

VECTOR INC.

## Financial Results – 2Q FY2/27



October 15, 2026

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# Quarterly Results

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Net Sales

¥32,877 million

up 10.5% YoY  
100.9% of 1H plan

Gross Profit

¥21,974 million

up 7.7% YoY

EBITDA\*

¥ 5,941 million

up 35.6% YoY

Operating Profit

¥ 5,301 million

up 42.1% YoY  
114.3% of 1H plan

Ordinary Profit

¥ 5,428 million

up 38.8% YoY  
118.0% of 1H plan

Profit Attributable to Owners of Parent

¥ 3,644 million

up 106.4% YoY  
140.2% of 1H plan

\*EBITDA = Operating profit + Depreciation + Goodwill amortization

|                          | Net Sales                       | Operating Profit                | Business overview for 1H FY2/27                                                                                                                                                                                                |
|--------------------------|---------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consolidated Performance | ¥32,877 million<br>up 10.5% YoY | ¥5,301 million<br>up 42.1% YoY  | <ul style="list-style-type: none"> <li>PR and Advertising and Direct Marketing performed strongly</li> <li>All segments achieved their 1H operating profit plans; progress against the full-year plan reached 53.0%</li> </ul> |
| PR and Advertising       | ¥17,809 million<br>up 10.1% YoY | ¥2,659 million<br>up 21.0% YoY  | <ul style="list-style-type: none"> <li>Steady growth in Strategic PR earnings</li> <li>Taxi Signage business performed well</li> </ul>                                                                                         |
| Press Release (PR TIMES) | ¥5,049 million<br>up 8.0% YoY   | ¥1,751 million<br>down 7.4% YoY | <ul style="list-style-type: none"> <li>Operating profit on target</li> <li>Number of user companies surpassed 133,000</li> </ul>                                                                                               |

# 1H FY2/27 Highlights

## Net Sales

## Operating Profit

## Business overview for 1H FY2/27

Direct  
Marketing  
(Vitabrid Japan and  
one other company)

¥9,099 million  
up 21.9% YoY

¥492 million  
up ¥619 million YoY

- **Record quarterly net sales in 2Q**
- Vitabrid Japan accelerated ad spend in 2Q, but not enough to offset the 1Q underspend, so profit still rose

HR

¥509 million  
down 65.2% YoY

¥23 million  
up ¥83 million YoY

- Net sales fell due to the deconsolidation of ASHITA-TEAM
- **Profitable for third straight quarter since 4Q FY2/26, as standalone JOBTV swung to profit from year-earlier loss**

Investment

¥540 million  
up ¥432 million YoY

¥374 million  
up ¥547 million YoY

- Sale of securities drove higher revenue and profits
- Broadened investment scope to include solopreneurs alongside the conventional IPO model, given weaker startup market conditions

## Progress vs. Segment Profit Plan

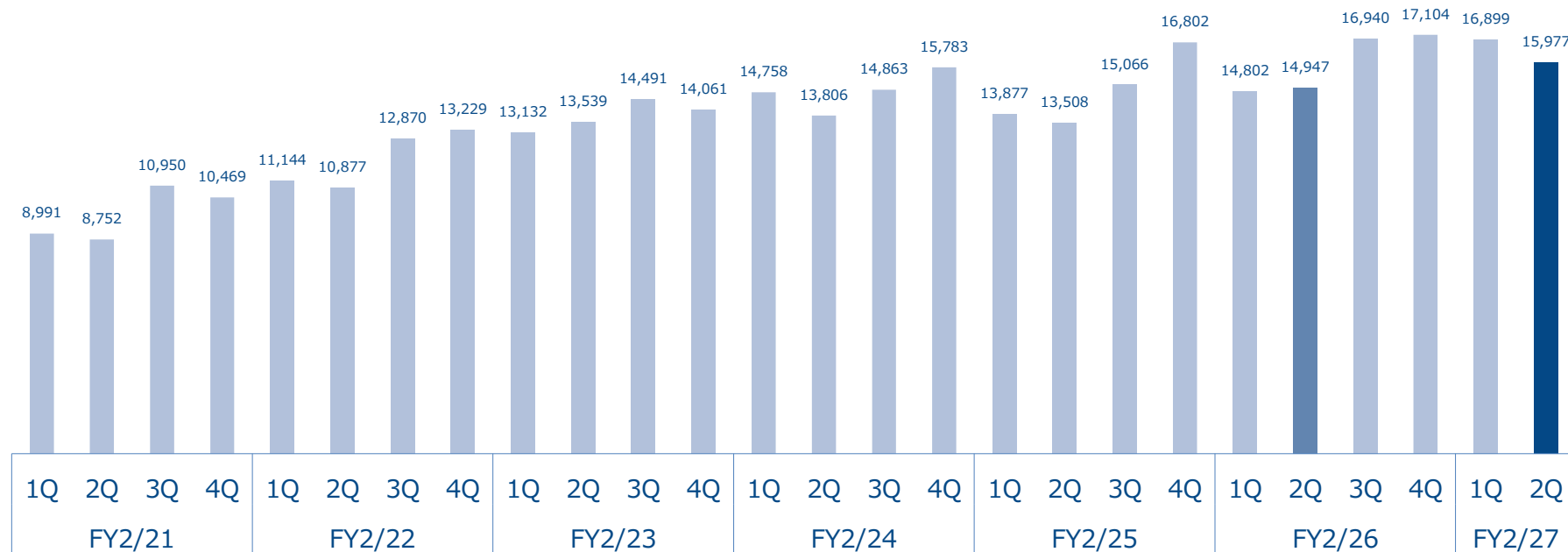
|                  | Profit Plan by Segment<br>(¥ million) | FY2/27<br>(Plan) | FY2/27<br>End-2Q | Progress |
|------------------|---------------------------------------|------------------|------------------|----------|
| Operating Profit | Consolidated                          | 10,000           | 5,301            | 53.0%    |
|                  | PR and Advertising                    | 5,400            | 2,659            | 49.3%    |
|                  | Press Release                         | 3,250            | 1,751            | 53.9%    |
|                  | Direct Marketing                      | 1,250            | 492              | 39.4%    |
|                  | HR                                    | 100              | 23               | 23.6%    |
|                  | Investment                            | 0                | 374              | -        |

- Core PR and Advertising/Press Release segments continue to build operating profit steadily
- Direct Marketing segment contributed to profit as advertising investment kept below budget
- HR segment on track, with operating profit at over 200% of revised 1H plan
- Investment segment to sell holdings over full year, depending on progress against consolidated profit plan

## Consolidated Net Sales Trend

- 2Q FY2/27 consolidated net sales reached **record 2Q high of ¥15,977 million, up 6.9% YoY**

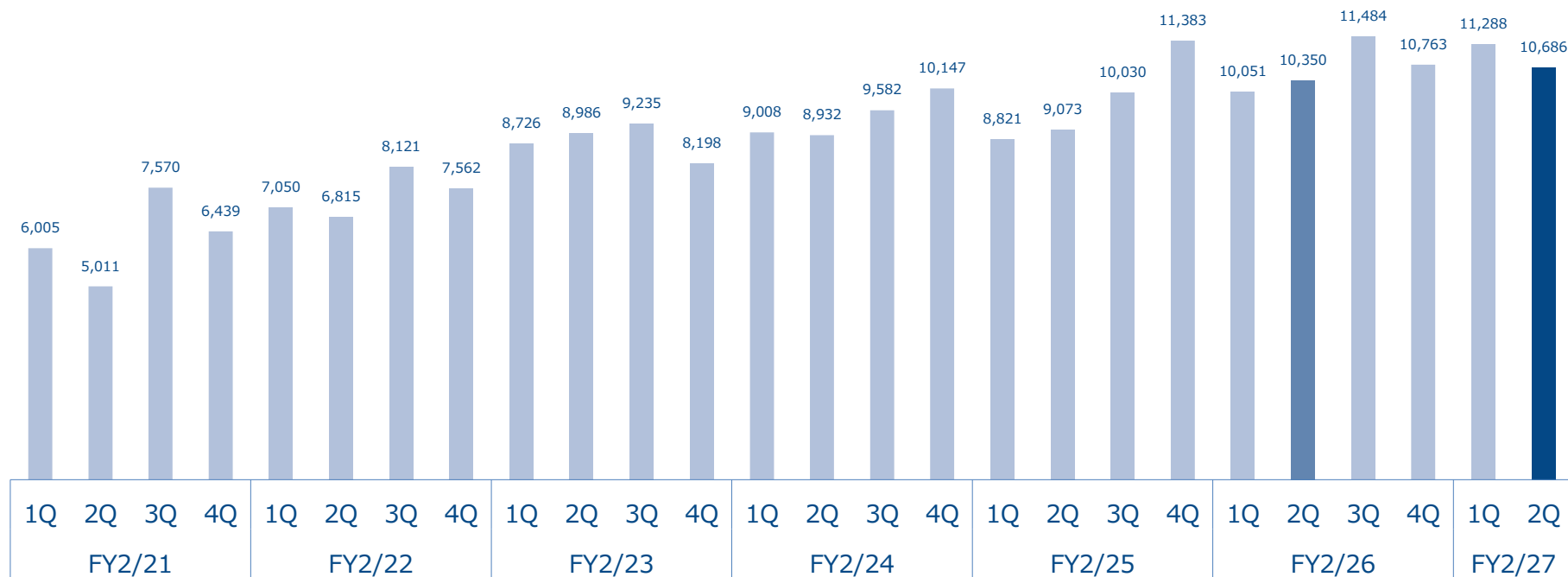
(¥ million)



Note: The Accounting Standard for Revenue Recognition was applied from FY2/23

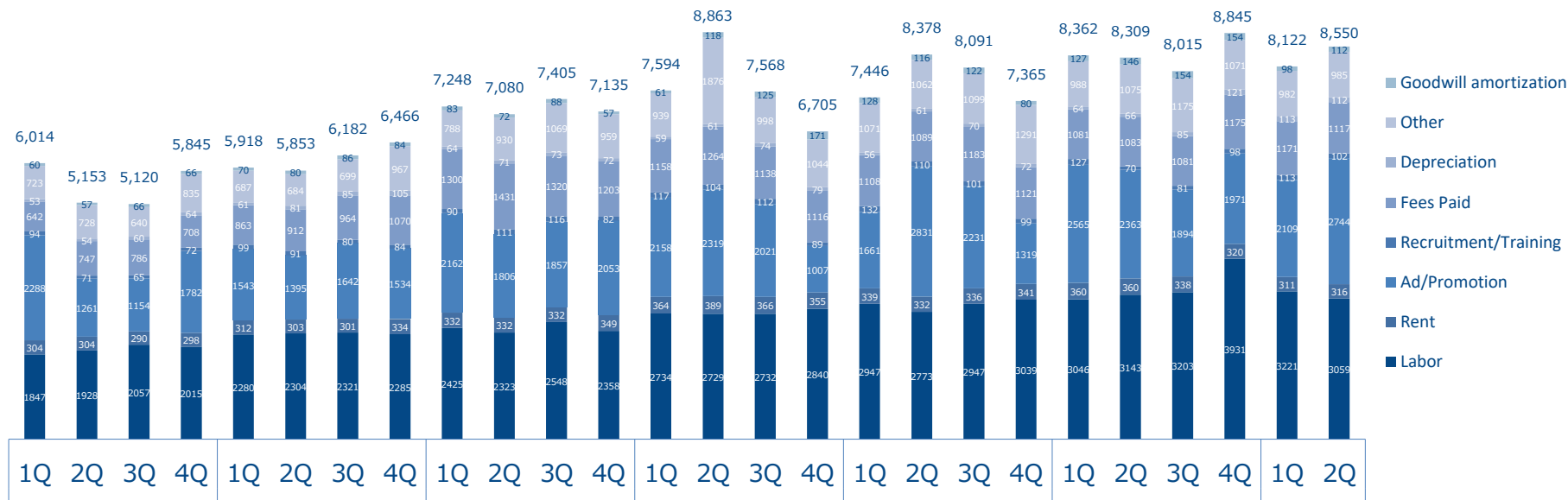
## Consolidated Gross Profit Trend

- 2Q FY2/27 consolidated gross profit reached **record 2Q high** of ¥10,686 million, up 3.2% YoY  
(¥ million)



