

Sharing Innovations (4178 TSE Mothers) - - - - - March 30,2021**Seek growth through cloud integration supporting the introduction of Salesforce services**

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For inquiries concerning the report, please contact info@stock-r.org

[4178 Sharing Innovations 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)
Dec. 2019	2,724	4.0x	146	2.5x	150	2.6x	73	19.7	23.1	236.4	0.0
Dec. 2020	3,782	38.8	273	87.0	275	83.3	176	141.1	48.3	284.7	0.0
Dec. 2021 f	4,413	16.7	324	18.7	324	17.8	211	19.9	57.0	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending December 2021 are the company's forecasts.
It conducted 1-to-1000 stock split on December 2, 2020. Per share indices are adjusted retroactively.

Conducts Digital Transformation Business and Platform Business

Sharing Innovations Group conducts the digital transformation business and the platform business.

In the digital transformation business, which accounts for around 90% of the company's net sales, the company conducts system solutions, in which it develops systems and applications, as well as cloud integration, in which it supports the introduction of Salesforce provided by salesforce.com, inc. in the U.S.

In its system solutions, an operation launched upon the company's establishment, the group designs, develops, introduces, maintains and manages in-house information management systems, risk management systems, web apps and smartphone apps mainly by using opensource technology. There are cases of the company being a prime contractor and the company joining projects as a subcontractor, and about half of net sales is from when they are a prime contractor.

The group entered cloud integration in 2019. It supports the introduction of salesforce.com's "Sales Cloud," a cloud-based customer relationship management (CRM)/sales force automation (SFA) tool, "Pardot," a marketing automation tool, "Marketing Cloud," which realizes one-to-one marketing in multichannel, "Salesforce Einstein," an AI tool that analyses data, and "Tableau," a salesforce.com subsidiary Tableau Software's business intelligence tool that visualizes data.

The major service of the platform business is Urala, an online-chat fortune-telling app. It provides fortune telling through real-time communication between the users and the fortune tellers, and charges the users a fortune-telling fee by number of letters.

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Financial Statements

Statement of income	Fiscal Year	Dec. 2018		Dec. 2019		Dec.2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		676	100.0	2,724	100.0	3,782	100.0
Cost of sales		457	67.7	2,156	79.1	2,973	78.6
Gross profit		218	32.2	421	20.8	808	21.4
Selling, general and administrative expenses		160	23.7	146	15.5	534	14.1
Operating profit		58	8.6	146	5.4	273	7.2
Non-operating income		1	-	8	-	3	-
Non-operating expenses		0	-	4	-	1	-
Ordinary profit		58	8.6	150	5.5	275	7.3
Profit before income taxes		58	8.6	148	5.4	273	7.2
Profit attributable to owners of parent		61	9.0	73	2.7	176	4.7

Balance sheet	Fiscal Year	Dec. 2018		Dec. 2019		Dec.2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		280	48.3	775	54.6	1,014	64.4
Cash and deposits		123	21.2	319	22.5	462	29.3
Accounts receivable-trade		104	17.9	382	26.9	483	30.7
Inventories		9	1.6	32	2.3	-	-
Non-current assets		300	51.7	644	45.4	560	35.6
Property, plant and equipment		0	0.0	0	0.0	0	0.0
Intangible assets		264	45.5	596	42.0	522	33.1
Investments and other assets		35	6.0	48	3.4	38	2.4
Total assets		580	100.0	1,420	100.0	1,575	100.0
Current liabilities		192	33.1	553	38.9	532	33.8
Accounts payable-trade		2	0.3	255	18.0	201	12.8
Short-term borrowings		-	-	-	-	-	-
Non-current liabilities		-	-	-	-	-	-
Net assets		387	66.7	866	61.0	1,043	66.2
Owners' equity		387	66.7	865	60.9	1,042	66.2

Statement of cash flows	Fiscal Year	Dec. 2018		Dec. 2019		Dec.2020	
		(mn yen)	(mn yen)	(mn yen)	(mn yen)		
Cash flows from operating activities		215	187	137			
Depreciation		0	8	8			
Amortization of goodwill		23	64	67			
Cash flows from investing activities		-328	-336	-3			
Cash flows from financing activities		229	333	9			
Dividends paid		-	-	-			
Net increase in cash and cash equivalents		107	196	142			
Cash and cash equivalents		123	319	462			

Note: Consolidated basis.

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

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