

November 13, 2024

**Issuance of New Shares and Disposal of Treasury Stock, and
Secondary Offering of Shares**

The Kansai Electric Power Co., Inc. (Code: 9503)

6-16 Nakanoshima 3-chome, Kita-ku, Osaka

(URL <https://www.kepco.co.jp/>)

Company Representative: Nozomu Mori, Director, Representative Executive Officer, President

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The Kansai Electric Power Co., Inc. hereby announces that it has decided the following matters relating to an issuance of new shares and a disposal of treasury stock, and a secondary offering of its shares, in accordance with a decision made by the Director, Representative Executive Officer, President as of November 13, 2024, pursuant to a delegation of authority resolved by the Board of Directors at its meeting held on November 13, 2024.

Background and Purpose of the Finance

In March 2021, we formulated the Kansai Electric Power Group Purpose & Values as a new management philosophy. Under this philosophy we aim to achieve a sustainable society based on our raison d'être of "Serving and Shaping the Vital Platform for a Sustainable Society". In addition, we have positioned the "Zero Carbon Vision 2050" (announced in February 2021) and the "Kansai Electric Power Group Medium-Term Management Plan (2021-2025)" (announced in March 2021) as the concrete embodiment of the above raison d'être, and we are developing various initiatives.

Of these, the Medium-Term Management Plan sets out the three pillars of initiatives as "Seeking to Achieve Zero-Carbon Emission (EX: Energy Transformation)," "Transforming into a Service Provider (VX: Value Transformation)," and "Building a Robust Corporate Constitution (BX: Business Transformation)." We are steadily promoting and executing the various initiatives raised in the Medium-Term Management Plan. As a result, we have restarted all seven of our nuclear reactors and implemented cost structure reforms.

While our financial performance over the first three years of the Medium-Term Management Plan period exceeded our initial targets, the Power and Utilities market is undergoing fundamental changes. Electricity and electrification are the keys to the success of the AI revolution and achieving a carbon neutral society, and we believe that this presents an opportunity. We will engage in hyperscale data center business through CyrusOne KEP, a joint investment with US-based CyrusOne Inc. In addition, we will consider M&A opportunities in Energy, Information and Telecommunications, Real Estate business and/or overlapped business areas that can generate synergies.

The purpose of the new share issuance and disposal of treasury shares is for repowering and decarbonization of the power plants including nuclear power plants, and business expansion and/or sources of funds for M&A in Energy, Information and Telecommunications, Real Estate business, and/or overlapped business area that generates synergies such as hyperscale data center. In the medium to long term, the additional debt financing capacity thanks to this equity follow-on will further accelerate the growth investment to achieve energy transition in Japan. We will seize the opportunities

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in unprecedented technologies such as next-generation advanced reactors. We will share the benefit of these business growth with our shareholders and other stakeholders.

1. Issuance of New Shares through Public Offering (Public Offering)

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| (1) Class and number of shares to be offered | 148,286,600 shares of our common stock |
| (2) Method of determination of amount to be paid in | <p>The amount to be paid in will be determined on a day (the “Pricing Date”) in the period between November 26, 2024 (Tue) and November 29, 2024 (Fri) in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the Japan Securities Dealers Association (the “JSDA”).</p> <p>The amount of capital stock to be increased shall be half of the maximum amount of the capital stock increase, as calculated in accordance with Article 14, Paragraph 1 of the Regulations on Corporate Accounting with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of legal capital surplus to be increased shall be the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of the capital stock increase.</p> |
| (3) Amounts of capital stock and legal capital surplus to be increased | <p>The offering will be a public offering, and underwriters (collectively, the “Underwriters”) shall underwrite and purchase all of the shares.</p> <p>In addition, the issue price (offer price) in the public offering shall be determined in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in ordinary market transactions of the shares of our common stock on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with 0.5 yen constituting a unit and any fraction less than 0.5 yen being rounded down), taking into account market demand and other conditions.</p> <p>In the issuance of new shares through public offering, a part of the shares to be offered may be sold to foreign investors in overseas markets mainly in Europe and Asia (excluding the U.S. and Canada).</p> <p>Among the investors who are eligible to acquire the shares of our common stock, for individuals and corporate investors, etc., one of the representatives of the Underwriters will be responsible for ascertaining the market demand and other conditions and allocating the shares, and for institutional investors, the representatives of the Underwriters will be jointly responsible for doing so.</p> |
| (4) Method of offering | <p>We will not pay any underwriting commissions to the Underwriters. However, the aggregate amount of the difference</p> |
| (5) Consideration for Underwriters | <p>We will not pay any underwriting commissions to the Underwriters. However, the aggregate amount of the difference</p> |

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between (i) the issue price (offer price) and (ii) the amount to be paid to us by the Underwriters in the public offering shall constitute proceeds to the Underwriters.

