

MONEX GROUP

Announcement of Subsidiary's Release

TOKYO, Aug 16, 2021 – Japan Catalyst, Inc., a wholly owned subsidiary of Monex Group, Inc., issued the following press release today.

Attachment: Japan Catalyst, Inc. press release

Announcement of Commencement of Investment Advisory for Japan Catalyst Fund

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Japan Catalyst, Inc.

Announcement of Commencement of Investment Advisory for Japan Catalyst Fund

TOKYO, August 16, 2021 – Japan Catalyst, Inc. (hereinafter referred to as "JCI") is pleased to announce the commencement of investment advisory activities for the Japan Catalyst Fund.

Japan Catalyst Fund is a Cayman-registered corporate-type investment fund that invests in Japanese equities and is managed by Gordian Capital Singapore Private Limited (Head Office: Singapore, hereinafter referred to as "Gordian Capital"). JCI has entered into an investment advisory agreement with Gordian Capital, and the Japan Catalyst Fund began operations in August 2021.

JCI has been providing investment advice to the mother fund of Monex Activist Fund (nicknamed "Japan's Future", hereinafter referred to as "MAF") for the past one year since its launch, and the MAF has been well received mainly by individual investors, and its investment performance has been strong (net return of +24.86%, total net assets of 8 billion yen *As of July 30, 2021).

Our corporate philosophy is "to be a catalyst for real change in Japanese companies that are facing a period of transformation", and we believe that "啐啄同時 (Sottaku-doji)" is the ideal style of engagement. 啐 (Sotsu) is the sound made by the chick trying to break the eggshell from the inside to hatch. 啄 (Taku) is the sound made by the mother bird trying to break the eggshell from the outside. 同時 (Douji) means simultaneously occurring at the same time. Hence, it implies that the chick can hatch if pecking from both sides since the act is performed simultaneously. Pecking from the outside only does not work when the chicks are not ready, while pecking from the inside only does not assist the chicks to exit.

To support corporate management and companies from the outside when they are trying to transform is what we aim for in our engagement investments. In Japan, where the progress of governance reforms are beginning to take shape, investors around the world are paying attention to the development of this type of engagement investment and are looking forward to the transformation of Japanese companies. These investors will be able to access these opportunities via the Japan Catalyst Fund.

Through our shareholder activism, JCI will continue to work as a team to encourage corporate reform and aim to provide investment results that are positive from both a commercial and corporate governance perspective to investors in Japan and overseas.

*Note: The Japan Catalyst Fund is not offered in Japan as of now.

This material is an English translation of a Japanese announcement made on the date above. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document.