3rd August 2020

Company Name: W-Scope Corporation
Stock Exchange Listing: Tokyo Stock Exchange Section 1
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Notice of Financing by Convertible Bonds of Subsidiaries

W-SCOPE Corporation(hereinafter referred to as "WS") resolved at the board meeting that W-SCOPE CHUNGJU PLANT CO., LTD. (Hereinafter referred to as WCP), a subsidiary of WS, will issue convertible bonds to SVIC No. 49 New Technology Business Investment Limited Partnership (Operating Partner : Samsung Venture Investment Corporation) on July 30. And signed a convertible bond underwriting agreement on the same day.

1. Overview

For this new funding, WCP, a wholly owned subsidiary of WS, will issue convertible bonds.,and Samsung Venture Investment Corporation (Seocho-gu, Seoul , Korea) will underwrite all of them, and the amount of the procurement will be 20 billion won (about 1.8 billion yen). This will be done as a part of strengthening the strategic partnership between both companies groups, mainly considering the increasing demand for batteries for European EVs.

The following is an overview of the convertible bonds to be issued.

Name	WCP 4th private placement convertible bonds
Total issuance	20,000,000,000 KRW
Issue price of each bond	100% of the face value of each bond
Issue Date	July 30, 2020
Maturity date	July 30, 2025
Redemption method	Repayment is made at an amount equal to 6% per annum (compounded) of the par value.
Interest rate	2% per annum
Need for collateral and guarantees	Unsecured, parent company guarantee, subsidiary guarantee, and representative director guarantee
Conditions of stock acquisition rights	
① The class(es) of shares subject to the share options	WCP common stock
② Number of dilutive shares due to issuance of stock acquisition rights	5,790shares
③ Conversion price	3,454,134 KRW / share However, in the event of a stock split or consolidation, the conversion price is adjusted as appropriate and the conversion price is adjusted under certain conditions.
④ Exercise period	From the day after the issue date of the Bonds to the day before the maturity date of the Bonds
Allocation destinations	SVIC No. 49 New Technology Business Investment Limited Partnership (Operating Partner : Samsung Venture Investment Corporation)
Use of funds	Working capital & Investment capital
Other riders	(Claims for Early Redemption by Bondholders) Bondholders may call for the redemption of all or part of the Bonds they hold on or after three years from the date of issuance of the Bonds.

* Samsung Venture Investment Corporation

Samsung Venture Investment Corporation is the fund management company that invests the funds of the Samsung Group in order to build a business cooperation relationship between the Samsung Group and future-oriented

companies based on innovative technology in the medium and long term.

3. Future Outlook

We are to further strengthen this partnership in the future and actively work on the battery business for EVs.

4. Impact to Earnings

There is no impact to earnings

5. Other

There is no change in subsidiaries due to the issuance of convertible bonds.

Disclaimer

Earnings guidance was made based on currently available information.The actual results may differ from the guidance due to various factors that may occur in the future.