Translation

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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

May 14, 2025

Company name:	SORACOM,INC.
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	147A
URL:	https://soracom.com
Representative:	Ken Tamagawa, President and Representative Director
Contact:	Tomoko Igarashi, Director, CFO
TEL:	+81-50-1720-8147
Scheduled date for ordinary general meeting of shareholders:	June 25, 2025
Scheduled date for dividend payment:	None
Scheduled date for submission of securities report:	June 24, 2025
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 01, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate YoY changes)

	Revenue		Recurring revenue		EBITDA (Notes 1)		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2025	8,993	13.4	6,562	21.9	833	(0.2)	656	(9.7)	619	(2.9)	352	(27.4)
March 31, 2024	7,928	25.9	5,382	24.4	835	390.8	727	617.5	638	466.0	485	585.1

(Note) Comprehensive income Fiscal year ended March 2025: 313 million yen (48.9)% Fiscal year ended March 2024: 612 million yen 662.9%

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets ratio	Operating profit margin to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	7.84	7.48	3.9	5.1	7.3
March 31, 2024	12.59	12.57	8.0	7.7	9.2

(Reference) Investment profit (loss) on equity method Fiscal year ended March 2025 - Million yen Fiscal year ended March 2024 - Million yen

(Note) 1. EBITDA = Operating profit + Depreciation + Amortization of goodwill + Share-based compensation expenses

2. Regarding diluted earnings per share for the fiscal year ended March 2024, as the Company's shares were listed on the Tokyo Stock Exchange Growth Market on March 26, 2024, the average share price from the listing date to the end of the fiscal year was used as the average share price during the period for calculation.

(2) Consolidated financial positions

	Total assets	Equity	Equity to total assets ratio	Net assets per share
As of	million yen	million yen	%	Yen
March 31, 2025	13,403	10,355	75.0	222.78
March 31, 2024	10,917	8,404	75.5	190.76

(Reference) Owner's equity Fiscal year ended March 2025: 10,059 million yen Fiscal year ended March 2024: 8,244 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
Fiscal year ended	million yen	million yen	million yen	million yen
March 31, 2025	(728)	(474)	2,451	8,917
March 31, 2024	456	(170)	3,791	7,697

2.Cash dividends

	Annual dividends per share					Total dividends (aggregate)	Payout ratio (Consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of the third quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Fiscal year ended March 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026 (from April 01, 2025 to March 31, 2026)

(Percentages indicate YoY changes for the full year)

	Revenue		Recurring revenue		EBITDA	
	million yen	%	million yen	%	million yen	%
Full year	10,800 ~11,800	20.1 ~31.2	8,690 ~9,410	32.4 ~43.4	1,060 ~1,210	27.1 ~45.1

	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	Yen
Full year	600 ~750	(8.6) ~14.2	560 ~720	(9.6) ~16.2	420 ~570	19.1 ~61.6	9.30 ~12.62

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

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(2) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard : None

(ii) Changes in accounting policies other than (i) : None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(3) Number of shares issued (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	45,153,515 shares
As of March 31, 2024	43,220,809 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	30 shares
As of March 31, 2024	- shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	44,992,791 shares
Fiscal year ended March 31, 2024	38,564,612 shares

* Financial results reports are not subject to audits by certified public accountants or audit firms.

