

Operating a platform that distributes performance-based ads within smartphone apps

This report is an English translation of part of the report issued on September 18, 2026.
For inquiries concerning the report, please contact info@stock-r.org

[625A Skyfall 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)
Sep. 2024	12,870	57.7	143	-	265	-46.5	-117	-	-18.9	226.5	0.0
Sep. 2025 f	16,215	26.0	515	3.6x	553	2.1x	446	-	72.0	298.5	0.0
Sep. 2026 f	18,497	14.1	1,144	2.2x	1,176	2.1x	807	80.9	130.0	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending September 2026 is the company's forecasts.

Operating SKYFLAG that Distributes Performance-based Ads within Smartphone Apps

Skyfall operates a reward marketing platform business centered on running SKYFLAG, a platform through which performance-based advertising utilizing rewards are distributed within smartphone apps. The company also operates other businesses comprising game apps and self-service in-store mobile ordering systems.

For fiscal year ended September 2025, the reward marketing platform business accounted for the majority of net sales at 96.4%, while the remaining 3.6% was accounted for by other businesses.

Reward Marketing Platform Business

SKYFLAG is a platform that connects three parties, advertisers running performance-based ads, media owners operating apps that display performance-based ads and app users.

Skyfall works with advertisers to set details such as the conversion milestones at which rewards are paid and the amounts paid. Under this system, when app users reach the conversion milestone, the company receives advertising revenue from advertisers. The scheme is such that the company pays approximately 80 percent of its advertising revenue to media partners as media fees. These partners then return a portion of that revenue in the form of rewards to app users.

The company specializes in performance-based advertising known as long CPE (cost per engagement) reward ads. Unlike cost per impression (CPI), under which advertisers pay a fee when users install their apps, the long CPE reward ad system is structured so that users of a game app, for instance, are awarded rewards such as points upon reaching certain game milestones. It is referred to as "long" due to rewards being paid for the achievement of deeper milestones.

Moreover, the company offers online research service SKYFLAG Research, which leverages the user base of apps that have adopted SKYFLAG.

Financial Statements

Statement of income	Fiscal Year	Sep. 2024		Sep. 2025		Nine months to Jun. 2026	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		12,870	100.0	16,215	100.0	14,059	100.0
Cost of sales		10,879	84.5	13,912	85.8	11,696	83.2
Gross profit		1,990	15.5	2,302	14.2	2,363	16.8
Selling, general and administrative expenses		1,847	14.4	1,787	11.0	1,349	9.6
Operating profit		143	1.1	515	3.2	1,013	7.2
Non-operating income		165	-	60	-	69	-
Non-operating expenses		42	-	21	-	16	-
Ordinary profit		265	2.1	553	3.4	1,065	7.6
Profit before income taxes		1	0.0	553	3.4	1,065	7.6
Net profit		-117	-	446	2.8	796	5.7

Balance sheet	Fiscal Year	Sep. 2024		Sep. 2025		Jun. 2026	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		4,145	83.3	4,561	86.0	5,848	88.7
Cash and deposits		1,686	33.9	1,131	21.3	1,775	26.9
Accounts receivable - trade		1,899	38.1	2,689	50.7	3,502	53.1
Inventories		-	-	-	-	-	-
Non-current assets		832	16.7	740	14.0	742	11.3
Property, plant and equipment		120	2.4	113	2.1	108	1.6
Intangible assets		0	0.0	15	0.3	13	0.2
Investments and other assets		710	14.3	611	11.5	620	9.4
Total assets		4,978	100.0	5,301	100.0	6,590	100.0
Current liabilities		3,571	71.7	3,449	65.1	3,763	57.1
Accounts payable - trade		2,781	55.9	2,641	49.8	2,872	43.6
Short-term borrowings		-	-	400	7.5	200	3.0
Current portion of long-term borrowings		-	-	-	-	73	1.1
Non-current liabilities		-	-	-	-	177	2.7
Long-term borrowings		-	-	-	-	177	2.7
Net assets		1,406	28.2	1,852	34.9	2,649	40.2
Owners' equity		1,406	28.2	1,852	34.9	2,649	40.2

Statement of cash flows	Fiscal Year	Sep. 2024	Sep. 2025
		(mn yen)	(mn yen)
Cash flows from operating activities		823	-917
Depreciation		14	13
Amortization of goodwill		29	-
Cash flows from investing activities		-391	-37
Cash flows from financing activities		-256	400
Dividends paid		-	-
Net increase in cash and cash equivalents		176	-554
Cash and cash equivalents		1,686	1,131

Note: Non-consolidated

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

About Stock Research Center

Stock Research Center is engaged in the preparation of analyst reports, mainly on companies that are not sufficiently covered by analysts, based on a neutral perspective, and broadly disclose the reports to the public with an aim to revitalize the stock market.

Note: Reports prepared by Stock Research Center are created in reference to the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation.



■Supporting Members

Tokyo Stock Exchange, Inc.
Nomura Securities Co., Ltd.
KPMG AZSA LLC
Deloitte Touche Tohmatsu LLC
PricewaterhouseCoopers Japan LLC
GYOSEI & CO.
PRONEXUS INC.
The Securities Analysts Association of Japan

SMBC Nikko Securities Inc.
Mizuho Securities Co., Ltd.
ICMG Co., Ltd.
SBI SECURITIES Co., Ltd.
Ichiyoshi Securities Co., Ltd.
Avantia G.P.
Japan Securities Dealers Association

Daiwa Securities Co. Ltd.
Ernst & Young ShinNihon LLC
Grant Thornton Taiyo LLC
BDO Sanyu
A&A Partners
TAKARA PRINTING CO., LTD.

■Endorsement

Nagoya Stock Exchange, Inc.
Japan Venture Capital Association
Institutional Investors Collective Engagement Forum

Sapporo Securities Exchange
Japan Investor Relations Association

Fukuoka Stock Exchange
Japan Stewardship Forum

Certification by Analysts

Analysts indicated in the reports certify that the content indicated in the report precisely reflects the personal opinions of the analysts on all securities and issuer companies discussed in the report. In addition, it is ensured that the opinions directly or indirectly indicated in the report will have no influence on the analyst's compensation in the past, present, and future upon writing the report.

Disclaimer

- The report is prepared by stock analysts affiliated with the Stock Research Center for the purpose of disclosure to a wide range of investors as reference information and not to recommend or solicit to buy or to sell any particular securities or financial instrument.
- The content and indication of the report is based on disclosed information available publicly and is prepared by adding necessary supplementary information gained through interviews by analysts. The writer of the report is, without exception, prohibited to use insider information, or to acquire such information. The information included in the report is believed to be precise and reliable, but its preciseness is not verified objectively. In addition, the report is not intended to comprehensively include all information required by investors.
- The information included in the report may become outdated due to changes in the financial market, economic environment, etc. There are risks that the prices of stocks featured directly or indirectly in the report will fall below the par value due to fluctuations in stock prices, changes in management/financial conditions of the issuers, fluctuations in exchange rates or interest rates, etc. Past performance does not imply or guarantee future performance.
- The opinions indicated in the report are subject to change without notice and the Stock Research Center has no obligation to update the information or opinions included in the report.
- The Stock Research Center does not bear any responsibility for any results, including direct losses, indirect losses, losses of profit and damages, suffered by investors due to using the report or relying on the report. Final investment decisions shall be made by investors themselves and the sole responsibility concerning the investment lies with the investors that viewed the report.
- The copyright of the report belongs to the Stock Research Center and it may not be copied, reproduced, quoted, etc. in any form without prior consent.