
Check**



**Area
Priority**



**High human flow
Around the
station**



**Easy to
access**



**Operates
on weekends**



**Neighborhood
unit Economics**

Appendix : Hardware Recoup Period

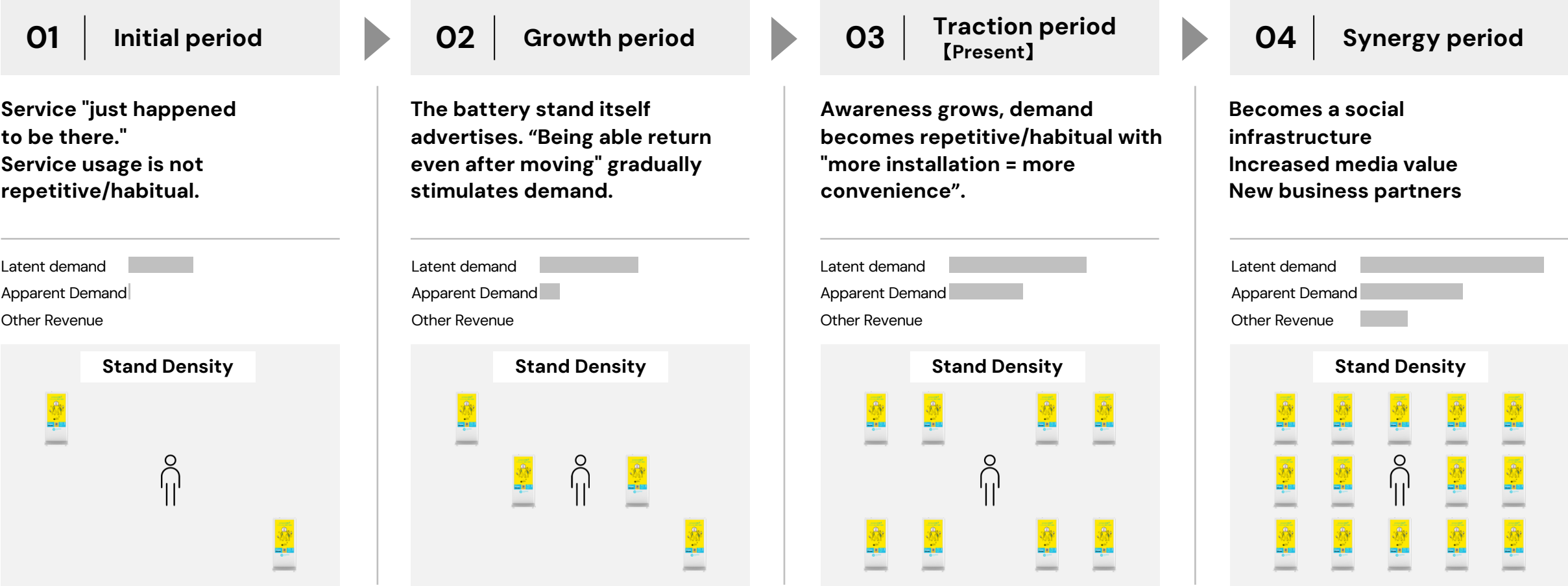
The recoup period for batteries is about one month
and for battery stands one month to one year depending on type

Hardware		# of slots	Depreciation period	Recoup period
Battery		-	3 years	25 days
		40 pcs.	5 years	41 days
Battery Stand		20 pcs.		239 days
		10 pcs.		397 days
		10 pcs.		102 days
		5 pcs.		106 days

* Recoup period: Based on battery utilization rate as of June 2023 or average daily sales per stand.
Time to recoup each hardware cost (production cost plus various expenses for kitting, delivery, and installation)

