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January 13, 2026

Corporate Name: IPS, Inc.
Trading Name: IPS, Inc.
President/CEO: Koji Miyashita
Code Number: 4390 Prime Market of the Tokyo Stock Exchange
Contact: Hiroyasu Akatsu, Administration Department (TEL. +81-3-3549-7719)

(Progress of Disclosure) Submission of Report on Preventive Measures Regarding Unauthorized Use of IP Phone Number Provided by Our Subsidiary

As announced in our news release dated December 19, 2025 “(Progress of Disclosure) Unauthorized Use of an IP Phone Number Provided by Our Subsidiary Circumstances and Response Regarding Caller ID Spoofing,” we have submitted a report today to the National Police Agency and the Ministry of Internal Affairs and Communications regarding measures to prevent recurrence of the incident (the “Incident”) involving an IP phone number provided by our consolidated subsidiary IPS Pro, Inc. (hereinafter “IPSPRO”) to a Hong Kong corporation. As we have completed all actions requested by both authorities, we hereby provide the following update.

IPSPRO has confirmed that no transactions posing risks similar to the Incident currently exist. Effective this month, IPSPRO has transitioned to a new management structure, strengthening its internal controls through the appointment of external personnel and a review of its executive framework. Going forward, we will thoroughly implement measures to prevent recurrence while enhancing governance and pursuing sustainable growth opportunities. We will continue to refine our management and operational frameworks to support IPSPRO’s long-term, sustainable growth.

Both the company and IPSPSO fully recognize our social responsibility as telecommunications service providers. We remain committed to advancing innovation and development in telecommunications services in Japan and Asia, and will continue our efforts to restore trust.