



June 24, 2025

Press Release

Company name: SEED Co., Ltd.

Representative:

Takao Sato, President, & CEO, Representative Director
(Stock Code: 7743; Tokyo Stock Exchange Prime Market)

Inquiries:

Tetsuya Sugiyama, Executive Vice President, Representative Director
TEL 03-3813-1111 (main)

Plan to comply with listing maintenance standards (entering an improvement period)

SEED Co., Ltd. (the "Company") announces the as of March 31, 2025, the Company is no longer in compliance with the standards for maintaining listing on the Prime Market. Therefore, we would like to inform you that we have prepared a plan to achieve compliance with the standards, as detailed below.

1. Our status of compliance with the criteria for maintaining listing and the planned period

As of March 31, 2025, our compliance with the maintenance criteria of the Prime Market is currently in an improvement period because our tradable share market capitalization does not meet the criteria. In order to meet the tradable share market capitalization criteria, we will proceed with various efforts to comply with the listing maintenance criteria based on the plan we have created.

If compliance with the tradable share market capitalization standard is not confirmed within the improvement period until March 31, 2026, the Tokyo Stock Exchange will designate the Company as a stock under supervision (under review). If compliance with the tradable share market capitalization standard is not confirmed as a result of the Tokyo Stock Exchange's review based on the distribution status table as of March 31, 2026, submitted by the Company, the Company will be designated as a stock to be delisted, and the Company's shares are expected to be delisted on October 1, 2026.

In addition, while we will continue to take various measures to comply with the Prime Market's listing maintenance standards, even if we are unable to comply with the Prime Market's listing maintenance standards within the planned period due to factors such as the external environment and market conditions, we will also research and consider changing our market classification to the Standard Market, etc., as it is important to ensure that investors and shareholders have opportunities to buy and sell our shares on the stock market.

	Number of Shareholders	Number of shares outstanding	Tradable stock Market value	Tradable stock Ratio
Status of the Company (as of March 31, 2025)	53,094	155,955 Unit	7.91 billion yen	51.5%
Criteria for maintaining listing on the prime market	800 or more	20,000 Unit	10 billion yen	35%
Compliance status as of the latest record date	Compliance	Compliance	Nonconformity	Compliance
Planning period (improvement period)	-	-	Up to March 31, 2026	-

*The status of compliance by the Company is calculated based on the distribution of the Company's share certificates, etc., as known by the Tokyo Stock Exchange as of the record date.

2. Basic policy, issues and initiatives for complying with the listing maintenance standards

In our medium-term management plan covering the period from the fiscal year ending March 2025 to the fiscal year ending March 2027, we aim to achieve consolidated sales of 50 billion yen and secure a production base to demonstrate our presence in the global contact lens market. For the fiscal year ending March 2025, which is the first year of the medium-term management plan (April 2024 to March 2027), we have been working on the pillars of our growth strategy to achieve our corporate goals: "Strengthening profitability by drastically increasing production capacity," "Strengthening and providing services to meet domestic and overseas markets," "Manufacturing that meets market needs," "Strengthening internal base, securing and developing human resources," "Promotion of SDGs," and "Stable shareholder returns."

The basic policy, initiatives and progress of our efforts to comply with the Prime Market listing maintenance standards are as described in the attached "Plan for Compliance with the Prime Market Listing Maintenance Standards."

Note) This is an English translation of the Japanese original prepared for readers' convenience. Should there be any inconsistency between the translation and the original Japanese text, the latter shall prevail.

In the prime market Plan for compliance with listing maintenance standards

June 24, 2025

Discover the beauty of the world
with your eyes



Table of

1. Compliance with listing maintenance criteria
2. Medium-term Management Vision and Targets for Meeting the Listing Maintenance Standards
3. Efforts to meet listing standards① [Efforts to improve corporate value]
4. Efforts to meet listing maintenance standards② [IR activities]
5. Measures to realize management that takes into account capital costs and stock prices
6. Financial Results and Outlook

1. Compliance with listing maintenance criteria

As of March 31, 2025, the Company no longer meets the listing maintenance criteria for the Prime Market. As the market capitalization of tradable shares does not meet the standards, it is currently in an improvement period. In order to satisfy the criteria for the market capitalization of tradable shares, the Company will promote various initiatives to meet the listing maintenance criteria based on the plan it has prepared.

	Number of Shareholders	Number of shares outstanding	Tradable stock Market value	Tradable stock Ratio
Status of the Company (as of March 31, 2025)	53,094	155,955 Unit	7.91 billion yen	51.5%
Criteria for maintaining listing on the prime market	800 or more	20,000 Unit	10 billion yen	35%
Compliance status as of the latest record date	Compliance	Compliance	Nonconformity	Compliance
Planning period (improvement period)	-	-	Up to March 31, 2026	-

*The status of compliance by the Company is calculated based on the distribution of the Company's share certificates, etc., as known by the Tokyo Stock Exchange as of the record date.

2. Medium-term Management Vision and Targets for Meeting the Listing Maintenance Standards

[Positioning of the Medium-Term Management Plan]

- Consolidated sales of ¥ 50 billion and a production base to establish a presence in the global contact lens market
(To make up for the lack of product supply capacity that is hampering sales and business expansion, we will make aggressive capital investment and build world-class production capacity.)
- Build a production system that realizes labor-saving production and maintains competitiveness
- Pursuing safety and security by further improving quality
- Increase corporate value by rebuilding the corporate brand
- Promotion of environmental management
- Development of business infrastructure through strengthening human resources

[Seed's Main Measures]

**"Through the pride of 'Made in Nippon' and 'Japan Quality'
We strive to provide safe, high-quality products and services. "**

- I. Strengthening profitability by drastically raising production capacity
- II. Strengthening and providing services to meet domestic and overseas markets
- III. Manufacturing to meet market needs
- IV. Strengthening the Internal Foundation and Securing and Developing Human Resources
- V. Promotion of SDGs
- VI. Stable Shareholder Returns

3. Efforts to meet listing standards ① [Efforts to improve corporate value]

Achieve continuous growth by enhancing corporate value through the implementation of six key initiatives

Initiatives to Enhance Corporate Value		
Strengthening profitability by drastically raising production capacity	Strengthening and providing services to meet the needs of domestic and international markets	Manufacturing that meets market needs
Strengthening of Internal Foundations Securing and Developing Human Resources	Promotion of SDGs	Stable Shareholder Returns

3. Efforts to meet listing standards ① [Efforts to improve corporate value]

● Strengthening profitability by drastically raising production capacity

Expansion of production capacity through construction of new manufacturing facilities

[Annex of Building No. 2] Full-scale operation started in October 2024 (7,000,000 sheets / month)

[Building No.4] Completed in January 2026, scheduled to start operation in March 2026 (14,000,000 sheets / month)

