Financial Results for the Fiscal Year Ended December 31, 2025

Lion Corporation

February 12, 2026

Contents

- Fiscal 2025 Financial Results
- Fiscal 2026 Key Measures
- Fiscal 2026 Forecast of Consolidated Results and Capital Policy
- Progress of Vision2030 2nd STAGE

Today's Highlights

Fiscal 2025 Results Summary

＊Figures in parentheses indicate Y-o-Y change

Net sales	Core operating income	EBITDA margin	ROIC	EPS
¥422.09billion (+2.2%)	¥30.76billion (+16.8%)	11.7% (+0.8 points)	6.7% (+0.9 points)	¥99.74 (+30.4%)

- **Achieved targets for the second consecutive fiscal year,** advanced 2nd STAGE strategies, and increased sales and profit
- Profit structure reforms progressed faster than planned in Consumer Products and new products launched in the 2nd half boosted sales momentum
- Although quantitative growth in the overseas business struggled due to environmental changes, profit-focused management secured increased sales and profit
- Built foundation for future growth focused on organizational management reform

2026 Policies

- **Further accelerate business portfolio reform and shift to high-profit businesses**
  (transfer of chemical products business, acquisition of PNB, solidify business growth opportunities for oral healthcare)
- Reform management processes to accelerate strategy execution and decision-making
  Accelerate the benefits of the business unit structure
- Enhance shareholder returns (planned **+¥4 to dividend** Y-o-Y to ¥34 annual dividend with payout ratio of **37.6%**)

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Fiscal 2025 Consolidated Results

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Firm start to achieving full-year targets and strengthening profitability improved margins

(Billions of yen)	2025	2024	Y-o-Y change		Deviation from forecast (% deviation)
			Amount	%	
Net sales	422.0	412.9	9.1	2.2 1.4*5 2.0*6	2.0 0.5
Core operating income*1 % of net sales	30.7 7.3	26.3 6.4	4.4	16.8	0.7 2.5
Operating profit % of net sales	36.3 8.6	28.3 6.9	7.9	28.1	1.3 3.9
Profit for the interim period attributable to owners of the parent	27.5	21.1	6.3	30.1	2.5 10.4
EPS (Yen)	99.74	76.51	23.23	30.4	9.5 10.5
EBITDA*2	49.3	45.1	4.17	9.2	
EBITDA margin (%)*3	11.7	10.9	—	0.8PP	
ROIC(%)*4	6.7	5.8	—	0.9PP	
ROE(%)	9.0	7.4	—	1.6PP	

Notes 1. Core operating income is an earnings indicator the Company uses to measure regular business performance by subtracting selling, general and administrative expenses from gross profit.
2. EBITDA: An indicator of profitability on a cash basis calculated as the sum of core operating income and depreciation and amortization.
3. EBITDA margin: The ratio of EBITDA to consolidated net sales.
4. ROIC is an indicator calculated from net operating profit after tax (NOPAT) divided by the average invested capital (total equity plus interest bearing liabilities) during the period, and measures the efficiency and profitability of the invested equity.
5. Y-o-Y change at constant currency excluding exchange rate fluctuations.
6. Y-o-Y change excluding exchange rate fluctuations and the impact of business transfers.

Year-on-Year Changes in Core Operating Income

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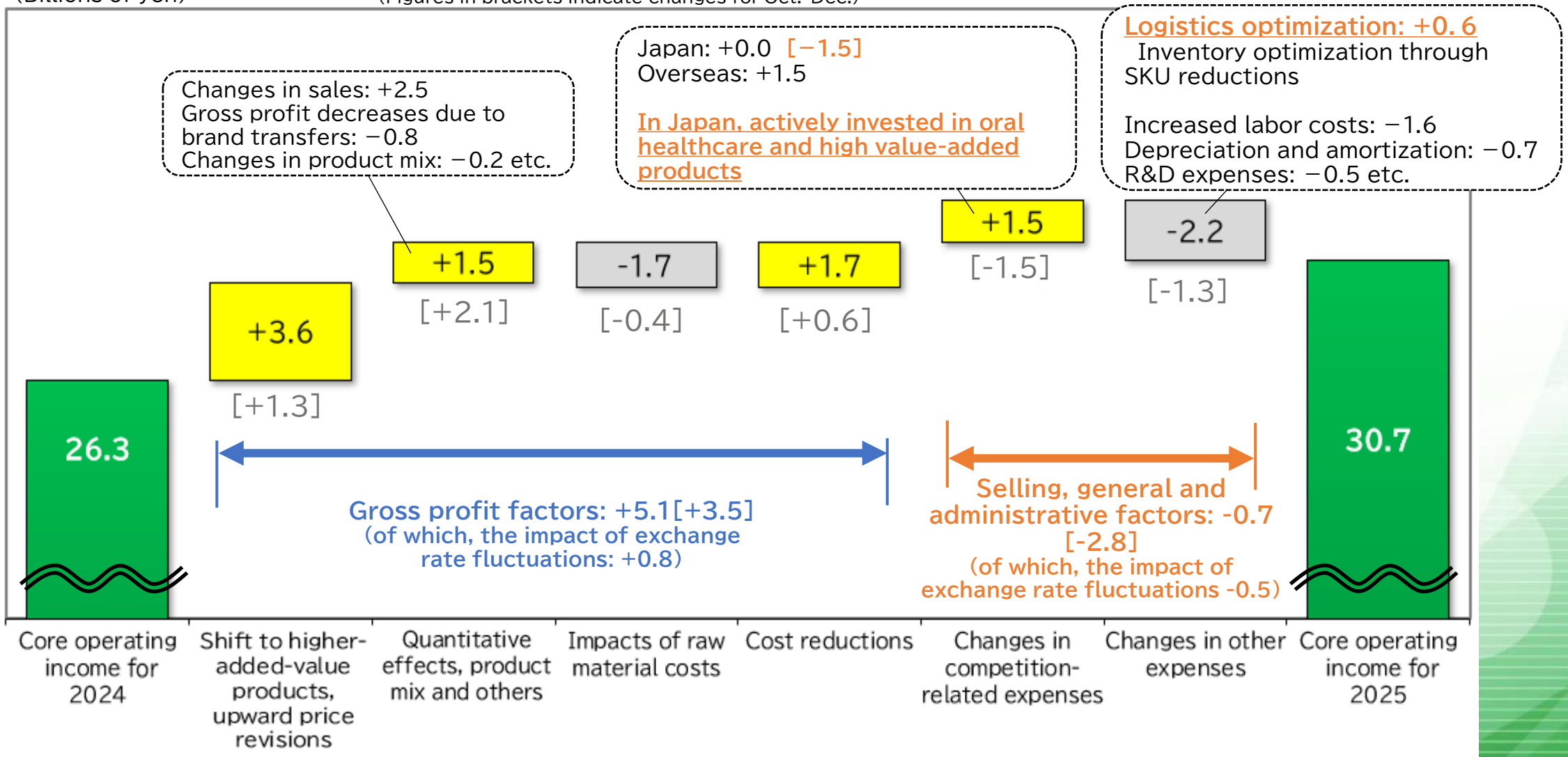
Gross profit increased due to the shift to high value-added products and upward price revisions, and profit structure reforms proceeded in line with plans

