

News Release

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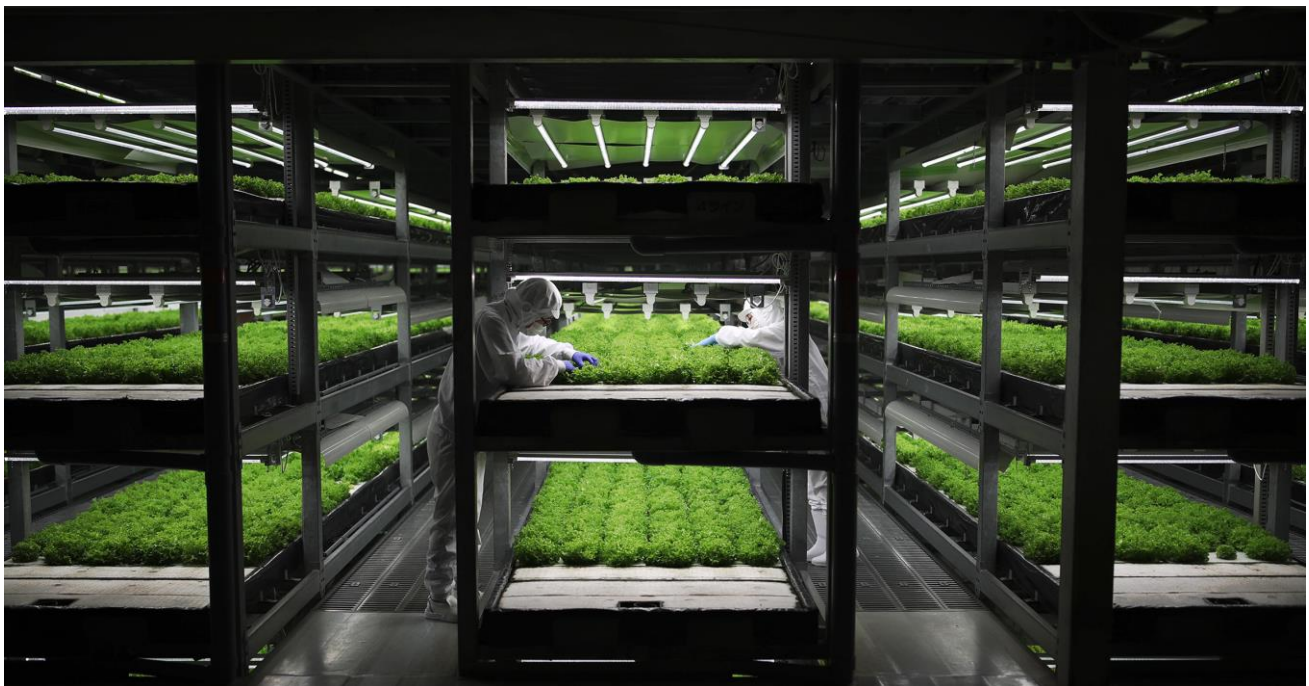
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Largest FoodTech Deal in Japan: Vertical Farming Startup Spread Raises \$30 Million to Accelerate its Business -More on Lettuce, Strawberries and Alternative Meat-

Spread Co., Ltd. (HQ: Kyoto, Japan; CEO: Shinji Inada, hereinafter “Spread”) has secured approx. \$30 million (4 billion yen) in Series A round from multiple business companies and angel investors in the largest-ever single fundraising in Japanese foodtech scene.

Starting from developing new technologies for the world’s largest automated vertical farm Techno Farm Fukuroi ー, Spread will also invest in marketing of its sustainable vegetable brand *Vegetus*, R&D in the new fields of strawberry and alternative meat, and global business development.



