

Engaged in business utilizing database created with apps targeting pregnant and child-rearing mothers

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【 4014 KARADANOTE Sector : Information & Communication 】

Fiscal Year	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
July 2019	637	33.1	89	2.0	90	0.6	63	-1.6	12.7	47.1	0.0
July 2020	732	14.9	123	37.5	124	36.6	83	32.2	16.7	63.4	0.0
July 2021 f	856	16.8	205	66.5	190	53.2	126	51.4	21.7	na	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending July,2021 are the company's forecast.

Support Companies Marketing Products or Services for Pregnant or Child-rearing Mothers

KARADANOTE provides apps mainly targeting pregnant or child-rearing mothers as well as supports companies in marketing products or services to the apps users. The company operates 21 apps as of the end of August.

By providing apps that help mothers during pregnancy or child-rearing, the company collects various data on its apps users, and recommends products and services based on such data.

Almost all of the company's net sales is generated from rewards for results paid by clients it supports in marketing. A large volume of the rewards are generated from clients in the insurance and food delivery industries.

Corporate Plan for Fiscal Year ending July 2021

For the fiscal year ending July 2021 the company expects net sales of 856 million yen (16.8% increase year-on-year) and operating profit of 205 million yen (66.5% increase year-on-year).

For sales by products of partner companies, the company expects a 50% increase year-on-year for insurance companies, 40% decrease year-on-year for food delivery companies and 20% increase year-on-year for other companies. For insurance companies, in addition to an increase in conversions, it also expects an increase in unit price of rewards for results. For food delivery companies, it assumes conversions to decrease with the influence of the spread of the COVID-19 pandemic.

Financial Statements

Statement of income	Fiscal Year	July 2018		July 2019		July 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		479	100.0	637	100.0	732	100.0
Cost of sales		152	31.7	174	27.4	198	27.1
Gross profit		327	68.3	463	72.6	534	72.9
Selling, general and administrative expenses		239	50.0	373	58.6	411	56.1
Operating profit		87	18.3	89	14.0	123	16.8
Non-operating income		2	-	1	-	0	-
Non-operating expenses		0	-	0	-	-	-
Ordinary profit		89	18.8	90	14.3	124	16.9
Profit before income taxes		89	18.8	89	14.0	116	15.8
Profit		64	13.4	63	9.9	83	11.4

Balance sheet	Fiscal Year	July 2018		July 2019		July 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		220	94.0	284	92.5	423	96.5
Cash and deposits		136	58.2	175	57.1	314	71.8
Accounts receivable-trade		55	23.6	72	23.5	73	16.8
Inventories		21	9.1	22	7.3	19	4.4
Non-current assets		14	6.0	23	7.5	15	3.5
Property, plant and equipment		4	1.8	2	1.0	3	0.7
Intangible assets		0	0.2	10	3.3	0	0.0
Investments and other assets		9	4.1	9	3.3	12	2.7
Total assets		234	100.0	307	100.0	438	100.0
Current liabilities		48	20.6	69	22.6	121	27.8
Accounts payable		6	2.6	11	3.6	21	4.9
Non-current liabilities		13	6.0	2	0.8	-	-
Net assets		172	73.4	235	76.6	316	72.2
Shareholders' equity		172	73.4	235	76.6	316	72.2

Statement of cash flows	Fiscal Year	July 2018	July 2019	July 2020
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		26	62	143
Depreciation		1	1	3
Cash flows from investing activities		0	-11	-2
Cash flows from financing activities		-6	-11	-2
Dividends paid		-	-	-
Net increase in cash and cash equivalents		19	39	139
Cash and cash equivalents		136	175	314

Note: Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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