Note: This document has been translated from a part of 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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

November 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: Tetsuji Sato
Deputy General Manager
Corporate Planning Department
(TEL. +81-3-3549-7719)

Notice Regarding Determination of the Number of New Shares to be Issued by way of Third-Party Allotment

IPS, Inc. (the "Company") hereby announces that in relation to the issuance of new shares by way of Third-Party Allotment to the designated underwriter, resolved at a meeting of the Company's Board of Directors held on October 5, 2026, the Company has been notified by the allottee that it has decided to subscribe for a portion of the shares to be issued thereby as set forth below:

(1) Number of New Shares to be Issued	154,600 shares (Number of Shares Scheduled to be Issued: 189,500 shares)
(2) Total Amount to be Paid In	490,623,100 yen (Per share: 3,173.50 yen)
(3) Amount of Capital Stock to be Increased	245,311,550 yen (Per share: 1,586.75 yen)
(4) Amount of Legal Capital Surplus to be Increased	245,311,550 yen (Per share: 1,586.75 yen)
(5) Payment Date	Wednesday, November 18, 2026

<References>

1. This Third-Party Allotment was resolved at a meeting of the Company's Board of Directors held on October 5, 2026, simultaneously with the issuance of new shares by way of Public Offering and the secondary offering of shares by way of Over-Allotment.
   For the details of the Third-Party Allotment, please see "Notice Regarding Issuance of New Shares and Secondary Offering of Shares" announced on October 5, 2026 and "Notice Regarding Determination of Issue Price and Selling Price, etc." announced on October 14, 2026.

Note: This document does not constitute a part of an offer of investment in any securities. This document has been prepared for the purpose of announcing to the public certain matters relating to the determination of the number of new shares to be issued by way of Third-Party Allotment, and not for the purpose of soliciting investment or other activities within or outside Japan. This document does not constitute soliciting activities to purchase any securities in the United States. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933. No securities will be publicly offered or sold in the United States under this transaction.

2. Change in the Total Number of Shares Issued as a Result of Third-Party Allotment

Current Total Number of Issued Shares:	14,386,400 shares (as of November 13, 2026)
Number of Shares to be Increased by the Third-Party Allotment:	154,600 shares
Total Number of Issued Shares after the Third-Party Allotment:	14,541,000 shares

3. Use of Proceeds

The estimated net proceeds of 486,623,100 yen from the issuance of new shares by way of Third-Party Allotment, together with the estimated net proceeds of 3,983,717,250 yen from the Public Offering resolved on the same date, will result in aggregate estimated net proceeds of 4,470,340,350 yen. The Company intends to use all of the estimated aggregate net proceeds of 4,470,340,350 yen from the Public Offering and the issuance of new shares by way of third-party allotment by the fiscal year ending March 2030 for capital expenditures related to the Wakayama Project, which consists of the development of the Wakayama Branch Line and the international submarine cable landing station in Wakayama Prefecture.

The Company is currently considering the optimal business structure for the Wakayama Project, including collaboration with potential partners and the utilization of available public support programs and other arrangements. If any portion of the proceeds remains after financing the Wakayama Project, the Company intends to use such remaining amount for capital expenditures to enhance international telecommunications capacity and telecommunications network infrastructure, including in the Philippines.

Until the specific timing of such use, the Company intends to invest the proceeds in safe financial instruments and other similar means.

For details, please refer to the “Notice Regarding Issuance of New Shares and Secondary Offering of Shares” dated October 5, 2026.

End

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