

MAKING AI EASY

BY MAKING
SOFTWARE INTELLIGENT

Q1 FY2025 Earnings May 2025



Our Mission

Turning AI into ROI by Making Software Intelligent





FY25 Q1 Achievements & Business Outlook



FY25 Q1 Business Metrics



Product Updates

2025 Q1 recap & Q2 outlook



FY25 kicks off with accelerated revenue growth, achieving 31% YoY on a FX-neutral basis

Robust performance across key regions propelled revenue to JPY 9.4B, marking a 27% YoY increase and a 31% increase on an FX-neutral basis. NEA grew 37% YoY, driven by strong expansion in both JP and KR, despite FX headwinds. The US & EMEA posted 32% YoY growth, fueled by gains in diversified verticals.



Profitability outperformance fueled by consistent execution & operating leverage

Despite the one-time expenses associated with the acquisition of AdCreative.ai, operating profit outperformed and increased 12% YoY to JPY 73M with an operating margin of 0.8%. EBITDA also improved 29% YoY to JPY 948M. Excluding these one-time expenses, operating profit increased 199% YoY with an operating margin of 2.1% (4.0% on an FX-neutral basis), and EBITDA grew 45% YoY. This strong profit expansion mainly resulted from continuous improvement in S&M productivity and disciplined R&D investments.



Stronger business trajectory expected ahead, regardless of economic conditions

We expect the strong YoY revenue growth momentum to carry into FY25 Q2. This is mainly supported by key customers penetration and initial synergies from the integration of AdCreative.ai, which enhanced our product offering and sales momentum. With the increasing scale of our business and operating leverage, we also anticipate improved profitability in FY25 Q2 onwards.



Unlocking strategic value through AdCreative.ai integration

We are advancing the integration of AdCreative.ai across our platform, unlocking synergies across both product innovation and go-to-market execution. We have developed a [product roadmap](#) to increase cross-sell synergies, while also enhancing AI capabilities to deliver greater creative performance and support [deeper penetration into key accounts](#).

2025 Q1 Highlights

Revenue

JPY **9.4B**

Revenue YoY Growth⁽¹⁾

+27%

Profitability

Operating Income JPY **73M**

Net Income JPY **35M**

Gross Profit YoY Growth⁽²⁾

+26%

ARR⁽³⁾

JPY **36.8B**

LTM NRR⁽⁴⁾

118.7%

(1) Revenue Growth from FY24 Q1 to FY25 Q1.

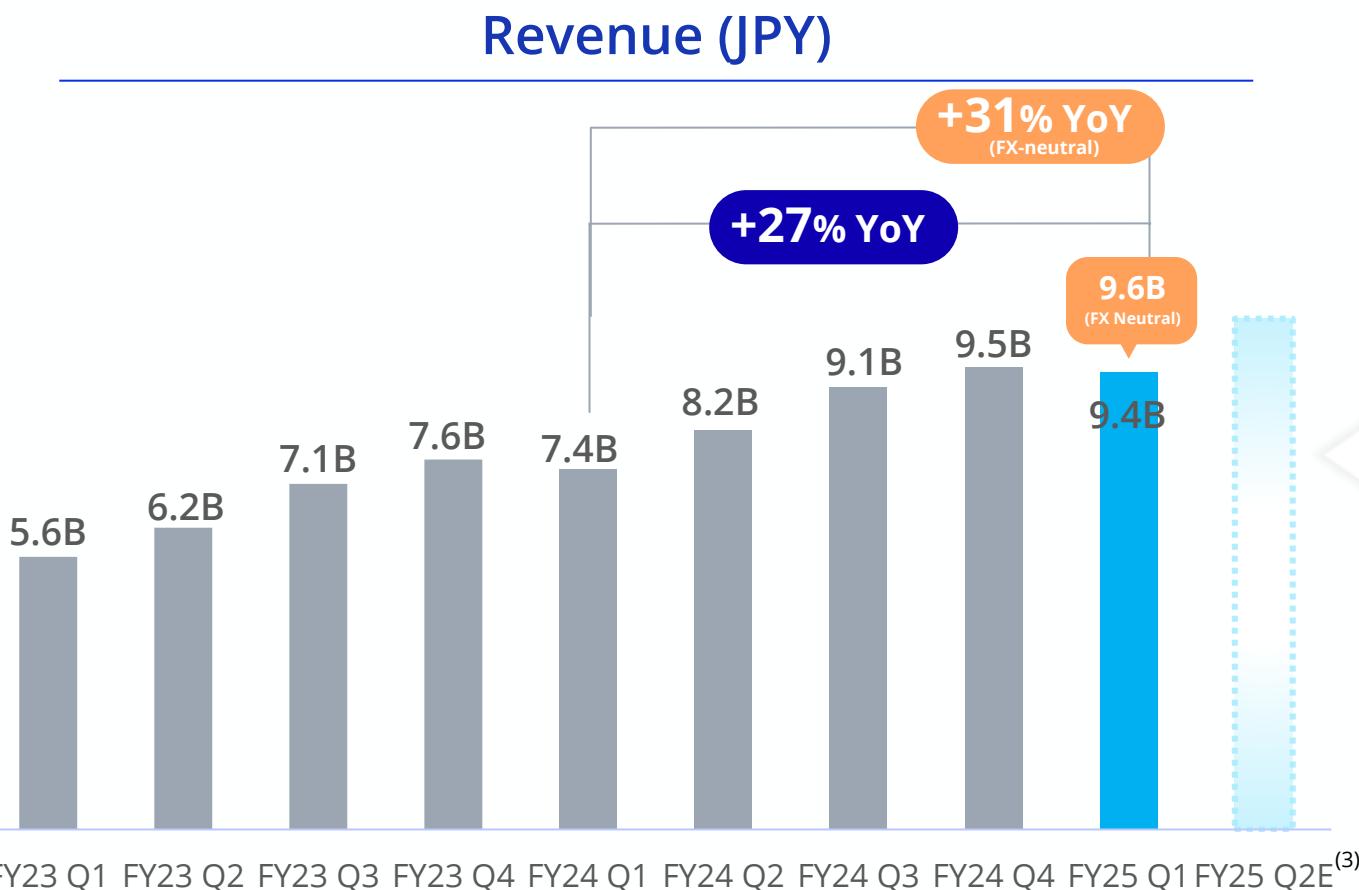
(2) Gross Profit Growth from FY24 Q1 to FY25 Q1.

(3) ARR is conducted as the sum of the per-solution ARR. (i) For AIQUA, AiDeal, AIXON, BotBonnie and AIRIS, 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.

(4) 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.

Revenue Trends

- FY25 Q1 revenue YoY growth was driven by continuous expansion in the NEA, fueled by strong momentum in both JP and KR, as well as healthy growth in the US & EMEA supported by vertical diversification.
- In FY25 Q1, revenue was impacted by FX fluctuations, notably the depreciation of Asian currencies against JPY, which offset the positive impact of USD appreciation.



Incremental Revenue of FY25 Q1

57% from Existing Customers⁽¹⁾

- ▶ Expanded product usage among NEA e-commerce customers
- ▶ Sustained growth momentum in the US & EMEA

43% from New Customers⁽²⁾

- ▶ Accelerated new customer acquisition in NEA, especially in Japan's Digital Content and Fintech sectors
- ▶ Strong customer traction in the US & EMEA, driven by vertical diversification

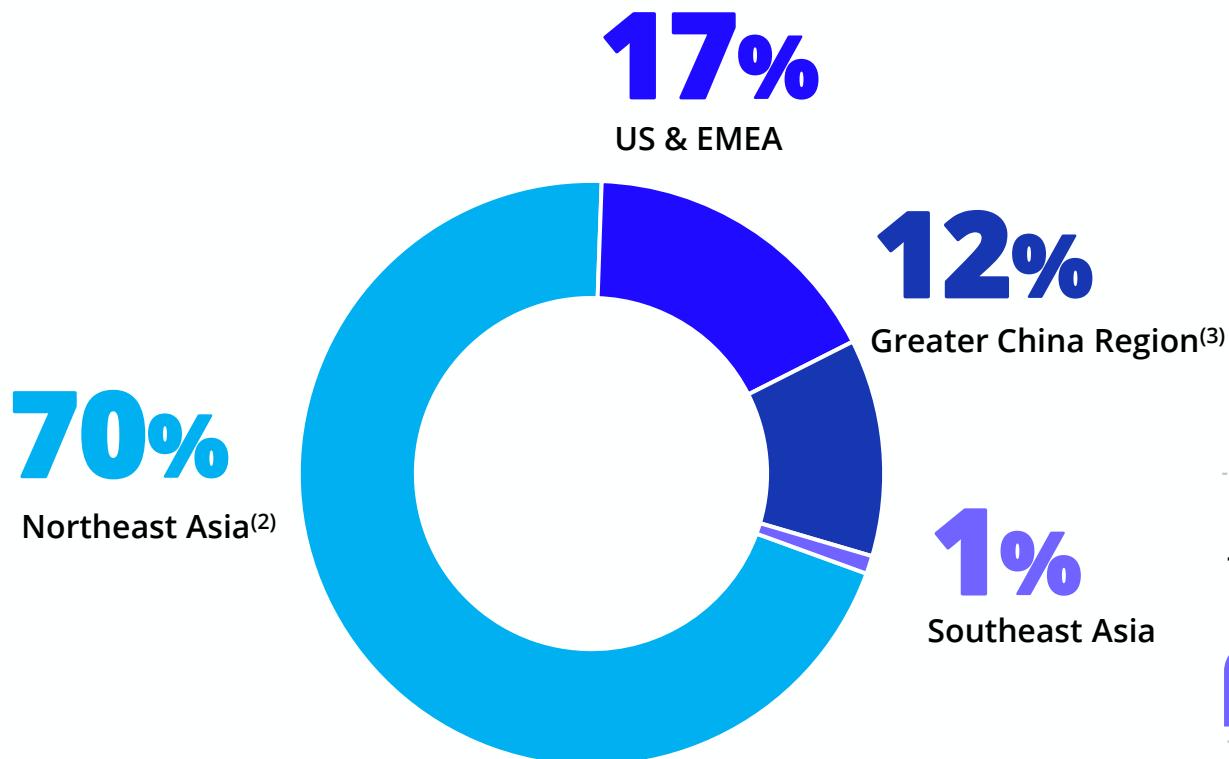
⁽¹⁾"Existing Customers" refers to customers acquired before FY24 Q2.

⁽²⁾"New Customers" refers to customers acquired in FY24 Q2 to FY25 Q1.

⁽³⁾FX-neutral based

Diverse Revenue Base: Multiple regions demonstrate continuous growth momentum

FY25 Q1 Revenue % by Region⁽¹⁾



(1) Percentages may not total 100 due to rounding

(2) Northeast Asia includes Japan & South Korea

(3) Greater China Region includes Taiwan, Hong Kong & China

NEA

37% YoY revenue growth with strong existing customer expansion and accelerated customer acquisition despite FX headwinds from KRW depreciation

US & EMEA

32% YoY revenue growth with vertically diversified expansion of ROI-focused customers despite lower season of Digital Content

GCR

Despite a modest YoY decline due to FX headwinds, further growth momentum is expected as sales synergies have been established

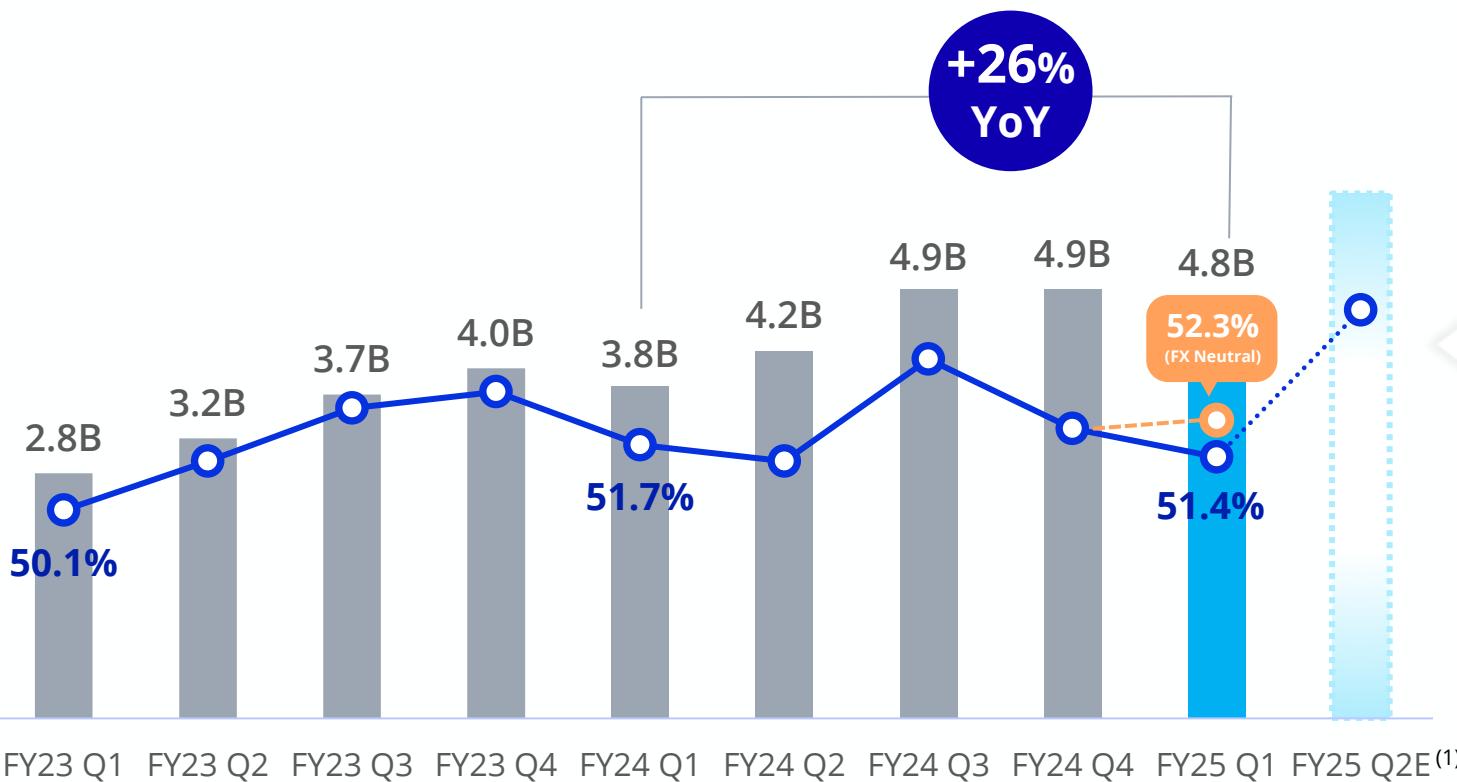
SEA

Continue to focus on key accounts until the market is more mature

Gross Profit

- Gross profit reached JPY 4.8B, marking a 26% YoY growth with gross margin of 51.4% and 52.3% on an FX neutral basis, despite FX headwinds and increased costs from strategic initiatives for AdCreative.ai and seasonal new product experiments.
- We expect gross margin to increase in FY25 Q2 as high-margin product mix increases and experimental cost seasonally normalizes.

Gross Profit (JPY) & Margin



Major Factors of FY25 Q1 Gross Margin Changes

Positive factors

- Positive effects of technological advancements, including algorithm improvements

Negative factors

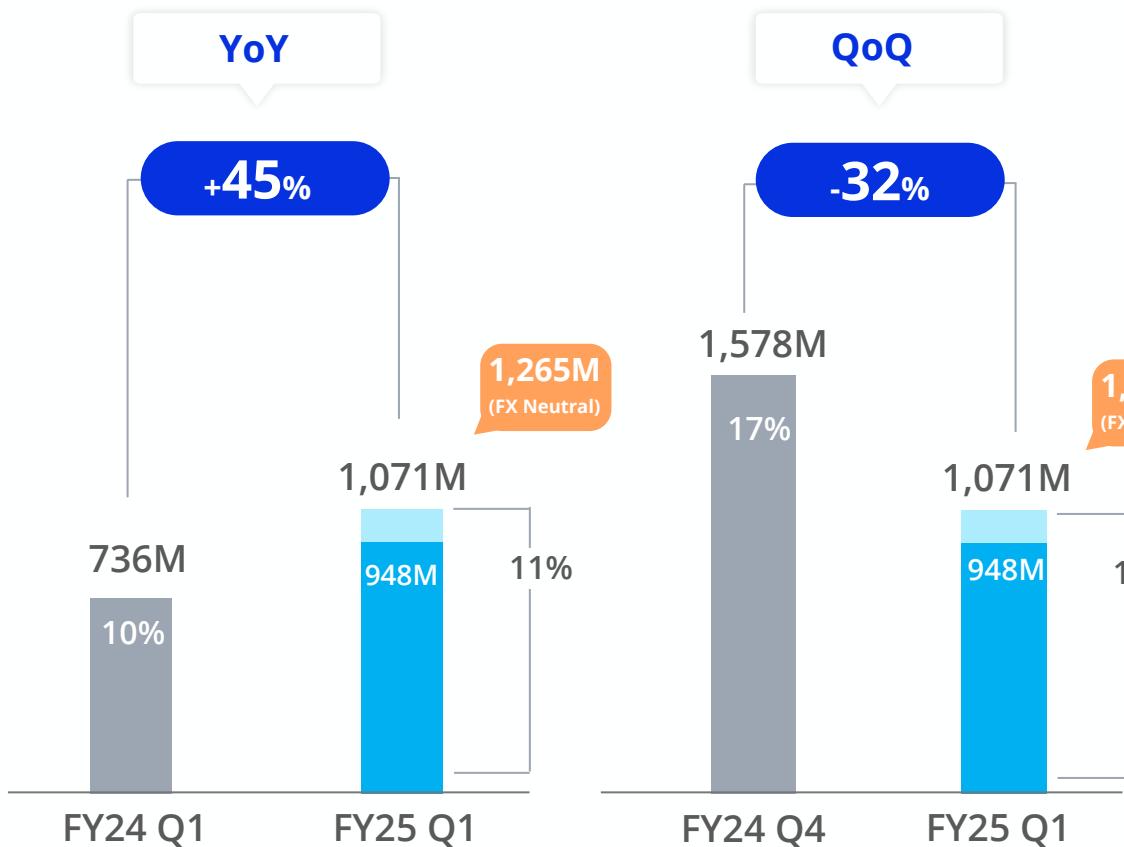
- FX headwinds
- Costs from strategic product experiments, including AdCreative.ai, aiming to drive margin expansion in coming quarters

(1) FX-neutral based

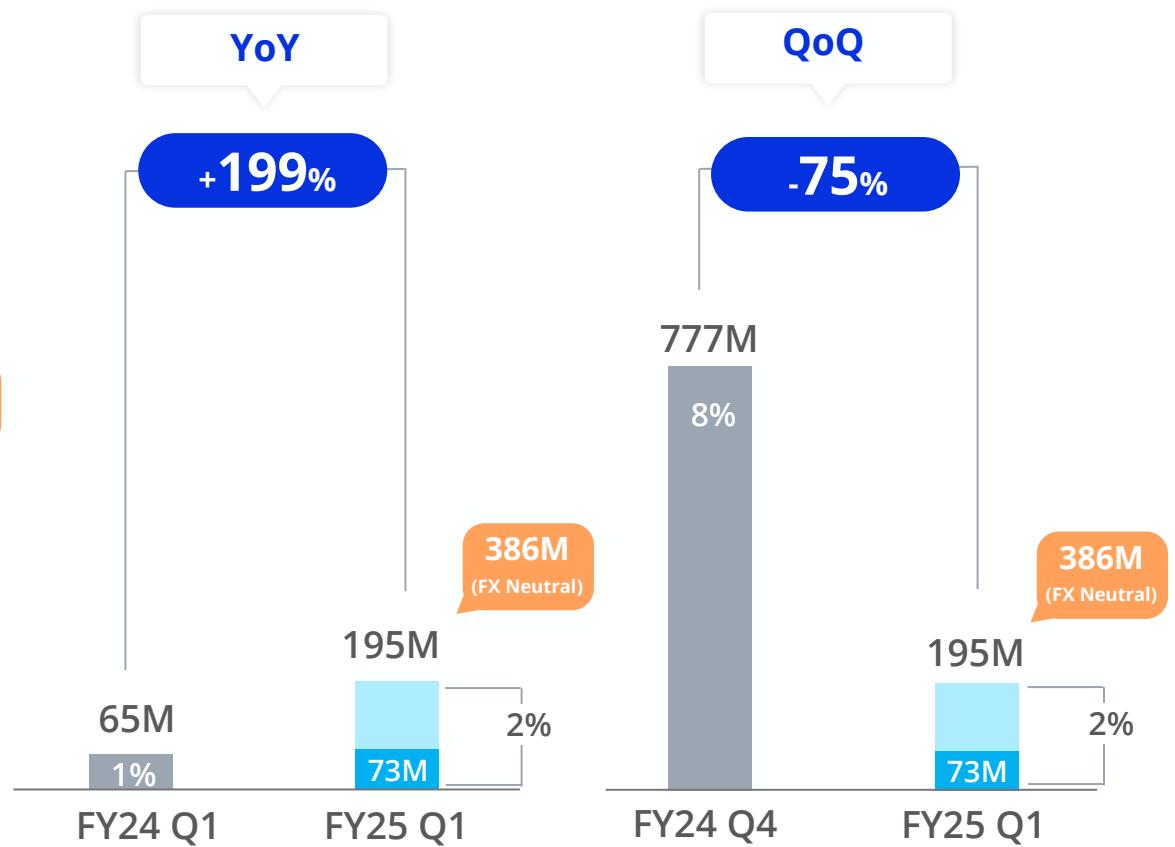
EBITDA & Operating Income

- We improved profitability significantly on a YoY basis, with operating income expanding 199% YoY despite FX headwinds, when excluding the one-time expenses associated with the acquisition of AdCreative.ai.
- The improvement was primarily driven by strong operating leverage, and we expect further profitability improvement going forward.

EBITDA⁽¹⁾ & Margin (JPY)



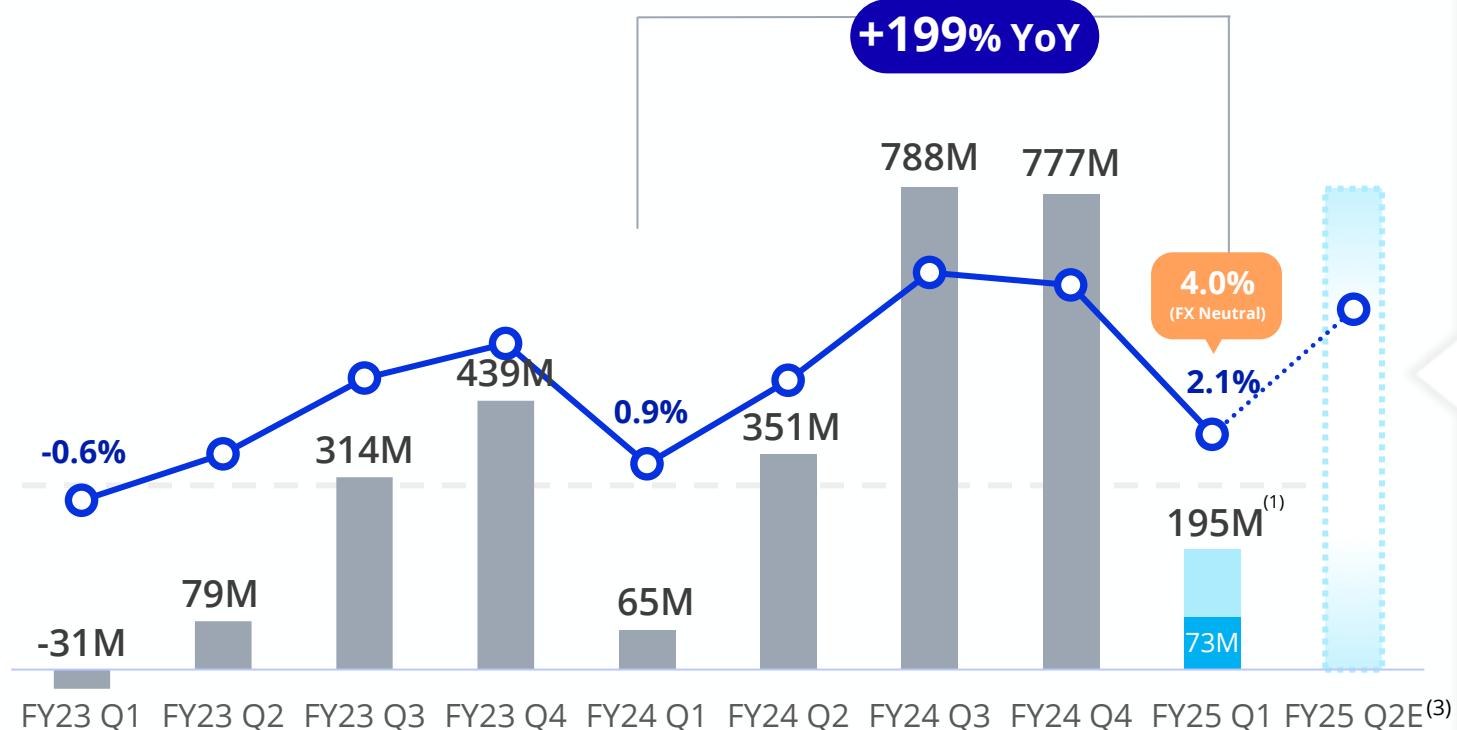
Operating Income⁽²⁾ & Margin (JPY)



Operating Income

- Margin improvement is expected to continue throughout FY25, following the pattern of previous years, with revenue scaling up in alignment with higher seasonality.
- This improvement will be further accelerated by our continuous operational optimization initiatives powered by AI, which includes streamlining workflows, automating engineering coding, and enhancing resource allocation efficiency across our business units.

