



Info Mart Corporation

**FY12/22 Second Quarter
Financial Results**

July 29, 2022

TSE Prime Market (2492)



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I . About Infomart

■ Company Name	Infomart Corporation (TSE Prime Market / Stock code: 2492)
■ Representative	President and CEO Ken Nakajima
■ Headquarters	13th Floor, Shiodome Shibarikyu Building, 1-2-3 Kaigan, Minato-ku, Tokyo, 105-0022, Japan
Nishinohon sales office	Yodogawa-ku, Osaka-city
Customer center	Hakata-ku, Fukuoka-city
■ Established	February 13, 1998
■ Capital	3.2 billion 12.51 million yen Consolidated
■ Business Content	Business to Business EC Trade Platform
■ Subsidiaries	Restartz Co., Ltd. Infomart International Corporation Infomart Beijing Consulting Co., Ltd.
■ Employees (consolidated)	665 (full-time 524 / temporary 141)
■ URL	https://www.infomart.co.jp/

▼ Please enjoy the video showing the world
we envision with our BtoB Platforms.

<https://www.infomart.co.jp/movie/>



Since its founding, we specialize in **B^{to}B Platform**

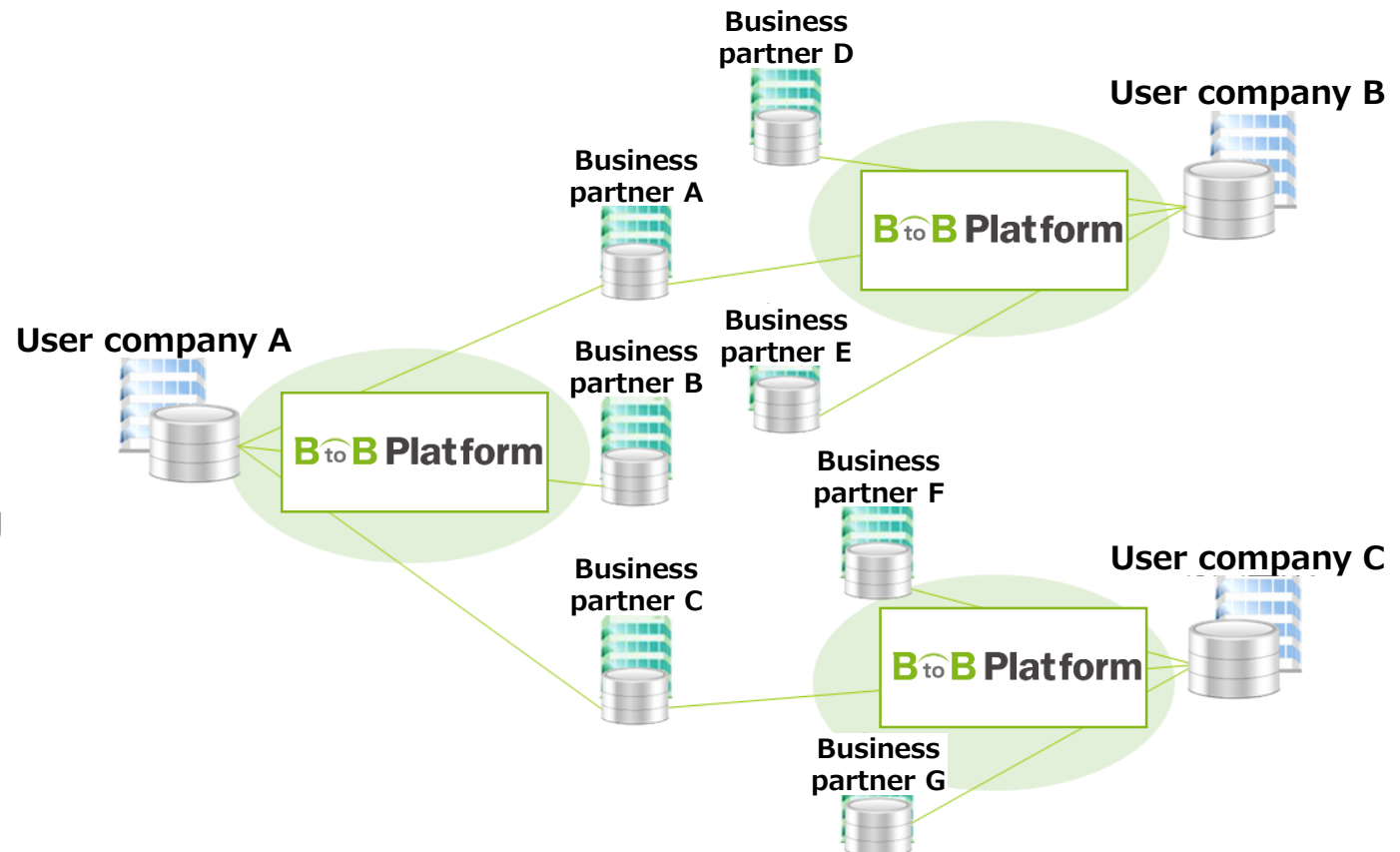
B^{to}B Platform = Services to digitise transactions between companies

Providing a standardized common platform that realizes paperless transaction information, which was conventionally done on paper

"One-to-one"
service provision



Building and providing
a valuable "place"



Characteristics of B^{to}B Platform



Cloud-based systems :
Companies can use the same screen with their business partners for daily operations.

Standardization

Not customized



Participation of many companies



Defactorization

Digitization

Efficiency enhancement



Management advancement



Minimize environmental impact

Low Rate

Increase in number of users ≠
Increase in proportional cost



High cost effectiveness

Continued use = Customer's natural choice

Stable recurring revenues: 90% of sales are from monthly system usage fees

➔ Profit margin increases when the number of customers exceeds a certain level

BtoB-PF FOOD

Service

Overview

BtoB Platform Ordering

From February 2003

Electronic ordering between restaurants, wholesalers, and manufacturers. Significant efficiency was achieved from orders received and placed by telephone and fax.

Decreased verification work due to daily sharing of transaction data, and greatly reduced monthly verification work.

BtoB Platform Standards Database

From April 2005

A tool for managing allergens and origin information to promote food safety and security.

Efficiency is improved by electronically managing merchandise standard documents managed in different formats in a unified format.

BtoB-PF ES

Service

Overview

BtoB Platform Invoicing

From January 2015

A system that digitizes both invoicing and receipt operations, regardless of industry.

Realize more efficient accounting operations.

BtoB Platform Contract

From July 2018

Signing of business-to-business agreements on a blockchain platform.

It also incorporates an internal workflow function to further improve the convenience of business-to-business transactions and achieve paperless operations.

BtoB Platform Matching

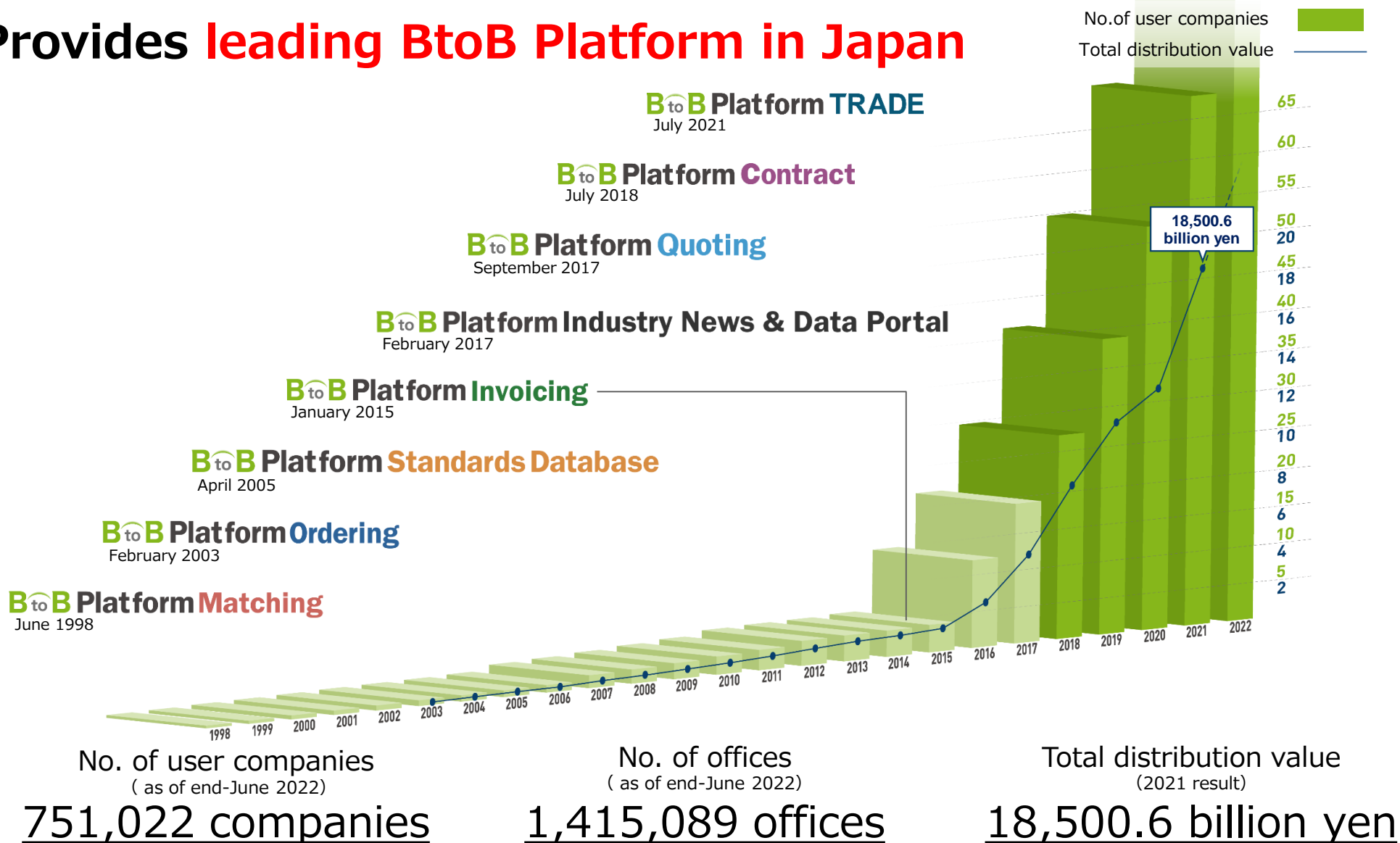
From June 1998

A website where buyers and sellers of foodstuffs can match up on the Internet.

Offers one-stop services ranging from the development of business partners to business negotiations, estimates, ordering and receipt, and settlement.

Business	Service	Fees (excluding taxes)		
BtoB-PF FOOD	BtoB Platform Ordering	<u><Buyer Company></u> «Monthly usage fee» •Head office : JPY18,000 •Store : JPY1,300 «Initial fee» from JPY300,000 (depending on store count)		<u><Seller Company></u> «Monthly usage fee» (choice: fixed fee or pay-for-use fee) •Fixed fee : JPY30,000 •Pay-for-use : 1.2% of monthly transaction amount (up to JPY100,000 transactions for free) •Adding IDs : JPY800 per ID
	BtoB Platform Standards Database	<u><Buyer Company></u> «Monthly system usage fee» JPY50,000 «Initial fee» from JPY300,000	<u><Wholesaler Ordering Function></u> «Monthly system usage fee» JPY35,000 «Initial fee» from JPY300,000	<u><Wholesaler Ordering Seller Function></u> «Monthly system usage fee» •Fixed fee : JPY35,000 or JPY50,000 •Pay-for-use : JPY3,000 to JPY20,000
BtoB-PF ES	BtoB Platform Invoicing	«Monthly system usage fee» [Fixed fee] JPY20,000 (Note) Applicable from new contracts in January 2022 + [Pay-for-use fee①] Number of invoices receiving invoices per month (Up to 50 invoices included in the fixed fee) • 51 to 1,000 transactions: JPY100 per transaction • 1,001 transactions and over: JPY90 per transaction + [Pay-for-use fee②] Number of invoices issued per month (Up to 100 invoices included in the fixed fee) • 101 to 1,000 invoices: JPY60 per invoice • 1,001 invoices or more: JPY50 per invoice «Initial fee» from JPY100,000		
	BtoB Platform Contract	<u><Gold Plan></u> «Monthly system usage fee» [Fixed fee] JPY30,000 + [Pay-for-use fee] Number of contract issued and received per month •Up to 100 contracts are included in the fixed fee. •101 or more: JPY50 per contract •In-house storage: Unlimited «Initial fee» estimate separately	<u><Silver Plan></u> «Monthly system usage fee» [Fixed fee] JPY10,000 + [Pay-for-use fee] Number of contract issued and received per month •1 or more: JPY50 per contract •In-house storage: Up to 3 contracts/month «Initial fee» estimate separately	
	BtoB Platform Matching	<u><Buyer Company></u> [Fixed fee] JPY5,000	<u><Seller Company></u> [Fixed fee] JPY25,000	

Provides **leading BtoB Platform in Japan**



II. FY12/22 Second Quarter Financial Results

FY12/22 Second Quarter Financial Results

Net sales increased steadily YoY, and profits decreased due to active investments.

