

VECTOR INC.

Financial Results – FY2/26



April 14, 2026

Contents

1. Executive Summary
2. FY2/26 Results
3. FY2/27 Financial Forecasts
4. Company Strategy

Executive Summary

■ **Achieved all FY2/26 plan metrics (Sales, OP, Ordinary income, Profit for parent owners)**

- Strategic PR, Taxi signage, Press release distributions, Direct marketing were robust
- Two lossmaking businesses in FY2/25 (NewsTV, S. Korea) turned profitable, contributing to OP growth
- Earnings at gracemode Inc, which joined the group at start of FY2/26 through M&A, grew steadily

■ **Focus on PR x Short Video measures**

- Acquired gracemode Inc, Connect Tokyo Gourmet, Storicity, Inc. (S. Korea) via M&A
- Strengthened sales, particularly in Strategic PR

■ **Subsidiary Vitabrid Japan Inc. listed (2 April 2026)**

■ **Keep paying dividends at 30% consolidated payout ratio or more**

FY2/26 Results

Net Sales

63,794 million JPY
(107.7% YoY)
(101.3% vs. Plan)

Gross Profit

42,649 million JPY
(108.5% YoY)

EBITDA*

10,559 million JPY
(115.4% YoY)

Operating Profit

9,116 million JPY
(113.5% YoY)
(107.3% vs. Plan)

Ordinary Profit

9,144 million JPY
(119.4% YoY)
(110.2% vs. Plan)

Profit
Attributable to
Owners of Parent

5,109 million JPY
(121.8% YoY)
(102.2% vs. Plan)

* EBITDA = Operating profit + Depreciation + Amortization of goodwill

	Net Sales	Operating Profit	Business Overview for FY2/26
Consolidated Earnings	63,794 million JPY (107.7% YoY)	9,116 million JPY (113.5% YoY)	<ul style="list-style-type: none"> All three major businesses of PR and Advertising, Press Releases, and Direct Marketing saw good performance Achieved sales growth and substantial profit growth
PR and Advertising	34,870 million JPY (107.3% YoY)	4,898 million JPY (134.7% YoY)	<ul style="list-style-type: none"> Strategic PR earnings grew sharply NewsTV and the Korean business, which booked losses in FY2/25, returned to profitability and contributed to profits Taxi Signage performed well gracemode Inc. which was added to the Group through M&A, saw growth and strong performance
Press Releases (PR TIMES)	9,546 million JPY (119.3% YoY)	3,622 million JPY (193.0% YoY)	<ul style="list-style-type: none"> Net sales and operating profit reached record highs The number of user companies surpassed 124,000

Direct Marketing

16,350 million JPY
(120.9% YoY)

1,130 million JPY
(152.2% YoY)

HR

2,990 million JPY
(100.4% YoY)

-23 million JPY
(down 90 million JPY YoY)

Investment

288 million JPY
(11.4% YoY)

-518 million JPY
(down 2,210 million JPY YoY)

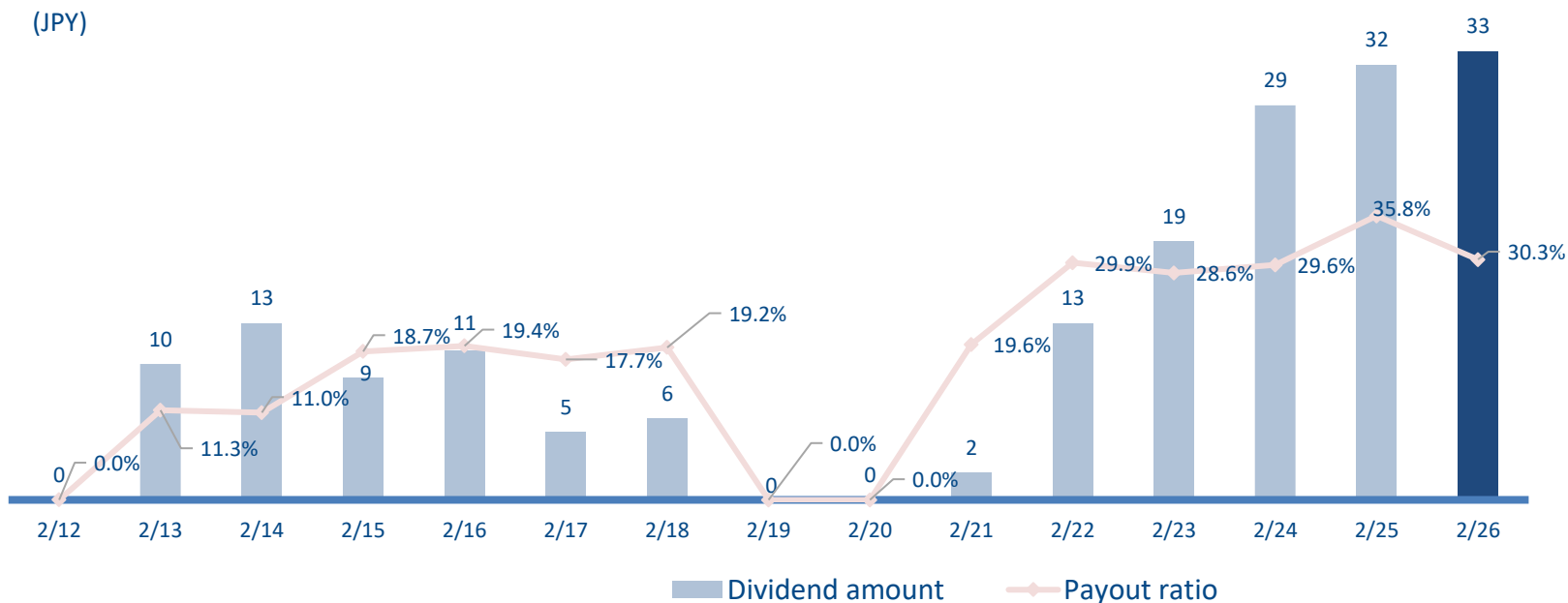
Business Overview for FY2/26

- Carried out advertising and promotional investments while assessing advertising efficiency
- **Achieved sharp growth in sales and profits**
- Sales increased slightly due to JOBTV growth
- Profit fell due to margin deterioration in BUSiCONET's staffing business, investment in Clinic TV Inc, etc.
- Consolidated earnings improved more than expected due to growth in other businesses so sale of securities strategically pushed back to FY2/27 or later
- Exercised greater selectivity in light of the deterioration in the startup market environment

Shareholder Returns (Dividends)

In FY2/26, we increased the FY2/25 dividend by JPY1, raising the dividend to **JPY33**

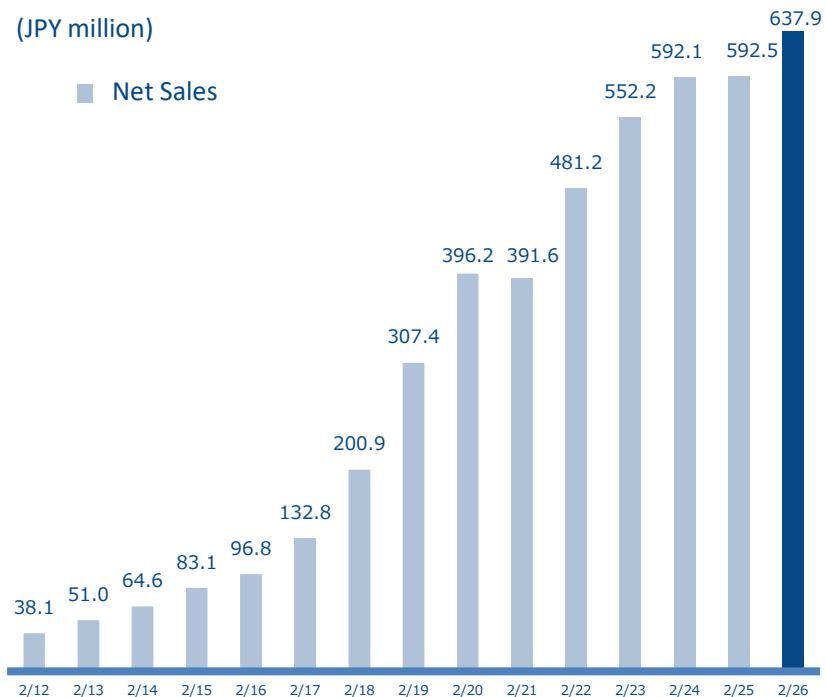
Plan to pay dividends continuously from FY2/27 onwards, targeting a **consolidated payout ratio of at least 30%**



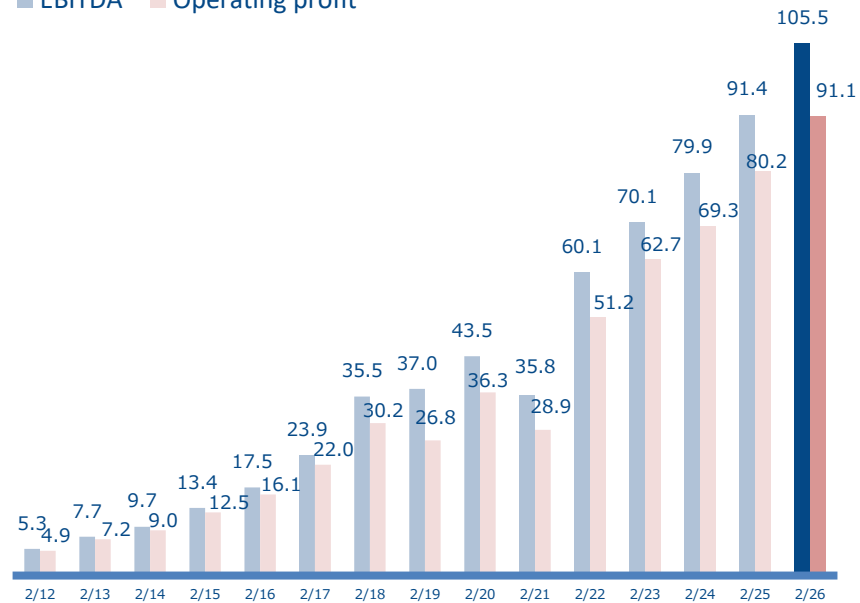
Net Sales, EBITDA, and Operating Profit

Steady growth since listing, with record-high Net Sales, EBITDA, and Operating Profit in FY2/26

(JPY million)



■ EBITDA ■ Operating profit



Notes: 1. In FY2/23, the accounting policy regarding the treatment of revenues, expenses, and other items related to the commercialization of investment business was changed. As a result, figures from FY2/19 onward have been restated retroactively

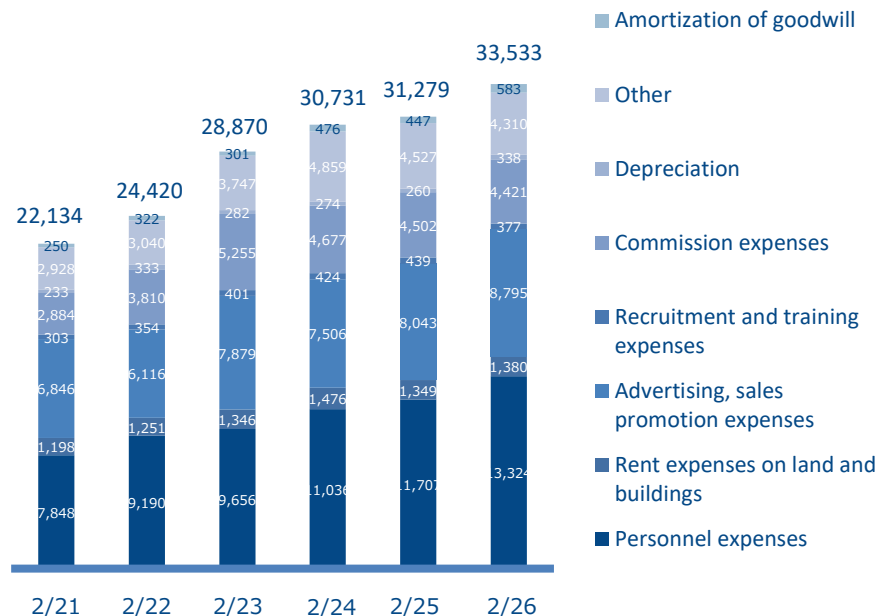
2. The Accounting Standard for Revenue Recognition has been applied from FY2023

