

# First Six Months of Fiscal 2025

## Results Briefing

November 1, 2024  
Nisshin Seifun Group Inc.

## ◎ Growth during and after the Medium-Term Management Plan period

- During the Medium-Term Management Plan period, we achieved significant growth and are likely to meet the ambitious targets for the final year of the period (FY2027). Accordingly, we have revised our forecast upward.
- Over the five-year period of the Medium-Term Management Plan, operating profit is projected to increase 1.9 times, and the average annual growth rate is anticipated to be 14.1%.
- We will implement initiatives to promote growth following the current Medium-Term Management Plan period, particularly in the overseas flour milling business.

## ◎ Capital Policy

- We will engage in discussions with capital markets to enhance shareholder returns.
- We will set new targets for reducing cross-shareholdings and will increase the reduction amount for each fiscal year. We will continue to reduce our cross-shareholdings after the Medium-Term Management Plan.



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# I. First Six Months of Fiscal 2025 and Fiscal 2025 Forecasts

# 1. First Six Months of Fiscal 2025 Results

- ▶ Net sales **increased** mainly due to increased shipments and the effect of foreign currency translation in the overseas flour milling business and increased sales in the yeast and biotechnology business.
- ▶ Operating profit **increased** chiefly due to solid performance in the overseas flour milling business and the mesh cloth business, despite the continued increase of costs in each business, including raw materials, transportation, and labor costs.
- ▶ In the first six months, **results were in line with the forecasts**.

\* Figures rounded to the nearest 100 million yen.

(100 millions of yen)	First Six Months of Fiscal 2025 Results	Forecasts (July Release)		First Six Months of Fiscal 2024 Results	
			Change		Change
Net sales	<b>4,295</b>	<b>4,300</b>	<b>(0.1%)</b>	<b>4,269</b>	<b>+0.6%</b>
Overseas sales ratio	<b>32.0%</b>	—	—	<b>31.0%</b>	—
Operating profit	<b>260</b>	<b>255</b>	<b>+2.0%</b>	<b>255</b>	<b>+2.0%</b>
Ordinary profit	<b>271</b>	<b>265</b>	<b>+2.2%</b>	<b>265</b>	<b>+2.1%</b>
Profit attributable to owners of parent	<b>204</b>	<b>200</b>	<b>+1.8%</b>	<b>184</b>	<b>+10.4%</b>

# 2. First Six Months of Fiscal 2025 Operating Profit - Analysis vs. Fiscal 2024

## ■ Analysis of Change in Operating Profit (vs. FY2024) ■ : Increase in profit ■ : Decrease in profit

<b>First Six Months of Fiscal 2024 Results</b>		<b>¥25.5 billion</b> [Major factors behind the increase or decrease in profit]
<b>Flour Milling Segment</b>  ¥+0.7 billion	Sales revenue	¥+0.1 billion <span style="color: blue;">■</span> : A recovery of demand for the restaurant industry and an increase in shipments resulting from sales promotions, etc.
	Bran prices	¥+0.0 billion : Bran prices remained flat from the previous year
	Cost related and others	¥(0.7) billion <span style="color: orange;">■</span> : An increase in costs, including logistics and labor costs
	Overseas operating profit	¥+1.3 billion <span style="color: blue;">■</span> : Profit increased, reflecting firm shipments particularly in Australia and the effect of foreign currency translation
<b>Processed Food Segment</b>  ¥(0.8) billion	Sales revenue	¥+0.0 billion : A decrease due to expenses for expanding sales being more than offset by the increase in shipments
	Cost related and others	¥(0.8) billion <span style="color: orange;">■</span> : An increase in import costs due to the effect of foreign currency translation and a rise in transportation costs, etc.
	Overseas operating profit	¥(0.0) billion : A decrease in shipments in bulk pharmaceuticals was more than offset by an increase in sales volume in the prepared mixes business and other factors.
<b>Prepared Dishes and Other Prepared Foods Segment</b>	¥+0.0 billion : The increase in costs, such as raw materials and labor costs, was offset by increased sales, improved person-hour productivity, and other factors.	
<b>Others Segment, etc.</b>	¥+0.6 billion <span style="color: blue;">■</span> : Profit increased chiefly due to strong shipments in the mesh cloth business and an improvement in efficiency in construction in the engineering business.	
<b>First Six Months of Fiscal 2025 Results</b>		<b>¥26.0 billion (¥+0.5 billion YoY)</b>

### 3. Fiscal 2025 Forecasts

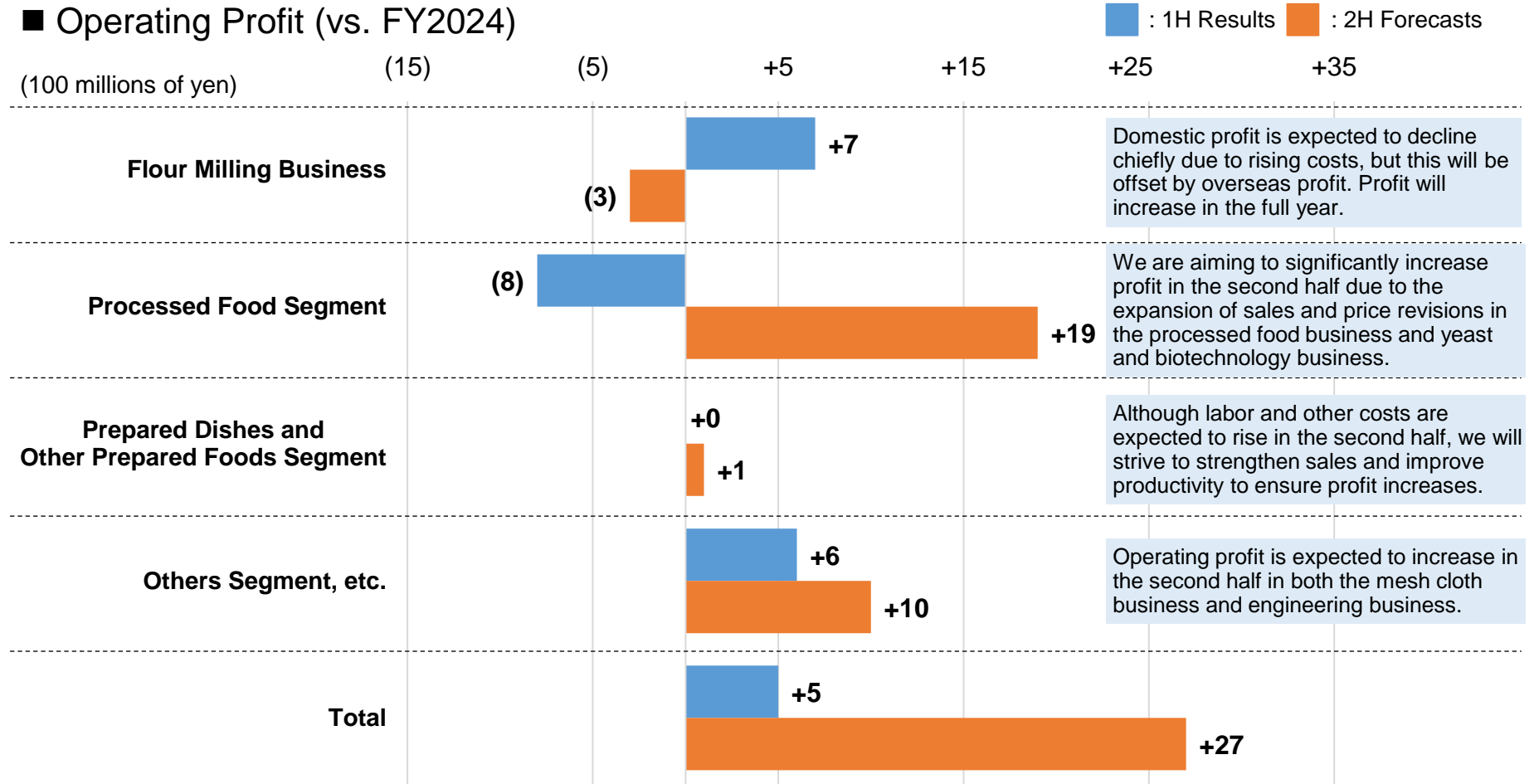
- ▶ Net sales are expected to **increase** chiefly due to the effect of foreign currency translation in the overseas flour milling business and increased shipments in the mesh cloth business despite the effect of reduced flour prices due to the revision of wheat prices in the domestic flour milling business.
- ▶ Operating profit is expected to **increase**, mainly due to an increase in profit in the overseas flour milling business, processed food segment, and prepared dishes and other prepared foods businesses, as well as increased shipments in the mesh cloth business, despite a decrease in profit in the domestic flour milling business.
- ▶ The forecast for profit attributable to owners of the parent has been **revised upward** due to a planned reduction in cross-shareholdings.

