

Company name	Nitta Gelatin Inc.
Representative	Hidenori Takemiya, Executive Officer, Representative Director and President (Stock code: 4977; Standard Market of Tokyo Stock Exchange)
Contact	Akira Ando, Director and Executive Officer, General Manager of General Management Division
Phone number	+81-72-949-5381

Formulation of the Long-Term Management Vision

Nitta Gelatin Inc. (hereinafter “the Company”) hereby announces that the Nitta Gelatin Group has revised its basic philosophy system and formulated long-term management targets as part of the establishment of its Long-Term Management Vision.

1. Revision of the Basic Philosophy System

Returning to the roots of the Company’s business, it seeks to create value from unused resources and by-products through our own technologies and services. Based on the desire to apply this spirit of upcycling to enhance people’s lives into the future, the Company has newly established its Purpose.

A new Vision has also been defined, which represents the ideal state the Company strives for: “Aim to be No. 1 in sales in Asia within the gelatin and collagen industry and challenge the world.”

Furthermore, to realize this Vision, the Company has defined its Value and established principles of conduct to embody it. Guided by these principles, the entire Company will work together to overcome the challenging business environment surrounding it.



• PURPOSE

UPCYCLING for the Future.

• VISION

Lead in Asia. Challenge the World.

• VALUE

Connect Create Challenge
Nitta Gelatin 3C Value

• PRINCIPLE

Act on Our Values

2. Long-Term Management Targets

(1) Long-Term Management Targets (Fiscal 2033)

To achieve “No. 1 in Asia,” the goal set forth in the above Vision, and to dramatically accelerate our pace of growth, the Company has formulated new long-term management targets for fiscal 2033.

The key management targets are as follows. The Group aims to achieve consolidated net sales of ¥80.0 billion, double the current level, and operating income of ¥10.0 billion, 2.5 times the current level.

(Unit: billions of yen)	Fiscal 2026 forecast	Fiscal 2033 target	Change
Net sales	40.0	80.0	+40.0
Operating income	4.0	10.0	+6.0
Operating margin	10.0%	12.5%	+2.5 pt
ROE (excluding special factors*)	12.0% (10.9%)	13.0%	+1.0 pt (+2.1 pt)
ROIC (excluding special factors*)	8.3% (8.7%)	12.0%	+3.7 pt (+3.3 pt)

* Increase in net income and net assets resulting from decreased income taxes related to Nitta Gelatin Holding, Inc.

(2) Basic Strategies for Achieving the Targets

To achieve the long-term management targets, the Company will promote the following three priority strategies:

1) Enhance competitiveness

- Strengthen overseas sales structures to deploy the Company’s unique competitive advantages in overseas markets, while promoting cost reductions, expansion of supply capacity, and utilization of alliances.

2) Accelerate globalization

- Secure an overwhelming market share in Japan and Asia (including India).
- Leverage the Company’s strengths to establish a solid position in the major markets of North America and Europe.

3) Pursue new businesses

- Foster businesses in the biomedical and new business fields that will drive medium- to long-term growth and capture future profit opportunities.
- Focus on the early commercialization of collagen microfibers.

(3) Financial Strategy

- To realize the growth strategy, the Company will significantly expand strategic investments and enhance shareholder returns. The Company aims to achieve a dividend on equity (DOE) level of 4.0% by fiscal 2033.

(4) Strengthening of the Management Foundation

To achieve the long-term management targets, the Company will further strengthen its management foundation.

1) Human capital

- Establish a human resources policy and promote human capital management linked with management strategies, while focusing on the development and utilization of global human resources.

2) Sustainability management

- Continually pursue an upcycling-based business model that creates new value from unused resources.
- Advance initiatives in the materiality areas identified by the Company.

Formulation of the Long-Term Management Vision

November 12, 2025

Securities Code: 4977

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1. Revision of the Basic Philosophy System

- Along with the formulation of the long-term management targets, we have revised Nitta Gelatin (hereinafter “the Company”)’s basic philosophy system to clarify the direction the Company should pursue.

**Revisiting the
roots of our
business**

Returning to the roots of our business, creating value from unused resources and by-products through our own technologies and services, we will use this as our guiding principle going forward.

