

# Q1 FY 2022 Financial Results

May 13, 2022

Vision Inc.

Stock Code : 9416



# Q1 FY 2022 Financial Results (Consolidated)



(JPYmn, %)

Item	Q1 FY 2021 Result			Q1 FY 2022 Result	
	Amount	Composition ratio		Amount	Composition ratio
<b>Sales</b>	<b>3,938</b>	100.0	<b>+42.4%</b>	<b>5,609</b>	100.0
<b>Gross profit</b>	<b>2,176</b>	55.3	<b>+16.9%</b>	<b>2,544</b>	45.4
<b>Operating profit</b>	<b>285</b>	7.3	<b>+41.3%</b>	<b>403</b>	7.2
<b>Recurring profit</b>	<b>313</b>	8.0	<b>+29.4%</b>	<b>406</b>	7.2
<b>Profit attributable to owners of parent</b>	<b>232</b>	5.9	<b>+5.9%</b>	<b>245</b>	4.4

# Factors for Changes in Operating Profit



## Sales

**“GLOBAL WiFi” Business:** Sales increased as the decrease in the number of overseas travelers was offset by the acquisition of various domestic usage needs as well as sales of “GLOBAL WiFi for Biz,” a standby WiFi device service for corporate customers, which remained steady due to use for telework. Also, contract work continued on verifying COVID-19 contact tracing applications, part of infection prevention measures at airports carried out by the quarantine stations. Contracted from mid-March 2021 and continued in the first quarter of 2022.

**Information and Communications Service Business:** Sales are on the rise due to increased purchasing of products (mobile communication equipment, OA equipment, etc.). Increased due to the acquisition of Adval Corp., a subsidiary that operates a space management business (meeting room / telework space rental service) (implemented in December 2021). Steady stock revenue and in-house service (monthly system).

## Cost of sales

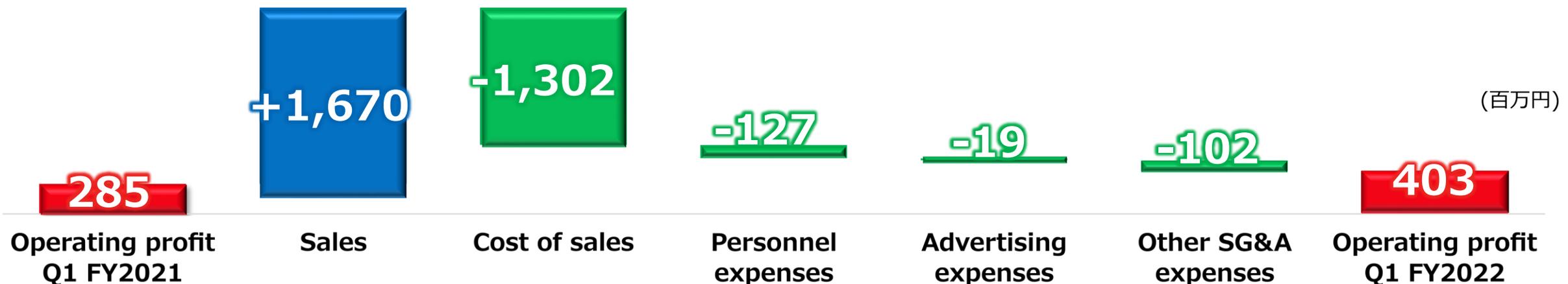
**“GLOBAL WiFi” Business:** Cost of sales increased because labor costs associated with the entrusted verification COVID-19 related app service increased.

## SG&A expenses

**Personnel expenses:** Increased personnel (permanent employees, part-time employees, temporary employees) and employee bonuses (bonuses and performance-linked bonus reserves).

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

**Other SG&A expenses:** Increased sales-linked expenses (communication expenses, consumables expenses, payment fees, etc.).



