

August 10, 2021

Company	Vision Inc.
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	First section of the Tokyo Stock Exchange: 9416
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Notice Regarding the Launch of New Electricity Service “Vision Denki”

We are pleased to announce the launch of Vision Denki, a new electricity service that will help all of our business partners to reduce their electricity costs.

1. Background to the launch of our new “Vision Denki” energy service

Partnering with retail electricity companies, we have offered subscription agency services that help reduce energy cost for our customers, in response to customer voices saying that “the tariffs are too complicated, and still expensive in the end,” even after electric power deregulation. After listening to requests from many companies and stores, we have come to the conclusion that we will be able to provide more inexpensive and stable low-voltage power services by acting as a direct retail electricity provider who offer our own rate plans, etc. Furthermore, we strongly expect this new service to contribute to our group’s growth in the future. Thus we have decided to launch the new “Vision Denki” service.

2. About “Vision Denki”

Vision Denki is a low-voltage power service mainly for corporations and small business owners.

3. Availability

Service will start from August 2021.

4. Total amount of planned special expenditures for the new business

There are no specific expenditures made at this time.

5. Future Outlook

Assuming that the number of contracts to be obtained by “Vision Denki” will be the same as with the subscription agency model, the impact on business results for the fiscal year ending December 2021 regarding differences in revenue and operating profit are: -26 million yen in sales and -166 million yen in operating profit. This impact has been reflected in the financial forecast figures “Notice of Revision of Full-year Consolidated Financial Forecast” announced today (August 10, 2021).

As a result of the transformation from the current revenue model based on subscription agency services (number of subscriptions acquired x sales commission unit price) to a new revenue model (number of contracts in force x end-user electricity charges - cost of electricity) based on in-house services (providing electricity directly as a retail electric power company), during the period until the number of “Vision Denki” contracts accumulates, revenue is expected to temporarily decrease compared to the current subscription agency services revenue. However, we will

strive to build a long-term stable revenue base that can withstand impacts from external factors.

The following table shows the projected sales, operating profit, ARR (annual recurring revenue), and the number of contracts in force at the end of the fiscal year for “Vision Denki.”

	(Unit: JPYmn, number of contracts)				
	FY2021	FY2022	FY2023	FY2024	FY2025
Sales	63	1,156	2,998	5,298	7,605
Operating profit	(144)	(179)	19	420	949
ARR	85	451	977	1,572	2,105
Number of contracts in force at the end of the fiscal year	1,841	9,717	20,473	32,516	43,543

* ARR is stated as gross profit. It is calculated by multiplying MRR (Monthly Recurring Revenue) as of each term-end by 12.

* MRR shows stable profits that a company can repeatedly earn every month.