Business Strategies and Growth Opportunities

SORACOM, INC.

Jun 30, 2026

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

About Us

Name	SORACOM, INC.
Established	November 2014
Offices	Head Office: Tokyo, Japan US Office: Bellevue, WA, USA UK Office: London, United Kingdom
Employees[(1)]	Total 201 (51 in US/Europe[(2)])
CEO	Ken Tamagawa
Business	AI / IoT Connectivity Platform Service
Shareholders[(3)]	KDDI CORPORATION / World Innovation Lab / SECOM CO., LTD. / SOURCENEXT CORPORATION / Sony Group Corporation / NIPPON GAS CO., LTD. / Hitachi, Ltd. / Suzuki Global Ventures

VISION / MISSION

Making Things Happen
for a world that works together

Bringing people and things together
to build a connected world
where all of us will achieve
more than any of us can imagine.
From connectivity and cloud to AI and beyond
SORACOM puts advanced technology
in the service of community
to spark a better tomorrow.

IoT and beyond.

Notes: (1) The number of regular employees excluding board members as of Mar 2026; (2) Employees at SORACOM GLOBAL, INC. (US) and SORACOM CORPORATION, LTD. (UK) ; (3) As of Apr 2026

Corporate Overview SORACOM's AI / IoT Connectivity Platform

SORACOM

A global platform that accelerates IoT product development with a focus on data communications for IoT

Our group provides comprehensive services to client companies embarking on IoT services. Specifically, we offer platform services such as IoT connectivity, data storage and visualization applications, and network services.
Client companies can purchase IoT SIM cards and devices individually from our IoT store online, enabling them to immediately start utilizing our services.

IoT / AI Devices

SORACOM Devices

- Communication Modules
- Sensor Devices

Partner Devices

"Sora-Cam," the AI Eye

IoT Connectivity

SORACOM IoT Connectivity

- IoT SIM (5G/LTE/LTE-M)
- LPWA / Satellite
- Wi-Fi / Wired

High-Capacity Connectivity for Physical AI

AI / Cloud

SORACOM Cloud

- Remote Control
- AI Data Processing
- IoT Automation

Partner Cloud Services

AWS / Microsoft
Google / OpenAI

AI Chat Bot "Wisora"

← Incremental Revenue | SORACOM | Recurring Revenue →

Corporate Overview Case Studies

SORACOM

Numerous Customer Cases Across a Wide Range of Industries

Smart Metering

Heat Risk Monitoring

Failure Prediction

Temp Monitoring

Functionality Checking

GPS Tracking

Railway CBM

AI Person Detection

Use Cases in Japan

Local Use Cases in US / Europe

Sharing Mobility

Weather Cameras

Store Camera

Temp Monitoring

Smart Light

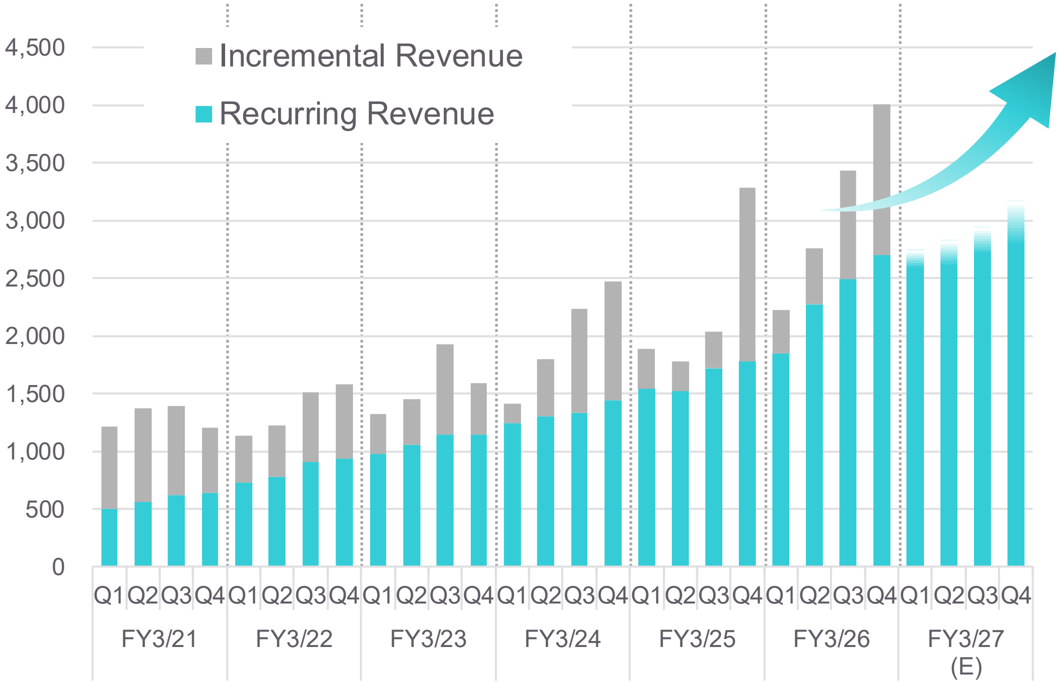
Construction System

Hotel Operations DX

Bus Security

Resilient Recurring Revenue — Quarterly Trend

Low Churn × High NRR — Recurring Revenue That Compounds

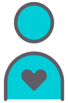


Global Ratio(1)

48%

ChurnRate(2)

0.4%



NRR(3)

121%

Up 4 pts from 117% in F3/25

Note: (1) Global recurring revenue ratio (2) As of FY3/26 year-end; annual churn = accounts with no recurring revenue in 12 months / qualifying accounts
(3) FY25→FY26 NRR = this year's recurring from prior-year accounts / prior year's recurring revenue

Corporate Overview SORACOM Data at a Glance – FYE Mar 2026

SORACOM

FYE March 2026 Full-Year Financial Summary[1]

Recurring Revenue
JPY 9.2 B
YoY +41.7%

Total Revenue
JPY 12.4 B
YoY +38.1%

EBITDA
JPY 1.2 B
Operating Profit JPY 871 MM

ARR
JPY 11.0 B
Global Ratio[2] 48.0%

Key Metrics

Connections
9 MM

Resilient Recurring Revenue
Churn[3] 0.4%
NRR[4] 121%

Global Recognition
Leader
in the 2026 Gartner® Magic Quadrant™

Expected Revenue Range in 5years
JPY 50.0 B
by FY 3/31

Notes: (1) Figures are on a consolidated basis unless otherwise stated; (2) The share of global revenue (US, Europe, and Japanese customers in global accounts) within recurring revenue; (3) Calculated as: Accounts that became inactive (i.e., no recurring revenue) for 12+ months / Active accounts generating >1M JPY annually; (4) Net Retention Rate from FY3/25 to FY3/26, indicating the continuation rate of recurring revenue from existing customers, calculated by the formula: [Recurring revenue of customers acquired prior to the previous period] ÷ [Recurring revenue of those customers in the previous period]

SORACOM

1 Business Model & Market Landscape

2 Financial Highlights

3 Growth Strategies

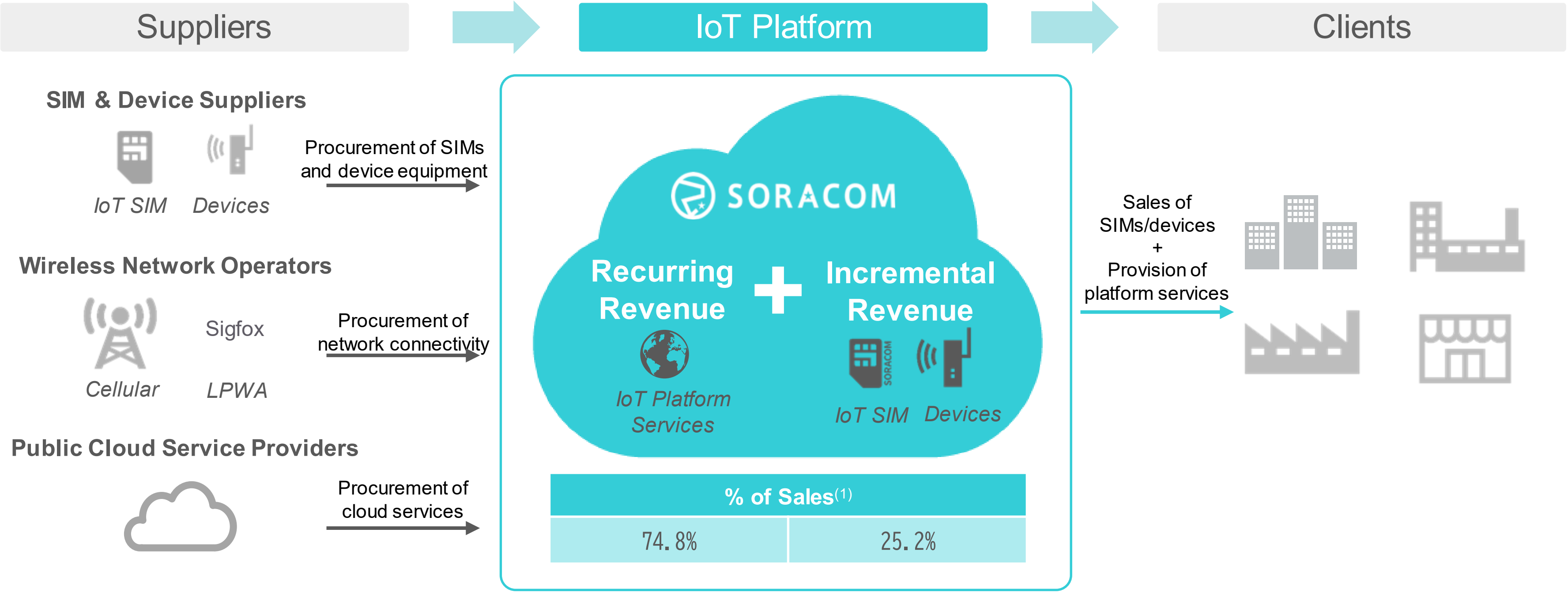
4 Business Plan

5 Risk Disclosures

SORACOM

Business Model

Soracom, a provider of IoT platforms, has two main revenue streams. The first is incremental revenue, which comes from the sale of SIMs and hardware during the initial implementation or expansion of IoT services. The second is recurring revenue, generated through monthly subscriptions for communication services and high-value-added features required for IoT systems and platform usage.
Currently, over 70% of our total revenue comes from recurring revenue, making it the company's primary and most stable source of income.



