



September 13, 2024

To All Parties Concerned

Company name	Hulic Co., Ltd.
Head Office	7-3, Nihonbashi Odenmachi, Chuo-ku, Tokyo, Japan
Representative	Takaya Maeda President, Representative Director Prime Market (Securities code: 3003)
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Announcement of the Commencement of a Tender Offer for Shares in Raysum Co., Ltd. (Securities code: 8890)

Hulic Co., Ltd. (the “**Tender Offeror**”) hereby announces that its Board of Directors has resolved today to acquire the common stock of Raysum Co., Ltd. (the “**Target Company**,” listed on the Standard Market of Tokyo Stock Exchange, Inc. (“**TSE**”) under the securities code 8890) (the “**Target Company Stock**”) through a tender offer in accordance with the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended, the “**Act**”) (the “**Tender Offer**”) as follows.

(1) Overview of the Tender Offer

Pursuant to the today’s resolution at the Board of Directors, the Tender Offeror has decided that it will implement a Tender Offer as part of a series of the transactions to acquire all the shares in the Target Company Stock listed on the Standard Market of TSE (excluding the treasury shares held by the Target Company and the shares in the Target Company Stock held by Rays (as defined below)) and the Target Company as its wholly-owned subsidiary (the “**Transactions**”). As of the date of this announcement, the Tender Offeror does not hold any shares in the Target Company Stock.

Along with the Tender Offer and as part of the Transactions, the Tender Offeror and RS Company Ltd. (“**RS**”), a subsidiary of Oasis Management Company Ltd. (“**Oasis**”), have reached an agreement, under which:

- (i) Rays Company (Hong Kong) Limited, which is RS’s wholly-owned limited liability company incorporated under the Law of Companies in Hong Kong and the parent company of the Target Company (“**Rays**” Oasis, RS, Rays and the funds managed by Oasis are collectively, the “**Oasis Group**”), will not tender any of its shares in the Target Company Stock (18,364,300 shares, ownership stake: 63.88%) to the Tender Offer; and
- (ii) As of the date of settlement commencement of the Tender Offer, RS will transfer to the Tender Offeror all the outstanding shares in Rays (the “**Rays Stock**”), RS’s loan claim against Rays (the “**Loan Claim**”) and dividend claim (the “**Dividend Claim**”) The Loan Claim and the Dividend Claim, collectively, the “**Claims**”) The Claims and Rays Stock, collectively, “**Rays Stock, etc.**”) for cash consideration, and signed the agreement on stock transfer and claim assignment as of the date of this announcement.

During the bid process for direct and/or indirect acquisition of the shares in the Target Company Stock held by Oasis group, the Tender Offeror received from the Target Company a proposal for a transaction structure in which Rays would not tender any of its shares in the Target Company Stock held by Rays to the Tender Offer and RS would transfer Rays Stock, etc. for cash consideration upon the consummation of the Tender Offer. The Tender Offeror concluded that it

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would achieve the purpose of the Transactions through the structure that enabled the Tender Offeror to indirectly acquire the Target Company Stock through Rays.

In the Tender Offer, the Tender Offeror has set a minimum number of shares to be purchased at 800,300 shares (ownership ratio of 2.78%). If the total number of tendered share certificates, etc. to the Tender Offer (the “**Tendered Share Certificates, etc.**”) is less than the minimum number of shares to be purchased (800,300 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, etc. On the other hand, as stated above, since the Tender Offeror intends to acquire the Target Company as its wholly-owned subsidiary through the acquisition (including the indirect acquisition of the Target Company Stock by acquiring Rays Stock) of all the shares in the Target Company Stock (excluding the treasury shares held by the Target Company), the Tender Offeror has not set the maximum number of shares to be purchased, and it will purchase all of the Tendered Share Certificates, etc. if the total number of Tendered Share Certificates, etc. is equal to or exceeds the minimum number of shares to be purchased (800,300 shares).

If the Tender Offeror fails to acquire all the shares in the Target Company Stock through the Tender Offer (excluding the treasury shares held by the Target Company and the shares in the Target Company Stock held by Rays), the Tender Offeror plans to request the Target Company to implement a series of procedures to make the Target Company a private company wholly owned by the Tender Offeror and Rays. As part of such procedures, if the Target Company implements a reverse stock split, this requires a special resolution of a general meeting of shareholders as stipulated in Article 309 Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended, the “**Companies Act**”). For this reason, the Tender Offeror has set the minimum number of shares for the Tender Offeror and Rays to hold a two-thirds or more of the total voting rights of all shareholders of the Target Company that satisfies the requirement and to ensure the implementation of such procedures.

