Marketing Technology & AI Company

GENIEE

Fiscal Year Ending March 31, 2027 (FY2026) Q1 Financial Results Briefing Materials

1Q revenue was driven by growth in the Advertising Platform Business (+9%) and Digital PR Business (+37%), reaching **¥3.5 billion (+14% YoY)** and remaining on a steady trend.

Although operating profit was negative due to higher SG&A expenses from increased contract development hours in the SaaS business and one-time items, **adjusted operating profit remained positive, reflecting the business's underlying earnings power. The full-year forecast has been maintained, taking into account the potential reversal of the allowance for doubtful accounts.**

Recognition of one-time items

The following temporary expenses (totaling ¥400 million) were recorded under "Other expenses":

(major items)

- **Unauthorized access-related expenses** ¥180 million
- **Allowance for doubtful accounts** ¥200 million

  *The allowance for doubtful accounts may be reversed in the future

Increase in foreign exchange losses

Due to the ongoing depreciation of the yen,

- **financial expenses** increased by ¥170 million YoY.

Performance of the three core businesses

- **Advertising Platform Business**

  Revenue grew 9% YoY, driven by the domestic SSP business and large overseas projects.

- **Marketing SaaS Business**

  Maintained high ARR growth of +21% YoY; aims to return to profitability through structural reforms from 2Q onward.

- **Digital PR Business**

  Continued high growth of +37% YoY, driven by organic growth and the effects of consolidation.

JAPAN AI outlook and financing

- **Business performance is progressing smoothly**

  Progress remains steady against the FY2026 full-year earnings forecast.

- **Series C Second Round Close**

  Completed the financing in August 2026 and will invest to accelerate further growth.

FY2026-1Q | Financial Results Summary

GENIEE

- The advertising platform business and digital PR business drove growth, with revenue **increasing steadily by 14%.**
- Regarding profit, due to increased SG&A expenses for the SaaS business (continued delivery costs for contract development projects) and one-time items including "①Unauthorized access-related expenses of ¥181 million" and "②Allowance for doubtful accounts of ¥198 million" recorded as "Other expenses," operating profit was ¥-207 million, while adjusted operating profit, which reflects actual business performance, was ¥156 million.
- Profit before tax was ¥-469 million, also affected by "③Foreign exchange losses due to yen depreciation (financial expenses)"

※①～③ will be supplemented in the next section.

(million yen)

	FY2025 1Q (a)	FY2026 1Q (b)	Change (b – a) Amount	Change (b – a) %	FY2026 Projection
Revenue	3,061	3,499	438	14.3	16,400
Gross profit	2,362	2,426	64	2.7	11,700
Operating profit	333	-207	-540	-	2,500
Adjusted operating profit*[1]	333	156	-177	-53.0	2,400
Profit before tax	231	-469	-700	-303.1	2,300
Profit	162	-336	-498	-307.4	1,700
Profit attributable to owners of parent	150	-347	-497	-331.3	1,500

*[1] Operating profit excluding one-off gains/losses.

FY2026-1Q | Supplementary Notes on Business Results 1

GENIEE

As announced in our press release dated August 14, 2026, "Recording of Losses Related to Unauthorized Access and Allowance for Doubtful Accounts," we have recorded the following one-time expenses under "Other Expenses" in our first quarter results. Please note that both items should be evaluated separately from the profitability of our core operations, and we have maintained profitability on an adjusted operating profit basis.

【Details of Non-Recurring Items】

① Recording of Other Expenses Related to Unauthorized Access Losses	Overview	● As announced on May 21, 2026, "Notice Regarding Unauthorized Access to 'GENIEE MA'," unauthorized use of cloud computing resources by a third party occurred in our "GENIEE MA" service. After conducting a thorough examination including discussions with the server provider, we have determined the amount of expense based on a reasonable estimate as of the current date
	Impact on Business Results	● Recorded "Losses Related to Unauthorized Access: ¥181 million" under "Other Expenses" in the first quarter consolidated cumulative period
	Future Outlook	●The recorded amount represents a reasonably estimable amount as of the current date ● The final loss amount may fluctuate depending on the progress of future investigations and examinations, and the loss amount is not yet finalized at this time

②Recording of Allowance for Doubtful Accounts Related to "Other Assets" for Business Partners	Overview	● In the financial statement correction announced on June 1, 2026, we revised the accounting treatment for sales revenue related to contracted development transactions with a business partner (unlisted company) and investment securities related to investment contracts, and recorded the resulting difference as "Other Assets"
	Assessment of Recoverability	● Recovery of these assets is premised on collection of payment upon delivery of the developed system and confirmation of rights and obligations related to the collaboration ● The business partner's payment resources primarily depend on compensation income based on a business consignment contract with their partner ● Execution of the business consignment contract requires regulatory approval from authorities, but obtaining approval is taking longer than initially anticipated ● At present, there is insufficient evidence to reasonably and objectively support the recoverability
	Impact on Business Results	● After careful consultation with our auditors, we determined our response from the perspective of financial soundness and conservatism ● Established an allowance for doubtful accounts of ¥198 million and recorded the same amount as provision for doubtful accounts under "Other Expenses" in the first quarter of FY2026
	Future Outlook	● If collection from the business partner progresses, reversal of the allowance for doubtful accounts may occur depending on the collection status

FY2026-1Q | Supplementary Notes on Business Performance 2

GENIEE

【Breakdown of Financial Expenses】

③Increase in Foreign Exchange Losses Factors	Overview of Event	●Although translation methods for foreign currency-denominated items were revised in the earnings correction announced on June 1, 2026, further refinements made in Q1 resulted in foreign exchange losses of ¥92 million. The refinement of translation methods also generated foreign exchange losses of ¥36 million on the settlement of foreign currency-denominated transactions during the period. ●On a non-consolidated basis, Geniee, Inc. recorded foreign exchange losses of ¥40 million from the period-end translation of foreign currency-denominated operating receivables/payables and borrowings, reflecting yen depreciation during Q1 FY2026 (from ¥159.88 to ¥162.39).
	Impact on Business Performance	Q1 financial expenses came in at ¥275 million (+¥172 million YoY), pushed up mainly by ¥189 million in foreign exchange losses (+¥175 million YoY), which acted as a drag on quarterly earnings.
	Future Outlook	●FX losses associated with the refinement of translation methods (¥128 million in total) resulted from refining, in Q1, the translation methods for foreign currency-denominated items that had been finalized at the prior fiscal year-end. These are expected to be one-time losses. ●The FX loss from period-end translation in Q1 (¥40 million) will vary going forward depending on future exchange rates and the balance of foreign currency-denominated receivables and payables.

Review of Corporate Business Processes and Strengthening of Risk Countermeasures to Prevent Recurrence

- We recognize this series of events as an issue in the Corporate Division.
- Positioning it as a critical management risk, we are promoting recurrence prevention measures under the leadership of the Risk Management Division and AX/DX Division by reviewing business processes and strengthening risk countermeasures
  - Under the leadership of the Risk Management Division, redesign and thoroughly document business processes in which issues or risks have materialized.
  - Establish a process for prior consultation with the accounting auditor regarding accounting treatment decisions.

The Board of Directors has been carefully reviewing and discussing our understanding of the matter, and the review has taken longer than initially anticipated. After comprehensively considering the current business environment and our future growth strategy, we have decided to revise part of our previous SaaS policy.

FY2026-Q1 | Segment Results and Outlook

GENIEE

Ad Platform business

9% revenue growth driven by domestic SSP growth and large projects in overseas operations.

Marketing SaaS business

Marketing SaaS business maintained high ARR growth of +21% despite flow revenue decline.

Digital PR business

Digital PR business continued high revenue growth. From 2Q onward, will emphasize

(hundred million yen)		FY25 Q1 Actual	FY26 Q1 Actual	Growth Rate	Business Strategy & Plan Overview
Ad Platform	Revenue	12.6	13.7	9%	･9% revenue growth driven by domestic SSP and large overseas projects ･Operating profit grew 24% due to reduced SG&A expenses from prior period structural reforms ･From 2Q onward, will pursue revenue growth strategies by deploying Geniee US's revenue maximization features to markets including Japan and Asia, and further profit improvement through workforce optimization
	Operating Profit	2.8	3.5	24%	
SaaS	Revenue	11.2	11.7	5%	・Flow revenue decreased by ¥170M due to timing shifts in new projects. However, ARR grew 21% driven by CHAT and ANALYTICS growth. Operating profit declined due to increased man-hours during delivery of contracted projects and increased SG&A expenses from software expenses. ・From 2Q onward, will reorganize structure to ensure execution of revenue growth strategies. In parallel, will prioritize investment areas and reduce costs to improve profitability
	Operating Profit	-0.0	-2.9	―	
PR	Revenue	7.0	9.6	37%	･37% revenue growth driven by organic growth in influencer PR business and risk check business growth, plus consolidation effects of iHack and SEIRYO ･From 2Q onward, aim for significant profit growth through profit improvement measures including headquarters relocation and workforce optimization
	Operating Profit	0.2	0.3	2%	

FY2026-Q1 | Segment-wise Financial Summary

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Advertising Platform Business:
Revenue and profit increased QoQ due to the effects of structural reforms implemented in the previous period.

Marketing SaaS Business:
We plan to reduce the loss going forward through cost reductions.

Digital PR Business:
We will accelerate profit growth through profit improvement measures, including workforce optimization and relocation of the headquarters.

(million yen)

	FY2025 Q1	FY2025 Q2	FY2025 Q3	**FY2025 Q4**	**FY2026 1Q**
Revenue	3,061	3,239	3,593	3,482	**3,499**
Advertising Platform Business*	1,258	1,371	1,491	1,333	**1,370**
Marketing SaaS Business	1,116	1,074	1,112	1,155	**1,172**
Digital PR Business	703	807	1,001	1,000	**963**
(Adjustments)	▲16	▲14	▲12	▲6	**▲7**
Gross Profit	2,362	2,383	2,584	2,446	**2,426**
Segment Profit	333	411	539	251	**▲207**
Advertising Platform Business*	538	611	721	596	**590**
Marketing SaaS Business	287	186	216	161	**83**
Digital PR Business	103	114	211	110	**111**
(Company-wide / Eliminations)	▲596	▲501	▲609	▲617	**▲992**
Operating profit	333	411	539	251	**▲207**
Advertising Platform Business*	283	380	496	375	**348**
Marketing SaaS Business	▲1	▲99	▲86	▲176	**▲289**
Digital PR Business	24	49	116	31	**25**
(Adjustments)	26	81	13	20	**▲291**
Profit Before Tax	231	350	456	293	**▲469**
Profit Attributable to Owners of the Parent Company	150	196	293	225	**▲347**

*From FY2025, the overseas business was integrated into the Advertising Platform business.

FY2026-Q1 | KPI Summary

GENIEE

Advertising Platform Business:
The number of companies, revenue per company, and operating profit margin all increased due to the effects of structural reforms implemented in the previous period.

Marketing SaaS Business:
ARR increased 21% YoY, steadily strengthening the recurring revenue base through ARR growth.

Digital PR Business:
From 2Q onward, we aim to achieve significant growth not only in revenue but also in profit by improving the operating profit margin through profit improvement measures.

(million yen)

	(Unit)	FY2025 Q1	FY2025 2Q	FY2025 3Q	**FY2025 4Q**	FY2026 1Q
Marketing SaaS Business						
Number of Paid Accounts	(accounts)	22,651	24,157	24,623	23,632	23,142
ARPA (Average Revenue Per Account)*[1]	(yen)	12,990	12,705	12,731	14,519	15,439
Churn Rate	(%)	2.15	1.17	0.38	2.80	2.70
ARR (Annual Recurring Revenue)	(million yen)	3,530	3,683	3,761	4,117	4,287
Gross Profit Margin	(%)	78.6	77.6	76.7	74,4	74.3
Recurring Revenue Ratio	(%)	80.2	79.8	80.1	82.1	85.3
Advertising Platform Business						
Number of Clients*[2]	(companies)	260	257	277	287	279
Revenue per Client*[2]	(thousand yen)	1,611	1,779	1,792	1,550	1,638
Operating Profit Margin	(%)	22.5	27.7	33.3	28.2	25.5
Operating Profit	(million yen)	283	380	496	375	348
Digital PR Business						
Number of Clients	(companies)	4,500	4,659	4,654	4,310	4,224
Operating Profit Margin	(%)	3.6	6.1	11.6	3.2	2.6
Operating Profit	(million yen)	24	49	116	31	25

*[1] Calculated on MRR basis. *[2] Based on quarterly average

FY2026-1Q | Statement of Cash Flows

GENIEE

Operating cash flow increased by ¥1,138 million, primarily due to a decrease in operating receivables, resulting in an improvement in free cash flow to a positive level.
Repayment of borrowings is also progressing steadily, improving financial soundness.
Our key objective for this fiscal year—"enhancing free cash flow generation"—is progressing smoothly.

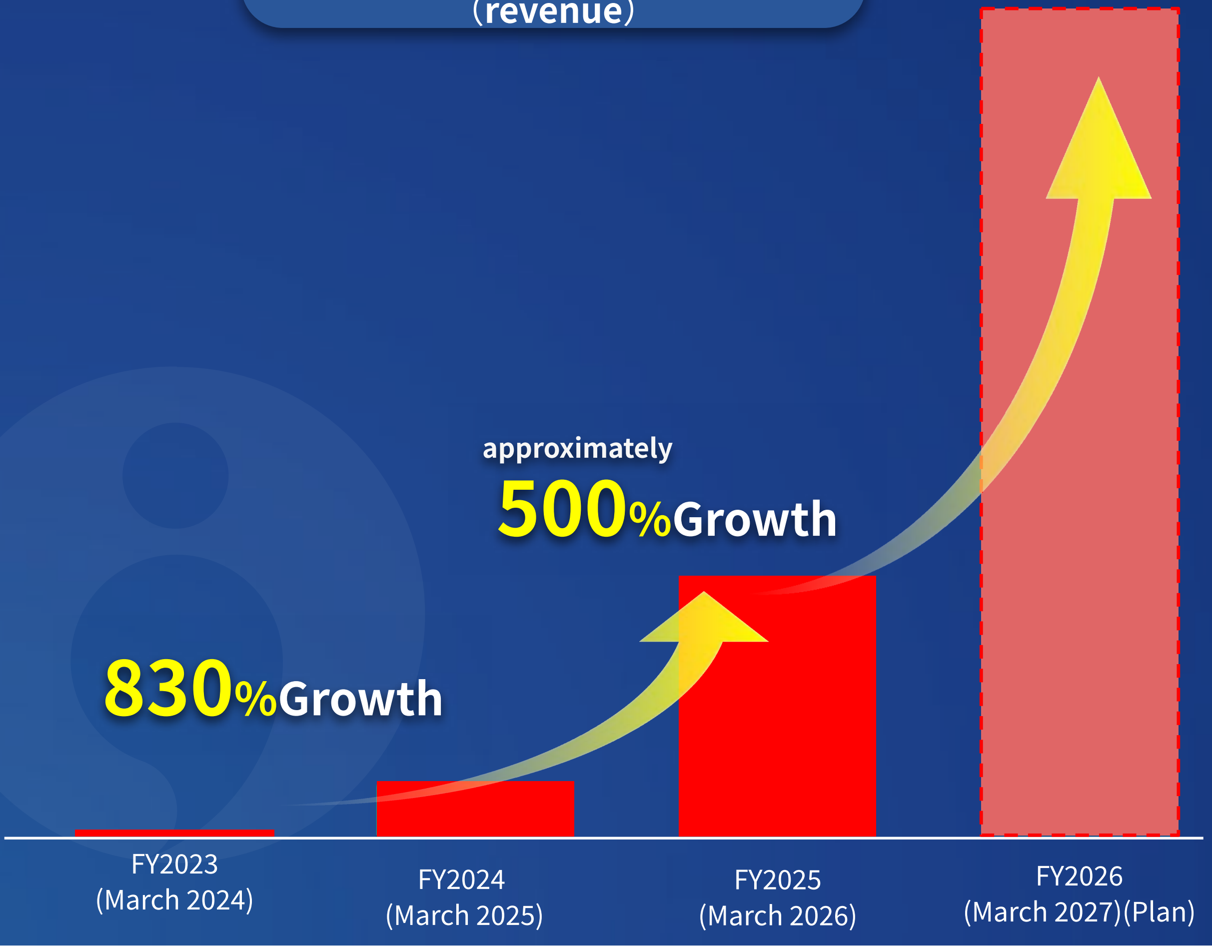
(million yen)	Jun. 2025 (B)	Jun. 2026 (A)	Change (A)-(B)
Cash and cash equivalents at beginning of period	2,861	2,969	108
Operating CF	▲ 172	966	1,138
Investing CF	▲ 507	▲ 664	▲ 157
Financing CF	399	780	381
Effect of exchange rate changes on cash and cash equivalents	▲ 39	9	48
Cash and cash equivalents at end of period	2,541	4,061	1,520

FCF (Operating CF-Investing CF)	▲679	302	981

JAPAN AI | Business Progress

- Group company JAPAN AI's performance for the fiscal year ending March 2027 is currently progressing smoothly
- Closed Series C Second funding round in August 2026. Aiming to become Japan's No. 1 AI startup and accelerating growth

Performance Overview (**revenue**)



Business Highlights

Riding the wave of growing AI/DX needs, continuing high growth with strengths in over 100 standard AI AGENT, customizable AI AGENT functionality, and support capabilities to assist customers in AI adoption.

In Q1, acquired approximately 27,000 leads, of which approximately 8,000 were enterprise leads, rapidly increasing in line with revenue growth. We plan to further accelerate mutual cross-selling through product integration between GENIEE and JAPAN AI.

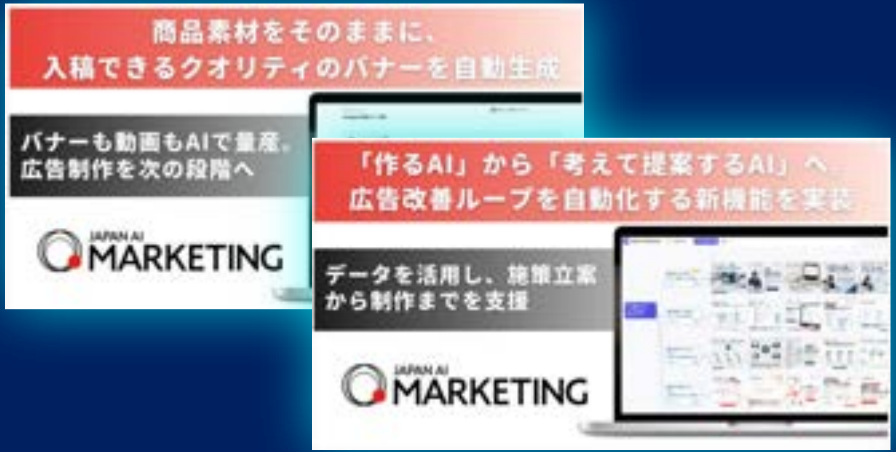
Closed Series C Second funding round by accepting investment from business partner OTSUKA CORPORATION. Evolved into a capital and business alliance, further strengthening collaboration between both companies. Accelerating business growth through partnership.

JAPAN AI | Expanding Vertical AI Solutions

GENIEE

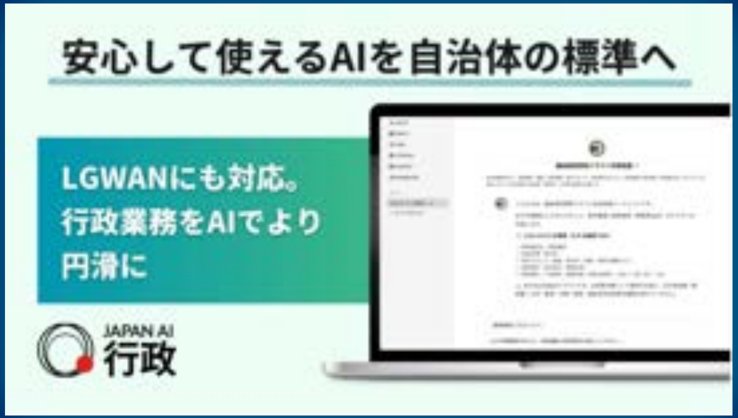
●We continue to expand our portfolio of "Vertical AI Solutions" optimized for the challenges of each industry and business sector. By enhancing functionality in the marketing domain and launching new services for local governments, we are expanding the scope of applications.
●We aim for further growth by establishing a delivery structure serving a broad range of customers, from enterprises to the public sector.