\* Figures rounded to the nearest 100 million yen.

(100 millions of yen)	Fiscal 2025 Forecasts	Fiscal 2024 Results	YoY difference	YoY change
Net sales	<b>8,700</b>	<b>8,582</b>	<b>+118</b>	<b>+1.4%</b>
Overseas sales ratio	<b>32.8%</b>	<b>31.3%</b>	—	—
Operating profit	<b>510</b>	<b>478</b>	<b>+32</b>	<b>+6.7%</b>
Ordinary profit	<b>530</b>	<b>500</b>	<b>+30</b>	<b>+6.0%</b>
Profit attributable to owners of parent	<b>390</b>	<b>317</b>	<b>+73</b>	<b>+22.9%</b>

## 4. Operating Profit by Business in the First Half and Forecasts for the Second Half — Year on Year

The increase of profit in the second half of FY2025 will be greater than in the first half due to strategic expenditures in the second half of the previous year aimed at growing the business. We **aim to achieve our full-year forecast** by capitalizing on the benefits of these strategic expenditures in the second half.



**Operating profit is increasing in line with the full-year forecast.**



## (1) Stimulate the Group's Ability to Grow by Restructuring the Business Portfolio

In the domestic flour milling business, the construction of the new Mizushima Plant was progressing as planned. In the United States, the expansion of the Saginaw Plant progressed as planned. We began to expand the Winchester Plant. In the mesh cloth business, we steadily expanded our facilities to meet the growing demand for solar panels.

## (2) Implement Initiatives to Achieve a Recovery in the Australia Flour Milling Business and India Yeast Business

In the Australia flour milling business, sales remained solid, and product prices were revised. In the India yeast business, sales were firm. Price revisions due to rising costs were delayed.

## (3) Produce Visible Results by Executing the R&D Strategy

We continued to collect evidence on the health benefits of the high dietary fiber wheat flour, Amuleia. In the processed food business, sales of new products,\* etc. remained strong.

(\*) Pasta sauces: Ma Ma TAPPRINO series  
Frozen foods: Ma Ma THE PASTA Zeitaku Yasai series

## (4) Attain the Benefits of Automation and Labor-saving

In the flour milling business, we are currently increasing the degree of perfection of the technologies we are implementing at the Mizushima Plant. We are planning to implement the technologies at other plants in Japan and overseas. In the prepared dishes and other prepared foods businesses, we developed automation equipment using robotics to arrange ingredients.

## II. Revising Numerical Targets in Medium-Term Management Plan 2026 Upward

# 1. Revising Numerical Targets Upward in the Final Year of the Medium-Term Management Plan (MTP)

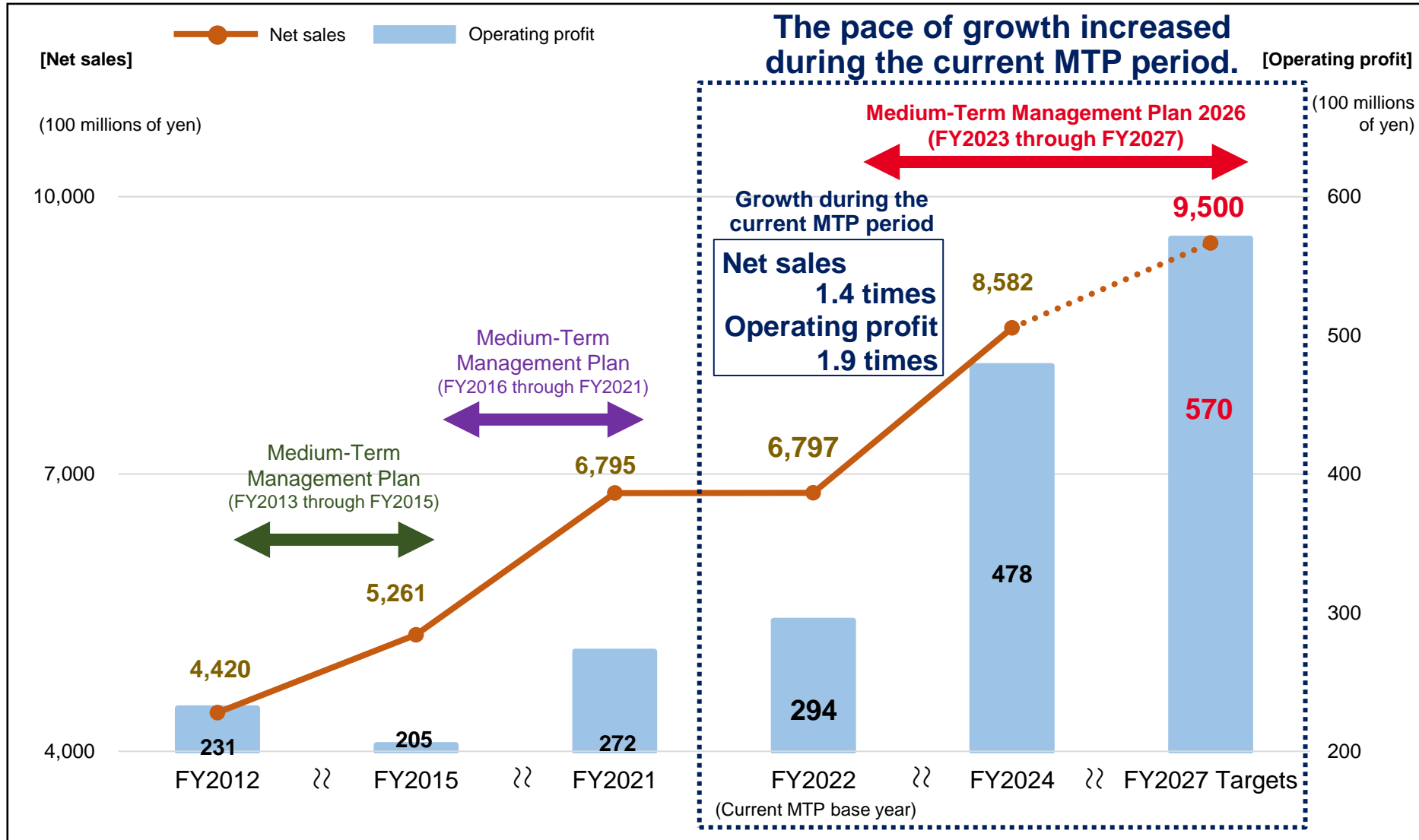
During the Medium-Term Management Plan period, we have **achieved significant growth and are likely to meet the ambitious targets for the final year of the period.** Accordingly, we have revised the forecast upward.

