



October 7, 2024

To All Stakeholders:

Company Representative	USS Co., Ltd. Yukihiro Ando Chairman and Representative Director
Stock Code	4732
Listing	Prime Market, Tokyo Stock Exchange Premier Market, Nagoya Stock Exchange
Contact	Masafumi Yamanaka Executive Vice President, Officer, Supervisory Office (Tel +81-52-689-1129)

Notice Regarding the Secondary Offering of Shares

USS Co., Ltd. (the “Company”) announces that it has approved the implementation of a secondary offering of shares of common stock of the Company as set out below (the “Secondary Offering”) at a meeting of the Board of Directors held on October 7, 2024.

1. Secondary Offering of Shares by way of Purchase and Underwriting by Underwriters

- | | | |
|-----|--|---|
| (1) | Class and Number of Shares to be Offered | 14,608,700 shares of common stock of the Company |
| (2) | Selling Shareholder | The Nomura Trust and Banking Co., Ltd. (Retirement Benefit Trust Account for MUFG Bank, Ltd.) |
| (3) | Selling Price | Undetermined. The selling price will be determined on one of the days between Wednesday, October 16, 2024, and Tuesday, October 22, 2024 (the “Pricing Date”), following the method stipulated in Article 25 of the Rules Concerning Underwriting, etc., of Securities set by the Japan Securities Dealers Association. The selling price will be determined based on the provisional selling price calculated by the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange on the Pricing Date (if there is no closing price on that day, the most recent closing price prior to that day will be used), multiplied by a factor of 0.90 to 1.00 (if this price is 1,000 yen or less, fractions less than 0.1 yen will be rounded down, and if it exceeds 1,000 yen but is 3,000 yen or less, fractions less than 0.5 yen will be rounded down), and by taking into account the demand status and other factors. |
| (4) | Method of Secondary | Underwriters will purchase and underwrite all the shares and then sell them |

Note: This document does not constitute part of any solicitation of investment for any securities. This document is a press release to publicly announce the secondary offering of our common stock and has not been prepared for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.

When making an investment, investors are advised to do so based on their sole judgement and responsibility after reviewing the Japanese prospectus and any amendments (if prepared) prepared by the Company.

In addition, this press release does not constitute any offer or sale of securities in the United States. The securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). Under the Securities Act, any 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.

Offering by way of a secondary offering. The consideration for the underwriters in the Secondary Offering will be the total amount obtained by subtracting the purchase price the underwriters pay to the selling shareholder from the selling price.

A part of the shares may be sold to overseas investors, primarily in European and Asian markets (excluding the United States and Canada).

- (5) Delivery Date The fifth business day following the Pricing Date.
- (6) Deposit for Application The same amount as the selling price per share.
- (7) Unit for Application 100 shares
- (8) Authority for approval of the selling price and other necessary matters related to the Secondary Offering by way of purchase and underwriting by underwriters shall be delegated to Chairman and Representative Director, Yoshihiro Ando.

2. Secondary Offering of Shares by way of Over-Allotment (please refer to <Reference> 2. below)

- (1) Class and Number of Shares to be Offered 2,191,300 shares of common stock of the Company.

The number of shares above is the maximum number of shares and may decrease or the over-allotment itself may not be conducted depending on demand and other factors. The number of shares to be offered will be determined on the Pricing Date taking into account the demand status and other factors.
- (2) Selling Price Undetermined. The selling price will be the same as the selling price in the Secondary Offering by way of purchase and underwriting by underwriters.
- (3) Method of Secondary Offering In connection with the Secondary Offering by way of purchase and underwriting by the underwriters, taking into account the demand situation and other factors, the designated lead manager will conduct the secondary offering of up to 2,191,300 shares of our common stock borrowed from our shareholders.
- (4) Delivery Date Same as the delivery date for the Secondary Offering by way of purchase and underwriting by underwriters.
- (5) Deposit for Application The same amount as the selling price per share.
- (6) Units for Application 100 shares

Note: This document does not constitute part of any solicitation of investment for any securities. This document is a press release to publicly announce the secondary offering of our common stock and has not been prepared for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. When making an investment, investors are advised to do so based on their sole judgement and responsibility after reviewing the Japanese prospectus and any amendments (if prepared) prepared by the Company. In addition, this press release does not constitute any offer or sale of securities in the United States. The securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). Under the Securities Act, any 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.

- (7) Authority for approval of the selling price and other necessary matters related to the Secondary Offering by over allotment shall be delegated to Chairman and Representative Director, Yoshihiro Ando.

<Reference>

1. Purpose of the Share Offering

In Japanese companies, there is a growing trend to reassess policy shareholdings in light of initiatives such as the Corporate Governance Code. Recently, one of our shareholder financial institutions indicated its intention to sell its shares in the Company. To facilitate the smooth sale of these shares held by the shareholder, we will proceed with the Secondary Offering. Through the Secondary Offering, we aim to expand and diversify our shareholder base and improve the medium- to long-term liquidity of our shares.

