

# 2024

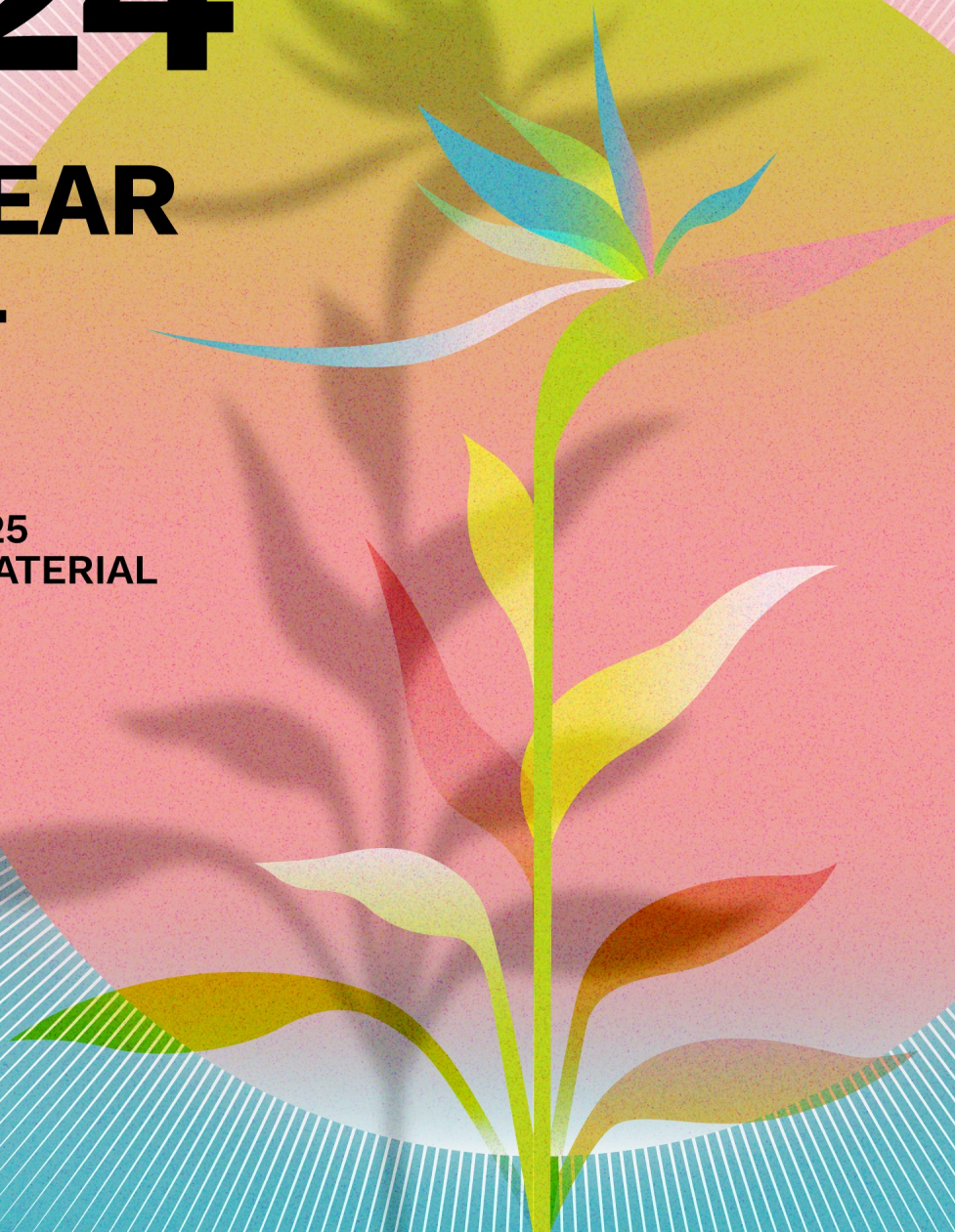
## FULL YEAR FY2024

### 2024

FEBRUARY 10, 2025  
PRESENTATION MATERIAL

STOCK CODE : 2489  
TSE PRIME MARKET  
ADWAYS INC.

CEO  
Sho Yamada



ADWAYS  
IR CHANNEL

# ADWAYS

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# Note on Terms

- The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) is in effect from the beginning of FY2021. Accordingly, “Net Sales” under the old standard are expressed as “Gross Sales.”
- Please note that the gross sales is not official figures that have been audited by the accounting auditor.
- Due to a change in the accounting period starting from FY2021, FY2021 is 9 months for domestic companies and 12 months for overseas subsidiaries, and FY2021 Q3 is 3 months for domestic companies and 6 months for overseas subsidiaries.
- The reporting segments starting from FY2022 are as follows: "Agency Business (Domestic/Overseas)," which provides comprehensive marketing support for apps and websites, and "Ad Platform Business," which operates UNICORN and affiliate ad services, etc.
- 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.

# 1. Full-Year FY2024 Performance

# FY2024 Initial Forecast and Actual Performance

(JPY mn)

	Gross sales (Reference)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2024 Forecasts	54,500	12,500	140	485	220
Results (cumulative)	54,615	12,684	166	503	-473
Change	+115	+184	+26	+18	-693
Achievement ratio	100.2%	101.5%	118.8%	103.9%	-

## Reasons for discrepancy in profit attributable to owners of parent

- Recorded impairment losses on facilities attached to buildings, etc.
- Loss on valuation of investment securities exceeded the initial forecasts.
- Reversal of tax assets occurred contrary to the initial forecasts.

\*Profit attributable to owners of parent is a negative figure, and the achievement ratio is thus not presented.

# Annual Results (YoY)

(JPY mn)

	FY2024 Result	YoY FY2023		
		Reference value	Change	Change (%)
Gross sales	54,615	59,006	-4,390	-7.4%
Net sales	12,684	13,524	-839	-6.2%
Gross profit	10,351	10,950	-599	-5.5%
SG&A expenses	10,184	10,029	+155	+1.6%
Operating profit	166	921	-755	-81.9%
Ordinary profit	503	1,313	-809	-61.6%
Profit attributable to owners of parent	-473	966	-1,439	-

## Gross sales

YoY **Decrease : JPY 4,390 mn** (-7.4%)

## Operating profit

YoY **Decrease : JPY 755 mn** (-81.9%)

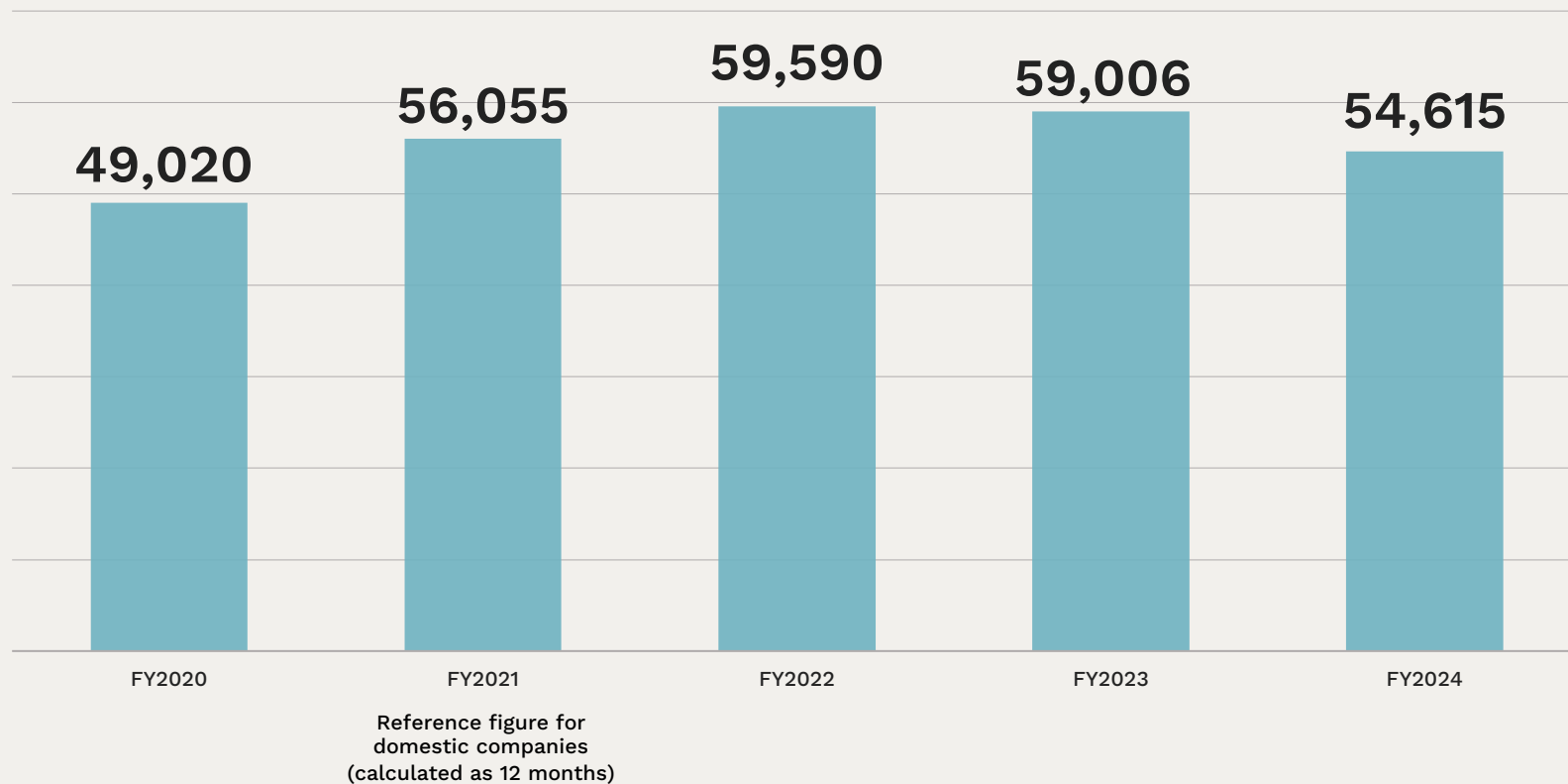
\*Profit attributable to owners of parent is a negative figure, and the ratio of change is thus not presented.

# Segment Summary

<p>Agency Business (Domestic)</p>	<p><b>Segment Gross sales: JPY 22,525 mn</b> <b>YoY: JPY -1,980 mn (-8.1%)</b></p> <p>While comic apps increased slightly YoY, game apps decreased due in part to policy shifts at clients.</p>
<p>Agency Business (Overseas)</p>	<p><b>Segment Gross sales: JPY 7,286 mn</b> <b>YoY: JPY -2,095 mn (-22.3%)</b></p> <p>App ads decreased due in part to underperformance of our services in China. In Taiwan, brisk LINE sales resulted in brand ads growing, but app ads decreased.</p>
<p>Ad Platform Business</p>	<p><b>Segment Gross sales: JPY 22,574 mn</b> <b>YoY: JPY -85 mn (-0.4%)</b></p> <p>UNICORN's brands genre and each app genre also grew substantially. Affiliate ads for apps and finance affiliate ads decreased.</p>

# Annual Change in Consolidated Gross sales

(JPY mn)



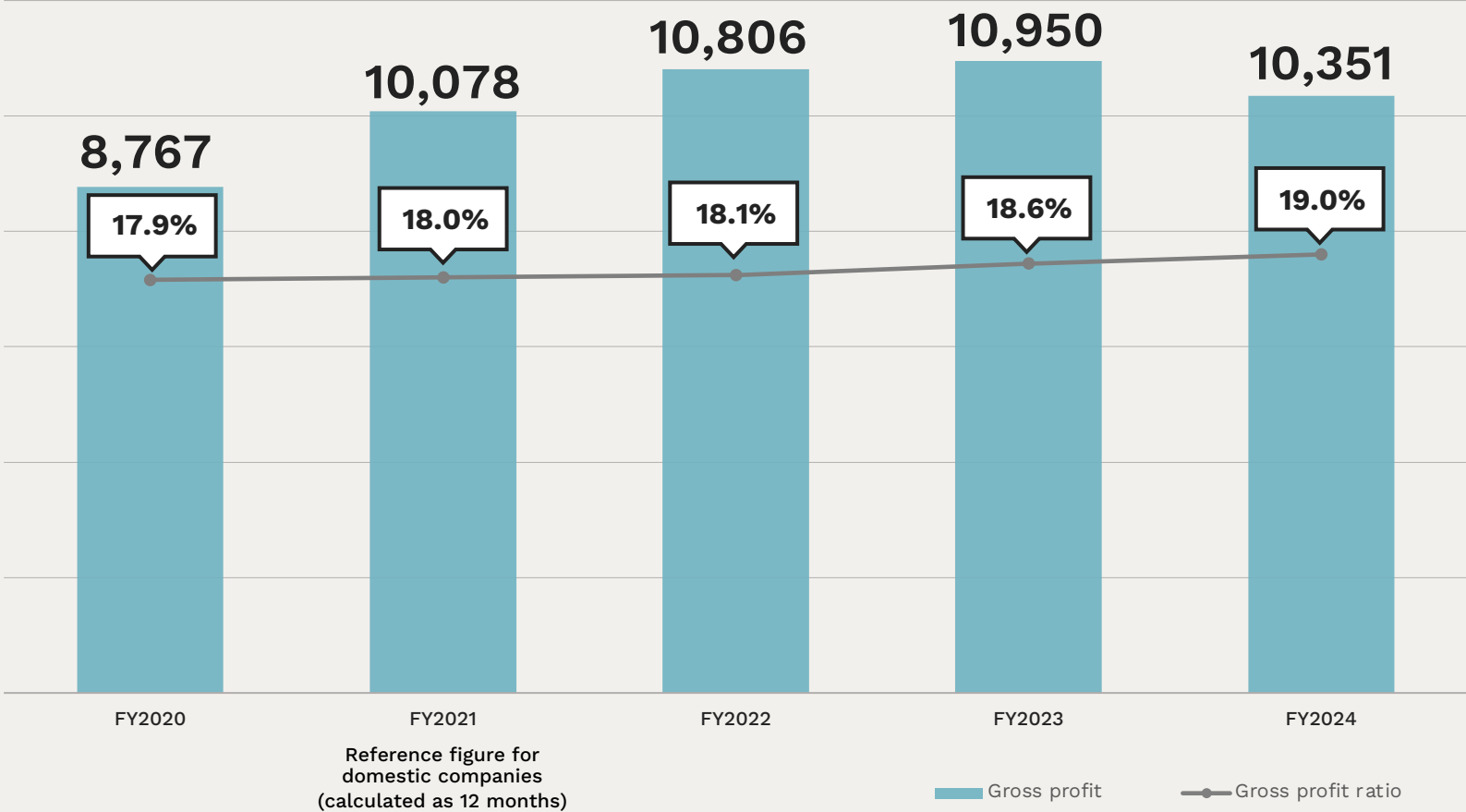
**Gross Sales JPY 54,615 mn**

YoY **Decrease** : JPY 4,390 mn (-7.4%)



# Annual Change in Consolidated Gross Profit

(JPY mn)

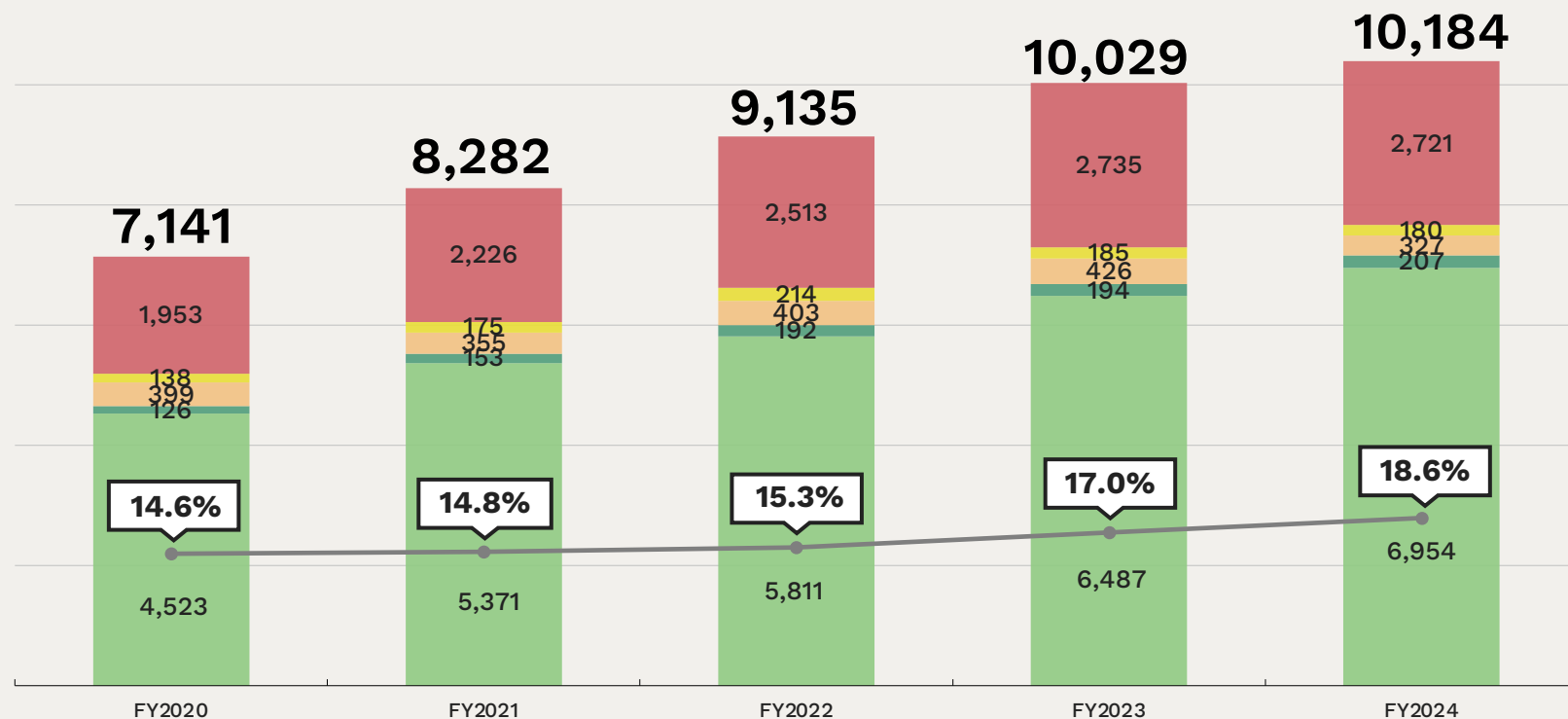


**Gross Profit JPY 10,351 mn**

YoY **Decrease** : JPY 599 mn (-5.5%)      Gross profit ratio : 19.0% (+0.4 points)

