

February 15, 2022

Launch of New “Chargel” Gel Drink and Establishment of Gel Drink Business in the U.S.

MORINAGA & Co., Ltd. (TYO 2201) today announced that it has established a gel drink business in the United States. “Chargel”, a brand-new gel drink were launched on the Company’s U.S. subsidiary Morinaga America Inc.’s e-commerce site on February 15 (U.S. time).

1. Background to and aim of the new business

The Company launched sales of *in Jelly* drinks in Japan in 1994. Morinaga’s *in Jelly* drinks are a delicious and satisfyingly filling source of energy and nutrition that can be consumed easily and quickly anywhere anytime, such as when playing sports or when pressed for time. By providing customers with this unprecedented value, the Company created a new way to enjoy food and developed a new market, and it continues to lead the market forward as a pioneer.

In the United States, which has high levels of consumer health and fitness consciousness, a vast health and wellness food market has been established, and this is expected to continue growing. Recognizing that the US market lacked jelly drink products delivering similar values to its *in Jelly* products, several years ago the Company began conducting surveys of US consumers to determine potential consumer acceptance levels for gel drinks. Based on the results of these surveys the Company developed its new *Chargel* energy gel drink products for the US market. Leveraging the know-how accumulated in Japan, the Company now aims to create a market for gel drinks in the United States.

The Morinaga Group established Morinaga America, Inc. as a consolidated subsidiary in 2008. Morinaga America launched sales of Morinaga’s *HI-CHEW* soft candies and has since achieved steady sales growth. Marketing of the new *Chargel* products will take advantage of the business foundation cultivated through the sale of *HI-CHEW*, and Morinaga America will make proactive use of media advertising and product sample giveaways to expand sales.

The Morinaga Group announced its 2030 Business Plan in May 2021 and is now working to achieve its 2030 Vision: “The Morinaga Group will Change into a Wellness Company in 2030. Further evolve reliability and technology built on in its 120-year history to support people’s wellness lifestyles in all generations worldwide.” In the Group’s 2030 Business Plan, the U.S. business has been designated as one of the focus domains in which resources are to be intensively invested. The Company plans to further grow its U.S. business by nurturing *Chargel* into a second core product in the U.S. market alongside *HI-CHEW*.



2. Business overview

- (1) Business: Sale of gel drinks
- (2) Sales area: United States (via the Company's e-commerce site (www.chargel.com), sports-related sales channels, etc.)
- (3) Launch of sales: February 15, 2022 (U.S. time)
- (4) Products: Gel drinks

3. Overview of new products to be launched in the United States

- (1) Product name: *Chargel*
A portmanteau of “charge” (energy replenishment) and “gel”.
- (2) Product description: Delicious, energy-replenishing gel drinks that can be consumed easily anytime anywhere.
Available in three flavors: White Grape, Green Apple, and Strawberry. 180kcal/pouch.
- (3) Volume: 180g (6.35oz)
- (4) Estimated price: US\$3.49

4. Sales company

- (1) Name: Morinaga America, Inc.
- (2) Representative: Teruhiro Kawabe
- (3) Head office: California, USA
- (4) Established: 2008
- (5) Business: Sale of candy and gel drinks