



Chairman and CEO Kenichi Sano

Vision Inc. (9416)



Company Information

Market	TSE Prime Market
Industry	Information and telecommunications
Chairman and CEO	Kenichi Sano
President, Representative Director and COO	Kenji Ota
HQ Address	SHINJUKU EASTSIDE SQUARE 8F, 6-27-30 Shinjuku, Shinjuku-ku, Tokyo 160-0022, Japan
Year-end	December
HP	https://www.vision-net.co.jp/en

Stock Information

Share Price	Number of Shares Issued (End of the term)		Total Market Cap	ROE (Act.)	Trading Unit
¥1,252	50,505,300 shares		¥63,232 million	22.9%	100 shares
DPS (Est.)	Dividend Yield (Est.)	EPS (Est.)	PER (Est.)	BPS (Act.)	PBR (Act.)
¥0.00	-	¥72.43	17.3 x	¥297.72	4.2 x

* Stock price as of the close on February 28, 2024. Number of Shares Issued, DPS and EPS are from the financial results for the fiscal year ended December 2023.

Consolidated Earnings Trends

Fiscal Year	Net Sales	Operating Income	Ordinary Income	Net Income	EPS (¥)	DPS (¥)
Dec. 2020 (Actual)	16,654	103	227	-1,183	-25.07	0.00
Dec. 2021 (Actual)	18,100	1,105	1,143	729	15.47	0.00
Dec. 2022 (Actual)	25,487	2,414	2,422	1,548	31.96	0.00
Dec. 2023 (Actual)	31,807	4,280	4,337	3,025	61.87	0.00
Dec. 2024 (Forecast)	36,145	5,254	5,256	3,500	72.43	0.00

* The forecasted values were provided by the company. Unit: Million yen or yen.

This Bridge Report outlines Vision's results for the fiscal year ended December 2023.

Table of Contents

[Key Points](#)

[1. Company Overview](#)

[2. The Fiscal Year Ended December 2023 Earnings Results](#)

[3. The Fiscal Year Ending December 2024 Earnings Forecasts](#)

[4. Details of Growth Initiatives](#)

[5. Conclusions](#)

[<Reference1: Initiatives for ESG+SDGs>](#)

[<Reference2: Regarding corporate governance>](#)

Key Points

- The sales in the fiscal year ended December 2023 were 31,807 million yen, up 24.8% year on year. The sales of the GLOBAL WiFi business grew significantly by 30.1% and the sales of the Information and Communications Service business rose 14.1%. The sales of the Glamping and Tourism business increased 168.4%, as the facility around the Lake Yamanaka is in full operation. Thanks to the recovery of demand for travel, the number of rentals for GLOBAL WiFi increased, and OA equipment sold well. Accordingly, gross profit margin improved considerably, and gross profit grew 44.4% year on year to 17,802 million yen. Operating income rose 77.3% year on year to 4,280 million yen. Although SGA expense ratio augmented, gross profit increased significantly, so operating income margin rose year on year considerably from 9.5% to 13.5%, resulting in a significant increase in operating income.
- The GLOBAL WiFi business saw significant increases in sales and profit. Regarding foreigners visiting Japan, applications for "NINJA WiFi," a Japanese Wi-Fi rental for foreign visitors to Japan increased, and the SIM card sales via vending machines at airport counters also remained steady. Regarding Japanese people traveling overseas, "Unlimited Data Plan" and "5G Plan," a high-speed data communication plan was strong, and average spending per customer remained high. In addition, they implemented various measures for revising procurement conditions, improving the efficiency of data utilization, etc. in order to cope with the rise in overseas telecommunication costs caused by the yen depreciation.
- The number of foreign visitors to Japan in October last year exceeded that in October 2019, and the annual number recovered to 78.6% of the pre-pandemic level. The number of Japanese people traveling overseas was 47.9% of that in 2019, indicating that it is still recovering, but the monthly number exceeded 1 million in August to September and November. The number of orders for outbound travel services reached 48.1% of that in 2019, and sales recovered to 83.6% of the pre-pandemic level.
- Sales and profit increased in the Information and Communications Service business. Sales was healthy, thanks to the alleviation of shortage of supply of products caused by the shortage of semiconductors for OA equipment, which lingered since the previous fiscal year, and the enhancement of recruitment of marketing staff. Furthermore, they promoted the sale of recurring-revenue services, to maximize the lifetime value of customers by upselling or cross-selling services, reducing long-term cancellation rates, and offering recurring services.
- For the fiscal year ending December 2024, it is expected that sales will rise 13.6% year on year to 36,145 million yen and operating income will increase 22.7% year on year to 5,254 million yen. Both sales and operating income are projected to hit a record high for consecutive years. The demand for overseas travel is forecast to recover stepwise. In this economic situation, they plan to enhance promotion for popularizing their service brand, increase human resources by hiring mid-career workers, and strengthen their recurring-revenue services. These measures are expected to lead to the year-on-year increases in the sales and profits of the GLOBAL WiFi business, the Information and Communications Service business, and the Glamping and Tourism business.
- In the fiscal year ended December 2023, sales and profit grew considerably in every business, exceeding the company's

forecast. While the number of outbound tourists did not recover to the pre-pandemic level, sales and operating income hit a record high, exceeding the amounts in the fiscal year ended December 2019. This indicates that the company has grown its business steadily amid the pandemic. The reasons for the somewhat sluggish growth of sales and profit in fourth quarter are seasonal factors and upfront investment. They are proceeding steadily from the recovery phase to the growth phase. In the fiscal year ending December 2024, sales and operating income are expected to grow by double digits. The sales growth rate of the GLOBAL WiFi business is projected to be only 10%, but excluding the airport quarantine business, sales and profit are expected to grow 22% and 23%, respectively, keeping steady growth. Regarding the Information and Communications Service business, recurring revenues, which are being strengthened, have been increasing steadily, fortifying their business base. While growth potential is high, PER is much less than 20. This brings a feeling of strangeness. We expect that it will improve sooner or later.

1. Company Overview

Under the management philosophy of “ To Contribute to the Global Information and Communications Revolution,” Vision conducts the GLOBAL WiFi business, which leases the personal Wi-Fi (wireless LAN) routers which can be used in over 200 countries and regions on a flat-rate basis, and as an Information and Communications Service distributor, it also provides Information and Communications Service business of arranging telecommunications infrastructure and office equipment necessary for business activities, such as fixed-line telecommunications, mobile telecommunications, broadband etc.

The company forms a group with its 21 consolidated subsidiaries, both inside and outside Japan. Of those, the 9 based in Japan include Members Net Inc. (which conducts the business of charging agency, fixed-line telephone service subscription agency, etc.) and Best Link Inc. (which carries out the business of broadband service subscription agency). There are 12 overseas subsidiaries that operate as overseas hubs for the GLOBAL WiFi service in South Korea, Singapore, UK, Hong Kong, US(Hawaii), Taiwan, China (Shanghai), France, Italy, US(California) and New Caledonia; there is also a local subsidiary in Vietnam, which is an offshore hub for database construction and system development. (At the end of December 2023)

[Vision Group’s management philosophy – To Contribute to the Global Information and Communications Industry Revolution]

We will actively promote the Information and Communications Revolution in the world, bring innovations to an individual’s lifestyle and the company’s business style, and contribute to the advancement of humanity and society by continuing to be an distributor that effectively and efficiently connects the client companies with end users and makes sure that its employee’s unlimited ambition, dreams and thoughts are contributing to the stakeholders, without compromising nor ever forgetting the venture spirit and add to the progress of the human race and the society.

1-1 Business Description

①GLOBAL WiFi Business

The company offers services including “GLOBAL WiFi” (a Wi-Fi router rental service that allows people traveling overseas to use local internet services at a competitive rate through its partnerships with the overseas operators) and “NINJA WiFi” (a Wi-Fi router rental service for overseas visitors to Japan, etc.), while also engaging in services for the travelers between foreign countries in overseas bases (South Korea and Taiwan, California).

The number of leased Wi-Fi routers that are equipped with the next-generation telecommunication technology (Cloud Wi-Fi) capable of managing Subscriber Identity Modules (SIMs) on the cloud accounts for over 90% of all leased devices (Depending on telecommunication carriers, some countries are not supported, thus the company has almost reached the upper limit).



(From the reference material of the company)

In addition, “GLOBAL WiFi for Biz,” a domestic plan of “GLOBAL WiFi,” which is installed in corporations for regular use, was promoted aggressively and performed well. The sale of “GLOBAL WiFi for Biz” was promoted by capturing the increasing telework demand during the spread of the new coronavirus infection, and it also demonstrated its competitive advantage during the recovery of traveling. With one “GLOBAL WiFi for Biz” in the company, customers can use it for telework and sudden overseas business trips without making arrangements, eliminating the need to use overseas roaming services when Wi-Fi rentals are not available. The number of subscriptions and actual usage have continued to increase as a result of its proposal as a dual-use service (telework and travel).

Advantages (1) Affordable fixed-rate system, (2) the most comprehensive area coverage, (3) comfort, (4) safety/security, and (5) substantial support bases and corporate sales capabilities ⇒ One of the largest customer bases in the industry

The advantages of “GLOBAL WiFi” and “NINJA WiFi” include the following: (1) cost benefits of up to 89.9% (the rental fee per day is 300 yen at the minimum, depending on the travel destination) compared to the overseas fixed-rate packet plans offered by other Japanese mobile carriers, (2) the industry’s most comprehensive coverage of over 200 countries and regions, (3) high-speed telecommunications services through partnerships with telecommunication operators all over the world, (4) available and support 24 hours a day, 365 days a year, and (5) the industry’s largest number of available spots at airport counters.

Furthermore, from the business perspective, another advantageous point is the fact that use by corporations, through which stable demand can be expected, has accounted for about 40%~50% in this business segment. As a result, the company has secured a great number of users, which is one of the largest market shares in the industry.