# Annual Change in Consolidated SG&A Expenses

(JPY mn)



Reference figure for domestic companies (calculated as 12 months)

■ Personnel   
 ■ Expenditure Recruiting & education expenses   
 ■ Rent   
 ■ Depreciation   
 ■ Other expenses   
 —●— SG&A to sales ratio

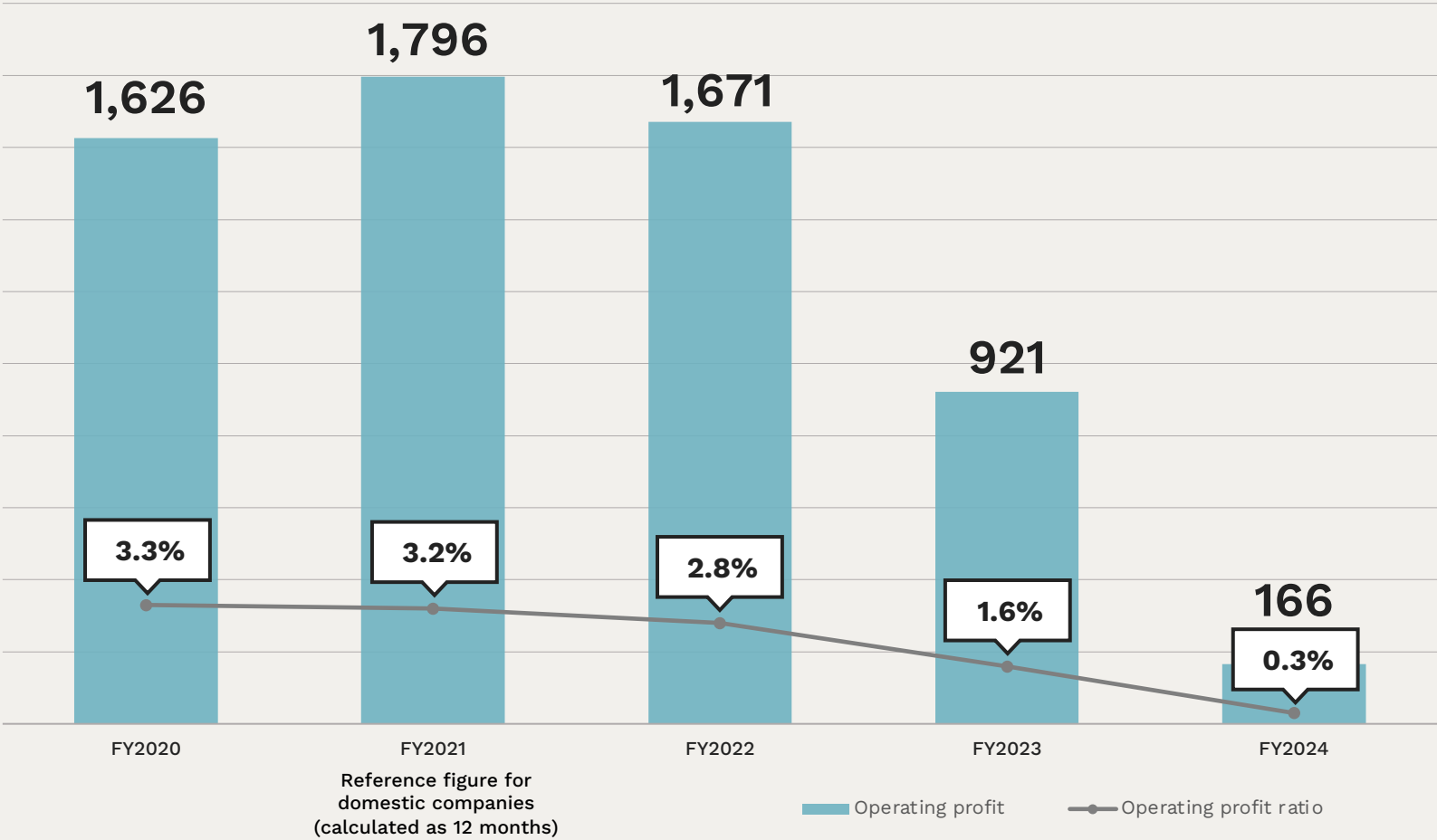
**SG&A Expenses JPY 10,184 mn**

YoY **Increase** : JPY 155 mn (+1.6%)

SG&A to sales ratio : 18.6% (+1.6 points)

# Annual Change in Consolidated Operating Profit

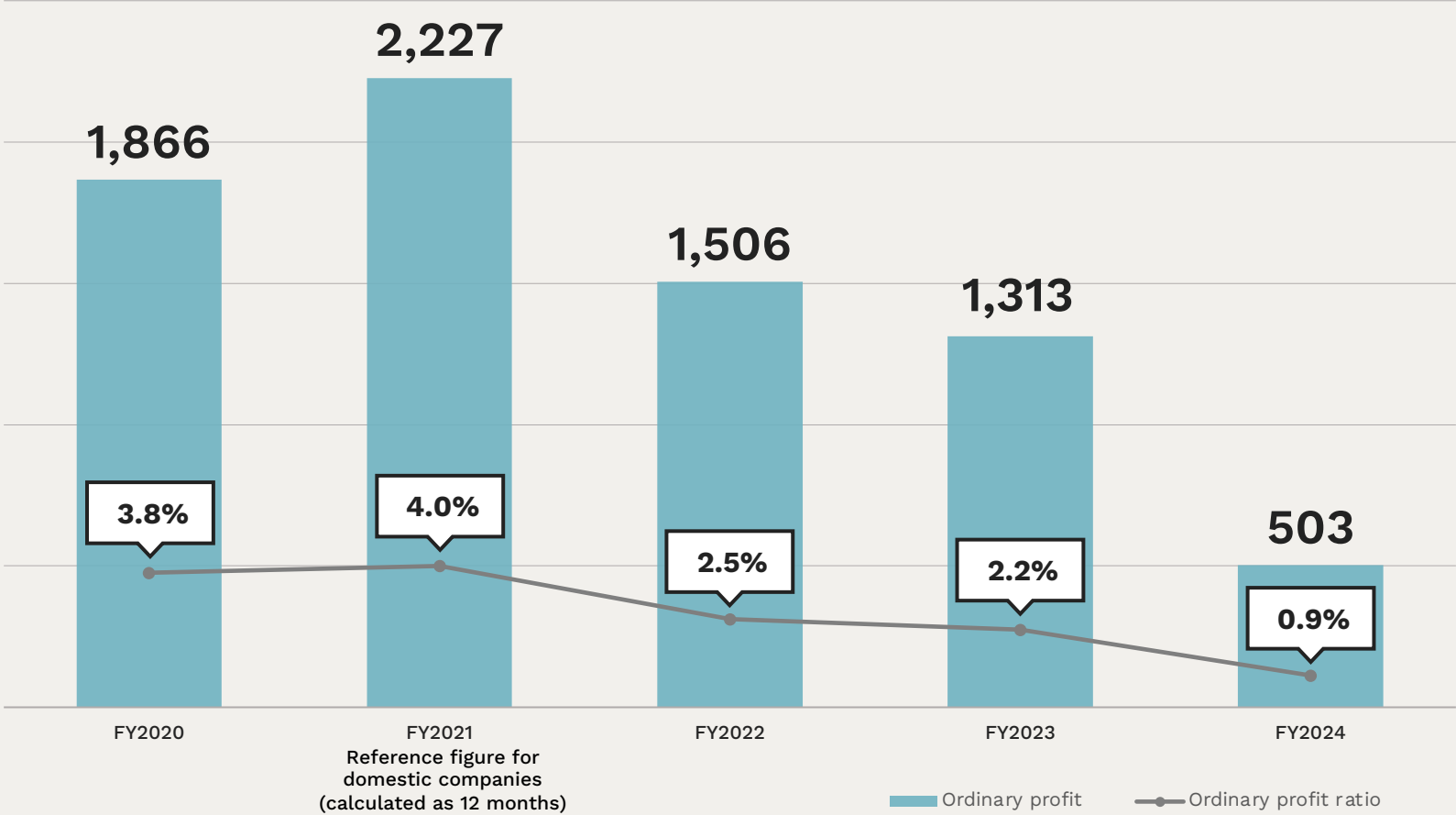
(JPY mn)



**Operating Profit JPY 166 mn**  
YoY **Decrease** : JPY 755 mn (-81.9%)  
Operating profit ratio: 0.3% (-1.3 points)

# Annual Change in Consolidated Ordinary Profit

(JPY mn)

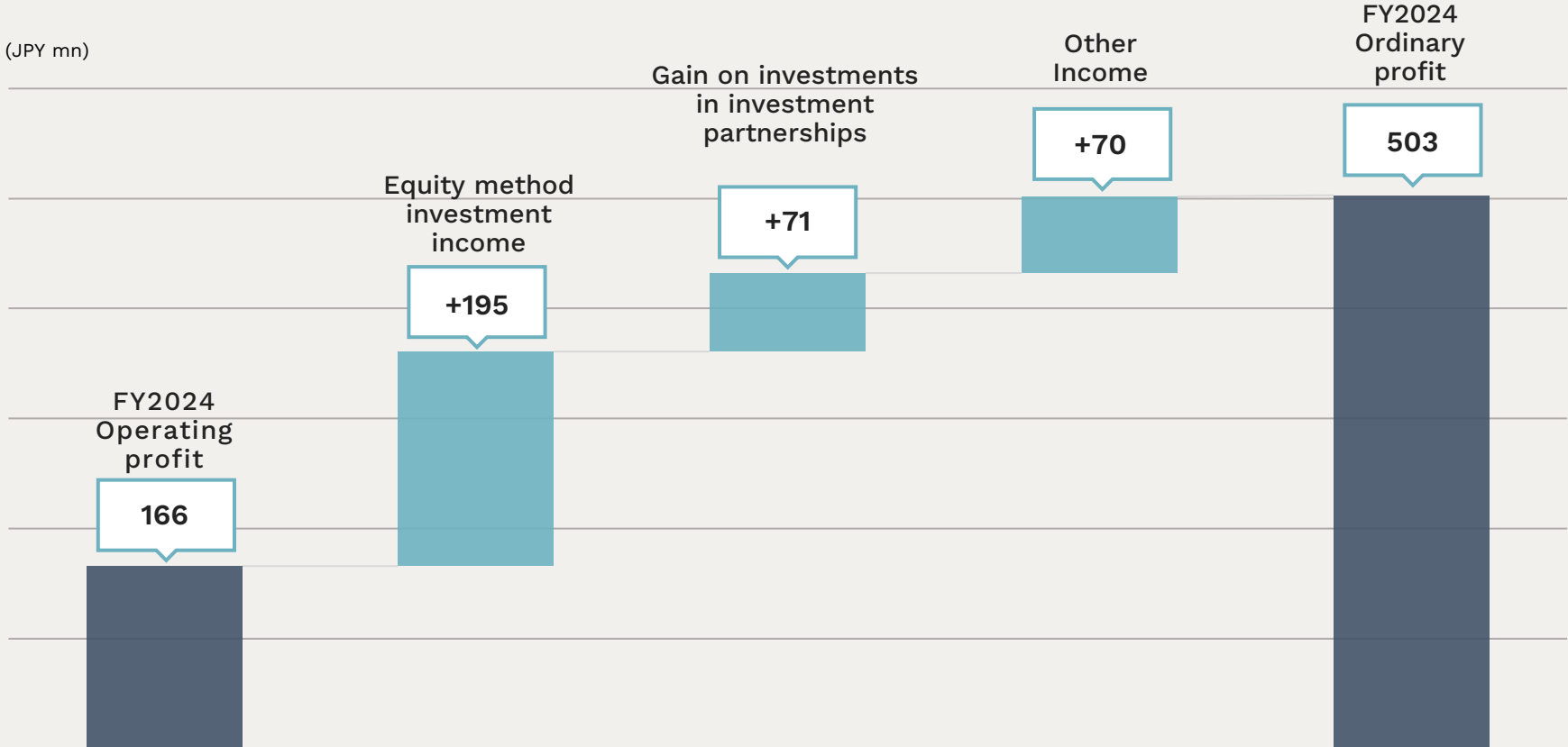


Reference figure for domestic companies (calculated as 12 months)

Legend: Blue bar = Ordinary profit, Grey line = Ordinary profit ratio

**Ordinary Profit JPY 503 mn**  
YoY **Decrease** : JPY 809 mn (-61.6%)  
Ordinary profit ratio: 0.9% (-1.3 points)

# Breakdown of FY2024 Ordinary Profit

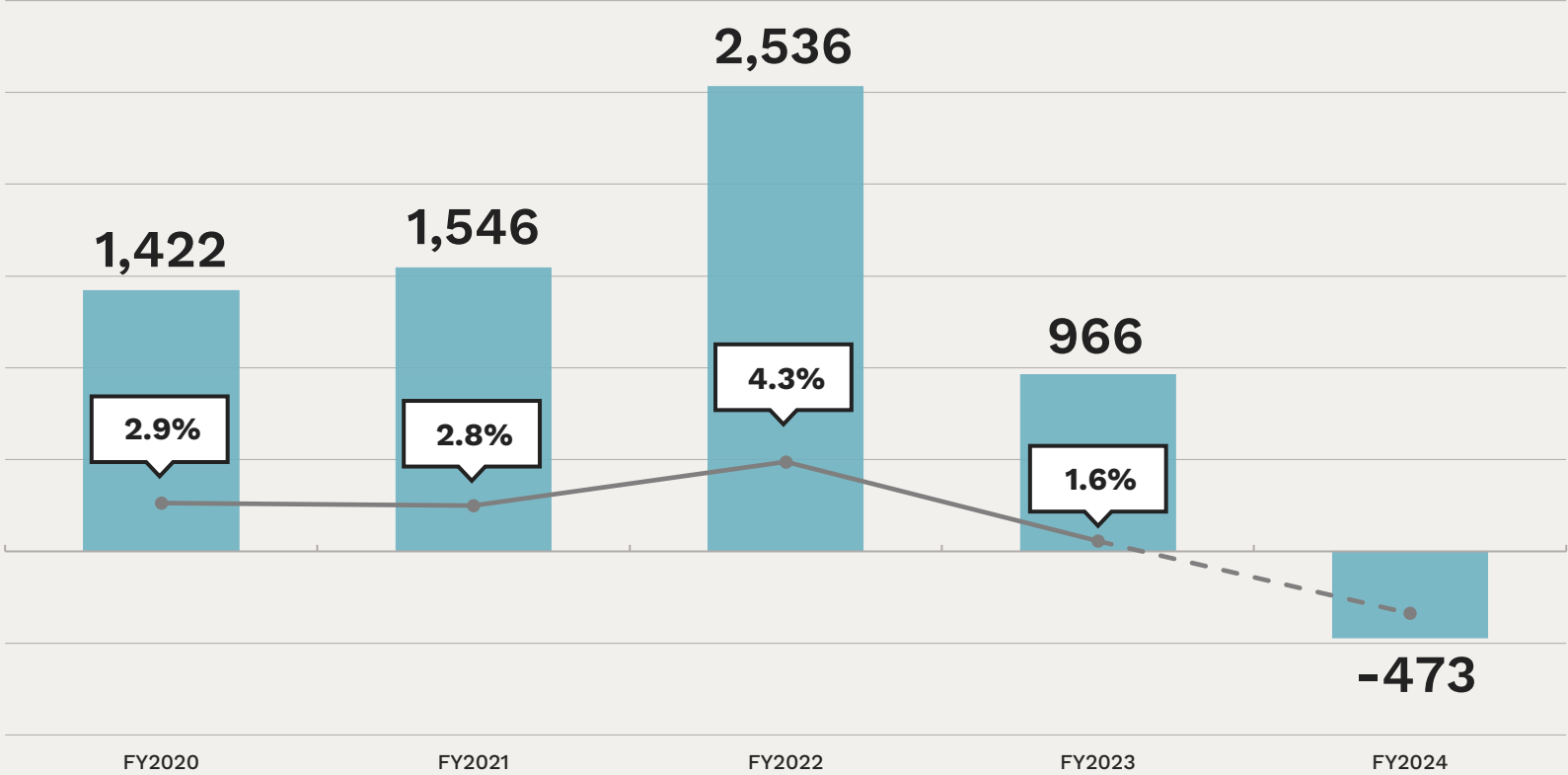


**Equity method investment income . . . . JPY +195 mn      Other income . . . . . JPY +70 mn**

**Gain on investments in investment partnerships . . . . JPY +71 mn**

# Annual Change in Consolidated Profit Attributable to Owners of Parent

(JPY mn)



Reference figure for domestic companies (calculated as 12 months)

