NGK SPARK PLUG CO., LTD.
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NEWS RELEASE

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NGK SPARK PLUG CO., LTD.

We will build revolutionarily energy efficient air-conditioning systems by teaming up with Earth Clean Tohoku Co., Ltd.
-- Just signed a joint business development agreement --

NGK SPARK PLUG CO., LTD.(President: Takeshi Kawai, Headquarters: Higashi-ku, Nagoya, hereinafter referred to as "NGK SPARK PLUG ") has signed a joint business development agreement with Earth Clean Tohoku Co., Ltd. (President: Kenichi Konno, Headquarters: Sendai, Miyagi Prefecture, hereinafter referred to as “Earth Clean Tohoku”) which develops energy-saving air conditioning systems aiming to realize the net zero energy air-conditioning system.

1. Background and Purpose of This Joint Business Development

Earth Clean Tohoku has developed and deployed their unique energy-saving air-conditioning systems, by processing latent heat and sensible heat separately, in supermarkets, food processing plants, and other manufacturing plants. At NGK SPARK PLUG, we apply ceramics to various areas and proactively develop new technologies and solutions that help realize carbon neutral society. We have just concluded a joint business development agreement. Together with co-creation partners from different industries and business categories, we aim to generate truly efficient energy-saving technologies that are indispensable for the spread of renewable energy, toward a carbon-neutral society.

Prior to concluding the joint business development agreement, Earth Clean Tohoku and NGK SPARK PLUG had signed an agreement on collaboration, and are currently discussing a capital and business alliance.

2. Details of the Business Alliance

The primary details of the business alliance are as follows:

Jointly promote public relations and marketing activities.

- Deploy our energy efficient solution worldwide to contribute to the realization of a carbon neutral society.

Plan the next generation solution.

- Develop new feasible solutions by combining materials, products, and services from both companies.

Build a business ecosystem.

- Formulate a model for collaborative partners in and around the collaboration area and build a business ecosystem.

3. Outlook

As the first step of the joint business, we will enter the business of "humidity-controlling energy-saving air-conditioning solution for business owners, utilizing the desiccant air-conditioning system." The need for air ventilation brought about by the global epidemic of COVID-19, while outside air conditions vary depending on the location and time of the year, has created energy losses due to humidity in the air as well as various hygiene problems for business owners. It is difficult to achieve the ideal air environment with conventional air-conditioning technology alone.

Typically, desiccant air-conditioning equipment, which can control humidity, has the issue of requiring a heat source to dry the dehumidifying rotor. In response to this issue and more, Earth Clean Tohoku, which has strengths in technology that effectively utilizes low-temperature waste heat, and NGK SPARK PLUG, which has expertise in material technology, specializing on ceramics, and mass production technology, have formed a business alliance across the industry boundaries to contribute to solving various problems faced by the air-conditioning industry.

In our “2030 Long-Term Management Plan NITTOKU BX,” we seek to “Transform Business Portfolio” to increase the ratio of the businesses not related to internal combustion engines. One of its measures is to create new businesses focusing on three areas: “Smart Health,” “Decentralized Utilities,” and “Smart Mobility.” Our joint business with Earth Clean Tohoku is to reinforce our business creation in “Decentralized Utilities.”

Going forward, we will continue to promote the creation of new businesses in collaboration with various partner companies by passionately generating new values.

■Outline of Earth Clean Tohoku Co., Ltd.

Official Company Name	Earth Clean Tohoku Co., Ltd.
Location	2-14-17 Izai, Wakabayashi, Sendai, Miyagi Prefecture
Establishment	July 1989
Representative	President: Kenichi Konno
Business Content	Environmental control equipment, wholesale, retail, air conditioning equipment, manufacturing and sales of energy-saving related equipment, design and construction business
Website	https://www.earthclean.co.jp/index.html