-Competitive advantage when the demand for travel recovers

① Ultrahigh-speed telecommunication 5G plan world eSIM

The first in the industry of rental of Wi-Fi routers for overseas travel. They are expanding the service area of the ultrahigh-speed telecommunication 5G plan. They offer 5G services in the United States mainland, Hawaii, South Korea, Taiwan, Thailand, UK, Italy, France, Germany, Spain, China, and Hong Kong.

*Regarding China (special lines): Plan for enabling customers to use apps, social media, and Internet services that are partially restricted in China. They adopted a different telecommunication technology from the conventional VPN, so the plan can be used without connection setup. This is an advantage.

They started offering “World eSIM,” an eSIM service that is available in over 180 countries or regions. They plan to actively sell their services to foreign travelers from Europe and the U.S. (including foreign visitors to Japan and foreign people traveling to other countries), who often purchase SIM cards at their destinations, after the recovery of demand for travel.



(From the reference material of the company)

② Expansion of the service area of the unlimited plan

A large volume of data is transmitted, due to the diversification of smartphone apps, the transmission of heavy images and videos, the posting in social media, etc.

This plan is increasingly shared by customers and their friends or family members, or increasingly used for multiple devices, including smartphones, tablets, and laptop PCs, in business scenes. This is a plan in which users do not need to worry about the limit of transmittable data volume. They have expanded its service area and features to meet the demand for long-term use.

The ratio of customers who choose the unlimited plan increased. ⇒ Rise in average revenue per user (ARPU)

③ Customers can receive the device at a convenience store.

Customers now can select an option in which they can receive the device at any convenience store of Seven-Eleven around Japan, excluding Okinawa, which is close to their workplace or home for convenience.

Customers can receive the device in advance, without lining up in front of a counter on the date of departure. Customers can receive the

device even late at night, as long as the convenience store is open.

④ Operation of unmanned shops

Locations (as of the end of December 2023)

Sendai Airport, Mt. Fuji Shizuoka Airport, Kumamoto Airport, Kitakyushu Airport, and Miyako Shimojishima Airport *More shops to be built.

Installed equipment

- Smart Pickup (for receiving the device)
- Return box (for returning the device)
- Vending machine for SIM cards

Features, etc.

- Customers can receive the device in a non-face-to-face manner without lining up in front of an airport counter even during a busy season (for repeat customers who do not require explanations, and this is effective for coping with infectious diseases).
- It is possible to offer services 24 hours a day, including early morning and midnight hours in which it is difficult to secure staff even if there are needs.
- Vending machines of prepaid SIM cards for use by foreign travelers to Japan and those who temporarily return to Japan
- It is possible to increase touch points at low cost without occupying much space (for improving convenience and increasing revenues).

⑤ Wi-Fi in Japan

For foreign visitors to Japan
Wi-Fi router rental service

For domestic use in Japan
Wi-Fi router rental service



(From the reference material of the company)

The store digitalization strategy and establishment of the super last-minute online order receipt system

The company is proceeding with the strategy of making stores digitalized by (1) installing automatic pick-up lockers (Smart Pickup), and (2) the QR code-based reception counter that features immediate customer identification (Smart Check), while expanding the number of manned counters in Japan. The company aims to evolve its stores to ones that can be used by Japanese tourists travelling abroad and foreign tourists visiting Japan, more conveniently, more comfortably, and with greater peace of mind, as well as strengthen its efforts toward the increase of routers on lease (number of routers delivered) and increase of optional services (such as insurance services and accessories).

Automatic pick-up locker

You can receive in 10 seconds
without waiting.



Smart Pickup
(Automatic pick-up locker)

Smart Pickup

Immediate customer
identification counter
(QR code reception counter)



Reception

Standby



SmartCheck

(From the reference material of the company)

In addition to strengthening the contact point with users, the store digitalization will make it possible to optimize the level of services according to user needs (reducing the waiting time for repeat users who do not require explanations while making airport staff deal with users who need it). As it is difficult to expand and install more airport counters, the company is planning to increase Smart Pickup lockers, which will save labor, and improve throughput and reduce costs by utilizing the limited space effectively.

Furthermore, the combination of the store digitalization strategy, Cloud Wi-Fi, and the customer database has established a “super last-minute online order receipt system,” enabling the company to provide services for customers who are about to depart (the system has made it possible for the company to cope expeditiously with online application submitted right in front of airport counters by linking it with the database).

② Information and Communications Service Business

With Best Link Inc., a consolidated subsidiary, at its core, the group offers services aimed mainly at newly established corporations, venture businesses and multi-store development enterprises such as food-service chains, from its 14 offices nationwide and in cooperation with its partner companies. The services include subscription agency operations for various telecommunications services such as business phones, agency operations of arranging lines for landline telephones, subscriber telephones, and NTT Hikari telephones, corporate mobile phones, OA equipment and security products (UTM), etc., designing websites, and agency operations for new power services targeting enterprises.

The company has advantages in prospecting for corporations newly established (within 6 months), one of its major targets, and it is estimated, according to the data by the Ministry of Justice (the number of newly registered companies was 129,548 in Japan in 2022), that the company has conducted transactions with around one in every 10 corporations newly founded in Japan. These advantageous points are backed by the company’s strong power to attract customers through its unique online marketing (Internet media strategy), through which the company maximizes running yield (recurring revenue-type business) and conducts additional sales with high productivity (up/cross selling) through the Customer Relationship Management (CRM; customer relationship and ongoing transactions) strategy.

For example, the company can receive a commission from operators for telephone line arrangements unless contracts for the service are canceled, and it can earn maintenance fees for MFPs on a continuous basis. Moreover, the follow-up service by its Customer Loyalty Team has enabled the company to establish a recurring revenue-type business model, in which earnings are accumulated by taking in demand for lines and equipment that increases with customers’ business growth, and providing optimal services according to customers’ growth stage (additional sales with high productivity through up/cross selling). The company will evolve its recurring revenue-type business model while expanding the target customer from enterprises with growth potential to ones in the growth stage.

③ Glamping and Tourism Business

The glamping business was launched as a business that will grow to become the third pillar of the company’s business. Currently, the company operates two facilities, “VISION GLAMPING Resort & Spa Koshikano Onsen” (Kirishima City, Kagoshima Prefecture) and “VISION GLAMPING Resort & Spa Yamanaka Ko” (Yamanakako Village, Minamitsuru-gun, Yamanashi Prefecture).

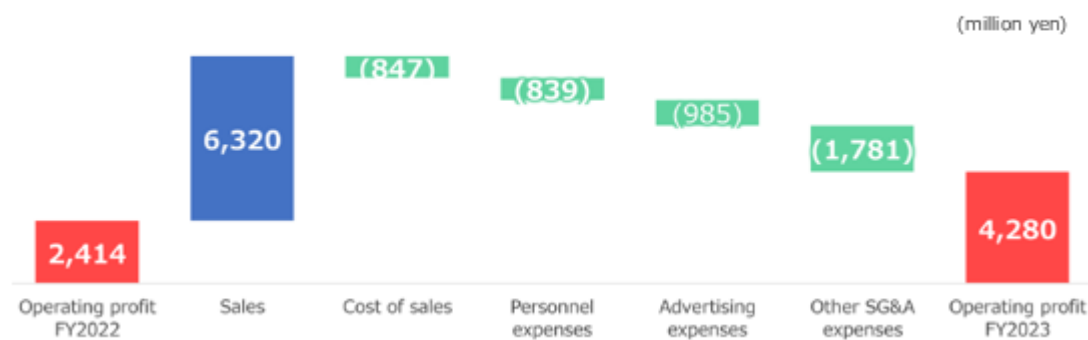
This business has a major advantage in that Chairman Sano’s family already has experience and expertise in the management of this business.

2. Fiscal Year Ended December 2023 Earnings Results

2-1 Consolidated Business Results

	FY 12/22	Ratio to sales	FY 12/23	Ratio to sales	YoY	Company forecasts	Ratio to forecast
Sales	25,487	100.0%	31,807	100.0%	+24.8%	30,095	+5.7%
Gross profit	12,330	48.4%	17,802	56.0%	+44.4%	-	-
SG&A expenses	9,916	38.9%	13,521	42.5%	+36.4%	-	-
Operating income	2,414	9.5%	4,280	13.5%	+77.3%	4,019	+6.5%
Ordinary income	2,422	9.5%	4,337	13.6%	+79.1%	4,053	+7.0%
Net income	1,548	6.1%	3,025	9.5%	+95.4%	2,673	+13.2%

*Unit: million yen. Net income is net income attributable to owners of parent.



(From the reference material of the company)

Significant increase in sales and profit driven by the GLOBAL WiFi business

Sales were 31,870 million yen, up 24.8% year on year. The sales of the GLOBAL WiFi business rose significantly by 30.1%, and the sales of the Information and Communications Service business remained strong with a 14.1% increase. In the Glamping and Tourism business, sales rose by 168.4% due to full operation of facility around the Lake Yamanaka.

As the demand for travel recovered, the number of rentals for GLOBAL WiFi increased and OA equipment sold well, so gross profit margin improved significantly from 48.4% to 56.0%, and gross profit increased 44.4% year on year to 17,802 million yen.

Operating income increased 77.3% year on year to 4,280 million yen. SGA expense ratio increased, but thanks to the significant growth of gross profit, operating income margin improved considerably from 9.5% in the previous fiscal year to 13.5%, resulting in the significant growth of operating income.

They revised the forecast sales and profits upwardly in August, but actual amounts exceeded even the revised forecasts.

