



# Earnings Results for the quarter ended Sep. 2024 (Q3 FY 9/24)

PLAID, Inc. (4165, TSE Growth) | August 2024

## 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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## Financial results summary

(JPY mil.)		Quarter			9M ended		
		FY 9/23 Q3	FY 9/24 Q3	YoY (%)	FY 9/23	FY 9/24	YoY (%)
Net sales	<b>Consolidated</b>	<b>2,210</b>	<b>2,797</b>	<b>+26.6%</b>	<b>6,310</b>	<b>8,062</b>	<b>+27.8%</b>
	Non-consolidated	1,952	2,543	+30.3%	5,578	7,185	+28.8%
	Group companies	366	380	+3.8%	929	1,217	+31.0%
	Consolidation Adjustment	-108	-126	-	-197	-340	-
Gross profit margin <sup>(1)</sup>	<b>Consolidated</b>	<b>72.0%</b>	<b>72.9%</b>	<b>+0.9pt</b>	<b>73.0%</b>	<b>71.3%</b>	<b>-1.7pt</b>
	Non-consolidated	73.4%	68.9%	-4.5pt	73.3%	69.8%	-3.5pt
	KARTE domain <sup>(4)</sup>	76.3%	75.1%	-1.1pt	75.9%	74.7%	-1.2pt
Adjusted operating income <sup>(2)</sup>	<b>Consolidated</b>	<b>-229</b>	<b>145</b>	<b>-</b>	<b>-272</b>	<b>363</b>	<b>-</b>
	Non-consolidated	-152	313	-	-69	716	-
	Group companies	-84	-189	-	-220	-400	-
	Consolidation Adjustment	7	21	-	17	47	+176.5%
ARR <sup>(3)</sup>	<b>Consolidated</b>	<b>7,603</b>	<b>9,508</b>	<b>+25.1%</b>	-	-	-
	Non-consolidated	6,939	8,444	+21.7%	-	-	-

# Financial Results - PLAID Group (Consolidated) -

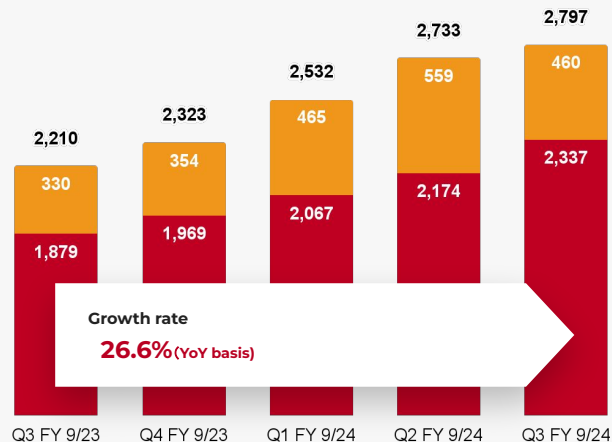
## Both net sales and ARR<sup>(1)</sup> in line with the revised plan

- Subscription revenues remained strong, ARR growth accelerated (Q2: 21.9% → Q3: 25.1%)
- Service, consulting and other revenues declined from Q2, but were in line with the revised plan

### Consolidated net sales

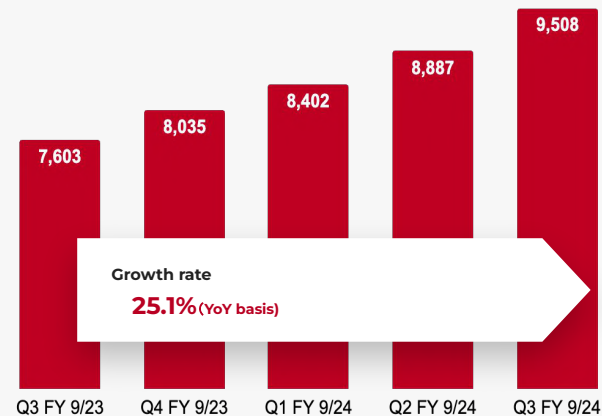
JPY mil.

- Service, consulting and other revenues
- Subscription revenue



### Consolidated ARR

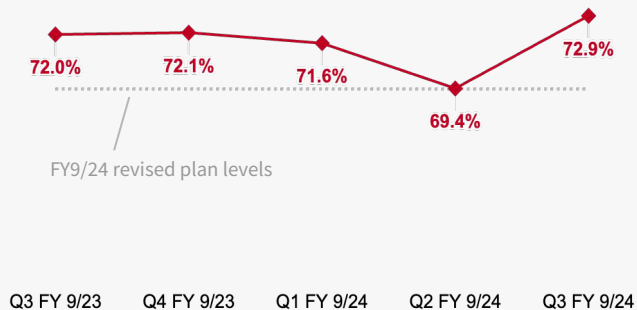
JPY mil.



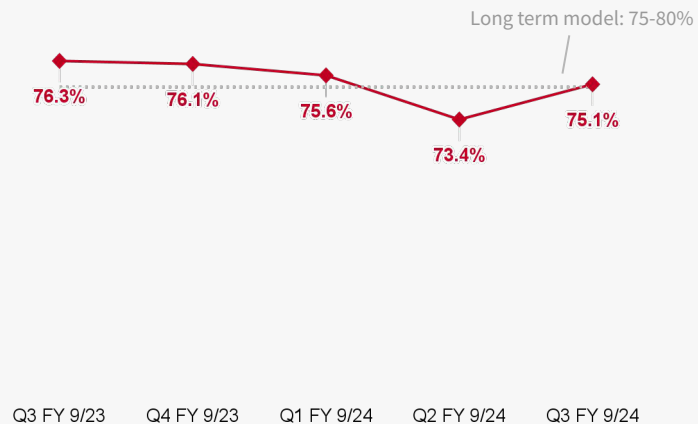
## Gross profit margin<sup>(1)</sup> improved from Q2 to 72.9%

- Gross profit margin improved due to the elimination of one-time expenses recorded in Q2 and the effect of shifting some intra-group transactions that were previously included in COGS to SG&A expenses

Gross profit margin\_consolidated

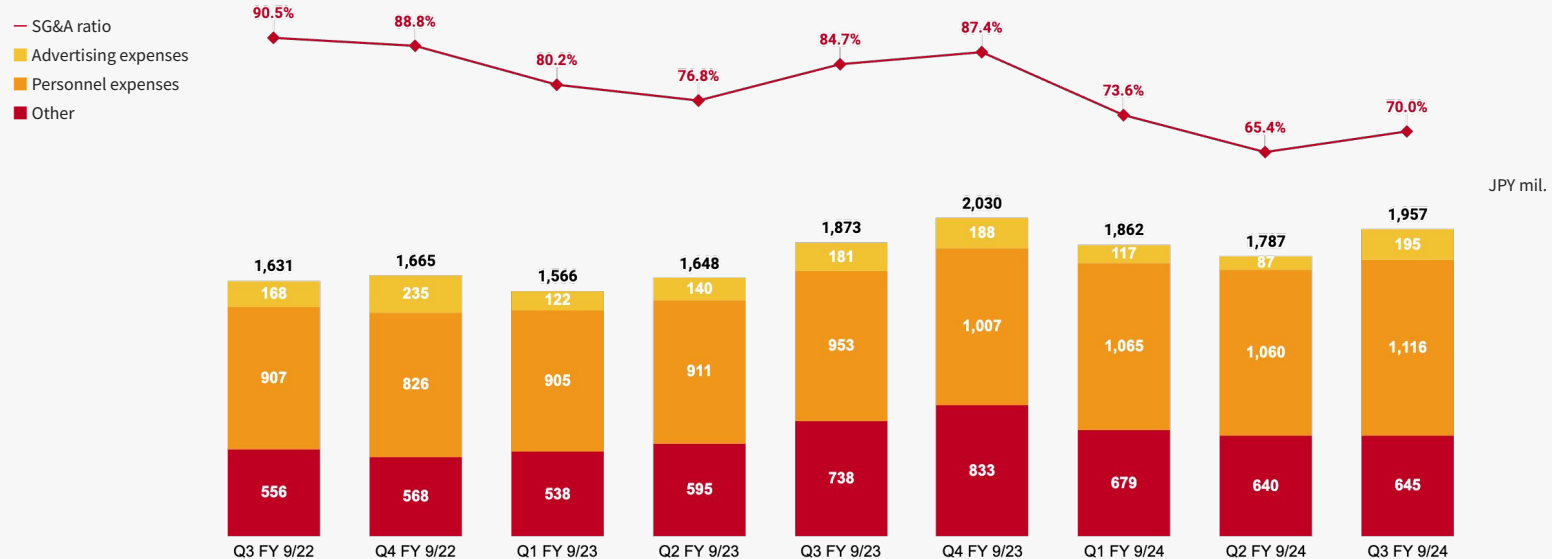


Reference) Gross profit margin\_  
KARTE domain<sup>(2)</sup>



## SG&A expenses remain under appropriate control

- As shown on the previous page, the SG&A ratio increased due to the effect of shifting a portion of COGS to SG&A expenses, but excluding this effect, the SG&A ratio increased slightly from Q2
- Additional growth investment of up to 300 JPY mil factored in at the time of guidance revision is expected to use about 100 JPY mil, most of which will be recorded in Q4



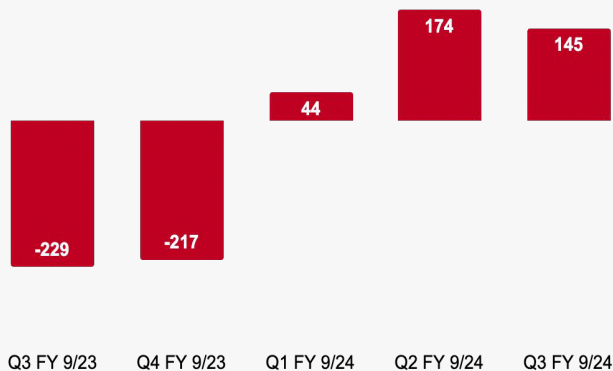


## Adjusted operating income<sup>(1)</sup> remained positive

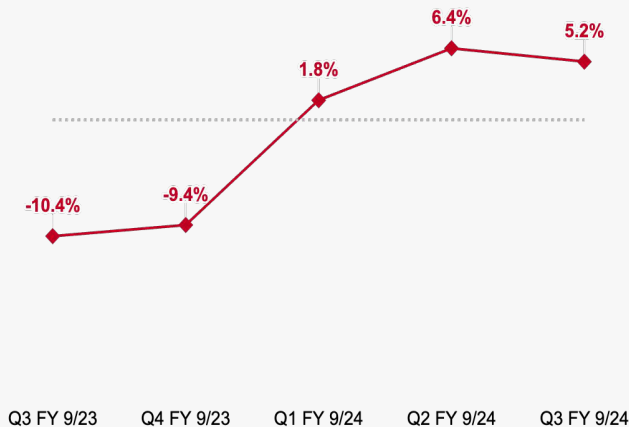
- Adjusted operating income for the Q3 cumulative period was 363 JPY mil, exceeding the annual plan of 275 JPY mil
- Q4 adjusted operating income is expected to be slightly lower than Q3 due to additional growth investment costs, but the annual plan is expected to be achieved

### Adjusted operating income

JPY mil.