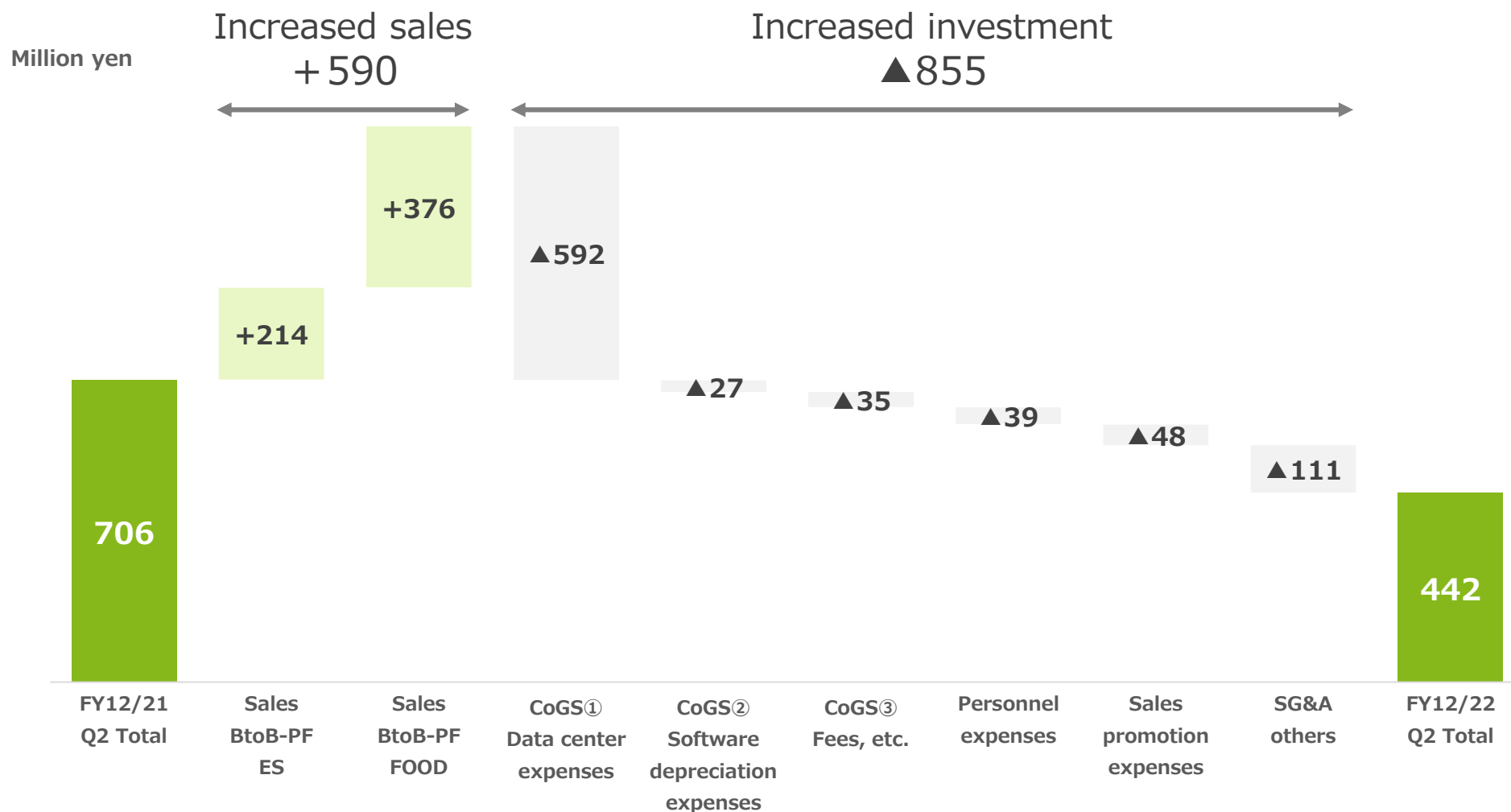
(Note) consolidated business Plan for the FY12/22, which were announced on February 14, 2022

	FY12/21 Q2 Total Actual	FY12/22 Q2 Total Plan	FY12/22 Q2 Total Actual	YoY	Against Plan	Million yen Full-year Plan progress rate
Sales	4,693	5,227	5,283	12.6%	1.1%	48.1%
CoGS	1,567	2,352	2,222	41.8%	-5.5%	44.2%
Gross Profit	3,125	2,874	3,061	-2.1%	6.5%	51.4%
High gross profit margin	66.6%	55.0%	57.9%			
SG&A	2,419	2,839	2,619	8.3%	-7.7%	44.7%
Operating Profit	706	35	442	-37.4%	1,134.5%	440.3%
Operating profit margin	15.1%	0.7%	8.4%			
Recurring Profit	728	5	413	-43.2%	8,105.6%	1,000.6%
Recurring profit margin	15.5%	0.1%	7.8%			
Corporate taxes	194	12	143	-26.1%	1,059.8%	375.8%
Net Income	461	32	274	-40.5%	742.0%	637.8%

(Note) Net income denotes net income attributable to owners of the parent

Factors of increase / decrease in consolidated operating profit from the previous fiscal year

Data center expenses accounted for 592 million yen of the 855 million yen increase in investment.



FY12/22 Second Quarter (YoY)

(Million yen / % : YoY)

	FY12/22 Q1		FY12/22 Q2		FY12/22 Q2 Total	
	Actual	YoY	Actual	YoY	Actual	YoY
BtoB-PF FOOD	1,806	9.0%	1,929	13.3%	3,736	11.2%
BtoB-PF ES	754	17.3%	793	14.9%	1,547	16.1%
【Sales】	2,560	11.4%	2,723	13.8%	5,283	12.6%
BtoB-PF FOOD	734	59.6%	710	44.0%	1,444	51.6%
BtoB-PF ES	371	20.8%	409	31.6%	781	26.2%
【CoGS】	1,103	44.3%	1,118	39.4%	2,222	41.8%
BtoB-PF FOOD	1,072	-10.4%	1,219	0.8%	2,291	-4.8%
BtoB-PF ES	382	14.2%	383	1.2%	766	7.3%
【Gross Profit】	1,457	-5.1%	1,604	0.8%	3,061	-2.1%
BtoB-PF FOOD	582	-1.5%	612	-2.2%	1,194	-1.9%
BtoB-PF ES	692	24.4%	734	14.6%	1,427	19.2%
【SG&A】	1,273	10.6%	1,346	6.2%	2,619	8.3%
BtoB-PF FOOD	489	-19.1%	606	4.0%	1,096	-7.8%
BtoB-PF ES	-309	-	-351	-	-661	-
【Operating Profit】	183	-52.1%	258	-20.0%	442	-37.4%
【Recurring Profit】	169	-57.8%	243	-25.2%	413	-43.2%
【Net Income】※	110	-61.3%	164	-6.8%	274	-40.5%

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	59.4%		63.2%		61.3%	
BtoB-PF ES	50.7%		48.4%		49.5%	
High gross profit margin	56.9%		58.9%		57.9%	
BtoB-PF FOOD	27.1%		31.5%		29.4%	
OPM	7.2%		9.5%		8.4%	
RPM	6.6%		8.9%		7.8%	

■ Sales

〔BtoB-PF FOOD〕

In the BtoB Platform Ordering, system usage fees from buyer companies increased thanks to an increase in the number of new contracts with food industry seeking management and cloud systems (restaurant chains, hotels, school meal services, takeaway/delivery restaurants) and their stores. In addition, the easing of regulations concerning COVID-19 led to an increase in the distribution value of food staffs, etc., and system usage fee sales by seller companies (pay-for-use) exceeded the previous year's results. System usage fees rose as the number of companies using BtoB Platform Standards increased.

〔BtoB-PF ES〕

In BtoB Platform Invoicing, system usage fees and initial fees increased due to an increase in the number of new paid contracts for the receiving and issuing models and steady progress in the operation of the system (digitization of invoice data) by major companies as companies intends to improve business efficiency and remote working took root.

■ CoGS

Data center expenses increased due to the expansion of the server system in response to the increased number of users and the implementation of Disaster Recovery/ disaster recovery ("DR") measures.

■ SG&A expenses

Commissions paid increased due to the outsourcing of operations in BtoB Platform Ordering and BtoB Platform Invoicing. In addition, sales promotion expenses increased due to proactive marketing measures.

■ Operating profit

Operating profit decreased due to aggressive investment in some costs, prioritizing the acceleration of sales growth.

■ Net income

Net income decreased due to a decrease in ordinary income.

FY12/22 Second Quarter (vs. Previous Plan)

(Note) consolidated business Plan for the FY12/22, which were announced on February 14, 2022

(Million yen)

	FY12/22 Q1	FY12/22 Q2	FY12/22 Q2 Total		
	Actual	Actual	Previous Plan	Actual	Diff
BtoB-PF FOOD	1,806	1,929	3,711	3,736	24
BtoB-PF ES	754	793	1,515	1,547	31
[Sales]	2,560	2,723	5,227	5,283	56
BtoB-PF FOOD	734	710	1,449	1,444	-4
BtoB-PF ES	371	409	902	781	-121
[CoGS]	1,103	1,118	2,352	2,222	-129
BtoB-PF FOOD	1,072	1,219	2,262	2,291	29
BtoB-PF ES	382	383	612	766	153
[Gross Profit]	1,457	1,604	2,874	3,061	186
BtoB-PF FOOD	582	612	1,317	1,194	-123
BtoB-PF ES	692	734	1,519	1,427	-92
[SG&A]	1,273	1,346	2,839	2,619	-219
BtoB-PF FOOD	489	606	944	1,096	152
BtoB-PF ES	-309	-351	-907	-661	246
[Operating Profit]	183	258	35	442	406
[Recurring Profit]	169	243	5	413	408
[Net Income]※	110	164	32	274	242

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	59.4%	63.2%	61.0%	61.3%	
BtoB-PF ES	50.7%	48.4%	40.4%	49.5%	
High gross profit margin	56.9%	58.9%	55.0%	57.9%	
BtoB-PF FOOD	27.1%	31.5%	25.4%	29.4%	
OPM	7.2%	9.5%	0.7%	8.4%	
RPM	6.6%	8.9%	0.1%	7.8%	

■ Sales

〔BtoB-PF FOOD〕

In the BtoB Platform Ordering, system usage fees and initial fees from buyer companies increased thanks to an increase in the number of new contracts with food industry seeking management and cloud systems (restaurant chains, hotels, school meal services, takeaway/delivery restaurants) and their stores.

On the other hand, the seller companies of BtoB Platform Ordering were affected by COVID-19, and the distribution amount of foodstuffs trended below our expectations, and system usage fees at the seller companies (pay-for-use) fell short of the plan. The performance of the BtoB-PF FOOD Business as a whole exceeded the plan.

〔BtoB-PF ES〕

System usage fees and initial fees exceeded the plan thanks to an increase in the number of new paid contracts for BtoB Platform Invoicing and the steady results of its operations (digitization of invoice data).

■ CoGS

Cost of goods sold fell short of the plan mainly due to the delay in recording software depreciation and other expenses and the absence of commissions of the BtoB Platform Invoicing.

■ SG&A expenses

SG&A expenses fell short of the plan mainly due to the delay in recording sales promotion expenses and commissions paid, as well as the absence of personnel expenses.

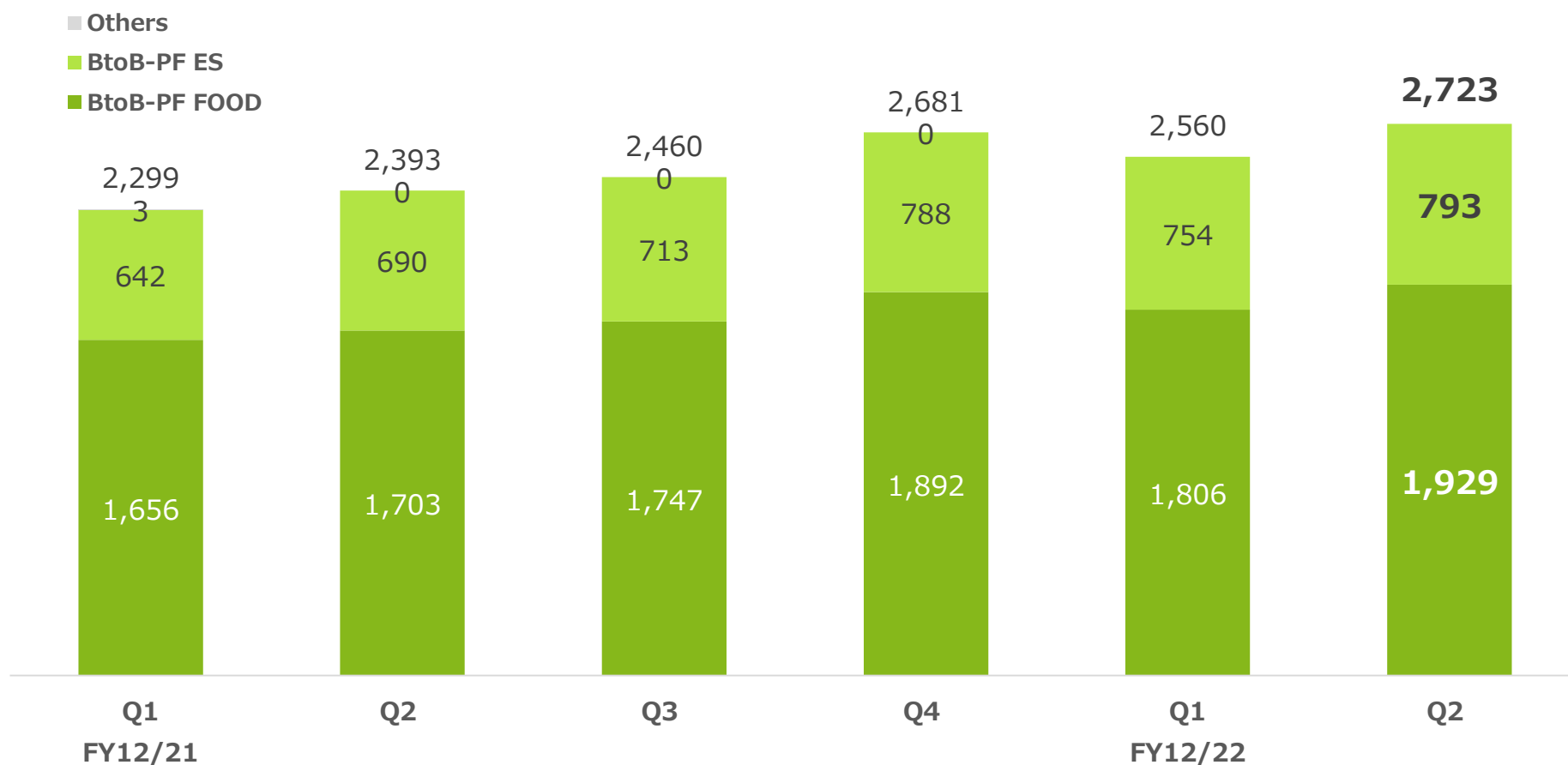
■ Operating profit

Operating profit for Q2 was significantly higher than planned due to higher-than-expected sales and lower-than-planned costs due to the delay in recording accrued costs and the absence of some costs.

