



May 6, 2022

Company Name: Nihon Dempa Kogyo Co., Ltd.
Representative: Hiromi Katoh, Representative Director and President
(Code: 6779 Tokyo Stock Exchange, Prime Market)
Contact: Yuzuru Takeuchi, Senior Corporate Officer and General Manager of
Administration Division
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**Re: Determination of Number of New Shares to be Issued by Capital Increase
through Third Party Allotment**

Nihon Dempa Kogyo Co., Ltd. (“NDK” or “we”) hereby announces that, with respect to the issuance of new share through third party allotment resolved together with the issuance of new shares through public offering (public offering), the disposal of treasury stock through public offering (public offering) and the secondary offering of shares (offering through over-allotment) at a meeting of the Board of Directors of NDK held on March 29, 2022, the underwriter, which is the allottee, notified NDK that it will subscribe for a part of the shares scheduled to be issued as follows:

| | | |
|---|--|--|
| 1 | Number of new shares to be issued | 102,600 shares (Shares scheduled to be issued: 510,200 shares) |
| 2 | Total amount of amount to be paid in | 121,068,000 yen (1,180 yen per share) |
| 3 | Amounts of capital stock and legal capital surplus to be increased | Amount of capital stock to be increased (Note): 60,534,000 yen Amount of legal capital surplus to be increased (Note): 60,534,000 yen |
| 4 | Subscription period (scheduled) | May 9, 2022 (Mon) |
| 5 | Payment date (scheduled) | May 10, 2022 (Tue) |

(Note) The Board of Directors of NDK, at its meeting held on March 10, 2022, passed a resolution that NDK would reduce the amounts of the capital stock and the legal capital surplus respectively and transfer the reduced amount to other capital surplus as of the payment date (May 10, 2022 (Tue)).

Note: This press release has been prepared for the purpose of announcing to the public certain matters relating to the determination of number of new shares to be issued by capital increase through third party allotment, and not for the purpose of soliciting investment within or outside Japan. In addition, this press release does not constitute an offer of investment to or a part of soliciting activities to purchase the common shares of NDK in the United States. The securities referred to above have not been, and will not be registered under the United States 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 registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States. Estimates, expectations, forecasts, and other future information set out in this press release have been prepared based on the information that is available for NDK as of today and on certain assumptions and qualifications, and the actual financial performance or results might be substantially different from such future information contained in the material due to risk factors including domestic and global economic conditions.

<Reference>

1. The third party allotment was resolved together with the issuance of new shares through public offering (public offering), the disposal of treasury stock through public offering (public offering) and the secondary offering of shares (offering through over-allotment) at a meeting of the Board of Directors of NDK held on March 29, 2022.

For details, please see the notice “Re: Issuance of New Shares, Disposal of Treasury Stock and Secondary Offering of Shares and Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares” dated March 29, 2022 and the notice “Re: Determination of Issue Price, Disposal Price and Selling Price, Etc. and Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares” dated April 7, 2022.

2. Total Number of Issued Shares Before and After Third Party Allotment

- (1) Current total number of issued shares: 23,026,005 shares (As of May 6, 2022)
- (2) Number of shares to be increased by the capital increase through third party allotment: 102,600 shares
- (3) Total number of issued shares after the capital increase through third party allotment: 23,128,605 shares

3. Use of Proceeds

With respect to the net proceeds, from the public offerings and the capital increase through third party allotment, in the aggregate amount of approximately 4,098,326,000 yen, NDK plans to allocate 3,000 million yen by March 2025 to its capital expenditures aimed at increasing production capacity, etc. for responding to the increase of demand for crystal devices mainly in automotive applications and 5G-related handsets, and NDK plans to allocate the remaining amount by March 2024 to the working capital which will be required to expand business associated with the implementation of the new mid-term management plan.

For details, please see the notice “Re: Issuance of New Shares, Disposal of Treasury Stock and Secondary Offering of Shares and Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares” dated March 29, 2022 and the notice “Re: Determination of Issue Price, Disposal Price and Selling Price, Etc. and Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares” dated April 7, 2022.

End

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