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To whom it may concern

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Notice Concerning the Acquisition of Shares in an Aquaculture Business Company (Sub-Subsidiary) by the Consolidated Subsidiary

We hereby announce that our wholly owned subsidiary Musholm A/S ("Musholm") has decided to acquire 51% of the shares of Riga Bay Aquaculture, AS (“RBA”) and make it a consolidated subsidiary (our sub-subsidiary) as described in below. RBA is a Latvian company. RBA was established for the purpose of conducting trout aquaculture business in the Republic of Latvia.

1. Reason for Share Acquisition

The Group processes salmon, trout, mackerel, fish roe, and other fish products farmed in Japan and Denmark and purchased from overseas in Japan, Vietnam, and Myanmar, and sells them to customers in Japan and overseas. The Group's strength lies in its vertically integrated business development that integrates aquaculture, procurement, processing, and sales. This enables stable raw material procurement and aquaculture, high-quality processing that reflects customer needs, and distribution through a cold chain unique to marine products.

As announced in February 2025 as our Medium Term Management Target 2030, our most important issue for the fiscal year ending June 30, 2030 is to "achieve growth through vertical integration as a whole by expanding both upstream aquaculture and downstream sales in our vertically integrated business model centered on salmon and trout." The company's basic strategy for upstream aquaculture is to expand the volume of domestic aquaculture. This focus on expanding domestic aquaculture reflected the difficulty in expanding overseas aquaculture volumes in countries such as Denmark, where Musholm farms, where the issuance of new aquaculture licenses continues to be restricted, making it difficult to expand overseas aquaculture volumes.

On the other hand, there is still room for aquaculture expansion in some of Europe's Nordic countries, and Musholm has been working with its partner RBA to obtain an aquaculture license in Latvia for some time. Currently, RBA has won the tender for the use of 2 designated areas in Riga Bay, near Roja & Mersrags, for installation and operation of aquaculture activities. The tender was won with bid to farm trout in open sea in Riga Bay. The aquaculture license is expected to be officially issued to RBA after an Environmental Impact Assessment if there are no problems.

Following the progress of the procedures for the issuance of the aquaculture license for this, we have been discussing a form of joint venture with RBA, and now that a Memorandum of Understanding has been reached, we have decided to acquire the shares.

In the future, the group would like to expand our business positioning Latvia as our third aquaculture base after Denmark and Japan.

2. Effects of starting an aquaculture business in the Republic of Latvia

(1) Profit growth in aquaculture business through expansion of overseas aquaculture volume

The Group farms trout in Denmark and Japan currently, and the Group's aquaculture volume is in the range of 7,000 tons for the Group as a whole. Expanding this volume is essential for the growth of the aquaculture business.

However, in recent years, the Group's overseas aquaculture volume growth has been sluggish due to the inability to increase the number of marine aquaculture licenses in Denmark. In order to overcome this situation, we have been working to obtain aquaculture licenses in Denmark and neighboring countries. If all goes well, the Latvian government is expected to grant RBA, the new subsidiary, an aquaculture license of up to 10,000 tons of farmed fish. This will pave the way for the expansion of overseas marine aquaculture, which has long been a challenge. Since the aquaculture business is a highly profitable business, we expect that this project will make a significant contribution to the profit growth of the aquaculture business.

(2) Profit growth in domestic processing business by improving raw material procurement capabilities

The trout aquaculture conducted by RBA is envisioned to be an aquaculture in which roes (trout roe raw material) are collected. These roes (trout roe material) are also assumed to be used as raw materials for processing in the domestic processing business that manufactures salmon and trout roe products.

Sales in the domestic processing business have been sluggish in recent years, and we do not expect significant growth in our Medium Term Management Target 2030 announced on February 14, 2025. The reason for this is the difficulty in securing raw materials. The bottleneck was securing raw materials, which prevented the business from growing.

To overcome such a situation, we believed that expanding overseas aquaculture volume would be an effective means, and we continued our activities to obtain aquaculture licenses in Denmark and the surrounding areas. Roughly 10% of the total amount of fish landed is used for raw material for processed roe. Therefore, we expect that this case will have a considerable impact on our domestic processing business. Since the domestic processing business, like the aquaculture business, is a high-margin business, this case is also expected to contribute significantly to the profit growth of the domestic processing business.

