Fiscal Year Ending March 2026 First Quarter Financial Results (Japanese GAAP) (Non-consolidated)

August 14, 2025

Listed Company Name S Science Company, Ltd. Stock Exchange Tokyo Stock Exchange
Ticker code 5721 URL http://www.s-science.jp
Representative: (title) Representative Director & President (name) Kenko Hisanaga
Contact person: (title) General Manager of General Affairs Department (name) Kunihiko Kosa TEL 03-3573-3721

Scheduled date for starting dividend payment —
Preparation of supplementary financial results materials : No.
Holding financial results briefings: : No.

(Amounts less than one million yen are rounded down)

1. First quarter results for the fiscal year ending March 2026 (from April 1, 2025, to June 30, 2025)

(1) Operating results (cumulative)

(Percentages indicate change rate compared to the third quarter period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Quarterly net income	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
First quarter of fiscal year ending March 2026	159	—	△102	—	△102	—	△103	—
First quarter of fiscal year ended March 2025	—	—	—	—	—	—	—	—

	Quarterly net income per share	Diluted quarterly net income per share
	JPY	JPY
First quarter of fiscal year ending March 2026	△0.73	—
First quarter of fiscal year ended March 2025	—	—

(Note) While we disclosed consolidated financial results up until the second quarter of the fiscal year ended March 2025, we have begun disclosing non-consolidated financial results from this fiscal year. Therefore, we do not disclose operating results (cumulative) for the first quarter of the fiscal year ended March 2025 or the year-on-year change rate for the first quarter of the fiscal year ending March 2026.

(2) Financial condition

	Total assets	Net assets	Equity ratio
	JPY million	JPY million	%
First quarter of fiscal year ending March 2026	2,932	2,767	94.39
Fiscal year ended March 2025	3,006	2,871	94.49

(reference) equity capital First quarter of fiscal year ending March 2026 2,767 JPY million
Fiscal year ended March 2025 2,871 JPY million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal Year ended March 2025	—	0.00	—	0.00	0.00
Fiscal Year ending March 2026	—				
Fiscal Year ending March 2026 (Forecast)		0.00	—	0.00	0.00

(Note) Revision of dividend forecast from the most recently announced: No

3. Forecast of financial results for the fiscal year ending March 31, 2026 (from April 1, 2025, to March 31, 2026)

(Percentages indicate the rate of change compared to the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Net income		Net income per share
	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY
Second Quarter (Cumulative)	—	—	—	—	—	—	—	—	—
Full Year	—	—	—	—	—	—	—	—	—

(Note) Revision of dividend forecast from the most recently announced: No

We are not disclosing our earnings forecast for the fiscal year ending March 2026, as there are many uncertain factors that make it difficult to make a reasonable calculation at this time.

We plan to disclose this forecast as soon as it becomes possible to make a reasonable calculation.

※ Notes

(1) Application of accounting procedures specific to the preparation of quarterly financial statements : No.

(2) Changes in accounting policies, changes in accounting estimates, and restatements

① Changes in accounting policies due to revisions to accounting standards, etc. : No.

② Changes in accounting policies other than those listed in ① : No.

③ Changes in accounting estimates : No.

④ Restatement : No.

(3) Number of issued shares (common stock)

① Total number of issued shares at the end of the fiscal year (including treasury shares)	1Q of FY ending March 2026	141,593,749shares	FY ended March 2024	141,593,749shares
② Number of treasury shares at the end of the fiscal year	1Q of FY ending March 2026	2,338shares	FY ended March 2024	2,167shares
③Average number of shares during the period (quarterly total)	1Q of FY ending March 2026	141,591,478shares	FY ended March 2024	141,591,582shares

※ Review of attached quarterly financial statements by a certified public accountant or auditing firm : No.

※ Explanation of the appropriate use of earnings forecasts and other special notes

The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company considers to be reasonable. Actual performance may differ significantly due to a variety of factors. For matters related to the above forecasts, please refer to "1. Qualitative information regarding the current quarter's financial results (3) Explanation of future forecasts such as performance forecasts" on page 3 of the attached document.

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

○Table of Contents for attached materials

1. Qualitative information regarding the current quarter's financial results

(1) Explanation of business results

During the first quarter of this fiscal year, the Japanese economy has been recovering moderately due to improvements in the employment and income environment.

