



# Business Strategy: Overseas

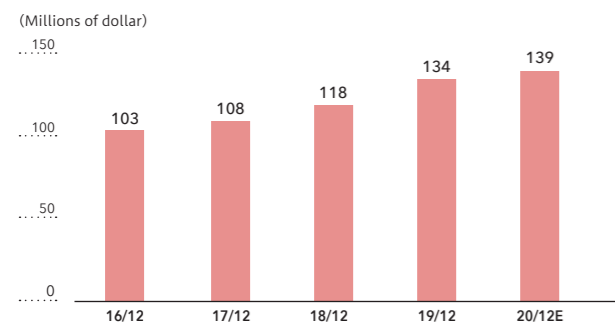
## Processed Foods Business

### Strategies to Boost Asian Food Sales in North America

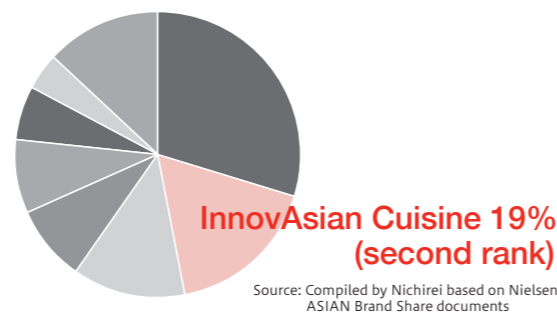
Overview of US-based InnovAsian Cuisine Enterprises, Inc.

	Household-use	Commercial-use
Features	<ul style="list-style-type: none"> <li>Product development capabilities based on market trends from an American perspective</li> <li>Ability to sell to major US mass retailers</li> </ul>	
Main categories	Main dishes (processed chicken, etc.), cooked rice, such as fried rice	
Main sales channels	Leading mass retailers, discount store frozen food sections	<ul style="list-style-type: none"> <li>Volume retailers (delicatessen counters)</li> <li>School and restaurant chains</li> </ul>
Products	Products for single serving meals centered on the most well-known Asian menus in the United States 	Providing Asian food solutions mainly in the delicatessen section 

#### InnovAsian Cuisine Net Sales



#### U.S. Market Share for Asian Frozen Foods (as of March 2020)



## Marine, Meat and Poultry Products Business

### Strategies to Push Up Sales in Chinese, North American Markets

To boost the development and sale of Japanese food products we will:

- Expand our lineup of processed marine products, focusing on sushi toppings
- Strengthen our overseas sales system
- Promote sales with area partners in emerging markets that have room to expand
- Promote sales of high-quality ingredients in China (for processed and unprocessed meat and poultry products)



## Temperature-controlled Logistics

### Promoting Comprehensive Logistics Services in Europe, Starting in the Netherlands

- In the latter half of the 1980s, Nichirei entered the Netherlands in anticipation of the expansion of the EU's economic zone, and subsequently, expanded its business domain mainly through the execution of acquisition strategies
- Focused on strengthening storage functions in major port areas, cross-border transportation and expanding logistics of mass retailers

Country	Year	Company name	Capital	Business	Capacity (thousands of ton)	Features
Netherlands	1988	Eurofrigo B.V.	€4,910 thousand	• Cold storage (waterfront area, inland area)	233	• The port area mainly stores import/export cargo (livestock products, etc.) to and from Europe. Includes an animal quarantine station
	1990	Hiwa Rotterdam Port Cold Stores B. V.	€2,270 thousand	• Cold storage (specializing in fruit juice)	186	• Largest storage for juice brought into Europe • Also provide additional services, such as blending
	1989	Thermotrafic Holland B.V.	€500 thousand		—	
Germany	1989	Thermotrafic GmbH	€1,200 thousand	• Forwarding (temperature-controlled transportation, customs)	—	• In addition to Western Europe, delivery network expanded to Central and Eastern Europe and Russia • Also handles pharmaceutical products that require strict temperature control
England	2014	Thermotrafic UK Ltd.	£500 thousand		—	
Poland	2004	Frigo Logistics Sp. z o.o.	PLN 11,800 thousand	• Cold storage and temperature-controlled transportation	79	• Entrusted with storage, sorting, and delivery operations for major retail stores
France	2010	Transports Godfroy S.A.S.	€152, thousand	• Cold storage and temperature-controlled transportation (actual forwarding)	47	• Providing storage and transportation and delivery services for local manufacturers and wholesale and mass retailer centers
		Entrepots Godfroy S.A.S.	€7 thousand			

Nichirei Holding Holland B.V. (Head Office)

### Expansion of Business in China and Solutions Business in ASEAN

- Enhancing facilities in response to vigorous demand for temperature-controlled storage in China and Thailand

Country	Year	Company name	Capital	Investment ratio	Business	Capacity (ton)	Features
China	2004	Shanghai Fresh Line Express Co., Ltd.	\$3,930 thousand	82.4 %	• Cargo storage, sorting and delivery • Temperature-controlled logistics-related consulting business	3,694	• Providing a one-stop service with product storage, transportation and delivery functions in three temperature zones (frozen, refrigerated and room temperature)
	2018	Jiangsu Fresh Flower Logistics Co., Ltd.	CNY 15 million	65.0 %		3,029	
Thailand	2013	SCG Nichirei Logistics Co., Ltd.	THB 720 million	49.0 %	• Cold storage and temperature-controlled transportation	22,800	• With the same equipment standards as Japan, we provide "Japanese quality" temperature-controlled logistics services overseas and in Thailand
Malaysia	2018	NL Cold Chain Network(M) SDN BHD	MYR 53,380 thousand	40.0 %		41,472	• As the largest logistics company specializing in halal handling, contributes to halal logistics inside and outside the region as well as halal international transportation

#### Main capital investments

**Netherland** Expanded temperature-controlled warehouse in Rotterdam port area



Scheduled completion date: June 2021  
Total investment amount: approximately €17 million  
Capacity: 14,000 pallets

**China** Construction of Shanghai No. 2 Center (commenced operations in May 2020)