Increase productivity by investing in labor saving

- Design of the plant to reduce labor in the building as well as the installation equipment
- Introduction of automated operation of manufacturing and inspection processes through introduction of AI

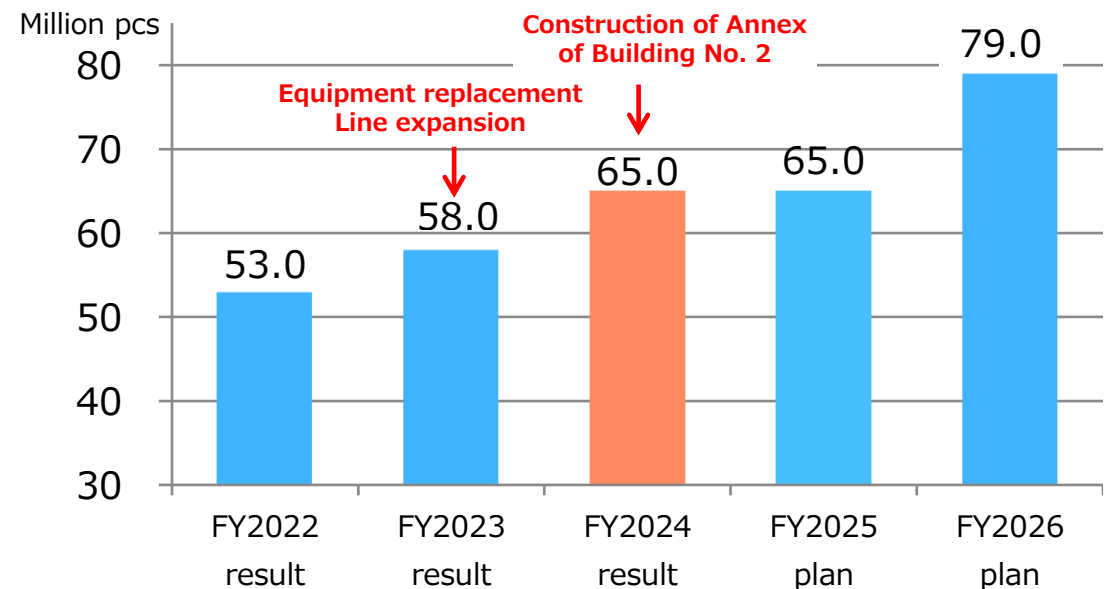


Kounosu laboratory
Building No.4 completed Perth



Kounosu laboratory
Annex of Building No. 2
Completed Perspective

<Change in maximum production volume (disposable contact lenses) (monthly)>



3. Efforts to meet listing standards ① [Efforts to improve corporate value]

● Strengthening and providing services to meet the needs of domestic and international markets

Corporate rate rebranding

The company's reason for existence is to realize a society where diverse, visible joy can be created, and on October 9, 2024, it announced the formulation of its purpose with the catchphrase "The world we have yet to see is beautiful" and the renewal of its corporate logo.

It will build a corporate brand that resonates with diverse stakeholders, increase the value of the company itself, and approach society as a whole by improving its corporate recognition and image.



Launch of new products

■ Silicone hydrogel lens "Seed AirGrade 2 week UV W-Moisture"
New on March 31, 2024



■ Circle contact lens for astigmatism "Seed Eye coffret 1 day UV M TORIC" New color Sweetie make "
New on June 12, 2024 (Wed)



■ Bifocal circle contact lens "Seed Eye coffret 1 day UV M Multistage"
New on Thursday, December 19, 2024



3. Efforts to meet listing standards ① [Efforts to improve corporate value]

● Manufacturing that meets market needs

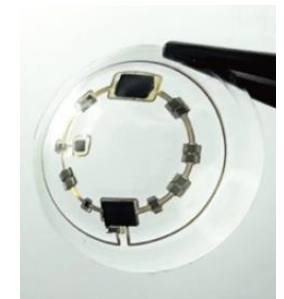
CLPL acquired 100% of Scotlens Holdings Limited in April 2025

Acquisition of 100% of shares of Scotlens Holdings Limited, a company with strength in customized orthokeratology lenses and scleral lenses
Expand product coverage and strengthen market competitiveness as a seed group



Development of smart contact lenses with built-in new devices following Triggerfish

- Adopted as a NICT project for innovative information and communications technology (Beyond 5G (6G))
 - Succeeded in standardizing the technology for mounting electronic components on contact lenses and developing large-scale integrated circuits.
- Platform release

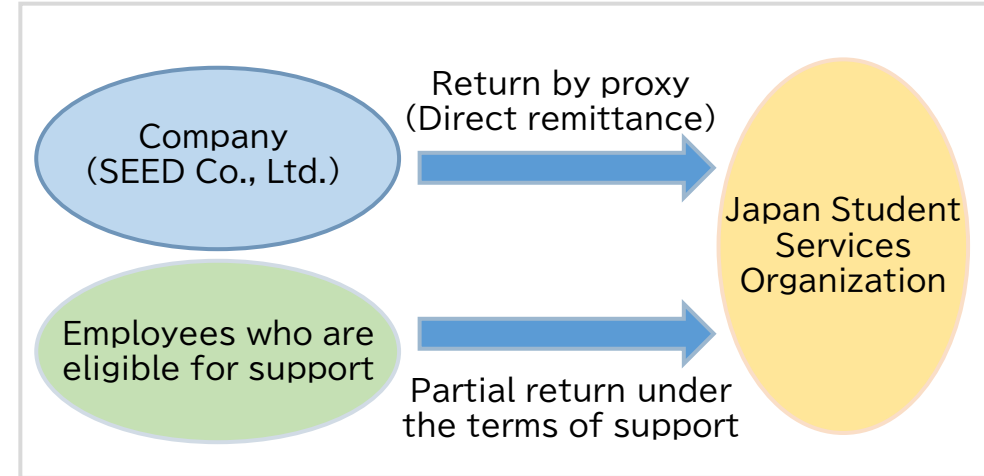


3. Efforts to meet listing standards ① [Efforts to improve corporate value]

● Strengthening of Internal Foundations Securing and Developing Human Resources

Introduction of the scholarship return support system

A system was introduced in fiscal 2025 that allows employees who meet specific requirements to receive a total of up to 2.25 million yen in support, depending on the balance of the scholarship returned.



Structure of the Scholarship Return Support System

Human resources development to realize medium - to long-term growth

Expanding the organizational culture to support employees' growth and provide them with bold opportunities, such as support for obtaining graduate degrees, post-challenge systems, overseas training, language training, and employee promotion systems



3. Efforts to meet listing standards ① [Efforts to improve corporate value]

● Promotion of SDGs

Strengthening efforts to coexist with local communities

- Seed and Bunkyo Ward cooperate to conclude an agreement on support for administrative procedures in the event of a disaster
- Strengthening cooperation through the conclusion of an agreement on comprehensive cooperation with Konosu City
- Delivery of classes to educational institutions (elementary, junior high, high schools, universities, etc.)



