

Business Overview



Nichirei Corporation

(Stock code: 2871)



Holding Company

Nichirei Corporation

(Number of employees: 241)

Real Estate: Rental buildings

Established: December 24, 1942

Group Companies: 81 subsidiaries, 15 affiliates Number of Employees (consolidated): 16,385

Representative Director, President & Chief Executive Officer: Kenya Okushi

Head office: Tsukiji, Chuo-ku, Tokyo

Listed stock market: Tokyo Stock Exchange-Prime Market (stock code: 2871)

External Review

Stock issue included in the Nikkei 225, JPX-Nikkei Index 400, FTSE4Good Index Series, FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index and other composites, MSCI Japan Empowering Women Index, S&P/JPX Carbon Efficient Index, Morningstar Japan ex-REIT Gender Diversity Tilt Index

Processed Foods Business

Nichirei Foods, Inc.

(Number of employees: 9,942)

Frozen foods (No. 1 sales in Japan), retort pouch foods, acerola

Marine Products Business Meat and Poultry Business

Nichirei Fresh, Inc.

(Number of employees: 1,093)

Domestic and imported marine products, distribution of meat and poultry

<u>Logistics Business</u>

Nichirei Logistics Group Inc.

(Number of employees: 4,893)

Logistics Network: Logistics solutions, distribution centers, transport, 3PL Regional Storage: Greatest cold storage capacity in Japan

Overseas: Cold chain logistics business in

Europe, China, and Thailand

Other Business

Nichirei Biosciences Inc.

(Number of employees: 97)

Reagents and diagnostic drugs, serum and culture medium

Note: Underlines indicate business segments; Figures in parenthesis are the number of employees for the respective segment.

Realizing Our Vision for 2030



"Compass Rose 2024" is a period of transformation toward realizing our Vision for 2030

FY2023-FY2025 Medium-term Business Plan

Compass Rose 2024

Ramp up sustainability management and pursue capital efficiency

2027年

- Resolve social issues
- **Expand overseas**
- Improve capital efficiency

Long-term **Management Goal:** Realizing Our Vision for 2030 Contribute to people's good eating habits and health

Net sales ¥1 trillion

Overseas sales ratio 30 %

Operating profit /Net sales 8 %

ROIC 9% or higher

Help to resolve social issues through our business; pursue capital efficiency

Create new value

Strengthen **ESG** response Conduct business

Grow core businesses portfolio management and improve low-profit businesses

Allocation of Management Resources

WeWill

2021

Growth investment, Overseas expansion, New business, Environmental measures, Promotion of IT and DX, Human resource development

(Financial Targets)

Net sales ¥660 Billions, Overseas sales ratio 20%, Operating profit/Net sales 5.6%, ROIC 7% or higher

Nichirei Group Profile



Processed Foods Business

Nichirei is a leading producer of frozen foods, with particular strength in processed chicken and rice products.



Processed Foods Business 290.9 43%



Logistics

Real Estate 4.5

Logistics

257.4

38%

Other

6.8

Adjustment

▲22.8

Largest cold storage capacity in Japan, with 75 locations. No.1 in Japan, No.5 in the world in terms of storage capacity of refrigerated warehouses, and more than 90% of sales are clients.





Real Estate

Mainly office building leasing services

Marine Products

Procurement, processing, and sales of seafood products such as shrimp, octopus, fish roe, and shellfish, as well as expansion of certified sustainable seafood products and overseas sales.

61.6 9%

Other(Biosciences)

Manufacture and sale of reagents and testing devices to find appropriate drugs for cancer patients and diagnostic reagents such as influenza/coronavirus diagnostic kits.

Meat and Poultry

Marine

Products

Procurement, processing, and sales of domestic and imported chicken, pork, and beef. Expanding sales of premium ingredients such as healthy meat.