% of Sales[1]	
74.8%	25.2%

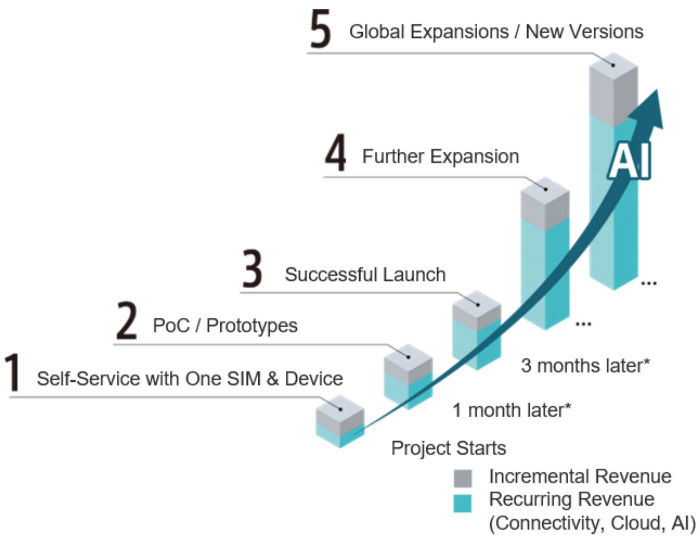
Note: (1) As of FY3/26

Earnings Structure SORACOM's Business Model

Continuous Incremental Revenue Generates Recurring Revenue

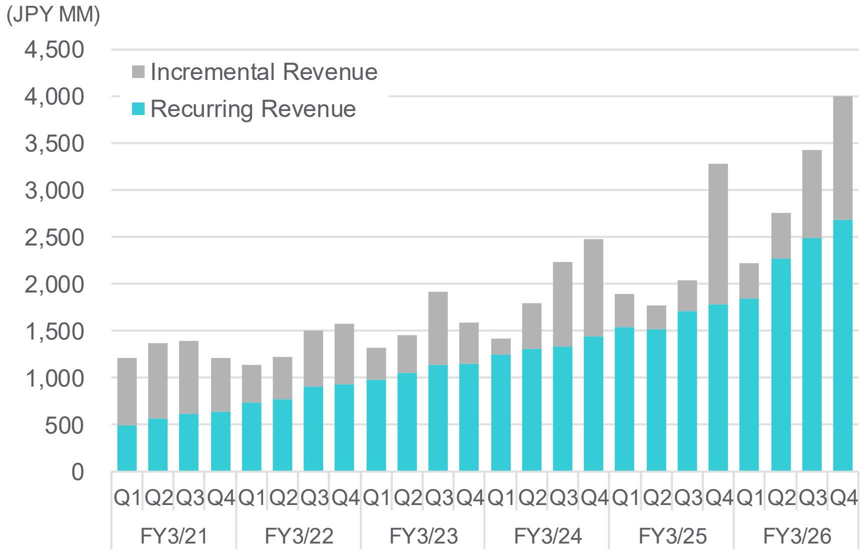
As client companies scale their IoT operations, they continuously purchase additional SIMs and devices. With each increase in incremental revenue, recurring revenue also expands in parallel. While incremental revenue may fluctuate depending on the timing of deliveries to customers, recurring revenue functions as a stock-based income stream and demonstrates stable, consistent growth over time.

Revenue Growth Model of a Client



*Examples of common AI / IoT projects

Quarterly Revenue

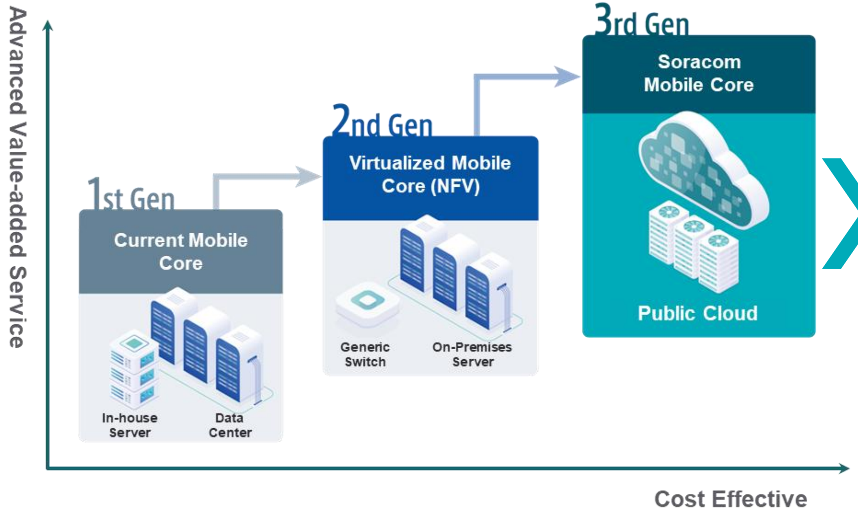


Competitive Advantage Innovative Technology

SORACOM Enables its Advantages by its Proprietary "Mobile Core" Technology Running Directly on Public Cloud

SORACOM's Competitive Advantages

- Flexible Scalability / Compatibility with a Wide Range of Public Cloud Services
- Multi-Protocol Support Compatible with 3G, 4G, 5G, LPWA, Sigfox, and Satellite Networks
- Provides seamless global connectivity through partnerships with multiple MNOs
- Flexible and Agile Development



Holding over 100 Patents(1)

Note: (1) As of Mar 2026

Competitive Advantage Cloud-Powered Differentiation

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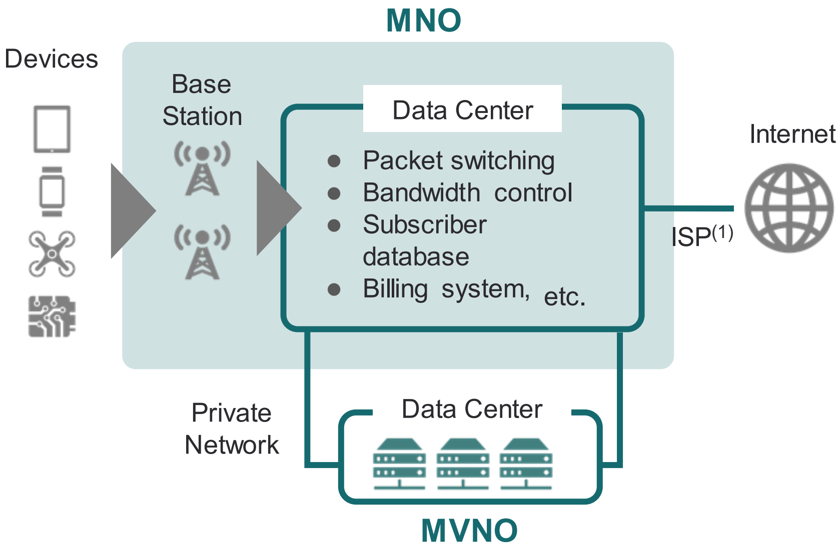
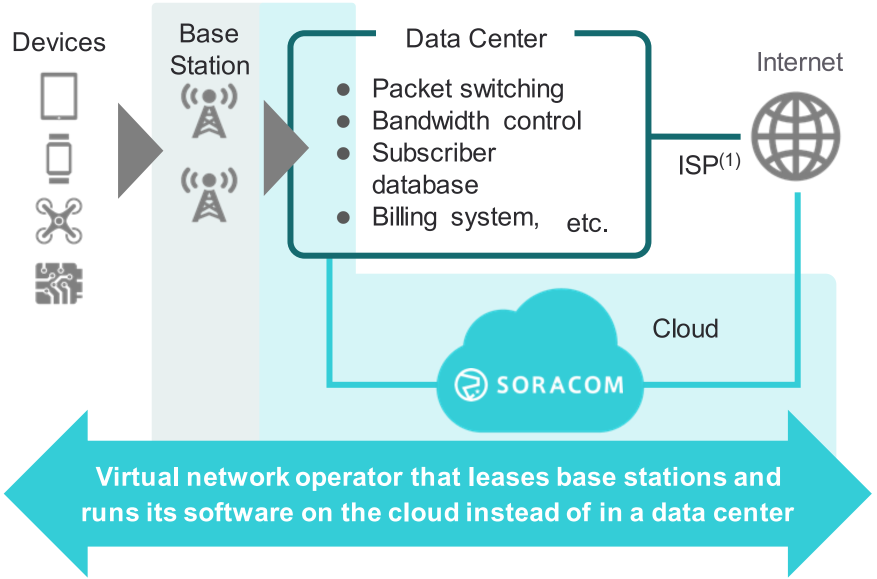
Replacing Legacy Telecom Infrastructure with Cloud for Flexibility, Scalability, and Cost Efficiency