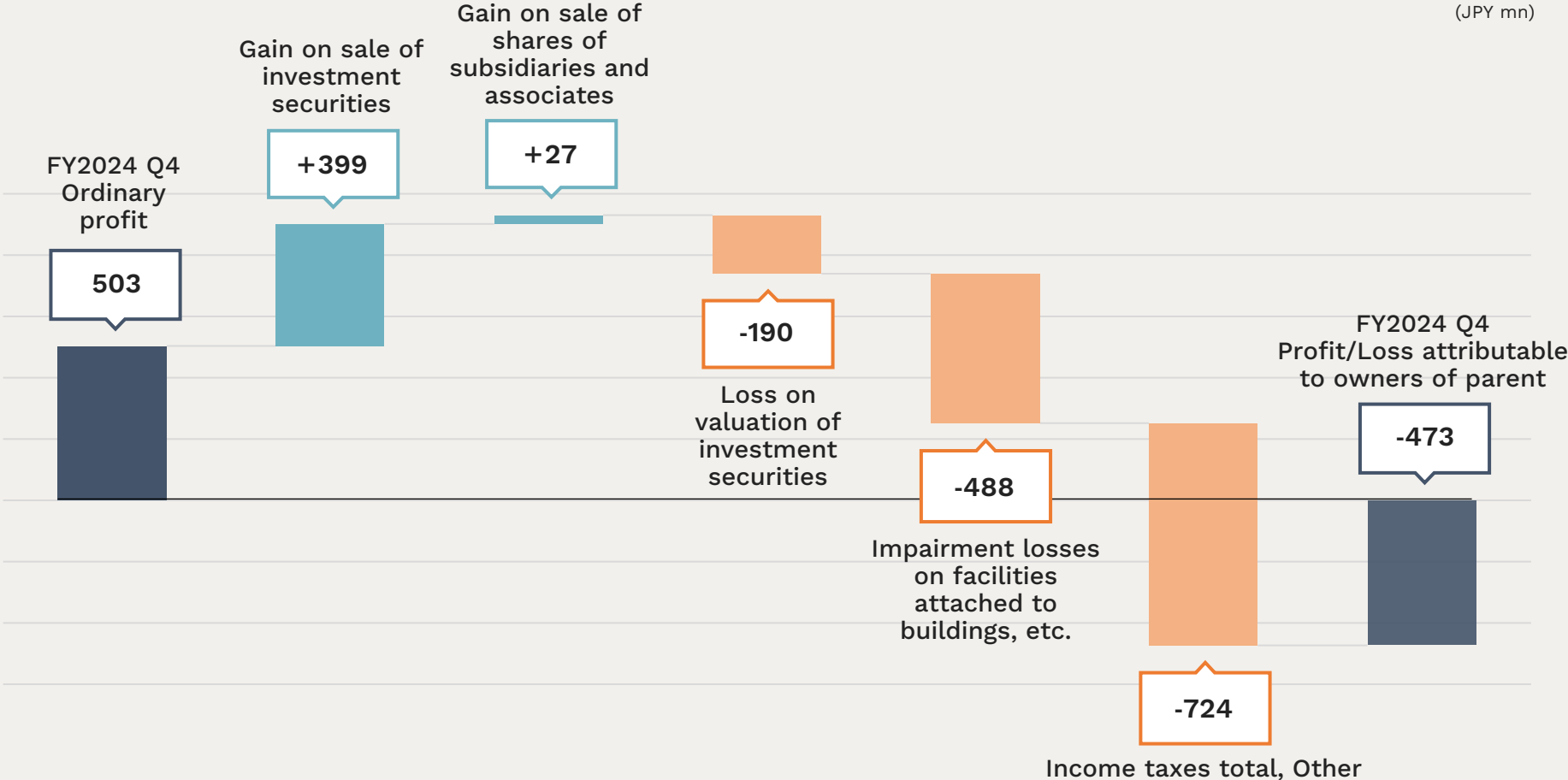
Profit attributable to owners of parent  
 Profit attributable to owners of parent ratio

**Profit Attributable to Owners of Parent JPY -473 mn**  
 YoY **Decrease** : JPY 1,439 mn

\*Profit attributable to owners of parent ratio for FY2024 is a negative figure, and thus not presented.

# Breakdown of FY2024 Profit/Loss Attributable to Owners of Parent

(JPY mn)



Gain on sale of investment securities . . . . . JPY +399 mn  
 Gain on sale of shares of subsidiaries and associates . . . . . JPY +27 mn

Loss on valuation of investment securities . . . . . JPY -190 mn  
 Impairment losses on facilities attached to buildings, etc. . . . . JPY -488 mn  
 Income taxes total, Other . . . . . JPY -724 mn

# 2

# FY2024 Q4

# Performance



# Quarterly Results (YoY • QoQ)

(JPY mn)

	FY2024 Q4	FY2023 Q4 FY2024 Q4	YoY FY2023 Q4			QoQ FY2024 Q3		
		Performance Trends	Results	Change	Change (%)	Results	Change	Change (%)
Gross sales	13,583		14,637	-1,053	-7.2%	12,899	+684	+5.3%
Net sales	3,242		3,402	-160	-4.7%	3,048	+193	+6.4%
Gross profit	2,660		2,633	+27	+1.0%	2,467	+192	+7.8%
SG&A expenses	2,572		2,368	+204	+8.6%	2,443	+129	+5.3%
Operating profit	87		265	-177	-66.9%	24	+63	+253.5%
Ordinary profit	160		405	-244	-60.3%	85	+75	+88.7%
Profit attributable to owners of parent	-683		296	-980	-	32	-716	-

**Gross sales** YoY **Decrease : JPY 1,053 mn (-7.2%)**  
QoQ **Increase : JPY 684 mn (+5.3%)**

**Operating profit** YoY **Decrease : JPY 177 mn (-66.9%)**  
QoQ **Increase : JPY 63 mn (+253.5%)**

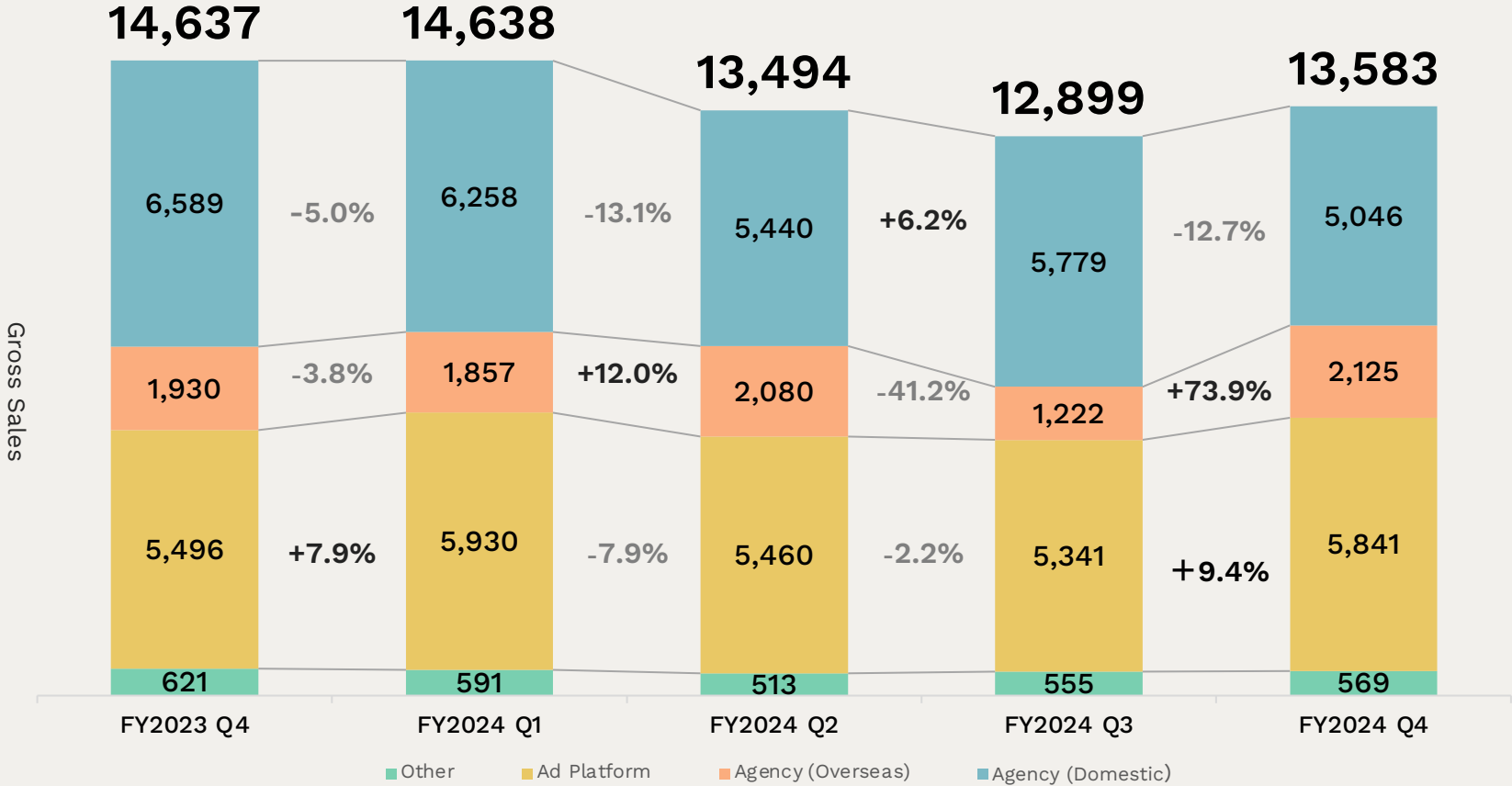
\*Profit attributable to owners of parent for FY2023 Q4 and FY2024 Q4 is a negative figure and thus not presented.

# Quarterly Segment Summary

<p>Agency Business (Domestic)</p>	<p><b>Segment Gross sales: JPY 5,046 mn</b> <b>YoY: JPY -1,542 mn (-23.4%)</b></p> <p>Game apps decreased due in part to policy shifts at clients. Despite new campaign orders also increasing, the growth was not enough to offset the decrease in game and comic apps.</p>
<p>Agency Business (Overseas)</p>	<p><b>Segment Gross sales: JPY 2,125 mn</b> <b>YoY: JPY +195 mn (+10.1%)</b></p> <p>App ads decreased due in part to underperformance of our services and intensified competition with other agents in China, but brand ads grew with brisk LINE sales in Taiwan.</p>
<p>Ad Platform Business</p>	<p><b>Segment Gross sales: JPY 5,841 mn</b> <b>YoY: JPY +345 mn (+6.3%)</b></p> <p>Affiliate ads for apps decreased, but UNICORN's brands genre grew substantially.</p>

# Quarterly Change in Consolidated Gross Sales

(JPY mn)



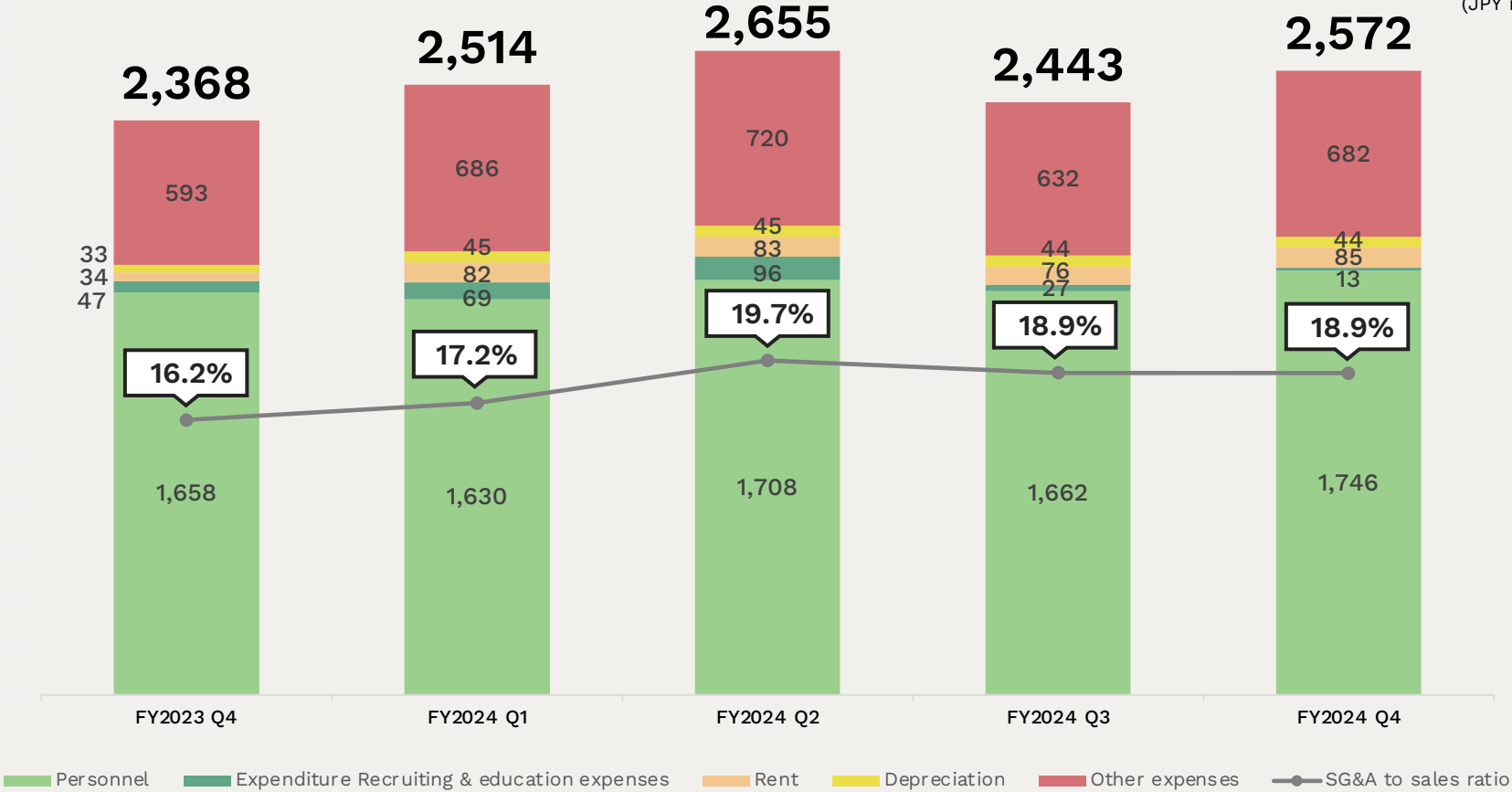
## Q4 Gross Sales : JPY 13,583 mn

YoY **Decrease** : JPY 1,053 mn (-7.2%)

QoQ **Increase** : JPY 684 mn (+5.3%)

# Quarterly Change in Consolidated SG&A Expenses

(JPY mn)

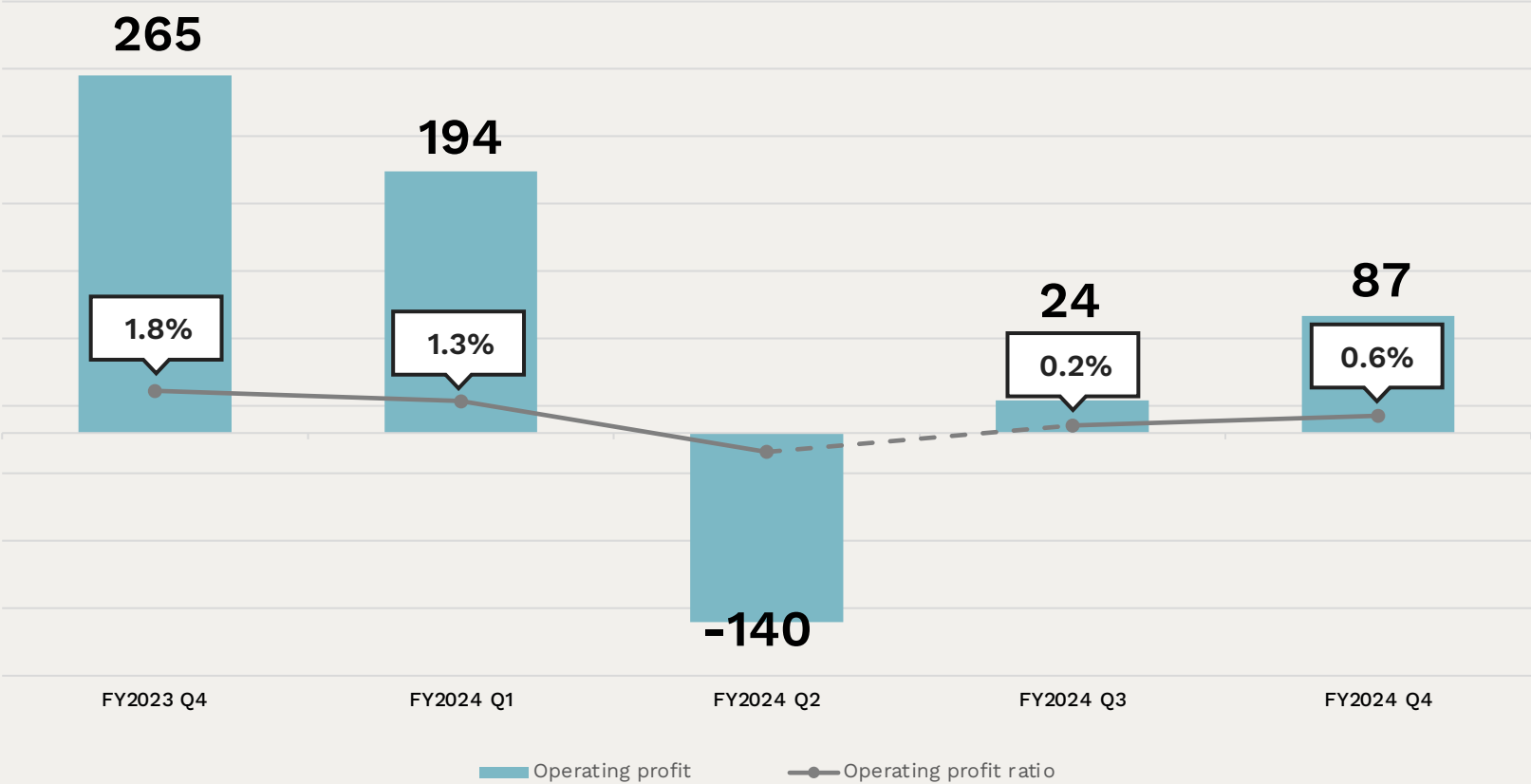


**Q4 SG&A Expenses : JPY 2,572 mn**

YoY **Increase** : JPY 204 mn (+8.6%)      SG&A to sales ratio: 18.9% (YoY: +2.7 points)

