FUJI OIL CO., LTD.

# Integrated Report

## FUJI OIL GROUP

# 2026



# Four businesses, solutions for every food category

Fuji Oil Group is a B-to-B food ingredients manufacturer with four businesses: Vegetable Oils and Fats, Industrial Chocolate, Emulsified and Fermented Ingredients, and Soy-based Ingredients.
By utilizing raw materials procured through sustainable sourcing, we develop, manufacture, and deliver food ingredients that meet our customers' needs for texture, flavor, and functionality.





FUJI OIL GROUP Integrated Report 2026

Responding to Reader Questions

# Q&A

## Q.1

**It has been one year since being appointed CEO. What is your overall view of this period?**

A.1 By transitioning to a business holding company structure, we were able to increase our management speed and strengthen global management. It was also a year during which we steadily linked measures to results. While there are issues remaining with Blommer, I feel the progress we made towards achieving the Mid-Term Management Plan.

## Q.2

**Looking ahead, what type of growth do you envision over the medium to long term?**

A.2 We will aim for growth by combining the technology development and proposal capabilities cultivated through our four businesses to build on our track record of resolving social and customer issues related to food. Amid increasing constraints on stable procurement due to factors such as climate change and soaring raw material prices, we will maximize the possibilities of plant-based ingredients to generate new value that supports sustainable food culture.

## Q.3

**Are sustainability initiatives leading to revenue?**

A.3 In the Vegetable Oils and Fats business, we are promoting the development of a high-quality products and more sustainable supply chain, ensuring traceability, improving quality, and increasing our stable supply capabilities. These efforts increase our customer response capabilities and value propositions, which lead to profit growth over the medium to long term.

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## Q.4

**What is the status at Blommer?**

A.4 Blommer faced a sustained period of difficulty due to the impact of inflation, interest rate hikes, and soaring cocoa prices. However, we are steadily implementing structural reforms and responding to issues. Looking to expand sales of compound coating (compound chocolate) in the North American market, we are planning to launch operations at the Campbellford Plant (Canada) from the second half of FY2026.

## Q.5

**From the perspective of an Outside Directors, how has Fuji Oil Group governance changed?**

A.5 The transition to a business holding company structure has enabled the Company to more quickly and accurately ascertain the status of and risks related to each business, which has increased the quality of deliberations by the Board of Directors. We will continue to conduct multifaceted assessments of operating environment changes and risks to further enhance deliberations towards promoting sustainable growth.

# What We Want to Convey in This Report

In my numerous occasions to engage in dialogue with investors throughout FY2025, I received various opinions and comments regarding investor expectations for the Fuji Oil Group. One particular piece of feedback I received was a request from an investor that left a particular impression on me. Specifically, in an operating environment undergoing significant change, they wanted us to more clearly indicate the domains in which we are aiming for growth, which strengths we would leverage as a platform for achieving that growth, and how that growth would link to enhancing corporate value.

Corporate value and stock price not only indicate current performance, they also represent our medium- and long-term growth potential, capital efficiency, and the market's evaluation of our ability to steadily achieve that potential and maintain the efficiency. In that sense, I believe we have further room for improvement in terms of how we link our Group strengths and future potential to revenue growth and improvements in capital efficiency.



**Sunao Maeda**

Director, Senior Executive Officer, Chief Financial Officer (CFO),
Head of Finance and Accounting Headquarters,
Human Resources & Administration Headquarters,
Legal / Information Disclosure

The Integrated Report is an important communication tool for enhancing dialogue with stakeholders and promoting an increased understanding of our Group. In Integrated Report 2026, we focused on incorporating this problem awareness in our assessments of current issues and changes in our operating environment as we convey our approach and path to achieving medium- and long-term growth. Our Group's unwavering strengths lie in our ability to leverage the technology development and proposal capabilities cultivated through our four businesses and collaborations between Group companies worldwide towards resolving the issues facing society and our customers. Moving forward, we will apply these strengths towards business development in promising growth fields to develop a business platform capable of continuously generating profits. We will aim to enhance our medium- and long-term corporate value through both profit growth and improvements in capital efficiency.

