



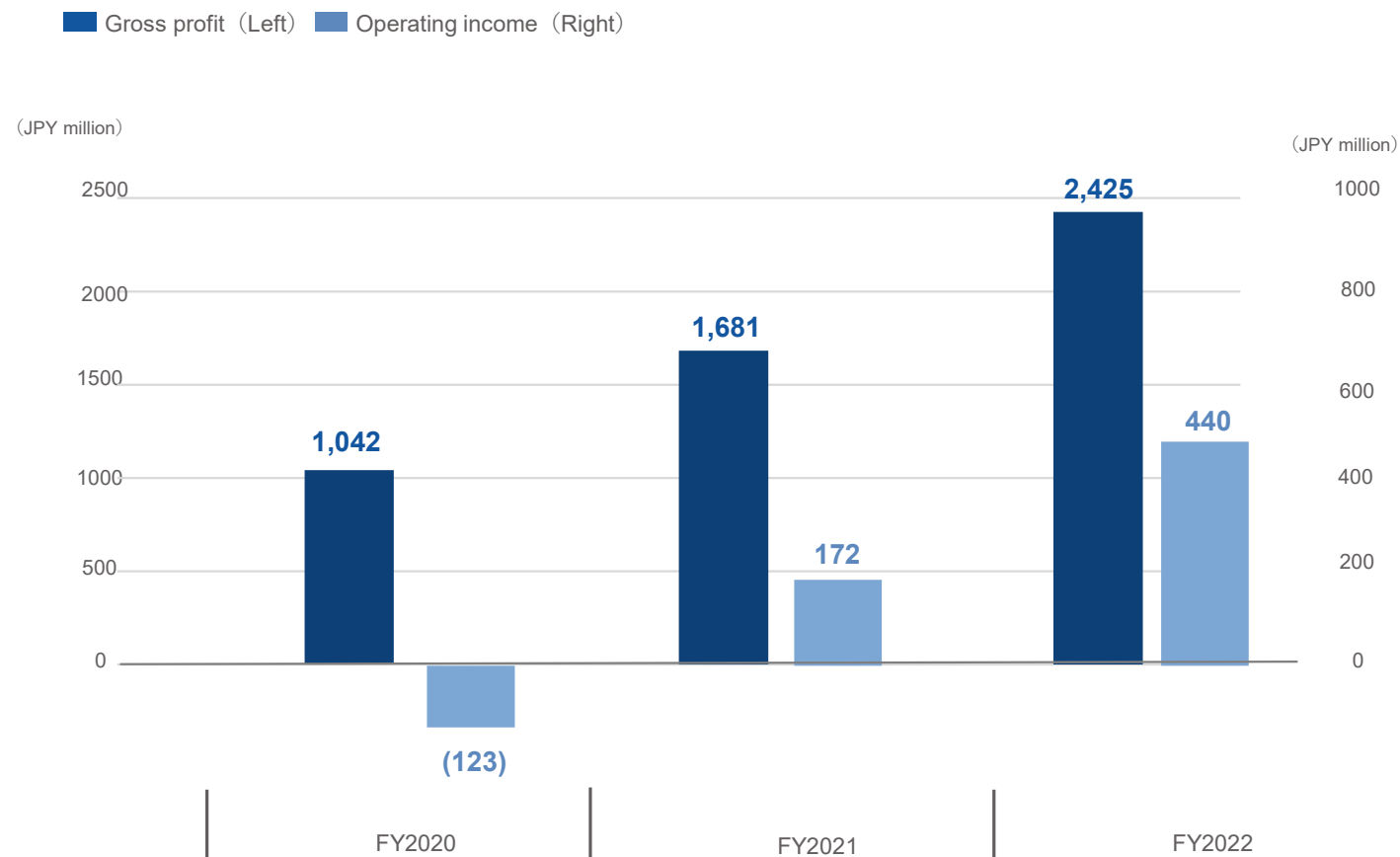
FY2022 2Q Results Briefing
Nov. 10, 2022
Materials

• Message

Operating income of 440 million yen—highest ever in 2Q by a significant margin

-
- ▶ **Gross profit increased significantly, up 44.9% YoY.**
 - ▶ **Marketing SaaS business increased its sales ratio to 28.5% from 19.2% in the same period of the previous year.**
 - ▶ **Ad Platform Business expanded its market share, increasing gross profit significantly by 26% YoY**
 - ▶ **Marketing SaaS business expanded ARR to 1.5 billion yen.**
-

Gross profit and operating income reached record highs.



* FY2021 and FY2022 are IFRS base

- 1. Business Overview**
2. FY2022 2Q Results
3. Ad Platform Business
4. Marketing SaaS Business
5. FY2022 Earnings Forecast
6. Medium- to long-term policy



Business Purpose

The worldview behind Geniee products and services

To create a world where anyone can succeed at marketing

Corporate Purpose

Our organization's long-term goal and raison d'être

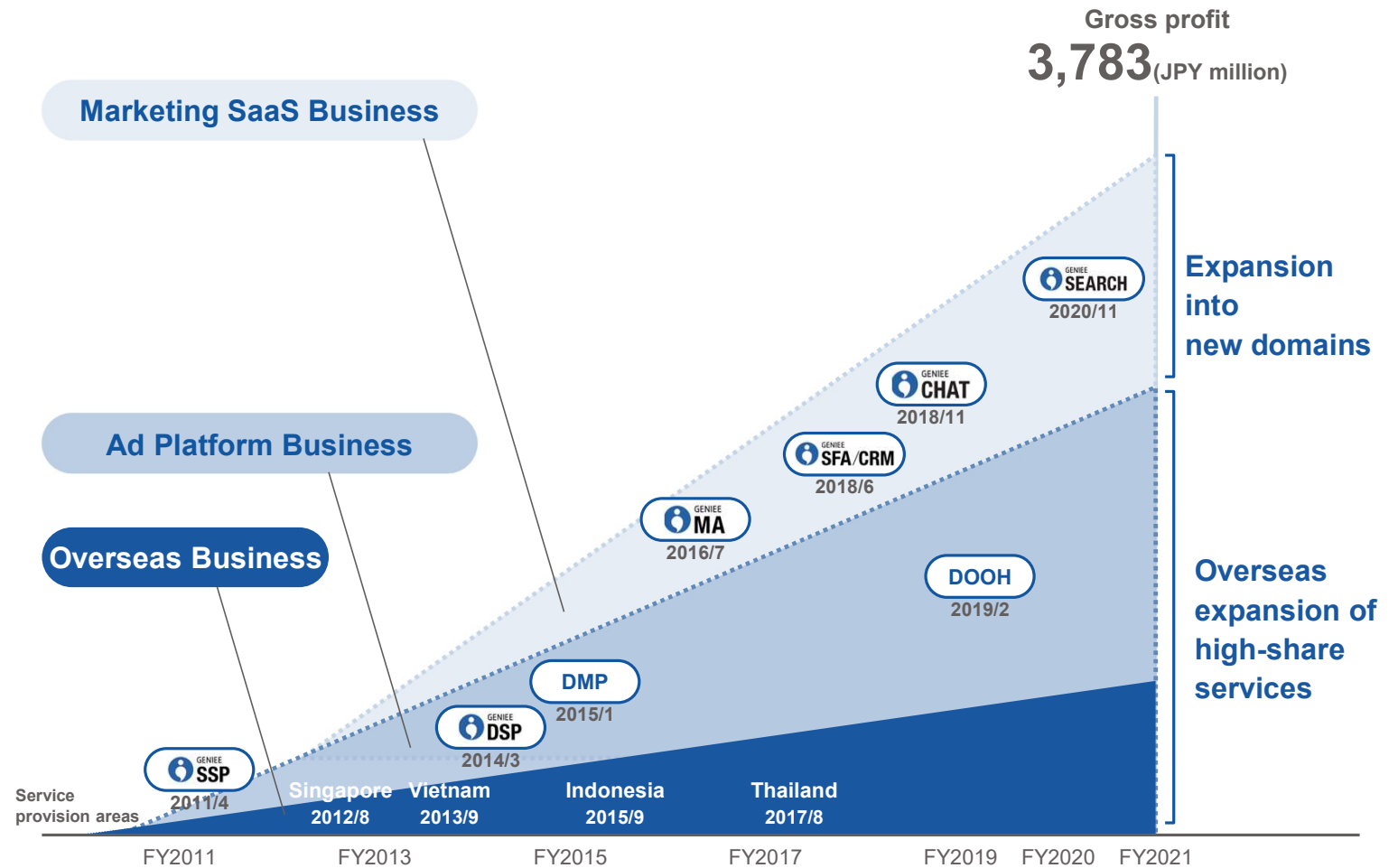
To serve Japan and Asia as a Japan-based global technology company

History of Expanding Business Domains

The business domains and regions we serve are expanding by the year.

