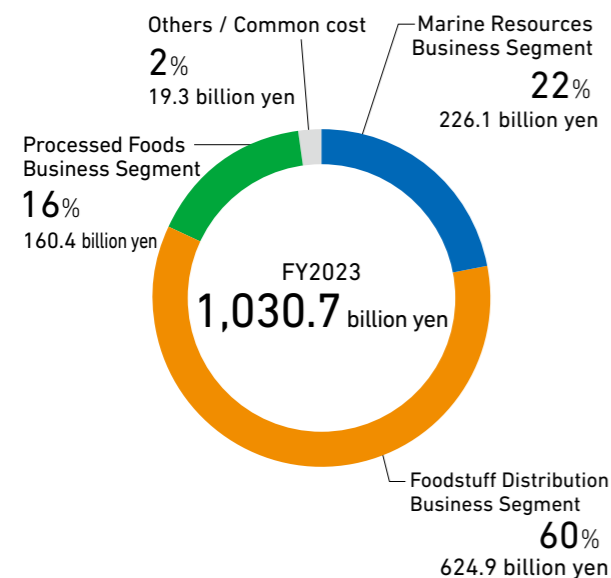
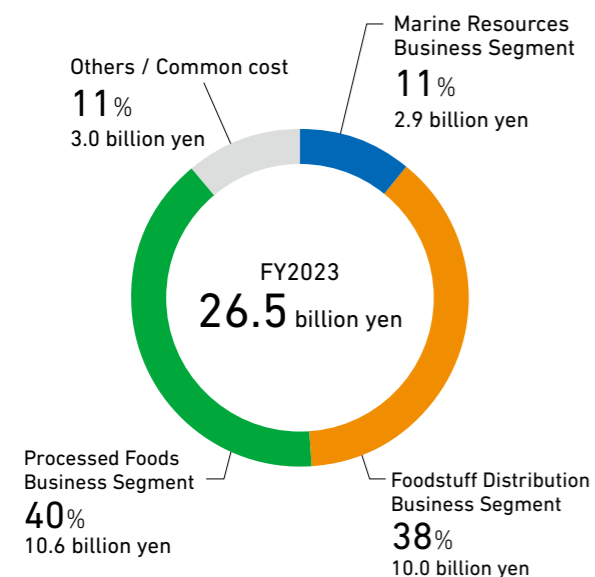


Results by Segment

Net sales by segment



Operating income by segment

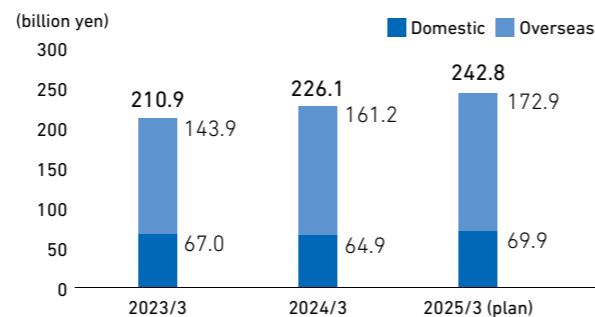


ROIC by segment

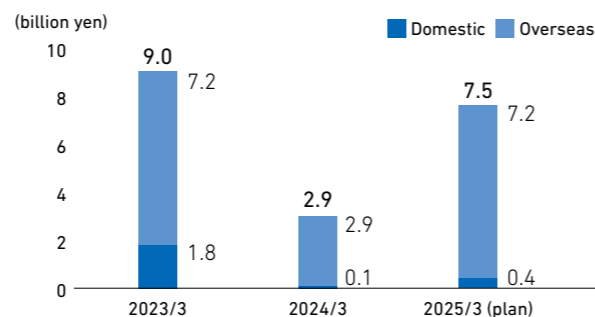
Segment	ROIC	
	FY2023	FY2024 (plan)
Marine Resources	1.9%	4.3%
Foodstuff Distribution	4.1%	3.7%
Processed Foods	7.1%	7.1%
Company-wide	4.2%	4.3%

Marine Resources Business Segment

Net sales



Operating income



Message from Segment Director

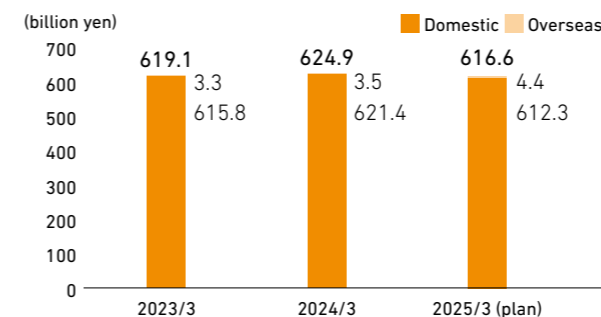
Through organizational restructuring, the Marine Resources Business Segment was launched in 2024 comprised of the Fishery Business, Aquaculture Business, and North America Operations, three units which are directly involved with marine resources. Fishery, the Company's founding business, started 144 years ago, and at its height more than 60 years ago, we began the aquaculture business and North America operations for the next generation. During this time, even as global fishery regulations undergo significant changes, we have continued to maintain world-leading access to marine resources. This is a testament to the trust built by our predecessors around the world, and has become part of the Maruha Nichiro Group's DNA. While ensuring the sustainability of limited marine resources, we will strive to create value from economic, environmental, and social perspectives and enhance MNV.



