

March 13, 2024

Company name: ispace, inc.
Name of representative: Takeshi Hakamada, Representative
Director and CEO
Securities code: 9348; Growth Market
Inquiries: Jumpei Nozaki, Director and CFO
(Telephone: +81-03-6277-6451)

Notice regarding Partial Prepayment of Borrowings

ispace, inc. (“ispace”) hereby announces that it expects to make a partial prepayment of borrowings (the “syndicated loan”) in connection with the international offering as announced in “Notice regarding Issuance of New Shares through an International Offering” disclosed on March 13, 2024.

1. Reason for partial prepayment of syndicated loan

ispace entered into a syndicated loan with Sumitomo Mitsui Banking Corporation as the arranger on July 26, 2022. The syndicated loan is subject to mandatory partial prepayments triggered by certain events including when ispace completes any offerings of stock by third-party allotment or other offerings of stock or stock acquisition rights following the initial public offering, with prepayment per offering to range from at least ¥1,500 million or otherwise 20%-25% of the offering proceeds depending on the amount of proceeds. As disclosed today in the “Notice regarding Issuance of New Shares through an International Offering”, its Board of Directors, at a meeting held on March 13, 2024, has resolved to issue new shares through an international offering. Therefore, the partial prepayment is expected to be made on the prepayment date in “3. Overview of early prepayment” below. ispace will promptly make an announcement when the prepayment amount is determined. The prepayment will be made from ispace’s cash on hand.

2. Overview of syndicated loan agreement

(1) Arranger and Agent	Sumitomo Mitsui Banking Corporation
(2) Borrowing amount	5,000 million yen
(3) Interest rate	Floating interest rate (base rate + spread)
(4) Borrowing date	July 29, 2022
(5) Repayment date	July 31, 2025
(6) Repayment method	Bullet repayment on due date
(7) Collateral and guarantee	Collateral: a pledge over a reserve account for repayment opened with Sumitomo Mitsui Banking Corporation Guarantee: a debt guarantee agreement with the Independent Administrative Institution Small and Medium Enterprise Agency

3. Overview of early prepayment

(1) Prepayment amount	To be determined
(2) Prepayment date	April 30, 2024

4. Impact on financial results

The impact of the prepayment on our forecast of consolidated financial results for the fiscal year ending March 31, 2024 is not expected to be material. ispace will promptly make an announcement if it becomes clear that there will be a significant impact on the financial results.