Marketing Technology & AI Company

GENIEE

Fiscal Year Ending March 31, 2027 (FY2026)
Q2 Financial Results Briefing Materials

Executive Summary

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Revenue in the first half of FY2026 grew steadily to ¥7.0 billion, up 12% year on year, driven by growth in the advertising platform (up 7%), marketing SaaS (up 5%), and digital PR (up 30%) businesses.

Operating profit was limited to ¥200 million due to the impact of one-off gains and losses and other factors, while adjusted operating profit, which reflects the business's underlying profitability, reached ¥700 million, up 7.9% year on year.Meanwhile, following a review of the second-half outlook based on project trends and progress across each business, full-year results are now expected to fall below the previously announced forecast. Accordingly, we have revised our full-year earnings forecast.

Performance of the three core businesses

- **Advertising Platform Business**

  Revenue grew 7.3% year on year, driven by steady progress in domestic projects.

- **Marketing SaaS Business**

  ARR maintained strong growth of 14% year on year, and the plan to achieve profitability remains on track through structural reforms from Q2 onward.

- **Digital PR Business**

  Strong year-on-year growth of 30% continued, driven by organic growth and consolidation effects.

Recognition of one-time items

The following temporary expenses (totaling ¥560 million) were recorded under "Other expenses":

(major items)

- **Unauthorized access-related expenses** ¥340 million
- **Allowance for doubtful accounts** ¥200 million
- **Compensation payments**: ¥20 million

*Allowance for doubtful accounts: If progress is made in collecting the relevant receivables, a reversal of the allowance is expected, depending on the circumstances.

Increase in foreign exchange losses

- **financial expenses** increased by ¥90 million YoY.

Revision to Full-Year Earnings Forecast

- **Revision to Full-Year Earnings Forecast**

  The forecasts have been revised downward to revenue of ¥15.4 billion and operating profit of ¥2.05 billion due to the loss of major contracts and other factors, as well as the recognition of one-off expenses.

- **Adjusted operating profit is projected to increase 47% year on year.**

  Adjusted operating profit, excluding one-off gains and losses, is expected to increase 47% year on year.

FY2026-2Q | Financial Results Summary

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- Revenue grew across all three businesses—Advertising Platform, Marketing SaaS, and Digital PR—resulting in solid overall revenue growth to ¥7,084 million, up 12.4% year on year.
- Operating profit was ¥198 million after recording one-off items under “Other expenses”: ¥336 million in unauthorized access-related expenses*, ¥198 million in provision for doubtful accounts*, and ¥23 million in compensation expenses. Meanwhile, adjusted operating profit, which reflects underlying business performance, was ¥704 million (up 7.9% year on year).
  ※Of the ¥336 million in unauthorized access-related expenses, ¥181 million was recorded in the first quarter, along with the ¥198 million provision for doubtful accounts. See the next page for details.
- Profit before tax was ▲¥88 million, partly due to the continued impact of foreign exchange losses (finance costs), as in Q1.

(million yen)

	FY2025 First Half(a)	FY2026 First Half(b)	Change (b − a)		FY2026 Projection
			Amount	%	
Revenue	6,301	7,084	783	12.4	15,400
Gross profit	4,745	4,921	176	3.7	10,700
Operating profit	744	198	-546	—	2,050
Adjusted operating profit*1	653	704	51	7.8	2,230
Profit before tax	581	-88	-669	—	1,700
Profit	405	-66	-471	—	1,400
Profit attributable to owners of parent	346	-100	-446	—	1,200

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

FY2026-2Q | Supplementary Information on One-off Losses(1/2)

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Although we recorded one-off losses related to unauthorized access, a provision for doubtful accounts, and incident response costs, we are steadily implementing measures to prevent recurrence and strengthen our management systems in response to each incident.

	Overview	Impact on Financial Performance	Measures to Prevent Recurrence
Recognition of Other Expenses Related to Unauthorized Access Losses	• As disclosed in the May 21, 2026 announcement, “Notice Regarding Unauthorized Access to GENIEE MA,” a third party made unauthorized use of cloud computing resources within our GENIEE MA service. Following a detailed review, including discussions with the server provider, we recognized a reasonably estimated amount of ¥181 million in the first quarter in accordance with IFRS, based on the information available at the time. • Subsequently, following the completion of a detailed review of the scope and actual usage associated with the unauthorized use, as well as the related procedures, the total cost to be borne by the Company was finalized at ¥336 million. Accordingly, the difference of ¥155 million from the initial estimate was recognized as an additional expense in the second quarter. • With this final determination, the recognition of all losses related to this incident is complete.	Losses Related to Unauthorized Access: ¥336 million	• We conducted a comprehensive, company-wide review of our systems and cloud environments, identified potential vulnerabilities, and completed patching and configuration optimization. • We have established and are operating a robust security control framework designed to systematically prevent recurrence by fundamentally strengthening access controls and introducing real-time anomaly detection and blocking processes.

FY2026-2Q | Supplementary Information on One-off Losses(2/2)

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Although we recorded one-off losses related to unauthorized access, a provision for doubtful accounts, and incident response costs, we are steadily implementing measures to prevent recurrence and strengthen our management systems in response to each incident.

	Overview	Impact on Financial Performance	Measures to Prevent Recurrence
Recognition of a Provision for Doubtful Accounts Related to "Other Assets" Due from a Business Partner	• As part of the financial results restatement announced on June 1, 2026, we revised the accounting treatment of revenue from contracted development transactions with a business partner (an unlisted company) and investment securities under an equity investment agreement. The resulting difference was recognized as "Other Assets" in the first quarter. • In light of the circumstances surrounding the recoverability of these "Other Assets," we recognized a provision for doubtful accounts following careful discussions with our accounting auditor. • If progress is made in collecting the relevant receivables, we expect to recognize a gain on reversal of the provision for doubtful accounts, taking into account the status of collections and other relevant factors.	Provision for Doubtful Accounts: ¥198 million	• We are working to establish a process for advance consultation with our accounting auditor on accounting treatment decisions. • Enhancement of internal review and management frameworks for counterparty assessment and receivables protection
Incident Response Costs	• Costs borne in connection with resolving issues involving certain customer projects that arose in the previous fiscal year	Compensation Expenses: ¥23 million	• We are working to enhance the review process for accepting projects and tighten standards for contract and requirements management. • We are strengthening our project management framework to improve visibility into project progress and enable early risk detection.

FY2026 | Revision to Full-Year Earnings Forecast

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We have revised our full-year earnings forecast to reflect a more conservative revenue growth trajectory. Normalized profit, excluding one-off gains and losses, is expected to increase by 47%.

(million yen)

	FY2025 Actual	FY2026 (Initial Budget)		FY2026 (Revised Budget)
Revenue	13,377	16,400	15%	15,400
Advertising Platform Business*	5,455	6,224		6,054
Marketing SaaS Business	4,459	5,792		5,020
Digital PR Business	3,513	4,412		4,343
(Adjustments)	▲51	▲28		▲17
Gross Profit	9,776	11,700	9%	10,700
Segment Profit	1,536	2,500		2,500
Advertising Platform Business*	2,468	2,929		2,923
Marketing SaaS Business	853	1,418		1,133
Digital PR Business	540	879		743
(Company-wide / Eliminations)	▲2,326	▲2,726		▲2,299
Operating profit	1,536	2,500		2,050
Advertising Platform Business*	1,537	2,057		2,057
Marketing SaaS Business	▲364	8		8
Digital PR Business	222	497		367
(Adjustments)	141	▲62		▲382
Normal Profit	1,514	2,400	47%	2,230
Profit Before Tax	1,332	2,300		1,700

Revenue

Maintaining 15% growth on a consolidated basis

- In the Advertising Platform Business, we have revised our growth forecast due to revenue declines among some existing overseas customers, despite solid performance in the domestic SSP business. We expect year-on-year growth of 11%.
- In the Marketing SaaS Business, we have revised our forecast following the loss of major SFA/CRM deals and other factors, while ARR continues to perform steadily. We expect year-on-year growth of 13%.
- In the Digital PR Business, we have revised our growth forecast due to a combination of budget cuts and lost deals on certain major projects in the core business, despite the positive contribution from the consolidation of SEIRYO*. We expect year-on-year growth of 24%. (*Consolidated subsidiary since Q1 FY26

Operating Profit

Normalized profit, excluding one-off gains and losses, increased by 47%.

The full-year operating profit forecast is expected to decrease by ¥450 million, from ¥2.5 billion to ¥2.05 billion. Of this decrease, ¥310 million is attributable to one-off losses related to unauthorized access, incident response costs, and other related expenses, while ¥130 million reflects the impact of lower profit in the Digital PR Business.

- In the Advertising Platform Business, we are maintaining our initial forecast as the adoption of AI in Japan and overseas continues to drive more efficient operations.
- In the Marketing SaaS Business, we are maintaining our initial forecast as we continue to prioritize profitability and reduce costs through structural reforms.
- In the Digital PR Business, operating profit is expected to fall short of our initial forecast, despite ongoing cost reductions through headquarters relocation and workforce optimization.

1 Business Performance Overview

2 Key Topics

3 Financial Summary by Business Segment

4 Business Overview

5 Current Fiscal Year Plan

6 Q&A

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FY2026 | Q2 Financial Results Briefing Materials

FY2026-Q2 | Segment-wise Financial Summary

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(million yen)

Advertising Platform Business:
Revenue and profit increased year on year for the quarter, driven by the benefits of structural reforms implemented in the previous fiscal year.

Marketing SaaS Business:
Structural reforms of loss-making businesses are underway to strengthen the foundation for growth.

Digital PR Business:
Revenue and profit increased, supported in part by M&A (the consolidation of SEIRYO as a subsidiary).

	FY2025 Q1	FY2025 Q2	FY2025 Q3	FY2025 Q4	FY2026 1Q	FY2026 2Q
Revenue	3,061	3,239	3,593	3,482	**3,499**	3,585
Advertising Platform Business*	1,258	1,371	1,491	1,333	**1,370**	1,452
Marketing SaaS Business	1,116	1,074	1,112	1,155	**1,172**	1,138
Digital PR Business	703	807	1,001	1,000	**963**	998
(Adjustments)	▲16	▲14	▲12	▲6	**▲7**	▲3
Gross Profit	2,362	2,383	2,584	2,446	**2,426**	2,494
Segment Profit	333	411	539	251	**▲207**	406
Advertising Platform Business*	538	611	721	596	**590**	725
Marketing SaaS Business	287	186	216	161	**83**	231
Digital PR Business	103	114	211	110	**111**	149
(Company-wide / Eliminations)	▲596	▲501	▲609	▲617	**▲992**	▲699
Operating profit	333	411	539	251	**▲207**	406
Advertising Platform Business*	283	380	496	375	**348**	526
Marketing SaaS Business	▲1	▲99	▲86	▲176	**▲289**	▲64
Digital PR Business	24	49	116	31	**25**	57
(Adjustments)	26	81	13	20	**▲291**	▲113
Profit Before Tax	231	350	456	293	**▲469**	380
Profit Attributable to Owners of the Parent Company	150	196	293	225	**▲347**	247

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

FY2026-Q2 | KPI Summary

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Advertising Platform Business:

ARR increased 14% year over year, maintaining a recurring revenue base above the prior-year level.

Marketing SaaS Business:

Although revenue per customer decreased by 1.9% year on year, the number of customers increased by 7.9%. The operating profit margin also improved, driven by the benefits of structural reforms implemented in the previous fiscal year.

Digital PR Business:

Although the number of customers decreased as we scaled back new customer acquisition to prioritize deepening existing customer relationships, business with existing customers remained solid.

(million yen)

	(Unit)	FY2025 Q1	FY2025 2Q	FY2025 3Q	FY2025 4Q	FY2026 1Q	FY2026 2Q
Marketing SaaS Business							
Number of Paid Accounts	(accounts)	22,651	24,157	24,623	23,632	23,142	22,650
ARPA (Average Revenue Per Account)	(yen)	12,990	12,705	12,731	14,519	15,439	15,467
Churn Rate	(%)	2.15	1.17	0.38	2.80	2.70	1.10
ARR (Annual Recurring Revenue)	(million yen)	3,530	3,683	3,761	4,117	4,287	4,204
Gross Profit Margin	(%)	78.6	77.6	76.7	74.4	74.3	73.6
Recurring Revenue Ratio	(%)	80.2	79.8	80.1	82.1	85.3	87.8
Advertising Platform Business*1							
Number of Clients*2	(companies)	260	257	277	287	279	277
Revenue per Client*2	(thousand yen)	1,611	1,779	1,792	1,550	1,638	1,745
Operating Profit Margin	(%)	22.5	27.7	33.3	28.2	25.5	36.3
Operating Profit	(million yen)	283	380	496	375	348	526
Digital PR Business							
Number of New Clients Acquired	(companies)	4,500	4,659	4,654	4,310	4,224	4,065
Operating Profit Margin	(%)	3.6	6.1	11.6	3.2	2.6	5.8
Operating Profit	(million yen)	24	49	116	31	25	57

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

FY2026-Q2 | Segment Results

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Despite solid performance in the domestic Advertising Platform Business and SaaS ARR, as well as contributions from the consolidation of SEIRYO, revenue fell short of expectations due to the loss of major deals and other factors. Reductions in SG&A expenses through structural reforms, including workforce optimization, helped mitigate the impact of lower revenue on profit.

(million yen)		Initial Budget	FY26 Q2 Actual	Variance	Reasons
Ad	Revenue	2,908	2,822	-85	**Although domestic operations remained solid, revenue fell short of target due to declining revenue from some existing overseas customers. However, the operating profit target was met through workforce optimization.** ●Domestic: Revenue increased through new customer acquisition, major deal wins, and expanded business with existing customers (+￥60 million). ●Overseas: Video ad unit prices declined, and revenue from some major existing customers decreased (−￥140 million). ●Overall: SG&A expenses were reduced through structural reforms, including workforce optimization (−￥180 million).
	Operating Profit	799	875	75	
SaaS	Revenue	2,562	2,311	-251	**Although ARR remained solid, revenue fell short of target due to the loss of major deals and other factors. However, cost reductions through structural reforms narrowed losses.** ●SFA/CRM: Revenue decreased due to the loss of major deals, delays in deal timing, and other factors (−￥160 million). ●Overall: Revenue decreased due to a reassessment of investment priorities with an emphasis on profitability and other factors (−￥90 million). : SG&A expenses were reduced through structural reforms (−￥180 million).
	Operating Profit	-300	-354	-54	
PR	Revenue	2,150	1,962	-187	**Despite contributions from the consolidation of SEIRYO, revenue fell short of target due to a combination of budget cuts and lost deals on certain major projects in the core business.** ●Digital PR: Revenue decreased due to scaled-back new customer acquisition, lower unit prices, and other factors (−￥280 million). ●M&A: Revenue increased through the consolidation of SEIRYO (+￥100 million). ●SG&A expenses were reduced through workforce optimization, headquarters relocation, and other measures (−￥20 million).
	Operating Profit	207	82	-124	

FY2026-Q2 | Segment Outlook

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The Advertising Platform and Marketing SaaS Businesses revised their second-half forecasts based on first-half results and formulated prudent growth plans.The Digital PR Business revised its revenue forecast upward to reflect the impact of M&A on business performance.

