



November 20, 2023

GS Yuasa Corporation
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Notice Regarding Issuance of New Shares by way of Public Offering and Third-Party Allotment and Secondary Offering of Shares

GS Yuasa Corporation (Tokyo Stock Exchange: 6674 “the Company”) announces today that its Board of Directors passed a resolution dated November 20, 2023 on issuance of new shares by way of public offering and third-party allotment and a secondary offering of shares of the Company.

1. Issuance of New Shares by way of Public Offering (public offering)

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| (1) Class and Number of Shares to be Offered | 15,219,400 shares of common stock of the Company |
| (2) Method of Determination of the Amount to be Paid | The amount to be paid will be determined on a date falling in the period from November 29, 2023 (Wednesday) to December 5, 2023 (Tuesday) (the “Pricing Date”) in accordance with the method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities provided by the Japan Securities Dealers Association (the “JSDA”). |
| (3) Amount of Capital and Capital Reserve to be Increased | The amount of capital to be increased shall be half of the maximum amount of capital to be increased, in accordance with Article 14, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one yen resulting from the calculation shall be rounded up to the nearest yen. The amount of capital reserve to be increased shall be the amount obtained by subtracting the amount of capital to be increased from the maximum amount of capital to be increased. |
| (4) Method of Offering | The offering will be a public offering. All of the new shares shall be purchased for sale by the underwriting syndicate led by the underwriters designated as joint lead managers (the “Underwriters”). |

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The issue price of the public offering (offer price) shall be determined based on the tentative price range calculated by multiplying the closing price in regular trading of share of common stock 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 0.90 – 1.00 (if closing price is over 3,000 yen, any fraction less than one yen shall be rounded down to the nearest one yen, and if closing price is less than or equal to 3,000 yen, any fraction less than 0.5 yen shall be 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 account market demand and other conditions.

A portion of the publicly offered new shares may be sold to overseas investors in overseas markets, mainly in Europe and Asia (excluding the United States and Canada).

- (5) Payment Date The payment date shall be a day between December 5, 2023 (Tuesday) and December 11, 2023 (Monday), provided, however, the payment date shall be the date four business days after the Pricing Date.
- (6) The amount to be paid, the amount of increase in capital stock and capital reserve and any other matters necessary for the issuance of new shares by way of public offering shall be determined at the discretion of Osamu Murao, President and Representative Director or Hiroaki Matsushima, 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.

2. Issuance of New Shares by way of Third-Party Allotment that Sets Honda Motor Co., Ltd. as an Allottee

- (1) Class and Number of Shares to be Offered 2,497,700 shares of common stock of the Company
- (2) Method of Determination of the Amount to be Paid The amount to be paid will be determined on the Pricing Date. Such amount to be paid shall be the same as the issue price (offer price) with respect to the public offering.
- (3) Amount of Capital and Capital Reserve to be Increased The amount of capital to be increased shall be half of the maximum amount of capital to be increased, in accordance with Article 14, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one yen resulting from the calculation shall be rounded up to the nearest yen. The amount of capital reserve to be increased shall be the

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- amount obtained by subtracting the amount of capital to be increased from the maximum amount of capital to be increased.
- (4) Allottee Honda Motor Co., Ltd.
 - (5) Payment Date The payment date shall be a day between December 5, 2023 (Tuesday) and December 11, 2023 (Monday), provided, however, the payment date shall be the date four business days after the Pricing Date and the same as the public offering.
 - (6) The amount to be paid, the amount of increase in capital stock and capital reserve and any other matters necessary for the issuance of new shares by way of third-party allotment that sets Honda Motor Co., Ltd. as an allottee shall be determined at the discretion of Osamu Murao, President and Representative Director or Hiroaki Matsushima, 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.
 - (8) If the public offering is cancelled, the issuance of new shares by way of third-party allotment that sets Honda Motor Co., Ltd. as an allottee shall also be cancelled.

