Q1 FYE3/2027 Financial Results Briefing

July 30, 2026

FEED ONE CO., LTD.

TSE Prime Securities Code: 2060

Feed the world for the future, lives and smiles

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Q1 FY3/2027 Financial Highlights

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The impact of the situation in the Middle East on business performance was limited. Progress was made in the shift toward a focus on profitability, achieving record-high Q1 profits.

	YoY	Progress vs. forecast
Net Sales ¥78.4 billion	+9.0%	24.7%
Ordinary Profit ¥2.3 billion	+26.7%	26.8%
Net Profit ¥1.7 billion	+7.6%	27.1%

Net Sales

- Animal feed business revised its prices and saw a slight increase in sales volume
- Aquatic feed business reported an increase in sales volume

Ordinary Profit

- Profit grew in the animal feed business, driven by expanded sales of new products for swine and cattle farming, among other factors
- Achieved record-high Q1 profit

Net Profit

- Profit grew primarily due to an increase in ordinary profit
- Also making steady progress toward the full-year forecast

Management Policy

Given the characteristics of the animal feed business (see p.18), we use profit per ton, not profit margin, as a key performance indicator.

◆ Challenges and Policy Shift

[Challenges]
The feed industry is a "low-margin, high-volume" capital-intensive business where fluctuations in the external environment directly impact revenue.

Shifting from a "volume-driven" business model to a "value-added and solution-driven" model

Enabling Drivers

- Strengthen the ability to provide solutions through value-creating and problem-solving products and technologies
- Establish a stable supply model through supply chain optimization

◆ Growth Strategy — Focus on high-value-added feed to increase "profit per ton*" —

*Segment profit (Ordinary profit basis)

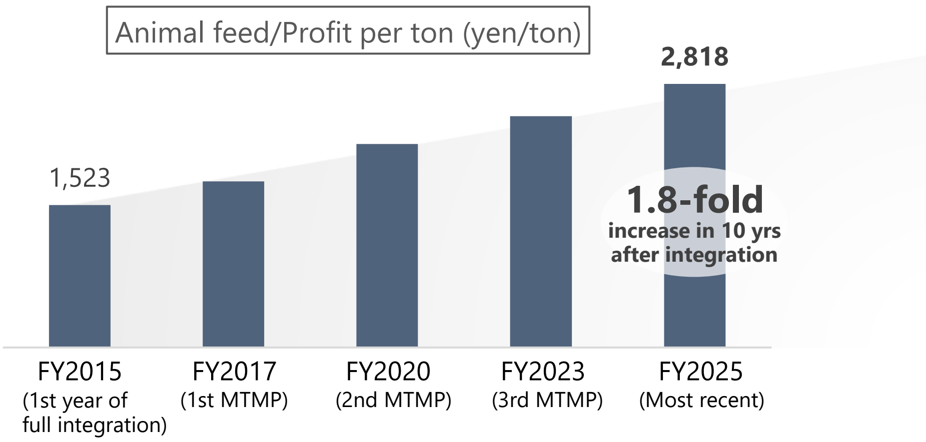
High Value Addition

- Expand sales of products whose feed performance is easily distinguishable

  E.g., juvenile feed, heat-resistant feed, etc.
- Enhance competitive advantage by proposing husbandry techniques, among other initiatives

Procurement & Manufacturing Reforms

- Utilize alternative raw materials such as insect protein
- Reduce manufacturing costs by eliminating manufacturing items and optimizing raw material and finished goods inventory



Financial Results Summary (Consolidated)

Sales increased due to higher sales volumes and price revisions for animal feed. Profits rose primarily due to improved profitability in the animal feed business.

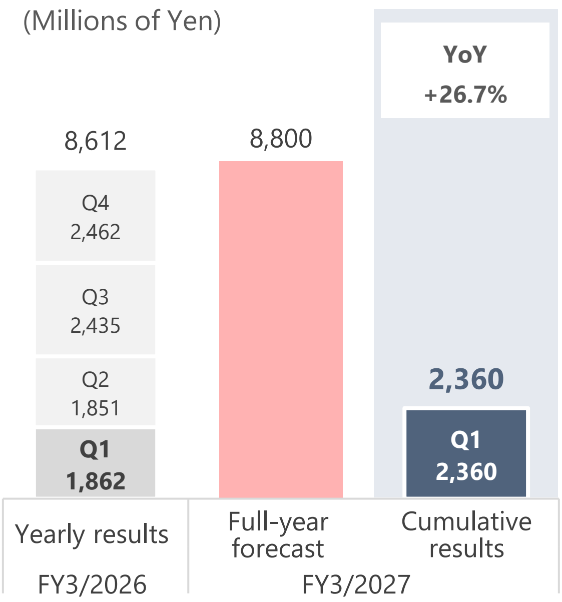
(Millions of Yen)

	FY3/2026	FY3/2027		
	Q1	Q1	YoY	Full-Year Forecast Progress
Net Sales	71,973	78,443	+9.0%	24.7%
Cost of Sales	64,111	69,818	+8.9%	–
Gross Profit	7,861	8,625	+9.7%	24.4%
SG&A Expenses	6,385	6,484	+1.6%	–
Operating Profit	1,476	2,140	+45.0%	25.2%
Ordinary Profit	1,862	2,360	+26.7%	26.8%
Profit attributable to owners of parent	1,637	1,761	+7.6%	27.1%

Ordinary Profit

¥2,360 million

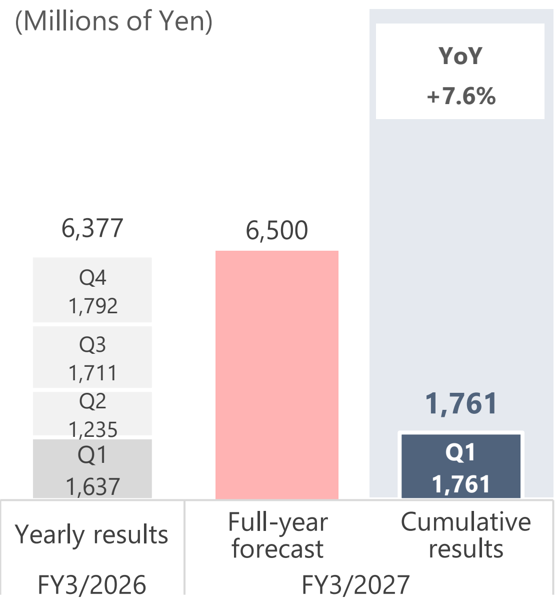
Progress rate 27%



Net Profit

¥1,761 million

Progress rate 27%



The animal feed business saw a significant increase in profit, as a management policy shifting the focus from "sales volume" to "profitability and capital efficiency" has taken hold.

Key Management Indicators

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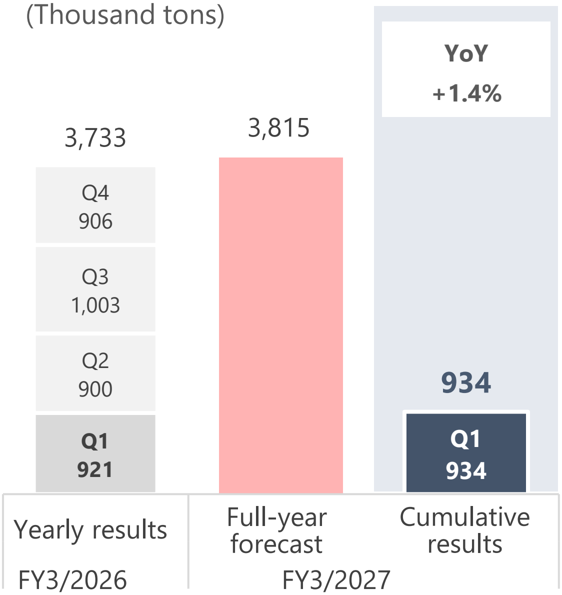
Sales volume increased mainly in Aquatic Feed, while EBITDA was driven by improved profitability in Animal Feed.

