# Q2 FY 2022
# Financial Results

August 10, 2022
Vision Inc.  Stock Code : 9416

# Q2 FY 2022 Financial Results


**Performance Highlights and Q2 FY 2022 Financial Results** *P.3~*

**FY 2022 Revised Forecast of Financial Results** *P.9~*

**Efforts for Growth (Growth Strategy Focusing on Social Environment with COVID-19 and Post-Corona World)** *P.15~*

**Sustainability including ESG Factors** *P.32~*


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# Performance Highlights and Q2 FY 2022 Financial Results

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# Consolidated Profit and Loss Statement

(million yen, %)

| Items | Q2 FY 2022 Result | Q2 FY 2021 Result | Change | YoY |
|---|---|---|---|---|
| Sales | 11,628 | 8,644 | +2,983 | +34.5 |
| Cost of sales | 6,174 | 4,139 | +2,034 | +49.1 |
| Gross profit | 5,454 | 4,505 | +949 | +21.1 |
| Gross profit margin | 46.9 | 52.1 | -5.2 | – |
| SG&A expenses | 4,532 | 3,851 | +681 | +17.7 |
| SG&A-to-sales ratio | 39.0 | 44.5 | -5.6 | – |
| Operating profit | 921 | 654 | +267 | +40.9 |
| Operating profit margin | 7.9 | 7.6 | +0.4 | – |
| Recurring profit | 922 | 680 | +241 | +35.5 |
| Profit attributable to owners of parent | 566 | 455 | +110 | +24.2 |

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# Factors for Changes in Operating Profit

## Sales

**"GLOBAL WiFi" Business:** Steady growth due to the acquisition various domestic usage needs as well as sales of "Global WiFi for Biz", a standby WiFi device service for corporate customers, which also remained steady due to telework.

Contract work of verifying COVID-19 contact tracing applications (see p.40), part of infection prevention measures at airports carried out by the quarantine stations. Contracted from mid-March 2021 and continued in the second quarter of 2022.

**Information and Communications Service Business:** Sales are on the rise due to increased purchasing of products (mobile communication equipment, OA equipment, etc.). Increased due to the acquisition of Adval Corp., a subsidiary that operates a space management business (meeting room / telework space rental service).

## Cost of sales

"**GLOBAL WiFi" Business:** Cost of sales increased because labor costs associated with the entrusted verification COVID-19 related app service increased.

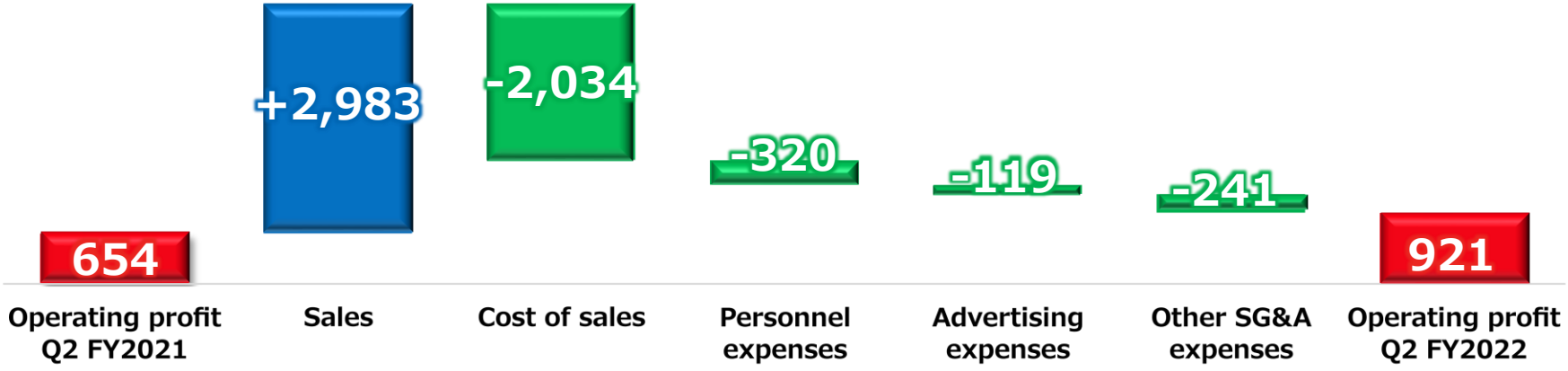
## SG&A expenses

**Personnel expenses:** Increased personnel due to the acquisition of Adval Corp. and Koshikano Onsen. Provisions for performance-based and special closing bonuses.

**Advertising costs:** Increased due to website advertising development (listing costs, etc.) that meet demand.

**Other SG&A expenses:** Increase in sales-linked expenses (consumables, commissions paid, etc.) and amortization of goodwill.

(JPYmn)

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# Segment Result

(JPYmn, %)

| Segment result | Q2 FY2022 Result | Q2 FY2021 Result | Change | YoY |
|---|---|---|---|---|
| **Sales** | **11,628** | **8,644** | **+2,983** | **+34.5** |
| "GLOBAL WiFi" | 5,793 | 3,865 | +1,927 | +49.9 |
| Information and Communications Service | 5,619 | 4,655 | +964 | +20.7 |
| Subtotal | 11,412 | 8,520 | +2,891 | +33.9 |
| Others | 227 | 128 | +99 | +77.4 |
| Adjustments | -11 | -4 | -7 | – |
| **Segment profit** | **921** | **654** | **+267** | **+40.9** |
| "GLOBAL WiFi" | 952 | 380 | +572 | +150.4 |
| Segment profit margin | 16.4 | 9.8 | +6.6 | – |
| Information and Communications Service | 606 | 777 | -171 | -22.0 |
| Segment profit margin | 10.8 | 16.7 | -5.9 | – |
| Subtotal | 1,559 | 1,158 | +401 | +34.6 |
| Others | -66 | -40 | -26 | – |
| Adjustments | -570 | -463 | -107 | – |

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# “GLOBAL WiFi” Business Performance Change

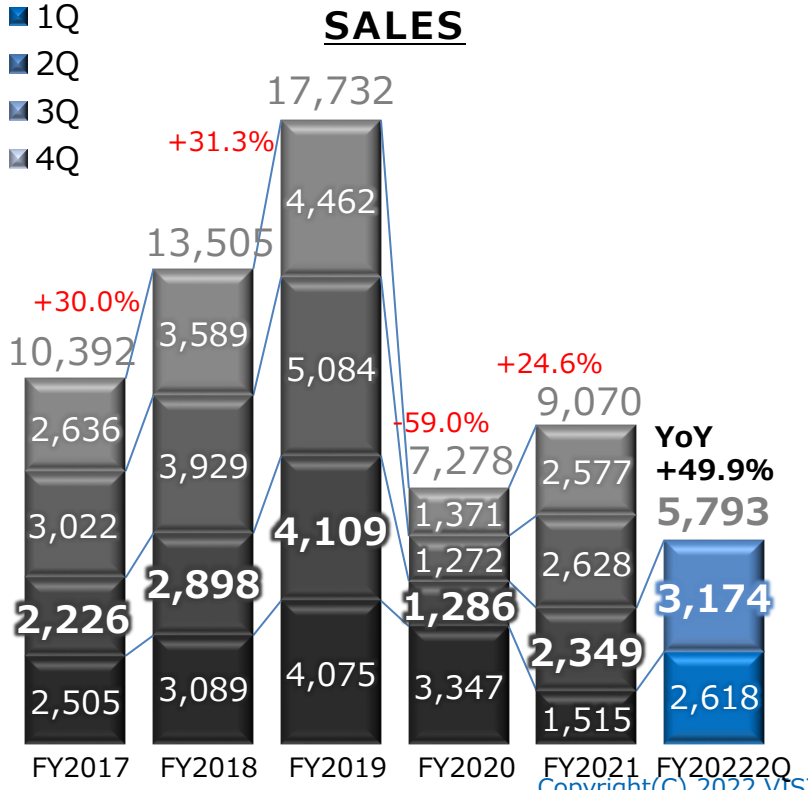
## Acquired various usage needs during the pandemic and earned revenues through various initiatives. Implemented various initiatives to grow performance after the pandemic.

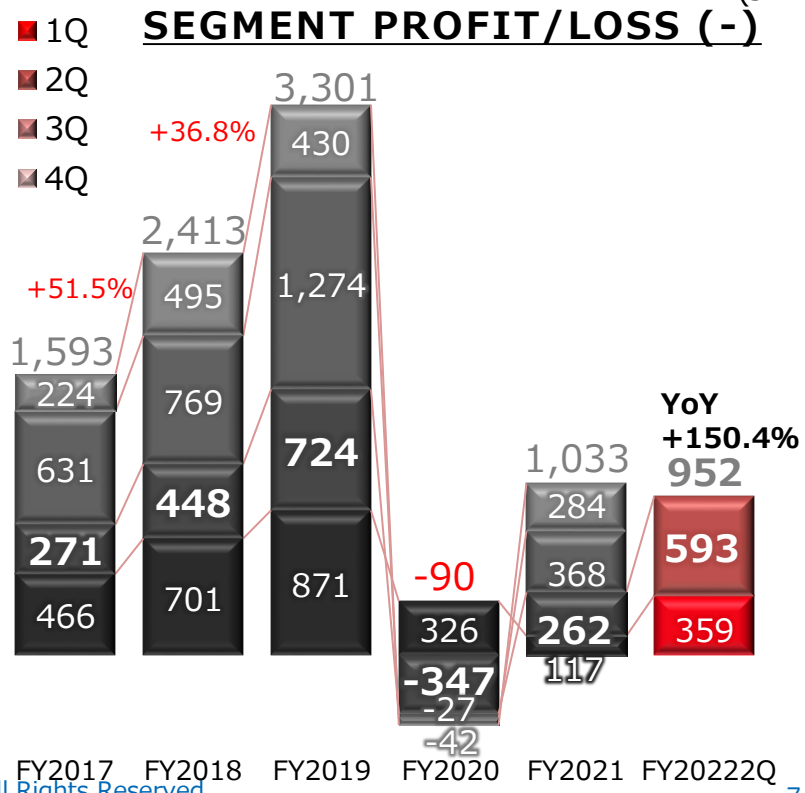
Signs of recovery in the number of international travelers (and gradual increase in the number of WiFi router rentals, mainly by corporations) following the easing of entry restrictions in countries around the world from April 2022.

