

ADWAYS

PRESENTATION MATERIAL
FEBRUARY 2022
FEBRUARY 10, 2022

FY 2021

FULL
YEAR

TOKYO STOCK EXCHANGE FIRST SECTION ADWAYS INC.
Director and Chairman, Haruhisa Okamura

STOCK CODE: 2489



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Change of Fiscal Year-End (Last Day of Business Year)

(Disclosure on April 22, 2021)

“FY2021” will be a 9-month period for domestic companies and a 12-month period for overseas subsidiaries (because the accounting periods of our overseas subsidiaries end in December from before the change).

	2021				2022
	Jan. to Mar.	Apr. to June	July to Sept.	Oct. to Dec.	Jan. to Mar.
Domestic companies (Ends Mar.)	-	Q1	Q2	Q3	Q1
Overseas subsidiaries (Ends Dec.)	Q1	Q2	Q3		Q1

Domestic companies and overseas subsidiaries will have the same 12-month period from January 1, 2022, to December 31, 2022, in FY2022, and similarly thereafter.

Note on Terms

- The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) is in effect from the beginning of fiscal 2021. Accordingly, “Net Sales” under the old standard are expressed as “Gross Sales”.
- For comparison between the fiscal year ended December 2021 and the fiscal year ended March 2021 and before, gross sales for the fiscal year ended March 2021 (nine months for domestic companies), December 2021 (12 months for domestic companies), third quarter of the fiscal year ended March 2021 (six months for overseas subsidiaries) and December 2021 (including quarterly and cumulative period) and net sales for the fiscal year ended March 2021 (including quarterly and cumulative period) have been included as reference figures, but please note that these are not official audited figures.
- The fiscal year ended March 2021 (nine months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period), the fiscal year ended December 2021 (12 months for domestic companies) is the cumulative figures of the fiscal year ended December 2021 plus the domestic company figures of the fourth quarter of the fiscal year ended March 2021 (accounting period) and the third quarter of the fiscal year ended March 2021 (six months for overseas subsidiaries) is the third quarter of the fiscal year ended March 2021 (accounting period) plus the overseas subsidiary figures of the fourth quarter (accounting period). See next page for details.
- Gross profit margin, SG&A expense margin, operating profit margin, ordinary profit margin, profit margin (profit margin attributable to owners of parent), sales cost margin and posting cost margin are expressed as a percentage of the gross sales above.

Note on Terms

This presentation's accounting periods (including reference figures) compare with accounting periods as follows.

Accounting period	Audited?	Domestic companies/ overseas subsidiaries	2020				2021			
			Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Ended Dec 2021 (FY2021)	Yes (excl. gross sales)	Domestic (9 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (12 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Ended Mar 2021 (FY2020) (9 months for domestic companies)	No (reference figures)	Domestic (9 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (12 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Ended Dec 2021 (FY2021) (12 months for domestic companies)	No (reference figures)	Domestic (12 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (12 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Ended Mar 2021 (FY2020)	Yes (excl. net sales)	Domestic (12 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (12 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Q3 of FY ended Dec 2021 (FY2021 Q3)	Yes (excl. gross sales)	Domestic (3 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (6 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Q3 of FY ended Mar 2021 (FY2020 Q3) (6 months for overseas subsidiaries)	No (reference figures)	Domestic (3 months)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Overseas (6 months)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	

*FY2021 (12 months for domestic companies) includes January to March 2021 for domestic companies in the fiscal year ended December 2021.

Chapter1 : **Full Year FY2021 results**

1. Full-Year FY2021 Performance

FY2021 Initial Forecast and Actual Performance (April 1, 2021 – December 31, 2021)

(JPY mn)

	Gross sales (Reference)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2021 Forecasts*	41,236	9,000	1,200	1,560	950
Results (cumulative)	42,930	9,697	1,298	1,699	1,029
Achievement rate**	104.1%	107.8%	108.2%	109.0%	108.3%

*Initial forecasts are the figures announced on Nov. 1, 2021, in a press release concerning revision of the performance forecasts and dividend forecasts.

**Figures are rounded off to the first decimal place.

Gross sales

Domestic ad business and overseas business sales exceeded performance forecasts due to our domestic manga app, Hakuhodo DY Group collaboration and Taiwan app ads growing.

Operating profit

Operating profit increased due to net sales and gross profit growing significantly in addition to investment not progressing as much as initially planned.

Profit attributable to owners of parent

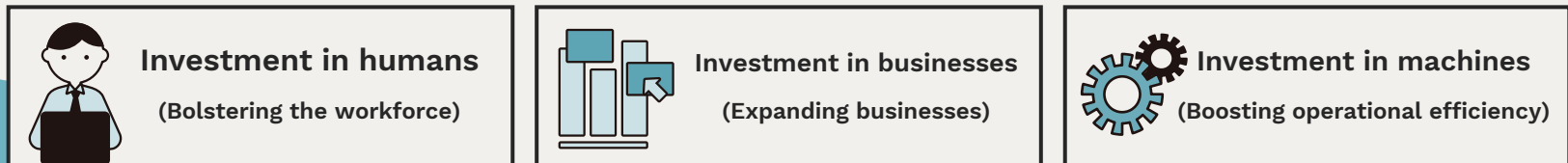
Increased as operating profit increased.

*Investment here refers to spending different from past spending (new investment).

Investment in Humans, Businesses and Machines

Initial Plan: to invest approx. JPY 410 mn in FY2021

Business year	Investment amount (Forecasts)	Operating profit when investment made (Forecasts Nov. 1, 2021)	Operating profit when investment not made (Forecasts)
FY2021 (9-month period)	Approx. JPY 410 mn	Approx. JPY 1,200 mn	Approx. JPY 1,610 mn



Results: invested approx. JPY 370 mn in FY2021

Business year	Investment amount (Result)	Operating profit when investment made (Result)	Operating profit when investment not made (Result)
FY2021 (9-month period)	Approx. JPY 370 mn	Approx. JPY 1,300 mn	Approx. JPY 1,670 mn

Operating profit increased significantly due to a large increase in gross sales and gross profit in addition to investment not progressing as much as initially planned.

Annual Results (YoY) Domestic 9-month Period

(JPY mn)

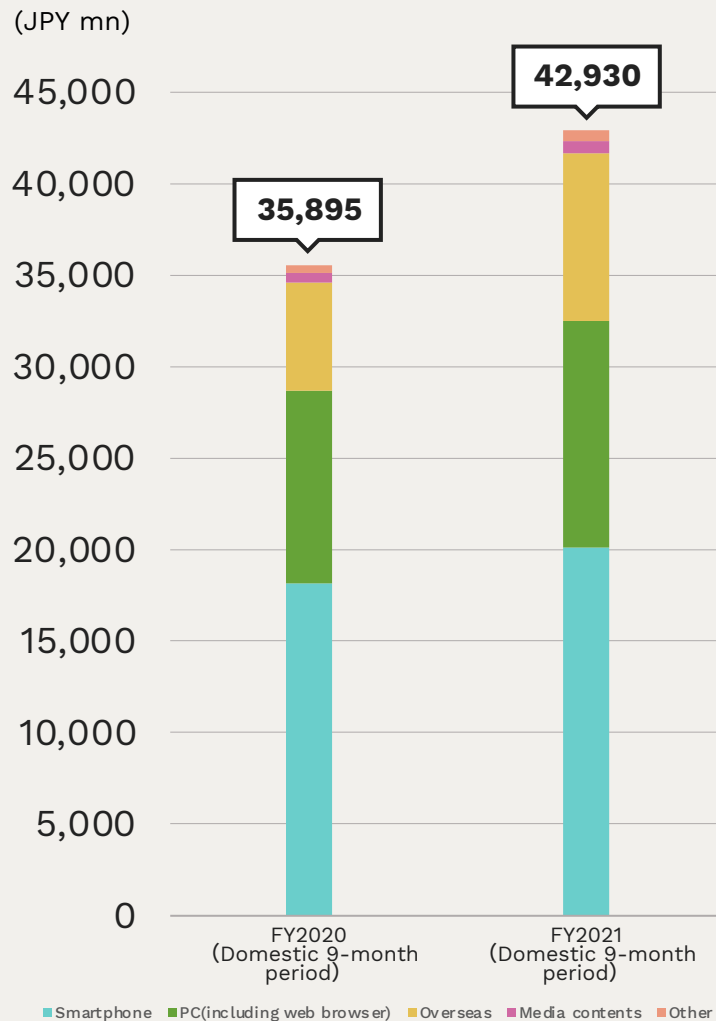
	FY2021 Result	YoY FY2020 Reference Value (Domestic 9-month period)		
		Reference value	Change	Change (%)
Gross sales	42,930	35,895	+7,034	+19.6%
Net sales	9,697	7,896	+1,800	+22.8%
Gross profit	7,958	6,647	+1,311	+19.7%
SG&A expenses	6,659	5,518	+1,141	+20.7%
Operating profit	1,298	1,128	+169	+15.1%
Ordinary profit	1,699	1,337	+361	+27.0%
Profit attributable to owners of parent	1,029	904	+124	+13.7%

Gross sales Domestic 9-month Period
YoY **Increased JPY +7,034 mn** (+19.6%)

Operating profit Domestic 9-month Period
YoY **Increased JPY +169 mn** (+15.1%)

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

Gross Sales (YoY Change) Domestic 9-month Period



Domestic Advertising . . . **JPY 32,503 mn**

YoY: JPY +3,824 mn (+13.3%)
(Domestic 9-month Period)

Smartphone . . . **JPY 20,009 mn**
(Mainly app advertising)

YoY: JPY +1,835 mn (+10.1%)
(Domestic 9-month Period)

Increased due to significant increase in gross sales of UNICORN as well as growth in manga app and Hakuhodo DY Group collaboration. That of game app remained mostly flat.

PC **JPY 12,494 mn**
(PC web advertising and smartphone web advertising)

YoY: JPY +1,989 mn (+18.9%)
(Domestic 9-month Period)

Increased due to major increase in gross sales of finance clients like credit cards and consumer finance despite slight decrease in EC.

Overseas **JPY 9,149 mn**

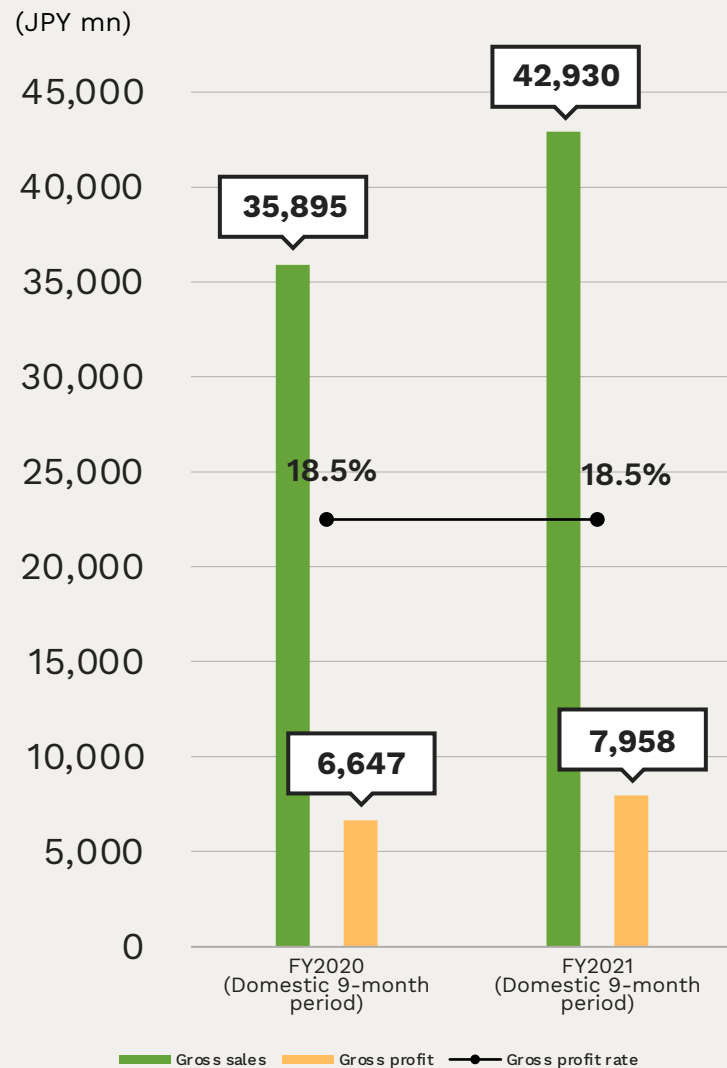
YoY: JPY +3,232 mn (+54.6%)

Advertising spend increased as a result of Chinese clients strengthening overseas expansion. App advertising grew in Taiwan.

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

*Domestic advertising compares April to December 2021 and April to December 2020 while overseas business compares January to December 2021 and January to December 2020.

Gross Profit (YoY Change) Domestic 9-month Period



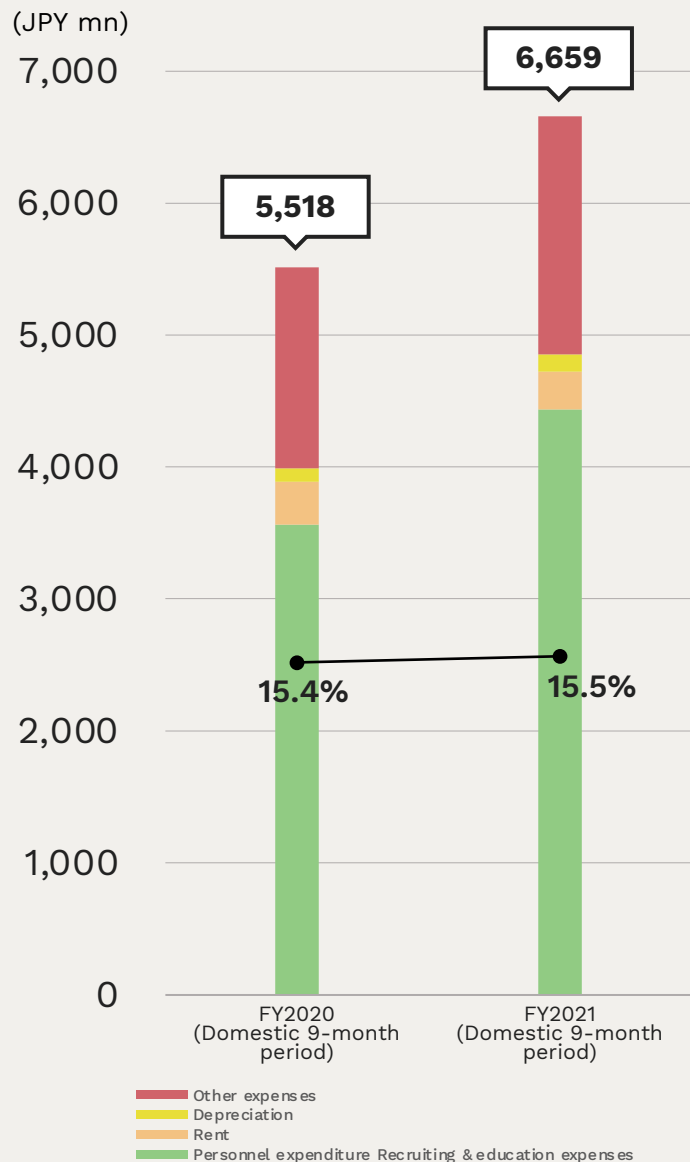
Gross profit: JPY 7,958 mn

YoY: JPY +1,311 mn (+19.7%)
(Domestic 9-month Period)

Gross profit rate: 18.5% (-)

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

SG&A Expenses (YoY Change) Domestic 9-month Period



SG&A expenses: JPY 6,659 mn

YoY: JPY +1,141 mn (+20.7%)
(Domestic 9-month Period)

