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For Immediate Release

Company name: INFRONEER Holdings Inc.
Representative: Kazunari Kibe, Representative Executive Officer and President
(Stock code:5076, TSE Prime market)
Inquiries: Kazutaka Deguchi, General Manager of Financial Strategy
(TEL +81-3-6380-8253)

Notice Regarding Determination of Annual Dividend Rate of Series 1 Bond-Type Class Shares

INFRONEER Holdings Inc. (hereinafter the "Company") hereby announces that the Representative Executive Officer today determined the Annual Dividend Rate of the Preferred Dividend to Series 1 Bond-Type Class Shares in connection with the issuance of the Series 1 Bond-Type Class Shares that was resolved at the Board of Directors held on June 25, 2024 (the "Offering") pursuant to the delegation by the resolution thereat.

1. Annual Dividend Rate
 - (i) If the record date falls in a fiscal year ending on or before March 31, 2030:

2.600% per annum (*)
 - (ii) If the record date falls in a fiscal year ending on or after April 1, 2030:

The interest rate of One-Year Japanese government bonds (JGBs) as of two business days before the last day of the immediately preceding fiscal year, plus 3.022%
 - (*) The amount of the Preferred Dividend to Series 1 Bond-Type Class Shares with a record date of March 31, 2025 will be 86.72 yen; provided, however, that if the Interim Preferred Dividend to Series 1 Bond-Type Class Shares with a record date of September 30, 2024 will be paid, the amount of the Interim Preferred Dividend (21.72 yen) will be deducted from such amount.
2. Subscription Period From Tuesday, July 16, 2024 to Wednesday, July 31, 2024

(Reference)

I. Outline of Issuance of Series 1 Bond-Type Class Shares

Changes from those set forth in “Notice Regarding Issuance of Series 1 Bond-Type Class Shares (Green Bond-Type Class Shares) and Reduction of Share Capital and Additional Paid-in Capital - I. Outline of Issuance of Series 1 Bond-Type Class Shares by Public Offering” as of June 25, 2024 are underlined.

1.	Class and Number of Shares for Subscription	Series 1 Bond-Type Class Shares of INFRONEER Holdings Inc. (the “Series 1 Bond-Type Class Shares”): 20,000,000 shares
2.	Aggregate Amount of Issue Price (Offer Price)	100,000,000,000 yen (5,000 yen per share)
3.	Amount to be Paid in	4,875 yen per share
4.	Amount of Increase in Share Capital and Additional Paid-in Capital (**)	Amount of increase in share capital 48,750,000,000 yen (2,437.5 yen per share) Amount of increase in additional paid-in capital 48,750,000,000 yen (2,437.5 yen per share)
		(**) The Company has passed a resolution on June 25, 2024 to reduce its share capital and additional paid-in capital, by the amount of the increase in share capital and additional paid-in capital due to the issuance of the Series 1 Bond-Type Class Shares through the Offering, as of the Payment Date, on the condition that the Offering successfully closes, and to transfer the full amount of both to “other capital surplus.”
5.	Offering Method	Public offering in Japan (the “Public Offering”) with firm commitment underwriting of all shares by the Japanese underwriters.
6.	Consideration of Underwriters	The Company will not pay any underwriting commission to the underwriters, although the aggregate amount of the difference between the Issue Price (Offer Price) and the amount to be paid to the Company by the underwriters shall constitute proceeds to the underwriters.
7.	Subscription Period	From <u>Tuesday, July 16, 2024</u> to Wednesday, July 31, 2024
8.	Payment Date	Thursday, August 1, 2024
9.	Share Unit for Subscription	100 shares

10. Preferred Dividends

(1) Preferred Dividends

When the Company declares a dividend of surplus with March 31 as the record date, the Company shall pay in cash to holders of the Series 1 Bond-Type Class Shares entered or registered in the last shareholder register as of the record date of that dividend, in preference to the Common Shareholders, in the amount per Series 1 Bond-Type Class Share equal to the product of equivalent of the issue price per share of the Series 1 Bond-Type Class Shares multiplied by the annual dividend rate specified in the following subsection (not more than 10%; the "Annual Dividend Rate")(a "Preferred Dividend to Series 1 Bond-Type Class Shares").

