

JIC Activities – Focus / Directions

July 31, 2025

Japan Investment Corporation

JIC



- Japan Investment Corporation is an investment company established in September 2018 under the Industrial Competitiveness Enhancement Act. Its primary aim is to contribute to the realization of policy objectives by strengthening industrial competitiveness through open innovation and expanding private sector investment.
- JIC provides risk capital for strategic areas through LP investments in funds under JIC's umbrella and in private funds.
- Following the amendment of the Industrial Competitiveness Enhancement Act in June 2024, JIC's operational period was extended to end-March 2050. Looking ahead to 2025, JIC will continue to play a role in the growth and development of Japan's risk capital ecosystem from a medium- to long-term perspective.

JIC Group



INCJ, Ltd. (Established: September 2018)

Established via company split from Innovation Network Corporation of Japan. Transcending industrial and organizational barriers, INCJ, Ltd. engages in investment activities aimed at fostering and creating next-generation national wealth industries through open innovation.



JIC Venture Growth Investments Co., Ltd. (Established: July 2020)

JIC Venture Growth Investments Co., Ltd. helps to improve Japan's international competitiveness by promoting innovation that helps resolve social and industrial issues in Japan.



JIC Capital, Ltd. (Established: September 2020)

JIC Capital, Ltd. provides risk capital for the creation of new industries to realize Society 5.0, the promotion of business restructuring to strengthen international competitiveness, and the construction of next generation social infrastructure and digital transformation (DX).

- The new investment criteria include existing fields but also restructure the four investment focus areas, add specific examples of industrial fields, and explicitly state that mid-sized companies are designated targets.

Investment focus areas



Creating a positive cycle of domestic investment and Innovation

To enhance Japan's industrial competitiveness, support the business activities which contribute to positive cycle of domestic investment and innovation in industries requiring sustainable growth and demanding significant amounts of risk capital over a long period.



Creating and developing startups

To accelerate the creation and nurturing of startups which are drivers of economic growth and innovation, and to foster the creation of global unicorns, support businesses that contribute to development of the startup ecosystem.



Leveraging untapped regional management resources

Address the need for funding among local academic startups, leading medium enterprises that possess technologies with high earning and innovation potential and which are not being fully leveraged due to a lack of risk capital and human resources.

