

September 28, 2022 Cool Japan Fund (Cool Japan Fund Inc.)

Cool Japan Fund invests in Marketing Professionals company "Katana", successfully taking the lead in numerous remarkable projects including some to stimulate demand in inbound tourism in Japan

Cool Japan Fund (CJF) has decided to invest 8 billion JPY (approx. 59.6 million USD | 1 USD = 135 JPY) in the Marketing professionals company Katana Inc. ("Katana"), which has taken the lead in a number of remarkable projects including some to stimulate demand of inbound tourism.

Background of this investment

While tourism demand in Japan has dropped sharply due to the COVID-19 pandemic, Japan has resumed the acceptance of foreign tourists and inbound demand is expected to quickly recover. In addition, in the wake of COVID-19, travel period for each trip tends to become longer due to greater flexibility in working styles, and relaxation-oriented activities such as nature and wellness tourism has grabbed more attention.

Purpose of this investment

CJF sympathizes with Katana's philosophy to "Energize Japan through Marketing and Entertainment.", and has evaluated their outstanding profitable results. As the largest investee company of CJF in the inbound sector, Katana, which promotes some of their projects that make inbound channels thicker and stronger (such as the Okinawa theme park project*), is expected to stimulate inbound demand of Japan through their current and prospective projects. Additionally, by leveraging global wide network and introducing its investment portfolio companies' capability, CJF will support Katana to promote Japanese intellectual properties overseas.

* What is the Okinawa theme park project?

The former site of a golf course in northern Okinawa Prefecture (Nakijin Village and Nago City in Okinawa Prefecture) will be redeveloped into a theme park that makes full use of the topography and utilizes the appealing natural environment of subtropical Okinawa, providing dynamic experiential value that is not available anywhere else. The park is to be scheduled to open in 2025. This project aims to enhance the Okinawa brand, attract more tourists from Japan and abroad, and increase the average amount spent by each tourist by encouraging excursions around Okinawa and extended stays. It is expected to contribute to regional economic revitalization.

Overview of Katana and its business

Katana Inc. was founded in 2017 by a prominent strategist and marketer "Tsuyoshi Morioka", who was responsible for pulling "Universal Studios Japan" out of its management crisis and achieving a V-shaped recovery in just a few years.

In Katana, there are many professionals in marketing and theme park management, maintains highly accurate and precise demand prediction models, and has led businesses to success at a consistently high rate in the projects. Katana boasts a prominent track record to date, including branding support for Marugame Seimen, revitalization and marketing support at Nesta Resort Kobe and Seibu-en Amusement Park (Tokyo), and more.

About Katana Inc.

Founded	: 2017
Head office	: Osaka, Japan
Representative	: Tsuyoshi Morioka, CEO
Details of business	: Marketing services, management support with capital investment
Website	: <u>https://katana-marketing.co.jp/</u>

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