PLAID

Earnings Results for the quarter ended Mar. 2022 (Q2 FY 9/22)

PLAID, Inc. (4165, TSE Growth) | May 2022

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Forward-Looking Statements

This document contains forward-looking statements. These statements are based only on information that is available at the time the statements are made. In addition, these statements do not constitute a guarantee of future results. They are subject to risk and uncertainty. Please note that actual results may differ materially from those expressed or implied in the forward-looking statements due to environmental changes and other factors.
Factors that may affect actual results include, but are not limited to, domestic and overseas economic conditions and trends in the industries that the Company serves.
Additionally, the information concerning companies or groups outside the Company is quoted from public information and elsewhere. The Company does not verify in any way or guarantee its accuracy, appropriateness, etc.

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Contents

1. Mission and Growth Strategy
2. Earnings Results Q2 FY 9/22
3. Earnings Forecasts for FY 9/22
4. Business Updates
5. Appendix



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Maximize the Value of People with the Power of Data

No algorithm goes beyond imagination and flexibility of people.
That is why we focus on developing technologies that encourage people's creativity.

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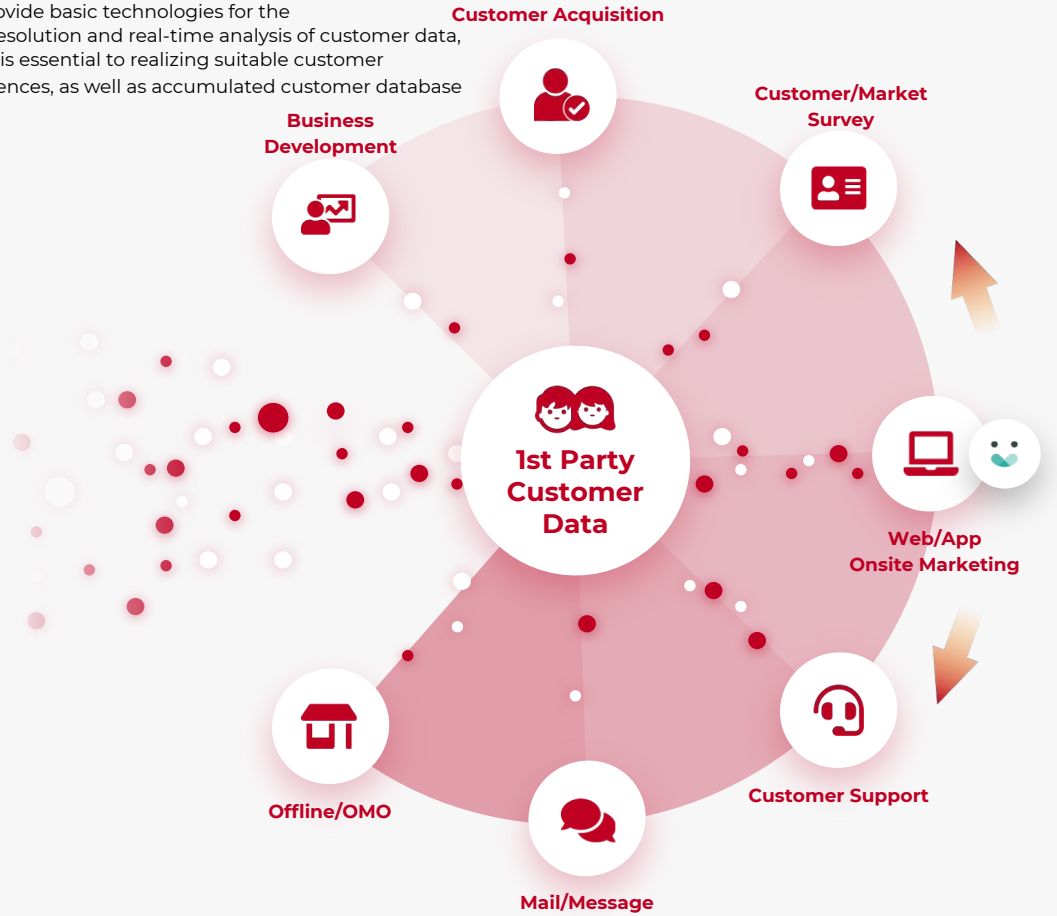
To Realize Customer-Focused Business Activities by Supporting the Use of Customer Data

A high-resolution understanding of the customer is essential to realizing suitable customer experiences

Plaid supports customer-focused business activities based on the proprietary real-time analysis engine enabling high-resolution customer understandings and accumulated customer database as our core value

Our Core Value

We provide basic technologies for the high-resolution and real-time analysis of customer data, which is essential to realizing suitable customer experiences, as well as accumulated customer database



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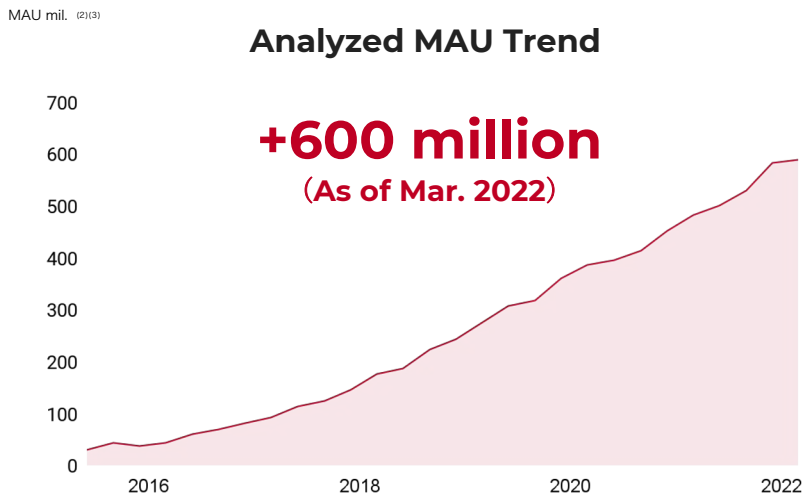
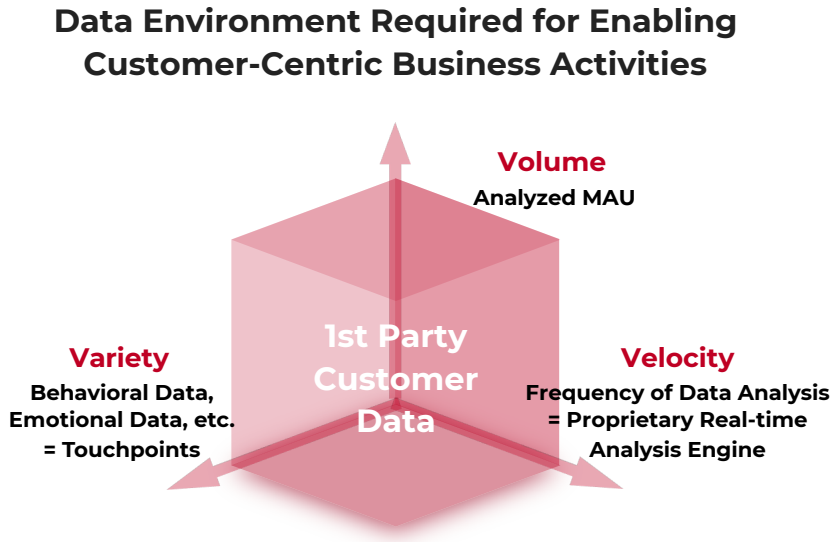
Customer Data Accumulation

- The number of MAUs[1] analyzed in March 2022 exceeded 600 million, and the scale of customer data analysis has continued to grow since KARTE was launched in 2015
- We plan to continuously enrich data environment for supporting customer-focused business activities through product development





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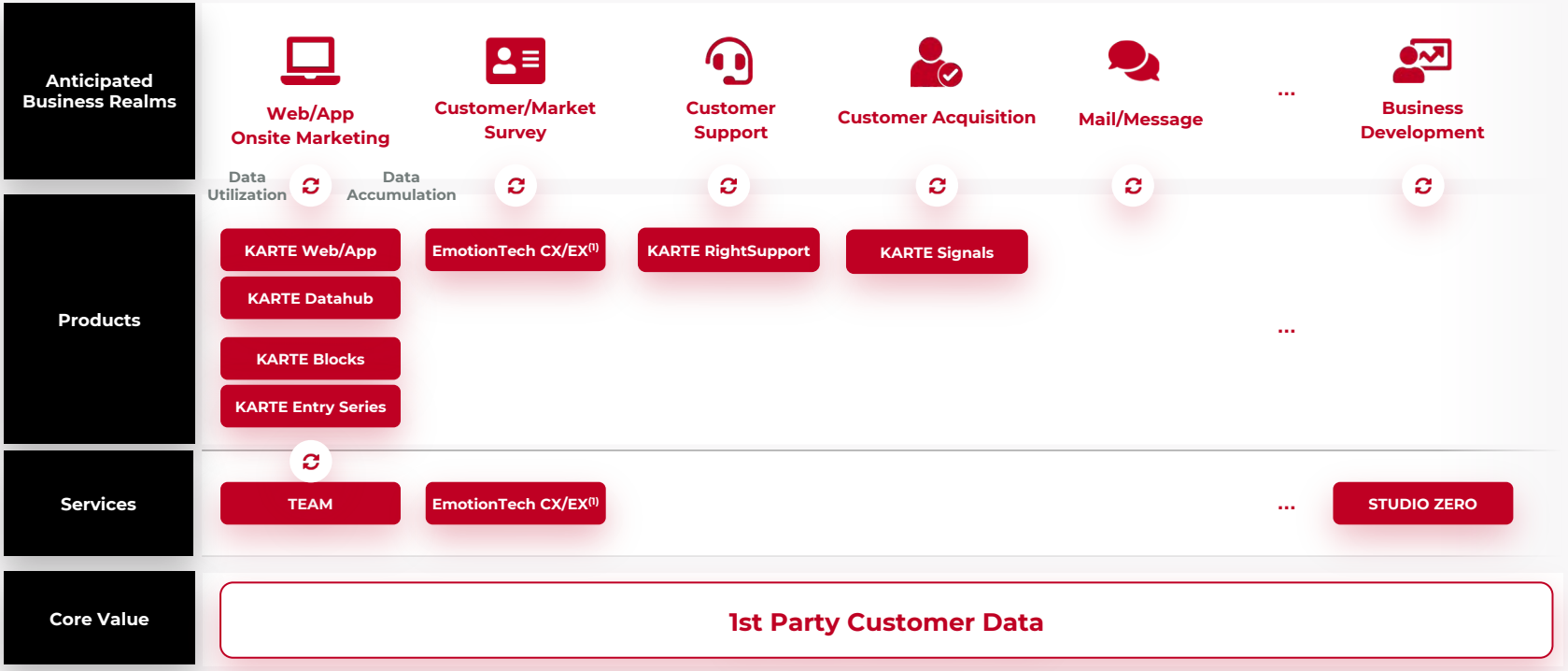
Notes: 1. MAU: Monthly active users. The number of unique active users for a particular website or mobile application during a particular one-month period / 2. Quarterly average / 3. Total of the view events

Development of Products and Services Based on Customer Data

- We will provide new products and services into business areas where leveraging customer data is a key success factor
- Product testing as a beta version launched in customer support and customer acquisition areas



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Note: 1. Provision of product stand-alone or provision of product combined with consulting service

Contents

1. Mission and Growth Strategy
2. **Earnings Results Q2 FY 9/22**
3. Earnings Forecasts for FY 9/22
4. Business Updates
5. Appendix

Note: All figures are JPY otherwise specifically mentioned



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Q2 FY 9/22 Financial Highlights

1. Consolidated net sales were up 40.3% YoY, backed by continuing contributions of non-recurring revenue growth
2. The gross profit margin was significantly increased especially in the SaaS business because upgrading real-time analysis engine brought down server costs
3. The consolidated operating losses were reduced from the previous quarter because net sales and gross profit were steadily increased while SG&A expenses were only slightly increased

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Net sales / YoY Growth Rate : Consolidated

1,856 mil. (Q2 FY 9/22) **/ 40.3%**

# of Customers[2] : Consolidated

699 (End of March 2022)

ARR[1]/ YoY Growth Rate : Consolidated

6,637 mil. (End of March 2022) **/ 28.4%**

NRR[3] : Non-Consolidated

107.6% (Last three months avg.)