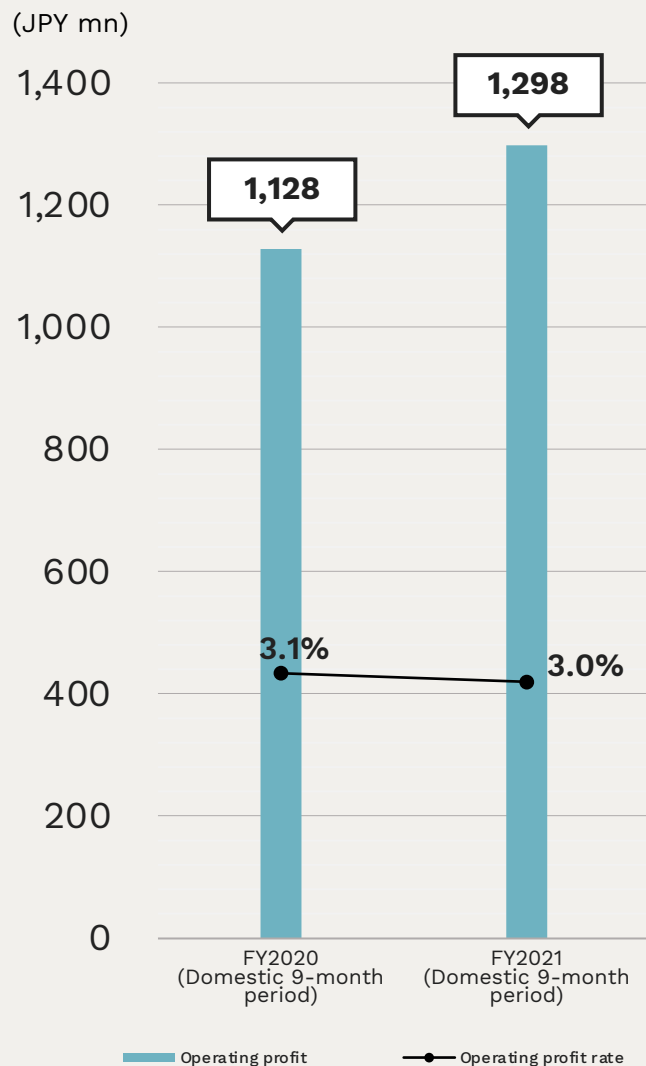
SG&A to sales ratio: 15.5% (+0.1 points)

Main Factors of Increase

Education expenses: Approx. JPY +875 mn

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

Operating Profit (YoY Change) Domestic 9-month Period



Operating profit: JPY 1,298 mn

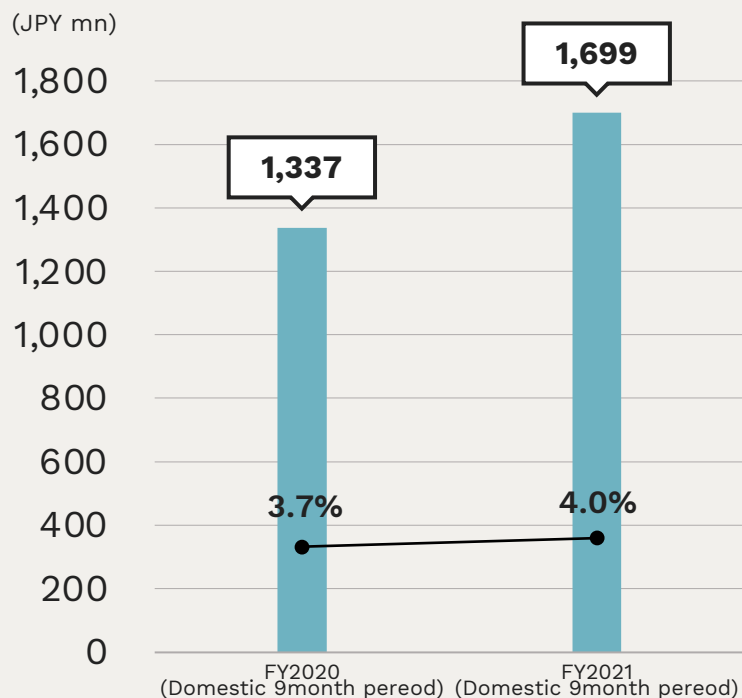
YoY: JPY +169 mn (+15.1%)
(Domestic 9-month Period)

Operating Profit rate: 3.1% (-0.1 points)

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

Ordinary Profit (YoY Change)

Domestic 9-month Period



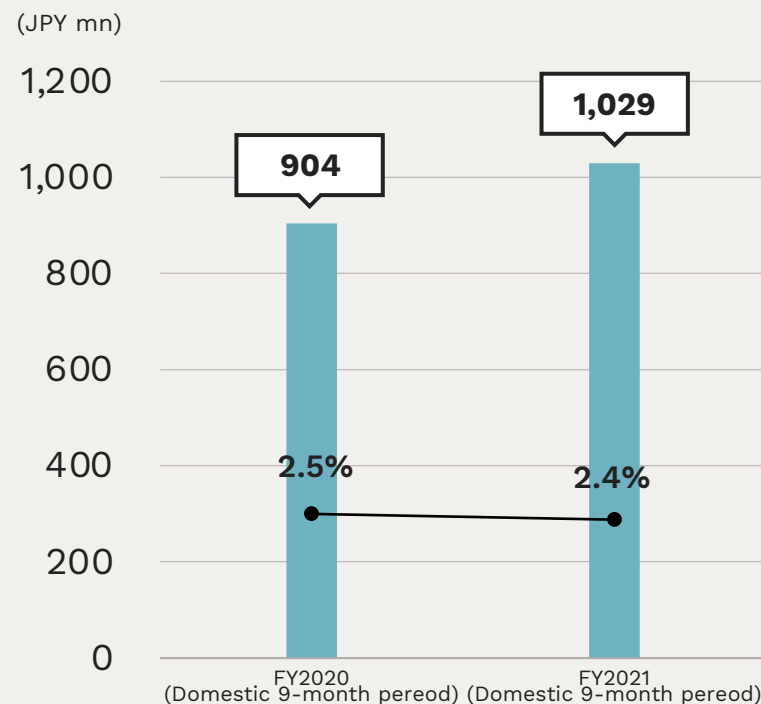
Ordinary profit: JPY 1,699 mn

YoY: JPY +361 mn (+27.0%)

Ordinary Profit rate: 4.0% (+0.3 points)

Profit Attributable to Owners of Parent (YoY Change)

Domestic 9-month Period



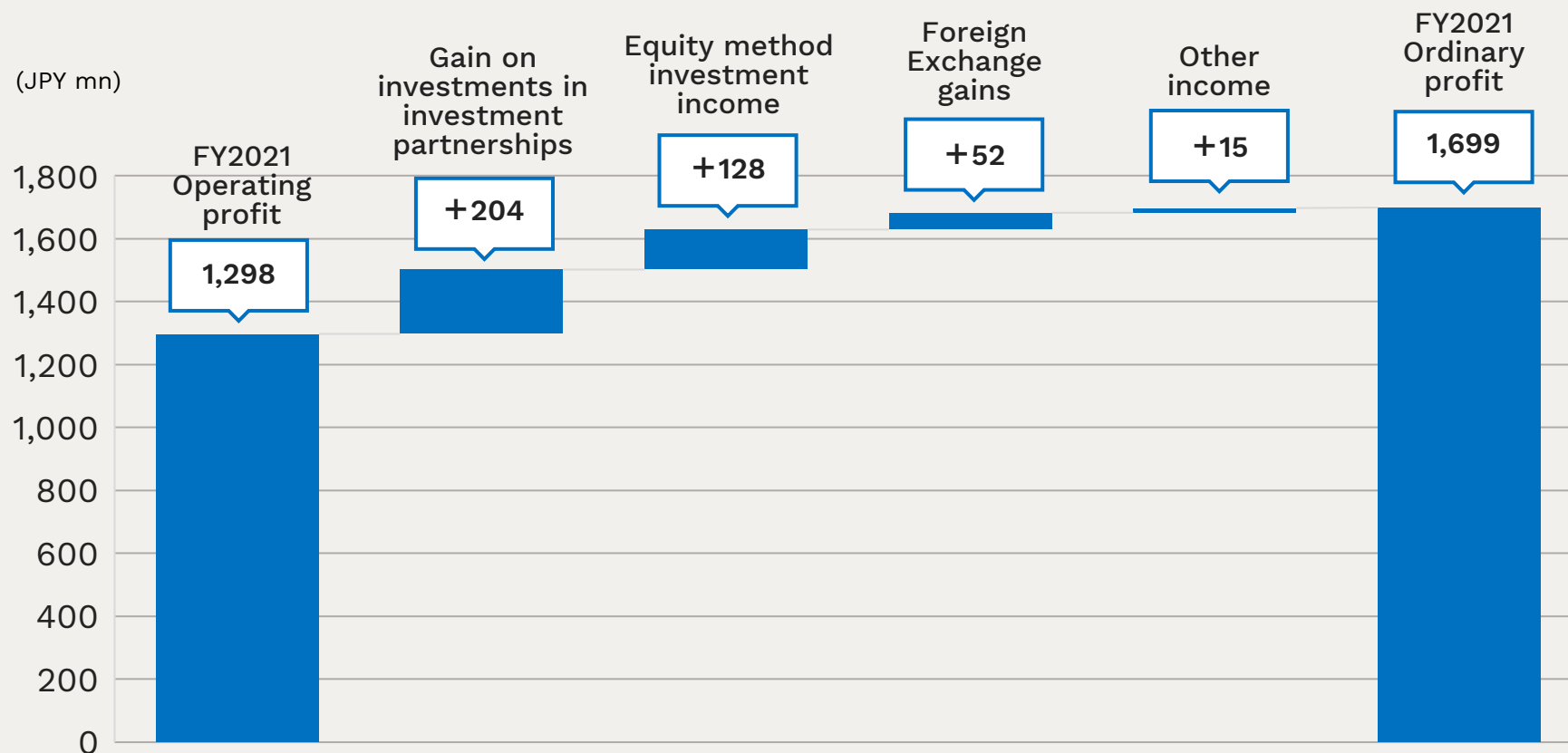
**Q2 Profit attributable to owners
of parent : JPY 1,029 mn**

YoY: JPY +124 mn (+13.7%)

Profit Attributable to Owners of parent
ratio: 2.4% (-0.1 points)

*FY2020 (9 months for domestic companies) is the cumulative figures of the third quarter of the fiscal year ended March 2021 plus the overseas subsidiary figures of the fourth quarter (accounting period).

Breakdown of FY2021 Ordinary Profit



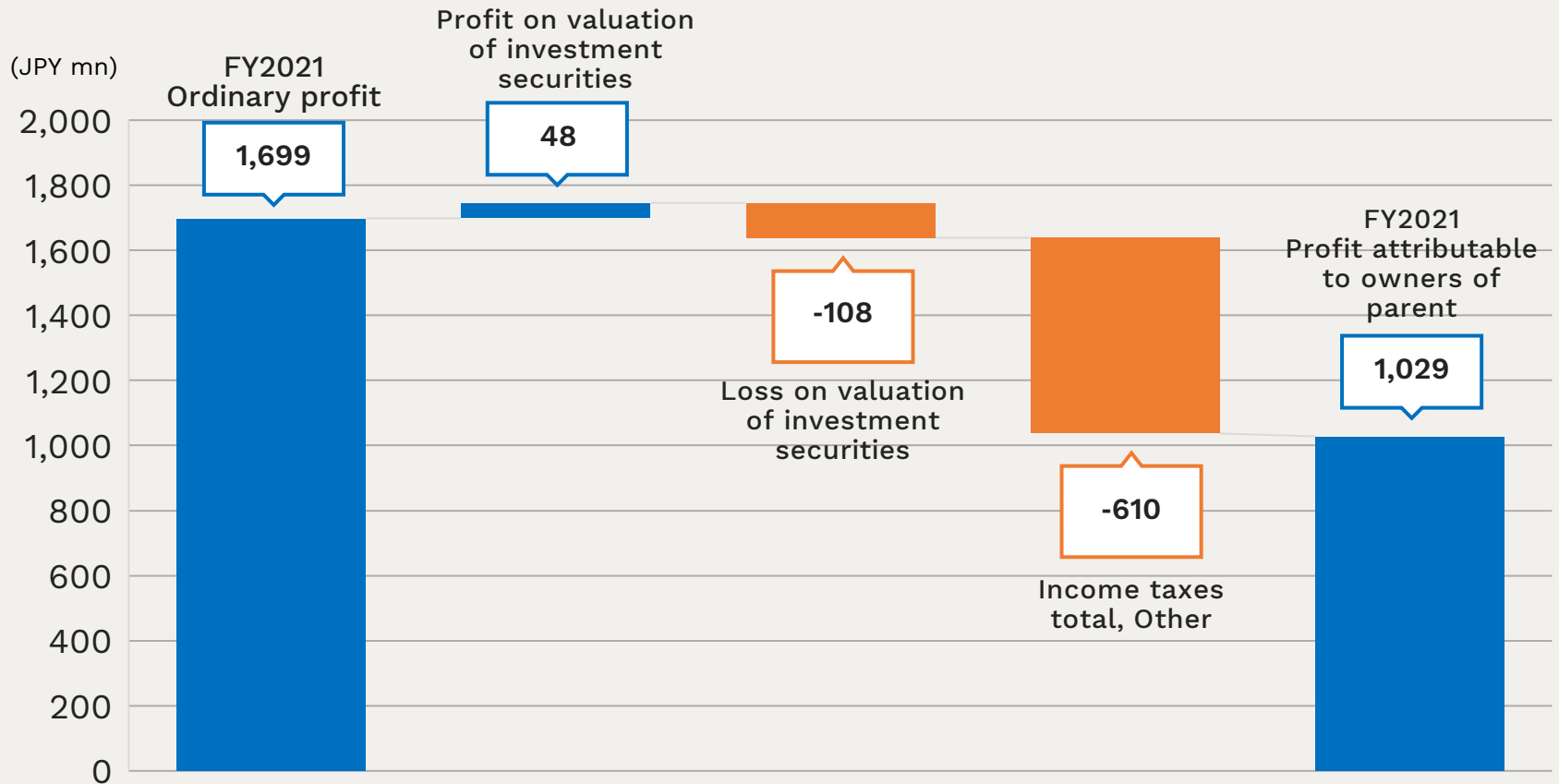
Gain on investments in investment partnerships JPY +204 mn

Equity method investment income JPY +128 mn

Foreign Exchange gains JPY +52 mn

Other income JPY +15 mn

Breakdown of FY2021 Profit Attributable to Owners of Parent



Profit from sale of investment securities JPY 48 mn

Loss on valuation of investment securities JPY -108 mn

Income taxes total, Other JPY -610 mn

Annual Results (YoY) Domestic 12-month period

(JPY mn)

	FY2021 Reference value (Domestic 12-month period)	YoY FY2020		
		Result	Change	Change (%)
Gross sales	56,055	49,020	+7,034	+14.4%
Net sales	10,078	8,767	+1,311	+15.0%
Gross profit	8,282	7,141	+1,141	+16.0%
SG&A expenses	1,796	1,626	+169	+10.5%
Operating profit	2,227	1,866	+361	+19.4%
Ordinary profit	1,546	1,422	+124	+8.7%

Gross sales YoY **Increased** **JPY +7,034 mn (+14.4%)**

Operating profit YoY **Increased** **JPY +169 mn (+10.5%)**

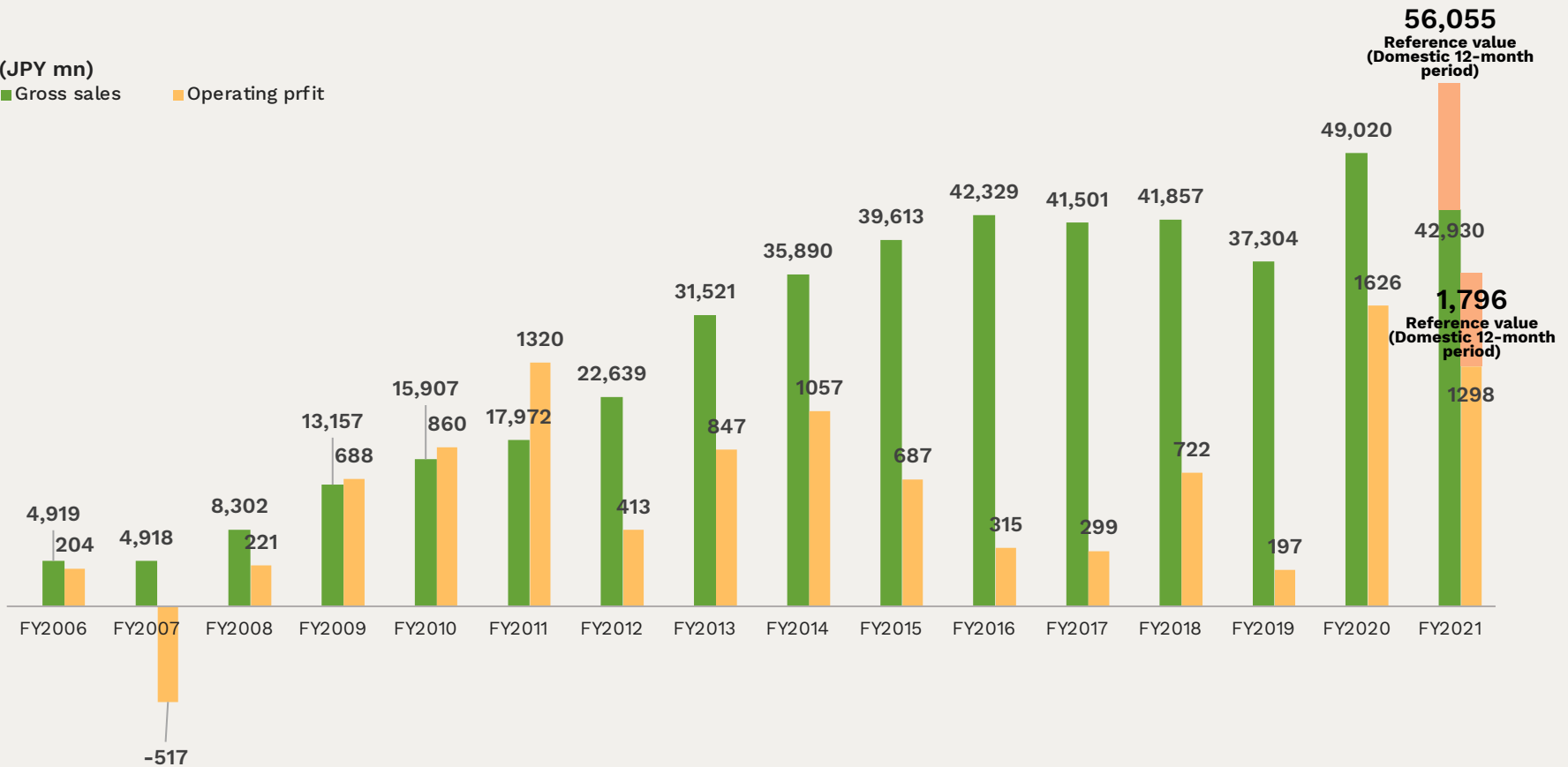
*FY2021 (12 months for domestic companies) is reference figures that combine results from that year with domestic companies' figures from the fourth quarter of the fiscal year ended March 2021 (accounting period).