Increase in sales of "Global WiFi for Biz," a standby WiFi service aimed at corporate customers, and the number of subscriptions and telecommunication usage increased due to telework. Maintained various domestic usage needs (hospitalization, moving, telework, business trips, use during events, combined use with home line, etc.)

Sales and segment income increased due to contracted services at airports and use of PCR testing for various reasons such as school/company entrance ceremonies, domestic travel, and travel to one’s hometown.

(JPYmn)

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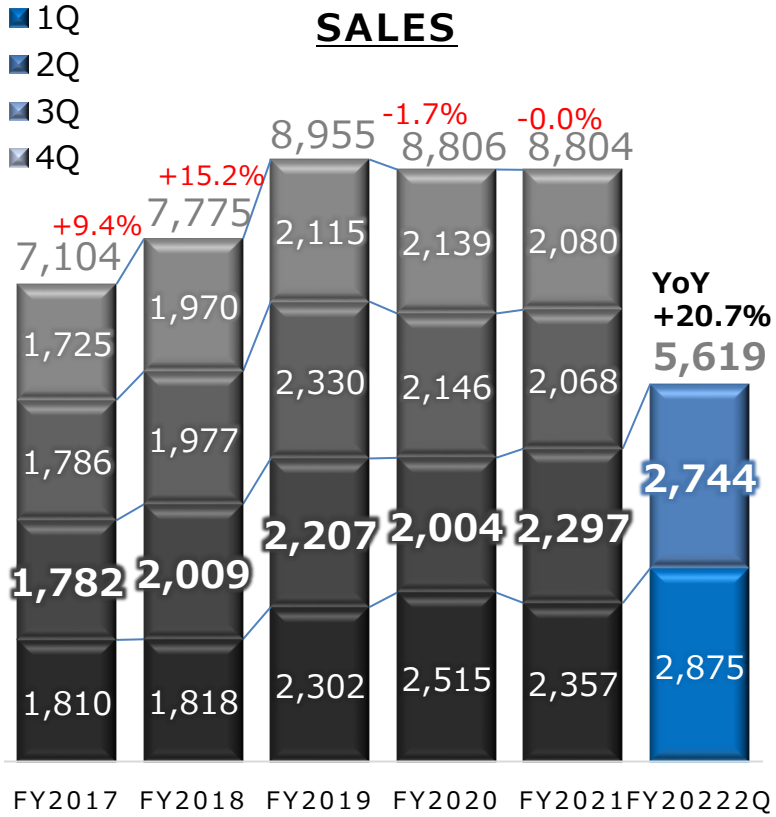
# Information and Communications Service Business Performance Change

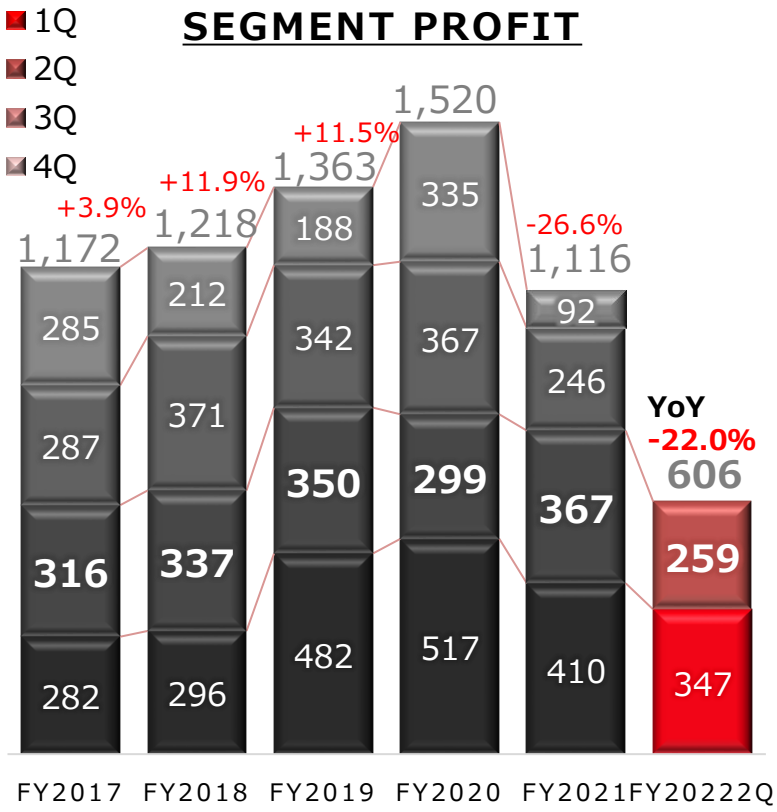
**By leveraging our strengths in multiple businesses and sales channels, we provide products and services that meet the needs of the times which has enabled us to respond flexibly to changes in the external environment, resulting in steady growth.**

Sales increased due to strengthened sales of products (mobile communication devices, office automation equipment, etc.) and new business (space management business). Segment income decreased due to aggressive sales expansion of monthly subscription-based in-house services, which temporarily increased operating costs, in order to build a strong revenue base and maximize lifetime value (customer lifetime value), investment period for new businesses, and the posting of a provision for special closing bonuses.

Stock revenue and in-house services (monthly subscription) remained steady (see p.26).

(JPYmn)

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# FY 2022
# Revised Financial Forecast

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# FY2022 Revised Financial Forecast

(JPYmn, %)

| 科目 | FY2022 Revised Forecast | FY2022 Previous Forecast | Change | Ratio of change | FY2021 Result |
|---|---|---|---|---|---|
| Sales | 23,794 | 22,736 | +1,057 | +4.7 | 18,100 |
| Cost of sales | 12,486 | 12,033 | +452 | +3.8 | 9,092 |
| Gross profit | 11,307 | 10,703 | +604 | +5.6 | 9,008 |
| Gross profit margin | 47.5 | 47.1 | +0.4 | +1.0 | 49.8 |
| SG&A expenses | 9,398 | 9,295 | +102 | +1.1 | 7,903 |
| SG&A-to-sales ratio | 39.5 | 40.9 | -1.4 | -3.4 | 43.7 |
| Operating profit | 1,909 | 1,407 | +501 | +35.7 | 1,105 |
| Operating profit margin | 8.0 | 6.2 | +1.8 | +29.6 | 6.1 |
| Recurring profit | 1,909 | 1,404 | +505 | +36.0 | 1,143 |
| Profit attributable to owners of parent | 1,245 | 921 | +324 | +35.2 | 729 |

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# FY2022 Revised Segment Forecast

(JPYmn, %)

| Segment Forecast | FY2022 Revised Forecast | FY2022 Previous Forecast | Change | Ratio of change | FY2021 Result |
|---|---|---|---|---|---|
| **Sales** | 23,794 | 22,736 | +1,057 | +4.7 | 18,100 |
| "GLOBAL WiFi" | 12,332 | 10,815 | +1,517 | +14.0 | 9,070 |
| Information and Communications Service | 10,877 | 11,137 | -259 | -2.3 | 8,804 |
| Subtotal | 23,210 | 21,952 | +1,257 | +5.7 | 17,875 |
| Others | 595 | 784 | -189 | -24.1 | 235 |
| Adjustments | -11 | – | -11 | – | -10 |
| **Segment profit** | 1,909 | 1,407 | +501 | +35.7 | 1,105 |
| "GLOBAL WiFi" | 1,966 | 1,021 | +944 | +92.5 | 1,033 |
| Segment profit margin | 15.9 | 9.4 | +6.5 | – | 11.4 |
| Information and Communications Service | 1,194 | 1,426 | -232 | -16.3 | 1,116 |
| Segment profit margin | 11.0 | 12.8 | -1.8 | – | 12.7 |
| Subtotal | 3,161 | 2,448 | +712 | +29.1 | 2,149 |
| Others | -90 | 127 | -217 | – | -94 |
| Adjustments | -1,160 | -1,167 | +7 | – | -950 |

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# Full Year Performance Change (Quarterly)