(million yen)		Initial Budget	Revised Budget	Change	Revised Full-Year Growth Rate	Revised Plan Strategy	Impact on Financial Performance
Ad	Revenue	3,315	3,231	-84	11%	• Promote efficient business operations by expanding AI adoption in Japan and overseas. • Continue to drive cost reductions through workforce allocation optimization, server cost reductions, and other measures.	• While domestic operations performed well in the first half, a prudent outlook was formulated for overseas operations in light of their first-half revenue shortfall. • SG&A expense reductions, including workforce allocation optimization in Japan and overseas (+￥10 million)
	Operating Profit	1,256	1,181	-75	34%		
SaaS	Revenue	3,229	2,708	-520	13%	• Revise the expected number of major deal wins based on first-half results and pursue a prudent approach to business execution. • SG&A expense reductions through structural reforms	• Revision to the expected number of major deal wins based on the first-half shortfall and second-half outlook (−￥520 million) • Cost of sales and SG&A expense reductions through structural reforms, including optimization through a review of sales promotion and outsourcing expenses and the reallocation of internal resources (+￥560 million)
	Operating Profit	308	362	53	Profitable		
PR	Revenue	2,262	2,380	118	24%	• Revenue growth from the consolidation of SEIRYO (the gross profit margin is expected to fall below initial projections due to a shift in the revenue mix resulting from changes in the business portfolio).	• Revision to the outlook reflecting the consolidation of SEIRYO and the shortfall in core businesses (+￥120 million)
	Operating Profit	289	284	-5	65%		

FY2026-2Q | Statement of Cash Flows

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Cash flow from operating activities increased by ￥1,202 million, primarily due to a decrease in trade receivables, turning free cash flow positive.
Steady progress is also being made in reducing preferred shares and outstanding borrowings, with financial soundness expected to improve.
Efforts to enhance free cash flow generation, a key objective for the current fiscal year, are progressing well.

（million yen）	Sep. 2025 (B)	Sep. 2026 (A)	Change (A)-(B)
Cash and cash equivalents at beginning of period	2,861	2,969	108
Operating CF	453	1,656	1,202
Investing CF	▲1,436	▲1,088	347
Financing CF	594	612	18
Effect of exchange rate changes on cash and cash equivalents	▲2	▲11	▲9
Cash and cash equivalents at end of period	2,472	4,140	1,668

FCF （Operating CF-Investing CF）	▲982	568	1,550

JAPAN AI | Business Progress

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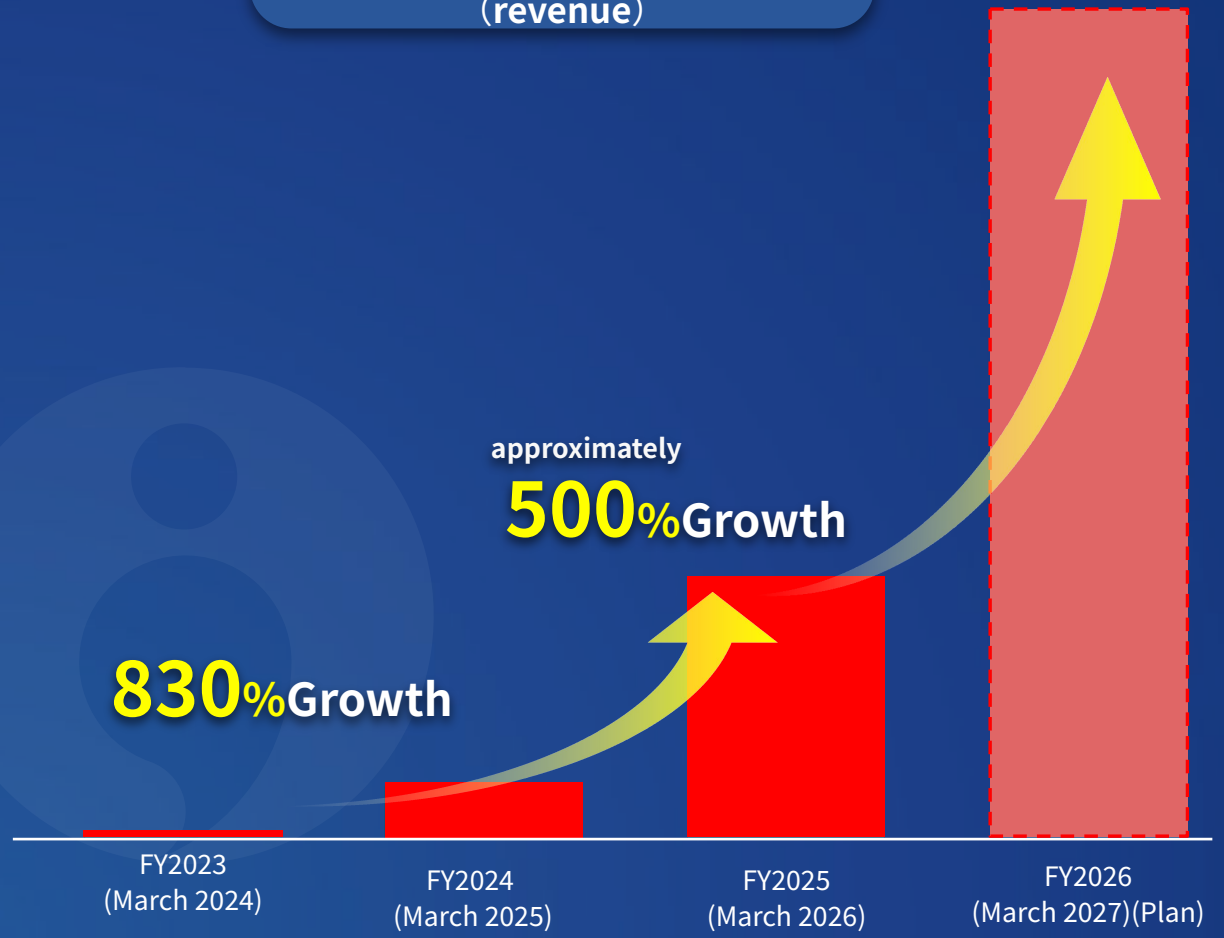
・Group company JAPAN AI's business performance for the fiscal year ending March 2027 is currently progressing well.
・The phased rollout of "JAPAN AI 3.0" began in October, supporting enterprise-wide AI deployment and integration into day-to-day operations.
・Advancing the rollout of industry- and function-specific AI by launching services for manufacturing and public administration and expanding marketing capabilities.

Performance Overview (**revenue**)



Business Highlights

Driven by growing demand for AX/DX, the business continues to achieve strong growth, leveraging over 100 built-in AI agents, customizable AI agent capabilities, and hands-on support for customers' AI adoption. The phased rollout of "JAPAN AI 3.0" began in October, supporting enterprise-wide AI deployment and integration into day-to-day operations.

Launched industry- and function-specific AI services for manufacturing and public administration. In marketing, introduced capabilities to analyze advertising performance and recommend and produce new creatives.

JAPAN AI｜Yano Research Institute and JAPAN AI jointly developed the “YDB Agent.”

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- JAPAN AI and Yano Research Institute formed a business alliance to combine AI technology with research data to streamline information retrieval, organization, and utilization.
- The “YDB Agent,” jointly developed by the two companies, draws on more than 1,000 market research reports from the past five years to support corporate research and planning through source-cited answers and document creation.

YDB Agent



矢野経済研究所とJAPAN AI「YDBエージェント」を共同開発 ～生成AIで市場調査情報を出力する新サービス 2026年10月22日（木）提供開始～

Press Release https://japan-ai.co.jp/news/press/2026/10/261022_02/?ct_p2056i86409db80a=1.1.365.DG_KztDABvkR1x_3.365.DEKi6t-ABv1riwlv.DG_KztDABvkR1x_3.null&catsConversionApi=true

【Key Features】

1 Equipped with four agents, each tailored to a specific purpose.

Draws on multiple market research reports to support source-cited answers, document creation, framework-based analysis, and case study collection.

- Answers backed by source-cited data
- Automatic summary report generation
- Framework-based analysis
- Case study collection

2 New reports added on an ongoing basis

Approximately 250 new report titles are added each year, ensuring access to the latest data.

3 Available immediately upon publication

The latest report content is incorporated into AI responses immediately upon publication, with full-text access available without delay.

JAPAN AI｜Launch of “JAPAN AI 3.0,” a major update designed to embed AI into workflows across the entire organization

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Launch of “JAPAN AI 3.0,” an update that supports the integration of AI into everyday work by securely delivering AI to frontline teams, selecting the best models for each task, and enabling smooth adoption across the organization.

【Deliver】STUDIO App

Deliver the AI you build as apps across your organization.

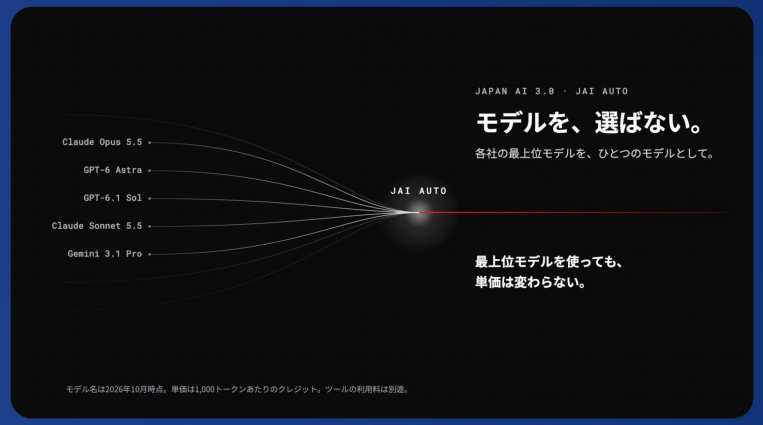
STUDIO App brings interfaces, AI agents, automation, and business data together in a single app, leveraging the shared platform’s integration capabilities to securely deliver it across your organization.



【Select】JAI Auto

Each provider’s top-tier models, unified as one.

JAI Auto automatically selects the optimal AI model and reasoning level for each request, eliminating the need to switch between models manually while balancing performance and cost.



【Expand】New Pricing Plans

From initial trials to company-wide deployment.

The new pricing plans support five stages of AI adoption, from individual trials to integration into company-wide business systems, with a pricing structure that enables gradual expansion from small-scale implementation to organization-wide deployment.

	Stage	Price	How to start
1.Free	Start by Trying It Yourself	Free	Sign Up Online (No Credit Card)
2.Team	Use AI as a Team	￥2,980 per user per month (tax included	Sign Up Online (30-Day Free Trial)
3.Entry	Bring AI to Everyone	Custom Pricing	Contact Us
4.Premium	Build Your Own AI	Custom Pricing	Contact Us
5.Max	Turn Your AI into an Organization	Custom Pricing	Contact Us

By Segment | Percentage of Earnings Trends

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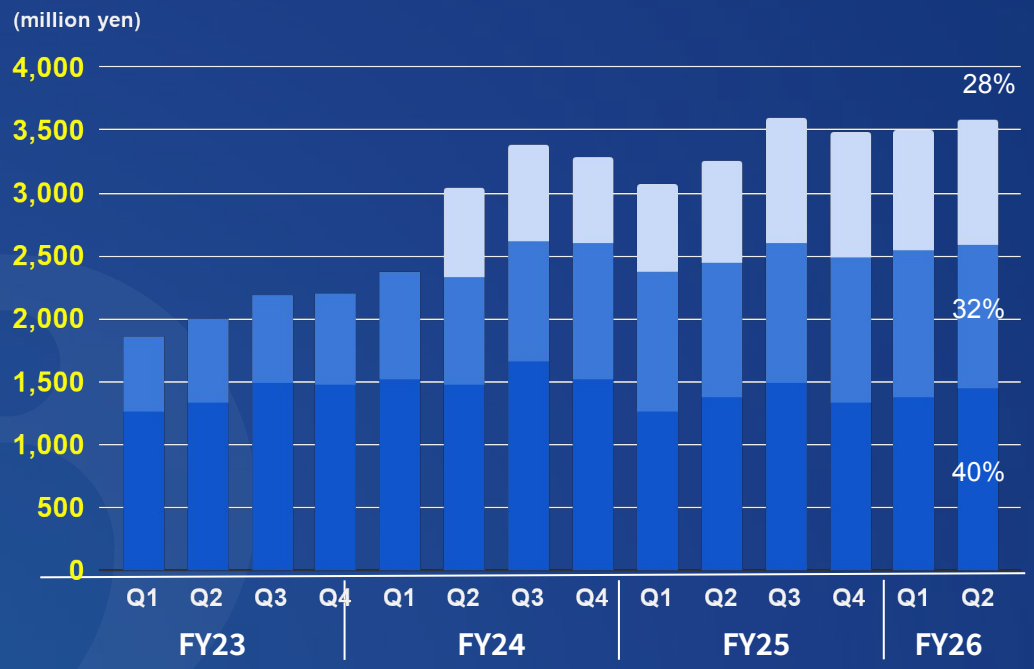
- The advertising platform business remains the core, while the marketing SaaS and digital PR businesses continue to maintain healthy shares of the overall business mix.
- The business portfolio is becoming increasingly diversified in terms of both revenue and segment profit.
- Revenue and profit sources beyond the advertising platform business are growing steadily, strengthening the foundation for overall growth.

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

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- The advertising platform business remains the largest source of revenue, while the marketing SaaS and digital PR businesses also account for meaningful shares, forming a balanced business portfolio.
- The marketing SaaS business continues to grow as the second-largest business by revenue after the advertising platform business.
- The digital PR business continues to achieve strong growth through both organic expansion and M&A, scaling up to become a key component of the business portfolio.

Digital PR Business

Revenue

1,962

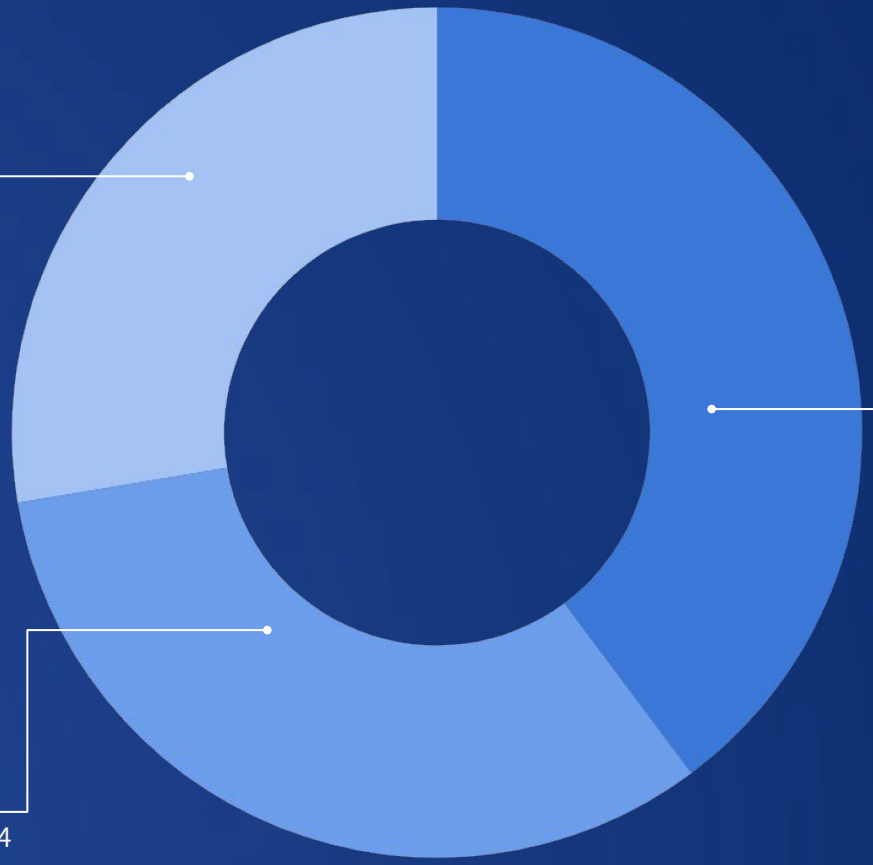
(Reference)	Segment profit	260
	Operating profit	82

Marketing SaaS Business

Revenue

2,311

(Reference)	Segment profit	314
	Operating loss	354



Advertising Platform Business (including overseas)

Revenue

2,822

(Reference)	Segment profit	1,315
	Operating profit	875

(million yen)

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TOPICS GENIEE SSP and JAPAN AI Integrate Article Creation and Ad Revenue Analysis into a Single AI System

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【Development Background】
Interviews with publishers revealed that collecting and analyzing data and planning improvement initiatives place a significant burden on website operations.
Combining their technologies and expertise, JAPAN AI and GENIEE have launched "**JAPAN AI MARKETING for Publisher**" to enable publishers to manage their operations on a single platform.