# "GLOBAL WiFi" Business

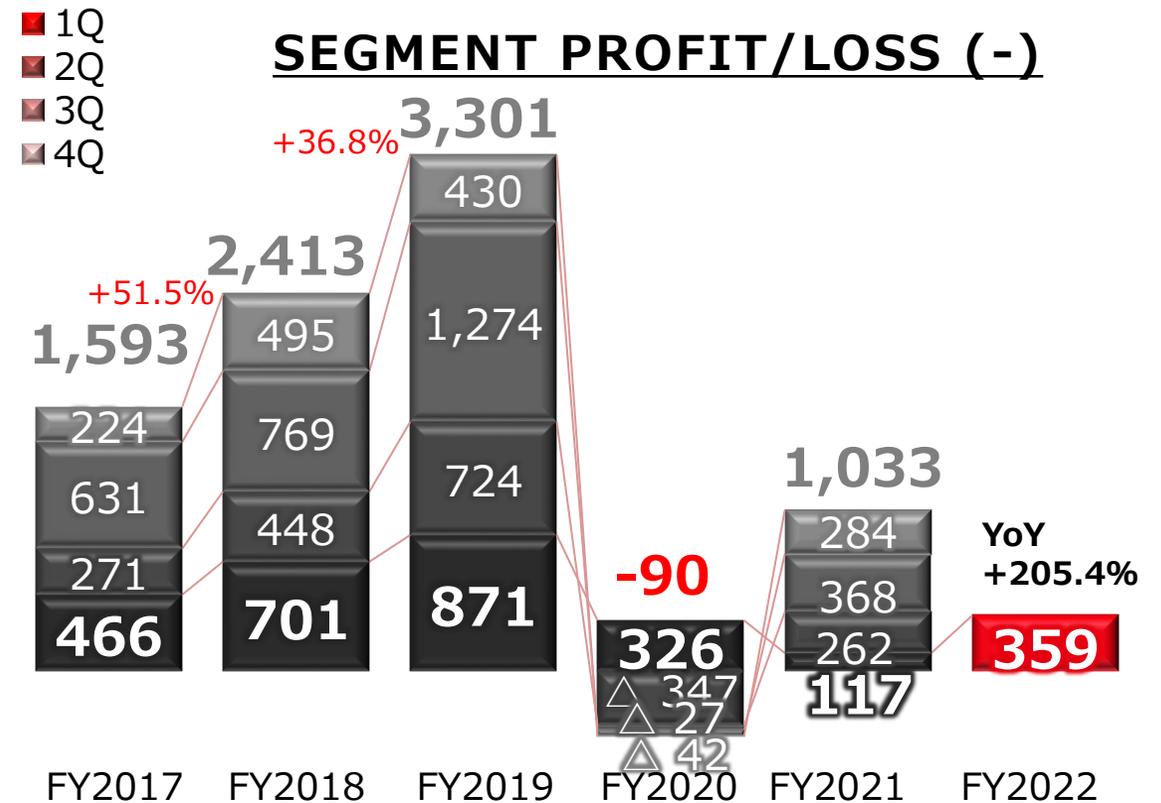
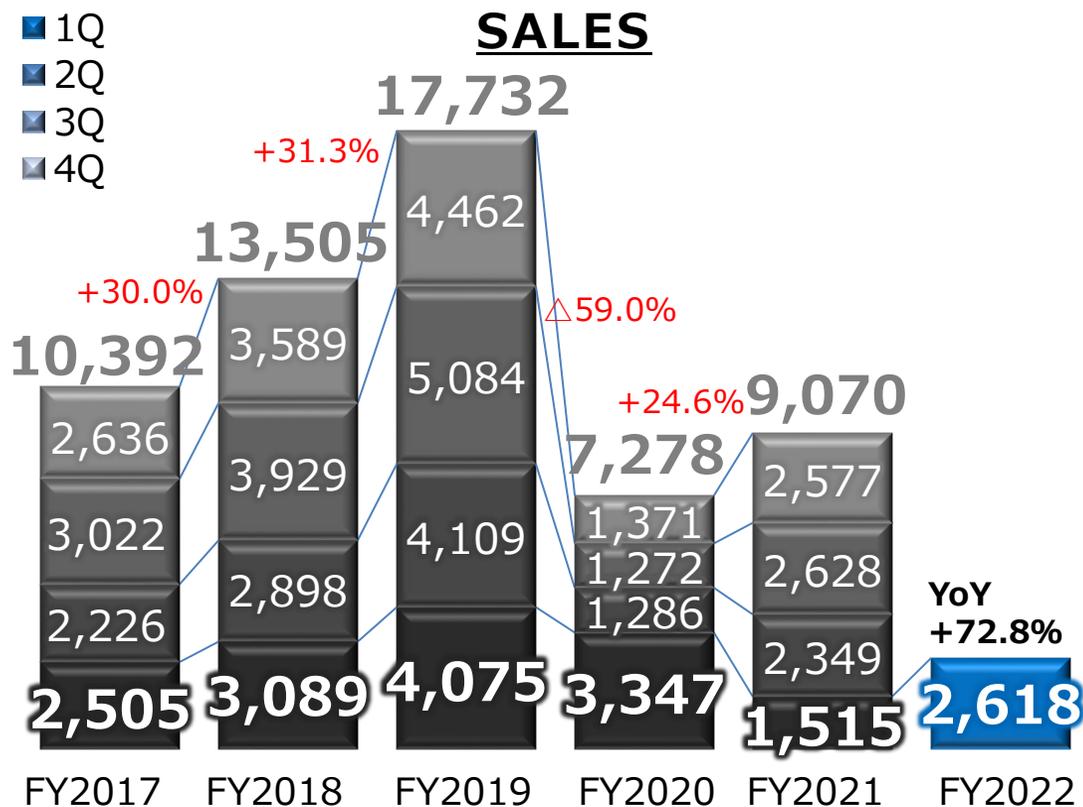
## Performance Change "GLOBAL WiFi" Business



