MAKING AI EASY

BY MAKING
SOFTWARE INTELLIGENT

Q3 FY2022 Earnings   November 2022

Appier

Our Mission

Turning AI into ROI by Making Software Intelligent
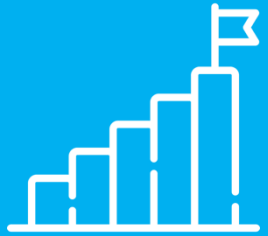
FY22 Q3 Review
& Achievements

FY22 Guidance

FY22 Q3
Business Metrics

Product Updates

**Appier**

2022 Q3 Accomplishments

Historical High in Revenue Growth, Gross Margin, & Profitability

- Revenue increased to **5.1B** JPY with the highest YoY growth rate of **59%** in the last 4 years.
- Gross profit grew by **69%** YoY with historic high gross margin of **52.9%**.
- Revenue from US and EMEA markets increased over **7x** YoY and represented **13%** of total revenue.
- Operating margin turned **positive** and improved by **6 p.p.** YoY and EBITDA margin improved by **5 p.p.** YoY.

Solid & Continuously Improving Business Metrics

- LTM NRR sustained at **124.9%** as existing customers continued to increase their usage.
- Number of customers increased by **74** to **1,302** with **28%** YoY growth.
- Customer churn rate remained at historical low of **0.62%**.
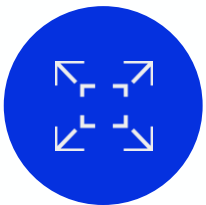
Optimistic Outlook & Profitable Growth

- We continue seeing strong business momentum and optimism about the future due to
  1) Our solutions turning customers' marketing investments into **measurable returns**
  2) A **favorable long-term trend of DX**, especially 1st party data trend, also supporting our growth
  3) Successful **geo** and **vertical** expansion strategies
- Full year revenue target revised up to **19.2B** JPY as well as operating income revised further to a near-breakeven level given our outperformance in Q3.
- Continuously improved business efficiency resulted in better profitability with the expectation of turning operating income **positive** in **FY23**.

2022 Q3 Highlights

Revenue	**EBITDA**[2]	**ARR**[4]
JPY **5.1B**	JPY **0.4B**	JPY **18.2B**
Revenue YoY Growth[1]	**Gross Profit YoY Growth**[3]	**LTM NRR**[5]
+59%	**+69**%	**124.9**%

(1) Revenue Growth from FY21 Q3 to FY22 Q3.
(2) EBITDA = operating income + depreciation and amortization + tax expenses included in operating expenses + IPO-related expenses
(3) Gross Profit Growth from from FY21 Q3 to FY22 Q3.
(4) ARR is conducted as the sum of the per-solution ARR. (i) For AIQUA, AiDeal, AIXON and BotBonnie, which are offered on a subscription basis, we calculate ARR as of a certain date as the monthly recurring revenue converted in JPY during the one-month period ending on such date, multiplied by 12. (ii) For CrossX, we calculate ARR as of a certain date as the average of monthly recurring revenue converted in JPY during the six-month period ending on such date, multiplied by 12.
(5) We calculate NRR by dividing (i) total revenue calculated in U.S. dollars from the last 12 months from customers that used one of our solutions during the same period in the prior year, by (ii) total revenue calculated in U.S. dollars from such customers during the same period of the prior year.

2022 Q3 Highlights

FY2022 Forecast Progress
(in revenue)

Scale	**1,302** Customers	**¥18.2B** ARR	**621** Employees
Velocity	**59%** YoY Revenue Growth	**69%** YoY Gross Profit Growth	**55%** YoY ARR Growth
Stability	**124.9%** LTM NRR	**0.62%** Monthly Customer Churn Rate	**7%** EBITDA Margin

74%

¥18.5B

FY22 9M

Appier
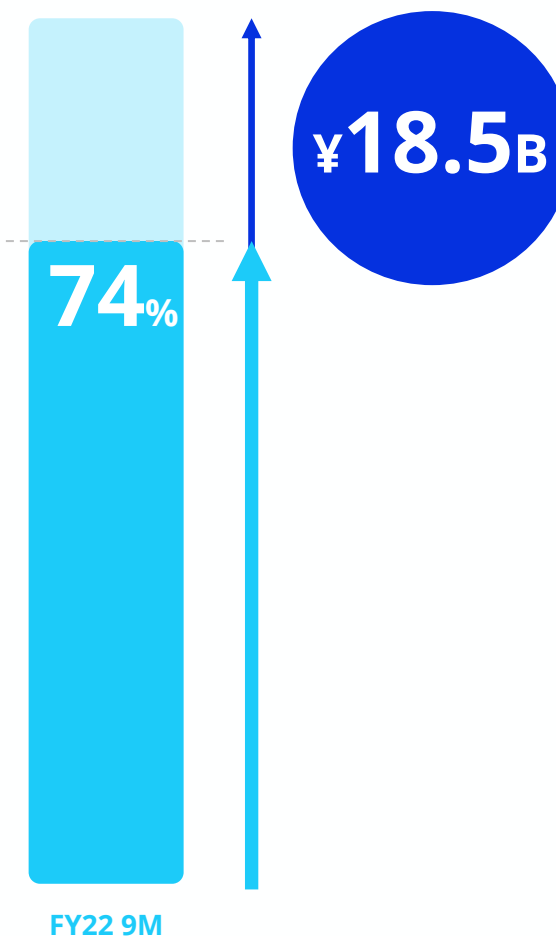
Revenue Trends

- Our revenue hit a historical high with 59% YoY growth, driven by continuous expansion from existing customer, and contributions coming from improved upsell and cross sell synergies.
- Our new customer acquisition has improved in both scale and size of customers, resulting in a higher contribution from new customers.

Revenue (JPY)

+59% YoY

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3
2.7B	2.8B	3.2B	3.9B	4.2B	4.4B	5.1B
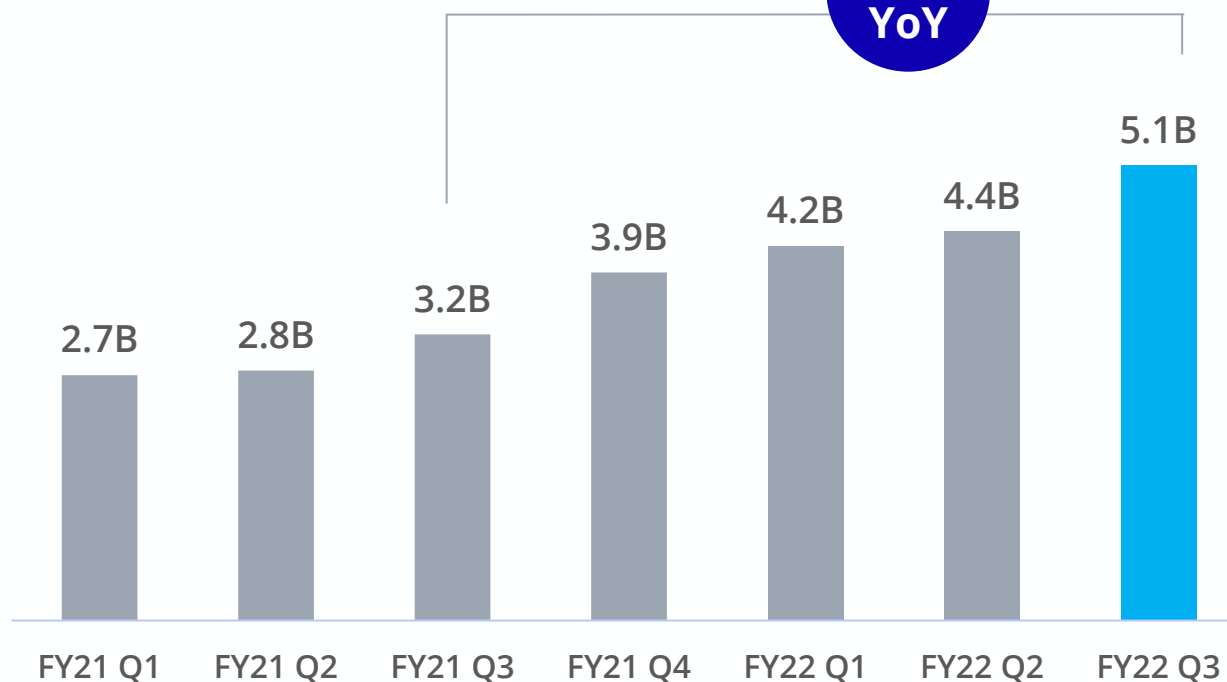
Incremental Revenue

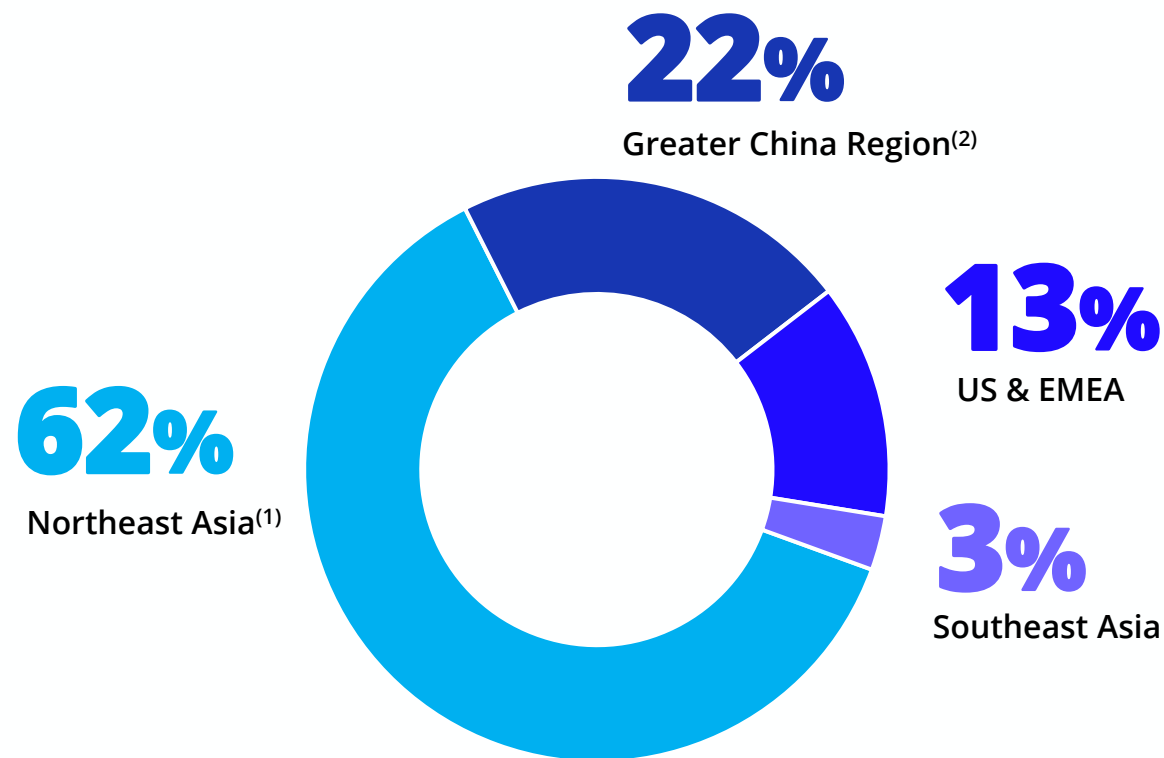**44%** from existing customers

- ► Better upsell as we drove higher returns on customers' marketing investment
- ► Better product synergy resulted in more cross-selling

56% from new customers

- ► New vertical expansion in the APAC region
- ► Growing customer traction in the US & EMEA
- ► Strategic focus on large enterprise customers' acquisition

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Diverse Revenue Base: Multiple regions provide growth drivers with continuous momentum

FY22 Q3 Revenue % by Region

22%
Greater China Region[2]

13%
US & EMEA

62%
Northeast Asia[1]

