

Supplemental Documents for the 1st Quarter of FY2022



Overview of the 1st Quarter of FY2022

- * Ordinary Profit remained at the same level as the previous year although there was intense upward pressure on costs. However, Profit attributable to owners of parent declined due to an increase in corporate taxes.
- * Marine Product business went well, covering the poor performance of the Food Product business. The progress rate against the plan has been reasonable so far.

■ In the Marine product business, consumption continues to be steady from the previous year, and fish prices are also favored, resulting in increased sales and profits.

■ Sales increased in the Food Product business. However, there was a significant decrease in profit due to cost increases.

(Unit: 100 million JPY)	1Q of FY2021	1Q of FY2022	Y-o-Y		Annual Plan for FY2022	Progress Rate
				(%)		(%)
Net Sales	1,654	1,842	188	11.4	7,200	25.6
Operating Profit	70	66	(3)	(5.3)	225	29.7
Ordinary Profit	74	73	(1)	(1.5)	255	28.9
Profit attributable to owners of parent	51	42	(9)	(18.4)	180	23.5

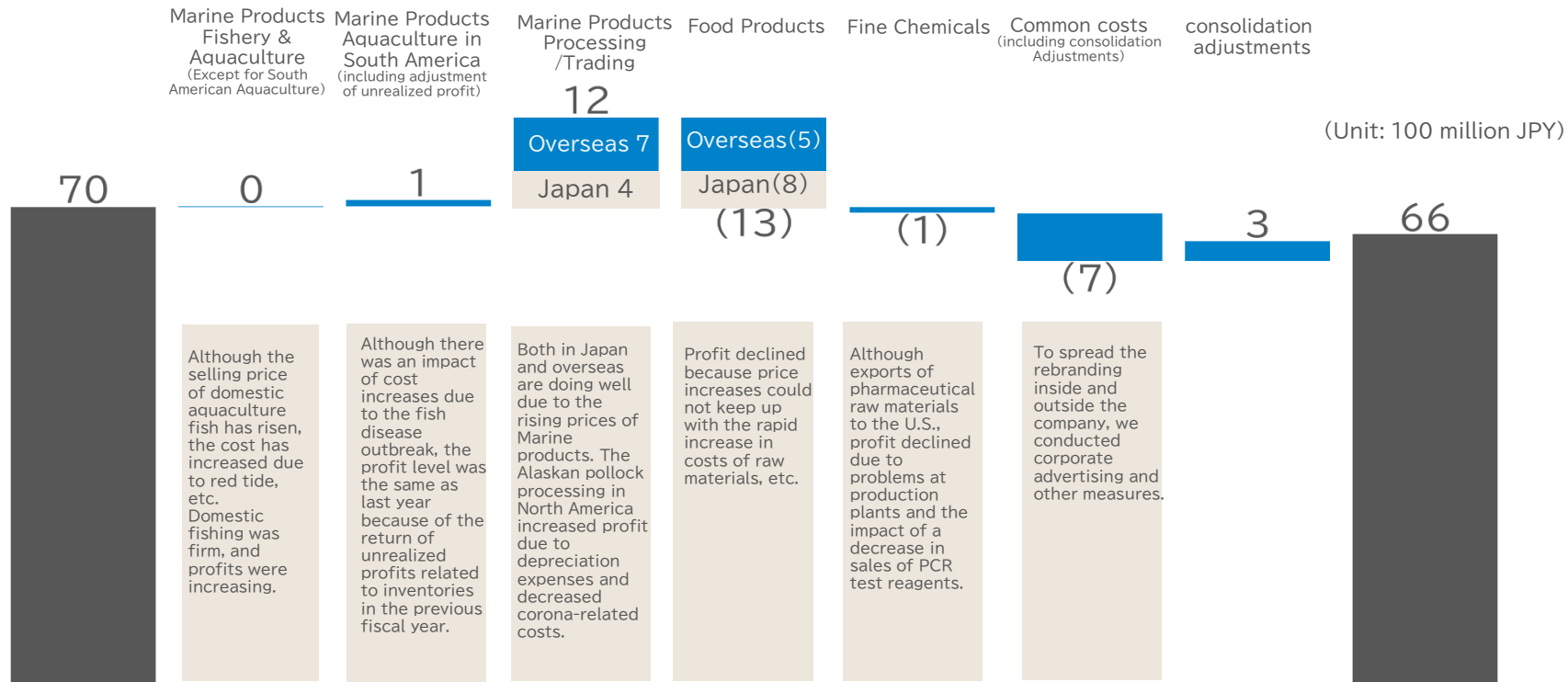
Overview of the 1st Quarter of FY2022 by Segment

* Significant increase in Net Sales in the Marine Products & Food Products Business, including the impact of foreign exchange rates of approximately 5 billion yen

(Unit: 100 million JPY)	1Q of FY2021	1Q of FY2022	Y-on-Y	
			(Amount)	(%)
Net Sales	1,654	1,842	188	11.4
Marine Products	635	757	121	19.2
Food Products	840	929	88	10.5
Fine Chemicals	78	81	3	4.3
General Distribution	39	39	(0)	(0.6)
Others	59	34	(25)	(42.1)
Operating Profit	70	66	(3)	(5.3)
Marine Products	21	41	20	95.5
Food Products	51	36	(14)	(28.9)
Fine Chemicals	10	8	(1)	(15.7)
General Distribution	5	4	(0)	(15.5)
Others	1	1	0	40.4
Common Costs	(19)	(26)	(6)	36.2
Ordinary Profit	74	73	(1)	(1.5)
Profit attributable to owners of parent	51	42	(9)	(18.4)

Main factors for increase/decrease in operating profit (Y-on-Y)

- * The marine products business benefited from strong market prices and increased profits. However, the food products business struggled due to the rise in raw material costs and the time lag in price increases.
- * Common costs increased due to investment in rebranding penetration and other factors.



Consolidated Balance Sheet (Y-on-Y)

Working capital increased compared to the end of the previous fiscal year.

The italic and bold figures mean increase/decrease, compared to the end of FY2021

(Unit: 100 million JPY)

Current Assets	2,846	195	Current Liabilities	1,946	167																		
<table border="1"> <tbody> <tr> <td>Cash and deposits</td> <td>145</td> <td>7</td> </tr> <tr> <td>Notes and accounts receivable</td> <td>962</td> <td>59</td> </tr> <tr> <td>Inventory</td> <td>1,536</td> <td>95</td> </tr> </tbody> </table>	Cash and deposits	145	7	Notes and accounts receivable	962	59	Inventory	1,536	95			<table border="1"> <tbody> <tr> <td>Notes and accounts payable</td> <td>544</td> <td>41</td> </tr> <tr> <td>Short-term borrowings</td> <td>980</td> <td>148</td> </tr> <tr> <td>Accrued expenses</td> <td>260</td> <td>8</td> </tr> </tbody> </table>	Notes and accounts payable	544	41	Short-term borrowings	980	148	Accrued expenses	260	8		
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Inventory	1,536	95																					
Notes and accounts payable	544	41																					
Short-term borrowings	980	148																					
Accrued expenses	260	8																					
Non-current Assets	2,449	42	Non-current Liabilities	1,174	(18)																		
<table border="1"> <tbody> <tr> <td>Property, plant and equipment</td> <td>1,495</td> <td>41</td> </tr> <tr> <td>Intangible assets</td> <td>117</td> <td>4</td> </tr> <tr> <td>Investment and other assets</td> <td>836</td> <td>(3)</td> </tr> </tbody> </table>	Property, plant and equipment	1,495	41	Intangible assets	117	4	Investment and other assets	836	(3)			<table border="1"> <tbody> <tr> <td>Long-term borrowings</td> <td>919</td> <td>(29)</td> </tr> </tbody> </table>	Long-term borrowings	919	(29)								
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Long-term borrowings	919	(29)																					
Total Assets	5,295	238	Net Assets	2,175	89																		
			<table border="1"> <tbody> <tr> <td>Shareholder's equity</td> <td>1,985</td> <td>87</td> </tr> </tbody> </table>	Shareholder's equity	1,985	87																	
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			<table border="1"> <tbody> <tr> <td colspan="3">Equity Ratio</td> </tr> <tr> <td>As of March 2022</td> <td>37.5%</td> <td>⇒</td> <td>As of June 2022</td> <td>37.5%</td> </tr> </tbody> </table>			Equity Ratio			As of March 2022	37.5%	⇒	As of June 2022	37.5%										
Equity Ratio																							
As of March 2022	37.5%	⇒	As of June 2022	37.5%																			

Consolidated Cash-Flow Statement (Y-on-Y)

Cash-Flow is generally at the same level as the same period last year.

