



H1 FYE3/2026 Financial Results Briefing and Business Briefing

November 18, 2025

FEED ONE CO., LTD.

TSE Prime Securities Code: 2060

Feed the world for the future, lives and smiles

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Agenda and Speakers

Overview of H1 FYE3/2026 Results / Shoji

FEED ONE Long-term Vision / Shoji

Animal Feed Business / Tashiro

Aquatic Feed Business / Hashimoto



Hidehiro Shoji
President and
Representative
Director



Yoshinao Tashiro
Director, Managing
Executive Officer
General Manager, Animal
Feed Business Unit



Masahiro Hashimoto
Executive Officer
General Manager,
Aquatic Feed Division

Overview of H1 FYE3/2026 Results / Shoji

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| 01 | Results Summary (Consolidated) |
| 02 | Performance by Segment |
| 03 | Consolidated Financial Condition |
| 04 | Full-Year Earnings Forecast |

FEED ONE Long-term Vision / Shoji

Animal Feed Business / Tashiro

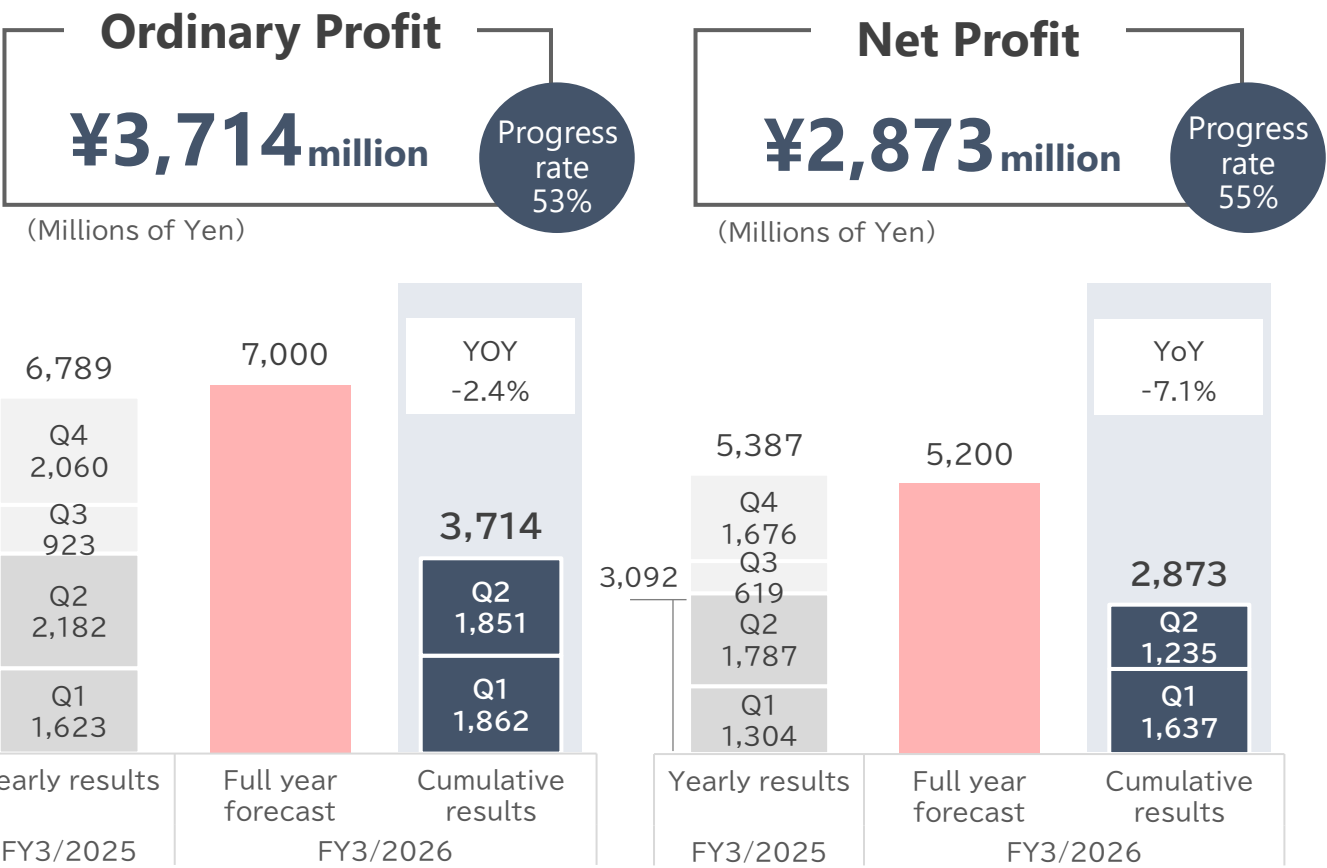
Aquatic Feed Business / Hashimoto

Results Summary (Consolidated)

Despite lower revenue and profit YoY, ordinary profit and net profit exceeded 50% of the full-year forecast, showing steady progress.

(Millions of Yen)

	FY3/2025	FY3/2026		
	Q2	Q2	YoY	Full-Year Forecast Progress
Net Sales	148,298	142,344	-4.0%	45.8%
Cost of Sales	132,154	126,357	-4.4%	—
Gross Profit	16,143	15,987	-1.0%	47.3%
SG&A Expenses	12,787	12,730	-0.4%	—
Operating Profit	3,355	3,257	-2.9%	47.9%
Ordinary Profit	3,805	3,714	-2.4%	53.1%
Interim Net Profit	3,092	2,873	-7.1%	55.3%



Profit increased in the Aquatic Feed and Food Businesses but declined in the Animal Feed Business. For the full-year forecast, operating profit is slightly below the 50% progress rate, while ordinary and net profits exceed 50% progress due to the recognition of equity method gains.

Performance by Segment

The Feed Businesses saw lower revenue due to a decline in sales volume. Segment profit decreased in the Animal Feed Business but increased in the Aquatic Feed and Food Businesses.

(Millions of Yen)

Segment		FY3/2025	FY3/2026		Supplementary information
		Q2	Q2	YoY	
Animal Feed	Segment profit	4,941	4,536	-8.2%	¥405 mn decrease YoY.
	EBITDA	6,198	5,882	-5.1%	¥247 mn and ¥207 mn decreases in sales volume and gross profit, respectively, ¥158 mn increase in equity-method income, etc.
	Sales volume (Thousand tons)	1,812	1,776	-2.0%	External factors include high temperatures and a decrease in the number of animals/birds raised. Internal factors include thorough cost management (such as reviewing unprofitable sales).
Aquatic Feed	Segment profit	444	669	+50.4%	¥224 mn increase YoY.
	EBITDA	694	953	+37.2%	¥207 mn decrease in sales volume and ¥435 mn increase in gross profit
	Sales volume (Thousand tons)	54	45	-15.1%	External factors include high water temperatures and a decrease in the number of farmed fish. Internal factors include thorough cost management (such as reviewing unprofitable sales).
Food	Segment profit	19	55	+183.7%	[Poultry and Egg business] Profit declined due to persistently high egg prices and depreciation for the new factory.
	EBITDA	100	173	+71.9%	[Meat business] Despite meat prices reaching record high in July, profitability improved through measures such as revising selling prices.
Other/ Adjustments	Segment profit	-1,600	-1,546	—	

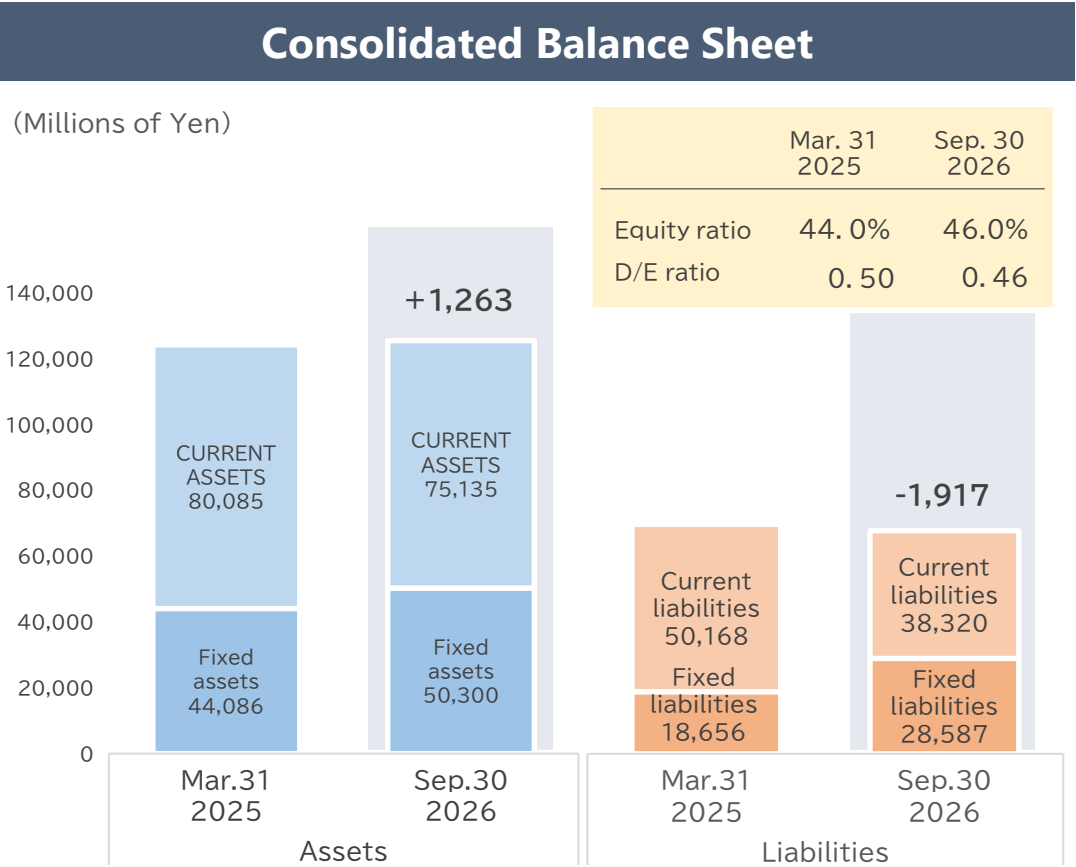
* Segment profit: Ordinary profit basis

* EBITDA: Ordinary profit + Interest expenses – Interest income + Depreciation and amortization of goodwill

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

Consolidated Financial Condition

Financing executed in line with the construction of a new aquatic feed factory. D/E ratio declined due to reduced working capital and other factors.



