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PRESENTATION MATERIAL MAY 8, 2025

STOCK CODE : 2489 TSE PRIME MARKET **ADWAYS INC.**

CEO Sho Yamada



Contents

1. Q1 FY2025 Performance	P.04
2. Business Overview	P.17
3. Supplementary Materials	P.40

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.

FY2025Q1 Performance

Quarterly Results (YoY · QoQ)

								. ,
	FY2025		YoY FY2024 Q1			QoQ FY2024 Q4		
	Q1	Performance Trends	Results	Change	Change (%)	Results	Change	Change (%)
Gross sales	14,073	~~~~	14,638	-564	-3.9%	13,583	+489	+3.6%
Net sales	3,136	••••	3,298	-162	-4.9%	3,242	-105	-3.3%
Gross profit	2,619	••••	2,708	-89	-3.3%	2,660	-40	-1.5%
SG&A expenses	2,382		2,514	-132	-5.3%	2,572	-190	-7.4%
Operating profit	237	~~~	194	+43	+22.1%	87	+149	+170.4%
Ordinary profit	346	•••••	323	+22	+7.0%	160	+185	+115.2%
Profit attributable to owners of parent	200	••••	310	-110	-35.5%	-683	+884	-
Gross salesYoY QoQDecrease :JPY564 mn(-3.9%) 489 mnOperating (+3.6%)YoY QoQIncrease :JPY 43 mn(+22.1%) (+170.4%)								

*Profit attributable to owners of parent for FY2024 Q4 was negative. Therefore, the change in profit attributable to owners of parent is not presented.

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FY2025 Consolidated Performance Forecasts and Results (January 1, 2025-December 31,2025)

(JPY mn)

	Gross sales (Reference)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Forecasts	51,600	11,700	20	170	20
Q1 Results	14,073	3,136	237	346	200
Forecasts Progress ratio	27.3%	26.8%	-	203.7%	-

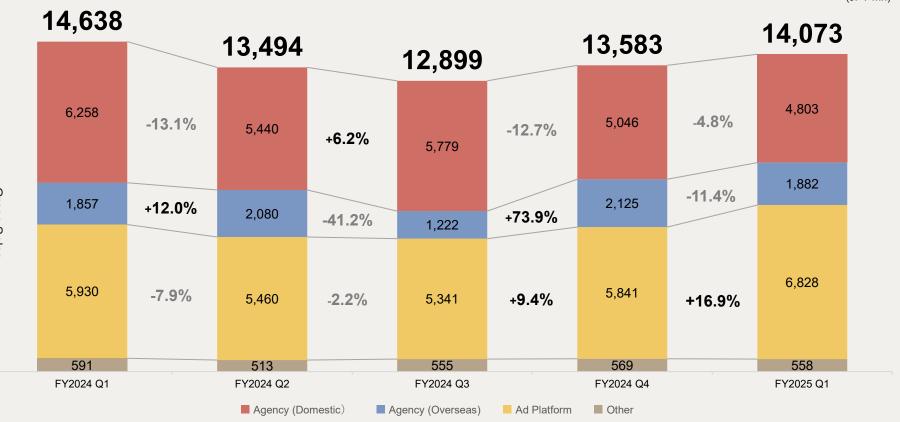
*The Q1 results for operating profit and profit attributable to owners of the parent exceeded the forecasts by more than 1,000%, and thus are not presented.

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Quarterly Segment Summary

Agency Business (Domestic)	Segment Gross sales: JPY 4,803 mn YoY: JPY -1,454 mn (-23.2%) Due to changes in client policies, ads in game and comic apps declined. Although new project orders have increased, this growth was insufficient to offset the decrease in game and comic app ads.
Agency Business (Overseas)	Segment Gross sales: JPY 1,882 mn YoY: JPY +24 mn (+1.3%) In China, ads in game apps increased in correlation with the rising number of new game app releases. In Taiwan, LINE sales showed strong performance.
Ad Platform Business	Segment Gross sales: JPY 6,828 mn YoY: JPY +897 mn (+15.1%) UNICORN's "Brands" and "Other" sales genres grew substantially. Financial affiliates, including credit card and loan services, also demonstrated growth.

Quarterly Change in Consolidated Gross Sales

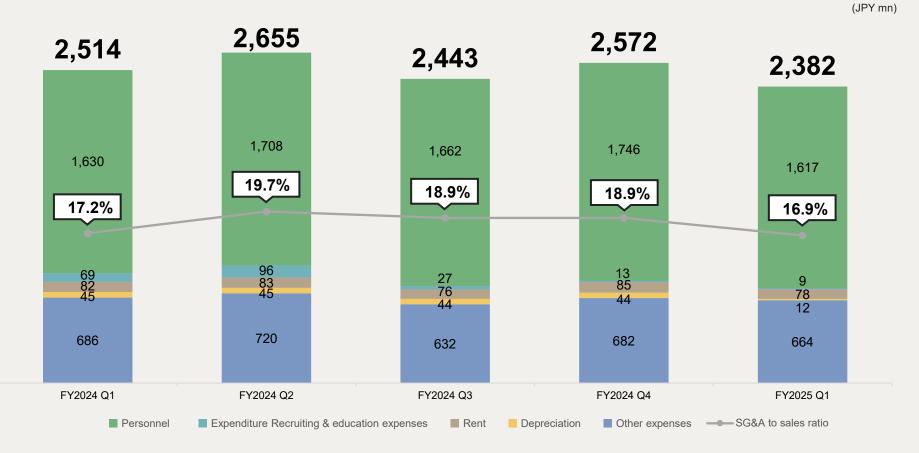


Q1 Gross Sales JPY 14,073 mn -

YoY **Decrease** : JPY 564 mn (-3.9%)

