

Logistics Business Briefing



February 20, 2023
Nichirei Corporation

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I. Past Growth and Future Outlook

1. Business Model—Japan's leading service is becoming a global standard for advanced temperature-controlled logistics—



Basic Position

As Nichirei Group's only service business, the Logistics Business will enhance satisfaction for everyone working at the Company, and contribute to consumers by striving to enhance value in all aspects of the customer experience.

(Business Model)

Cumulative-type service business

- Business model premised on accumulation of assets that provide continuous earnings, as opposed to a flow-type business that manufactures and sells goods
- Metered charge-type subscription service (shared warehousing service)

- High-quality operations and optimal solutions
- Long-standing business relationship to maximize customer lifetime value

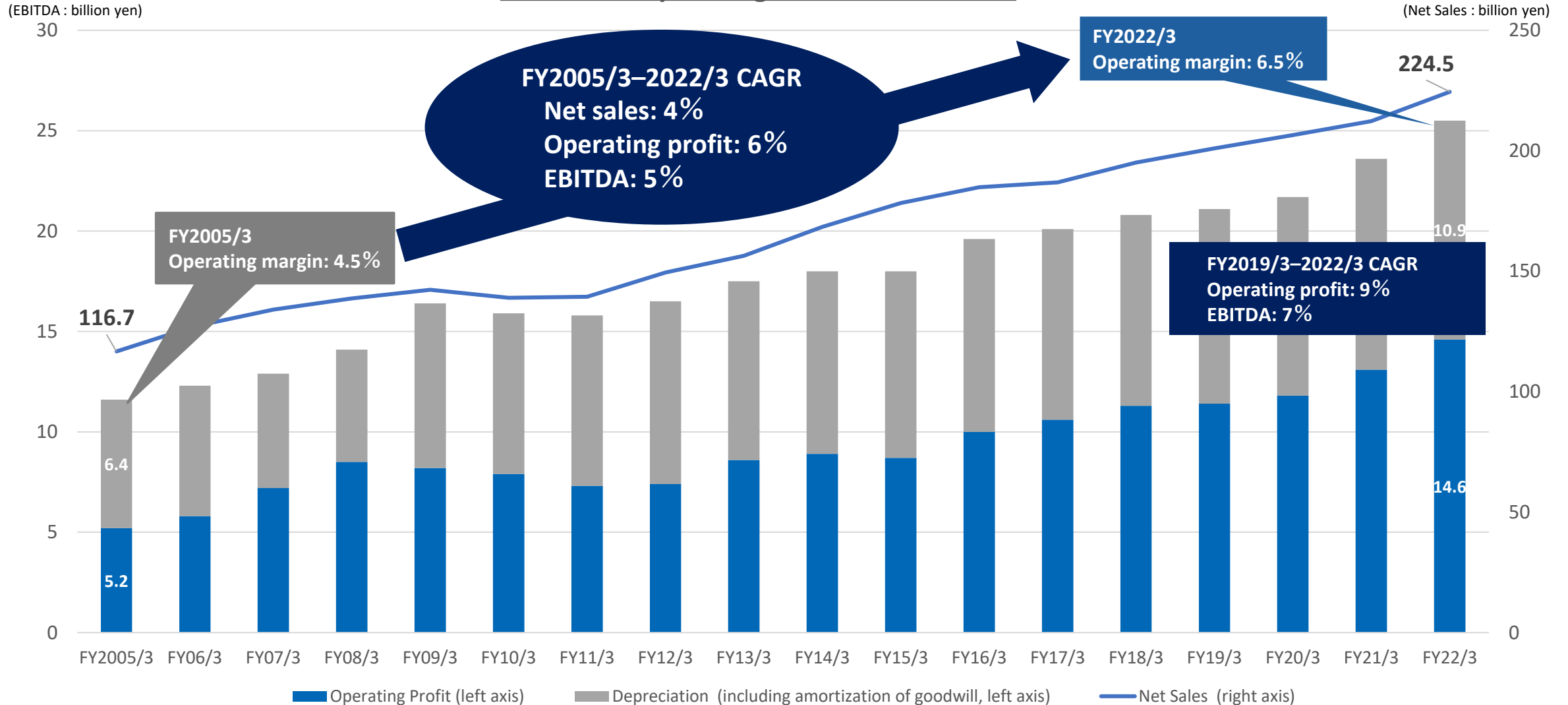


Customers

- (+) Logistics solutions
- (+) Charge based on usage, without the need for in-house personnel or facilities

2. Business Results

Net Sales, Operating Profit, and EBITDA



3. Competitive Advantage



(1) Operational capabilities

Ability to provide a one-stop, universal service to accommodate a wide range of business types, freight volume, and service level.

Logistics infrastructure network

Extensive and varied service lineup

Highest storage capacity in Japan

(2) Customer base

Ability to utilize various combinations to enhance logistics efficiency, based on extensive customer base and handling volume. (High operations rate, joint distribution, etc.)

Solid and varied customer base

Combined and coordinated service

Advanced logistics system

(3) Consulting capabilities

Ability to provide know-how and consulting services to reduce switching costs for potential customers. (Risk reduction when customers revise logistics services)

Consulting expertise and performance

Highly experienced logistics professionals and partners

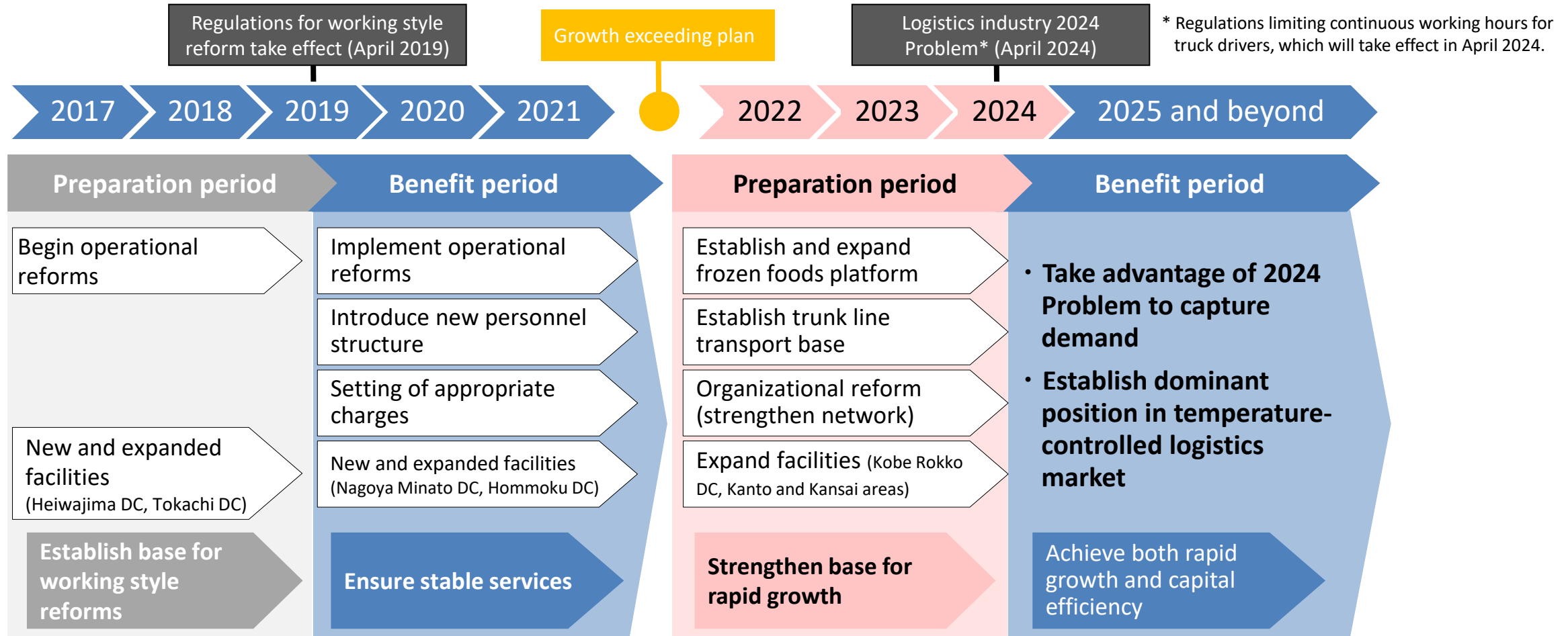
Implementation and operational management capabilities

4. Future Outlook



(Five-year Plan)

Current medium-term business plan period is a preparation stage that will allow for both rapid growth and capital efficiency during the next plan period.



II. Initiatives to Solve Societal Problems and Improve Capital Efficiency

1. Measures and Vision

Market Environment / Societal Issues		Nichirei's Measures
Food-related issues	<ul style="list-style-type: none"> • Greater supply chain risk • Food security in Japan and overseas • Labor shortages (primary to tertiary industry sectors) • Food loss 	<ul style="list-style-type: none"> • Provide high value-added, extensible cold chain
Temperature-controlled logistics industry	<ul style="list-style-type: none"> • Market scale of around ¥2 trillion (estimate); Greater proportion of frozen foods in recent years • Response to the truck driver 2024 Problem; Shortage of warehouse personnel • Rising energy prices • Market entry of logistics real estate businesses 	<ul style="list-style-type: none"> • Expand and upgrade frozen food logistics platform • Strengthen trunk line transport function (expand SULS) • Overseas business expansion (growth in Europe and strengthening base in Asia) • Provide a sustainable logistics service (operational reforms)
Societal demands	<ul style="list-style-type: none"> • Response to sustainability issues 	<ul style="list-style-type: none"> • CO₂ reductions and conversion to natural refrigerants

Goal

Create social value and gain economic value through sustainable growth.

2. Changes in the Business Environment Caused by the Truck Driver 2024 Problem

(Changes in the business environment)

Limiting of total working hours for drivers



Shortening of direct shippable distance



Shift from consolidated to disbursed inventory

(Issues facing cargo owners)

Issue

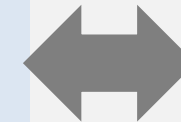
Increase in number of inventory bases

- Increase in management costs due to more facilities
- Increase in total inventory amount



Dilemma for cargo owners

Curbing inventory levels requires more frequent replenishing of stock, increasing transport costs.



Less frequent stock replenishment results in higher inventory volume, increasing storage costs.