New Features Released for JAPAN AI MARKETING



- **AI Agent for Generating Advertising Banners**: Launched. AI automatically generates submission-ready advertising banners while preserving the original product assets. The addition of the video-generation tool "Remotion" enables the mass production of both still images and videos.
- **Evolution into an Advertising AI that Thinks and Proposes**: AI analyzes past winning patterns and automatically proposes and produces the next creative assets, implementing a continuous improvement loop that turns individual know-how into organizational assets.

Launch of "JAPAN AI 行政," an AI Service for Local Governments



- Newly launched a generative AI platform specialized for local governments and compatible with LGWAN-connected environments. Equipped as standard with five AI Agents, including document creation, meeting minutes, and internal knowledge search, marking a full-scale entry into the public administration sector.

JAPAN AI | Rapidly Expanding Adoption by Major Companies

GENIEE

JAPAN AI adoption is progressing among major companies and local governments across a wide range of industries. Going beyond simply providing tools, our end-to-end, hands-on support—from operational adoption in the field to business transformation—is a competitive advantage, and we are steadily establishing a business foundation in the enterprise market.

【Recent Introduction Cases】

Clients	Solutions	Case Studies
Financial Services One of the largest independent IFAs	JAPAN AI SPEECH JAPAN AI CHAT	Reduced minutes creation from up to 1 hour to under 5 minutes (approx. 92% reduction). Improved client record accuracy, with individual representatives achieving a 150% goal attainment rate.
Wholesale Mid-sized trading company (Revenue: ¥10B+)	JAPAN AI AGENT JAPAN AI SPEECH	Cut target task time from 52 hours to 12 hours (approx. 40 hours saved / 77% reduction). Reduced sales performance reporting from 8 hours to 10 minutes (98% reduction); created 62 custom AI agents.
Medical Device Manufacturing & Sales Niche-market leader in specific medical fields	JAPAN AI AGENT	10 teams participated in the "Company-Wide Work Hack Month." Developed draft-reply AIs and pharmaceutical application management agents, resulting in award-winning operational improvement case studies.
Comprehensive HR Services Major department store group	JAPAN AI HR	Reduced interview workload by approx. 40% per session (from 2 interviewers to 1 interviewer + AI), while standardizing candidate evaluations.
Manufacturing Enterprise with multi-trillion yen market cap	JAPAN AI SPEECH	Enabled speaker-identified minutes creation even in noisy environments. Expanded implementation to 4,000 users, driven by approx. 100 internal "AI promoters."
Automotive-Related Parent company: Multi-trillion yen listed enterprise	JAPAN AI HR	Significantly reduced workload for screening approx. 800 document applications annually, while standardizing evaluation criteria. Automated interview minutes creation.
Local Governments	JAPAN AI SPEECH JAPAN AI AGENT	Shortened transcription of 2-hour meetings to just 10 minutes of manual work. Also utilized in PR, broadcasting, and survey analysis.

JAPAN AI | Accelerating AI Adoption among SMEs through Collaboration with OTSUKA CORPORATION

GENIEE

By combining JAPAN AI's generative AI technology and expertise in Vertical AI with OTSUKA CORPORATION's nationwide customer base, sales capabilities, and support structure, we are jointly promoting initiatives to advance AI adoption and enhance corporate competitiveness among Japanese small and medium-sized enterprises.

Until now

Established market presence through platform offerings

- Roll out OTSUKA CORPORATION's original AI Agent service for SMEs, "Tayoreru Business AI Agent," based on our "JAPAN AI AGENT."
- Expand sales by leveraging OTSUKA CORPORATION's customer base, proposal capabilities, and comprehensive support structure under the "Tayoreru" brand.

Going forward

Provide Vertical Solutions as well

Accelerate further growth

- **In addition to the platform offerings provided to date, we are also collaborating on the delivery of Vertical Solutions tailored to specific industries and sectors.**
- **Accelerate growth by developing new offerings for SMEs and providing industry-specific templates.**

GENIEE

JAPAN AI AGENT was selected in three categories at "ITreview The Best Software in Japan 2026," organized by IT Cloud, Inc., which operates the IT product review platform "ITreview": "Rookie of the Year," "Best Software by Category," and "Best Software for AI Powered Features."

Evaluation Highlights

The Best Software Rookie of the Year

- Selected from the top 10 business SaaS and software products newly released since 2024.

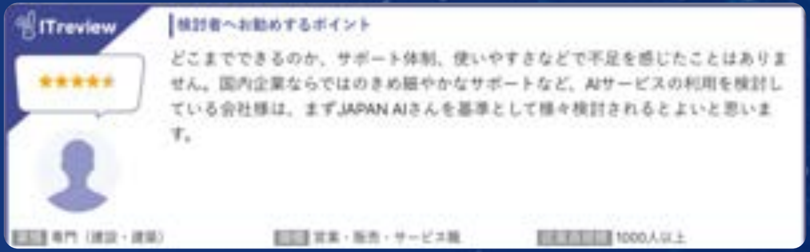
The Best Software for AI Powered Features

- Selected from the top 20 products with generative AI functionality and high user ratings for their AI features.

The Best Software by Category

- The highest-rated product selected in each of approximately 200 categories. JAPAN AI was selected as the product with the highest score in the AI Agent Tools category (among approximately 200 categories).

Review ratings



By Segment | Percentage of Earnings Trends

GENIEE

While centered on the Advertising Platform business, the composition ratio of Marketing SaaS and Digital PR businesses is on an upward trend. Diversification of the business portfolio is progressing in both revenue and segment profit. Revenue sources following the Advertising Platform business are steadily expanding, and the transition to a revenue structure where multiple businesses support growth is strengthening the overall growth foundation

Advertising Platform Business
Marketing SaaS Business
Digital PR Business

Revenue

Segment profit

※ Since JAPAN AI became an equity-method affiliate at the end of July 2024 due to the execution of an equity financing, it has been excluded from sales revenue from FY24 Q2 onward.

By Segment | Percentage of Earnings

GENIEE

The Advertising Platform Business serves as the largest source of revenue, while the Marketing SaaS Business and Digital PR Business also account for meaningful shares, forming a well-balanced business portfolio.
The Marketing SaaS Business is experiencing high growth as the business with the second-largest revenue scale after the Advertising Platform Business.
In addition to organic growth, the Digital PR Business continues to achieve high growth through M&A, expanding to a scale that forms one of the pillars of our business portfolio.

Digital PR Business

Revenue

963

(Reference) Segment profit 111

Operating profit 25

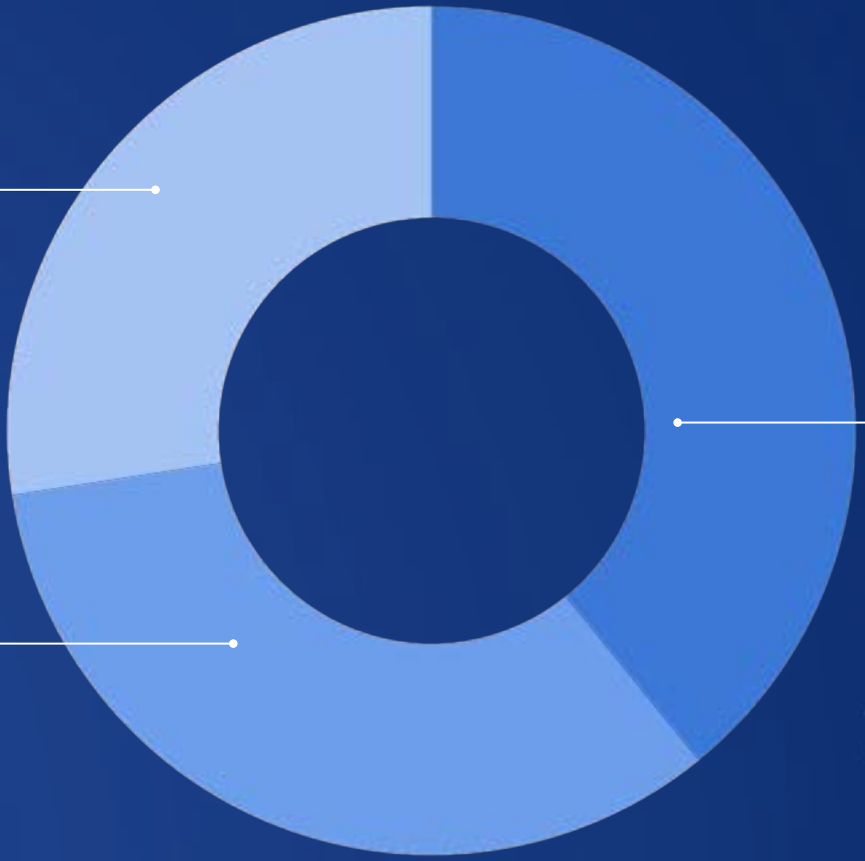
Marketing SaaS Business

Revenue

1,172

(Reference) Segment profit 83

Operating loss 289



Advertising Platform Business (including overseas)

Revenue

1,370

(Reference) Segment profit 590

Operating profit 348

(million yen)

Full-Year Forecast | FY2026 Full-Year Financial Forecast

GENIEE

- The full-year earnings forecast remains unchanged at this point, on the premise that the reversal of the ¥200 million allowance for doubtful accounts—recorded under "Other Expenses"—will be booked during the current fiscal year.
- As achieving the budget remains uncertain, we will implement additional cost reduction measures from Q2 onward, including structural reforms in the SaaS business. Our policy is to prioritize profit growth across all segments.

(million yen)	FY2025 Full-Year Actual (a)	FY2026 Full-Year Plan(b)	Change (b – a)	
			Amount	%
Revenue	13,376	16,400	3,024	22.6
Gross Profit	9,776	11,700	1,924	19.7
Operating Profit	1,535	2,500	965	62.9
Adjusted Operating Profit*1	1,514	2,400	886	58.5
Profit Before Tax	1,331	2,300	969	72.8
Profit	981	1,700	719	73.3
Profit Attributable to Owners of Parent	866	1,500	634	73.2

*1 Refers to operating profit less non-recurring gains/losses.

TOPICS Awarded Highest "Leader" Rating in ITreview Grid Award 2026 Spring

GENIEE

"GENIEE SFA/CRM" Receives Highest "Leader" Rating for Third Consecutive Year Based on Customer Review Aggregation.
Real positive reviews from many users received by March 2026 were the driving force behind this award

https://geniee.co.jp/news/20260416/

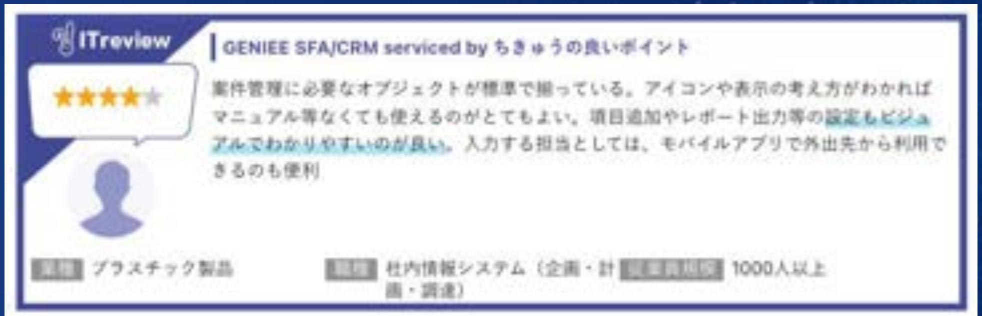
Key Evaluation Points

●**Rich Standard Features**
〇Comprehensive standard features ready to use without additional development

●**Excellent Usability**
〇Intuitive, visually understandable, and easy-to-configure management interface

●**High Mobile Convenience**
〇App that allows smooth activity input and confirmation even when on the go

Review Ratings



* ITreview(operated by IT Cloud) based on user reviews received,
an award recognizing products with high customer satisfaction and market recognition on a quarterly basis

TOPICS JAPAN AI Receives Special Award at “Zaikai Best AI100”

GENIEE

Our unique hands-on support has been recognized for addressing the challenge many companies face: "AI has been introduced but not utilized."
We received a special award in the enterprise category for our strength in providing end-to-end support through "implementation and adoption," and our strong management vision.

Key Evaluation Points

- **Solutions rooted in real corporate challenges**
- **High execution capability supporting not just "introduction" but "implementation and adoption" at the operational level**
- **Management vision aimed at "practical-level and social infrastructure development"**

Organizer: Zaikai Kenkyusho Inc.

We have earned the trust of the enterprise market and are driving "sustainable AI adoption" as a new growth driver for the Geniee Group, contributing to further revenue expansion and improved productivity for Japanese companies.

https://geniee.co.jp/news/20260525/

Marketing SaaS Business | Revenue Trend and Highlights

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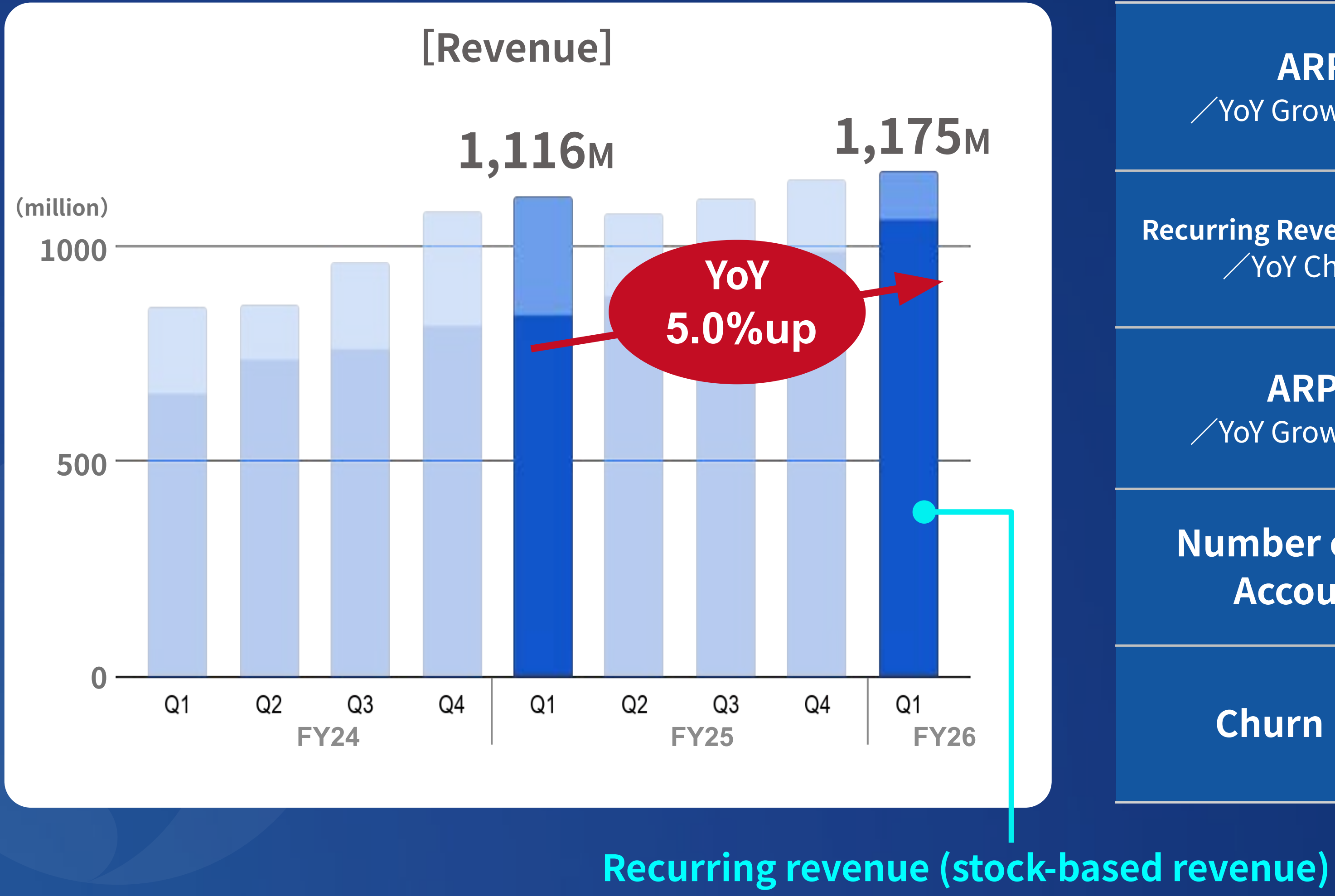
ARR grew 21.4% YoY, with recurring revenue ratio increasing to 85.3% (+5.1 points YoY)



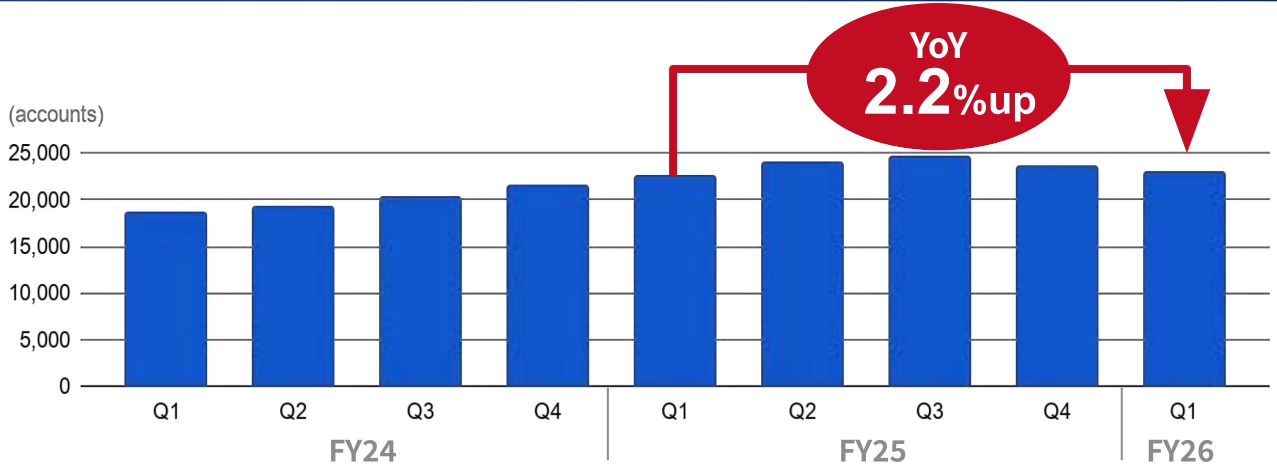
ARR ／YoY Growth Rate	4,287 million yen ／ 21.4%
Recurring Revenue Ratio*1 ／YoY Change	85.3% ／ +5.1 point
ARPA ／YoY Growth Rate	15,439 yen ／ 18.8%
Number of Paid Accounts	23,142
Churn Rate	2.70%

*1 Calculated based on 12 months prior to period end.