QoQ **Increase** : JPY 489 mn (+3.6%)

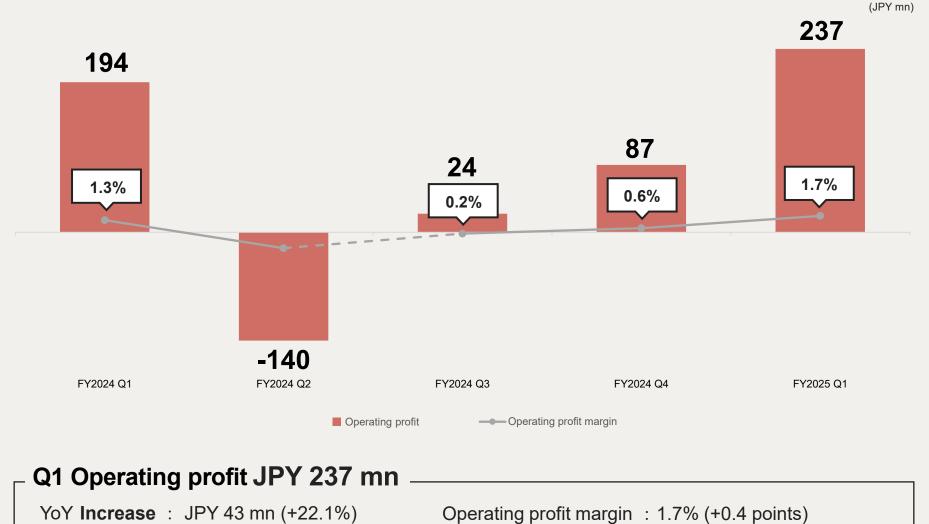
Quarterly Change in Consolidated SG&A Expenses



Q1 SG&A Expenses JPY 2,382 mn

YoY **Decrease** : JPY 132 mn (-5.3%) SG&A to sales ratio : 16.9% (YoY: -0.3 points)

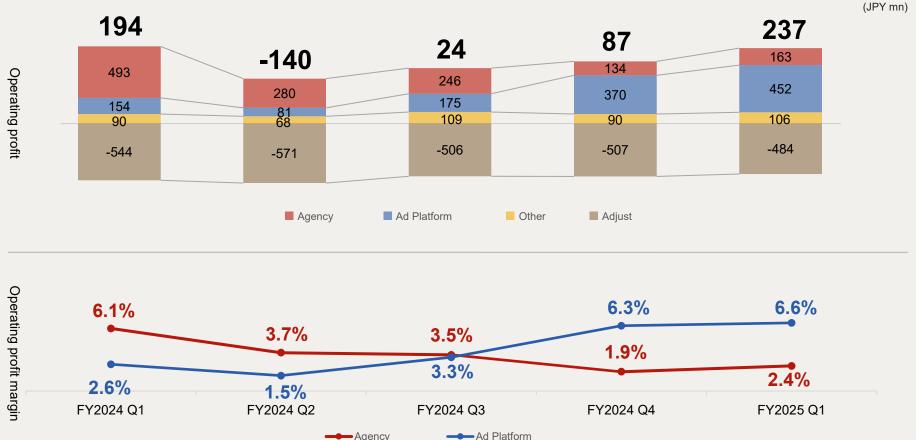
Quarterly Change in Consolidated Operating Profit



*Operating profit for FY2024 Q2 was negative. Therefore, the operating profit margin is not presented.

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Quarterly Change in Consolidated **Operating Profit (By Segment)**



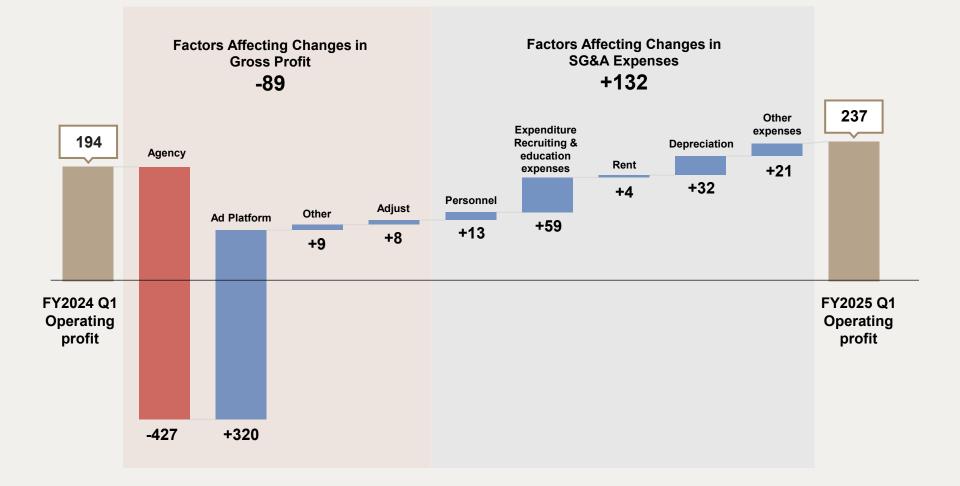
Agency : Although SG&A expenses were controlled, both operating profit and operating margin declined YoY due to a decrease in gross sales.

Agency

Ad Platform : Operating profit and operating profit margin both increased significantly YoY, driven by a substantial increase in gross sales.

