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Securities Code: 7718

March 9, 2022

Dear Shareholders with Voting Rights:

STAR MICRONICS CO., LTD.
20-10, Nakayoshida, Suruga-ku,
Shizuoka-shi, Shizuoka Prefecture,
Japan

NOTICE OF THE 97th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially notified of the 97th Ordinary General Meeting of Shareholders of STAR MICRONICS CO., LTD. (“the Company”) to be held as described below.

To prevent the spread of the novel coronavirus (COVID-19) infectious disease, we kindly ask our shareholders to refrain from attending this General Meeting of Shareholders on the day of the meeting, and exercise voting rights in advance in writing (by mail) or electronically (via the Internet), etc, if possible.

Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Wednesday, March 23, 2022.

Very truly yours,

Mamoru Sato
President and CEO

The 97th Ordinary General Meeting of Shareholders

- 1. Date and Time:** 10:00 a.m., Thursday, March 24, 2022.
(Reception starts at 9:00 a.m.)
- 2. Place:** Conference Room, Head Office of the Company
20-10, Nakayoshida, Suruga-ku, Shizuoka-shi, Shizuoka Prefecture
- 3. Agenda of the Meeting:**
Matters to be reported:
 1. Business Report, Consolidated Financial Statements for the 97th Fiscal Term (from January 1, 2021 to December 31, 2021) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the 97th Fiscal Term (from January 1, 2021 to December 31, 2021)

Proposals to be resolved:

- Proposal 1:** Partial Amendments of the Articles of Incorporation
- Proposal 2:** Election of four (4) Directors (excluding Directors who serve as Audit and Supervisory Committee Members)
- Proposal 3:** Election of three (3) Directors who serve as Audit and Supervisory Committee Members

- Ⓞ For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.
- Ⓞ If there is any modification in the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, the modified matter will be posted on our Internet website (<https://www.star-m.jp/eng/index.html>).

■ Notice regarding dividend of surplus

In accordance with Paragraph 1, Article 459 of the Companies Act, The Company has stipulated in Article of Incorporation that dividends from retained earnings, etc. may be determined by a resolution of the Board of Directors.

At the meeting of the Board of Directors held on February 22, 2022, the Company resolved to pay year-end cash dividends for the 97th Fiscal Term (from January 1, 2021 to December 31, 2021) as follows, based on this provision of the Articles of Incorporation.

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|----------------------------------------------------------|------------------------------------------------|
| 1. year-end cash dividend | ¥29 per share (¥58 including interim dividend) |
| 2. Effective date and starting date of dividend payments | Monday, February 28, 2022 |

Reference Documents for General Meeting of Shareholders

Proposal 1: Partial Amendments of the Articles of Incorporation

1.Reasons for Amendment

Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced from September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in order to introduce a system for providing informational materials for the General Meeting of Shareholders in electronic format.

- (1) Since listed companies are obligated to stipulate in their articles of incorporation that they will take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format, Article 15 (Measures for Providing Information in Electronic Format, Etc.), paragraph 1 in the proposed amendments will be newly established.
- (2) With regard to information that constitutes the content of reference documents for the General Meeting of Shareholders, etc., the Company will newly establish Article 15 (Measures for Providing Information in Electronic Format, Etc.), paragraph 2 in the proposed amendments in order to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents among items for which the measures for providing information in electronic format will be taken, which was specified by the Ministry of Justice.
- (3) If the system for providing informational materials for the General Meeting of Shareholders in electronic format is introduced, the provisions of Article 15 of the current articles of incorporation (Internet Disclosure and Deemed Supply of Reference Documents for the General Meetings of Shareholders) will be deleted as they will no longer be required.
- (4) Supplementary provisions regarding the aforementioned provisions that will be newly established or deleted coming into effect will be established.

2.Details for Amendment

Details of the proposed amendment are as follows.

(Amendment shown by the underlines.)

