

Providing organizational development and personnel development training services for AI software development and AI/DX promotion

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【5591 AVILEN 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	477	-	84	-	84	-	58	-	9.8	20.4	0.0
Dec.2022	732	53.5	110	31.0	110	31.0	79	36.2	13.2	33.7	0.0
Dec.2023 f	968	32.2	236	2.1x	211	91.8	147	86.1	24.5	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2023 is the company's forecasts.
It conducted 5:1 stock split on July 20, 2023. Per share indices are adjusted retroactively.

Provider of Organizational Development and Personnel Development Training for AI Software Development and AI/DX Promotion

AVILEN develops generative AI and other AI software using AVILEN AI, a proprietary AI core module (AI software unit), and specializes in organizational development and personnel development training to promote AI and DX (build-up unit). The sales composition ratio for fiscal year ended December 2022 was 63.8% for its build-up unit and 36.2% for its AI software unit.

AI Software Unit

The AI software unit develops AI software for companies in various industries by utilizing AVILEN AI's core module with functionalities such as image generation, large language models, specialized surface recognition, anomaly and damage detection, and data analysis and prediction.

Revenue is primarily flow-type revenue based on individual projects outsourced to the company. However, AI software, with generic functions provided in the form of SaaS, is a source of stock-type revenue.

Typical package-type software includes AI Seed, a data analysis tool for businesses that leverages AVILEN AI's core module, Estimea and developed jointly with Mitsubishi UFJ Trust and Banking Corporation, as well as ChatMee, a ChatGPT platform combining AVILEN AI's core module, Instructea and ChatGPT and ensures information security and data confidentiality.

Build-up Unit

The build-up unit provides a comprehensive service for developing organizational structures and personnel to drive AI and DX for businesses. This includes services from defining the ideal state, conducting an analysis of the current state, formulating policies and roadmaps for personnel recruitment and development, to providing employee programs for personnel growth.

Financial Statements

Statement of income	Fiscal Year	Dec.2021		Dec.2022		Six months to Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		477	100.0	732	100.0	391	100.0
Cost of sales		168	35.2	238	32.5	116	29.7
Gross profit		308	64.6	493	67.3	275	70.3
Selling, general and administrative expenses		224	47.0	383	52.3	210	53.7
Operating profit		84	17.6	110	15.0	65	16.6
Non-operating income		0	-	0	-	0	-
Non-operating expenses		-	-	-	-	-	-
Ordinary profit		84	17.6	110	15.0	65	16.6
Profit before income taxes		84	17.6	110	15.0	66	16.9
Net profit		58	12.2	79	10.8	46	11.8

Balance sheet	Fiscal Year	Dec.2021		Dec.2022		Jun.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		313	85.3	357	86.0	353	82.5
Cash and deposits		174	47.4	223	53.7	200	46.7
Accounts receivable-trade		75	20.4	115	27.7	118	27.6
Inventories		6	1.6	-	-	-	-
Non-current assets		53	14.4	58	14.0	75	17.5
Property, plant and equipment		1	0.3	0	0.0	0	0.0
Intangible assets		25	6.8	26	6.3	46	10.7
Investments and other assets		26	7.1	30	7.2	28	6.5
Total assets		367	100.0	415	100.0	428	100.0
Current liabilities		243	66.2	211	50.8	178	41.6
Accounts payable - trade		6	1.6	8	1.9	13	3.0
Non-current liabilities		-	-	-	-	-	-
Net assets		123	33.5	204	49.2	250	58.4
Owners' equity		122	33.2	202	48.7	249	58.2

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		97	24	-4
Depreciation		5	6	3
Cash flows from investing activities		-14	-9	-22
Cash flows from financing activities		1	0	-
Dividends paid		-	-	-
Net increase in cash and cash equivalents		84	15	-27
Cash and cash equivalents		212	227	200

Note: Non-consolidated

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

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