Standard MNO / MVNO



SORACOM's Cloud Technology Capex Reduction via Proprietary Software



Note: (1) Internet Service Provider

Competitive Advantage Value of Platform

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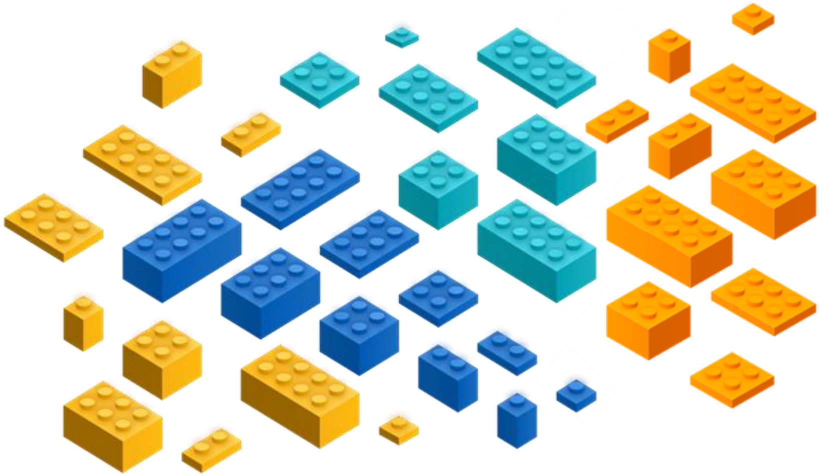
Soracom Provides 22 Fundamental Building Blocks (1) for AI / IoT



Device | Connectivity | Cloud | Solution

Allowing Customers to Choose as Needed

Customer A

Smart Metering

- Cloud Integration
- Data Formatting
- Connectivity

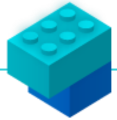
Using Services

Customer B

Payment Terminal

- Private Connectivity
- Security
- Global Connectivity

Using Services

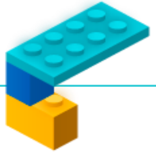


Customer C

Vehicle Management

- Data Visualization
- Cloud Integration
- Connectivity

Using Services

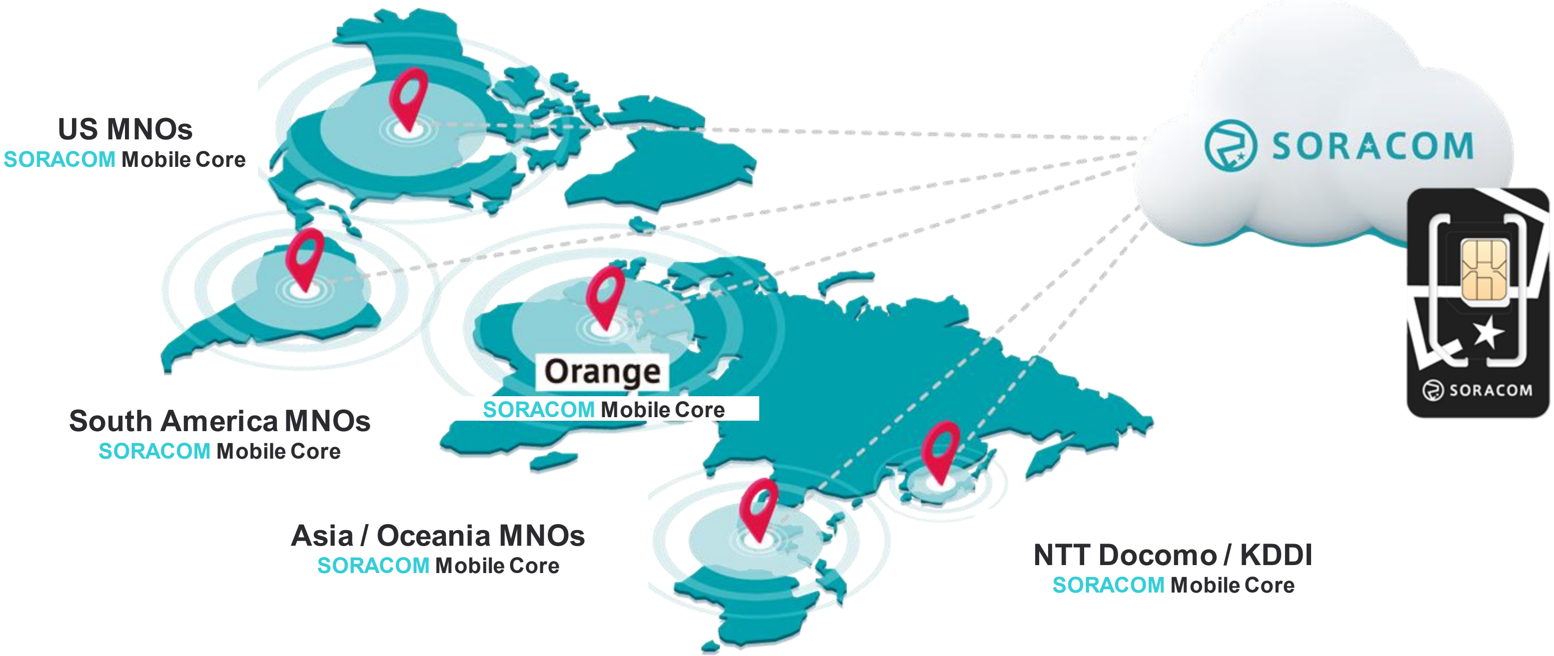


Note: (1) As of Mar 2026

Competitive Advantage Global Ready

Seamless Global Access with SORACOM (550 Carriers / 207 Countries & Regions)[1]

With our cloud-native IoT platform, SORACOM provides seamless network coverage and a multi-carrier IoT network on a global scale.
By deploying SORACOM's mobile core system as software on AWS in each region, we can easily replicate the platform and deliver globally consistent, seamless service operations.



Note: (1) As of Mar 2026

Market Size Soracom's Target Market

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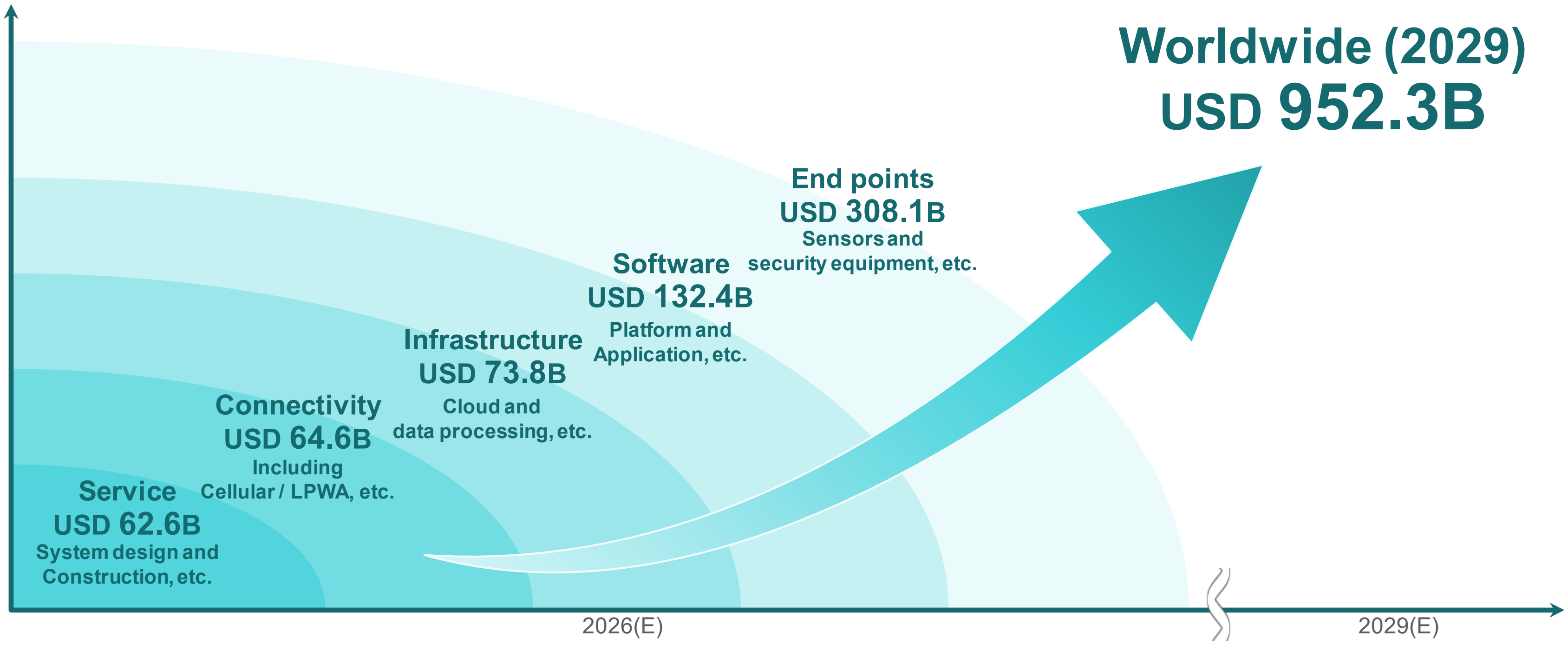
Extending our reach to the global IoT market by leveraging strengths across multiple IoT categories



Source: IDC's Worldwide Internet of Things Spending Guide (Dec, 2025)
The market size for IoT platforms and IoT-related services is estimated as the total of the market sizes for IoT Platform, Cellular, and Services within the IoT market

Market Landscape The Market Shift Underway

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From Massive IoT & Industrial DX to Physical AI

Massive IoT

Data Volume: Small

A few MB and above

Key Use Cases

Smart meters, facility monitoring, and more

Nature of Growth

Large device volumes, large deal sizes, and long-term usage — a foundation for stable, sustained growth

Industrial DX

Data Volume: Medium

Hundreds of MB and above

Key Use Cases

Automated control, payment terminals, telematics, and more

Nature of Growth

Deeply embedded across diverse operational workflows, with high switching costs

Physical AI

Data Volume: Large

Tens of GB and above

Key Use Cases

AI cameras, drones, autonomous vehicles, and more

Nature of Growth

High-volume, high-value driven by Video × AI — **the shift is happening now**

Competitive Landscape

SORACOM's Market Position within the IoT Industry

SORACOM

SORACOM Established its Position by Offering Comprehensive Value-added Services

IoT Partner
(end-to-end value-added services)(1)

Vertical Capabilities

Horizontal Capabilities

- System Integrators
- Solutions Providers

- SORACOM
- Horizontal Platform

- Applications Providers (GPS Tracking, Route Optimization, etc.)
- Industrial Devices (Refrigerator Control, Utilities, etc.)