Marketing SaaS Business | KPI

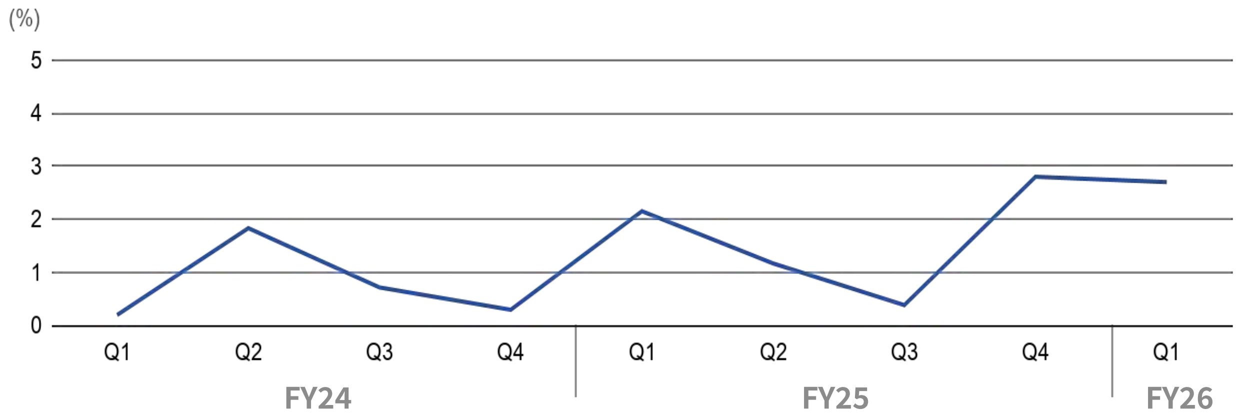
- Paid account numbers increased YoY +2.2% due to growth in SFA/CRM accounts.
- Churn rate increased due to changes in customer business environment and expectation gaps during onboarding. We implemented measures such as standardized onboarding and health score management to strengthen early detection and mitigation of churn risk.

Number of paid accounts



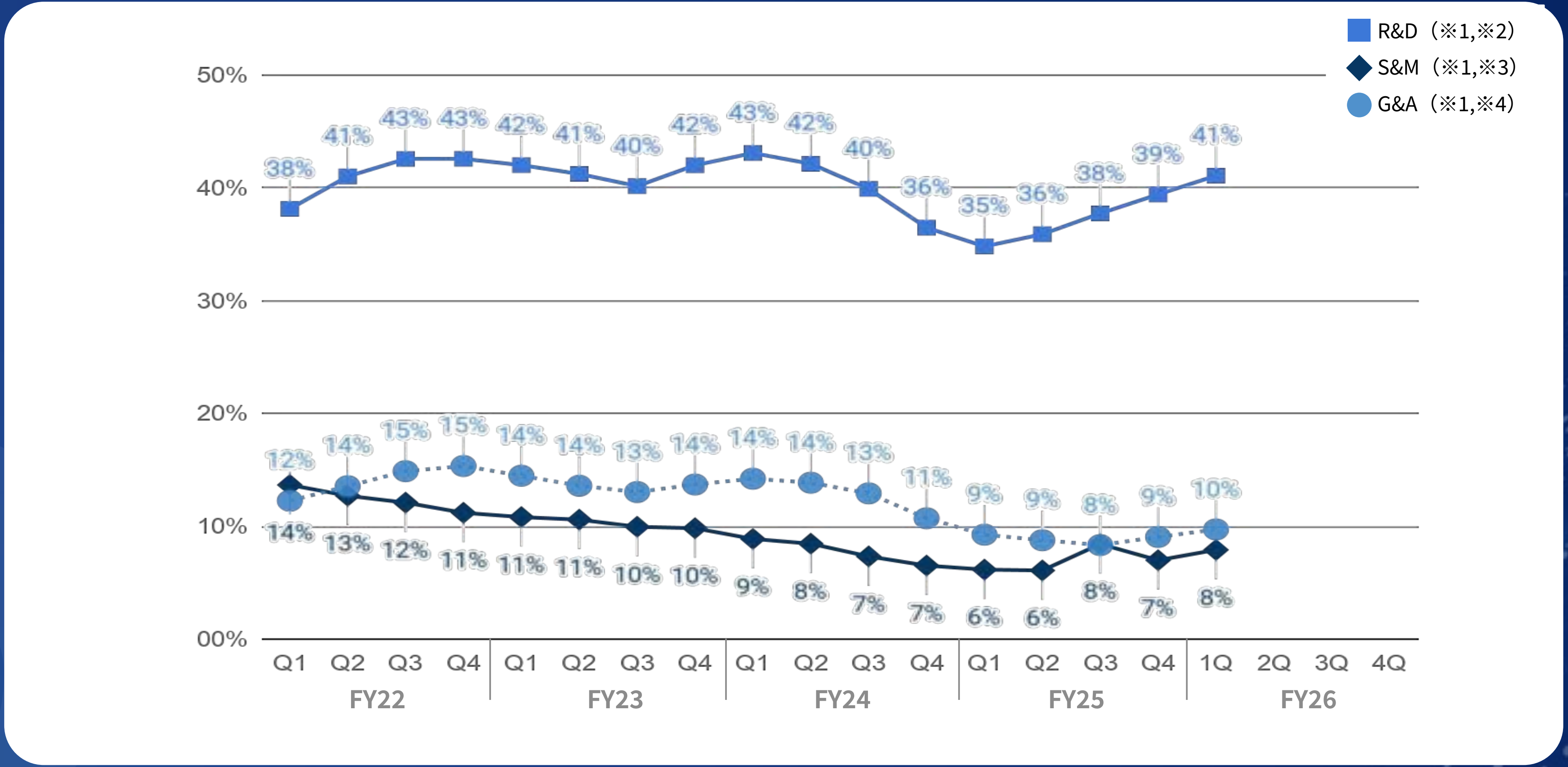
Churn rate ＊

＊Average 3-month churn rate for accounts



Marketing SaaS Business | Ratio of SG&A Expenses to Revenue

R&D, G&A, and S&M expense ratios increased due to organizational strengthening

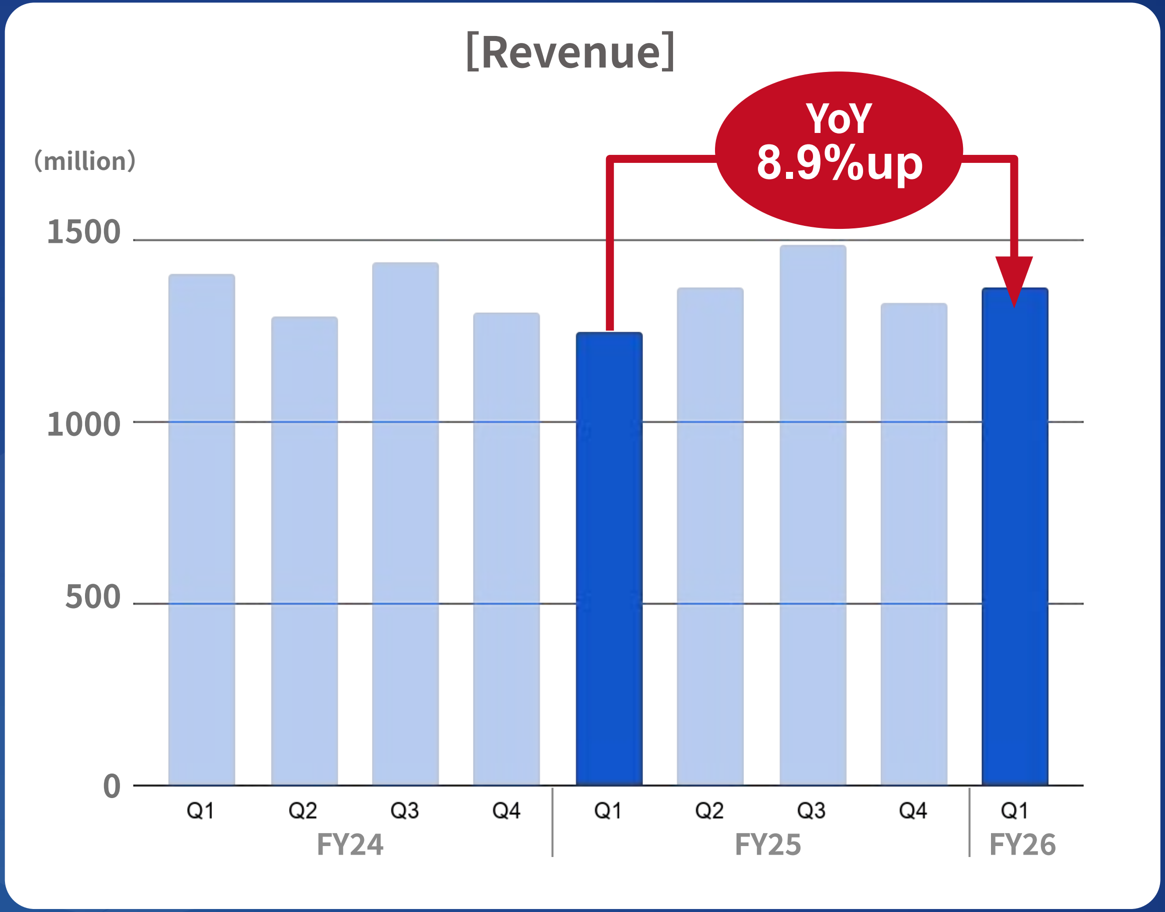


*1 Calculated based on figures from the past 12 months from the end of the quarter.
*2 R&D: Total personnel costs for engineers involved in research and development and related expenses.
*3 S&M: Total advertising expenses, sales personnel costs, and related expenses for sales promotion.
*4 G&A: Total personnel costs, related expenses, and common expenses for corporate departments that should be borne by the Marketing SaaS business.

Advertising Platform Business | Revenue Trend

GENIEE

- The number of clients increased 7.3% due to new media additions and resumption of distribution by existing/dormant media.
- Revenue per client increased 1.7% YoY, driven by higher revenue from SSP in Japan and large projects in the overseas business.



Number of Clients ／YoY Growth Rate	279companies ／ 7.3%
Average revenue per Client ／YoY Growth Rate	1,638thousand yen ／1.7%

※The number of clients represents customers (advertisers and media partners) whose revenue exceeds a certain threshold.

※From FY2025, to accelerate decision-making and optimize group-wide operations, the domestic SSP business and overseas SSP business have been integrated and are disclosed as the "Advertising Platform Business."

※For enhanced comparability, FY2024 figures have been reclassified under the new segment. In order to present the scale of the business more clearly, figures are shown on a revenue basis. A regional breakdown is not presented, as the function-based organizational structure has become established.

Advertising Platform Business | KPIs

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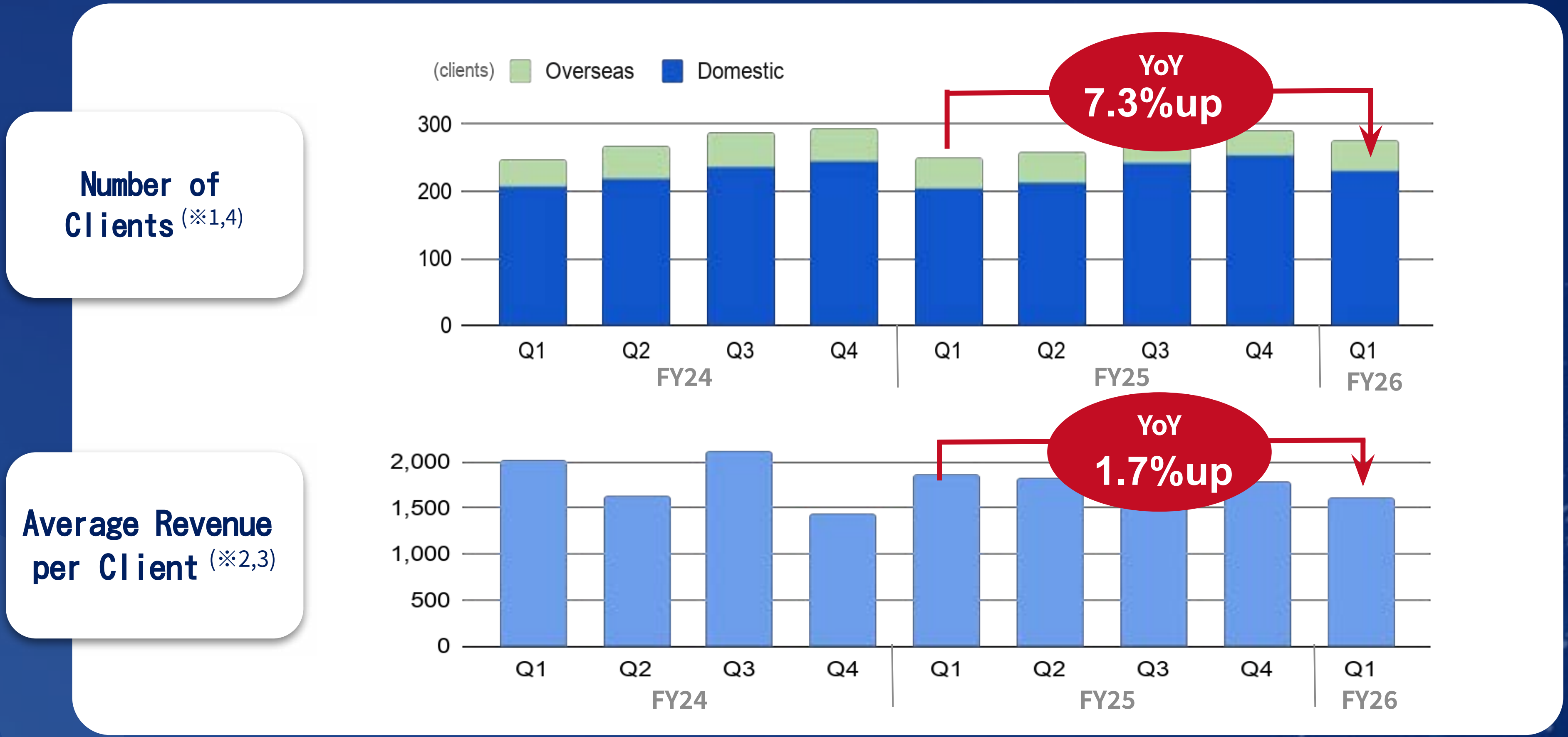


*1 The number of clients represents customers (advertisers and media partners) whose revenue exceeds a certain threshold.
*2 Revenue per client = revenue ÷ number of clients.
Revenue = advertising fees paid by advertisers − payments made by GENIEE to media partners.
Under this business model, advertisers pay media partners placement fees for ad distribution, while GENIEE earns an intermediary margin, which is recorded as revenue.
*3 KPIs have been recalculated following the segment integration.
*4 The KPI calculation method has been revised, and disclosure has been changed to a quarterly average basis.

What Geniee Is Aiming For

GENIEE

GENIEE

- One-stop platform
- Diverse product areas
- Utilization of the latest AI technology

Purpose

Creating a world where everyone can succeed in marketing

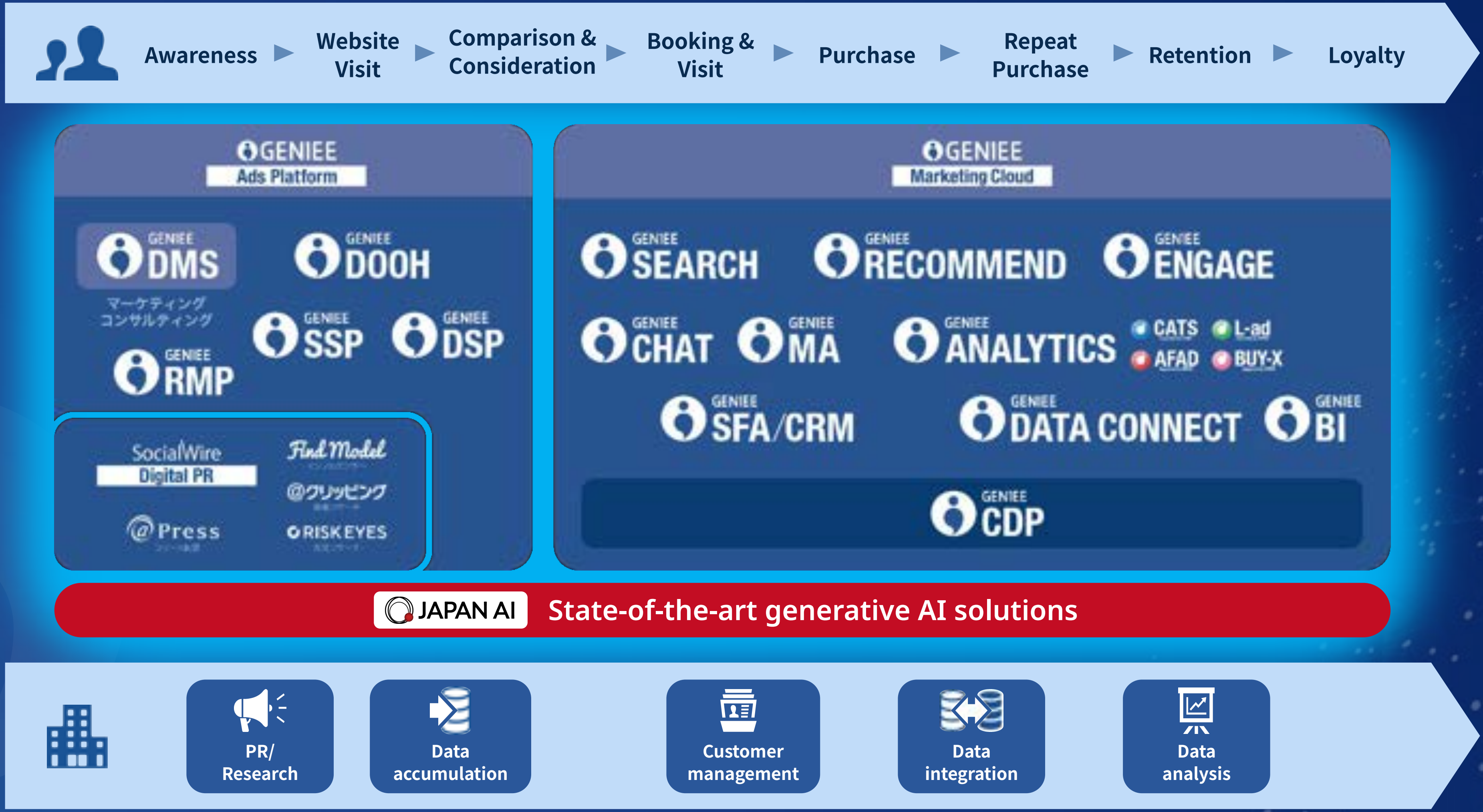
- High cost performance
- Automating and streamlining operations

State-of-the-art AI technology

Areas of Business

GENIEE

Providing highly **cost-effective marketing solutions**
State-of-the-art **generative AI** development improving the value of products to customers, moving forward to a world where everyone can succeed in marketing.



Business Areas of JAPAN AI

GENIEE

Focusing on enterprise AI/AX needs, we provide applications to improve business productivity and support everything end-to-end—from implementation planning to deployment, adoption, and sustained utilization—helping drive productivity gains and strengthen competitiveness.

