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# Summary of Consolidated Financial Results for the First Three Quarters of the Fiscal Year Ending December 31, 2023 [IFRS]



November 14, 2023

Company Name:	AnyMind Group Inc.	Listing exchange:	Tokyo Stock Exchange
Securities code:	5027	URL:	<a href="https://anymindgroup.com">https://anymindgroup.com</a>
Representative:	Kosuke Sogo, Representative Director and Chief Executive Officer		
Inquiries:	Keizo Okawa, Director and Chief Financial Officer	(TEL) +81-3-6384-5540	
Scheduled date for filing quarterly security report:	November 14, 2023	Scheduled date for commencement of dividend payments	—
Preparing supplementary materials on quarterly financial results	: Yes		
Holding quarterly financial results briefing session	: Yes (in Japanese)		

(Amounts are rounded down to the nearest million yen)

## 1. Consolidated operating results for the first three quarters (January 1, 2023 - September 30, 2023) of the fiscal year ending December 31, 2023

(Percentage figures represent year-on-year changes)

### (1) Revenues and Income

	Revenue		Gross profit		Operating profit		Profit before income taxes		Net income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the first three quarters ended September 30, 2023	22,889	33.1	8,732	36.2	331	-	320	167.8	183	-	171	-
September 30, 2022	17,191	29.5	6,409	47.6	(229)	-	119	-	(130)	-	(123)	-

(Reference)	Comprehensive Income	September 30, 2023	915	million yen	September 30, 2022	240	million yen
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	Profit for the period attributable to owners of the parent per share (Basic)		Profit for the period attributable to owners of the parent per share (Diluted)		Adjusted EBITDA (Note)	
	Yen		Yen		Millions of yen	%
For the first three quarters ended September 30, 2023	3.00		2.76		1,122	120.9
September 30, 2022	(2.34)		(2.34)		508	37.9

(Note) Adjusted EBITDA = Operating profit / (loss) + depreciation / amortization expenses + share option expenses

### (2) Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
September 30, 2023	22,283	13,381	13,279	59.6	229.20
December 31, 2022 (end of previous fiscal year)	18,822	11,515	11,425	60.7	202.28

### (3) Cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at end of period
For the first three quarters ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2023	783	(1,114)	374	6,536
September 30, 2022	(733)	(131)	3,502	6,429

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**2. Dividends**

	Cash dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
For the fiscal year ended December 31, 2022	-	0.00	-	0.00	0.00
For the fiscal year ending December 31, 2023	-	0.00	-		
For the year ending December 31, 2023 (Forecast)				0.00	0.00

(Note) Revision of the most recently announced dividend forecast: No

**3. Forecast of consolidated financial results for the fiscal year ending December 31, 2023 (January 1, 2023 - December 31, 2023)**

(% indicates year-on-year changes)

	Revenue		Gross profit		Operating profit		Profit before income taxes		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	33,293	34.3	12,165	30.9	481	1481.3	450	38.0	227	(5.0)

(Note) Revision to the most recently announced earnings forecast: No

**※ Notes**

- (1) Changes in significant subsidiaries during the period under review  
 (Changes in specified subsidiaries resulting in changes in scope of consolidation) : No  
 Newly included: - , Excluded: -

**(2) Changes in accounting policies and accounting estimates**

1 - Changes in accounting policies required by IFRS	:	No
2 - Changes in accounting policies other than 1	:	No
3 - Changes in accounting estimates	:	No

**(3) Number of shares issued (ordinary share)**

- 1 - Number of shares issued at the end of the period  
 (including treasury shares)  
 2 - Number of treasury shares at the end of the period  
 3 - Average number of shares during the period  
 (cumulative from the beginning of the fiscal year)

September 30, 2023	57,938,600	December 31, 2022	56,100,900
September 30, 2023	-	December 31, 2022	-
September 30, 2023	57,229,867	September 30, 2022	52,863,685

\* This summary of quarterly financial results is not subject to quarterly review procedures by certified public accountants or audit firms.