Full-Year Earnings Forecast

No major changes are expected in the full-year earnings forecasts for the fiscal year ending March 31, 2026. Net sales may decline due to lower feed selling prices.

(Millions of Yen)

	FY3/2026				
	Initial forecast (disclosed on May 8)	Interim period		Recent forecast (disclosed on October 31)	vs. Initial forecast
		Results	Progress		
Net Sales	311,000	142,344	45.8%	311,000	—
Cost of Sales	277,200	126,357	—	277,200	—
Gross Profit	33,800	15,987	47.3%	33,800	—
SG&A Expenses	27,000	12,730	—	27,000	—
Operating Profit	6,800	3,257	47.9%	6,800	—
Ordinary Profit	7,000	3,714	53.1%	7,000	—
Interim Net profit	5,200	2,873	55.3%	5,200	—

H2 Profit Forecast

Full-year forecast expected to be achieved on recovery in sales volume and improved profitability amid better external conditions. Livestock disease outbreaks remain a risk factor.

Animal Feed Business



Sales volume: Expected to recover due to lower temperatures.
Profit: Plan expected to be achieved through price revisions reflecting raw material costs and higher sales volume.

Aquatic Feed Business



Sales volume: Expected to recover due to growth of the current-year fish* and favorable water temperatures, but full-year sales volume is projected to fall short of the forecast.
Profit: Plan expected to be achieved through recovery in sales volume and maintained profitability.

* Fry introduced this year have grown, driving higher demand. With a larger number of fish introduced this year, sales volume is expected to recover.

Food Business



Egg: Despite continued high market prices, profit is expected to remain at the same level as in H1.
Meat: With market prices having passed their peak, profit is expected to increase through structural reforms to improve profitability.

Overview of H1 FYE3/2026 Results / Shoji

FEED ONE Long-term Vision / Shoji

- 01 Trends and Future Prospects for Japan's Livestock and Aquatic Products Demand
- 02 Current Status and Concerns Regarding Livestock and Aquatic Products Self-Sufficiency
- 03 Mitsui & Co x FEED ONE
- 04 Long-term Vision
- 05 Scenario for Realizing the Long-term Vision

Animal Feed Business / Tashiro

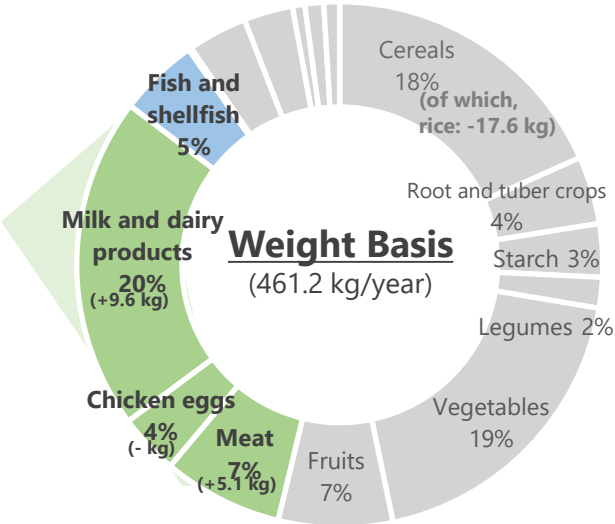
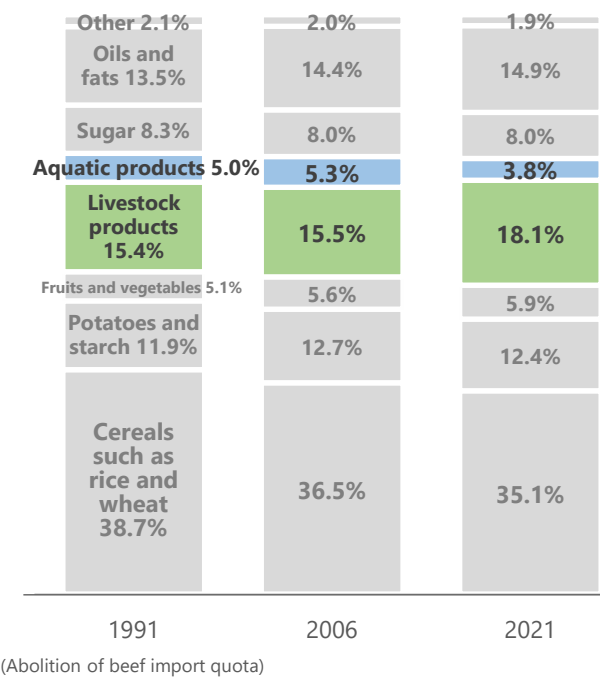
Aquatic Feed Business / Hashimoto

Trends and Future Prospects for Japan's Livestock and Aquatic Products Demand

Despite Japan's declining and aging population, demand for livestock and aquatic products is expected to continue growing, driven by inbound tourism and expanding exports.

Food demand per capita in Japan

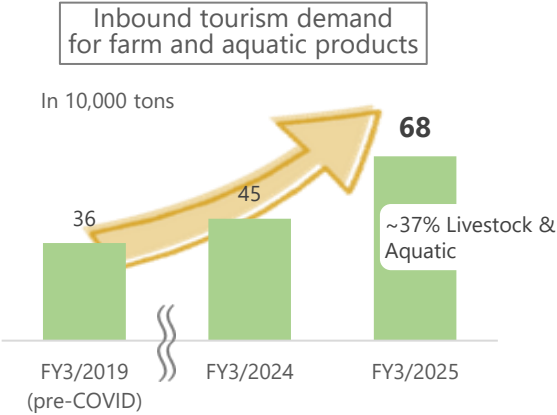
Calorie Basis



Figures in parentheses represent comparisons with 1991; "-" indicates no change.
Reference: Ministry of Agriculture, Forestry and Fisheries (MAFF), Food Balance Sheet

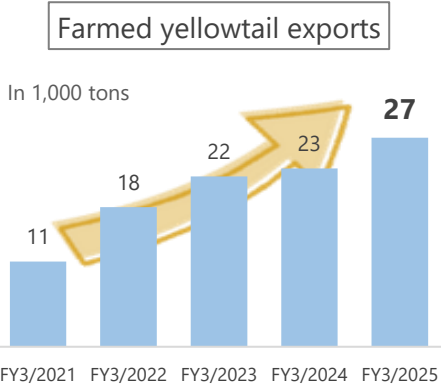
Driven by increasing preferences for meat and the growing use of ready-made meals, per-capita consumption on a calorie basis has seen a decline in cereals (mainly rice), while consumption of livestock products—particularly meat, milk, and dairy products—has continued to rise. On a weight basis as well, more than one-third of per-capita food demand is accounted for by livestock and aquatic products.

Growth potential of the livestock and aquatic products market



The number of inbound visitors has been increasing since COVID-19, leading to higher consumption of agricultural, livestock, and aquatic products. It is said that about 70% of visitors are repeat travelers, suggesting solid and sustainable demand.

Reference: Norinchukin Research Institute Co., Ltd., "The Quantitative Impact of Farm and Aquatic Product Consumption by Inbound Tourists"



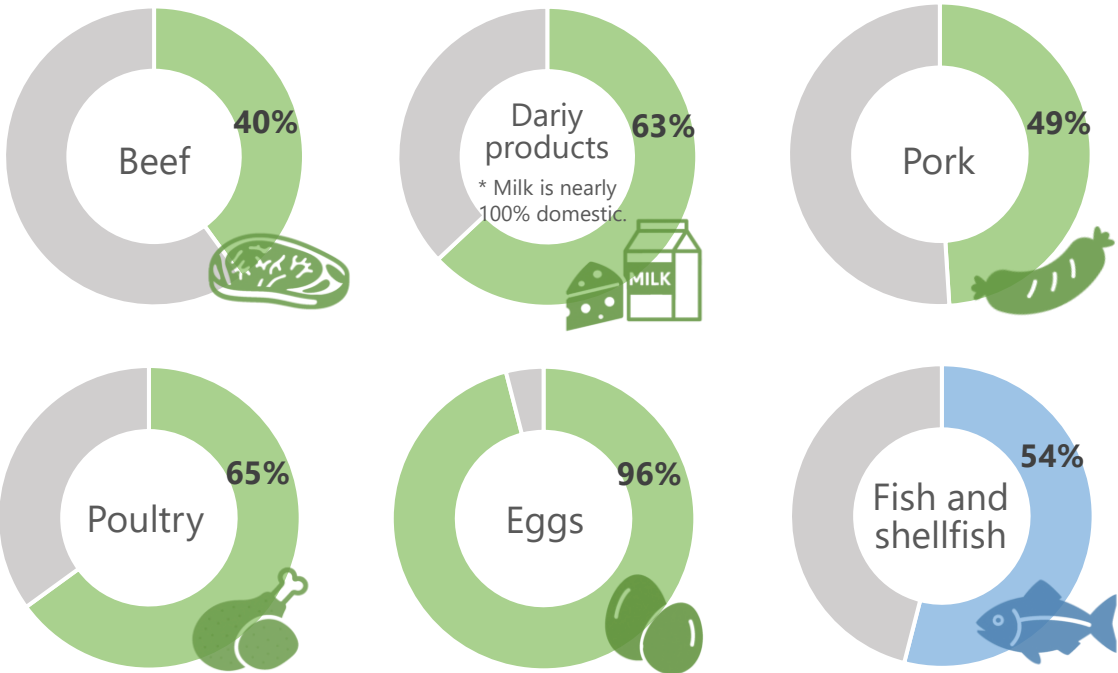
Demand for Japanese cuisine, including sushi, has been accelerating mainly in the U.S. and Taiwan. Public-private promotional initiatives have also supported this trend, leading to steady increases in export volumes each year.

Reference: Fisheries Agency, "Farmed Yellowtail Production and Export Trends"

Current Status and Concerns Regarding Livestock and Aquatic Products Self-Sufficiency

Expectations for growing demand for livestock and aquatic products, combined with concerns over securing imported supplies, suggest strong potential for increased demand for domestic livestock and aquatic products.

