

Supporting digital transformation (DX) for major companies by transforming their organization and IT structure to create business value

This report is an English translation of part of the report issued on September 27, 2024.
For inquiries concerning the report, please contact info@stock-r.org

[244A Growth X Partners 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)
Aug. 2023	3,736	13.5	386	33.1	396	27.3	279	38.1	103.0	537.1	0.0
Aug. 2024	f 4,377	17.2	561	45.3	566	42.9	362	29.7	133.8	-	0.0
Aug. 2025	f 5,030	14.9	675	20.3	741	30.9	459	26.8	148.7	-	TBD

Note: Consolidated basis. Figures for the fiscal year ending September 2024 and 2025 is the company's forecasts.
It conducted 1:20 stock split on June 4, 2024. Per share indices are adjusted retroactively.

Supporting DX for Major Companies

The Growth X Partners group consists of the holding company, Growth X Partners, and three subsidiaries. The group operates in the DX promotion support business, DX support products and services business and digital service co-creation business. These services generate business value by transforming organizational and IT structures, with a primary focus on serving major companies.

DX Promotion Support Business

The company's core business is the DX promotion support business, through which it provides DX support consulting as well as system planning, development and operation services.

DX support consulting employs a service design method that leverages IT technology to design new business architectures and customer experiences, while also capitalizing on the strengths of the customer's legacy assets.

Growth X Partners employs methods such as agile development in system planning, development and operations. Agile development involves joint teams from the company and its customers repeatedly engaging in planning, design, testing and release. They also utilize DevOps, which fosters close collaboration between development and operations teams, and microservices, which combine multiple independent services to build large-scale applications.

DX Support Products and Services Business

In the DX support products and services business, the company provides organizational transformation and DX human resource development education services. It also offers its own products, along with those from other companies, to support DX, helping customers build self-driven DX organizations. Major products from different companies include Atlassian's agile development collaboration software from Australia and Fresche Solutions' asset assessment tool from Canada, which helps modernize customers' existing IT infrastructure.

Digital Service Co-Creation Business

The digital service co-creation business involves the joint development of digital services between the company and its customers, as well as providing DX support services for customers' users and DX for the customers' entire industry. The company generates sales and profits through revenue sharing and other models.

Financial Statements

Statement of income	Fiscal Year	Aug. 2022		Aug. 2023		Nine months to May 2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		3,293	100.0	3,736	100.0	3,316	100.0
Cost of sales		1,879	57.1	2,088	55.9	1,874	56.5
Gross profit		1,413	42.9	1,647	44.1	1,441	43.5
Selling, general and administrative expenses		1,122	34.1	1,261	33.8	965	29.1
Operating profit		290	8.8	386	10.3	475	14.3
Non-operating income		35	-	23	-	19	-
Non-operating expenses		14	-	12	-	7	-
Ordinary profit		311	9.4	396	10.6	487	14.7
Profit before income taxes		307	9.3	401	10.7	487	14.7
Profit attributable to owners of parent		202	6.1	279	7.5	316	9.5

Balance sheet	Fiscal Year	Aug. 2022		Aug. 2023		May 2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,607	53.1	1,462	49.5	2,057	56.8
Cash and deposits		908	30.0	670	22.7	1,137	31.4
Accounts receivable-trade		605	20.0	655	22.2	826	22.8
Inventories		6	0.2	11	0.4	5	0.1
Non-current assets		1,421	46.9	1,492	50.5	1,565	43.2
Property, plant and equipment		645	21.3	643	21.8	622	17.2
Intangible assets		21	0.7	28	0.9	27	0.7
Investments and other assets		754	24.9	820	27.7	915	25.3
Total assets		3,029	100.0	2,955	100.0	3,623	100.0
Current liabilities		1,419	46.8	1,136	38.4	1,491	41.2
Accounts payable - trade		91	3.0	92	3.1	97	2.7
Short-term borrowings		700	23.1	500	16.9	700	19.3
Current portion of bonds payable		41	1.4	33	1.1	25	0.7
Current portion of long-term borrowings		61	2.0	44	1.5	44	1.2
Non-current liabilities		454	15.0	363	12.3	318	8.8
Bonds payable		69	2.3	35	1.2	20	0.6
Long-term borrowings		349	11.5	295	10.0	261	7.2
Net assets		1,154	38.1	1,455	49.2	1,813	50.0
Owners' equity		1,154	38.1	1,455	49.2	1,813	50.0

Statement of cash flows	Fiscal Year	Aug. 2022	Aug. 2023
		(mn yen)	(mn yen)
Cash flows from operating activities		341	183
Depreciation		38	37
Cash flows from investing activities		-185	224
Cash flows from financing activities		-	-
Dividends paid		-	-
Net increase in cash and cash equivalents		105	89
Cash and cash equivalents		579	668

Note: Consolidated

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

Newly Listed Company Introduction Report

2/2

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