Original kaleidoscope made from recycled materials (School visit)

Promotion of sports support projects

- Sponsorship of athletes and teams active in various fields
- Provision of contact lenses to athletes
- SEED Presents Starting Kids: Supporting the Dreams of Children



Exhibition at FC Imabari Home Game Booth

● Stable shareholder returns

To realize stable dividends

- To implement appropriate dividend policy, we aim to continue dividend payments with a target payout ratio of 30-40%.
- Revise the incentive program to meet the needs of the times as needed, with the aim of increasing the number of shareholders who hold the stock over the medium to long term

4. Efforts to meet listing standards ② [IR activities]

To achieve sustainable growth and increase corporate value over the medium to long term, the Company will strive to raise awareness of its shares and raise awareness among a wide range of investors through IR and public relations activities. We will also continue to actively work on shareholder return policies.

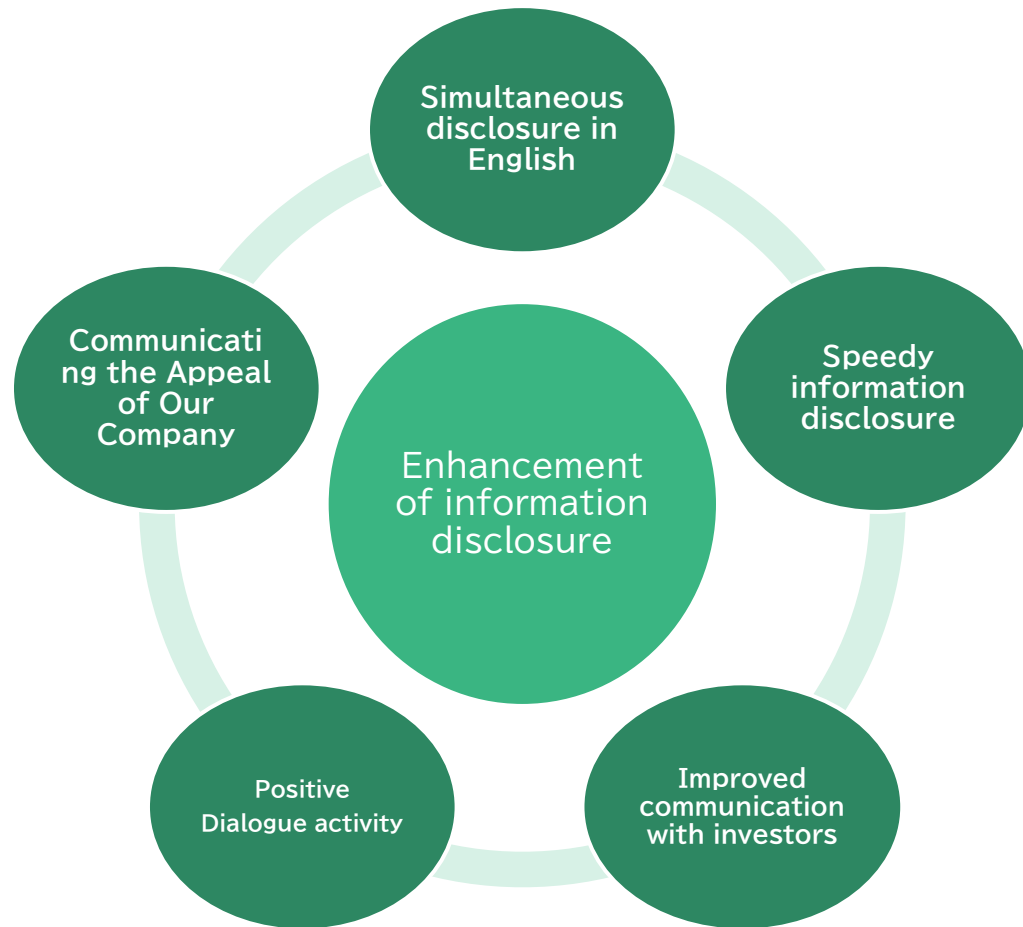
IR Activities: Status of Efforts in the Fiscal Year Ended March 2025

Q1			Q2			Q3			Q4		
April	May	June	July	August	September	October	November	December	January	February	March
		● Annual General Meeting of shareholders									
	● Announcement of Financial Results			● Announcement of First Quarter Results			● Announcement of Second Quarter Results			● Announcement of Financial Results for the Third Quarter	
		● Publication of IR Report		● Issuance of integrated report				● Publication of IR Report			
				● IR Events (Held in real)	● IR Events (Held in real)		● IR Events (Two events held in real, one online)			● IR Events (Held in real)	
YouTube		● 14th IR Video Streaming		● 15th IR Video Streaming	● short video streaming						● short video streaming

IR Event Details	
August 23,24, 2024	Nikkei Inc. 19th Nikkei IR & Individual Investor Fair @ Tokyo Big Sight
September 5, 2024	Nomura Investor Relations Co.,Ltd. sponsored Joint Individual Investor Seminar @ Tokyo Shoken Building
December 8, 2024	Daiwa Investor Relations Co.Ltd. sponsored Information Session for Individual Investors @ Daiwa Conference Hall (Tokyo)
December 10, 2024	Company briefing for IFA sponsored by Seicho Publishing Co., Ltd. @ Zoom
December 14, 2024	Company information session for individual investors hosted by NIKKEI RADIO BROADCASTING CORPORATIONI & PRONEXUS INC. @ Yokohama venue
February 14, 2025	The 9th IR Presentation Contest sponsored by the Union of Student Investment Clubs@ Stock Exchange

4. Efforts to meet listing standards ② [IR activities]

We will approach new individual investors and institutional investors by delivering real-time IR events, briefing sessions, and same-day earnings information (briefing transcript).



Simultaneous disclosure in English

In accordance with the requirement in April 2025 to disclose financial results and timely disclosure information in English for companies in the prime market, the Company has been disclosing information in English with the aim of promoting dialogue with overseas investors.

Speedy information disclosure

A service to distribute information from the information provision system was launched in May 2025. We distribute Japanese and English copies of the Company's financial results briefing on the day following the briefing to provide timely information to investors in Japan and overseas. We have changed the disclosure of information from semi-annual to quarterly to provide more timely and transparent information.

Improved communication with investors

We actively provide opportunities for communication with investors by participating in real investor seminars for individuals and online seminars for individual investors.

Active dialogue activities

We will actively and continuously engage in dialogue with institutional investors through the use of web conferencing and telephone conferencing systems, in the meetings we hold with institutional investors every quarter.