SG&A and Consolidated Number of Employees

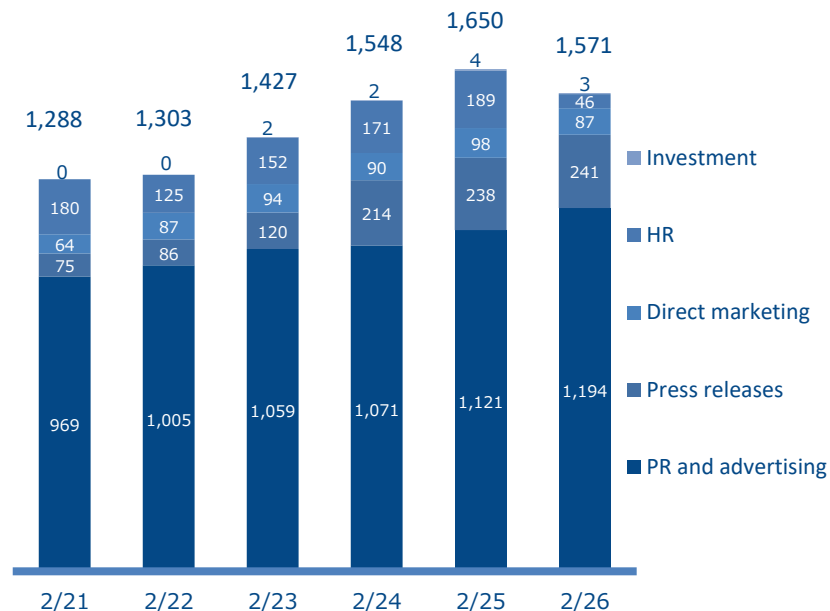
SG&A expenses for FY2/26 totaled JPY**33,533** million (107.2%YoY)

Number of employees was 1,571 (95.2% YoY) due to the deconsolidation of ASHITA-TEAM on February 27, 2026

SG&A expenses (JPY million)



Consolidated Number of Employees



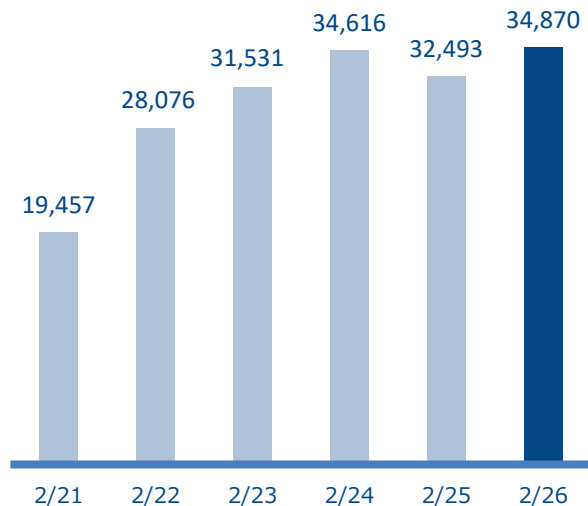
PR and Advertising Business (Full-Year Trend)

All metrics hit record highs in FY2/26 (net sales, gross profit and operating profit)

For FY2/27, we will promote PR x Short Video measures to achieve further earnings growth

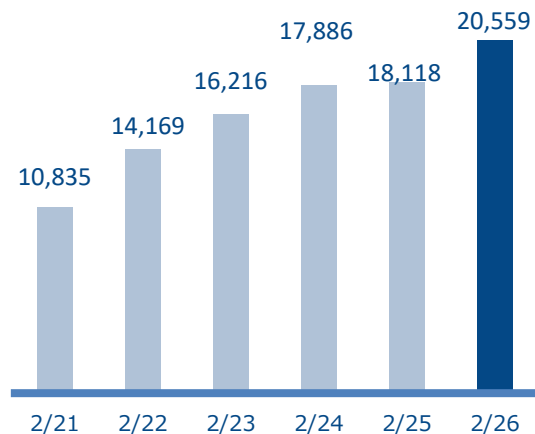
Net sales (JPY million)

JPY34,870 million (107.3% YoY)



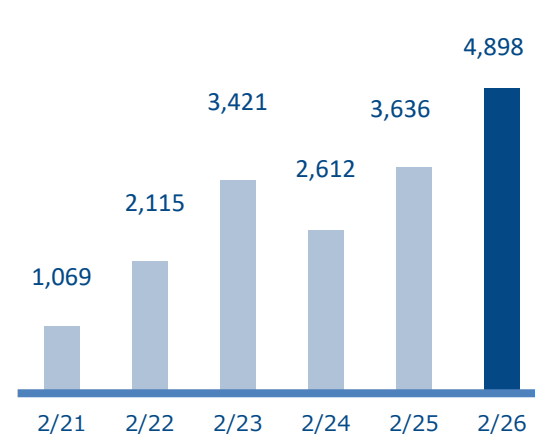
Gross profit (JPY million)

JPY20,559 million (113.5% YoY)



Operating profit/loss (JPY million)

JPY4,898 million (134.7% YoY)



Notes: . Accounting Standards for Revenue Recognition were applied from FY2/23

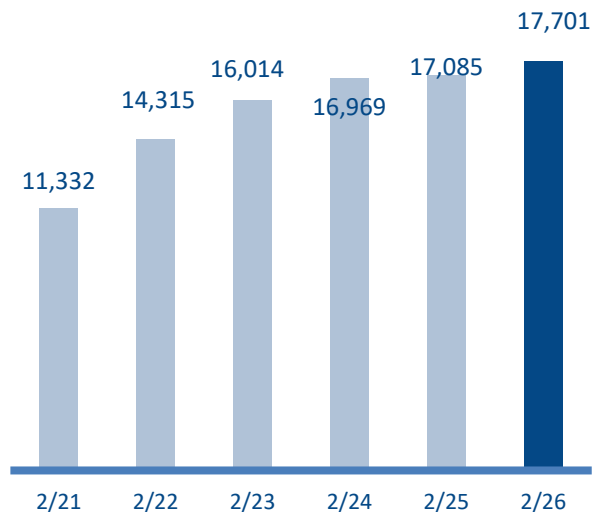
Full-Year Trend in Strategic PR Business (ANTIL, PLATINUM, INITIAL)

All metrics hit record highs in FY2/26 (net sales, gross profit and operating profit)

In FY2/27, the Strategic PR business will continue to play a lead role in the Group for PR x Short Video measures and lead overall growth

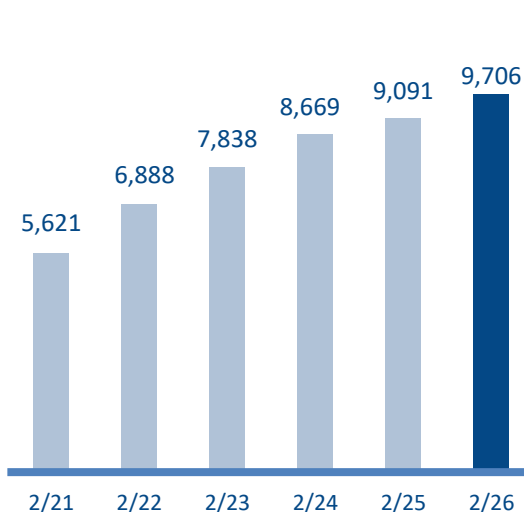
Net sales (JPY million)

JPY17,701 million (103.6% YoY)



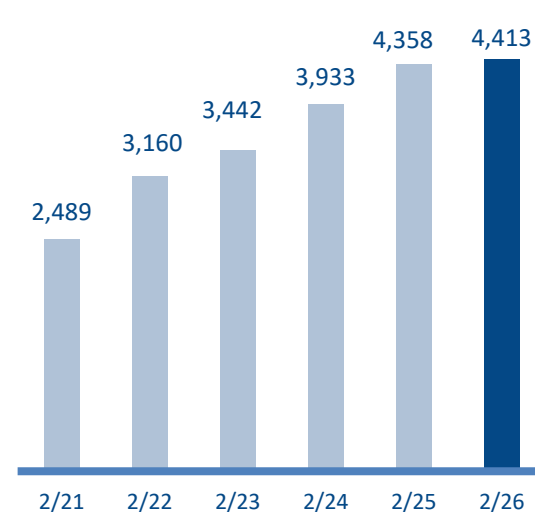
Gross profit (JPY million)

JPY9,706 million (106.8% YoY)



Operating profit (JPY million)

JPY4,413 million (101.3% YoY)



Notes: 1. Operating profit calculated by adding back royalties paid to VECTOR

Existing advertising market issues



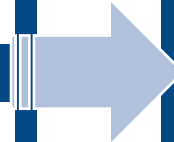
Declining share of TV ad market

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 overview) are 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

The need for marketing investment remains. Budgets however are shifting to more efficient channels

Budgets shifting to PR x Short videos

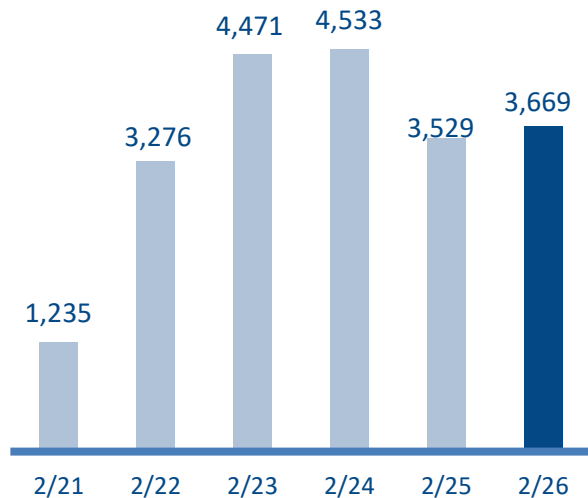
**Third-party non-advertising information builds brand trust
Vector provides a platform for this**

PR and Advertising Business (Overseas)

In the Overseas PR business, **profitability was achieved over the full year** in FY2/26 thanks to a recovery in the Korean business
In FY2/27, we are aiming for further profit growth by promoting PR x Short video measures in the overseas business as well

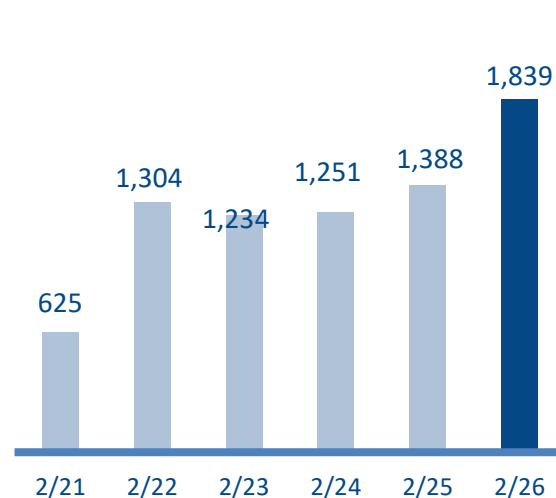
Net sales (JPY million)

JPY3,669 million (104.0% YoY)



