

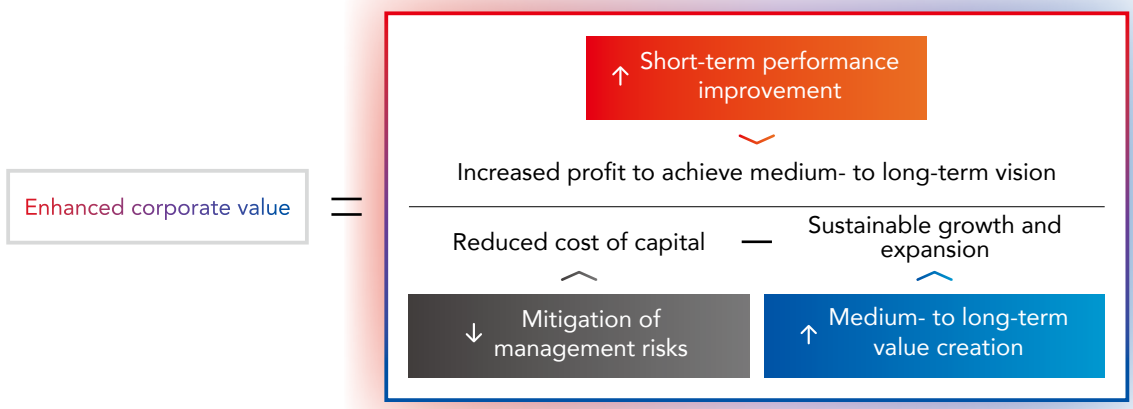
Value Creation in Practice

How will we materialize our challenge “to inspire the world” more? Based on the four basic policies outlined in our Medium-Term Management Plan, this section explains our key initiatives across deepening and exploring businesses, strengthening our management foundation, and capital allocation. Through messages from the executives in charge of each business segment and highlights of symbolic achievements, we present a detailed view of our track record of steady execution and our future outlook for accelerating value creation.



Accelerating our value

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Overview of the Medium-Term Management Plan (FY2026-2028)

Basic policies and key initiatives

We have formulated our Medium-Term Management Plan for FY2026-2028, which marks the first three years toward achieving VISION 2030, and have established four basic policies alongside their respective key initiatives.

First, regarding “Deepening Businesses,” as we have observed solid results from our Focus & Synergy initiatives up to fiscal year 2025, we will now drive further deepening through “Synergy & Collaboration” to foster co-creation across company and business boundaries. Second, under “Exploring Businesses,” we aim to accelerate investments into future revenue pillars, building a business portfolio that strengthens our contribution to enhancing our clients’ corporate value. Third, to “Strengthen Management Foundation,” we will commit to strengthening human capital, enhancing governance, and promoting our AI strategy. Finally, under our policy for “Capital Allocation,” we plan to achieve a balance between high growth and high shareholder returns.

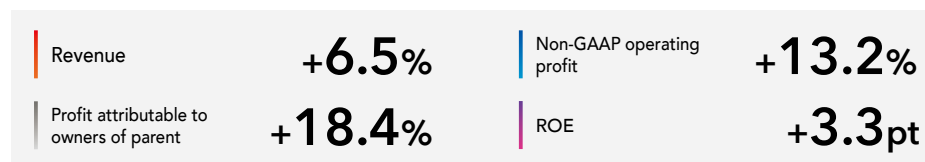
Basic Policies	Key Initiatives
<p>1. Deepening Businesses</p>	<p>Synergy & Collaboration</p> <ul style="list-style-type: none"> • Generate synergies within and across businesses, through Dentsu collaborations, and with external partnerships • Improve productivity through the utilization of AI • Promote organizational restructuring and portfolio management
<p>2. Exploring Businesses</p>	<p>Accelerating investment in future revenue pillars</p> <ul style="list-style-type: none"> • Explore opportunities to expand value in areas such as HR Technology, Sports, Entertainment, Consulting, and IP (Intellectual Property) • Actively invest in areas capable of creating synergies with the HaKaSe brand
<p>3. Strengthening Management Foundation</p>	<p>Strengthening human capital</p> <ul style="list-style-type: none"> • Launch HR Development Committee for the next generation of talent <p>Strengthening governance</p> <ul style="list-style-type: none"> • Introduce a CxO system to clarify roles and enhance synergies <p>Promoting AI strategy</p> <ul style="list-style-type: none"> • Build an AI promotion structure and strategy
<p>4. Capital Allocation</p>	<p>Balancing growth investment and high shareholder returns</p> <ul style="list-style-type: none"> • Set an investment budget of approximately 25 billion yen over three years, covering existing businesses and the HR technology domain • Set a minimum annual dividend floor of 18 yen per share

Quantitative targets up to FY2028

To achieve our targets of 10 billion yen in both non-GAAP operating profit and profit by 2030, we have established quantitative targets for the next three years, predicated on the organic growth of our existing businesses. For fiscal year 2026, the inaugural year of this plan, we have revised our full-year earnings forecast upward, reflecting strong performance in the first quarter and current business momentum. Regarding profit items, we now expect to achieve our fiscal year 2027 target metrics one year ahead of schedule. By continuously implementing the profitability and productivity improvement measures we have driven thus far, we will accelerate organic growth and continue to rewrite our record-high earnings.

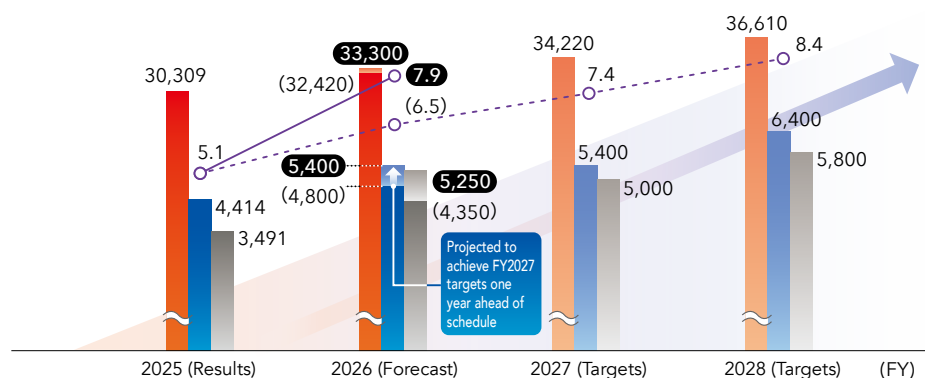
Furthermore, by injecting inorganic growth through growth investments such as M&A over the next three years, we aim to achieve an early improvement to a double-digit ROE and secure the realization of our quantitative targets for 2030.

FY2025-2028 CAGR



■ Revenue (¥ million)
 ■ Non-GAAP operating profit (¥ million)
 ■ Profit attributable to owners of parent (¥ million)

○ ROE (%)
 *FY2026 (0000): Initial forecast
 0000 : Revised forecast (ROE is an approximate value)



*Please refer to our timely disclosure materials for the full-year FY2026 forecast.

Notice Regarding Revision of Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026
https://www.septeni-holdings.co.jp/en/ir/news/Re_260513_en.pdf

Business Strategies

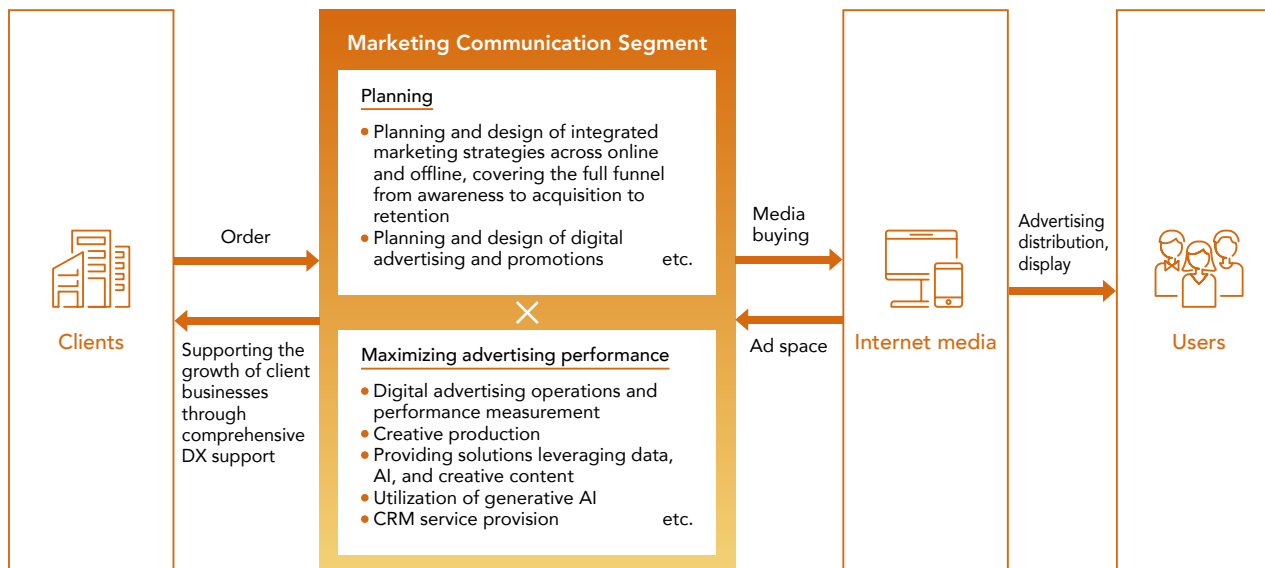
Marketing Communication Segment

The Marketing Communication Segment provides comprehensive DX support through integrated marketing services centered on digital advertising sales and operations.

