



Consolidated Financial Results for the nine months ended September 30, 2022 [IFRS]

November 14, 2022

Company name: Appier Group, Inc.

Stock exchange listing: Tokyo Stock Exchange

Stock code: 4180

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Scheduled date for filing of quarterly securities report: November 14, 2022

Scheduled date of commencing dividend payments: -

Supplementary briefing material on quarterly financial results: Yes

Quarterly financial results briefing: Yes (for institutional investors and analysts)

(Amounts are recorded to nearest million yen)

1. Consolidated Financial Results for the nine months ended September 30, 2022

(1) Consolidated Operating Results (cumulative)

 (% changes year-over-year)
 (Millions of yen)

	Revenue		EBITDA *		Operating income (loss)		Income (loss) before income taxes		Net income (loss)		Net income (loss) attributable to owners of the parent company		Total comprehensive income	
Nine months ended September 30, 2022	13,669	56.1	832	-	(87)	-	(224)	-	(289)	-	(289)	-	5,296	-
Nine months ended September 30, 2021	8,756	41.8	(87)	-	(968)	-	(1,016)	-	(1,068)	-	(1,068)	-	(272)	-

* EBITDA = Operating income + Depreciation and amortization + Tax expenses included in operating expenses + IPO-related expenses

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2022	(2.85)	(2.85)
Nine months ended September 30, 2021	(10.94)	(10.94)

*1 On January 29, 2021, the Company allotted common shares by 90,761,489 shares to the sole shareholder of the Company. Accordingly, basic earnings per share and diluted earnings per share are calculated as if the allotment of shares was executed at the beginning of the year ended December 31, 2021.

*2 Outstanding share options equivalent to 2,038,870 and 1,345,938 shares of common shares are antidilutive as of September 30, 2021 and 2022, respectively, thus not included in the calculation of diluted loss per share for the nine months period ended September 30, 2021 and 2022, respectively. Such share options may become dilutive in the future.

(2) Consolidated Financial Position

(Millions of yen)

	Total assets	Total equity	Total equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company
As of September 30, 2022	36,773	28,182	28,182	76.6
As of December 31, 2021	31,206	22,836	22,836	73.2

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

2. Dividends

(Yen)

	Annual Dividends				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Year	Total
FY2021	-	0.00	-	0.00	0.00
FY2022	-	0.00	-		
FY2022 (Forecast)				0.00	0.00

(Note) Revision of most recently announced dividend forecasts: No

3. Consolidated Financial Results Forecast for the year ending December 31, 2022

(% changes year-over-year)

(Millions of yen)

	Revenue		EBITDA *		Operating income (loss)		Income (loss) before income taxes		Net income (loss)		Net income (loss) attributable to owners of the parent company		Basic earnings per share
		%		%		%		%		%		%	Yen
FY2022	19,169	51.4	1,200	-	(22)	-	(193)	-	(285)	-	(285)	-	(2.81)

* EBITDA = Operating income + Depreciation and amortization + Tax expenses included in operating expenses + IPO-related expenses

(Note) Revision of most recently announced consolidated financial results forecasts: Yes

(Notes)

- (1) Changes in Significant Subsidiaries during the Period: No
- (2) Changes in Accounting Policies and Changes in Accounting Estimates
 - 1) Changes in accounting policies required by IFRS: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
- (3) Number of Shares Issued (common stock)
 - 1) Total number of shares issued at the end of the period (including treasury stock):
 - As of September 30, 2022: 101,436,723 shares
 - As of December 31, 2021: 101,164,657 shares
 - 2) Total number of treasury stock at the end of the period:
 - As of September 30, 2022: 80 shares
 - As of December 31, 2021: None
 - 3) Average number of shares during the period (cumulative):
 - Nine months ended September 30, 2022: 101,267,913 shares
 - Nine months ended September 30, 2021: 97,577,724 shares

* On January 29, 2021, the Company allotted common shares by 90,761,489 shares to the sole shareholder of the Company. Accordingly, total number of shares issued at the end of the period and average number of shares during the period are calculated as if the allotment of shares was executed at the beginning of the year ended December 31, 2021.

* This quarterly financial report is outside the scope of quarterly review procedures by a certified public accountant or an audit firm.