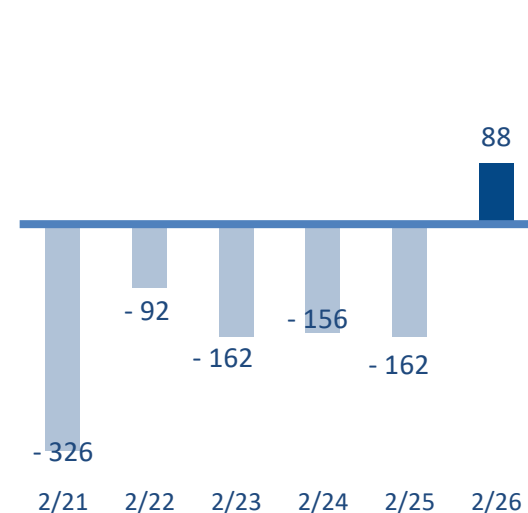
Gross profit (JPY million)

JPY1,839 million (132.5% YoY)



Operating profit (JPY million)

JPY88 million (up JPY250 million YoY)



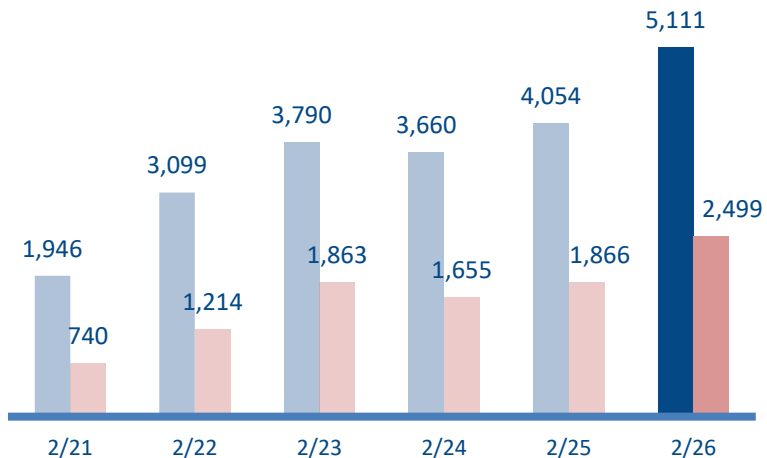
Taxi Signage

In FY2/26, ad slot and media sales were steady, resulting in net sales and gross profit **reaching record highs**

In FY2/27, we will drive revenue growth by selling new ad menu service options and rolling out new signage business using our taxi signage knowhow

Net Sales: JPY5,111 million (126.1% YoY)

Gross Profit: JPY2,499 million (133.9% 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 Tokyo's taxi users, who are mainly business people, with video advertisements and media content reaching around 7.7 million people.

Note: Accounting Standards for Revenue Recognition were applied from FY2/23

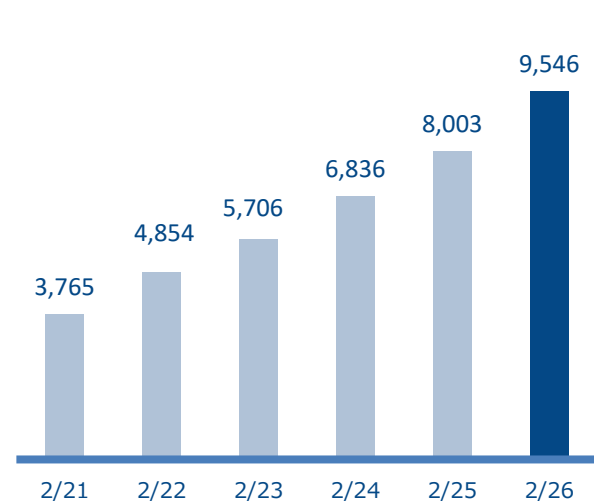
Press Release Distribution Business (Full-Year Trend)

In FY2/26, functionality improvements and marketing investments started to bear fruit, **resulting in record-high** net sales, gross profit, and operating profit

In FY2/27, we aim to increase revenue by continuing to grow the number of user companies and usage frequency

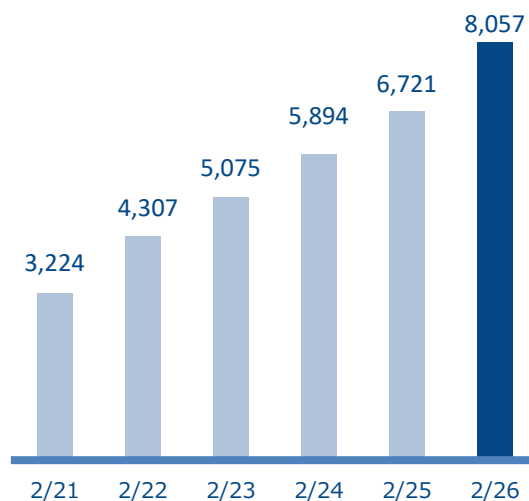
Net Sales (JPY million)

JPY9,546 million (**119.3%** YoY)



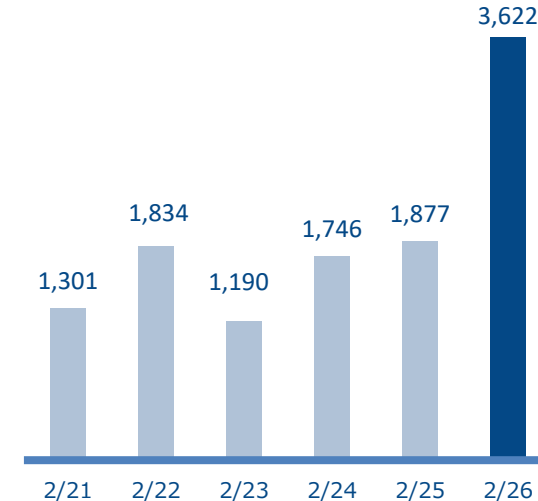
Gross Profit (JPY million)

JPY8,057 million (**119.9%** YoY)



Operating Profit (JPY million)

JPY3,622 million (**193.0%** YoY)

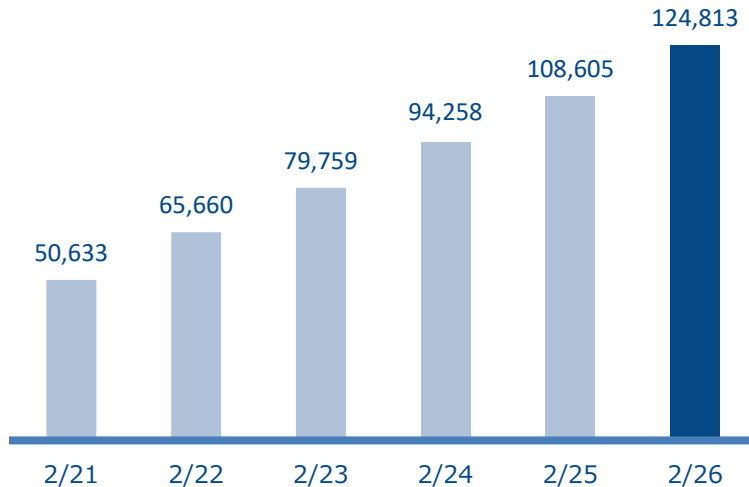


Number of User Companies and Press Release Distributions

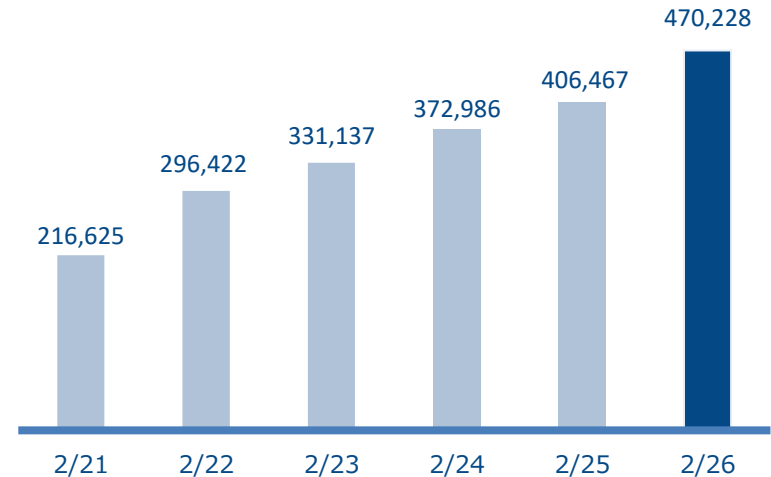
In FY2/26, the number of user companies and press release distributions increased year on year

In FY2/27, we aim to increase revenue by continuing to grow the number of user companies and usage frequency

Number of user companies: 124,813 (114.9% YoY)



Number of press release distributions: 470,228 (115.7% 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 120,000 user companies, used by more than 65% of listed companies



国内シェア **No.1** 上場企業の **65%** 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進化、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、情報発信力の飛躍的な向上など、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

<p>チーム後も新しい仕掛けで働きさせない。「面白い企画」を精々と実現し、商品のロングセラー化を狙う湖池屋</p>	<p>素敵な情報なのに世に出させない。増もれていた情報を裏に出し、従来比2~3倍のニュースを届けるパナソニック</p>	<p>ケースに応じさまざまな手法を工夫。興の高い情報発信で、スイーツの魅力を伝える銀座コーゼーコーナー</p>	<p>ブランドを「守る」より「広める」ことを重視。次代のファン創出を図る高級ブランド「アストンマーティン」</p>
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Aug 29, 2018
Moved to 1st section, TSE

Issued in more than 260 publications!



Number of user companies
124,813
Feb 2026

108,000
Feb 2025

94,000
Feb 2024

79,000
Feb 2023

28,000
Feb 2019



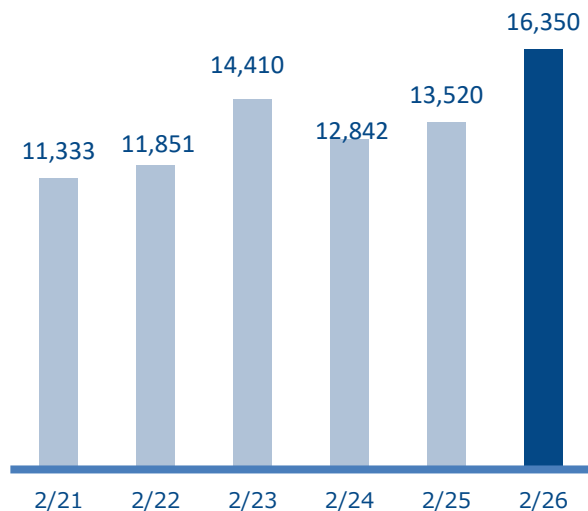
Direct Marketing Business (Full-Year Trend)

In FY2/26, **net sales and gross profit hit new record highs**

In FY2/27, we aim to achieve full-year net sales and operating profit targets by continuing to control advertising spend while keeping a close eye on market conditions

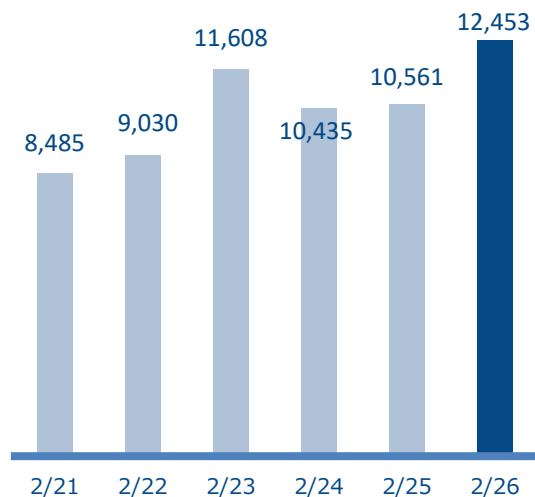
Net Sales (JPY million)

