

March 13, 2025

To whom it may concern,

Company name: NEOJAPAN Inc.
Representative name: Akinori Saito, Representative
Director and President
(Code: 3921, Tokyo Stock Exchange
Prime Market)
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Notice Regarding Compliance with Listing Maintenance Criteria

NEOJAPAN Inc. (the Company) submitted a “Plan for Compliance with Listing Maintenance Criteria for the Prime Market” (the Plan) on April 26, 2023, and disclosed details of the Plan. The Company also disclosed the progress of the Plan, etc. as of the end of January 2024 in “Notice Regarding the Progress Based on the Plan for Compliance with Listing Maintenance Criteria” announced on April 24, 2024.

The Company hereby announces that it has received “Compliance with Listing Maintenance Criteria (Distribution Criteria)” from Tokyo Stock Exchange, Inc. and has confirmed that the Company is in compliance with all listing maintenance criteria for the Prime Market as of January 31, 2025, its base date for a decision.

1. Transition of the Company’s status of compliance with listing maintenance criteria

The Company’s status of compliance with listing maintenance criteria for the Prime Market as of January 31, 2025 is as follows. The Company did not meet the listing maintenance criteria for the market capitalization of the tradable shares at the time of the disclosure of the Plan on April 26, 2023 and as of January 31, 2024; however, as a result of various initiatives, the Company has complied with all listing maintenance criteria.

		Number of shareholders	Number of tradable shares	Market capitalization of the tradable shares	Ratio of tradable shares
The Company’s status of compliance and its transition	As of January 31, 2023 ^{*1}	10,079 persons	59,731 units	6.00 billion yen	40.0%
	As of January 31, 2024 ^{*1}	5,630 persons	58,324 units	5.94 billion yen	39.1%
	As of January 31, 2025 ^{*1}	3,733 persons	72,651 units	13.04 billion yen	51.6%
Listing maintenance criteria		800 persons	20,000 units	10.00 billion yen	35.0%
Compliance status		Compliant	Compliant	Compliant	Compliant
Initial planning period		—	—	End of January 2026	—

^{*1} The status of compliance as of each base date is calculated based on the distribution of the Company’s share certificates, etc. as known by the Tokyo Stock Exchange, Inc. as of the base date.

2. Status of implementation and evaluation of initiatives for compliance with listing maintenance criteria

As described in the Plan disclosed on April 26, 2023, the Company has worked on initiatives for compliance

with listing maintenance criteria, focusing on the following five areas.

- (1) Improve financial results based on stable growth of recurring sales
- (2) Strengthen shareholder return measures
- (3) Raise awareness of the Company by strengthening IR activities
- (4) Strengthen initiatives for ESG management/sustainability management
- (5) Improve the ratio of tradable shares

In order to improve financial results based on stable growth of recurring sales, the Company has continued to upgrade its products on a regular basis to improve the convenience of its services. At the same time, the Company revised the price of its cloud services and introduced new set plans to allow customers to affordably use multiple services from September 2024. As a result, net sales of recurring cloud services and support services remained strong.

The Company started to pay interim dividends in the fiscal year ended January 31, 2025 to strengthen shareholder return measures, from the perspective of enhancing opportunities to return profits to shareholders.

Regarding raising awareness of the Company by strengthening IR activities, the Company holds financial results briefing sessions for institutional investors twice a year. For investors other than institutional investors, videos of those sessions as well as their transcript are available on the Company's IR website. In addition, explanatory materials that supplement financial results are also available for the first and third quarters, when financial results briefing sessions are not held. Opportunities for dialogue with institutional investors increased in the fiscal year ended January 31, 2025, as the number of 1-on-1 meetings with institutional investors increased to 68 from 31 in the fiscal year ended January 31, 2024. The Company also worked to renew its IR website.

The Company has disclosed its financial results in Japanese and English on the same day since the fiscal year ended January 31, 2022 to enhance English-language disclosure for foreign investors. The Company also started to disclose explanatory materials on financial results in Japanese and English on the same day, starting from the second quarter of 2024.

The Company continues its activities to strengthen initiatives for ESG management/sustainability management, which are mainly led by the Sustainability Committee.

In order to improve the ratio of tradable shares, the Company purchased its treasury shares, as described in "Notice Regarding the Progress Based on the Plan for Compliance with Listing Maintenance Criteria" announced on April 24, 2024, and the ratio of tradable shares increased from 39.1% on January 31, 2024 to 51.6% on January 31, 2025.

As a result of the abovementioned initiatives, the Company's share price rose, and the Company has complied with all listing maintenance criteria one year ahead of the initial planning period. Going forward, the Company will continue its efforts to improve corporate value.