

Note: This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

August 9, 2023

To whom it may concern,

Company name: The Nisshin Oillio Group, Ltd.
Name of representative: Takahisa Kuno
Representative Director and President
(Securities code: 2602; Prime Market of TSE)
Inquiries: Arata Kobayashi
Director, Senior Managing Officer
(Telephone: +81-3-3206-5109)

Company name: J-Oil Mills, Inc.
Name of representative: Tatsuya Sato
Representative Director, President and CEO
(Securities code: 2613; Prime Market of TSE)
Inquiries: Eizo Matsumoto
Director, Managing Executive Officer
(Telephone: +81-3-5148-7103)

Progress of Notified Matter:

Notification Regarding Determination of Timing to Establish the Spinoff Joint Venture Company (Simple Spinoff) by The Nisshin Oillio Group and J-Oil Mills

In a notification dated February 20, 2023, The Nisshin Oillio Group, Ltd., and J-Oil Mills, Inc., (hereinafter referred to as “Companies”) announced the transfer of the oilseed processing functions at the former’s Mizushima Plant and the latter’s Kurashiki Plant to Oilseed Processing Partners Japan, Ltd., to be established through a joint spinoff effective as of April 3, 2023. A change in the timing of the joint spinoff to be put into effect was announced in a notification dated March 24, 2023, and we hereby announce that the respective Boards of Directors of the Companies resolved today to implement this joint spinoff with an effective date of October 2, 2023.

Since the joint spinoff was already notified on February 20, 2023, this notification partially omits some disclosure items and content.

1. Spinoff purpose

In accordance with the common recognition of long-term challenges in the domestic edible oil industry, the Companies aim to support food and diet in Japan into the future and contribute broadly to society by realizing stable supplies of oil and meal, enhancing sustainable international competitiveness, and solving environmental and social issues. The Companies have been studying the establishment of an oilseed processing joint venture since May 2021, and from November 2022, held discussions regarding the establishment of a joint venture company in the western Japan area. Having obtained the approval of the Japan Fair Trade Commission, the Companies decided to execute this spinoff in October 2023.

The new company will seek to build a joint business structure to bolster the international competitiveness of the domestic oilseed processing industry and ensure stable supplies over the long term. It will also promote efforts toward the building of next-generation oilseed processing plants that lead to the solution of environmental and social issues with the creation of smart factories utilizing artificial intelligence and the Internet of Things (IoT) and initiatives to facilitate a decarbonized society.

2. Spinoff schedule and outline of business

(1) Spinoff schedule

Board of Directors resolutions	August 9, 2023
Spinoff plan agreement	August 9, 2023
Scheduled implementation (effective date)	October 2, 2023

Note: Since the provisions of Article 805 of the Companies Act regarding the establishment of simple spinoff enterprises apply for both Companies in this case, the spinoffs to establish the joint venture will be implemented without obtaining approval through resolutions at their shareholders' general meetings.

(2) Outline of business

	The Nisshin OilliO Group	J-Oil Mills
(1) Main business of spinoff section	Oilseed processing in the Mizushima Plant	Oilseed processing in the Kurashiki Plant
(2) Business results of spinoff section (consolidated)	— *	— *
(3) Assets and liabilities of spinoff section (consolidated; estimated for October 2, 2023)	Assets: ¥7,088 million Liabilities: ¥1 million	Assets: ¥6,991 million

* Since both Companies are spinning off a part of their respective production processes in the spinoff, it is difficult to specifically indicate the business performance contributed thereby.

3. Post-spinoff

There will be no change arising out of these spinoffs to the company name, head office address, name and title of representative, main business, paid-in capital, or fiscal year end for either of the Companies. The outline of Oilseed Processing Partners Japan is as follows:

(1) Company name	Oilseed Processing Partners Japan, Ltd.
(2) Head office address	3-2 Mizushima Kaigan-dori, Kurashiki, Okayama Prefecture
(3) Name and title of representative	Osamu Kawabe, Representative Director Kazunobu Tanaka, Representative Director
(4) Main business	Contracted oilseed processing (production of crude oil and oil meals) by The Nisshin OilliO Group and J-Oil Mills
(5) Paid-in capital	¥100 million
(6) Fiscal year end	March 31

4. Outlook

The impact of the spinoff on the consolidated business results of the Companies is currently being examined. If any substantial impact on business results arises, it will be announced immediately.