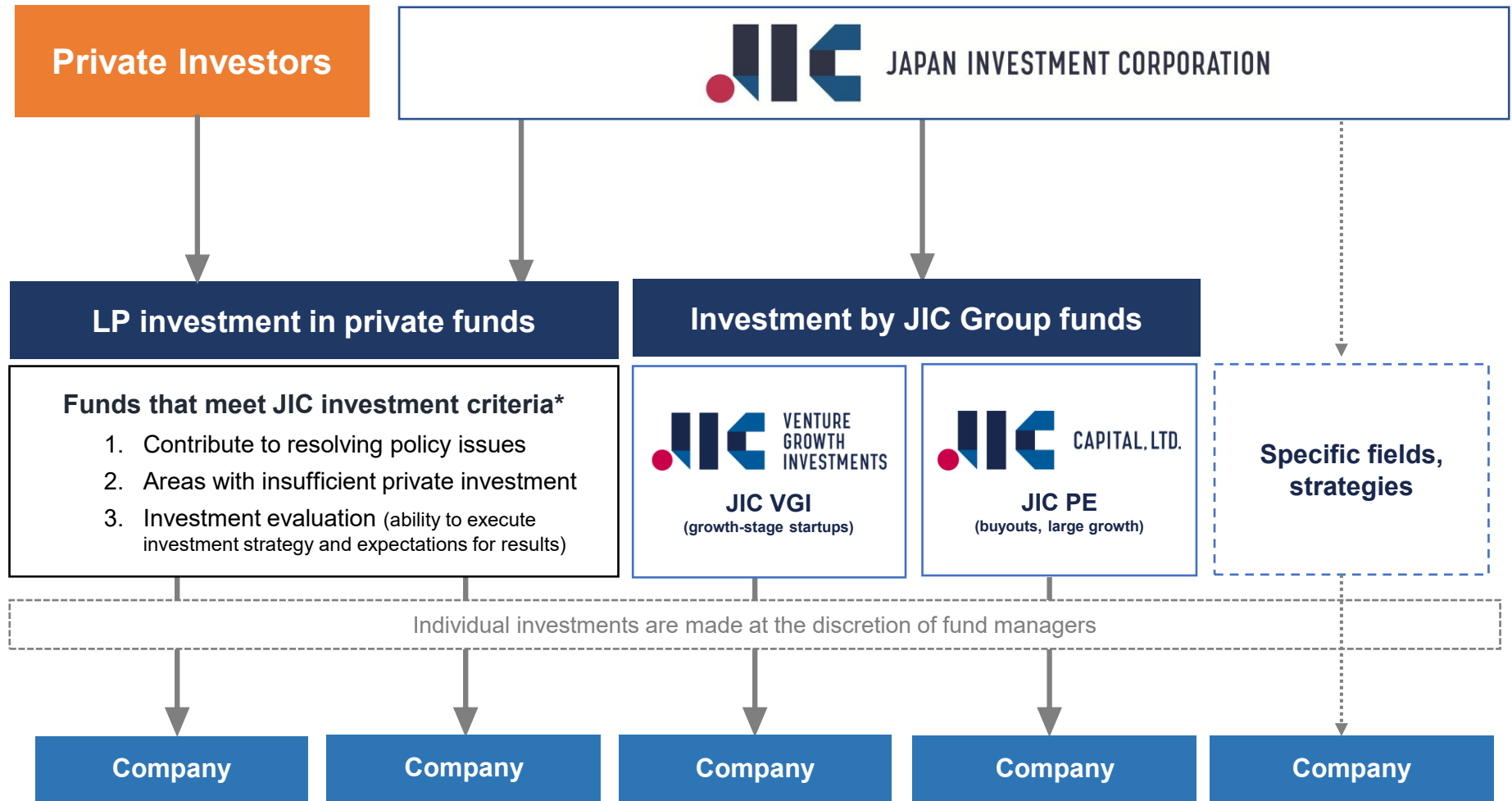


Promoting business consolidation in response to changes in market and business environments

Support enhancement of industrial competitiveness through medium- to long-term growth investments and industry consolidation to businesses, that can respond to recent changes in the business environment through business consolidation and renewal.

Drive open innovation
and contribute to enhancing industrial competitiveness

- In principle, JIC invests in funds, while JIC VGI and JIC Capital, which are under JIC's umbrella, invest in companies.



* In addition to the perspectives mentioned, comprehensive consideration will also be given to the subscription conditions, growth stage of the fund (manager), and JIC's role and portfolio.

Status of JIC Fund Investment Commitments

(as of March 31, 2025)

- Since 2019, JIC has committed to invest a total of approximately 1,709.3 billion yen in funds managed by private funds and two group subsidiaries (JIC VGI and JIC Capital). (As of March 31, 2025)
- In fiscal 2024, JIC committed a total of 57.4 billion yen to 10 funds and, for the first time, committed to an engagement fund.



Private Fund

Funds: 48
Total commitments: JPY249.3 billion

| Strategy | No. of Funds | Pledged Amount |
|------------|--------------|------------------|
| VC | 45 | JPY190.3 billion |
| PE • Other | 3 | JPY59.0 billion |



JIC VGI

VGf1: JPY120 billion (Sep. 2020)
VGf2: JPY200 billion (Jan. 2023)
Opportunity Fund:
JPY40 billion (Sep. 2023)



JIC
 (Buyout / Large-growth)

PEF1: JPY200 billion (Nov. 2020)
PEFJ1*: JPY900 billion (Oct. 2022: decision to change)

*The amount of the co-investment fund was increased in response to the number of large-scale deals, which has been on a growth trend since the fund was established in 2020, and because JIC can be active when policy-related deals are included.

VCs, Startups

- JIC focus areas include **Deep Tech**, **Life Science**, **Pre-seed/Seed**, **Growth**, and **Go Global**. **Early** has now been added to the list.
- Taking into account the government’s “Startup Development Five-year Plan (2022)” and related initiatives, JIC will continue to support VCs and startups.

JIC:

- JIC will consider funds that focus on areas other than Deep Tech, with the aim of **supporting early-stage growth for the creation of unicorn ventures**.
- With the extension of the operational period to 2050, JIC is committed to supporting the long-term ecosystem development by fostering fund managers and entrepreneurs. Specifically, JIC will implement acceleration programs in collaboration with top-tier overseas VCs in which it has invested, and search for high-potential fund managers.



JIC VGI:

- In fiscal year 2024, JIC VGI made **23 new investments (investment amount: approx. 19.8 billion yen)**, including investments in Deep Tech startups, bringing the **cumulative total to 90 investments (cumulative investment amount: approx. 114.1 billion yen)**. Its portfolio companies are steadily progressing, with outcomes including five IPOs, one M&A, and one share transfer. (As of March 31, 2025)
- In April, VGF2 decided to invest in Ohara Pharmaceutical Co., Ltd. to provide growth capital for drug discovery. This investment will contribute to **regional revitalization** and **support for medium-sized companies**.