Appendix : Flywheel effect of the sharing business

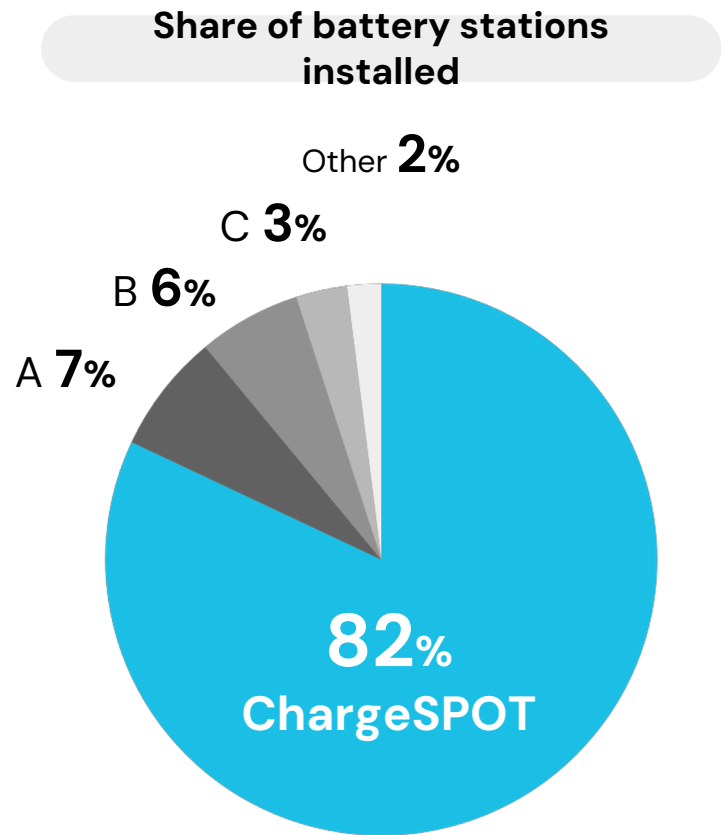
The "awareness -> use -> habituation" process in the battery sharing business has a flywheel effect, expected to bring sustainable business growth



* The latent demand/apparent demand/new business opportunities and the installation density are all images that visually represent the sense of increase/decrease.

Appendix : Market Share

More than 80% of the installed market share is held by us, which is an extremely high barrier to new entrants



of battery stands installed*

ChargeSPOT	40,935
Competitor A	3,673
Competitor B	3,134
Competitor C	1,549
Other	826

- Our view on barriers to entry
- ChargeSPOT is the first mobile battery sharing service introduced in Japan and has a history of pioneering the market from scratch
 - Due to the nature of the service, the greater the number of installations, the more convenient it is for users
 - It can be said that it is a business model with a high first-mover advantage, and as a result, we have a share of more than 80% based on stands installed
 - A large number of installations leads to user convenience and leads to an increase in the number of users
 - As a result, the market is activated, the need for installation increases
 - It is necessary to acquire a large market share in order to increase rental usage, but since we hold more than 80% of the market share, it is difficult

* Installed machines as of June 2023, in-house research

Appendix : Business Risks

Innovations in "battery life"

Risk term : Meduim to long term
Likelihood : Low

Major Risks	Countermeasure
<u>Longer battery life due to advances in technology</u> Since the driving need for the ChargeSPOT business is smartphone battery drain, the "battery life" of future smartphones will have a significant impact on our business. If, as a result of rapid technological innovation in rechargeable batteries, smartphones with built-in batteries that do not require any additional recharging for several days despite any vigorous smartphone use become widely used, this would naturally have an adverse effect on our shared battery business.	<u>Battery evolution has changed along with device feature, and performance evolution will take time.</u> In fact, the technological innovation of lithium-ion batteries is not yet completely exhausted, but few experts believe that we are about to enter a phase of innovation that is an order of magnitude different from the past. On the other hand, battery technologies other than lithium-ion batteries are promising for industrial applications such as drones and EVs, but not for smartphones, due to their electromotive force (potential difference between anode and cathode), cycle characteristics (durability), energy density (space), material stability in the atmosphere (safety), mass production (price), and other factors. Even if it is possible, there are still many hurdles to overcome before full-scale adoption. On the other hand, looking at the smartphone itself, the power consumption required to drive the mobile device is expected to increase due to the generational shift from 4G to 5G (higher capacity transmission and higher frequency bands) and the addition of unprecedented application functions due to the advancement of semiconductors and displays. There is a concern that the planned level of innovation in battery technology will not be sufficient to cover even this increase in power consumption. In sum, while we are fully aware of the general risk that smartphone-embedded battery technology poses to our business, we analyze the possibility that our smartphone lifestyle, including the frequency of charging, may move in the direction of raising our raison d'être.

