



Press Release

Longreach announces closing of J-CEP acquisition

Tokyo / Hong Kong, 29 September 2023

The Longreach Group (“Longreach”) announced that it has completed the acquisition of 100% of the issued shares of J-CEP Co., Ltd. (“J-CEP” or the “Company”) through an exclusive transaction from funds to which J-STAR Co., Ltd. provides investment-related services.

J-CEP is one of the leading temporary staffing agencies specializing in the Japanese construction industry. Aki-Japan Corporation and JAG Field Co., Ltd., core group companies of J-CEP, provide Construction Field Managers (“CFM”s) for construction projects, with those CFMs supporting site management and operations. Temporary staffing agencies that specialize in recruiting and managing CFMs with quality and reliability on an outsourced basis have become crucial in Japan's construction industry, as the industry continues to address structurally increasing labor shortage challenges. As a leader in this rapidly growing market, J-CEP has differentiated itself and built competitive advantage through well-developed and sophisticated hiring, training, and support programs for its CFMs, and as a result has outperformed market growth rates over the last decade.

The acquisition of J-CEP continues Longreach’s long established and core investment strategy of investing in the Business Services sector, and particularly in high quality businesses with growth drivers through providing solutions for the structural labor shortage issues in Japan. Longreach looks forward to driving J-CEP’s continued growth in its core business, and to further expanding its business portfolio and footprint, by leveraging our track record and capabilities in the human resources related business services sector. This includes bringing into play Longreach’s networks and capabilities to support execution of strategic bolt-on acquisitions that can accelerate growth and broaden capabilities. This investment also is an ESG relevant opportunity, as J-CEP contributes to increasing high quality full-time employment opportunities in construction, civil engineering and plant workplaces, through providing career development opportunities for young people, including women and non-Japanese nationals, to acquire long-term technical and professional skills.

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Background on The Longreach Group (URL: <http://www.longreachgroup.com/>)

The Longreach Group is an established independent private equity firm with offices in Hong Kong and Tokyo. The Firm focuses on Japan and Japan related Greater China control buyouts in the industrial and technology, consumer related, and business services sectors. The Firm manages three Funds which have accumulated approximately US\$2.3 billion of committed limited partner and co-investment capital and has a strong track record of portfolio company value creation and realizations.

The Longreach Group Companies include the funds that serve as the investment companies, The Longreach Group Limited, which is based in Hong Kong, and The Longreach Group, Inc. which is based in Tokyo, Japan. The Longreach Group, Inc. collects and analyses data and information concerning the Japanese and Asian markets and assists The Longreach Group Limited in identifying potential investment opportunities.