

NEWS RELEASE

For Immediate Release

October 6, 2026

Farmnote, Inc.
Impact Capital Limited
SOCIALX, INC.
QR Investment Co., Ltd.

Farmnote Completes Third-Party Allotment of Shares to Two Impact Investment Funds — Accelerating Dairy Farmers' Management Enhancement through AI and Real-World Implementation



Farmnote, Inc. (headquarters: Obihiro, Hokkaido; President and CEO: Shinya Kobayashi, hereinafter “Farmnote”) has completed a third-party allotment of shares (hereinafter “this Round”) with Impact Capital I Limited Partnership (hereinafter “Impact Capital”) and Social X Impact Investment Limited Partnership (hereinafter “Social X”) as the subscribers (the amount raised is undisclosed).

The investments by both funds were made as impact investments (*1), with Impact Capital serving as the lead investor in this Round.

The proceeds from this financing will be used to develop AI agents that support dairy farm operations and management, as well as to expand dairy farm operational and management services provided by the Farmnote Group, thereby accelerating productivity improvements and enhancing management capabilities for dairy farmers.

Overview of This Round

Method	Third-Party Allotment of Shares
Date	September 28, 2026
Investors	·Impact Capital I Limited Partnership (General Partner: Impact Capital I LLP / Partner: Impact Capital Limited [Headquarters: Shibuya-ku, Tokyo, Representative Directors: Chunmei Huang and Sayaka Takatsuka]) ·Social X Impact Investment Limited Partnership (General Partners: SOCIALX, INC. [Headquarters: Shibuya-ku, Tokyo, Representative Director: Hirotaka Ito], QR Investment Co., Ltd. [Headquarters: Kanazawa, Ishikawa, President and Representative Director: Tetsunari Matoba])
Lead Investor	Impact Capital

Background – Structural Changes Affecting Dairy Farm Management

Japan's dairy farming industry is facing three concurrent pressures: a shrinking and aging workforce, rising feed and input costs, and increasing management complexity associated with larger-scale operations.

Amid this challenging environment, the sustainability and resilience of dairy farm management do not necessarily correlate with the scale of their operations. Improving productivity and strengthening management capabilities are therefore becoming increasingly important for dairy farmers.

Farmnote's Initiatives

Since its founding in 2013, Farmnote has been building solutions that support data-driven dairy farm operations and management decision-making.

- “Farmnote Cloud”, a herd management system, is used to manage approximately 380,000 cattle, representing about 10% of Japan's total cattle population.
- “Farmnote Color”, a wearable device attached to cows, enables real-time detection of signs of estrus and disease.
- Genomic testing supports breeding improvements based on the genetic potential of individual cattle and herds (“Farmnote Gene”).
- In July 2026, Farmnote announced support for MCP (Model Context Protocol), a system enabling generative AI to directly access and utilize herd data.
- Farmnote Dairy Platform, Inc., a subsidiary of Farmnote, operates 2 company-owned dairy farms in Hokkaido and additionally manages farms on behalf of third parties. Through these activities, it currently participates in the management of six dairy farms across Hokkaido.

One of Farmnote's key differentiators is that, in addition to being a provider of dairy farming solutions, it directly owns and operates farms where its solutions are implemented.

Farmnote has systematized the management expertise developed through its own farm operations, aimed at achieving high productivity and profitability, and is expanding these practices to client dairy farmers.

Currently, dairy farmers themselves interpret and act on the data from these solutions. Looking ahead, the company aims to build a system in which AI agents integrate and analyze diverse data sources to support both production management and business management.



Checking data detected by the "Farmnote Color" wearable device attached to a cow's neck via a smartphone