Communicating the Appeal of Our Company

Regular distribution of IR videos and short videos on YouTube. We will strive to increase the recognition of our company among a wide range of investors by letting them know the attractiveness of our company, which we have not been able to convey at the financial results briefing.

4. Efforts to meet listing standards ② [IR activities]

We have expanded the content of the shareholder benefit program in Course C with the aim of increasing the attractiveness of our stock and increasing the number of shareholders who will hold our stock in the medium to long term, thereby increasing our corporate value.

Changes

- (1) A new category was added to the category of shares held of 10,000 shares or more.
- (2) The points awarded to those who hold 3,000 to 10,000 shares will be increased from 4,000 points to 6,000 points for those who hold the shares for one year or more but less than three years, and from 6,000 points to 8,000 points for those who hold the shares for three years or more.
- (3) Add QUO card to the products you can choose

Subject

Shareholders whose record of holding one unit (100 shares) or more is entered or recorded three or more times consecutively under the same shareholder number in the shareholder register as of March 31, the previous year, September 30, and March 31, with March 31 as the record date

Course	Details of the special benefit	Number of shares held	Number of years held	
A Course	Complimentary ticket for shareholders	100 shares or more	Held for more than one year	
B Course	Contact lens care product set	100 shares or more	Held for more than one year	
C Course	Donations, Local Specialties, QUO Card *You can choose one of them		Continuously held for 1 year or more and less than 3 years	Held for three years or more
		Between 100 and 1,000 shares	1,000pt	3,000pt
		1,000 shares or more but less than 3,000 shares	3,000pt	5,000pt
		3,000 shares or more but less than 10,000 shares	6,000pt	8,000pt
		10,000 shares or more	8,000pt	10,000pt

Shareholders who are listed on the shareholder register as of the end of March 2025 are eligible for the shareholder benefit program without the requirement that they hold shares continuously for one year or more.

The number of shares already held and the acquisition period will not change due to the change (expansion) of the shareholder benefit plan.

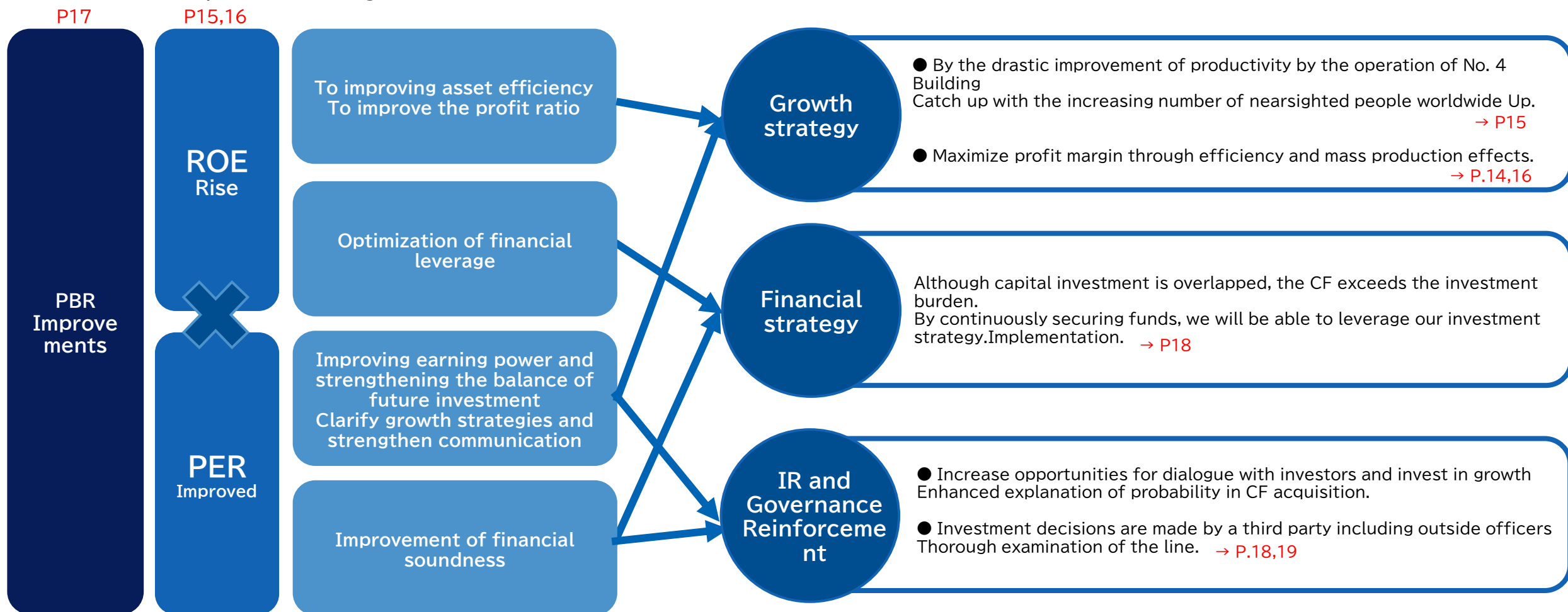
Preferential interest rate (In the case of 100 shares or more but less than 1,000 shares *)
 One year or more but less than three years
 Continuously held 2.1%
 Held for three years or more 6.2%

* 1 pt = Calculated using the Japanese yen exchange rate; March 31, 2025 Share price (closing price) 487 yen

5. Measures to realize management that takes into account capital costs and stock prices [Issues and policies for measures to improve corporate value]

In November 2024, we disclosed our "Measures to Realize Management with Awareness of Cost of Capital and Stock Price."