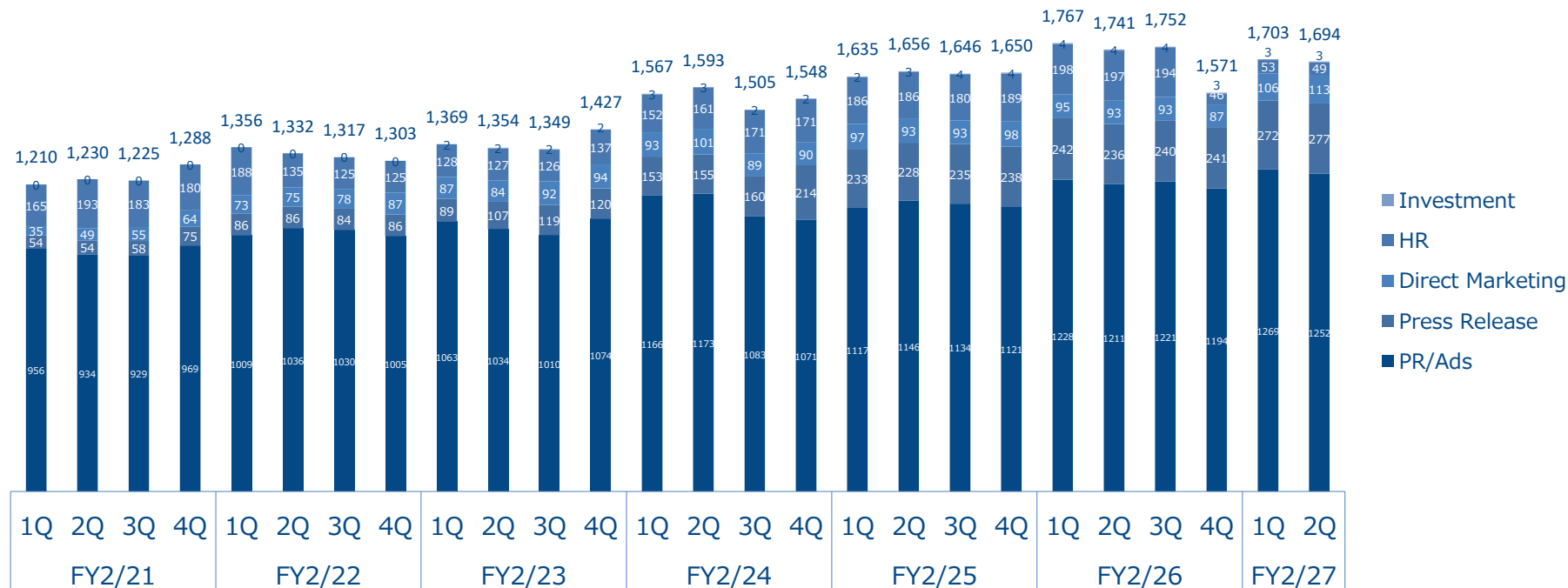
## Selling, General and Administrative Expenses Trend

- 2Q FY2/27 SG&A expenses were **¥8,550 million**, up **2.9%** YoY, due to higher advertising and promotional expenses in Direct Marketing segment  
(¥ million)



## Consolidated Headcount Trend (Quarterly)

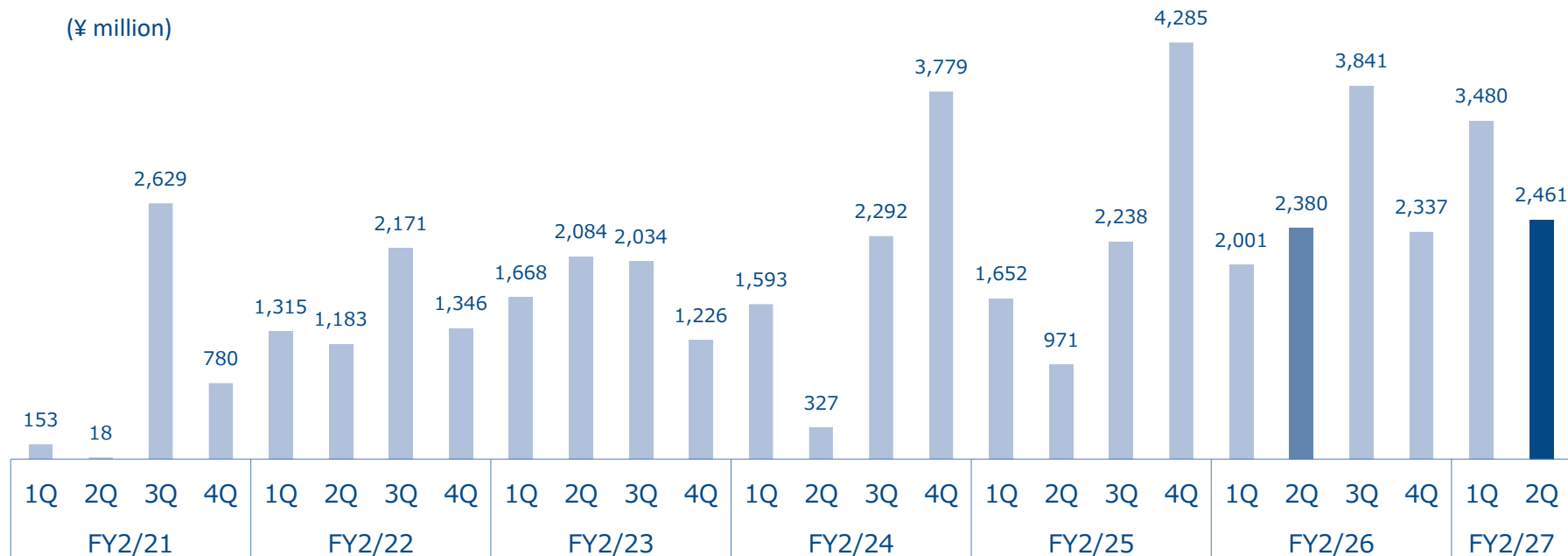
- 2Q FY2/27 consolidated headcount decreased to 1,694 compared with 1Q, due to the deconsolidation of subsidiaries and other factors



## EBITDA Trend

- 2Q FY2/27 EBITDA reached **record 2Q high** of ¥2,461 million, up 3.4% YoY

(¥ million)

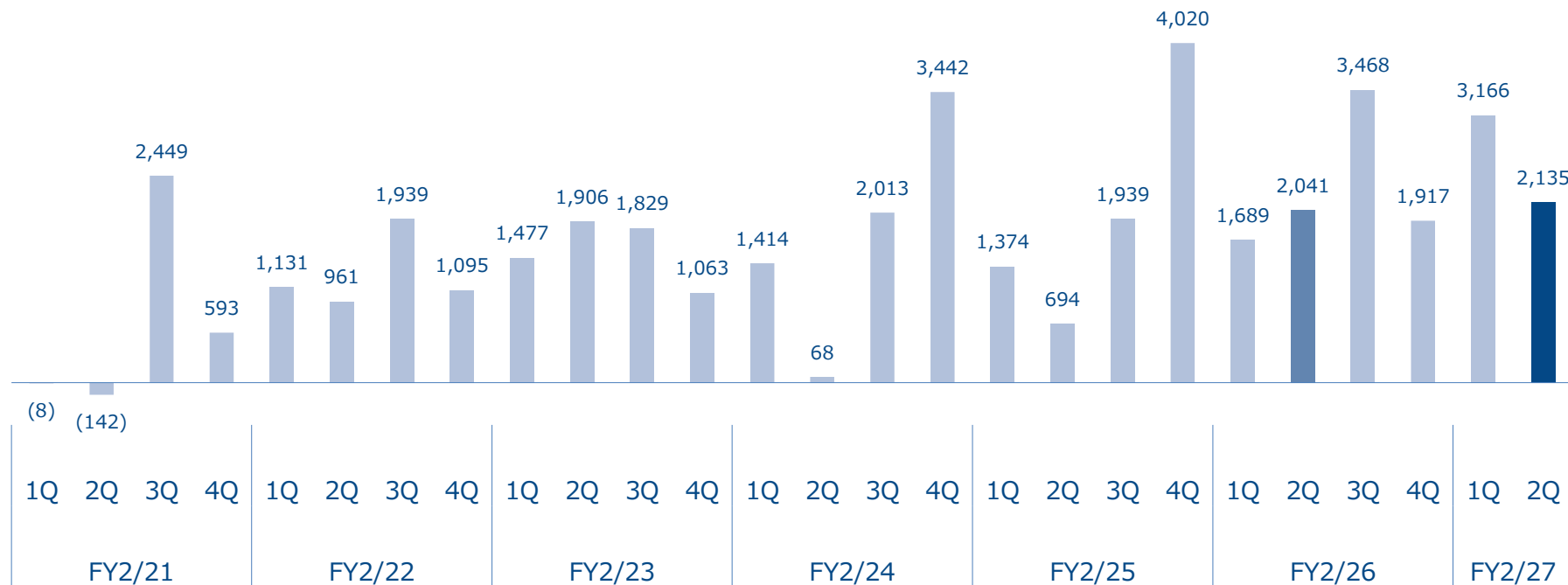


\*EBITDA = Operating profit + Depreciation + Goodwill amortization

## Consolidated Operating Profit Trend

- 2Q FY2/27 consolidated operating profit reached a **record 2Q high of ¥2,135 million, up 4.6% YoY**

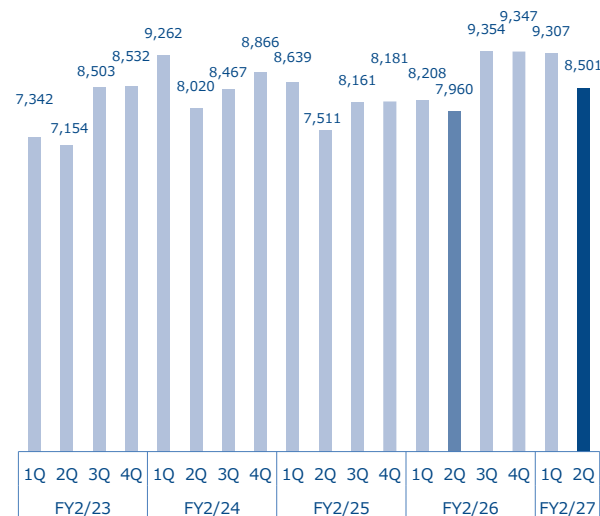
(¥ million)



- Achieved **record 2Q highs across all metrics**: net sales, gross profit, operating profit
- In 3Q, we will continue promoting PR x Short Video initiatives to drive further earnings growth

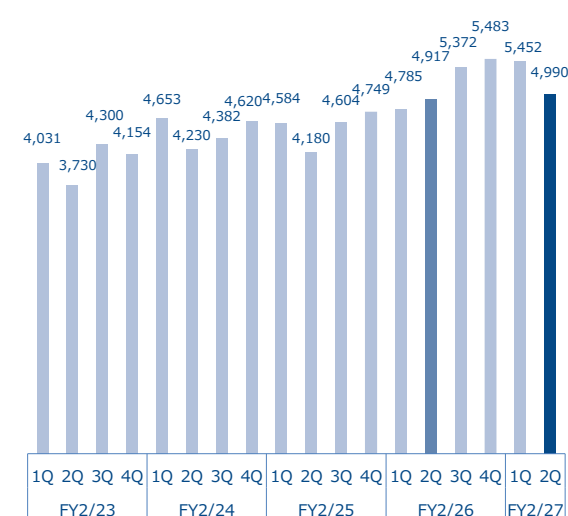
## Net Sales (¥ million)