Annual Trend of Gross sales • Operating profit (FY2006-FY2021 • YoY Change)

(JPY mn)

■ Gross sales

■ Operating profit



Gross sales

**Reference value
(Domestic 12-month period)
New annual record**

Operating profit

**Reference value
(Domestic 12-month period)
New annual record**

*FY2021 (12 months for domestic companies) is reference figures that combine results from that year with domestic companies' figures from the fourth quarter of the fiscal year ended March 2021 (accounting period).

Chapter2 : **Third quarter** results

2 .

FY2021 Q3 Performance

Quarterly Results (QoQ) Overseas 6-month period

(JPY mn)

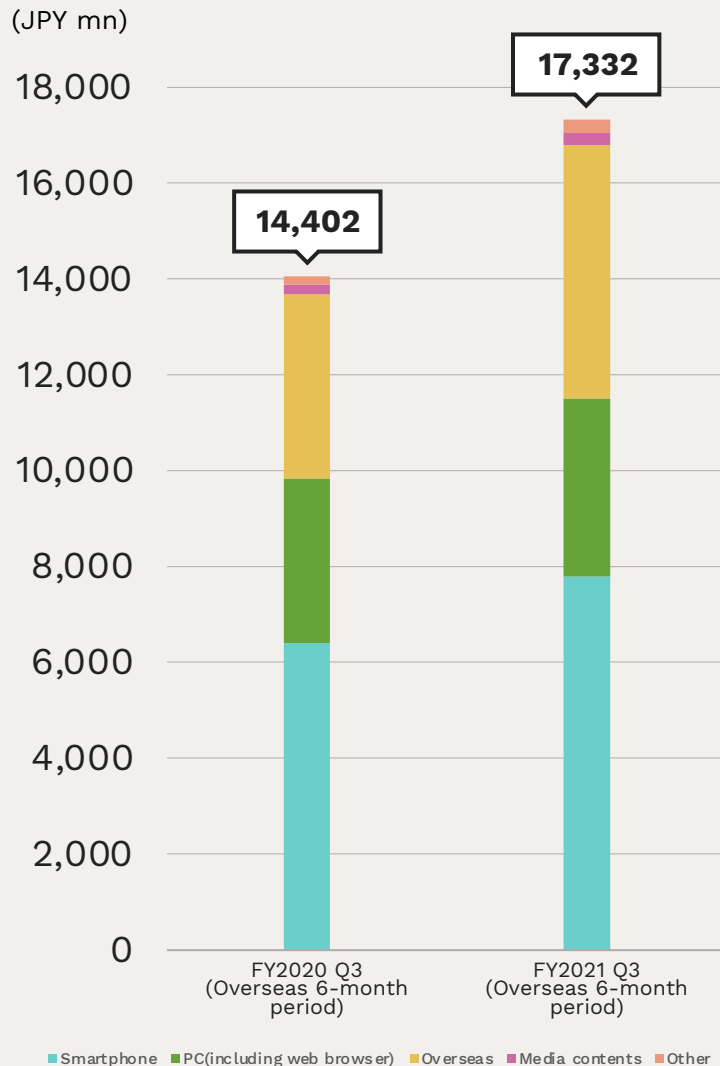
	FY2021 Q3	QoQ FY2021 Q3 Reference value (Overseas 6-month period)		
		Reference value	Change	Change(%)
Gross sales	17,332	14,402	+2,929	+20.3%
Net sales	3,932	3,124	+807	+25.9%
Gross profit	3,312	2,653	+659	+24.8%
SG&A expenses	2,804	2,206	+598	+27.1%
Operating profit	507	446	+61	+13.7%
Ordinary profit	612	471	+141	+29.9%
Profit attributable to owners of parent	326	313	+12	+4.1%

Gross sales Overseas 6-month period
QoQ Increased JPY +2,929 mn (+20.3%)

Operating profit Overseas 6-month period
QoQ Increased JPY +61 mn (+13.7%)

* FY2020 Q3 (6 months for overseas subsidiaries) is the figures of the third quarter of the fiscal year ended March 2021 (accounting period) plus overseas subsidiary figures of the fourth quarter of the fiscal year ended March 2021 (accounting period).

Gross Sales (QoQ Change) Overseas 6-month period



Domestic Advertising JPY 11,511 mn

QoQ: JPY +1,673 mn (+17.0%)

Smartphone . . . JPY 7,691 mn (Mainly app advertising)

QoQ: JPY +1,283 mn (+20.0%)
(Overseas 6-month Period)

Increased due to significant increase in gross sales of UNICORN as well as growth in manga app and Hakuhodo DY Group collaboration. That of game app remained mostly flat.

PC . . . JPY 3,819 mn (PC web advertising and smartphone web advertising)

QoQ: JPY +390 mn (+11.4%)
(Overseas 6-month Period)

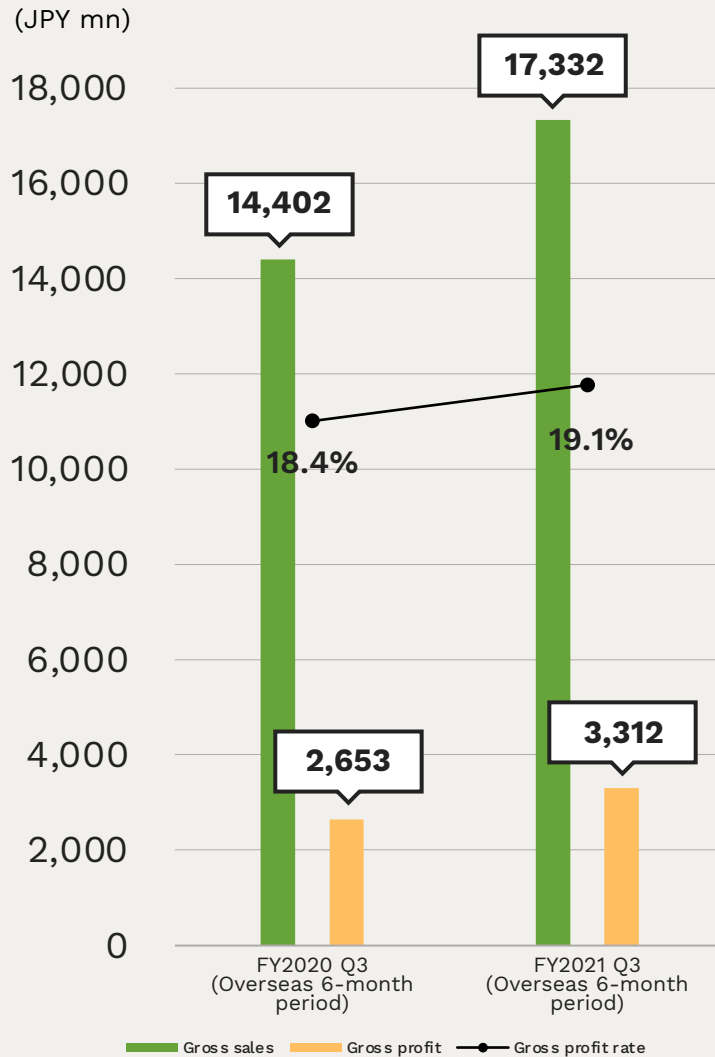
Several credit card campaigns' advertising spend increased. EC increased due to some beauty clients' gross sales growing.

Overseas JPY 5,284 mn

QoQ: JPY +1,443 mn (+37.6%)
(Overseas 6-month Period)

Advertising spend increased as a result of Chinese clients strengthening overseas expansion. App advertising grew in Taiwan.

Gross Profit (QoQ Change) Overseas 6-month period



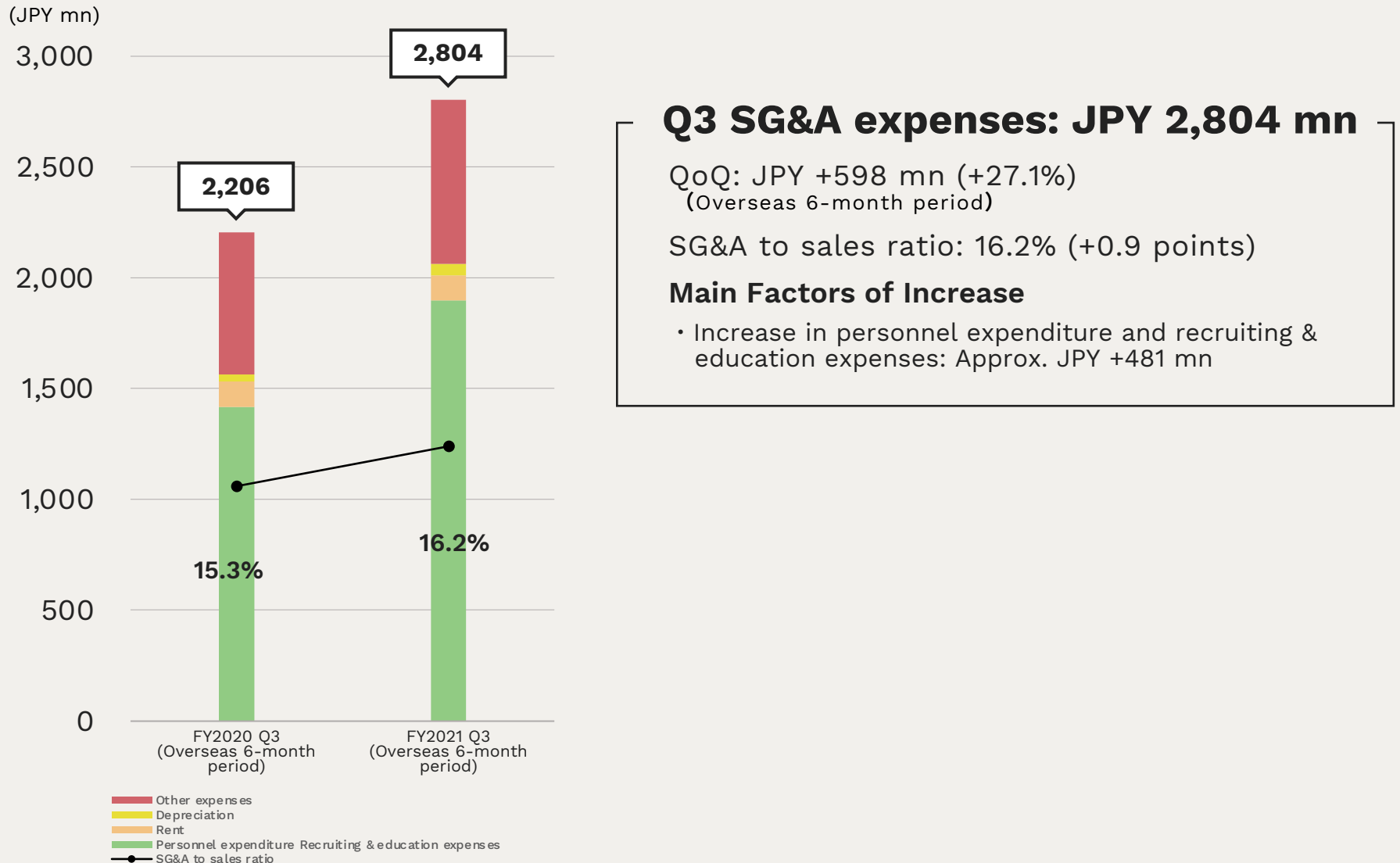
Q3 Gross profit: JPY 3,312 mn

QoQ: JPY +659 mn (+24.8%)
(Overseas 6-month period)

Gross profit rate: 19.1% (+0.7 points)

*FY2020 Q3 (6 months for overseas subsidiaries) is the third quarter of the fiscal year ended March 2021 (accounting period) plus overseas subsidiary figures of the fourth quarter of the fiscal year ended March 2021 (accounting period).

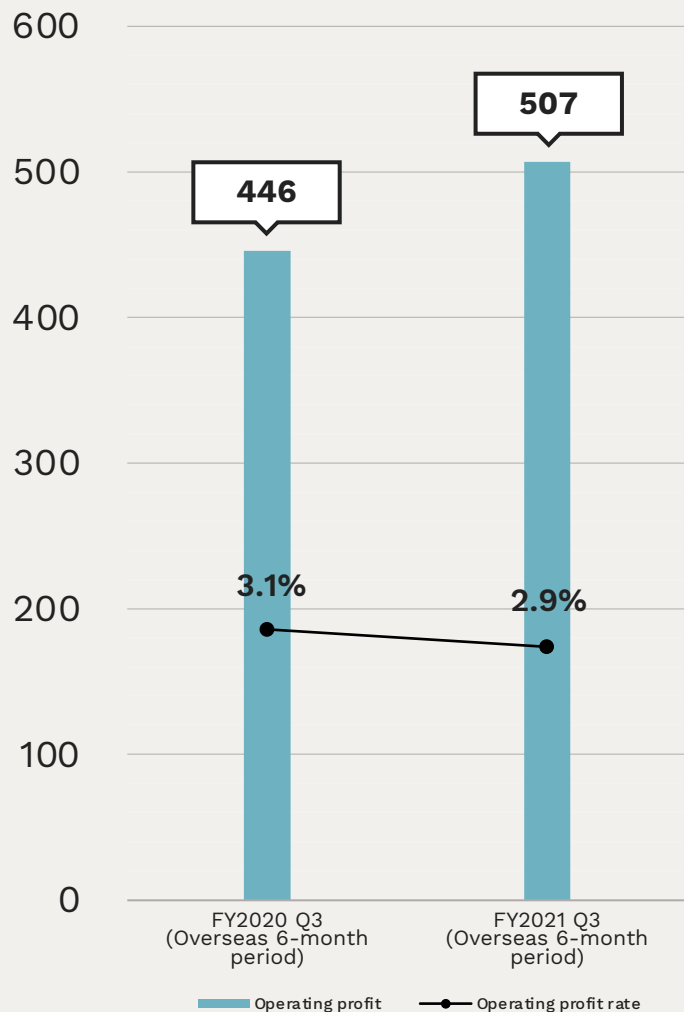
SG&A Expenses (QoQ Change) Overseas 6-month period



*FY2020 Q3 (6 months for overseas subsidiaries) is the figures of the third quarter of the fiscal year ended March 2021 (accounting period) plus overseas subsidiary figures of the fourth quarter of the fiscal year ended March 2021 (accounting period).