JAPAN AI provides all services and products needed for Japanese companies to succeed in "AI Adoption/AX Promotion" under one roof

Enterprise AI platform and comprehensive support plans for your AX - AI transformation -

AI Agent Platform Business
- All necessary functions for in-house AI utilization on one platform -

■ AI Agents / Skills Used in Actual Business Operations

- HR — JAPAN AI HR
- Sales — JAPAN AI SALES
- Marketing — JAPAN AI MARKETING
- CS — JAPAN AI CALL
- + 100 types of standard AI Agents
- + Your company's custom AI Agents / Skills

■ AI Agent / AI Application Development & Operations Platform

JAPAN AI STUDIO　JAPAN AI AGENT

■ Underlying Fundamental Research & Proprietary Technologies

- Capture and securely store meeting minutes, then integrate and leverage the accumulated data. — JAPAN AI SPEECH, JAPAN AI RAG
- Governance and operational capabilities trusted by enterprise companies. — Access Control / Monitoring / Alert Functions / Logs & History
- Integrate internal tools with AI Agents to streamline daily tasks.
- Equipped with the latest LLMs and AI models, enabling the use of the most suitable model for each application. — ChatGPT, Gemini, Claude, Nano Banana, Grok, Perplexity, Seedance…etc

Consulting / SI Business
- Supporting company-wide AI adoption -

■ AX Consulting

Driving business transformation through AI
Leveraging DX/AI implementation experience with 2,200+ companies
to lead and promote your "AX"

■ Custom AI Development

AI-ready data preparation and
development of custom AI solutions for your company

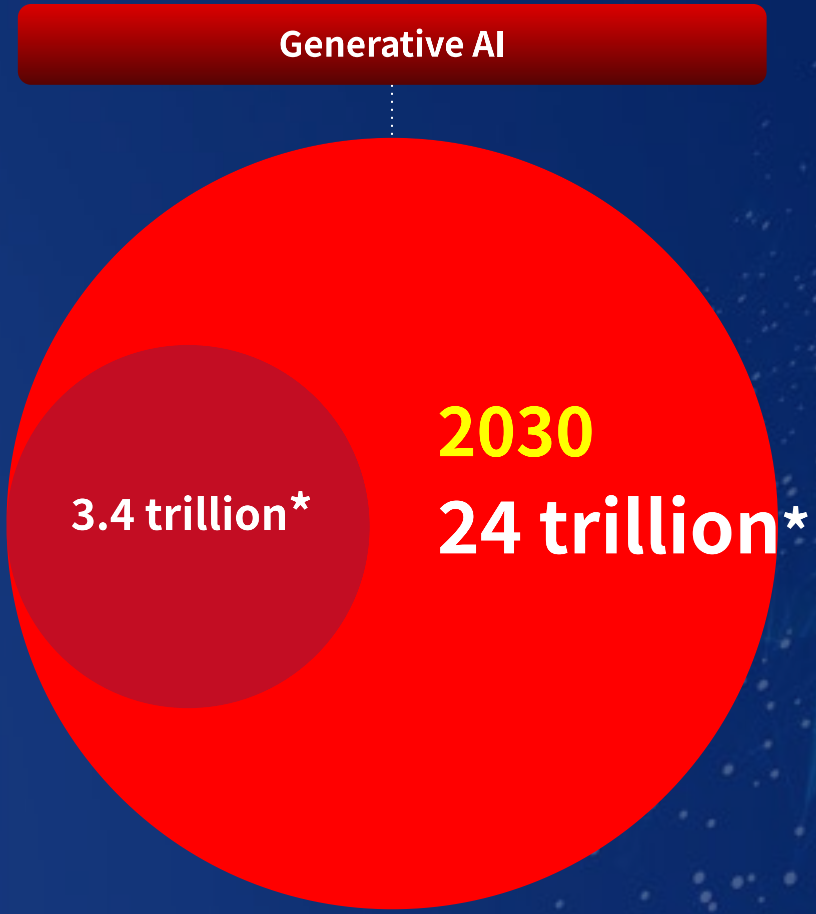
■ Comprehensive Support System

Supporting AI adoption acceleration within your organization
Regular meetings / Executive AI training / On-site presence at your company
Thorough implementation and adoption support backed by specialized teams × industry/function-specific teams

Market Size

FY2026 (17th term) targeted market size is JPY 1.0031 trillion in total across the company, indicating significant growth potential. By FY2028 (19th term), we aim to capture JPY 25.4 billion of the market. In JAPAN AI's target—Japan's generative AI market—rapid growth is underway, with expectations to reach JPY 24 trillion over the long term.

*From FY2025, our overseas business has been integrated into the Advertising Platform business.



*Source: Our calculations based on reports from the Cabinet Office (long-term economic statistics / national accounts), IDC Japan (IT infrastructure costs), and research reports by Fuji Chimera Research Institute, among others.

FY2026 | Planning Assumptions

GENIEE

Based on geopolitical risks including US inflation trends, monetary policy, and developments in the Middle East, we assume a moderate level of yen depreciation will persist.
Total internet advertising media spend is estimated to grow by more than 8.3% in 2026.*
Source: “2025 Japan Advertising Expenditure—Internet Advertising Media Detailed Analysis”

External environment and planning assumptions

- We expect the current yen-depreciation level to persist due to sustained high US interest rates.
- Japan’s domestic internet advertising market should remain on an expansion trend driven by continued digital shift, with particularly strong growth in the video segment due to changes in viewing behavior and diversification of ad placements.
- We assume the impact of the Middle East situation on performance will be limited, and do not expect any material effects on the plan.

Policies of each business segment

- Advertising Platform: Returning to a growth trend driven by prior structural reforms, supported by cross-sell domestically and internationally and expansion of enterprise media. Overseas growth rates improve.
- SaaS: Focused on cross-selling SaaS products and JAPAN AI, we will drive expansion into enterprise customers. We will transform the SaaS business model to further strengthen the sustainability of high growth and the health of the business, with the goal of turning profitable.
- Digital PR: Roll up the influencer PR business and strengthen cross-sell with the news release business. Enhance profitability through HQ relocation and AI-driven development.

Full-Year Forecast | FY2026 Full-Year Financial Forecast

GENIEE

・FY2026 forecast: Revenue of JPY 16.4 billion (+23%), Operating Profit of JPY 2.5 billion (+63%), Profit Before Tax of JPY 2.3 billion (+73%), and Net Profit Attributable to Owners of Parent of JPY 1.5 billion (+73%). **Sustaining high growth while prioritizing profitability and strengthening cash flow.**
（Reference）Combined GENIEE + JAPAN AI figures are expected to show approximately 50%+ growth in revenue and gross profit.

（million yen）

	FY2025 Full-Year Actual (a)	FY2026 Full-Year Plan(b)	Change (b – a)	
			Amount	%
Revenue	**13,376**	**16,400**	**3,024**	**22.6**
Gross Profit	**9,776**	**11,700**	**1,924**	**19.7**
Operating Profit	**1,535**	**2,500**	**965**	**62.9**
Adjusted Operating Profit*1	**1,514**	**2,400**	**886**	**58.5**
Profit Before Tax	**1,331**	**2,300**	**969**	**72.8**
Profit	**981**	**1,700**	**719**	**73.3**
Profit Attributable to Owners of Parent	**866**	**1,500**	**634**	**73.2**

*1 Refers to operating profit less non-recurring gains/losses.

Full-Year Plan | Segment Plan

GENIEE

• Revenue growth is driven by the Marketing SaaS business (+30%) and Digital PR business (+26%), which continue to achieve high growth, with the Ad Platform business also returning to growth.
• At the same time, each segment focuses on profit growth rather than mere revenue expansion — aiming to achieve sustainable, profitable growth through structural reform benefits in Ad Platform, profitability improvement in Marketing SaaS, and margin enhancement in Digital PR.

(hundred million yen)		FY25 Actual	FY26 Plan	Growth Rate	Business Strategy & Plan Overview
Ad Platform	Revenue	54.5	62.2	14%	**Structural Reform & PMI Progress Driving Return to Growth; Overseas Segment Achieving High Growth** ● Growth driven by domestic and international cross-selling and enterprise media development ● Significant profit improvement through operational efficiency gains from prior-year structural reforms
	Operating Profit	15.3	20.6	34%	
SaaS	Revenue	44.5	57.9	30%	**Transforming SaaS Business Model to Sustain High Growth and Improve Business Health; Targeting Full-Year Profitability** ● Driving enterprise customer acquisition centered on cross-selling of SaaS products and JAPAN AI ● Achieving profitability this fiscal year and entering the monetization phase
	Operating Profit	-3.6	0	Profitable	
PR	Revenue	35.1	44.1	26%	**Growth through Continued High Growth of Influencer PR Business and Profit Improvement Initiatives** ● Growth through roll-up of the Influencer PR business and strengthened cross-selling with the news release business ● Significant profit growth through initiatives such as headquarters relocation and AI-driven development efficiency improvements
	Operating Profit	2.2	5.0	124%	

FY2026 | Full-Year Performance Forecast

GENIEE

FY2026 forecast: Revenue JPY 16.4 billion (+23% YoY), Operating Profit JPY 2.5 billion (+63%), and Profit Before Tax JPY 2.3 billion (+73%).
(For reference) Combined GENIEE + JAPAN AI is expected to achieve ~50%+ growth in revenue and gross profit.

(million yen)

	FY2025 (Actuals)		FY2026 (Plan)
Revenue	13,377	+23%	16,400
Advertising Platform Business	5,455		6,224
Marketing SaaS Business	4,459		5,792
Digital PR Business	3,513		4,412
(Adjustment)	▲51		▲28
Gross profit	9,776		11,700
Segment Profit	1,536		2,500
Advertising Platform Business	2,468		2,929
Marketing SaaS Business	853		1,418
Digital PR Business	540		879
(Corporate/Elimination, etc.)	▲2,326		▲2,726
Operating profit	1,536	+63%	2,500
Advertising Platform Business	1,537		2,057
Marketing SaaS Business	▲364		8
Digital PR Business	222		497
(Adjustment)	141		▲62
Adjusted operating profit	1,514		2,400
Profit Before Tax (PBT)	1,332	+73%	2,300

Revenue

Revenue is expected to increase by 23%, sustaining high growth.

- Advertising Platform: Expected to return to a growth trajectory as structural reforms and PMI progress, with the overseas segment expected to deliver high growth.
- Marketing SaaS: Expected to grow 30%, driven by growth in SFA/CRM and CHAT.
- Digital PR: Expected to grow 26%, driven by growth in the influencer PR business and the full-year consolidation of iHack.*
  *iHack has been consolidated since 2Q FY2025.

Operating profit･FCF

Operating profit is expected to increase by 63%, prioritizing profit efficiency.

- Advertising Platform:Expected to grow 34%, driven by efficiency gains from prior-year structural reforms.
- Marketing SaaS: Transform the business model, achieve profitability in FY2026, and enter the monetization phase.
- Digital PR: Expected to grow 124%, driven by revenue growth, HQ relocation, and AI-driven development efficiency.
- Geniee (parent company): Strengthen investment discipline and cash flow.

Investing in Continuous Growth

GENIEE

In the current fiscal year and beyond, we place improving our ability to generate free cash flow as one of our key objectives and will strengthen financial discipline. We will secure operating cash flow, while keeping funding costs under control, to maintain a stable cash position. Regarding treasury shares acquired from SoftBank Corp., we will consider their utilization for capital and business partnerships or share exchanges, or cancellation of treasury shares funded by retained earnings, taking into account the outstanding balance of net assets.

Priority

Priority	Cash In	Cash Out
1	**Operating cash flows** Secure operating cash flow through strict management control.	**Business investments** Investments in organic growth for existing businesses, including hiring, research, marketing, and product functionality development.
2	**Interest-bearing debt** Raise funds for working capital and investment capital in accordance with our financial management discipline.	**M&A** Acquisitions of companies with high synergy potential, such as shared technology, know-how, and customer bases.
3	**Equity financing** Evaluate options comprehensively based on share price levels, market conditions, and our financial strength. Regarding treasury shares we hold, we plan to use them for capital/business alliances, share exchanges, or cancel them through retirement funded by profits.	**Share buybacks** Execute share buybacks flexibly, considering future investment capacity, share price levels, market conditions, and outlook for the financial position.

QA on Advertising Platform Business

GENIEE

How are you addressing cookie regulations?	Although Google's Chrome announced plans to phase out all third-party cookies, it later reversed this policy amid opposition from the UK Competition and Markets Authority (CMA) and the advertising industry. However, as cookie deprecation continues in Safari and future regulatory risk remains, we will continue developing and implementing cookie alternative technologies.
How do you view the impact of the Trump administration on business performance?	Since few of our clients are directly exposed to tariffs (e.g., trading houses, manufacturers), we believe the direct impact is limited at this time. That said, we recognize the possibility that companies concerned about an economic slowdown may curb advertising spend.
Will Google's antitrust issues impact your performance?	At present, the web advertising ecosystem is built around Google Ad Manager (GAM), so we do not expect a significant short-term impact. Depending on how the situation evolves, however, we may have an opportunity to gain share as an alternative to GAM given that we offer an SSP with ad server functionality. Conversely, if bidding into GAM from Google demand sources (e.g., Google Ads, DV360) declines, there is a risk that CPMs via Google could fall.
Why did you consolidate the segments?	Following the global management integration on the supply side from FY24-2Q onward, we integrated the Ad Platform business and the Overseas business into a single "Ad Platform" segment. After the integration, cross-selling between domestic and international operations has accelerated, and the business is now managed as one unified organization. Overseas KPIs are also aggregated with the domestic Ad Platform business (number of clients and revenue per client) and presented on a global basis.
For Geniee US (formerly Zelto), how do you assess goodwill impairment risk due to the CGU change?	Following the global supply-side management integration in October 2024, the decision-making authority for product development/sales, product ownership, organizational structure, entity names, and brand attribution changed. As a result, from FY25 the goodwill impairment test for the acquired Geniee US (formerly Zelto) will shift from being assessed on a "standalone Geniee US" basis to being assessed based on the future operating cash flows of the "global supply-side business as a whole." Because recoverability will be evaluated considering the supply-side future cash flows of the entire Geniee group, we believe the probability of impairment has decreased.

QA on the Marketing SaaS Business

GENIEE

What are the factors behind the growth of the Marketing SaaS business?	Performance was driven by an increase in the number of accounts, resulting from our expansion into the enterprise segment with a focus on SFA/CRM, as well as maintaining a low churn rate supported by high customer satisfaction from our Customer Success team. Additionally, in the chat domain, we continue to drive growth by partnering with major agencies and successfully implementing our product for large-scale clients, owing to its superior performance compared to competitor products.
What is the current status regarding the profitability of the Marketing SaaS business?	Although our initial goal was to achieve profitability for the Marketing SaaS business in FY2025, we did not reach this target. For FY2026, we are strengthening our development structure to support future growth, and the business is projected to turn a profit.
You mentioned that the ratio of enterprise clients is increasing; approximately what percentage of total MRR do they represent? Also, which products are they primarily adopting?	Defining enterprise clients as those with an ARR of ¥10 million or more, this segment accounts for approximately 50% of our total MRR. In terms of product breakdown, the vast majority of these clients are utilizing our SFA/CRM, CHAT, and SEARCH products.
With the expansion of enterprise projects in the SFA/CRM domain, what are your competitive advantages and key differentiators compared to other companies?	Enterprise-level clients often have pre-existing internal systems, and implementing new services usually requires a certain degree of custom development. At this stage, products that lack development capabilities or cannot accommodate customization are screened out. In contrast, our advantage lies in our strong development capabilities to implement client requirements into our products, combined with a one-stop system that seamlessly handles everything from requirements definition to ongoing maintenance. Furthermore, as is common across all of our products, we emphasize cost-performance. Our ability to propose solutions at one-half to two-thirds of the price of major foreign competitors with identical functionality serves as another key competitive advantage.
Churn rates sometimes spike unexpectedly. What is the reason for this?	As a premise, our churn rate is calculated based on the number of accounts. Consequently, for clients with a large number of accounts, a single cancellation has a relatively larger impact on the overall churn rate. The cancellations that have occurred to date were primarily due to individual client circumstances. Excluding these special factors, the churn rate has generally remained below 0.5%.

QA on JAPAN AI

GENIEE

Is JAPAN AI aiming for an IPO?	We have raised funding from external VCs and are aiming to go public. We will announce the timing once it becomes clearer. We also plan to exercise the currently held potential shares (over 50%) at the time of listing and reclassify JAPAN AI as a consolidated subsidiary.
Why not consolidate JAPAN AI immediately?	The generative AI space is evolving rapidly, with frequent short-cycle updates and intense competition. To scale quickly, we need to raise capital early and invest aggressively in hiring (engineering and business), marketing spend, and M&A. As a result, while the business is performing strongly (e.g., revenue up more than 5x YoY), we expect operating losses in the near term. To manage the impact on group earnings and to prioritize JAPAN AI's growth, we currently keep it outside consolidation.
What synergies do you expect between JAPAN AI and GENIEE?	We expect strong synergies in product enhancement, especially in AI × SaaS. For example, we can automate workflows from AI SPEECH to SFA—linking meeting minutes and setting next actions. We are also driving internal AX with JAPAN AI AGENT to reduce employee workload, and creating cross-sell opportunities for GENIEE's SaaS products from JAPAN AI's growing enterprise customer base.
What are JAPAN AI's strengths?	First, strong technology—high RAG accuracy that improves the quality of AI outputs and responses. Second, strong hands-on implementation support—helping customers adopt generative AI effectively in day-to-day operations. Third, a product suite with clear practical value; since launching AI agents in particular, product fit has improved and adoption by enterprise customers has increased significantly.
Do you plan to raise more external funding for JAPAN AI?	Yes, we plan to do so during 2026. In the last round (July 2025; valuation JPY 8.65 billion), it was still early in the fiscal year and full-year execution confidence was not yet clear. Since performance has been tracking above plan, we expect the valuation to be higher than the previous round.
What is the hiring status at JAPAN AI?	We hired about 40 people in 1H FY2025, including 10 high-caliber engineers. Candidates value the opportunity to work on practical, production-grade AI product development—not just research. We are also actively pursuing M&A to secure engineering talent, including companies with patented AI image-processing technologies.

QA on SoftBank's Share Buyback

Why do you need to issue preferred shares?	Repurchasing treasury shares (JPY 4.95 billion) would reduce net assets, so we need to replenish equity to maintain net assets. Issuing common shares would likely cause a significant decline in the share price, so we plan to issue equity-like preferred shares instead of common stock.
What happens if performance deteriorates and the share price falls further?	Mizuho's conversion price is set at JPY 933; converting below that would be loss-making, so they are expected to continue receiving preferred dividends. If earnings weaken, retained earnings will accumulate more slowly, so we will maximize internal reserves—including dividends from subsidiaries—to build the funds needed for repurchase from year two onward and execute the buyback.
Under what circumstances would conversion into common shares occur?	In principle, the financial institution is not expected to exercise conversion rights, and the main scenario is a repurchase after two years. If we deviate from that scenario, conversion could occur from year three onward if the share price exceeds JPY 933 (allowing capital gains) and we are unable to repurchase for some reason.
How will your relationship with SoftBank evolve?	This share repurchase will terminate the capital alliance, but the business partnership will continue. Transactions with SoftBank Group's LY Corporation (LINE Yahoo) in the ad platform business are expected to continue.
How will you use the shares repurchased from SoftBank?	We plan to use the repurchased treasury shares for: ①Transfer to strategic/business partners ②M&A via share exchanges and similar transactions ③Cancellation using profits
What kind of partners do you envision for transfers to business partners?	Primarily partners with strong business synergies, but we will broadly consider partners that can contribute to increasing our market capitalization. In all cases, we assume partners with a long-term investment horizon.

QA on M&A

GENIEE

Will you continue to pursue M&A actively going forward?	We aim for sustainable high growth and, in addition to organic growth, will proactively pursue M&A that is necessary to achieve our purpose. We may also execute deals opportunistically where no major changes to internal controls or the management framework are required.
Regarding the acquisition of Social Wire: you acquired a 49% stake—why can it be treated as a subsidiary, and how are sales/profits recognized?	We prepare consolidated financial statements under IFRS. Under IFRS, subsidiary status is determined based on whether we have de facto control rather than ownership percentage alone. In this case, the transaction is premised on obtaining consent from a majority of directors, enabling us to control key management decisions; therefore, we treat it as a consolidated subsidiary. Revenue and profit are consolidated on a 100% basis through profit for the period, while profit attributable to owners of the parent reflects only our 49% interest.
Why did you merge Hypersonic and BST (Business Search Technology) into the parent?	While we have already been driving synergies through product integration, cross-selling using each company's customer base, and joint product planning/development, we decided to merge them to concentrate management resources, improve operational efficiency, and accelerate decision-making.

