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Press Release on November 8, 2024

SAAF Holdings Co., Ltd.

Tokyo Stock Exchange Growth Market: Ticker code 1447

Regarding the use of carbon-neutral tea realized through DX of tea gardens

This time, we will introduce carbon-neutral tea sold by Blue Farm inc. (head office: Hamamatsu City, Shizuoka Prefecture, Representative Director and President: Mr. Daisuke Aoki, hereinafter referred to as “Blue Farm”)with which Mirai Inc. our group company (head office: Hiroshima City, Hiroshima Prefecture, Representative Director and President: Mr. Akira Seno, hereinafter referred to as “Mirai”), has entered into a business outsourcing agreement.



Blue Farm's vision is to be “a company that makes society healthy” and it has been implementing a tea cultivation environment provision business that manifests environmental value and promotes corporate sustainability through DX transformation of tea plantations in mountainous areas. Utilizing Mirai’s solution services, such as supporting the promotion of local primary industries (agriculture, forestry, and fisheries) and management support for individual management entities, we are moving forward with further development, including collaboration with local governments.

According to the “Current Status of the Tea Industry in Shizuoka Prefecture” published by the Tea Promotion Division of the Agriculture Bureau, Ministry of Economy, Trade and Industry in Shizuoka Prefecture in March 2024, the tea cultivation area in hilly and mountainous areas has decreased by 27% in the five years from 2015 to 2020 and the number of farmers selling tea decreased by 39% over the same period. Furthermore, due to overseas conditions and the weakening Japanese yen, the prices of fuel, materials, fertilizers, etc. have soared, making tea production even more difficult.

Until upto now, the amount of carbon absorption due to the forestry effect of tea plantations and the amount of carbon emissions from nitrogen fertilizers had not been accurately measured, and it has been unclear whether green tea cultivation was suitable for achieving carbon neutrality. Blue Farm aims to revitalize the tea industry and “reveal environmental value through the digitization of tea plantations” and we were able to measure carbon emissions and create a sustainable business by utilizing agricultural IoT, such as providing input apps to producers and installing sensors in tea plantations. In addition, Blue Farm has obtained organic JAS certification*. By implementing organic JAS farming methods, it enables us to reduce the use of fertilizers, which are the cause of greenhouse gas emissions. Furthermore, since no pesticides are used, the environment of the tea plantation is protected and this helps to ensure biodiversity. By achieving carbon-neutral tea cultivation, we aim at helping companies achieve sustainability and solving the problem of producers engaged in tea plantations going out of business and abandoned farmland.

*Organic JAS certification is a system in which registered certification bodies inspect agricultural products and processed foods that meet requirements such as cultivation on farmland that does not use any prohibited materials, and certified businesses operators can attach the Organic JAS mark on it.

