

## Providing “AI Analyst,” a tool that supports PDCA of digital marketing

This report is an English translation of part of the report issued on February 22, 2021.  
For inquiries concerning the report, please contact [info@stock-r.org](mailto:info@stock-r.org)

## 【 4173 WACUL Sector : Information &amp; 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. 2020	485	31.1	-140	-	-141	-	-142	-	-20.9	41.8	0.0
Feb. 2021 f	708	46.0	67	-	47	-	38	-	5.7	-	0.0
Feb. 2022 f	1,052	48.6	229	3.4x	228	4.9x	187	4.9x	27.2	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending February 2020 and February 2021 are the company's forecasts. It conducted 1-to-30 stock split on October 31, 2020. Per share indices are adjusted retroactively.

**Providing Tools that Analyze and Improve Digital Marketing**

WACUL operates the product business, which provides tools that support the plan-do-check-act (PDCA) of digital marketing through data analysis, and the incubation business, which is mainly comprised of consulting and gaining information.

**Product Business**

The company provides mainly “AI Analyst” tool that collects and analyzes information and data concerning websites, provides proposals on points to be improved based on data analysis, manages measures and verifies the performance to companies that want to improve digital marketing. Other than that, it provides “AI Analyst SEO,” which supports provision of article contents specialized in conversion acquisition, “AI Analyst AD,” which is an ad management support service that combines the conversion rate improvement knowhow of AI Analyst and the automatic bidding tool, and other solutions as SaaS.

“AI Analyst” is a platform that supports PDCA of digital marketing by creating reports, providing improvement proposals based on data analysis results, recording and measuring effectiveness of the implemented improvement measures and more, just by linking it to access analysis data concerning the customer’s website that can be acquired from Google Analytics and others on the cloud. In exchange for users being able to use the basic features of “AI Analyst” free of charge, the company acquires the user’s website data.

**Incubation Business**

For the incubation business, the company provides restructuring of overall business and consulting on KPI design, organizational design, etc. This business targets companies promoting state-of-the-art digital marketing.

## Financial Statements

Statement of income	Fiscal Year	Feb. 2019		Feb. 2020		Nine months to Nov. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		370	100.0	485	100.0	497	100.0
Cost of sales		73	19.7	56	11.5	66	13.3
Gross profit		297	80.3	429	88.5	430	86.5
Selling, general and administrative expenses		362	97.8	570	117.5	387	77.9
Operating profit		-64	-	-140	-	43	8.7
Non-operating income		0	-	0	-	2	-
Non-operating expenses		2	-	0	-	3	-
Ordinary profit		-67	-	-141	-	42	8.5
Profit before income taxes		-67	-	-141	-	42	8.5
Net profit		-69	-	-142	-	37	7.4

Balance sheet	Fiscal Year	Feb. 2019		Feb. 2020		Nine months to Nov. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		499	93.1	442	87.7	417	79.6
Cash and deposits		447	83.4	373	74.0	332	63.4
Accounts receivable-trade		32	6.0	49	9.7	75	14.3
Inventories		3	0.6	0	0.0	0	0.0
Non-current assets		36	6.7	61	12.1	106	20.2
Property, plant and equipment		11	2.1	9	1.8	8	1.5
Intangible assets		-	-	37	7.3	83	15.8
Investments and other assets		25	4.7	14	2.8	15	2.9
Total assets		536	100.0	504	100.0	524	100.0
Current liabilities		98	18.3	119	23.6	127	24.2
Current portion of long-term borrowings		18	3.4	51	10.1	34	6.5
Non-current liabilities		11	2.1	99	19.6	73	13.9
Long-term borrowings		11	2.1	99	19.6	73	13.9
Net assets		426	79.5	286	56.7	323	61.6
Owners' equity		426	79.5	284	56.3	321	61.3

Statement of cash flows	Fiscal Year	Feb. 2019		Feb. 2020	
		(mn yen)	(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-72	-169		
Depreciation		2	2		
Cash flows from investing activities		-10	-36		
Cash flows from financing activities		498	123		
Dividends paid		-	-		
Net increase in cash and cash equivalents		415	-83		
Cash and cash equivalents		447	363		

Note: Non-consolidated basis.

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

## About Stock Research Center

Stock Research Center is engaged in the preparation of analyst reports, mainly on companies that are not sufficiently covered by analysts, based on a neutral perspective, and broadly disclose the reports to the public with an aim to revitalize the stock market.

Note: Reports prepared by Stock Research Center are created in reference to the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation.



### ■ Supporting Members

Tokyo Stock Exchange, Inc.  
Nomura Securities Co., Ltd.  
Ernst & Young ShinNihon LLC  
Deloitte Touche Tohmatsu LLC  
SBI SECURITIES Co., Ltd.  
Association of Japan  
TAKARA PRINTING CO., LTD.

SMBC Nikko Securities Inc.  
Mizuho Securities Co., Ltd.  
ICMG Co., Ltd.  
BDO Sanyu  
Japan Securities Dealers Association  
Ichiyoshi Securities Co., Ltd.  
PRONEXUS INC.

Daiwa Securities Co. Ltd.  
KPMG AZSA LLC  
Grant Thornton Taiyo LLC  
The Securities Analysts  
A&A Partners

### Certification by Analysts

Analysts indicated in the reports certify that the content indicated in the report precisely reflects the personal opinions of the analysts on all securities and issuer companies discussed in the report. In addition, it is ensured that the opinions directly or indirectly indicated in the report will have no influence on the analyst's compensation in the past, present, and future upon writing the report.

### Disclaimer

- The report is prepared by stock analysts affiliated with the Stock Research Center for the purpose of disclosure to a wide range of investors as reference information and not to recommend or solicit to buy or to sell any particular securities or financial instrument.
- The content and indication of the report is based on disclosed information available publicly and is prepared by adding necessary supplementary information gained through interviews by analysts. The writer of the report is, without exception, prohibited to use insider information, or to acquire such information. The information included in the report is believed to be precise and reliable, but its preciseness is not verified objectively. In addition, the report is not intended to comprehensively include all information required by investors.
- The information included in the report may become outdated due to changes in the financial market, economic environment, etc. There are risks that the prices of stocks featured directly or indirectly in the report will fall below the par value due to fluctuations in stock prices, changes in management/financial conditions of the issuers, fluctuations in exchange rates or interest rates, etc. Past performance does not imply or guarantee future performance.
- The opinions indicated in the report are subject to change without notice and the Stock Research Center has no obligation to update the information or opinions included in the report.
- The Stock Research Center does not bear any responsibility for any results, including direct losses, indirect losses, losses of profit and damages, suffered by investors due to using the report or relying on the report. Final investment decisions shall be made by investors themselves and the sole responsibility concerning the investment lies with the investors that viewed the report.
- The copyright of the report belongs to the Stock Research Center and it may not be copied, reproduced, quoted, etc. in any form without prior consent.