Other QA

GENIEE

What does "stepping up IR activities" mean in practice?	①We will refine our earnings presentation materials by incorporating investor feedback, further quantifying KPIs and clarifying how they link to our strategy, and more explicitly highlighting our competitive advantages. ②We will proactively share information via media exposure and platforms such as note to help investors better understand our businesses.
How will your business portfolio evolve?	Following the acquisition of Social Wire, we established a new Digital PR business, while the overseas business was integrated into the Ad Platform business. As a result, the Ad Platform business remains the largest by revenue, but we expect the fast-growing Marketing SaaS business to expand and, over time, reach a revenue scale comparable to the Ad Platform business.
Why did JAPAN AI become an equity-method affiliate, and how will it be positioned within the Geniee Group going forward?	JAPAN AI's purpose is to "create a sustainable future society with AI," tackling issues across a wide range of domains beyond marketing through generative AI. To accelerate problem-solving ahead of competitors, it needed to secure engineering and business talent and build its organization quickly, and therefore completed equity financings with external VCs (end-July 2024 and August 2025). As a result, it became an equity-method affiliate in July 2024. However, our CEO Kudo continues to serve as JAPAN AI's CEO, and on a fully diluted basis we still held over 50% as of August 2025; we will continue to position it as a core driver of the group's DX initiatives.
How do you view the business alliance with Piala?	Piala has long been our customer, and we see strong collaboration potential—particularly with CHAT and ANALYTICS, as well as our newly launched CDP and SFA/CRM offerings and integrations with JAPAN AI. We entered into the alliance because we believe closer business collaboration will benefit the performance of both companies.
What is the objective of entering capital and business alliances with multiple companies (e.g., FCE, Branding Technology)?	We enter into such alliances when providing our and/or JAPAN AI's products and services could enable higher value creation. Specifically, we aim to deepen collaboration through initiatives such as having partners use our group's products directly, or offering our products on an OEM basis for partners to deploy to their customers.

Reference Material

Company Profile

GENIEE

Name	GENIEE, Inc.
Business Description	Advertising Platform Business, Marketing SaaS Business, and Digital PR Business
Location	Sumitomo Fudosan Shinjuku Oak Tower 6F, 6-8-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Representative	President & CEO: Tomoaki Kudo
Officer	Director Takashi Sawada(Outside) Shoji Fujiwara(Outside) Haruka Koshimizu(Outside) Director, Audit & Supervisory Committee member Yuichi Inage (full-time, external) Yukio Todoroki Masachika Sawano(external)
Number of Employees	816 (consolidated, as of March 31, 2026)
Date of Establishment	April 14, 2010
Share Capital	100 million yen (as of March 31, 2026)
Fiscal Year End	March

At Waseda University Graduate School of Science and Engineering, Kudo was affiliated with a research lab focused on AI and search engines.

Joined Recruit Co. Ltd. (now Recruit Holdings Co., Ltd.) and engaged in new business development.

In April 2010, he founded Geniee, Inc. and became president and representative director.
In April 2023, he established JAPAN AI, Inc.

Purpose

GENIEE

Business Purpose

A world view realized by Geniee's products and services

Creating a world where everyone can succeed in marketing

Corporate Purpose

Long-term goals of the organization・Existential significance

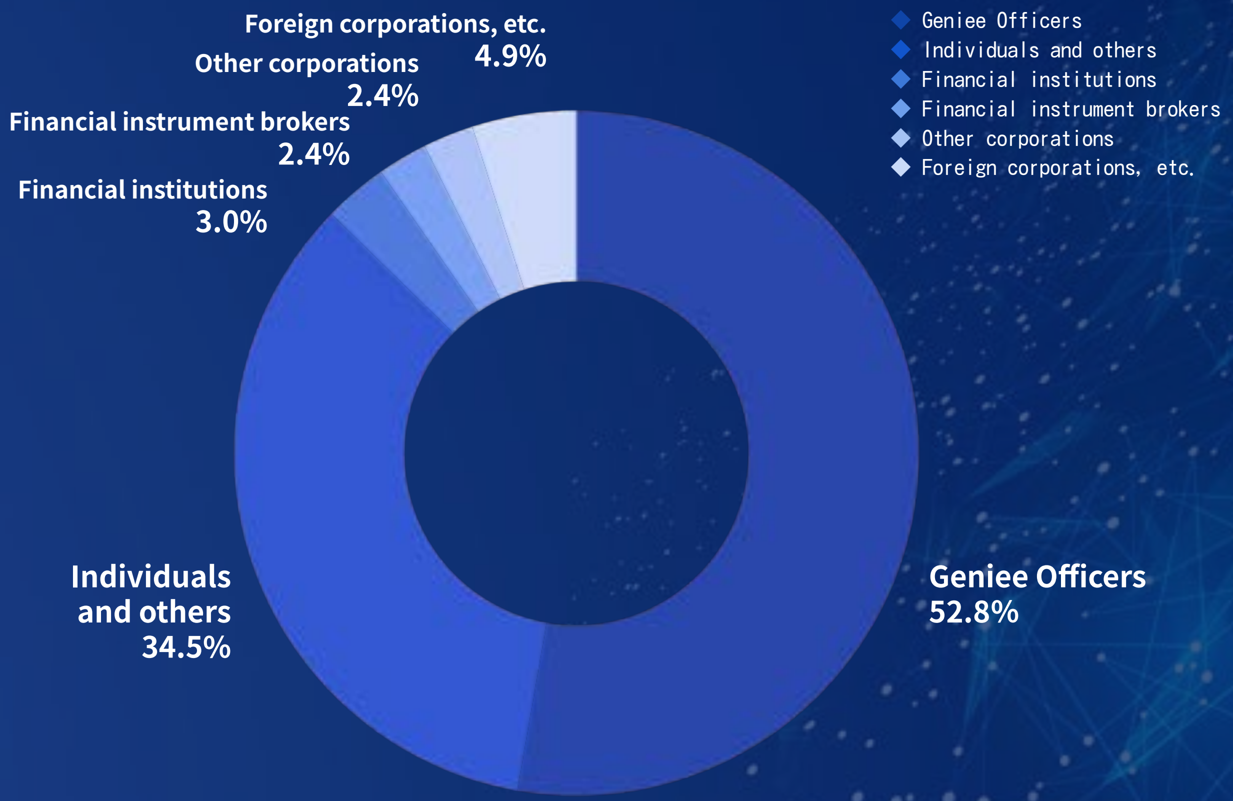
To become a global technology company from Japan, contributing to Japan and Asia

Status of Shareholders (as of the end of March 2026)

Status of Major Shareholders

Shareholder Name	Number of Shares Owned (shares)	Shareholding Ratio (%)
Tomoaki Kudo (President & CEO)	6,544,400	52.7
NICE SATISFY LIMITED	402,000	3.2
Daisuke Gomi	341,000	2.7
Takuya Yoshimura	326,800	2.6
Japan Custody Bank, Ltd. (Trust Account)	213,200	1.7
Yukio Tanaka	177,800	1.4
Jou Kumaki	135,000	1.1
Nomura Securities Co., Ltd.	133,728	1.1
Premium Capital Management	99,500	0.8
Yuji Nishimura	86,000	0.7

Shareholders



*1: Treasury shares are excluded from the above major shareholders.
*2: The top 10 shareholders are listed in descending order of the number of voting rights associated with owned shares. On July 31, 2024, 10,000,000 Class A preferred shares were issued to Mizuho Bank.

Big Picture of Digital Marketing

GENIEE

Multiple measures and products are utilized in each phase from the customer's "awareness" of the product to their "loyalty"

Examples of measures

- SEO
- Web advertising
- Flyer/DM
- UX improvement
- E-mail magazine
- Chat
- SMS notification
- Survey
- News delivery
- Churn prevention
- TV commercial
- Transit advertising
- Out-of-home advertising
- Web customer service
- Purchase promotion
- LINE registration
- Membership registration
- Coupon

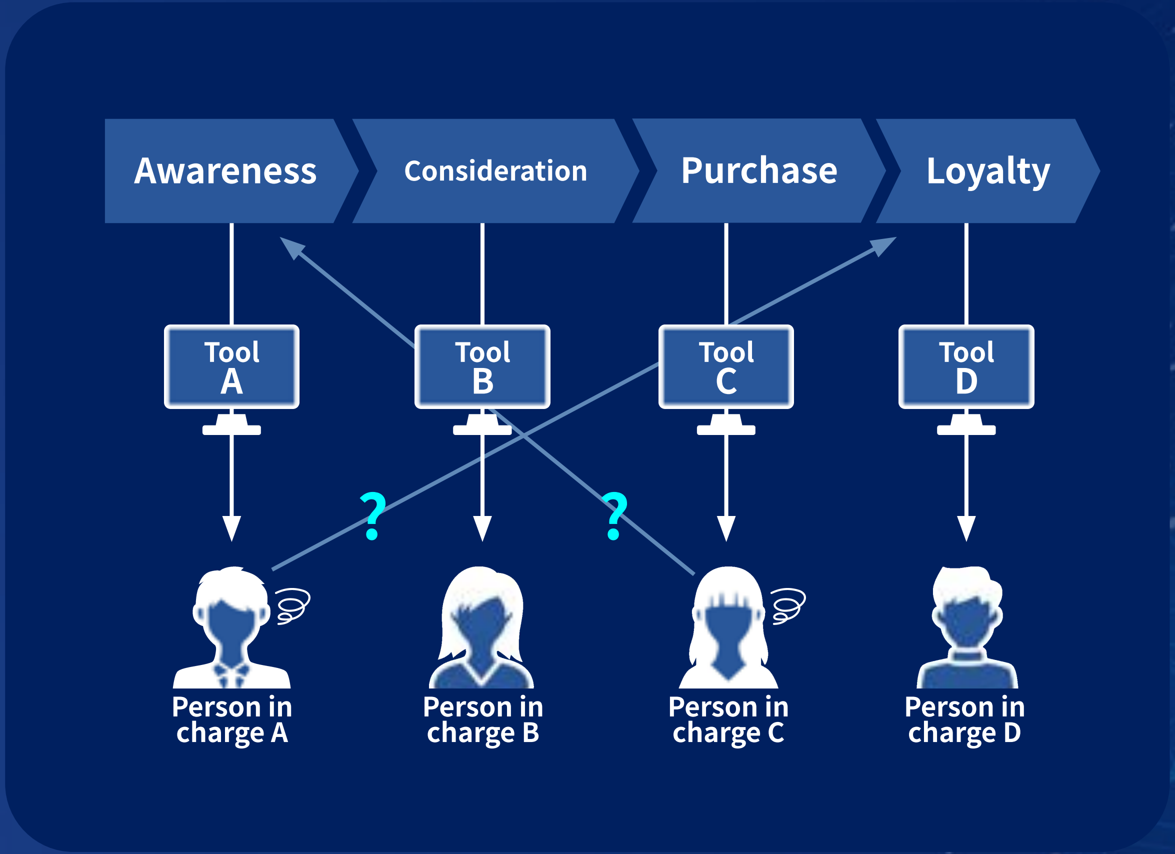
Marketing Challenges

GENIEE

**There is a need to use multiple different tools for each phase and the marketing industry is flooded with tools and operators
Corporate marketing activities are becoming more complicated and inefficient.**

Common challenges

Business efficiency	• Labor-intensive tasks for implementing breakouts arising (manual ad operation, data integration/analysis, etc.) • Inefficiency of using complex marketing tools
Costs	• Since multiple operators are used, commission expenses, communication costs, and development costs are incurred • High hurdles, such as knowledge acquisition and in-house training, to utilize individual products
Effects of measures	• Failure to integrate marketing tools and internal systems prevents maximization of effectiveness • Persons in charge of measures differ for each phase, making measures only partially optimal (example: issues in the “awareness” area being overlooked by the person in charge of marketing measures in the “purchase” phase prevents the issues from being solved fundamentally)

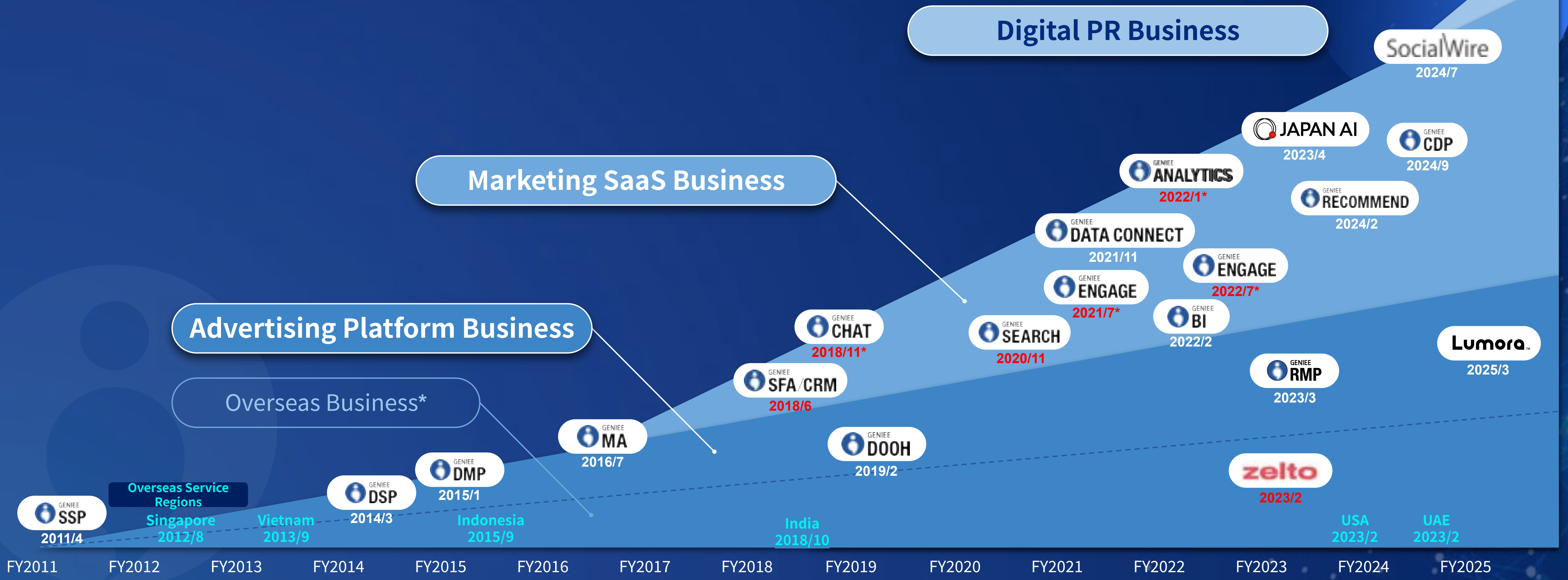


Business Trends

GENIEE

Started advertising platform business in 2010. Grew to top-tier scale in Japan by 2016.
Began offering marketing SaaS products from 2016, expanding business while conducting M&As.
Overseas business expansion started in 2012, with foreign revenue significantly increasing after acquiring Geniee US (formerly Zelto) in 2023.
In 2024, made SocialWire a subsidiary through third-party allotment, establishing a new Digital PR segment.

Gross profit(FY2025):
9.8 billion yen

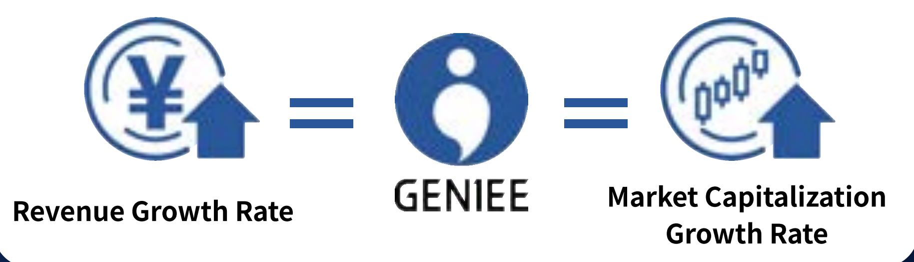


*Red text indicates acquisitions through M&A. Currently, former Chamo, former Engagebot, and former HyperSonic have been integrated into the GENIEE CHAT brand. Additionally, CATS Corporation's products have been integrated into the GENIEE ANALYTICS brand. As of FY25, overseas business has been integrated into the Advertising Platform.

Our shares have been selected as a constituent of the '**JPX Startup 100**,' a stock price index calculated by JPX Market Innovation & Research, Inc. that focuses on the growth potential of emerging companies.

[JPX Startup 100]

A stock price index composed of 100 high-growth startups representing Japan.



[Selection Method]

Targets stocks listed on the TSE Growth Market and those within a certain period after transferring from it, screens for companies that meet either (1) year-on-year revenue growth of at least 20% or (2) market-cap growth of at least 2x versus six months or one year earlier, then selects the top 100 by average listed market capitalization in the selection month.

Management Structure

Following JAPAN AI's success, our recruiting capabilities have improved for both mid-career and new graduates. As more high-level, specialized talent joins, and they integrate with homegrown members who have deep expertise in our businesses, we are steadily building an executive framework with advanced capabilities.

Geniee Group CEO
Tomoaki Kudo

Business Promotion

Mineyuki Yata
Managing Executive Officer and Representative Director/President, Social Wire Inc.

Shoshiro Inoue
Managing Executive Officer

Masaya Matsuda
Supply Side Business Division, Product Management Department, Deputy General Manager

Naobumi Otaki
Supply Side Business Division, Global Business Supervisory Headquarters, Deputy General Manager

Yasuyuki Usui
JAPAN AI Customer Success, Customer Support Department, General Manager

Keiichiro Kitahara
Demand Side Business Division, COO

Yasuo Oyama
Demand Side Business Division, Demand Side Business, Sales Director

Kaido Iida
Executive Officer and CMO, JAPAN AI Corporation

Development

Yuyang Lan
Executive Officer and CTO, JAPAN AI Corporation

Toshiyuki Nakamura
Executive Officer and Director/CTO, Social Wire Inc.

Corporate

Naoki Sato
General Manager, Administration Department

Kotaro Maeda
Deputy General Manager, Investment Strategy Department

TOPICS Initiatives Toward Advancing Management Excellence

GENIEE

Considering that various issues emerged in FY2025, we updated our management and governance structures, and—with guidance from external experts—worked to build a highly sustainable and replicable growth foundation.

Enhancement of Software Development & Project Management

- Strengthen visibility into development quality, including inspection/acceptance management and post-verification.
- Enhance visibility into project profitability and strengthen management.

Strengthening performance management

- Build plans with high likelihood of execution
- Reconstruct the KPI/goal management framework

Enhanced Management Capabilities

Strengthening Risk Management

- Improve the effectiveness of risk management.
- Review the governance and monitoring methods, as well as the response processes.

