

INCJ to invest in BeeEdge Co., Ltd.

Corporate start up studio to simultaneously launch new businesses based on business ideas/technologies unutilized within a large company

- Promoting the commercialization of new business ideas being unutilized within a large company through open innovation
- Expecting BeeEdge to become a new model case to improve Japan's entrepreneurship, the rate of which is low compared to that of other countries'
- Aiming to roll out the same model to other large companies in Japan, if this model proves to be successful

Tokyo, November 1, 2018 — INCJ Ltd. ('INCJ') announced today its decision to make an investment of up to JPY 1 billion in BeeEdge Co., Ltd. (BeeEdge), and the completion of JPY 383 million as a milestone investment, to support the company's business development.

BeeEdge was established in March, 2018 as a joint venture between Scrum Ventures, a Silicon Valley-based venture capital fund, and Panasonic, a major consumer electronics manufacturer, to actively create new businesses. Specifically, BeeEdge aims to take over and commercialize business ideas/technologies which Panasonic's consumer electronics divisions developed internally, yet its existing business units are unable to commercialize due the reasons which are typical to large companies.

At many large companies, there are often cases where someone within a company has a promising new business idea, but the company does not decide to pursue commercialization and the idea remains unused for a variety of reasons (new idea does not fall into the scope of existing business units; it doesn't reach enough business size required by large company; it doesn't satisfy certain brand requirements, etc.). BeeEdge aims to be able to accelerate these business ideas as it is not constrained by existing rules of Panasonic. BeeEdge commercializes these ideas/technologies by providing adequate investment and support at each stage of business.

INCJ decided to invest in BeeEdge because of the company's efforts to break down the barriers that can 'trap' good ideas inside large companies. Also, as BeeEdge gives employees of a large company an opportunity to pursue his/her own business without resignation from the company, it could be a new model case to promote entrepreneurship in Japan, where the rate of

entrepreneurship is still very low when compared to that of entrepreneurship in other countries. INCJ believes that if this project becomes a success, the same model can be rolled out to other large companies in Japan as well. In addition to its investment, INCJ will also support management of Bee Edge, cooperation with other INCJ portfolio companies, and promotion of open innovation.

About BeeEdgeCo., Ltd.

Established: March 2018
Headquarters: Minato-ku, Tokyo
Representative: Makoto Haruta
Business outline: Investment and commercialization support for large company-originated start-ups

Appliances Company, Panasonic Corporation

Established: January 2012
Headquarters: Kusatsu City, Shiga
Representative: Tetsuro Homma
Business outline: Consumer electronics, food distribution, cooling and heating, B to B

Panasonic Corporation

Established: December 1935 (founded in March 1918)
Headquarters: Kadoma City, Osaka
Representative: Kazuhiro Tsuga
Business outline: Major electronics manufacturer
Consumer electronics, Housing,
Automotive, B to B

Scrum Ventures LLC

Established: February 2013
Headquarters: San Francisco
Representative: Takuya Miyata
Business outline: Silicon Valley-based
VC that carries out early stage start up
investments

About INCJ, Ltd.

INCJ, Ltd. was established in September 2018 via company split from Innovation Network Corporation of Japan (INCJ). INCJ was established in July 2009 with the aim of overcoming boundaries between companies and industries, creating and nurturing key industries via open innovation for the prosperity of future generations, and the company has changed its name to Japan Investment Corporation (JIC) and begun new activities. INCJ, Ltd. will continue the activities of INCJ, engaging in “Value Up” activities such as overseeing additional investments, milestone investments and exits from investments in portfolio companies until March 2025.

URL : <http://www.incj.co.jp>

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Overview of New Investment Decision

Target: BeeEdge Co., Ltd.

Established: March 2018

Headquarters: Minato Ward, Tokyo

Representative: Makoto Haruta

Business outline: Investment and commercialization support for large company-originated start-ups

Overview of investment

Authorized investment: JPY1 billion (maximum)

Amount invested: JPY383 million (as the milestone investment)

Co-investors: Scrum Ventures LLC, Panasonic Corporation

Shareholding ratio: INCJ (33.8%), Scrum Ventures (33.8%) Panasonic (32.4%)

Investment structure outline: See attachment

Significance of Investment

Supporting social needs:

- As a venture that promotes the commercialization of new business ideas being unused in large companies through open innovation, BeeEdge can be a model case for innovation and new business creation by large Japanese companies.
- Represents a new model for the improvement of entrepreneurship in Japan, the rate of which is low compared to that of entrepreneurship in other countries

Growth potential:

- By salvaging new business ideas being unused in large companies to create start-ups, these companies can create new added value.

