

August 29, 2024
Sojitz Corporation

Sojitz Establishes Sojitz Kaset Dee X to Enter the Agri Platform Business in Thailand

Sojitz Corporation (“Sojitz”) has newly established Sojitz Kaset Dee X Co., Ltd. (“KDX”) as an agri platform subsidiary in Thailand. Sojitz will enter the agri platform business via KDX, which plans to begin supply and sale of farming services, materials, and financing to cassava^{*1} farmers through the platform starting from fall 2024. Sojitz will aim to improve farming efficiency and sustainability that leads to increased prosperity for farmers through the development of KDX’s farming services.

Sojitz’s predecessor company, Nissho Iwai Corporation, established Thai Central Chemical Public Company Limited (TCCC) in 1973 as a compound chemical fertilizer manufacturer in Thailand. TCCC has since contributed to the expansion of crop production and farmers’ income by spreading awareness in rural areas on the effective use of fertilizers. The agricultural industry is faced with critical problems including economic stagnation and declining agricultural populations due to decreasing birthrates and aging populations. Since 2021, Sojitz has carried out agricultural trial demonstrations in Thailand and other regions with the aim of establishing more efficient, data-based farming methods to increase crop yield. Sojitz has collaborated with Kasetsart University, ^{*2} a national research university in Thailand, to increase cassava crop yield and crop quality.

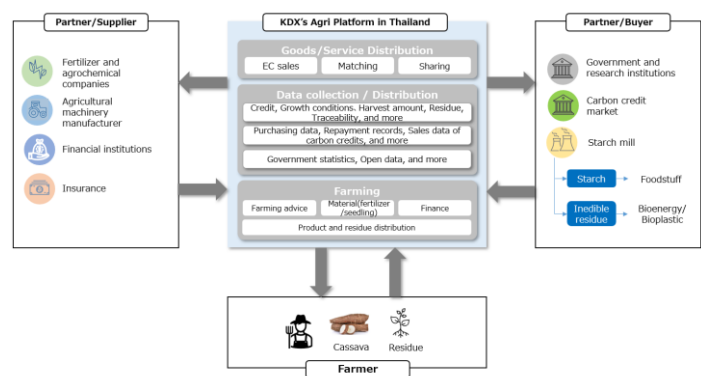
Cassava is Thailand’s third highest crop behind the top two major crops of sugarcane and rice. There are approximately 760,000 cassava farm households many of which are small, family-run farms. Problems facing the industry include farmers’ inability to purchase sufficient farming materials, difficulty expanding farmland, and the continuation of traditional farming techniques due to limited knowledge of fertilizers and other contemporary farming practices. KDX’s company name combines the Thai word for good (*dee*) and farming (*kaset*) to mean “better farming.” This catchy company name also includes “Dee X” which is a play on the acronym “DX” for digital transformation and “X” meaning infinite possibilities. KDX strives to help Thai famers realize improved farming through use of its agri platform.

KDX’s first mission will be to provide comprehensive farming support services to address challenges faced by cassava farmers. Famers—the users of the service—will receive fertilizer and seedlings at a

reduced cost in addition to farming advice and guidance with the aim of raising crop yield. Using a crop growth simulator, farmers can receive data-backed solutions that recommend the right fertilizer type, amount, and timing of application based on soil and meteorological data. In addition, Sojitz's in-house developed app gathers data from users on farmland and farmers' equipment, growth conditions for crops, and harvest volumes. Based on this data, KDX plans to enable farmers to use the agri platform to receive recommended services and products from agricultural product processing companies, farming material and equipment manufacturers, and financial institutions.



[Farmers receiving instruction on how to input agricultural data]



Moving forward, Sojitz will take on initiatives for effectively utilizing agricultural residues and creating carbon credits with an eye towards providing comprehensive services that span the agricultural value chain. Through these efforts, Sojitz seeks to support farmers and farming-related businesses to improve crop yield, efficiency, and profits, while continuing to expand KDX's business.

*1: Cassava: In Thailand, cassava is a root vegetable widely used as an ingredient for noodles, bread, and confectionaries. Cassava is the third highest agricultural output in Thailand following sugarcane and rice. Cassava is also used as a raw ingredient for manufacturing bioethanol, which is often manufactured using sugarcane.

*2: Kasetsart University: Kasetsart University was established in 1943 as Thailand's first agricultural university and is one of the largest universities in the country. Kasetsart is a well-respected research university offering a broad agricultural science curriculum and research insights.

[Related Information]

[Company Overview – Sojitz Kaset Dee X Co., Ltd]

Established	May 2024
Location	Bangkok, Thailand
Representative Director	Ryosuke Hori
Main Business	Farming support services geared towards farmers; agricultural platform for farmers and farming-related businesses.
Contact	kdx-group@sojitz-kdx.com