## ■ New targets for the final year

	MTP base year results (Fiscal 2022)	Initial final year targets (Fiscal 2027)	New final year targets (Fiscal 2027)	Change	New final year targets (Difference from fiscal 2022)	Compound annual growth rate FY2022- FY2027
Net sales (100 millions of yen)	6,797	9,000	9,500	+500	+2,703	6.9%
Operating profit (100 millions of yen)	294	480	570	+90	+276	14.1%
EPS (Yen)	59	110	140	+30	+81	18.9%
ROE (%)	4.0	7.0	8.0	+1.0	+4.0	—

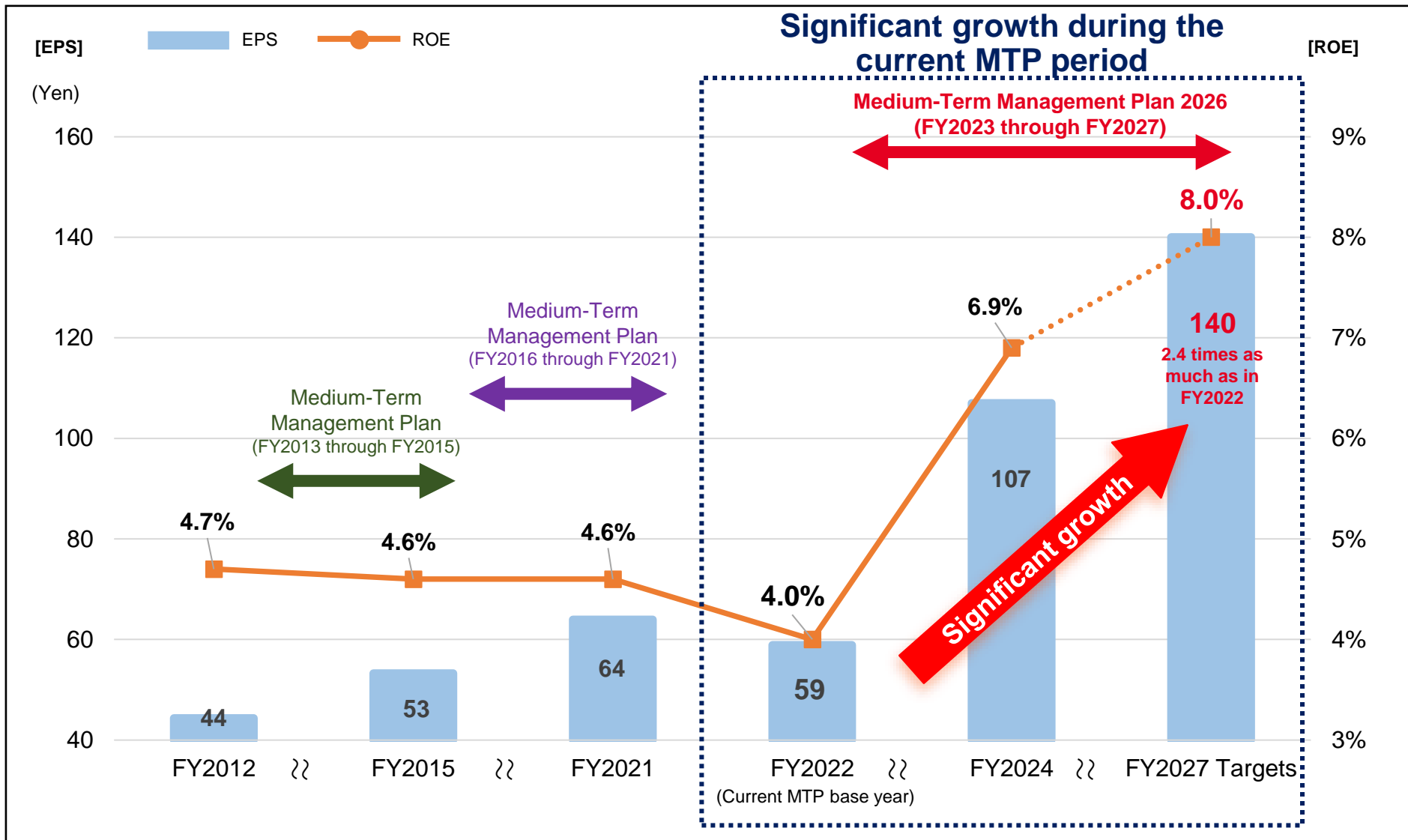
## 2. Changes in Net Sales and Operating Profit

### Changes in Net Sales and Operating Profit



# 3. Changes in EPS and ROE

## Changes in EPS and ROE



## 4. Subjects Discussed to Determine Revisions to Targets

### ■ Subjects discussed

Contribution to the upward revision  
(+9 billion yen) of the operating profit  
target for the final year of the current MTP

**1. Securing an earnings base that will drive high profitability in the domestic flour milling business as a core business**



**2. Improvement in results in overseas operations**

(Australia flour milling business and India yeast business)



**3. Growth of the US flour milling business**

(We anticipate growth from FY2026 onwards, attributed to the expansion of the Saginaw Plant and other factors.)



**4. Improvement in profitability in the processed food business**

(New products, the transformation of the business structure, improvement in productivity, etc.)



**5. Improvement in profitability in prepared dishes and other prepared foods businesses**

(Development of high value-added products, improvement in productivity, etc.)



**6. Growth in the mesh cloth business**

(Operations in the solar battery market and other growth markets)

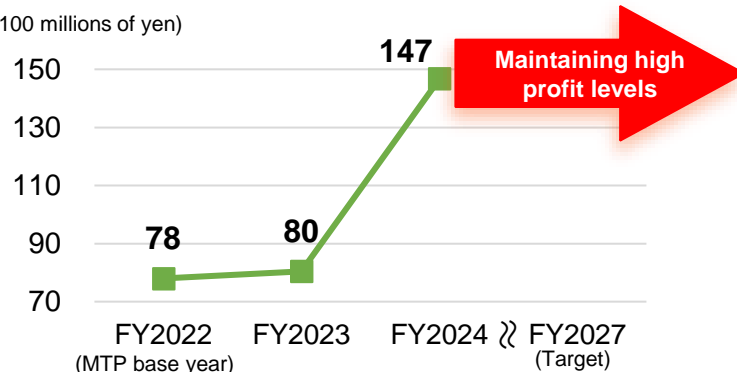


# 4-1. Domestic Flour Milling Business

We are constructing the Mizushima Plant and will work to enhance overall productivity. We aim to increase our market share and sales of value-added products to **maintain high profit levels in this core business**.

