

M&A Deal in Malaysia by Japanese Part 6 2021

Hello, this is Kanbayashi from Likearisingsun. This time, I would like to introduce the acquisition of a local sales company by Fuji Industrial announced on March 31, 2021, and the investment in Aerodyne by Real Tech Fund announced on May 10, 2021.

1 Acquisition by Fuji Industrial

(1) Fuji Industrial, a range hood manufacturer with the largest market share in Japan
Fuji Industrial was established in Kawasaki City, Kanagawa Prefecture, in 1941. In 1962 the company built a factory in Sagami-hara City, and in 1974 it also moved its head office to the same city. Fuji Industrial produces general kitchen appliances, and in terms of the manufacturing and sale of range hood products, the company is renowned as an absolute market leader in Japan, occupying more than 50% of the market share in the country. According to the company's website, the number of its employees is 850 and annual sales is 26 billion Japanese yen. In addition to the factory in Sagami-hara City, the company now has another factory in Shirakawa City, Fukushima Prefecture, and subsidiaries in Singapore and Shanghai.

(2) JK Marketing, the sales agent in Malaysia

According to Fuji Industrial's newsletter dated March 31, 2021, JK Marketing has been selling Fuji Industrial's housing equipment such as gas stoves, IH, ovens, and water heaters with a focus on range hoods. As many of you may have seen their products sold under the brand name of "FUJIOH" in electrical appliance stores, in Malaysia this brand is known as a high-quality brand from Japan.

Recently, Fuji Industrial acquired JK Marketing through its Singapore subsidiary and changed the company name to FUJIOH Marketing. According to the newsletter, Fuji Industrial will "continue to provide products and services that meet the market demands and expand its dealer network, which is currently centered in West Malaysia, to further enhance the recognition of the FUJIOH brand and become the No. 1 brand in Malaysia.

2 Investment in Aerodyne by the Real Tech Fund

Real Tech Fund is a fund managed by Real Tech Holdings, a joint venture between Euglena and Leave a Nest. On May 10, 2021, the fund announced an investment in Aerodyne, a Malaysian drone service provider that is regarded as the second largest in the world. Drone Fund invested in Aerodyne in March 2019 and Leave a Nest Capital in 2020, bonding a strong tie with Japan.

Aerodyne was established in Malaysia in 2014 and has been engaging in the infrastructure industry. The company is now planning to expand its agricultural sector such as plantations business. The financing from Real Tech Fund this time is the company's strategic move to enter the Japanese market and to be listed on the Tokyo Stock Exchange in the future. As the shrinking of the Japanese stock exchanges has been a topic of discussion for some time, we hope that Aerodyne will be able to get listed in Japan soon.