(6) Payment date

The payment date is a day in the period from December 2, 2024 (Mon) to December 5, 2024 (Thu), provided, however, that such day is the fourth business day immediately following the Pricing Date.

(7) Subscription unit 100 shares

(8) The amount to be paid in, the amounts of capital stock and legal capital surplus to be increased and any other matters necessary for the issuance of new shares will be determined by Nozomu Mori, Director, Representative Executive Officer, President.

(9) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.

2. Disposal of Treasury Stock through Public Offering (Public Offering)

(1) Class and number of shares to be offered 45,700,000 shares of our common stock

(2) Method of determination of amount to be paid in

The amount to be paid in will be determined on the Pricing Date in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the JSDA. In addition, the amount to be paid in is the same as the amount to be paid in in the issuance of new shares through public offering.

(3) Method of offering

The offering will be a public offering, and the Underwriters shall underwrite and purchase all of the shares. In addition, the disposal price (offer price) in the public offering shall be determined in accordance with the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in ordinary market transactions of the shares of our common stock on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with 0.5 yen constituting a unit and any fraction less than 0.5 yen being rounded down), taking into account market demand and other conditions. The disposal price (offer price) in the public offering is the same as the issue price (offer price) in the issuance of new shares through public offering.

(4) Consideration for Underwriters

We will not pay any underwriting commissions to the Underwriters. However, the aggregate amount of the difference between (i) the disposal price (offer price) and (ii) the amount to be paid to us by the Underwriters in the public offering shall constitute proceeds to the Underwriters.

(5) Payment date

The payment date is a day in the period from December 2, 2024 (Mon) to December 5, 2024 (Thu). The payment date is the same as the payment date in the issuance of new shares through public offering.

(6) Subscription unit 100 shares

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- (7) The amount to be paid in and any other matters necessary for the disposal of treasury stock will be determined by Nozomu Mori, Director, Representative Executive Officer, President.
- (8) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.

3. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment) (See 1. of <Reference> below.)

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| (1) Class and number of shares to be sold | 29,097,900 shares of our common stock.
The number of shares mentioned above is the maximum number of shares to be sold. The above number may decrease, or the secondary offering itself may be cancelled entirely, depending on market demand and other conditions regarding the Public Offerings (collectively referring to the public offerings set forth in 1 and 2 above; the same shall apply hereinafter). Furthermore, the number of shares to be sold will be determined on the Pricing Date, taking into account market demand and other conditions regarding the Public Offerings. |
| (2) Seller | The underwriter |
| (3) Selling price | Undetermined (The selling price will be determined on the Pricing Date; however, such selling price will be the same as the issue price and the disposal price (offer price) in the Public Offerings.) |
| (4) Method of secondary offering | Taking into account market demand and other conditions regarding the Public Offerings, the underwriter will make a secondary offering of up to 29,097,900 shares of our common stock that it borrows from certain shareholder(s). |
| (5) Delivery date | The delivery date is the business day immediately following the payment date in the Public Offerings. |
| (6) Subscription unit | 100 shares |
| (7) The selling price and any other matters necessary for the secondary offering will be determined by Nozomu Mori, Director, Representative Executive Officer, President. | |
| (8) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective. | |

4. Issuance of New Shares through Third-Party Allotment (See 1. of <Reference> below.)

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| (1) Class and number of shares to be offered | 29,097,900 shares of our common stock. |
| (2) Method of determination of amount to be paid in | The amount to be paid in will be determined on the Pricing Date. The amount to be paid in is the same as the amount to be paid in in the Public Offerings. |
| (3) Amounts of capital stock and legal capital surplus to be increased | The amount of capital stock to be increased shall be half of the maximum amount of the capital stock increase, as calculated in accordance with Article 14, Paragraph 1 of the Regulations on Corporate Accounting with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of legal capital surplus to be increased shall be the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of the capital stock increase. |

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- (4) Allottee The underwriter
- (5) Subscription period December 30, 2024 (Mon)
(Subscription date)
- (6) Payment date January 6, 2025 (Mon)
- (7) Subscription unit 100 shares
- (8) Shares not subscribed for by the subscription period (on the subscription date) set forth in (5) above will not be issued.
- (9) The amount to be paid in, the amounts of capital stock and legal capital surplus to be increased and any other matters necessary for the issuance of new shares through third-party allotment will be determined by Nozomu Mori, Director, Representative Executive Officer, President.
- (10) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.