Competitive environment

Risk term : Meduim to long term
Likelihood : Low

<u>Increased competition due to growth of competitors</u> The mobile battery sharing service that our group is developing is not a regulated industry, and since the manufacturing of mobile batteries and battery stands can be done on an OEM basis, there is a risk of intensified competition due to an increase in the # of companies participating in this service. The market share of the mobile battery sharing service accounts for approximately 80%* of the total # of battery stands installed in Japan, and we believe that the revenue base is stable. The Group plans to take various measures to expand the # of battery stands and users in the future. However, if these plans do not proceed as expected due to an intensified competitive environment, the Group's financial position and operating results may be affected. *Calculated by # of machines installed by the Group as of March 2023 and the # of machines announced by competitors.	<u>Expansion of # of installation sites</u> The most important thing for our mobile battery business is to secure installation sites. With this in mind, we have been aggressively installing our products in national brand commercial facilities and major railroad stations where people are concentrated, thereby ensuring the superiority of the first installations. As a result of the economies of scale evident in the sharing business, there is a strong tendency for a virtuous cycle of market leaders that progresses day by day, and once a service reaches a certain level of recognition, the difficulty for new entrants to regain market share increases at an accelerated pace. We, for our part, will not be complacent and will continue to solemnly work on improving our services while paying close attention to the movements of other companies in the market.
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Pandemic situation

Risk term : short/medium/long term
Likelihood : Medium

<u>Lockdown or similar measures due to pandemic</u> Service provided by our group is deeply linked to and affected by the flow of people. If a state of emergency is declared by the government due to a pandemic, the Group's business may be affected as the flow of people is restrained by lockdown or other restrictions. The Group is working to reduce this risk by installing battery stands in convenience stores and other locations that are frequently visited even when restrictions are imposed, but the occurrence of such a risk could affect the financial position and business performance of the Group.	<u>Possible measures using "antiviral" material</u> Since this business risk is not something that can be addressed by Company on our own or through corporate efforts, it is difficult to give an example of a clear countermeasure. However, as part of our measures against COVID-19 we have taken measures to reduce the negative impact by making all our batteries "antibacterial" and "antiviral" so that our users can rental with peace of mind even under pandemic conditions. We have taken measures to reduce the impact on our rental business as much as possible. We will continue to strive to accurately grasp the needs of the market so that we can take all possible measures in the future.
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* Major risks that the company recognizes as having the potential to affect the realization of growth and the execution of its business plan are listed. Other risks are described in the "Business and Other Risks" section of the Securities Registration Statement.

Appendix : Material issues (“Materiality”) 1/2

Reflecting the opinions of our stakeholders, including our employees, location owners and our shareholders, we identified our material issues (“Materiality”) while referring to ESG guidelines

01

Popularizing a Sharing Culture

Plan

Through ChargeSPOT and ShareSPOT we will demonstrate that "Convenience" and "Sustainability" can indeed coexist and remove this hurdle people feel to sustainable behavior. By popularizing a sharing culture, we will realize a sustainable society free from overproduction.

Strategies

- Make ChargeSPOT an easily accessible and inclusive service
- Increase the services available through ShareSPOT and make the sharing economy more familiar
- Disseminate information on sustainability through the ChargeSPOT signage

02

Promotion of Diversity and Inclusion within the Company

Plan

Based on the belief that there is value in diversity, we will achieve levels of Diversity and Inclusion suitable for a globally expanding company.

