

Provides human resource management platform CAREERSHIP

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

[4267 LIGHTWORKS 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)
Jan. 2020	1,217	-	-85	-	-87	-	-25	-	-10.8	98.4	0.0
Jan. 2021	1,757	44.4	30	-	25	-	18	-	7.8	105.6	2.5
Jan. 2022 f	2,180	24.1	165	5.5x	162	6.5x	106	5.9x	47.0	-	14.0

Note: Consolidated basis.

It conducted 1-to-800 stock split on October 22, 2021. Per share indices are adjusted retroactively.

Provider of Human Resource Management Platform and Online English Conversation Services

LIGHTWORKS Group consists of LIGHTWORKS, its Chinese subsidiary and Lighteducation. LIGHTWORKS provides cloud-based human capital management (HCM) platform services to human resource departments of Japanese companies and its Chinese subsidiary provides the same to human resource departments of Japanese companies in China and Asia. Lighteducation, of which 93.7% is owned by LIGHTWORKS, provides learning management platforms and online English conversation services to educational institutions and general consumers.

HCM platform accounts for about 70% of entire net sales and online English conversation services account for about 30%.

(1) HCM Platform Provision Services

Key functions of the HCM platform CAREERSHIP include e-learning distribution, questionnaire and report distribution, large-scale learning management, group training management, career management and skill management.

Half of its domestic customers are companies with net sales of over 100 billion yen, but it is also increasingly being introduced at medium-size companies. The number of subscriber companies increased to 266 by the end of July 2021, and the number of registered IDs is also expanding. The amount charged is determined by the number of IDs and the number of functions used, and the usage period tends to be long term, and thus it can be said to be stock-type revenue.

For the education field, the company provides learning management platforms for elementary, junior high and high school students to cram schools by utilizing its know-how cultivated through human resource management platforms for large companies.

(2) Online English Conversation Services Using HCM Cloud

As content that can make effective use of StudyCompass, the company provides online English conversation services for cram schools, schools, and individuals.

LIGHTWORKS (4267 TSE Mothers) - - - - - February 10,2022**Financial Statements**

Statement of income	Fiscal Year	Jan.2020		Jan.2021		Nine months to Oct. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,217	100.0	1,757	100.0	1,621	100.0
Cost of sales		657	54.0	1,141	64.9	1,002	61.8
Gross profit		560	46.0	616	35.1	619	38.2
Selling, general and administrative expenses		645	53.0	586	33.4	484	29.9
Operating profit		-85	-7.0	30	1.7	134	8.3
Non-operating income		0	-	0	-	5	-
Non-operating expenses		2	-	5	-	2	-
Ordinary profit		-87	-7.1	25	1.4	138	8.5
Profit before income taxes		-36	-3.0	25	1.4	138	8.5
Net profit		-25	-2.1	18	1.0	93	5.7

Balance sheet	Fiscal Year	Jan.2020		Jan.2021		Oct. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		491	69.7	570	71.1	655	66.4
Cash and deposits		276	39.2	318	39.7	413	41.8
Accounts receivable-trade		146	20.7	199	24.8	172	17.4
Inventories		30	4.3	9	1.1	25	2.5
Non-current assets		213	30.3	232	28.9	331	33.5
Property, plant and equipment		13	1.8	15	1.9	14	1.4
Intangible assets		65	9.2	92	11.5	190	19.3
Investments and other assets		133	18.9	124	15.5	127	12.9
Total assets		704	100.0	802	100.0	987	100.0
Current liabilities		388	55.1	500	62.3	608	61.6
Accounts payable - trade		108	15.3	71	8.9	51	5.2
Short-term borrowings		75	10.7	70	8.7	70	7.1
Current portion of long-term borrowings		19	2.7	19	2.4	19	1.9
Non-current liabilities		81	11.5	61	7.6	46	4.7
Long-term borrowings		76	10.8	56	7.0	41	4.2
Net assets		234	33.2	240	29.9	331	33.5
Owners' equity		233	33.1	239	29.8	328	33.2

Statement of cash flows	Fiscal Year	Jan.2020	Jan.2021
		(mn yen)	(mn yen)
Cash flows from operating activities		28	164
Depreciation		79	60
Cash flows from investing activities		5	-85
Cash flows from financing activities		83	-38
Dividends paid		-14	-
Net increase in cash and cash equivalents		117	41
Cash and cash equivalents		276	318

Note: Consolidated basis.

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

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