## Changes in Operating Profit

(100 millions of yen)

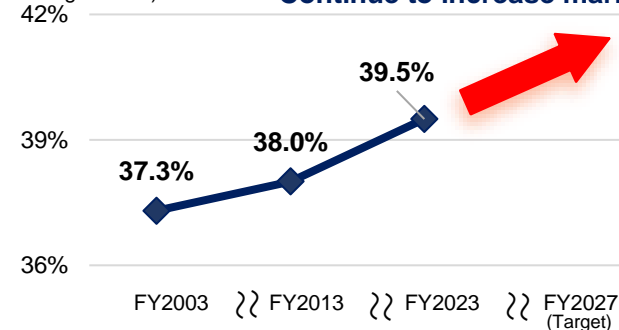


- Depreciation (approximately 2 billion yen in FY2026) will increase when the Mizushima Plant begins operating.
- **Maintain high profit levels** by increasing market share, improving productivity, and creating synergy with Kumamoto Flour Milling.

## Market share trends

(On weight basis)

Continue to increase market share.



Source: Nikkan Keizai Tsushin Co., Ltd., "The Beverage & Food Statistics Monthly"

## Initiatives to achieve targets for the final year

### Increasing market share

- Enhance collaboration within the Group, communicate value to customers more frequently, and improve proposal skills. ➡
- Create a new health market by selling Amuleia, a differentiated high dietary fiber wheat flour. ➡

- **Developing new customers**
- **Increasing our sales share for each customer**

➡ **Increasing sales of value-added products**

### Improving productivity

- Build the new Mizushima Plant on the coast and close two aging plants to enhance efficiency.
- Implement new technologies to automate the raw material delivery, production, packaging, and shipping process phases.



We will be introducing new technologies at the new Mizushima Plant, which is under construction.

### Creating synergy with Kumamoto Flour Milling

- Enhance product development and expand sales by collaborating with the Group's businesses (domestic and overseas), including the Flour Milling Business.
- Optimize the production system in the Kyushu area by facilitating the transfer of production between flour mills.

# 4-2 (1). Improvement of the Performance of the Australia Flour Milling Business

The initiatives we have been implementing to support the recovery of the business are steadily yielding positive results. We will **implement new strategic initiatives** to achieve growth beyond the profit increase targets established in the Medium-Term Management Plan.

## Operating profit:

### Growth trend over time (FY2022 base)

(100 millions of yen) \* Reductions in depreciation and amortization expenses are excluded.



We aim to exceed the initial profit increase target **(+4 billion yen)** and **achieve greater profit growth.**

## Achievements in FY2025

- **Shipments have continued to rise steadily** due to promotions and expanded sales channels even in a market environment where inflation causes uncertainty regarding consumption.
- In FY2025, the profit increase is expected to be smaller than initially expected due to a cost increase associated with the implementation of ERP. However, **the foundation of the business will be steadily strengthened through increased sales and cost improvements.**

**We have established a foundation for stabilizing the performance of the business.**  
**We will now implement new initiatives to advance to the next stage.**

## Core strategies to advance to the next stage

- **Develop and launch new, profitable products** to increase sales (clarify the evaluation criteria for R&D to ensure success).
- **Make strategic investments** to capture demand effectively and opportunities to develop markets.
- Decisively implement drastic cost reductions by **streamlining** production lines and **enhancing structures.**
- **Revise prices** and **improve productivity** continuously in response to rising costs, including labor costs and the cost of equipment.



## 4-2 (2). Improvement of the Performance of the India Yeast Business

We will implement initiatives to increase our market share in India to 30% (from the current 20%).

The business aims to generate profits before the end of the period of the Medium-Term Management Plan.

### Initiatives to achieve targets for the final year

#### (1) Expanding sales share (achieving 30% in the Medium-Term Management Plan period)

- ◆ The bread market's annual growth rate is projected to be between 4% and 6%.
- Expand sales to major bakeries and strengthen collaboration with distributors.
- Approach bakeries that are growing by selling their products to major US restaurant chains, etc.
- Enhance the system that allows technical staff to provide support.

#### (2) Enhancing the foundation of sales (strengthen the logistics infrastructure)

- Establish logistics depots to support flexible refrigerated distribution.

#### (3) Revisions to product prices

- Implement price revisions individually based on the market conditions and relationships with customers.

#### (4) Developing highly productive yeast strains

- Utilize the development technologies cultivated in Japan to develop high-quality, highly productive yeast strains.

#### (5) Raw material price stabilization

- The market prices for molasses, a primary raw material, have soared, but they are projected to stabilize.

#### ● Current situation in different areas



## 4-3. Growth of the US Flour Milling Business

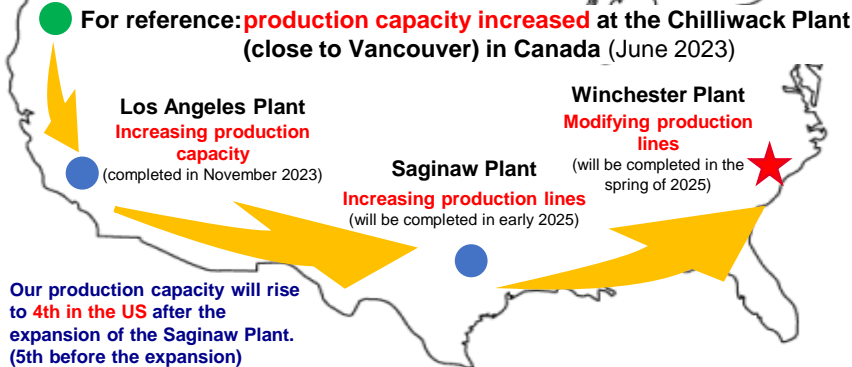
Since November 2023, we have **invested in growth across all areas of business** in California (West), Texas (South), and Virginia (East) to strengthen our foundation for revenue expansion and achieve long-term profit growth.

### Strengthening the production system in the US during the MTP period



We anticipate increased costs due to inflation and weaker bran market prices. However, we plan to **maintain high profit levels during the MTP period** by increasing the production capacity of each plant and enhancing our production and sales systems. We also aim to **increase earnings and expand the business after the MTP period**.

We have established a system for maintaining and improving high profit levels in the US flour milling business.



### Business strategy during the MTP period and the approach for profit growth

#### ★ **Production lines are being modified at the Winchester Plant** (the modification will be completed in the spring of 2025)

- There is strong demand for wheat flour in Virginia, where the Winchester Plant is located. We will invest in growth in this area as we do in the West and South.
- We will enhance the production of wheat flour products, which are in high demand. To increase sales of these products, we will modify the current production lines.
- The amount to be invested is **approximately 1.4 billion yen**.