Operating Income (JPY) & Margin



Major Factors of FY25 Q1 Operating Margin Changes

YoY basis

- Higher sales productivity resulting in S&M operating leverage improvement
- Better operational efficiency and disciplined expense control
- The increase of ROI-oriented R&D investment resulted in stronger operating leverage in S&M and G&A
- FX headwinds

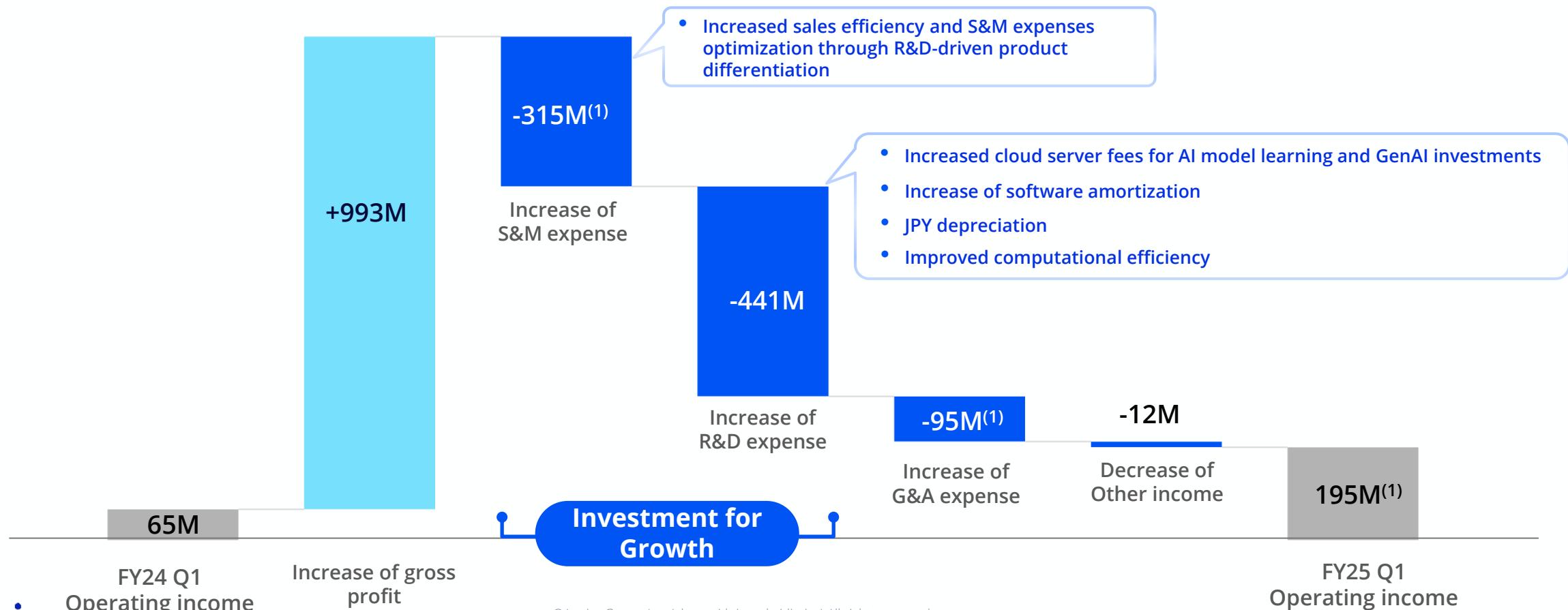
QoQ basis

- Smaller scale due to Q1 low season

2025 Q1 - Operating Income YoY Change

- The increase in operating profit was driven by growing business scale with strong operating leverage.
- We continued to invest strategically in R&D to enhance our product competitiveness and support sustainable long-term growth.

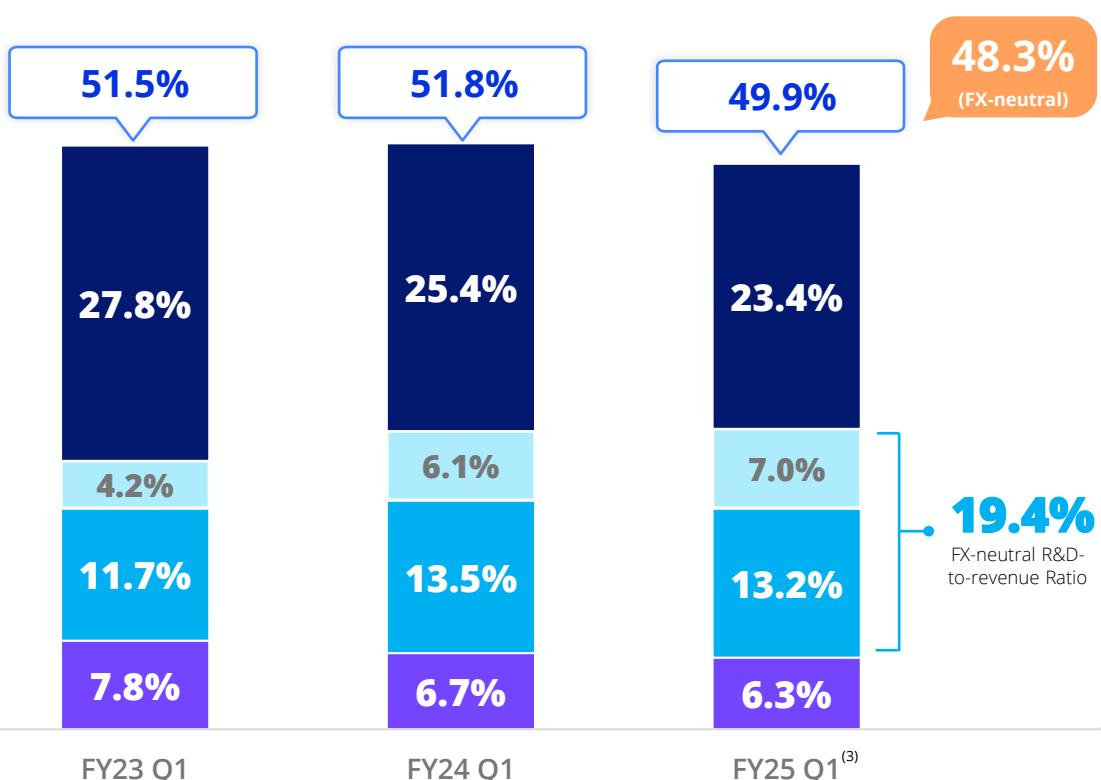
Operating Income Waterfall (JPY)



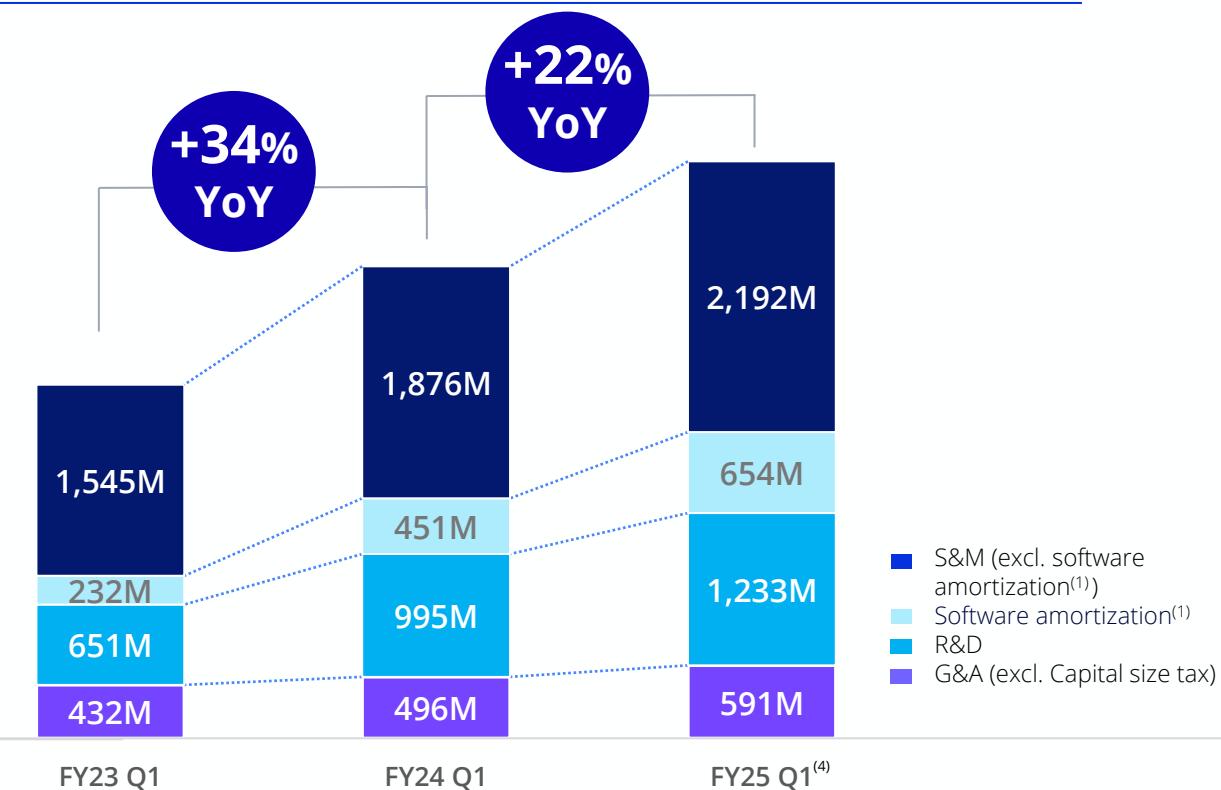
Disciplined OPEX

- The OPEX-to-revenue ratio improved by 1.8 p.p. YoY to 49.9% and by 3.5 p.p. to 48.3% on an FX-neutral basis, a greater improvement compared to the 0.3 p.p. YoY increase in FY24 Q1, driven by disciplined cost management and scalable revenue growth with product differentiation from R&D investment.
- The YoY increase in OPEX has improved to 22% from 34%, supported by AI-powered automation in product development and operations, along with a normalized depreciation cycle, despite the impact of JPY depreciation.

Q1 OPEX Structure (% Revenue)



Q1 OPEX (JPY)





**FY25 Q1
Achievements
& Business Outlook**



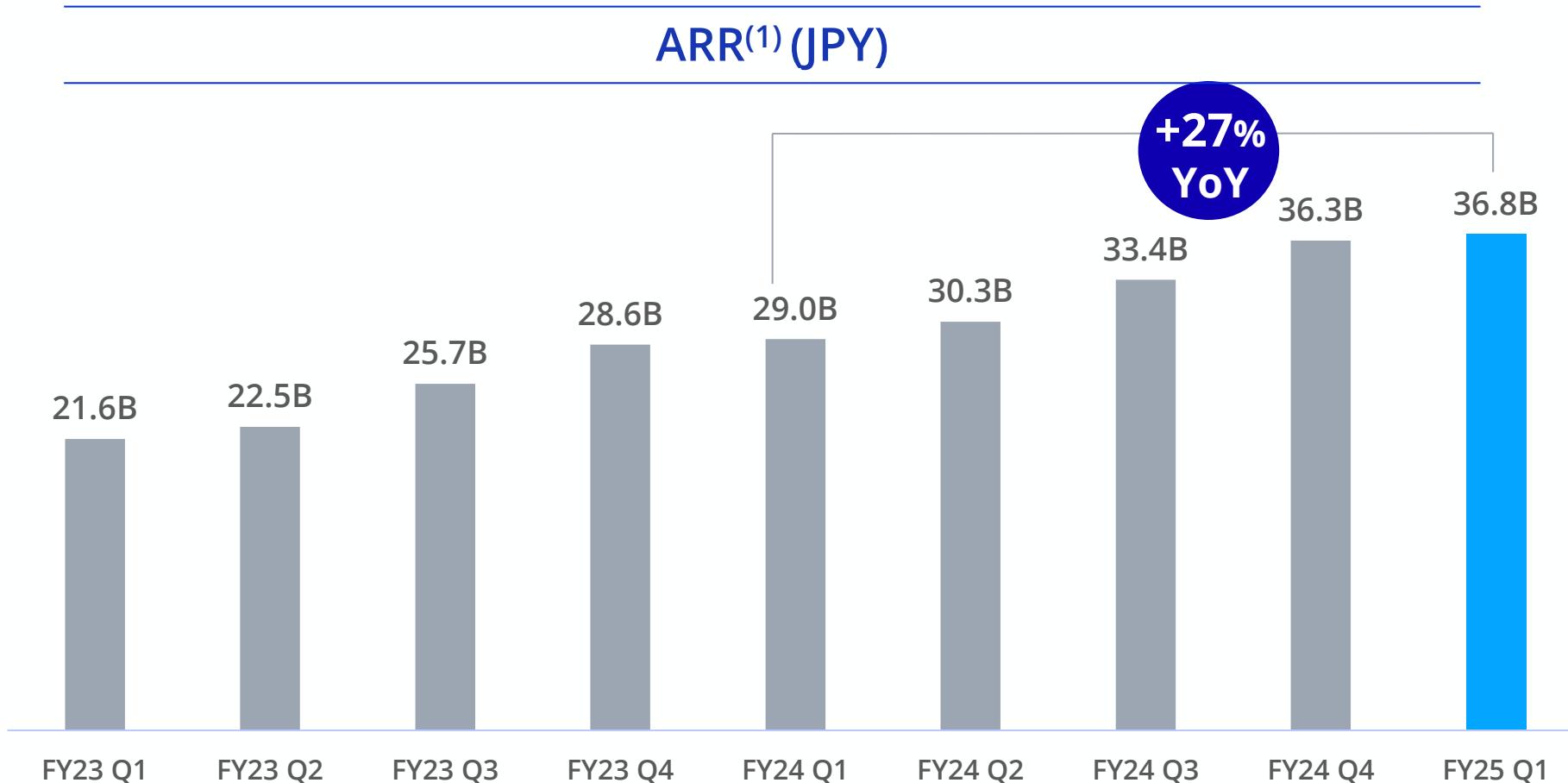
**FY25 Q1
Business Metrics**



Product Updates

Annual Recurring Revenue Quarterly Trends

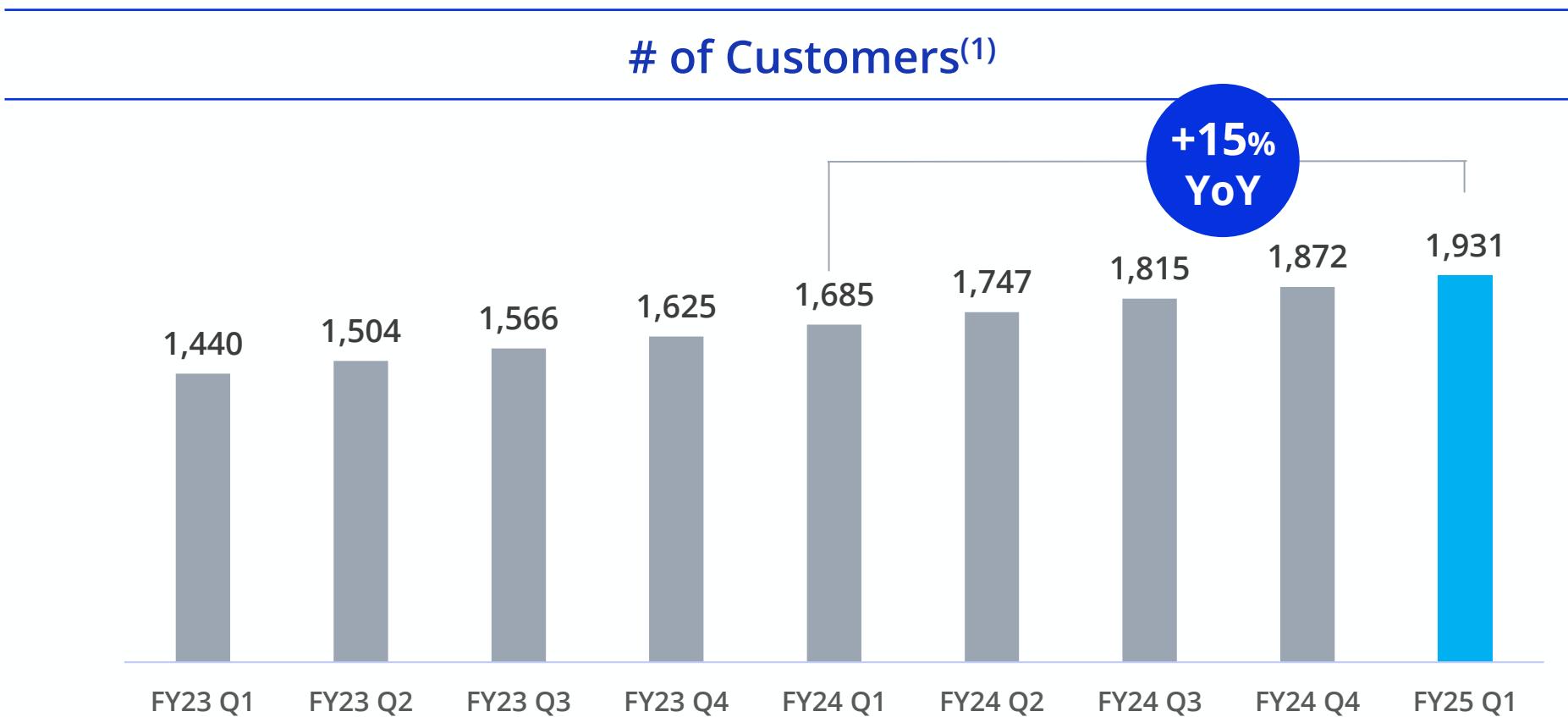
- Our recurring revenue currently constitutes over 95% of our total revenue.



(1) ARR is conducted as the sum of the per-solution ARR. (i) For AIQUA, AiDeal, AIXON, BotBonnie and AIRIS, 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.

Quarterly Customer # Trend

- New customers in FY25 Q1 were mainly from Digital Content and E-Commerce (47% and 22% of total new customers respectively).
- We have steadily increased the number of customers each quarter through our strategy of focusing on larger enterprises.



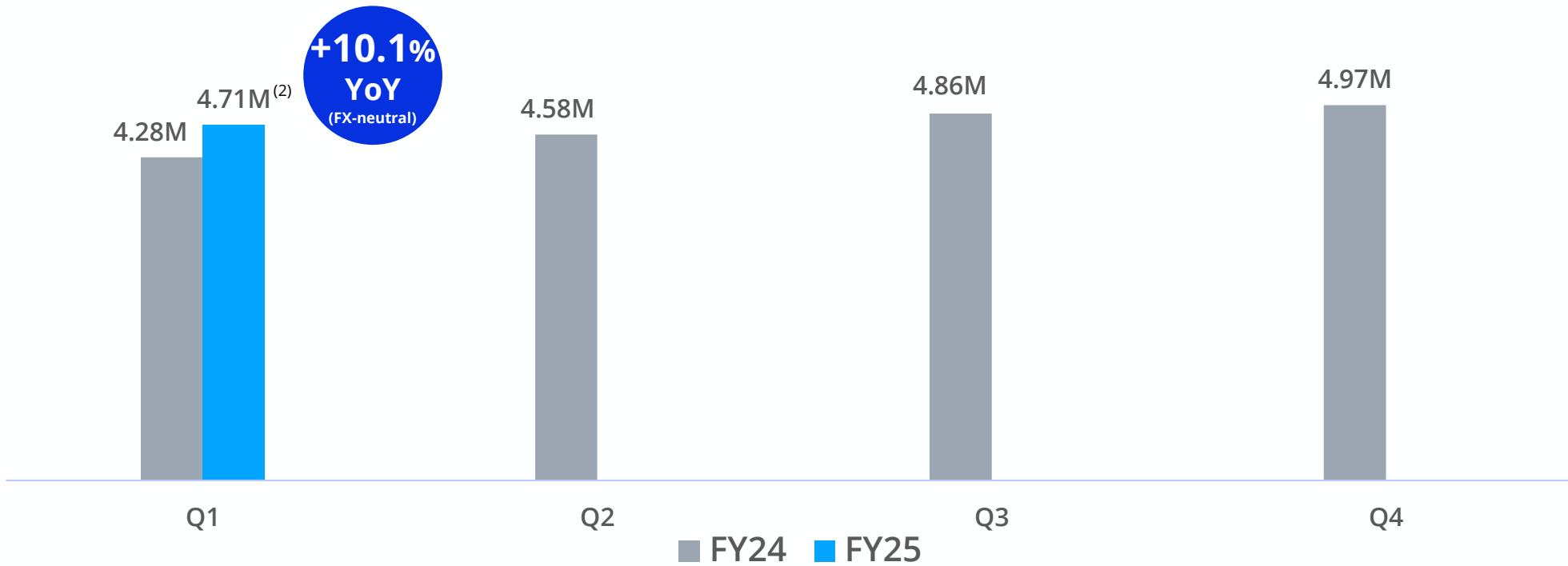
(1) "Customer" refers to a corporate group that has one or more active contracts for our solutions, excluding one-time customers, paid or unpaid trial, demo use and customers acquired through business acquisitions. Such corporate group is counted as a separate "customer" with respect to each solution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

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Quarterly Average Revenue per Customer

- The ARPC YoY growth rate in FY25 Q1 stood at 6.9% and 10.1% on an FX-neutral basis, with an unfavorable FX impact, particularly from the depreciation of Asian currencies.
- This is mainly driven by the healthy expansion of existing customers and a continued strategic focus on acquiring larger enterprise customers, who have greater potential to increase ARPC over time.

Quarterly Average Revenue per Customer⁽¹⁾ (JPY)



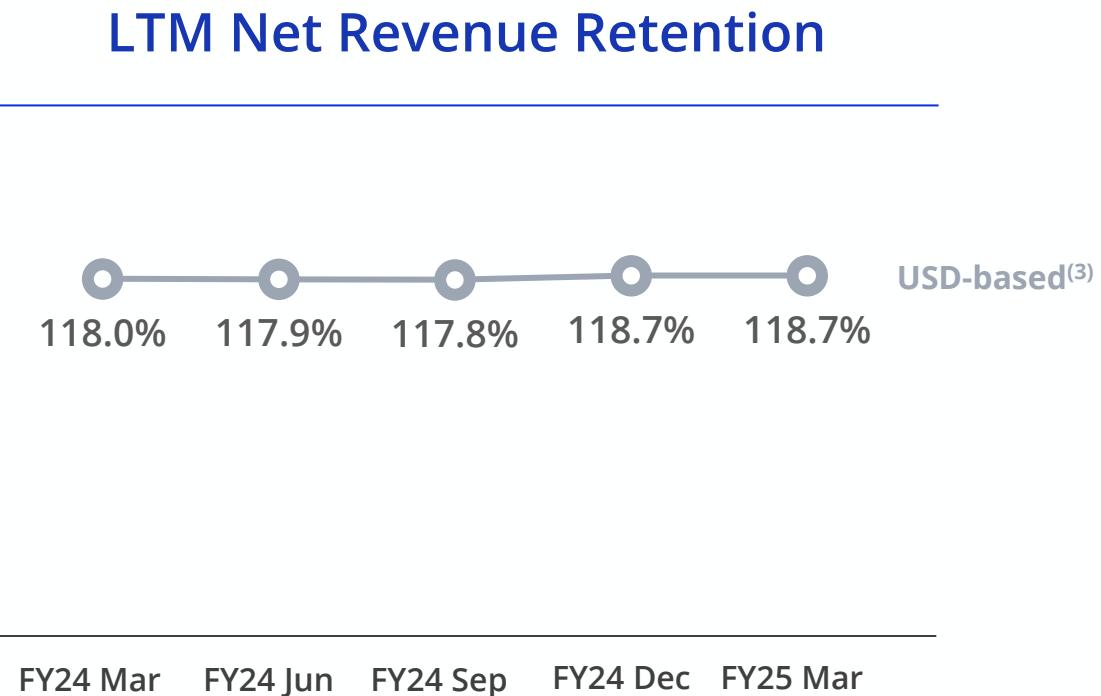
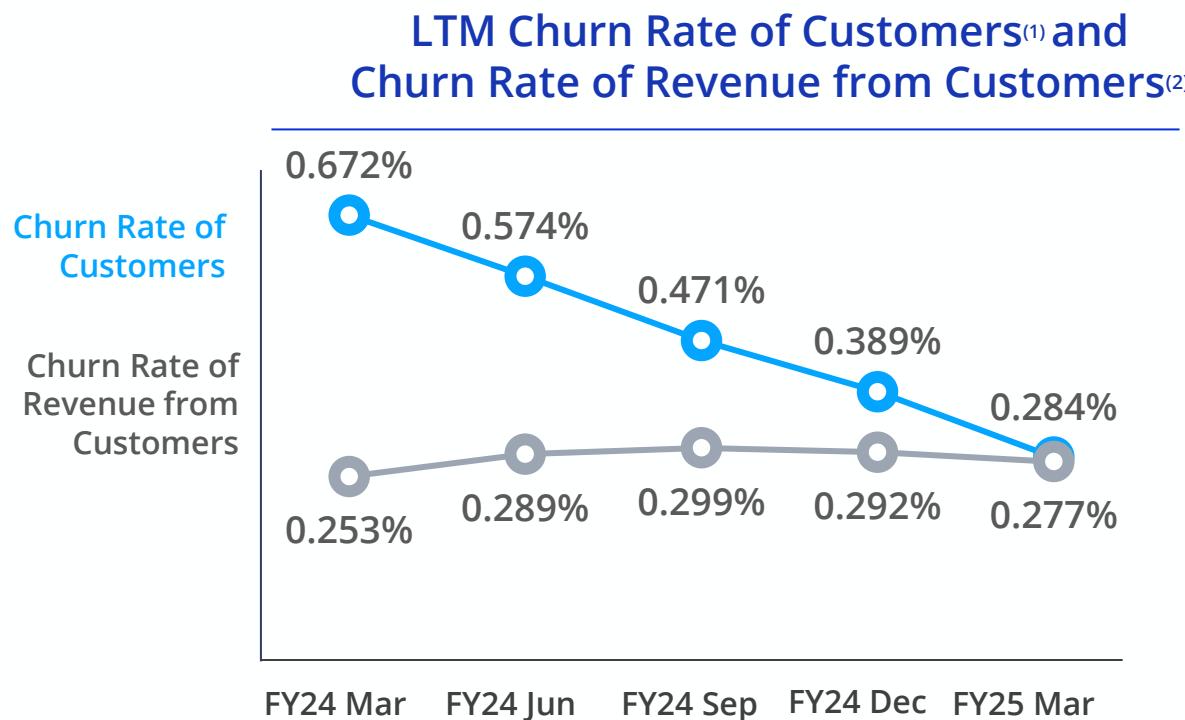
(1)“Customer” refers to a corporate group that has one or more active contracts for our solutions, excluding one-time customers, paid or unpaid trial, demo use and customers acquired through business acquisitions. Such corporate group is counted as a separate “customer” with respect to each solution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

(2)FX-neutral based

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Historical best churn rate & solid LTM NRR prove the stickiness of our customers to our solutions

- Customer churn rate continued to improve, driven by stronger customer engagement and the increasing ROI delivered by our solutions.
- The USD-based LTM NRR has remained at a high level, driven by healthy growth from key accounts.



