

News Release Dated February 27, 2026

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Notice of Change in Use of Funds (Reschedule)

The Board of Directors of Japan System Techniques Co., Ltd. (JAST) approved a resolution on February 27, 2026 to partially change as follows the planned use of funds procured from the sale of the second series of warrants. The sale of these warrants by using a third-party allotment was announced on March 5, 2021, in a release titled “Notice of Issuance of the Second Series of Warrants with Adjustable Exercise Price and Signing of a Facility Contract with Exercise Suspension Designation Provision (Japanese version only),” and on February 29, 2024, in a release titled “Notice of Change in Use of Funds.”

1. Reason for the change

Since the procurement of these funds, R&D activities for the contracted development of software and for products using JAST’s brands have progressed as planned. However, there has been no progress with information collection, surveys, meetings, negotiations and other operations required for M&A and capital and business alliances because of the pandemic and the subsequent long-term effects of the pandemic. Consequently, on February 29, 2024, JAST extended the expected use of funds for these activities to March 2026.

Following this extension, JAST made the decision to change its M&A strategy and revise the priorities for the allocation of cash. This decision was made for the purposes of avoiding unduly rapid M&A actions and placing more emphasis on the making investments efficiently and increasing the return on capital.

As a result, the plan for the use of funds from the sale of the warrants has been revised to include working capital from the standpoint of ensuring the stability of business operations for the time being.

2. Summary of the change

Before change

| Use of funds | Amount (Millions of yen) | Timing of use |
|--|-----------------------------|--------------------------|
| (1) R&D for the contracted development of software | 210 | April 2021 to March 2023 |
| (2) R&D for JAST brand products (GAKUEN, JMICS, BankNeo and others) | 550 | April 2021 to March 2023 |
| (3) <u>Expenditures for M&A and capital/business alliances</u> | 425 | April 2021 to March 2026 |
| Total | 1,185 | |

After change

| Use of funds | Amount (Millions of yen) | Timing of use |
|--|-----------------------------|--------------------------|
| (1) R&D for the contracted development of software | 210 | April 2021 to March 2023 |
| (2) R&D for JAST brand products (GAKUEN, JMICS, BankNeo and others) | 550 | April 2021 to March 2023 |
| (3) <u>Working capital</u> | 425 | April 2021 to March 2026 |
| Total | 1,185 | |

3. Outlook

This change will have only a negligible effect on JAST’s consolidated results of operations in the fiscal year ending on March 31, 2026. An announcement will be made promptly if further information regarding the impact on earnings needs to be disclosed.