Solution

- Adjust and optimize balance of stock replenishment frequency and load factor
- Increase transport efficiency through shared logistics

3. Solution to the Truck Driver Shortage



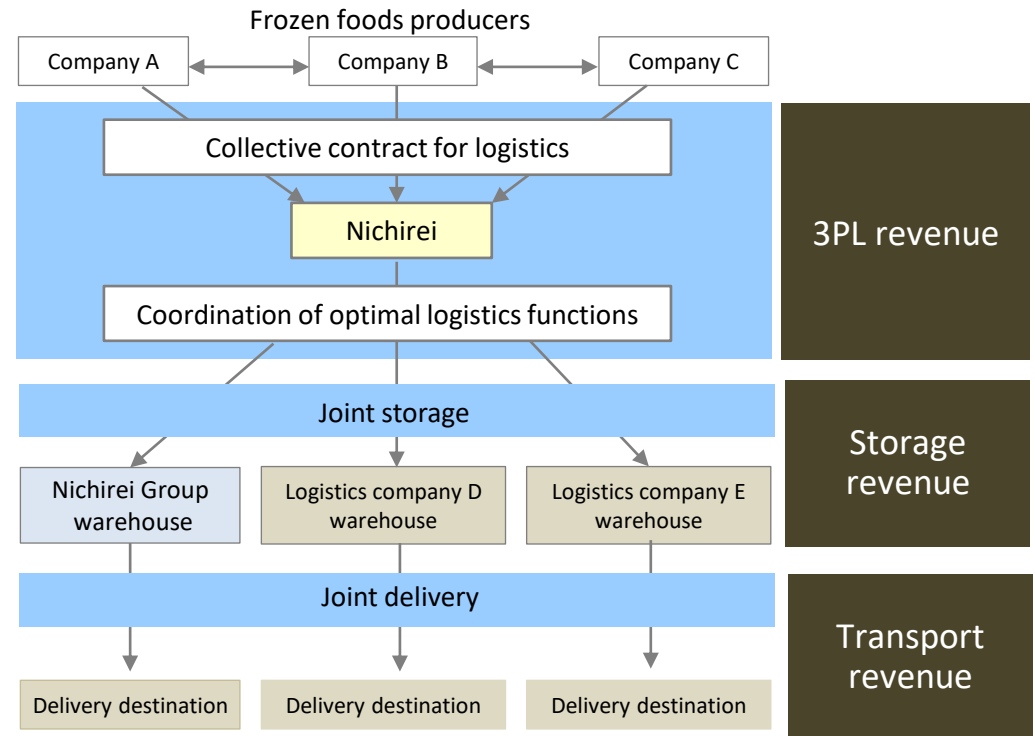
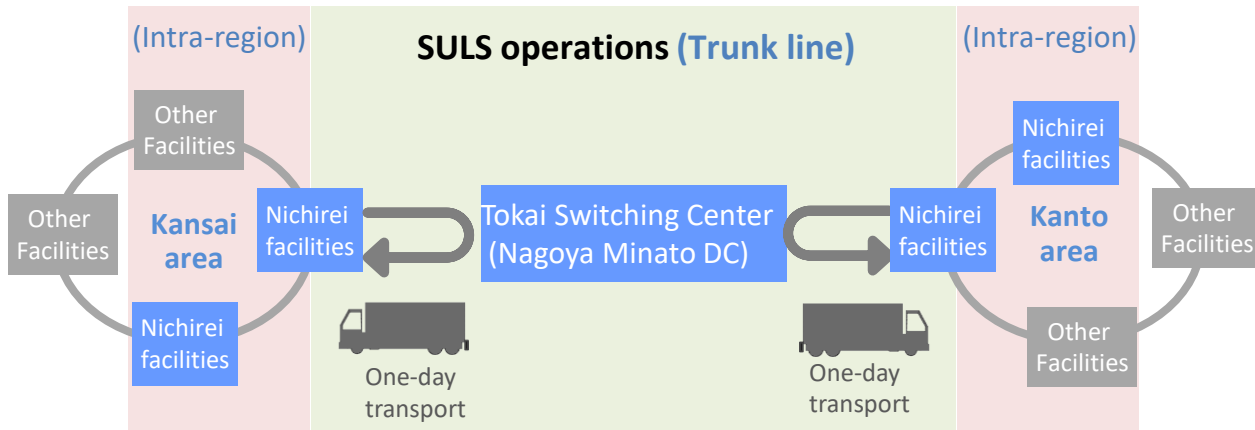
Expand the Next-generation Transport System (SULS)

- Reduce workloads by shortening total working hours for truck drivers
- Enhance transport efficiency by using detachable, large-capacity trailers
- Establish an SULS model case in the Tokyo-Nagoya-Osaka region, and expand to other areas
- Add to the four semi-trailers owned by Nichirei with the purchase of an additional 45 vehicles during the current business plan period (plan to acquire 15 vehicles per year)

Establish a Logistics Platform for Frozen Foods

- Categorize cargo owners by business type, and provide a shared platform
- Establish a comprehensive contract model over the next fiscal year, and expand customer base to build and provide a platform
- Focus on utilizing assets of other companies, and be flexible about facilities used

SULS Operation Concept (current)



4. Financial and Non-financial Targets

(Billion yen)

Financial Targets	FY22/3 Results	FY25/3 Plan	Compared with FY22/3	CAGR
Net Sales	224.5	260.0	35.5	5.0%
Overseas Sales	45.9	63.8	17.9	11.6%
Overseas sales ratio	20.5%	24.5%	4.1%	—
Operating Profit	14.6	16.2	1.6	3.5%
Operating Margin	6.5%	6.2%	-0.3%	—
EBITDA	25.4	30.8	5.3	6.5%
EBITDA Margin	11.3%	11.8%	0.5%	—
Capital Expenditures * Three-yea cumulative in medium-term business plan	49.8	64.9	15.1	
Simple ROIC*	7.8%	7.0% or higher		

* Simple ROIC= Operating profit after tax ÷ Main capital employed (Operating fund + Non-current assets)

Non-financial Targets	FY22/3 Results	FY25/3 Target
Reduction in CO₂ emissions * Nichirei Group overall (compared with FY16/3 levels, Japan Scope 1, 2)	-20%	-30%
Natural Refrigerant Implementation Rate * Temperature-controlled Logistics (Global)	53%	63%

Breakdown of Capital Expenditures	
Total 64.9 billion yen	<ul style="list-style-type: none"> • New refrigerated warehouse (metropolitan area) • Environment-related investments (switch to natural refrigerants, upgrade to energy-efficient facilities) • New refrigerated warehouse (Europe)

5. ROIC Performance and Targets

FY2022/3 Results

- Japan: Profit ratio and asset turnover both increased on growth in the TC business and revised storage charges, with ROIC up 2.6 ppt from FY2013/3 levels
- Overseas: Profit ratio rose on expansion of port facility business, mainly in the Netherlands, with ROIC up 0.7 ppt from FY2013/3 levels

FY2028/3 Targets

- Increase profit ratio and asset turnover in both Japan and overseas, aiming for an overall ROIC of 9%

	FY2013/3			FY2022/3			FY2028/3
	Total	Japan	Overseas	Total	Japan	Overseas	Total
Simple ROIC*	5.8%	5.9%	4.6%	7.8%	8.5%	5.3%	9%
NOPAT Ratio	3.8%	3.9%	2.6%	4.5%	4.8%	3.1%	Upper 4% level
Capital Employed Turnover	1.5 times	1.5 times	1.7 times	1.7 times	1.7 times	1.7 times	Around 1.9 times

* Simple ROIC= Operating profit after tax ÷ Main capital employed (Operating fund + Non-current assets)

Approach

Confirmation of demand

- Decision-making after securing cargo volume
- Effective locations to attract new customers

Portfolio management

- Investment management according to storage capacity and facility age
- Investment decisions taking into account the combination and reorganization of facilities, and utilization of other companies' assets

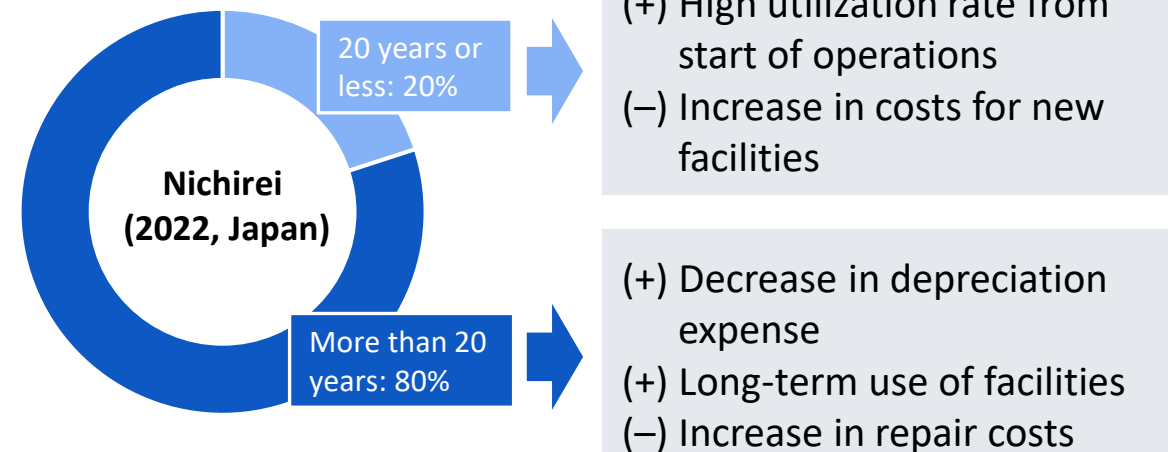
Maximizing benefits of investment

- Quickly stabilize operations for new warehouses
- To enhance operational efficiency, maximize earnings across the entire area, including transport and delivery
- Gain earnings while investing in facilities

(Portfolio Management)

- The proportion of company-owned warehouses built within the last 10 years, which have a high cost burden, is kept within a fixed limit

Ratio of warehouse capacity by age of facility

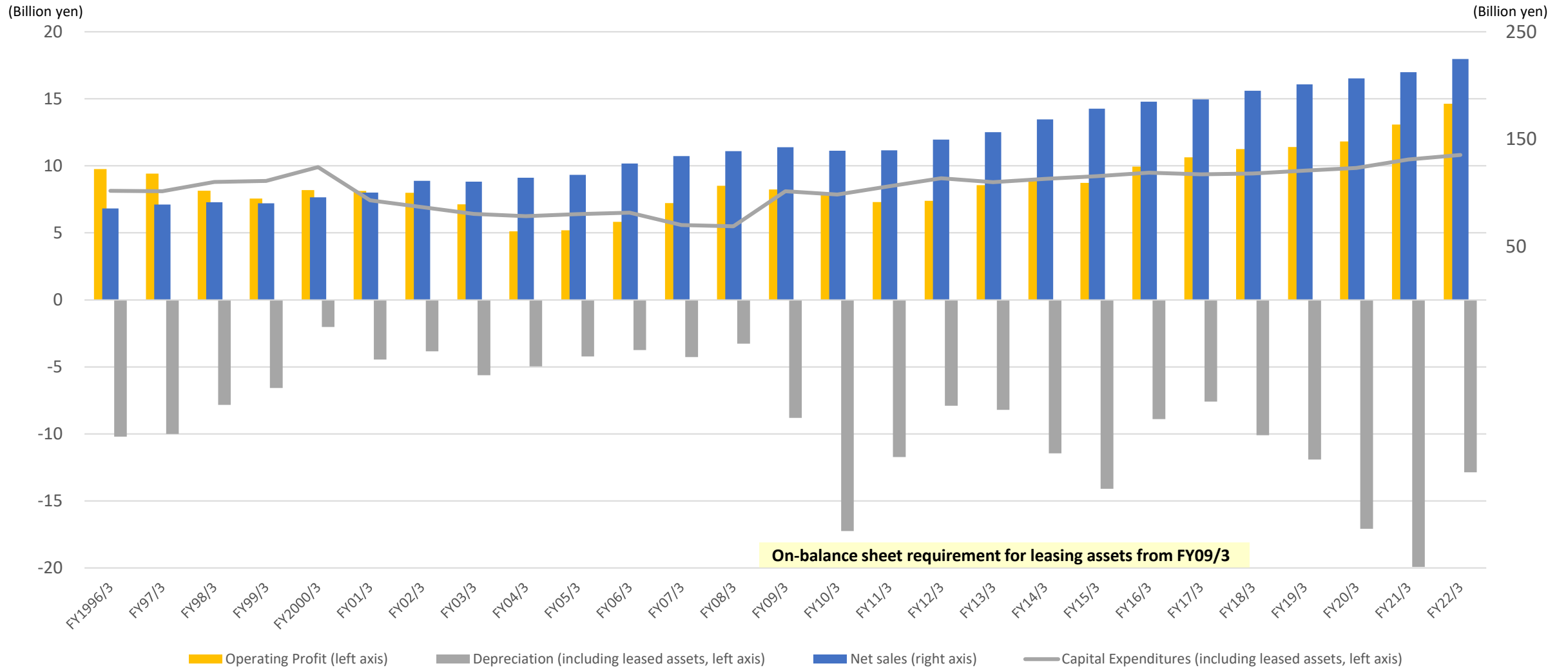


Reference.: Statutory useful life
Refrigerated warehouses 21 years,
machinery 12 years