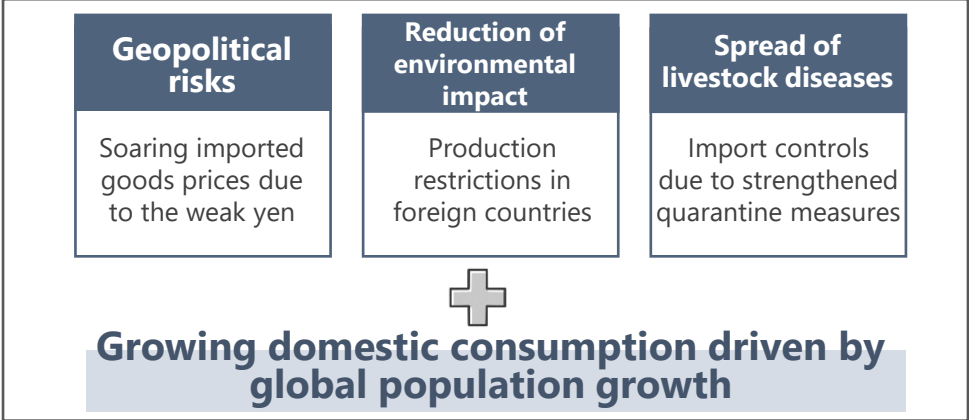
Livestock and aquatic products self-sufficiency rate



Source: MAFF, "The Situation Surrounding Livestock and Dairy Farming (July 2025)"

About half of all livestock and aquatic products, except for eggs and milk, are covered by imports. Domestic supply of animal protein heavily relies on imported livestock and aquatic products.

Concerns over the procurement of imported livestock and aquatic products



Unable to rely on imported livestock and aquatic products to cover future demand increase
= Potential for increasing demand for domestically produced livestock and aquatic products



FEED ONE

— Purpose —

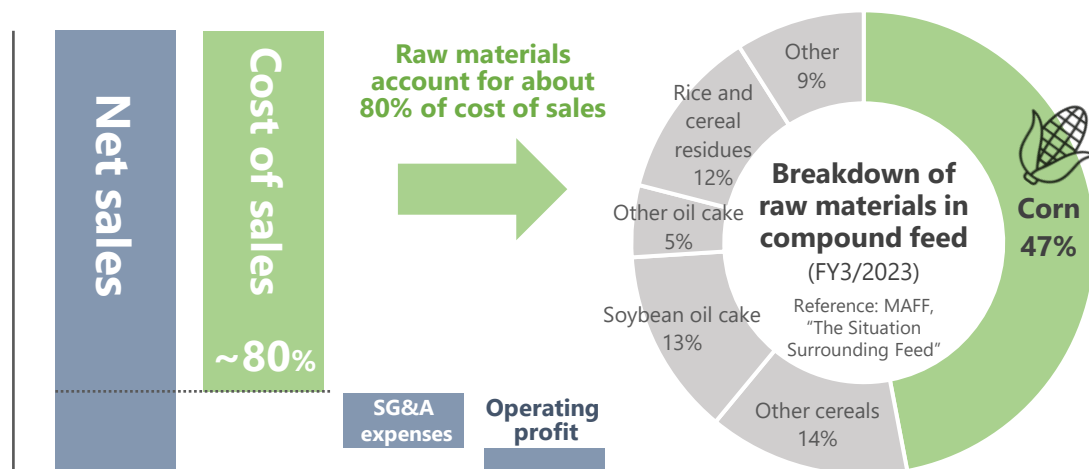
Feed the world for the future, lives and smiles

We will support domestic animal protein supply through our feed.
(enhancing self-sufficiency in livestock and aquatic products)

Mitsui & Co.'s raw material procurement capabilities underpin FEED ONE's business and serve as a key source of competitive advantage.

Compound feed dependent on imported raw materials

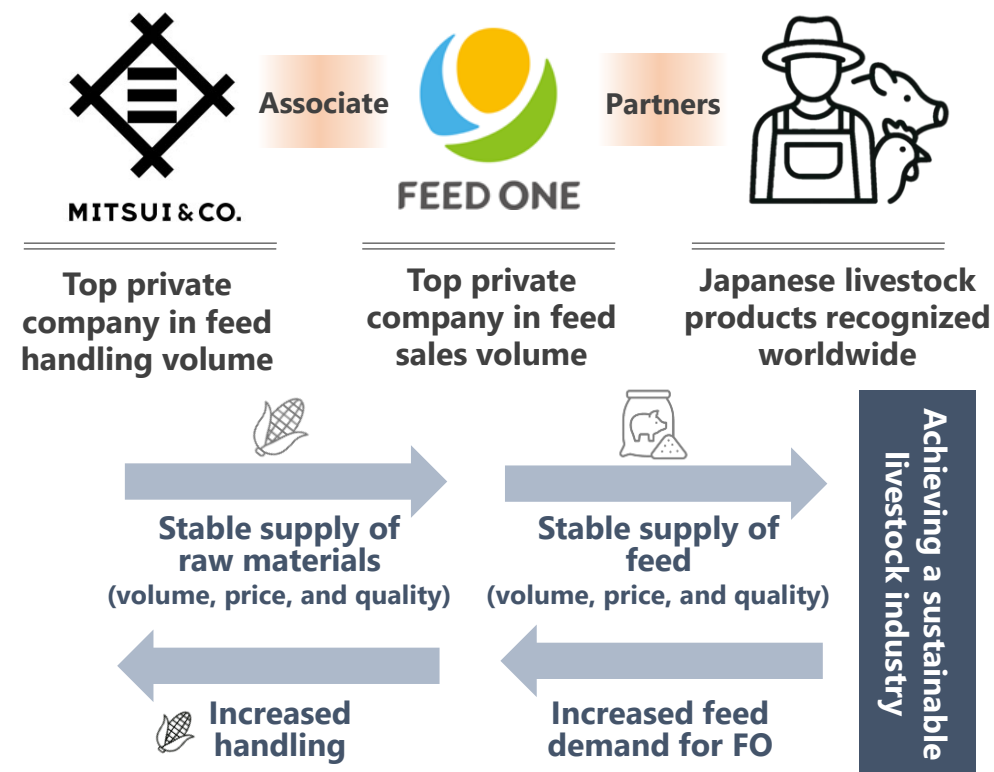
- The feed business is characterized by a very high cost ratio, and raw material purchasing capability has a significant impact on performance.
- The feed industry relies heavily on imported raw materials, and corn in particular accounts for about half of compound feed.



Major issues for a compound feed manufacturer

- ▶ Stable and advantageous procurement
- ▶ Timely and adequate supply to each factory

Synergy effects with Mitsui & Co.



A partnership between Mitsui & Co. and Feed One that shapes the market through procurement and sales capabilities

Long-term Vision

With an unchanging mission of ensuring a stable supply of feed, FEED ONE is steadily enhancing corporate value by creating products and services that meet the needs of society.

FY3/2016–FY3/2024
Establishing a business foundation through integration

Results of management indicators
(FY3/2016 ▶ FY3/2024)

Feed sales volume

3.36 million metric tons ▶ 3.79 million metric tons
13% share 15% share

Ordinary profit

3.7 billion yen ▶ 7.7 billion yen

ROE

8.7% ▶ 10.7%

EBITDA also grew steadily
6.6 billion yen (FY3/2018) ▶ 11.2 billion yen (FY3/2024)

Phase 1
FY3/2016–FY3/2024

Phase 2

Continuous enhancement of profitability; renewal, expansion of production framework

Priority measures: Continuous enhancement of profitability

R&D	Developing environmentally friendly feed to improve livestock breeding
Production facilities	Increasing production capacity through more efficient production and leaner production costs and inventories
DX of livestock and fisheries industries	Boosting operational efficiency through digital transformation (DX) of the supply chain; pursuing more efficient sales and management operations
Overseas	Expanding overseas business by incorporating cutting-edge technologies from abroad and harnessing Japanese compounding and production technologies
Human capital	Improving employee engagement by expanding training programs and the personnel system; instilling capital cost management more broadly

1st stage

FY3/2025–FY3/2027

Management indicators

	FY3/2025 (results)	FY3/2026 (forecast)	FY3/2027 (plan)
Feed sales volume	3.78 million metric tons	3.81 million metric tons	3.90 million metric tons
EBITDA	10.5 billion yen	11.2 billion yen	11.5 billion yen
ROE	10.3%	9%	8% or more
ROIC	6.1%	6%	6% or more

2nd stage

FY3/2028–FY3/2030

3rd stage

FY3/2031–FY3/2033

FY3/2034

Realization of Vision

Committed to “ONE”
Striving to be the Company of choice

Market share (Animal feed business)

Feed sales volume 20% or more

EBITDA 16 billion yen or more

ROE 10% or more

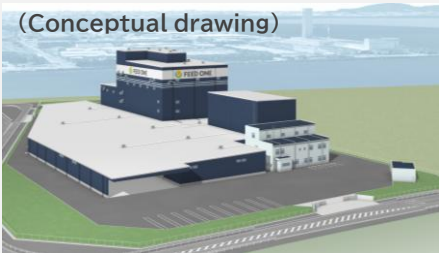
ROIC 8% or more

Investment plan (Phase 2)

About 60 billion yen (1st stage–2nd stage)

About 80 billion yen (1st stage–3rd stage)

(Conceptual drawing)



Large-scale Investment Section 1


Investing approximately ¥13 billion to build a new seafood processing plant in Aichi Prefecture (Scheduled for completion in 2028)

Scenario for Realizing the Long-term Vision

The 1st–2nd stages focus on enhancing competitive advantages and efficiency, while the 3rd stage drives accelerated growth.

Phase 2

10 years from FY3/2025 through FY3/2034
- Continuous enhancement of profitability and renewal and expansion of the production structure -



Growth projection

The 3rd stage drives accelerated growth.

Internal and external environment

Aging facilities

A common issue among feed manufacturers in Japan. Many plants are more than 50 years old. Deteriorated equipment is causing declines in production efficiency.