**Clarifying our
ideal future**

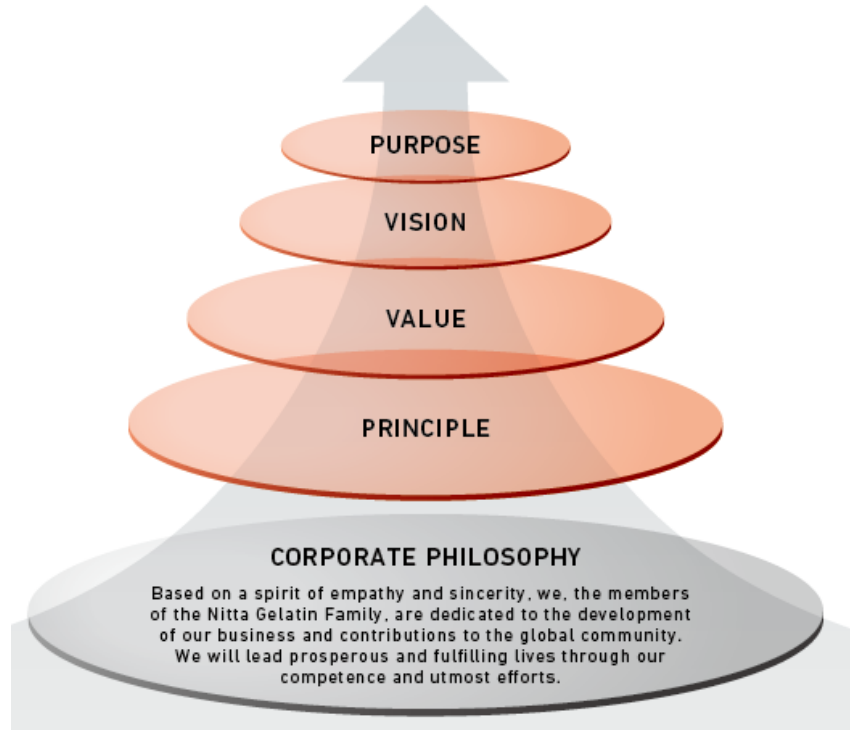
By defining the ideal future that Nitta Gelatin strives to achieve, we will unite the entire company to overcome the challenging business environment surrounding us.

**Organizing our
philosophy
system**

We have also reorganized the various existing statements, including the Corporate Philosophy, Corporate Vision, and Corporate Slogan, to clearly define the company’s future direction.

1. Revision of the Basic Philosophy System

Philosophy System



- **PURPOSE**

UPCYCLING for the Future.

- **VISION**

Lead in Asia. Challenge the World.

- **VALUE**

Connect Create Challenge

Nitta Gelatin 3C Value

- **PRINCIPLE**

Act on Our Values

1. Revision of the Basic Philosophy System

| Purpose

UPCYCLING for the Future.

**Creating new value by continually enhancing underutilized resources and by-products,
Nitta Gelatin harnesses the power of upcycling to transform people's lives for the better.**

1. Revision of the Basic Philosophy System

| Vision

Lead in Asia. Challenge the World.

At Nitta Gelatin, we aim to be No. 1 in the gelatin and collagen industry in Asia.

We will continue challenging ourselves to achieve unprecedented, dramatic growth through innovation and business expansion to lead Asia and the world in quality and trust.

1. Revision of the Basic Philosophy System

Value and Principle

Nitta Gelatin 3C Value

Value	>	Connect	Create	Challenge
Principle	>	<ul style="list-style-type: none"> ● Hold the cultures and diversity of every country in esteem ● Engage in dialogue proactively with gratitude and respect ● Pass down technologies and knowledge to future generations 	<ul style="list-style-type: none"> ● Pursue quality and speed ● Co-create value with customers ● Bring together diverse expertise and advanced technologies 	<ul style="list-style-type: none"> ● Learn continuously from mistakes without fearing failure ● Adapt to change and take the lead ● Set ambitious goals and see them through
		<ul style="list-style-type: none"> ● Act with integrity in accordance with social norms, laws, and regulations 		

