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.

Feb. 13, 2025

Notice Regarding the Issuance of Performance Target Linked Stock Acquisition Rights (Paid Stock Options)

Company Name: SORACOM, INC.
Representative: Ken Tamagawa
Representative Director and President
Stock Code: 147A TSE Growth
Contact: Tomoko Igarashi
Director, Chief Financial Officer
Telephone: +81 050-1720-8147

Soracom Inc. (hereinafter referred to as the "Company") hereby announces that, at the Board of Directors meeting held on February 13, 2025, the Company resolved to issue stock acquisition rights to the directors and employees of the Company and its subsidiaries, in accordance with the provisions of Articles 236, 238, and 240 of the Companies Act, as outlined below. These stock acquisition rights will be issued for consideration at a fair price to the recipients and are not granted on particularly favorable terms. Therefore, shareholder approval is not required for this issuance. Furthermore, these stock acquisition rights are not being granted as compensation to the recipients but will be acquired based on their individual investment decisions.

Ⅰ. Purpose and Reason for the Issuance

With the intention of increasing our business performance and corporate value over the medium to long term, we aim to further enhance the motivation and morale of directors and employees of the Company and its subsidiaries and further strengthen company cohesiveness by issuing the Stock Acquisition Rights with payment.

The total number of shares of common stock that would increase if all the Stock Acquisition Rights were exercised would be equivalent to 1.5% of the total number of outstanding shares. However, the Stock Acquisition Rights are contingent on the achievement of predetermined performance targets, and we recognize that achieving these targets will contribute to increasing corporate and shareholder value. For this reason, we believe that the issuance of the Stock Acquisition Rights is in the interests of our existing shareholders and that the impact of stock dilution due to the issuance will be within an acceptable range.

Ⅱ. Stock Name Soracom Inc. 25th Stock Acquisition Rights

Ⅲ. Outline of the Issuance of Stock Acquisition Rights

1. Number of Stock Acquisition Rights

6,946 rights

The total number of shares to be issued upon exercise of the Stock Acquisition Rights shall be 694,600 shares of common stock of the Company In the event that the number of shares to be issued upon exercise of the Stock Acquisition Rights is adjusted pursuant to 3(1) below, the number shall be obtained by multiplying the number of shares granted after adjustment by the number of Stock Acquisition Rights.

2. Amount to be paid in exchange for Stock Acquisition Rights

The issue price shall be 6,000 yen per Stock Acquisition Right. This amount was determined based on the

result of a Monte Carlo simulation, which is a general option pricing model, calculated by PLUTUS CONSULTING Co., Ltd, a third-party valuation institution, taking into consideration the stock price and other factors of the Company.

3. Details of Stock Acquisition Rights

(1) Class and number of shares to be issued upon exercise of the Stock Acquisition Rights

The number of shares to be issued upon exercise of each Stock Acquisition Right (hereinafter referred to as the “Number of Shares Granted”) shall be one hundred (100) shares of common stock of the Company.
The Number of Shares Granted shall be adjusted according to the following formula in the event that the Company conducts a stock split (including the gratis allotment of common stock of the Company; the same shall apply hereinafter) or a stock consolidation after the allotment date of the Stock Acquisition Rights. However, such adjustment shall be made only with respect to the number of shares underlying the Stock Acquisition Rights that have not been exercised at the time of such adjustment, and any fraction less than one share arising from the adjustment shall be rounded down.

Number of Shares Granted after adjustment =
Number of Shares Granted before adjustment × Ratio of stock split (or stock consolidation)

In addition, the Number of Shares Granted shall be adjusted appropriately to a reasonable extent if, after the allotment date of the Stock Acquisition Rights, the Company conducts a merger, company split, share exchange, or share issuance that require adjustment of the Number of Shares Granted.

(2) Value or calculation method of assets to be contributed upon exercise of Stock Acquisition Rights

The value of the assets to be contributed upon exercise of the Stock Acquisition Rights shall be the amount obtained by multiplying the amount to be paid per share (hereinafter referred to as the "Exercise Price") by the Number of Shares Granted.
The Exercise Price shall be 1,373 yen.

In the event that the Company conducts a stock split or a stock consolidation after the allotment date of the Stock Acquisition Rights, the Exercise Price shall be adjusted according to the following formula, and any fraction less than one yen arising from the adjustment shall be rounded up.

Exercise Price after adjustment = Exercise Price before adjustment × 1 ／ Ratio of stock split (or stock consolidation)

In addition, the Number of Shares Granted shall be adjusted appropriately to a reasonable extent if, after the allotment date of the Stock Acquisition Rights, the Company conducts a merger, company split, share exchange, or share issuance that require adjustment of the Number of Shares Granted.

(3) Period during which the Stock Acquisition Rights are exercisable

The period during which the Stock Acquisition Rights are exercisable (hereinafter referred to as the "Exercise Period") is from January 1, 2028 to March 13, 2033.

