Sojitz Invests in Agri-fintech Startup Degas Advancing DX in Africa
- Leveraging Sakura internet's GPU Cloud Services for R&D of AI-generated Satellite Images-
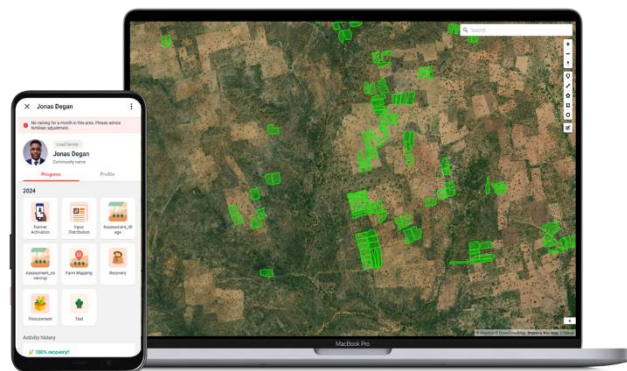
Sojitz Corporation ("Sojitz") has invested in Degas Ltd. ("Degas"), an agri-fintech startup leading digital transformation (DX) in Africa's agricultural industry and developing countries. Sojitz and Degas have concluded a business alliance for joint R&D of a specialized generative AI foundation model for satellite image analysis ("geospatial foundation model") developed by Degas, which will be used for Sojitz's agri platform business in Thailand. Moving forward, Sojitz and Degas will utilize the GPU cloud services of Sakura internet Inc. ("Sakura internet") to analyze satellite images to forecast weather and natural disasters. Similarly, Sojitz and Degas will combine satellite image analysis data with agricultural data to estimate crop harvest volumes. This agreement marks the first project with a business model developed based on Sojitz's alliance with Sakura internet.

Degas provides smallholder farmers in Ghana with fertilizer and other agricultural inputs as part of a farmer financing business in which farmers then make repayments through their agricultural outputs. To date, Degas has provided support to farmers in over 65,000 cases (as of August 2024), and the company has built the largest network of farmers in Africa. Degas first began development of its geospatial foundation model in 2023. Satellite images of forests, farmland and so forth, were used to train the generative AI model in advance. When new data is loaded, the AI model uses learned data patterns as a basis for analyzing and predicting surface topography and soil conditions. Development of a foundation model for farming and forestry requires access to a vast amount of training data including soil composition and crop yield for individual farms, and this expense posed an obstacle to the development process. In contrast, Degas' foundation model utilizes the most recent generative AI that is capable of highly accurate analysis from training data using just 10% of the satellite images previously required, which improves cost effectiveness. Degas' foundation model is anticipated to become widespread for predicting weather, natural disasters, and grain yield.

In March 2024, Sojitz concluded a business alliance with Sakura internet. Based on this past agreement, Sojitz will now provide Sakura internet's GPU cloud services to Degas. Sojitz also plans to utilize

Degas's geospatial foundation model for Sojitz's agri platform business for cassava farmers in Thailand. The model will offer farmers crop yield prediction services and crop disease detection services.

Sojitz has announced its motto of "Digital in All" under Medium-term Management Plan 2026, and the company has set a digital strategy that aims to integrate digital technologies into all of its businesses. Moving forward, Sojitz will continue to develop AI-based business models and use cases in order to leverage digital technologies to further raise corporate value.

[Image of Degas' farmer financing app]

[Related Information]

[Company Overview – Degas Ltd.]

Established	November 2, 2018
Location	4-1-18 Hiroo, Shibuya-ku, Tokyo
Representative Director	Doga Makiura, CEO
Main Business	Leveraging technology for smallholder farm management and financing; regenerative agriculture; creating high quality carbon credits; and related technology development.

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March 21, 2024

Sojitz and SAKURA internet Conclude Business Alliance for Expanding the Cloud Service Business