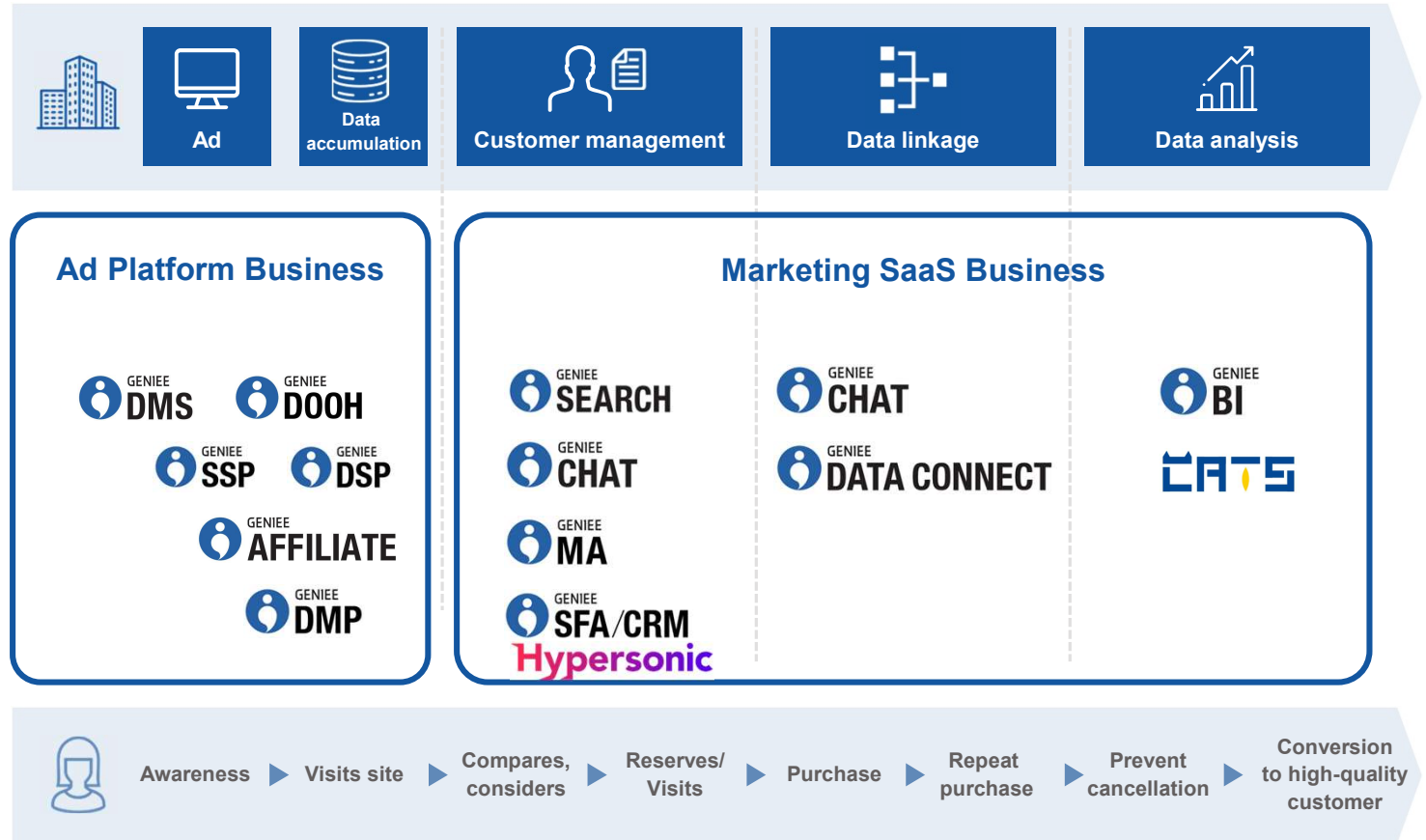
In FY2016, Geniee SSP, our main business, became one of the top in its class in Japan.

We began offering SaaS products in 2016.



Business domain

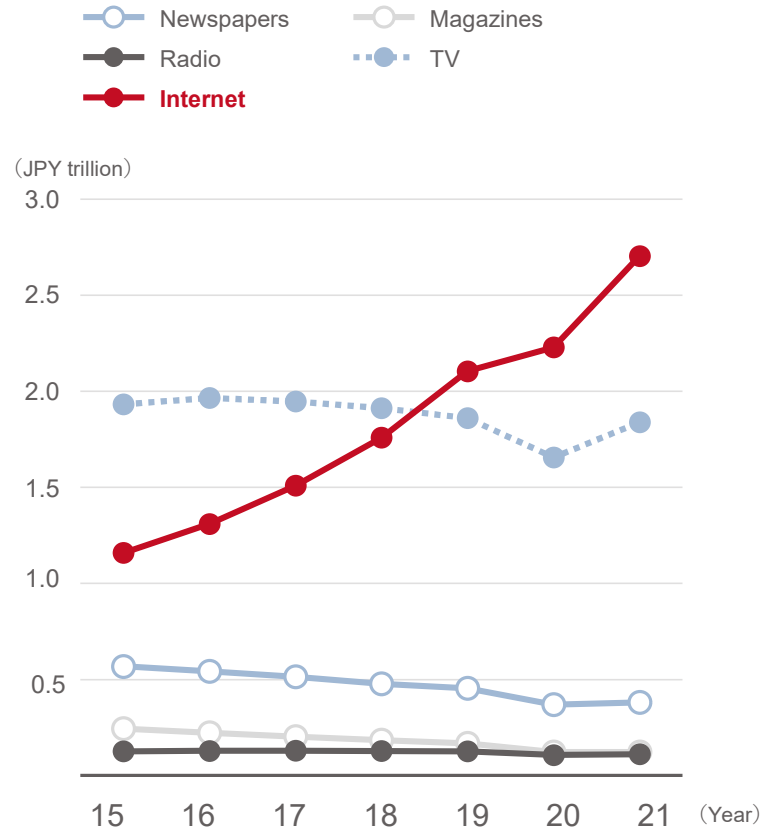
We provide companies with convenient, cost-effective marketing solutions. Through the companies we serve, we deliver accurate marketing that is relevant to users.



Market size

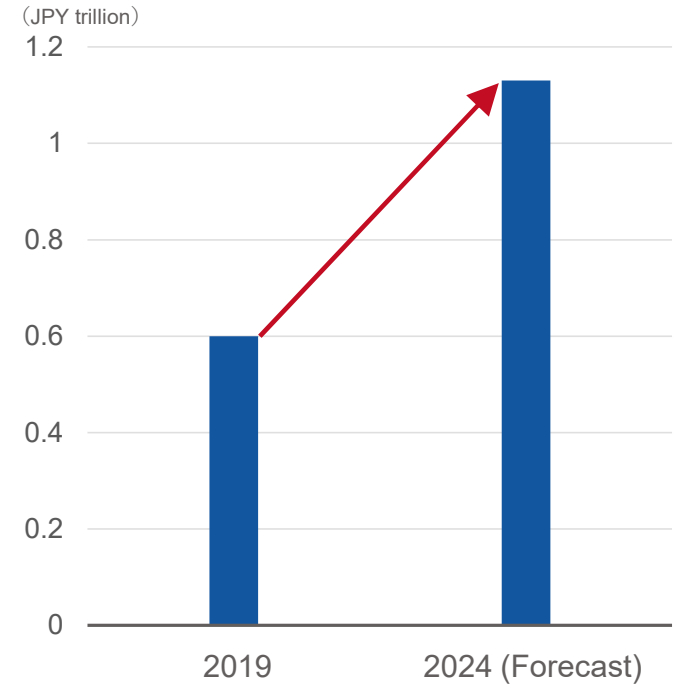
The marketing technology industry in which we operate (online ad market and SaaS market) is growing rapidly due to the prominence of online media and advances in digital transformation.

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.

*1. Total for Ad Platform Business and Marketing SaaS Business. This indicates the maximum market size assumed by Geniee. It is not intended as an indication of an objective market size for the businesses operated by Geniee in FY2020. (Prepared by Geniee based on: data on search advertising market, social media advertising market, display advertising market, affiliate advertising market, DOOH advertising delivery market, and other peripheral areas in "Detailed Analysis of 2020 Japanese Advertising Expenditures and Internet Advertising Media Expenditures" by Dentsu Inc., Dentsu Digital Inc., Cyber Communications Inc., and D2C Inc.; data on the advertising and promotion market in "MarTech Market Status and Outlook: FY2019 Edition" by MIC Research Institute; and the "2016 Economic Census for Business Activity - Tabulations across Industries.")

*2. Total for Ad Platform Business and Marketing SaaS Business. The size of the potential market for the Ad Platform Business is calculated as the sum of obtainable market shares in search advertising, social media advertising, display advertising, affiliate advertising, DOOH advertising, and other peripheral areas, based on the size of each market and considering the industry and characteristics of the target customers for each service area provided. (Prepared by Geniee based on: "Detailed Analysis of 2020 Japanese Advertising Expenditures and Internet Advertising Media Expenditures" by Dentsu Inc., Dentsu Digital Inc., Cyber Communications Inc. and D2C Inc.; and Martech Market Status and Outlook: FY2019 Edition" by MIC Research Institute.)