(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.

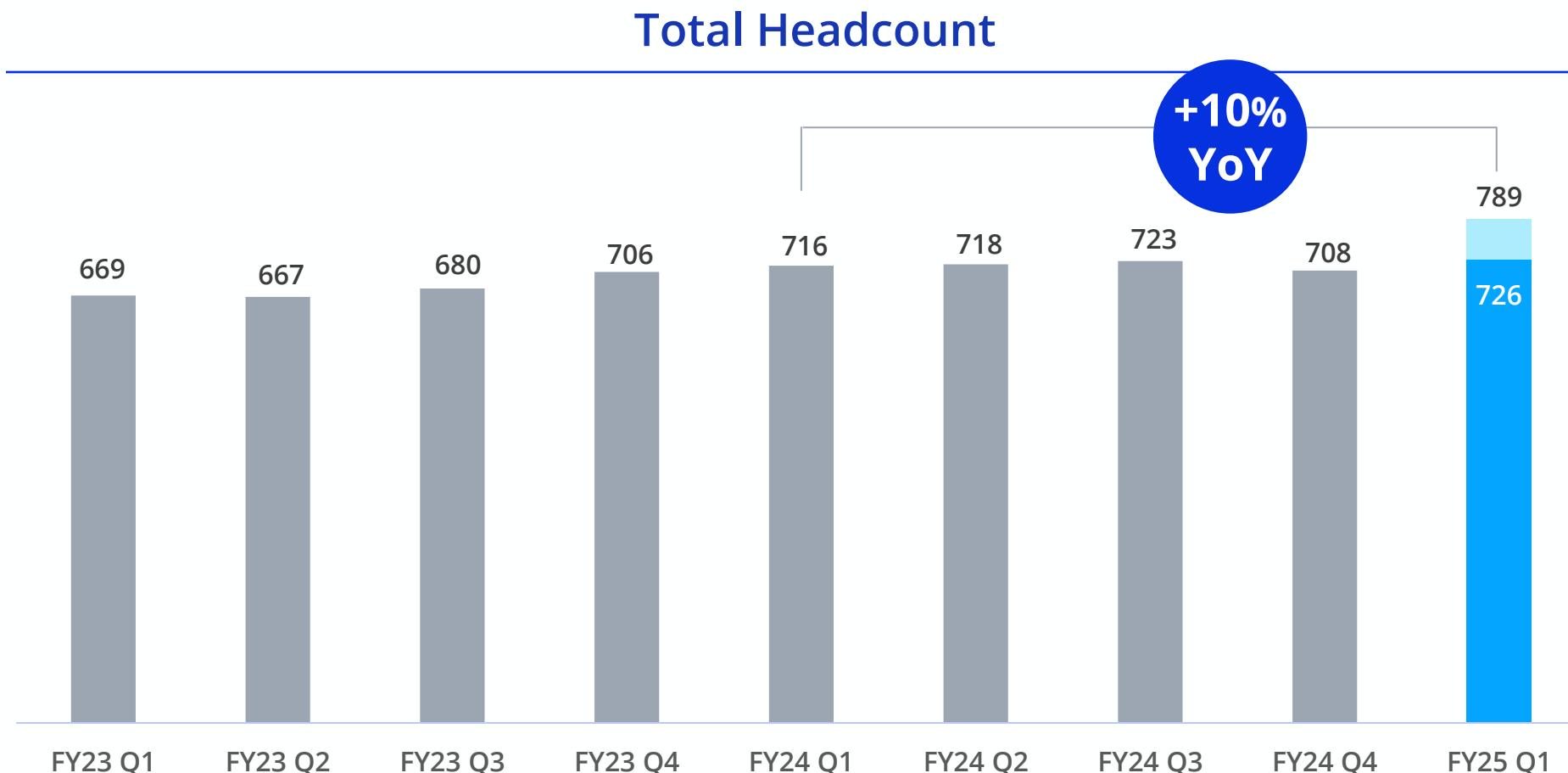
(2) Churn Rate of Revenue from customers = Revenue calculated in U.S. dollars from customers that terminated their relationship with us during the month, divided by revenue calculated in U.S. dollars from all customers

(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, Woopra's and AdCreative.ai's customers.

Hiring to scale our opportunities & continuous investment in new talents

- New hires in FY25 Q1 increased with good progress in commercial and engineering roles recruitment, especially in our key regions, along with the addition of AdCreative.ai headcount.
- Organic headcount growth was modest, reflecting our continued focus on operational efficiency through AI-driven automation.



Productivity Improvement

- We have further strengthened our productivity improvement, driving our quarterly gross profit per headcount of JPY 6.62M with a 24% YoY growth in FY25 Q1.





**FY25 Q1
Achievements
& Business Outlook**

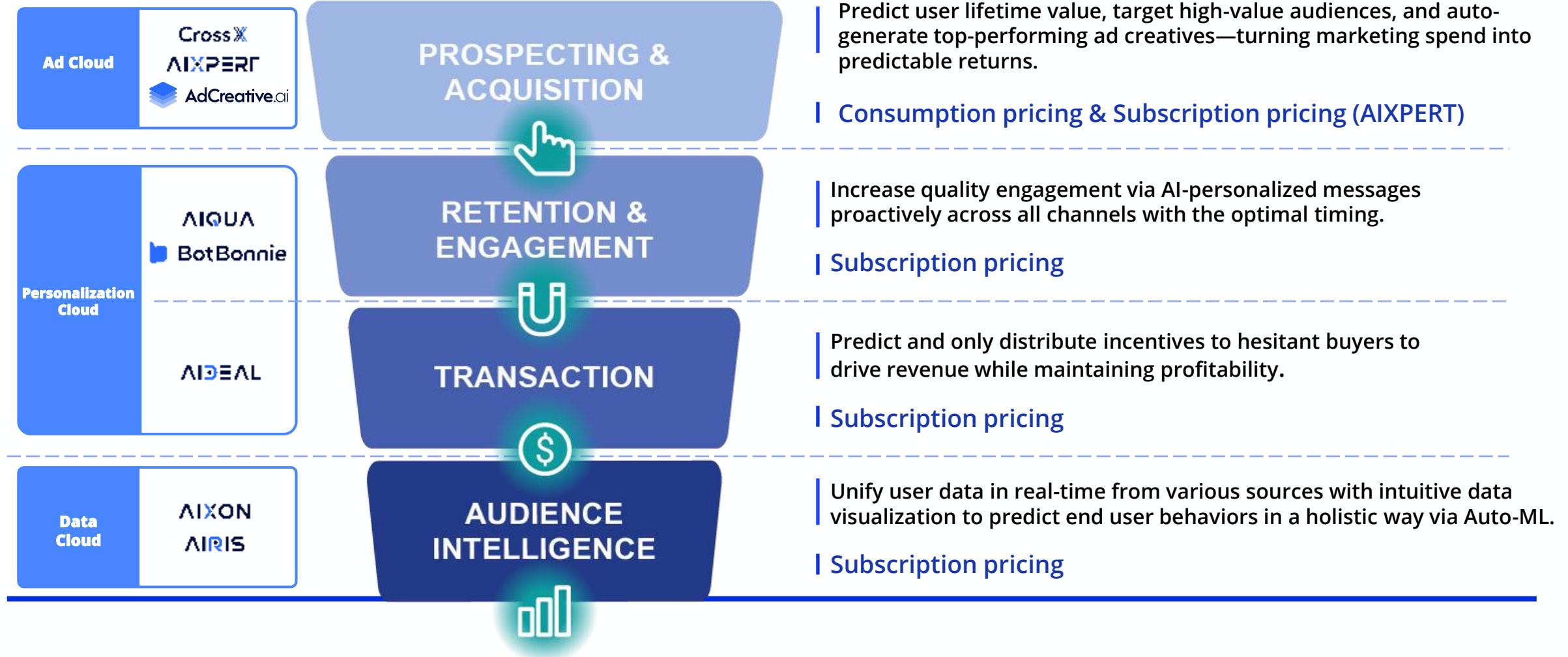


**FY25 Q1
Business Metrics**



Product Updates

Comprehensive AI-Powered Solutions Across the Funnel



Unlocking business synergies with AdCreative.ai through strategic GTM execution

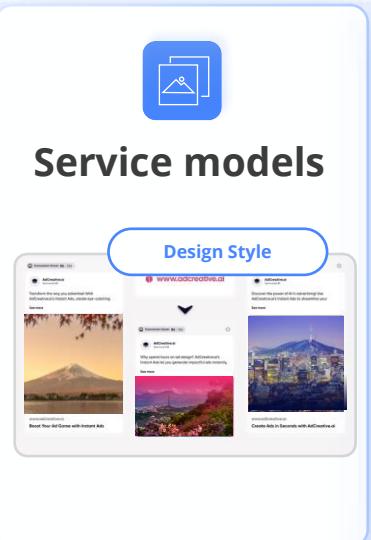
Localization



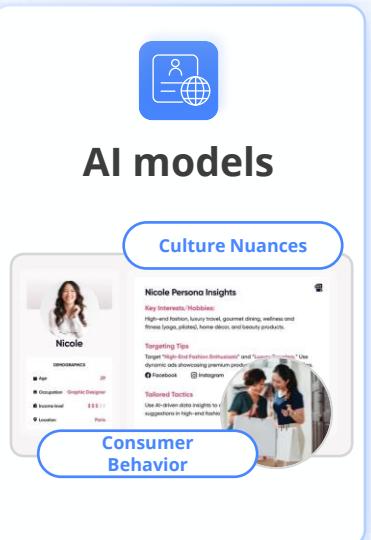
Localization with **tailored UI, service formats, and AI models** optimized for local language, user behavior, and cultural context—enabling more relevant and effective creative generation



User interface



Service models



AI models

Go-to-Market



Go-to-market initiatives in **Taiwan, Japan, and Korea**, where strong customer interest and a solid pipeline point to accelerating sales momentum



Seoul

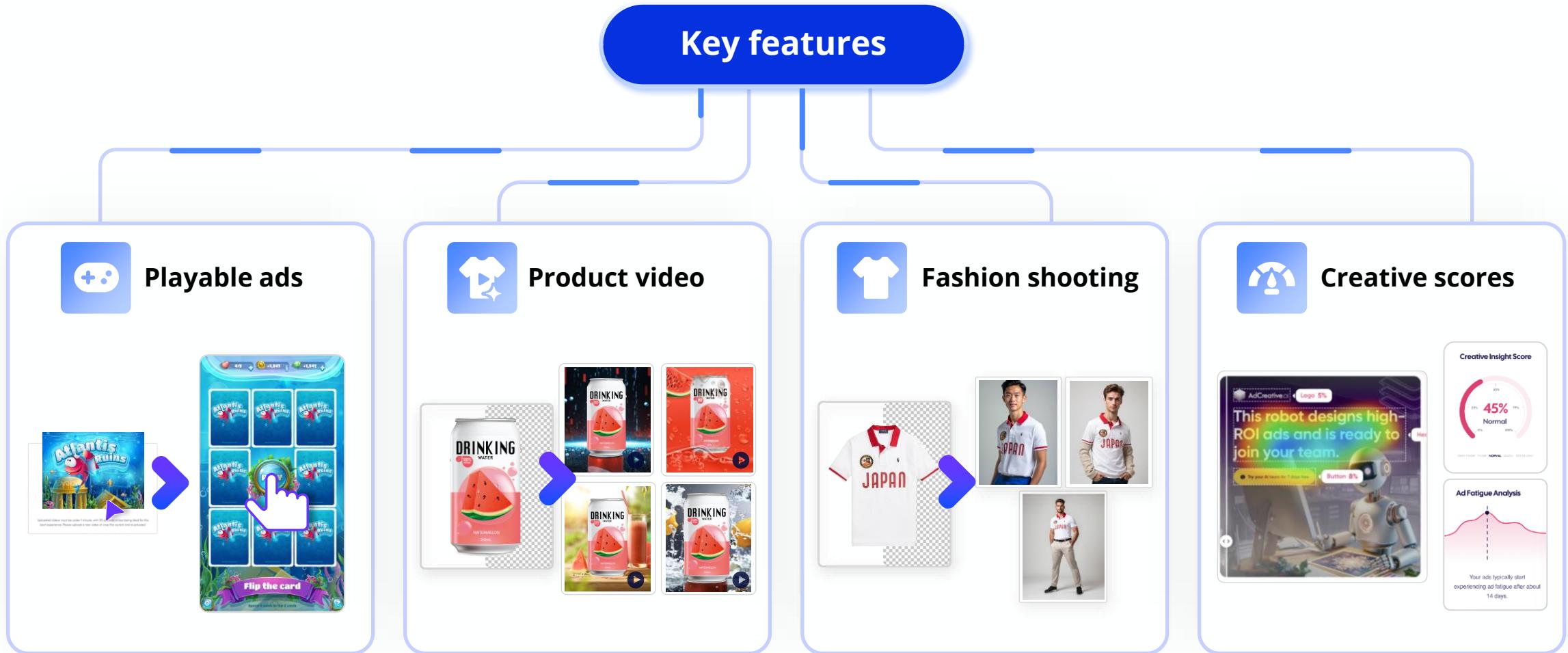


Taipei

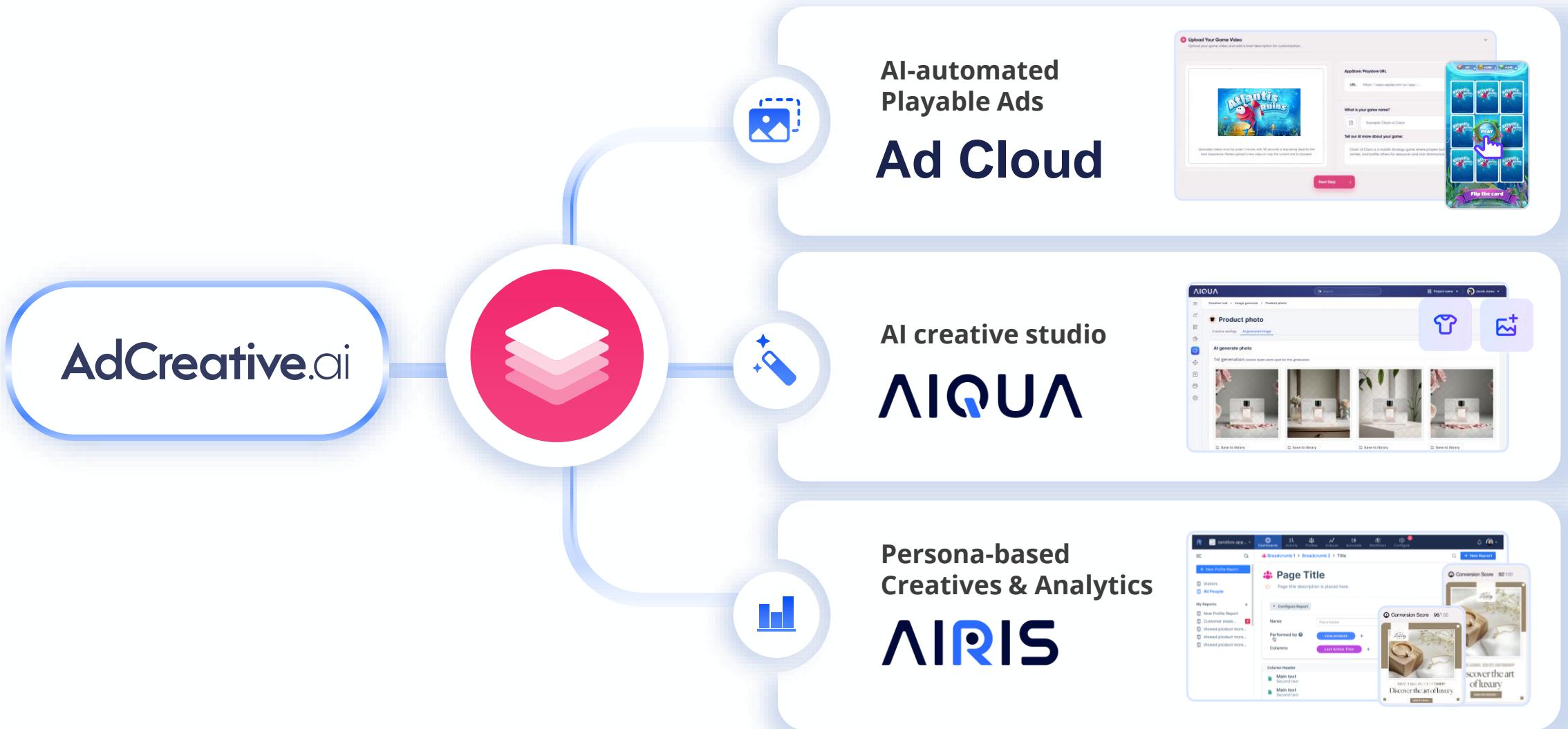


Tokyo

Key differentiators drive customer traction



Driving growth through product integration: Appier x AdCreative.ai synergies



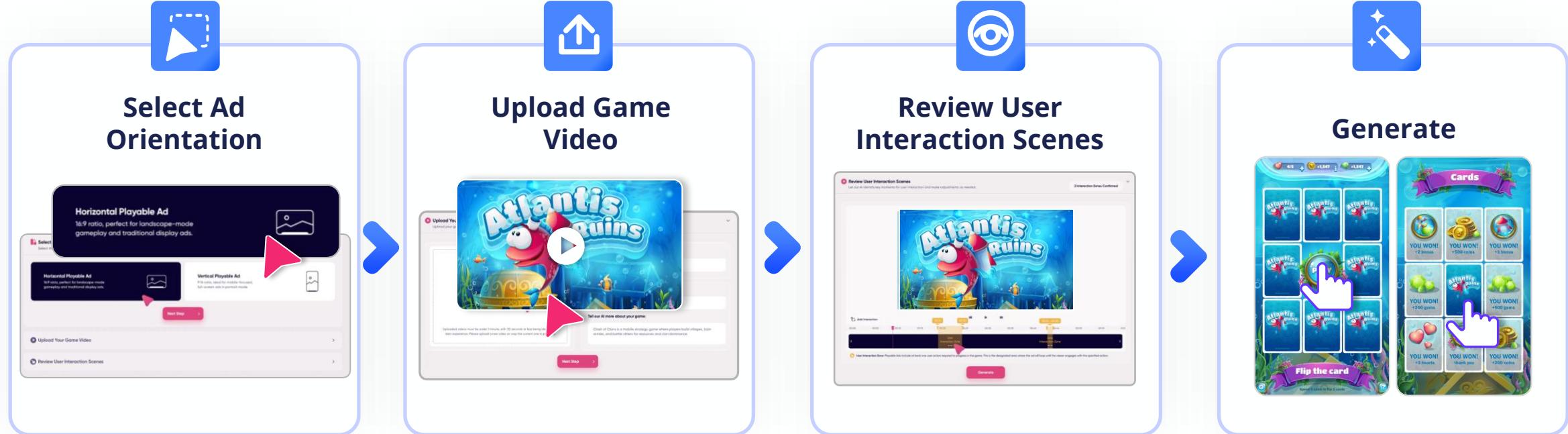
AI-Generated Playable Ads at Scale



Automate playable ad production with AI to save time, reduce costs, and speed up ROI feedback.

With **Appier** × **AdCreative.ai**

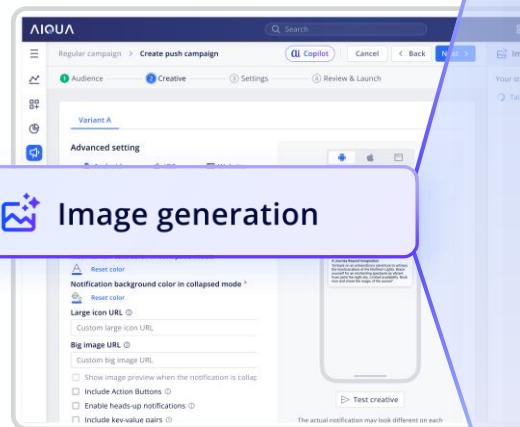
less than 1 hour



AI-powered creative studio

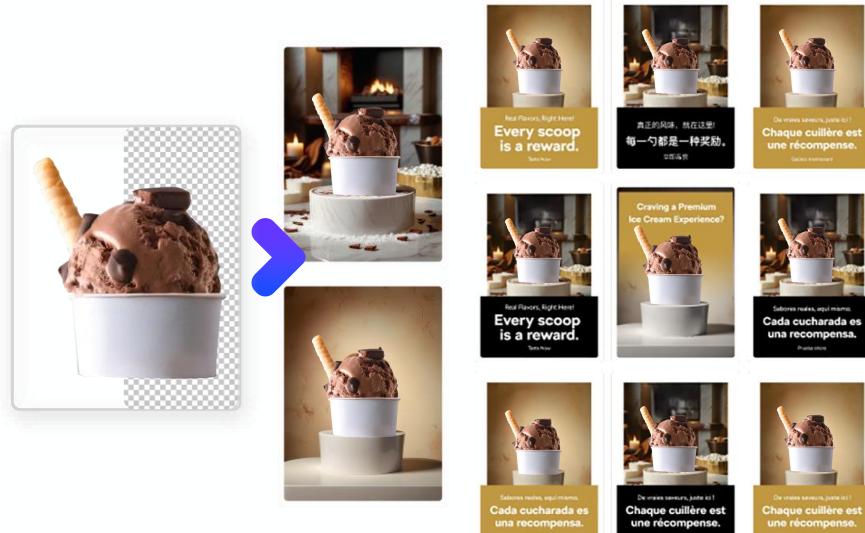


Supercharge customer engagement campaigns with AI-generated visuals.