#### Business strategy

Our **production capacity will increase 14%** and we will move to **4th in the US market** (up from the current 5th place) due to investments in the three plants. We plan to open the Innovation & Technical Center in FY2025 and **enhance our market presence in terms of both hardware and software**.

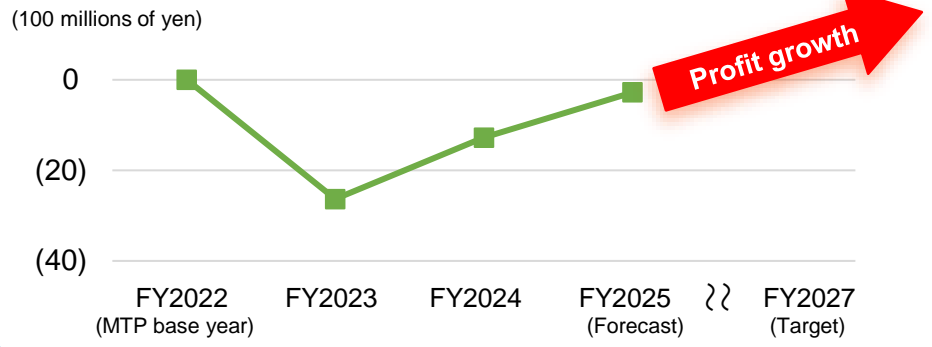
#### Profit growth

We will **actively invest in expanding markets to achieve profit growth over the medium to long term**. We aim to establish a long-term cycle of profit growth while closely monitoring changes in earning opportunities associated with the fluctuation of grain prices.

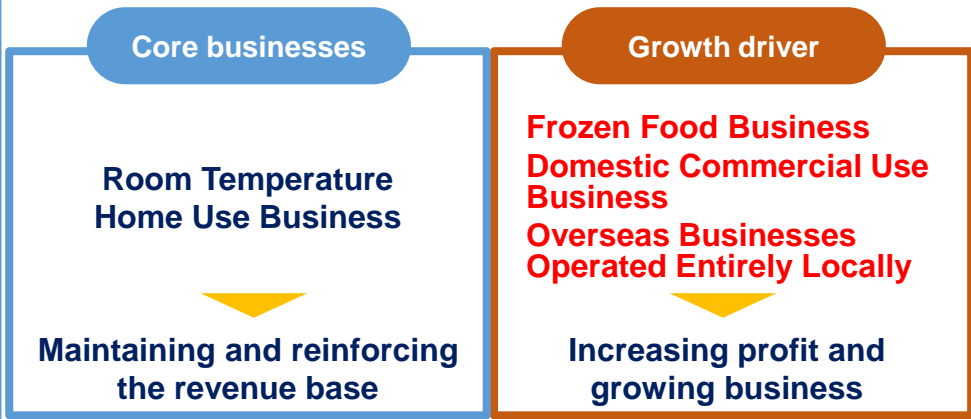
# 4-4. Increasing Profitability in the Processed Food Business (1)

We aim to achieve business growth by **developing value-added products**, **enhancing productivity**, and strengthening our **overseas processed food business**.

## Operating profit: Trend over time (FY2022 base)



## Growth strategies for the processed food business



## Transformation of the Business Structure

We aim to increase sales in the three growth businesses to match the levels of sales in the core business. (Fiscal 2027)

## Initiatives to achieve targets for the final year

### (1) Initiatives to increase sales

- Increase shipments by promoting the development of new products
  - Add value to products by emphasizing four angles of “easy-to-prepare and convenient,” “authenticity,” “health” and “the environment”
  - Promote product development to align with the polarization of consumption (Enhance our lineups of frozen foods and pasta sauces)
- Develop sales channels
  - Develop sales strategies to capture new demand

Considering large-scale sales promotion initiatives

### (2) Appropriately revising product prices and reducing costs

### (3) Increasing production capacity and improving productivity

- Implement capital investments for frozen foods, prepared mixes, and other products

### (4) Increasing shipments in overseas businesses operated entirely locally

- BtoC operations in Vietnam, export business, etc.

## Initiatives in overseas operations

### Full-scale entry into the Vietnamese BtoC market

- Since entering Vietnam in 2013, we have been selling commercial-use products from two production bases and cultivating the Vietnamese market.
- Vietnam is undergoing rapid economic growth and has a large population. As a consumer market, Vietnam is expected to continue to grow.

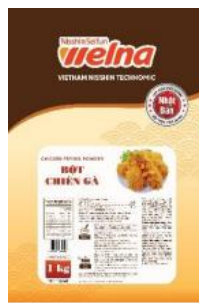
We leverage the technology and expertise in product development that we have cultivated in Japan to develop products tailored to local preferences.



Pasta sauces



Dry mixtures of rice and assorted ingredients



Prepared mixes

\* We plan to launch 11 products in three categories by November.

### HAYAYUDE global strategy

- MA•MA Hayayude Spaghetti has grown to capture approximately 20% of the Japanese pasta market.
- An overseas survey has confirmed the demand for quicker cooking pasta solutions.
- Three manufacturing bases will export products to the Asian, American, and European markets.



From “HAYAYUDE” in Japan to a global “HAYAYUDE”

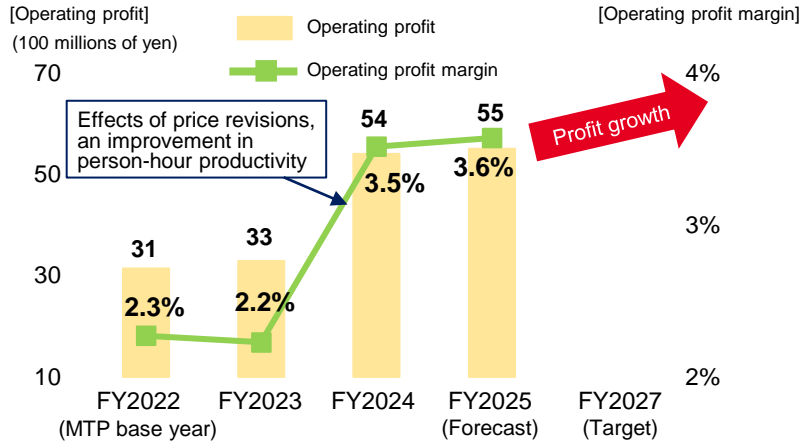


\* We plan to sell products in the European and Vietnamese markets in FY2025.

# 4-5. Increasing Profitability in the Prepared Dishes and Other Prepared Foods Businesses

We will continue to strive to improve person-hour productivity, promote automation, and achieve labor reduction, and **will work to enhance our frozen prepared foods (including new year's dishes) to further develop these businesses.**

## Trends in operating profit in the prepared dishes and other prepared foods businesses



## Initiatives to achieve targets for the final year

- ◆ Enhance productivity through automation, labor reduction, and digital transformation to improve cost competitiveness
- ◆ To increase sales, step up product development (creating new products and upgrading existing ones) and bolster efforts to capture new demand.