2. Long-Term Management Goals: Management Targets

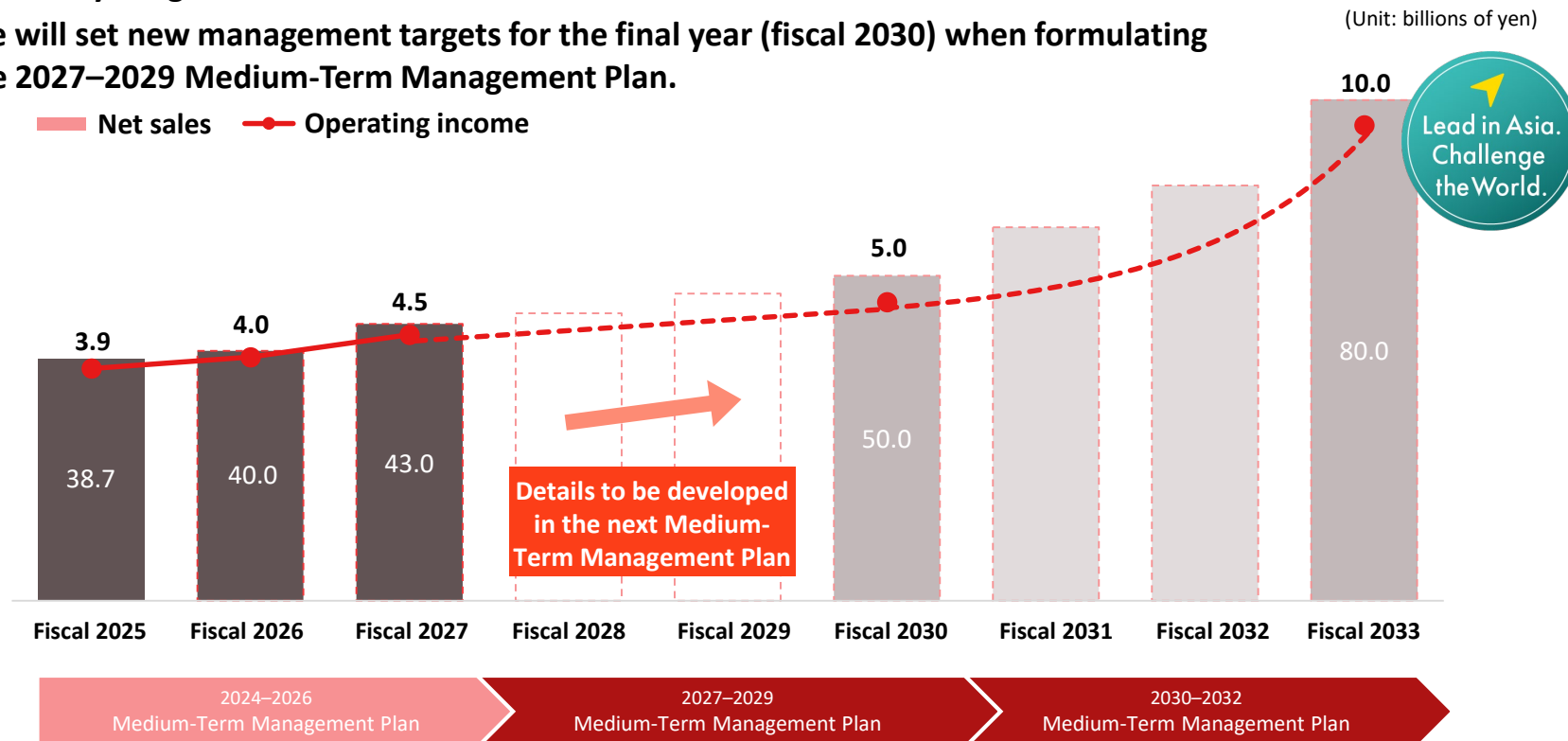
- To become a company that will “Lead in Asia” company—No. 1 in the industry by sales in Asia—we have set an ambitious long-term performance target of consolidated net sales of ¥80.0 billion and operating income of ¥10.0 billion for fiscal 2033, while driving forward our growth strategies.
- By improving profitability and efficiency, we aim to achieve ROE of 13.0% and ROIC of 12.0%.



(Unit: billions of yen)	Fiscal 2026	Fiscal 2033	Fiscal 2026
	Forecast	Target	Target vs. Forecast
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2. Long-Term Management Goals: Management Targets

- The enhancement of profitability is progressing steadily. We aim to achieve unprecedented breakthrough growth unlike anything before.
- We will set new management targets for the final year (fiscal 2030) when formulating the 2027–2029 Medium-Term Management Plan.



2. Long-Term Management Goals: Ideal Vision

Regional and Product Portfolio

- We will expand sales in overseas markets that are expected to grow, aiming to double our net sales.
- We will continue to position gelatin and peptides, both of which are expected to maintain growth, as our main growth pillars.
- We will aim for net sales of ¥8.0 billion in the bio/new business fields. Ideal Vision