Gross Profit Margin : Consolidated / Non-Consolidated

73.5% / 73.6% (Q2 FY 9/22)

Employees : Consolidated / Non-Consolidated

326 / 269 (End of March 2022)

Notes: 1. ARR: Annual Recurring Revenue. It is calculated by multiplying monthly subscription revenue at the end of each quarter by 12. It is an indicator that expresses the net sales expected to be obtained from existing subscriptions alone during the 12 months starting the month following the final month of the quarter based on the assumption that all existing subscriptions will be renewed at the specified time / 2. Total number of customers utilizing our products as of the end of each quarter / 3. NRR: Net Revenue Retention (Rate). It is calculated by dividing the (i) monthly subscription sales of current customers who have continued to subscribe for at least one year by (ii) the monthly subscription sales for the same month in the previous year

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Financial Results - PLAID Group (Consolidated) -

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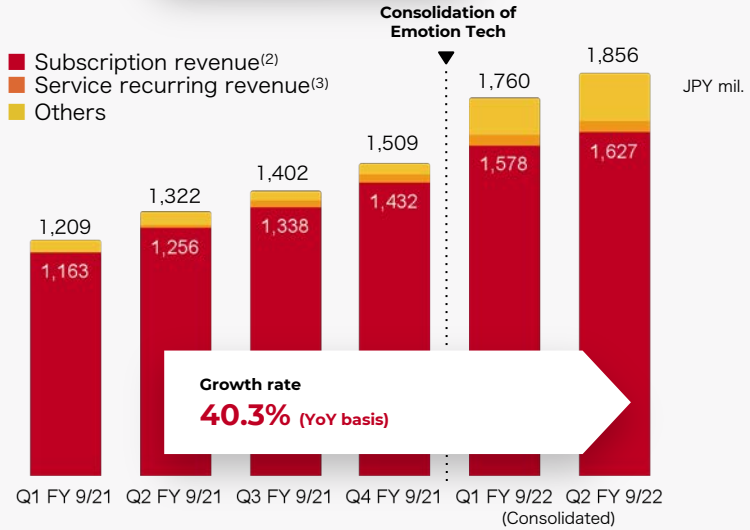
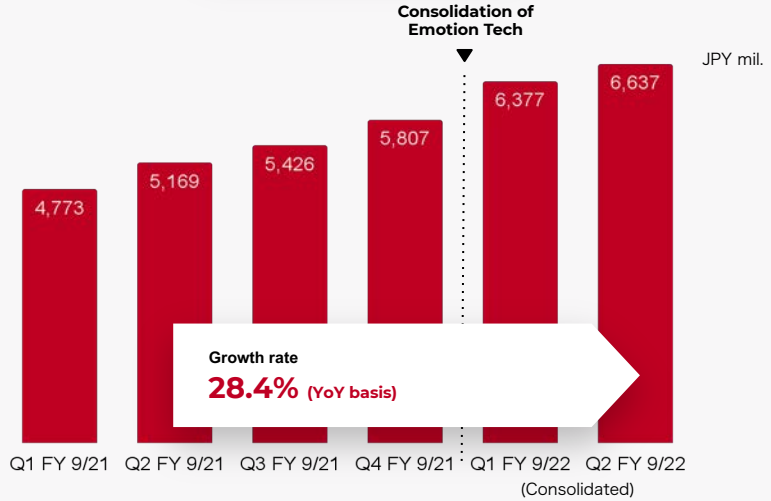
Consolidated Net Sales and ARR are Growing Steadily

- Consolidated net sales were up 40.3% YoY, backed by steady increase in recurring revenue as well as a contribution by non-recurring revenue growth
- Consolidated ARR[1] was increased by 260 JPY mil. from the previous quarter to 6.6 JPY bil.

Consolidated net sales



Consolidated ARR



Notes: 1. ARR: Annual Recurring Revenue. It is calculated by multiplying monthly subscription revenue at the end of each quarter by 12. It is an indicator that expresses the net sales expected to be obtained from existing subscriptions alone during the 12 months starting the month following the final month of the quarter based on the assumption that all existing subscriptions will be renewed at the specified time. / 2. Net sales taken up by the total amount of monthly charges for products that can be earned on a recurring basis / 3. Net sales taken up by the total amount of monthly charges for services that can be earned on a recurring basis

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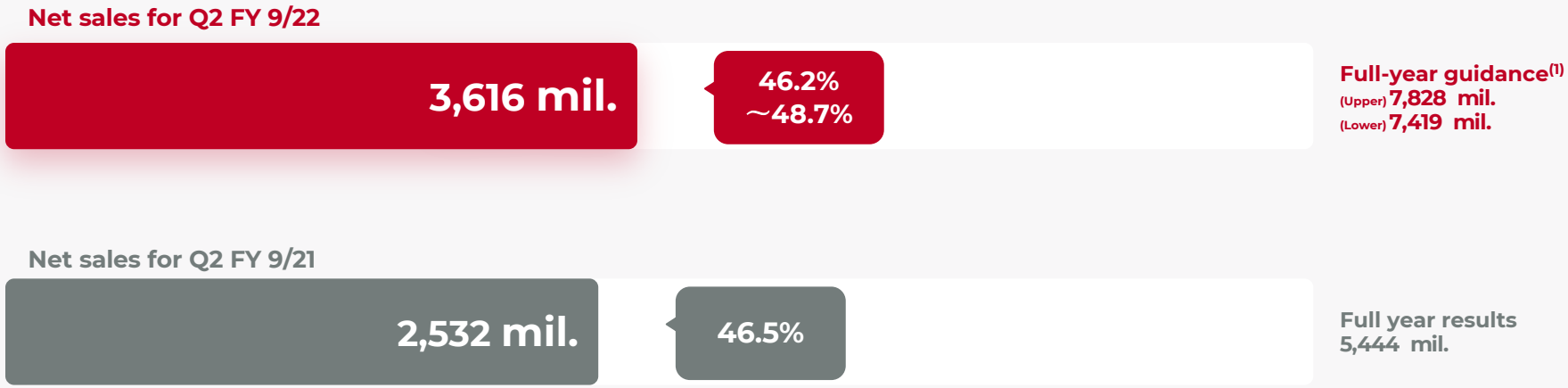
Net Sales Progress Steadily against the Full-year Guidance



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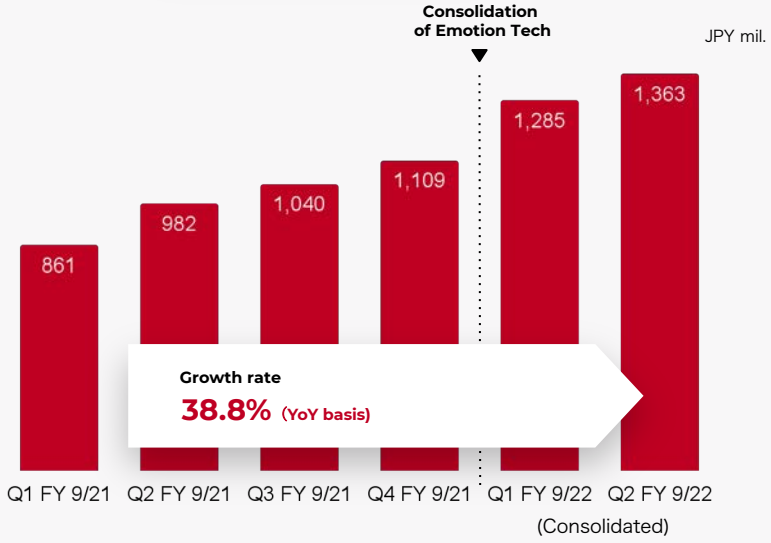
Note: 1. Announced on November 9, 2021

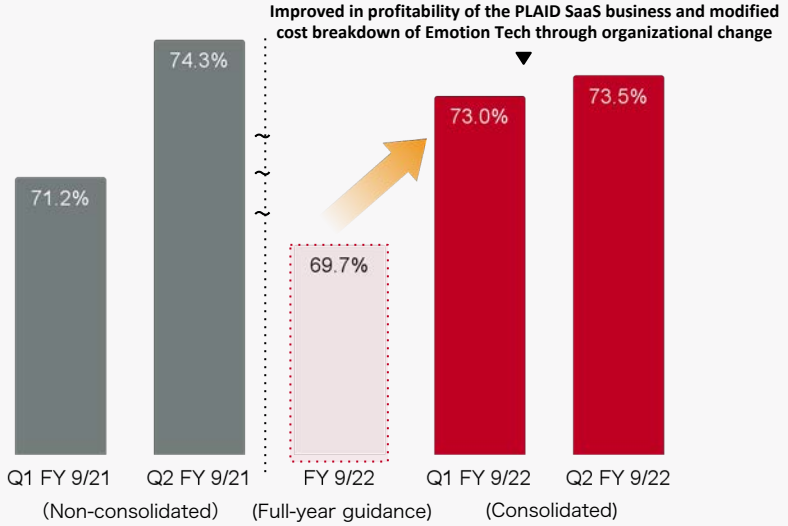
Consolidated Gross Profit is Increasing Steadily

- Gross profit was increased by 38.8% YoY
- The gross profit margin was 73.5%, exceeding 69.7% of full-year guidance

