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8 February 2023

Corporate Name	PARK24 CO.,LTD.
Shares Listed	4666, Prime Market of TSE (Ticker Symbol : PKCOY)
Representative	Koichi Nishikawa President and Representative Director
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Announcement Regarding Issuance of Zero Coupon Convertible Bonds due 2028

PARK24 CO.,LTD. (the “Company”) hereby announces the proposed issuance of Zero Coupon Convertible Bonds due 2028 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) (the “Bonds”) in the maximum issue amount of JPY 35 billion pursuant to a resolution of a meeting of the Board of Directors held on 8 February 2023. The Company also announces that it has resolved at a meeting of the Board of Directors held on 8 February 2023 to conduct a process to receive indications of interest from holders of Zero Coupon Convertible Bonds due 2025 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) (the “Existing Bonds”) who are willing to sell and for the Company to repurchase and to cancel the Existing Bonds so repurchased.

Background of the Issuance of the Bonds

With the expectation that the impact of COVID-19 will be further reduced, the Company believes it is important to accelerate investment in growth while securing financial flexibility. In order to have the flexibility to cope with future changes in the business environment, the Company determined that establishing a strong financial base and equalizing and diversifying the load of repayment while reducing financing costs, would lead to sustainable enhancement of its corporate value. It, therefore, decided to issue the Bonds and repurchase and cancel the Existing Bonds.

Use of Proceeds

The net proceeds from the issue of the Bonds are estimated to be approximately ¥35 billion after deducting expenses. The Company intends to apply the net proceeds as follows:

(a) Up to ¥35 billion will be allocated toward the repurchase of the Existing Bonds. The amount of the repurchase will depend on, among other things, the number of bondholders who agrees to sell their Existing Bonds to us and the principal amount of such Existing Bonds, and the amount of any Existing Bonds which may have been converted into Shares; and

Note: This announcement is intended as general information regarding the issuance of convertible bonds by PARK24 CO.,LTD.. This announcement does not constitute an offer of, or the solicitation of an offer to buy or subscribe for the Bonds or the Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Bonds and the Shares issuable upon exercise of, or upon acquisition by the Company of, the Stock Acquisition Rights (together, the “Securities”) have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and, subject to certain exceptions, may not be offered or sold within the United States. The Securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

(b) To the extent any amount remains from the above, the remainder of the net proceeds will be allocated toward investments to achieve growth, including primarily the purchase of vehicles (including electric vehicles) in the Mobility Business.

Issuance of the Bonds with Stock Acquisition Rights due 2028

1. Securities Offered	¥35,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2028 (bonds with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuken-tsuki shasai</i>)
2. Issue Price	100.0%
3. Closing Date	24 February 2023
4. Coupon	0%
5. Redemption at Maturity	100.0%

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