



FYE3/2026 Q1 Results Briefing

July 31, 2025

FEED ONE CO., LTD.

TSE Prime Securities Code: 2060

Feed the world for the future, lives and smiles

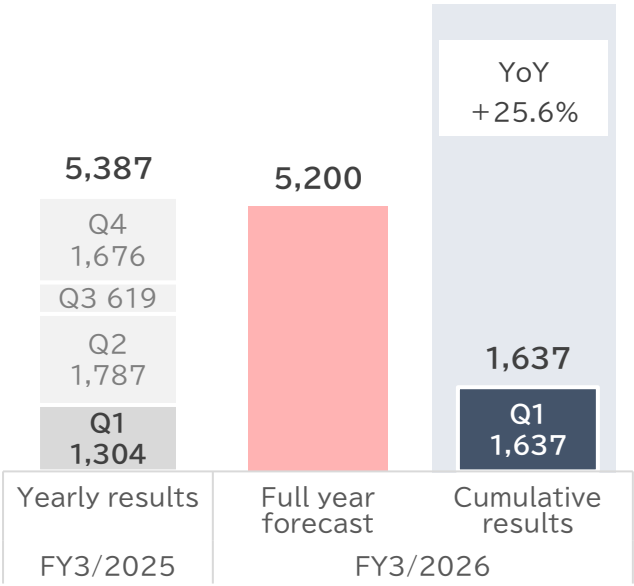
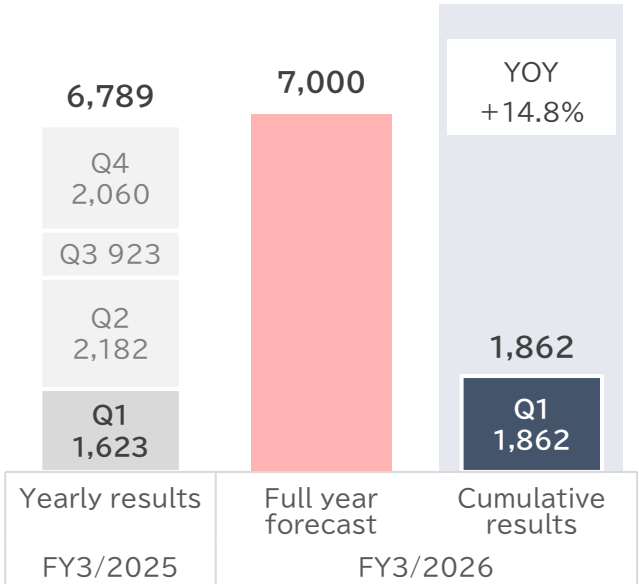
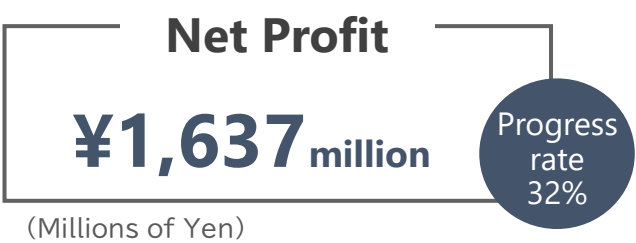
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Results Summary (Consolidated)

Although sales volume decreased due to thorough profitability management, profit margins improved, resulting in decreased revenue and increased profit.

(Millions of Yen)

	FY3/2025	FY3/2026		
			YoY	Progress
Net Sales	74,288	71,973	-3.1%	23.1%
Cost of Sales	66,483	64,111	-3.6%	—
Gross Profit	7,804	7,861	+0.7%	23.3%
SG&A expenses	6,507	6,385	-1.9%	—
Operating Profit	1,297	1,476	+13.8%	21.7%
Ordinary Profit	1,623	1,862	+14.8%	26.6%
Interim Net profit	1,304	1,637	+25.6%	31.5%



The Animal Feed Business and Aquatic Feed Business saw an increase in profit, although the Food Business experienced a decline in profit.



