

November 11, 2020

Autonomous Control Systems Laboratory Ltd.

## **Notice Regarding Establishment of Corporate Venture Capital**

Autonomous Control Systems Laboratory Ltd. (ACSL) hereby announces that at the meeting of Board of Directors held on November 11 November, 2020, ACSL decided to establish a corporate venture capital (CVC) to invest in domestic and international companies that have the potential for technological synergies with ACSL in accordance with the medium-term management policy "ACSL Accelerate FY20" disclosed on August 14, 2020.

### **1. Background and purpose of the establishment**

ACSL is developing domestically produced industrial drones in order to realize labor-saving and unmanned systems in existing industrial fields such as infrastructure inspection and delivery. Our vision is to revolutionize social infrastructure by pursuing the most advanced robotics technology, and we have developed our proprietary flight controllers that control the drones.

In the industrial drone market, regulations for beyond-visual-line-of-sight (BVLOS) flight in populated areas (including cities) are expected to develop by 2022 , as indicated in the " Roadmap for the Industrial Revolution in the Sky 2020 " announced by the Ministry of Economy, Trade and Industry. These regulations will enable drones to fly in various environments where the use of drone are restricted, and they will accelerate the use of drones and rapidly expand the industrial drone market.

In addition, as the recognition of industrial drones as one of IoT devices is growing, need for security support for drones in both the public and private sectors is expanding. The demand for "secure" drones is expected to increase in the future.

In order to respond to these market trends and achieve the goals set forth in the " ACSL Accelerate FY20", medium-term management policy, ACSL believes that it is essential to continue to accelerate the development of technology to advance the flight of industrial drones and to improve their safety and reliability. To this end, ACSL will reinforce and integrate ACSL's core technologies by investing in companies that is expected to have technological synergies with ACSL in order to obtain safety and security certifications and acquire complementary technologies such as AI, image processing and blockchain.

ACSL plans to work with a company which has a proven track record in the technology sector venture capital, as an advisor in the launch and operation of the CVC and the current candidate is Real Tech Holdings Co., Ltd. (Headquarters: Sumida-ku, Tokyo; President: Akihiko Nagata).

## 2. Overview of the CVC

(1) Name	ACSL1 Limited Liability Partnership
(2) Date	Scheduled in December 2020
(3) Headquarters	3-6-4 Rinkai-cho, Edogawa-ku, Tokyo
(4) Period of Use	March 31, 2030 from the date of establishment (with extension)
(5) Total fund value	Maximum 1,000 million JPY
(6) Member Composition (Representative)	Real Tech Holdings Co., Ltd. (Representative: Akihiko Nagata, President)
	ACSL (Representative: Satoshi Washiya, President)

## 3. Outlook

The influence of the establishment of the CVC to the business performance is limited at this stage, however, ACSL believes that it will contribute to improving ACSL's performance and corporate value in the medium term. Further disclosure will continue if such need arrives.

### *Attention*

*This document is an unofficial translation of the timely disclosure on November 11, 2020*

*by ACSL and this is for reference purpose only. In case of a discrepancy between the English and Japanese versions, the Japanese original shall prevail*