# Quarterly Change in Consolidated Operating Profit

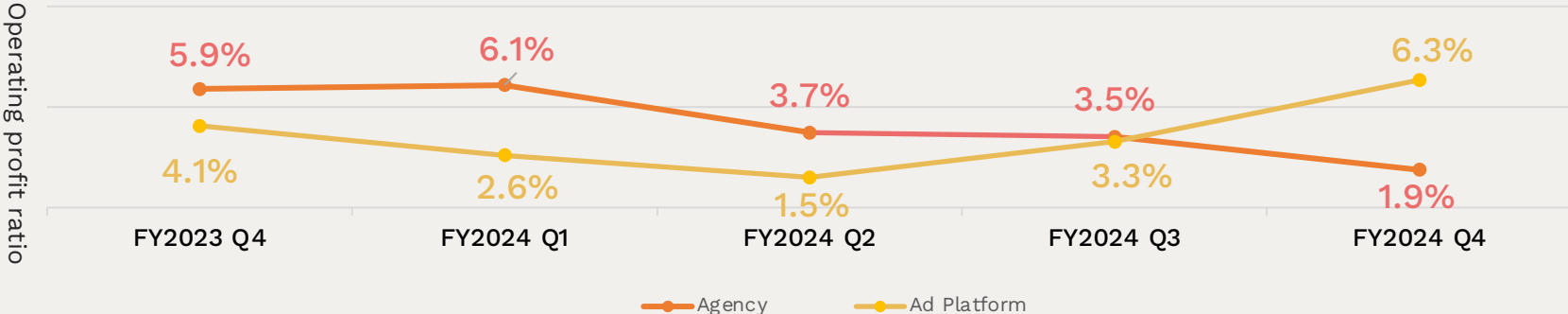
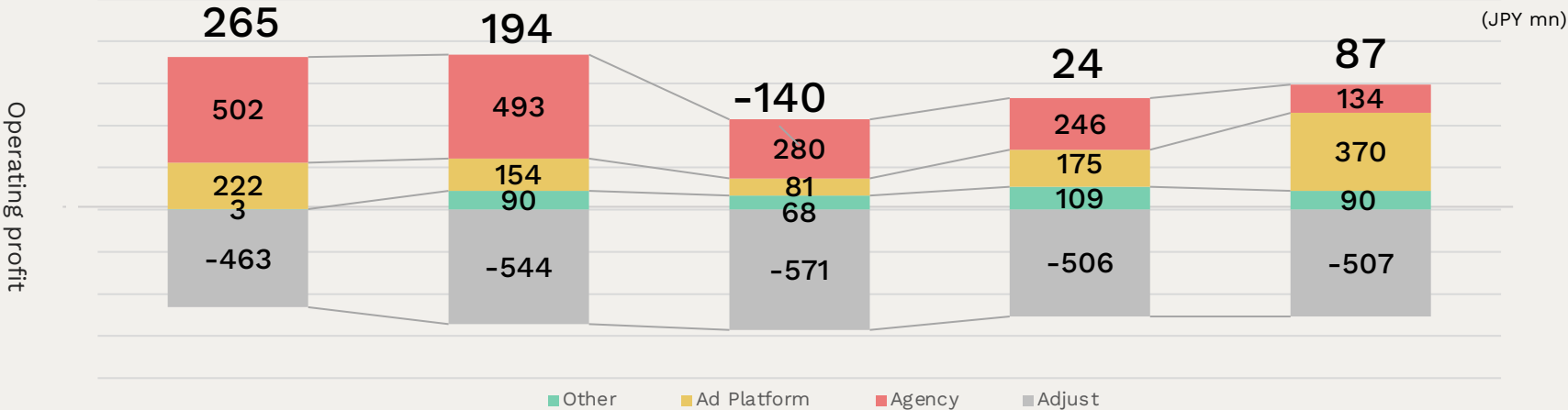
(JPY mn)



**Q4 Operating profit : JPY 87 mn**  
YoY **Decrease** : JPY 177 mn (-66.9%)      QoQ **Increase** : JPY 63 mn (+253.5%)

\*Operating profit ratio for FY2024 Q2 is a negative figure and thus not presented.

# Quarterly Change in Consolidated Operating Profit (By Segment)

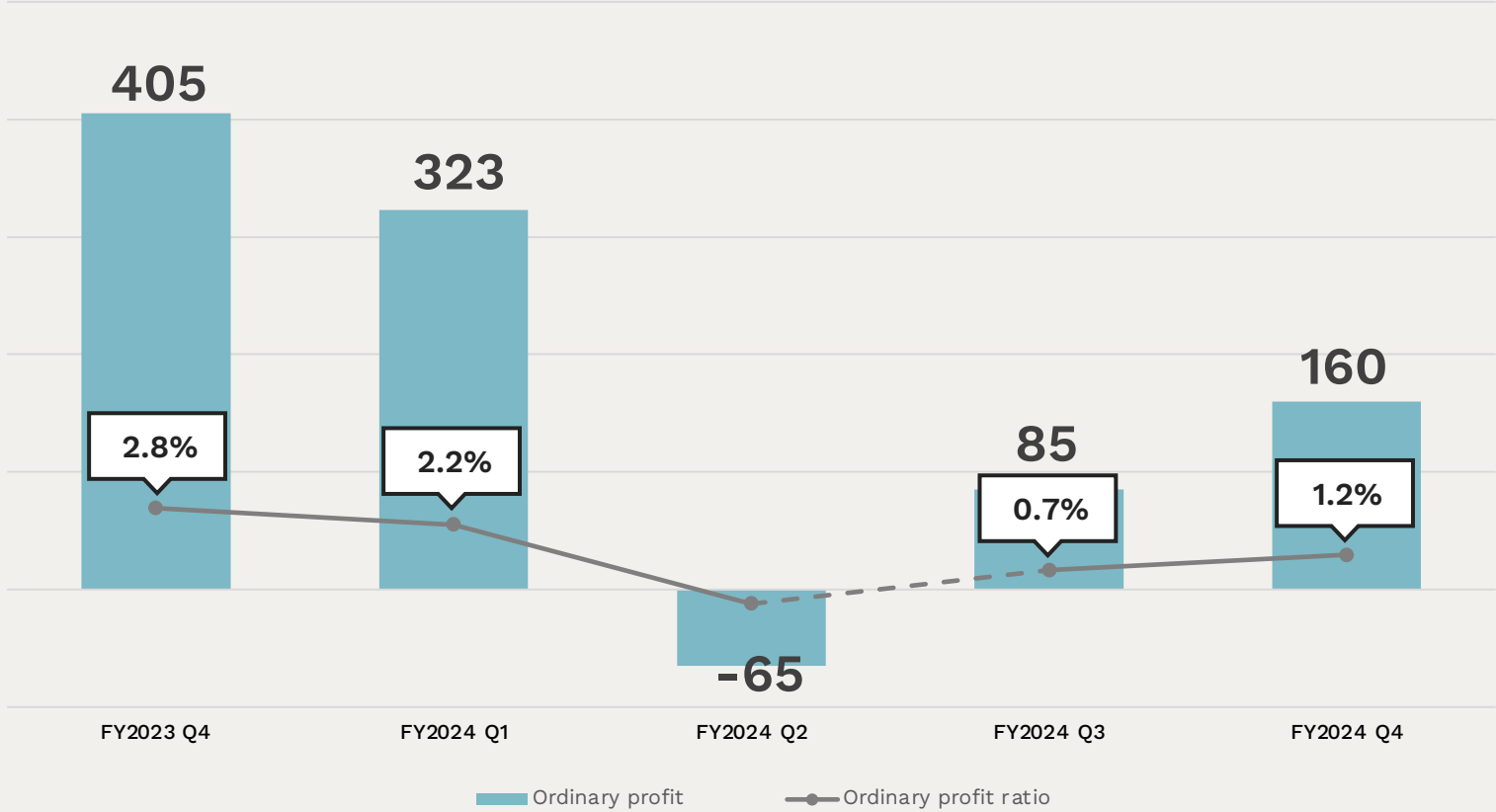


**Agency** : Despite efforts to curb SG&A expenses, gross sales decreasing resulted in operating profit and operating profit ratio both decreasing.

**Ad Platform** : Gross sales increasing substantially resulted in operating profit and operating profit ratio both increasing substantially.

# Quarterly Change in Consolidated Ordinary Profit

(JPY mn)

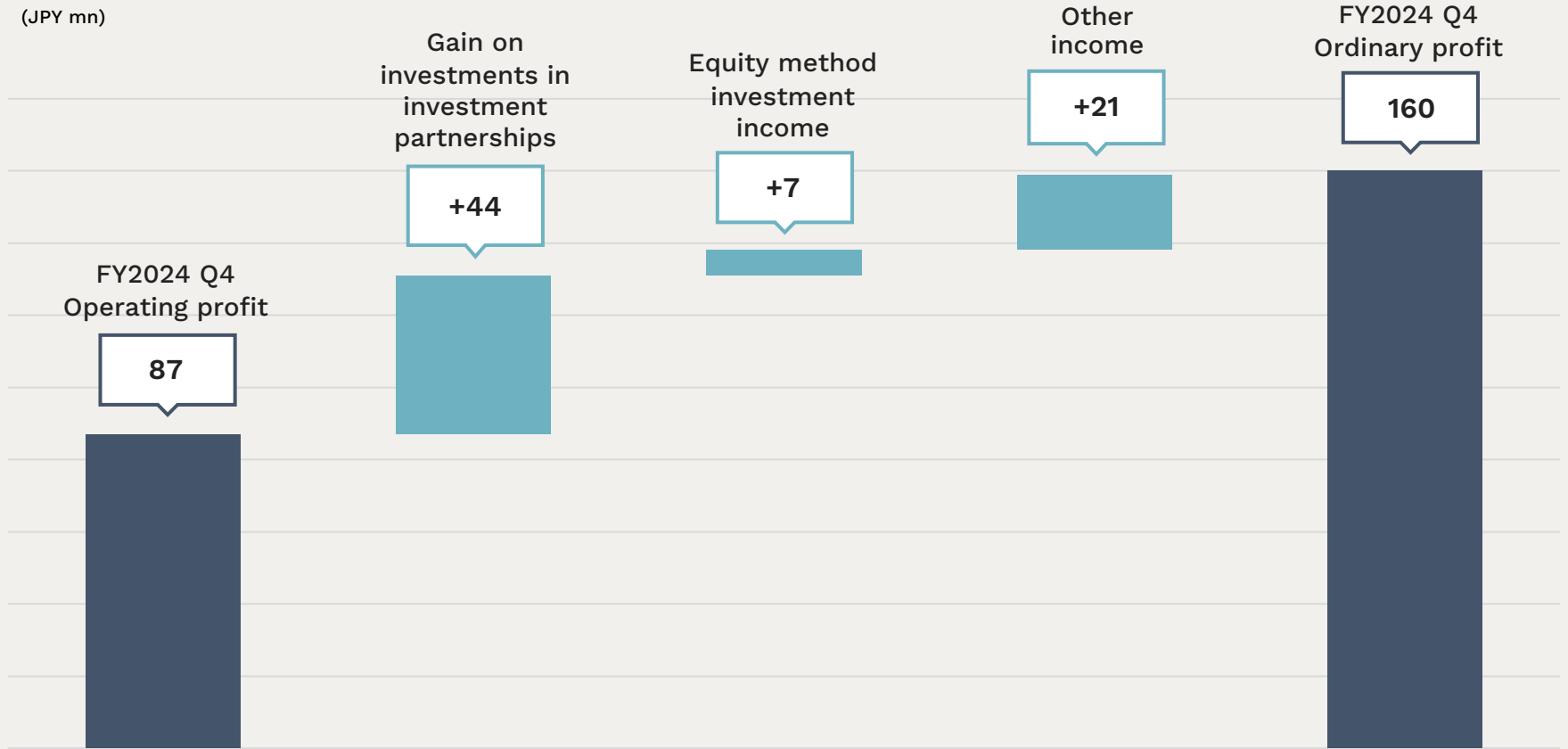


**Ordinary Profit: JPY 160mn**  
YoY **Decrease** : JPY 244 mn (-60.3%)      QoQ **Increase** : JPY 75 mn (+88.7%)

\*Ordinary profit ratio for FY2024 Q2 is a negative figure and thus not presented.

# Breakdown of FY2024 Q4 Ordinary Profit

(JPY mn)



**Gain on investments in investment partnerships** . . . . **JPY +44 mn**

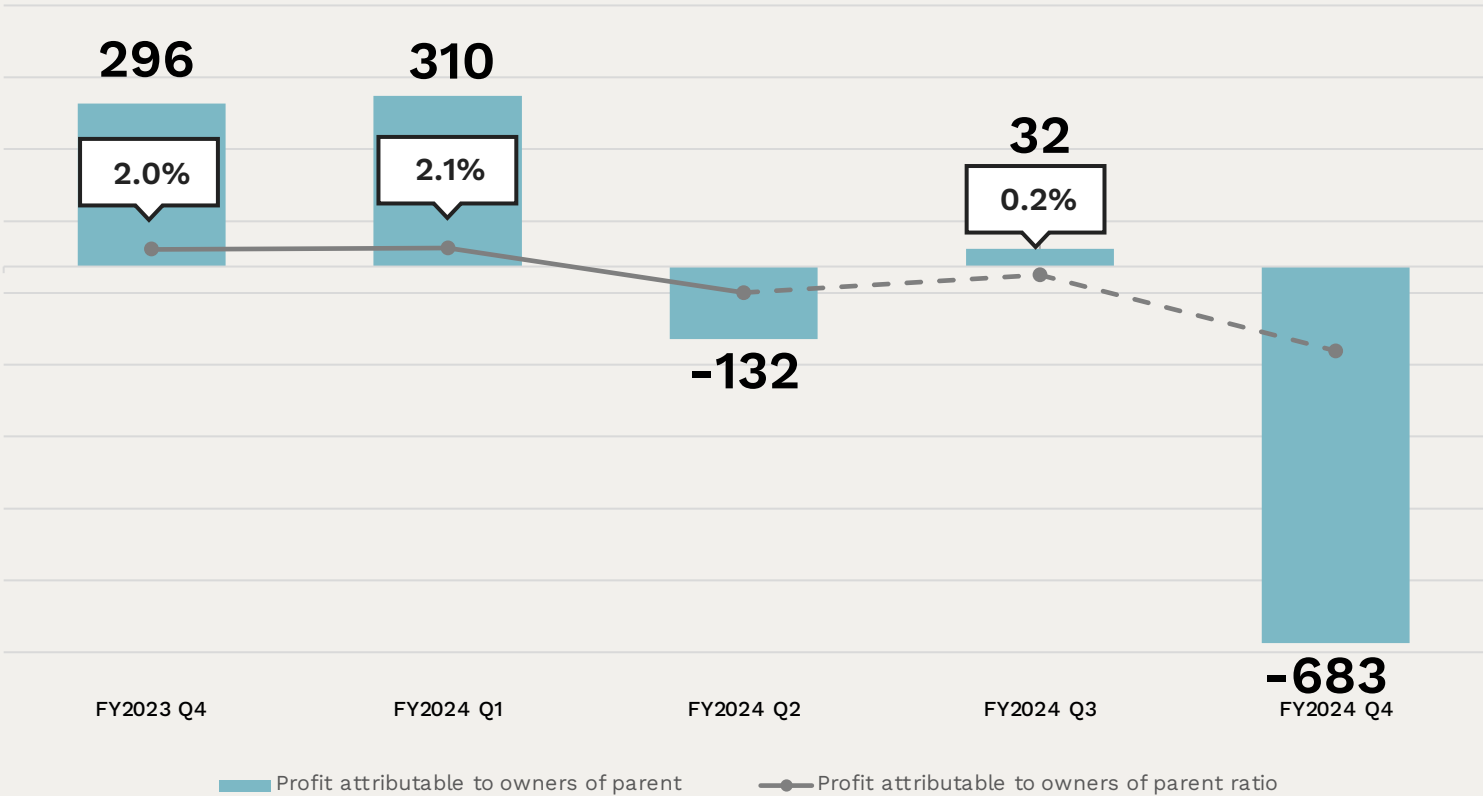
**Other income** . . . . . **JPY +21 mn**