Strategies

- Hire employees from diverse backgrounds and create an environment where they can make the most of their strengths.
- Create an organization that can collaborate and co-create beyond the boundaries of different cultures, values, and expertise
- Create an environment where employees can play an active role regardless of gender and be involved in important decision-making

03

Cooperate in Securing Power Supplies during Disasters

Plan

In cooperation with local governments and companies, we will create an environment where smartphones can be charged even in the event of natural disasters such as earthquakes and typhoons, and prevent people from losing their means of communication.

Strategies

- Release batteries for free in affected areas
- Provide emergency evacuation sites and charging infrastructure at evacuation centers
- Conduct research and development of a stand that can be used even during power outages

Appendix : Material issues (“Materiality”) 2/2

Reflecting the opinions of our stakeholders, including our employees, location owners and our shareholders, we identified our material issues (“Materiality”) while referring to ESG guidelines

O4

Realization of a Resilient Supply Chain

Plan

We aim to realize a resilient supply chain that can respond to changes in the international situation while considering the environment and human rights.

Strategies

- Identify and remedy human rights violations throughout the supply chain
- Oppose and prevent child labor and all forms of forced labor
- Develop a supply chain business continuity plan (BCP)
- Appropriately treat and recycle waste

O5

Reduction of CO2 Emissions

Plan

Understand our company's emissions (including ChargeSPOT) and work to reduce them. In addition to this, help our users and locations partners reduce their own emissions.

Strategies

- Calculate the company's CO2 emissions (Scope 1-3) and work to reduce them
- Visualize the CO2 reduction effect due to the spread of our shared batteries
- Implement an offset for the power used by the battery stand
- Cooperate in the spread of green power and carbon offsets

O6

Strengthen both Risk Management and General Management

Plan

We will implement risk management befitting a listed company, strengthen our management base, and improve our corporate value over the medium to long term

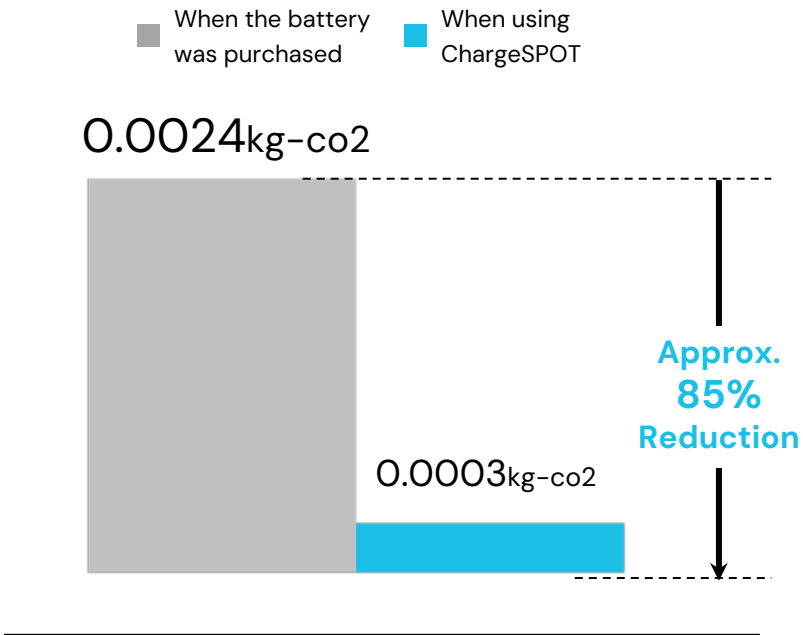
Strategies

- Thorough management of customer and business partner information
- Provide education to raise employee awareness of compliance
- Establish a Compliance and Risk Management Committee to promote activities to foster a sound corporate culture
- The Board of Directors, which includes outside directors, makes decisions on important matters such as basic management policies

