

Operating mobile IoT support and virtual mobile communications businesses

This report is an English translation of part of the report issued on March 25, 2025.
For inquiries concerning the report, please contact info@stock-r.org

[322A MEEQ 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. 2023	5,976	-13.2	816	-	816	12.9	535	13.1	55.0	264.1	0.0
Mar. 2024	5,375	-10.1	785	-3.8	784	-3.9	542	1.3	55.8	320.0	0.0
Mar. 2025 f	5,545	3.2	817	4.1	799	1.9	545	0.6	55.8	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2025 is the company's forecasts.
It conducted 1:100 stock split on December 4, 2024. Per share indices are adjusted retroactively.

Platformer Expanding Possibilities of IoT

MEEQ offers the IoT/DX platform MEEQ for IoT service providers and companies that promote digital transformation (DX). Furthermore, as a mobile virtual network enabler (MVNE), it provides network, business systems and business support to many mobile virtual network operators (MVNOs). The IoT/DX platform service that provides MEEQ accounted for 32.8% of net sales in fiscal year ended March 2024, and the MVNE service for MVNOs for 62.7%.

IoT/DX Platform Service

The MEEQ service provided by the company facilitates the purchase and management via a webpage of SIM cards by users from a single line. It is a platform developed for companies that struggle to advance their IoT and DX initiatives due to a lack of communications and data processing knowledge.

Introducing MEEQ makes it possible to manage even a large number of communication lines and to achieve IoT.

MEEQ is used for a wide variety of purposes, including taxi dispatch apps, racehorse tracking systems, worker and elderly monitoring services, temperature control and healthcare.

MVNE Service

As an MVNE that supports mobile network operators (MNOs), such as NTT DOCOMO, KDDI and SoftBank, MEEQ offers SIM procurement, inter-operator settlement operations and service design (ID- and bandwidth-based wholesale) to MVNOs. The company also provides services to companies that are considering entering the MVNO business.

In recent years, providing services to companies that had not been telecommunications carriers prior to launching their MVNO businesses has become prominent. Examples include Smiles Connect, a telecommunications service for foreigners, and a telecommunications service provided by KABU & PEACE.

Financial Statements

Statement of income	Fiscal Year	Mar. 2023		Mar. 2024		Nine months to Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		5,976	100.0	5,375	100.0	4,202	100.0
Cost of sales		4,155	69.5	3,681	68.5	2,728	64.9
Gross profit		1,821	30.5	1,694	31.5	1,474	35.1
Selling, general and administrative expenses		1,004	16.8	908	16.9	776	18.5
Operating profit		816	13.7	785	14.6	697	16.6
Non-operating income		0	-	-	-	0	-
Non-operating expenses		0	-	0	-	1	-
Ordinary profit		816	13.7	784	14.6	696	16.6
Profit before income taxes		816	13.7	784	14.6	696	16.6
Net profit		535	9.0	542	10.1	456	10.9

Balance sheet	Fiscal Year	Mar. 2023		Mar. 2024		Dec.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		3,420	86.2	3,556	83.2	4,311	83.9
Cash and deposits		2,007	50.6	2,260	52.9	2,502	48.7
Accounts receivable-trade		989	24.9	905	21.2	1,183	23.0
Contract asset		0	0.0	0	0.0	0	0.0
Non-current assets		548	13.8	719	16.8	829	16.1
Property, plant and equipment		243	6.1	383	9.0	361	7.0
Intangible assets		183	4.6	255	6.0	387	7.5
Investments and other assets		120	3.0	80	1.9	80	1.6
Total assets		3,969	100.0	4,275	100.0	5,141	100.0
Current liabilities		1,322	33.3	1,054	24.7	1,459	28.4
Accounts payable - trade		388	9.8	380	8.9	488	9.5
Lease obligations		22	0.6	32	0.7	32	0.6
Non-current liabilities		69	1.7	101	2.4	73	1.4
Lease obligations		61	1.5	89	2.1	61	1.2
Net assets		2,576	64.9	3,119	73.0	3,608	70.2
Owners' equity		2,567	64.7	3,110	72.7	3,567	69.4

Statement of cash flows	Fiscal Year	Mar. 2023	Mar. 2024
		(mn yen)	(mn yen)
Cash flows from operating activities		781	523
Depreciation		111	118
Cash flows from investing activities		-127	-248
Cash flows from financing activities		-222	-22
Dividends paid		-	-
Net increase in cash and cash equivalents		431	252
Cash and cash equivalents		2,007	2,260

Note: Non-consolidated

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

About Stock Research Center

Stock Research Center is engaged in the preparation of analyst reports, mainly on companies that are not sufficiently covered by analysts, based on a neutral perspective, and broadly disclose the reports to the public with an aim to revitalize the stock market.

Note: Reports prepared by Stock Research Center are created in reference to the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation.



■ Supporting Members

Tokyo Stock Exchange, Inc.

Nomura Securities Co., Ltd.

KPMG AZSA LLC

Deloitte Touche Tohmatsu LLC

PricewaterhouseCoopers Japan LLC

GYOSEI & CO.

PRONEXUS INC.

The Securities Analysts Association of Japan

SMBC Nikko Securities Inc.

Mizuho Securities Co., Ltd.

ICMG Co., Ltd.

SBI SECURITIES Co., Ltd.

Ichiyoshi Securities Co., Ltd.

Avantia G.P.

Japan Securities Dealers Association

Daiwa Securities Co. Ltd.

Ernst & Young ShinNihon LLC

Grant Thornton Taiyo LLC

BDO Sanyu

A&A Partners

TAKARA PRINTING CO., LTD.

■ Endorsement

Nagoya Stock Exchange, Inc.

Japan Venture Capital Association

Institutional Investors Collective Engagement Forum

Sapporo Securities Exchange

Japan Investor Relations Association

Japan Stewardship Forum

Certification by Analysts

Analysts indicated in the reports certify that the content indicated in the report precisely reflects the personal opinions of the analysts on all securities and issuer companies discussed in the report. In addition, it is ensured that the opinions directly or indirectly indicated in the report will have no influence on the analyst's compensation in the past, present, and future upon writing the report.

Disclaimer

- The report is prepared by stock analysts affiliated with the Stock Research Center for the purpose of disclosure to a wide range of investors as reference information and not to recommend or solicit to buy or to sell any particular securities or financial instrument.
- The content and indication of the report is based on disclosed information available publicly and is prepared by adding necessary supplementary information gained through interviews by analysts. The writer of the report is, without exception, prohibited to use insider information, or to acquire such information. The information included in the report is believed to be precise and reliable, but its preciseness is not verified objectively. In addition, the report is not intended to comprehensively include all information required by investors.
- The information included in the report may become outdated due to changes in the financial market, economic environment, etc. There are risks that the prices of stocks featured directly or indirectly in the report will fall below the par value due to fluctuations in stock prices, changes in management/financial conditions of the issuers, fluctuations in exchange rates or interest rates, etc. Past performance does not imply or guarantee future performance.
- The opinions indicated in the report are subject to change without notice and the Stock Research Center has no obligation to update the information or opinions included in the report.
- The Stock Research Center does not bear any responsibility for any results, including direct losses, indirect losses, losses of profit and damages, suffered by investors due to using the report or relying on the report. Final investment decisions shall be made by investors themselves and the sole responsibility concerning the investment lies with the investors that viewed the report.
- The copyright of the report belongs to the Stock Research Center and it may not be copied, reproduced, quoted, etc. in any form without prior consent.