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**JCI to Accelerate Strategic Expansion, Designating City of Maebashi as Its Second Home  
Base (Second Headquarters)**

Japan Communications Inc. (JCI, TSE Prime: 9424) is pleased to announce that in order to create an unparalleled level of success by overwhelmingly leading other regions in its success at Maebashi of Mebuku ID and Mebuku Data Linkage System utilizing FPoS, which is our patented technology, and to expand from Maebashi to other regions nationwide, the Board of Directors has decided to lend funds (up to 300 million yen, interest rate 0.9%) to Naohisa Fukuda, Representative Director-President of JCI, to set up a residence in Maebashi.

The City of Maebashi has been recognized as the leading smart city in Japan which was proven by the fact that the city has been entitled as the model city for three consecutive years by the Japanese Government Smart City Initiative the "Digital Garden City Nation Initiative". By utilizing the Mebuku ID and Mebuku Data Linkage System, it provides the only mechanism that allows personal data to be linked between businesses based strictly only on user consent, which has been highly praised. Mebuku Pay, launched on December 20th last year, automatically processes and provides childbirth and childrearing benefits through data linkage with the Maebashi City Office (current number of Mebuku Pay users: approximately 18,000). Nearly 300 regions implementing QR code payments for local currency look to Mebuku Pay, which, though a latecomer, stands out as the first system to process municipal benefits automatically, drawing nationwide attention from many municipalities. Further linkages with entities such as hospitals, banks, schools, and general businesses are expected to bring real changes to citizens' lives in Maebashi.

Naohisa Fukuda has frequently visited Maebashi as an architect involved in city planning and as Chairman of the Board (part-time) of the public university, Maebashi Institute of Technology, also

established by Maebashi City. By building even closer relationships with local colleagues and government officials, he will play a key role in leading these increasingly accelerating initiatives, significantly contributing to JCI and to the future of Japanese society. The JCI Board of Directors unanimously reached this decision.

Furthermore, in response to anticipated major disasters such as a direct earthquake beneath Tokyo, the Nankai Trough earthquake, and a Mount Fuji eruption, JCI plans to develop its second headquarters in Maebashi as part of its business continuity plan. Part of Fukuda's residence will be designed for use in emergency situations. JCI will lend the funds after implementing appropriate asset preservation measures to avoid incurring costs on its own.

This positive decision marks a strategic step for JCI to further contribute to society and achieve new growth. While Fukuda will maintain residences in both Tokyo and Maebashi, the legislation promoting dual residency was just enacted on May 15 (scheduled to be implemented within six months of promulgation), positioning JCI's initiative as a pioneering example.

### **About Japan Communications Inc. (JCI)**

Japan Communications Inc. is the mobile solution innovator that has created the MVNO industry with its vision since its establishment in 1996. In today's world, where digitalization is advancing and everything is connected through networks, our patented technology, the Personal Wireless Leased Line, has obtained PCI DSS certification, an international security standard, for all its main systems. This technology is adopted in fields that require high levels of security, such as banks, and credit card companies. Furthermore, JCI is building a common platform for secure and reliable digital IDs that provide the highest level of security without compromising convenience. This enables the provision of safe and convenient services for the entire society, including financial transactions using smartphones. We continue to embrace our challenger spirit, aiming to provide a safe mobile environment as a social system.