Our hope is that this Report will serve as a guide for better understanding where the Fuji Oil Group currently stands and the direction in which we are headed. We also hope this Report will further stimulate dialogue with our shareholders and stakeholders. We also want to take this opportunity to explicitly state that this Report was the result of numerous deliberations by management and was created after confirmation and approval by the Management Committee and the Board of Directors.

## Editorial Policy

■ The Fuji Oil Group publishes the Integrated Report and the Sustainability Report annually as tools for communicating with our stakeholders. The Integrated Report provides a general overview of our Group business and outlines our medium- to long-term strategies. By communicating this information, we hope to encourage our stakeholders to continue engaging with us in enhancing our corporate value. On the other hand, the Sustainability Report complements the sustainability information in the Integrated Report and aims to comprehensively and honestly report our approach and initiatives to address the Group's impact on sustainability to a broad range of stakeholders.

■ Integrated Report 2026 was prepared in accordance with the following editorial policy:

❶ Report in a transparent manner on the Group's measures for strengthening its business by incorporating the views of stakeholders obtained through discussions, as well as on issues and matters that may be construed negatively by readers

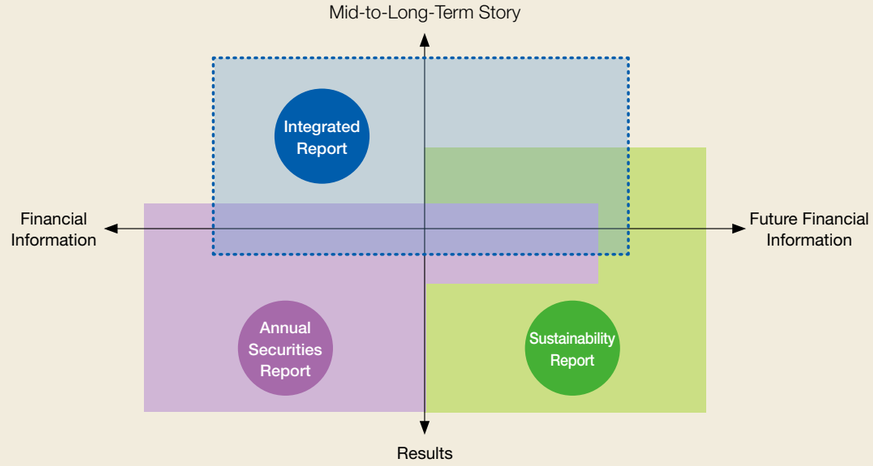
❷ Provide information to investors and our wide range of other stakeholders within and outside the Group to enhance their awareness of the Group's business model and value creation story over the short, medium, and long terms

❸ Deepen discussions that contribute to management improvement through the editing process



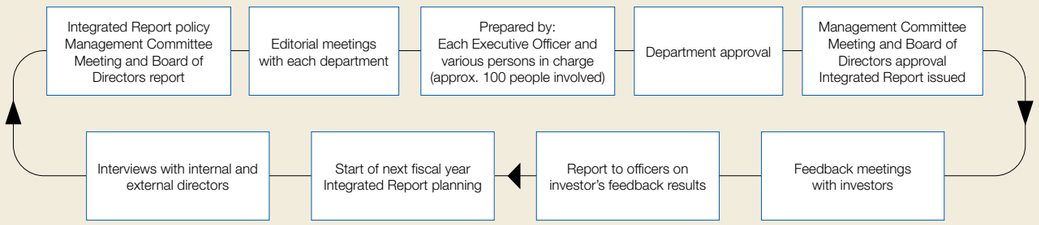
FUJI OIL CO., LTD.
IR Section, Corporate Communication Department

## Positioning of Each Reporting Medium




### Integrated Report Editing Flow

Edited by: IR Section, Corporate Communication Department




**Reference Guidelines**

- The International Integrated Reporting Framework issued by the IFRS Foundation
- "Guidance for Collaborative Value Creation 2.0," Ministry of Economy, Trade and Industry

**Company Names**

Company names are presented as follows:

- Fuji Oil; FUJI OIL CO., LTD.
- the Fuji Oil Group/the Group; All Group companies in Japan and outside of Japan, including FUJI OIL CO., LTD.

