



Capital Partners

MEDIA RELEASE

Sunrise Capital II divests shareholding in K.K. BC Ings

Tokyo – Friday, 15 October 2021 – CLSA Capital Partners, the asset management business of CLSA, is pleased to announce that Sunrise Capital II (“Sunrise II”) has divested its shares of K.K. BC Ings (“BCI”) to EISHINKAN Co., Ltd. (“EISHINKAN”), a major cram school headquartered in Fukuoka prefecture. The transaction took place on 30 September 2021. Sunrise II, a fund of CLSA Capital Partners, invests in established, mid-cap companies with strong growth potential in Japan.

Since investment and the commencement of a capital and business alliance with BCI (brand name: "Tanaka Gakushukai"), a cram school chain operator in the Chugoku region, in April 2016, Sunrise II has assisted BCI in enhancing its management structure and the realizing its growth strategies for over five years. In 2017, Sunrise II divested a portion of its stakes to a fund managed by the Hiroshima Innovation Network Inc. ("HINET") in order to forge a capital alliance with HINET and further strengthen the support to BCI. As a result of commitment and collaboration of BCI’s management team and employees together with the Sunrise II team, BCI has established a solid management structure, expanded into new regions and segments, and strengthened its financials and business foundation substantially.

Post the shareholding divestment, EISHINKAN, the cram school with the largest number of students and schools in western Japan, will become the new business partner of BCI and will assist BCI to achieve further growth in the future.

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

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About BCI

Headquartered in Hiroshima City, Hiroshima Prefecture, BCI operates a cram school chain for elementary to high school students under the brand name, “Tanaka Gakushukai”. Established in 1985, BCI manages a franchisee for “Toshin Eisei Yobiko” (provided by Nagase Brothers Inc., a listed company) in addition to Tanaka Gakushukai as its core business under the concept of providing “a place not simply to study, but also to enhance students’ humanitarian and social values through mutual respect and encouragement”. BCI is a major cram school chain operator in the Chugoku and Shikoku regions with the bulk of its schools located in Hiroshima and Okayama prefecture. For more information, please visit <https://www.tanakagakushukai.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 30 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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