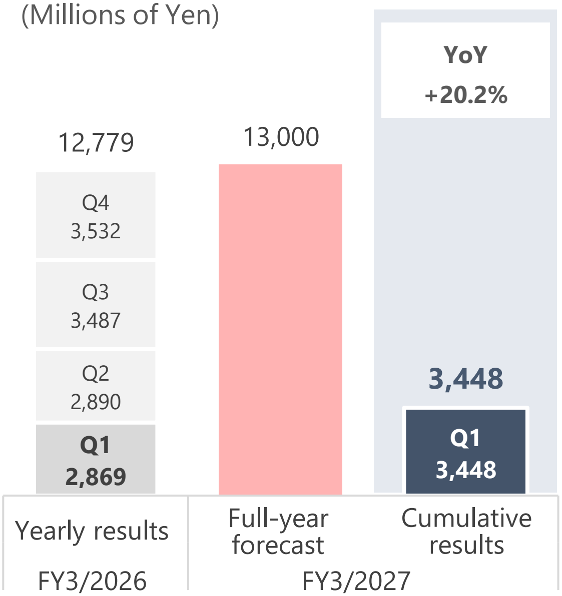
Sales Volume

934 thousand tons — Progress rate **24%**



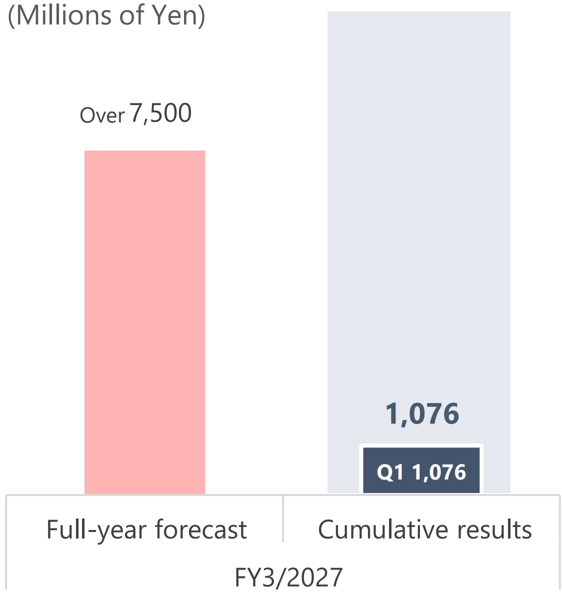
EBITDA

¥3,448 million — Progress rate **27%**



Total Investment Amount

¥1,076 million — Progress rate **14%**



△ Animal Feed posted a slight increase due to higher sales of swine and cattle feed.

Aquatic Feed recorded a significant increase, driven by factors such as an increase in the number of farmed fish.

○ EBITDA increased mainly driven by improved profitability in the animal feed business.

Depreciation expense was up 70 million yen YoY.

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

○ Progress has been made according to the plan without any delays.

Performance by Segment

Sales increased in all reportable segments. Profit growth in the animal feed and food businesses offset reduced profits in the aquatic feed business.

(Millions of Yen)

Segment		FY3/2026 Q1	FY3/2027 Q1	YoY Difference	YoY	Full-Year Forecast Progress
Animal Feed Business	Net Sales	56,415	59,012	+2,597	+4.6%	24.6%
	Segment profit	2,318	2,702	+384	+16.6%	26.0%
	EBITDA	2,981	3,416	+435	+14.6%	25.9%
Aquatic Feed Business	Net Sales	5,208	7,818	+2,609	+50.1%	25.2%
	Segment profit	302	210	-92	-30.4%	14.0%
	EBITDA	442	361	-80	-18.2%	17.2%
Food Business	Net Sales	10,345	11,610	+1,264	+12.2%	25.2%
	Segment profit	-14	110	+124	—	36.7%
	EBITDA	44	168	+123	+277.6%	33.7%
Other/Adjustments	Net Sales	3	1	-1	-40.5%	—
	Segment profit	-743	-663	+79	—	—

* 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 reportable segments

Performance by Segment/Animal Feed Business

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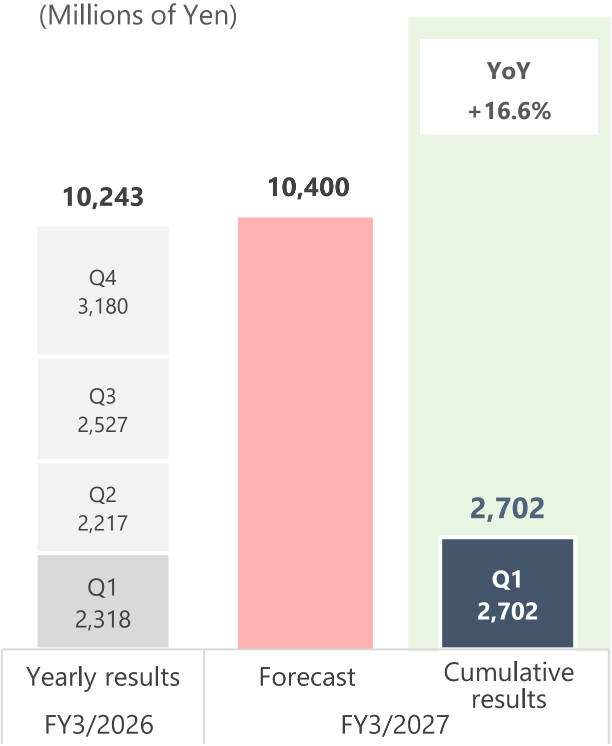
Profit increased driven by the growing adoption of a sales strategy focused on profitability, while maintaining sales volume.