6. Capital Investment Strategy



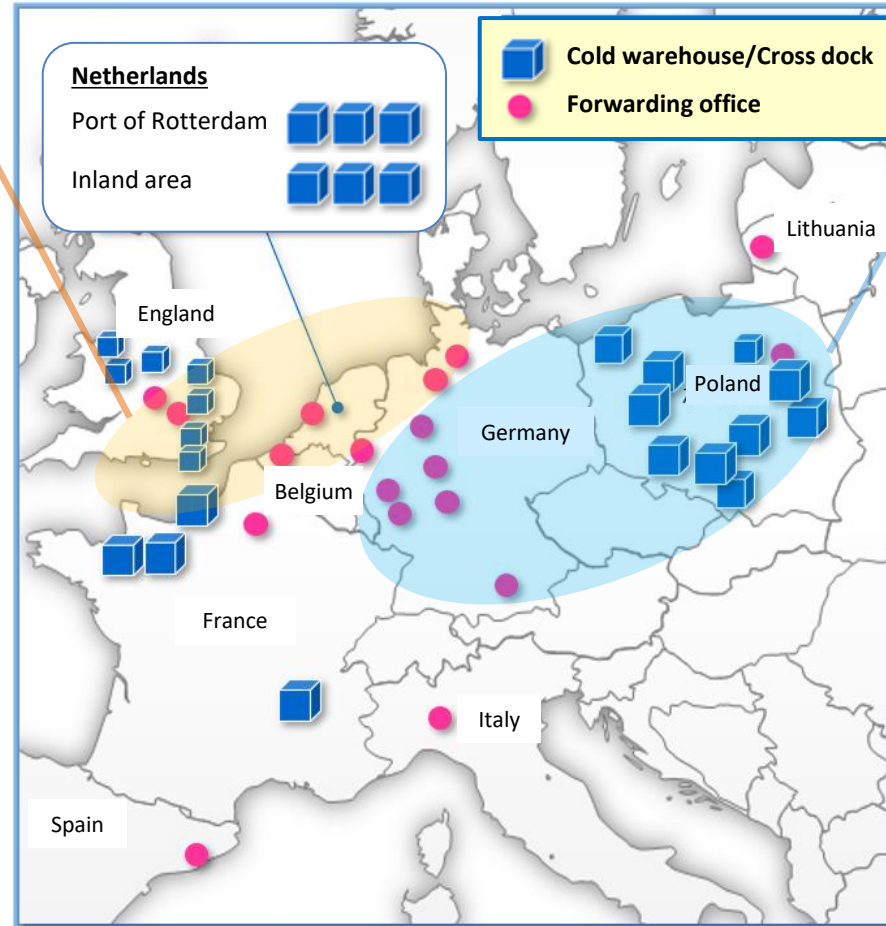
Capital Expenditures, Net sales, Operating Profit, and Depreciation



Growth from dual strength in port operations and distribution

Port Operations Business Model (Upstream)

- Port operations and distribution business centered in Rotterdam (the Netherlands)
- Cross-border, seamless temperature-controlled logistics service combining refrigerated warehouses at marine ports with customs clearance, inland and sea transport functions



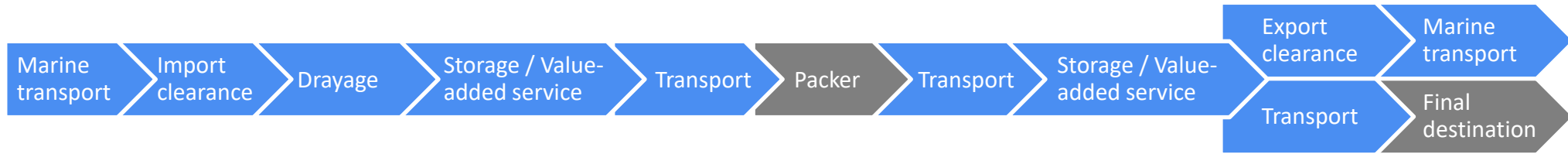
Distribution Business Model (Downstream)

- Temperature-controlled distribution for retail chains in Germany and Poland
- Poland in particular has high potential as a growth market in Europe. Nichirei is combining the TC business model and know-how cultivated in Japan with a transport network covering all areas of Poland to provide temperature-controlled distribution for retailers

8. Future Initiatives—Europe—

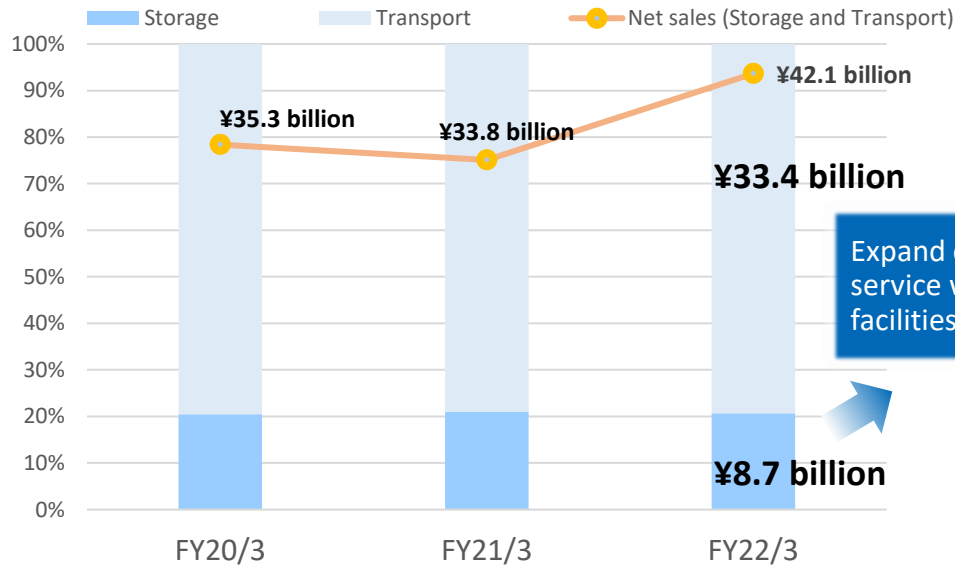


Nichirei provides a comprehensive service utilizing its two business models (strengths).



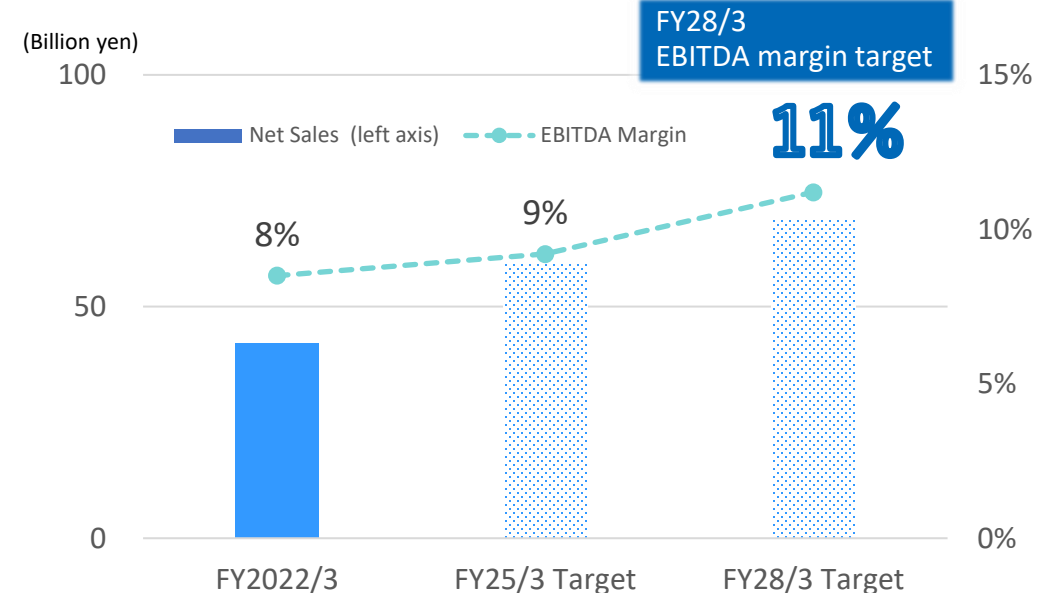
Nichirei Logistics Group provides a seamless, comprehensive service.

Storage and Transport Business Net Sales and Ratios



Expand comprehensive service with storage facilities as base.

Net Sales and EBITDA Margin Targets



9. Future Initiatives—ASEAN and China—

Implement the European model in ASEAN, and increase sales volume in the overseas business.

ASEAN Business

Thailand

- Expand freight collections with seamless storage and transport service utilizing prime locations
- Additional value-added services from facility expansion

Malaysia

- In June 2022, acquisition of approximately 49% of issued shares in temperature-controlled logistics firm Litt Tatt Enterprise Sdn. Bhd
- Strengthening of transport function in response to robust consumption

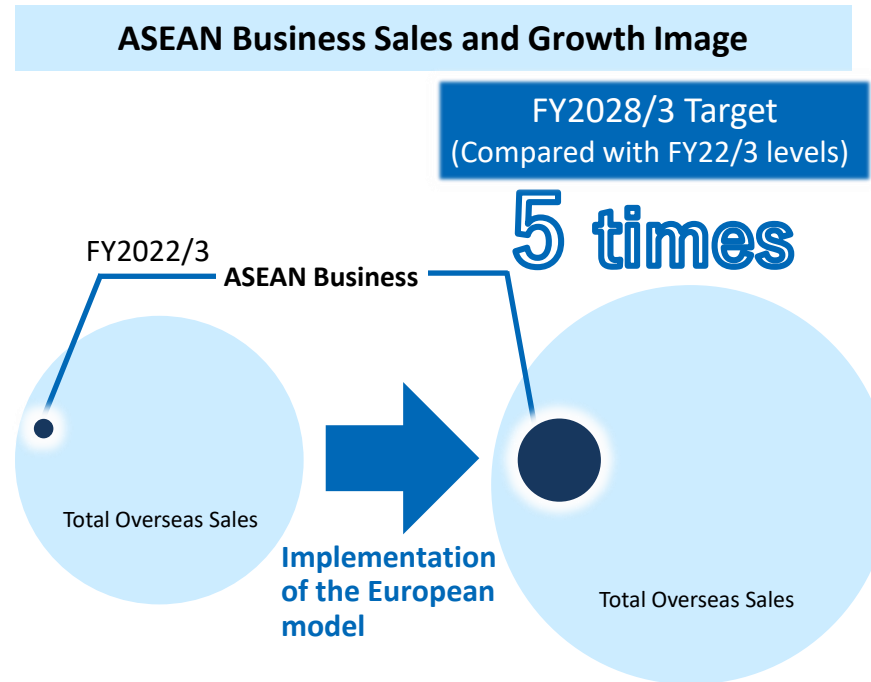


Vietnam

- Joint venture established in February 2023 to support full-fledged market entry

China Business

- Strengthening service to convenience stores to support growth of major customers
- Exploring expansion to south and southwest China through partnerships or investments in local firms