Quarterly Business Results

	21/12-1Q	2Q	3Q	4Q	22/12-1Q	2Q	3Q	4Q	23/12-1Q	2Q	3Q	4Q
Sales	3,938	4,706	4,747	4,708	5,609	6,019	6,849	7,009	8,347	7,272	8,333	7,853
Gross profit	2,176	2,328	2,313	2,189	2,544	2,910	3,525	3,350	4,252	4,223	4,867	4,458
SG&A expenses	1,890	1,960	1,953	2,098	2,140	2,392	2,497	2,885	2,870	3,178	3,577	3,895
Operating income	285	368	359	91	403	517	1,027	464	1,382	1,045	1,289	563
Ordinary income	313	367	361	101	406	516	1,031	468	1,423	1,039	1,302	573

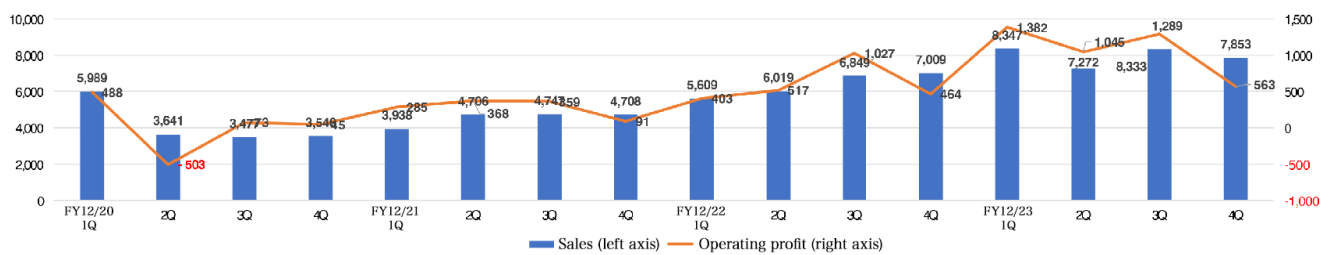
BRIDGE REPORT



Quarterly net income	232	223	246	27	245	320	704	278	940	673	900	511
Gross Profit Margin	55.3%	49.5%	48.7%	46.5%	45.4%	48.3%	51.5%	47.8%	50.9%	58.1%	58.4%	56.8%
SG&A ratio	48.0%	41.7%	41.2%	44.6%	38.2%	39.7%	36.5%	41.2%	34.4%	43.7%	42.9%	49.6%
Operating income ratio	7.3%	7.8%	7.6%	1.9%	7.2%	8.6%	15.0%	6.6%	16.6%	14.4%	15.5%	7.2%

*Unit: million yen

Quarterly Sales and Operating Income Trends (Unit:million yen)



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

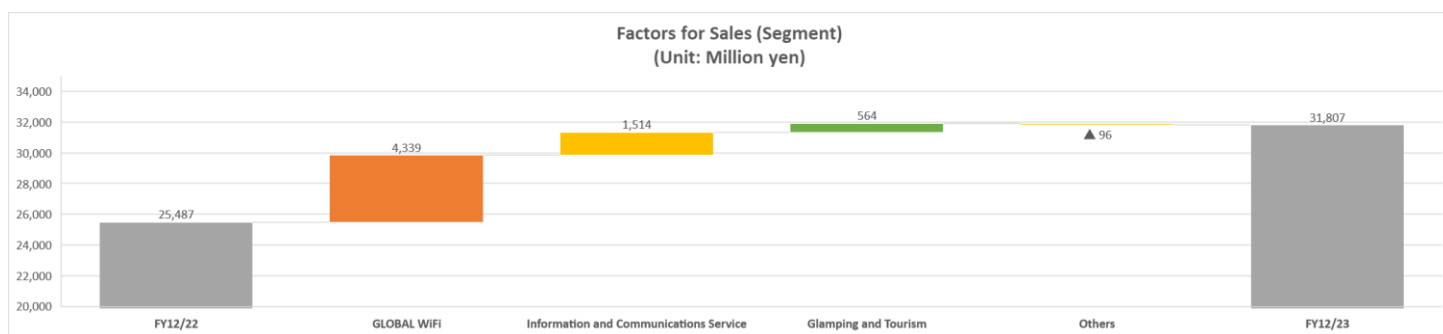
2-2 Trends by Segment

	FY 12/22	Composition Ratio・Profit Ratio	FY 12/23	Composition Ratio・Profit Ratio	YoY
GLOBAL WiFi	14,389	56.5%	18,728	58.9%	+30.1%
Information and Communications Service	10,615	41.6%	12,108	38.1%	+14.1%
Glamping and Tourism	340	1.3%	913	2.9%	+168.4%
Others	197	0.8%	94	0.3%	-52.1%
Consolidated Sales	25,487	100.0%	31,807	100.0%	+24.8%
GLOBAL WiFi	3,078	21.4%	5,032	26.9%	+63.5%
Information and Communications Service	765	7.2%	1,040	8.6%	+35.9%
Glamping and Tourism	-122	-	88	9.7%	-
Others	-119	-	-176	-	-
Adjustments	-1,186	-	-1,705	-	-
Consolidated Operating Income	2,414	9.5%	4,280	13.5%	+77.3%

*Unit: million yen.

	21/12-1Q	2Q	3Q	4Q	22/12-1Q	2Q	3Q	4Q	23/12-1Q	2Q	3Q	4Q
Sales												
GLOBAL WiFi	1,515	2,349	2,628	2,577	2,618	3,174	4,125	4,471	5,108	3,904	4,921	4,794
Information and Communications Service	2,357	2,297	2,068	2,080	2,875	2,744	2,594	2,401	2,984	3,147	3,145	2,829
Operating profit												
GLOBAL WiFi	117	262	368	284	359	593	1,156	968	1,443	1,169	1,443	975
Information and Communications Service	410	367	246	92	347	259	197	-38	302	352	274	111

*Unit: million yen. Sales represents sales to external customers.



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

GLOBAL WiFi Business

Sales and profit both increased significantly.

Since the lifting of the border control in April, the demand for travel mainly from foreign visitors to Japan has been recovering significantly. The number of foreign visitors to Japan in October last year exceeded that in October 2019, and the annual number recovered to 78.6% of the pre-pandemic level. The number of Japanese people traveling overseas was 9.62 million, that is, 47.9% of that in 2019, indicating that it is still recovering, but the monthly number exceeded 1 million in August to September and November. In this business environment, the applications from foreign visitors to Japan for the Wi-Fi rental “NINJA WiFi” in Japan increased, and the SIM card sales via vending machines at airport counters also remained steady. Regarding Japanese people traveling overseas, “Unlimited Data Plan” and “5G Plan,” a high-speed data communication plan was strong, and average spending per customer remained high. In addition, the company has taken various measures to address rising purchase prices for overseas telecommunication due to the weak yen, including revising purchase terms and conditions and improving the efficiency of data operations.

Information and Communications Service Business

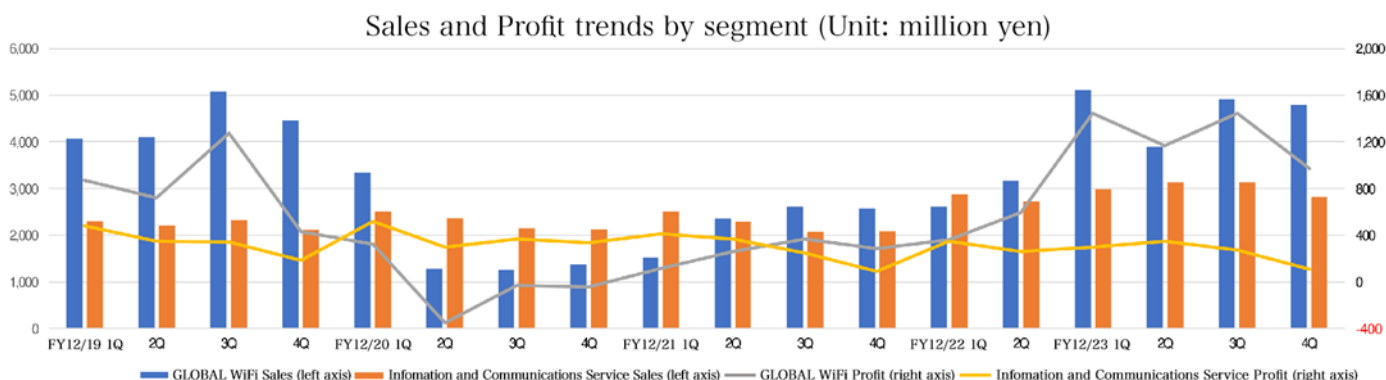
Sales and profit increased.

Sales was healthy, thanks to the alleviation of shortage of supply of products caused by the shortage of semiconductors for OA equipment, which lingered since the previous fiscal year, and the enhancement of recruitment of marketing staff. Furthermore, they promoted the sale of recurring-revenue services, to maximize the lifetime value of customers by upselling or cross-selling services, reducing long-term cancellation rates, and offering recurring services.

Glamping and Tourism Business

Sales grew considerably, and this business moved into the black.

Seeking extraordinary experiences that cannot be brought by existing hotels or Japanese-style inns, an increasing number of customers select “VISION GLAMPING Resort & Spa Koshikano Onsen” (Kirishima City, Kagoshima Prefecture) and “VISION GLAMPING Resort & Spa Yamanaka Ko” (Yamanakako Village, Yamanashi Prefecture), which was opened in December 2022.