Operating Profit (QoQ Change)^{Overseas 6-month period}

(JPY mn)



Q3 Operating profit: JPY 507 mn

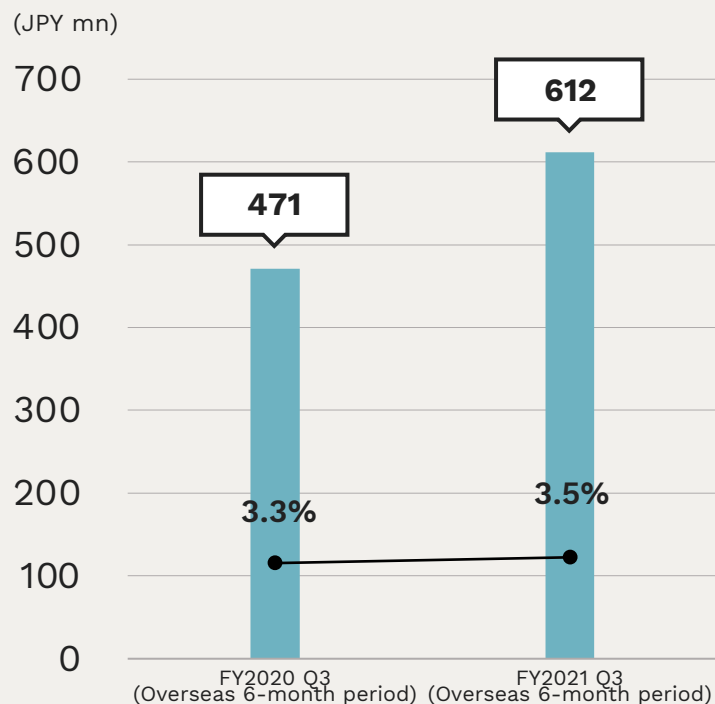
QoQ: JPY +61 mn (+13.7%)
(Overseas 6-month period)

Operating Profit rate: 2.9% (-0.2 points)

*FY2020 Q3 (6 months for overseas subsidiaries) is the figures of the third quarter of the fiscal year ended March 2021 (accounting period) plus overseas subsidiary figures of the fourth quarter of the fiscal year ended March 2021 (accounting period).

Ordinary Profit (QoQ Change)

Overseas 6-month period



Q3 Ordinary profit: JPY 612 mn

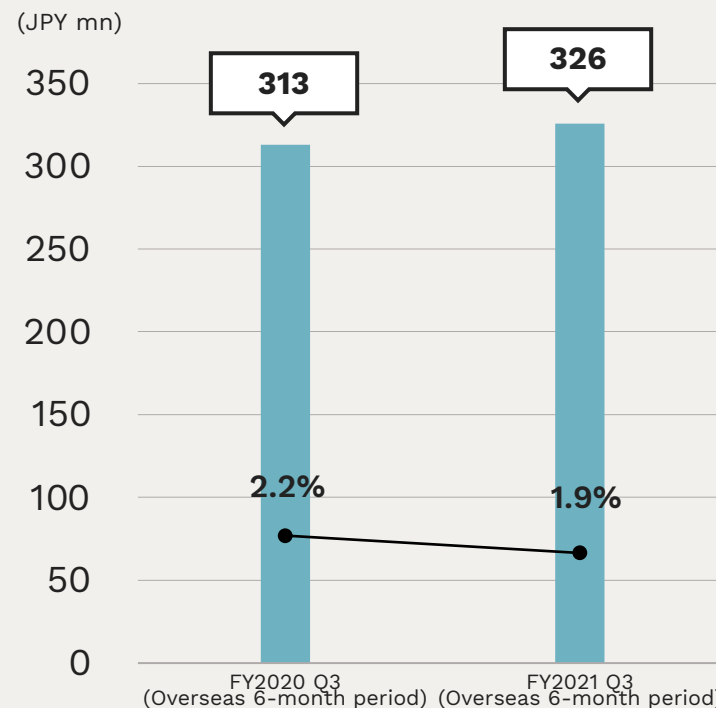
QoQ: JPY +141 mn (+29.9%)

(Overseas 6-month period)

Ordinary Profit rate: 3.5% (+0.2 points)

Profit Attributable to Owners of Parent (QoQ Change)

Overseas 6-month period



**Q3 Profit attributable to owners
of parent : JPY 326 mn**

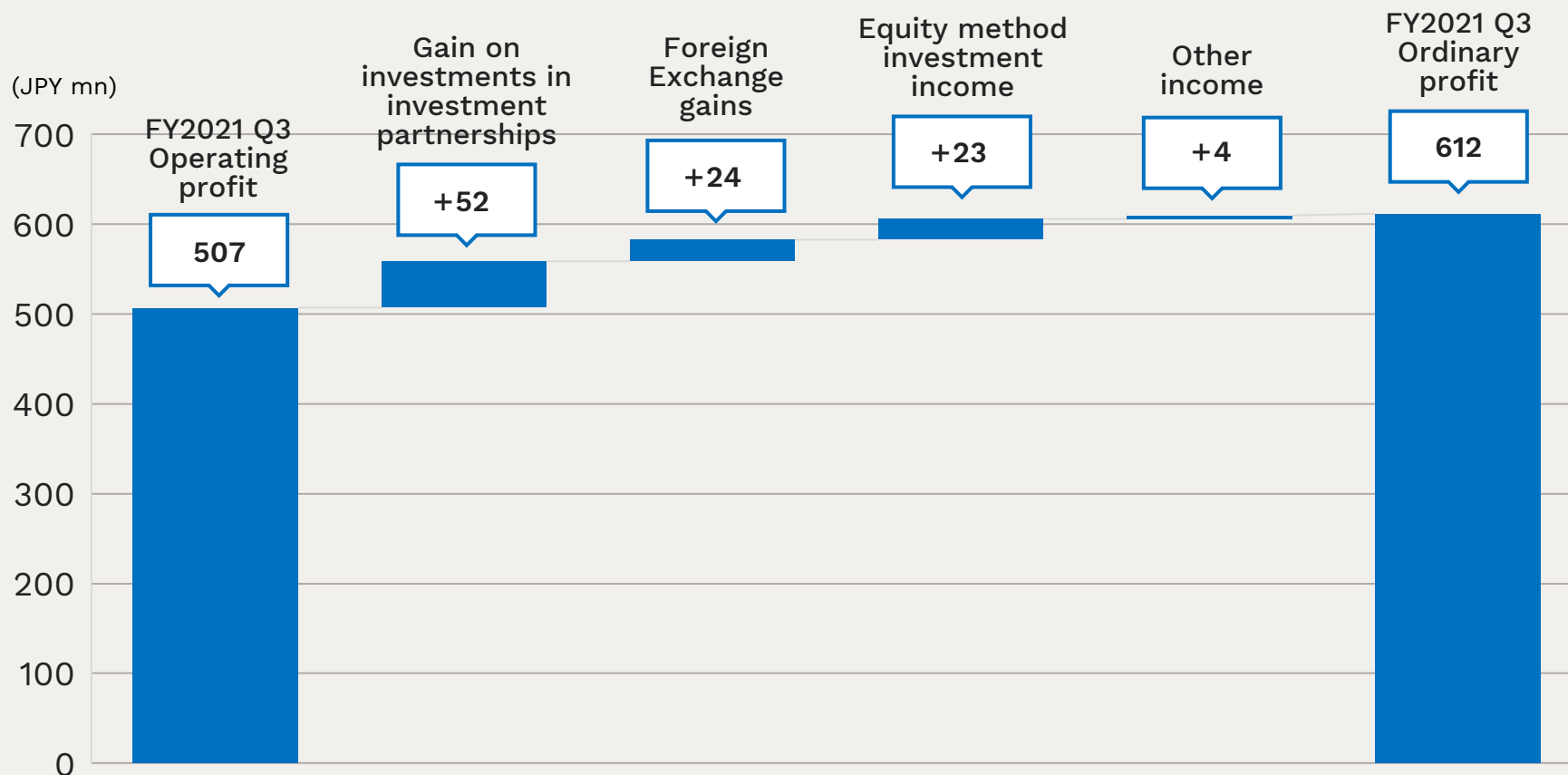
QoQ: JPY +12 mn (+4.1%)

(Overseas 6-month period)

Profit Attributable to Owners of parent
ratio: 1.9% (-0.3 points)

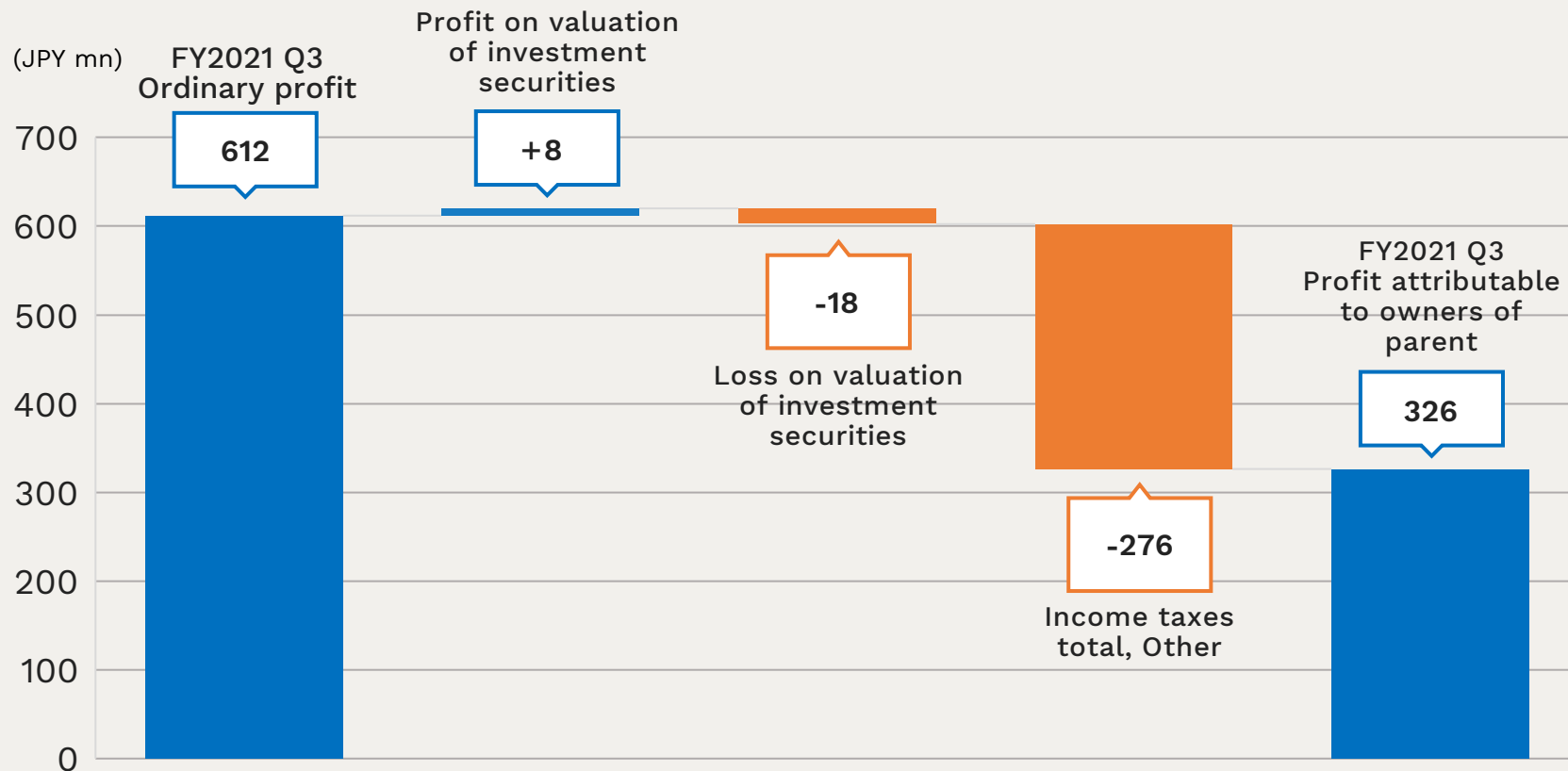
*FY2020 Q3 (6 months for overseas subsidiaries) is the figures of the third quarter of the fiscal year ended March 2021 (accounting period) plus overseas subsidiary figures of the fourth quarter of the fiscal year ended March 2021 (accounting period).

Breakdown of FY2021 Q3 Ordinary Profit



Gain on investments in investment partnerships	.....	JPY +52 mn
Foreign Exchange gains	.....	JPY +24 mn
Equity method investment income	.....	JPY +23 mn
Other income	.....	JPY +4 mn

Breakdown of FY2021 Q3 Profit Attributable to Owners of Parent



Profit on valuation of investment securities	.....	JPY	8 mn
Loss on valuation of investment securities	.....	JPY	-18 mn
Income taxes total, Other	.....	JPY	-276 mn

FY2021

Shareholder Returns

3.

Chapter 3 : **Shareholder returns**

Shareholder Returns

**FY2021
Dividend**

JPY 5.17 per share

Dividend Policy

For the three-year period starting from the fiscal year ended December 2021 (through the fiscal year ending December 2023), we aim to pay a dividend per share using that fiscal year as the dividend payout ratio excluding the first fiscal year (21% for the current fiscal year because it is the 22nd fiscal year) or based on a dividend of 2.70 yen per share, increased by 0.10 yen per share each year, whichever is higher.

Regular Dividend Policy (FY2021 – FY2023)

FY2021

**Dividend payout
ratio of 21%**

or

JPY 2.70 per share

Whichever is higher

FY2022

**Dividend payout
ratio of 22%**

or

JPY 2.80 per share

Whichever is higher

FY2023

**Dividend payout
ratio of 23%**

or

JPY 2.90 per share

Whichever is higher

*Please note that the dividend policy is subject to change based on major performance fluctuation, large-scale M&A and other management changes.

4.

Chapter 4 : Forecasts

FY2022 Forecast

FY2022 Consolidated Performance Forecast Values (January 1, 2022 – December 31, 2022)

(JPY mn)

	Gross sales (Reference)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2022 Forecast (Domestic 12-month period)	58,000	13,500	1,100	1,400	700

FY2021 Reference Value (Domestic 12-month period)

(JPY mn)

	Gross sales (Reference)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2021 Reference value (Domestic 12-month period)	56,055	-	1,796	2,227	1,546

*FY2021 reference value (12 months for domestic companies) is reference figures combining the results from that year with domestic companies' fourth quarter of the fiscal year ended March 2021 (accounting period).

*Net sales for the fiscal year ended December 2021 (12 months for domestic companies) are not listed as January to March 2021 was prior to the Accounting Standard for Revenue Recognition coming into effect.

*FY2021 reference value (12 months for domestic companies) above is reference figures that do not include change or rate of change as this fiscal year was when we changed our accounting period, making domestic companies' accounting period only nine months.

