

November 28, 2019

Company name : Daito Trust Construction Co., Ltd.
Representative : Katsuma Kobayashi
President and Representative Director (CEO)
Securities code : 1878
Listed in the 1st section of
Tokyo and Nagoya Securities Exchange
Address : 2-16-1, Konan, Minato-ku, Tokyo

Notice Regarding Full-scale Entry into a Flexible Workspace Business through Strategic Partnership with JustCo Holdings Pte. Ltd.

Daito Trust Construction Co., Ltd. (hereinafter referred to as the “Company”) hereby announces that the Company entered into a Joint Venture with a Singapore-headquartered company JustCo Holdings Pte. Ltd. (hereinafter referred to as “JustCo”) for the purpose of full-scale entry into the flexible workspace business in Japan leveraging the “JustCo” brand of JustCo, and would make investment in JustCo (hereinafter referred to as the “Investment”) based on a resolution of board of directors.

1. Purposes of Full-scale Entry into the Flexible Workspace Business and Investment

Daito Trust Construction Group (hereinafter referred to as the “Group”) has developed a New Five-Year Plan that started in this fiscal year, under the slogan of “becoming a company that our stakeholders feel comfortable entrusting their dreams and future to and that can generate sustainable growth.” Our aim during the period of this Plan is to be a total lifestyle support company centered on the comprehensive leasing business, by expanding the scope of business not limited to the housing field but to all types of rental housing and lifestyle support services, with financial targets including net sales of 2,200 billion yen and operating income of 180 billion yen for the fiscal year ending in March 2024.

Meanwhile, JustCo is Asia’s leading premium flexible workspace provider, highly regarded for its capabilities in providing and operating flexible workspace solutions catered to freelancers, entrepreneurs, start-ups, and small and large enterprises. It is headquartered in Singapore and operates close to 40 flexible workspace facilities in 7 countries in Asia-Pacific.

One of the growing segments in the Group’s comprehensive leasing business is the flexible workspace business, the growth of which will be accelerated with this transaction. JustCo’s growth strategy, disciplined approach and capabilities in selecting suitable locations, creating technology-enabled workspaces and communities that can fulfill the needs of freelancers, entrepreneurs, start-ups, and small and large enterprises fits well with the Group’s management policy and enables both parties to forge a close partnership.

The Group will take this opportunity to develop new business under the JustCo brand, which helps its efforts to increase the corporate value.

2. Overview of the Joint Venture

1) Company name	JustCo DK (Japan) Co., Ltd.	
2) Headquarters	2-16-1, Konan, Minato-ku, Tokyo	
3) Name and title of representative	Shuji Kawai, President and Representative Director (CEO) Kong Wan Sing, President and Representative Director (co-CEO)	
4) Business description	Operation of the flexible workspace business and complementary business in Japan	
5) Date of incorporation	December 2019 (scheduled)	
6) End of fiscal year	March 31	
7) Equity contribution	Daito Trust Construction Co., Ltd.	51%
	JustCo Holdings Pte. Ltd.	49%

3. Overview of JustCo

1) Company name	JustCo Holdings Pte. Ltd.	
2) Headquarters	12 MARINA VIEW #23-01 ASIA SQUARE TOWER 2 SINGAPORE (018961)	
3) Name and title of representative	Kong Wan Sing, Founder & Director	
4) Business description	Operation of the flexible workspace business and complementary business	
5) Relationship between JustCo and the Company	Capital relationship	None
	Personnel relationship	None
	Business relationship	None
	Whether JustCo falls under the related party of the Company	None

4. Investment Amount

Amount of equity contribution	USD 50 million (JPY 5.5 billion)
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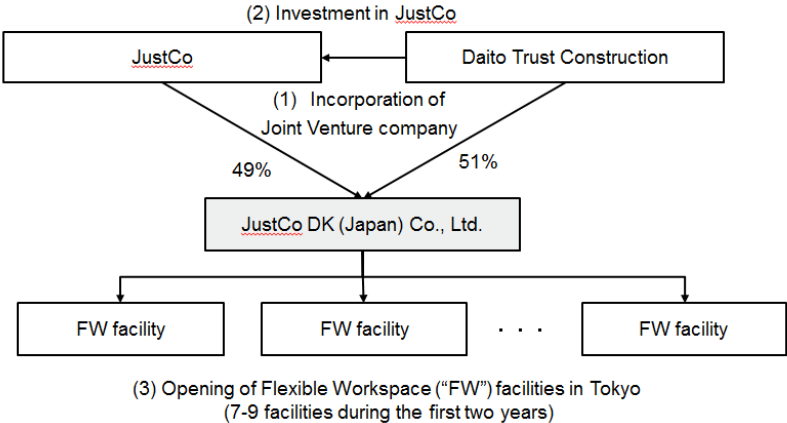
5. Schedule

1) Date of incorporation of JustCo DK (Japan) Co., Ltd.	December 2019 (scheduled)
2) Date of Investment	December 2019 (scheduled)
3) Date of commencement of flexible workspace business	The first half of fiscal 2020 (estimated)

6. Future Outlook

The planned establishment of JV is not expected to have a significant impact on the consolidated business results for this fiscal year.

7. Overview of the Joint Venture (Scheme)



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