Meat and

Poultry

81.8

12%

(Billion yen)

Net sales

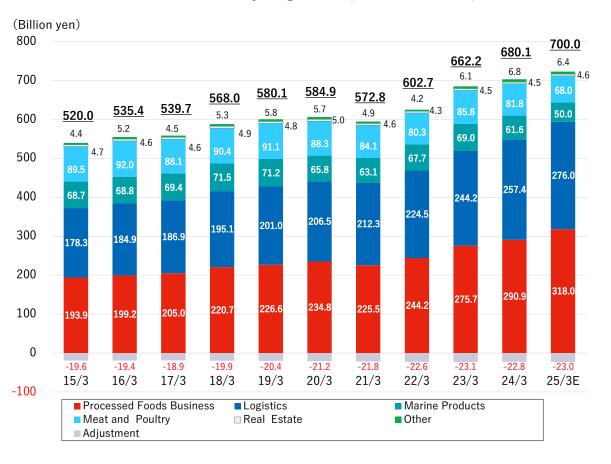
680.1

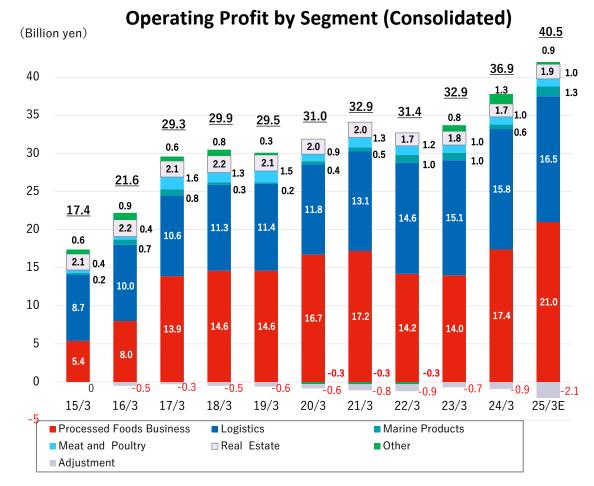
(Results for FY24/3)

Net Sales and Operating Profit



Net Sales by Segment (Consolidated)

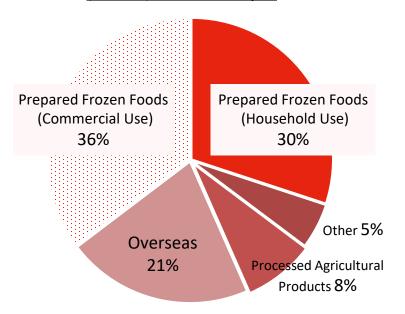




Business Profile (Processed Foods)



Composition of Processed Foods Sales at Nichirei (FY24/3) 290.9Billion yen



Sales Ranking of Frozen Food Manufacturers

(Billion yen)	Year of 2023		Householduse:	
(Billion yen)		YoY	Commercialuse ratio	
Nichirei	302.0	4.6%	46:54	
Company A	281.8	5.5%	63:37	
Company B	223.4	2.2%	45:55	
Company C	186.7	3.2%	30:70	
Company D	108.7	5.6%	60:40	

Source: Reishoku Nippo, Shokuhin Sangyo Shimbunsha Co., Ltd

The Frozen Foods Pioneer, and one of the leading companies in Japan

Household use products













Processed Agricultural Products



Overseas

General Tso's Chicken

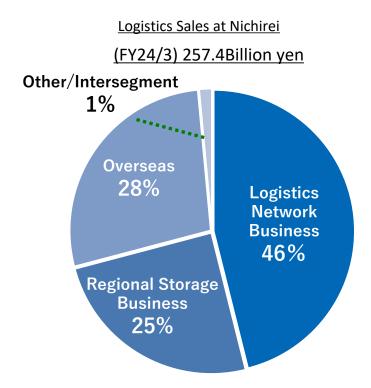


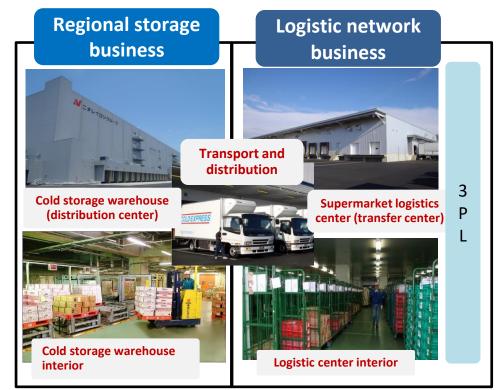
Other



Business Profile (Logistics Business)