Sales trends (quarterly)

Sales increased YoY in both FOOD and ES businesses thanks to an increase in the number of user companies.

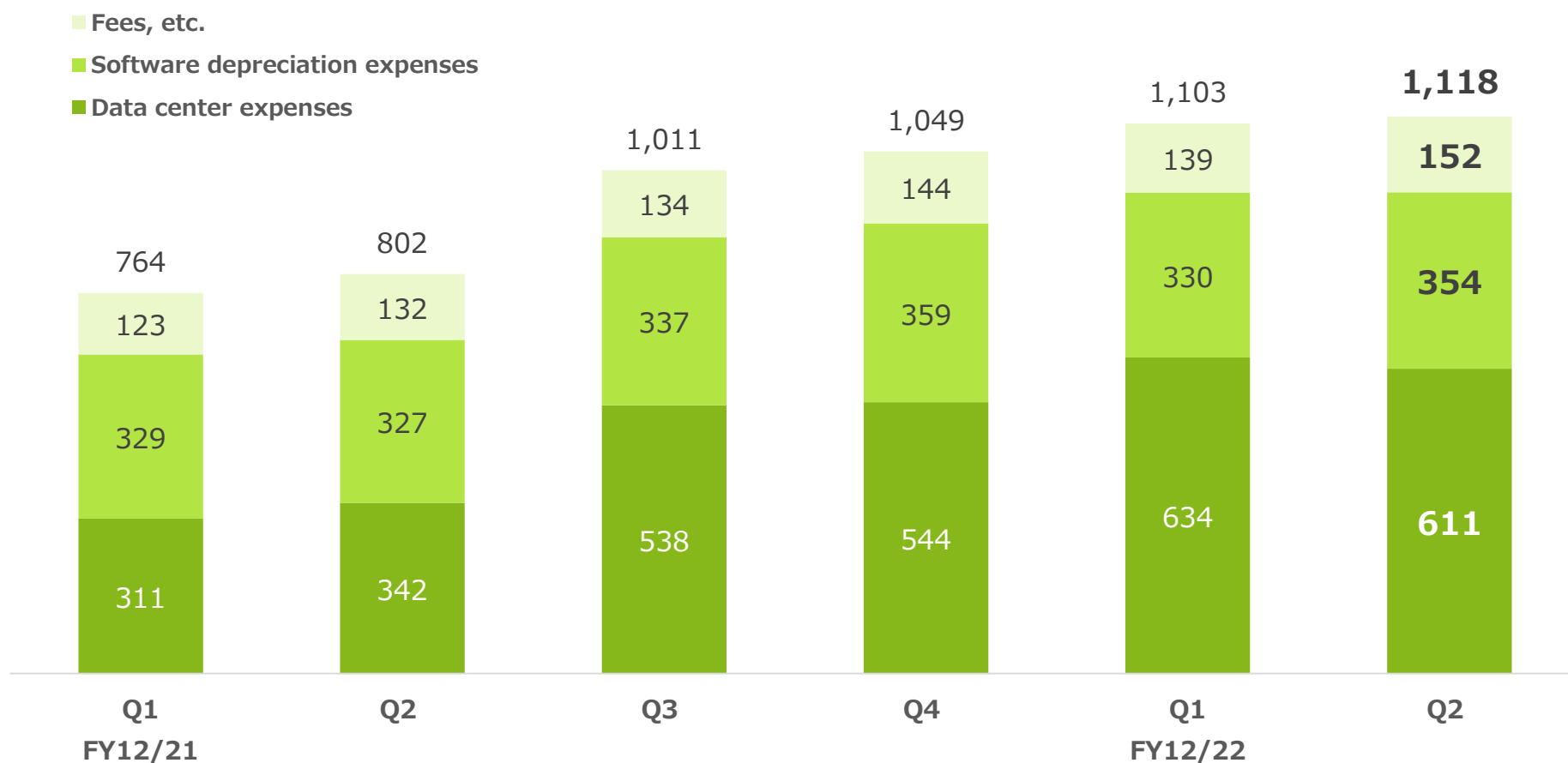
Million yen



CoGS trends (quarterly)

Data center expenses increased due to the expansion of the server system.

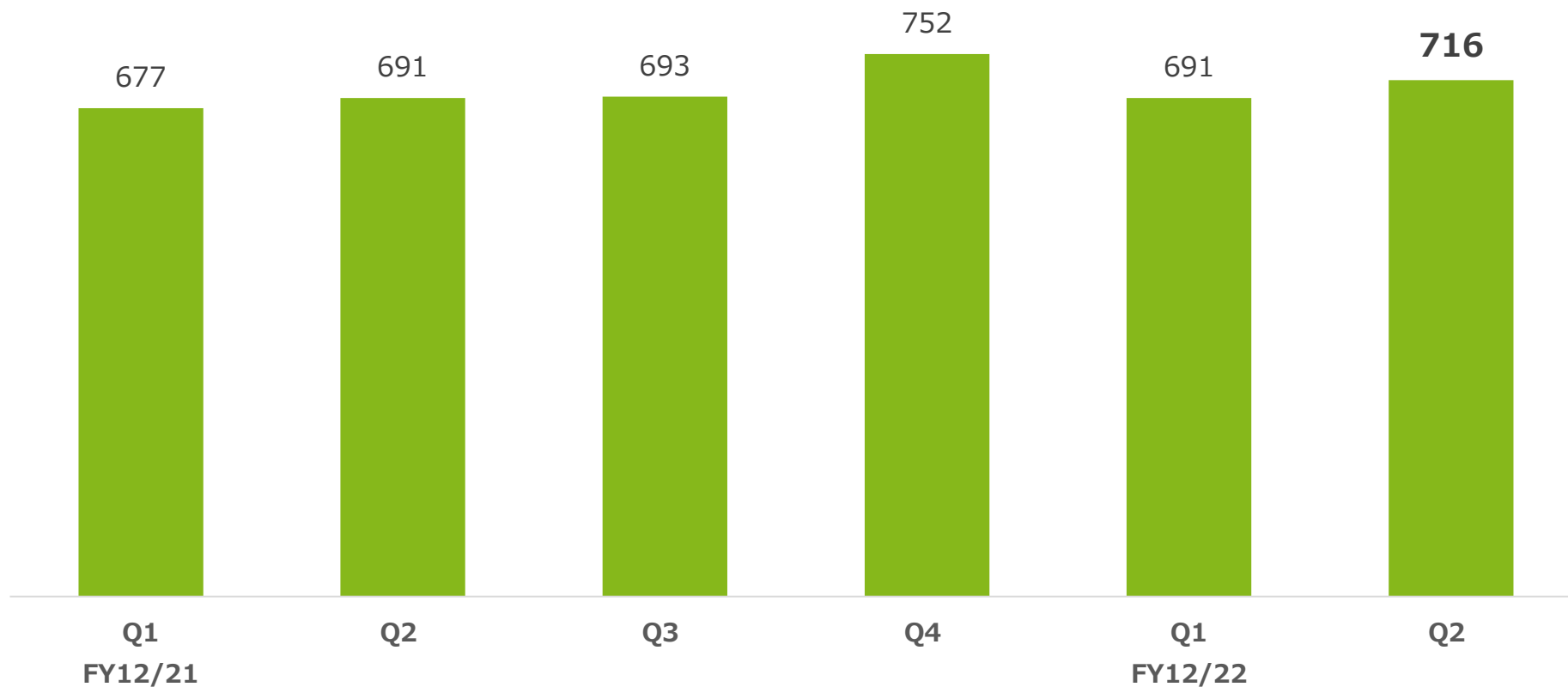
Million yen



Personnel expenses trends (quarterly)

Continue hiring to reinforce sales divisions.

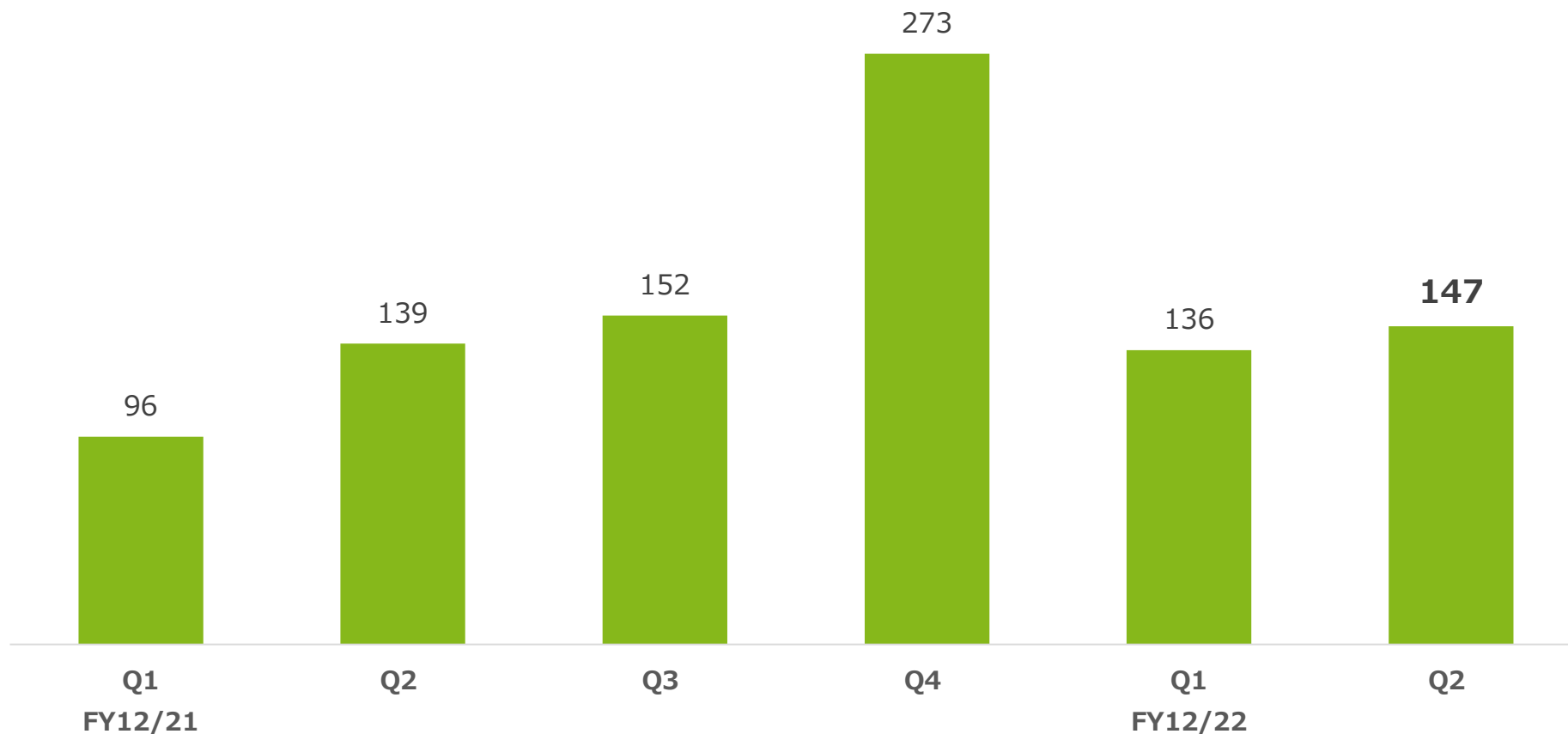
Million yen



Sales promotion expenses trends (quarterly)

The stricter COVID-19 measures were lifted in March, and people resumed to hold physical events. With this, the promotion expenses for Q3 through Q4 is expected to rise.