(Unit: 100 million JPY)	1Q of FY2021	1Q of FY2022	Y-o-Y
·Profit before income taxes	76	75	(0)
·Depreciation & Amortization	47	47	(0)
·Working Capital	(94)	(74)	19
·Income taxes paid	(29)	(44)	(15)
·Others	(42)	(38)	4
Net cash provided by operating activities	(42)	(34)	7
·Investment in (Purchase of) property, plant, and equipment	(45)	(60)	(15)
·Others	7	28	21
Net cash provided by investing activities	(38)	(31)	6
·Increase (Decrease) in short-term borrowings	131	126	(5)
·Increase (Decrease) in long-term borrowings	(8)	(29)	(20)
·Others	(20)	(28)	(7)
Net cash provided by financing activities	102	68	(33)
Cash and cash equivalent at end of term	169	163	

Marine Products Business

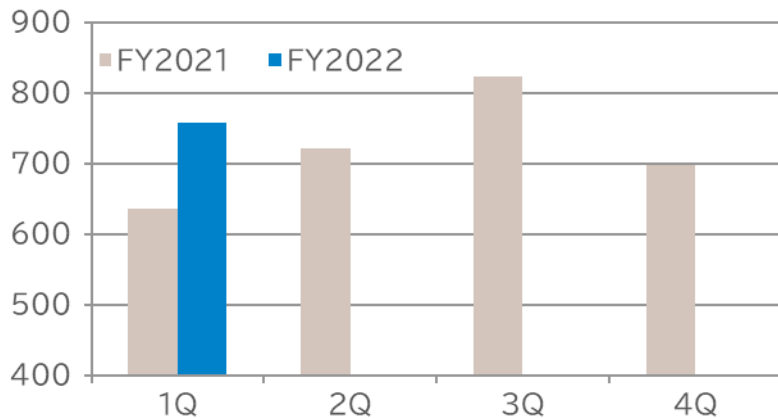
Net Sales & Operating Profit (Y-on-Y)

In addition to strong sales, there was also a significant increase in sales due to the impact of exchange rates of approximately 2 billion yen.

Unit: 100 million JPY	1Q of FY2021	1Q of FY2022	Y-o-Y	
			(Amount)	(%)
Net Sales	635	757	121	19.2
Operating Profit	21	41	20	95.5

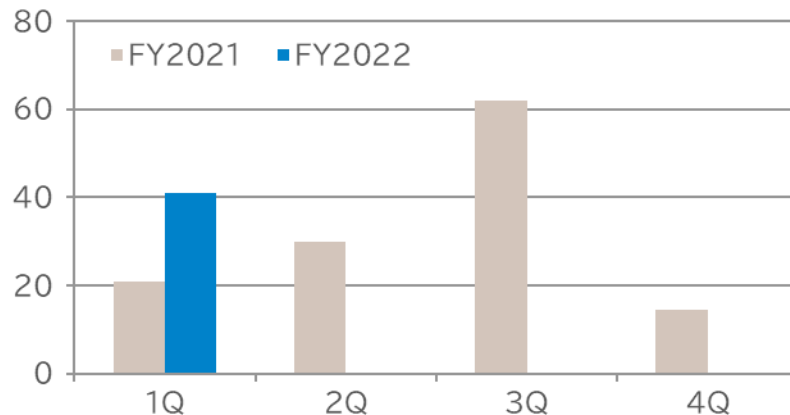
(Unit: 100 million JPY)

Net sales (quarterly)



(Unit: 100 million JPY)

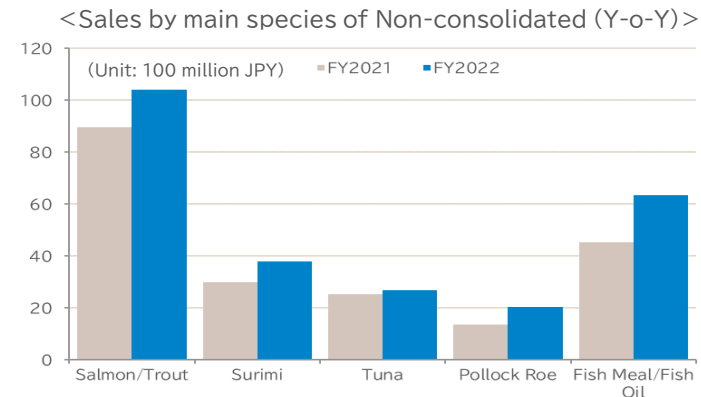
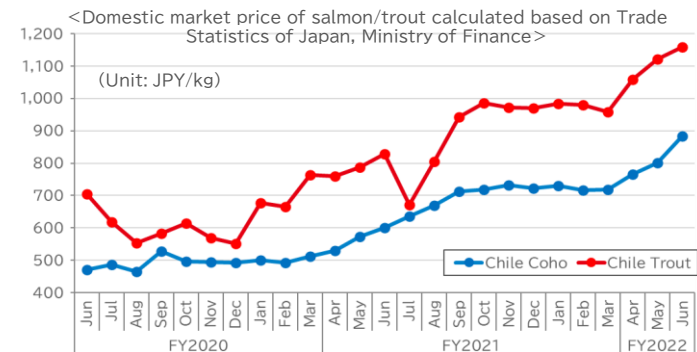
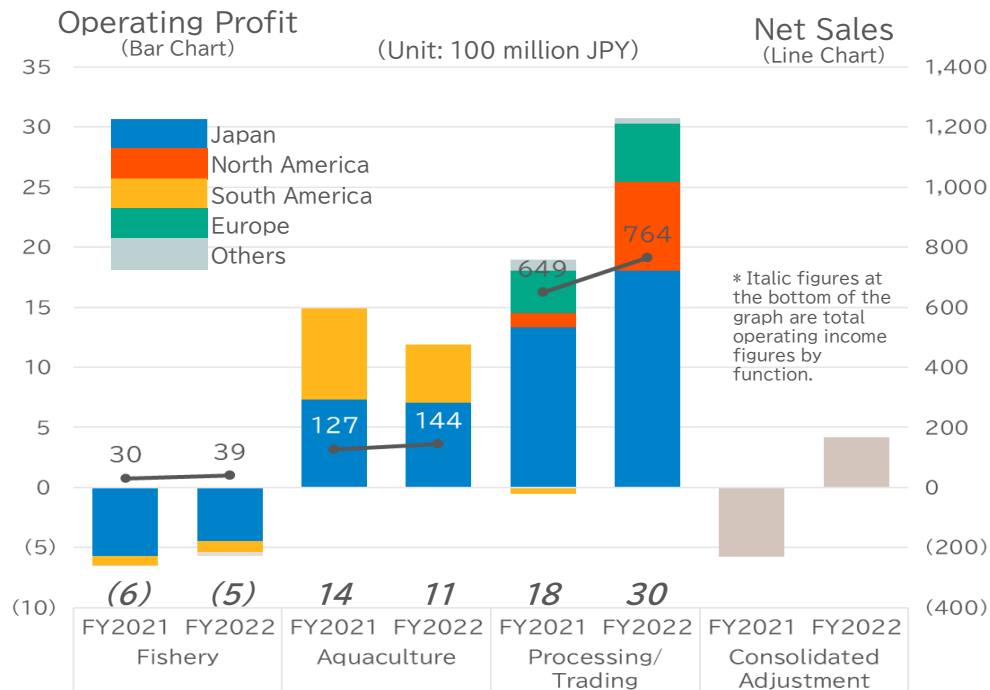
Operating Profit (quarterly)



Marine Products Business

Net Sales & Operating Profit (Y-on-Y)

- * Besides solid sales, processing and trading increased profit because of cost reductions in North America.
- * Profit in aquaculture decreased slightly due to the increased cost of salmon and tuna.