Group Companies



Business Model



Strategies in the Medium-Term Management Plan (FY2026–2028)

Applicable Basic Policy: 1. Deepening Businesses

Theme

We drive client profitability and growth by achieving "Integrated Marketing," which combines overwhelming digital ad execution with strategic partner synergies to eliminate organizational and data silos.

Business Strategies

- 01 Provide "MXONE," our proprietary integrated marketing concept.
- 02 Strengthen talent capable of providing and implementing integrated marketing.
- 03 Strengthen high-margin solution areas.
- 04 Expand capabilities in adjacent areas to provide a broader range of solutions for client challenges.
- 05 Curb operational costs through the utilization of AI solutions.



For VALUE MAXIMIZER

Synergy with other segments

- Maximizing client assets and connecting them to other businesses.
- Collaborating within the Group to optimize AI usage.
- Strengthening solutions that support Customer Experience (CX) transformation.

Results for clients

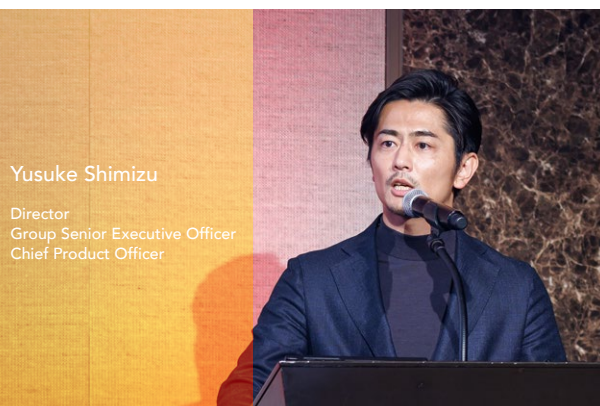
- Maximizing conversions (CV)*1
- Maximizing lifetime value (LTV)*2

Value provided to clients

- Improving profitability
- Enhancing growth potential

*1 Final conversions on the website, such as product purchases or user registrations. *2 The total profit a client generates for a company over their entire relationship.

Message from the Responsible Director



Yusuke Shimizu
Director
Group Senior Executive Officer
Chief Product Officer

While the internet advertising market continues to grow steadily, the challenges faced by our clients are becoming more complex than ever before. On the frontline, we strongly feel that there are various “silos” within a company. I have witnessed many instances where maximizing corporate value for our clients has been compromised. A time lag may occur between the formulated strategy and its on-site execution, resulting

in a lost opportunity, or interdepartmental barriers can impede the delivery of an ideal user experience. Many companies strive to achieve overall optimization, but the reality is that efforts often stop at dashboard implementation and measure management. I am convinced that what is required of us now is “integration capability” to bridge these divides and connect all fragmented marketing activities.

MXONE, our unique integrated marketing concept, is a central pillar of our Medium-Term Management Plan. MXONE is not merely the name of an advertising technique; it is a comprehensive framework designed to connect all the divides that exist across corporate marketing activities through co-creation by humans and AI with the goal of growing business to its maximum potential. The name embodies the will to maximize marketing results and make fragmented elements into one.

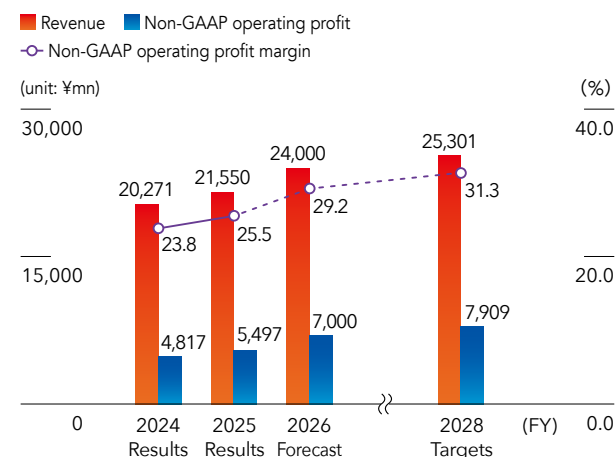
This concept is brought to life through three phases: Strategy, Execution, and Integration, as well as six components that underpin them. Deploying various solutions with feasibility and execution power across all phases, from marketing strategy formulation to

customer acquisition and nurturing, supports the sustainable business growth of client companies through our unique approach. Ultimately, this can embody our vision of being a VALUE MAXIMIZER.

The market is currently saturated with overly AI-driven solutions without human intervention, some of which result in confusion for clients and stagnation in marketing activities. It is true that massive leaps in generative AI have lowered the barriers to entry for ad operations and production, with the relevance of advertising agencies being questioned. However, we define AI not as a replacement for humans, but as a tool that co-creates with humans. Using AI, we will thoroughly streamline and automate routine operations, freeing up and redirecting resources toward strategic decision-making and integration of complex issues that only humans can accomplish.

By connecting fragmented marketing efforts through true human-AI co-creation, we will evolve into a one-of-a-kind VALUE MAXIMIZER that provides a major boost to the growth of our clients’ businesses.

Revenue and Non-GAAP Operating Profit As of May 13, 2026



3 Phases | **6 Components**

Strategy Phase

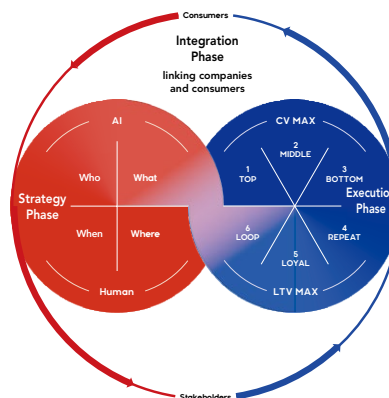
Strategy design solutions that balance speed and precision to maximize marketing results

Execution Phase

CV/LTV maximization solutions that achieve customer acquisition and nurturing across every funnel

Integration Phase

Co-creative design solutions that support the connection between businesses and consumers, as well as strategies and organizations.



For more information about MXONE, please refer to our service website (Japanese only).
<https://mxone-ai.com/>

Direct Business Segment

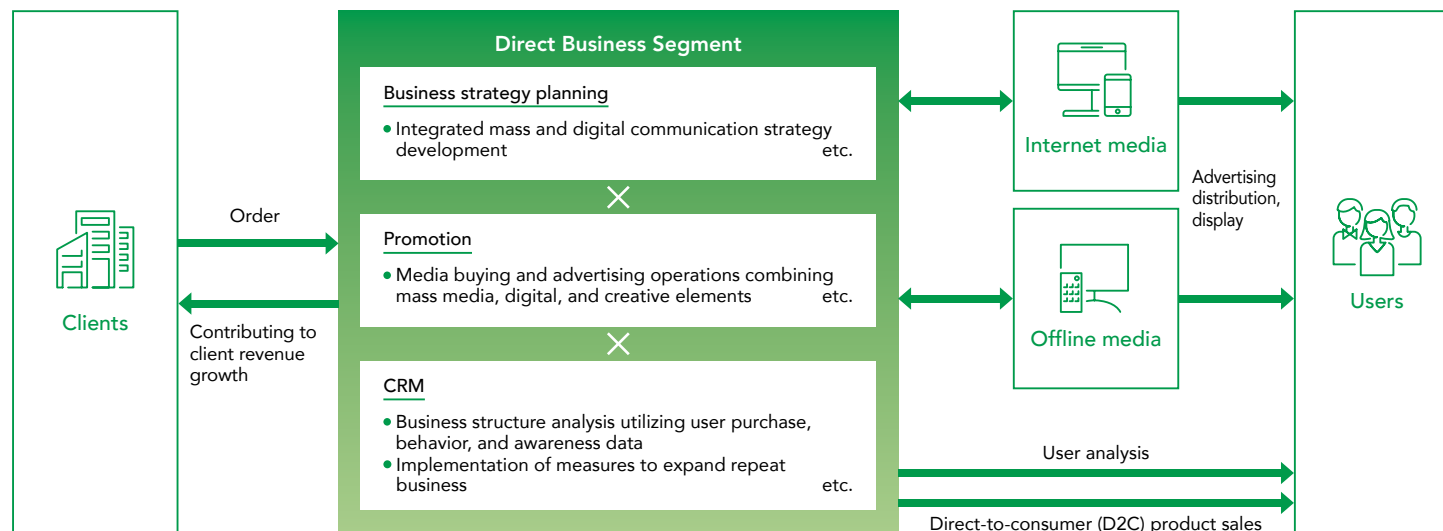
The Direct Business Segment provides integrated client support by seamlessly executing everything from business strategy planning to direct response promotions and CRM in both B2C and B2B areas, thereby unifying offline media and digital strategies.

