

Operates English coaching service that delivers results through intensive instruction

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[9560 PROGRIT Sector : Services]

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)
Aug.2020	2,183	27.6	138	-	128	-1.9	78	-35.1	23.3	50.6	0.0
Aug.2021	1,981	-9.3	-45	-	-46	-	-76	-	-22.9	46.4	0.0
Aug.2022 f	2,239	13.0	290	-	283	-	186	-	54.2	-	0.0

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

Provides English Coaching Services

PROGRIT offers an English coaching service called "PROGRIT." The company also offers a training service called "Shadowten" that employs the shadowing technique.

PROGRIT's net sales are categorized into English coaching service and subscription-based English learning service. English coaching services accounted for 87.2% of net sales in fiscal year ended August 2021. Meanwhile, net sales of subscription-based English learning service are steadily increasing in line with a growing number of users.

English Coaching Service

Traditional English schools teach English or English conversation itself. In contrast, English coaching is largely characterized by teaching students how to learn English.

PROGRIT provides each student with a dedicated consultant to support that student's English learning. Students study independently for two to three hours each day, following a curriculum tailor-made by the consultant.

In addition to managing motivation on a daily basis, interviews are conducted once a week to serve as a problem-solving session necessary to enhance learning effectiveness. Interviews are conducted in person or online, and seventy-percent of interviews are currently conducted online.

As of the end of July 2022, the total number of students had surpassed 13,000. The majority are individuals, but corporate clients have recently been on the rise. As of the end of July 2022, PROGRIT had provided services to 198 companies.

Subscription-Based English Learning Service

Students who have completed PROGRIT are eligible for two continuation courses. One is a course called NEXT and features the same content as PROGRIT. The other is a shadowing correction course.

The continuation course enrollment rate has continued to increase: 45.3% in fiscal year ended August 2020, 57.0% in fiscal year ended 2021, and 59.6% in the first three quarters of fiscal year ended August 2022.

PROGRIT (9560 TSE Growth) - - - - - October 26, 2022**Financial Statements**

Statement of income	Fiscal Year	Aug.2020		Aug.2021		Nine months to May 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,183	100.0	1,981	100.0	1,646	100.0
Cost of sales		869	39.8	797	40.3	552	33.6
Gross profit		1,313	60.2	1,183	59.7	1,094	66.4
Selling, general and administrative expenses		1,174	53.8	1,229	62.0	856	52.0
Operating profit		138	6.3	-45	-2.3	237	14.5
Non-operating income		1	-	2	-	1	-
Non-operating expenses		11	-	3	-	2	-
Ordinary profit		128	5.9	-46	-2.4	236	14.3
Profit before income taxes		103	4.8	-111	-5.6	236	14.3
Net profit		78	3.6	-76	-3.9	161	9.8

Balance sheet	Fiscal Year	Aug.2020		Aug.2021		May 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		613	52.7	565	54.8	932	68.0
Cash and deposits		511	44.0	437	42.4	839	61.3
Accounts receivable-trade		26	2.3	19	1.9	30	2.2
Inventories		19	1.6	20	2.0	16	1.2
Non-current assets		550	47.3	467	45.2	437	32.0
Property, plant and equipment		202	17.4	144	14.0	132	9.7
Intangible assets		0	0.1	0	0.0	0	0.0
Investments and other assets		347	29.8	322	31.2	304	22.2
Total assets		1,163	100.0	1,032	100.0	1,369	100.0
Current liabilities		756	65.0	700	67.8	823	60.1
Accounts payable - trade		5	0.5	5	0.5	10	0.8
Non-current liabilities		236	20.3	173	16.8	162	11.8
Net assets		171	14.7	159	15.4	383	28.0
Owners' equity		169	14.6	157	15.3	382	27.9

Statement of cash flows	Fiscal Year	Aug.2020		Aug.2021	
		(mn yen)	(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		82	-85		
Depreciation		23	20		
Cash flows from investing activities		-42	3		
Cash flows from financing activities		-18	7		
Dividends paid		-	-		
Net increase in cash and cash equivalents		20	-74		
Cash and cash equivalents		491	417		

Note: Non-consolidated

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

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