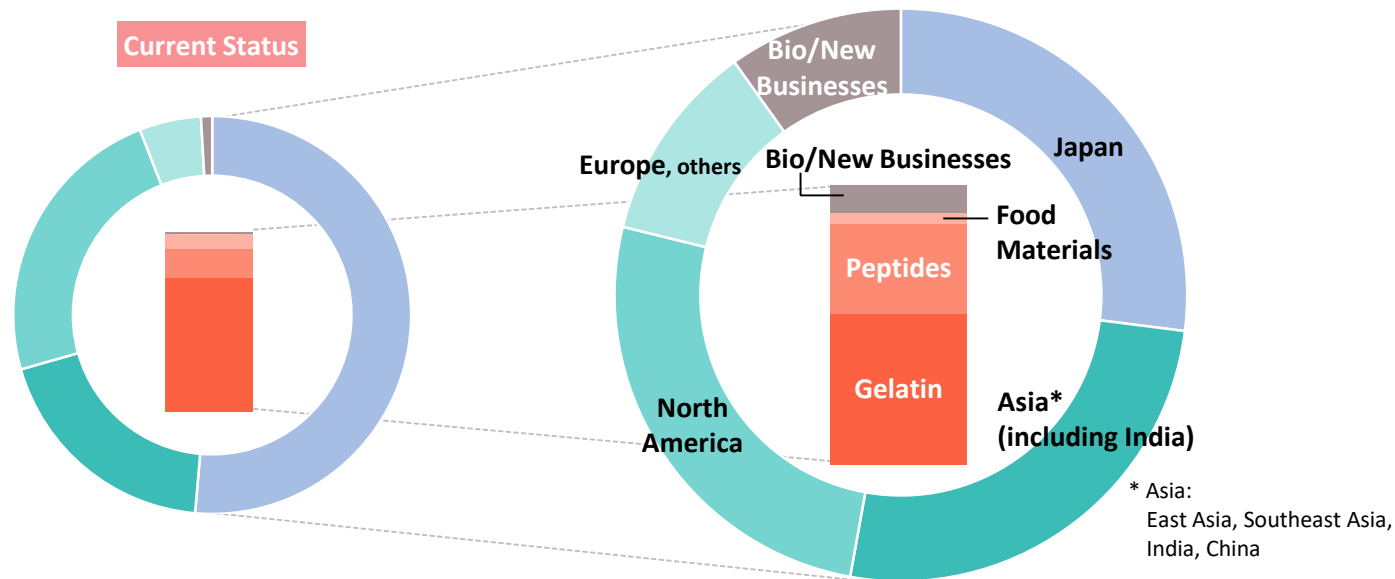
By region

- Japan
- Asia (including India)
- North America
- Europe, others

By product*

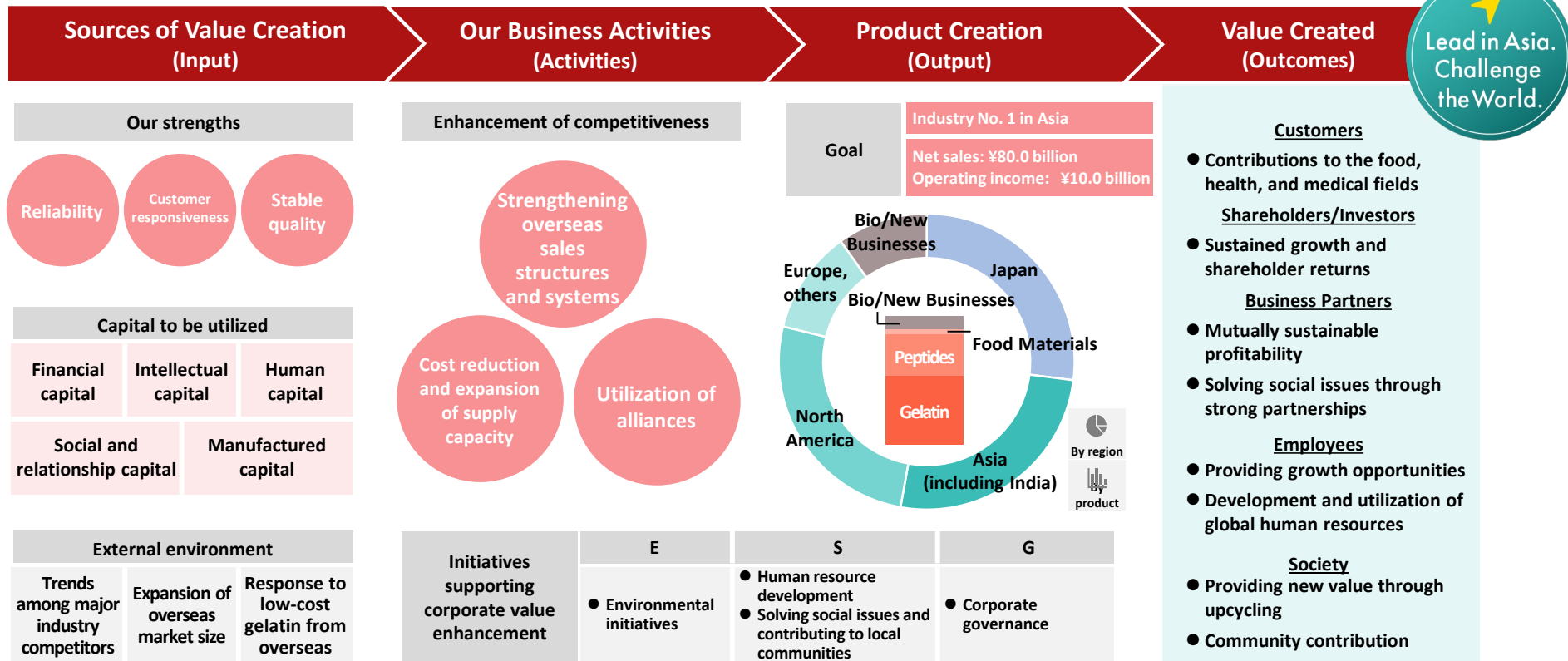
- Bio/New Businesses
- Food Materials
- Peptides
- Gelatin

* Bio: Biomedical
Peptides: Collagen peptides



3. Basic Strategies: Value Creation Story

- We will strengthen our sales capabilities and expand our supply capacity in overseas markets to realize our competitive advantages.