Gross profit



Gross profit margin



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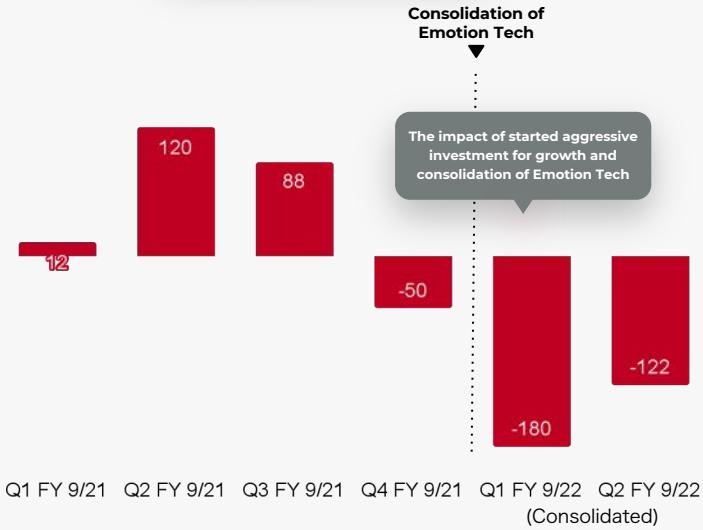
Consolidated Operating Losses Reduced from Q1 FY 9/22

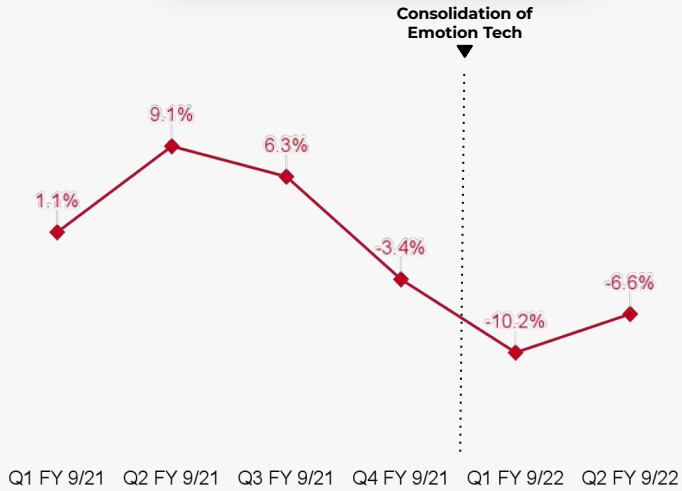
- The consolidated operating losses was reduced from the previous quarter because net sales and gross profit were steadily increased while SG&A expenses was only slightly increased

Operating income (Loss)

JPY mil.



Operating margin



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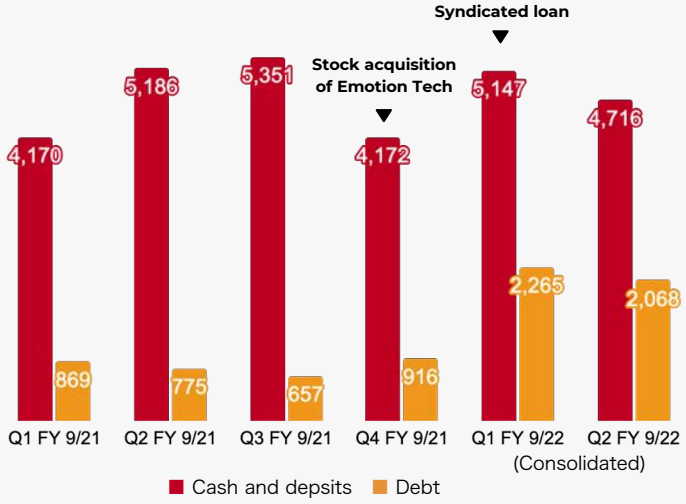
Sound Financial Condition with Net Cash on Balance Sheet

- Maintained a sound level of cash position with approximately 2.5 billion yen net cash in addition to 0.5 billion yen of unused commitment line

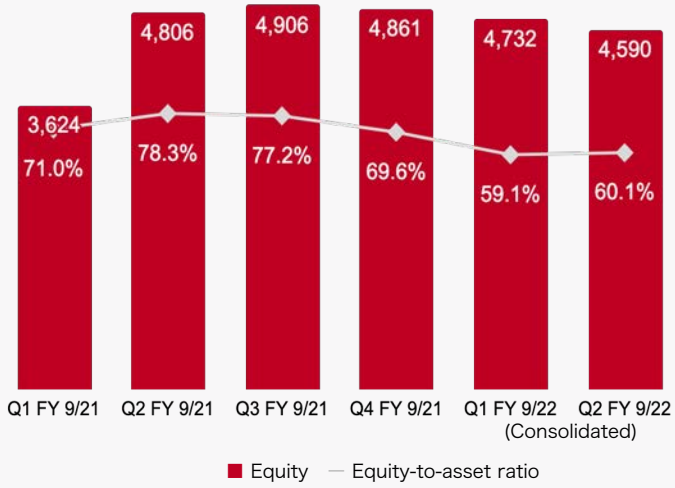
Cash and debts

JPY mil.



Reference: equity

JPY mil.



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Financial Results - PLAID (Non-Consolidated) -

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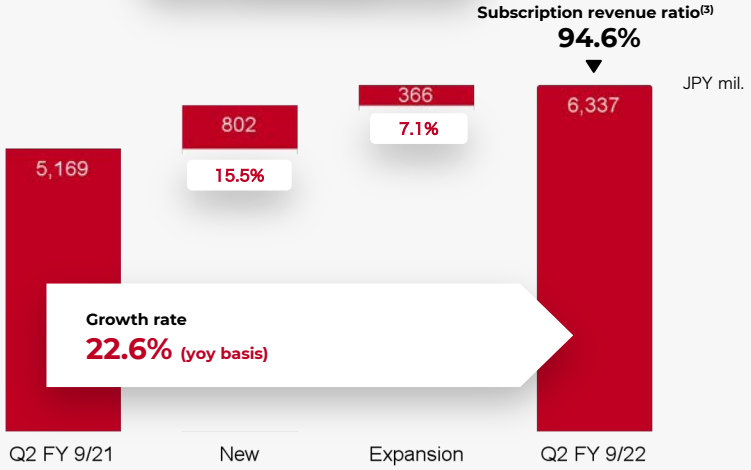
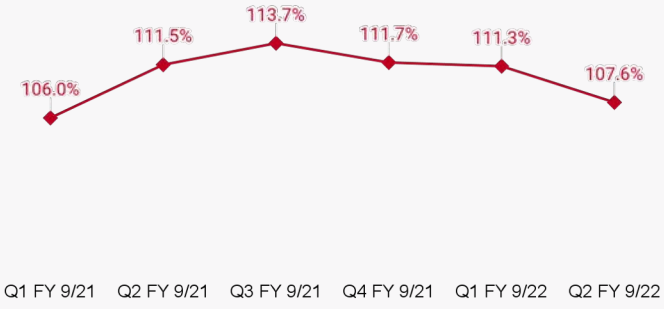
ARR Growth Rate and NRR are decelerated from the previous quarter

- Both new customer acquisition and net expansion of business with existing customers contributed to the increase in ARRs[1]
- However, YoY growth of both 'New' and 'Expansion' are decelerated from the previous quarter, described in P.26
- NRR[2] fell to 107.6% from the previous quarter

ARR bridge



NRR



Notes: 1. ARR: Annual Recurring Revenue. It is calculated by multiplying monthly subscription revenue at the end of each quarter by 12. It is an indicator that expresses the net sales expected to be obtained from existing subscriptions alone during the 12 months starting the month following the final month of the quarter based on the assumption that all existing subscriptions will be renewed at the specified time./ 2. NRR: Net Revenue Retention (Rate) Calculated by dividing the (i) monthly subscription sales of current customers who have continued to subscribe for at least one year by (ii) the monthly subscription sales for the same month in the previous year / 3. Percentage of net sales taken up by the total amount of monthly charges for products that can be earned on a recurring basis

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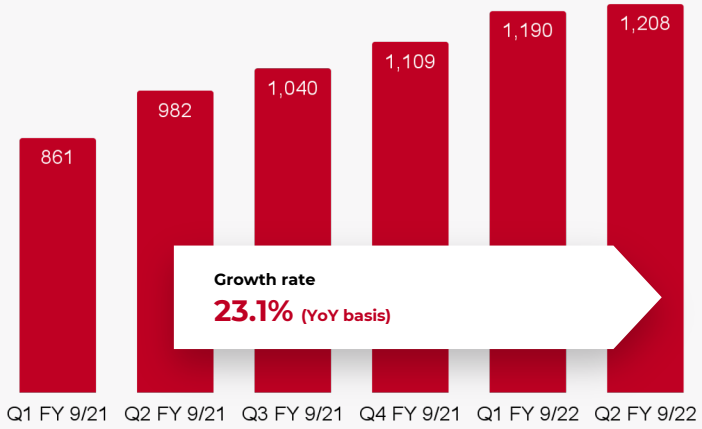
SaaS Gross Profit Margin Fell from the Previous Quarter, still remaining at High Levels

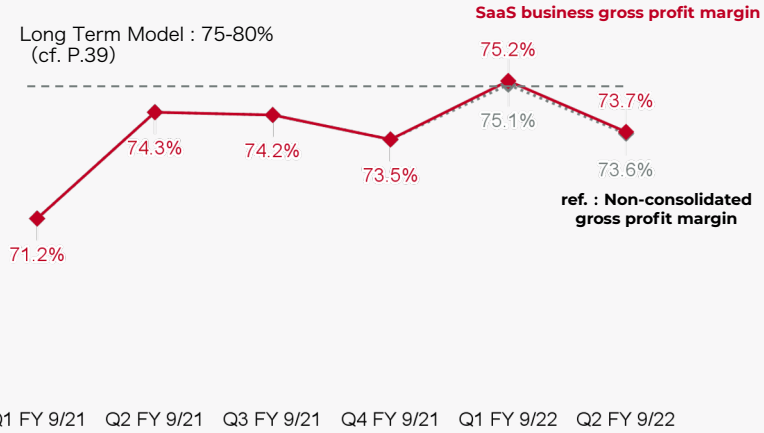
- SaaS business gross profit margin was 73.7%, down by 1.5pt from Q1 FY 9/22
- JPY base server costs were increased due to dollar appreciation, the impact of which is estimated 0.5pt in gross profit margin
- Temporary server usage was increased related to the switch to the new analysis engine
- New real-time analysis engine is scheduled to be fully installed within Q3 FY 9/22

Gross profit

JPY mil.