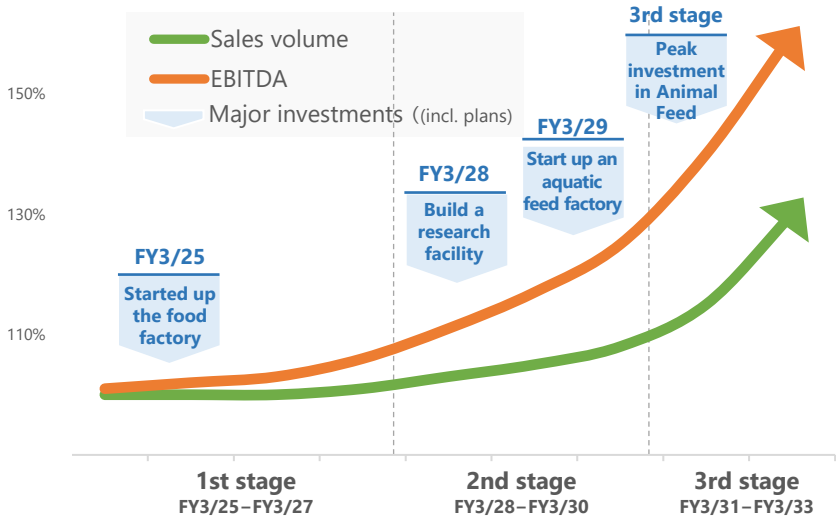
Strained production capacity

In the 1st stage, sales volume grew about 400,000 tons despite a flat market, resulting in strained manufacturing capacity.

Heat stress and livestock diseases

Declining feed intake and reduced reproductive performance due to heat stress have led to lower productivity and fewer animals/birds being raised. Competition is intensifying, and customer needs are becoming more sophisticated.

	1st stage	2nd stage	3rd stage
Active investments	Continued investment in Animal Feed FY3/2025 Started up the food factory	Large-scale investment in areas of market expansion, etc. FY3/2029 Start up the aquatic feed factory	
Manufacturing efficiency	FY3/2027 Reduce small-lot products in Animal Feed, etc. Reduce product items in Aquatic Feed by 50% (compared to FY3/23*) <small>*Starting year of the item-reduction initiative</small>		
Differentiation from peers		FY3/2028 Research facility reorganization Ongoing efforts	
Rigorous profitability management		Ongoing efforts	



Sales volume

Sales volume will increase slightly during the 1st–2nd stages due to improvement of manufacturing efficiency, and to expand from the 3rd stage.

EBITDA

EBITDA will increase through enhanced underlying profitability and higher sales volume.

Capital investment

Investments in Animal Feed will be made toward the 3rd stage to drive higher sales volume. Because the investment outlays are spread over time, the majority of the funding can be covered by operating cash flow.

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FEED ONE Long-term Vision / Shoji

Animal Feed Business / Tashiro

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- 02 Animal Feed Market
- 03-04 Medium- to Long-term Strategy
- 05 Key Initiatives under Medium-term Management Plan
- 06 Source of our competitive advantage

Aquatic Feed Business / Hashimoto



The Animal Feed business is our core business. FEED ONE has grown to be a true leading company over the 10 years since the integration.

- ❑ We manufacture and sell feed mainly for **poultry, pig, and cattle farming**.
- ❑ It is the core business accounting for **about 80%** of the company's sales and profit.
- ❑ Even with overall compound feed distribution volumes remaining flat, we have expanded our market share since the integration.
- ❑ We have realized a sustainable livestock business by contributing to livestock product differentiation and productivity improvement (e.g., reduction of environmental impact, promotion of livestock business DX)

Animal Feed business at a glance

Sales share

1st

We rank first in the industry for pig feed and the 2nd after The National Federation of Agricultural Cooperative Associations (ZEN-NOH) for the entire animal feed market (1st among private companies).

Sales force

Over **100 members**

Share by livestock type

Each over **30%**

The breakdown of feed sales is well balanced with feed for poultry, pig, and cattle farming each being over 30%.

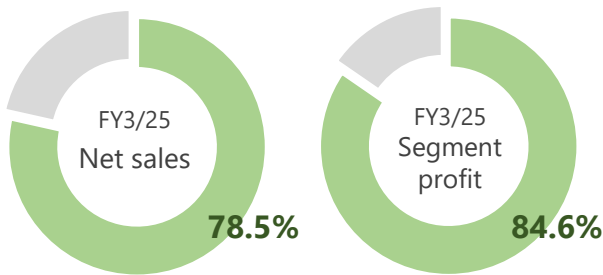
Feed factories

13 locations

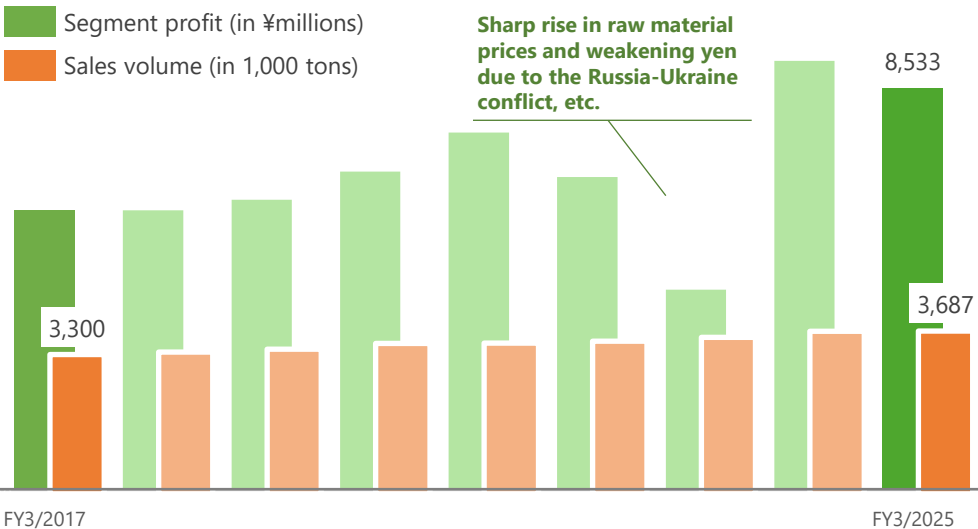
A sufficiently staffed sales organization enables dedicated assignments by livestock type, providing a high level of specialization.

A production network dispersed across multiple regions enables us to supply livestock farmers nationwide.

Animal Feed Business Performance Trend



The Animal Feed business has been driving our company as the core business since the integration. Sales volume has continued to grow to further solidify the profit base.

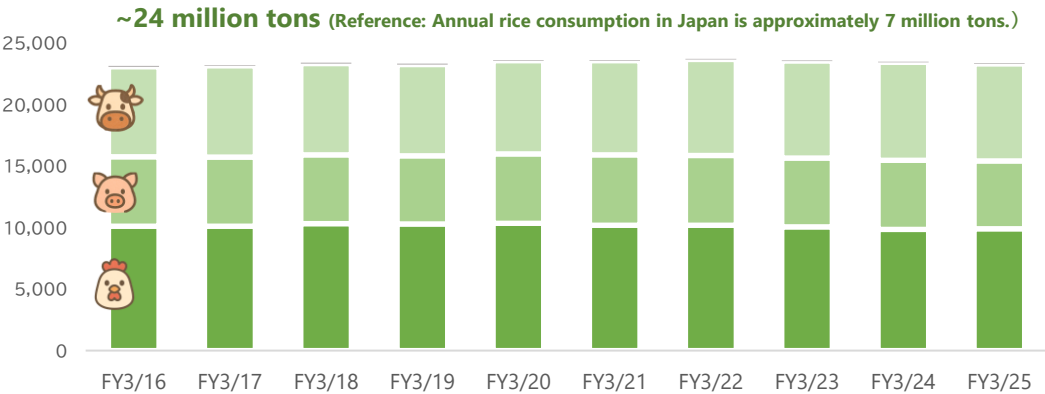




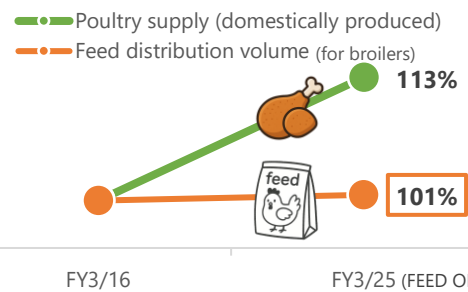
Although the overall market remains flat, expectations for compound feed are rising, and demand is expected to become increasingly diverse.

Compound feed distribution volume

Distribution volume has remained almost the same for the past 10 years due in part to improved feed efficiency.



Unchanged feed distribution volume does not mean market stagnation.

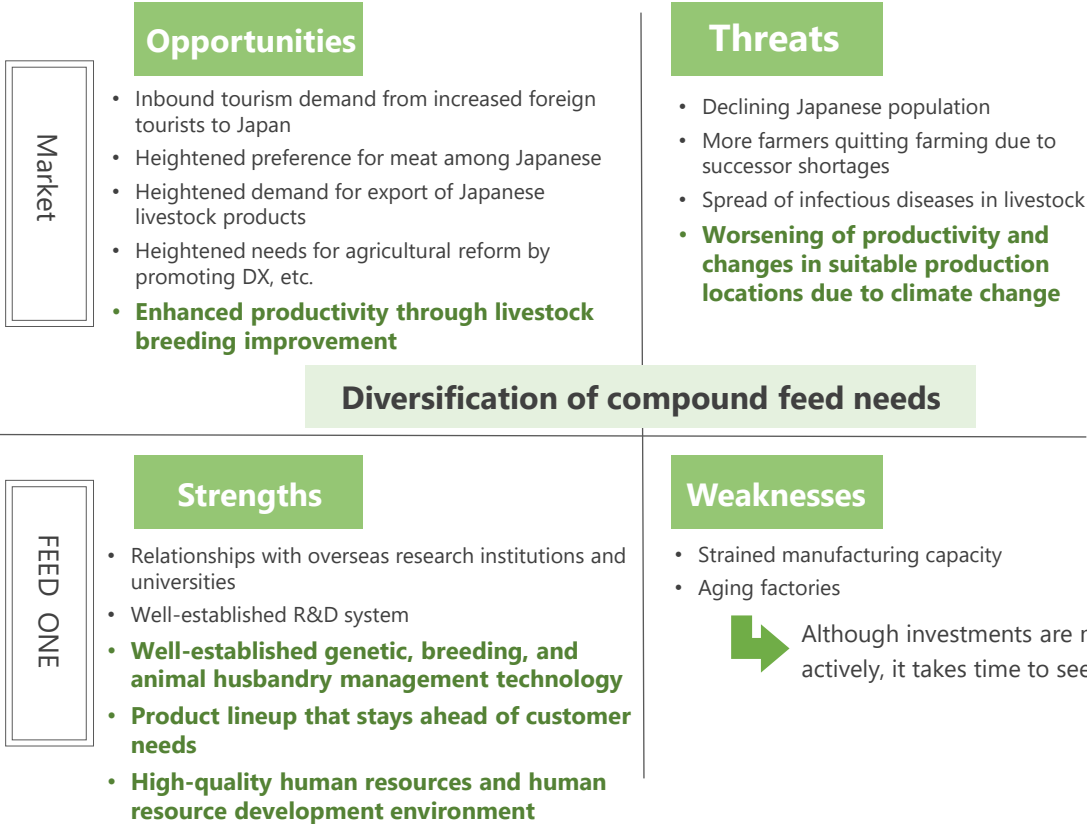


While poultry production continues to increase, the compound feed distribution volume has remained flat. This indicates an improvement in the feed conversion ratio* driven by higher feed quality.

