

Notice Regarding the Relocation of Machine Tools Sales Subsidiary in China and the Establishment of Asian Solution Center

STAR MICRONICS CO., LTD. (“the Company”) today announced details of its decision to relocate and expand a building at Shanghai Xingang Machinery Co., Ltd. (“Shanghai Xingang”), a wholly-owned machine tools sales subsidiary of the Company in China, and establish the Asian Solution Center.

Shanghai Xingang was established in December 2002 in the Free Trade Zone in Shanghai, China, and has been engaged in sales activities for the Chinese domestic market. In response to the recent strong demand in the Asian market, we will establish the Solution Center in conjunction with the relocation to further strengthen the sales capability of machine tools products in the whole Asian region, and utilize it as a base for providing substantial services and solutions.

1. Purpose of the Establishment of the Solution Center

- (1) Strengthen our before/after-sales service by setting up a showroom with our product line permanently installed, conducting test processing to meet customers' requests, and conducting more practical machine operation workshops, as well as strengthen our sales activities by holding product briefings and private shows.
- (2) Strengthen our sales capabilities by enhancing support for our distributors, such as holding seminars to improve their technical capabilities.
- (3) Improve customer satisfaction by proposing processing technologies and high value-added applications that lead to solutions for customers.

2. Outline of the Solution Center

Address: No. 10 Tower, Lane 800, Qifan Road, Pudong New Area, Shanghai, China
*Located about 35km from Shanghai Pudong International Airport and about 5km south of the current Shanghai Xingang Office.

Building area: 3-stories, Approx. 1,400 m²

Internal layout: 1st floor Showroom, parts warehouse
2nd floor Reception room, conference room, NC school room
3rd floor Office floor

Scheduled to open: September 2022

Total project cost: Approx. ¥300 million

3. Impact on Financial Results

The impact of this project on the consolidated financial results for the fiscal year ending December 31, 2022 will be immaterial.

< Image of the Center's exterior >



< Image of showroom >