10. Nichirei Group Material Matters—Climate Change Initiatives—

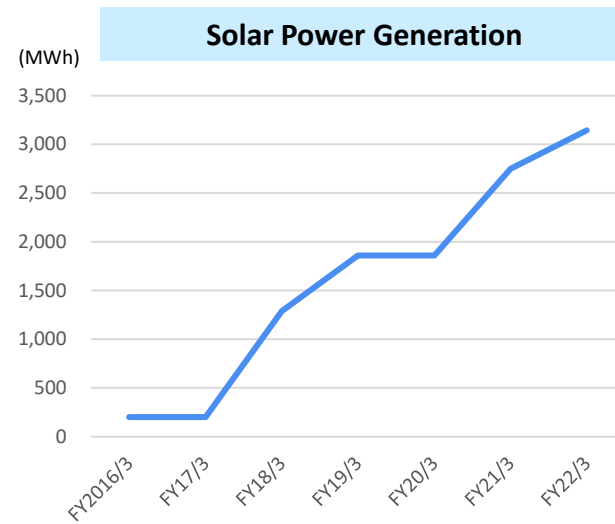
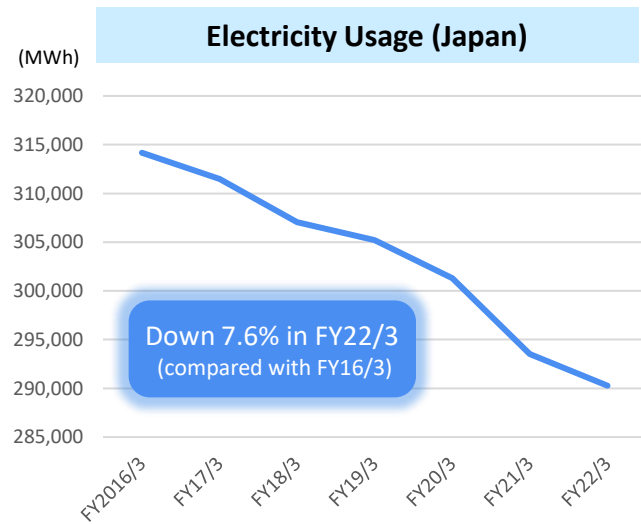
Natural Refrigerant Implementation Rate (Temperature-controlled logistics, including overseas)

FY2022/3 Result	FY2025/3 Target	FY2031/3 Target
53%	63%	75%

Japan	Refrigerators steadily replaced when equipment is upgraded, or in new or rebuilt refrigerated warehouses.
Overseas	Continue systematic upgrades in compliance with local regulations.

50% Reduction in CO2 Emissions (Nichirei Group overall, compared with FY16/3 levels, Japan Scope 1 & 2)

	FY22/3 Result	FY25/3 Target	FY31/3 Target
Nichirei Group	-20%	-30%	-50%



Main Measures

- Install solar panels
- Respond to the 2024 Problem and enhance efficiency through operational reforms



Nagoya Minato DC
Solar panels scheduled for installation in March 2023

III. Appendix

Overview of the Logistics Business

Company Profile and Evolution of the Logistics Business

Business Results

Organization Chart

Business Domain Overview and Customers

Business Structure and Main Business Operations

Value-Added Services

Japan Business

Position

(Explanation of businesses most asked about by investors)

Business Content—Regional Storage Business, Transportation Business, Transfer Center Business,
and Engineering Services—

Overseas Business

Business Overview

European Business—Overview, Business Model—

China and ASEAN Business Overview

General Information

Glossary

Information on Nichirei Logistics Group

Overview of the Logistics Business

Company Profile and Evolution of the Logistics Business

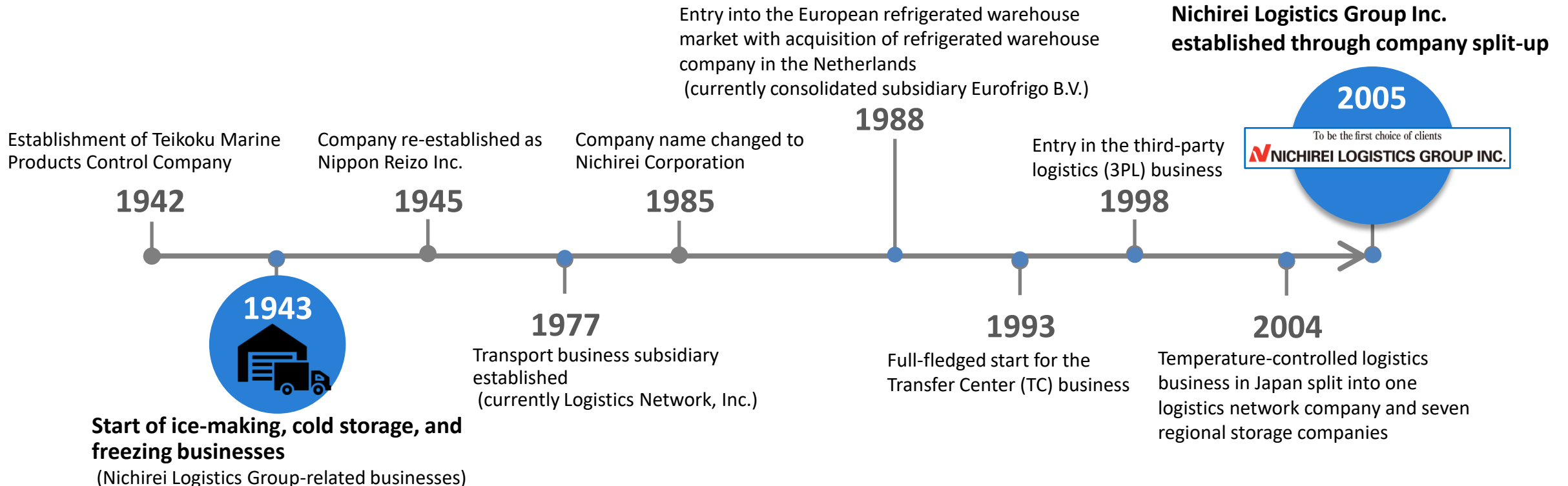


Nichirei Logistics Group Inc.

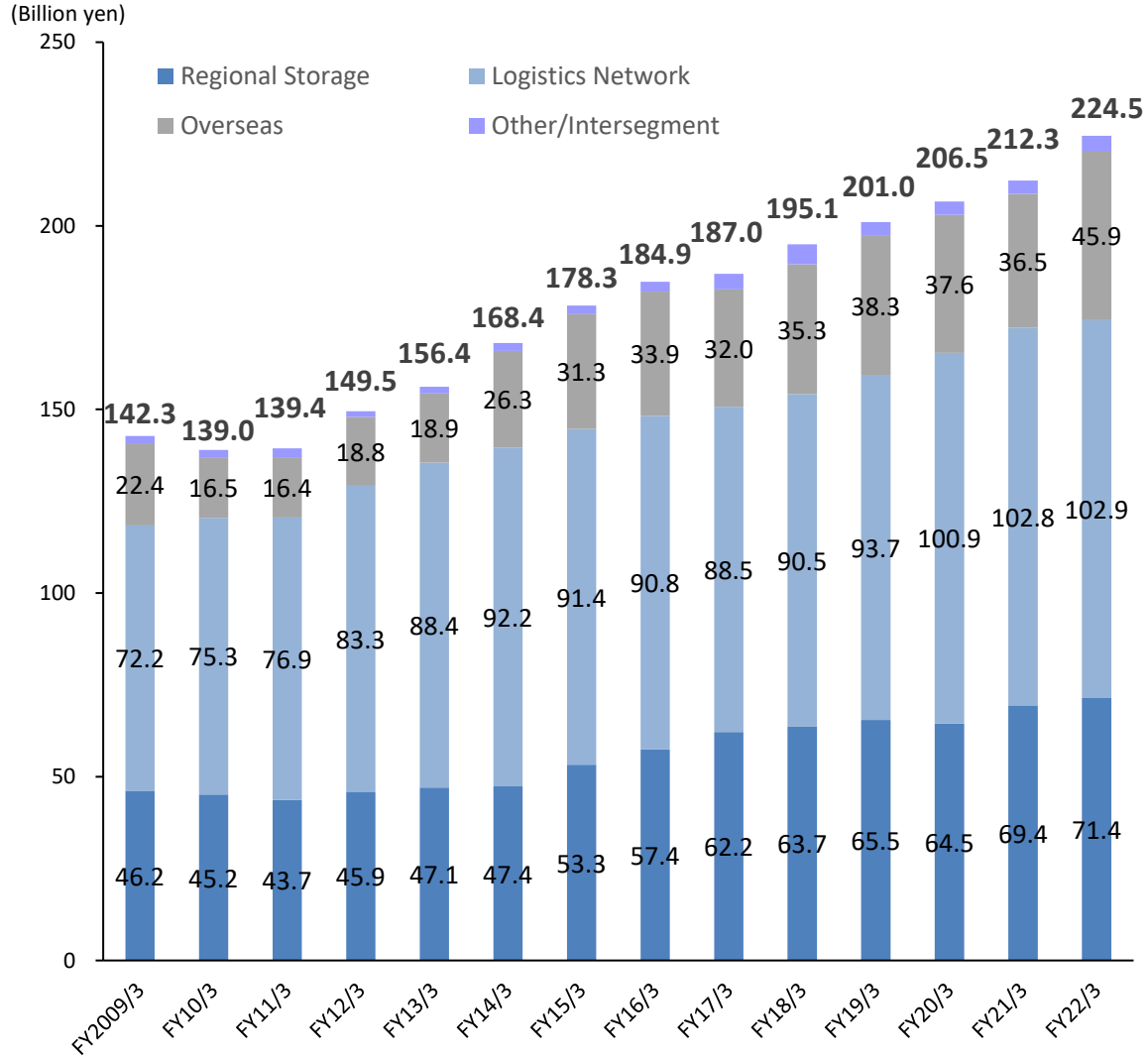
(As of March 2022, consolidated)

Total asset	¥194.5 billion		Employees	4,609	
Net sales	¥224.5 billion	Overseas sales	¥45.9 billion	Operating profit	¥14.6 billion