Current Articles of Incorporation	Proposed Amendments
CHAPTER III GENERAL MEETINGS OF SHAREHOLDERS Article 12. – Article 14. (Omitted) <u>(Internet Disclosure and Deemed Supply of Reference Documents for the General Meetings of Shareholders)</u> <u>Article 15. The Company may deem that it supplied information on the matters to be described or indicated in the Reference Documents for the General Meetings of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements to its shareholders by disclosing such information via the Internet as specified in the relevant ministerial ordinance of the Ministry of Justice.</u>	CHAPTER III GENERAL MEETINGS OF SHAREHOLDERS Article 12. – Article 14. (Unchanged) (Deleted)

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>(Measures for Providing Information in Electronic Format, Etc.)</u> <u>Article 15. When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format.</u> <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company shall exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>
<p>Article 16. – Article 17. (Omitted)</p>	<p>Article 16. – Article 17. (Unchanged)</p>
<p>Supplementary Provisions Article 1. (Omitted) (Newly established)</p>	<p>Supplementary Provisions Article 1. (Unchanged) <u>(Transitional Measures Regarding Provision of Informational Materials for General Meeting of Shareholders in Electronic Format)</u> <u>Article 2. The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation prior to the amendments and the new establishment of Article 15 (Measures for Providing Information in Electronic Format, Etc.) after the amendments shall be effective from September 1, 2022.</u> <u>2. Notwithstanding the provisions of the preceding paragraph, Article 15 of the current Articles of Incorporation prior to the amendments shall remain effective regarding any General Meeting of Shareholders held on a date within six months from September 1, 2022.</u> <u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal 2: Election of four (4) Directors (excluding Directors who serve as Audit and Supervisory Committee Members)

The terms of office of all of four (4) Directors (here and hereafter in this proposal, excluding Directors who serve as Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Accordingly, election of the following four (4) Directors is proposed.

The Nominees for Directors have been approved by the Board of Directors after deliberation by the Nomination and Compensation Committee, the majority of whom shall be Independent Outside Directors.

Moreover, for this proposal, we have received opinions from the Audit and Supervisory Committee that all nominees for Directors are qualified.

The nominees for Directors are as follows:

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
1.	Reelection Hajime Sato (December 23, 1951)	April 1975 Enters the Company as an employee March 1992 Manager, Presidential Office October 1993 General Manager, General Affairs Department May 1995 Director of the Company June 1995 General Manager, IS Department August 1996 General Manager, Human Resources Department May 1999 General Manager, Finance & Accounting Department September 1999 Senior General Manager, General Administration Headquarters May 2000 Senior General Manager, Electronic Products Group Headquarters May 2002 Managing Director of the Company May 2006 Senior Managing Director of the Company May 2009 Representative Director, President and CEO of the Company March 2017 Representative Director, Chairman of the Board of Directors of the Company (to present)	124,600
[Reasons for deciding a nominee for a Director] Mr. Hajime Sato has extensive experience gained while serving as one of the Company's managers for a long period of time, and from May 2009, as President and CEO, he has shown strong leadership and decision-making capabilities based on his high level of knowledge and track record with regard to management. From March 2017, as Chairman of the Board of Directors, he has been fulfilling his responsibilities appropriately in the overall management of the Group as well as in the operation of the Board of Directors. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.			

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions		Number of shares of the Company held
2.	Reelection Mamoru Sato (January 5, 1960)	July 1984	Enters the Company as an employee	82,300
		June 2004	Executive Manager, Sales and Marketing Department, Special Products Division	
May 2008	Director of the Company Deputy General Manager, Special Products Division			
March 2009	General Manager, Special Products Division			
March 2012	Executive Officer of the Company Senior Vice General Manager, General Administration Headquarters			
May 2012	General Manager, General Administration Headquarters			
May 2014	Managing Director of the Company			
March 2017	Representative Director, President and CEO of the Company (to present)			
[Reasons for deciding a nominee for a Director] In addition to his extensive experience and track record gained while carrying out business execution at the Special Products Division and the General Administration Headquarters, Mr. Mamoru Sato possesses knowledge of management gained primarily from his experience engaging in management as a Managing Director for both of these organizations. Also, from March 2017, as President and CEO, based on global insights gained from overseas experience, he has been the driving force in the overall management of the Group. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.				
3.	Reelection Yasunao Sasai (April 19, 1960)	April 1983	Enters the Company as an employee	14,200
		June 2011	Executive Manager, Sales and Marketing Department, Machine Tools Division	
March 2014	Executive Manager, Development Department, Machine Tools Division			
March 2015	Executive Officer of the Company, Senior Vice General Manager, Machine Tools Division			
March 2017	General Manager, Machine Tools Division			
July 2019	Senior Executive Officer of the Company			
January 2020	Executive Manager, Business Planning Department, Machine Tools Division			
March 2020	Managing Director of the Company (to present)			
[Reasons for deciding a nominee for a Director] Mr. Yasunao Sasai possesses extended experience and track record gained through business execution at the Machine Tools Division for a long period of time, and has shown leadership and contributed toward the increase of earnings for the Machine Tools Division. Also, from March 2020, as a Managing Director, he has been possessed knowledge of management with regard to our Machine Tools Division and Special Products Division. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.				