Group Companies

dentsu
direct

dentsu
elfto architect

Business Model



Strategies in the Medium-Term Management Plan (FY2026–2028)

Applicable Basic Policy: 1. Deepening Businesses



We directly drive client revenue expansion and business growth by fusing integrated offline and digital expertise with internal and external co-creation synergies to build and execute “new revenue models” beyond existing advertising frameworks.

Business Strategies

- 01 Strengthen sales and digital areas through collaboration with the Marketing Communication Segment and the Dentsu Group.
- 02 Make new approaches to growth industries focused on senior market sectors.
- 03 Enhance creative in the middle and bottom funnel areas using AI.
- 04 Strengthen non-advertising regional revenue sources by entering the corporate version of the Furusato Nozei business.
- 05 Strengthen the D2C area, including through M&A.

*1 Final conversions on the website, such as product purchases or user registrations. *2 The total profit a client generates for a company over their entire relationship.

For VALUE MAXIMIZER

Synergy with other segments

- Strengthening solutions in the digital area.
- Building new revenue models beyond existing advertising models.

Results for clients

- Maximizing conversions (CV)*1
- Maximizing lifetime value (LTV)*2

Value provided to clients

- Improving profitability
- Enhancing growth potential

Business Strategies

Message from the Responsible Director



While the e-commerce and mail-order market that our Direct Business Segment serves has room for growth through a shift toward digital, it is entering a mature phase when compared to the internet advertising market. Now, however, in this environment, our expertise and advantages built up to date in the area of direct business will truly shine. Direct business clients strongly express demand not only for conversions directly leading to sales and one-time user acquisition, but also for support for developing products with user appeal, as well as maximizing LTV generated through the continued use of their products by acquired users. To satisfy these needs, we aim to become a VALUE MAXIMIZER, leveraging our integrated insights across offline and digital platforms to directly drive client revenue expansion and business growth.

Even as the market matures, Japan's aging society holds significant opportunities as a key growth area comprising a senior demographic, which is compatible with direct marketing. In addition, through the use of AI, we will expand our creative efforts from the bottom

funnel (the final stage before conversion) up to the middle funnel (the comparison and consideration stage in the buyer's journey), thereby improving the accuracy of our business results.

On top of these initiatives, an important role we should play under our Medium-Term Management Plan is to raise the level of our integrated offline and digital solution capabilities by fusing co-creation synergies within and outside the group. In the offline area, our relationship with the Dentsu Group is already broadening options such as TV advertising, which our group was previously unable to propose. We will also further strengthen our digital solutions through synergy creation with other business segments. By establishing a support system that covers the full funnel, from awareness to acquisition and ultimately to converting users into fans, we will fulfill our vision of maximizing the value we deliver to clients as a comprehensive group.

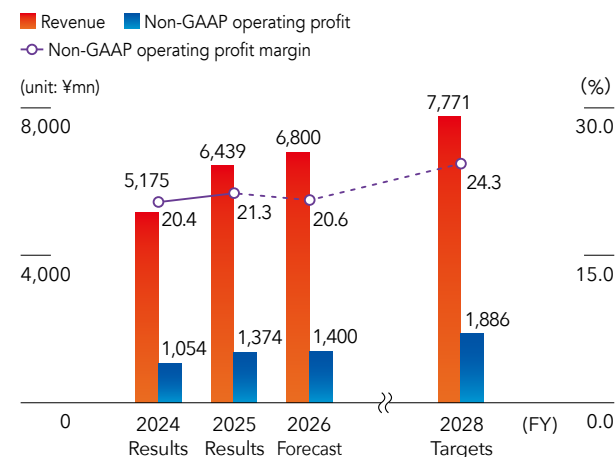
We will also accelerate the development of new revenue models beyond existing advertising frameworks and strengthen D2C, the area in which we can best utilize our advantages while exploring alliances, including M&A. Our approach is to take risks from a position close to a business entity and to apply our own proven expertise to our clients' marketing activities. Dentsu Direct Inc, our subsidiary doing a significant amount of business with locally-based clients, noted recent years' high interest in regional contribution through business activities. In that context, jointly with Cyber Records Co., Ltd, which has expertise in managing networks of municipalities and operating e-commerce businesses, Dentsu Direct has established REGIRISE, Inc., a joint venture specializing in the corporate version of the Furusato Nozei program (Regional Revitalization Support Tax System) as a

revenue source different from advertising. These new revenue models may require upfront investments, but we will continue to take on new challenges, not resting on our laurels, thereby achieving sustainable growth in corporate value and creating new value for society.



By integrating our Group's extensive client base with CYBER RECORDS' network of municipalities and operational expertise, the joint venture supports both contribution to local communities and the realization of sustainable local societies through hands-on support for projects that promote sustainable co-creation relationships between businesses and municipalities.

Revenue and Non-GAAP Operating Profit As of May 13, 2026



Data & Solutions Segment

The Data & Solutions Segment leverages long-standing expertise in digital marketing to provide data collection, integration, and utilization services, develop and deliver data- and AI-driven solutions, support client development, and dispatch engineering personnel.

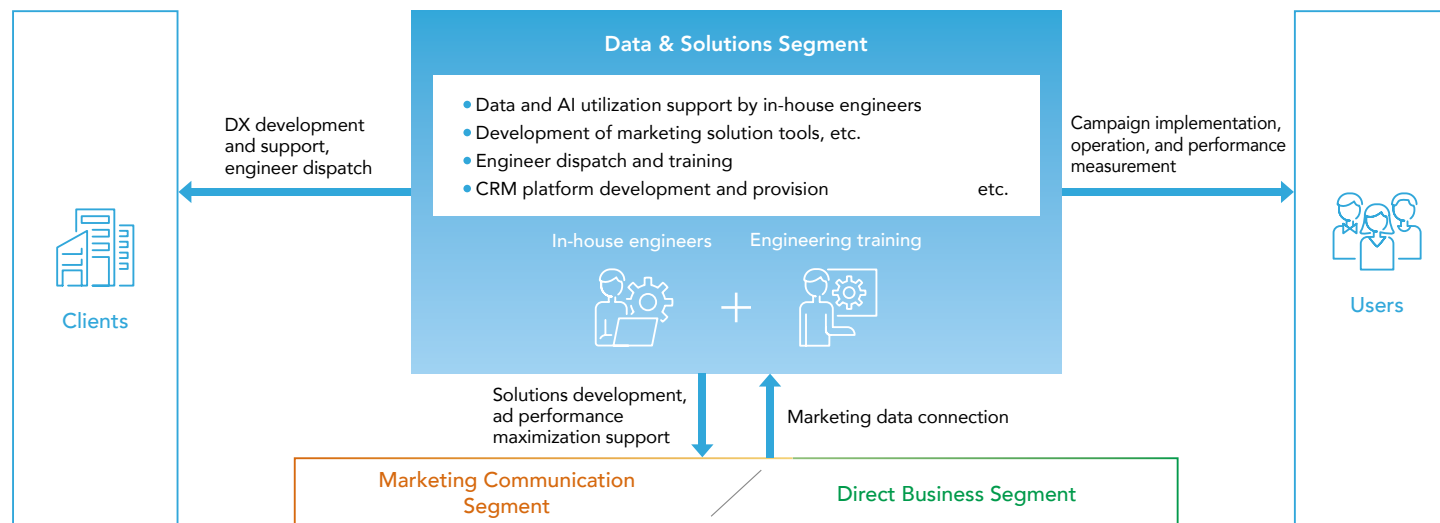
Group Companies

FLINTERS

TRICORN

Septeni Cross Gate

Business Model



Strategies in the Medium-Term Management Plan (FY2026–2028)

Applicable Basic Policy: 1. Deepening Businesses



We strengthen collaboration across our distributed engineering organizations to consolidate technical expertise and know-how. By developing proprietary DX solutions and promoting collaboration with external partners, we optimize marketing operational efficiency and contribute to improving clients' business productivity.

Business Strategies	
01	Build a new development process premised on AI utilization.
02	Strengthen AI-centric product development and restructuring the organization.
03	Cultivate large-scale development projects in collaboration and expand System Integration (SI) projects with the Dentsu Group.
04	Expand sales of operation automation and marketing BI*1 agents for clients with in-house operations.