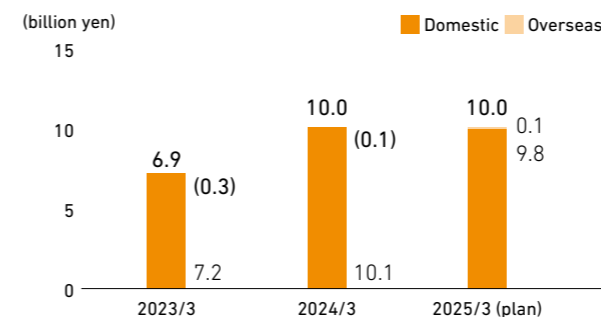
Kenji Funaki
Director of Marine Resources Business Segment
Director and Managing Executive Officer

Foodstuff Distribution Business Segment

Net sales



Operating income



Message from Segment Director

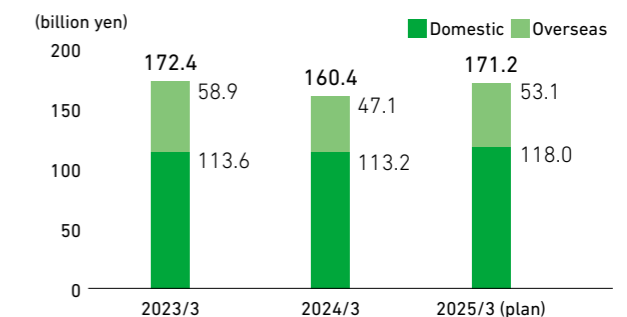
To maximize MNV, we are aspiring to create value with a customer-originated approach. We process all foodstuff, such as marine resources, agricultural foods and meat products, and frozen foods, to the optimal level for our respective customers, including food services, convenience stores, delicatessens, co-ops, and nursing care facilities. With Marine Products Trading joining in April 2024, three units including Foodstuff Distribution Business and Agricultural Foods & Meat and Products provide one-stop product delivery services for our customers. Under the Medium-term Management Plan, we aim to play a central role in building a stronger and more profitable Maruha Nichiro value chain. To this end, we are enhancing processing functions, expanding the nursing care food business, and strengthening sales of imported meat ingredients.



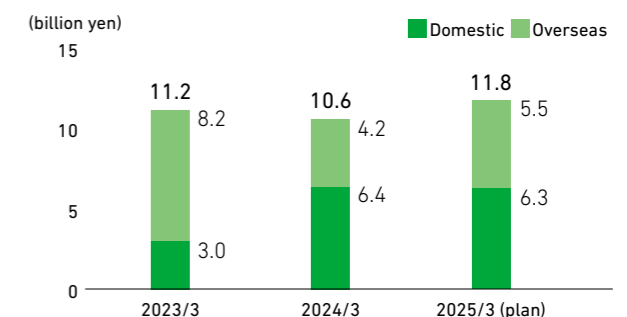
Daisuke Yasuda
Director of Foodstuff Distribution Business Segment
Managing Executive Officer

Processed Foods Business Segment

Net sales



Operating income



Message from Segment Director

We create high-value-added products using an array of raw materials, including global marine resources, and applying processing technologies cultivated over many years. About 70% of our sales come from the domestic market, with the rest from overseas markets such as Thailand, the United States, and Europe. Our segment's mission is to improve everyone's daily life by offering products that meet the diversifying needs of customers in response to societal changes, both domestically and internationally. Although the procurement areas for raw materials have changed due to climate change, we will leverage Maruha Nichiro's unique procurement capacity and accelerate our growth strategies for the development of large products and the expansion of overseas markets.



Satoshi Kokaji
Director of Processed Foods Business Segment
Managing Executive Officer

Fishery Business Unit

Message from Unit Director

Promoting reforms as the unit at the core of MNV creation

Our unit is responsible for fishery, based on which the Maruha Nichiro Group provides value to customers around the world. For 144 years since our founding, the unit has contributed to fishery modernization and technological advances in response to the changing times. Our business is facing mounting challenges that are making it difficult to secure profits, including shortage of fishery technicians and engineers, rising labor costs, and soaring prices of fuel and supplies, making productivity improvement an urgent task. While global consumption of marine products is increasing every year, global fishery production, excluding aquaculture, has remained flat. It is thus important to add value to caught fish for distribution, and we will be building a value chain in collaboration with the Foodstuff Distribution Business Segment and the Processed Foods Business Segment.



Shoji Kishi
Director of Fishery Business Unit
Executive Officer

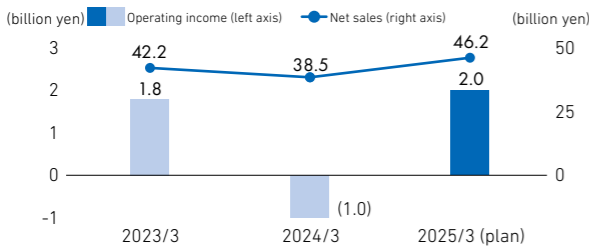
Overview of FY2023

It was an extremely challenging year for our unit's results. While the catch volume is always highly variable and has a significant impact on our financial results, the increase in costs outpaced the selling price revision in FY2023, putting pressure on profits. There are also businesses that have profitability issues, and stabilizing profits is considered as the unit's most critical task.

