



FY2021 1Q Results Briefing Materials

Aug. 13, 2021

Significantly expanded our revenue base

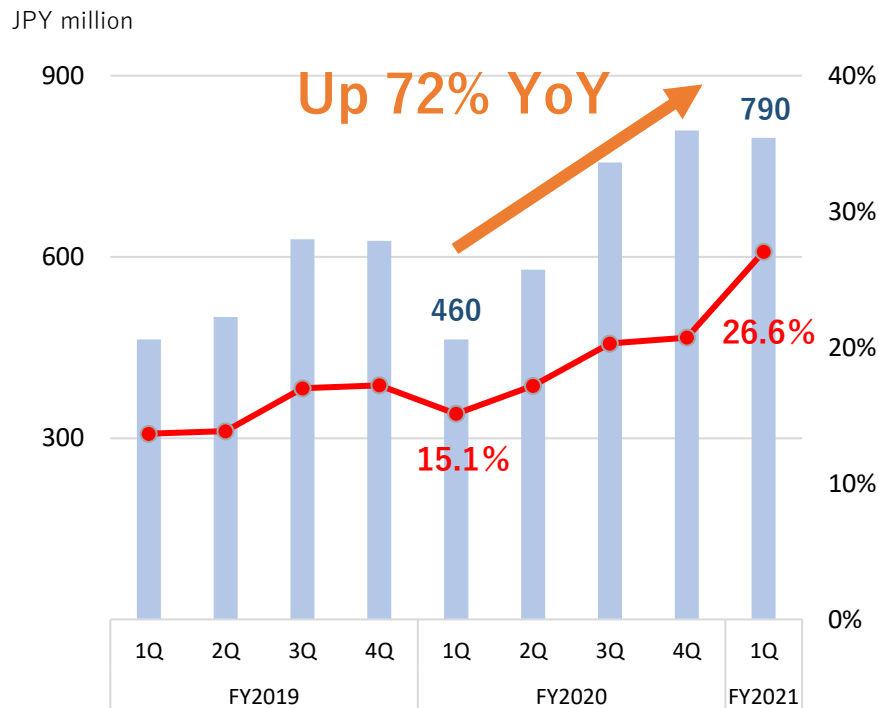
Achieved profitability from first quarter

- ✓ Ad Platform Business increased market share, also recording strong growth in gross profit (on par with 4Q)
- ✓ Marketing SaaS Business achieved strong growth, up 199% YoY. Also conducted M&A to accelerate growth
- ✓ Plan to conduct our first share buyback, to enhance shareholder returns and capital efficiency
- ✓ Introduced ESOP as an incentive plan for recruiting and retaining strong talent

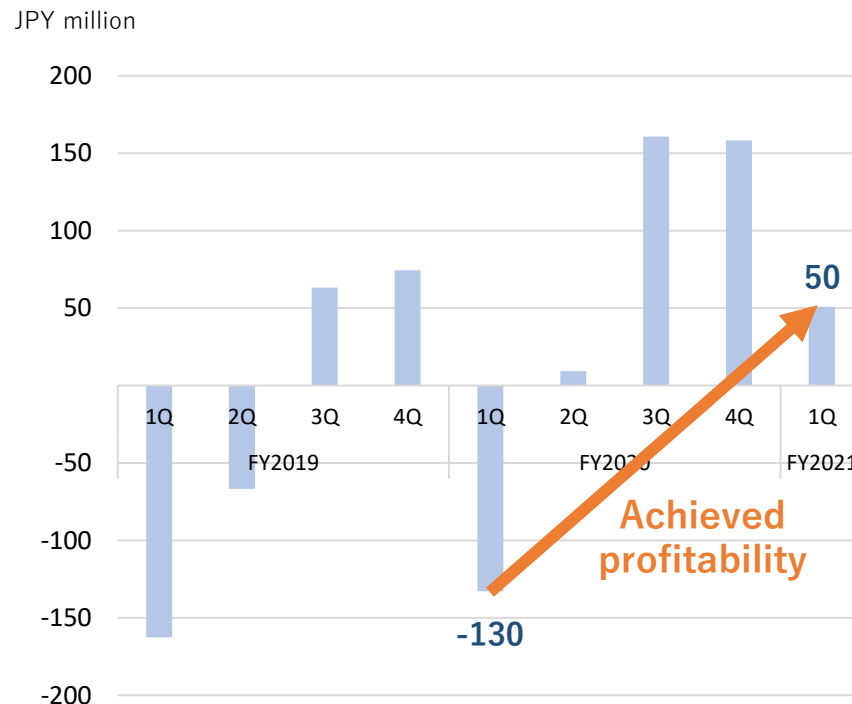
Key messages

Gross profit was at the same high level as FY2020 4Q. Our revenue base increased further, and operating income turned profitable from 1Q.

Gross profit / Gross profit margin



Operating income



To enhance shareholder returns and capital efficiency, we plan to conduct our first share buyback

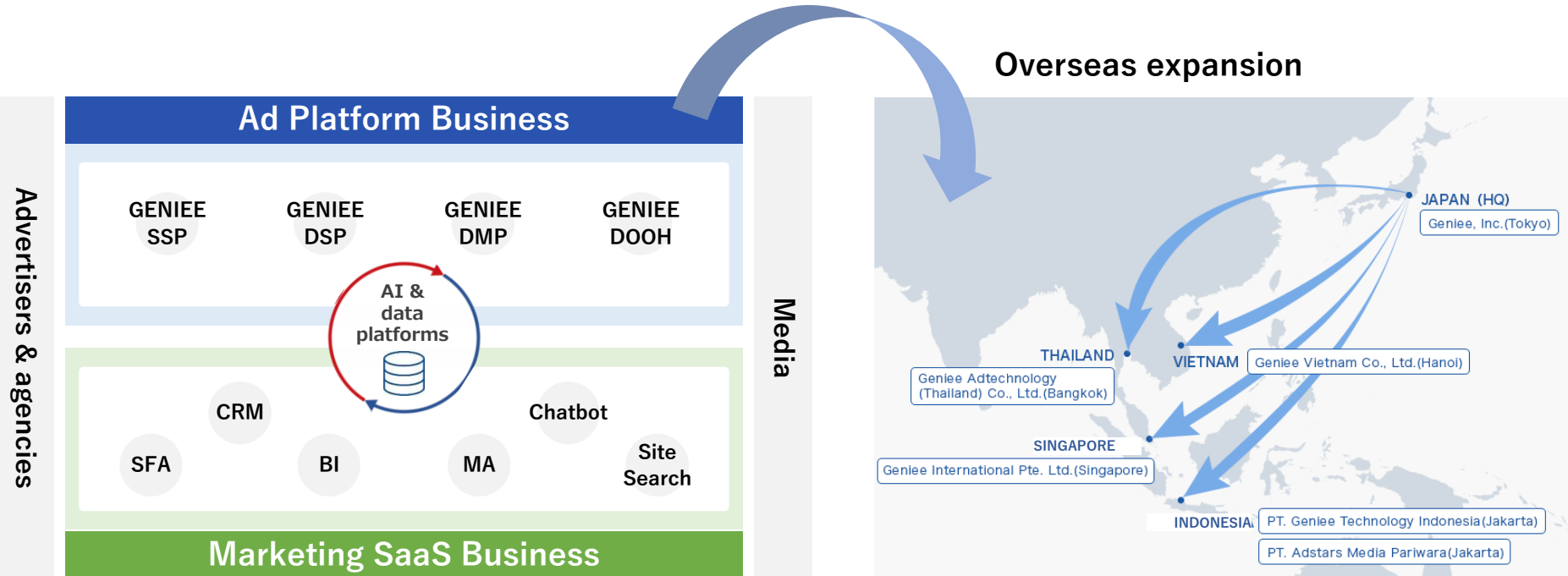
- | | |
|--|--|
| (1) Type of shares to be acquired: | Common stock of the Company |
| (2) Total number of shares to be acquired: | Up to 350,000 shares
(1.94% of total shares outstanding (excluding treasury stock)) |
| (3) Total amount to be paid for acquisition: | Up to JPY 350 million |
| (4) Period of acquisition: | August 16, 2021 to August 15, 2022 |
| (5) Method of acquisition: | Market purchase (including off-hours trading) |

01

Business Overview

Business Overview

Geniee operates an Ad Platform Business, which focuses on online advertising, and a Marketing SaaS Business, which provides marketing optimization software. We also offer our products overseas, mainly in Southeast Asia.



