

The Nisshin OilliO Group, Ltd. **TSE: 2602**

FY2024

Financial Results Briefing

May 16, 2025

Summary of Financial Results for FY2024 and Earnings Forecast for FY2025

Financial Results for FY2024

- **Consolidated net sales increased year on year to 530.8 billion yen, whereas consolidated operating profit decreased year on year to 19.2 billion yen.**
 - Domestic oil and fat posted lower sales year on year due to lower unit sales prices despite higher sales volumes for commercial-use and food processing products as demand for dining out and tourism recovered resulting from more active flow of people. Profits also decreased year on year due to a decrease in gross profit per unit for general-purpose products, effects of higher cost for olive oil, and higher logistics costs.
 - Overseas processed oil and fat posted higher sales and profits year on year due to higher sales volumes, as well as the impact of mark-to-market valuation gains of palm oil transaction and the effects of currency conversion.
 - Processed food and materials also contributed to higher sales and profits year on year due to higher unit sales prices of chocolate products and sales of MCT products at appropriate prices.

Earnings Forecast for FY2025

- **Both consolidated net sales and operating profit are expected to increase year on year to 550.0 billion yen and 21.0 billion yen, respectively.**
 - Consolidated net sales are expected to increase due to higher unit sales prices as well as higher sales volumes mainly in domestic oil & fat and processed food & materials.
 - Consolidated operating profit is also expected to increase year on year due to higher gross profit per unit in global oil & fat and processed oil & fat as well as domestic oil & fat.
 - ✓ Global oil & fat and processed oil & fat will show higher profit year on year due to higher sales volumes and gross profit per unit of specialty fats.
 - ✓ Domestic oil & fat will bring higher profit due to higher sales volume and unit sales prices, as well as lower cost of olive oil.
 - ✓ Processed food & materials will deliver lower profit due to higher costs for chocolate products.

Value UpX

01

Summary of Financial Results for FY2024

Financial Results for FY2024

(Billion yen; Amounts of less than 0.1 billion yen are rounded down.)

	FY2024 results	FY2023 results	YoY change		Earnings forecast For FY2024 (Disclosed in March 2024)
Net sales	530.8	513.5	+17.3	103.4%	535.0
Operating profit	19.2	20.8	(1.5)	92.5%	19.0
Operating profit margin	3.6%	4.1%	—	—	3.6%
Ordinary profit	18.0	20.0	(1.9)	90.3%	18.0
Profit attributable to owners of parent	12.8	15.1	(2.2)	84.8%	13.0
ROE	7.0%	8.8%	(1.8) pts	—	—
ROIC	4.6%	5.1%	(0.5) pts	—	—

(Note) Return on Equity (ROE): $\text{Profit} / ((\text{Equity capital at beginning of term} + \text{Equity capital at end of term}) / 2)$

Return on Invested Capital (ROIC): $(\text{Operating profit after tax} + \text{Equity in earnings of affiliates}) / ((\text{Invested capital at beginning of term} + \text{Invested capital at end of term}) / 2)$

Results by Business Segment for FY2024 (Net Sales and Operating Profit)

(Billion yen)

	FY2024 results	FY2023 results	YoY change	
Net sales	530.8	513.5	+17.3	103.4%
Oil and Fat	428.9	421.9	+6.9	101.7%
Oil and Meal	299.0	317.9	(18.9)	94.0%
Processed Oil and Fat	129.9	103.9	+25.9	124.9%
Processed Food and Materials	78.7	70.1	+8.5	112.2%
Fine Chemical	20.8	18.8	+1.9	110.3%
Other/Adjustments	2.3	2.5	(0.1)	93.1%
Operating profit	19.2	20.8	(1.5)	92.5%
Oil and Fat	13.2	18.9	(5.7)	69.9%
Oil and Meal	6.9	14.4	(7.5)	48.1%
Processed Oil and Fat	6.3	4.5	+1.7	139.9%
Processed Food and Materials	4.7	0.9	+3.7	482.0%
Fine Chemical	1.7	1.2	+0.5	146.6%
Other/Adjustments	(0.5)	(0.3)	(0.1)	—

Changes in Operating Profit by Business Segment for FY2024

(Billion yen)

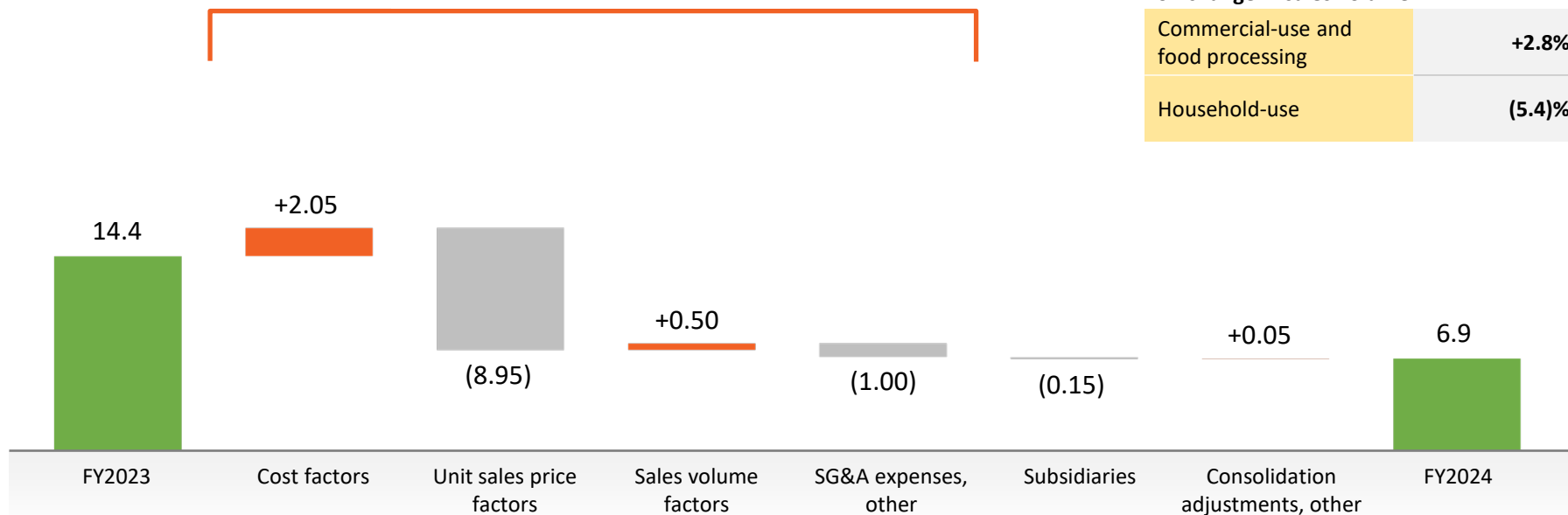
Oil and Meal

- Operating profit decreased year on year due to lower gross profit per unit of general-purpose products and higher costs of olive oil, as well as higher logistics costs.

