

January 30, 2024

Company name: Nippon Den kai, Ltd.
 Representative: Hidemasa Nakajima
 President & CEO
 Securities code: 5759 TSE Growth
 Inquiries: Yasuaki Matsuzaki
 Executive Officer of Finance
 Email: ir_team@nippon-den kai.co.jp

Notice Concerning the Completion of Payment, etc. Related to the Issuance of the Second Series of Share Acquisition Rights by Way of Third-party Allocation

Nippon Den kai, Ltd. (TSE:5759) announces the confirmation of payment of the total issue price (JPY 209,947,456) of the second series of Share Acquisition Rights (“the Share Acquisition Rights”) by a third-party allocation concluded between Lee Chang Yung Group International Pte. Ltd. and Nippon Den kai, Ltd. resolved by the board of directors on January 10, 2024. Additionally, the full amount of the Bridge Loan Agreement (“the Loan Agreement”) dated January 10, 2024, has been deposited by Den kai America, Inc.

For details regarding the issuance of the Share Acquisition Rights and the Loan Agreement, please refer to the “ [Delayed] Notice regarding the signing of Business and Capital Alliance Agreement, issuance of the second series of share acquisition rights by way of third-party allotment, borrowing of funds, and postponement of the commencement of construction of the Augusta Plant.” dated January 10, 2024.

(Reference)

Outline of the Share Acquisition Rights

(1) Allocation date	January 26, 2024
(2) Number of share acquisition rights issued	22,592
(3) Issue price	Total issue price JPY 209,947,456 (JPY 9,293 per Share Acquisition Right)
(4) Number of potential shares to be issued as a result of such issuance	2,259,200 shares (100 shares per Share Acquisition Right)
(5) Amount to be paid in upon exercise of the share acquisition rights	JPY 1,020
(6) Amount of funds to be raised	JPY 2,431,636,456 (Note 1)
(7) Method of offering or allotment	Third Party Allotment
(8) Scheduled allottee	LCY International

(9) Exercise period	From January 27, 2024 to March 25, 2024
(10) Others	<p>The above is subject to the effectiveness of a securities registration statement filed under the Financial Instruments and Exchange Act.</p> <p>The Business and Capital Alliance Agreement stipulates that the approval of the Board of Directors of the Company is required for the transfer of the share acquisition rights.</p>

(Note 1) The amount of funds to be raised is the sum (JPY 2,514,331,456) of the total issue price of the Share Acquisition Rights (JPY 209,947,456) and the total value of the assets to be contributed upon exercise of the Share Acquisition Rights (JPY 2,304,384,000), minus an estimated amount of various costs associated with the issuance of the Share Acquisition Rights. In connection with a Bridge Loan Agreement dated January 10, 2024 between LCY International and Den kai America Inc. (“Loan Agreement”), under which Den kai America Inc. will procure funds in the amount of USD 9,500,000 (approx. JPY 1,367,810,000) from LCY International. Then, upon the exercise of the Share Acquisition Rights by LCY International, cash and/or the loan receivable under the Loan Agreement will be contributed. The amount to be paid in cash upon exercise of the Share Acquisition Rights is expected to be JPY 2,304,384,000 minus the loan receivable under the Loan Agreement.