



December 27, 2021

To whom it may concern

Corporate Name : Nishimoto Co., Ltd.
Representative : Yoshiro Susaki, Chairman & President CEO
(Code No.: 9260 First section of Tokyo Stock Exchange)
Contact : Yuji Sasa, Director/CFO (TEL. 03-6870-2015)

Application to Select Prime Market in the New Market Segments and Submission of Plan to Meet the Continued Listing Requirements

Nishimoto Co., Ltd. (the "Company") hereby announces that the Company has today submitted an application to select the Prime Market, in connection with the restructure of the market segments of the Tokyo Stock Exchange, Inc. ("TSE") scheduled for April 2022. As the Company does not meet the continued listing requirements for the Prime Market as of the record date for transition (June 30, 2021), the Company has prepared a plan to comply with the continued listing requirements for the new market segment as below.

1. The status of the Company's compliance with the continued listing requirements and the target period:

The status of the Company's compliance with the continued listing requirements of the Prime Market as of the record date for the transition was as the table below. The Company does not meet the requirements for the tradable share ratio and will take various measures to meet the continued listing requirements for the tradable share ratio by December 2025.

	No. of Tradable Shares (Units)	Tradable Share Market Cap	Tradable Share Ratio	Average Daily Trading Value
The Company's Status (As of the record date for transition)	38,488	JPY 10.76 billion	26.8 %	JPY 0.028 billion
Continued Listing Requirements	20,000	JPY 10.0 billion	35 %	JPY 0.02 billion
Items Listed in the Plan			✓	

※ The Company's status mentioned above is calculated based on the information of distribution of share certificates and such. available to TSE as of the record date.

2. Basic policy, issues, initiatives, and the target period for compliance with the continued listing requirements:

(1) Basic policy for measures to be taken

The Company has been engaged in the import and export trade of various food products, as well as the overseas food wholesale business, and has established its business base as a global food company since its foundation. Currently, the business environment surrounding the food industry is undergoing major changes such as heightened awareness of food safety and health consciousness, tightening of various regulations, and the emergence of new food technologies and digitalization technology. In these circumstances, the Company's basic policy is to become a unique global food company by making the best use of its business platform cultivated to date: the Company will promote (1) reformed to expand the scale of existing businesses and improve profitability, (2) the creation of new businesses in the food industry and also in new business areas where the food field integrates with other business fields, (3) ensured food safety and food compliance, and (4) strengthening of overseas regional management and governance.

In order to implement this basic policy, it is more important than ever to be a company that is appropriately evaluated by stakeholders, including various domestic and overseas business partners, customers, and investors. To that end, the Company recognizes that maintaining its listing on the Prime Market is extremely important as the Prime Market is a market with a higher level of governance and a market capitalization value (liquidity) that can be the investment target of many global institutional investors, and is a market that requires commitment to increase corporate value and achieve social missions over the medium to long term by striving for constructive dialogue with all stakeholders.

(2) Issues and initiatives, and the target period

For the Company, achieving one of the standard requirements for the Prime Market, "the tradable share ratio of 35 % or more", is an issue for maintaining listing in the Prime Market. In order to deal with the issue, the Company will improve the tradable share ratio by making a proposal to the major corporate shareholder, Tatsumi Industries Co., Ltd., and individual major shareholder, Yoshiro Susaki, to sell a part of the Company's shares they own, and/or by considering initiatives such as a capital increase through a public offering.

Specific measures are required to improve the tradable share ratio. The company plans to disclose these measures in order, based on the mid-term business plan (FY 2022 - FY 2024), which is scheduled to disclose in early 2022, and the consideration of the progress of each measure.

The Company expects a target period of four years (until December 2025) to implement initiatives described above as it assumes a step-by-step approach and a reasonable amount of time in light of the business environment, stock market trends, and other factors.