Domestic oil and fat (7.40)

YoY change in sales volume

Commercial-use and food processing	+2.8%
Household-use	(5.4)%



Breakdown of cost factors

Soybean	+1.60 [C&F +17.75, foreign exchange (6.75), meal sales (9.40)]
Rapeseed	+3.00 [C&F +13.75, foreign exchange (5.35), meal sales (5.40)]
Other products & manufacturing costs	(2.55)

Breakdown of unit sales price factors

Commercial-use and food processing	(9.05)
Household-use	+0.10

Breakdown of sales volume factors

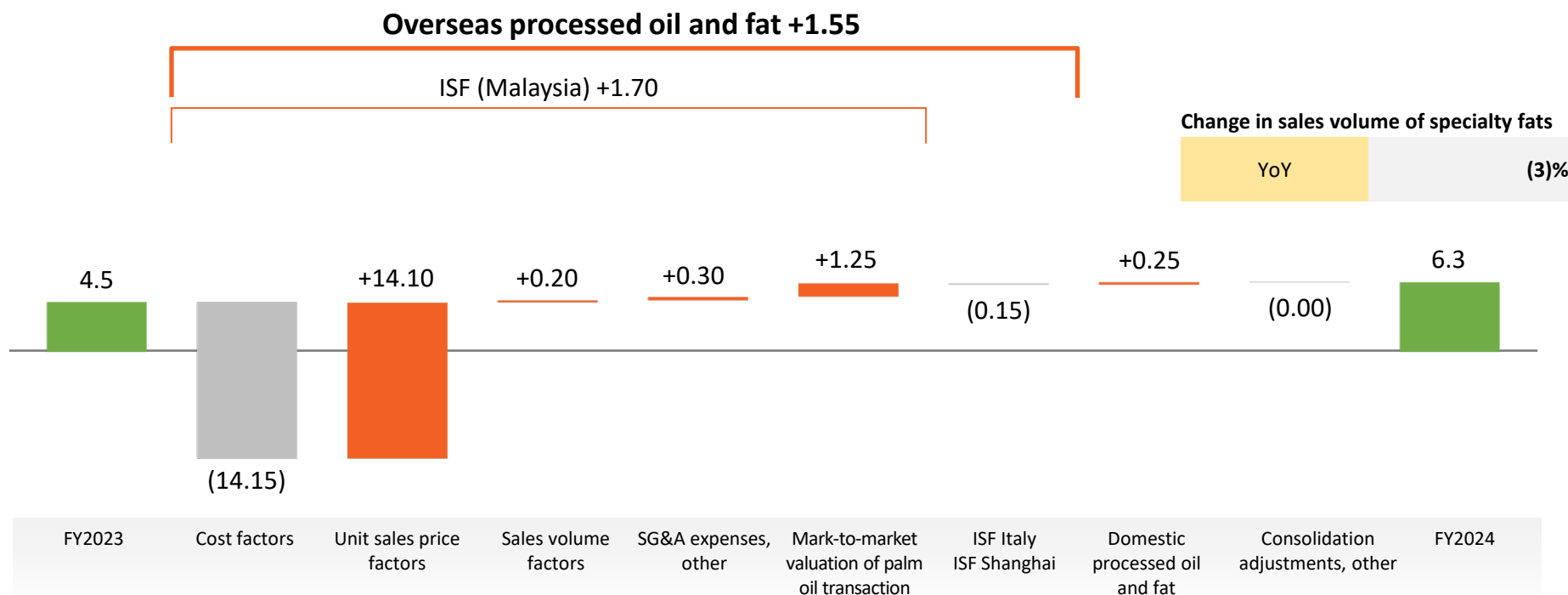
Commercial-use and food processing	+0.60
Household-use	(0.10)

Changes in Operating Profit by Business Segment for FY2024

(Billion yen)

Processed Oil and Fat

- Operating profit increased year on year due to higher unit sales prices, higher sales volumes, and the impact of mark-to-market valuation gains of palm oil transaction as well as the effects of currency conversion, despite the impact of higher raw materials costs.



Breakdown of cost factors

Raw materials costs	(13.85)
Manufacturing costs, other	(0.30)

Breakdown of unit sales price factors

Specialty fats	+3.70
Other	+10.40

Breakdown of sales volume factors

Specialty fats	(0.40)
Other	+0.60

Mark-to-market valuation

FY2023	(0.80)
FY2024	+0.45

Changes in Operating Profit by Business Segment for FY2024

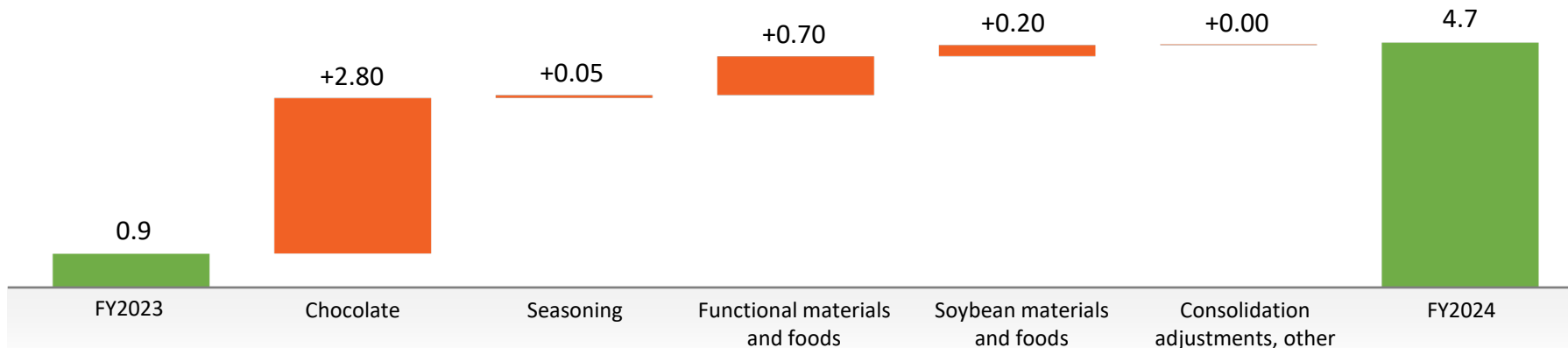
(Billion yen)

Processed Food and Materials

- Operating profit increased due to higher gross profit per unit resulting from higher unit sales prices of chocolate products and sales of MCT products at appropriate prices.

Net sales of MCT products

6.8 [(0.3) YoY]

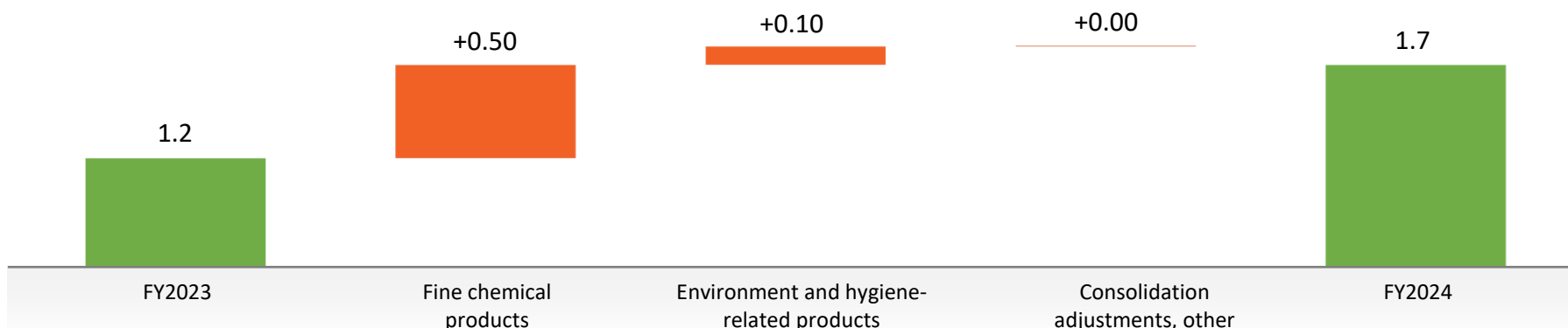


Fine Chemical

- Operating profit increased due to rise in sales volume of cosmetic ingredients.