* Feed conversion ratio: The ratio indicates how much feed is required to increase the weight of an animal such as livestock by one kilogram.

Our position

Diversification of compound feed needs may become an opportunity to demonstrate our competitive advantage.



Medium- to Long-term Strategy



Build the solid foundation for creating value by actively investing in our research, manufacturing, and sales divisions

Building solid foundation for creating value

Promote active investment and optimization of organizational structure

Investment in factories

- ▶ 13 factories across Japan
- ▶ Planning proactive investment in aging factories and areas with potential for market expansion
- ▶ Merged two subsidiary factories (Apr. 2025)
- ▶ Investing in renewal of Kitakyushu animal feed factory and Kashima factory

Investment in research centers

- ▶ Investing over ¥1.0 billion to relocate the research facility of cattle farming
- ▶ Improving test accuracy and accelerating development
- ▶ Projecting 20% increase in cattle feed volume in FY3/2033

Reorganization and reinforcement of the sales network

- ▶ Integrating four sales subsidiaries into two (Oct. 2025)
- ▶ Making Dohoku Feed Marketing Co., Ltd., a wholly owned subsidiary (Oct. 2025)
- ▶ Unifying business systems of sales subsidiaries (in progress)

Schedule to start
operation in July 2027

Constructing a state-of-the-art, environmentally friendly cattle-farming research facility



Background and objectives

- (1) Promote development centered on high value-added cattle feed that meets the latest needs
 - Improve test accuracy and strengthen training to accelerate growth, including peripheral technologies
- (2) Consolidate research function of cattle, pig, and chicken
 - Achieve accelerated development, enhanced sales training, and improved test accuracy and reproducibility simultaneously
- (3) Ensure thorough cloud-based data management, automation, labor-saving, and animal welfare compliance
 - Also serve as an advanced “advertising showcase farm”

Expected effects

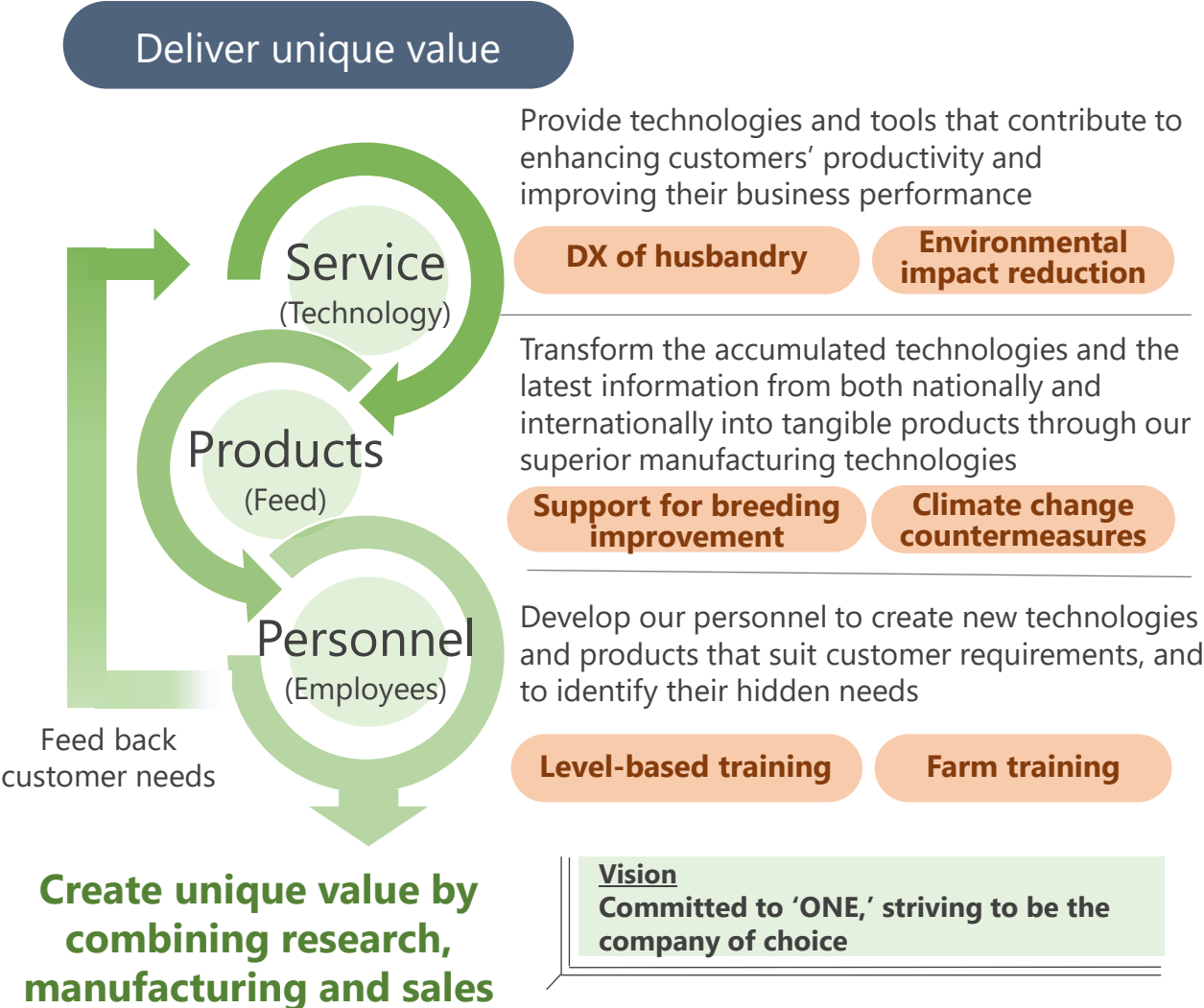
Accelerate research and development to enhance competitive advantage and expand market share in cattle feed



Medium- to Long-term Strategy



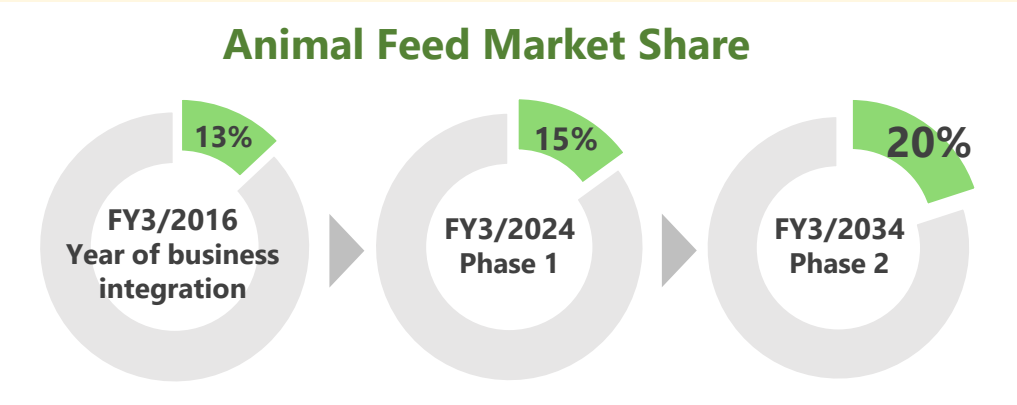
Through our holistic consulting approach that benefits all three aspects – service, products and personnel, we create value that only FEED ONE can provide.



Grow market share through unique value creation

Following the integration, sales volume increased by about **400,000 tones** through the provision of **genome analysis technology for dairy cow** and the sale of **feed suitable for robotic milking**, resulting in a **2-pp** increase in market share.

Continue feed research and development to enhance productivity and to support breeding improvements, thereby pursuing further market expansion in Phase 2



Focusing on expanding market share for pig and cattle feed, where we have competitive advantage, and aiming to **achieve No.1 market share in cattle feed** by FY3/2034, following our position as the top supplier in pig feed.

Key Initiatives under Medium-term Management Plan



Extreme heat affects not only people but also livestock, and heat-stress countermeasures for livestock are an urgent priority to ensure a stable supply of animal protein in Japan.

Importance of heat-stress countermeasure products

Heat-stress-induced productivity declines and secondary impacts



Reduced reproductive performance



Decline in livestock product quality



Increased risk of infectious diseases in livestock

Reduced feed distribution volume
due to fewer animals raised

Soaring livestock product prices
due to reduced distribution volumes

Heat-stress-mitigating feed contributes to the realization of a sustainable livestock industry.

Competitive advantage and sales performance



FEED ONE's competitive advantage

01

Product lineup
covering all livestock species

02

Responsiveness and speed
in addressing environmental changes and needs

03

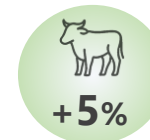
Trust and confidence
backed by a proven sales record

Intensifying heat-stress conditions



Sales volume hit a record high,

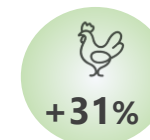
driven by the redesigned product for pig farming (p. 28)



+5%



+55%



+31%

*Year-on-year comparisons (vs. H1 FY3/2024)

Heat-stress countermeasures for maintaining customers' productivity and our sales volume

- ✓ Preventing productivity loss for customers with heat-stress countermeasure products
- ✓ Maintaining productivity to curb declines in our sales volume

Source of Our Competitive Advantage

-Patent application for new technology-



As a compound feed manufacturer, we will continue creating new value to advance a sustainable livestock industry and strengthen our competitive advantage.