SaaS Business gross profit margin



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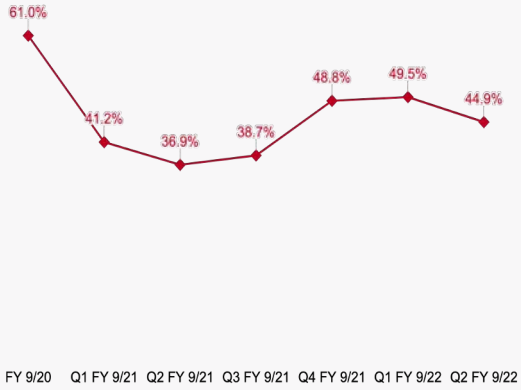
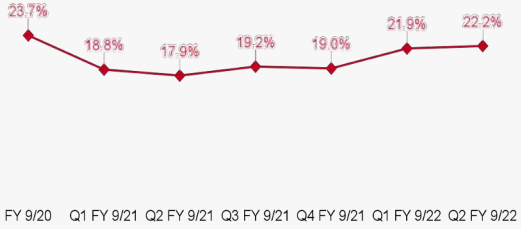
Making Investments in Human Resources for Growth

- The S&M ratio declined from the previous quarter due to smaller-than-planned marketing spendings such as media content creations despite the hiring of business employees
- The hiring of engineers and designers is progressing well, in effect raising the R&D ratio

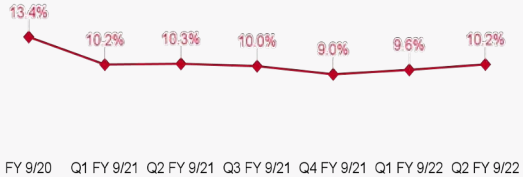
S&M[1] ratio



R&D[2] ratio



G&A[3] ratio



Notes: 1. S&M: Expenses related to sales activities, which consist primarily of salaries and allowances for our sales and marketing personnel and advertising expenses as well as allocated overhead costs, and allocated depreciation and amortization, which are generally allocated based on the number of employees / 2. R&D: Expenses consist primarily of salaries and allowances for our engineering, product and design teams, as well as allocated overhead costs, and allocated depreciation and amortization / 3. G&A: Expenses consist primarily of salaries and allowances for our legal, finance, and HR operations, as well as allocated overhead costs, and allocated depreciation and amortization

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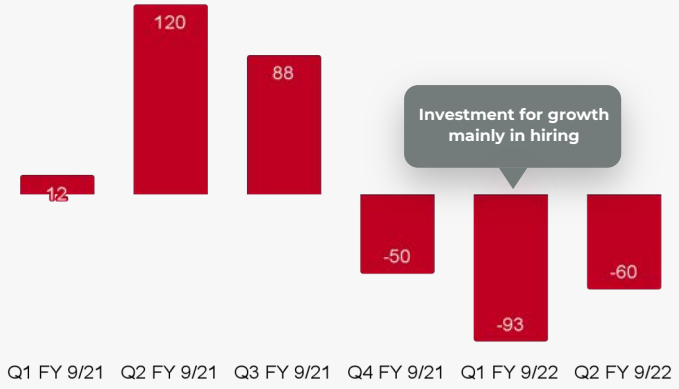
Standalone Operating Losses were also Well Under Control

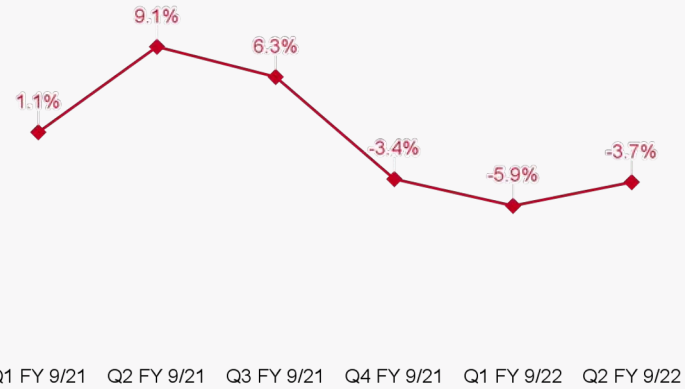
- Standalone operating losses were reduced with gross profit increased and SG&A decreased due primarily to reduced marketing spendings

Operating income (loss)

JPY mil.



Operating income (loss) margin



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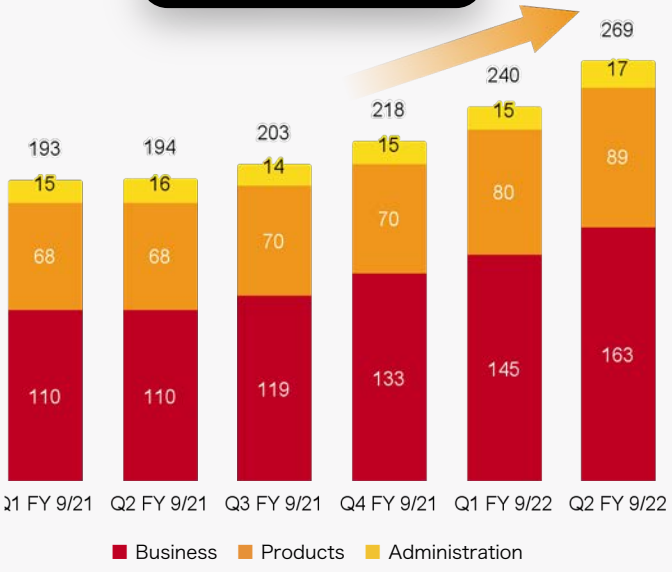
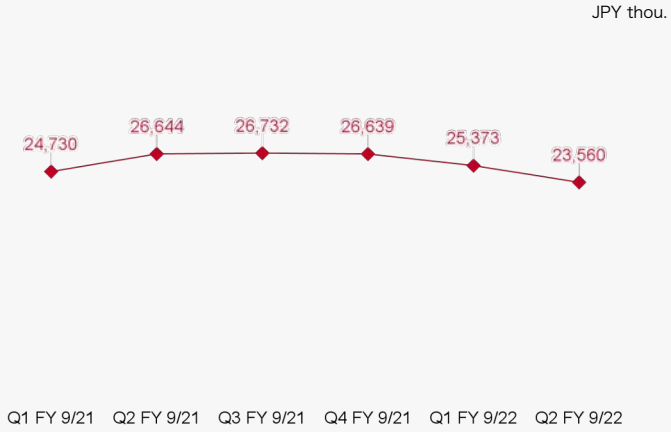
Successfully Hiring Talents Both For Business and Product Development

- Hiring has been progressed steadily
- ARR per employee has been gradually decreased

Number of employees



ARR per employee



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Contents

1. Mission and Growth Strategy
2. Earnings Results Q2 FY 9/22
3. **Earnings Forecasts for FY 9/22**
4. Business Updates
5. Appendix



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Revision of Full-year Earnings Forecast for FY 9/22

- Consolidated net sales are expected to fall short of the previous guidance due to the deceleration of PLAID's standalone SaaS business growth, described in P.26
- New customer acquisitions, existing customer retentions and existing customer expansions are all fall short of our initial plan for this fiscal year
- Consolidated operating losses and below are expected to be reduced from the previous guidance owing to an improved gross profit margin by upgrading real-time analysis engine and a decreased SG&A expenses such as re-planning marketing investments

(JPY mil.)	Previous guidance	Updated guidance	Difference	Change (%)	FY9/21 results
Net sales	7,419～7,828	7,186	▲641～▲232	▲8.2%～▲3.1%	5,444
Year-on-Year	+36.3%～+43.8%	32.0%	-	-	-
Gross profit	5,169～5,454	5,233	▲220～+64	▲4.0%～+1.2%	3,993
Gross profit margin	69.7%	72.8%	+3.1pt	-	73.3%
SG&A	6,734～6,797	6,477	▲257～▲320	▲4.7%～▲3.8%	3,822
Operating income	▲1,565～▲1,343	▲1,213	+130～+351	-	170

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Contents

1. Mission and Growth Strategy
2. Earnings Results Q2 FY 9/22
3. Earnings Forecasts for FY 9/22
4. **Business Updates**
5. Appendix



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Update of PLAID's SaaS Business

- Aiming to re-boost business growth by taking necessary measures both for new and existing customers

	Issue	Action Plan
New customer acquisition	· Implementation and operational supports are more and more necessary for some customers due to their limited capabilities or resources · Other platforms and services in CX marketing domain are emerging	· Promote sales and marketing activities and develop new products and functions tailored to each customer's capabilities and resources · Expanding business areas such as RightSupport
Existing customer expansion	· Website and mobile app MAU growth rooted in COVID-19 pandemic are calming down · The pace of KARTE Datahub penetration into existing customers have been slowed	· Officially launch new products such as KARTE Signals · Develop new products and functions tailored to each customer's capabilities and resources
Churn / Downsell	· Existing customers are not well taken care of due to insufficient number of experienced CS(1) staff · Other platforms and services in CX marketing domain are emerging	· Enhance CS & TEAM capabilities by further educating internal members and cooperating with partners · Improve onboarding program tailored to each customer maturity level

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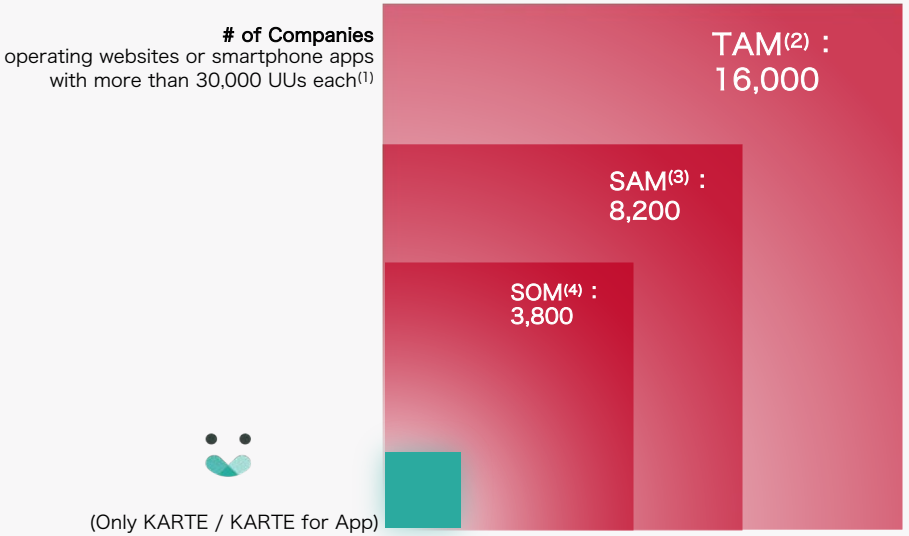
Notes: 1. CS: Customer Success

The Potential Market Size of KARTE / KARTE for App

There are about 3,800 companies in Japan that are likely to adopt KARTE / KARTE for App based on its current functions and pricing
Large potential market is existing

ref：
559 companies as of the end of Q2 FY 9/2022



Notes: 1. This is the number of companies operating Japanese website with more than 30,000 UUs per month based on data from SimilarWeb Ltd. as of February 2019 and smartphone apps that have been updated within 365 days and downloaded 5,000 times, based on Appannie's data as of June 2021. They are defined as companies with the potential to adopt KARTE/KARTE for App / 2. TAM: Total Addressable Market. This is the sum of the number of companies operating websites and smartphone apps in Japan, calculated based on the criteria described in (Note 1) / 3. SAM: Service Addressable Market. This is the number of companies that are likely to adopt KARTE/KARTE for App by function enhancements or pricing changes, etc. / 4. SOM: Service Obtainable Market. This is the number of companies in SAM (Note 3) that are expected to have a particularly high potential to adopt KARTE/KARTE for App in light of their industry and business model etc.

