



December 12, 2025

Company name: KDDI CORPORATION
Name of representative: Hiromichi Matsuda
Representative Director, President and CEO
(Securities code: 9433; TSE Prime Market)
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Notice Regarding Business Succession via Company Split

KDDI Corporation (hereinafter “KDDI”) hereby announces that at the meeting of the Board of Directors held on December 12, 2025, it resolved to transfer its bulk power purchasing service business for condominiums (hereinafter “the Target Business”) to Next Power Co., Ltd. (hereinafter “NP”), a subsidiary of the Kansai Electric Power Co., Inc., through an absorption-type company split (hereinafter “the Company Split”). KDDI has concluded an absorption-type company split agreement regarding this matter. The details are as follows.

1. Purpose of the Company Split

The Target Business operated by KDDI has contributed to improving customers’ quality of life through au Energy Supply, a bulk power purchasing service for condominiums that offers affordable rate structures by providing electricity to entire condominiums in bulk. However, we determined that we need to further pursue the Target Business’s expertise and business scale to realize dramatic future growth and provide value to a greater number of customers. Under these circumstances, we had the opportunity to hold discussions with NP, and after careful consideration, we decided to transfer the Target Business to NP via an absorption-type company split.

As a member of the Kansai Electric Power Group, NP possesses great expertise regarding the Target Business. Therefore, customers currently using au Energy Supply will continue to receive the same service without interruption or changes resulting from the Company Split. Furthermore, customers utilizing other KDDI Group services will not be affected by the Company Split.

Regarding the KDDI Group’s retail electricity business for individual customers, we plan to focus our resources on au Denki. We intend to continue providing electricity services to a diverse range of individual customers through initiatives such as the nationwide expansion of plans for all-electric housing, the enhancement of bundled discounts with telecommunications services, and Home Energy Management Services.

2. Summary of the Company Split

(1) Company Split Schedule

| | |
|---|--|
| Date of resolution by the Board of Directors | KDDI: December 12, 2025 NP: December 11, 2025 |
| Date of conclusion of the absorption-type company split agreement | December 12, 2025 |
| Scheduled effective date | March 1, 2026 (planned) |

Note: Since this Company Split falls under the category of a simplified absorption-type company split as stipulated in

Article 784, paragraph 2 of the Companies Act for KDDI (the splitting company), a general meeting of shareholders to approve the absorption-type company split agreement will not be held.

(2) Method of the Company Split

This will be an absorption-type company split with KDDI as the splitting company and NP as the successor company.

(3) Details of Allotment Related to the Company Split

As consideration for the Company Split, it is planned that KDDI will receive a cash payment of 1,540 million yen from NP.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights Accompanying the Company Split

KDDI has not issued any stock acquisition rights or bonds with stock acquisition rights.

(5) Change in Capital due to the Company Split

There will be no change in KDDI's capital as a result of the Company Split.

(6) Rights and Obligations to be Succeeded to by the Successor Company

In accordance with the provisions of the absorption-type company split agreement concluded between KDDI and NP, NP shall succeed to the assets, liabilities, contractual statuses, and other rights and obligations associated with the Target Business.

(7) Prospects for Fulfillment of Obligations

KDDI has determined that there are no issues regarding the prospects for fulfilling the obligations to be borne by KDDI on and after the effective date of the Company Split.

3. Basis for Calculation of the Allotment Related to the Company Split

The amount of cash to be received by KDDI in the Company Split was determined following discussions and negotiations in good faith between KDDI and NP, taking into account the results of the calculation of the Target Business's value, as well as the performance trends of said business and the synergies expected from the Company Split. In the business forecasts serving as the basis for the calculation, no significant increase or decrease in profits is anticipated.

