

April 30, 2025

Company name	KAMEDA SEIKA CO., LTD.
Representative	Masanori Takagi, President and COO
Securities code	2220
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Notice Regarding a Debt Equity Swap of a Subsidiary and Share Transfer of the Subsidiary

KAMEDA SEIKA CO., LTD. (headquartered in Niigata-shi, Niigata; Masanori Takagi, President & COO; hereinafter Kameda) resolved at its Board of Directors meeting held today a Debt Equity Swap of its consolidated subsidiary Mary's Gone Crackers, INC. (hereinafter "MGC") and the transfer all shares of MGC to ROSSEAU INCORPORATED, an USA subsidiary of Canadian food company Dare Foods Limited (hereinafter the "Share Transfer"), as described below.

MGC is to be excluded from our consolidated subsidiary.

1. Purpose of MGC Share Transfer

Kameda has positioned the USA as its most important base for overseas expansion, and has been working to develop its USA business by making MGC a subsidiary in 2012 with the aim of entering the "Better For You" food market, a health-conscious market that is characterized by growing support for organic and gluten-free products in the USA. MGC has been facing challenging business conditions due to changes in its business environment caused by factors including soaring raw material prices and in response MGC has been implementing business reforms such as improving production efficiency and launching new products.

However, in considering the restructuring of its USA business strategy, Kameda determined that concentrating management resources on the growth of TH FOODS, INC. (hereinafter "THF") would create more effective synergies, and therefore decided to conduct the Share Transfer.

In addition to such inorganic growth, the Kameda Seika Group will work to further invigorate the rice cracker products in the USA market, aiming to become a "Rice Innovation Company" that maximizes the potential of rice and creates new value and new markets around the world, from the perspective of "Better For You," which it has set as its Purpose (reason for existence) in its medium- to long-term growth strategy.

2. Overview of the subsidiary subject to change

(1)	Name	Mary’s Gone Crackers, INC.		
(2)	Location	Nevada, USA		
(3)	Job title and name of representative	Chairman Takeshi Fujii		
(4)	Description of business	Manufacture and sales of snacks		
(5)	Share capital	40,860,475 U.S. dollars		
(6)	Date of establishment	February 17,2004		
(7)	Major shareholders and ownership ratios	KAMEDA SEIKA CO., LTD. 100.00%		
(8)	Relationship between the parties	Capital relationship	Kameda holds 100.00% of the voting rights.	
		Personnel relationship	Kameda’s officers and employees concurrently serve as officers of the said company.	
		Business relationship	There are transactions including loans of money necessary for business operations, dispatch of employees, and secondment of employees.	
		Related party relationship	The said company is a consolidated subsidiary of Kameda and falls under the category of a related party.	
(9)	Operating results and financial positions of the said company for the last three years (Unit: thousand U.S. dollars)			
	Fiscal year ended	December 31, 2021	December 31, 2022	December 31, 2023
	Net assets	5,079	-15,227	-37,470
	Total assets	47,979	44,030	32,105
	Net assets per share (U.S. dollars)	2,487	-7,454	-18,341
	Net sales	35,512	37,955	36,254
	Operating income	1,154	-2,858	-6,159
	Ordinary income	807	-3,698	-8,842
	Net income	784	-20,307	-22,242
	Net income per share (U.S. dollars)	384	-9,940	-10,887
	Dividend per share (U.S. dollar)	—	—	—

3. Overview of the Share Transfer counterparty

(1)	Name	ROSSEAU INCORPORATED	
(2)	Location	Corporation Trust Center 1209 Orange St, Wilmington, Delaware 19801	
(3)	Job title and name of representative	Chairman Bill Farrell	
(4)	Description of business	Manufacture and sales of snacks	
(5)	Share capital	10.4 million U.S. dollars	
(6)	Date of establishment	January 4, 1993	
(7)	Relationship between the parties	Capital relationship	Not applicable.
		Personnel relationship	Not applicable.
		Business relationship	Not applicable.
		Related party relationship	Not applicable.

Note:ROSSEAU is a subsidiary of Dare Foods, LTD.

(Reference information)

(1)	Name	Dare Foods, Ltd.	
(2)	Location	Ontario, Canada	
(3)	Job title and name of representative	Chairman Bill Farrell	
(4)	Description of business	Manufacture and sales of snacks	
(5)	Share capital	73.9 million Canadian dollars	
(6)	Date of establishment	January 1, 2017	
(7)	Relationship between the parties	Capital relationship	Not applicable.
		Personnel relationship	Not applicable.
		Business relationship	Not applicable.
		Related party relationship	Not applicable.

4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before the change	2,043 shares (Number of voting rights: 2,043 units; Ratio of voting rights held: 100.0%)
(2)	Number of shares to be transferred	Common shares: 2,043 shares (Number of voting rights: 2,043 units)
(3)	Number of shares held after the change	0 shares (Number of voting rights : 0 units、 Voting Rights Ownership : 0 %)

※The amount of the transfer of shares are not disclosed as the amount being less than 15% of Kameda consolidated net assets and as the confidentiality obligation between the parties. The share transfer price was decided by the discussion of the parties after reasonably considering the result of a third-party professional valuation and the appropriate legal, financial and tax due diligence.

5. Debt Equity Swap of MGC

(1)	Outline	Regarding the loan from Kameda to MGC, MGC will convert it into equity through a debt-equity swap. No shares will be issued; the entire amount will be transferred to capital surplus.
(2)	Amounts	60.7 million USD
(3)	The amount of capital surplus increase	60.7 million USD
(4)	Share ownership after the capital increase	KAMEDA SEIKA CO., LTD. 100%
(5)	The date of execution	April 30, 2025 (US EST)

6. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	April 30, 2025 (JST)
(2)	Date of conclusion of the share transfer agreement	April 30, 2025 (US EST)
(3)	Date of commencement of share transfer	April 30, 2025 (US EST)

6. Impact on business performance

As a result of these transaction, extraordinary income in both our non-consolidated and consolidated financial statements are estimated to be booked for the fiscal year ending March 2025 and the first quarter of the fiscal year ending March 2026. However, the amounts are currently under review, and to be promptly provide an update once the amount has been determined.

(Reference) Consolidated forecasts for the current fiscal year (released on January 31, 2025) and actual consolidated results for the previous fiscal year

¥ million

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Year ending March 31, 2025 (forecasts)	102, 000	5, 500	7, 000	4, 000
Year ended March 31, 2024	95, 534	4, 467	6, 798	2, 257