Product Image

Transform product photos into professional shoots instantly by uploading a single image



Stock Image

Generate images in various formats and sizes, and apply the appropriate image size across respective platforms

Prompt

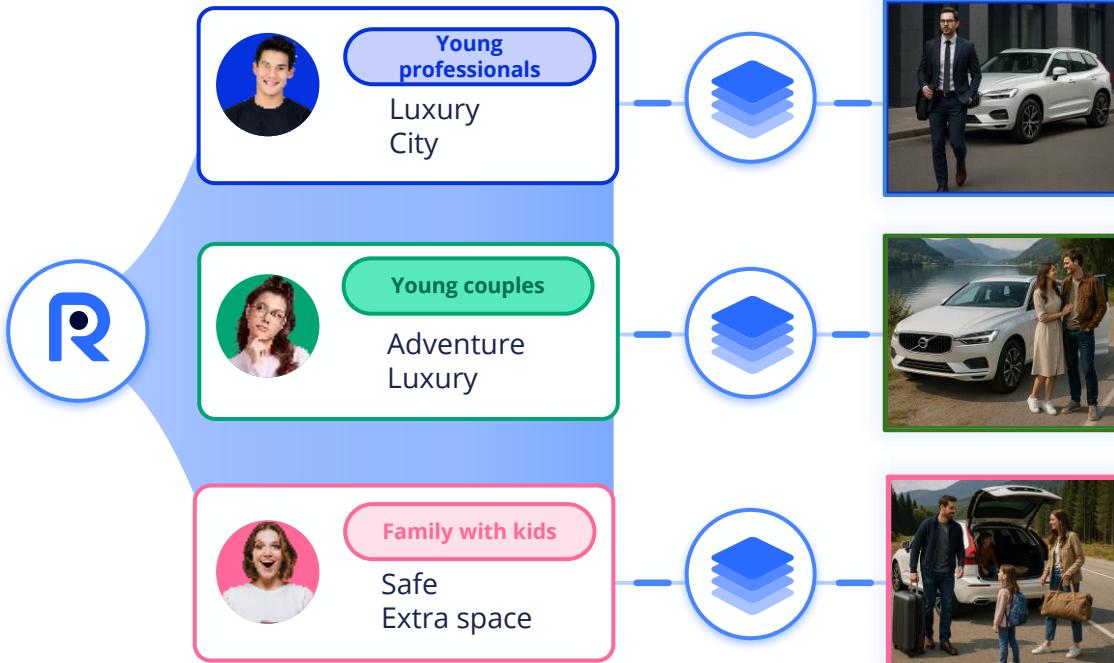
Castle in an epic setting inside an open book, magical environment, glowing pages, enhanced atmosphere, vivid colors, intricate details



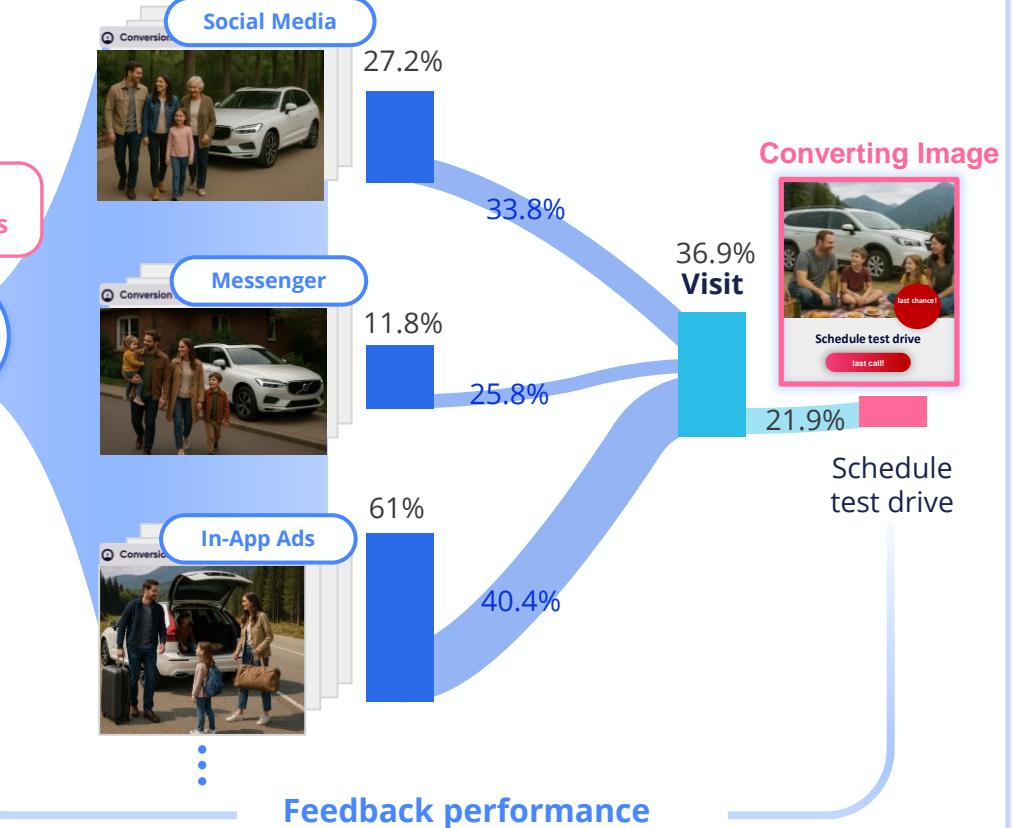
Persona-based Creatives & Analytics

Auto-generate persona-based creatives and loop back performance insights to enhance future performance.

Leverage customer insights from AIRIS segment to deliver highly personalized images at scale



Identify the best-performing creatives across channels by real-time visualization of user conversion journeys on AIRIS



MSCI ESG rating upgrade to "AA"

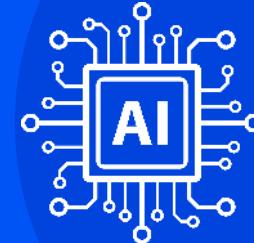


MSCI ESG Rating AA

We are pleased to announce that Appier has been awarded its first "AA" rating by MSCI ESG Research.

Aligning with our corporate vision of "Making AI Easy by Making Software Intelligence," we proactively integrate sustainability and ESG principles into our operations and disclosures.

In recognition of these ongoing efforts, our rating was upgraded to "AA," particularly for our strong governance practices.



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!

Appendix

FY25 Guidance & FY27 Financial Target

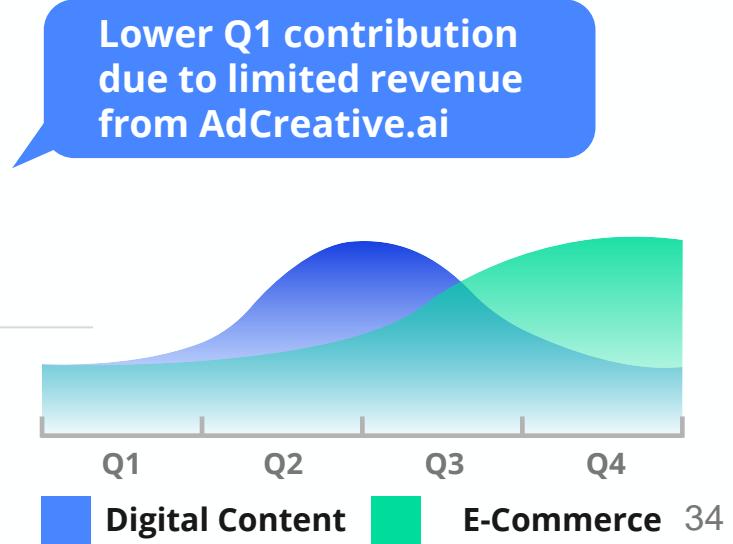
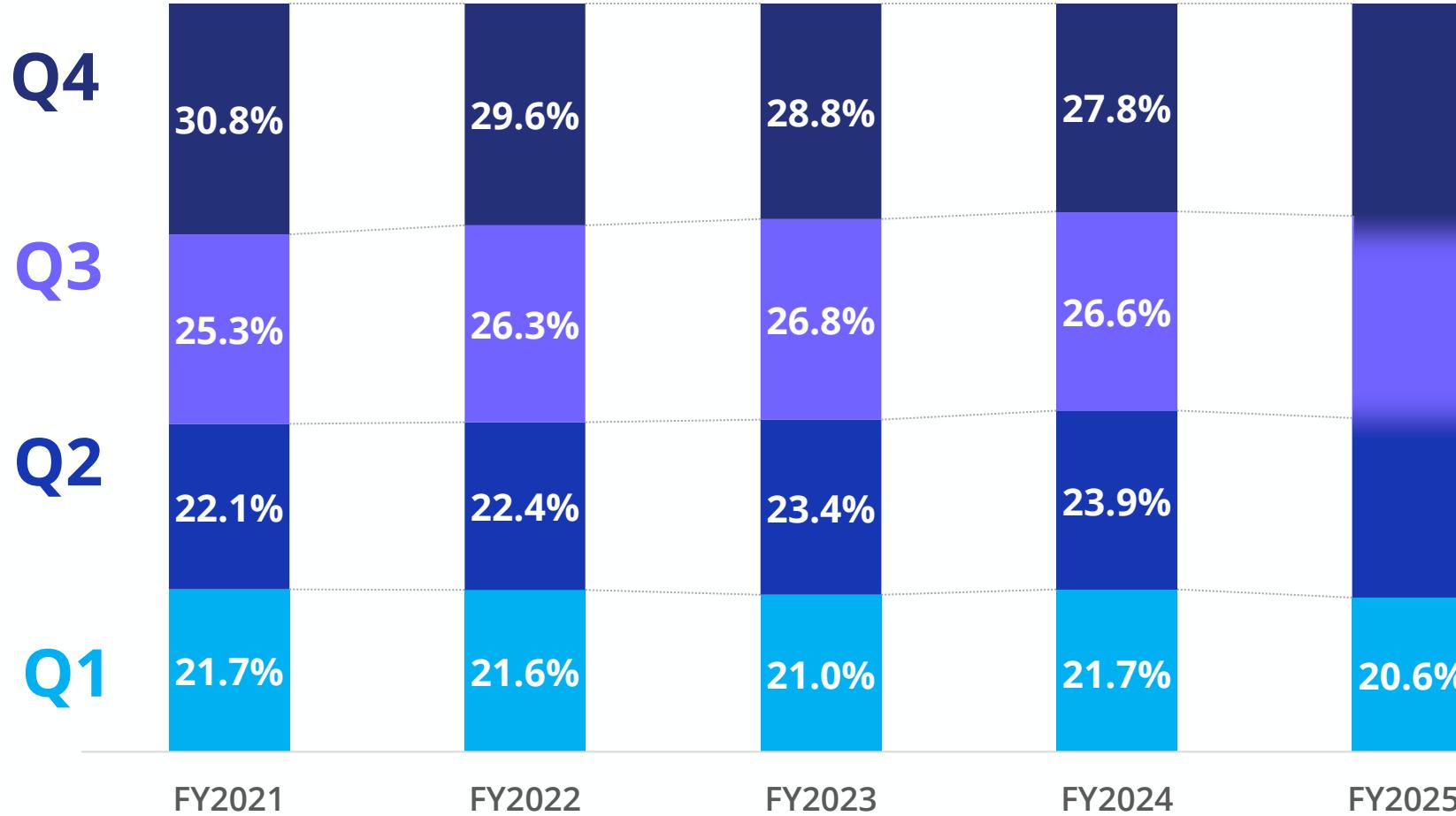
2025 Guidance

- In FY25, we expect continued execution to achieve sustainable and profitable growth, demonstrating our core value of innovative technology enhancement, and further business efficiency at scale, in addition to the potential for further profitable growth by accelerating business integration and optimizing marketing expenditures with AdCreative.ai.

	2025 Q1	YoY	2025	YoY	Highlights
Revenue	9.4B	+27%	45.5B	+34%	<ul style="list-style-type: none"> Continued robust expansion in the US & EMEA, expansions into diversified verticals and deeper penetration of existing customers in the NEA, alongside a steady recovery in GCR with ongoing growth in CN outbound business. Accelerated GenAI technology development following the acquisition is driving our regional expansion and cross-selling efforts, fueled by improved product synergy.
Gross Profit	4.8B 51.4%	+26% -0.3 p.p.	25.2B 55.3%	+41% +3.0 p.p.	<ul style="list-style-type: none"> Continuous advancements in AI prediction accuracy, along with an improved product mix and the integration of AdCreative.ai, are expected to drive margin expansion
Operating Income	0.1B 0.8%	+12% -0.1 p.p.	4.1B 8.9%	+104% +3.1 p.p.	<ul style="list-style-type: none"> Organic operating income of JPY 4.8B with an 11% margin Organic EBITDA of JPY 8.4B with a 20% margin Strong operating leverage with better productivity to accelerate margin improvement for S&M and G&A Increase R&D investment in product enhancements to lift customer satisfaction and drive growth, while maintaining disciplined expense management Gradual improvement in AdCreative.ai's profitability could further enhance our long-term margin gains
EBITDA	0.9B 10.1%	+29% +0.1 p.p.	7.8B 17.1%	+58% +2.7 p.p.	<ul style="list-style-type: none"> Increase the dividend on the back of the expected improvement in core free cash flow
Dividend	JPY 2.25 per share forecasted as year-end dividend payment				

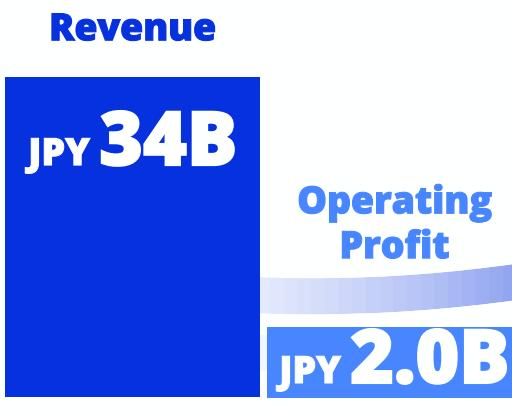
Quarterly Seasonality

Quarterly Revenue Breakdown



FY27 Mid-term outlook

Profitable & durable growth while balancing investments for expansion with delivering shareholder value



2X Revenue
5X Operating Profit

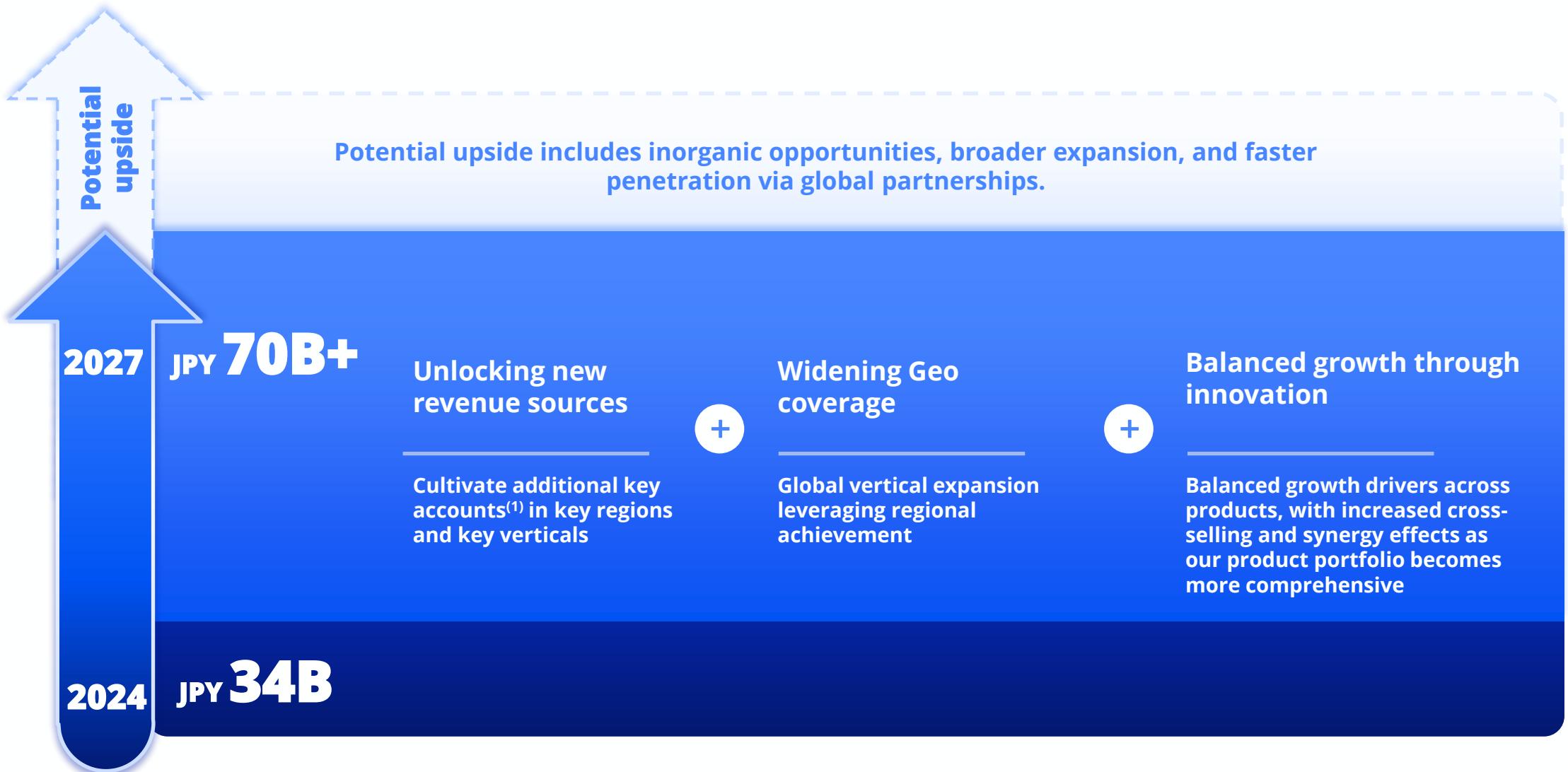
Two blue arrows originate from the 2024 bar chart. The upper arrow, labeled '2X Revenue', points to the 2027 revenue target. The lower arrow, labeled '5X Operating Profit', points to the 2027 operating profit target.



2024

2027

Growth levers to expand and diversify revenue sources

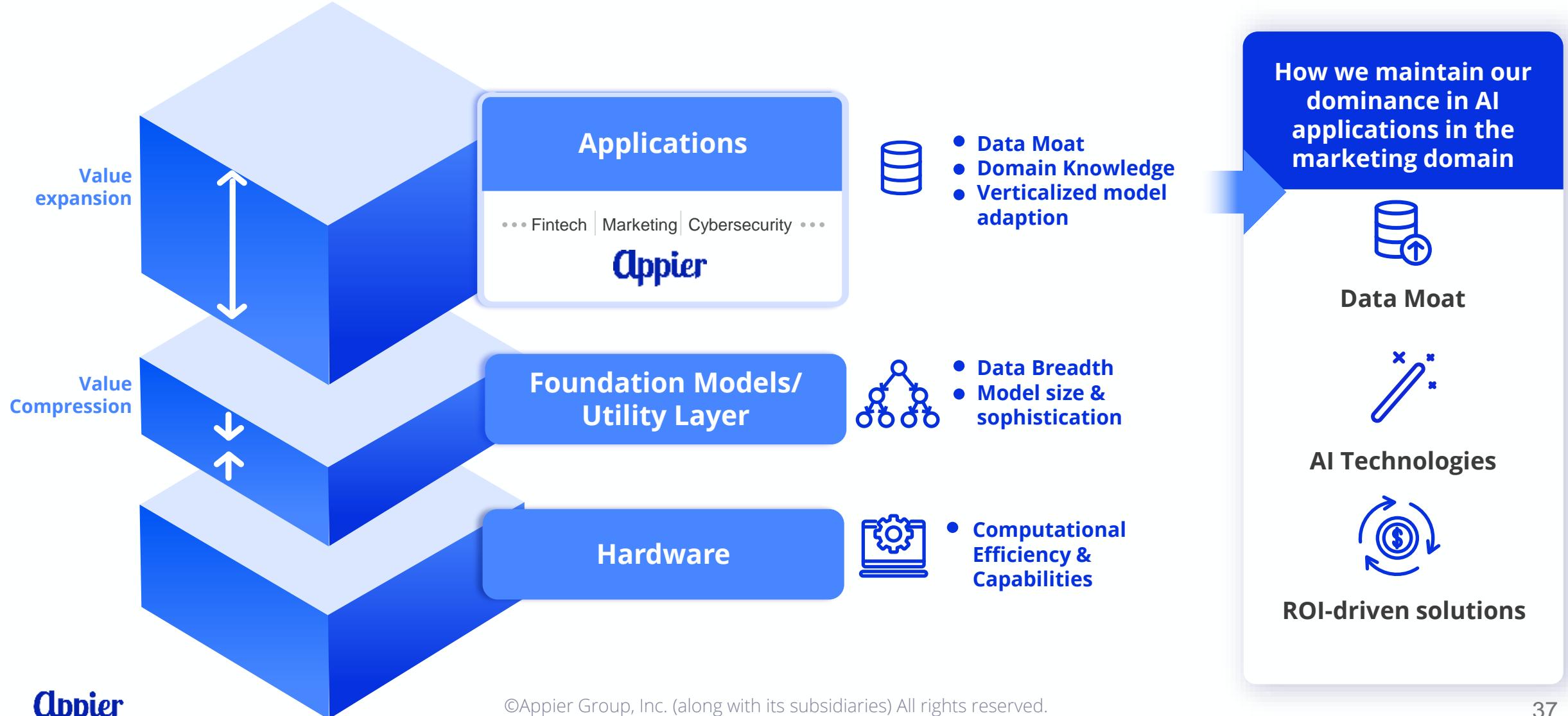


(1) Key accounts refer to customers contributing over \$10M revenue per annum.

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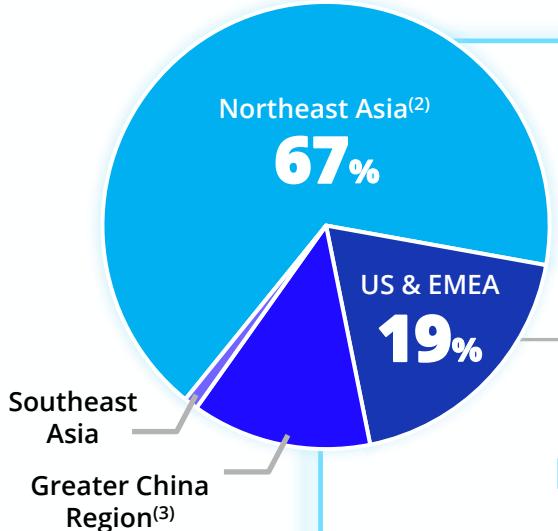
Value shifting within the AI stack

- Our unique position in the AI application layer is bolstered by our data moat, differentiated algorithm, and domain knowledge.