3%
Southeast Asia

NEA
>50% YoY revenue growth with focus on vertical expansion

GCR
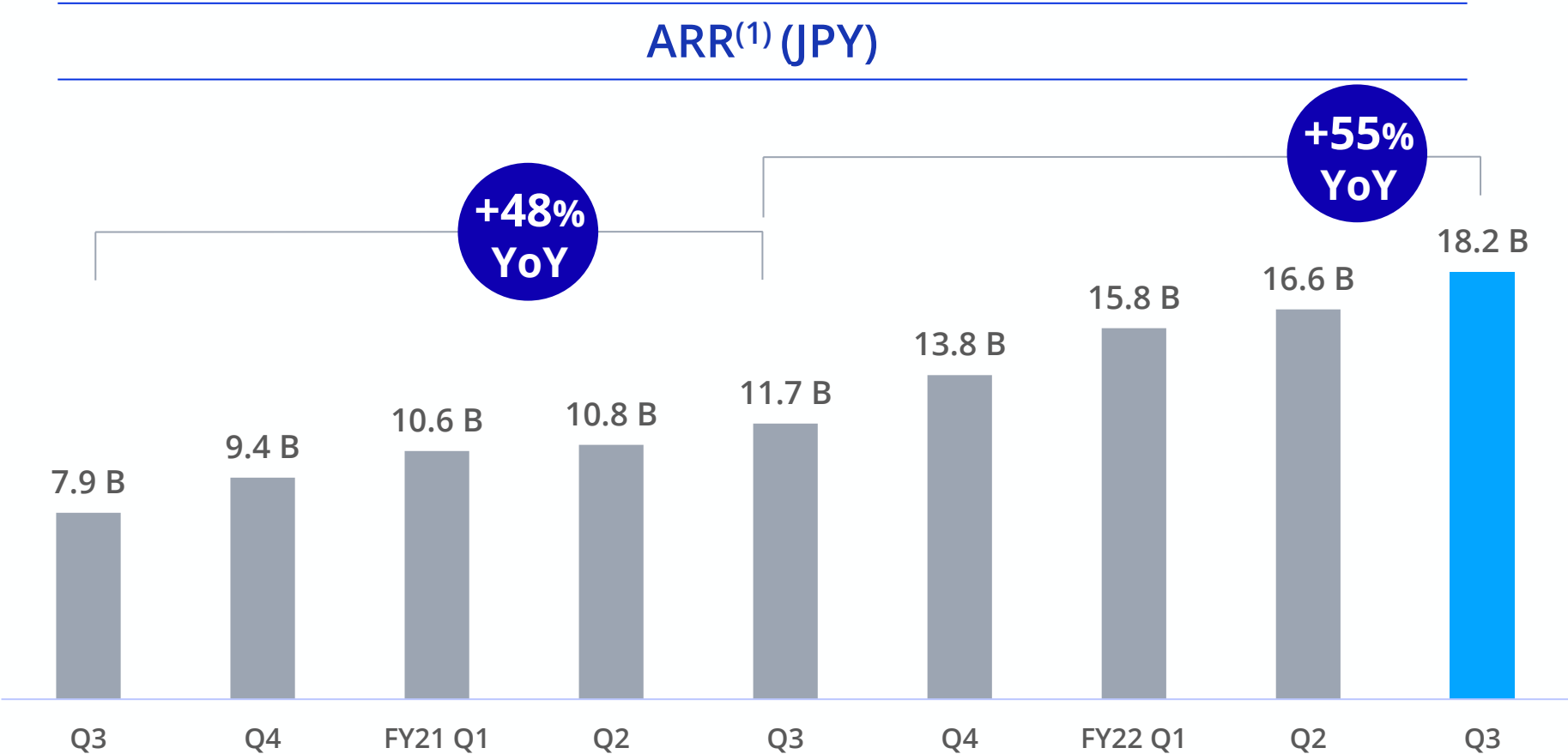Strong momentum from vertical expansion

US & EMEA
Revenue contribution up to 13% from 3% a year ago, over 7x YoY

SEA
Vertical expansion for future business opportunity when the market is more mature

(1)   Northeast Asia includes Japan & South Korea
(2)   Greater China Region includes Taiwan, Hong Kong & China

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Annual Recurring Revenue Quarterly Trends

- Our recurring revenue currently constitutes over 95% of our total revenue.
- Our YoY growth rate of annual recurring revenue has further increased from 48% to 55%, and we expect this strong momentum to continue due to our multiple growth drivers.
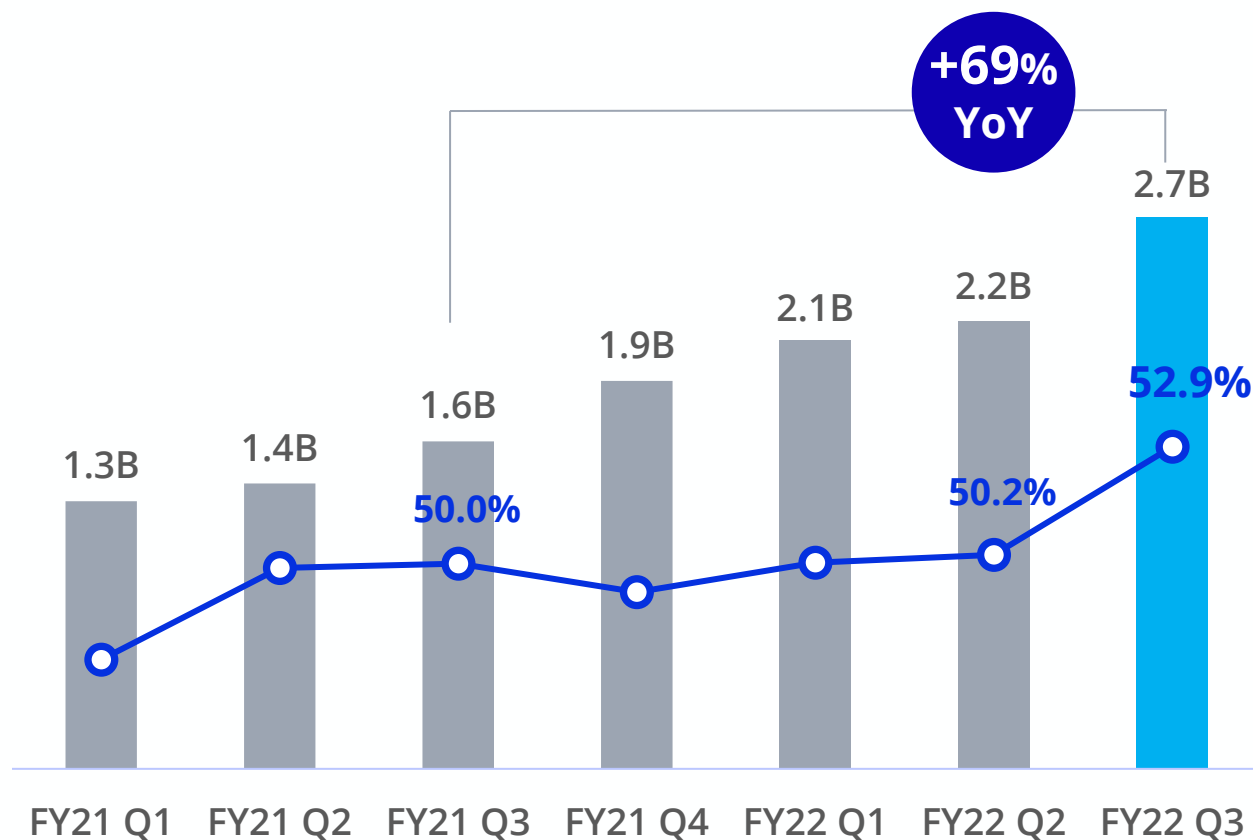
ARR[1] (JPY)

	Q3	Q4	FY21 Q1	Q2	Q3	Q4	FY22 Q1	Q2	Q3
ARR	7.9 B	9.4 B	10.6 B	10.8 B	11.7 B	13.8 B	15.8 B	16.6 B	18.2 B

+48% YoY

+55% YoY

(1) ARR is conducted as the sum of the per-solution ARR. (i) For AIQUA, AiDeal , AIXON and BotBonnie, which are offered on a subscription basis, we calculate ARR as of a certain date as the monthly recurring revenue converted in JPY during the one-month period ending on such date, multiplied by 12. (ii) For CrossX, we calculate ARR as of a certain date as the average of monthly recurring revenue converted in JPY during the six-month period ending on such date, multiplied by 12.

Gross Profit

- Our gross profit has reached another record high of 69% YoY growth, due to both significantly improved gross margin and revenue growth acceleration.

Gross Profit (JPY) & Margin

+69% YoY

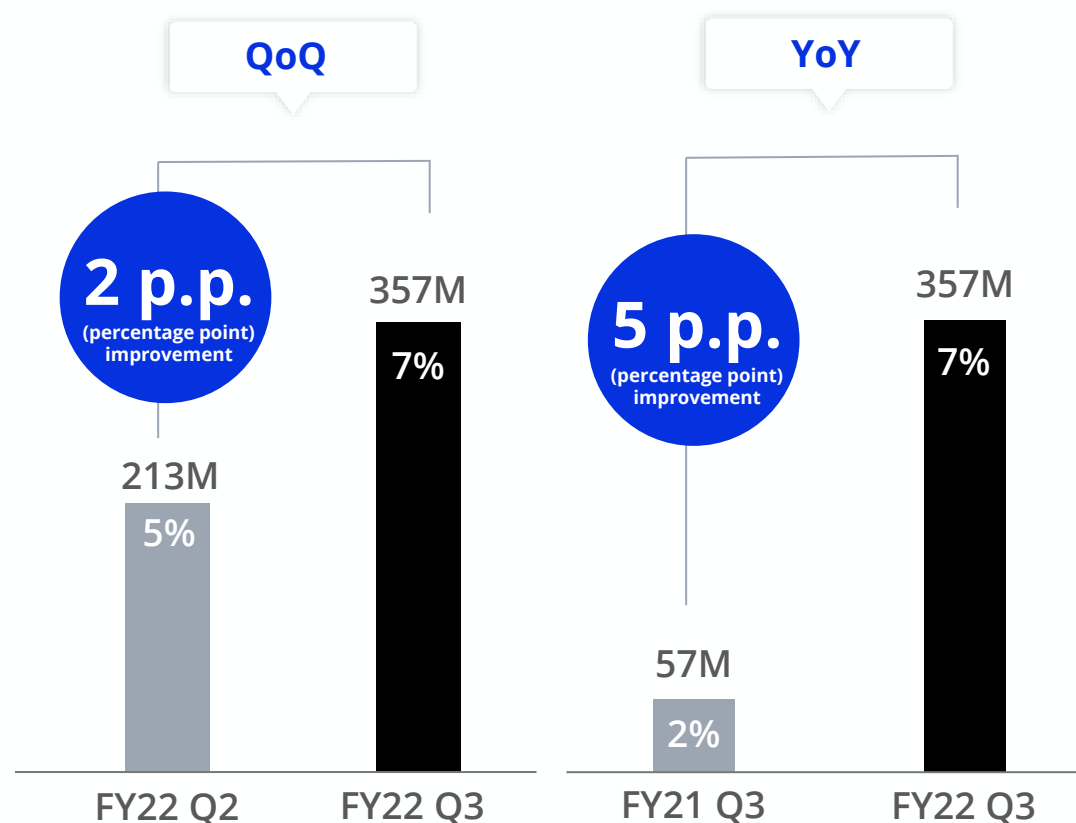| FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3
1.3B	1.4B	1.6B	1.9B	2.1B	2.2B	2.7B

50.0%   50.2%   52.9%

Factors of Gross Margin Improvement

- ► **Continuous algorithm improvement with recent breakthroughs lifted up CrossX's gross margin**

- ► **Continuous contribution from higher margin products**

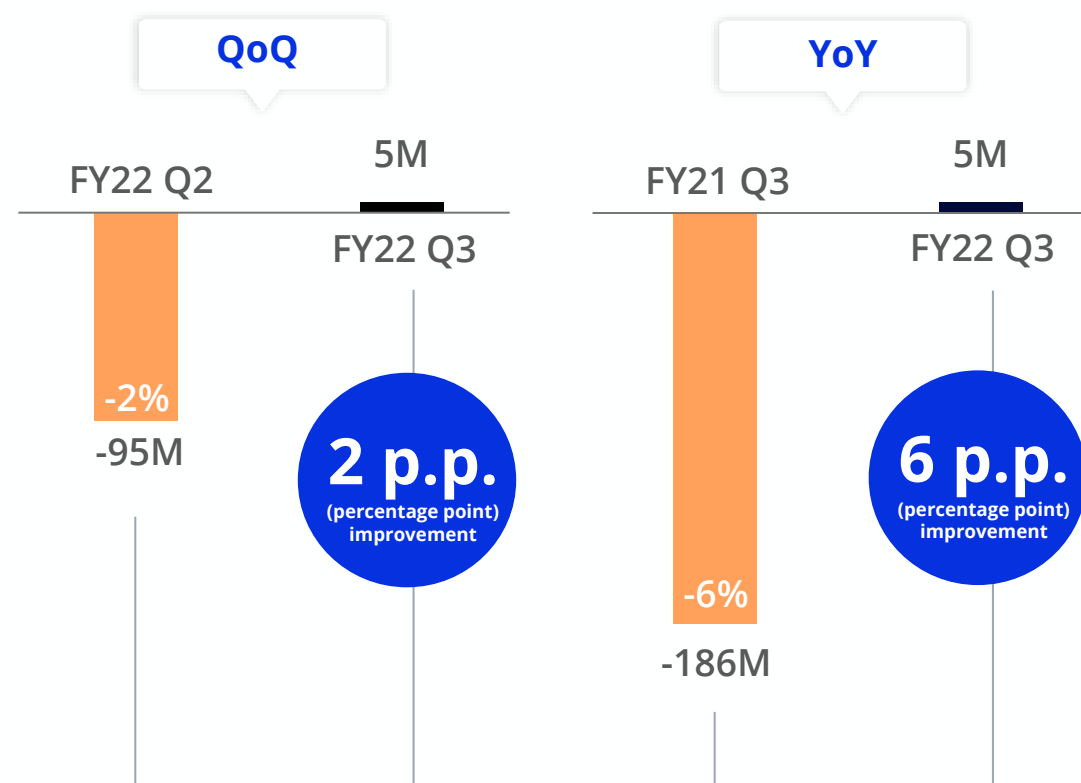- ► **Server optimization resulted in lower machine cost**

EBITDA & Operating Income

- Our EBITDA and operating margin continue to improve on both YoY and QoQ bases, driven by accelerated revenue growth, gross profit growth and strong operating leverage.