* Explanation of the Proper Use of Financial Results Forecasts and Other Notes
(Caution Concerning Forward-Looking Statements)

The forward-looking statements including the financial results forecast herein are based on information currently available to the Company and certain assumptions that can be deemed reasonable and are not intended as the Company's commitment to achieve such forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. For conditions prerequisite to the financial results forecast and the points to be noted in the use thereof, please refer to "1. Qualitative Information on Consolidated Financial Results for the Period (3) Explanation on Future Forecast Information including Consolidated Financial Results Forecast" of the Appendix.

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1. Qualitative Information on Consolidated Financial Results for the Period

(1) Explanation on Operating results

The Company's mission is "Turning AI into ROI by Making Software Intelligent".

During the nine months ended September 30, 2022, demands for our services have been expanded because of the enhancement of our sales team and the efforts of continuous improvements of our solutions. ARR (*1) as of September 2022 was ¥18,240 million, a 55.4% growth from ¥11,739 million as of September 2021. Revenue for the nine months ended September 30, 2022 was ¥13,669,113 thousand (up 56.1% year-over-year).

Gross profit for the nine months ended September 30, 2022 was ¥6,994,976 thousand (up 62.2% year-over-year). This was due to an improvement in gross profit margin by enhancement of our CrossX algorithm and increase in the proportion of revenue derived from our other solutions, primarily AIQUA, AiDeal and AIXON, which have higher gross profit margins.

EBITDA (*3) was ¥831,614 thousand (¥86,586 thousand loss in the same period of the previous fiscal year), operating loss was ¥86,980 thousand (¥968,484 thousand loss in the same period of the previous fiscal year), loss before tax was ¥223,959 thousand (¥1,016,435 thousand loss in the same period of the previous fiscal year), and loss attributable to owners of the parent company was ¥288,560 thousand (¥1,067,931 thousand loss in the same period of the previous fiscal year) due to upfront investments in sales personnel and engineers for future business expansion.

(*1) Annual recurring revenue. For solutions provided under a consumption-based pricing structure, the ARR is calculated by annualizing the average monthly recurring revenue (*2) for the relevant period multiplied by 12. For solutions provided under a subscription-based pricing structure, the ARR is calculated by annualizing the recurring revenue for the last month of the relevant period multiplied by 12. The ARR for September 2022 is calculated by multiplying the one-month average of recurring revenue from April 2022 to September 2022 by 12 for solutions provided under the consumption-based pricing structure, and by multiplying the recurring revenue for September 2022 by 12 for solutions provided under the subscription-based pricing structure.

(*2) Revenue from recurring customers. For solutions provided under the consumption-based pricing structure, this refers to (1) customers that have used the Company's solutions for four or more quarters in a row and (2) new customers within the latest twelve months that have used the Company's solutions for three or more months in a row. For solutions provided under the subscription-based pricing structure, this refers to customers who have a contract with the Company for more than one year.

(*3) EBITDA = Operating income + Depreciation and amortization + Tax expenses included in operating expenses + IPO-related expenses

(2) Financial Position

(a) Assets, liabilities, and equity

(Assets)

Total assets as of September 30, 2022 amounted to ¥36,772,547 thousand, an increase of ¥5,566,974 thousand from December 31, 2021. Current assets increased by ¥3,762,283 thousand from December 31, 2021 mainly due to an increase of ¥3,915,991 thousand in Cash and cash equivalents due to withdrawal of time deposits, etc., an increase of ¥2,926,393 thousand in Other financial assets due to acquisition of financial assets at fair value through profit or loss, an increase of ¥513,849 thousand in Trade receivables due to increase in revenue, and a decrease of ¥3,730,656 thousand in Time deposits due to placement. Non-current assets increased by ¥1,804,691 thousand from December 31, 2021 mainly due to an increase of ¥1,999,123 thousand in Goodwill and intangible assets due to capitalization of development costs that meet the requirements for capitalization and a decrease of ¥227,387 thousand in Right-of-use assets due to amortization.

(Liabilities)

Total liabilities as of September 30, 2022 amounted to ¥8,590,393 thousand, an increase of ¥220,508 thousand from December 31, 2021. Current liabilities increased by ¥479,949 thousand from December 31, 2021 mainly due to an increase of ¥164,752 thousand in Other liabilities due to an increase of unpaid salaries and taxes, etc., an increase of ¥138,739 thousand in Borrowings due to the foreign currency translation, and an increase of ¥100,890 thousand in Trade payables due to increase of cost of sales. Non-current liabilities decreased by ¥259,441 thousand from December 31, 2021 mainly due to a decrease of ¥263,065 thousand in Lease liabilities due to payment.