(2) Annual Dividend Rate

(i) If the record date falls in a fiscal year ending on or before March 31, 2030:

2.600%

(ii) If the record date falls in a fiscal year ending on or after April 1, 2030:

The interest rate of One-Year Japanese government bonds (JGBs) as of two business days before the last day of the immediately preceding fiscal year, plus 3.022%

(3) Accumulation

If the amount of dividends of surplus actually paid to the holders of the Series 1 Bond-Type Class Shares per Series 1 Bond-Type Class Share in a given fiscal year in which the record date falls is less than the amount of the Preferred Dividend to Series 1 Bond-Type Class Shares for that fiscal year, that shortfall amount shall accumulate in subsequent fiscal years by a simple interest calculation (the accumulated shortfall, the "Accumulated Dividends Payable to Series 1 Bond-Type Class Shares"). The Company shall pay dividends of surplus to the holders of the Series 1 Bond-Type Class Shares until such payment reaches the amount of the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares, in preference to any dividends of surplus provided for in the subsection (1) of this section or the following section.

(4) Non-Participation

No dividends of surplus shall be paid to the holders of the Series 1 Bond-Type Class Shares in excess of the total of the Preferred Dividend to the

Series 1 Bond-Type Class Shares and the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares.

11. Interim Preferred Dividend
- When the Company declares a dividend of surplus with a record date of September 30 (an "Interim Dividend Record Date"), the Company shall pay in cash to the holders of the Series 1 Bond-Type Class Shares entered or registered in the last shareholder register as of the Interim Dividend Record Date, in preference to the Common Shareholders, in the amount per Series 1 Bond-Type Class Share equal to one-half of the Preferred Dividend to the Series 1 Bond-Type Class Shares.
12. Distribution of Residual Assets (1)
- Distribution of Residual Assets
- When the Company makes a distribution of residual assets, the Company shall pay in cash to the holders of the Series 1 Bond-Type Class Shares in preference to the Common Shareholders, in the amount per Series 1 Bond-Type Class Share equal to the sum of the equivalent of the issue price per Series 1 Bond-Type Class Share plus the total of the Accumulated Dividends Payable to Series 1 Bond-Type Class Shares and the Accrued Dividend (defined below) as of the date of the distribution of residual assets (the "Distribution Date").
- "Accrued Dividend" means the amount obtained by multiplying the amount of the Preferred Dividend to Series 1 Bond-Type Class Shares for which the record date falls within that fiscal year by the number of days in the period beginning from (inclusive) the first day of the fiscal year in which the Distribution Date falls and ending on (inclusive) the Distribution Date, and then dividing such amount by the number of the days in the fiscal year.
- (2) Non-Participation
- No distribution of residual assets shall be made to the holders of the Series 1 Bond-Type Class Shares other than the distribution provided for in the preceding subsection.
13. Order of Priority
- Distributions of preferred dividends, interim preferred dividends and residual assets payable to Series 1 Bond-Type Class Shares through Series 6 Bond-Type Class Shares are ranked *pari passu*.
14. Voting Rights
- The holders of the Series 1 Bond-Type Class Shares cannot exercise voting rights at the General Meeting of Shareholders with respect to any matter.

15. Resolutions of General Meeting of Class Shareholders (1) Unless otherwise provided by law, ordinance or the Articles of Incorporation, the resolutions of a General Meeting of Class Shareholders shall be adopted by a majority of the voting rights represented by the shareholders present who are entitled to exercise voting rights.
- (2) The resolutions provided for in Article 324, Paragraph 2 of the Companies Act shall be adopted by no less than two-thirds of the voting rights of shareholders present at the meeting whereby shareholders representing no less than one-third of the voting rights of shareholders who are entitled to exercise voting rights are present.
- (3) No resolution of a General Meeting of Class Shareholders comprising the holders of the Series 1 Bond-Type Class Shares is required for the Company to conduct any of the acts provided for in the items of Article 322, Paragraph 1 of the Companies Act, unless otherwise provided by law or ordinance.
- (4) If the Company performs any of the following acts and there is any likelihood of causing damage to the holders of the Series 1 Bond-Type Class Shares, that act shall not take effect without a resolution of the General Meeting of Class Shareholders comprising the holders of the Series 1 Bond-Type Class Shares, in addition to a resolution of the General Meeting of Shareholders or the Board of Directors, unless there are no holders of the Series 1 Bond-Type Class Shares who would be able to vote at that General Meeting of Class Shareholders:
- (a) a merger in which the Company will be the disappearing company or a share exchange or share transfer in which the Company will be the wholly-owned subsidiary (except for a sole-share transfer conducted by the Company); or
- (b) an approval by the Board of Directors of a demand for a cash-out by a Special Controlling Shareholder against the other shareholders of the Company.
16. Acquisition (Acquisition by the Company in Exchange for Cash) (1) Acquisition in Exchange for Cash
- If either of the events specified in (a) or (b) below occurs, the Company may acquire all or part of the Series 1 Bond-Type Class Shares as of the acquisition date separately determined by a resolution of the Board of Directors or a determination of an executive officer to whom the authority to make such determination has been delegated by a resolution of the Board of Directors:

