

Supplemental Information for Third-Party Allotment, etc.

~Capital and Business Alliance, Issuance of New Shares through Third-Party Allotment, Retirement of Own Shares, and Change in the Largest Shareholder as a Major Shareholder~

STAR MICRONICS CO.,LTD.

<https://www.star-m.jp>

Code 7718

April 7, 2025

Positioning of the Fundraising and Capital and Business Alliance

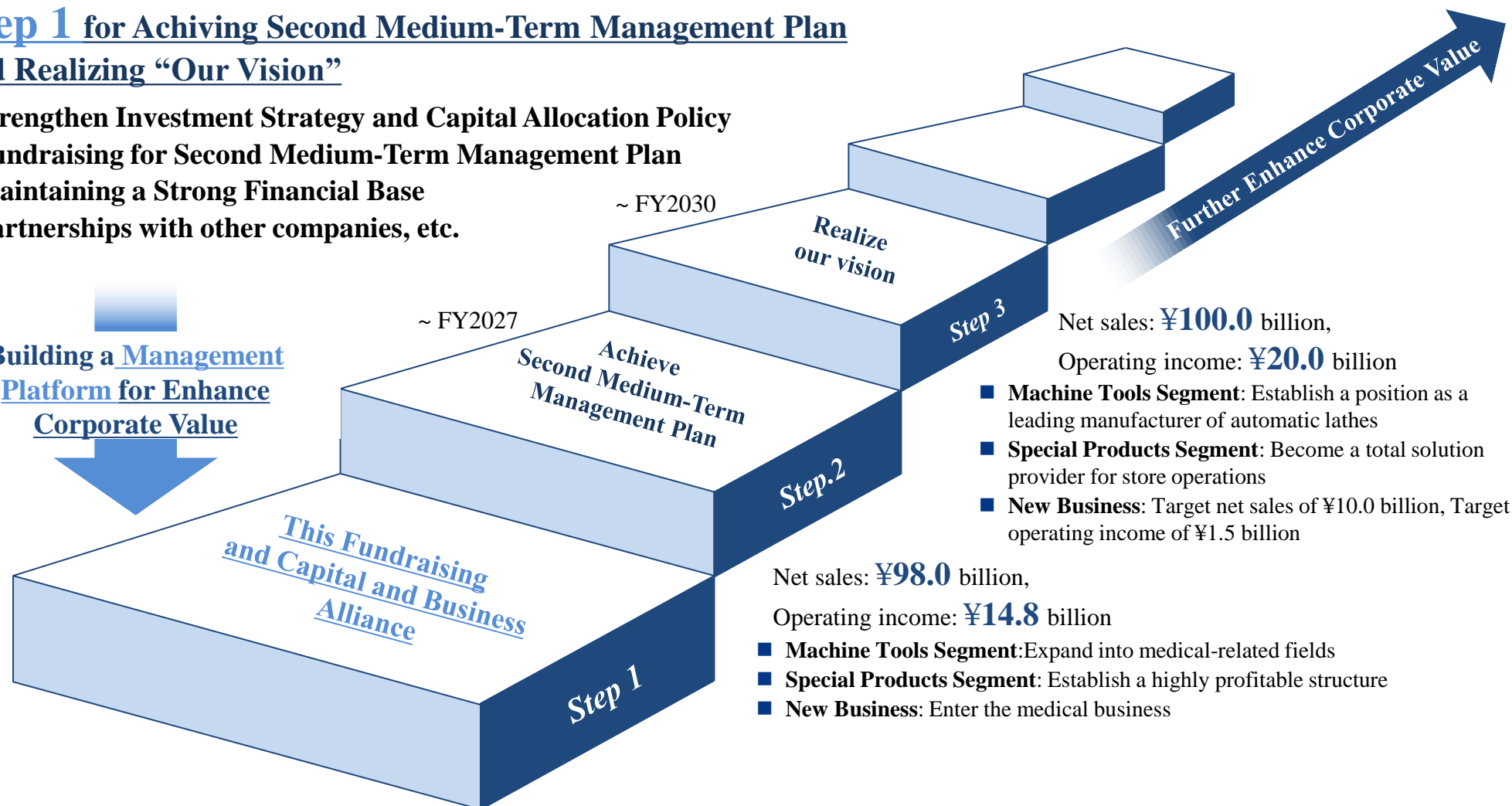


Establish a Solid Management Platform for Further Growth through This Transaction

Step 1 for Achieving Second Medium-Term Management Plan and Realizing “Our Vision”

- Strengthen Investment Strategy and Capital Allocation Policy
- Fundraising for Second Medium-Term Management Plan
- Maintaining a Strong Financial Base
- Partnerships with other companies, etc.