JPY16,350 million (120.9%)



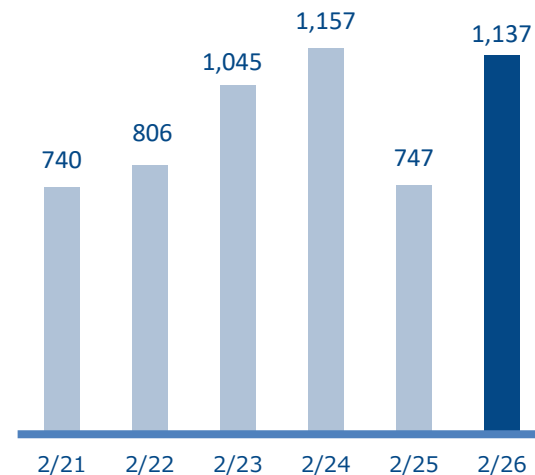
Gross Profit (JPY million)

JPY12,453 million (117.9%)



Operating Profit (JPY million)

JPY1,137 million (152.2% YoY)



Note: Accounting Standards for Revenue Recognition were applied from FY2/23

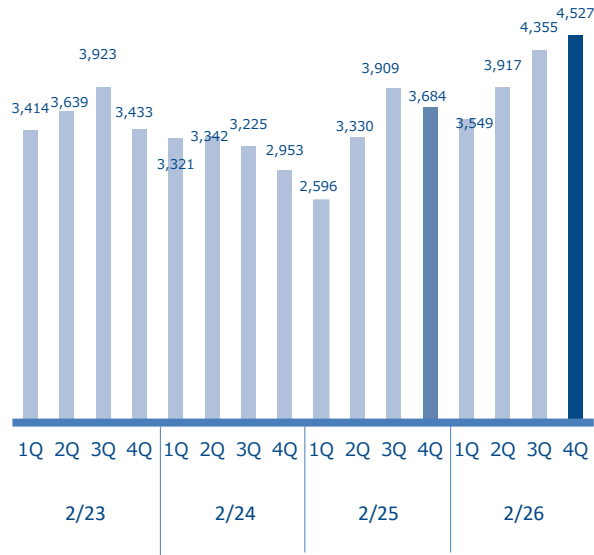
Direct Marketing Business (Quarterly Trend)

Net sales and gross profit reached record quarterly highs

Executing ad investments at Vitabrid Japan towards FY2/27

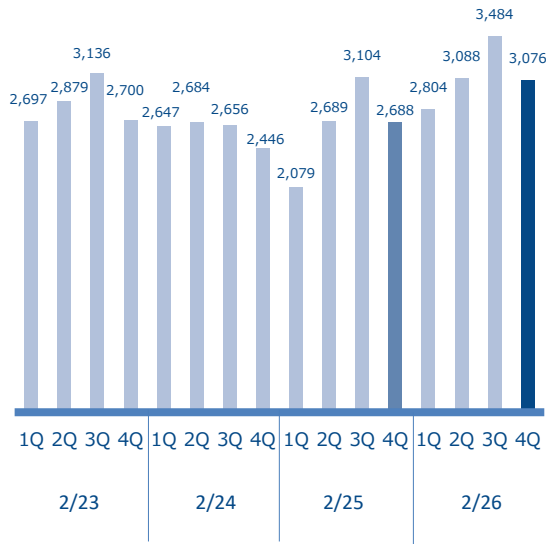
Net Sales (JPY million)

JPY4,527 million (122.9% YoY)



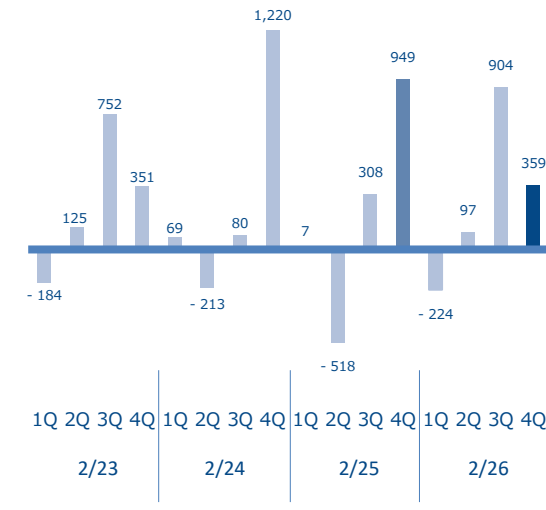
Gross Profit (JPY million)

JPY3,076 million (114.4%)



Operating Profit (JPY million)

JPY359 million (37.9% YoY)



Listed on the Tokyo Stock Exchange on 2 April 2026

Develop highly-functional and 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



Sugar and fat absorption inhibiting supplement Terminalia First continued to perform well following its launch. **No.1 ranked 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

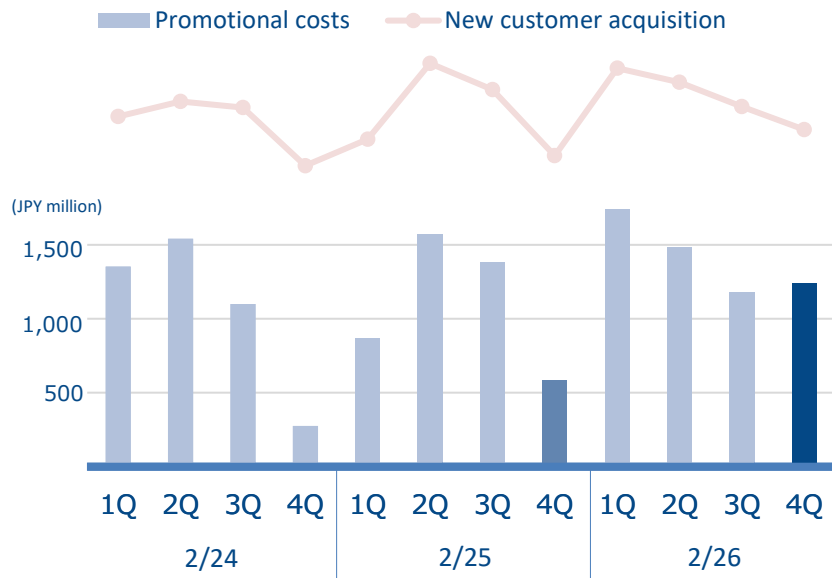
New customer acquisition and premium customers (Vitabrid Japan)

In FY2/26, **new customer acquisition grew steadily** in line with advertising investment

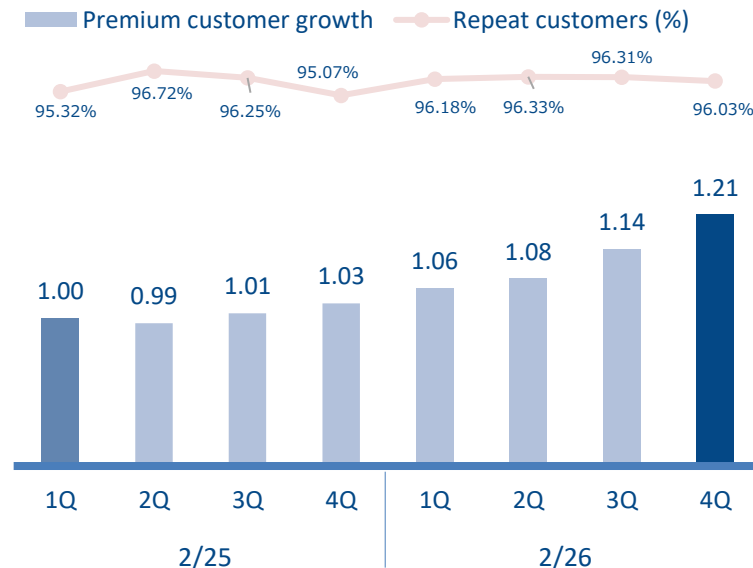
Premium customers grew steadily and are **21% higher** compared to 1Q FY2/25

New customers acquired via advertising in 1H expected to become repeat customers in 2H, driving achievement of the plan in FY2/27

Promotional costs & new customer acquisition trends



Growth in premium customers, repeat customers



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

Indexed: 1Q FY2/25=1.00

Premium customers: Customers with defined high-value LTV threshold (JPY30,000-50,000) based on buying certain profitable products, have made a purchase in last 1 year and have a regular subscription

Premium customer retention rate: The percentage of premium customers at previous month end that remain premium customers at current month end

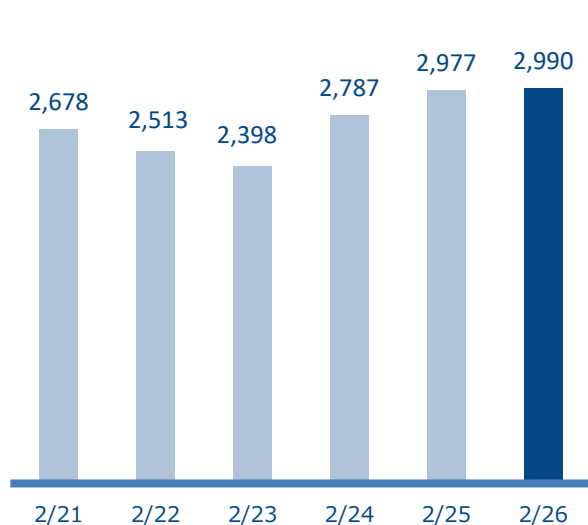
HR Business (Full-year trend)

In FY2/26, JOBTV revenue slightly increased due to strong performance at new graduate events

In FY2/27, we aim to expand sales by leveraging our PR and advertising expertise and implementing Short Video strategies in the recruitment field

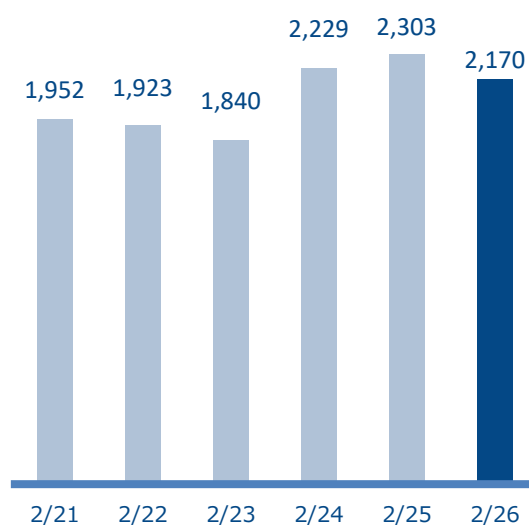
Net Sales (JPY million)

JPY2,990 million (100.4% YoY)



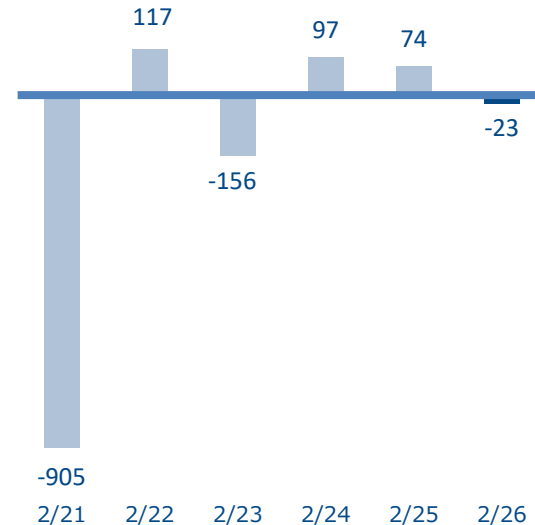
Gross profit (JPY million)

JPY2,170 million (94.2% YoY)



Operating profit (JPY million)

JPY-23 million (Down JPY98 million YoY)



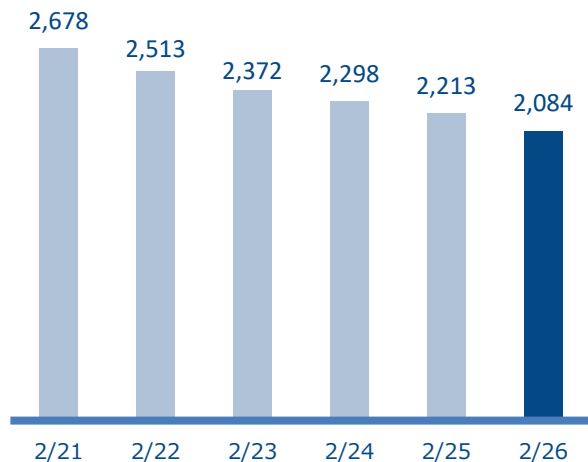
※"Accounting Standards for Revenue Recognition" have been applied since FY2/23.

