

(Joint Release)

February 5, 2024
Hakuhodo Inc.
Japan Airlines Co., Ltd.

Hakuhodo and Japan Airlines start second round of tests of KOKYO NFT, experiential NFTs using web3 aimed at increasing relationship populations

Tokenize experiences and real-world assets in six regions of Japan

Tokyo, JAPAN - Hakuhodo Inc., an integrated marketing and innovation company headquartered in Tokyo, and Japan Airlines Co., Ltd. (JAL) today announced that they will jointly undertake a second round of demonstration experiments of KOKYO NFT from February 2024. The project tokenizes special local experiences and real-world assets (RWAs) (*1) as non-fungible tokens (NFTs) (*2) to turn Japanese and international purchasers into relationship populations of the areas.



* The image may differ from the actual product.

*1 Real-world assets (RWAs) are physical assets in the non-digital realm, such as real estate and art. Efforts to increase their liquidity and ensure safe transactions by tokenizing them and handling them on a blockchain are attracting attention.

*2 Non-fungible tokens (NFTs) are unique digital tokens that are minted on a blockchain and cannot be replicated. As they are difficult to tamper with and can prove the authenticity of a transaction, they can also be used as proof of community membership.

In February 2023, Hakuhodo and JAL conducted [their first round of demonstration experiments](#) (*3) on the creation of relationship populations using KOKYO NFT, NFTs that provide special local experiences. They demonstrated the feasibility of adding new value to local experiences by tokenizing them, including the ability to raise their rarity as limited experiences and to further deepen ties between experience recipients and between recipients and local companies. Hakuhodo and JAL continued

discussions on ways to build a value creation story that turns inbound and domestic visitors into relationship populations that visit an area many times rather than just once. The companies are now conducting a second round of demonstration experiments that take into consideration learnings from the first round, while further expanding their scale and content. The second round focuses on regional real-world assets (RWAs). Japan has a variety of fascinating experiences and crafts, but many are not widely known. The companies view these as RWAs and, by tokenizing such experiences and crafts in six regions of Japan, aim to increase relationship populations and undertake new regional development by appropriately spreading the value of the experiences to more people around the world.

A promotion using dynamic NFTs (*4) will also be implemented to coincide with the start of the demonstration experiments. This will involve an evolving NFT experience where a shape in origami, which is familiar to people inside and outside of Japan, is gradually created and changed.

Through these demonstration experiments, HakuHodo and JAL will verify the feasibility of creating relationship populations and contribute to addressing the major social issue of Japan's declining population.

*3 Press release dated February 9, 2023, "HakuHodo and JAL Launch Demonstration Experiments on the creation of relationship population using KOKYO NFT, NFTs provide special local experiments."

URL: <https://www.hakuhodo-global.com/news/hakuhodo-and-japan-airlines-to-test-kokyo-nft-experiential-nfts-aimed-at-increasing-relationship-populations.html>

*4 Dynamic NFTs (dNFTs) are NFTs that change dynamically. They make it possible for part of the NFT to change, even after the NFT is minted, in line with the passage of time or when specific conditions are met.

1. Overview of the KOKYO NFT demonstration experiments

The following six types of KOKYO NFT will be minted and sold on Astar zkEVM Powered by Polygon, an Ethereum Layer-2 blockchain. Astar is the leading public blockchain in Japan that aims to popularize decentralized technology and bring web3 to everyone. Secondary distribution is anticipated on the NFT marketplace Rarible. See the official KOKYO NFT website and X account for details

Official website: <https://kokyo-nft.jp/en>

Official X account: https://twitter.com/Kokyo_nft

ONFT marketplace: <https://rarible.com/>

(1). Toyako-cho, Abuta District, Hokkaido

The right to launch fireworks you've designed yourself at the famous Toyako Long Run Fireworks Display, which is held at Lake Toya for half a year from spring through summer, will be sold as NFTs. You will be able to reflect the beautiful fireworks lighting up the night sky on the surface of Lake Toya. Holders of this NFT will also be able to participate in a special fireworks assembly experience.

(a). Sales commence: Scheduled for March 24, 2024

(b). Sale price: 36,300 yen

(c). Experience program provided by: Toyako Onsen Tourism Association

(d). NFT URL: <https://kokyo-nft.jp/fireworks-cruise>

(2). Mito, Ibaraki

Among the ultra-premium “uka” Japanese sake provided by Meirishurui Co., Ltd. which has been in operation since the Edo period, the right to taste the particularly rare and valuable unpasteurized uka directly at the brewery will be sold as NFTs. By owning this NFT, you will also be able to preferentially purchase uka in the future.

- (a). Sales commence: Scheduled for March 3, 2024
- (b). Sale price: 80,000 yen
- (c). Experience program provided by: Meirishurui Co., Ltd.
- (d). NFT URL: <https://kokyo-nft.jp/premium-sake>

(3). Echizen/Sabae, Fukui

The right to make an original kitchen knife with the artisans of the traditional Fukui craft of Echizen Uchihamono (forged knives), which has been handed down by artisans for over 700 years, will be sold as NFTs. You can also customize the knife handle to your liking at Japan’s only store specializing in Japanese knife handles. Holders of this NFT will also be able to participate in a lacquer and washi paper workshop tour to observe these other traditional Echizen crafts.