EBITDA[1] & Margin (JPY)

QoQ

2 p.p.
(percentage point) improvement

357M
7%

213M
5%

FY22 Q2   FY22 Q3

YoY

5 p.p.
(percentage point) improvement

357M
7%

57M
2%

FY21 Q3   FY22 Q3

Operating Income & Margin (JPY)

QoQ

FY22 Q2

5M
FY22 Q3

-2%
-95M

2 p.p.
(percentage point) improvement

YoY

FY21 Q3

5M
FY22 Q3

-6%
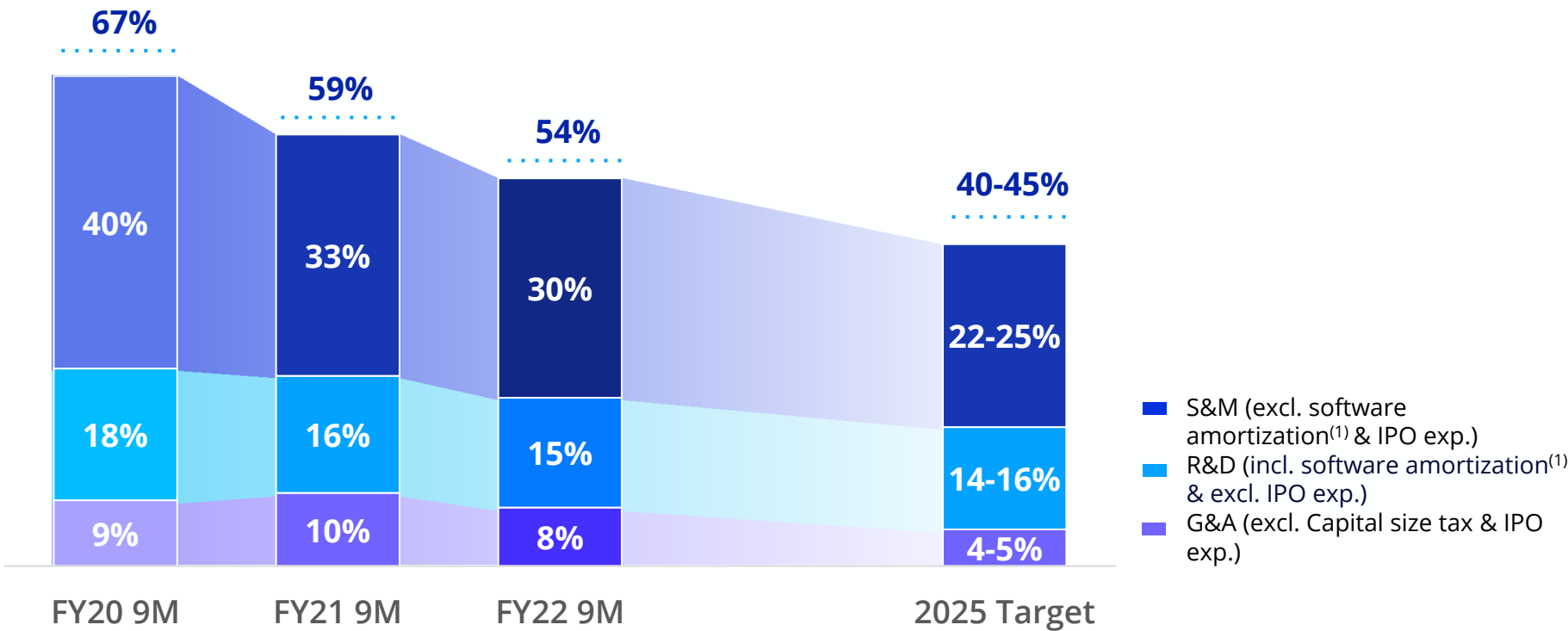-186M

6 p.p.
(percentage point) improvement

(1) EBITDA = operating income + depreciation and amortization + tax expenses included in operating expenses

OPEX Structure

- Our operating expenses have demonstrated strong leverage and improvements through productivity gains and better scale.

## Historical OPEX Structure & 2025 Margin Target
(% Revenue)

2025 Financial Target

Revenue Growth[2]
30%+

Gross Margin[3]
55-60%

Operating Margin[4]
15-20%

Chart data (% Revenue):

Category	FY20 9M	FY21 9M	FY22 9M	2025 Target
Total	67%	59%	54%	40-45%
S&M (excl. software amortization[1] & IPO exp.)	40%	33%	30%	22-25%
R&D (incl. software amortization[1] & excl. IPO exp.)	18%	16%	15%	14-16%
G&A (excl. Capital size tax & IPO exp.)	9%	10%	8%	4-5%

Legend:
- S&M (excl. software amortization[1] & IPO exp.)
- R&D (incl. software amortization[1] & excl. IPO exp.)
- G&A (excl. Capital size tax & IPO exp.)

(1) Our Sales and Marketing Expenses included amortization of software. We started software capitalization in FY2020.
(2) Average Revenue Growth Rate target from 2022 to 2025
(3) Gross Margin Target in 2025
(4) Operating Margin Target in 2025
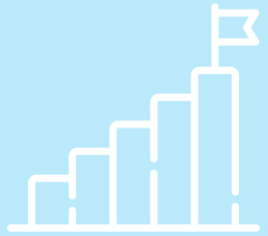
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2022 Guidance Revision

- Our new forecast mainly reflects our outperformance in FY22 Q3.
- Our outlook for FY22 Q4 remains optimistic as we expect continued momentum in (1) geographical & vertical expansion, (2) new customer acquisition and (3) existing customer expansion.

	2022 Previous		2022 New		YoY
Revenue	18.5 Bn		19.2 Bn		**+51%**
Gross Profit	9.6 Bn	51.9%	9.9 Bn	51.9%	**+59%**
Operating Income	-0.08 Bn	-0.5%	-0.02 Bn	-0.1%	**Improved by 98%**
EBITDA	1.07 Bn	5.8%	1.20 Bn	6.3%	**+2,735%**

Results of FY22 Q3 outperformance:

- ▸ FY22 YoY revenue growth rate further increased to 51% from 46%

- ▸ FY22 operating income adjusted to near-breakeven level

- ▸ We currently expect to turn operating income positive in FY23

Business Growth Outlook: Robust Customer Base

Return-Driven Solution

More recession-proof

- We provide predictable returns on customers' marketing spending.
- Our solutions provide direct revenue or profit impact in over 80% of our customers.

Large Enterprise Customers

**Higher business resilience**

- Customers with more than ¥10B annual revenue have contributed to over 90% of our revenue.

Upsell & Cross-sell Better Product Synergy

Most cost-effective growth

- Number of customers adopting more than 2 solutions has continuously grown higher than the growth of the total customer base, leading to a higher retention rate.
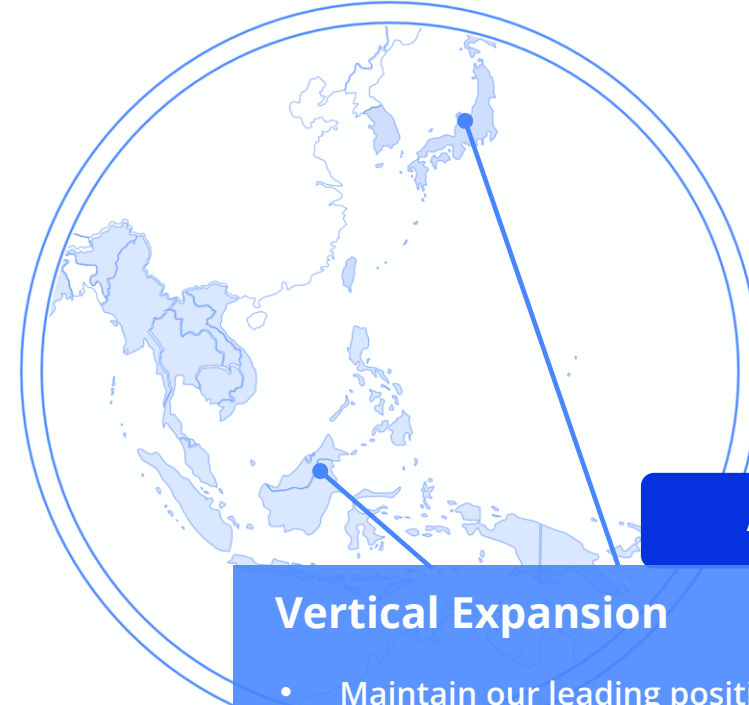
Business Growth Outlook: Enlarged TAM
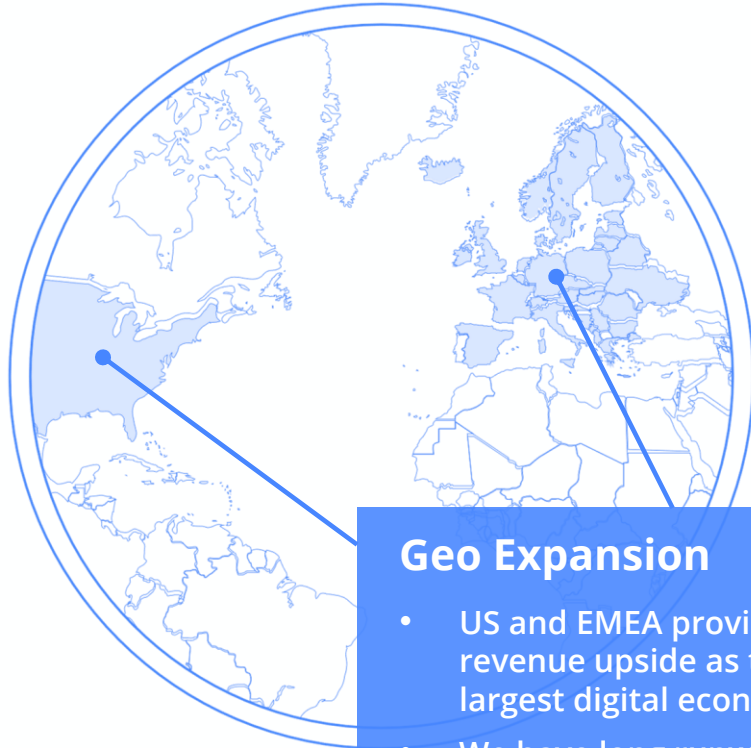
US & EMEA

Geo Expansion

- US and EMEA provide an additional revenue upside as the world's largest digital economies.

- We have long runway to grow before being impacted by macro economy.

- Focus on increasing product offerings and expanding to other verticals in the region.

Asia

Vertical Expansion

- Maintain our leading position in e-commerce and other existing verticals with result-driven solutions.

- Further expand to other verticals within Asia, onboarding top tier brands.

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Capital Efficiency Management

Product Synergies with Efficient Go-to-Market Shorten S&M Payback Cycles

Systematic go-to-market strategy, better cross-sell synergies and bundle sale from product synergies lead to productive sales activities which further shorten the payback cycle of our S&M investment.

High ROI Sales & Marketing Investment Driven by Large TAM

As our AI-driven solutions mainly target digitally-oriented larger enterprises and we have widened our TAM through geo and vertical expansion, we can leverage targeted account-based marketing (instead of mass marketing) to promote our solutions to customers efficiently, enabling us to manage S&M expenses with a high ROI.

Efficient AI Technology Scaling through Cloud-based Platform

We deploy our AI technology across customers effectively via our cloud-based platform. This allows us to achieve a high operating leverage from R&D investment.