(Equity)

Equity as of September 30, 2022 amounted to ¥28,182,154 thousand, an increase of ¥5,346,466 thousand from December 31, 2021 mainly due to an increase of ¥5,584,215 thousand in Other components of equity due to changes in exchange rates, and a decrease of ¥288,560 thousand in Retained earnings due to net loss.

(b) Cash flows

Cash and cash equivalents as of September 30, 2022 was ¥10,476,897 thousand, an increase of ¥3,915,991 thousand from December 31, 2021.

Cash flows from each activity for the nine months ended September 30, 2022 and their significant components are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was ¥408,787 thousand, increased by ¥1,677,845 thousand compared to ¥1,269,058 thousand of disbursements for the nine months ended September 30, 2021. This is mainly attributable to a decrease of ¥792,476 thousand in Loss before tax compared to the same period of the previous fiscal year, a decrease of ¥109,131 thousand in Contract assets (an increase of ¥479,251 thousand in the same period of the previous fiscal year), an increase of ¥417,299 thousand in Depreciation and amortization compared to the same period of the previous fiscal year, an increase of ¥123,663 thousand in Other liabilities (a decrease of ¥54,851 thousand in the same period of the previous fiscal year), and a decrease of ¥183,413 thousand in Trade payables (an increase of ¥42,316 thousand in the same period of the previous fiscal year).

(Cash flows from investing activities)

Net cash provided by investing activities was ¥3,042,776 thousand, increased by ¥10,351,254 thousand compared to the ¥7,308,478 thousand of disbursements for the nine months ended September 30, 2021. This is mainly attributable to an increase of Withdrawal of time deposits by ¥12,284,604 thousand compared to the same period of the previous fiscal year, a decrease of Placement of time deposits by ¥1,137,327 thousand compared to the same period of the previous fiscal year, Acquisition of financial assets at fair value through profit or loss of ¥2,491,005 thousand (zero for the same period of the previous fiscal year), and an increase of ¥607,564 thousand in Payments for intangible assets compared to the same period of the previous fiscal year.

(Cash flows from financing activities)

Net cash used in financing activities was ¥384,740 thousand, increased by ¥14,888,055 thousand compared to the ¥14,503,315 thousand of proceeds for the nine months ended September 30, 2021. This is mainly attributable to a decrease of ¥15,041,156 thousand in Proceeds from issuance of shares compared to the same period of the previous fiscal year, and a decrease of ¥210,697 thousand in Payment of expenses for issuance of shares compared to the same period of the previous fiscal year.

(3) Explanation on Future Forecast Information including Consolidated Financial Results Forecast

We have executed better than expected in new customer acquisition and increasing business from existing customers for the nine months ended September 30, 2022. Thus we outperformed our guidance in revenue and profit or losses announced on August 12, 2022. Accordingly, we have made an upward revision on our consolidated full-year guidance.

For further details, please refer to the “Announcement on Revision of the Consolidated Full-year Guidance” disclosed on November 14, 2022.

2 Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Thousands of yen)

	As of December 31, 2021	As of September 30, 2022
Assets		
Current assets		
Cash and cash equivalents	6,560,906	10,476,897
Time deposits	14,939,084	11,208,428
Trade receivables	1,921,124	2,434,973
Contract assets	889,153	949,364
Other receivables	69,733	67,567
Other current assets	103,964	182,625
Other financial assets	-	2,926,393
Total current assets	24,483,964	28,246,247
Non-current assets		
Property, plant and equipment	138,885	153,659
Right-of-use assets	3,045,855	2,818,468
Goodwill and intangible assets	2,977,175	4,976,298
Deferred tax assets	180,548	176,957
Other financial assets	379,146	400,918
Total non-current assets	6,721,609	8,526,300
Total assets	31,205,573	36,772,547
Liabilities and equity		
Liabilities		
Current liabilities		
Borrowings	2,096,881	2,235,620
Contract liabilities	97,685	106,154
Trade payables	1,477,760	1,578,650
Other liabilities	1,489,481	1,654,233
Current tax payables	18,270	31,356
Lease liabilities	492,672	544,087
Other current liabilities	77,424	80,022
Total current liabilities	5,750,173	6,230,122
Non-current liabilities		
Provisions	50,940	53,633
Deferred tax liabilities	10,040	10,971
Lease liabilities	2,558,732	2,295,667
Total non-current liabilities	2,619,712	2,360,271
Total liabilities	8,369,885	8,590,393
Equity		
Share capital	7,526,244	7,532,405
Capital surplus	23,644,664	23,689,372
Treasury shares	-	(58)
Retained earnings	(9,494,299)	(9,782,859)
Other components of equity	1,159,079	6,743,294
Equity attributable to owners of the parent company	22,835,688	28,182,154
Total equity	22,835,688	28,182,154
Total liabilities and equity	31,205,573	36,772,547