The size of the potential market for the Marketing SaaS business is the total annual amount that would be paid by all potential customers of the Group in Japan if all potential customers installed each SaaS product. All potential customers is categorized into the largest, large, medium, small, and micro businesses, based on the size of the workforce. The number of potential customers is calculated based on the ratio of the business size to usage by companies and on the number of customers

TAM : 2.8trillion

(Total for AD Platform Business and Marketing SaaS Business)

Size of markets where we operate businesses^{**11}

SAM : 1.2trillion

(Total for AD Platform Business and Marketing SaaS Business)

Size of market where we can offer our services^{**2}

SFA, CRM, MA, chat, site
search

SSP, DSP, DMP, DOOH

Obtainable markets in near
future

Domains obtainable by
extending enhanced versions
of current products and
services

Potential markets

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FY2022 1Q Summary

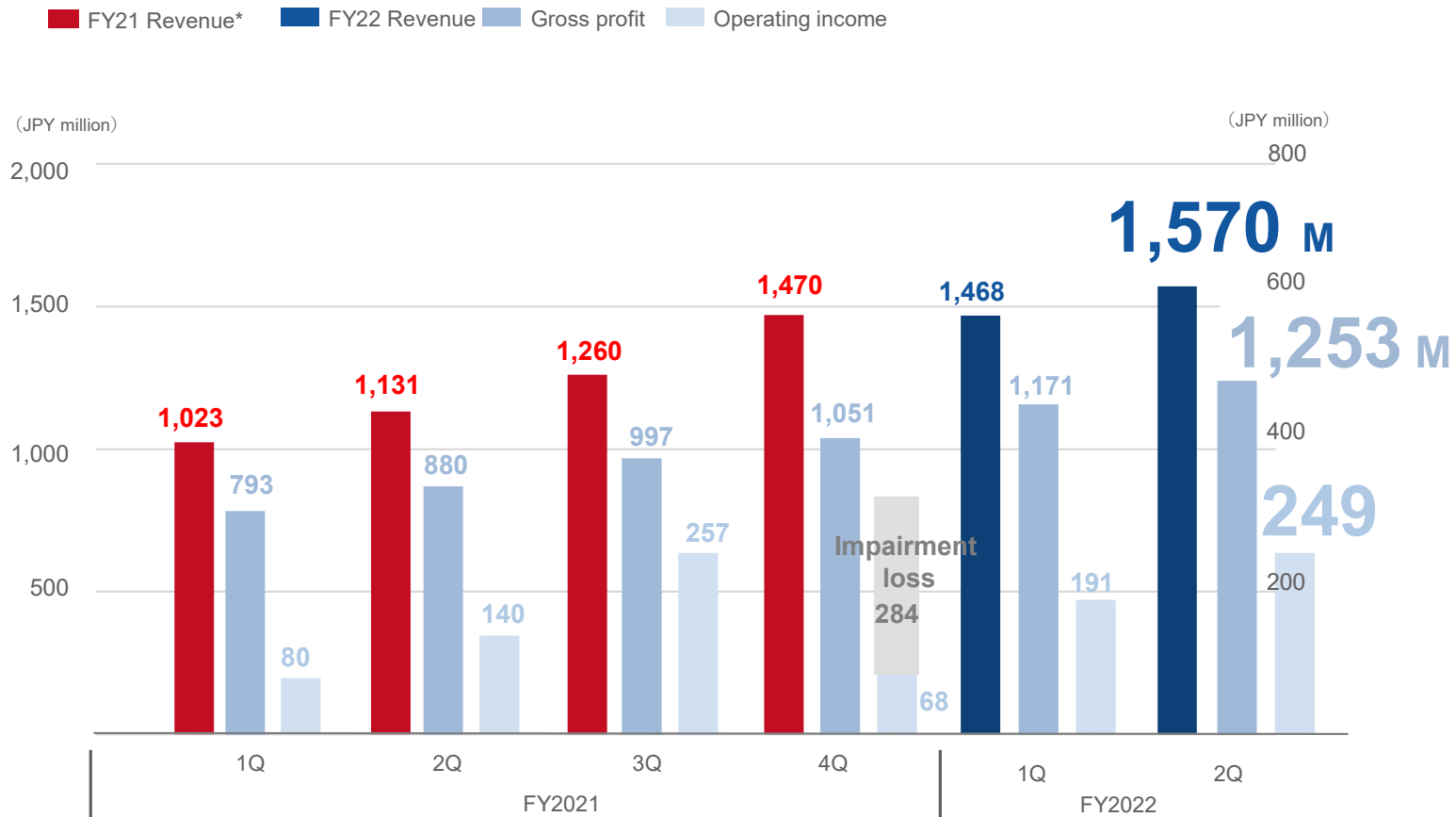
Gross profit increased 44.9% YoY.
Operating income reached a record high for the first quarter of the fiscal year.

(JPY million)

	IFRS (Net sales is gross)	IFRS (Net sales is net)	IFRS (Net sales is net)	Inc/Dec(b-a)		FY2022 (Budget)
	FY2021 1Q	FY2021 1Q(a)	FY2022 1Q(b)	Amounts	%	
Revenue	6,458	2,690	3,038	348	+13.0%	6,200~6,600
Gross profit	1,673	1,673	2,425	751	+44.9%	5,200~5,600
Operating income	221	221	440	219	+99.2%	1,000~1,200
Income before income taxes	298	298	467	169	+56.8%	900~1,000
Net income	233	233	322	88	+38.2%	600~800
Net Income attributable to owners of parent	233	233	327	94	+40.7%	600~800

FY2022 Quarterly Results

The Ad Platform Business is seasonal, with 3Q and 4Q being the busiest periods. Gross profit increased 44.9% YoY. Operating income reached a record high for the first quarter of the fiscal year.



* FY2021 is IFRS base and netting of Ad Platform Business sales

Highlights by segment

Ad Platform Business

Revenue

1,904_M

Segment income

1,018_M

Ref Operating income **654_M**

- Develop new media and expand market share in areas of expertise.
- Expand business with a focus on e-commerce sites and online services. Develop new media and expand market share in areas of expertise.
- Launched integration of Google's Display & Video 360 and programmatic ad trading—a first in Japan.

Marketing SaaS Business

Revenue

866_M

Segment income

57_M

Ref Operating loss **298_M**

- Connected GENIEE SFA/CRM with BIZTEL, a cloud-based call center system, and enhanced functionality.
- GENIEE CHAT sales grew with an increase in the number of customers served by Engagebot.
- Addition of CATS began contributing to sales.
- Made Hypersonic, Inc. a wholly owned subsidiary.

Overseas Business

Revenue

365_M

Segment income

185_M

Ref Operating income **151_M**

- Supply side business grew, due to promoting the strengthening of reseller and partnership businesses.

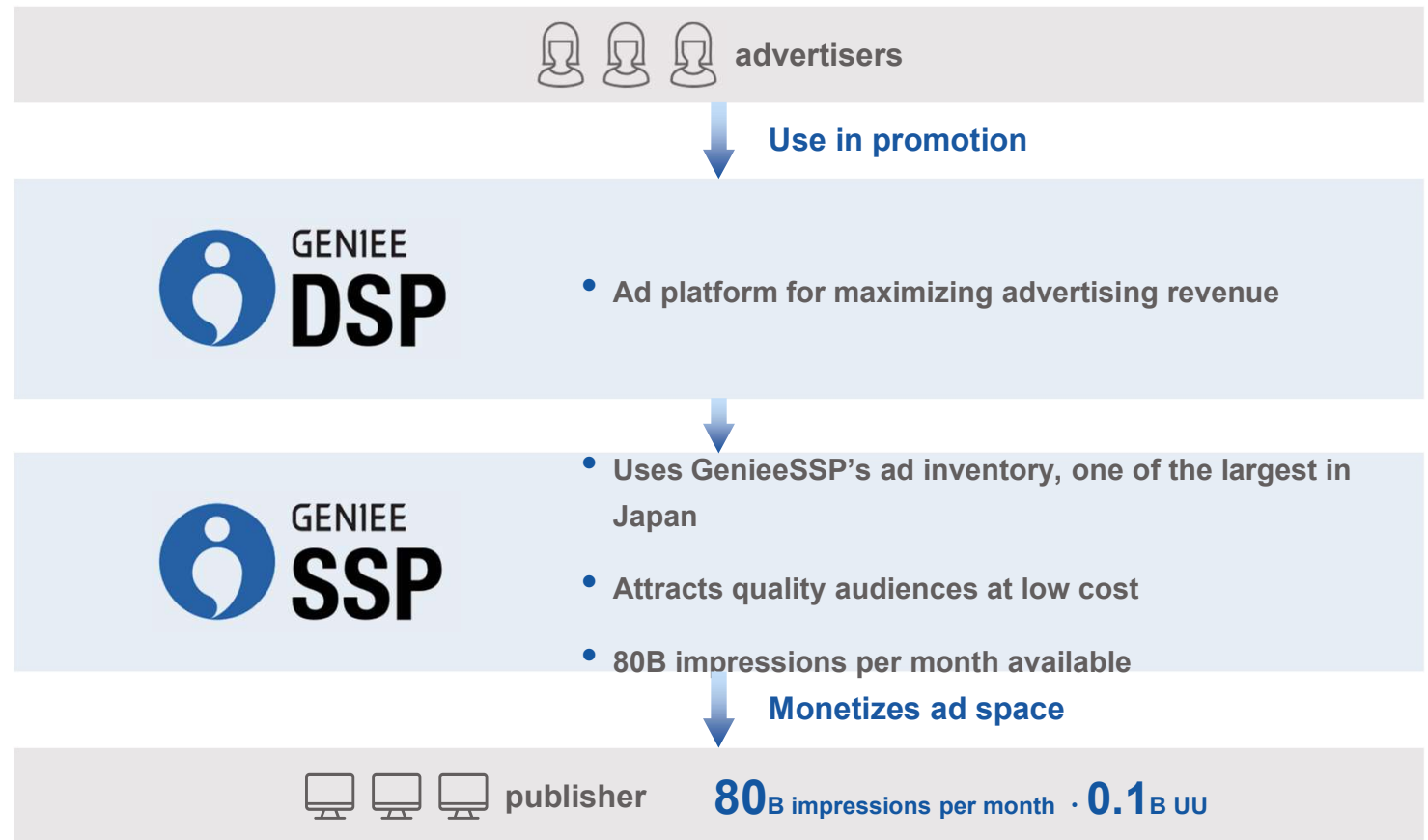
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Ad Platform Business

