



Capital Partners

MEDIA RELEASE

Sunrise Capital III completes IPO of KK AB&Company

Tokyo, Friday, 19 November 2021: CLSA Capital Partners is pleased to announce the IPO of KK AB&Company (“AB&C”) on the Tokyo Stock Exchange Mothers Index JPX today. The IPO of AB&C was completed by Sunrise Capital III (“Sunrise III”), a fund managed by CLSA Capital Partners which invests in established mid-cap companies with strong growth potential in Japan.

Sunrise III first invested in AB&C, Japan’s largest nationwide operator of beauty salons, in March 2018. For the past four years Sunrise III has assisted in improving the company's governance structure and implementing operational reforms.

AB&C has steadily expanded its business scale and grown to become the largest beauty salon chain in Japan with more than 650 stores nationwide. The innovative business model provides the opportunity for professionals from within the business to become Brand franchisees. The encouragement and support of stylists as business owners, extends to include access to AB&C’s high profile brand and accomplished work culture that is highly regarded within the industry.

Since investment, Sunrise III has pursued various value-added initiatives including supporting the company in building out and strengthening its management team with a view to achieving a successful IPO. By gaining increased awareness through the process of IPO, Sunrise III believes AB&C’s “Agu” brand will become well-known to customers as a listed company, anticipating AB&C’s transformation will be accelerated and lead to further growth.

Sunrise III is committed to creating medium- to long-term value in its remaining portfolio companies.

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About Agu Group

The Agu Group is one of the largest beauty salon chains in Japan, consisting of AB&C and its wholly owned subsidiaries. Since its establishment in 2009, the Agu Group has continued to expand the number of its salons, and currently manages over 650 beauty salons nationwide (as of the end of October 2021). In addition to the directly managed salons, franchise owners, who are mainly former Agu Group stylists, operate salons under the "Agu" brand name. For more information, please visit <http://agu-hair.com/>

About Sunrise Capital

Sunrise Capital, a Japan-dedicated private equity strategy of CLSA Capital Partners, capitalises on opportunities in the mid-cap buyout sector. Sunrise Capital has developed a unique *body-on* approach, which includes seconding professionals to assist portfolio companies in realising their growth potential, and supporting their overseas expansion through CLSA's global network. Sunrise Capital has raised approximately US\$1.5 billion to date and completed investments in approximately 40 companies including both standalone and follow-on investments since its establishment in 2006.

About CLSA Capital Partners

CLSA Capital Partners is the asset management business of CLSA, Asia's leading capital markets and investment group. Established in 1995, CLSA Capital Partners manages a diversified range of strategies including private equity, real estate, credit and transportation and real assets. From eight offices across Asia-Pacific including Hong Kong, Singapore and Tokyo, the firm's experienced investment teams aim to generate attractive returns for clients while ensuring sustained value creation for portfolio companies and investment partners. For more information, visit www.clsacapital.com. For more information about CLSA visit www.clsa.com.

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