\* Explanation regarding the appropriate use of earnings forecast and other special items

(1) The earnings forecasts and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions deemed reasonable. The Company does not promise the achievement of these forecasts. Actual results may differ materially from these forecasts due to various reasons.

(2) The Company will hold a results-briefing session in Japanese at 18:00 (Japan Standard Time) on November 14 (Tue), 2023 for institutional investors and at 19:30 (Japan Standard Time) on the same day for individual investors. The materials to be used will be uploaded to the TDnet and the Company IR website, and the transcript of the briefing session will be posted forthwith on the Company's IR website.

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## **1 Qualitative Information on the Financial Results for the Period under Review**

### **(1) Overview of Operating Results**

Under the corporate mission “Make Every Business Borderless,” the Group provides one-stop support platforms for solutions in areas such as brand building, goods production management, media operations, e-commerce website construction and operation, marketing, and logistics management. The Group conducts business in 14 countries and regions around the world, mainly in Asia and the Middle East.

In the third quarter of the fiscal year, the Japanese economy showed signs of modest recovery with overall improvements in corporate profits. However, the overseas economic outlook remained uncertain due to global monetary tightening, rising global prices, and rising domestic prices due to exchange rate fluctuations in the direction of a weaker yen. Despite these conditions, the Group continued to achieve steady year-on-year growth in revenue and gross profit with all its businesses. “AnyTag”, the influencer marketing platform in the Marketing business, “AnyManager”, the publisher growth platform, and “AnyCreator”, the creator growth platform in the Partner Growth business, remained the main contributors to the overall growth of the Group. In the D2C/E-Commerce business, continued stable growth was achieved due to the growth for domestic and international enterprise-related e-commerce.

On top of its existing businesses, the Group continues to focus on the e-commerce domain of its D2C Platform. For the e-commerce support services for corporations, in particular, efforts are underway to reinforce the operational system in order to capitalize on the strong demand not only in Japan but also in other Asian countries. Moreover, in addition to the existing businesses of marketing, partner growth and D2C operations, the Group is promoting collaborations in e-commerce support including cross-border transactions with agencies and manufacturers with competitive brands, in an endeavor to achieve continuous expansion and growth of the business. In this context, on September 25, 2023, the Group completed the acquisition of Indonesian e-commerce enabler and eDistributor, PT Digital Distribusi Indonesia (“DDI”), and is consolidated into the Group from the third quarter of the fiscal year ending December 31, 2023. It is expected that this acquisition will bring together synergies of both companies’ strengths, The Group with its technology-driven business model, and DDI with its services-driven business model, and establish a foundation to provide uplift to the Group’s performance for the D2C Platform business. For more information on budget revision after the completion of the acquisition, please refer to the “Notice of Revision of Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2023” released on September 25, 2023.

On top of the existing achievements, the Group continuously invests in developing new functions and enhancing the usability of its platforms, such as a new workflow feature to automate specific e-commerce operations and advertising report consolidation and attribution functionality in “AnyX”, our e-commerce management platform, the launch of user acquisition and app performance analytics modules in “AnyManager”, our publisher growth platform, extension of support to Meta’s Threads in “AnyTag”, the influencer marketing platform, developed functionality automatic translation of shipping information feature by leveraging on the ChatGPT API, and a pickup request feature for “AnyLogi”, the international shipping platform. The Group believes that these ongoing efforts to improve and enhance functions should contribute to larger added value of the services it provides and, on top of the growth achieved in the third quarter, help drive its persistent growth going forward.

As a result of the above, revenue for the first three quarters increased by 2,791 million yen (up 31.2%) for Marketing Platform, by 2,244 million yen (up 36.4%) for Partner Growth Platform and by 684 million (up 34.8%) for D2C Platform, all on a year-on-year basis. In terms of the ratio of revenue by region (\*) for the first three quarters of the fiscal year ending December 31, 2023, Japan accounted for 47% (47% for the same period a year earlier), followed by South East Asia at 37% (37% a year earlier) and India and Greater China region at 16% (16% a year earlier).