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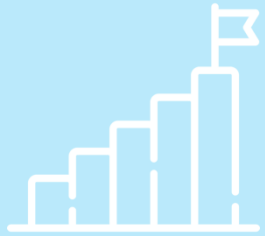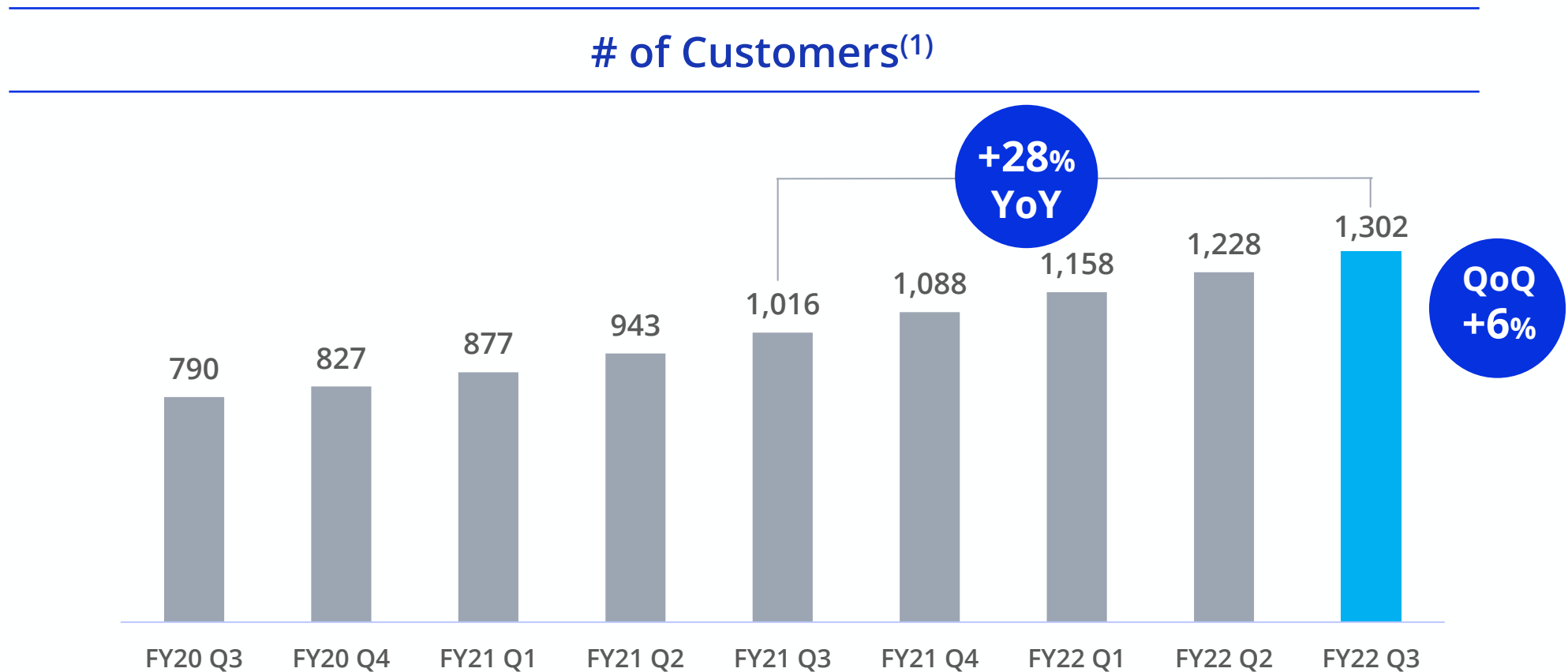
FY22 Q3 Review
& Achievements

FY22 Guidance

**FY22 Q3
Business Metrics**

Product Updates

Quarterly Customer # Trend

- The number of customers increased by 6% QoQ and 28% YoY.
- New customers in FY22 Q3 were mainly from the entertainment, e-commerce and online services industries (33%, 25% and 25% of total new customers respectively).

of Customers[1]

790   827   877   943   1,016   1,088   1,158   1,228   1,302

+28% YoY

QoQ +6%

| FY20 Q3 | FY20 Q4 | FY21 Q1 | FY21 Q2 | FY21 Q3 | FY21 Q4 | FY22 Q1 | FY22 Q2 | FY22 Q3 |

(1) "Customer" refers to a corporate group that has one or more active contracts for our solutions, excluding paid or unpaid trial, demo use and customers acquired through business acquisitions. Such corporate group is counted as a separate "customer" with respect to each solution it uses.

Quarterly Average Revenue per Customer

Quarterly Average Revenue per Customer[1] (JPY)
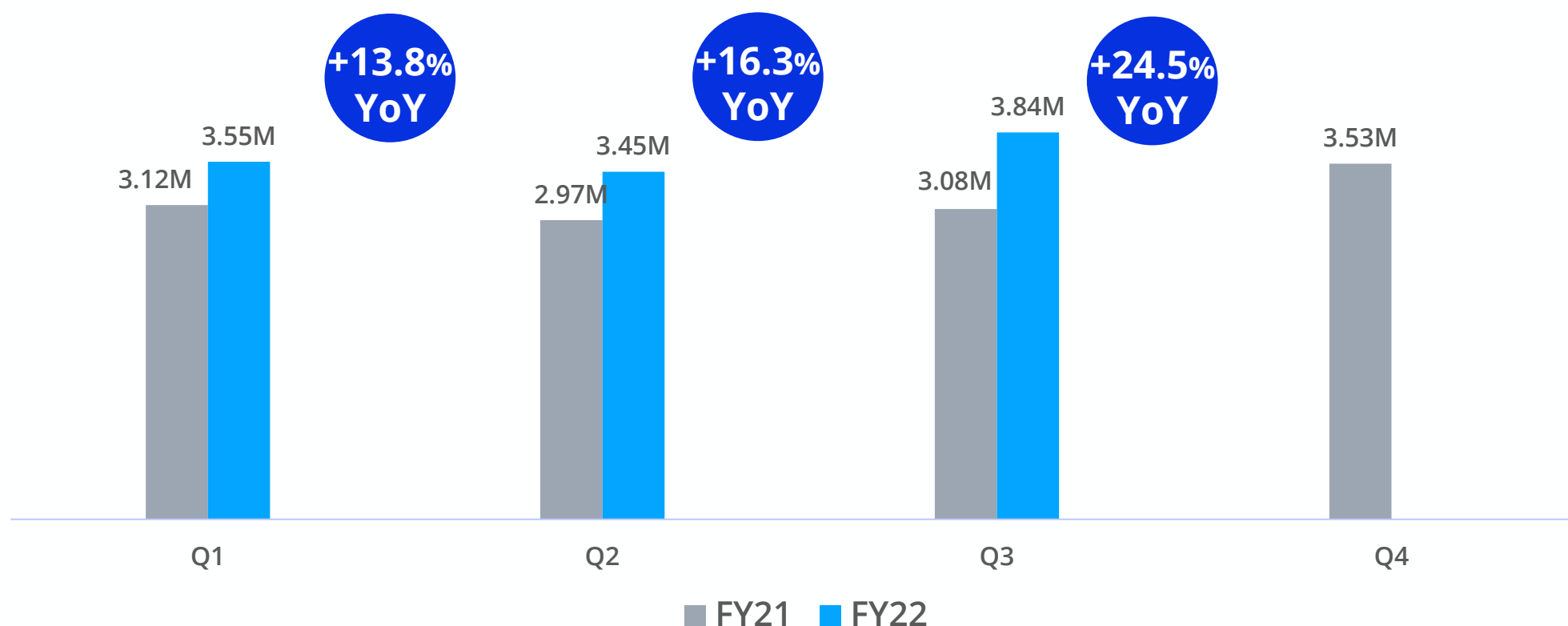
Q1: 3.12M (FY21), 3.55M (FY22) — **+13.8% YoY**

Q2: 2.97M (FY21), 3.45M (FY22) — **+16.3% YoY**

Q3: 3.08M (FY21), 3.84M (FY22) — **+24.5% YoY**

Q4: 3.53M (FY21)

■ FY21 ■ FY22

(1) "Customer" refers to a corporate group that has one or more active contracts for our solutions, excluding paid or unpaid trial, demo use and customers acquired through business acquisitions. Such corporate group is counted as a separate "customer" with respect to each solution it uses.
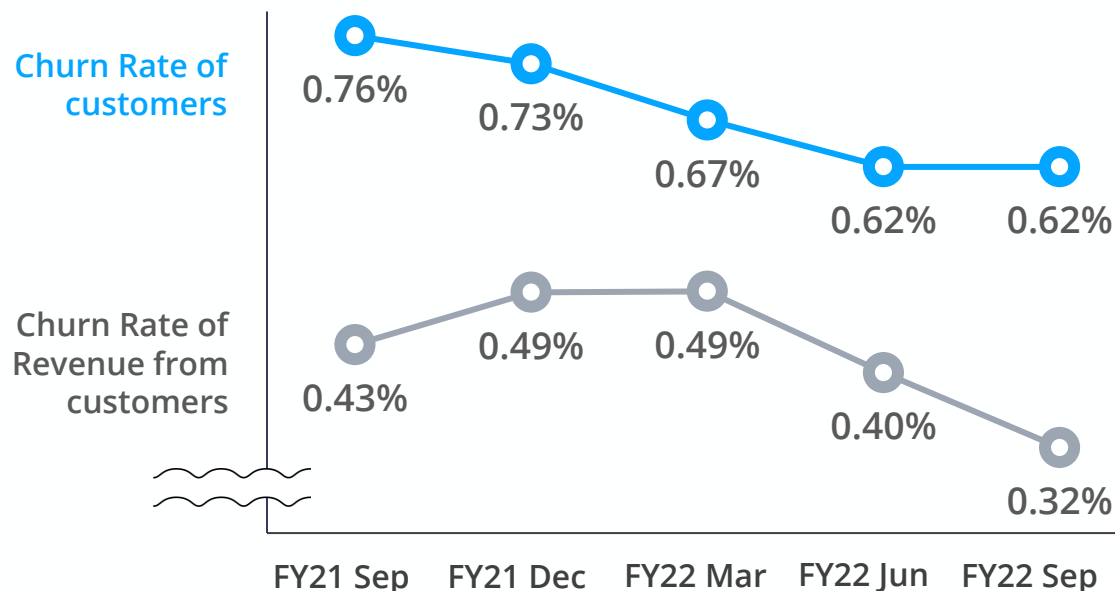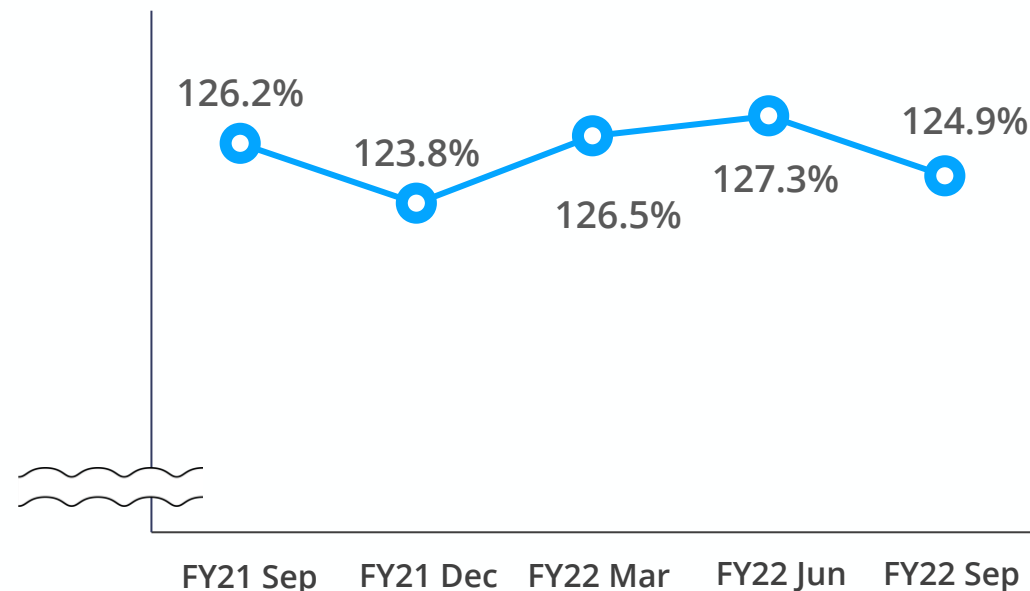
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Improving churn rate & solid LTM NRR prove the stickiness of our customers to our solutions

LTM Churn Rate of customers[1] and Churn Rate of Revenue from customers[2]

LTM Net Revenue Retention[3]

Churn Rate of customers

0.76%
0.73%
0.67%
0.62% 0.62%

Churn Rate of Revenue from customers

0.43%
0.49% 0.49%
0.40%
0.32%

FY21 Sep | FY21 Dec | FY22 Mar | FY22 Jun | FY22 Sep

126.2%
123.8%
126.5%
127.3%
124.9%

FY21 Sep | FY21 Dec | FY22 Mar | FY22 Jun | FY22 Sep

(1) Churn Rate of customers = The number of customers that terminated their relationship with us during the month divided by the number of all customers as of the end of the month.
(2) Churn Rate of Revenue from customers = Revenue calculated in U.S. dollars from customers that terminated their relationship with us during the month, divided by revenue calculated in U.S. dollars from all customers
(3) We calculate NRR by dividing (i) total revenue calculated in U.S. dollars from the last 12 months from customers that used one of our solutions during the same period in the prior year, by (ii) total revenue calculated in U.S. dollars from such customers during the same period of the prior year.
(4) Above calculation does not include BotBonnie's customers.
(5) LTM NRR performance of FY22 Q3 is above our expectation. Although every quarter may vary, we target to keep our LTM NRR above 120%.