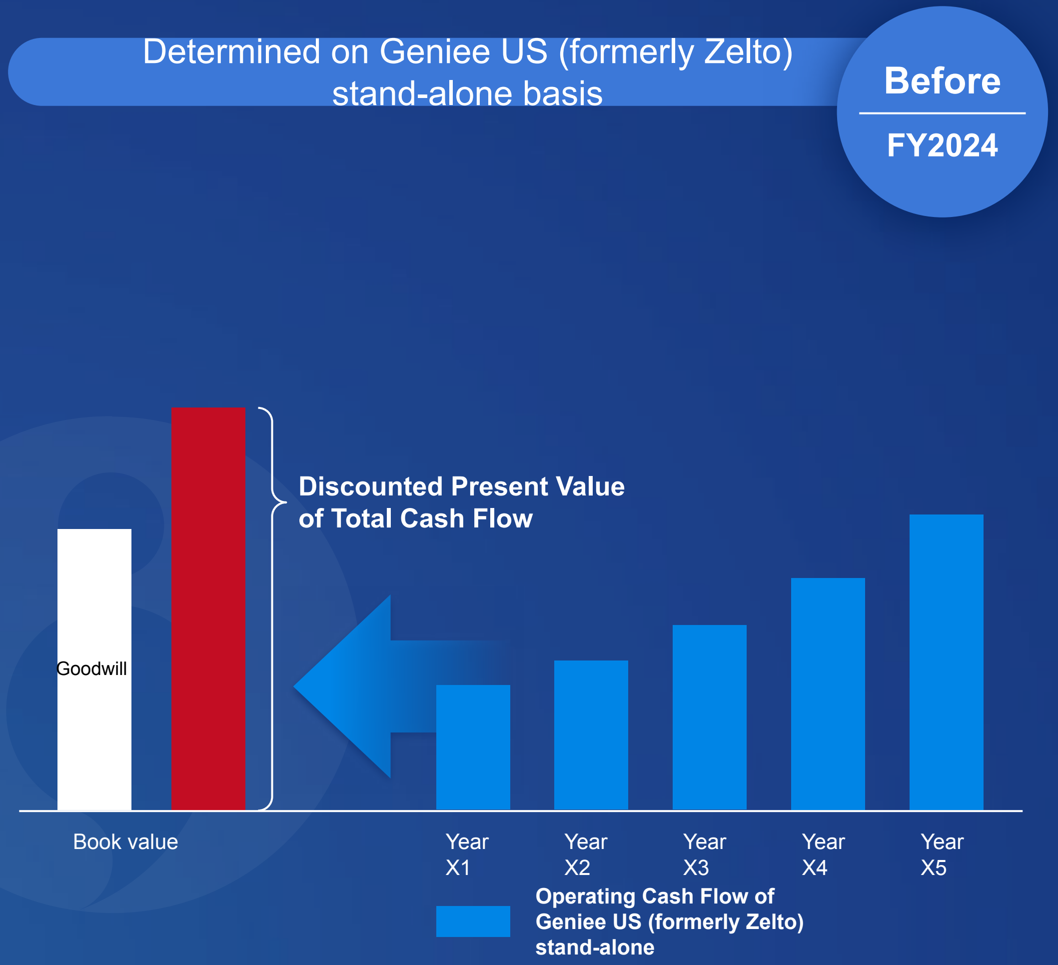
Strengthen the talent base that will support the AI era

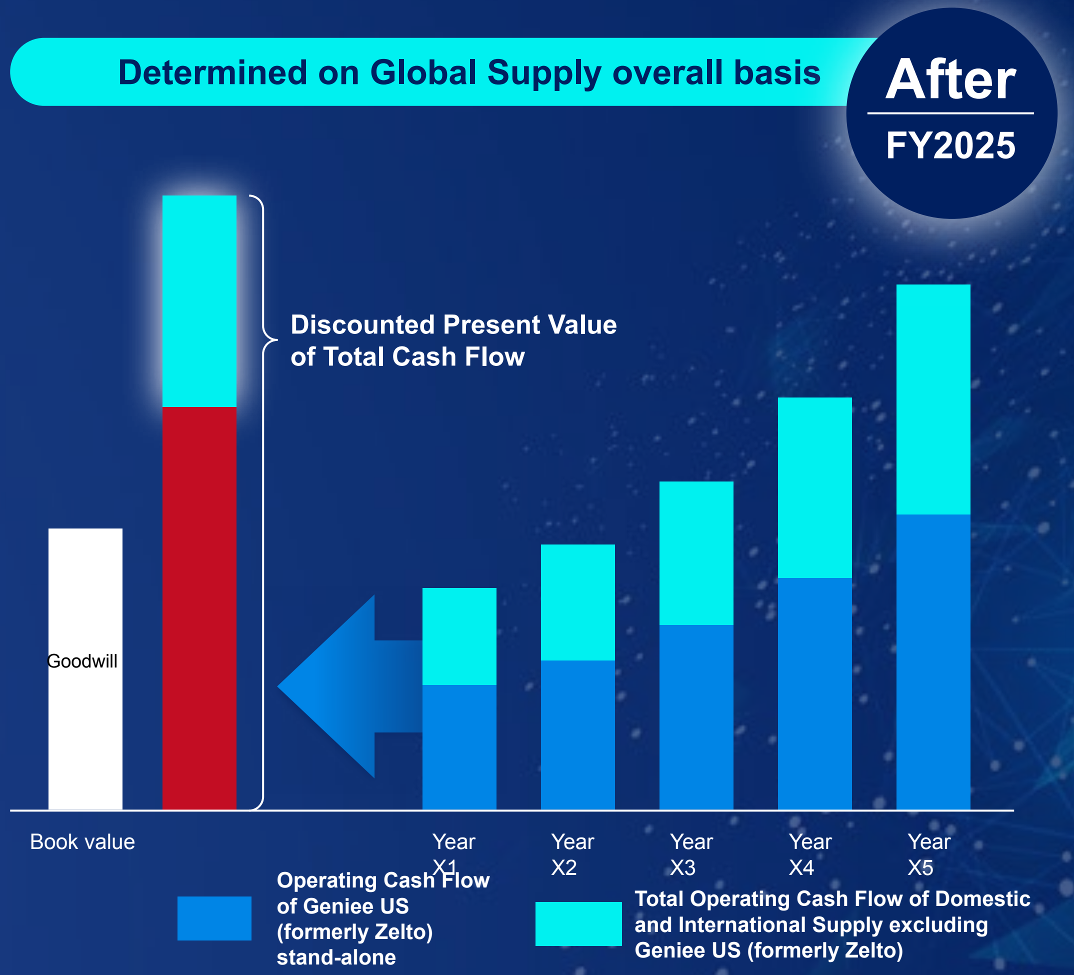
- Strengthen the management structure
- Refresh the development process with AI utilization in mind
- Update employees' behavioral standards and reflect them in HR systems, aligned with the behaviors required in the AI era

TOPICS Regarding Geniee US (formerly Zelto)'s Impairment Test Unit from FY25

GENIEE

Goodwill and fixed assets are grouped into cash-generating units (CGUs) that produce independent cash flows, with recoverability determined by comparing goodwill to discounted future operating cash flows. Following global supply-side integration, decision-making, organizational structure, and brand attribution changed, shifting Geniee US (formerly Zelto)'s CGU from "standalone" to "global supply as a whole," significantly reducing impairment risk for Geniee US (formerly Zelto) acquisition goodwill.



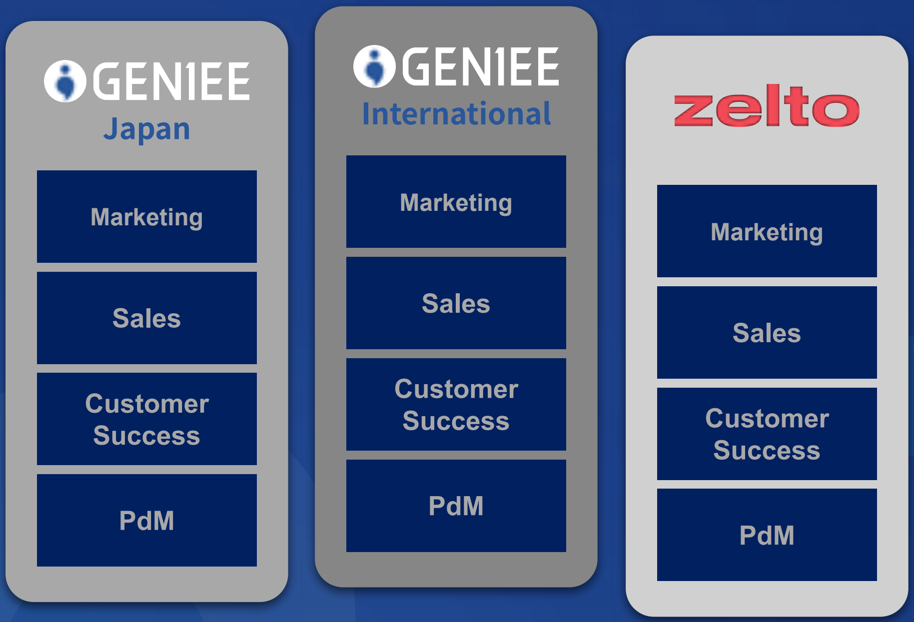


Progress on PMI at Geniee US (formerly Zelto),Inc.

GENIEE

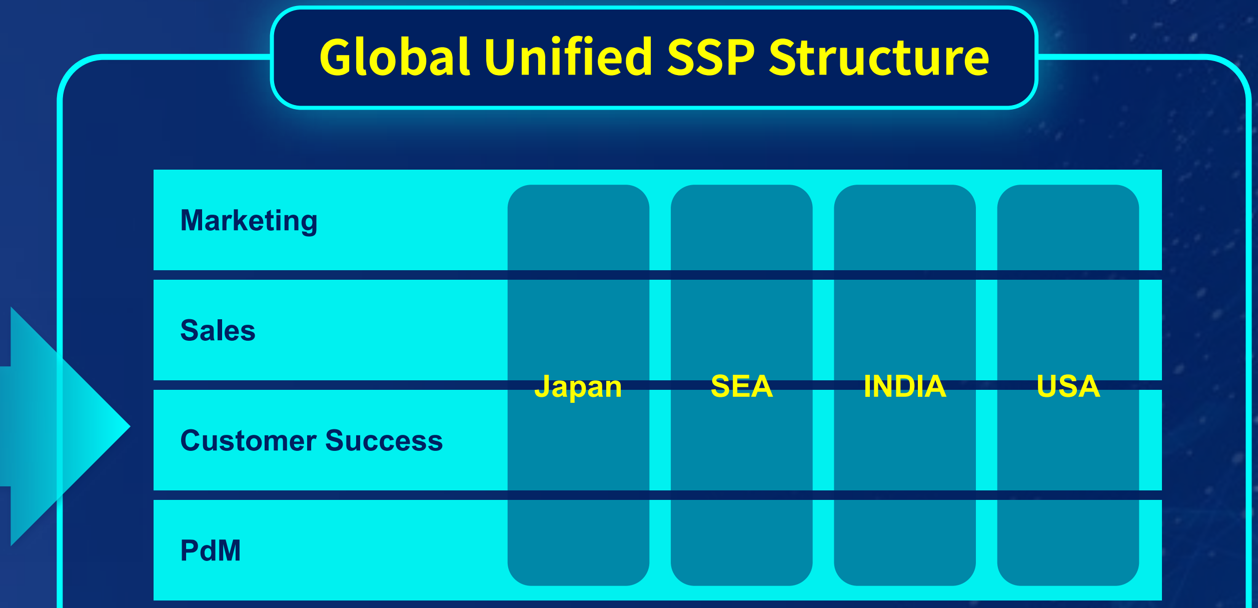
Starting from September 2024, the domestic SSP business and the overseas SSP business (including Geniee US (formerly Zelto)) will integrate their organizational structure and operations. The business workflows of each function-based organization will be standardized at a global level to accelerate the progress of PMI. Additionally, product sales will be integrated, with the proactive launch of Geniee US (formerly Zelto)'s highly competitive products in the domestic market.

Before



- Organizations are structured by each corporation and location, leading to variations in business workflows and service quality.
- The complexity of decision-making at Geniee US (formerly Zelto) Inc. has become a factor causing delays in PMI.

After



- **The organization will be unified into a global structure, allowing the deployment of operational and product best practices worldwide.**
- **This enables swift and optimal decision-making as the Geniee Group, rather than by individual corporations or locations, thereby accelerating PMI.**

TOPICS Business Segment Changes

GENIEE

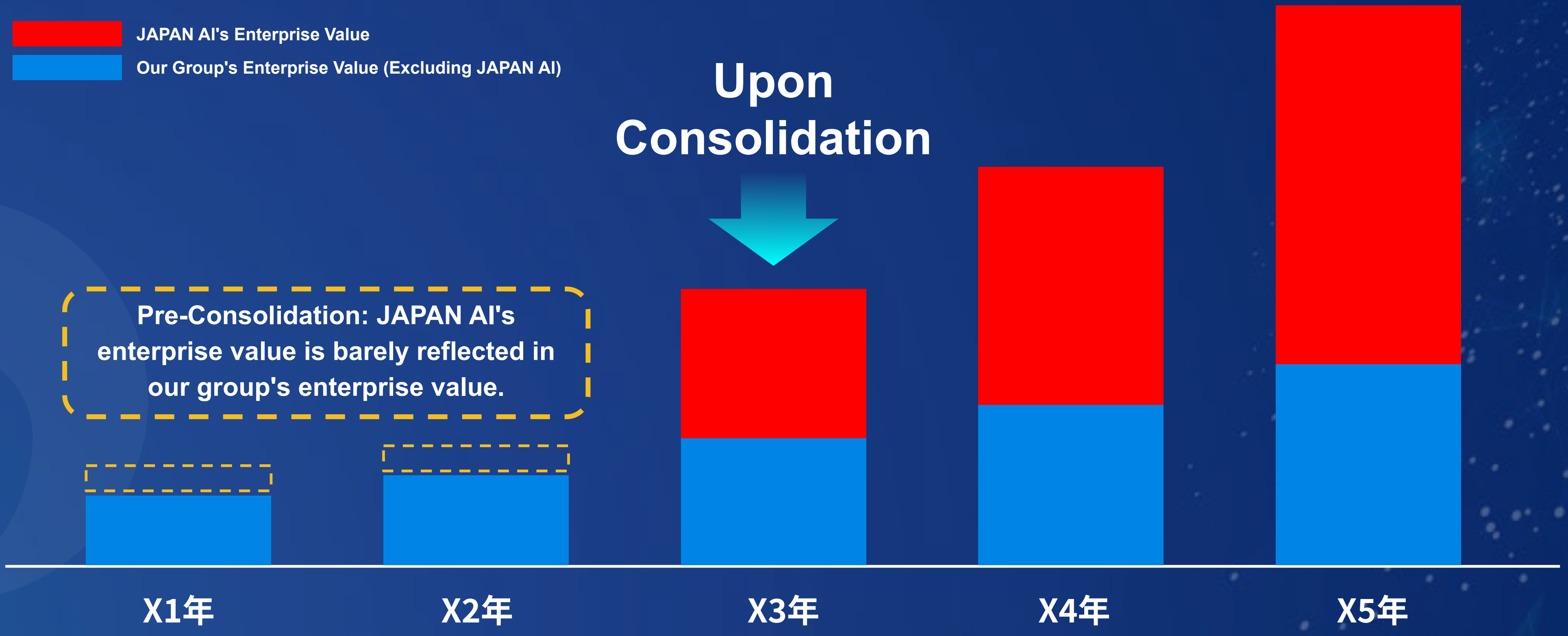
Following global supply-side integration from FY24-Q2, Advertising Platform and Overseas businesses merged into "Advertising Platform Business." Cross-selling between domestic and international operations has increased significantly since integration.

FY2024	FY2025
Advertising Platform Business Overseas Business	Advertising Platform Business
Marketing SaaS Business	Marketing SaaS Business
Digital PR Business	Digital PR Business

Impact of JAPAN AI on Our Company's Enterprise Value

As of end-September 2025, we hold 5.88% of JAPAN AI's equity. Under IFRS, we exercise significant influence over the company and apply the equity method. Therefore, our proportionate share of earnings is reflected in our consolidated results, with limited impact on our enterprise value prior to full consolidation.
However, as of end-September 2025, we hold over 50% of JAPAN AI's shares on a diluted basis and can exercise warrants under certain conditions. If we exercise warrants to increase our stake above 50% and consolidate the subsidiary, 100% of earnings would be included in consolidated results, increasing revenue, gross profit, operating income, and net income*. One-time gains/losses are expected upon consolidation.
Currently, we believe both companies maximize enterprise value by operating independently, so we account for JAPAN AI as an equity method investee.

*Non-controlling interests are deducted from net income attributable to parent company shareholders.



Organizational Restructuring and Operational Reform for Next Growth Phase

GENIEE

Oct 2025 Reorganization: Consolidate into AD & SaaS divisions under CEO Kudo; deploy functional heads to strengthen execution and efficiency.

Before
(Product-based Organization)

SaaS

SFA/CRM Division Head	CATS Division Head
Marketing	Marketing
Sales	Sales
CS	CS
Development	Development

…

Ad Platform

Global SSP Division Head	DSP Division Head
Marketing	Marketing
Sales	Sales
CS	CS
Development	Development

…

Challenge: Product-level expansion works, but PMF maturity reveals duplicate operations and customer data silos causing opportunity losses.

After

Functional Organization

AD Business Division

SSP & DSP
- Marketing
- Sales
- Customer Success
- Development

SaaS Business Division

SMB / enterprise
- Marketing
- Sales
- Customer Success
- Development

\+

AX & DX Promotion

JAPAN AI

- Operational Process Enhancement
- Leverage AI AGENT
- Generic & Common Operations

Streamline functional operations and convert to AI AGENT under DX team leadership

Solution: Unify customer data, integrate operations, bundle offerings; leverage JAPAN AI alignment, AI automation, and product value enhancement.

Increase leads by 20%+ through customer referrals from JAPAN AI and new organizational structure benefits

Reduce SaaS trade show promotional expenses by 50%+ through optimized co-exhibitions and streamlined processes

Improve CS quality and achieve ~20% headcount reduction through CS operation automation via AGENT

(All expected to be realized in H2 FY2025)

Overwhelmingly

highly cost-effective

products

Competitive Advantage | Three Factors to Increase Cost Effectiveness

GENIEE

Our competitive advantage to maximize customer's **cost effectiveness (= ① Customer value proposition / ② Customer's consideration payment).**

Business management

Management style of a tech company that supports high growth by unifying and mutually using assets and brands from multiple businesses

- Multiple business divisions demonstrating synergies, implementing cost-effective business operations
- Instilling value management, and recruiting and developing a large number of management personnel and business development human resources
- Know-how to realize proactive M&A execution and PMI to grow at an early stage

In particular, functions to lower ②

Technology

Boasting one of the best technical capabilities in Japan, equipping marketing tools with generative AI solutions

- Boasting one of the best technical capabilities in Japan, developing many products with high customer value proposition in-house
- Integrating and utilizing company-wide data accumulated in multiple businesses and equipping each product with AI functions

In particular, functions to raise ①

Business

Establishing a system to enhance internal organizational capabilities, and realizing efficient business operations and operational excellence

- Recruiting and developing a large number of product managers
- Building a data-driven management system through company-wide adoption of sales management tools developed in-house
- Low churn rate through product retention support

Functions to both raise ① and lower ②

Advantages in Business Management | Inter-Business Synergies

Multiple business divisions demonstrating synergies, implementing cost-effective business operations
Reducing management costs, making provision of inexpensive products without adding prices to customers (reduction in customer's consideration payment) feasible.

❶Budget control

A management system that adjusts the budget optimally. Management centrally grasps the budget status and plan achievement status of each business division. There is a system in place for performing optimal and agile budget allocations and adjustments on a company-wide level according to the situation. Reducing company-wide costs through efficient management of SG&A expenses.

❷Flexible personnel transfers across departments

The transfer of human resources between departments is flexible and the replenishment of human resources is carried out in an agile manner. Reducing extra hiring costs through efficient staffing.

❸Cost benefits

Standardizing systems such as servers for each business, making volume discounts on system usage fees and purchase prices feasible. Creating cost benefits in managing multiple businesses.

Advantages in Business Management | Recruiting and Developing Human Resources

GENIEE

Instilling value management, and recruiting and developing a large number of management personnel and business development human resources.
Creating multiple high-growth businesses, serving as the source of income for creating highly cost-effective products.

Value management

- Instilling value (concept of values and culture). A corporate culture that allows speedy alignment based on a common concept of values even when businesses diversify and the organization size expands. Implementing instillation by reflecting it in the evaluation system.
- In particular, the commitment and ownership values of being particular about achieving performance are deeply rooted in the corporate culture.

