



Press Release

Longreach announces closing of Wellness Communications Corporation investment

[Tokyo / Hong Kong, 27 March 2023] The Longreach Group (“Longreach”) today announced that it has completed its investment into Wellness Communications Corporation (“WCC”) held by ITOCHU Corporation (“ITOCHU”).

WCC is a leading healthcare software-as-a-service (SaaS) and outsourcing company in Japan, established as a venture subsidiary of ITOCHU in 2006. WCC offers two core and high customer demand growth services: health management system software mainly for large enterprises; and medical checkup outsourcing services mainly for corporate health insurance associations. With revenue exceeding JPY10bn, WCC is the market leader in both these fast-growing market segments, including with increasing market share through achieving business growth rates above market growth.

Going forward from Longreach’s investment, WCC has the clear potential to become the leading health management platform in Japan, offering comprehensive and tailor-made health management solutions for corporate customers and their employees based on individuals’ health data. Longreach also will support execution of strategic bolt-on acquisitions that can accelerate growth and broaden capabilities. Longreach expects that WCC will go to IPO within our investment period, which will further strengthen its resources for its two core businesses and will facilitate the launch of an expanded health management system software business for SMEs, further driving growth.

Longreach considers this to be an exceptional opportunity to acquire a market leading business, with clear growth paths in the fast-growing healthcare SaaS and outsourcing sectors in Japan. This investment also is an ESG relevant opportunity, as WCC’s solutions contribute to solving the healthcare challenges Japan is facing as well as improving the health and wellbeing of many thousands of individuals. The investment also reflects Longreach’s core investment focus on acquiring and adding value to high potential companies in the healthcare business services sector.

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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 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\$2.1 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.