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Update of KARTE Signals / KARTE RightSupport

- Paid contracts are increasing for both products
- Expand customer outreach and further refine products for further product growth

	Progress	Next step
KARTE Signals	・Beta version launch in February ・We will engage in cross-sel with a focus on existing customers using KARTE and KARTE Datahub ・Several companies adopt it with paid contracts	・Strengthen collaboration with advertising media ・Approach existing customers who have not adopted KARTE Datahub ・Refine existing beta version product
KARTE RightSupport	・Beta version launch in March ・Product connection with Amazon Connect, Zendesk, etc. have already launched ・About 10 companies adopt it with paid contracts (including both new and existing customers)	・Refine existing beta version product ・Broaden customer base ・Enrich functions for more efficient utilization by customers

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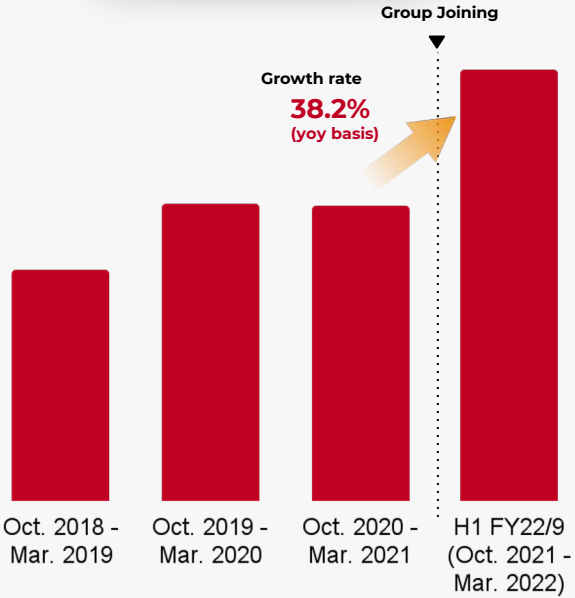
Note: 1. A standardized approach that minimizes human intervention and leverages technology when conducting customer success

Update of Emotion Tech Inc.

- Net sales growth has been accelerated after joining The Plaid Group

Net sales trend



Update

Progress

- Made organizational changes and reallocated human resources
- Promoted mutual customer referrals
- Obtained enterprise contracts at high prices
- Initiated product connection with Salesforce

Next Step

- Convert non-recurring revenues into recurring revenues by refurbishing service recurring model
- Make further product enhancements including data sharing

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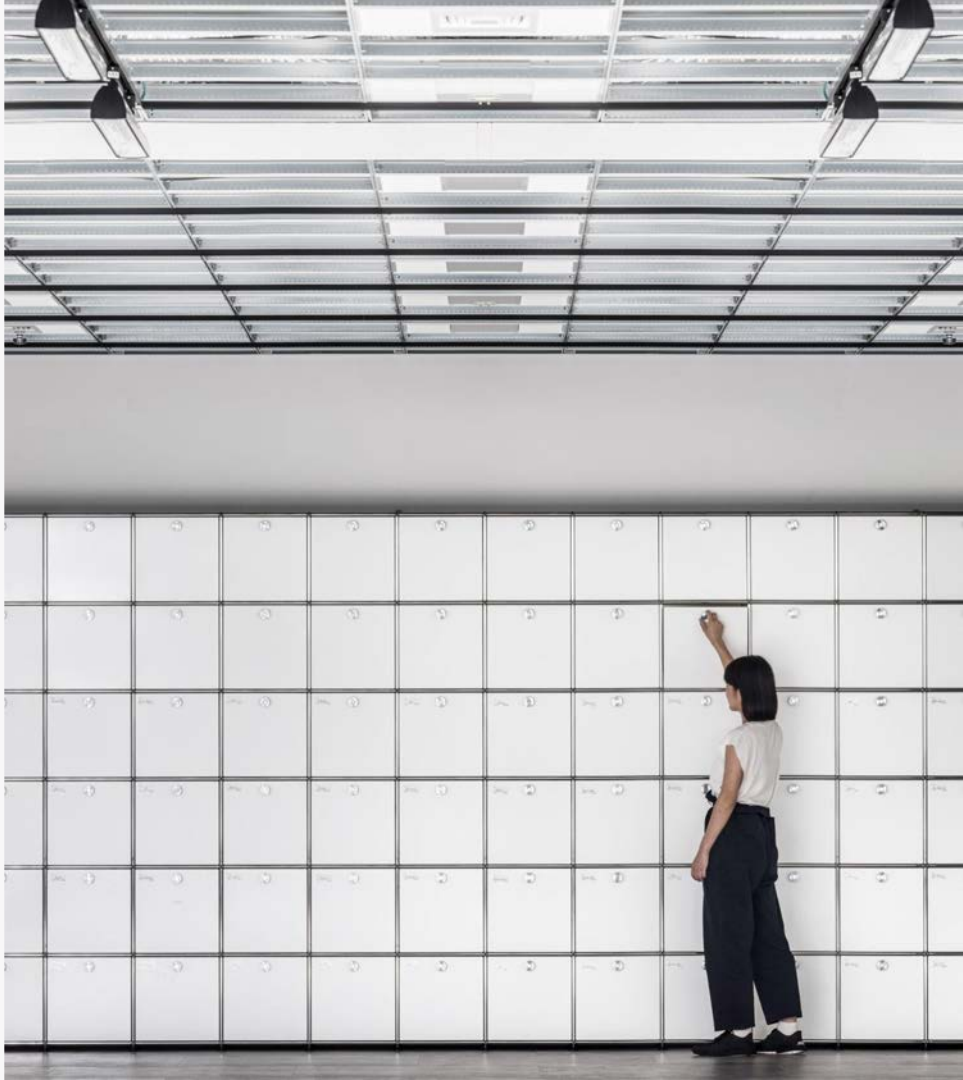
Contents

1. Mission and Growth Strategy
2. Earnings Results Q2 FY 9/22
3. Earnings Forecasts for FY 9/22
4. Business Updates
5. **Appendix**



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Financial Information

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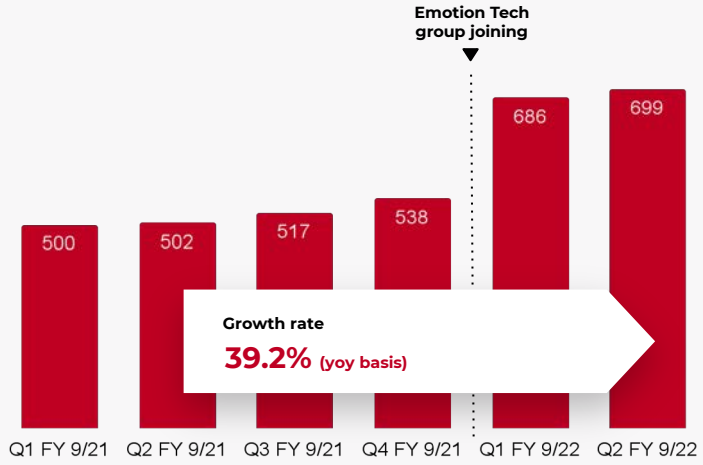
Group (Consolidated)

Customers and ARPC

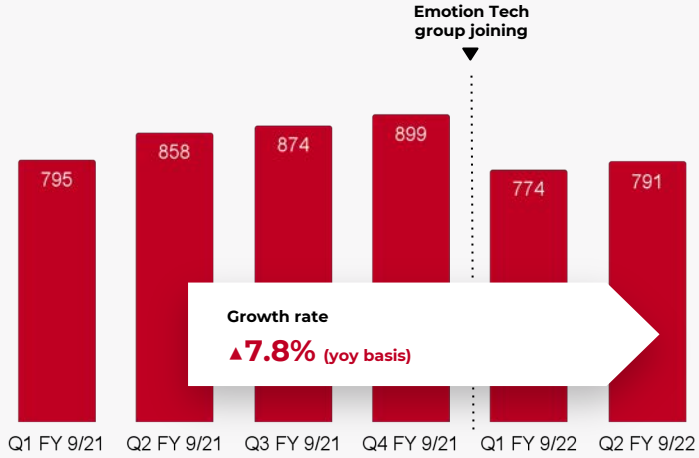
- The number of customers increased significantly since Emotion Tech joined to our group[1]
- KARTE Blocks free plans are not included in the number of customers

Number of customers[2]



ARPC [3]

JPY thou.



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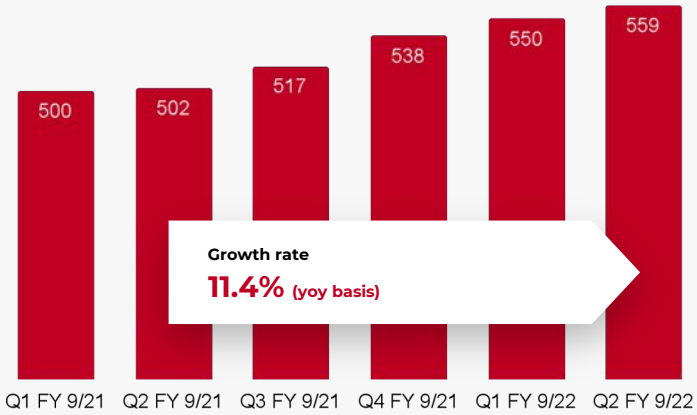
Notes: 1. Customers who have transactions with both Plaid and Emotion Tech are counted as one company / 2. Total number of customers utilizing our products as of the end of each quarter / 3. Calculated by dividing the monthly subscription sales at the end of each quarter by the number of customers of the end of the quarter

PLAID
(Non-consolidated)

Customers and ARPC

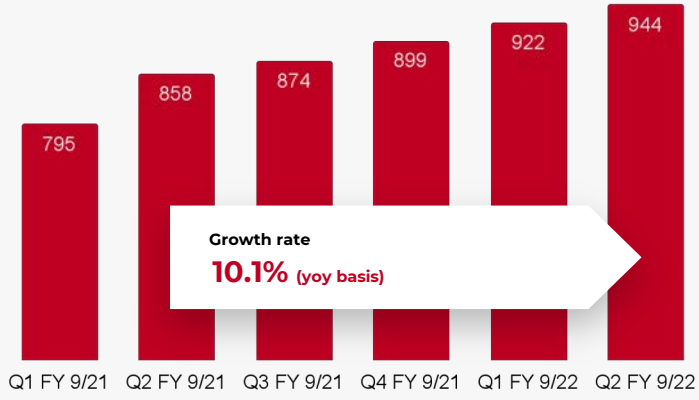
- Both the number of customers and ARPC are growing steadily
- Subject to the number of paid customer of the product

Number of customers (1)



ARPC (2)

JPY thou.