Factors Affecting Changes in Consolidated Operating Profit

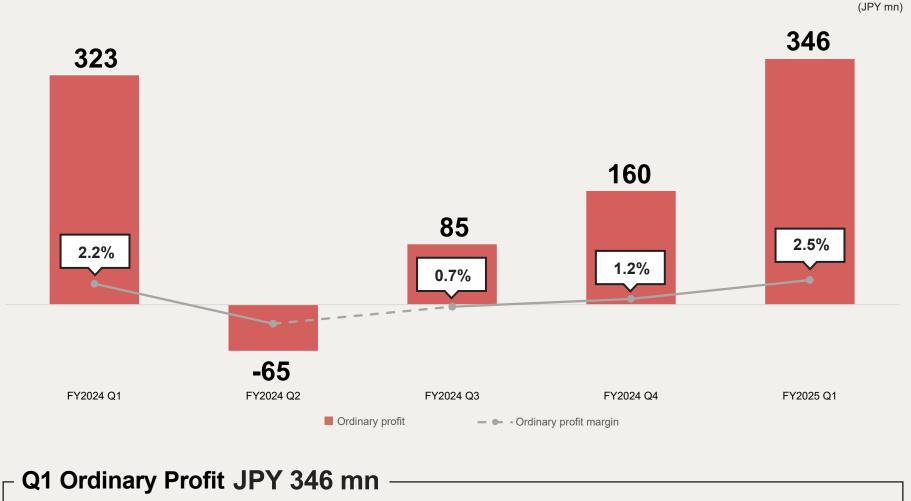
(JPY mn)



*"Factors Affecting Changes in Gross Profit" were indicated in comparison to FY2024 Q1.

("Factors Affecting Changes in SG&A Expenses" were indicated as an increase, as a decrease in SG&A expenses compared to FY2024 Q1 results in an increase (+) in operating profit.)

Quarterly Change in Consolidated Ordinary Profit



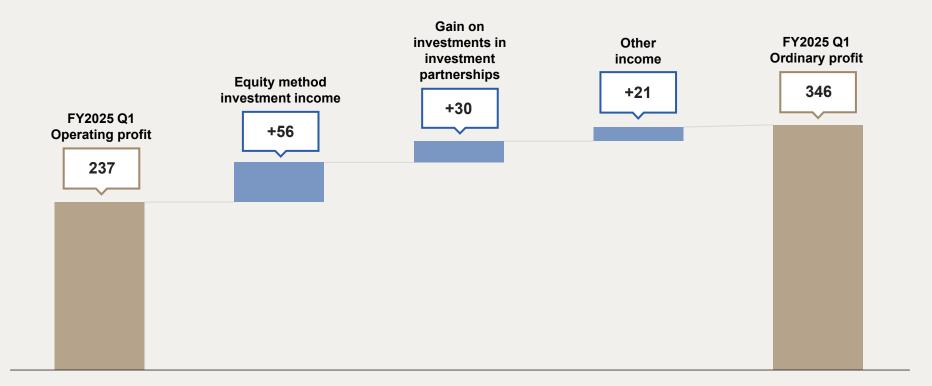
YoY **Increase** : JPY 22 mn (+7.0%)

Ordinary profit margin : 2.5% (+0.3 points)

*Ordinary profit for FY2024 Q2 was negative. Therefore, the ordinary profit margin is not presented.

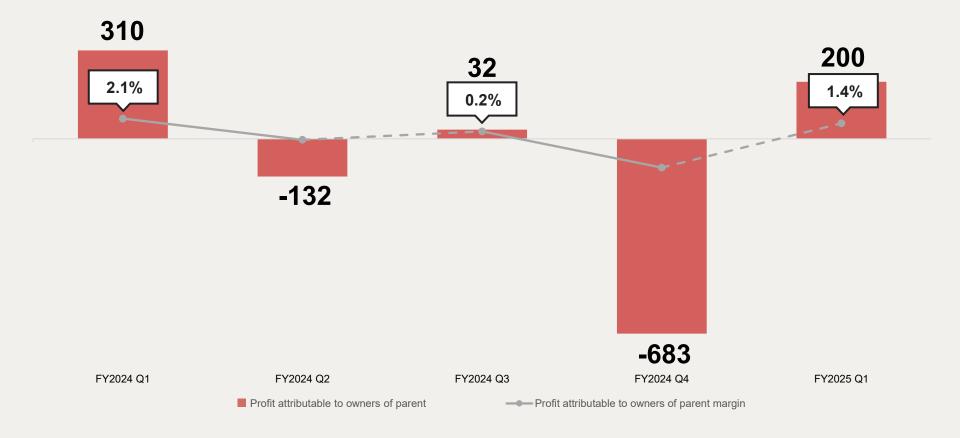
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Breakdown of FY2025 Q1 Ordinary Profit



Equity method investment income	••••	JPY+56 mn	Other income	JPY+21 mn
Gain on investments in investment partnerships		JPY+30 mn		

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

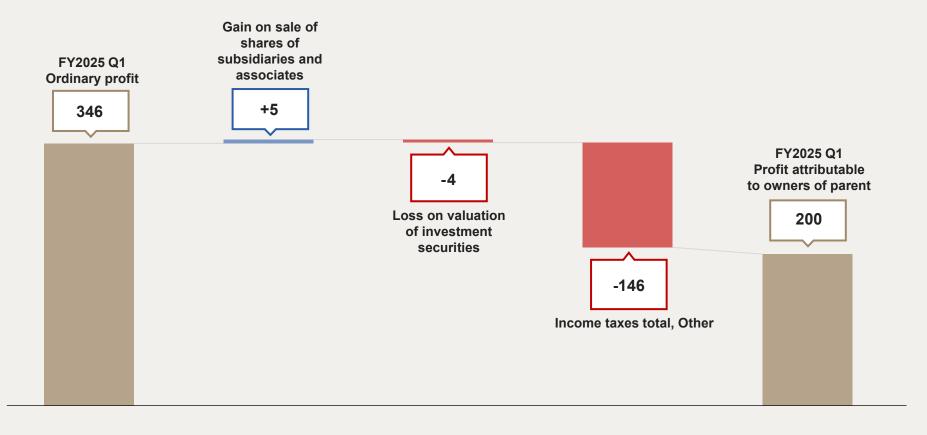


Q1 Profit Attributable to Owners of Parent JPY 200 mn

YoY Decrease : JPY 110 mn(-35.5%) Profit attributable to owners of parent margin : 1.4% (-0.7 points)

*Profit attributable to owners of parent for FY2024 Q2 and FY2024 Q4 was negative. Therefore, the profit attributable to owners of margin is not presented. Copyright © Adways Inc. All Rights Reserved.