HR Business (ASHITA-TEAM)

On February 27, 2026, we sold all our shares in ASHITA-TEAM to Wellness Communications Corporation

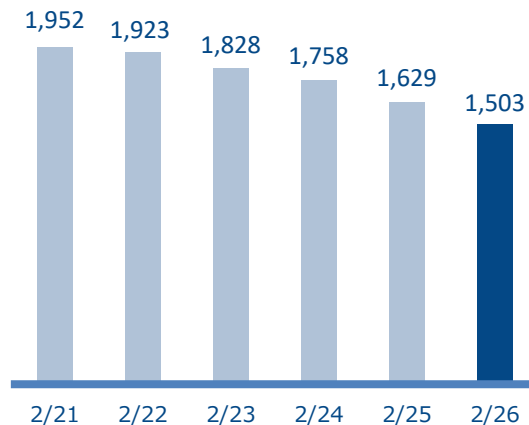
Net Sales (JPY million)

JPY2,084 million (94.2% YoY)



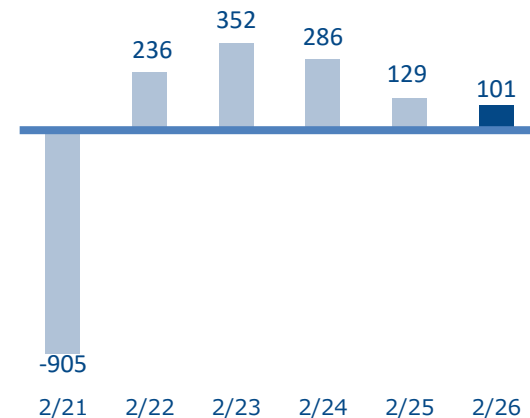
Gross profit (JPY million)

JPY1,503 million (92.2% YoY)



Operating profit (JPY million)

JPY101 million (78.2% YoY)



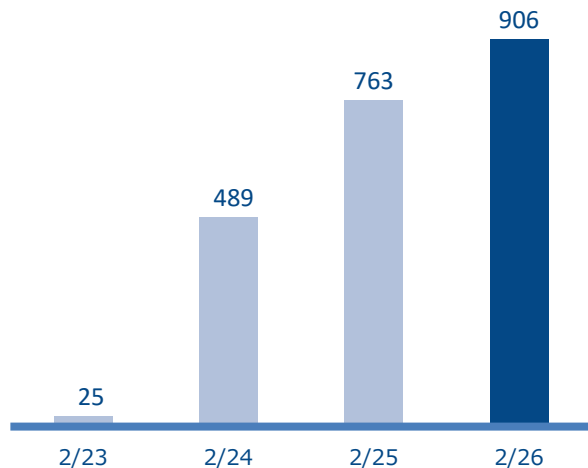
Notes: Accounting Standards for Revenue Recognition were applied from FY2023

HR Business (JOBTV)

In FY2/26, profit fell due to margin deterioration in BUSiCONET's staffing business, investment in Clinic TV Inc, etc
In FY2/27, we aim to expand sales by leveraging our PR and advertising expertise and implementing short video strategies in the recruitment field

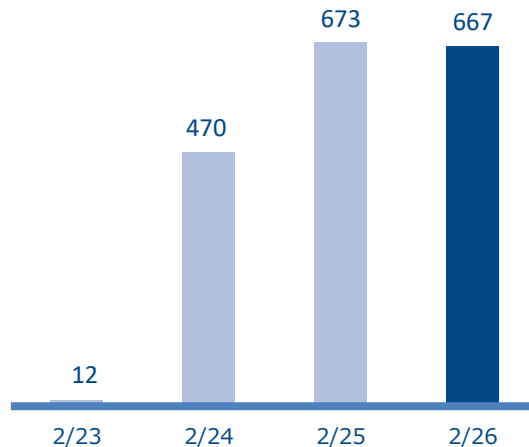
Net Sales (million JPY)

JPY906 million (118.6% YoY)



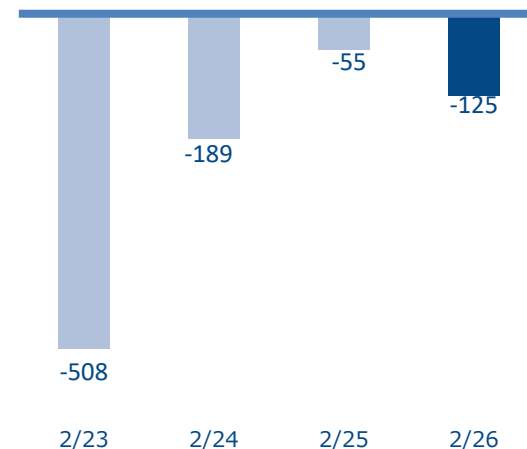
Gross profit (JPY million)

JPY667 million (99.1% YoY)



Operating profit (JPY million)

JPY-125 million (Down 70 million YoY)



We have given our video recruitment platform "JOBTV" a complete update



From "search" to "immersive" UI/UX

Provides intuitive operations similar to social media apps that Generation Z use daily, including continuous playback for Short Videos and more 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 audience acquisition ecosystem into corporate recruitment activities.



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 Behaviour Model	Surf Encounter	Engage	Search	Action	Share
<p>JOBTV Functions & 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 foster 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 & 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>

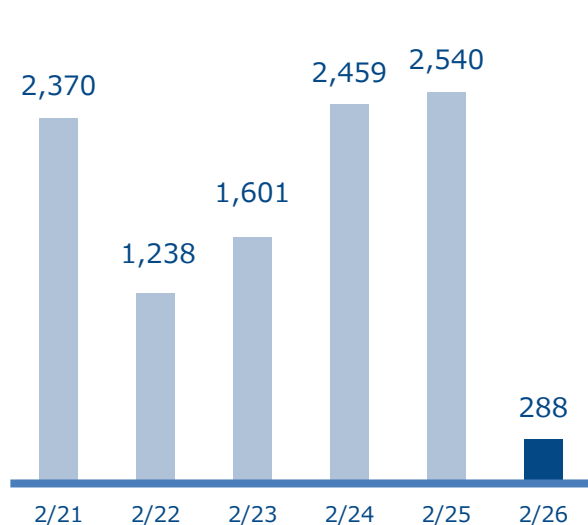
Investment Business (Full-year trend)

In FY2/26, consolidated performance was better than expected due to growth in other businesses, so we strategically chose to push back the sale of holdings to the following fiscal year and later

In FY2/27, we will exercise more selectivity in investment in light of the deterioration in the startup market environment

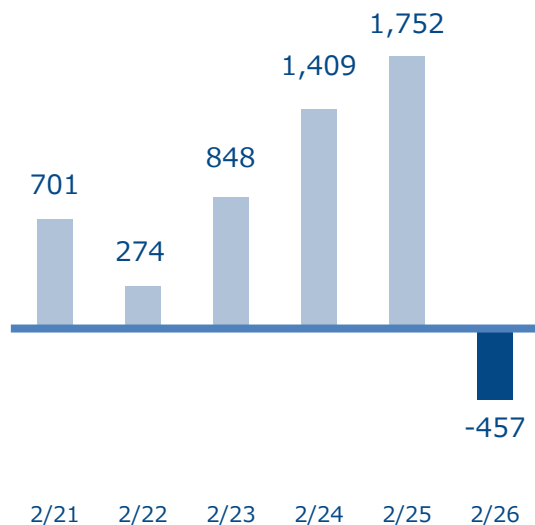
Sales (JPY million)

JPY288 million (+11.4% YoY)



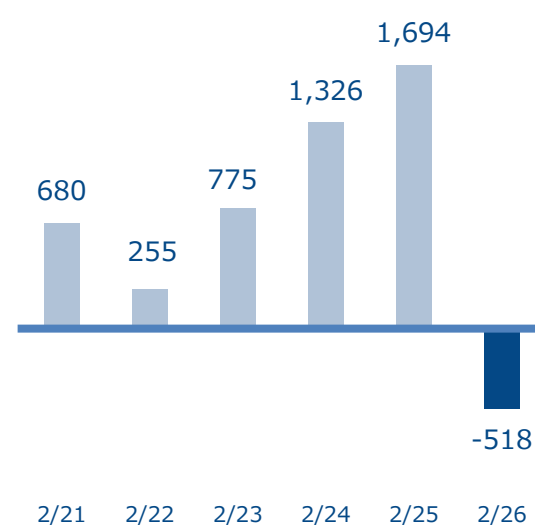
Gross profit (JPY million)

JPY-457 million (Down JPY2,209 million YoY)



Operating profit (JPY million)

JPY-518 million (Down JPY2,213 million YoY)



Solid Track Record of Investment in Growth Fields

 = IPO completed

IoT - Security - Technology - Bio

AI - Big Data

Marketing - Sales

D2C

Food & Beverage - Retail - Beauty - Services - Healthcare

Fintech - Real Estate Tech

HR-Human Resources-Education Related

Sharing economy

DX

Other B2B services

Other toC services

Recent IPOs from investments

Supporting corporate growth through capital and PR/IR (total of 34 IPOs).

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
Sep. 28, 2020	Headwaters Co., Ltd.

Date of listing	Company name
Dec. 18, 2020	Inbound Tech Inc.
Dec. 23, 2020	Koukandekirukun, Inc.
Jun. 29, 2021	Waqoo, Inc.
Jul. 6, 2021	BCC
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 Technologies Co., Ltd.
Jun. 29, 2023	W TOKYO INC.
Nov. 22, 2023	VALUE CREATION Co., Ltd.
Mar. 26, 2024	HATCHWORK CO.,LTD.
Sep. 25, 2024	ROXX, Inc.
Jul. 24, 2025	Fuller, Inc.
Mar. 25, 2026	Basic Inc.

