

Nov. 19, 2018

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President and CEO  
OAT Agrio Co., Ltd.

**Announcement regarding the concluding of an agreement to  
acquire stock in the Netherlands company "Chrysal"**

This is to announce that OAT Agrio Co., Ltd. (hereinafter referred to as "OAT Agrio") has agreed with NORDIAN FUND IIA COÖPERATIEF U.A. and the minority shareholders to acquire all shares in the company Blue Wave Holding B.V. which holds shares of twenty subsidiaries, and that a stock acquisition agreement has been concluded on Nov. 19, 2018.

**1. Purpose of this transaction and future management policy**

Based on our corporate philosophy of contributing to the people in the world by our agritechology (food production enhancement technology) and sincerity, OAT Agrio provides technologies and services that contribute to the three domains of fertilization and irrigation, and biostimulants. Among products of fertilization and irrigation OAT Agrio is selling "Misaki", product of post-harvest flower and plant care solutions. The company "Chrysal" is the best company ever of product of post-harvest flower and plant care solutions. Their strengths are ① the global brand "Chrysal" ② Strong supply chain from growers to consumers ③ talented human resources.

The company "Chrysal" has dominated the market in approximately 50 countries such as the Netherlands, U.S.A., and Asia as a market of flowers as well as Colombia, Kenya and the Netherlands as a production of flowers.

After the transaction OAT Agrio has a possibility to sell "Misaki" through the supply chain of the company "Chrysal".

In addition will be able to approach direct to the growers in the upstream of supply chain, namely huge pre-harvest, for sales promotion of OAT's products as well as LIDA's ones (OAT's subsidiary in Spanish). OAT Agrio is also happy to obtain talented human resources of the company "Chrysal".

On the other hand the company "Chrysal" will have a possibility to provide speedy development of higher performance product of post-harvest flower and plant care solutions as well as new added-value products of post-harvest by taking advantage of both of R&D centers in Naruto of Japan and India.

Because both of the company has the same kind of technology for compound of powder fertilizer, it is possible to seek cost saving by economy of scale.

Like this, the transaction enable both company to enjoy the synergy with each strength and to go forwards to the higher stage

"New born" OAT Agrio is committed to contribution toward people in the world by supporting promotion to foster the culture of giving flowers with "nutrition of the heart" that needs more especially in such a difficult period as now.

## 2. Corporate outline of "Chrysal" (Blue Wave Holding B.V.)

- (1) Name "Chrysal" (Blue Wave Holding B.V.)  
(2) Head office Amsterdam, The Netherlands  
(3) Established 2014 as Blue Wave Holding B.V.  
( "Chrysal" has started operation for more than 85 years.)  
(4) Main businesses Development, manufacture and sales for product of post-harvest flower and plant care solutions  
(5) Employees 231 as of June 2018 consolidated  
(6) Location of facilities The Netherlands, U.S.A. Colombia and other countries  
(7) Sales turnover €50 million  
(8) Current shareholder  
NORDIAN FUND IIA COÖPERATIEF U.A. 76%  
Minority shareholders 24%

(9) The past 3 years' financial Unit: € 1,000

| Year             | 2015   | 2016   | 2017   |
|------------------|--------|--------|--------|
| Total Asset      | 56,945 | 54,173 | 50,302 |
| Revenue          | 44,318 | 47,045 | 49,981 |
| Operating Profit | 3,188  | 4,573  | 3,990  |
| Net Profit       | 1,327  | 2,747  | 2,442  |

## 3. Stock acquisition outline

- (1) Acquisition structure  
OAT Agrico Co., Ltd. will be acquiring 983,000(100%) of the stock of "Chrysal" from NORDIAN FUND IIA COÖPERATIEF U.A. and minority shareholders at €61.5 Million.
- (2) Future schedule  
Closing at the middle of December, 2018 (scheduled)

## 4. Impact on business results for the current term

The impact on consolidated business results for the current term will be slight, but in the event of any likely impact on business results forecasts, once the details are determined they will be made public in an appropriate manner, in accordance with the Timely Disclosure Rule of the Tokyo Stock Exchange.