Million yen

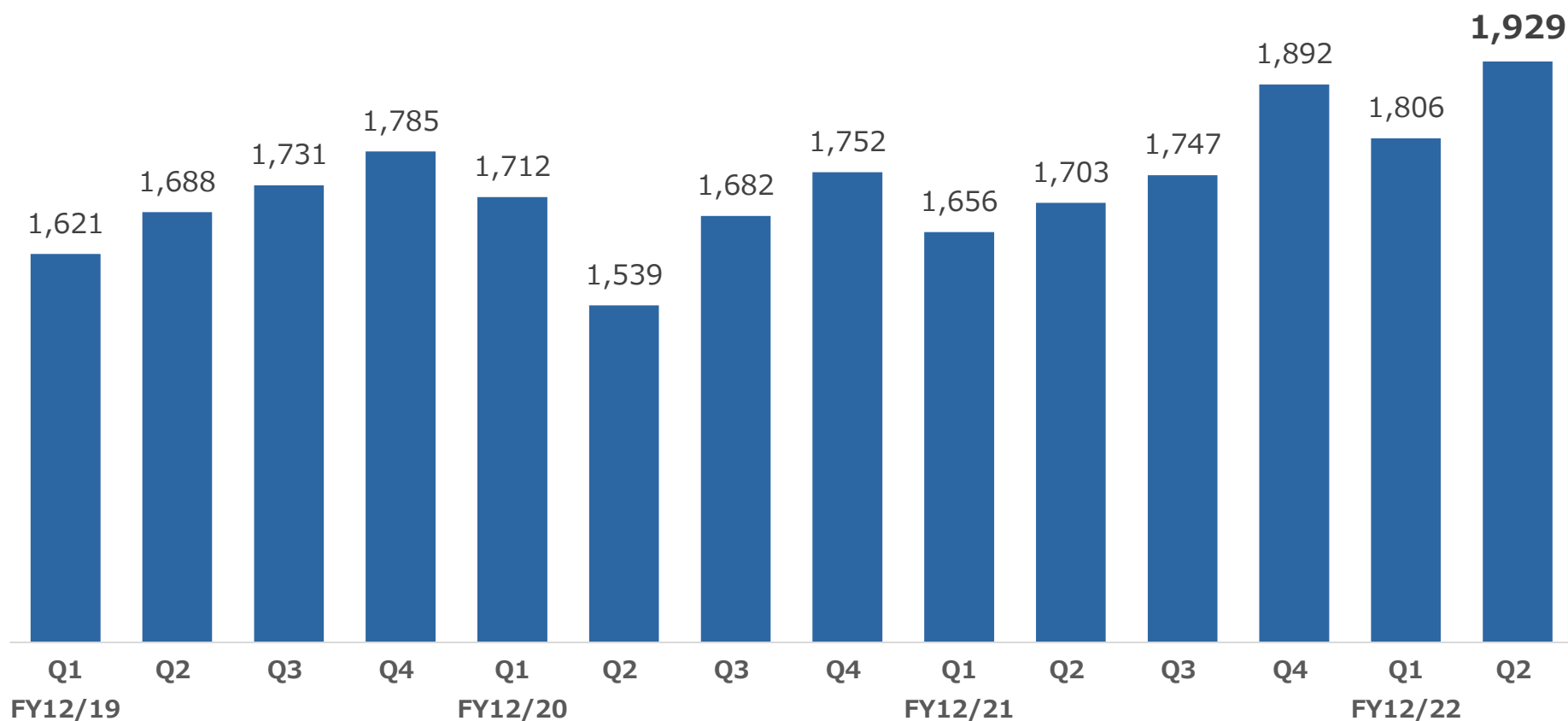


III. Business trends

BtoB-PF FOOD Sales trends

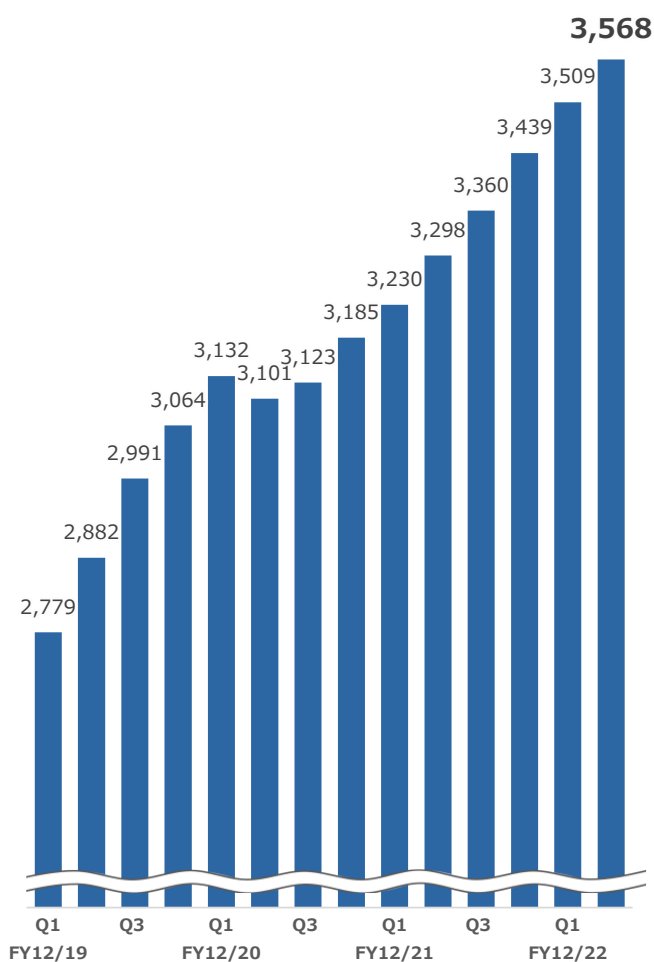
- Recovery in distribution amount of foodstuffs led to an increase in pay-for-use sales from seller companies using BtoB Platform Ordering.
- Monthly system usage fees increased steadily during the quarter due to an increase in the number of companies using the system.

Million yen

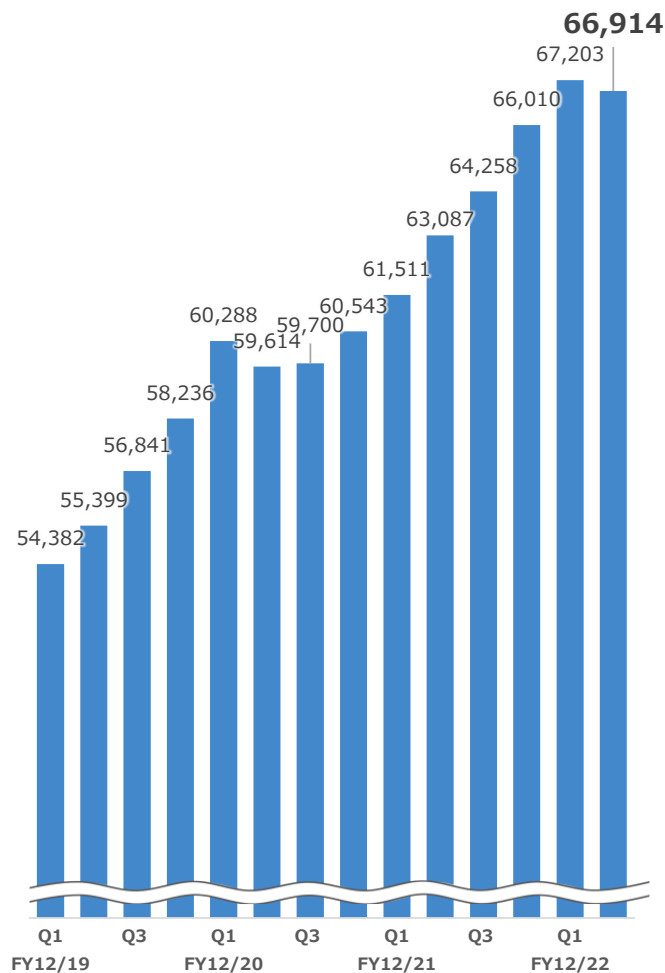


Increase in buyer companies in the food industry seeking management and cloud systems (restaurant chains, hotels, school meal services, takeaway/delivery restaurants) and its stores, and their business partners (seller companies).