The Tender Offeror group formulated a New Medium-term Management Plan (2023-2025) and announced it on January 30, 2023. The new management plan, which represents the second phase of the group’s Medium- and Long-Term Management Plan (2020-2029), follows the basic policy of “Aiming to create a high-quality leasing portfolio that addresses the changing circumstances and continuing to enhance sustainable management, while maintaining a strong external credit rating” and specifies the following five actions as the focus areas – (i) Build a high-quality leasing portfolio and maintain/strengthen a flexible earnings structure; (ii) Enhance the pipeline of development, reconstruction and value-added properties and diversify exits to ensure profitability; (iii) Diversify revenue sources by enhancing new business domains; (iv) Ensure financial soundness and thorough risk management to maintain a strong external credit rating; and (v) Raise the level of sustainable management including the promotion of environmental initiatives and human capital development, etc..

In particular, with respect to “(iii) Diversify revenue sources by enhancing new business domains,” the Tender Offeror group intends to actively pursue opportunities of potential collaboration, alliances and M&As as a means of expanding business in the existing fields related to tourism, environment and children’s education etc. With regard to the outlook for the economic circumstances, the Tender Offeror expects that, although the current trend toward economic recovery will continue, the outlook remains uncertain due to the changing financial and capital markets caused by the policy interest rate changes in Japan and overseas, upward pressure on prices, and an increasingly serious labor shortage.

Regarding the real estate business environment, the Tender Offeror considers that the investment market for income properties is expected to remain generally firm despite the Bank of Japan’s move toward monetary policy normalization as there is no immediate concern about a rapid tightening.

Under such circumstances, the Tender Offeror has had a business relationship with the Target Company through a real estate transaction and highly evaluates the Target Company’s solid sourcing and sales networks, Value-Add know-how that can be leveraged for a wide range of asset classes (asset categories such as residential, commercial facilities), organizational structure consisting of the select few professionals capable of managing complicated projects, unrivaled decision-making speed as well as strong earnings capabilities underpinned by such strengths.

The Tender Offeror operates the real estate leasing business as its core business, leveraging 250 leasehold properties (excluding properties for sale) located mainly in the 23 wards of Tokyo with a total leasable area of approximately 1.34 million m². Under the Medium- and Long-Term Management Plan (2020-29), the Tender Offeror has been promoting

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the "Business Model Evolution and Restructuring of the Leasing Portfolio" and "Strengthening of the Development and Value-added Businesses" as the basic strategies, planning to acquire more properties and develop/reconstruct more than 100 properties, in order to build a more competitive leasing portfolio.

Additionally, in Phase II (2023 - 2025) of the Medium- and Long-Term Management Plan, based on the basic policy of "Aiming to create a high-quality leasing portfolio that addresses the changing circumstances and continuing to enhance sustainable management, while maintaining a strong external credit rating," the Tender Offeror currently focuses on "Enhancing the pipeline of development, reconstruction and value-added properties and diversifying exits to ensure profitability" and "Diversifying revenue sources by enhancing new business domains." In the course of promoting the plan, the Tender Offeror considered that the participation of the Target Company in the Tender Offeror's group would provide a new real estate business model, significantly contribute to the group's consolidated profit improvement amid the uncertain economic outlook and fit with the Tender Offeror group's business strategies. With this background, the Tender Offeror has promoted the review examining the transactions related to the purchase the Target Company Stock including the acquisition of the Target Company as its wholly owned subsidiary.

As a result of the review, the Tender Offeror has concluded that the Transactions are expected to generate the following synergies and advantages.

- (i) Sustained growth through mutual utilization of the property information held by the Tender Offeror and the Value-Add know-how held by the Target Company group

The Tender Offeror group collects and sources real estate information of several thousand properties per year. On the other hand, the Target Company group has its proprietary Value-Add know-how accumulated through years of experience that can be leveraged for a wide range of asset classes. The Tender Offeror considers that the combination of the property information of the Tender Offeror group and the Value-Add know-how of the Target Company group will support the sustained growth of both companies.

- (ii) Expansion of exit projects and enhancement of flexibility in exit strategies through mutual referral using the Tender Offeror group's extensive customer/business partner network and the Target Company group's customer network

In addition to the network built through real estate transactions, the Tender Offeror group has extensive business relationships with various corporations and funds in Japan and overseas through the public and private REITs operated by the Tender Offeror group's asset management company. On the other hand, the Target Company group has its proprietary customer network with wealthy individuals and corporations in Japan and overseas. The combination of the networks will enable the two companies to expand their potential exit projects and enhance flexibility in their exit strategies.

- (iii) Reduction of financing costs and expansion of business at the Target Company group by leveraging the Tender Offeror's stable and low-cost financing ability

As of the date of this announcement, the Tender Offeror has a long-term issuer rating of AA- (Stable) assigned by JCR, maintaining its stable and low-cost financing ability. The Tender Offeror considers that the Target Company is expected to reduce its financing costs by leveraging the Tender Offeror group's financing ability and further expand business through a stable fundraising.

The Tender Offeror has also deliberated over the possible dis-synergies and disadvantages from the Transactions. However, the Tender Offeror considers that the Transactions will not cause any particular dis-synergies and disadvantages as the business domains of the Tender Offeror and the Target Company do not overlap.