JAPAN AI MARKETING for Publisher

Supporting everything from routine operations to article creation, traffic analysis, and follow-up initiatives, enabling publishers to **focus on higher-value tasks.**

Task	Now	After
❶ **Ad Revenue Report**	Excessive Time Wasted Before Analysis Can Begin	**Automated Data Retrieval via API Integration & Consolidation into a Single Dashboard**
❷ **Daily Performance Monitoring**	Delayed Detection of Changes Leads to Missed Opportunities	**24/7 AI Monitoring, Every Day**
❸ **SEO Article Creation**	Substantial Time and Effort Required to Publish a Single Article	**Multiple AI Agents Collaborate in Specialized Roles**
❹ **Response to Breaking News**	Difficulty Maintaining 24/7 Immediate Response Capabilities	**AI Automatically Scans Primary Sources at Ultra-High Speed**

TOPICS Trial Registration Opens for “JAPAN AI Cyber,” an AI Agent-Powered Web Security Assessment Service

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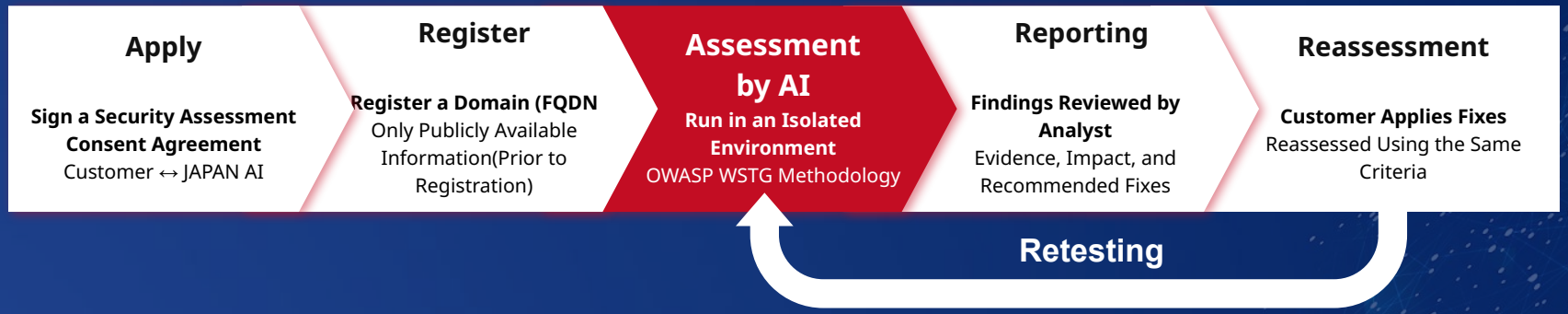
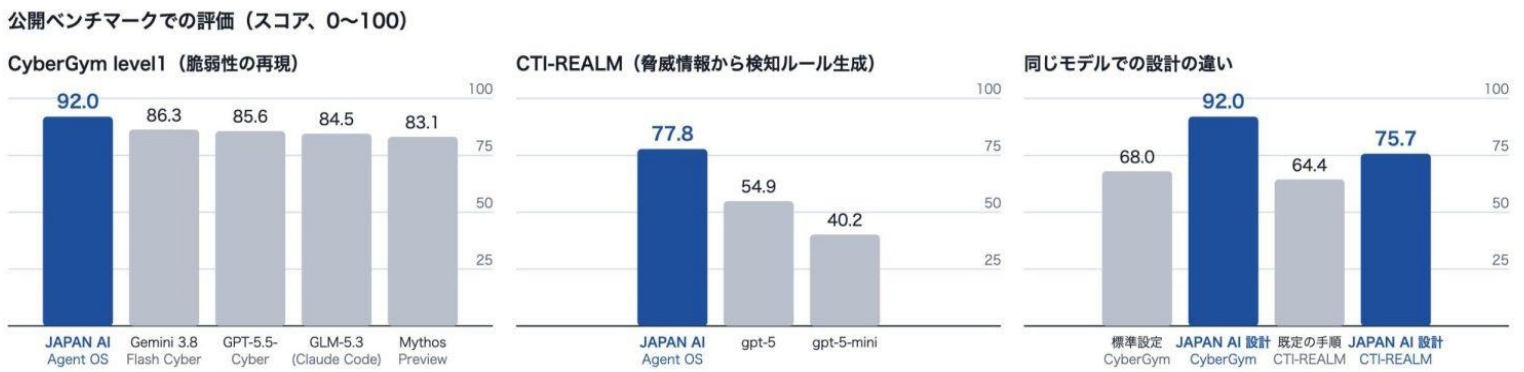
【Background to the Service Launch】
As cyber threats grow and attacks become increasingly automated, businesses face the challenge of finding ways to assess their web assets quickly and continuously.
JAPAN AI has launched a trial of “JAPAN AI Cyber,” a service that uses AI agents to assess web assets from an attacker’s perspective.

JAPAN AI Cyber
Service Workflow



Track Record in Security Evaluations



TOPICS JAPAN AI AGENT Wins Top Prize in the AI Agent Category at the “PRO if the DX Award 2026”

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Based on an evaluation of performance on PRONI Aimitsu SaaS, including the number of contracts secured and customer satisfaction, JAPAN AI AGENT received top marks in the AI Agent category and was selected for the Top Prize.



Evaluation Criteria

Overall Assessment

JAPAN AI AGENT is an AI agent platform offering more than 100 ready-to-use agents, along with the ability to easily create custom agents tailored to your business through a conversational interface. Its proprietary RAG capabilities, which support knowledge graphs and multimodal content, deliver highly accurate answers with clear source citations. These features, together with its extensive integrations with external business tools, earned high praise and led to its selection for the Top Prize.

PRONI Inc.
CEO Founder
Norio Kuriyama



TOPICS Launching Initiatives with Microsoft Japan to Expand AI Adoption

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【Background】
Full-scale adoption of AI agents is driving growing demand for enterprise AI platforms that combine high-performance models with robust security and operational management capabilities.
With support from Microsoft Japan and by leveraging Azure and Microsoft Foundry, JAPAN AI is advancing the deployment of AI agents in business operations to deliver tangible results.



Leveraging Microsoft Foundry

As a first step, JAPAN AI is developing its AI infrastructure using Microsoft Foundry.

By leveraging the latest large language models (LLMs) available on Microsoft Foundry, JAPAN AI is enhancing its ability to select the most suitable AI model for each use case across its range of AI agents.

JAPAN AI has also begun standardizing its enterprise AI infrastructure using Microsoft Azure.

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Marketing SaaS Business | Revenue Trend and Highlights

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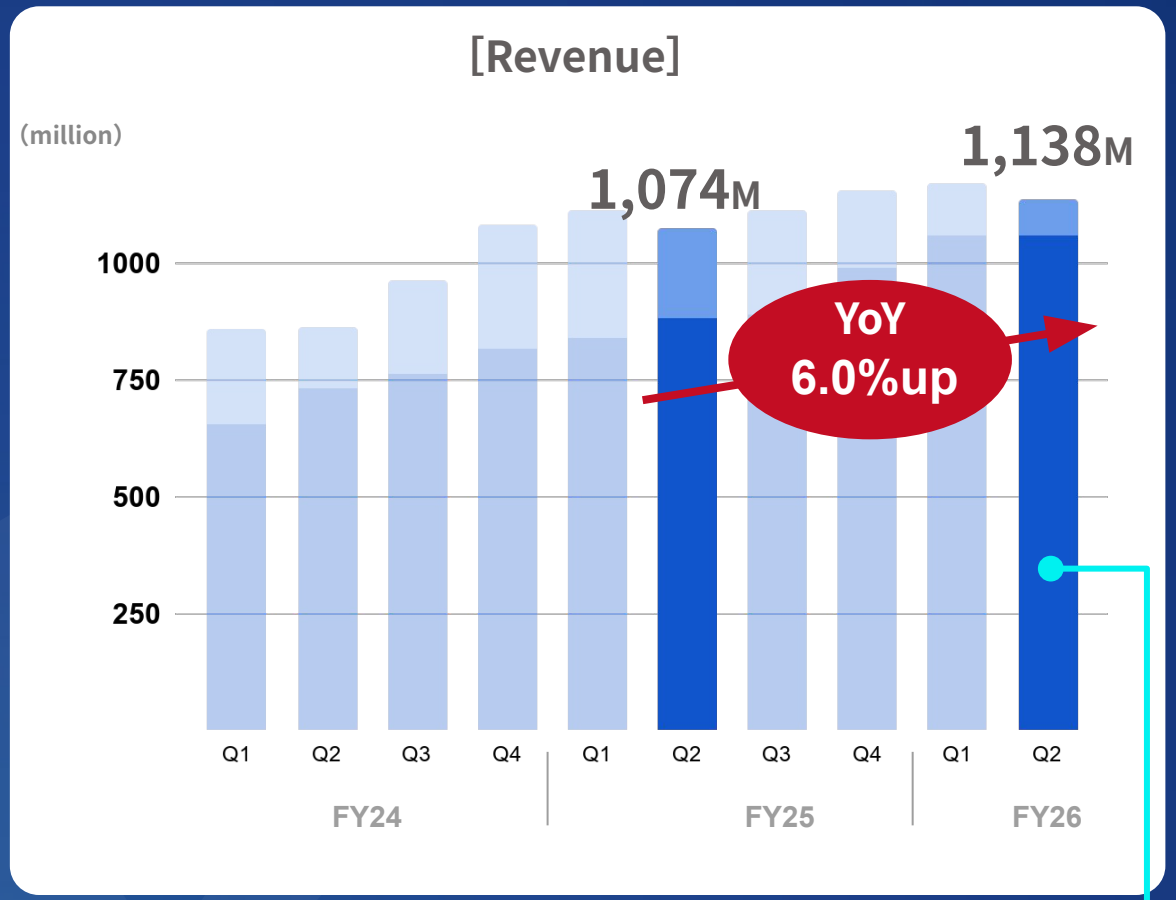
- Reorganized into two business divisions: “Sales AX/DX” for B2B companies and “Marketing AX/DX” for B2C companies.
- ARR grew steadily, increasing 14.1% year over year, driven in part by large contract wins and progress in project delivery in Marketing AX/DX. The recurring revenue ratio also rose to 87.8%, up 8.0 percentage points year over year. Sales AX/DX is implementing structural reforms with the aim of achieving an operating profit for the full year.



ARR ／YoY Growth Rate	**4,204**million yen／**14.1**%
Recurring Revenue Ratio*1 ／YoY Change	**87.8**%／**+8.0**point
ARPA ／YoY Growth Rate	**15,467**yen／**21.7**%
Number of Paid Accounts	**23,650**
Churn Rate	**1.10**%

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

Marketing SaaS Business | KPI

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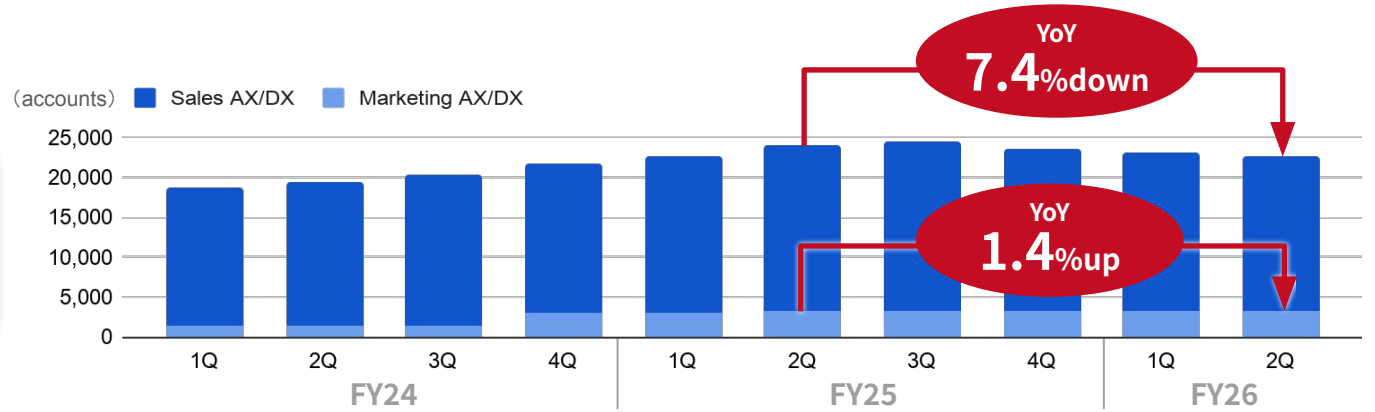
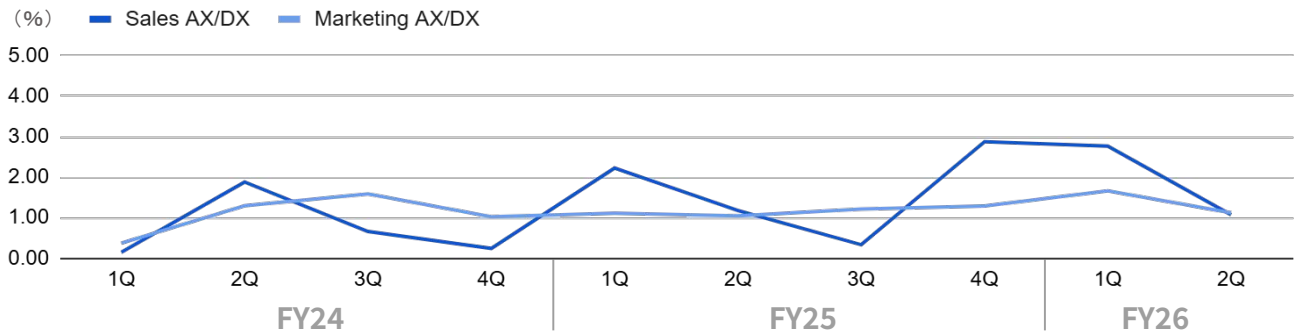
- Paid accounts in Marketing AX/DX grew steadily, increasing by 1.4% year on year. Paid accounts in Sales AX/DX decreased by 7.4% year on year due to cancellations by large customers.
- Churn declined following the implementation of measures including standardized onboarding and health score monitoring. We will continue these initiatives 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