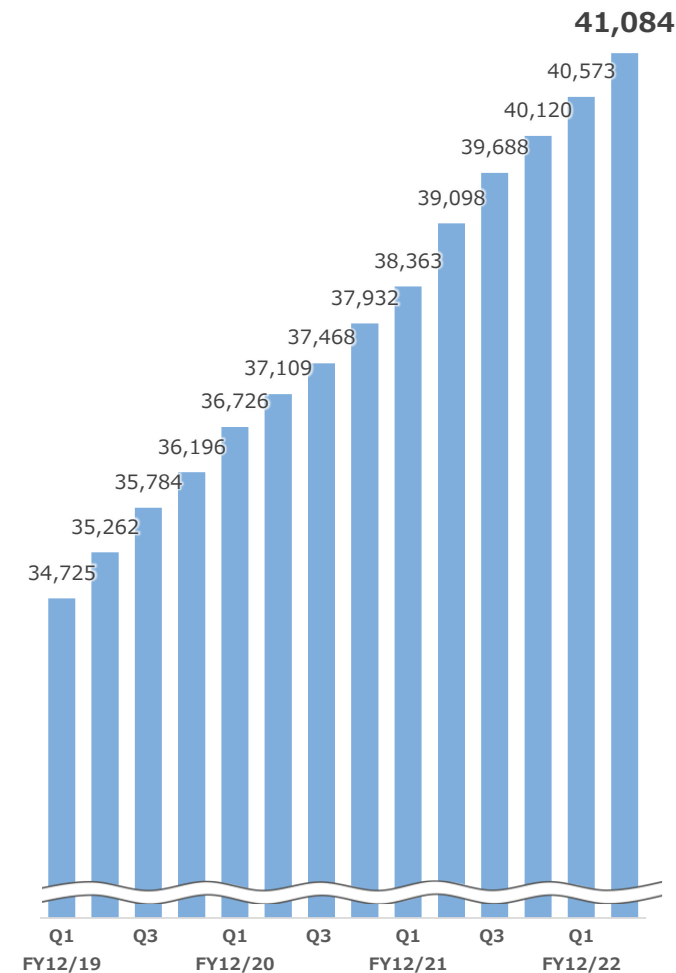
■ Buyers



■ Shops

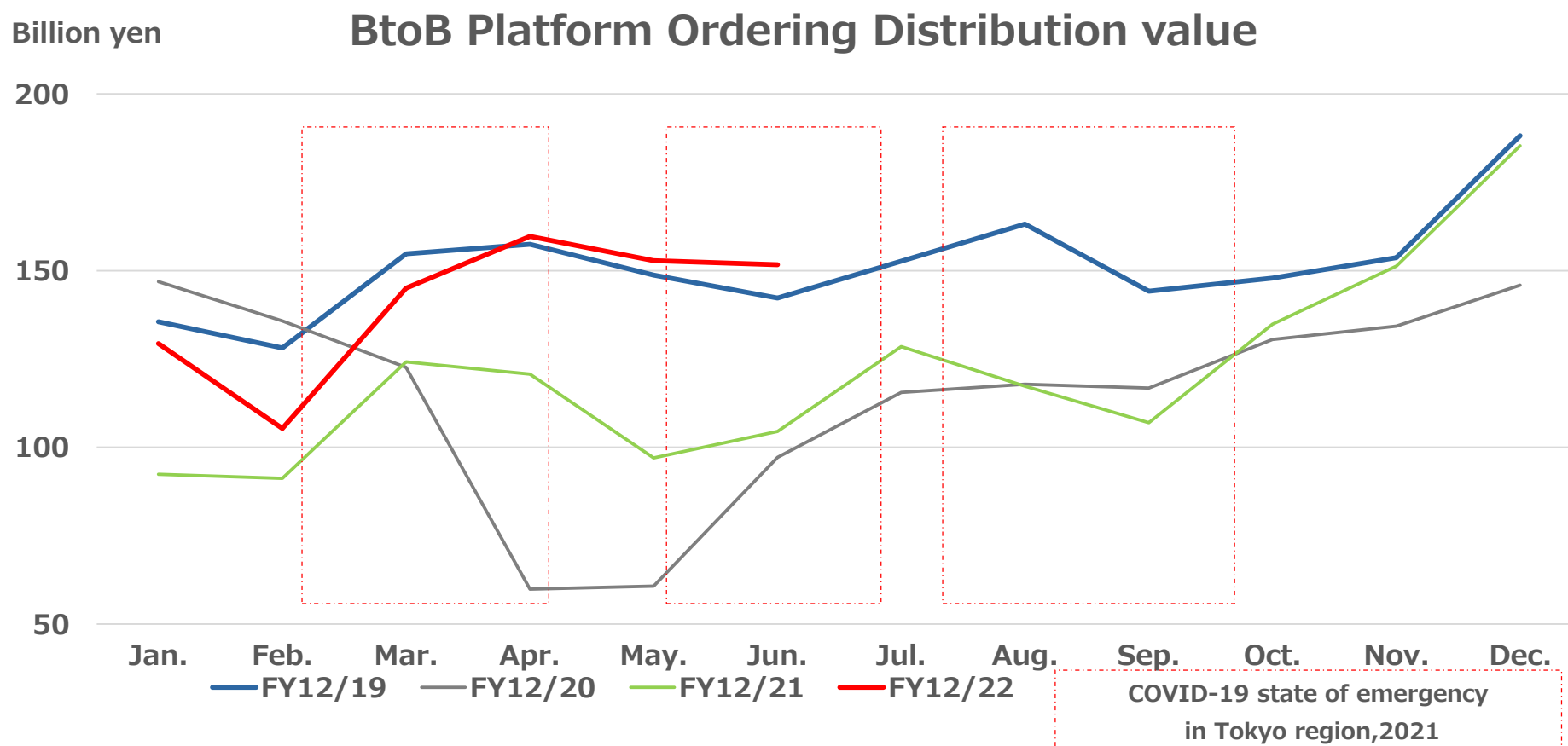


■ Wholesalers



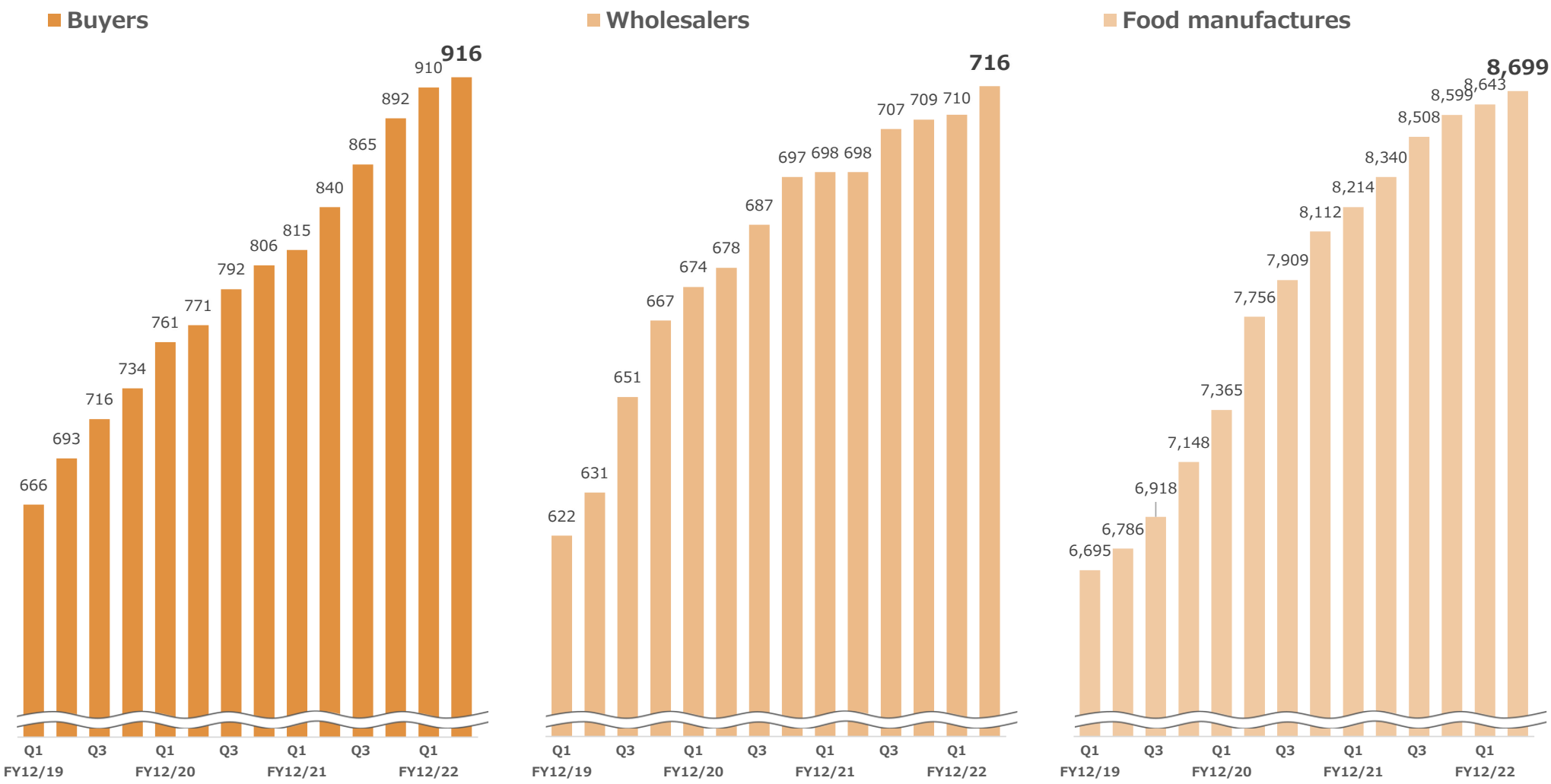
(Note) Number of companies and stores of the graph is the number at the end of each quarter.

The distribution amount of foodstuffs exceeded the level before COVID-19 (2019) in each month from April to June 2022.



(Note) 10% of total sales are generally proportional to the distribution amount of foodstuffs

The number of buyers and companies using each function increased due to the acceleration of management systems and shifting to cloud-based management systems by major restaurant companies.

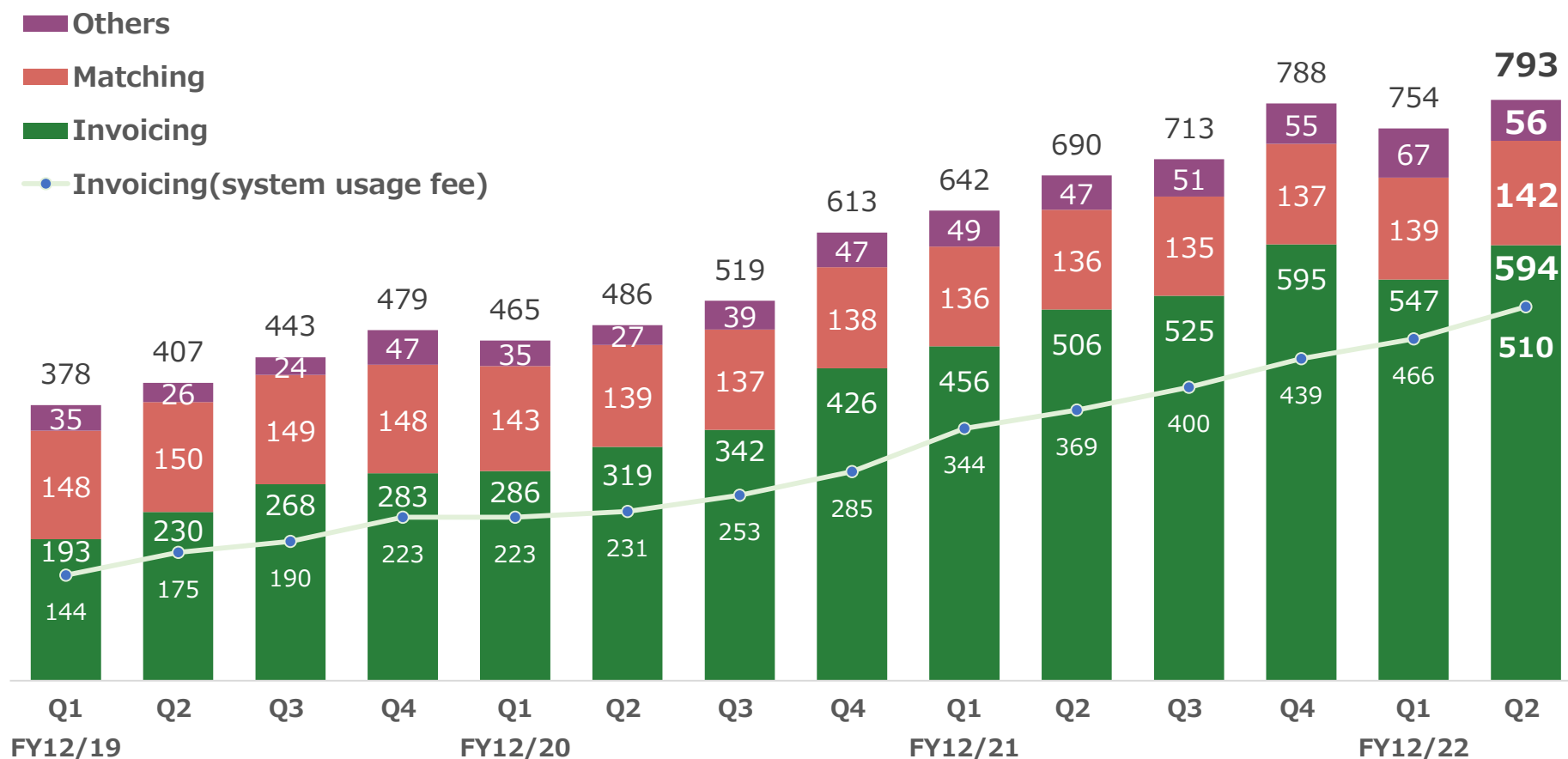


(Note) Number of companies and stores of the graph is the number at the end of each quarter.

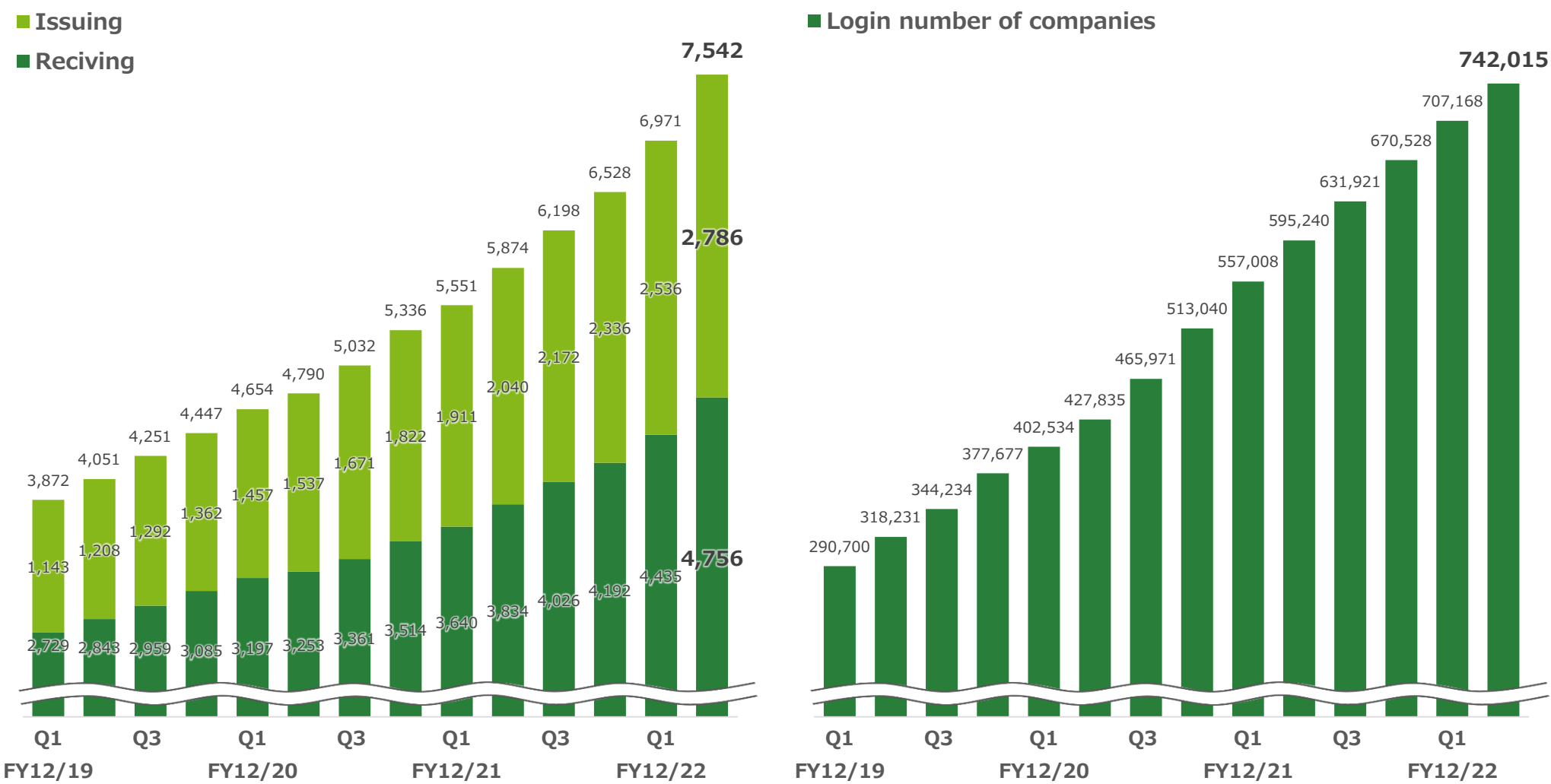
BtoB-PF ES Sales trends

The number of new paid contracts for the BtoB Platform Invoicing increased and the operation (digitization of invoice data) remained steady due to the companies' efforts to improve business efficiency and adoption of remote work. As a result, sales from monthly system usage fee increased in the quarter under review.