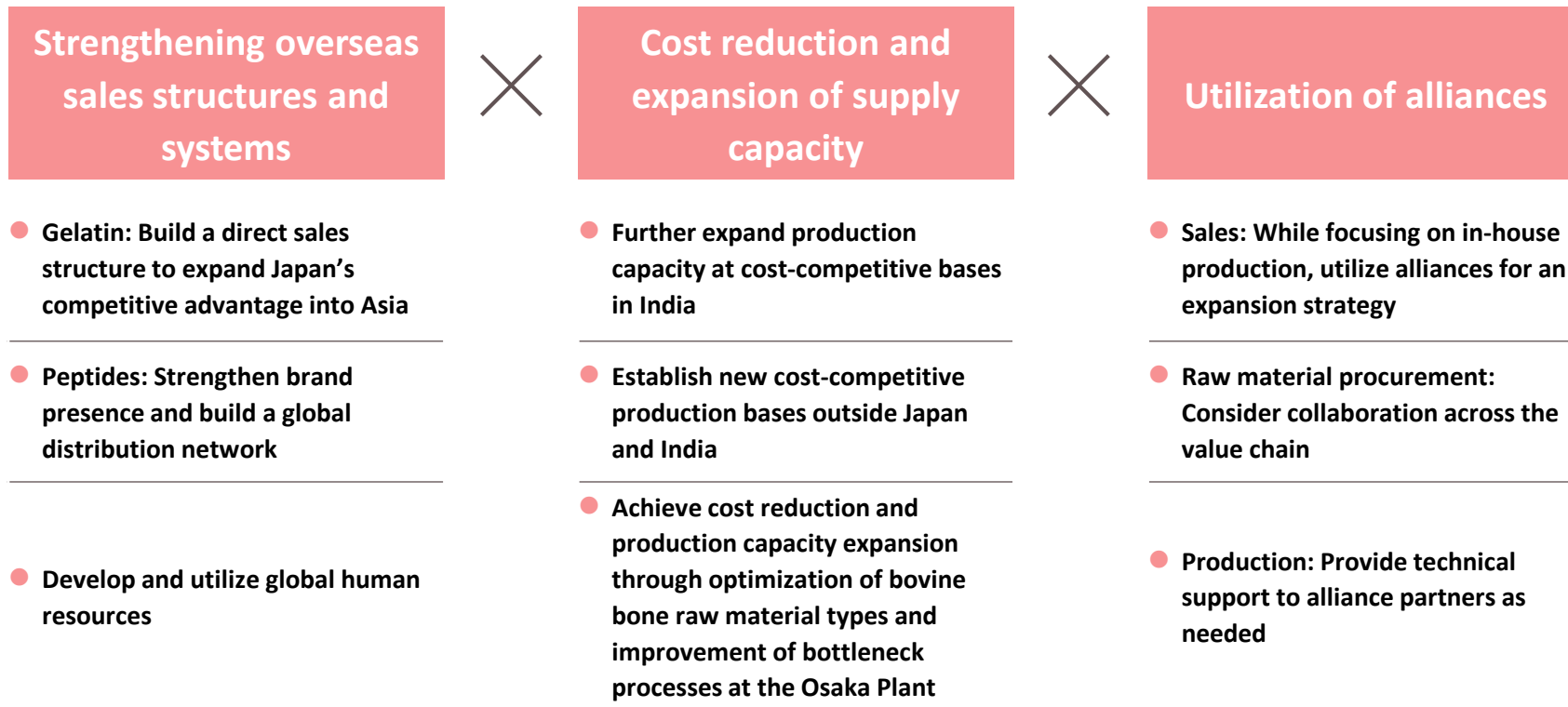
3. Basic Strategies: Our Strengths

- We will combine our unique strengths.



3. Basic Strategies: Enhancement of Competitiveness

- We aim to strengthen competitiveness by promoting cost reduction and expanding supply capacity.



