

Notification of Change (Equity Transfer) at a Consolidated Subsidiary

The Board of Fuji Oil Holdings Inc. ("Fuji Oil" or "the Company") has today decided to transfer its entire equity interest in JILIN FUJI PROTEIN CO., LTD., its consolidated subsidiary, to CHENGXIN FOOD HOLDINGS LTD, as noted below.

Description

1. Reasons for the stock transfer

The Fuji Oil Group has posted the goal of "Plant-Based Food Solutions," as the path to developing the potential of food ingredients to resolve issues facing society, in the form of world population increase, expansion of the orientation toward health, and response to population aging. We are promoting the change to solution business as one of our strategies for growth of soy business in "Towards a Further Leap 2020", our medium-term management plan.

JILIN FUJI PROTEIN CO., LTD. has been engaged in business activities as a Fuji Oil Group manufacturing site for soy protein products in China. Due to factors including an intensification of competition in the Chinese market for soy protein products, we are striving to optimize our allocation of management resources there, and have decided to transfer our entire equity interest in this company, in order to assure profits by further heightening efficiency in the business that is our Group's core competence.

It should be noted that, along with this transfer, JILIN FUJI PROTEIN CO., LTD. will no longer be a consolidated subsidiary of the Company.

2. Outline of the subsidiary subject to the change

(1)Name	JILIN FUJI PROTEIN CO., LTD.		
(2)Representative name and post	Masataka Minemura, President		
(3)Location	7399 Guoerluosi Street, Qianguo County, Songyuan City, Jilin Province, PRC		
(4)Business description	Manufacture and sale of soy protein products		
(5)Capital	172 million CNY		
(6)Date of establishment	August 12, 1994		
(7)Chief shareholders and shareholding rates	Fuji Oil Holding Inc. 90% Qianguo Xian, Songyuan City, Jilin Province, PRC 10%		
(8)Relationship between the Company and this company	Capital relationship	Consolidated subsidiary of the Company.	
	Human relationship	One of the Company's executive officers also serves as the president of this company, one of members of the board and three of its employees, as corporate directors. In addition, one of the Company's employees also serves as an auditor of this	
	Transactional relationship	Not applicable.	
(9)Management performance and financial situation of this company in the last three years			
	FY ended December, 2015	FY ended December, 2016	FY ended December, 2017
Net assets	132,166 thousand CNY	130,900 thousand CNY	102,571 thousand CNY
Total assets	288,193 thousand CNY	212,329 thousand CNY	175,017 thousand CNY
Sales	296,070 thousand CNY	224,395 thousand CNY	145,387 thousand CNY
Operating	9,406 thousand CNY	4,361 thousand CNY	-14021 thousand CNY
Current profit	59 thousand CNY	-1266 thousand CNY	-28330 thousand CNY
Current net profit	59 thousand CNY	-1266 thousand CNY	-28330 thousand CNY

3. Outline of the company receiving the transfer

(1)Name	CHENGXIN FOOD HOLDINGS LTD	
(2)Representative name and post	Teh Kweng Seong, President	
(3)Location	Malaysia	
(4)Business description	Investment management in a group engaged in manufacture and sale of ham, sausage, and food product secondary materials.	
(5)Capital	USD 10	
(6)Net assets	USD 2 million	
(7)Total assets	USD 15 million	
(8)Chief shareholder and shareholding rate	Mr. The Kweng Seong, 70%.	
(9)Relationship between the Company and this company	Capital relationship	No capital relationship to be noted.
	Human relationship	No human relationship to be noted.
	Transactional relationship	No transactional relationship to be noted.
	Applicable relationship with this company	No applicable relationship exists.

4. Equity interest, transfer price, and status on interest before and after transfer

(1)Equity interest before transfer	90%
(2)Equity transfer	90%
(3)Transfer price	1 CNY
(4)Equity interest after transfer	0%

5. Schedule

(1)Date of determination in the board of directors	November 28, 2018
(2)Date of contract conclusion	November 28, 2018 (tentative)
(3)Date of equity transfer execution	January 31, 2019 (tentative)

6. Future outlook

The impact on the Company's consolidated results for this fiscal year is currently under close examination, and if any matters to be disclosed arise, such matters will be promptly disclosed.

End of report