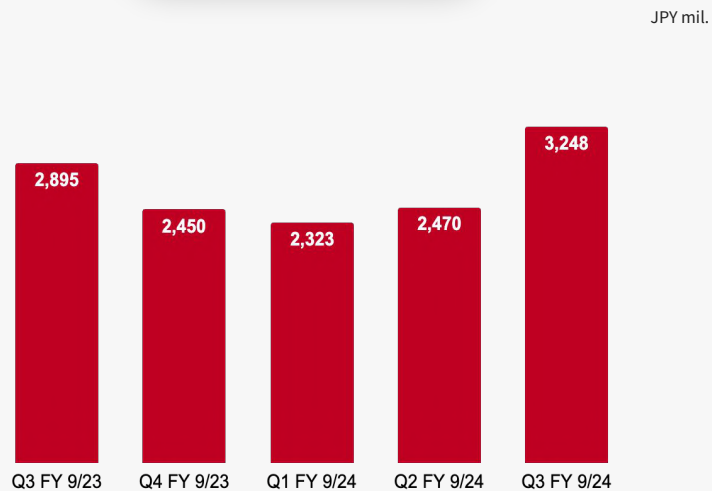
### Adjusted operating margin



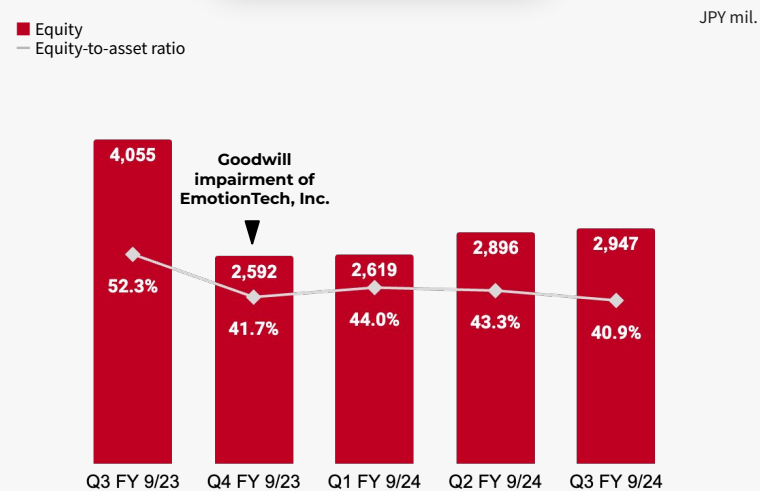
## Cash on hands and equity ratio is maintained favorable level

- Net cash increased due to lump-sum annual payments as contract renewals are concentrated in Q3
- Equity capital is expected to increase, mainly due to Plaid's improved profitability

### Net cash



### Equity



# **PLAID (Non-Consolidated) / Group Companies**

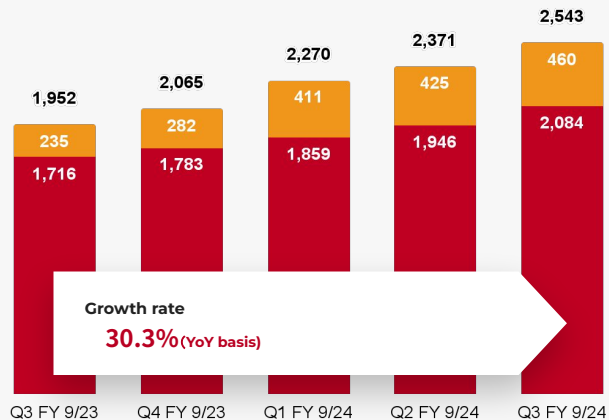
## Growth rates of both net sales and ARR<sup>(1)</sup> have been accelerated

- Subscription revenues and service, consulting and other revenues remained strong, with growth rate exceeding 30% in YoY
- ARR growth also accelerated (Q2: 19.3% → Q3: 21.7%)

### Net sales

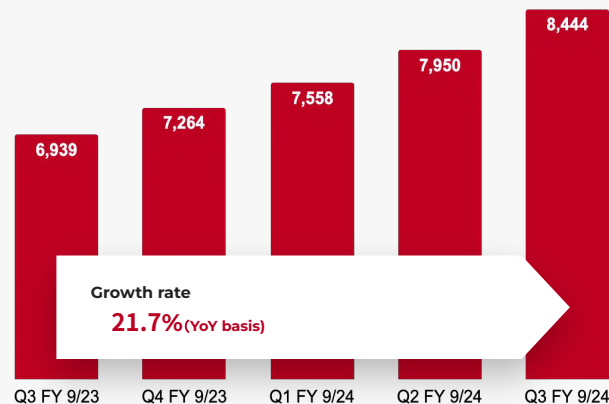
■ Service, consulting and other revenues  
■ Subscription revenue

JPY mil.



### ARR

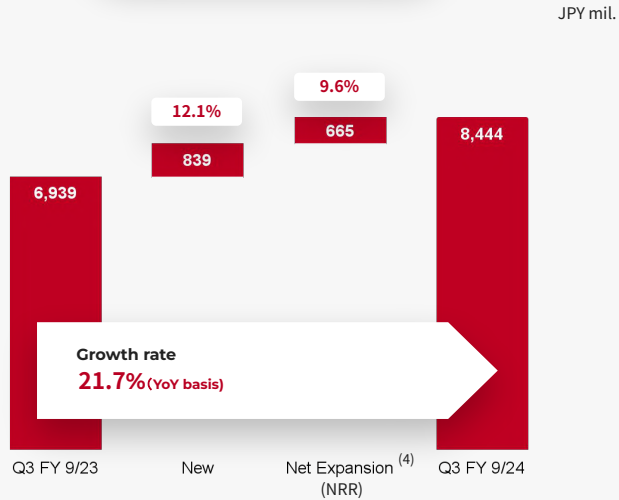
JPY mil.



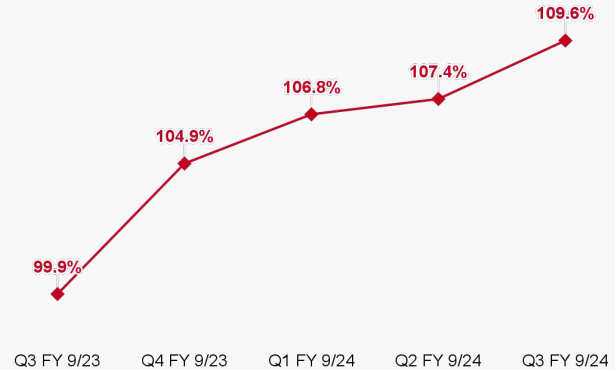
# Attribution analysis of ARR<sup>(1)</sup> growth

- Quarterly NRR<sup>(2)(3)</sup> for Q3 marked 109.6%
- Favorable renewal rate and up-selling/cross-selling led to steady growth

## ARR bridge



## NRR

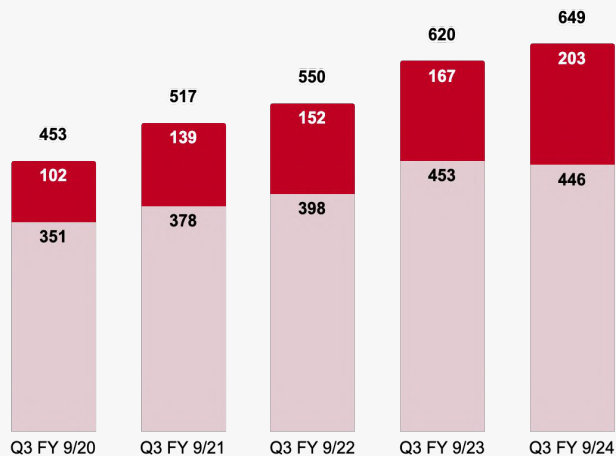


## Number of customers<sup>(1)</sup> and ARPC<sup>(2)</sup>

- The strategy of providing "Products x Professional services" as a one-stop services to enterprise companies is working effectively, and the number of customers and ARPC with ARR over 10 JPY mil have been increased

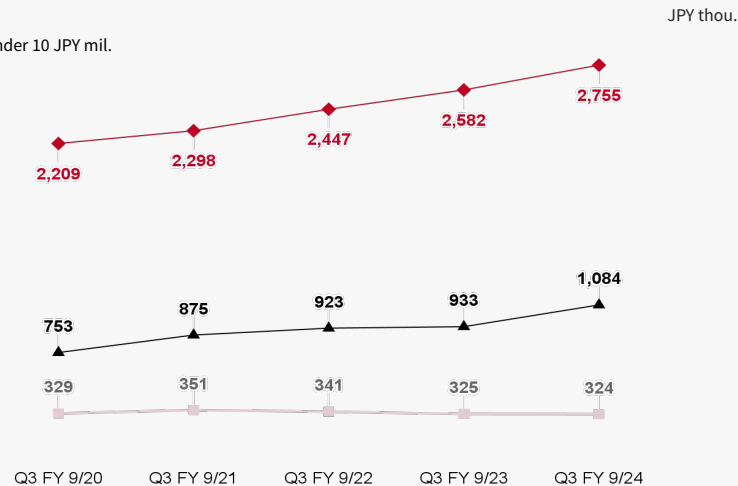
### Number of customers

■ ARR over 10 JPY mil.  
■ ARR under 10 JPY mil.



### ARPC

◆ ARR over 10 JPY mil.  
▲ All  
■ ARR under 10 JPY mil.

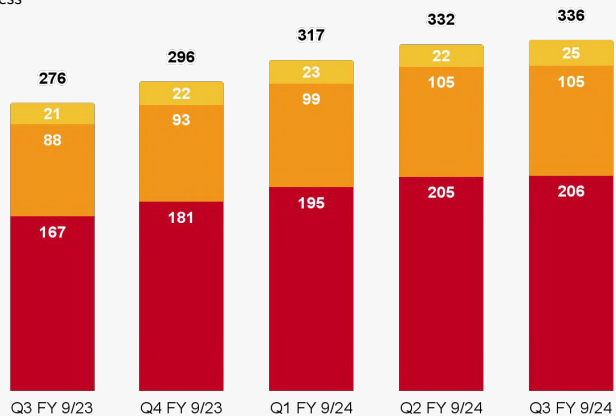


## Number of employees<sup>(1)</sup>

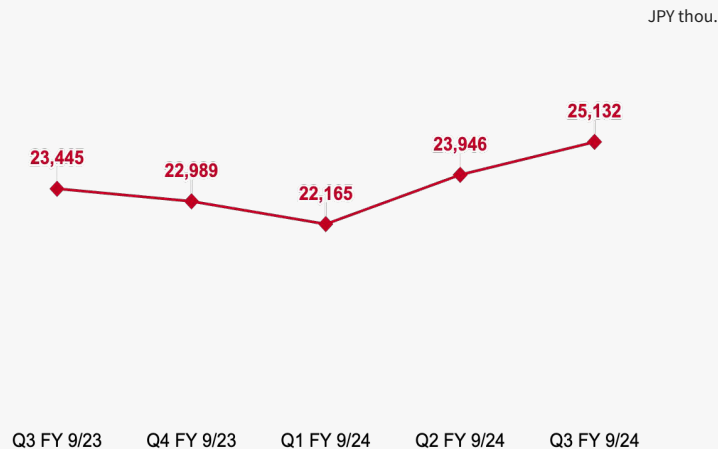
- Number of employees at the end of Q3 was 336
- In Q4, hiring will increase mainly in customer success and STUDIO ZERO
- Hiring has been progressing well since the number of employees at the end of the fiscal year is expected to be around 340-350

### Number of employees

■ Accelerator (Administration)  
■ Product  
■ Business



### ARR per employee

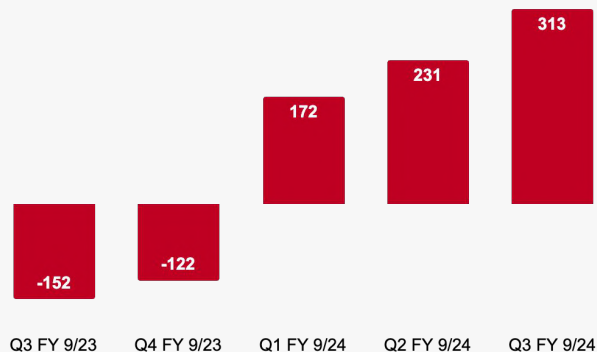


## Adjusted operating income<sup>(1)</sup> increased from Q2 to 313 JPY mil

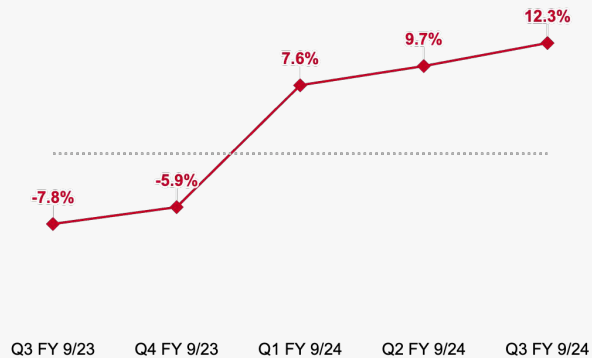
- Adjusted operating margin has been improving steadily due to steady sales growth and appropriate cost control
- Continue to operate with the balance between sales growth and profitability

### Adjusted operating income

JPY mil.



