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Notice Concerning Completion of Payment with respect to Issuance of New Shares through Third Party Allotment and Issuance of the 5th Series Stock Acquisition Rights in connection with the Loan with Stock Acquisition Rights through Third Party Allotment, and Completion of Payment with respect to Issuance of Preferred Stock by Consolidated Subsidiary

Leopalace 21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the “Company”) announces that, as of today, the payments with respect to the issuance of new shares of the Company through third party allotment (“Issuance of New Shares”), the issuance of the 5th series of stock acquisition rights in connection with the loan with stock acquisition rights (“Loan”) through third party allotment (“Issuance of Stock Acquisition Rights”), and the issuance of the Class A Preferred Stock by Leopalace Power Corporation, a wholly-owned subsidiary of the Company (“Issuance of Preferred Stock”, and together with the Issuance of New Shares, the Loan, and the Issuance of Stock Acquisition Rights, collectively, “Fundraising”), each of which was resolved at the meeting of the Board of Directors of the Company held on September 30, 2020, have been completed as follows.

For the details of the Fundraising, please see the “Notice Concerning Issuance of New Shares through Third Party Allotment and Issuance of the 5th Series Stock Acquisition Rights in connection with the Loan with Stock Acquisition Rights through Third Party Allotment, Issuance of Preferred Stock by Consolidated Subsidiary, and Expected Changes in Major Shareholders and the Largest Shareholder among the Major Shareholders” which the Company released on September 30, 2020 in Japanese and on October 1, 2020 in English and the “Notice Concerning Partial Correction on Issuance of New Shares through Third Party Allotment and Issuance of the 5th Series Stock Acquisition Rights in connection with the Loan with Stock Acquisition Rights through Third Party Allotment, Issuance of Preferred Stock by Consolidated Subsidiary, and Expected Changes in Major Shareholders and the Largest Shareholder among the Major Shareholders” which the Company released on October 2, 2020.

1. Outline of Fundraising

Outline of Issuance of New Shares

(1) Type and number of new shares issued	84,507,000 shares of common stock
(2) Issue price	142 yen per share
(3) Total issue price	11,999,994,000 yen
(4) Aggregate capitalization amount	5,999,997,000 yen
(5) Date of payment	November 2, 2020
(6) Method of allotment and allottee	All shares were allotted to Chidori Godo Kaisha, an affiliated entity of Fortress Investment Group LLC (“FIG”), through the third party allotment.

Outline of Issuance of Stock Acquisition Rights

(1) Date of allotment	November 2, 2020
(2) Total number of stock acquisition rights	159,748,700 units
(3) Issue price	215,660,745 yen (in total) (1.35 yen per unit of the stock acquisition rights)
(4) Number of dilutive shares resulting from the issuance	Number of dilutive shares : 159,748,700 shares
(5) Exercise price	142 yen
(6) Method of allotment and allottee	All units were allotted to Chidori Godo Kaisha, an affiliated entity of FIG, through the third party allotment.
(7) Exercise period for stock acquisition rights	From and including November 2, 2020 to and including November 2, 2025

Outline of Loan

(1) Borrower	Leopalace21 Corporation
(2) Lender	Kaede Godo Kaisha, an affiliated entity of FIG
(3) Principal amount of loan	30,000,000,000 yen
(4) Date of execution of agreement	September 30, 2020
(5) Loan drawdown date	November 2, 2020
(6) Maturity date	November 4, 2025

Outline of Issuance of Preferred Stock

(1) Issuer	Leopalace Power Corporation
(2) Type and number of new shares	750,000 shares of Class A Preferred Stock
(3) Issue price	20,000 yen per share
(4) Total issue price	15,000,000,000 yen
(5) Aggregate capitalization amount	7,500,000,000 yen
(6) Date of payment	November 2, 2020
(7) Method of allotment and allottee	All of the preferred stock were allotted to Kikyo Godo Kaisha and Willow Investment Holdings L.P., affiliated entities of FIG through the third-party allotment.

2. Total number of issued shares and amount of paid-in capital of the Company after the Issuance of New Shares*

Total number of issued shares of the Company before the Issuance of New Shares	244,882,515 shares (Amount of paid-in capital before the Issuance of New Shares: 75,282.36 million yen)
Number of shares issued in the Issuance of New Shares	84,507,000 shares
Total number of issued shares of the Company after the Issuance of New Shares	329,389,515 shares (Amount of paid-in capital after the Issuance of New Shares: 81,282.35 million yen)

*The 5th series of stock acquisition rights, which have not been exercised, are not taken into consideration in the above table.

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