<Reference>

1. Secondary offering by way of over-allotment

The secondary offering by way of over-allotment described in “3. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment)” above is a secondary offering of shares of our common stock to be conducted by one of the representatives of the Underwriters in connection with the Public Offerings described in “1. Issuance of New Shares through Public Offering (Public Offering)” and “2. Disposal of Treasury Stock through Public Offering (Public Offering)” above, taking into account market demand and other conditions, with up to 29,097,900 shares of our common stock to be borrowed from certain shareholder(s). The number of shares to be offered in the secondary offering by way of over-allotment is planned to be 29,097,900 shares; provided, however, as such planned number of shares is the maximum number of shares to be offered, such number may decrease or the secondary offering by way of over-allotment itself may be canceled entirely, depending on market demand and other conditions.

In connection with the secondary offering by way of over-allotment, we have decided that we will issue 29,097,900 shares of our common stock to one of the representatives of the Underwriters through third-party allotment (the “Third-Party Allotment”), with the payment date set to be January 6, 2025 (Mon), in accordance with the decision made by the Director, Representative Executive Officer, President as of November 13, 2024 (Wed), pursuant to the delegation of authority resolved by the Board of Directors at its meeting held on November 13, 2024, in order to have one of the representatives of the Underwriters to acquire the number of shares necessary to return the shares of our common stock (the “Borrowed Shares”) borrowed by it from certain shareholder(s), as described above.

One of the representatives of the Underwriters may also purchase shares of our common stock (the “Syndicate Cover Transactions”) on the Tokyo Stock Exchange, Inc., up to the number of shares in the secondary offering by way of over-allotment, for the purpose of returning the Borrowed Shares during the period from (i) the day immediately following the last day of the subscription period for the Public Offerings and the secondary offering by way of over-allotment to (ii) December 25, 2024 (Wed) (the “Syndicate Cover Transaction Period”). All of the shares of our common stock to be purchased by one of the representatives of the Underwriters through the Syndicate Cover Transactions will be used to return the Borrowed Shares. During the Syndicate Cover Transaction Period, one of the representatives of the Underwriters may decide not to conduct any Syndicate Cover Transactions or may decide to terminate the Syndicate Cover Transactions before the number of shares purchased reaches the number of shares in the secondary offering by way of over-allotment.

Furthermore, one of the representatives of the Underwriters may conduct stabilizing transactions in relation to the Public Offerings and the secondary offering by way of over-

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allotment. The shares of our common stock purchased through such stabilizing transactions may be used, in part or in whole, to return the Borrowed Shares.

With respect to the number of shares (the “Planned Number of Shares”) obtained by deducting the number of shares purchased through stabilizing transactions and the Syndicate Cover Transactions that are to be used to return the Borrowed Shares from the number of shares in the secondary offering by way of over-allotment, one of the representatives of the Underwriters will be allotted and purchase the Planned Number of Shares through the Third-Party Allotment. As a result, all or a part of the shares of our common stock to be issued through the Third-Party Allotment may not be subscribed for, which may result in a decrease in the number of shares to be issued through the Third-Party Allotment, or in the cancellation of the entire issuance, due to forfeiture of the right to subscribe for.

In the event that one of the representatives of the Underwriters will be allotted the Planned Number of Shares through the Third-Party Allotment, it will make payment for such shares with the funds obtained from the secondary offering by way of over-allotment.

One of the representatives of the Underwriters will conduct the above transactions upon consultation with the other representative of the Underwriters.

2. Total number of issued shares before and after the issuance of new shares through public offering and the issuance of new shares through third-party allotment

Current total number of issued shares:	938,733,028 shares	(as of November 13, 2024)
Number of shares to be increased by the issuance of new shares through public offering:	148,286,600 shares	
Total number of issued shares after the issuance of new shares through public offering:	1,087,019,628 shares	
Number of shares to be increased by the issuance of new shares through third-party allotment:	29,097,900 shares	(Note)
Total number of issued shares after the issuance of new shares through third-party allotment:	1,116,117,528 shares	(Note)

Note: The numbers described above are based on the assumption that all of the offered shares set forth in (1) of “4. Issuance of New Shares through Third-Party Allotment” above are subscribed for and issued.