(\*) The ratio of revenue by region is based on the revenue (before cancelling internal transactions) from the regions where the Company’s subsidiaries are located.

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**For the first three quarters (cumulative)**

(Unit: millions of yen)

	First three quarters ended September 30, 2022 (January 1, 2022 – September 30, 2022)	First three quarters ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Year-on-year changes	
			Amount	%
Marketing Platform	8,950	11,742	2,791	31.2%
Partner Growth Platform	6,163	8,408	2,244	36.4%
D2C Platform	1,968	2,652	684	34.8%
Others	109	85	(23)	(21.8%)
Total	17,191	22,889	5,697	33.1%

**For the third quarter**

(Unit: millions of yen)

	Third quarter ended September 30, 2022 (July 1, 2022 – September 30, 2022)	Third quarter ended September 30, 2023 (July 1, 2023 – September 30, 2023)	Year-on-year changes	
			Amount	%
Marketing Platform	3,332	4,401	1,069	32.1%
Partner Growth Platform	2,183	3,180	997	45.7%
D2C Platform	788	991	203	25.8%
Others	23	14	(9)	(40.7%)
Total	6,327	8,587	2,260	35.7%

Since our establishment, our company has been actively expanding into new countries and diversifying into new lines of business. This has involved a series of upfront investments. However, we are now experiencing growth primarily through the expansion of our existing operations in the countries we have entered and through our current lines of business. In this quarter, we have focused on parallel efforts to invest in growth and enhance productivity. As a result, we have successfully reduced the ratio of personnel costs to both revenue and gross profit, achieving an improvement in profitability.

Consequently, for the first three quarters of the fiscal year ending December 31, 2023, the Group posted revenue of 22,889 million yen (up 33.1%), gross profit of 8,732 million yen (up 36.2%), operating profit of 331 million yen (in contrast to operating loss of 229 million yen a year earlier), profit before income tax of 320 million yen (up 167.8%), net income of 183 million yen (in contrast to net loss of 130 million yen a year earlier), and net income attributable to owners of the parent of 171 million yen (in contrast to net loss attributable to owners of the parent of 123 million yen a year earlier), all on a year-on-year basis.

Note that descriptions by reportable segment are omitted, as the Group has a single operating segment engaged in the Internet-related business.

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### **(2) Financial Position**

#### **(Assets)**

Total assets at the end of the third quarter (September 30, 2023) increased by 3,461 million yen from the end of the previous fiscal year (December 31, 2022) to 22,283 million yen. This was mainly attributable to cash and cash equivalents increasing by 394 million yen through issuance of new shares, etc., trade and other receivables increasing by 669 million yen in line with the strong momentum in revenue growth, goodwill increasing by 767 million yen and inventories increasing by 541 million yen due to the business combination of PT. Digital Distribusi Indonesia (hereinafter “DDI”).

#### **(Liabilities)**

Total liabilities at the end of the third quarter increased by 1,596 million yen from the end of the previous fiscal year to 8,902 million yen. This was mainly attributable to trade and other payables increasing by 1,291 million yen in line with the strong momentum in revenue growth, as well as other financial liabilities increasing by 314 million yen due to the acquisition of DDI.

#### **(Capital)**

Capital at the end of the third quarter increased by 1,865 million yen from the end of the previous fiscal year to 13,381 million yen. The increase was mainly due to the 859 million yen through issuance of new shares. In addition, other components of equity increased by 733 million yen due to an increase in exchange differences on translating foreign operations, and retained earnings increased by 171 million yen due to recording of net income attributable to owners of the parent.

### **(3) Cash Flows**

Cash and cash equivalents at the end of the third quarter (September 30, 2023) increased by 394 million yen from the end of the previous fiscal year to 6,536 million yen.