Consolidated Statement of Profit and Loss

(JPY million)	FY2/25	FY2/26	Difference	YoY Change
Net Sales	59,254	63,794	+4,539	107.7%
Gross Profit	39,308	42,649	+3,341	108.5%
EBITDA	9,148	10,559	+1,411	115.4%
Operating Profit	8,029	9,116	+1,087	113.5%
Ordinary Profit	7,655	9,144	+1,488	119.4%
Profit before income taxes	7,290	8,891	+1,601	122.0%
Profit attributable to owners of parent	4,195	5,109	+914	121.8%

Consolidated Balance Sheet

(JPY million)	FY2/25 End	FY2/26 End	Difference	YoY Change
Total assets	42,881	47,293	+4,412	110.3%
Cash and deposits	17,125	22,273	+5,158	130.1%
Goodwill	2,976	2,756	-120	95.9%
Operational investment securities + investment securities	3,125	2,783	-342	89.1%
Other	19,653	19,380	-273	98.6%
Total liabilities	21,544	20,152	-1,392	93.5%
Borrowings + bonds	10,514	7,595	-2,918	72.2%
Other	11,029	12,556	+1,526	113.8%
Net assets	21,337	27,141	+5,804	127.2%

Consolidated Statement of Cash Flows

(JPY million)	FY2/25	FY2/26	Change	Main reasons for YoY change
Cash and cash equivalents at beginning of period	15,820	17,125	+1,305	
Cash flows from operating activities	5,675	10,349	+4,673	Existing businesses performed well
Cash flows from investing activities	-1,478	-3,149	-1,671	Increase in payments for acquisition of shares of subsidiaries
Cash flows from financing activities	-2,901	-2,092	+ 808	Sale of some PR TIMES shares
Cash and cash equivalents at end of period	17,125	22,273	+5,148	

FY2/27 Forecasts

FY2/27 Consolidated Forecasts

FY2/27 Full-year forecast (unit : JPY million)	FY2/26 (Actual)	FY2/27 (Plan)	YoY	FY2/27 H1	FY2/27 H2
Net Sales	63,794	68,000	106.6%	31,800	36,200
Operating Profit	9,116	10,000	109.7%	3,220	6,780
Ordinary Profit	9,144	9,800	107.2%	3,120	6,680
Profit attributable to owners of parent	5,109	5,500	107.7%	1,550	3,950

• Our dividend policy is to maintain a payout ratio of at least 30%, so our planned dividend for FY2/27 is **JPY36 per share**

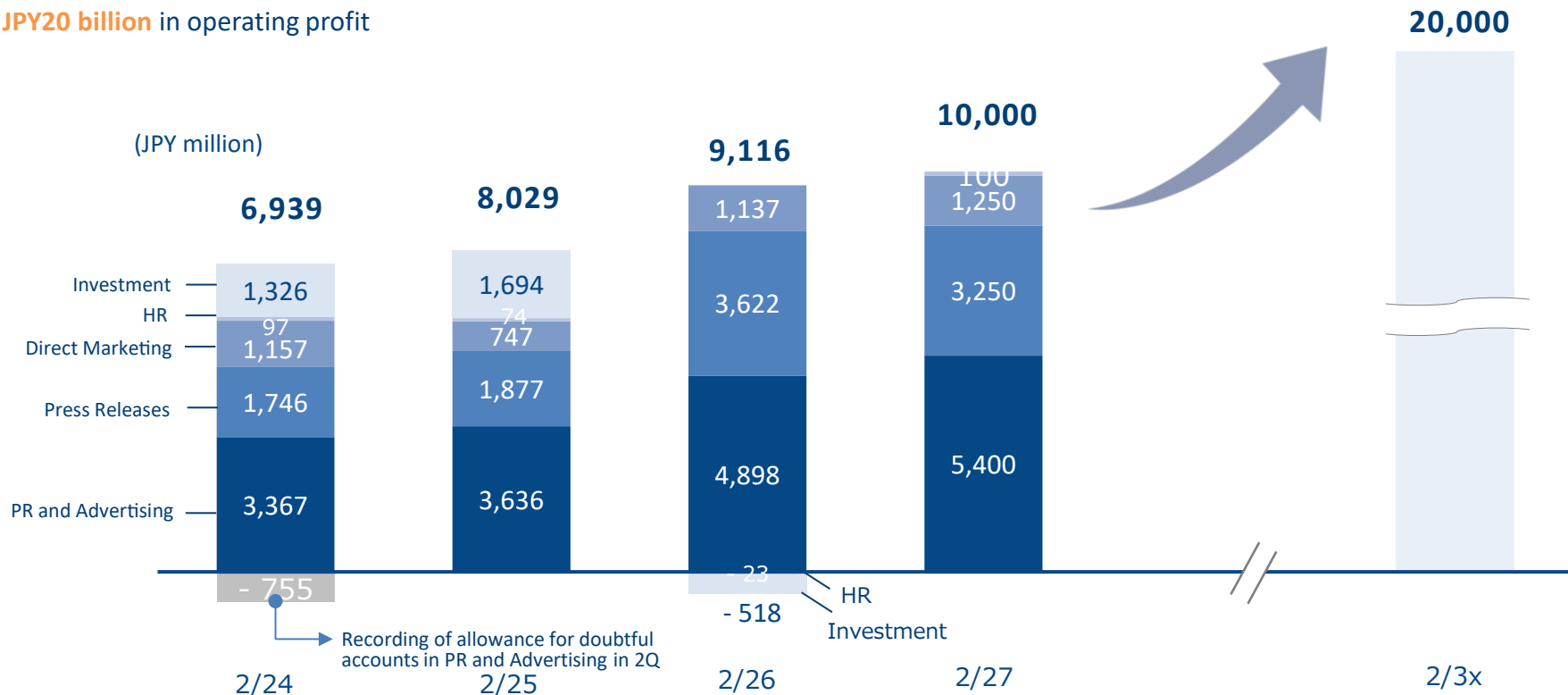
Profit plan by segment

Profit plan by segment (unit : JPY million)	FY2/26 (Actual)	FY2/27 (Plan)	YoY	FY2/27 H1	FY2/27 H2
Consolidated	9,116	10,000	109.7%	3,220	6,780
PR and Advertising	4,898	5,400	110.2%	2,300	3,100
Press Release	3,622	3,250	89.7%	1,650	1,600
Direct Marketing	1,137	1,250	109.9%	-550	1,800
HR	-23	100	—	-30	130
Investment	-518	0	—	-150	150

- We still aim for JPY10 billion as per MTMP
- Increased profit contribution from PR and Advertising
- In direct marketing, we will continue the pattern of investing in H1 and securing profits in H2
- In HR, JOBTV is expected to turn to profit from a loss, leading to increased profits.

Medium-term Profit Plan Progress by Segment

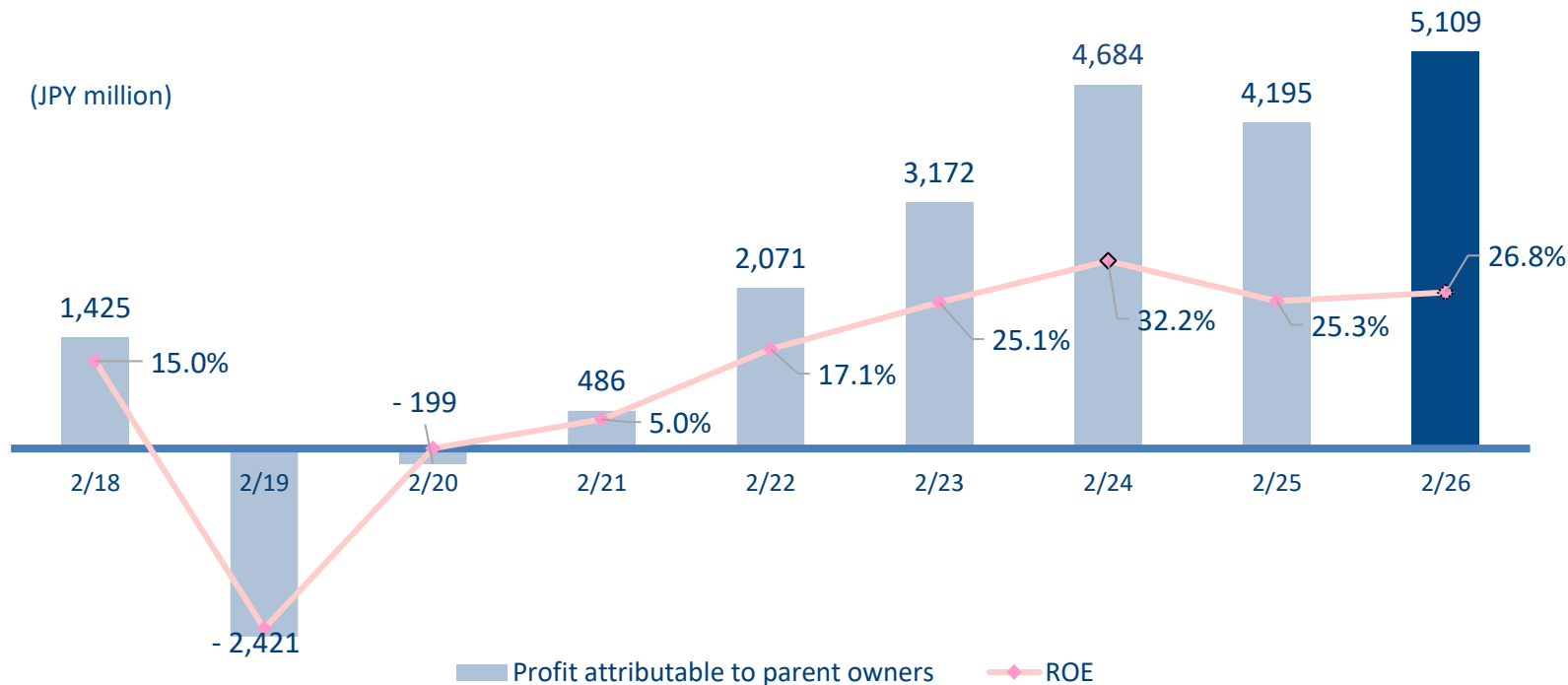
Centered on the PR and Advertising Business, we aim to achieve both organic and non-linear growth, with a **medium-term target of JPY20 billion** in operating profit



Note: INFLUENCER BANK was moved from the Direct Marketing segment to PR and Advertising from 2Q FY2/25.

ROE and Profit Attributable to Owners of Parent

Policy is to keep **ROE above 25%**



Company Strategy

Elevating from Asia's No. 1
to the World's No. 1 in PR

Expanding our scope from the 150 billion JPY PR market
to the 8 trillion JPY advertising market



Becoming a Fast Company in the Advertising Industry

Aiming to become the world's fastest and most efficient company in spreading the word

Defining "FAST COMPANY" in the Advertising Industry

	General Agencies	Vector Group
Value Proposition	Haute Couture	Fast Fashion
Speed	Several Months	Instant / Speedy
Cost	Hundreds of Millions of Yen	Low Cost
Quality	Rich	Optimal Quality

An infrastructure company driving product awareness from ¥0 to ¥100M under the “Fast Company” vision

Media Business

Operate, cultivate, and network a diverse range of vertical media



gracemode

グレイブスラボ

Press Releases



Japan's No.1 PR distribution service with over 40,000 clients. Trusted by 65% of listed companies, offering unmatched reliability and media exposure.

PRTIMES

PR Consulting



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

vector
ANTIL

vector
Platinum

vector
INITIAL

Short Video



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

タテガタ NEWS TV

ショート動画取材班

Influencer



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

INFLUENCER BANK

Starbank

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.

