

News Release

October 30, 2020

Tsubame BHB Co., Ltd.

Tsubame BHB Raising Funds Through New Investors

Tsubame BHB Co., Ltd. (Head Office: Chuo-ku, Tokyo; Representative Director CEO: Masahiro Watanabe; hereinafter, “the Company”) seeks to realize practical-use, on-site ammonia production at small plants using an electrified catalyst. On October 26, 2020, the Company raised a total of 365 million yen through CE-type stock acquisition rights underwritten by MIRAI SOZO 1 Limited Partnership, Fuyo General Lease Co., Ltd., Mitsubishi Chemical Corporation, and Mitsubishi UFJ Capital No. 7 Investment Limited Partnership.

Background of Fund Raising

The Company is currently developing a compact ammonia production device using an electrified catalyst that is capable of highly-efficient synthesis of ammonia under low-temperature and low-pressure conditions. This electrified catalyst was discovered and invented by a research group led by Professor Emeritus Hideo Hosono of Tokyo Institute of Technology. Since October of last year, we have conducted technical evaluation of the device at a pilot plant in our Kawasaki Branch. The obtained results indicate the high possibility of reducing the amount of catalyst by 30%. We will utilize the raised funds to promote our business toward the practical use of on-site ammonia production for commercial machines.

Main Use of Funds from the Capital Increase

- Introduce technologies on-site
- R&D for mass production of next-generation catalysts
- R&D aimed at improving process efficiency and productivity

Comments from Underwriters

■ Tomokuni Takayama, Executive Officer, Innovation and Future Creation Inc. (MIRAI SOUZOU)

We have high hopes that Tsubame BHB, a global venture corporation established by the Tokyo Institute of Technology, is going to solve the issues of the ammonia synthesis technology known as “the Haber-Bosch process,” which have been a problem for more than 100 years and, by doing so, it will become the world’s first company to commercialize an on-site ammonia synthesis system. Furthermore, the company plans to produce green ammonia from the surplus electricity of renewable energy and to produce chemical fertilizer for agriculture. As an SDGs brand, Tsubame BHB is expected to contribute to food shortages and industrial infrastructure in developing countries. Therefore, we will actively support Tsubame BHB moving forward.

■ Hiroaki Oda, Managing Executive Officer, Fuyo General Lease Co., Ltd.

We recognize the Tsubame BHB's innovative technology and the scale of the environmental and food issues to be solved, and also empathize with the social significance of industrialization and commercialization of intellectual property and scientific technology from the university. Therefore, we decided to invest in Tsubame BHB.

Fuyo General Lease will contribute to the resolution of social issues by supporting the business development of Tsubame BHB with a focus on finance and sales promotion. At the same time, we will implement the concept of CSV (Creating Shared Value) while aiming to grow as a company, and will strive to create a sustainable society.

■ Akihisa Kakimoto, Managing Executive Officer, Mitsubishi Chemical Corporation

Our company's strength lies in the research and development of reaction-separation-type chemical product manufacturing systems which utilize our uniquely developed zeolite separation membrane. By combining Tsubame BHB's high-performance ammonia production catalyst and our reaction-separation system, both companies have been conducting research with the aim of achieving a next-generation ammonia production process featuring unprecedented efficiency. Through this investment, we intend to further accelerate the speed of development, to achieve an ammonia production process that possesses high efficiency and significantly reduces the environmental load, and to contribute to sustainable development together.

■ Kenji Takahashi, Deputy General Manager, Investment Department No. 1, Mitsubishi UFJ Capital Co., Ltd.

Tsubame BHB possesses revolutionary technology which enables the on-site production of ammonia at user corporations. This production capability is essential for industry. Since user corporations can respond to important management issues such as controlling the risk of price fluctuations in material procurement and improving business continuity, we expect that this technology will continue to spread in Japan and overseas in the future.

We are very pleased to be able to participate in this capital investment. Furthermore, we will cooperate with Mitsubishi UFJ Financial Group companies to support the acceleration of business and improvement of competitiveness at Tsubame BHB.

About Tsubame BHB Co., Ltd.

Address : 1-12-22 Tsukiji, Chuo-ku, Tokyo
R&D Base : 4259 Nagatsuta-cho, Midori-ku, Yokohama City, Kanagawa
Tokyo Institute of Technology, Suzukakedai Campus
Kawasaki Branch : 1-1 Suzuki-cho, Kawasaki-ku, Kawasaki City, Kanagawa
Kawasaki Plant of Ajinomoto Co., Inc.
Representative Director CEO : Masahiro Watanabe
Established : April 5, 2017
Start of Operations : April 25, 2017
Business Activities : R&D and manufacturing involving on-site ammonia
production systems and catalysts

(Inquiries by news media in regard to this press release.)

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