Breakdown of FY2025 Q1 Profit Attributable to Owners of Parent

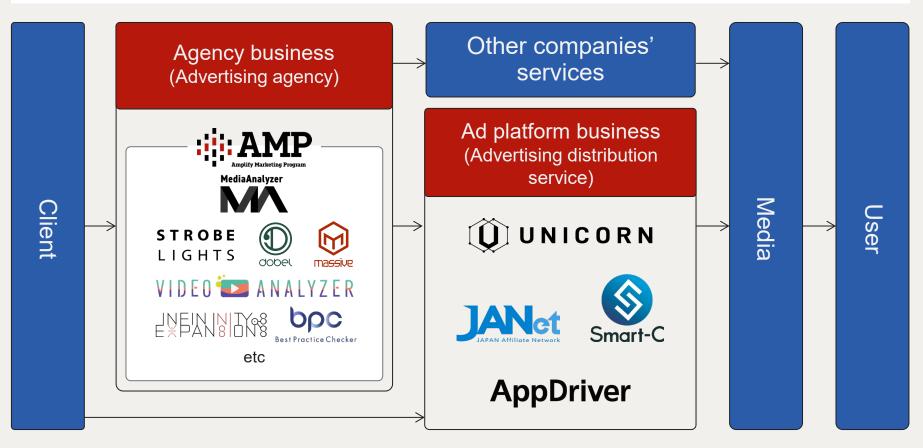


Gain on sale of shares of	JPY +5 mn	Loss on valuation of investment securities	•••••	JPY -4 mn
Income taxes total, Other ••••••••	· JPY -146 mn			

BUSINESS OVERVIEW

Advertising business

Classification of Advertising Business



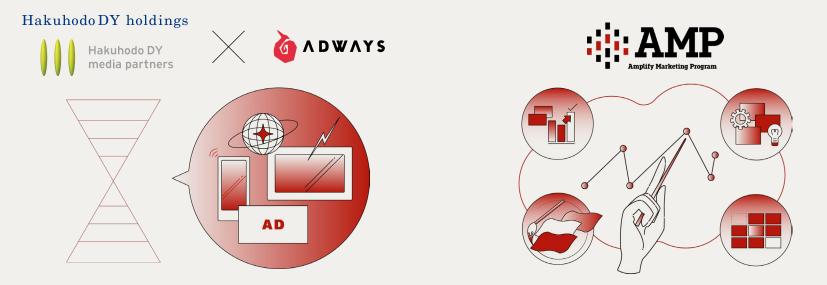
We classify our ad business into an agency business that also sells other companies' services and an ad platform business that operates our ad distribution service.

Agency business (Domestic)

Comprehensive app & web marketing support business

Principles of Agency Business (Domestic)

Digital transformation of marketing as a business growth driver for clients



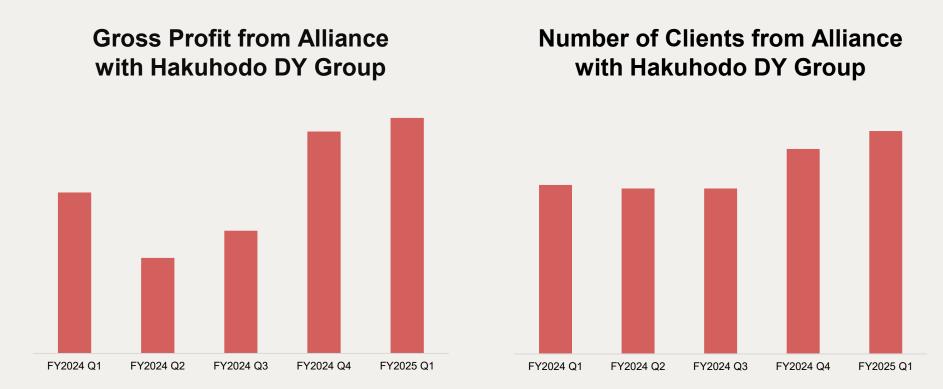
In our agency business, we provide comprehensive marketing support through integrated offline and online planning. In order to approach brand advertisers and execute more effective market planning conscious of full-channel*1 and full-funnel*2 marketing plans that integrate TV and digital, rather than 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).

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Progress of Capital and Business Alliance with Hakuhodo DY Group



Gross profit and number of accounts both increased QoQ and YoY.

