



To Whom It May Concern

【Press Release】

May 28, 2024 (Tue)

Total Pages 11

Space Shift Launches 'SateLab,' a Satellite Business Co-Creation Program, to Tackle Earth's Challenges

— Raises 600 Million Yen in Series B Investment Round (1st Close), Bolstering Management Infrastructure —

Space Shift, Inc.

Space Shift, Inc. (Headquarters: Chiyoda-ku, Tokyo; President: Naruo Kanemoto, hereinafter referred to as "Space Shift"), a company specializing in the development of satellite data analysis systems, is pleased to announce that it has raised **600 million yen in a Series B investment round (1st close)** through a third-party allotment. This investment round included participation from seven entities, including the Space Frontiers Fund (managed by SPARX Asset Management Co., Ltd.), EEI No. 4 Innovation & Impact Investment Limited Partnership (managed by Environmental Energy Investment Co., Ltd.), and five other companies.

In addition to securing funding, Space Shift has launched **'SateLab,' a business co-creation program** aimed at expanding the use of satellite data globally by collaborating with companies across a wide range of industries. As a framework for promoting the utilization of satellite data, this initiative represents Japan's first private sector-led effort in this field. The program's website was also made public today (May 28, 2024).

1. Introduction of the 'SateLab,' a Satellite Business Co-Creation Program

The satellite data business has seen rapid growth in recent years. However, Space Shift believes that the potential uses of satellite data remain largely unrecognized by many potential users. To address this, Space Shift is launching a new framework aimed at promoting co-creation projects that combine "space data" with "non-space industries." By integrating ground-based assets from domestic and international companies with satellite data, we aim to create a variety of business solutions.

In addition, to showcase our efforts and the potential applications of satellite data, we have launched a dedicated website for SateLab. This site will introduce companies participating in the space business as partners and broadly communicate collaborative efforts to solve challenges faced by companies, society, and the global environment.

■ **Statement: "For Earth's Greatest Challenges, Space Provides the Solution."**

The challenges on Earth are as numerous as the stars. The most difficult problems may not be solved head-on but by looking at them from a different angle, leading to breakthroughs.

Our perspective is from space. From tiny changes that are easy to overlook to vast areas that cannot be fully grasped from the ground, we make the invisible visible and tangible.

Combining satellite and terrestrial data can reveal unforeseen solutions for businesses.

In collaboration with our partners and industry leaders, SateLab aims to create a society where space technology is fully accessible to all.



■ **SateLab Co-Creation Partner Companies (as of May 28, 2024)**

As of May 28, the following companies have joined our initiative :

- i Cubed Systems, Inc.
- ORIX Corporation
- Kyodo News
- San-in Sanso Corporation.
- Geo Technologies, Inc.
- TAKENAKA CORPORATION
- DENTSU INC.
- HALEX CORPORATION
- Panasonic Operational Excellence Co., Ltd.
- Mitsui Sumitomo Insurance Co., Ltd.
- U3 Innovations LLC

Below are some examples of our collaborations with co-creation partner companies. As SateLab co-creation partners, these companies are engaged in business development utilizing Space Shift's satellite data analysis technology.

Mitsui Sumitomo Insurance Co., Ltd.: "Insurance × Satellite Data"

In collaboration with Mitsui Sumitomo Insurance Co., Ltd., our goal is to tackle challenges by exploring how satellite data and AI impact society, as well as assessing and managing various risks. By appropriately evaluating the risks associated with the satellite data business, we aim to create a society where users can confidently utilize satellite data.

DENTSU INC.: "Marketing × Satellite Data"

In collaboration with Dentsu Inc., efforts have been underway to utilize satellite data for market forecasting, analysis, and other initiatives aimed at maximizing marketing effectiveness. Moving forward, the focus will be on leveraging Dentsu Inc.'s creative marketing expertise to collaborate on ideation and other initiatives that leverage a space perspective for solving corporate and societal challenges, with the aim of expanding the application areas of satellite data.

Geo Technologies, Inc.: "Mapping × Satellite Data"

In the map editing operations of Geo Technologies, Inc., we improve efficiency by leveraging insights gained from satellite data analysis, such as locations of new buildings or newly vacant lots. Moving forward, by combining the company's map data and location information technology with satellite data, we aim to apply these innovations to a wide range of industries.