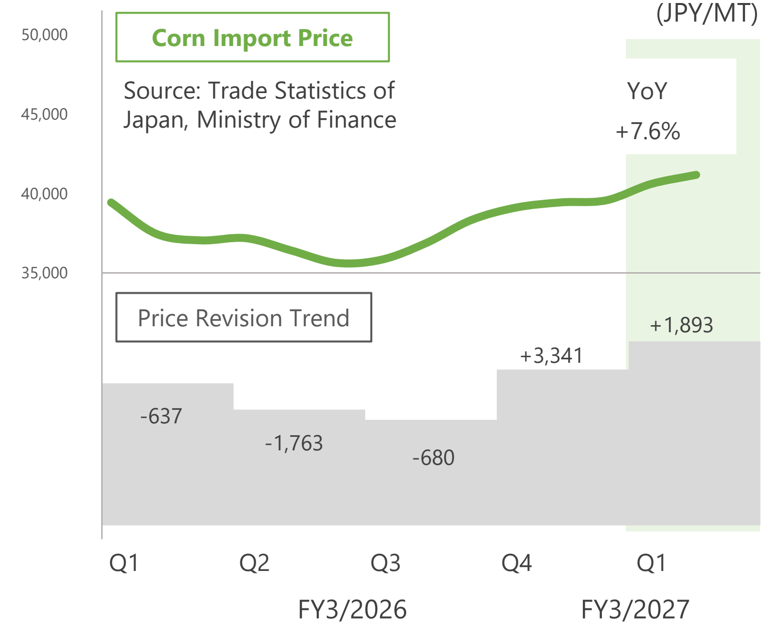
Segment Profit

¥2,702 million

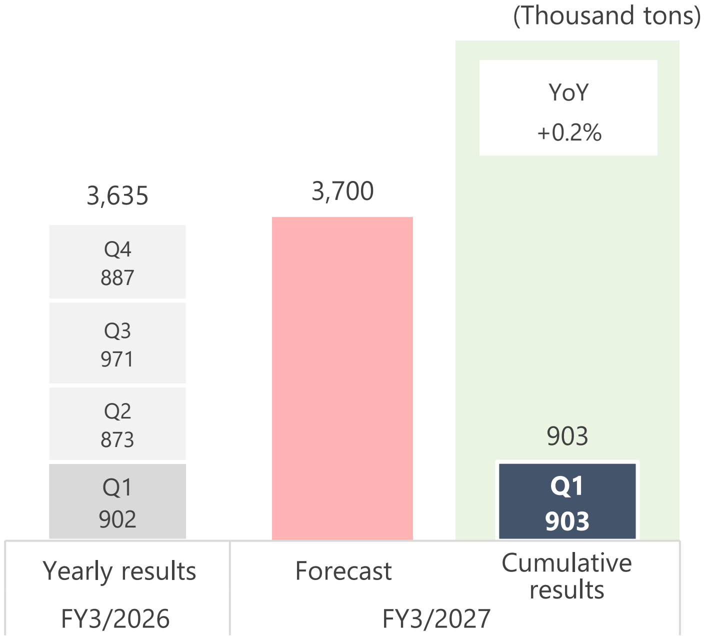
Progress rate **26%**



Raw Material Price Trend and Price Revision Status



Sales Volume



Market Environment

Market Distribution Volume
+0.6%
(FEED ONE research)

While the market expanded primarily for poultry feed, the volume of swine and cattle feed declined.

×

Volume Factor

Segment Profit
+26

Sales volume of swine and cattle feed increased due to expanded sales of new products and milk replacer.

×

Profitability Factor

Segment Profit
+574

improved sales mix between swine and cattle feed, strong performance of new products, and price optimization.

*The figures may not match the difference because factors affecting changes in segment profit include impacts other than those listed above.

Performance by Segment/Aquatic Feed Business

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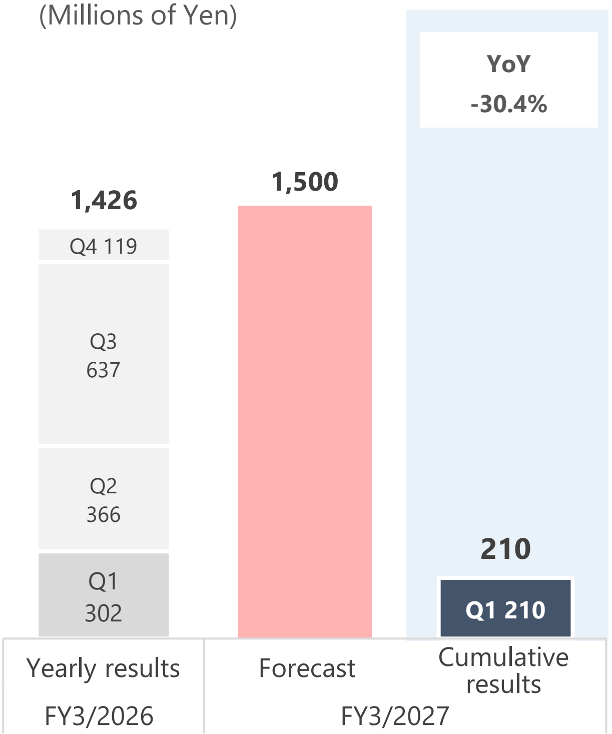
Although profit declined due to fishmeal prices remaining at record highs, growth strategies such as expanding sales of fishmeal alternative products are making steady progress.

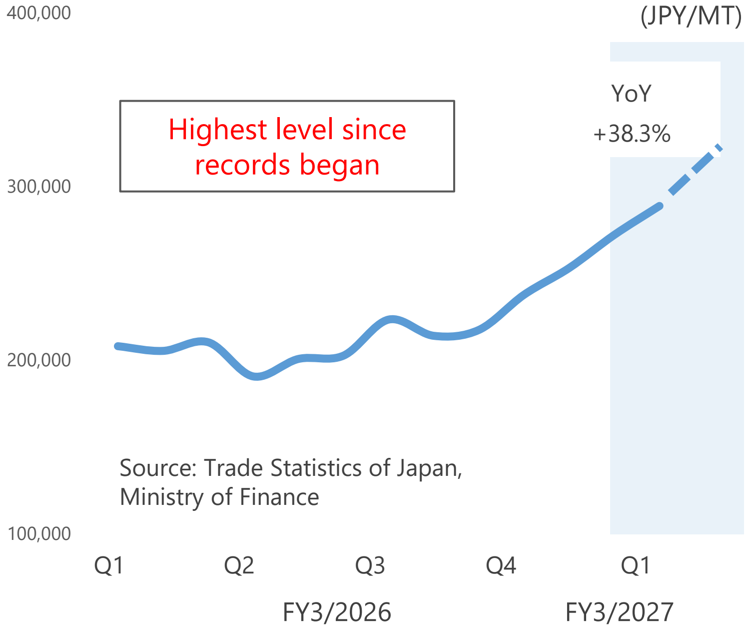
Segment Profit

¥210 million

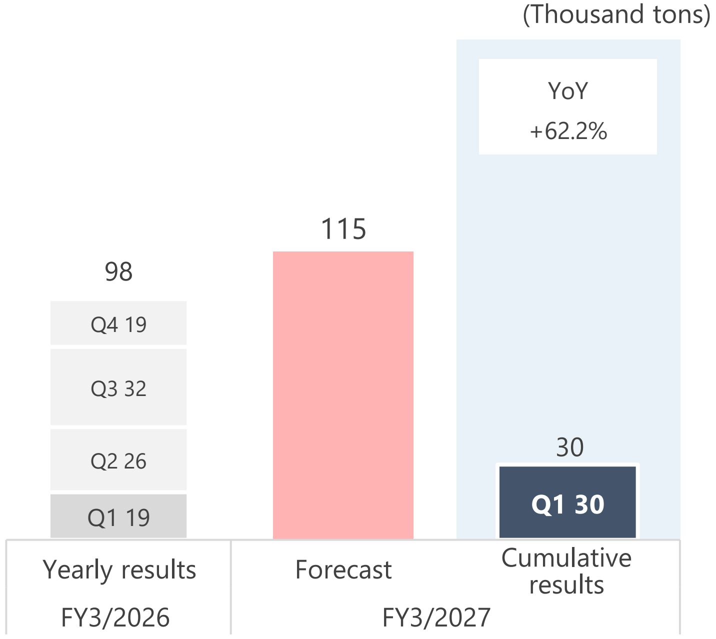
Progress rate **14%**



Fishmeal Import Price Trend



Sales Volume



Market Environment

Market Distribution Volume

+34%

(FEED ONE research)

Market distribution volume increased due to a rise in the number of farmed fish of major species.

×

Volume Factor

Segment Profit

+463

Expanded sales of insect protein products and products for corporate aquaculture.

×

Profitability Factor

Segment Profit

-458

Despite expanded sales of fishmeal alternative products, soaring raw material prices put pressure on profits.

*The figures may not match the difference because factors affecting changes in segment profit include impacts other than those listed above.