Net sales of
cosmetic ingredients

11.8 [+2.0 YoY]



Consolidated Balance Sheets and Cash Flows

(Billion yen)

Consolidated Balance Sheets

Item	End of March 2025	End of March 2024	Change
Total assets	388.2	393.3	(5.1)
Current assets	228.6	232.7	(4.0)
Non-current assets	159.5	160.5	(1.0)
Total liabilities	190.1	200.8	(10.6)
Interest-bearing liabilities	90.7	96.9	(6.1)
Other liabilities	99.3	103.8	(4.4)
Total net assets	198.0	192.5	+5.5

Item	End of March 2025	End of March 2024
Equity ratio	48.2%	46.4%
Net D/E ratio	0.39	0.42

Consolidated Cash Flows

Item	FY2024	FY2023	Change
Operating cash flows	+21.1	+36.7	(15.5)
Profit before income taxes	+19.8	+21.1	(1.3)
Depreciation	+10.4	+9.2	+1.1
Decrease (increase) in working capital	+3.6	+4.4	(0.8)
Investing cash flows	(9.5)	(16.0)	+6.4
Financing cash flows	(13.8)	(14.5)	+0.7

(Note) Amounts of less than 0.1 billion yen are rounded down.

Value UpX

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Earnings Forecast for FY2025

Earnings Forecast for FY2025

(Billion yen)

	FY2025 forecast	FY2024 results	YoY change	
Net sales	550.0	530.8	+19.1	103.6%
Operating profit	21.0	19.2	+1.7	108.9%
Operating profit margin	3.8%	3.6%	+0.2 pts	
Ordinary profit	19.5	18.0	+1.4	107.8%
Profit attributable to owners of parent	27.5	12.8	+14.6	214.0%
ROE	13.9%	7.0%	+6.9 pts	—
ROIC	5.3%	4.6%	+0.7 pts	—

Forecast by Business Segment for FY2025 (Net Sales and Operating Profit)

(Billion yen)

	FY2025 forecast	FY2024 results	YoY change	
Net sales	550.0	530.8	+19.1	103.6%
Global Oil & Fat and Processed Oil & Fat	117.0	115.4	+1.5	101.4%
Oil, Fat & Meal and Processed Food & Materials	405.5	390.4	+15.0	103.9%
Oil, Fat & Meal	315.0	312.6	+2.3	100.8%
Processed Food & Materials	90.5	77.7	+12.7	116.3%
Fine Chemical	17.0	14.5	+2.4	116.9%
Other/Adjustments	10.5	10.5	(0.0)	99.9%
Operating profit	21.0	19.2	+1.7	108.9%
Global Oil & Fat and Processed Oil & Fat	6.0	5.2	+0.7	114.6%
Oil, Fat & Meal and Processed Food & Materials	13.8	12.7	+1.0	108.0%
Oil, Fat & Meal	10.7	8.1	+2.5	131.9%
Processed Food & Materials	3.1	4.6	(1.5)	66.4%
Fine Chemical	1.5	1.6	(0.1)	94.3%
Other/Adjustments	(0.3)	(0.3)	+0.0	—

Groupwide and Segment ROIC for FY2025

Groupwide		FY2025 forecast	FY2024 results	YoY change
		(Billion yen)		
ROIC		5.3%	4.6%	+0.7 pts
Net sales		550.0	530.8	+19.1
Operating profit		21.0	19.2	+1.7
Profit attributable to owners of parent		27.5	12.8	+14.6
Invested capital		295.9	278.7	+17.2
Business segment		FY2025 forecast	FY2024 results	YoY change
Global Oil & Fat and Processed Oil & Fat	ROIC	7.7%	8.2%	(0.5) pts
	Operating profit	6.0	5.2	+0.7
	Invested capital	63.4	50.6	+12.8
Oil, Fat & Meal and Processed Food & Materials	ROIC	4.8%	3.9%	+0.9 pts
	Operating profit	13.8	12.7	+1.0
	Invested capital	217.3	206.4	+10.8
Fine Chemical	ROIC	10.0%	10.1%	(0.1) pts
	Operating profit	1.5	1.6	(0.1)
	Invested capital	10.8	11.4	(0.6)

(Note) Invested capital is the average of the beginning and ending balances.

Summary of Earnings Forecast for FY2025

● Global Oil & Fat and Processed Oil & Fat

- To increase sales volume of specialty fats by further upgrading the supply chain system with key European customers, which has been built up to date.
- To reduce costs by strengthening procurement and deepening technologies.

● Oil, Fat & Meal and Processed Food & Materials

<Oil, Fat & Meal>

- To realize sales price revisions that reflect increased costs such as energy, logistics, and packaging/other materials.
- To increase sales volume of commercial-use products by winning new customers through proposals of marketing-based functional products that address customer issues.
- To expand sales mix of the household-use category by developing products that meet consumer needs and aggressively promoting products with compelling functions and value such as *Nisshin Healthy Clear* and *Nisshin Rice Bran Oil*.
- To recover sales volume and earnings of olive oil by leveraging the strengths of the three brands: BOSCO, Nisshin, and Canola & Olive.

<Processed Food & Materials>

- To increase sales volume by expanding high-value-added products and offering solution proposals through collaboration and joint technological development with Daito Cacao Co., Ltd.
- Profit margin expected to decline, partly because some of the price adjustments was already realized in FY2024. Price revisions in response to the surge in cacao bean prices, however, will be implemented on an ongoing basis.
- To implement measures to expand sales channel for MCT oil while promoting new marketing initiatives.

● Fine Chemical

- Gross profit per unit expected to decline due to rising costs of chemical products as well as cost increase in subsidiaries, although sales volume of cosmetic ingredients is expected to increase due to strong demand.

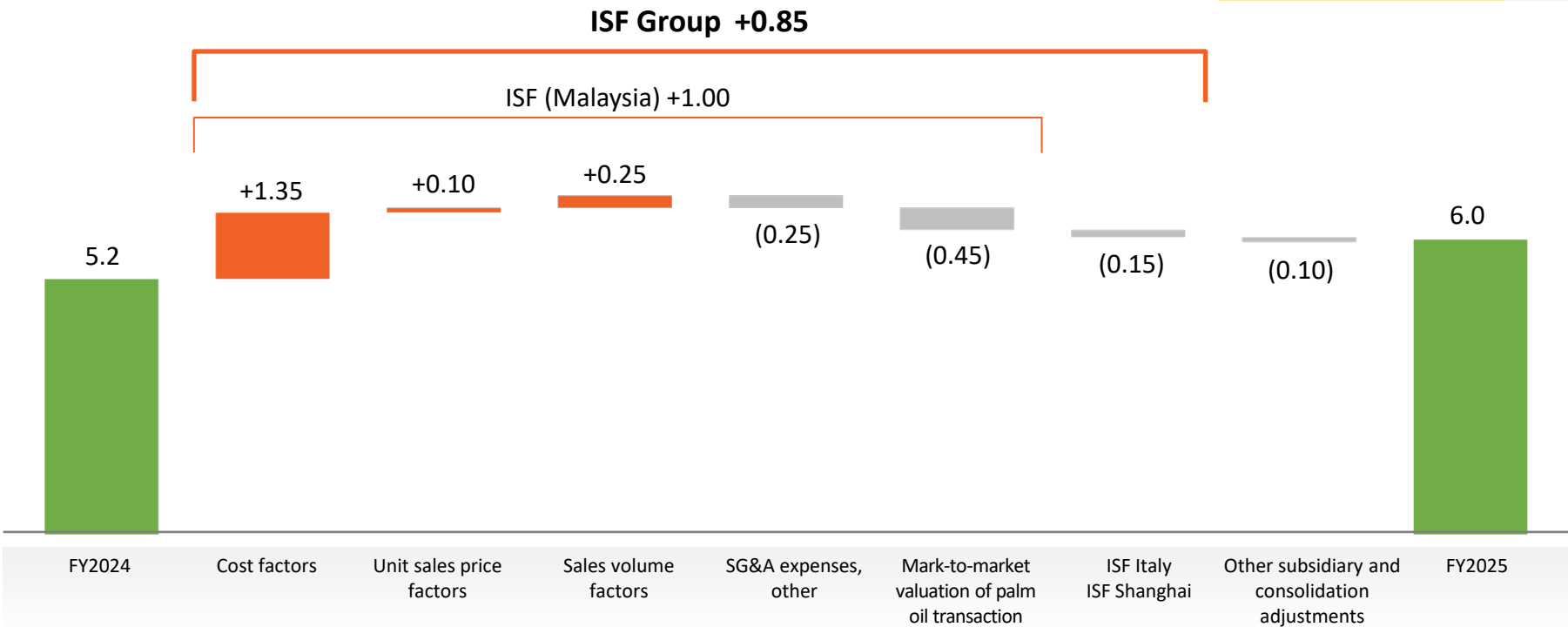
Changes in Operating Profit by Business Segment for FY2025