Million yen

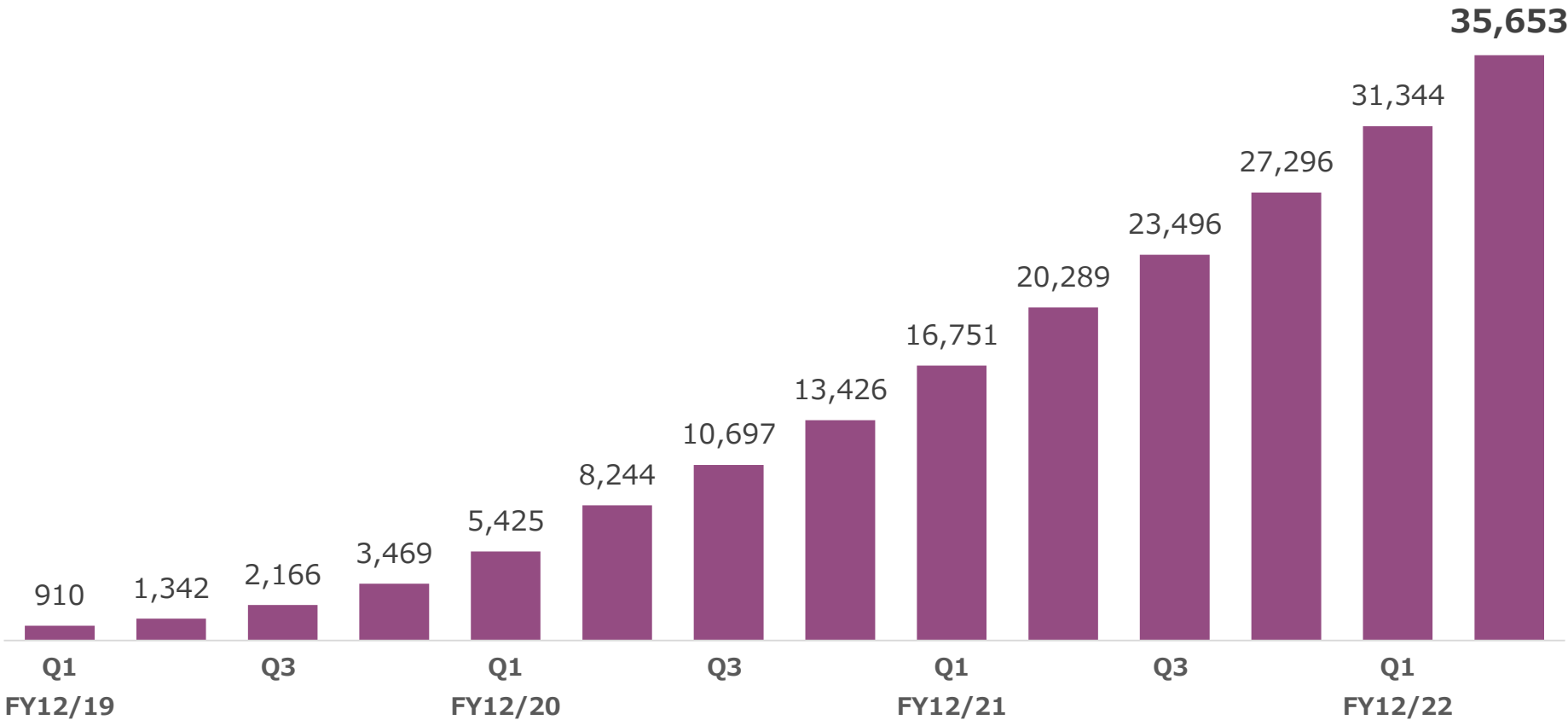


The number of companies logging in exceeded 740,000 due to promotion of digitization of invoices by existing paid-service contracting companies.
Steady growth in the number of paid subscribing companies, including recruitment by major companies.



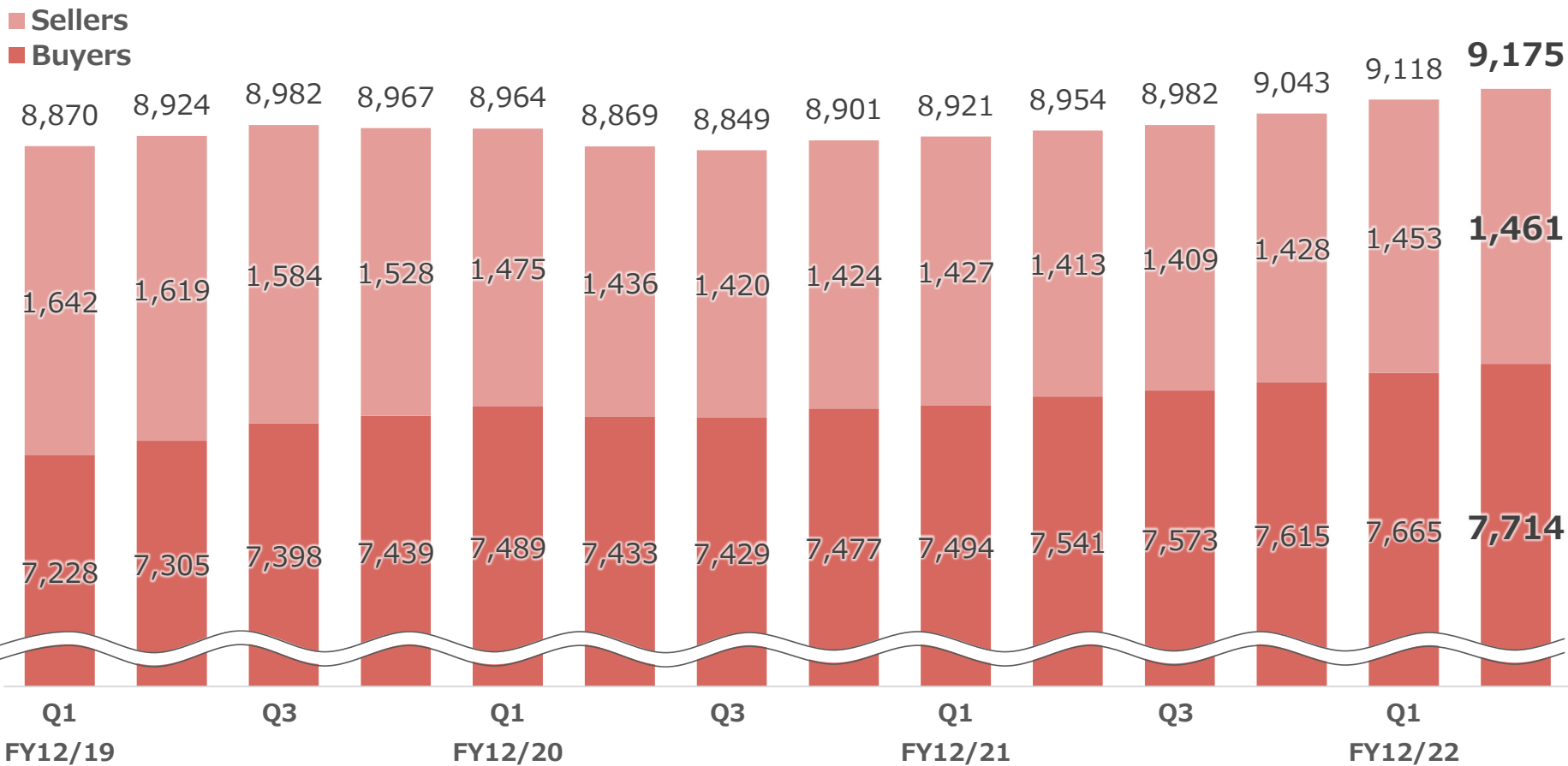
The number of user companies exceeded 35,000 in response to the trend toward digitalization of contracts through breaking away from traditional seal usage.
Strengthen collaboration with other companies' systems and expand collaboration partners (scanning companies, document warehouses, etc.).

■ Login number of companies



(Note) Number of companies and stores of the graph is the number at the end of each quarter.

Due to an increase in the number of new subscribers, both seller and buyer companies continued to increase.



(Note) Number of companies and stores of the graph is the number at the end of each quarter.

IV. Medium-term management policy

■ Aggressive investment for growth

- Promote collaboration with other companies and business acquisitions, and work to increase the value and solidify BtoB Platform in the FOOD and ES businesses.
- Invoicing: Aggressive investment in sales promotion, system development, and personnel expenses. Acquire an advantageous position over competitors when the invoicing system will be introduced in 2023.

■ Accelerating the diversification of revenue sources

- Accelerate existing and new initiatives that have been nurtured into a "To diversify our revenue sources".
- Creating a new business model based on an overwhelming corporate membership base together with partner companies, aiming to become the de facto standard in various fields and services.

Medium-term performance targets

Profit plan from a long-term perspective. Targeting five years from now in fiscal year 2026.

Billion yen

	FY12/21 Actual	FY12/26 Plan	Theme
Sales	9.83	20.0	Double increase
Operating Profit	1.03	5.0	Record profit

<5-year average CAGR> (Sales growth rate)

⇒ **As a whole : 16%** (BtoB-PF FOOD : 8%、BtoB-PF ES : 30%)

✓ **BtoB-PF FOOD : 8%** (**Ordering** : 5%、**Ordering** light : 10%)

✓ **BtoB-PF ES : 30%** (**Invoicing** : 35%)

(Note) Monthly system usage fee (stock type sales) only

Medium-term management strategy

■ Basic policy

- Based on the principle of "Aggressive investment for growth," we will expand and increase value of our BtoB Platform service, effectively incorporate external management resources as appropriate, and make a leap forward to realize our vision for the future.

■ Expansion of existing businesses in BtoB Platform

Grow up

- Maintain overwhelming positions in food and realize No.1 positions in ES-related businesses such as invoices, contracts, and TRADE. For this reason, we will optimize our organizational structure so that we can demonstrate our on-site capabilities, and use planning abilities and ingenuity to realize sales results.

■ Launch of new businesses by utilizing existing management resources

Utilizing

- Continuously expand results from the launch of new businesses that leverage our advantages, such as our presence in the food industry and all industries, customer base, and commercial distribution data. It will also clarify the path to securing diverse revenue sources other than royalties from existing BtoB Platform.

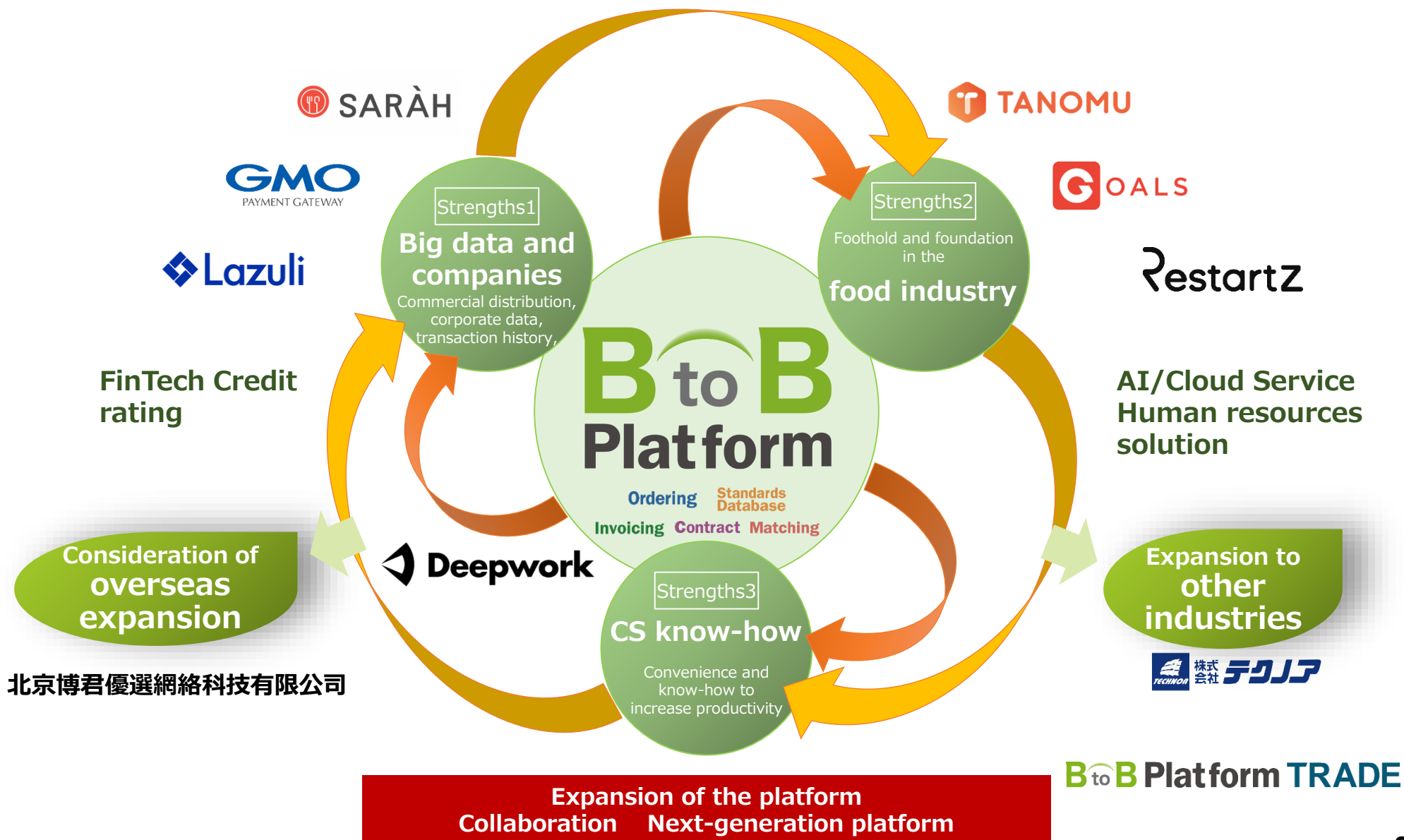
■ Future-oriented measure

Make great leaps

- For our company, where we have a successful experience in BtoB businesses, we define the most crucial knowledge as "know-how to make our business a de facto standard," and thoroughly accumulate and utilize its know-how. We will also continue to conduct surveys and research in industries, services, and countries that can take the de facto approach.

Direction for development and strengthening of Infomart

Marketing/Advertising Consulting services



Diversification achievements (BtoB-PF FOOD)

Partners

■ Goals Inc.

Alliance from July 2020

■ Tanomu Inc.

Alliance from February 2021

■ Beijing Bojunyouxuan Technology Co., Ltd.

Alliance from March 2021

■ Restartz Co., Ltd.

Established in October 2021

Overview

Order Forecasting Cloud Service (for chain restaurants)

Joint development of a next-generation new menu management system, contributing to the advancement of management and the reform of business models in the restaurant industry.