➤➤ Plan and implement the necessary expansion of facilities

### (1) Enhancing frozen prepared foods

- Increasing demand for frozen prepared foods (to address the labor shortage and reduce food waste)
- Our unique technological and product development capabilities allow us to preserve the deliciousness of freshly made food.

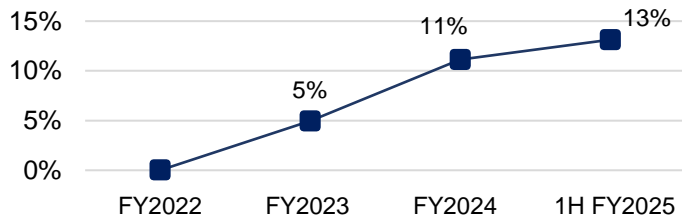
**We aim to expand our frozen prepared foods business as a second pillar following our existing daily prepared foods business.**

### (2) Strengthening research and development capabilities: – differentiating our products and adding value –

To create unique deliciousness, we focus on the following three themes:

- Differentiation ➤➤ Developing cooking and processing techniques
- Health ➤➤ Techniques that bring out the natural flavors of ingredients
- The environment ➤➤ Advancing freezing technology

## Trends in person-hour productivity (Tokatsu Foods Co.,Ltd.)



**Person-hour productivity continued to improve in the first half of FY2025. We will continue to utilize digital transformation to make production more efficient.**

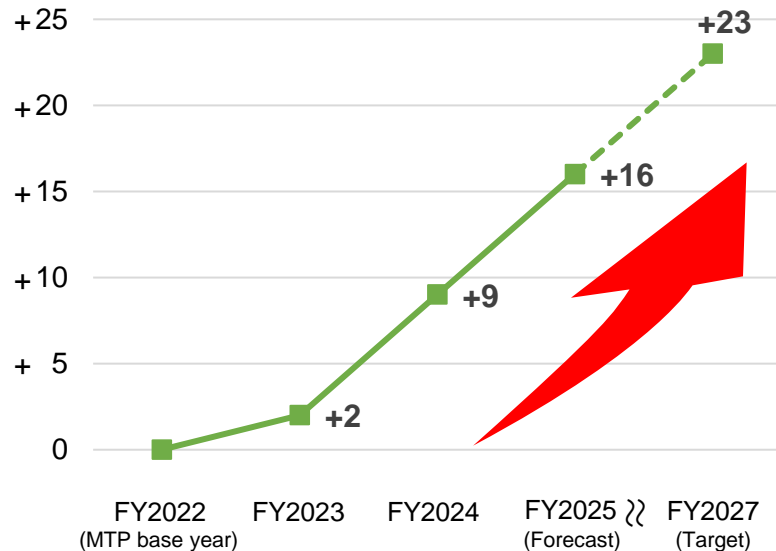
## 4-6. Growth of the Mesh Cloth Business

We aim to **achieve sustainable growth** by capturing **the demand for mesh cloth**, primarily focusing on screen printing metal meshes for solar batteries in **the growing environmental mesh cloth market**.

### Operating profit: Growth trend over time

(FY2022 base)

(100 millions of yen)



**We have revised our operating profit target for FY2027 upward** based on our projection that the demand for mesh cloth will continue to grow significantly.

**We aim to take steps to increase profit further.**

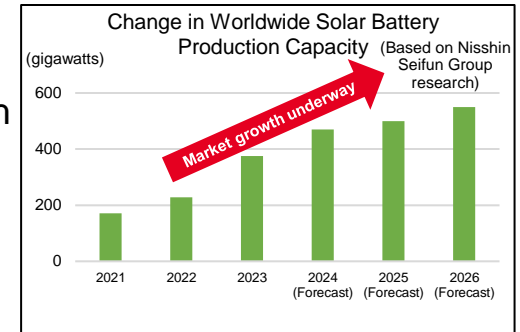
### Initiatives to achieve targets for the final year

#### ● Increasing shipments of high-definition metal meshes for solar batteries

- As the market is expected to continue to expand, we will build a production system to meet the increasing demand.

➤ We are investing in facilities, human resources, and research and development.

**We aim to double the sales in FY2024 by FY2027.**



#### ● Strengthening the sales structure for other mesh cloth products

- High-definition metal meshes for electronic components (such as AI semiconductors)
- Synthetic fiber meshes for hydrogen production equipment
- Molded filters for EVs, HVs, FCVs, and other vehicles

**Building a system to achieve sustainable growth**

## III. Capital Policy

# 1. Strengthening Shareholder Returns (1)

## ■ Shareholder return policy (as of May 2024)

We aim for a consolidated **payout ratio of 40% or higher**. The payout ratio is calculated by excluding non-recurring profits or losses from profit attributable to owners of parent.

**We have revised our shareholder return policy to increase the payout ratio.**

### New shareholder return policy

We aim to **increase** the consolidated **payout ratio to around 50% by the final year of the current Medium-Term Management Plan**. The payout ratio is calculated by excluding non-recurring profits or losses from profit attributable to owners of parent.



# 1. Strengthening Shareholder Returns (2)

## ■ Upward revision of the dividend forecast for the current fiscal year

- For the fiscal year ending March 31, 2025, we planned to pay dividends of ¥50 per share, an increase of ¥5 from the previous fiscal year. **We are planning to raise the dividends by an additional ¥5 per share, bringing them to ¥55 per share.**
- For the fiscal year ending March 31, 2025, we plan an **increased dividend for a twelfth consecutive year** in effect.

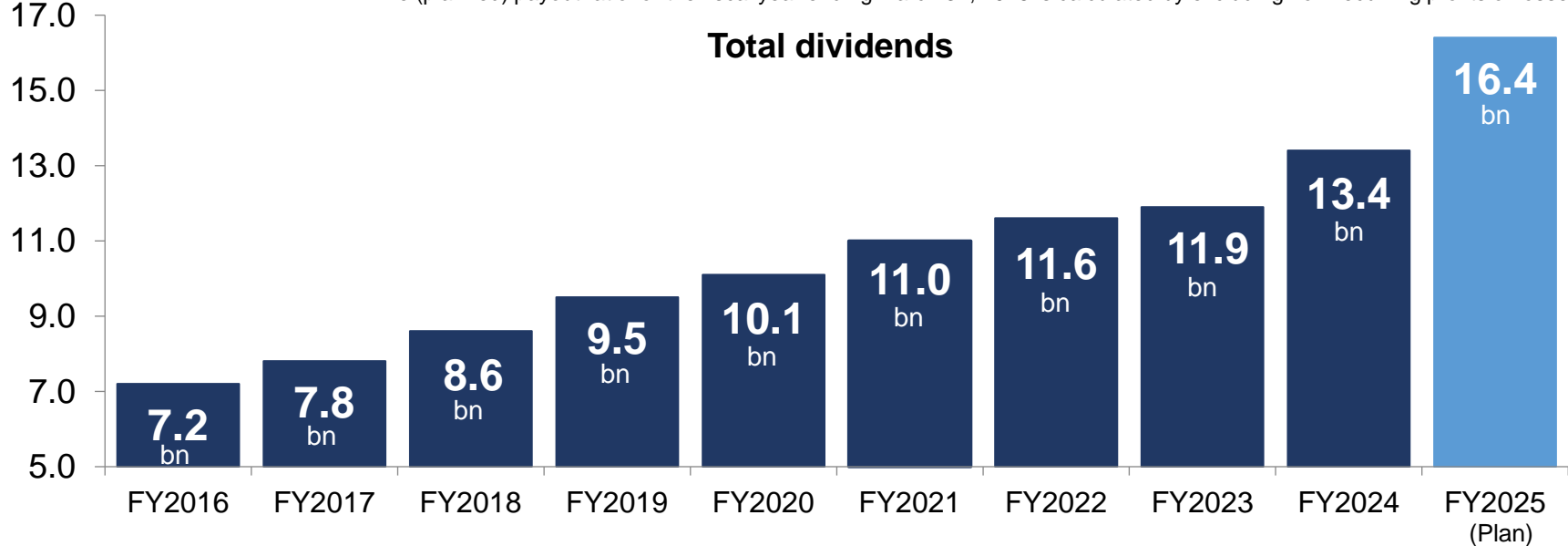
## ■ Total dividends and dividend payout ratio