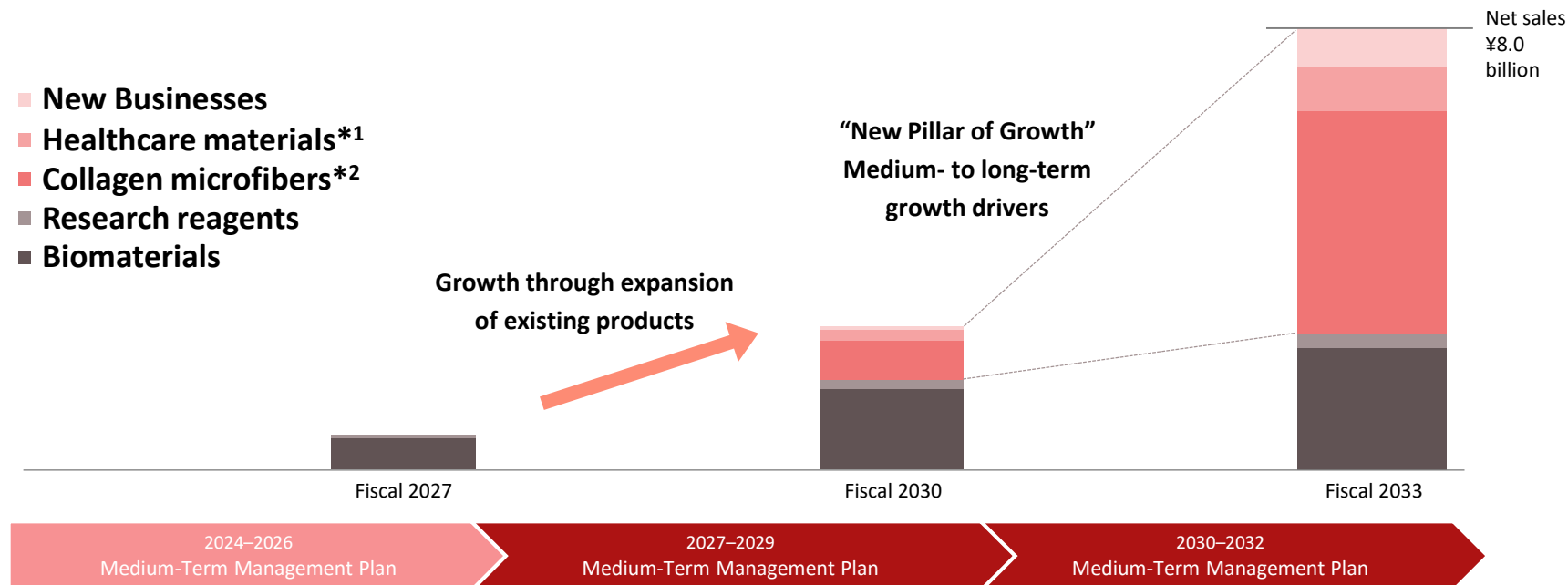
3. Basic Strategies: Accelerating Globalization

- We aim to overwhelmingly become the industry No. 1 in sales in Japan and Asia (including India).
- In the major markets of North America and Europe, we will leverage our strengths to secure a certain market share.

	Japan	Asia/India	North America	Europe
Market outlook ----- (Projected growth rate)	<ul style="list-style-type: none"> ● Growth rates for both gelatin and peptides are expected to remain mostly flat 	<ul style="list-style-type: none"> ● Markets for gelatin and peptides are expected to expand along with economic growth 	<ul style="list-style-type: none"> ● In the world's largest peptide market, both gelatin and peptides are expected to grow steadily 	<ul style="list-style-type: none"> ● In the home regions of major global industry leaders, both gelatin and peptides are expected to experience steady growth
Competitive environment	(Gelatin and peptides: approx. 0%) <ul style="list-style-type: none"> ● A market requiring attentive customer service ● Domestic manufacturers are relatively strong 	(Gelatin: 3–5%, Peptides: 5%) <ul style="list-style-type: none"> ● Global industry leaders have not yet entered in earnest, except for China ● Intensified competition is expected with the future entry of new market players 	(Gelatin: 3%, Peptides: 5%) <ul style="list-style-type: none"> ● Exports from global leaders, including South America and Turkey ● Possible changes in supply chains due to U.S. tariffs 	(Gelatin: 3%, Peptides: 6%) <ul style="list-style-type: none"> ● Potential for consolidation among major players, leading to rationalization of overlapping sites ● High entry barriers due to regulations and other factors
	▼	▼	▼	▼
Ideal vision and direction	<ul style="list-style-type: none"> ● Gelatin: Further refine customer responsiveness and maintain top domestic market share ● Peptides: Expand share through the development and early commercialization of high-performance products ● Food Materials: Improve profitability through enhanced efficiency 	<ul style="list-style-type: none"> ● Asia: Significantly increase market share for gelatin and peptides ● India: Double gelatin market share ● Gelatin and Peptides: Aim for a significant increase in market share with cost-competitive products 	<ul style="list-style-type: none"> ● In large, steadily growing markets for gelatin and peptides, secure a certain market share ● Demonstrate advantages in tariffs and quality in markets where imports account for roughly half of total sales ● Utilize alliance-based procurement for cost-competitive supply 	<ul style="list-style-type: none"> ● In large, steadily growing markets for peptides, secure a certain market share ● Consider establishing new regional sales bases ● Peptides: Propose cost-competitive products while leveraging our customer responsiveness

3. Basic Strategies: Biomedical and New Businesses

- We will foster businesses that drive medium- to long-term growth and capture future profit opportunities.
- We will focus on the early commercialization of collagen microfibers (CMF).