Supply Side Platform

GENIEE SSP

Ad platform for maximizing advertising revenue

Full support for media ad operations, backed by Geniee technology and impression volumes that are among the highest in Japan

Transactions with 20,000 publishers
Top share in Japan
Annual sales of JPY 7B

Demand Side Platform

GENIEE DSP

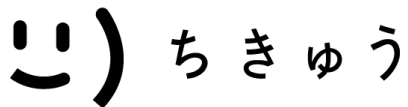
Uses GenieeSSP's ad inventory, one of the largest in Japan

Attracts quality audiences at low cost

~80B impressions per month available

500 advertisers
Largest data set in Japan

SFA/CRM



- Simple design tailored to customer contact and opportunity management
- Sales management and customer management system with 99% retention rate

Marketing automation



- Automates various marketing actions
- Largest number of ad-serving channels in Japan
- Enables easy, real-time monitoring of customer behavior online

Chatbot



- Maximizes customer acquisition and customer satisfaction
- Improves customer success and conversion

Site search



- Proprietary technology enables rapid, accurate search
- Includes search assist dictionaries as standard; supports multi-language search

Development and sales of marketing software

Installed by more than 10,000 companies in Japan; 199% growth YoY

Overseas Business

Geniee began expanding overseas in its third year. We have since formed partnerships with various companies overseas and made numerous investments and acquisitions.



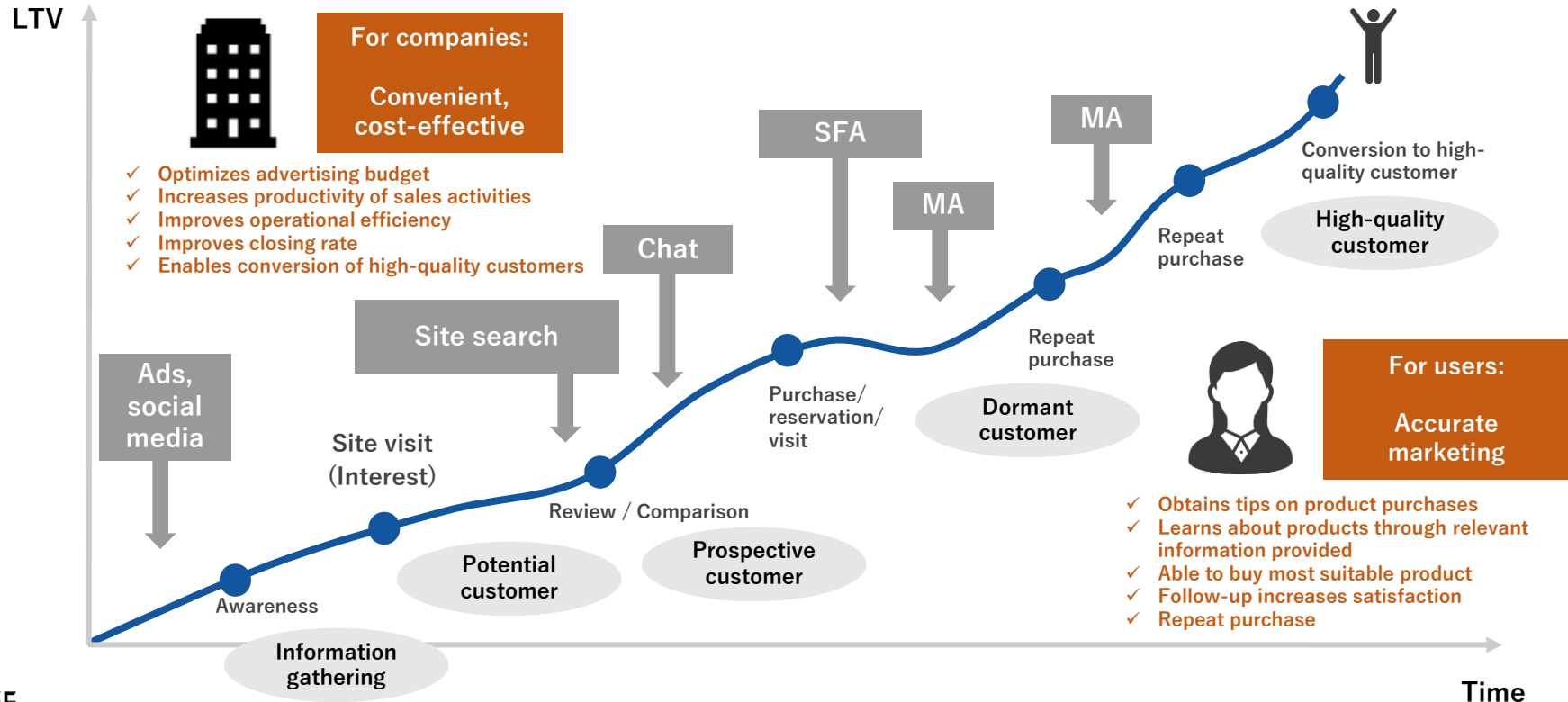
Vietnam



The value Geniee provides: Comprehensive marketing solutions

We provide companies with convenient, cost-effective marketing solutions.

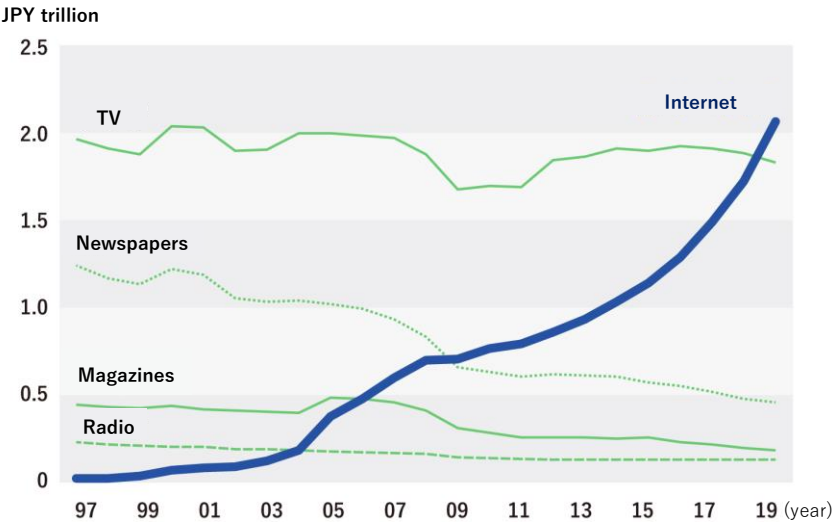
Through the companies we serve, we deliver accurate marketing that is relevant to users.



Market size

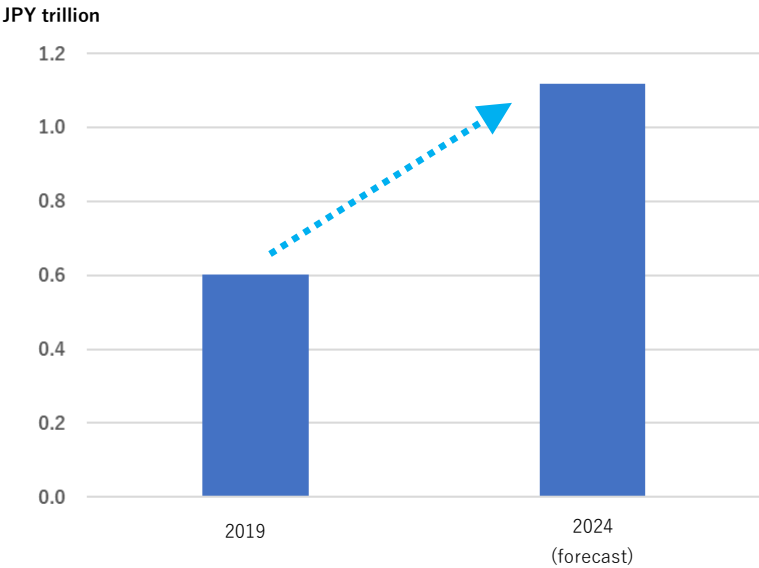
The marketing technology industry in which we operate (online ad market and SaaS market) is growing rapidly due to the prominence of online media and advances in digital transformation.