Investment in Humans, Businesses and Machines

Initial Plan: to invest approx. JPY 520 mn in FY2022

Business year	Investment amount (Initial forecasts)	Operating profit when Investment made	Operating profit when investment not made
FY2022 Forecast (Domestic 12-month period)	Approx. JPY 520 mn	Approx. JPY 1,100 mn	Approx. JPY 1,620mn
FY2021 Reference value (Domestic 12-month period)	Approx. JPY 370 mn	Approx. JPY 1,790 mn	Approx. JPY 2,160 mn



Investment in humans
(Bolstering the workforce)

Approx.
JPY 240 mn



Investment in businesses
(Expanding businesses)

Approx.
JPY 90 mn



Investment in machines
(Boosting operational efficiency)

Approx.
JPY 190 mn

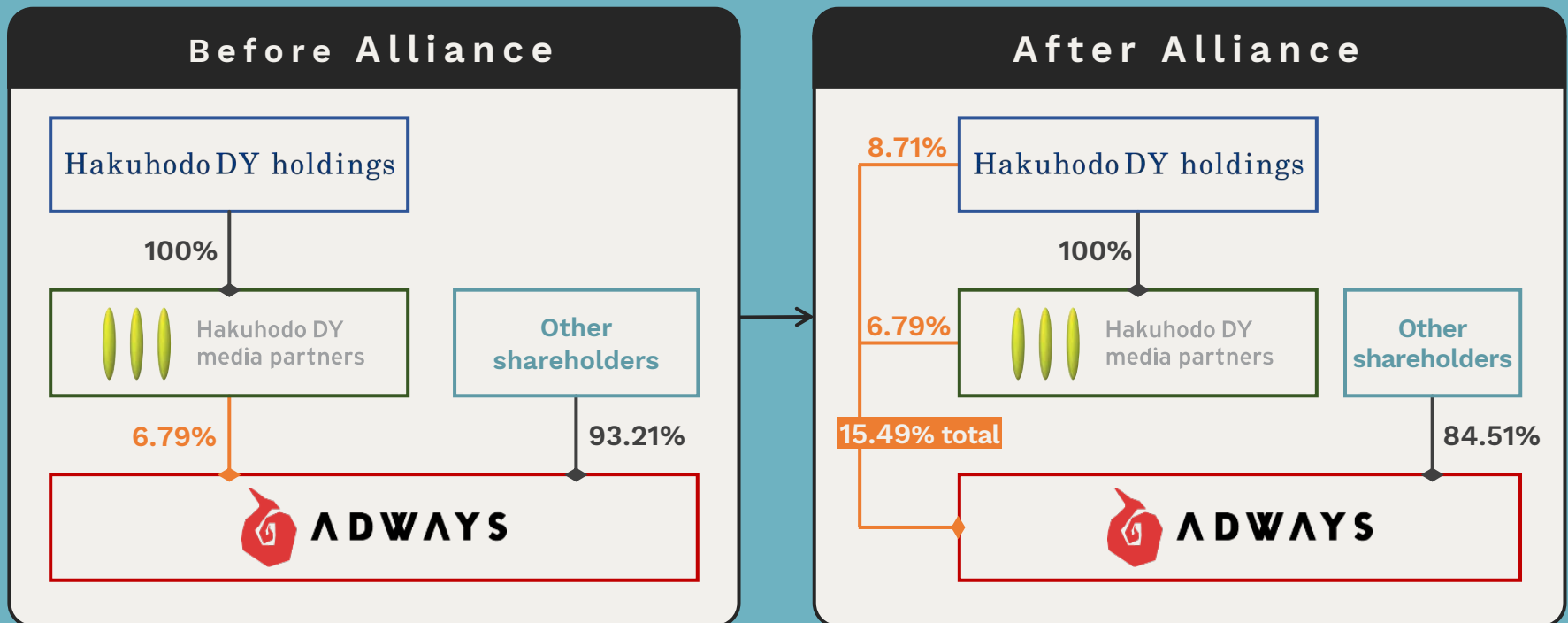
We will solidify our ad business' foundation by investing in humans, businesses and machines

5.

Chapter 5 : business overview

BUSINESS OVER VIEW

Entered a Capital Alliance with Hakuhodo DY Holdings



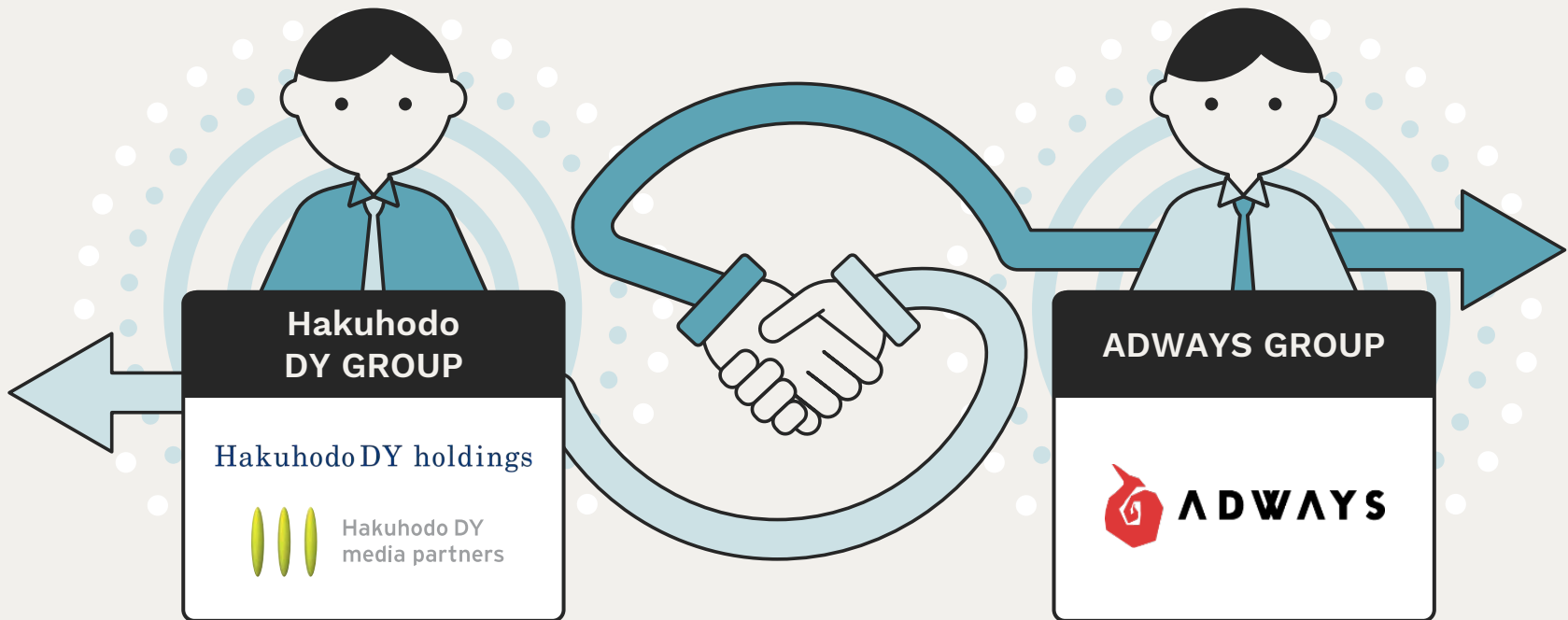
In November 2019, we entered into a capital and business alliance with Hakuhodo DY Media Partners, increasing our sales and number of advertising campaigns acquired. Then in November 2021, we entered into a capital alliance agreement with Hakuhodo DY Holdings, the parent company of Hakuhodo DY Media Partners, to build a stronger, more long-term partnership.

*The percentages indicate voting rights as of December 31, 2021.

Capital Alliance for a Stronger Strategic Partnership

Third quarter

Combining our group's operation, creation and development capabilities with Hakuodo DY Group's integrated TV/digital planning and marketing strategy design expertise to build a stronger collaborative structure



Integrated TV/digital planning and
marketing strategy design expertise

Operation, creation
and development capabilities

Certified by Japan's Joint Industry Committee for Digital Advertising Quality & Qualify (JICDAQ)

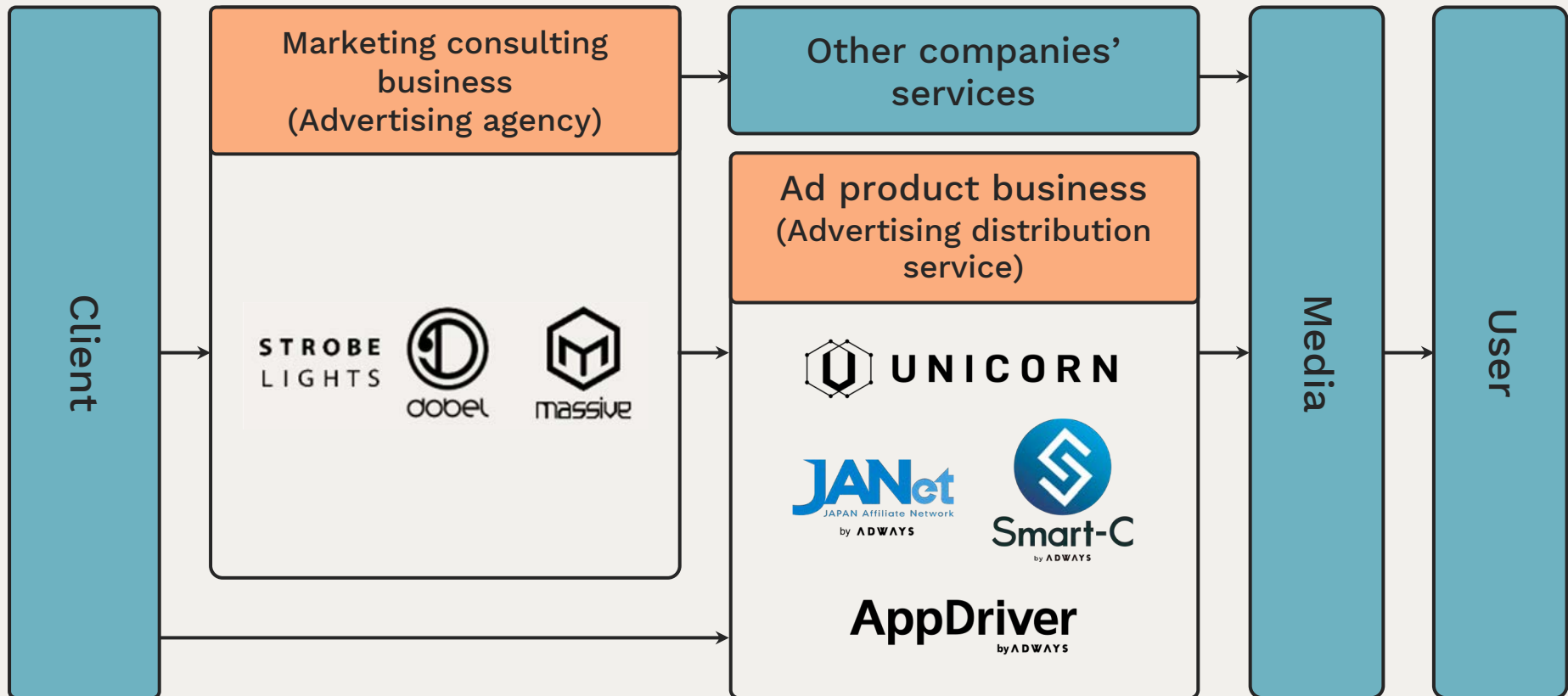


Adways and UNICORN have been certified as qualified operators by JICDAQ according to its certification standards for business processes related to “exclusion of invalid distribution, including ad fraud,” and “ensuring brand safety according to the quality of advertising destinations.”

Advertising business

Third quarter

Classification of Advertising Business



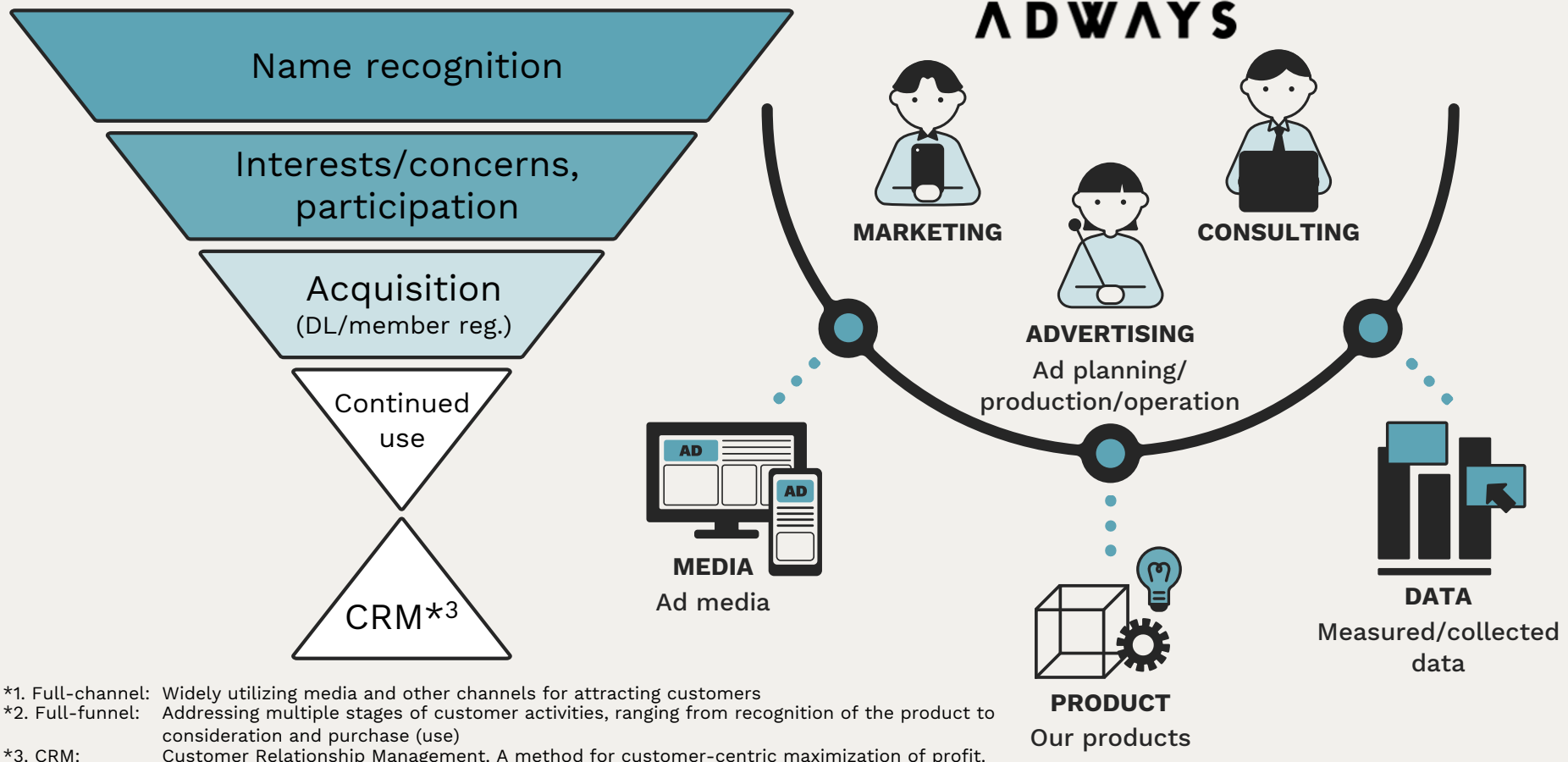
We classify our ad business into a marketing consulting business that also sells other companies' services and an ad product business that operates our ad distribution service.

Marketing consulting business

Comprehensive app & web marketing support business

Comprehensive marketing support through integrated planning offline and online

Full-channel,*1 full-funnel*2 comprehensive marketing support
able to approach multiple needs and multiple targets



Leverage technology to maximize substantive ad effect

Third quarter

Media Analysis Tools



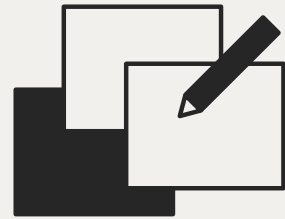
Establish algorithmic media analysis and optimal operation methods from media reporting data and operator logs

Operation Assistance Tools



System proposes best operation method for campaign genre, improving ad effect with precise operation optimization

Creative Analysis Tools

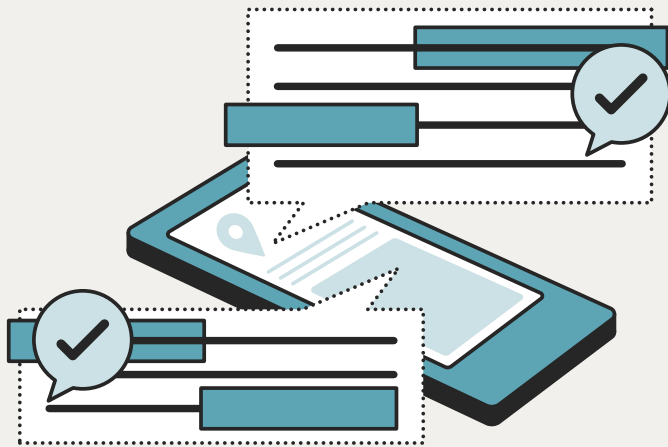


Creative analysis from media perspective. Analyze each media's algorithm and optimize creative production/operation

Maximize ad effect by analyzing main mega-platforms' algorithms to optimize operation

Launched Joint Solution for ASO with Repro

App store optimization and ad impact maximization with ASO*



ADWAYS

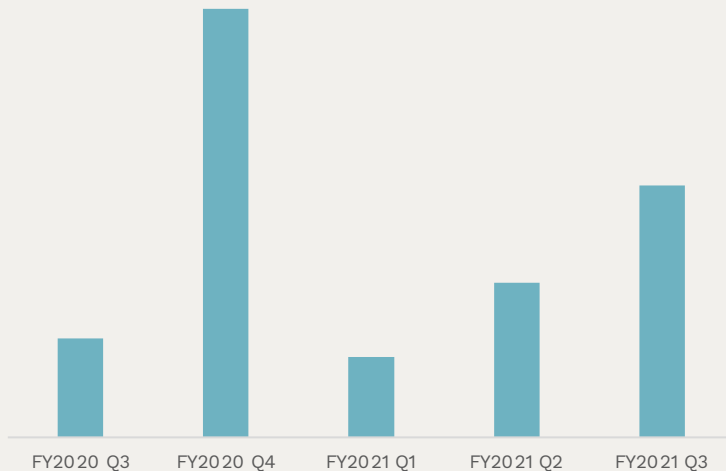
Repro

Repro is an ASO expert with an in-house support tool called ASO Insight. With Adways' abundant operational experience, adding this to our ASO consulting delivers even more precise results.

