



April 7, 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 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**

Nihon Dempa Kogyo Co., Ltd. (“NDK” or “we”) hereby announces that the issue price, the disposal price and the selling price, etc. have been determined as follows with respect to the issuance of new shares, the disposal of treasury stock and the secondary offering of shares resolved at a meeting of the Board of Directors of NDK held on March 29, 2022.

In addition, in connection with the determination of the issue price pertaining to the issuance of new shares, etc., the schedule of the reduction of the amounts of capital stock and legal capital surplus concurrently with issuance of new shares resolved at a meeting of the Board of Directors held on March 10, 2022 have been also determined as follows.

I. Issuance of New Shares, Disposal of Treasury Stock and Secondary Offering of Shares

1. Issuance of New Shares through Public Offering (Public Offering)

(1) Issue price (offer price)	1,233 yen per share
(2) Total amount of issue price	2,796,567,300 yen
(3) Amount to be paid in	1,180 yen per share
(4) Total amount of amount to be paid in	2,676,358,000 yen
(5) Subscription period	April 8, 2022 (Fri)
(6) Payment date	April 13, 2022 (Wed)
(7) Delivery date	April 14, 2022 (Thu)

(Note) The underwriter will purchase the shares at the amount to be paid and offer them at the issue price (offer price).

Note: This press release has been prepared for the purpose of announcing to the public certain matters relating to 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, 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 stock of NDK in the United States. Investors should carefully review the prospectus for the issuance of new shares the prospectus for the offering of shares, and any amendments thereto (if any) prepared by NDK prior to making any investment decisions. 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.

2. Disposal of Treasury Stock through Public Offering (Public Offering)
- | | |
|--|----------------------|
| (1) Disposal price (offer price) | 1,233 yen per share |
| (2) Total amount of disposal price | 1,397,852,100 yen |
| (3) Amount to be paid in | 1,180 yen per share |
| (4) Total amount of amount to be paid in | 1,337,766,000 yen |
| (5) Subscription period | April 8, 2022 (Fri) |
| (6) Payment date | April 13, 2022 (Wed) |
| (7) Delivery date | April 14, 2022 (Thu) |
- (Note) The underwriter will purchase the shares at the amount to be paid and offer them at the disposal price (offer price).

3. Secondary Offering of Shares (Offering through Over-Allotment)
- | | |
|------------------------------------|----------------------|
| (1) Number of shares to be offered | 510,200 shares |
| (2) Selling price | 1,233 yen per share |
| (3) Total amount of selling price | 629,076,600 yen |
| (4) Subscription period | April 8, 2022 (Fri) |
| (5) Delivery date | April 14, 2022 (Thu) |

4. Issuance of New Shares through Third-Party Allotment (the Capital Increase through Third Party Allotment)
- | | |
|--|---------------------|
| (1) Amount to be paid in | 1,180 yen per share |
| (2) Total amount of amount to be paid in | 602,036,000 yen |
| (3) Subscription period | May 9, 2022 (Mon) |
| (4) Payment date | May 10, 2022 (Tue) |

II. Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares (Progress of Disclosed Matters)

For contemplating to maintain stable dividends after the capital increase described above and the acquisition of all of the remaining Class A Shares issued by NDK (5,000 shares) (for details, please see the notice “Re: Acquisition and Cancellation of Class A Shares” dated March 29, 2022), NDK would plan to reduce the amounts of each of the capital stock and legal capital surplus to be increased as a result of the issuance of new shares through public offering (the “Capital Increase through Public Offering”) as described in “I. 1. Issuance of New Shares through Public Offering (Public Offering)” above and the issuance of new shares through third-party allotment (the Capital Increase through Third Party Allotment”) as described in “I. 4. Issuance of New Shares through Third-Party Allotment (the Capital Increase through Third Party Allotment)” above and

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transfer such amount to other capital surplus (the reduction of the amounts of capital stock and legal capital surplus is hereinafter referred to as the “Reduction of Amount of Capital Stock, etc.”). NDK passed a resolution regarding the Reduction in Amount of Capital, etc. at a meeting of the Board of Directors of NDK held on March 10, 2022 (for details, please see the notice “Re: Shelf Registration Statement regarding Issuance of New Shares and Disposal of Treasury Stock and Reduction of Amounts of Capital Stock and Legal Capital Surplus Concurrently with Issuance of New Shares” dated March 10, 2022 and 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). At this time, NDK hereby announces that, pursuant to the determination of the issue price, etc. pertaining to the issuance of new shares, the schedule of the Reduction of Amount of Capital Stock, etc. was determined. There is no change in any other matters regarding the Reduction of Amount of Capital Stock, etc. described in the press release mentioned above.

Schedule of the Reduction of Amount of Capital Stock, etc. (Scheduled)

Resolution of the Board of Directors on the Reduction of Amount of Capital Stock, etc.	March 10, 2022 (Thu)
Public notice with respect to statements of objection by creditors	March 11, 2022 (Fri)
Final deadline for statements of objection by creditors (scheduled)	April 11, 2022 (Mon)
Effective date of the Reduction of Amount of Capital Stock, etc. corresponding to Capital Increase through Public Offering (scheduled)	April 13, 2022 (Wed)
Effective date of the Reduction of Amount of Capital Stock, etc. corresponding to Capital Increase through Third Party Allotment (scheduled)	May 10, 2022 (Tue)
(Reference) Acquisition date of 5,000 shares of the Class A Shares (scheduled)	May 26, 2022 (Thu)

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[Reference]

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 up to approximately 4,579,294,000 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 its 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.

End

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