Online ad market growth



Source: Dentsu Inc., "Advertising Expenditures in Japan"

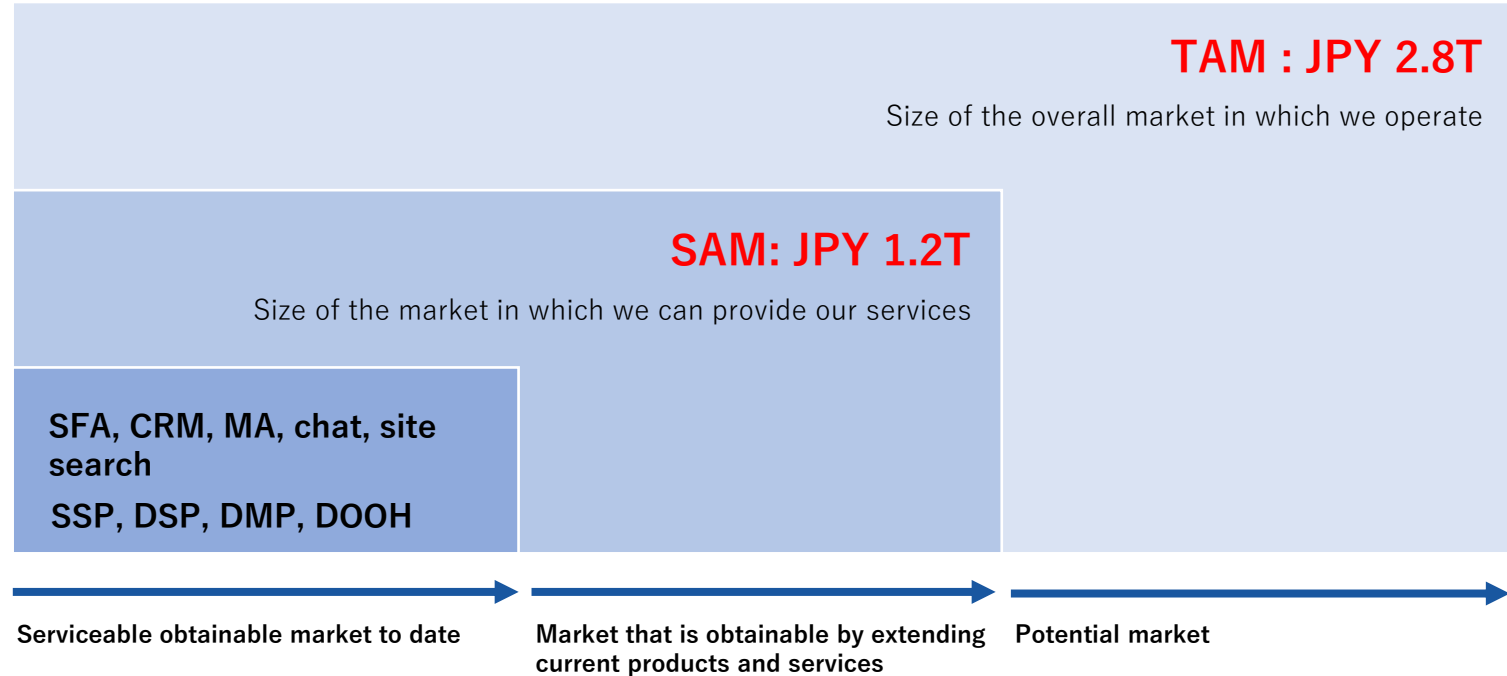
SaaS market growth



Source: Fuji Chimera Research Institute, "Software Business New Market 2020 Edition"

Target market

We estimate the serviceable addressable market for our services to be more than JPY 1 trillion, with a total addressable market of nearly JPY 3 trillion.



Note: Figures are Geniee estimates based on FY2020, market data, etc.

02

FY2021 1Q Results

Consolidated results

+72.0% growth
Gross profit YoY

Conducted management with an emphasis on gross profit.
Achieved profitability in operating income from 1Q.

Ad Platform Business

+57.2% growth
Gross profit YoY

Increased gross profit by further expanding market share
through continued growth of SSP and expanded growth of DSP.

Marketing SaaS Business

+199.0% growth
Net sales YoY

Increased sales of Chikyu and Chamo. Accelerated growth with
the addition of products such as probio and Poplink.

FY2021 1Q Results Summary

Gross profit showed a significant increase of 72.0% YoY due to higher gross profit in the Ad Platform Business and growth in the Marketing SaaS Business. Also achieved profitability from 1Q at each level of profit.

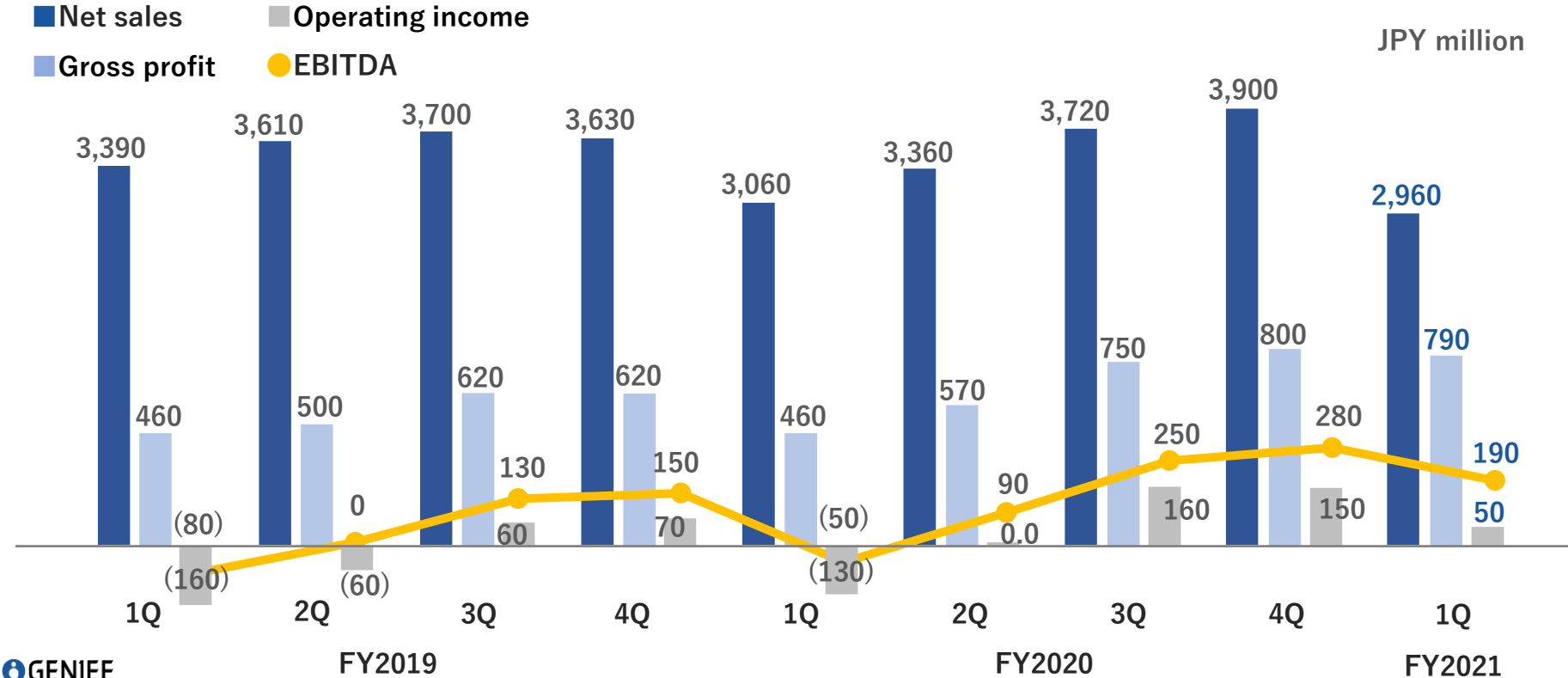
JPY million

	FY2020 1Q	FY2021 1Q (Actual)	YoY Change		FY2021 1Q (Forecast)
			Amount	%	
Net sales	3,063	2,968	—	—	2,661
Gross profit	463	797	333	+72.0%	703
Operating income (loss)	(132)	50	183	—	(105)
Ordinary income (loss)	(128)	43	172	—	(108)
Profit (loss) attributable to owners of the parent	(102)	17	120	—	(89)
EBITDA	(50)	193	243	—	40