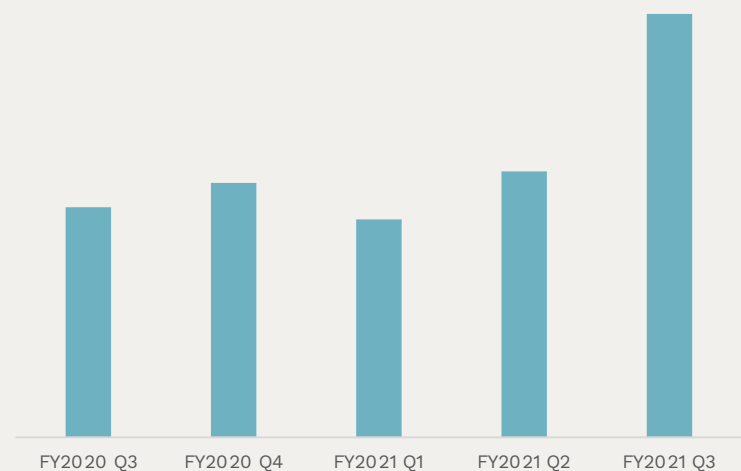
*ASO (App Store Optimization) refers to measures to optimize an app's information page to increase its app store search ranking, increase visits to its page and improve its conversion rate and quantity. We operate Apple Search Ads but expect strong synergy with better ASO to maximize both ad-based and organic installs.

Progress of Capital and Business Alliance with Hakuhodo DY Group

Gross Sales from Alliance with Hakuhodo DY Group



Number of Clients from Alliance with Hakuhodo DY Group



Gross sales and number of clients showed strong growth when compared with last quarter as well as with the same quarter of last year.

Ad product business

UNICORN, affiliate ad service business etc.

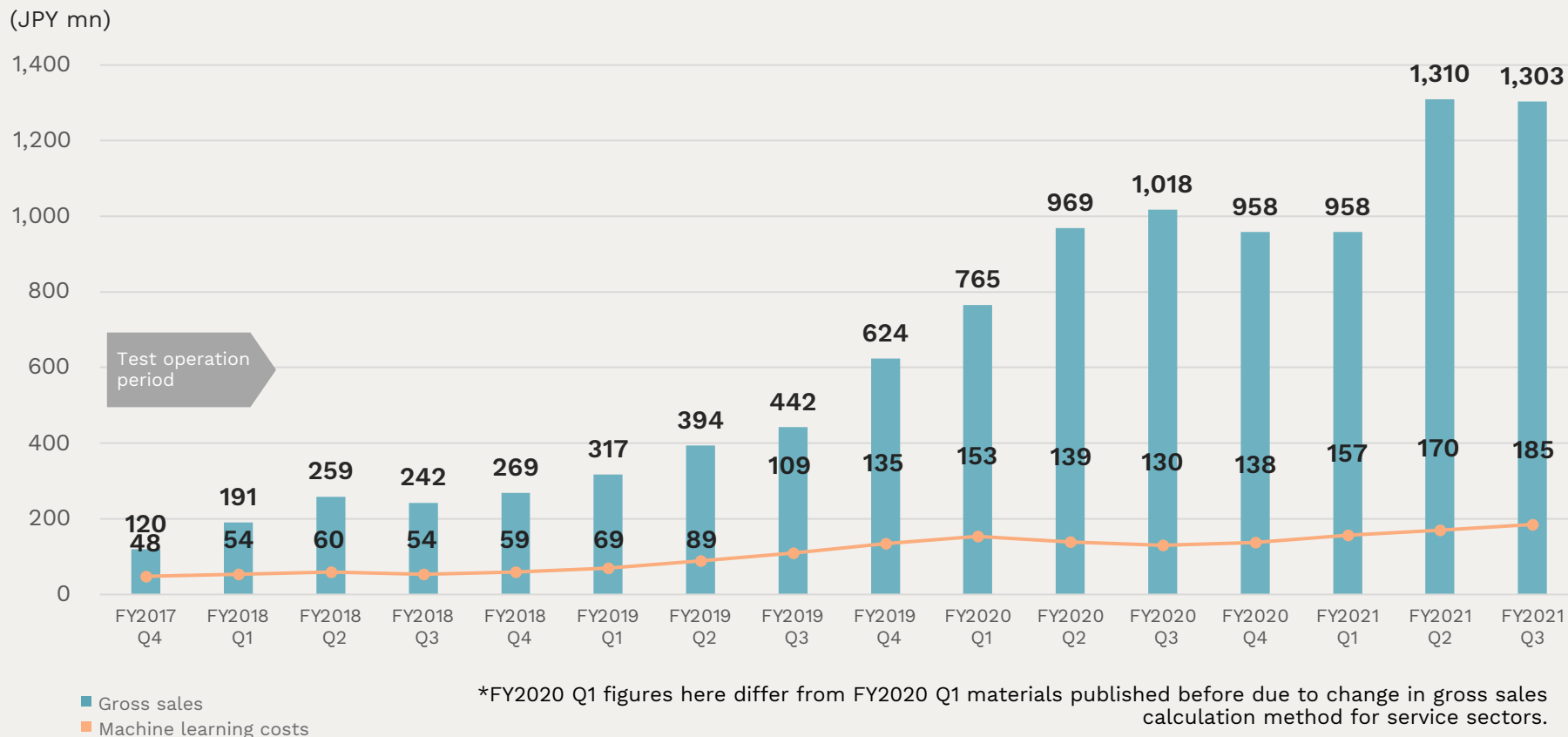
The background features a dark space with several concentric circles in white, yellow, and blue. Scattered throughout are white dotted lines forming various geometric shapes, including triangles and polygons. The Unicorn logo, a stylized 'U' inside a hexagon, is centered above the text.

UNICORN
REDEFINE DIGITAL MARKETING

Progress of UNICORN

Third quarter

Change in UNICORN Gross Sales and Machine Learning Costs



Gross sales increased 128% year on year.

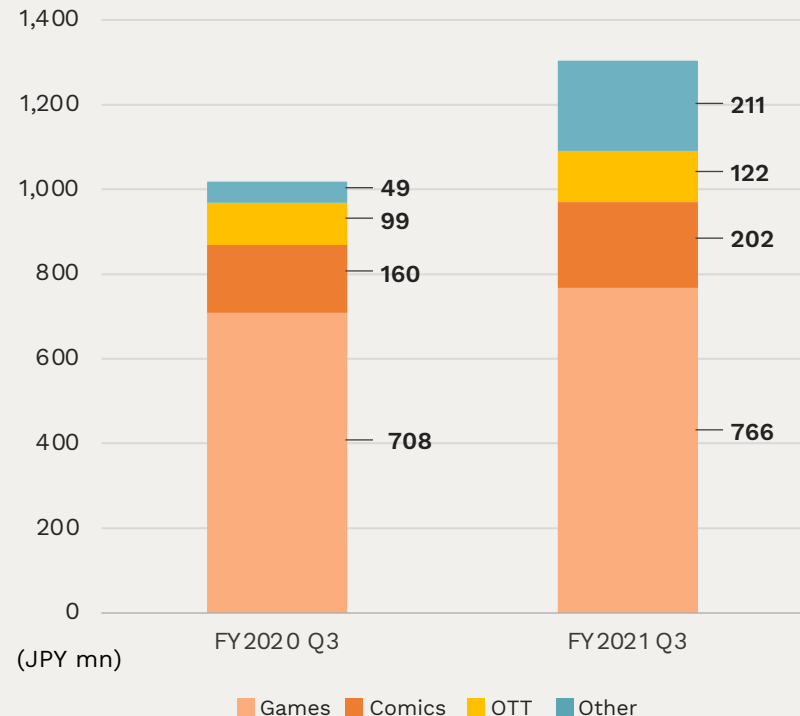
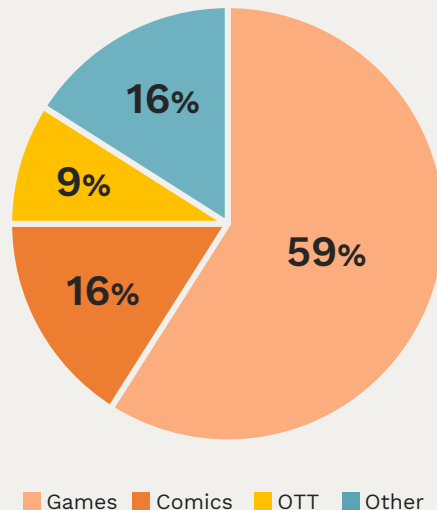
About UNICORN

Progress of UNICORN

Third quarter

Progress by Genre

FY2021 Q3 results



Significant growth in all genres. In Other, we expect the Web business, focused on brand advertisers, to become our fourth pillar.

About UNICORN

Advanced ad method

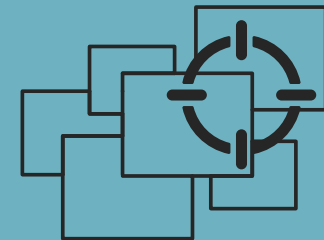
UNICORN Interactive AD

Third quarter



Cutting-edge creative formats

Banner / Video
Reward Video
Native / Interactive



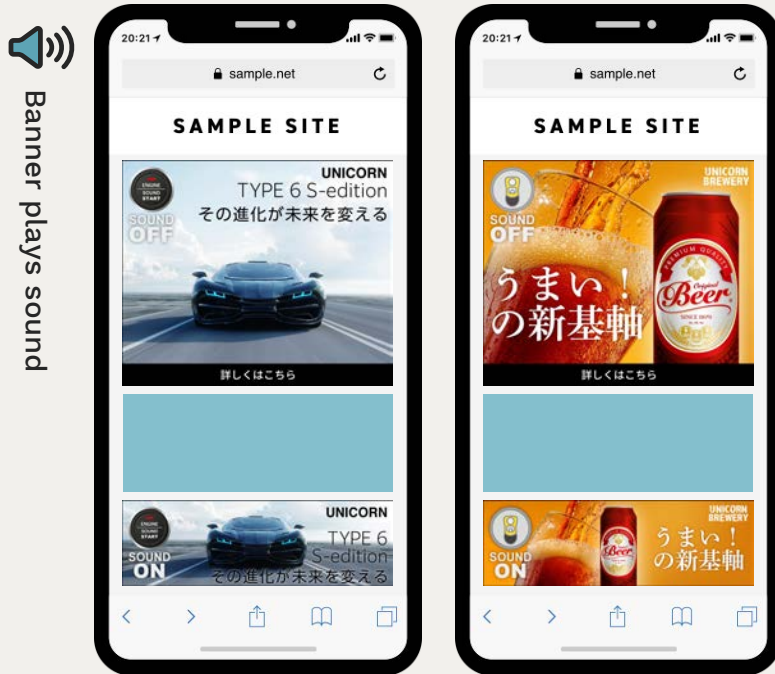
Precise ad optimization with UNICORN

Context/Location
Demographics
Carrier/Approved list

Achieve completely new types of communication with unencountered users by using unprecedented creatives

Brand Advertiser Initiatives

Audio Display Ad



Audio plays with the images, hitting both the visual and auditory senses

SSP Partnership with Teads Japan

Teads

Achieves greater brand recognition, user acquisition and ad cost performance

Overseas ad business

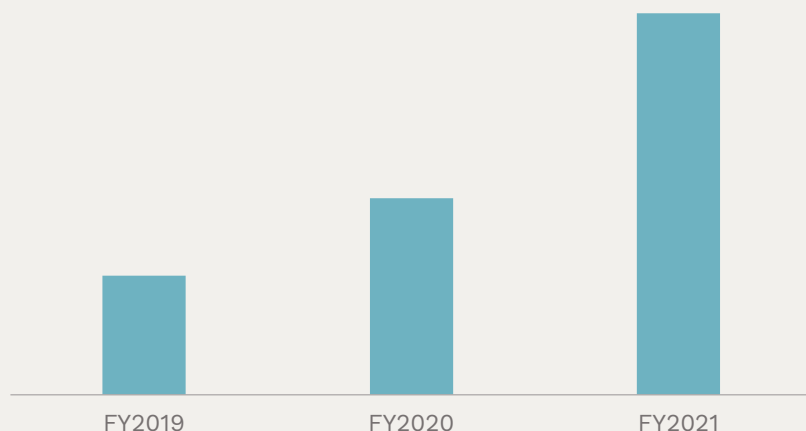
Comprehensive overseas app & web marketing support business

Overseas ad business

Third quarter

China

App Marketing Business
(Change in Gross Sales)



FY2021 app business gross sales increased 194% YoY

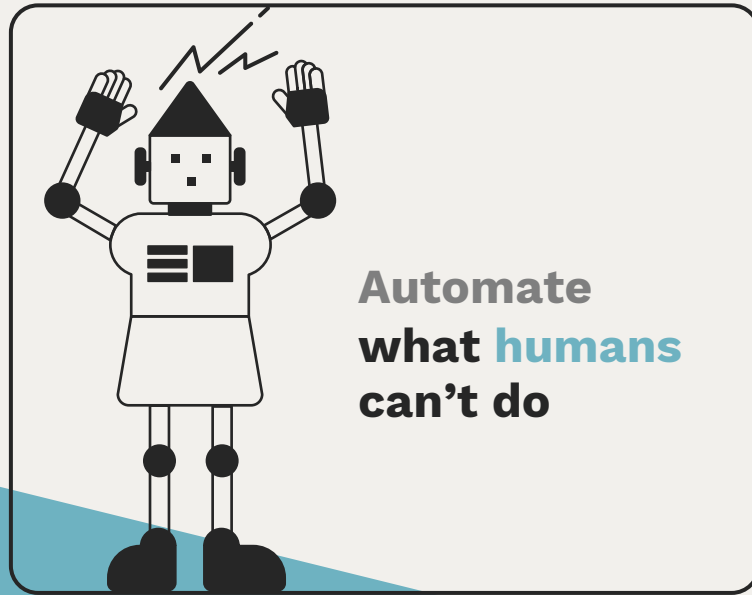
Taiwan

Made Taiwanese creative agency
MATCH Advertising into a
consolidated subsidiary

MATCH
Advertising

Strengthens marketing strategy
and creative domain

Co-existence of Humans & Machines



Maximize performance



Beyond Everything Internet

インターネットの全てを越えていく

なにこれ
すげー
みんなのはじめて

OMG, This is Amazing

Thank you very much for attending our presentation today

The information provided in this presentation contains forward-looking statements including Adways Inc.'s current plans, outlook, estimates and forecasts related to its business and industry trends. Such statements are subject to certain risks and uncertainties. Actual results may differ from the outlook expressed herein due to risks which may or may not be known at present, uncertainties and various other factors. Adways Inc. makes no warranty that its future outlook and forecasts are accurate, and actual results may differ materially from company estimates and may be worse than those expressed.