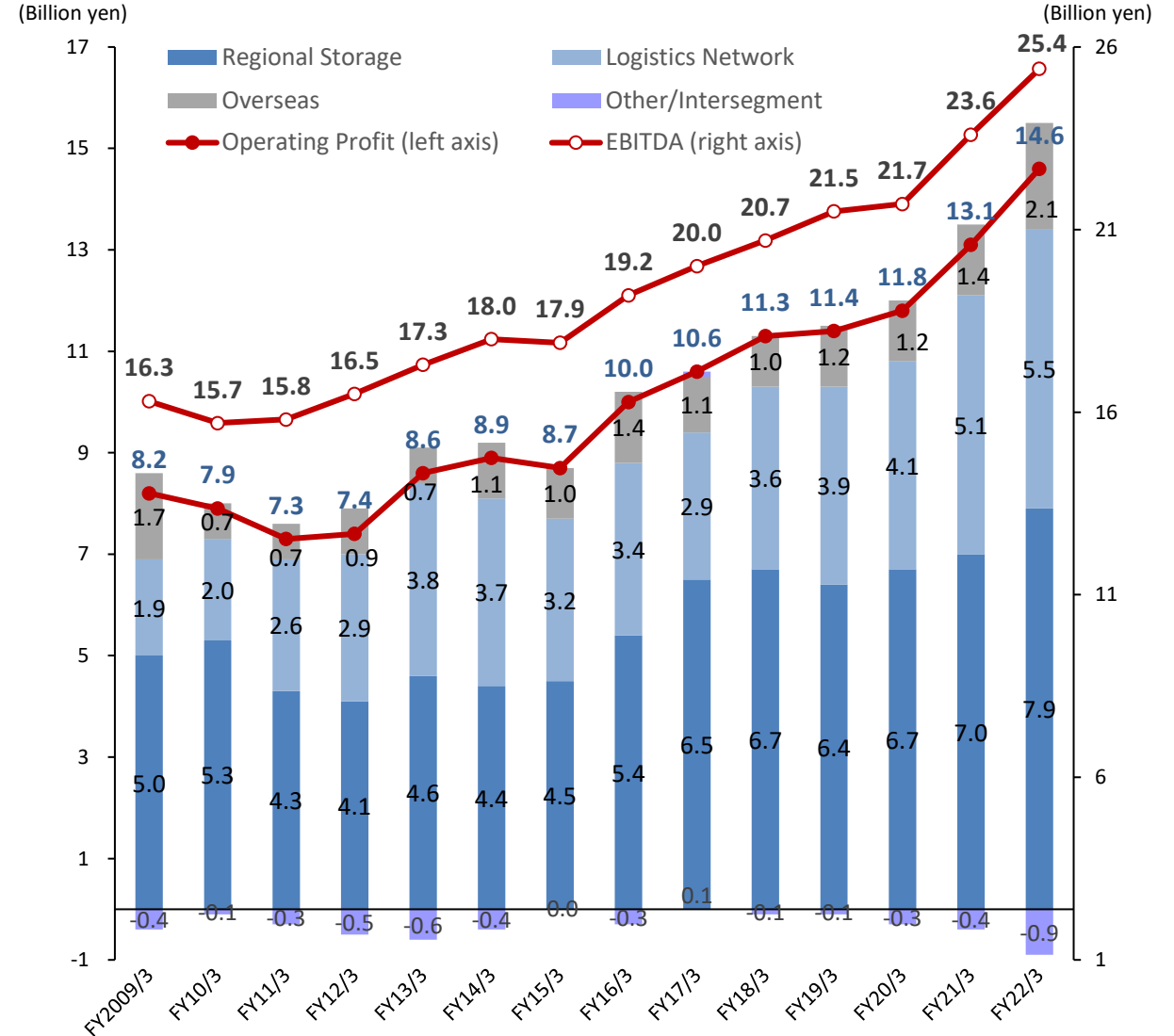
Main Transitions for the Logistics Business



Net sales



Operating Profit and EBITDA



As of January 2023

Nichirei Logistics Group Inc. (Holding company)

Subsidiaries: 39 companies
Affiliates: 11 companies

Regional storage business

Nichirei Logistics Hokkaido, Inc.

Nichirei Logistics Tohoku, Inc.

Nichirei Logistics Kanto, Inc.
*Planned consolidation with Logistics Network, Inc. in April 2023.

Kyokurei Corporation

Nichirei Logistics Tokai, Inc.

Nichirei Logistics Kansai, Inc.

Nichirei Logistics Chushikoku, Inc.

Nichirei Logistics Kyushu, Inc.

Engineering business

Nichirei Logistics Engineering, Inc.

Logistics network business (3PL, Transportation, TC, DC, and Processing)

Logistics Network, Inc.

NK Trans, Inc.

China business

日冷物流投資（上海）有限公司
(Business and holding company that manages China business)
上海鮮冷儲運有限公司, 上海鮮榮運物流有限公司
江蘇鮮華物流有限公司, 南京鮮華物流有限公司

Thailand business (Affiliate)

SCG Nichirei Logistics Co., Ltd.

Malaysia business (Affiliates)

NLCold Chain Network(M)SDN BHD

NL Litt Tatt Group Sdn. Bhd.
Litt Tatt Enterprise Sdn. Bhd.
Litt Tatt Distribution Sdn. Bhd.

Overseas business

Europe business

Nichirei Holding Holland B.V.
* Business and holding company that manages Europe business

Hiwa Rotterdam Port Cold Stores B.V.

Eurofrigo B.V.

Thermotrafic Holland B.V.
Thermotrafic UK Ltd.
Kevin Hancock Ltd.

Thermotrafic GmbH

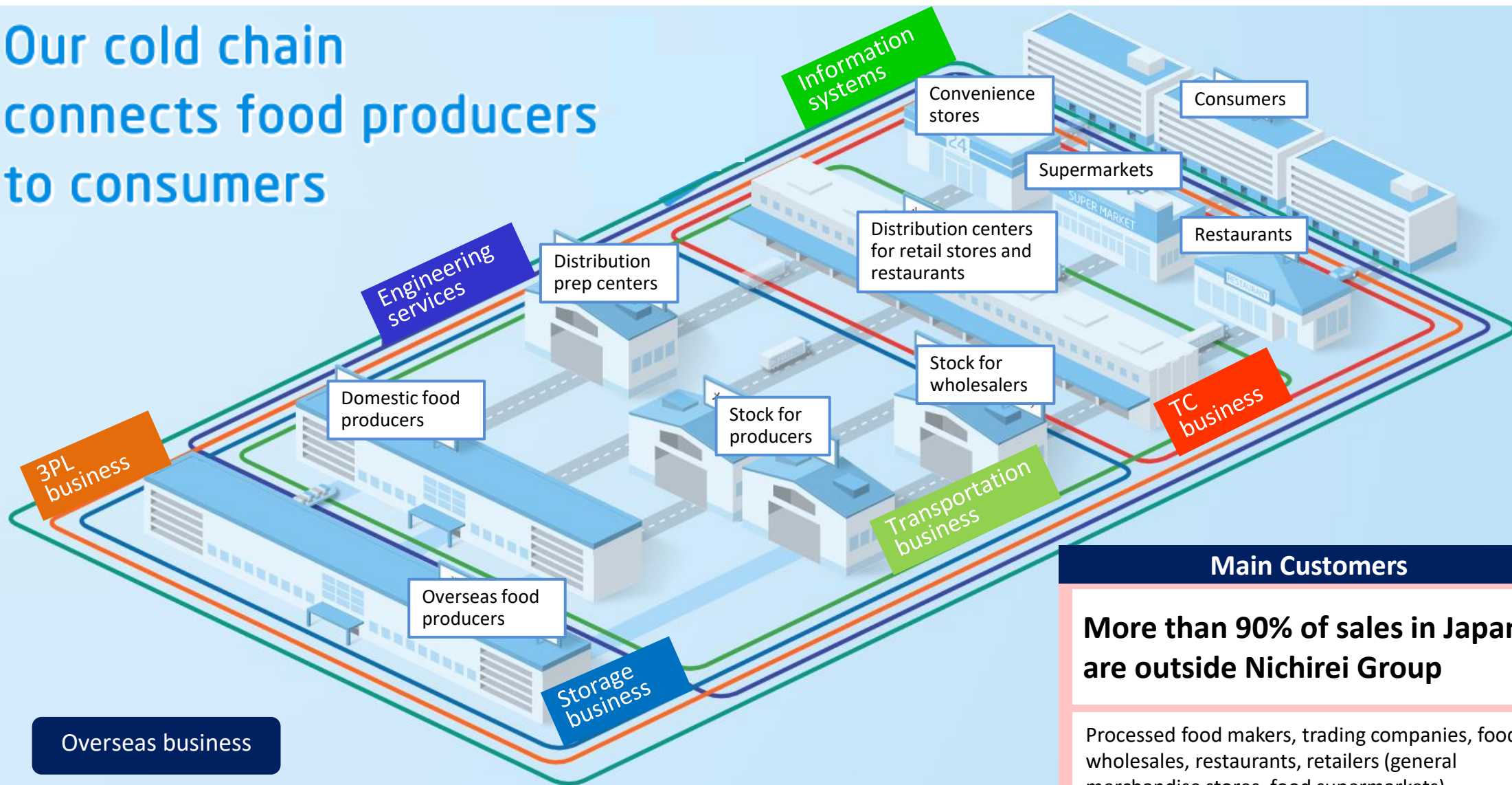
Frigo Logistics Sp. z o.o.
Armir Logistyka Sp. z o.o.
Armir Dystrybucja Sp. z o.o.

Transports Godfroy S.A.S

Entrepots Godfroy S.A.S

Norish(N.I.) Limited
Norish Limited

Our cold chain connects food producers to consumers



Overseas business

Main Customers

More than 90% of sales in Japan are outside Nichirei Group

Processed food makers, trading companies, food wholesales, restaurants, retailers (general merchandise stores, food supermarkets)

Regional Storage Business * Please refer to appendix 8 and 16 for details.

- Storage of livestock, marine, and agricultural products, frozen foods, and other items in storage-type refrigerated warehouses (DCs) throughout Japan
- Also handles delivery within the region

Logistics Network Business

Transportation Business * Please refer to appendix 9 for details.

- Transportation and delivery throughout Japan

Third-Party Logistics (3PL) Business

- Planning of effective logistics strategies on behalf of client companies and developing proposals for establishing logistics systems, which are then comprehensively implemented under contract
- Nichirei Logistics Group goes a step further, adopting the position of a lead logistics provider (LLP) functioning as the client company's distribution management division

Storage Business

- Regional storage business in certain areas
In April 2023, Logistics Network, Inc. will merge with the regional storage business company Nichirei Logistics Kanto, Inc., with the aim of providing an integrated storage and transport service in the Kanto region. In terms of business structure, this merger will also incorporate the storage function in the Kanto area into the logistics network business

Transfer Center (TC) Business

- * Please refer to appendix 10 and 16 for details
- Dedicated centers for retail chains (40 locations nationwide), these centers operate and provide store deliveries as a 24/7/365 service

Overseas Business * Please refer to appendix 12–15 for details .

- Temperature-controlled logistics services in Europe, China, and ASEAN

Engineering Services (Other Business) * Please refer to appendix 11 for details.

- Design, construction, maintenance and repair of temperature-controlled facilities for Nichirei Logistics Group and external clients

By Facility Type

DC
80 locations nationwide

TC
40 locations nationwide

**DC, TC,
and XD**
*Please refer to appendix 16 for details.

The Logistics Business incorporates the accumulated expertise of Nichirei Group into the distribution process to provide high value-added services.