(JPYmn、%)

| | | 1Q | 2 Q | 3 Q | 4 Q | FY |
|---|---|---|---|---|---|---|
| FY2019 | Sales | 6,470 | 6,467 | 7,610 | 6,770 | 27,318 |
| | Composition ratio (vs. FY) | 23.7 | 23.7 | 27.9 | 24.8 | – |
| | Operating profit | 980 | 710 | 1,280 | 354 | 3,325 |
| | Composition ratio (vs. FY) | 29.5 | 21.4 | 38.5 | 10.7 | – |
| | Operating profit margin | 15.1 | 11.0 | 16.8 | 5.2 | 12.2 |
| FY2020 | Sales | 5,989 | 3,641 | 3,477 | 3,546 | 16,654 |
| | Composition ratio (vs. FY) | 36.0 | 21.9 | 20.9 | 21.3 | – |
| | Operating profit or loss (-) | 488 | -503 | 73 | 45 | 103 |
| | Composition ratio (vs. FY) | – | – | – | – | – |
| | Operating profit margin | 8.1 | -13.8 | 2.1 | 1.3 | 0.6 |
| FY2021 | Sales | 3,938 | 4,706 | 4,747 | 4,708 | 18,100 |
| | Composition ratio (vs. FY) | 21.8 | 26.0 | 26.2 | 26.0 | – |
| | Operating profit | 285 | 368 | 359 | 91 | 1,105 |
| | Composition ratio (vs. FY) | 25.9 | 33.3 | 32.5 | 8.3 | – |
| | Operating profit margin | 7.3 | 7.8 | 7.6 | 1.9 | 6.1 |
| FY2022 | Sales | 5,609 | 6,019 | | | |
| | Composition ratio (vs. FY) | – | – | | | |
| | Operating profit | 403 | 517 | | | |
| | Composition ratio (vs. FY) | – | – | | | |
| | Operating profit margin | 7.2 | 8.6 | | | |

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# Revised assumptions for full-year earnings forecasts

## External environment and business policies (overall)

There is a great deal of uncertainty about the impact of COVID-19, and it is difficult to foresee the future.
**Assumptions for the full-year earnings forecast have been revised to be upward considering first-half results, current conditions, and aggressive investment in each business to achieve record-high profits as early as possible in the next fiscal year and beyond.**

## “GLOBAL WiFi” Business

The following can be assumed for overseas travelers (outbound and inbound) and other matters.
July-September: Same level as each month in 2021; October-December: 25% recovery compared to the same period in 2019.
Contracted application verification work, which is part of the countermeasures conducted by airport quarantine offices, will continue through December.
Domestic and "Global WiFi for Biz“ demand continued to be strong.
**Revised upward based on first-half results and current conditions.**

## Information and Communications Service Business

Although the impact on the purchase of goods-related products is expected to continue, we can flexibly respond to changes in the external environment by taking advantage of our strength in multiple businesses (products and services) and sales channels that do not depend on a single business or sales channel, and business will remain strong.
We are strengthening sales of in-house services (monthly fee) and continue to build a stable revenue base over the long term.
**Reflects first-half results (second-half forecast not revised).**

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# Paid-in stock options issued (resolved by the Board of Directors on March 1, 2022)

| | |
|---|---|
| **Name** | **Vision Inc. Fourth round of stock acquisition rights** |
| **Issued amount** | 7,200 rights<br>100 shares per stock acquisition right<br>Common stock 720,000 shares |
| **Issued price** | **800 yen per stock acquisition right** |
| **Target** | **Company directors, Company employees, and directors of subsidiaries of the Company**<br>**32 people** |
| **Conditions of exercise (Performance conditions)** | **If operating income exceeds 4 billion yen** in any fiscal year from FY2023 to FY2025<br>**Exercisable ratio: 50%.**<br>**If operating income exceeds 5 billion yen** in any fiscal year from FY2023 to FY2027<br>**Exercisable ratio: 100%** |

By improving productivity in existing businesses and fostering new businesses, we will work to build a strong earnings base and aim to achieve the **exercise condition (performance condition) as soon as possible = increase corporate value.**

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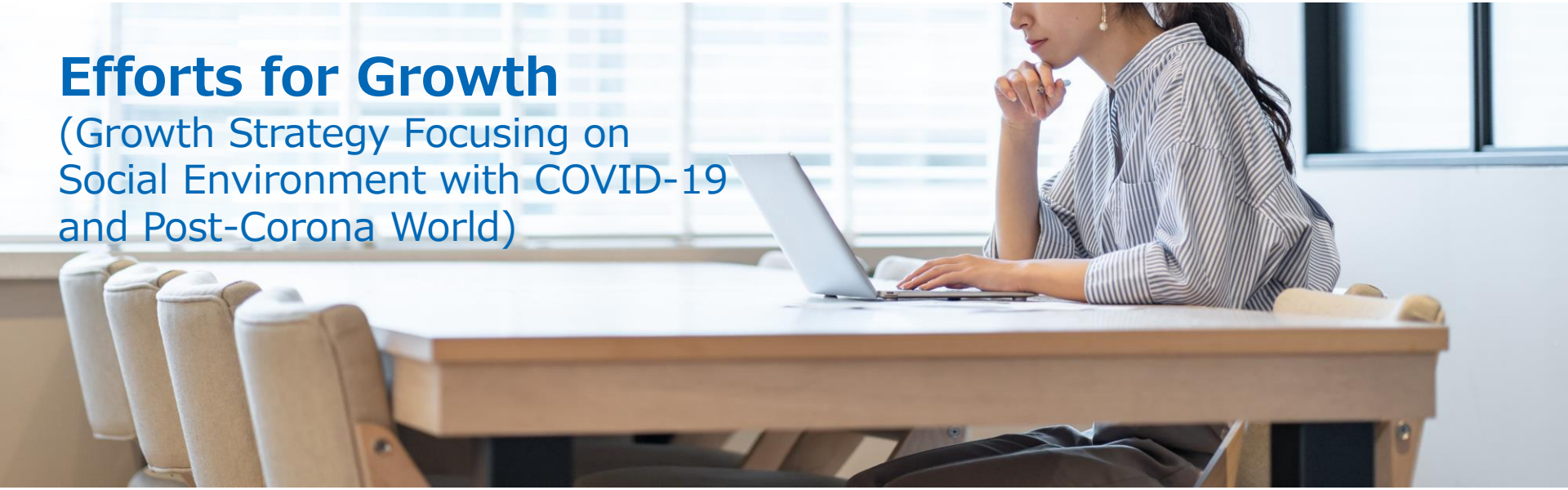
# Efforts for Growth

(Growth Strategy Focusing on Social Environment with COVID-19 and Post-Corona World)



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# Active Sales Expansion of “GLOBAL WiFi for Biz”
## - Gaining Competitive Advantage When Travel Recovers -

**Sales of standby type “GLOBAL WiFi for Biz” for corporate customers are favorable by continuing to be used for teleworking (increase in the number of contracts and the communication usage).**

Income from the basic monthly charge is on the increase (recurring revenue).

Domestic communication (for teleworking) increases.

Overseas communication increases (long-term use by local expatriates, etc.).

⇒ Used in China, the United States, Indonesia, Thailand, Vietnam, and South Korea.

Connect Internet anywhere in the world with one digital device

**“Global WiFi for Biz”**

**No need to**

apply receive return

If you have one “GLOBAL WiFi for Biz” in your company, you can use it immediately for teleworking and sudden overseas business trips, and no application required. You will no longer use overseas roaming services because a rented Wi-Fi router is not delivered in time!

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# Strengthening of Domestic Wi-Fi Sales

## "GLOBAL WiFi" Business

**Acquire usage needs by leveraging our marketing power, brand strength (GLOBAL WiFi), the pricing plans, various communication plans that meet customer needs, remote support in the event of failure, and customer base.**

Usage needs for:

Business (teleworking, online training and meetings), online classes, hospitalization, moving, combined use with home internet, etc.

Increased use for hospitalization and moving (temporary use until fixed line opening) by strengthening the promotion.

As both infection prevention measures and economic activities are being promoted, the convenience of rental equipment that can be used for a specific period (one day) and at the required location when both going to work and teleworking, etc., allows for continuous use (repeated rental and extension of rental period).

**Teleworking**

**New employee training**

**Online meeting**

**For school and educators**

**Wi-Fi rental for online classes**

- Provides quotes the same day, and delivers the next day at the earliest
- Can be used with laptops and tablet devices
- Easy to set up

**#1 in Domestic Wi-Fi Rentals for 4 years straight**

According to TOKYO SHOKO RESEARCH, LTD.

*December 2021 According to TOKYO SHOKO RESEARCH, LTD. Research: Domestic WiFi Rental "Number of Users"

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# The Launch of an Ultra-High-Speed 5G Plan
## - Gaining Competitive Advantage When Travel Recovers -

**The launch of an ultra-high-speed 5G plan, a first in the Wi-Fi router rental industry.**

The country and region where the service is offered first are Hawaii and the mainland USA, the most popular destinations ever.

We will expand the service area to South Korea, China and other countries and regions when we are fully prepared.

Striving to provide quality services and networks and expand service areas continuously, we offer easy-to-use mobile Internet connectivity around the world in order to contribute to business and sightseeing in the post-corona/with-corona world.

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# Launch of “World eSIM”

## – Gaining Competitive Advantage When Travel Recovers –

**Launch of an eSIM service, “World eSIM”, that can be used in over 120 countries around the world.**

You don’t have to carry your bulky Wi-Fi router device.
Like for rental Wi-Fi routers, there is no need to stop at an airport counter to return or pick up.

