July 16, 2021

Company Name: House Foods Group Inc.
Representative: Hiroshi Urakami, President
(Securities Code: 2810, First Section of the Tokyo Stock Exchange)
Contact: Nobuhide Nakagawa, General Manager of Public & Investor Relations Division
(Tel: +81-3-5211-6039)

Notice of Disposition of Treasury Shares as Restricted Stock Compensation

House Foods Group Inc. (the "Company") hereby announces that at a meeting of its Board of Directors held today, it resolved to dispose of its treasury shares (the "Disposition of Treasury Shares") as restricted stock compensation. Details are as follows.

1. Outline of disposition

(1) Date of disposition	August 2, 2021
(2) Class and number of shares to be disposed of	The Company's common stock 8,213 shares
(3) Disposition price	3,435 yen per share
(4) Total disposition amount	28,211,655 yen
(5) Recipients of disposed shares	The Company's Directors (excluding those who are the Audit & Supervisory Committee members) 7 Directors 8,213 shares
(6) Other	A securities notice under the Financial Instruments and Exchange Act has been submitted for the Disposition of Treasury Shares.

2. Purposes and reasons for disposition

At a meeting of the Board of Directors held on May 11, 2021, the Company resolved to introduce a restricted stock compensation plan (the "Plan") as a new compensation plan for its Directors (excluding those who are the Audit & Supervisory Committee members. Hereinafter the "Eligible Directors") for the purpose of giving them an incentive to work on the sustainable enhancement of the Company's corporate value and promoting the further sharing of value between Directors and shareholders. In addition, at the 75th Ordinary Shareholders' Meeting held on June 25, 2021, the Company received approval for giving the Eligible Directors monetary compensation receivables of no more than 40 million yen a year based on the Plan as the property of in-kind contributions related to the grant of restricted stock within the amount of remuneration, etc. for Directors and for determining that the transfer restriction period of restricted stock will be from the day of delivery of restricted stock to the day on which a relevant Eligible Director has relinquished his or her position as the Company's Director.

The outline of the Plan is as follows.

<Outline of the Plan>

The Eligible Directors will pay all monetary compensation receivables to be granted from the Company based on the Plan as the property of in-kind contributions and in return receive the Company's common stock that will be issued or disposed of by the Company.

The maximum number of shares of the Company's common stock to be issued or disposed of for the Eligible Directors under the Plan will be no more than 14,000 shares a year, and the amount to be paid in per share of the said Company's common stock will be determined by the Board of Directors within a range that is not particularly advantageous to the Eligible Directors who will receive the allotment, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day before the date of resolution of the Board of Directors (if no trading is reported on that day, the closing price on the trading day immediately preceding such day).

In addition, regarding the issuance or disposition of its common stock under the Plan, the Company will enter into a restricted stock allotment agreement (the "Allotment Agreement") with the Eligible Directors who will receive the allotment, and the provisions of the Allotment Agreement will contain the following items.

(i) The Eligible Directors may not, during a predefined period, transfer, attach a security interest on or otherwise dispose of the Company's common stock allotted; and

(ii) The Company shall acquire said common stock without consideration if certain events occur.

This time, based on the resolution at the Board of Directors meeting held today, the Company has decided to give its seven Eligible Directors a total of 28,211,655 yen in monetary compensation receivables (the "Monetary Compensation Receivables"), taking into account the purpose of the Plan, the Company's business performance, the scope of job responsibility of each Eligible Director and various other factors, and then grant the Eligible Directors a total of 8,213 shares of the Company's common stock (the "Allotted Shares") by using the Monetary Compensation Receivables as the purpose of in-kind contributions (the amount of monetary compensation receivables to be contributed for one share for subscription is 3,435 yen).

<Outline of the restricted stock allotment agreement>

The Company and the Eligible Directors will enter into a restricted stock allotment agreement (the "Allotment Agreement"), and its outline is as follows.

(1) Transfer restriction period

From August 2, 2021 (payment date) to the day on which an Eligible Director has relinquished his or her position as the Company's Director, the Eligible Director may not transfer, attach a security interest on or otherwise dispose of the Allotted Shares.

(2) Conditions for lifting of the transfer restriction

On the condition that the Eligible Directors continuously hold the position of the Company's Director during the period from August 2, 2021 (payment date) to the date of conclusion of the ordinary shareholders meeting for the fiscal year ending March 31, 2022 (the "Service Period"), the transfer restriction on all the Allotted Shares will be lifted at the time of expiration of the transfer restriction period. However, if an Eligible Director has relinquished

his or her position as the Company's Director during the Service Period due to his or her death or any other reason deemed justifiable by the Company's Board of Directors, the transfer restriction will be lifted for the Allotted Shares of the number obtained by multiplying the number obtained by dividing the number of months from July 2021 to the month that includes the date of relinquishment by 12 (if the number exceeds 1, it will be deemed to be 1) by the number of the Allotted Shares (if a fraction less than 1 share arises as a result of the calculation, this will be truncated) at the time of expiration of the transfer restriction period.

(3) Acquisition without consideration by the Company

The Company will acquire the Allotted Shares on which the transfer restriction is not yet lifted at the time of expiration of the transfer restriction period or at a given time specified in other agreements without consideration at the time immediately after such time as a matter of course.

(4) Management of shares

The Allotted Shares will be managed at a dedicated account for restricted stock to be opened by each of the Eligible Directors in Daiwa Securities Co. Ltd. during the transfer restriction period, so that the Eligible Directors cannot transfer, attach a security interest to or otherwise dispose of the Allotted Shares.

(5) Treatment in the event of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company becomes a disappearing company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matters related to organizational restructuring, etc. are approved at the shareholders meeting of the Company (however, if the approval of the Company's shareholders meeting is not required for the relevant organizational restructuring, etc., at a meeting of the Board of Directors), the transfer restriction will be lifted for the Allotted Shares of the number obtained by multiplying the number obtained by dividing the number of months from July 2021 to the month that includes the approval of the organizational restructuring, etc. by 12 (if the number exceeds 1, it will be deemed to be 1) by the number of the Allotted Shares (if a fraction of less than 1 share arises as a result of the calculation, this will be truncated) at the time immediately before the business day preceding the effective date of the relevant organizational restructuring, etc. based on the resolution of the Board of Directors.

3. Grounds for calculation of the amount to be paid in and specific details thereof

The Disposition of Treasury Shares will be conducted using monetary compensation receivables to be granted to the Eligible Directors based on the Plan as the property contributed, and the amount to be paid in is set at 3,435 yen, the closing price of the common stock of the Company on the Tokyo Stock Exchange on July 15, 2021 (business day before the date of resolution of the Board of Directors) to eliminate arbitrariness. This is the market share price immediately before the date of resolution of the Board of Directors, and the Company believes that it is a reasonable value that appropriately reflects the Company's corporate value in the situation without special circumstances where the latest share price cannot be relied on and therefore does not fall under the value that is particularly advantageous to the Eligible Directors.