Ohara Pharmaceutical
(from website)



PE

- Contributing to strengthening industrial competitiveness, primarily through private equity investments in large-growth buyouts by JIC Capital.

JIC Capital Investees



JSR Corporation:

Supporting the implementation of growth strategies through structural reforms and industry reorganization. Providing support for structural reforms in the life sciences business, and supporting JSR's initiatives in light of the steady progress of the digital solutions business, which is a key focus of the industrial restructuring.



Shinko Electric Industries Co., Ltd.:

In March 2025, a tender offer was completed, and in June, the company was delisted and executives were dispatched from JICC. The company aims to firmly support commercialization of advanced semiconductor packaging technologies and contribute to enhancing the international competitiveness of Japan's semiconductor industry.



Mobility Beyond

Astemo, Ltd.:

Effective April 1, 2025, the company name has been changed from “Hitachi Astemo” to “Astemo.” The company aims to become a leader in the electrification of mobility and the SDV era, and will strengthen its business and enhance its sustainable corporate value.



Topcon Corporation:

In March 2025, JICC announced joint capital participation with KKR to implement an MBO. The TOB began on July 29th, with the aim of creating a successful example of business transformation from a domestic hardware company into a solutions company in the global market.

Engagement Fund

Amid a rapidly changing business environment, JIC provides financial support to engagement funds, which enables them to become shareholders of listed companies operating in fields that are internationally competitive, and to promote business restructuring and new business creation by growth investment through medium- to long-term, constructive, and friendly dialogue and support activities.

Investment Performance:



March 2025: Commitment to invest in JAC

Buyout Fund Issues

Amid market pressure to enhance corporate value, domestic companies are increasingly finding it necessary to restructure their businesses, and the scale of such projects is expanding. However, the number of private funds that can support large-scale projects is limited. Diversification of players is necessary to promote initiatives by companies.

- In addition, risk capital supply remains insufficient for large-scale growth investments, business restructuring, and new business creation in manufacturing industries and GX/DX companies, which require significant capital expenditures.
- Given this situation,
 - ① JIC established an investment policy for large buyout funds.
 - ② JIC decided to establish JICC Fund No. 2 (total amount: 800 billion yen; scheduled for autumn 2025).

- With the extension of the JIC Group's operational mandate through 2050, we've taken the opportunity to update our Mission, Vision, and Values.

● Mission: JIC Group Management Philosophy (What do we want to contribute to society?)

“Investing in the future, opening up Japan”

Our investments strengthen Japan's industrial competitiveness and open the way to the future.

● Vision: JIC Group Goal (What kind of organization should we be to achieve our mission?)

“Driving a virtuous cycle of risk capital in Japan”

We support the enhancement of corporate value through investments that strengthen industrial competitiveness.

Through our investments, and by nurturing skills and knowledge, we contribute to the expansion of Japan's innovation ecosystem.

● Values: JIC Group Code of Conduct (How will we act to achieve our Mission and Vision?)

Our employees are bound by a code of conduct, and guided by a strong sense of ethics. They strive for superior performance.

● Integrity & Discipline

We are aware of our public mission as an investment institution that contributes to solving policy and social issues, and we will approach all corporate activities with a high level of self-discipline and a fair and sincere attitude.

● Excellence & Professionalism

We take pride in our professionalism and strive to achieve our mission by leveraging our high level of expertise and experience.

● Accountability & Responsibility

Each individual understands their role, and that of the organization, and takes responsibility for their actions and outcomes.

● Respect & Teamwork

We will achieve our mission by respecting each other, pooling our knowledge and ideas, and working together as a team.

● Diversity, Equity & Inclusion

We recognize each other's differences and provide fair opportunities and environments where everyone can thrive, leveraging diverse values and talents to create new value.

DE&I Promotion

- JIC will promote DE&I in the ecosystem surrounding risk capital as part of efforts to improve environmental that contribute to the sustainable growth of the Japanese economy through the realization of a virtuous cycle of risk capital.
- 2025 will be a phase for implementing the initiatives that have been considered and discussed to date, with the entire JIC Group working together.

