



QBIT Robotics enters into a business and capital tie-up with UCC Holdings

Joint proposal for providing robot café service in Japan

Tokyo, Japan – November 15, 2018– QBIT Robotics Corp. ("QBIT") (Head Office: Shinagawa-ku, Tokyo; President and CEO: Hiroya Nakano) a robotics service provider, announces a business and capital tie-up with UCC Holdings Co., Ltd. ("UCC") (Registered Office: Kobe; Group Chief Executive Officer and President: Gota Ueshima). Through this tie-up, the parties aim to expand a robot café business providing efficient, fun and delicious coffee and beverages with service robots.

The UCC Group, founded in 1933, has successfully developed an integrated "cup to seed" coffee business under the UCC brand name. In the Japanese market, UCC holds the top share in the regular coffee market as well as in the markets for business, household and industrial use.

Within the UCC Group, UCC Foods Co., Ltd. ("UCC Foods") has approximately 100,000 coffee and food wholesale business partners nationwide, bringing in around 100 billion yen in sales. Lucky Coffee Machine Co., Ltd.. ("Lucky Coffee Machine") accounts for 35% of the domestic market coffee machine share and has contracts for maintenance of 110,000 machines. UCC Food Service Systems Inc. operates 230 coffee shops throughout Japan mainly under the "Ueshima Coffee Shop" name.

QBIT was founded in January 2018, by a team that includes engineers who have supported the implementation of service robots and experienced members of the ICT industry. QBIT focuses on the use of "collaborative robots," robots designed to work with humans, which have received much attention in recent years. QBIT proposes using robots to bring efficiency and fun to robot cafés and other food service outlets.

UCC Holdings, for its part, will bring extensive coffee- and coffee shop management-related know-how to the tie-up and will work with QBIT to develop and support the operation of service robots, which form the core of the robot café concept. QBIT and Lucky Coffee Machine have entered into an exclusive agreement for the sale of coffee-serving robots and will promote the spread of robot cafés and service robots. The coffee beans and food ingredients served at robot cafés will be sourced through UCC Foods.

QBIT is responsible for the planning, design, software development, procurement, and incorporation of robot-friendly peripheral equipment with entertainment-like elements. QBIT also plans to offer joint maintenance support service together with UCC Group companies.

Yasumasa Shimura, Group Chief Operating Officer and Executive Vice President of UCC Holdings Group, said that "The UCC Group's track record has been strong. However, some of our customers have been experiencing problems due to a labor shortage. In particular, service to coffee shop customers cannot be bolstered by vending machines and self-serve coffee. In these circumstances, it's important to focus on efficiency. QBIT's focus on developing robots to optimize the customer experience and provide *omotenashi* (hospitality) struck a chord with us. This was an important factor which led us to support start-up QBIT Robotics. At the same time, we are confident that QBIT Robotics' proposal will help our customers."

Masahiro Kano, founder and CSO of QBIT Robotics said, "I believe it makes sense for a business operator with no experience in running coffee shops to emphasize the efficiency of using robots, even though there's very little market for service robots yet. With the support of the UCC Group, which is not only a supplier but which has been managing coffee shops for many years, we will be able to propose a "best practice" sustainable business to organizations developing coffee shop chains. We'll be able to provide delicious beverages in addition to new and exciting experiences. Through this strategic business alliance, I believe we can provide a model that will benefit customers and all

stakeholders.”

About UCC Holdings

Company Name: UCC Holdings Co., Ltd.

Address: 7-7-7 Minatojima-Nakamachi Chuo-ku, Kobe

Representative: Gota Ueshima, Group Chief Executive Officer and President

Founded: May 1933

Business: Planning UCC Group business policies and management

<https://www.ucc.co.jp/eng/company/profile/>

About QBIT Robotics Corp.

Company Name: QBIT Robotics Corporation

Address: 9F Gotanda Citytrust Building 1-23-7,

Nishi-Gotanda, Shinagawa-ku, Tokyo

Representatives: Masahiro Kano, Chairman & CSO

Hiroya Nakano, CEO

Founded: January 2018

Business: Robotics systems provider and other related business

<https://www.qbit-robotics.jp/en>

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