TAKENAKA CORPORATION: "Construction × Satellite Data"

In collaboration with TAKENAKA CORPORATION, a major Japanese general construction company, we are exploring the use of satellite data in the construction industry. By combining construction-related data with satellite data, we aim to address challenges in society and the construction industry, ultimately contributing to the realization of sustainable urban development.

HALEX CORPORATION: "Weather × Satellite Data"

By combining weather data with satellite data analysis results, we are developing solutions that can be applied across a wide range of industries, including disaster prevention and sustainable agriculture. Utilizing HALEX CORPORATION's expertise in weather data collection, processing, and provision, along with Space Shift's AI satellite data analysis algorithms, we are creating new products and services.

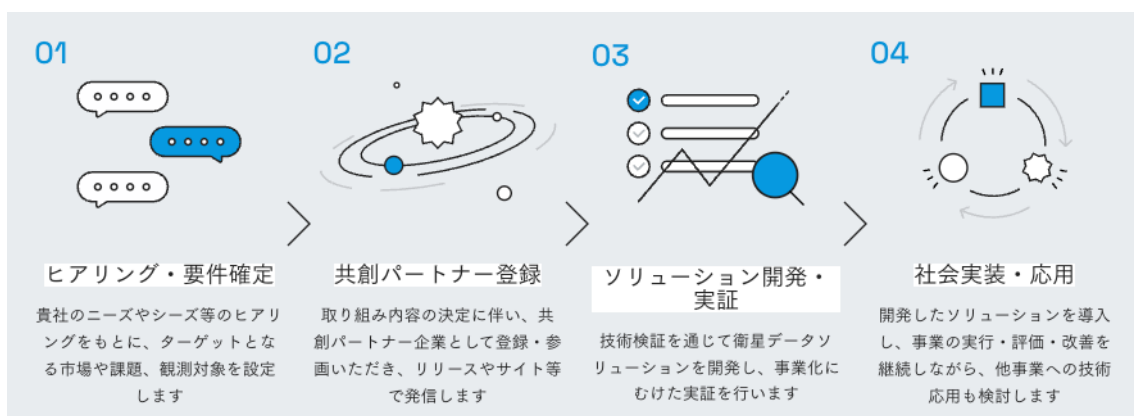
San-in Sanso Corporation: "Forestry × Satellite Data"

In partnership with San-in Sanso Corporation, we contribute to climate change mitigation and the realization of a decarbonized society. By using satellite data to analyze forest canopy width,

timber volume, and the distribution of logged areas with AI, we aim at achieving an efficient management of forest resources and creation of carbon credits.

■ Steps for Co-Creation and Collaboration with SateLab

We are seeking partners who share the SateLab concept and are willing to leverage Space Shift's satellite data analysis technology to tackle "Earth's questions." The steps for co-creation and collaboration are as follows. (Please note that there are no membership fees or obligations to become a partner.)



■ SateLab Special Website (Launched on May 28, 2024)

URL : <https://satelab.spcsft.com/>

(English site will be open soon)

2. About Series B Investment Round (1st Close)

Space Shift is pleased to announce the successful completion of our Series B investment round (1st close). This major funding effort follows our Series A round conducted in 2021. With the capital raised in this round, we will enhance our development capabilities for AI specialized in SAR (Synthetic Aperture Radar) satellite data analysis, as well as expand business development initiatives in both the public and private sectors, including our satellite data business co-creation program 'SateLab.'

By concentrating our management resources on software development for SAR satellite data analysis, Space Shift aims to provide advanced satellite data analysis technologies required by SAR satellite operators and satellite data users worldwide. This will enable the detection of all types of changes on a global scale, contributing to the optimization of social activities and the realization of a sustainable society.

■ Comment from Naruo Kanemoto, CEO of Space Shift, Inc.

I am delighted to announce the successful completion of our Series B funding round's 1st close, following our Series A round in 2021. As the utilization and launch of SAR satellites continue to gain momentum both domestically and internationally, we keenly feel the growing importance of our role in this field. Furthermore, with the launch of 'SateLab,' we are excited to introduce more individuals to the potential of satellite data. By combining our expanding satellite data infrastructure with our expertise, we look forward to collaborating with you all to provide a variety of solutions to society.

■ Comment from Takaki Demichi, Group Executive Officer of SPARX Asset Management Co., Ltd.

It is anticipated that in the latter half of the 2020s, the development of Earth observation satellites will progress even further, leading to the realization of solving various societal issues on Earth through the utilization of satellite data. We believe that with Space Shift's foresight and development capabilities in pioneering advanced satellite data analysis methods, they will truly spearhead the frontier of Japan's NewSpace industry.