*1 Healthcare materials: New healthcare-related materials using gelatin

*2 Collagen microfibers: Materials with nanostructures similar to collagen fibers that make up artificial tendons, processed and manufactured from medical-use collagen

Supplement: Applications of Collagen Microfibers (CMF)

- Living tissues are composed of countless collagen fibers.
- Nitta Gelatin has developed, ahead of the world, mass-production technology for CMF featuring nanostructures similar to collagen fibers.*
- The technology is expected to be applied to a variety of medical uses.

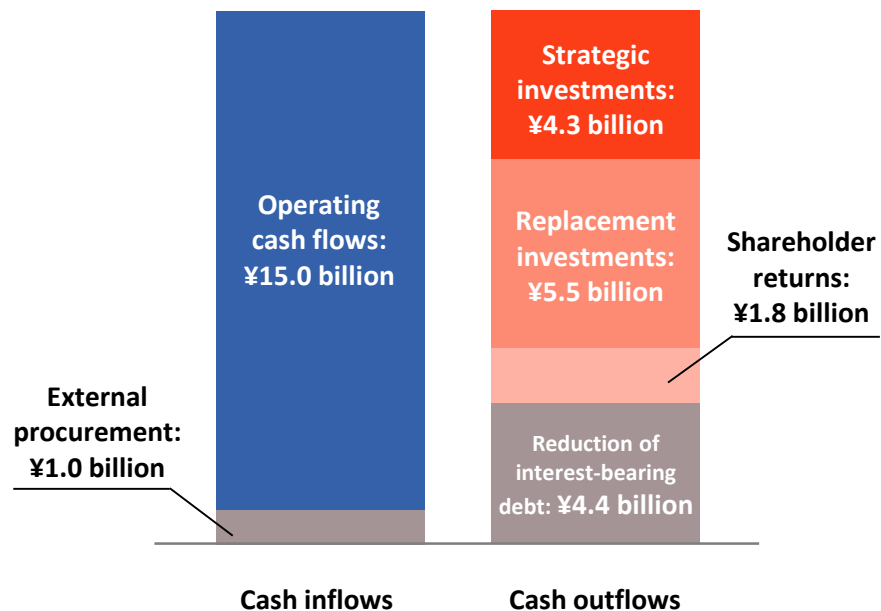
* Patent: WO 2025/058013 A1



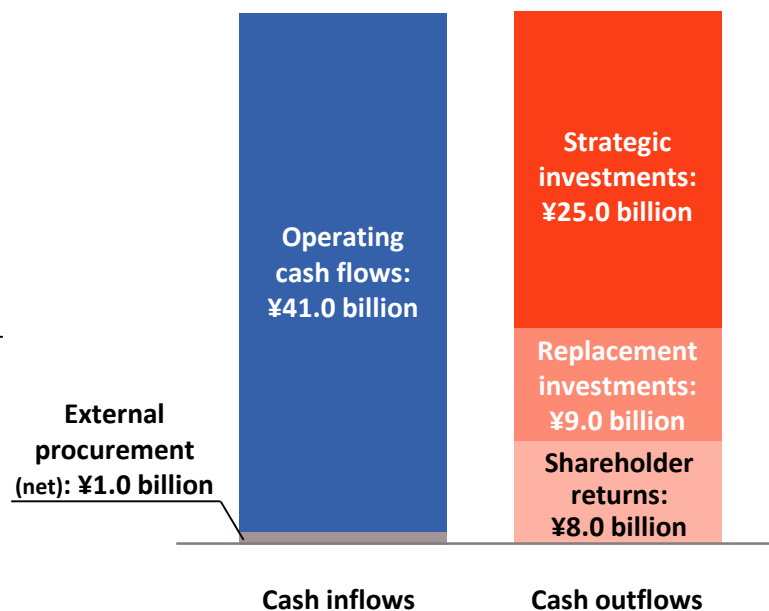
4. Financial Strategy: Capital Allocation

- We will significantly expand strategic investments to realize our growth strategy.
- We aim to achieve a dividend on equity (DOE) of 4.0% by fiscal 2033.

