

## Providing an IoT platform with 6 million contracted lines worldwide

This report is an English translation of part of the report issued on April 9, 2024.  
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### [147A SORACOM Sector : Information & Communication]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar.2022	5,450	-	501	-	465	-	337	-	8.8	97.3	0.0
Mar.2023	6,299	15.6	101	-79.8	112	-75.8	70	-79.0	1.8	99.3	0.0
Mar.2024 f	8,031	27.5	654	6.5x	592	5.3x	435	6.1x	11.3	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending March 2024 are the company's forecasts.  
It conducted 1:3 stock split on December 30, 2022. Per share indices are adjusted retroactively.

#### IoT Platformer with 6 million Contracted Lines Worldwide

SORACOM develops and provides an IoT platform with 6 million contracted lines worldwide. IoT is a system in which everything is connected to the Internet and mutually controlled by exchanging information. The corporate group consists of three companies, which are the company, a UK subsidiary and a US subsidiary.

The company's net sales are categorized into recurring revenues that are generated from the continuous provision of services and incremental revenues that are not necessarily generated from the same customer on a continuous basis every fiscal year and recorded. Recurring revenues consist of services such as communication services, network services and application services, while incremental revenues consist of items such as product sales and outsourced operations. Recurring revenues accounted for 68.7% of net sales in fiscal year ended March 2023, and incremental revenues accounted for 31.3%.

#### IoT platform

The corporate group provides comprehensive services in the IoT platform that solve common issues faced by client companies when introducing and operating IoT. Specifically, the company provides one-stop platform services for interfaces, communication modules, sensors, cloud-based cameras, smart meters and other IoT devices, hardware such as SIMs, communication lines, application software such as data storage and visualization functions, along with various network services.

The company has established a partner program to support IoT implementation using the platform, forming an ecosystem that solves issues that customer companies face in promoting IoT utilization. As of the end of December 2023, more than 220 companies have been registered as ecosystem partners and they supply more than 200 types of IoT devices.

## Financial Statements

Statement of income	Fiscal Year	Mar. 2022		Mar.2023		Nine months to Dec.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		5,450	100.0	6,299	100.0	5,454	100.0
Cost of sales		2,723	50.0	3,029	48.1	2,159	39.6
Gross profit		2,727	50.0	3,270	51.9	3,295	60.4
Selling, general and administrative expenses		2,226	40.8	3,168	50.3	2,650	48.6
Operating profit		501	9.2	101	1.6	644	11.8
Non-operating income		3	-	19	-	0	-
Non-operating expenses		38	-	7	-	12	-
Ordinary profit		465	8.5	112	1.8	632	11.6
Profit before income taxes		467	8.5	168	2.7	632	11.6
Net profit		337	6.2	70	1.1	456	8.4

Balance sheet	Fiscal Year	Mar. 2022		Mar.2023		Dec.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		5,090	90.3	5,074	89.6	5,298	88.5
Cash and deposits		1,623	28.8	3,532	62.4	3,621	60.5
Accounts receivable-trade		788	14.0	889	15.7	1,027	17.2
Inventories		357	6.3	373	6.6	379	6.3
Non-current assets		544	9.7	588	10.4	685	11.5
Property, plant and equipment		61	1.1	94	1.7	93	1.6
Intangible assets		140	2.5	187	3.3	259	4.3
Investments and other assets		342	6.1	306	5.4	331	5.5
Total assets		5,634	100.0	5,663	100.0	5,984	100.0
Current liabilities		1,736	30.8	1,649	29.1	1,463	24.5
Accounts payable - trade		156	2.8	196	3.5	277	4.6
Short-term borrowings		-	-	-	-	-	-
Current portion of long-term borrowings		-	-	-	-	-	-
Contract liability(Advances)		1,329	23.6	1,134	20.0	875	14.6
Non-current liabilities		57	1.0	51	0.9	59	1.0
Long-term borrowings		-	-	-	-	-	-
Net assets		3,841	68.2	3,962	70.0	4,461	74.6
Owners' equity		3,743	66.4	3,823	67.5	4,317	72.2

Statement of cash flows	Fiscal Year	Mar. 2022	Mar.2023
		(mn yen)	(mn yen)
Cash flows from operating activities		219	-222
Depreciation		55	68
Cash flows from investing activities		-1,148	2,007
Cash flows from financing activities		-8	29
Dividends paid		-	-
Net increase in cash and cash equivalents		-938	1,909
Cash and cash equivalents		1,623	3,532

Note: Consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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