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

BRIDGE REPORT

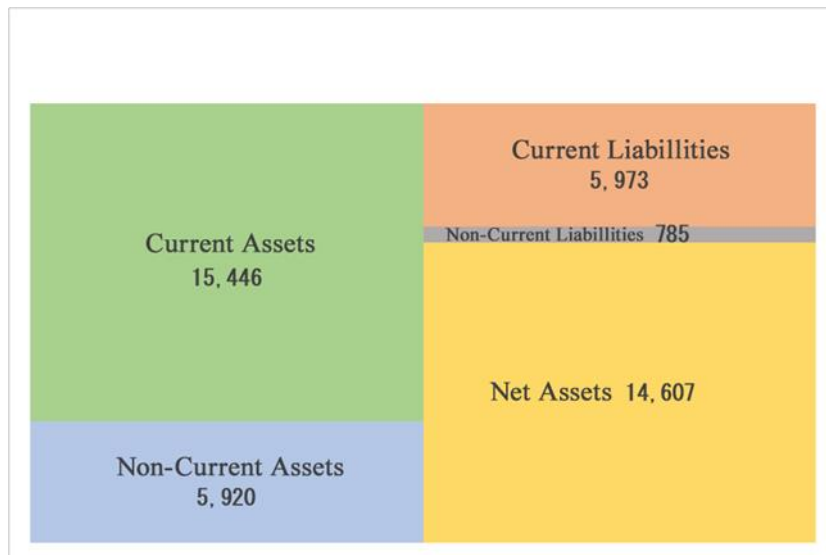


2-3 Financial Condition and Cash Flow

◎Financial Condition

	Dec. 2022	Dec. 2023	Increase / decrease		Dec. 2022	Dec. 2023	Increase / decrease
Current assets	12,852	15,446	+2,593	Current liabilities	4,872	5,973	+1,100
Cash and deposits	8,156	10,221	+2,064	Trade payables	820	1,229	+408
Trade receivables	3,658	3,713	+54	Noncurrent liabilities	1,038	785	-253
Non-current assets	5,098	5,920	+821	Total liabilities	5,911	6,758	+847
Property, plant and equipment	2,185	3,188	+1,003	Net assets	12,039	14,607	+2,567
Intangible fixed assets	1,331	1,353	+21	Net retained earnings	8,637	11,663	+3,025
Investments and other	1,581	1,377	-203	Total liabilities Equity	17,951	21,366	+3,414
Total assets	17,951	21,366	+3,414	Total long- and short-term debt	967	722	-245

*Unit: million yen



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

Total assets increased 3.4 billion yen from the end of the previous period to 21.3 billion yen, mainly due to an increase in current assets resulting from an increase in cash & deposits and tangible fixed assets.

Total liabilities increased 0.8 billion yen year on year to 6.7 billion yen due to increases in trade payables.

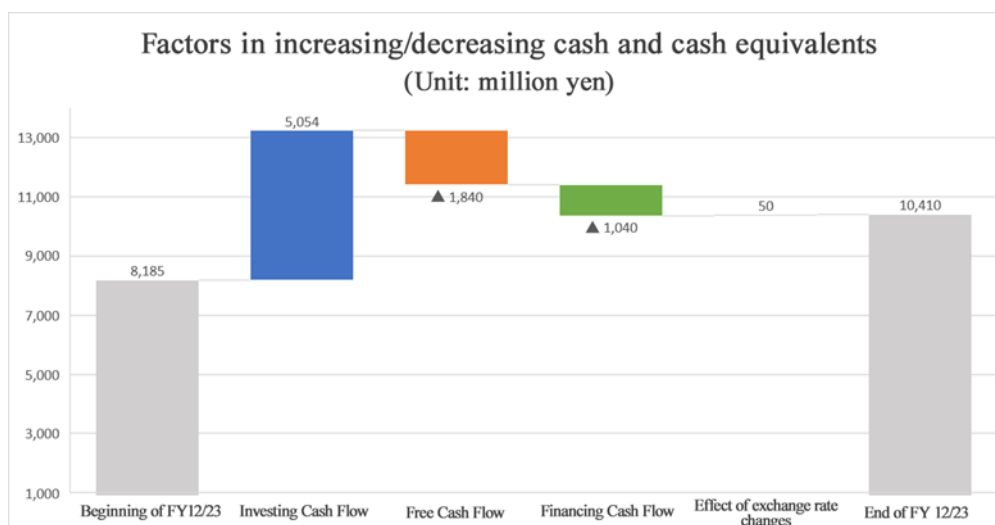
Net assets increased 2.5 billion yen from the end of the previous term to 14.6 billion yen due to increases in retained earnings.

Equity ratio increased by 0.3 points from the end of the previous term to 67.3%.

◎ Cash Flow

	FY 12/22	FY 12/23	Increase/ decrease
Operating Cash Flow	1,539	5,054	+3,514
Investing Cash Flow	-1,200	-1,840	-639
Free Cash Flow	338	3,214	+2,875
Financing Cash Flow	137	-1,040	-1,177
Cash and Equivalents	8,185	10,410	+2,224

* Unit: million yen



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

The cash inflow from operating activities grew due to the increase in net income before taxes and other adjustments, etc., while the cash outflow from investment activities augmented due to the increase in expenditure for acquiring tangible fixed assets, etc. The cash position improved.

3. The Fiscal Year Ending December 2024 Earnings Forecasts

3-1 Full-year Earnings Forecasts

	FY 12/23	Ratio to sales	FY 12/24 (forecast)	Ratio to sales	YoY
Sales	31,807	100.00%	36,145	100.00%	+13.6%
Gross Profit	17,802	56.0%	20,577	56.9%	+15.6%
SG&A	13,521	42.5%	15,322	42.4%	+13.3%
Operating income	4,280	13.5%	5,254	14.5%	+22.7%
Ordinary income	4,337	13.6%	5,256	14.5%	+21.2%
Net income	3,025	9.5%	3,500	9.7%	+15.7%

* Unit: million yen

Sales and operating income are expected to grow by double digits in the fiscal year ending December 2024.

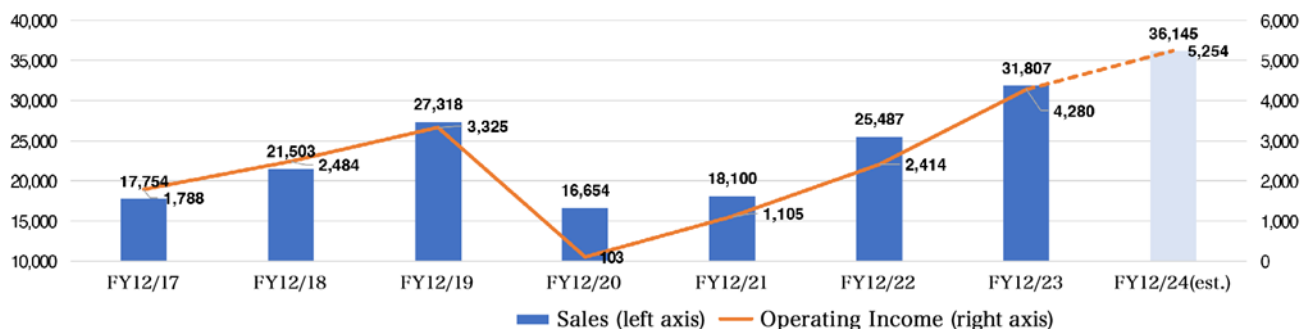
For the fiscal year ending December 2024, it is expected that sales will rise 13.6% year on year to 36,145 million yen and operating income will increase 22.7% year on year to 5,254 million yen. Both sales and operating income are projected to hit a record high for consecutive years. The demand for overseas travel is forecast to recover stepwise. In this economic situation, they plan to enhance promotion for popularizing their service brand, increase human resources by hiring mid-career workers, and strengthen their recurring-revenue services. Through these measures, the GLOBAL WiFi business, which is the mainstay, is expected to recover.

The sales and profits of GLOBAL WiFi business, the Information and Communications Service business, and the Glamping and Tourism business are expected to lead to the year-on-year increases.

BRIDGE REPORT



Trends of Sales and Operating Income (Unit: million yen)



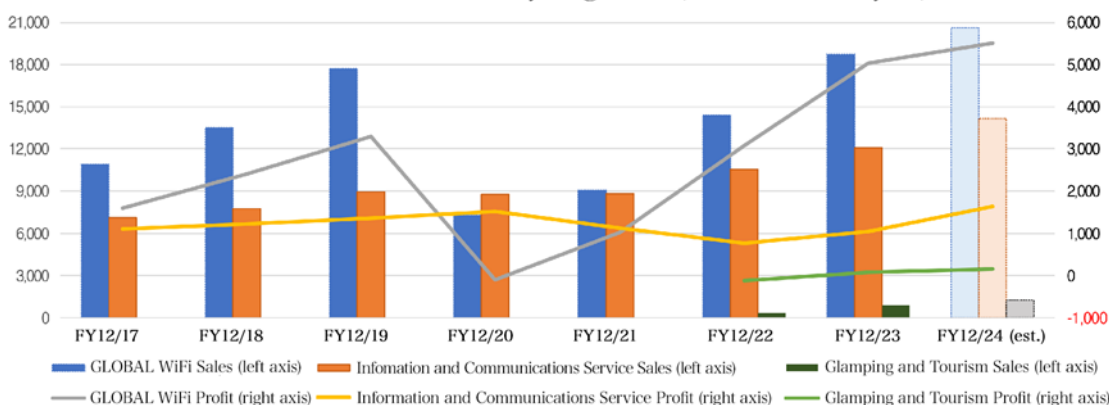
*Investment Bridge Co., Ltd. prepared this based on disclosed material.

3-2 Forecast by Segment

	FY 12/23	Composition Ratio・Profit Ratio	FY 12/24 (forecast)	Composition Ratio・Profit Ratio	YoY
GLOBAL WiFi	18,728	58.9%	20,620	57.0%	+10.1%
Information and Communications Service	12,108	38.1%	14,136	39.1%	+16.8%
Glamping and Tourism business	913	2.9%	1,260	3.5%	+38.0%
Others	94	0.3%	128	0.4%	+35.4%
Consolidated net sales	31,807	100.0%	36,145	100.0%	+13.6%
GLOBAL WiFi business	5,032	26.9%	5,511	26.7%	+9.5%
Information and Communications Service business	1,040	8.6%	1,635	11.6%	+57.1%
Glamping and Tourism business	88	9.7%	164	13.1%	+85.3%
Others	-176	-	-96	-	-
Adjustments	-1,705	-	-1,961	-	-
Consolidated operating income	4,280	13.5%	5,254	14.5%	+22.7%

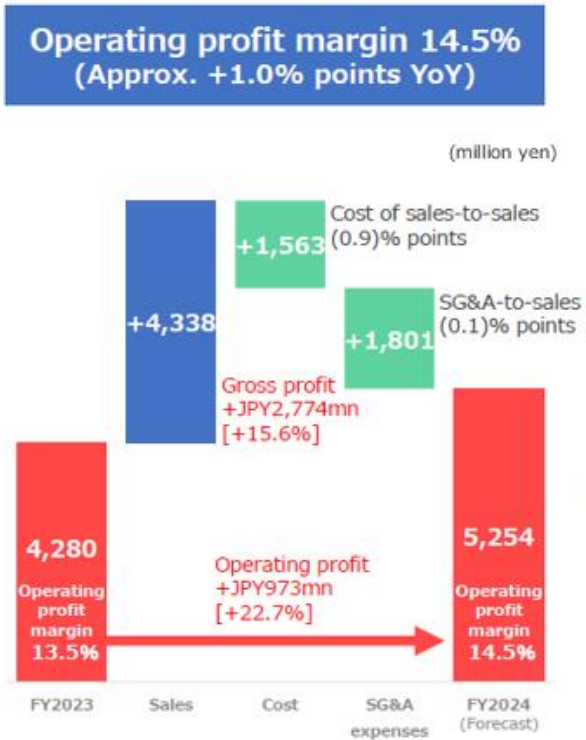
* Unit: million yen

Sales and Profit trends by segment (Unit: million yen)



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

Factors in increasing/decreasing forecast operating income



Assumption

Operating income is forecast while taking into account active investment.

