

INCJ revokes a decision of support for BeeEdge Co., Ltd.

Tokyo, March 29, 2024 — INCJ, Ltd. (“INCJ”) today announced that it has revoked its decision to support for BeeEdge Co., Ltd. (“BeeEdge”) effective March 31, 2024 in response to BeeEdge’s decision to dissolve the company on March 31 and no longer engage in specific business activities as stipulated in the former Industrial Competitiveness Enhancement Act (Act No. 98 of 2013).*

*INCJ, Ltd., since being newly established on separation from the former Innovation Network Corporation of Japan, has continued to operate under the same framework of the former Industrial Competitiveness Enhancement Act with the conditions of the company split approved by the Ministry of Economy, Trade, and Industry (METI).

About BeeEdge Co., Ltd.

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

Overview of investment

Announcement dates:	November 1, 2018 / May 29, 2020
Authorized investment:	JPY1.0 billion (maximum)
Amount invested:	JPY383 million / JPY617 million
Press releases:	INCJ to invest in BeeEdge Co., Ltd. https://www.incj.co.jp/newsroom/PressRelease_INCJ_Weetbix_20181101.pdf

INCJ makes follow-on investment in BeeEdge Co., Ltd.
https://www.incj.co.jp/newsroom/PressRelease_INCJ_Weetbix_20200529.pdf

1. Background of investment

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. Specifically, BeeEdge curves out business ideas arising from Panasonic Corporation Appliances company responsible for Panasonic's consumer electronics, that are promising but could not be commercialized by Panasonic due to various reasons, such as

the size of the business. BeeEdge then establishes a startup outside Panasonic and provides appropriate investment and support at each stage of commercialization in an effort to speed up the process. INCJ decided to invest in BeeEdge to facilitate the realization of good business ideas that can become trapped within large corporations, and as a model case to promote the development of entrepreneurship in Japan, which remains notably lower than in other countries.

2. Business progress

BeeEdge leveraged ideas generated within Panasonic to establish three companies: MITSUBACHI PRODUCTS Co., Ltd. ("MITSUBACHI PRODUCTS"), established in September 2018 to develop, manufacture, and market a chocolate drink machine equipped with a steam blender mechanism; GIFMO Co., Ltd. ("GIFMO"), established in April 2019 to design, manufacture and market food preparation solutions for people who have difficulty swallowing; and COTOHO Inc., developed in June 2019 to develop, manufacture and market gait rehabilitation equipment. With the business of BeeEdge progressing steadily, in 2020 INCJ implemented a follow-on investment.

3. Reason for exit

BeeEdge has launched three operating companies, and all three have achieved product launches, the first major hurdle for a startup. MITSUBACHI PRODUCTS was awarded the "Minister of State for Science and Technology Policy Award" at the 1st Japan Open Innovation Awards. MITSUBACHI PRODUCTS became independent from BeeEdge through management buyout, and GIFMO and COTOHO decided to dissolve. COTOHO's operations were continued within BeeEdge, and the business was transferred to Panasonic in March 2024.

This initiative led to some successes, including the creation of a case in which a newly established operating company became independent and continued its business, and the creation of a business in which Panasonic took over operations and is now pursuing the next stage of commercial development. However, BeeEdge has determined that its initial role has been fulfilled, and the company will be dissolved, as planned, after the disposal of shares in the three companies has been completed. As a result, INCJ has decided to revoke a decision of support for the company.

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. Following revisions to its governing law—the Industrial Competitiveness Enhancement Act—the continuing company changed its name to Japan Investment Corporation (JIC) and began new activities. INCJ, Ltd. is mandated until March 2025 to pursue the activities of the original Innovation Network Corporation of Japan, engaging in “Value Up” initiatives at portfolio companies, making additional and milestone investments, and developing exit strategies from investments in portfolio companies.

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

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