Food Products Business

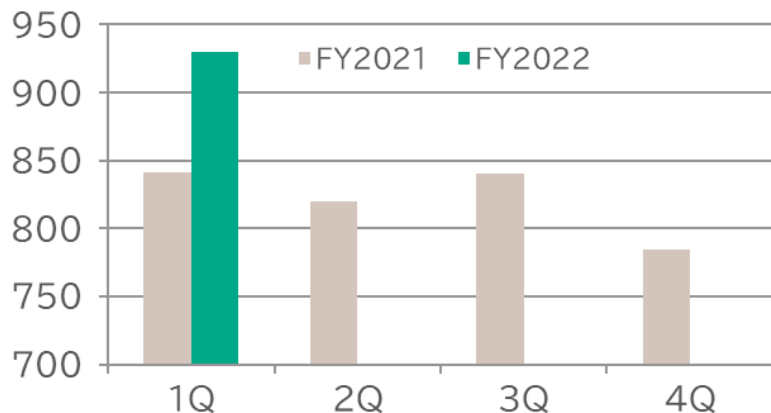
Net Sales & Operating Profit (Y-on-Y)

- * In addition to the increase in sales volume, the increase in selling prices due to foreign exchange rates and price increases also contributed to the rise in sales.
- * Price increases have not caught up with the rapid cost increase.

Unit: 100 million JPY	1Q of FY2021	1Q of FY2022	Y-o-Y	
			(Amount)	(%)
Net Sales	840	929	88	10.5
Operating Profit	51	36	(14)	(28.9)

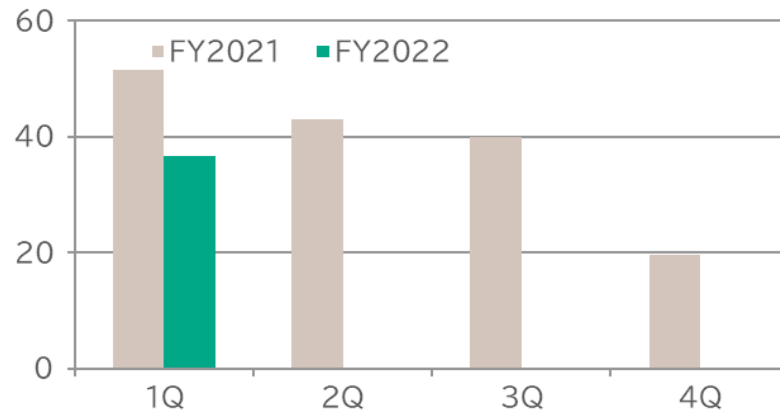
(Unit: 100 million JPY)

Net sales (quarterly)



(Unit: 100 million JPY)

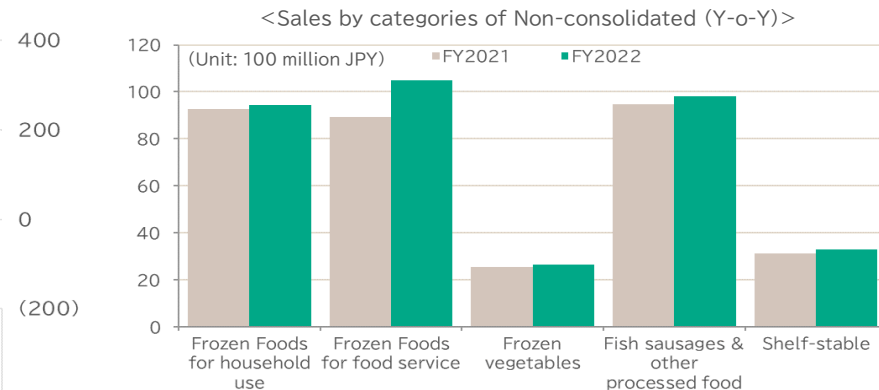
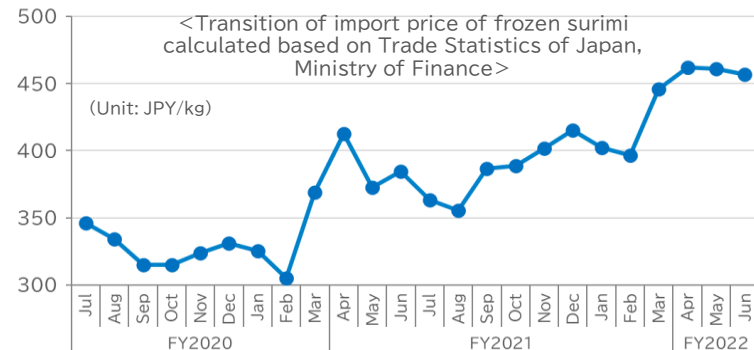
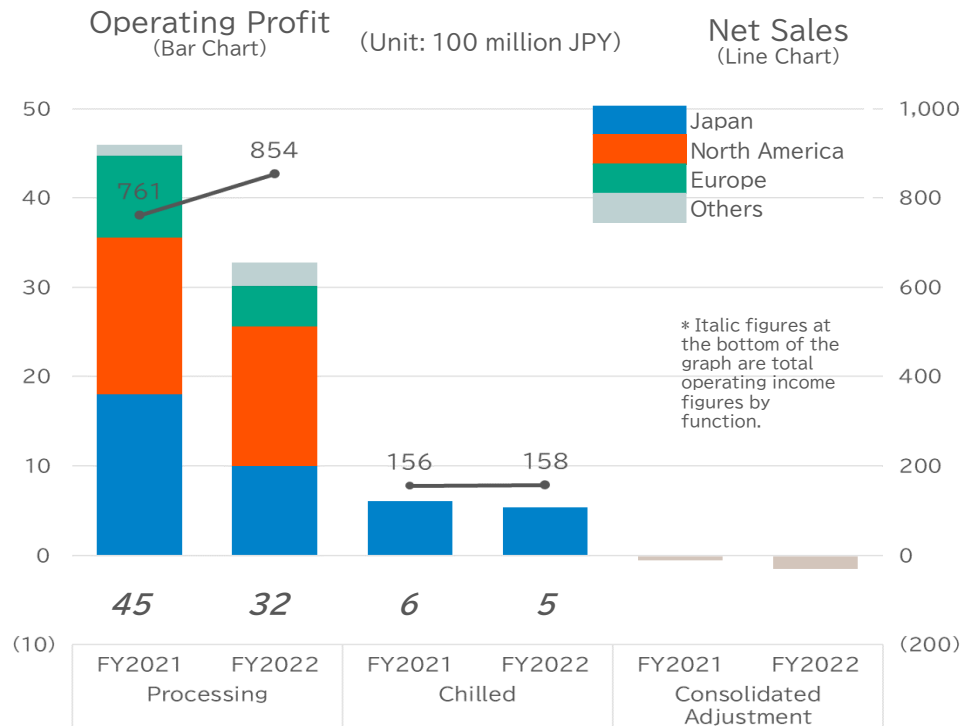
Operating Profit (quarterly)



Food Products Business

Net Sales & Operating Profit (Y-on-Y)

- * In North America, although prices for household use were raised and sales remained strong, profit declined slightly due to difficulties in food service.
- * Profit in Japan and Europe declined due to higher raw materials, energy costs, etc.