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Notes: 1. Total number of customers utilizing our products as of the end of each quarter / 2. Calculated by dividing the monthly subscription sales at the end of each quarter by the number of customers of the end of the quarter

Appendix

Income Statement (Quarterly)[1]

(JPY mil.)	Q2 FY 9/22	Q2 FY 9/21	YoY	Q1 FY 9/22	QoQ
Net sales	**1,856**	**1,322**	**+40.3%**	**1,760**	**+5.4%**
Subscription revenue (PLAID SaaS)	1,551	1,256	+23.6%	1,507	+2.9%
Subscription revenue (Other)	75	-	-	70	+6.4%
Other	228	66	+243.4%	182	+25.6%
Gross profit	**1,363**	**982**	**+38.8%**	**1,285**	**+6.1%**
Gross profit margin	73.5%	74.3%	▲0.8pt	73.0%	+0.4pt
SG&A	**1,486**	**861**	**+72.5%**	**1,465**	**+1.4%**
% of Net sales	80.1%	65.1%	+14.9pt	83.3%	▲3.2pt
Advertising expenses	90	79	+13.3%	185	▲51.1%
% of Net sales	4.9%	6.0%	▲1.2pt	10.5%	▲5.6pt
Personnel expenses	826	529	+56.1%	734	+12.6%
% of Net sales	44.6%	40.0%	+4.5pt	41.7%	+2.8pt
Rents	82	77	+6.6%	81	+1.2%
% of Net sales	4.5%	5.9%	▲1.4pt	4.6%	▲0.2pt
Sales commission	32	26	+22.6%	33	▲1.9%
% of Net sales	1.8%	2.0%	▲0.3pt	1.9%	▲0.1pt
Other	453	147	+207.0%	430	+5.2%
% of Net sales	24.4%	11.2%	+13.3pt	24.5%	▲0.1pt
Operating income	**▲122**	**120**	**-**	**▲180**	**-**
Operating margin	▲6.6%	9.1%	▲15.7pt	▲10.2%	+3.6pt
Non-operating income	**0**	**3**	**▲73.3%**	**0**	**+51.5%**
Non-operating expenses	**32**	**34**	**▲4.6%**	**16**	**+98.3%**
Ordinary income	**▲154**	**89**	**-**	**▲196**	**-**
Extraordinary gain	**-**	**-**	**-**	**-**	**-**
Extraordinary losses	**-**	**-**	**-**	**-**	**-**
Net income attributable to owners of parent	**▲155**	**88**	**-**	**▲184**	**-**

Note: 1. Plaid acquired 64.0% voting rights in Emotion Tech on September 28, 2021. We consolidate balance sheet of Emotion Tech and posted a gain on step acquisitions and other adjustments, in the consolidated statement of income as consolidation adjustments in FY 9/21

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Appendix

Income Statement (Q1-Q2)[1]

(JPY mil.)	FY 9/22 Q2	FY 9/21 Q3	YoY
Net sales	**3,616**	**2,532**	**+42.8%**
Subscription revenue (PLAID SaaS)	3,059	2,419	+26.5%
Subscription revenue (Other)	146	-	-
Other	411	112	+264.3%
Gross profit	**2,648**	**1,843**	**+43.7%**
Gross profit margin	73.2%	72.8%	+0.4pt
SG&A	**2,952**	**1,710**	**+72.6%**
% of Net sales	81.6%	67.5%	+14.1pt
Advertising expenses	275	170	+61.8%
% of Net sales	7.6%	6.7%	+0.9pt
Personnel expenses	1,561	1,060	+47.3%
% of Net sales	43.2%	41.9%	+1.3pt
Rents	164	155	+6.0%
% of Net sales	4.5%	6.1%	▲1.6pt
Sales commission	66	54	+22.7%
% of Net sales	1.8%	2.1%	▲0.3pt
Other	884	269	+227.6%
% of Net sales	24.4%	10.7%	+13.8pt
Operating income	**▲303**	**133**	**-**
Operating margin	▲8.4%	5.3%	▲13.7pt
Non-operating income	**1**	**4**	**▲65.8%**
Non-operating expenses	**49**	**209**	**▲76.4%**
Ordinary income	**▲351**	**▲71**	**-**
Extraordinary gain	**-**	**-**	**-**
Extraordinary losses	**-**	**70**	**▲100.0%**
Net income attributable to owners of parent	**▲340**	**▲143**	**-**

Note: 1. Plaid acquired 64.0% voting rights in Emotion Tech on September 28, 2021. We consolidate balance sheet of Emotion Tech and posted a gain on step acquisitions and other adjustments, in the consolidated statement of income as consolidation adjustments in FY 9/21

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Appendix

Balance Sheet(1)

(JPY mil.)	FY 9/20	FY 9/21	Q2 FY 9/22
Total current assets	2,642	4,956	5,613
Cash and deposits	2,091	4,172	4,716
Notes and accounts receivable, trade	475	645	769
Other	75	138	127
Total non-current assets	426	2,027	2,027
Total current liabilities	1,084	1,640	1,705
Total non-current liabilities	380	390	1,265
Total net assets	1,604	4,953	4,670

Note: 1. Table on the right shows non-consolidated figures for FY 9/20 and before, and consolidated figures for FY 9/21 only

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Appendix

Cash Flow Statement (1)

(JPY mil.)	FY 9/20	FY 9/21	Q1-Q2 (6 months) FY 9/22
Cash flow from operating activities	▲1,012	410	▲583
Cash flow from investing activities	▲167	▲1,330	▲92
Cash flow from financing activities	1,897	2,999	1,220
Net change in cash and cash equivalents	717	2,080	544
Cash and cash equivalents at end of period	2,091	4,172	4,716

Note: 1. Table on the right shows non-consolidated figures for FY 9/20 and before, and consolidated figures for FY 9/21 only

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Appendix

Opex Ratios to Net Sales (Non-Consolidated)

(JPY mil.)	FY 9/20	Q1 FY 9/21	Q2 FY 9/21	Q3 FY 9/21	Q4 FY 9/21	Q1 FY 9/22	Q2 FY 9/22
S&M	2,443	497	488	542	737	785	736
% of Net sales	61.0%	41.2%	36.9%	38.7%	48.8%	49.5%	44.9%
R&D	951	227	237	269	286	346	364
% of Net sales	23.7%	18.8%	17.9%	19.2%	19.0%	21.9%	22.2%
G&A	538	123	135	140	136	151	167
% of Net sales	13.4%	10.2%	10.3%	10.0%	9.0%	9.6%	10.2%

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Appendix

Long Term Model (1)
(PLAID SaaS)

	FY 9/20	FY 9/21	Q2 FY 9/22	Long term model
Gross profit margin	71.2%	73.3%	73.6%	75-80%
S&M	61.0%	41.6%	44.9%	25-30%
R&D	23.7%	18.7%	22.2%	18-20%
G&A	13.4%	9.8%	10.2%	8-10%
Operating margin	▲26.9%	3.1%	▲3.7%	20-25%

Note: 1. This long term model is forward-looking, is subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company, and is based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material due to a number of factors, including those described in the "Risk Factors" section of the Offering Circular issued as of December 17, 2020. Nothing in this presentation should be regarded as a representation by any person that this long term model will be achieved, and the Company undertakes no duty to update its model as circumstances change

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Company Overview

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Overview

Company Name	**PLAID, Inc.**
Founded	**October 2011**
Headquater	**GINZA SIX 10F, GINZA 6-10-1, Chuo-ku, Tokyo, Japan 104-0061**
CEO	**Kenta Kurahashi**
# of Employees	**326 (Consolidated, as of March 2022)**
Business Detail	**Provision of KARTE (CX[1] Platform SaaS)**

Note: 1. Customer experience. This refers to the sum of interactions between an organization and its customer that contributes to the resulting impression that the customer develops and maintains with respect to that organization or its products and services. This can encompass anything from product design and quality to traditional notions of customer service



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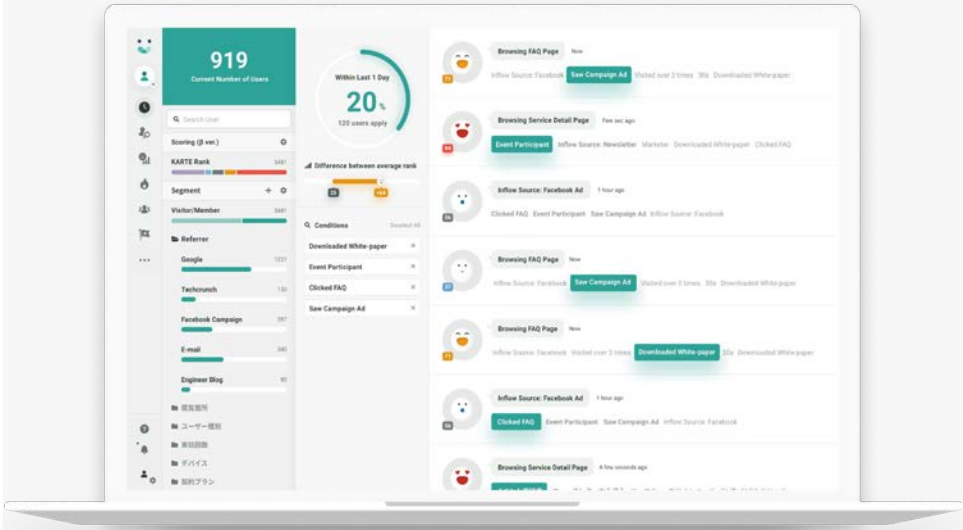
Products

KARTE

Visualize the “Now” of Each Customer
with Proprietary Real-time Analysis Engine

Realize Flexible Actions (Customer Experience Design)
based on Analysis Results



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Current Products/Services Lineup -1

Products/ Services	 **KARTE / KARTE for App**	 **KARTE Datahub**	 **KARTE Blocks**
Details	**Visualize the "now" of each and every customer based on a proprietary real-time analysis engine.** Enable companies to set up flexible actions or experiences suitable for customer's “now”	**Integrate, analyze and visualize** the customer data, behavioral data, and other data that exist inside and outside of a company **keeping it as big data.** Seamlessly linked with Google BigQuery	**Allow self-served website management without engineering skills (no code editing, low code customization** and measuring site performance etc.) **with tearing down every element of a website into blocks**

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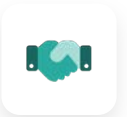
Current Products/Services Lineup -2

	KARTE Entry Series	EmotionTech CX/EX	TEAM / STUDIO ZERO
Products/ Services			
Details	This is a series of **purpose-built package solutions that leverage the use cases and knowledge** we have accumulated through the provision of KARTE. The first solution launched was the Cart Package, a solution that helps e-commerce businesses improve their shopping cart experience	It is a system and consulting service for **collecting, measuring, and analyzing customer feedback (emotional data)**, including NPS®(1) and customer satisfaction. It is provided by Emotion Tech, which joined the group in September 2021	**Professional services** which accompany companies such as supporting KARTE utilization and CX consulting. We launched STUDIO ZERO, a business development organization **specializing in the use of data in the business development phase**, in April 2021

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Feature of KARTE

Feature 1.

