

Nov. 15, 2019

Asuka Management Co., Ltd.

Asuka Asset Management Acquires Shares of Hurray Trust, Conducts Third-Party Allotment

Asuka Asset Management Co., Ltd. (hereinafter referred to as “Asuka.”) announced that it acquired shares of Hurray Trust Inc. (Representative Director: Kohei Matsuki, Headquarters: 2-3-2 Marunouchi, Chiyoda-ku, Tokyo, Capital: 150 million yen. Hereinafter referred to as “Hurray Trust.”) to make it a wholly owned subsidiary on Nov. 8, 2019 and conducted a third-party allotment on Nov. 15, 2019 as explained below.

1. Purpose of the acquisition

Asuka has been investing mainly in listed shares and bonds. In order to expand its business outside of the existing investment management business, Asuka acquired shares of Hurray Trust and make it a wholly owned subsidiary to build a structure that is capable of capturing investment deals in real estate and unlisted shares. In conjunction with this, Asuka also aims to strengthen its financial ground through a third-party allotment worth 150 million yen.

2. Background of the acquisition

Hurray Trust, the seller, is a company that invests in venture companies in the real estate, finance, and information technology areas and operates the real estate business. Both Asuka Corporate Partners Co. Ltd., fully owned by Mamoru Taniya, chairman of Asuka, and Toshihiro Hirao, president and representative director of Asuka, have stakes in Hurray Trust.

Asuka, which operates an asset management business, recently made a merger proposal to Hurray Trust, judging that it can develop new investment deals by strengthening its financial ground by making Hurray Trust its subsidiary and inviting Kohei Matsuki to be a member of its management team. Asuka reached an agreement with Hurray Trust for the share acquisition, after the two companies deliberated on the proposal. In addition to developing new investment deals, Asuka also considers a business that helps link real estate companies to venture companies that offer proposals will improve operational efficiency in the real estate industry and a private debt business.

3. Numbers of shares to be acquired and shares owned before and after the acquisition

Asuka purchased all outstanding shares of Hurray Trust from Kohei Matsuki, Asuka Corporate Partners and Toshihiro Hirao. With this, Hurray Trust became a wholly owned subsidiary of Asuka.

Asuka also issued 16,800 new shares as the third-party allotment, and Kohei Matsuki, Mamoru Taniya and Toshihiro Hirao acquired them. As a result, Asuka is now owned 40.7 percent by Mamoru Taniya, 33.3 percent by Kohei Matsuki and 25.9 percent by Toshihiro Hirao.

[The change in Asuka shareholders]

| Before change | | After change | |
|-----------------|------------------------|-----------------|------------------------|
| Mamoru Taniya | 6,720 shares (50.0%) | Mamoru Taniya | 12,320 shares (40.7%) |
| Toshihiro Hirao | 6,720 shares (50.0%) | Kohei Matsuki | 10,080 shares (33.3%) |
| | | Toshihiro Hirao | 7,840 shares (25.9%) |
| Total | 13,440 shares (100.0%) | Total | 30,240 shares (100.0%) |

4. Personnel change in directors

The personnel change in directors is as follows. Kohei Matsuki was appointed as a Vice President and Representative director on Oct. 18, 2019.

| Current status | After the acquisition |
|--|---|
| Chairman: Mamoru Taniya | Chairman: Mamoru Taniya |
| President and Representative Director: Toshihiro Hirao | President and Representative Director: Toshihiro Hirao |
| Director: Kosuke Noda | Vice President and Representative Director Kohei Matsuki |
| Outside Director: Akio Kawamura | Director: Kosuke Noda |
| Outside Auditor: Seijiro Isa | Outside Director: Akio Kawamura |
| | Outside Auditor: Seijiro Isa |

End