

JAPONICA PARTNERS

FACT SHEET – 2023

1. **Founded:** 1987

2. **Track Record and Culture:** Building a track record creating transformational investments with low risk high return. Japonica Partners track record and culture are to see what others do not see and to use “education-education-education” to accomplish what others believe is impossible.

3. **Building Blocks of Transformational Investments:** Japonica’s transformational investments have three building blocks: discover systemic misconceptions, discover a massive undervaluation, and create extraordinary value.

4. **Transformational Investment Efforts:**

	Role	Tactics
Greek Government Bonds (GGBs)	One of the largest private owners of GGBs, improved Greek government public financial management. 8.9% peak ownership with a 27% veto blocking position.	\$3.8 billion (€2.9 billion) unmodified Dutch auction tender offer for select GGBs.
Sunbeam-Oster Company (SOC)	Majority stockholder and key C-level executive positions (chairman, CEO, and President). 99.2% peak ownership.	\$1.5 billion turnaround of Fortune 300 SOC (12.2x initial stock price in 3 years)
CNW Corp.	Largest stockholder in one of the largest railroad holding companies in North America. 8.8% peak ownership.	\$1.6 billion white knight tender offer and full board proxy for CNW
Allegheny International (AI)	Largest creditor and sole proponent of successful joint plan of reorganization. 35% of reorganization value.	\$690 million bankruptcy reorganization of Fortune 200 AI
Borden Inc.	Lead sponsor and global institutional investor organizer.	\$2.4 billion restructuring proposal of Fortune 100 Borden (withdrawn)
TOTAL		\$10.0 billion

5. **Performance Track Record:** Japonica Partners compares its three investment performance metrics against a Top 10 PE Index using the best practice Global Investment Performance Standards (GIPS). Since inception through fiscal year-end 2020, the performance metrics are:

	<u>TVPI</u>	<u>DPI</u>	<u>IRR</u>
Japonica Partners	6.05x	6.05x	89%
Top 10 PE Index	1.59x	1.59x	13%
Japonica Partners vs Top 10 PE Index	3.80x	3.82x	76 pp

The Top 10 PE Index sponsors are Advent, Apollo, Blackstone, Carlyle, Cerberus, CVC, KKR, Silver Lake, TPG and Warburg Pincus. Top 10 PE Index data is primary sourced from 259 LP interests in 191 sponsor funds with \$80 billion distributed.

6. **Superstructure Teams:** Japonica builds customized superstructure teams for each transformational investment and focuses on only one transformational investment at any one time. Superstructure teams span a comprehensive global landscape of the best and brightest in their niche.

7. **Social Responsibility:** Founded the Charles & Agnes Kazarian Foundation to improve Government Performance Management (GPM) and balance sheet literacy. The Foundation is funded solely by affiliates of Japonica. Kazarian Foundation spending since founding plus year-end 2022 assets is over a quarter-billion US dollars (US\$284 million). Year-end 2022 assets were \$208 million.

8. **Website:** www.japonica.com

Japonica is not a fund and does not provide investment advice.

Notes: Performance metrics PDF: <https://japonica.com/wp-content/uploads/JP-versus-Top-10-PE-Composite-Chart.pdf>

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