※ Notes for using forecasted information and Others

(Cautionary Statement Regarding Forward-Looking Statements) The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. They are not intended as a guarantee of achievement by the Company. Actual results may differ significantly due to various factors. For the conditions underlying the forecasts and notes on the use of forecasts, please refer to the attached document, P.4 “1. Overview of Operating Results, etc. (4) Outlook for the Future.” (Method of Obtaining Supplementary Materials for Financial Results) The Company plans to hold a corporate briefing for institutional investors and analysts on May 14, 2025. The materials to be used in this briefing will be disclosed via TDnet and posted on the Company’s website.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposit	7,697,244	8,917,773
Accounts receivable - trade	1,738,045	2,428,028
Inventories	388,012	386,580
Others	272,684	579,822
Allowance for doubtful accounts	(1,835)	(4,021)
Total current asset	10,094,150	12,308,184
Non-current assets		
Property, plant, and equipment		
Buildings, net	39,200	40,018
Other, net	57,404	45,651
Total property, plant and equipment, net	96,604	85,670
Intangible assets		
Software	155,953	321,256
Software in progress	59,621	92,517
Goodwill	-	47,516
Others	67,423	92,989
Total intangible assets	282,997	554,279
Investments and Others assets		
Investment securities	198,302	161,600
Deferred tax assets	94,176	105,755
Others	130,573	170,640
Total Investments and Other Assets	423,052	437,996
Total non-current assets	802,654	1,077,945
Deferred assets		
Share issuance costs	20,570	17,219
Total deferred assets	20,570	17,219
Total assets	10,917,376	13,403,349

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
LIABILITIES		
Current liabilities		
Trade payables	579,099	814,117
Lease liabilities	12,547	12,666
Contract liabilities	972,145	836,503
Provision for product warranties	320,149	26,203
Provision for bonuses	69,950	67,258
Provision for shareholder benefit program	-	1,601
Current portion of long-term borrowings	-	249,996
Others	507,857	311,593
Total current liabilities	2,461,748	2,319,939
Non-current liabilities		
Long-term borrowings	-	687,505
Lease liabilities	12,626	-
Asset retirement obligations	13,794	13,960
Others	24,765	26,923
Total non-current liabilities	51,185	728,389
Total liabilities	2,512,934	3,048,329
Net assets		
Shareholders' equity		
Share capital	2,004,762	2,746,660
Capital surplus	5,532,316	6,277,214
Retained earnings	502,341	855,057
Treasury shares	-	(42)
Total shareholders' equity	8,039,420	9,878,888
Accumulated other comprehensive income		
Foreign currency translation adjustment	205,500	180,208
Total accumulated other comprehensive income	205,500	180,208
Share acquisition rights	159,519	257,171
Non-controlling interests	-	38,751
Total net assets	8,404,441	10,355,020
Total liabilities and net assets	10,917,376	13,403,349

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	Previous fiscal year (from April 1,2023 to March 31, 2024)	Current fiscal year (from April 1,2024 to March 31, 2025)
Net sales	7,928,778	8,993,031
Cost of sales	3,436,079	3,959,965
Gross profit	4,492,699	5,033,066
Selling, general and administrative expenses	3,765,362	4,376,526
Operating profit	727,336	656,539
Non-operating income		
Interest income	43	4,294
Other	3	37
Total non-operating income	47	4,331
Non-operating expenses		
Interest expenses	6,356	5,302
Foreign exchange losses	58,645	26,323
Listing expenses	23,949	1,043
Share issuance costs	-	8,535
Other	23	48
Total non-operating expenses	88,974	41,253
Ordinary profit	638,408	619,617
Extraordinary losses		
Loss on valuation of investment securities	-	198,302
Total extraordinary losses	-	198,302
Profit before income taxes	638,408	421,314
Income taxes - current	244,489	92,475
Income taxes - deferred	(91,647)	(9,481)
Total income taxes	152,842	82,994
Net income	485,565	338,319
Profit (loss) attributable to non-controlling interests	-	(14,396)
Net income attributable to owners of parent	485,565	352,716

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Net income	485,565	338,319
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustment	126,460	(25,291)
Other comprehensive income, net of tax	126,460	(25,291)
Comprehensive income	612,026	313,028
Profit attributable to		
Comprehensive income attributable to owners of parent	612,026	327,424
Comprehensive income attributable to non-controlling interests	-	(14,396)

Consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	100,000	3,627,554	16,775	3,744,329
Changes during period				
Issuance of new shares	1,904,762	1,904,762		3,809,525
Net income attributable to owners of parent			485,565	485,565
Net changes in items other than shareholders' equity				
Total changes during period	1,904,762	1,904,762	485,565	4,295,091
Balance at end of period	2,004,762	5,532,316	502,341	8,039,420