Food Production Management

Processing center (dressed meat)



Repackaging



Distribution Processing

Freezing facility



Thawing facility



Food Analysis Technology

Analysis lab (Japan)

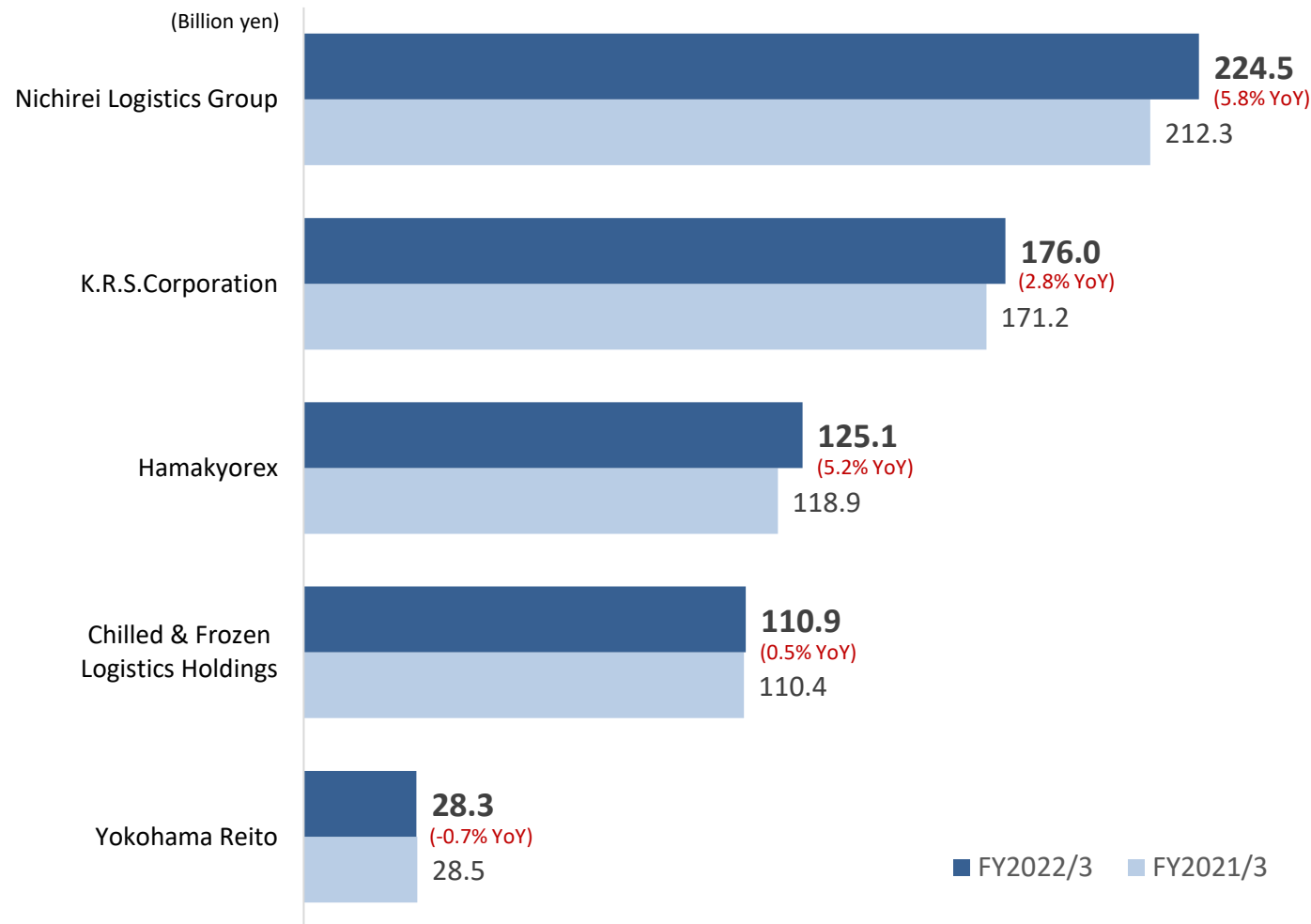


Analysis lab (The Netherlands)



Japan Business

Major Temperature-controlled Logistics Companies Net Sales



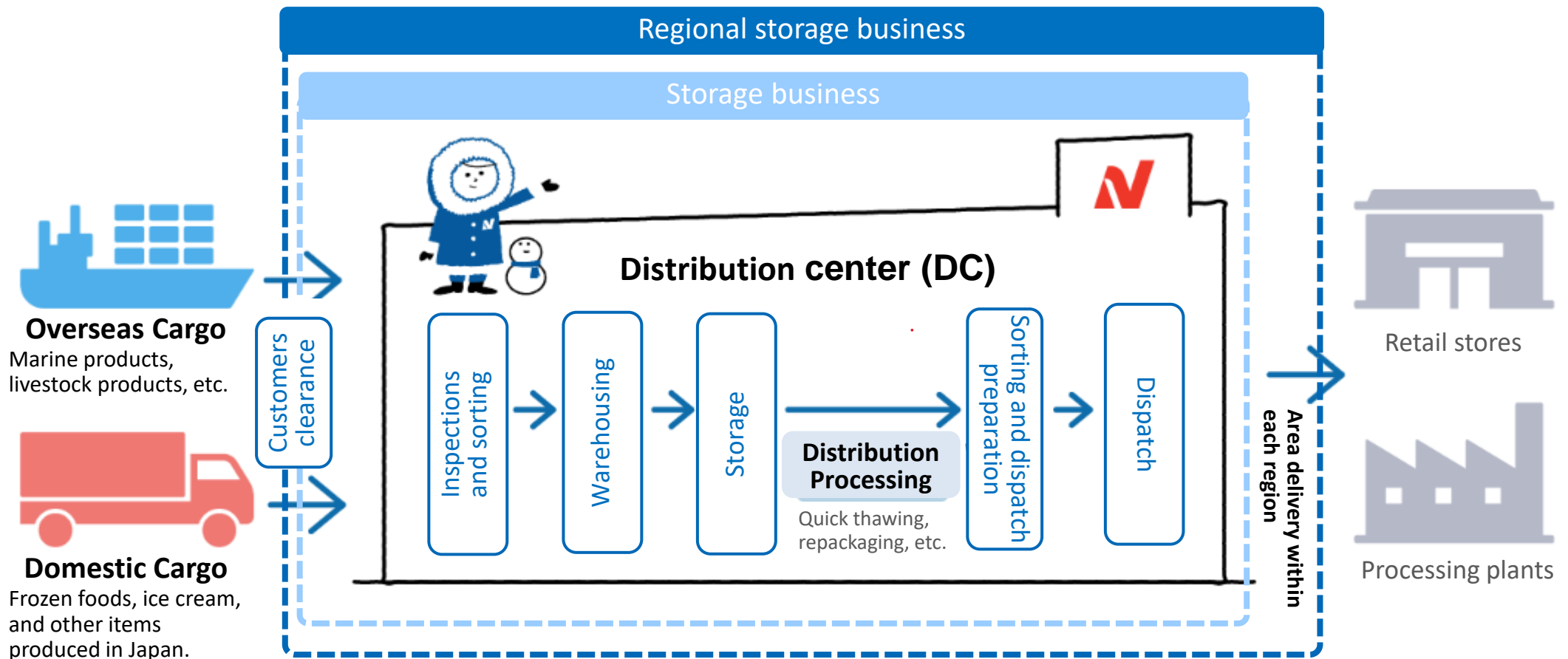
Note: Selected logistics companies whose principal business is temperature-controlled logistics.
 Source: Compiled by Nichirei based on business results from company financial documents (latest version May 12, 2022).

Top 20 Companies in Terms of Cold Storage Capacity in Japan (Estimate)

Ranking	Name	Capacity (1,000 tonnes)	share
1	Nichirei Logistics Group	1,550	9.1%
2	Yokohama Reito	939	5.5%
3	Maruha-Nichiro Holdings	662	3.9%
4	Toyo Suisan Group	606	3.6%
5	Chilled & Frozen Logistics Holdings	520	3.1%
6	Nissui Logistics Corporation	440	2.6%
7	Matsuoka	362	2.1%
8	Runtec Corporation	322	1.9%
9	K.R.S. Corporation	289	1.7%
10	Konoike Transport	247	1.5%
11	Futaba Corporation	244	1.4%
12	Igarashi Reizo	224	1.3%
13	Hohsui Corporation	215	1.3%
14	Hyoshoku	175	1.0%
15	Nippon Logistic Center	172	1.0%
16	Daiichi Storehouse & Refrigeration	158	0.9%
17	Fujibayashi Group	155	0.9%
18	Nippon Daily Net	135	0.8%
19	Housenreizou	125	0.7%
20	Muroo	123	0.7%

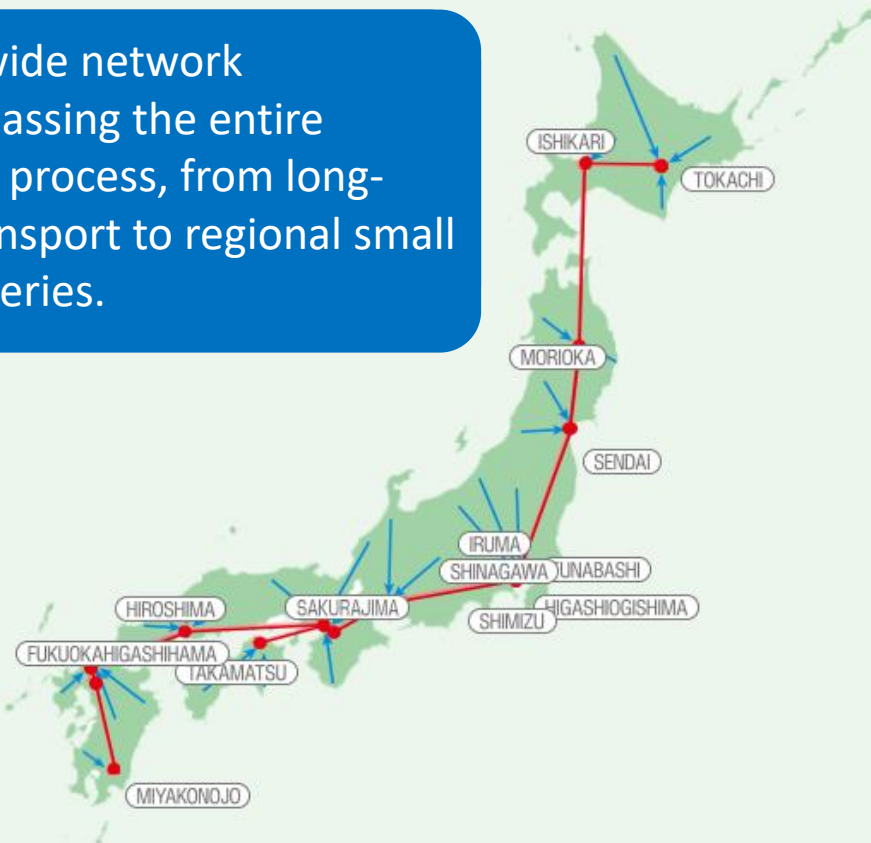
Source: Compiled by Nichirei based on Japan Association of Refrigerated Warehouses documents published November 2021 (excluding non-members' data).

- Conduct warehouse operations and provide value-added services (distribution processing) while maintaining appropriate temperature ranges.
- Handle items in diverse categories, from food material such as animal products, to finished products such as frozen foods.



The Logistics Business, based on the safety and quality standards of Nichirei Logistics Group, partners with Loginet Cooperative, a voluntary association of partner subcontract companies operating around 7,000 vehicles every day (around 1,000 vehicles per day overseas).

Nationwide network encompassing the entire logistics process, from long-haul transport to regional small lot deliveries.



