

May 29, 2018
Spread Co., Ltd.

**Spread Plans First Indoor Vertical Farm
in Partnership Agreement with
JX ANCI, a Subsidiary of JXTG Nippon Oil & Energy,
and Nissin Shoji**

Spread Co., Ltd. (HQ: Kyoto, Japan; CEO: Shinji Inada, hereinafter; "Spread") has confirmed its collaboration with JX Nippon ANCI Corporation (HQ: Chiba, Japan; President : Jun Shonaka; hereinafter "JX ANCI"), a subsidiary of JXTG Nippon Oil & Energy Corporation (HQ: Tokyo, Japan; President and Representative Director: Tsutomu Sugimori), and Nissin Shoji Co., Ltd. (HQ: Tokyo, Japan; Representative Director: Hiroaki Tsutsui; hereinafter "Nissin Shoji") whereby Spread will support the construction of an indoor vertical farm which will be Japan's largest, and will produce and sell indoor vertical farmed vegetables.

JX ANCI and Nissin Shoji have conducted agriculture related business and have considered the management of an indoor vertical farm by applying their knowledge to the business. Spread has developed *Techno Farm*TM – its next-generation indoor vertical farming which incorporates automation technology in its cultivation process – and has been seeking partner companies with which conduct franchise businesses together while planning to construct more farms in Japan and overseas.

The parties of this business reached to the agreement about their roles as below. The joint venture company J Leaf Corporation which was established by JX ANCI and Nissin Shoji will be in charge of construction of its farm which will take place within the site of the JX ANCI Narita factory, as well as the production of vegetables and management of the farm. Spread will offer its knowhow of indoor vertical farming and will be in charge of logistics and sales. Groundbreaking and shipment from the new farm are scheduled for 2020.

To achieve a sustainable model for agriculture, Spread will continue pursuing further technological innovation by deepening its partnerships in various fields.

News Release

◆Overview of planned project

Location	Chiba, Japan, JX ANCI Narita Factory Site
Facility Type	Indoor Vertical Farm
Product	Lettuce, other leafy greens
Production Capability	30,000 heads/day
Groundbreaking	Spring, 2020 (planned)

◆JXTG Nippon Oil & Energy Corporation

President and Representative Director: Tsutomu Sugimori

Established : May, 1888

Capital : 30 billion Yen

Headquarter : 1-1-2, Otemmachi Chiyoda-ku Tokyo, Japan

Business Activities : Manufacture and marketing of petroleum products
(gasoline, kerosene, lubricants, etc.)
Manufacture and marketing of petrochemical products
Import and marketing of gas (LPG and LNG) and coal
Electric power sales

◆JX Nippon ANCI Corporation

President : Jun Shonaka

Established : April, 1977

Capital : 200 million yen

100% investment of JXTG Nippon Oil & Energy Corporation

Headquarter : 2700-72, Koike Shibayama-cho Yamatake-gun Chiba, Japan

Business Activities : Manufacture and sales of nonwoven fabric, and sheet
pallet and other materials

◆Nissin Shoji Co., Ltd.

Representative Director : Hiroaki Tsutsui

Established : Feb, 1950

Capital : 3.62 billion yen

Headquarter : 1-12-3, Shibaura Minato-ku Tokyo, Japan

Business Activities : Sales of petroleum products and by-products
Sales and operation of renewable energy facilities and materials
Sales of materials for dining establishments and agriculture

News Release

◆Joint Venture Company

Company Name	: J Leaf Corporation
Established	: July, 2018 (planned)
Capital	: 80 million yen
Location	: 2700-72, Koike Shibayama-cho Yamatake-gun Chiba, Japan (site of JX ANCI Narita factory)
Business Activities	: Production and sale of indoor vertically farmed products

◆Techno Farm™

Techno Farm™

Techno Farm™ is a next generation food production system created by Spread based on their 10 years of operating experience and technological innovation in vertical farming. Joint development with Japanese technology companies for innovations such as automated cultivation, and environmental control technologies, specialized LED lighting, and IoT / AI will reduce environmental burden and operational costs.
URL : www.technofarm.com/en

【Contact Information】

Okai (Mr.) / Ando(Ms.)

Public Relations Department, Spread Co., Ltd.

E-mail : info@spread.co.jp

TEL : +81-50-3852-0561 (Public Relations) +81-75-326-3850 (Head Office)

URL : www.spread.co.jp/en