

October 17, 2017
SPREAD Co., Ltd.

SPREAD Initiates its Global Expansion
***Techno Farm™* Planned for Construction**
in the Middle East Starting with the UAE

SPREAD Co., Ltd. (HQ: Kyoto, Japan; CEO: Shinji Inada; hereinafter, "SPREAD") will launch its vertical farm business overseas. In partnership with Madar Farms LLC (HQ: UAE; CEO: Abdulaziz K. Almulla; hereinafter, "Madar Farms") and Toyo Engineering Corporation (HQ: Chiba, Japan; President and CEO: Kiyoshi Nakao; hereinafter, "TOYO"), SPREAD plans to construct *Techno Farm™* in the Middle East starting with the United Arab Emirates (UAE).

The desert environment, lack of water resources and other geographical factors pose challenges for growing vegetables in the Middle East which leads to a reliance on imported goods. However, a growing population and changing eating habits are driving increased demand for vegetables.

SPREAD is responding to these challenges with the solutions found in its next-generation vegetable production system, *Techno Farm™*, which was created based on SPREAD's 10 years of experience in operating a vertical farm and incorporates automation and advanced water recycling.

In October 2017, SPREAD entered into a Memorandum of Understanding with Madar Farms, a company that has established a container farming business in the UAE, for a strategic partnership for developing the *Techno Farm™* business in the Middle East. In June 2017, SPREAD and TOYO, a global engineering company with abundant knowledge in the construction of industrial-scale facilities, entered into a Memorandum of Understanding for *Techno Farm™* engineering services overseas.

The aim of the partnership is to provide a stable supply of safe and high quality vegetables to the Middle East. Construction of the first *Techno Farm™*, a vertical farm capable of producing over 30,000 lettuce heads per day, is planned to begin in 2018 with completion slated for 2019. Moving forward, 20 facilities are planned for construction in the Middle East starting with the UAE.

SPREAD is striving to further innovate and deepen partnerships and cooperation in various fields for the realization of sustainable agriculture.

News Release

◆Madar Farms LLC

Starting in the UAE, Madar Farms provides solutions for challenges concerning food and water security in the Middle East through agricultural innovations based on advanced technology. Madar Farms was founded by CEO Abdulaziz K. Almulla and the Al Mulla Group chairman, Najeeb A. Almulla. Both are members of the Kuwait based Al Mulla Group's founding family who have expanded their business in automobiles, finance, and engineering to 8 different countries consisting of over 40 group companies.



◆Toyo Engineering Corporation

Since its founding in 1961, TOYO has implemented a wide range of projects on the global stage, mainly in the field of plant engineering. TOYO's operational area covers hydrocarbon fields, power generation, infrastructure projects and industrial plants.



◆Techno Farm™

Techno Farm™

Representing the next generation of vertical farming, *Techno Farm™* builds on SPREAD's original indoor vertical farming technology to provide a further improved model for stable production in any climate. SPREAD has been working closely with Japanese technology companies to co-develop an automated cultivation system, water recycling and environmental control technologies, specialized LED lighting and IoT/AI technology with the aim of reducing both operating costs and environmental impact.

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