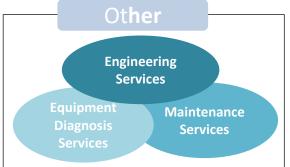






Overseas

Providing a **one-stop service**that covers everything from
maritime transport arrangements,
customs clearance, ancillary
processing, storage, and
transportation in **Europe**, **ASEAN**, and **China**.



Nichirei Group's Strengths					
Facility Capacity / Cargo Collection	 Domestic storage capacity of around 1.55 million tons – Leading market share (around 8%) Warehouses in major metropolitan areas with heavy cargo traffic and prime locations, as well as in agricultural and livestock-producing regions 				
Varied services	 Nationwide warehouse and transport network supporting a comprehensive service including storage, additional services, and delivery Total of around 40 delivery centers serving major retailers 				
Quality Control / Trustworthiness	 Expertise to make high-quality operations possible Business relationship with around 5,000 companies annuals, based on the trustworthiness of the Nichirei brand 				

Nichirei's Position in the Logistics Industry



- 1. Nichirei has the greatest refrigerated storage capacity in Japan, and the five largest worldwide. We have a dominant position within the Japanese storage industry, though there are many small to mid-sized operators scattered throughout the country, and the low degree of concentration at the top is notable.
- 2. Nichirei holds a leading position in the food logistics industry, including transport and delivery.

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

Ranking	Name	Capacity (tonnes)	share
1	Nichirei Logistics Group	1,566,652	8.4%
2	Yokohama Reito	977,826	5.3%
3	Maruha-Nichiro Holdings	648,476	3.5%
4	Chilled & Frozen Logistics Holdings	588,016	3.2%
5	Toyo Suisan Group	580,404	3.1%
6	Nissui Logistics Corporation	433,339	2.3%
7	Matsuoka	362,717	2.0%
8	Runtec Corporation	319,414	1.7%
9	Futaba Corporation	295,997	1.6%
10	K.R.S.Corporation	281,658	1.5%
11	Konoike Transport	279,578	1.5%
12	Nippon Logistic Center	239,631	1.3%
13	Igarashi Reizo	235,509	1.3%
14	Hohsui Corporation	215,179	1.2%
15	Daiichi Storehouse & Refrigeration	205,699	1.1%
16	Muroo	179,354	1.0%
17	Hyoshoku	175,973	1.0%
18	Fujibayashi Group	150,620	0.8%
19	Yamate Reizo	142,128	0.8%
20	FUKUOKAUNYU	140,152	0.8%

Top Ten 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	33,527
2	Americold Logistics	United States,etc	16,892
3	United States Cold Storage	United States,etc	4,594
4	NewCold Cooperatief U.A.	United States,etc	2,891
5	Nichirei Logistics Group, Inc	Japan, etc	2,256
6	Emergent Cold LatAm	United States	1,778
7	Constellation Cold Logistics	Belgium, etc	1,645
8	Frialsa Frigorificos S.A. De C.V.	Mexico	1,424
9	Interstate Warehousing, Inc	United States	1,374
10	FreezPak Logistics	United States	1,306

Source (table):Compiled by Nichirei based on International Association of Refrigerated Warehouses document "Global Top 25 List" as of April 2024

Source: Compiled by Nichirei based on Japan Association of Refrigerated Warehouses documents published November 2022 (excluding non-members' data).

Forward-looking Statements

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.