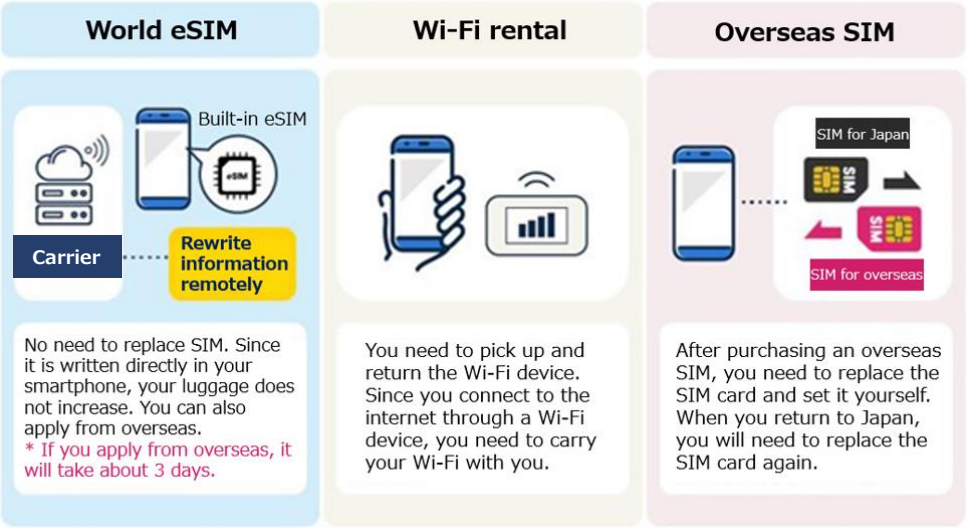
Application for “World eSim” is available online, so you can do it both from home and abroad.

**Can be used for an assortment of needs.**

When multiple users are using multiple kinds of devices (smartphones, tablets, laptops, etc.): Mobile Wi-Fi Router Rental

When a single user is using their smartphone: World eSIM

Since SIM-free mobile phones have long been in Europe and the United States, we plan to actively acquire customers from these areas, as they have a strong tendency to purchase SIM cards on the spot while traveling due to phone SIM cards being unlocked for a long time.

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# Vision WiMAX
## - New Service Making the Most of Our Customer Base -

**New service that responds to customer feedback.**

In our survey, many customers use the Wi-Fi router for **“trial before purchasing”**.

Wi-Fi router sales service for customers who are considering purchasing.

Customers can use it as a trial for rent (special limited discount provided). After checking the communication environment of customers’ home, they can purchase the one that meets customers needs.
We will take it as a trade-in when customers terminate their contracts.
(Vision WiMAX original service).

Speed Wi-Fi
HOME 5G L11

Speed Wi-Fi
5G X11

**At home**

**While outside**

**Teleworking**

**Online classes**

**Moving homes**

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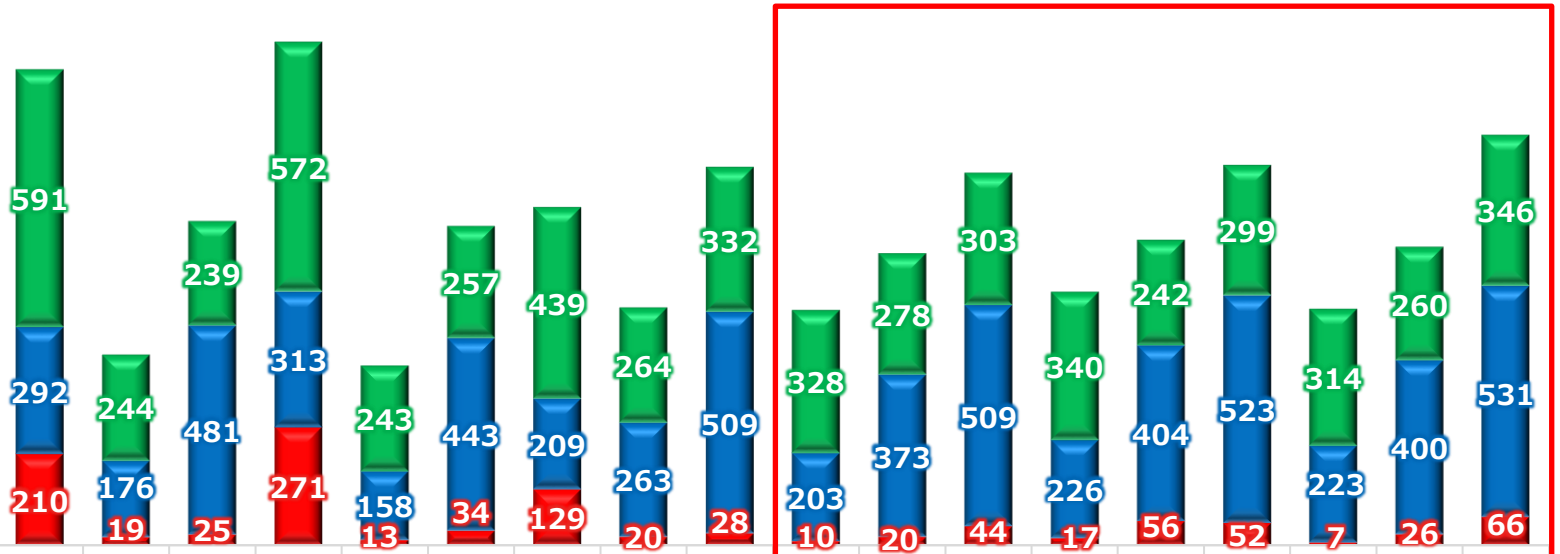
# Changes in Monthly Cost “GLOBAL WiFi” Business

## Continuation of low-cost operations and increase in linked expenses due to sales increase.

Establish a business structure that can generate higher profits and profit margins after the recovery of overseas travel than before the spread of COVID-19 (2019) by reviewing various expenses and improving operational efficiency.

**COST**

(JPYmn)



| | Jan. 2020 | Jan. 2021 | Jan. 2022 | Feb. 2020 | Feb. 2021 | Feb. 2022 | Mar. 2020 | Mar. 2021 | Mar. 2022 | Apr. 2020 | Apr. 2021 | Apr. 2022 | May 2020 | May 2021 | May 2022 | Jun. 2020 | Jun. 2021 | Jun. 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| S&A | 591 | 244 | 239 | 572 | 243 | 257 | 439 | 264 | 332 | 328 | 278 | 303 | 340 | 242 | 299 | 314 | 260 | 346 |
| Cost of sales | 292 | 176 | 481 | 313 | 158 | 443 | 209 | 263 | 509 | 203 | 373 | 509 | 226 | 404 | 523 | 223 | 400 | 531 |
| Overseas Telecommunications | 210 | 19 | 25 | 271 | 13 | 34 | 129 | 20 | 28 | 10 | 20 | 44 | 17 | 56 | 52 | 7 | 26 | 66 |

(Note) The figures are different from those of the segment results because they are monthly changes in profit and loss which do not include closing.

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# Changes in Segment Profit "GLOBAL WiFi Business"

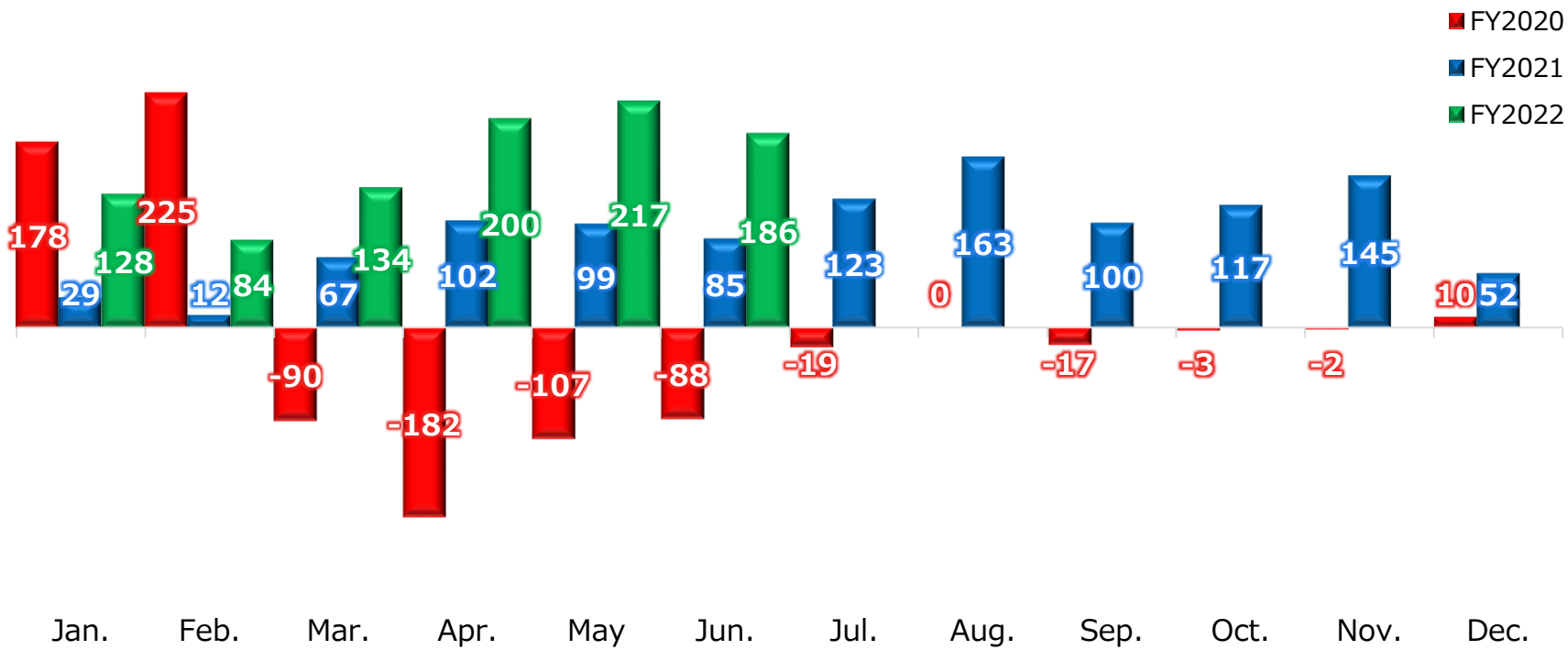
**Steady growth was achieved through the acquisition of various usage needs and various initiatives during the pandemic.**

Proactively acquired various usage needs for mobile Wi-Fi routers (domestic usage, Global WiFi for Biz, etc.).