Recruiting capabilities

- Setting the highest level of remuneration in the industry. Designing incentives to enhance corporate value.
- An environment where people are involved in multiple high-growth businesses with discretionary power and opportunities to come into contact with advanced technology, such as AI, serving as advantages in recruitment.
- Employing a large number of management and executive human resources of listed companies' C-suite level.

Development

- Developing management human resources capable of growing acquired businesses. Developing by way of OJT through assignments to acquired businesses and mutual sharing of knowledge through flexible transfers between business divisions.

Advantages in Business Management | M&A/PMI

Many cases of acquired businesses registering high growth at an annual rate of 30% or more.
Utilizing the Geniee Group's technical capabilities and customer base to develop the industry's No. 1 product and make it a business with the No. 1 growth rate.

	ARR Transition						Growth rate since acquisition
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	CAGR
SFA	75.0	159.1	215.7	325.0	474.4	832.8	53.7%
CHAT	39.0	53.0	222.6	690.3	880.8	1252.3	84.2%
ANALYTICS	—	—	—	307.3	420.9	616.3	37.8%

*GENIEE CHAT includes the former Chamo, former Engagebot, and former HyperSonic which have been integrated into a single brand.

❶ Cross-selling to existing customers

- Rapidly growing by implementing cross-selling to Geniee's huge existing customer base
- There are cases where accounts have grown by hundreds of percent in three years

❷ Improving product value

- Assigning product development/engineer members from the initial stage of PMI
- Armed with high technical capabilities, benchmarking competitor products and implementing product updates and function enhancements

❸ Business management and PMI know-how

- Actively supporting the establishment of a system to increase sales of services while integrating management and development policies and establishing a business management system
- Setting up incentive plans for the management teams and members of acquired businesses

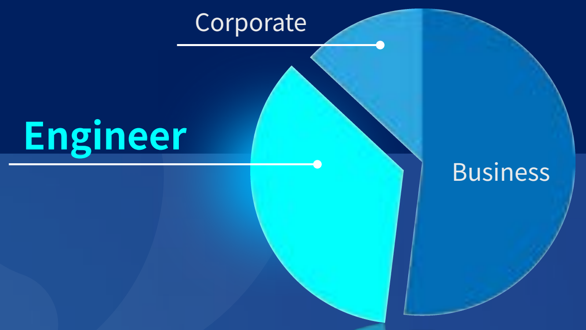
Advantages in Technology | Technical Capabilities

GENIEE

Boasting one of the best technical capabilities in Japan, developing many products with high customer value proposition in-house. Product value improving dramatically by equipping marketing tools with generative AI solutions (increase in customer value proposition).

Engineers with one of the best technical capabilities in Japan

- Approximately 35% of all employees are in engineer / product planning positions.
- Housing many engineers with master's or doctorate degrees in computer science.
- Housing numerous persons who worked at other companies such as Big Tech companies and as CTOs of ventures.



Equipped with vast big data and Japan's best AI technology

- In-house development of the ad delivery platform of the No. 1 scale in Japan. Massive data processing technology that can withstand delivery of hundreds of thousands of ads per second, and automation of ad operations utilizing machine learning.
- Research and development of globally top-class speech recognition / image generation technology. Dramatically boosting the productivity of marketing activities.

Strong alliances with the world's leading tech companies

- Certified as a Technology Partner that provides technical support for the marketing solutions of LY Corporation.
- Certified as Google Cloud Build Partner. Strengths in big data utilization and AI development.

※ Only a select group of partner companies that have demonstrated expertise and skills in ad solutions such as Google Ad Manager / AdSense and have met stringent criteria are certified

Advantages in Technology | AI Development

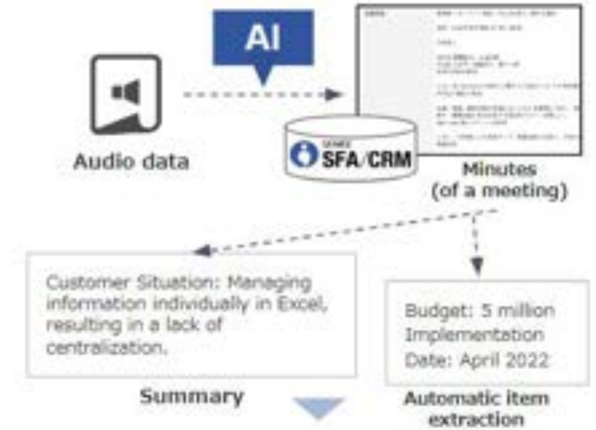
GENIEE

Capable of integrating and utilizing company-wide data accumulated in multiple businesses and equipping each product with AI functions.
Raising product performance with advanced AI technology (increase in customer value proposition).

JAPAN AI × GENIEE SFA/CRM

AI summarization / automatic extraction

Audio minutes → Summarized and itemized by AI, reducing input burden and minimizing the manager's review workload.



Sales representative

Transcribe audio data from online meetings and use AI to automatically extract information, registering it into SFA records. Create a system that allows sales representatives to focus on sales activities.

AI order prediction

Optimizing sales activities through AI-driven predictions.

Sales representative

Based on accumulated achievement data, AI independently predicts sales and customer behavior. Enables proactive planning of optimal sales strategies using future predictions.

Next action recommendations

Systematizing and automating the sales process with next action recommendations.

Sales representative

Automate the sales process as recommended actions and provide recommendations based on the status of negotiations, enabling a reduction in management workload.

GENIEE

JAPAN AI

Engaging in research and development as well as providing services for various generative AI products.

1 JAPAN AI CHAT

1. Corporate GPT
2. Data Integration
3. RAG
4. Prompt Template
5. Multi-LLM Support

2 JAPAN AI SPEECH

1. Meeting Transcription
2. Minutes Taking
3. Speaker Diarization
4. Conference System Integration
5. SFA Integration

3 JAPAN AI SALES & MARKETING

1. Persona Inference
2. Image Generation
3. Video Script Generation
4. Social Media Post Generation
5. Article Landing Page
6. Legal Check

TOPICS About 'JAPAN AI AGENT'

GENIEE

ChatGPT was released in November 2022, and we are now entering the era of "AI Agents."

Announced by OpenAI: **[Evolution Levels Towards AGI]**

Level 1 Chatbots.
Conversational AI that understands the meaning of words and provides responses.
Traditional Chat-GPT and enterprise generative AI services.

Traditional Chat-GPT and enterprise generative AI services.

Level 2 Reasoners.
AI with human-level problem-solving abilities (e.g., o1 models).

Level 3 Agents.
Systems that can think for themselves and take action.
JAPAN AI AGENT

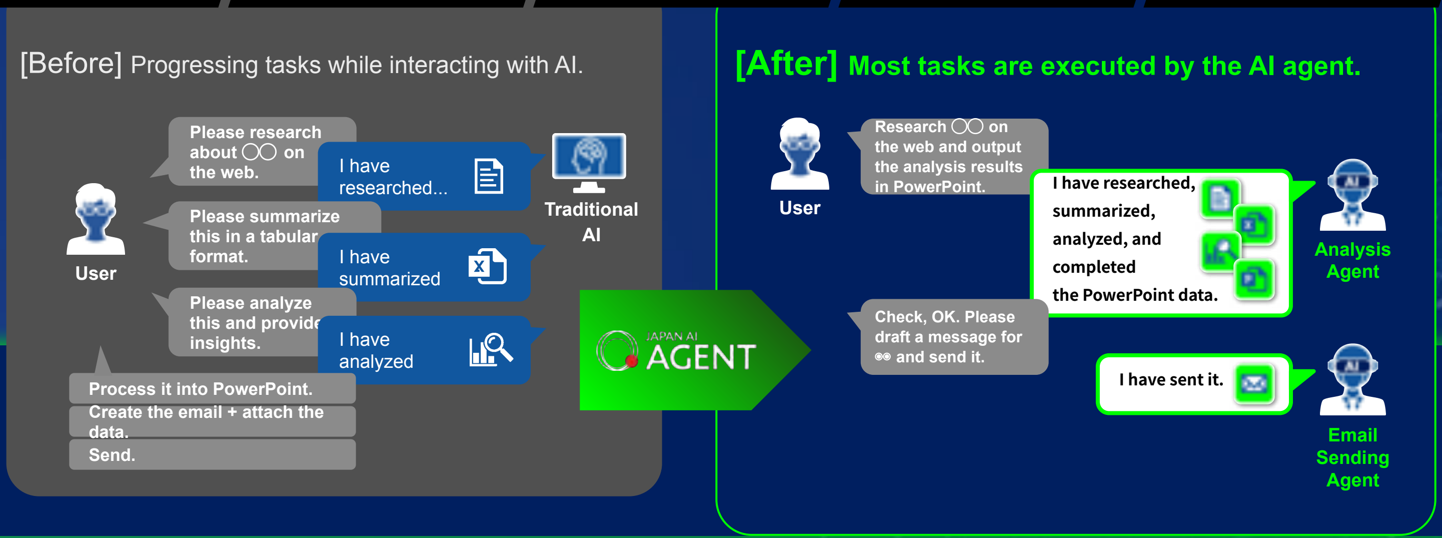
Level 4 Innovators.
AI that can assist in inventions.

Level 5 Organizational management.
AI that can perform organizational tasks.

Evolving from mere conversational AI to "AI that thinks for itself and takes action."

▼What "JAPAN AI AGENT" can do at this point (for example, tasks like these)

Information gathering from the web → Processing into Excel data → Analysis tasks → Processing into PowerPoint → Sending emails



GENIEE × JAPAN AI

①Implement mutual cross-selling and product collaboration between the two companies to accelerate product expansion.
・Propose cross-selling of JAPAN AI to existing customers of GENIEE SFA/CRM.
(Collaboration where AI automatically records/summarizes sales appointment minutes at a major security manufacturer and automatically logs them into GENIEE SFA/CRM.)
・Conduct cross-selling of GENIEE products to existing customers of JAPAN AI (pharmaceutical companies, recruitment agencies, etc.).

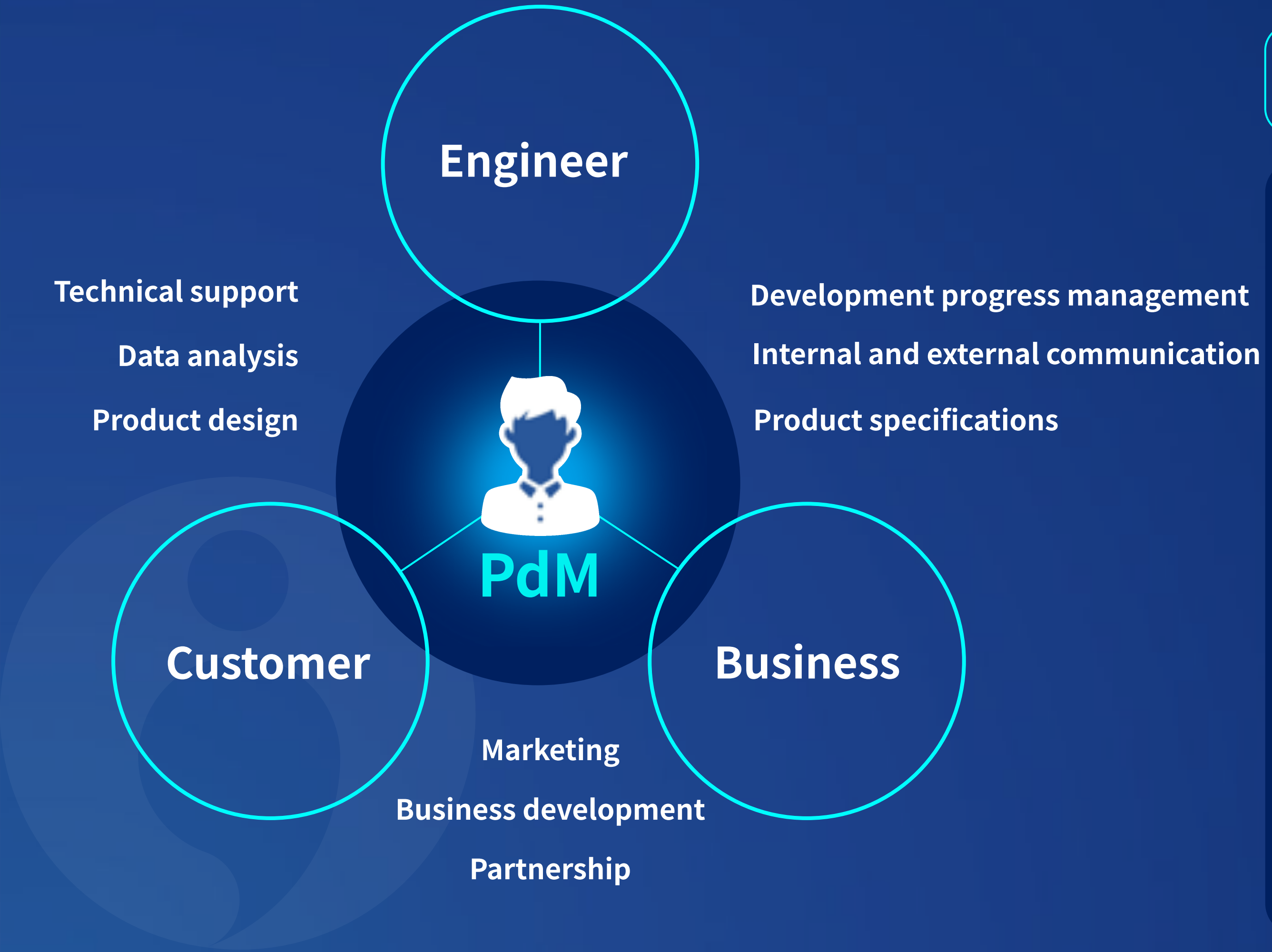
②Introduce AI AGENT within our company to initiate the digital transformation (DX) of operations.
・Sales-oriented corporate research AGENT, engineering support, product requirement definition, etc.

In the future...
Package advertising operations and SaaS-based operations in collaboration with the services we provide, allowing "JAPAN AI AGENT" to handle the tasks.
▶ **Reducing the workload of users.**

Advantages in Business | Product Planning

GENIEE

Recruiting and developing a large number of product managers (PdMs). A system of developing highly cost-effective products and building medium- to long-term competitive advantage.



About product manager (PdM)

What is PdM?

- An occupation responsible for improving the value of products. Stands between business, engineer, and customer, and plays a wide range of roles in all directions.
- It is an important job category at tech companies that focus on products, but there are only a few cases of such job category being in place at Japanese companies or such human resources in the market.

Status of Geniee

- A large number of PdMs have been employed/appointed and PdMs are assigned for each product. An organizational structure that continues to increase the cost effectiveness of products as a driver for business growth.
- Company-wide knowledge sharing and development through PdM study sessions, internal meetings specialized in product improvement, etc.

Advantages in Business | Sales

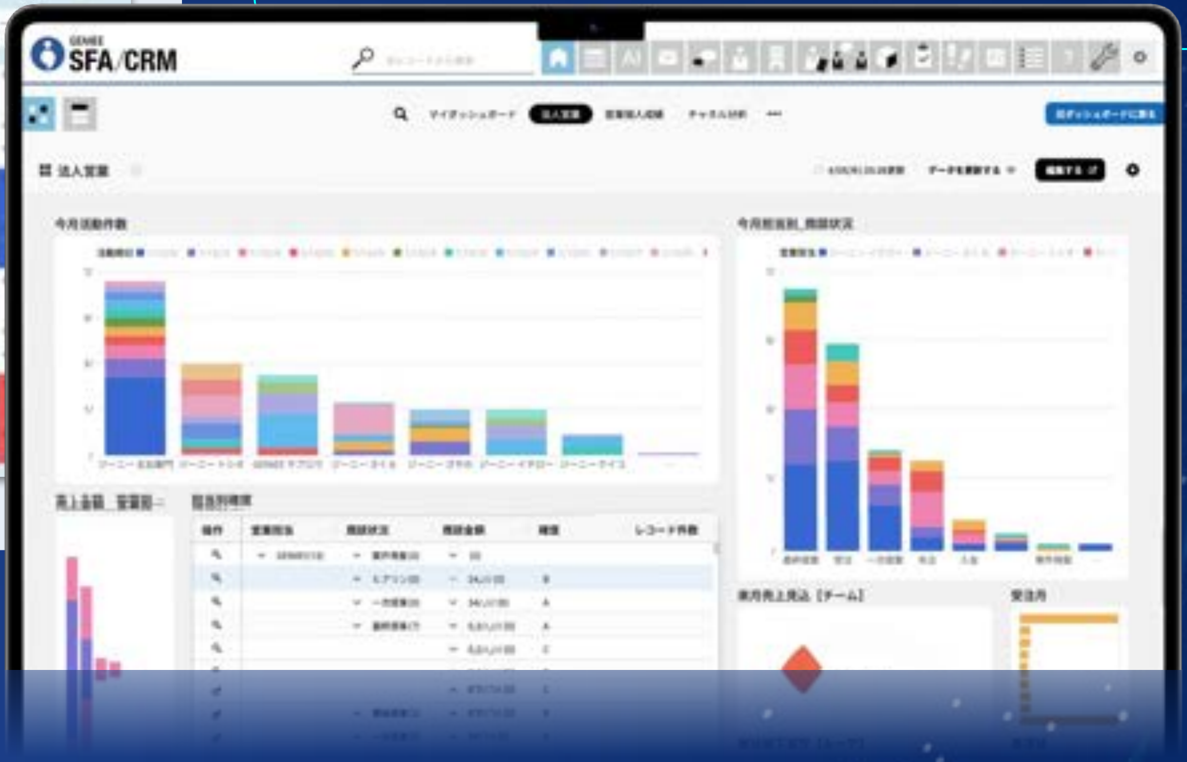
GENIEE

Adopting in-house sales management products (GENIEE SFA/CRM) company-wide.
Highly reproducible scientific business management system based on data.

Visualizes project progress and reliably leads to results

GENIEE SFA/CRM

Highly precise management system based on quantitative data



Advantages in Business | Customer Success and Operation

GENIEE

Building a generous service system for enterprise customers in-house to continually realize extremely low churn rates.
Possessing the advantage of having both an in-house product development system and a utilization/introduction support system.

Introduction period
(two to three months from start of operation)

Introduction support

- Support for organizing product requests, operation training, integration of GENIEE products and existing customer systems, etc.
- Since Geniee develops products in-house, there are no communication costs or unnecessary expenses upon introduction (in the case of other companies in general, the system provider and the introduction support company are separate, so there is overlapping communication).

Requirements definition | Initial setup | Advanced settings | Data migration | Holding of operation lecture sessions

Utilization period

Utilization support

- Customer requests can be reflected promptly in in-house products and functions can be improved speedily. Seamless integration with other GENIEE products to maximize marketing effectiveness.
- A system of generously following up until the product is entrenched (= customer success) rather than just finish with providing products. Products are developed in-house, meaning plenty of know-how to support entrenchment (in the case of other companies, utilization support after product introduction is outsourced).

Support for utilizing new features | Sharing of success stories | Proposals for use in strategies | Information on study sessions

Areas of the Marketing SaaS Business

GENIEE

Structure of the Marketing SaaS Business

GENIEE

Offering SaaS tools enabling execution/management of everything from customer attraction to sales promotion and order acceptance for marketing DX / sales DX.
Stable revenue model with monthly revenue accounting for 80% of overall revenue.