#### **(Cash flows from operating activities)**

Net cash inflow from operating activities amounted to 783 million yen during the first three quarters under review, an improvement of 1,516 million yen from the period a year earlier. This was mainly attributable to the recording of profit before income tax of 320 million yen and depreciation and amortization of 773 million yen, despite cash outflow of 149 million yen through expansion of working capital.

#### **(Cash flows from investing activities)**

Net cash outflow from investing activities amounted to 1,114 million yen, an increase in cash outflow of 983 million yen compared with the period a year earlier. This was mainly attributable to the acquisition of shares of DDI resulting in net expenditures related to acquisition of interests in subsidiaries of 706 million yen and purchase of property, plant and equipment of 390 million yen in relation to LYFT Co., Ltd., a subsidiary, opening LYFT GYM in Omotesando Hills, Tokyo and the office relocations of subsidiaries.

#### **(Cash flows from financing activities)**

Net cash inflow from financing activities amounted to 374 million yen, a decrease of 3,128 million yen from the period a year-earlier. This was mainly attributable to cash inflow of 859 million yen from issuance of new shares, offsetting the cash outflow of 546 million yen from repayment of lease liabilities.

### **(4) Explanations on Consolidated Earnings Forecast and Other Forecast Information**

No change has been made to the consolidated earnings forecast, announced on September 25, 2023, for the fiscal year ending December 31, 2023.

#### **(Note)**

The earnings forecast and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions deemed reasonable. The Company does not promise the achievement of these forecasts. Actual results may differ materially from these forecasts due to various reasons.

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**2 Condensed Quarterly Financial Statements and Major Notes****(1) Condensed Consolidated Statement of Financial Position**

		(Unit: millions of yen)	
	Note	As of December 31, 2022	As of September 30, 2023
<b>Assets</b>			
Current assets			
Cash and cash equivalents		6,141	6,536
Trade and other receivables		5,387	6,056
Contract assets		1,712	2,177
Inventories		347	889
Other financial assets		161	189
Other current assets		892	970
Total current assets		14,642	16,819
Non-current assets			
Property, plant and equipment		287	550
Right-of-use assets		948	813
Goodwill		1,729	2,581
Intangible assets		605	846
Other financial assets		576	616
Deferred tax assets		12	14
Other non-current assets		20	40
Total non-current assets		4,179	5,464
Total assets		18,822	22,283
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Current liabilities			
Trade and other payables		5,112	6,403
Contract liabilities		378	410
Loan payables		88	292
Lease liabilities		670	516
Income taxes payables		20	153
Other financial liabilities		-	109
Other current liabilities		233	177
Total current liabilities		6,503	8,061
Non-Current Liabilities			
Loan payables		214	-
Lease liabilities		331	277
Other financial liabilities		-	205
Provisions		123	174
Deferred tax liabilities		132	183
Total non-current liabilities		802	841
Total liabilities		7,306	8,902
<b>Capital</b>			
Share capital		100	571
Share premium		11,161	11,638
Retained earnings		88	260
Other components of equity		75	808
Total equity attributable to owners of the parent		11,425	13,279
Non-controlling interests		89	101
Total equity		11,515	13,381
Total liabilities and equity		18,822	22,283

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**(2) Condensed Consolidated Statement of Income and Condensed Consolidated Statement of Comprehensive Income**
**Condensed Consolidated Statement of Income**

**For the first three quarters ended September 30, 2022 and 2023 (cumulative)**

		(Unit: millions of yen)	
	Note	First three quarters ended September 30, 2022 (From January 1, 2022 to September 30, 2022)	First three quarters ended September 30, 2023 (From January 1, 2023 to September 30, 2023)
Revenue	4	17,191	22,889
Cost of sales		10,782	14,156
Gross profit		6,409	8,732
Selling, general and administrative expenses		6,664	8,385
Impairment loss on trade and other receivables, net		13	54
Other income		40	42
Other expenses		1	2
Operating profit / (loss)		(229)	331
Finance income		378	23
Finance costs		28	34
Profit before income tax		119	320
Income tax expenses		250	136
Net income /(loss) for the period		(130)	183
Net income / (loss) attributable to			
Owners of the parent		(123)	171
Non-controlling interests		(7)	12
Net income / (loss) for the period		(130)	183
Earnings per share attributable to owners of the parent			
Basic earnings per share (yen)		(2.34)	3.00
Diluted earnings per share (yen)		(2.34)	2.76



