

JD.com and Mitsubishi Chemical
Commencement of Operation of One of China's Largest Plant Factory
Concluded a strategic partnership agreement for future development

JD.com, which drives the Chinese market through the e-commerce website "JD.com", and Mitsubishi Chemical Corporation announced that JD began operation of the plant factory in Tongzhou, Beijing City which Mitsubishi Chemical has been constructing based on both parties' agreement in June 2017.

In addition, JD and Mitsubishi Chemical have concluded a strategic partnership agreement for further cooperative relations in the plant factory business in the future.

The plant factory is one of China's largest plant factories with a capacity of 11,040 square meters. It adopts a hydroponic cultivation system which can produce crops efficiently by using artificial light to grow seedlings, and thereafter cultivate them with natural light. Automatic control of temperature, humidity, light, liquid fertilizer, etc. enables the production of high-quality and uniform vegetables regardless of the weather or season. In addition, compared with conventional cultivation methods, the system can significantly save water, reduce fertilizer, and improve production speed.

JD is currently producing spinach, cabbage, lettuce, coriander, and other products at this plant factory and will start selling these products online on JD and in its 7FRESH supermarkets in China from December 2018. JD and Mitsubishi Chemical will cooperate to introduce more vegetables and fruits in the future.

This collaboration between JD and Mitsubishi Chemical has enabled JD to control the quality of all production processes, from cultivation to delivery. By cultivating safe vegetables using Mitsubishi Chemical's technology and integrating JD's Cold Chain and e-commerce platform, fresh vegetables can be delivered to the consumer's table the day they are harvested.

JD and Mitsubishi Chemical will continue to work closely together to realize JD's challenge to explore new models of agriculture, from production, warehouse management, distribution to sales, and to provide safe and high-quality products to consumers.

■ Improvement of crop quality

Plant factories do not use pesticides or agrochemicals, so the crops can be eaten without washing. The spinach produced in the plant factory contains 80% more folic acid, 32% vitamin C, 25% potassium, and 37% more phosphorus than ordinary spinach.





■ Improvement of water conservation and production speed

It only requires half a liter of water to grow any of the factory's vegetables. It can grow 19 batches of spinach in a year, compared to just 4 batches per year in a field or 6 per year in a greenhouse.

■ Comments by Mr. Xiaosong Wang, President of JD FMCG and Food

“The JD Plant Factory in Tongzhou marks JD’s entry into the very beginning of the fresh food production chain, allowing us to guarantee that the fresh goods we sell have been treated with the care JD applies to everything we do,” said Xiaosong Wang, President of JD FMCG and Food businesses. “JD’s supply chain technology, logistics network and e-commerce expertise combined with Mitsubishi Chemical’s sophisticated growing technology puts us in an ideal position to create an entirely new model for agriculture, and cultivates a fresh and healthy lifestyle in China.”

■ Comments by Mr. Hitoshi Sasaki, Managing Executive Officer, COO of Environment and Living Solutions Business Domain of Mitsubishi Chemical

“It is a valuable opportunity for us to cooperate with JD’s new challenge of providing fresh and safe vegetables in a stable manner and contributing to the healthy lifestyle of the Chinese people, and we intend to further refine our technology and support JD’s efforts in the future.”



Mr. Sasaki, Managing Executive Officer of Mitsubishi Chemical (Left) and Mr. Wang, President of JD FMCG and Food (Right)