GLOBAL WiFi business

- Assumed exchange rate: 1 US dollar = 150 yen
- Recovery rate of overseas travel: 71.2% (in 2024)
- Improvement in recognition level through the enhancement of promotion
- Sale of GLOBAL WiFi and World eSIM around the world

Information and Communications Service business

- Improvement of recurring-revenue services
- *Vision Hikari, security cameras, websites, cloud services, rental of business devices, etc.
- No. of mid-career workers hired: 50 (active recruitment)

Other than the assumption

Maximization of business synergy through active M&A

*From the reference material of the company

4. Details of Growth Initiatives

4-1 Envisioned Medium-term Growth

An operating income of 10 billion yen is a mere milestone. They aim to grow further.

◆ **GLOBAL WiFi Business**

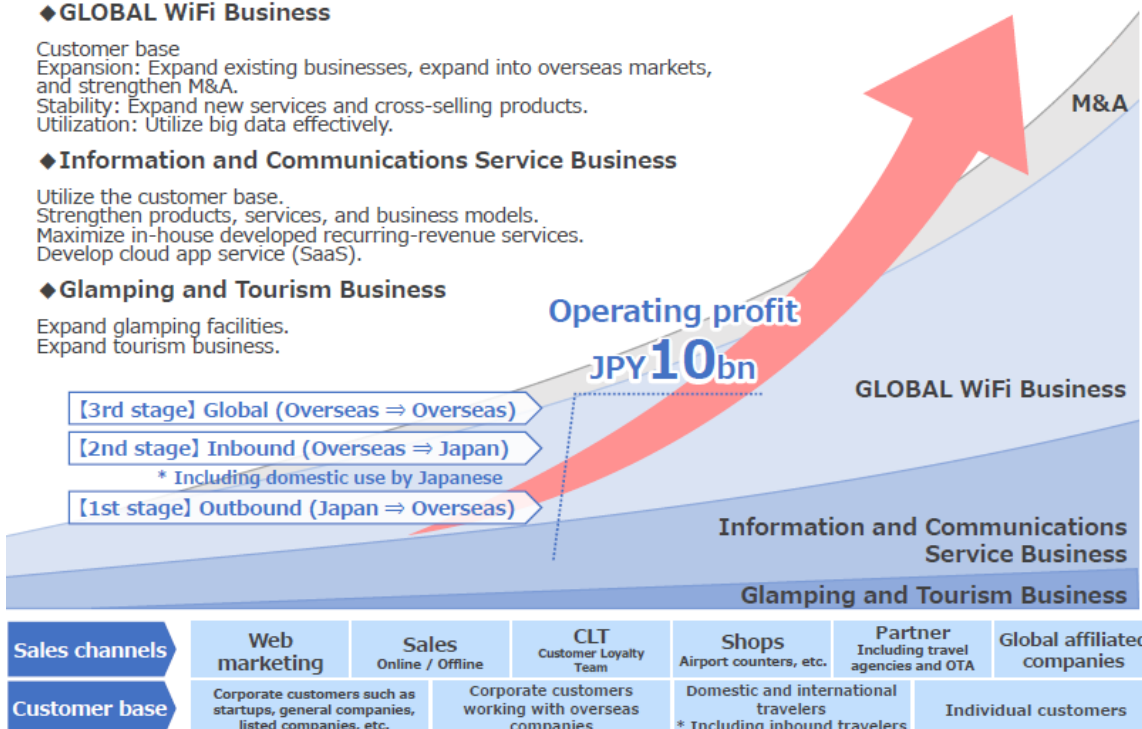
Customer base
 Expansion: Expand existing businesses, expand into overseas markets, and strengthen M&A.
 Stability: Expand new services and cross-selling products.
 Utilization: Utilize big data effectively.

◆ **Information and Communications Service Business**

Utilize the customer base.
 Strengthen products, services, and business models.
 Maximize in-house developed recurring-revenue services.
 Develop cloud app service (SaaS).

◆ **Glamping and Tourism Business**

Expand glamping facilities.
 Expand tourism business.



*From the reference material of the company

BRIDGE REPORT



4-2 GLOBAL WiFi Business

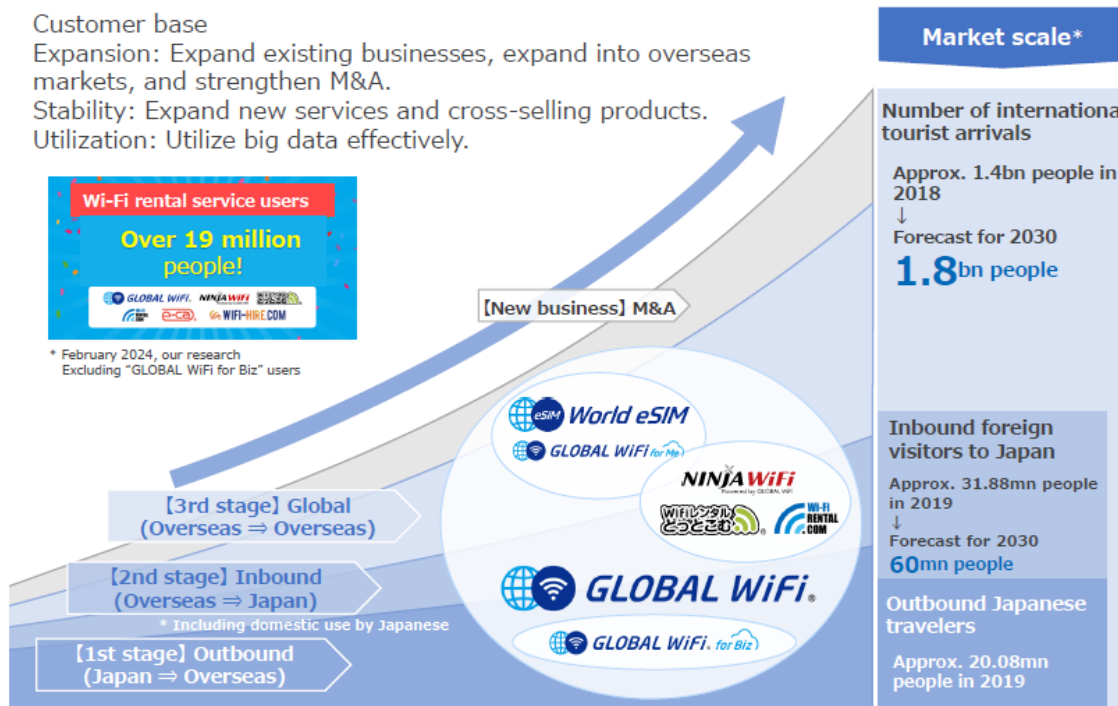
As the market scale is large, they aim to expand their market share and think of entering new fields and conducting M&A, etc.

Customer base

Expansion: Expand existing businesses, expand into overseas markets, and strengthen M&A.

Stability: Expand new services and cross-selling products.

Utilization: Utilize big data effectively.



*From the reference material of the company

They can meet various needs for inbound, outbound, and domestic travels.

No need to apply for, receive, or return

Connect Internet anywhere in the world with one digital device

"Global WiFi for Biz"

You can use it immediately for telework and sudden overseas business trips.

Order
No prior application required. Leave with Wi-Fi.

Departure
No receipt required

Overseas
Turn on Wi-Fi and connect

Return home
No need to return

Next generation overseas communication

World eSIM

- ✓ You can use your smartphone in over 180 countries and regions!
- ✓ You can choose the price plan that suits you!
- ✓ No more luggage, no need to pick up or return!

A first in the industry!

Ultra-High-Speed 5G Plan

5G plan
Expanding coverage area!

You can use a lot of data without worry with the

Unlimited plan

Available in 91 countries

Wi-Fi router rental service aimed at international travelers to Japan

NINJA WiFi
Powered by GLOBAL WiFi

A must have item when traveling in Japan
Finding a free Wi-Fi spot is not easy in Japan, as free Wi-Fi spots are not widely available. NINJA WiFi is a completely flat-rate service that allows you to access the Internet anywhere in Japan with your smartphone!

Can be used as soon as it arrives

WIFILINK どとどむ

They are used for domestic travel, temporary return to Japan, business (business trips and event use), hospitalization, moving, and use with home lines.

New service in response to customer feedback

Vision WiMAX
powered by LIQ WiMAX

Wi-Fi router sales service for customers who are considering purchasing. Customers can use it as a trial for rent. After checking the communication environment of their home, customers can purchase the one that meets their needs.