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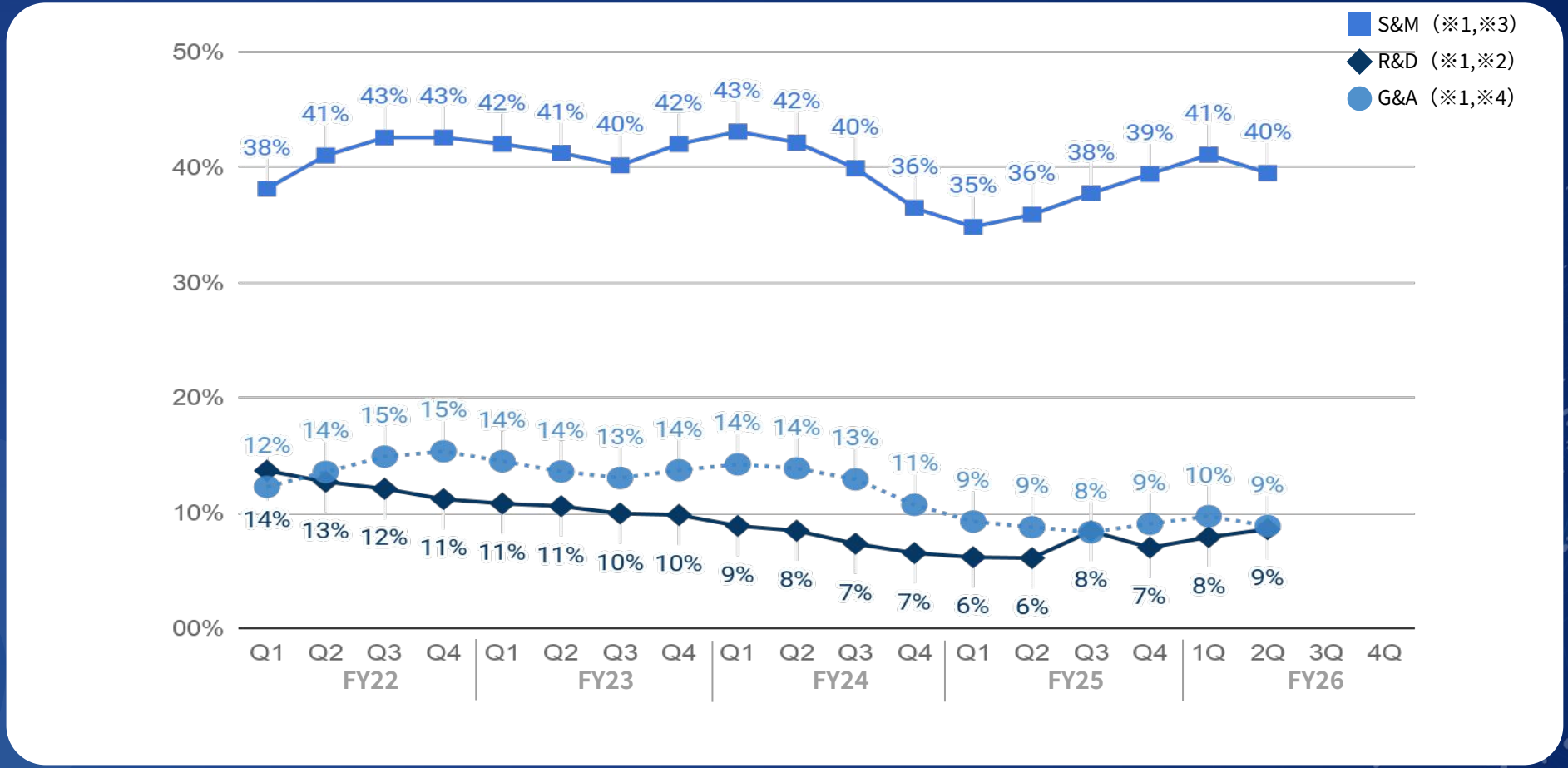
S&M and G&A expenses as a percentage of revenue declined quarter over quarter as temporary cost increases associated with organizational expansion subsided. R&D expenses as a percentage of revenue rose due to fluctuations in revenue.



*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

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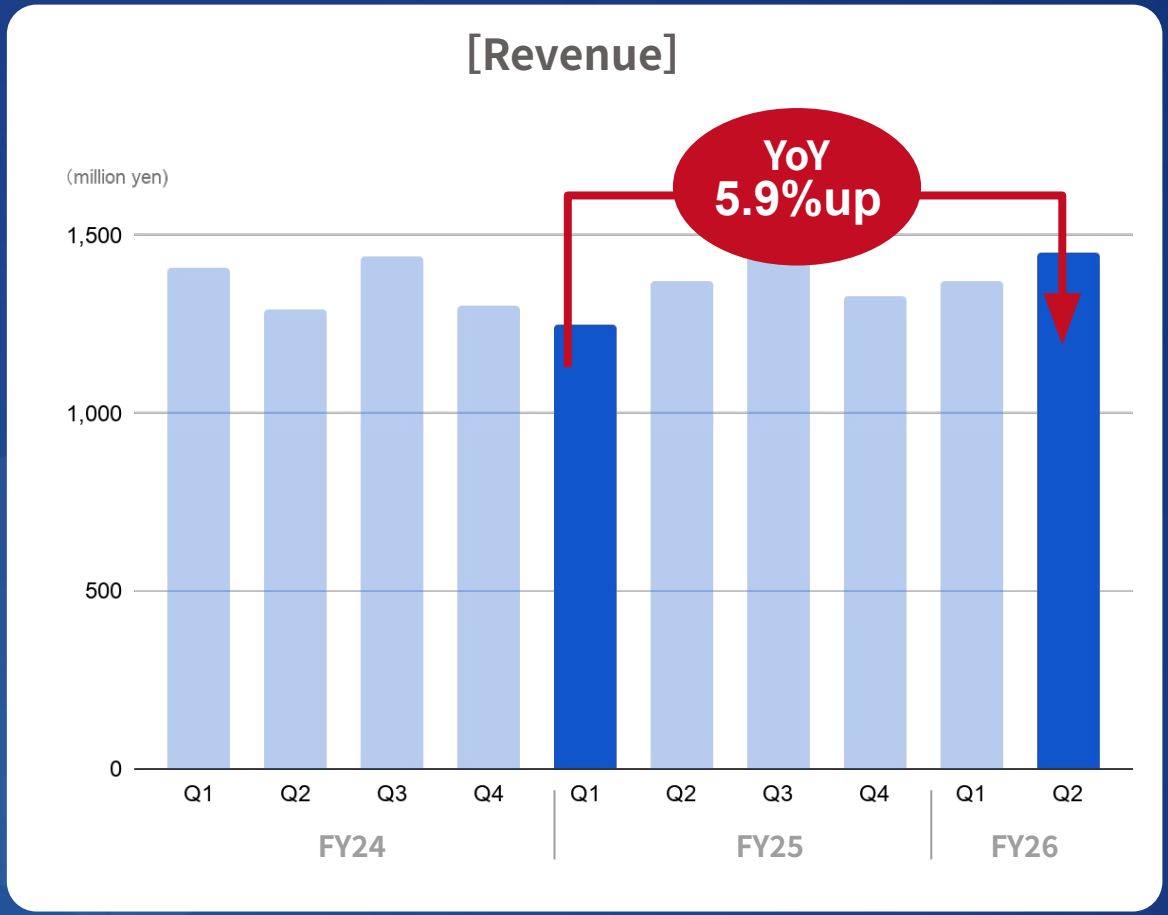
・The number of client companies increased by 7.9%, driven in part by expanded business with existing domestic customers.
・Revenue per client declined by 1.9% due to a decrease in large-scale projects. We are working to improve this metric by promoting cross-selling across multiple products.



Number of Clients ／YoY Growth Rate	**277** companies ／ **7.9%**
Average revenue per Client ／YoY Growth Rate	**1,745** thousand yen ／ **▲1.9%**

※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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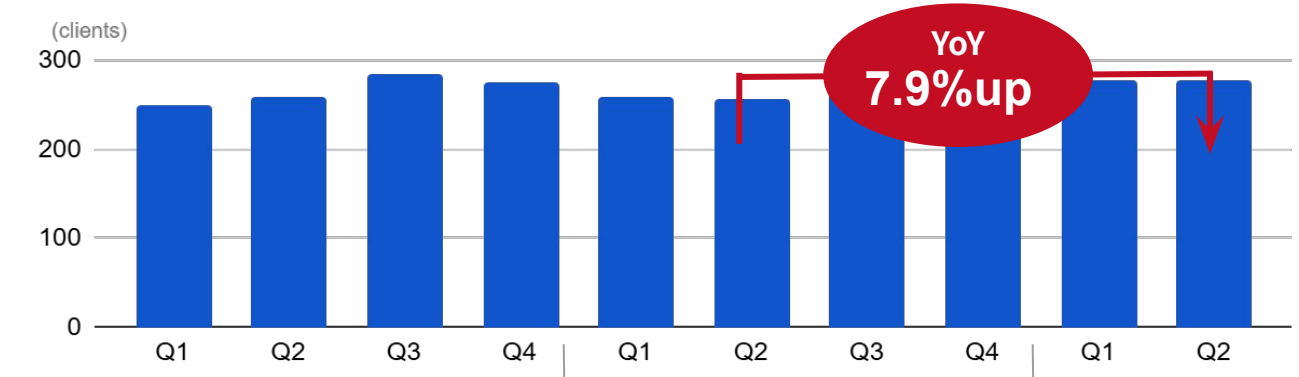
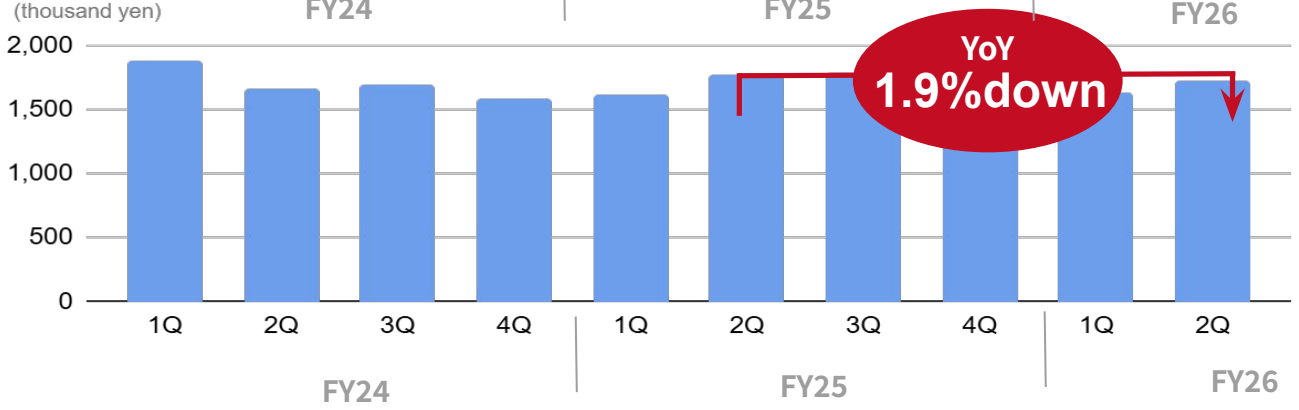
Number of Clients (※1,4)



Average Revenue per Client (※2,3)



*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.

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What Geniee Is Aiming For

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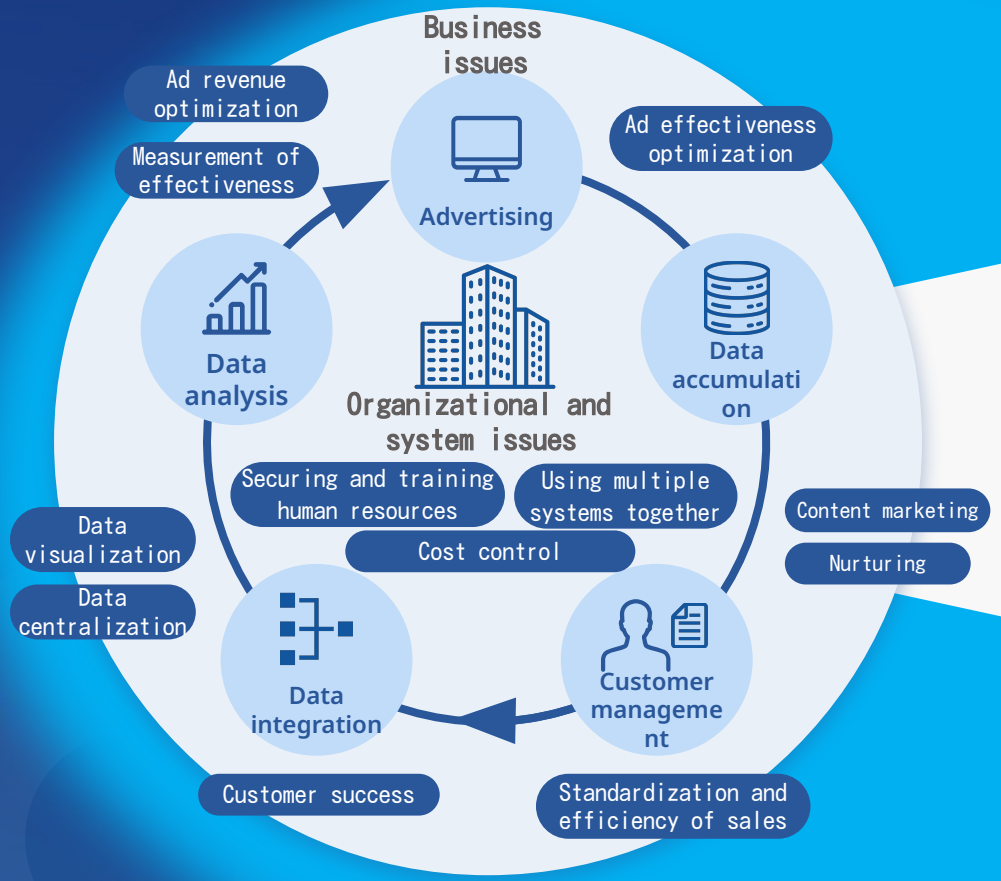

GENIEE

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

State-of-the-art AI technology

Purpose

Creating a world where everyone can succeed in marketing

- High cost performance
- Automating and streamlining operations

Areas of Business

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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.

Awareness ► Website Visit ► Comparison & Consideration ► Booking & Visit ► Purchase ► Repeat Purchase ► Retention ► Loyalty

GENIEE Ads Platform

- GENIEE DMS (マーケティング コンサルティング)
- GENIEE DOOH
- GENIEE SSP
- GENIEE DSP
- GENIEE RMP
- SocialWire Digital PR
- Find Model (インフルエンサー)
- @クリッピング (指載リサーチ)
- @Press (リリース配信)
- RISK EYES (反社リサーチ)

GENIEE Marketing Cloud

- GENIEE SEARCH
- GENIEE RECOMMEND
- GENIEE ENGAGE
- GENIEE CHAT
- GENIEE MA
- GENIEE ANALYTICS
- CATS
- L-ad
- AFAD
- BUY-X
- GENIEE SFA/CRM
- GENIEE DATA CONNECT
- GENIEE BI
- GENIEE CDP

JAPAN AI State-of-the-art generative AI solutions

PR/ Research ► Data accumulation ► Customer management ► Data integration ► Data analysis

Business Areas of JAPAN AI

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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 | Sales | Marketing | CS | + 100 types of standard AI Agents | + Your company's custom AI Agents / Skills

JAPAN AI HR
JAPAN AI SALES
JAPAN AI MARKETING
JAPAN AI CALL

■ 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

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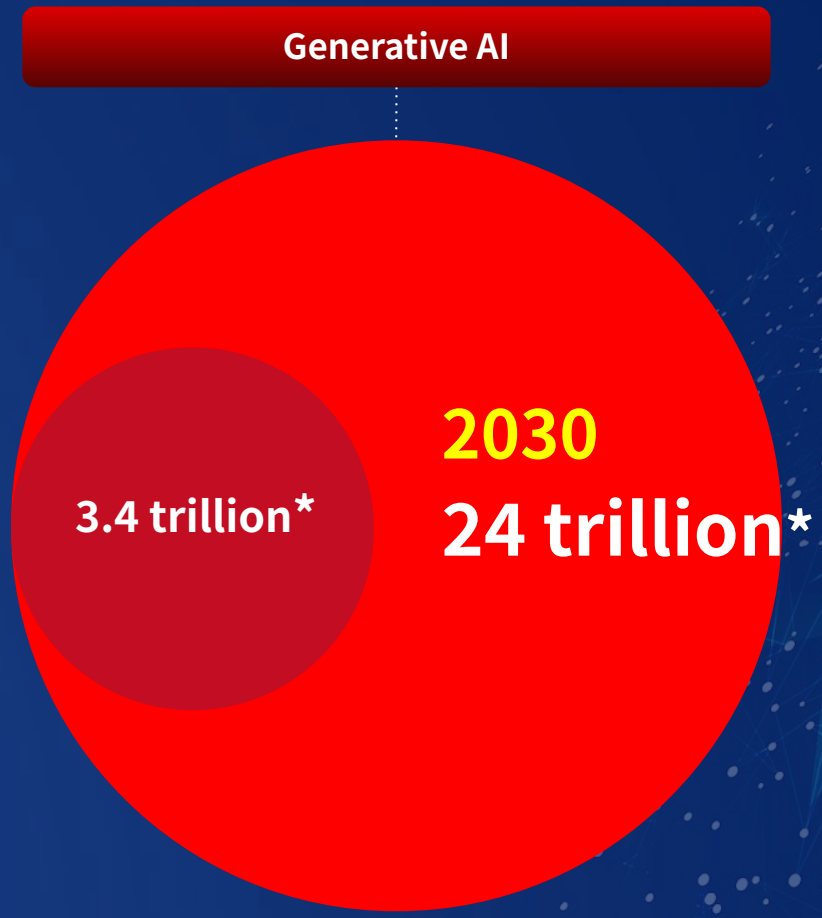
FY2026 (17th term) targeted market size is ￥1.0031 trillion in total across the company, indicating significant growth potential. By FY2028 (19th term), we aim to capture ￥25.4 billion of the market. In JAPAN AI's target—Japan's generative AI market—rapid growth is underway, with expectations to reach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

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FY2026 | Planning Assumptions

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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.