(4) Matters concerning the capital and capital reserve to be increased

(i) The amount of capital to be increased due to the issuance of shares upon exercise of the Stock Acquisition Rights shall be one-half of the maximum amount of increase in the capital, etc. to be calculated pursuant to Article 17, paragraph 1 of the Ordinance on Accounting of Companies, with any amount less than one yen arising from the calculation to be rounded up.

(ii) The amount of capital reserve to be increased in the event of issuance of shares upon exercise of Stock Acquisition Rights shall be the amount obtained by subtracting the amount of increase in capital as specified in (i) above from the maximum amount of increase in capital, etc. as stated in (i) above.

(5) Restriction on acquisition of Stock Acquisition Rights through transfer

Any acquisition of the Stock Acquisition Rights through transfer shall require approval by resolution of the Board of Directors of the Company.

(6) Conditions for exercising the Stock Acquisition Rights

I. A person who has been allotted these stock options (hereinafter referred to as the "Stock Option Holder") may exercise these stock options up to the exercisable percentage (hereinafter referred to as the "Exercisable Percentage") specified in (c) below, depending on the achievement status of each individual condition described in (a) and (b) below, only if both the performance conditions in (a) and the stock price conditions in (b) below are met during the period from the fiscal year ending March 2026 to the fiscal year ending March 2030 (hereinafter referred to as the "Condition Determination Period") (each individual condition described in (a) and (b) need only be met once during the Condition Determination Period and does not need to be met simultaneously). If there is a fraction of less than one unit in the number of stock options that can be exercised at the Exercisable Percentage, such fraction shall be rounded down.

(a) Performance Conditions

(i) The Company's consolidated net sales exceed 20 billion yen (and Recurring Revenue exceeds 14 billion yen).

(ii) The Company's Non-GAAP Consolidated Operating Profit Margin exceeds 10%.

(iii) The Company's Consolidated Profitable Growth* exceeds 40%.

(b) Stock Price Conditions

(i) The average value of the Company's stock price for 20 consecutive days (based on the business days of the Tokyo Stock Exchange) exceeds 2,200 yen per share (equivalent to a market capitalization of 100 billion yen as of the allotment date of these stock options) at least once.

(ii) The average value of the Company's stock price for 20 consecutive days (based on the business days of the Tokyo Stock Exchange) exceeds 3,300 yen per share (equivalent to a market capitalization of 150 billion yen as of the allotment date of these stock options) at least once.

(c) Exercisable Percentage

(i) The percentage obtained by multiplying the percentages in (α)and (β) below.

The percentage obtained by multiplying the percentages in (α) and (β) below.

(α) 100% if all three individual conditions described in (a) above are met during the Condition Determination Period, 50% if any two are met (0% if only one is met).

(β) 50% if the condition in (b)(i) is met, 100% if the condition in (b)(ii) is met.

The terms used in this section shall be defined as follows:

- "Recurring Revenue" refers to the revenue described and disclosed as "Recurring Revenue (Platform Usage Fees)" in the Securities Report for each fiscal year.
- "Non-GAAP Consolidated Operating Profit Margin" refers to the figure calculated by dividing the sum of "Operating Profit (J-GAAP)," "Amortization of Goodwill," and "Stock Compensation Expenses (including phantom stock equivalent to stock compensation)" in the consolidated income statement (or income statement if no consolidated income statement is prepared; the same shall apply hereinafter) and the consolidated cash flow statement (or cash flow statement if no consolidated cash flow statement is prepared; the same shall apply hereinafter) by consolidated net sales. If the Company's Board of Directors determines that it is not appropriate to make a judgment based on the actual figures stated in the Company's consolidated income statement and consolidated cash flow statement due to changes in applicable accounting standards, etc., the Company may eliminate the impact within a reasonable range and adjust the actual figures used for the judgment.
- "Consolidated Profitable Growth" refers to the sum of the year-on-year growth rate of Recurring Revenue and the Non-GAAP Consolidated Operating Profit Margin.

  The stock price per share shall be the closing price of the Company's common stock on the Tokyo Stock Exchange, and if the total number of the Company's issued shares increases or decreases due to a share consolidation or a share split (including a gratuitous allotment of shares), it shall be adjusted in the same manner as the exercise price in accordance with the ratio of the consolidation or split.

II. A stock option holder who held a position of director, officer, employee of the Company or its subsidiary including a person who is engaged in work substantially equivalent to that of an employee, regardless of the form of contract, such as a dispatched employee (the “Status”) when the stock options were issued to the stock option holder, may exercise the stock options only if he or she has kept the Status from the time of issuance to the time of exercise, and if he or she satisfies other terms and conditions for exercising the stock options (and, any of events where the stock option holder can no longer exercise stock options has not occurred (hereinafter the same)); however, this shall not apply in cases where the Board of Directors of the Company recognizes that there is a justifiable reason such as retirement due to the expiration of the term of office, retirement at the mandatory retirement age, or other reasons. In addition, the stock option holder may exercise, for one (1) year from the day on which the stock option holder loses the Status, the stock options that have become exercisable as of the day on which he or she loses the Status, as long as the stock option holder satisfies other terms and conditions for exercising the stock options.