Hiring to scale our opportunities & continuous investment in new talents

Total Headcount

+14% YoY

FY20 Q3	FY20 Q4	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3
468	480	504	523	547	574	585	599	621
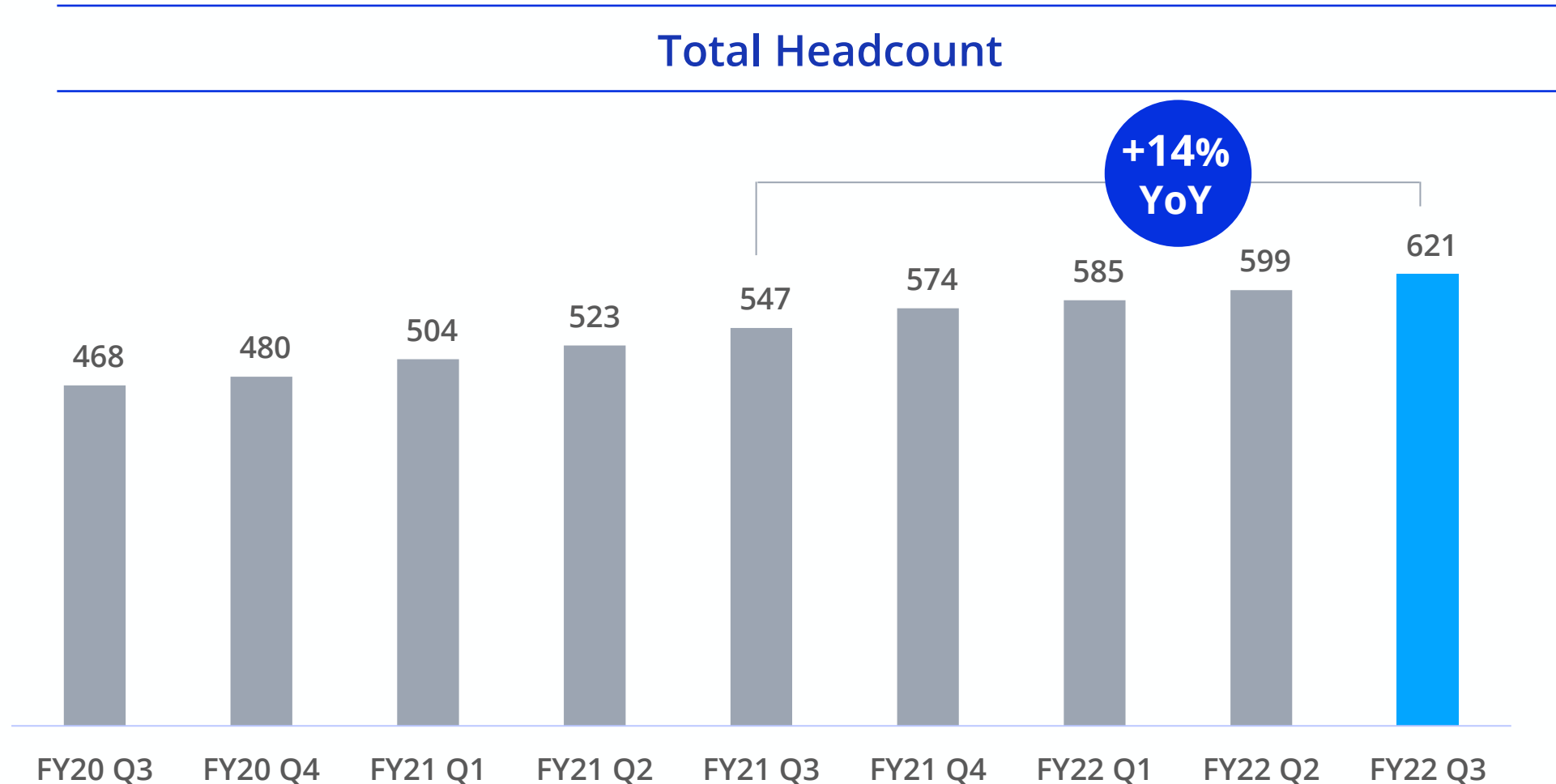
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Productivity Improvement

Quarterly Gross Profit / Headcount (JPY)

+48% YoY

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3
2.60M	2.76M	2.93M	3.36M	3.59M	3.66M	4.35M
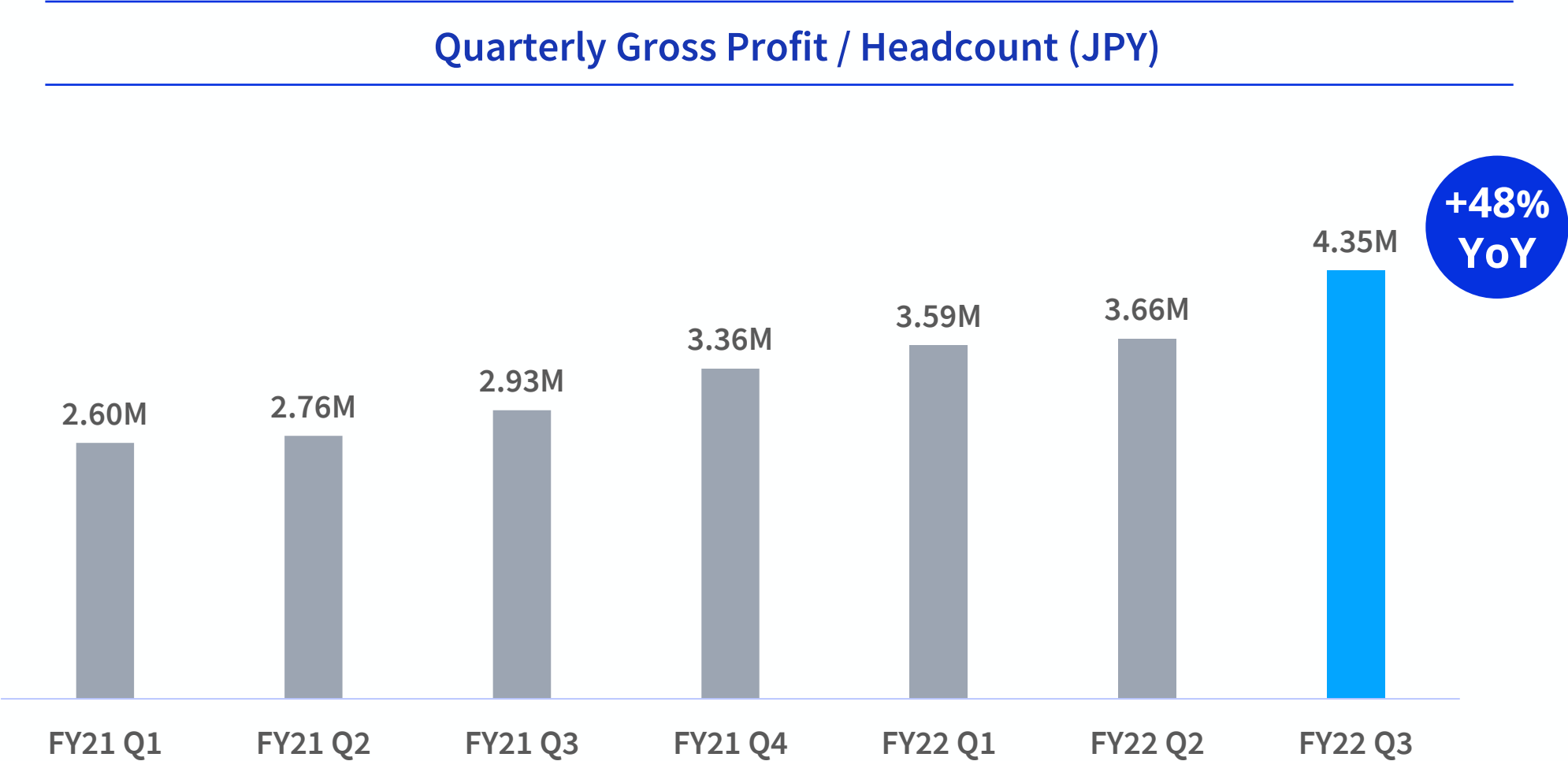
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Appier's Strong Network Effects Drive Platform Value

Complementary and Relevant Products

Higher Sales Productivity

NRR increases

Number of new customers rises

Appier

Appier

AI Model Learning & Improvement

Data Synergy Across Products

Higher ROI for S&M investment

Higher Gross Profit per Customer
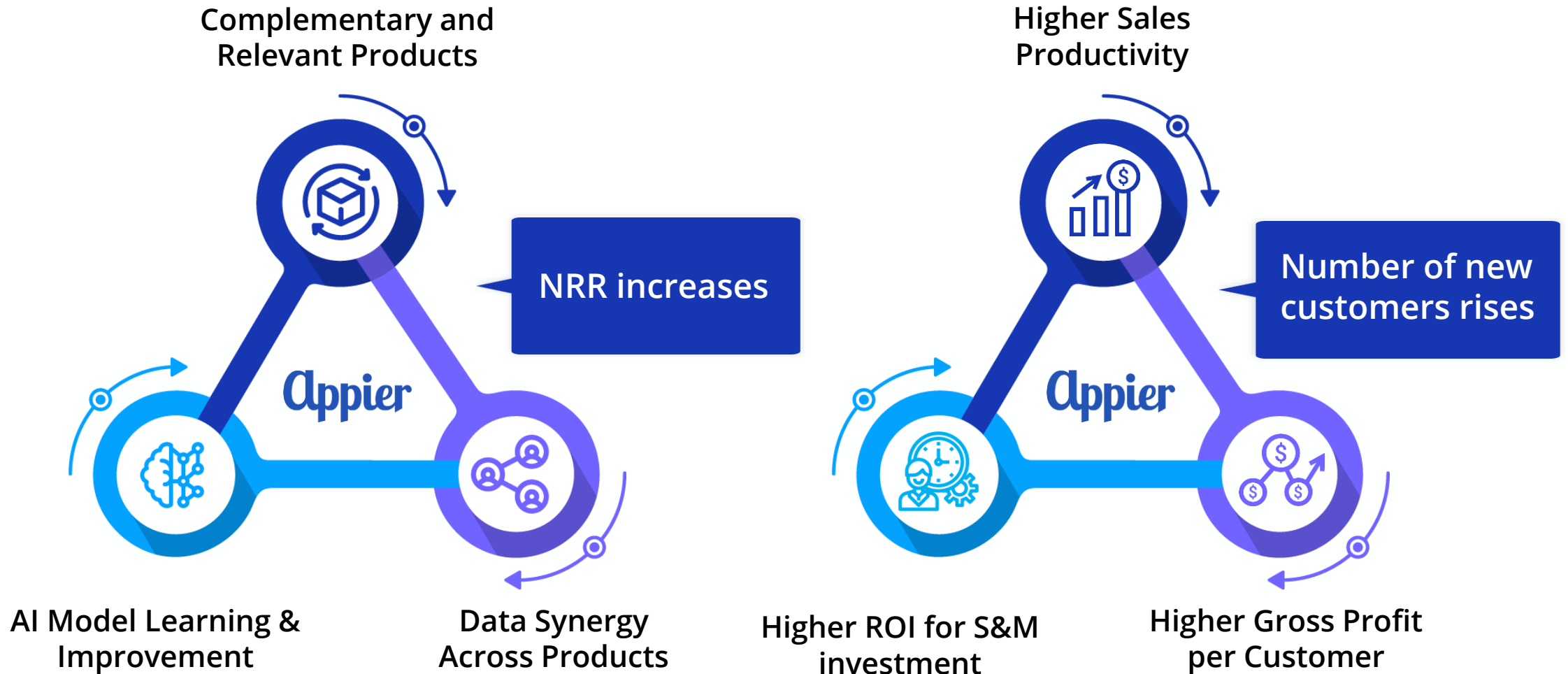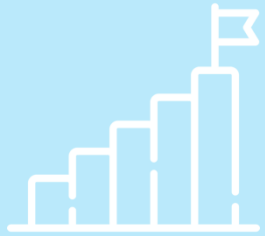
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Comprehensive AI-Powered Solutions Across the Funnel

Cross✕
AIXPERT

PROSPECTING & ACQUISITION

| Predict end users' lifetime value and acquire the most valuable end users at scale, turning marketing spending into predictable return.

| **Consumption pricing & Subscription pricing (AIXPERT)**

AIQUA
BotBonnie

RETENTION & ENGAGEMENT

| Increase quality engagement via AI-personalized messages proactively across all channels with the optimal timing.