- (a). Sales commence: Scheduled for March 24, 2024
- (b). Sale price: 363,000 yen
- (c). Experience program provided by: Ryusen Hamono Co., Ltd. / etoe (Yamaken Woodworks Co., Ltd.) / SOE (a general incorporated association)
- (d). NFT URL: <https://kokyo-nft.jp/japanese-knife>

(4). Yanagawa, Fukuoka

The right to become a vassal (member of the samurai) and welcomed as family into the Tachibana Family, which has a history and culture spanning 400 years as former feudal lords of the Yanagawa domain, will be sold as NFTs. By owning this NFT, you will be able to stay at Ohana, a mansion run by the Tachibana Family, and enjoy a samurai experience wearing samurai armor and helmet. You will also continue to be able to participate in the Tachibana Family’s annual events.

- (a). Sales commence: Scheduled for March 24, 2024
- (b). Sale price: 440,000 yen
- (c). Experience program provided by: Ryokan Ohana / Tachibana Museum
- (d). NFT URL: <https://kokyo-nft.jp/samurai-family>

(5). Minamitane, Kumage District, Kagoshima

In preparation for Space Art Tanegashima Light Festival, which is held every year on Tanegashima, the right to create, display and jointly own art work with an artist will be sold as NFTs. Artworks will be supervised by internationally acclaimed artist Yasuhiro Chida. By owning this NFT, you will also be able to participate in a special planetarium tour held inside a cave.

- (a). Sales commence: Scheduled for March 24, 2024
- (b). Sale price: 36,300 yen
- (c). Experience program provided by: Space Art Tanegashima Light Festival Executive Committee
- (d). NFT URL: <https://kokyo-nft.jp/space-art>

(6). Amami, Kagoshima

The Amami NFTs sold in the first round of demonstration experiments will be sold again. The right to experience the aging process of three types of kokuto shochu made using music will be sold as NFTs. Events will be held in Amami every summer and winter, where you will be able to enjoy tastings and live music, and participate in part of the manufacturing process. After the completion of the aging, you will be able to receive the three types of kokuto shochu in original bottles.

- (a). Sales commence: Scheduled for March 24, 2024
- (b). Sale price: 36,300 yen
- (c). Experience program provided by: NISHIHIRA DISTILLERY
- (d). NFT URL: <https://kokyo-nft.jp/kokuto-shochu>

2. Overview of the dynamic NFTs campaign

To coincide with the sale of the six types of KOKYO NFT, a promotion using dynamic NFTs will be implemented. You will be able to experience dynamically changing NFTs through origami, a symbol of Japan that is familiar to people inside and outside of Japan.

(1). Date: Monday, February 5–Sunday, March 17, 2024

(2). Content:

- (a). Free NFTs will be distributed to those who complete the first mission (quest) on the special site.
(Ends when the distribution limit is reached)
- (b). As you complete weekly missions, the NFT image will change, and the origami will gradually take shape.
- (c). Those who complete all seven missions and complete the origami will receive priority KOKYO NFT purchasing rights.



3. Roles of each company

JAL: Overall service planning

Hakuhodo: Overall service planning, project production management

SEEDER: Demonstration experiment production (system construction and progress management), NFT minting and sales

PONT (beyondClub): NFT minting technology support, social media operations, PR support, community management support

wondertrunk & co.: NFT planning, experience design support

About Japan Airlines

Japan Airlines (JAL), Japan's first private aviation company, was established in 1951 and is a member of the oneworld® Alliance. The airline operates a fleet of 225 aircraft and began renewing its international long-haul aircraft with the Airbus A350-1000 starting 2023 Winter Schedule. Together with other JAL Group and partner airlines, JAL offers an extensive domestic and international network that serves 376 airports across 64 countries/regions. The airline has received numerous accolades for its exceptional service, including being recognized as a certified 5-Star Airline by Skytrax and being awarded the prestigious "World Class" Airline title by APEX, the Airline Passenger Experience Association. JAL takes great pride in its on-time performance and is regarded as one of the most punctual airlines globally. The airline is dedicated to ensuring the highest standards of flight safety and overall service quality, striving to be the most preferred airline by customers worldwide. The JAL Group recognizes that action to address climate change is a particularly important issue for the sustainability of society, and in June 2020, the group announced its commitment to achieve net zero carbon emissions by 2050.

For details and to learn more, visit JAL's official website at <https://www.jal.com/en/>.

About Hakuhodo's MIRAI Business Division

Launched in 2019, the MIRAI Business Division is a Hakuhodo unit dedicated to developing new businesses beyond the company's traditional field of advertising. Based on a commitment to collective business creation, Hakuhodo itself becomes an owner of the businesses developed, bringing together a variety of partners with the goal of realizing new projects of value to *sei-katsu-sha*. Leveraging Hakuhodo's strengths in creativity and connection, the Division works to design the society and industries of the future.

URL: <https://mirai-biz.jp/project/>

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KOKYO NFT website: <https://kokyo-nft.jp/en>