Strengths and advantages in the market

- Possess fishing rights and catch quotas for fish species in waters where marine resources are thoroughly managed
- Ability to network with regional fisheries management organizations and government agencies in each country that manage marine resources through longstanding partnership
- Ability to implement fishery business for MSC-certified fish species in light of diversifying markets

Net sales / Operating income



Business strategy

Our unit aims to expand resource access premised on maintaining and preserving marine resources, and is engaged in business and profit restructuring to achieve sustainable growth. As building new vessels is extremely expensive, fisheries that do not promise high returns are not sustainable. We must reassess the profitability of the fishing methods employed in various regions and consider withdrawing where necessary, and adopt new fisheries or fishing methods where profits can be expected. Additionally, it is our mission as a leading

seafood supplier to pursue next-generation fishing vessels and methods. We will adapt to the global increase in fish consumption and the diversification of needs by increasing MSC-certified products and shifting toward the fisheries of the future.

Contribution to achieving materiality

- Austral Fisheries' participation in the Australian government's efforts to achieve carbon neutrality (purchase of emissions credits, etc.)
- Participation in various initiatives related to management of marine resources
- Responsible supply of MSC-certified fish species through the supply chain
- Elimination of IUU fishing

Topics

TAIYO A&F CO., LTD. obtains MSC fishery certification for skipjack and yellowfin tuna purse-seine fishing

On February 26, 2024, TAIYO A&F CO., LTD. obtained MSC fishery certification for its skipjack and yellowfin tuna purse-seine fishing. This certification applies to three purse-seine fishing vessels for skipjack and tuna, which are owned by Taiyo Micronesia Corporation, a joint venture between TAIYO A&F and the Federated States of Micronesia, and operated in the central Pacific Ocean. Fishing is an essential industry for supplying food into the future and is an important business of our Group, whose mission is to provide a stable supply of sustainable marine products. With this MSC fishery certification*, we will pass on sustainable fishing to future generations, alongside processing and selling products made from sustainably sourced skipjack and yellowfin tuna.

* MSC fishery certification is awarded to fisheries that meet the strict certification standards of the Marine Stewardship Council (MSC), an international non-profit organization that manages and promotes a certification system for sustainable fishing which minimizes the impact on marine resources and the environment.



Aquaculture Business Unit

Message from Unit Director

Building a new aquaculture business model that enhances environmental and social values

Farmed fish is an appropriately managed marine resource. Our unit's mission is to provide the world with a stable supply of high-quality protein produced from such fish. As a leader in the aquaculture industry, we have an important role to drive technological innovation. We are advancing efforts to protect wild marine resources using full-life cycle aquaculture technology and establishing safe and secure aquaculture by reducing the use of pharmaceuticals.

Although the aquaculture industry is expanding globally, its contraction is a concern in Japan due to the aging of fishermen, among other factors. The Company will strive to develop technologies for new species or species that grow rapidly in a short period, and contribute to solving the challenges of the domestic and international aquaculture industry and revitalizing local communities.



Satoshi Imoto
Director of Aquaculture Business Unit
Executive Officer

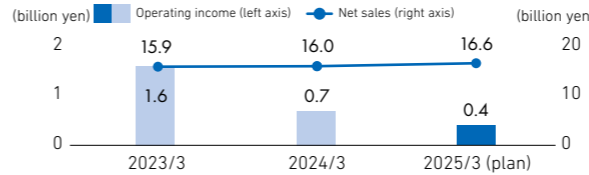
Overview of FY2023

While there was an increase in inbound demand, our unit was impacted by China's import restrictions over the ALPS treated water issue, the price collapse of Mediterranean tuna, and other factors. Coupled with the increased supply of yellowtail causing a price decline, our sales struggled in FY2023. Furthermore, the surging costs of raw materials, including meal, fishmeal, and other feedstuff, put pressure on profits. With feedstuff shortages and high costs expected to continue, we are working on the development of low-fishmeal techniques and alternative feedstuff with urgency.

Strengths and advantages in the market

- Aquaculture know-how that has increased the ratio of artificial juvenile accumulated since the start of the aquaculture business (1959) and the start of artificial hatching (1975)
- A sales system that can meet diverse customer needs, such as the overseas expansion of major Japanese restaurant chains
- An aquaculture research system through collaboration with the Group's technology research and development division, as well as external research institutions such as the Japan Fisheries Research and Education Agency (FRA)

Net sales / Operating income



Business strategy

As a member of SeaBOS, an initiative promoting the preservation of the marine environment and marine resources, Maruha Nichiro is actively promoting the reduction of antimicrobials used in aquaculture by increasing vaccination efficiency. In addition, we are establishing an external sales system for artificial juveniles with the aim of improving production efficiency at an early stage. We are also developing cost reduction schemes by actively integrating IoT and AI technologies into aquaculture, with a view to providing them to the entire aquaculture industry in the future.

Furthermore, we are working to increase profits by expanding sales channels with fixed prices and quantities, which are not easily affected by market conditions, and selling live fish to China and South Korea as well as fresh fish and processed products to Southeast Asia.

