

# Strengthening food processing and production technology capabilities; enhancing logistics services

## Promoting Overseas Operations

Group Target (KPI)	FY2023 Result	FY2024 Plan	FY2025 Target	FY2031 Target
Overseas sales ratio	20%	21%	20%	30%

Further refine the Nichirei Group's core competencies in food processing, production and logistics to resolve social issues and improve profitability through competitive advantages in global markets.

### Operations in North America (Processed Foods Business)

The household-use frozen foods market in North America has been growing steadily every year, and its subcategory, the Asian food market, continues to grow due to factors such as an increase in consumers of Asian origin. Looking to expand its North American operations, in 2012 Nichirei Foods acquired InnovAsian Cuisine Enterprises Inc. (ICE), which plans and sells frozen foods in the United States. ICE has grown significantly faster than its markets and has become a growth driver in the processed food business outside Japan.

ICE has three core strengths. The first is marketing power. It has been analyzing trends in the Asian food market for many years and is leveraging this data in product development and sales strategies. Its second strength is product development capabilities. ICE's ability to create products that match local tastes is also the result of many years of experience. The third strength is sales capabilities. ICE has earned the acceptance of major mass retailers for a diverse array of products and promotional offerings.

ICE's main product categories are chicken and processed rice products, and it has established its own processed rice product production capabilities to further expand its business. In July 2022, it acquired all the

shares of a joint venture originally formed with another company in 2019 and changed the company's name to Nichirei Sacramento Foods Corporation. The company will strengthen its production and sales in the processed rice product category by incorporating Nichirei Foods' technology and knowledge to improve productivity and enhance product development capabilities. It also plans to expand its chicken and processed rice product lineup and make a full-fledged entry into the appetizer category, which is the largest market.

ICE will continue to expand its business through marketing and product development tailored to local tastes, with the goal of achieving top market share.



Processed rice products



The management of ICE and Nichirei Sacramento Foods Corporation



Nichirei Sacramento Foods Corporation

### Operations in Europe (Temperature-controlled Logistics Business)

More than 30 years have passed since Nichirei Logistics Group initiated European operations in 1988 with the acquisition of a cold storage company in Rotterdam, Netherlands. We subsequently expanded our operations to Germany, Poland, France, and the United Kingdom through mergers and acquisitions. We have continued to grow by providing high-quality temperature-controlled logistics services to local companies throughout Europe, and currently have the fifth largest refrigerated warehouse capacity in Europe.

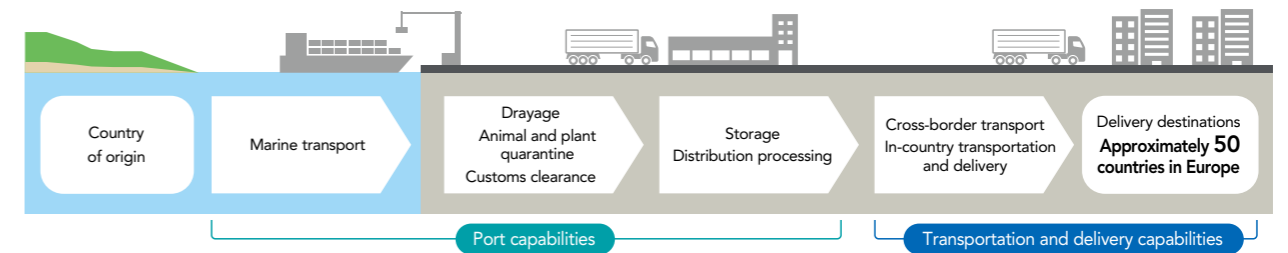
#### A Business Model for Delivering One-stop Service

The Port of Rotterdam is where we developed our port business model, in which we provide one-stop service that combines cold storage capabilities at the port with marine transport, drayage, customs clearance, distribution processing, and transportation and delivery. We aim to expand this model to major ports in neighboring countries including the United Kingdom, Germany, and France.

Our distribution business model involves temperature-controlled logistics services for retail chains in Germany and Poland. Operations in Poland have grown to a

leading position in the core refrigerated logistics business for mass retailers. We are also considering expansion into neighboring countries in Eastern Europe.

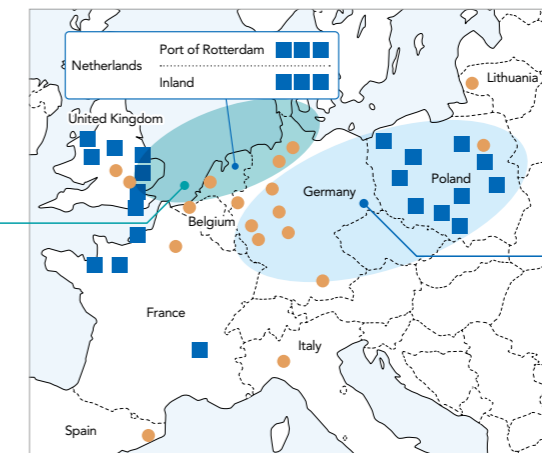
Our basic strategy is to use these two business models to provide comprehensive services. We will maximize synergies between our increased storage capacity and the acquisition of companies in the United Kingdom and Poland while expanding the provision of one-stop cross-border services through collaboration among our locations.



#### Service Area Expansion and Locations

- Cold storage and cross-docking
- Forwarding office

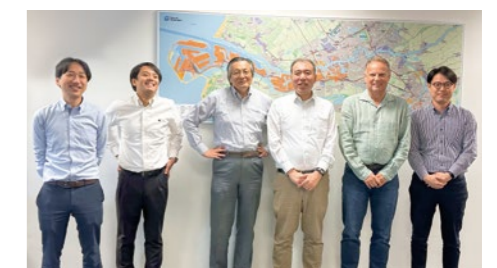
**Port business model (upstream)**  
Port and transportation and delivery operations centered on Rotterdam, Netherlands



**Distribution business model (downstream)**

Refrigerated logistics for retail chains in Germany and Poland

All of our operating companies are managed locally. Nichirei Holding Holland B.V. (NHH), an intermediate holding company led by Japanese employees posted overseas by Nichirei Logistics Group, plays a supervisory role, monitoring the operations of our European companies, formulating strategies for business expansion, and supporting implementation. Strategic initiatives are a particular focus, and as part of its day-to-day operations NHH communicates with the management of European companies about large-scale investment plans, mergers and acquisitions.



The management of NHH, our intermediate holding company overseeing operations in Europe