### Dividend payout ratio

41.2%	40.3%	40.6%	42.7%	45.1%	57.9%	66.2%	–	42.2%	47.2%
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\*The (planned) payout ratio for the fiscal year ending March 31, 2025 is calculated by excluding non-recurring profits or losses.

(Billions of yen)



Dividend per share

¥24    ¥26    ¥29    ¥32    ¥34    ¥37    ¥39    ¥40    ¥45    ¥55

↷  
(¥+10)

## 2. Reducing Cross-Shareholdings

### ■ Reducing cross-shareholdings (As of May 2024)

We have already achieved our cross-shareholdings reduction target for the five-year Medium-Term Management Plan. We **aim to reduce cross-shareholdings worth 15.0 billion yen or more** over the three-year period from FY2025 to FY2027.

### Accelerating the reduction of cross-shareholdings

#### New cross-shareholding reduction target

We aim to reduce cross-shareholdings **40.0 billion yen or more over the five-year period from FY2025 to FY2029** (approximately 8.0 billion yen per year).

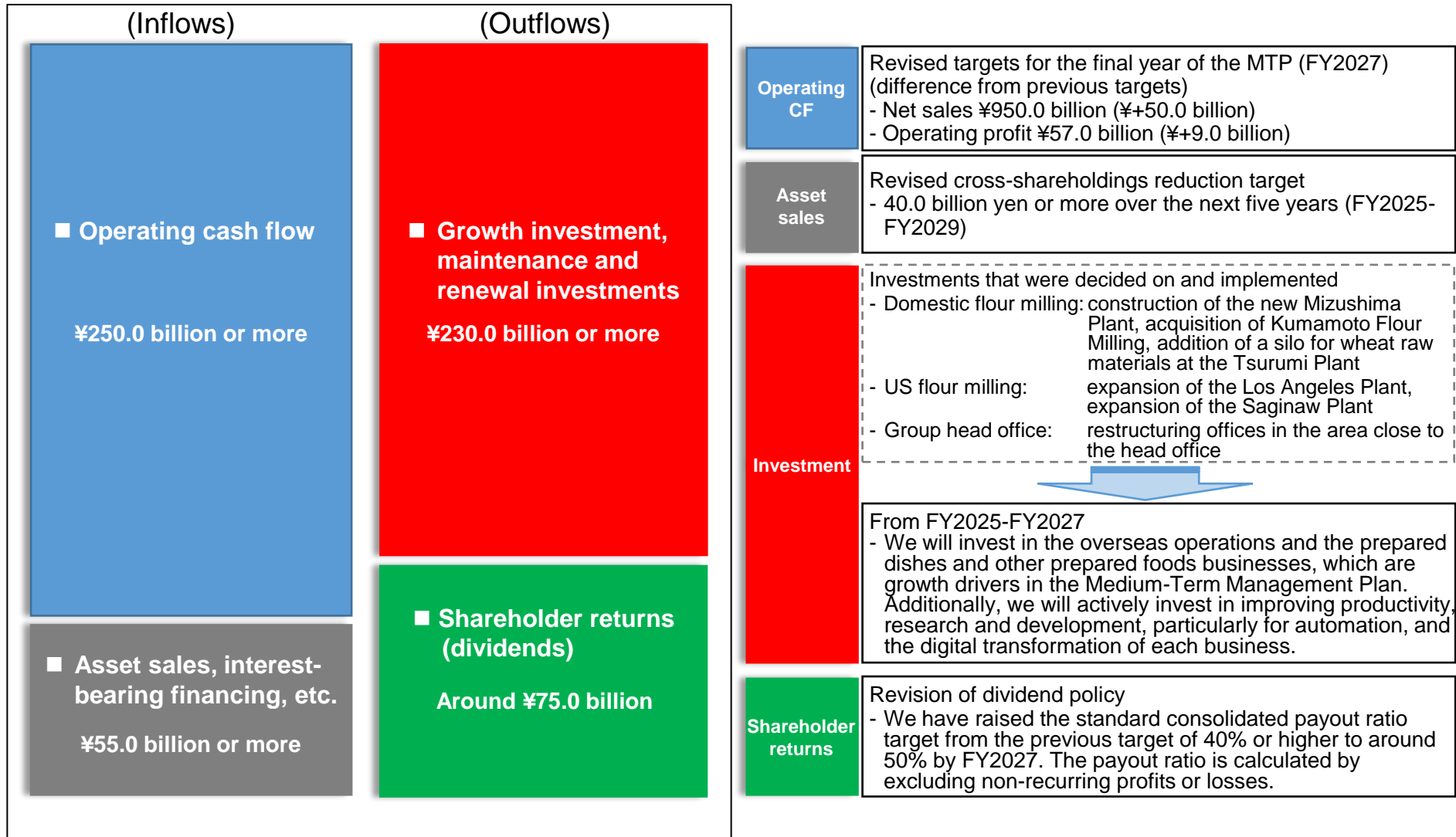
#### ■ Reduction amount

FY2023-FY2024 Results	FY2025-FY2029 Targets	Total
¥30.8 billion	¥40.0 billion or more <sup>(*)</sup>	¥70.0 billion or more

(\*) Calculated using the stock price as of September 30, 2024.