¥8,501 million, up 6.8% YoY



## Gross Profit (¥ million)

¥4,990 million, up 1.5% YoY



## Operating Profit (¥ million)

¥1,239 million, up 8.8% YoY

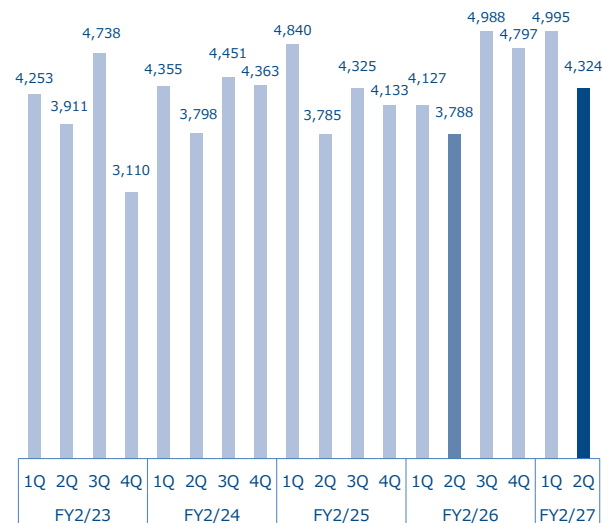


# Strategic PR Business (ANTIL, PLATINUM, INITIAL)

- **Net sales, gross profit, operating profit reached record 2Q highs**
- In 3Q, Strategic PR will continue to play central role in Group's PR x Short Video initiatives, drive overall growth

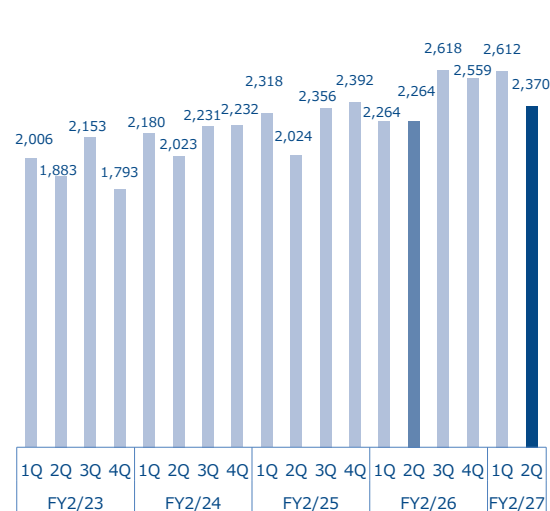
## Net Sales (¥ million)

¥4,324 million, up 14.1% YoY



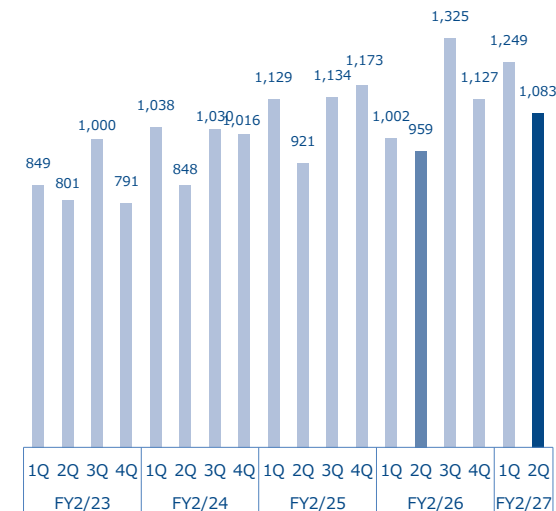
## Gross Profit (¥ million)

¥2,370 million, up 4.7% YoY



## Operating Profit (¥ million)

¥1,083 million, up 12.9% YoY



Note: Operating profit calculated by adding back royalties paid to Vector

## Existing advertising market issues



### **Declining share of TV ad market**

As usage of smartphones, video streaming, and social media rises, time spent on TV viewing (real-time broadcasts) continues to decline, prompting companies to rethink TV advertising budgets and optimize investments for efficiency



### **Search ad market stagnating**

Development of gen AI search results (e.g. AI Overviews) is resulting in fewer clicks on search ads, making it harder to sustain ad effectiveness



## Consolidation of marketing budgets



### **Overall corporate advertising budgets are on the rise**

Need for marketing investment remains, but budgets shifting to more efficient channels.

**Budgets shifting to PR x Short Video**

**Third-party non-advertising information builds brand trust  
Vector provides a platform for this**

While the rapid adoption of AI is reshaping the advertising industry, we view it not as a risk, but as a significant **growth opportunity**.

AI-Driven Efficiency



Sustainable  
Competitive Advantage



Accelerating Growth and  
Strengthening Our  
Competitive Position

By combining AI-driven efficiency with our established competitive strengths, we are well positioned to adapt to the evolving market environment. Rather than viewing AI as a threat, we see it as a key driver that supports our long-term growth and enhances our competitive advantage.

## Responding to the Rise of AI in the Advertising Industry

①

### AI-Driven Productivity Gains

Our adoption of AI has **enhanced operational efficiency, reduced costs,** and improved both service quality and delivery speed.

②

### Competitive Advantage in Short Video & UGC

As AI adoption accelerates in the short video market, **authentic and relatable** content, such as UGC, cannot be replaced by AI, reinforcing our competitive advantage.

③

### Strong Sales Expertise and Customer Base

For high-value projects, **strong sales expertise and trusted client relationships remain essential**, while our long-established customer base serves as a key source of competitive advantage.

④

### Revenue Stability through Our Retainer Model

Our retainer model, centered on long-term client contracts, **provides a stable and sustainable revenue base.**

⑤

### Irreplaceable Value of Strategic PR

Strategic PR requires sophisticated judgment in strategic planning, story development, and media relations. As a result, it **cannot be replaced by AI**, limiting its impact on our business.

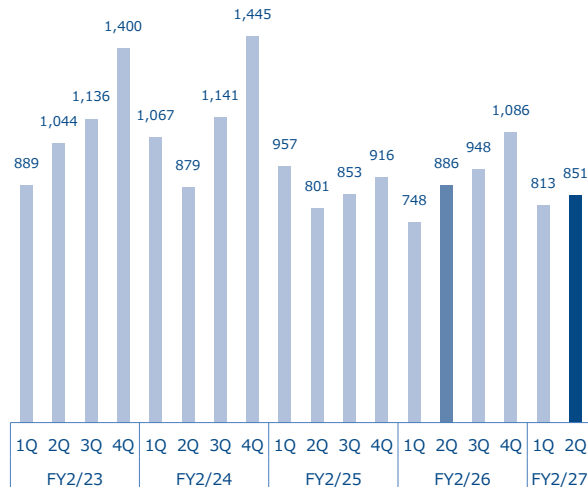
# PR and Advertising (Overseas)

## Overseas Business

- In 2Q, **the South Korea business** posted a **temporary loss as local elections** delayed municipal contract wins
- In 3Q, we aim for quarterly profitability in South Korea and full-year profitability overseas

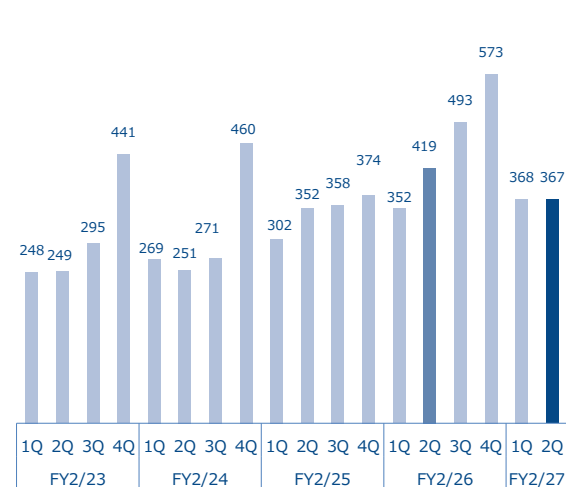
### Net Sales (¥ million)

¥851 million, **down 3.9% YoY**



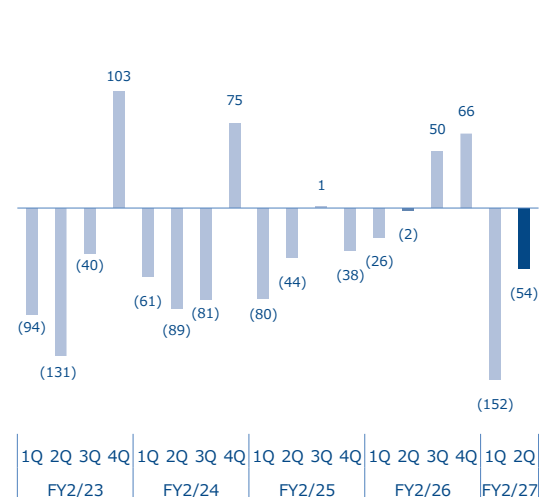
### Gross Profit (¥ million)

¥367 million, **down 12.3% YoY**



### Operating Profit (¥ million)

¥(54) million, **down ¥52 million YoY**

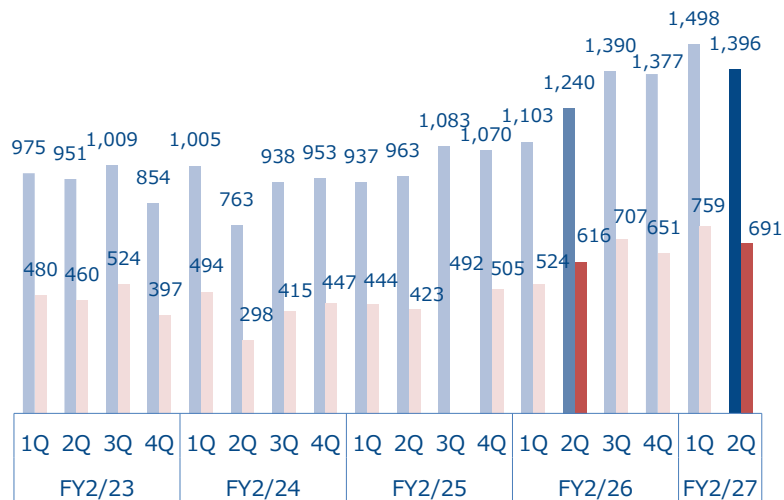


# Taxi Signage

- Steady sales of ad slots and media slots **drove record 2Q net sales and gross profit**
- In 3Q, we aim to create revenue opportunities with new ad menus and our taxi signage know-how

Net Sales (¥ million) ¥1,396 million, **up 12.6% YoY**

Gross Profit (¥ million) ¥691 million, **up 12.2% YoY**



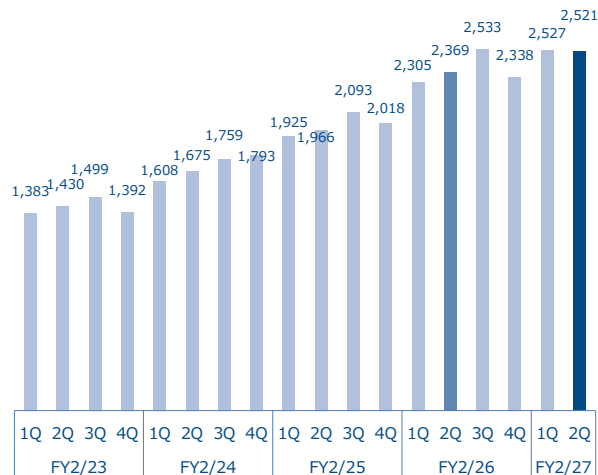
GROWTHのオリジナル情報番組  
「HEADLIGHT」を週替わりで放映。  
日々の行動が変わる、  
幅広い情報をお届けします。

Digital signage has been installed for rear seat passengers in c.11,500 vehicles, the largest scale of taxi signage advertising in Tokyo. This covers roughly 42% of corporate taxi users in Tokyo, who are mainly businesspeople, with video advertisements and media content reaching around 7.7 million people a month.