### Adjusted operating margin





# Both net sales and adjusted operating income<sup>(1)</sup> were lower than expected

- Subscription revenues were in line with the revised plan, while service, consulting and other revenues declined due to the loss of a large project at EmotionTech
- As a result of the above, adjusted operating income was more negative than expected

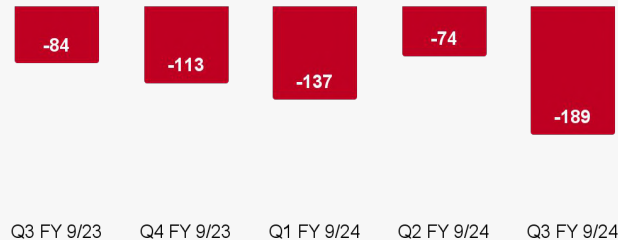
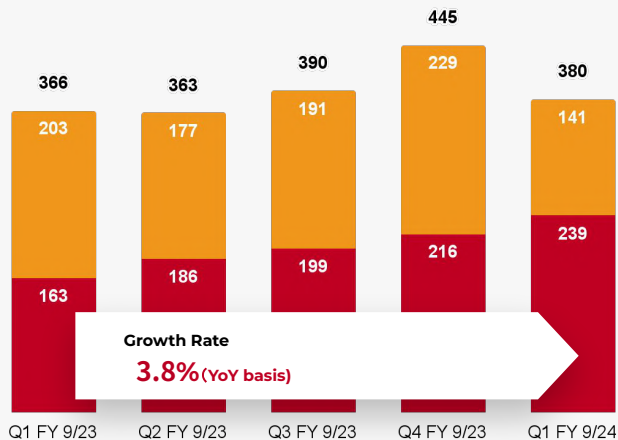
## Net sales

## Adjusted operating income

■ Service, consulting and other revenues  
■ Subscription revenue

JPY mil.

JPY mil.



## Business situation and measures for Emotion Tech

- Business growth was expected through the following initiatives, but growth has been sluggish due to delays in product updates and operational issues in sales activities
- Improving business through restructuring, including accelerated product development, improved business operations, and cost reductions

### Major product updates

- Currently revamping products with a focus on expanding the data analysis platform centered on "VoC (Voice of Customers<sup>(1)</sup>) " and strengthening functions for linking with various types of data
- Driving subscription revenues growth through this update



### Expanding business with enterprise companies

- Enhanced its customer value proposition by providing data integration and operation solutions and services in addition to CX management design



### Promotion of AI-based solutions

- Provides text AI analysis services using GPT-4 and ChatGPT
- Combining their knowledge of VoC with AI significantly reduces the cost of reading and interpreting text data, which has been an issue in traditional text analysis



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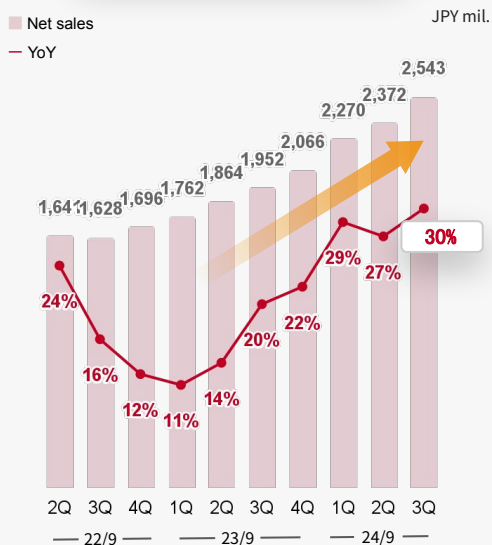
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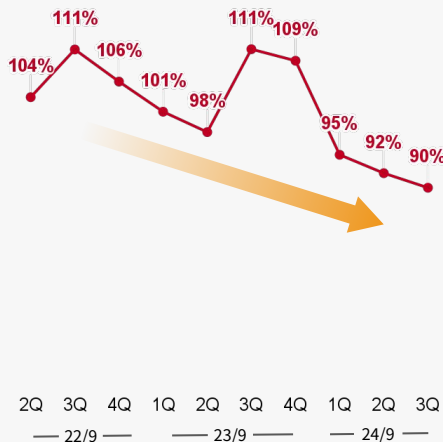
## Business review of Plaid (Non-consolidated) - PL summary

- After a decline in revenue in Q3 FY9/22, our business operations have been revamped in all aspects
- As a result of the above, sales growth has returned to a favorable level and profitability has improved at the same time

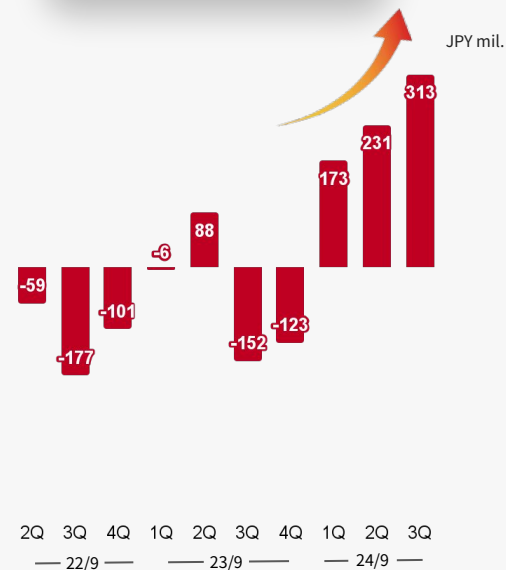
Net sales and growth rate



COGS ratio + SG&A ratio



Adjusted operating income<sup>(1)</sup>



## Business review of Plaid (Non-consolidated) - Net sales

### Clarification of strategies

- Providing “Products × Professional service” hybrid model to enterprise companies



### Increased value proposition

- The growth of multiple products released around 2022 has accelerated our product strategy that can meet various customer's needs
- Professional services that support from customer strategy planning to product implementation and operation have been growth rapidly
- Established a unique position as a "partner that can effectively support BX," different from product vendors and consulting firms, with an increasing number of comprehensive transactions with enterprise companies

### Organization and system redesign

- Reorganization of industry cut across sales/customer success departments to strengthen proposal capabilities
- Renewal of the assessment system to make the organization function effectively and advancement of enablement for individual capability development has also been enhanced

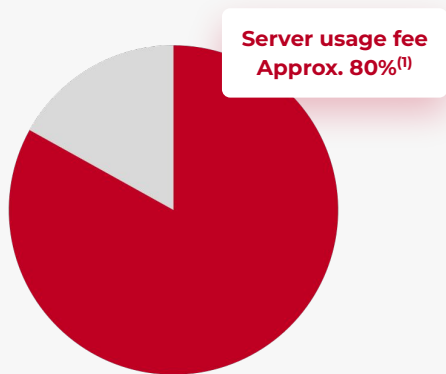
### Operation revamp

- Steady new customer acquisition and up-selling / cross-selling through account plannings based on industry and customer focus segments
- Quantify the usage status of installed products, and take thorough actions to encourage utilization and minimize churn based on the monitoring of these scores

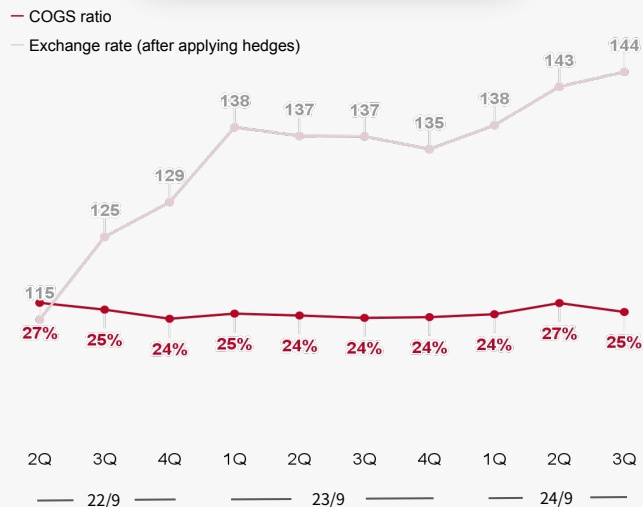
## Business review of Plaid (Non-consolidated) - COGS

- USD-paid server usage fees account for approximately 80% of COGS in the KARTE domain
- COGS ratio remained at the same level despite the rapid yen depreciation since Q2 FY9/22, through upgrading real-time analysis engine, more efficient server utilization and cost management on a daily basis

**COGS composition**



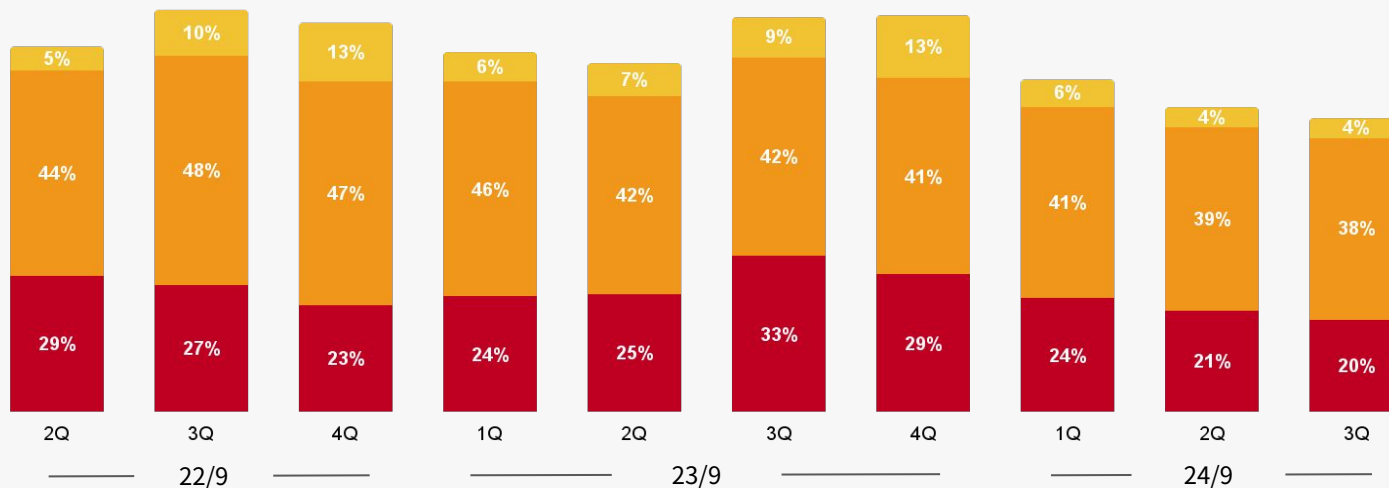
**COGS ratio<sup>(2)</sup> and Exchange rate**



## Business review of Plaid (Non-consolidated) - SG&A

- Efficient marketing investment and acquisition of human resources have been proceeded through clarifying strategies such as industry and customer segmentation
- ROI-oriented investments and enhanced monitoring of overall SG&A expenses have been progressing, and have become a major factor in increasing profitability

■ Advertising expenses ratio  
■ Personnel expenses ratio<sup>(1)</sup>  
■ Other expenses ratio



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## Key Takeaways

1

### **Business foundation for sustainable growth has been established**

- Strong business progress, with sales growth returning to favorable levels and significant improvement in profitability
- The above is the result of comprehensive internal transformation, including clarification of strategy, organizational redesign, operational revamping, and enhanced cost monitoring, and has created a stable business foundation
- Business outlook remains favorable and sustainable growth is expected

2

### **Both net sales and adjusted operating income<sup>(1)</sup> are on track to achieve the fiscal year plan**

- Plaid led the consolidated results, with steady growth in both net sales and adjusted operating income
- In particular, adjusted operating income of 363 JPY mil in the Q3 cumulative total has already exceeded the fiscal year plan of 275 JPY mil, and is highly likely to be achieved
- Aiming for further growth by focusing on improving the value proposition by the entire group, including consolidated subsidiaries, in addition to further strengthening the business foundation