Performance by Segment/Food Business

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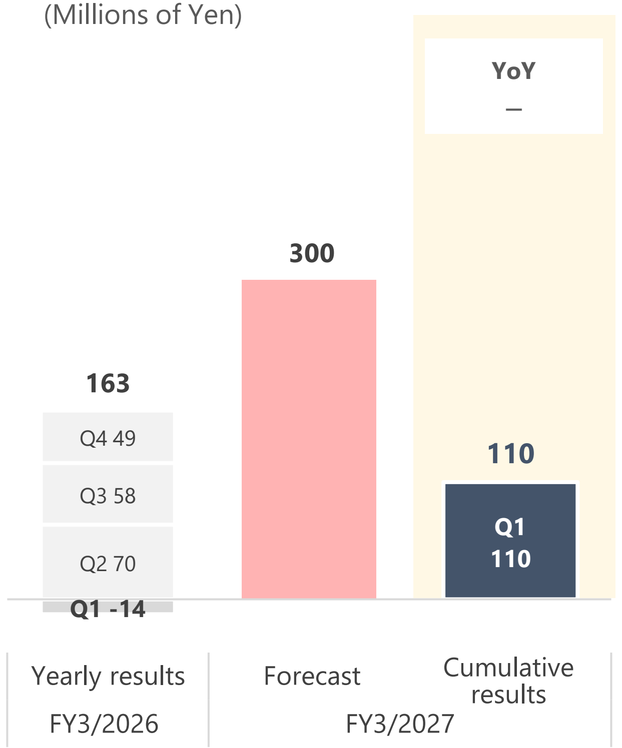
Profit increased due to revised pricing terms, the stable operation of Magic Pearl Co., Ltd.'s new factory, and other contributing factors.

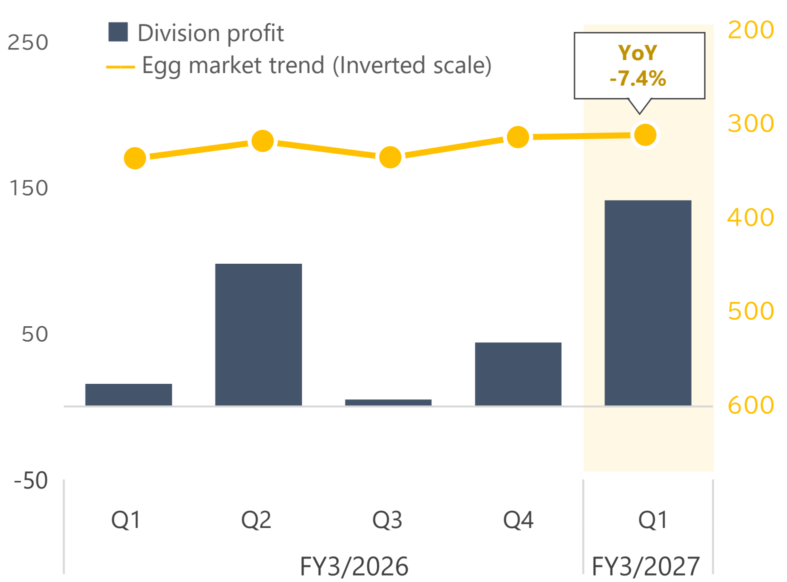
Segment Profit

¥110 million

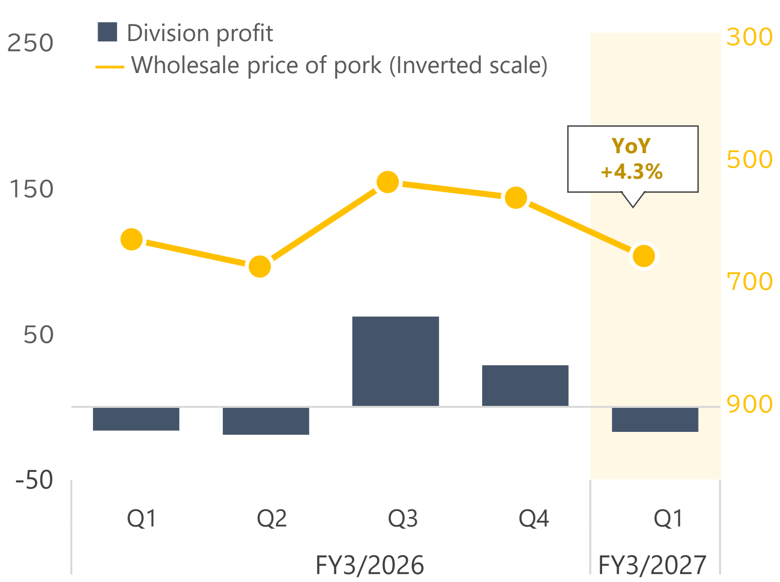
Progress rate **37%**



Egg Division: Quarterly Profit and Egg Market Trend



Meat Division: Quarterly Profit and Wholesale Price of Pork Carcass



Egg Division		Meat Division	
Segment Profit +125	Profit increased due to a decline in egg market prices YoY, along with an increase in sales volume and the stable operation of the new factory (Note 1).	**Segment Profit** -1	Although pork carcass prices remained high due to reduced supply, the segment profit was on par with the same period last year due to revised pricing terms.

Note 1) A new factory at Magic Pearl Co., Ltd. began operations in March 2025.

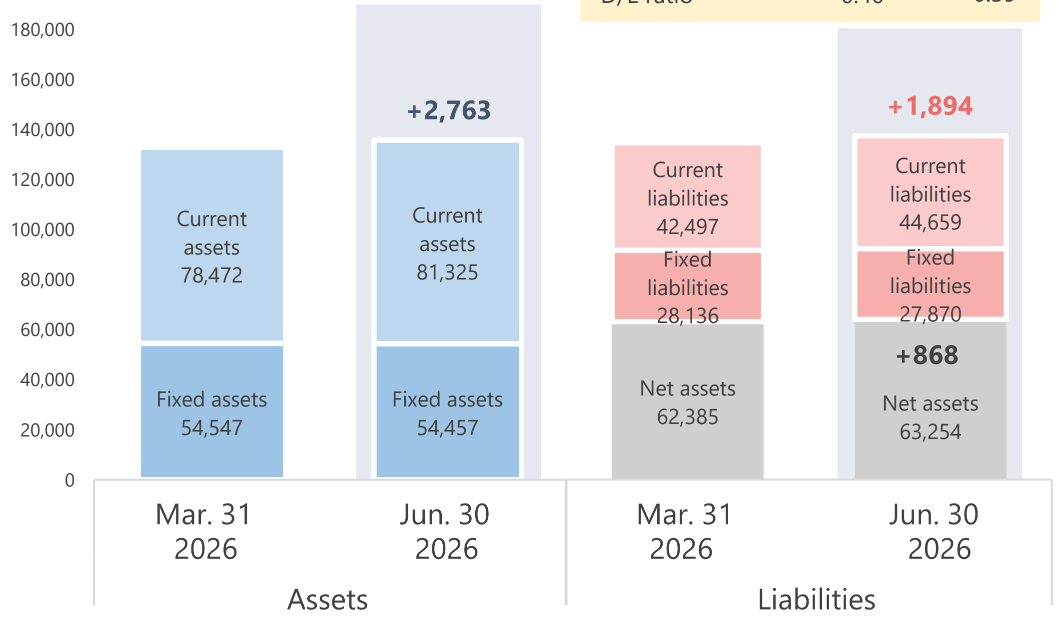
Consolidated Financial Position

Steadily generating operating cash flow and increasing cash reserves, while also maintaining financial soundness