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**Condensed Consolidated Statement of Comprehensive Income**

**For the first three quarters ended September 30, 2022 and 2023 (cumulative)**

(Unit: millions of yen)

	Note	First three quarters ended September 30, 2022 (From January 1, 2022 to September 30, 2022)	First three quarters ended September 30, 2023 (From January 1, 2023 to September 30, 2023)
Net income / (loss) for the period		(130)	183
<b>Other Comprehensive Income / (loss), net of tax Items that will not be reclassified to profit or loss for the period:</b>			
Remeasurement of defined benefit pension plans		(3)	0
Subtotal		(3)	0
<b>Items that may be reclassified to profit or loss for the period:</b>			
Exchange differences on translating foreign operations		374	730
Subtotal		374	730
Total other comprehensive income, net of tax		371	731
Total comprehensive income for the period		240	915
<b>Total comprehensive income / (loss) attributable to:</b>			
Owners of the parent		247	903
Non-controlling interests		(7)	12
Total comprehensive income for the period		240	915

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**Condensed Consolidated Statement of Income**  
**For the third quarter ended September 30, 2022 and 2023**

		(Unit: millions of yen)	
	Note	Third quarter ended September 30, 2022 (From July 1, 2022 to September 30, 2022)	Third quarter ended September 30, 2023 (From July 1, 2023 to September 30, 2023)
Revenue	4	6,327	8,587
Cost of sales		3,959	5,301
Gross profit		2,367	3,286
Selling, general and administrative expenses		2,449	3,069
Impairment loss on trade and other receivables, net		10	3
Other income		12	9
Other expenses		1	0
Operating profit / (loss)		(81)	222
Finance income		14	7
Finance costs		9	57
Profit / (loss) before income tax		(77)	171
Income tax expenses		98	80
Net income / (loss) for the period		(175)	91
Net income / (loss) attributable to			
Owners of the parent		(176)	84
Non-controlling interests		0	7
Net income / (loss) for the period		(175)	91
Earnings per share attributable to owners of the parent			
Basic earnings per share (yen)		(3.18)	1.45
Diluted earnings per share (yen)		(3.18)	1.34

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**Condensed Consolidated Statement of Comprehensive Income**  
**For the third quarter ended September 30, 2022 and 2023**

		(Unit: millions of yen)	
	Note	Third quarter ended September 30, 2022 (From July 1, 2022 to September 30, 2022)	Third quarter ended September 30, 2023 (From July 1, 2023 to September 30, 2023)
Net income / (loss) for the period		(175)	91
<b>Other Comprehensive Income / (loss), net of tax Items that may be reclassified to profit or loss for the period:</b>			
Exchange differences on translating foreign operations		143	163
Sub total		143	163
Total other comprehensive income, net of tax		143	163
Total comprehensive income / (loss) for the period		(31)	255
<b>Total comprehensive income / (loss) attributable to:</b>			
Owners of the parent		(32)	247
Non-controlling interests		0	7
Total comprehensive income / (loss) for the period		(31)	255

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**(3) Condensed Consolidated Statement of Changes in Equity**

**First three quarters ended September 30, 2022 (from January 1, 2022 to September 30, 2022)**

(Unit: millions of yen)