(Billion yen)

Global Oil & Fat and Processed Oil & Fat

Specialty fats

Net sales	59.2
Change in sales volume	+9% YoY



Breakdown of cost factors

Raw materials costs	+2.40
Manufacturing costs, other	(1.05)

Breakdown of unit sales price factors

Specialty fats	+0.55
Other	(0.45)

Breakdown of sales volume factors

Specialty fats	+0.50
Other	(0.25)

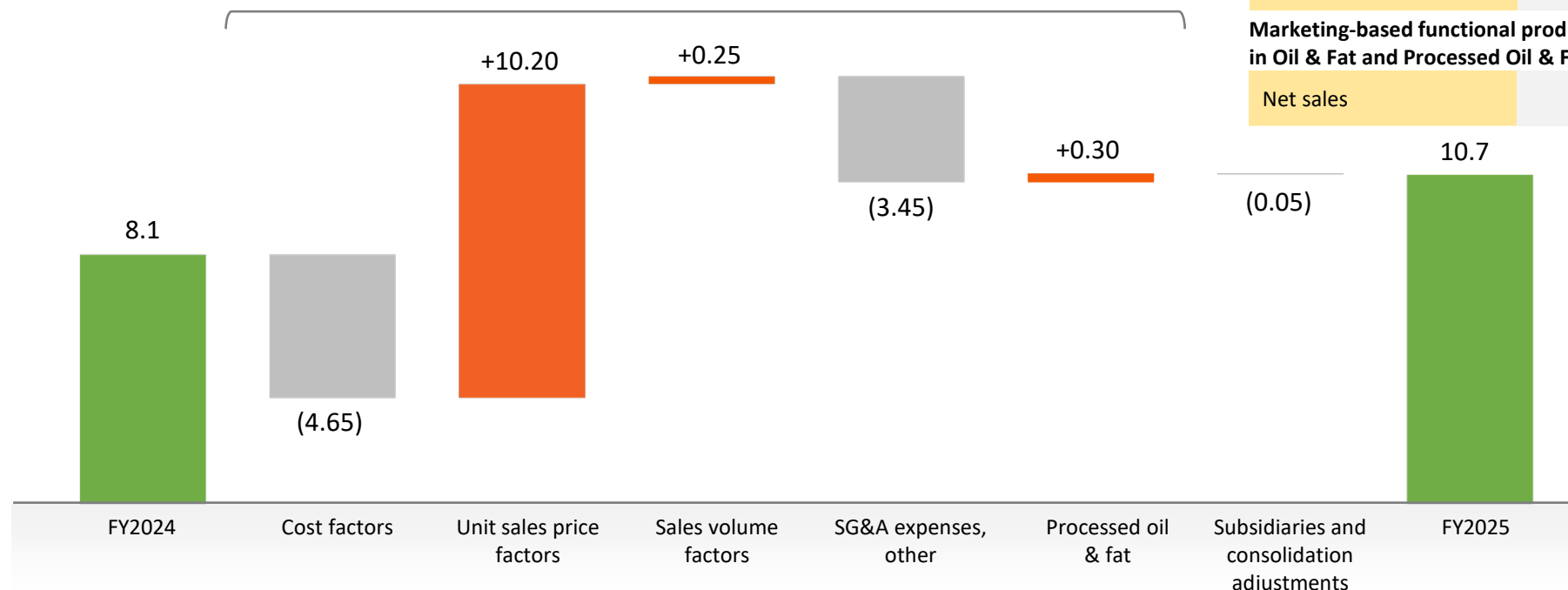
Mark-to-market valuation

FY2024	+0.45
FY2025	0.00

Changes in Operating Profit by Business Segment for FY2025

Oil, Fat & Meal

Oil & Fat and Processed Oil & Fat +2.65



YoY change in sales volume (Billion yen)

Commercial-use and food processing	+1.8%
Household-use	+0.9%
Processed oil & fat	+3.0%

Marketing-based functional products in Oil & Fat and Processed Oil & Fat

Net sales	75.5
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Breakdown of cost factors

Soybean	(1.05) [C&F +7.35, foreign exchange (2.10), meal sales (6.30)]
Rapeseed	(5.15) [C&F +1.10, foreign exchange (1.95), meal sales (4.30)]
Other products & manufacturing costs	+1.55 [olive oil +3.70; yield rate, energy costs, etc. (2.15)]

Breakdown of unit sales price factors

Commercial-use and food processing	+6.75
Household-use	+3.45

Breakdown of sales volume factors

Commercial-use and food processing	+0.60
Household-use	(0.35)

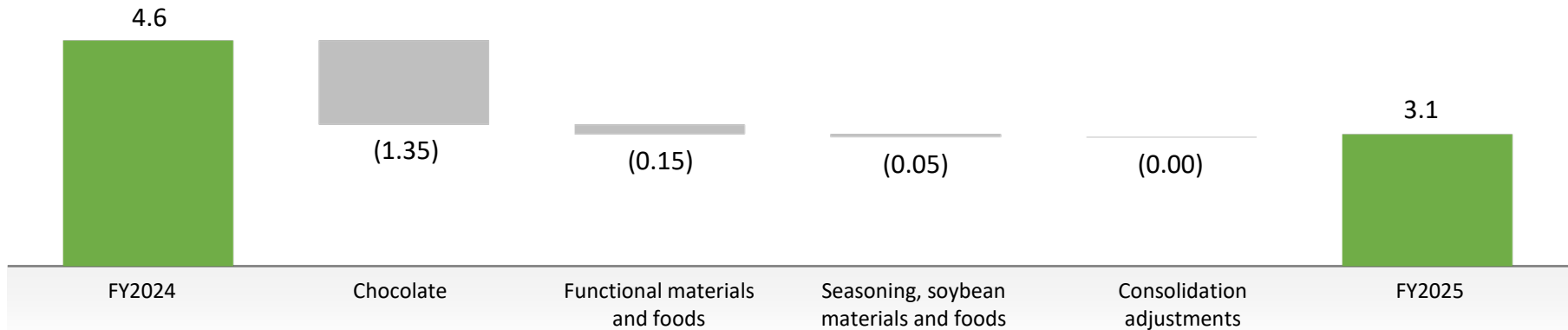
Changes in Operating Profit by Business Segment for FY2025

(Billion yen)

Processed Food & Materials

Net sales of MCT products

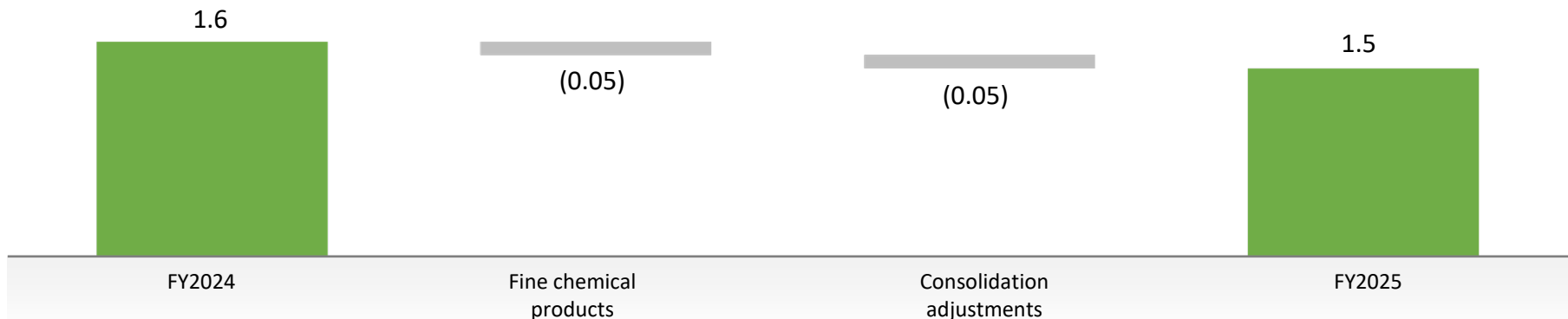
6.8 [+0.9 YoY]



Fine Chemical

Net sales of cosmetic ingredients

13.4 [+1.5 YoY]



Value UpX

03

Updating Medium-Term Business Plan: *Value UpX*

Targets by Business Segment (Disclosed on March 25, 2025)

We have set ROIC targets by business segment to achieve the ROIC target in the medium-term business plan.

