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(Securities Code 7616 TSE PRIME)
August 20, 2024

To whom it may concern,

Company COLOWIDE Co., Ltd.
Representative Kohei NOJIRI
President & Representative Director
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Notice Concerning Issuance of New Shares and Secondary Offering of Shares

COLOWIDE Co., Ltd. (the "Company") hereby announces that its Board of Directors has resolved on August 20, 2024 to issue new shares and conduct a secondary offering of its shares as set forth below.

Purpose of Financing

The funds to be raised through this issuance of new shares are intended to realize our growth vision amid the changing business environment, to achieve sustainable growth and to enhance our corporate value over the medium to long term. The funds raised this time will be used as M&A standby funds and will be applied to M&A that contributes to the expansion of our group's business.
In addition, as a side effect of this fundraising, it is expected to increase the Company's equity, thereby creating more borrowing capacity, which will enhance the Company's mobility and propulsion for future M&A projects.

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing that the Company has resolved matters relating to the issuance of new shares, the secondary offering of its shares and the issuance of new shares by way of third-party allotment, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.
This press release does not constitute an offer of investment in nor solicitation for purchase securities within the United States or elsewhere. The securities referred to in this press release have not been, and will not, registered under the U.S. Securities Act of 1933 or any relevant securities law of any state. The securities may not be offered or sold in the United States absent registration or an exemption from registration requirements under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.

1. Issuance of New Shares by way of Public Offering (the "Primary Offering")

(1)	Class and Number of Shares to be Offered	17,000,000 shares of common share of the Company
(2)	Method of Determination of the Amount to be Paid	The amount to be paid shall be determined on the date of determination of the issue price, etc. (which shall be a day falling in the period from Wednesday, August 28, 2024 to Tuesday, September 3, 2024) (the "Pricing Date") pursuant to Article 25 of the Rules Concerning Underwriting, etc. of Securities provided by the Japan Securities Dealers Association (the "JSDA").
(3)	Amount of Share Capital and Share Capital Reserve to be Increased	The amount of share capital to be increased shall be half of the maximum amount of share capital to be increased, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of the share capital reserve shall be the amount obtained by subtracting the amount of share capital to be increased from the maximum amount of share capital to be increased.
(4)	Method of Offering	The offering will be a public offering in Japan. All of the new shares shall be purchased for sale by the underwriting syndicate（the "Underwriters"）. The issue price (offer price) with regard to the Primary Offering shall be determined based on the provisional range calculated by multiplying the closing price in regular trading of shares of common share of the Company on the Tokyo Stock Exchange on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by between 0.90 and 1.00 (amounts of less than 0.5 yen are rounded down to the nearest 0.5 yen), in accordance with Article 25 of the Rules Concerning Underwriting, etc. of Securities provided by the JSDA, taking into market demand and other conditions.
(5)	Payment Date	The payment date shall be a day falling in the period from Wednesday, September 4, 2024 to Monday, September 9, 2024. However, if the Pricing Date is Wednesday, August 28, 2024 or Thursday, August 29, 2024, it will be Wednesday, September 4, 2024, if the Pricing Date is Friday, August 30, 2024, it will be Thursday, September 5, 2024, if the Pricing Date is Monday, September 2, 2024, it will be Friday, September 6, 2024, or if the Pricing Date is Tuesday, September 3, 2024, it will be Monday, September 9, 2024.

(6) The amount to be paid in, the amount of share capital and share capital reserve to be increased, and any other matters necessary for the issuance of new shares shall be determined at the discretion of Kohei Nojiri, President and Representative Director.

(7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan ("FIEA").

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This press release does not constitute an offer of investment in nor solicitation for purchase securities within the United States or elsewhere. The securities referred to in this press release have not been, and will not, registered under the U.S. Securities Act of 1933 or any relevant securities law of any state. The securities may not be offered or sold in the United States absent registration or an exemption from registration requirements under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.

２．Secondary Offering of Shares of the Company by way of Over Allotment (the “Secondary Offering”)

(1)	Class and Number of Shares to be Sold	2,550,000 shares of common share of the Company The number of shares set out above is the maximum number of shares which may be sold. The above number may be decrease, or the Secondary Offering may be cancelled in its entirely, depending on market demand and other conditions. The number of shares to be sold shall be determined on the Pricing Date, taking into account market demand and other conditions.
(2)	Seller	The lead manager
(3)	Selling Price	Undetermined. (The selling price shall be determined on the Pricing Date; provided, however, that such selling price shall be the same as the issue price (offer price) in the Primary Offering.)
(4)	Method of Secondary Offering	Taking into account market demand and other conditions for the Primary Offering, the lead manager will undertake a Secondary Offering of shares of common share of the Company (up to 2,550,000 shares) borrowed from certain shareholder(s) of the Company.
(5)	Delivery Date	The delivery date shall be the next business day after the payment date in respect of the Primary Offering.

(6) The selling price and any other matters necessary for the Secondary Offering shall be determined at the discretion of Kohei Nojiri, President and Representative Director.

(7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the FIEA.

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３．Issuance of New Shares by way of Third-Party Allotment

(1)	Class and Number of Shares to be Offered	2,550,000 shares of common share of the Company
(2)	Method of Determination for the Amount to be Paid	The amount to be paid shall be determined on the Pricing date; provided, however, that such amount to be paid shall be the same as the amount to be paid in respect of the Primary Offering.
(3)	Amount of Share Capital and Share Capital Reserve to be Increased	The amount of share capital to be increased shall be half of the maximum amount of share capital to be increased, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of the share capital reserve shall be the amount obtained by subtracting the amount of share capital to be increased from the maximum amount of share capital to be increased.
(4)	Allottee	The lead manager
(5)	Payment Date	Thursday, September 26, 2024

(6) Shares not subscribed within the subscription period shall not be issued.

(7) The amount to be paid in, the amount of share capital and share capital reserve to be increased, and any other matters necessary for the issuance of new shares by way of third-party allotment shall be determined at the discretion of Kohei Nojiri, President and Representative Director.

(8) Each item above shall be subject to the effectiveness of the securities registration statement filed under the FIEA.

Use of Proceeds

The entire amount of the total estimated proceeds from the Primary Offering and the third-party allotment, up to 36,724,354,250 yen, will be used as standby funds for M&A and will be applied to M&A that contributes to the expansion of our group's business by the end of September, 2026.
At this time, no specific details or amount of M&A have been determined. If any unappropriated amount arises by the end of September 2026, it will be used to repay the borrowings by the end of March 2027.
Until the specific time of appropriation, the funds will be properly managed in a bank account in the Company's name.

End

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