

Lovable Marketing Group (9254 TSE Mothers) - - - - - January 6,2022**Supports companies in operating official Twitter, Instagram and other SNS accounts**

This report is an English translation of part of the report issued on December 24, 2021.
For inquiries concerning the report, please contact info@stock-r.org

【 9254 Lovable Marketing Group Sector : Service 】

Fiscal Year	Net sales (mn yen)	YoY (%)	Ope. profit (mn yen)	YoY (%)	Ord. profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2020	1,212	-	117	-	139	-	82	-	70.2	109.7	0.0
Mar. 2021	963	-20.5	-35	-	-24	-	-33	-	-28.1	81.5	0.0
Mar. 2022 f	1,139	18.3	111	-	105	-	66	-	53.5	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending Mar. 2022 are the company's forecast.

It conducted 1-to-25 stock split on Mar. 24,2020. Per share indices are adjusted retroactively.

Supports SNS Marketing

Lovable Marketing Group and its three subsidiaries are engaged in the SNS marketing business and the marketing automation business. The SNS marketing business accounted for 93.7% of the net sales in the fiscal year ended March 2021.

SNS Marketing Business**(1) SNS Account Operation Support Service**

The company provides one-stop support for corporate SNS accounts from strategy planning to opening an account, operation agency, preparing content, campaign planning/operation, advertisement placement, report creation and effect verification.

The company has a track record of supporting a cumulative total of 1,250 companies as of the end of September 2021. It supports many SNS accounts of major B-to-C companies.

(2) Development/Provision of SaaS-Type SNS Operation Support Tools

The company provides two SaaS-type cloud tools; comnico Marketing Suite, which is a tool for posting on and analyzing an SNS account, and ATELU, which is an SNS campaign tool featuring creation of applicant lists required for SNS campaigns, drawing lots, automatic delivery of winning notifications, etc.

The cumulative total number of contract cases reached 365 at the end of September and the speed of growth is gaining momentum since entering the fiscal year ending March 2022.

(3) Human Resource Training Service

The company develops and provides certification programs which offer systemized content regarding opening SNS accounts, their operational know-how and potential risks of SNS.

Marketing Automation Business

With the use of three cloud services, which are marketing automation, sales force automation and customer relationship management, the company provides one-stop support from the customers' strategy planning and process design, selection of most appropriate technology to operation support.

Lovable Marketing Group (9254 TSE Mothers) - - - - - January 6,2022**Financial Statements**

Statement of income	Fiscal Year	Mar. 2020		Mar. 2021		Six months to Sep. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,212	100.0	963	100.0	620	100.0
Cost of sales		647	53.4	480	49.8	242	39.0
Gross profit		565	46.6	482	50.1	377	60.8
Selling, general and administrative expenses		447	36.9	518	53.8	236	38.1
Operating profit		117	9.7	-35	-3.6	141	22.7
Non-operating income		26	-	18	-	1	-
Non-operating expenses		4	-	7	-	4	-
Ordinary profit		139	11.5	-24	-	138	22.3
Profit before income taxes		140	11.6	-27	-	137	22.1
Profit		82	6.8	-33	-	88	14.2

Balance sheet	Mar. 2020		Mar. 2021		Sep. 2021	
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets	705	90.4	715	91.4	809	95.2
Cash and deposits	373	47.8	440	56.3	540	63.5
Accounts receivable	303	38.8	213	27.2	242	28.5
Non-current assets	74	9.5	67	8.6	41	4.8
Property, plant and equipment	3	0.4	2	0.3	1	0.1
Intangible assets	22	2.8	11	1.4	8	0.9
Investments and other assets	48	6.2	54	6.9	31	3.6
Total assets	780	100.0	782	100.0	850	100.0
Current liabilities	494	63.3	440	56.3	449	52.8
Accounts payable	45	5.8	48	6.1	55	6.5
Short-term borrowings	200	25.6	200	25.6	200	23.5
Current portion of long-term borrowings	59	7.6	57	7.3	58	6.8
Non-current liabilities	148	19.0	234	29.9	204	24.0
Long-term borrowings	148	19.0	234	29.9	204	24.0
Net assets	137	17.6	108	13.8	196	23.1
Shareholders' equity	129	16.5	96	12.3	184	21.6

Statement of cash flows	Mar. 2020		Mar. 2021		Six months to Sep. 2021	
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Cash flows from operating activities	73		-21		115	
Depreciation	26		8		0	
Cash flows from investing activities	-5		4		13	
Cash flows from financing activities	80		84		-28	
Dividends paid	-		-		-	
Net increase in cash and cash equivalents	148		66		100	
Cash and cash equivalents	373		440		540	

Note: Consolidated basis

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

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