For VALUE MAXIMIZER	
Synergy with other segments	
<ul style="list-style-type: none"> Strengthening company-wide AI utilization. Supporting clients with needs for bringing marketing in-house. 	
Results for clients Improving operational efficiency Maximizing lifetime value (LTV)*2	Value provided to clients Increasing efficiency Improving profitability

*1 An abbreviation for "Business Intelligence," referring to data-driven information analysis and decision-making support. *2 The total profit a client generates for a company over their entire relationship.

Business Strategies

Message from the Responsible Director



With the exponential evolution of AI technology, the importance of data in the field of marketing is now greater than ever before. From within a wide range of companies in the market as a whole, including SMEs, the necessity of solidifying marketing infrastructure has been coming to the surface. Viewing this change as a significant business opportunity, we will streamline multi-site engineering organization and pool the technical capabilities and expertise we have accumulated into growing our business.

Specifically, there is a growing demand for the development of proprietary AI-driven DX solutions. In particular, clients seeking self-driven digital transformation pin their hopes on operational automation and marketing Business Intelligence (BI) agents that support advanced decision-making. Aiming to be a partner of choice that directly contributes to

improving our clients' business productivity, we are committed to strengthening our organizational capabilities and promoting collaboration with external partners.

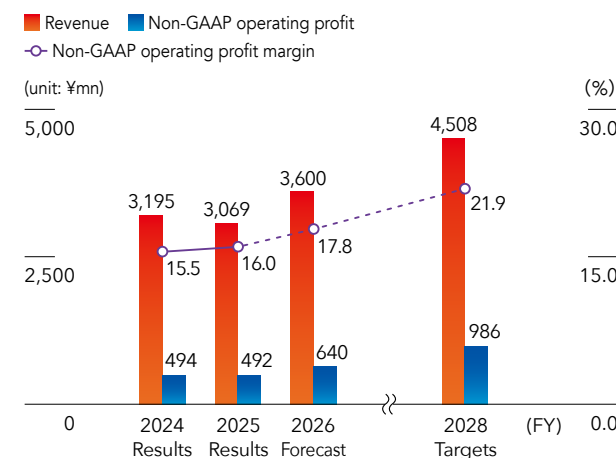
Amid the group's evolution into a VALUE MAXIMIZER, this business segment will lead transformation in terms of infrastructure, such as technology and data. First, it is strategically essential to build a new AI-driven development process in line with the changing times. By strengthening AI-centered product development along with transforming our organizational structure to one optimized for this approach, we will work to enhance the quality and speed of the value our group delivers. Secondly, through our strong partnership with the Dentsu Group, we will speed up large-scale system development projects and strategic SI projects in the marketing sector. Challenges here lie in securing engineers with AI-assisted development skills and implementing AI governance. We will steadily advance these initiatives and establish an organizational structure committed to improving profitability beyond mere efficiency.

Keeping pace with AI advancements is crucial for the entire group. As we launch initiatives to improve operational efficiency alongside the use of generative AI in our advertising business, we will provide robust technical support to further promote the use of AI across the company through the generative AI training sessions offered by this business. While generative AI training sessions have already started for our employees and clients, we are planning to offer solutions beyond the engineering domain to include

training programs that help develop AI talent and AI consulting services focused on the use of various forms of groupware.

We will also work closely with other business segments to expedite synergy creation. Expectations are highest for developing products that sales representatives from other business segments can sell to clients. We believe that by applying our engineering expertise in the marketing sector long-cultivated within our group to the integration of advertising operation data and AI technology, we can drive the development of products that appeal to our clients. We will make every effort to achieve sustainable growth by making the most of AI, a powerful engine, as a VALUE MAXIMIZER that elevates efficiency and profitability for the entire group and our clients.

Revenue and Non-GAAP Operating Profit As of May 13, 2026



Feature

Shaping the Future Through Synergy & Collaboration

As stated in the first key measure of the Medium-Term Management Plan, we are working for Deepening Businesses through Synergy & Collaboration. Here we introduce the synergies we have created to date within the Group, through Dentsu collaborations, and with external partnerships and clients, as well as new collaborations launched across business lines.

Synergy 01

Four companies have collaborated to launch the latest generative AI-powered video advertising campaign

Making advertisement more effective through a hybrid strategy combining mass advertising and digital advertising

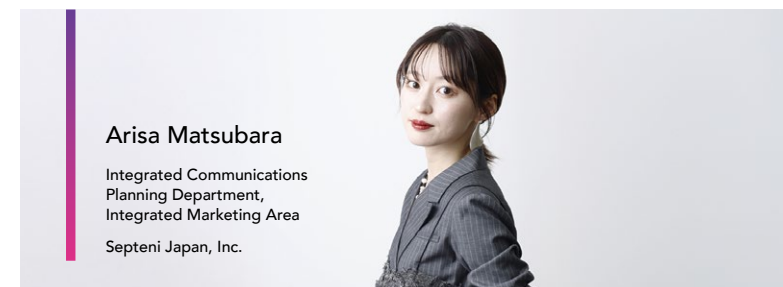
In October 2024, dip Corporation launched “Spot Baitoru,” a spot work or short-term part-time job matching service, and rolled out a mass and digital advertising campaign centered on TV commercials. This brought dip a certain level of success in raising awareness of the service name. However, awareness remained low among certain target groups, requiring the company to come up with a new campaign to increase brand awareness. To address this, Septeni Co., Ltd., Dentsu Inc. and aicrew inc., a generative AI video production company, proposed a strategy to produce and broadcast Over the Top or OTT ads (streaming TV ads) optimized by creatives for each target audience. Building on the broad awareness established through TV commercials, this strategy aims to achieve deeper recognition and acquire empathy through OTT ads.

In running the campaign, we first conducted in-depth interviews with four target groups: students,

homemakers, working professionals, and part-time workers. This allowed us to thoroughly extract group-specific insights that quantitative surveys cannot visualize. The interview revealed true feelings that

Results of In-depth Interviews with Target Groups

Targets	Background of service use	Key considerations
Students	I want to occupy my spare time.	Time efficiency (short hours on duty)
Homemakers	I want to connect more with society.	Finding value in extrafamilial time as well
Part-time workers	I need to earn money quickly to buy something I want.	Instant cash
Working professionals	I want a new change of pace doing a different job.	Motives other than money



Arisa Matsubara

Integrated Communications Planning Department, Integrated Marketing Area
Septeni Japan, Inc.

significantly varied depending on the target group.

Based on the insights obtained, we produced and delivered four generative AI-powered target-specific videos in about two weeks. Conventional production can take three to five months per video, so AI saved us a lot of time. We were also able to reduce production costs to about one-sixth of the conventional cost (approximately 2 million yen per video).

As a result, AI-generated videos increased brand lift (awareness) by 2.4 percentage points. Service awareness also improved significantly, by 5.8 percentage points compared to pre-campaign levels, driven by synergy with existing TV commercials featuring celebrities.

We remain committed to supporting marketing efforts by companies facing similar challenges through our hybrid strategy that combines the strengths of mass advertising with digital advertising.

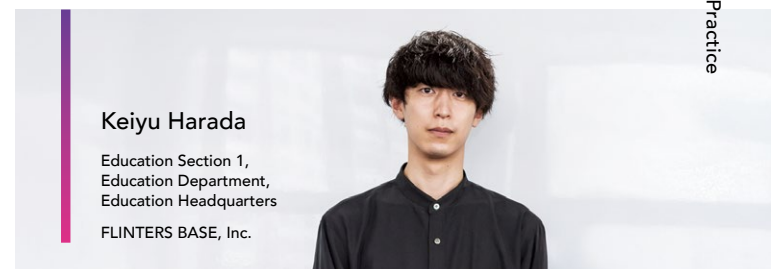
Feature **Shaping the Future Through Synergy & Collaboration**

Synergy 02

Harnessing “AI-empowered, self-propelled culture” honed through our own business practices for the group’s driving force and for transformative societal shifts

Flinters, Inc. offers AI training services that utilize the profound knowledge gained from practical experience using AI within the company. Since 2024, our employees, including engineers, have been accumulating hands-on experience making full use of the Dify to pursue operational efficiency. The highly effective expertise that is truly useful on-site generated from this trial-and-error process is our core strength and the groundwork supporting the quality of our AI training programs. To disseminate this expertise group-wide, we have launched PJ1000, a project aimed at improving back-office productivity in a three-way collaboration of Septeni Holdings Co., Ltd., Flinters, Inc. and Delight Tube, Inc. We provide Dify training to approximately 100 non-engineers in the corporate divisions with subsequent support for their use of generative AI, including Dify. Our goal is to reduce the time required for daily routine tasks by 1,000 hours per month across Septeni Holdings, enabling employees to transition toward more creative and high-value-added operations.

By using AI as a partner to help our thinking and promoting its adoption by employees who understand on-the-ground issues, the project substantially reduced monthly working hours by approximately 820 hours* just four months after launch. Nearly 96% of training participants said it helped them concretely understand how to utilize AI, and as many as 241 use cases were generated after the training. This perfectly demonstrates what happened when AI was integrated into practical on-site work, and it was highly rewarding to establish AI-empowered, self-propelled culture as a common language within the group.