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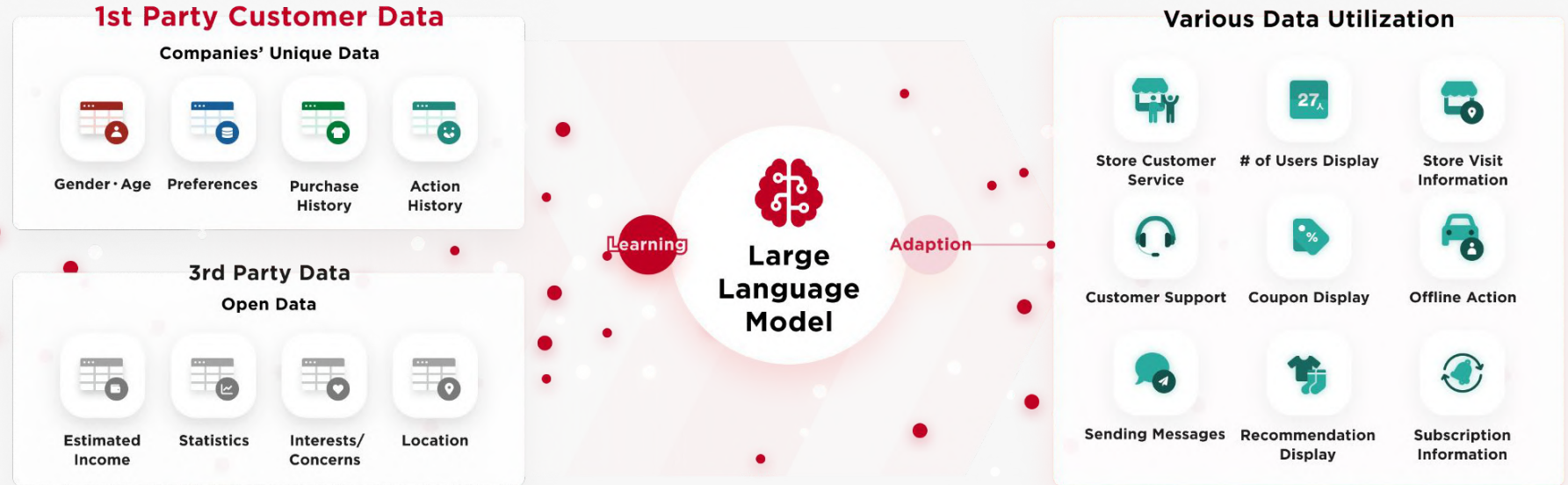
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# External Environment

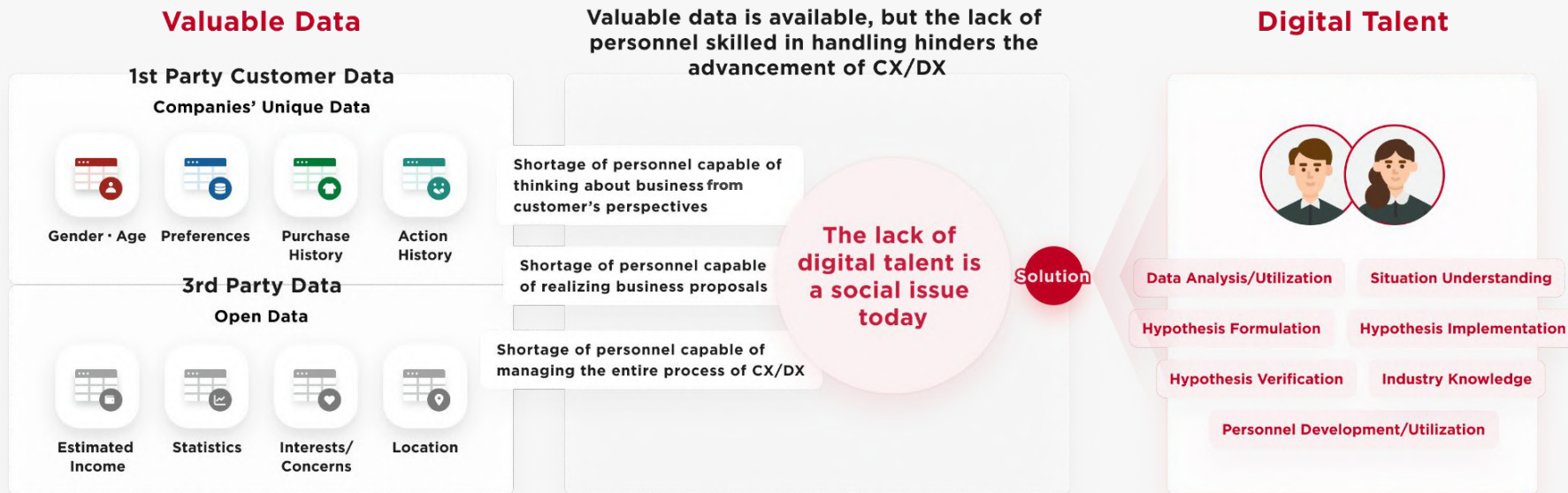
## Rapid advancements in AI technology

- Generative AI capable of processing vast amounts of data and processing high learning capabilities, which can be utilized in various services, has emerged
- The value of 1st party customer data, unique to service providers, has relatively increased as the type and quality of data used in AI training differentiate services



## Increase in companies' demand for hiring digital talents

- As technologies that are emphasized by AI undergo rapid advancements, the lack of digital talent has emerged as a social issue in Japan
- Companies' demand for securing professionals who can handle the technology and to design the business is significantly increasing



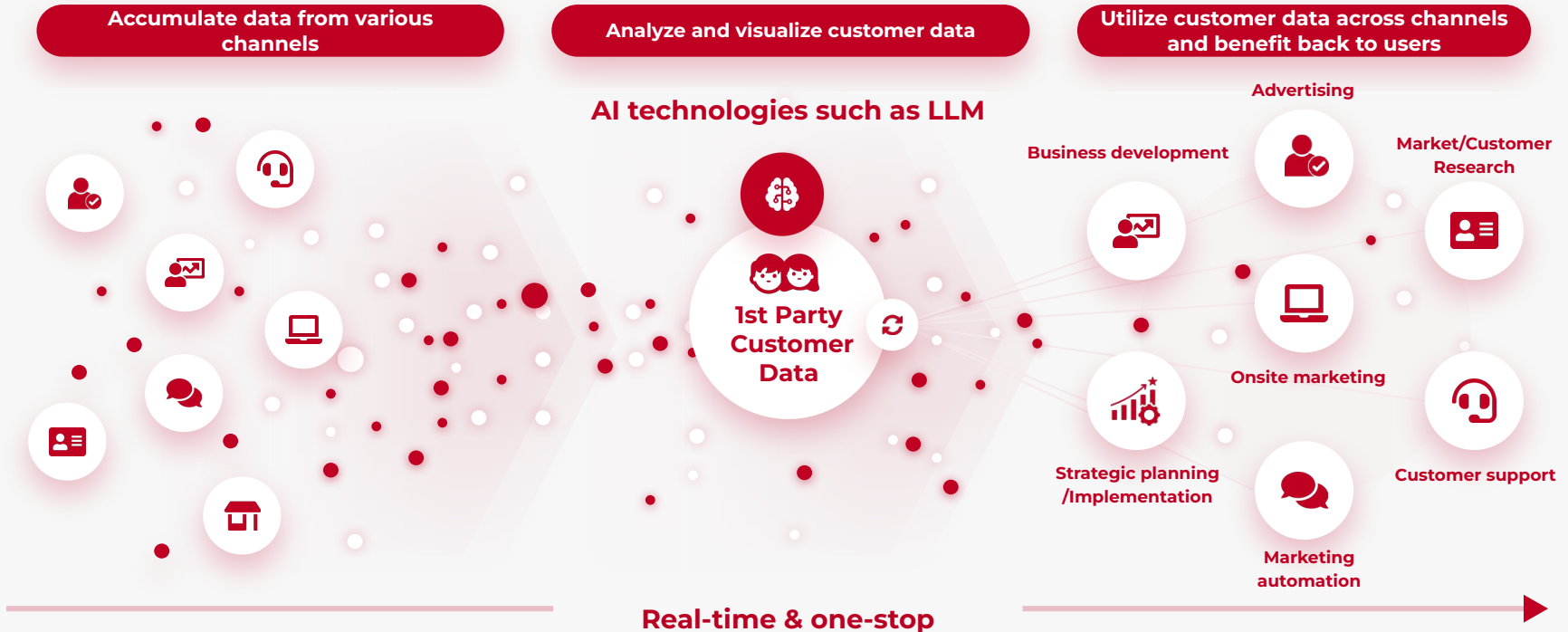
# Our Strengths

# Maximize the Value of People with the Power of Data

Leading the next society by utilizing people's ideas  
and intuition to maximize their creativity with technology

## Mid-term Vision of The Plaid Group

- A new one-stop platform for data utilization that provides “multi-channel,” “1st party customer data,” and “real-time”
- Fully implement new AI technologies such as LLM in the data analysis/utilization of our products, which will also enhance the overall value of the platform





## Our strengths



### Technology

- 1 The largest domestic 1st party customer data platform
- 2 Product architecture enabling user-level data accumulation
- 3 Our unique real-time analysis engine that ensures constantly updated data freshness



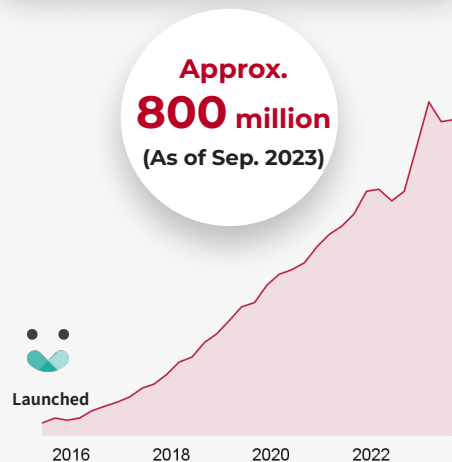
### Business

- 4 A seamless suite of multi-products designed to enable corporate activities, all based on high-resolution understanding of the users
- 5 Professional service facilitating corporate business transformation and advancement

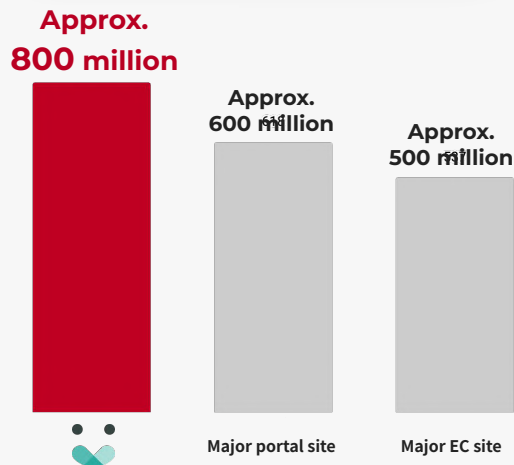
# 1 The largest domestic 1st party customer data platform

- KARTE has analyzed vast amounts of 1st party customer data since it launched in 2015
- The analyzed MAU<sup>(1)</sup> in September 2023 reached approximately 800 million. The analyzed GMV<sup>(5)</sup> share in the BtoC-EC market, a key segment for KARTE, exceeded 10%, establishing its position as one of the largest domestic data platform

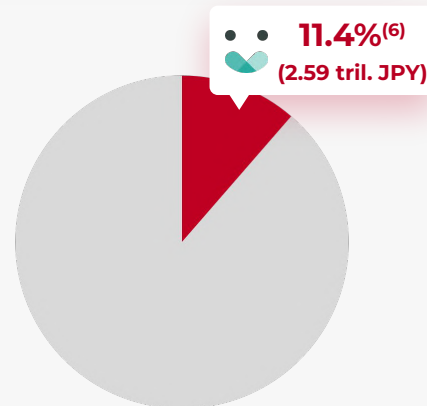
# of MAU<sup>(2)(3)</sup> analyzed by KARTE



Comparison<sup>(4)</sup> of MAU with top domestic websites



Analysis of the share of GMV in the domestic e-commerce market



Note 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. Total of the view events for all websites/applications where KARTE installed / 3. Includes number of MAUs analyzed for R&D / 4. Based on data from Similarweb Ltd., our company compiled the comparison site numbers, which are the total monthly visitors in September 2023. / 5. GMV stands for "Gross Merchandise Value" (Total transaction amount) / 6. The analyzes transaction amount in the EC field from March 2022 to the end of February 2023. The single-year performance is calculated by dividing this amount by the BtoC-EC market size, according to the "Report on the Results of FY2022 E-Commerce Market Survey (in Japanese) (Japanese title: "令和4年日本国内電子商取引に関する市場調査")" by the Ministry of Economy.