	Note	Equity attributable to owners of the parent							Total Equity attributable to owners of the parent	Non-controlling Interests	Total Equity
		Share Capital	Share Premium	Retained Earnings	Share based Option	Other components of Equity		Total			
						Exchange differences on translating foreign operations	Others				
Balance as of January 1, 2022		152	8,280	(1,315)	8	(2)	5	11	7,130	88	7,219
Net income / (loss) for the period		-	-	(123)	-	-	-	-	(123)	(7)	(130)
Other comprehensive income (“OCI”)		-	-	-	-	374	(3)	371	371	-	371
Total comprehensive income / (loss)		-	-	(123)	-	374	(3)	371	247	(7)	240
Issuance of new shares		2,005	2,005	-	-	-	-	-	4,010	-	4,010
Capital reduction		(2,058)	2,058	-	-	-	-	-	-	-	-
Exercise of share-based option		-	-	-	-	-	-	-	-	-	-
Appropriation of deficit		-	(1,164)	1,164	-	-	-	-	-	-	-
Expenses directly attributable to equity transactions		-	(18)	-	-	-	-	-	(18)	-	(18)
Share compensation expenses		-	-	-	64	-	10	75	75	-	75
Dividends to Non-controlling interest		-	-	-	-	-	-	-	-	(5)	(5)
Others		-	-	-	-	-	-	-	-	(0)	(0)
Total		(52)	2,880	1,164	64	-	10	75	4,067	(5)	4,062
Balance as of September 30, 2022		100	11,161	(274)	73	372	12	457	11,445	76	11,522

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**First three quarters ended September 30, 2023 (from January 1, 2023 to September 30, 2023)**

(Unit: millions of yen)

	Note	Equity attributable to owners of the parent								Non-controlling Interests	Total Equity
		Share Capital	Share Premium	Retained Earnings	Other components of Equity						
					Share based Option	Exchange differences on translating foreign operations	Others	Total			
									Total Equity attributable to owners of the parent		
Balance as of January 1, 2023		100	11,161	88	77	(24)	22	75	11,425	89	11,515
Net income / (loss) for the period		-	-	171	-	-	-	-	171	12	183
Other comprehensive income (“OCI”)		-	-	-	-	730	0	731	731	-	731
Total comprehensive income / (loss)		-	-	171	-	730	0	731	903	12	915
Issuance of new shares		435	435	-	-	-	-	-	870	-	870
Capital reduction		-	-	-	-	-	-	-	-	-	-
Exercise of share-based option		36	52	-	(16)	-	-	(16)	72	-	72
Appropriation of deficit		-	-	-	-	-	-	-	-	-	-
Expenses directly attributable to equity transactions		-	(10)	-	-	-	-	-	(10)	-	(10)
Share compensation expenses		-	-	-	8	-	9	18	18	-	18
Dividends to Non-controlling interest		-	-	-	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	-	-	(0)	(0)
Total		471	476	-	(7)	-	9	1	949	(0)	949
Balance as of September 30, 2023		571	11,638	260	70	706	31	808	13,279	101	13,381

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**(4) Condensed Consolidated Statement of Cash Flows**

		(Unit: millions of yen)	
	Note	First three quarters ended September 30, 2022 (From January 1, 2022 to September 30, 2022)	First three quarters ended September 30, 2023 (From January 1, 2023 to September 30, 2023)
<b>Cash flows from operating activities</b>			
Profit before income tax		119	320
Depreciation and amortization		663	773
Gain / (loss) on disposal of fixed assets		(0)	2
Finance income		(433)	(32)
Finance costs		27	34
(Increase) / Decrease in trade and other receivables		(183)	(142)
(Increase) / Decrease in contract assets		(649)	(283)
Increase / (Decrease) in trade and other payables		316	630
Increase / (Decrease) in contract liabilities		75	6
(Increase) / Decrease in inventories		(98)	(360)
Others		(53)	(199)
Subtotal		(216)	748
Interest and dividends received		0	9
Interest paid		(27)	(37)
Income taxes (paid) / refunded		(490)	62
Cash flows from operating activities		(733)	783
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(136)	(390)
Proceeds from disposal of property, plant and equipment		6	0
Payments for fulfillment of asset retirement obligations		(5)	-
Payments for loans receivable		-	(14)
Proceeds from collection of loans receivable		-	12
Payments for lease and guarantee deposits		(10)	(25)
Proceeds from collection of lease and guarantee deposits		14	9
Net proceeds/ (expenditures) related to acquisition of interests in subsidiaries		-	(706)
Cash flows from investing activities		(131)	(1,114)
<b>Cash flows from financing activities</b>			
Net increase in short-term loan payables		8	289
Repayment of long-term loan payables		(22)	(300)
Repayment of lease liabilities		(470)	(546)
Proceeds from issuance of ordinary shares		3,992	859
Proceeds from share-based option exercise		-	72
Others		(5)	-
Cash flows from financing activities		3,502	374
Effect of exchange rate changes on cash and cash equivalents		320	352
Net increase / (decrease) in cash and cash equivalents		2,958	394
Cash and cash equivalents at the beginning of period		3,471	6,141
Cash and cash equivalents at the end of period		6,429	6,536