- **Net sales and gross profit reached record 2Q highs**
- In 3Q, we aim to grow sales and achieve the full-year profit plan by adding users and lifting usage

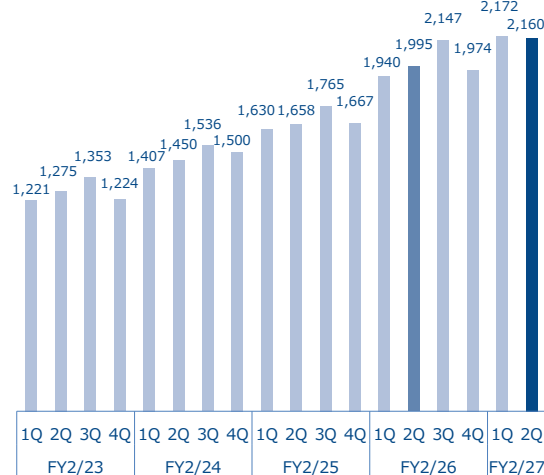
## Net Sales (¥ million)

¥2,521 million, **up 6.4% YoY**



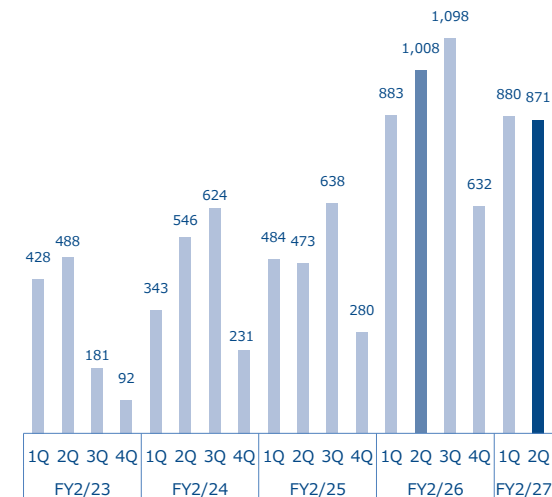
## Gross Profit (¥ million)

¥2,160 million, **up 8.3% YoY**



## Operating Profit (¥ million)

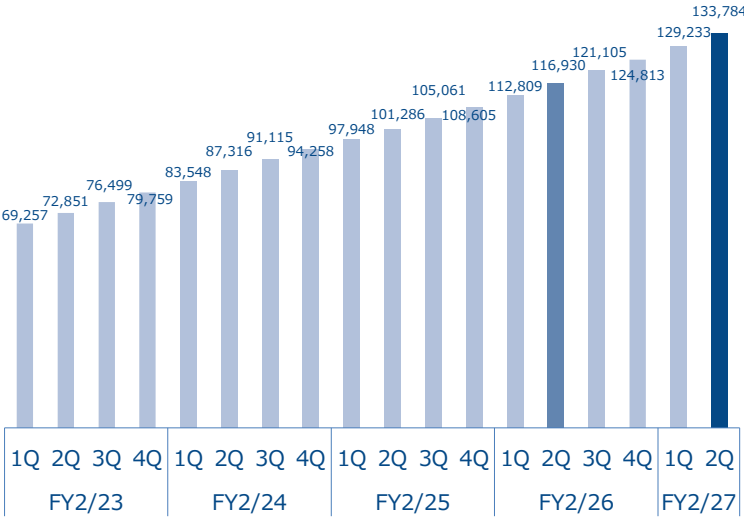
¥871 million, **down 13.6% YoY**



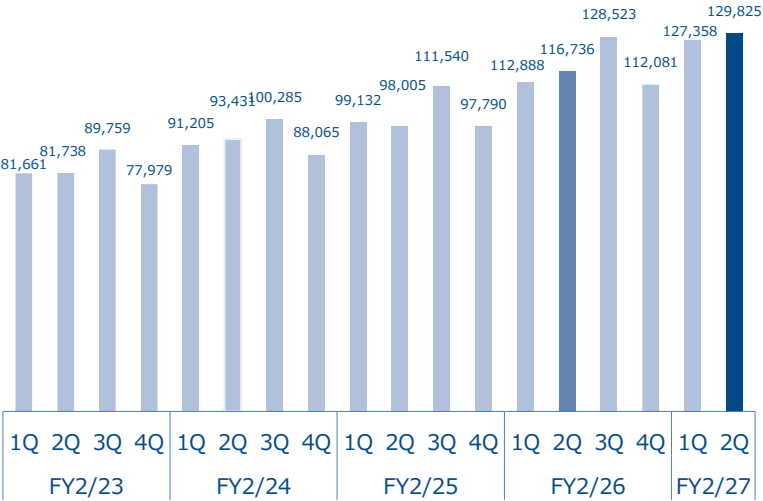
# Number of User Companies and Press Release Distributions

- In 2Q, the number of user companies rose sharply YoY, and press release distributions hit a record quarterly high
- In 3Q, we aim to lift distributions by growing user companies and their frequency of use

Number of user companies: 133,784, up 14.4% YoY



Press release distribution volume: 129,825 releases, up 11.2% YoY



# Trend in Number of User Companies and Percentage of Listed User Companies

Japan's No. 1 press release distribution platform PR TIMES

More than 130,000 user companies, used by more than 66% of listed companies

Carried in more than 260 publications!

## PR TIMES TSE Prime Market

PR TIMES プレスリリース・ニュースリリース配信サービス PR TIMES PR TIMESの読み 料金プラン ご登録 お問い合わせ

国内シェア **No.1** 上場企業の **66%** が利用

### なぜPR TIMESが選ばれるのか？

PR TIMESは2007年にサービス開始し、わずか数年で最もプレスリリースが配信されるサービスに成長しています。

いま、企業の広報やマーケティングを取り巻く環境は大きく変化し、ますます高度化しています。マスメディアの影響力低下、デジタルメディアの隆化、スマートフォンの普及、生活者による様々なSNSの活用拡大と、情報発信力の競争的は向上など、このような劇的な環境変化の中、PR TIMESは、新たなマーケティングPRツールとして進化しています。

#### 主なパブリシティ実績



#### 事例



Aug 29, 2018  
Moved to 1st  
section, TSE

28,000  
companies  
Feb 2019

94,000  
companies  
Feb 2024

108,000  
companies  
Feb 2025

124,000  
companies  
Feb 2026

133,784  
user companies  
Aug 2026

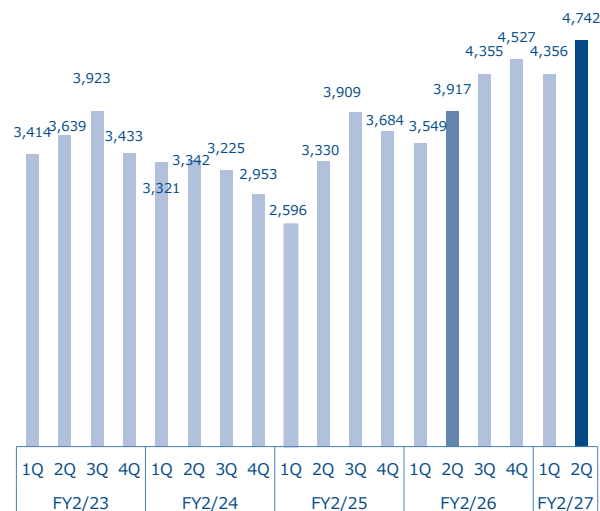


# Direct Marketing

- **Net sales hit a record quarterly high and gross profit a record 2Q high**
- Japan entry Inc., a beauty appliance wholesaler, grew sales and profit on strong Brighte SHOWER DRYER sales
- In 3Q, Vitabrid Japan will invest in advertising to drive future sales growth

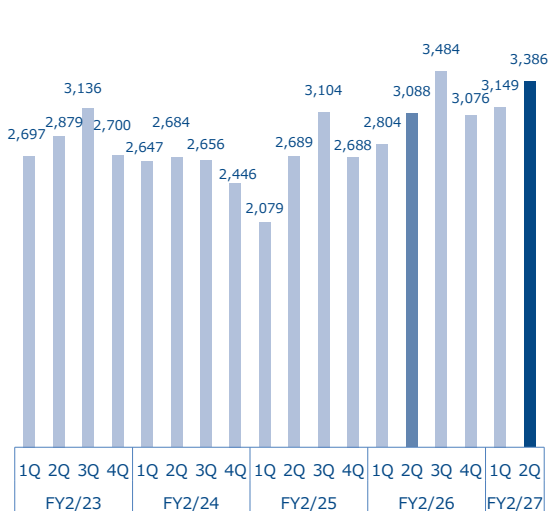
## Net Sales (¥ million)

¥4,742 million, **up 21.0% YoY**



## Gross Profit (¥ million)

¥3,386 million, **up 9.7% YoY**



## Operating Profit (¥ million)

¥13 million, **down ¥84 million YoY**



- **Listed on Tokyo Stock Exchange Growth Market on April 2, 2026**
- Develop highly functional, strongly differentiated products that leverage patented technologies and bespoke designs
- Recurring revenue D2C subscription model with expanding channels to drugstores and major e-commerce platforms



Terminalia First, a supplement that inhibits sugar and fat absorption, continued to perform well after its launch, ranking **No. 1 in sales** in the Japanese diet market



**Long-standing product** Vitabrid C Face contains Vitamin C and leverages patented technologies

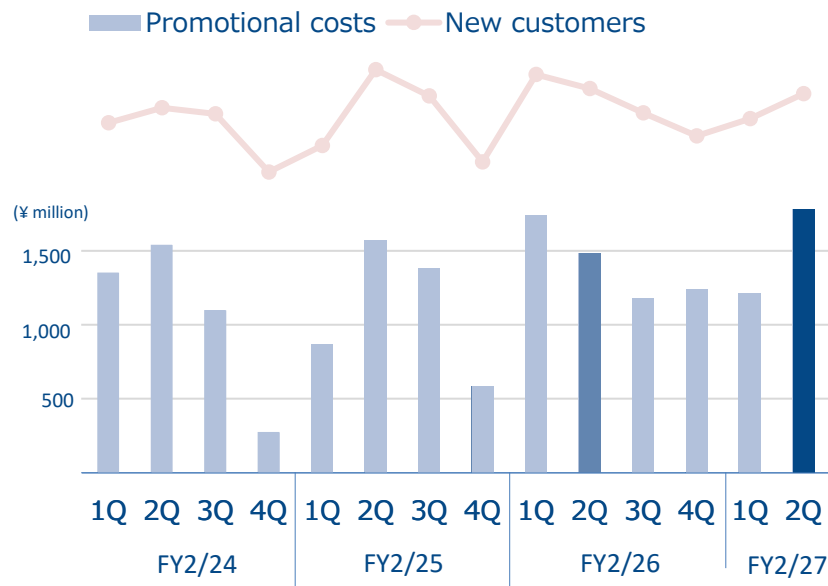


Sales of "Vitabrid Daily GABA," a multifunctional supplement with seven GABA-based functionalities, are **showing steady and robust growth**

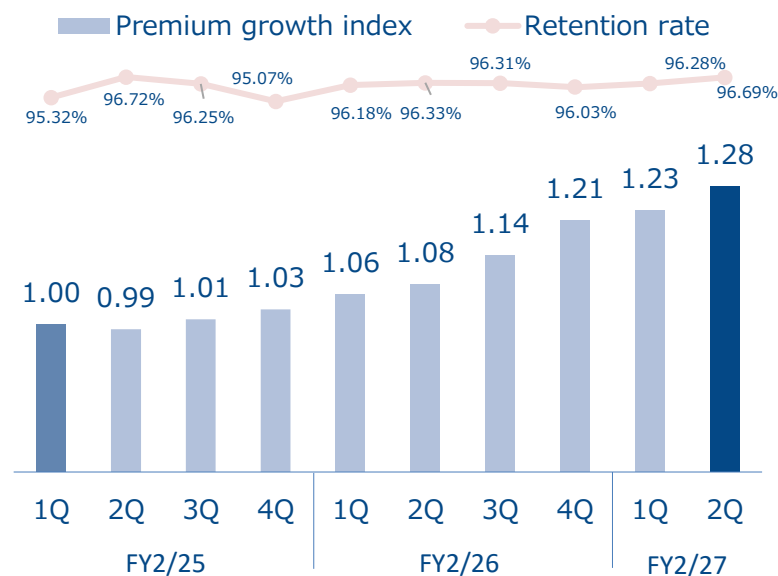
# New Customer Acquisition and Premium Customers (Vitabrid Japan)

- In 2Q, **new customer acquisitions grew steadily** in line with advertising investment
- Premium customers grew steadily, **up 28%** on 1Q FY2/25
- We aim to achieve the full-year plan as newly acquired customers become premium customers

Promotional costs & new customer acquisition trends



Premium customer growth index and retention rate



Note: Slide only shows D2C customers, excludes sales via other channels

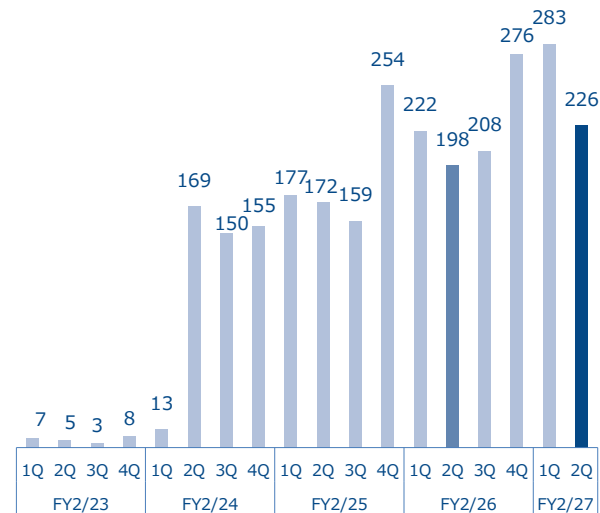
\*1Q FY2/25 = 1.00. \*Premium customers: customers who reached the LTV threshold (¥30,000–50,000) set as each product's profitability benchmark, bought within the past year and keep a regular subscription.

