NEWS RELEASE

IPS, Inc.
InfiniVAN, Inc.

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IPS and InfiniVAN Sign a Memorandum of Understanding with JPYC on Stablecoin Business to build Digital Remittance and Payment Infrastructure in the Philippines

IPS, Inc. (Headquarters: Tokyo; President and CEO: Koji Miyashita; hereinafter "the Company") and its consolidated subsidiary InfiniVAN, Inc. (Headquarters: Manila; President: Shigeki Nakahara; hereinafter "InfiniVAN") hereby announce that they have entered into a Memorandum of Understanding (hereinafter the "MOU") with JPYC Inc. (Headquarters: Tokyo; President: Noritaka Okabe; hereinafter "JPYC") on October 16, 2025, regarding a business alliance for stablecoin business (hereinafter "the Business"). Furthermore, InfiniVAN is preparing to establish a subsidiary to further develop the Business. The Company will promptly announce details once a decision is finalized.

Based on this MOU, we will explore joint ventures for the issuance and circulation of Philippine peso-denominated stablecoins, as well as joint ventures for the circulation in the Philippines of JPYC-issued yen-denominated stablecoins. Stablecoins are currency-denominated assets designed to maintain a 1:1 value peg with fiat currencies such as the yen or US dollar, and US dollar-denominated stablecoins are experiencing rapid expansion in global markets.

This MOU marks the first step in a long-term initiative to build a common settlement infrastructure enabling the secure and low-cost cross-border exchange of digital currencies. Specifically, it aims to establish a framework allowing various forms of money—such as fiat-pegged stablecoins and other electronic payment methods—to move freely and securely across borders.

1. Background of MOU

The Company and InfiniVAN have consistently overcome borders and regulatory barriers to deliver new services meeting Japanese standards in fields such as telecommunications and healthcare. The group has a proven track record of building new infrastructure while directly confronting regulatory frameworks and licensing requirements as times change—from constructing telecommunications networks within the Philippines, to building international submarine cables linking Japan, the Philippines, and Singapore, to providing medical services in the Philippines.

This very act of proactively tackling barriers no one else has overcome, creating business opportunities to realize a better society, is the core of the group's growth story and the foundation of its corporate philosophy, "Open Door." The group's current initiative in the stablecoin business is a natural extension of this longstanding endeavor: "Crossing borders, overcoming regulatory barriers, and leveraging new technologies to build essential infrastructure for society."

The group has previously built physical communication infrastructure supporting cross-border information transmission through the development of domestic fiber-optic networks and international submarine cables in the Philippines. Moving forward, leveraging this experience and expertise, the group will expand its domain from “infrastructure that carries information” to “infrastructure that carries value,” focusing on building digital infrastructure in the financial sector.

The Company and JPYC have been in ongoing discussions about the potential of the Business for several years. JPYC was registered as a “Money Transfer Service Provider” under Article 37 of the Payment Services Act on August 18, 2025. On October 27, it launched Japan's first yen-pegged stablecoin, “JPYC,” and began providing the issuance and redemption platform “JPYC EX.” In the Philippines, the central bank, Bangko Sentral ng Pilipinas (BSP) has already established a framework to supervise FinTech and VASPs (Virtual Asset Service Providers). Against this backdrop of progress in both business and regulatory frameworks, the Company has determined that now is the optimal time to fully explore this venture.

2. Purpose and Overview of MOU

In 2024, remittances from Overseas Filipino Workers (OFWs) amounted to approximately US$40 billion, accounting for about 8% of GDP. However, traditional remittance channels involve high fees and cumbersome processes, placing a significant burden on OFWs and their families. To address this social challenge, the group will advance discussions with JPYC. Stablecoins are expected to be applied not only to retail remittances but also to everyday payments such as business-to-business (B2B) settlements, e-commerce (EC), and subscriptions.

In the Philippines, where over 40% of adults lack bank accounts, such infrastructure supports the nation's financial inclusion efforts and aligns with the BSP's Open Finance Framework. Meanwhile, in Japan, this initiative complements national efforts to further advance existing payment infrastructure and promote the adoption of reliable digital assets within the regulatory framework.

The group will focus on the issuance and circulation of Philippine peso-denominated stablecoins, as well as the domestic circulation of yen-denominated stablecoins (JPYC) in the Philippines, primarily through subsidiaries established by InfiniVAN. Looking ahead, it aims to establish a digital currency ecosystem where both yen-denominated and peso-denominated stablecoins are interoperable, enabling smooth and low-cost exchange and settlement. To achieve this, the group will advance regulatory compliance, technological development, and the exploration of concrete revenue models, positioning this as an area for sustainable growth.

Stablecoins operate within the realm of foundational social infrastructure, making harmonization with regulations and systems essential. The group possesses the foundation to tackle this domain, having built trust with regulatory authorities in the Philippines and Japan through its telecommunications business. By partnering with JPYC, a frontrunner in Japan's stablecoin sector, the group combines the high reliability demanded of a telecommunications carrier as social infrastructure, financial

compliance expertise, and the transparency inherent in blockchain. This marks a steady step toward realizing globally interoperable financial infrastructure.

3. Future Outlook

The impact of the MOU on the Company's consolidated financial results for the fiscal year ending March 2026 is expected to be minimal. Should any significant matters requiring disclosure arise in the future, the Company will promptly announce them.

Moving forward, guided by its "Open Door" spirit, the Company will continue to provide essential infrastructure across borders for society and industry. By combining Japanese-quality technology and advanced services with its institutional responsiveness, it aims to achieve sustainable growth and enhance corporate value.

■About JPYC

A money transfer operator primarily engaged in issuing and redeeming electronic payment instruments, as well as consulting on blockchain technologies such as stablecoins. In August 2025, the Financial Services Agency registered JPYC as Japan's first money transfer operator specializing in stablecoin issuance. Furthermore, JPYC officially began issuing Japan's first yen-pegged stablecoin, "JPYC," starting October 27, 2025.

■About the Company and InfiniVAN

The group is working to solve social issues and reduce regional disparities through the construction of telecommunications infrastructure in the Philippines and Japan. In 2023, the Philippine Domestic Submarine Cable Network (PDSCN) was completed, enabling it to provide telecommunications services throughout the Philippines, including the Visayas and Mindanao regions.

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