English Translation

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(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income

Condensed Quarterly Consolidated Statements of Profit or Loss

For the nine months ended September 30, 2022

	(Thousands of yen)	
	2021 (From January 1, 2021 to September 30, 2021)	2022 (From January 1, 2022 to September 30, 2022)
Revenue	8,756,175	13,669,113
Cost of sales	(4,443,391)	(6,674,137)
Gross profit	4,312,784	6,994,976
Sales and marketing expenses	(3,061,109)	(4,550,426)
Research and development expenses	(1,243,607)	(1,641,773)
General and administrative expenses	(985,528)	(1,144,352)
Other income	12,125	256,588
Other expenses	(3,149)	(1,993)
Operating loss	(968,484)	(86,980)
Finance income	29,774	96,327
Finance costs	(77,725)	(233,306)
Loss before tax	(1,016,435)	(223,959)
Income taxes	(51,496)	(64,601)
Loss for the period	(1,067,931)	(288,560)
Loss attributable to:		
Owners of the parent company	(1,067,931)	(288,560)
Basic loss per share (yen)	(10.94)	(2.85)
Diluted loss per share (yen)	(10.94)	(2.85)

For the three months ended September 30, 2022

	(Thousands of yen)	
	2021 (From July 1, 2021 to September 30, 2021)	2022 (From July 1, 2022 to September 30, 2022)
Revenue	3,206,308	5,111,903
Cost of sales	(1,602,299)	(2,408,225)
Gross profit	1,604,009	2,703,678
Sales and marketing expenses	(1,058,912)	(1,712,881)
Research and development expenses	(418,735)	(598,688)
General and administrative expenses	(312,453)	(416,454)
Other income	1,266	29,425
Other expenses	(995)	(84)
Operating income (loss)	(185,820)	4,996
Finance income	10,945	55,176
Finance costs	(26,515)	(88,751)
Loss before tax	(201,390)	(28,579)
Income taxes	(8,190)	(26,786)
Loss for the period	(209,580)	(55,365)
Loss attributable to:		
Owners of the parent company	(209,580)	(55,365)
Basic loss per share (yen)	(2.08)	(0.55)
Diluted loss per share (yen)	(2.08)	(0.55)

English Translation

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Condensed Quarterly Consolidated Statements of Comprehensive Income

For the nine months ended September 30, 2022

	(Thousands of yen)	
	2021 (From January 1, 2021 to September 30, 2021)	2022 (From January 1, 2022 to September 30, 2022)
Loss for the period	(1,067,931)	(288,560)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in the fair value of an equity investment at fair value through other comprehensive income	-	(32,476)
Total items that will not be reclassified subsequently to profit or loss	-	(32,476)
Items that may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	796,114	5,616,691
Total items that may be reclassified subsequently to profit or loss	796,114	5,616,691
Total other comprehensive income for the period	796,114	5,584,215
Total comprehensive income (loss) for the period	(271,817)	5,295,655
Total comprehensive income (loss) attributable to:		
Owners of the parent company	(271,817)	5,295,655

For the three months ended September 30, 2022

	(Thousands of yen)	
	2021 (From July 1, 2021 to September 30, 2021)	2022 (From July 1, 2022 to September 30, 2022)
Loss for the period	(209,580)	(55,365)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in the fair value of an equity investment at fair value through other comprehensive income	-	(64,392)
Total items that will not be reclassified subsequently to profit or loss	-	(64,392)
Items that may be reclassified to profit or loss		
Foreign currency translation differences on foreign operations	319,430	1,569,086
Total items that may be reclassified subsequently to profit or loss	319,430	1,569,086
Total other comprehensive income for the period	319,430	1,504,694
Total comprehensive income for the period	109,850	1,449,329
Total comprehensive income attributable to:		
Owners of the parent company	109,850	1,449,329