**Scope of Coverage**

Activities of the Fuji Oil Group Furthermore, business segment notations are indicated based on accounting segments.

Major Group Companies P.102

**Period Covered**

Fiscal Year 2025 (April 1, 2025–March 31, 2026)
Details of some prior and more recent activities and initiatives are also included.

**Changes in Accounting Standards**

Fuji Oil Group has voluntarily adopted IFRS from FY2025, and IFRS-based figures for FY2024 are also presented for comparison. Business profit is calculated as operating profit plus share of profit (loss) of investments accounted for using the equity method, excluding gains and losses arising from non-recurring factors.

**Forward-Looking Statements**

Forward-looking statements such as earnings forecasts of the Fuji Oil Group and other projections contained in this report reflect the Group's current analysis based on information available at the time of publication. Please be aware that actual results may differ from these forward looking statements due to various factors such as economic trends and the environment surrounding the Group.

This report has been translated from the original Japanese version. If there is any inconsistency between this English translation and the Japanese original, the Japanese version shall prevail.



# Linking problem resolution to growth to enhance corporate value through our four businesses

**Tatsuji Omori**
Representative Director
Chief Executive Officer (CEO)

Question 1

## As CEO, what do you envision as the direction of medium- and long-term growth for the Fuji Oil Group?

### A. We will combine the strengths of each of our four businesses to achieve growth by resolving problems for customers and society.

“Why does Fuji Oil operate four businesses?” This is a question I often receive during conversations with investors. Given the favorable performance of the Vegetable Oils and Fats Business, some investors may wonder, “Wouldn’t it be better to concentrate on oils and fats?” I think this is a natural concern among investors. However, I believe the Fuji Oil Group’s strength is in the fact that we operate four businesses. Vegetable Oils and Fats, Industrial Chocolate, Emulsified and Fermented Ingredients, and Soy-based Ingredients. It is because we have these four businesses that we are able to broadly and meaningfully respond to the problems facing customers and society.

The issues facing food are more than any single problem. I imagine the cocoa shock of 2024 served as a powerful wake-up call for many people; there was no guarantee that raw materials that previously had been readily available would always be easily obtainable. Markets are subject to the complex overlapping of issues such as fluctuations in raw material prices, climate change, population increase, and increasing health consciousness. What is required in these times is not the ability to offer a single product, but the capability to provide overall value, including taste, functionality, workability, and stable supply.

For example, some customers have explained that they consult us because we offer both oils and fats and protein products. I believe this feedback perfectly expresses the strengths of our Group. However, it goes beyond that. Our four businesses enable us to explore various proposals, such as combining oils and fats with chocolate or combining oils and fats with emulsified and fermented ingredients, that address the root needs of our customers such as product design or manufacturing processes. The true nature of our Group’s competitiveness is not simply the strengths of any single business, but the ability to link those businesses to create value. We are even seeing the benefits of this ability in our current performance. Cocoa market prices skyrocketing presented an opportunity to reassess the value of compound chocolate. Rather than simply serving as an alternative to pure chocolate, we demonstrated the value of compound chocolate as a solution for maintaining quality and workability while also providing functionality that enables flexible responses to changes in the raw material environment.