Contribution to achieving materiality

- Effective utilization of by-products from food processing as aquaculture feed
- As part of our action against marine pollution by marine plastics, switching foam floats used in offshore aquaculture to floats made of more durable ABS resin, or HDPE (high-density polyethylene) materials, to reduce the risk of plastic leakage into the ocean
- Acquisition and maintenance of ASC certification for yellowtail, amberjack, and other species

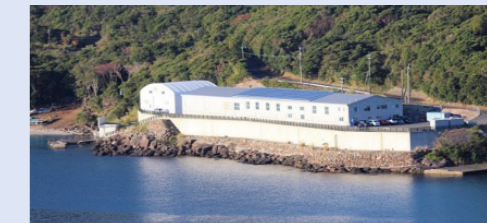
Topics

Maruha Nichiro Aquaculture Technology Development CO., Ltd. (R&D of breeding and farming techniques for major fish species)

At our seedling production facility, to protect our mainstay yellowtail from fish diseases, we are working to develop SPF* artificial seeds using seawater sterilized by a "next-generation ultraviolet water sterilization system" for all rearing water.

Furthermore, we are working on reducing the stress of juvenile fish by using an AI-based juvenile counting system and a high-speed, high-precision large-volume fish management system using fish pumps. By optimally feeding and medicating the artificial seeds in the rearing facility through counting, we are striving to improve the health of cultivated fish and create a healthy marine environment.

* Abbreviation for specific pathogen-free. It refers to farmed fish being free from specific pathogens that could cause them harm.



North America Operations Unit

Message from Unit Director

Implementing profitability enhancement measures in response to a turbulent market environment

The mission of the North America Operations Unit is to deliver safe and secure marine resources to customers worldwide, using its global sales network and leveraging its strength in access to Alaska pollock, Pacific cod, and crabs. This unit, with over 80% of its sales coming from overseas, is significantly impacted by recent global trends, such as inflation, rising labor costs, and currency fluctuations. Leveraging our values and beliefs cultivated in our over 60 years of experience, we will take optimal responses to the changes, including accurately assessing the turbulent situation, fundamentally reducing production costs, reorganizing the business structure, and making new investments, and continue to carry out a business that ensures a stable supply of high-quality protein.



Itaru Kawada
Director of North America
Operations Unit
Executive Officer

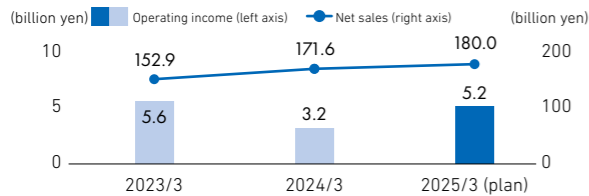
Overview of FY2023

The market price of Alaska pollock products, which are a core business of our unit, dropped due to a global supply-demand imbalance. In addition, the costs of logistics, infrastructure, labor, and other expenses all surged. As a result, the North America business saw a significant decline in operating income, marking a sharp reversal from the strong performance in FY2022. On the other hand, in the European business, the retail business, including sushi ingredients and Asian foods, and the hotel restaurant business performed well. The domestic business also saw an increase in both net sales and operating income, although results varied by product.

Strengths and advantages in the market

- A seamless business model that integrates "resource access," "production," and "sales," primarily for the North America business handling Alaska pollock, etc.
- A collaborative structure between the North America Operations Unit's sales sites in North America, Europe, and Japan and the Group's sites worldwide
- Globally competitive in resource access, processing technology know-how, sales network, sustainability measures, etc.

Net sales / Operating income



Business strategy

The biggest challenge facing the creation of economic value, which serves as our business foundation, is recovering the profitability of the Alaska pollock business. We will make efforts aiming to establish an appropriate production system and ensure reliable sales. The European business is progressing smoothly. We will further expand growing businesses and work quickly to rebuild those that are struggling. In FY2024, our efforts will be primarily focused on these measures. In the next Medium-term Management Plan, we will promote improving production efficiency as a cost-control measure, as well as further advance an exit strategy

to maximize our strength in resource access within the Group. We will strengthen our business structure by enhancing the use of the Group's functions, and by considering M&As to expand our sales capabilities, including in the secondary processing sector based on Alaskan resources and distributor functions.

Contribution to achieving materiality

- Promotion of waste reduction and effective use of resources, such as improving the protein capture rate in wastewater during surimi production
- Conducting regular marine resources surveys and active promotion for maintaining sustainable access to resources, as exemplified by the North America business. Building a workplace environment where diverse employees around the world can work with a sense of security

Topics Entered into a capital and business alliance agreement with Kibun Foods Inc.

On March 25, 2024, we entered into a capital and business alliance agreement with Kibun Foods Inc. ("Kibun Foods"). Kibun Foods, founded in 1938, is a manufacturer that makes and sells products such as fish paste-based products, side dishes, and marine delicacies. Adhering to the philosophy of "When in doubt, do not purchase the stock, do not produce, do not ship, and do not sell," Kibun Foods offers high customer value primarily through fish paste-based products under the Kibun brand. The North America Operations Unit will aim to enhance customer value and increase the enterprise value of both companies, such as through expanding sales in North America and Europe by leveraging both companies' commercial distribution channels and considering the development of new products that will stimulate demand from overseas consumers.