FY2026 | Revision to Full-Year Earnings Forecast

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We have revised our full-year earnings forecast to reflect a more conservative revenue growth trajectory. Normalized profit, excluding one-off gains and losses, is expected to increase by 47%.

(million yen)

	FY2025 Actual	FY2026 (Initial Budget)		FY2026 (Revised Budget)
Revenue	13,377	16,400	15%	15,400
Advertising Platform Business*	5,455	6,224		6,054
Marketing SaaS Business	4,459	5,792		5,020
Digital PR Business	3,513	4,412		4,343
(Adjustments)	▲51	▲28		▲17
Gross Profit	9,776	11,700	9%	10,700
Segment Profit	1,536	2,500		2,500
Advertising Platform Business*	2,468	2,929		2,923
Marketing SaaS Business	853	1,418		1,133
Digital PR Business	540	879		743
(Company-wide / Eliminations)	▲2,326	▲2,726		▲2,299
Operating profit	1,536	2,500		2,050
Advertising Platform Business*	1,537	2,057		2,057
Marketing SaaS Business	▲364	8		8
Digital PR Business	222	497		367
(Adjustments)	141	▲62		▲382
Normal Profit	1,514	2,400	47%	2,230
Profit Before Tax	1,332	2,300		1,700

Revenue

Maintaining 15% growth on a consolidated basis

- In the Advertising Platform Business, we have revised our growth forecast due to revenue declines among some existing overseas customers, despite solid performance in the domestic SSP business. We expect year-on-year growth of 11%.
- In the Marketing SaaS Business, we have revised our forecast following the loss of major SFA/CRM deals and other factors, while ARR continues to perform steadily. We expect year-on-year growth of 13%.
- In the Digital PR Business, we have revised our growth forecast due to a combination of budget cuts and lost deals on certain major projects in the core business, despite the positive contribution from the consolidation of SEIRYO*. We expect year-on-year growth of 24%. (*Consolidated subsidiary since Q1 FY26

Operating Profit

Normalized profit, excluding one-off gains and losses, increased by 47%.

The full-year operating profit forecast is expected to decrease by ¥450 million, from ¥2.5 billion to ¥2.05 billion. Of this decrease, ¥310 million is attributable to one-off losses related to unauthorized access, incident response costs, and other related expenses, while ¥130 million reflects the impact of lower profit in the Digital PR Business.

- In the Advertising Platform Business, we are maintaining our initial forecast as the adoption of AI in Japan and overseas continues to drive more efficient operations.
- In the Marketing SaaS Business, we are maintaining our initial forecast as we continue to prioritize profitability and reduce costs through structural reforms.
- In the Digital PR Business, operating profit is expected to fall short of our initial forecast, despite ongoing cost reductions through headquarters relocation and workforce optimization.

Investing in Continuous Growth

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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	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.

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QA on Advertising Platform Business

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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.
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

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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

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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.
What is the status of JAPAN AI's external fundraising?	In May 2026, JAPAN AI raised a total of ¥1.1 billion from SMBC Edge Co., Ltd. and Nissay Capital Co., Ltd. In August, JAPAN AI also entered into a capital and business alliance agreement with Otsuka Corporation and raised additional funds through a third-party allotment of newly issued shares to Otsuka Corporation and other investors.

QA on SoftBank's Share Buyback

GENIEE

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Why do you need to issue preferred shares?	Repurchasing treasury shares (￥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 ￥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 ￥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

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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

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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

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Company Profile

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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

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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 September 2026)

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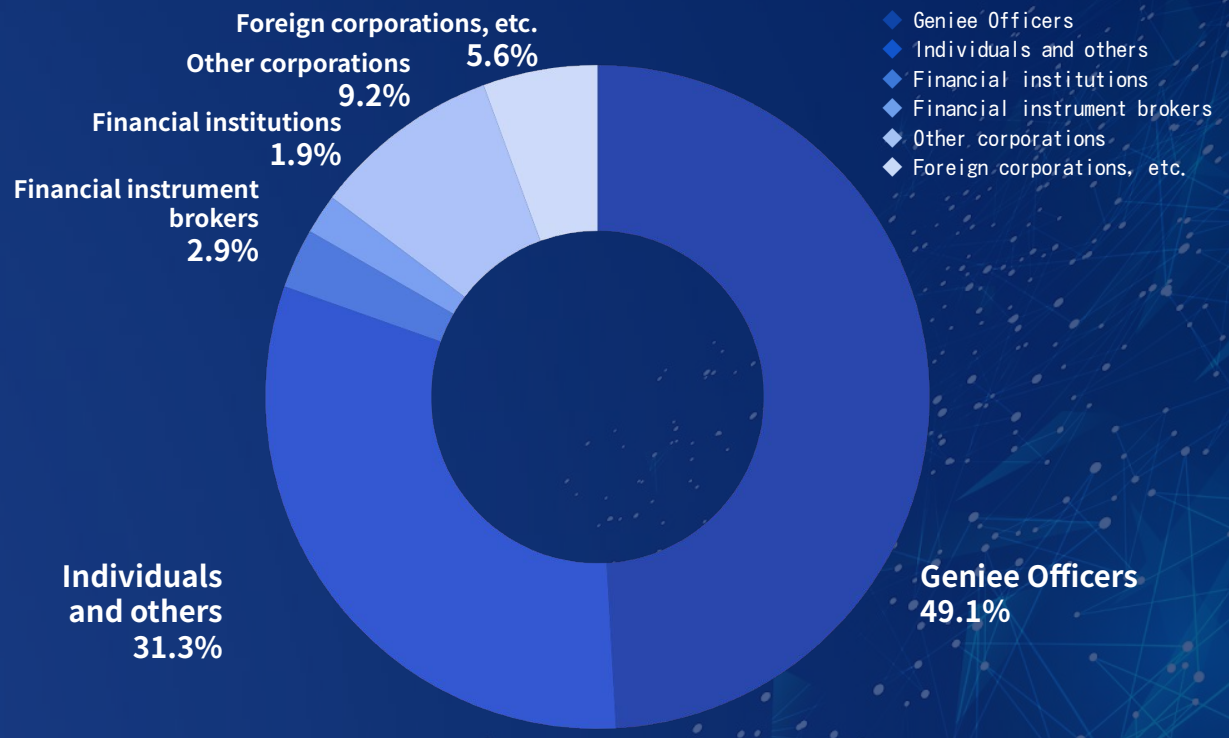
Status of Major Shareholders

Shareholder Name	Number of Shares Owned (shares)	Shareholding Ratio (%)
Tomoaki Kudo (President & CEO)	6,544,400	49.1
dip Corporation	902,820	6.8
NICE SATISFY LIMITED	402,000	3.0
Takuya Yoshimura	326,800	2.5
Daisuke Gomi	210,300	1.6
Japan Custody Bank, Ltd. (Trust Account)	183,000	1.4
Yasutaka Yoshida	181,000	1.4
Yukio Tanaka	177,300	1.3
Jou Kumaki	135,000	1.0
Rakuten Securities, Inc.(Omnibus Account)	131,500	1.0

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

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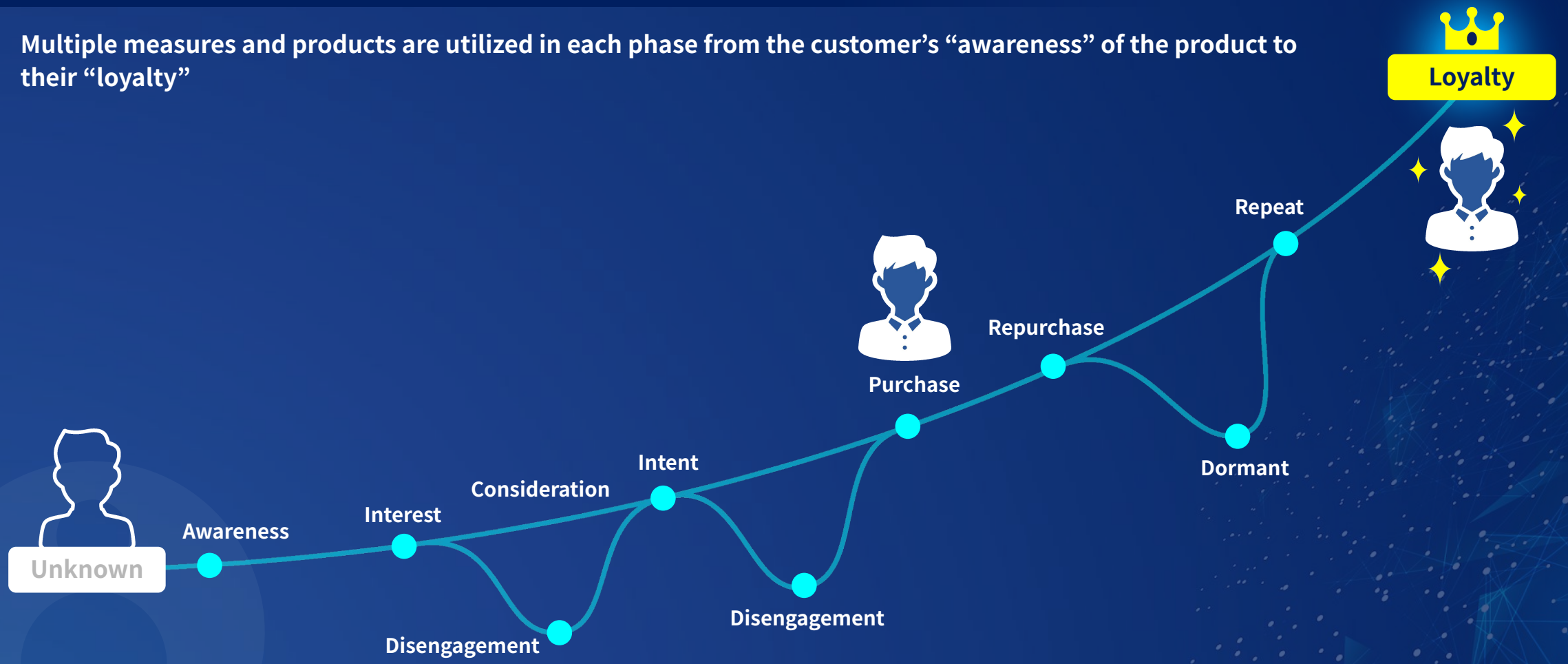
Multiple measures and products are utilized in each phase from the customer's "awareness" of the product to their "loyalty"



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

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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

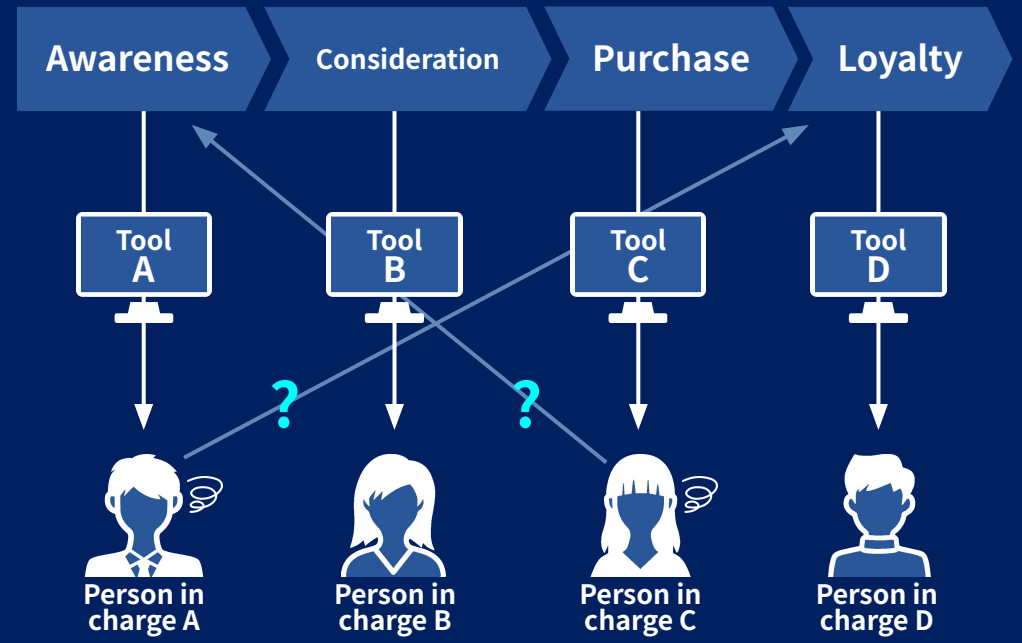
- Labor-intensive tasks for implementing breakouts arising (manual ad operation, data integration/analysis, etc.)
- Inefficiency of using complex marketing tools

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

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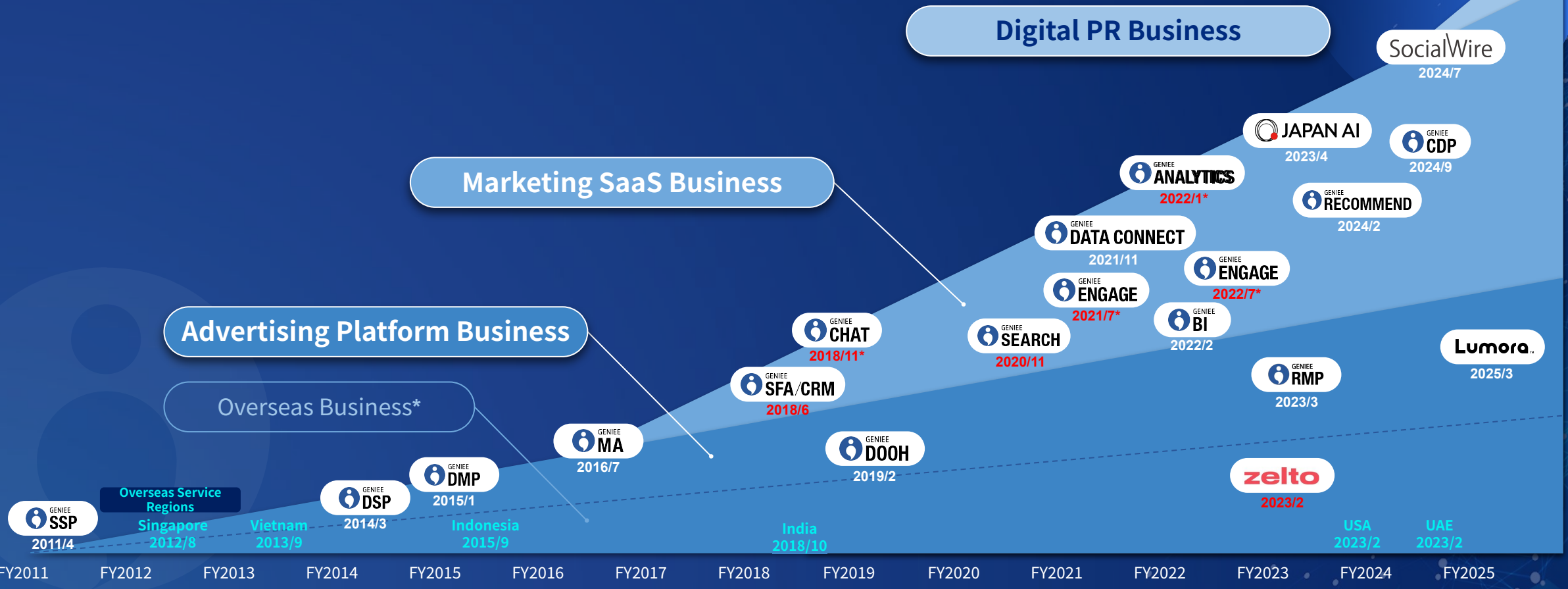
Started advertising platform business in 2010. Grew to top-tier scale in Japan by 2016.
Began offering marketing SaaS products from 2016, expanding business while conducting M&As.
Overseas business expansion started in 2012, with foreign revenue significantly increasing after acquiring Geniee US (formerly 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.