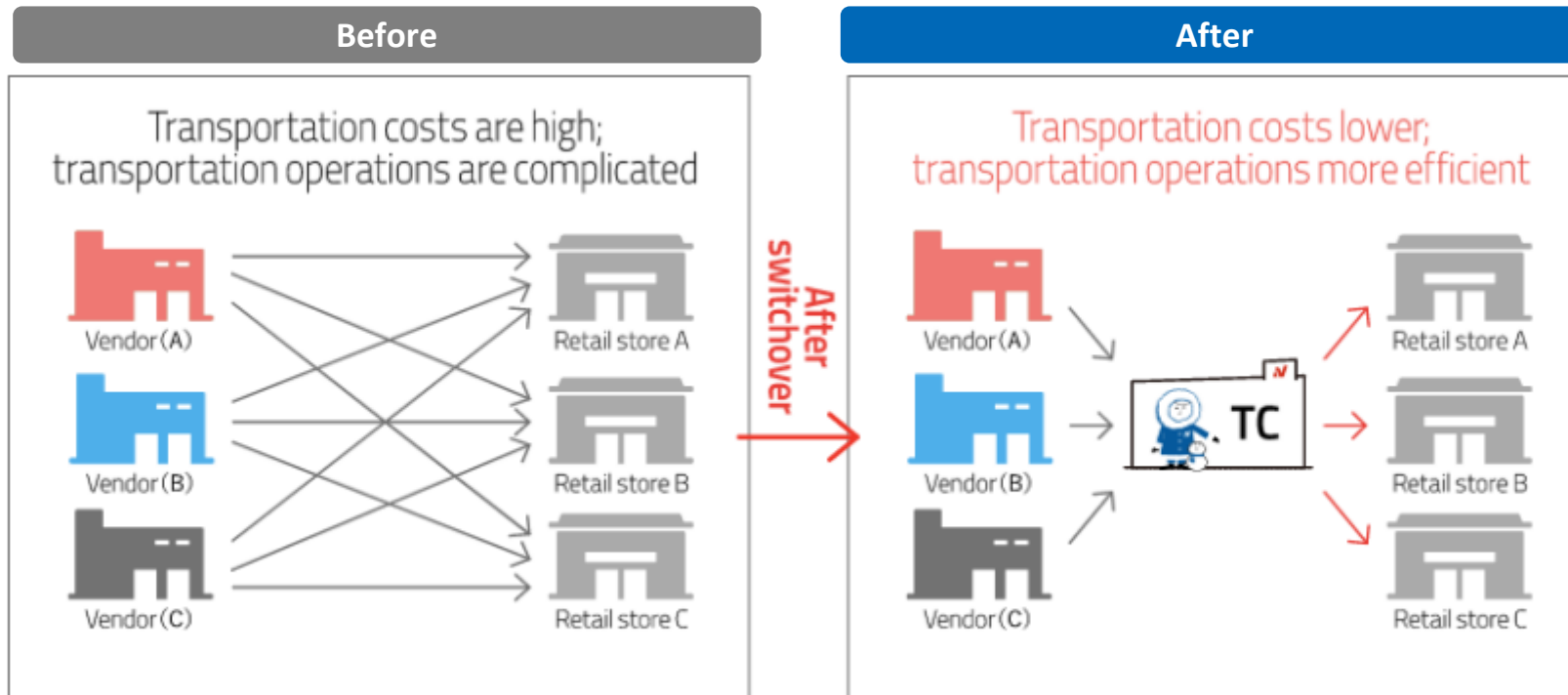
Initiative to Establish a New Trunk Line Transport System



SULS Features

- Detachable cargo trailers used for transport between Nichirei Logistics Group locations
- Loading and unloading handled by Nichirei Logistics Group warehouse employees rather than drivers
- Loaded trailers readied in advance at relay points. Upon arrival, drivers can immediately switch to the waiting trailer and head to their next destination

- TCs sort stock without holding inventory, and are able to handle freight in three temperature ranges (frozen, chilled, ambient)
- Consolidated delivery through the TC optimizes delivery routes
- Lowers distribution costs, enhances efficiency of the receiving process at destination, and reduces CO₂ emissions



Content of TC Operations

- (1) Products received from the vendor
- (2) Items sorted by destination (retail store)
- (3) Shipments prepped for delivery to stores at designated time and frequency

* For some shipments, Nichirei Logistics Group also provides delivery to stores.

Assuming a combined total of 20 vendors (producers) and 50 retail stores (delivery destinations),

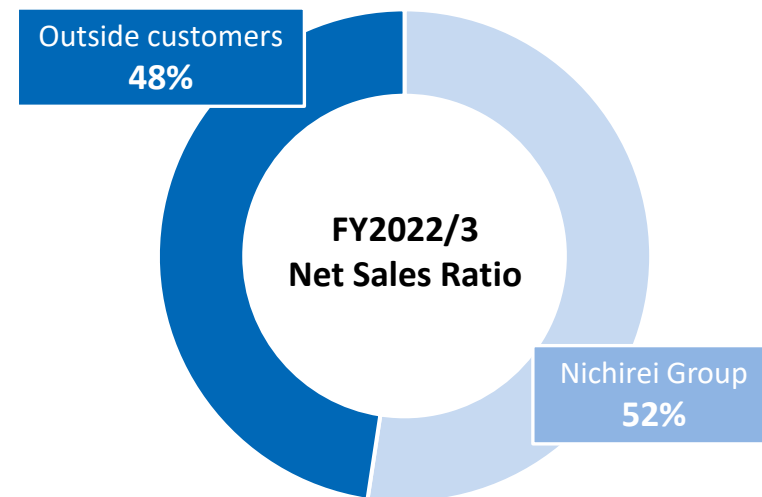
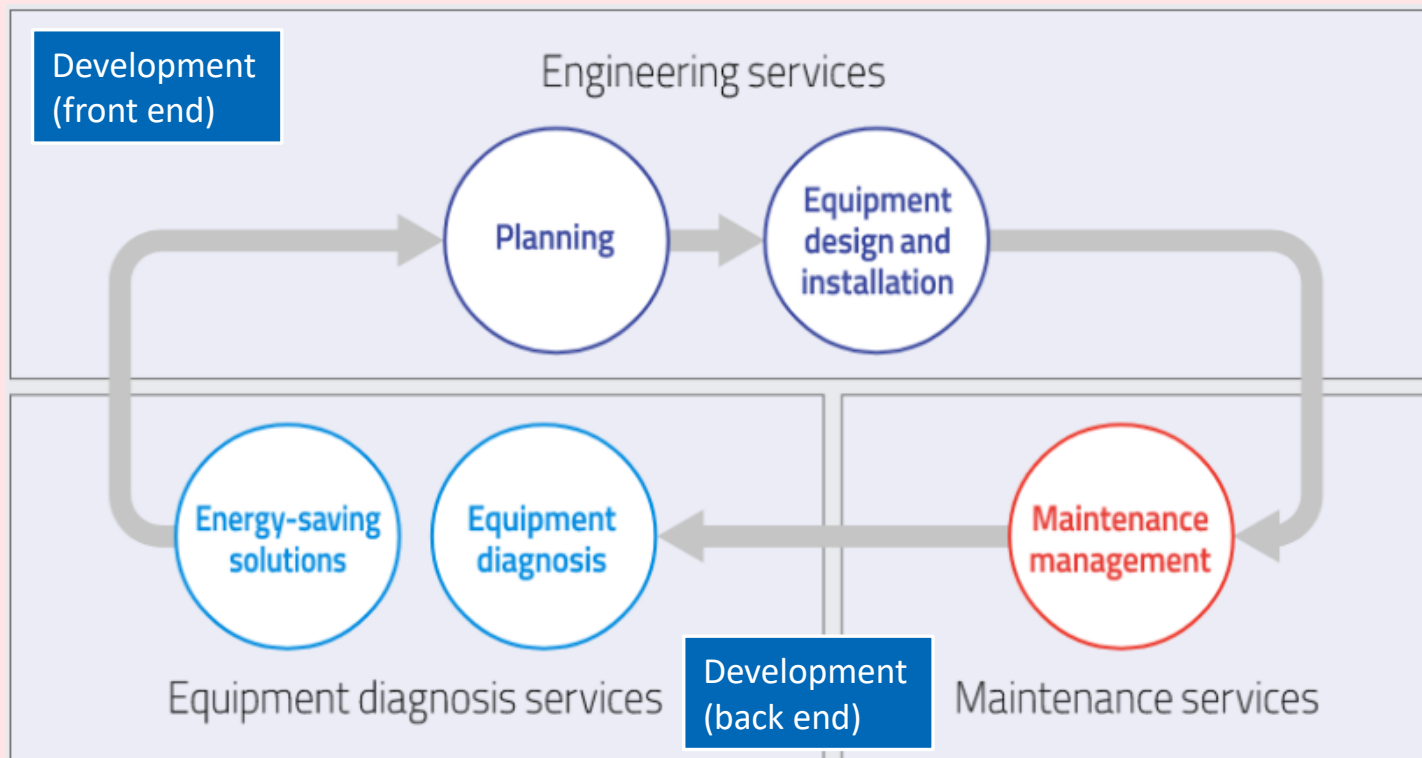
Freight is loaded and unloaded 1,000 times.

Freight is loaded and unloaded 70 times.

- Optimization of facilities for temperature-controlled logistics, from planning and design to maintenance and diagnostics
- Along with temperature-controlled warehouses, wide-ranging customer base including food producers, ice maker, and other companies that require a temperature-controlled environment

Business Area

One-stop service from front-end to back-end development of buildings and facilities.

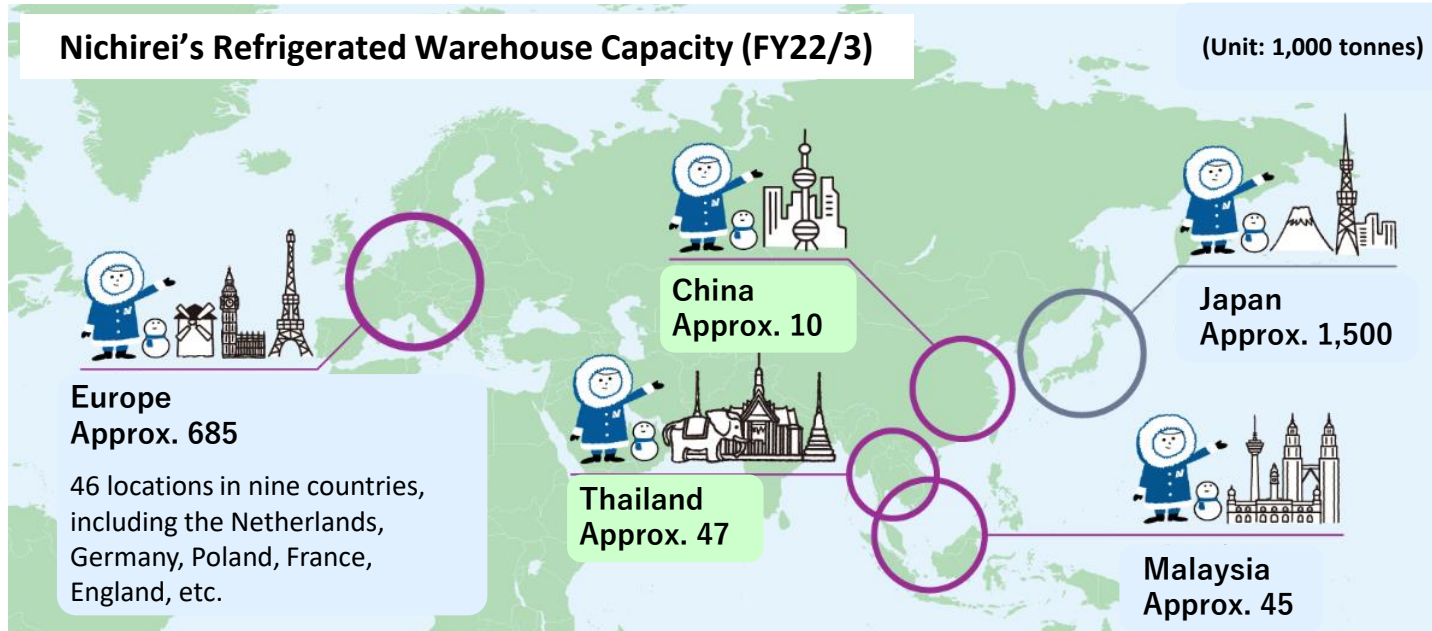


Numerous licensed professionals on staff

First Class Architect, First Class Construction Work Management Engineer, First Class Plumbing Work Management Engineer, First Class Electrical Work Management Engineer, First Class Refrigeration Machinery Manager

Overseas Business

- Business development through M&A, mainly in Europe, starting with the acquisition of a refrigerated warehouse company in the Netherlands in 1988 (currently Eurofrigo).
- Currently more than 60 locations in 12 countries, including distribution centers and sales offices.