| **Subscription pricing**

AIDEAL

TRANSACTION

| Predict and only distribute incentives to hesitant buyers to drive revenue while maintaining profitability.

| **Subscription pricing**

AIXON
woopra

AUDIENCE INTELLIGENCE

| Utilize consumer data from various sources to predict end user behaviors in a holistic way via Auto-ML.
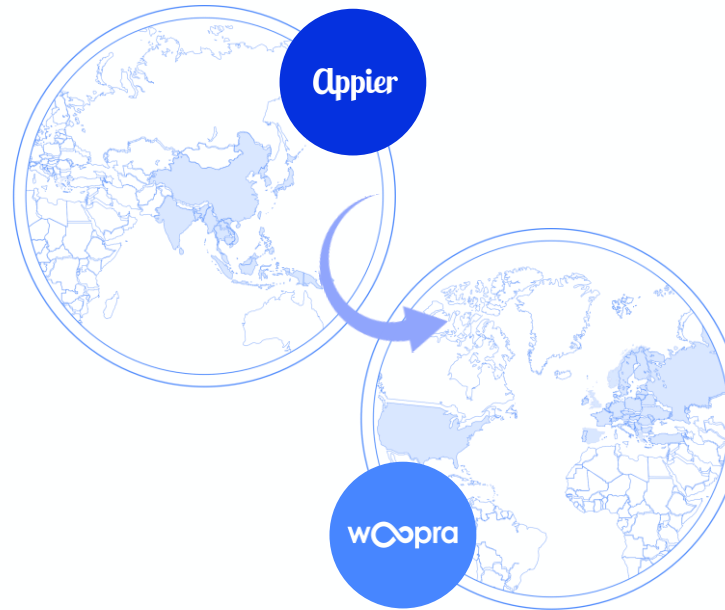
| **Subscription pricing**
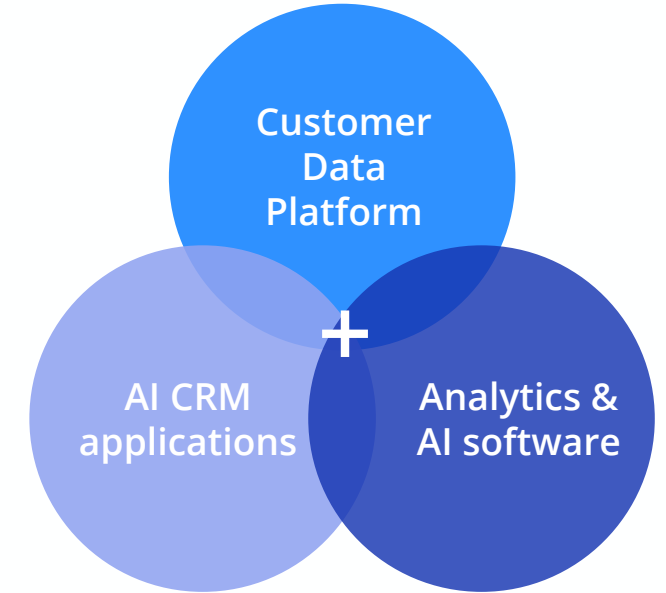
Appier + woopra

Product Synergy

Combine Appier's AI predictive approach with Woopra's intuitive data visualization to provide customers the best time-to-insight and ROI.

Expand Customer Reach

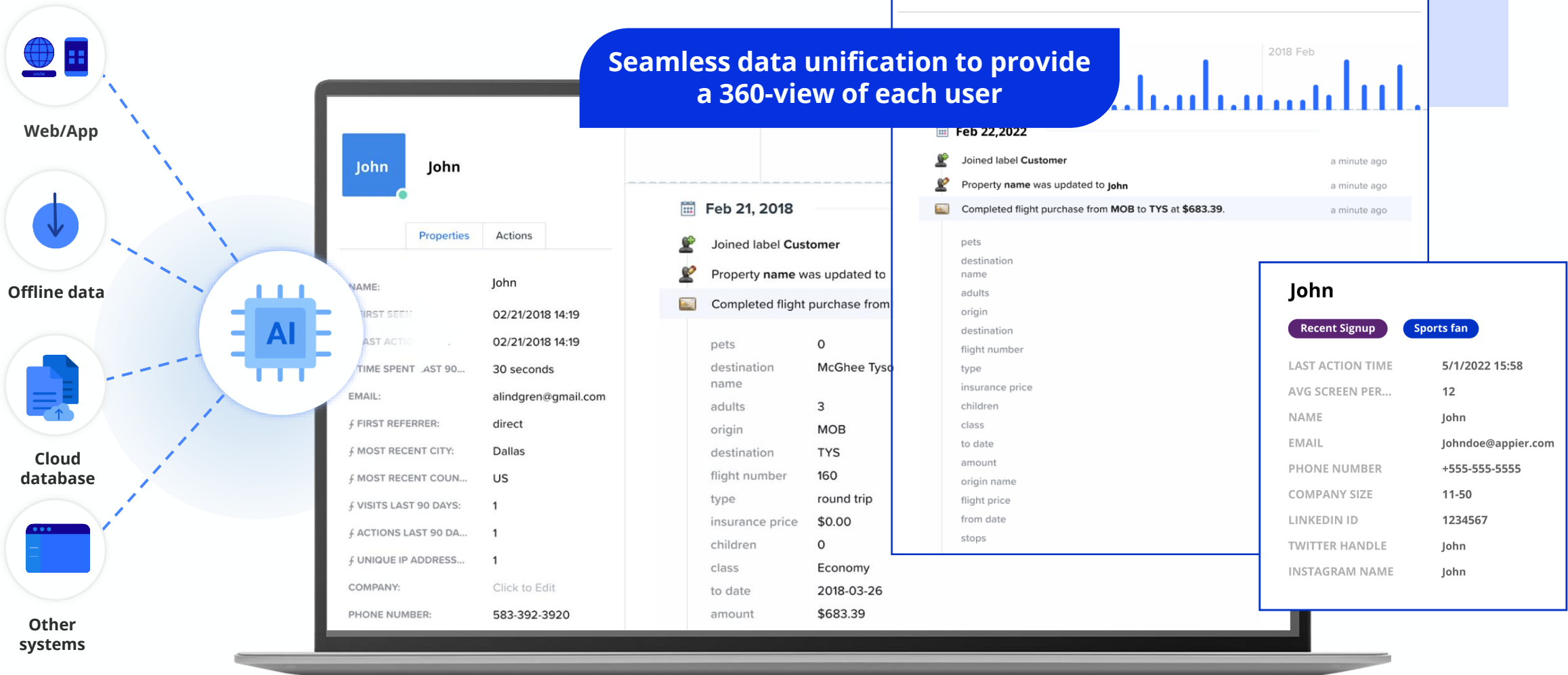Leverage Appier's strong presence in APAC and Woopra's customer base in the US &EMEA

TAM Expansion

Appier existing TAM + fast growing TAM of customer data platform, 25-30% CAGR toward 2025.

Seamless Data Unification

Unify and infer customer profiles with 1st party data

Web/App

Offline data

Cloud database

Other systems

Seamless data unification to provide a 360-view of each user

Offline Data

Fast Data-to-Visualization

Visualize the impact of every touchpoint
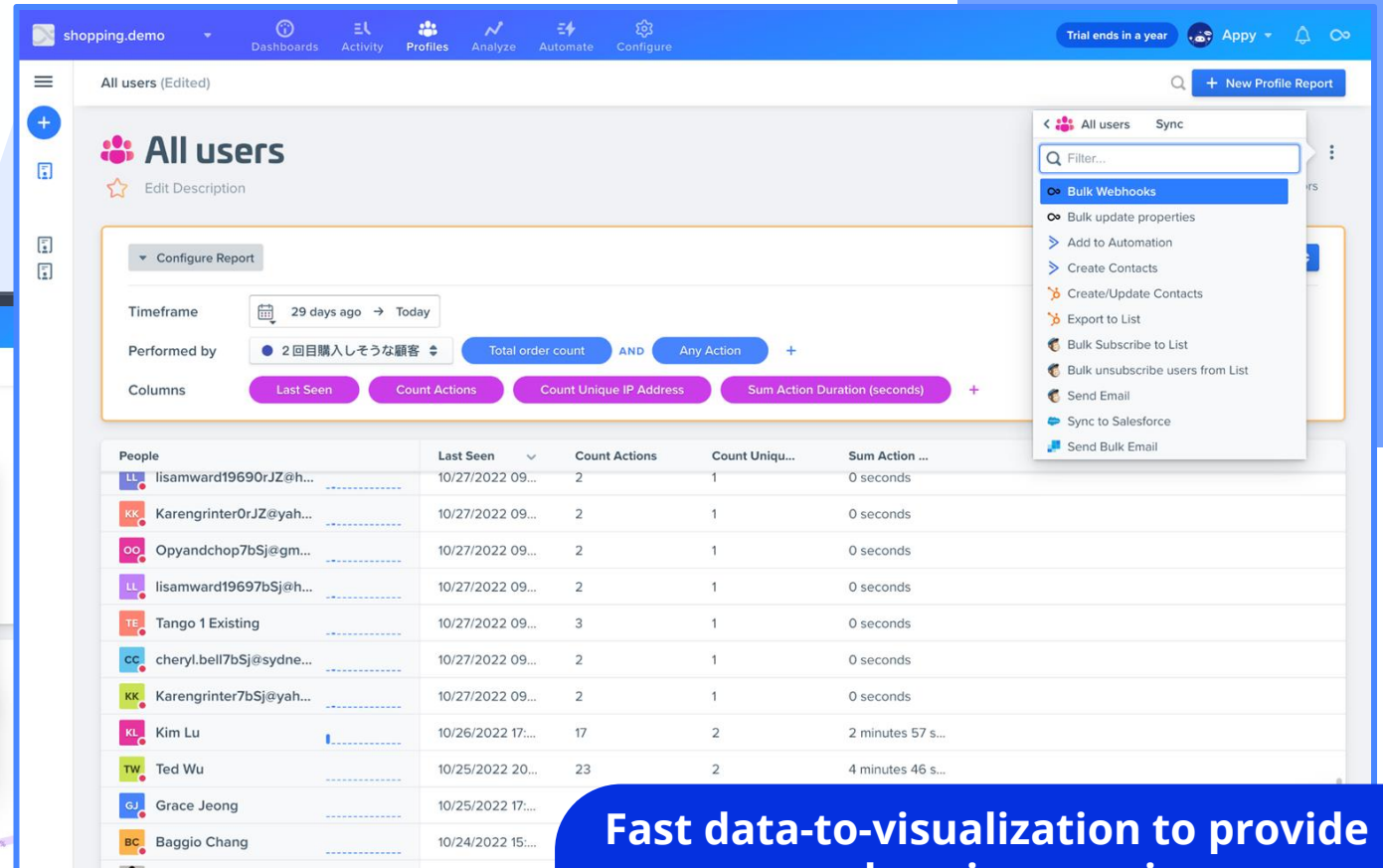
Fast data-to-visualization to provide a comprehensive user journey

Fast Data-to-Prediction

Know the return before the investment

Fast data-to-prediction to know the effectiveness of future marketing events

Prediction score tags on every single user for analysis and segmentation to improve the ROI of each marketing outreach
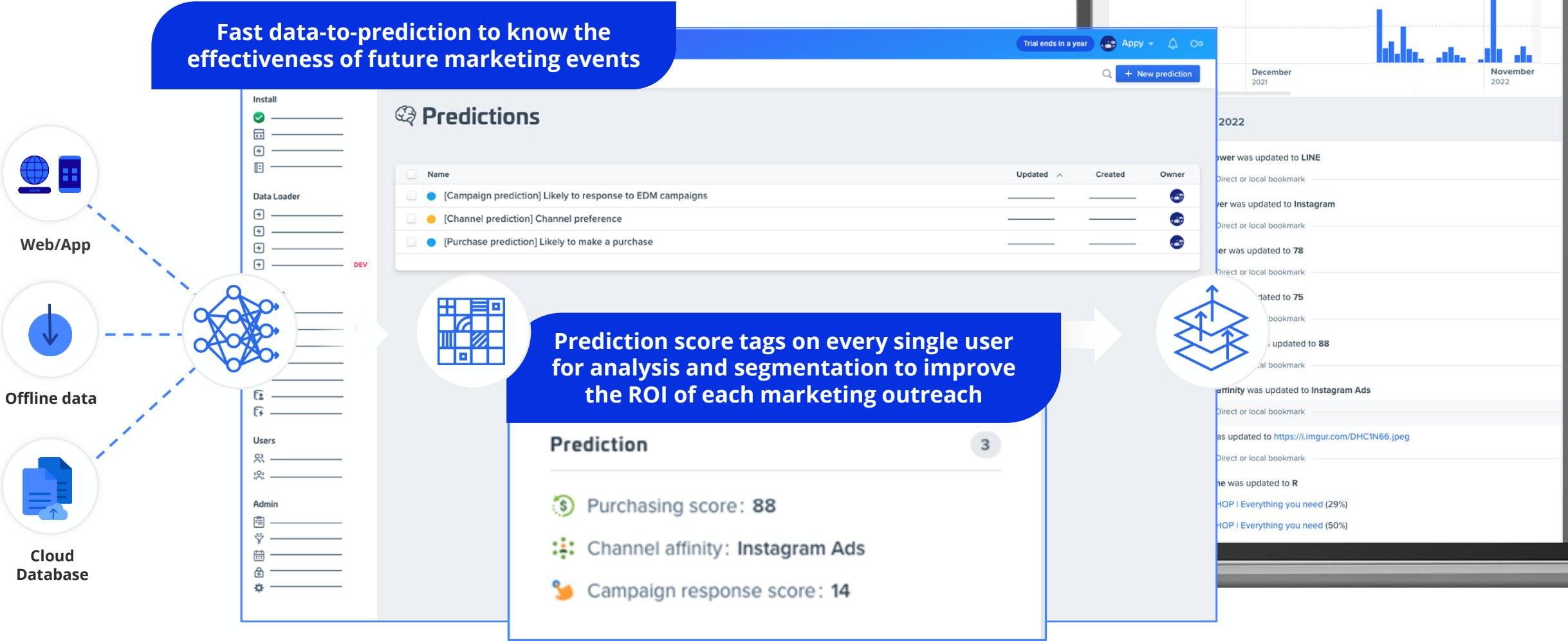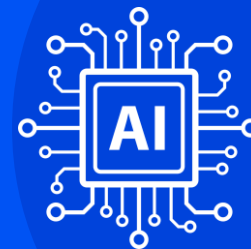
Turning AI into ROI