\*Retention rate: share of last month's premium customers still premium at month-end

- **In 2Q, achieved record quarterly operating profit**, driven by growth at JOBTv on a standalone basis
- **Profitable for the third consecutive quarter**, continuing from 4Q FY2/26
- In 3Q, we will continue to expand sales through Short Video recruitment initiatives and our popular recruitment events

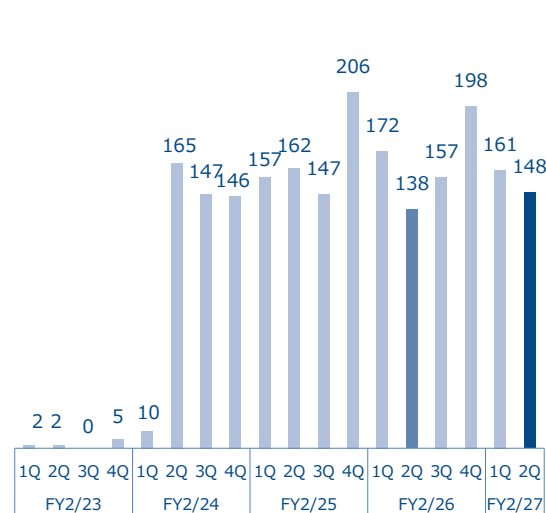
## Net Sales (¥ million)

¥226 million, up 14.3% YoY



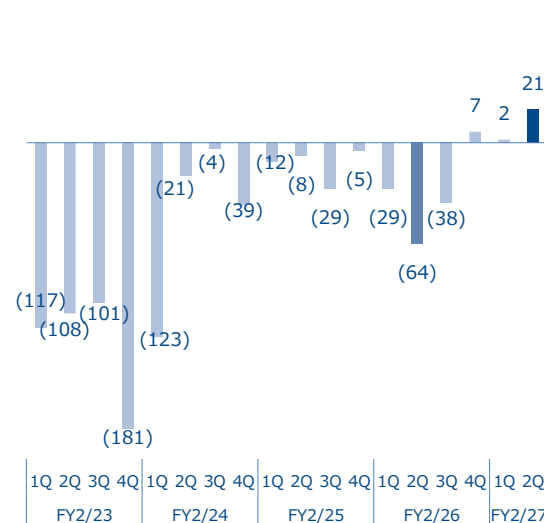
## Gross Profit (¥ million)

¥148 million, up 6.7% YoY



## Operating Profit (¥ million)

¥21 million, up ¥85 million YoY



Note: Due to the deconsolidation of ASHITA-TEAM, figures have been restated to reflect the JOBTv business only, retroactive to the beginning of FY2/23.

# Growth Strategy for New JOBTV

Video recruitment platform "JOBTV" **fully updated** in April 2026

**Revamped revenue model driving strong growth**



## From "search" to "immersive" UI/UX

Provides intuitive operations like social media apps that Generation Z use daily, including continuous playback for Short Videos and broader content. Dramatically improves student viewing times and engagement.

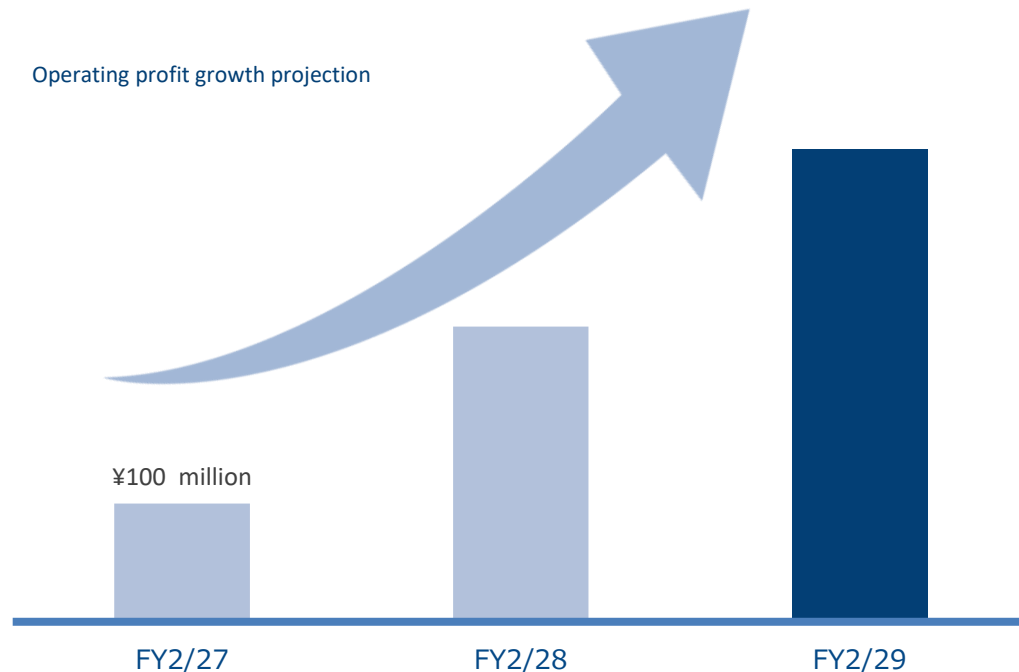
## Introduction of recruitment documentaries

Rather than superficial PR videos, they cinematically depict the struggles on the ground and the challenges facing companies, promoting better understanding and generating deep empathy.

## Strengthened data utilization

The control screen has been updated to be more user-friendly for corporates. It offers management functions that visualize student viewing behavior and data of interest and directly translates the effectiveness of the customer acquisition ecosystem into corporate recruitment activities.

Operating profit growth projection



Full-fledged roll-out of customer acquisition ecosystem that combines

**SNS x Video media x in-person events**

SEESAS x JOBTv (Customer acquisition ecosystem)

## JOBTV

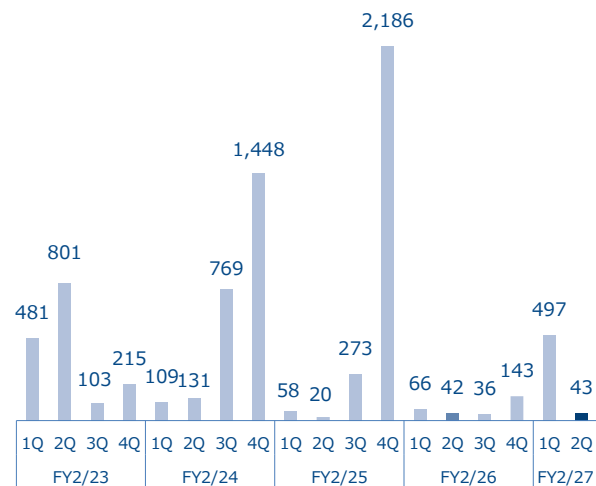
| Gen Z Behavior Model                                                                      | Surf Encounter                                                                                                                                                                                       | Engage                                                                                                                                                                                                                                         | Search                                                                                                                                                                                                       | Action                                                                                                                                                                                                                                                                                     | Share                                                                                                                                     |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <p>JOBTV Functions &amp; Roles</p> <hr/> <p>Value of a Customer Acquisition Ecosystem</p> | <p>Organic Social Media Management</p> <hr/> <p>By utilizing short videos, we can reach the potential Generation Z audience through corporate ranking lists and third-party perspective content.</p> | <p>New JOBTv Media</p> <hr/> <p>UI optimized for Short Videos. Achieves intuitive operations like video streaming platforms. Recruitment documentary videos depict real workplaces and employee stories, fostering empathy among students.</p> | <p>New JOBTv Media</p> <hr/> <p>Students developing interest from videos can seamlessly dig further into company sites and find detailed information within, deepening their understanding of a company.</p> | <p>In-person recruitment event</p> <hr/> <p>Creating opportunities for direct interaction with students interested in the media. Achieves a key match between corporate values and student potential via unique programs such as business contest workshops and PR planning workshops.</p> | <p>When interested students share information on social media, a structure can be created allowing information to spread even further</p> |

# Investment

- In 2Q, sales of securities lifted net sales YoY
- Broadened investment scope to include solopreneurs alongside the conventional IPO model, given weaker startup market conditions

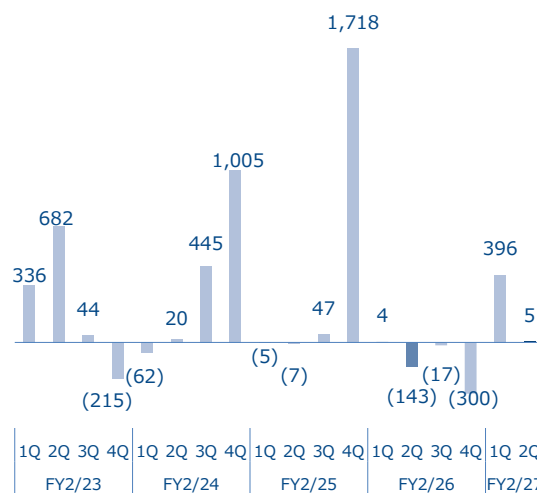
## Net Sales (¥ million)

¥43 million, up 3.1% YoY



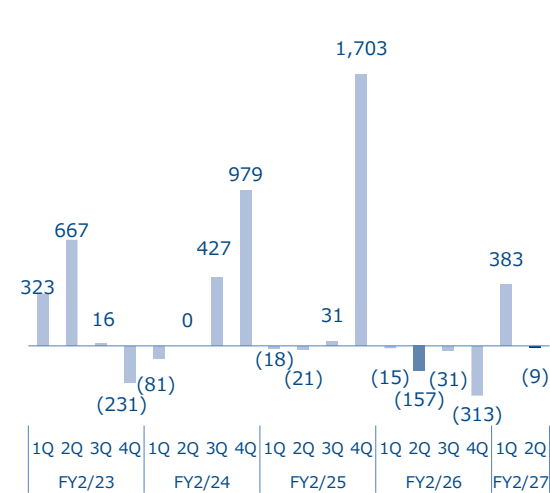
## Gross Profit (¥ million)

¥5 million, up ¥148 million YoY



## Operating Profit (¥ million)

¥(9) million, up ¥147 million YoY



## New Strategy for "Solopreneur" Investment Business

Expanded scope to model that invests in **solopreneurs** who use generative AI and operate with minimal personnel/infrastructure costs  
Targeting a two-track, dual-exit investment strategy alongside the conventional IPO model

| Comparison           | Previous model                                                  | Solopreneur model                                                |
|----------------------|-----------------------------------------------------------------|------------------------------------------------------------------|
| Investment phase     | Series A/B<br>Market cap ¥1,000–2,000 million                   | <b>Seed/early</b><br>Market cap below ¥500 million               |
| Investment amount    | ¥30–50 million<br>*Median                                       | <b>¥10–20 million</b>                                            |
| Target exit          | TSE Growth Market IPO<br>Market cap ¥10,000 million+            | <b>Small/mid-size M&amp;A</b><br>Market cap ¥3,000–5,000 million |
| Assumed timeline     | 7–10 years                                                      | <b>3–5 years</b><br>Agile M&A buyouts                            |
| Risks and challenges | Longer listing reviews<br>IPO below offer price in weak markets | <b>Non-monetary value</b><br><b>Higher sourcing hurdles</b>      |

### Planned sourcing strategy

- Hosting meetup events
- Forming closed communities
- Launching Solopreneur TV etc.