Companies that want to do efficient sales activities

「Campaign details and progress are in pieces. If only these can be checked all at once...」
「Want to find prospects more easily...」

empty

Companies that want to increase revenue even more

「Even if they look at the website, they end up leaving」
「Even if they see the ad, they end up not buying」

Provision

Provision

GENIEE
Marketing Cloud
[Product development]

80% of overall revenue are monthly charges

Development costs + (Monthly fee + Monthly fee + Monthly fee ···) = **GENIEE revenue**

One-time revenue

Subscriptions

Areas of the Advertising Platform Business

GENIEE
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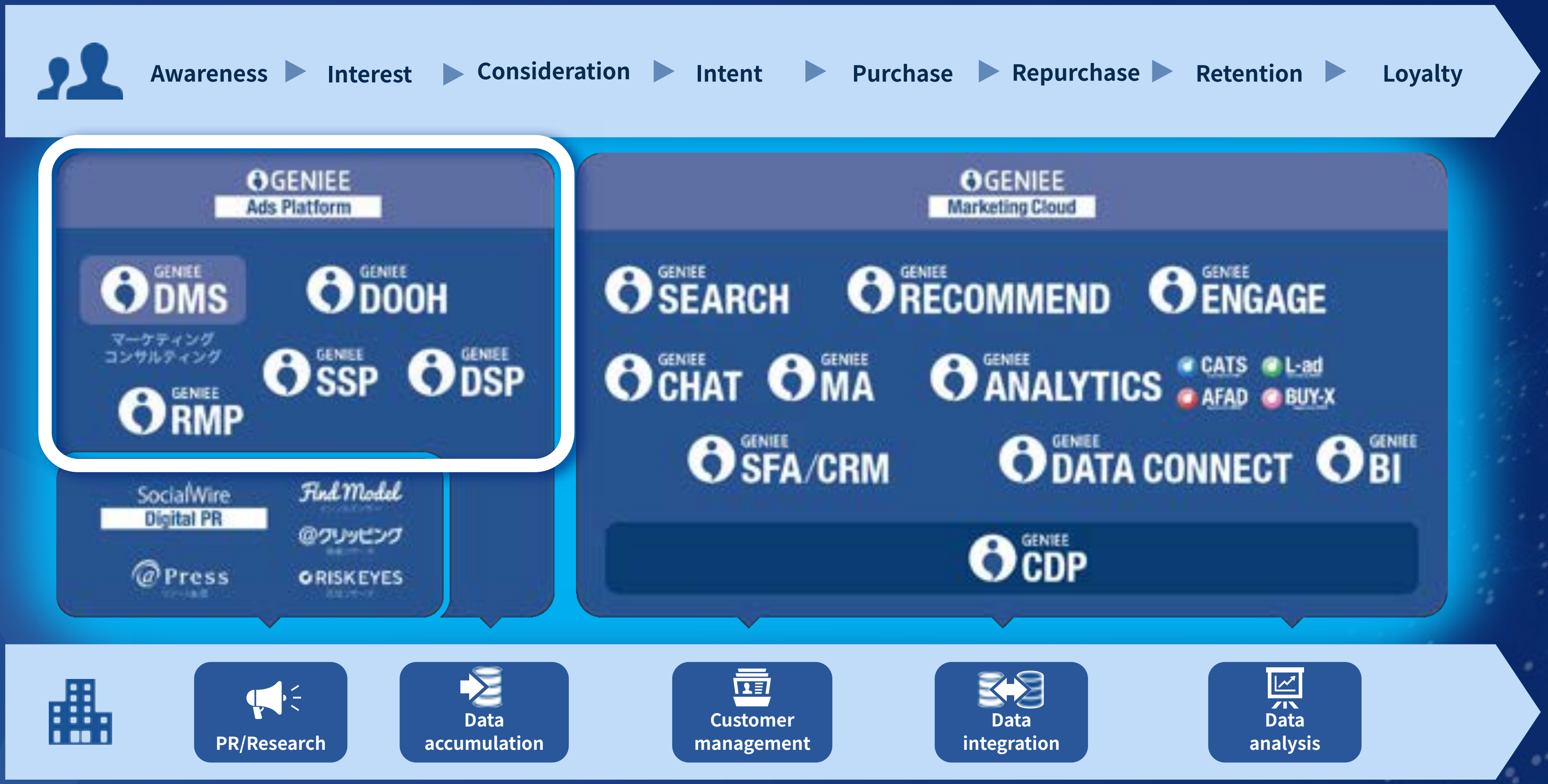
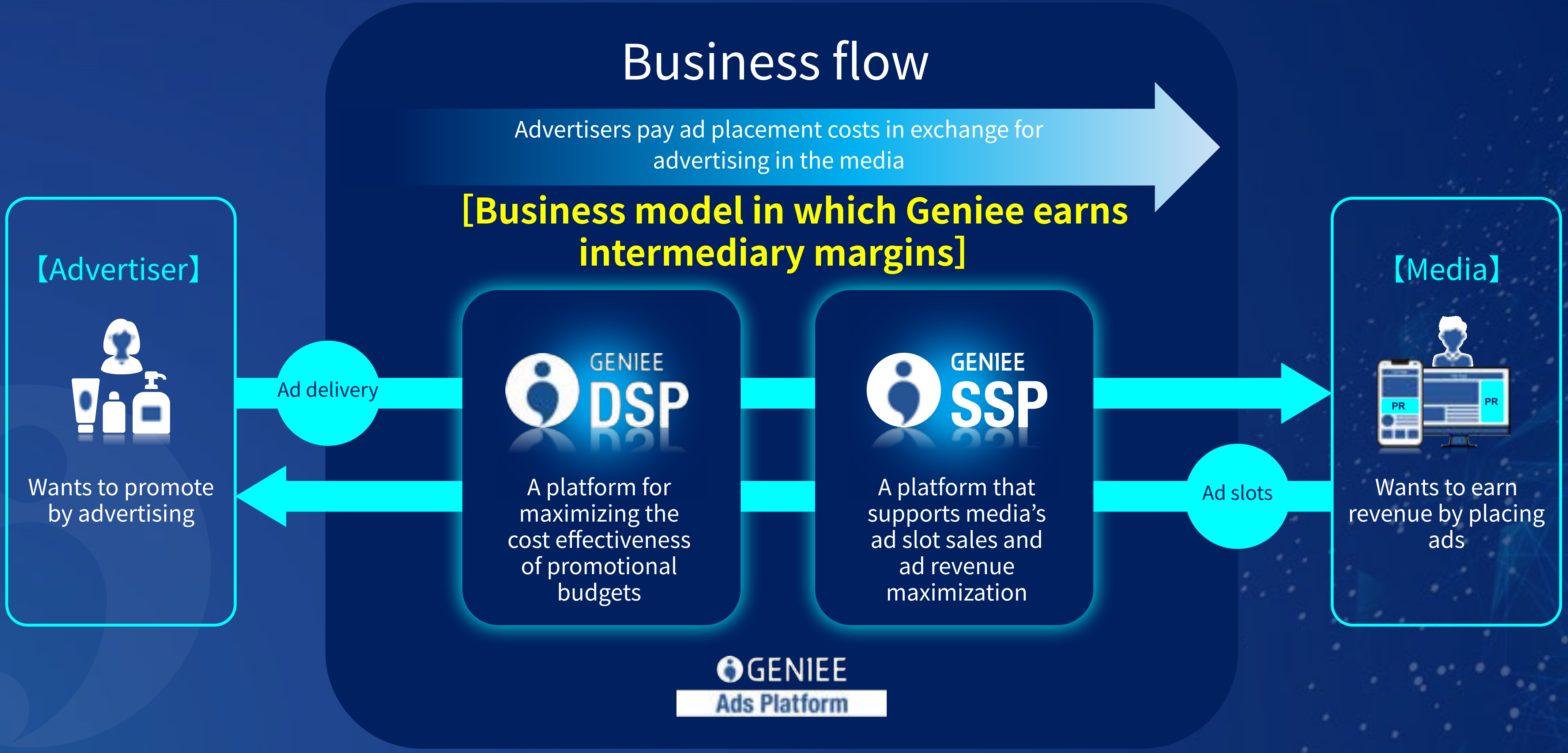


Advertising Platform Business | GENIEE SSP / GENIEE DSP

Technology that displays personalized ads, providing high revenue for media and high return on ad spend for advertisers.



Overseas Business

GENIEE

We began our international expansion in 2012 **and have since expanded our ad platforms mainly in the rapidly growing Asian region.**
In February 2023, operator of ad platform businesses in Europe, the U.S., and the APAC region **Geniee US (formerly Zelto) was made a wholly owned subsidiary.**
Implemented integration and function enhancements between Geniee US (formerly Zelto) products and domestic businesses.

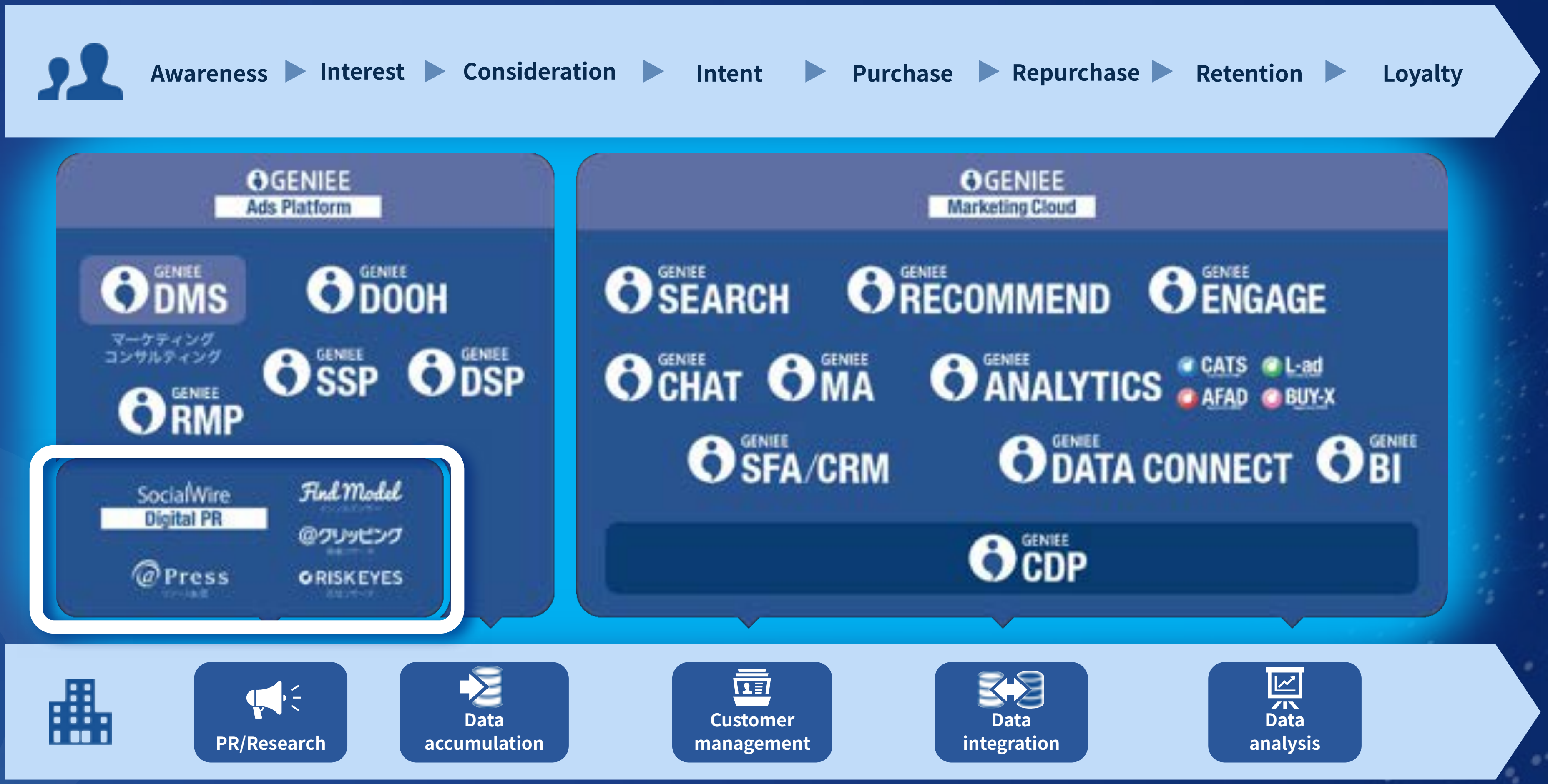
Overseas bases

Business description

- Expanding business in Europe, the U.S., and the APAC region, while also establishing a market leader position in the area of ad revenue optimization in the APAC region
- In addition to being a Google reseller and providing GENIEE SSP, offers AdPushup (an ad revenue optimization solution) and AdRecover (a monetization solution for ad inventory) services

Areas of the Digital PR Business

GENIEE



Digital PR Business

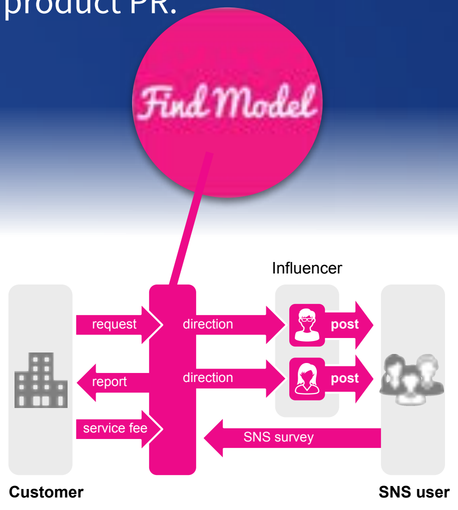
Starting from the second quarter of this fiscal year, a new structure has been established, referring to the following four businesses operated by SocialWire Inc. This aims to complement the value chain in the marketing domain and accelerate the establishment of a comprehensive one-platform solution.

Newswire Business

A press release distribution service supporting corporate communications, "@Press" is the industry's second-largest after PR TIMES.

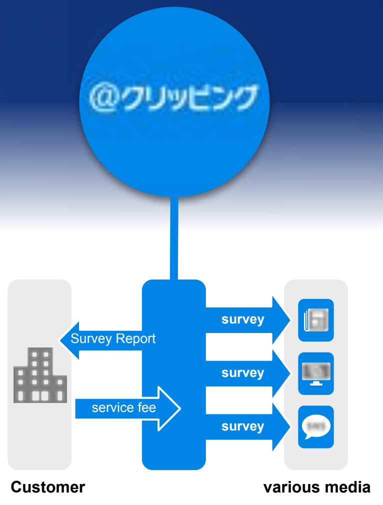
Influencer PR Business

A service that receives orders from advertising agencies and direct clients to cast influencers on social media, primarily Instagram, for product PR.



Clipping Business

A service that researches, selects, and reports (via mail) articles from media that customers need.



Risk Assessment Business

A service to verify a client's ties to anti-social forces, criminal activities, and scandals using public information like news articles.

Risks and Response Policies

GENIEE

In order to achieve the Medium-Term Management Plan, we identify and assess risks through global risk management activities and develop response policies.
When risks become apparent, we will respond quickly and appropriately.

Major Risks	Related Segment	Example Risk Scenarios	Main Response Policies
Internet advertising market trends and competitive environment	Advertising Platform Business	Possible decline in revenue due to economic downturn, reduction in advertising budgets, and a lack of competitiveness.	• Approach business sectors/industries that are less likely to be affected. • Benchmark competitors and continue investing in technology.
Information security and management of personal information	Marketing SaaS Business	Leakage of information assets such as customer information of companies that adopted SaaS products.	• Obtain Privacy Mark certification, maintain and improve the level of management of personal information on a continuous basis.
Technological Innovations	All businesses	Possible decline in competitiveness, additional system development, and increased labor costs due to competitors' development of new technologies and introduction of new services.	• Develop new technologies. • Analyze overseas advanced cases. • Cooperate technically with other companies.
Risks of the Advertising Platform Business at Overseas Locations	Advertising Platform Business	Possible impact on our Group's financial position and operating results from not being able to recover our investment due to country-specific business practices, government regulations, and other factors.	• Confirm regulatory changes with a local corporate legal firm. • Collaborate on information between overseas subsidiaries and the head office.
Entering new service areas	All businesses	Possible losses due to service suspension or withdrawal as a result of failure to achieve initially expected results due to timing discrepancies between upfront investment associated with entering a new market and the speed or scale of market expansion.	• Interview multiple experts. • Study overseas advanced cases. • Defer upfront investments until strategies to earn profit from potential customers are established.
Corporate acquisitions and investments	All businesses	Possible significant losses due to the occurrence of contingent or unrecognized liabilities after an acquisition, or potential fraud or compliance issues due to inadequate internal controls.	• Conducting due diligence with various internal and external experts. • Utilize M&A know-how and insights accumulated from the past.

TOPICS Impact on Our Group from the Spread of General-Purpose AI

GENIEE

While a structural market shift driven by the adoption of general-purpose AI is expected, its impact on our group has not yet materialized significantly. Meanwhile, enterprise demand for AI utilization continues to grow, and we believe new growth opportunities are emerging—particularly in Marketing SaaS and JAPAN AI. We will focus on adapting to environmental changes and capturing these growth opportunities.

Segment	Impact level	On the overall market	**On our company**
SaaS	as a result of the response	Changes in business structure, including organizations accelerating in-house development, revisiting monetization models as AI-driven usage expands, and commoditization driven by faster development cycles.	Our database, proprietary data, and related algorithms are not easily replicable in the short term through general-purpose AI or AI development alone. We believe our opportunities will expand if we move quickly toward AI-native operations and an AI-native business model. Accordingly, we see FY2026 as a year to strengthen our SaaS business model.
Ad Platform		Lower search demand due to AI search (zero-click results). Higher ad budgets and more advertisers as AI adoption reduces the barriers to entry.	Our main customers are not the kind of sites that can be replaced by information-focused AI (e.g., real-time news platforms), so we have not seen any direct impact.
PR		Due to the shift toward zero-click search, the market is changing from prioritizing "impressions" to emphasizing credibility, context, and reputation. ・Simple exposure needs (e.g., press release distribution) may decline. ・The importance of SNS and influencer marketing is increasing.	Growth opportunities are expanding in the SNS and data-usage areas. Meanwhile, PR SaaS and risk-check services may face some impact going forward
JAPAN AI		As enterprise demand for AI adoption grows, investment in initiatives such as system development, labor, and outsourcing will expand over the medium to long term to support business efficiency, automation, and more advanced analytics.	We will capture enterprise demand for AI/AX, including system development and labor costs. By leveraging synergies with existing businesses—especially our Marketing SaaS business—we expect not only standalone growth but also additional upside from cross-business effects.

Sustainability

GENIEE

Focusing particularly on social and governance aspects of ESG, we adopt a wide variety of systems to ensure fair opportunities for employees, enhance career motivation, and facilitate internal communication.
Furthermore, as a publicly listed company, we place importance on governance and have thoroughly implemented a code of conduct for employees to conduct business legally and appropriately. We have also established a system to enhance the reliability and transparency of our financial reporting.

	Examples of Initiatives and Results	SDGs Initiatives
Environment	• Requested quotations and basic contracts to be electronically signed in principle to reduce environmental impact, optimize resource use, and improve business efficiency. • Achieved complete paperless operations by adopting cloud-based systems for HR, attendance, accounting, and expense reimbursement.	13 CLIMATE ACTION
Social	• Created a comfortable working environment through programs such as refreshment leave, rent subsidies, book subsidies, and support for working parents. Additionally, supported career development with internship programs, job change programs, global challenge initiatives, and other opportunities. • Actively hiring and promoting female employees to management positions to support their success. We will continue to foster an environment where all employees can work comfortably, regardless of gender. • Assigned the right people to the right positions globally, including relocating talented overseas personnel to the head office and promoting head office staff to overseas positions.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
Governance	• Held Compliance Committee meetings regularly and ensured that all employees are aware of the company's sexual harassment and power harassment policies. • With a high proportion of external directors, oversight and checks by these directors functioned effectively. • As a company with an audit and supervisory committee, we ensured the reliability and transparency of financial reporting by supervising and supporting both internal and external audits.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

The figures for consolidated management targets and other data presented in this document are based on plans formulated using information currently available and include a number of uncertainties.
Actual results and performance may differ due to changes in business conditions and other factors.