Keyword
marketing

vector
Digital

Digital Signage



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

GROWTH
vector
DOOH

¥0

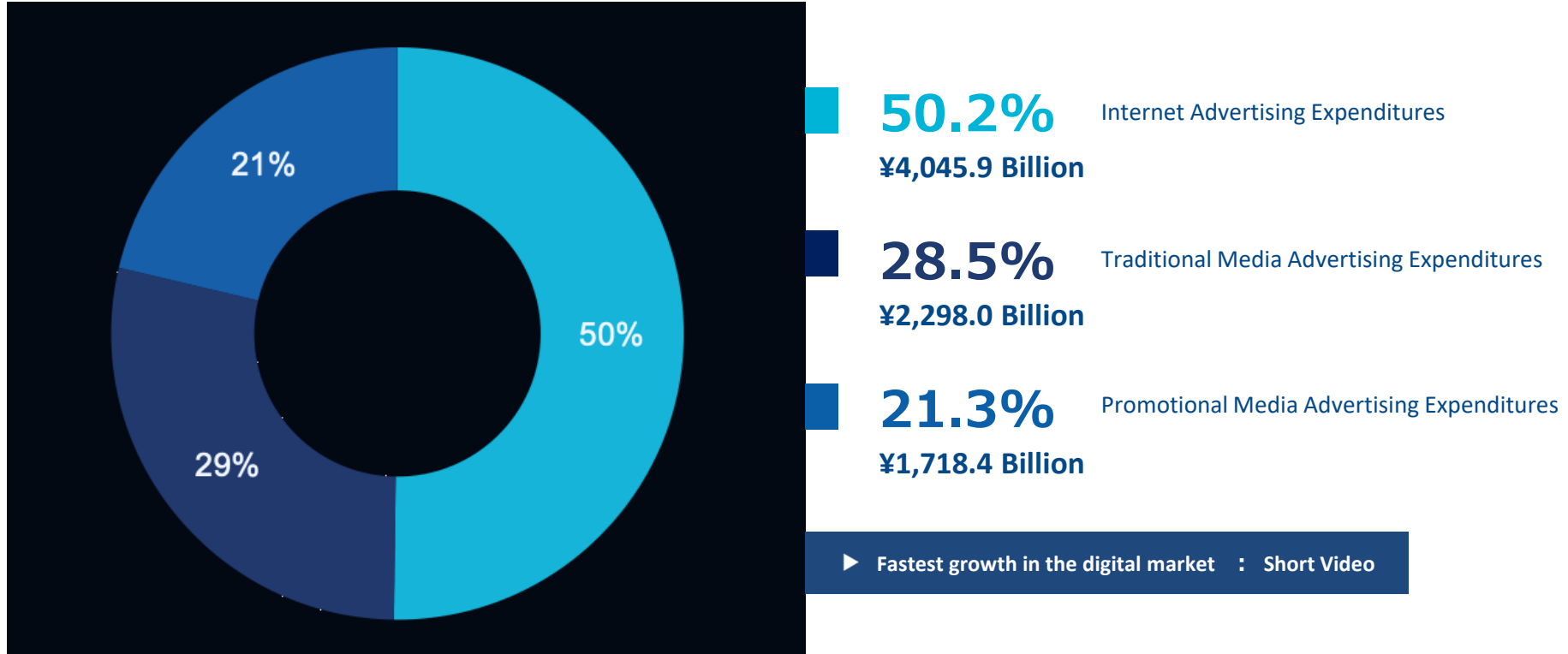
¥100M per year

Decline in TV commercials

Disruption of online advertising by AI

Advertising industry also facing a
period of transformation

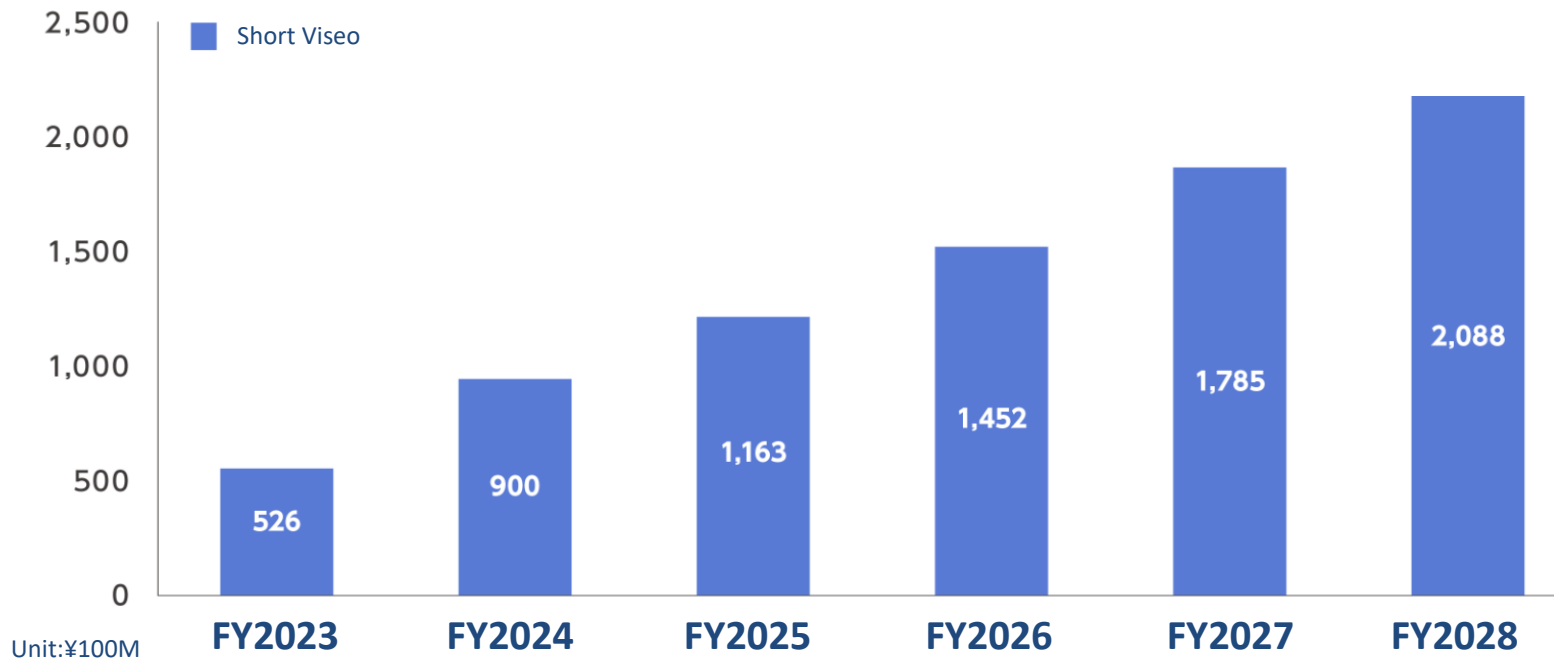
Short Video advertising represents the fastest-growing segment of the dominant digital market



Source: Dentsu, "2025 Advertising Expenditures in Japan"

Expansion of the Short Video Market

Market size in 2024 reached ¥90.0 billion, a **171.1%** increase year-on-year.
Projected to reach ¥116.3 billion in 2025 and ¥208.8 billion by 2028.

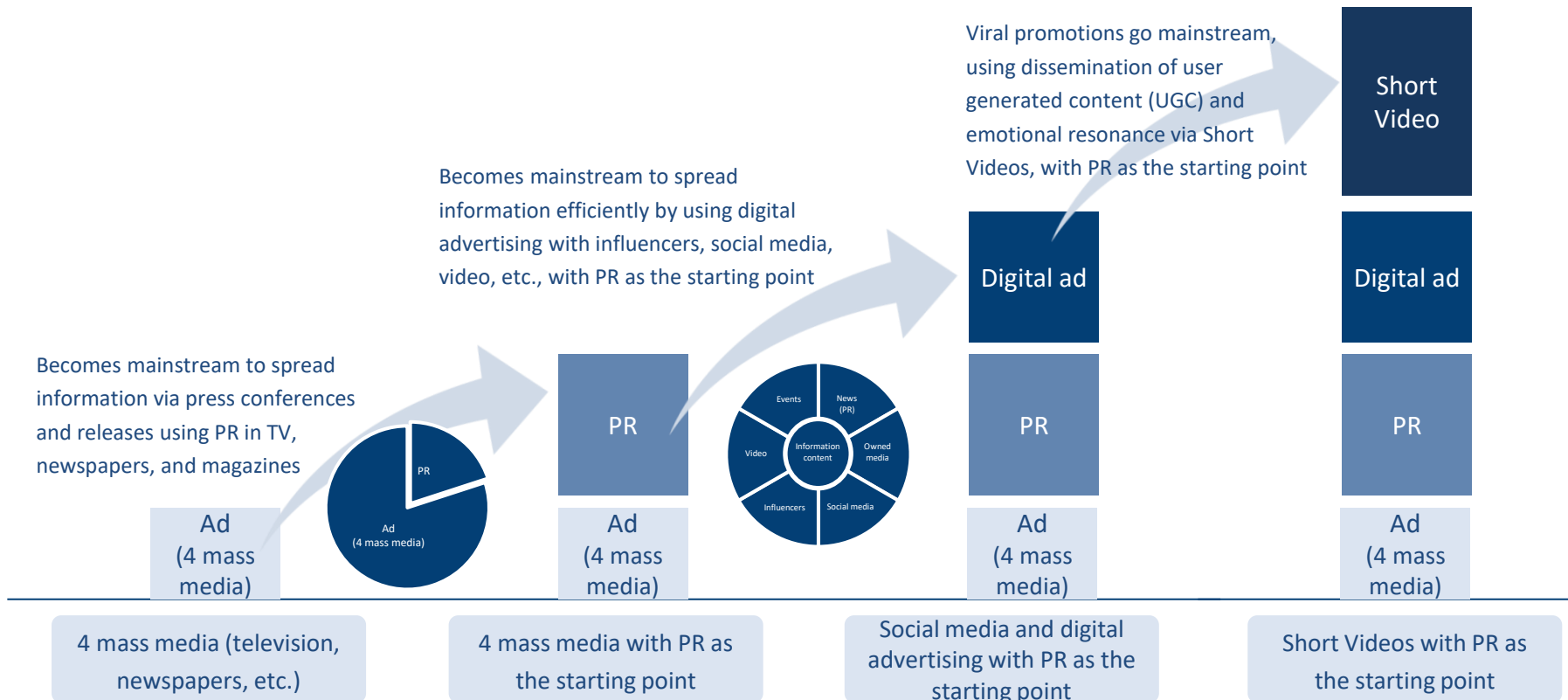


Source: CyberAgent / Digital InFact

PRxShort Video Vision

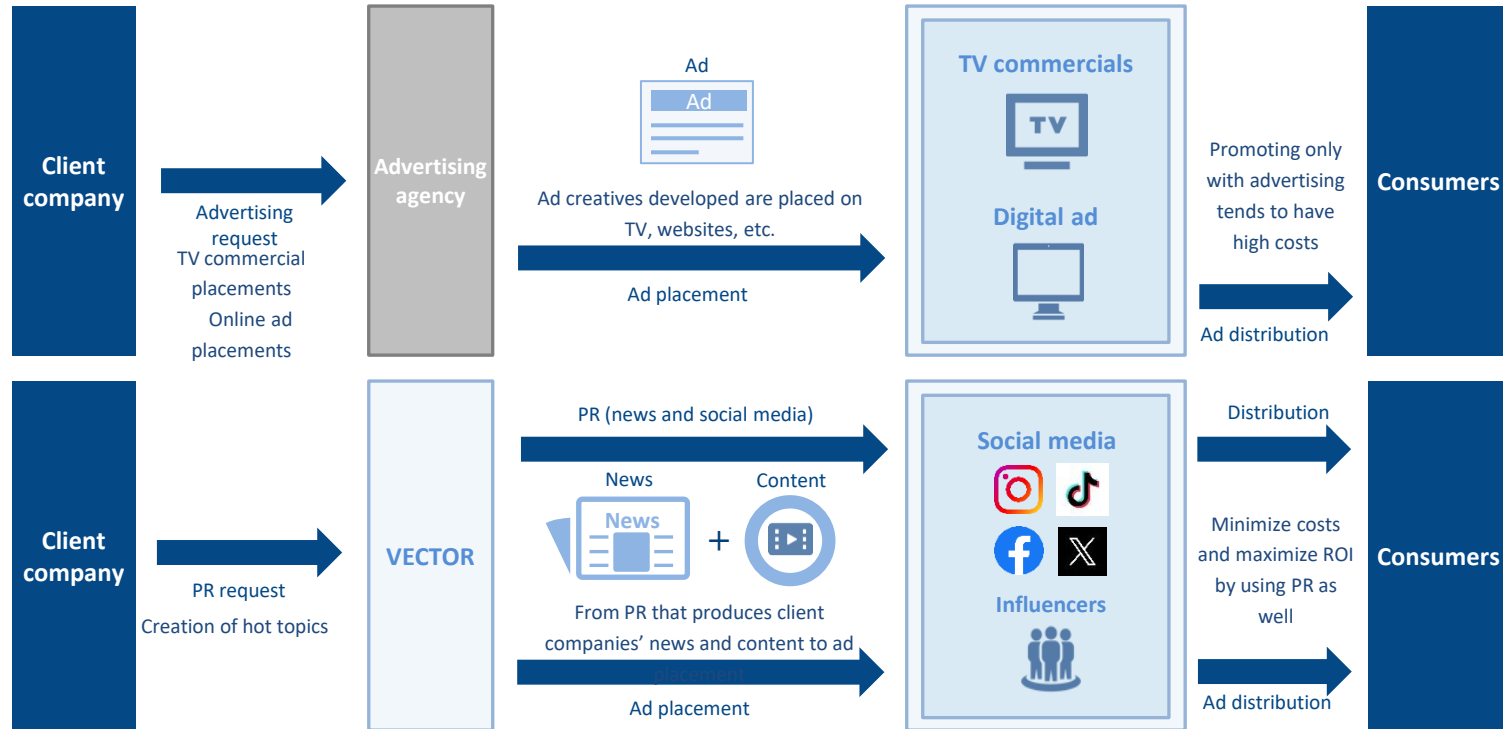
We are fully committing to Short Video to become the next-generation infrastructure for market reach

