



JIC makes LP investment in Transpose Platform BOV II, L.P.

- Creating global unicorns from Japan with the support of global accelerators
- Increasing the number of domestic startups pursuing global expansion from the early stage
- Strengthening Japan's startup ecosystem by sharing knowledge of the global market, etc.

Tokyo, May 24, 2024 – Japan Investment Corporation (“JIC”) has announced its decision to make an LP investment of USD30 million in Transpose Platform BOV II, L.P. (“BOV II”), which is managed by Transpose Platform Management, LLC (“Transpose”). Transpose was established in the United States and manages a global formation-focused fund that invests directly in startups and VC firms.

JIC seeks to stimulate a virtuous cycle of risk capital to support next-generation industries in Japan. To achieve this vision, JIC promotes open innovation as a means for supporting growth and enhancing the international competitiveness of businesses. JIC approaches these challenges by stimulating private sector investments in open innovation together with JIC's own investment, while fostering investment professionals.

To achieve its mission, JIC invests in policy-relevant strategic business areas through LP investments in funds under JIC's umbrella and in private funds.

About LP investment in BOV II

(1) JIC investment criteria

JIC's investment criteria* identifies “Creating unicorn startups” as a focus area. A long-term, large-scale supply of risk capital is required for “creating unicorns aspiring to grow their businesses sustainably and competitively on a global level.”

*<https://www.j-ic.co.jp/en/investment/criteria/>

(2) Current status of investment market

As the domestic market shrinks in relative terms due to the declining birthrate and aging population, it is important for startups that aspire to grow into unicorns and startups with enterprise values exceeding those of unicorns to expand into the global market. Overseas startup studios and accelerators provide educational programs and access to networking opportunities to entrepreneurs and early-stage startups, helping to create global startups with enterprise values beyond those of unicorns.

We believe that obtaining early-stage support from notable startup studios and accelerators operating globally in respect to developing products, services, and business models while looking to expanding overseas, adopting capital policies in line with global standards, and building organizational structures is an effective way for domestic startups to grow into global unicorns, and it is necessary to increase opportunities for Japanese startups to obtain such support.

(3) About BOV II

Transpose, including funds in which it has invested, has helped to create numerous unicorns and decacorns. BOV II invests in funds managed by Y Combinator ("YC"), one of the world's leading accelerators, and has developed a deep relationship with YC. YC has made phased investments in companies participating in its educational program for startups and has invested in more than 4,000 investments to date. It has also produced numerous global unicorns by providing a variety of support through its educational programs, sharing its knowledge of successful entrepreneurial practices and utilizing its network of leading VC firms and global investors. Given Japan's wealth of technological talent and research institutions including universities, Transpose aims to leverage its relationship with YC and others to help revitalize the Japanese startup market.

JIC has been committed to investing in overseas VCs to strengthen ties between domestic VCs and startups and overseas VCs, which pursues "Go Global" as one of the priority investment areas for the development of Japan's startup ecosystem.

Through the investment in BOV II that will invest in funds managed by YC, JIC expects that Transpose will work with YC to organize educational programs and networking events in Japan to provide an opportunity for Japanese entrepreneurs and early-stage startups which are applied to/entitled to the activities to receive feedback. JIC also expects that these initiatives will lead to the increase of domestic startups that will be invested by YC in the future. JIC further expects that increasing the number of high-quality early-stage startups looking to global expansion and enabling them to raise funds from global investors will lead to the creation of global unicorns from Japan. In addition, JIC expects that the knowledge of global accelerators about the creation of unicorns and global practices will be shared with entrepreneurs, startups and VCs to contribute to strengthening the domestic startup ecosystem.

