

Shareholder Letter

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To Our Team, Partners, and Shareholders:

When we started this company in 2011, I had a few core beliefs that I wanted to build our organization around:

1. Product First

In advertising, this principle is rare. Most companies prioritize sales over engineering. At our company, the priority has always been clear: we are built to support engineering. Our success depends on their innovation and leadership, and we go where they lead.

2. Flexibility Over Rigidity

From the start, we anticipated that the pace of technological advancement would only accelerate. To keep up, we built our systems to be flexible with the understanding that we might need to pivot quickly and even discard past work to stay ahead. This approach remains central to our success. The launch of Axon is a testament to this philosophy, showcasing our ability to adapt and innovate rapidly.

3. Automate Before Hiring

We've always believed in running a lean organization, driven by automation and efficiency. Many companies claim to embrace an entrepreneurial mindset, but few aim to reduce headcount even when facing growth opportunities. We've proven that small, nimble teams with a focus on automation can achieve extraordinary results.

4. Ensure Customers Make Money

Before 2011, most advertising models centered on brand awareness, where measuring incremental revenue value was inherently challenging. From the outset, we committed to building products that not only automated marketing but also delivered measurable incremental earnings. We wanted to design a platform to help our customers spend every dollar on acquiring users profitably and transparently. This principle continues to guide the innovations we deliver to our partners.

These principles were on full display in 2024, a year that not only brought significant growth—marked by a remarkable 75% increase in revenue in our advertising business¹—but also showcased the transformative potential of AI and automation. We've spent several quarters optimizing our teams to embrace automation, knowing the world is moving in this direction. We believe those who view these technologies as allies, rather than threats, will unlock extraordinary potential and we aim to lead by example.

¹Our core advertising business now represents substantially all of the revenue in this segment and our future focus for the company. As a result, we have renamed our "Software Platform" segment to "Advertising" to better align with the nature of this business.

As we look ahead to 2025, I'm excited by several key initiatives that will drive our next phase of growth:

1. Advancing Our Models

We are still in the early stages of improving our advertising AI models. The roadmap ahead is filled with opportunities for iteration, and as we execute, we believe we can continue to drive value creation for our shareholders.

2. Personalizing Ad Experiences

Our ad experience today is static, where users see similar looking advertisements created by humans. With AI, we aim to scale this process exponentially by creating countless iterations and dynamically selecting personalized creatives for each user. This will unlock improved consumer engagement and response.

3. Automating Our Dashboard

In 2025, we plan to launch a self-service dashboard powered by AI agents to help our customers manage their campaigns.

4. Expanding Advertiser Reach

Our technology is already demonstrating its value for direct-to-consumer brands and we see opportunities to broaden our impact across industries. This year, we'll focus on helping more businesses in the digital economy leverage our platform to grow.

5. Exploring CTV Advertising

While still in its early stages, we believe there's significant potential in applying our targeting technology to connected TV (CTV) for direct-to-consumer brands. This is an exciting frontier that could further amplify the impact of our platform.

Over the last few years, our team has achieved extraordinary things. We've built an advertising model as powerful as any advertising AI model in the world, delivering measurable success for our partners. Early adopters in gaming and direct-to-consumer commerce have already seen the impact of our technology, and our mission is clear: to onboard every business that wants to drive measurable growth.

We are driven by the belief that our technology can positively impact the global economy. By helping businesses of all kinds efficiently connect with their audiences, we unlock their potential to grow and thrive. Given the opportunities in front of us our team is as hungry as ever to execute on our vision. Together, we will continue to deliver results that make a difference—for our customers, our shareholders, and the world.

Thank you for your trust and support.



Adam Foroughi, CEO

Appendix

This shareholder letter contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “going to,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” or “continue,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, priorities, plans, or intentions. Forward-looking statements in this letter to shareholders include, but are not limited to, statements regarding our opportunities to advance our AI models; our ability to use AI to scale advertising experiences; our launch of a self-service dashboard powered by AI agents; our ability to expand our advertiser reach; our ability to apply our targeting technology to connected TV; our expectations regarding artificial intelligence and related market trends; and our expectations regarding our future strategy and growth. Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties, including changes in our plans or assumptions, which could cause actual results to differ materially from those projected. These risks include our inability to forecast our business effectively, the macroeconomic environment, fluctuations in our results of operations, our ability to execute on our operational and financial priorities, our ability to scale our Advertising to support new users, the competitive advertising and mobile app ecosystems, and our inability to adapt to emerging technologies and business models. The forward-looking statements contained in this letter are also subject to other risks and uncertainties, including those more fully described in our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024. Additional information will also be set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. The forward-looking statements in this letter are based on information available to us as of the date hereof, and we disclaim any obligation to update any forward-looking statements, except as required by law.



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