



December 9, 2022

(For Translation Purposes Only)

Company Name: Makuake, Inc.  
Representative: President and Ryotaro Nakayama  
Representative  
Director  
Tokyo Stock Exchange code: 4479  
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**(Correction) Notice of Partial Corrections Made to Non-Consolidated Financial Results  
(under Japanese GAAP) for Fiscal Year 2022 (ended September 30, 2022)**

Please be advised that there were partial corrections made to Makuake, Inc.'s non-consolidated financial results (under Japanese GAAP) for the fiscal year ended September 30, 2022 (results released on October 25, 2022 at 15:00 JST), as detailed below. Given that the corrections involved numerical data, Makuake, Inc. ("Makuake" or "we") is providing the corrected numerical information with this notice.

Further, please note that the corrected financial statements, in their entirety, are available on our website.

1. Reason for Corrections

After the announcement of non-consolidated financial results (under Japanese GAAP) for the fiscal year ended September 30, 2022, we determined that there were several errors in the content and, accordingly, corrected them. Please note that the corrected items are underlined.

2. Details of Corrections (corrected items are underlined)

(Summary information)

1. Performance for the fiscal year ended September 30, 2022 (from October 1, 2021 to September 30, 2022)
  - (3) Cash flows

(Before correction)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2022	<u>(814)</u>	<u>(488)</u>	33	7,321
September 30, 2021	151	(586)	3,915	8,591

(After correction)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
September 30, 2022	<u>(827)</u>	<u>(475)</u>	33	7,321
September 30, 2021	151	(586)	3,915	8,591

(Attached materials)

1. Overview of operating results and others
  - (3) Overview of cash flows for the fiscal year

(Before correction)

(Cash flows from operating activities)

Net cash used in operating activities was ¥814,559 thousand (¥151,414 thousand was provided in the previous fiscal year). This was primarily due to loss before income taxes of ¥1,264,138 thousand, a decrease in deposits received of ¥514,069 thousand, a decrease in accounts payable - other of ¥203,236 thousand, and impairment losses of ¥1,009,307 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was ¥488,554 thousand (¥586,413 thousand was used in the previous fiscal year). This was primarily due to purchase of intangible assets of ¥501,435 thousand.

(After correction)

(Cash flows from operating activities)

Net cash used in operating activities was ¥827,321 thousand (¥151,414 thousand was provided in the previous fiscal year). This was primarily due to loss before income taxes of ¥1,264,138 thousand, a decrease in deposits received of ¥514,069 thousand, a decrease in accounts payable - other of ¥222,312 thousand, and impairment losses of ¥1,009,307 thousand.

(Cash flows from investing activities)

Net cash used in investing activities was ¥475,792 thousand (¥586,413 thousand was used in the previous fiscal year). This was primarily due to purchase of intangible assets of ¥488,544 thousand.

3. Financial statements and significant notes thereto

(4) Statement of cash flows

(Before correction)

(Thousands of yen)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	326,089	(1,264,138)
Depreciation	99,305	157,240
Impairment losses	-	1,009,307
Amortization of goodwill	2,666	4,000
Increase (decrease) in allowance for doubtful accounts	285	-
Increase (decrease) in provision for retirement benefits	337	1,321
Increase (decrease) provision for continuous services benefits	14,180	18,169
Amortization of share issuance costs	9,549	11,510
Interest and dividend income	-	(20)
Decrease (increase) in trade receivables	(21,011)	212,002
Loss (gain) on sale of investment securities	-	(97,500)
Loss (gain) on valuation of investment securities	-	49,768
Increase (decrease) in advances received	-	775
Increase (decrease) in accounts payable - other	(216,487)	(203,236)
Increase (decrease) in accrued expenses	(16,531)	14,524
Increase (decrease) in deposits received	306,858	(514,069)
Increase (decrease) in accrued consumption taxes	(49,972)	(57,660)
Other, net	(89,106)	(59,837)
Subtotal	366,163	(717,842)
Interest and dividends received	-	2
Income taxes refund	148	38
Income taxes paid	(214,897)	(96,758)
Net cash provided by (used in) operating activities	151,414	(814,559)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(7,114)	(21,516)
Purchase of intangible assets	(306,265)	(501,435)
Purchase of investment securities	(148,731)	(80,020)
Proceeds from sale of investment securities	-	112,500
Payments of leasehold and guarantee deposits	(124,301)	(2,660)
Proceeds from refund of leasehold and guarantee deposits	-	4,907
Payments for investments in capital	-	(330)
Net cash provided by (used in) investing activities	(586,413)	(488,554)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	3,915,475	33,784
Purchase of treasury shares	(384)	(125)
Net cash provided by (used in) financing activities	3,915,091	33,658
Net increase (decrease) in cash and cash equivalents	3,480,092	(1,269,455)
Cash and cash equivalents at beginning of period	5,109,351	8,591,254
Increase in cash and cash equivalents resulting from merger	1,810	-
Cash and cash equivalents at end of period	8,591,254	7,321,798

(After correction)

(Thousands of yen)

	Fiscal year ended September 30, 2021	Fiscal year ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	326,089	(1,264,138)
Depreciation	99,305	157,240
Impairment losses	-	1,009,307
Amortization of goodwill	2,666	4,000
Increase (decrease) in allowance for doubtful accounts	285	-
Increase (decrease) in provision for retirement benefits	337	1,321
Increase (decrease) provision for continuous services benefits	14,180	18,169
Amortization of share issuance costs	9,549	11,510
Interest and dividend income	<u>(0)</u>	(20)
Decrease (increase) in trade receivables	(21,011)	212,002
Loss (gain) on sale of investment securities	-	(97,500)
Loss (gain) on valuation of investment securities	-	49,768
Increase (decrease) in advances received	-	775
Increase (decrease) in accounts payable - other	(216,487)	<u>(222,312)</u>
Increase (decrease) in accrued expenses	(16,531)	<u>19,738</u>
Increase (decrease) in deposits received	306,858	(514,069)
<u>Increase (decrease) in accrued or uncollected consumption taxes</u>	(49,972)	(57,660)
Other, net	<u>(89,106)</u>	<u>(58,754)</u>
Subtotal	<u>366,163</u>	<u>(730,621)</u>
Interest and dividends received	<u>0</u>	<u>19</u>
Income taxes refund	148	38
Income taxes paid	<u>(214,897)</u>	<u>(96,758)</u>
Net cash provided by (used in) operating activities	<u>151,414</u>	<u>(827,321)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(7,114)	<u>(20,546)</u>
Purchase of intangible assets	(306,265)	<u>(488,544)</u>
Purchase of investment securities	(148,731)	(80,020)
Proceeds from sale of investment securities	-	112,500
Payments of leasehold and guarantee deposits	(124,301)	<u>(4,729)</u>
Proceeds from refund of leasehold and guarantee deposits	-	<u>5,877</u>
Payments for investments in capital	-	(330)
Net cash provided by (used in) investing activities	<u>(586,413)</u>	<u>(475,792)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	3,915,475	33,784
Purchase of treasury shares	(384)	(125)
Net cash provided by (used in) financing activities	<u>3,915,091</u>	<u>33,658</u>
Net increase (decrease) in cash and cash equivalents	<u>3,480,092</u>	<u>(1,269,455)</u>
Cash and cash equivalents at beginning of period	<u>5,109,351</u>	<u>8,591,254</u>
Increase in cash and cash equivalents resulting from merger	1,810	-
Cash and cash equivalents at end of period	<u>8,591,254</u>	<u>7,321,798</u>

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