

INCJ sells its shares in Nileworks Inc.

Tokyo, January 23, 2023 — INCJ, Ltd. (“INCJ”) announced that it has completed the transfer of its entire shareholding in Nileworks Inc. (“Nileworks”) to Sumitomo Corporation.

About Nileworks Inc.

Established: January 2015
Headquarters: Chiyoda-ku, Tokyo
Representative: Yasuhiro Kojima, Representative Director, President
Business outline: Design, development, manufacturing, and sales of agricultural drones; research and development of growth diagnosis and cultivation technologies; development and sales of agricultural cloud services

Overview of investment

Announcement date: October 10, 2017 / March 14, 2019
Authorized investment: JPY300 million (maximum) / JPY200 million (maximum)
Amount invested: JPY300 million / JPY200 million
Press release: Agriculture Drone Company Nileworks to Raise Capital by Private Placement
https://www.incj.co.jp/english/newsroom/upload/docs/1507615990_en.pdf
Agricultural Drone Company Nileworks Raised About 1.6 Billion Yen by Private Placement of New Shares
https://www.incj.co.jp/english/newsroom/upload/docs/E_PressRelease_INCJ_Nile_20190314.pdf

1. Background of investment

Established in January 2015, Nileworks is a startup that develops centimeter-accurate, fully automated agricultural drones and promotes the commercialization of services that utilize crop analysis technology and crop growth simulation based on image sensing data. INCJ decided to invest in Nileworks to support the spread of innovative precision agriculture using ICT, driving increased productivity and international competitiveness in Japan's agricultural industry, as well as promoting collaboration and open innovation beyond industrial frameworks, thereby contributing to the creation of a new industry through the fusion of ICT and agriculture.

2. Business progress

Nileworks launched its first production model, the Nile-T19, in 2019. In June 2021, a consortium of nine domestic organizations, including Nileworks, was selected by the National Agriculture and Food Research Organization (NARO) for the "Development of High-Spec Drones for Safe and Secure Agriculture and Utilization Technology," a project to develop technology to enhance international competitiveness.

3. Reason for exit

Having reached five years since its initial investment, INCJ held various discussions and deliberations with Nileworks and co-investors to determine a method of exit that would facilitate Nileworks' future development. INCJ ultimately decided that the most appropriate method would be to transfer all its shares to Sumitomo Corporation.

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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