Marine Products Trading Unit

Message from Unit Director

Remaining the top trader in preserving marine resources around the world

Our unit plays a central role in making the Maruha Nichiro Group the world's No. 1 seafood company. Our production sites and suppliers span over 70 countries, and we have established a robust procurement system based on long-standing trust. Backed by our credibility from having numerous fish species that have the top market share in Japan, we have developed sales channels for delivering products to a wide range of customers across the country. With this foundation, we are driving our business forward with the goal of becoming the top seller in both marine products and processed foods made from marine products. Our sustainability strategy commits to "Food provision contributing to creating health value and sustainability." As a top marine resource trader, we are working to increase our ratio of marine products certified by MSC/ASC and other standards.



Masayuki Kanamori
Director of Marine Products
Trading Unit
Executive Officer

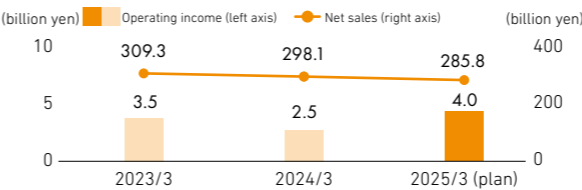
Overview of FY2023

The stockpiles that companies had secured with some leeway due to the global supply uncertainty caused by COVID-19 were deemed excessive when the pandemic began to subside, and the prices of many products fell sharply. In addition to overall struggles in sales, the moderate yet steady depreciation of the yen from 135 yen to 150 yen to the dollar posed a major obstacle for our unit, which has a high import ratio.

Strengths and advantages in the market

- Global procurement capabilities realized through the Group's access to marine resources and by maintaining strong relationships with mainstay global product suppliers
- Strong sales capabilities utilizing diverse sales channels in Japan and overseas

Net sales / Operating income



Business strategy

We have secured and maintained a certain market share through efficient procurement from our global production sites, combined with market-in-type sales. While products with a high market share have led to beneficial business opportunities, there are also products with relatively low market shares. We intend to expand our product-out-type sales, selling products that are high quality, with a stronger emphasis on origin and raw materials, and have Maruha Nichiro's high originality, while acquiring new customers both domestically and internationally. We plan to advance our business along two axes. First, we will promote close personnel exchanges within units and

segments to build favorable relationships with suppliers and customers and share business know-how.

Additionally, to further expand resource access, we will secure our own supply sites, including for overseas aquaculture marine products.

Contribution to achieving materiality

- Establishment of a thorough quality control system during product development and procurement in collaboration with the Quality Assurance Department
- Expansion of lineup of MSC- and/or ASC-certified products
- Free of IUU

Topics JR Walking Fureai Fish Market Festival by JR Kyushu and Kyushu Uoichi

JR Walking Fureai Fish Market Festival, an event jointly organized by JR Kyushu, Kitakyushu City, and the University of Kitakyushu, was held on March 23, 2024.

The goal of the walking route, the Kitakyushu Central Market, was bustling with approximately 1,500 visitors enjoying fresh delicious seafood rice bowls, a tuna cutting show, a children's dance show, a fishing game, and more. To further revitalize and promote the market, we will continue to inform about events that connect a wide range of generations to the market.

We will also actively appeal to the next generation of market stakeholders.



Foodstuff Distribution Business Unit

Message from Unit Director

A customer-centric, channel-based organization meets diverse market needs

The Company, which formerly had a vertical organizational structure based on product categories, has made organizational changes to expand customer-centric sales and services. It is now divided into seven departments, each corresponding to a sales channel. Our strength lies in the fact that these channels can cover almost all BtoB markets. Furthermore, as our unit can hear about customer needs firsthand, we are able to swiftly reflect them in the development of new products.

The marine resources we handle are precious. As a hub in the value chain, we consider it our mission to utilize nature's blessings sustainably and efficiently and deliver them to people around the world.

Yoshinobu Kumamoto double hats as Director of the Foodstuff Distribution Business Unit and Director of the Agricultural Foods & Meat and Products Unit.

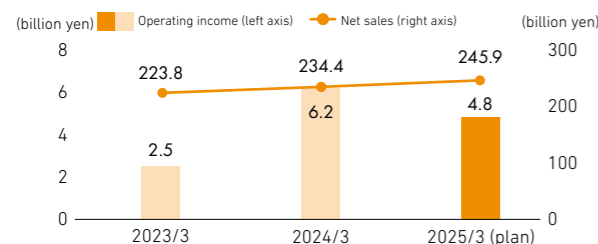
Overview of FY2023

Boosted by the recovery of human flow and an increase in inbound demand, we were able to capture customer needs accurately, allowing all unit departments and Group companies to reach their targets. We recognize that FY2024, the final year of the current Medium-term Management Plan, will be a crucial year for finding out whether the strong performance in FY2023 owed to our capabilities or not.