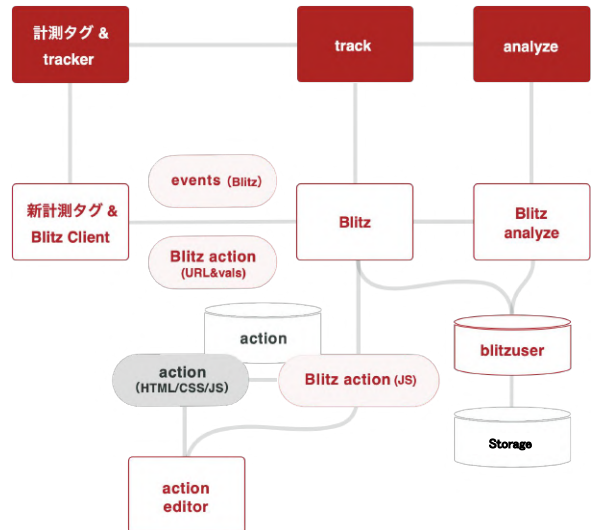
## 2 Product architecture enabling user-level data accumulation

- One of the challenges for companies in promoting CX/DX is the “schema problem,” where the data structure varies depending on the type of user data, causing data that originally belongs to one user to be fragmented. This makes it difficult to easily utilize or integrate data on a per-user basis
- KARTE is designed with an architecture that accumulates various types of data on a per-user basis, allowing companies to immediately build a data environment that is easy to utilize without requiring in-house development



### 3 Our unique real-time analysis engine that ensures constantly updated data freshness

- To enable interactive response optimized to each individual user online, which was difficult to solve with existing distributed data processing systems, a unique real-time analysis engine was developed (Our new engine “Blitz” developed in 2022 has achieved greater speed and lightness)
- It provides companies with a high-quality data environment that is always up-to-date without any time lag



## Our Strengths

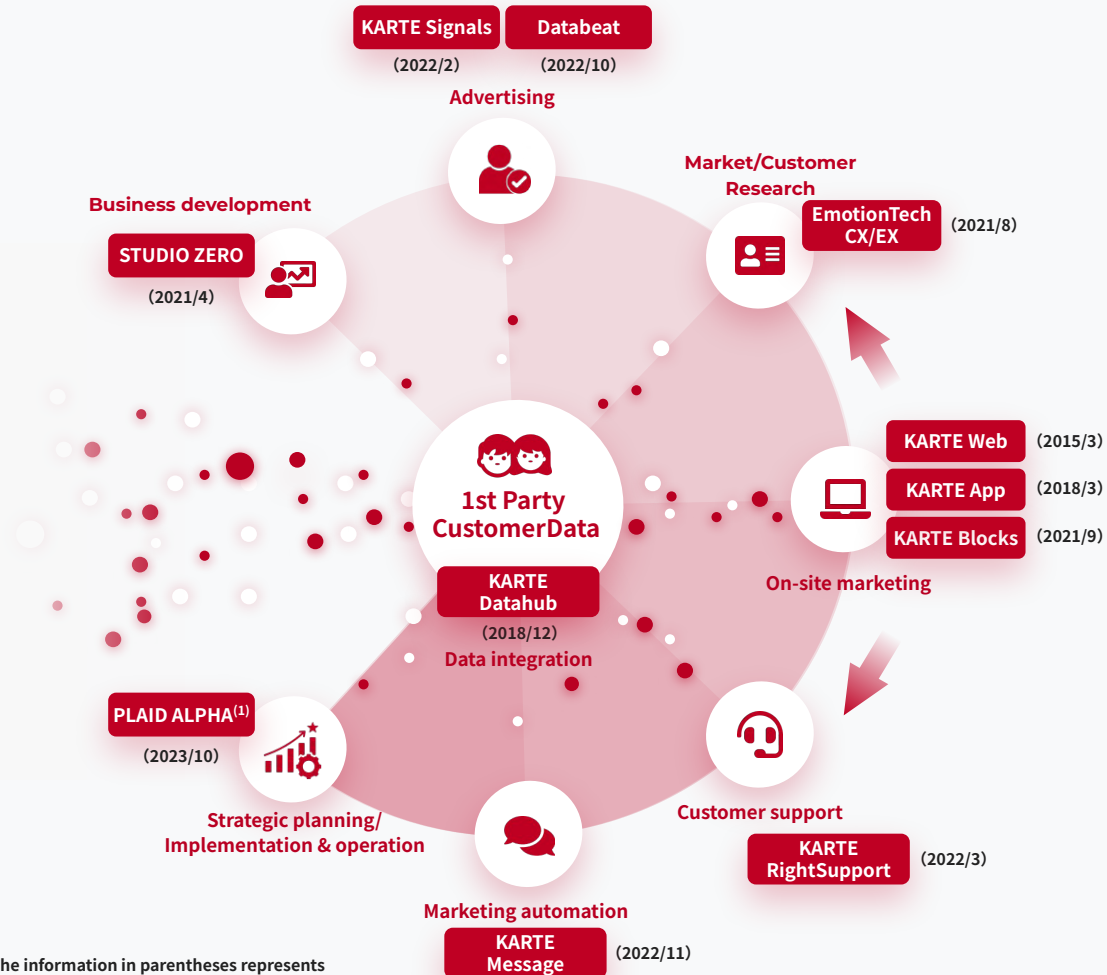
### 4 A seamless suite of multi-products enabling corporate activities based on high-resolution user understanding

Initially started our business around on-site marketing area by offering KARTE Web/App

Thereafter, while using the real-time analysis engine as a common infrastructure, it has released applications optimized for various areas such as customer support and marketing automation, and promoted a seamless multi-product strategy

Currently, marketing coverage has been expanding across all fields, and going forward. Alongside further strengthening of this domain, our advancement will be promoted in peripheral areas, such as customer support

Note 1. After expanding the value of the professional service that was previously provided as "TEAM", it was revamped. After changing the name to "PLAID ALPHA," we started full-scale business development from the fiscal year ending September 2024



The information in parentheses represents the launch/grouping period

## 5 Professional service facilitating corporate business transformation and advancement

- STUDIO ZERO, which provides business support to companies seeking business and organizational reform, and PLAID ALPHA, which provides support from strategy design to implementation and operation based on data analysis, approach client issues upstream by providing these professional services



### BX

(Business development)

**Tourism** : Support for the operation of company-wide open recruitment new business development projects

**Infrastructure** : Support for new business development related to EV

### CX

(Customer value development)

**Insurance** : Support for building next-generation sales schemes using digital marketing

**Real Estate** : Support for experience design in smart buildings

### EX

(Talent development)

**Wholesales** : Support for company-wide DX talent development

**Information & Communication** : Support for the development of next-generation sales and marketing talent



### Consulting

**Apparel** : Support for the planning of customer experience strategies & measures based on new/loyal customer analysis

**Financial** : Support for the conception of next-generation customer services centered on the use of customer data and AI

### Integration

**Distribution** : Cross-departmental integration of customer data & reconstruction of customer experiences by KARTE products

**Publishing** : Support for the formulation of a med-term IT roadmap plan centered on a personalization strategy

### Growth & Operation

**Media** : Undertaking of marketing planning and operation tasks aimed at improving customer experience/retention

**Financial** : Technical/implementation support related to advanced personalization measures

# Our Business Strategy

## Key Initiatives for Mid-term Growth

- Leveraging our strengths, a hybrid model of “Multi-product × Professional service” will be provided to enterprise companies
- In addition, AI technology will be fully integrated to achieve advanced analysis of action data and improve usability, thereby further strengthening our products

### Our strengths

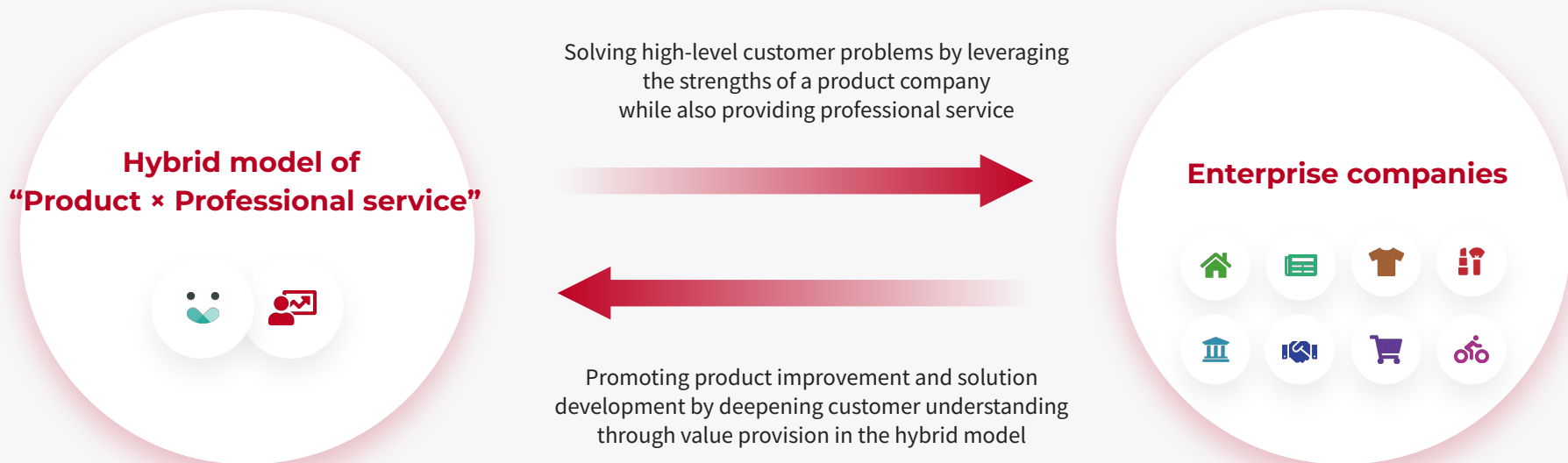
- 1 The largest domestic 1st party customer data platform
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- 3 Our unique real-time analysis engine that ensures constantly updated data freshness
- 4 A seamless suite of multi-products designed to enable corporate activities, all based on high-resolution understanding of the users
- 5 Professional service facilitating corporate business transformation and advancement





