







December 19, 2022 Digital Securities Preparatory Co., Ltd. Ownership Co., Ltd. ASSETLEAD Inc. The Joyo Bank, Ltd. Marubeni Corporation

## Establishment of a Real Estate STO Fund for Tokenization of Silent Partnership Equity Interests

Digital Securities Preparatory Co., Ltd.\*1 (hereinafter, "DS"), in which Marubeni Corporation (hereinafter, "Marubeni") has invested, and Ownership Co., Ltd. (hereinafter, "OS"), a system subsidiary of DS, have established a real estate STO\*2 fund for qualified investors as of December 16, 2022 with the aim of pursuing tokenization of silent partnership equity interests using "Ownership", a blockchain system developed by OS, after renga No. 0 LLC established by DS submitted a notification of Specially Permitted Businesses for Qualified Institutional Investors, etc.\*3

(1) ASSETLEAD Inc., a shareholder of DS, sold the property, (2) The Joyo Bank, Ltd., which has invested in DS through J-Raise Investment Limited Partnership, a CVC (Corporate Venture Capital) fund, provided a nonrecourse loan\*4, and (3) Mizuho Marubeni Leasing Corporation, a 50% owned subsidiary of Marubeni Corporation, participated as a qualified institutional investor.

## Real Estate STO Fund Structure renga No. 0 LLC **P**ASSETLEAD **JOYO BANK** Trust beneficiary Seller Non-recourse loan Lender interest trade (ASSETLEAD Inc.) (Joyo Bank) agreement Debt Trust agreement Real estate trustee (First Trust, Co., Ltd.) Trust beneficiary interest in real Marubeni Master lease agreement Investment Equity in Qualified institutional investor: silent partnership\* Master lessee and Mizuho Marubeni Leasing Corporation Property manager \*"OwnerShip" **Token** Other Qualified investor converted into Sublease agreement tokens **OWNER SHIP** Sublessee (End tenants) renga No. 0 LLC Equity Investment Administration management consignment agreement Administration management (Digital Securities Preparatory Co., Ltd.) DIGITAL SECURITIES PREPARATORY











This is the first initiative in Japan to establish a real estate STO fund in which silent partnership equity interests are converted into security tokens. The five companies will strive to achieve next-generation real estate securitization products offering that contribute to stable asset building, in order to soundly promote the government's "shift from savings to investment" policy.

<sup>\*1</sup> DS is preparing to launch its real estate STO business, which will allow real estate to be converted into security tokens using blockchain technology, with the aim of providing next-generation financial products that will enable anyone to become a wealthy person.

\*2 Real Estate STO (Security Token Offering) business

STO is a method of raising funds by issuing "security tokens" (digital securities) that are issued electronically using distributed ledger technology represented by blockchain technology. Real estate STOs are digital securities whose underlying assets are real estate or rights related to real estate and are attracting attention as a nextgeneration financial product that differs from conventional real estate securitization products.

\*3 The establishment of the fund was conducted as a preparatory act for accreditation of the Testing of New Technology Demonstration Plan based on the Act on Strengthening Industrial Competitiveness (the so-called "Regulatory sandbox system"). The certification was granted on October 14, 2022. (https://www.cas.go.jp/jp/seisaku/s-portal/project/gaiyou28.pdf)

<sup>&</sup>lt;sup>\*4</sup> A non-recourse loan is a method of providing a loan secured solely by assets held by the borrower.











## Company Overview

Name: Digital Securities Preparatory Co., Ltd.

Founded: November 12, 2020 Representative: Kohei Yamamoto

Location: 4-15-1, Akasaka, Minato-ku, Tokyo 107-0052, Japan

**Business:** Preparing to launch Real Estate STO business

Website: https://digitalsecurities.jp

Name: Ownership Co., Ltd. Founded: October 1, 2021 Haruhiko Matsui Representative:

Location: 4-15-1, Akasaka, Minato-ku, Tokyo 107-0052, Japan **Business:** Developing and operating a security token system

Website: https://www.ownership.jp/

ASSETLEAD Inc. Name: Founded: March 27, 2000 Representative: Tadashi Kitada

Location: ShinjukuNomura Bldg 9F. 1-26-2, NishiShinjuku, Shinjuku-ku, Tokyo 163-0509, Japan

Website: https://assetlead.co.jp/

Name: The Joyo Bank, Ltd.

Founded: July 30, 1935 Representative: Tetsuya Akino

Location: 5-5, Minami-machi 2-chome, Mito, Ibaraki 310-0021, Japan

Website: https://www.joyobank.co.jp/eng/

Name: Marubeni Corporation Founded: December 1, 1949 Representative: Masumi Kakinoki

Location: 4-2, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8088, Japan

Website: https://www.marubeni.com/en/

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