3. Secondary Offering of Shares by way of Overallotment (see “<Reference> 1.” below)

- (1) Class and Number of Shares to be Sold 2,282,900 shares of common stock of the Company
The number of shares above is the maximum number of shares to be sold, and the actual number of shares to be sold may decrease, or the secondary offering by way of overallotment itself may be cancelled, subject to market demand and other conditions. The number of shares to be sold shall be determined on the Pricing Date after consideration of the market demand and other conditions.
- (2) Seller The designated lead manager
- (3) Selling Price Undetermined (the selling price shall be determined on the Pricing Date; provided, however, such selling price shall be the same as the issue price (offer price) in the public offering)
- (4) Method of secondary Offering After consideration of the market demand and other conditions for the public offering, the designated lead manager will offer the shares of common stock of the Company, which are borrowed from shareholders of the Company (the maximum number being 2,282,900 shares).
- (5) Delivery Date The delivery date shall be the business day immediately following the payment day in the public offering.
- (6) The selling price and any other matters necessary for the secondary offering by way of overallotment shall be determined at the discretion of Osamu Murao, President and

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Representative Director or Hiroaki Matsushima, 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.
- (8) If the public offering is cancelled, the secondary offering of shares by way of overallotment shall also be cancelled.

4. Issuance of New Shares by way of Third-Party Allotment that Sets the Designated Lead Manager as an Allottee (see “<Reference> 1.” below)

- (1) Class and Number of Shares to be Offered 2,282,900 shares of common stock of the Company
- (2) Method of Determination of the Amount to be Paid The amount to be paid will be determined on the Pricing Date. The amount to be paid shall be the same as the amount to be paid for the public offering.
- (3) Amount of Capital and Capital Reserve to be Increased The amount of capital to be increased shall be half of the maximum amount of capital to be increased, in accordance with Article 14, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one yen resulting from the calculation shall be rounded up to the nearest yen. The amount of capital reserve to be increased shall be the amount obtained by subtracting the amount of capital to be increased from the maximum amount of capital to be increased.
- (4) Allottee The designated lead manager
- (5) Payment Date December 28, 2023 (Thursday)
- (6) Shares not subscribed within the subscription period shall not be issued.
- (7) The amount to be paid, the amount of increase in capital stock and capital reserve and any other matters necessary for the issuance of new shares by way of third-party allotment that sets the designated lead manager as an allottee shall be determined at the discretion of Osamu Murao, President and Representative Director or Hiroaki Matsushima, Director.
- (8) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.
- (9) If the public offering is cancelled, the issuance of new shares by way of third-party allotment that sets the designated lead manager as an allottee shall also be cancelled.

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<Reference>

1. Secondary offering by way of overallotment

The secondary offering by way of overallotment described in “3. Secondary Offering of Shares by way of Overallotment” is a secondary offering to be conducted after considering market demand and other conditions upon making the issuance of new shares described in “1. Issuance of New Shares by way of Public Offering (public offering)” with a maximum of 2,282,900 shares of common stock of the Company that the designated lead manager of the public offering and the secondary offering, will borrow from shareholders of the Company. The number of shares to be sold in the secondary offering by way of overallotment is expected to be 2,282,900 shares, which is the maximum number of shares that can be sold; however, depending on market demand and other conditions, such number may be decreased or the secondary offering by way of overallotment itself may be cancelled.

In relation to the secondary offering by way of overallotment, in order to have the designated lead manager acquire the shares to return to shareholders borrowed from shareholders (the “Borrowed shares”), the Company has decided to conduct a third-party allotment of 2,282,900 shares of common stock of the Company to the designated lead manager through third-party allotment that sets the designated lead manager as an allottee with payment date on December 28, 2023 (Thursday), by a resolution of the Board of Directors dated November 20, 2023 (Monday).

