



November 2, 2020

Company name: Maruha Nichiro Corporation
Stock exchange listing: Tokyo Stock Exchange, First Section
Stock code: 1333 URL <https://www.maruha-nichiro.com/>
Representative:
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Notice Regarding Transfer of Fixed Assets of a Consolidated Subsidiary of the Company

Maruha Nichiro Corporation (hereinafter “the Company”) hereby announces that its consolidated subsidiary Peter Pan Seafoods, Inc. (hereinafter “PPSF”) has reached an agreement on transferring the fixed assets as follows.

1. Reasons for transfer

PPSF has been processing and selling fishery products such as sockeye salmon and pink salmon from its processing factory in Alaska, U.S.A. for many years. However, in recent years, PPSF’s Alaskan salmon business has continued to experience operating losses due to factors such as, soaring raw fish prices due to the intensified competition, high costs due to poor catch of fish, and fall in production. The Company’s financial performance will not be expected to improve as the competition for raw fish materials is expected to intensify in the future. Under these circumstances, the Company intends to withdraw from the Alaska salmon business and has reached a contract to sell all PPSF-owned factories, fixed assets and operations. The sale is scheduled to be completed on December 31, 2020, according to contract details.

The transferee plans to continue this business, and the Company will conclude a purchase negotiation agreement for the products and continue to handle PPSF products.

2. Outline of Subsidiary

(1) Name	Peter Pan Seafoods Inc.
(2) Address	3015, 112 th Ave. NE, Suite 100, Bellevue WA. 98119 USA
(3) Capital Representative	Barry Collier, President
(4) Main Business	Processing and sales of Marine Fishery Products
(5) Capital	US\$20,255,340

3. Outline of Assets to be transferred

(1) Details of PPSF Business

Processing and sales of (processed) marine fishery products from Alaska, U.S.A.

(2) PPSF: PPSF Marine Product Business Operating Results (for the year ending March, 2020- after elimination of intracompany transactions)

	PPSF Business (a)	2Consolidated Results for the Year Ending March 2020 (b)	ratio (a/b)
Net Sales	15,765 million yen	905,204 million yen	1.7%
Gross Profit on Sales	802 million yen	118,069 million yen	0.7%
Op. Income	-2,203million yen	17,079 million yen	-
Ordinary Income	-2,340million yen	19,901 million yen	-

(3) Assets and Liabilities of PPSF Business

Not open to public by non-disclosure agreement with other party.

(4) Transfer Price and Settlement Method

After finalizing the valuation of the book value of assets deducting the book value of liabilities, as of the end of December 2020, the transfer price will be determined and settled in cash, with the assumption that the full amount will be paid immediately after the contract is fulfilled. (The estimated price is not open to public due to the non-disclosure agreement with the other party).

4. Contents of Transferred Assets

Processing Factory, other operations and properties in Alaska.

Loss on transfer US\$27,900,000 (planned) (October 30, 2020 TTM 104.60 yen/ USD, Japanese currency amount: 2,918 million yen)

(Note) "Loss on transfer" includes various expenses such as advisory fees of US\$ 1.9 million.

5. Profile of Transferee

(1)	Name	Northwest Fish Company LLC	
(2)	Address	3015,112th Ave. NE, Suite 100, Bellevue WA. 98119 USA	
(3)	Representative	Rodger May	
(4)	Main Business	Processing and Sales of Marine Fishery Products	
(5)	Established	April 15, 1998	
(6)	Main Shareholders and ratio	Alaska Fish Holding LLC (tentative name) 100%	
(7)	Relationship with the Company and PPSF	Capital Relationship	N/A
		Human Relationship	N/A
		Trading Relationship	Sales Records to the Company in the last fiscal year.
		Applicability to related parties	N/A

6. Profile of Investors of Alaska Fish Holding LLC, the parent company of the Transferee
(The following two companies will both acquire 50% share of the above transferee company.)

(1)	Name	May Holding Company	
(2)	Address	4317 S 188 th St. Seatac, WA 98188 USA	
(3)	Representative	Rodger May	
(4)	Main Business	Sales of Marine Products	
(5)	Established	October 29, 2020	
(6)	Main Shareholders and ratio	Rodger May 100%	
(7)	Relationship with the Company and PPSF	Capital Relationship	N/A
		Human Relationship	N/A
		Trading Relationship	N/A
		Applicability to related parties	N/A

(1)	Name	McKinley Capital Management, LLC and affiliated companies	
(2)	Address	3800 Centerpoint Drive, suite 1100, Anchorage, Alaska 99503 USA	
(3)	Representative	Robert A. Gillam, CEO	
(4)	Main Business	Investment Firm	
(5)	Established	March 11, 1991	
(6)	Main Shareholders and ratio	Capital Relationship	N/A
		Human Relationship	N/A
		Trading Relationship	N/A
		Applicability to related parties	N/A

7. Schedule for Transfer

(1)	Contract Conclusion	October 31, 2020
(2)	Date of Asset Transfer	December 31, 2020 (planned date)

(Note) Dates shown are in U.S. Pacific Time

8. Outlook for the future

As a result of the transfer of this fixed asset, an extraordinary loss of 3 billion yen will be accrued. The impact of this transfer will be recorded on the consolidated results for the second quarter of the year ending March, 2021, which will be announced today.

Furthermore, the amount of capital (after deducting liabilities) generated from the transfer is expected to be about 4 billion yen. The Company will consider using this for new investments and further improving management efficiency in the future.