However, the outlook remains uncertain, with the risk of rising interest rates, continued inflation, and the impact of U.S. trade policy posing downward risks to the economy.

Under these circumstances, our business results for the first quarter were sales of JPY 159 million, an operating loss of JPY 120 million, an ordinary loss of JPY 120 million, and a quarterly net loss of JPY 103 million.

Please note that as we have transitioned to non-consolidated financial statements since the third quarter of the previous fiscal year, we have not prepared quarterly consolidated financial statements and therefore have not conducted a comparative analysis.

Our segment results are as follows.

Furthermore, as we transitioned to non-consolidated financial statements from the third quarter, we are no longer able to compare segment results with those from the previous fiscal year.

(Nickel Business)

Due to a decline in LME prices and sales volume, sales were JPY 156 million.

(Real Estate Business)

Sales were JPY 2 million, due to rental income alone.

(Education Business)

No sales were recorded.

(Smart DX Solutions Business)

No sales were recorded.

(2) Explanation of financial position

Assets, Liabilities, and Net Assets Status

(Assets)

As of the end of the first quarter, current assets were JPY 2,838 million, decreased by JPY 74 million from the end of the previous fiscal year. This was primarily due to a decrease in cash and deposits.

Non-current assets remained almost unchanged from the end of the previous fiscal year at JPY 94 million.

(Liabilities)

As of the end of the first quarter, current liabilities increased by JPY 23 million compared to the end of the previous fiscal year, to JPY 57 million. This was primarily due to an increase in accounts payable.

Non-current liabilities increased by JPY 5 million compared to the end of the previous fiscal year to JPY 107 million. This was mainly due to an increase in retirement benefit reserves.

(Net assets)

Net assets at the end of the first quarter of the current fiscal year were JPY 2,767 million, decreased by JPY 103 million from the end of the previous fiscal year. This was mainly due to a decrease in retained earnings.

(3) Explanation of future forecasts such as performance forecasts

There are no changes to our earnings forecasts, which we announced on May 14, 2025.

We are not disclosing them at this time as there are many uncertain factors that require a reasonable calculation.

We will disclose them promptly once a reasonable calculation is possible.

(4) Important matters related to the going concern assumption

In the previous fiscal year, we recorded an operating loss and negative operating cash flow, and the operating loss continues in the first quarter cumulative period under review, so there are important events that affect our going concern assumption.

However, in order to improve this situation, we raised funds in the fiscal year ended March 2023, and in the fiscal year ended March 2024, and we achieved significant profits from securities management. As a result, we were able to raise funds sufficiently, therefore we do not recognize any uncertainty.

Therefore, we have determined that there is no need for a note regarding the going concern assumption.

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

2. Quarterly Financial Statements and Key Notes

(1) Quarterly balance sheet

(Unit: JPY thousand)

	Previous fiscal year (ended March 31, 2025)	First quarter of current fiscal year (June 30, 2025)
(Assets)		
Current assets		
Cash and deposits	1,761,709	1,715,488
Deposits	418,794	418,794
Notes receivable	21,047	20,452
Accounts receivable	92,815	89,095
Electronically recorded monetary claims	48,395	55,535
Real estate for sale	351,071	351,071
Goods and products	210,231	178,868
Prepaid expenses	3,361	3,361
Accounts receivable	500	490
Unrefunded corporate taxes, etc.	8	11
Unrefunded consumption taxes, etc.	83	1,734
Other	4,590	3,174
Allowance for doubtful accounts	△38	△38
Total current assets	2,912,570	2,838,043
Non-current assets		
Investments and other assets		
Investment securities	1,377	1,333
Capital investments	900	900
Security deposits and guarantees	62,785	62,785
Long-term loans	2,400	2,400
Membership rights	19,308	19,308
Long-term accounts receivable	31,812	31,812
Other	12,870	13,249
Allowance for doubtful accounts	△37,412	△37,412
Total investments and other assets	94,041	94,376
Total non-current assets	94,041	94,376
Total assets	3,006,612	2,932,419
(Liabilities)		
Current liabilities		
Accounts payable	8,868	8,629
Other accounts payable	9,367	20,166
Accrued expenses	3,252	3,067
Accrued income taxes	5,055	1,107
Advance payments	-	10,000
Unearned revenue	387	4,821
Deposits	2,256	2,490
Bonus reserve	4,090	6,798
Total current liabilities	33,277	57,080
Non-current liabilities		
Provision for retirement benefits	13,885	17,710
Provision for directors' retirement benefits	86,310	87,677
Security deposits received	1,800	1,800
Deferred tax liabilities	332	317
Asset retirement obligations	102,327	107,504
Total liabilities	135,605	164,585

