

December 12, 2019

Investment in next innovation co., ltd, by NSSK II

Nippon Sangyo Suishin Kiko ("NSSK"; www.nsskjapan.com) is pleased to announce that a company controlled by investment partnerships managed by NSSK affiliates (NSSK II) completed its investment in next innovation co., ltd. ("next innovation" or the "Company"; www.s-aqua.info).

Next innovation was founded in 2015 as a manufacturer and distributor of beauty equipment. In the past two years it has shifted its business to manufacturing and selling hair care products, and expanded its business as a fabless manufacturer. The company's main product, "S-Aqua" is a hair care product for salons that is very unique. This hair treatment uses special alkaline electrolyzed water and lipid amino acids to change the shape of hair. Versus traditional treatment methods which rely on acid heat and petrochemical treatments which can end up damaging the hair. S-Aqua utilizes no harmful chemicals with no hair damage making it the product of choice for consumers and salon stylists who want to avoid excessive hair damage and scalp irritation. In addition, hair product is well suited for Japanese aging population as, 30 to 50 year old women of Japan view hair shine and health as a top priority. As the population of Japan continues to age, we see growing opportunities for S-Aqua to penetrate the market.

NSSK has deep knowledge and experience in the beauty industry cultivated through past investment and management support. They will not only operate beauty facilities that provide haircut, coloring, treatment, nail care, eyelash touch up and aesthetic services, but build a "Total Beauty Platform" to become a nationwide beauty product provider. NSSK's investment in next innovation represents the second stage in the creation of a "Total Beauty Platform", followed by the initial acquisition of Ray Field, which is a leading operator of beauty salons in the Chubu area with hair, nail, eye and spa services and sales of related beauty products. The goal of the Total Beauty Platform is to aggregate a number of leading product and service providers in the beauty category and to drive growth by buy-and-build strategy.

Building on the foundation next innovation has built, NSSK will provide its Value Up Program ("NVP") to implement global best business practices in all relevant areas, including accounting, finance, compliance, and ESG, while driving customer base expansion and penetration, broadening products and services leading to strong top line growth.

NSSK is partnering with next innovation's current management team, who will continue to manage the Company.

NSSK's mission is to build a leading alternative asset investment business in Japan by investing in Japanese attractive companies in partnership with management. NSSK's investment strategy is to generate superior outcomes by applying global investment discipline, operating expertise and human capital to Japanese companies originated from our proprietary and differentiated sourcing network.

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Investor Name:	Nippon Sangyo Suishin Kiko (www.nsskjapan.com)
Founded:	December 2014
Headquarters:	Atago Green Hills MORI Tower 17F 2-5-1, Atago, Minato-ku, Tokyo, Japan
Representative:	Jun Tsusaka
Overview:	NSSK is an independent Japanese alternative investment management company with a focus on Japan. NSSK pursues superior outcomes by applying global investment discipline, operating expertise and human capital to attractive Japanese companies.

Company name:	next innovation co., ltd. (www.s-aqua.info)
Founded:	March 2015
Headquarters:	Okano Bldg 4th Floor, 5-45-5 Higashi Ikebukuro, Toshima-ku, Tokyo
Overview:	next innovation was founded in 2015 and is a fables manufacturer and distributor of hair beauty products such as hair treatment product “S-Aqua (Science Aqua),” hair irons and digital perm treatment machines.