Implemented initiatives during the pandemic through contracted services at airports and PCR testing (routine service). Establish a business structure that can generate higher profits and profit margins after the recovery of overseas travel, than before the spread of COVID-19 (2019).

**Segment Profit/Loss (-)**

(JPYmn)




(Note) The figures are different from those of the segment results because they are monthly changes in profit and loss which do not include closing procedures.

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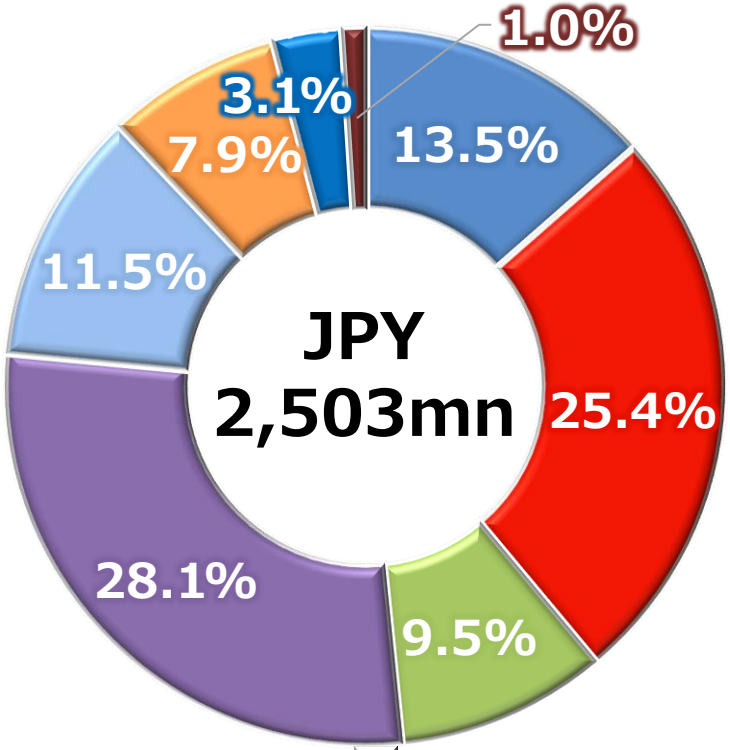
# Gross Profit Composition

## Information and Communications Service Business

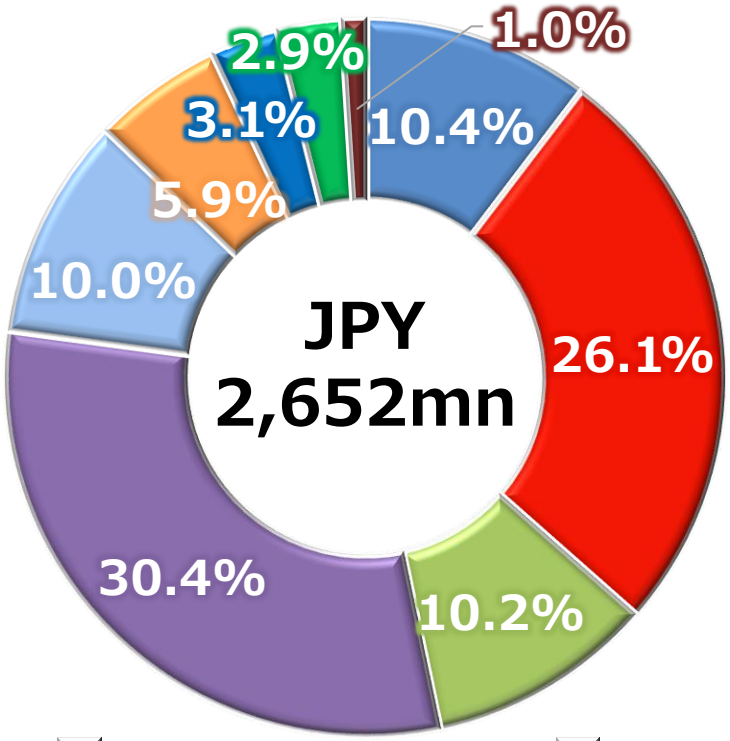
**Utilizing the strength of having multiple businesses (products/services) and sales channels, we have responded flexibly to changes in the external environment to record strong sales.**

Strong sales of mobile telecommunications equipment (teleworking and switching to smartphones, etc.), office automation equipment sales business, and other products.

**Q2 2021 Cumulative**




**Q2 2022 Cumulative**




Fixed-line communication | Mobile communication | Broadband | Office automation equipment | Internet media | Eco-solution | Construction related | Space-management | Other

(Note) The figures are different from those of the segment results because they are monthly changes in profit and loss which do not include closing.

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# Mobile Communication Business

## Provide Products/Services Responding to Customer Needs and the Times

**Strong sales of mobile communication devices (corporate cell phones) and related services.**

The spread of COVID-19 has led to a change in work styles.

Business growth by accurately grasping the needs of customers, markets, and the times, acquiring new customers, and increasing ongoing revenue by up-selling and cross-selling according to the growth stage of companies.

Various needs

**Introduction of corporate cell phones**

New and additional cell phones plans

and upgrading from cell phones to smartphones

**Introduction of related services**

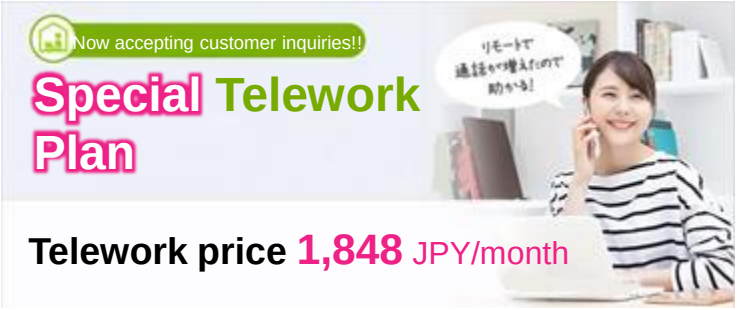
Special compensation plan for corporate customers

available only at our company, “Gara Support”

In-house service (monthly fee), "VWS series"

**Introduction of other products and services**

OA equipment, electricity, website creation, Wi-Fi routers



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# Sales of In-house Services (Monthly Fee) are Strong

## Provide Products/Services Responding to Customer Needs and the Times

**Sales of in-house services (monthly fee) "VWS series" are strong.**

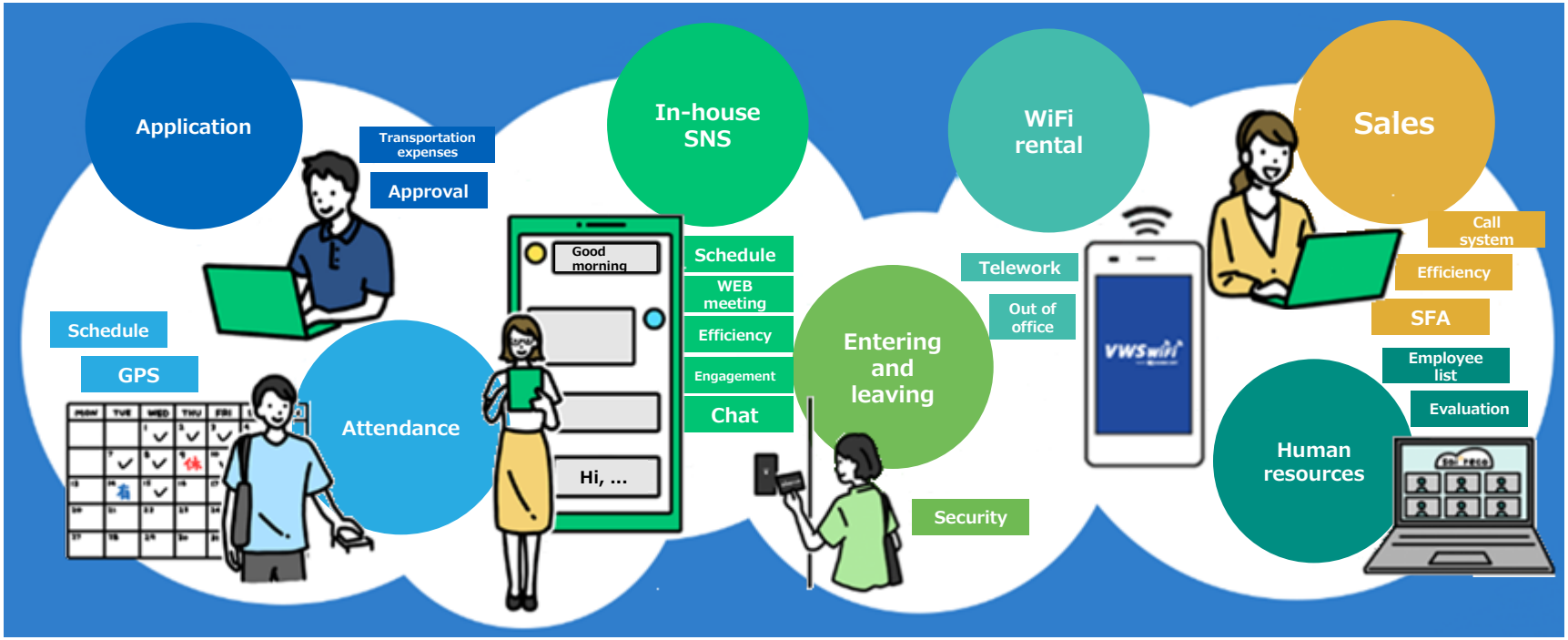
Services developed and used in-house are expanded to users (DX promotion).
Provide users who need our services with required features of our service in a cloud environment on a monthly payment basis.