Risk diversification, maximizing at-bats, rapid recovery model

# Solid Track Record of Investment in Growth Fields

 = IPO completed

## AI / Technology / Security



## Marketing / Sales



## D2C



## Bio / Medical



## Food & Beverage / Retail / Beauty / Services



## Fintech / Real Estate Tech



## HR / Staffing / Education



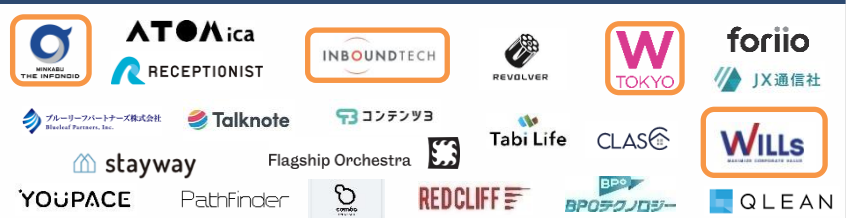
## Sharing economy



## DX



## Other B2B services



## Other B2C services



## Recent IPOs from Investments

Supporting corporate growth through capital and PR/IR: 35 IPOs in total

| Date of listing | Company name                   |
|-----------------|--------------------------------|
| Mar. 31, 2016   | AirTrip Corp.                  |
| Nov. 18, 2016   | Phil Company, Inc.             |
| Dec. 20, 2016   | Renet Japan Group, Inc.        |
| Aug. 3, 2017    | SHARINGTECHNOLOGY INC.         |
| Dec. 12, 2017   | Ikka Holdings Co., Ltd.        |
| Dec. 13, 2017   | Global Link Management Inc.    |
| Dec. 11, 2018   | PIALA INC.                     |
| Feb. 22, 2019   | SHIKIGAKU Co., Ltd.            |
| Mar. 19, 2019   | MINKABU THE INFONOID, Inc.     |
| Jun. 21, 2019   | Branding Technology Inc.       |
| Jun. 25, 2019   | infoNet inc.                   |
| Oct. 8, 2019    | AI CROSS Inc.                  |
| Dec. 17, 2019   | WILLs Inc.                     |
| Dec. 18, 2019   | BuySell Technologies Co., Ltd. |
| Mar. 26, 2020   | Cyber Security Cloud, Inc.     |
| Jul. 7, 2020    | TWOSTONE&Sons Inc.             |
| Sep. 28, 2020   | Headwaters Co., Ltd.           |
| Dec. 18, 2020   | Inbound Tech Inc.              |

| Date of listing | Company name                         |
|-----------------|--------------------------------------|
| Dec. 23, 2020   | Koukandekirukun, Inc.                |
| Jun. 29, 2021   | Waqoo Inc.                           |
| Jul. 6, 2021    | BCC Co., Ltd.                        |
| Sep. 28, 2021   | ROBOT PAYMENT INC.                   |
| Sep. 28, 2021   | Livero Inc.                          |
| Nov. 24, 2021   | Last One Mile Co., Ltd.              |
| Mar. 28, 2022   | Mental Health Technologies Co., Ltd. |
| Apr. 4, 2022    | SecondXight Analytica, Inc.          |
| Sep. 29, 2022   | PROGRIT Inc.                         |
| Mar. 31, 2023   | SYLA Holdings Co.,Ltd.               |
| Jun. 29, 2023   | W TOKYO Inc.                         |
| Nov. 22, 2023   | VALUE CREATION Co., Ltd.             |
| Mar. 26, 2024   | HATCH WORK CO.,LTD.                  |
| Sep. 25, 2024   | ROXX, inc.                           |
| Jul. 24, 2025   | Fuller, Inc.                         |
| Mar. 25, 2026   | Basic Inc.                           |
| Sep. 16, 2026   | Audiostock Inc.                      |

## Consolidated Statement of Profit and Loss

| (¥ million)                                | FY2/26<br>1H | FY2/27<br>1H | Difference | YoY change |
|--------------------------------------------|--------------|--------------|------------|------------|
| Net Sales                                  | 29,749       | 32,877       | +3,128     | +10.5%     |
| Gross Profit                               | 20,402       | 21,974       | +1,571     | +7.7%      |
| EBITDA                                     | 4,381        | 5,941        | +1,560     | +35.6%     |
| Operating Profit                           | 3,730        | 5,301        | +1,570     | +42.1%     |
| Ordinary Profit                            | 3,910        | 5,428        | +1,517     | +38.8%     |
| Profit before<br>Income Taxes              | 3,836        | 5,363        | +1,527     | +39.8%     |
| Profit Attributable to<br>Owners of Parent | 1,765        | 3,644        | +1,878     | +106.4%    |

# Consolidated Balance Sheet

| (¥ million)                                                  | FY2/26<br>End | FY2/27<br>End-2Q | Difference | Change from<br>end-FY2/26 |
|--------------------------------------------------------------|---------------|------------------|------------|---------------------------|
| Total assets                                                 | 47,293        | 48,724           | +1,431     | +3.0%                     |
| Cash and deposits                                            | 22,273        | 23,411           | +1,137     | +5.1%                     |
| Goodwill                                                     | 2,856         | 3,489            | +633       | +22.2%                    |
| Operational investment securities<br>+ investment securities | 2,783         | 2,881            | +98        | +3.5%                     |
| Other                                                        | 19,380        | 18,942           | (438)      | (2.3%)                    |
| Total liabilities                                            | 20,152        | 17,472           | (2,679)    | (13.3%)                   |
| Borrowings + bonds                                           | 7,595         | 6,995            | (600)      | (7.9%)                    |
| Other                                                        | 12,556        | 10,477           | (2,078)    | (16.6%)                   |
| Net assets                                                   | 27,141        | 31,252           | +4,111     | +15.1%                    |

# Company Strategy

From Asia No. 1  
to Global No. 1 in PR

From the ¥150 billion PR market  
to the ¥8 trillion advertising market

A modern office interior with large windows overlooking a city skyline at dusk. The office is furnished with desks, chairs, and a large open space. The text is overlaid on the image.

# Becoming a Fast Company in the Advertising Industry

Low Cost, Middle Quality, Speedy  
Revolutionize the advertising industry like UNIQLO did in fashion and Nitori for home furniture

## What a "FAST COMPANY" Means in the Advertising Industry

|                          |                                    |                         |
|--------------------------|------------------------------------|-------------------------|
|                          | <b>Full-service agency</b>         | <b>Vector Group</b>     |
| <b>Value Proposition</b> | <b>Haute Couture</b>               | <b>Fast Fashion</b>     |
| <b>Speed</b>             | <b>Several Months</b>              | <b>Instant / Speedy</b> |
| <b>Cost</b>              | <b>Hundreds of Millions of Yen</b> | <b>Low Cost</b>         |
| <b>Quality</b>           | <b>Premium Offering</b>            | <b>Optimal Quality</b>  |

# Under our “Fast Company” concept, creating an infrastructure company that can distribute information at a cost from ¥0 to ¥100 million

## Media Business

Operation, development, and networking of category media



gracemode

“グレイターズ”ラボ

### Press Releases



Japan's No. 1 PR distribution service with over 130,000 clients. Trusted by more than 66% of listed companies, offering unmatched reliability and media exposure.

**PR TIMES**

### PR Consulting



Expert PR consultants deliver optimal communication strategies from planning to execution, backed by extensive experience.



### Short Video



Rapidly expanding engagement on short-form video platforms including TikTok, Instagram Reels, and YouTube Shorts.



### Influencer



Driving brand growth for corporate products and services by leveraging social media influencers.



### Digital Marketing



Providing end-to-end support from website and system development to digital promotion. Our services also include ad distribution, owned media management, and PR/IR video production.



### Digital Signage



Powering next-generation communication through Tokyo's largest taxi signage network and premium DOOH (Digital Out-of-Home) media.