The Tender Offeror plans to discuss and determine the management structure of the Target Company after the Transactions with the Target Company upon the consummation of the Tender Offer from the viewpoint of enhancing the corporate value of both companies. At the present time, the Tender Offeror has not determined any specific assumptions and has not undertaken any negotiation with the Target Company, and there are no specific decisions or agreements between the two companies, except for the planned resignation of the two directors dispatched from the

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Oasis Group, Kentaro Kanei and Yuji Shinohara.

(2) Overview of the Target Company

1.	Trade name	Raysum Co., Ltd.	
2.	Address	3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo	
3.	Name and title of representative	Tsuyoshi Komachi, President and Representative Director	
4.	Primary business	Value Creation Services, Value-Add Services and Future Value Creation Services related to real estate	
5.	Paid-in capital	4,242 million yen (as of June 30, 2024)	
6.	Date of Establishment	May 1, 1992	
7.	Major shareholders and shareholding ratios (As of March 31, 2024)	Rays Company (Hong Kong) Limited (Standing proxy: Akio Kawamura)	63.98%
		GOLDMAN SACHS INTERNATIONAL (Standing proxy: Goldman Sachs Japan Co., Ltd.)	1.01%
		Nomura Securities Co., Ltd.	0.96%
		BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD (Standing proxy: MUFG Bank Ltd.)	0.76%
		Kiyoshi Yasuno	0.61%
		Tatsuya Iizuka	0.55%
		SBI SECURITIES Co., Ltd.	0.53%
		JP MORGAN CHASE BANK 385781 (Standing proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Department)	0.49%
		STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Department)	0.47%
		Chiharu Sekino	0.44%
8.	Relationship between the Tender Offeror and the Target Company		
	Capital relationship	Not applicable	
	Personnel relationship	Not applicable	
	Transactional relationship	The Tender Offeror has acquired real estate from the Target Company (in the Target Company's fiscal year ended March 2024)	
	Status as a related party	Not applicable	

(Note) "7. Major Shareholders and Shareholding Ratios (as of March 31, 2024)" are based on the "Status of Major Shareholders" stated in the Securities Report for the 33rd Fiscal Term filed by the Target Company on June 26, 2024.

(3) Class of Share Certificates, etc. to be Purchased

Common stock

(4) Schedule, etc.

(i) Schedule

Date of the resolution by the Board of Directors	September 13, 2024 (Friday)
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Date of public notice of commencement of tender offer	September 17, 2024 (Tuesday) Public notice will be made electronically and a notice thereof will be published in the Nihon Keizai Shimbun (Japan Economic Newspaper) (URL of electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Date of filing the Tender Offer Registration Statement	September 17, 2024 (Tuesday)

(ii) Tender offer period as of the date of filing

From September 17, 2024 (Tuesday) to October 30, 2024 (Wednesday) (30 business days)

(iii) Possibility of extending the above period upon request of the Target Company

Not applicable.

(iv) Contact information for confirmation of extension of the Tender Offer period

Not applicable.

(5) Purchase Price

5,913 yen per share of common stock

(6) Number of Share Certificates, etc. to be Purchased

Number of share certificates, etc. to be purchased	Minimum number of share certificates, etc. to be purchased	Maximum number of share certificates, etc. to be purchased
10,382,556 (shares)	800,300 (shares)	— (shares)

(Note 1) If the total number of Tendered Share Certificates, etc. is less than the minimum number of share certificates, etc. to be purchased (800,300 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, etc. If the total number of the Tendered Share Certificates, etc. is no less than the minimum number of share certificates, etc. to be purchased (800,300 shares), the Tender Offeror will purchase all the Tendered Share Certificates, etc.

(Note 2) The Tender Offeror does not set the maximum number of shares to be purchased in the Tender Offer and states the number of shares to be purchased of 10,382,556 shares, which is the maximum number of shares in the Target Company that can be acquired by the Tender Offer through the Tender Offer. Such maximum number of shares that can be purchased (10,382,556 shares) is obtained by deducting the number of shares in the Target Company held by Rays (18,364,300 shares) for which the Tender Offeror and RS have agreed not to cause Rays to tender its shares to the Tender Offer from the number of shares (28,746,856 shares), which is the total number of outstanding shares in the Target Company as of June 30, 2024 (29,081,400 shares) excluding the number of treasury shares (334,544 shares), which is obtained by deducting the number of treasury shares disposed as restricted stock compensation on July 12, 2024 (45,200 shares) from the number of treasury shares (379,744 shares) held by the Target Company as of June 30, 2024 as stated in the Target Company's quarterly report for the first quarter.

(Note 3) Shares less than one unit are also subject to the Tender Offer. If a right to demand purchase of shares less than one unit is exercised by a shareholder in accordance with the Companies Act, the Target Company may purchase its own shares during the Tender Offer period in accordance with procedures under the laws and regulations.

(Note 4) The Tender Offeror does not intend to acquire any of the treasury shares owned by the Target Company through the Tender Offer.

(7) Forecasts for the Tender Offeror's financial results

The effect of the Transaction on the Tender Offeror's financial results is currently being examined; any matters that

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should be disclosed will be promptly released if they arise.

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