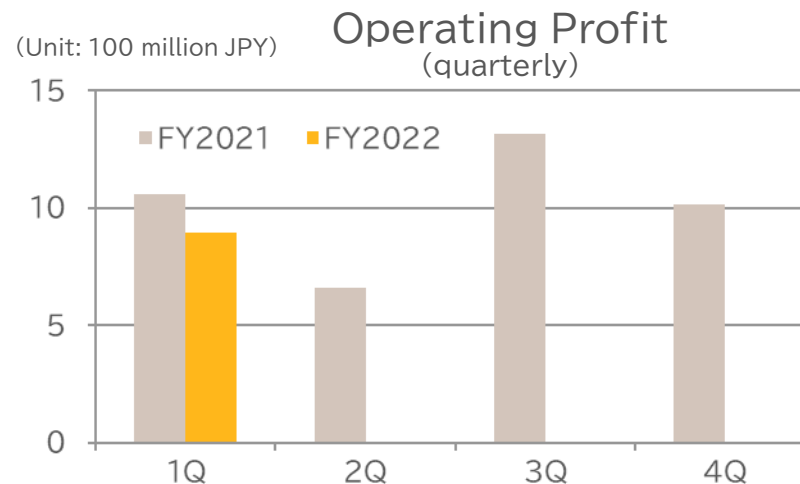
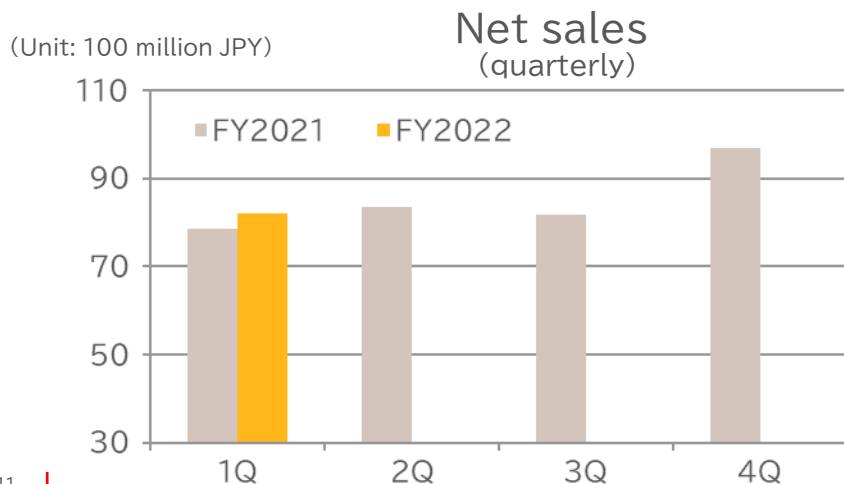


Fine Chemicals Business

Net Sales & Operating Profit (Y-on-Y)

- * Exports of pharmaceutical raw materials increased sales, but plant operations deteriorated due to production troubles.
- * Due to the decrease in sales of PCR test reagents, which had surged sharply in the previous year, profit declined.

Unit: 100 million JPY	1Q of FY2021	1Q of FY2022	Y-o-Y	
			(Amount)	(%)
Net Sales	78	81	3	4.3
Operating Profit	10	8	(1)	(15.7)

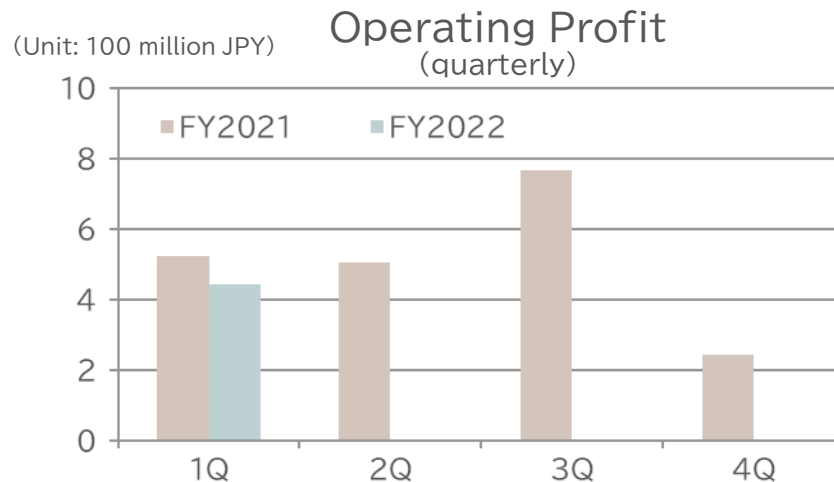
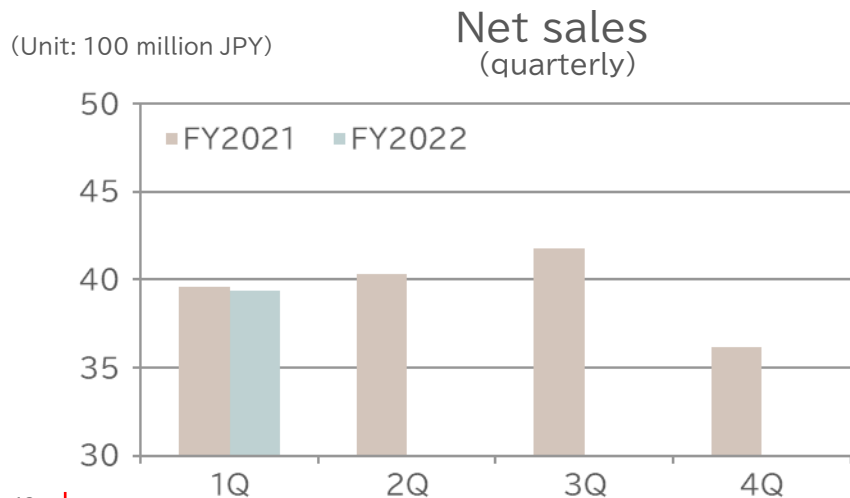


General Distribution

Net Sales & Operating Profit (Y-on-Y)

- *Although the customs clearance business is steady, the refrigerated warehouse business did not perform well.
- *Sales and operating profit levels are the same as the previous year due to increases in electricity charges.

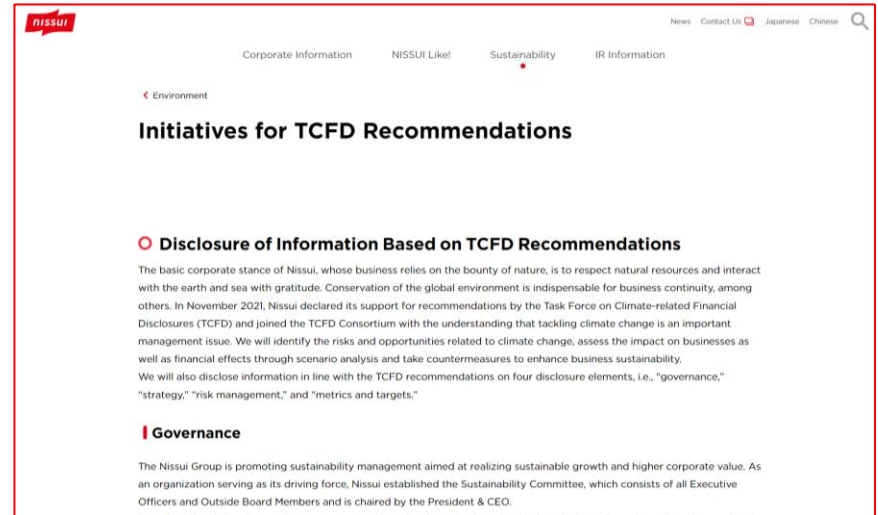
Unit: 100 million JPY	1Q of FY2021	1Q of FY2022	Y-o-Y	
			(Amount)	(%)
Net Sales	39	39	(0)	(0.6)
Operating Profit	5	4	(0)	(15.5)