## “Product × Professional service”: Hybrid model for strengthening approach to enterprise companies

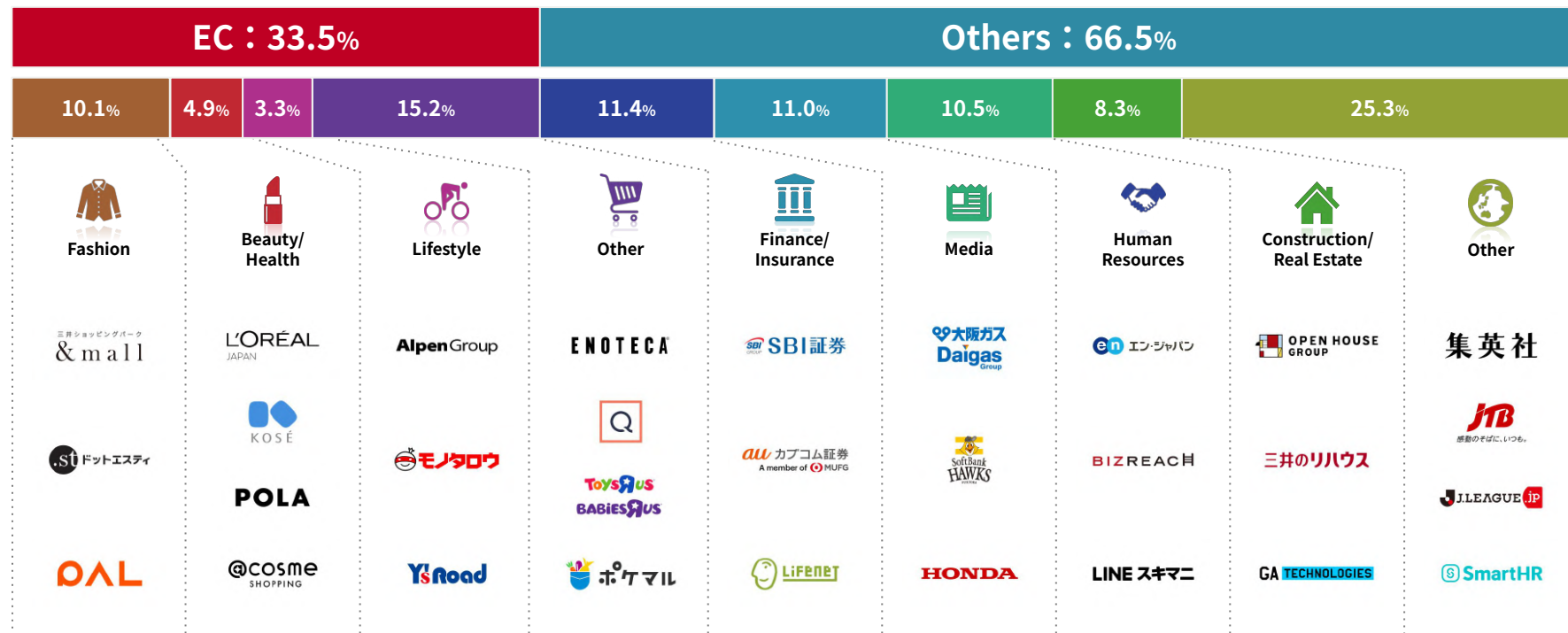
- Shifting to a “Product × Professional service” hybrid model to strengthen deployment to enterprise companies
- Solving customer problems through multifaceted value provision that goes beyond just product provision



## Our Business Strategy

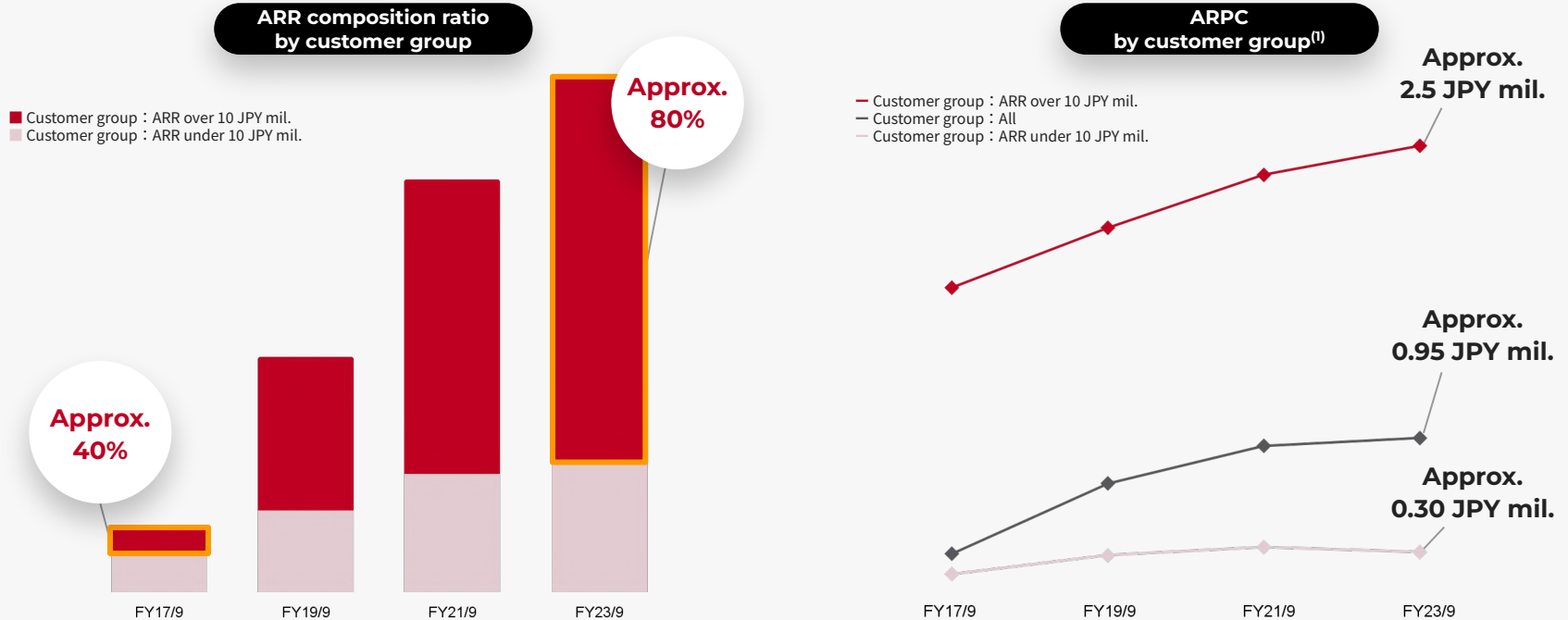
Industry-wide proportion of KARTE-introduced websites and apps (the end of Sep. 2023)<sup>(1)</sup>

- Since the launch of KARTE, its installation by leading enterprise companies across various industries in Japan has been steadily progressing



## The high-price range customer group accounts for 80% of the total ARR

- Proportion of the high-price range customer group (with an ARR over 10 million JPY) in the Plaid's standalone ARR has been increasing
- ARPC of this customer group is about 2.5 million JPY, which is about 2.6 times the overall average of about 950 thousand JPY

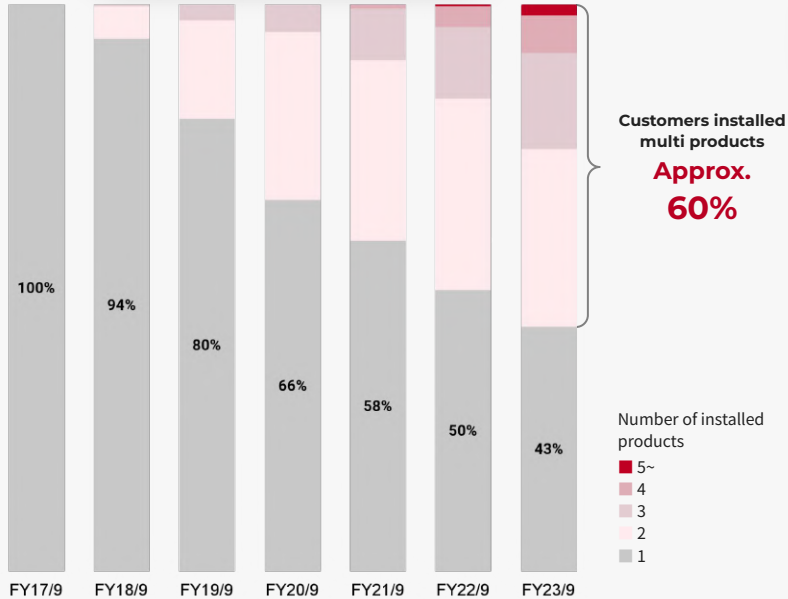


Note 1. Calculated by dividing the monthly subscription sales for each customer group at the end of each fiscal year by the number of customers for each customer group.

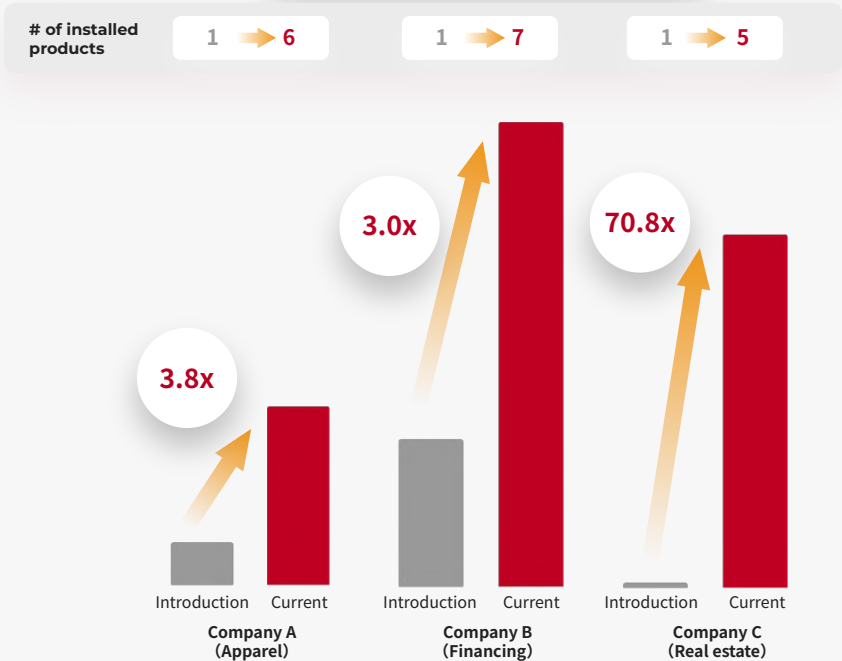
# Multi-products is boosting cross-selling

- Approximately 60% of our customers<sup>(1)</sup> have installed multi products, and this cross-selling has greatly contributed to increase in ARPC

Number of products installed per customer

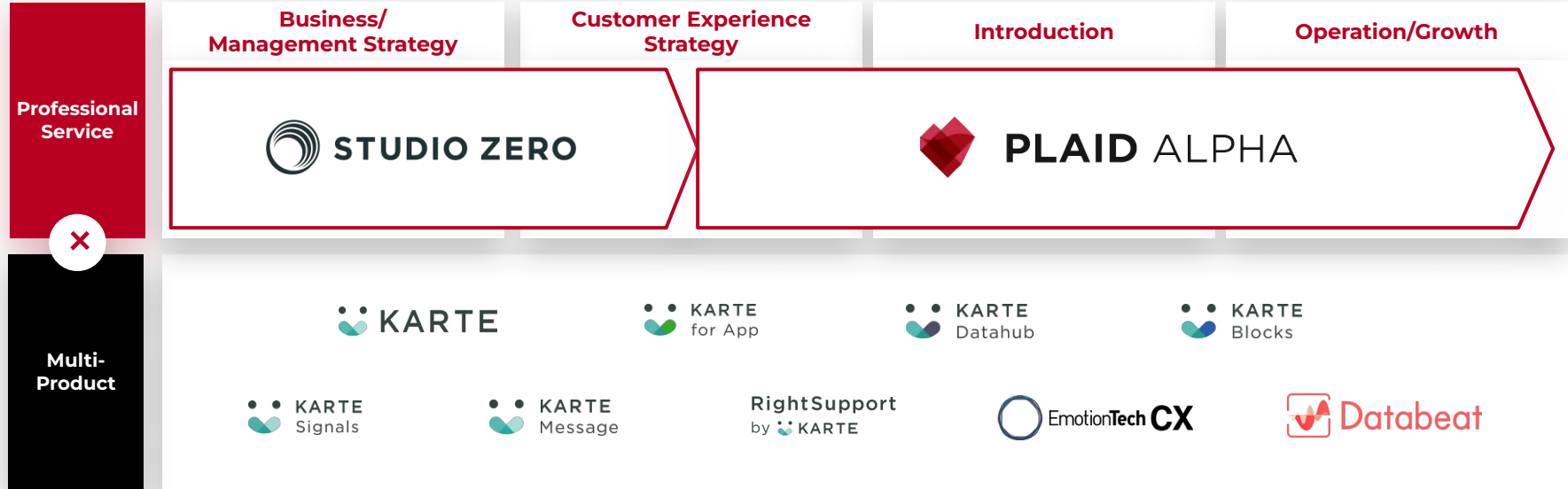


Examples<sup>(2)</sup> of increase in ARPC



# Seamless value provision through the hybrid model of "Product x Professional Service"

- Providing one-stop support from upstream to downstream of customer challenges based on multi-channel product lineup