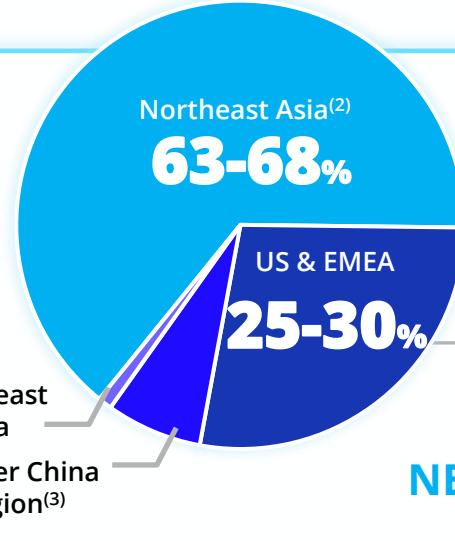


Robust expansion in key focus regions

FY24 Revenue % by Region⁽¹⁾



FY27E Revenue % by Region



2025

- Majority of sales from E-commerce
- Expansion in KR Digital Content
- Vertical diversification in JP

NEA

US & EMEA

- Majority of sales from Digital Content
- Expansion in US E-commerce
- Leveraging AdCreative.ai's customer base for domestic EU business expansion

2027

- +25-35% CAGR⁽⁴⁾
- Balanced growth drivers from E-commerce and other verticals
- Cultivate additional key accounts across diversified verticals

NEA

US & EMEA

- +35-45% CAGR⁽⁴⁾
- Make E-commerce another revenue growth driver
- Increase the revenue source from new key accounts

AI-powered productivity further strengthens our operating leverage with improved gross margin



Business Overview

Founder-led Management of AI & Business Leaders

Founders



Dr. Chih-Han Yu

Chief Executive Officer

Stanford University
Harvard University



Joe Su

Chief Information Officer

Harvard University



Dr. Winnie Lee

Chief Operating Officer

Stanford University
Washington University

Business leadership



Dr. Ming-Yu Chen

Chief Technology Officer

Microsoft, Zillow, Compass



Dr. Joe Chang

Chief Strategy Officer

McKinsey & Company,
IQVIA



Koji Tachibana

Senior Vice President of Finance
Head of Japan

DeNA, NOMURA,
METI



Magic Tu

Senior Vice President,
Sales for Global

HTC, Synopsys

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)



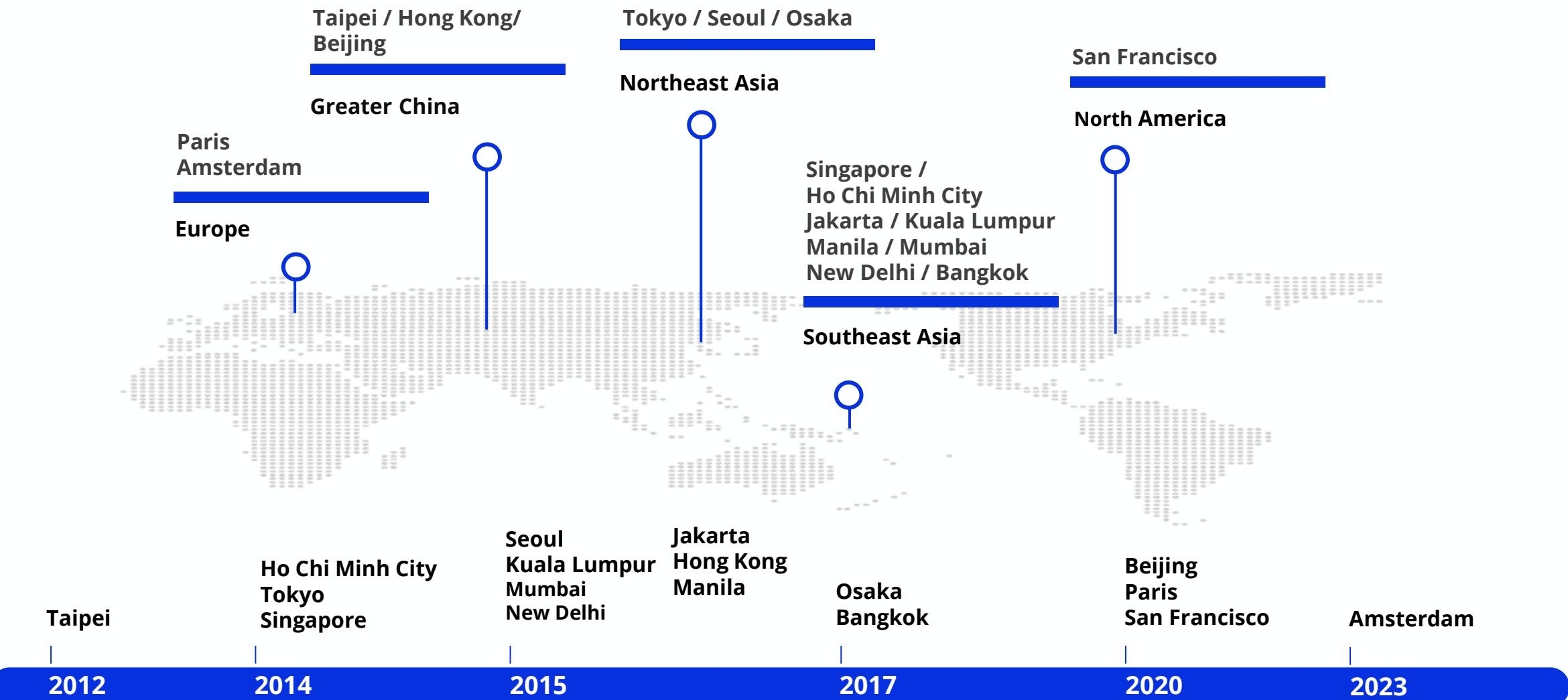
Singular ROI Index
(2025)

LINE Biz-Solutions
Tech Partner 2025
Gold



LINE Taiwan Biz-Solutions
Gold Partner
(2025)

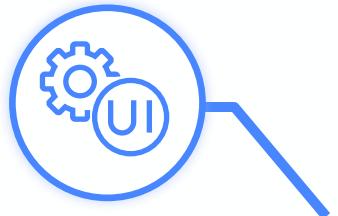
Appier's global presence: 17 offices worldwide



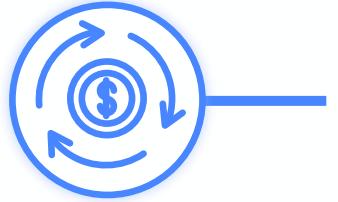
How AI transforms our business operation

Differentiating Products with GenAI

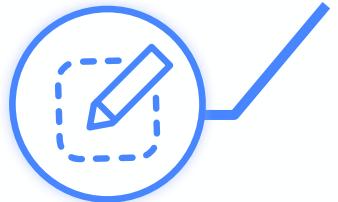
ROI driver
Personalized content and predictive ROI at large scale (Advertising cloud)



AI is the new UI
Enhance ease of use via natural language interfaces (Copilot mode across products)

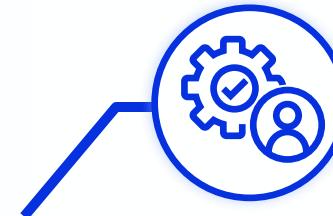


Productivity enhancement
Improve efficiency with no-code, AI-enabled programming (Personalization Cloud)

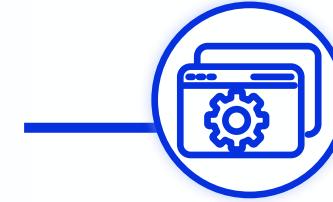


A True AI Organization

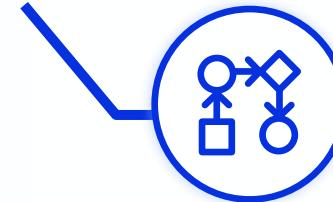
Product development AI
to strengthen innovation and time-to-market



Customer management
provides customers consistent and high-quality services in a timely manner

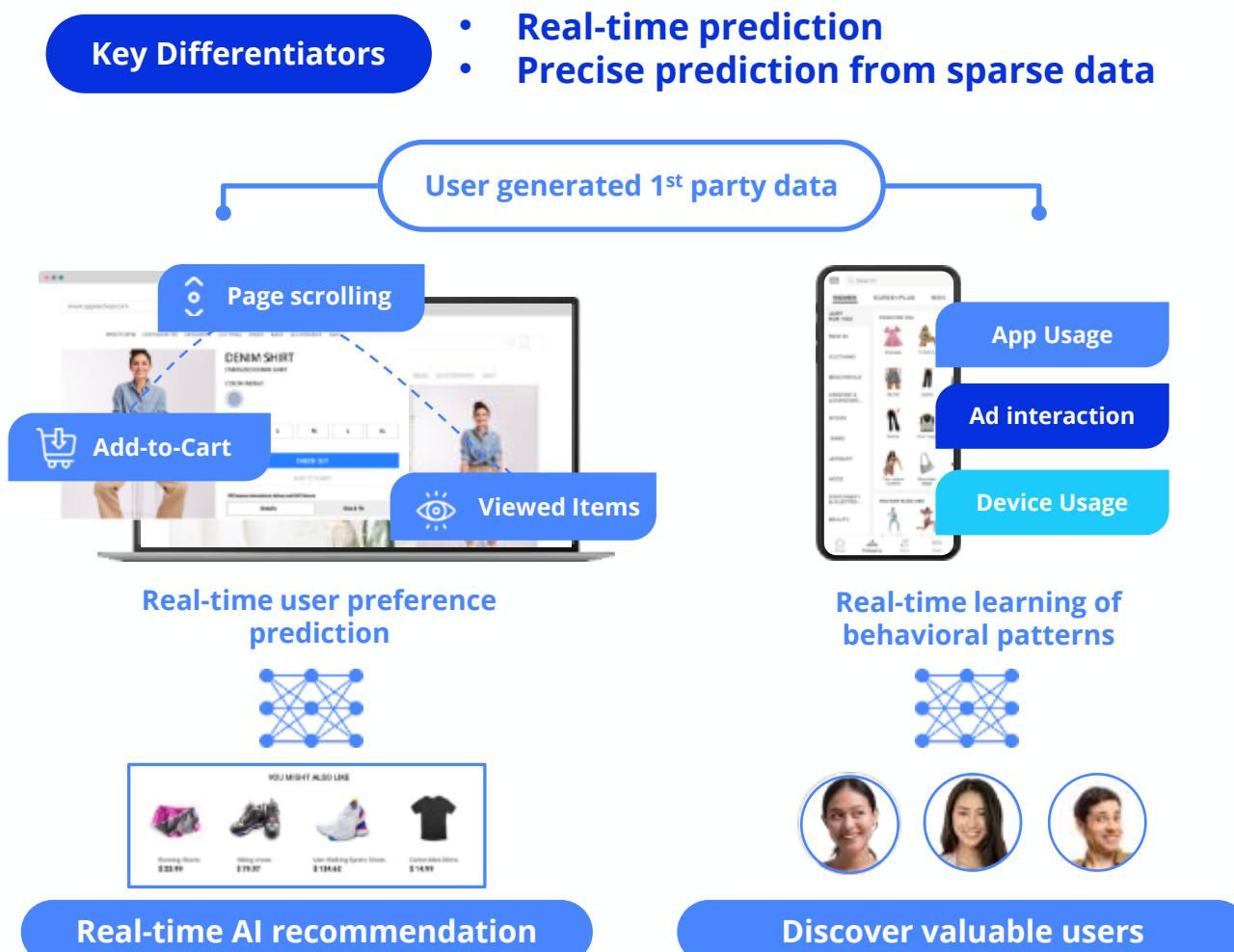


Workflow standardization
to ensure the consistent operation and service standard through AI-enabled training

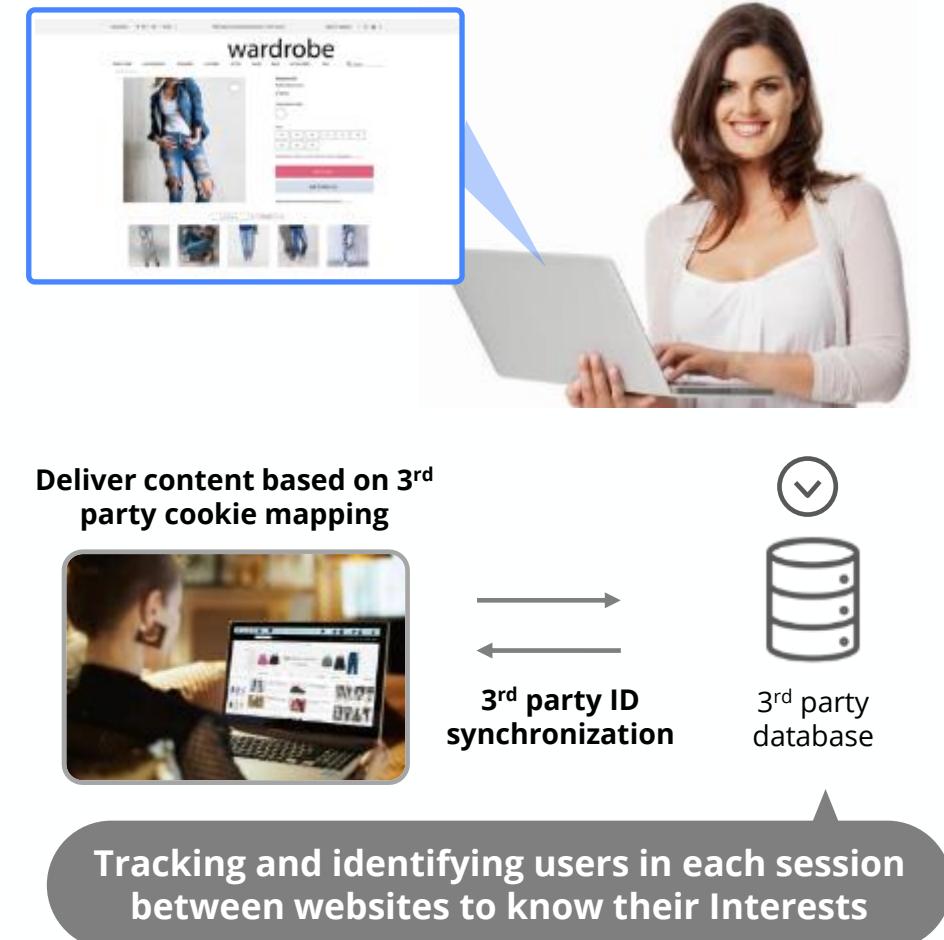


AI is the key component in the 1st party data world

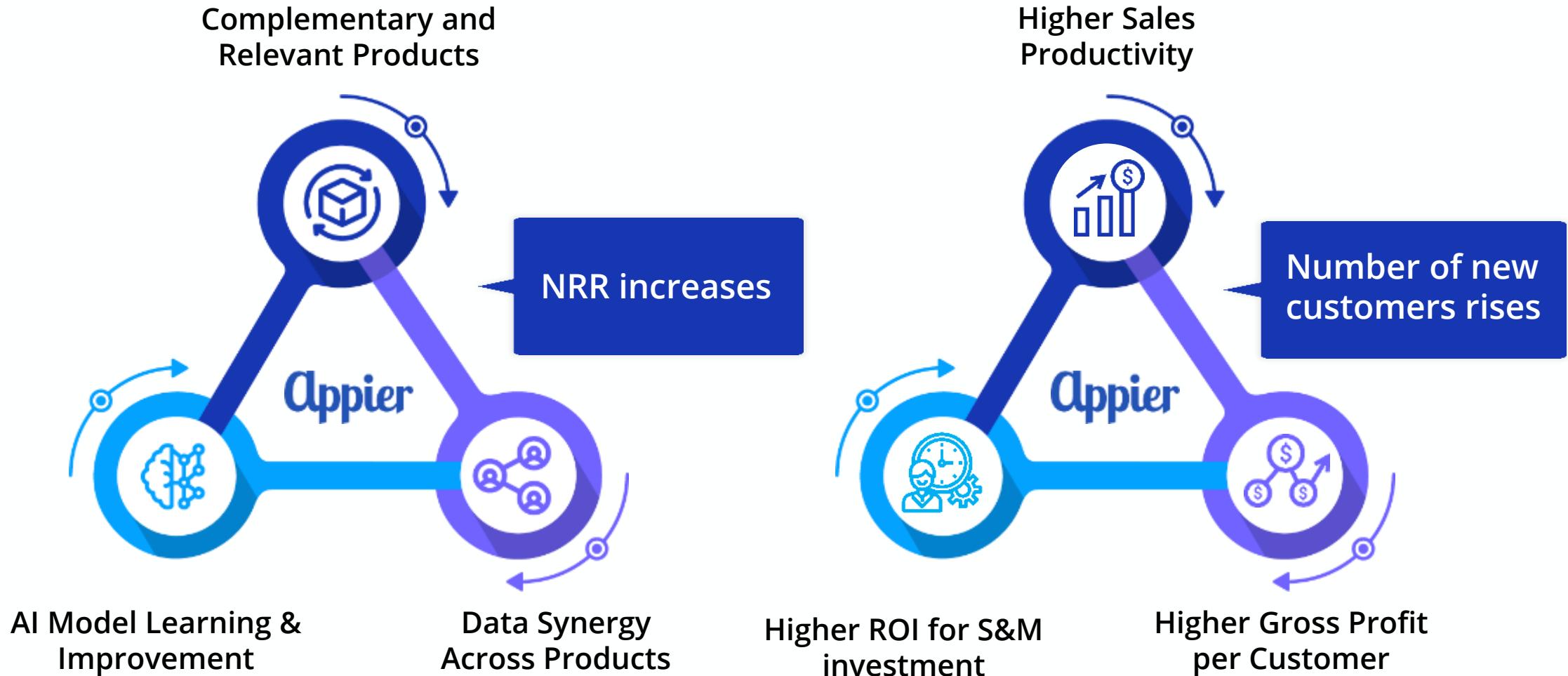
With Only 1st Party Data



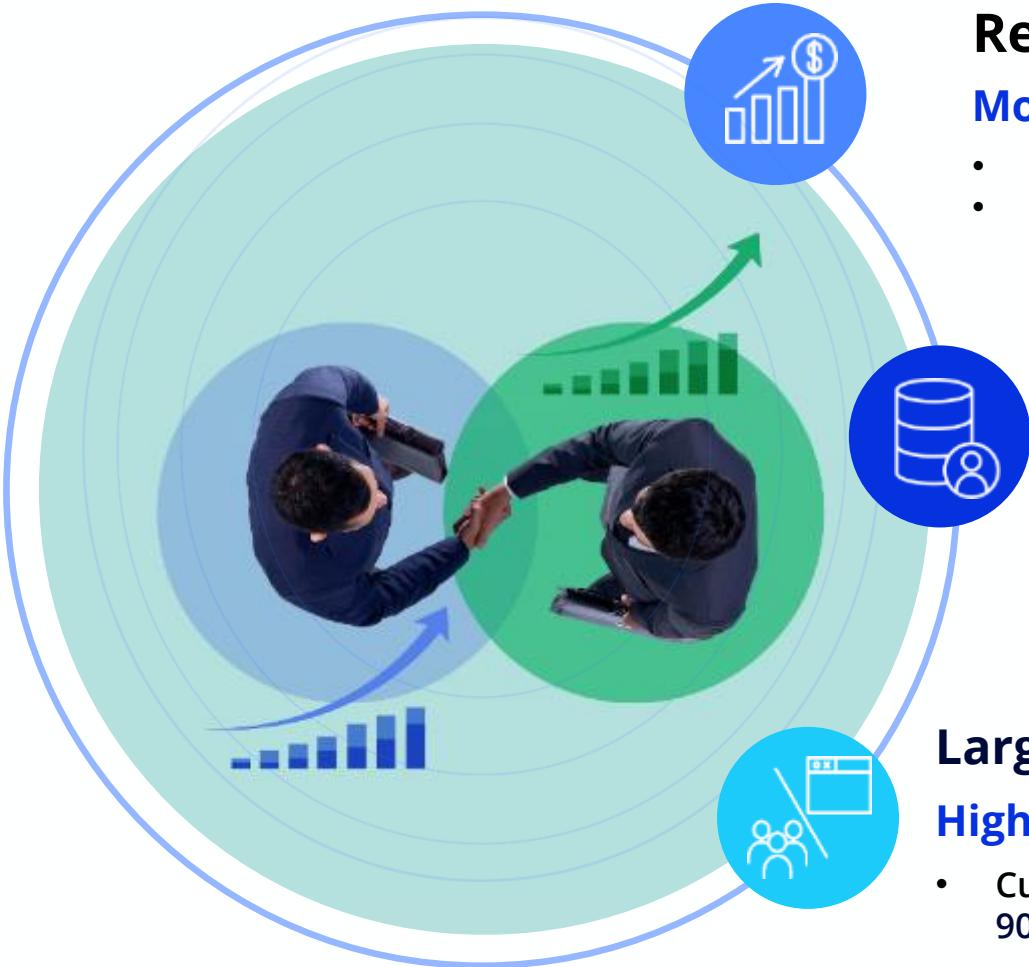
With 3rd Party Data



Appier's Strong Network Effects Drive Platform Value



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.

1st Party Data Trend & Higher AI Awareness

Continuous business expansion

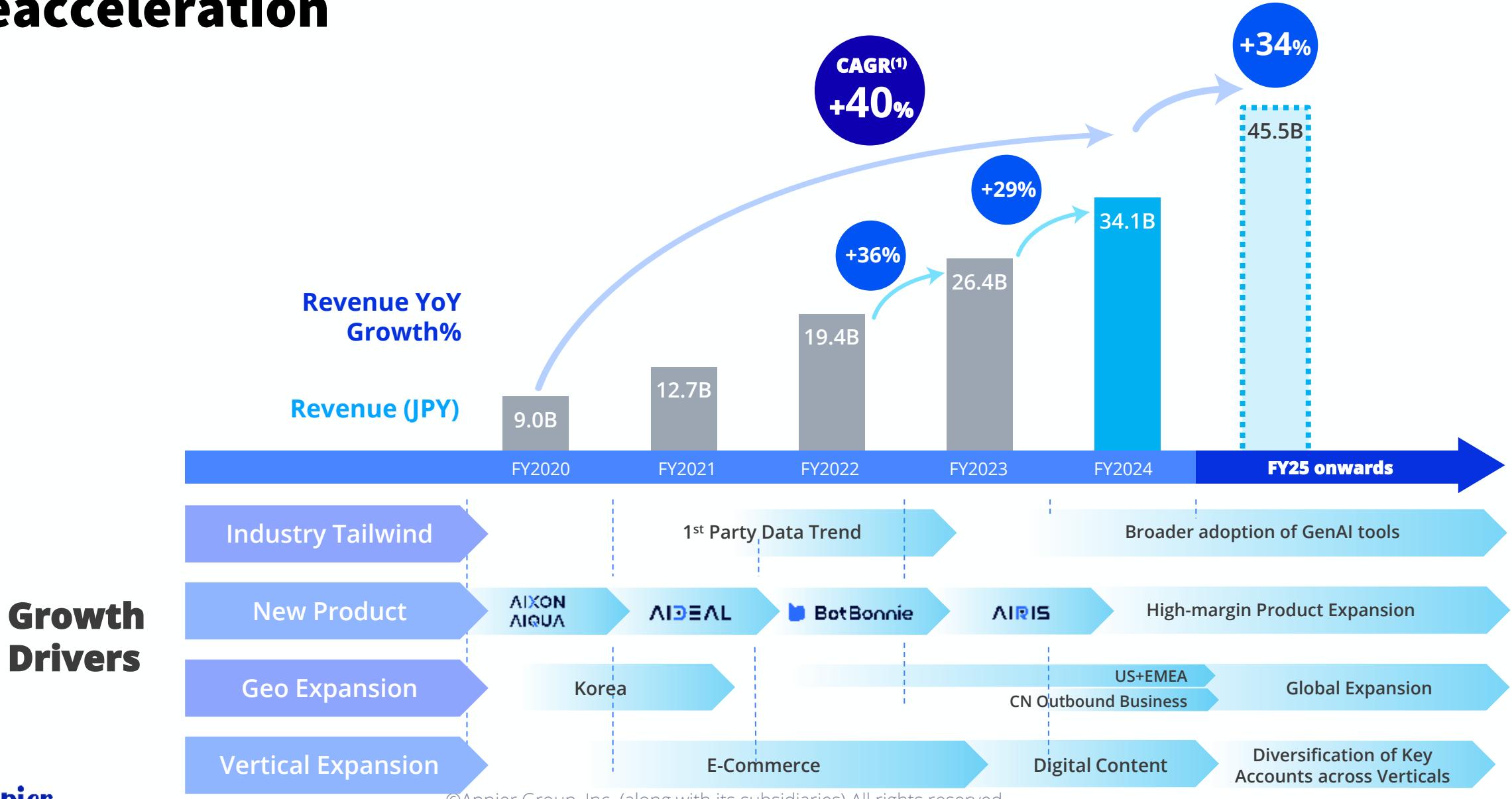
- 1st party data is the key to cope with increased privacy restrictions that accelerates our business expansion, especially in US & EMEA
- Increased awareness of AI underscores our product value and drives our business growth

Large Enterprise Customers & Diversified Verticals

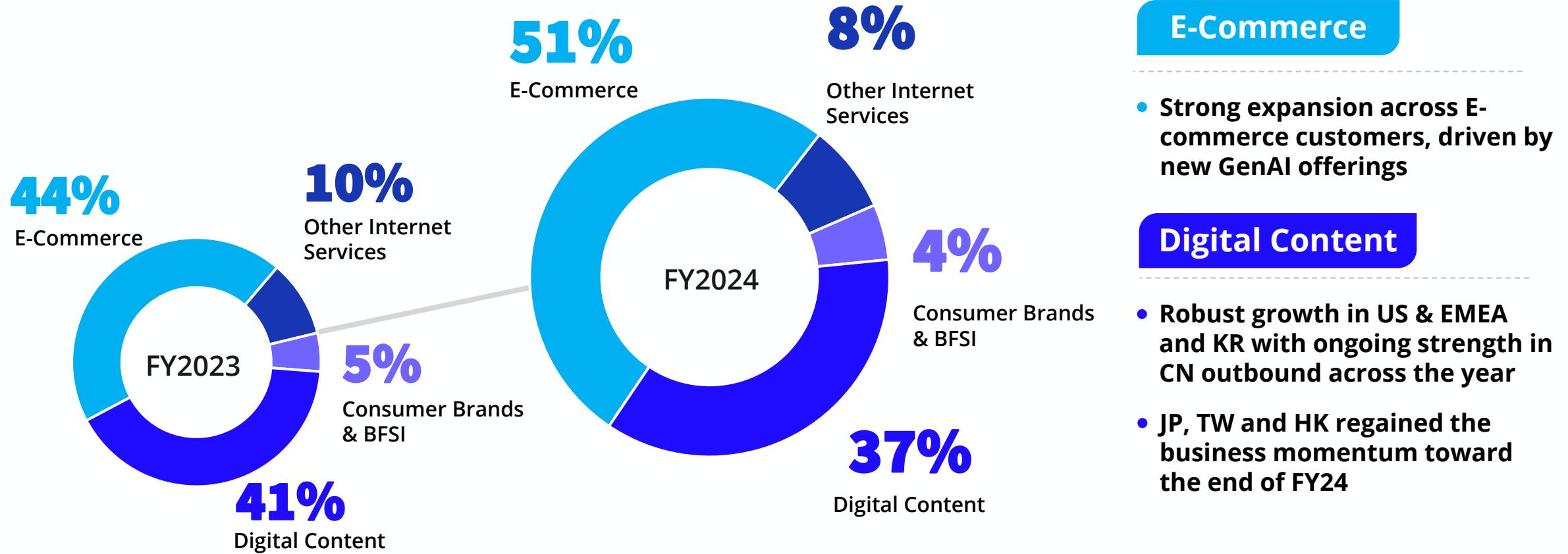
Higher business resilience

- Customers with more than ¥10B annual revenue have contributed to over 90% of our revenue.
- Having two strong vertical growth engines in E-commerce and Digital Content, with a large TAM for each, allows us to cope with dynamic and uncertain macro environments