The Group has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ending March 31, 2022. As a result, certain portions of the net sales of the Ad Platform Business and Overseas Business have been changed to net amounts. For this reason, comparisons of consolidated net sales with the same period of the previous fiscal year are not provided.

FY2021 Quarterly Results

Achieved profitability from 1Q on increased profit levels and gross profit at the same high level as 4Q. Net sales would have been up YoY if not for the change in revenue recognition standards (a negative impact of approximately JPY 400 million).



Highlights by segment

Ad Platform Business

Net sales : JPY 2,450M

Segment income : JPY 370M

(Reference) Operating income : JPY 200M

- On the supply side, began providing the rewarded video ad format and also launched an ad delivery system for ads on the Japan Meteorological Agency website.
- Expanded demand-side business, particularly around e-commerce sites and online services, which have been growing due to the coronavirus pandemic.
- In the digital OOH domain, worked to expand ad distribution and increase traffic volume through new transactions with outdoor advertising media and collaboration

Marketing SaaS Business

Net sales : JPY 220M

Segment loss : JPY 18M

(Reference) Operating loss : JPY 130M

- Enhanced features of products such as Chikyu and renewed the Chamo service website.
- Targeted growth in product sales through initiatives such as holding online seminars and participating in online exhibitions.
- Formed a business alliance with SS Technologies, a provider of SaaS-type services specializing in the real estate business; aim to co-develop a system to enable digital

Overseas Business

Net sales : JPY 300M

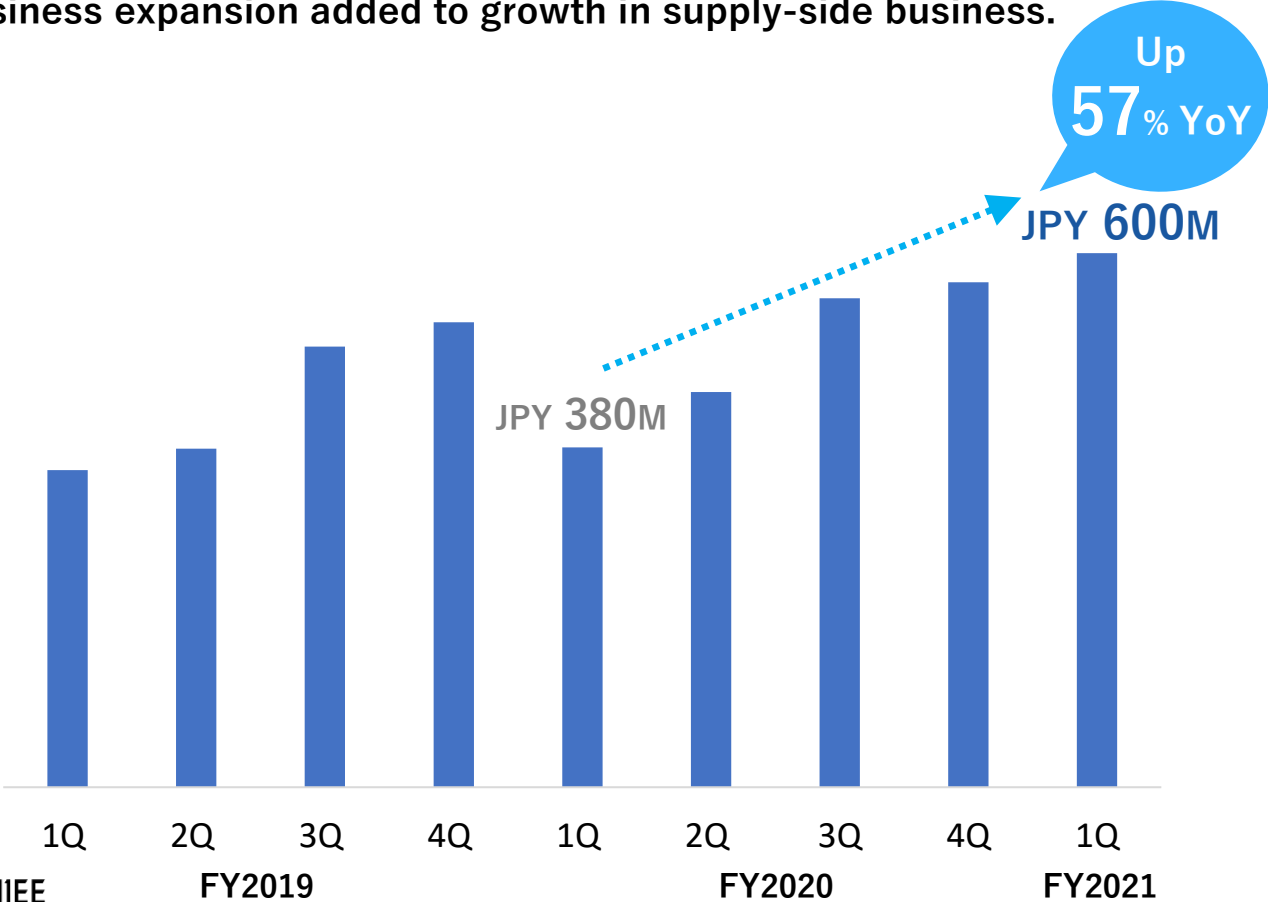
Segment income : JPY 20M

(Reference) Operating income : JPY 0M

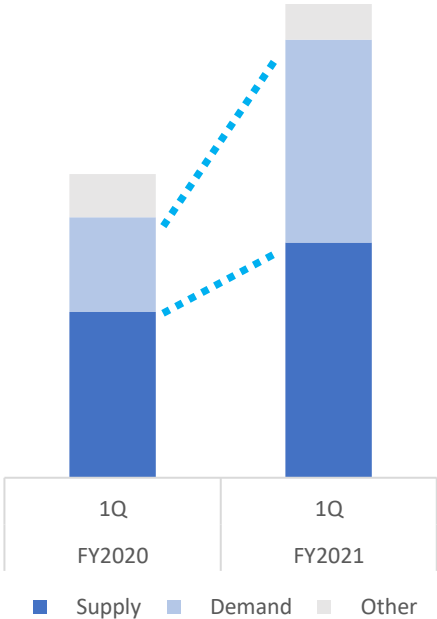
- In the overseas business, we are promoting the strengthening of reseller and partnership businesses.
- Formed a partnership with DAILYMOTION ASIA PACIFIC PTE. LTD. to expand our respective businesses in APAC.

Ad Platform Business: Gross Profit

Ad Platform Business gross profit reached a new record high as demand-side business expansion added to growth in supply-side business.