**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.

**(5) Notes to Condensed Consolidated Financial Statements****1. Notes Concerning Going Concern Assumption**

Not applicable.

**2. Changes in Accounting Policies**

Not applicable.

**3. Changes in Accounting Estimates**

Not applicable.

**4. Segment Information**

Descriptions by reportable segment are omitted, as the Group has a single operating segment engaged in the Internet-related business.

The information on breakdown of revenue from contracts with customers is as follows.

Furthermore, the Group derives revenue from the transfer of goods and services at a point in time or over a period of time. The revenue recognized at a point in time mainly consists of sales of goods in the D2C Platform.

**For the first three quarters (cumulative)**

		(Unit: millions of yen)
	First three quarters ended September 30, 2022 (From January 1, 2022 to September 30, 2022)	First three quarters ended September 30, 2023 (From January 1, 2023 to September 30, 2023)
Marketing Platform	8,950	11,742
Partner Growth Platform	6,163	8,408
D2C Platform	1,968	2,652
Others	109	85
Total	17,191	22,889

**For the third quarter**

		(Unit: millions of yen)
	Third quarter ended September 30, 2022 (From July 1, 2022 to September 30, 2022)	Third quarter ended September 30, 2023 (From July 1, 2023 to September 30, 2023)
Marketing Platform	3,332	4,401
Partner Growth Platform	2,183	3,180
D2C Platform	788	991
Others	23	14
Total	6,327	8,587

**(Note)**

The Group specializes in "Internet-related business," which provides organically connected platforms with one-stop services covering areas such as brand building, goods production management, media operations, e-commerce website construction and operation, marketing, and logistics management, for both corporate customers and individual customers, and makes it a single reportable segment. The "Internet-related business," as the Group's single reportable segment, provides services under Marketing Platform, Partner Growth Platform and D2C Platform. The details of each Platform are as follows.

**(a) Marketing Platform**

The Group's Marketing Platform provides services to advertisers, who are our customers, mainly through "AnyTag," the platform to drive and manage influencer marketing, and "AnyDigital," the platform to support digital marketing.

**(b) Partner Growth Platform**

The Partner Growth Platform consists of "Publisher Growth" and "Creator Growth" platforms. It specifically offers "AnyManager," the Publisher Growth platform for publishers, and "AnyCreator," the Creator Growth platform for creators.

**English Translation**

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(c) D2C Platform

The Group provides services at each phase of value chains, mainly in the e-commerce and direct-to-consumer domains, covering areas such as planning and development of customer brands, goods production support, e-commerce website construction and operation, marketing, inventory control and logistics management. The services, which are collectively referred to as D2C Platform, include “AnyFactory” for production and sales of goods, “AnyX” for e-commerce management, “AnyLogi” for logistics and inventory management, and “AnyChat” for interactive commerce.

(d) Others

The others mainly consist of service such as the “Omotenashi-selection” operated by Engawa Co., Ltd which awards a collection of products and services that reflect the spirit of Japanese hospitality, and the “AnyTalent” of the hiring optimization platform which supports our customers for human resource management.