**CONCEPT**

**Providing a more comfortable working environment for all companies**

**For a successful "Cloud migration" with "VWS"**

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

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# Stock Earnings and In-house Services Gross Profit Change

Information and Communication Services Business

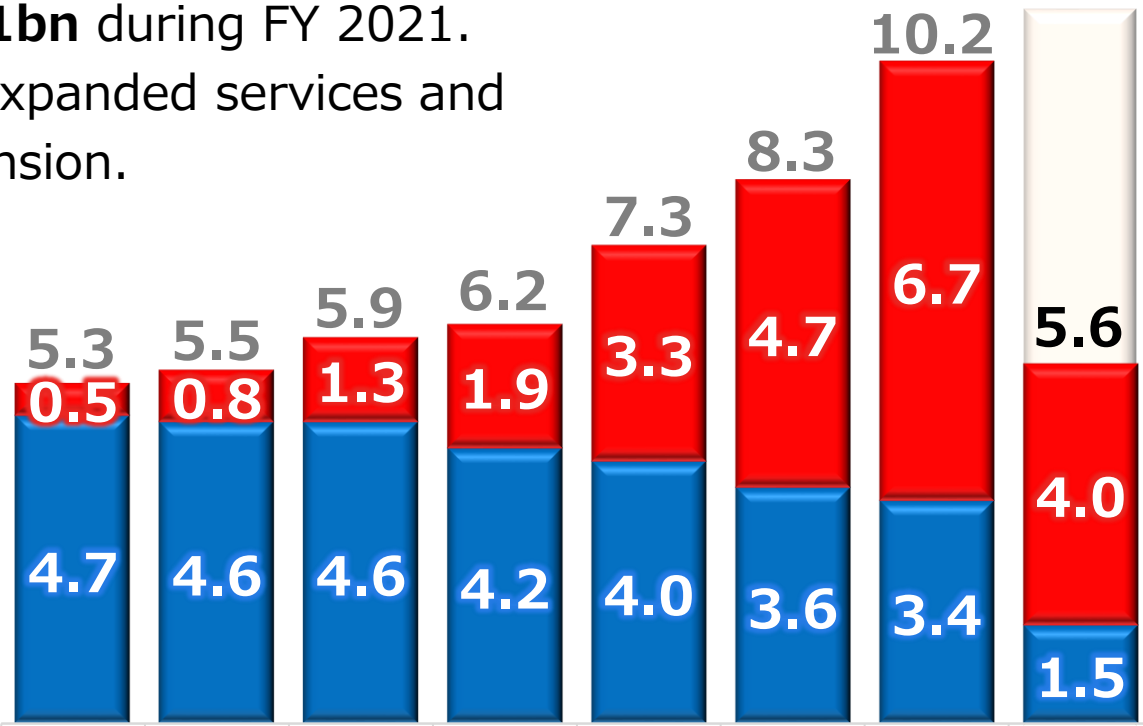
**Strengthen stock earnings and in-house services (monthly fee), which will become a stable earnings base in the long run.**

Strengthen sales of in-house services (monthly fee) since FY2019.

Achieved a profit of **JPY1bn** during FY 2021.

Steady increase due to expanded services and strengthened sales expansion.

(JPY100mn)




| | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Q2 FY2022 |
|---|---|---|---|---|---|---|---|---|
| In-house services (monthly) | 0.5 | 0.8 | 1.3 | 1.9 | 3.3 | 4.7 | 6.7 | 4.0 |
| Stock earnings | 4.7 | 4.6 | 4.6 | 4.2 | 4.0 | 3.6 | 3.4 | 1.5 |

Stock earnings: Revenue from continuation fee associated with subscription agency contract in Information and Communication Services Business and maintenance fee in OA equipment sales business, etc.

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# Policy on Growth Strategy

| | Existing business | New business / Service building |
|---|---|---|
| **Policy** | **Increase productivity.**<br>Adapt to online environment, so-called the New Normal.<br>Strengthen up-selling and cross-selling (including online negotiations). | **Develop the new business as a third pillar.**<br>Three-pillar business structure that responds to changes in the times. |
| **Key phrase** | ✓ Provide products/services responding to customer needs and the times<br>✓ Build and strengthen sales system (online).<br>✓ Strengthen up-selling and cross-selling (including online negotiations).<br>✓ Brush up the revenue structure.<br>✓ Strengthen and expand in-house services. | ✓ Adapt to environment with COVID-19, so-called New Normal.<br>✓ Utilize sales channels and business structure.<br>✓ Utilize the customer base.<br>✓ Service that responds to customer feedback.<br>✓ Regional revitalization. |
| **Sales channel Business structure** | **WEB** marketing<br>**CLT** Customer Loyalty Team<br>**Sales** Online / Offline<br>**Global affiliated companies**<br>**Shops** Airport counters, etc.<br>**Shipping center**<br>**Partner** including travel agencies and OTA | |
| **Customer base** | Startups, growing corporate customers<br>Corporate customers working with overseas companies<br>Individual users by corporate customers | Governments / local governments, schools, etc.<br>Individual customers who like traveling *including inbound |

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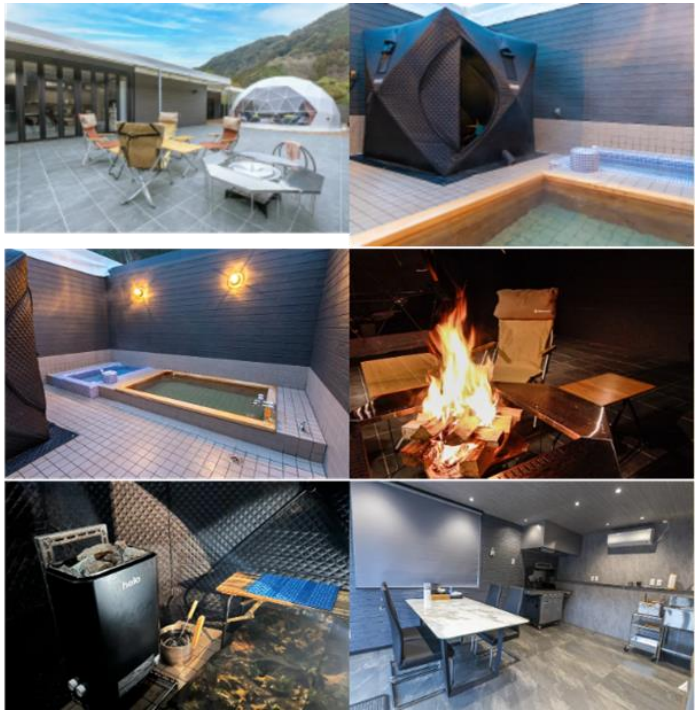
# Glamping Business
## - Developing the New Business as a Third Pillar -

**In addition to the GLOBAL WiFi and Information and Communications Services businesses, we will open the third pillar glamping business, "Vision Glamping Resort & SPA".**

**VISION GLAMPING Resort & Spa Koshikano Onsen**
Grand opening as a major glamping facility.

**VISION GLAMPING Resort & Spa Yamanakako**
Currently under construction at a scenic location where Mt. Fuji is visible in Yamanakako Village, Yamanashi Prefecture.