GENIEE Ads Platform

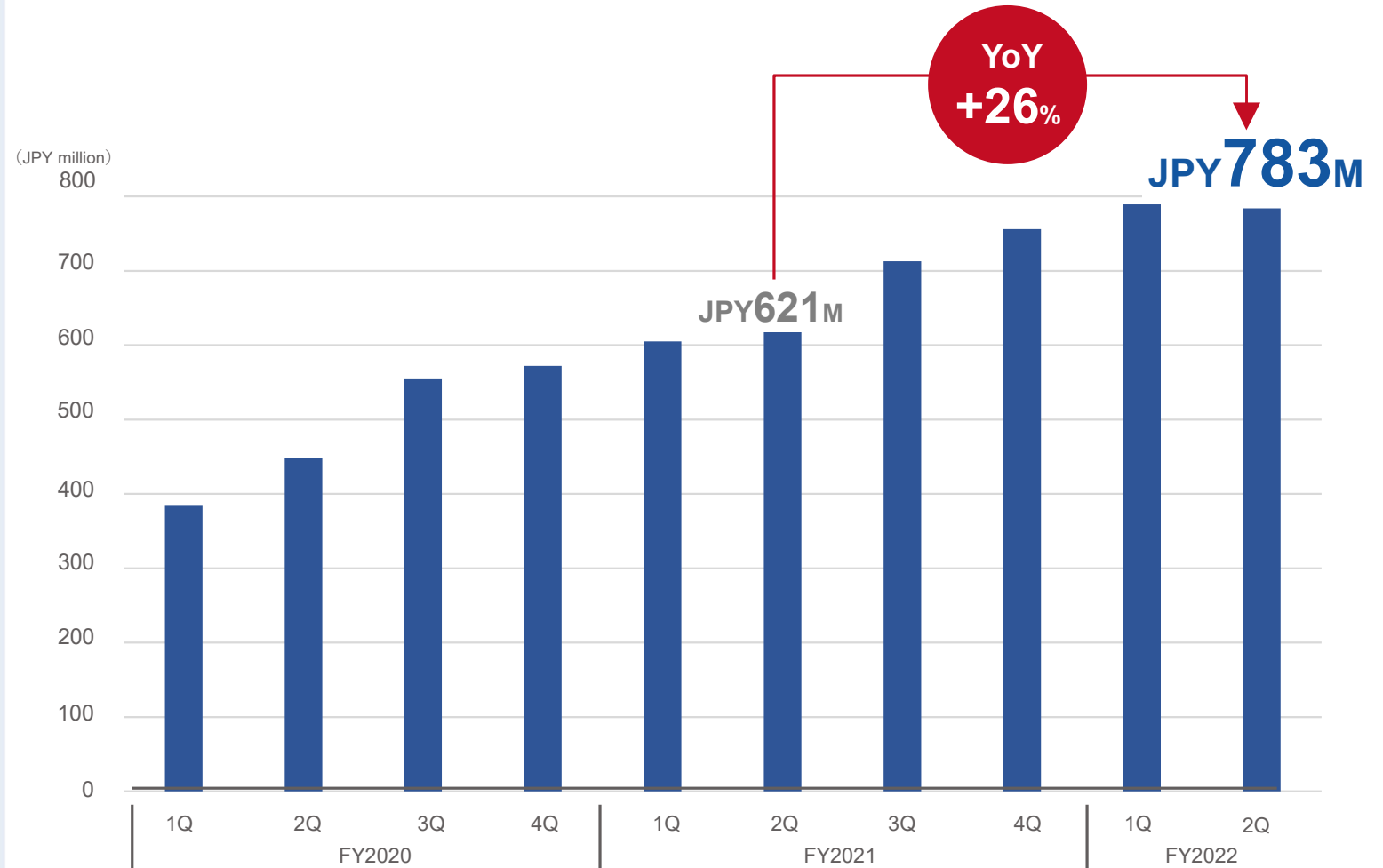
Technology that displays personalized ads
Provides high profitability for media and high cost-effectiveness for advertisers



Ad Platform Business Gross Profit

Further increased our share both of supply-side and demand-side markets.

Gross profit in the Ad Platform Business reached a new record high.

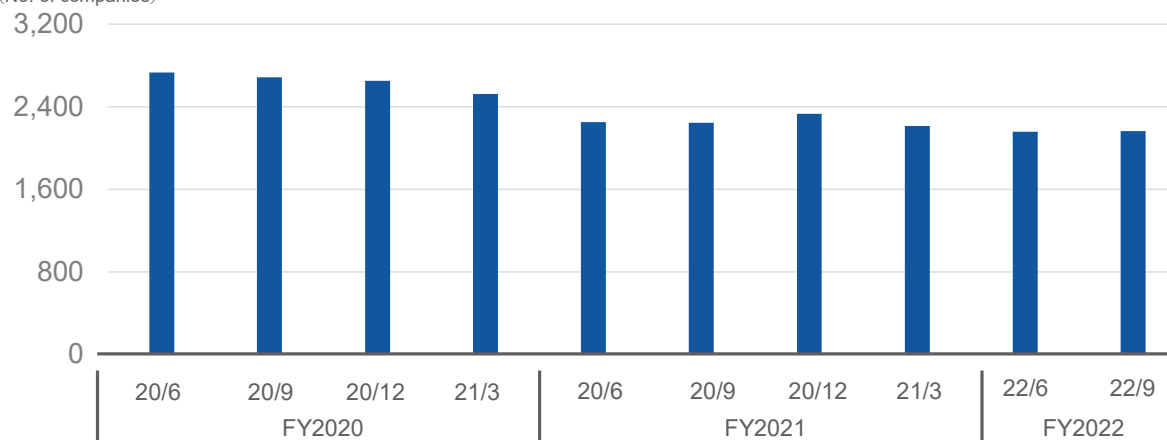


Ad Platform Business KPI

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

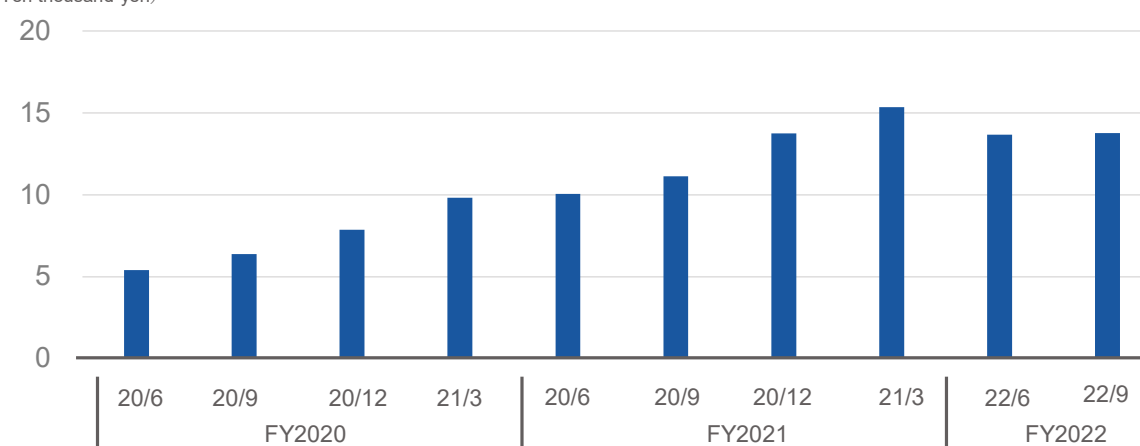
Customers

(No. of companies)



Average revenue per customer (*1)

(Ten thousand yen)



