

Operates “Creema,” a handmade goods marketplace

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【 4017 Creema Sector : Information & Communication 】

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Feb. 2019	1,150	-	-366	-	-372	-	-373	-	-100.9	-422.0	0.0
Feb. 2020	1,517	31.9	48	-	45	-	-28	-	-7.6	-430.4	0.0
Feb. 2021 f	1,937	27.7	162	233.9	144	213.7	198	-	40.0	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending February 2021 are the company's forecasts.

It conducted 1-to-1,000 stock split on September 3, 2020. Per share indices are adjusted retroactively.

Operates CtoC Marketplace “Creema”

Creema operates the CtoC marketplace, “Creema,” where creators of original handmade goods and potential buyers can transact online. The marketplace offers a wide range of goods including accessories, jewelry, interior goods, miscellaneous goods and fashion, and the monthly transaction value exceeds 1.3 billion yen.

The company is the frontrunner that was the first to launch such services in Japan. “Creema” provides a place that allows creators to put their handmade goods on the market while enabling them to continue their creative activities, and the business was developed by the company in a way that would support the activities of creators.

Marketplace Service

The marketplace service, which accounts for almost 80% of net sales in the first half of fiscal year ending February 2021, provides brokerage of settlements for the handmade goods transacted on “Creema.” The company deducts transaction fees from the purchase prices and deposits the remaining amounts into the creators' bank accounts. These transaction fees constitute the company's net sales.

Platform Service and Event/Store Service

Other than the marketplace service, the company provides ad spots on “Creema” to creators and companies as well as other services for its members (platform service). In addition to online services, the company also provides the two physical sales channels of craft events and permanent retail spaces (event/store service) for selling goods.

Financial Statements

Statement of income	Fiscal Year	Feb. 2019		Feb. 2020		Feb. 2021 2Q (Cumulative)	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,150	100.0	1,517	100.0	1,037	100.0
Cost of sales		102	8.9	111	7.4	1	0.2
Gross profit		1,048	91.1	1,405	92.6	1,035	99.8
Selling, general and administrative expenses		1,414	123.0	1,357	89.4	787	75.9
Operating profit		-366	-31.9	48	3.2	248	24.0
Non-operating income		1	-	4	-	0	-
Non-operating expenses		7	-	7	-	5	-
Ordinary profit		-372	-32.4	45	3.0	242	23.4
Profit before income taxes		-372	-32.4	8	0.6	238	23.0
Profit		-373	-32.5	-28	-1.8	236	22.8

Balance sheet	Fiscal Year	Feb. 2019		Feb. 2020		Feb. 2021 2Q	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,543	93.5	1,859	95.7	2,614	97.1
Cash and deposits		1,179	71.5	1,403	72.2	2,050	76.1
Accounts receivable - trade		346	21.0	447	23.0	549	20.4
Non-current assets		107	6.5	84	4.3	78	2.9
Property, plant and equipment		32	2.0	21	1.1	20	0.7
Intangible assets		-	-	-	-	-	-
Investments and other assets		74	4.5	62	3.2	58	2.2
Total assets		1,650	100.0	1,943	100.0	2,693	100.0
Current liabilities		1,446	87.6	1,533	78.9	2,248	83.5
Non-current liabilities		334	20.3	371	19.1	168	6.3
Net assets		-130	-7.9	39	2.0	275	10.2
Owners' equity		-131	-8.0	37	1.9	274	10.2

Statement of cash flows	Fiscal Year	Feb. 2019		Feb. 2020		Feb. 2021 2Q (Cumulative)	
		(mn yen)	(mn yen)	(mn yen)	(mn yen)		
Cash flows from operating activities		-262	-164	664			
Depreciation		4	16	1			
Cash flows from investing activities		-90	-29	-2			
Cash flows from financing activities		515	422	-13			
Dividends paid		-	-	-			
Net increase in cash and cash equivalents		160	223	647			
Cash and cash equivalents		1,179	1,403	2,050			

Note: Non-consolidated basis

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

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