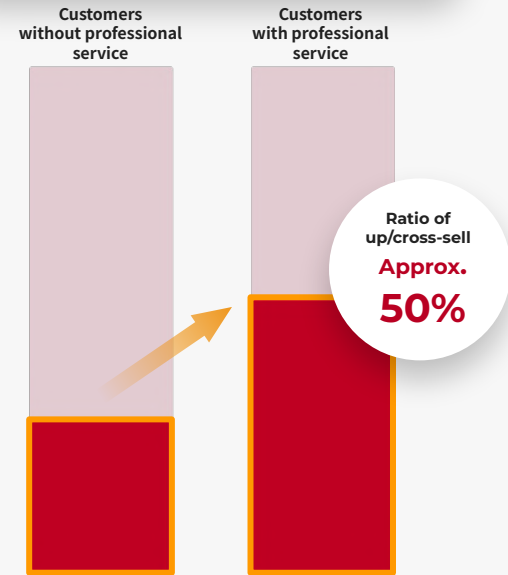
## Professional service significantly raises total ARPC

- Average price of professional service is approximately 60% of the average price of products
- Professional service also increases the unit price of products to drive up/cross-selling, resulting in a significant increase in the total ARPC

Average price of professional service<sup>(1)(2)(3)</sup>



Ratio of up/cross-sell for products<sup>(3)(4)</sup>



## Data×AI : Fully leveraging new AI technologies such as LLM<sup>(1)</sup> in data analysis and utilization

- Due to the significant changes in this era driven by new AI technologies such as LLM, the strategic utilization of closed proprietary data held by each company will become crucial in the future business landscape
- By leveraging our strength in data infrastructure and incorporating generative AI technologies from multi perspectives, we aim to enhance our value proposition, promote AI-driven data utilization, and achieve improvements in service delivery



### Action data with LLM

- **Data analysis with LLM / Foundation Model utilization**

Example) Advancing segmentation, Labeling thorough natural language processing, etc...



### UX with LLM

- **Enhancement in UX<sup>(2)</sup> of customer companies' websites/services/products by utilizing LLM**

Example) Automatic generation of components, Automatic proposals, etc...



### People with LLM

- **Expansion of application areas of data utilization, considering the collaboration between people and LLM**

Examples) Orchestration of numerous AI skills and automation of human tasks, Automatic planning, etc...

## Our Business Strategy

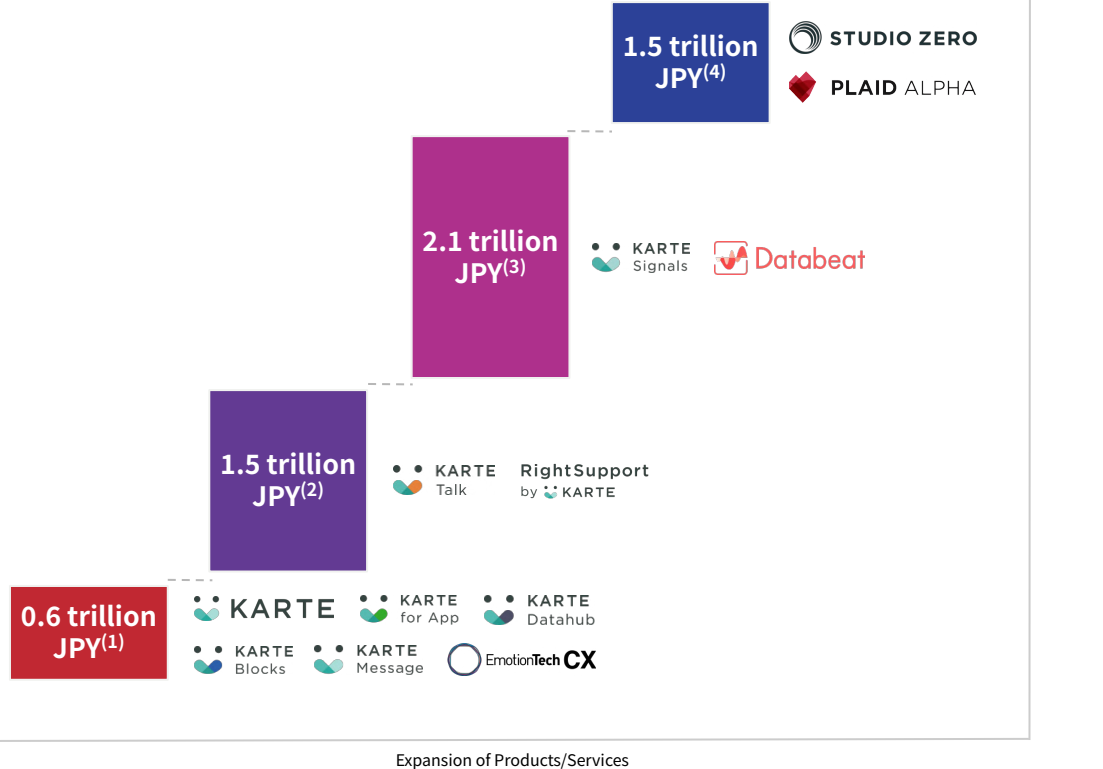
# Overall potential market size of the group

At the core of strategy, the group expands its product/service lineup by leveraging its unique analysis engine that visualizes 1st party customer data in real-time

The overall potential market size of the group has expanded from 0.6 trillion JPY at the beginning of the business to 5.7 trillion JPY, and we will develop each market through the execution of our strategy

Notes 1. Calculated by our company based on the “顧客接点・CX変革ソリューション市場分析 2023年版 (Customer Touchpoint・CX Transformation Solution Market Analysis 2023 Edition)” by Fuji Chimera Research Institute, Inc., the projected product market size for 2027./ 2. The combined market size of the call center service market and the contact center solution market for 2024, calculated and created by our company based on “コールセンターサービス市場/コンタクトセンターソリューション市場調査 (2022年) (Call Center Service Market/Contact Center Solution Market Research (2022))” by Yano Research Institute Ltd., announced on November 15, 2022. / 3. Calculated by our company based on “2022 Advertising Expenditures in Japan” by DENTSU Inc. / 4. Calculated by our company based on “国内ビジネスコンサルティング市場予測、2023年～2027年 (Domestic Business Consulting Market Forecast, 2023-2027)” by IDC Japan. / 5. Mainly corresponds to on-site marketing, data integration, market/customer research, and marketing automation in our group’s business domain. / 6. Mainly corresponds to business/organizational development, strategy formulation/introduction/operation in our group’s business domain.

- Business and IT consulting<sup>(6)</sup>
- Advertisement
- Customer support
- CX related solutions<sup>(5)</sup>





## Contents

1. Earnings Results Q3 FY 9/24
2. Business Updates
3. Key Takeaways
4. Growth Strategy
- 5. Appendix**



# Financial Information

## Appendix

# Income Statement (Quarterly)

(JPY mil.)	Q3 FY 9/24	Q3 FY 9/23	YoY	Q2 FY 9/24	QoQ
<b>Net sales</b>	<b>2,797</b>	<b>2,210</b>	<b>+26.6%</b>	<b>2,733</b>	<b>+2.4%</b>
Subscription revenue	2,337	1,879	+24.3%	2,173	+7.5%
Service, consulting and other revenue	460	330	+39.3%	559	-17.7%
<b>Gross profit</b>	<b>2,033</b>	<b>1,535</b>	<b>+32.5%</b>	<b>1,904</b>	<b>+6.8%</b>
Gross profit margin	72.7%	69.4%	+3.2pt	69.7%	+3.0pt
<b>SG&amp;A</b>	<b>1,957</b>	<b>1,873</b>	<b>+4.5%</b>	<b>1,787</b>	<b>+9.5%</b>
% of Net sales	70.0%	84.7%	-14.8pt	65.4%	+4.5pt
Personnel expenses	1,116	953	+17.1%	1,060	+5.3%
% of Net sales	39.9%	43.1%	-3.2pt	38.8%	+1.1pt
Advertising expenses	195	181	+7.7%	87	+124.6%
% of Net sales	7.0%	8.2%	-1.2pt	3.2%	+3.8pt
Other	645	738	-12.5%	640	+0.8%
% of Net sales	23.1%	33.4%	-10.3pt	23.4%	-0.4pt
Operating income	76	-338	-122.5%	116	-34.7%
Adjusted operating margin	2.7%	-15.3%	+18.0pt	4.3%	-1.5pt
Reconciling items	69	109	-36.6%	57	+19.7%
Goodwill amortization	13	48	-72.2%	13	-
Stock-based compensation expenses	55	60	-8.2%	44	+25.8%
Other non-recurring expenses	-	-	-	-	-
<b>Adjusted operating income</b>	<b>145</b>	<b>-229</b>	<b>-163.4%</b>	<b>174</b>	<b>-16.7%</b>
Adjusted operating margin	5.2%	-10.4%	+15.6pt	6.4%	-1.2pt

Appendix

**Long Term Model<sup>(1)(2)</sup>**  
**(KARTE domain)**

	FY 9/21	FY 9/22	FY 9/23	Q1 FY 9/24	Q2 FY 9/24	Q3 FY 9/24	Long term model
Gross profit margin	73.3%	74.8%	75.9%	75.6%	73.4%	75.1%	75-80%
S&M	41.6%	49.0%	44.2%	36.9%	32.2%	30.3%	25-30%
R&D	18.7%	22.2%	19.7%	20.9%	19.3%	18.6%	18-20%
G&A	9.8%	10.3%	11.6%	10.1%	9.2%	8.7%	8-10%
Operating margin	3.1%	▲6.6%	0.4%	7.7%	12.7%	17.5%	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 / 2. Until FY9/22, Plaid non-consolidated and before deduction of provision for loss on order received. From FY9/23, KARTE domain and deduction of provision for loss on order received , and after adjusting intra-group transaction with RightTouch

# Company information




Appendix

## Company Overview








Company Name	<b>PLAID, Inc.</b>
Founded	<b>October 2011</b>
Headquarter	<b>GINZA SIX 10F, GINZA 6-10-1, Chuo-ku, Tokyo, Japan 104-0061</b>
CEO	<b>Kenta Kurahashi</b>
# of Employees (Consolidated)	<b>444 (as of June 2024)</b>



## Overview of Plaid group by business domain





Business domain	Overview	Main product/service	
<b>PLAID</b>	<b>KARTE domain</b>	<ul style="list-style-type: none"> <li>Offers products and services centered around KARTE to enrich CX and marketing for companies</li> </ul>	
	<b>New business domain</b>	<ul style="list-style-type: none"> <li>Create new value with partners through data/technology collaboration by opening Plaid's APIs and various alliances with companies.</li> </ul>	
<b>RT/ET/ agito</b>	<b>Group companies</b>	<ul style="list-style-type: none"> <li>Offers products and services optimized for areas other than on-site marketing where Plaid is focused on currently</li> </ul>	

## Main products / Services -1

Domain	Product/Service	Summary
Onsite Marketing	 KARTE  KARTE for App	Visualize the “now” of each customer online and support marketing activities of companies through flexible action design based on analysis results
Onsite Marketing	 KARTE Blocks	By breaking down every element of a website into blocks and enabling fast revisions, hypothesis testing, and performance measurement, allowing for continuous performance improvement and lean site operations
Data Integration	 KARTE Datahub	By connecting data owned by customers to KARTE and enabling advanced segmentation and action by integrating/analyzing/visualizing data scattered data from internal and external sources as big data
Customer Support	RightSupport by  KARTE	Visualize the issues of each customer who needs support online, and match them to appropriate support channels such as FAQs to achieve early resolution to issues
Advertising	 KARTE Signals	Realize consistent customer communication both on and off the website through integration with various advertising media such as accumulated data by KARTE
Marketing Automation	 KARTE Message	KARTE marketing automation enables customers to have communication outside the website via e-mail, SMS, etc., using our unique customer journey function