Even when looking at our sustainability, it is not the case that we are doing something particularly extraordinary. We have also thought about how we can convert limited resources into value. Using raw materials without waste, expanding applications, and extracting functionality. This has been our approach to raw materials; an approach that is keenly embodied by palm oil, one of our main raw materials. Palm oil can be separated into two types: oil with a high melting point and oil with a low melting point. We use oil with a high melting point as a vegetable fats for chocolate. So, what about palm oil with a low melting point? Rather than simply sell it at a low price as a byproduct, we evaluated how we could increase its value. We take the same approach to soybeans. We have worked to identify new value in the soy protein left after pressing soybeans to extract oil. This approach is often referred to as upcycling, but this is something that is rooted in our very DNA as a company. In an age of limited resources, this approach serves as an unwavering strength for our Company.

One of the things I emphasize in business management is identifying problems, using technology and core competence to convert those problems into value that is chosen by customers, and linking this cycle of problem identification and value conversion into continuous growth. The process of solving problems is not a cost. It is the true source of growth and the foundation that supports our Group. We will continue to leverage the strengths of our four businesses to further refine this cycle of growth.

Question 2

## Looking back on the one year since being appointed as president, what would you say you've accomplished? Also, can you achieve the targets outlined for the final fiscal year of the Mid-Term Management Plan?

**A. I feel that we have been able to use the transition to a business holding company structure as a platform for increasing the speed of business management and enhance our global management. I also feel that we have made solid progress towards achieving the targets of the Mid-Term Management Plan.**

In FY2025, we achieved record high profit of 36.0 billion yen in business profit. While there are still priority issues to be addressed, namely Blommer, the measures implemented over the past year steadily produced results and as management I feel that we made good progress. For FY2026, we are targeting business profit of 37.5 billion yen. We are positioning this as step upon which we will build up to achieving 45.0 billion yen in business profit for FY2027, the target we outline in the Mid-Term Management Plan.

Driving this progress has been the company's transition to a business holding company structure. By clarifying the responsibilities and authority of each business, we were able to speed up decision-making and establish a business foundation for producing results on a global scale. A major change was that rather than pursuing optimization on a company-specific basis, we are able to conduct management from the perspective of maximizing overall Group results as a business headquarters. In FY2025, Group companies around the globe cooperated on securing intermediate ingredients used in vegetable fats for chocolate (CBE), a product seeing increasing demand. These companies also mutually shared positive case studies related to improving production. Through such cooperation, we were able to increase production volume without relying on significant investment.

Under this structure, each business headquarters takes ownership from a business-axis perspective of decision-making and implementation while each functional headquarters – such as safety and quality, accounting, human resources – supports the business headquarters on a company-wide level. This structure greatly increases the speed required from policy establishment to implementation in the field, even for issues that previously took significant time to coordinate. We are on our way to establishing a structure that enables the business headquarters and functional headquarters to cooperate to implement uniform responses. Based on this structure, required personnel can be dispatched immediately to begin by identifying the cause of the issue and then implement preventative measures. We are able to utilize this structure even for issues arising at operations outside Japan.

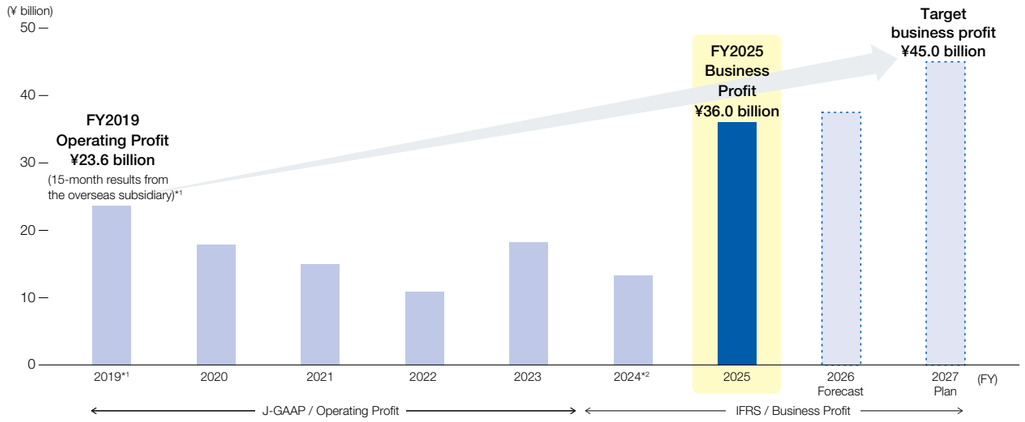
As we strive to strengthen global management, in addition to dispatching staff from Japan to operations outside Japan, we are also evaluating a personnel exchange program through which employees from operations outside Japan are invited to Japan to learn our approach to plant management and efficiency. Sharing information on the strengths of our manufacturing sites in Japan, something we refer to as the Hannan Style*, to broadly disseminate case studies on improvement successes of a single business or site to other regions will lead to fundamental improvements for the entire Group. I believe this sharing will further strengthen our global management.