Visualization of individual customers

Feature 2.

Real-time analysis

Feature 3.

End-to-end solution

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Feature 1.

Visualization of individual customers

KARTE accumulates behavioral data of customers visiting a website on a customer-by-customer basis, and visualizes those by customer. This enables business operators to understand the status and needs of individual customers intuitively and to implement and examine measures to provide a better experience to customers



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Feature 2.

Real-time analysis

KARTE analyzes the real-time behaviors of customers visiting a website, etc., such as "They have been considering a specific product for a long time," together with the past data. This enables businesses to communicate appropriately with customers, without overlooking a timing or sign of their intent to purchase or similar factor



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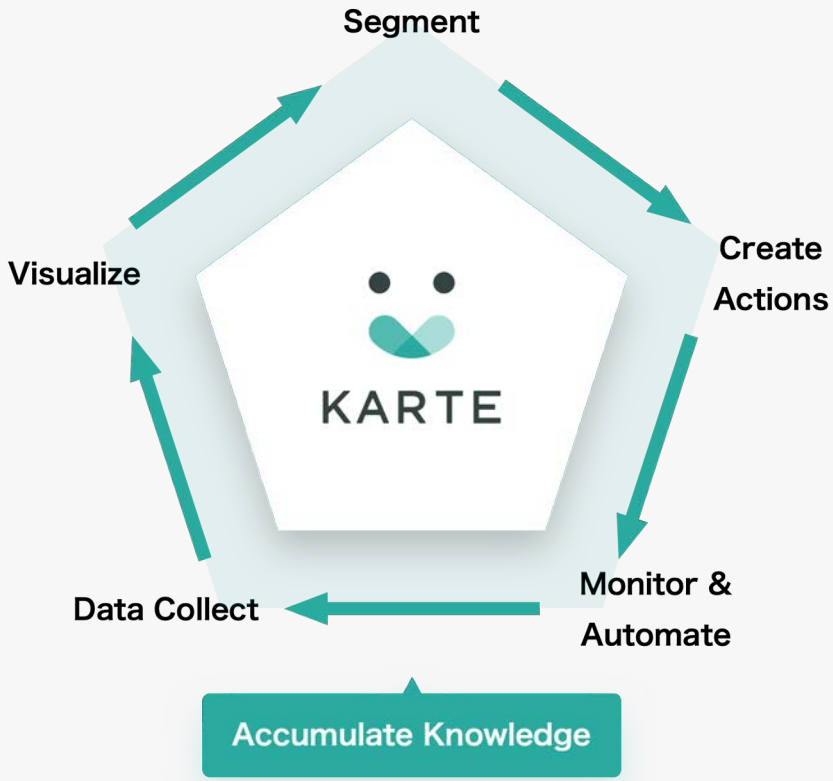
Feature 3.

End-to-end solution

Unlike dedicated marketing tools for customer analysis, e-mail delivery, Web chat, delivery via social media, or other specific purposes, KARTE enables organizations to implement customer-related operations, from customer analysis to the automating actions



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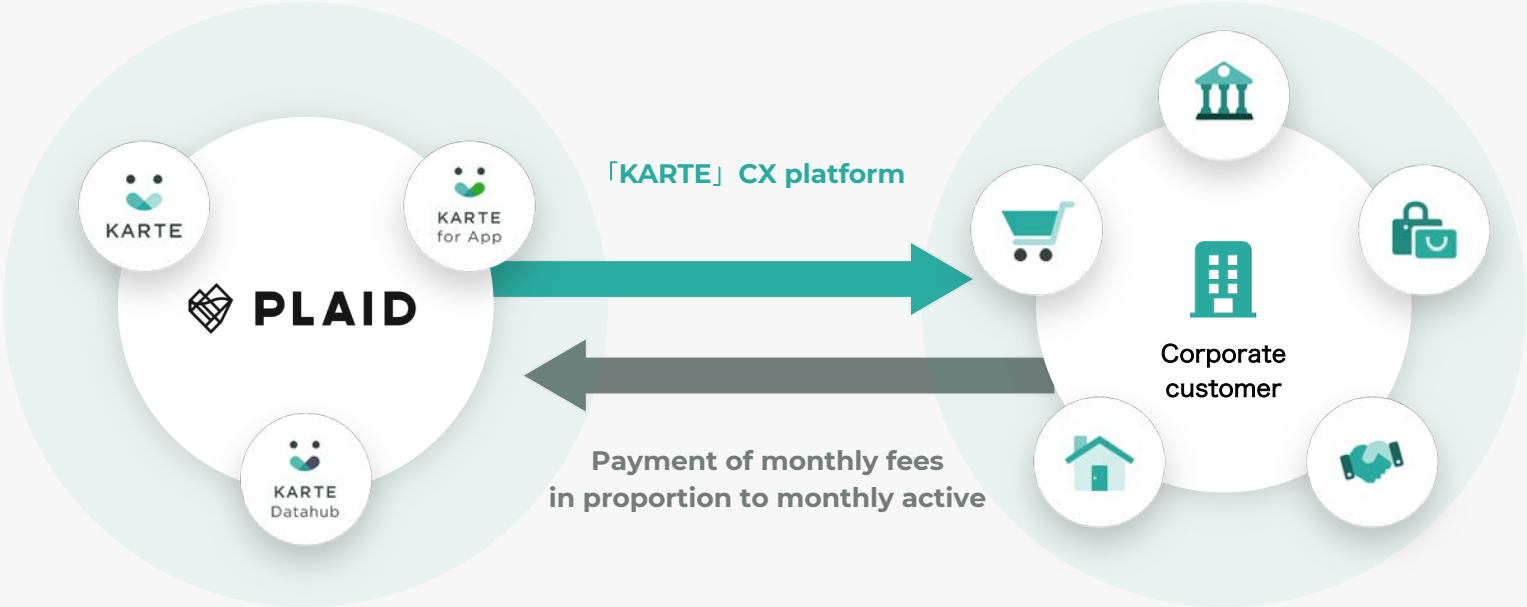
Business Model

A Subscription model in which pricing is based on monthly active users on website or smartphone app
(Annual contract)



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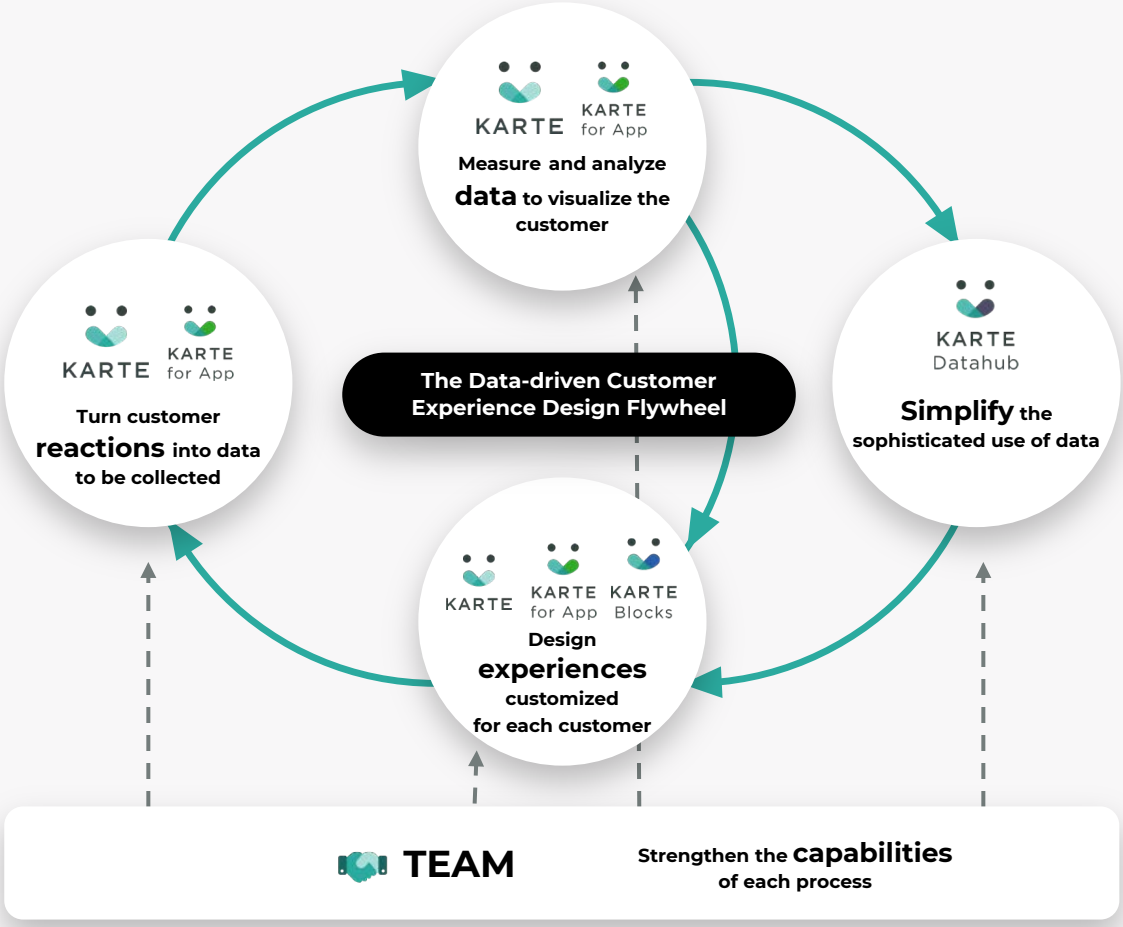
Focus on Supporting the Design of Customer Experience Centered around Customer Data

Improving customer experience value is realized through the cycle of measuring, integrating, and analyzing data, visualizing customers and improving the resolution of customer understanding through analysis, designing customized experiences for every customer, and collecting reactions