Information disclosure about TCFD recommendations on the website

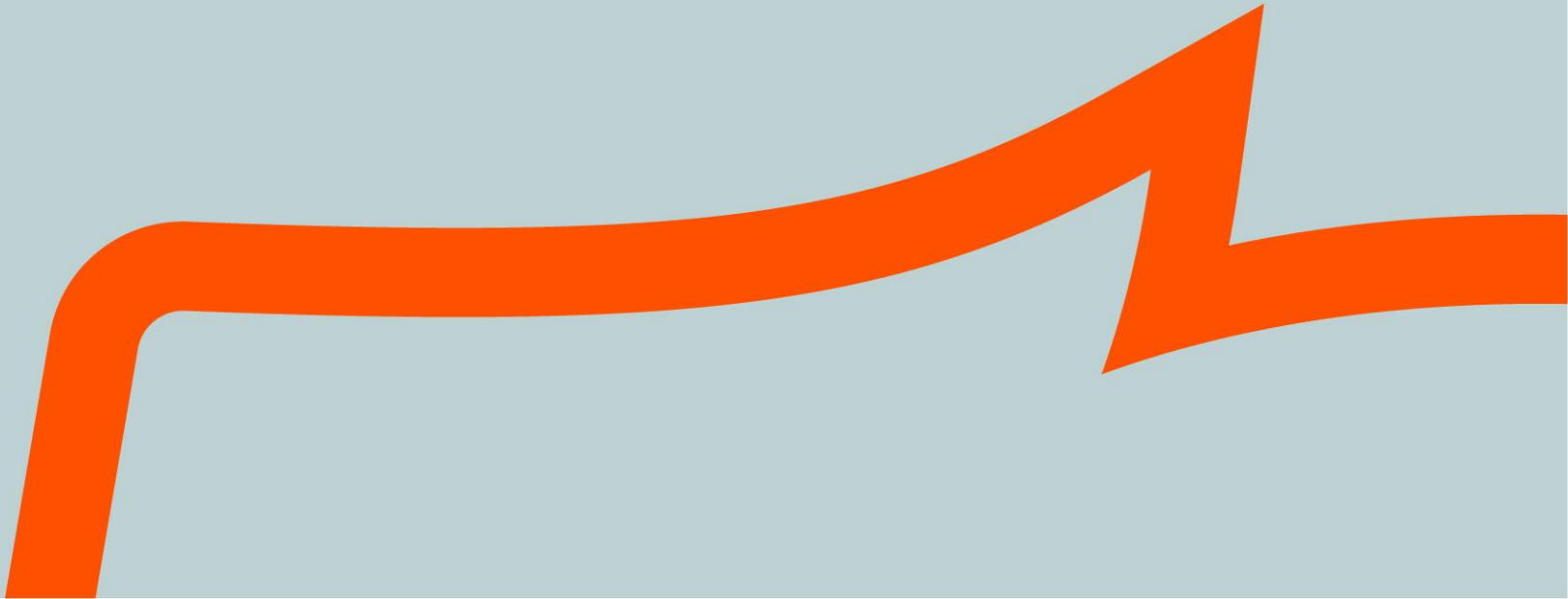
Identifying risks and opportunities related to climate change, evaluating business impact and financial impact through scenario analysis, and formulating countermeasures, we disclose detailed information for TCFD recommendations on the Company's website from the end of June this year.

- The TCFD's four items of disclosure: governance, strategy, risk management, and indicators and objectives
- Analysis of two hypothetical scenarios in which the temperature rise is 1.5~2°C and 4°C for the Marine Products and Food Products businesses, which account for more than 90% of sales.
- Identification of risks and opportunities in each of the above, assessment of financial impact by 2030, and examination of countermeasures
- Reflection on the Medium-Term Management Plan Strategy launched this Fiscal Year



<https://nissui.disclosure.site/en/themes/223>

Outlook / Initiatives



Marine products business

We will pay close attention to trends in the fishery market and work on thorough inventory management both in Japan and overseas.

▶ Domestic and Overseas Trading Business

- Since it's still uncertain in terms of supply-demand balance, we will work on thorough inventory management.

▶ Domestic Aquaculture Business

- (Tuna) Cost reduction through collaboration between two aquaculture companies.
Expansion of the quantity of large-scale livestock tuna.
- (Yellowtail) To take advantage of the superiority of complete aquaculture, we will pursue maximization of value while ascertaining the shipping timing.
By switching to large-scale cages, we will further enhance cost reductions by increasing volume and consolidating work.

▶ Aquaculture Business in South America

- The company will expand sales of high-value-added products and improve profitability by investing to increase production in fillet lines.
- The business environment will continue to be severe due to increased aquaculture costs, fewer production volumes, and soaring feed costs.

▶ North American Processing Business

- While expecting an increase in profit due to a decrease in amortization expenses due to impairment loss in the previous fiscal year and a reduction of corona-related costs, the company aims to achieve optimum productivity in line with the ongoing situation in the B season (aiming to increase fillet production).

One of the Initiatives in the Marine Products business: Distribution Platform

We will consolidate the functions required by retailers

▶ Centralized management of marine product distribution functions

Initiatives to be responsible for inventory management and delivery on behalf of customers



- "Product storage function" to manage the manufacturer's products in stock
- "Processing function" to process fishery products on behalf of the backyard
- Acting on behalf of center operations and "picking function" from collection to shipment

▶ Our benefits ... Expand the handling of marine products (aquaculture and frozen) of the Company and its group companies and promote "processing"

Order-taking and settlement operations → Increase in commission income in Storage and processing → Improve the operation of frozen warehouses → Increase in picking and shipping revenues



Expand the handling of marine products (aquaculture and frozen) of the Company and its group companies



Made in Japan



Exports

Improve profitability by promoting "processing" (highly added value)

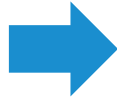


Processed marine products

One of the Initiatives in the Marine Products business: New products

Utilize sustainable fishery resources and increase added value (easy-cook, healthy, etc.) with our unique technologies

▶ Expansion of "Osakana Mince" products



This is a product in which vegetables are added by processing the difficult-to-put-together mince into a ball shape—healthy products for delicatessen shops, eating out, and hospitals.

What is Osakana mince?

= Mince the white fish,
Products that can be
handled like meat



Cooking example: Osakana Mince
meat ball dumplings

▶ Expansion of easy cooking products



Shrimp products can be eaten simply by warming the whole bag in the microwave. (Frozen products for home delivery and mail order)

One of the Initiatives in the Food Products business: New products

Set multiple targets based on social and environmental forecasts, and provide products that meet the needs of each

Convenience + Healthy



One plate product using Nissui's original soy meat
No meat and zero cholesterol content

Simplicity + authentic taste



With a new lifestyle
Responding to the social environment
One Plate Product

Health Consciousness



This fish sausage helps maintain articular cartilage, using N-Acetylglucosamine for Foods with functional claims

Reduction of cooking burden



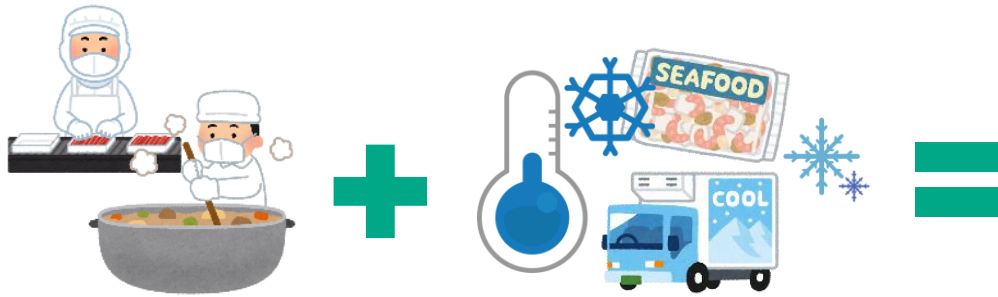
Products that can reduce the impact of soaring edible oil prices by making it possible to cook in the oven

One of the Initiatives in the Food Products business: Q-Dish

With the cultivated functions for handling and cooking several ingredients in the chilled business and individual eating + freezing technology, Nissui leverages its strengths.