- IoT Connectivity Companies (MNOs / MVNOs)
- Device Suppliers

IoT Vendor

Note: (1) The diagram shows SORACOM's own analysis on its positioning within IoT industry

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FYE March 2026 Full-Year Financial Results YoY Comparison

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(JPY MM)	FY 3/26 YTD Actual	FY 3/25 YTD Actual	YoY
Recurring Revenue	9,296	6,562	41.7%
% of Revenue	74.8%	73.0%	+1.8pt
Revenue	12,423	8,993	38.1%
Gross Profit	6,143	5,033	22.1%
% Margin	49.4%	56.0%	-6.6pt
SG&A	5,271	4,376	20.5%
% of Revenue	42.4%	48.7%	-6.3pt
EBITDA	1,228	833	47.3%
% of Margin	9.9%	9.3%	+0.6pt
Operating Profit	871	656	32.7%
% Margin	7.0%	7.3%	-0.3pt

- Recurring revenue grew 41.7% YoY to JPY 9.29B
- Gross profit increased 22.1% YoY to JPY 6.14B; margin declined 6.6 pts due to the consolidation of Misora Connect
- SG&A became leaner through initiatives such as generative AI adoption, with the ratio to revenue improving 6.3 pts YoY to 42.4%
- EBITDA grew 47.3% YoY to JPY 1.22B, and operating profit rose 32.7% YoY to JPY 871MM, both reaching record highs

Selected Income Statement

(JPY MM)	FY 3/24 Annual	FY 3/25 Annual	FY 3/26 Annual
Recurring Revenue	5,382	6,562	9,296
% of Revenue	67.9%	73.0%	74.8%
Revenue	7,928	8,993	12,423
Gross Profit	4,492	5,033	6,143
% Margin	56.7%	56.0%	49.4%
SG&A	3,765	4,376	5,271
% of Revenue	47.5%	48.7%	42.4%
EBITDA	835	833	1,228
% Margin	10.5%	9.3%	9.9%
Operating Profit	727	656	871
% Margin	9.2%	7.3%	7.0%
Ordinary profit	638	619	857
% Margin	8.1%	6.9%	6.9%
Profit attributable to owners of parent	485	352	631
% Margin	6.1%	3.9%	5.1%

Balance Sheet

SORACOM

(JPY MM)	FY 3/24 Annual	FY 3/25 Annual	FY 3/26 Annual
Cash and Deposits	7,697	8,917	9,269
Accounts Receivable	1,738	2,428	2,312
Other Current Assets	658	962	1,218
Current Assets	10,094	12,308	12,799
Tangible Assets	96	85	511
Intangible Assets	282	554	1,732
Investments and other assets	423	437	447
Fixed Assets	802	1,077	2,690
Total Deferred Assets	20	17	9
Total Assets	10,917	13,403	15,499

	FY 3/24 Annual	FY 3/25 Annual	FY 3/26 Annual
Accounts Payable	579	814	756
Contract Liabilities	972	836	1,148
Long-term loans *repayable within 1 year	-	249	249
Other Current Liabilities	910	419	1,057
Current Liabilities	2,461	2,319	3,212
Lease	12	-	67
Long-term loans	-	687	437
Other Fixed Liabilities	38	40	33
Fixed Liabilities	51	728	539
Total Liabilities	2,512	3,048	3,752
Shareholder’s Equity	8,039	9,878	10,720
Others	365	476	1,027
Total Net Assets	8,404	10,355	11,747
Total Liabilities and Net Assets	10,917	13,403	15,499

Cash Flow Statement

SORACOM

(JPY MM)

	FY 3/24 Annual	FY 3/25 Annual	FY 3/26 Annual
CF from operating activities	456	-728	1,761
CF from investing activities	-170	-474	-1,382
CF from financing activities	3,791	2,451	-67
Effect of exchange rate change on cash and cash equivalents	87	-27	40
Net increase (decrease) in cash and cash equivalents	4,164	1,220	351
Term-end cash and cash equivalents	7,697	8,917	9,269

1 Business Model & Market Landscape

2 Financial Highlights

3 **Growth Strategies**

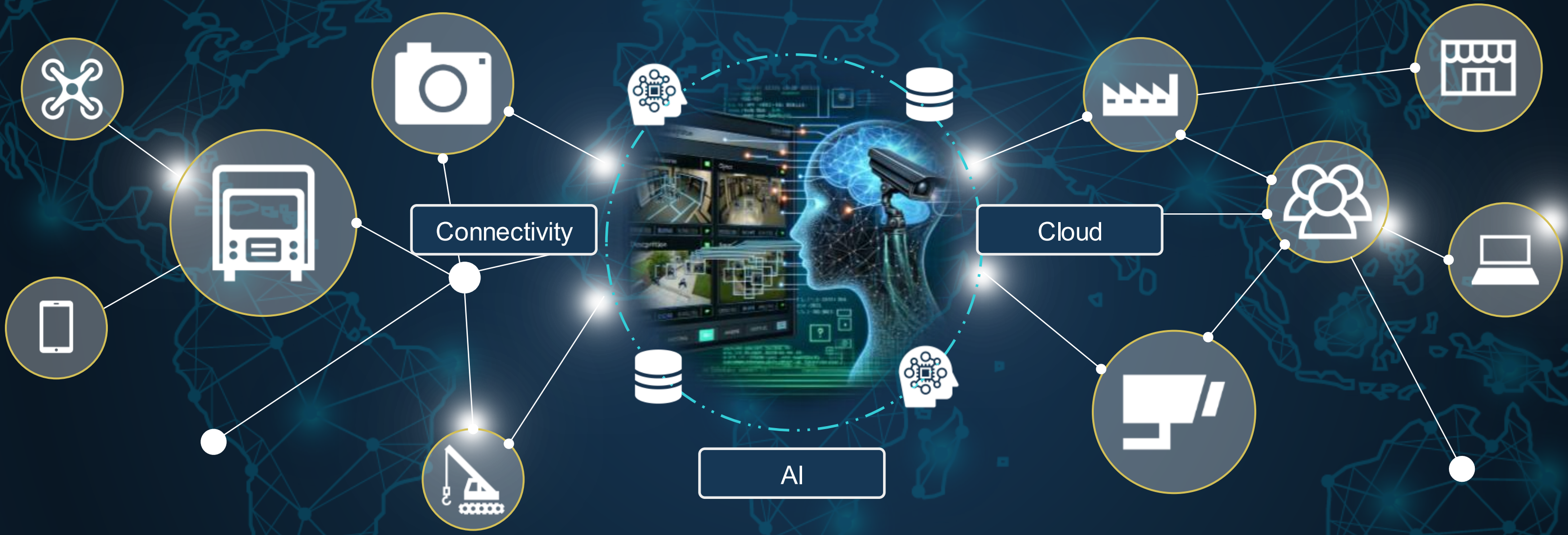
4 Business Plan

5 Risk Disclosures

Democratizing Technology for the AI / IoT Era

SORACOM

Democratizing Connectivity, Cloud, and AI Under Our Corporate Philosophy of 'Making Things Happen for a world that works together'



Global Leader in AI / IoT Connectivity Platforms

Expanding Across Multiple Markets via the AI / IoT Infrastructure

SORACOM

Global No. 1 AI / IoT Connectivity Platform
Creating Synergies Across New Growth Markets

Global No. 1
AI / IoT Connectivity Platform

Services for Carriers

Providing cloud-native mobile core to domestic and overseas MNOs, driving replacement of legacy telecom equipment

Connected Car

Using next-gen eSIM as the backbone, providing seamless in-vehicle connectivity across borders to domestic and overseas mobility companies

AI-Native Camera

Cloud camera × AI analytics to visualize the physical world in real time and integrate field data into management decisions

AI × IoT Solutions

End-to-end solution business combining connectivity, cloud, and devices — creating a new revenue pillar for the Physical AI era

Evolving into a Platform that Connects Both the Physical and Digital Worlds to AI

Expected Revenue Range by FY 3/31

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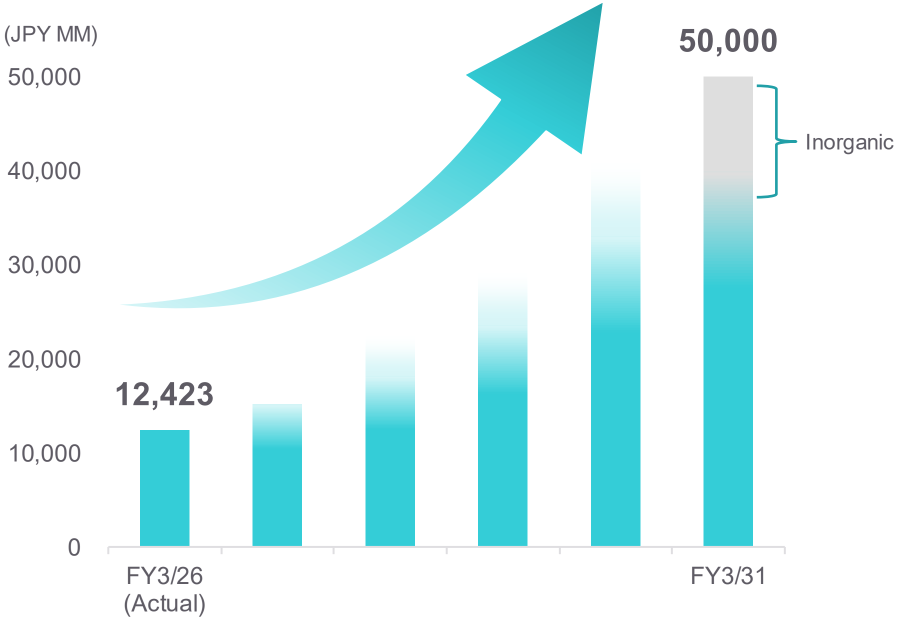
Built a High-Growth Foundation via Global Expansion, Strategic Alliances, M&A
Pursuing Exponential Growth through Organic × Inorganic Strategies



5-Year Expected Revenue Range

JPY 50B

Revenue CAGR(1)	30%+
Recurring Revenue Ratio	70～80%
Inorganic Ratio	20～30%
Organic EBITDA Margin	20%+

Note: (1) CAGR from FY3/26 to FY3/31 (2) We previously set mid-to-long-term targets of achieving revenue exceeding ¥20 billion (recurring revenue exceeding ¥14 billion), market capitalization exceeding ¥150 billion, EBITDA Margin above 10%, and Profitable Growth above 40% at the earliest opportunity. However, as our pursuit of inorganic growth through strategic alliances and M&A is expected to enable a higher growth trajectory, we have revised our mid-to-long-term targets to revenue of ¥50 billion (by FY3/31) and organic EBITDA Margin above 20%.