TOPICS Selected as a constituent of the ‘JPX Startup 100.’

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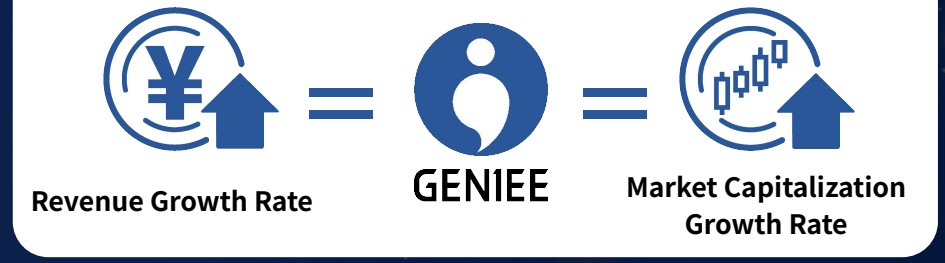
Our shares have been selected as a constituent of the ‘JPX Startup 100,’ a stock price index calculated by JPX Market Innovation & Research, Inc. that focuses on the growth potential of emerging companies.

JPX Startup 100

[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

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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, 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

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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.

Enhanced Management Capabilities

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

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

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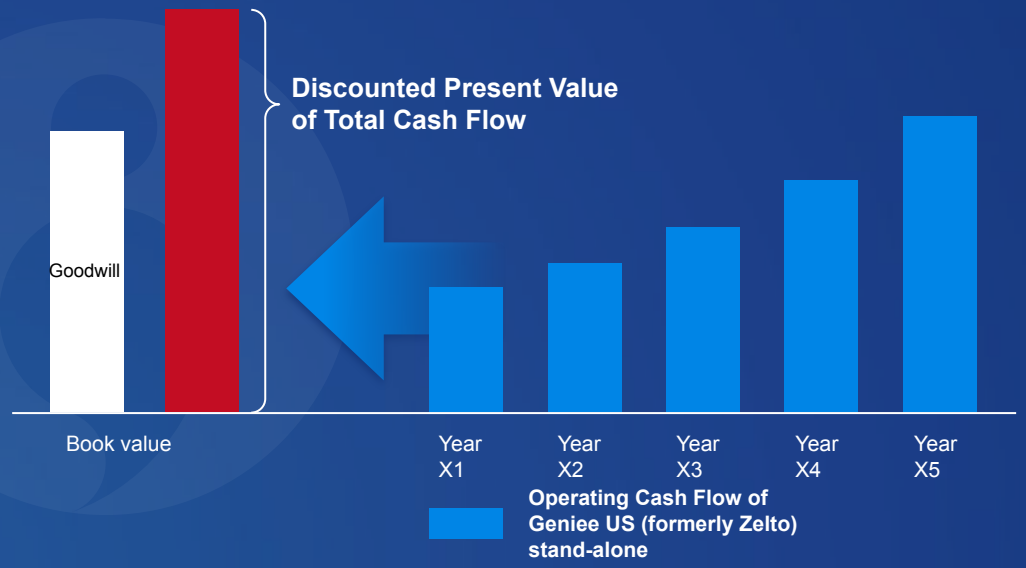
Goodwill and fixed assets are grouped into cash-generating units (CGUs) that produce independent cash flows, with recoverability determined by comparing goodwill to discounted future operating cash flows. Following global supply-side integration, decision-making, organizational structure, and brand attribution 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.

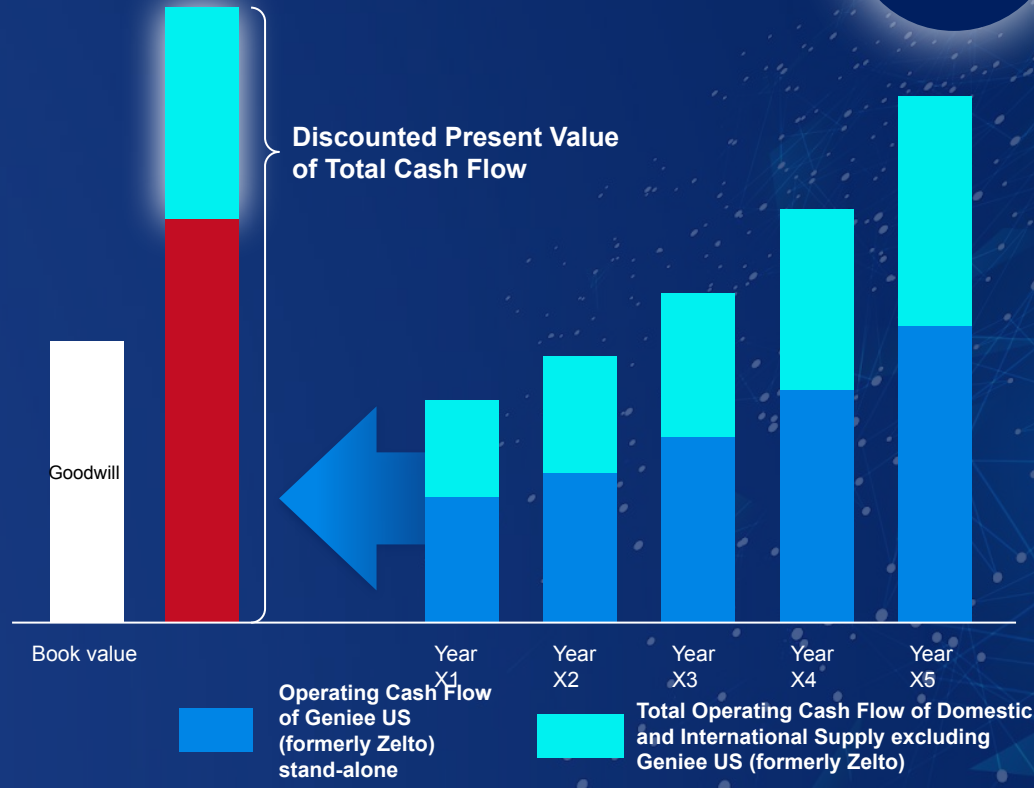
Determined on Geniee US (formerly Zelto) stand-alone basis

Before
FY2024



Determined on Global Supply overall basis

After
FY2025



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

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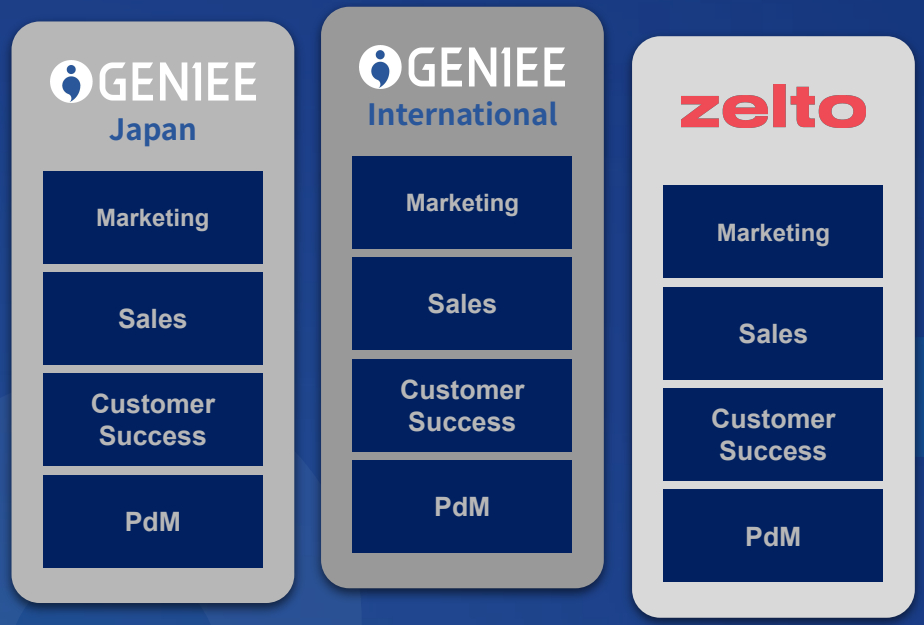
Starting from September 2024, the domestic SSP business and the overseas SSP business (including Geniee US (formerly Zelto)) will integrate their organizational structure and operations. The business workflows of each function-based organization will be standardized at a global level to accelerate the 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.

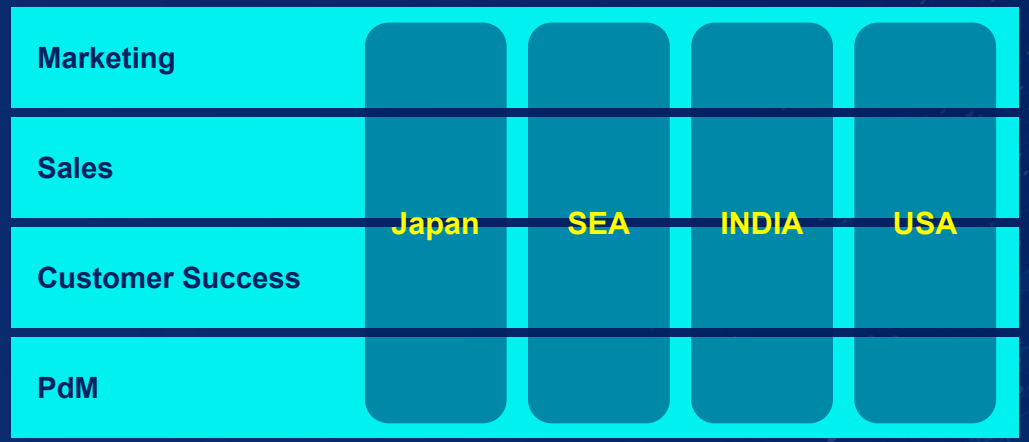
Before



- 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

Global Unified SSP Structure



- **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

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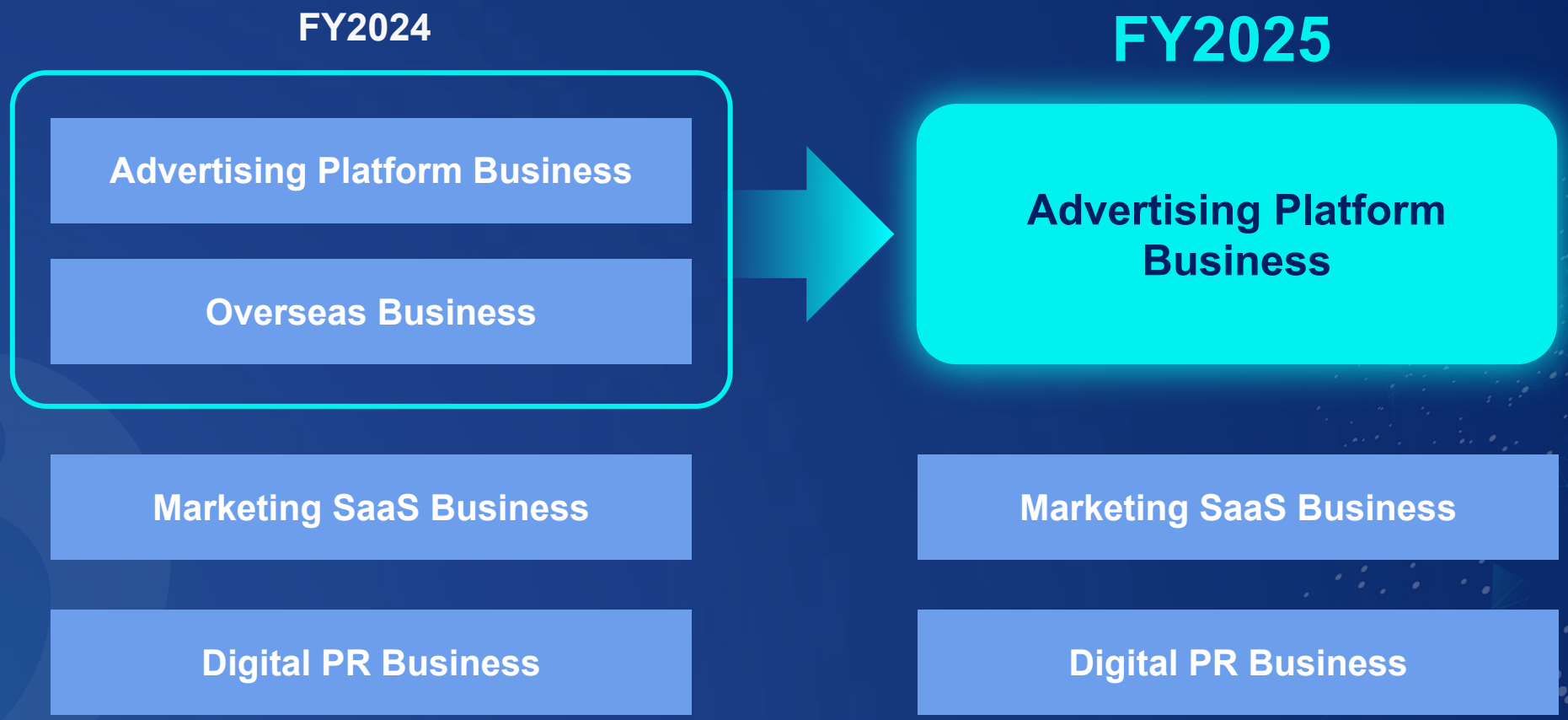
Following global supply-side integration from FY24-Q2, Advertising Platform and Overseas businesses merged into "Advertising Platform Business." Cross-selling between domestic and international operations has increased significantly since integration.