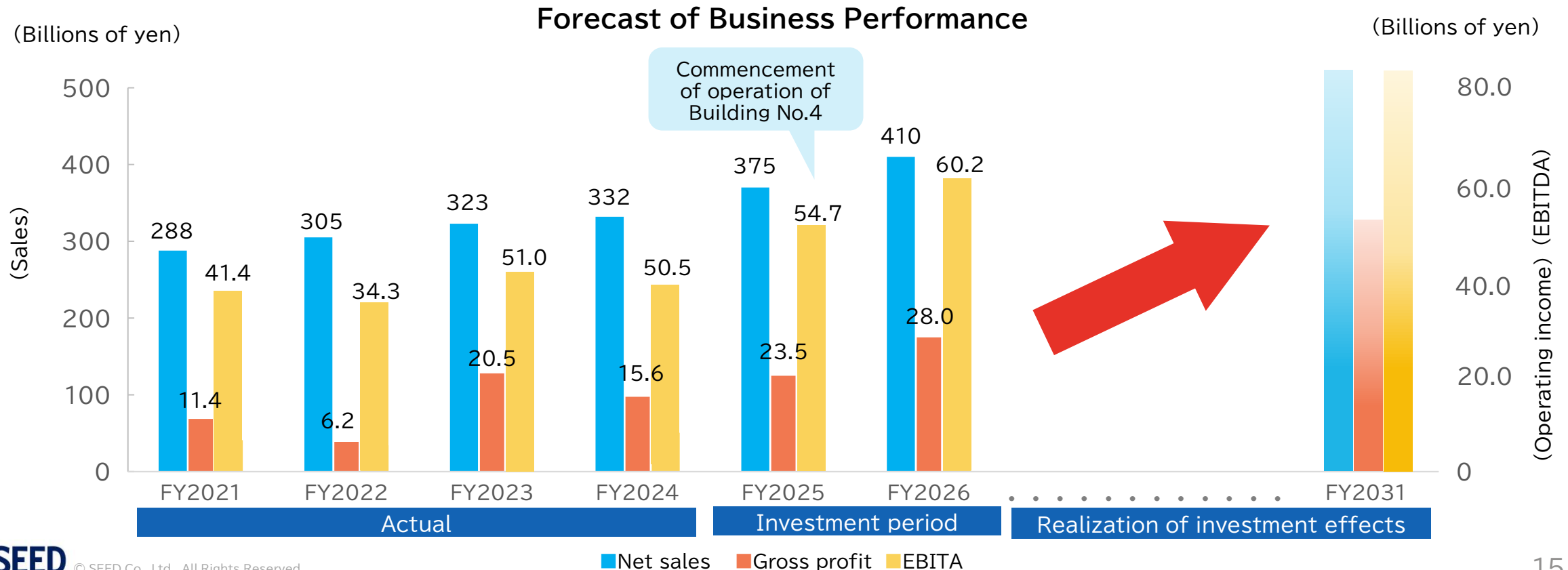
We are actively pursuing initiatives that not only help us achieve the goals of the Medium-Term Management Plan but also anticipate future growth.



5. Measures to realize management that takes into account capital costs and stock prices [Performance and future performance]

The potential for demand for correcting myopia in Japan and overseas is very high, and demand for contact lenses (hereinafter, CL) is expected to increase (see the next page for an overview of future market forecasts). With strong CL demand as a backdrop, we are working to significantly improve production capacity and aim to achieve a dramatic improvement in performance.

The production side is currently under pressure and the upper limit of production capacity is the limit to sales. However, the construction of the Kounosu Laboratory Building No.4, which started in November 2024, is expected to be completed in the fiscal year ending March 2026, and the effects of this capital expenditure are expected to be fully realized in the fiscal year ending March 2028.



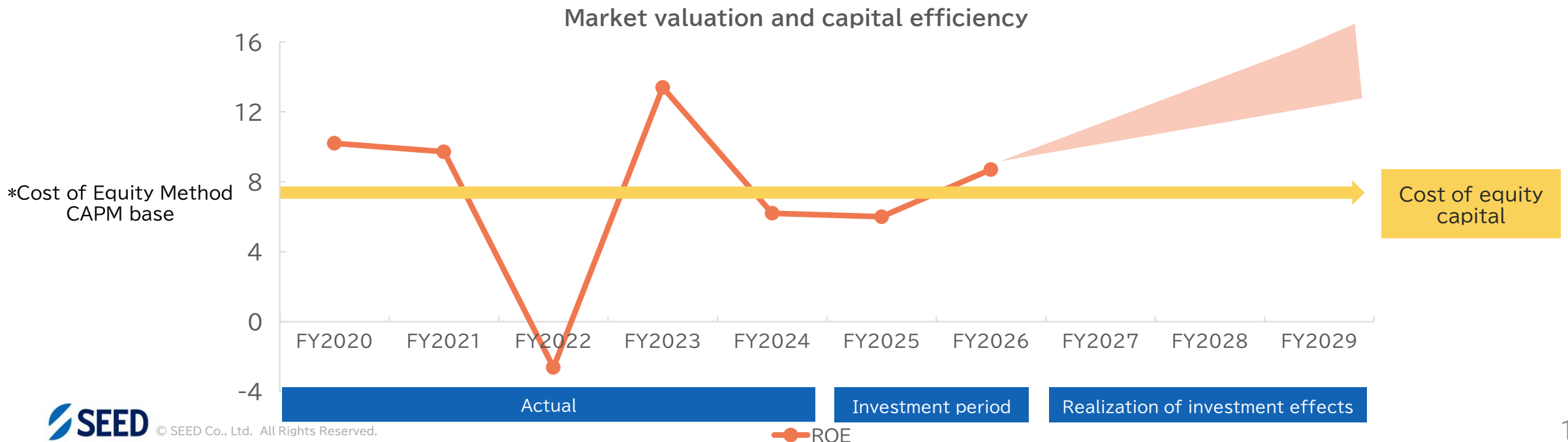
5. Measures to realize management that takes into account capital costs and stock prices [Future market forecasts and changes in capital efficiency and market valuation]

Domestic contact lens market: Increase in the number of users due to the increase in the number of nearsighted people and increase in demand for bifocal lenses due to the aging of the population

Growth in line with the progress of price passing due to various cost increase factors such as growth, weak yen and high resource prices. Orthokeratology lenses are also growing at a rate that far outpaces the overall contact lens market.