(a) five years have passed from and including the Payment Date (i.e., on or after August 1, 2029); or

(b) a capitalization event has occurred and exists.

(2) Replacement Restrictions

If the Company acquires the Series 1 Bond-Type Class Shares in exchange for cash in accordance with the call option under this section or repurchases Series 1 Bond-Type Class Shares (together with an acquisition in exchange for cash, the "Acquisition for Monetary Consideration"), the Company shall not conduct that Acquisition for Monetary Consideration unless the Company funds the amount required for the Acquisition for Monetary Consideration with the issuance or disposition of replacement securities or borrowing with equal or greater equity credit at least 12 months prior to the date of that Acquisition for Monetary Consideration.

(3) Method of Acquisition

In the case of an acquisition in accordance with the call option under this section, the Company shall notify or announce the date of acquisition to the holders of the Series 1 Bond-Type Class Shares at least one month before the date of acquisition.

17. Share Consolidation;
Share Split

(1) The Company shall not conduct any share consolidation or share split with respect to the Series 1 Bond-Type Class Shares, unless otherwise provided by law or ordinance.

(2) The Company shall not make any gratis allotment of shares or stock acquisition rights to the holders of the Series 1 Bond-Type Class Shares.

(3) The Company shall not grant to the holders of the Series 1 Bond-Type Class Shares any right to receive allotment of shares offered for subscription or stock acquisition rights offered for subscription.

(4) If the Company conducts a share transfer (limited to a sole-share transfer conducted by the Company), the Company shall deliver to the Common Shareholders shares issued by the wholly-owning parent company to be incorporated in the share transfer that are of the same class as the Common Shares of the Company in exchange for the Common Shares, and deliver to the holders of the Series 1 Bond-Type Class Shares issued by the wholly-owning parent company to be incorporated in the share transfer that are of the same class as the Series 1 Bond-Type Class Shares in exchange for the Series 1 Bond-Type Class Shares, in the same ownership ratio respectively.

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| 18. | Absence of Seller Put Options When the Company Repurchases Series 1 Bond-Type Class Shares | If the Company decides to repurchase all or part of the Series 1 Bond-Type Class Shares held by a specific holder of the Series 1 Bond-Type Class Shares under an agreement with such holder pursuant to a resolution of the General Meeting of Shareholders, other holders of the Series 1 Bond-Type Class Shares shall not be entitled to participate in the sale of the Series 1 Bond-Type Class Shares they hold. |
| 19. | Listing | The Series 1 Bond-Type Class Shares are to be listed on the Prime Market of the Tokyo Stock Exchange. |
| 20. | Applicability of the Act on Book-Entry Transfer of Corporate Bonds and Shares, etc. | All of the Series 1 Bond-Type Class Shares are subject to the book-entry transfer system of Japan. |

II. Use of Proceeds

The full amount of the approximate net proceeds of 97,000,000,000 yen from the Offering will be used by the end of August 2024 to refinance a part of the loan of 218.4 billion yen borrowed from financial institutions in connection with the acquisition of shares of Japan Wind Development Co., Ltd. Such use of proceeds constitutes refinancing for eligible projects as defined in the Company's Green Finance Framework, which was updated in March 2024.

This press release is intended to announce certain information regarding the issuance of the Series 1 Bond-Type Class Shares and has not been prepared for the purpose of soliciting investments or other conduct of similar nature whether in Japan, the United States, or elsewhere. This press release does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities referred to in this press release have not been, and will not be, registered under the United States Securities Act of 1933, as amended (hereinafter 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.