

September 29, 2023

To whom it may concern:

Name of company: Kumiai Chemical Industry Co., Ltd.
Representative: TAKAGI Makoto
President and Representative Director
(Code No.: 4996, TSE Prime Section)
Contact: YAMADA Koji, General Manager of
General Affairs Department
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Announcement of Acquisition of Shares in GRA Inc.

Kumiai Chemical Industry Co., Ltd. (President and Representative Director: TAKAGI Makoto, Head Office: Taito-ku, Tokyo, "Kumiai Chemical") completed the acquisition of 65% shares in GRA Inc. (President and CEO: IWASA Hiroki, Head Office: Yamamoto-cho, Watari-gun, Miyagi, "GRA") on September 29, 2023 and GRA becomes a non-consolidated subsidiary of Kumiai Chemical as of the same date.

1. Purpose of the share acquisition

Main businesses of GRA are the production and sales of Migaki Ichigo (own-brand strawberry), the support for newcomers to agriculture by offering Migaki Ichigo Academy (hands-on seminars on strawberry growing), and, the operation of a strawberry sweets and café chain, Ichibiko, operated by Iine Inc, its subsidiary. GRA has introduced a greenhouse environment control system which quantitatively manages temperature, humidity, and, sunlight by digitizing the experience of strawberry growers through ICT, and promotes new farmers by standardizing agricultural management.

The expansion of research and business areas is one of Kumiai Chemical's key policies in its mid-term business plan, and this transaction will contribute to the realization of this policy. Kumiai Chemical intends to enhance the corporate value and competitiveness of its group through business synergies with GRA, and contribute to the sustainable development of society by providing products and services that enrich people's lives.

2. GRA's overview

Company Name	GRA Inc.
Headquarters	Yamamoto-cho, Watari-gun, Miyagi
Established	January 17, 2012
Representative	IWASA Hiroki
Main Business	Production with applying agritech and sales of agricultural products Production and sales of processed products using agricultural products as raw materials Support for prospective farmers and agricultural workers Operation of "Migaki Ichigo Academy" Development of cultivation area brands and agricultural management both in Japan and overseas
Paid-in capital	¥ 100,000,000

3. Expected impact on financial results

The impact of this transaction on Kumiai Chemical's consolidated financial results will be minor.

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