

Provide support for Salesforce implementation and Salesforce product development

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[5039 Kitalive 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.2020	478	27.8	103	-	92	33.3	61	35.6	51.2	174.0	0.0
Dec.2021	577	20.7	113	9.7	116	26.1	77	26.2	64.3	238.3	0.0
Dec.2022 f	690	19.6	124	9.7	114	-1.7	75	-2.6	61.6	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2022 are the company's forecasts.

It conducted 1-to-500 stock split on July 11, 2022. Per share indicies are adjusted retroactively.

Provides Support for Salesforce Implementation and Product Development

Kitalive provides Salesforce implementation support through Salesforce-based system development and maintenance operations, Salesforce product development support for building SaaS-type applications sold on AppExchange, and sales of licenses for Salesforce and other services.

Cloud Solutions, the combined total of Salesforce implementation support and Salesforce product development support, accounted for 96.2% of sales in fiscal year ended December 2021, while license sales accounted for 3.6%.

Cloud Solutions**1) Salesforce implementation support**

Kitalive offers Salesforce implementation support and Salesforce-based system development services. A team of about three to four engineers delivers one-stop services for all system development processes. These include IT consulting, requirement definition, design, development, system testing, maintenance and operation. The development period for most projects is one to three months, and agile development is the primary method.

2) Salesforce product development support

The company delivers product development support with companies looking to build and sell SaaS-type products via Salesforce. The support Kitalive provides will enable companies lacking knowledge of Salesforce technology to deploy the service.

License Sales

The company engages in sales of Salesforce licenses. The company serves as a secondary distributor for TerraSky (3915 TSE Prime), a sales agent for Salesforce Japan. TerraSky owns 49.5% of the company's shares.

Financial Statements

Statement of income	Fiscal Year	Dec.2020		Dec.2021		Six months to Jun. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		478	100.0	577	100.0	313	100.0
Cost of sales		283	59.2	332	57.5	160	51.1
Gross profit		194	40.6	245	42.5	152	48.6
Selling, general and administrative expenses		103	21.5	131	22.7	74	23.6
Operating profit		91	19.0	113	19.6	78	24.9
Non-operating income		1	-	3	-	0	-
Non-operating expenses		-	-	0	-	1	-
Ordinary profit		92	19.2	116	20.1	77	24.6
Profit before income taxes		92	19.2	116	20.1	77	24.6
Net profit		61	12.8	77	13.3	50	16.0

Balance sheet	Fiscal Year	Dec.2020		Dec.2021		Jun. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		345	87.8	445	91.0	472	93.7
Cash and deposits		261	66.4	347	71.0	381	75.6
Accounts receivable-trade		71	18.1	79	16.2	67	13.3
Inventories		0	0.0	1	0.2	1	0.2
Non-current assets		48	12.2	44	9.0	32	6.3
Property, plant and equipment		7	1.8	8	1.6	7	1.4
Intangible assets		31	7.9	25	5.1	21	4.2
Investments and other assets		8	2.0	11	2.2	3	0.6
Total assets		393	100.0	489	100.0	504	100.0
Current liabilities		97	24.7	116	23.7	79	15.7
Accounts payable - trade		4	1.0	9	1.8	6	1.2
Non-current liabilities		-	-	-	-	0	0.0
Net assets		296	75.3	373	76.3	423	83.9
Owners' equity		296	75.3	373	76.3	423	83.9

Statement of cash flows	Fiscal Year	Dec.2020	Dec.2021	Six months to Jun. 2022
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		82	90	35
Depreciation		2	3	1
Amortization of goodwill		6	6	3
Cash flows from investing activities		-3	-4	-
Cash flows from financing activities		-	-	-1
Dividends paid		-	-	-
Net increase in cash and cash equivalents		78	86	34
Cash and cash equivalents		261	347	381

Note:Non-consolidated basis.

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

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