Cloud service to support efficient order processing and sales promotion (for wholesalers)

Accelerating sales expansion in the food wholesaling industry and promoting further digital transformation (DX) of BtoB transactions under the COVID-19 crisis.

Supply chain management services in the Chinese restaurant industry

Promoting the revitalization of business in China by combining the technology of top Chinese food tech companies with our knowledge.

Restaurant Operations Platform App

By visualizing the business process of a restaurant from opening to closing, we can create safe and lean store operations.

Diversification achievements (BtoB-PF ES)

Partners

■ SARAH Inc.

Alliance from August 2021

■ Deepwork Inc.

Alliance from October 2021

■ Lazuli Inc.

Alliance from April 2022

Overview

Gourmet community services and restaurant big data services

We expect future collaboration potential and synergies of data sharing in menu recipe data for restaurants and word-of-mouth data for each menu.

Integrating technology and human capabilities to provide unique solutions

Further support for companies working on the digitization of back-office operations and DX for billing processing.

Supporting corporate data utilization with advanced technology

Improve user convenience by developing a data base on the "BtoB Platform" to increase the data accuracy.

Service

BtoB Platform TRADE

From July 2021

Overview

Digitize transactions from quotation, order, order receipt, delivery, receipt and inspection.

Seamlessly complete a series of business transactions between companies by linking with BtoB Platform Invoice and BtoB Platform Contract.

V. Revision of Consolidated Business Forecasts for FY12/22

FY12/22 Consolidated Business Forecasts (Overview)

We will maintain its aggressive stance and prioritize measures to accelerate medium-term sales growth while paying close attention to COVID-19 situation, although profits will decline.

■ **BtoB-PF FOOD**

Responding to the needs of restaurant chains, individual stores, and wholesalers, and promoting the digitization of transactions between restaurants and wholesalers.

■ **BtoB-PF ES**

Comprehensively work to expand digitization of invoices to establish a leading position in electronic invoicing.



- Maintain reliability by expanding the server system as the number of users increases.
- In addition to the core businesses, we will invest in development and sales promotion expenses for new businesses and refocusing on existing areas.
- Strengthen collaboration with other companies' services and systems, and seek to provide multiple services and information to users.



**To expand sales growth and resume profit growth
from FY12/23 onward**

Revision of Consolidated Business Forecasts for FY12/22 (Highlights)

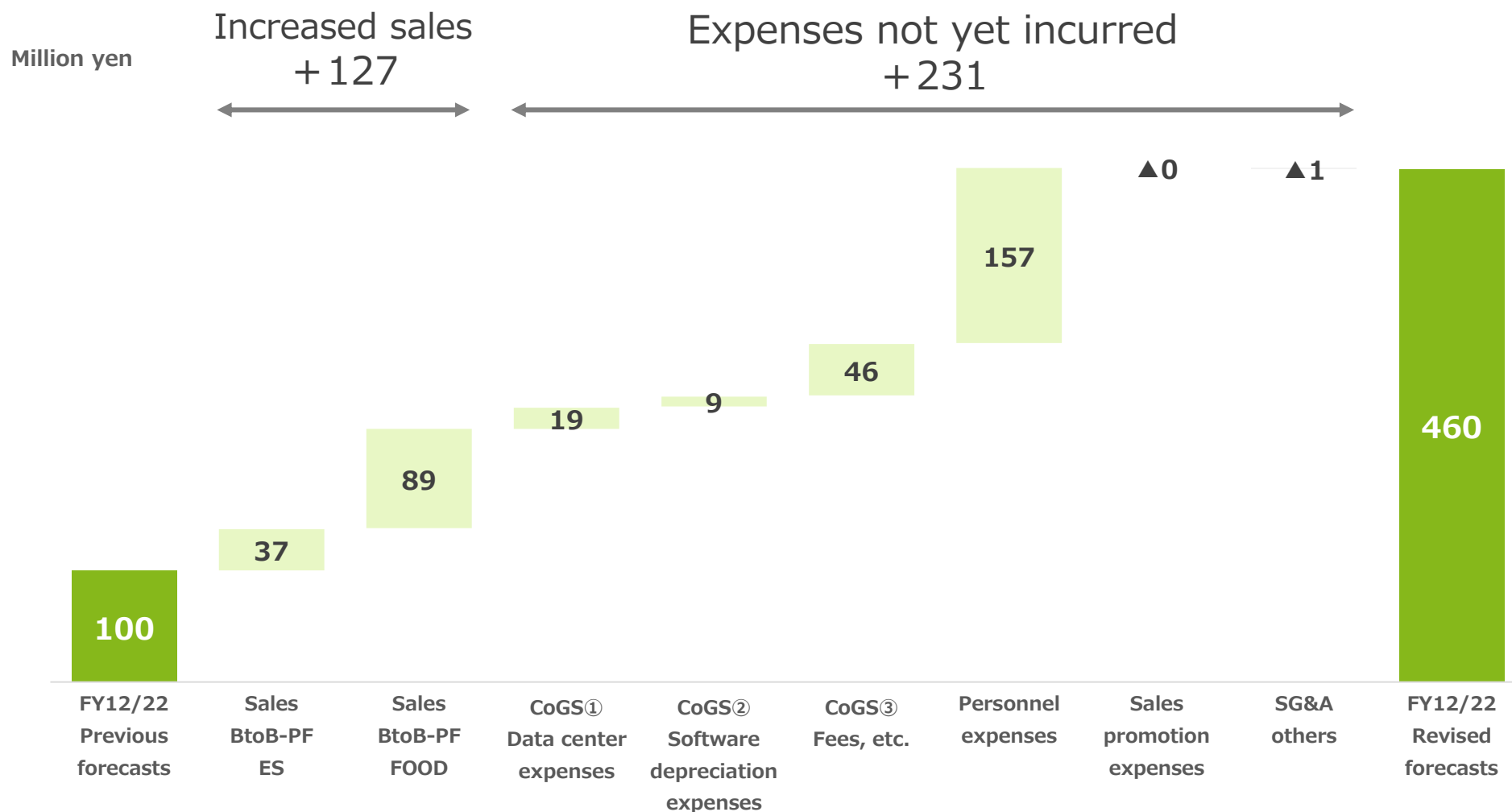
The Company revised its full-year consolidated business forecasts for the fiscal year ending December 31, 2022, announced on February 14, 2022, as follows.

	FY12/22 Previous forecasts	FY12/22 Revised forecasts	Diff	Rate of changes
Sales	10,986	11,113	127	1.2%
CoGS	5,031	4,955	-76	-1.5%
Gross Profit	5,954	6,158	203	3.4%
High gross profit margin	54.2%	55.4%	1.2%	
SG&A	5,854	5,698	-155	-2.7%
Operating Profit	100	460	359	358.1%
Operating profit margin	0.9%	4.1%	3.2%	
Recurring Profit	41	405	364	881.4%
Recurring profit margin	0.4%	3.6%	3.3%	
Corporate taxes	38	155	117	306.4%
Net Income	43	283	240	557.5%

(Note) Net income denotes net income attributable to owners of the parent

Factors of increase / decrease in consolidated operating profit from the previous forecasts to the revised forecasts

Operating profit increased significantly due to the sales growth and the absence of some costs.



Revision of Consolidated Business Forecasts for FY12/22 (Details)

Year on year

(Million yen / % : YoY)

	FY12/21	FY12/22				
	Actual	Previous forecasts	YoY	Revised forecasts	YoY	Diff
BtoB-PF FOOD	7,000	7,619	8.8%	7,708	10.1%	89
BtoB-PF ES	2,835	3,367	18.8%	3,405	20.1%	37
[Sales]	9,835	10,986	11.7%	11,113	13.0%	127
BtoB-PF FOOD	2,284	3,035	32.9%	3,022	32.3%	-13
BtoB-PF ES	1,352	1,996	47.6%	1,933	42.9%	-62
[CoGS]	3,627	5,031	38.7%	4,955	36.6%	-76
BtoB-PF FOOD	4,715	4,584	-2.8%	4,686	-0.6%	102
BtoB-PF ES	1,482	1,370	-7.5%	1,471	-0.7%	100
[Gross Profit]	6,207	5,954	-4.1%	6,158	-0.8%	203
BtoB-PF FOOD	2,552	2,680	5.0%	2,587	1.4%	-93
BtoB-PF ES	2,619	3,167	20.9%	3,111	18.8%	-55
[SG&A]	5,177	5,854	13.1%	5,698	10.1%	-155
BtoB-PF FOOD	2,163	1,903	-12.0%	2,099	-2.9%	196
BtoB-PF ES	-1,137	-1,796	57.9%	-1,639	44.1%	156
[Operating Profit]	1,030	100	-90.3%	460	-55.4%	359
[Recurring Profit]	1,021	41	-96.0%	405	-60.3%	364
[Net Income]※	538	43	-92.0%	283	-47.4%	240

※Net income denotes net income attributable to owners of the parent

BtoB-PF FOOD	67.4%	60.2%		60.8%	
BtoB-PF ES	52.3%	40.7%		43.2%	
High gross profit margin	63.1%	54.2%		55.4%	
BtoB-PF FOOD	30.9%	25.0%		27.2%	
OPM	10.5%	0.9%		4.1%	
RPM	10.4%	0.4%		3.6%	

Reason for revision

■ Sales

[BtoB-PF FOOD]

As in the first half, we expect steady growth in the number of new contracts from buyer companies and their stores in the food industry. As a result, sales from system usage fees and initial fees for the BtoB Platform Ordering and the BtoB Platform Standards are expected to exceed previous forecasts.

[BtoB-PF ES]

As in the first half, the number of new paid contracts for the BtoB Platform Invoicing is expected to increase and operations (digitization of invoice data) are expected to be steady. With this, sales from system usage fees and initial fees are expected to exceed previous forecasts.

■ CoGS

Cost of goods sold is expected to be lower than previous forecast mainly due to the absence of commissions for the BtoB Platform Invoicing.

■ SG&A expenses

SG&A expenses are expected to be lower than previous forecast mainly due to the absence personnel expenses.

■ Operating profit

Operating profit is expected to exceed previous forecast due to the sales growth and the absence of some costs.

■ Net income

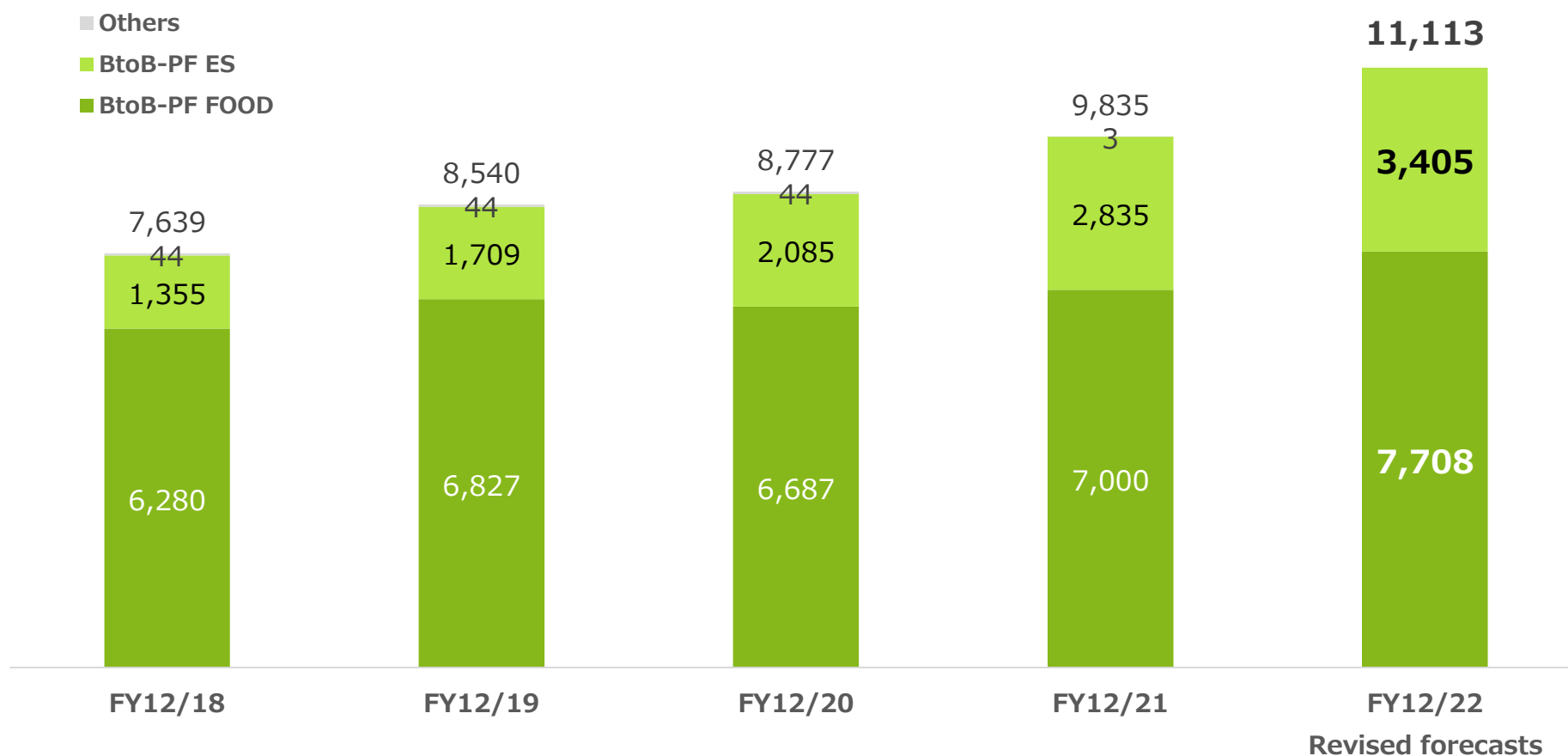
Net income is expected to exceed previous forecast due to the increase in recurring profit.