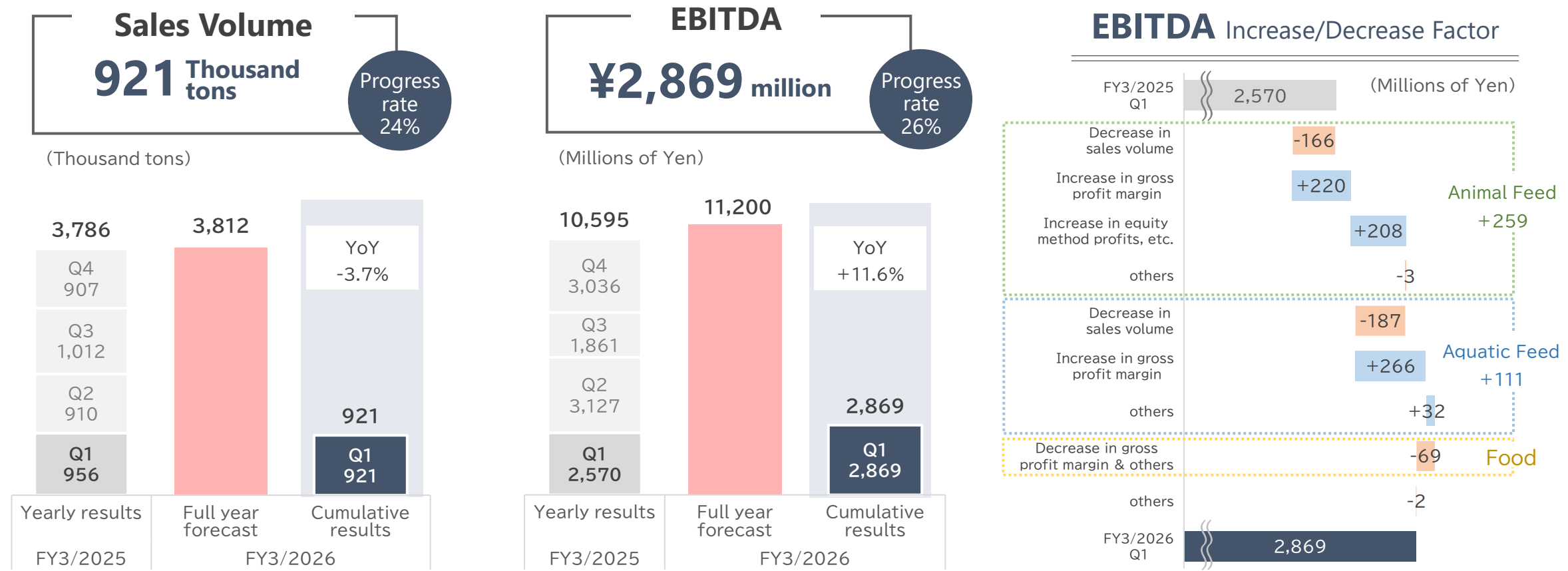
The liquidation of a subsidiary (Sorachi Kanri Service Co., Ltd.) led to a reduction in tax burden, resulting in increased profit.

Progress of Key Management Indicators

Key management indicators: Sales volume, EBITDA, ROE, ROIC and total investment amount
*ROE, ROIC and total investment amount are presented only at the end of the fiscal year.



Sales volume fell short but stayed within the plan, and EBITDA generally progressed according to the plan.



Animal feed decreased due to review of unprofitable sales.
Aquatic feed decreased due mainly to reduction of aquaculture fish.



The increase in profit was mainly due to rise in gross margin in Feed Business, with no significant change in depreciation.

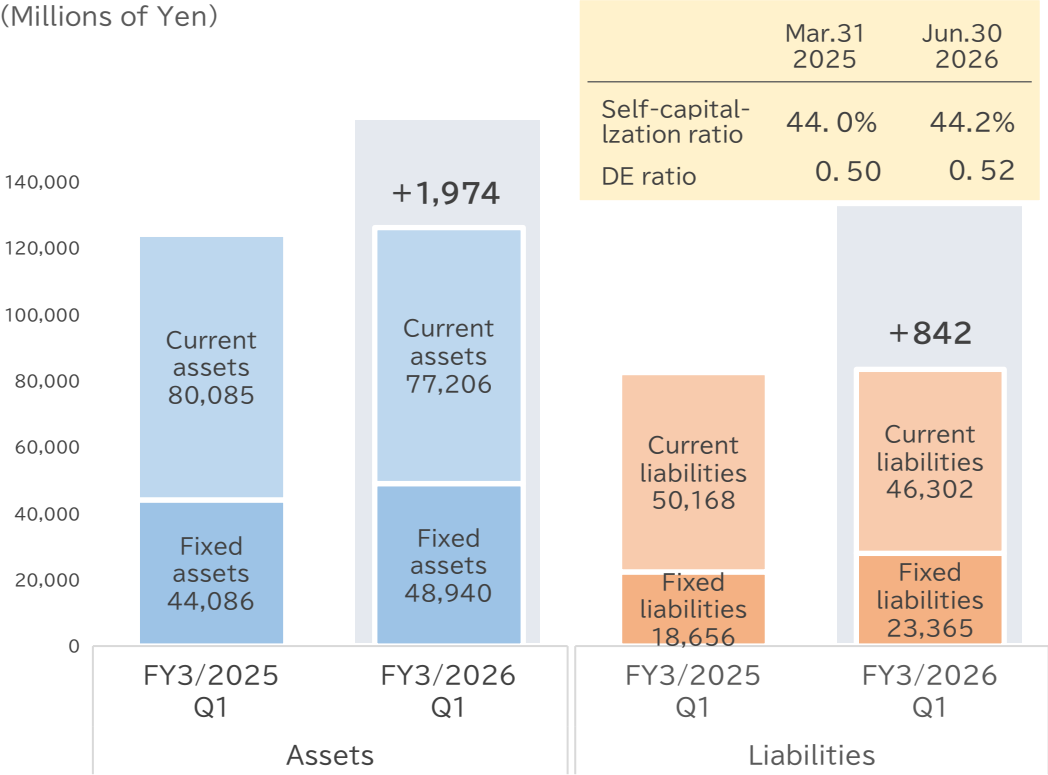
*EBITDA: Ordinary profit + interest expenses – interest income + depreciation and amortization of goodwill