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

Sales of "Global WiFi for Biz," a permanent in-house WiFi service aimed at corporate customers, were strong (number of subscriptions and telecommunication usage increased) due to use for telework. Acquired various usage needs (hospitalization, moving, telework, business trips, use during events, combined use with home line, etc.) Sales and segment income increased due to contracted services at airports and PCR testing (regular required service during the pandemic), etc.

(JPYmn)



# Information and Communications Service Business

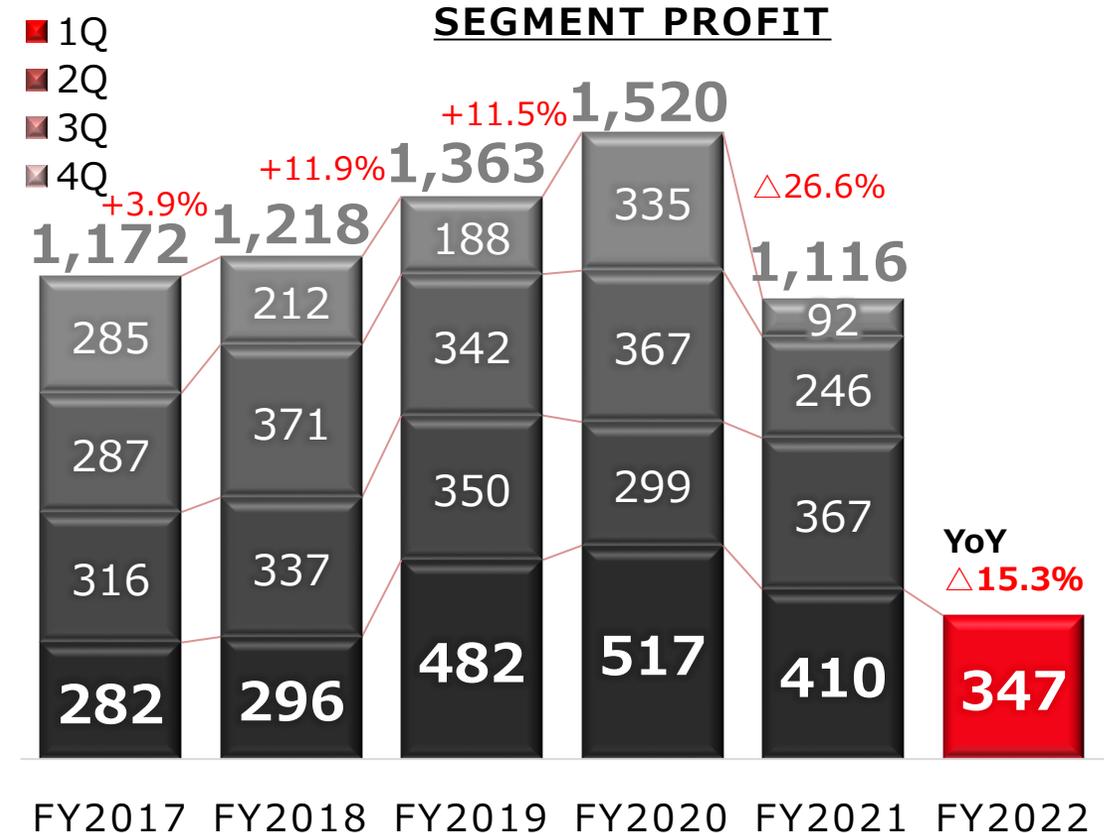
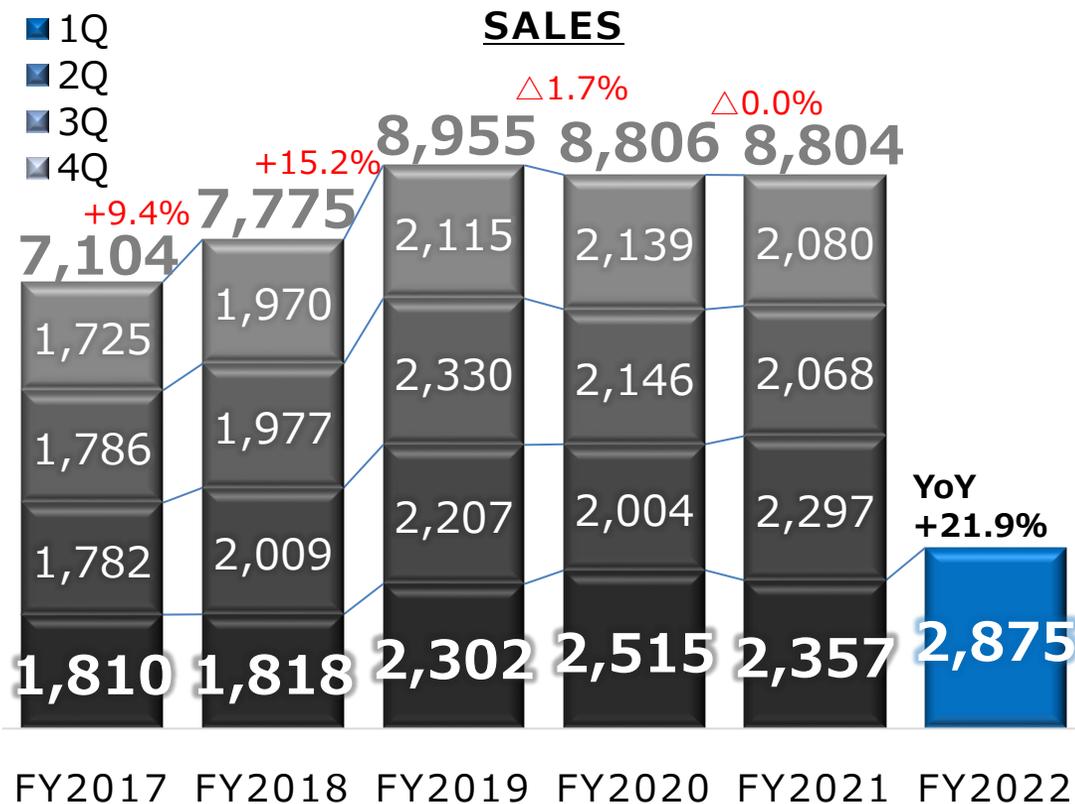