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

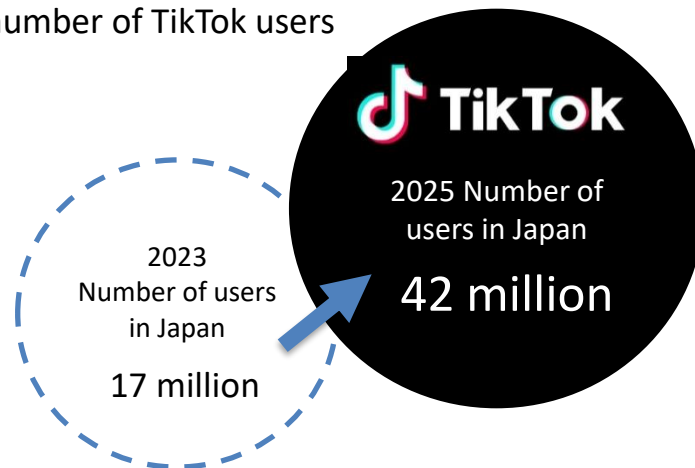
Short Videos are short vertical videos that typically run for 15 to 60 seconds
Representative platforms include TikTok, Instagram Reels, and YouTube Shorts



▼ Short Video media



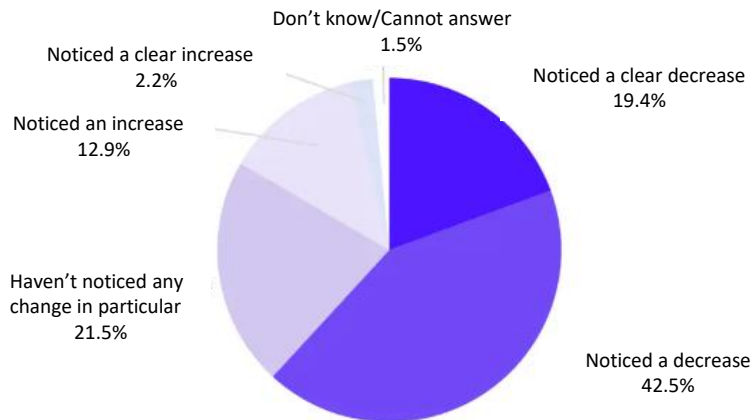
▼ Trend in number of TikTok users



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.

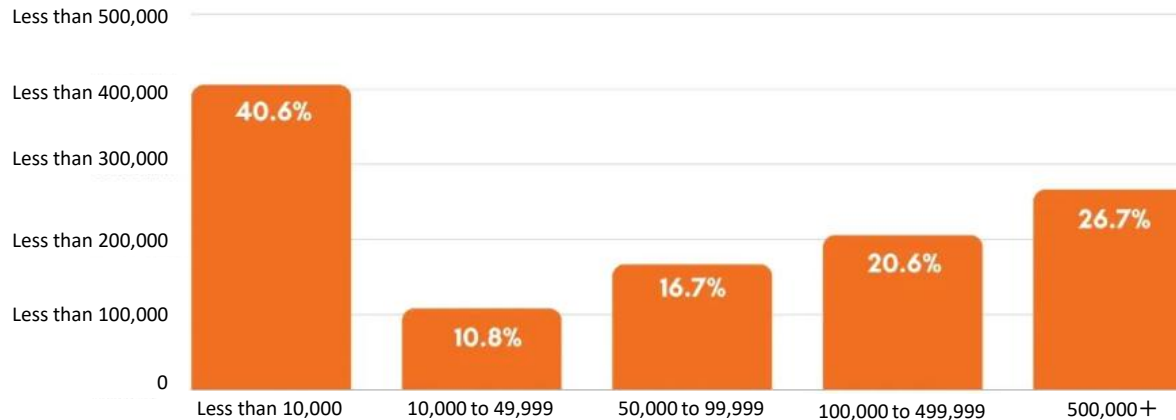
Change in the world order and demise of Google searches brought about by AI searches.

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

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



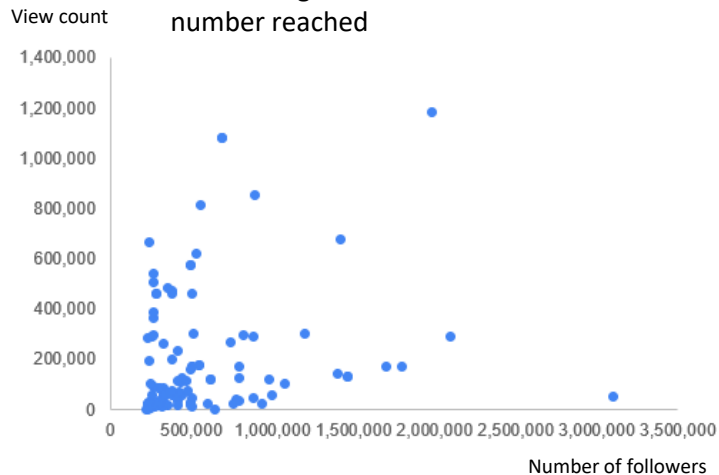
The reason for purchasing is nano-influencers with less than 10,000 followers

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 (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
Scatter diagram of the number of followers and number reached



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 Den Rou

PR plus 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 Den Rou and its competitor 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/@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(Tik tok Organic)
Clip Crews

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.

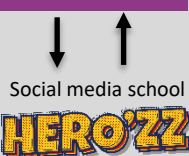
縦型動画取材班



Operation of a subscription-based creator casting platform. Also partnering with HERO'ZZ, a school for social media skills.

Platform

ソコノエンターテインメント



Social media school

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.

4TGA

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

Ad retargeting



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.

ライオン

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 the next 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

M&A track record (stock acquisition)

Gracemode Inc., which specializes in media and social media management in the beauty and cosmetics fields, became a consolidated subsidiary on April 30, 2025.

Playing a part in PR x Short Video initiatives, it will further **create synergies** with each company in the Vector Group.

Overview of acquired company

Company Name	 gracemode Inc.
Business Description	Social media account management specializing in the beauty and cosmetics fields
Acquisition Price	JPY1.49 billion
Acquisition Date	April 30, 2025

Business Description

Media Management

Management of in-house developed social media

Operates "EMME," a social media platform specializing in beauty and cosmetics for women, with a total of 1.8 million followers, mainly on Instagram and TikTok. The average engagement rate for the media is over 2.5%.

Total
followers:
1.8mn

Monthly
views:
150 mn

Social Media Marketing Support

Social Media Account Management

Using the knowledge gained from beauty media operations, provides support for brand social media marketing projects, from Instagram/TikTok account strategies to content planning.

Rapid growth
of customer
support
performance

Expand
business to
include
advertising
management

M&A track record (stock acquisition)

Storicity, Inc., which specializes in travel media and social media management, became a consolidated subsidiary on April 30, 2025

In future we expect to further **create synergies** with Vector.com

Overview of acquired company

Company Name	 Storicity, Inc.
Business Description	Travel content production and media management
Acquisition Price	KRW7.58 billion (c. JPY750 million)
Acquisition Date	April 30, 2025

Business Description

Travel content production and media management

Own-Account Social Media Operation

Operates Korea's largest travel content account with a total of 4.2 million followers, mainly on Instagram, TikTok, and YouTube, and also produces content in-house.

Total followers:
4.2mn

Annual views:
800 mn

Influencer management

Exclusive/Collaborating Influencers

Personal social media accounts of over 200 exclusive and collaborating influencers contributing to increased awareness of products, services, etc.

Total 200 influencers

Total followers:
40mn

M&A track record (business acquisition and joint venture establishment)

We established Top Creators Co., Ltd. and acquired the gourmet media channel "Connect Tokyo Gourmet"
Playing a part in PR x short video initiatives, we will further **create synergies** with each company in the Vector Group.

Overview of acquired business

Media Name	 Connect Tokyo Gourmet
Business Description	A social media channel specializing in the gourmet field
Acquisition Price	JPY50 million
Acquisition Date	October 1, 2025

Business Description

Media Operation

Social Media Account Operation

Operates "Connect Tokyo Gourmet," a gourmet-focused media outlet with over 350,000 followers, mainly on Instagram and TikTok, which has an established reputation for attracting customers to restaurants.

Followers:
350,000

Monthly hits: Over
30 million

< connect_tokyodate ...



コネクト東京グルメ

756
投稿

37万
フォロワー

774
フォロー中

日本 No. 1のグルメ情報をお届けしたい!
■ 20代でIPOを目指す起業家が、ランチや会食、カフェ巡りの中で出会った"最高のお店"を紹介。
■ 高級エリアを多めにグルメ発信
■ 月に3000万人が見るメディア
"何かに挑戦してる君が1番かっこいい"
PRのご依頼は、DMまで

connect-tokyo-web.com

@connect_tokyodate

Disposals of Subsidiaries and Affiliates

After consulting the stakeholders of each company, we proceeded with the sale of 6 companies and the liquidation of 1 company
Due to the sale, we posted a profit on sales of shares in affiliated companies of JPY2,151 million
Thanks to selection and focus, we improved the capital efficiency of the whole group

Segment	Company Name	Business Description
PR and Adertising	Amy	Franchise matching platform business
PR and Adertising	CLOUD BEAUTY	Cloud-based salon system provider
PR and Adertising	Performance Technologies	Performance Marketing business
PR and Adertising	Tryhatch	Retail-specialized SaaS business and digital marketing business
Direct Marketing	Direct Tech China	Marketing consulting business in China
HR	ASHITA-TEAM	Consulting services and sales of cloud systems related to personnel evaluation systems.
Equity-method affiliate	MicroAd Taiwan	Public relations and PR services and consulting in Taiwan

Automating the 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 script generation

AI, which has learned from 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.

Diffusion and optimization strategies



Cutout 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.



AIO (AI Search Optimization)

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



The purpose of this document is to provide information on our financial results and does not constitute an offer to sell or solicitation of an offer to purchase any investment security issued by VECTOR. The information and outlook contained in this document have been compiled on the basis of the latest information available at the time of preparation and includes the opinion of management. VECTOR therefore provides no guarantee as to the accuracy of this information and advises that actual performance and results may differ from forward-looking statements due to various factors.