Keiyu Harada

Education Section 1,
Education Department,
Education Headquarters
FLINTERS BASE, Inc.

The value proposition we have developed through our own business practices is now being applied to client companies beyond our group. In March 2026, we launched Self-Propelled AI Talent Development Training for Young Employees, targeting new graduates and young employees in their second year after joining the company. This training supports the development of self-propelled AI talent who do not accept AI output results at face value, judging the appropriateness of results in light of business objectives and proactively collaborating with AI.

With AI on our side, the group has acquired the new strength that each individual can now update business operations on their own. By sharing our own cases of success as value within society and walking side-by-side with our clients as they undergo transformations, we seek to realize an AI-empowered society for everyone.

*As of March 2026

For details on our initiatives, please refer to our Group’s “note” (Japanese only).
https://note.com/septeni_group/n/n937b4f7f9553

Feature Shaping the Future Through Synergy & Collaboration

Collaboration

Established the new company "AI CRE8ION LAB" to promote the fusion of AI and creativity

AI CRE8ION LAB, Inc. was established in March 2026 as a joint venture between Septeni Co., Ltd., which provides digital marketing support, and Dentsu Direct Inc., which provides direct marketing support.

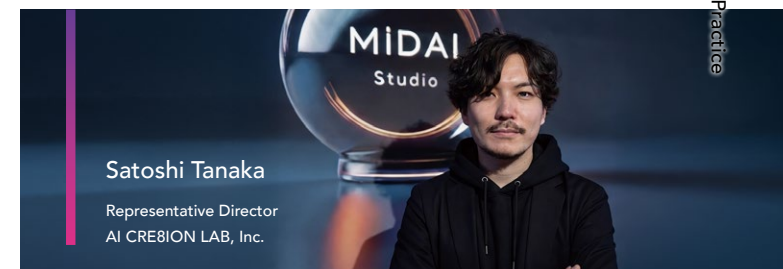
With the main focus on organizing AI-Centric Creative Directors (CDs), talent who possess both traditional creative expertise in brand advertising and the latest generative AI implementation capabilities, we will design and move forward with next-generation creative strategies.



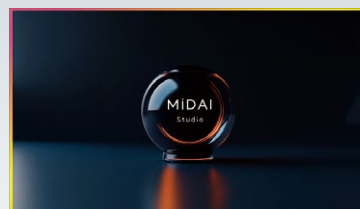
Centered on these AI-Centric CDs and utilizing proprietary products such as MiD AI Studio and Sokko-Generative, we will produce high-quality creative content quickly and in large volumes, offering them at mid-range prices. While carefully considering risks related to copyright and quality, we will promote the practical application of AI, starting with brand awareness advertising for TVCMs and Connected TV.

AI is not an enemy that will take our jobs; it's the best partner for us and provides us freedom.

The AI CRE8ION LAB is not just a creative hub; it's a lab where technology and expertise are fused to explore the unlimited scalability of our ideas and output.



In a space where AI and human creativity resonate with each other, we will produce next-generation creatives and strive for further evolution in the creative domain.



Half the time and cost. Twice the expressive power.

MiD AI Studio

A high-quality, low-cost, short-turnaround video production scheme for brand awareness, combining Virtual Production (VP) with generative AI.



Incredibly fast, remarkably versatile.

Sokko-Generative

Rapid production without the need for shooting. Generating storyboards, video animatics, narration, characters, music, and sound logos through AI.

Exploring Businesses: HR Technology Area

Applicable Basic Policy: 2. Exploring Businesses

Under the second basic policy of our Medium-Term Management Plan, “Exploring Businesses,” the Group will accelerate investments in future pillars of revenue. Specifically, in the HR technology area, we aim to build a new recruitment and training model by combining our unique operational capabilities with a scientific approach.

Changes in the recruitment and talent market and our desired vision

In recent years, the HR market has reached a major turning point due to a shrinking labor workforce and the diversifying values of talent. Historically, a marketing-driven model focused on selection from a large pool of candidates was the mainstream. However, while the working-age population is projected to decrease by approximately 30% toward 2050, digitalization and shifts in values are accelerating, with the spread of AI and IoT, as well as the emphasis on individuality and empathy by Generation Z and Alpha. Responding to these market shifts by leveraging our accumulated insights in the HR technology field, we aim to transition into a “produce-driven” model that maximizes the potential of a limited talent pool, thereby establishing a sustainable recruitment model.

Septeni’s unique value proposition

We are driving business launch in the HR technology area by fusing our power to acquire talent—based on the operational capabilities of our core advertising business—with our power to “leverage” talent, which was acquired through our long-

standing internal talent database and the development of technologies to utilize it.

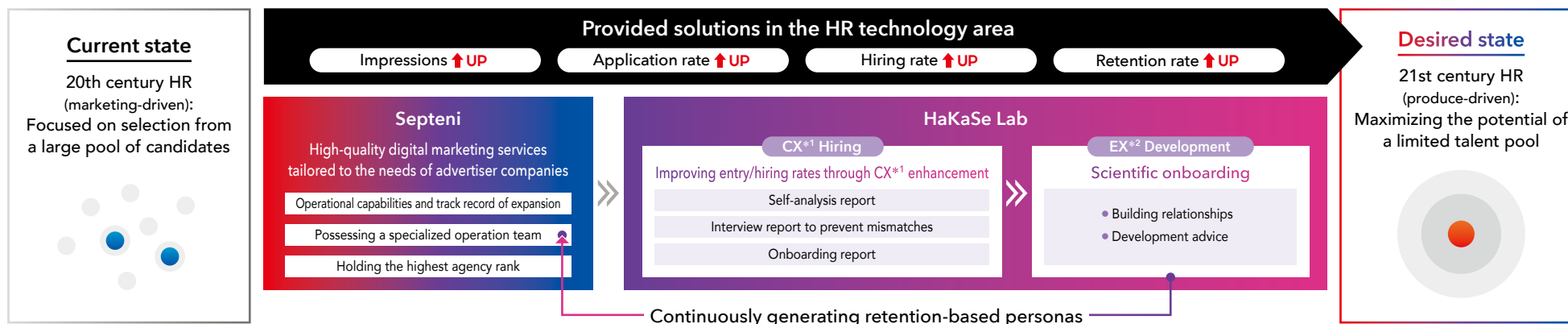
Beyond individual initiatives aimed at achieving specific KPIs—such as job impressions, application rates, hiring rates, and retention rates—we support the strengthening of our clients’ human capital and, by extension, the maximization of their corporate value by providing end-to-end solutions that cover the entire HR value chain.

Acquisition: Indeed Platinum Plus Partner

Centered on Septeni Co., Ltd., we have formed an operational team specializing in recruitment advertising. By leveraging the abundant track record and know-how accumulated through advertising operations, including Indeed job advertisements, we provide high-quality digital marketing services tailored to the needs of enterprises.

Leverage: HaKaSe Lab

In 2021, we established Human Capital Lab, Inc. with the aim of providing our clients with the insights we have cultivated internally for over 20 years through the utilization of our HR database. By leveraging services such as recruitment, training, and consulting—which are already being provided to external clients—we enhance the recruitment and development experience (CX/EX) through the power of technology. Using the accumulated data, we deliver customized HR transformation (HR DX) for our clients.



*1 Candidate Experience. *2 Employee Experience.

Among the four basic policies of our Medium-Term Management Plan, we have identified “strengthening human capital” as a key measure for strengthening our management foundation.

Based on our three core initiatives of human capital management: democratization of entrepreneurship, human resource development with reproducibility through digital HR, and DEI, our overall policy for strengthening human capital combines these with measures adapted to changes in the external environment.

In addition, in fiscal year 2026, we formed a Human Resource Development Committee to enhance the development and appointment of talent who will lead future group management.

As is Current situation and challenges

• Changes in the external environment

Since starting the internet advertising business in 2000, our Group has continued to expand business along with the development of the market. However, in growth industries like our business sector, the competition for recruiting skilled talent capable of making an immediate contribution has been extremely fierce. In such a business environment, we believe how we recruit, develop, and retain high-potential human resources is a critical factor that significantly influences corporate competitiveness.

• Current situation

Positioning entrepreneurship as the source of our value creation, our Group is focused on executing initiatives that encourage each individual to demonstrate their entrepreneurship.

The COVID-19 pandemic highlighted a decline in per-capita productivity and a decrease in per-capita volume of internal networks. With these issues in consideration, we have reviewed our initiatives aimed at demonstrating entrepreneurship for everyone and have been working to improve productivity and foster a sense of unity across the Group.

Our specific actions include enhancing our internal communication and networks in line with increased office attendance, establishing a flexible recruitment system not solely reliant on new graduate hiring, and increasing inter-group transfers and secondments.