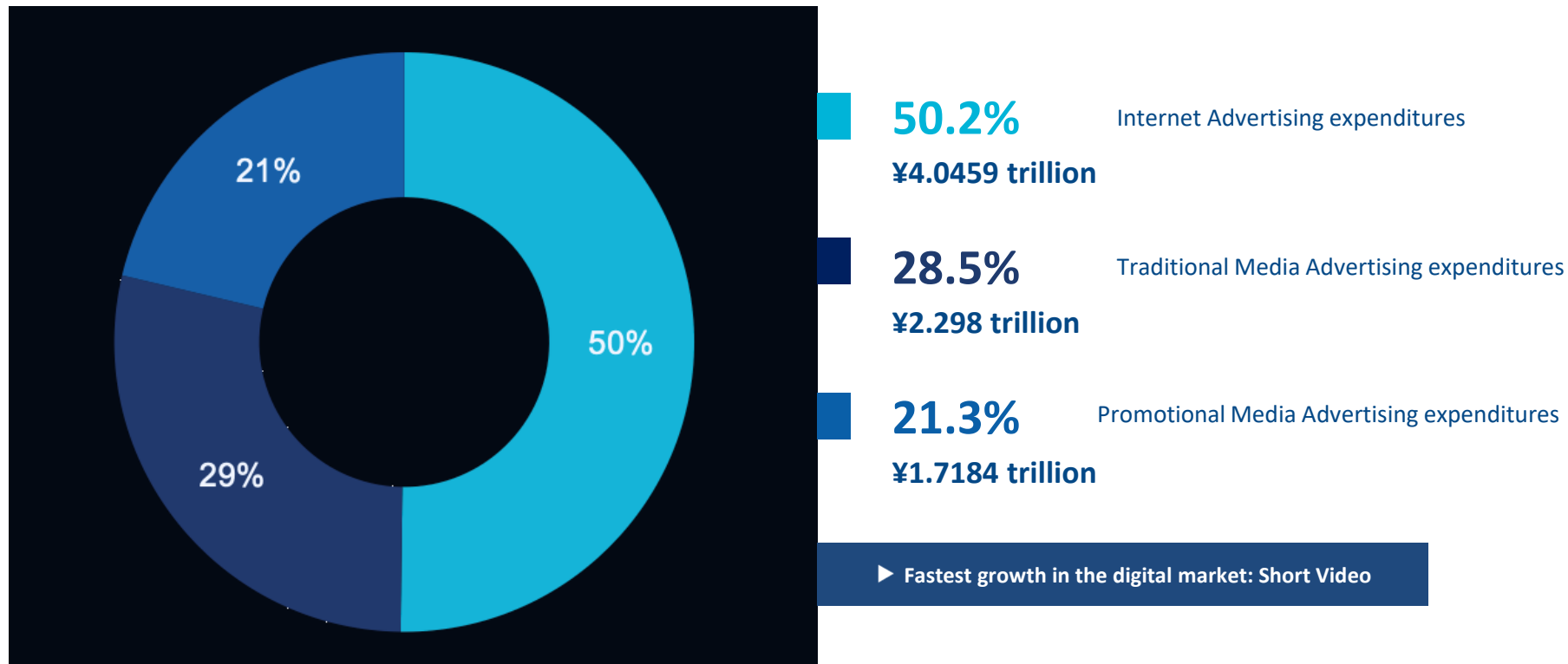
¥0

¥100 million/year

Decline in TV commercials  
Disruption of online advertising by AI

# Advertising industry facing a period of transformation

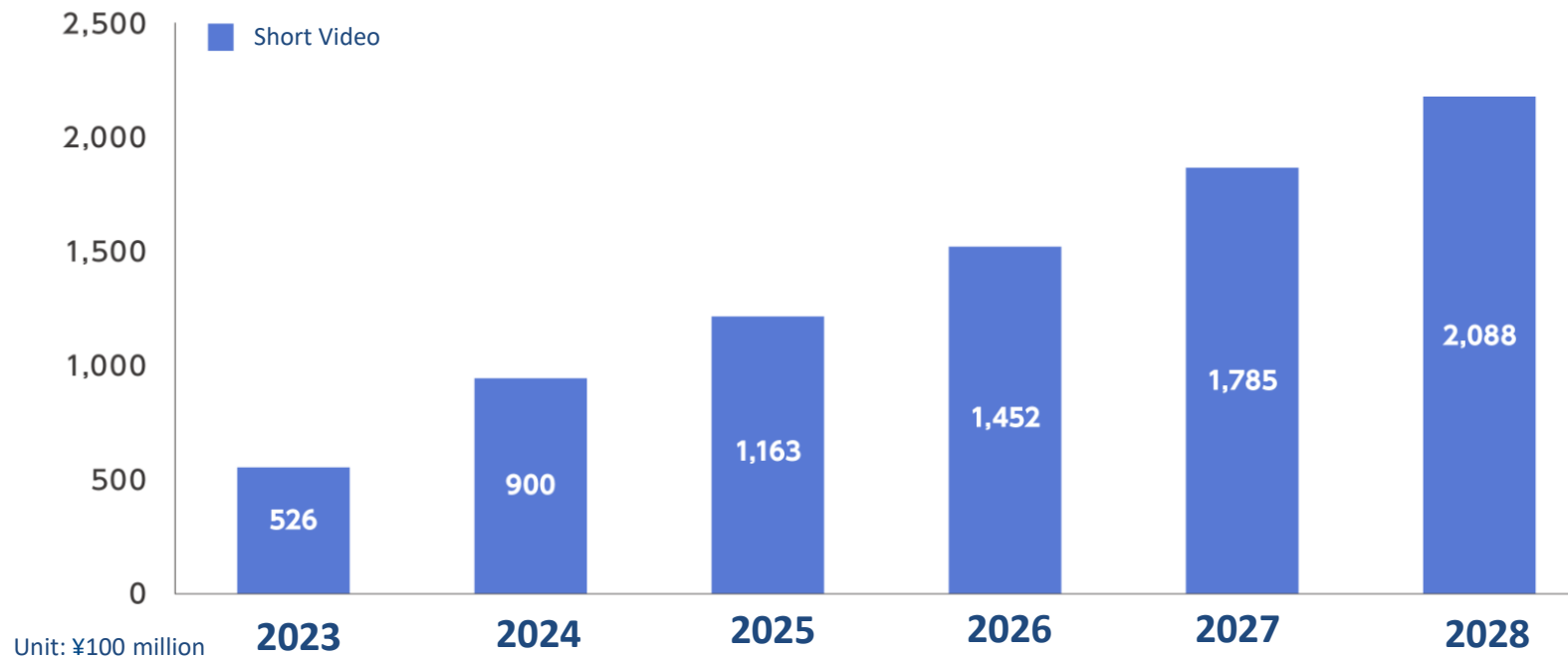
Short Video advertising is the fastest-growing segment in the dominant digital market



Source: Dentsu "2025 Advertising Expenditures in Japan"

## Expansion of Short Video Market

Market size in 2024 reached ¥90,000 million, up **71.1%** YoY.  
Projected to reach ¥116,300 million in 2025 and ¥208,800 million by 2028.

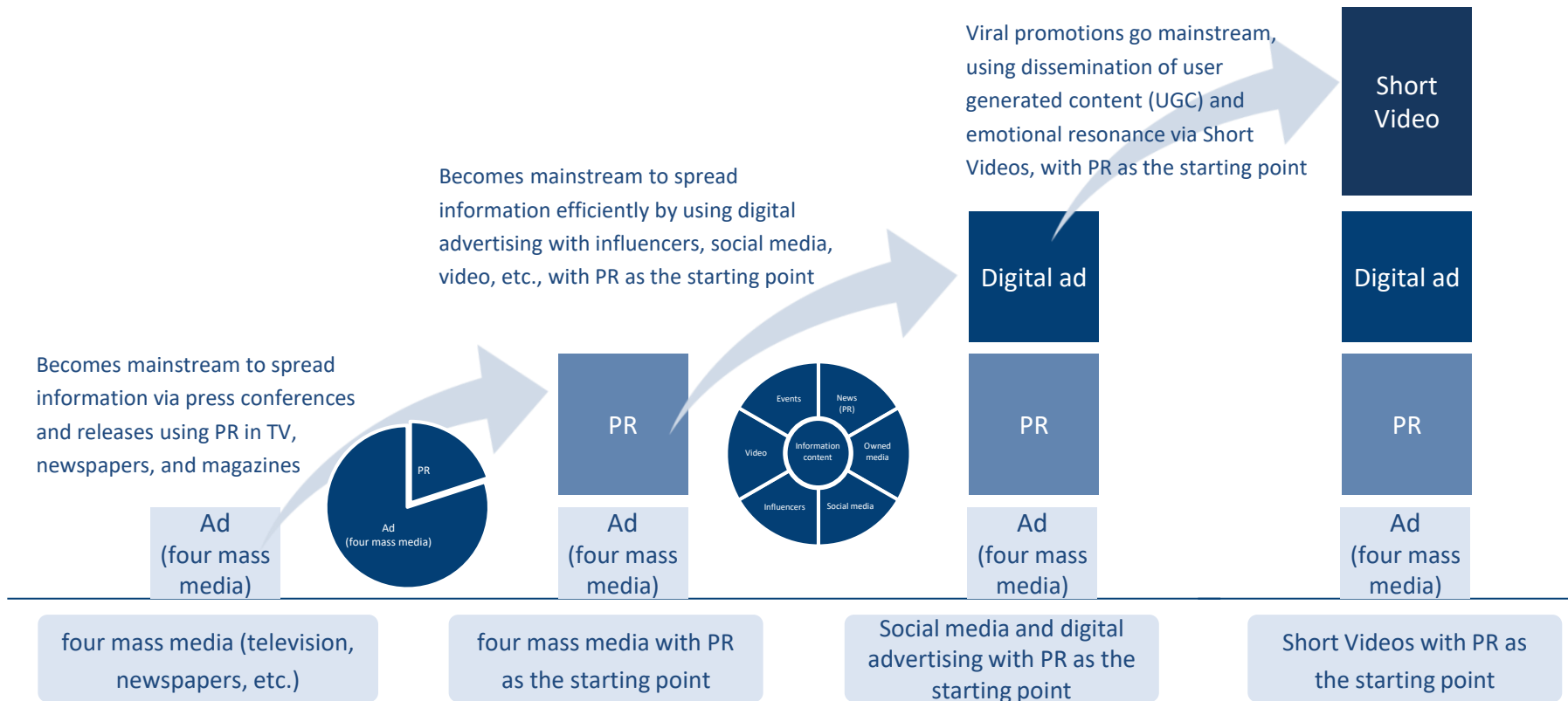


Source: CyberAgent / Digital InFact

# PRxShort Video Vision

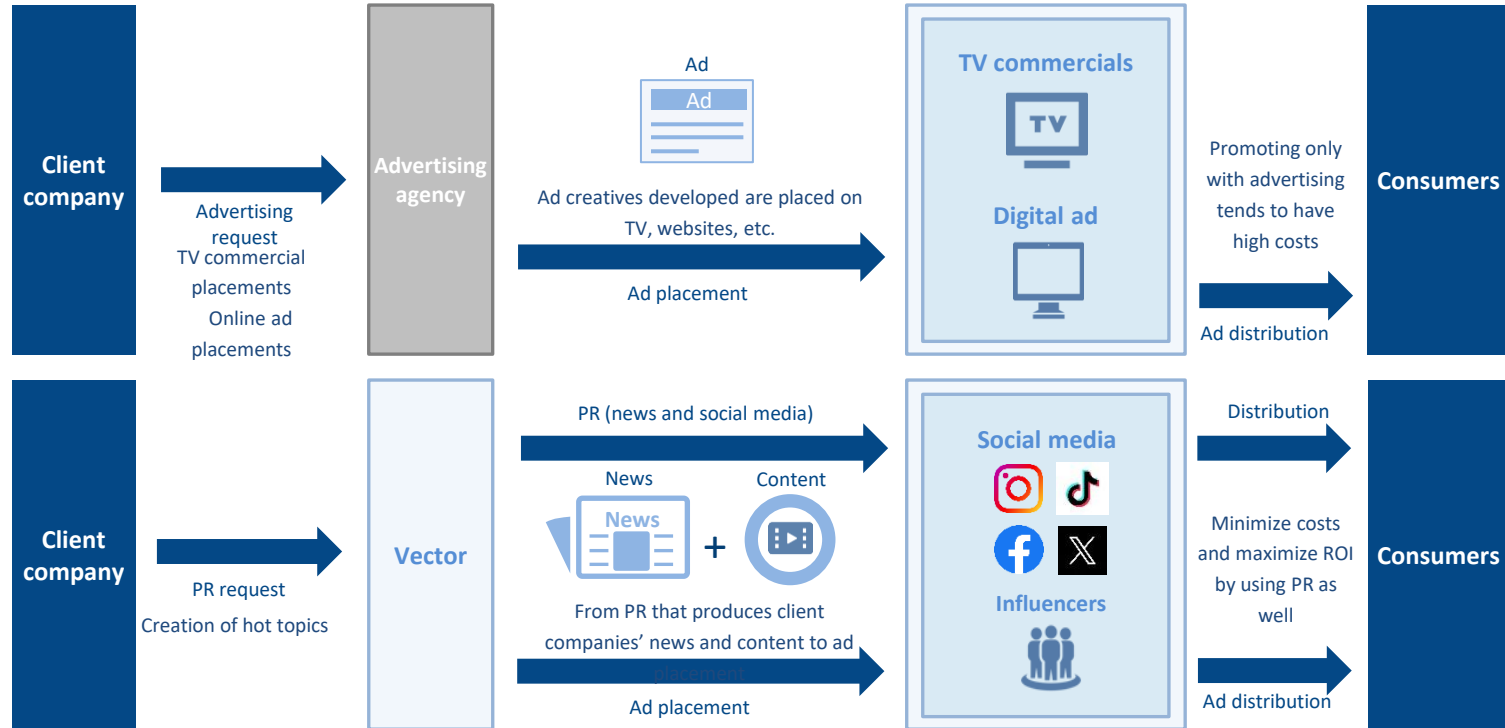
We are going all in on Short Video to become  
the next-gen infrastructure for market reach

## An era of rapid dissemination via Short Videos, with PR as the starting point



## Difference between Vector and Advertising Agencies

Advertising agencies spread the word using advertising, while Vector spreads the word using news, social media, and more



## What are Short Videos: Media

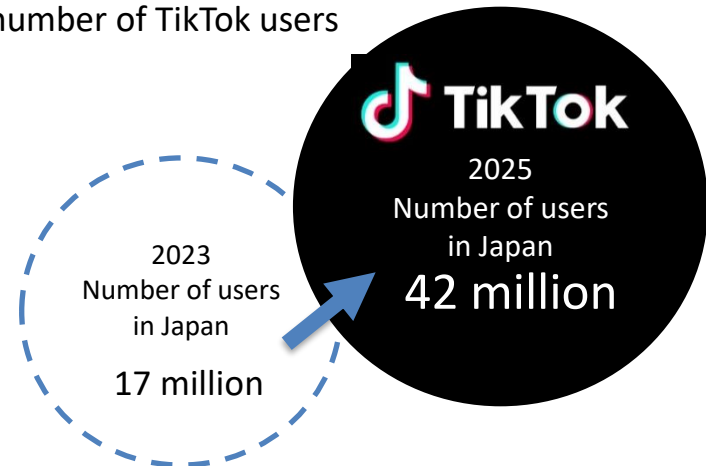
Short Videos are short vertical videos that typically run for 15 to 60 seconds  
Representative platforms include TikTok, Instagram Reels, and YouTube Shorts



### ▼ Short Video media



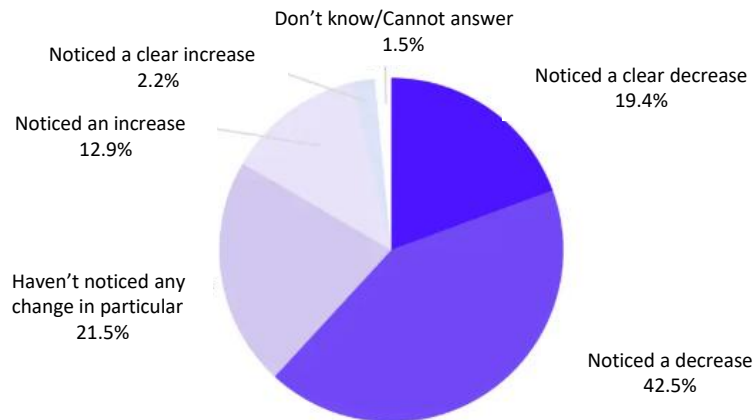
### ▼ Trend in number of TikTok users



## Underlying Factor 1: Threat of Disruption of Online Advertising by AIO

Total Google searches are declining due to the impact of AI Overviews (AIO)

Q. From March 2025 onward, have you noticed a change in traffic from natural searches to your company website due to impact of AI Overviews?