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
4.	Reelection Outside Independent Seigo Iwasaki (October 8, 1946)	<p>March 1996 Director, Shizuoka Gas Company, Ltd.</p> <p>March 2000 Managing Director, Shizuoka Gas Company, Ltd.</p> <p>March 2001 Senior Managing Director, Shizuoka Gas Company, Ltd.</p> <p>March 2006 Representative Director, President, Shizuoka Gas Company, Ltd</p> <p>January 2011 Representative Director, Chairman of the Board of Directors, Shizuoka Gas Company, Ltd.</p> <p>May 2014 Outside Director of the Company (to present)</p> <p>June 2015 Outside Director, Murakami Corporation (to present)</p> <p>January 2018 Director and Special Advisor, Shizuoka Gas Company, Ltd.</p> <p>June 2018 Outside Director, TOSHIBA MACHINE CO., LTD. (currently SHIBAURA MACHINE CO., LTD) (to present)</p> <p>March 2020 Special Advisor, Shizuoka Gas Company, Ltd. (to present)</p> <p>(Important concurrent positions) Special Advisor, Shizuoka Gas Company, Ltd. Outside Director, Murakami Corporation Outside Director, SHIBAURA MACHINE CO., LTD.</p>	10,800
<p>[Reasons for deciding a nominee for an Outside Director and expected roles] Mr. Seigo Iwasaki has been the Representative Director of Shizuoka Gas Company, Ltd. for a long period of time. The Company would like to elect him as an Outside Director as it expects that he will continue to utilize his abundant experience and broad knowledge as a business manager in the Company's adequate decision making process and supervision of the Directors' business execution. Furthermore, if he is elected, the Company expects that he will continue to be a member of the Nomination and Compensation Committee, and make remarks and provide proposals from an objective and neutral standpoint with regard to deliberations related to the selection of candidates for officer of the Company and Directors' compensation.</p>			

Notes:

1. No conflict of interest exists between the Company and the above nominees for Directors.
2. Mr. Seigo Iwasaki is a nominee for an Outside Director.
3. Mr. Seigo Iwasaki is an Outside Director of the Company at present, and his incumbent term of office as an Outside Director will be seven years and ten months as of the conclusion of this General Meeting of Shareholders.
4. The Company has designated and reported to the Tokyo Stock Exchange, Inc. that Mr. Seigo Iwasaki is an Independent Director as set forth in the Regulations of the Tokyo Stock Exchange. Furthermore, proposed agenda pass in its original form, he is to remain as an Independent Director.
5. Pursuant to the provisions of paragraph 1, Article 427 of the Companies Act, the Company has entered into an agreement with Mr. Seigo Iwasaki to limit liability due to negligence of duties; provided, however, that the limit on liability under the relevant agreement shall be an amount set forth by law. Furthermore, should this proposed agenda pass in its original form, the Company will plan to sustain such current agreement with him.
6. The Company has taken out a directors and officers liability insurance policy with an insurance company as provided for in paragraph 1, Article 430-3 of the Companies Act, and plans to renew it with the same details in March 2022. This policy shall compensate for damages that may arise because insured directors and executive officers are liable for the execution of their duties or are claimed for pursuing such liability, and insurance premiums shall be borne in full by the Company for all insureds including the portion of special provisions. Each nominee for Directors has already been insured by this insurance policy and will continue to be insured if this Proposal is approved as proposed.