▶ Utilizing know-how in chilled and frozen foods to realize **new "food."**
▶ Microwavable pre-heated products with various Japanese, Western, and Chinese selections.

- Responding to the growth in demand for in-house meals due to the corona disaster with easy cooking that only warms up
- Improved deliciousness by reducing additives
- Since the shelf life can be set for a long time, it leads to a reduction in food loss.



Leveraging the strengths of food processing technology and freezing technology cultivated in the chilled business

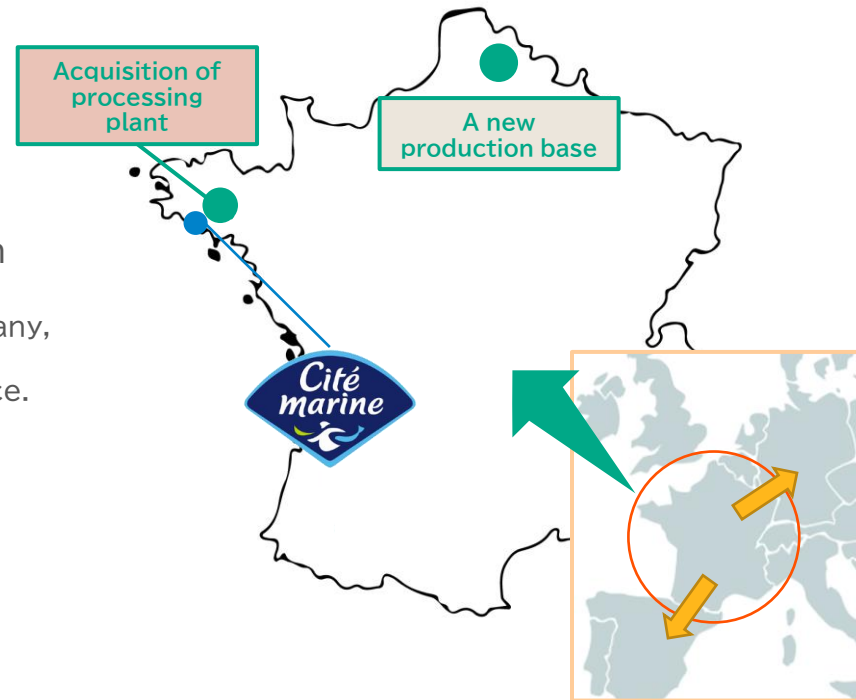


Considering further menu expansion in the future

One of the Initiatives in the Food Products business: Business Expansion in Europe

- *Expansion and establishment of new production functions to meet growing demand
- *The company aims to increase its production capacity by approximately 20%.

- ▶ Acquisition of processing plant
 - Producing fried white fish and alternative protein products
 - Both frozen and chilled production is possible.
- ▶ Establishment of a new plant to respond to exports outside France and expansion of alternative protein products
 - Aiming to expand sales to overseas markets, mainly in Germany, and increase sales of plant-based protein products.
 - A new production base will be established in Northern France. (Expected to start operations in 2024)



Initiatives in the Fine Chemicals business:

In preparation for the development of pharmaceutical raw materials for the European market and for a system for both production and sales



▶ Pharmaceutical raw materials

- Considering how to respond to the slowdown in sales in the U.S.
- Strengthening the quality assurance system for expansion into Europe, Continuation of preparation for registration application procedures
- The production plant is in the process of adjusting production due to trouble, Aiming for full operation around September

▶ Japan (functional foods, mail order)

- Focusing on DHA-derived products, we are considering further product development.
- Expansion into the retail market in cooperation with drugstores, (Fast-muscle protein powder drinks, DHA jelly-type products, etc.)



Initiatives to solve Social Issues (Products Friendly to the Global Environment)

Initiatives for Environmentally Friendly Containers and Packaging that Do Not Use Plastic Trays

▶ Frozen side dishes without trays and paper cups



▶ Frozen side dishes using trays made of paper materials

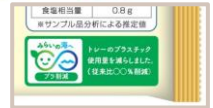


Nissui's unique eco-mark
"To the Sea in the future"

As an initiative to reduce plastic in containers and packaging, 11 new products and 7 renewed products are marked with the Eco Mark (frozen food and processed meals). Almost 70% of household frozen and processed foods are put this mark.



Example:



Plastics are related to various social issues such as waste, marine plastic litter, and global warming.

The Nissui Group will promote the 3R+R of plastics through its business.

Reduce, Reuse, Recycle + Renewable

A close-up photograph of a person's face, focusing on their eye and nose. The person has dark hair and is looking slightly to the right. The background is a soft, light blue. A large, thick orange arrow graphic starts from the top left, points down, then right, then down again, and finally right towards the person's eye.

まだ見ぬ、食の力を。



A challenging environment is expected, like rapid inflation and yen depreciation at the moment.

We will work hard to achieve our Long-term Vision: “A Leading Company Delivering Food Friendly to People and the Earth to the World (Good Foods 2030)”, improving the ability to respond to changes.

Disclaimer regarding forward-looking statements

This presentation contains forward-looking statements regarding Nissui's business projections for the current term and future terms. All forward-looking statements are based on the rational judgment of management derived from the information currently available, and the Company provides no assurances that these projections will be achieved.

Please be advised that the actual business performance may differ from these business projections due to changes in various factors. Significant factors affecting the actual business performance include but are not limited to the changes in the market economy and product demand, foreign exchange rate fluctuations, and amendments to various international and Japanese systems and laws.

Accordingly, please use the information contained in this presentation at your discretion. The Company assumes no liability for any losses that may arise due to the use of this presentation.



まだ見ぬ、食の力を。

Nippon Suisan Kaisha., Ltd.

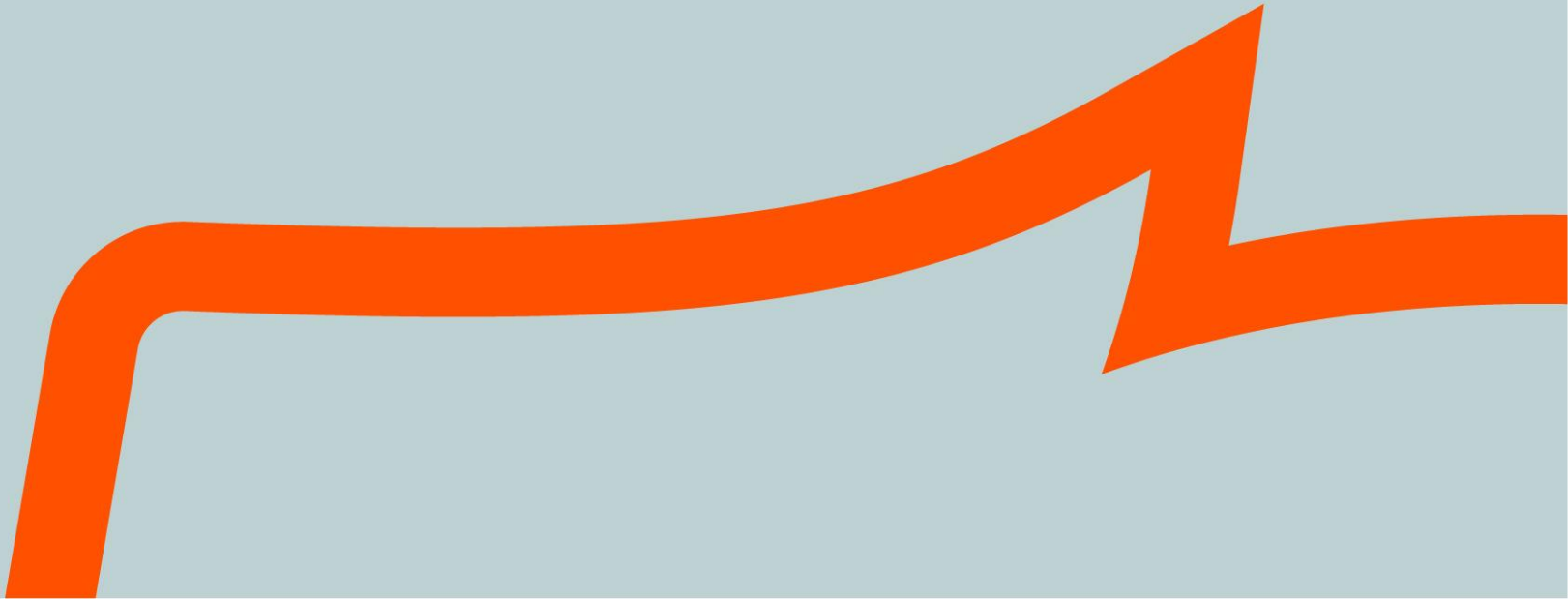
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Corporate Strategic Planning & IR Department

