

Non-consolidated financial statements
(1) Non-consolidated balance sheet

(Thousands of yen)

	As of December 31, 2019	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	892,406	3,616,677
Accounts receivable - trade	—	341
Supplies	29,273	25,502
Advance payments - trade	62,126	50,987
Prepaid expenses	15,422	11,103
Other	8,980	10,662
Total current assets	1,008,209	3,715,274
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	1,518	1,518
Accumulated depreciation	△850	△1,036
Facilities attached to buildings, net	668	482
Tools, furniture and fixtures	5,574	5,574
Accumulated depreciation	△3,707	△4,368
Tools, furniture and fixtures, net	1,867	1,206
Total property, plant and equipment	2,536	1,688
Intangible assets		
Trademark right	857	727
Software	104	—
Total intangible assets	961	727
Investments and other assets		
Long-term prepaid expenses	2,042	—
Guarantee deposits	2,933	2,933
Total investments and other assets	4,975	2,933
Total non-current assets	8,474	5,349
Total assets	1,016,683	3,720,623
Liabilities		
Current liabilities		
Accounts payable - other	27,165	74,959
Accrued expenses	13,593	15,702
Income taxes payable	3,719	21,727
Advances received	39,756	37,500
Deposits received	1,725	2,199
Total current liabilities	85,960	152,089
Total liabilities	85,960	152,089
Net assets		
Shareholders' equity		
Share capital	634,540	2,207,410
Capital surplus		
Legal capital surplus	633,540	2,206,410
Total capital surpluses	633,540	2,206,410
Retained earnings		
Other retained earnings		
Retained earnings brought forward	△337,356	△845,287
Total retained earnings	△337,356	△845,287
Total shareholders' equity	930,723	3,568,534
Total net assets	930,723	3,568,534
Total liabilities and net assets	1,016,683	3,720,623

(2) Non-consolidated statement of income

(Thousands of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Business revenue	301,417	2,970
Business expenses		
Cost of business revenue	11,391	1,385
Research And Development Expenses	401,866	363,599
Other selling, general and administrative expenses	173,898	202,584
Total Business expenses	587,156	567,568
Operating loss	△285,739	△564,598
Non-operating income		
Interest income	11	8
Foreign exchange gains	61	497
Subsidy income	53,315	66,521
Other	56	12
Total non-operating income	53,445	67,039
Non-operating expenses		
Share issuance costs	—	7,520
Total non-operating expenses	—	7,520
Ordinary loss	△232,293	△505,080
Loss before income taxes	△232,293	△505,080
Income taxes - current	2,889	2,850
Loss	△235,183	△507,930

(3) Non-consolidated statement of changes in equity

Fiscal year ended December 31, 2019

(Thousands of yen)

	Shareholders' equity						Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholder s' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	634,540	633,540	633,540	△102,173	△102,173	1,165,906	1,165,906
Changes during period							
Issuance of new shares							
Loss				△235,183	△235,183	△235,183	△235,183
Total changes during period	—	—	—	△235,183	△235,183	△235,183	△235,183
Balance at end of period	634,540	633,540	633,540	△337,356	△337,356	930,723	930,723

Fiscal year ended December 31, 2020

(Thousands of yen)

	Shareholders' equity						Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholder s' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	634,540	633,540	633,540	△337,356	△337,356	930,723	930,723
Changes during period							
Issuance of new shares	1,572,870	1,572,870	1,572,870			3,145,741	3,145,741
Loss				△507,930	△507,930	△507,930	△507,930
Total changes during period	1,572,870	1,572,870	1,572,870	△507,930	△507,930	2,637,811	2,637,811
Balance at end of period	2,207,410	2,206,410	2,206,410	△845,287	△845,287	3,568,534	3,568,534

(4) Non-consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Cash flows from operating activities		
Loss before income taxes	△232,293	△505,080
Depreciation	1,803	1,081
Interest income	△11	△8
Share issuance costs	—	7,520
Decrease (increase) in trade receivables	—	△341
Decrease (increase) in inventories	30,583	3,771
Increase (decrease) in advances received	△105,743	△2,256
Decrease (increase) in advance payments - trade	△13,649	11,138
Decrease (increase) in prepaid expenses	△3,236	6,361
Increase (decrease) in accounts payable - other	△15,618	47,794
Increase (decrease) in accrued expenses	950	2,108
Increase (decrease) in income taxes payable - factor based tax	△2,434	17,338
Increase (decrease) in deposits received	△140	473
Other, net	△1,063	△1,681
Subtotal	△340,855	△411,779
Interest received	11	8
Income taxes paid	△5,051	△2,642
Income taxes refund	—	463
Net cash provided by (used in) operating activities	△345,895	△413,950
Cash flows from investing activities		
Purchase of property, plant and equipment	△1,005	—
Net cash provided by (used in) investing activities	△1,005	—
Cash flows from financing activities		
Proceeds from issuance of shares	—	3,138,221
Net cash provided by (used in) financing activities	—	3,138,221
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	△346,900	2,724,270
Cash and cash equivalents at beginning of period	1,239,307	892,406
Cash and cash equivalents at end of period	892,406	3,616,677