



May 13, 2024

Company Name: Restar Corporation
(Code: 3156 Tokyo Stock
Exchange Prime Market)
Representative: Tomoharu Asaka,
Representative Director
Vice President
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Notice Concerning Corporate Demerger (Simplified/Short-Form Absorption-type Demerger)
of a Wholly Owned Subsidiary (Kyoshin Communications Shikoku Co., LTD.)

Restar Corporation (hereinafter, the “Company”) hereby announces that the meeting of the Board of Directors held today passed a resolution to transfer to the Company the video and audio related business of Kyoshin Communications Shikoku CO., LTD., (hereinafter, “KYCOM Shikoku”), a consolidated subsidiary of the Company, by means of a corporate demerger (hereinafter, the “Demerger.”).

Since the Demerger is an absorption-type demerger involving the Company and the Company’s wholly-owned subsidiary (a simplified/short-form absorption-type demerger), certain disclosures and details have been omitted.

1. Purpose of the Demerger

With the addition of KYCOM Shikoku's video and audio related business to its systems business unit, the Company aims to further develop and expand its business by creating synergies through the effective utilization of Group management resources and integrated operations.

2. Summary of the Demerger

(1) Schedule of the Demerger

Date of resolution by the Board of Directors	May 13, 2024
Date of agreement	May 13, 2024
Effective date	July 1, 2024 (scheduled)

Note: Since the Demerger falls under the category of a simplified demerger as defined in Article 796, Paragraph 2 of the Companies Act for the Company and a short-form demerger as defined in Article 784, Paragraph 1 of the Companies Act for KYCOM Shikoku, both demergers will be conducted without a resolution at a general meeting of shareholders.

(2) Method of the Demerger

An absorption-type demerger in which the Company will be the successor company and KYCOM Shikoku will be the demerged company.

(3) Details of Allotment Related to the Demerger

Since the Demerger is an absorption-type demerger of a wholly-owned subsidiary of the Company, there will be no allotment of shares or other money, etc. as a result of the Demerger.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Demerger

No capital relationship

(5) Capital to be Increased or Decreased as a Result of the Demerger

There will be no increase or decrease in the Company’s capital as a result of the Demerger.

(6) Rights and Obligations to be Assumed by the Successor Company
In the Demerger, the Company will assume the assets, liabilities, contracts, and other rights and obligations related to the subject business to the extent provided in the absorption-type demerger agreement executed between the Company and KYCOM Shikoku at the time of the Demerger.

(7) Prospect of Fulfillment of Obligations
The Company has determined that there are no problems with the fulfillment of obligations to be assumed by the Company and KYCOM Shikoku after the effective date of the Demerger.

3. Overview of the Companies Involved in the Demerger

	Successor company	Demerged company
(1) Name	Restar Corporation	Kyoshin Communications Shikoku CO., LTD.
(2) Description of business	<ul style="list-style-type: none"> • Sales of and technical support for semiconductors and electronic components, LSI design development; and contract reliability test services • Solutions, design, construction, and maintenance engineering for video, audio, communications, and measurement • Operation and management for the introduction and popularization of renewable energy from solar power generation 	Sales and installation of video, audio, information and telecommunications equipment and related accessories
(3) Date of establishment	October 1, 2009	May 28, 1974
(4) Head office location	2-10-9 Konan, Minato-ku, Tokyo	61 Jonan-cho, Marugame-city, Kagawa
(5) Job title and name of representative	Kunihiro Konno, Representative Director, Chairman, and President	Eijiro Akiyama, President, Representative Director
(6) Share capital	4,383 million yen	10 million yen
(7) Number of issued shares	30,072,643 shares (As of March 31, 2024)	20,000 shares
(8) Fiscal year-end	March	March
(9) Major shareholders and shareholding ratios	KMF Corporation: 20.04% S-GRANT CO., LTD.: 9.63% The Master Trust Bank of Japan, Ltd. (trust account): 7.44% Retirement Benefit Trust (Sony Group 003) of Mizuho Trust & Banking Co., Ltd. Re trustee: Custody Bank of Japan, Ltd.: 7.43% MUFG Bank, Ltd.: 2.72% Retirement Benefit Trust (Sony Group 008) of Mizuho Trust & Banking Co., Ltd. Re trustee: Custody Bank of Japan, Ltd.: 2.38% CITY INDEX ELEVENTH CO, Ltd.: 2.34% Mizuho Bank, Ltd.: 2.30% Restar Holdings Corporation Employee Stock Ownership Association: 2.18% Custody Bank of Japan, Ltd. (trust account): 1.94% (As of March 31, 2024)	Restar Corporation: 100%
(10) Financial position and operating results for the most recent fiscal year		
Fiscal year-end	Fiscal year ended March 31, 2024 (consolidated)	Fiscal year ended March 31, 2024 (non-consolidated)
Net assets	91,024 million yen	133 million yen
Net assets per share	3,026.84 yen	6,666.15 yen
Total assets	293,464 million yen	366 million yen

Net sales	512,484 million yen	565 million yen
Operating profit	15,930 million yen	19 million yen
Ordinary profit	9,690 million yen	21 million yen
Net profit	7,004 million yen	29 million yen
Basic earnings per share	232.92 yen	1,470.48 yen

4. Overview of the business division to be demerged

- (1) Business details of the business division to be demerged
Video and audio related business
- (2) Operating results of business to be demerged (March 31, 2024)
Net sales: 498 million yen

(3) Items and amounts of assets and liabilities to be demerged (as of March 31, 2024)

Item	Book value	Item	Book value
Current assets	282 million yen	Current liabilities	131 million yen
Non-current assets	26 million yen	Non-current liabilities	4 million yen
Total	308 million yen	Total	135 million yen

Note: Since provisional calculation was made based on the book value as of March 31, 2024, the actual amounts of assets and liabilities to be demerged will be determined by adding or subtracting increases or decreases up to the effective date.

5. Status after Demerger

There will be no change in the name, head office location, job title and name of representative, business, share capital and fiscal year-end of the Company and KYCOM Shikoku after the Demerger.

6. Future Outlook

Since the Demerger involves the Company and its wholly-owned subsidiary, the impact on the Company's consolidated financial results will be minor.