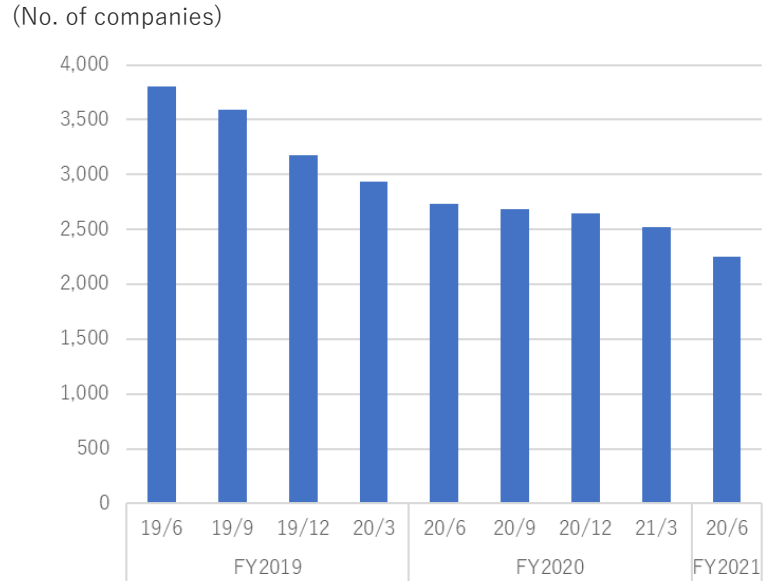
(Reference) Breakdown of Gross Profit



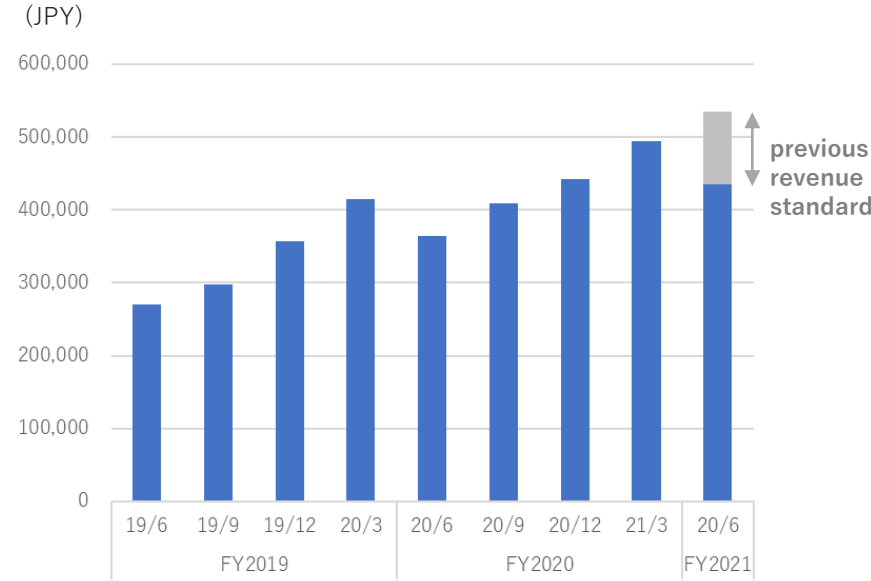
Ad Platform Business: KPI

In the Ad Platform Business, we will continue working to improve profits and target further growth in average revenue per customer.

Customers



Average revenue per customer



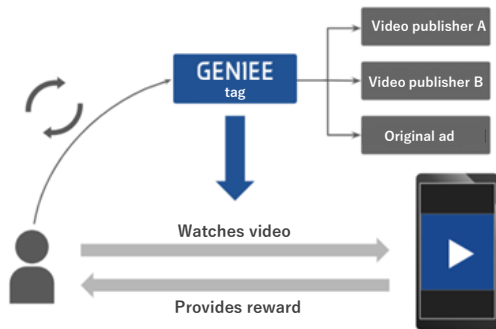
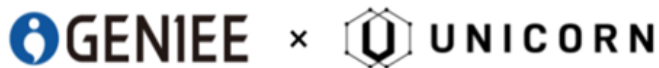
The number of customers includes companies with a certain level of transaction volume. The criteria for transaction volume has been changed from previously announced figures (the criteria have been increased).

Ad Platform Business: Topics

Began offering rewarded video ads through integration with fully automated marketing platform UNICORN

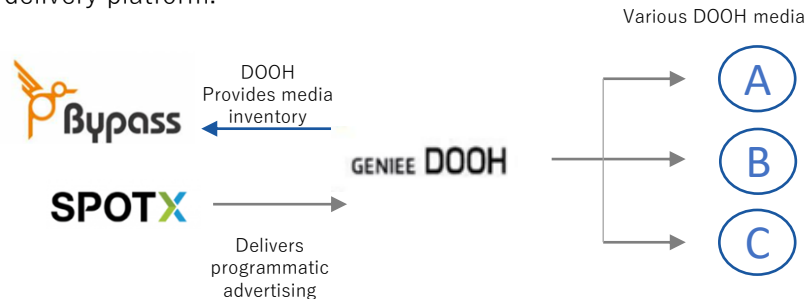
In May 2021, to meet the diversifying needs of media owners, we began offering rewarded video ads as a new product format for increasing advertising revenue and user engagement.

To strengthen our rewarded video ad delivery capabilities, we began connecting with UNICORN, Japan's largest machine learning-based fully automated marketing platform (with 600 billion impressions of traffic available for purchase per month)



Began linking Geniee DOOH with Bypass and SPOT X

Started connection with Bypass, a DSP, and SPOT X, a video ad delivery platform.



Started provision and operation of ad distribution system on Japan Meteorological Agency website

Launched a dedicated DSP for the JMA, which we operate so that it connects only to pre-vetted ads. Only ads those that have passed the vetting process are registered and distributed on the ad distribution server.

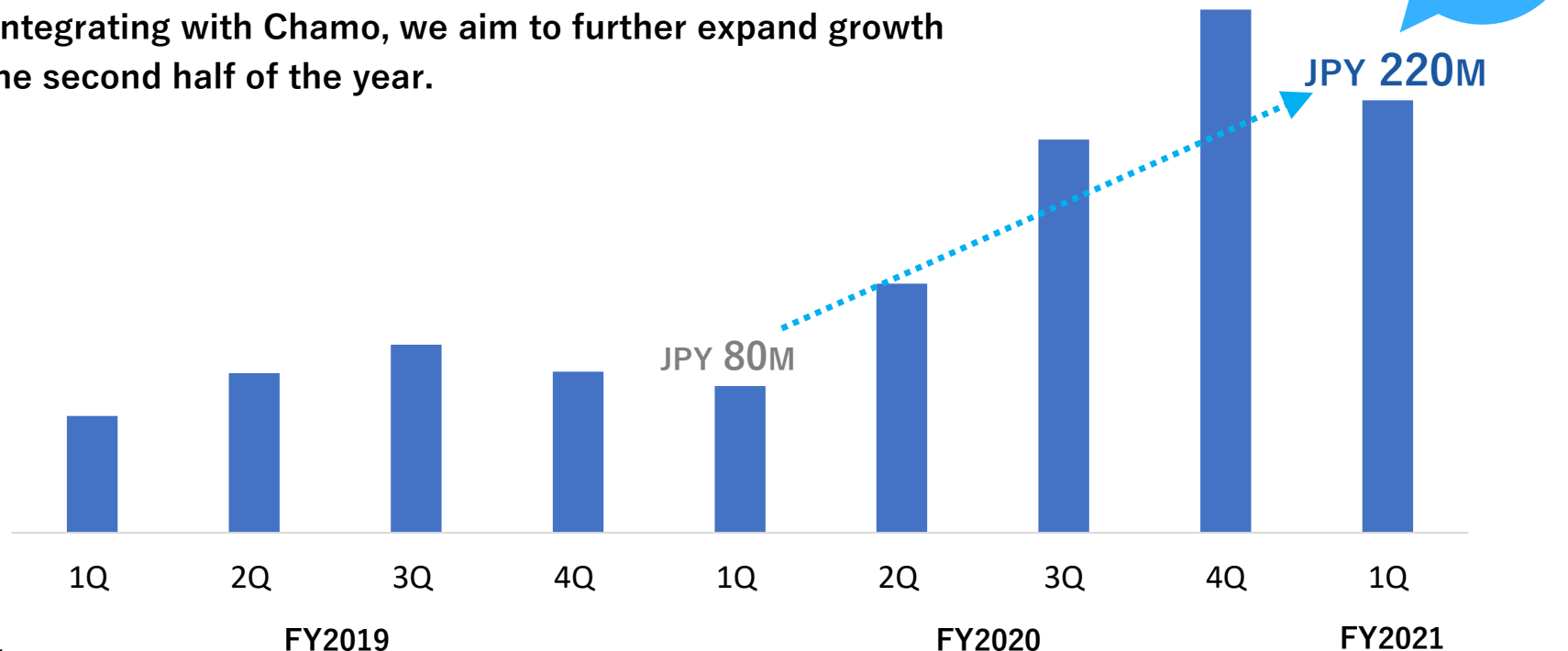


Marketing SaaS Business: Net Sales

Sales decreased QoQ due to the impact of initial costs and other expenses recorded in the previous 4Q. As planned, however, we achieved strong YoY growth, up 199%.

