



Press Release

Longreach announces closing of nobitel inc. acquisition

Tokyo / Hong Kong, 31 August 2023

The Longreach Group (“Longreach”) today announced that it had completed the acquisition of the majority interest in nobitel inc. (“nobitel” or the “Company”). The transaction comprises the acquisition of shares from Mr. Masahiro Kurokawa, the founder and CEO (who will continue as the CEO and as a substantial minority shareholder), and from various minority shareholders, combined with a capital injection in the form of convertible preferred shares.

The Company operates its core business under the brand name “Dr.stretch”. Dr.stretch offers one-on-one assisted stretching services at its own or franchisees’ outlet studios. Dr.stretch is the pioneer and leader in the assisted stretching market in Japan, with dominant market share, and is the third largest stretch studio chain globally, with over 200 studios in Japan and globally including in Singapore, Taiwan, Malaysia, and the UAE, with further market entries underway.

Going forward after Longreach’s investment, Dr.stretch has the clear potential to become the leading assisted stretch studio chain and brand not only in Japan but also in multiple Asian markets. Longreach’s experience and capabilities in multi-store consumer offering development – including through its track record across Primo Japan, Wendy’s First Kitchen, Kohikan, Caffè Veloce and CAFÉ de CRIÉ – will be leveraged to support Dr.stretch’s expansion in Japan and in targeted Asian markets, and to drive profitability enhancements through multiple initiatives including digitalization, platform development, marketing innovation and cost efficiencies.

Longreach considers this to be an exceptional opportunity to acquire a market leading business and Japanese consumer brand, with strong growth in its segment within the fast growing wellness and healthcare sector, both in Japan and across Asian markets. The Company’s services and product lines contribute to solving healthcare challenges and to individual and societal health outcomes in Japan and other markets. The investment also reflects Longreach’s core investment focus on acquiring and adding value to portfolio companies in the consumer related and healthcare business services sectors, via robust middle-class consumer segment platform businesses with clear revenue and profitability growth paths.

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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.