

Polaris Capital Group Co., Ltd.

March 30, 2022

Transfer of shares of Factory Japan Group Co., Ltd.

Polaris Private Equity Fund III, L.P. ("Polaris Fund III"), operated by Polaris Capital Group Co., Ltd. ("Polaris"), agreed with Japan-China Capital Partners Co., Ltd. ("JCCP") to transfer all of the shares of Factory Japan Group Co., Ltd. ("FJG") held by Polaris Fund III and others (100% of the outstanding voting shares).

FJG is a leading company in the industry with more than 360 salons in Japan and overseas, mainly under its flagship brand, Karada Factory, which features its proprietarily developed treatment, AP Balance. Since the company's "second foundation" with Polaris as its new sponsor in 2015, under the expansion of the body care market, FJG has actively developed new stores in Japan and overseas, establishing its market position as a top osteopathy chain. In addition, FJG has a large number of high-quality therapists due to its focus on personnel education, and has built a management foundation that supports stable growth by having the best human resource capabilities in the industry. FJG is currently enhancing its digital healthcare and self-care product sales businesses, which utilize accumulated customer data of over 1 million people annually. With the development of new businesses that go beyond salon operations, FJG can be expected to grow further in the future.

JCCP intends to continue FJG's growth strategy and to support the further acceleration of overseas store development, including in China, where the body care market is expected to grow significantly in the future. Polaris decided to transfer its shares after determining that this would contribute to the continued enhancement of FJG's corporate value.

The share transfer date is scheduled to be April 26, 2022.

<Contact information for this matter>

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