Building a Management
Platform for Enhance
Corporate Value



On April 7, 2025, Star Micronics Resolved to conduct Third-Party Allotment to Taiyo Pacific Partners, Retirement of Own Shares, and conclude Capital and Business Alliance agreement at a meeting of its Board of Directors

Outline

- **Funded by Taiyo Pacific Partners (Allottee: Taiyo Unleash Acrux Holdings, LP)**
- **Raised about ¥25 billion through Third-Party Allotment**
 - Shares issued : 16,108,300 shares (Dilution ratio*: 38.93%) - Amount of funds raised: ¥24,726million
 - Issued price : ¥1,552 per share - Payment period : From April 23, 2025, to May 30, 2025
- **Retirement of Own Shares**
 - Shares retired: 9,000,000 (21.75% of shares issued before cancellation)
 - Scheduled date : April 21, 2025

Changes in Major Shareholders (Shares)

■ As of December 31,2024 (List of shareholders as of December 31,2024)		■ After Third-Party Allotment (After April 7, 2025)	
1	The Master Trust Bank of Japan, Ltd. (18.54%)		Taiyo Unleash Acrux Holdings, LP (36.11%)
2	Custody Bank of Japan, Ltd. (10.89%)		The Master Trust Bank of Japan, Ltd. (12.31%)
3	⋮		Custody Bank of Japan, Ltd. (7.23%)
	Taiyo Unleash Acrux Holdings, LP (3.76%)		⋮

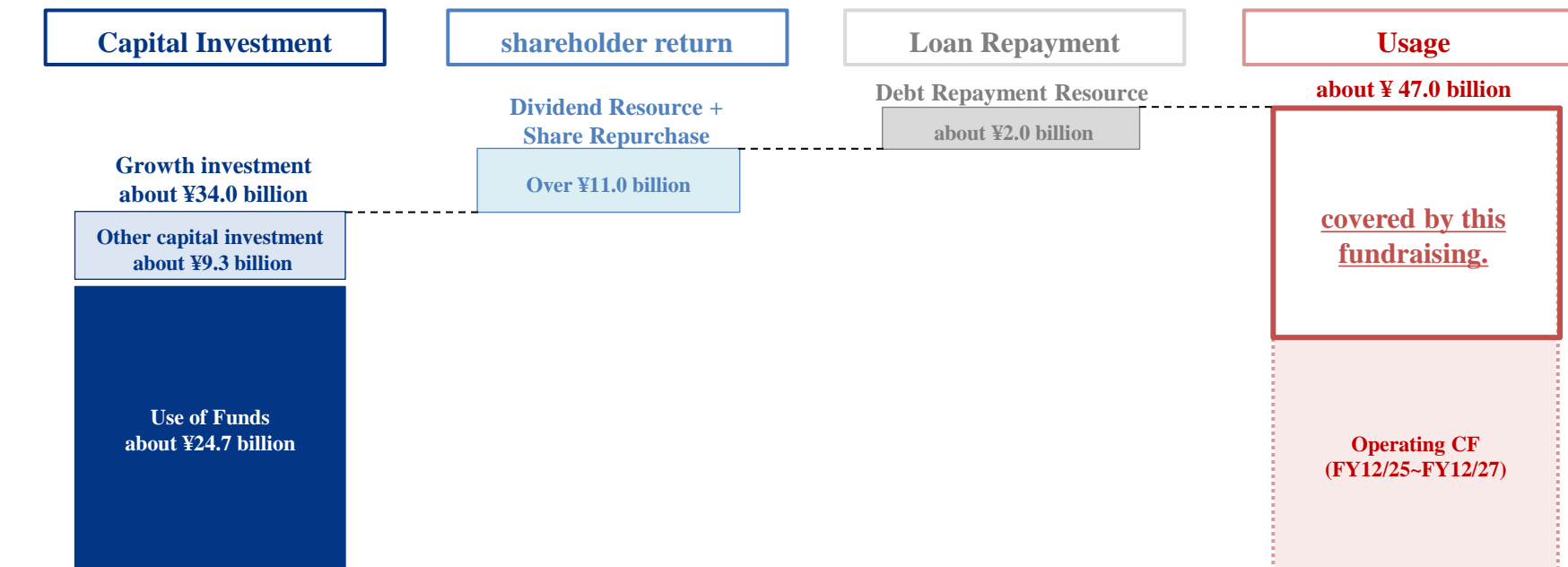
* : Dilution ratio relative to the total number of issued shares of 41,373,034 shares as of December 31, 2024