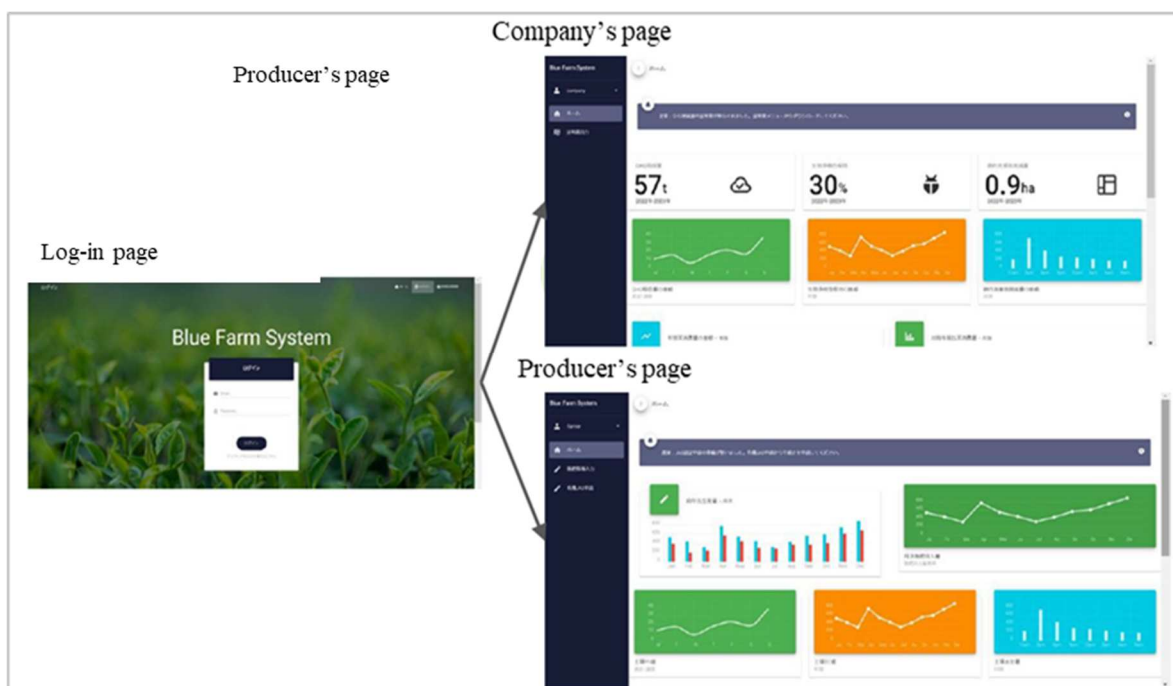
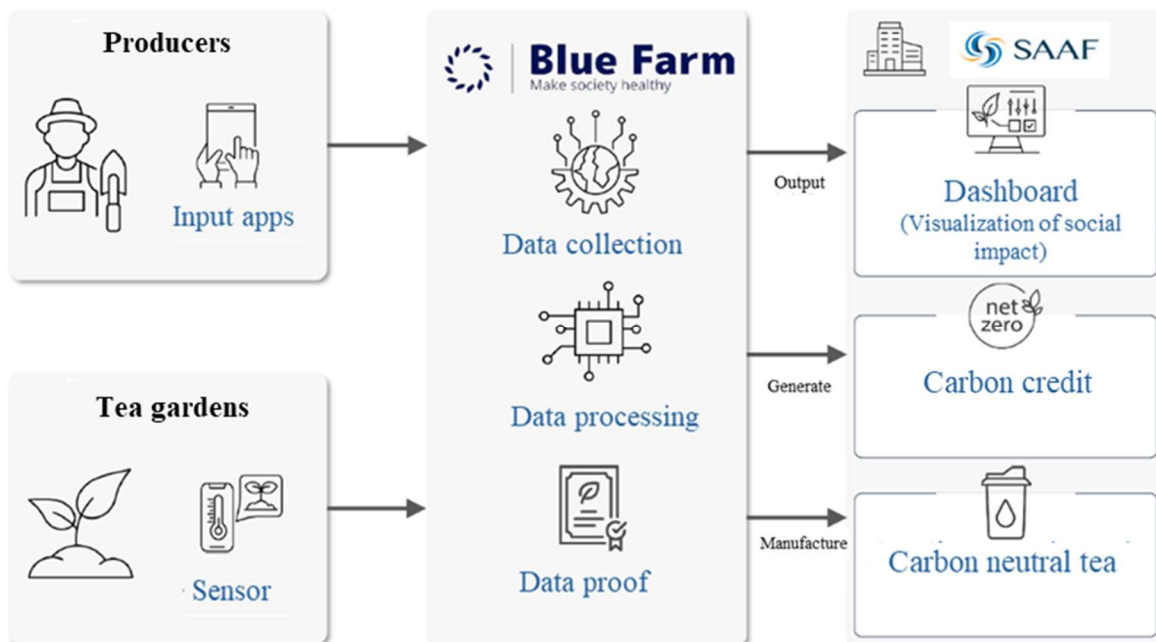
We hope that the introduction of carbon-neutral tea will be a new opportunity for our employees and customers visiting our company to think about a sustainable society through tea, and we will strive to further improve our corporate value in order to realize a sustainable local society.

【Inquiries regarding this press release】

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■ Blue Farm Co., Ltd. (<https://blue-farm.co.jp/>)

■ For inquiries regarding this press release, please contact below:

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