Overview of BOV II

Name:	Transpose Platform BOV II, L.P.
Established:	2024
Duration:	12 years (with a possible extension of 2 years)
GP:	Transpose Platform BOV II GP, LLC

Overview of Transpose

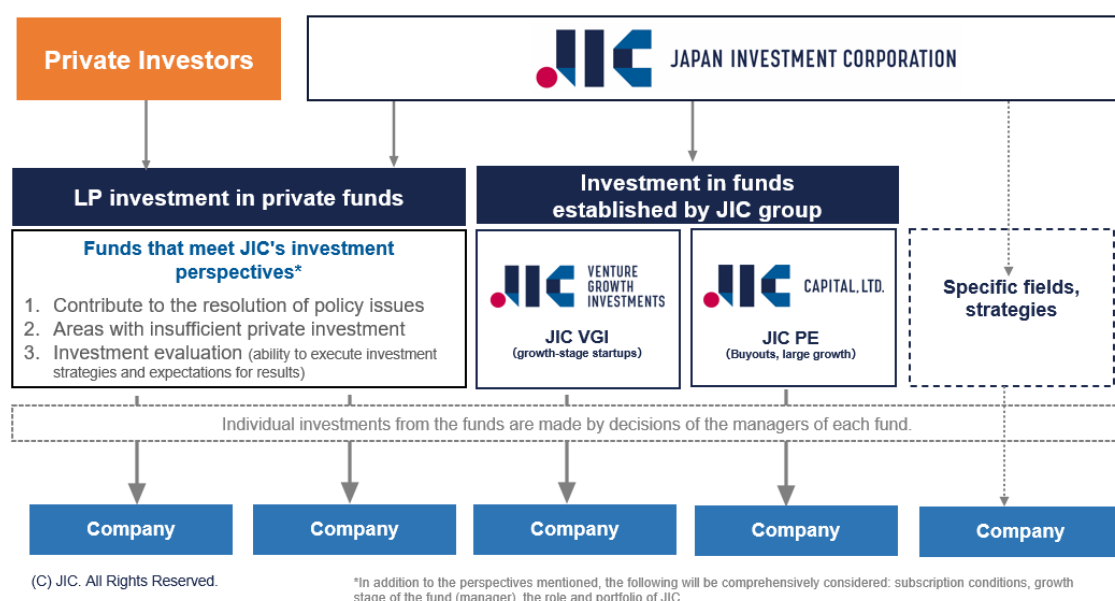
Name:	Transpose Platform Management, LLC
Established:	2015
Address:	Texas, U.S.
Co-Founder & General Partner:	Alex Bangash, Trang Nguyen

(For reference)

JIC's fund investment strategy

JIC's Fund Investment Strategy (overall) 株式会社産業革新投資機構

- JIC aims to provide risk capital to enhance the growth of next-generation companies and competitiveness based on its philosophy and its principle of complementing the private sector.
- JIC's investment strategy includes 1) investment in funds established under JIC's initiative and 2) LP investments in private funds.



(For reference)

Objectives of JIC's LP investments

1. Stimulate the supply of risk capital to help companies grow and to enhance their competitiveness
JIC intends to provide capital to areas that are essential from the perspective of strengthening industrial competitiveness but lack private investment capital (investment strategies, sectors, stages, regions, etc.) with the aim of stimulating private investment capital in the short term and medium-long term.
2. Create diverse investment teams, professionals, and strategies to support a virtuous cycle of risk capital
 - 1) Investment teams
JIC promotes growth of the investee funds as a leader in the intermediary of risk capital provided by institutional investors (pension funds, foreign investors, etc.) towards the establishment of future funds. This will be achieved by expanding experience and track records among its fund investment team (management company) and by further improving its ability to respond to institutional investors.
 - 2) Investment professionals
With the cooperation of industry organizations such as JVCA, institutional investors, and investee managers, JIC supports the research and introduction of best practices of managers and the development of human resources serving as investment professionals.
 - 3) Investment strategy

JIC will add diversity and depth to the market by making an LP investment in funds even for those with strategies that are not common in Japan yet, in response to their fund raising, including at the time of its establishment.

About Japan Investment Corporation (JIC)

Japan Investment Corporation (“JIC”) was established on September 25, 2018 under the Industrial Competitiveness Enhancement Act. JIC’s investment focus areas are driving the creation of new businesses for Society 5.0, creating "unicorn startups", leveraging promising untapped regional technologies and promoting business consolidation across industries and organizations. JIC provides risk capital to these areas through funds independently established by JIC and LP investment in private funds to promote open innovation and contribute to strengthening the competitiveness of Japanese industries and expanding the investment ecosystem.

URL: <https://www.j-ic.co.jp/en/>

Press Contacts

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