

Investment Business
AirTrip CVC Report
Vol.4

~Aiming to contribute to society~

AirTrip Corp.

Tokyo Stock Exchange Prime: 6191

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AirTrip

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• This document is prepared based on the contents of interviews with investees conducted every six months.

The AirTrip CVC Awards are scheduled for Thursday 2 March 2023.

We are currently seeking pitch speakers.

Investors and potential investors are invited to an event that will provide value.



Investing in growing companies with a high probability of IPO

The management team provides mentoring for investments in various areas and going public. They also offer support for IPOs, including mentoring from experienced management teams, real-world insights, business support, and assistance in establishing management systems.

Investment Policy

- Our goal is to increase the corporate value of our portfolio companies through strategic investments, collaboration, and expansion of the AirTrip economic zone, in order to generate returns.
- The investment business is one of the six main businesses of the AirTrip Group. The management team personally conducts interviews with investment targets every six months, in addition to daily monitoring.
- We invest in companies with a high probability of IPO by focusing on their business growth potential, probability of return, synergy with the AirTrip economic zone, and management team and system.
- Our investments span across various fields to expand the AirTrip economic zone in the future.
- The Company collaborates with other VC firms and financial institutions, in addition to utilising the management team's network, to identify promising new investment targets through various channels.

Strengths and support system

Mentoring

〈Mentoring by a management team with extensive listing experience.〉
 •Mentoring of the management team that established AirTrip and achieved a Mothers listing, a first section listing on the TSE, a subsidiary listing and an affiliate listing.

Provide insight

〈Providing insights based on real experience of the investee and other factors.〉
 •Providing insights based on the real experiences of investees such as Hard Things, which were faced in the process of preparing for listing, and the AirTrip Group's experience in preparing for listing.

Business support Procurement support

〈Comprehensive sales, marketing, development and financing support〉
 •Collaboration in providing services to AirTrip members and other cooperation in software development using the resources of AirTrip Group companies.
 •Introduce other VCs, financial institutions, etc. as funding support.

Assistance in setting up management systems

〈Introductions, advice, etc. required to set up management systems.〉
 •Lead managing broker and Auditor Introduction
 •Advice on how to respond to short review
 •Advice on setting up management systems.

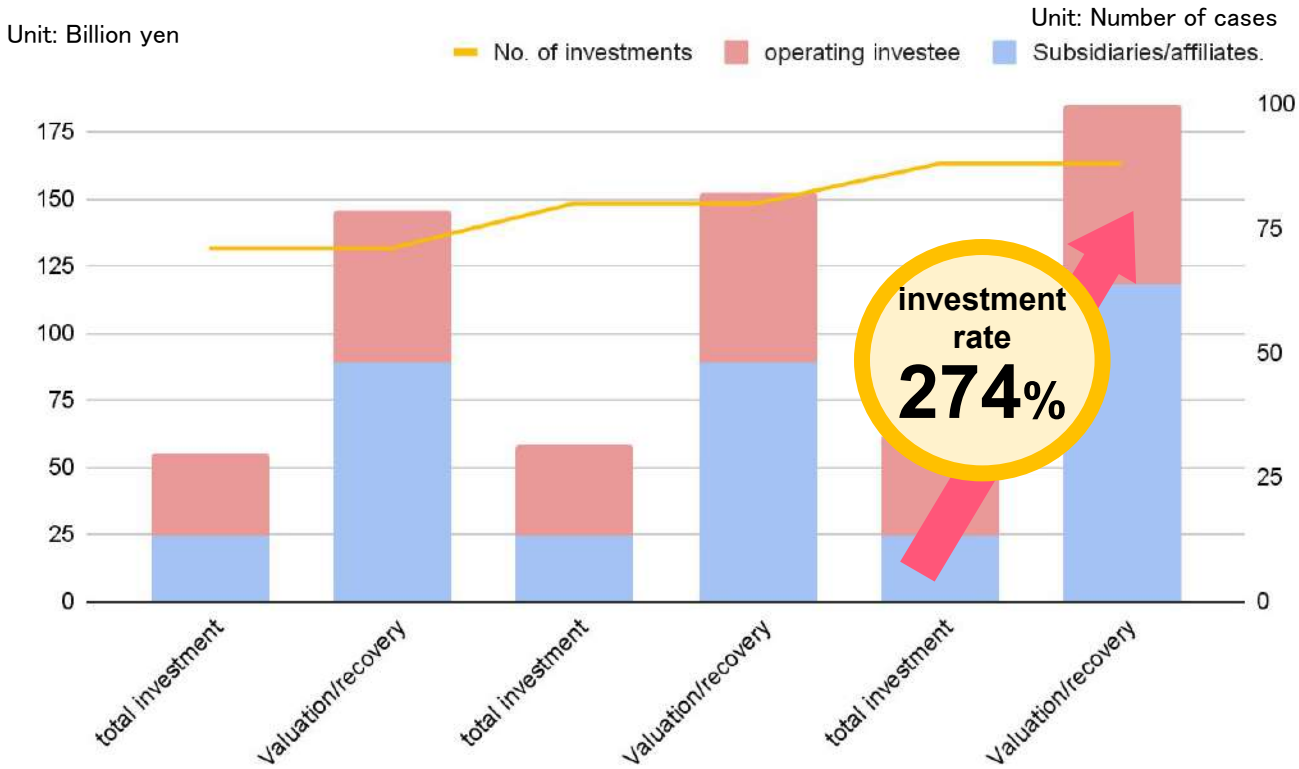
<Realization of subsidiary listing and affiliate listing / subsidiary in preparation for listing>