		Value UpX	Value Up+	Change
ROIC (in the final fiscal year of the business plan)	Global Oil & Fat and Processed Oil & Fat	8.0%	7.8%	+0.2 pts
	Oil, Fat & Meal and Processed Food & Materials	5.5%	3.7%	+1.8 pts
	Fine Chemical	12.0%	9.8%	+2.2 pts
	Group total	6.0%	4.5%	+1.5 pts

		(Billion yen)		
Operating profit (average for the business plan period)	Global Oil & Fat and Processed Oil & Fat	6.7	5.0	+1.7
	Oil, Fat & Meal and Processed Food & Materials	15.4	10.7	+4.7
	Fine Chemical	1.9	1.2	+0.7
	Group total	24.0	16.9	+7.1

Initiatives to Achieve ROIC Improvement

We aim to realize a virtuous cycle of enhancing profitability through investments in growth and operational efficiency, leading to increased cash flow that enables further reinvestment.

Operating profit and cash flows

Profit growth

- ✓ Grow profit overseas, centered on confectionery fats and cosmetic oils
- ✓ Expand sales of marketing-based functional products and other high-value-added products including domestic functional oils & fats and functional oil-based materials

Operating profit
(for FY2028)

28.0 billion yen

Operating CF
100.0 billion yen

Profitability improvement

- ✓ Establish pricing that appropriately reflects the value of our initiatives
- ✓ Enhance added value by addressing sustainability issues
- ✓ Implement cost reduction and optimization measures
- ✓ Shift to a profitability-focused product portfolio

Operating profit margin
(for FY2028)
5% or more

X

Invested capital

Make investments

Capital investment
(for growth and resilience)
90.0 billion yen

- ✓ Expand functions and capabilities required to “make the leap to becoming a global top provider of oils & fats solutions”
- ✓ Transform production and logistics processes (by converting to smart factories, introducing next-generation facilities, etc.) to maintain and strengthen the business foundation

Improve capital efficiency

Working capital reduction

- ✓ Sale of cross-held shares, etc.
- ✓ Improve inventory turnover by rationalizing product lineups, further refining sales planning, sophisticating supply-demand management, and optimizing the supply chain
- ✓ Optimize production capacity utilization and increase spontaneous agility in production

Streamline capital

Share buyback

- ✓ Plan to purchase treasury shares (worth of approx. 20.0 billion yen during the *Value UpX* period)

Initiatives for Global Oil & Fat and Processed Oil & Fat (1)

Drive profit growth by expanding sales of confectionery fats centered on CBEs

(Billion yen)

Operating profit plan for Global Oil & Fat and Processed Oil & Fat

	Value Up+ (business plan period average)		Value UpX (business plan period average)		FY2024		FY2028
Segment profit	5.0	+1.7	6.7		5.2	+2.9	8.1
ISF Group	5.0	+1.9	6.9		5.3	+2.8	8.1
North America	(0.0)	(0.2)	(0.2)		(0.1)	+0.1	0.0

ISF Group: Profit growth by product to achieve operating profit plan (+2.8 billion yen)

Growth rate for FY2024–FY2028

Gross profit from CBEs	+150%
Gross profit from confectionery fats other than CBEs	+70–80%
Gross profit from products other than confectionery fats	+0–5%

Plan to increase global market share of CBEs

	FY2024	FY2028
Global market share of CBEs (volume) *Estimated by the Company	6%	15% or more

Initiatives for Global Oil & Fat and Processed Oil & Fat (2)

* Growth rate of gross profit for the period from FY2024 to FY2028

	Europe	Asia (including Japan)	North America
	Planned profit growth* +66%	Planned profit growth* +59%	Planned profit growth* +15%
CBEs	<ul style="list-style-type: none"> Introduce products that meet the regulatory and quality standards required by the European market 	<ul style="list-style-type: none"> Continue investment to enhance production capacity and deepen technology Develop products tailored to regional characteristics Strengthen supply capacity in Japan 	<ul style="list-style-type: none"> Expand sales through collaboration between ISF and Nisshin Oillio America
Confectionery fats other than CBEs	<ul style="list-style-type: none"> Strengthen the supply chain with a focus on thorough support for key customers 	<ul style="list-style-type: none"> Develop and expand value-added product lineup Strengthen structured sales coordination through collaboration across business bases 	<ul style="list-style-type: none"> Develop and expand high-value-added product lineup
Products other than confectionery fats	<ul style="list-style-type: none"> Develop new customers mainly in the confectionery, bakery, and processed food areas 	<ul style="list-style-type: none"> Develop margarines, shortenings, bakery oil and fat, etc. tailored to the characteristics of each market Strengthen application development capabilities through collaboration among business bases 	<ul style="list-style-type: none"> Expand sales by leveraging know-how cultivated in the Asian and European markets
Major investments for profit growth (results and plans)	<ul style="list-style-type: none"> Strengthen product supply capability in Europe Enhance supply chain resilience 	<ul style="list-style-type: none"> Reinforce production capacity for confectionery fats Strengthen application development system 	<ul style="list-style-type: none"> Establish business bases, including capital investment for business expansion

Initiatives for Oil, Fat & Meal and Processed Food & Materials

Work to increase profits by expanding sales of marketing-based functional products, and to restore appropriate margins primarily by revising general-purpose oil prices. (Billion yen)

Operating profit plan for Oil, Fat & Meal and Processed Food & Materials

	Value Up+ (business plan period average)	+4.7	Value UpX (business plan period average)	FY2024	+5.6	FY2028
Segment profit	10.7		15.4	12.8		18.4
Oil, Fat & Meal	8.9	+3.4	12.3	8.1	+6.7	14.8
Processed Food & Materials	1.8	+1.3	3.1	4.7	(1.1)	3.6

Oil, Fat & Meal Key initiatives for profit growth for FY2024–FY2028

- Increase profits by expanding sales of products that enhance consumers' quality of life (i.e., marketing-based functional products)
- Develop high-value-added functional oils & fats and functional oil-based materials that create diverse value through the pursuit of user benefits
- Restore profit by successfully implementing price revisions of general-purpose oils

Major investments for profit growth (results and plans)

- Reinforce facilities at domestic production plants
- Invest in AI for retail DX and creative R&D