Consolidated Financial Condition

Feed One concluded a syndicated loan agreement totaling ¥10.0 billion to support future active Capex. (disclosed on 6/25/2025)

Consolidated Balance Sheet

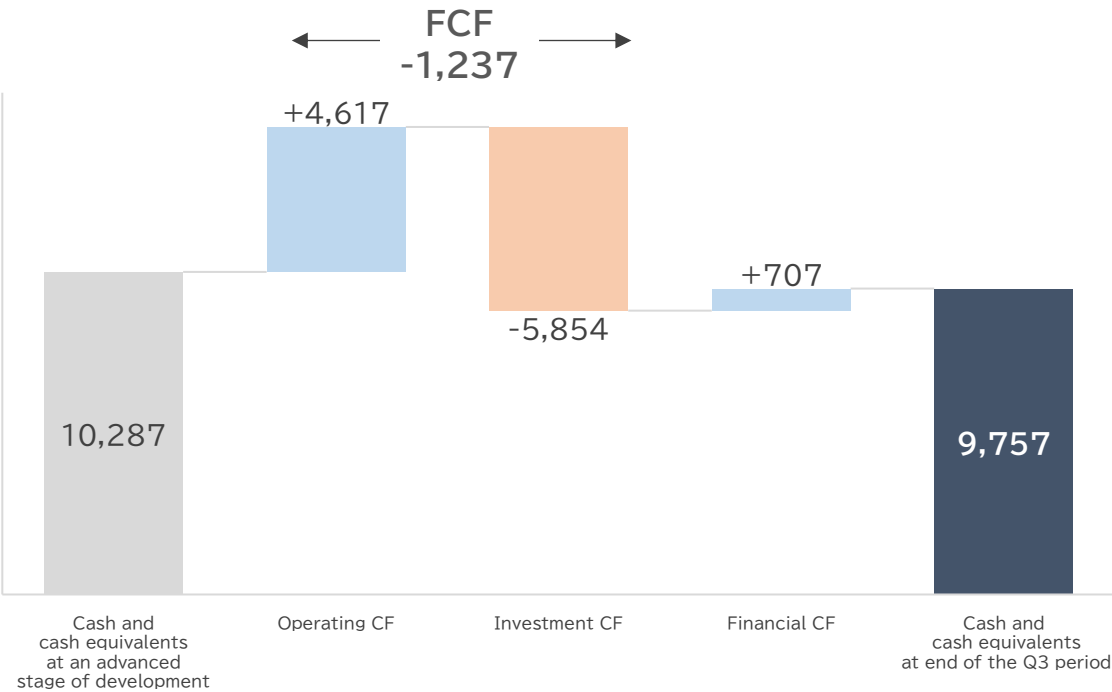
(Millions of Yen)



Consolidated Statement of Cash Flows

(Millions of Yen)

■ Increase ■ Decrease



Feed One concluded a syndicated loan totaling ¥10.0 billion to support future active Capex, with ¥5.0 billion borrowed in Q1, leading to an increase in long-term borrowings.

*Equity ratio = Equity/total assets *DE ratio = Interest-bearing debt/equity



Investment CF: Payments for the construction of a new aquatic feed factory
Financing CF: Long-term borrowings: +5,000 from syndicated loan execution,
Short-term borrowings: -3,060, Dividends: -807

Performance by Segment

Feed Businesses saw profits increase due mainly to thorough profitability management and weak raw material prices, despite a decrease in revenue caused by lower sales volume and price reductions in animal feed.