(*1)純額（ネット）計上の数値で算出。

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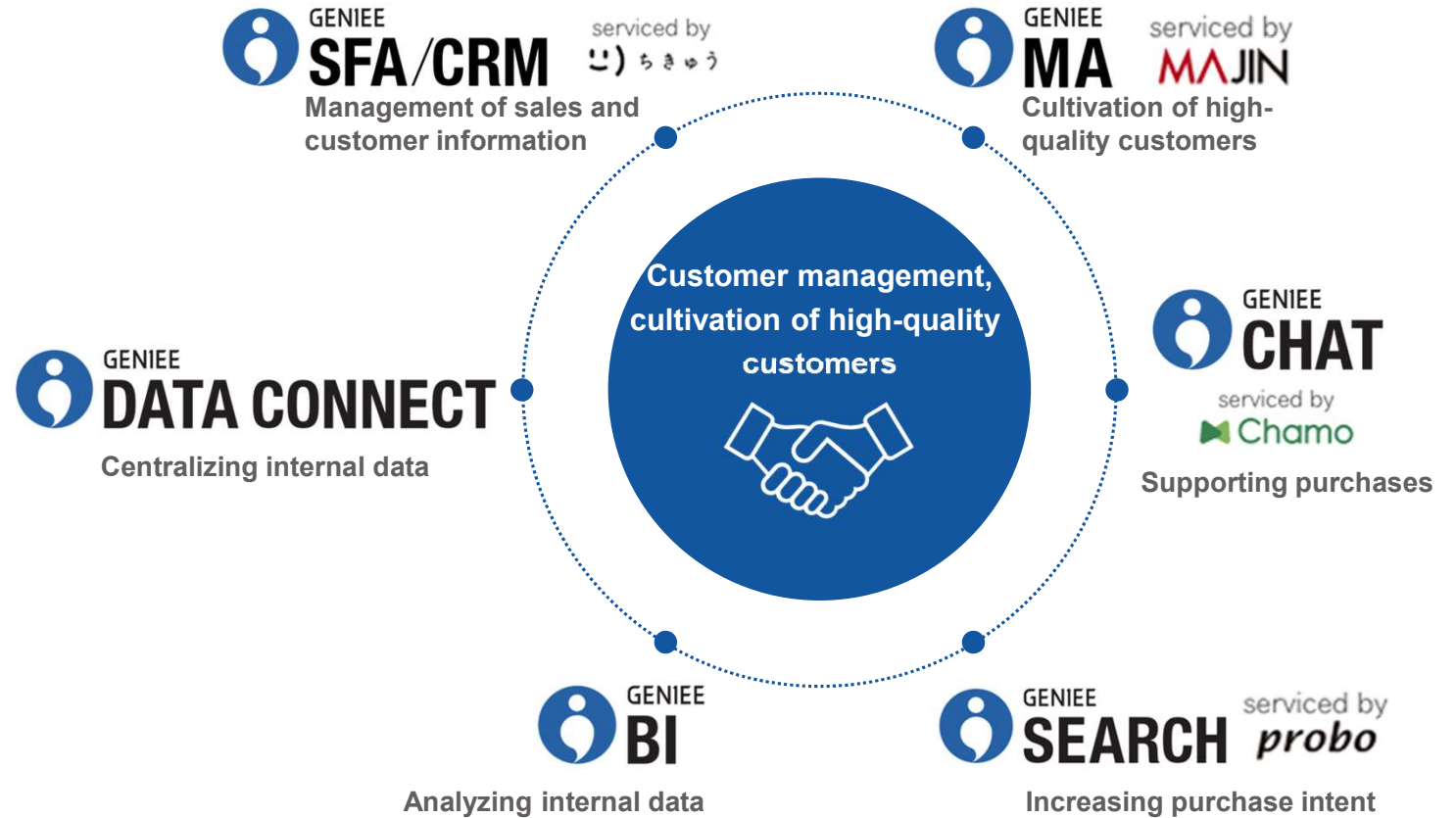


Marketing SaaS Business



Marketing Cloud

The only Japan-made sales and marketing platform that enables integrated execution and management from customer attraction to sales promotion to receipt of orders



Marketing SaaS Business: Hight light

Revenue / YoY Growth Rate

866Mil. / **+68.0%**

Gross profit margin

74.5%

Segment income

57Mil.

Recurring Revenue
ratio ^(*) / YoY Growth Rate

75.2 % / **+13.4** point

ARR / YoY Growth Rate

1,549Mil. / **+109.4%**

ARPA

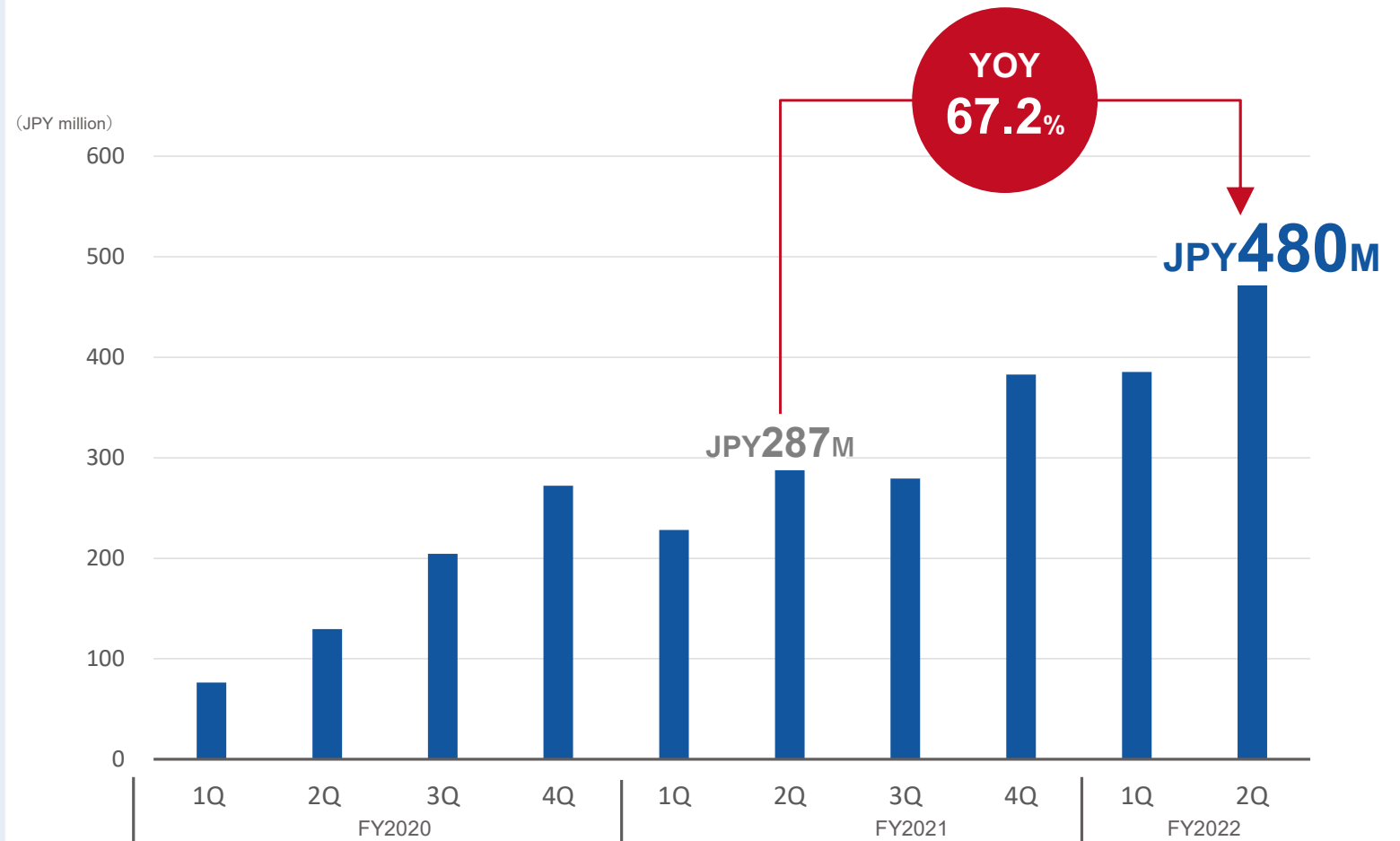
15,274yen / **+24.1%**

(*1) Calculated based on figures going back 12 months from the end of the quarter.

Marketing SaaS Business: Net Sales

Net sales increased 69.0% YoY due to an increase in the number of accounts.

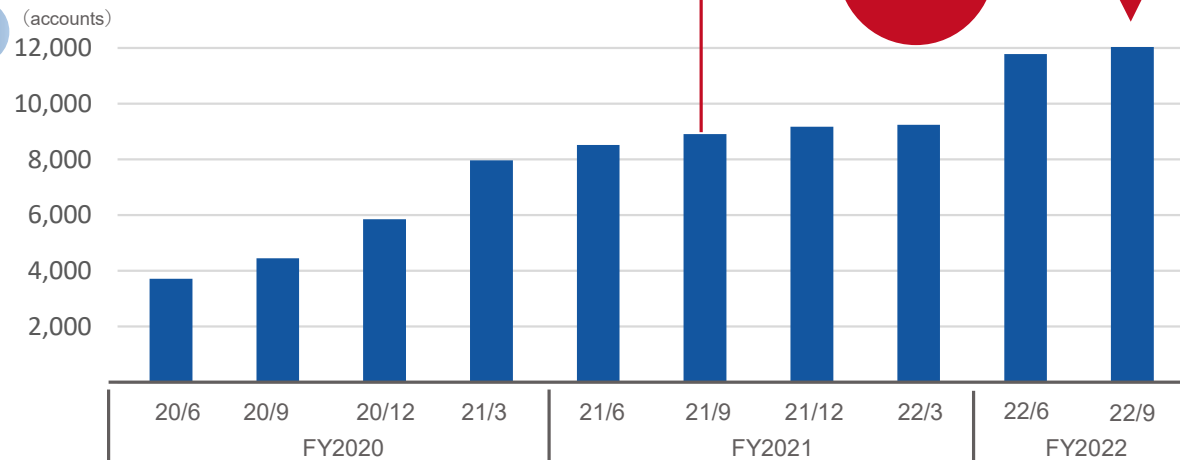
Net sales is expected to return to profitability in 2Q