The total investment, including subsidiaries and affiliates seeking IPO, amounts to 89 companies/JPY7.1 billion.

The total collected and recent valuations remain steady at JPY 19.4 billion.

<Total Investment, Actual Assessment and Recovery>



Since 2017, we have made operating investments in 85 companies, totalling 3.7 billion yen.

Focus on investing in blue-chip venture companies with the aim of going public. Over a five-year period from 2017, we invested JPY 3.7 billion in 85 companies.

Recent valuations have remained steady at JPY 6.7 billion, primarily due to fundraising by the investee companies.

Invested in four subsidiaries and associated companies, totalling JPY 3.4 billion.

Investment in four subsidiaries preparing for listing was JPY 3.4 billion. The recent valuation of Hybrid Technologies [TSE Growth: 4260] remains steady at JPY 12.7 billion, mainly due to the rise in share price of Hybrid Technologies.

The total value of recoveries and recent valuations is 19.4 billion, with a multiplier of 274%.

The EXITed investment recovery and recent valuation of shareholdings amount to JPY 19.4 billion, achieving a solid TVPI (investment multiple) of 274% for the JPY 7.1 billion invested.

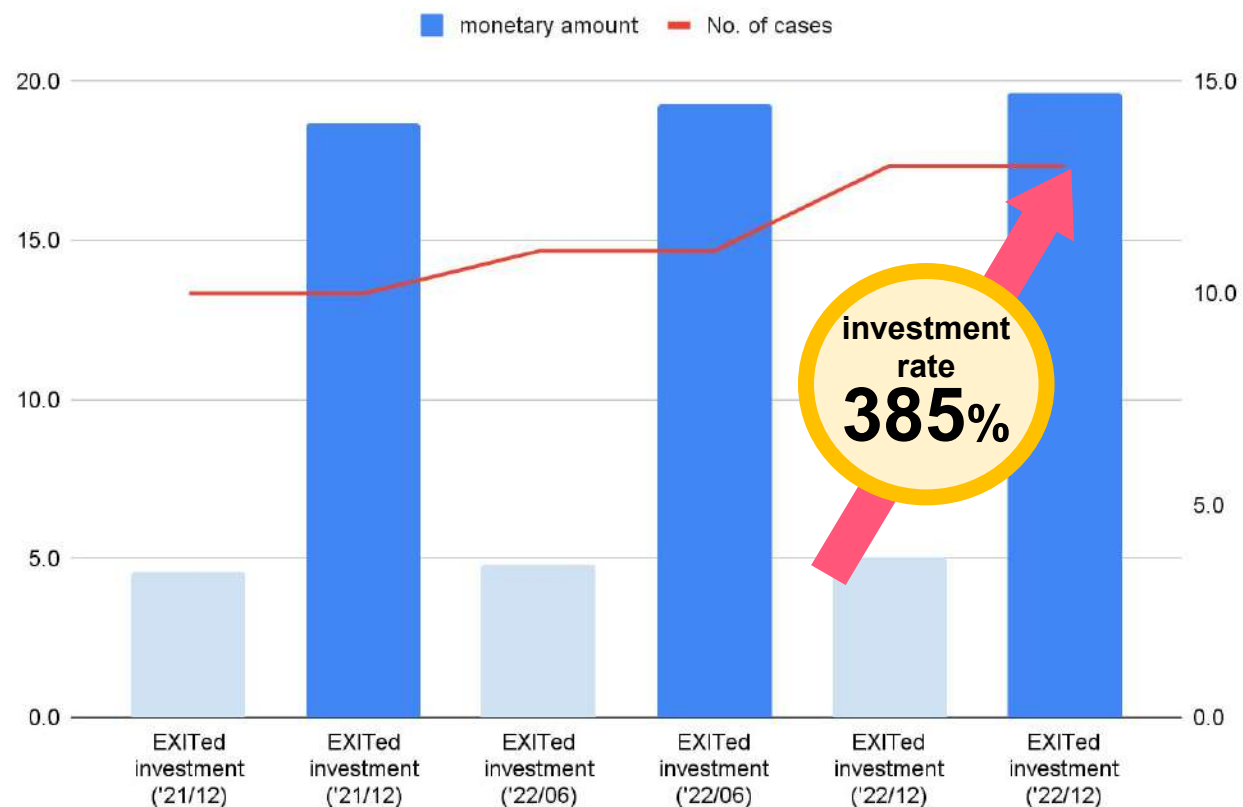
*The total investment amount excludes investments in listed shares and funds other than Magmag Hybrid.