Planned sales of functional oils & fats and functional oil-based materials

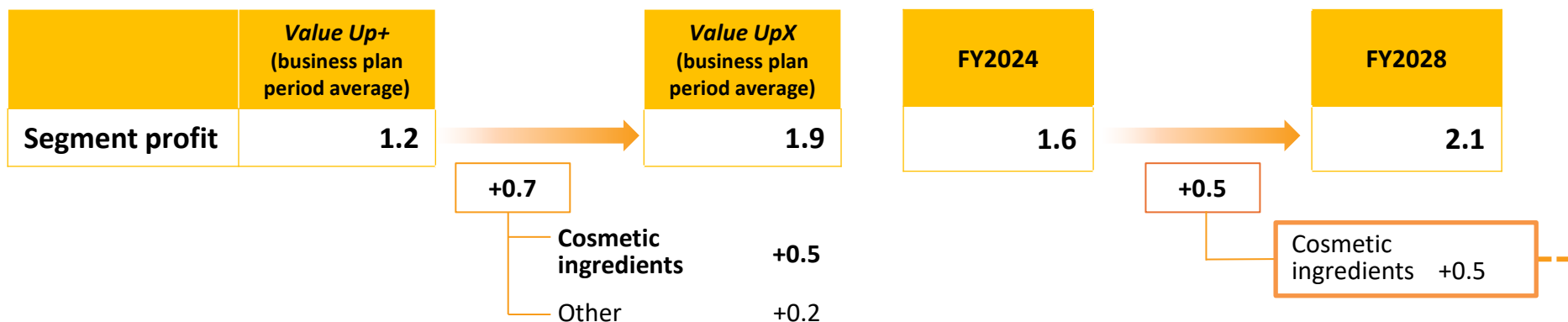
	FY2024	FY2028
Sales amount	3.0	7.0 or more

Initiatives for Fine Chemical

Aim to expand global market share by increasing sales of cosmetic oils, especially in Asia

(Billion yen)

Operating profit plan for Fine Chemical



Plan to increase global market share of cosmetic oils

	FY2024	FY2028
Global market share (value) *Estimated by the Company	6%	10% or more

Aim to increase profits by expanding global market share

(Reference)

Assumed growth rate for the period from FY2024 to FY2028

Growth rate of the Group's net sales of cosmetic oils	+81%
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Business expansion beyond growth of the global market of cosmetic oils

- Engage in sales and marketing activities based on the newly opened Thai office
- Expand and strengthen Halal and vegan-friendly cosmetic oils and develop the market
- Utilize digital technology to accelerate development operations and product development

Business growth in line with the market's (monetary value) growth rate (+32%*)
*Estimated by the Company

- Increase production capacity for leading products with strong demand
- Offer solution proposals by strengthening technical support functions

Value UpX

Reference

Reviewing *Value Up+*

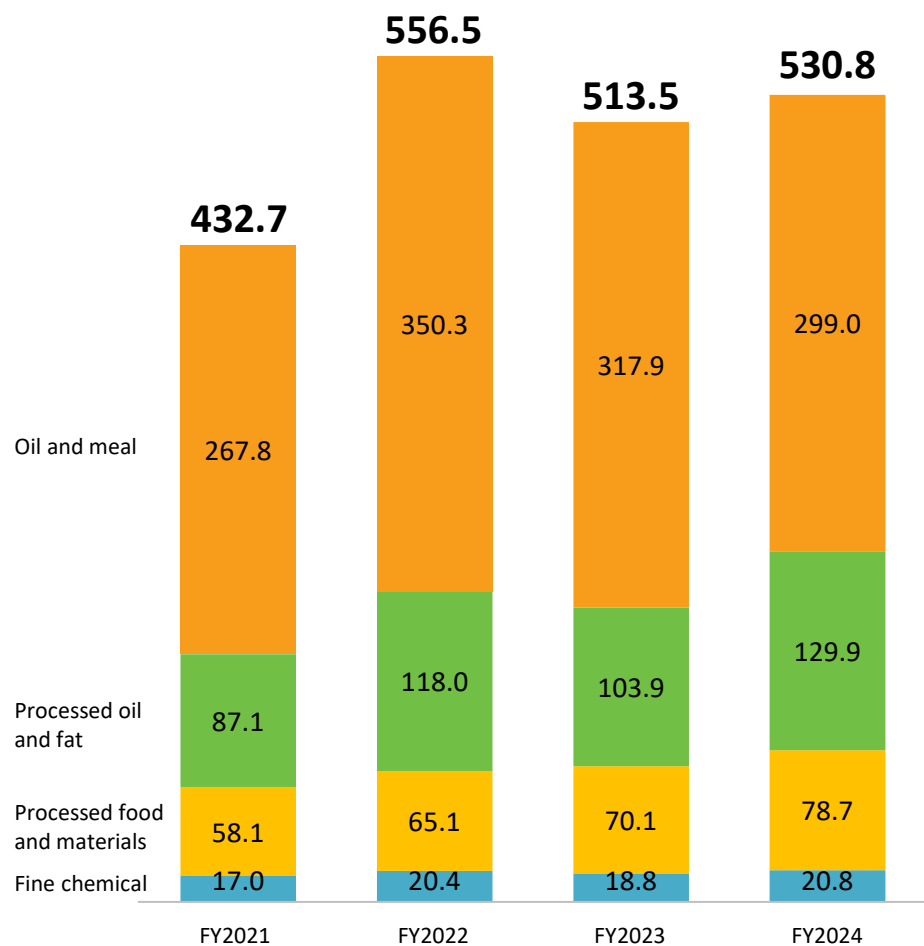
Track Record of Management Indicators

	Unit	FY2021 results	FY2022 results	FY2023 results	FY2024 results	4-year average
Net sales	Billion yen	432.7	556.5	513.5	530.8	508.4
Operating profit	Billion yen	11.6	16.1	20.8	19.2	17.0
ROE	%	5.7	7.0	8.8	7.0	—
ROIC	%	4.1	4.5	5.1	4.6	—
	Unit	FY2021 results	FY2022 results	FY2023 results	FY2024 results	FY2021–FY2024 cumulative results
Operating cash flows	Billion yen	(26.6)	0.3	36.7	21.1	31.6

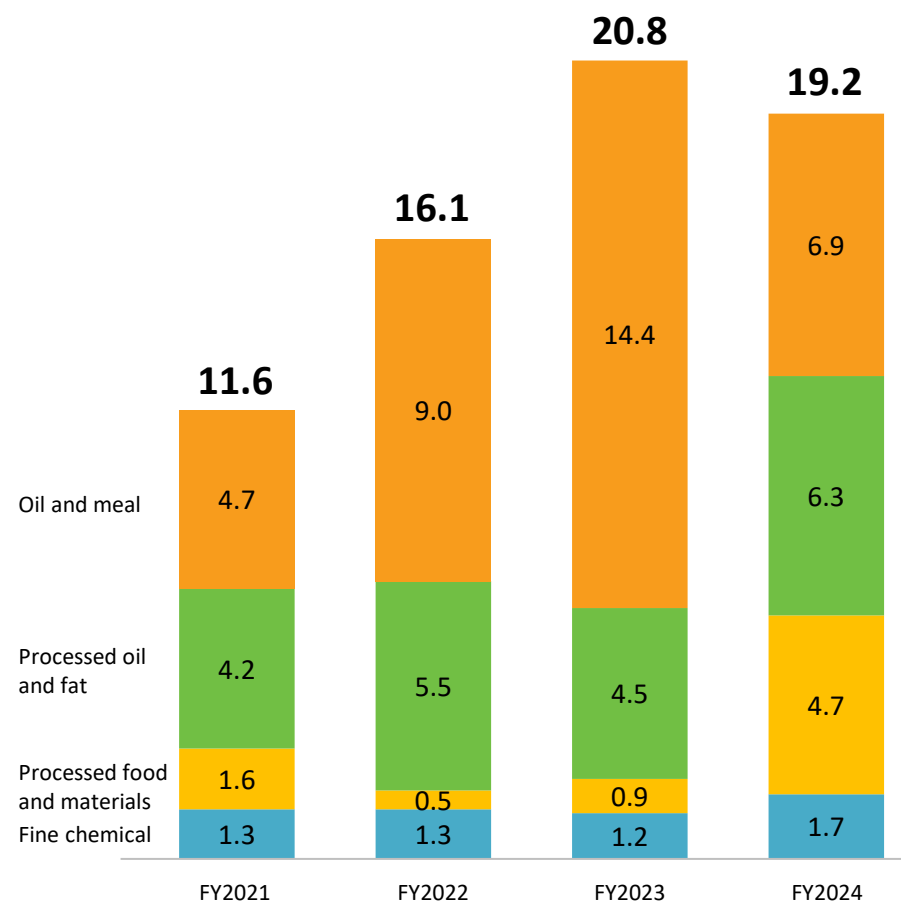
Results by Business Segment

(Billion yen)

Net sales



Operating profit



Value Up+ Target

- Create a 50-billion-yen market for “pour-and-enjoy fresh edible oil” (up by 30% versus FY2019)
- Implement structural reforms in cooking oil products (increase composition ratio of functional products, healthy oils, and other strategic products to 60%)
- Increase the number of people provided with health information on lipids: 130 million (cumulative over 4 years)

Value Up+ Results

- The market size grew to 44.8 billion yen.
- The composition of strategic products*¹ reached 57%.
- The cumulative number over 4 years reached 150 million.

