



March 25, 2024

Company name: Maruha Nichiro Corporation
Stock exchange listing: Tokyo Stock Exchange, Prime Market
Stock code: 1333 URL <https://www.maruha-nichiro.com/>
Representative:
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Notice Regarding Capital and Business Alliance with Kibun Foods Inc.
(TSE, Prime Market, Stock code: 2933)

Maruha Nichiro Corporation (hereinafter, "Maruha Nichiro") hereby announces that its Board of Directors has resolved at a meeting held on March 25, 2024, to enter into a capital and business alliance agreement (hereinafter, "the alliance agreement") with, and to acquire shares of Kibun Foods, Inc. (hereinafter, "Kibun Foods").

As the acquisition of shares constitutes a purchase as defined in Article 31 of the Order for Enforcement of the Financial Instruments and Exchange Act, we hereby inform you as follows.

1. Purpose of the Capital and Business Alliance

Maruha Nichiro is committed to "be an essential part of society by improving everyone's daily life with wholesome, safe and healthy food". Based on this philosophy, we strive to manage our business as a company that can contribute to "food" around the world, aiming to become a food company that can respond to diversifying consumer needs.

Kibun Foods has been delivering outstanding products to customers for many years under the management philosophy and founding spirit of "Innovation, meeting New Challenges, and Dreams", aiming to "contribute to the bright, healthy lifestyles of our customers by providing foods that are both delicious and enjoyable". Furthermore, Kibun Foods adheres to the manufacturing philosophy of "When in doubt, do not purchase the stock, do not produce, do not ship, and do not sell." With the belief that food cannot be called truly delicious unless it is safe, Kibun Foods offers high customer value primarily through fish-paste based products under the "Kibun brand."

We have decided to enter into this alliance agreement with the aim of expanding both companies' food businesses. Leveraging the strengths of each party, we aim to expand collaboration in the food industry both domestically and internationally. Additionally, we will explore new market creation through joint efforts in new product development, aiming to enhance customer value and increase the corporate value of both companies.

2. Details of the Capital and Business Alliance

(1) Details of the Business Alliance

Under the alliance agreement, Maruha Nichiro and Kibun Foods will mainly focus on the following items, the specific policies and details of which will be discussed between the two companies.

(i) Matters related to product development, manufacturing, sales, R&D, logistics, and cost reduction in the domestic business

- Consideration of mutual sales expansion by leveraging the strengths of each company's product lines, commercial distribution channels, etc.
- Consideration of logistics efficiency and cost reduction through mutual utilization of the logistics networks of both companies.
- Consideration of new product development through collaboration between both companies.
- Optimization of production and consideration of cost reductions by utilizing the production bases of both companies.
- Promote R&D efforts through collaboration between the R&D departments of both companies.

(ii) Matters related to product development, manufacturing, and sales in overseas business

- Consideration of expanding sales of both companies' products in North America and Europe by leveraging both companies' commercial distribution channels.
- Consideration of expanding sales of both companies' products in Asia by utilizing both companies' commercial distribution channels, as well as improving production efficiency and reducing costs through collaboration of both companies' production bases.
- Consideration of joint development of new products that will stimulate demand from overseas consumers.

(2) Details of the Capital Alliance:

For the purpose of fostering and strengthening a long-term partnership to advance the aforementioned business activities, Maruha Nichiro has entered into a stock transfer agreement dated March 25, 2024, with the three heirs who inherited Kibun Foods shares from Masahito Hoashi, who was the largest shareholder of Kibun Foods, as well as with KIHO TRADING,INC, the second-largest (as of the end of September 2023) shareholder (hereinafter collectively referred to as the "Seller"). Pursuant to this agreement, Maruha Nichiro will acquire 2,261,200 common shares (representing 9.90% of the total issued shares) from the Seller.

1.	Number of shares to be acquired	Kibun Foods common shares: 2,261,200 shares
2.	Transfer price	2,820 million yen (1,247 yen per share)
3.	Acquisition method	ToSTNet-1 trading (Tokyo Stock Exchange, Off-hour trading)
4.	Stock delivery date	March 27, 2024

(3) Outline of Business Alliance Partner

1.	Name	Kibun Foods Inc.		
2.	Location	5-15-1 Ginza, Chuo-ku, Tokyo, Japan		
3.	Title/Name of Representative	Representative President, Hiroshi Tsutsumi		
4.	Business Activities	<ul style="list-style-type: none"> · Manufacturing and sales of fish paste-based products, side dishes, and marine delicacies · Purchase and sales of other food products 		
5.	Capital	6,368 million yen		
6.	Incorporated	September 26, 1947		
7.	Major Shareholders and shareholding ratio (as of September 30, 2023)	Masahito Hoashi	21.71%	
		KIHO TRADING,INC	5.47%	
		The Master Trust Bank of Japan, Ltd. (Trust Account)	5.39%	
		Mizuho Bank, Ltd.	3.99%	
		Masayuki Ochiai	2.58%	
8.	Relationship between the listed company and the relevant company	Capital Relationship	N/A	
		Personnel Relationship	N/A	
		Transactional Relationship	Supplying surimi, a raw material for fish paste products	
		Status as Related Parties	N/A	
9.	Consolidated financial performance and consolidated financial position over the past three years			
	Accounting Period	FY ended March 2021	FY ended March 2022	FY ended March 2023
	Consolidated Net Assets (million yen)	8,884	14,182	13,839
	Consolidated Total Assets (million yen)	55,451	63,514	63,750
	Consolidated Net Assets per Share	448.89 yen	607.38 yen	591.35 yen
	Consolidated Net Sales (million yen)	99,851	99,203	105,691
	Consolidated Operating Income (million yen)	3,634	3,809	2,022

Consolidated Ordinary Income (million yen)	3,293	3,396	1,760
Profit attributable to owners of parent (million yen)	2,579	1,898	442
Consolidated profit per share	134.28 yen	83.78 yen	19.39 yen
Dividend per share	12 yen	15 yen	16 yen

(4) Schedule

1. Board of Directors' Resolution Date	March 25, 2024
2. Date of conclusion of contract	March 25, 2024
3. Date of commencement of business	March 27, 2024 (Plan)

3. Future Outlook:

The impact of this matter on the performance for the fiscal year ending March 2024 is expected to be minor. We will promptly notify any matters that arise which should be disclosed in the future.

(Reference) Consolidated Earnings Forecast for the Current Fiscal Year (announced on February 5, 2024) and Consolidated Results for the Previous Fiscal Year

(Million yen)

	Consolidated Net Sales	Consolidated Operating Income	Consolidated Ordinary Income	Net income attributable to owners of parent
Forecast for consolidated financial results for the current FY (FY ending March 2024)	1,020,000	27,000	31,000	22,000
Consolidated results for the previous FY (FY ended March 2023)	1,020,456	29,575	33,500	18,596