A dairy farm operated by Farmnote Dairy Platform, Inc. in Hokkaido

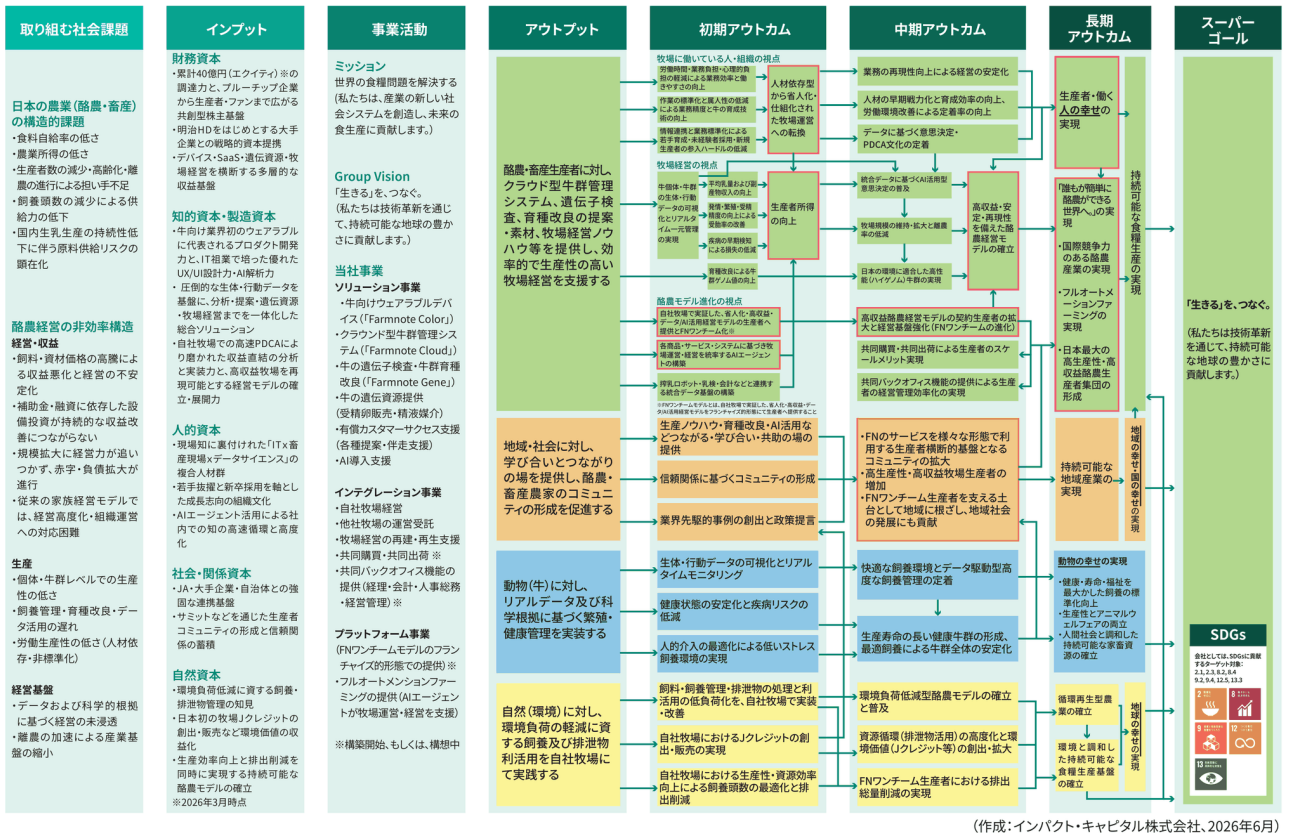
The Investment Decision Making Process – Visualizing through a Logic Model

In this financing round, through ongoing dialogue with Impact Capital, the lead investor, the social impact created through Farmnote's business activities was visualized, and a logic model (developed by Impact Capital; see below) and proposed impact indicators were formulated.

In addition, Farmnote and Impact Capital reviewed Farmnote's competitive advantages and underlying business strengths from integrated capital perspective, which comprises six forms of capital essential for sustainable corporate growth, namely financial, intellectual, manufactured, human, social and relationship, and natural capital.

Both parties also discussed sustainability- and impact-related risks, as well as measures to mitigate those risks.

ロジックモデル



(作成:インパクト・キャピタル株式会社, 2026年6月)

Logic Model (Developed by Impact Capital Limited) (in Japanese)

Future Plans

Farmnote will continue to develop AI agents and expand its support for dairy farm operations and management in collaboration with both impact investors. The company will also accelerate the implementation of insights gained from its own farms and the farms in which it participates in management.

By combining data, AI, and on-the-ground operational expertise, Farmnote aims to improve the replicability of highly productive and profitable dairy farm management and build a management support platform that can be deployed to a greater number of dairy farmers.