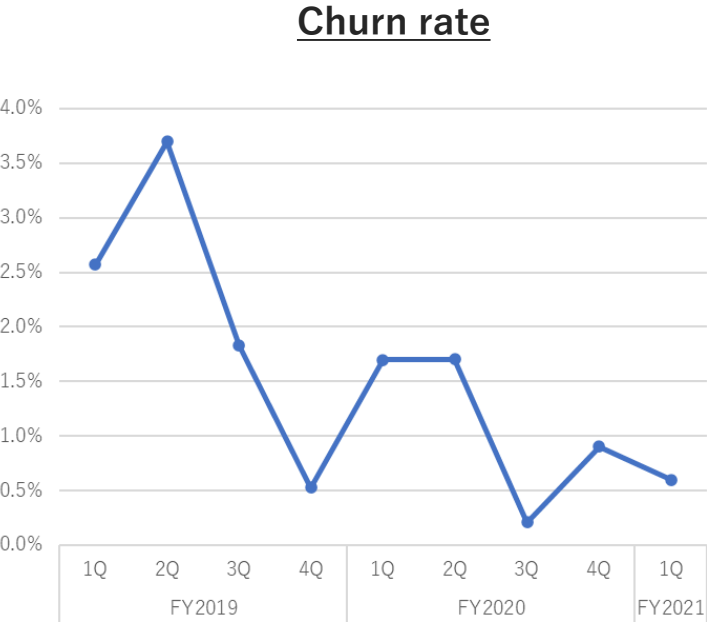
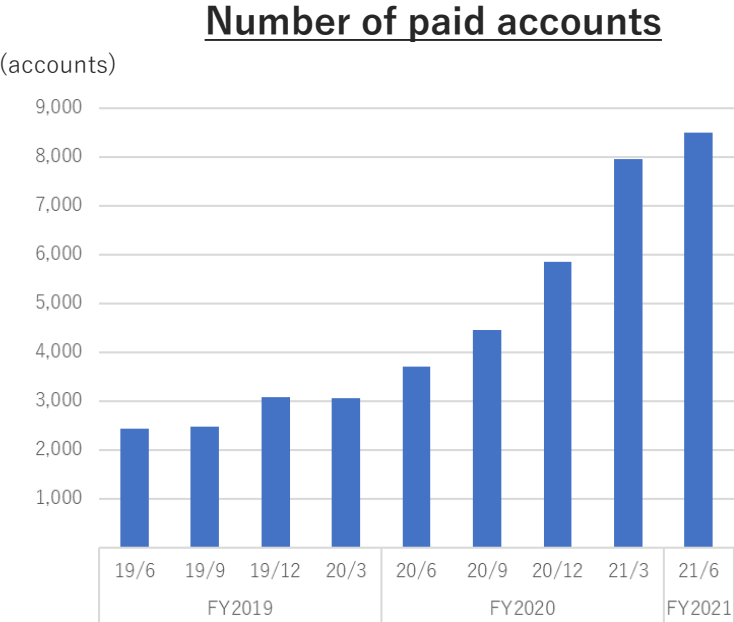
In M&A activity, we acquired REACT Inc. in August 2021.

By integrating with Chamo, we aim to further expand growth in the second half of the year.



Marketing SaaS Business: KPI

Achieved solid growth in the number of accounts, targeting expansion of our market share.
Maintained churn rate below 1%.



Note: 3-month average churn rate for accounts

Expanding into the real estate domain—our business alliance with SS Technologies

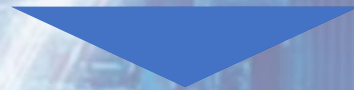


Geniee uses its software, big data and AI to develop customized marketing solutions



SS Technologies

SS Technologies provides expertise in delivering SaaS for optimizing real estate rental management and brokerage operations



Together we will build our own system for enabling digital transformation for real estate companies

03

**FY2021 Earnings
Forecast**

FY2021 Full-year Earnings Forecast

Our 1Q results were above forecasts. However, given the uncertain economic environment, our FY2021 full-year earnings forecast is unchanged from the forecast announced on May 14, 2021.

	FY2020	FY2021	JPY million		
			Amount	YoY Change	%
Net sales	14,061	13,425~13,739	-	-	-
			*1		*1
Gross profit	2,608	3,968~4,168	1,359~1,559	+52.1%	~ +52.1%
Operating income	195	640~840	444~644	+227.1%	~ +329.3%
Ordinary income	149	620~820	470~670	+315.5%	~ +449.5%
Profit attributable to owners of parent	101	526~655	424~563	+417.1%	~ +553.8%
EBITDA	587	1,259~1,459	671~871	+114.3%	~ +148.3%
Ref : Net sales under previous revenue standard	14,061	15,049~15,363	987~1,301	+7.0%	~ +9.3%

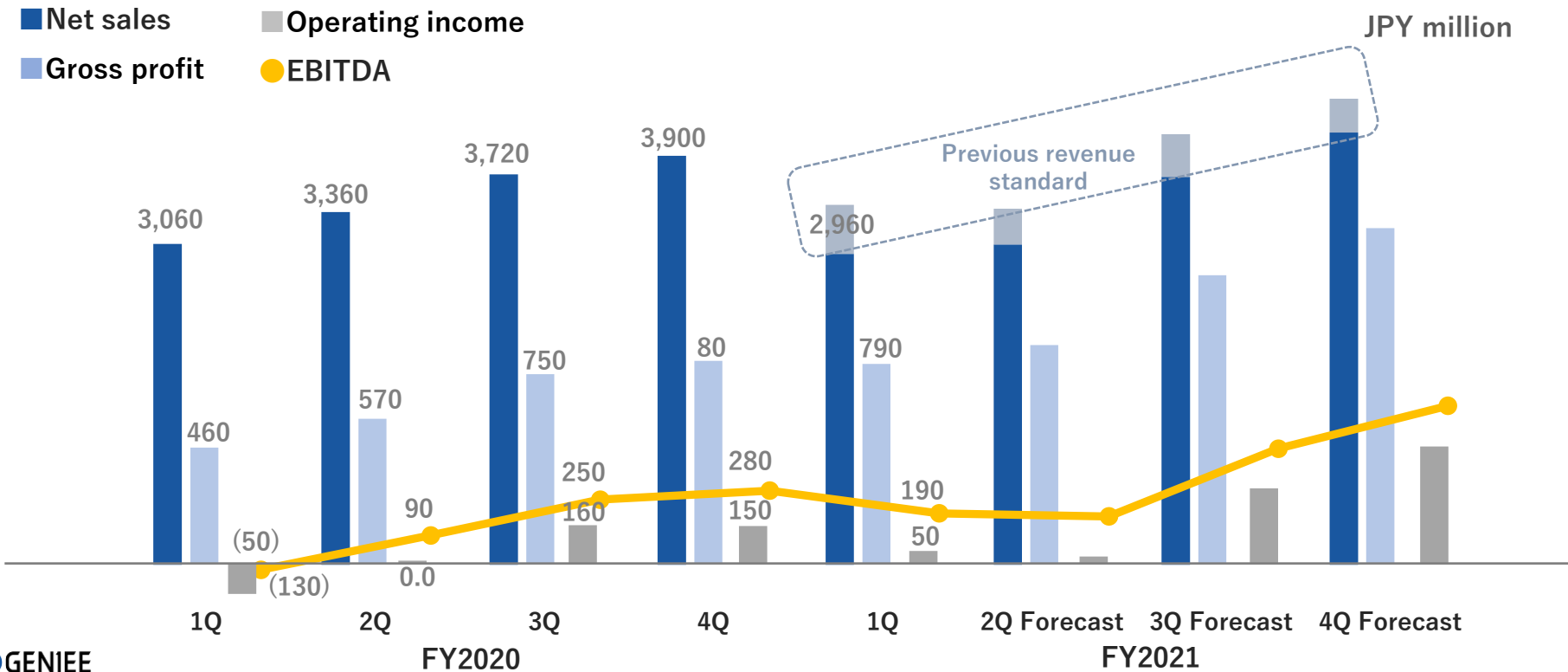
	JPY billion	
	FY2020	FY2021 forecast
Net sales	14.00	13.4-13.7
Ad Platform Business	11.90	10.1-10.3
Marketing SaaS Business	0.70	1.5-1.6
Overseas Business	1.50	1.2 ^{*2}
Segment income	0.19	0.64-0.84
Ad Platform Business	1.10	1.5-1.6
Marketing SaaS Business	(0.05)	0.3-0.4
Overseas Business	0.09	0.09
(Adjusted amounts)	(0.96)	(1.25)
(Ref.) Operating income	0.19	0.64-0.84
Ad Platform Business	0.60	0.87 - 0.97
Marketing SaaS Business	(0.34)	(0.1) - 0.0
Overseas Business	0.04	0.03
(Adjusted amounts)	(0.10)	(0.16)