Impact of JAPAN AI on Our Company's Enterprise Value

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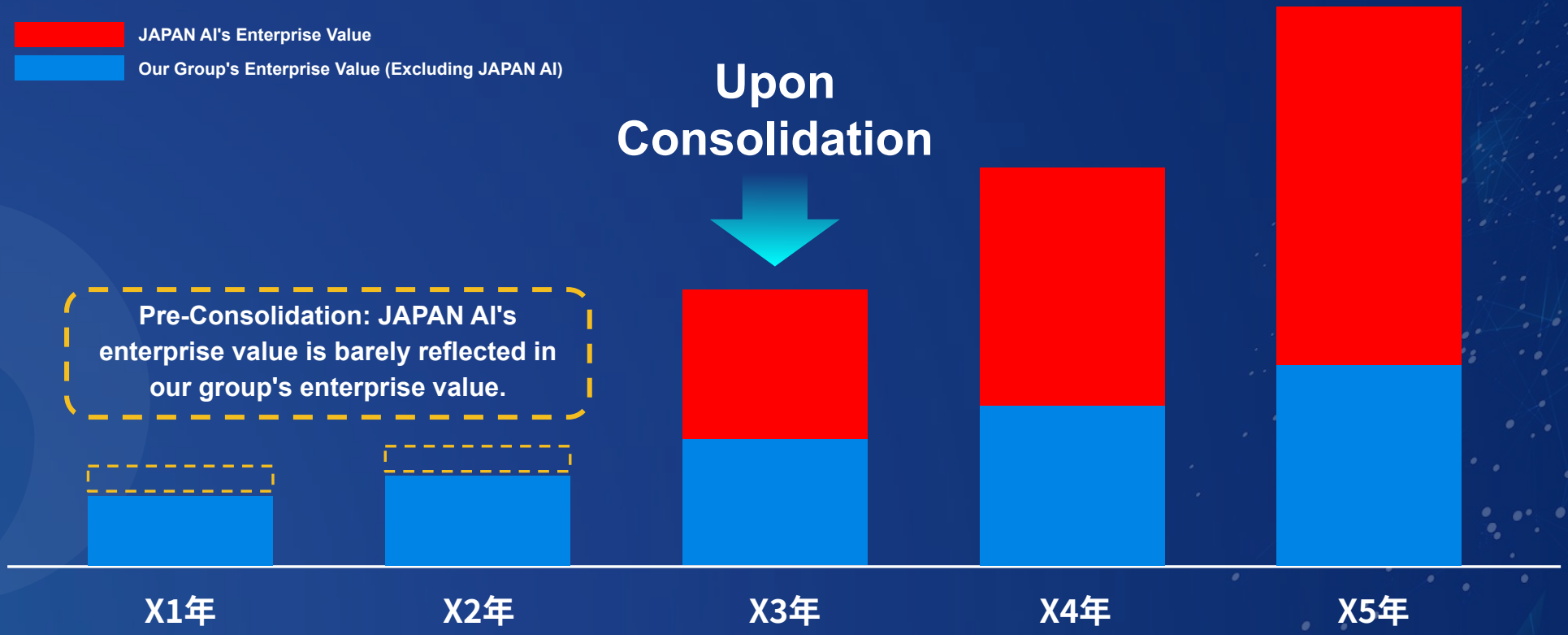
As of end-September 2025, we hold 5.88% of JAPAN AI's equity. Under IFRS, we exercise significant influence over the company and apply the equity method. Therefore, our proportionate share of earnings is reflected in our consolidated results, with limited impact on our enterprise value prior to full 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

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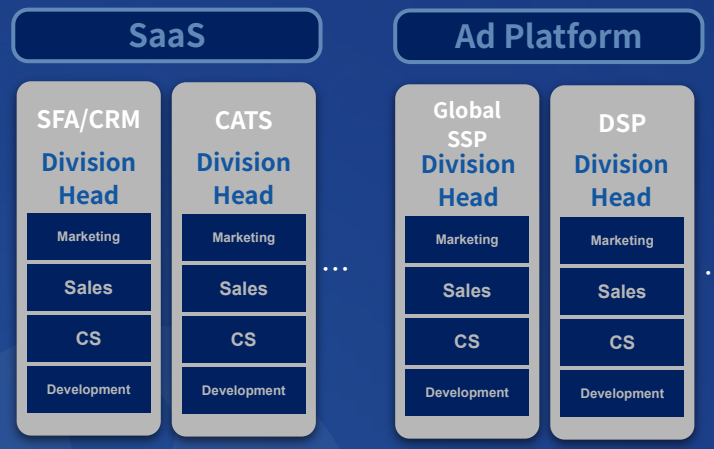
Oct 2025 Reorganization: Consolidate into AD & SaaS divisions under CEO Kudo; deploy functional heads to strengthen execution and efficiency.

Before

(Product-based Organization)



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

(All expected to be realized in H2 FY2025)

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

Summary of Advantages

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Overwhelmingly highly cost-effective products

Competitive Advantage | Three Factors to Increase Cost Effectiveness

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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

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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

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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

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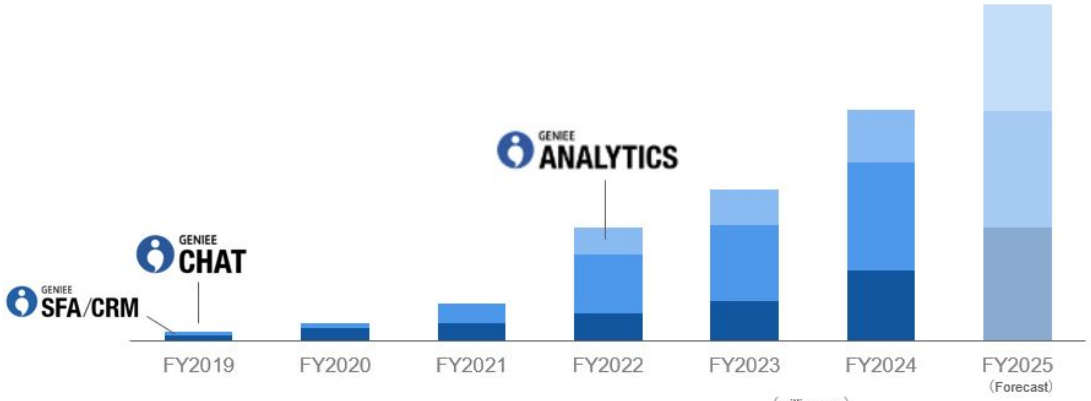
Many cases of acquired businesses registering high growth at an annual rate of 30% or more.
Utilizing the Geniee Group's technical capabilities and customer base to develop the industry's No. 1 product and make it a business with the No. 1 growth rate.



	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

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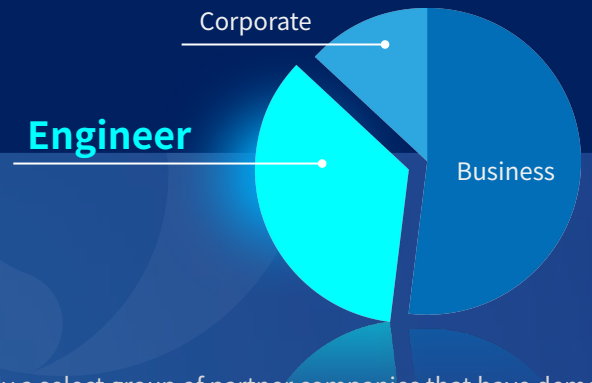
Boasting one of the best technical capabilities in Japan, developing many products with high customer value proposition in-house. Product value improving dramatically by equipping marketing tools with generative AI solutions (increase in customer value proposition).

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

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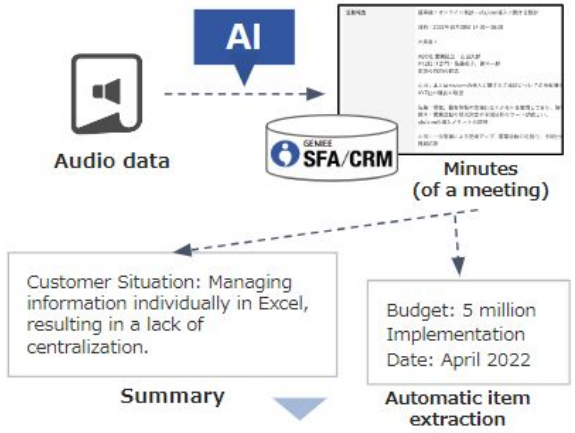
Capable of integrating and utilizing company-wide data accumulated in multiple businesses and equipping each product with AI functions.
Raising product performance with advanced AI technology (increase in customer value proposition).

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.

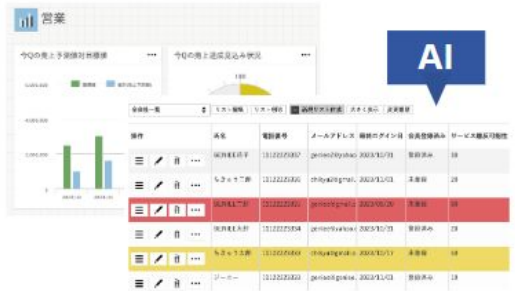


Sales representative

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.

Advantages in Technology | AI Development

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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
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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

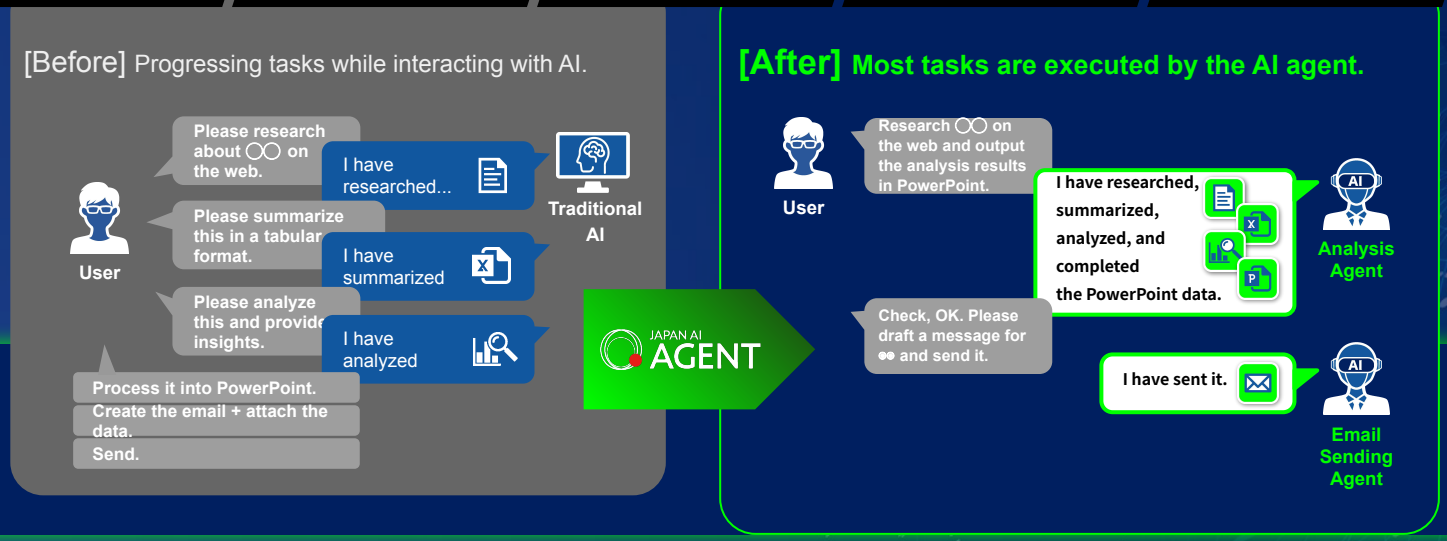
Level 4 Innovators.
AI that can assist in inventions.

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

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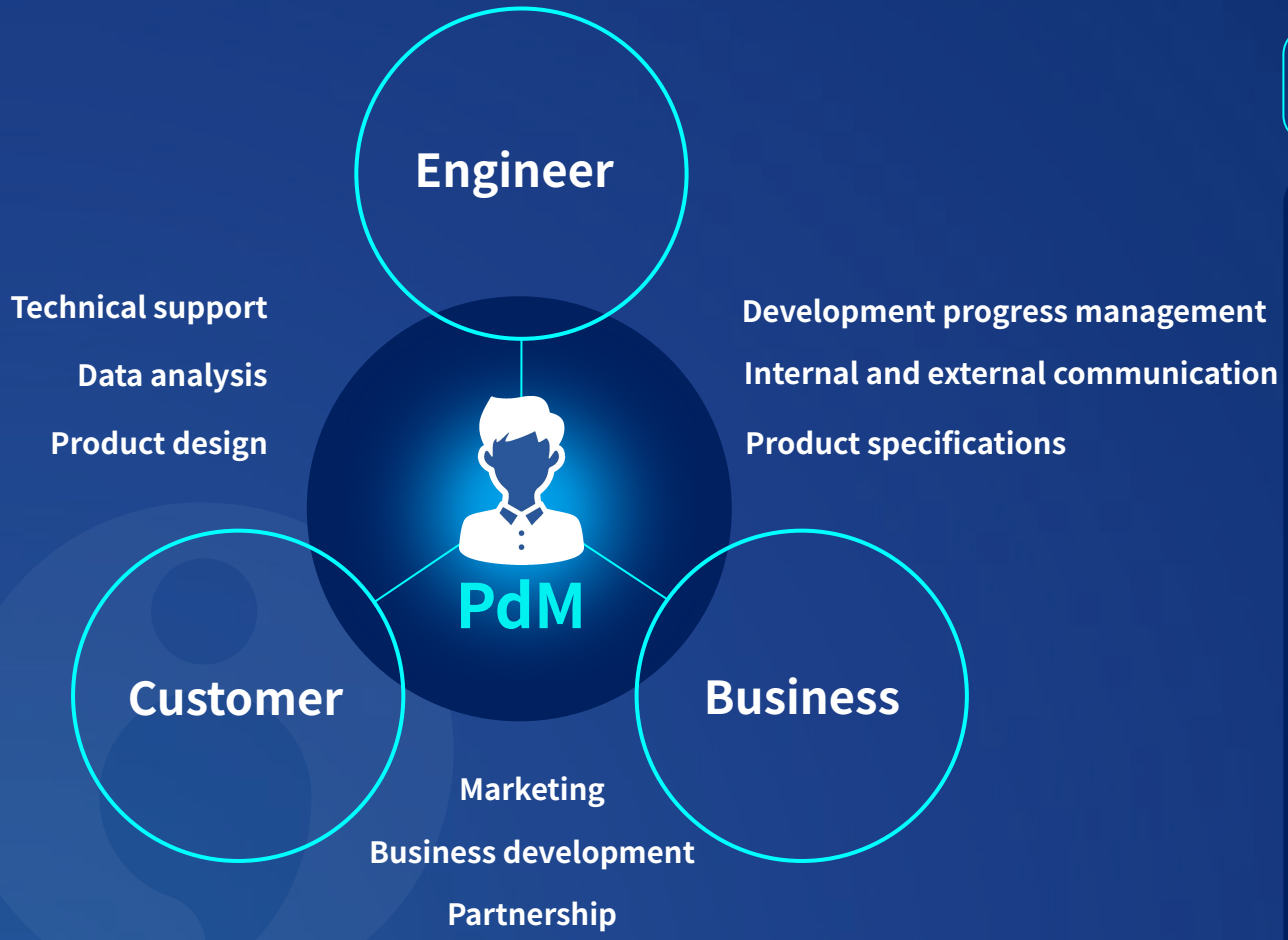
Recruiting and developing a large number of product managers (PdMs). A system of developing highly cost-effective products and building medium- to long-term competitive advantage.