(Millions of Yen)

Segment		FY3/2024	FY3/2025		
		Q1	Q1	YoY difference	YoY
Animal Feed	Net Sales	58,592	56,415	-2,176	-3.7%
	Segment profit	2,096	2,318	+222	+10.6%
	EBITDA	2,722	2,981	+259	+9.5%
Aquatic Feed	Net Sales	6,709	5,208	-1,500	-22.4%
	Segment profit	205	302	+96	+47.0%
	EBITDA	330	442	+111	+33.8%
Food	Net Sales	8,982	10,345	+1,362	+15.2%
	Segment profit	73	-14	-88	—
	EBITDA	113	44	-69	-60.7%
Other/ Adjustments	Net Sales	3	3	+0	+5.8%
	Segment profit	-752	-743	+9	—

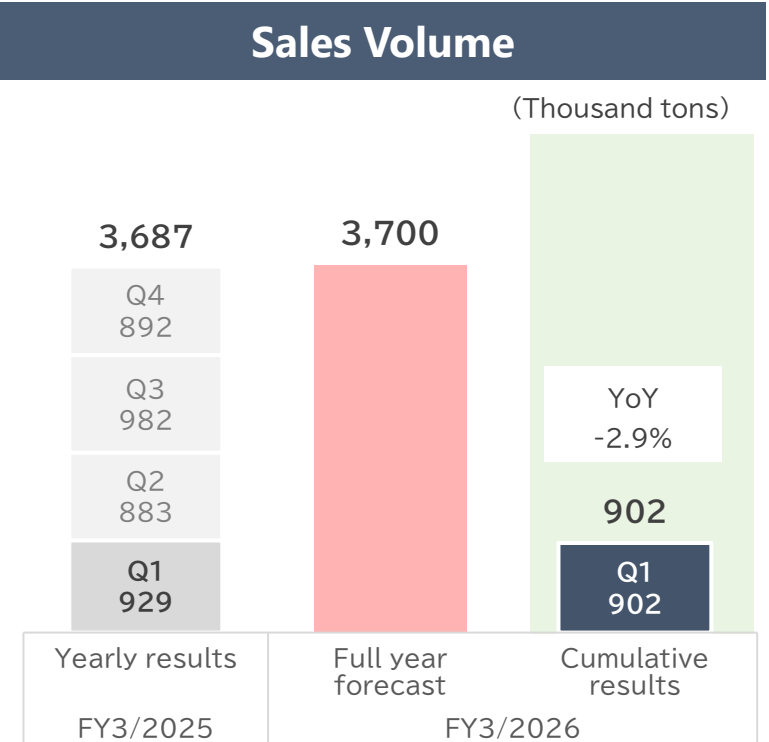
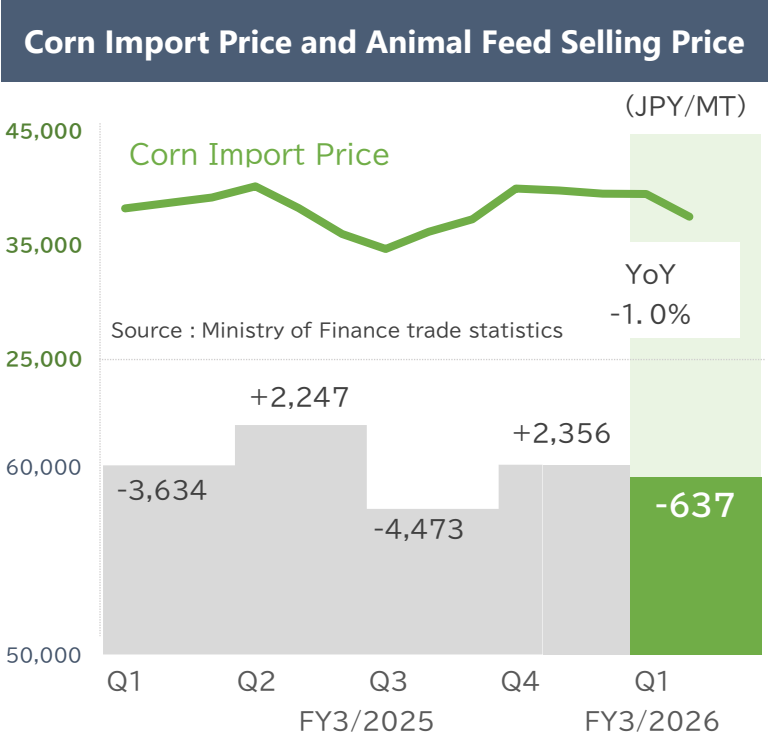
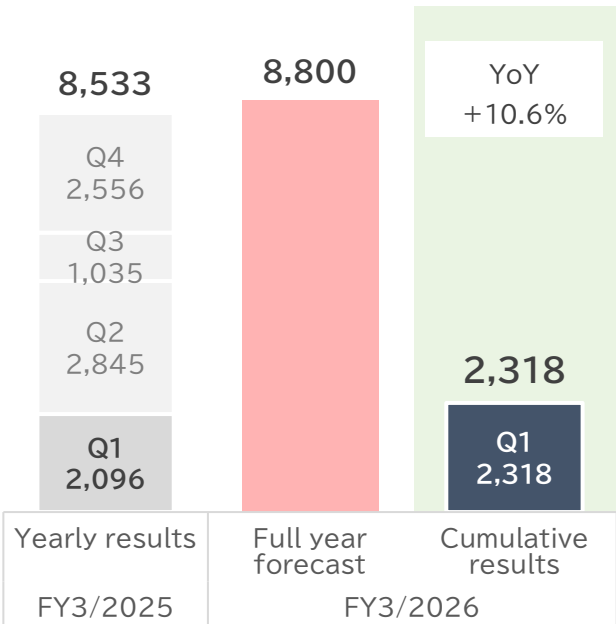
* Segment profit: Ordinary profit basis