Our enhanced product synergies mean data synergies for our customers. Our improved AI brings extra ROI to our customers. With these principles, we continue delivering value to our customers in all kinds of environments.

Thank you!

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Appendix

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Founder-led Management of AI & Business Leaders

Founders

Dr. Chih-Han Yu
Chief Executive Officer

Stanford University
Harvard University

Joe Su
Chief Technology Officer

Harvard University

Dr. Winnie Lee
Chief Operating Officer

Stanford University
Washington University

Business leadership

Koji Tachibana
Senior Vice President of Finance
Head of Japan

DeNA, NOMURA,
METI

Magic Tu
Senior Vice President,
Sales for APAC

HTC, Synopsys

Dr. Joe Chang
Chief Strategy Officer

McKinsey & Company,
IQVIA

Awards and Recognitions

7 **world champions**
in data mining contests [1]
(2008 - 2020)

AI100
CB Insights (2017, 2018)

Top 50
AI startups worldwide
(2017)

Cool Vendor in AI
Gartner
(2017)

(1) Championships on which Appier
employees were part of the winning team

Appier

Turning AI into ROI
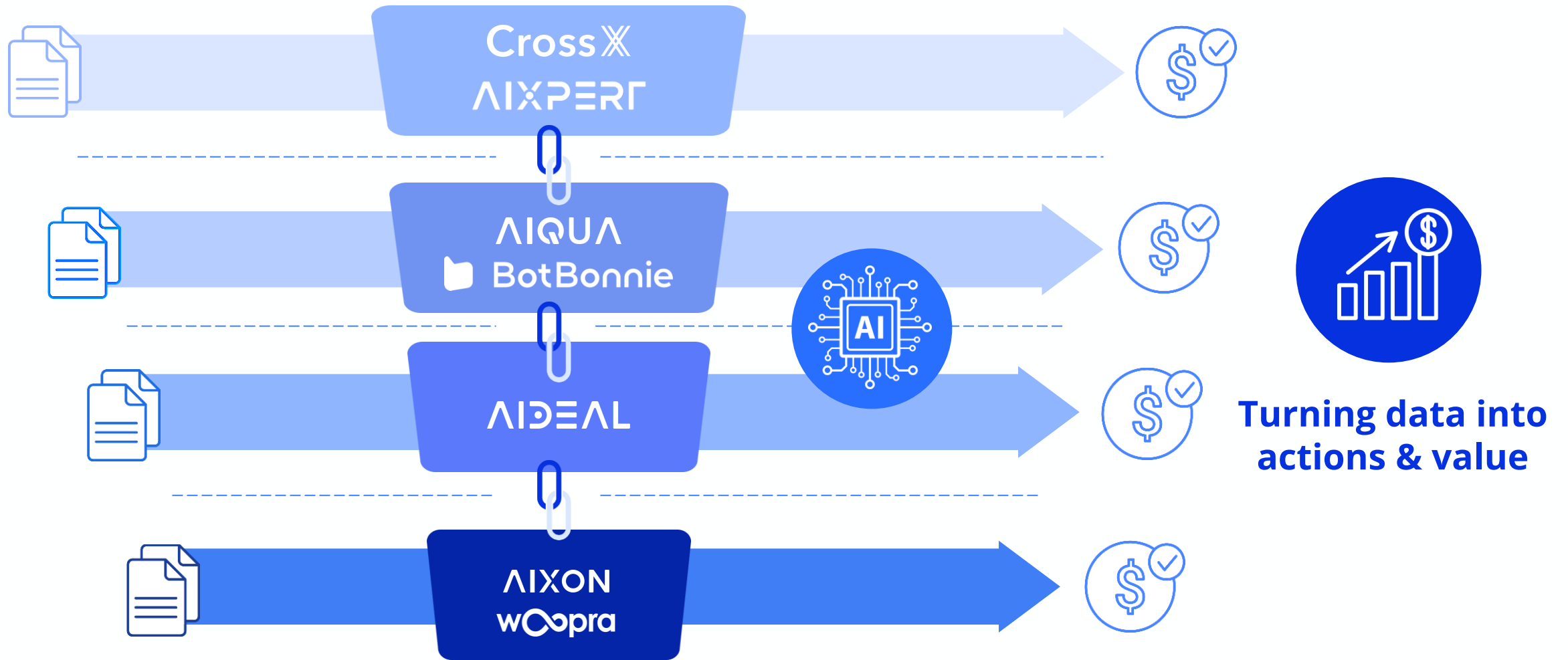
Solving data fragmentation via solution synergies

Turning data into actions & value

PROSPECTING & ACQUISITION

RETENTION & ENGAGEMENT

TRANSACTION

AUDIENCE INTELLIGENCE

CrossX

CrossX enables businesses to use Machine Learning and Deep Learning to predict users' lifetime value and acquire the most valuable end users at scale, allowing businesses to turn marketing spending into predictable returns.
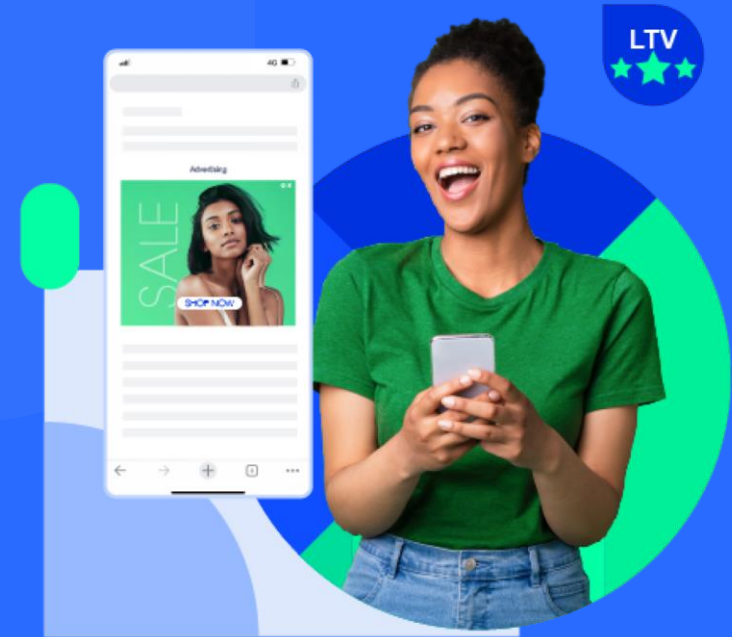
Machine Learning and Deep Learning to Predict High Lifetime Value End Users

Acquire The Most Valuable End Users at Scale

Provide Predictable Returns

PROSPECTING & ACQUISITION

RETENTION & ENGAGEMENT

TRANSACTION

AUDIENCE INTELLIGENCE

AIQUA

AIQUA enables businesses to increase quality engagement with end users through AI-personalized messages proactively and effectively across all their own communication channels with the optimal timing.

Multichannel Messaging

AI-Generated Messages

Send Time Optimization

Proactive Actions with Predictive Segments

PROSPECTING & ACQUISITION

RETENTION & ENGAGEMENT

TRANSACTION

AUDIENCE INTELLIGENCE

BotBonnie

A conversational marketing solution built upon the most popular messenger platforms. Harness the full potential of your followers on LINE, FB Messenger, Instagram, WhatsApp, Website and Google Business Messages, etc.

Codeless instant messaging solution for marketers

Gamified prebuilt marketing kits to boost conversion with engaging customer experiences

PROSPECTING & ACQUISITION

RETENTION & ENGAGEMENT

TRANSACTION

AUDIENCE INTELLIGENCE

AIDEAL

AiDeal enables businesses to use Machine Learning and Deep Learning to predict hesitant buyers through user patterns and only distribute incentives to hesitant users to drive revenue while maintaining profitability.

Predict Purchase Intent with Machine Learning and Deep Learning

Optimized Incentives with a Sense of Urgency

Real-Time Analytics

PROSPECTING &
ACQUISITION

RETENTION &
ENGAGEMENT

TRANSACTION

AUDIENCE
INTELLIGENCE

AIXON
woopra

AIXON enables businesses to utilize their own end user data from various sources to predict end user behaviors in a holistic view with Automated ML model building and without the hassle of building an entire AI technology stack in-house.

Data Unification and Auto-processing | **Scenario-based Prediction with Automated ML models** | **Explainable AI**

Why Appier Wins

Existing Solutions

Why Customers Choose Appier

Prospecting & Acquisition

Manual A/B testing
- Leading to waste of budget and unlikely to outperform machines

Cross✕
AIXPERT
- ML modules predict high life-time value end users
- Acquire the most valuable users at scale with predictable return on investment

Retention & Engagement

Marketing Cloud solutions
- Mostly based on a reactive approach based on past behaviors

AIQUA
BotBonnie
- Predict end users' potential behaviors and proactively engage them effectively
- Fully automated solutions with tightly integrated AI on all messaging channels
- BotBonnie: Interactive conversational marketing chatbot solution

Transaction

Broadcasting or Segmenting users into groups and providing different incentives
- Waste of coupon subsidies, which damages profitability, and is unable to fully drive the top-line growth

AIDEAL
- AI detects hesitant buyers by identifying end user patterns and distributing incentives only to those hesitant buyers
- Increase sales while reducing coupon subsidies and costs

Audience Intelligence

AI vendors or building an inhouse data scientist team
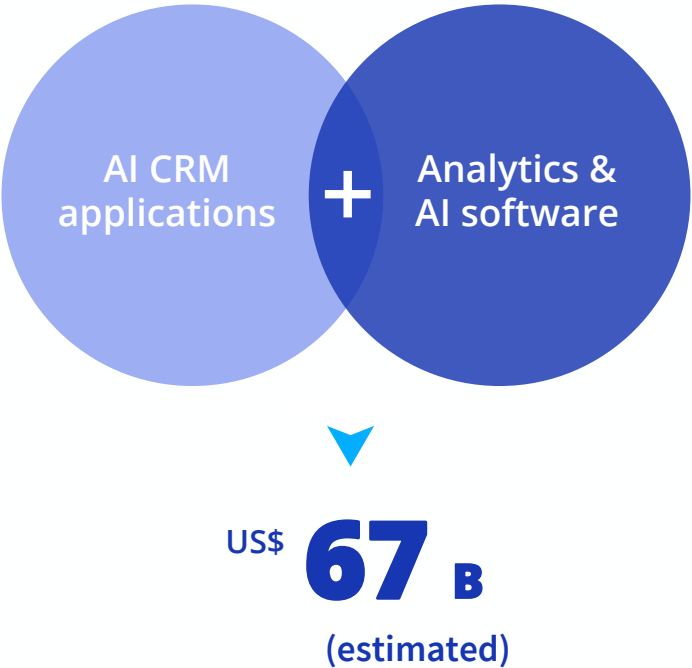- Potentially hard to scale and more costly

AIXON
- Automated ML to build differentiated best-in-class AI prediction models through SaaS
- Business users able to leverage AI capabilities without scientists / engineers

Massive Market Opportunity

Top-Down View 2022

IDC [1]

AI CRM applications + Analytics & AI software

US$ **67** B
(estimated)

Bottom-Up View 2022

Global Marketing Investment US$**69**B [3]
(estimated)

APAC Marketing Investment US$**24**B
(estimated)

Appier annualized revenue US$ **144**M [2]

(1) Source: IDC Semiannual Artificial Intelligence Tracker, 2H 2020 (July 2021)
(2) Annualized revenue= FY22 Q1 revenue in JPY * 4/ exchange rate 116.21
(3) Calculation is based on internal estimation. In terms of APAC marketing investment, we have around 3% market share in EC, 2% in digital content and 1% in others. EC accounts for 30% of marketing investment and digital content providers accounts for 20%. Thus, we roughly have 1.8% market share of APAC marketing investment. According to eMarketer estimation, APAC accounts for 34.8% of global marketing investment and we have 0.2% market share of Global marketing investment.