Strengths and advantages in the market

- Advanced ability to solve customer issues with diverse sales channels that allow direct interactions with customers
- Food processing sites that can meet diverse user needs such as frozen, refrigeration, and ambient temperatures
- Rising market share in the growing nursing care food market mainly in the kizami (minced), mixer (blended), and soft food categories

Net sales / Operating income



Business strategy

This unit currently comprises seven departments and six affiliated companies. Prior to the change, each department pursued optimization individually. Therefore, there still remain overlaps and inefficiencies in the unit in both manufacturing and sales. The immediate top priority is to resolve them and pursue overall optimization by leveraging each department's strengths. Reconstructing is troublesome, compounded with circumstances that vary by site. Nevertheless, we will work to achieve the unit's goal of expanding customer-originated sales and

services. In addition, we will accelerate expansion into overseas markets in response to domestic challenges, such as the declining birthrate, aging population, and shrinking market. We will initially focus on Southeast Asia and North America, ranging from fresh fish to highly processed products.

Contribution to achieving materiality

- Product development using MSC-, ASC-certified raw ingredients
- Plastic use reduction and food loss reduction initiatives
- Development of products that create health value, such as nursing care and low-sodium foods

Topics Establishment of MARUHA NICHIRO OCEAN Co., Ltd.

On April 1, 2024, Group companies Maruha Nichiro Retail Service Co., Ltd. (specializing in the production and sale of secondary processed tuna products, such as negitoro) and Marine Access Corporation (specializing in the procurement and primary processing of bigeye and yellowfin tunas, etc.) merged to form MARUHA NICHIRO OCEAN Co., Ltd.

With this merger, the Maruha Nichiro Group will integrate its tuna processing business to adapt flexibly to the drastically changing market environment. We will help find solutions to customers' various tuna-related issues, from wild and farmed, fresh and frozen, and primary processed products to secondary processed products.



Agricultural Foods & Meat and Products Unit

Message from Unit Director

Building a sustainable and stable procurement system for agricultural foods and meat products

Maruha Nichiro is synonymous with procurement capacity, and so is the Agricultural Foods & Meat and Products Unit, which has established a sustainable and stable procurement system by building strong relationships with excellent shippers. We adopt a unique strategy that differs from our rival trading companies that primarily handle agricultural foods and meat products. For example, we supply processed agricultural foods and meat products to major customers, and have received positive feedback on quality. We aim to leverage the strengths within the Group to expand sales volumes, both domestically and internationally.



Yoshinobu Kumamoto
Director of Foodstuff Distribution Business Unit and Agricultural Foods & Meat and Products Unit
Executive Officer

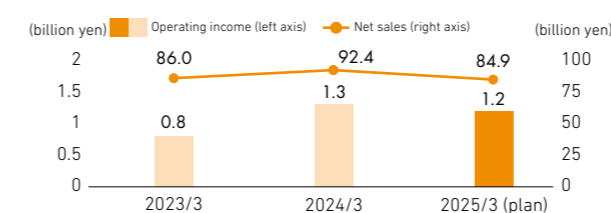
Overview of FY2023

Meat products exceeded targets in a challenging market environment as a result of our strength in stable procurement and forward-looking strategy. Agricultural foods had a high import ratio and was significantly impacted by the weak yen in FY2023. Nevertheless, they were blessed with excellent customers and met their annual targets. The surge in prices of fresh vegetables due to poor weather also contributed to the increased sales of frozen vegetables.

Strengths and advantages in the market

- Top-class market share in domestic cow meat and pork imports
- Cooperative capabilities within the Group that enable a stable supply of various types of meat and processed meat products from around the world for the Processed Foods Business Unit and Foodstuff Distribution Business Unit within the Group
- Strong sales capabilities utilizing diverse sales channels in Japan and overseas

Net sales / Operating income



Business strategy

Market demands are shifting toward foods with better time performance. In response, for meat products, we are transitioning from raw material-like products and businesses of foodstuff distribution trading companies, to businesses that are closer to the end user. We aim to make the most use of the sales channels of the Foodstuff Distribution Business Unit to provide higher-processed products. Currently, we are establishing a system that allows us to compete more effectively downstream, including the development of processing sites.

For agricultural foods, convenient products such as

easy-to-use mixed vegetables and thaw-and-serve products are seeing growth. To ensure stable supply, we will strengthen our relationships with existing suppliers and diversify our sourcing regions to disperse risks due to climate change and political changes.

Contribution to achieving materiality

- Initiatives for zero quality-related incidents
- Contributions to people's health through a sustainable supply of high-quality animal protein
- Strong relationships with diverse suppliers and contributions to a sustainable stable supply of agricultural foods and meat

Topics Introducing Japanese-style fried chicken into the U.S. market

Maruha Nichiro Meat and Products USA, Inc., a U.S. subsidiary, has been operating a joint venture plant with a local partner company since 2019, producing and selling Japanese-style fried chicken in the United States.

While Japanese cuisine is popular around the world, much of the Japanese food sold in the United States differs from what Japanese people would consider authentic. In this country with a strong fried chicken culture, we aim to create a market for Japanese-style fried chicken with Maruha Nichiro's quality and taste.

While the plant's establishment was immediately followed by the COVID-19 pandemic, we have now resumed exhibitions and are steadily expanding our sales channels.



Processed Foods Business Unit

Message from Unit Director

Accelerating overseas expansion and optimizing production sites

This unit primarily provides products bearing the Maruha Nichiro brand mark, which are highly trusted and supported by consumers. In the categories of consumer frozen foods, grocery sales (non-frozen), and chilled foods, our competitive edge comes from proposals that leverage our high quality and comprehensive capabilities. We will continue to strengthen and streamline our sales efforts while promoting products of the Maruha Nichiro brand to consumers.