About Spread

Spread is a vertical farming startup from Kyoto, Japan. Spread accumulated unparalleled know-how of plant cultivation through 15 years of lettuce production, started at Kameoka Plant in 2007, and then continued at Techno Farm Keihanna, the next generation automated vertical farm. Now, the know-how is being applied to product development of high-quality, pesticide-free strawberry, and research on the alternative meat. By combining the latest tech with cultivation skills originating from the high quality consciousness of traditional Kyoto farming, Spread strives to create a sustainable society where future generations can attain peace of mind through its “Global Food Infrastructure” concept.

Spread's CEO Shinji Inada

Born in 1960. He has been engaged in the fruit and vegetable distribution industry for over 30 years, and has a wealth of experience and expertise. Established Trade Co., Ltd. in 2001 for the purpose of structural reform of fruit and vegetable distribution in Japan. Established Spread Co., Ltd. in 2006 with the aim of realizing sustainable agriculture.



Achievement of profitability at the vertical farm basis



Spread's first farm Kameoka Plant started operating in 2007, and was first in the world to achieve profitability and an operating rate of 97% after 6 years. Spread strived for even more efficient and sustainable system and developed Techno Farm Keihanna (start of operations: 2018), which utilized automated cultivation, precise environmental control technology, IoT-based cultivation management system Techno Farm Cloud and other revolutionary technologies. The farm achieved an operating rate of 99% ⁻² within two years since the start of operations.

Delivering high quality food products to more areas

In order to deliver its delicious, Kyoto-originated products freshly picked to more people, Spread works with its partners on building new farms in proximity to the consumption area. More automation allows for more stable supply, while utilizing renewables helps to make the business even more sustainable.

【Greater Tokyo Area】

Techno Farm Narita (Chiba, Japan)

Operated by J Leaf Corporation (ENEOS Group)



Production capacity: 4t

Start of operations: June, 2021

【Chukyo Metropolitan Area】

Techno Farm Fukuroi (Shizuoka, Japan)

Operated by TSUNAGU Community Farm LLC

(Jointly established by Chubu Electric Power, ES-CON JAPAN and Spread)



Production capacity: 10t (world's largest)

Start of operations: January, 2024 (planned)

Kyoto-born sustainable vegetable *Vegetus*



Under the concept of “Sustainable Vegetable”, *Vegetus* strives to be healthy for both Earth and its people. The cultivation requires only 1% of water used in conventional farming, while production loss rate is approx. 10% (compare with 40% on average for conventional farming). Also, the edible part of lettuce itself is 90% ^{*2} which means that less food is wasted both during production and at home. The sustainable benefits of *Vegetus* are valued by the customers, and it is currently being sold at 4,500 stores across Japan. Overall, Spread has sold a total of 90 million packs.

Coming soon. Delicious pesticide-free strawberries



Spread has developed the technology for mass production of pesticide-free, high quality strawberries in a vertical farm using artificial lighting in 2021. By introducing the bees necessary for pollination of strawberries and creating an environment where they can thrive, we have achieved stable pollination indoors under LED lighting, which is said to be difficult to achieve. Next step is to bring application of automation technologies and large-scale cultivation know-how to spread safe and delicious berries in Japan and around the world.

Road to the future



Since its establishment, Spread has always strived to create a sustainable society where future generations can attain peace of mind. Currently Spread works towards its 2030 goal of 100 tons of lettuce daily production domestically. To answer world’s growing needs of food supply, Spread is widening its product range by working on fruits and alternative meat, and is looking to expand globally in the future. The ultimate goal is a “Global Food Infrastructure”, where all people are free from the food anxiety.

*1 Largest by production volume. According to Spread’s research.

*2 Based on the number of harvested lettuce heads, compared to maximum capacity of the farm.

*3 According to Spread’s research.

■ Overview of Spread

Company Name : Spread Co., Ltd.

Chief Executive Officer : Shinji Inada

Location : Kyoto Research Park #8, 90 Chudojiawata-cho, Shimogyo-ku, Kyoto, Japan

Established : January, 2006

Company Website : www.spread.co.jp/en