



Press Release

**Notice Regarding Change in Corporate Investment Policy:
Asteria to Cancel New Fund Formation and Focus on Investment in
Corporate Acquisitions**

Tokyo -- March 10, 2023 -- Asteria Corporation (Japan listed, Security Code: 3853) hereby announces that it has cancelled the formation of a second fund, Asteria Vision Fund II L.P. (AVF-II), announced in September 2022. Instead, the company will focus on new investment in business acquisitions.

■ **Background and Purpose**

In February 2019, the Asteria Group established an investment subsidiary, Asteria Vision Fund Inc. (AVF), in the U.S. and has operated the Corporate Investment Business via a fund under its umbrella, Asteria Vision Fund I L.P. (AVF-I). AVF-I has completed investments in six enterprises in Japan and abroad. In September 2022, the Group announced a plan to launch AVF-II worth \$30 to \$40 million.

However, the environment surrounding the Corporate Investment Business is changing dramatically, with global stock markets falling in light of the global situation in 2022 and beyond such as rising U.S. interest rates. Other factors include unstable exchange rates and growing concerns about a recession. Corporate values are declining worldwide, which presents a great opportunity for merger and acquisition (M&A).

Therefore, the Group has concluded that corporate acquisitions aimed at expanding its business is an effective management strategy for the next several years, instead of forming an investment fund aimed at earning profits based on the growth of the portfolio companies. It has hence decided to cancel the launch of a new fund, AVF-II. While minority investments in businesses will continue, albeit in smaller size, the Group will shift the focus of its investment to acquisitions.

Based on this decision, the Group will add corporate acquisitions to AVF's mission and establish a branch of AVF within a Singaporean corporation to further bolster activities in the rapidly growing markets -- Southeast Asia and South Asia. Asteria will continue to accelerate the Group's growth while flexibly adapting to market, economic and geopolitical conditions.

■ **Impact on Business Performance and Future Outlook**

Asteria believes that the impact of the cancellation of a new fund formation on the Group's financial performance for the fiscal year ending March 31, 2023, will be minimal. Asteria expects that the policy shift will boost the consolidated performance in the medium to long term, and will disclose the specific financial impacts and other related information as necessary.

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