Newly emerged growth drivers play key role in growth reacceleration

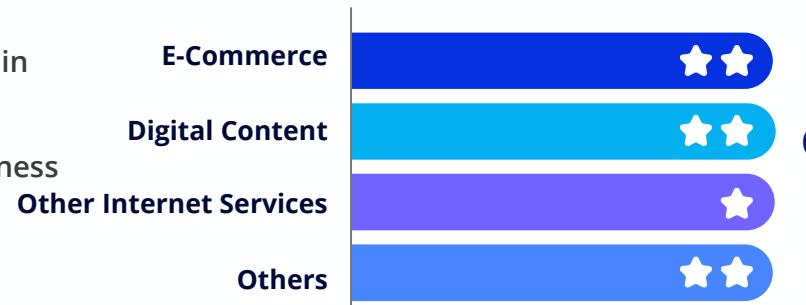


Continuous growth momentum through vertical expansion along with diverse verticals & geo to moderate business seasonality

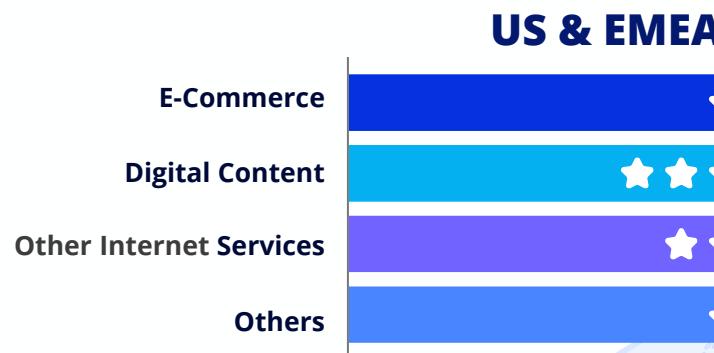


Business Growth Outlook: Key Focus Regions & Verticals

- TW & HK - Deepen our penetration in each vertical
- CN - Further penetration in Digital Content vertical for outbound business



GCR



- Expand into non-Digital Content verticals
- Deepen penetration in Digital Content vertical

Current Revenue Contributor Classification:

★★★ High revenue contribution

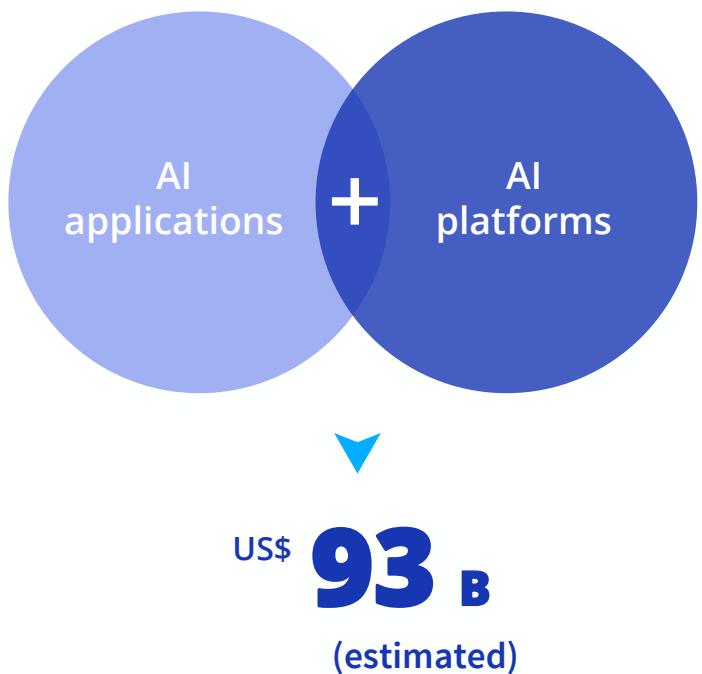
★★ Mid revenue contribution

★ Low revenue contribution

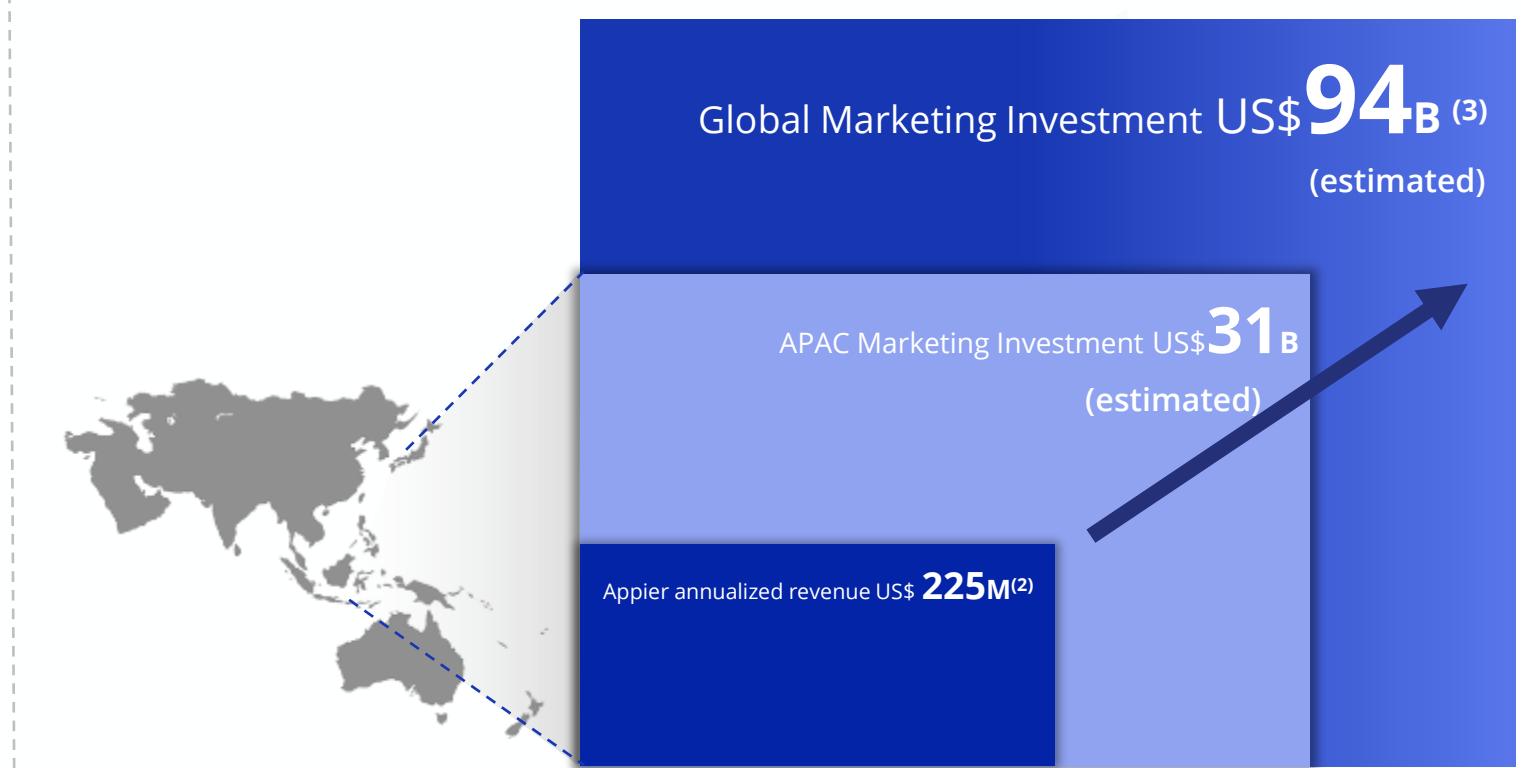
Massive Market Opportunity

Top-Down View 2025

IDC ⁽¹⁾



Bottom-Up View 2025



(1) Source: IDC Worldwide Artificial Intelligence Platforms Software Forecast, 2024–2028; IDC Worldwide Artificial Intelligence Software Forecast, 2023–2027

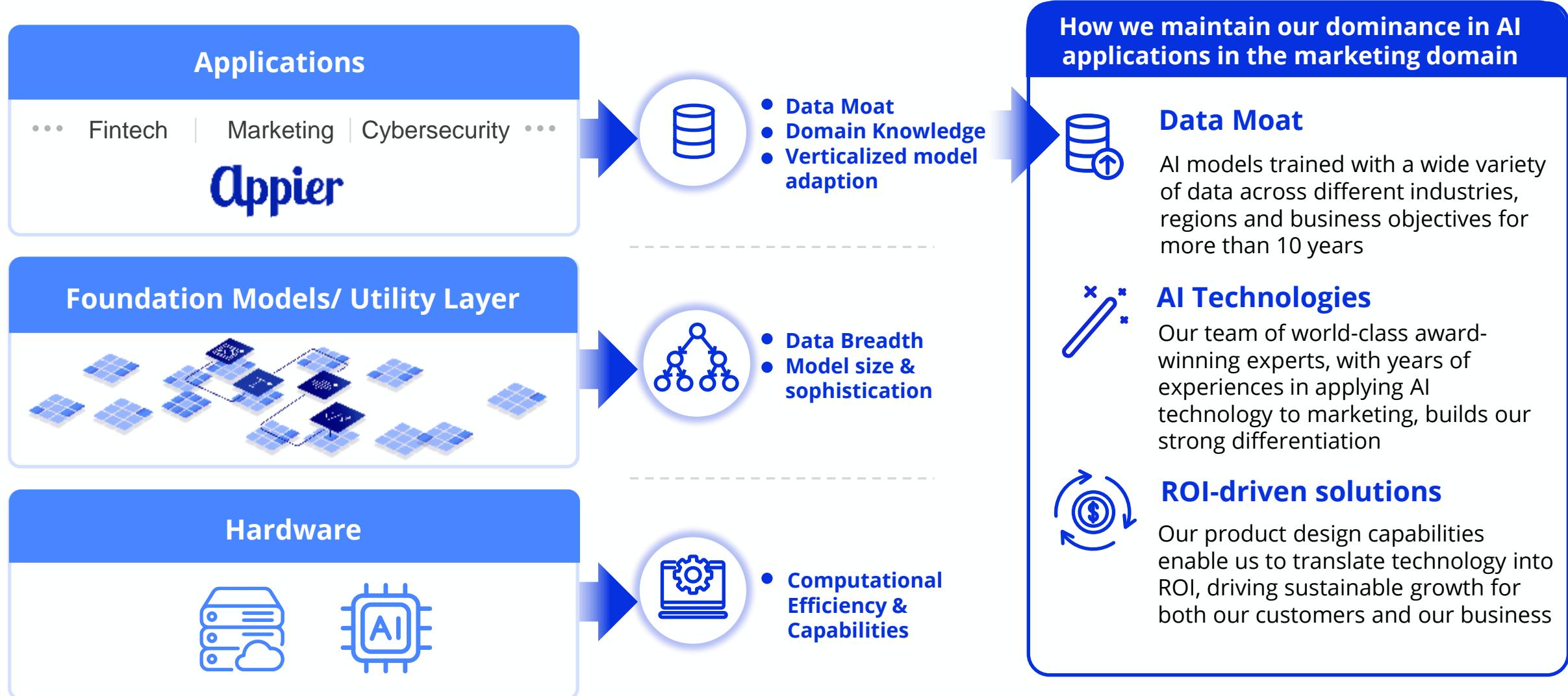
(2) Annualized revenue = FY24 revenue in JPY / exchange rate 151.4

(3) Calculation is based on internal estimation. In terms of APAC marketing investment, we have around 3.3% market share in EC, 3% 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 2.1% market share of APAC marketing investment. APAC marketing investment accounts for around one third of global marketing investment.

Products

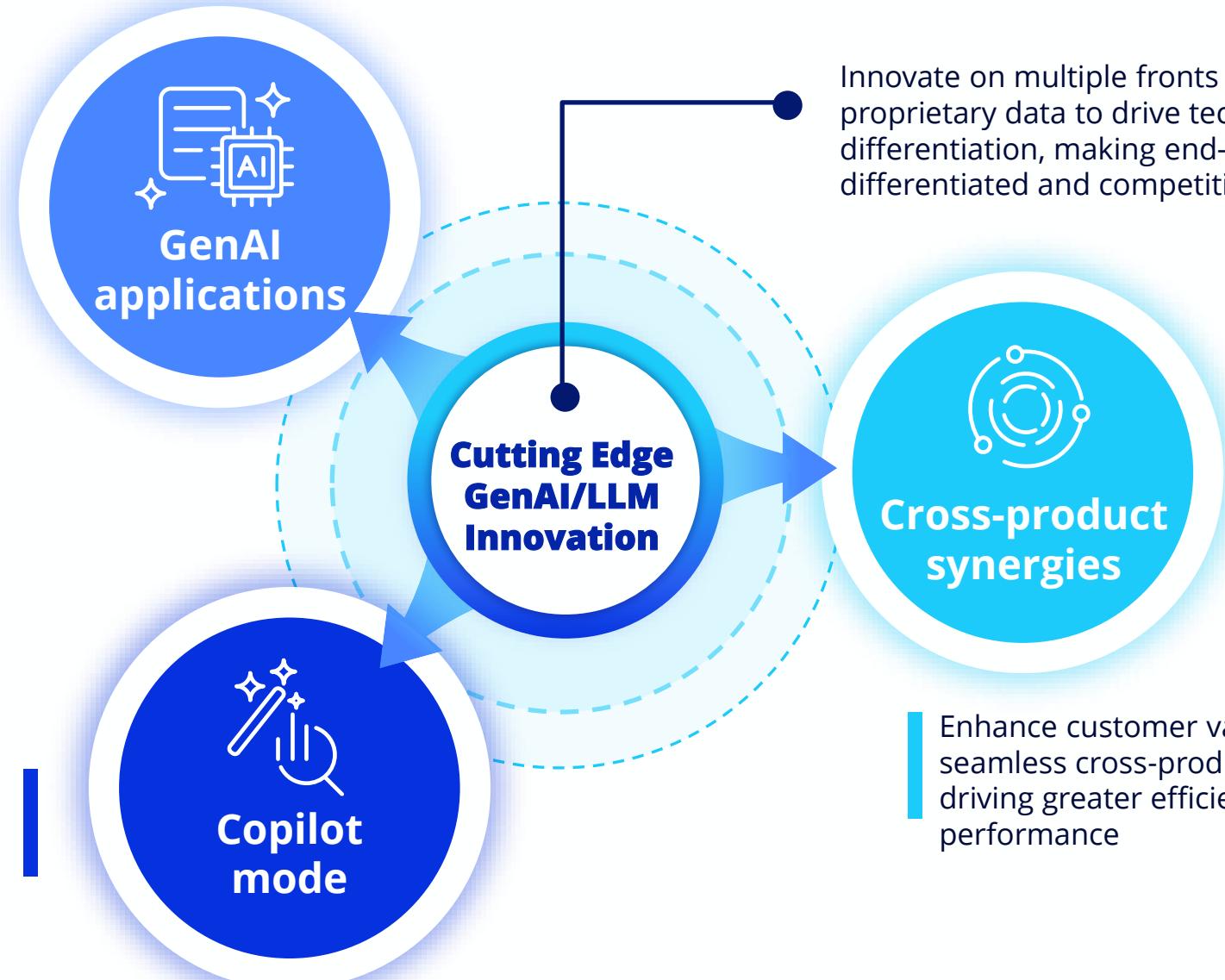
Appier's position in the AI stack

- Our unique position in the AI application layer is bolstered by our data moat, differentiated algorithm, and domain knowledge.



Product Development Strategy

Deliver extra ROI for our customers through innovative GenAI applications that leverage our technology



Why Appier Wins

Existing Solutions

Manual A/B testing

- Leading to waste of budget and unlikely to outperform machines

Marketing Cloud solutions

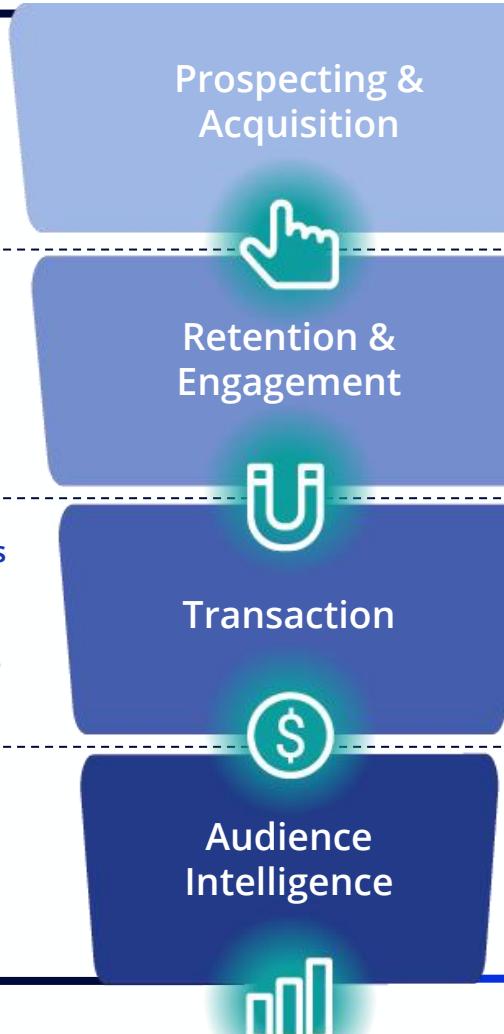
- Mostly based on a reactive approach based on past behaviors

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

AI vendors or building an inhouse data scientist team

- Potentially hard to scale and more costly



Why Customers Choose Appier

CrossX AIXPERT

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

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

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

AIXON AIRIS

- Automated ML to build differentiated best-in-class AI prediction models through SaaS
- Business users able to leverage AI capabilities without scientists / engineers
- Fast time-to-insight with superior analytics and intuitive data visualization



CrossX

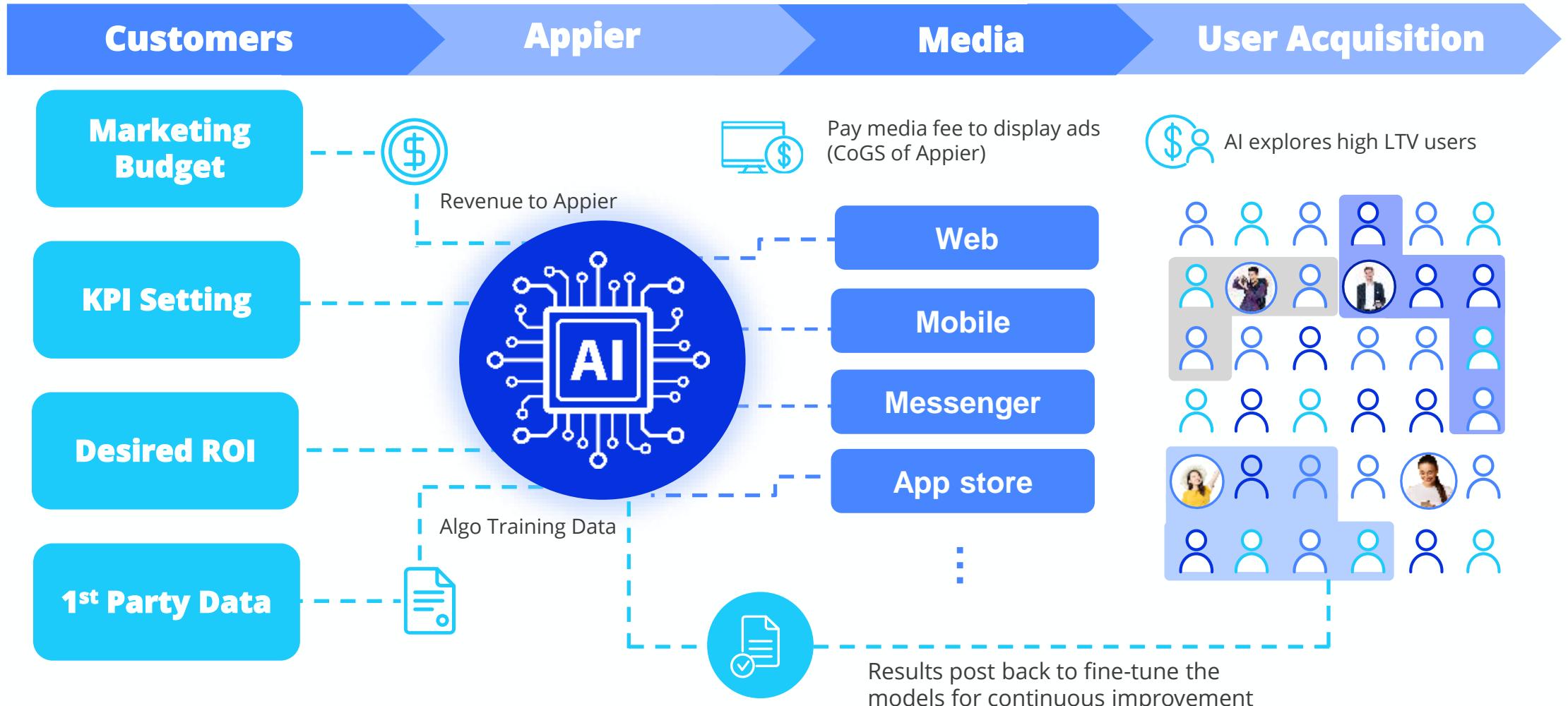


CrossX enables businesses to use Machine Learning and Deep Learning to predict users' lifetime value and acquire the most valuable end users at scale, allowing businesses to turn marketing spending into predictable returns.

**Machine Learning and Deep Learning
to Predict High Lifetime Value End
Users**

**Acquire The Most Valuable
End Users at Scale**

Provide Predictable Returns





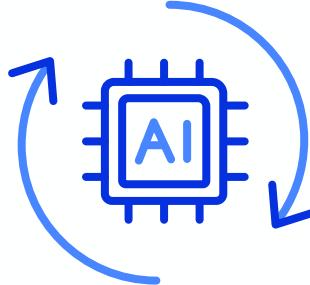
Better Visibility & Return

Let customers know their return before spending and simultaneously increase overall return



Upsell Opportunity

Predictable ROI brings more usage of CrossX



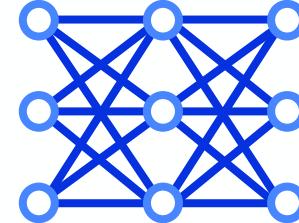
Technology Moat

Our AI has been trained for more than 10 years with [marketing data](#) across regions and industries



Barriers to Entry

Higher AI accuracy with accumulated data learning



Auto Algo Exploration

Continuous experiments to improve prediction accuracy and maintain our leading edge



Win-Win with Customer

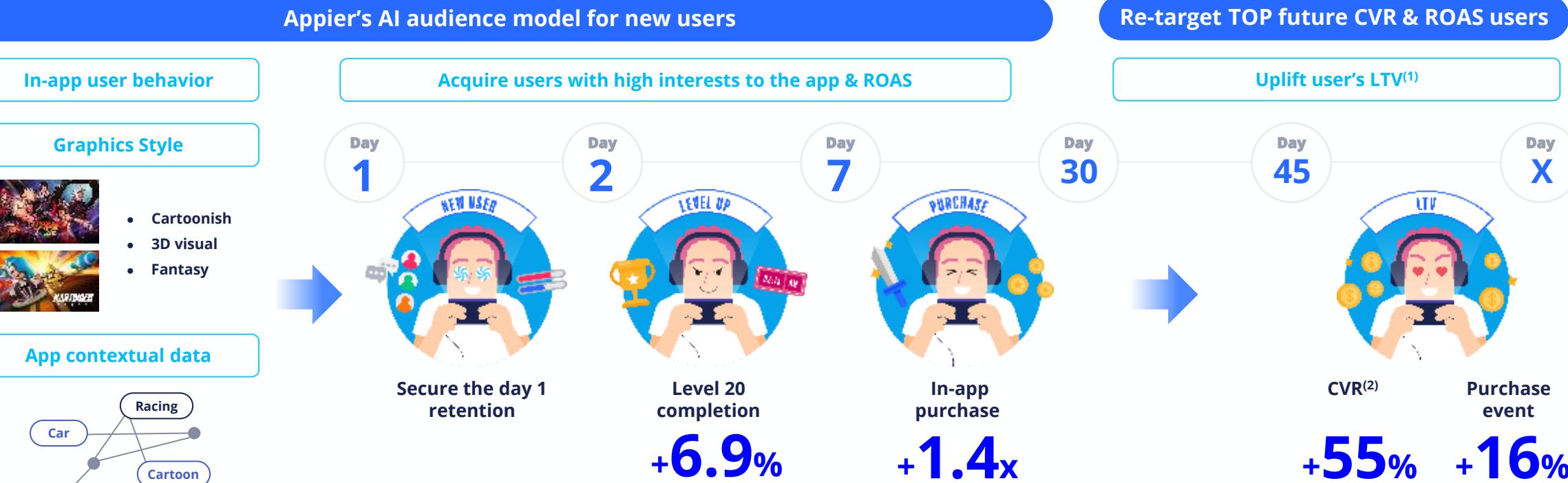
Better ROI for customers and revenue growth for Appier

Boost growth with a consistent stream of high-quality users with high ROAS

Successful case – a leading global game publisher

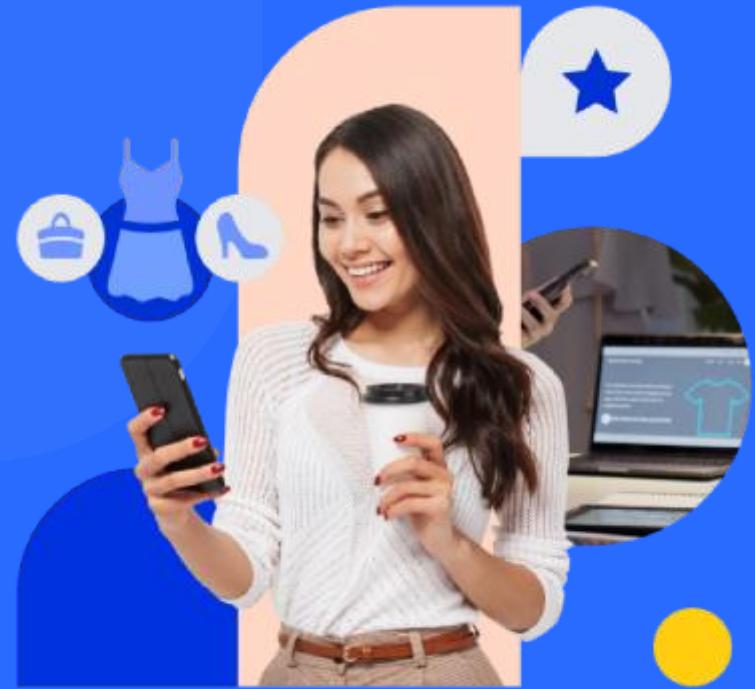
Goals

- Boost installs in the acquire high value users who are interested in the game title during the initial game launch to boost installs
- Ensure the ROAS and retention rate
- Leverage Appier's proprietary AI audience model that analyzes users' in-app behavior as well as the game's app contextual data and marketing graphics to identify high-quality users
- Analyzes gamer's behavior, including in-app purchases, completion level of the game and the pattern of opening the game app, for re-targeting





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.