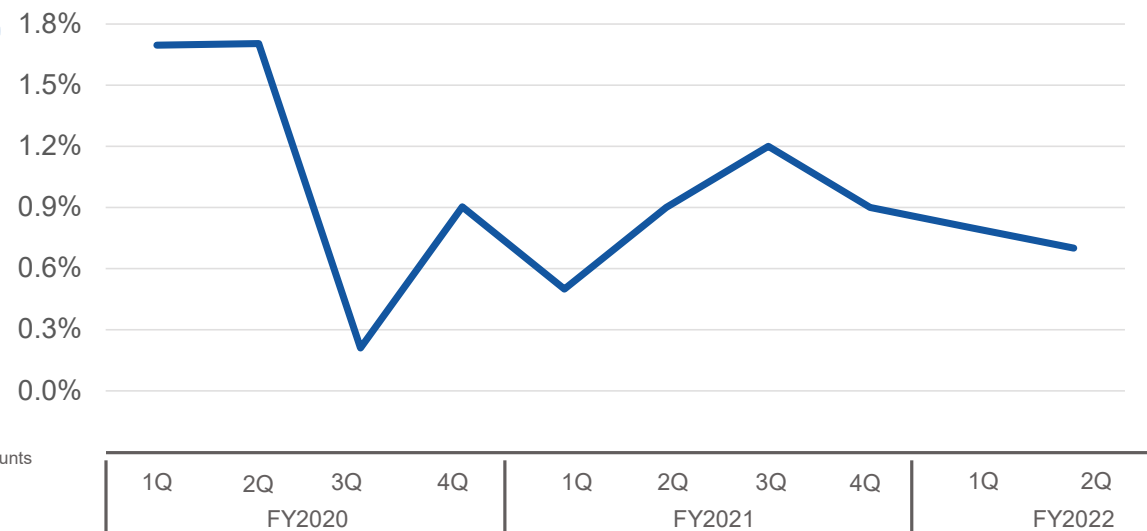
Marketing SaaS Business: KPI

We aim to expand our market share and increase the number of paid accounts by enhancing the functionality of each SaaS product and strengthening our sales channels. We also aim to further reduce the churn rate by enhancing our products and customer success.

Number of paid accounts



Churn rate

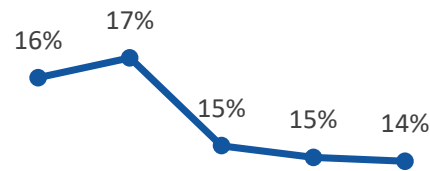


※ : 3-month average churn rate for accounts

Marketing SaaS Business: KPI

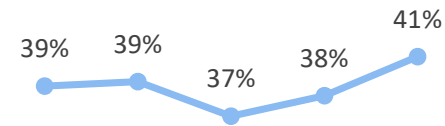
- S&M ratio will rise in FY2022 due to an increase in business side headcount.
- G&A will also rise due to an increase in corporate staff.
- R&D will gradually decrease due to an increase in MRR.

R&D^(*)(^{*}2)



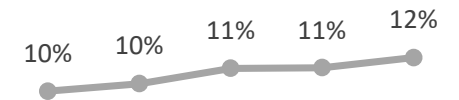
2Q	3Q	4Q	1Q	2Q
FY2021			FY2022	

S&M^(*)(^{*}3)



2Q	3Q	4Q	1Q	2Q
FY2021			FY2022	

G&A^(*)(^{*}4)



2Q	3Q	4Q	1Q	2Q
FY2021			FY2022	

(*1) Calculated based on figures going back 12 months from the

(*2) Abbreviation for "Research and Development." Total of personnel expenses for engineers and other expenses related to research and development.

(*3) Abbreviation for "Sales and Marketing." Total of advertising expenses, personnel expenses for sales staff, and other expenses related to sales and marketing.

(*4) Abbreviation for "General and Administrative." Total of personnel costs, related expenses, and common expenses of the corporate departments that should be borne by the Marketing SaaS business.

Formed business alliance between GENIEE DSP and InMobi



Promotes a product concept of
replacing marketing activities
with software



Leading company in field of AD technology



**GENIEE DSP can now offer access to InMobi's high-quality,
brand-safe media inventory on mobile apps and the web.**

GENIEE DOOH launched an integration with Google's Display & Video 360 with programmatic ad trading—a first in Japan



ディスプレイ & ビデオ 360



GENIEE DOOH now enables buying of DOOH ad space from Display & Video 360.

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Continue product investments, targeting sustained high growth in FY2022

- ▶ Continued to invest in products with value enhancement as a top priority
- ▶ Promote data linkage of products across the Group
- ▶ In the Marketing SaaS business, strengthen advertising and other marketing initiatives
- ▶ Execute M&A in this fiscal year to achieve our Purpose

FY2022 Full-year Earnings Forecast

Maintained high growth in revenues with increases of 27% to 36% YoY and in gross profit with increases of 37% to 45% YoY.

In Ad Platform Business, continue to expand revenues and drive overall performance.

In Marketing SaaS Business, continue to invest in development to increase product competitiveness while pursuing improved MRR by increasing the number of business-side staff and by investing in advertising

(JPY million)

	FY2021 (JGAAP)		FY2022 forecast (IFRS)
Revenue	(Gross) 14,459	(Net) 4,886	6,200-6,600
Ad Platform Business	(Gross) 11,246	(Net) 3,312	3,900-4,000
Marketing SaaS Business	1,176	1,176	1,900-2,200
Overseas Business	2,131	398	400-450
Gross profit	3,783	3,783	5,200-5,500
Segment income	738	738	1,000-1,200
Ad Platform Business	1,727	1,727	2,100-2,300
Marketing SaaS Business	125	125	270-310
Overseas Business	163	163	150-200
(Adjusted amounts)	△1,278	△1,278	△1,600
Operating income	738	738	1,000-1,200
Ad Platform Business	1,117	1,117	1,300-1,450
Marketing SaaS Business	△335	△335	△480-△300
Overseas Business	115	115	100-110
(Adjusted amounts)	△159	△159	△60
Income before income taxes			900-1,100
Net income attributable to owners of the parent			600-800

* FY2022 (Forecast) Basic earnings per share 34.02 yen~45.36 yen

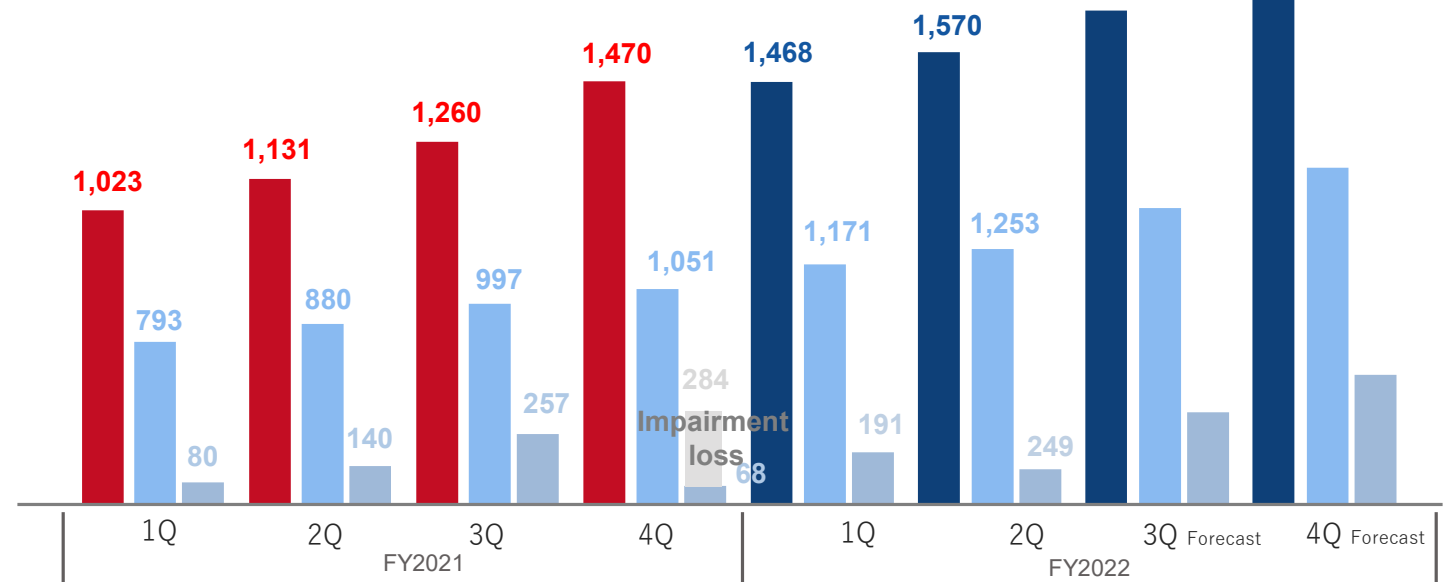
FY2022 Quarterly Earnings Forecast

Revenue and operating profit expected to increase significantly again this fiscal year.

