

**Aiming to expand stock-type sales**

This report is an English translation of part of the report issued on April 8, 2022.  
For inquiries concerning the report, please contact [info@stock-r.org](mailto:info@stock-r.org)

**[5028 SecondXight Analytica 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)
Mar. 2020	272	2.2	13	-	13	-68.7	7	-62.1	3.1	64.1	0.0
Mar. 2021	495	81.8	47	248.9	46	251.2	30	301.7	10.7	103.5	0.0
Mar. 2022 f	734	48.4	143	205.9	143	206.5	102	230.0	34.1	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2022 are the company's forecasts.  
It conducted 1-to-2 stock split on January 21, 2022. Per share indices are adjusted retroactively.

**Provider of Data Analysis Consulting and AI Products**

SecondXight Analytica is an information service company engaged in the analytics consulting business, which is based on data analysis, and the AI product business, which provides packaged software equipped with various AIs in SaaS and other formats. The analytics consulting business accounted for 66.9% of net sales in the fiscal year ended March 2021 and the AI product business for 33.1%.

While proactively applying state-of-the-art analytics and AI technologies, the company provides practical measures to support solving issues.

**(1) Analytics Consulting Business**

The main service of the analytics consulting business is the data analysis consulting that supports solving various issues which vary by customer by discovering, interpreting and analyzing important patterns hidden in data. It also supports construction of a machine learning model for solving customer's business issues through custom-made responses.

Net sales of the business consists of consulting fee and model construction fee, both of which are flow-type sales, and license revenue from model usage, which is stock-type sales.

The major customer industries are non-bank/bank/insurance, settlement service, construction/real estate and information/communication.

**(2) AI Product Business**

In the AI product business, the company provides four types of general-purpose products using AI to solve customers' common issues based on the expertise gained through the analytics consulting business. Net sales of the AI product business consists of an initial introduction fee, which is flow-type sales, and maintenance, operation and other monthly usage fees, which are stock-type sales.

**SecondXight Analytica (5028 TSE Growth) ----- April 12 ,2022****Financial Statements**

Statement of income	Fiscal Year	Mar.2020		Mar.2021		Nine month to Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		272	100.0	495	100.0	459	100.0
Cost of sales		89	32.8	162	32.9	193	42.2
Gross profit		183	67.2	332	67.1	265	57.8
Selling, general and administrative expenses		169	62.2	285	57.6	235	51.3
Operating profit		13	4.9	47	9.5	29	6.5
Non-operating income		0	-	0	-	0	-
Non-operating expenses		0	-	0	-	0	-
Ordinary profit		13	4.9	46	9.5	29	6.5
Profit before income taxes		13	4.9	45	9.2	34	7.6
Profit attributable to owners of parent		7	2.8	30	6.3	23	5.2

Balance sheet	Fiscal Year	Mar.2020		Mar.2021		Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		175	51.7	335	67.5	368	71.1
Cash and deposits		121	35.8	202	40.7	225	43.5
Accounts receivable-trade		34	10.1	114	22.9	128	24.8
Inventories		5	1.6	5	1.1	4	0.8
Non-current assets		163	48.3	161	32.5	149	28.9
Property, plant and equipment		17	5.3	22	4.4	21	4.1
Intangible assets		130	38.5	118	23.9	105	20.3
Investments and other assets		15	4.6	20	4.1	23	4.5
Total assets		338	100.0	497	100.0	518	100.0
Current liabilities		72	21.4	139	28.0	119	23.0
Accounts payable - trade		0	0.0	-	-	-	-
Short-term borrowings		30	8.9	30	6.0	30	5.8
Non-current liabilities		6	1.9	5	1.1	6	1.2
Asset retirement obligations		6	1.9	5	1.1	6	1.2
Net assets		259	76.7	351	70.7	393	75.8
Owners' equity		257	75.8	340	68.5	380	73.4

Statement of cash flows	Fiscal Year	Mar.2020	Mar.2021
		(mn yen)	(mn yen)
Cash flows from operating activities		-6	89
Depreciation		18	34
Cash flows from investing activities		-142	-30
Cash flows from financing activities		118	22
Dividends paid		-	-
Net increase in cash and cash equivalents		-30	81
Cash and cash equivalents		121	202

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.	SMBC Nikko Securities Inc.	Daiwa Securities Co. Ltd.
Nomura Securities Co., Ltd.	Mizuho Securities Co., Ltd.	Ernst & Young ShinNihon LLC
KPMG AZSA LLC	ICMG Co., Ltd.	Grant Thornton Taiyo LLC
Deloitte Touche Tohmatsu LLC	SBI SECURITIES Co., Ltd.	BDO Sanyu
Pricewaterhouse Coopers Kyoto	H.S. Securities Co., Ltd.	Ichiyoshi Securities Co., Ltd.
A&A Partners	GYOSEI & CO.	Avantia G.P.
TAKARA PRINTING CO., LTD.	PRONEXUS INC.	Japan Securities Dealers Association

The Securities Analysts Association of Japan

### 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.