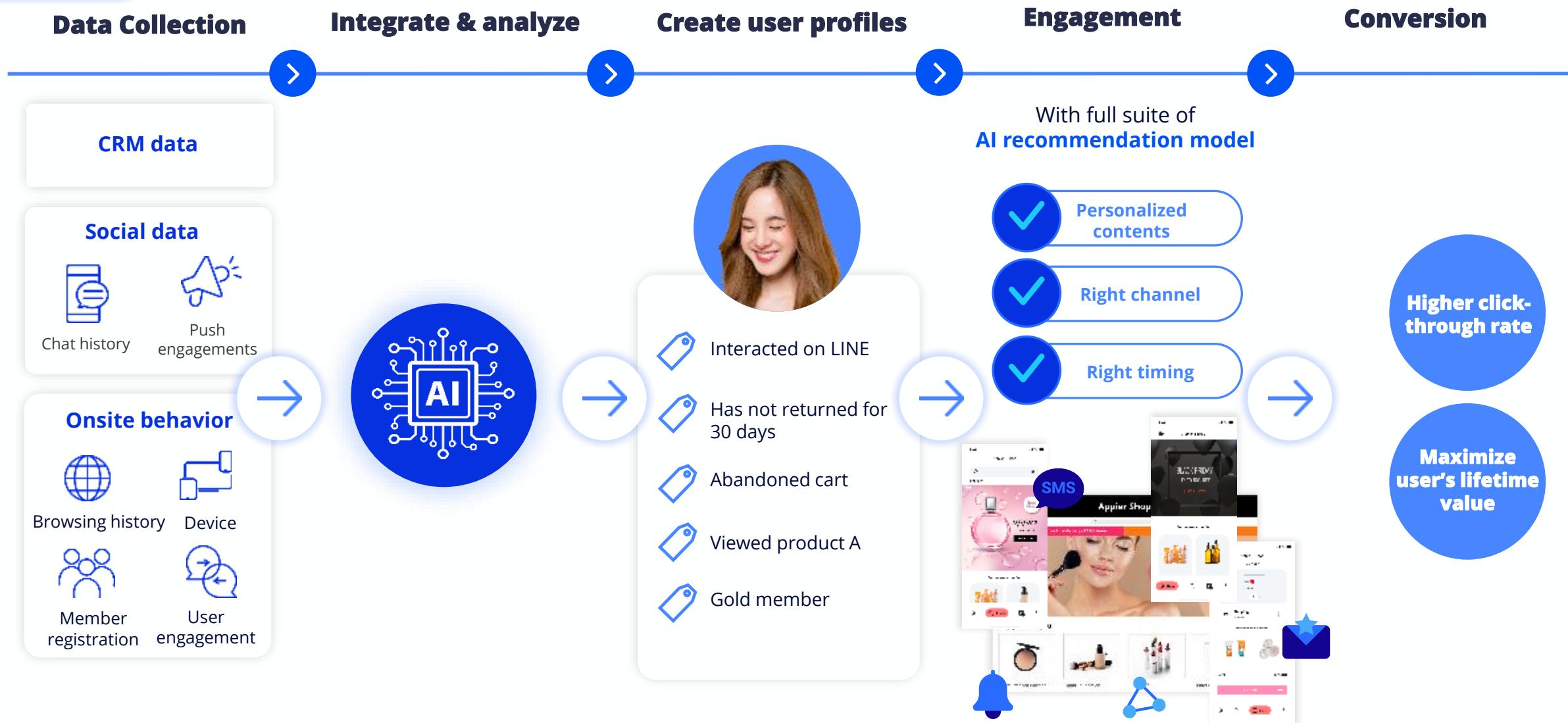
**Codeless instant messaging
solution for marketers**

|

**Gamified prebuilt marketing kits to boost
conversion with engaging customer experiences**



Drive High Conversion with Personalized Engagement



Key Strengths



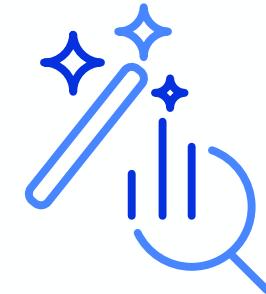
Optimize ROI with AI Recommendation Models

Provide highly personalized user experience to boost conversions and maximize users' LTV



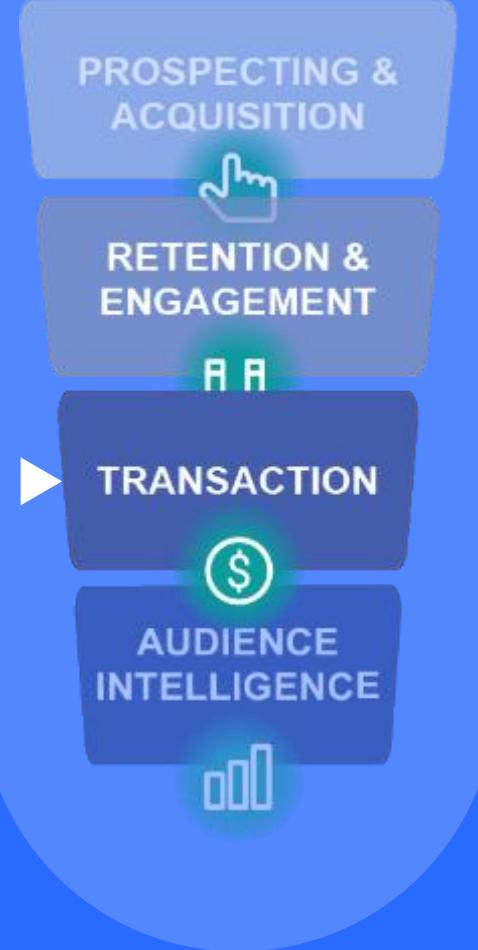
Maximize customer engagement with AI-driven precision

Predict the optimal timing and deliver personalized content through the right channel for streamlined effectiveness and efficiency



Boost GenAI effectiveness with decision-making AI

Create compelling marketing content with the robust GenAI, evaluated by decision-making AI for superior results



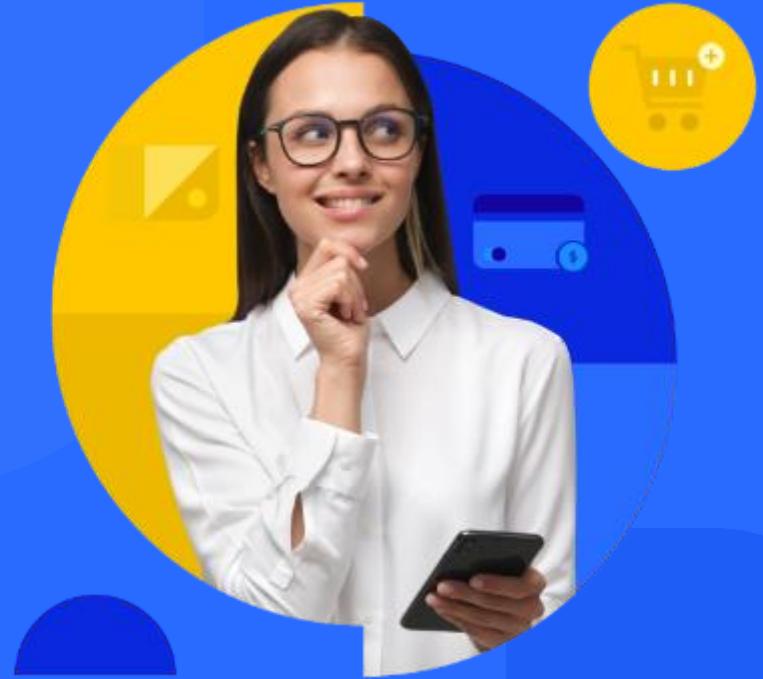
AIDEAL

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**

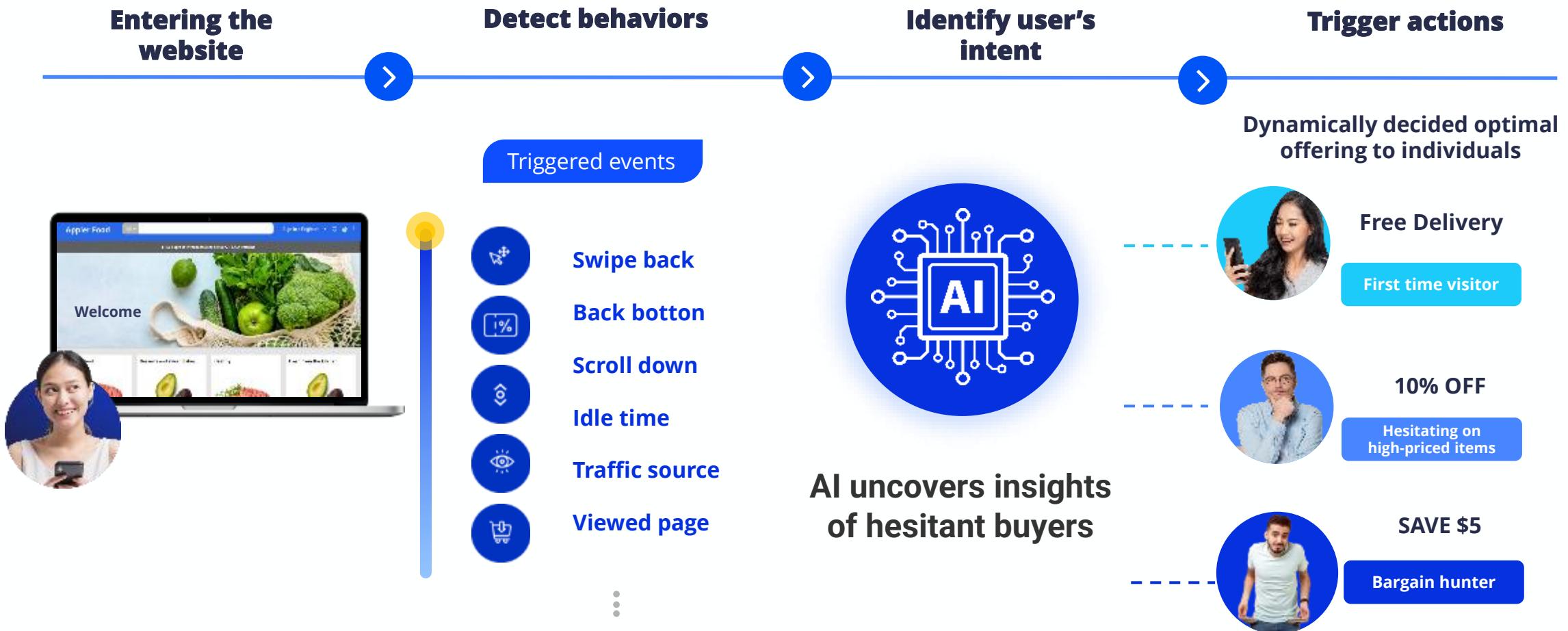
**Optimized Incentives with a
Sense of Urgency**

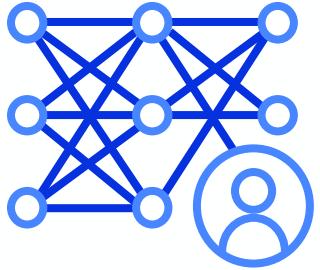
Real-Time Analytics



Trigger Purchase Decisions with Optimal Incentive Offering

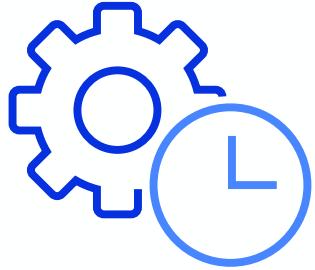
Predict and only distribute the most effective incentive to hesitant buyers while maintaining profitability





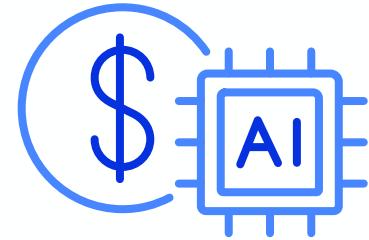
Analysis of Users' Behavior with Advanced Algorithm

Generate accurate and reliable outputs with extensive training data



Improve ROI with Real-time AI Predictions

Predict hesitant buyers in real-time to deliver incentives and drive higher ROI with the same budget amount



Uplift GMV with Tailored Incentives

Push indecisive users to check-out through optimal incentive offering predicted by AI



AIXON

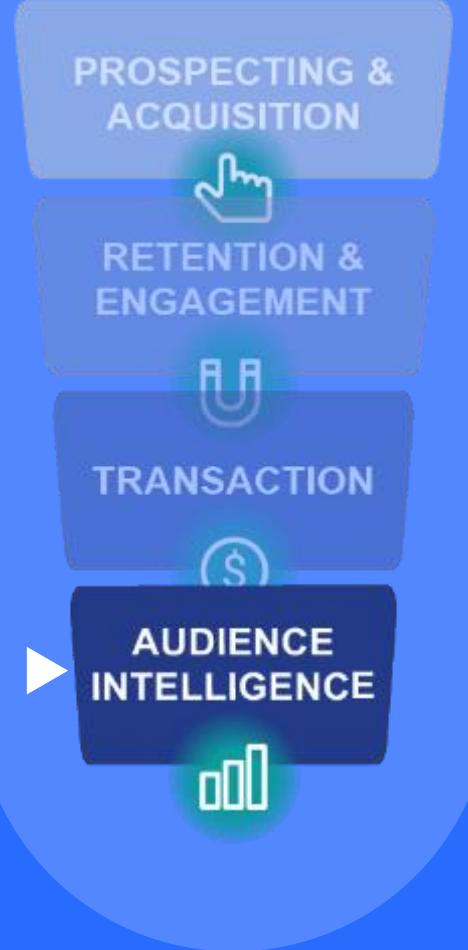


AIXON enables businesses to utilize their own end user data from various sources to predict end user behaviors in a holistic view with Automated ML model building and without the hassle of building an entire AI technology stack in-house.

**Data Unification and
Auto-processing**

**Scenario-based Prediction
with Automated ML models**

Explainable AI



AIRIS



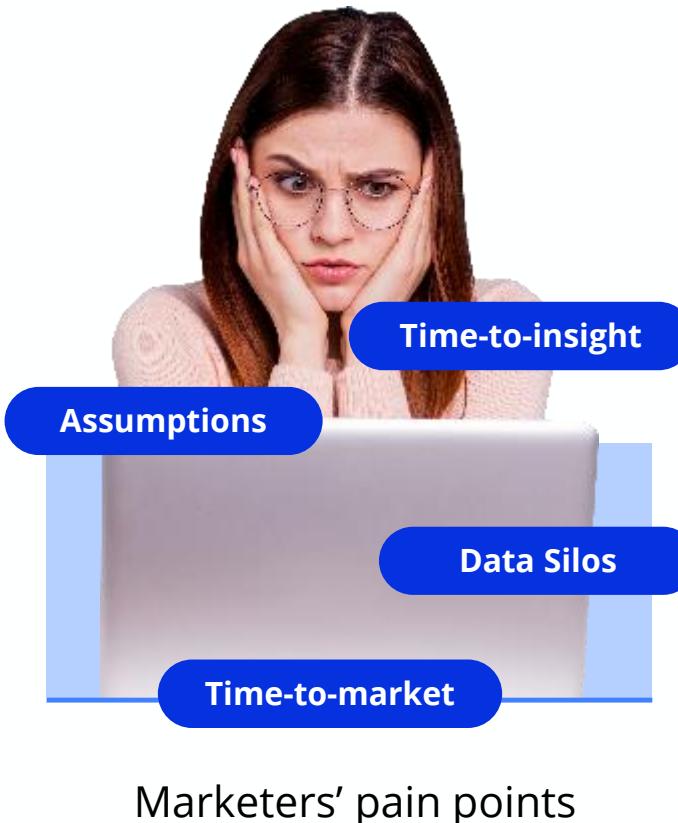
A fast time-to-insight AI CDP with superior analytics and intuitive data visualization. By building a robust 360° view of customers with 1st party data, businesses can easily visualize and measure the impact at every touchpoint, and predict the return before businesses make their investments.

**Unify your data seamlessly
with Customer 360°**

**Fast Data-to-
Visualization**

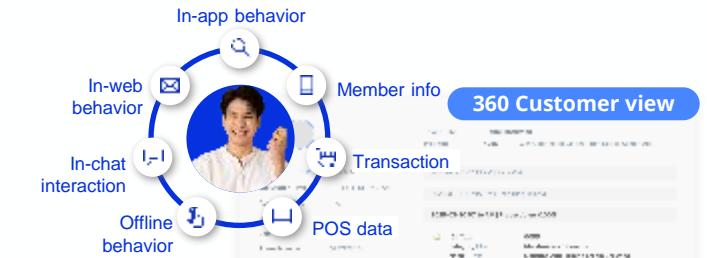
**Fast Data-to-
Prediction**

AIRIS Empower Business Growth with AI CDP



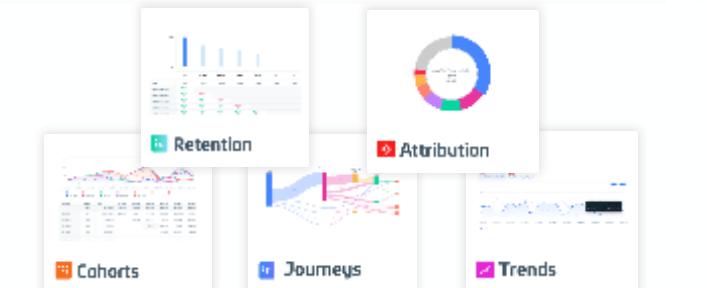
Real-time data ingestion

- Ingest, clean, and align data from multiple sources
- AI-powered Unified Customer profile and Customer 360**



Fastest code-free visualization analytics

- Quickly build an insight dashboard from templates with **customized visualization to democratize data across organizations**



AI-powered customer prediction

- Allowing marketers to prioritize and target users based on predictions of customer behavior
- Deliver **hyper-personalized engagement** with precise segmentation

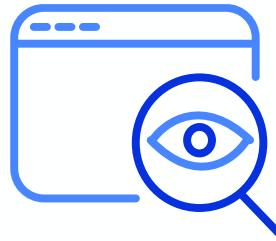


Key Strength



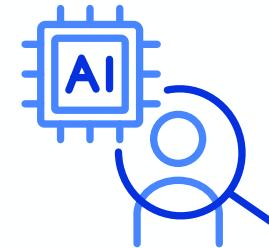
Fastest Time-to-Insight with Seamless Data Ingestion

Real-time data unification to provide 360 view of each user even with anonymous actions



Fastest Time-to-Action with code-free visualization

Visualize insights and measure the impact at every touchpoint to take necessary actions



AI-Powered Insights for Proactive User Engagement

Precise real-time AI prediction of end-user behaviors and tailor effective acquisition/ engagement strategy

Financial Data

Selected Financial Data

Consolidated Statements of Profit or Loss

(Millions of JPY)	2024 Q1 3 months	2025 Q1 3 months	YoY	2022	2023	2024	YoY
Revenue	7,374	9,352	26.8%	19,427	26,418	34,057	28.9%
Cost of sales	(3,562)	(4,547)		(9,428)	(12,710)	(16,255)	
Gross profit	3,812	4,805	26.0%	9,998	13,708	17,802	29.9%
Gross margin	51.7%	51.4%		51.5%	51.9%	52.3%	
Sales and marketing expenses	(2,328)	(2,855)		(6,394)	(8,263)	(9,682)	
% of Revenue	31.6%	30.5%		32.9%	31.3%	28.4%	
Research and development expenses	(995)	(1,233)		(2,284)	(3,141)	(4,650)	
% of Revenue	13.5%	13.2%		11.8%	11.9%	13.7%	
General and administrative expenses	(497)	(705)		(1,602)	(1,829)	(1,850)	
% of Revenue	6.7%	7.5%		8.2%	6.9%	5.4%	
Other income	76	66		334	334	390	
Other expenses	(3)	(5)		(2)	(9)	(29)	
Operating income	65	73		50	801	1,981	
Operating margin	0.9%	0.8%		0.3%	3.0%	5.8%	
Finance income	120	45		213	547	448	
Finance costs	(105)	(56)		(153)	(285)	(367)	
Profit before tax	80	62		111	1,063	2,062	
Income taxes	(23)	(27)		(90)	(61)	865	
Profit for the year	57	35		21	1,002	2,927	
Basic earnings per share (JPY)	0.56	0.34		0.21	9.85	28.70	
Diluted earnings per share (JPY)	0.56	0.34		0.21	9.75	28.47	

Selected Financial Data

Consolidated Statements of Financial Position

(Millions of JPY)	2023	2024	2025 Q1
Cash and cash equivalents	6,134	5,496	4,990
Time deposits	8,004	6,727	2,825
Other financial assets – current assets ⁽¹⁾	4,940	5,794	6,350
Liquidity on hand	19,078	18,017	14,165
Accounts receivables ⁽²⁾	5,355	9,361	10,585
Other current assets	496	621	764
Total current assets	24,929	27,999	25,514
Right-of-use assets (Lease assets) ⁽³⁾	2,686	2,197	1,953
Goodwill and intangible assets ⁽⁸⁾⁽⁹⁾	9,347	12,528	18,017
Deferred tax assets ⁽¹¹⁾	190	1,117	1,058
Other non-current assets	700	796	811
Total non-current assets	12,923	16,638	21,839
Total assets	37,852	44,637	47,353

(1) Holding short-term, low-risk securities for cash management purposes.

(2) Accounts receivables = Trade receivables + Contract assets

(3) Lease assets and liabilities relate to office rent and are recognized simultaneously as both assets and liabilities.

(4) Other liabilities here includes both Other liabilities and Other non-current liabilities in the BS

(5) Total of current and non-current lease liabilities

(6) Shareholders' equity = Share capital + Capital surplus + Treasury shares + Retained earnings

(Millions of JPY)	2023	2024	2025 Q1
Contract liabilities & trade payables	2,610	3,524	3,542
Other liabilities ⁽⁴⁾⁽¹⁰⁾	2,546	2,736	5,222
Lease liabilities ⁽³⁾⁽⁵⁾	2,747	2,279	2,032
Borrowings	600	1,500	3,551
Others	258	283	388
Total liabilities	8,761	10,322	14,735
Shareholders' equity ⁽⁶⁾	22,963	25,153	25,052
Other components of equity ⁽⁷⁾	6,128	9,162	7,566
Total equity	29,091	34,315	32,618

(7) Other components of equity consist mainly of translation differences arising from the financial statements of subsidiaries outside Japan. The amount would be decreased if the Japanese yen appreciates against other currencies.

(8) Intangible assets mainly consist of capitalized software development costs that meet the criteria for capitalization.

(9) Goodwill increased due to the acquisition of AdCreative.ai.

(10) Other liabilities increased due to the recognition of a contingent consideration liability associated with the M&A transaction.

(11) The increase in deferred tax assets in FY2024 reflects the recognition of loss carryforwards, based on the outlook for improved profitability.