Our main challenge is further tapping into overseas markets. To address this, we will work to strengthen our organization, including securing and developing talent. Coping with Japan's labor shortage due to population decline is also a challenge. We will seek to optimize our domestic and international production sites through automation and efficiency improvements.



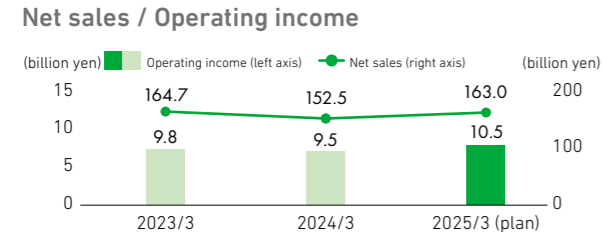
Katsushi Kurume
Director of Processed Foods Business Unit
Executive Officer

Overview of FY2023

In the Japanese market, the downgrading of COVID-19 to category 5 stimulated the flow of people, including eating out and travel. On the other hand, consumers became more frugal due to increasing price hikes, which led to a shift toward lower-priced, larger-quantity products and a decrease in the number of items purchased. While we saw significant increases in operating income for consumer frozen foods and chilled foods for which price revisions were made, groceries, seasonings, extracts, and freeze-dried foods for which price revisions were difficult saw decreases in operating income.

Strengths and advantages in the market

- Top domestic market share in several categories (frozen foods for bento lunch, frozen mixed vegetables, canned pelagic fish, salmon, crab, etc.)
- Manufacturing and quality control know-how cultivated throughout the Group, high value-added products using product development and technical capabilities
- Ability to propose differentiated products that meet various needs, such as stir-frying method for frozen fried rice and Risara Sausage with DHA, and products tailored to changes in lifestyle



Business strategy

Under our basic strategy to maximize the value chain across departments, we are strengthening intra-Group collaboration between the Marine Resources Business Segment and the Processed Foods Business Segment as well as customer-originated sales activities. In this context, the Processed Foods Business Unit is engaged in “developing large frozen food products,” “improving profitability by optimizing production sites,” and “expanding the sale of processed foods to global

markets.” In FY2023, we enhanced development and expanded product lineups in the frozen food and nursing care food areas, strengthened our quality control system through the zero quality accidents project, and made efforts toward full-scale entry into the North American frozen food market.

Contribution to achieving materiality

- Reduction of plastics usage by promoting the elimination of trays
- Initiatives for zero quality-related incidents
- Provision of products using the foods for specified health uses and foods with functional claims systems
- Provision of products with low sodium and appropriate amount of protein
- Development and production of processed foods using MSC- and ASC-certified raw ingredients

Topics


Food for specified health uses for cardiovascular disease risk
Risara Sausage ω with DHA

In February 2024, we launched the Risara Sausage ω with DHA, labeled as a “food for specified health uses (FOSHU) with reduction of disease risk claims.”¹ Containing 850 mg of DHA and 200 mg of EPA, this is the first product in Japan to be approved as a “FOSHU with reduction of disease risk claims” with ingredients that may reduce the risk of cardiovascular disease. Cardiovascular disease (a general term for diseases of the heart and blood vessels) is the second leading cause of death among Japanese people², and the number of deaths from cardiovascular disease is on the rise in Japan³.

¹ FOSHU with reduction of disease risk claims refers to foods that have been approved as such by the Consumer Affairs Agency, limited to cases where the relevant ingredients' reduction of disease risk has been verified medically and nutritionally.

² Source: Ministry of Health, Labour and Welfare, Outline of Vital Statistics (Final) for 2022

³ Source: Ministry of Health, Labour and Welfare, Vital Statistics



Fine Chemicals Unit

Message from Unit Director

Become a leading manufacturer in natural functional ingredients!

As the society continues to age at an accelerating pace, health disparities are emerging as an issue alongside economic disparities. Simply living longer is meaningless if people are bedridden. To avoid this, adequate exercise and a healthy diet are essential. The marine products we specialize in contain many functional ingredients effective for maintaining and improving health. We anticipate that “preventive foods,” “pre-disease foods,” and “health maintenance foods,” a field which lies between the medical field that treats diseases and general foods that pursue nutrition and taste, will attract ever more attention. Our unit's mission is to become a leading manufacturer that provides the necessary functional ingredients for this field and contribute to the wellbeing of everyone.



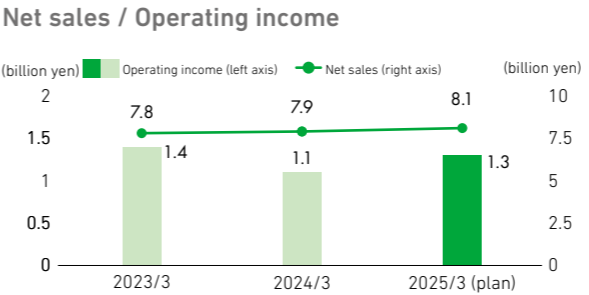
Kimihiro Takaya
Director of Fine Chemicals Unit
Executive Officer

Overview of FY2023

Our unit has continued to achieve consecutive increases in operating income since 2013. In FY2023, however, both net sales and operating income declined for the first time due to a fall in demand caused by changes in functional food labeling rules, coupled with spiraling costs of key raw materials caused by the fishing ban and poor catch of anchovies in Peru, a major fish oil-producing region in South America.