Furthermore, the designated lead manager may also purchase shares of common stock of the Company on the Tokyo Stock Exchange in a quantity of up to the number of shares to be sold in the secondary offering by way of overallotment for the purpose of returning the Borrowed shares (such transactions, the “Syndicate cover transactions”), during the period beginning on the day immediately following the last day of the subscription period for the public offering and the secondary offering by way of overallotment and ending on December 22, 2023 (Friday) (the “Syndicate cover transaction period”). All shares of common stock of the Company purchased by the designated lead manager through syndicate cover transaction will be used to return the Borrowed shares. It should be noted that, during the syndicate cover transaction period, the designated lead manager may decide not to conduct any syndicate cover transactions or may terminate any syndicate cover transactions before the number of shares purchased reaches the number of shares to be sold in the secondary offering by way of overallotment.

Also, the designated lead manager may conduct market stabilization transactions associated with both the public offering and the secondary offering by way of overallotment, and may use all or part of the shares of common stock of the Company purchased through the stabilization transactions to return the Borrowed shares.

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The designated lead manager plans to acquire the number of shares from the Company after subtracting the number of shares to be used to return the Borrowed shares acquired from stabilization and syndicate cover transactions from the number of shares in the secondary offering by way of overallotment, in response to the allotment through the third-party allotment that sets the designated lead manager as an allottee. Therefore, subscription may not be made for all or part of the number of shares to be issued in the third-party allotment that sets the designated lead manager as an allottee, and as a result the number of shares to be issued may be decreased to the limit, or the shares may not be issued at all.

If the designated lead manager accepts the allotment through the third-party allotment that sets the designated lead manager as an allottee, the designated lead manager will make payment for the number of shares to acquire, using the funds from the secondary offering by way of overallotment.

2. Use of Proceeds

Use of proceeds from the offering

With respect to the maximum net approximate total amount of JPY 47,162,966,688 from the public offering, the third-party allotment that sets Honda Motor Co., Ltd. as an allottee and the third-party allotment that sets the designated lead manager as an allottee, the Company intends to allocate the funds to investment towards further growth in business through investments and loans to consolidated subsidiaries or equity-method affiliates. Furthermore, proceeds will be held and managed in stable financial assets such as bank deposits of the Company's group until actual expenditures. Given such background, specific use of the proceeds from the offering is as follows:

- (1) Capital expenditure in new plant for manufacturing Lithium-ion Batteries (LiBs) for Battery Electric Vehicle (BEVs)
GS Yuasa International Ltd., Blue Energy Co., Ltd. and Honda Motor Co., Ltd., as business partners, are planning the project of approximately JPY 434.1 billion which includes R&D for high-capacity and high-output storage batteries, manufacturing technology development for mass-production and implementation of mass-production investment, which has been certified by Ministry of Economy, Trade and Industry (METI) on April 28, 2023 as "Overview of Supply Assurance Plan". Under the project, GS Yuasa International Ltd., Blue Energy Co., Ltd. and Honda Motor Co., Ltd. will be allocated JPY 30 billion to capital expenditure in LiBs manufacturing plant for BEVs and Energy Storage Systems (ESS) throughout the period of the Sixth Mid-Term Management Plan (FY2023-FY2025) (by the end of March 2026).
- (2) R&D investment in development of high-capacity and high-output LiBs and Next-gen Batteries.

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The Company intends to allocate JPY 10 billion to R&D investment in LiBs of “Honda・GS Yuasa EV Battery R&D Co., Ltd.”, a joint venture with Honda Motor Co., Ltd. and started its business activities on August 1, 2023, and for Next-gen Batteries of the Company (by the end of March 2027).

(3) Capital expenditure in facility expansion of plant for manufacturing LiBs for Hybrid Electric Vehicle (HEVs)

The Company intends to allocate the remaining balance of proceeds to the plan of enhancing production capacity of LiBs for HEVs at Blue Energy Co., Ltd. (by the end of March 2025).

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