Sales trends (by year)

Maintaining growth in both FOOD and ES Businesses through continued large-scale investment.

Million yen

(Note) FY12/22 figures have been revised to the figures which were announced on July 20, 2022

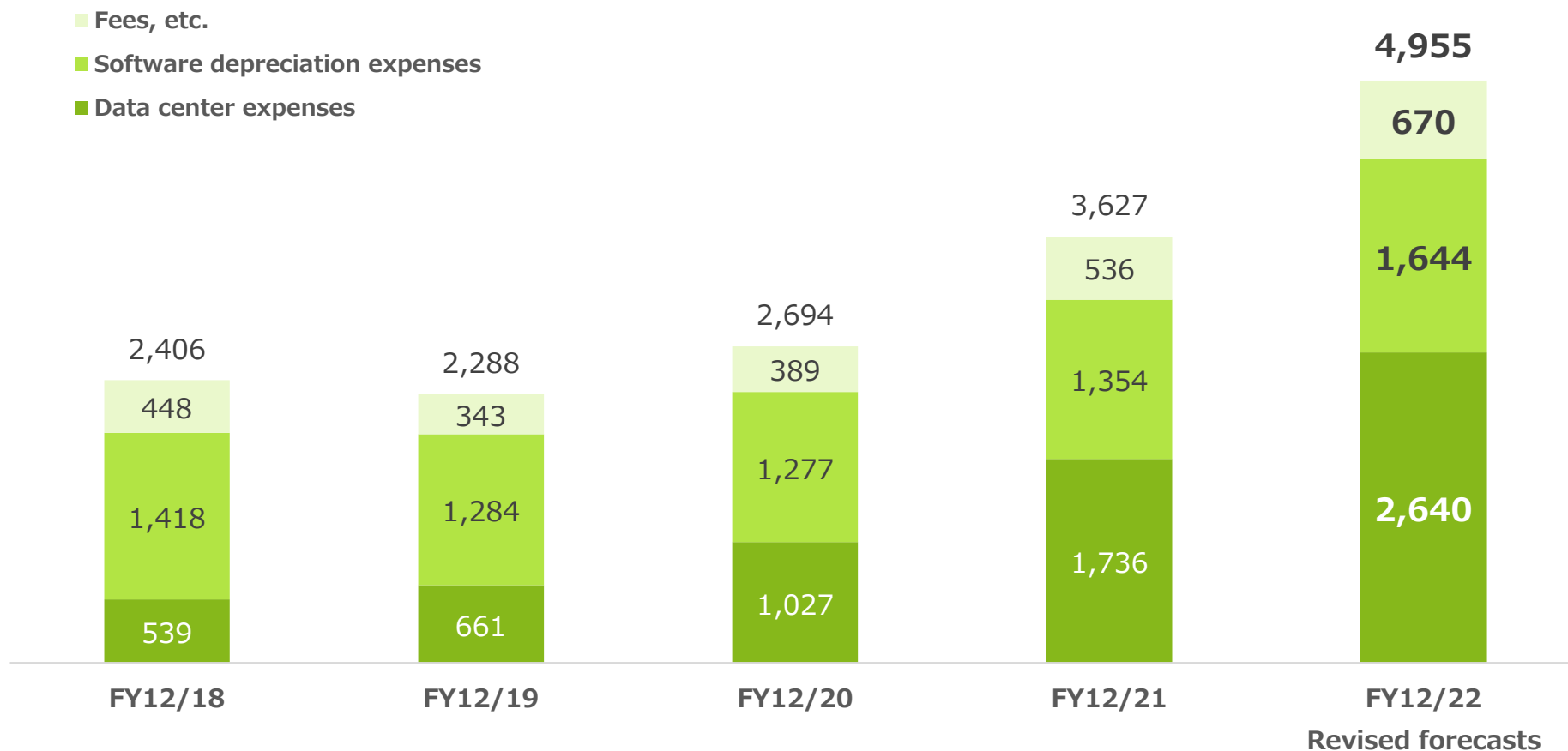


CoGS trends (by year)

Server costs, which began in July 2021, are expected to be incurred for the full fiscal year.

Million yen

(Note) FY12/22 figures have been revised to the figures which were announced on July 20, 2022

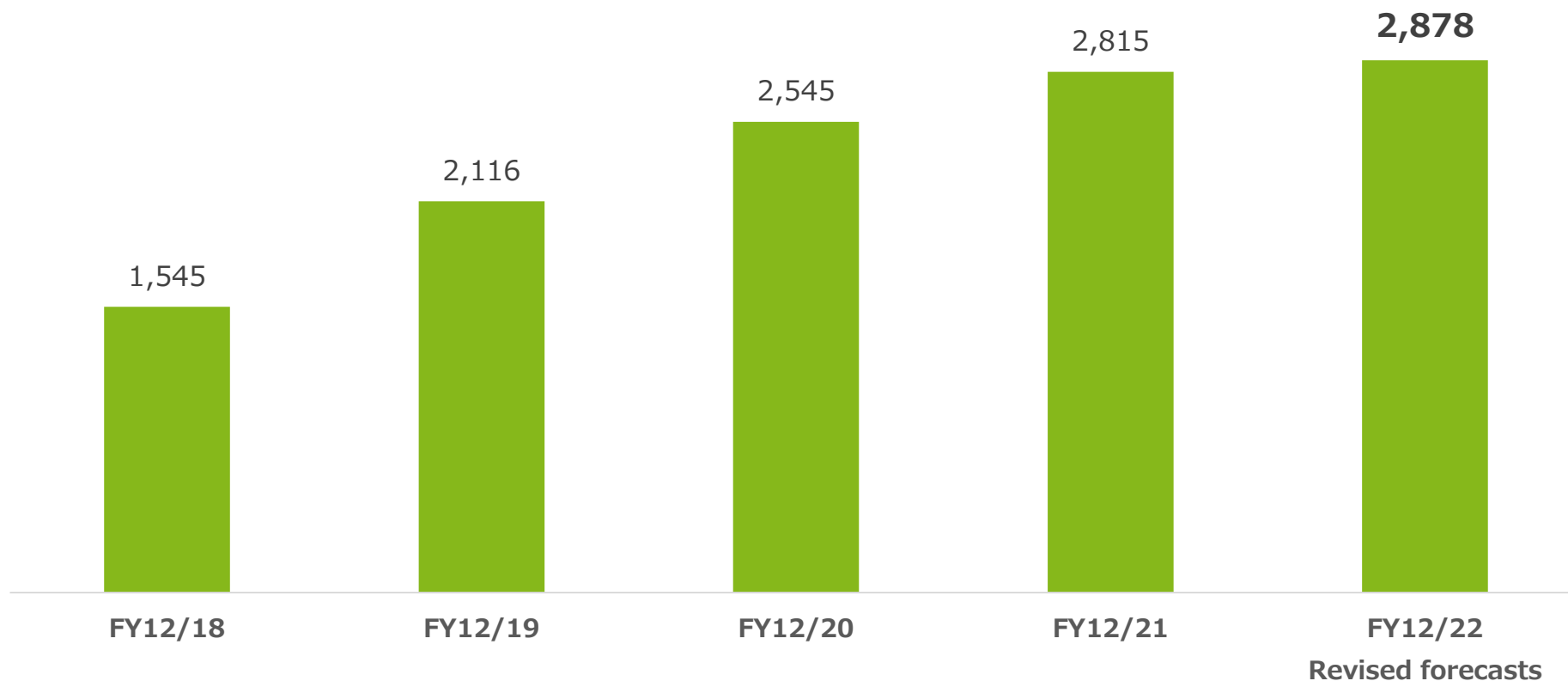


Personnel expenses trends (by year)

Continue hiring to reinforce sales divisions.

Million yen

(Note) FY12/22 figures have been revised to the figures which were announced on July 20, 2022

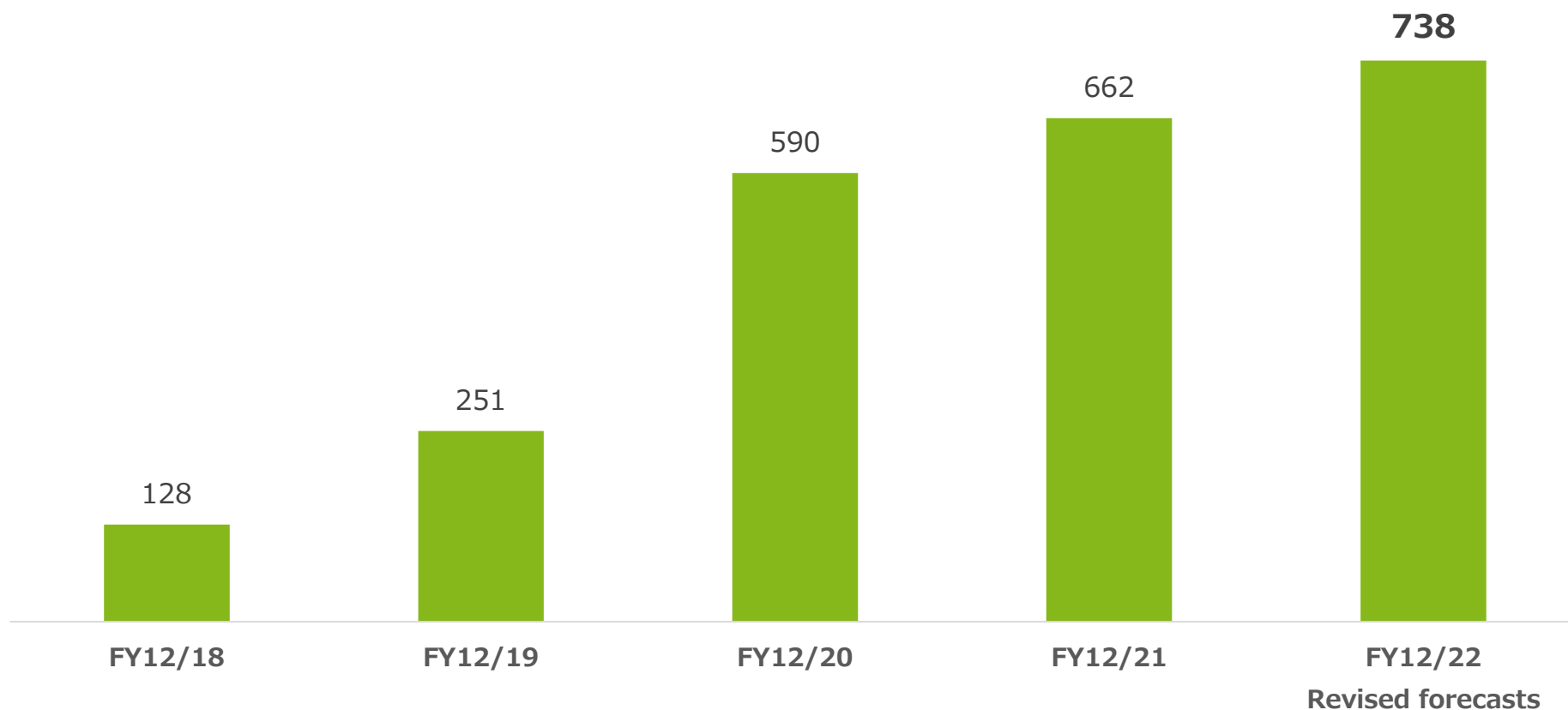


Sales promotion expenses trends (by year)

Significant increase due to aggressive marketing measures.

Million yen

(Note) FY12/22 figures have been revised to the figures which were announced on July 20, 2022



VI. Return Profits to Shareholders

Dividend policy

Infomart considers most important to pay dividends to shareholders and the company aims for a **“basic dividend payout ratio of 50% based on Infomart’s non-consolidated business results”** while improving operating results and strengthening financial position.

Our management base remains strong, we believe that in the current economic environment, it is becoming increasingly important to secure sufficient funds to respond to sudden changes in the future.

We will strive to further increase returns to our shareholders by improving our business performance while strengthening our financial structure.

In light of the revisions to our business forecasts, we have decided to raise our interim dividend by 0.27 yen per share from the previous forecast of 0.09 yen per share to 0.36 yen per share, and our year-end dividend by 0.27 yen per share from the previous forecast of 0.09 yen per share to 0.36 yen per share.

	FY12/18	FY12/19	FY12/20	FY12/21	FY12/22 Revised forecast
Interim dividend	1.83	1.84	1.85	0.47	0.36
Year-end dividend	1.83	1.87	1.86	0.96	0.36
T o t a l	3.67	3.71	3.71	1.43	0.72

(Note)

The interim dividend for the FY12/22 was resolved at the meeting of the Board of Directors held on July 29, 2022.
(Effective date: September 5, 2022)

The company conducted a 2-for-1 stock split on January 1, 2020. Dividends in tables are calculated assuming that the stock splits were conducted.

This material is prepared based on economic, social and other situations, and certain assumptions that the company deems to be reasonable as of July 29, 2022.

However, the material is subject to change without prior notice due to the changing management environment and other reasons.

Readers are asked to make investment decisions at their own discretion.

This material was prepared by Infomart Corporation.