1. The Group has adopted the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the fiscal year ending March 31, 2022. As a result, certain portions of the net sales of the Ad Platform Business and Overseas Business have been changed to net amounts. For this reason, comparisons of consolidated net sales with the same period of the previous fiscal year are not provided.

2. Due to the change in revenue recognition standards, the FY2021 forecast for Overseas Business net sales has been revised from JPY 1.8 billion to JPY 1.2 billion.

FY2021 Quarterly Earnings Forecast

We expect further significant increases in gross profit and operating income this fiscal year. We expect full-year operating income to reach a new record high of JPY 640 million to JPY 840 million.



04

Medium- to long-term policy

Long-term policy

Direction to 2030

Provide a comprehensive marketing platform
for businesses in Japan and Asia.

Geniee SSP

ちきゅう

probo

Geniee DSP

Chamo

ポップリンク

Geniee DMP

Geniee DOOH

MAJIN

ポップファインド

- ✓ **Geniee will pursue rapid growth in the marketing SaaS business while also expanding its Ad Platform Business to become a leading company in marketing technology.**
- ✓ **With the goal of listing on the prime market, we will aim to meet the necessary criteria for liquidity, governance, management performance, and financial condition.**
- ✓ **For accounting standards, we will consider applying IFRS.**

FY2023 Numerical Targets

Numerical targets for FY2023 (IFRS basis)

Net sales	JPY 25B	—	JPY 30B
Gross profit	JPY 8B	—	JPY 9B
Operating income	JPY 2B	—	JPY 2.5B
EBITDA	JPY 2.7B	—	JPY 3.2B

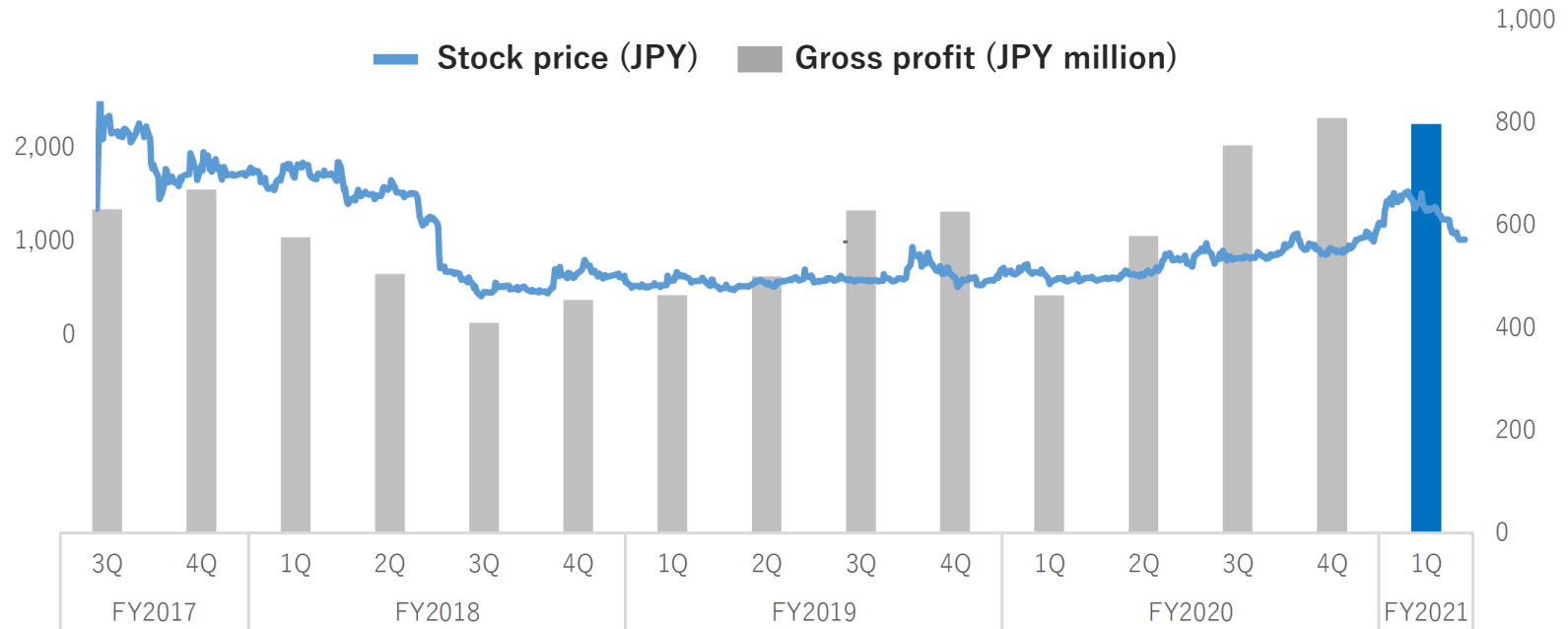
(Ref.) Japanese GAAP

Net sales: JPY 25B – JPY 30B, Gross profit: JPY 8B – JPY 9B, Operating income: JPY 1.8B – JPY 2.3B, EBITDA: JPY 2.7B – JPY 3.2B

Share price

Share price: JPY 985, as of August 12, 2021.

While pursuing solid growth in the short, medium, and long term, we will enhance our IR activities to support an increase in our share price.