Proposal 3: Election of three (3) Directors who serve as Audit and Supervisory Committee Members

The terms of office of all of three (3) Directors who serve as Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Accordingly, election of the following three (3) Directors who serve as Audit and Supervisory Committee Members is proposed.

The Audit and Supervisory Committee has previously given its approval to this proposal.

The nominees for Directors who serve as Audit and Supervisory Committee Members are as follows:

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
1.	Reelection Outside Independent Seiichi Nishikawa (March 21, 1959)	<p>August 2000 President, Clarion do Brasil Ltda.</p> <p>July 2009 Executive Manager in charge of Aftermarket Sales Department, Global Sales Division, Clarion Co., Ltd. (currently Faurecia Clarion Electronics Co., Ltd.)</p> <p>April 2012 Executive Manager, Overseas Aftermarket Sales Department, Sales Division, Clarion Co., Ltd.</p> <p>April 2013 Executive Manager in charge of Corporate Planning Department, Management Promotion Division, Clarion Co., Ltd.</p> <p>May 2018 Executive Manager, Corporate Strategy Department, Corporate Strategy Division, Clarion Co., Ltd.</p> <p>August 2019 Executive Manager in charge of Corporate Management Department, Finance and Accounting Division, Clarion Co., Ltd.</p> <p>March 2020 Full-Time Outside Director who serve as an Audit and Supervisory Committee Member of the Company (to present)</p>	1,000
<p>[Reasons for deciding a nominee for an Outside Director and expected roles]</p> <p>Mr. Seiichi Nishikawa has handled management strategy and management control after gaining experience in a wide range of operations, such as overseas business and marketing at Faurecia Clarion Electronics Co., Ltd. as well as handling management of this company's overseas subsidiaries and associates. The Company would like to elect him as an Outside Director who serves as an Audit and Supervisory Committee Member as it expects that he will continue to utilize his abundant experience and broad knowledge in the Company's audits. Furthermore, if he is elected, the Company expects that he will continue to be a member of the Nomination and Compensation Committee, and make remarks and provide proposals from an objective and neutral standpoint with regard to deliberations related to the selection of candidates for officer of the Company and Directors' compensation.</p>			
2.	Reelection Outside Independent Motoki Sugimoto (August 30, 1961)	<p>April 1984 Joined Ota Showa Audit Corporation (Currently Ernst & Young ShinNihon LLC)</p> <p>February 1987 Registered as Certified Public Accountant</p> <p>April 1997 Opened Sugimoto Accounting Firm, Representative (to present)</p> <p>May 2014 Outside Audit and Supervisory Board Member of the Company</p> <p>May 2016 Outside Director who serve as an Audit and Supervisory Committee Member of the Company (to present)</p> <p>(important concurrent position) Representative, Sugimoto Accounting Firm</p>	2,600
<p>[Reasons for deciding a nominee for an Outside Director and expected roles]</p> <p>Mr. Motoki Sugimoto has highly professional knowledge and abundant experience as a certified public accountant and licensed tax accountant. The Company would like to elect him as an Outside Director who serve as an Audit and Supervisory Committee Member as it expects that he will continue to utilize such knowledge and experience when auditing the Company. Although the nominee has not been involved in the management of companies other than as an Outside Director/Audit and Supervisory Board Member, the Company has concluded that he will be able to perform his duties properly as an Outside Director who serve as an Audit and Supervisory Committee Member of the Company based on the reasons noted above. Furthermore, if he is elected, the Company expects that he will continue to be a member of the Nomination and Compensation Committee, and make remarks and provide proposals from an objective and neutral standpoint with regard to deliberations related to the selection of candidates for officer of the Company and Directors' compensation.</p>			