*The total recovery and recent valuation is calculated by adding the sale value of shares already sold to the valuation of shares held.

For listed subsidiaries and affiliated companies, figures are based on share prices at the end of the month prior to the report's publication date.

The amount of funds recovered through IPOs and EXITs was 1.9 billion yen, resulting in a **385%** return on the recovered project investment of JPY 500 million.

<IPO及びEXIT案件回収額実績>



1.9 billion was recovered from 11 investee IPOs and share transfer exits.

The previous announcement reported that 1.9 billion was recovered and a 385% return was realised through exits from IPOs and share transfers. Another exit was achieved through a share transfer since then.

A few cases were considered uncollectable.

- Company liquidation, etc. : 2 companies
 - Technique Consulting Inc.(Head office: Chuo-ku, Tokyo; Representative Director and CEO: Yoshihiro Sato)
 - LS Inc.(Head office: Chuo-ku, Tokyo; Representative Director and CEO: Yingqi Liang).
- Dormant Company : 2 companies
 - Dazzle Inc.(Head Office: Shibuya Ward, Tokyo; Representative Director / CEO: Yasuo Yamada)
 - CMN Inc.(Head Office: Hakata Ward, Fukuoka City, Fukuoka Prefecture / Representative Director: Keisuke Yamashita)

*The total amount of funds recovered from 11 IPOs and 2 EXITs through share transfers is reported.
 *Minority-funded IPOs with ongoing holdings are counted as recoveries based on the market value at the end of the immediately preceding quarter.

There were 11 investee IPOs,
including 1 listed subsidiary and 1 listed associated company.
Our IPO track record is continuously improving every term.



Listed companies



Mental Health Technologies Inc.
TSE Growth: 9218] Listed in March 2022
Public offering 6 billion yen
Initial price 8.4 billion yen



Hybrid Technologies Inc. Subsidiary Listed
TSE Growth: 4260] Listed in December 2021
Public offering: 4.9 billion yen,
Initial price: 7.8 billion yen



LAST ONE MILE Inc.
TSE Growth: 9252] Listed in November 2021
Public offering 4.6 billion yen
Initial price 6.8 billion yen



TSE Growth: 4011] Listed in September 2020
Public offering 2 billion yen,
Initial price 26.3 billion yen



Headwaters Inc.
TSE Growth: 4011] Listed in September 2020
Public offering 2 billion yen,
Initial price 26.3 billion yen



Listing of subsidiary Magmag Inc.
TSE Standard: 4059] Listing in September 2020
Public offering 2.2 billion yen,
Initial price 9.2 billion yen



Cyber Security Cloud, Inc.
TSE Growth: 4493] Listing in March 2020
Public offering 9.2 billion yen,
Initial price 21.2 billion yen



