

August 29, 2022

Company Name	Nippon Den kai, Ltd.
Representative	Hidemasa Nakajima President & CEO
Listed on	TSE Growth
Stock Ticker code	5759
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Issuance of New Share Warrants (Moving Strike)

Nippon Den kai, Ltd. (TSE:5759, "Nippon Den kai") announces today that its board has resolved to issue New Share Moving Strike Warrants through the Third-Party Allotment as follows.

1. Outlines of New Share Warrants through the Third-Party Allotment

#1 New Share Warrants (Moving Strike)	
Allottee	SBI SECURITIES Co.,Ltd.
Amount of Warrants	18,000 units
Period during Warrants may be exercised	From September 13, 2022 to September 12, 2024
Number of Shares to be issued	1,800,000 Shares
Estimated raising amount	4,823 million Yen
Initial Exercise Price	2,682 Yen : Closing price as of August 25, 2022
Adjustment of Exercise Price	Exercise Price shall be updated daily to 90% of the closing price on the previous trading day.
Maximum Exercise price	Not configured
Minimum Exercise price	1,610 Yen

※ For more detail, please refer to “Terms and Conditions of the Warrants (発行要項)” with the Japanese original documents.

Disclaimer: This documents does not constitute an offer of any securities for sale. This documents has been prepared for the purpose of publicly announcing the issuance of New Stock Moving Strike Warrants and not for the purpose of soliciting investment or engaging in any other similar activities. This documents are not offer of securities for sale in the United States. The securities referred to above have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the Securities Act.

2. Intended Use of Funds

All the funds raised will be used for the U.S. New Plant construction.

Nippon Den kai and Den kai America Inc., a subsidiary of Nippon Den kai (hereafter “Den kai Group”) are going together to build a state-of-the-art electro-deposited copper foil (ED copper foil) plant with an annual capacity of 9,500 Metric tons in Augusta, Georgia. The construction will start shortly with support from the State Government of Georgia, Richmond County, and the City of Augusta, to start shipping product in summer 2024.

Den kai Group is confident that it can obtain a first mover’s advantage in the U.S. market with constructing a new plant to start supplying the products, because there are no US domestic manufacturing competitor for ED copper foil for EV batteries at present in the U.S.

The capital expenditure for the U.S. new plant construction is expected to be US\$150 million, and approximately ¥4.8 billion raised through the Warrants will be spent from September 2022 to March 2025.

3. Future Outlook

The impact of this fundraising on our business performance for the fiscal year ending March 31, 2023 and beyond is currently under examination and will be announced as soon as it is confirmed.

Contact Information

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