

Supporting accounting operations automation and efficiency by utilizing AI technology to process receipts and invoices

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[5588 Fast Accounting 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.2021	460	42.9	-358	-	-360	-	-360	-	-79.2	-245.0	0.0
Dec.2022	785	70.7	-82	-	-77	-	-78	-	-16.5	-261.5	0.0
Dec.2023 f	1,217	55.0	101	-	93	-	109	-	22.5	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2023 is the company's forecasts.
It conducted 1:1,000 stock split on July 19, 2023. Per share indicies are adjusted retroactively.

Utilizing AI Technology to Support Automation and Efficiency in Accounting Operations

Fast Accounting specializes in the AI solutions business of automating and streamlining corporate accounting operations. Fast Accounting processes receipts and invoices using AI technologies such as character recognition (AI-OCR) and natural language processing.

Its main customers are accounting software vendors and large companies with net sales of over 50 billion yen, and it provides AI solutions for accounting operations in the form of SaaS. Fast Accounting's net sales consist of a monthly fee based on system usage and pay-as-you-go charges based on the amount of receipts and invoices processed. The net sales composition ratio for fiscal year ended December 2022 was 93.1% from monthly fees and 5.6% from pay-as-you-go charges, with stock-type sales accounting for the majority.

In the first half of fiscal year ending December 2023, 66% of its net sales were to large companies and 34% to accounting software vendors.

The company offers three services, 1) the Robota series, which is comprised of modular AI functions for reading receipts and invoices, reconciliation and accounting journal entries, 2) Remota, a platform for efficient and remote invoice processing and 3) Peppol access points for sending and receiving data for digital invoices.

Sales Channels

Sales channels include direct sales, where the company's sales personnel engage in sales to large corporate customers, and partner sales are conducted through OEM partners and sales partners. OEM partners are accounting software vendors and RAKUS, which operates an expense management system, is one of the main partners. Sales partners include consulting firms and system integrators that have concluded resale agreements with the company to sell its systems to large companies. In fiscal year ended December 2022, net sales through partner sales, which is the sum of sales through OEM partners and sales through sales partners, accounted for approximately two-thirds of its overall sales.

Financial Statements

Statement of income	Fiscal Year	Dec.2021		Dec.2022		Six months to Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		460	100.0	785	100.0	559	100.0
Cost of sales		310	67.4	298	38.0	205	36.7
Gross profit		150	32.6	487	62.0	353	63.1
Selling, general and administrative expenses		509	110.7	569	72.5	297	53.1
Operating profit		-358	-	-82	-	56	10.0
Non-operating income		0	-	5	-	0	-
Non-operating expenses		2	-	0	-	2	-
Ordinary profit		-360	-	-77	-	54	9.7
Profit before income taxes		-360	-	-77	-	54	9.7
Net profit		-360	-	-78	-	54	9.7

Balance sheet	Fiscal Year	Dec.2021		Dec.2022		Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		593	90.5	657	88.3	772	88.8
Cash and deposits		538	82.1	603	81.0	705	81.1
Accounts receivable-trade		19	2.9	29	3.9	53	6.1
Inventories		-	-	-	-	-	-
Non-current assets		61	9.3	86	11.6	97	11.2
Property, plant and equipment		17	2.6	23	3.1	23	2.6
Intangible assets		31	4.7	50	6.7	61	7.0
Investments and other assets		12	1.8	12	1.6	12	1.4
Total assets		655	100.0	744	100.0	869	100.0
Current liabilities		366	55.9	544	73.1	621	71.5
Accounts payable - trade		-	-	-	-	-	-
Current portion of long-term borrowings.		47	7.2	10	1.3	9	1.0
Non-current liabilities		41	6.3	31	4.2	25	2.9
Long-term borrowings		38	5.8	27	3.6	22	2.5
Net assets		246	37.6	168	22.6	222	25.5
Owners' equity		243	37.1	165	22.2	219	25.2

Statement of cash flows	Fiscal Year	Dec.2021	Dec.2022	Six months to Jun.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-187	159	143
Depreciation		29	38	22
Cash flows from investing activities		-41	-46	-34
Cash flows from financing activities		388	-47	-7
Dividends paid		-	-	-
Net increase in cash and cash equivalents		159	65	101
Cash and cash equivalents		538	603	705

Note: Non-consolidated

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

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