AI CROSS Inc.
TSE Growth: 4476] Listed in October 2019
Public offering 3.8 billion yen,
Initial price 6.9 billion yen



Branding Technology, Inc.
TSE Growth: 7067] Listed in June 2019
Public offering 2.4 billion yen,
Initial price 7.7 billion yen



PIALA Inc.
TSE Prime: 7044] Listed in December 2018
Public offering 7.6 billion yen,
Initial price 17.5 billion yen



Wagokoro Inc.
TSE Growth: 9271] Listed in March 2018
Public offering 4.4 billion yen,
Initial price 12.5 billion yen

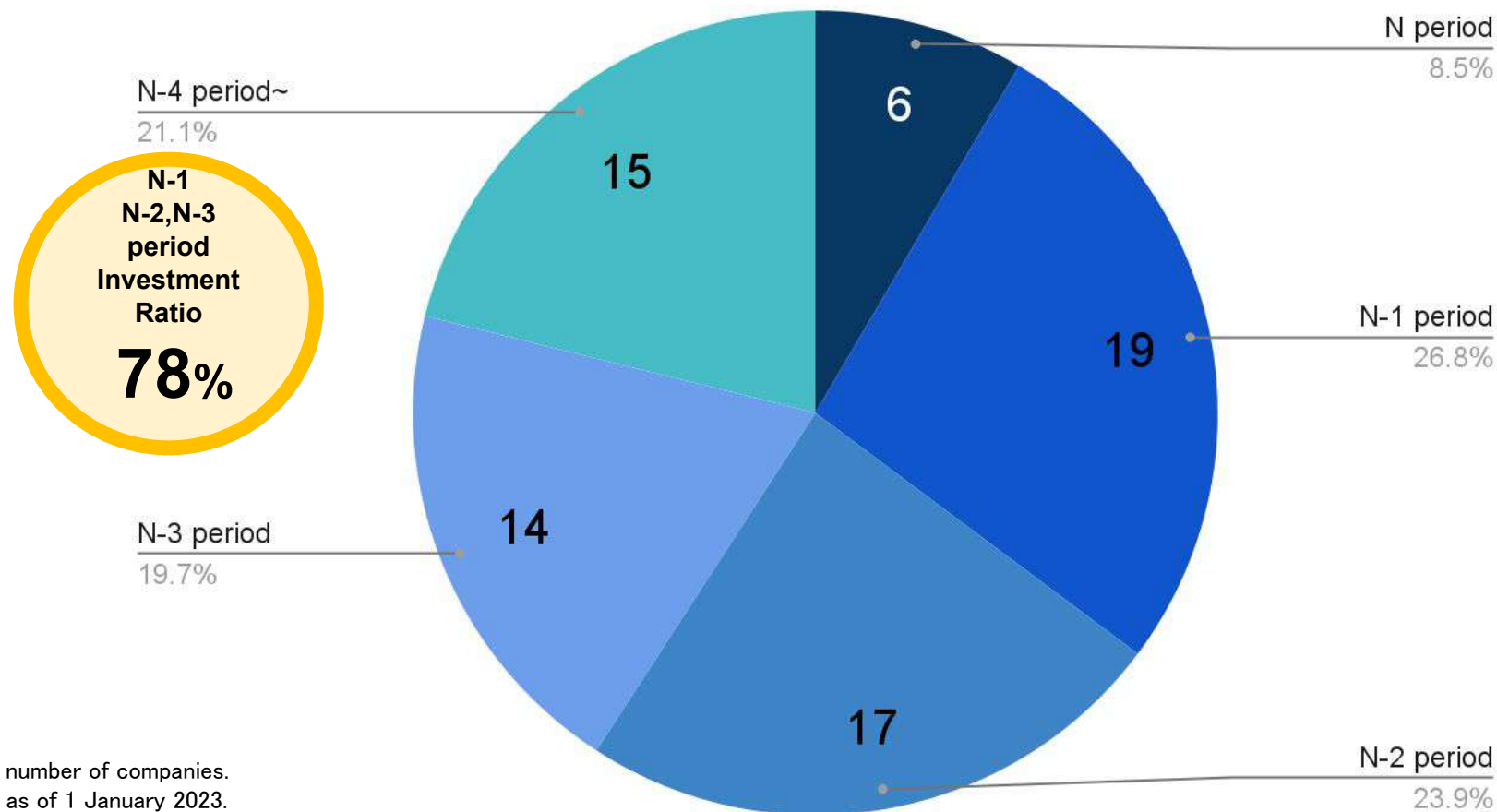
Continued investment in areas of growth. Operating investment in **85** companies has cumulatively reached approximately **3.7** billion yen.

