

August 2, 2021

To All Concerned Parties

Company Name: Money Forward, Inc.
Representative: Yosuke Tsuji
Representative Director,
President and CEO
(Code number: 3994, TSE First Section)
Contact: Naoya Kanesaka
Director, Executive Officer and CFO
Tel: 81-3-6453-9160

Announcement Regarding Issuance of New Shares by way of International Offering

Money Forward, Inc. (the “Company”) hereby announces that, on August 2, 2021 (Mon), its Board of Directors resolved to issue new shares by way of an international offering (the “International Offering”) as set forth below.

Purpose of the International Offering

The funds raised through the International Offering will be used for, among other things, sales and marketing activities to acquire new customers and system development in Business domain to improve customer value, and M&A to realize accelerated growth. The Company intends to further strengthen its shareholder value and enhance its capital base through using the raised funds in such a manner. In addition, the Company believes that the International Offering will contribute to a further increase in share liquidity as well as to expand its investor base.

Outline of International Offering

(1) Class and Number of Shares to be Offered	5,000,000 shares of common stock of the Company
(2) Method of Determination of Amount to be Paid In	The amount to be paid in will be determined on a day (the “Pricing Date”) in the period from August 5, 2021 (Thu) to August 10, 2021 (Tue) in accordance with a method which is equivalent to the bookbuilding method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities promulgated by the Japan Securities Dealers Association (the “JSDA”).

Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of making a public announcement regarding the International Offering, and not for the purpose of soliciting investment, etc. within or outside Japan. This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from the registration requirements under the Securities Act. No public offering of the securities will take place in the United States.

(3) Amount of Capital Stock and Capital Surplus to be Increased	Capital stock will increase by the amount which is 50% of the “maximum permitted increase in capital stock”, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, rounding up any fraction of less than one yen resulting from such calculation to the nearest yen. Capital surplus will increase by the remainder of the maximum permitted increase in capital stock after deducting the amount of increase in capital stock.
(4) Method of Offering	<p>The offering will be made outside of Japan (with the offering in the United States restricted to sales to Qualified Institutional Buyers under Rule 144A of the Securities Act, as amended), and all of the shares described in (1) above shall be purchased, severally and not jointly, by the underwriters named in the Purchase Agreement to be entered into in relation to the offerings (collectively, the “Underwriters”).</p> <p>The issue price (the offer price) will be determined on the Pricing Date of the offering in accordance with a method which is equivalent to the bookbuilding method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities promulgated by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in regular trading of the shares of common stock of the Company on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions.</p>
(5) Compensation for the Underwriters	The Company will not pay any underwriting fees to the Underwriters. The aggregate amount of the difference between (a) the issue price (the offer price) in the International Offering and (b) the amount to be paid to the Company by the Underwriters shall constitute the proceeds to the Underwriters.
(6) Payment Date	The payment date shall be August 17, 2021 (Tue)
(7) Delivery Date	The delivery date of the shares shall be August 18, 2021 (Wed)
(8) Subscription Unit	100 shares
(9)	The amount to be paid in, the amount of capital stock and capital surplus to be increased, the issue price (the offer price), and any other matters necessary for the International Offering will be determined at the discretion of Yosuke Tsuji, Representative Director, President and CEO.

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(Reference)

1. Change in the Total Number of Issued Shares as a Result of the Issuance of New Shares by way of International Offering

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|-----|--|-------------------|------------------------|
| (1) | Total number of issued shares at present: | 48,220,860 shares | (As of August 2, 2021) |
| (2) | Increase in the number of shares as a result of the issuance of new shares by way of the International Offering: | 5,000,000 shares | |
| (3) | Total number of issued shares after the issuance of new shares by way of the International Offering: | 53,220,860 shares | |

(Note) The figures do not include the increase in the total number of issued shares by exercise of stock acquisition rights on or after July 30, 2021.

2. Use of Proceeds

(1) Use of Proceeds from This Issuance of New Shares

The net proceeds from the International Offering are estimated to be approximately ¥30.7 billion, and the Company plans to use ¥15 billion for personnel and advertising expenses to acquire new customers and costs for developing systems to improve customer value by the end of November 2024, ¥12 billion for M&A to realize accelerated growth by the end of November 2024, approximately ¥3.5 billion toward replenishing the Company's cash and deposits that was used to fund the acquisition of shares of R&AC Co., Ltd., SLEEKR PTE LTD. (Mekari group) and Susten Capital Management Inc., by August 2021, and the remaining amount for the repayment of borrowings that will become due by the end of November 2024. If the Company has not conducted M&A requiring the above amount of expenditure by the end of November 2024, the remaining amount that has not been allocated to M&A will be allocated to personnel and advertising expenses to acquire new customers and costs for developing systems to improve customer value to the end of November 2025.

(2) Change in the Use of Proceeds Raised Last Time

Not applicable.

(3) Effects on Business Performance

There will be no change to the consolidated business forecast for the fiscal year ending November 30, 2021 as a result of the International Offering. The Company believes that the International Offering will improve and strengthen the Company's financial condition as well as contribute to its medium- to long-term growth and improvement of its profitability.

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3. Lock-up

In relation to the International Offering, the shareholders of the Company, Yosuke Tsuji and Takashi Ichikawa, have agreed that, during the period commencing on the Pricing Date and ending on the date 90 days from and including the delivery date in respect of the International Offering (the “Lockup Period”), they will not sell, or otherwise dispose of, the shares of the Company, securities convertible into or exchangeable for the shares of the Company, or securities representing any rights to acquire or receive the shares of the Company (excluding, among others, the exercise of stock acquisition rights received from the Company as incentive stock options) without the prior written consent of the Underwriters.

Furthermore, in relation to the International Offering, the Company has agreed that, during the Lockup Period, it will not issue the shares of the Company, securities convertible into or exchangeable for the shares of the Company, or securities representing any rights to acquire or receive the shares of the Company, or engage in other similar transactions (except for certain actions such as the issuance of new shares through the International Offering, share split, the issuance of new shares in accordance with the Company’s incentive plan, and the issuance or delivery of the shares of the Company upon the exercise of stock acquisition rights as stock options) without the prior written consent of the Underwriters.

In either of the aforementioned cases, the Underwriters have the right to waive the substance of the agreement, in whole or in part, even during the Lockup Period.

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