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Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Morphic Asset Management, manager of the Morpnic Ethical Equities Fund Ltd, calls reforms at leading Japanese construction company Haseko (1808 JP)

On June 28th, Haseko (1808 JP) will hold its annual general meeting. Haseko is Japan's largest specialist builder of condominiums.

Ahead of this meeting Morpnic Asset Management has called on the company to make important changes to its governance, business strategy and capital management. Morpnic Asset management runs three ESG long short funds with a corporate engagement focus.

In its communication with Haseko, Morpnic recognises the company's good operational performance, but notes that despite this, its shares have steadily de-rated in terms of price to book and price to earnings.

Morpnic believes that to understand the reasons for this frustrating share performance, Haseko needs to look at issues related to:

- a) Capital and balance sheet management
- b) Concerns about its future strategy
- c) Board composition

Morpnic's press release and original letter are available [here](#).

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