(3) Stable profit volatility in the domestic processing business

One of the challenges for the domestic processing business has been the instability of business performance due to fluctuations in raw material prices. In particular, the price of fish roe raw materials fluctuates widely, making the domestic processing business the most vulnerable to risk price fluctuation. In-house harvested raw materials can be procured without much influence from price fluctuations. Therefore, we expect that this project will lead to an increase in our own aquaculture raw materials and domestic processing business contribute to stabilizing the profit volatility.

3. Outline of the subsidiary whose shares are to be acquired

(1)	name	Musholm A/S	
(2)	Location	Goerlev, Denmark	
(3)	Name of Representative	Niels Ebbe Dalsgaard	
(4)	Business	Trout aquaculture	
(5)	Capital stock	714,000 DKK	
(6)	Date of Establishment	July 12.1984	
(7)	Major Shareholders and Shareholding Ratio	100% of our company	
(8)	Relationship between the listed company and the company concerned	capital relation	A subsidiary of the Company
		human relation	One executive officer of the Company concurrently serves as a director of the company

	Transaction relation	Purchase of farmed trout and trout roe Loan of funds

4. Outline of the sub-subsidiary to be transferred

(1)	Name	Riga Bay Aquaculture, AS	
(2)	Location	Augsta Dombrovska iela 23, 1015 Riga, Latvia	
(3)	Title and name of representative	CEO, Aivars Linis	
(4)	Contents of Businesses	Aquaculture Business	
(5)	capital	35 thousand euros	
(6)	Year of Establishment	April 19, 2023	
(7)	Major Shareholders and Shareholding Ratio	SIA Sudrablinis Holdings 100%.	
(8)	Relationship between the listed company and the company concerned	capital relation	Not applicable.
		human relation	Not applicable.
		Transaction relation	Not applicable.

(9) Operating results and financial condition of the company for the past two years

Fiscal Year Ending period	Fiscal Year ending December 31, 2023	Fiscal Year ending December 31, 2024
Net assets	32 thousand euro	25 thousand euro
Total assets	32 thousand euro	25 thousand euro
Net sales	0 thousand euro	0 thousand euro
Operating income	(2) thousand euro	(7) thousand euro
Ordinary income	(2) thousand euro	(7) thousand euro
Net income	(2) thousand euro	(7) thousand euro
Earnings per share	(0.12) euro	(0.41) euro
Dividend per share	0.00 euro	0.00 euro

5. Outline of the counterparty of the share acquisition

(1)	Name	SIA Sudrablinis Holdings
(2)	Location	Vecaku Prospekts 205B -26, Riga, LV-1030
(3)	Title and name of representative	Director Aivars Linis
(4)	Contents of Businesses	Group Management
(5)	capital	40 thousand euros
(6)	Year of Establishment	March 10, 2023

(7)	Relationship between the listed company and the company concerned	capital relation	Not applicable.
		human relation	Not applicable.
		Transaction relation	Not applicable.

(Note) "Major shareholders and shareholding ratio" and "Net assets and total assets for the preceding fiscal year " of the relevant company are not disclosed due to the request of the relevant company.

6. Number of shares acquired, acquisition price and status of shares held before and after acquisition

(1)	Number of shares held before the change	0 shares (Number of voting rights: 0 voting rights) (Ownership percentage of voting rights: 0%)
(2)	Number of obtained shares	17,850 shares (Number of voting rights: 17,850)
(3)	Acquisition cost	30 thousand euro (planned)
(4)	Number of shares held after the change	17,850 shares (Number of voting rights: 17,850) (Ownership percentage of voting rights: 51%)

7. Date schedule

(1)	Date of resolution of by the board of directors	June 19, 2025
(2)	Date of conclusion of Memorandum of understanding	June 19, 2025
(3)	Date of conclusion of this Agreement	By mid of July 2025 (tentative)
(4)	Date of execution of stock transfer	By mid of July 2025 (tentative)

8. Future Outlook

Since the RBA is scheduled to start aquaculture operation in 2026, the impact of this matter on the forecast for the fiscal year ending June 30, 2025 is expected to be negligible. The amount of future capital expenditures is currently under consideration and will be announced as soon as there are matters that need to be disclosed.

9. Other

Although "Medium Term Management Target 2030" was announced on February 14, 2025, at that time the tender had not been completed and it was unclear whether or not this matter would be realized. Therefore, this matter was not taken into account in the formulation of the 2030 target in the "Medium Term Management Target 2030."