Appier's global presence: 17 offices worldwide

Taipei / Hong Kong/ Beijing

Greater China

Tokyo / Seoul / Osaka

Northeast Asia

San Francisco

North America

Paris

Europe

Singapore / Ho Chi Minh City Jakarta / Kuala Lumpur Manila / Mumbai New Delhi / Bangkok Sydney

Southeast Asia

Taipei

2012

Ho Chi Minh City Tokyo Singapore

2014

Seoul Kuala Lumpur Mumbai New Delhi

Jakarta Hong Kong Manila Sydney

2015

Osaka Bangkok

2017

Beijing Paris San Francisco

2020

Quarterly Seasonality

Quarterly Revenue Breakdown

Q4 — FY2020: 31.1%, FY2021: 30.8%
Q3 — FY2020: 23.9%, FY2021: 25.3%
Q2 — FY2020: 20.8%, FY2021: 22.1%
Q1 — FY2020: 24.2%, FY2021: 21.7%

Covid-19 impact

FY2020   FY2021

2022 Q3 Operating Income YoY Improvement

We continue to drive our bottom-line improvements with higher sales productivity, higher NRR, higher gross margin, R&D excellence and better operation efficiency.

Operating Income Waterfall (JPY)

FY21 Q3 Operating Income	YoY increase of Gross Profit	YoY increase of OPEX	FY22 Q3 Operating Income
-186M	+1,100M	-909M	5M
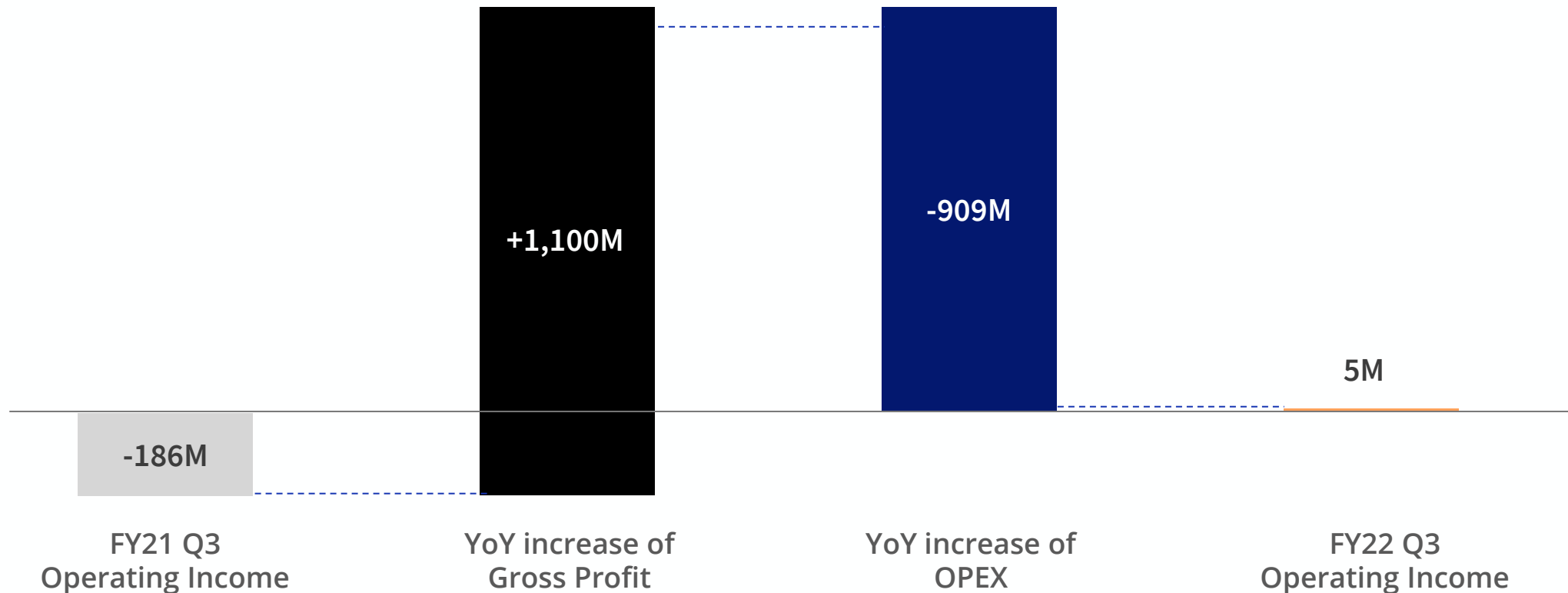
Appier

ESG Initiatives

Appier

Our Commitment

Embed ESG into Our Business

Appier envisions a future where precise, automated, and proactive decision-making is made possible through enterprise software powered by AI.

We believe ESG should be placed at the center of our focus on building a sustainable business and are determined to make commitments and to proactively engage our stakeholders in Appier's journey towards ESG excellence, as this is part of our vision for the future of our business.
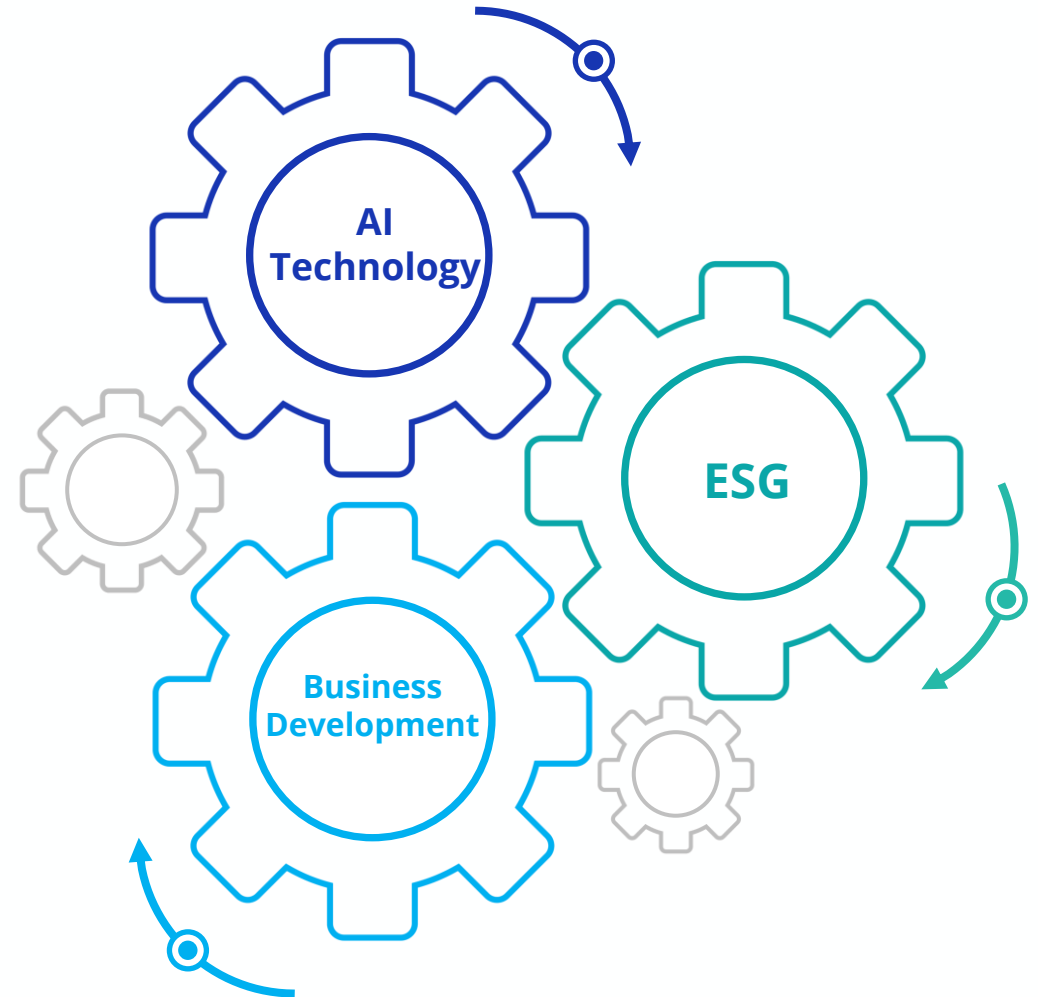
Defining ESG Priorities: Materiality Assessment

Importance to External Stakeholders

Climate Change & Energy Management

Innovation & AI for Good

Data Privacy & Cyber Security

Human Capital Development

Corporate Governance

Diversity & Equal Opportunity

Operational Eco-Efficiency

Responsible Procurement Practices

Employee Well-being, Health & Safety

Customer Relationship Management

Local community support

Human Rights & Labour rights

Environmental Governance

Risk Management

Foundational *Moderate* *Critical*

Importance to Appier

● Environmental ● Social ● Governance

Our Methodology

We worked with a third party to identify priority sustainability issues based on external trends and stakeholder engagements including interviews with internal and external stakeholders.

Our Environmental, Social & Governance Framework

Environment
Greener Operation

> Minimizing the impact of our operations: Green & sustainable office

> Our AI solutions support smart working and contribute to our customers GHG reduction.

Social
Happier Crew

> Building a culture within our community that values long-term growth and sustainability

> Diversity, Equity and Inclusion (DE&I) as a core value

> Building a skilled labor force to add value to the tech / AI industry

Governance
Security & Privacy Protection

> Policies in place to ensure good governance with involvement from top management.

> Certified under the ISO/IEC 27001:2013 standard to ensure digital security

Selected Financial Data

(in millions of Yen)

	2020	2021	2021Q3 9 months	2022Q3 9 months	YoY	2021Q3 3 months	2022Q3 3 months	YoY
Selected statement of income data:								
Revenue	**8,970**	**12,661**	**8,756**	**13,669**	**56%**	**3,206**	**5,112**	**59%**
Cost of sales	(4,844)	(6,422)	(4,443)	(6,674)		(1,602)	(2,408)	
Gross profit	**4,126**	**6,239**	**4,313**	**6,995**	**62%**	**1,604**	**2,704**	**69%**
Gross margin	**46%**	**49%**	**49%**	**51%**		**50%**	**53%**	
Sales and marketing expenses	(3,460)	(4,322)	(3,061)	(4,550)		(1,059)	(1,713)	
% of Revenue	*39%*	*34%*	*35%*	*33%*		*33%*	*34%*	
Research and development expenses	(1,491)	(1,711)	(1,244)	(1,642)		(419)	(599)	
% of Revenue	*17%*	*14%*	*14%*	*12%*		*13%*	*12%*	
General and administrative expenses	(808)	(1,349)	(986)	(1,144)		(312)	(416)	
% of Revenue	*9%*	*11%*	*11%*	*8%*		*10%*	*8%*	
Other income	76	28	12	257		1	29	
Other expenses	(20)	(2)	(3)	(2)		(1)	(0)	
Operating Income	**(1,578)**	**(1,117)**	**(968)**	**(87)**		**(186)**	**5**	
One-time IPO related expenses (1)	-	(278)	(278)	-		-	-	
Operating income (excl. IPO related)	(1,578)	(839)	(691)	(87)		(186)	5	
EBITDA (excl. IPO related)	**(1,103)**	**42**	**(87)**	**832**		**57**	**357**	
EBITDA margin	**-12%**	**0%**	**-1%**	**6%**		**2%**	**7%**	

(1)   One-time IPO related expenses by JPY 278 million was recorded in FY2021Q1

Selected Financial Data

(in millions of yen)

	2020	2021	2022Q3
Selected balance sheet data:			
Cash and cash equivalents	1,635	6,561	10,477
Time Deposit	6,577	14,939	11,208
Other financial assets	-	-	2,926
Total current assets	10,046	24,484	28,246
Total assets	12,394	31,206	36,773
Total liabilities	4,726	8,370	8,590
Total equity	7,668	22,836	28,182

(in millions of yen)

	2020	2021	2022Q3
Selected Cash flow data:			
Net cash provided by (used in) operating activities	(840)	(747)	409
Net cash provided by (used in) investing activities	(2,706)	(9,075)	3,043
Net cash provided by (used in) financing activities	1,161	14,396	(385)
Cash and cash equivalents at the end of year / period	1,635	6,561	10,477

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