Source (table): Compiled by Nichirei based on International Association of Refrigerated Warehouses document "Global Top 25 List" as of March 2022

Top Twenty Companies Worldwide in the Refrigerated Warehouse Industry by Capacity

Ranking	Name	Main Countries of Business	Capacity (1,000 tonnes)
1	Lineage Logistics	United States, etc.	29,400
2	Americold Logistics	United States, etc.	15,990
3	United States Cold Storage	United States	4,790
4	NewCold Advanced Cold Logistics	United States, etc.	2,440
5	Nichirei Logistics Group, Inc	Japan, etc.	2,260
6	Interstate Warehousing, Inc	United States	1,310
7	Frialsa Frigorificos S.A. De C.V.	Mexico	1,230
8	VersaCold Logistics Services	Canada	1,200
9	VX Cold Chain Logistics	China	1,110
10	Constellation Cold Logistics	Belgium, etc.	990
11	Superfrio Armazens Gerais	Brazil	860
12	Serbom Armazen Gerais Frigorificos	Brazil	770
13	Conestoga Cold Storage	Canada	730
14	Congebec Logistics, Inc.	Canada	690
15	RLS Logistics	United States	670
16	Burriss Logistics	United States	670
17	Emergent Cold LatAm	United States	530
18	Friozem Armazens Frigorificos Ltda.	Brazil	420
19	Magnavale Ltd.	United Kingdom	410
20	Confederation Freezers -Brampton	Canada	390

Business development rooted in local markets (Almost all customers are local companies, with 100% local management)

		Nichirei Logistics Group Inc.		Nichirei Holding Holland B.V. (regional headquarters)			(Capacity unit: 1,000 tonnes)	
		 The Netherlands 	 The Netherlands 	 The Netherlands Germany England 	 England 	 England 	 Poland 	 France
		Storage	Storage	Transportation and customers clearance	Storage and distribution processing	Storage	Storage and transportation	Storage and transportation
		<ul style="list-style-type: none"> • 2 DCs in port areas • 3 DCs in inland areas Approx. 260 t	<ul style="list-style-type: none"> • Europe fruit juice 25% • Processing function available Approx. 160 t	<ul style="list-style-type: none"> • Covers all of Europe (approx. 50 countries, operating 700 vehicles per day) • Customs clearance at major European ports • Able to handle pharmaceutical distribution 	<ul style="list-style-type: none"> • 1 DC in Inland area • Thawing and freezing service Approx. 2 t	<ul style="list-style-type: none"> • 6 DCs in port and inland areas • Processing function available Approx. 110 t	<ul style="list-style-type: none"> • 2 DCs, 7 XDs in inland areas • Actual forwarding Approx. 80 t	<ul style="list-style-type: none"> • 4 DCs in north and central region • Actual forwarding Approx. 70 t
Freight Owners		Livestock and marine products businesses, food producers	Fruit juice and drinks companies	Frozen and chilled foods producers, pharmaceutical companies	Frozen and chilled foods producers	Frozen and chilled foods producers	Food retailers	Frozen and chilled foods producers, Volume retail centers
Distinctive Characteristics		<ul style="list-style-type: none"> • Storage in port areas for freight arriving and leaving Europe • Animal quarantine station 	Leading company for storage of fruit juice drums arriving in Europe	<ul style="list-style-type: none"> • Land and sea transport to Europe, Africa, Eastern Europe, and the Middle East • Consigned forwarding business operator 	Microwave thawing, controlled air thawing, and quick freezing provided as value-added services	Quick freezing and repackaging provided as value-added services	<ul style="list-style-type: none"> • Delivery service to stores • Locations with cross-dock functions to sort and ship goods by general direction • Actual and consigned forwarding business operator 	Actual forwarding business operator with approx. 80 company-owned vehicles

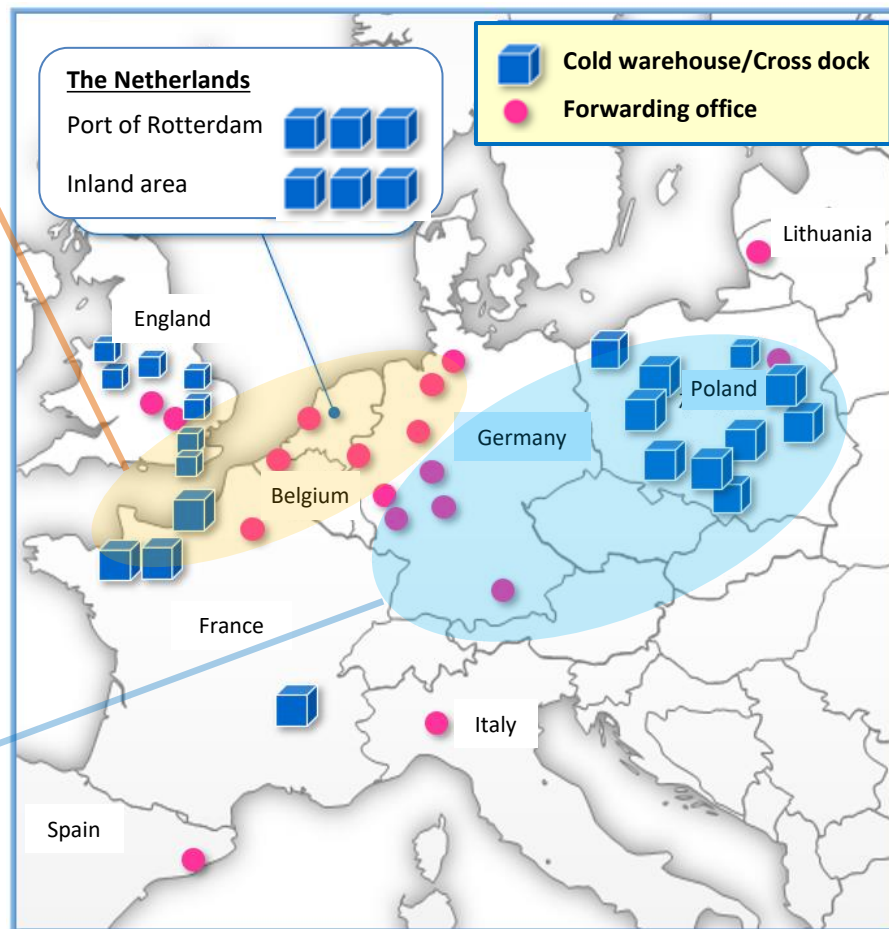
Growth from dual strength in port operations and distribution

Port Operations Business Model (Upstream)

- Port operations and distribution business centered in Rotterdam (the Netherlands)
- Cross-border, seamless temperature-controlled logistics service combining refrigerated warehouses at marine ports with customs clearance, inland and sea transport functions

Distribution Business Model (Downstream)

- Temperature-controlled distribution for retail chains in Germany and Poland






Top Ten Companies of Europe in the Refrigerated Warehouse Industry by Capacity

Ranking	Name	Main Countries of Business	Capacity (1,000 of tonnes)
1	Lineage Logistics	United States, etc.	6,450
2	NewCold Advanced Cold Logistics	United States, etc.	1,390
3	Constellation Cold Logistics	Belgium, etc	990
4	Americold Logistics	United States, etc.	910
5	Nichirei Logistics Group, Inc	Japan, etc	630
6	Magnavale Ltd.	United Kingdom	410
7	Agri-Norcold A/S	Denmark	350
8	Frigoscandia	Sweden, etc.	330
9	Frigolanda Logistics Group	The Netherlands, etc.	150
10	Groupe Conhexa	France	130

Source: Compiled by Nichirei based on International Association of Refrigerated Warehouses document "European Top 10 List" as of March 2022

- **China: Expansion driven by business growth of freight owners**
- **Thailand and Malaysia: Aim to build a business model modeled on Europe***

* Integrated service for customs clearance, storage, and cross-border transport.

	China business (Joint Venture)	ASEAN business	
		Thailand (Joint Venture)	Malaysia (Joint Venture)
	<p>日冷物流投資(上海)有限公司 and four other companies</p> 	<p>SCG Nichirei Logistics</p> 	<p>NLCold Chain Network NL Litt Tatt</p> 
	<p>Storage and Transportation</p> <ul style="list-style-type: none"> • 7 DCs (including TC function) Approx. 10 t (Total capacity approx. 94 t, including ambient temperature range) 	<p>Storage and Transportation</p> <ul style="list-style-type: none"> • 1 DCs Approx. 47 t 	<p>Storage and Transportation</p> <ul style="list-style-type: none"> • 7 DCs Approx. 60 t
Freight Owners	Convenience stores, restaurants	Foods producers, volume retailer, restaurants	Frozen and chilled foods producers
Distinctive Characteristics	<ul style="list-style-type: none"> • Specializing in small-lot, frequent store deliveries • Able to handle items in three temperature ranges • Consigned forwarding business operator 	<ul style="list-style-type: none"> • Prime location in Laem Chabang, the largest arrival port in Thailand, with good access to capital city of Bangkok • Actual forwarding business operator 	<ul style="list-style-type: none"> • Malaysia's largest distribution operator specializing in halal foods, halal-certified for international transport (JAKIM MS2400-1: 2010, MS2400-2: 2010) • Actual and consigned forwarding business operator

General Information

The following is an explanation of terms as used by Nichirei Logistics Group, following general concepts.

Distribution Center (DC)	A stock-type distribution center, these facilities hold and store inventory.
Transfer Center (TC)	A passage-type logistics center, these facilities do not hold inventory, but sort incoming stock by general direction and ship it onward. Nichirei Logistics Group considers Transfer Centers to be distribution centers with three temperature ranges, reserved for specific freight owners.
Cross Dock (XD)	These facilities generally do not hold inventory, but sort incoming stock by general direction and ship it onward. Nichirei Logistics Group considers Cross Docks to be distribution centers in the frozen temperature range, mainly overseas, handling freight from numerous owners within the same facility.



Nichirei Logistics Group releases a Business Report annually in May as external disclosure with business results and information on the progress of the current business plan. Documents are available on the company's website (Japanese only).



Company's website

<https://nichirei-logi.co.jp/index.html>

Business Report

<https://nichirei-logi.co.jp/company/report.html>

Aside from historical facts, Nichirei's present plans, forecasts and strategies as outlined in this publication consist of forward-looking statements about future business performance. These forecasts of future business performance and explanations of future business activities may or may not include words such as "believe," "expect," "plan," "strategy," "estimate," "anticipate" or other similar expressions. These statements are based on the information available to Nichirei management at the time of publication. Actual results may differ significantly from these forecasts for a variety of reasons, and readers are therefore advised to refrain from making investment decisions based solely on these forward-looking statements. Nichirei will not necessarily revise its forward-looking statements in accordance with new information, future events, and other results. Risks and uncertainties that could affect Nichirei's actual business results include, but are not limited to:

- (1) Changes in the economic conditions and business environment that may affect the Nichirei Group's business activities.
- (2) Foreign exchange rate risks, especially as regards the US dollar and the euro.
- (3) Risks associated with the practicability of maintaining quality controls throughout the process from product development, procurement of raw materials, production, and sale.

- (4) Risks associated with the practicability of development of new products and services.
- (5) Risks associated with the practicability of growth strategies and implementation of low-cost systems.
- (6) Risks associated with the practicability of achieving benefits through alliances with outside companies.
- (7) Contingency risks.

However, factors that may affect the performance of the Nichirei Group are not limited to those listed above. Further, risks and uncertainties include the possibility of future events that may have a serious and unpredictable impact on the Group.

This publication is provided for the sole purpose of enhancing the reader's understanding of the Nichirei Group, and should not be taken as a recommendation regarding investment decisions.