

Engaged in an integrated sharing-based marketing business for new results-based customer acquisition

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

【9162 Bleach 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)
Jun.2021	8,145	-	777	-	722	-	440	-	22.0	57.7	0.0
Jun.2022	14,606	79.3	1,027	32.2	1,002	38.8	621	41.1	31.0	87.7	0.0
Jun.2023 f	15,910	8.9	2,043	98.9	2,040	103.6	1,328	113.8	66.2	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending June 2023 are the company's forecasts.
It conducted 1:100 stock split on March 23, 2023. Per share indicies are adjusted retroactively.

Offering Revenue-Sharing Marketing Support Services

Bleach is engaged in the integrated sharing-based marketing business where revenue is generated based on the results of its new customer acquisition and other marketing support services for e-commerce companies selling products such as cosmetics, daily sundry goods and health foods, beauty salons and financial service companies such as credit card companies.

Traditional marketing support for acquiring new customers involves the client company first providing an advertising budget. Then, based on the budget, the marketing support company will place advertisements and execute other marketing activities. If the marketing activities do not yield the expected results, the client's cost of acquiring new customers rises.

In contrast, Bleach does not charge its clients initial fees or consultant fees, instead it adopts a revenue-sharing results-based compensation structure. The company conducts marketing activities, such as advertising, at its own discretion and expense before receiving compensation from its client based on a pre-agreed unit cost for each new customer acquired as a result of its marketing activities.

This compensation structure allows Bleach to provide support to a wide range of companies, including small- and medium-sized enterprises with limited marketing budgets. Additionally, since the company's net sales increase as the number of new customer acquisitions grows, it is incentivized to implement effective measures at its discretion.

Bleach offers almost all marketing support functions in-house, including developing marketing strategies, creating advertisements and executing advertising operations. Furthermore, the company continuously strengthens its marketing capabilities by accumulating large amounts of data and internal expertise.

Bleach's sales are mainly conducted through advertising agencies. Its main business partner, RCORPORATION based in Chiyoda-ku, Tokyo, is an advertising agency specializing in marketing for regularly purchased products such as health foods, cosmetics and quasi-drugs. For fiscal year ended June 2022, RCORPORATION accounted for 71.4% of the company's net sales.

Financial Statements

Statement of income	Fiscal Year	Jun.2021		Jun.2022		Nine months to Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		8,145	100.0	14,606	100.0	12,265	100.0
Cost of sales		6,590	80.9	12,447	85.2	9,555	77.9
Gross profit		1,555	19.1	2,159	14.8	2,709	22.1
Selling, general and administrative expenses		777	9.5	1,132	7.8	927	7.6
Operating profit		777	9.5	1,027	7.0	1,781	14.5
Non-operating income		4	-	2	-	54	-
Non-operating expenses		59	-	26	-	49	-
Ordinary profit		722	8.9	1,002	6.9	1,787	14.6
Profit before income taxes		713	8.8	976	6.7	1,778	14.5
Net profit		440	5.4	621	4.3	1,103	9.0

Balance sheet	Fiscal Year	Jun.2021		Jun.2022		Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		3,895	92.1	5,587	93.2	8,197	96.1
Cash and deposits		2,440	57.7	2,706	45.2	5,707	66.9
Accounts receivable-trade		884	20.9	1,762	29.4	1,510	17.7
Inventories		-	-	-	-	-	-
Non-current assets		333	7.9	405	6.8	332	3.9
Property, plant and equipment		24	0.6	117	2.0	123	1.4
Intangible assets		0	0.0	0	0.0	-	-
Investments and other assets		308	7.3	287	4.8	209	2.5
Total assets		4,229	100.0	5,992	100.0	8,529	100.0
Current liabilities		1,657	39.2	2,612	43.6	2,962	34.7
Accounts payable - trade		541	12.8	859	14.3	672	7.9
Short-term borrowings		-	-	16	0.3	-	-
Current portion of bonds payable		314	7.4	404	6.7	-	-
Current portion of long-term borrowings.		262	6.2	285	4.8	720	8.4
Non-current liabilities		1,414	33.4	1,620	27.0	2,700	31.7
Bonds payable		1,106	26.2	1,122	18.7	-	-
Long-term borrowings		308	7.3	498	8.3	2,700	31.7
Net assets		1,157	27.4	1,759	29.4	2,867	33.6
Owners' equity		1,156	27.3	1,758	29.3	2,864	33.6

Statement of cash flows	Fiscal Year	Jun.2021	Jun.2022
		(mn yen)	(mn yen)
Cash flows from operating activities		470	60
Depreciation		15	29
Cash flows from investing activities		-143	-124
Cash flows from financing activities		751	327
Dividends paid		-	-
Net increase in cash and cash equivalents		1,078	264
Cash and cash equivalents		2,374	2,639

Note:Non-consolidated

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

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