Ad platform business

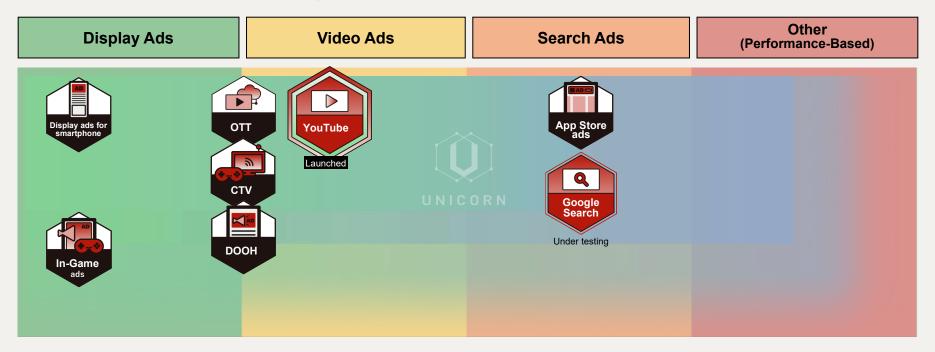
UNICORN, affiliate ad service business etc.

UUNICORN REDEFINE DIGITAL MARKETING

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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.

*1. CTV (Connected TV): A type of digital advertising that can deliver ads to television sets connected to the internet.

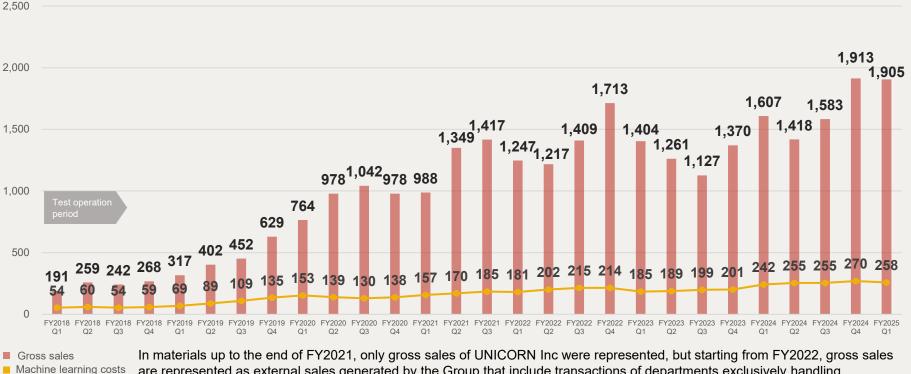
*2. OTT (Over The Top): A generic term for content services distributed through the internet.

Progress of UNICORN (Gross sales)

First quarter

Change in UNICORN Gross Sales and Machine Learning Costs

(JPY mn)



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.)

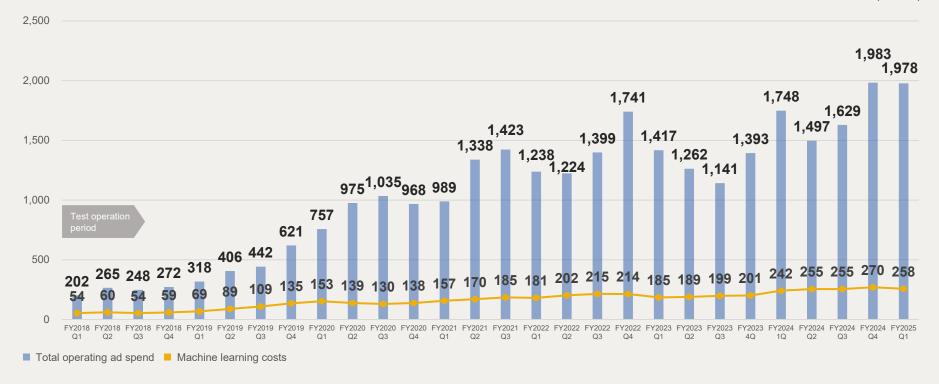
Gross sales grow 119% YoY, marking a record high for Q1.

Progress of UNICORN (Total Operating Ad Spend*)

First quarter

(JPY mn)

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



Total operating ad spend* grew 113%, marking record high for Q1.

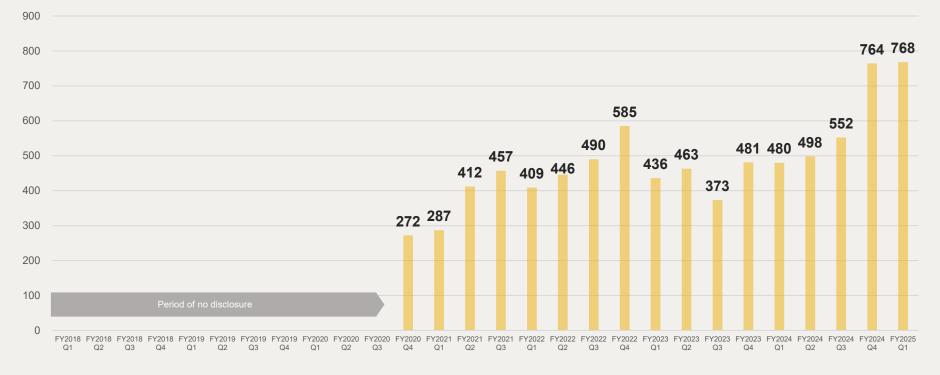
*Total operating ad spend is different from gross sales in that it is the total amount of money actually spent on ads served through UNICORN's system. In some cases, only UNICORN's margin is included in gross sales at the request of the client, and in other cases, gross sales are reduced when certain 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 (Gross Profit)

First quarter

Change in UNICORN Gross Profit

(JPY mn)



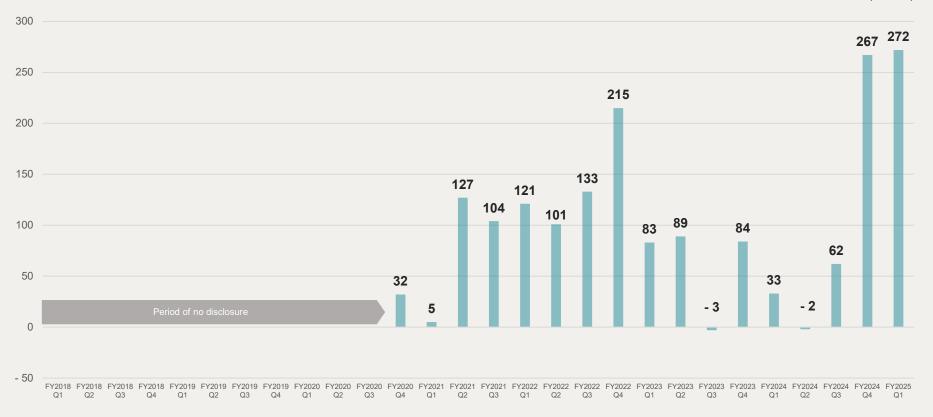
Gross profit grew 160% both QoQ and YoY, making a record high for Q1.