Through the use of AI, the company seeks to enhance the sustainability of dairy farming and contribute to passing the industry on to future generations.

Impact Capital will support Farmnote's sustainability driven management while helping the company create social value and achieve sustainable business growth.

Social X will support Farmnote's initiatives from the perspectives of securing farm successors and workers in local communities and regional revitalization, leveraging its expertise gained through open innovation projects between corporations and local governments.

Use of Funds

The funds will be used to strengthen Farmnote's overall business foundation, develop AI agents, and expand dairy farm operations by its group companies, including outsourced farm management and management support services.

Comments

Comment from the Investee	We would like to express our sincere gratitude to Impact Capital, QR Investment, and SOCIALX for their strong support.
Farmnote, Inc.	
President and CEO	We are convinced that our efforts to "Create the Brain of Global Agriculture" will be further accelerated through our partnership with these impact investment funds.
Shinya Kobayashi	Our vision, "Connecting Life for the Future," reflects our commitment to continuously and thoughtfully consider how we engage with society as global citizens. Through this partnership, we will further strengthen our efforts toward realizing sustainable food production.

Comment from the Lead Investor	Farmnote is addressing structural challenges facing the dairy and livestock industries, including labor shortages and management practices that rely heavily on individual experience.
Impact Capital Limited	
Representative Director	Farmnote has demonstrated labor-saving, highly profitable, and data- and AI-driven dairy farm management models and solutions on its own farms. By bringing these proven solutions to client dairy farmers, Farmnote is contributing to productivity improvement and the realization of sustainable food production.
Chunmei Huang	Impact Capital made this impact investment not only because we believe Farmnote's business has the potential to transform the entire dairy and livestock value chain, but also because we value the company's commitment to engaging with the industry through initiatives such as building dairy farmer communities.
	Going forward, we will work together with Farmnote to measure and visualize its impact, utilize the results to improve management and business operations, and support a virtuous cycle of business growth and social value creation.

Comment from the Co-Investors

Co-Partner

SOCIALX, INC.

Hiroataka Ito

Co-Partner

QR Investment Co., Ltd.

Susumu Kawaba

What we value is not viewing the resolution of social issues and business growth as separate objectives. Farmnote is working directly in the field of dairy farming, implementing technology while striving to transform the industry itself into a more sustainable one.

We believe that social challenges are not only issues to be addressed, but also starting points for creating new industries and business opportunities.

Through this investment, we hope to support Farmnote's further business growth and help expand its social impact through broader implementation and deployment across local communities.

Company Overview

Farmnote, Inc.

Location: 3-4, Nishi 8-jo Minami 18-chome, Obihiro, Hokkaido / Established: November 2013 / President and CEO: Shinya Kobayashi

Business Description: Development and provision of IoT and AI platforms for dairy farming and livestock / URL: <https://farmnote.jp/>

Impact Capital Limited

Location: 1-3-9 Uehara, Shibuya-ku, Tokyo / Business Start: February 2024 / Representative Directors: Chunmei Huang and Sayaka Takatsuka

Managed Fund: Impact Capital I Limited Partnership (Launched in May 2024 / Fund Size: 7 billion yen / Fund term: 10 years)

Business Description: Contributing to the creation of a vibrant colorful society, where diversity is recognized, and choices are made based on individuals' values through impact investing / URL: <https://impactcapital.jp/>

Social X Impact Investment Limited Partnership

・GP: SOCIALX, INC.

Location: Shibuya Hikarie 32F, 2-21-1 Shibuya, Shibuya-ku, Tokyo / Established: November 2021 / Representative Director: Hirotaka Ito

Business Description: Support for new business development, open innovation, regional revitalization, impact startup investments / URL: <https://socialx.inc/>

・GP: QR Investment Co., Ltd.

Location: 2-12-24 Hirooka, Kanazawa, Ishikawa / Established: June 2021 / President and Representative Director: Tetsunari Matoba

Business Description: Guided by the philosophy of “Creating a Sustainable Future through Investment,” the company contributes to improving the quality of local communities by providing equity investments, financial solutions, and diverse networks to companies and projects in Japan and abroad. / URL: <https://www.ccig.co.jp/qri/>

*1 Impact Investment: Investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.

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