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

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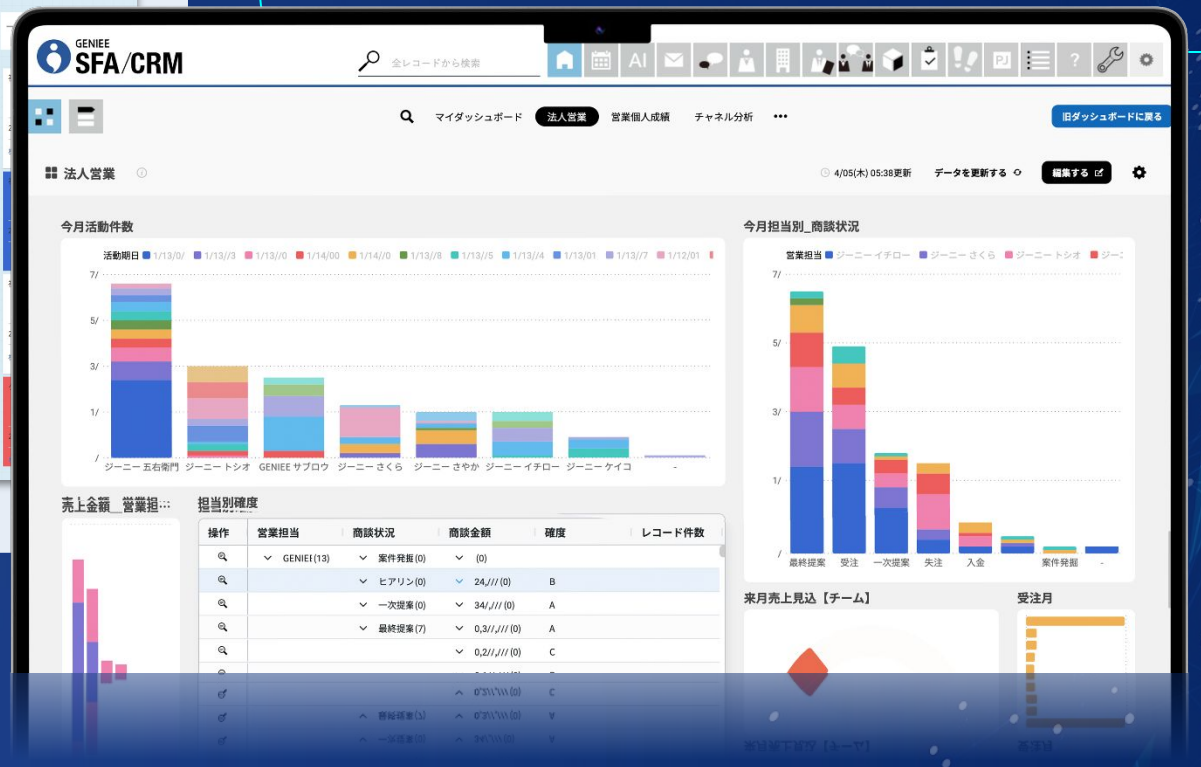
Adopting in-house sales management products (GENIEE SFA/CRM) company-wide.
Highly reproducible scientific business management system based on data.

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

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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)

Utilization period

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 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

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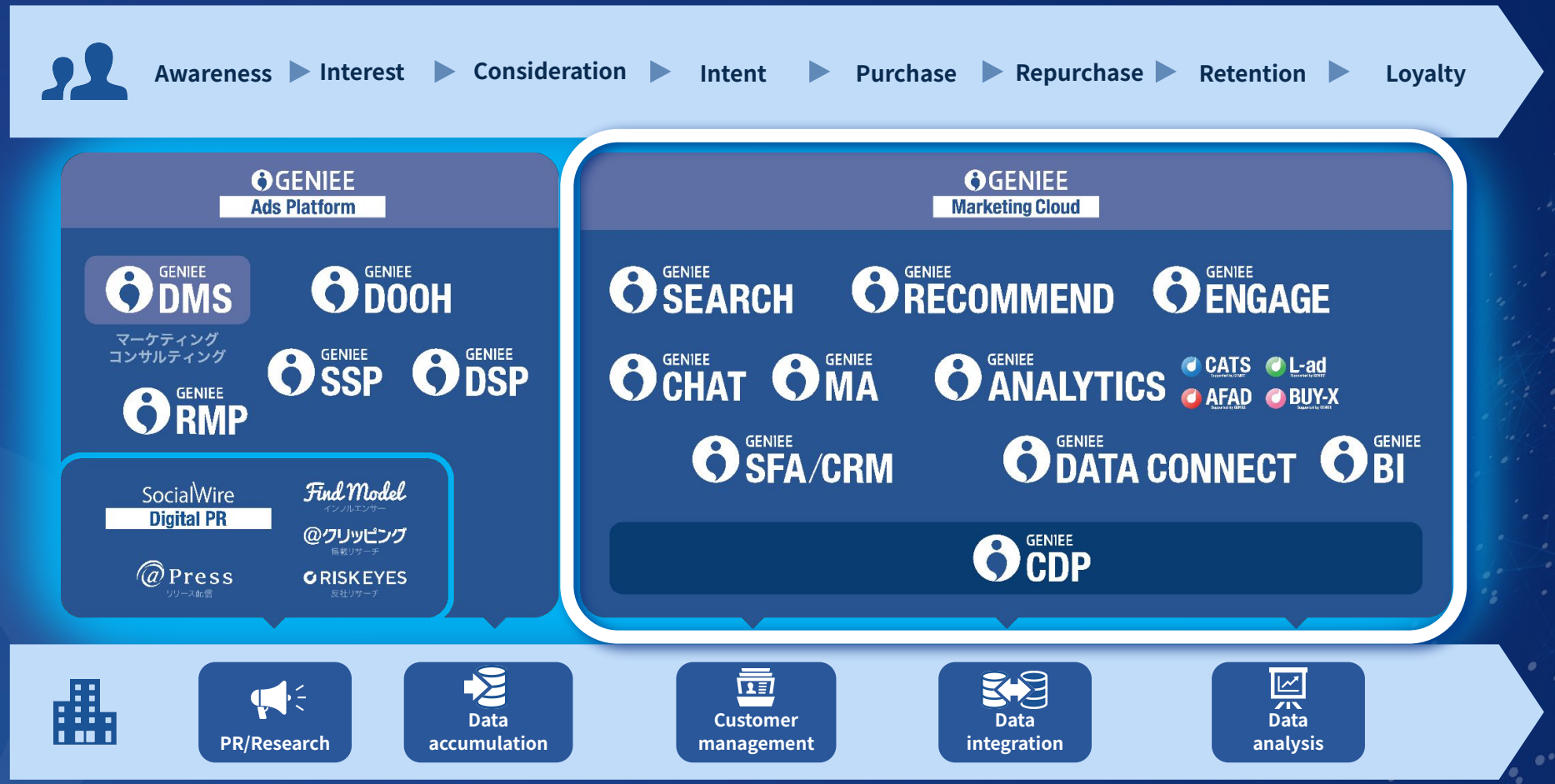

Structure of the Marketing SaaS Business

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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...」



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 (One-time revenue) + (Monthly fee + Monthly fee + Monthly fee ...) (Subscriptions) =

GENIEE revenue

Areas of the Advertising Platform Business

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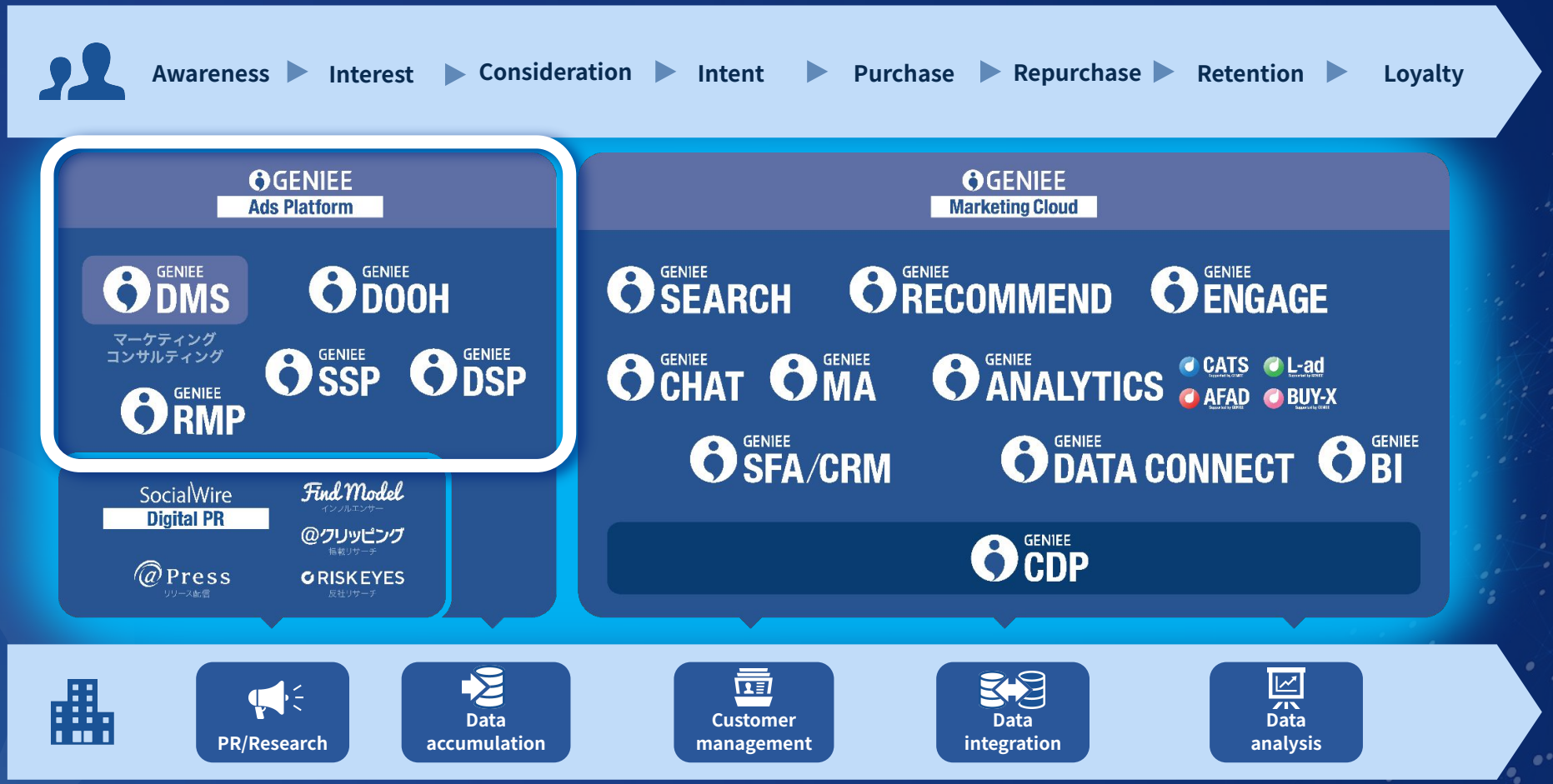

Advertising Platform Business | GENIEE SSP / GENIEE DSP

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

Business flow

Advertisers pay ad placement costs in exchange for advertising in the media

[Business model in which Geniee earns intermediary margins]

【Advertiser】



Wants to promote by advertising

Ad delivery

GENIEE DSP

A platform for maximizing the cost effectiveness of promotional budgets

GENIEE SSP

A platform that supports media's ad slot sales and ad revenue maximization

Ad slots

【Media】



Wants to earn revenue by placing ads

GENIEE Ads Platform

Overseas Business

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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.



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

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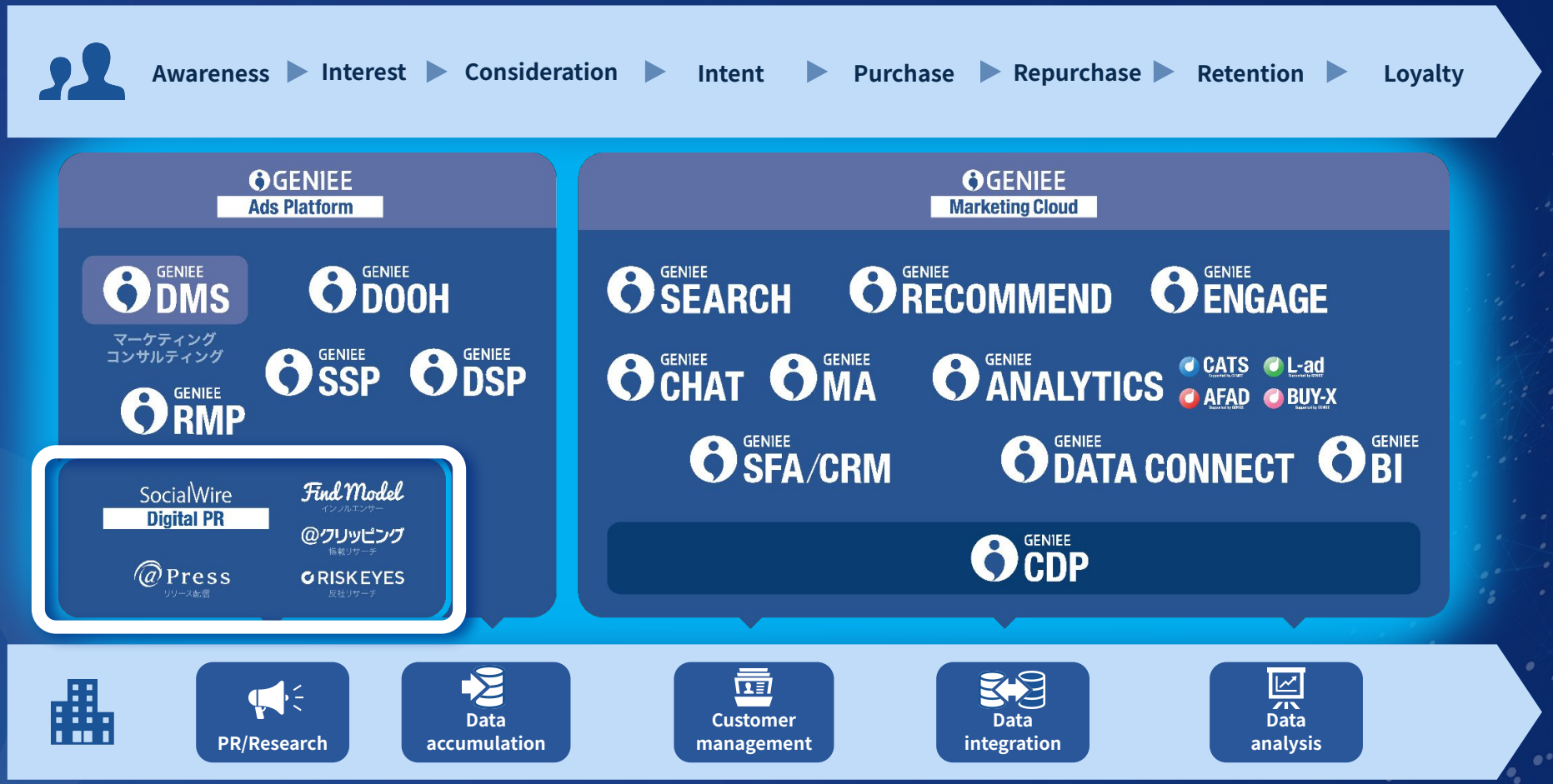

Digital PR Business

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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.

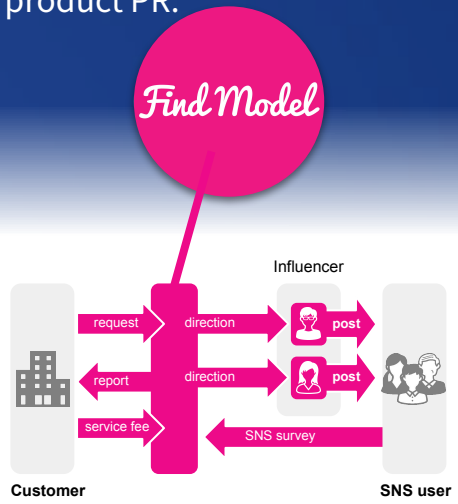
Newswire Business

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

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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

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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		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

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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.	
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.	
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.	

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.