Progress of UNICORN (Operating Profit)

First quarter

(JPY mn)

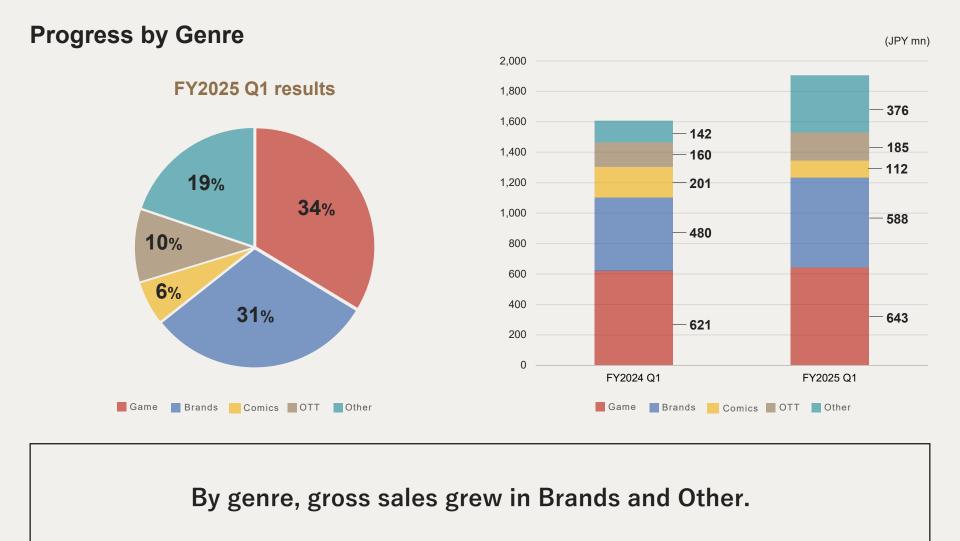
Change in UNICORN Operating Profit



Operating profit grew 821% both QoQ and YoY, making a new record high.

First quarter

Progress of UNICORN



Progress of UNICORN

UNICORN's Performance: YoY

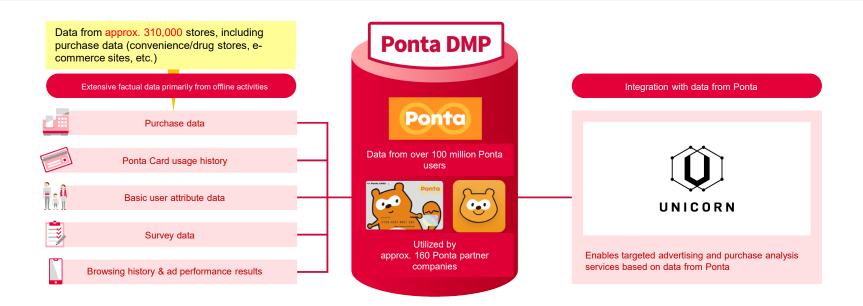
(JPY mn)

			YoY FY2024 Q1	
	FY2025 Q1	Result	Change	Change (%)
Gross sales	1,905	1,607	+298	+18.6%
Gross profit	768	480	+288	+60.0%
Operating profit	272	33	+238	+720.5%

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

In Partnership with Loyalty Marketing, UNICORN Launched an Ad Service Using Data from Ponta

The partnership enabled targeted advertising and purchase measurement based on extensive consumer purchase history linked to Ponta ID owned by Loyalty Marketing, the operating company of Ponta, Japan's largest loyalty program with over 100 million members.



We have achieved high-precision marketing that extends to capturing customer purchasing behavior and consumption pattern changes.

Note: Data we handle does not contain personal information.

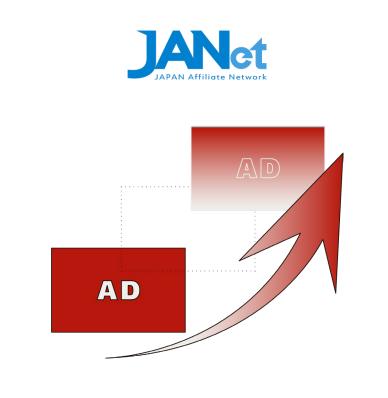
DEEE

DEE

Delight 喜び Exciting ゎくゎく 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

Business Partnership with BIPROGY, Provider of Live Commerce Service "Live kit"

ADWAYS DEEE launched a live commerce support service utilizing the "Live kit" live commerce service



We provide comprehensive support that extends beyond introduction, user attraction, and video production to include customer attraction measures and marketing support leveraging the Adways Group's advertising network.

