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.





May 12, 2025

4-1-28 Toranomon, Minato-ku, Tokyo Japan Communications Inc. Naohisa Fukuda Representative Director-President (Code No.: 9424) For enquiries: Mitsuru Kodaira Executive Officer and CFO Tel: +81-3-5776-1700

## (correction) Partial correction to the Announcement of differences in Non-consolidated Financial Results and Consolidated Financial Results from those for the Previous Fiscal Year

Japan Communications Inc. (JCI, TSE Prime:9424) hereby announces that we found partial correction to the "Announcement of differences in Non-consolidated Financial Results and Consolidated Financial Results from those for the Previous Fiscal Year" disclosed on May 8, 2025 as below.

## 1. Parts that need correction

[1. Difference from non-consolidated results for the previous fiscal year (2) Reason for difference (the corrected parts are written in bold and underlined)

[before correction]

In non-consolidated financial results for FY2024, <u>our revenue and profit both increased</u> because the flat-rate or semi-flat-rate voice services in "Nihon Tsushin SIM" which was released in July 2020 has been grown steadily.

As JCI has improved the products of "Nihon Tsushin SIM" to strengthen its product competitiveness, revenue from "Nihon Tsushin SIM" has been growing steadily for both individual and corporate customers, and the number of MNP port-ins from major mobile phone carriers or major MVNOs has also been increased in current fiscal year. In addition, the number of customers for voice services under partner brands has also been increasing steadily and as a result, the mobile telecommunications service has continued to see growth both in the MVNO Business and the MVNE Business.

[after correction]

In non-consolidated financial results for FY2024, <u>our revenue increased and exceeded</u> <u>the previous fiscal year's results</u>, because the flat-rate or semi-flat-rate voice services in "Nihon Tsushin SIM" which was released in July 2020 has been grown steadily.

As JCI has improved the products of "Nihon Tsushin SIM" to strengthen its product competitiveness, revenue from "Nihon Tsushin SIM" has been growing steadily for both individual and corporate customers, and the number of MNP port-ins from major mobile phone carriers or major MVNOs has also been increased in current fiscal year. In addition, the number of customers for voice services under partner brands has also been increasing steadily and as a result, the mobile telecommunications service has continued to see growth both in the MVNO Business and the MVNE Business.

On the other hand, operating profit, ordinary profit and net profit were lower than the previous fiscal year's results. This was because of the payment of Advertising expenses of 249 million yen as the measure to raise awareness in the current fiscal year, and the posting of extraordinary income of 363 million yen in conjunction with the finalization of the judgment in the previous fiscal year.

2. Reason for correction

The reason for correction is that though the revenue exceeded the previous fiscal year's results, operating profit, ordinary profit and net profit were lower than the previous fiscal year's results. in JCI's Non-consolidated Financial Results and Consolidated Financial Results in the current fiscal year.

About Japan Communications Inc. (JCI)

Japan Communications Inc. (JCI), founded in 1996, is a pioneer who created the MVNO market and has brought innovation to the telecommunications industry. While JCI has established a stable profit model in their major business, simple and rational mobile communication services, JCI is aiming for further growth. JCI has strengths in patented technologies such as the mobile leased line "Closed SIM-to-SIM Communication" and the digital authentication technology "FPoS," and is focusing on providing mobile communication services and digital authentication infrastructure based on the authentication technology. The PCI DSS-certified mobile leased line is adopted by highsecurity sectors, such as police and bank. The FPoS supports security at the highest global standards and convenience. Under the mission of "carrying bit in safety and security," JCI is aiming for developing social infrastructure such as secure mobile environment beyond national borders and is working on sustainable growth and improving corporate value.