Yappli (4168-TSE Mothers) ------ December 25,2020

# Providing an app operation platform that enables development of smartphone apps without programming

This report is an English translation of part of the report issued on December 25, 2020. For inquiries concerning the report, please contract info@stock-r.org

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)
Dec. 2018	1,021	70.6	-161	-	-162		205	-	-27.5	-58.6	0.0
Dec. 2019	1,721	68.4	-788	-	-798		789	-	-105.7	-164.3	0.0
Dec. 2020	f 2,370	37.7	-619	-	-653	•	658	-	-72.6	-	0.0

### [ 4168 Yappli Sector : Information & Communication ]

Note: Non-consolidated basis. Figures for the fiscal year ending December 2020 are the company's forecasts.

It conducted 1-to-300 stock split on September 14, 2020. Per share indicies are adjusted retroactively.

#### **Developing an App Operation Platform Business**

Yappli conducts planning, development and sales of "Yappli System," a cloud-type app operation platform that enables development and management of native apps without programming, even if one does not have app development skills.

Even if customer companies do not have app development skills, Yappli System enables them to develop and manage native apps, including designing or changing layouts, registering functions and sending push notifications, with drag and drop and other intuitive operations.

Yappli System's primary revenue sources are initial creation income, which is paid in exchange for introduction support, the Yappli System usage fee and the monthly usage fee as maintenance and operation fees. The monthly usage fee is comprised of a base usage fee and additional pay-per-use fees corresponding to fee-based optional functions and the number of terminals that can receive push notifications.

Regarding the company's customers, over 50 percent are companies with over 300 employees and over 80 percent are companies with over 50 employees, and the targets are the marketing divisions and corporate divisions of the companies. The number of contracted apps and total number of app downloads are on an increasing trend with the functionality, convenience and other factors of Yappli System being highly evaluated, and as of the end of September 2020, the number of contracted apps is 527 and the total number of app downloads is 65 million.

#### Newly Listed Company Introduction Report

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# **Financial Statements**

Statement of income	Fiscal Year	Dec. 2018		Dec. 2019		Nine months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,021	100.0	1,721	100.0	1,701	100.0
Cost of sales		428	42.0	793	46.1	754	44.3
Gross profit		592	58.0	927	53.9	946	55.7
Selling, general and administrati	754	73.9	1,716	99.7	1,336	78.6	
Operating profit		-161	-15.9	-788	-45.8	-389	-22.9
Non-operating income		0	-	0	-	0	-
Non-operating expenses		0	-	10	-	5	-
Ordinary profit		-162	-15.9	-798	-46.4	-395	-23.2
Profit before income taxes		-204	-20.0	-785	-45.6	-395	-23.2
Net profit		-205	-20.1	-789	-45.9	-399	-23.5

Balance sheet	Fiscal Year	Dec. 2018		Dec. 201	9	Nine months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets	474	98.4	1,305	67.9	1,897	81.2	
Cash and deposits		220	45.8	1,034	53.8	1,547	66.3
Accounts receivable-trade		158	32.8	190	9.9	283	12.2
Inventories		17	3.7	11	0.6	9	0.4
Non-current assets		7	1.6	617	32.1	438	18.8
Property, plant and equipment	2	0.5	210	10.9	196	8.4	
Intangible assets		2	0.6	119	6.2	97	4.2
Investments and other assets		2	0.5	287	14.9	144	6.2
Total assets		482	100.0	1,922	100.0	2,335	100.0
Current liabilities		193	40.0	644	33.5	804	34.5
Accounts payable-trade		8	1.8	6	0.4	11	0.5
Short-term borrowings		50	10.4	310	16.2	261	11.2
Current portion of long-term bo	rrowings	-	-	81	4.2	124	5.4
Accounts payable		64	13.4	95	5.0	224	9.6
Non-current liabilities		-	-	347	18.1	250	10.7
Long-term borrowings		-	-	347	18.1	250	10.7
Net assets		289	60.0	928	48.3	1,279	54.8
Owners' equity		289	60.0	929	48.4	1,280	54.8

Statement of cash flows	Fiscal Year	Dec. 2018	Dec. 2019		
		(mn yen)	(mn yen)		
Cash flows from operating activitie	S	-228	-698		
Depreciation		10	18		
Cash flows from investing activities	6	-30	-602		
Cash flows from financing activities	6	-83	2,115		
Dividends paid		-	-		
Net increase in cash and cash equi	valents	-342	813		
Cash and cash equivalents		220	1,034		

Note:Non-consolidated basis.

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

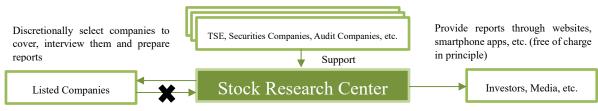
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