Accelerating Growth with Inorganic Strategies

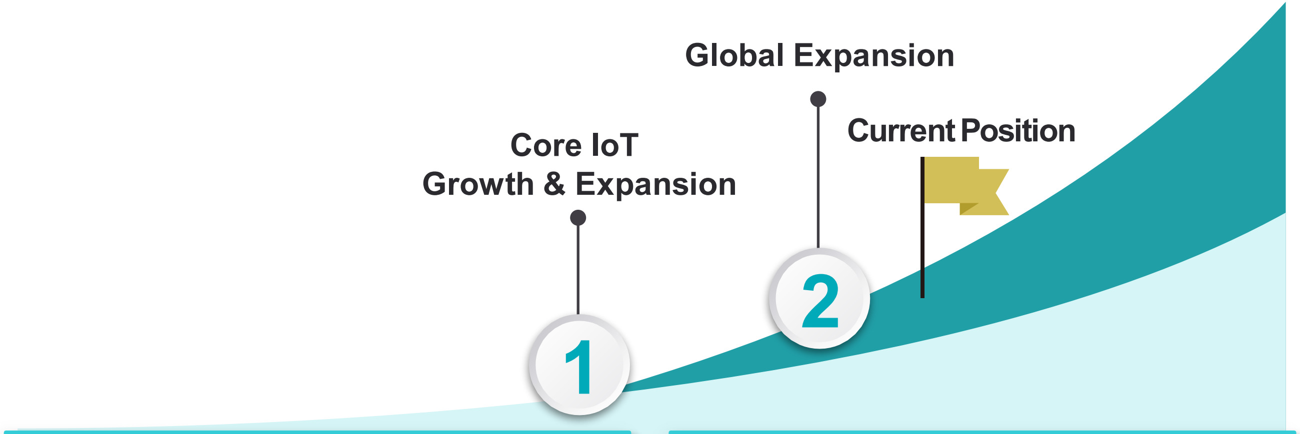
SORACOM

Driving strategic growth with recurring IoT and AI services

Vertical	Sora-Cam ソラカメ Retail / Logistics / Construction	Growth through M&A Cariot Mobility AI / IoT × Specific Domains B2B Recurring Services	Companies with industry-specific IoT vertical services that align with Soracom's synergies, and those positioned to deliver AI / IoT recurring services
Horizontal	Wisora AI-Native Solutions for Business Operations	Services and products to advance SORACOM's existing AI / IoT portfolio Companies providing hardware-driven solutions including devices, platform visualization services, wireless technologies, generative AI, and other cutting-edge innovations	SORACOM IoT Platform SORACOM AI × IoT IoT Application Builder SORACOM Flux Data Analytics Platform Service SORACOM Query
Infrastructure	Business & Services Enhancing AI / IoT × Communication Infrastructure	Companies with Full MVNO capability in Japan and capital alliances with overseas carriers	Growth through M&A Misora Connect

Current Growth Drivers

Driving Exponential Growth from a Cloud-Native Mobile Core, Powered by Two Growth Drivers Combined with AI and Inorganic Strategies



AI × IoT

- End-to-End AI × IoT Platform from Edge to Cloud
- Operational Automation Powered by Generative AI
- Cost Reduction

Inorganic (M&A)

- Regional (Overseas M&A) + Technology Complementarity
- Global Niche IoT Solutions

▲ Driver Acting Across All Phases ▲

②Global Expansion

- Achieving Global No. 1 in AI / IoT Connectivity Platforms
- Rapid Expansion Through Acquisition of Overseas IoT MVNOs
- Phased Entry into Regions Adjacent to Europe and the Americas

①Core IoT Growth & Expansion

- Domestic Connectivity Demand Surge from Industrial AI Adoption
- Accelerating Domestic Group Company Growth
- Connected Car / IoT Infrastructure for Carriers

Note: (1) For details, see next page

Growth Drivers in Detail

SORACOM

①Core IoT Growth & Expansion

Surging Domestic Connectivity Demand

Structural growth in demand for high-bandwidth, low-latency, high-reliability connectivity infrastructure as domestic industries pursue AI readiness. The shift to AI-driven connectivity is pushing up both connection volumes and per-connection value, entering a phase of accelerating growth.

Accelerating Domestic Group Company Growth

Integrating group assets such as Misora Connect and Kariotto to expand the economic ecosystem. Driving cross-sell, reducing costs through network integration, and improving group-wide profitability by infusing SORACOM's technology capabilities.

Connected Car / IoT Infrastructure Business for Carriers

Vertically integrating connectivity functions around SGP.32-compliant eSIM management (RSP), expanding connected car case studies, and capturing MNO infrastructure refresh demand worth hundreds of billions of yen through cloud-based replacement of legacy telecom equipment.

②Global Expansion

Achieving Global No. 1 in AI / IoT Connectivity Platform

Adoption expanding into social and industrial infrastructure, centered on the US and EU. Global revenue ratio exceeds 40%. Deepening collaboration with TSD[1] in the US to accelerate customer acquisition, targeting a global revenue ratio above 50%.

Rapid Expansion Through Overseas IoT MVNO Acquisitions

Replacing legacy infrastructure at acquired companies with a cloud-native mobile core to simultaneously achieve cost reduction and service quality improvement. Selecting targets on both regional and technology complementarity axes to make Global No. 1 irreversible.

Phased Entry into Regions Adjacent to Europe and the Americas

Expanding into high-growth emerging markets including Latin America and Asia. Leveraging local partnerships and global coverage as weapons to capture IoT market growth in new regions ahead of competitors.

Note: (1) TSD (Technology Solution Distributor): A large-scale technology solution distribution company with a network of thousands of TSAs (Technology Solution Advisors — partners that combine products and services from multiple vendors to deliver optimal solutions to end users).

Connected Car Initiatives

Market Expansion Through Connected-Car Services and Strategic Alliances

From Japan to Global through Strategic Alliances

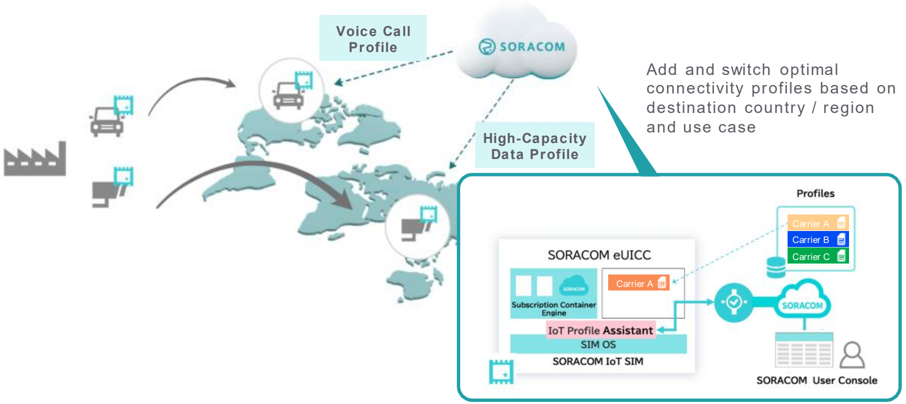
Tomorrow, Together KDDI | SORACOM

Leveraging KDDI's overseas network with Japanese automakers, aiming to expand services in the growing Connected car market

SUZUKI | SORACOM

Received investment through Suzuki's corporate venture capital fund, "Suzuki Global Ventures," and exploring collaboration to leverage advanced IoT technologies in global mobility services

"Connectivity Hypervisor" — Meeting Connected Car Requirements

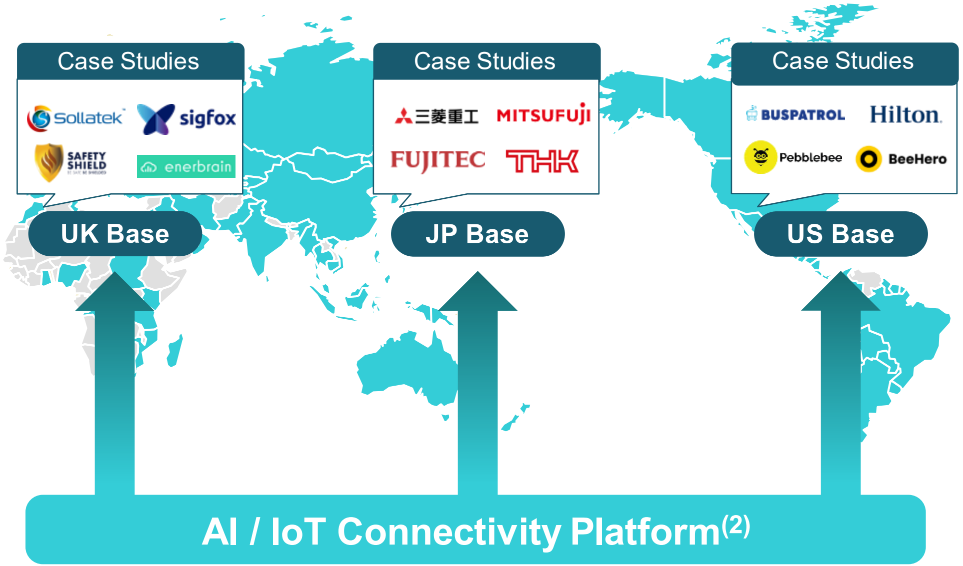


- Multi-profile management across mobile network operators
- Global deployment across 200+ countries with a single SIM
- SGP.32(2) compliant with local regulations and automotive industry requirements