4. Overview of the Companies Involved in the Company Split

(1) Splitting Company

| | Splitting Company | |
|---|---|--------|
| (1) Name | KDDI CORPORATION | |
| (2) Location of the Head Office | 2-3-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo | |
| (3) Name and title of the representative | Hiromichi Matsuda Representative Director, President and CEO | |
| (4) Business description | Telecommunications business | |
| (5) Capital | 141,852 million yen | |
| (6) Established | June 1, 1984 | |
| (7) Number of shares issued | 4,187,847,474 shares | |
| (8) Fiscal year-end | March 31 | |
| (9) Major shareholder and shareholding ratio | The Master Trust Bank of Japan, Ltd. (Trust Account) | 16.35% |
| | Kyocera Corporation | 14.75% |
| | Toyota Motor Corporation | 9.54% |
| | Custody Bank of Japan, Ltd. (Trust Account) | 6.93% |
| (10) Operating results and financial position for the immediately preceding fiscal year | | |

| Fiscal year | Fiscal year ended March 31, 2025 (IFRS) (Consolidated) |
|---|--|
| Equity attributable to owners of the parent | 5,128,072 |
| Total assets | 16,876,219 |
| Equity per share attributable to owners of the parent (yen) | 1,288.96 |
| Operating revenue | 5,917,953 |
| Operating income | 1,118,674 |
| Profit before tax | 1,104,625 |
| Profit for the year attributable to owners of the parent | 685,677 |
| Basic earnings per share (yen) | 169.33 |

(In millions of yen, unless otherwise specified.)

(2) Successor Company

| | Successor Company |
|---|---|
| (1) Name | Next Power Co., Ltd. |
| (2) Location of the Head Office | 2-2-1 Nihonbashi Horidomecho, Chuo-ku, Tokyo |
| (3) Name and title of the representative | Keisuke Funatsu, Representative Director and President |
| (4) Business description | Bulk power purchasing and distribution business for condominiums, etc. Electricity retail business Design of electrical facilities Construction and maintenance of electrical facilities |
| (5) Capital | 100 million yen |
| (6) Established | October 31, 2017 |
| (7) Number of shares issued | 2,309 shares |
| (8) Fiscal year-end | March 31 |
| (9) Major shareholder and shareholding ratio | The Kansai Electric Power Co., Inc. 100% |
| (10) Operating results and financial position for the immediately preceding fiscal year | |
| Fiscal year | Fiscal year ended March 31, 2025 (J-GAAP) (Non-consolidated) |
| Net assets | 33,590 |
| Total assets | 43,024 |
| Net assets per share (yen) | 14,547.46 |
| Operating revenue | 29,683 |
| Operating income | 2,983 |
| Ordinary income | 2,919 |
| Profit for the year | 1,621 |
| Profit for the year per share (yen) | 702.41 |

(In millions of yen, unless otherwise specified.)

Overview of the Business Division to Be Split

(1) Business Description of the Division to Be Split

Bulk power purchasing service business for condominiums

(2) Operating Results of the Division to Be Split

Operating revenue: 1,345 million yen (Fiscal year ended March 31, 2025)

(3) Items and Book Values of Assets and Liabilities to Be Split

Total Assets: 1,090 million yen; Total Liabilities: There are no liabilities subject to the split.

Note: The above figures are calculated based on the position as of October 31, 2025. The actual book values on the effective date of the Company Split may differ from the contents described above.

5. Status After the Company Split

There will be no changes to the name, head office location, title and name of the representative, business description, capital, or fiscal year-end of KDDI (the splitting company) resulting from the Company Split. Furthermore, no changes to these matters are scheduled for the successor company as a result of the Company Split.

6. Future Outlook

KDDI believes that the impact of the Company Split on its consolidated financial results will be minor.

Reference: Consolidated Financial Results Forecast for the Current Fiscal Year and Consolidated Financial Results for the Previous Fiscal Year

| | Operating revenue | Operating income | Profit for the year attributable to owners of the parent | Basic earnings per share (yen) |
|---|-------------------|------------------|--|-----------------------------------|
| Consolidated Financial Results Forecast for the Current Fiscal Year (Fiscal year ending March 31, 2026) | 6,330,000 | 1,178,000 | 748,000 | 194.38 |
| Consolidated Financial Results for the Previous Fiscal Year (Fiscal year ended March 31, 2025) | 5,917,953 | 1,118,674 | 685,677 | 169.33 |

(In millions of yen, unless otherwise specified.)