■ Comment from Kenyu Hosoya, President Partner of Energy & Environment Investment, Inc.

We decided to make our initial investment in Series A based on the versatility of SAR satellite data analysis technology, which can be applied to various purposes such as disaster assessment and infrastructure monitoring. Considering the steady growth since Series A, we have chosen to further invest in Series B. We firmly believe that Space Shift's technology is essential for

achieving a sustainable society, and we are committed to continuing our full support.

■ **Comment from Takayuki Azuma, Executive Director of Kyodo News**

Satellite data is expected to see significant market expansion in various fields such as disaster prevention, climate change mitigation, and agricultural support. Space Shift, with its unique technology in data analysis, is expected to lead the industry forward. As Kyodo News, we are eager to explore collaboration opportunities, including utilizing satellite data for reporting and beyond.

■ **Comment from Yumeto Utsunomiya, Manager of Investigation Development
Department of MITSUI SUMITOMO INSURANCE Venture Capital Co.,Ltd.**

While the utilization of Earth observation data has primarily stemmed from governmental demand, the proliferation of Earth observation satellites suggests a significant future expansion in private sector demand on a global scale. With Space Shift possessing world-class proprietary analysis technology, we are confident that they will lead the way in creating new value from Earth observation data and pioneering the exploration of global private sector demand.

■ **Comment from Nobuyoshi Yamagata, CEO of i Cubed Ventures, Inc.**

We believe that the utilization of satellite data will lead to the resolution of various societal challenges. Just as the business use of smartphones advanced during the "Mobile Shift" of the 2010s, we anticipate that Space Shift could become a leading figure in the upcoming "Space Shift" era. We have great expectations for Space Shift to play a central role, and we are eager to provide group-wide support as we move towards a future where satellite data intersects with mobile devices.

■ **Comment from Shingo Yamauchi, Head of Second Investment Sales Department of
SMBC Venture Capital Co., Ltd.**

While numerous launches of SAR satellites and others are scheduled both domestically and internationally, the utilization of satellite data is still in its infancy. Space Shift aims to construct a "Virtual Constellation" that can integrate all available satellites and achieve high-frequency, high-quality, and low-cost early implementation through raw data analysis. As a member of the SMBC Group, we wholeheartedly support Space Shift's challenge to make satellite data more accessible and aim for true industrialization.

■ **Comment from Sumiko Takeuchi, Co-President of U3 Innovations LLC**

In our pursuit of constructing "Utility 3.0" as a sustainable new social infrastructure, we believe that the utilization of satellite data holds the key. With Space Shift's technology, we are confident that we can analyze satellite data with higher temporal and spatial resolution, leading to significant progress in addressing various societal challenges. We look forward to continuing our collaboration towards realizing the world of Utility 3.0.

(※Please refer to the bottom of this press release for an overview of each funding source.)

3. Appointment of Chief Financial Officer (CFO) and Strengthening of Organizational Structure

Space Shift is pleased to announce the appointment of Jun Naito as the company's new Chief Financial Officer (CFO), effective May 1, 2024. With expertise in finance both domestically and internationally, as well as a wealth of knowledge in technology and experience in business development within startup environments, this appointment will further accelerate the company's growth trajectory. Furthermore, in line with our objectives of business expansion and governance enhancement, we have expanded our executive team. The new management structure is as follows:

< New Organization Structure >

Naruo Kanemoto	CEO
Shigeki Kuzuoka	CSO (Chief SAR Officer)
Takahiro Nakamura	CSO (Chief Strategy Officer)
Hideki Shimomura	CTO (Chief Technology Officer)
Yuji Kawakami	COO (Chief Operating Officer) Newly appointed (Former Head of Business Development Department)
Jun Naito	CFO (Chief Financial Officer) Newly appointed (Joined on May 1, 2024)
Tamao Tada	CBO (Chief Business Officer) Newly appointed (Former Manager of Business Development Department)

■ Comment from Jun Naito, New CFO

I am very pleased to join this innovative startup as the CFO. AI-based SAR satellite data analysis transforms vast amounts of data collected from space into highly valuable information on Earth. This AI technology is a game-changer in the industry, and I am confident it will benefit various industries, governments, and research institutions both in Japan and internationally. Leveraging my experience in financial institutions and various startups, I aim to strengthen our corporate functions and drive further growth.