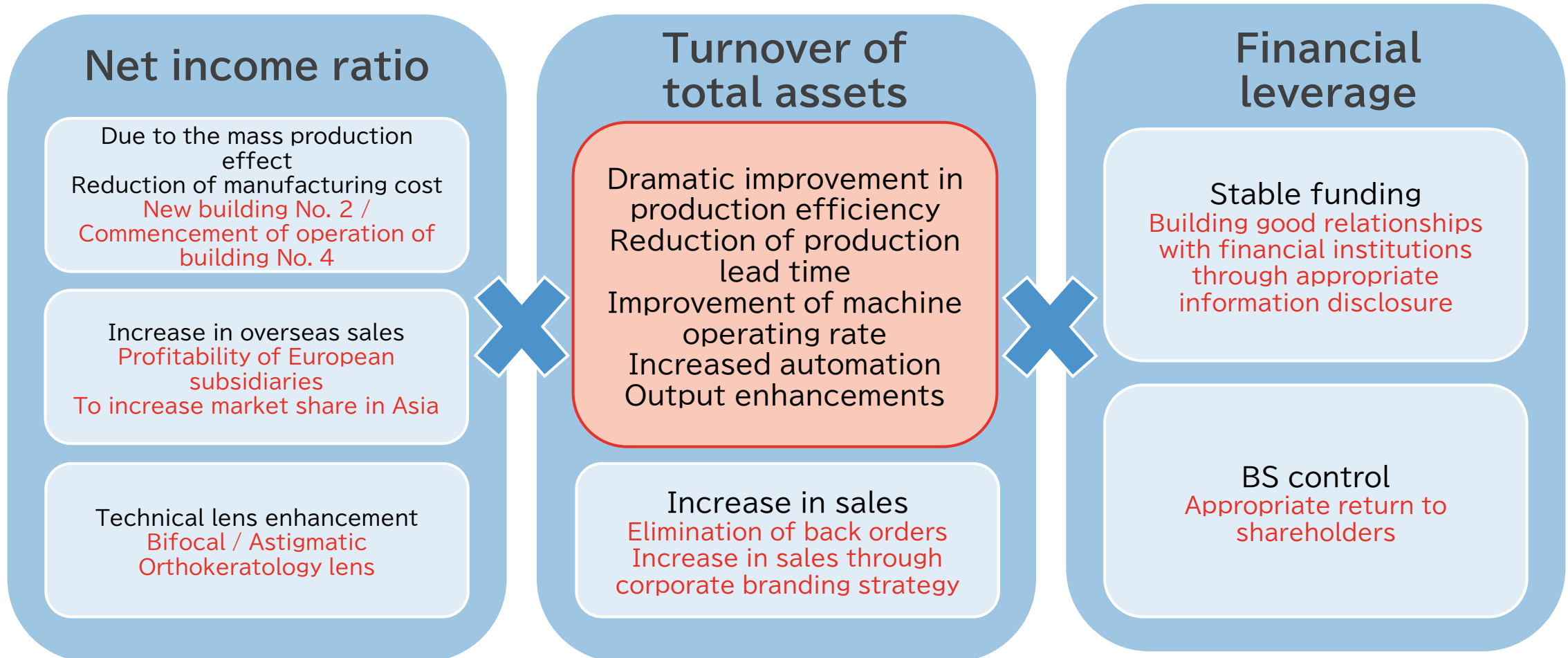
Overseas contact lens market: In overseas markets from Asia to Europe, although there are differences in strength depending on the country or region, the market is expected to continue expanding in the future due to the global increase in the number of people with myopia.

In the past, ROE was negative in the fiscal year ended March 2023 due to impairment losses, but recovered in the fiscal year ended March 2024. In order to meet the strong potential demand for myopia correction mentioned above, the Company has made a decision to make a large-scale capital investment, increased capital, and is allocating funds to facilities in a phased manner. It is assumed that the capital investment effect will become apparent from the fiscal year ending March 31, 2028 and ROE will increase.



5. Measures to realize management that takes into account capital costs and stock prices [Measures and initiatives to improve capital efficiency (DuPont Kaihatsu)]

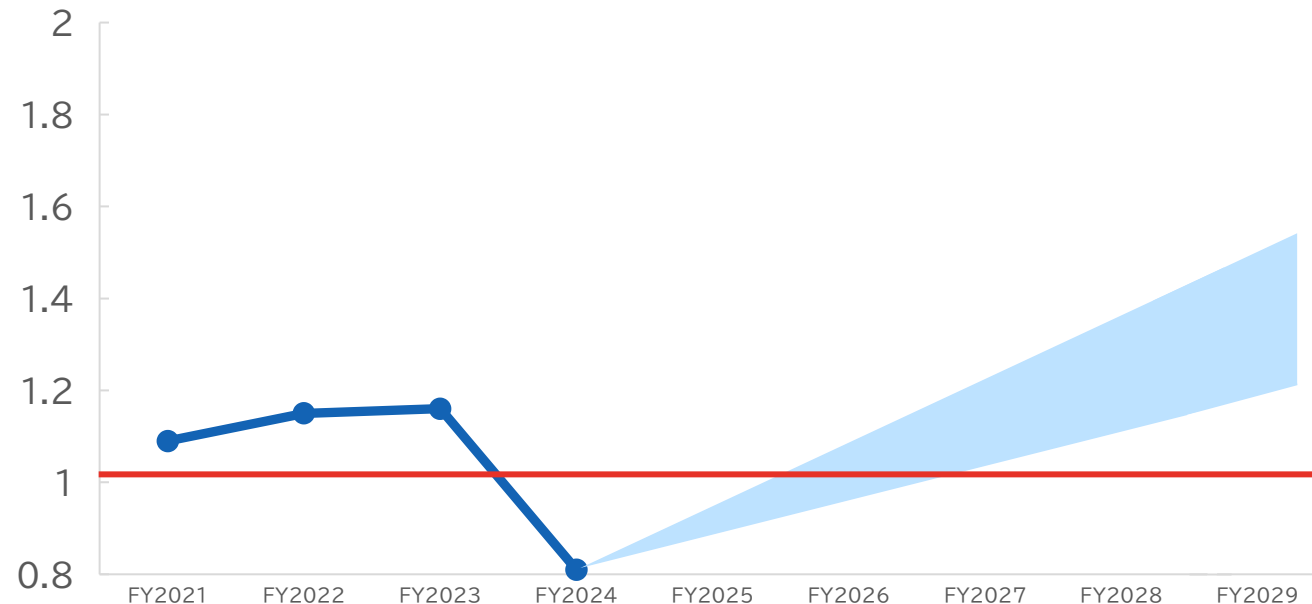
Improvement in ROE



5. Measures to realize management that is conscious of capital costs and stock prices [PBR]

The PBR remained at 1.0 times or more until the fiscal year ending March 2024. The current multiple is below 1.0 x due to dilution from the capital increase and a time lag before the capital investment effect (the purpose of the capital increase) materializes. The PBR is expected to rise as the effects of capital investment become apparent.

It is important to steadily realize the effects of capital investment and to develop new products (lenses made of new materials, anti-myopic lenses, DDS, smart contact lenses, etc.) and to launch them as soon as possible.



5. Measures to realize management that takes into account capital costs and stock prices [Capital allocation and shareholder return policy]