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
3.	New election Outside Independent Itsue Miyata (December 18, 1973)	January 2003 April 2011 April 2016 (important concurrent position) Representative, Fujieda Nozomi Law & Patent Firm	0
	[Reasons for deciding a nominee for an Outside Director and expected roles] Ms. Itsue Miyata has highly-leveled specialist knowledge based on abundant knowledge and experience as a lawyer. The Company would like to elect her as an Outside Director who serve as an Audit and Supervisory Committee Member as it expects that she will utilize such knowledge and experience when auditing the Company. Although the nominee has not been involved in the management of companies other than as an Outside Director/ Audit and Supervisory Board Member, the Company has concluded that she will be able to perform his duties properly as an Outside Director who serve as an Audit and Supervisory Committee Member of the Company based on the reasons noted above.		

Notes:

1. No conflict of interest exists between the Company and the above nominees for Directors.
2. All the nominees are nominees for Outside Directors.
3. Mr. Seiichi Nishikawa is an Outside Director who serve as an Audit and Supervisory Committee Member of the Company at present, his incumbent term will be two years as of the conclusion of this General Meeting of Shareholders.
4. Mr. Motoki Sugimoto is an Outside Director who serve as an Audit and Supervisory Committee Member of the Company at present, his incumbent term will be five years and ten months as of the conclusion of this General Meeting of Shareholders.
5. The Company has designated and reported to the Tokyo Stock Exchange, Inc. that Mr. Seiichi Nishikawa and Mr. Motoki Sugimoto are Independent Directors as set forth in the Regulations of the Tokyo Stock Exchange. Furthermore, should proposed agenda pass in its original form, they are to remain as Independent Directors. If this proposed agenda pass, the Company will designate to the Tokyo Stock Exchange, Inc. that Ms. Itsue Miyata is an Independent Director.
6. Pursuant to the provisions of paragraph 1, Article 427 of the Companies Act, the Company has entered into an agreement with Mr. Seiichi Nishikawa and Mr. Motoki Sugimoto to limit liability due to negligence of duties and should this proposed agenda pass in its original form, the Company will plan to sustain such current agreement with them; provided, however, that the limit on liability under the relevant agreement shall be an amount set forth by law. Furthermore, if this proposed agenda pass, the Company will enter into the same limited liability agreement with Ms. Itsue Miyata.
7. The Company has taken out a directors and officers liability insurance policy with an insurance company as provided for in paragraph 1, Article 430-3 of the Companies Act, and plans to renew it with the same details in March 2022. This policy shall compensate for damages that may arise because insured directors and executive officers are liable for the execution of their duties or are claimed for pursuing such liability, and insurance premiums shall be borne in full by the Company for all insureds including the portion of special provisions. Mr. Seiichi Nishikawa and Mr. Motoki Sugimoto are already insureds under this insurance policy, and should this proposed agenda pass in its original form, they will continue to be insureds, and Ms. Itsue Miyata will be included as an insured.

(Reference)**Main experience, etc. of the nominees for Director in Proposals 2 and Proposal 3 (skill matrix)**

The Company nominates candidates for Directors in consideration of the balance of knowledge, experience and ability, as well as diversity. If Proposal 2 and Proposal 3 of this meeting are approved and adopted as proposed, the main experience, etc. of each Director will be as follows.

	Name	Status at the Company	Independent outside director	Gender	Nomination and Compensation Committee (◎ Chairman)	Main knowledge, experience and ability						
						Corporate management	Strategic planning,	Finance & accounting	Legal affairs, Compliance	Global	R&D	Sales, Marketing
Proposal 2	Hajime Sato	Representative Director, Chairman of the Board		Male		○	○	○				
	Mamoru Sato	Representative Director, President and CEO		Male	◎	○	○	○		○		○
	Yasunao Sasai	Managing Director		Male			○				○	○
	Seigo Iwasaki	Director	○	Male	○	○	○	○				○
Proposal 3	Seichi Nishikawa	Audit and Supervisory Committee Member (full-time)	○	Male	○		○	○		○		
	Motoki Sugimoto	Audit and Supervisory Committee Member	○	Male	○			○				
	Itsue Miyata	Audit and Supervisory Committee Member	○	Female	○				○			

End