Approx. 60% (61.9%) of respondents indicated a decrease  
Approx. 20% (15.1%) of respondents indicated an increase

Pointed out that traffic to their websites from Google searches has decreased dramatically and the threat will grow larger with the introduction of AI Overviews.

Change in the world order and demise of Google searches brought about by AI searches.

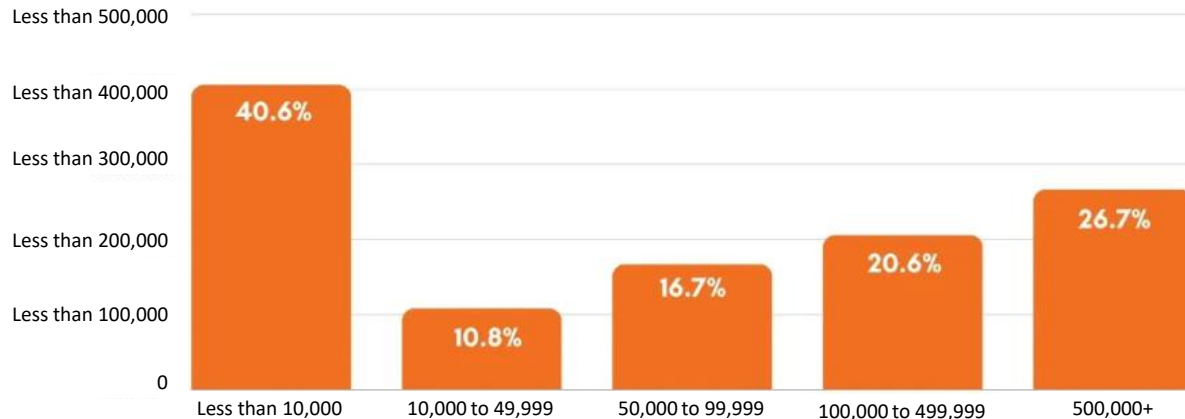
Pew Research announced results of analysis indicating that the click rate on external links in Google AI Overviews has decreased by half.

## Underlying Factor 2: Decline in Famous Influencer Marketing

In the U.S., where the degree of influential power is no longer directly correlated to the number of followers, a performance-based compensation model tied to view counts, not payment per follower, is becoming the mainstream



Roughly how many followers did influencers whose introductions resulted in the purchase of a product have? (Single response)



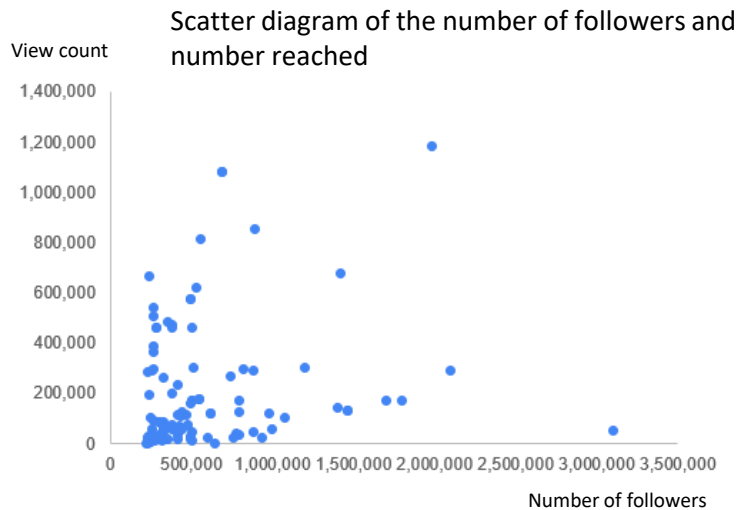
The reason for purchasing is nano-influencers with less than 10,000 followers

Source: Talent vs. Influencer, Who Has the Most Influence? Boku to Watashi and, Inc. Awareness survey on "degree of influence" targeting Gen Z and Millennials  
[https://boku-to-watashi-and.com/z-category1\\_detail/zview-article021](https://boku-to-watashi-and.com/z-category1_detail/zview-article021) (in Japanese only)

## Underlying Factor 3: Toward an Era of Nano-Influencers

While influencers only reach around 35% of followers, the view count for UGC will grow if it plays into the algorithm, regardless of the number of followers

Reaching only around 35% of followers



Vector event-related media: TreSta



## Example: PR x Short Video Agency

Developed information to generate buzz on social media from context development that highlights the appeal of Jin Din Rou

PR x Short Video measures contributed to a substantial increase in sales

### Context development

Issue: Increasing awareness and contributing to sales in Japan

There is confusion between Jin Din Rou and its competitors in the Japanese market

One of Taiwan's three most famous Xiao Long Bao dumplings

A wide variety of Xiao Long Bao dumplings/dim sum

### Information development

Created "Dim Sum twin tower" content from social media trends



### PR x Short Video



[https://www.tiktok.com/@koji\\_gourmet/video/7419228049616538898](https://www.tiktok.com/@koji_gourmet/video/7419228049616538898)



<https://www.tiktok.com/@greenmascot/video/7419262259358207250>



<https://www.tiktok.com/@tokyopresso.jp/video/7419245458071047432>

Establishing a customer base of 3,000 clients within 3 years



## Short Video Vision

### Short Video UGC



UGC Posting  
(Guaranteed views / Performance-based)



**INFLUENCER  
BANK**

Mass Short Video Production

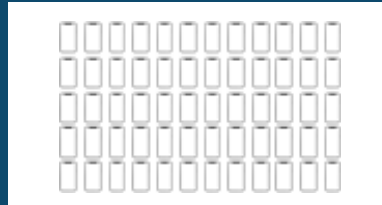
TTO (TikTok Organic)  
Clip Squad

### Short Video AD

Short Video Ad Analysis Tool



CPA Optimization via AI Video Generation



### Short Video Commerce

Sales Support via  
Shoppable Content & Creators



**TikTok Shop**

**TikTok GO**

Currently developing an integrated DX management tool

# Performance Tracking & Distribution Tool

We will expand collaboration with top social media creators and develop social media-like content in addition to tie-ups.

gracemode

Other M&A planned



Short Video marketing measures

Dissemination

Operation of /  
Interviews with Short  
Video neutral media

Subscription-based  
influencer casting

Third-party  
streaming by brand  
influencers

Operation of in-house  
social media accounts

Pay-per-view  
platform

Short Video  
ad production

TikTok Commerce  
support

Reach guarantee or clip  
dissemination packages

Operation of neutral  
media for Short Videos  
promoting client  
products. Firmly  
established Japan's largest  
Short Video media  
network.

Operation of a  
subscription-based  
creator casting platform.

Platform

縦型動画  
ワークス



Operation of neutral  
media for Short Videos  
promoting client  
products. Firmly  
established Japan's largest  
Short Video media  
network.

Starbank

With the rise of TikTok and  
Instagram reels, more  
companies are starting to  
manage their own social  
media. Our unique  
expertise and production  
support ensure highly  
reproducible management.

縦型動画 works

Tool

2ndBuzz

The world has moved on  
from the traditional,  
follower-oriented casting  
era. To address the new,  
content-driven era, we  
have launched an  
advertising ordering system  
that charges by the  
number of views.

タテガタ

Creative production  
utilizes Short Video trends  
and works backward from  
the latest acquisition data.

Ad retargeting

JD Pro

Content advertising



Concluded exclusive  
contract with one of the  
largest affiliate platforms  
in China, Redu. This  
enables Vector to leverage  
Redu's extensive expertise  
to provide comprehensive  
support for Japanese  
companies and creators in  
maximizing their use of  
TikTok Shop.

ライアゴマース

Provision of services that  
complement the  
dissemination of created  
content. "First Brand  
Recall-kun" guarantees  
reach. "Clip Squad" is a  
team that clips and  
disseminates video.

第一想起取れるくん

Clip Squad

+ additional initiatives

TikTok

Shorts



Powerful algorithms





**労働集約**  
(Manual Labor)

**PRのDX**  
(PR Digital Transformation)

We are building next-gen infrastructure via Short Video,  
leveraging AI to accelerate DX.



### Even in M&A, we are focusing on PR x Short Videos

|                   |                                                                                                             |
|-------------------|-------------------------------------------------------------------------------------------------------------|
| M&A Targets       | Focus on areas that contribute to expanding the Group's PR x Short Video initiatives and creating synergies |
| Valuation         | Implement M&A with a target EV/EBITDA ratio of 5–7x                                                         |
| Investment Policy | Avoid large targets and focus on small and medium-sized targets                                             |

AILES inc. operates online school for training influencers/creators; became consolidated subsidiary on April 30, 2026  
Outsources mass video production for projects acquired via PR x short video measures to graduates; **expected to generate further synergies**  
with Vector Group companies going forward

### Overview of acquired company

|                      |                                                                                              |
|----------------------|----------------------------------------------------------------------------------------------|
| Company Name         |  AILES inc. |
| Business Description | Operation of online school for training influencers and creators                             |
| Acquisition Price    | ¥1,250 million                                                                               |
| Acquisition Date     | April 30, 2026                                                                               |

### Business Description

#### Online school

With "Science of Infinite Possibilities" as a mission, optimizes corporate marketing activities by fostering and producing next-gen influencers and creators.



#### Member community

Instagram-focused online community salon with over 10,000 members. Features direct instruction from famous influencers.



# Appendix

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### Q: Is the Middle East situation impacting earnings?

#### A. Currently, there is no impact on Group earnings

The Group's clients span various industries, giving it a diversified customer base that does not rely on specific sectors. Even if some industries are affected, the impact on overall Group earnings is limited; the business model is resilient to changes in the external environment.

### Q: Do recent escalations impact management strategy?

#### A. Our plans based on the Fast Company concept are unchanged; in fact, we believe this is a time where the Group's advantages stand out

Even as companies cut back on TV commercials or other large-scale advertising due to worsening market conditions, demand for our Group's highly cost-effective solutions remains solid. We are resilient to budget cuts and the Group remains the alternative of choice for corporate customers; there is no impact on our management strategy.

## Restructuring of Subsidiaries and Affiliates

- After consulting the stakeholders of each company, we sold two companies and resolved to dissolve two companies in 1H
- Selectivity and focus enabled us to improve the whole Group's capital efficiency for a second consecutive year

| Segment                       | Company Name   | Business Description                                                                            | Status               |
|-------------------------------|----------------|-------------------------------------------------------------------------------------------------|----------------------|
| PR and Advertising            | Owned          | Digital marketing                                                                               | Sold                 |
| PR and Advertising (Overseas) | Vector Vietnam | PR and corporate communications outsourcing and consulting in Vietnam                           | Dissolution resolved |
| HR                            | Clinic TV      | Operation of a video-based recruitment matching platform specializing in medical institutions   | Dissolved            |
| HR                            | BUSICONET      | Outsourced web marketing support for performance-based web media on staffing, job changes, etc. | Sold                 |

## Automating production phase and reducing costs



### Video script generation

By inputting customer requests, target demographics, and promotional objectives, AI automatically generates video scripts with a high conversion rate. Based on past success data, it optimizes the structure, message, and length.



### Video Generation (AvaMo)

Based on the generated script, a fictitious "AI talent" will complete the video with natural facial expressions and voice. This eliminates the need for filming, studio arrangements, and talent fees, bringing production costs close to zero.



### Press release draft generation

AI trained on Vector's many years of know-how generates headlines that are likely to catch reporters' attention and drafts that are media-friendly, significantly reducing the workload of public relations staff.

## Dissemination and optimization strategies



### Clip video generation

AI automatically selects and edits highlight scenes from long video content in a format that is popular on social media (TikTok, etc.). It supports multiple channels.



### LLMO, AIO (AI Search Optimization)

In response to a market where search results are replaced by AI-generated summaries (AI Overviews, etc.). AI learns information from your company's website and PR articles, and optimizes it for recommended AI answers.



### AI SaaS/PR DX Service (PRai)

AI reproduces PR personnel thought processes to automatically generate press releases. AI adds context such as "Why release now?" and "Whose issue is resolved?", creating releases that resonate with readers, unlike typical fact-based lists.



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