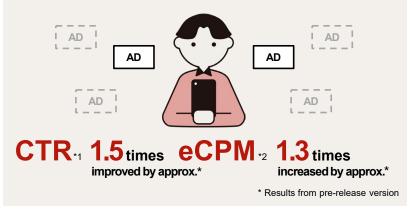
New Features for AppDriver, a Rewarded Advertising Platform

Daily Mission: Promotes continued user loyalty to a single service Start a Tasks reset the Earn rewards Take action mission based on next day performance テラボンバー ラオンバー as 500 arak #x 500 arak CONTRACTOR AND ADDRESS 本日のシッション改成形式 本日のスッション連续開き CLEAR 10093928 1077-5 10022228 0 120 737-0/20037-0 737-9/20037-9 NEXT STAGE Earning rewards repeatedly

By allowing users to earn daily performance rewards, the feature not only prevents user churn but also promotes continued service engagement while maintaining user motivation.

Insight Frequency Function: Added to push reward advertising

Reduces unnecessary impressions and delivers effective advertising based on behavioral data



In addition to limiting ad frequency, the function delivers ads aligned with targeted users' interests by utilizing its proprietary algorithm.

With AppDriver, we strive to provide value to advertisers and enhance the user ad experience to drive further growth in the rewarded advertising market.

*1 Click-through rate (CTR) refers to the percentage of clicks an ad receives relative to its impressions.

*2 Effective cost per mille (eCPM) is an indicator that represents the revenue earned per 1,000 ad impressions.

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Other businesses (Non-advertising)

New solutions in non-advertising businesses

Providing New Experiences and Value

"OLD ROOKIE SAUNA HOTEL KISARAZU KANEDA" is scheduled to open on April 24, 2025



A sauna-equipped hotel where every room is fitted with a full-scale sauna and a cold bath with a chiller.

Established a new company, "VECT INNOVATION Inc." Launched operations on April 1, 2025



V VECT INNOVATION

Promoting the development of marketing support services utilizing LLMs* and AI.Contributing to greater marketing efficiency, cost reduction, and performance maximization.

We are promoting the development of new solutions outside the advertising business and driving business diversification.

* LLM (Large Language Model) A machine learning model for natural language processing, built using large-scale text data and deep learning technologies.

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 May 8, 2025, and a variety of factors may cause the statements to differ from actual results.

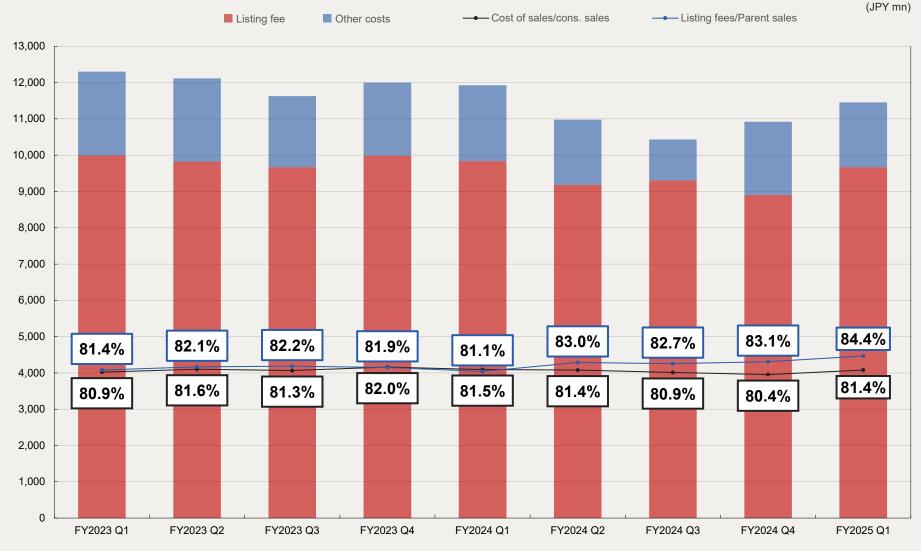


SUPPLEMENTARY MATERIALS

Quarterly Change in Consolidated Gross Sales



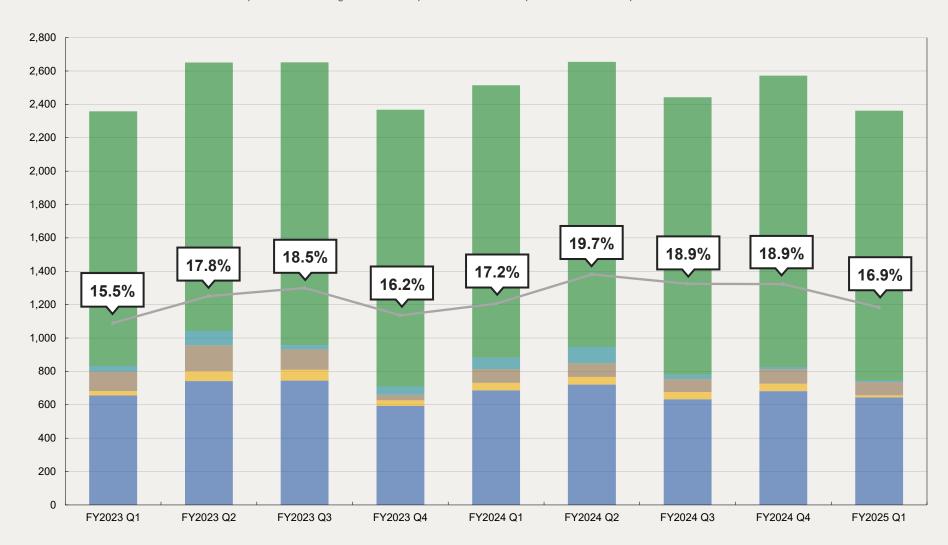
Quarterly Change in Consolidated Cost of Sales



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

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Quarterly Change in Consolidated SG&A Expenses