2. Secondary Offering by way of Over-Allotment, etc.

The Secondary Offering by way of over-allotment is a secondary offering of shares to be conducted as part of the Secondary Offering by way of purchase and underwriting by the underwriters, selling up to 2,191,300 shares of our common stock borrowed by the designated lead manager from our shareholder, taking into account the demand situation and other factors. The number of shares scheduled for sale by way of over-allotment is 2,191,300 shares, which is the upper limit of the shares to be sold. However, the actual number may decrease depending on the demand situation, and in some cases, the over-allotment sales may not take place at all.

If the Secondary Offering by way of over-allotment is conducted, the designated lead manager will be granted a right (the “Greenshoe Option”) by our shareholder to acquire additional shares of our common stock, up to the number of shares sold by way of over-allotment, separately from the shares subject to the Secondary Offering by way of purchase and underwriting by underwriters. The Greenshoe Option can be exercised from the delivery date with respect to the Secondary Offering by way of purchase and underwriting by underwriters and over-allotment until Friday, November 15, 2024.

Furthermore, from the day following the end of the application period for the Secondary Offering by way of purchase and underwriting by underwriters and over-allotment through to Friday, November 15, 2024 (the “Syndicate Cover Transaction Period”), the designated lead manager may engage in syndicate cover transactions on the Tokyo Stock Exchange to purchase shares of our common stock, up to the number of shares sold through over-allotment for the purpose of returning the borrowed shares (the “Borrowed Shares”) to the shareholder referred to above. All shares of our common stock acquired by way of these syndicate cover transactions will be used to return the Borrowed Shares. Additionally, the designated lead manager may decide, at its discretion, not to conduct any syndicate cover transactions during the Syndicate Cover Transaction Period or to terminate the transactions with a number of shares less than the number of shares sold by way of over-allotment.

Moreover, the designated lead manager may engage in stabilizing transactions in connection with the Secondary Offering by way of purchase and underwriting by underwriters and over-allotment and use all or

Note: This document does not constitute part of any solicitation of investment for any securities. This document is a press release to publicly announce the secondary offering of our common stock and has not been prepared for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.

When making an investment, investors are advised to do so based on their sole judgement and responsibility after reviewing the Japanese prospectus and any amendments (if prepared) prepared by the Company.

In addition, this press release does not constitute any offer or sale of securities in the United States. The securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). Under the Securities Act, any 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.

part of the shares purchased through these stabilizing transactions to return the Borrowed Shares.

Any remaining Borrowed Shares after allocation through syndicate cover transactions and stabilizing transactions will be returned by the designated lead manager exercising the Greenshoe Option.

Whether the Secondary Offering by way of over-allotment will be conducted and the number of shares to be sold in the Secondary Offering by way of such over-allotment will be determined on the Pricing Date. If the Secondary Offering by way of over-allotment is not conducted, the designated lead manager will not borrow our common stock from the shareholder, the shareholder will not grant the Greenshoe Option to the designated lead manager and no syndicate cover transactions will be conducted on the Tokyo Stock Exchange.

Regarding syndicate cover transactions and stabilizing transactions, the designated lead manager will conduct these in consultation with other underwriters.

3. Lock-Up

In connection with the Secondary Offering by way of purchase and underwriting by underwriters, MUFG Bank, Ltd., as a shareholder, has agreed with the joint lead managers that during the period starting on the Pricing Date and ending on the 180th day counting from the delivery date with respect to the Secondary Offering by way of purchase and underwriting by underwriters (the “Lock-Up Period”), it shall not sell or dispose of our common stock without prior written consent of the joint lead managers.

Additionally, the Company has agreed with the joint lead managers that during the Lock-Up Period, it shall not issue or dispose of our common stock, issue securities that can be converted into or exchanged for our common stock, or issue securities representing rights to acquire or receive our common stock without prior written consent of the joint lead managers. This agreement excludes the issuance of our common stock through stock splits and delivery of our common stock to our directors (excluding external directors) or executive officers under restricted stock compensation plans and performance-linked stock compensation plans.

Furthermore, in both cases above, the joint lead managers have the right to partially or fully waive the content of these agreements at their discretion, even during the Lock-Up Period.

END

Note: This document does not constitute part of any solicitation of investment for any securities. This document is a press release to publicly announce the secondary offering of our common stock and has not been prepared for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.

When making an investment, investors are advised to do so based on their sole judgement and responsibility after reviewing the Japanese prospectus and any amendments (if prepared) prepared by the Company.

In addition, this press release does not constitute any offer or sale of securities in the United States. The securities mentioned herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). Under the Securities Act, any 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.