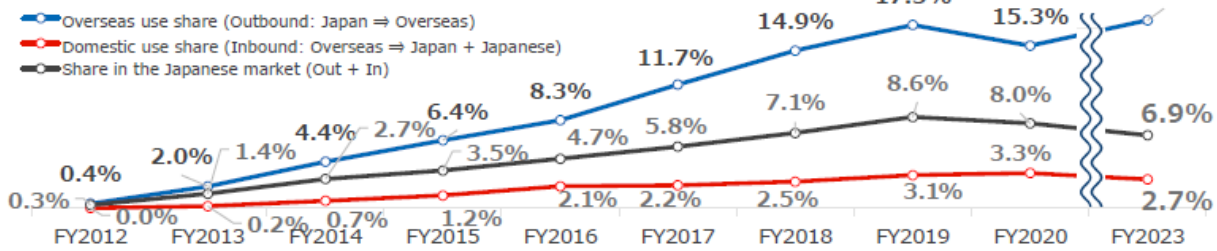
*From the reference material of the company

BRIDGE REPORT



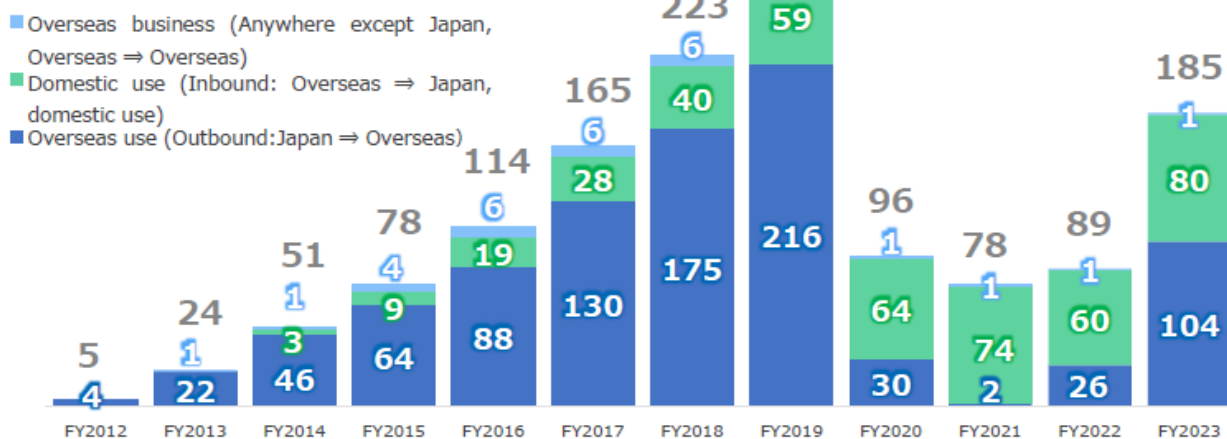
Variation in the number of transactions for use

Our Wi-Fi rental service penetration ratio (Japan)



Number of annual usage (Unit: 10 thousand cases)

* Usage number of "GLOBAL WiFi for Biz" is not included.



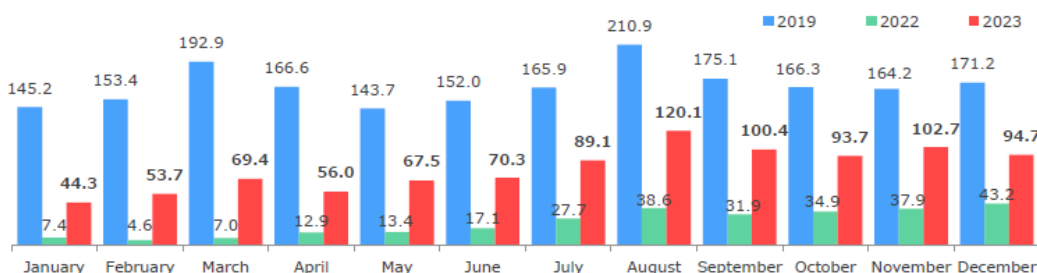
(From the reference material of the company)

No. of overseas travelers

The number of inbound travelers (foreigners visiting Japan) exceeded the number in 2019 since autumn, and the number of outbound travelers (Japanese people traveling overseas) is recovering gradually.

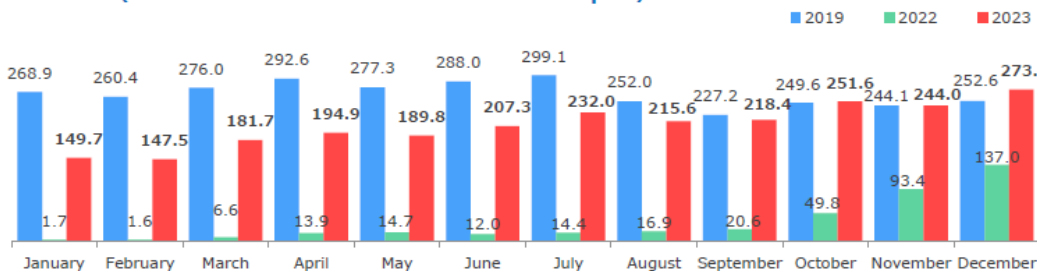
Outbound (Number of Japanese travelers to overseas)

(10 thousand people)



Inbound (Number of international travelers to Japan)

(10 thousand people)



*Produced by the company with reference to the material of Japan National Tourism Organization [JNTO]

4-3 Information and Communications Service Business

They aim to grow while increasing recurring revenues.

Startup support and acquisition of in-house developed services

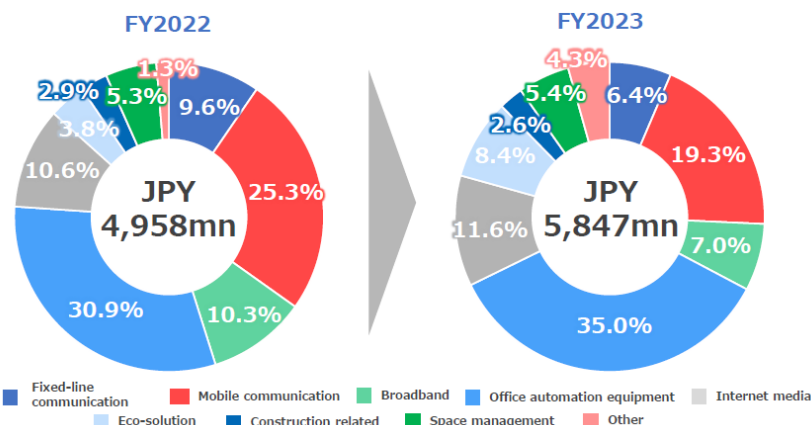


*From the reference material of the company

Gross profit composition

By leveraging its strengths of having multiple businesses (products and services) and sales channels, the company has responded flexibly to changes in the external environment and achieved steady growth.

OA equipment sold well.



*From the reference material of the company

*This is the ratio of monthly profit/loss, excluding accounting processes, and differs from segment performance.

Recurring revenues

Variation in gross profit

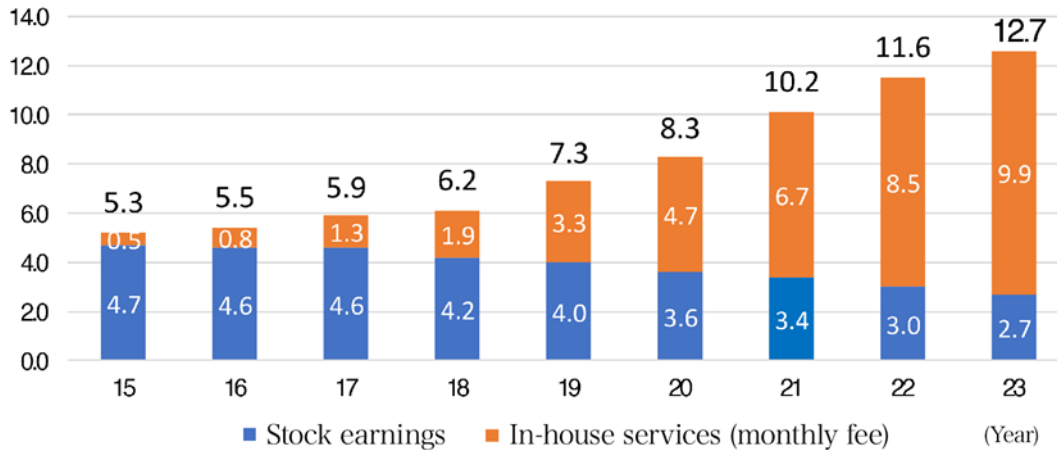
Strengthen the stock revenue, which will provide a stable revenue base over the long term.

Strengthen acquisition of in-house services from the fiscal year ending December 2019.

Reached 1 billion yen in the fiscal year ended December 2021.

Launched the service Vision Hikari in September 2023.

Stock earnings and In-house service gross profit trends (Unit: 100 million yen)



*Investment Bridge Co., Ltd. prepared this based on disclosed material.

The company’s own services—Provision of products and services to meet the needs of customers and the times Adopted by 400,000 companies.

The reform of workstyles was promoted in response to the spread of COVID-19. Business grew, as they accurately grasped the needs of customers, markets, and the times, attracted customers, and increased recurring revenues through up-selling and cross-selling according to corporate growth stage. Certified as “a DX-ready enterprise” based on the DX certification system of the Ministry of Economy, Trade and Industry.



(Investment Bridge Co., Ltd. prepared this based on disclosed material.)

Our own fiber optic line service "Vision Hikari"
Provide a one-stop service even when two contracts, a line contract and a provider contract, are required. The quality of the line remains the same, but the usage fee is lower.

Compensation and repair services for corporate mobile phones
Contract number from 30,000 devices. Corporate mobile phone compensation service with no need to visit a shop for easy replacement and no out-of-pocket.

LED lighting
Reduce installation costs and save energy by renting.

Vision Crafts!
PC・スマホ対応ホームページ制作サービス
MORPH

Website production and operation
We have produced over 2,000 companies' websites a year and created reasonable websites for smartphones. Operational services. It has strong visual appeal and conveys the appeal of products and services with simple operations.

*From the reference material of the company

Sales of the "VWS series" are strong

The company is developing and operating services used by the company to users and will provide necessary functions in the cloud as needed on a monthly basis.

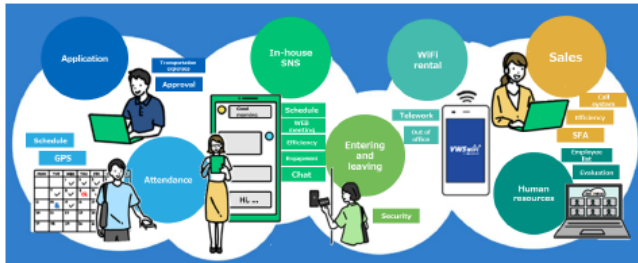
To a more comfortable working environment to every enterprise

BRIDGE REPORT



“Cloud migration” with “VWS”

Streamline daily operations with cloud tools and support various working styles such as teleworking.



