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February 12, 2025

Company name: Appier Group, Inc.
Representative: Chih-Han Yu, Representative Director and CEO
(TSE Prime Code: 4180)
Contact: Koji Tachibana, Senior Vice President of Finance
(TEL. + 81 – 3 – 6435 – 6617)

Announcement Regarding Share Acquisition of French Company, ADYOUNEED SAS (AdCreative.ai)

Appier Group, Inc. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on February 12, 2025, to acquire shares of ADYOUNEED SAS (hereafter referred as AdCreative.ai) and make it a wholly owned subsidiary of the Company. The details are described below.

I Reason for the acquisition of shares

1) Our initiatives

Our mission is "Turning AI into ROI by making software intelligent". We have empowered our customers to enhance their ROI (return on investment) in marketing activities through AI-powered SaaS solutions.

Over the past few years, we have developed robust product lines to address key marketing challenges, including user acquisition, retention, and analysis. These solutions have empowered our customers with AI-driven capabilities for digital marketing execution including decision-making and insight analysis. With the rise of Generative AI, we believe its role will expand further, revolutionizing creative ideation and execution—particularly in generating marketing creatives that drive real business impact.

Since our IPO in 2021, our revenue has approximately tripled from FY20 to FY23, with EBITDA margin turning positive and reaching 10.7% in FY23. The revenue from the US and EU has grown from zero to 20%, highlighting a clear opportunity to accelerate growth in these regions. To capture the significant market potential, we are pursuing both organic and inorganic growth strategies.

The strong synergies between our products and geographic expansion opportunities have led to our decision to acquire Adcreative.ai.

2) Business overview of Adcreative.ai

Adcreative.ai is an AI-powered platform that revolutionizes digital advertising creatives through advanced artificial intelligence technology. The platform employs sophisticated Generative AI models and comprehensive proprietary datasets to streamline and enhance the creative development process, enabling users to generate high-impact advertising materials optimized for various digital channels.

Its distinctive capability lies in producing conversion-optimized ad creatives, designed to maximize engagement metrics and deliver superior return on investment. The platform also offers robust analytics and performance tracking tools, allowing businesses to make data-driven decisions about their creative strategies. Additionally, its competitive analysis features provide valuable market insights, enabling organizations to position their advertising efforts more effectively within the industry context.

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AdCreative.ai has established itself as a leader in Generative AI innovation, distinguished by its performance-driven methodology, intuitive user interface, and consistent delivery of premium advertising content. The platform maintains a global presence, with particular strength in the US and EU markets. Its diverse client portfolio encompasses businesses of multiple sectors, including retail, e-commerce, fashion, and various other industries. The platform's Enterprise-grade features, specifically engineered for large-scale global companies, have demonstrated early success and traction with Enterprise customers. Adcreative.ai presents strong synergy potentials with Appier's focus on the Enterprise segment.

3) Synergies from the acquisition to make it a wholly owned subsidiary

a) Acceleration of Generative AI product development

The expertise of AdCreative.ai in GenAI-powered creative automation accelerates our product innovation, reinforcing our leadership in AI-driven marketing solutions.

b) Strengthen our data moat

With access to AdCreative.ai's vast creative database, our AI models can continuously learn and improve, further differentiating our platform with richer insights and higher-performing automation.

c) TAM expansion

By combining Appier's strength in APAC and Digital Content in the US with AdCreative.ai's strong presence in the e-commerce vertical in the EU, we significantly expand our addressable market and unlock new growth opportunities in Creative AI.

4) Impact on the group's revenue and profitability

On the profitability front, by integrating AdCreative.ai, a high gross margin SaaS product, we expect to drive our group's overall gross margin and strengthen our long-term profitability.

In terms of revenue, we expect to expand the group's revenue base, including Adcreative.ai's revenue foundation in the European region, enabling further sustainable growth.

Additionally, we expect to improve Adcreative.ai's profitability after integration by enhancing its cost management and customer management efficiency through operating synergies. In the long term, we believe that Adcreative.ai will contribute to improve the profitability of our group.

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II Overview of the subsidiary (AdCreative.ai) subject to change

(1)	Name	ADYOUNEED SAS (AdCreative.ai)	
(2)	Location	40 RUE DES BLANCS MANTEAUX 75004 PARIS 4, FRANCE	
(3)	Job title and name of representative	Chief Executive Officer, Alexandre Leciel	
(4)	Description of business	Provides “AdCreative.ai,” an AI-driven platform that enables automatic generation of optimal ad creatives	
(5)	Share capital	1,196.40 EUROS Approx. JPY 191,424 (at an exchange rate of JPY 160 per EUR)	
(6)	Date of establishment	November 13, 2018	
(7)	Major shareholders and ownership ratios	Alexandre Leciel: 43.48% Others: 56.52% (Note) Alexandre Leciel is the founder of ADYOUNEED SAS and holds a total of 78.38% of the issued shares through asset management companies.	
(8)	Relationship between the Company and said company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable

(9) Consolidated operating results and consolidated financial positions of said company for the last three years

(EUR)

As of / Fiscal year ended	December 31, 2021	December 31, 2022	December 31, 2023
Total equity	1,189,388	1,065,564	92,267
Total assets	1,790,008	1,806,129	4,240,499
Revenue	814,477	1,614,634	15,369,550
Operating profit	298,702	-63,840	-3,807,956
Profit before tax	295,589	-74,117	-3,792,872
Profit attributable to owners of the parent company	277,314	-83,840	-3,810,126
Earnings per share	27.06	-8.18	-318.47
Dividend per share	Not applicable	Not applicable	Not applicable

(Note) The expenses for sales, marketing, and product development increased for business expansion in FY22 and FY23.

III Overview of the counterparty to the acquisition of shares

(1)	Name	Alexandre Leciel
(2)	Address	Paris, France
(3)	Relationship between the Company and said person	Not applicable

(Note) In addition to the above, the Company will acquire shares from another 17 existing shareholders.

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IV Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before the change	0 shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0%)
(2)	Number of shares to be acquired	14,328 shares (Number of voting rights: 14,328 units)
(3)	Acquisition costs	Common shares of ADYOUNEED USD 27.3 million Advisory fees, etc. (Estimated amount) USD 0.85 million Total (Estimated amount) USD 28.15 million * Approx. JPY 4,222 million (at an exchange rate of JPY 150 per USD)
(4)	Number of shares held after the change	14,328 shares (Number of voting rights: 14,328 units) (Ratio of voting rights held: 100.0%)

(Note) The share purchase agreement includes an earn-out clause that may result in additional consideration being paid on top of the stated acquisition if the conditions specified in the agreement are met.

V Schedule

(1)	Date of resolution at the meeting of the Board of Directors	February 12, 2025
(2)	Date of conclusion of the agreement	February 12, 2025 (JST)
(3)	Date of commencement of share transfer	March 4, 2025 (scheduled)

VI Future outlook

This transaction has no impact on the Company's consolidated financial results for FY24.

The impact on the consolidated financial guidance for FY25 is currently under investigation and will be announced when the guidance is disclosed on February 14, 2025.

End