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Stock exchange listing: Tokyo Stock Exchange, First Section
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Maruha Nichiro Group's new medium-term management plan
"For the ocean, for life MNV 2024"

Maruha Nichiro Corporation (hereinafter "the Company") hereby announces that the company developed new medium-term management plan, "For the ocean, for life MNV 2024", for the upcoming three years from FY2022 to FY2024.

With this plan, to exemplify our group philosophy "to be an essential part of society by improving everyone's daily life with wholesome, safe and healthy food" based on our brand statement, "For the ocean, for life", our group will continuously commit to enhancing enterprise value and generating sustainable growth through creating "Maruha Nichiro Economic Value", "Social Value" and "Environmental Value" even under competitive business environment.

1. Summary of former medium-term management plan

Our group, under the former plan "Innovation toward 2021" starting from FY2018, have addressed three main strategies; "Further increase in profitability", "Invest in growth" and "Strengthen business foundation". Especially in processed food business, profitability and financial foundation has strengthened through reorganization of production facilities and strategic investment. However, we still have some challenges to address, such as business model refining, further investment in growing businesses, and value chain strengthening across departments.

2. New long-term corporate vision toward 2027

We redefined the long-term corporate vision to enhance enterprise value and generate sustainable growth.

New long-term Corporate Vision

1. To contribute to making the earth and society more sustainable by creation of “Maruha Nichiro Economic Value”, “Social Value” and “Environmental Value” through business
2. To enhance value proposition of “Maruha Nichiro Brand” globally, and contribute to enhancing customers’ health value
3. To strengthen and make sustainable value chain, based on the business activities of procuring marine resources and food processing technology, and maximum enterprise value

Business Vision

1. To become the No.1 global seafood supplier
2. To become a top producer of frozen and nursing care food supplier
3. To become a leading company of creating value in seafoods and marine-based materials for foods with functional claims

3. Overview of new medium-term management plan “For the ocean, for life MNV 2024”

(1) Three main strategies in new medium-term management plans

To pursue the redefined long-term corporate vision, we develop back-casting approach road map for nonlinear growth and commit to “Integration of business strategy and sustainability”, “Implementation of management for creating value” and “Strengthening business foundation for sustainable growth.”



(2) Integration of business strategy and sustainability

Through integrating business strategy and sustainability, we will create **M**aruha **N**ichiro **V**alue (MNV) to all our stakeholders and enhance enterprise value and generate sustainable growth. To create MNV, we will steadily execute business strategies for maximizing “Maruha Nichiro Economic Value”, which is the foundation to make business continuous, and aim for maximizing “Social Value” and “Environmental Value.”

(3) Implementation of management for creating value – Business strategy financial KGI-

		Target for FY2024 (A)	Target for FY2027 (B)	Forecast for FY2021 (C)	Gap	
					A-C	B-C
MNEV	Billion yen	9.5~	11~	8.9	0.6	2.1
Sales	Billion yen	960~	1,000~	860	100	140
Operating Income	Billion yen	27~	31~	23	4	8
EBITDA	Billion yen	46.5~	50~	41.2	5.3	8.8
ROIC		4.3%~	5%~	4.1%	0.2	0.9
ROE		9%~	9%~	10.7%	▲1.7	▲1.7
Net D/E		~1.2	~1.0	1.4	▲0.2	▲0.4

*Basic concept of MNEV: **M**aruha **N**ichiro **E**conomic **V**alue

We calculate “MNEV spread” by subtracting weighted average cost of capital (WACC) from return on invested capital (ROIC) and obtain MNEV by multiplying MNEV spread by amount of invested capital. It represents the economic amount of added enterprise value from the business operation.

$$\begin{array}{c}
 \text{MNEV} = \text{MNEV Spread} \times \text{Invested capital} \\
 \text{Return On Invested Capital (ROIC)} - \text{Weighted Average Cost of Capital (WACC)}
 \end{array}$$

(4) Implementation of management for creating value -Sustainability-

We will clarify the role that we should play as No.1 seafood company in the world and review materiality and aim to creating “Environmental Value” and “Social Value.”

Environmental Value
Social Value

- ① Action for Climate changes
- ② Contribution for implementing recycling society
- ③ Action for marine pollution by marine plastics
- ④ Action for preserving biodiversity and ecosystem
- ⑤ Provision of safe and secure food
- ⑥ Food provision contributing to creating health value and sustainability
- ⑦ Building work environment that diversified employees can work with a sense of security
- ⑧ Respect for human right in business operation
- ⑨ Development of sustainable supply chain

(5) Strengthening business foundation for sustainable growth

Creating and delivering health value based on consumer's needs	<ul style="list-style-type: none"> • Providing foods which can improve customers' health, such as frozen food, processed food, food with functional claims, nursing food and pet food, based on the business activities of procuring marine resources and food processing technology
Developing innovation ecosystem	<ul style="list-style-type: none"> • Proactive investment in marine-tech area and food-tech area • Exploring the possibility of utilizing digital technology in new business area
Active investment in human resources	<ul style="list-style-type: none"> • Strengthening organization and human resources for the goal of "Cultivating change makers for new era"
Strengthening corporate branding	<ul style="list-style-type: none"> • Strengthening corporate branding through proposal of "various utility value of the fish"
Managing risk of Intellectual property and utilizing intangible assets	<ul style="list-style-type: none"> • Strengthening the risk management on Intellectual property and utilization of intangible assets as group-wide through cooperation inside of our group
Developing foundation for promoting DX and utilizing digital technology	<ul style="list-style-type: none"> • Developing organization to promote DX led by the top management and strengthening foundation for reform and new technology • Modernizing existing IT assets and increasing productivity by transforming operation process