The key to achieving the targets in our Mid-Term Management Plan is expanding sales of compound chocolate. We will further enhance collaborations between the Vegetable Oils and Fats and Industrial Chocolate businesses to expand proposals for compound chocolate developed from the starting point of tapping into functionally superior oils and fats. Since FY2025, we have been conducting investments to increase production that will lead to increased sales volume in the future. R&D, procurement, production, and sales will unite on a global scale to increase our proposal speed and supply certainty. In doing so, we will steadily build results towards plan targets for FY2026 as we work to ensure our ability to achieve the targets set for FY2027.

* Products, production technology, and site management knowledge and knowhow refined at the Hannan Plant, which serve as a base for our four businesses



### Operating Profit / Business Profit




FY2019 to FY2023 results are operating profit based on J-GAAP. Figures from FY2024 onward indicate business profit based on IFRS.
*1 FY2019 figures include a 15-month accounting period (Jan 1, 2019 –Mar 31, 2020) for 19 overseas subsidiaries due to a fiscal year-end change.
*2 Our group has voluntarily applied for IFRS since FY2025. Figures for FY2024 have been modified and are indicated based on IFRS.

Question 3

## Current state of Blommer structural reforms?

**A. We will solidify the company's business foundation as a manufacturer and secure major growth in FY2026.**

In 2024, we announced our Blommer structural reforms plan and steadily advanced measures, including closing the Chicago Plant. Today, Blommer is transitioning towards being able to implement growth strategy. To support the implementation of that growth strategy, we will establish the business foundation the company needs as a manufacturer. From July 2025, we expanded the fields of use for the ERP system, making it possible to ascertain inventory and revenue. Initially, operating this system locally took time but continuous training resulted in a shift to where it became possible to make more accurate forecasts than before. The fact that we now have a system in place to accurately grasp what is happening and where, and that allows us to take necessary actions quickly, is a significant step forward.

In addition to strengthening these management aspects, we are also working on improving productivity and implementing preventive maintenance. Ensuring the efficient and stable operation of equipment increases accuracy in production planning and, ultimately, provides a better outlook for the entire business. In FY2026, we will continue to dispatch dedicated personnel from Japan to develop a system that enables local staff to operate autonomously.

Furthermore, we expect Blommer to play a key role in driving growth in North America. The strength of the Fuji Oil Group's Industrial Chocolate business lies in its compound chocolate. Moving forward, increased capacity from the Campbellford plant (Canada), which is scheduled to begin operations in the second half of the year, will provide a boost. We will ride that wave as we fully launch our selection of solution-based products, a segment that is unique to the Fuji Oil Group, in the North American market. Even in the face of significant changes in the raw material environment, we will contribute to resolving

customers' problems by providing value in terms of quality, workability, and stable supply. By combining Blommer's customer base in North America with the oils and fats and chocolate technologies that our Group has cultivated, we will be able to offer a wider range of solutions than ever before. I see room for growth in Blommer in this area. By strengthening our business foundation, we will further advance our efforts in FY2026 and develop Blommer into a key pillar of our North American business.

Question 4

## How is progress in new business fields?

### A. FY2025 was a year of expanding our lineup of products in new business fields. The seeds we created will be cultivated into future business pillars.