Glamping suite (Koshikano Onsen)

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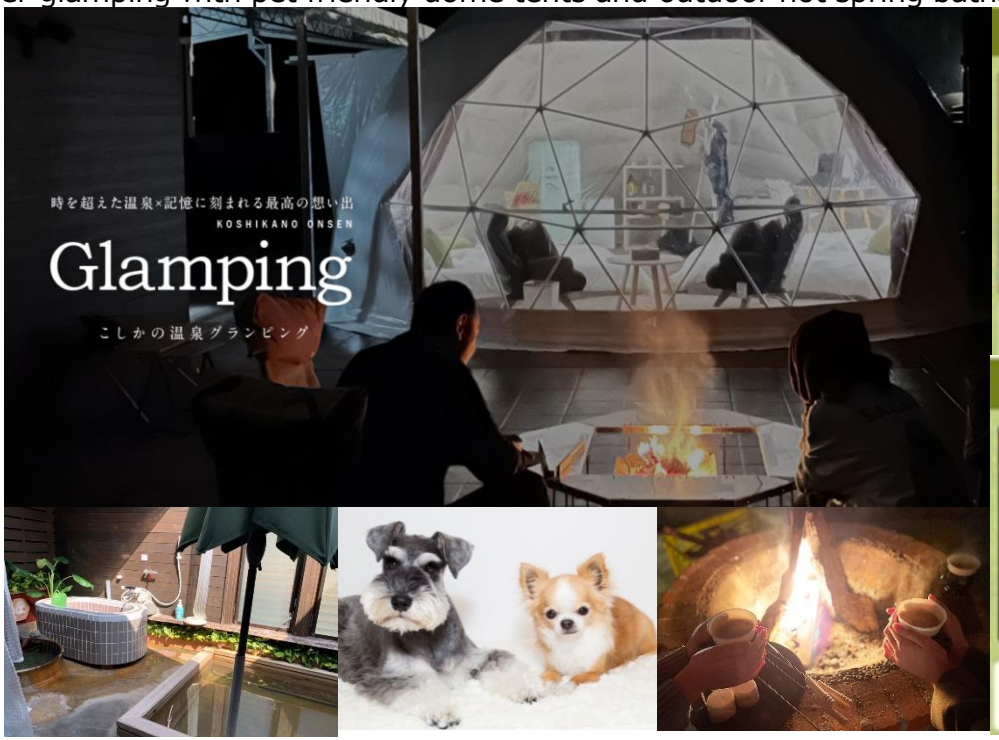
# “VISION GLAMPING Resort & Spa Koshikano Onsen”

Koshikano Onsen, Japan's first hot spring resort with an open-air hot spring bath in every private room, has been renovated and reopened in a grand opening to be a larger scale glamping facility.

## 4 new glamping suite facilities.

### Dome tents + open-air bath with free-flowing spring water (with private tent sauna and private water bath)

The facility offers the privacy of more than 150 square meters of living space with private bath, toilet, and washroom, as well as a highly functional living space with private dining space. The large living space is fully equipped with a fire on the private deck space, high quality meals such as BBQ and breakfast, a wide variety and number of beverages, and a wide range of optional menus. Conveniently located approximately 15 minutes from the airport by car. In addition to glamping suites, we also offer glamping with pet friendly dome tents and outdoor hot spring baths.




Glamping suite floor plan

Glamping floor plan

美肌の湯
こしかの温泉
Glamping

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# “VISION GLAMPING Resort & Spa Yamanakako”

A location known not just for Mt. Fuji, a World Heritage Site, popular worldwide for its nature and scenery, but also for its tourist attractions such as the Gotemba Premium Outlets and Fujikyu Highland, making it easy to make travel plans. The opening is expected to be delayed from the original schedule due to delays in the delivery of machinery and equipment (boilers, pressurizers, etc.) as a result of the Shanghai lockdown and the negative impact on the supply chain caused by Russia's invasion of Ukraine.

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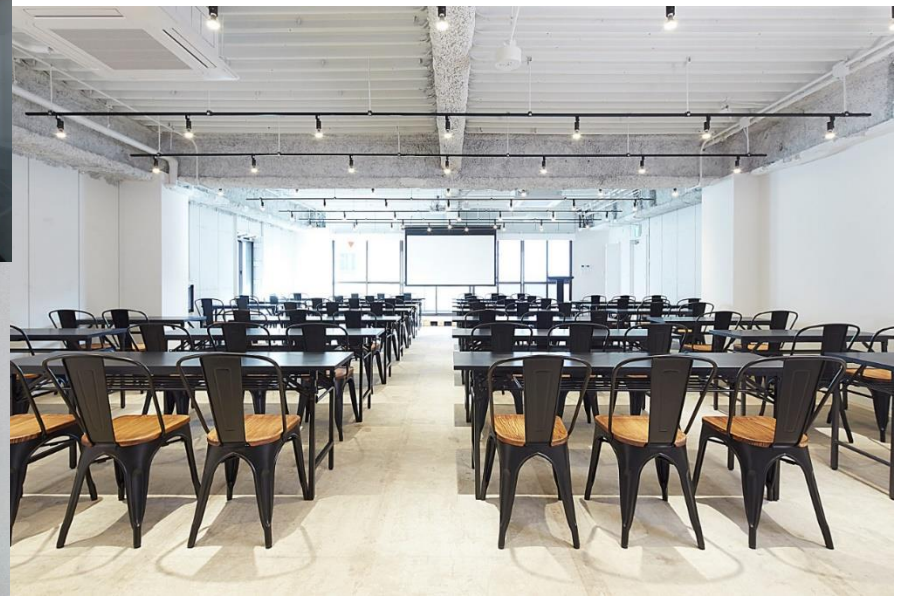
# Acquisition of adval Corp. to Make It a Subsidiary

## - Provide Products/Services Responding to Customer Needs and the Times -

**Acquired adval Corp., a company that offers its rental space (for conference room/teleworking space) for BtoB use at more than 200 locations throughout the country on a monthly flat-rate basis, as a subsidiary through simple share delivery.** Date of share delivery (effective date): December 1, 2021

**For BtoB use, sales strength (our Group) x planning strength (adval) "Promotion of rental conference rooms/teleworking space subscriptions"**

By maximizing the combined customer base, products and services, business partners, know-how, and more of both companies, we can expect sales improvement, procurement efficiency, and reduced costs, judging that they will lead to medium- to long-term improvement of corporate values. This is why we decided to make adval a subsidiary.



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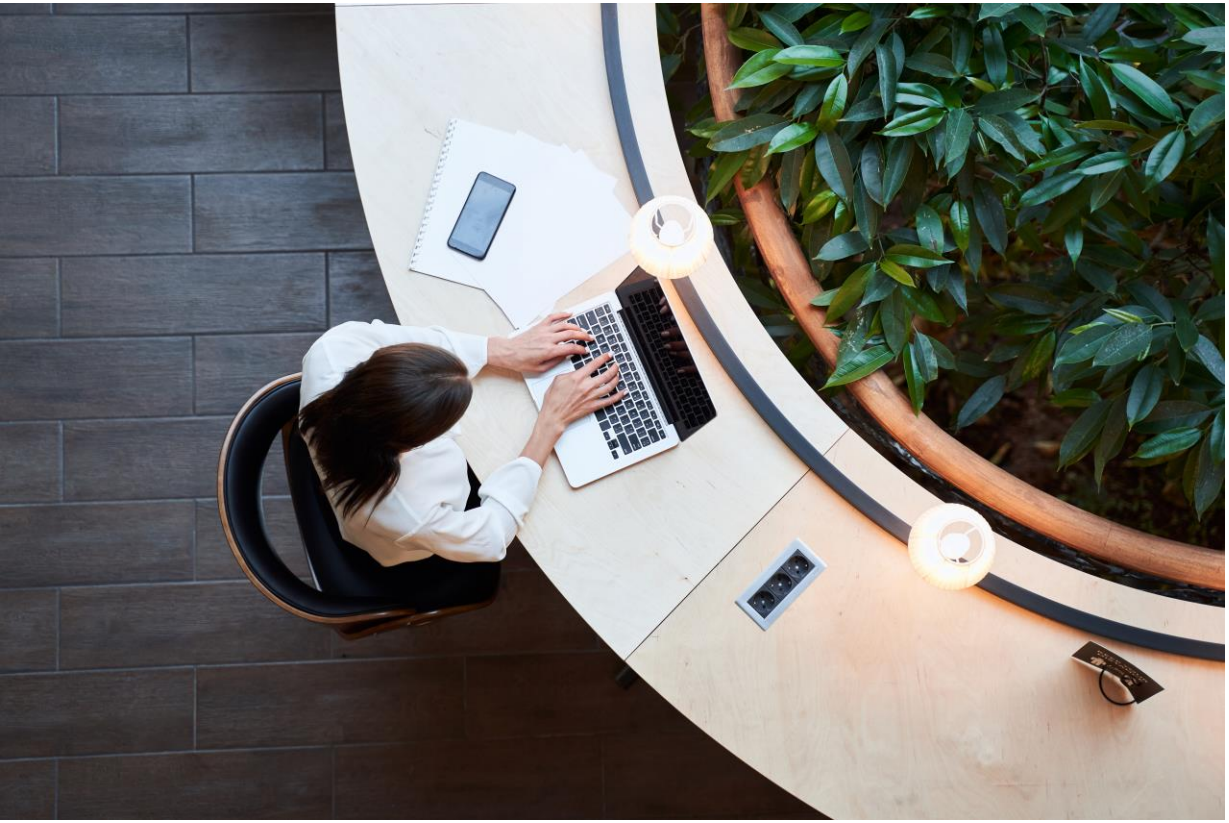

# Sustainability including ESG factors

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# Contribution toward Sustainable Development of Society and Earth

The Group's management philosophy is **"To contribute to the global information and communications revolution."**

Information and communication technology and services have the potential to contribute significantly to solve social and environmental issues through **"the efficiency improvement (optimization, efficiency, automation, etc.)"** and **"the activation of communication"** in various fields.

Based on the idea that **"The future of information communication for the future of all people,"** the Group aims for the sustainable growth and the increase in our corporate value through ESG-friendly management and business strategies. In addition, we will take the lead in contributing to the harmonious and sustainable development of the society and the Earth by solving social issues represented by the SDGs set by the United Nations.