### 3. Future Investments

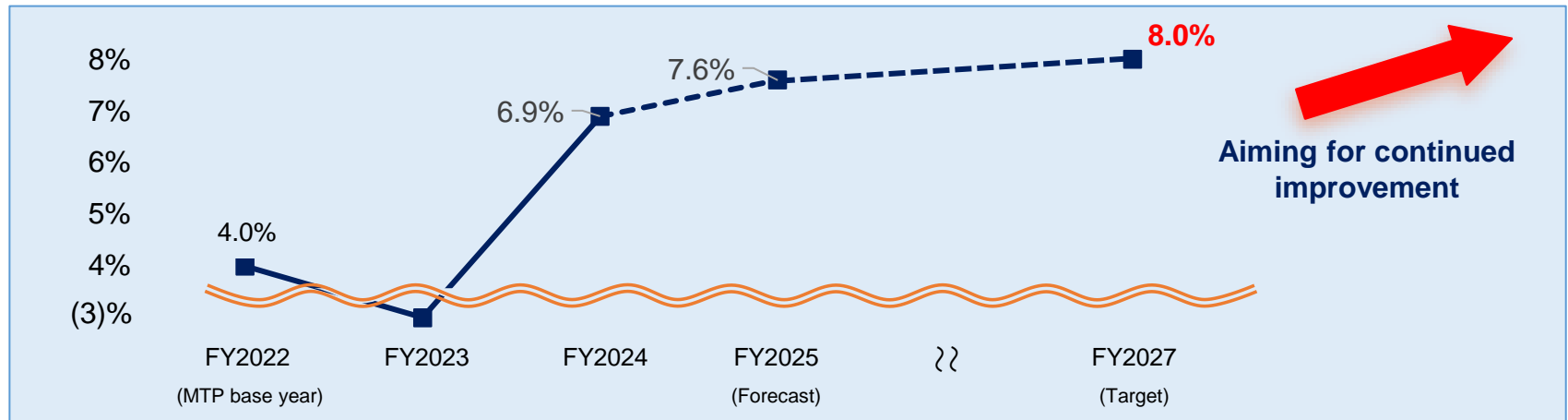
#### ■ Cash flow plan during the period of the five-year Medium-Term Management Plan (FY2023-FY2027)



## 4. Promoting Capital-Efficient Management

We have revised our ROE target for the final year of the MTP (FY2027) from 7% to 8%. We will monitor ROIC and strive to continue to improve ROE.

### ■ Trends in ROE



### [Initiatives to improve capital efficiency]

#### Profitability (profit margin on sales)

- Implement appropriate price revisions that accommodate cost increases
- Improve performance in the Australia flour milling business and the India yeast business
- Develop new products, transform the business structure, and improve productivity in the processed food business
- Develop high value-added products and improve productivity in the prepared dishes and other prepared foods businesses

#### Efficiency (total asset turnover)

- Increase market share, shipments and sales in each domestic and overseas business
- Sell non-business assets, including cross-shareholdings, and reduce the Company's assets

#### Financial leverage

- We have raised the standard consolidated payout ratio target from the previous target, 40% or higher, to around 50% by FY2027. The payout ratio is calculated by excluding non-recurring profits or losses.

## IV. ESG Initiatives

# 1. Human Resource Strategy

We will implement the initiatives below to develop the human resources and organization that will support sustainable growth.



**These initiatives will contribute to the implementation of the Group's sustainable growth strategy.**

## 2. Progress on Medium-to-long-term Targets for Environmental Issues (1)

(E) Environment

Delivering Good Health and Reliability



### ■ Medium-to-long-term targets for environmental issues and our progress

Action Theme	Targets	FY2024 Results (vs. the base year)
Action on climate change	Reduce the CO <sub>2</sub> emissions generated by Group-operated sites by <b>50%</b> by 2030 (compared with fiscal 2014 levels)	<b>13% reduction (including OYI(*))</b> <b>29% reduction (excluding OYI)</b> * Oriental Yeast India Pvt. Ltd.
	Reduce the CO <sub>2</sub> emissions generated by Group-operated sites to <b>effectively zero</b> to achieve carbon neutrality by 2050	
	Reduce CO <sub>2</sub> emissions in the supply chain	
Addressing food waste	Reduce food waste by <b>at least 50%</b> (compared with fiscal 2017 levels; compared with fiscal 2020 levels for the three prepared foods companies) from raw material procurement to delivery to customers by 2030 * Applies to domestic Group companies	<b>60% reduction</b>
Addressing container and packaging waste	Reduce the usage of fossil fuel-derived plastics by <b>at least 25%</b> (compared with fiscal 2020 levels) by 2030 * Applies to domestic Group companies	<b>10% reduction</b>
Addressing water resources	Reduce water usage at plants as a unit of production by <b>30%</b> by 2040 (compared with fiscal 2022 levels)	<b>3% reduction</b>

- The figures above do not include the effects of the new consolidation of Kumamoto Flour Milling Co., Ltd.

## Main initiatives for reducing CO<sub>2</sub> emissions (1)

### Flour Milling Business

- Since November 2023, effectively 100% of the electricity sourced by the Tsurumi Plant has been from renewable energy sources. This is achieved through the installation of solar power generation equipment through an off-site PPA agreement and the use of non-fossil fuel certificates. ▶ A reduction of approximately 27,000 tons of CO<sub>2</sub> per year
- We plan to install solar power generation equipment through an onsite PPA agreement at the Mizushima Plant, which is under construction (from May 2025).

#### Solar power generation equipment installation timeline

2023	February	Fukuoka Plant	Commencement of onsite PPA
2023	November	Tsurumi Plant	Commencement of off-site PPA
2025	May	Mizushima Plant	Commencement of onsite PPA (plan)



Off-site PPA solar power generation equipment (partial)

**We plan to achieve our CO<sub>2</sub> emissions reduction target for 2030 (a 50% reduction compared to FY2014) in FY2025 in the flour milling business. We will continue to actively use renewable energy to reduce CO<sub>2</sub> emissions.**



### Main initiatives for reducing CO<sub>2</sub> emissions (2)

#### Processed Food Business

- Six overseas bases (\*) will effectively source 100% of their electricity from renewable energy by using non-fossil fuel certificates (in FY2025).

(\*) Thai Nisshin Seifun Co., Ltd., Thai Nisshin Technomic Co., Ltd., Vietnam Nisshin Seifun Co., Ltd., Vietnam Nisshin Technomic Co., Ltd., Nisshin Seifun Turkey Makarna Ve Gida Sanayi Ve Ticaret A.S., and Shin Nisshin Seifun Foods (Qingdao) Co., Ltd.

▶ A reduction of appropriately 11,000 tons of CO<sub>2</sub> per year

- The carbon neutrality of the Kobe Plant of MA•MA-MACARONI CO., LTD. (from July 2024)

(using biomass power generation, as well as renewable energy power utilizing non-fossil fuel certificates)

▶ A reduction of appropriately 5,200 tons of CO<sub>2</sub> per year

We plan to achieve our CO<sub>2</sub> emissions reduction target for 2030 (a 50% reduction compared to FY2014) in FY2025 in the processed food business.

#### Mesh Cloth Business

- The Shizuoka-Kikugawa Plant has introduced electricity generated without CO<sub>2</sub> emissions in Shizuoka prefecture. (from April 2024)

▶ A reduction of appropriately 1,000 tons of CO<sub>2</sub> per year

- The head office (Hino, Tokyo) has transitioned to electricity generated without CO<sub>2</sub> emissions sourced from renewable sources of energy (from May 2024), following the Yamanashi-Tsuru Plant and Shizuoka-Kikugawa Plant.

CO<sub>2</sub> emissions from the use of electricity at all our facilities in Japan will be effectively zero.

## Caution Regarding Results Briefing Content

The content of this briefing is based on various assumptions, and thus does not represent any promise or guarantee that numerical targets and initiatives projected for the future will be realized.