English Translation

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(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2021 (From January 1, 2021 to September 30, 2021)

(Thousands of yen)

	Equity attributable to owners of the parent company							
					Other components of equity			
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial statements translation differences of foreign operations	Unrealized gains from financial assets measured at fair value through other comprehensive income	Total	Total equity
Balance at January 1, 2021	0*	16,248,390	-	(8,315,781)	(264,441)	-	(264,441)	7,668,168
Loss for the period	-	-	-	(1,067,931)	-	-	-	(1,067,931)
Other comprehensive income	-	-	-	-	796,114	-	796,114	796,114
Total comprehensive loss	-	-	-	(1,067,931)	796,114	-	796,114	(271,817)
Share issued pursuant to the listing	7,520,629	7,309,932	-	-	-	-	-	14,830,561
Share options of the Company	-	57,919	-	-	-	-	-	57,919
Exercise of share options	85	85	-	-	-	-	-	170
Total transactions with owners	7,520,714	7,367,936	-	-	-	-	-	14,888,650
Balance at Septembr 30, 2021	7,520,714	23,616,326	-	(9,383,712)	531,673	-	531,673	22,285,001

*Less than ¥ 1 thousand.

For the nine months ended September 30, 2022 (From January 1, 2022 to September 30, 2022)

(Thousands of yen)

	Equity attributable to owners of the parent company							
	<div> <div>Other components of equity</div> <div> <div>Share capital</div> <div>Capital surplus</div> <div>Treasury shares</div> <div>Retained earnings</div> <div>Financial statements translation differences of foreign operations</div> <div>Unrealized gains from financial assets measured at fair value through other comprehensive income</div> <div>Total</div> </div> </div>							Total equity
Balance at January 1, 2022	7,526,244	23,644,664	-	(9,494,299)	1,134,939	24,140	1,159,079	22,835,688
Loss for the period	-	-	-	(288,560)	-	-	-	(288,560)
Other comprehensive income	-	-	-	-	5,616,691	(32,476)	5,584,215	5,584,215
Total comprehensive income	-	-	-	(288,560)	5,616,691	(32,476)	5,584,215	5,295,655
Share options of the Company	-	38,547	-	-	-	-	-	38,547
Exercise of share options	6,161	6,161	-	-	-	-	-	12,322
Purchase of treasury shares	-	-	(58)	-	-	-	-	(58)
Total transactions with owners	6,161	44,708	(58)	-	-	-	-	50,811
Balance at September 30, 2022	7,532,405	23,689,372	(58)	(9,782,859)	6,751,630	(8,336)	6,743,294	28,182,154

English Translation

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(4) Condensed Quarterly Consolidated Statements of Cash Flows

	(Thousands of yen)	
	2021 (From January 1, 2021 to September 30, 2021)	2022 (From January 1, 2022 to September 30, 2022)
Cash flows from operating activities		
Loss before tax	(1,016,435)	(223,959)
Depreciation and amortization	496,810	914,109
Interest income	(29,774)	(96,327)
Interest expense	23,185	45,128
Expected credit losses	1,653	91,216
Gain on financial assets measured at fair value through profit or loss	-	(30,415)
Gains on forfeited contingent consideration	-	(57,178)
Share-based compensation expense	57,919	50,597
Others	-	(108)
Change in working capital		
Trade receivables	(247,842)	(286,405)
Contract assets	(479,251)	109,131
Other receivables	4,665	52,957
Other current assets	(46,029)	(63,021)
Contract liabilities	9,898	(5,568)
Trade payables	42,316	(183,413)
Other liabilities	(54,851)	123,663
Other liabilities to a related party	(5)	-
Other current liabilities	1,031	(3,476)
Subtotal	(1,236,710)	436,931
Interest received	35,584	53,842
Interest paid	(23,185)	(44,983)
Income taxes paid	(44,747)	(37,003)
Net cash provided by (used in) operating activities	(1,269,058)	408,787
Cash flows from investing activities		
Payments for property, plant and equipment	(95,539)	(47,905)
Payments for intangible assets	(1,010,408)	(1,617,972)
Payment for acquisition of a subsidiary	(22,946)	(35,298)
Withdrawal of time deposits	4,900,788	17,185,392
Placement of time deposits	(11,088,872)	(9,951,545)
Acquisition of financial assets measured at fair value through profit or loss	-	(2,491,005)
Others	8,499	1,109
Net cash provided by (used in) investing activities	(7,308,478)	3,042,776
Cash flows from financing activities		
Payment of lease liabilities	(327,416)	(384,954)
Proceeds from issuance of shares	15,041,428	272
Payment of expenses for issuance of shares	(210,697)	-
Payments to acquire treasury shares	-	(58)
Net cash (used in) provided by financing activities	14,503,315	(384,740)
Effects of exchange rate changes on cash and cash equivalents	57,555	849,168
Net increase in cash and cash equivalents	5,983,334	3,915,991
Cash and cash equivalents at the beginning of the period	1,634,707	6,560,906
Cash and cash equivalents at end of period	7,618,041	10,476,897