## Performance Change

**The company's strength in multiple businesses (products/services) and sales channels has enabled it to respond flexibly to changes in the external environment, resulting in steady growth.**

Sales increased due to strengthened sales of products (mobile communication devices, office automation equipment, etc.) and new business (space management business). Segment income decreased due to aggressive sales expansion of monthly subscription-based in-house services, which temporarily increased operating costs, in order to build a strong revenue base and maximize lifetime value (customer lifetime value). Stock revenue and in-house services (monthly subscription) remained steady.

(JPYmn)



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



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

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

# Glamping Business

- Develop a New Business as a Third Pillar -

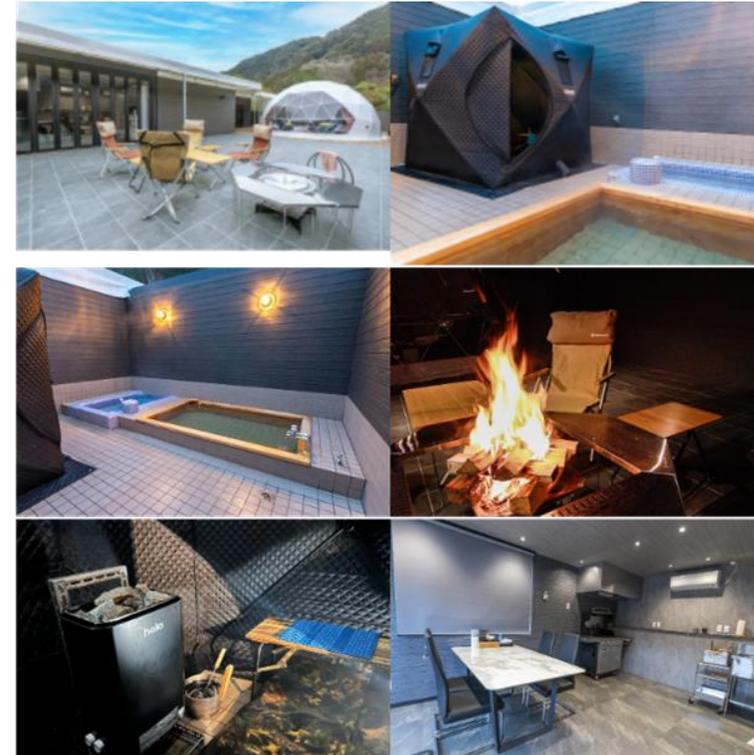


**In addition to the GLOBAL WiFi and Information and Communications Services businesses, we will open the third pillar glamping business, "Vision Glamping Resort & SPA,".**

The first facility, Koshikano Onsen (Kirishima City, Kagoshima Prefecture), is renowned for the quality of its hot springs.

