

**Provides social experience apps for children**

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**【248A KIDS STAR 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. 2022	564	17.9	104	-	104	12.7	75	23.0	41.9	169.6	0.0
Dec. 2023	764	35.5	157	51.7	155	48.7	109	45.4	61.0	230.5	0.0
Dec. 2024 f	898	17.5	170	7.7	163	5.2	108	-0.9	54.8	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2024 is the company's forecasts.  
It conducted 1:5 stock split on July 21, 2024. Per share indices are adjusted retroactively.

**Provides Social Experience Apps for Children**

The main business of KIDS STAR is the provision of the social experience app Gokko Land for children. KIDS STAR is a consolidated subsidiary of Kufu Company (4376 TSE Growth).

The company's net sales are divided into Gokko Land and Jimoto Guide, B to C services, service design and others. In fiscal year ended December 2023, Gokko Land and Jimoto Guide accounted for 81.70% of net sales, B to C services accounted for 4.05%, service design accounted for 13.30% and others, including advertising revenue, accounted for 0.95%.

Gokko Land is an educational app that allows children aged 3 to 10 to enjoy social experiences on their smart devices. While children can use the app at no charge, the company receives store-opening fees from companies and organizations for setting up the app. The company offers games for children to allow them to enjoy simulated job experiences with companies that have established stores in the app. The program has been praised for enhancing understanding of corporate brands and products, not only among children but also their parents, while helping to create a fan base.

In August 2023, the company also launched the distribution of Gokko World, an overseas version of Gokko Land, in Vietnam. In July 2024, the company began conducting family-oriented events at commercial facilities in a real-world expansion of Gokko Land.

Jimoto Guide was launched in April 2021 as a new category within Gokko Land. The service provides digital guidebooks that feature the charms of the local area as seen from a child's perspective.

The B to C service is a pay-per-use service independently planned and developed by the company. KIDS STAR has developed and provided three educational apps for d Kids, NTT Docomo's comprehensive educational service.

Through service design, KIDS STAR provides client companies with the know-how it has cultivated in planning and developing apps for children. The service offers comprehensive support for the use of the content assets held by companies.

## Financial Statements

Statement of income	Fiscal Year	Dec. 2022		Dec. 2023		Six months to Jun. 2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		564	100.0	764	100.0	402	100.0
Cost of sales		219	38.9	290	37.9	154	38.3
Gross profit		345	61.1	474	62.1	248	61.7
Selling, general and administrative expenses		240	42.7	316	41.4	193	48.0
Operating profit		104	18.4	157	20.6	55	13.7
Non-operating income		0	-	0	-	0	-
Non-operating expenses		0	-	2	-	0	-
Ordinary profit		104	18.6	155	20.4	54	13.6
Profit before income taxes		104	18.6	153	20.1	52	13.1
Net profit		75	13.4	109	14.3	34	8.7

Balance sheet	Fiscal Year	Dec. 2022		Dec. 2023		Jun. 2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		398	69.4	564	73.2	567	71.2
Cash and deposits		318	55.4	497	64.4	511	64.2
Accounts receivable and contract assets		67	11.7	45	5.9	38	4.8
Non-current assets		176	30.6	207	26.8	229	28.8
Property, plant and equipment		1	0.3	1	0.2	1	0.2
Intangible assets		132	23.0	156	20.2	174	21.8
Investments and other assets		41	7.3	49	6.4	53	6.7
Total assets		574	100.0	772	100.0	796	100.0
Current liabilities		265	46.2	352	45.7	342	43.0
Accounts payable - trade		13	2.3	13	1.7	4	0.6
Income taxes payable		16	2.9	34	4.4	19	2.4
Deferred revenue		194	33.8	248	32.2	279	35.1
Non-current liabilities		2	0.4	2	0.3	2	0.3
Asset retirement obligation		2	0.4	2	0.3	2	0.3
Net assets		307	53.4	416	54.0	451	56.7
Owners' equity		305	53.1	414	53.8	449	56.5

Statement of cash flows	Fiscal Year	Dec. 2022	Dec. 2023	Six months to Jun. 2024
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		172	303	90
Depreciation		82	100	52
Cash flows from investing activities		-103	-124	-76
Cash flows from financing activities		1	-	-
Dividends paid		-	-	-
Net increase in cash and cash equivalents		69	179	14
Cash and cash equivalents		318	497	511

Note: Non-consolidated

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

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