Consolidated Balance Sheet

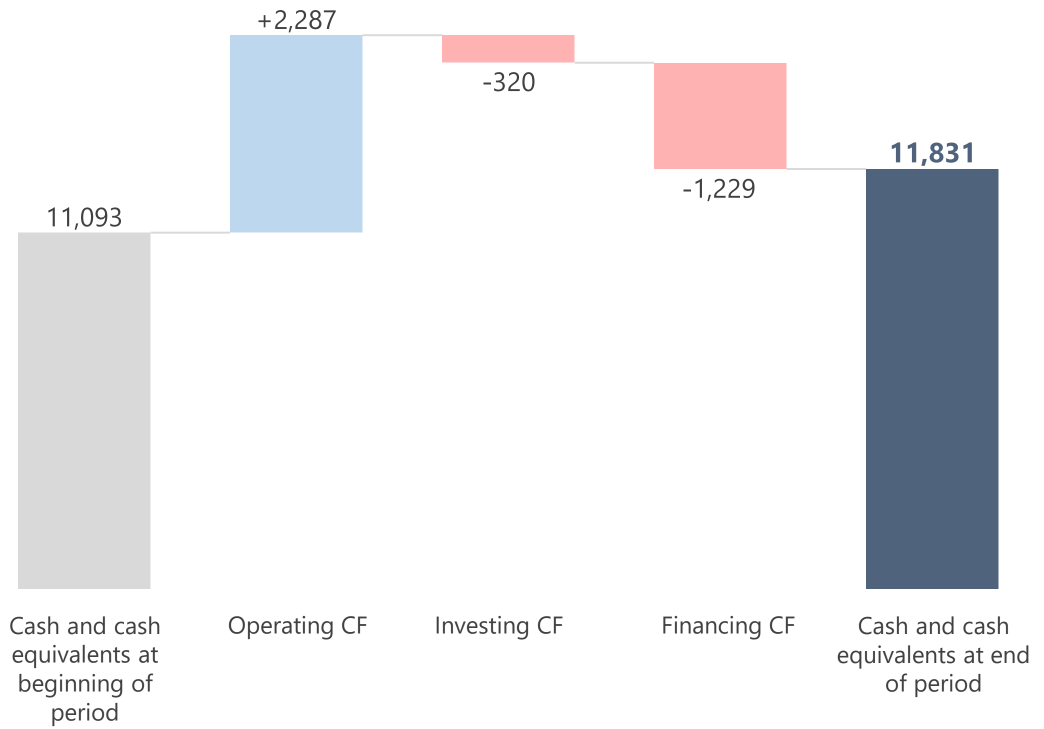
(Millions of Yen)

	Mar. 31 2026	Jun. 30 2026
Equity ratio	46.4%	46.1%
D/E ratio	0.40	0.39



Consolidated Statement of Cash Flows

(Millions of Yen)



Although working capital increased due to sales growth, financial soundness was maintained.

*Equity ratio = Equity / Total assets *D/E ratio = Interest-bearing debt / Equity

Continued to generate solid operating cash flow, with cash and cash equivalents increasing by 737 million yen

Full-Year Earnings Forecast

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Progress is generally in line with expectations at this point, with no changes to the earnings forecast.

(Millions of Yen)

	FY3/2027				
	Initial forecast (disclosed on May 8)	Q1 Results	Q1 Progress	Recent forecast (disclosed on July 30)	vs. Initial forecast
Net Sales	317,000	78,443	24.7%	317,000	-
Cost of Sales	281,600	69,818	—	281,600	-
Gross Profit	35,400	8,625	24.4%	35,400	-
SG&A Expenses	26,900	6,484	—	26,900	-
Operating Profit	8,500	2,140	25.2%	8,500	-
Ordinary Profit	8,800	2,360	26.8%	8,800	-
Profit attributable to owners of parent	6,500	1,761	27.1%	6,500	-

Q2 Forecast

The aquatic feed business is expected to continue to be affected by persistently high fishmeal prices. Meanwhile, improved profitability in the animal feed business will underpin the Company's overall performance.

Animal Feed Business

Market: Despite yen depreciation and rising energy costs, raw material prices are expected to remain soft

Profit: Continued improvement in profitability through expanded sales of heat-resistant feed, among other initiatives

Aquatic Feed Business

Market: Fishmeal prices remain high. Concerns exist regarding red tides and high water temperatures

Profit: Focus on expanding sales of fishmeal alternative products (fishmeal-free feed, etc.)
Second price revision for the current fiscal year planned in October

Food Business

Market: Concerns over soaring market prices due to reduced animal product supply caused by the heat

Profit: Maintain profitability in the egg division and aim to turn the meat division profitable

[Topic] Key IR Activities for Strengthening Dialogue with Shareholders and Investors

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We conducted the following IR activities in Q1 to strengthen dialogue with shareholders and investors.

May 19, 2026

Full-year Financial Results Briefing

Learn more

June 19, 2026

Ordinary General Meeting of Shareholders

Learn more
(Japanese)

June 26, 2026

Sponsored Research Report

Learn more

During Q1

1-on-1 Meeting

Q1 FY3/2026	3 sessions
Q1 FY3/2027	16 sessions

Each QR code also contains a link; please press them to view the materials.

Reference Materials

Company Profile

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Company name	FEED ONE CO., LTD.
Head office	5-1-2, Minatomirai, Nishi-ku, Yokohama-shi, Kanagawa
Representative	Hidehiro Shoji
Established	October 1, 2014
Share capital	10 billion yen
Number of employees	935 (as of March 31, 2026, on a consolidated basis)
Major shareholder	Mitsui & Co., Ltd.
Business activities	Production and marketing of compound feed. Procurement, sale, production and processing of meat, egg and seafood, etc. Other businesses ancillary to the above (farm-management consulting, management of veterinary examination and treatment facilities, etc.)

Hidehiro Shoji

President and Representative Director

PURPOSE

Feed the world for the future, lives and smiles

Business Performance Trends

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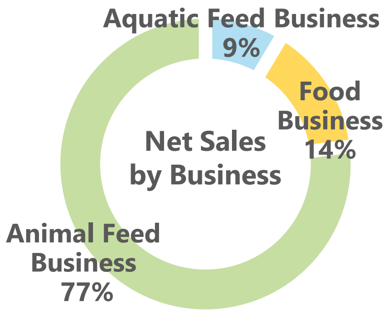
-FY3/2026 -

Net Sales **¥290.6** billion

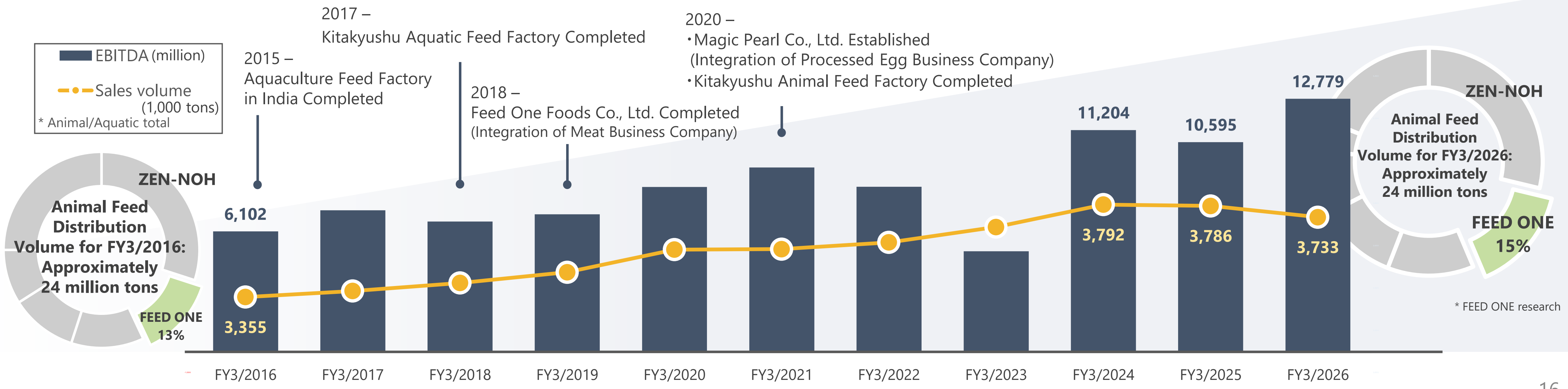
Ordinary Profit **¥8.6** billion

Sales Volume **3.73** million tons

ROE **11.0**%



The Animal Feed Business is our core business, accounting for approximately 80% of net sales.
The Aquatic Feed Business accounts for about 10%, reflecting the smaller market size—roughly one-sixth that of the animal feed market.