**It is the first glamping facility in Japan to have an open-air hot spring bath in every private room and renovations have been completed. There was a grand opening in April 2022 as a large-scale glamping facility on a larger scale.**

The second facility will be newly opened in Yamanakako Village, Yamanashi Prefecture, a perfect location with a view of Mt. Fuji. It is expected to open in Summer 2022.



# Stock Earnings and In-house Services

## Gross Profit Change

Information and Communications Service Business



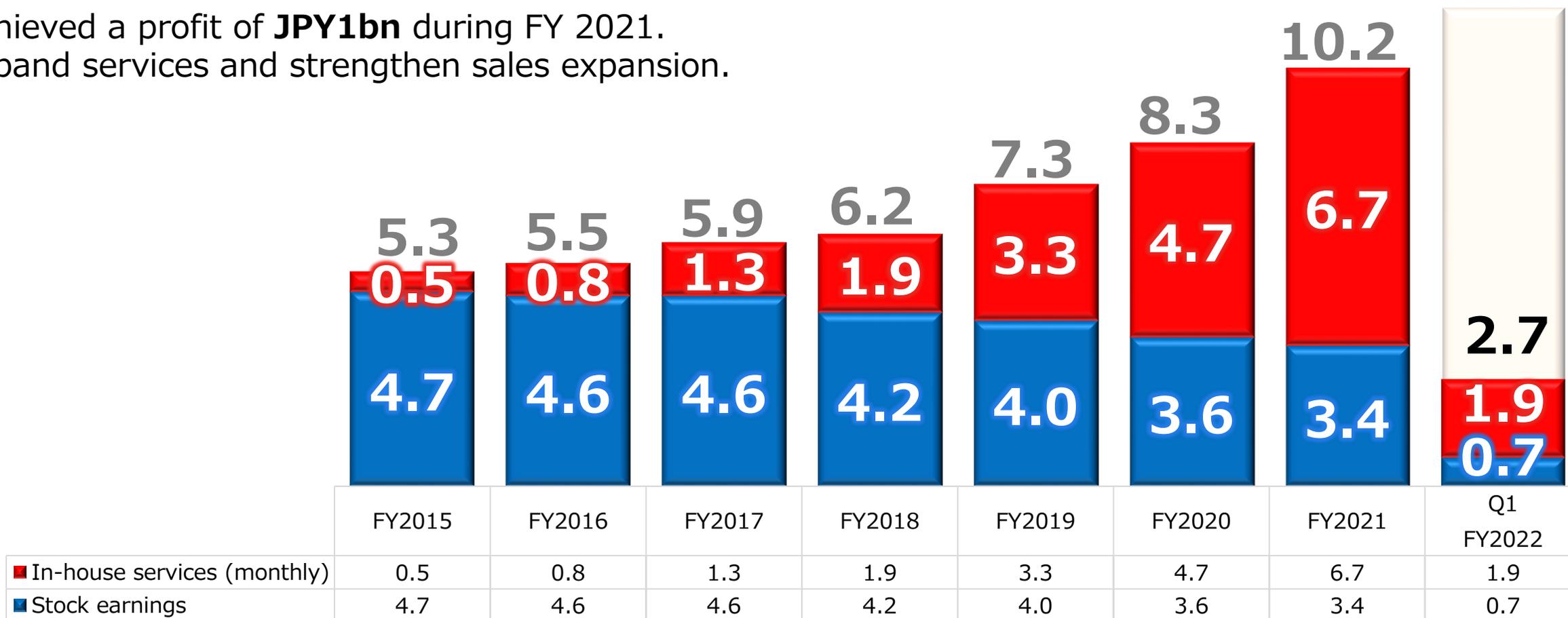
**Strengthen stock earnings and in-house services (monthly fee), which will become a stable earnings base in the long run.**

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

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

Expand services and strengthen sales expansion.

(JPY100mn)



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



To Contribute to the Global Information  
and Communications Revolution