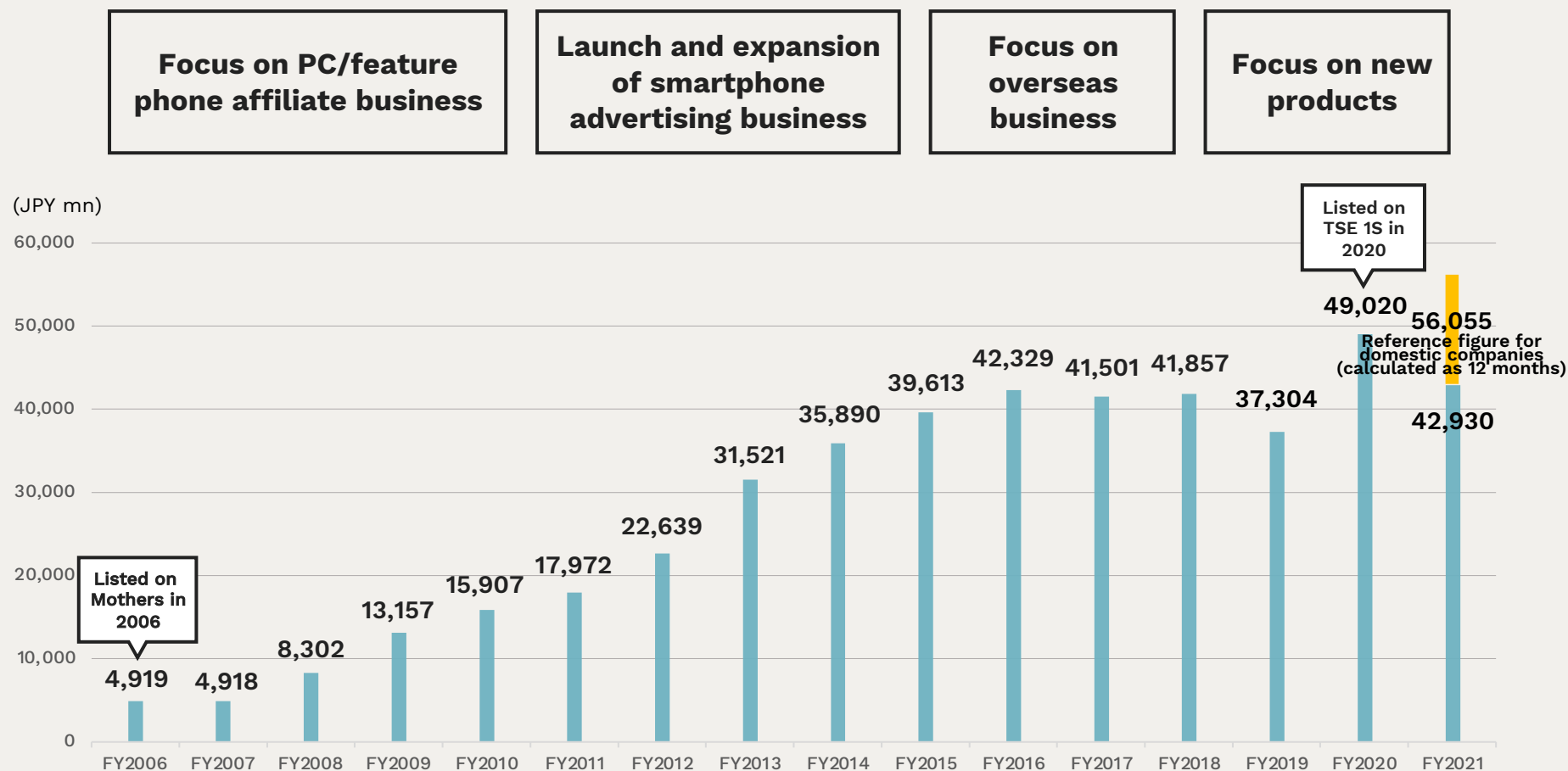
Statements made herein are based on information available as of Feb 10, 2022, and a variety of factors may cause the statements to differ from actual results.

SUPPLEMENTARY MATERIALS

6.

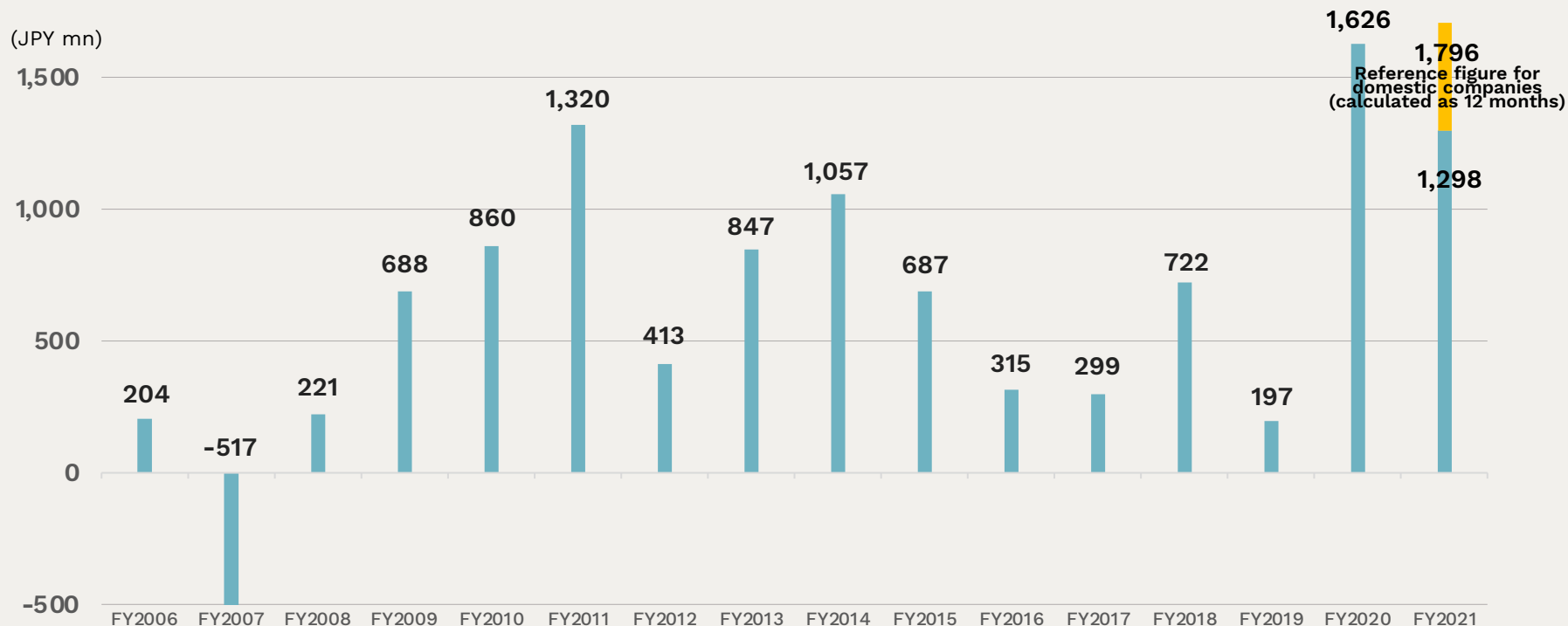
Chapter 6 : **Supplementary materials**

Yearly Change in Consolidated Gross Sales



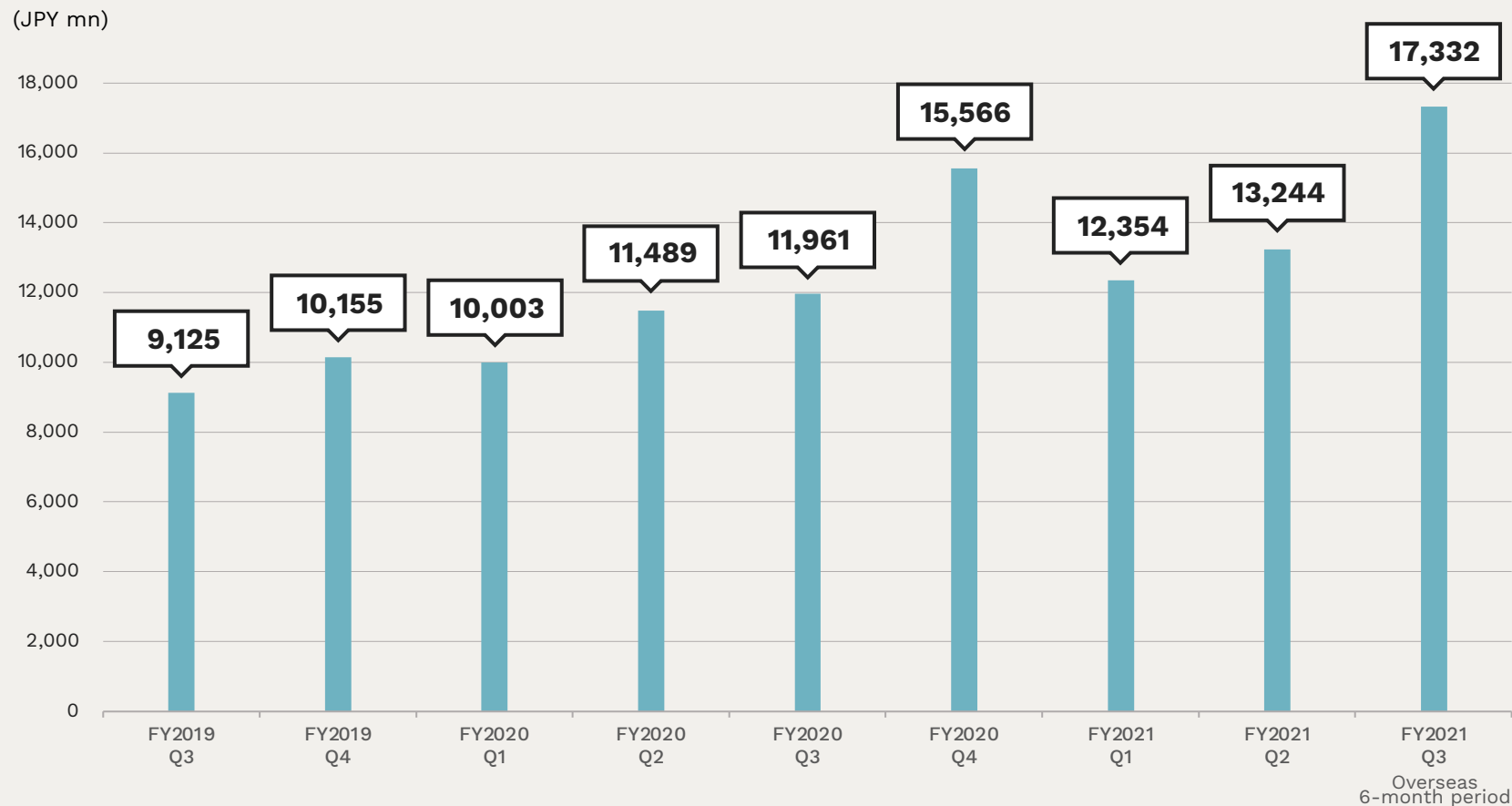
*FY2021 (12 months for domestic companies) is reference figures combining the results of that year with domestic companies' fourth quarter of the fiscal year ended March 2021 (accounting period) (in line with the change of fiscal year, the accounting period of the fiscal year ended December 2021 was nine months for domestic companies).

Yearly Change in Consolidated Operating Profit



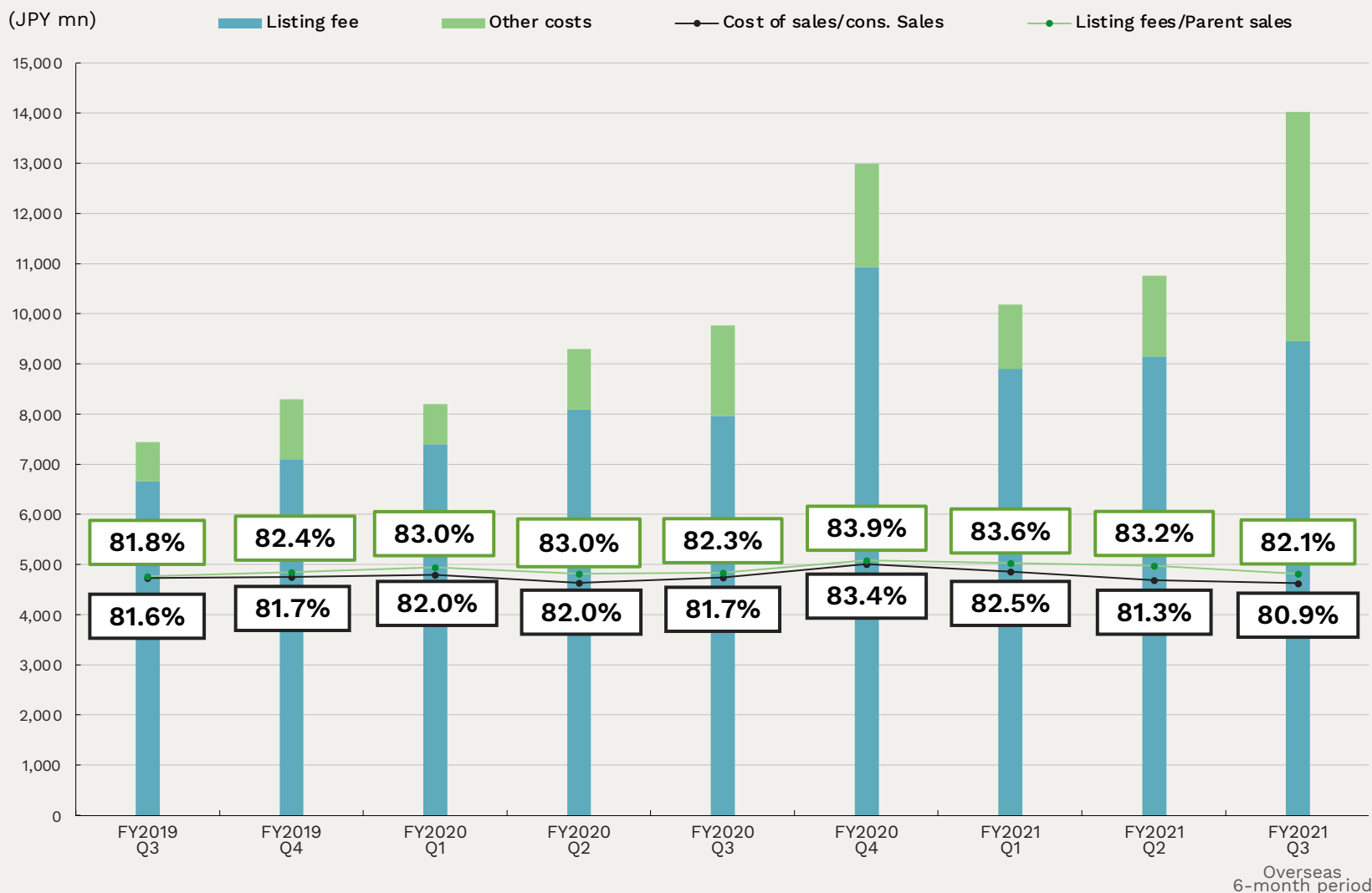
*FY2021 (12 months for domestic companies) is reference figures combining the results of that year with domestic companies' fourth quarter of the fiscal year ended March 2021 (accounting period) (in line with the change of fiscal year, the accounting period of the fiscal year ended December 2021 was nine months for domestic companies).

Quarterly Change in Consolidated Gross Sales



*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year.

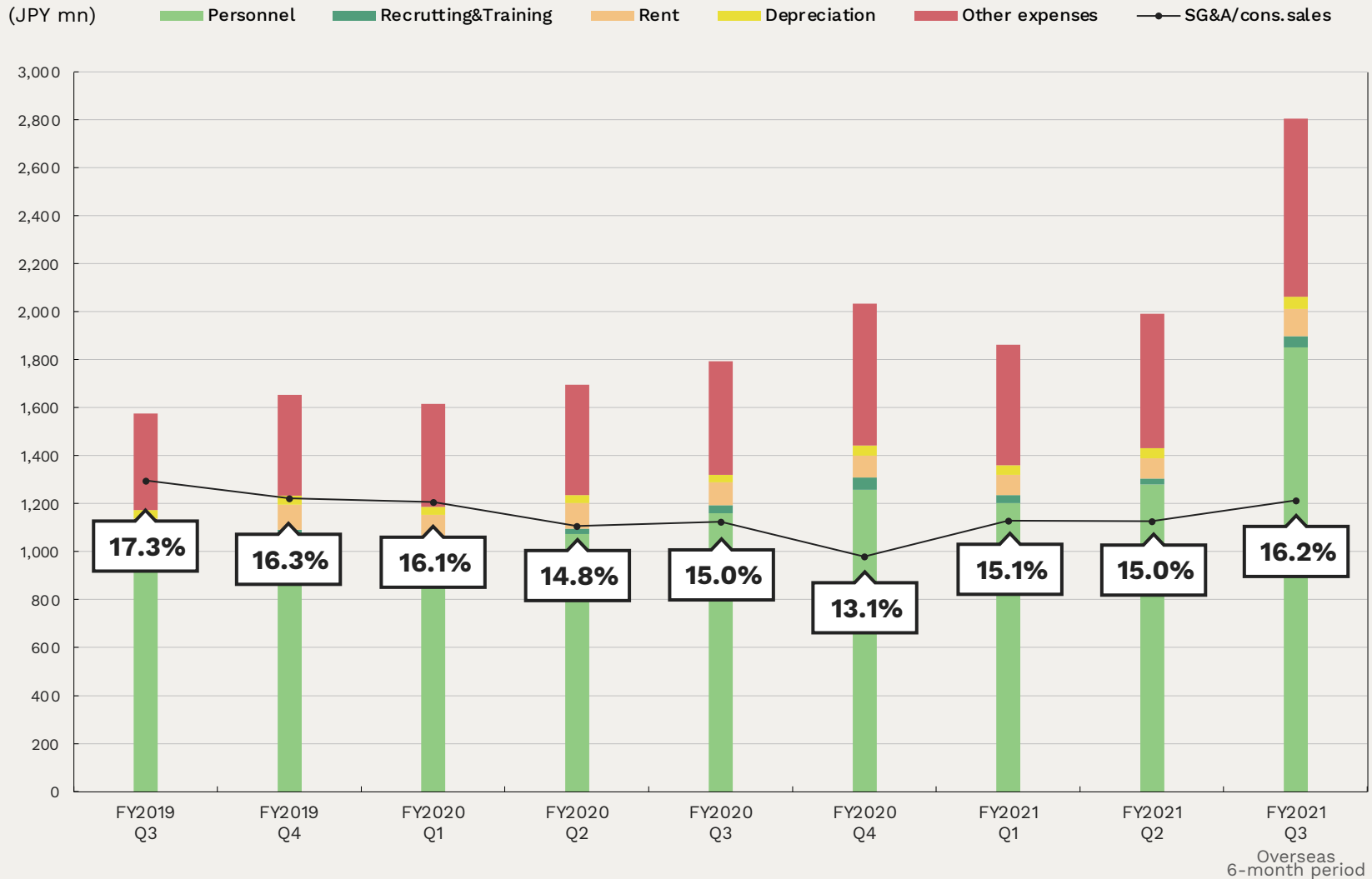
Quarterly Change in Consolidated Cost of Sales



*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year.