These efforts have not only improved productivity metrics, but have also developed a work environment that facilitates each employee’s skill development and building strong relationships.

Action (Close the GAP)

To be Our ideal profile for human resources

- Continuing to grow in a rapidly changing industry
- Keep Young
- Maximizing the demonstration of entrepreneurship

Policy for Strengthening Human Capital in the Medium-Term Management Plan (FY2026–2028)

Short term

Building on our Focus & Synergy initiative, we aim to improve profitability through inter-group personnel exchanges and strengthened recruitment management, outstripping the increase in headcount and personnel costs.

Furthermore, by combining our talent database accumulated over more than 20 years with technology to analyze it, we will provide continuous support that helps each employee maximize their abilities and take initiative in exercising entrepreneurship.

Medium term

Guided by the Synergy & Collaboration as we move toward VISION 2030, cross-functional networking will become increasingly important. We will therefore focus on establishing a group-wide structure that contributes to maximizing our clients’ corporate value.

Revitalizing communication across business sections, we will foster synergy and collaboration both within and outside teams. For a broader scope of collaboration, we will also recruit and develop talent with diverse experiences and skills, from young to mid-career and senior level recruits, thereby reinforcing our human capital.

In addition, through more active investment in building a talent pool to lead the Group’s future management, we will establish internal systems for sourcing, developing, and appointing talent. Specifically, with the Human Resource Development Committee launched in fiscal year 2026, we will promote talent development for the entire Group.

Human Capital Management

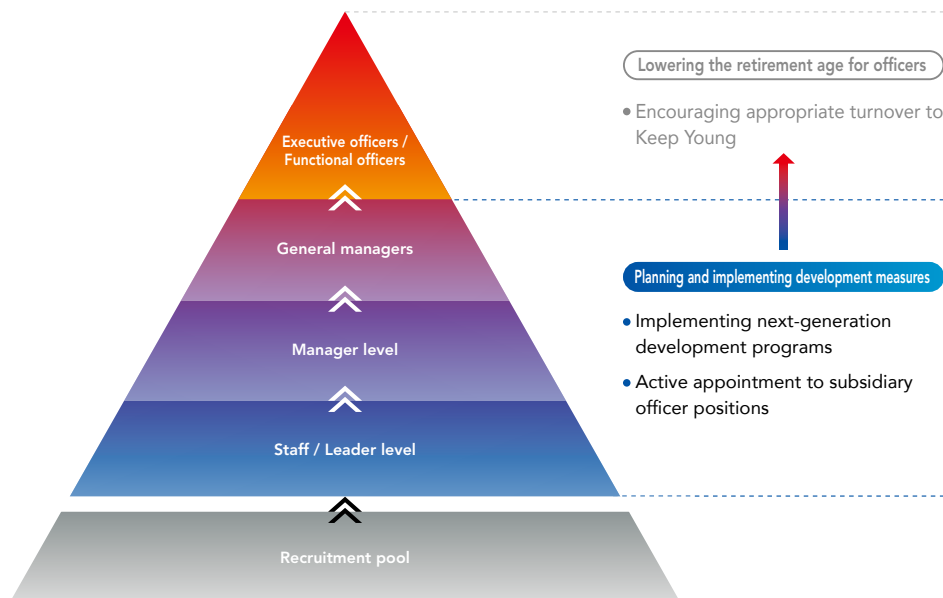
Human Resource Development Committee

Background and objectives

To sustain our growth in a rapidly changing industry, the Septeni Group has developed an environment where young talent can thrive and be promoted to leadership roles early on, based on our Keep Young philosophy for management and organization. This has become a key factor in making entrepreneurship the source of our value creation.

Going forward, we will work to continuously enhance corporate value by ensuring generational change in management through appropriate turnover that empowers next-generation leaders in maximizing their entrepreneurship. To this end, we have established the Human Resource Development Committee with the goal of increasing the number of individuals who gained management experience through opportunities actively provided by the Company.

HR Development Framework



Committee overview

The Human Resource Development Committee, chaired by the Group President and Chief Executive Officer, discusses the qualifications and development policies required for next-generation management, as well as the methods for selection, monitoring, and assignment of the candidates.

In selecting and developing next-generation candidates, we utilize digital HR assessment to enhance the effectiveness of various initiatives.

Regarding the status of development of next-generation candidates, we have established a system aligned with the Group's succession plan while regularly reporting to the Nomination and Remuneration Advisory Committee.

In conjunction with the launch of the Human Resource Development Committee, we also plan to lower the retirement age for officers in our management team in the interest of Keep Young, which will promote a healthy turnover of leadership and create opportunities for younger generations.

Development measures

For next-generation candidates, we will conduct a one-year rotational selection-based training program. Through the input and output of management knowledge, we offer a program designed to cultivate managerial perspectives.

Moreover, we actively appoint managers to executive positions at our Group companies, expecting their management experience will improve the effectiveness of our talent development programs. In fiscal year 2026, we actively appointed next-generation leaders, including 21 with no prior board positions, aiming to raise the overall level of our next-generation executive talent across the Group and to boost synergy. In building a new executive structure, we will continue to provide opportunities to gain more experience.

Human Capital Management

Optimal talent allocation

Under the banner of Human Resource Development with Reproducibility Through Digital HR, our Group has been implementing optimal HR development initiatives to accelerate individual growth by utilizing our talent database, which has been built up over more than 20 years, combined with the technology to analyze it.

These initiatives have been highly acclaimed by external organizations, and we received the Excellence Award in HR Management at the 10th HR Technology Awards announced in August 2025, in recognition of creating synergy through group-wide talent mobility using AI matching.

Going forward, we will continue to strengthen our management built on these systems and empower employees. Alongside this, through our Group company, Human Capital Lab, Inc., we intend to offer technology-driven solutions to clients and external partners, enhancing our competitive edge and contributing to the sustainable growth of every enterprise we work with.

Initiative details

As part of corporate initiatives such as organizational restructuring and business portfolio optimization, the Group developed a matching technology for optimal talent allocation using AI. By leveraging this technology to promote intra-group talent mobility, we aim to create synergies and maximize human capital through knowledge sharing and new collaborations between organizations. We have actively utilized technology in the HR field for many years. Building on this expertise, we developed a new AI model that predicts employee performance after a transfer.

Reason for award

We developed a system to promote strategic talent mobility (optimal talent allocation) with the goals of creating cross-group synergies and maximizing human capital. Its proprietary AI model analyzes both organizational fit and individual growth potential to propose optimal placements. The initiative was highly praised as an outstanding system with the potential to create synergies. It achieves this by fusing quantitative, AI-driven talent selection with qualitative, human-led support, thereby promoting efficient talent mobility within the Group.



Holding town hall meetings

Our Group has established nearshore offices across Japan, with SEPTENI CORE, Inc. operating in Fukuoka, Miyazaki, and Okinawa, and Septeni Ad Creative, Inc. in Sapporo.

In fiscal year 2025, we held town hall meetings to ensure that employees at these nearshore offices are imbued with our overall policy and improve their engagement. The four in-person events featured Q&A sessions where our group executive officers answered questions from employees along with panel discussions centered on business managers, providing an opportunity to incorporate challenges unique to the nearshore offices and real on-the-ground voices into management.



Town hall meeting held in July 2025
Sapporo Office, Septeni Ad Creative, Inc.

Feedback from participants from different locations

It was a good opportunity to hear directly from executives about the future they envision from a medium- to long-term perspective, giving a clearer picture of our company's future direction than ever before.



Through a multifaceted discussion covering both the entire group and each operating company, it is now clearer what our roles are and what challenges we should take on.



Hearing thoughts and comments directed at each company from executives with whom we have little contact showed how deeply they value each operating company.



Their passion came across in person as opposed to online. It was very inspiring.



VOICE

Democratization of entrepreneurship

Cultivating an environment where employees can readily demonstrate entrepreneurship

Our Group aims to democratize entrepreneurship by creating an environment where each and every employee can demonstrate their entrepreneurial spirit and take on challenges of all sizes, rather than simply participating in events and initiatives organized by the Group companies.

In fiscal year 2025, we reviewed the evaluation criteria for the 360-degree feedback survey used in our performance appraisal and added “demonstration of entrepreneurship.” We will track these scores and apply them to further enhance our human capital value.

Group Kickoff: Introduction of MVV Category to Annual MVP Award

In fiscal year 2025, we significantly revamped the Annual MVP Award system, which recognizes outstanding projects throughout the year, with a new MVV Category added.

While maintaining the Business Category award to recognize contributions to current-period business performance in terms of sales and profits, the newly added MVV Category weighs the process of taking on challenges and the embodiment of Mission, Vision, and Value (MVV) more than quantifiable results, based on the principle that all employees work as one to enhance corporate value.

Each of us, with our inner resolve, demonstrates entrepreneurship to bring about positive change within the organization. The new category was established to appreciate this mindset that creates “future value,” not just tangible results, and to further foster a culture of embracing challenge throughout the Group.