**Equity method investment income** . . . . **JPY +7 mn**



# Quarterly Change in Consolidated Profit/Loss Attributable to Owners of Parent

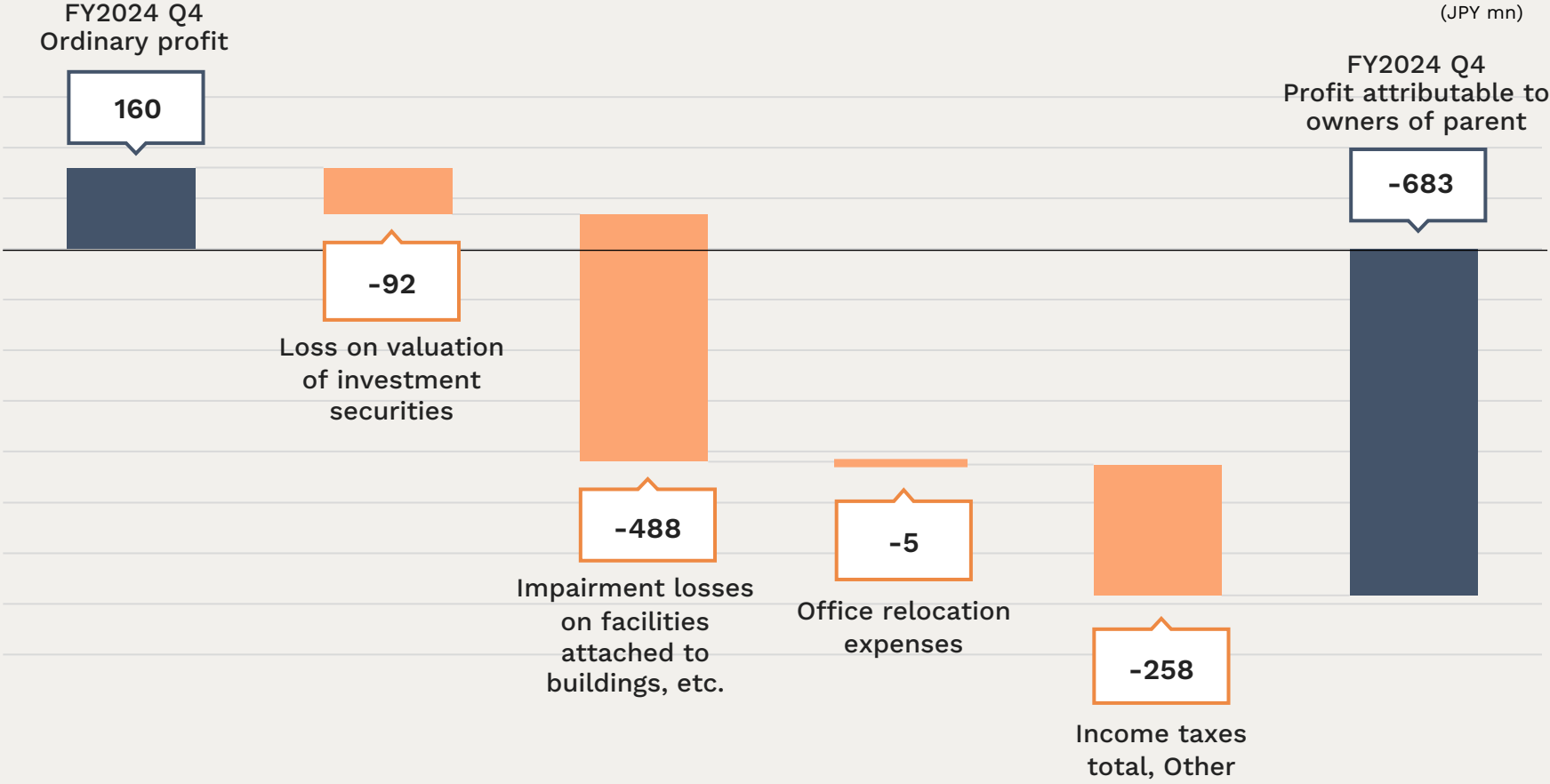
(JPY mn)



**Profit Attributable to Owners of Parent : JPY -683 mn**  
 YoY Decrease : JPY 980 mn      QoQ Decrease : JPY 716 mn

\*Profit attributable to owners of parent ratio for FY2024 Q2 and FY2024 Q4 are negative figures and thus not presented.

# Breakdown of FY2024 Q4 Profit Attributable to Owners of Parent



Loss on valuation of investment securities	• • • •	JPY -92 mn
Impairment losses on facilities attached to buildings, etc.	• • • • •	JPY -488 mn

Office relocation expenses	• • • • •	JPY -5 mn
Income taxes total, Other	• • • • •	JPY -258 mn

Chapter3 : **Shareholder returns**

# 3

# FY2024

# Shareholder Returns

# Shareholder Returns

**FY2024 Dividend**      **JPY 3.00** per share

**【Disclosed on February 9, 2024】**  
**Regular Dividend Policy (FY2024 – FY2026)**

<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>
<b>Dividend payout ratio of 24%</b>	<b>Dividend payout ratio of 25%</b>	<b>Dividend payout ratio of 26%</b>
or	or	or
<b>JPY 3.00 per share</b>	<b>JPY 3.10 per share</b>	<b>JPY 3.20 per share</b>
Whichever is higher	Whichever is higher	Whichever is higher

**For FY2025 onward, the dividend policy has been changed  
as presented on page 31 of this document.**

# 4. FY2025 Forecast

# FY2025 Consolidated Performance Forecast Values

(JPY mn)

	Gross Sales (Reference)	Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY2025 Forecast	51,600	11,700	20	170	20
FY2024 Results	54,615	12,684	166	503	-473
Change	-3,015	-984	-146	-333	+493
Change (%)	-5.5%	-7.8%	-88.0%	-66.3%	-

# Shareholder Returns

The policy is to aim to keep making uninterrupted and stable dividend payouts while striving to enhance corporate value over the medium to long term through business growth, improvement in capital efficiency, etc. by making dividend payouts for the three years from FY2025 to FY2027 at DOE (dividend on equity ratio) of 2% or higher as a guide.

**FY2025 Dividend Forecast JPY 6.35 per share**

**【Disclosed on February 10, 2025】  
Regular Dividend Policy (FY2025 – FY2027)**

<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
<b>DOE (dividend on equity ratio) of 2% or higher as a guide</b>	<b>DOE (dividend on equity ratio) of 2% or higher as a guide</b>	<b>DOE (dividend on equity ratio) of 2% or higher as a guide</b>

Please note that the dividend policy may be changed due to a significant fluctuation in business performance, large-scale M&A or other change in the operating environment and such.

# 5.

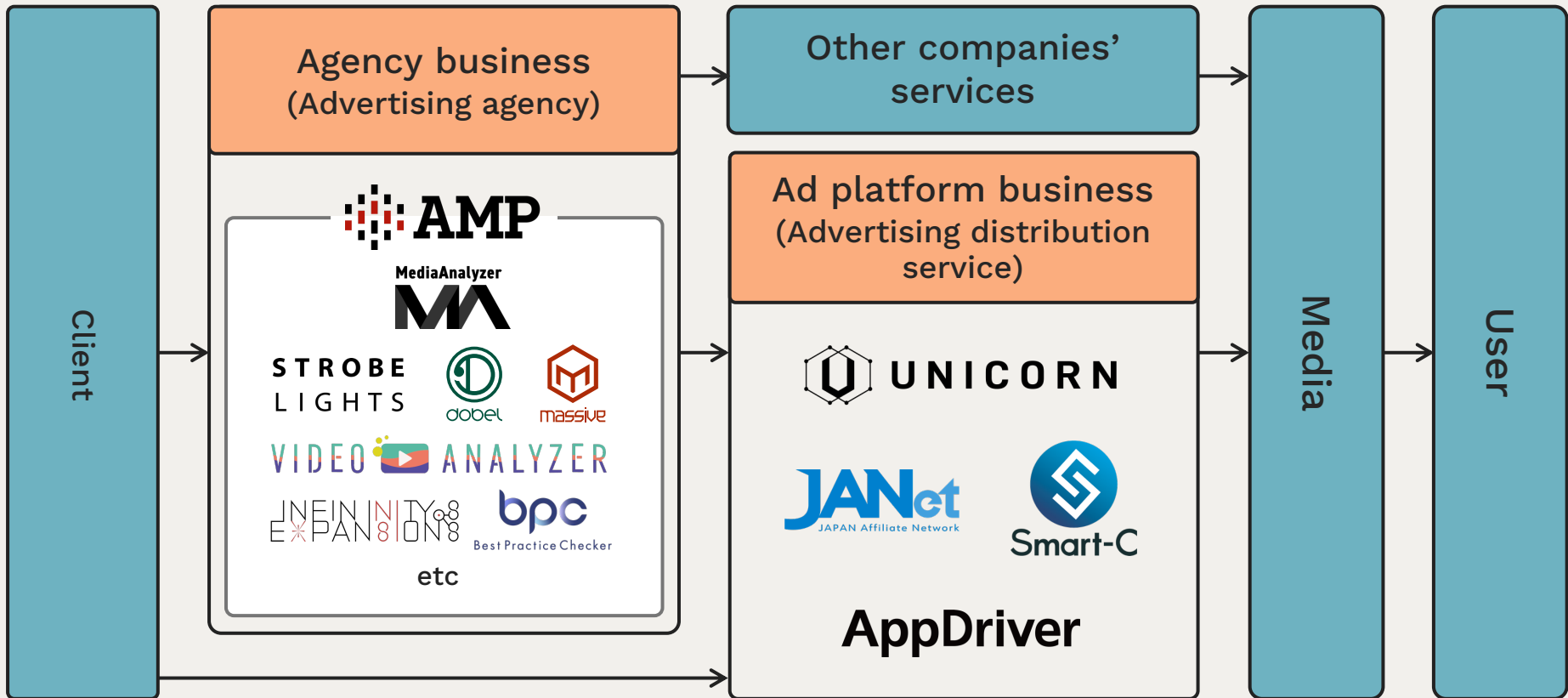
Chapter 5: **business overview**

# BUSINESS OVERVIEW



# Advertising business

## Classification of Advertising Business



We classify our ad business into an agency business that also sells other companies' services and an ad platform business that operates our ad distribution service.

# Agency business (Domestic • Overseas)

Comprehensive app & web marketing support business

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# Principles of Agency Business (Domestic)

## Digital transformation of marketing as a business growth driver for clients

Hakuhodo DY holdings



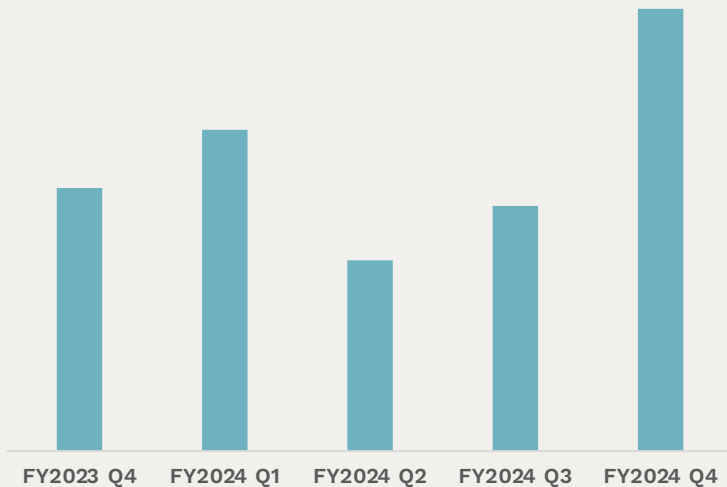
In our agency business, we provide comprehensive marketing support through integrated offline and online planning. In order to approach brand advertisers and execute more effective market planning conscious of full-channel\*1 and full-funnel\*2 marketing plans that integrate TV and digital, rather than confining ourselves to an advertising framework, we are marketing consultants who provide comprehensive marketing support for all types of issues. We also fuse AI-based highly sophisticated marketing technology and human operational and creative capabilities to create essential advertising value in order to provide comprehensive and efficient support for our clients' business growth.

\*1.Full-channel : Widely utilizing media and other channels for attracting customers

\*2.Full-funnel : Addressing multiple stages of customer activities, ranging from recognition of the product to consideration and purchase (use)

# Progress of Capital and Business Alliance with Hakuholdo DY Group

## Gross Profit from Alliance with Hakuholdo DY Group



## Number of Clients from Alliance with Hakuholdo DY Group



Gross profit and number of accounts both increased YoY.

# Overseas Marketing Support Business

Taiwan

**Partnered With Taiwan FamilyMart  
and Started Offering  
Programmatic DOOH  
“Family ADs pDOOH”**



**New Type of In-Store Signage Advertising  
That Utilizes RMN\*<sup>1</sup> and Supports RTB\*<sup>2</sup>**

At Taiwan FamilyMart, which operates more than 4,200 stores across Taiwan, more than 60% of its stores have installed in-store signage with “Family ADs pDOOH.” (As of October 2024)

**Won Gold Award in  
the “Best E-commerce Marketing Award”  
Category of “2024 Digital Singularity  
Awards” Organized by DMA\*<sup>3</sup>**



Won the award for the e-commerce campaign measures utilizing “Family ADs,” which was jointly developed with Taiwan FamilyMart, in recognition of the measures as marketing activities in Taiwan that combine creativity and technology.

\*1. Retail media network, a network-based advertising media platform service that bundles three retail media: on-site advertising, in-store advertising and off-site advertising

\*2. Real-time bidding

\*3. Taiwan Digital Media and Marketing Association

# Ad platform business

UNICORN, affiliate ad service business etc.

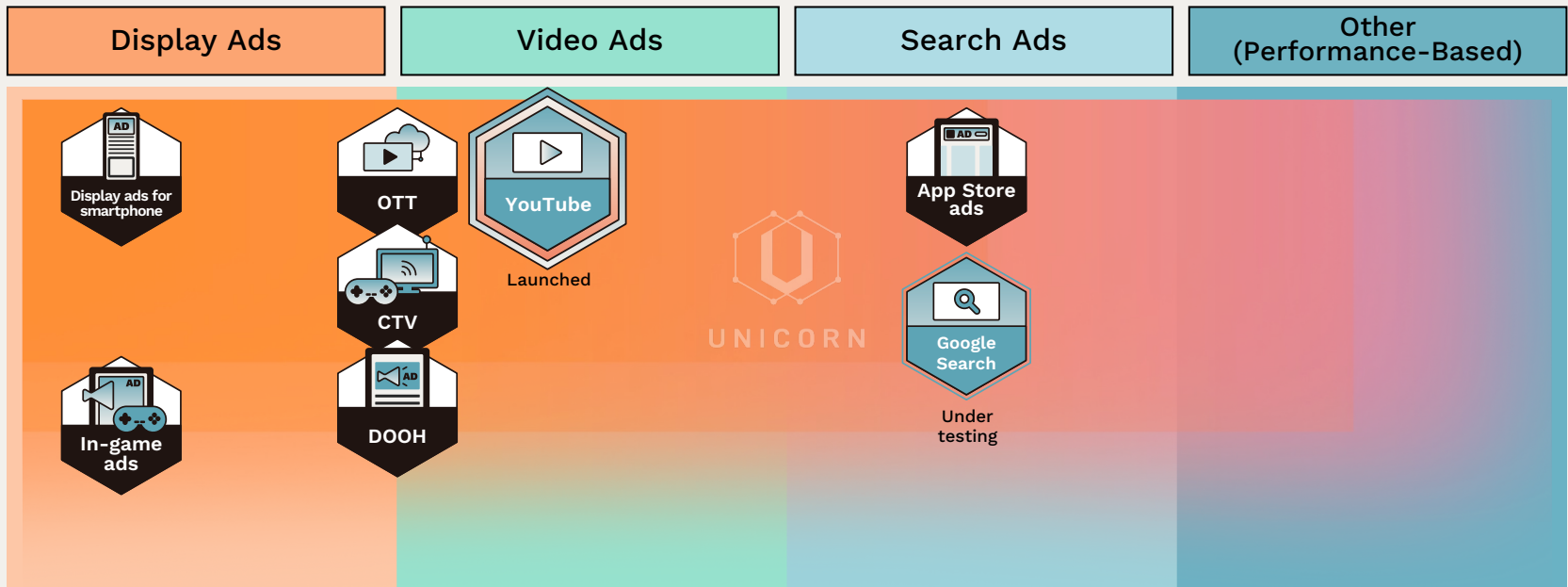


**UNICORN**

**REDEFINE DIGITAL MARKETING.**

# Principles of Ad Platform Business (UNICORN)

Three-dimensional expansion  
based on channel, value and account

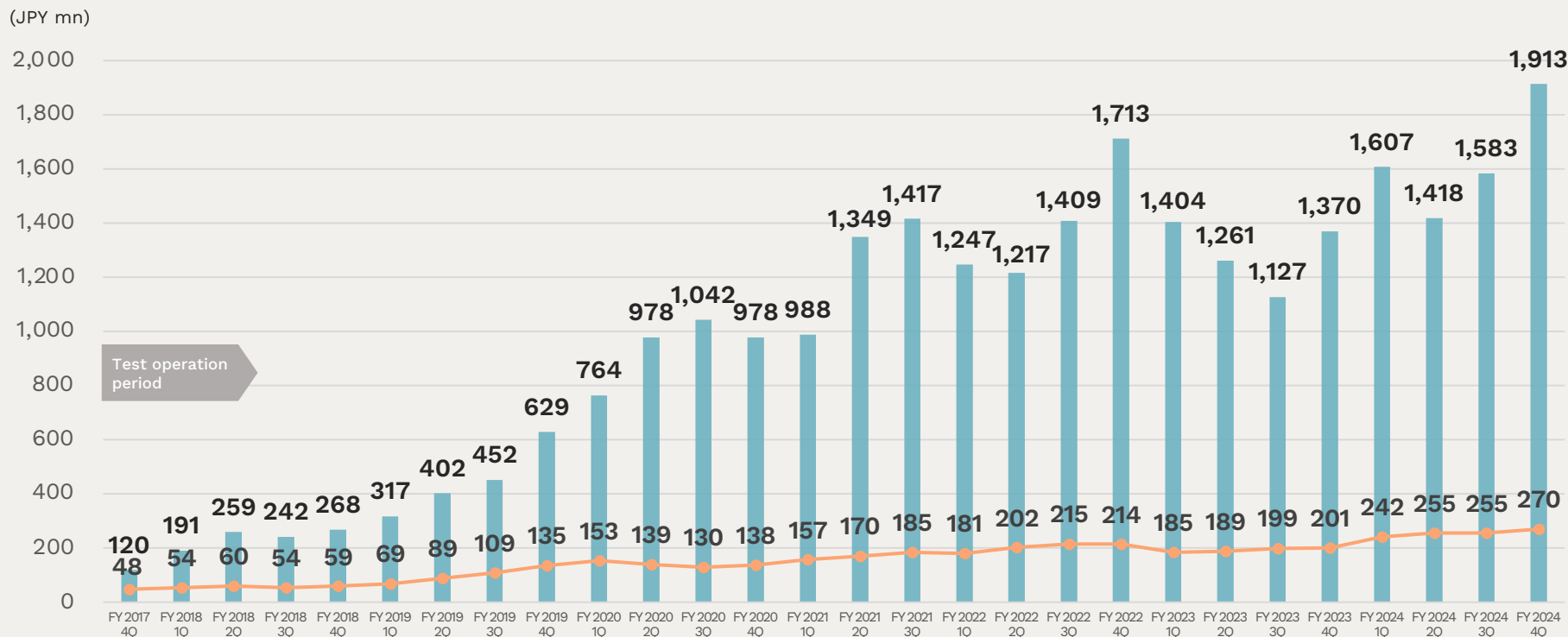


UNICORN continues to expand in terms of distribution, working with services such as CTV\*1 and OTT\*2 in addition to automatically optimized distribution on the Apple Search Ads | Today tab, search tab, search results, and product pages. In addition, with testing done, compatibility with YouTube is now complete and provision of ad delivery menu has commenced. We will continue to optimize user communication across all channels.