New! Started service of IP cameras.

Small, reassuring, fun Edge AI netcam

18 yen/day IP camera



assurance at a low cost. Monthly rate of 550 yen/device (tax included)
*Overseas available from 550 yen per month

This IP camera is recommended for those who use simple offices or do not have security measures in their restaurants.

*From the reference material of the company

4-4 Glamping and Tourism Business

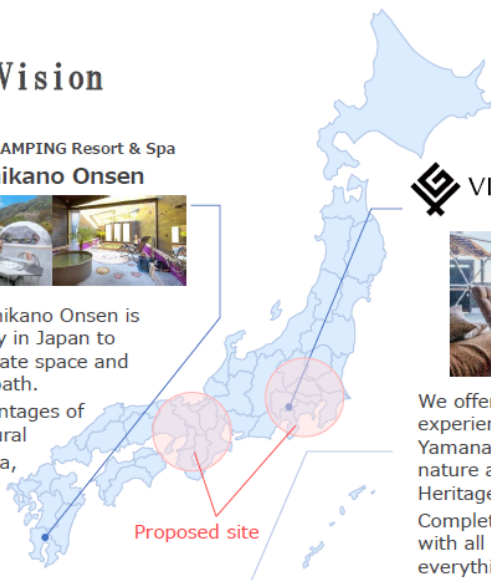
New Glamping Proposed by Vision



VISION GLAMPING Resort & Spa Koshikano Onsen



VISION GLAMPING Koshikano Onsen is the first glamping facility in Japan to offer all rooms with private space and an open-air hot spring bath. Enjoy not only the advantages of camping in the rich natural environment of Kirishima, but also the comforts of a hotel-like setting.



Proposed site

VISION GLAMPING Resort & Spa 山中湖



We offer an extraordinary experience of staying at Yamanakako, surrounded by nature and Mt. Fuji, a World Heritage Site. Completely private glamping with all rooms equipped with everything, including open-air baths and saunas.

*From the reference material of the company

Release of “KO SHI KA,” a new skincare series made from the water of the hot spring Koshika for the beautiful skin.



The “KO SHI KA” series are high-quality skincare products manufactured and formulated with the utmost care to generously demonstrate the excellent skin beautifying effects of “Koshikano Onsen,” a hot spring for beautiful skin.

What is a lotion made with hot spring water for beautiful skin?

The difference from ordinary lotion is hot spring water + selected ingredients.

- Triple concentration of hot spring water using a special manufacturing process
- 80% of hot spring water “Hot Spring for Beautiful Skin”

Naturally Derived Ingredients

All the ingredients of “KO SHI KA” lotion, including triple-concentrated hot spring water, are of natural origin.



■ “Koshikano Onsen,” a hot spring for beautiful skin

Since its establishment in 1978, the sodium-hydrogencarbonate spring water is commonly called “Hot Spring for Beauty” or “Hot Spring for Beautiful Skin” because of its effect of softening keratin and making the skin smooth. It has been loved by many people, especially locals, as a therapeutic bathhouse and day spa.

(From the reference material of the company)

5. Conclusions

In the fiscal year ended December 2023, the sales and profits of all businesses, including the GLOBAL WiFi business, increased significantly, exceeding the company's forecasts. It can be said to be natural, as the number of travelers inside and outside Japan increased significantly. However, the number of outbound tourists did not recover to the pre-pandemic level, sales and operating income hit a record high, exceeding the amounts in the fiscal year ended December 2019. This indicates that the company has grown its business steadily amid the pandemic. The growth of sales and profit in fourth quarter (October to December) was somewhat sluggish, because the number of outbound travelers decreased from third quarter (July to September) due to a seasonal factor and the company carried out upfront investment. The company is steadily proceeding from the recovery phase to the growth phase. In the fiscal year ending December 2024, sales and operating income are expected to grow by double digits. The sales growth rate of the GLOBAL WiFi business is projected to be only 10%, due to the airport quarantine business in the first half of the fiscal year ended December 2023. Excluding the airport quarantine business, the sales and profit of the GLOBAL WiFi business are expected to grow 22% and 23%, respectively, keeping steady growth. Regarding the Information and Communications Service business, recurring revenues, which are being strengthened, have been increasing steadily, fortifying their business base. Every business is expected to grow, but the share price of the company remains low, even after the announcement of financial results. The sluggish growth between third quarter and fourth quarter and the low growth rates of sales and profit in the fiscal year ending December 2024 are attributable to the above-mentioned factors. While growth potential is high, PER is much less than 20. This brings a feeling of strangeness. We expect that it will improve sooner or later.

<Reference 1: Initiatives for ESG・SDGs>

[1] Materiality (Fundamental Initiative)



(From the reference material of the company)

Our company will promise sustainable growth to their shareholders, engaging in various business activities, whilst working towards a sustainable global environment and society. To be able to achieve this symbiotic growth agenda, a materiality of fundamental activities and a materiality of value creation were created.

Problems with basic activities (negative impact and problems that should be curtailed)

—Social Demands—

Negative effects of business activities

must

Decarbonized Society and Environmental Protection Initiatives (E)



(From the reference material of the company)

Actions - Current Initiatives -

1. VWS Attendance Management / Legal Signature to be paperless contracts
2. Promotion of CO2 reduction through proposals to reduce electricity costs (LED, air conditioning, renewable energy)
3. CO2 reduction efforts using carbon offset products such as MFPs
4. Information disclosure through CDP and SBT certification
5. Installation of EV stations at glamping facilities

Actions - Future Initiatives -

1. Private power generators at glamping facilities (Solar energy, etc.)
2. Shifting from cans and bottles to “My Bottle” (Removal of vending machines)
3. In-house power generation and storage/development

Becoming a Company in which all Employees can work in a Secure and Diverse Environment (G)



(From the reference material of the company)

Actions - Current Initiatives -

1. Establishment of rules for shorter and more flexible working hours
2. Proactive efforts to promote women in the workforce (Eruboshi Certification 2-star approval)
3. Active promotion of maternity leave and implementation of paternity leave
4. Establishment of the Career Design Office and career support for employees

Actions - Future Initiatives -

1. Establishment of employment support for families in need of nursing care, single-mother, and single-father families
2. Establishment of sales departments and products that enable women to play more active roles
3. Skill improvement by supporting the acquisition of qualifications
4. Introducing and operating a company-wide unified personnel evaluation system

Problems with value creation (positive impact and issues for value provision)

—Social Expectations—

Positive effects of business activities

should

Creation of Employment•Regional Revitalization (S)



(From the reference material of the company)

Actions - Current Initiatives -

1. Regional recruitment being possible through telework
2. Reducing food waste at glamping business
3. Promoting local products and tourism resources through glamping business
4. Actively employing people with disabilities, both in the Tokyo metropolitan area and rural areas

Actions - Future Initiatives -

1. Expand local employment by introducing workcations and enforcing local hiring
2. Actively utilize local governments to attract new companies
3. Support the growth of local companies by strengthening cooperation and alliance
4. One-stop service to train local entrepreneurs

Contributing to Society by Supporting Families and Medical Care for Future Generations (S)



(From the reference material of the company)

Actions - Current Initiatives -

1. Creating a stable working environment for parents by providing Vision Kids nursery school
2. Providing GLOBAL WiFi to local governments (GIGA school program)
Promoting the establishment of online classes through rental services “GLOBAL WiFi®”
3. Supporting Japan Heart (Japan-originated medical NGO) with GLOBAL WiFi® devices and donating a portion of sales
4. Supporting the activities of the Peace Piece Project

Actions - Future Initiatives -

1. Support students and young people by expanding the free use of GLOBAL WiFi®
2. Operation/support of childcare and child welfare facilities
3. Operation of facilities for children with developmental disabilities, cooperation with local facilities
4. Support for customer-integrated NGOs

Consistent with the ideals to “provide the future of information and communication is for the future of all people,” the company aims for continuous growth and improvement of corporate value through adherence to the areas of ESG (E=Environment, S=Society, G=Governance) in the management and business strategies.

In addition, through commitment to social issues outlined by the SDGs (established by the United Nations), the company will contribute to the development of a sustainable society and revolutionize the world’s information and communications industry.



(From the reference material of the company)

[3] Got “A” in MSCI ESG Rating
Got “A” in MSCI ESG rating as of December 2023 like in 2022.



DISCLAIMER STATEMENT

THE USE BY VISION INC. OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES (“MSCI”) DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF VISION INC. BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED ‘AS-IS’ AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

(From the reference material of the company)

Got “A” in MSCI ESG rating by MSCI (Morgan Stanley Capital International). In MSCI ESG rating, they analyze corporate initiatives related to ESG (Environment, Social, and Governance), and rate them with 7 ranks ranging from the highest “AAA” to the lowest “CCC.” The company upheld the slogan “Vision of creating a future together with a diverse society as a member of the earth,” and will engage in many business activities.

[4] Got “B-” in “Climate Change Report 2023” of CDP
Got the management level “B-” score in “Climate Change Report 2023” of CDP.

CDP is a non-governmental organization (NGO) managed by a British charity group established in 2000. It operates a global information disclosure system for allowing investors, enterprises, national governments, regions, and cities to control their environmental impact.



The Vision Group upholds “Vision of creating a future together with a diverse society as a member of the earth” as a slogan for co-existence and co-growth, and engages in “Environmental Protection: Decarbonized Society and Environmental Protection Initiatives” as one of material issues.

(From the reference material of the company)

<Reference2: Regarding corporate governance>

◎ Organization type, and the composition of directors and auditors

Organization type	Company with an audit and supervisory board
Directors	6 directors, including 3 outside one
Auditors	4 auditors, including 3 outside ones

All outside directors and outside corporate auditors are independent directors and corporate auditors.