*At end-December 2022.



*The total investment of JPY 2.5 billion in three subsidiaries and associated companies of the Company is excluded from the above figures.

78% of investees have progressed to the N-3 period.
Several IPOs are expected in future terms.

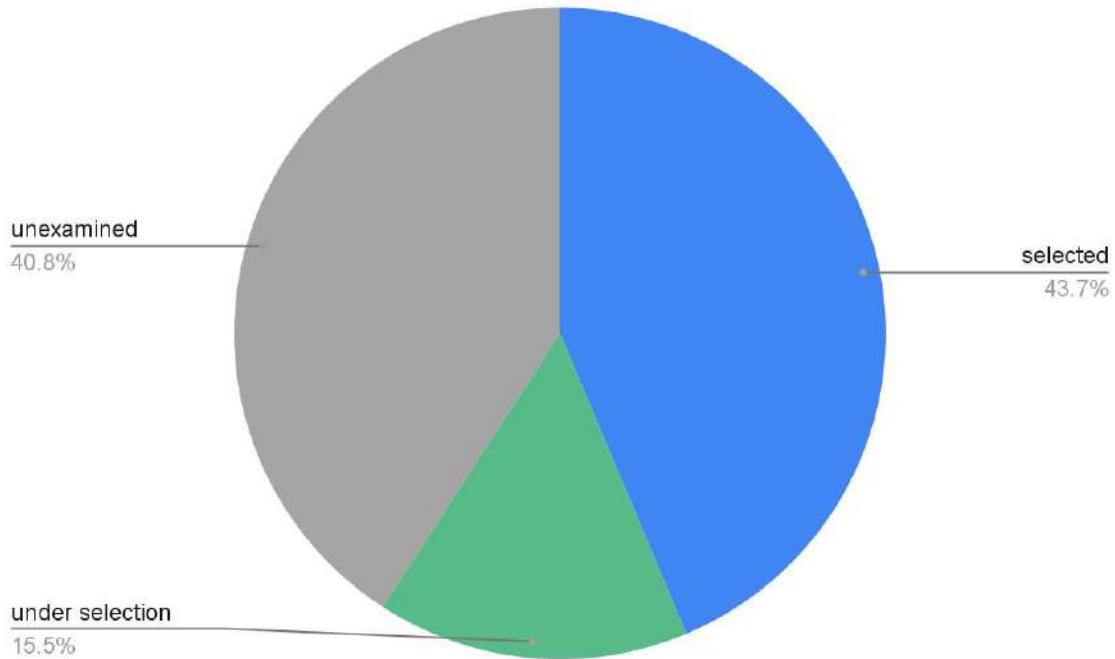


*Numbers in the pie chart are the number of companies.

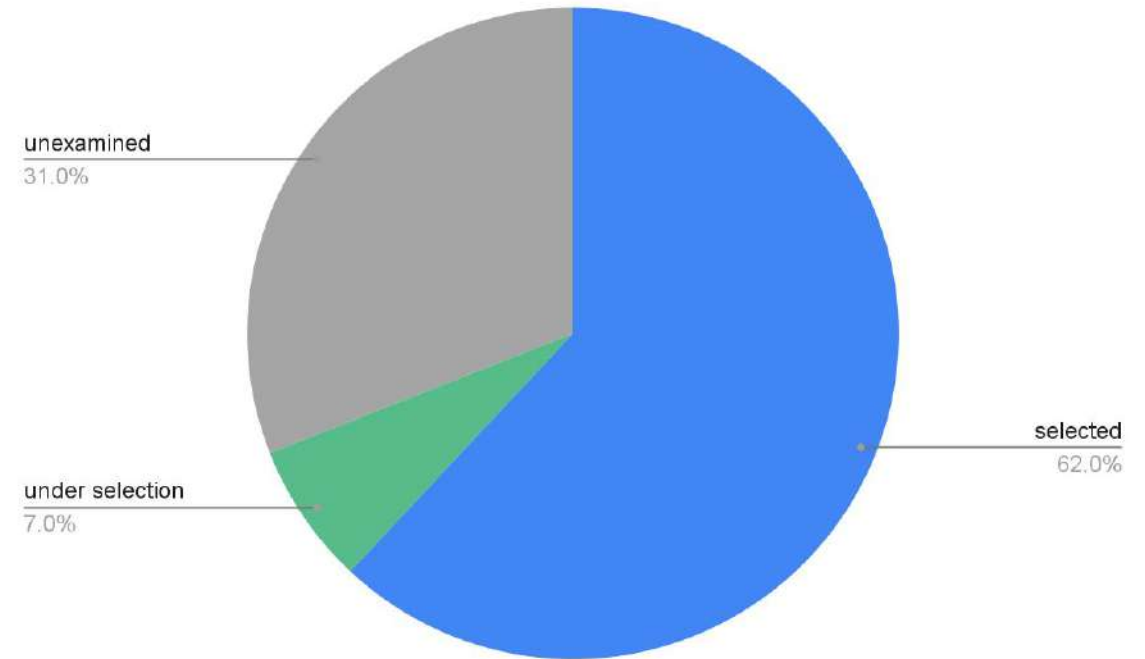
*Totals based on expected status as of 1 January 2023.