Long-term Vision

With an unchanging mission of ensuring a stable supply of feed, FEED ONE creates products that meet the needs of society and enhance corporate value.

Phase 2 FY3/2025–FY3/2034

- Continuous enhancement of profitability; renewal, expansion of the production framework -

Phase 1

FY3/2016–FY3/2024

Management integration

Establishing a business foundation through integration

EBITDA (yen):
6.1 billion→11.2 billion
(FY3/2016) (FY3/2024)

Sales volume (tons):
3.36 million→3.79 million
(FY3/2016) (FY3/2024)

1st stage

FY3/2025–FY3/2027

EBITDA 11.5 billion yen
ROE 8% or more
ROIC 6% or more
(FY3/2027 plan)

2nd stage

FY3/2028–FY3/2030

3rd stage

FY3/2031–FY3/2033

FY3/2034

Animal feed market share
Sales volume 20% or more
EBITDA 16.0 billion yen or more
ROE 10% or more
ROIC 8% or more

Total investment amount: 60.0 billion yen
(FY3/2025–FY3/2030)

Total investment amount: 80.0 billion yen
((FY3/2025– FY3/2034)

Business Characteristics

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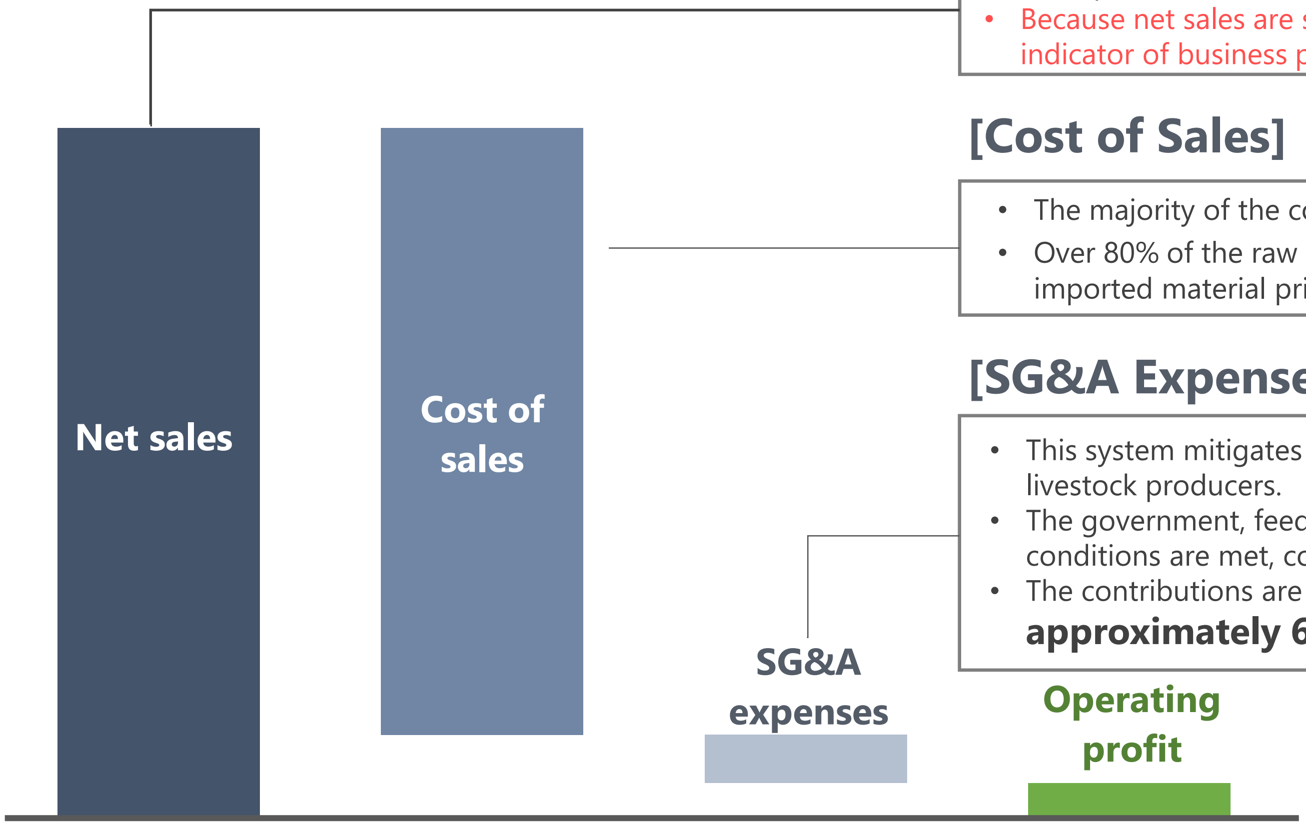
The revenue structure is heavily influenced by our core business, the Animal Feed Business; therefore, net sales alone are not a reliable indicator of overall performance.



[Net Sales] Adjusted in accordance with changes in imported material prices

- Sales prices of animal feed are revised quarterly based on fluctuations in imported material prices.
- Because net sales are significantly affected by these price revisions, they do not serve as a reliable indicator of business performance.

[Cost of Sales] Raw materials account for the majority of cost of sales

- The majority of the cost of sales for compound feed consists of raw material costs.
- Over 80% of the raw material costs are attributable to imported raw materials, so fluctuations in imported material prices directly impact the cost of sales.

[SG&A Expenses] Recorded contribution to the Compound Feed Price Stabilization Fund

- This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers.
- The government, feed manufacturers, and producers contribute to the fund, and when certain conditions are met, compensation is paid to producers.
- The contributions are tax-deductible and recorded as SG&A expenses; **approximately 6.5 billion yen** was recorded for FY3/2026.

Because the Animal Feed Business adjusts selling prices in response to fluctuations in imported raw material costs, profit remains stable despite temporary fluctuations in net sales.