Patent application filed in September 2025

Combined feed to alleviate ulcer symptoms in pigs for meat production

Background of development

1. Enhanced breeding and spread of efficient products lead to higher feed conversion ratio
2. Pigs may develop ulcers if husbandry management is insufficient under heat stress
3. Although capacity of individual pigs improves, their growth records are affected by digestive system disease

Approach

We will combine elements such as a feed's chemical and physical characteristics to **contribute to reducing ulcer incidence while maintaining the growth record.**

New product launch scheduled for next Spring



Patent application filed in October 2025

Combined feed enabling optimal nutrient supply to maximize the potential of high-potential dairy cows

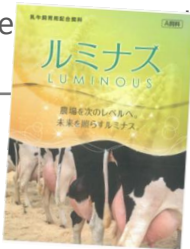
Background of development

1. Milk production has increased globally due to genomics-based breeding improvement, etc.
2. There have been cases in which high-potential cows do not receive nutrients they require
3. This leads to a productivity decrease such as lower milk yield and milk fat

Approach

We have enhanced fatty acids and added active yeast to the feed to **achieve both higher milk yield and improved milk composition.** We will develop feed to provide correct nutrition to genetically improve

LUMINOUS (p. 28) to be launched this Fall



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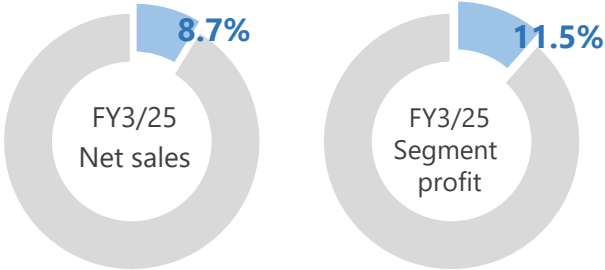
- 01 Business Overview
- 02 Aquatic Feed Market and Outlook
- 03-04 Medium- to Long-term Strategy
- 05 Key Initiatives under Medium-term Management Plan



Although the aquaculture feed business accounts for a relatively small share of sales and profits, it is gaining presence through initiatives such as fishmeal-free feed and the use of insect protein.

- We manufacture and sell feed for farmed fish such as **red sea bream, yellowtail, and greater amberjack**
- It accounts for **about 10%** of the company's sales and profit
- We have well-established R&D infrastructure that enables testing with a wide variety of fish species
- We have realized a sustainable fish farming business by contributing to aquatic product differentiation and productivity improvement (e.g., fish meal-free feed and husbandry technology including compensatory growth (p. 27))

Aquatic Feed Business Performance Trend



Since the aquatic feed market is 1/40 the size of the animal feed market, sales and segment profit of the Aquatic Feed business account for only about 10% of the Company's total. Still, it is a primary source of revenue.

Aquatic Feed business at a glance

Sales share
2nd

Manufacturing capacity
80,000 tons (per year)

We hold the **No.2 position in the industry** for aquatic feed sales, with a market share of about 18%.

Share by species
1st

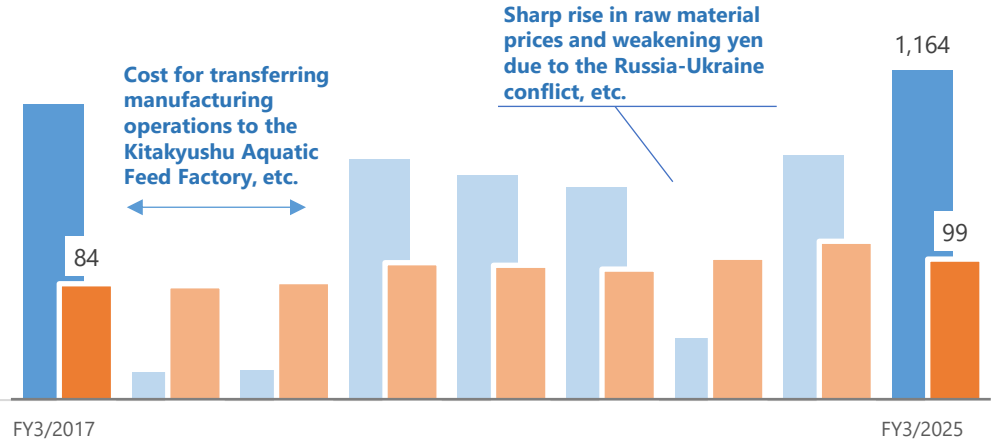
Fish-meal reduction
1st

In 2017, we completed the Kitakyushu Aquatic Feed Factory having the highest production capacity in Japan which is equipped with the latest equipment.

Farmed fish production in Japan comprises about 40% yellowtail and about 30% red sea bream. We have the highest red sea bream production in the industry.

We lead the industry with our sustainable low-fish meal feed and fish meal-free feed. Our feed has the industry's lowest fish meal content.

■ Segment profit (in ¥millions)
■ Sales volume (in 1,000 tons)



Aquatic Feed Market and Outlook

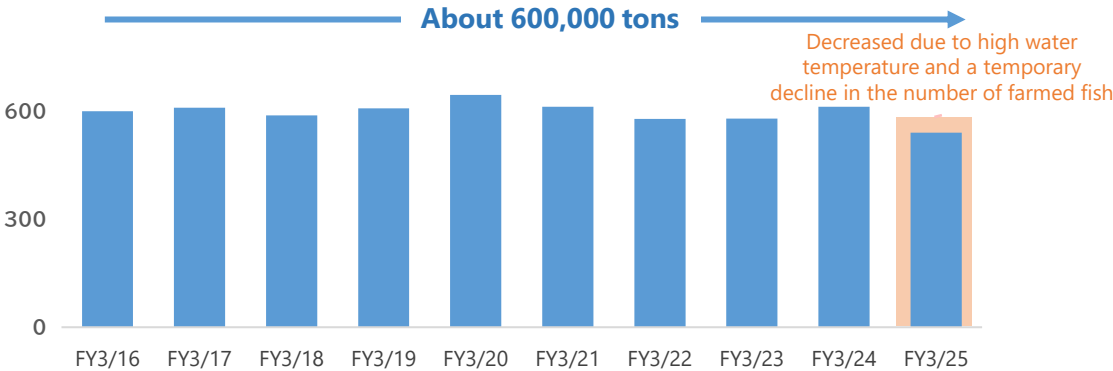


Although the distribution volume of compound feed has remained flat, the market is expected to expand and diversify due to factors such as increased exports of farmed fish and the rise of land-based aquaculture.

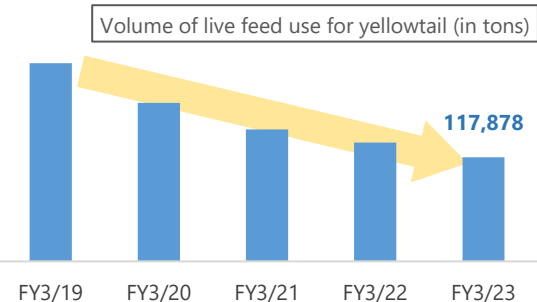
Compound feed distribution volume

Distribution volume has remained almost the same for the past 10 years partly due to the spreading use of compound feed for yellowtail, etc.

[Reference] Aquaculture is influenced by harvesting of young fish and the catch of wild fish.



While fish consumption among Japanese consumers is declining, demand for compound feed is rising for cost and environmental protection reasons.



Feed for yellowtail has been shifting to compound feed due to concerns over supply of sardines and mackerel, which are ingredients of live feed, and from the environmental protection perspective. Improved compound feed performance has also contributed to the shift.

Source: MAFF, "Statistical Survey on Marine Fisheries Production"

Our position

Diversification of compound feed needs may become an opportunity to demonstrate our competitive advantage.

Opportunities

- Inbound demand from increased foreign tourists to Japan
- Heightened demand for fish export mainly yellowtail
- Increased number of companies entering land-based aquaculture business
- **Discovery of new functional ingredients**
- Spread of use of compound feed for greater amberjack and tuna

Threats

- Declining Japanese population
- Successor shortages
- Fewer aquaculture farmers due to successor shortages
- **Worsening of productivity and changes in suitable areas for aquaculture due to climate change**

Diversification of compound feed needs

Strengths

- A well-established R&D system even including offshore fish cages
- The Kitakyushu Animal Feed Factory, the largest feed factory in Japan
- Product lineup that covers all fish species
- **Knowledge about low fish-meal and fish-meal-free feed**
- **Joint sales visits with research staff and aquatic food sales personnel**

Weaknesses

- A wide range of products (which leads to low manufacturing efficiency)
- **Aging of factories**

New plant to be built in Aichi Prefecture (Completion scheduled for 2028). [Next page](#)

Medium- to Long-term Strategy



Amid expectations for higher value in farmed fish, the construction of a new plant will enable us to establish a robust supply system to meet emerging demand.

Outlook for the aquaculture industry

Government's target for an aquaculture production volume increase



2030 goal

Red sea bream **110,000 tons (+50,000 tons)**
Yellowtail **210,000 tons (+100,000 tons)**
Compound feed usage **100%**

* Compared to the 2019 level

Compound feed demand **+400,000 tons/year**

Gap

Concerns over stable supply and meeting needs

Challenges faced by compound feed manufacturers in Japan

Aging facilities

Factories over 50 years old are scattered across the country.

Insufficient facility capacity

Unable to meet new needs.

FEED ONE's initiatives

1. Large scale capital investment

We decided to build a new factory to realize stable supply of high-quality feed.

R&D factory

The latest facility can give shape to diverse needs (for compound feed).

Manufacturing capacity

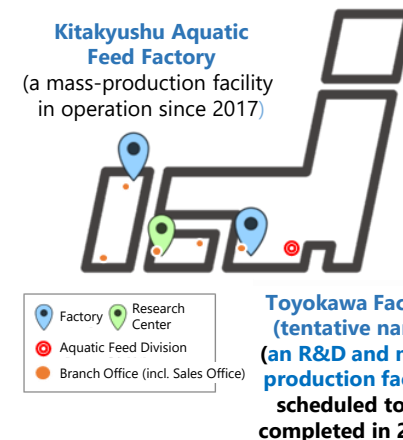
The new factory will have twice as high the manufacturing capacity as the Chita Factory (for aquatic feed). It also has space for future expansion.

Manufacturing efficiency

A 15% reduction in the fuel cost and 50% reduction in labor cost are expected (compared to the Chita Factory).