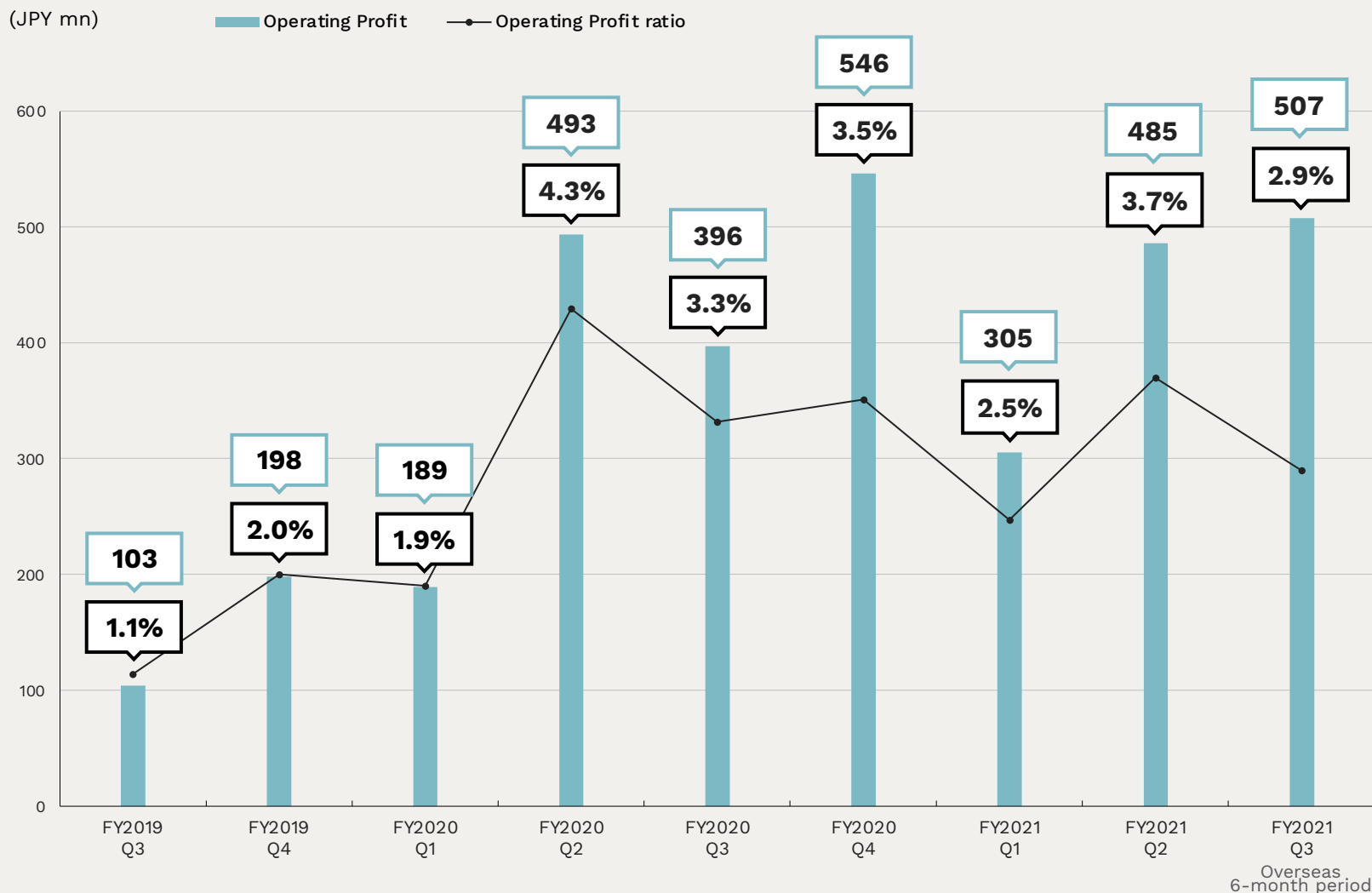
*Listing fee and Listing fees/Parent sales show non-consolidated figures.

Quarterly Change in Consolidated SG&A Expenses



*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year.

Quarterly Change in Consolidated Operating Profit



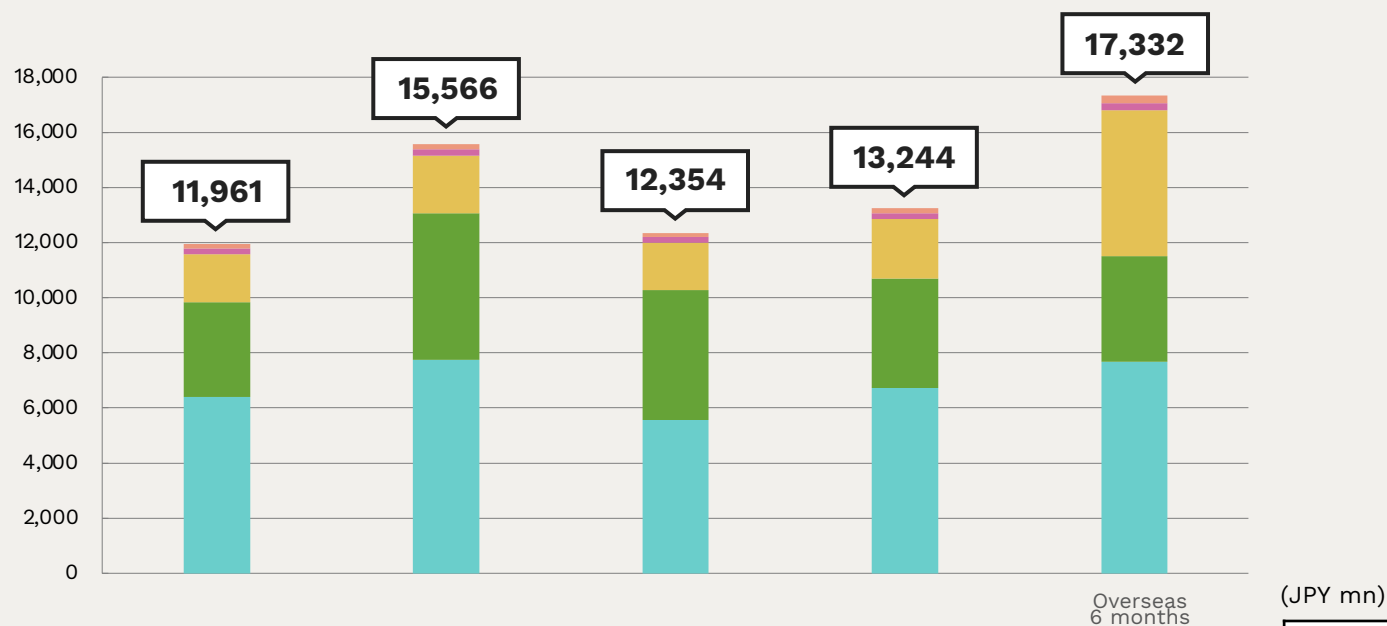
*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year.

Consolidated Balance Sheet (QoQ)

(JPY mn)

	FY2021 Q3	FY2021 Q2	Change	Change (%)
Current assets	21,762	17,822	+3,940	+22.1%
(Cash and deposits)	9,916	9,028	+887	+9.8%
Non-current assets	3,511	3,393	+118	+3.5%
Total assets	25,274	21,215	+4,058	+19.1%
Current liabilities	10,171	9,364	+806	+8.6%
Non-current liabilities	165	217	-52	-24.1%
Total liabilities	10,336	9,582	+753	+7.9%
Net assets	14,937	11,633	+3,304	+28.4%

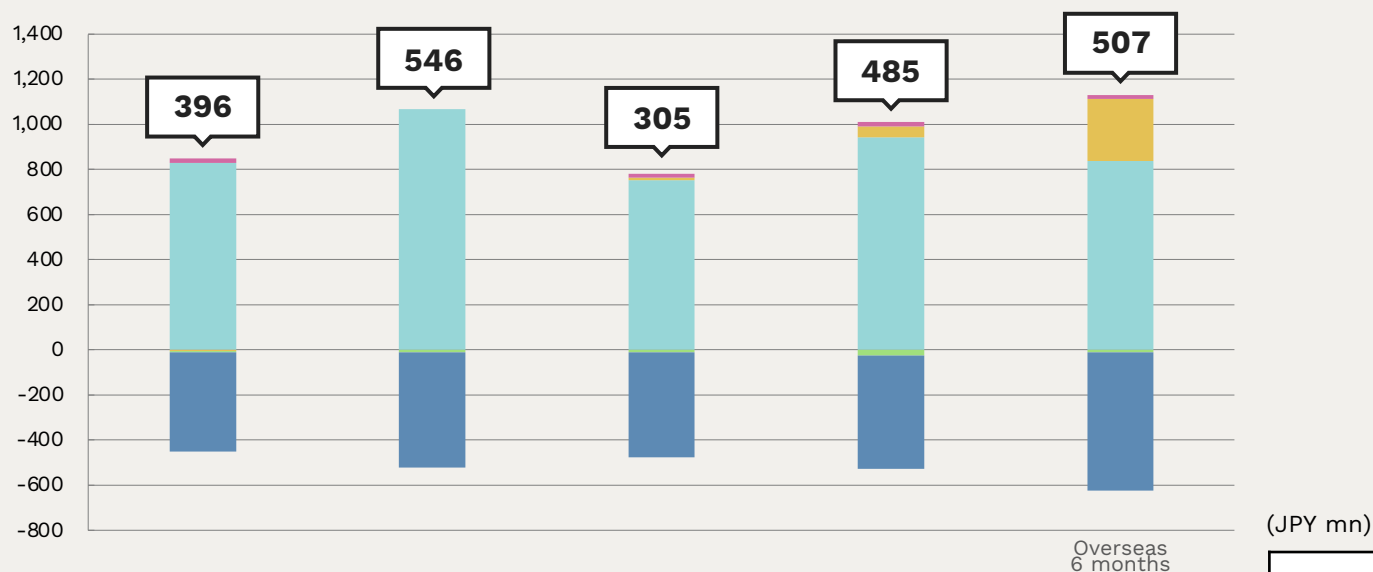
Quarterly Breakdown of Consolidated Sales by Segment



		FY2020 Q3	FY2020 Q4	FY2021 Q1	FY2021 Q2	FY2021 Q3	QoQ	
							Change	Change(%)
Smartphone		6,408	7,756	5,577	6,740	7,691	+950	+14.1%
PC		3,429	5,312	4,711	3,962	3,819	-142	-3.6%
Overseas		1,744	2,097	1,710	2,154	5,284	-	-
Media contents		202	216	198	219	252	+33	+15.1%
Other		176	183	156	167	283	+116	+69.9%
Total		11,961	15,566	12,354	13,244	17,332	-	-

*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year, so change and rate of change are not listed for Overseas and Total.

Quarterly Breakdown of Consolidated Operating Profit by Segment

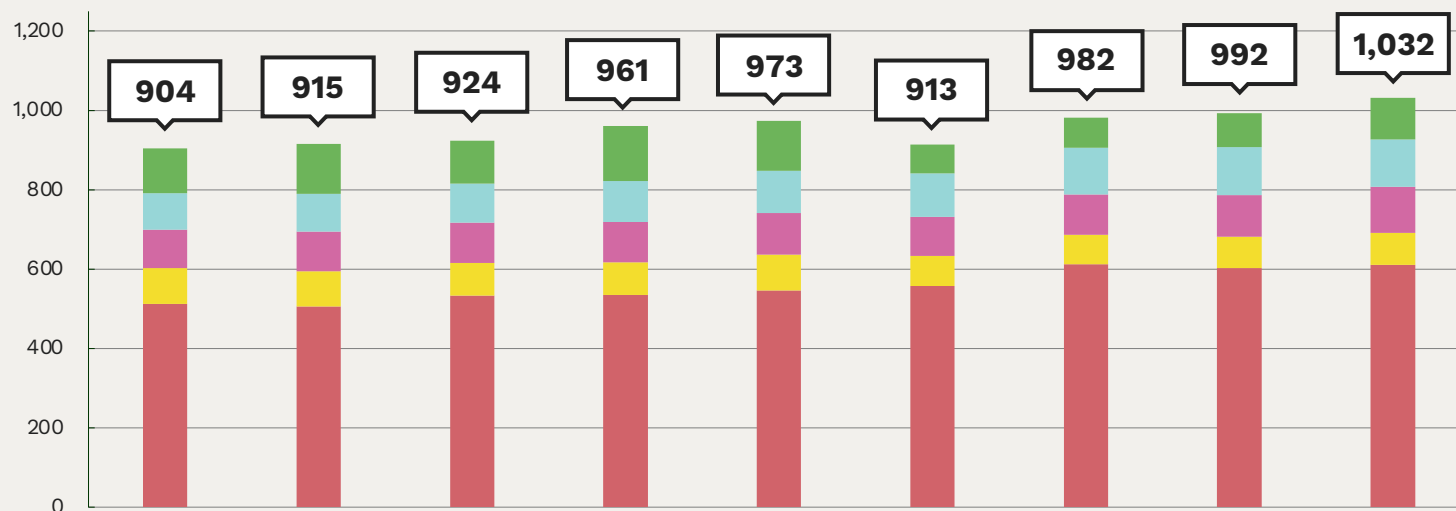


	FY2020 Q3	FY2020 Q4	FY2021 Q1	FY2021 Q2	FY2021 Q3	QoQ	
						Change	Change (%)
Advertising	828	1,068	752	942	839	-103	-11.0%
Overseas	-5	0	11	49	274	-	-
Media Contents	20	0	17	21	17	-3	-18.8%
Other	-4	-9	-10	-25	-9	+15	-
Eliminations & Corporate	-442	-512	-465	-502	-613	-111	-
Total	396	546	305	485	507	-	-

*FY2021 Q3 is a 6-month accounting period for overseas subsidiaries in line with the change of fiscal year, so change and rate of change are not listed for Overseas and Total.

*QoQ Change (%) for Other and Eliminations & Corporate are not listed as they marked operating losses.

Quarterly Change in Group Employees



(Persons)	FY2019 Q3	FY2019 Q4	FY2020 Q1	FY2020 Q2	FY2020 Q3	FY2020 Q4	FY2021 Q1	FY2021 Q2	FY2021 Q3
ADW Japan	512	506	533	535	546	558	613	602	611
ADW China	91	88	82	83	90	75	74	79	80
Domestic subsidiaries	96	100	102	100	105	99	101	106	117
Overseas subsidiaries (excluding China)	92	96	98	104	107	110	117	120	119
Temporary workers, part-time employees	113	125	109	139	125	71	77	85	105
Total	904	915	924	961	973	913	982	992	1,032

Company Overview

Company name	Adways Inc.
Founded	February 28, 2001
Business overview	Internet business
CEO	Sho Yamada
Capital	JPY 1,716 mn (As at end of December 2021)
Gross sales	JPY 42,930 mn (Domestic 9-month period) (FY2021, Consolidated basis)
Employees <small>* including temporary workers</small>	1,032 (for the entire group) (As at end of December 2021)