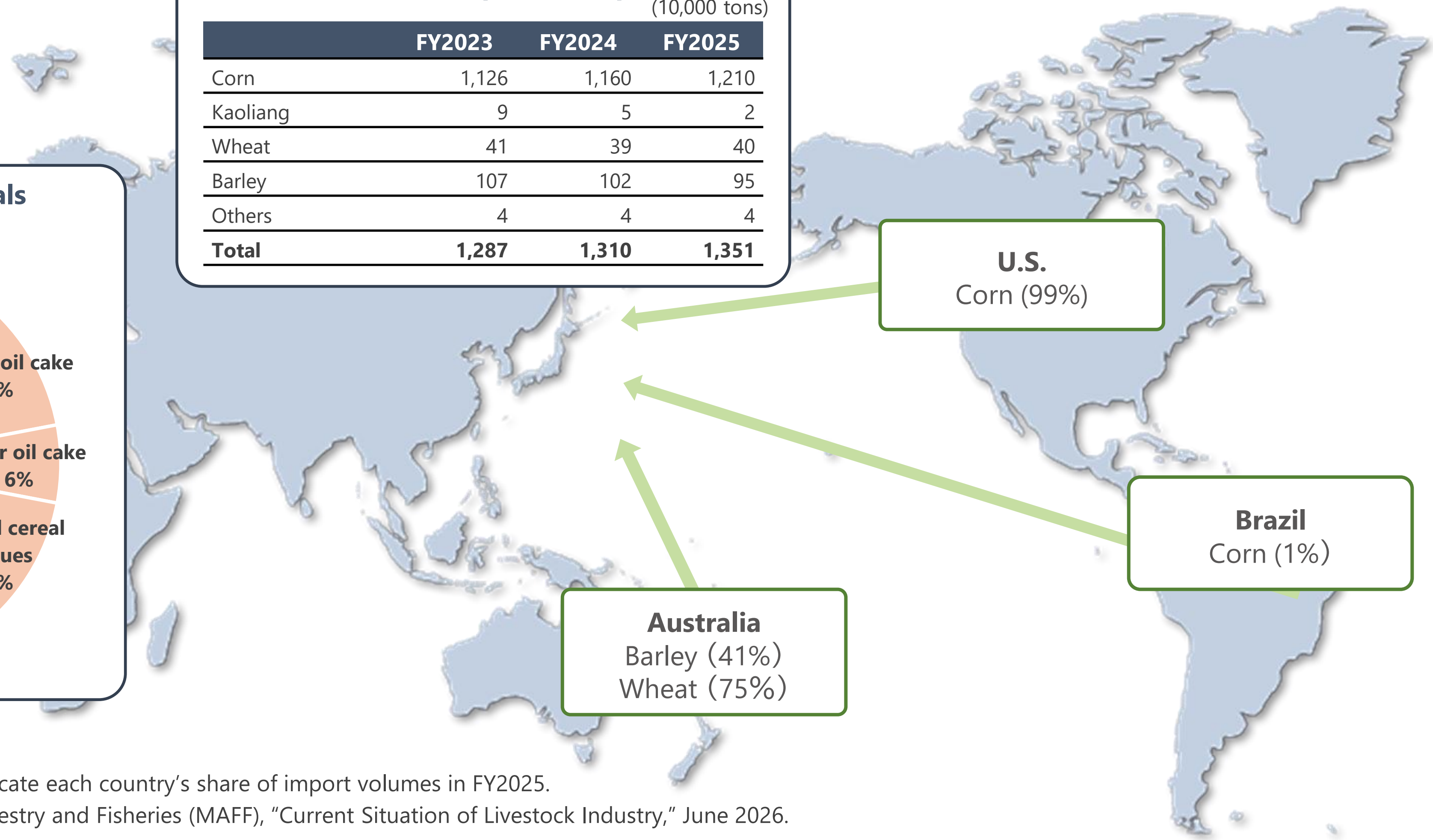
Material Procurement in Animal Feed Industry

Most feed grains are procured through imports, with a particularly high dependence on the U.S. and Australia.

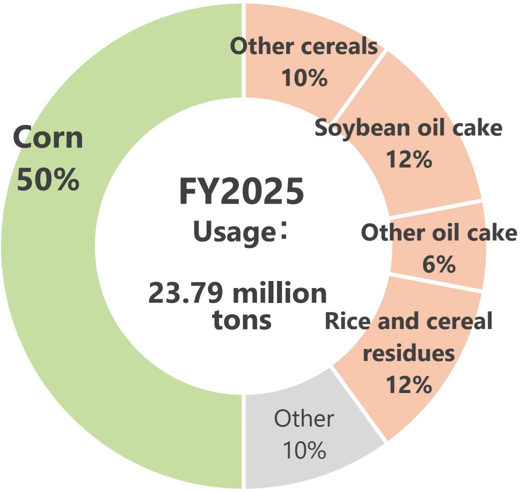
Feed Grain Imports in Japan

(10,000 tons)

	FY2023	FY2024	FY2025
Corn	1,126	1,160	1,210
Kaoliang	9	5	2
Wheat	41	39	40
Barley	107	102	95
Others	4	4	4
Total	**1,287**	**1,310**	**1,351**



Breakdown of raw materials in compound feed

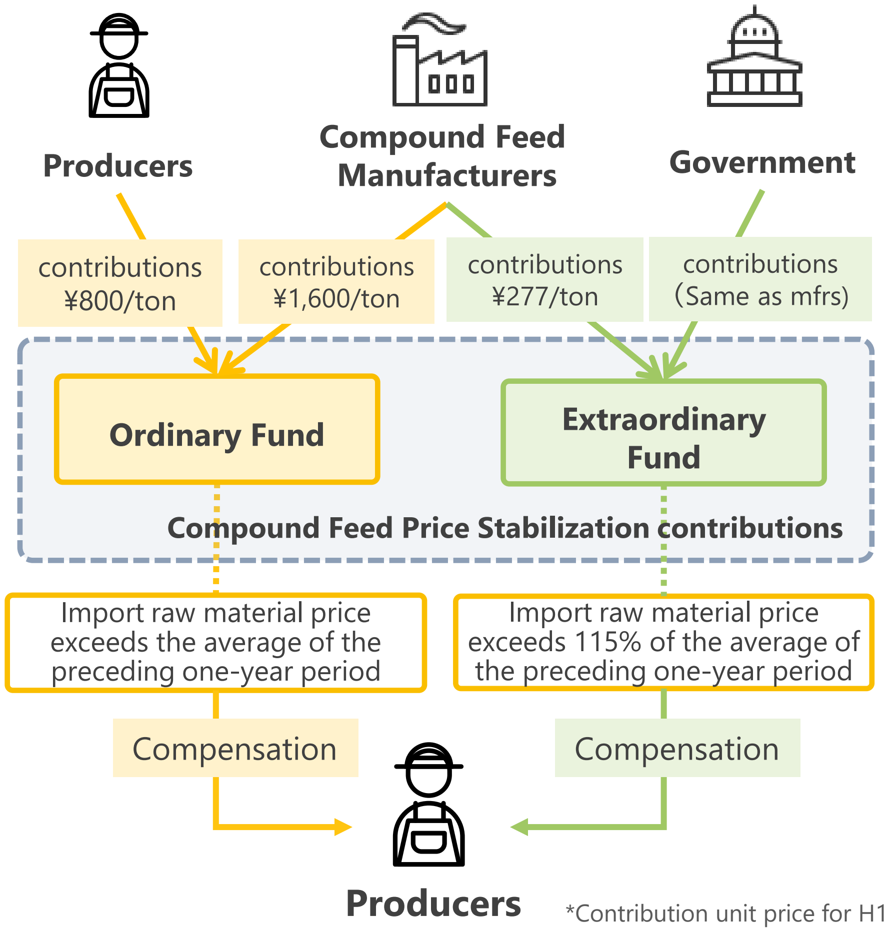


Note: Percentages in parentheses indicate each country's share of import volumes in FY2025.
Reference: Ministry of Agriculture, Forestry and Fisheries (MAFF), "Current Situation of Livestock Industry," June 2026.