## Main products / Services -2

Domain	Product/Service	Summary
<p><b>Product Utilization/ Technical Support</b></p>		<p>Professional services including support for utilizing KARTE and consulting on CX. Also assisting customers in resolving challenges related to their resources and capabilities and creating value.</p>
<p><b>Strategic Planning / Business Development</b></p>		<p>An organization committed to advancing all industries through data, and collaborating with companies, government agencies, and public institutions to create new value and foster business growth</p>
<p><b>Customer/ Market Research</b></p>		<p>Products and consulting services to collect/analyze customer emotional data, including NPS<sup>®(1)</sup>, provided by EmotionTech, which joined the Group from September 2021.</p>
<p><b>Advertising</b></p>		<p>Providing a Marketing Data Platform that enables automatic collection/accumulation of advertising-related data, analysis, and flexible data output. Also supporting marketers in customer companies by reducing operational workload and assisting in the establishment of a data utilization environment</p>

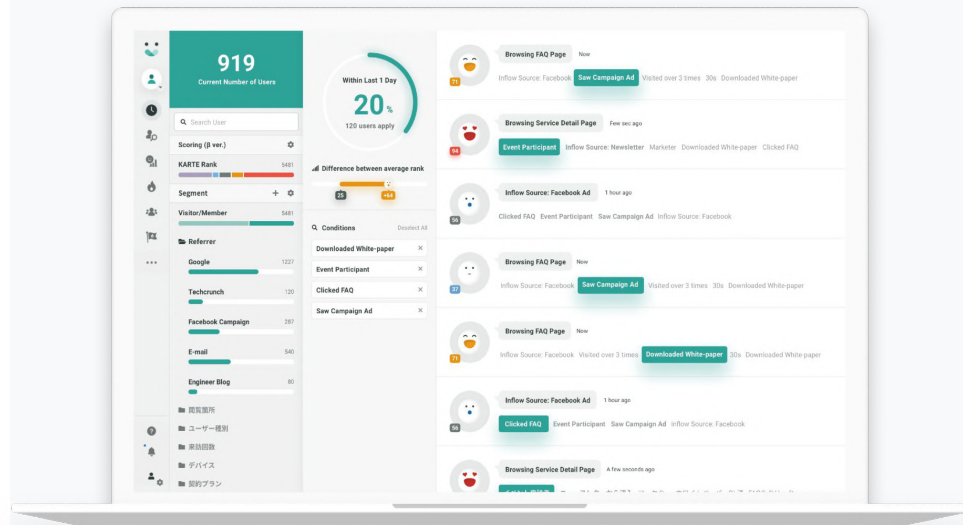


## Products



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

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



## Feature of KARTE

**Feature 1.**

**Visualization of  
individual customers**

**Feature 2.**

**Real-time  
analysis**

**Feature 3.**

**End-to-end  
solution**

## 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



## Feature 2.

# Real-time analysis

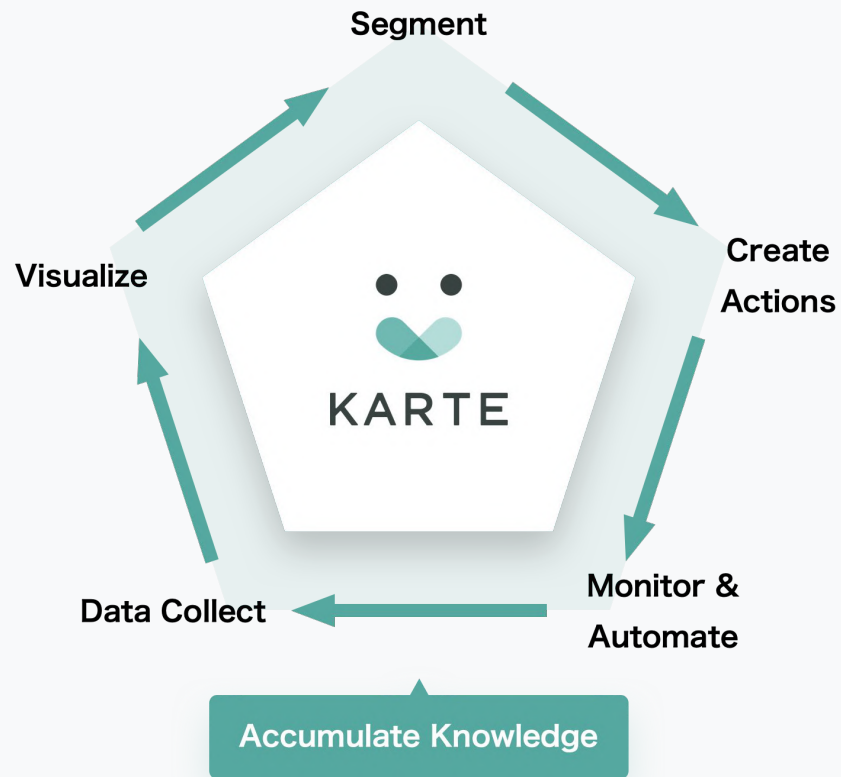
KARTE analyzes the real-time behaviors of customers visiting a website, etc., such as "They have been considering a specific product for a long time," together with the past data. This enables businesses to communicate appropriately with customers, without overlooking a timing or sign of their intent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




### 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



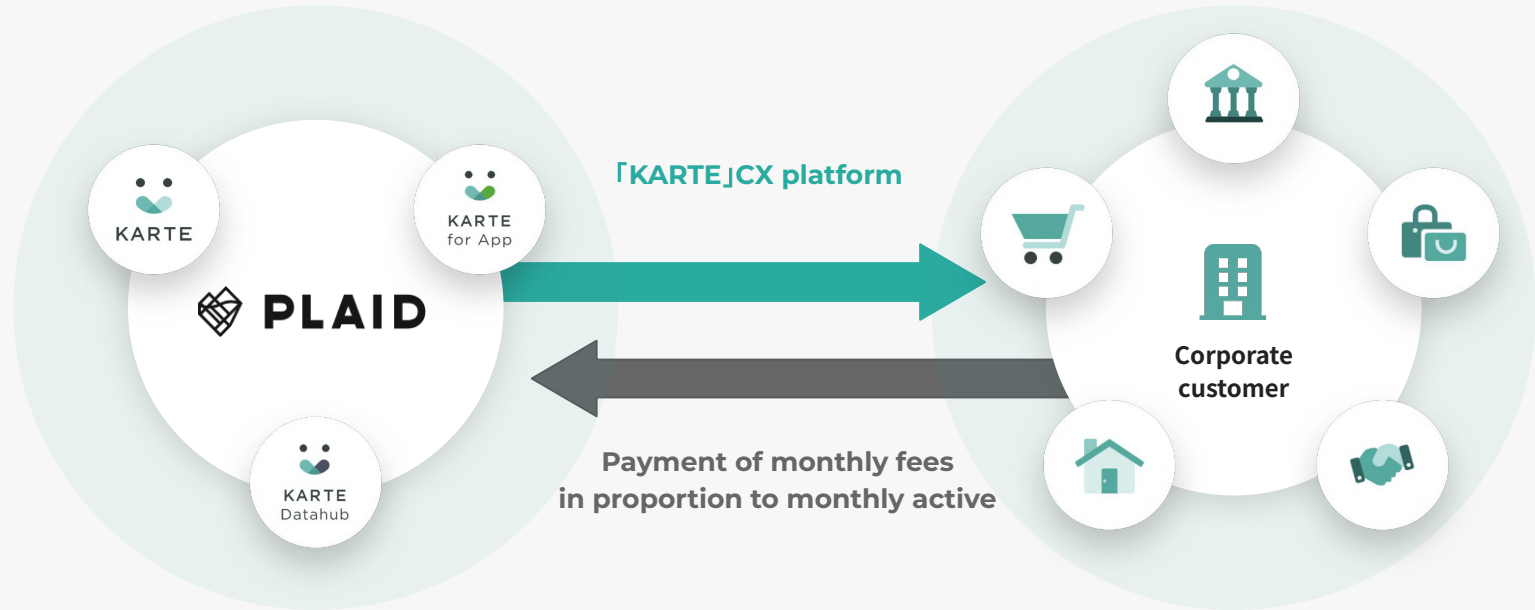
## The uniqueness of KARTE (comparison in the on-site marketing area)

		Integrated marketing tools	Other marketing tools
Real-time performance	<p>✓✓✓</p> <p>Consistent real-time accumulation/analysis/action</p>	<p>✓ - ✓✓</p> <p>Non-real time/ Only some part (limited functionality, etc.)</p>	<p>✓ - ✓✓</p> <p>Non-real time/ Only some part (limited functionality, etc.)</p>
Data storage/ Utilization Channels	<p>✓✓✓</p> <p>Multi-channel (Web/app/email/SMS, etc.)</p>	<p>✓✓✓</p> <p>Multi-channel (Web/app/email/SMS, etc.)</p>	<p>✓</p> <p>Single-channel</p>
In-depth understanding of users	<p>✓✓✓</p> <p>Both attribute<sup>(1)</sup>/behavioral data can be accumulated and flexible visualization on a per-user basis</p>	<p>✓</p> <p>Attribute data-centric and difficult to visualize per user</p>	<p>✓</p> <p>Attribute data-centric and difficult to visualize per user</p>



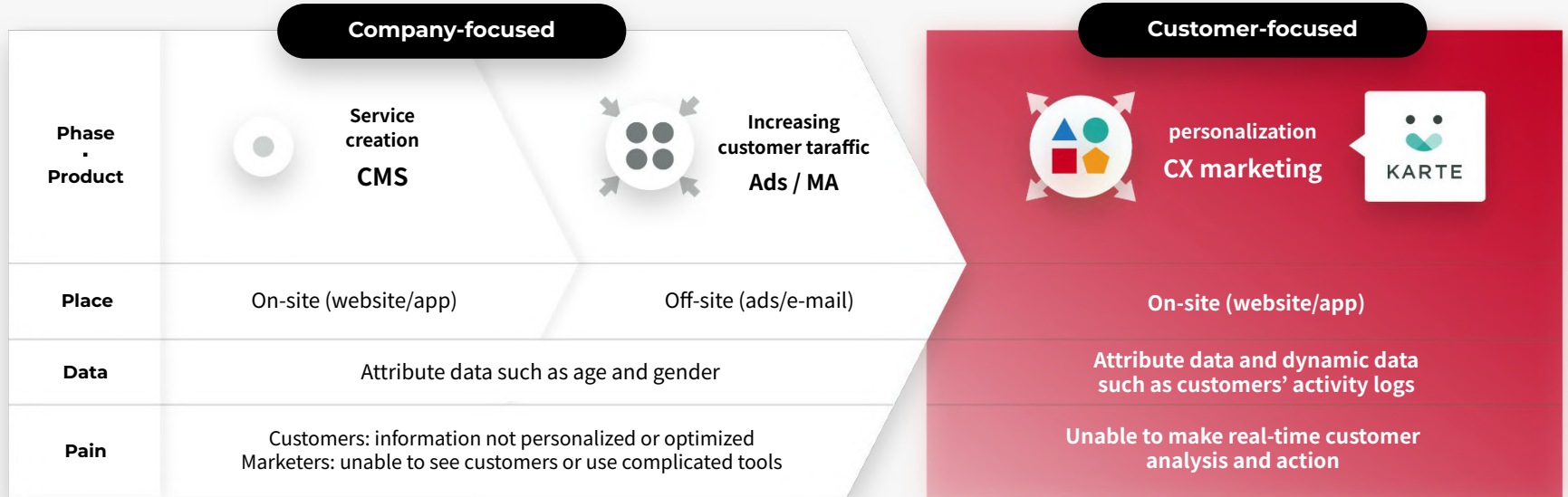
## Business Model

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





# Paradigm shift in Digital Marketing



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

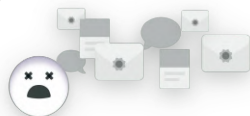
## Increasing Frustrations with Digital Marketing

The customers'

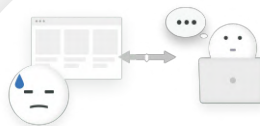
Marketers'



Contents are not streamlined for individual customers



Overwhelming amount of information and repetitive messages from 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**



**PLAID**