

Polaris Capital Group Co., Ltd.

December 25, 2023

Sale of HITOWA Holdings Co., Ltd.

Polaris Private Equity Fund IV ("Polaris Fund IV"), managed by Polaris Capital Group, Co., Ltd. ("Polaris"), agreed with MBK Partners ("MBKP") on the sale of all of the shares of HITOWA Holdings Co., Ltd. ("HITOWA Group") held by Polaris Fund IV and others (100% of the outstanding voting shares).

HITOWA Group is a corporate group with a nursing care business that operates nursing care homes for the elderly under the Irise brand, a franchise business that mainly provides house cleaning services under the Osoji Honpo brand, and a childcare business that operates licensed nurseries under the Taiyoko brand. Through these businesses, HITOWA Group has developed services that contribute to solving social issues such as declining birthrates, ageing population and advancement of women in society. After Polaris became the new sponsor in 2019, the company has established its positioning as one of the leading companies in its respective business areas through active value creation such as developing new care facilities, increasing the number of franchisees and developing new licensed childcare facilities. In the current environment with increased focus on SDGs, we believe that future growth of the company can be expected through continued efforts to solve social issues.

While continuing the company's growth strategy to date, MBKP will utilize know-how gained from its experience in the multi-store consumer business, such as the senior business and franchise business, and cooperate with HITOWA Group's management team to solve social issues including in nursing care. Polaris agreed to this share transfer with the belief that this will lead to further increase in the corporate value of HITOWA Group in the future.

The share transfer is scheduled to be completed on January 26, 2024.

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