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

(Unit: JPY thousand)

	Previous fiscal year (ended March 31, 2025)	First quarter of current fiscal year (June 30, 2025)
(Net assets)		
Shareholders' equity		
Capital	100,000	100,000
Capital surplus		
Other capital surplus	2,597,570	2,597,570
Total capital surplus	2,597,570	2,597,570
Retained earnings		
Other retained earnings		
Retained earnings carried forward	172,924	69,797
Total retained earnings	172,924	69,797
Treasury stock	△94	△111
Total shareholders' equity	2,870,400	2,767,256
Valuation and translation adjustments, etc.		
Total shareholders' equity	606	578
Total valuation and conversion adjustments	606	578
Total net assets	2,871,007	2,767,834
Total liabilities and net assets	3,006,612	2,932,419

(2) Quarterly income statement

First quarter cumulative period

(Unit: JPY thousand)

	First quarter cumulative period (April 1, 2025 to June 30, 2025)
Sales	159,071
Cost of sales	144,987
Gross profit	14,084
Selling, general and administrative expenses	116,166
Operating loss (△)	△102,082
Non-operating income	
Interest and dividend income received	22
Real estate rental income	40
Other	0
Total non-operating income	63
Non-operating expenses	
Other	0
Total non-operating expenses	0
Ordinary loss (△)	△102,019
Quarterly net loss before taxes (△)	△102,019
Corporate, local, and business taxes	1,107
Total corporate taxes, etc.	1,107
Quarterly net loss (△)	△103,126

(3) Notes regarding quarterly financial statements

(Notes regarding the going concern assumption)

Not applicable

(Notes in the event of significant changes in the amount of shareholders' equity)

First quarter cumulative period (from April 1, 2025 to June 30, 2025)

Not applicable

(Changes in accounting policies)

Not applicable

(Notes to segment information, etc.)

【Segment information】

I First quarter cumulative period (from April 1, 2025 to June 30, 2025)

1. Information on the amount of sales and profit or loss by reportable segment

(Unit: JPY thousand)

	Reportable segment				Other (Note) 1	Total
	Nikkel Business	Real Estate Bususiness	Education Business	Smart DX Solution Business		
Sales Sales to external customers	156,537	2,534	―	―	―	159,071
Total	156,537	2,534	―	―	―	159,071
Segment profit or segment loss (△)	2,673	△4,950	△3,091	△7,743	―	△13,111

(Note) 1. The "Other" category is a business segment not included in the reportable segments.

2. Difference between the total amount of profit or loss for each reportable segment and the amount recorded in the quarterly income statement, and the main details of the difference (matters related to adjustments)

(Unit: JPY thousand)

Profit	Amount
Reportable segment total	△13,111
Company-wide expenses (note)	△88,971
Operating loss (△) on quarterly income statement	△102,082

(Note) Company-wide expenses are mainly general and administrative expenses that are not attributable to any reportable segment.

3. Matters related to changes in reporting segments, etc.

Our company's segments were previously divided into four: "Nickel Business," "Real Estate Business," "Education Business," and "Other." However, with the launch of a new business, "Smart DX Solutions Business," in August 2024, we have decided to add this new business and change to five business segments. In addition, the "Renovation-related Business," which was included in the reportable segments in the first quarter of the previous fiscal year, has been eliminated since October 2024, as all shares of Nagomi Design Co., Ltd., an affiliated company that operates the "Renovation-related Business," were sold to LIEH Co., Ltd.

(Notes regarding cash flow statements)

We have not prepared a quarterly cash flow statement for the first quarter cumulative period. However, depreciation expenses (including amortization expenses related to intangible fixed assets) for the first quarter cumulative period are as follows:

	First quarter cumulative period (From April 1, 2025 To June 30, 2025)
Depreciation expense	― (JPY thousand)