# Progress of UNICORN

## Change in UNICORN Gross Sales and Machine Learning Costs



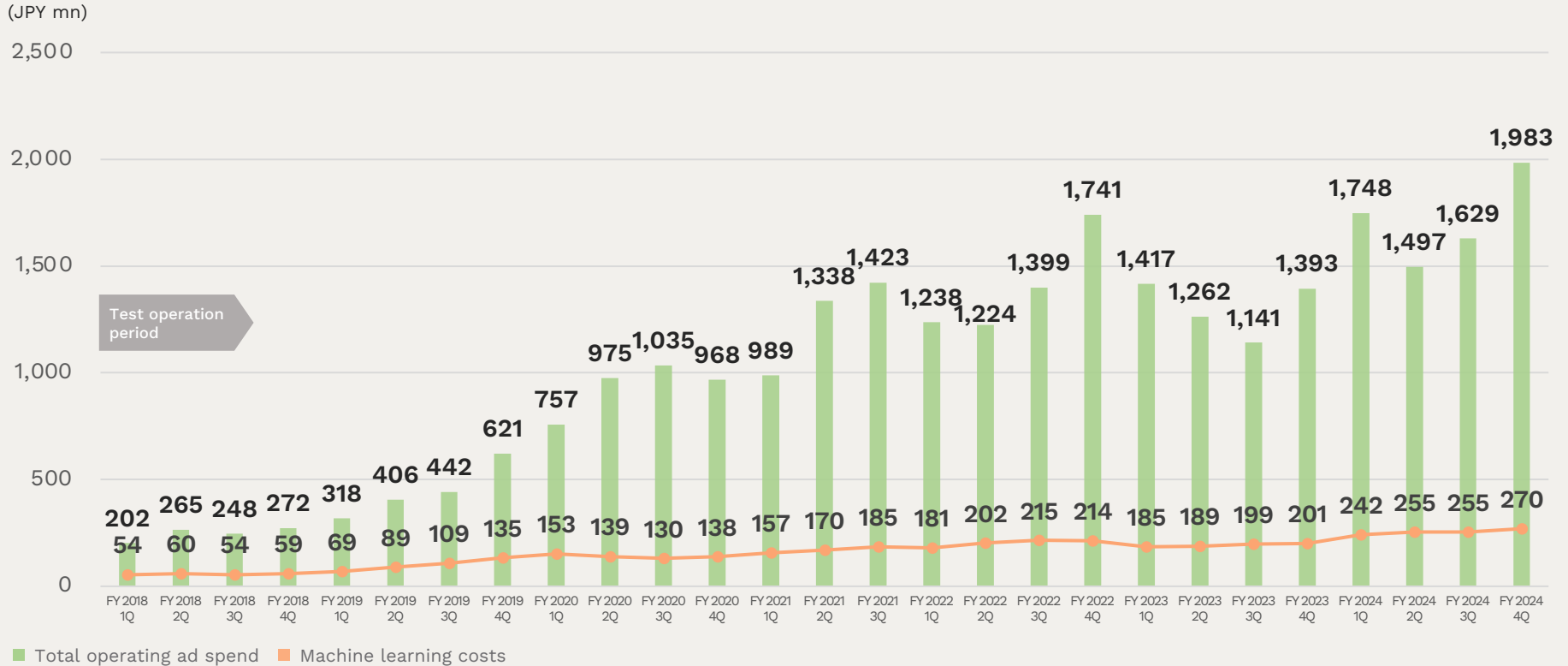
■ Gross sales  
■ Machine learning costs

In materials up to the end of FY2021, only gross sales of UNICORN Inc were represented, but starting from FY2022, gross sales are represented as external sales generated by the Group that include transactions of departments exclusively handling UNICORN related sales. As a result, gross sales in materials for FY2021 and earlier and gross sales in this document differ. (Transactions of departments that also handle other products are not included.)

**Grew substantially both QoQ and YoY (significant growth of 139%), marking a new record high.**

# Progress of UNICORN (Total Operating Ad Spend\*)

## Change in UNICORN Total Operating Ad Spend\*/Machine Learning Costs

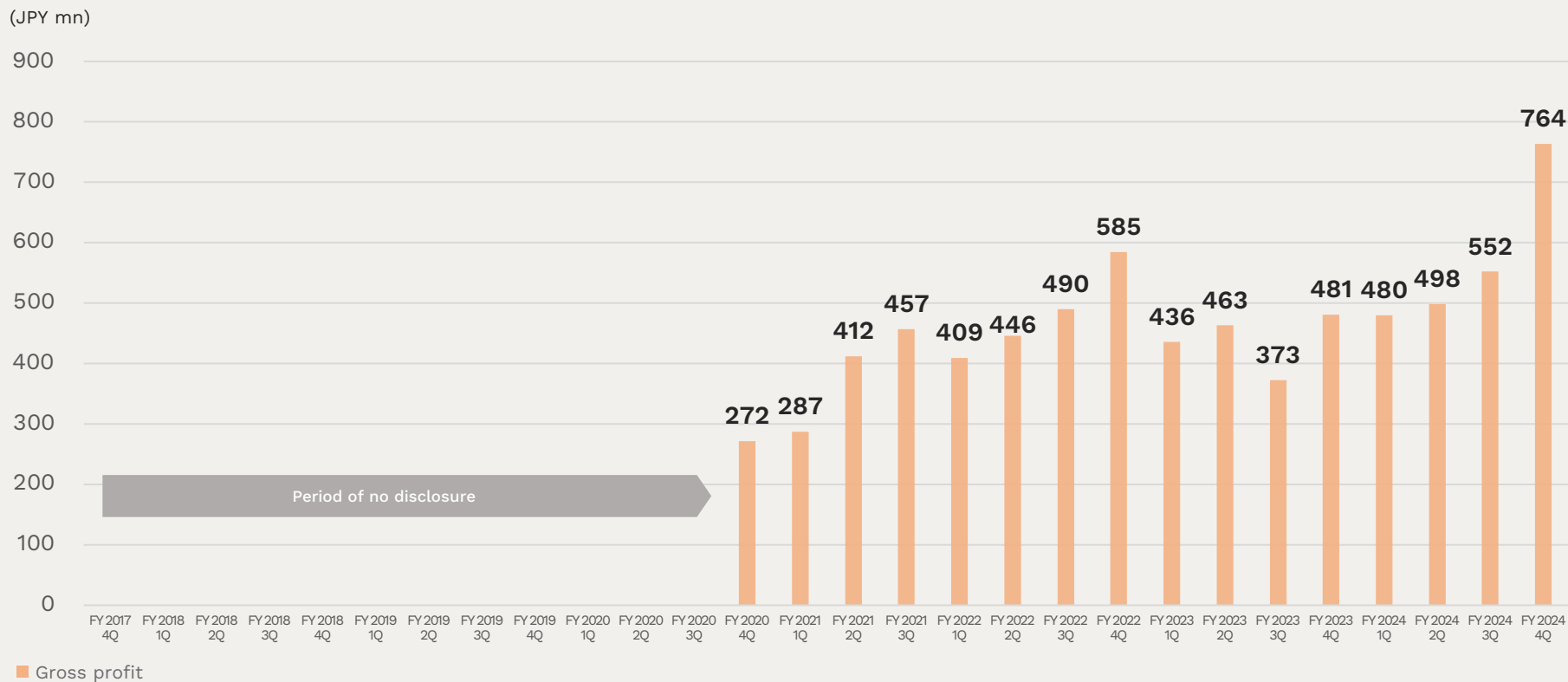


Total operating ad spend\* also grew substantially both QoQ and YoY (significant growth of 142%).

\*Total operating ad spend is different from gross sales in that it is the total amount of money actually spent on ads served through UNICORN's system. In some cases, only UNICORN's margin is included in gross sales at the request of the client, and in other cases, gross sales are reduced when certain conditions are met according to the agreement with the client, so in order to show more accurately the increase or decrease of UNICORN as a service, from 2024 we are adding a chart of total operating ad spend.

# Progress of UNICORN

## Change in UNICORN Gross Profit



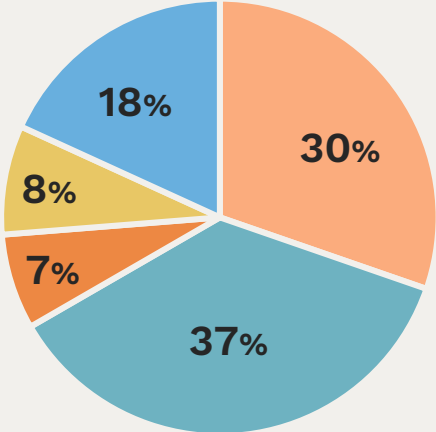
Gross profit also grew substantially both QoQ and YoY (significant growth of 158%), marking a new record high.

# Progress of UNICORN

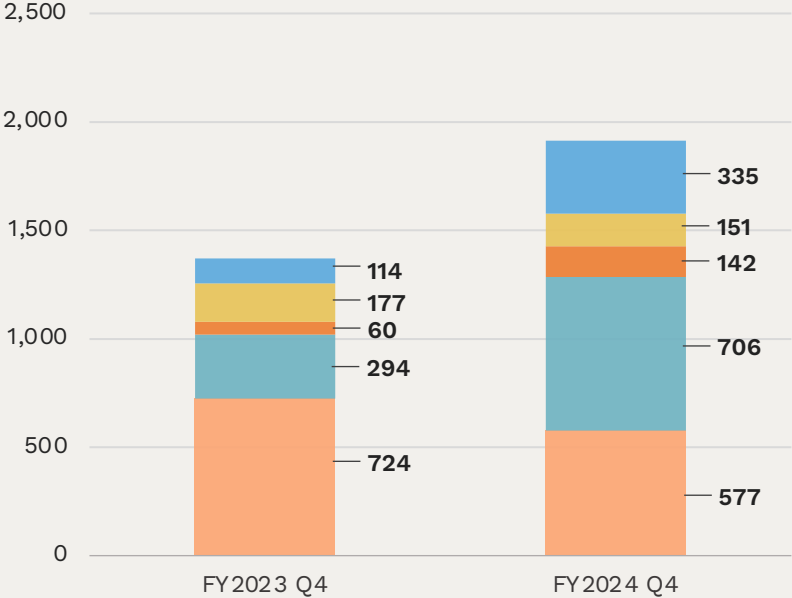
Fourth quarter

## Progress by Genre

FY2024 Q4 results



Games Brands Comics OTT Other



(JPY mn)

Games Brands Comics OTT Other

By genre, brands grew substantially and comics, which had performed poorly in the same quarter of the previous year, also recovered.

# Progress of UNICORN

Fourth quarter

## UNICORN's Performance: YoY

(JPY mn)

	FY2024 Q4	YoY FY2023 Q4		
		Result	Change	Change (%)
Gross sales	1,913	1,370	+542	+39.6%
Gross profit	764	481	+283	+58.9%
Operating profit	267	84	+183	+217.2%

Gross sales, gross profit and operating profit each increased significantly YoY.

About UNICORN

# Progress of UNICORN

Fourth quarter

## UNICORN's Performance: YoY (Full-Year)

(JPY mn)

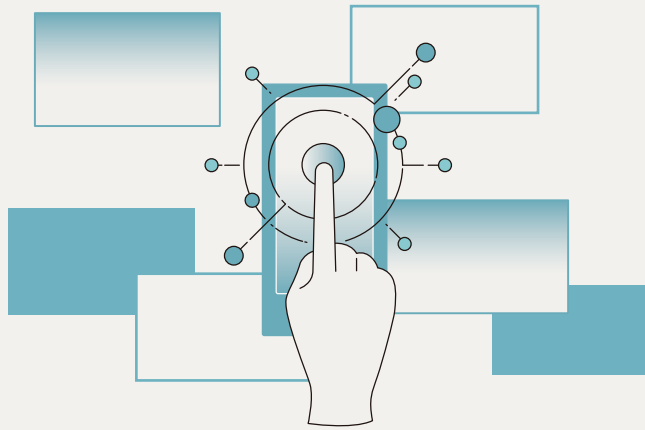
	FY2024 (Full-Year)	YoY FY2023 (Full-Year)		
		Result	Change	Change (%)
Gross sales	6,522	5,163	+1,359	+26.3%
Gross profit	2,295	1,755	+540	+30.8%
Operating profit	360	253	+106	+42.1%

Gross sales, gross profit and operating profit each increased significantly YoY also for the full year.

About UNICORN

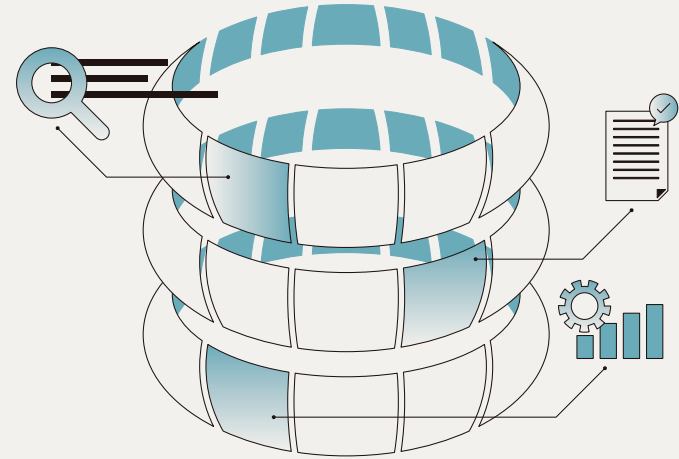
# Advanced ad method

## UNICORN Interactive AD



**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 innovative creatives

# Participated as a Speaker at Google-Sponsored Event “APAC TV Summit 2024” Held in Bangkok, Thailand

The “APAC TV Summit 2024” was an event where partner companies involved in the development and implementation of Android TV, Google Home and YouTube gathered to build mutual networks



UNICORN Director Nobuyoshi Noda spoke on the theme of “Maximizing the value of CTV advertising<sup>\*1</sup> from the perspective of DSP” in terms of the unique value of CTV advertising, ways to maximize the potential of CTV advertising and its future

**UNICORN will strive to leverage its track record of context targeting delivery<sup>\*2</sup> to create new value in CTV together with Google and partner companies and provide a more advanced ad delivery experience.**

<sup>\*1</sup>. CTV (Connected TV) advertising is a type of digital advertising that can deliver ads to television sets connected to the internet primarily used for streaming videos

<sup>\*2</sup>. A method of delivering ads optimal for the context of the webpage based on an AI analysis of webpage and video content

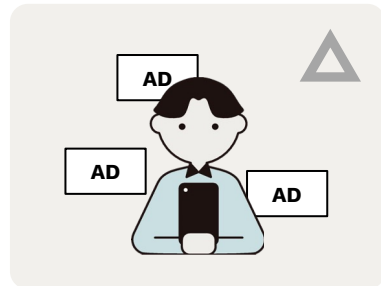


# Release of “Target Frequency/Reach Function” Enabling Automatic Control of Advertising Reach and Frequency\*1

## UNICORN's New Feature “Target Frequency/Reach Function”

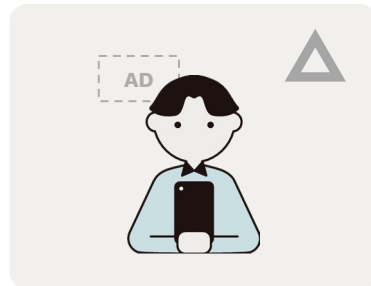
Bidding is automatically controlled so that the overall average is the reach and frequency numbers set in advance.  
By utilizing a common ID solution\*2,  
advertising communication can be maintained at an appropriate frequency while respecting user privacy.