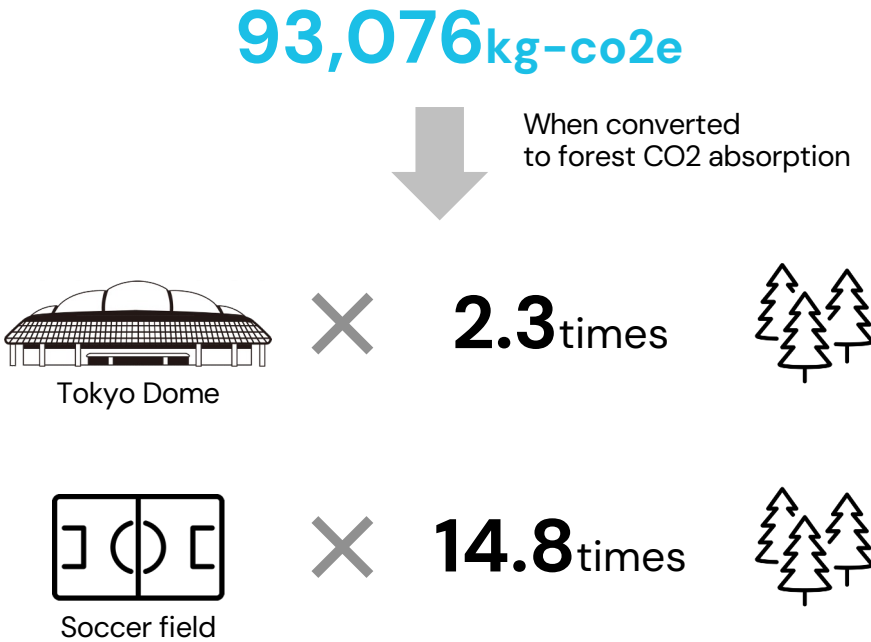
Appendix : Calculation of CO2 emission reduction effect by using ChargeSPOT

Sharing batteries can reduce CO2 emissions by about 85% compared to purchasing batteries.
We will continue to improve our service to make it more eco-friendly

Comparison of CO2 emissions between purchasing a battery and using ChargeSPOT for one year



CO2 reduction across all ChargeSPOT users



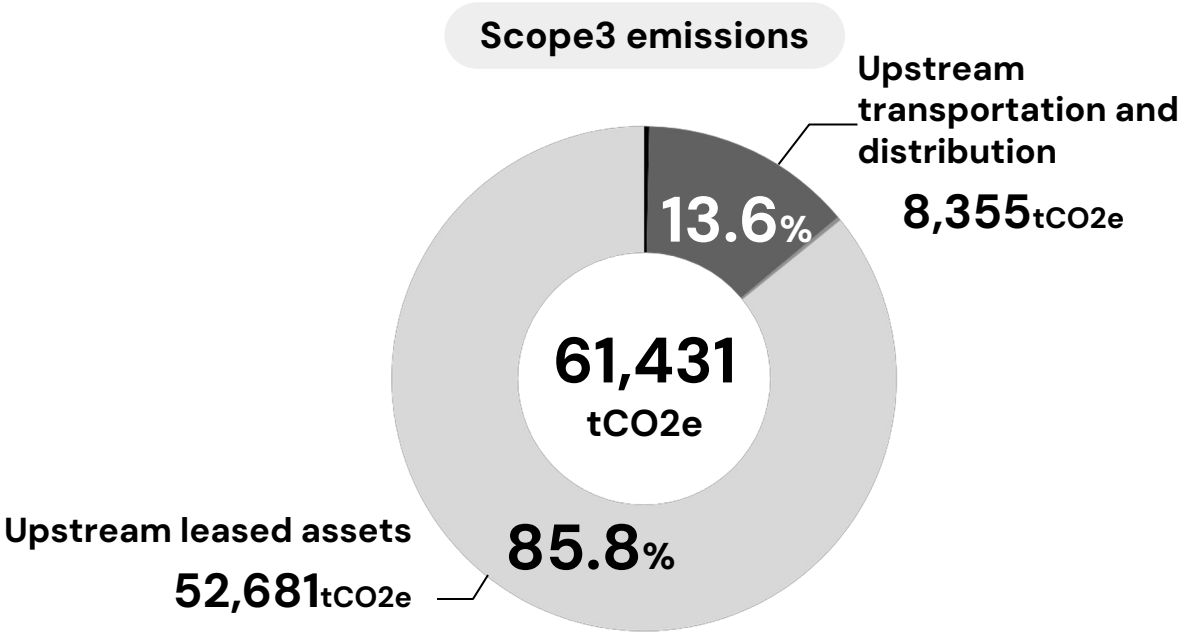
* Estimate based on 500,000 monthly users, with a larger reduction in volume in 2023.
* Calculated assuming annual absorption of 8,800 kg-CO2 per hectare of forest (Source: Forestry Agency)
* Calculation by Asuene Corporation.