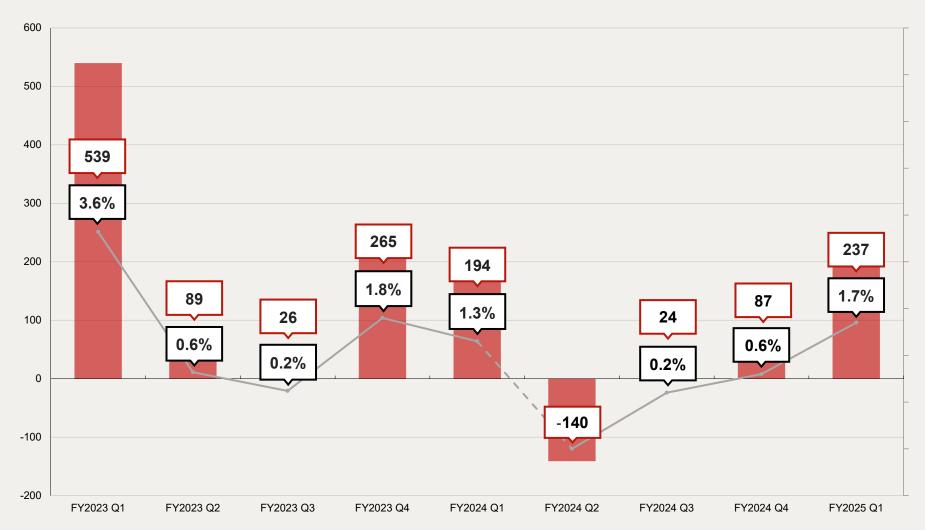
(JPY mn)

Quarterly Change in Consolidated Operating Profit

Operating profit

Operating profit margin

(JPY mn)



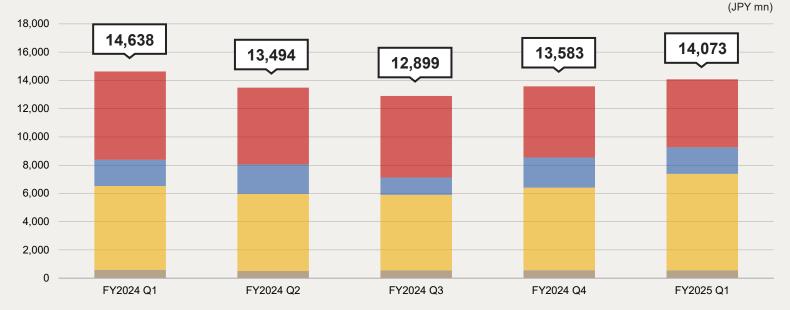
*Operating profit for FY2024 Q2 was negative. Therefore, the operating profit margin is not presented.

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Consolidated Balance Sheet (QoQ)

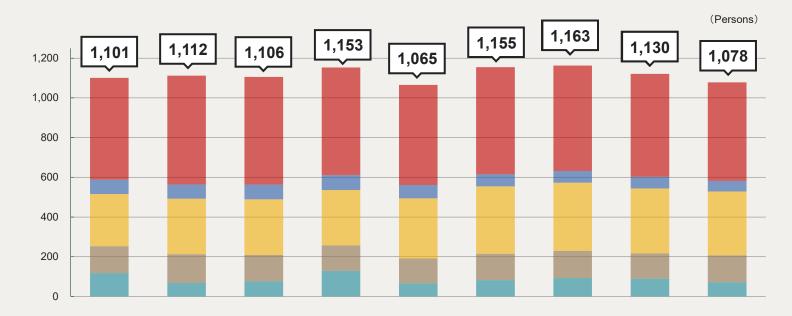
	FY2025 Q1	FY2024 Q4	Change	Change (%)
Current assets	18,885	18,379	+505	+2.8%
(Cash and deposits)	10,435	10,035	+400	+4.0%
Non-current assets	4,531	4,505	+26	+0.6%
Total assets	23,417	22,884	+532	+2.3%
Current liabilities	9,140	8,633	+507	+5.9%
Non-current liabilities	334	366	-31	-8.6%
Total liabilities	9,475	8,999	+476	+5.3%
Net assets	13,941	13,885	+55	+0.4%

Quarterly Breakdown of Consolidated Sales by Segment



						QoQ	
	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4	FY2025 Q1	Change	Change (%)
Agency (domestic)	6,258	5,440	5,779	5,046	4,803	-242	-4.8%
Agency (overseas)	1,857	2,080	1,222	2,125	1,882	-243	-11.4%
Ad platform	5,930	5,460	5,341	5,841	6,828	+986	+16.9%
Other	591	513	555	569	558	-10	-1.9%
Total	14,638	13,494	12,899	13,583	14,073	+489	+3.6%

Quarterly Change in Group Employees



	FY2023 Q1	FY2023 Q2	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4	FY2025 Q1
ADW Japan	513	548	543	542	504	540	531	518	496
ADW China	72	72	74	75	67	61	59	59	53
Domestic subsidiaries	263	279	280	279	303	339	344	332	322
Overseas subsidiaries (excluding China)	135	145	133	128	125	133	136	132	135
Temporary workers, part-time employees	118	68	76	129	66	82	93	89	72
Total	1,101	1,112	1,106	1,153	1,065	1,155	1,163	1,130	1,078

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

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Company Overview

Company name	Adways Inc.	
Founded	February 28, 2001	
Business overview	Internet business	
CEO	Sho Yamada	
Capital	JPY 1,717 mn	(As at end of March 2025)
Gross sales	JPY 54,615 mn	(FY2024, Consolidated basis)
Employees * including temporary workers	1,078 (for the entire group)	(As at end of March 2025)