### Issues to Date



#### Frequency too much

Ad displays many times,  
becoming a stress to the user

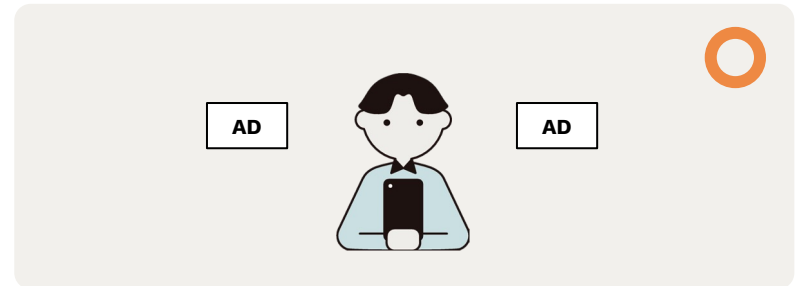


#### Frequency too little

Frequency of exposure is too little,  
failing to contribute to ad effectiveness



### Target Frequency/Reach Function



#### Ensures appropriate reach and frequency

Enabling advertising communication in line with marketing strategies

\*1. The unit of how many times an ad is displayed to the same user

\*2. A system that issues an ID to users as an identifier in place of third-party cookies

**D E E E**

Delight  
喜び

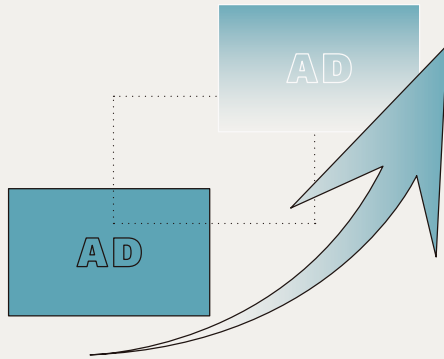
Exciting  
わくわく

Eager  
熱心

Exceed  
超える

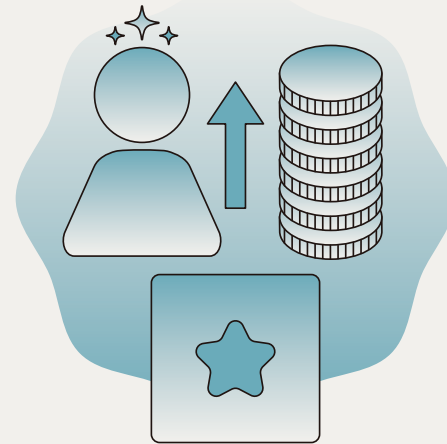
**New fusion of tradition  
and innovation.**

# Principles of Ad Platform Business (ADWAYS DEEE)



Update affiliate advertising with new concepts

## AppDriver



Strengthen service development to improve consumer experience and maximize media revenue

# Signing an Official Partnership Agreement With “BASE Partners”

To start offering local support services specializing in supporting producers in Japan’s “primary industries,” covering everything from setting up online shops to delivery



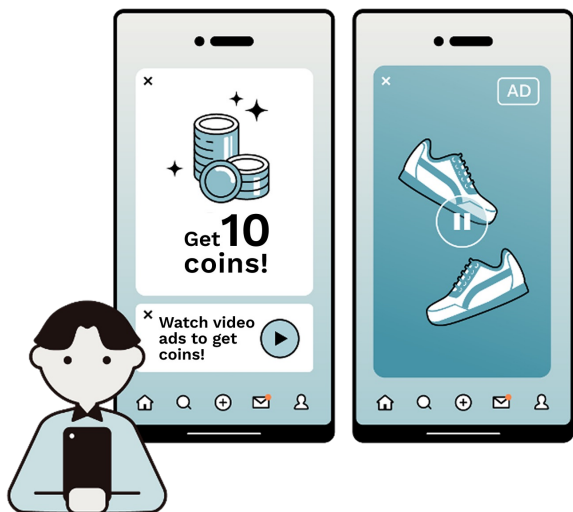
**ADWAYS DEEE seeks to expand the possibilities of e-commerce sales and promote collaboration and cooperation with local governments, producers and companies across the country, and thereby contribute to the development of the market.**

# Provision of Comfortable Rewarded Ad Experience Through AppDriver

## Start Delivering Video Ads

Mainly by Brand Advertisers through Partnership With UNICORN

Rewarded video ads provided by many advertisers can now be delivered effectively and in line with user needs in the Push Reward format\*.

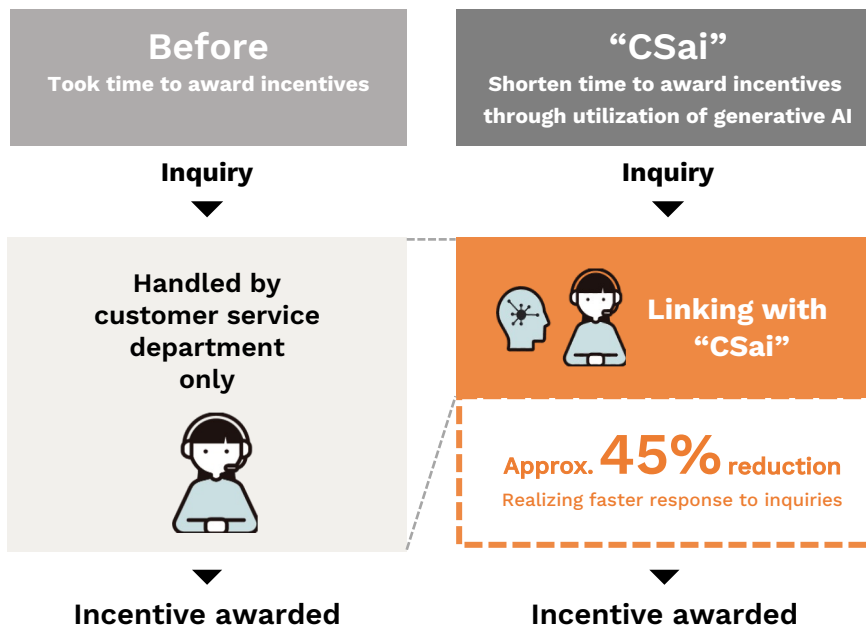


\* The latest rewarded ad format offered by AppDriver that encourages app experience with the incentives essential to enjoying the app proposed to users at the best timing

## Release of “CSai”

AI-Powered Inquiry Management Tool

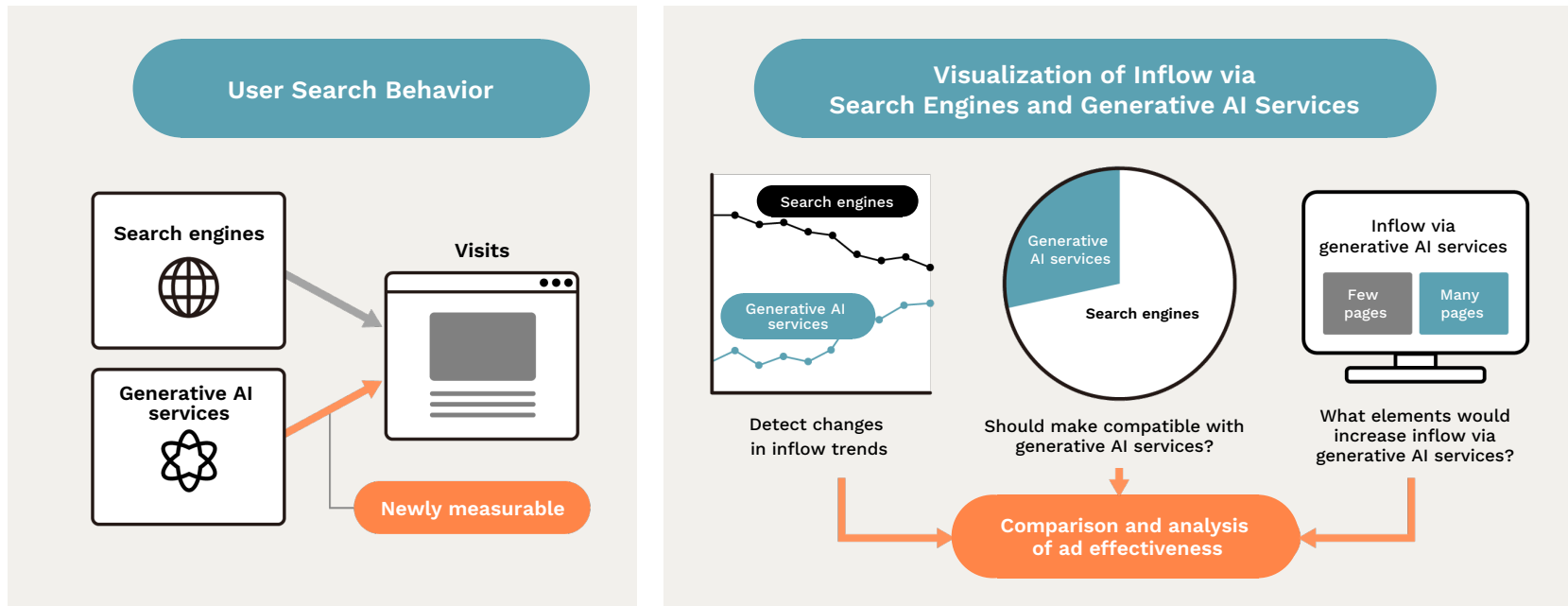
AppDriver’s proprietary database is utilized to give instructions to generative AI. Providing appropriate answers to inquiries, thereby reducing response time by 45%.



**AppDriver will strive to provide value to advertisers and improve ad experience for users with an aim for further growth of the rewarded advertising market.**

# Addition of New Feature to JANet for Analyzing and Visualizing Inflow Data via Generative AI Services

Addition of new feature to “JANEEE Advertising Report,” which effectively analyzes, visualizes and improves the environment for affiliate advertising



Partner media can now compare and analyze ad effectiveness for each inflow route via search engines and generative AI services.

JANet seeks to bring a new future of affiliate advertising to the world by offering innovative features, and thereby contribute to the development of affiliate advertising business models and the market as a whole.

# Other businesses ( Non-advertising )

New solutions in non-advertising businesses

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# Providing New Experiences and Value

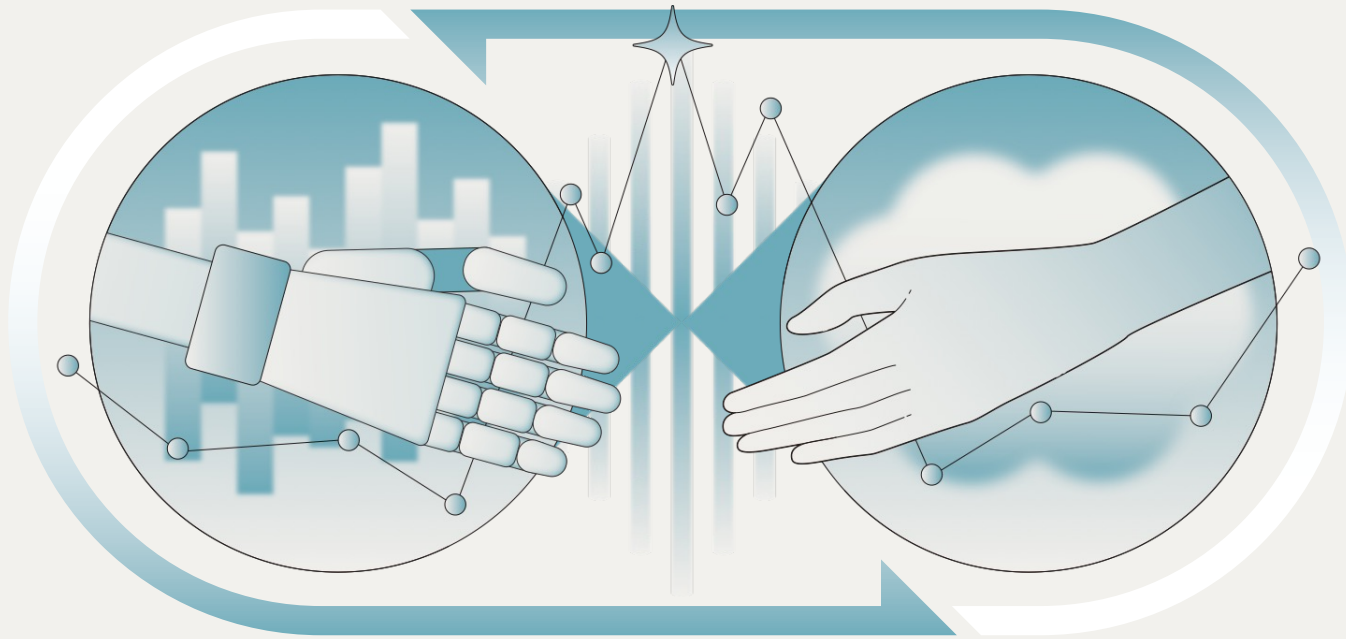


## Promoting new solutions and business diversification in non-advertising businesses

“OLD ROOKIE SAUNA HOTEL KISARAZU KANEDA” is scheduled to open on April 24, 2025,  
as a new type of hotel which offers a “sauna-first stay.”



# Co-existence of Humans & Machines



Automate  
What **humans** can't do

Consolidate what machines  
can't do to **humans**

✦ **Maximize** performance

# PURPOSE OF ADWAYS

**Make the world say  
“OMG, This is Amazing”  
and empower every  
person to expand their  
potential, the heart of our  
“No People, No Gain”  
philosophy.**

# 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.

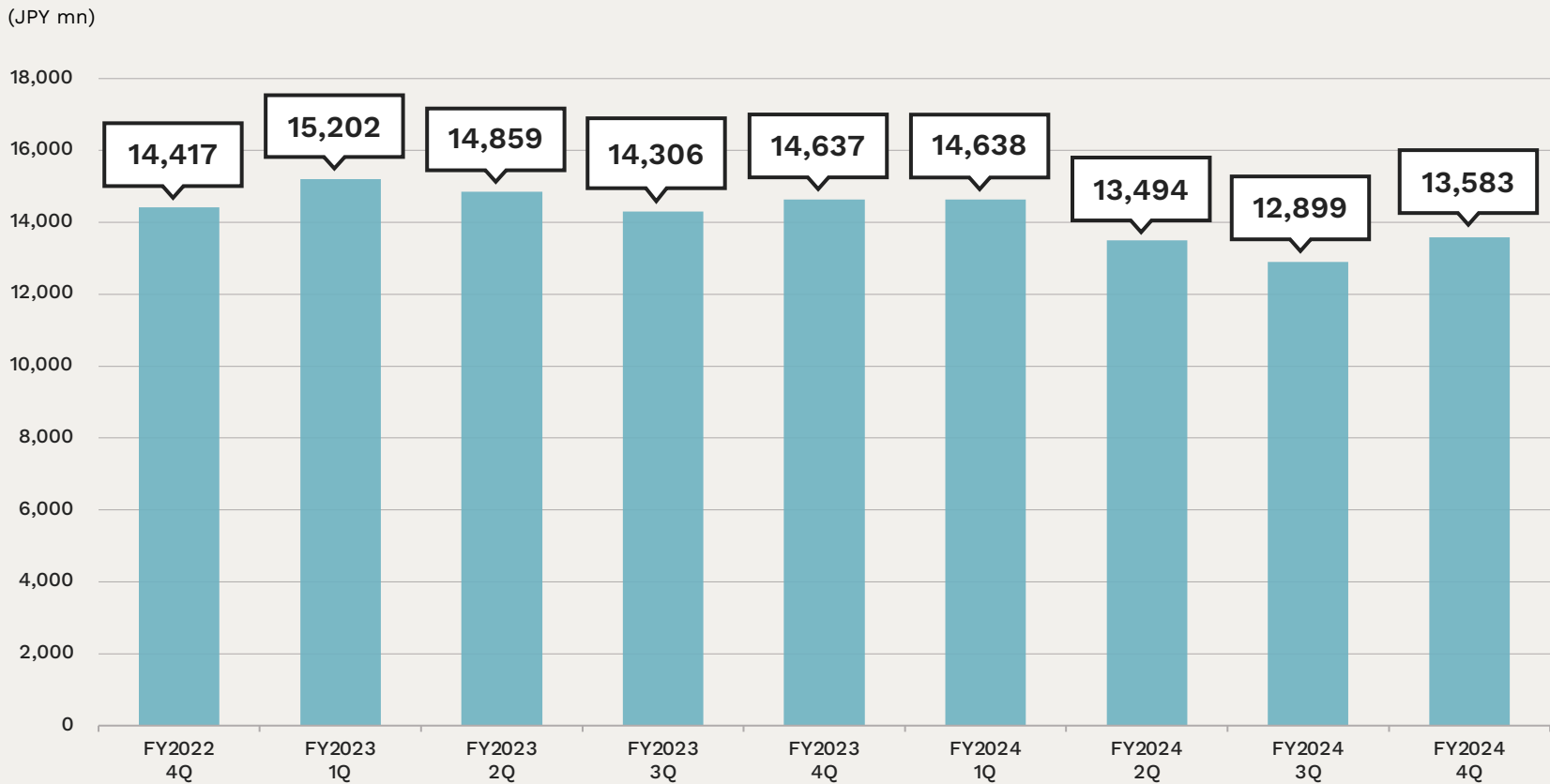
Statements made herein are based on information available as of February 10, 2025, and a variety of factors may cause the statements to differ from actual results.