PLAID provides products and services for each of these processes



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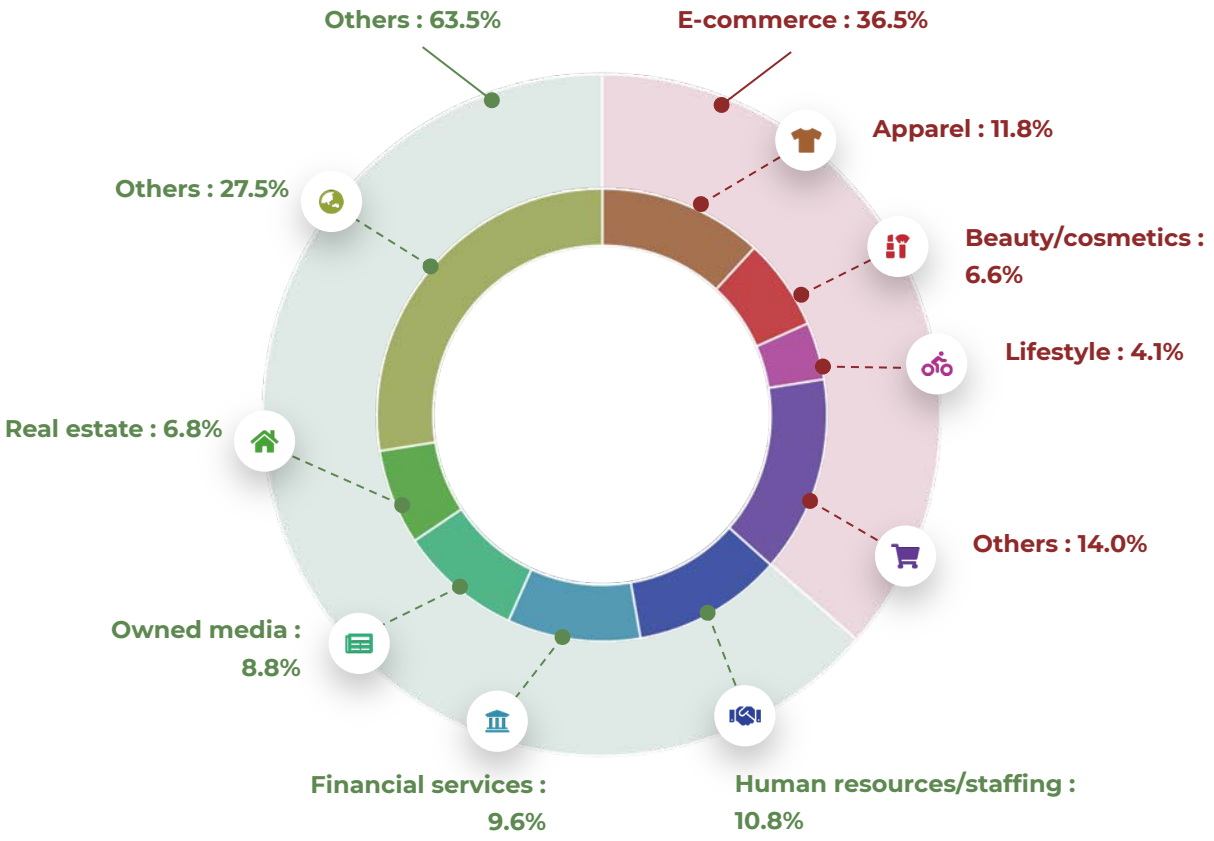
Customers by Industry

Percentages of Subscriptions by Industry (1)



Note: 1. Industry percentage as of September 30, 2021

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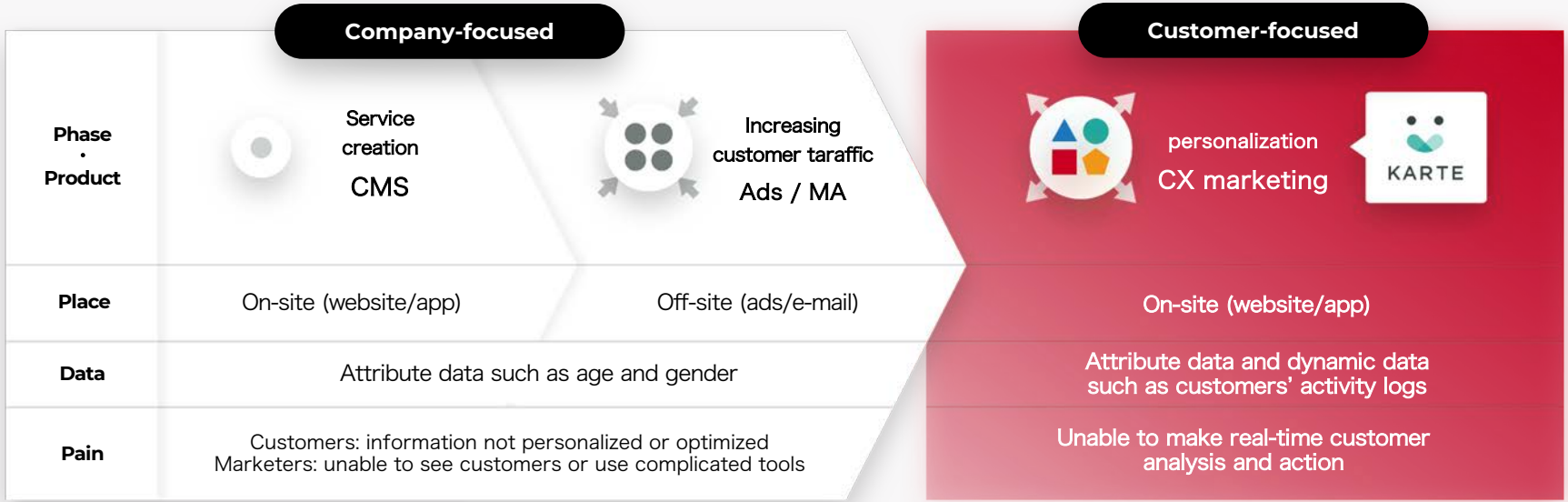
Paradigm shift in Digital Maketing



From the phase of service creation and customer attraction
To the phase communicating value to customers

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Increasing Frustrations with Digital Marketing

The customers'

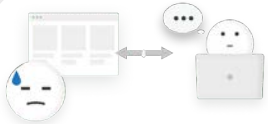


Contents are not streamlined for individual customers



Overwhelming amount of information and repetitive messages from marketers

Marketers'



Unable to understand website customer behavior and make actions to them on real-time basis



Lack of basis for "individual" and "personalized" actions

Digital marketing initiatives taken by companies without understanding their customers do not necessarily contribute to the improvement of the user and customer experience

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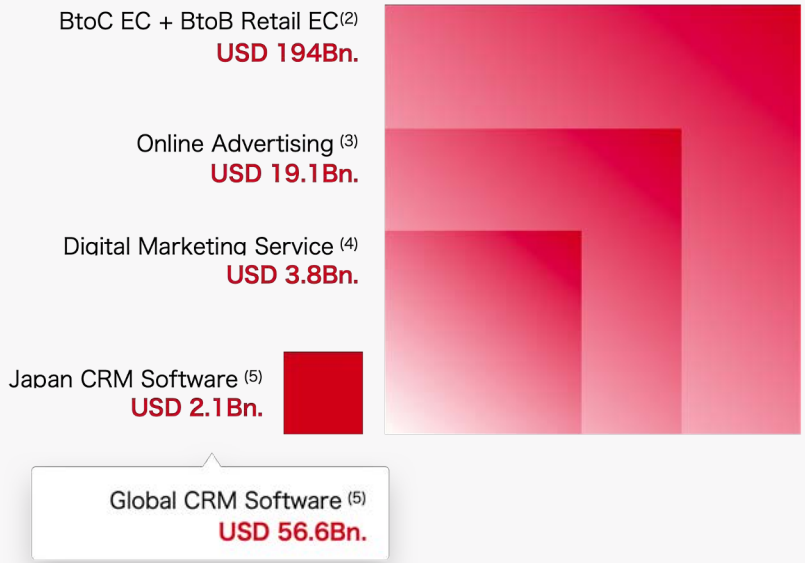
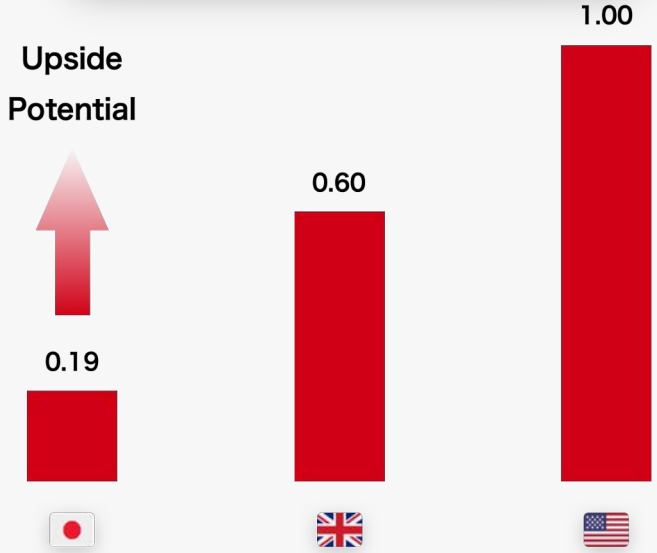
Multiple Touchpoints to Large and Extensive TAM

Extensive Estimated TAM in Japan[1]



Cloud CRM Software Penetration[6]



Notes: 1. Exchange rate at JPY/USD=110.0 / 2. Ministry of Economy, Trade and Industry, "Results of FY 2019 E-Commerce Market Survey" / 3. Dentsu Inc, "Advertising Expenditures in Japan for 2019". Internet advertising expenditure / 4. IDC, spending in 2019, "Digital Marketing-related Services Market in Japan, 2020-2024" / 5. Gartner, "Forecast: Enterprise Application Software, Worldwide, 3Q20 Update". Market size of customer experience and relationship management excluding digital commerce market in 2019 / 6. Source: Gartner, "Forecast: Enterprise Application Software, Worldwide, 2018-2024, 3Q20 Update", Neha Gupta, et al., 30 September 2020, Penetration = (Market Size of Customer Experience and Relationship Management (CRM) Software CY 2019) / (CY 2019 Total Selling and Marketing Expense by Listed Companies). Market Size of Customer Experience and Relationship Management (CRM) Software includes the market both for listed and private companies. Total Selling and Marketing Expense includes numbers only from listed companies

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Security, Privacy Protection, etc

Information assets handled by the Company are valuable information held by its corporate customers. The Company takes measures based on its understanding of initiatives to protect this information, believing that the protection of privacy and personal information are extremely important. At present, the Company's services are used by a large number of corporate customers including major financial institutions

Security

Authentication
The company has obtained multiple security authentications, including ISMS(ISO 27001) and cloud security authentications (ISO 27017)

Encryption
All communications with KARTE are encrypted using https(TLS1.3)

Authorizations
KARTE permits detailed authorizations on a user-by-user basis

SLA
Operation rate of 99.5% is set in SLA for KARTE

Automatic testing
In addition to several hours of automatic testing including testing using multiple browsers, humans also test manually

Auto scaling
Active servers are added automatically based on load, ensuring stable operations

Redundancy
All servers are redundant, in principle, to improve fault tolerance

Operations
Human error is eliminated by automating deployment, server operations, and other daily operations using commands, etc.

Monitoring
The company has created a flow in which all components such as instances and databases, including the cloud, are monitored so that abnormalities can be addressed immediately

Protection of Privacy

Authentication
The Company has acquired the Privacy Mark certification

Unrestricted permissions
The data sent to KARTE can be designed without restrictions, in accordance with customer's privacy policy

Customer alerts, etc.
The company takes more initiatives than required by law to protect privacy and personal information, such as alerting customers and receiving agreements from them

Opt-out
The company has created an opt-out page for end users who wish to opt out of tracking. It is striving to inform users of this page

Maximize the value of people with the power of data

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