More than half of investees have selected a lead managing underwriter and audit firm, which is important for IPO preparation

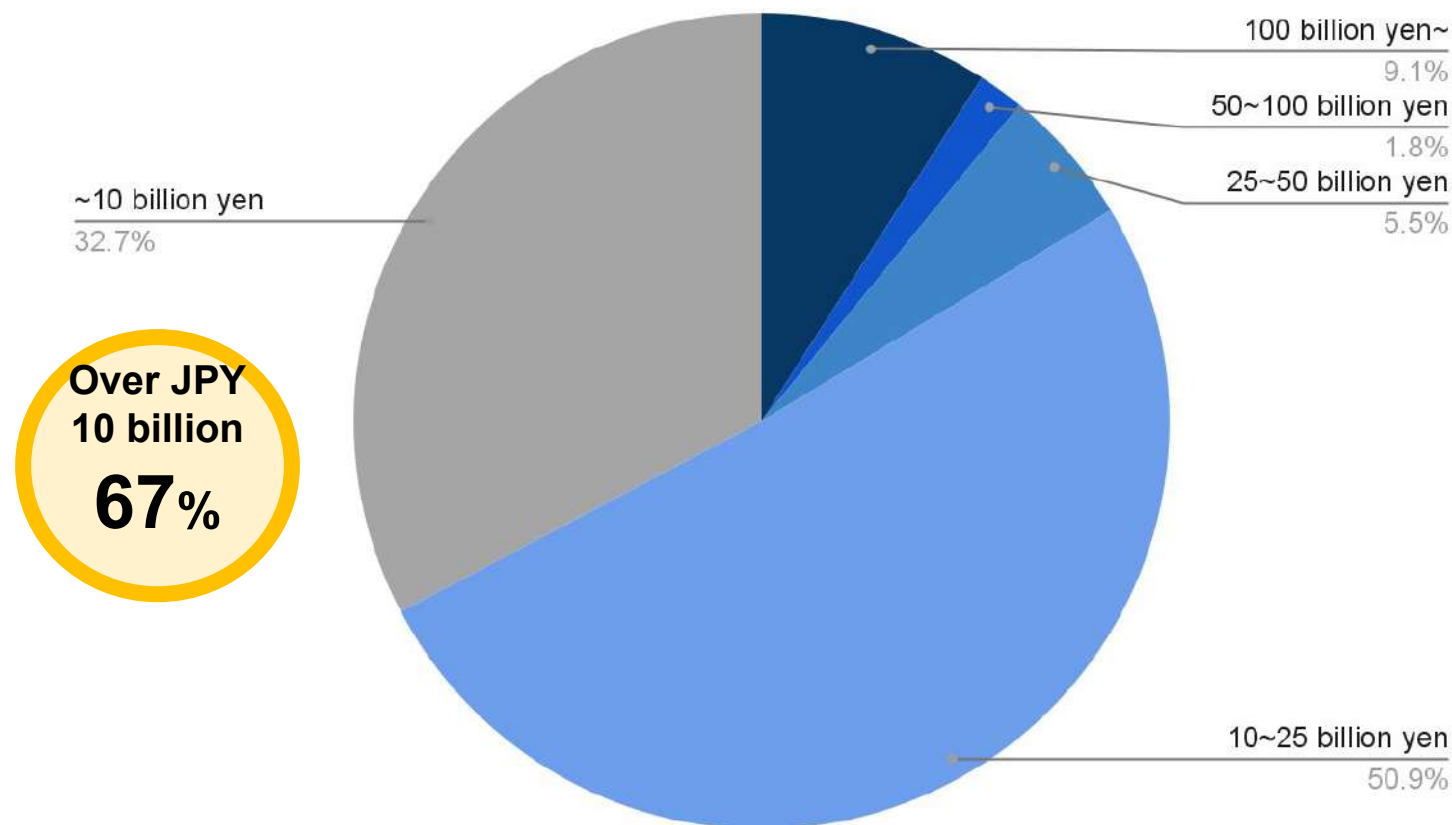
Selection of Lead Managing Underwriter



Selection of Audit Firms



More than 67% of investees aim to achieve a market capitalisation of over 10 billion at the time of their IPO, which is above the median value for IPOs in growth markets.



*Based on our tally, the median market capitalisation of IPOs on the Mothers market (equivalent to the current Growth market) in 2021 is approximately JPY 10 billion.

*This figure is aggregated after excluding companies whose offering price has not yet been considered.

9 additional investment destinations have been identified since the last report. We will continue to identify and invest in promising new locations.



Uniforce Inc. (invested in June 2022)
 Representative Director Kazuya Sunada
 URL: <https://uniforce.co.jp/>
 Provides SaaS services related to IPO preparation and financial disclosures, and consulting services by certified public accountants and others.



Acial Design Inc. (funded in August 2022)
 Representative Director Shota Koen
 URL: <https://www.a-cial.com/>
 Develops a unique sports contents business in its core business of athlete agents and athlete agent tech using athlete human resources.



Alliance Cloud Inc. (funded in October 2022)
 Representative Director Shota Miyazaki
 URL: <https://alliancecloud.co.jp/>
 Operates the management and decision-makers' appointment-getting service 'Aporeru' and the web media 'Professional Online', which is exclusively for managers and decision-makers.



Xyan Inc. (invested in June 2022)
 Representative Director Takashi Yumoto
 URL: <https://xian.inc/>
 Marketing DX business and operates 'mediable', a fixed-price video distribution platform.
 Operates the marketing DX business and the video subscription platform 'mediable'.



Estyle Inc. (invested in September 2022)
 Representative Director Tomomasa Miyahara
 URL: <https://estyle.co.jp/>