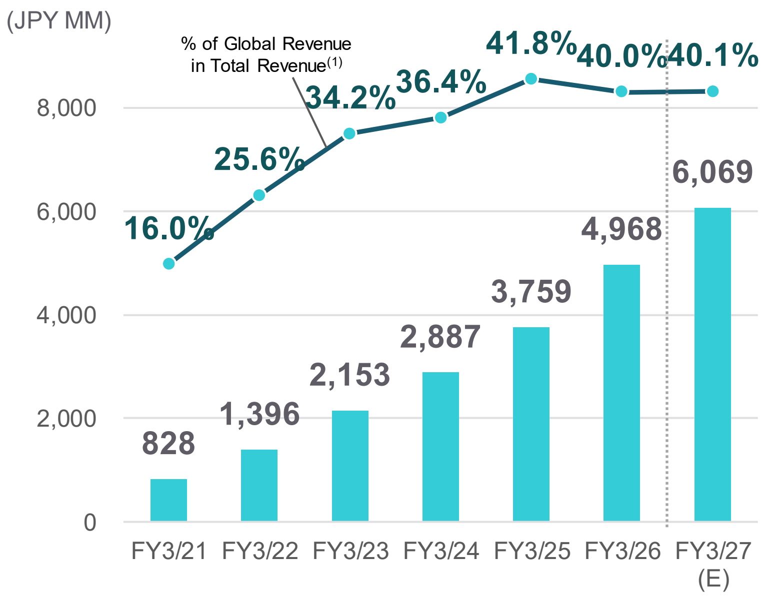
Note: (1) A next-generation GSMA standard for eSIM remote provisioning, designed to support long-term usage and regulatory requirements, primarily for automotive applications.

Global Revenue

SORACOM's AI / IoT Connectivity Platform Earns High International Recognition
Global Recurring Revenue Ratio Near 50% — Sustaining Robust Growth



Global Revenue(1)(2)

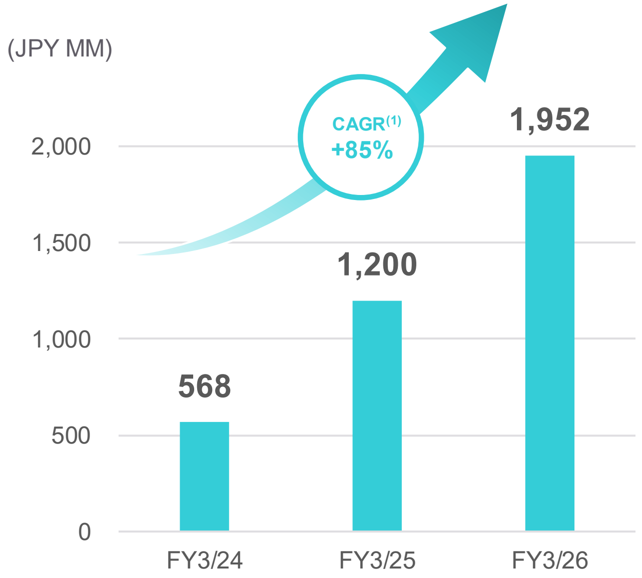


Notes: (1) Revenue from US, Europe, and Japanese customers in global accounts (2) SORACOM's global coverage shown in blue

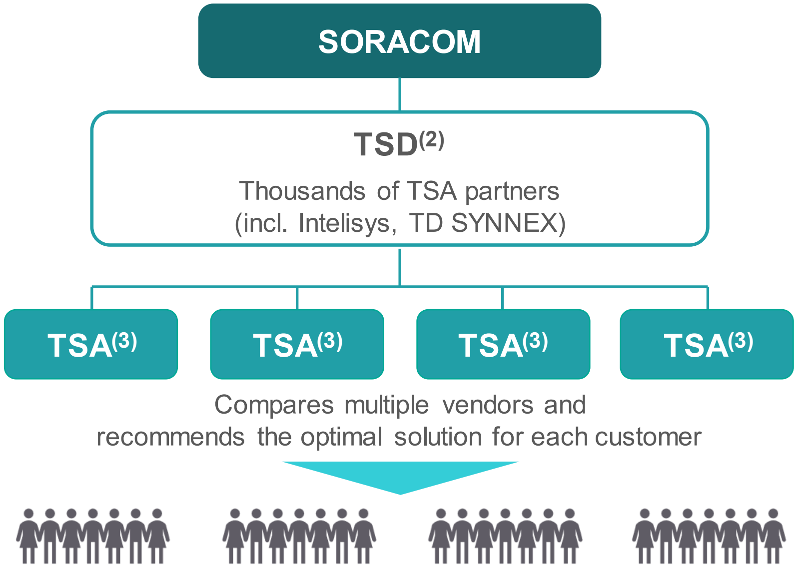
US Growth Accelerates: 85% CAGR

Distributor Strategy Drives High Growth with Minimal Resources in the US

US Revenue



Distributor Strategy



Notes: (1) CAGR from FY3/24 to FY3/26 (2) Technology Solution Distributor: large-scale tech solution distribution company with thousands of TSA partners
(3) Technology Solution Advisor: partner that combines products and services from multiple vendors to deliver optimal solutions

Global Expansion：2026 Gartner® Magic Quadrant™

Figure 1: Magic Quadrant for Managed IoT Connectivity Services, Worldwide

Soracom-KDDI Named a Leader

2026 Gartner Magic Quadrant for Managed IoT Connectivity Services, Worldwide

- **Recognized for Completeness of Vision and Ability to Execute**

Source：Gartner® Magic Quadrant™ for Managed IoT Connectivity Services, Worldwide, by Pablo Arriandiaga, Kameron Chao, Jon Dressel at 4 May 2026

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Case Studies from Across the Energy Industry

SORACOM

NICIGAS Group

Smart Gas Meter
“Space Hotaru”

OSAKI ELECTRIC CO., LTD.

Remote Meter
Reading Service
“Rakuraku Kenshin”

UBIDEN, INC.

EV Charging Service
“WeCharge”

OpConnect, Inc

EV Charging Service

SORACOM

NICIGAS Group

Industry: Oil & Gas
Scale: 1.5M+ units (1)
Region: Japan
Use Case: Custom Smart Gas Meter

Why SORACOM

- **Only SORACOM enables multi-radio integration on a single platform**
- **By leveraging SORACOM, the customer reduced in-house development costs and achieved a faster time to market**

Sigfox NW   LTE-M NW

Provided by SORACOM

Device	✓
SIM	✓
Connectivity	✓
Platform Services	✓

Note: (1) As of Mar 2026

Case Studies from Across the Mobility Sector

SORACOM

SUZUKI MOTOR CORPORATION

Multipurpose Electric Trolley "MITRA"

Honda Motor Co., Ltd.

Mobility Unit "UNI-ONE"

New!!

Kyushu Railway Company

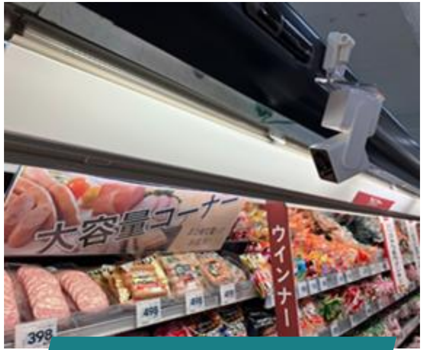
Preventive Maintenance of Railway Rolling Stock

BusPatrol America LLC

School Bus Operation and Safety Monitoring

Case Studies from Across the Retail Industry

SORACOM



BEISIA Co., Ltd.

Retail Store Management Camera System

CO-OP SAPPORO

Deli Section Management Camera System

New!!

Aurora Payments

Payment Terminal

Sollatek (UK) Ltd

Commercial Refrigeration System

Soracom Expanding Across Various Industries

Hotel	Manufacturing	Construction	Facility Management
			
			New!!
Hilton Hotels & Resorts	**Zeon Corporation**	**TAISEI CORPORATION**	**Azbil Corporation**
Digital Transformation in Hotel Operations	Remote Monitoring and Maintenance of Factory Equipment	Construction Management Camera System	Remote Adjustment of Automated Building Control Systems

SORACOM

FYE March 2027 Financial Forecast (Organic Only)

SORACOM

(JPY MM)	FY 3/27 Forecast	FY 3/26 Actual	YoY
Recurring Revenue	**11,421**	**9,296**	**22.8%**
% of Revenue	75.5%	74.8%	+0.7pt
Revenue	**15,124**	**12,423**	**21.7%**
Gross Profit	**7,614**	**6,143**	**23.9%**
% Margin	50.3%	49.4%	+0.9pt
SG&A	**6,492**	**5,271**	**23.1%**
% of Revenue	42.9%	42.4%	+0.5pt
EBITDA	**1,650**	**1,228**	**34.3%**
% of Margin	10.9%	9.9%	+1.0pt
Operating Profit	**1,122**	**871**	**28.8%**
% Margin	7.4%	7.0%	+0.4pt