	Accumulated other comprehensive income		Share acquisition rights	Total net assets Foreign currency translation adjustment
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	79,039	79,039	138,719	3,962,089
Changes during period				
Issuance of new shares				3,809,525
Net income attributable to owners of parent				485,565
Net changes in items other than shareholders' equity	126,460	126,460	20,800	147,260
Total changes during period	126,460	126,460	20,800	4,442,351
Balance at end of period	205,500	205,500	159,519	8,404,441

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,004,762	5,532,316	502,341	-	8,039,420
Changes during period					
Issuance of new shares	741,897	744,897			1,486,794
Net income attributable to owners of parent			352,716		352,716
Purchase of treasury shares				(42)	(42)
Change in scope of consolidation					-
Capital increase of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	741,897	744,897	352,716	(42)	1,839,467
Balance at end of Period	2,746,660	6,277,214	855,057	(42)	9,878,888

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	205,500	205,500	159,519	-	8,404,441
Changes during period					
Issuance of new shares					1,486,794
Net income attributable to owners of parent					352,716
Purchase of treasury shares					(42)
Change in scope of consolidation				9,635	9,635
Capital increase of consolidated subsidiaries				43,512	43,512
Net changes in items other than shareholders' equity	(25,291)	(25,291)	97,651	(14,396)	57,963
Total changes during period	(25,291)	(25,291)	97,651	38,751	1,950,578
Balance at end of period	180,208	180,208	257,171	38,751	10,355,020

(3) Consolidated Statement of Cash Flows

(Thousands of yen)

	Previous fiscal year (from April 1, 2023 to March 31, 2024)	Current fiscal year (from April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Net income before income taxes	638,408	421,314
Depreciation	87,429	117,619
Amortization of goodwill	-	3,655
Increase (decrease) in allowance for doubtful accounts	(542)	2,037
Interest income	(43)	(4,294)
Interest expense	6,356	5,302
Foreign exchange loss	12,300	11,604
Decrease (increase) in trade receivables	(814,662)	(683,729)
(Increase) decrease in inventories	12,325	9,614
Increase (decrease) in trade payables	370,193	223,704
Share–based payment expenses	20,800	56,111
Listing expenses	23,949	1,043
Increase (decrease) in provision for bonuses	27,831	(2,692)
Increase (decrease) in provision for product warranties	320,149	(293,946)
Increase (decrease) in provision for shareholder benefit program	-	1,601
Loss (gain) on valuation of investment securities	-	198,302
Increase (decrease) in contract liabilities	(229,850)	(257,639)
Decrease (increase) in advance payments to suppliers	36,463	(49,619)
Others	163,882	(396,577)
Subtotal	674,992	(636,586)
Interest received	43	4,294
Interest paid	(1,200)	(1,872)
Income taxes paid	(217,592)	(94,509)
Net cash provided by (used in) operating activities	456,241	(728,673)
Cash flows from investing activities		
Purchase of property and equipment	(17,657)	(17,407)
Purchase of investment securities	-	(161,600)
Purchase of intangible assets	(154,725)	(306,611)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	59,631
Others	1,810	(49,006)
Net cash provided by (used in) investing activities	(170,572)	(474,993)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	1,000,000
Repayment of long-term borrowings	-	(62,499)
Proceeds from issuance of shares	3,803,692	1,287,956
Acquisition of treasury shares	-	(42)
Proceeds from share issuance to non-controlling shareholders	-	43,512
Repayments of lease liabilities	(11,732)	(12,940)
Proceeds from issuance of share acquisition rights	-	41,676
Proceeds from issuance of shares resulting from exercise of share acquisition rights	-	178,780
Payments of listing expenses	(479)	(24,513)
Net cash provided by (used in) financing activities	3,791,479	2,451,930
Effect of exchange rate change on cash and cash equivalents	87,591	(27,734)
Increase (decrease) in cash and cash equivalents	4,164,741	1,220,528
Cash and cash equivalents at the beginning of the period	3,532,503	7,697,244
Cash and cash equivalents at end of the period	7,697,244	8,917,773