Investment for growth

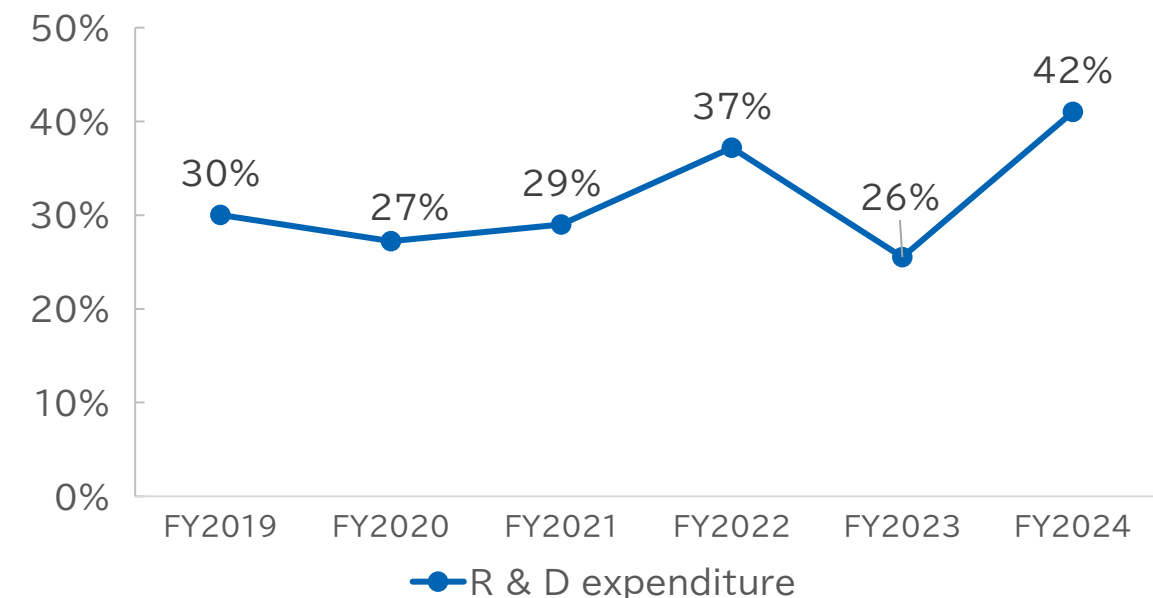
We continue to invest at a high level in research and development to support our competitive edge in the market. As a result, EBITDA and operating income levels have increased. We will continue to invest in the future to further improve market confidence and reputation and achieve sustainable growth.

[Millions of yen]
Amounts less than
one million yen are
rounded down.

*R & D ratio calculation method: R & D expenses
/ CF before R & D expenses

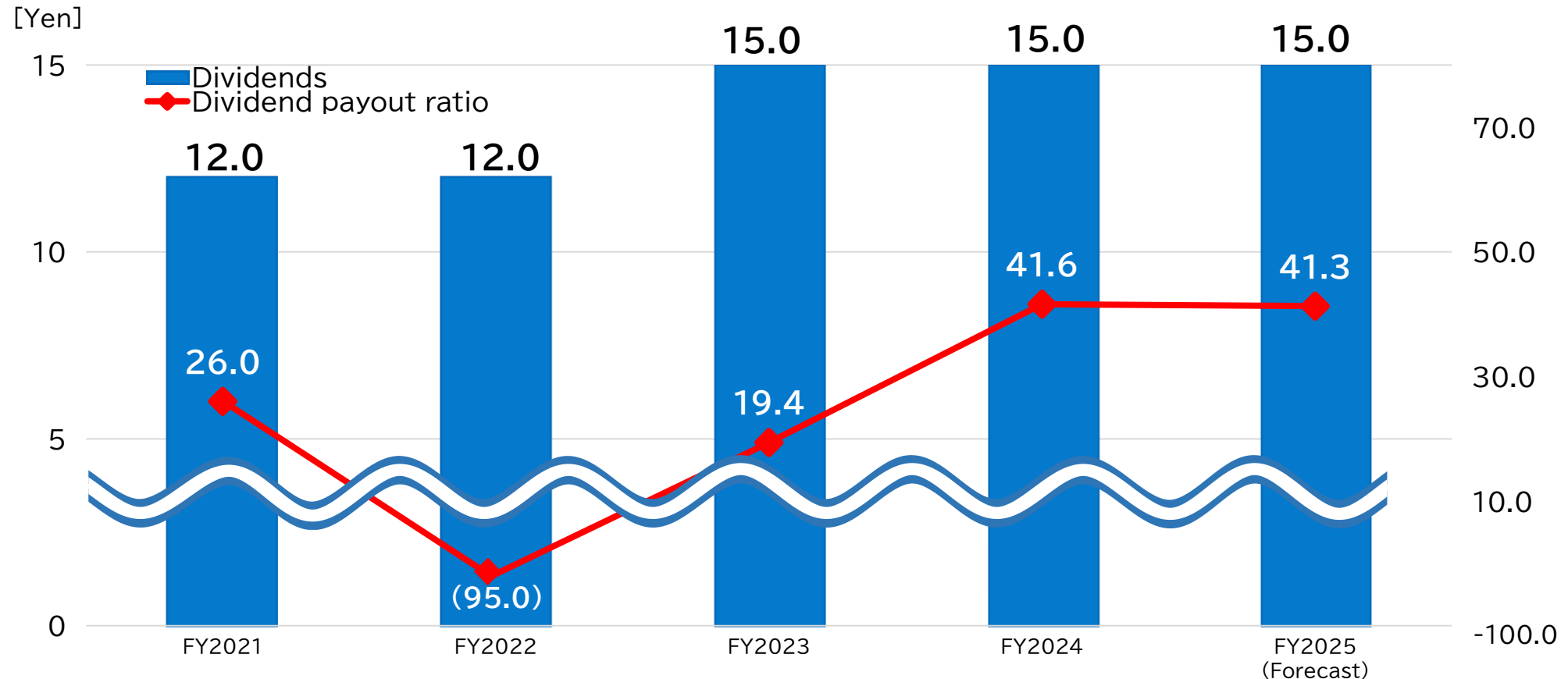
	2020 works March	2021 works March	2022 works March	2023 works March	2024 works March	2025 works March
R &	1,672	1,381	1,334	1,921	2,063	2,156
R & Operating cash flow before deduction	5,569	5,071	4,601	5,268	8,086	5,134
R & D ratio	30%	27%	29%	37%	26%	42%

	2020 works March	2021 works March	2022 works March	2023 works March	2024 works March	2025 works March
Capital expenditures	3,317	3,252	2,632	1,199	7,519	7,277



5. Measures to realize management with awareness of capital cost and stock price 【Shareholder return】

To implement appropriate dividend policy, we aim to continue dividend payments with a target payout ratio of 30-40%.



