

Minutes of the Web Conference for the Medium-Term Management Plan 2026 Progress Briefing

Date & Time: May 15, 2025 (Thursday) 13:00 - 14:30 (Webcast)

Presenters:

President and Representative Director	Nobuhisa Ikawa
Director, Vice President and Executive Officer	Fumio Maeda
Managing Executive Officer	
General Manager of Processed Foods Business Division	Yukihiro Matsumoto
Managing Executive Officer	
General Manager of Fresh Meats Business Division	Nobuhiro Hosoya

Source: Medium-Term Management Plan 2026 Progress Briefing Meeting on May 15.

https://www.nipponham.co.jp/eng/ir/library/briefing_session/pdf/2025/20250515.pdf

○Q&A○

Q1. How to approach toward the business profit plan of ¥61 billion for the fiscal year ending March 2027 (an increase of ¥7 billion from the current fiscal year plan)?

A1: We are currently formulating strategies to achieve this plan. In the Processed Foods Business Division, we expect profit growth due to revenue improvement from structural reforms and the realization of growth strategies, along with increasing sales in North America and ASEAN markets. In the Fresh Meats Business Division, sales strategies tailored to new customer needs in Japan will be key. Together with the solid Ballpark business and operations in Australian beef business, we will strive to ensure that we achieve ¥61 billion.

Q2: What is required to maximize the effects of value chain?

A2: The heads of each business division will take charge in business operations, and the Vice President will ensure effective coordination across divisions to maximize the effects of value chain. The VBM (Value Based Management) Promotion Office will lead the restructuring of the business portfolio to analyze and verify our revenue-generating capabilities and to ensure strict investment decision-making.

Q3: What are the KPIs established for achieving the Medium-Term Management Plan 2026?

A3: In order to address new issues that have emerged after the formulation of the Medium-Term Management Plan 2026, it is necessary to incorporate additional KPIs. Additionally, we need to add the KPIs related to co-creation with external partners, the restructured overseas business, and the Ballpark business. Therefore, we will re-establish the KPIs and disclose them at an early stage.

Q4: What is the business profit plan of ¥14 billion for the current fiscal year (an increase of ¥3.9 billion from the previous year) for the Processed Foods Business Division?

A4: The revenue structure is improving due to structural reforms. Going forward, we will reinforce a profit-oriented mindset to recover sales. We will focus on two development tasks based on the selling space and manufacturing lines, changing our product development and marketing approaches to accelerate the speed of product development. For the overseas processed foods business, we anticipate an increase of ¥2 billion year-on-year due to profits from three companies we acquired in North America.

Q5: What is the approach towards achieving the business profit plan of ¥42.5 billion for the Fresh Meats Division this fiscal year (an increase of ¥8.5 billion compared to the previous year)?

A5: The domestic sales environment remains challenging; however, the sales volume maintained by our sales companies is on par with last year. Going forward, we will establish a sales structure aimed at maximizing profits by region. In urban areas, there is ample room for sales growth, so we will flexibly respond to consumer needs by creating sales bases that allow for diverse deliveries. In rural areas, we will maximize the utilization of approximately 115 locations and 1,300 trucks to capture the advantage of the remaining players.

Q6: What about the structural reforms in the Fresh Meats Business Division?

A6: The revenue structure of the Fresh Meats Business Division has been built based on the premise of individual optimization for each business within the value chain. In response to the rapidly changing domestic environment, we will enhance collaboration among the various businesses to eliminate overlapping operations. We will restructure the organization to withstand changes in the external environment and maximize value chain profits.

Q7: What is the progress regarding collaboration with JA ZEN-NOH and partnerships with CPF?

A7: Due to ongoing negotiations with our partners, we are currently unable to disclose quantitative details regarding external co-creation efforts. In the domestic fresh meat market, there is a trend among consumers toward preferring locally produced products. Being able to procure from the JA ZEN-NOH group, which has production areas across various regions, provides us with procurement advantages. As for CPF, while the current relationship is a comprehensive partnership, we believe there are possibilities for individual collaborations that can be explored.