2024–2026 Medium-Term Management Plan

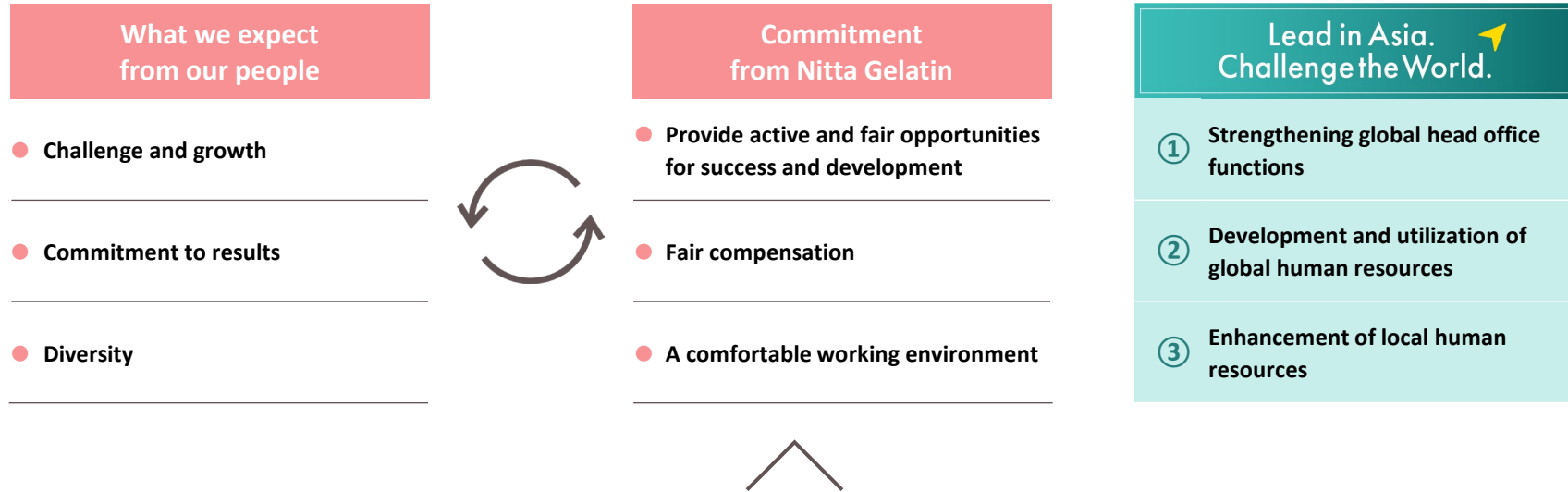


2027 to 2032 (six-year cumulative total)



5. Strengthening Management Foundation: Human Capital

- We will establish a human resources policy and aim to achieve our ideal vision.
- We will accelerate the strengthening of global readiness to become the industry No. 1 in Asia.



Promote human capital management linked with management strategy

5. Strengthening Management Foundation: Sustainability Management

- We will pursue an upcycling-based business model that creates new value from unused resources.
- We will continue efforts to identify materiality and contribute to solving social issues

Materiality items	Initiative themes	Ongoing initiatives	Ideal vision
Environment	Carbon neutrality	<ul style="list-style-type: none"> Reduction of CO₂ emissions at the Osaka Plant Compilation of CO₂ reduction items toward 2030 Reduction of waste (activated sludge from wastewater treatment) 	Scopes 1 and 2: Reduce CO ₂ emissions by 46% compared to fiscal 2013 by fiscal 2030 Achieve carbon neutrality by fiscal 2050
Procurement	Enhancement of supplier assessments Supply chain environmental management	<ul style="list-style-type: none"> Assessment of suppliers based on ISO 9001 Increase in procurement ratio of environmentally friendly raw materials Procurement stabilization through the development of multiple suppliers 	Improve traceability in environmental and quality aspects of procurement
Diversity	Promotion of the active participation of women	<ul style="list-style-type: none"> Increase in the proportion of women among new graduates and mid-career hires Increase in the proportion of women participating in various training programs Enhancement of the working environment to support diverse workstyles 	Increase the ratio of female managers (target: 15% or higher by the end of fiscal 2027) Create an environment where diverse human resources can thrive globally
Community	Coexistence with local communities	<ul style="list-style-type: none"> Contribution to better living environments in local communities (Signing of disaster prevention agreement and healthy city co-creation agreement with Yao City) 	Coexist with local communities as a good corporate citizen
Human rights	Human rights management in the supply chain	<ul style="list-style-type: none"> Initiatives toward obtaining EcoVadis Bronze certification Initiatives to improve SEDEX score Support for the United Nations Global Compact 	Prevent and mitigate human rights issues in cooperation with suppliers

Notice

The opinions, outlooks, and forecasts contained in this material are based
on the Company's judgment at the time of preparation.

The Company does not guarantee the accuracy of the information.

Due to various factors such as market environment, actual results may differ from those stated herein.

We appreciate your understanding.

Nitta Gelatin Inc.

Corporate Planning Department

[Contact] <https://cloud.swcms.net/nitta-gelatinPublic/en/ir/inquiry6.html>