Item	Contents
1. Contracting Parties, etc.	<ul style="list-style-type: none"> ■ Contract date: April 7, 2025 ■ Contracting parties: ①STAR MICRONICS CO., LTD. ("the Issuing Company"), ②Taiyo Pacific Partners L.P. ("TPP"), and ③ Taiyo Unleash Acrux Holdings, LP (the allottees managed by TPP, TPP and the allottees collectively, the "Allottees, etc.")
2. Conditions	<ul style="list-style-type: none"> ■ Type of shares : Common stock of the Issuing Company ■ Issued Price: ¥1,552 per share ■ Amount of Funds Raised: About ¥25 billion ■ Payment period: From April 23, 2025, to May 30, 2025
3. Details of the Business Alliance	<ul style="list-style-type: none"> ■ Objective: ①Objective and substantive review the Issuing Company's mid- to long-term business strategy options ②Strengthening of the Issuing Company's business investment strategies ③Advancement of the Issuing Company's capital allocation policy ■ In addition to these initiatives, the Issuing Company will continue to examine and discuss measures aimed at further enhancing corporate value
4. Dispatch of Directors	<ul style="list-style-type: none"> ■ Under the Alliance Agreement, the Issuing Company grants the Scheduled Allottees, etc. the right to nominate one candidate for the Company's Board of Directors on the condition that the full amount of payment for the allocated shares is made.

Fundraising for Key Initiatives in the Second Medium-Term Management Plan

Specific Use	Amount	Scheduled Expenditure Period
① Major Renovation of Domestic Plant (Phase 1: Kikugawa South Factory)	¥9.0 billion	April 2025 ~ December 2026
② Major Renovation of Domestic Plant (Phase 2: Makinohara Factory)	¥5.3 billion	May 2025 ~ December 2027
③ M&A and Other Business Investments (e.g., M&A of Medical Equipment Company)	¥8.8 billion	April 2025 ~ December 2027
④ Establishment of Solution Centers	¥1.7 billion	April 2025 ~ December 2027

Cash Allocation (FY12/25~FY12/27)



A Proven Track Records of Management Support and Relationship of Trust with our group

Why Taiyo?

- As a pioneer of engagement investment funds, Taiyo has a proven track record of management support for Japanese companies
- Taiyo can support continuous growth and business expansion through strengthened partnerships with diverse companies
- A relationship of trust built for more than 20 years by discussing with us over 100 times

▶ **Strengthening our Relationship of Trust and Enhancing Corporate Value more Smoothly and Reliably**



Key Initiatives

- **Machine Tools Segment:** Expand into medical-related fields
- **Special Products Segment :** Consolidate production bases and Revise sales framework
- **New Business:** Enter the medical business
- **Group-wide:** Reform the corporate culture



Hands-on support

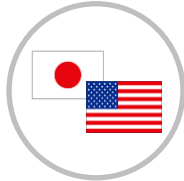
- Objective and substantive examination of long-term business strategy options
- Strengthen business investment strategy
- Advance capital allocation policy

Realize our Vision and Further Enhancement of Corporate Value

(Reference) Outline of Taiyo Pacific Partners L.P.



**A Pioneer in Friendly Activist Investing for Japanese Companies,
with a Strategy of "Long-term, Concentrated, Hands-on"**



Based on Washington, USA
Specializing in investments for
Japanese companies



Established in 2001
Over 20 years of investment
experience



Professionals in the
Full support for investment,
strategic planning and execution

Company Name	Taiyo Pacific Partners L.P.	
Headquarters	Kirkland, Washington, USA	
Establishment of the Company	2001	
Representative	Brian K. Heywood, Michael King, Hirowaka Murakami	
Investment Strategy	<ul style="list-style-type: none"> • Long-term investments • Concentrated Investments • Hands-on investment 	<p>Supporting portfolio companies to realize their intrinsic value from a long-term perspective</p> <p>Concentrate investments in a small number of portfolio companies based on thorough bottom-up research</p> <p>Realize companies, management teams, and employees's potential with the motto, "The answer is in the company."</p>
Feature	<ul style="list-style-type: none"> • Realize more intrinsic value with the perspectives of capital markets and business operations • A lot of track records in the "Reputation", "Financial", and "Business" areas • Provide hands-on management support as a "Kibishii yujin" while building a friendly relationship with the management team 	
Investment Company	<ul style="list-style-type: none"> • ULVAC, Inc. • Roland Corporation • Roland DG Corporation • Nifco Inc. 	<ul style="list-style-type: none"> • ZENKOKU HOSHO Co., Ltd. • Omron Corporation • Maxell, Ltd. ,etc.