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<https://www.nissui.co.jp/english/index.html>

Appendix



Consolidated Income Statement (Y-on-Y)

(Unit: 100 million JPY)	1Q of FY2021	1Q of FY2022	Y-o-Y	Main causes of fluctuations
Net Sales	1,654	1,842	188	
Gross Profit	275	296	20	
SGA Expenses	205	229	24	
Operating Profit	70	66	(3)	
Non-operating profit	8	10	2	Foreign exchange gains +6 Equity Gains (Losses) of Affiliated Companies (4)
Non-operating expenses	4	3	(0)	
Ordinary Profit	74	73	(1)	
Extraordinary profit	4	11	7	Gains on sales of shares of affiliated companies +10 Gains on sales of investment securities (2) Insurance income (1)
Extraordinary losses	2	9	6	Valuation loss on investment securities +4 Disaster loss +2
Profit before income taxes	76	75	(0)	
Income taxes - current	17	23	5	
Income taxes - deferred	5	8	3	
Profit	53	44	(9)	
Profit attributable to non-controlling interests	1	2	0	
Profit attributable to owners of parent	51	42	(9)	

Impacts on net sales by foreign exchange and exchange rate

Exchange rate among overseas subsidiaries	1Q of FY2021		1Q of FY2022		Y-o-Y		Breakdown (Unit:100 million JPY)	
	Local Currency	JPY (100 million)	Local Currency	JPY (100 million)	Local Currency	JPY (100 million)	Local Currency	Impact of exchange rate
USD (million)	347	372	396	467	49	95	52	42
EUR (million)	91	117	98	129	6	11	8	3
DKK (million)	684	118	833	147	149	29	25	3
Other Currencies	—	58	—	77	—	18	13	4
Total		666		821		154	100	53

<Ref. Foreign Exchange rate>

Note) The foreign exchange rate on the right table is the average rate during the 1st quarter.

	1Q of FY2021	1Q of FY2022	Variation
USD	107.15 JPY	117.79 JPY	9.9%
EUR	128.44 JPY	131.57 JPY	2.4%
DKK	17.28 JPY	17.68 JPY	2.4%

Consolidated net sales by Segment Matrix (Y-on-Y)

(Unit: 100 million JPY)

	Japan		North America		South America		Asia		Europe		Sub Total		Consolidated Adjustment		Grand Total	
Marine Products	559	67	142	31	67	14	14	(1)	163	28	947	139	(190)	(17)	757	121
	492		111		53		16		134		808		(172)		635	
Food Products	581	12	256	49			24	8	150	23	1,012	94	(83)	(5)	929	88
	569		206				16		126		918		(77)		840	
Fine Chemicals	87	2					1	(0)			88	2	(6)	1	81	3
	85						1				(7)		78			
General Logistics	73	4									73	4	(34)	(4)	39	(0)
	69										(30)		39			
Others	65	(9)					0	0			65	(9)	(30)	(16)	34	(25)
	74						0				(14)		59			
Sub Total	1,367	76	399	80	67	14	41	7	313	51	2,188	231				
	1,290		318		53		33		261		1,957					
Consolidated Adjustment	(227)	(20)	(38)	(5)	(45)	(9)	(29)	(4)	(4)	(1)			(346)	(42)		
	(206)		(32)		(36)		(24)		(2)				(303)			
Grand Total	1,139	55	360	75	21	4	11	2	309	50					1,842	188
	1,083		285		16		9		258						1,654	

※The upper columns indicate the result of FY2022, and the lower columns indicate that of FY2021. The italic and bold figures mean increase/decrease.

※Consolidated adjustment includes elimination between the group companies.

Consolidated operating income by Segment Matrix (Y-on-Y)

(Unit: 100 million JPY)

	Japan		North America		South America		Asia		Europe		Common Costs	Sub Total		Consolidated Adjustment		Grand Total		Ratio of operating profit to net sales(%)		
Marine Products	20	5	7	6	3	(2)	0	(0)	4	1		36	10	4	9	41	20	5.4	2.1	
	15		1		6		0		3			26		(5)		21		3.3		
Food Products	15	(8)	15	(1)			2	1	4	(4)		38	(13)	(1)	(0)	36	(14)	3.9	(2.2)	
	24		17				1		9			52		(0)		51		6.1		
Fine Chemicals	8	(1)					0	(0)				8	(1)	0	0	8	(1)	10.9	(2.6)	
	10						0					10		0		10		13.5		
General Logistics	4	(0)										4	(0)	0	(0)	4	(0)	11.3	(2.0)	
	5											5		0		5		13.2		
Others	2	2					0	(0)				2	2	(1)	(1)	1	0	5.0	2.9	
	0						0					0		0		1		2.1		
Common Costs											(25)	(7)	(25)	(7)	(0)	0	(26)	(6)		
											(18)		(18)		(0)		(19)			
Sub Total	51	(3)	22	4	3	(2)	3	0	9	(3)	(25)	(7)	65	(11)						
	55		18		6		2		12		(18)		76							
Consolidated Adjustment	2	6	(2)	(3)	2	4	(0)	0	(0)	(0)	0	0		1	7					
	(4)		1		(1)		(0)		(0)		(0)			(5)						
Grand Total	53	3	20	0	6	2	2	0	8	(3)	(25)	(6)					66	(3)	3.6	(0.6)
	50		20		4		1		12		(18)						70		4.3	

※The upper columns indicate the result of FY2022, and the lower columns indicate that of FY2021. The italic and bold figures mean increase/decrease.
 ※Consolidated adjustment includes amortization of goodwill and unrealized income in inventory, etc.

