

Press Release

January 23, 2025 Calbee, Inc.

## Calbee Group and Shiretoko Shari Agricultural Cooperative Collaborate to Develop a Stable Supply Source of Potatoes

Plans Include the Construction of a New Frozen Processing Facility by the Agricultural Cooperative

**Tokyo** - Calbee, Inc. ("Calbee") and the Shiretoko Shari Agricultural Cooperative ("JA Shiretoko Shari") announced today they have signed a basic agreement to develop a stable supply source of potatoes and to construct and operate a frozen processing facility.

The Calbee Group uses approximately 19% of Japan's domestic potato production<sup>1</sup>. This agreement will enable the Calbee Group to procure up to approximately 40,000 tons of raw potatoes annually. This represents a significant step toward the company's goal of securing over 400,000 tons of domestically produced potatoes by 2030.

For JA Shiretoko Shari's producers, transitioning to cultivating potatoes from other crops is expected to enhance their profitability.

Additionally, JA Shiretoko Shari will build a new frozen processing facility that the Calbee Group will operate, enabling the company to establish a foothold in the frozen food market, including through its popular *Poterico*<sup>2</sup> products. Through this collaboration, JA Shiretoko Shari and the Calbee Group aim to create a stable sales channel for potatoes while fostering local employment opportunities.

As of this announcement, the joint investment is expected to total approximately ¥20 billion. Once completed, the operation of the facility will be entrusted to the Calbee Group, with plans to commence operations within the fiscal year 2027.

Together, the Calbee Group and JA Shiretoko Shari will leverage each other's strengths to develop a sustainable supply source for raw materials and support agricultural development in the region of Hokkaido.

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<sup>&</sup>lt;sup>1</sup> 379,000 tons (FY2024)

<sup>&</sup>lt;sup>2</sup> Poterico is a hot snack inspired by Calbee's long-standing favorite, JagaRico, delivering the delicious taste of freshly fried potatoes

## About the Calbee Group

Since 1949, we have embraced our corporate philosophy of "harnessing nature's gifts, bringing taste and fun, and contributing to healthy lifestyles." As a company that provides essential goods, we place sustainability at the core of our management approach, creating the future of food by solving social issues through our corporate activities. (https://www.calbee.co.jp/en/)

## About Shiretoko Shari Agricultural Cooperative

Agricultural activities in the town of Shari thrive on its abundant land resources and favorable climatic conditions. Focusing on large-scale field farming and integrating fruit, vegetable, and livestock production, agriculture has become a vital industry supporting the local economy.

JA Shiretoko Shari is committed to providing consumers with "safe and reliable" agricultural and livestock products. To achieve this, the cooperative actively promotes clean agriculture practices. (<u>https://ja-shiretokoshari.or.jp/</u>)