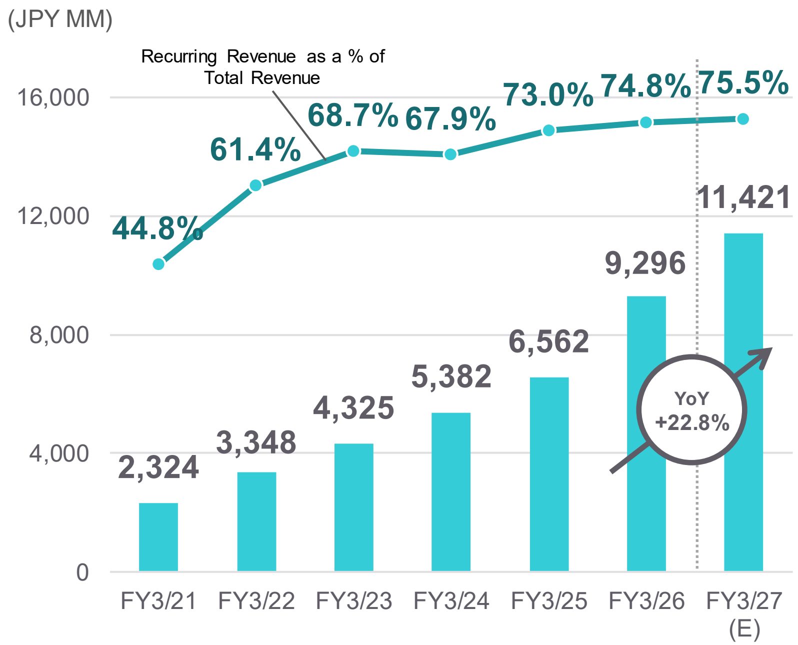
- EBITDA forecast at JPY 1.65B, up 34.3% YoY; Operating Profit at JPY 1.12B, up 28.8% YoY
- The financial forecast does not include the impact of inorganic growth; however, as multiple strategic pipelines progress, they will be incorporated into the forecast in a timely and appropriate manner
- The assumed exchange rate is 150 JPY per USD; if the current weak-yen trend continues, this would be an upside factor for revenue and recurring revenue

Recurring Revenue & Revenue Growth Forecast (Organic Only)

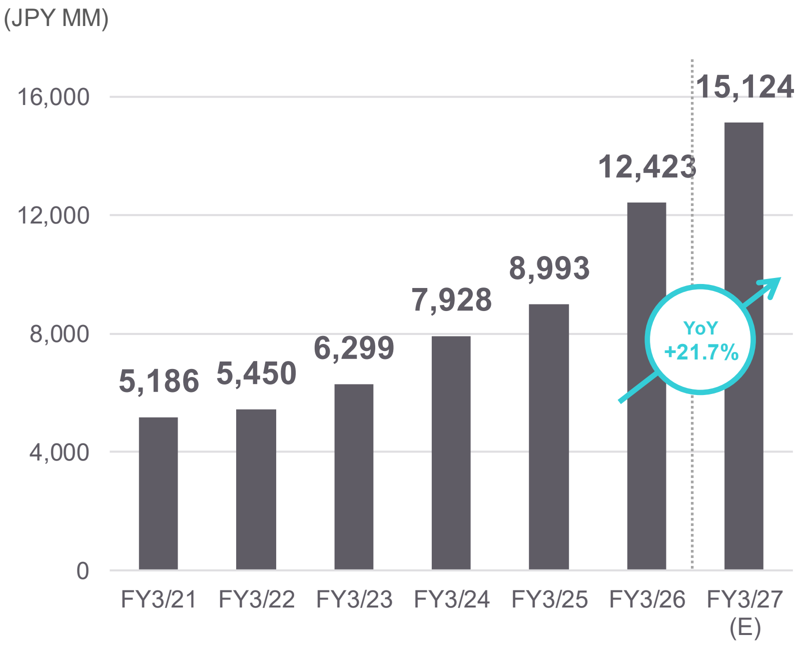
SORACOM

FY3/27 Maintains Focus on Recurring Revenue, Targeting 22.8% YoY Organically

Recurring Revenue



Revenue

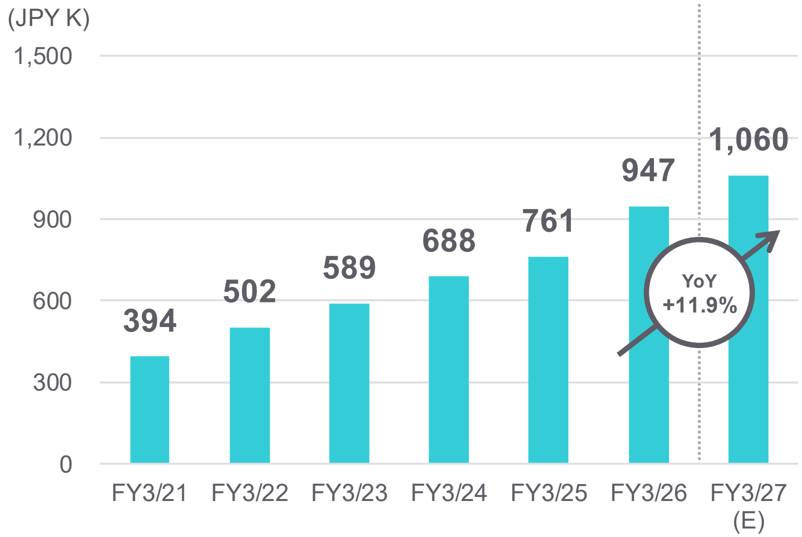


Recurring Revenue KPIs: Group

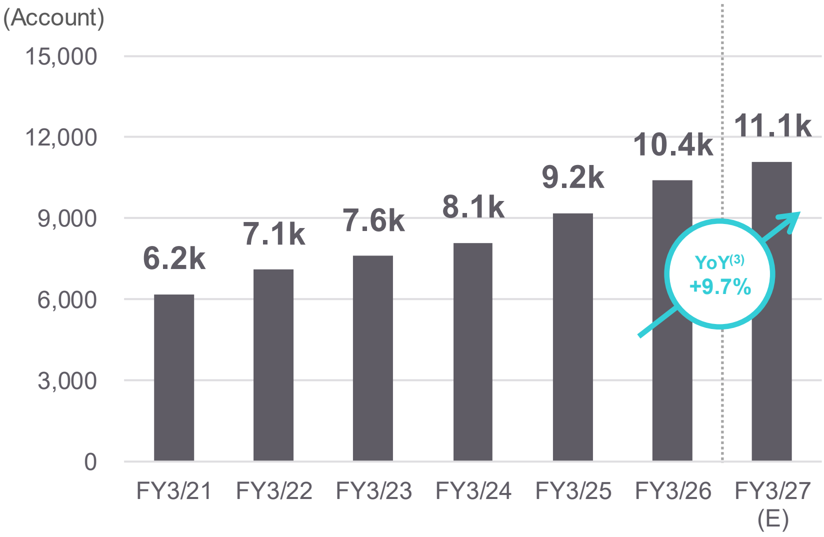
SORACOM

Recurring Revenue (= ARPA × Number of Paying Accounts) — Steady Growth Continues

Average Recurring Revenue per Paying Account (ARPA)(1)



Number of Paying Accounts(2)



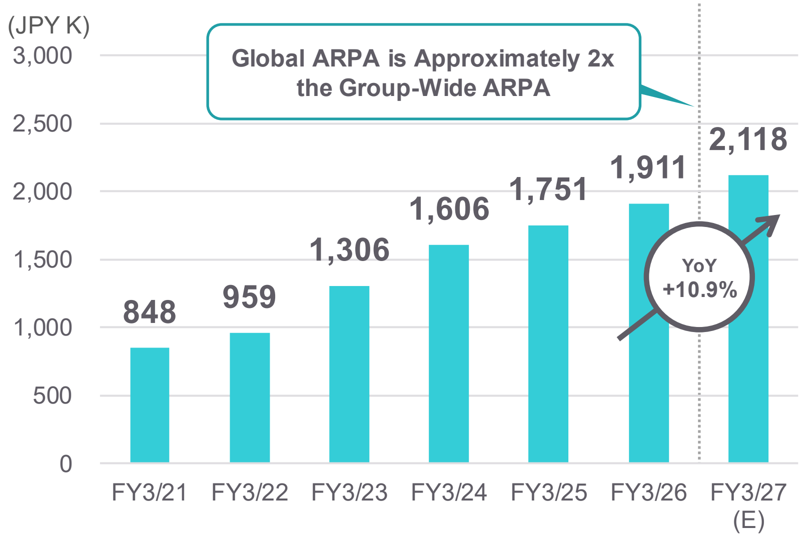
Notes: (1) Recurring revenue for each fiscal year is divided by the average number of paying accounts at the beginning and end of the same fiscal year;
(2) Account numbers represent those at the end of each fiscal year ; (3) YoY for paying accounts is based on the average balance at the end of each quarter

Recurring Revenue KPIs: Global

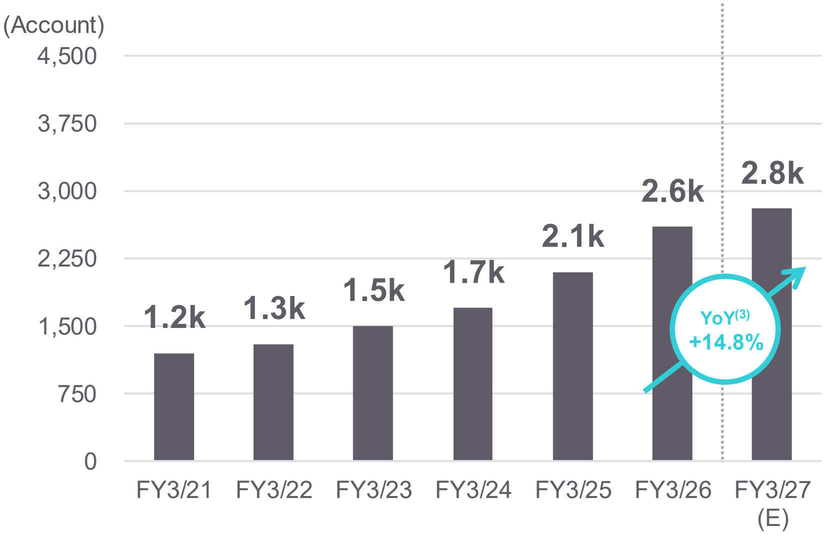
SORACOM

Global Drives Growth with Double-Digit Increases in Both ARPA and Number of Paying Accounts