Selected Financial Data

Consolidated Statements of Cash Flows

(Millions of JPY)		2023	2024	2025 Q1
Cash flows from operating activities	(A)	2,224	1,929	-1,164
Excluding change in working capital		2,950	4,828	1,042
Change in working capital ⁽⁴⁾		-726	-2,899	-2,206
Cash flows from investing activities		1,971	-2,241	-801
Payments for intangible assets	(B)	-3,229	-4,191	-1,130
Payments for acquisition of subsidiaries		-381	-	-2,520
Withdrawal and placement of time deposits		6,585	2,087	3,662
Acquisition and disposal of other financial assets – current ⁽²⁾		-817	-78	-
Others ⁽⁵⁾		-186	-59	-813
Cash flows from financing activities		-2,250	-792	1,617
FX impact on cash and cash equivalents		385	466	-158
Change in cash and cash equivalents		2,330	-638	-506
Ending balance of cash and cash equivalents		6,134	5,496	4,990
Core free cash flow ⁽¹⁾	(A)+(B)	-1,005	-2,262	-2,294

(1) Core free cash flow = Cash flows from operating activities + Payments for intangible assets

(2) Holding short-term, low-risk securities for cash management purposes

(3) Payments for property, plant and equipment and Increase in guarantee deposits

(4) Working capital increased in FY25 Q1 due to the public holiday in Singapore

(5) Increased in FY25 Q1 due to the placement of escrow funds related to the M&A

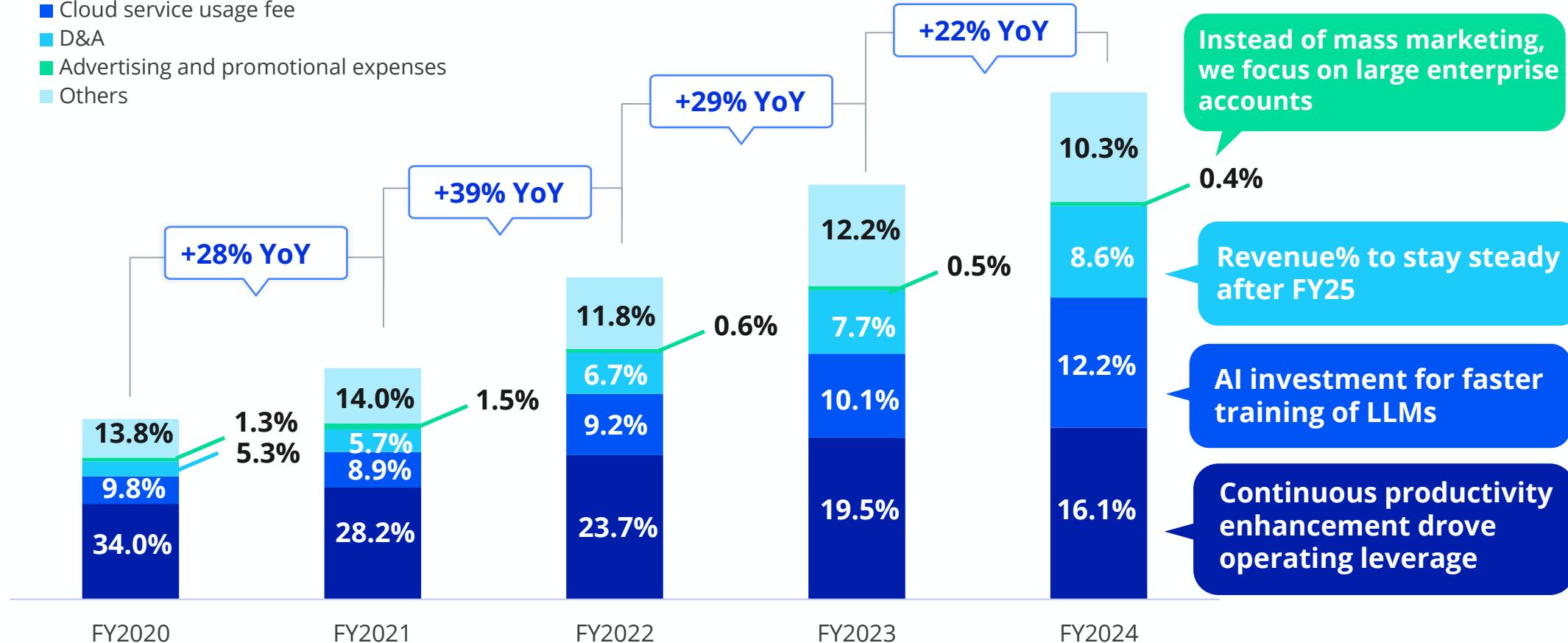
Change in liquidity on hand

(Millions of JPY)	2023	2024	2025 Q1
Balance of liquidity on hand	19,078	18,017	14,165
Cash and cash equivalents	6,134	5,496	4,990
Time deposits	8,004	6,727	2,825
Other financial assets – current ⁽²⁾	4,940	5,794	6,350
Change in liquidity on hand	-2,235	-1,061	-3,852
Core Free cash flow ⁽¹⁾	-1,005	-2,262	-2,294
Payments for acquisition of subsidiaries	-381	-	-2,520
Cash flows from other investing activities ⁽³⁾	-186	-59	-34
Cash flows from Financing activities	-2,250	-792	1,617
Fair value assessment on other financial assets – current ⁽²⁾	253	300	64
FX impact	1,336	1,752	-685
FX impact on cash and cash equivalents	385	466	-158
FX impact on time deposits	656	810	-240
FX impact on other financial assets – current ⁽²⁾	294	476	-287

Main Components of OPEX

OPEX (JPY M) & Revenue%

- Personnel expenses
- Cloud service usage fee
- D&A
- Advertising and promotional expenses
- Others



(1) "Others" includes commission fee, professional service fee, T&E and others.

Software Amortization

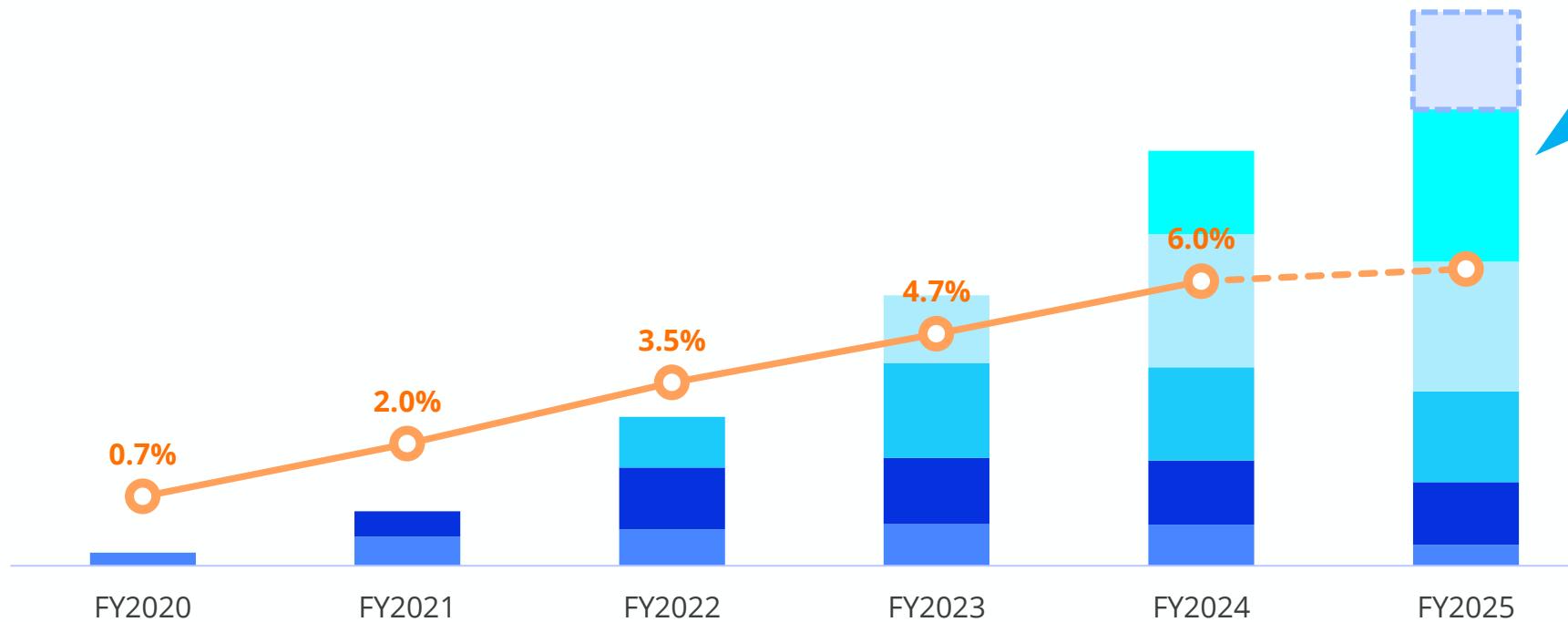
- We started software capitalization in FY2020 and amortized the capitalization for 5 years.

Software Amortization (JPY M) & Revenue Ratio

■ Capitalization in FY20
■ Capitalization in FY23
● Revenue%

■ Capitalization in FY21
■ Capitalization in FY24

■ Capitalization in FY22
■ Capitalization in FY25E



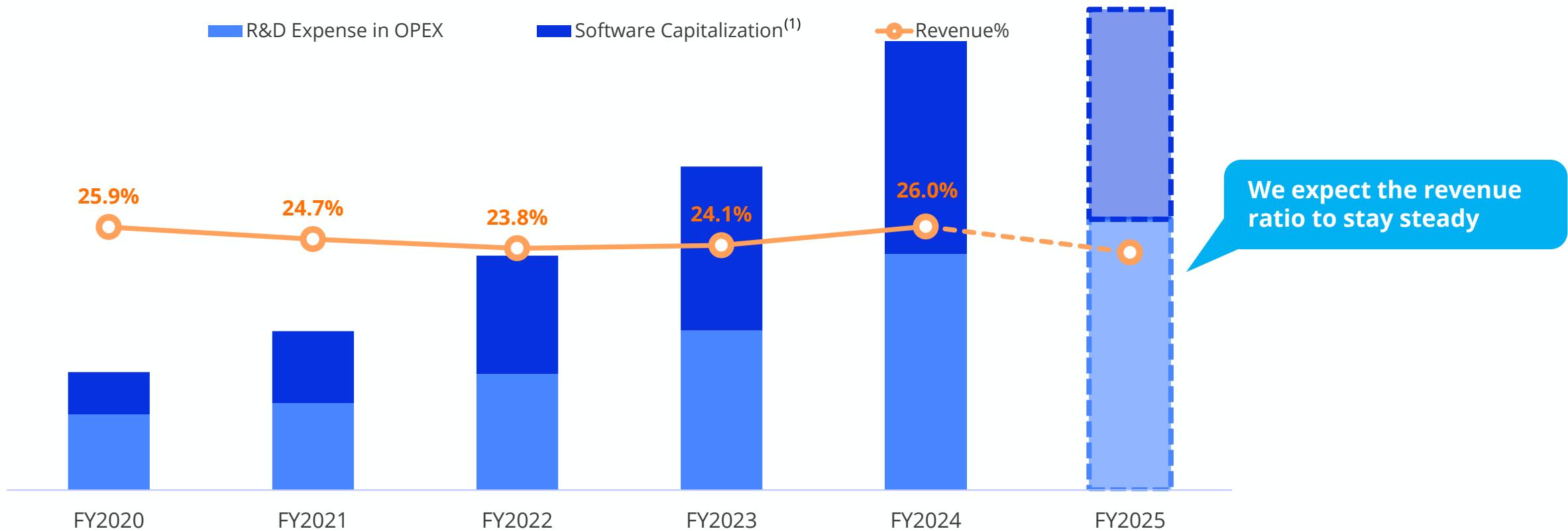
(1) The calculation of software-amortization-to-revenue ratio from FY24 to FY25 includes the software capitalization amount from FY24 to FY25.

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R&D Investment

- Total R&D investment-to-revenue ratio remained stable in past years due to our disciplined project management, despite increased demand of R&D investment while expanding business opportunities in Generative AI.

Total R&D Investment (JPY M) & Revenue Ratio

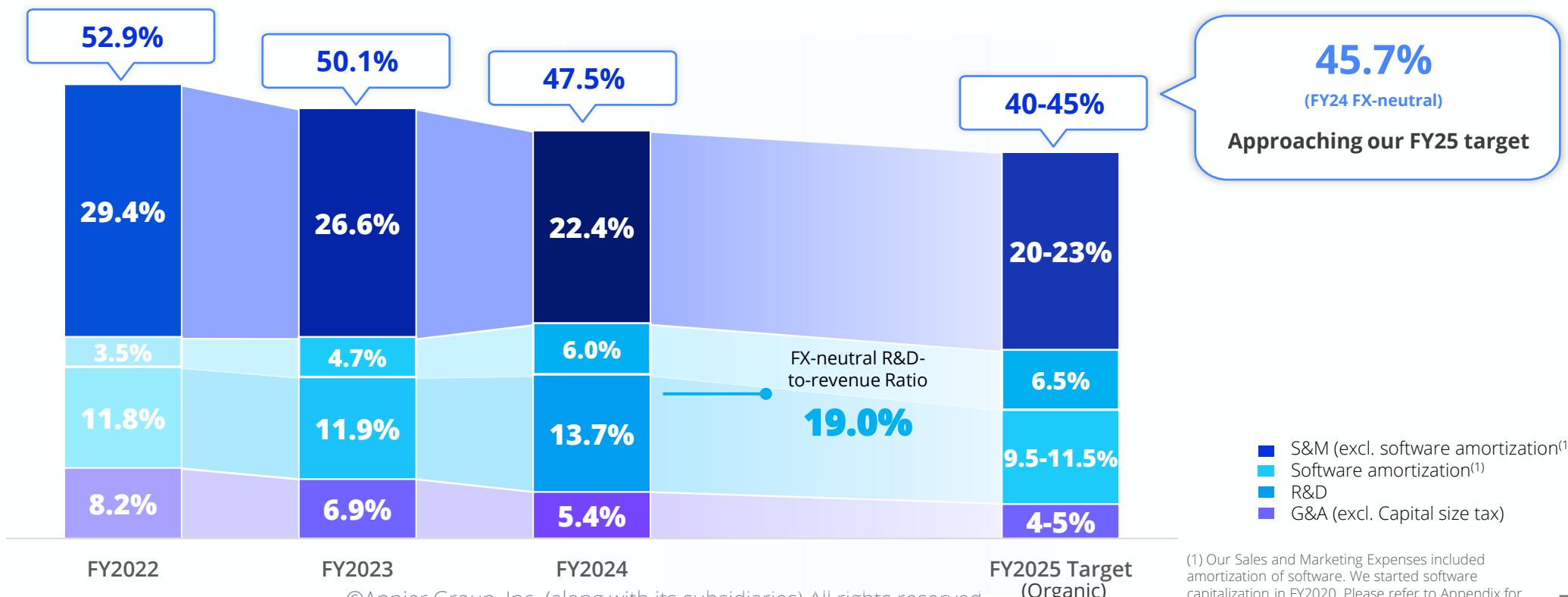


(1) The software capitalization amount refers to the payment for intangible assets in the cash flow.

Continuous improvement of OPEX

- We achieved strong operating leverage despite FX headwinds. Our OPEX- to-revenue ratio has improved 2.6 p.p. YoY and 4.4 p.p. on an FX-neutral basis, and we expect this ratio to continue improving throughout the year.
- S&M and G&A-to-revenue ratios improved through productivity gains and operational efficiency. Meanwhile, the R&D-to-revenue ratio rose with increased AI investment to enhance ROI-driven products, supporting long-term profitable growth and sales efficiency.
- We expect the OPEX-to-revenue ratio to decline to 40-45%, driven by continuous efficiency and productivity improvement.

OPEX Structure (% Revenue)



FY25 Target vs. Guidance

- We are on track for the financial target of FY25, considering FX headwinds since the target was set in May 2022, achieving stronger revenue growth and better operating leverage in S&M and G&A with higher disciplined R&D investment

	FY25 Target	FY25 Guidance FX Neutral ⁽¹⁾ (Organic)	FY25 Guidance (Organic)	Achievement Rate	Difference
FY21 - FY25 Revenue CAGR	30%+(2)	32%	36%	<div style="width: 90%;"><div style="width: 100%;"></div></div>	<ul style="list-style-type: none"> Stronger growth in key regions of NEA and US & EMEA FX tailwinds from JPY depreciation
Gross Margin	55-60%	56%	54%	<div style="width: 95%;"><div style="width: 100%;"></div></div>	<ul style="list-style-type: none"> Algorithm improvement in Advertising Cloud despite FX headwinds
OPEX	40-45%	43%	43%	<div style="width: 100%;"><div style="width: 100%;"></div></div>	<ul style="list-style-type: none"> Better operating leverage in S&M and G&A
Operating Margin⁽³⁾	15-20%	14%	11%	<div style="width: 80%;"><div style="width: 100%;"></div></div>	<ul style="list-style-type: none"> Higher R&D investment in enhancing platform value for sustainable growth FX headwinds from JPY depreciation
Operating Income		5.2B	4.8B		

(1) Figures calculated assuming no change from FY22Q1 FX rates

KRW: 1 KRW = 0.0973 JPY

USD: 1 USD = 116.20 JPY

TWD: 1 TWD = 4.15 JPY

(4) Percentages may not sum exactly due to rounding.

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ESG Initiatives

Our Commitment

MSCI
ESG RATINGS



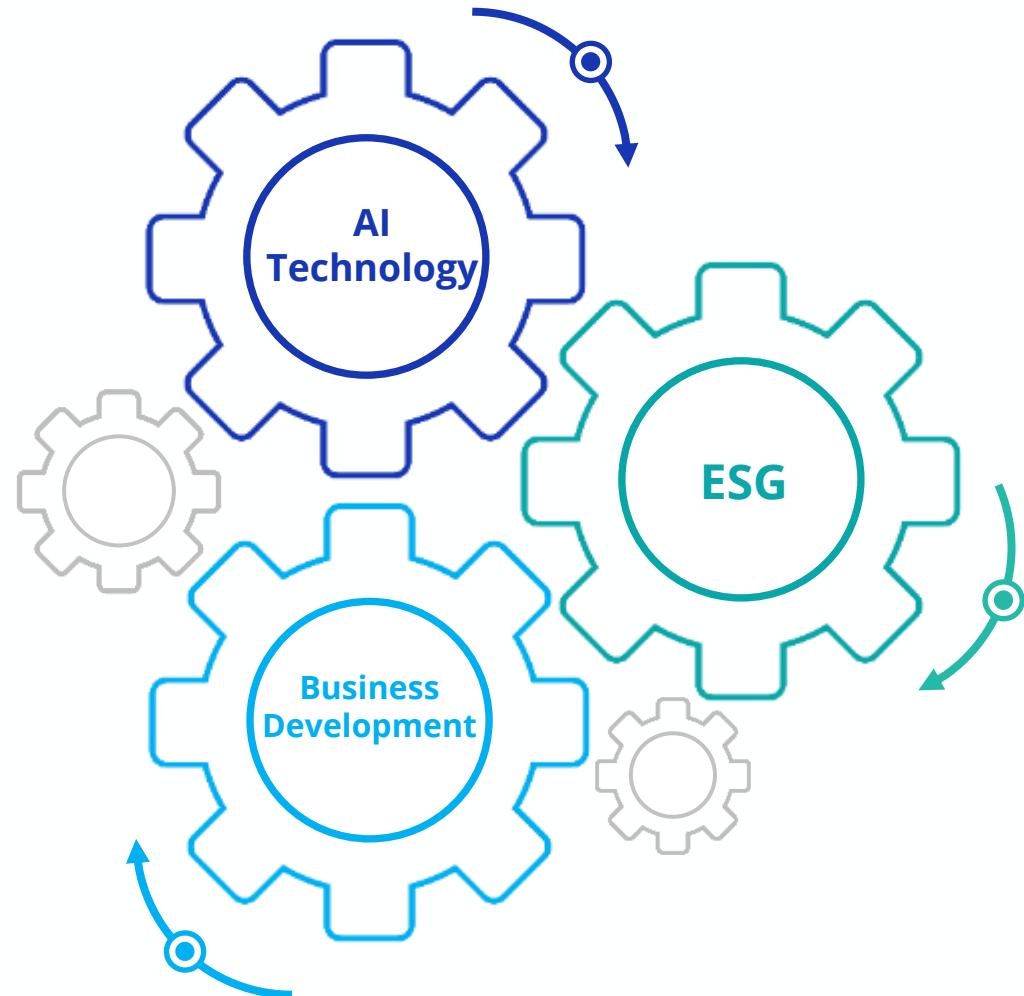
CCC B BB BBB A AA AAA

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.

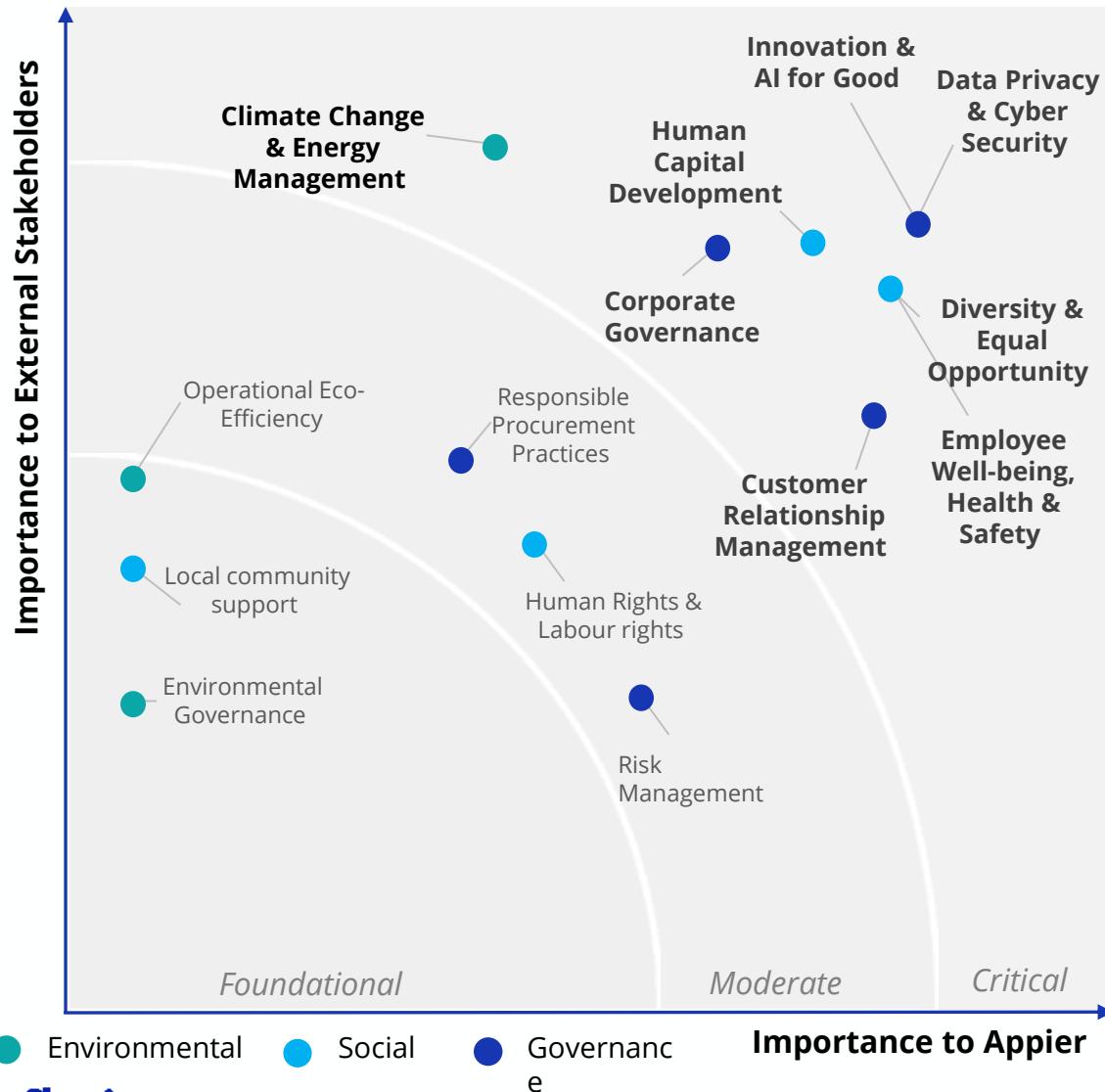
We believe ESG should be placed at the center of our focus on building a sustainable business and are determined to make commitments and to proactively engage our stakeholders in Appier's journey towards ESG excellence, as this is part of our vision for the future of our business.

We were awarded an "AA" rating by MSCI ESG Research⁽¹⁾ and we will continue to improve towards ESG excellence.



⁽¹⁾ MSCI ESG Research provides MSCI ESG Ratings on more than 8,500 global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. MSCI ESG research is today known as one of the leading ESG rating agencies.

Defining ESG Priorities: Materiality Assessment



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

TCFD Report Initiation

Embracing Environmental Responsibility

Introducing our TCFD report⁽¹⁾, a testament to our unwavering commitment to environmental responsibility. Aligned with global climate efforts, this comprehensive disclosure transparently addresses both risks and opportunities.

As we move forward, sustainability remains a driving force, propelling innovation towards a greener future.

(1) Report link: <https://www.appier.com/en/greener-operation-appier>



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