FY2025 was a year in which we expanded our product range with the potential to become future pillars in new business fields. In the Vegetable Oils and Fats business, we launched Melavio™ a new brand. This product has been well-received for its ability to impart richness and juiciness while being a plant-based ingredient, and is seeing increasing adoption. In the Emulsified and Fermented Ingredients business, we have launched distinctive products unique to the Fuji Oil Group such as cheese fillings based on our proprietary fermentation technology. In the Soy-based Ingredients business, we are developing new functional ingredients such as Soyacell, which contributes to improving customers' work processes. In this way, we are beginning to see promising signs for the future in each business.

The next challenge is nurturing these seeds and cultivating them as businesses. I believe that products in new business fields should not be limited to specific regions. It is important to nurture the valuable products created in each region into something that can be deployed globally as quickly as possible. In the Emulsified and Fermented Ingredients business, we are evaluating concrete steps such protecting our core technology while exploring global expansion, starting in Asia. The MIRA-Dashi™ line, which delivers satisfaction through plant-based ingredients, has also been expanded to include a shrimp-type product. The widespread popularity of these products does not come simply from being functionally superior. A business can only establish itself if it demonstrates compatibility with local food culture and offers solutions tailored to regional eating habits. In that sense, I believe we have entered a stage where for new business fields we need to consider not only product development but also how we deliver products to the market.

On the other hand, the challenge we face is also clear. Speed is undoubtedly the most important factor. In the past, it has sometimes taken 10 years from technology establishment to market launch. Even with the right technology, if the market environment or customer needs change during that time, we may miss the timing for commercialization. That is why currently business headquarters are taking the lead in prioritizing product development themes to focus resources on areas with high growth potential.

However, I also believe it important that we exercise caution by not focusing too much on problem-solving in our product development. Addressing problems is certainly important. However, if that is all you do, other companies will eventually catch up and profitability will decline. One of the reasons our Group has achieved growth thus far is that we have expanded our market from technology-driven development, often referred to as seed-based development. The key to this is being prepared to link technology to problems. What is important is that employees maintain a daily awareness of problems and accumulate information and insights. This will enable employees to immediately link technology to the problems that technology can solve. This approach will help prevent us from missing opportunities and ensure that technology can be brought to market. I believe that continuously promoting both problem-solving and technology-driven approaches is essential for truly transforming new business fields into growth.

New business fields represent the future growth of our Group. Ongoing efforts are advancing steadily, and by further accelerating this momentum, we will not only achieve our goals for FY2027, but also cultivate new pillars that will support the growth of our Group into the future.



Idea Contest at Research Laboratories in Japan



Visit to Fuji Oil (Singapore)

Question 5

## How will you drive management moving forward to pursue enhancements in corporate value?

### A. We must achieve the targets of the Mid-Term Management Plan. Focusing on problem resolution, we will further improve the quality and speed of our growth.

Our Group is currently facing a major turning point. The transition to a business holding company structure, structural reforms at Blommer, the expansion of growth fields, and development of new business fields are all important themes that directly lead to enhancements in corporate value. I will ensure that we steadily advance efforts related to each of these themes to put us on our next growth trajectory.

Our strength lies in our ability to create value through problem-solving. We identify the problems faced by our customers and society, solve those problems by applying the strengths of our four businesses, and use the value we create to drive future growth. I believe that strengthening and accelerating this cycle is essential to enhancing our corporate value. In an era of rapid changes in our market environment, speed is essential to business management. We will thoroughly implement this approach of accelerating the PDCA cycle, speeding up decision-making, and concentrating management resources where they are needed.

The target of 45.0 billion yen in business profit outlined in our Mid-Term Management Plan is something we must achieve. What we look to beyond that target is more than simply increasing profits. We aim to become a company that achieves sustainable growth by leveraging our Group's unique business portfolio and continuously providing value that is essential to society. I will continue to take on challenge of realizing this vision.