There is seasonality in earnings, with earnings are expected to increase during the peak season in 3Q and 4Q

■ FY21 Revenue* ■ FY22 Revenue ■ Gross profit ■ Operating income

(JPY million)



* FY2021 is IFRS base and netting of Ad Platform Business sales

Forecast

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Medium-term policy

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.

FY2023 Numerical Targets

Numerical targets for FY2023

(IFRS basis)

Priority

- ①Gross profit,
- ②Operating income and
- ③Revenue

Net sales

JPY 9B ~ 10B

Gross profit

JPY 8B ~ JPY 9B

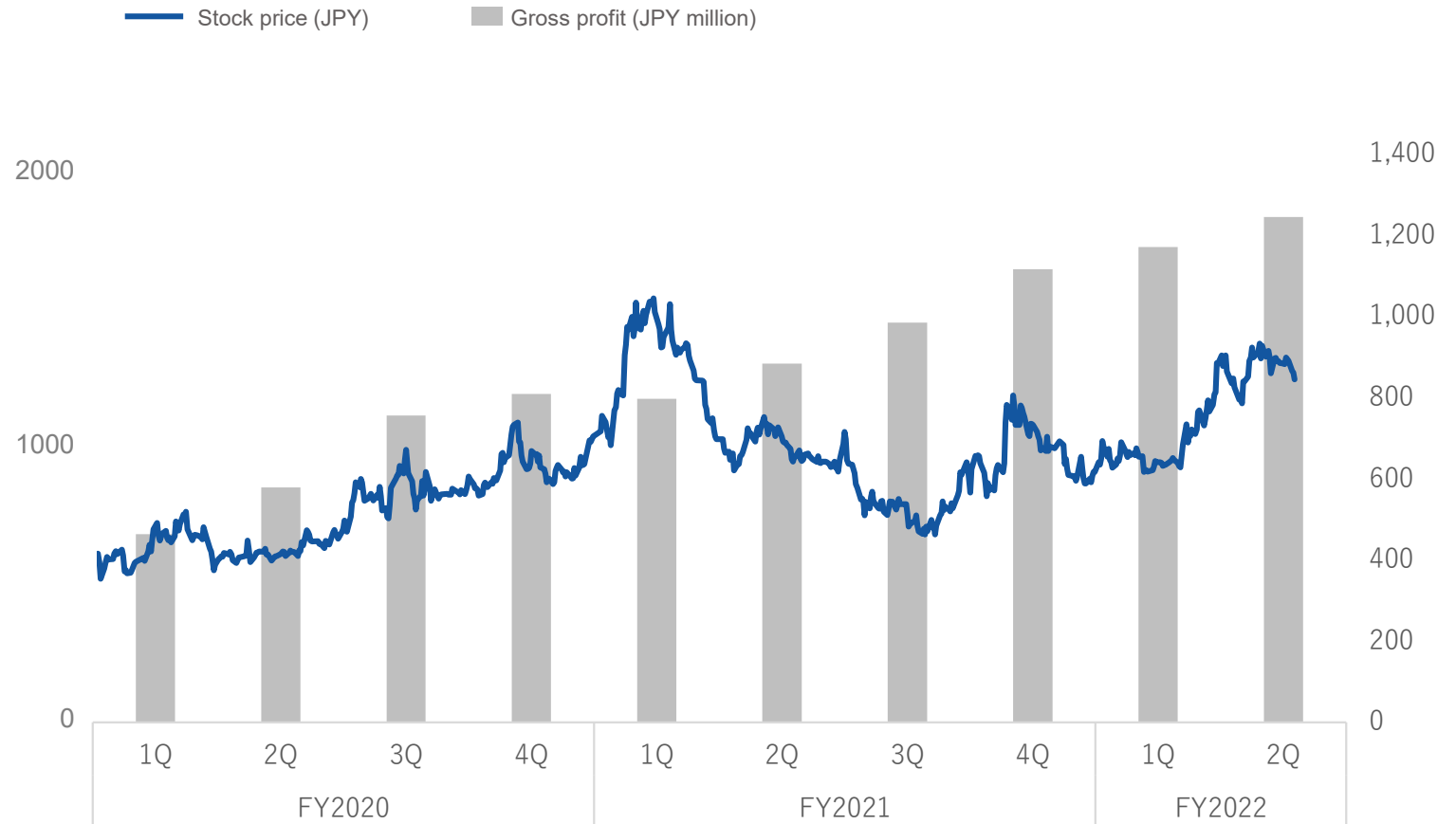
**Operating
income**

JPY 2B ~ JPY 2.5B

Stock price

Share price: JPY 1,238, as of November 9, 2022

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.



APPENDIX

Impact of adopting IFRS

We decided to adopt IFRS (International Financial Reporting Standards) to improve international comparability and to expand capital procurement and business operations in international markets.

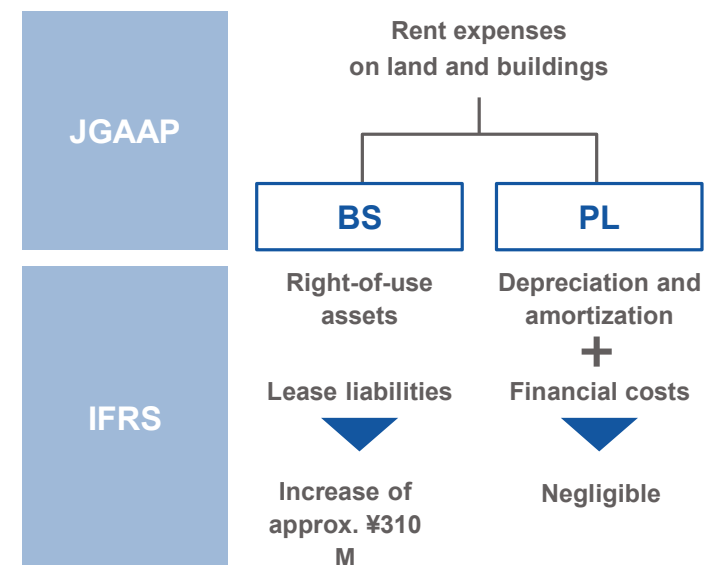
Main impact on results

Amortization of goodwill

Amortization of goodwill resulting from M&A is not subject to amortization (Intangible assets such as customer assets are subject to amortization)

$$\begin{array}{c}
 \text{IFRS} \\
 \text{Operating income}
 \end{array}
 =
 \begin{array}{c}
 \text{JGAAP} \\
 \text{Operating income}
 \end{array}
 +
 \begin{array}{c}
 \text{¥ 184 M} \\
 \text{Amortization of} \\
 \text{goodwill}
 \end{array}$$

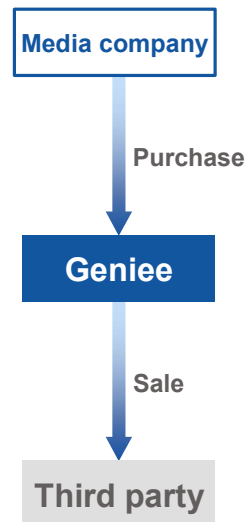
Rent expenses on land and buildings



Change to netting of Ad Platform Business sales

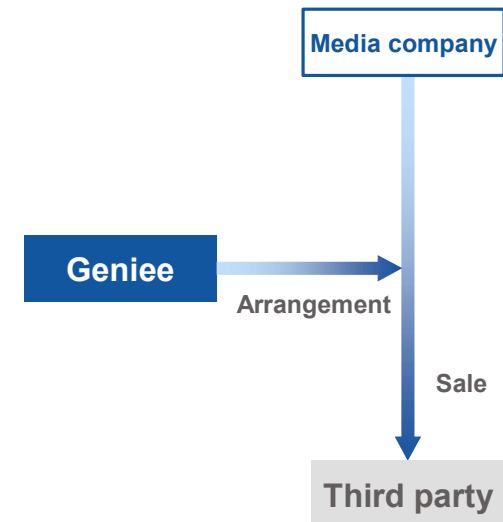
From FY2022, we are changing sales of the Ad Platform Business to net sales recognition, due to changes in Ad Platform Business transactions and terms of use relating to brand integration in FY2021

Transaction scheme until FY2021



- Geniee purchases ad space; bears responsibility to third parties for ad space sold
- Geniee has inventory risk for ad space purchased from media companies

Transaction scheme from FY2022



- Third party purchases ad space directly; Geniee does not bear responsibility for ad space sold
- Geniee does not have inventory risk for ad space