Locational advantage

The factory can respond to changes in suitable aquaculture areas and can cover aquaculture sites nationwide.



2. Realization of "new aquaculture"

Under the slogan of "Realization of the next generation of aquaculture," we will discover and establish new technology that only FEED ONE can achieve.

Next page

Medium- to Long-term Strategy



Under the slogan of “Realization of the next-generation aquaculture,” FEED ONE will create value that only we can deliver.

Realization of the next-generation aquaculture

We will tackle the four tasks below in pursuit of sustainability in the aquaculture industry.

Initiatives for next-generation aquaculture that only Feed One can deliver



Fish meal reduction

Due to resource depletion,
▶ Concerns over supply uncertainty
▶ Concerns over soaring prices

Development and promotion of the **ZERO** series



Adoption of new raw materials

Through technological innovation
▶ Creation of new value
▶ Cost reduction

Establishment of effective use of **insect protein**



New form of feed

New forms of aquaculture
▶ Land-based aquaculture
▶ Offshore aquaculture

Establishment of manufacturing technology for **flexible EPs and tiny EPs**



Husbandry techniques

Pursuit of production efficiency
▶ Productivity improvement
▶ Workload reduction

Establishment of innovative technology including **compensatory growth**

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— Current progress —

ZERO for sea bream and trout has been released.

We have filed a patent application.

They will be manufactured at the new factory.

Field testing is in progress.

Detailed example Adoption of insect protein as a feed ingredient,
which works as more than just a fish meal replacement

Functionality expected for insect protein as a feed ingredient

Functionality beyond a fish-meal replacement is anticipated.
We aim to establish proprietary feed formulations.

Fish meal replacement

Mucus increase

Protection against high seawater temperatures

Stress reduction

Patent application in July 2024 (jointly with Shintoa Corporation)

We have confirmed that feed containing insect protein increased mucus on the surface of all studied fish species.

Red sea bream	+29%	Yellowtail	+14%
Greater amberjack	+52%	Striped jack	+29%

*FEED ONE research

Improved protection function helps prevent bacteria from entering the body through the body surface.

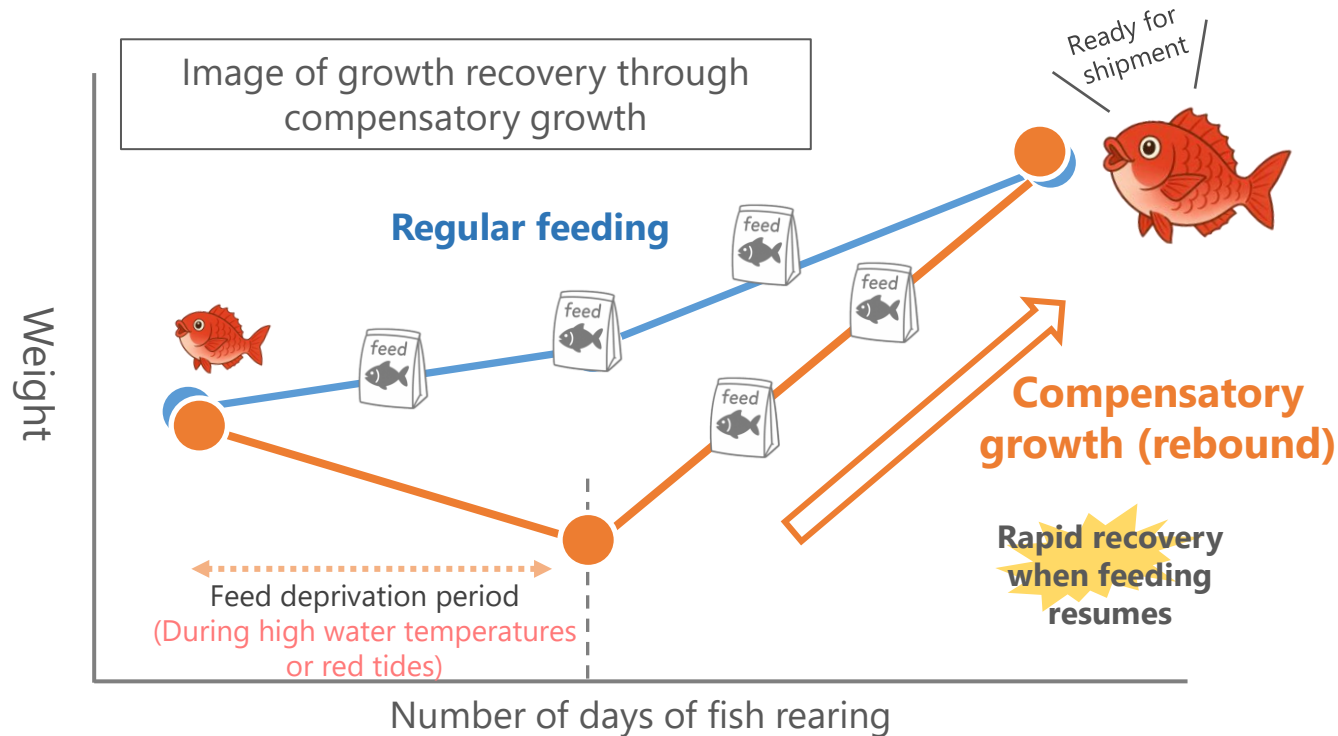


We will establish proprietary feed formulations to enhance our competitive advantage, release the product as dedicated feed for preventing fish diseases, and expand market share.

[Reference] What is Compensatory Growth?



We propose a new husbandry style in which feed is intentionally withheld during periods when the growth of farmed fish is inefficient. This contributes to reduced husbandry costs and environmental conservation.



Regular feeding

Growth slows down during the spring egg-laying season and the period of summer high water temperatures, resulting in a drop in feed efficiency.

Compensatory growth

It is temporary suspension of feeding, aiming for accelerated growth similar to a **rebound after dieting**. It contributes to **reduction of husbandry costs and environmental impact**.



Is it acceptable for a feed company to propose reducing or withholding feed?

Yes. By establishing proprietary husbandry techniques and developing dedicated products based on them, a feed company can strengthen its competitive advantage and raise switching barriers, thereby expanding its market share.

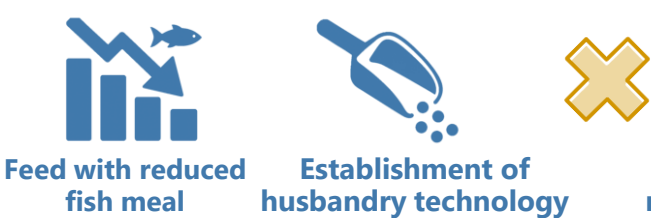
Key Initiatives under Medium-term Management Plan

To prepare for the start of new factory operations in 2028, we will focus on enhancing the foundation for research, manufacturing, and sales as well as strengthening collaboration across these areas.

Strengthening of competitive advantage

Research, manufacturing, and sales as a whole work together to raise the value of the entire Aquatic Feed business and produce the maximum result after the new factory starts operating.

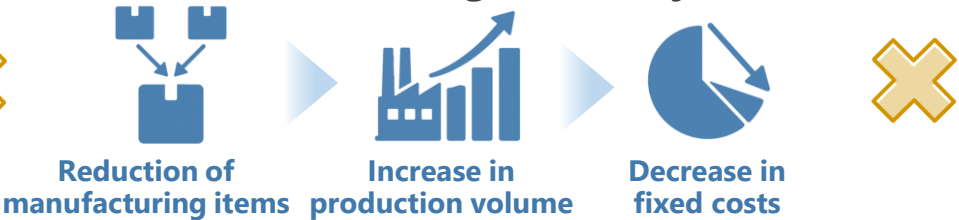
Research & Development



We will enhance our competitive advantage by establishing feed and technology that can maintain high performance levels, unaffected by fish meal price.

Fish meal-free feed: “ZERO” series
FY3/2024: launched sea bream
FY/2026: launched trout

Improvement of manufacturing efficiency



Reduction of manufacturing items will shorten downtime due to line setup changes, allowing for longer operating time (manufacturing volume).
Increase in manufacturing volume will create new sales opportunities, contribute to a decrease in the fixed assets ratio, and enhance the revenue base.

Initiatives started in FY3/2023
FY3/2025 (compared to FY3/2023) : **14% reduction**
H1 FY3/2026 (compared to FY3/2023): **30% reduction**

Strengthening of proposal capabilities



At each sales office, research staff and employees responsible for seafood sales are stationed.
By accompanying sales visits, they can cover not only feed but also seafood products.

Initiatives started in FY3/2025
Customers for fishmeal-free feed: **44**
Field testing*: **50 times**

* Field testing: FEED ONE requests its business partners conduct testing.

appendix

Product Renewal and New Product Release

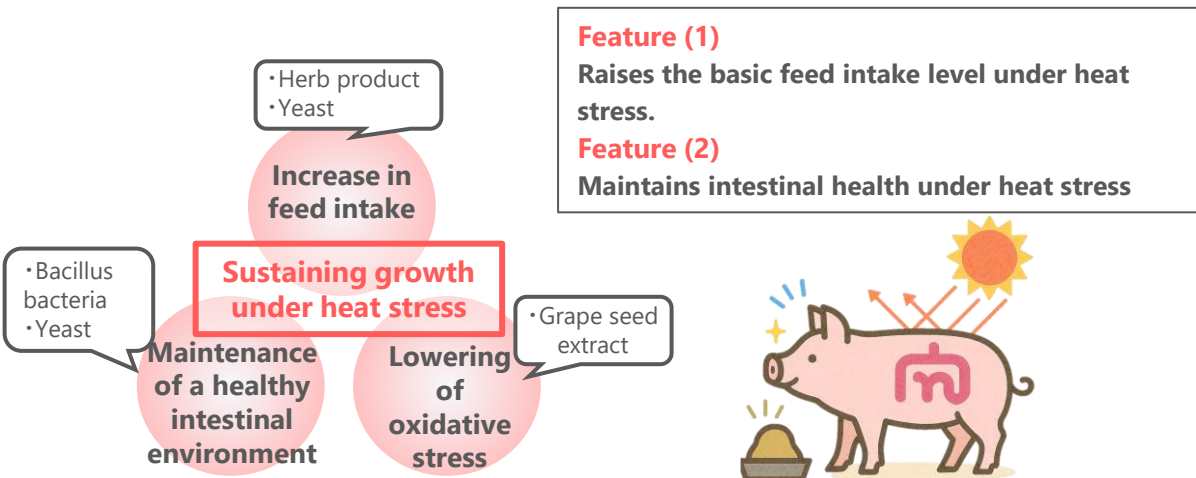


By developing and selling high value-added products, we will strengthen our competitive advantage and enhance our position within the industry.