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not Applicable.

(Notes on Significant Changes in the Amount of Equity Attributable to Owners of the Parent Company)

Not Applicable.

(Segment Information)

The presentation of segments information is omitted as Appier Group consists of a single segment by AISaaS business.

(Events after the reporting period)

(1) Share Acquisition of Woopra

Appier Pte. Ltd., a subsidiary of the Company, and WPR Acquisition Inc. (hereinafter “the Special Purpose Company”), a subsidiary of Appier Pte. Ltd., enter into a merger agreement with Woopra, Inc. (hereinafter “Woopra”) to make Woopra a wholly-owned subsidiary of Appier Pte. Ltd through the merger between the Special Purpose Company and Woopra. These companies entered into the merger agreement on September 27, 2022, and the transaction was completed on October 3, 2022.

I. Reason for the acquisition of shares

Woopra, headquartered in California, U.S., has a broad customer base in the U.S. and Europe across B2C and B2B industry verticals, and provides a powerful and proven SaaS platform for customer journey analytics, marketing automation and data management. Woopra has demonstrated profitable financial performance with outstanding customer satisfaction. The integration of Woopra and Appier will further strengthen both companies’ positions in the customer and product analytics market and further the Company’s enterprise market penetration and growth in the U.S. and European markets. Woopra’s global customer base will also offer significant opportunities for Appier to further expand and solidify its global footprint, especially in enhancing the business growth of our enterprise product lines.

II. Share acquisition scheme

The acquisition took into effect by way of a “reverse triangular merger”. This is in accordance with the Delaware General Corporation Law, with cash consideration, and with Woopra as a surviving company and the Special Purpose Company as a dissolving company.

Upon consummation of the merger, shareholders of Woopra received cash from Appier Pte. Ltd. and all outstanding shares of Woopra were canceled. Shares of the Special Purpose Company owned by Appier Pte. Ltd. were converted into common stock of Woopra, the surviving company, and Appier Pte. Ltd. acquired all of those shares. As a result, Appier Pte. Ltd. owns 100% of the shares of Woopra, and Woopra became a wholly-owned subsidiary of the Company and Appier Pte. Ltd.

III. Overview of the subsidiary (Woopra, Inc.: surviving company)

1	Name	Woopra, Inc.	
2	Address	600 California St, 11th Floor, San Francisco, CA, 94108, USA	
3	Business description	SaaS (Software as a Service) platform for customer journey analytics, marketing automation and data management	
4	Relationship between the Company and subsidiary to be acquired	Capital	Not applicable.
		Personnel	Not applicable.
		Business relationship	Not applicable.

Note: Woopra recorded operating income and net profit in its unaudited financial statements for the year ended December 31, 2021, and the Company expects that this acquisition will have immaterial impact on the Group's earnings results this year.

IV. Overview of the subsidiary (WPR Acquisition Inc.: dissolving company)

1	Name	WPR Acquisition Inc.
2	Address	251 Little Falls Drive Wilmington, DE 19808, USA
3	Business description	Investment vehicle for merger
4	Major shareholders and shareholding ratio	Appier Pte. Ltd. 100%

V. Shares held before and after the acquisition

1	Before acquisition	0%
2	After acquisition	100% (including shares indirectly held: 100%)

VI. Purchase price, goodwill, identifiable assets acquired, and liabilities assumed

The total purchase price, shall be measured at fair value, consists of closing consideration through fixed amounts of cash and contingent considerations. Contingent considerations subject to certain conditions, such as achievement of certain product objectives and achievement of certain financial performance, may be paid in the future.

The initial accounting for this acquisition, including the fair value of total purchase price and fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, is incomplete as of November 14, 2022 so that such estimates and disclosures could not be made and confirmed at this time.