* EBITDA: Ordinary profit + interest expenses – interest income + depreciation and amortization of goodwill

* Other: overseas business, real estate rental business, etc. *Adjustment= corporate expenses not allocated to business segments

Performance by Segment/Animal Feed Business

Segment profit increased with improved profit margin, despite a decrease in sales volume due to thorough profitability management.



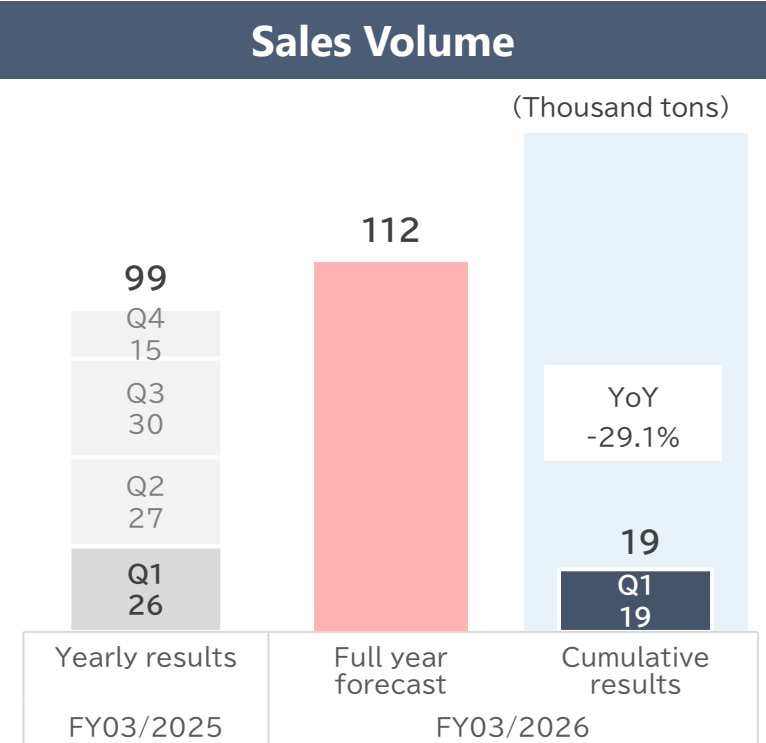
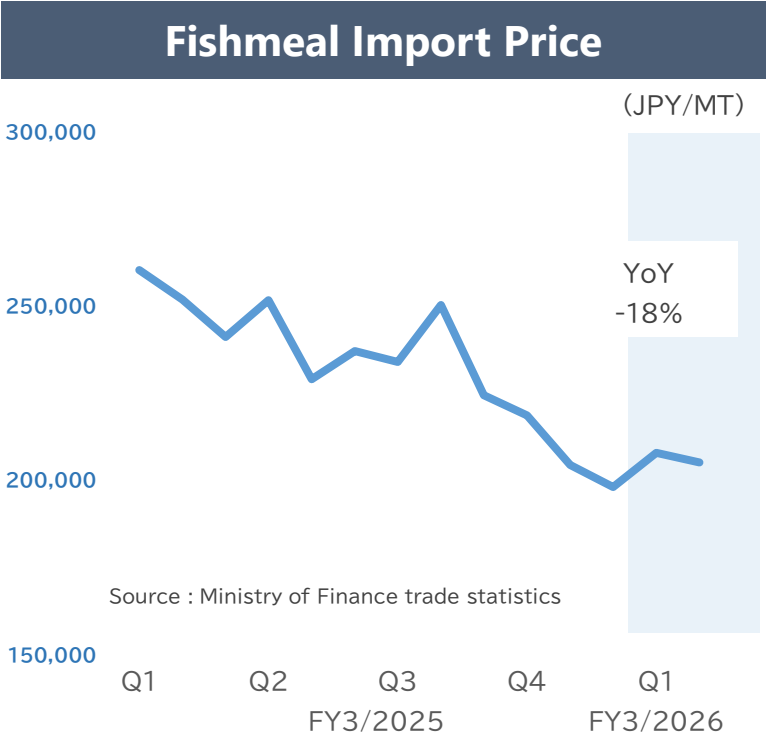
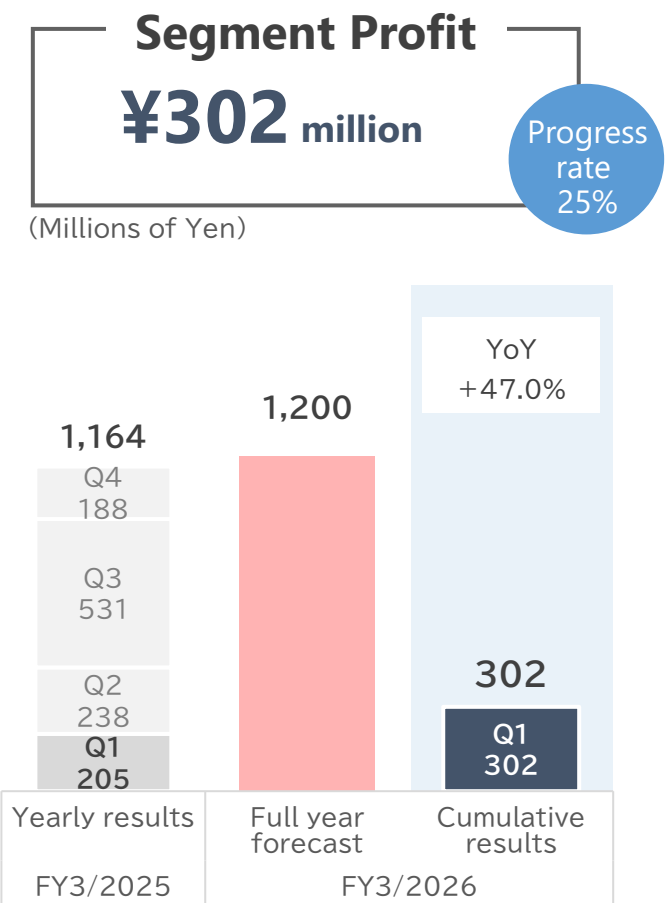
- Segment profit increased with improved profit margin due to weak corn prices, as well as thorough profitability management.
 - Sales volume decreased due to animal infectious diseases and thorough profitability management, with no major deviation from the plan.
- (Reference) National animal feed sales volume was -2.4% YoY (according to our own research).



Profit increased with improved profit margin, despite a decrease in sales volume due to thorough profitability management.

Performance by Segment/Aquatic Feed Business

Feed One achieved increased profit through weak fishmeal prices and increasing sales of high-margin products such as eel, although sales volume decreased due to reduction in farmed fish, the last year's price increase, etc.



