



March 20, 2023

MCP Asset Management (Japan), Inc.  
Tetsuya Tanaka, Representative Director

### **Establishment of Japan Evolution Fund**

MCP Asset Management (Japan), Inc. (“MCP Japan”) is pleased to announce the launch of the Japan Evolution Fund, L.P.S. (the "Fund"), a private equity fund targeting emerging companies primarily in the Kyushu/Okinawa region of Japan.

#### **Background and the establishment of the Fund**

In 2021, MCP Group (“MCP”), a Hong Kong-based alternative asset manager and parent company of MCP Japan, expanded its business to the Kyushu city of Fukuoka at the invitation of Fukuoka City and as a member of TEAM FUKUOKA, a group of regional industry leaders organized to support and facilitate the growth of regional businesses and innovators. Since establishing its Fukuoka office, MCP has met with hundreds of start-up and middle-stage companies and has made five growth stage investments to date. The Fund was established to provide local and foreign investors access to these regional opportunities while enhancing the scale and impact of investments to small businesses and entrepreneurs primarily in the Kyushu/Okinawa region.

Kyushu enjoys geographical benefits as the southwestern most of Japan’s main islands and home to Japan’s second largest port in Fukuoka with the closest proximity to South Korea, China and Southeast Asia. While Kyushu’s location and heavy industry economy have generated economic prosperity over the years, these elements have also driven the need to address both natural and man-made environmental concerns. The negative impacts of industrial activity such as auto manufacturing, metal processing, shipbuilding and industrial chemicals have led to greater acceptance, adoption, and innovation of decarbonization and environmental efforts. Now, as a leader within Japan’s energy transition and benefiting from a unified collaboration between industry, government, and academia, Kyushu is well positioned to thrive within the New ESG Economy.

More broadly, the Japanese government has laid out new initiatives to address the megatrend of social transformation towards ESG and decarbonization as well as to accelerate universities’ deep-tech innovation by providing economic support and incentives to companies throughout Japan. National policy that aligns with Kyushu’s history in addressing such issues further strengthens the Fund’s rationale for focusing on the region. By successfully identifying companies that benefit from these advantages and combining those with MCP’s network and financial expertise in Asia, investors can participate in the growth offered by these innovative and attractively valued companies.

With the establishment of the Fund, MCP will support the overseas expansion of Japanese companies, attract foreign investors and business owners, accelerate activities with TEAM FUKUOKA, and collaborate with local universities to solidify Japan’s position as a global leader in growth and innovation.



### Overview of the Fund

Fund Name	Japan Evolution Fund, L.P.S.
General Partner	JEFGP, LLP
Limited Partner	The Nishi-Nippon City Bank, Ltd., Nishi-Nippon Railroad Co., Ltd., The Bank of Fukuoka, Ltd., Sumitomo Mitsui Trust Bank, Ltd. , The Higo Bank, Ltd.
Fund Size	2 billion yen in total* (targeting 5 billion yen at the time of final closing)
Investment Target	Mainly middle-stage startup companies with headquarters or business bases in the Kyushu/Okinawa region, and companies that intend to develop business in the Kyushu/Okinawa region in the future.
Term	10 years from March 2023

\* Includes investment commitments by MCP Group.

The Fund will invest mainly in middle-stage startup companies that have completed a proof-of-concept stage. The Fund intends to target companies that provide technological solutions to social and environmental issues through ESG initiatives and/or develop deeptech innovations arising from universities.

With the investment philosophy of “producing scalable companies from Japan that can compete globally”, MCP aims to disseminate to the world the global competitiveness of Japanese startup companies with world-class technologies, products, and services, leveraging team members’ extensive knowledge and experience in finance and management as well as the MCP Group’s networks and partnerships connecting Japan and overseas markets.

MCP will soon launch a Cayman-domiciled fund for overseas investors with the same portfolio and similar terms as those of the Fund.

We anticipate that more investors will participate both in the Fund and Cayman-domiciled fund by the final close scheduled for 2024. Together with the Cayman-domiciled fund for overseas investors, we expect to achieve a total AUM of 5 billion yen or more.

### About the MCP Group

<MCP Group Overview>

MCP Group is an alternative investment management group based in Hong Kong with offices in Japan (Tokyo and Fukuoka), the United States and South Korea. The MCP Group includes a Japan financial instruments business operator MCP Asset Management (Japan), Inc. and a risk management service provider Millennium Fund Services (Japan) Limited.

URL <https://www.mcp-am.com/>



< MCP Tokyo Office >

Name MCP Asset Management (Japan), Inc.  
Location 18F, KDDI Otemachi Building, 1-8-1 Otemachi, Chiyoda-ku, Tokyo  
Representative Tetsuya Tanaka, Representative Director  
Date of establishment August 30, 2006  
URL <https://www.mcp-am.jp/>

<MCP Fukuoka Office>

Name MCP Japan Holdings Limited  
Location 7F, Tenjin Building, 2-12-1 Tenjin, Chuo-ku, Fukuoka City, Fukuoka Prefecture  
Representative Shun Fujii, President and Representative Director  
Date of establishment July 19, 2021

**Inquiries regarding this matter**

Please contact us using the inquiry form on the fund website.

URL : <https://www.mcp-jef.com/>

This press release is for the sole purpose of making a general public announcement of the MCP Group's activity results and is not intended in any sense as a solicitation for the acquisition of equity interests in the Fund or other securities.