Reference Materials

Our Strengths: Three Competitive Advantages

Corporate culture

Developing in-house entrepreneurs who can manage technology businesses

Expanding sales of innovative products in Asia



Technology

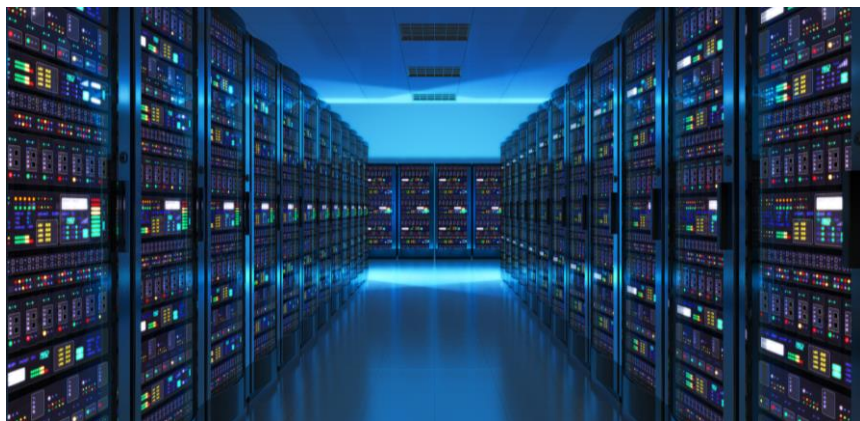
~140-strong engineering team that creates innovative products

Geniee platform, partnership with SoftBank Group

Leverage our vast number of customer contacts in the marketing domain through collaboration with the Softbank Group

Big Data Processing Technology

High-speed data processing technology capable of handling hundreds of thousands of requests per second



- Approx. 15 terabytes of data processed daily—among the top in Japan
- Custom-built distribution system infrastructure with on-premise servers
- Data center in Singapore also used to support overseas distribution

Use of AI

DSP equipped with AI-based automatic bidding function



- Automatic control of bids (unit price) and delivery volume maximizes conversions while fulfilling target CPA
- AI-powered machine learning algorithm trains with vast amounts of data to accurately predict conversion rates with a contextual understanding of users and auctions

Company Culture: Young Leaders Driving Rapid Growth in our Technology Businesses

Marketing SaaS Business



Hirotaka Ohashi

Executive Officer (CPO); General Manager, Product Management Dept., R&D Division

After graduating from Hokkaido University, went freelance and then joined an online ad agency. Hired by Geniee in 2016. Experience with supply side business planning and product management. After supervising the Product Management Department, including Geniee DSP's general ad technology, appointed Executive Officer of Product Management in April 2019. Appointed CPO in April 2021.

Technology Strategy Office



Shoryo Mo

Executive Officer; General Manager, Technology Strategy Office, R&D Division

backend development for social network games, curation media development, affiliate ad development, and DSP development, hired by Geniee in 2018. Started up the Science Team to strengthen data-driven, AI-powered prediction and automated control functions. Currently directing product feature enhancement and optimized development efficiency in the marketing technology domain.

Ad Platform Business (Supply Side Business)



Shunsuke Kawasaki

Executive Officer; Supply Side Business Division CEO

Hired by Mitsui & Co., Ltd. after graduating from Hitotsubashi University. Hired by Geniee in 2015. Started his career here in new product development as a product planner for our core product, Geniee SSP. Experience as a general product manager for Geniee SSP and in the Overseas Business. Appointed the company's youngest ever executive officer in April 2019.

Ad Platform Business (Demand Side Business)



Sayaka Kobayashi

Manager, Product Management Dept.; Acting General Manager, Business Development Dept., Demand Side Business Division

Hired upon graduating from college in 2016. Worked in sales for ad platforms Geniee SSP and Geniee DSP. Appointed the company's first female product manager in April 2019. Appointed Acting General Manager of the Demand Side Business Division in April 2021 to carry the business forward.

Geniee platform customer assets/data: Collaboration with SoftBank Group

By using the vast data of our customer companies, we add value to our products and improve the quality of our services. Promoting the cross-selling of products in turn leads to an increase in average revenue per customer. We will fully leverage these advantages through collaboration with the SoftBank Group.

Customer assets/data

Number of ad views per month
60B impressions

Active customers
3,000 companies

The number of customers includes companies with a certain level of transaction volume. The criteria for transaction volume has been changed from previously announced figures (the criteria have been increased).

Collaboration with the SoftBank Group

- ✓ Ad distribution service using jointly developed advertising platform
- ✓ Cross-border ad distribution service to attract customers for inbound and cross-border EC
- ✓ Formulation and assessment of plans for joint projects in Southeast Asia

Company Profile

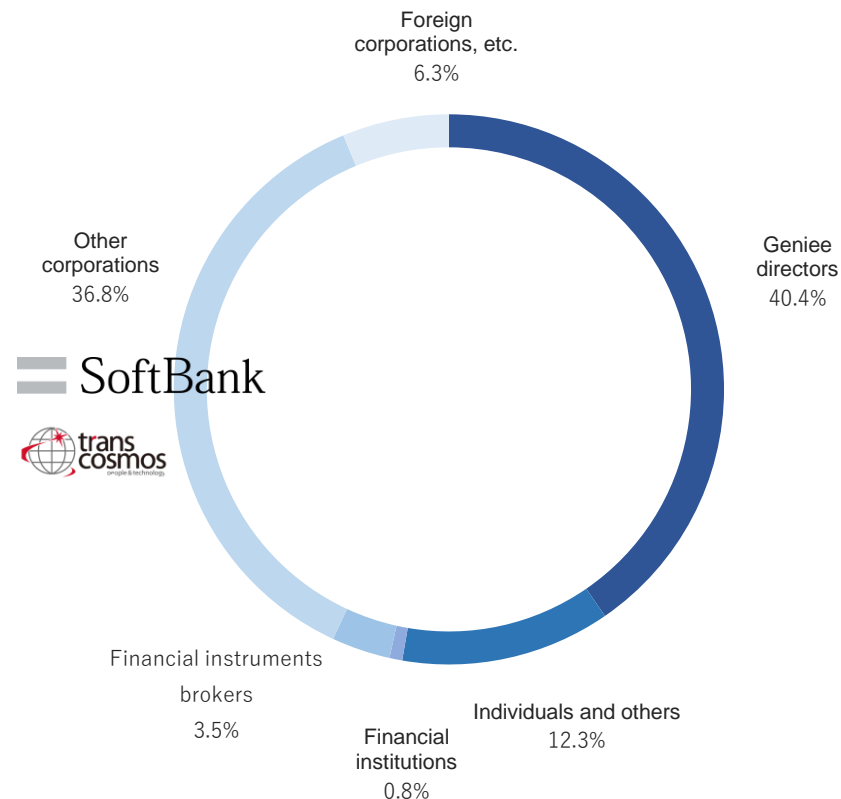
Company name	Geniee, Inc.	Employees	307 (Consolidated, as of March 31, 2021)
Business	Marketing technology business	Establishment	April 14, 2010
Headquarters	Sumitomo Realty & Development Shinjuku Oak Tower 6th Floor, 6-8-1 Nishi Shinjuku, Shinjuku-ku, Tokyo 163-6006	Capital	JPY 1,549 million
Representative	Tomoaki Kudo, President and CEO	End of fiscal year	March 31
Executive officers	Directors: Michimasa Naka (Outside) Koichi Machida (Outside) Director and Audit & Supervisory Committee Members: Katsuyuki Toritani (Full-time, Outside) Yukio Todoroki (Outside) Yoshitaka Sasaki (Outside)	Group companies	Geniee International Pte., Ltd. Geniee Vietnam Co., Ltd. PT. Geniee Technology Indonesia Geniee Adtechnology (Thailand) Co., Ltd. PT. Adstars Media Pariwara Business Search Technologies Corporation REACT, Inc.

Shareholder Composition (as of March 31, 2021)

Major shareholders

Name	Shares Owned	(%)
Tomoaki Kudo (President & CEO)	6,541,400	36.24
SoftBank Corp.	5,625,000	31.16
Hiroshi Hirose (Director)	717,900	3.97
Trans Cosmos Co., Ltd.	495,000	2.74
NICE SATISFY LIMITED	402,000	2.22
SBI SECURITIES Co., Ltd.	386,531	2.14
Takuya Yoshimura	357,500	1.98
Fenox Venture Company IX, L.P.	241,300	1.33
AT- I Investment Limited Partnership	236,300	1.30
Anchor Advisors TMT3 Investment Limited Partnership	204,900	1.13

Breakdown of shares by type of shareholder



Earnings forecasts and other forward-looking statements indicated in these materials are based on information available and certain assumptions deemed reasonable at the time. Statements in these materials do not constitute any guarantee of actual performance. Actual business results may differ substantially due to various factors.