3. Total number of treasury stock before and after the disposal of treasury stock through public offering

Current total number of treasury stock:	45,707,276 shares	(as of October 31, 2024)
Number of shares to be disposed:	45,700,000 shares	
Total number of treasury stock after the disposal:	7,276 shares	

Note: We have adopted BIP (Board Incentive Plan) Trust mechanism. However, the current total number of treasury stock does not include the shares of our common stock held by said trust account (344,287 shares as of October 31, 2024).

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4. Use of Proceeds

(1) Use of proceeds to be raised through the offerings

With respect to the net proceeds, from the Public Offerings and the Third Party Allotment, in the aggregate amount of up to 504,924,136,255 yen, we plan to allocate 239.9 billion yen by the end of March 2029 to fund capital expenditures for high efficiency and decarbonization of power plants, and 165.0 billion yen by the end of March 2027 to fund investments and loans, etc. for the expansion of our growth businesses, including the data center business, real estate business and domestic and overseas energy businesses such as the renewable energy business.

The remaining amount will be reserved as funds for potential M&As and will be allocated by the end of March 2028 to fund M&As to further evolve and expand our growth in each of the energy business, information and telecommunications business, and real estate business fields, as well as in business fields where the three fields overlap and synergies are generated. At present, no specific details or amounts have been decided with respect to such M&As, and if any unallocated funds remain at the end of March 2028, we will use such funds for repayment of long-term loans.

With respect to capital expenditures of 239.9 billion yen, we plan to allocate 215.9 billion yen to partially fund the renewal of the high-efficiency combined-cycle generator located at Nanko Power Plant, an LNG-fired thermal power plant, and to allocate 7.0 billion yen to partially fund the renewal of Units 3 and 4 at Okutataragi Power Plant. We also plan to allocate 17.0 billion yen to partially fund the renewal of existing facilities at Takahama Power Plant.

With respect to the investments and loans, etc. of 165.0 billion yen, we plan to allocate 45.0 billion yen to the data center business, 60.0 billion yen to the real estate business, and 60.0 billion yen to the domestic and overseas energy businesses, including the renewable energy business, through us or affiliated companies in our group. CyrusOne KEP, a joint investment with US-based CyrusOne Inc., will engage and invest in the hyperscale data center business.

Our plans as of November 13, 2024 for capital expenditures to be funded by the proceeds to be raised through the offerings are as set forth below.

Company name Operation site name	Location	Name of segment	Details of facilities	Financing method (Note)
KEPCO Nanko Power Plant Units 1~3	Suminoe-ku, Osaka-shi, Osaka	Energy business	Thermal power plant	Own funds, loans from financial institutions, corporate bonds, funds from capital increase and funds from disposal of treasury stock
KEPCO Okutataragi Power Plant Units 3 and 4	Asago-shi, Hyogo	Energy business	Hydro power plant	Own funds, loans from financial institutions, corporate bonds, funds from capital increase and funds from disposal of treasury stock
KEPCO Takahama Power Plant Units 3 and 4	Takahama-cho, Ooi-gun, Fukui	Energy business	Nuclear power plant	Own funds, loans from financial institutions, corporate bonds, funds from capital increase and funds from disposal of treasury stock

(Note) The “funds from capital increase” refers to the funds to be raised through the issuance of new shares through public offering and the funds to be raised through the Third-Party Allotment, and the “funds from disposal of treasury stock” refers to the funds to be raised through the disposal of treasury stock through public offering.

(2) Change in use of proceeds raised previously Not applicable.

5. Other (Lock-up)

In connection with the Public Offerings, we will agree with the representatives of the Underwriters, among other things, not to issue (i) the shares of our stock, (ii) securities convertible or exchangeable for the shares of our stock or (iii) securities to which rights to acquire or receive the shares of our stock are granted (excluding the Public Offerings, the Third-Party

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Allotment and an issuance of new shares through a stock split, etc.), for a period commencing on the Pricing Date and ending on the date that is 180 calendar days from and including the delivery date relating to the Public Offerings (the “Lock-up Period”), without the prior written consent of the representatives of the Underwriters.

The representatives of the Underwriters have the right to wholly or partially terminate the relevant agreement at their discretion even during the Lock-up Period.

End

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