*¹ Functional products, healthy oils, etc., in the cooking oil category (excluding value-added oils)

Value Up+ Initiatives

Create a 50-billion-yen market for “pour-and-enjoy fresh edible oil”

- Expanded the market by launching new products such as “pour-and-enjoy fresh edible oil” and “flavored oil” series and conducting PR activities
- Focused on ensuring a stable supply and appropriate pricing of historically tight olive oil, while launching new products that broaden customer reach and revitalize the market

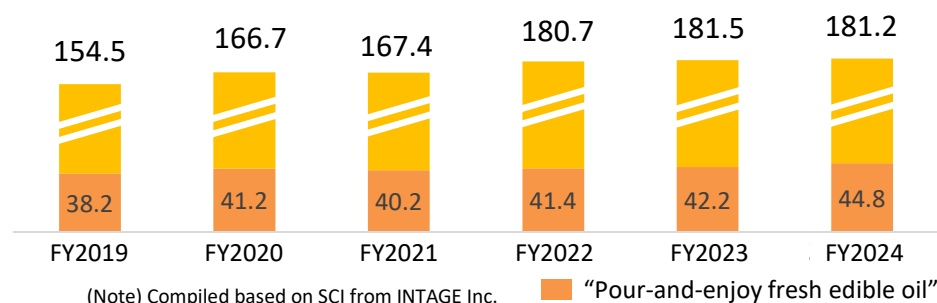
Implement structural reforms in cooking oil products

- Promoted structural reforms in cooking oil products by developing *Nisshin Healthy Off* into the No. 1 product for household use and launching *Nisshin Healthy Clear*, a product offering new value with oxidation-inhibiting properties

Provide health information on lipids

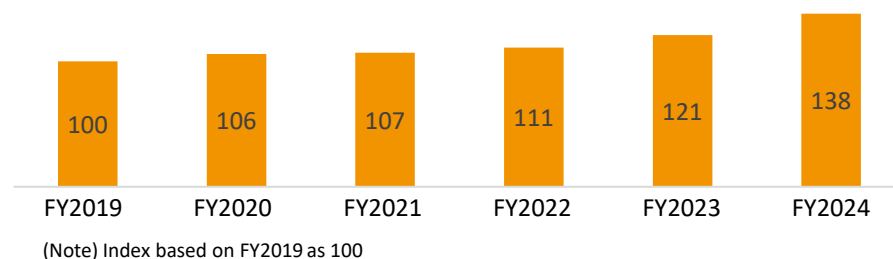
- Actively shared health information on flaxseed oil and other products to boost demand and encourage continued use

Market size of edible oil for household use (billion yen)



Change in net sales of value-added oils for household use*²

*² Olive oil, sesame oil, and supplemental oils in the value-added category



Future challenges and strategic direction

- Increase the sales composition of products that enhance consumers' quality of life, such as those promoting benefits related to physical condition and constitution
- Conduct research and market development on therapeutic functions such as addressing malnutrition and improving metabolism
- Expand sales of MCT products in the senior nutrition and lipid metabolism (“body-fat-burning”) markets

Domestic Commercial Use, Food Processing, and Processed Oil and Fat

Value Up+ Target

Growth rate of the Group’s customer support solutions: Up by 30% (versus FY2019)

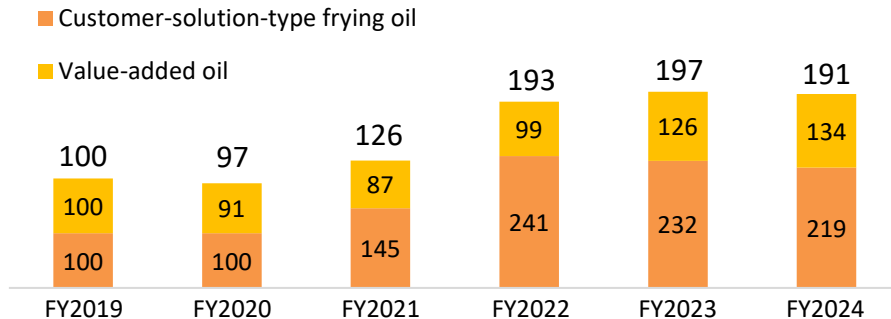
Value Up+ Results

Achieved a 31% increase versus FY2019

Value Up+ Initiatives

- Opened “Incubation Square,” an R&D center that promotes value co-creation with customers and user support
- Established inbound sales style and strengthened after-sales support functions through the launch of the Nisshin Oillio Help Site for Commercial Use
- Aggressively implemented solutions-oriented sales focusing on functional oils such as oils contained in pillow-shaped bags, long-lasting frying oil, cooked-rice-solution oil, and functional-solution oil for noodle products
- Strengthened bulk oil delivery capabilities and implemented organizational measures to address logistics challenges arising from labor shortages

Change in net sales of customer-solution-type frying oil and value-added oil for commercial use



(Note) Index based on FY2019 as 100

Future challenges and strategic direction

- Develop high-value-added functional oils that create diverse value by pursuing user benefits
- Expand global solutions for food service businesses, including the restaurant industry
- Enhance production and proposal capabilities for oils contained in pillow-shaped bags, a problem-solving container
- Strengthen competitiveness in bulk logistics through product lineup expansion and delivery efficiency improvements

Value Up+ Target

Expand sales volume of confectionery fats:
Up by 11% (versus FY2019)

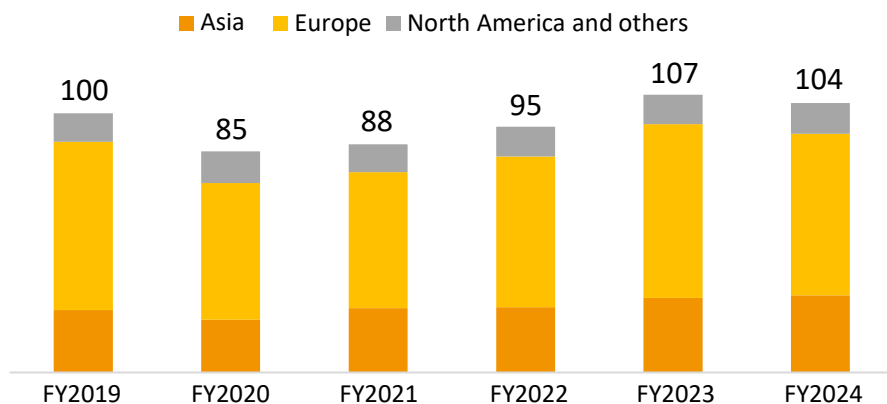
Value Up+ Results

Achieved a 4% increase versus FY2019

Value Up+ Initiatives

- Made capital investment for production capacity expansion and advanced quality control for confectionery fats at ISF (Malaysia)
- Promoted initiatives to expand sales to existing customers and acquire new customers, focusing on Europe, China, and ASEAN
- Focused on sales and proposals for major clients in North America to lay the groundwork for future business growth
- Strengthened position as a first-choice supplier to key existing customers by proposing new product supply schemes