SUPPLEMENTARY  
MATERIALS

6

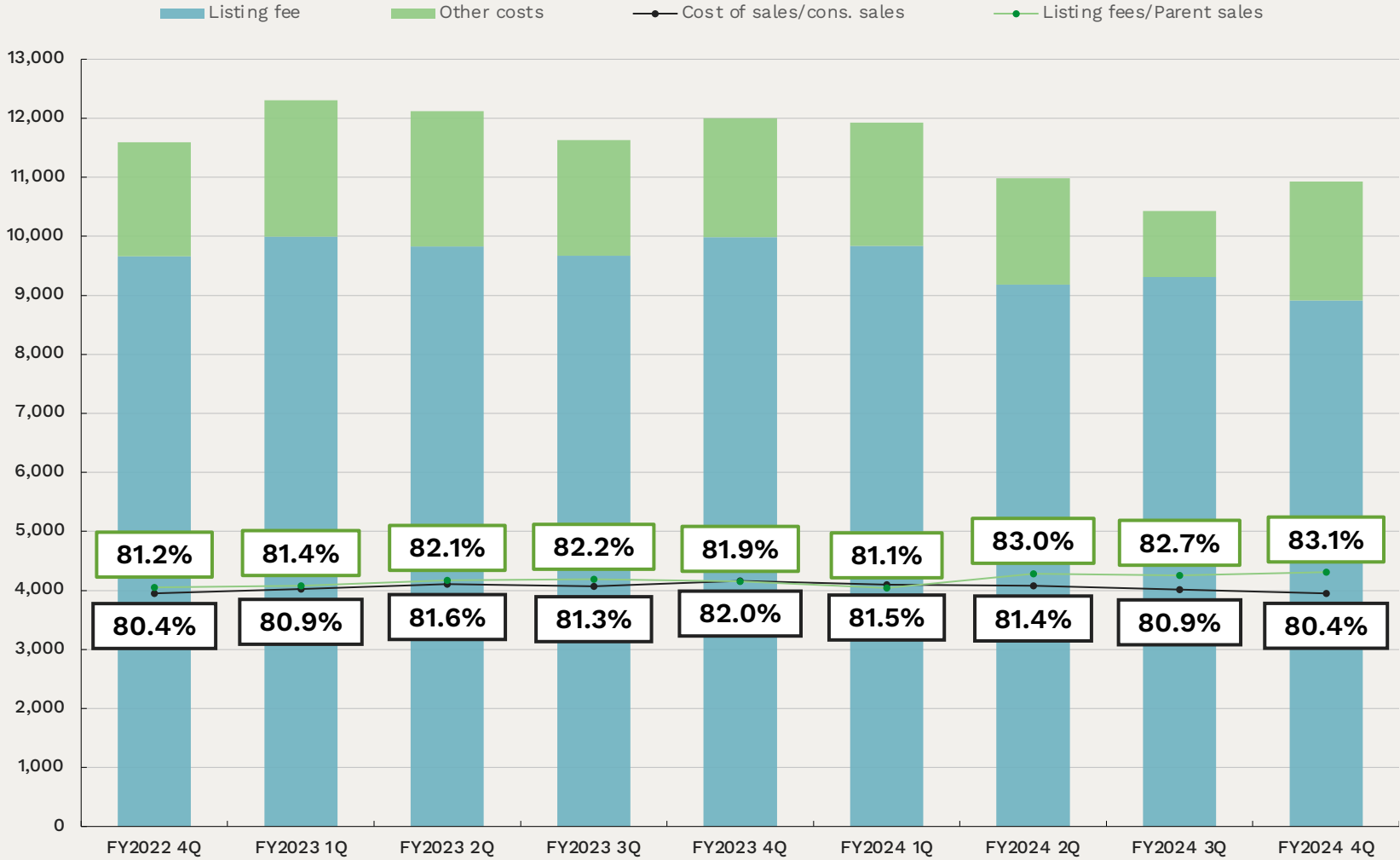
Chapter 6 : Supplementary materials

# Quarterly Change in Consolidated Gross Sales



# Quarterly Change in Consolidated Cost of Sales

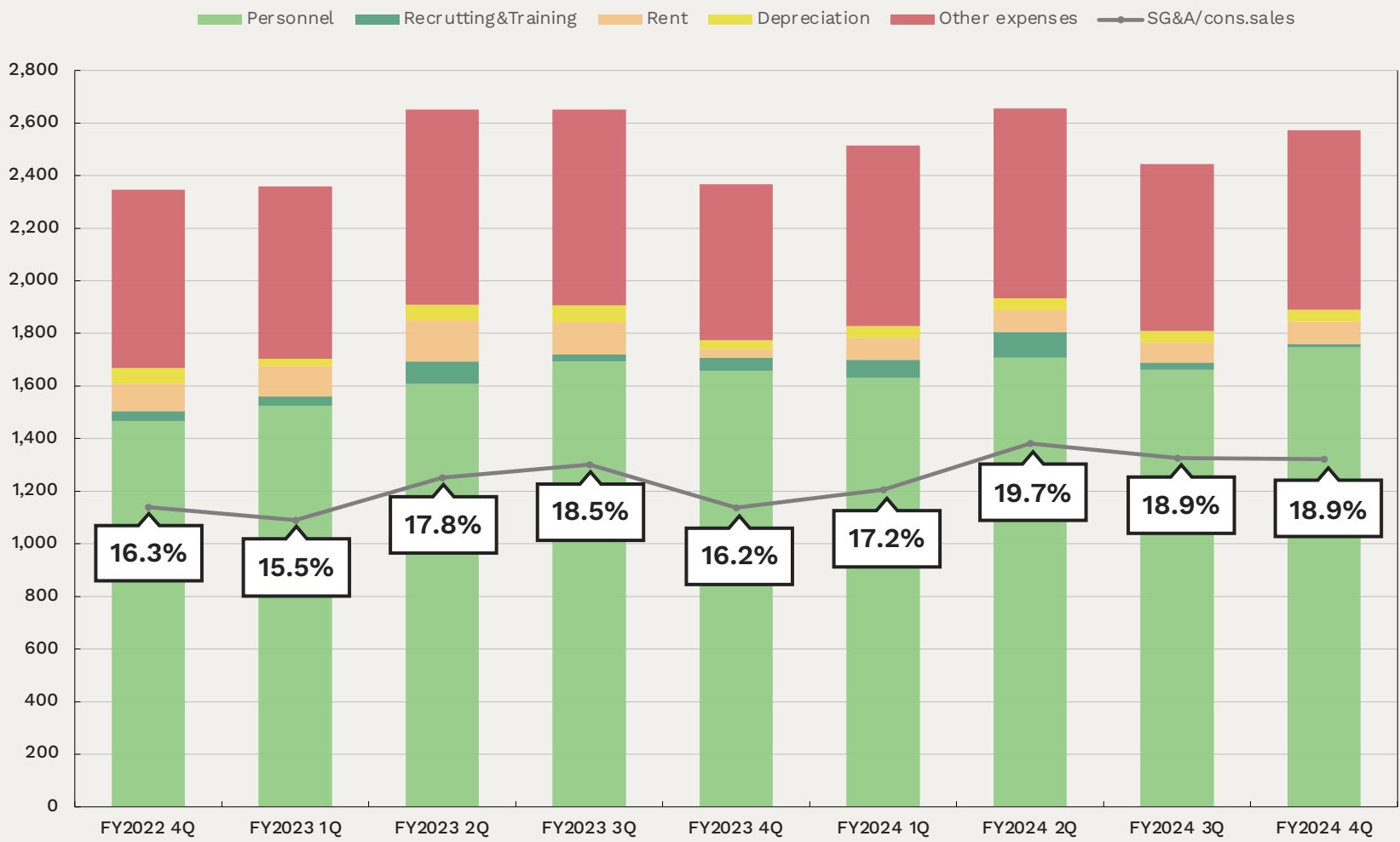
(JPY mn)



\*Listing fee and Listing fees/Parent sales show non-consolidated figures and ADWAYS DEEE totals.

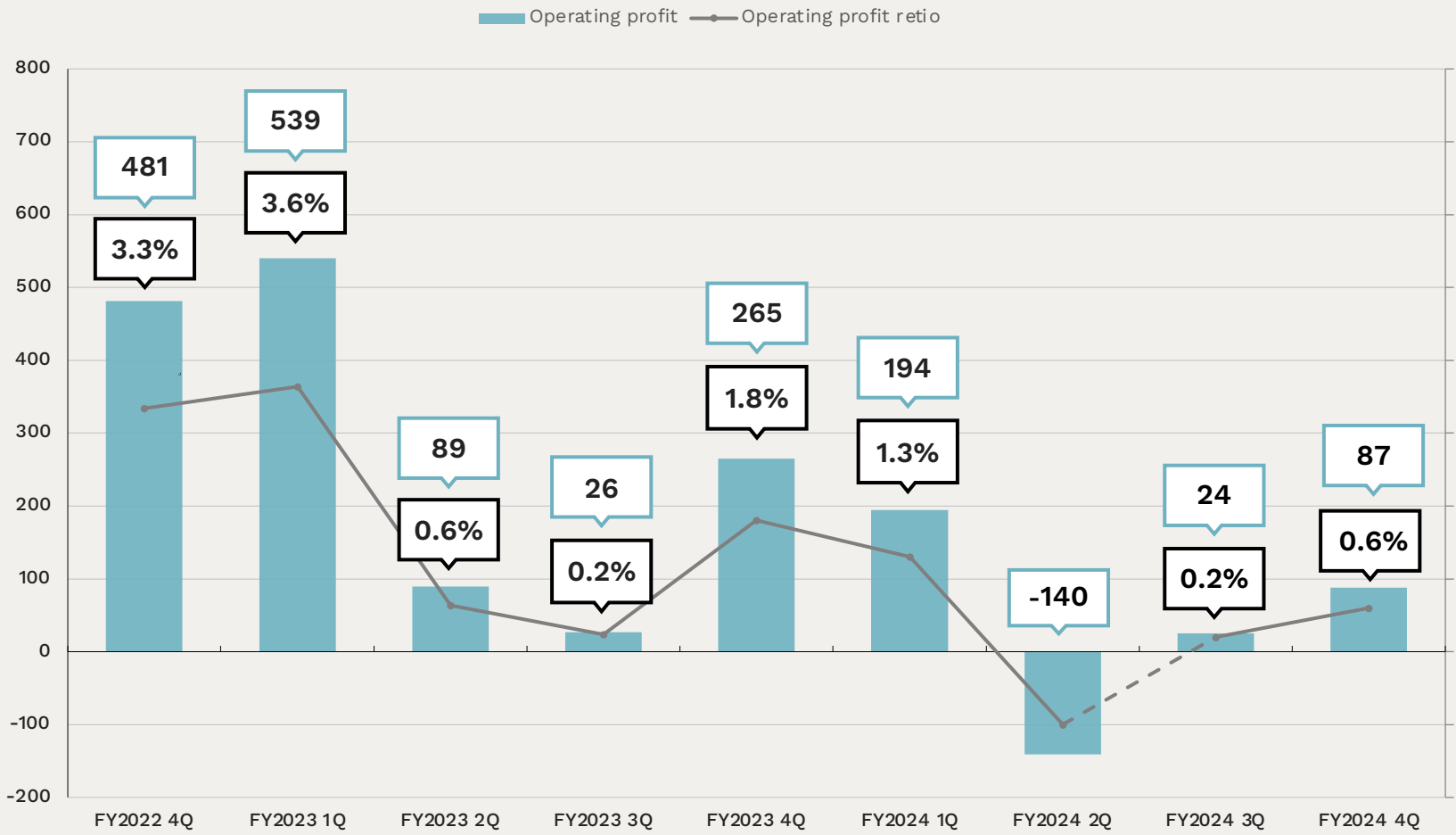
# Quarterly Change in Consolidated SG&A Expenses

(JPY mn)



# Quarterly Change in Consolidated Operating Profit

(JPY mn)



\*Operating profit ratio for FY2024 Q2 is a negative figure and thus not presented.

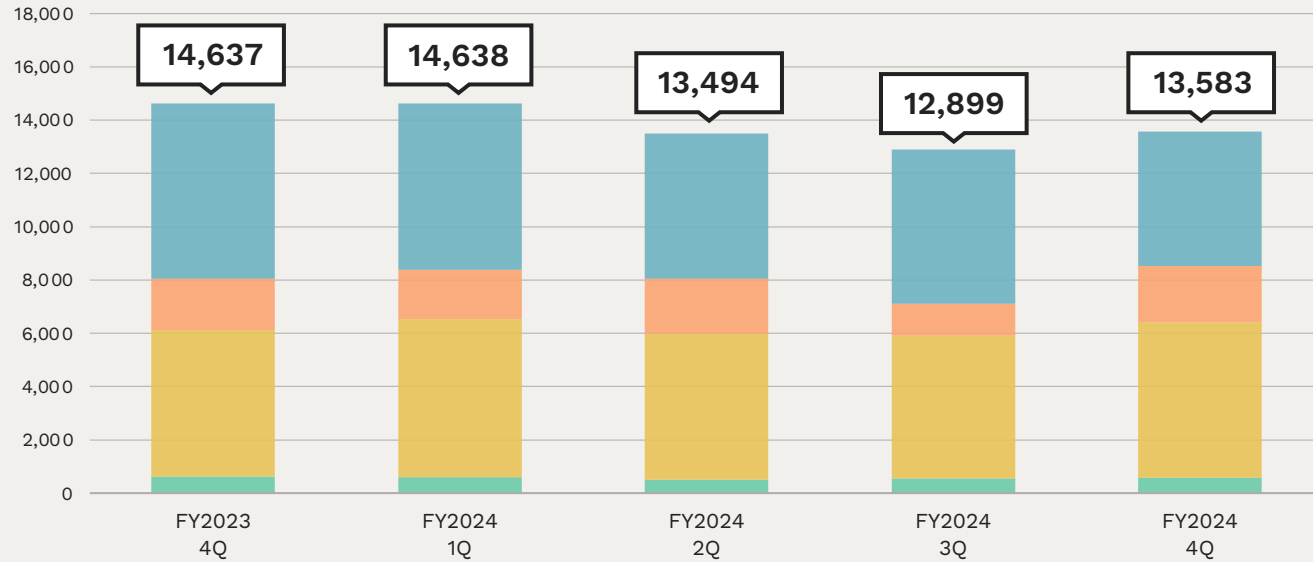


# Consolidated Balance Sheet (QoQ)

(JPY mn)

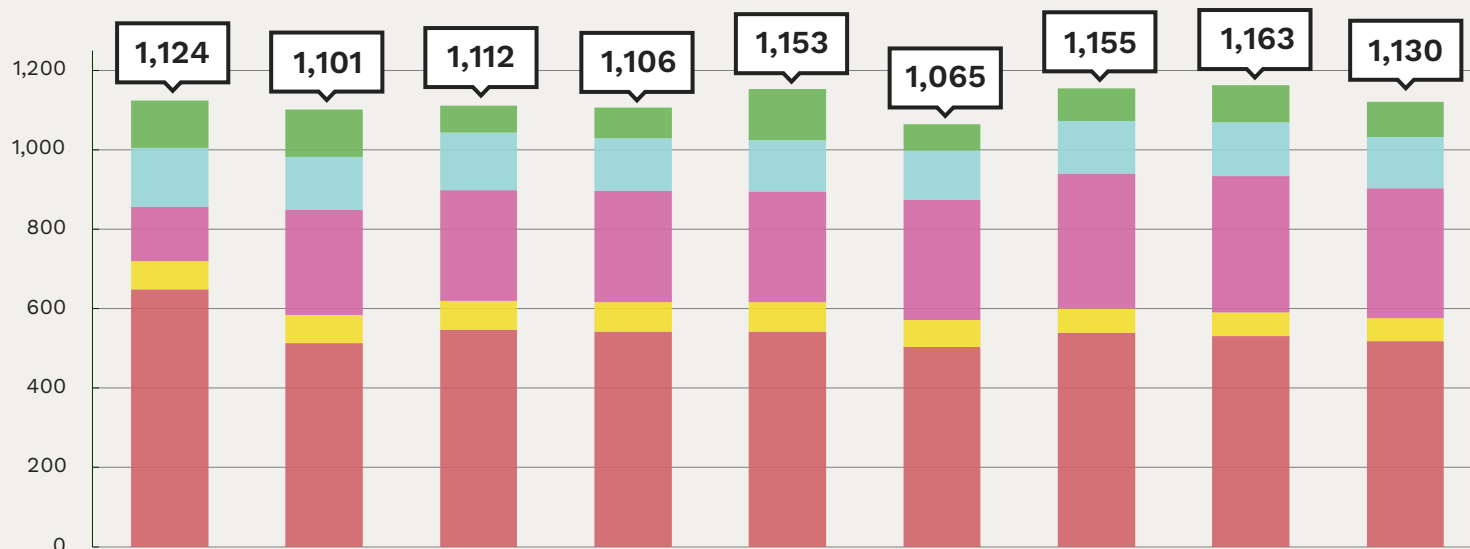
	FY2024 Q4	FY2024 Q3	Change	Change (%)
Current assets	18,379	18,030	+349	+1.9%
(Cash and deposits)	10,035	9,725	+309	+3.2%
Non-current assets	4,505	5,152	-647	-12.6%
Total assets	22,884	23,182	-297	-1.3%
Current liabilities	8,633	8,470	+162	+1.9%
Non-current liabilities	366	214	+151	+70.8%
Total liabilities	8,999	8,684	+314	+3.6%
Net assets	13,885	14,498	-612	-4.2%

# Quarterly Breakdown of Consolidated Sales by Segment



(JPY mn)	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4	QoQ	
						Change	Change (%)
Agency (domestic)	6,589	6,258	5,440	5,779	5,046	-733	-12.7%
Agency (overseas)	1,930	1,857	2,080	1,222	2,125	+903	+73.9%
Ad platform	5,496	5,930	5,460	5,341	5,841	+500	+9.4%
Other	621	591	513	555	569	+14	+2.6%
<b>Total</b>	<b>14,637</b>	<b>14,638</b>	<b>13,494</b>	<b>12,899</b>	<b>13,583</b>	<b>+684</b>	<b>+5.3%</b>

# Quarterly Change in Group Employees



(Persons)	FY2022 Q4	FY2023 Q1	FY2023 Q2	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4
ADW Japan	649	513	548	543	542	504	540	531	518
ADW China	71	72	72	74	75	67	61	59	59
Domestic subsidiaries	137	263	279	280	279	303	339	344	332
Overseas subsidiaries (excluding China)	148	135	145	133	128	125	133	136	132
Temporary workers, part-time employees	119	118	68	76	129	66	82	93	89
<b>Total</b>	<b>1,124</b>	<b>1,101</b>	<b>1,112</b>	<b>1,106</b>	<b>1,153</b>	<b>1,065</b>	<b>1,155</b>	<b>1,163</b>	<b>1,130</b>

\*Adways Japan decreased and domestic subsidiaries increased due to the ad platform business spinning off and becoming a subsidiary in FY2023 Q1.

# Company Overview

<b>Company name</b>	<b>Adways Inc.</b>
<b>Founded</b>	<b>February 28, 2001</b>
<b>Business overview</b>	<b>Internet business</b>
<b>CEO</b>	<b>Sho Yamada</b>
<b>Capital</b>	<b>JPY 1,717 mn</b> (As at end of December 2024)
<b>Gross sales</b>	<b>JPY 54,615 mn</b> (FY2024, Consolidated basis)
<b>Employees</b> * including temporary workers	<b>1,130 (for the entire group)</b> (As at end of December 2024)