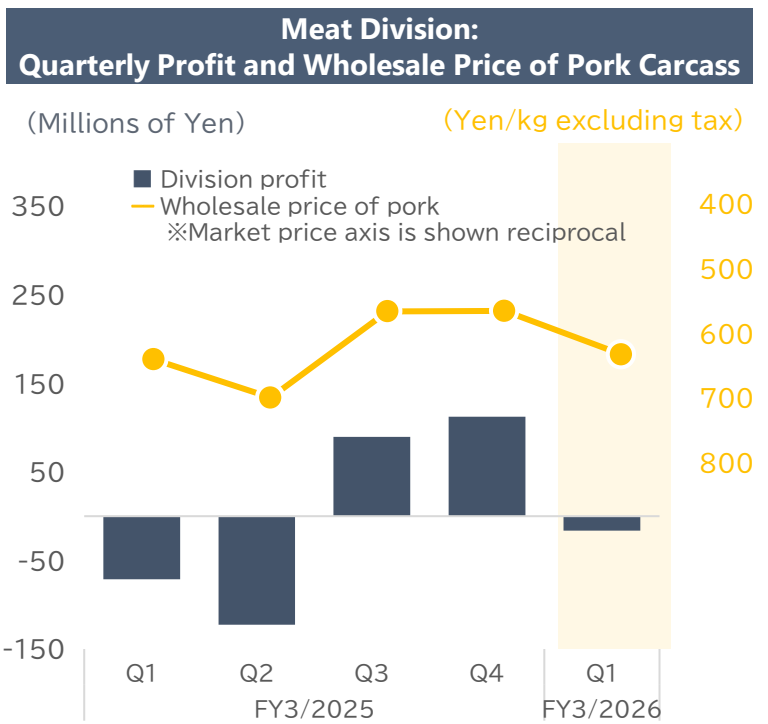
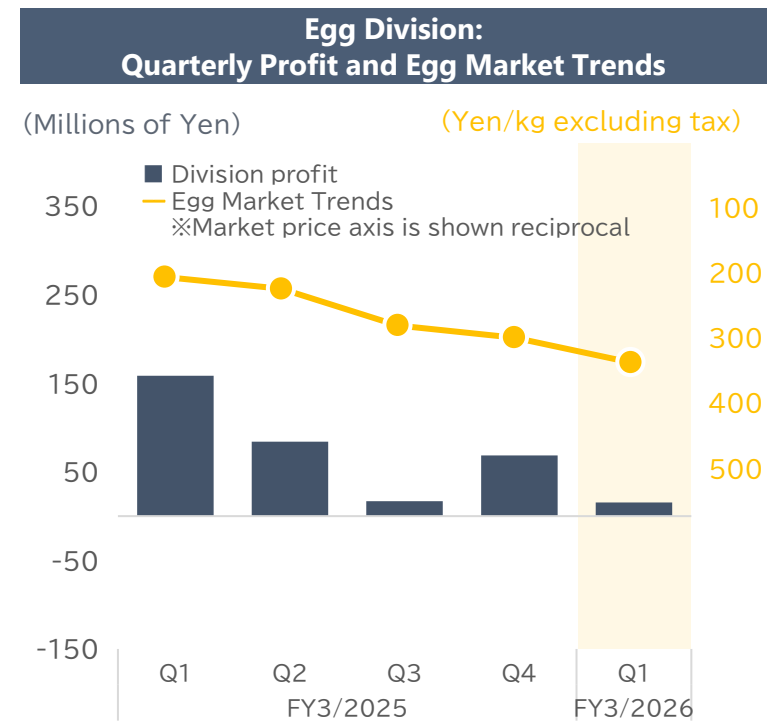
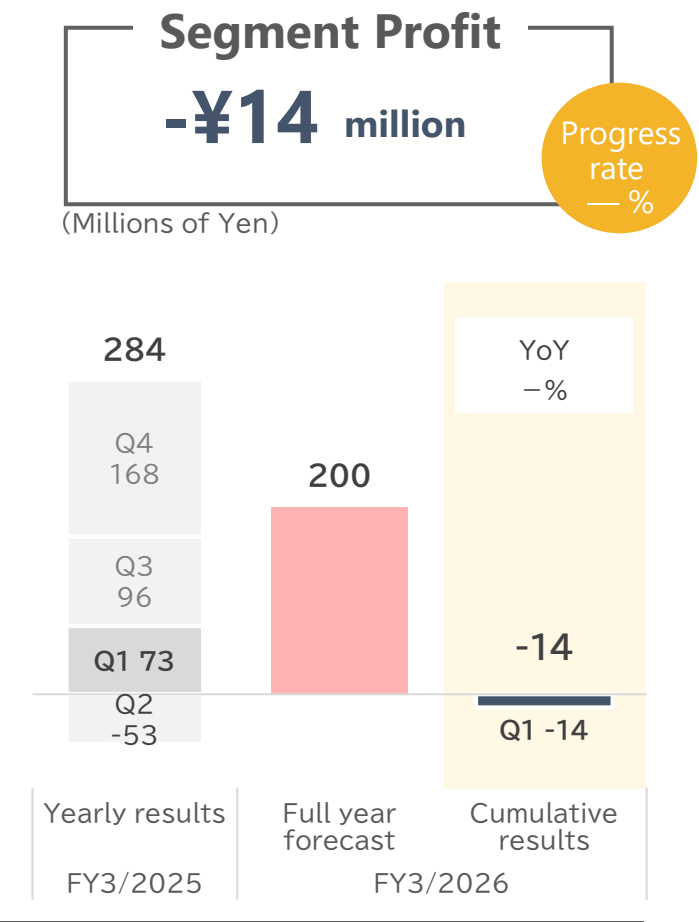
- Segment profit improved due to weak market trends and increasing sales of high-margin products such as eel, offsetting decrease in sales volume.
 - Sales volume decreased significantly, due to reduction in farmed fish and the surge in demand before last year's price increase, which had boosted the volume in the same period of the previous year.
- (Reference) National aquatic feed production volume was -16.7% YoY (according to our own research) affected by last year's extreme heat, leading to farmed fish deaths and decreased productivity.



