K2 Pictures Film Fund Raised Funds from MUFG Bank, Ltd.

K2 Pictures Inc. (Headquartered in Meguro, Tokyo; CEO: Muneyuki Ki, hereinafter "K2 Pictures") is pleased to announce that its film production fund, "K2P Film Fund I" (hereinafter "the Fund") has secured funds from MUFG Bank, Ltd. (Headquartered in Chiyoda, Tokyo; President & CEO: Junichi Hanzawa; hereinafter "MUBK"), a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc. (hereinafter "MUFG"). MUBK will be the first financial institution to invest in the Fund.

The Fund is scheduled to close at the end of December this year, with MUBK's investment to be made in installments over the course of the fundraising period.





K2 Pictures commenced operations in August 2023 as a newly established film production company. In May 2024, during the Cannes Film Festival in France, K2 Pictures announced the launch of the Fund, with the vision of creating a new ecosystem for Japanese film.

- Attracting New Domestic and International Investors to the Japanese Film Industry By adopting a fund-based financing model, K2 Pictures aims to break down existing barriers that have made it difficult for new investors both domestic and international to participate in the Japanese film industry. Additionally, by lowering the conventional fee structure run by domestic production committees, the fund is designed to deliver returns to investors more quickly.
- Sharing Profit with Creators
 In response to the current situation in which creators receive little or no share of a film's

financial success, K2 Pictures is building a new structure that includes profit-sharing system in addition to standard fixed compensation. By ensuring that creators receive a portion of the profits when a film succeeds, we aim to create an environment where talented individuals can continue to pursue their dreams in the Japanese film industry.

With this new approach to film production, K2 Pictures has taken its first step toward bringing fresh momentum to the Japanese film industry. We are currently continuing to raise capital for the fund while simultaneously launching productions in collaboration with talented creators.

Through its investment in the Fund, which plans to produce a number of films, MUBK aims to deepen its understanding of the business model and risk structure of film production and to establish appropriate risk-taking techniques when providing funding to the film industry.

With the investment from MUBK, K2 Pictures will not only accelerate the production of new films, but also continue discussions with MUBK to explore innovative financing structures. Together, we aim to expand the funding options available within the Japanese film industry, while building a framework that enables us to compete on the global stage.

<Company Overview>

· K2 Pictures Inc.

Representative: CEO/Producer Muneyuki Kii Location: 1-11-16 Aobadai, Meguro-ku, Tokyo

Capital: JPY 388,570,000 (including capital reserve)

Business commenced: August 2023

URL: https://k2pic.com/en/

MUFG Bank, Ltd.

Representative: President & CEO Junichi Hanzawa Location: 1-4-5, Marunouchi, Chiyoda-ku, Tokyo, Japan

Capital: 1,711.9 billion yen

Business commenced: August 1919

URL: https://www.bk.mufg.jp