Appendix : Calculation of CO2 emissions

We calculated CO2 emissions in FY2022 for Japanese headquarter. We will expand the scope of calculation to include overseas subsidiaries and work to improve the precision of calculations and reduce emissions



We use electricity from renewable sources, and therefore zero Scope 2 emissions.



With Scope 3, the majority of emissions are under upstream leased assets resulting from electricity use of battery stands at installation sites.

- The above emissions are for Japanese legal entities only. From fiscal 2023 onward, we plan to publish the results including consolidated overseas subsidiaries.
- The calculation is based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" published by the Ministry of the Environment and METI.
Categories not listed above have no emission source or are included in Scope 1 and 2.
- Scope 2 emissions are calculated based on market standards. Our offices use electricity from renewable energy sources, so the corresponding emissions are zero.
- Scope 3 emissions are calculated using the emission intensity database Version 3.2 for calculating greenhouse gas emissions, etc. of organizations through the supply chain.
- Scope 3 emissions are values after offsetting by Green Power Certificates.

Appendix : Calculation of CO2 emissions (details)

Scope	Category	CO2e emissions (tCO2e)	Percentage
Scope1	direct emissions	0	0 %
Scope2	indirect emissions	0	0 %
Scope3		61,431	100 %
	1 Purchased goods and services	202	0.33 %
	2 Capital goods	8,355	13.6 %
	3 Other fuel	-	-
	4 Upstream transportation and distribution	129	0.21 %
	5 Waste generated in operations	3.84	0.01 %
	6 Business travel	25.7	0.04 %
	7 Employee commuting	35	0.06 %
	8 Upstream leased assets (From power consumption of the battery stand)	52,685	85.8 %
	9 Downstream transportation and distribution	-	-
	10 Processing of product	-	-
	11 Use of product	-	-
	12 Disposal of product	-	-
	13 Downstream leased assets	-	-
	14 Franchise	-	-
	15 Investments	-	-
	16 Other	-	-
Total		61.431	-

- The above emissions are for Japanese legal entities only. From fiscal 2023 onward, we plan to publish the results including consolidated overseas subsidiaries.
- The calculation is based on the“Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain” published by the Ministry of the Environment and METI.
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- Scope 3 emissions are calculated using the emission intensity database Version 3.2 for calculating greenhouse gas emissions, etc. of organizations through the supply chain.
- Scope 3 emissions are values after offsetting by Green Power Certificates.

Appendix : Recycling and Disposal Policy

INFORICH implements appropriate recycling to prevent the generation of electronic waste
The company recycles 100% of the battery stands that can no longer be used and
recycles batteries through Japan Portable Rechargeable Battery Recycling Center (JBRC)

Large battery stands are sold to recycling companies for recycling. We have achieved 100% recycling even for small items by bearing the recycling cost.



Sales to traders → Recycle



Bear the cost of recycling → Recycle

In order to not waste rare metals such as lithium, cobalt, nickel, and graphite used in lithium-ion batteries, we registered as a business operator with JBRC and implement recycling.



<https://www.jbrc.com/>

Appendix : Dissemination of Environmental Information in Collaboration with Asuene Corporation

Sustainability media “Asuene,” which explains environmental issues, is broadcasted on approximately 23,000 signage units. Asuene and INFORICH will continue partnering to make people aware of climate change and decarbonization and to provide opportunities and triggers for eco-friendly actions



Thank you for your interest.

INFORICH