Internal

Discuss and implement 12 items, including:

- Support system for employees returning from childcare leave, etc.
- Regular discussions to promote women's participation in the workplace
- Creation of leaflets about life event-related company systems
- Implementation of diversity training
- Articulation of management requirements and development and systematic promotion of women
- Expansion of company systems to promote women's advancement
- **Publication of articles regarding the work styles of group employees**
- Announce ratio of women in investee funds on JIC website

External

(Publication of articles regarding work styles, etc.)

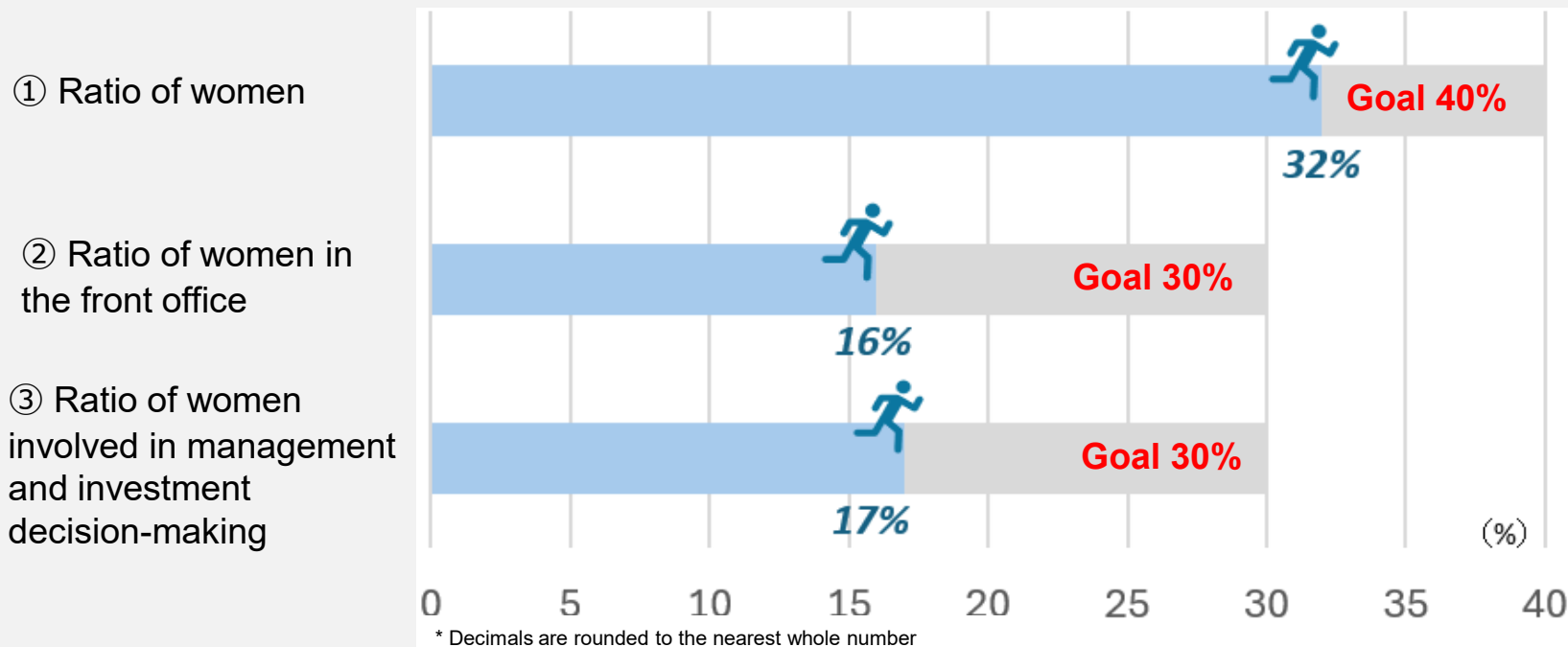
Discussion by employees



Promoting Women's Participation at JIC

- As part of its management strategy, within its DE&I initiative, JIC is focusing on promoting the active participation of women.
- The JIC Group as a whole has established the following goals
 - (1) By 2030, the Group-wide ratio of women will be 40% or more.
 - (2) By 2030, the Group-wide ratio of women in the front office 30% or more.
 - (3) By 2030, the Group-wide ratio of women involved in management and investment decision-making will be 30% or more.

JIC Group Current Status (as of July 1, 2025)



- The JIC Group will continue to work toward achieving our goals by promoting active participation of women across the entire organization.