 Contributing to the DX-isation of Japan by solving clients' problems and creating value using AI and data science.



DATAFLUCT Inc. (invested in December 2022)
 Representative Director Hayato Kumeimura
 URL: <https://datafluct.com/>
 A data business partner that creates new value from buried data and solves social issues, with the vision of "turning data into commerce".



SmartShare Inc. (invested in July 2022)
 Representative Director: Tō Nishiyama
 URL: <https://www.smartshare.jp/>
 Operation of the SNS marketing platform OWNLY and support for advertising operations from planning measures.



Coconala Skill Partners Inc. (Investment in CSP No.1 Investment Limited Liability Partnership in September 2022)
 Representative Director: Akiyuki Minami
 URL: <https://skillpartners.coconala.co.jp/>
 A VC that matches seed/early stage entrepreneurs with skills partners who want to support their aspirations.



Ryukyu Astida Corporation (invested in December 2022)
 Representative director Shusaku Hayakawa
 URL: <https://ryukyuasteeda.jp/>
 As a comprehensive regional sports club, we provide marketing support for various companies under the theme of 'Okinawa x sports x ∞'. Our services include managing a professional team that participates in the 'T-League', a professional table tennis league.

AirTrip

- This document also contains forward-looking statements based on our current plans, estimates, projections or predictions about industry trends and our business.
- These forward-looking statements are subject to a number of risks and uncertainties. Known and unknown risks, uncertainties and other factors could cause actual results to differ materially from those contained in any forward-looking statement.
- The Company's actual future operations and performance may differ from the forward-looking statements contained in this document.
- Any forward-looking statements in this document are made by the Company on the basis of the information available to it and it does not intend to update or alter any forward-looking statements to reflect future events or circumstances.