■ Profile of Jun Naito

After graduating from Waseda University, Jun joined Andersen Consulting (now Accenture) and was involved in system development for financial institutions and government agencies. He then moved to Nikko Citigroup Global Markets Limited (now Citigroup Global Markets Japan Inc.), where he worked in the Investment Banking Division on public offerings, global offerings, M&A advisory, and in the Structured Finance Division of the Fixed Income

Department/Citibank, where he was involved in acquisition finance and LBO finance arrangement. After obtaining an MSc from Stanford Graduate School of Business, Jun engaged in Asian business development at the Silicon Valley startup Cooliris, Inc. Upon returning to Japan, he worked at Sumitomo Corporation on project finance for power projects. Leveraging his experience and network in Silicon Valley, he subsequently served as a Country Manager and COO for various overseas startups, driving the growth of their Japanese operations from scratch. In his previous role at the food tech startup TWO Inc., Jun served as CFO, leading a Series A funding round that raised 500 million yen and overseeing the sale of the bath product business for 3.5 billion yen.

■ Overview of Series B Funding (1st close) Source

Company name : Space Frontiers Fund (Managing company : SPARX Asset Management Co., Ltd.)

Headquarters (Managing company) : 6th Floor, Shinagawa Season Terrace, 1-2-70 Konan, Minato-ku, Tokyo

President (Managing company) : CEO Shuhei Abe

Business activities : Investment in space-related ventures and startups

Web site : <https://www.sparx.co.jp/>

Company name : Energy & Environment Investment, Inc.

Headquarters : 5-11-1 Higashi-Gotanda, Shinagawa-ku, Tokyo

President : CEO Shuichiro Kawamura

Business activities : Japan's only venture capital firm specialized in the environmental and energy sectors

Web site : <http://www.ee-investment.jp/>

Company name : Kyodo News

Headquarters : 1-7-1 Higashi-Shinbashi, Minato-ku, Tokyo, Shiodome Media Tower

President : Toru Mizutani

Business activities : News gathering, reporting, and distribution

Web site : <https://www.kyodonews.jp/>

Company name : MITSUI SUMITOMO INSURANCE Venture Capital Co.,Ltd.

Headquarters : 4th Floor, Kyobashi TD Building, 1-2-5 Kyobashi, Chuo-ku, Tokyo

President : CEO Taku Morimoto

Business activities : Invest purely in startups across a wide range of fields, with a focus on space, environment, and AI

Web site : <https://www.msivc.co.jp/>

Company name : i Cubed Ventures, Inc.

Headquarters : 4th Floor, 1 Meisei Building, 4-1-37 Tenjin, Chuo-ku, Fukuoka, Fukuoka Prefecture

President : President Partner Nobuyoshi Yamagata

Business activities : Cooperate Venture Capital of i Cubed Systems, Inc. , provides enterprise mobile management software

Web site : <https://www.i3-systems.com>

Company name : SMBC Venture Capital Co., Ltd.

Headquarters : 1-3-4 Yaesu, Chuo-ku, Tokyo, Mitsui Sumitomo Bank Go-Fukubashi Building

President : CEO Tomofumi Saeki

Business activities : Private equity investment business

Web site : <https://www.smbc-vc.co.jp/>

Company name : U3 Innovations LLC

Headquarters : 15th Floor, Toranomon Hills Business Tower, 1-17-1 Toranomon, Minato-ku, Tokyo

President : Co-President Sumiko Takeuchi, Takeshi Ito

Business activities : Innovation promotion and industrial creation towards the realization of a sustainable new societal system (Utility 3.0)

Web site : <https://u3i.jp/>

【 About Space Shift 】

Established in December 2009, operate under the theme "Sense the Unseen from Orbit," aiming to extract a wealth of information with capabilities surpassing human perception by analyzing data from Earth observation satellites using AI. Develop Software focusing on various fields such as infrastructure management, disaster prevention and mitigation, agricultural monitoring, and environmental conservation. By leveraging satellite data in these diverse areas, we strive to contribute to the realization of a sustainable society.

【 Company Overview 】

Company name : Space Shift, Inc.

President : CEO Naruo Kanemoto

Headquarters : 6th Floor, Otemachi Building, 1-6-1 Otemachi, Chiyoda-ku, Tokyo

Established : December 11, 2009

Authorized Capital : 6.18 billion yen (including reserve)

Web site : <https://www.spcsft.com/>

< Contact information >

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