Strengths and advantages in the market

- Brand strength as a leading seafood supplier and know-how in integrated production from raw materials to finished products
- High level of expertise in providing customers with necessary knowledge about raw materials, manufacturing, and quality control
- Sales capabilities built on trust we have cultivated over many years



Business strategy

We will establish a foothold in the “preventive foods” and “pre-disease foods” fields by adding further value to DHA (e.g., making it odorless), a genuine natural functional ingredient that has been discussed in 40,000 to 50,000 academic publications because of its various physiological properties, and by ensuring its stable supply (introduction of algae-derived DHA).

Health issues in an aging society are a concern not only in Japan; they are a common problem for countries around the world. As technological innovation and the

speed of information further improve access to countries worldwide, we will promote business development from an overseas perspective, both for production and sales.

Contribution to achieving materiality

- Food loss reduction by effectively utilizing marine product residues (non-edible parts, unused parts)
- Sustainable supply of good fat both internally and externally and contribution to the creation of health value
- Initiatives for zero quality-related incidents

Topics

New entry into algae-derived DHA
Entered into a business alliance agreement with Mara Renewables Corporation

In May 2024, we entered into a business alliance agreement with Mara Renewables Corporation (Head Office: Canada; “Mara”), a world-leading microalgae manufacturer.

We will exclusively receive supplies of algae-derived DHA produced by Mara for the Japanese market, and aim to establish the production and sales of algae-derived DHA, in addition to fish oil-derived DHA. Mara is a world-leading microalgae manufacturer holding patents for its algae-derived DHA extraction technology. Under this agreement with Mara, the Group will use algae-derived DHA and apply our proprietary odorless DHA technology to meet the demand for DHA, which continues to grow as society ages and fish consumption declines.



Algae cultivation in a laboratory

The Logistics Unit Supports Three Segments of the Maruha Nichiro Group

Message from Unit Director

Systematically developing business infrastructure that contributes to value chain strengthening

Our unit is responsible for operations focused around Maruha Nichiro Logistics, Inc., mainly handling the storage of the Group's products in refrigerated warehouses. We have 31 refrigerated warehouses in Japan, primarily in major urban areas, which is the third most in the industry for cold storage logistics. Cold storage logistics is essential for the Group's business and constitutes a critical business infrastructure for the Group.

Our mission is to develop and properly manage logistics sites that contribute to the Group's growth strategy of strengthening the value chain. Given the recent surge in construction costs for refrigerated warehouses, we will enhance the sustainability of our business infrastructure by making systematic investments that contribute to overall optimization.



Yoshitaka Koseki
Director of Logistics Unit
Executive Officer

Initiatives of the Logistics Unit

Addressing the "2024 problem" of shortened driver workhours and labor shortages poses as a significant challenge for the logistics industry. While our unit employs only a small number of drivers, supporting drivers' operations remains a major issue as a shipper. For example, we are promoting initiatives such as standardizing pallet transportation to decrease loading and unloading times and lessen the burden on drivers, as well as improving operational efficiency through the digital transformation of warehouse management. In addition, as refrigerated warehouses constantly consume large amounts of power, our major task is to reduce our environmental impact. We are working to cut social and environmental costs by upgrading to freezers and freezer equipment that emit as little CO₂ as possible.

In March 2025, the Kawasaki Daiichi Logistics Center, which has been undergoing an expansion with major investment, will commence operations.

This facility will further enhance the efficiency of product distribution in the Tokyo metropolitan area. Moreover, the relocation and reconstruction of the Tokyo Suisan Terminal at Oi Wharf are also set to begin soon. While this represents the largest investment planned from 2024 onward, this project adopts a scheme involving a consortium of fisheries businesses to reduce construction costs.

Characteristics and strengths of the Logistics Unit

- Location of logistics sites mainly in metropolitan areas (8 in Kanto region, 3 in Chukyo region, 2 in Kinki region, 3 in Fukuoka, etc.)
- Approx. 600,000-ton capacity, the third largest in the cold-storage and refrigerated warehouse industry in Japan
- Ability to collect goods by maximizing the diverse and stable procurement capabilities of the Group domestically and internationally

Securing a sustainable logistics system

Topics Maruha Nichiro Logistics to expand freezer warehouse at Kawasaki Daiichi Logistics Center

In March 2025, Maruha Nichiro Logistics, Inc. plans to open an expanded wing (South Wing) adjacent to Kawasaki Daiichi Logistics Center's existing structure. The expanded wing will have a two-story freezer warehouse capable of storing approximately 14,000 pallets and will be a seismic isolation structure to ensure a high level of safety in the event of an earthquake. In addition, the warehouse will be automated to reduce labor and worker burden, and the freezer will utilize carbon-neutral natural refrigerants (NH₃/CO₂) to reduce environmental impact.

Located in the Higashi-Ogishima logistics site, Japan's largest hub of refrigerated warehouses, the Logistics Center is convenient for collection and delivery using the Metropolitan Expressway Bayshore Route and the Tokyo Bay Aqua-Line Expressway. Leveraging its location and in collaboration with nearby centers, the facility will strive to stably provide logistics services.