30th Anniversary Renewal! SowManna

This year marks the 30th anniversary of the SowManna release, a comprehensive nutritional supplement for pig farming!! We have carried out product renewal under the concept of “supporting raising of heat stress-resistant sows to contribute to maintenance of a good growth record during the period of heat stress.”

— New ingredients and the three benefits —

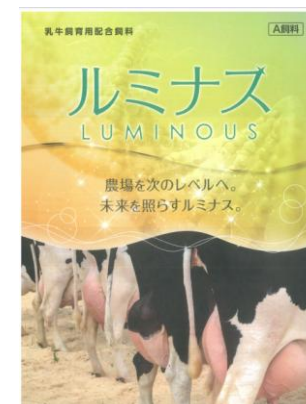


LUMINOUS

Milk cow production capacity has significantly risen due to genomics-based breeding improvement and advancement of milking technology, but nutritional management including husbandry management has not kept pace with this progress. To address this issue, we developed a formulation to bring out a milk cow's potential and released it as a new product.

— Product concept —

- 01 Enhancement of fatty acids that influence milk yield and milk composition
- 02 Yeast to support cow condition
- 03 Preparation of the intestinal environment for feed intake and absorption



Shareholder Return Policy

Since its establishment, the Company has not reduced its dividend even once over the past 10 years. Starting in FY3/2026, we will revise our dividend policy to enhance shareholder returns.

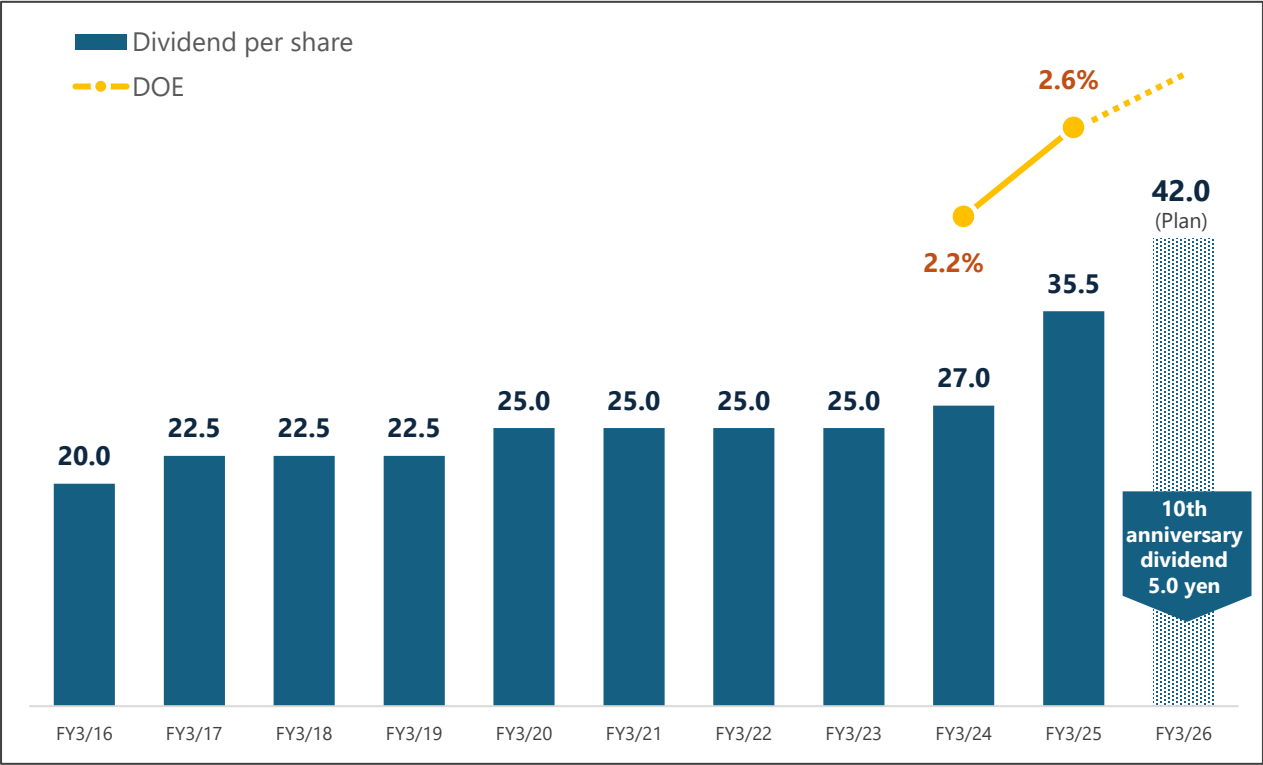
Dividend policy revision (disclosed on May 8, 2025)

Before

We aim to achieve a **consolidated payout ratio of 25% or more**, based on the enhancement of retained earnings to strengthen our financial position as the foundation for long-term development and **stable dividend payments**.

After

We aim to achieve a **consolidated dividend on equity (DOE) of 3%**, based on the enhancement of retained earnings to strengthen our financial position as the foundation for long term development and **progressive dividend payments**.



* Because the Company implemented a 5-for-1 stock consolidation in October 2020, the figures for FY3/2016 through FY3/2020 have been adjusted to reflect the post-stock-consolidation basis.

Topics: Status of our IR Activities

We are promoting appropriate information disclosure to build strong relationships with stakeholders.
Our share price has remained firm since the beginning of the fiscal year.

Main IR activities

Enhanced information disclosure

- Starting from FYE3/2026, the Company discloses quarterly financial results within the month following each quarter end (excl. the fiscal year-end results)
- Started attaching supplementary materials to disclosure materials other than financial results report
 - ▶ May 19: Press release on the construction of a new aquatic feed factory
 - ▶ October 1: Press release on the construction of a cattle research facility

Held the financial results presentation for FYE3/2025 (on May 20)

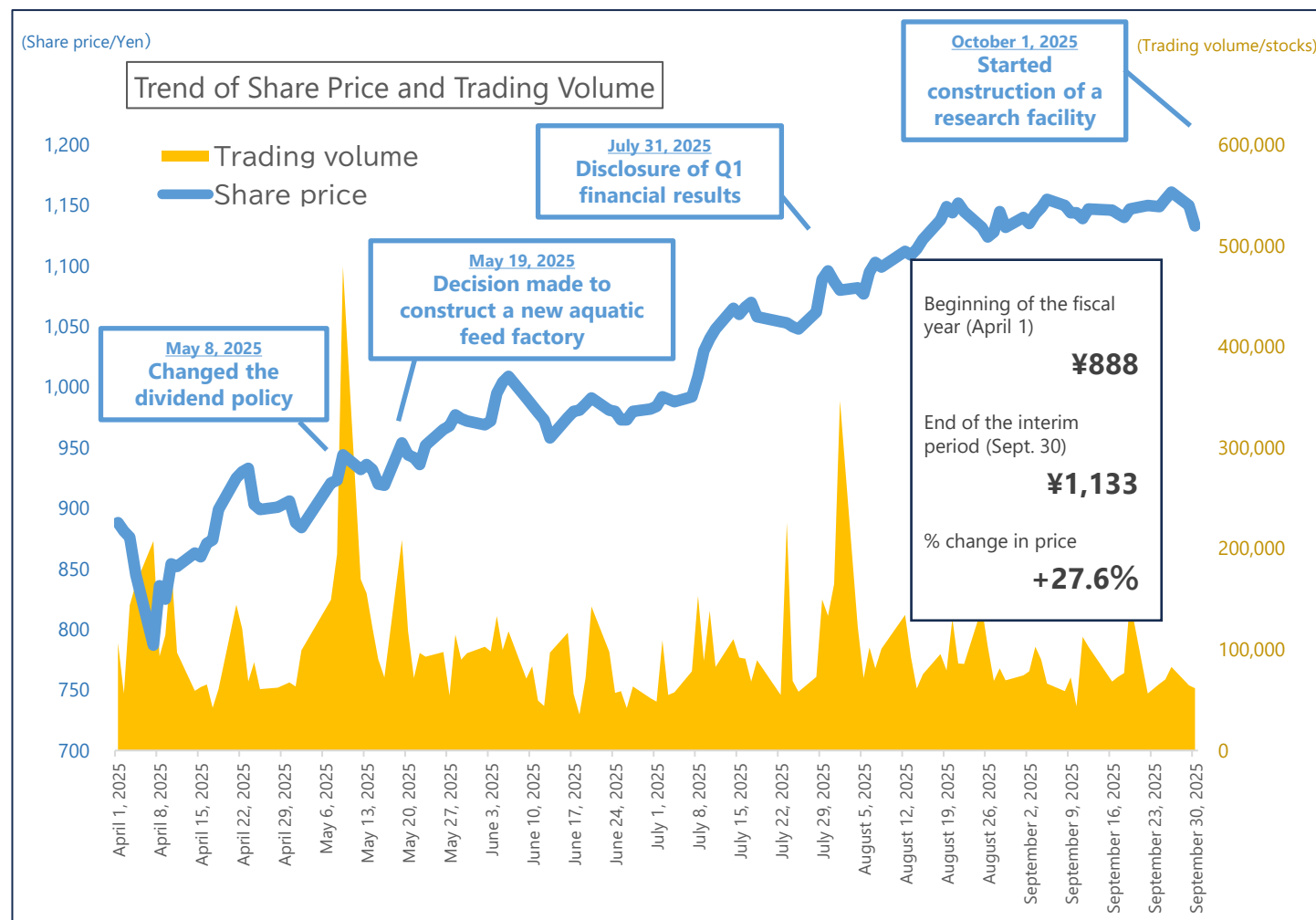
- Held this presentation in hybrid format
- Presentation also delivered by External Directors

Issued the Company Research and Analysis Report (on July 31)

- Issued by FISCO Ltd.

Enhanced the structure of IR activities

- Established the IR/Finance Planning Dept. in the Finance & Accounting Div.



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.

