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November 28, 2025

To whom it may concern

Company Name	S Science Company, Ltd.
(Ticker code: 5721 Standard Market of Tokyo Stock Exchange)	
Representative	Representative Director and President Mr. Kenko Hisanaga
Inquiry	General Manager of General Affairs Department Mr. Kunihiro Kosa (TEL: +81-3-3573-3721)

Change in use of funds in line with to partial early redemption of the 4th series unsecured straight corporate bonds (private placement bonds) and the 5th series unsecured straight corporate bonds (private placement bonds)

At the Board of Directors meeting held today, we have decided to make partial changes to the use of the funds raised (hereinafter referred to as the "Fundraising") announced in the "Notice regarding the Issuance of the 8th Series of Stock Acquisition Rights (with Exercise Price Revision Clause) and the 9th Series of Stock Acquisition Rights (with Exercise Price Revision Option) by Third-Party Allotment, Execution of Purchase Agreement (with Commitment Clause for the 8th Series of Stock Acquisition Rights), and Simultaneous Issuance of the 1st Series of Unsecured Straight Bonds (Private Placement Bonds)" dated August 18, 2025, as follows:

Details

1. Reasons for the change

Initially, the proceeds from this third-party allotment were planned to be used solely for the redemption of the first series of unsecured straight bonds (private placement bonds). However, the bondholders subsequently requested early redemption in accordance with the terms of the contract. In light of this, we have redeemed the first series of unsecured straight bonds (private placement bonds) and partially redeemed the second series of unsecured straight bonds (private placement bonds) in advance, as stated in the "Regarding Changes in Use of Proceeds Following Early Redemption of the First Series of Unsecured Straight Bonds (Private Placement Bonds) and Partial Early Redemption of the Second Series of Unsecured Straight Bonds (Private Placement Bonds)" dated September 5, 2025.

Subsequently, as announced in the "Notice Regarding the Issuance of the Fourth and Fifth Series of Unsecured Straight Corporate Bonds (Private Placement Bonds)" dated September 26, 2025, we issued new Fourth and Fifth Series of Unsecured Straight Corporate Bonds (Private Placement Bonds) (total amount of JPY 2 billion), securing the funds necessary to promote our cryptocurrency investment business. In the

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cryptocurrency market, the supply and demand structure has changed since the halving and capital inflows from institutional investors via ETFs continue, raising expectations for an increase in asset values in the medium to long term. Given these market conditions, we have determined that it is important for us to acquire Bitcoin flexibly in a manner that does not rely solely on yen-denominated assets in our core cryptocurrency investment business, thereby enhancing both our financial soundness and asset value.

Based on this, at the Board of Directors meeting held today, the Company resolved to redeem early the remaining JPY 100 million of the already issued 4th unsecured straight corporate bonds (private placement bonds) and a portion of the 5th unsecured straight corporate bonds (private placement bonds), in accordance with the flow of funds pursuant to the contractual provisions. As a result, the burden of future redemptions will be lightened by reducing the outstanding balance of the corporate bonds. Taking these circumstances and mechanisms into consideration, the Company has decided to change the use of the funds raised through this third-party allotment as follows:

In addition, Section 2 (9) "Other Special Provisions" of the "Notice Concerning the Setting of an Issuance Limit (Maximum JPY 10 Billion) for Straight Corporate Bonds (Private Placement Bonds) and the Execution of a Memorandum of Understanding Regarding Underwriting" dated August 18, 2025, clearly states that when funds are paid to the Company through the exercise of stock acquisition rights, those funds will be used preferentially to redeem the corporate bonds.

当該 The bonds were issued with a face value of JPY 1 billion and a paid-in amount of JPY 950 million, reflecting a risk premium based on the Company's creditworthiness and the market environment. This is a common method of issuing discounts, and the contractual provisions stipulate that the full-face value must be repaid upon redemption. This difference is essentially regarded as interest, and for us, it has the same nature as interest charges.

However, in this series of early redemptions, the exercise request was made in accordance with the contractual provisions while discussions with the allottee were ongoing, resulting in the redemption occurring earlier than initially expected. In light of this, we have reviewed the redemption terms for the 6th series of unsecured straight bonds (private placement bonds) and beyond through discussions with the allottee, and have decided to adjust the calculation method for the discount amount in the event of early redemption by calculating it on a daily basis.

2. Details of the changes

(Before change)

Specific use of funds		Amount (JPY million)	Planned timing to use funds
①	Redemption of corporate bonds	<u>3,900</u>	<u>September 2025～October 2025</u>
②	Purchase of Bitcoin (BTC)	<u>2,695</u>	September 2025～September
Total		6,595	

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(After change)

Specific use of funds		Amount (JPY million)	Planned timing to use funds
①	Redemption of corporate bonds	<u>4,225</u>	<u>September 2025～</u> <u>November 2025</u>
②	Purchase of Bitcoin (BTC)	<u>2,370</u>	September 2025～ September 2030
Total		6,595	

※For the 4th series of unsecured straight corporate bonds (private placement bonds), we have decided to redeem JPY 100 million of the JPY 100 million outstanding amount in advance, and for the 5th series of unsecured straight corporate bonds (private placement bonds), we have decided to redeem JPY 225 million of the JPY 1 billion outstanding amount in advance.

3. Future Outlook

As disclosed on October 10, 2025, the impact of this change in the use of funds on our business performance for the fiscal year ending March 31, 2026 is expected to be a total of JPY 250 million in interest and loss on redemption of bonds. Of this JPY 250 million, we recorded JPY 6,154,365 in interest on corporate bonds and JPY 85,071,723 in losses on redemption of corporate bonds as non-operating losses in the second quarter, totaling JPY 86,250,000. If any matters arise that require disclosure regarding the impact on future business performance, we will notify you promptly.