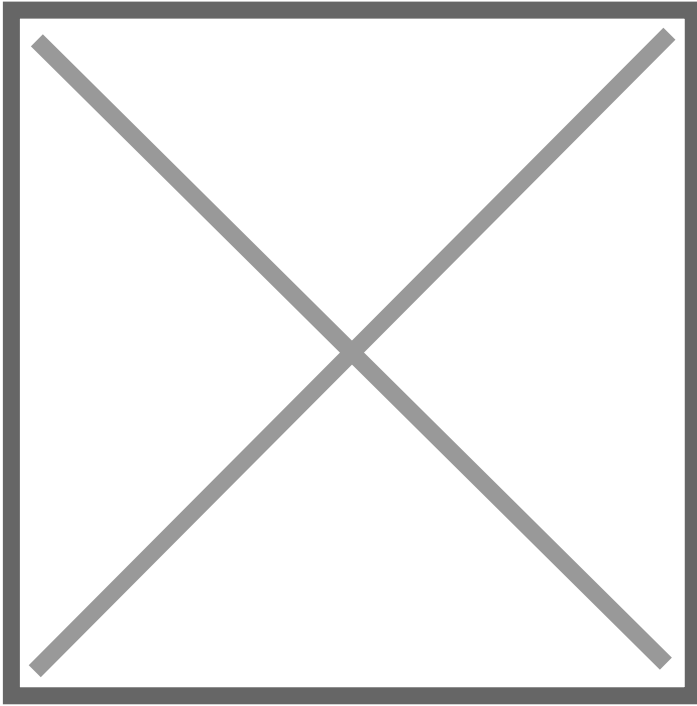


FRD Japan to construct a commercial land-based aquaculture plant

16 August 2023 | News

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FRD Japan Co., Ltd. has decided to construct a commercial land-based aquaculture plant for trout farming in Chiba, Japan.

With the operation of the Commercial Plant, FRD aims to produce 3,500 metric tons of trout annually starting in 2027.

In addition, FRD will raise funds through a third-party allocation of new shares and loans using its framework for blue sustainability finance. The funds to be raised will be used for the construction of the Commercial Plant, as well as for working capital, research and development, and investment (including expenditures for the pilot plant currently in operation and preparations for future large-scale plant development).

Capital increase through a third-party allotment of new shares

FRD has reached agreements with Air Water Inc., STI Food Holdings, Inc., Sekisui Chemical Co., Ltd., Haseko Corporation, Sumitomo Mitsui Trust Bank, Limited, Mitsui & Co., Ltd., and MUFG Bank, Ltd. to raise a total of ¥21 billion through a third-party allotment of new shares.

Financing through the company's framework for blue sustainability finance

FRD has entered into a loan agreement with The Keiyo Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, and Resona Bank, Ltd. to finance the construction of the Commercial Plant. FRD has developed a "blue sustainability loan framework" and has obtained an independent second party opinion from Rating and Investment Information, Inc. on the conformity of this framework with the principles and guidelines set forth for green financing by international organizations.

Over the five years of operating the pilot plants, FRD has accumulated sufficient knowledge to now be able to launch the Commercial Plant, both in terms of improving its proprietary Closed-RAS and increasing the efficiency of its farming operations. With the planned Commercial Plant as the first, FRD aims to develop multiple land-based aquaculture plants for farming salmonoids with a maximum capacity of 10,000 metric tons per plant, mainly in Asia, including Japan.