



For Immediate Release

January 12, 2023
House Foods Group Inc.

Notice of Establishment of Corporate Venture Capital No. 2 Fund
by House Foods Group Inc. and SBI Investment Co., Ltd.

House Foods Group Inc. (headquartered in Higashiosaka-city, Osaka; Hiroshi Urakami, Representative Director & President; hereinafter “House Foods Group”) hereby announces that, jointly with SBI Investment Co., Ltd. (headquartered in Minato-ku, Tokyo; Yoshitaka Kitao, Representative Director, Chairman and President; hereinafter “SBI Investment”), a wholly owned subsidiary of SBI Holdings Inc. (headquartered in Minato-ku, Tokyo; Yoshitaka Kitao, Representative Director, Chairman, President & CEO; hereinafter “SBI Holdings”), House Foods Group has established House Foods Group Innovation No. 2 Fund, a corporate venture capital (CVC) fund, to invest in promising startup companies in Japan and overseas, with the aim to create business synergies in the new and existing business domains of the House Foods Group.

House Foods Group produces and sells spices, seasonings, processed foods and health foods in the domestic market, produces and sells foods and restaurant management in the overseas market, and operates other food-related business incidental to the foregoing. In the current fiscal year, the second year under the Seventh Medium-Term Business Plan, House Foods Group has been pursuing the theme of striving to become a high quality company that provides “Healthy Life through Foods,” while working to restructure the business framework from the perspective of optimizing the Group, with the aim of sustained growth.

To achieve the transformation into a high quality company and create a new value base in the “Healthy Life through Foods” domain in the future, House Foods Group considers it essential to set a theme for growth using a backcasting approach, accelerate open innovation and create new value for its customers. Aiming to strengthen these initiatives, House Foods Group established House Foods Group Innovation Fund (No. 1) in October 2017 jointly with SBI Investment and has invested in 11 entrepreneurial ventures, with the intention to foster business synergy, thereby promoting synergy creation activities. Positioning these activities as long-term initiatives, House Foods Group has established House Foods Group Innovation No. 2 Fund to follow the No. 1 Fund, aiming to strongly promote co-creation initiatives with startup companies.

Investment targets of the House Foods Group Innovation No. 2 Fund include reinforcement domains for achieving growth in the four value chains (“VCs”) defined by the Group, which are spice, functional ingredients, soybean, and value-added vegetables VCs, and innovation domains in which growth themes are set based on a backcasting approach without being constrained by existing businesses. In this manner, House Foods Group will identify startup companies with which House Foods Group can expect business synergies in Japan and other countries. In innovation domains, in particular, New Food Experiences / New Sense of Value, Well-being / Healthcare, and Health of Global Environment / Contribution to a Sustainable Society will be the



main themes in House Foods Group's pursuit for the creation of new businesses for the future, the acquisition of technologies, and the fulfillment of social responsibility as a corporate citizen.

SBI Investment is a core investment arm in the SBI Group and, as a New Industry Creator, engages in the CVC business of investing in startup companies in next-generation growth areas, including AI, blockchains, fintech, IT, biology / healthcare, and environmental energy, providing full support for business operators in its investment. As of the end of December 2022, the cumulative amount of capital commitment in the CVC funds operated by SBI Investment is among the largest in Japan, at 118.0 billion yen.

Through its activities in the No. 2 Fund established jointly with SBI Investment, House Foods Group will create a new value base in the "Healthy Life through Foods" domain by combining the technologies, business models, etc. of both House Foods Group and the target startup companies and contribute to realizing a sustainable society where it can connect and collaborate with people to create smiles in their lives.

[Overview of new fund]

Name of fund	House Foods Group - SBI Innovation No. 2 Limited Partnership for Investment (Abbreviated name: House Foods Group Innovation No. 2 Fund)
Date of establishment	January 1, 2023
Investment period	7 years
Scale	5 billion yen
Operator	SBI Investment Co., Ltd.
Domains for investment	(i) Reinforcement domains in the four value chains - Spice, functional ingredients, soybean, and value-added vegetables VCs (ii) Innovation domains - New Food Experiences / New Sense of Value - Well-being / Healthcare - Health of Global Environment / Contribution to Sustainable Society