



May 31, 2019

Gregory Hara

Representative Director

J-STAR Co., Ltd.

Capital Participation in NAKAI INDUSTRIAL CO., LTD

We hereby announce that a holding company, which is funded by a fund we provide investment-related services for, has invested in NAKAI INDUSTRIAL CO., LTD. (Head Office: Kamigyo-ku, Kyoto; President: Takahiro Sakaki; URL: <https://www.nakai-group.co.jp/>; hereinafter referred to as "Nakai Kogyo").

Nakai Kogyo was founded in 1916 and has been mainly supplying gold and silver yarn to Nishijin textile manufacturers. By applying the technology cultivated through the production of gold and silver threads, to a wide range of fields in line with the current trends, the company is now providing high-quality coating products to a wide range of industries, including smartphone and tablet components, construction materials, automobile-related materials, food packaging materials, and cosmetics packages. The implementation of this investment was based on the consensus that it would be effective to utilize external resources to achieve further growth in the next 100 years, while focusing on composite technology, a combination of dry-coating technology and wet-coating technology, which was established over a 100-year history by Nakai's founding family.

Based on Nakai Kogyo's corporate philosophy of "continuously demonstrating management and responsiveness to any corporate environment," we intend to contribute to the development of industry and society amid the rapid changes of the times.

In considering this investment, we have obtained the cooperation of Mori-Hamada Matsumoto Law Office and Deloitte Tohmatsu Financial Advisory Limited.

* We provide investment-related services to J-STAR No.3 SS, LP, and other entities, respectively, through our subsidiaries or directly, such as research and introduction of investment opportunities and fostering businesses of target companies.