Press Release

Longreach announces that Japan Systems and Blueship have accepted a strategic investment from ServiceNow Inc., a first for a Japanese company

Tokyo / Hong Kong, 29 September 2023

The Longreach Group ("Longreach") today announced that Longreach portfolio companies Japan Systems Co., Ltd. ("Japan Systems") and Blueship. Co., Ltd. ("Blueship") have accepted a strategic investment from ServiceNow Ecosystem Ventures, the global strategic ecosystem investment entity of the leading US-based digital workflow company ServiceNow, Inc. ("ServiceNow"). This is ServiceNow Ecosystem Ventures' first investment in a Japanese company.
(*For ServiceNow's press release, please visit:
https://www.servicenow.com/jp/company/media/press-room.html)



Bill McDermott, ServiceNow, CEO (Center)
Masatoshi Suzuki, President, ServiceNow Japan (Center Right)
Hiroumi Keimatsu, President/CEO, Blueship (Center Left)
Hideaki Saito, President/CEO, Japan Systems (Left)
Keitaro "KT" Tsuda, Partner, The Longreach Group (Right)

ServiceNow Ecosystem Ventures' strategic investment has been made through Daylight Holding L.P. ("Daylight Holding"), the parent company that holds 100% of Japan Systems and Blueship shares. In May 2023, ServiceNow announced plans to deploy $1 billion in investment capital to ServiceNow Ventures by 2026, with $150 million of that funding allocated to Ecosystem Ventures, a global fund investing in targeted regional services partners who address specific strategic GTM capability & capacity focus areas with & through Private Equity firm investments.

Since the bolt-on acquisition of Blueship in May 2023, Japan Systems and Blueship have jointly deepened their business capabilities both for the public sector and for private enterprises including the financial services industry. By further strengthening group-wide management policies, Japan Systems and Blueship will continue to address the problems that municipalities and enterprises currently face through the power of digital innovation.

Meanwhile, Blueship and ServiceNow Japan have been working closely for some time to promote digital transformation in the public sector and, as of September 2023, have contributed to the digital transformation of nine municipalities including Fujisawa City in the Kanagawa Prefecture.

Based on the above, ServiceNow intends to foster a relationship of trust with Blueship and Japan Systems through Ecosystem Ventures' multifaceted investment strategy, further contributing to the promotion of digital transformation, namely for municipalities. On the other hand, by accepting this strategic investment and with ServiceNow's support, Japan Systems and Blueship will be capable of providing more advanced ServiceNow enabled digital transformation services, contributing more value to an even wider range of Public Sector customer 'use cases', and leading to accelerated growth for the Japan Systems/Blueship Group. Notably:

- Blueship and Japan Systems have a proven track record in promoting digital transformation in more than 270 municipalities. The companies will jointly execute ServiceNow's go-to-market strategy, aiming to achieve further shared growth.
- By leveraging ServiceNow's global training program "RiseUp with ServiceNow," Blueship and Japan Systems aim to increase the number of digital professionals proficient in ServiceNow solutions to approximately four hundred persons in the next three years.

Longreach considers the acceptance of this strategic investment as an ESG value creation opportunity, contributing to the improvement of working environments, the reduction of paper resources, and the advancement of community contribution activities. Furthermore, the investment will also contribute to maximizing business value of the Japan Systems/Blueship Group through sales growth and improved profitability for both companies.

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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 related 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.

Background on ServiceNow (NYSE: NOW)

ServiceNow is a leading digital workflow company established in 2004 and has an office in Japan, ServiceNow Japan LLC. ServiceNow's cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine.

For more information, visit: www.servicenow.com/jp/

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Background on Blueship

Blueship is an IT service company specializing in SaaS solutions. Since its establishment in 2004, Blueship has supported its clients by providing solutions mainly in the areas of IT system development and operations with a focus on ITIL as the foundation of its service management – a practice that is considered as a global standard in the IT industry. To solve IT-related issues that municipalities currently face, Blueship develops and provides a number of solutions including the development of ServiceNow-powered portals as well as the provision of service packages created through the combination of ServiceNow and RPA that aid in subsidy payment operations.

Background on Japan Systems

Japan Systems provides system integration services to Japanese domestic enterprises across diverse industries including financial services, telecommunication, and infrastructure, as well as proprietary public accounting software and systems integration services supporting Japanese municipalities with over 50 years of history. Based on its management philosophy “Human resources as the source of corporate value” and its corporate concept “Driving for NEXT NEW,” Japan Systems plays a vital role to help enhance digital transformations of society.