Company kickoff event:
Annual MVP Award Ceremony
for MVV Category

Fostering a sense of ownership

Our Group is committed to creating an environment in which employees have a sense of ownership and are committed to business activities, with the aim of enhancing corporate value. As one of our initiatives to foster a sense of ownership, we have introduced an employee stock ownership plan. In fiscal year 2025, we held webinars that provided a comprehensive overview of this plan, primarily targeting new graduates, and those designed to improve the financial literacy of a wider range of employees. We will make continuous efforts to foster a sense of ownership in all of our employees and enhance their sense of togetherness in improving corporate value.

MVV Category Entrepreneurship Award: Winner's comments



Yuma Takeuchi
Section 4,
Data Management
Department,
Operations Technology
Area
Septeni Japan, Inc.

I received this award for developing a product that automates the creation of advertising performance review materials for clients in just one minute.

When I was working in the frontline as a sales representative, I felt that the enormous amount of time spent on data aggregation and the inconsistent quality of materials were hindering us from delivering the next-step proposals for clients, which we should be focusing on. To solve this problem, I pivoted to engineering and began developing a prototype myself. Going beyond simply providing a tool, I pitched directly to specialists to form a team with a view toward company-wide deployment. By immediately reflecting on-site feedback, we have achieved operational reforms that are expected to reduce man-hours by approximately 700 hours per month.

The process I handled from start to finish—translating the sense of ownership I developed as a sales rep into tangible solutions with engineering skills and pushing it forward until it became widespread involving the organization—this is how I put my entrepreneurship into action. As a project that contributes to operating profit, I look forward to developing it further to enhance the group's corporate value.

VOICE

Diversity, Equity & Inclusion (DEI)

Initiatives for DEI

The Group is working to create an environment where every individual can thrive in their own unique way by promoting DEI.

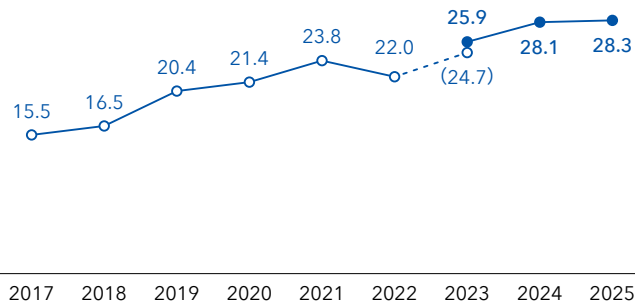
In particular, we are focusing on closing the gender gap, as prioritizing initiatives for women—who represent the majority within minority groups—will lead to the realization of equity and inclusion for other attributes. We have set the female manager ratio as a KPI, with a target of “30% female manager ratio by December 2030 (Target: Group companies in Japan),” and are conducting training and upgrading the work environment toward its achievement.

Regarding SOGI and LGBT issues, we have established a group-wide LGBT & Ally network called SEPALLY RAINBOW and are conducting various initiatives. As a result, we have received “Gold,” the highest rating, for eight consecutive years in the PRIDE Index—an indicator for sexual minority initiatives in the workplace developed by the work with Pride association.



Female Manager Ratio*

○ Our major companies in Japan (%) ● All Group companies in Japan (%)



*Data compiled as of the end of September for major companies in Japan until 2022. From 2023 onward, data compiled as of the end of December for Group companies in Japan. The data has been updated based on the aggregation as of February 2026.

Production and release of short dramas to recognize unconscious bias (Only in Japanese)



Document Presentation
<https://www.youtube.com/shorts/TtM4UikiwJc>

In the Meeting
<https://www.youtube.com/shorts/v5w9C4pnF1Y>

Over Lunch
<https://www.youtube.com/shorts/l9QWgDTiIMA>



Haruko Tanaka
Corporate Communications Dept., CEO Office
SEPTENI HOLDINGS CO., LTD.

To raise awareness of unconscious bias, we produced a short drama series titled “No Offense Intended: Short Dramas for Collective Reflections.” The theme of DEI is all too often perceived as “someone else’s business.” We brainstormed how to encourage employees to approach it as their own business, and considered what kind of content would inspire them to want to watch and learn out of genuine interest rather than a sense of obligation. Ultimately, we arrived at short dramas, which also leverage one of our business strengths.

When pre-released internally, the videos were viewed over 900 times within two months. Employees who watched them shared feedback such as, “It gave me a chance to reflect and realize that I do that too,” and “Now I see that the scene in the video was an example of unconscious bias.” This made us feel that the project successfully fostered the intended “awareness” and “dialogue.” The short dramas have been made available to the general public so that they can be widely utilized by companies and organizations working to promote DEI.



To earn the trust of stakeholders, and to aim for sustainable corporate value improvement while ensuring management transparency and fairness, we promote governance enhancement from both “offensive” and “defensive” perspectives.

“Offensive” governance

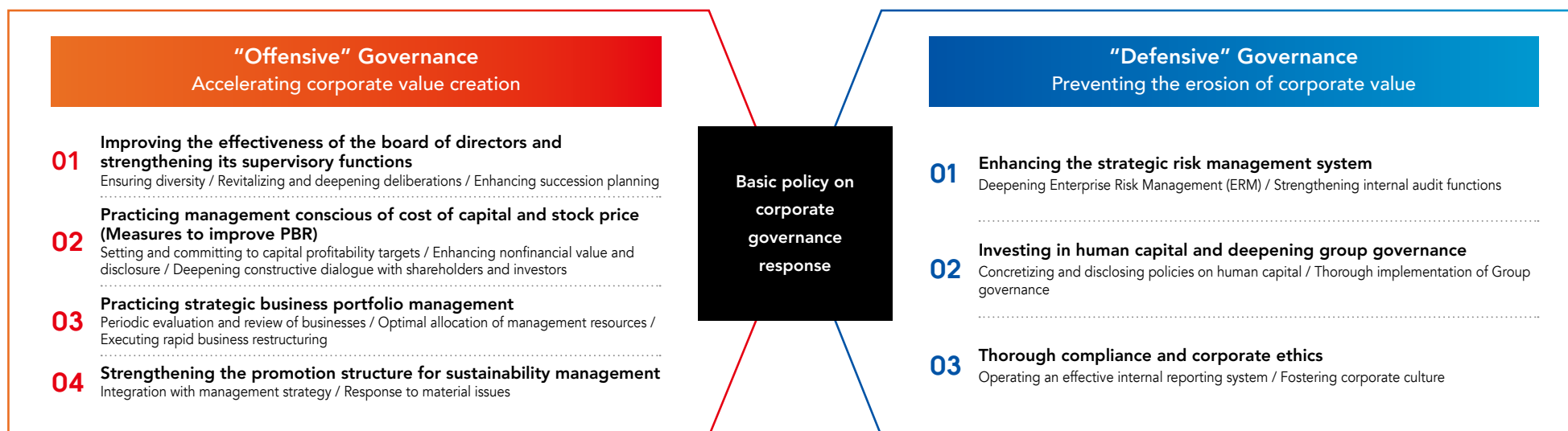
We have outlined four initiatives to accelerate corporate value creation. In particular, we will address “practicing management conscious of cost of capital and stock price” and “practicing strategic business portfolio management” at a higher level than ever before in our group management. Based on the belief that sustainably generating returns exceeding the cost of capital is crucial for enhancing corporate value, the Company establishes budget planning policies focused on profit levels that achieve a return on invested capital (ROIC) greater than its weighted average cost of capital (WACC) and monitors its performance against the target. To achieve this, during the period of this Medium-Term Management Plan, we have set a target to raise our ROE to double digits at an early stage, while also working on business portfolio management through the application of internally defined business continuity criteria.

“Defensive” governance

To prevent the erosion of corporate value, we will advance three major initiatives. Our Group has approximately 2,000 officers and employees, and it is indispensable for each of them to implement compliance even more thoroughly. While operating our internal reporting system with high effectiveness, we are executing various measures aimed at fostering a corporate culture that encourages strict adherence to corporate ethics and instilling integrity. Furthermore, we will promote the strengthening of human capital and, through this, ensure the thorough implementation of group governance.

Separation of supervision and execution

The Group adopts a holding company structure, separating the group-wide management control functions of the holding company from the executive functions of individual businesses. Through this, we aim to balance faster decision-making by delegating authority to operating companies with objective business evaluation and optimal capital allocation by the holding company. In addition, the board of directors aspires to a monitoring-style board, with outside directors making up the majority to ensure independence, objectivity, and accountability. Furthermore, we have introduced a “CxO system” for group executive officers with the aim of clarifying roles and strengthening synergy creation.