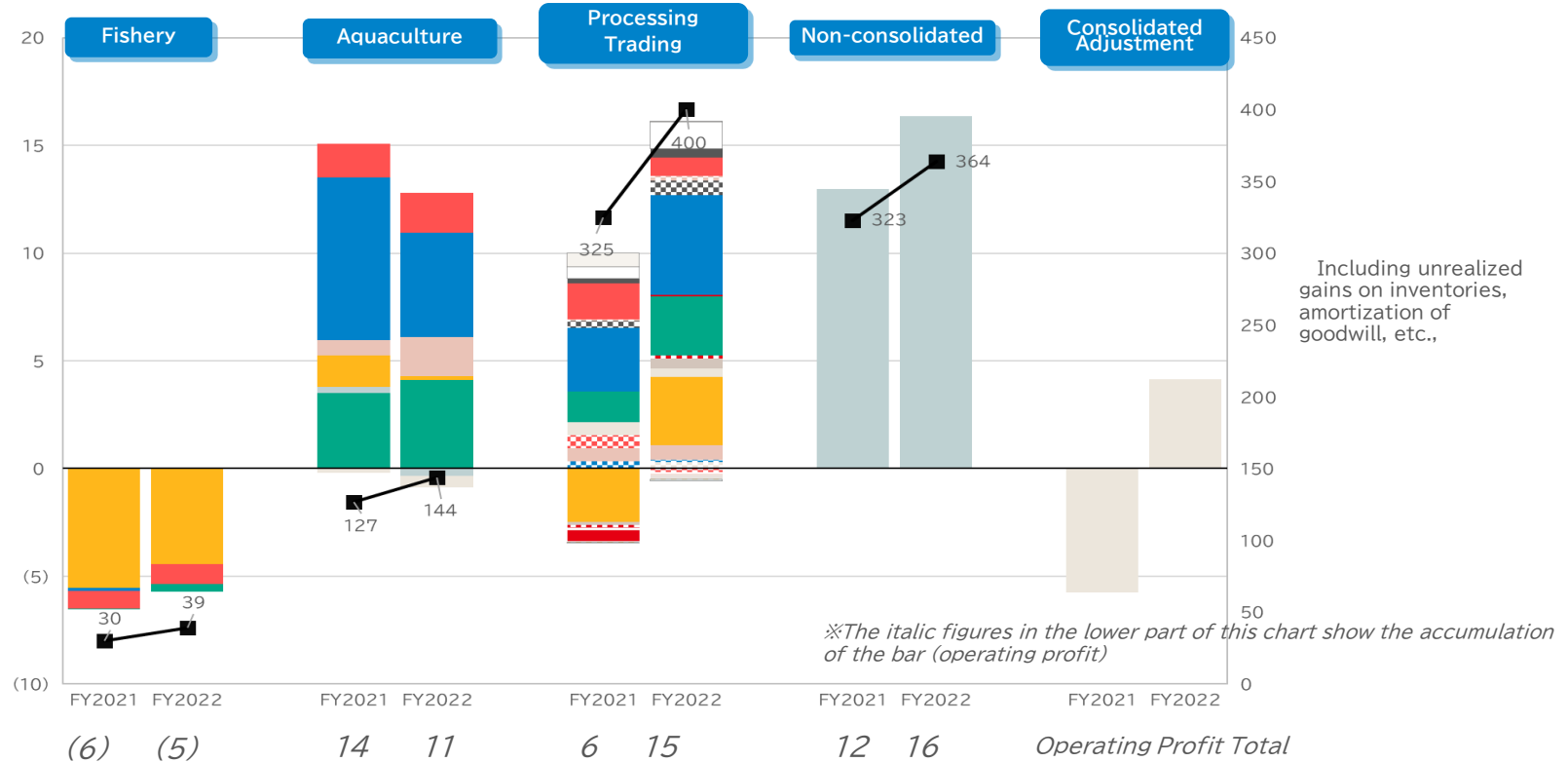
Marine Products business

Net sales and Operating Profit in the 1st Quarter in FY2022 (Y-o-Y)

Operating Profit
(Bar Chart)

(Unit: 100 million JPY)

Net Sales
(Line Chart)



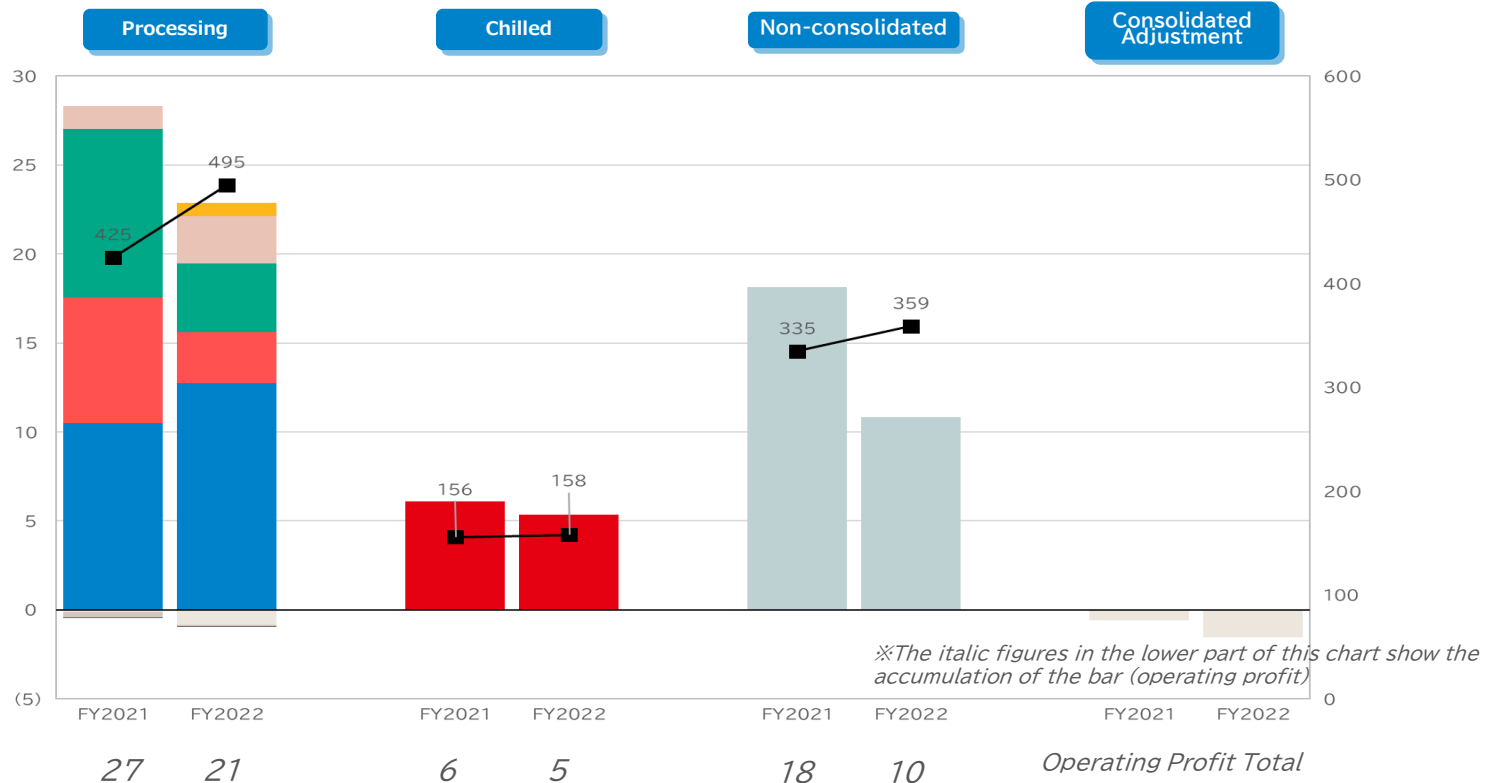
Food Products business

Net sales and Operating Profit in the 1st Quarter in FY2022 (Y-o-Y)

Operating Profit
(Bar Chart)

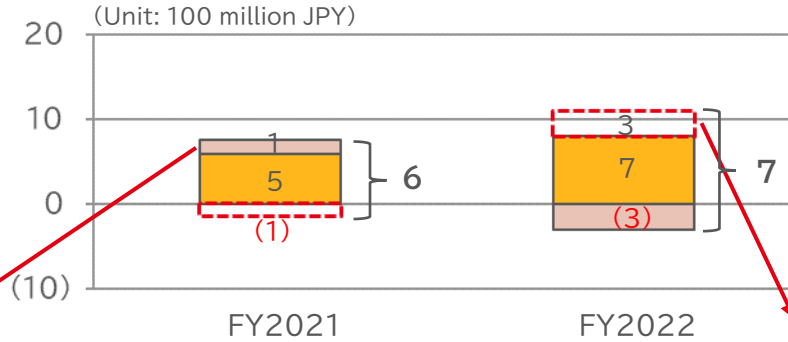
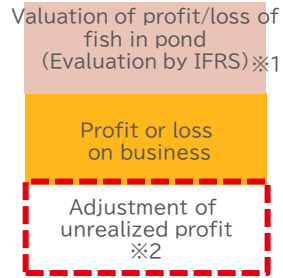
(Unit: 100 million JPY)

Net Sales
(Line Chart)



Salmon/Trout aquaculture business in South America

Profits in the South American aquaculture business, including unrealized gains, were almost the same as the previous year.



※2 Adjustment of unrealized profit in the inventory

※1 Valuation of profit/loss of fish in a pond
Evaluate pre-shipment fish in cages based on estimated shipping prices