Confectionery fats: Sales volume by area



(Note) Index based on FY2019 as 100

Future challenges and strategic direction

- Develop and expand sales channels in response to changing demand for confectionery fats due to declining cacao yields
- Increase production capacity for confectionery fats, including CBEs
- Further enhance trace component control technologies
- Build a sustainable raw material procurement network
- Enhance our global presence by expanding business in North America in addition to existing markets in Europe, China, and ASEAN

Value Up+ Target

Growth rate of beauty-enhancing products*:

Up by 50% (versus FY2019)

* Including cosmetic ingredients and hygiene-related products

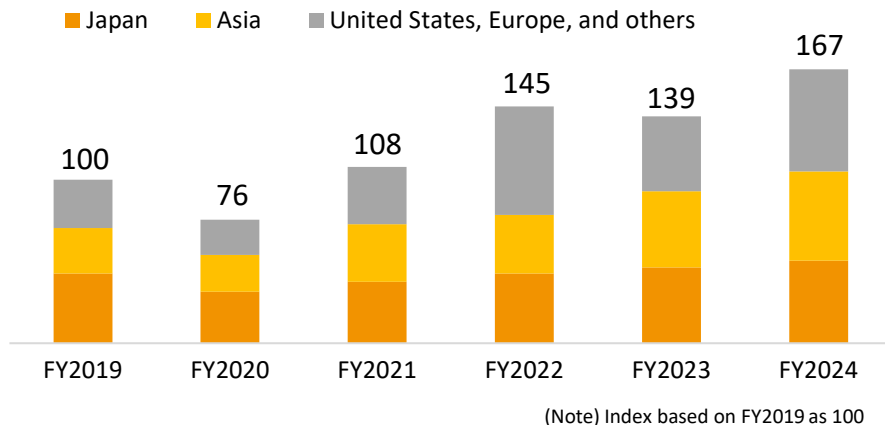
Value Up+ Results

Achieved a 67% growth versus FY2019

Value Up+ Initiatives

- Captured the recovering and growing post-Corona demand for products for makeup
- Expanded net sales in the cleansing and skincare areas by developing products that can be differentiated from our competitors' and strengthening promotions and proposals for mainstay products
- Organized seminars and exhibitions to develop target markets at home and abroad
- Established a technical center in Shanghai to strengthen and implement user support for new and existing customers in China

Cosmetic oils: Net sales by area



Future challenges and strategic direction

- Expand global market share by increasing specialty oil sales at a level that exceeds market growth
- Increase production capacity and sales volume of core products (oils for makeup, cleansing, and skincare areas)
- Strengthen marketing and sales activities and expand presence in Southeast Asia, where demand is expected to grow, from the newly established Bangkok Representative Office
- Establish a supply system for cosmetic oils for Halal cosmetics, which is expected to grow worldwide

Value Up+ Target

Growth rate of health science products: Up by 50% (versus FY2019)

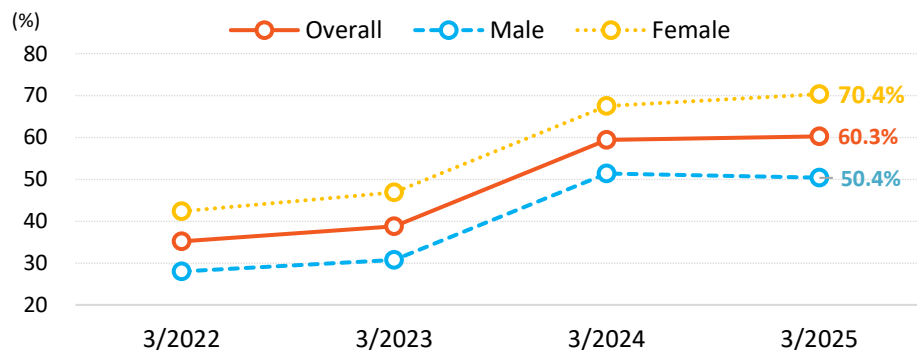
Value Up+ Results

Achieved a 43% growth versus FY2019

Value Up+ Initiatives

- Developed BtoBtoC marketing activities in conjunction with the media, processed food manufacturers, and distributors to raise awareness of MCTs and expand the market (MCT awareness is 60.3% (Company research, March 2025))
- Strengthened communication of MCT functionality by disclosing authorized functional claims such as “reducing body fat and waist size^{*1,*2},” “facilitating fat burning in daily activities^{*2},” and “facilitating fat burning in exercise”
^{*1} Waist circumference ^{*2} For individuals with a high BMI
- Expanded sales of small-portion, high-energy food products that address the issue of low nutrition
- Increased adoption rate of MCT products for medical and nursing care facilities through enhanced inbound sales, including the launch of a specialized information website for medical and nursing care employees, and outbound sales

Familiarity with the terms “MCTs” and “medium-chain triglycerides”



Familiarity with medium-chain triglycerides/MCTs as health-related substances
 Company survey, March 2025 (n=1,500 (residents of Tokyo and three other surrounding prefectures))

Future challenges and strategic direction

- Promote proactive marketing activities centered on MCTs
- Uncover needs related to fat burning and lifestyle disease prevention, and acquire new users
- Develop new products to create demand in areas such as frailty by leveraging emerging scientific evidence
- Expand sales of wellness foods via e-commerce and drugstore channels to capture the home care market

Global Environment/Supply Chain Connected by Trust

Value Up+ Target

Environment

- Reduction of GHG emissions
Scopes 1 and 2: -20% (versus FY2016)

Supply chain

- Roll out viable initiatives to achieve and maintain 100% traceability back to palm plantations
- Full-fledged operation of human rights due diligence

Value Up+ Results

Environment

- Achieved -20.7%* (versus FY2016) *preliminary figures

Supply chain

- Achieved palm plantations traceability ratio of 92.9% (Jan.–Dec.)
- Began full-fledged operation of human rights due diligence

Value Up+ Initiatives

Environment

- Implemented measures to reduce GHG emissions such as procuring green electricity and obtaining non-fossil certificates in line with the decarbonization roadmap and installed hydrogen co-generation systems to decarbonize thermal energy by utilizing hydrogen combustion
- Piloted the LEAP approach*¹ proposed by TNFD*² to identify and assess nature-related issues (dependencies, impacts, risks, and opportunities) and comprehensively disclosed our efforts to address nature-related issues and registered as a TNFD Adopter*³ in March 2025
- Promoted engagement with the supply chain to achieve a 25% reduction in Scope 3 emissions in FY2030 (compared to FY2020), starting with Categories 1 and 4

Supply chain

- Conducted human rights due diligence using a Self-Assessment Questionnaire (SAQ) for key contract manufacturers, primary raw material suppliers, and logistics service providers
- Promoted initiatives based on an action plan to ensure the sustainable procurement of palm oil, soybeans, and cacao

Topics

- *Nisshin Healthy Clear* 800g, which uses about 39% less plastic in its packaging than our 900g PET bottles, won the Food Packaging Award at the Japan Packaging Contest 2024
- Began collaborating with Kewpie Corporation to promote the recycling of used PET bottles with residual oil

*1 LEAP approach: Practical guidance published by the TNFD to help companies identify their interfaces with nature, dependencies/impacts, and risks/opportunities.

*2 TNFD: An international initiative with a mission to develop and provide a risk management and disclosure framework to help companies understand nature-related risks and opportunities and take action to conserve and restore biodiversity.

*3 TNFD Adopter: A company or an organization that has indicated an intention to disclose information based on TNFD recommendations in FY2024 or FY2025.



"The Natural Power of Plants"