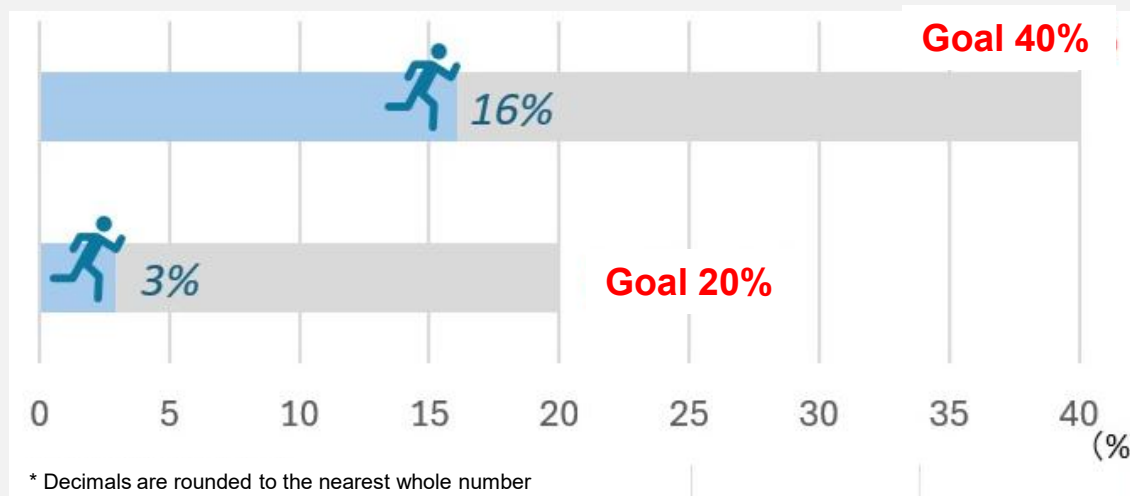
Promoting women's participation in the fund industry

- **JIC is also working to promote the advancement of women in the Japanese fund industry.**
 - (1) In 10 years, **40% of investment professionals** at all investment funds **will be women**.
 - (2) In 10 years, **20%** of all investee funds **will include women in their decision-making bodies**.To achieve these goals, all investee funds are monitored to assess their progress.

Investee Monitoring Results (as of December 31, 2024)

① Women investment professionals

② Women investment decision-makers¹



- Monitoring results indicate that the ratio of women investment professionals at domestic investee funds² is 16%, and the ratio of women investment decision-makers at all domestic investee funds is 3%.
- JIC will continue to encourage its investee funds to **promote the active participation of women**.

¹ Percentage of investee funds' management companies with women investment decision makers relative to the number of domestic investee's fund management companies

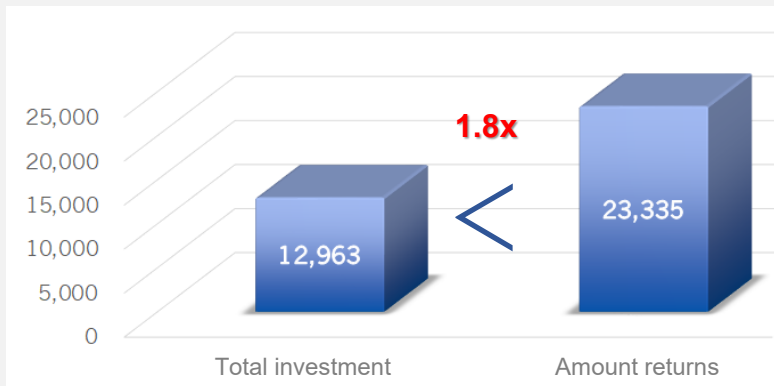
² Domestic investment funds refer to funds that have investment bases in Japan

Maintaining INCJ's Legacy

• Summary

- Made 144 investments and exits since 2009
- Secured profits of approx. 1 trillion yen
- Recognized for its contribution to “nurturing and creating industries that will contribute to the nation's wealth for the next generation through open innovation.”
- Promptly proceed with the dissolution procedures

INCJ Investment Returns



Note: To evaluate investment costs and returns more accurately, “Total investment” is defined as the actual amount of capital investment and loans plus incidental expenses, and “Amount returns” is defined as the amount of dividends, interest, and other income.

• INCJ Symposium:

On July 1, RIETI and the Japan Academy of Science and Technology (JASVE) co-hosted a symposium to summarize INCJ's activities.

- Academic analysis report on INCJ
- Discussions between related parties, etc.

• Transfer of talents & know-how to JIC:

By reviewing individual EXIT cases, etc., JIC will accumulate knowledge and expertise in industrial development investments, and share and pass on talents and know-how to each fund within the JIC Group.

- Knowledge Community, etc.