Comprehensive consideration of future growth strategies and the continuation of stable return of profits to shareholders

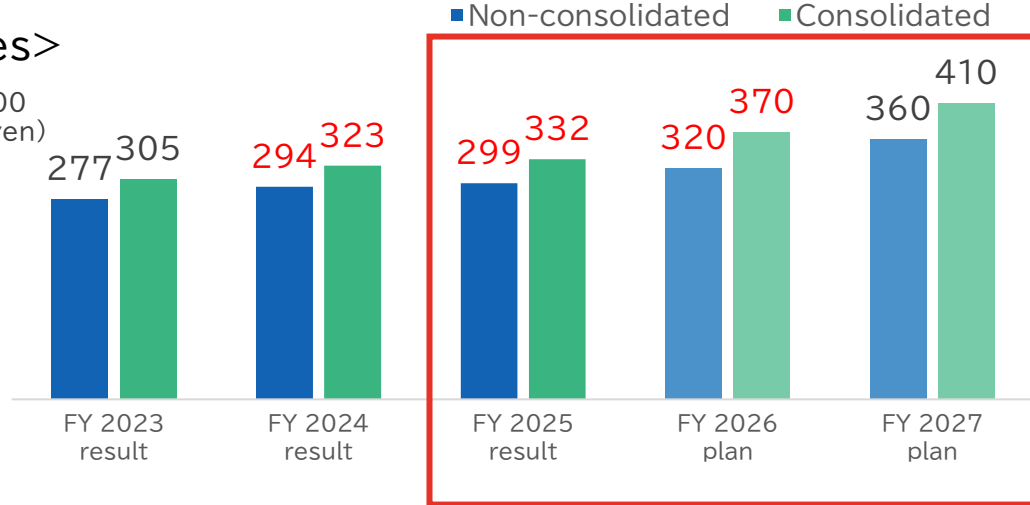
Annual dividends per share
15 yen per share

Dividend yield: 3.1%
* March 31, 2025 Share price
(closing price): 487 yen

6. Financial Results and Outlook

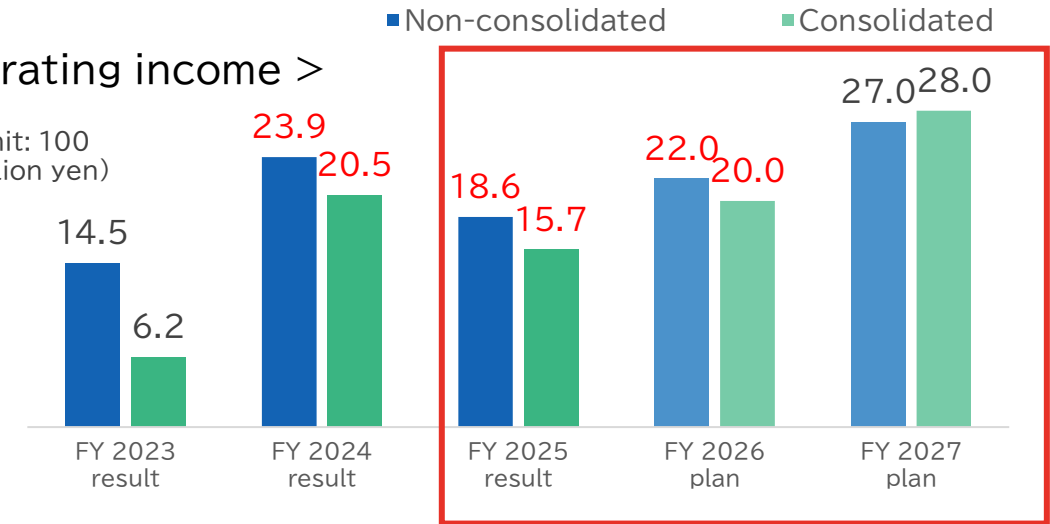
< Sales >

(Unit: 100 million yen)



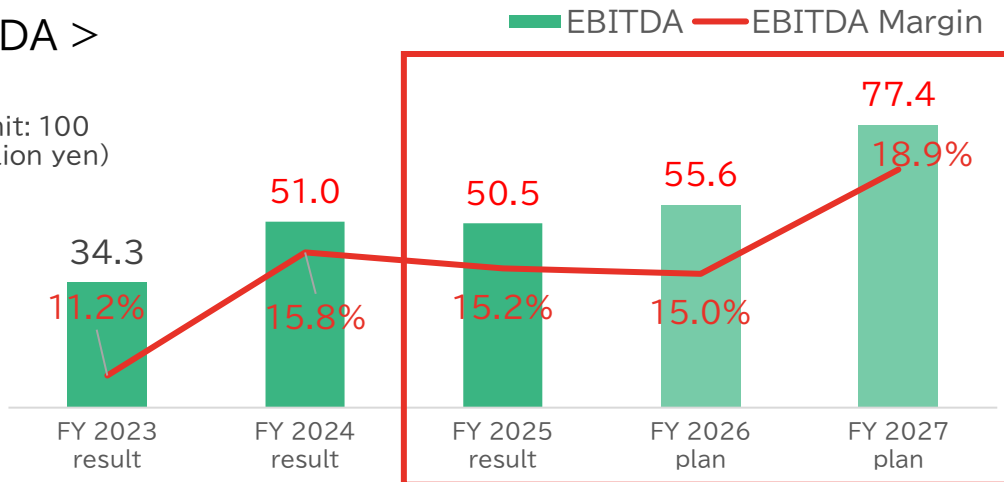
< Operating income >

(Unit: 100 million yen)



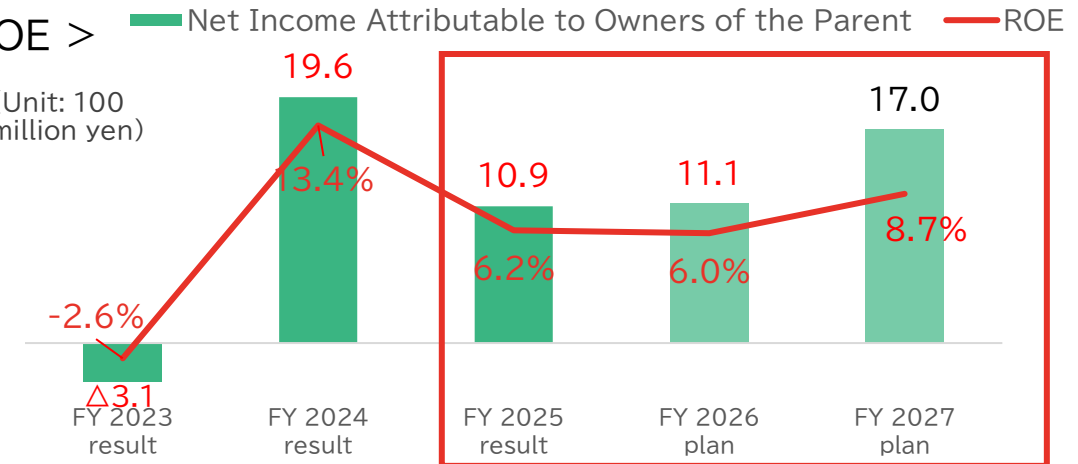
< EBITDA >

(Unit: 100 million yen)



< ROE >

(Unit: 100 million yen)



- Consolidated net sales for the fiscal year ending March 2027 were ¥ 41 billion, and we will lay the groundwork to achieve consolidated net sales of ¥ 50 billion.
- Continue to improve profit structure and increase operating income
- Strengthen cash generation and aim for EBITDA of 7.74 billion yen
- Aim to increase profitability and achieve ROE of 8.7% (fiscal year ending March 2027)