Promoting AI Strategy

Applicable Basic Policy: 3. Strengthening Management Foundation

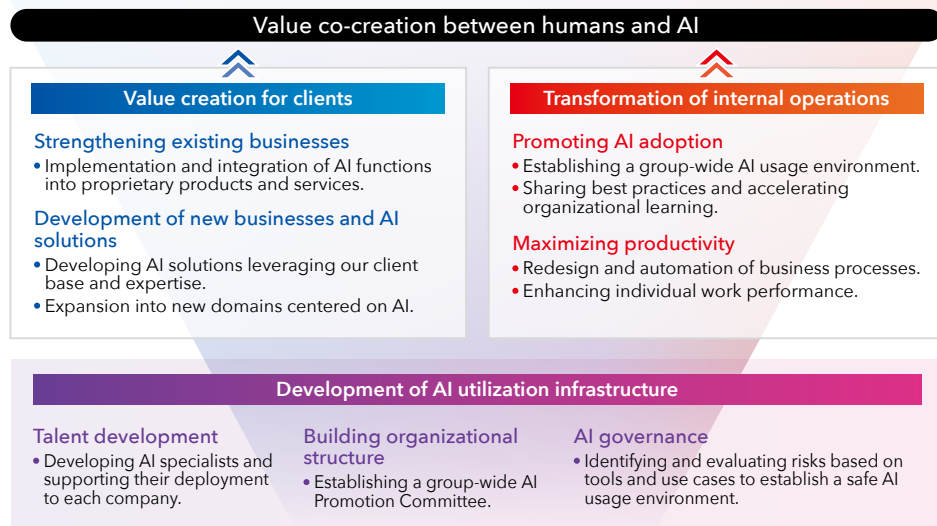
While working toward “value co-creation through human-AI collaboration” by focusing on “value creation for clients” and “internal operational transformation,” the Group is strengthening three foundational pillars: talent development, organizational structure building, and AI governance.

Overall policy

Since the group-wide introduction of generative AI tools in 2024, the Group has actively advanced the utilization of generative AI across a wide range of areas, including integrating it into advertising operations, providing new solutions to clients, and improving operational efficiency. Based on the belief that value co-creation through the collaboration of people and AI—rather than AI replacing humans—will help maximize the value provided to our clients, our goal over the next three years is to transition from a phase of using AI as “a mere tool” to reconstructing our operations with AI usage premised as a core business foundation.

Specifically, we will promote AI utilization across three pillars. In “value creation for clients,” along with implementing and integrating AI functions into proprietary products and services within existing businesses, we will advance the development of new businesses and AI solutions. In “transformation of internal operations,” we will work to accelerate AI adoption and thereby raise the level of productivity per employee. Furthermore, through the “development of AI utilization infrastructure,” we aim to upgrade our internal environment and strengthen the delivery of solutions to our clients.

VISION 2030 | VALUE MAXIMIZER



Establishing the AI Promotion Committee

To foster talent capable of leading operational and organizational transformations premised on the AI era, while balancing speedy decision-making with risk reduction, we established a group-wide AI Promotion Committee dedicated to driving AI initiatives. Our policy is to first cultivate the foundation for talent development by promoting the operation of guidelines, company-wide education, and the thorough utilization of various solutions in line with our four action steps.

Furthermore, we have defined the requirements for AI talent across four levels, set monitoring indicators for each level, and will track the progress of talent development. By raising the AI literacy of our entire Group to the highest standard in the industry, we will achieve group-wide AI transformation, connecting it to the enhancement of business and corporate value.

Action Steps

- STEP 1** Establishing governance and AI guardrails
- STEP 2** Accelerating implementation and verification processes
- STEP 3** Creating domain-specific use cases
- STEP 4** Group-wide deployment and systematization of success models

AI Talent Requirements

- LEVEL 1** Master conversational AI for daily tasks to streamline individual work like documentation and summarization.
- LEVEL 2** Utilize simple agents (e.g., Gems) and proprietary data to promote semi-automation of specific tasks spanning multiple steps.
- LEVEL 3** Build AI workflows independently to realize automation of complex tasks and optimization of entire processes.
- LEVEL 4** Drive AI-native business transformation beyond existing frameworks by highly integrating business data with AI.

Capital Allocation

Applicable Basic Policy: 4. Capital Allocation 

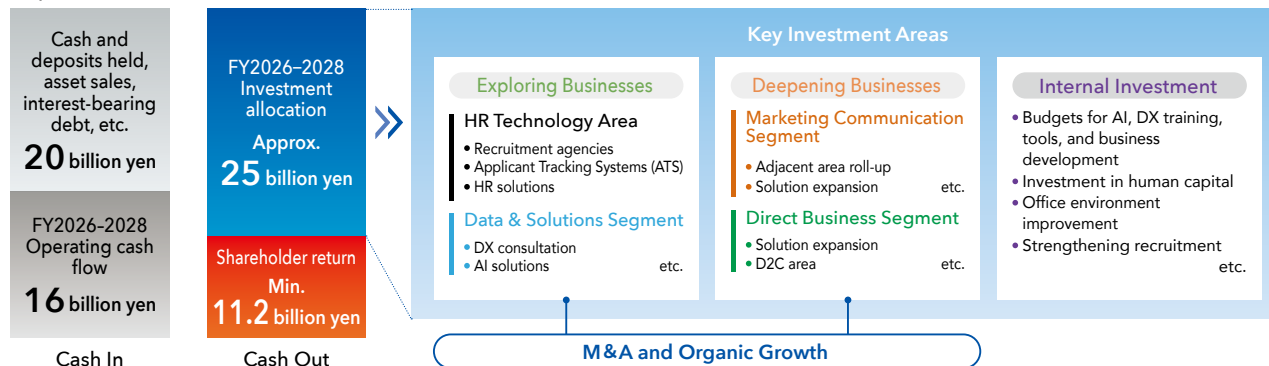
Balancing growth investment and high shareholder returns

With the goal of becoming a corporate entity that generates 10 billion yen in profit by 2030 while achieving both high growth and high shareholder returns, we have formulated a three-year capital allocation policy. Based on this policy, we aim to reach double-digit ROE at an early date by simultaneously strengthening our earning power through active growth investments and enhancing sustainable shareholder returns.

Cash in

Over the next three years, we expect to secure approximately 36 billion yen of funds for capital allocation. In terms of operating cash flow, we are working to maximize our earning power through profitability improvement by "Deepening Businesses," coupled with accelerated growth investments for "Exploring Businesses." We will also strategically combine the efficient use of cash and deposits, the sale of assets, and the use of interest-bearing debt without compromising our optimal capital structure, in order to ensure sufficient liquidity so as not to miss out on any growth investment opportunities.

Capital Allocation



Growth investment

We have allocated approximately 25 billion yen out of the secured funds for growth investments and internal investment aimed at strengthening our medium- to long-term earning power. While rigorously managing our business portfolio, we will actively identify investment opportunities and deploy capital.

Exploring Businesses	Investments to expand our capabilities that contribute to enhancing clients' corporate value
Deepening Businesses	Investments to strengthen the competitiveness of existing businesses
Internal Investment	AI, human capital, corporate environment improvements, etc.

Enhancing shareholder returns

The Company recognizes returning profits to its shareholders as one of the highest management priorities. Under the current medium-term management plan, we have set a minimum cumulative dividend payout of 11.2 billion yen.

Dividend policy

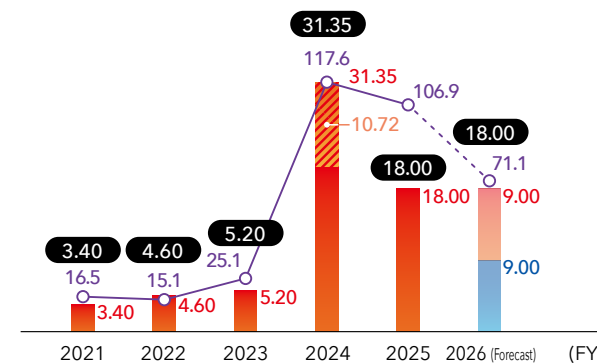
The minimum annual dividend per share will be 18 yen. If 50% of the profit attributable to owners of parent per share exceeds this 18 yen minimum, a dividend will be paid based on 50% of the profit attributable to owners of parent per share. This approach prioritizes dividend consistency and stability while ensuring profit distribution remains within our distributable earnings.

Enhancing flexibility and expanding opportunities for shareholder return

Starting in fiscal year 2026, we will pay dividends from surplus twice a year, including newly introduced interim dividends. Alongside this, we will establish a new shareholder benefits program to enhance the attractiveness of our stock to promote medium- to long-term ownership. Share buybacks will be implemented flexibly, comprehensively considering market and business conditions.

Annual Dividend per Share As of May 13, 2026

■ Interim dividend per share (yen) ■ Year-end dividend per share (yen)
 ▨ Gain on sales of shares of subsidiaries (yen) ○ Dividend payout ratio (%)
 ● Annual dividend per share (yen)



For details on shareholder return, please refer to the corporate website. Shareholder Return
<https://www.septeni-holdings.co.jp/en/ir/stock/dividend.html>