Formula Feed Price Stabilization contributions

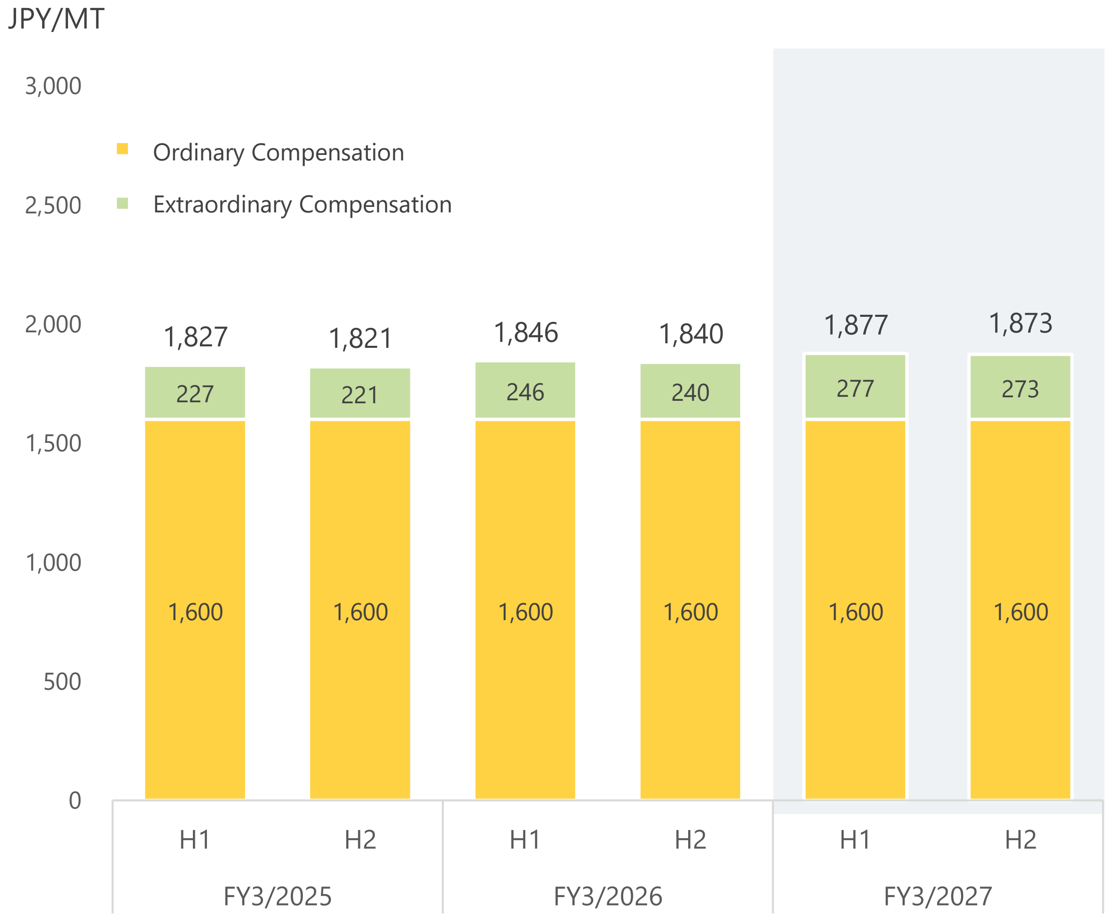
This system mitigates the impact of sudden rises in imported raw material prices on the operations of livestock producers. (*Only for animal feed)

[Mechanism of the System]



*Contribution unit price for H1 FY2027

[Compound Feed Manufacturers' Contributions]



Industry Info

Feed Distribution Structure

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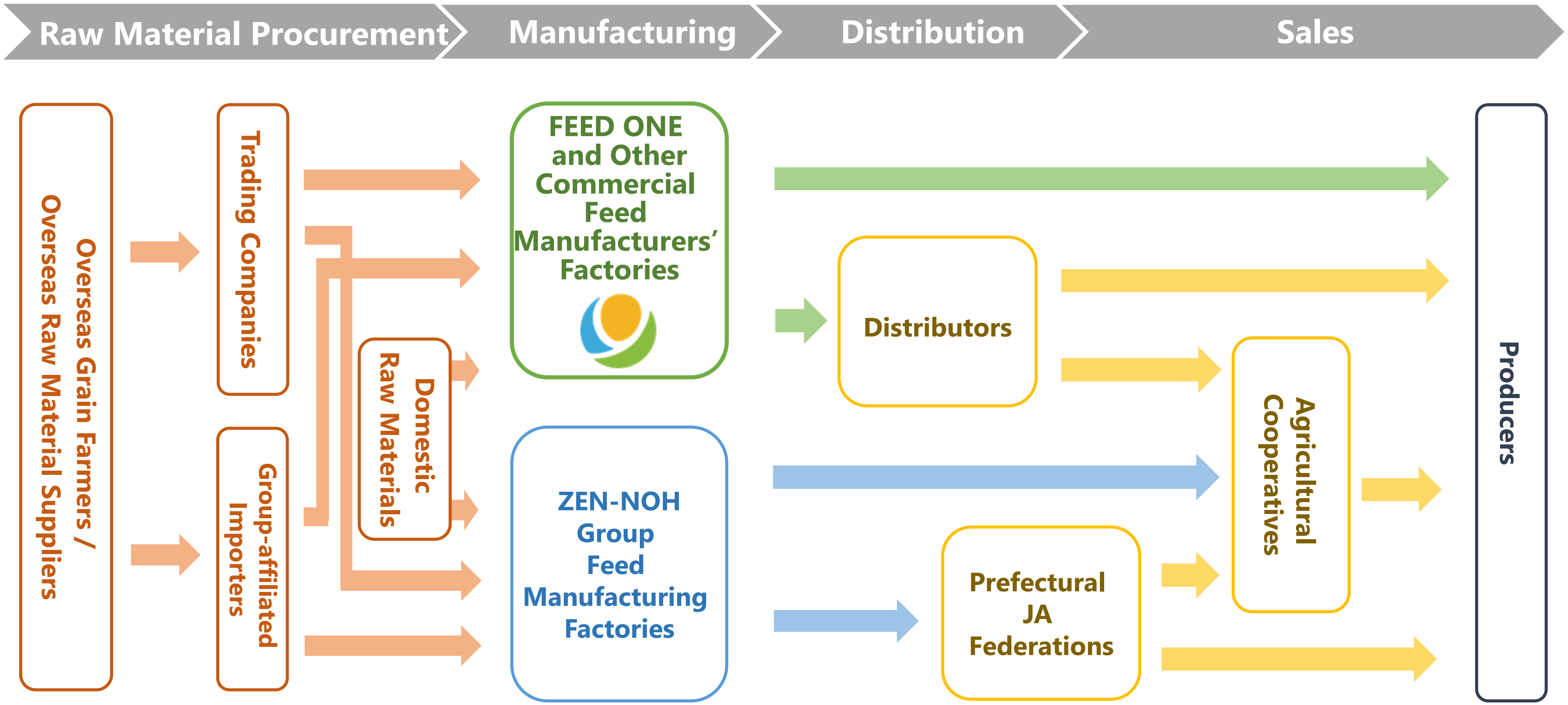
Distribution channels from feed manufacturers to producers include direct sales, distributors, and agricultural cooperatives.



Reference Information – Linked Resources

FEED ONE Investor Relations Top Page

https://www.feed-one.co.jp/english/ir/

FEED ONE Integrated Report 2025

https://www.feed-one.co.jp/english/ir/integrated_report/

FEED ONE Sponsored Research Report

https://www.feed-one.co.jp/english/ir/sponsored_research_report/

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