

Participation in Chemical Fertilizers Production Project in Nigeria

CHORI CO., LTD. (Osaka headquarters: Chuo-ku, Osaka, Tokyo headquarters: Minato-ku, Tokyo; President: Kazuo Sakihama, “Chori”) has decided to partly fund construction of a chemical fertilizer blending plant (the plant) being erected by PLATINUM CORPORATION FZE (“PLATINUM”), a company specializing in the automotive, agricultural and food businesses in West Africa, mainly in the Federal Republic of Nigeria, and lend about 40% of the total investment amount of this project. The plant is scheduled to be constructed in the suburbs of Lagos, Nigeria, and completion is planned for December 2019. The chemical fertilizer production capacity of the plant is about 360,000 tons annually.

Nigeria has the largest population in Africa (approximately 190 million people). Agriculture accounts for about 20% of its GDP, making it the country’s largest industry. Moreover, about 50% of the population is engaged in agriculture, forestry and fisheries, and the Nigerian government is planning to develop industries that are not oil dependent, making agriculture one of the country’s most important industries. Rapid population growth is being predicted for Nigeria, so dramatic demand for grain is also expected in the future. Added to that, Nigeria has a low volume of fertilizer use, even for Africa, and demand for chemical fertilizer is projected to increase to raise agricultural efficiency.

PLATINUM is going to sell chemical fertilizers produced in the plant in Nigeria through PREMIUM AGRO CHEMICALS LIMITED (“PREMIUM”), located in Nigeria. PREMIUM will sell the chemical fertilizer produced in the plant under the Magic brand, which PLATINUM currently imports and sells in Nigeria, and has already strong brand recognition. In addition to partially funding construction of the plant, Chori will also provide a stable supply of raw materials for chemical fertilizers by leveraging the network it has cultivated over many years. Construction of this plant will enable domestic production of fertilizers suitable for the local soil properties and crop types within Nigeria. By improving the efficiency of agriculture through the production of chemical fertilizers, Chori will contribute to the agricultural sector by making stable food supply possible.

Chori is aiming to expand its business volume in Africa to ¥10 billion, including its existing the Machinery Business.

Overview of PLATINUM

- Location: Dubai Airport Free Zone (DAFZA), UAE
- Established: 2003
- Business details: Trading company specializing in consumer goods in the food, automotive, chemical fertilizers and other industries



Image of the chemical fertilizer packaging planned for sale