Average Recurring Revenue per Paying Account (ARPA)(1)



Number of Paying Accounts(2)



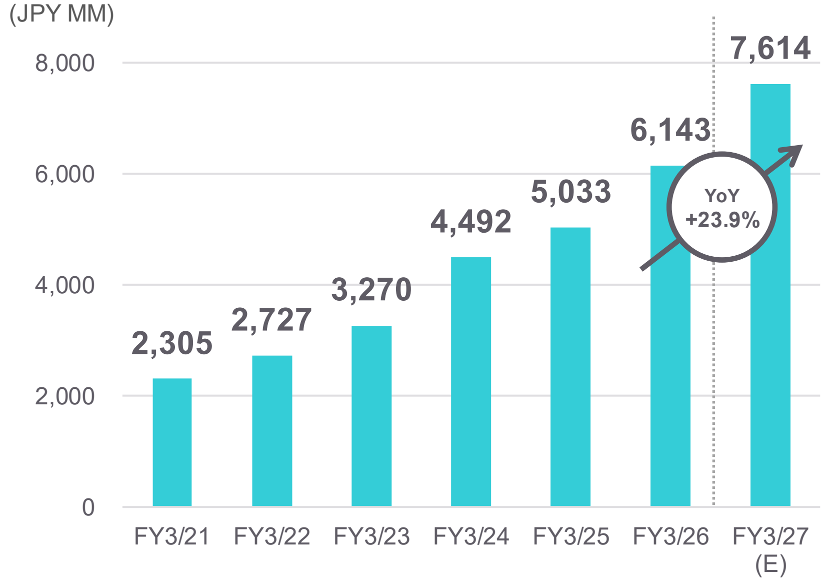
Notes: (1) Recurring revenue for each fiscal year is divided by the average number of paying accounts at the beginning and e nd of the same fiscal year;
(2) Account numbers represent those at the end of each fiscal year ; (3) YoY for paying accounts is based on the average bal ance at the end of each quarter

Gross Profit Growth

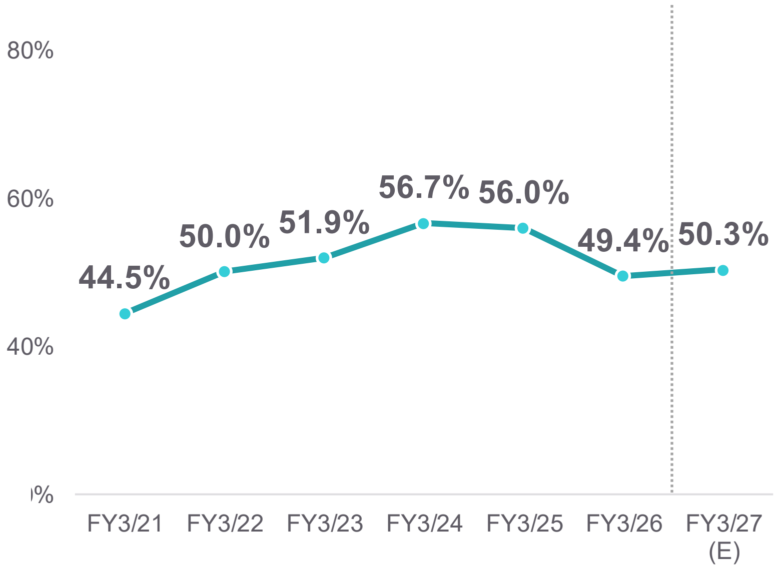
SORACOM

Gross Profit Delivers Double-Digit Growth Despite Temporary Margin Impact from Misora Connect

Gross Profit



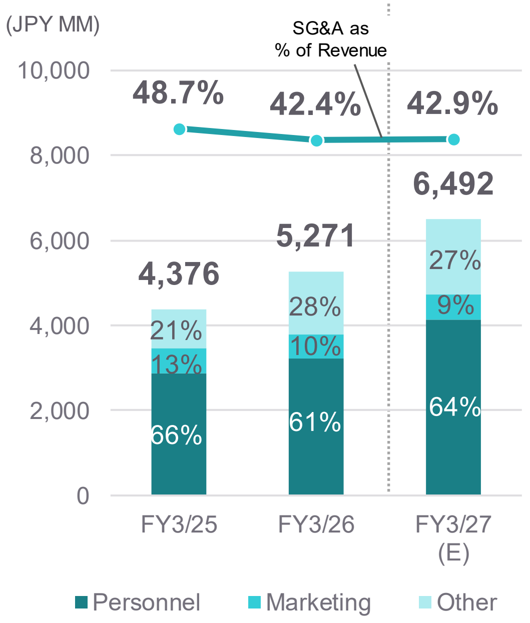
Gross Profit Margin



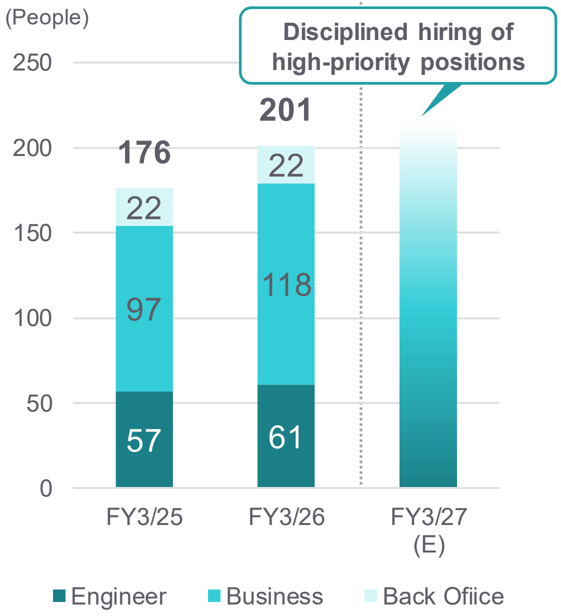
SG&A and EBITDA

EBITDA and Operating Profit Increased Significantly, Driven by SG&A Cost Control through Generative AI and Other Initiatives EBITDA

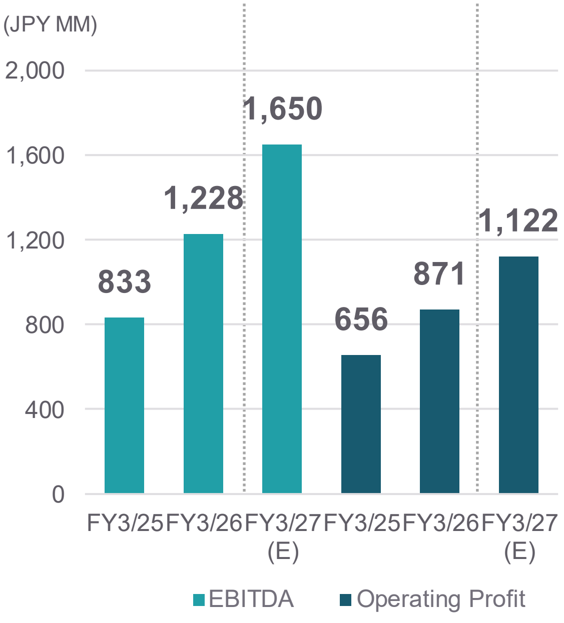
SG&A Expenses



Employees(1)



EBITDA / Operating Profit(2)



Note: (1) Employee count excludes executive directors and reflects the number at the end of each fiscal year

The Main Risks Recognized in Management

The following are the primary risks and corresponding strategies that are recognized as having the potential to significantly impact the achievement of growth and the execution of business plans within our group as of the submission date of this document. For additional risks, please refer to the "Business Risks" section of the securities report.

Key operational risks	Summary	Solution
Sales ratio to specific clients	(Potential Manifestation: Low, Impact: Medium, Timing of Manifestation: Undetermined) In the fiscal year ended March 2026, sales to KDDI CORPORATION, one of our major shareholders, accounted for 9.3% of our consolidated revenue. Under our comprehensive partnership agreement with KDDI, we provide connected car solutions, mobile core system OEM, and generative AI and IoT initiatives, and we expect revenue from this customer to remain at a high level going forward.	Our group will continue to strive for a strong relationship with KDDI while also focusing on acquiring new customers to reduce dependency on them.
Procurement of communication lines	(Potential Manifestation: Low, Impact: High, Timing of Manifestation: Undetermined) Our group operates as a Mobile Virtual Network Operator (MVNO), sourcing our communication lines (mobile phone networks), which serve as the operational foundation of our business, from domestic and international Mobile Network Operators (MNO). Some of these lines may have no viable alternatives, and any disruption in their procurement due to various factors could potentially impact our group's business operations. Additionally, any future increase in the cost of procuring these lines could affect our group's financial performance and fiscal condition.	Our group aims to maintain good relationships with existing procurement sources while also aiming to secure additional procurement sources, in light of business expansion and efficient network operations, to ensure stable procurement of communication lines.
Purchasing of SIM cards and devices	(Potential Manifestation: Moderate, Impact: Moderate, Timing of Manifestation: Undetermined) Our group procures certain SIM cards and IoT device products (including our proprietary specifications) from external overseas suppliers for some communication services. However, if continued and stable procurement becomes challenging due to factors such as supply capacity of the manufacturer, availability of semiconductors and other components, and other developments in the supply chain, or in cases where significant defects arise in alternative difficult-to-source products, it may pose constraints on our group's business expansion. This could potentially affect our group's financial performance and fiscal condition.	Our group intends to implement measures aimed at securing stable product inventory by selecting appropriate procurement sources and expanding our supplier base, in light of recent electronic component shortages and related supply chain challenges.

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