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# Contribution toward Development of International Economy and Society

Various international exchanges (cooperation, support, business, tourism, etc.) are being carried out at the national, corporate, organizational and individual levels to resolve social, economic and environmental issues of sustainable development.

In the **"GLOBAL WiFi" Business**, we will contribute to develop the international economy and society by **providing a safe, secure, and comfortable mobile Internet connection environment** that is the same as the environment in which we communicate in our home country, to everyone who carries out various international exchanges around the world.

Striving to provide quality services and networks and expand service areas continuously, we support various activities in the post-corona/with-corona world.

**Example of efforts**

Expand service areas for unlimited plan, offer an ultra-high-speed 5G plan, effective use of sales channels (airport counter), expand Tabi-naka service (optional services such as mobile battery, translator, interpreter service, etc.), emergency location information service, support the spread of the GIGA school concept, support people who are active overseas (including groups), etc.

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# Environmental Activities

Environment

環境

GSLを通じて環境貢献に取り組んでいます。

震災リデイン

Acquire a “Green Site License” to offset the carbon footprint of our website.
**Provide an environmental support with “Green Electricity”** for our activity on the website for CO2 reduction.

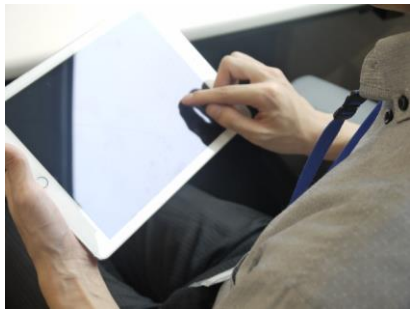
**Support and cooperate with the organizations which** provide information, **support activities in disaster areas, and provide assistance to various activities** to “realize a society where people can support each other at the times of earthquake.”

**Activities to protect the natural environment** through the Ecology Cafe.

**Paperless efforts**
Provide laptop, iPad, etc. to employees.
Utilize video (web) conference (to eliminate unnecessary traveling).
Utilize electronic forms and an enterprise SNS actively.
Select recyclers.

**Provide rental service of the LED lighting** that generates less heat and do not contain harmful substances **at a low initial cost.**
**Reduce carbon dioxide emissions by saving power and reduce environmental burden.**
We received high praise for our efforts to achieve the SDGs (environmental consideration through LED sales and installation work) and were registered as an “Okinawa SDGs Partner,” a company/organization that promotes SDGs.

Provision of laptop, iPad, etc.



Video (web) conference

Electronic forms (workflow)
Utilizing of an enterprise SNS

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# Social Activities

Social
社会

## Various recruitment channels

Fair recruiting, referral recruiting, and active recruiting of women (Female employee ratio: 33.5%).
Hire multinational people [Foreign nationals: 14.5% (permanent employees)].
Hire disabled people (“Meiro-juku,” local group to support disabled people; continuously awarded since 2015).

## How to develop human resources (training system/evaluation system)

Training for new graduates
Business etiquette, PC, knowledge, external, sales, follow-up, etc.
OJT after assignment
Product knowledge training, sales appointment calls, business accompaniment, role-playing.
Sales experience
WEB marketing, telemarketing, escalation.
A lot of business deals generated from sales appointment calls (Experience ⇒ Growth).
Four opportunities a year for salary increase and promotion based on performance appraisal every three months.
33% of the annual salary is variable salary (incentives such as commission, achievement, and profit dividend).
* Average of all sales reps in 2019

## Introduced personnel system suitable to the times and unique benefit plan

Shorter working hours, shift and flextime systems.
Half-day leave/hour leave (paid leave) applied, spouse birthday leave (special leave).
Drink allowance (for summer season), influenza vaccination subsidy, teleworking allowance.
Occupational accident insurance (compensation for the excess of workers’ accident insurance), insurance to cover the cost of illness/injury other than working hours (taking out a corresponding insurance is required).

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# Social Activities　Internal Communication

## Real-time internal communication

Share information and communicate each other in real time, using the social media (JANDI).

Realize quick communication and decision-making by utilizing online communities with limited participants (communities for holding board meetings, and for reaching a decision by using a circular letter, etc.).

* JANDI are utilized internally at first and the revised version will then be provided to our customers.

## Share management and business policies, using videos, etc.

Create videos on business policies and post on the intranet.

Communicate throughout the group.

* Create dubbed version of these videos for employees of overseas subsidiaries.

## Publish in-house booklet “Vision Tsushin”

Publish the in-house booklet “Vision Tsushin” quarterly (booklet, posted on the intranet).

The booklet contains:

Messages from executives;

Our new efforts;

Comments from the top sales representative;

Introduction of our Divisions; and

Various information on labor, and compliance, etc.

It has been published since 2012.

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# Social Activities

## “Vision Kids Nursery” as a company-led nursery school

Childbirth and childcare are both big events for employees’ lives. Therefore, we implement the more flexible working rules, expand the vacation system, and encourage employees to take a leave, etc.

⇒ Provide more comfortable work environment (a sense of security that their children are nearby) than ever before.

* Establish a childcare facility within a site of CLT, where female employees account for more than 90%.

Create an environment where it is easy for employees to return to work, and hire employees who are motivated to work in a parenting generation.

⇒ **One of sources of sustainable growth**

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# Social Activities

**Support Japan Heart's activities "to deliver healthcare to medically-isolated areas."**

Japan Heart is an International medical NGO originated in Japan, which was established by the founder Hideto Yoshioka (pediatrician) in order to improve the quality of medical support activities, based on his many years of medical experience in foreign countries.

The organization has been supported by many medical workers and volunteers. More than 4,500 volunteers have participated in the activities and conducted more than 200,000 treatments in developing countries.

**Japan Heart's activities**

There are four areas where medical care is difficult to deliver.
One is developing countries suffering from poverty and shortage of doctors.
One is remote areas and isolated islands in Japan.
One is inside children's heart who fight diseases.
One is the large-scale disaster-stricken areas.
Japan Heart is working to deliver medical care to these four areas.

Our support for Japan Heart

Provide free rental GLOBAL WiFi routers to Japan Heart volunteers who are active around the world and the secretariat.
Donate a portion of sales including from GLOBAL WiFi and information communication services.

Through this support, we hope to be able to support in delivering medical care to as many children as possible.

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# Social Activities

Social
社会

**Prevention of the spread of COVID-19 (quarantine measures)/ the Ministry of Health, Labour and Welfare**

Pre-registration on MySOS Web or MySOS App is required when entering Japan

All entrants (including Japanese nationals) must be examined within 72 hours prior to departure and present a negative test certificate issued by a medical institution to the quarantine station upon entry. Those who cannot present a valid test certificate will not be allowed to enter Japan in accordance with the quarantine law.

## Our activities

Entrusted with app confirmation work, which is part of the above-mentioned quarantine measures work carried out by the airport quarantine station.
In addition to the above contract work, provide a smartphone rental service for those who do not have a smartphone or who have a smartphone that cannot install the specified app (implement based on the contract between each airport terminal building company and our company).

### Entrusted Airports

Airports to which we are entrusted
(from March 2021)
Narita Airport, Haneda Airport, Chubu Centrair International Airport
Kansai International Airport, Fukuoka Airport
(from July 2022)
New Chitose Airport, Naha Airport

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# Social Activities

Social
社会

## Providing PCR testing services, essential social infrastructure during and after the COVID-19 pandemic.

## Participation in the Tokyo Metropolitan Government's Free PCR and Other Testing Programs

*Authorized as a free testing service provider for COVID-19 by our partner (Ido Medical Co., Ltd.).

Shinjuku Branch: Shinjuku PCR Center East Exit Branch, Shibuya Branch: Shibuya PCR Center Miyamasuzaka Branch
In addition to the centers, we also provide convenient home delivery and on-site testing services (limited to the 23 wards of Tokyo).

Extension of Free PCR and Other Testing Programs
(1) Opening promotion service from Thursday, December 23, 2021 to Wednesday, August 31, 2022
(2) General testing service from Saturday, December 25, 2021 to the present

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# Governance System

## Governance
## コーポレート・ガバナンス

### Independent officer system

Total number of Directors: 6
(including independent outside directors: 3 / Male: 5, Female: 1)
⇒ They have rich experience in business management including web marketing, business for foreign visitors in Japan, financial industry and other global businesses, and business owners.
⇒ We attach great importance to the constructive dialogue with investors. When receiving an offer for dialogue from any investor, not only the director in charge, but also an any outside director will engage in dialogue.

Total number of Audit & Supervisory Board Members: 4
(Independent outside auditors: 4)
⇒ CPAs, prosecutors/lawyers, and business owners.

### Strengthen information security

Acquired ISMS (Information Security Management System) certification
Acquired the certification for “ISO/IEC 27001.”

Established and has run the Information Security Committee.

### Compliance, risk management, and internal control activities

Conduct education and training sessions regularly.

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# Notes on the Future Outlook

Materials and information provided in this announcement include so-called “forward-looking statements.”

They are estimated at the present and are based on the assumption that involves forecasts and risks, and substantially they include uncertainties which could cause different results from these statements.

These risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions, such as interest rates and currency exchange fluctuations.

In the future, even if there is new information or future events, etc., we shall not be obligated to update and revise the “forward-looking statements” included in this announcement.

Vision Inc.

Contact : Investor Relations Dept.
ir@vision-net.co.jp

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