Innovation

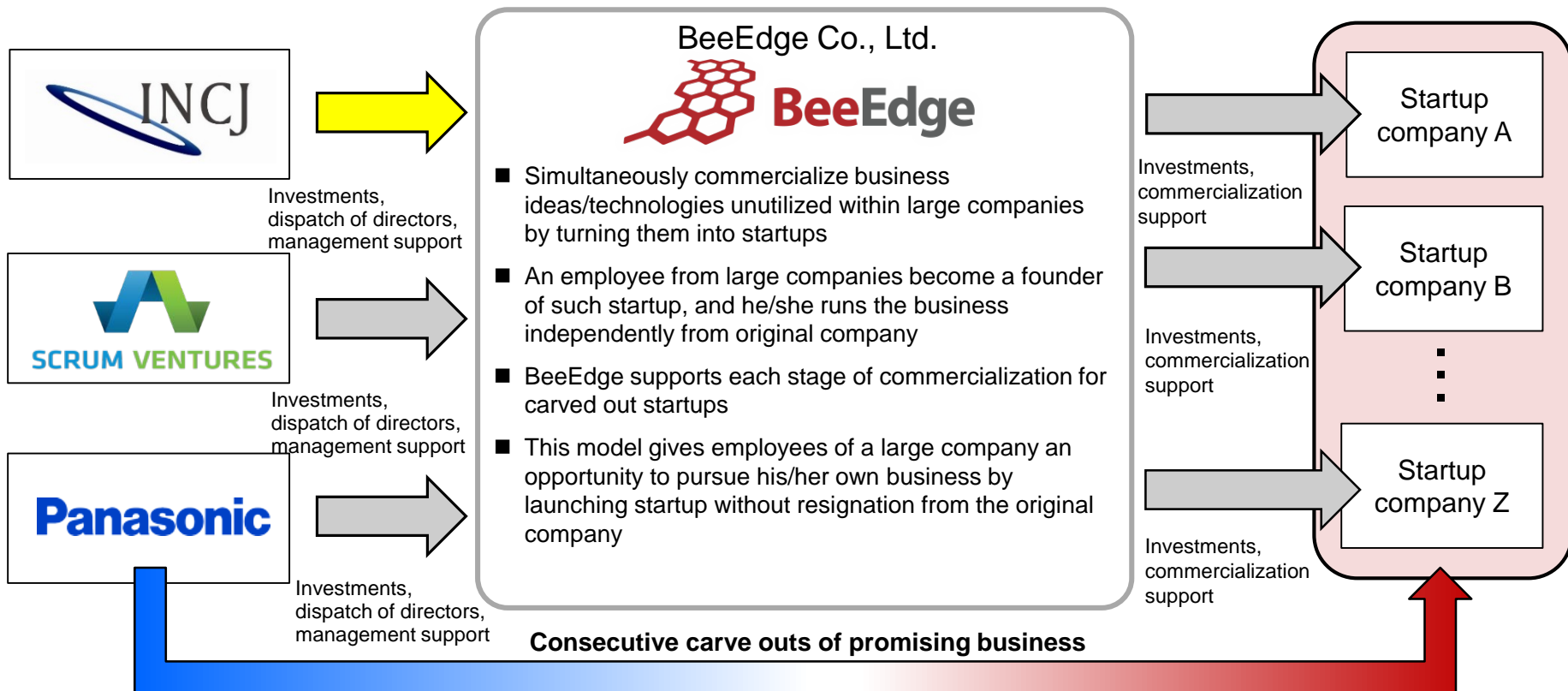
- Create a success story for social impact by successfully commercializing innovative new ideas that are unable to be commercialized at large companies for a variety of reasons, leading to a model that can be developed at other large companies.
- Potential for continuous creation of new products and services.

Target: BeeEdge Co., Ltd.

Business outline: Support the commercialization of business ideas/technologies unutilized within large companies

Authorized investment: JPY1 billion (maximum)

Investment decision announced: November 1, 2018



- Promote the commercialization of new business ideas being unutilized within large companies through open innovation
- A new model case to improve Japan's entrepreneurship, the rate of which is low compared to that of other countries'
- Aims to roll out the same model to other large companies in Japan