◎ Corporate Governance Report: Updated on April 13, 2023

Basic policy

Our corporate group improves ourselves to change clients’ expectations into impression, pursues innovation without hesitation to actualize the ideal, always feels grateful about the support of many people (stakeholders), and operates its business activities with a humble mindset. Under this code of conduct, Vision observes laws, in-company regulations, and policies, carries out business in good faith, and strives to realize optimal corporate governance.

<Main Reasons for Non-compliance with the Principles of the Corporate Governance Code (Excerpts) >

[Principle 2-4-1 Ensuring diversity when promoting core personnel]

We actively employ a diverse range of human assets (human resources) regardless of educational background, work experience, gender, nationality, or disability. Based on the belief that making the most of each employee’s individuality will lead to the creation of diverse products and services and the growth of our company, we are working to create a fulfilling work environment in which all people working for our company can grow. The majority of management positions in our corporate group are held by mid-career hires, of which approximately 8% are held by women. Regarding the promotion of foreign nationals and women to management positions, we have not yet established measurable numerical targets because the ratio of candidate personnel to the total workforce is not large. We will continue to work on increasing our workforce by strengthening recruitment efforts to secure candidate personnel to join us. Our website (Diversity promotion policy): <https://www.vision-net.co.jp/company/diversity.html>

[Supplementary principle 3-1-3 Sustainability initiatives]

From the viewpoint of increasing corporate value over the medium to long term, we recognize that addressing issues related to sustainability is an important element of our management strategy. We disclose our sustainability initiatives on our website and in financial results presentation materials. In addition to environmental elements, we are conducting research for disclosure while considering that the importance of social factors, such as investment in human capital and intellectual property, has been pointed out.

For details on Vision’s approach to ESG and SDGs, please refer to our website: <https://www.vision-net.co.jp/en/esg.html>

[Principle 4-1-3 Roles and responsibilities of the board of directors (1) (Supervision of planning for successors to the CEO or the like.)]

Our company has not established a specific succession plan for the representative director and chairman, who is the CEO, and the president, but the representative director and chairman and the president are responsible for selecting successors to the CEO or the like. The board of directors will select the most suitable person for the position, after thorough information sharing and discussion with the outside directors and corporate auditors regarding his/her qualifications.

[Supplementary Principle 4-3-3 Roles and responsibilities of the board of directors (CEO dismissal procedures)]

Our company has not established uniform evaluation criteria or requirements for dismissal of the CEO. In cases where the dismissal of

the CEO is objectively deemed appropriate, such as when the CEO is deemed to have violated laws and regulations, or the articles of incorporation, and significantly damaged the company's corporate value, a resolution will be passed after thorough deliberation at a meeting of the board of directors attended by independent outside directors.

[Supplementary Principle 4-10-1 Involvement and advice of independent outside directors on nomination, compensation, and other matters through the establishment of a discretionary advisory committee]

The board of directors consists of 6 directors, including 3 outside directors, and 4 corporate auditors, including 3 outside corporate auditors. All of these outside officers actively express their opinions at meetings of the board of directors from an independent and objective standpoint. Nominations and appointments of candidates for directors and corporate auditors are decided by the board of directors after deliberations based on comprehensive consideration of their knowledge, experience, and abilities. In addition, compensation is determined by the representative director and chairman based on delegation by resolution of the board of directors within the limit of the total amount of compensation resolved at the general meeting of shareholders. Therefore, we have not established a discretionary advisory committee on nomination and remuneration separate from the board of directors, and this will be a subject for future consideration.

<Disclosure Based on the Principles of the Corporate Governance Code (Excerpts)>

[Principle 1-4 Cross-shareholdings]

Our basic policy is not to hold any strategic stock holdings in principle, except in cases where it is recognized that such holdings will contribute to medium to long term improvement in corporate value. In cases where listed shares are held as policy stockholdings, the Board of Directors will review all shares on a quarterly basis and sell shares of companies that the Board of Directors determines cannot be expected to increase corporate value over the medium to long term, taking into consideration factors such as share price and market trends. With respect to the exercise of voting rights, we will make decisions on a case-by-case basis, taking into consideration whether the exercise of voting rights will contribute to the enhancement of our corporate value over the medium to long term.

We do not disclose the results of verifying the purpose of holding shares held by policy holdings, as it is related to our business strategy and disclosure may damage the interests of the Company and its shareholders.

[Principle 1-7 Transactions among related parties]

From the perspective of sound corporate management, our company recognizes that there is a strong need for caution when initiating transactions with related parties, and we ensure that such transactions do not impair the soundness of our group's management, and check whether the transaction is valid in light of rational judgment, and whether the transaction terms are appropriate in comparison with other external transactions. In order to identify related-party transactions, all officers are requested to submit a list of related parties and answer a survey regarding the presence or absence of transactions at the time of their appointment and at the end of each fiscal year.

[Principle 2-6 Roles of corporate pension funds as asset owners]

Our company does not have a corporate pension fund.

[Principle 3-1 Enrichment of information disclosure]

(1) Our management philosophy and strategy are disclosed on our website.

(2) Basic ideas and policies regarding corporate governance are disclosed in the corporate governance report and annual securities report.

(3) The amount of remuneration for each director is determined by the representative director and chairman based on delegation by resolution of the board of directors, within the limits of the total amount of remuneration resolved at the general meeting of shareholders, taking into consideration the company's performance, and degree of contribution to the company. The design of the remuneration system is reviewed by the board of directors as necessary.

(4) When nominating candidates for directors and corporate auditors, the knowledge, experience, and abilities of each individual are comprehensively taken into consideration, and the board of directors adopts a resolution to submit the nominations to the general meeting of shareholders. In addition, the board of directors passes resolutions on candidates for corporate auditors proposed by directors after deliberation and consent by the board of corporate auditors, of which more than half are outside corporate auditors, and submits the proposals to the general meeting of shareholders for discussion. In cases where it is objectively deemed appropriate to dismiss a senior management member for violations of laws and regulations, or the articles of incorporation, or for other reasons that are deemed to have

significantly damaged the company's corporate value, a resolution is passed after thorough deliberation at a meeting of the board of directors attended by independent outside directors.

(5) The reasons for the election of each candidate for an outside director are disclosed in the notice of the ordinary general meeting of shareholders.

[Supplementary Principle 4-1-1 Roles and responsibilities of the board of directors (1) (Scope of delegation to management)]

The board of directors makes decisions on matters stipulated by law, the articles of incorporation, and the regulations of the board of directors. The scope of authority delegated to the management team is clarified in the regulations on administrative authority.

[Principle 4-8 Effective utilization of independent outside directors]

In the company, three of the six directors are independent outside directors. We believe that the three independent outside directors will contribute to strengthening our corporate governance by utilizing their extensive experience in web marketing, inbound business, the financial industry, global business, and other areas, as well as their experience as corporate managers, to monitor the company's management and provide advice on the company's overall management.

[Principle 4-9 Criteria for judging the independence of independent outside directors and their qualifications]

The company selects its directors with reference to the Companies Act and the standards established by the Tokyo Stock Exchange. In addition, the company has selected individuals who can provide advice on all aspects of the company's management based on their extensive experience and knowledge.

[Supplementary Principle 4-11-1 Preconditions for ensuring the effectiveness of the board of directors and the board of corporate auditors (policies and procedures for the composition and selection of the board of directors)]

Our board of directors is composed of a diverse group of directors with different backgrounds in terms of gender, expertise, and experience. Half of our company's board of directors consists of outside directors, who provide their opinions from an independent and objective standpoint at meetings of the board of directors, thereby ensuring a management oversight system. The skill matrix of our directors is disclosed in the notice of convocation of each ordinary general meeting of shareholders.

[Supplementary principle 4-11-2 Preconditions for ensuring the effectiveness of the board of directors and the board of corporate auditors (concurrent positions of directors and corporate auditors)]

Directors and corporate auditors allocate the time and efforts necessary to properly perform their roles and responsibilities to their duties as directors and corporate auditors, and their concurrent positions are within a reasonable range. The status of their concurrent positions is disclosed in the reference document of the notice of the general meeting of shareholders.

[Supplementary Principle 4-11-3 Preconditions for ensuring the effectiveness of the board of directors and the board of corporate auditors (analysis and evaluation related to the effectiveness of the board of directors)]

Based on the current status of comments and discussions on the board including the outside directors and outside corporate auditors, we believe that the effectiveness of the company's board of directors is maintained. In addition, each director is asked to complete a self-evaluation questionnaire, the results of which are confirmed by external auditors, in an effort to further improve the effectiveness and functions of the system.

[Supplemental Principle 4-14-2 Training of directors and corporate auditors (Training policy for directors and corporate auditors)]

Directors and corporate auditors continuously acquire the knowledge necessary for their respective businesses, operations, and positions by participating in seminars, study groups, and social gatherings of their affiliated organizations, at their own discretion, and we provide financial support when necessary.

[Principle 5-1 Policy for constructive dialogue with shareholders]

If shareholders or others want to have a dialogue with Vision, the company will respond positively within a reasonable range, to contribute to the sustainable growth of the company and the medium to long-term improvement in corporate value. As of now, Vision holds a briefing session four times per year, meetings with institutional investors domestic and foreign, briefing sessions for individual investors several times a year, and so on. The information on their results is properly shared through meetings of the board of directors,

etc. In addition, Vision takes thoroughgoing measures for preventing the leakage of insider information.

This report is intended solely for information purposes and is not intended as a solicitation for investment. The information and opinions contained within this report are made by our company based on data made publicly available, and the information within this report comes from sources that we judge to be reliable. However, we cannot wholly guarantee the accuracy or completeness of the data. This report is not a guarantee of the accuracy, completeness or validity of said information and opinions, nor do we bear any responsibility for the same. All rights pertaining to this report belong to Investment Bridge Co., Ltd., which may change the contents thereof at any time without prior notice. All investment decisions are the responsibility of the individual and should be made only after proper consideration.

Copyright(C) Investment Bridge Co., Ltd. All Rights Reserved.