Profit improved through weak fishmeal prices and increasing sales of high-margin products such as eel, despite decreased sales volume.

Performance by Segment/Food Business

Soaring prices of both eggs and pork carcasses resulted in a segment loss, despite efforts to strengthen the revenue structure.



- The egg division decreased in profit due to a delay in passing on price increases, as the supply of chicken eggs tightened from the spread of avian influenza, leading to rising market prices.
[Reference] The average price in June 2025 was ¥340/kg *The peak price in 2023 reached ¥350/kg, known as the 'Egg Shock,' based on The National Federation of Agricultural Cooperative Associations (ZEN-NOH) Egg M Standard/Tokyo.
- The meat division saw a decrease in the number of shipments due to the effects of last year's extreme heat and other factors, which led to a rise in market prices. However, efforts to strengthen its revenue structure helped narrow the loss margin.

Rising market prices increased the cost of sales, and the meat division reported a loss, despite narrowing its loss margin.

Full-Year Earnings Forecast

No major changes in the full-year earnings forecasts for the fiscal year ending March 31, 2026 are expected.

(Millions of Yen)

	FY3/2025		FY3/2026	
			YoY difference	YoY
Net Sales	296,045	311,000	+14,954	+5.1%
Cost of Sales	264,171	277,200	+13,028	+4.9%
Gross Profit	31,874	33,800	+1,925	+6.0%
SG&A expenses	25,531	27,000	+1,468	+5.8%
Operating Profit	6,343	6,800	+456	+7.2%
Ordinary Profit	6,789	7,000	+210	+3.1%
Interim Net profit	5,387	5,200	-187	-3.5%

Q2's Market Trend and Our Efforts



Feed One Group expects to meet the planned milestone, despite concerns over high temperatures and others.

Animal Feed Business



Although concerns about animals suffering from heat stress, we will focus on increasing sales of differentiated products with competitive advantages, like heat mitigation solutions, to secure profits.

Aquatic Feed Business



We expect farmed fish numbers to gradually recover with the introduction of fry. Selling price revisions due to lower fishmeal prices are underway, but profits will be secured through volume increase and manufacturing efficiency improvement.

Food Business



We expect high prices due to reduced animal productivity from heat stress, and will secure profits by minimizing market impact through sales.

Feed One is advancing organizational restructuring and asset sale to optimize management resources.

Optimize management resources

* **Feed manufacturing subsidiaries converted to in-house factories (April 2025)**

- The Company merged TOMAKOMAI FEED CO., LTD (now Tomakomai Factory) and TOHOKU SHIRYO CO., LTD (now Hachinohe Factory), both of which were previously consolidated subsidiaries.

* **Liquidation of the subsidiary completed (June 2025)**

- The liquidation of Sorachi Kanri Service Co., Ltd. has been completed (dissolved in December 2024).

* **Merger of the feed sales companies decided (scheduled for October 1, 2025)**

- Iwate Feed One Hanbai Co., Ltd. and Hachinohe Feed One Hanbai Co., Ltd. are scheduled to be merged.
(Trade name: Tohoku Feed One Hanbai Co., Ltd.)
- Kashima Feed One Hanbai Co., Ltd. and Tokai Feed One Hanbai Co., Ltd. are scheduled to be merged.
(Trade name: Kashima Feed One Hanbai Co., Ltd.)

Subsidiaries and Associates

32

as of March 2025



27

as of October 2025
(estimated)

Asset Sale

* **Sale of idle real estates**

- The Company sold three idle properties including former factory site in Moji-ku, Kitakyushu, Fukuoka.
(total sales amount: ¥580 million/ gain on sale: ¥47 million (recorded as extraordinary income).)

The opinions and forecasts contained in this document are based on the company's judgment at the time the document was prepared, and the accuracy of such information is not guaranteed.
Please be aware that actual performance and results may differ due to changes in various factors.

For questions or inquiries regarding this material, don't hesitate to get in touch with our IR representative at ir@feed-one.co.jp.