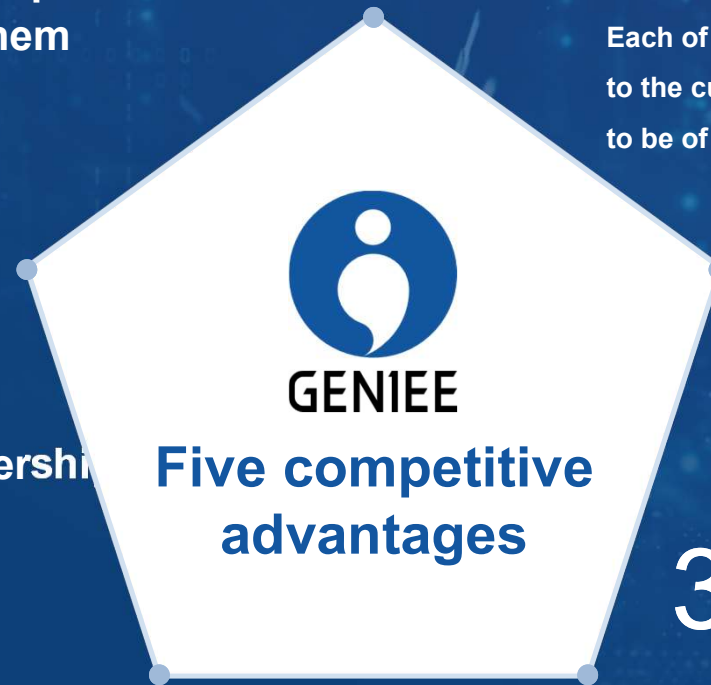
Our Strengths: Five Competitive Advantages

5. Products with high value for customers— and the technical development capabilities to create them

We are a leading technology company in Japan with more than 140 engineers. Testing new technologies everyday, we develop new value based on customer and market needs

4. Geniee platform, partnership with SoftBank Group

We have operations in Singapore, Vietnam, Indonesia and Thailand. We collaborate with the SoftBank Group to respond to customer requests



1. Strong commitment to customer success

Each of our employees strives to get close to the customer, out of a strong motivation to be of service to the customer

2. Big Data

Backed by Japan's leading big data processing technology, we have accumulated a vast amount of data in the field of marketing

3. Knowledge of cutting-edge digital transformation and marketing

We have produced some of Japan's leading success stories in cutting-edge technology and marketing, enabling us to accumulate extensive knowledge

Strong commitment to customer success

All products are developed in-house. We have a large team of customer success personnel who partner with customers to enable their success. We tailor our support to the challenges and applications of each company, from deployment to establishment and utilization.

Three reasons customers choose us

1



Japan-made marketing tools that anyone can master

2



Easy management, Aggregation and analysis of customers and sales

3



Robust support

Big Data/Technology

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

Knowledge of cutting-edge digital transformation and marketing

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.

Customer assets/data

Number of ad views per month

60B Impression

Active customers

3,000 companies

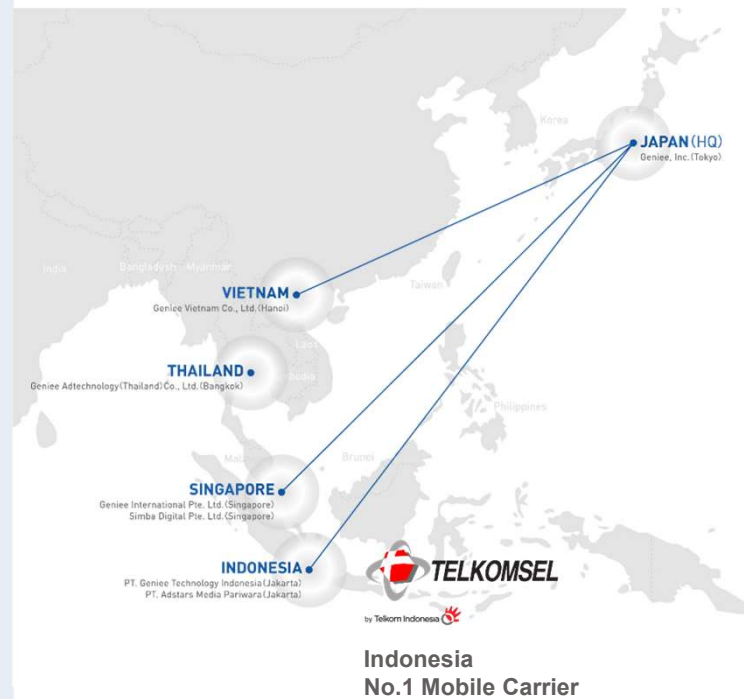
Blog / column

Full of useful tips on digital marketing



Geniee platform, partnership with SoftBank Group

Overseas expansion since our third year. We have also implemented numerous business alliances and investment M&As. We will fully leverage these advantages through collaboration with the SoftBank Group.



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

Products that offer high value for customers —and the technical development capabilities to create them



Marketing SaaS Business

GENIEE SFA/CRM Division CEO
Hirotaka Ohashi

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

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

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)

Director
Shunsuke Kawasaki

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.



Platform Business (Demand Side Business)

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

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.

Company Profile

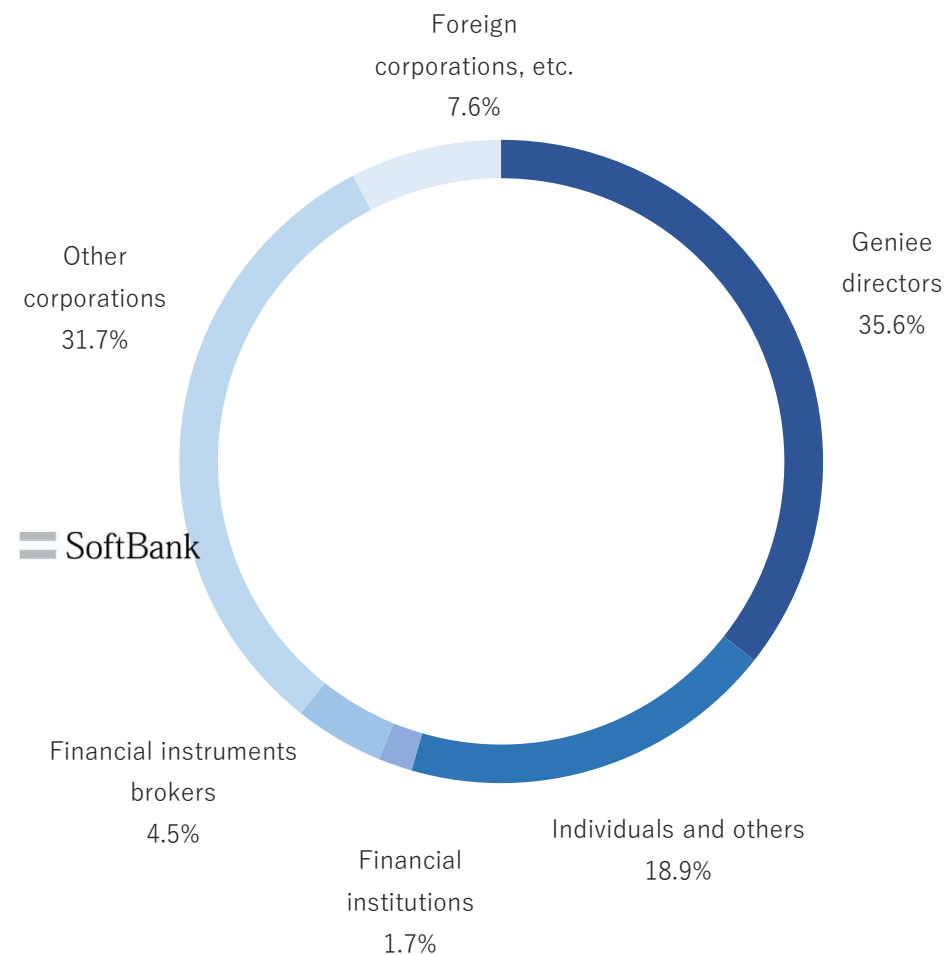
Company name	Geniee, Inc.	Employees	346 (Consolidated, as of March 31, 2022)
Business	Ad platform business Marketing SaaS business Overseas business	Establishment	April 14, 2010
Headquarters	Sumitomo Realty & Development Shinjuku Oak Tower 6th Floor, 6-8-1 Nishi Shinjuku, Shinjuku-ku, Tokyo 163-6006	Capital	JPY 1,549 million
Representative	Tomoaki Kudo, President and CEO	End of fiscal year	March 31
Executive officers	Directors: Shunsuke Kawasaki Koichi Machida (Outside) Director and Audit & Supervisory Committee Members: Katsuyuki Toritani (Full-time, Outside) Yukio Todoroki (Outside) Yoshitaka Sasaki (Outside)	Group companies	Business Search Technologies Corporation REACT, Inc. CATS Hypersonic, Inc. Geniee International Pte., Ltd. Geniee Vietnam Co., Ltd. PT. Geniee Technology Indonesia Geniee Adtechnology (Thailand) Co., Ltd. PT. Adstars Media Pariwara

Shareholder Composition (as of September 31, 2022)

Major shareholders

Name	Shares Owned	(%)
Tomoaki Kudo (President & CEO)	6,419,400	35.56
SoftBank Corp.	5,625,000	31.16
Takuya Yoshimura	531,300	2.94
Hiroshi Hirose	481,100	2.66
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN	474,300	2.62
NICE SATISFY LIMITED	402,000	2.22
Geniee, inc.	310,639	1.72
Custody Bank of Japan, Ltd.	310,400	1.71
SBI SECURITIES Co., Ltd.	214,596	1.18
GOLDMAN SACHS INTERNATIONAL	203,400	1.12

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.

