

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

(Thousands of yen)

	As of December 31, 2020	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	3,616,677	3,007,138
Accounts receivable - trade	341	—
Supplies	25,502	50,906
Advance payments to suppliers	50,987	261,479
Prepaid expenses	11,103	10,449
Other	10,662	25,516
Total current assets	3,715,274	3,355,490
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	1,518	720
Accumulated depreciation	△1,036	△417
Facilities attached to buildings, net	482	302
Tools, furniture and fixtures	5,574	10,392
Accumulated depreciation	△4,368	△5,120
Tools, furniture and fixtures, net	1,206	5,271
Total property, plant and equipment	1,688	5,574
Intangible assets		
Trademark right	727	597
Software	—	198
Total intangible assets	727	796
Investments and other assets		
Long-term prepaid expenses	—	492
Guarantee deposits	2,933	2,360
Total investments and other assets	2,933	2,852
Total non-current assets	5,349	9,223
Total assets	3,720,623	3,364,713

(Thousands of yen)

	As of December 31, 2020	As of December 31, 2021
Liabilities		
Current liabilities		
Accounts payable - other	74,959	98,332
Accrued expenses	15,702	34,287
Income taxes payable	21,727	15,694
Advances received	37,500	39,000
Deposits received	2,199	1,359
Total current liabilities	152,089	188,674
Total liabilities	152,089	188,674
Net assets		
Shareholders' equity		
Share capital	2,207,410	2,350,451
Capital surplus		
Legal capital surplus	2,206,410	2,349,451
Total capital surplus	2,206,410	2,349,451
Retained earnings		
Other retained earnings		
Retained earnings brought forward	△ 845,287	△ 1,527,552
Total retained earnings	△ 845,287	△ 1,527,552
Total shareholders' equity	3,568,534	3,172,349
Share acquisition rights	—	3,689
Total net assets	3,568,534	3,176,039
Total liabilities and net assets	3,720,623	3,364,713

(2) Non-consolidated statement of income

(Thousands of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Business revenue	2,970	126,869
Business expenses		
Cost of business revenue	1,385	382
Research And Development Expenses	363,599	662,112
Other selling, general and administrative expenses	202,584	209,419
Total Business expenses	567,568	871,914
Operating loss	△564,598	△745,044
Non-operating income		
Interest income	8	31
Foreign exchange gains	497	—
Subsidy income	66,521	73,333
Other	12	168
Total non-operating income	67,039	73,532
Non-operating expenses		
Share issuance costs	7,520	7,089
Foreign exchange losses	—	1,052
Other	—	0
Total non-operating expenses	7,520	8,142
Ordinary loss	△505,080	△679,654
Loss before income taxes	△505,080	△679,654
Income taxes - current	2,850	2,610
Loss	△507,930	△682,265

(3) Non-consolidated statement of changes in equity

Fiscal year ended December 31, 2020

(Thousands of yen)

	Shareholders' equity						Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	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

Fiscal year ended December 31, 2021

(Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity		
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings			
Balance at beginning of period	2,207,410	2,206,410	2,206,410	△845,287	△845,287	3,568,534	—	3,568,534
Changes during period								
Issuance of new shares	143,040	143,040	143,040			286,080		286,080
Loss				△682,265	△682,265	△682,265		△682,265
Net changes in items other than shareholders' equity							3,689	3,689
Total changes during period	143,040	143,040	143,040	△682,265	△682,265	△396,184	3,689	△392,494
Balance at end of period	2,350,451	2,349,451	2,349,451	△1,527,552	△1,527,552	3,172,349	3,689	3,176,039

(4) Non-consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Cash flows from operating activities		
Loss before income taxes	△505,080	△679,654
Depreciation	1,081	1,371
Interest income	△8	△31
Share issuance costs	7,520	7,089
Decrease (increase) in trade receivables	△341	341
Decrease (increase) in inventories	3,771	△25,403
Increase (decrease) in advances received	△2,256	1,500
Decrease (increase) in advance payments to suppliers	11,138	△210,491
Decrease (increase) in prepaid expenses	6,361	653
Increase (decrease) in accounts payable - other	47,794	23,372
Increase (decrease) in accrued expenses	2,108	18,585
Increase (decrease) in income taxes payable - factor based tax	17,338	△6,938
Increase (decrease) in deposits received	473	△840
Other, net	△1,681	△15,346
Subtotal	△411,779	△885,792
Interest received	8	31
Income taxes paid	△2,642	△1,705
Income taxes refund	463	—
Net cash provided by (used in) operating activities	△413,950	△887,466
Cash flows from investing activities		
Purchase of property, plant and equipment	—	△5,116
Purchase of intangible assets	—	△209
Proceeds from refund of guarantee deposits	—	573
Net cash provided by (used in) investing activities	—	△4,753
Cash flows from financing activities		
Proceeds from issuance of shares	3,138,221	278,939
Proceeds from issuance of share acquisition rights	—	3,741
Net cash provided by (used in) financing activities	3,138,221	282,680
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	2,724,270	△609,538
Cash and cash equivalents at beginning of period	892,406	3,616,677
Cash and cash equivalents at end of period	3,616,677	3,007,138