III. Exercise of the Stock Acquisition Right by the heirs of the Stock Acquisition Right Holders is not permitted.

IV. If the exercise of the Stock Acquisition Rights causes the total number of issued shares of the Company to exceed its total number of authorized shares, such Stock Acquisition Rights may not be exercised.

V. Each Stock Acquisition Right may not be exercised for less than one Stock Acquisition Right.

VI. Notwithstanding the provisions from II to V above, where the Company gives approval of exercising the stock options to the stock option holders by the resolution of the board of directors, the stock option holders may exercise the stock option according to the resolution.

4. Allotment date of Stock Acquisition Rights

March 13, 2025

5. Acquisition of Stock Acquisition Rights

(1) In the event that the General Meeting of Shareholders (or the Board of Directors Resolution if no approval is required by the General Meeting of Shareholders) approves a merger agreement, a split agreement, a split plan, a share exchange agreement, or a share transfer plan and the Company becomes a dissolved company, a split company, or a wholly owned subsidiary, the Company may acquire all of the Stock Acquisition Rights without any charge upon the arrival of a date separately specified by its Board of Directors.

(2) In the event that the exercise of the Stock Acquisition Rights becomes impossible pursuant to the provisions of 3(6) above prior to the exercise by the Stock Acquisition Rights holder, the Company may acquire the Stock Acquisition Rights without any charge upon the arrival of a date separately specified by its Board of Directors.

6. Handling of Stock Acquisition Rights upon the Act of Structural Reorganization

In case the Company conducts a merger (limited to the case where the Company is dissolved as a result of the merger), an absorption-type company split, an incorporation-type company split, a share exchange or a share transfer (hereinafter collectively referred to as "Act of Structural Reorganization"), the Stock Acquisition Rights of the Stock Company listed in Article 236(1)(viii)(a) to (e) of the Companies Act (hereinafter referred to as the "Reorganized Company") shall be delivered to the Stock Acquisition Rights holder on the effective date of the Act of Structural Reorganization in each case according to the following conditions. However, this shall be limited to the cases where it is stipulated in the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan that Stock Acquisition Rights of the Reorganized Company shall be delivered in accordance with the following conditions.

(1) Number of Stock Acquisition Rights of the Reorganized Company to be delivered
The same as the number of Stock Acquisition Rights held by the Stock Acquisition Rights holder shall be delivered respectively.

(2) Class of shares of the Reorganized Company to be issued upon exercise of Stock Acquisition Rights
Shares of common stock of the Reorganized Company shall be issued.

(3) Number of shares of the Reorganized Company to be issued upon exercise of Stock Acquisition Rights
Shall be determined in accordance with 3(1) above based on the consideration of conditions of the Act of Structural Reorganization.

(4) Amount of assets to be contributed upon exercise of Stock Acquisition Rights
Shall be determined, based on the consideration of conditions of the Acts of Structural Reorganization, by multiplying the amount obtained after the reorganization by adjusting the Exercise Price in accordance with 3(2) above by the number of shares of the Reorganized Company to be issued upon exercise of the Stock Acquisition Rights as determined in accordance with 6(3) above.

(5) Period during which Stock Acquisition Rights are exercisable
The period shall be from the commencement date of the Exercise Period stipulated in 3(3) above, or the effective date of the Acts of Structural Reorganization, whichever is later, until the expiry date of

the Exercise Period stipulated in 3(3) above.

(6) Matters concerning the capital and capital reserve to be increased when shares are issued upon the exercise of Stock Acquisition Rights
To be determined in accordance with 3(4) above.

(7) Restriction on acquisition of Stock Acquisition Rights through transfer
Any acquisition of the Stock Acquisition Rights through transfer shall require approval by resolution of the Board of Directors of the Reorganized Company.

(8) Other conditions upon exercise of Stock Acquisition Rights
To be determined in accordance with 3(6) above.

(9) Conditions and provisions for acquisition of Stock Acquisition Rights
To be determined in accordance with 5 above.

(10) Other conditions shall be determined in accordance with the conditions of Reorganized Company.

7. Matters concerning certificates of Stock Acquisition Rights
The Company shall not issue certificates of the Stock Acquisition Rights.

8. The due date for the payment in exchange for the Stock Acquisition Rights

March 13, 2025

9. The due date for the application
February 21, 2025

10. The persons to whom and the number of the Stock Acquisition Rights to be allotted

5 directors of the Company : 3,496 rights (349,600 Shares)
10 employees of the Company : 2,760 rights (276,000 Shares)
2 employees of its subsidiaries: 690 rights (69,000 Shares)