(Billions of yen)

(Figures in brackets indicate changes for Oct.–Dec.)



Fiscal 2025 Results by Business Segment

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Sales and profit increased in both Consumer Products and Overseas
Consumer Products profit margin increased by 1.4 points due to structural reforms

(Billions of yen)	Net sales*				Core operating income			
	2025	2024	Y-o-Y change		2025, % of net sales	2024, % of net sales	Y-o-Y change	
			Amount	%			Amount	%
Consumer Products	258.8	254.8	4.0	1.6	21.6	17.8	3.7	21.3
	223.7	222.7	1.0	0.5	8.4	7.0		+1.4PP
Industrial Products	58.3	55.1	3.1	5.7	2.8	2.8	0.0	3.2
	39.3	38.1	1.1	3.0	5.0	5.1		(0.1PP)
Overseas	177.9	171.8	6.1	3.6	8.1	6.5	1.6	25.5
	158.1	150.7	7.3	4.9	4.6	3.8		+0.8PP
Other	9.9	16.7	(6.8)	(40.8)	(0.1)	0.2	(0.4)	—
	0.9	1.2	(0.3)	(29.5)	(1.8)	1.7		
Adjustment	(83.0)	(85.7)	2.6	—	(1.7)	(1.1)	(0.6)	—
	—	—	—	—				
Consolidated Total	422.0	412.9	9.1	2.2	30.7	26.3	4.4	16.8
					7.3	6.4		+0.9PP

* Upper lines: net sales; lower lines: sales to external customers

Note: Previously, transactions related to overseas support functions were attributed to the Consumer Products business segment, but in light of the growing importance of the Overseas business segment, accounting for these items has been transferred to the Overseas business segment starting from the beginning of fiscal 2025. Segment information for the previous consolidated fiscal year has been reclassified to reflect this change.

Consumer Products Business Net Sales by Product Category

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Oral Healthcare, a Top Priority Business, saw growth driven by high-end toothpaste
Fabric Care sales declined, but profitability improved significantly due to structural reform measures

(Billions of yen)	Net sales				Profitability Trend (Y-o-Y change)
	2025	2024	Y-o-Y change		
			Amount	%	
Oral Healthcare	80.2	76.5	3.6	4.7	↗
Beauty Care	25.1	24.5	0.5	2.3	↘
Fabric Care	56.0	57.1	(1.0)	(1.8)	↗
Living Care	20.9	21.4	(0.4)	(2.2) (0.7)*	↗
Pharmaceutical	24.1	25.1	(0.9)	(3.9) 2.1*	↗
Other	52.3	49.9	2.3	4.6 5.0*	↗
Total	258.8	254.8	4.0	1.6 2.4*	↗

* Actual rate of change excludes the impact of business and brand transfers

Overview of Consumer Products: Sales Changes Over Time

Category	Net sales Y-o-Y change (%)		Comments
	Jan.-Sep.	Oct.-Dec.	
Oral Healthcare	+4.6	+5.2	• High value-added products in mainstay brands performed favorably, and **new product *Dent Health Medicated Toothpaste DX Premium* contributed to sales** *Dent Health* brand sales in October–December up 13% year on year
Beauty Care	+1.5	+4.6	• In hand soaps, sales of *KireiKirei* Medicated Hand Conditioning Soap continued to be firm and *KireiKirei* foaming hand soaps, supported by enhanced promotions, also expanded, driving sales across the category
Fabric Care	(2.2)	(0.7)	• Laundry detergents performed steadily • In fabric softeners, *SOFLAN Premium Deodorizer* continued to struggle, but the revamped *Aroma Rich* saw favorable sales with **profit continuing to improve slightly**
Living Care	+0.7	(4.1)*	• Launched new high value-added products in the *LOOK Plus Bath Cleansing* bath detergent and *Toilet Cleansing Spray* toilet cleaner to strong performance • Volume decreased with the reduction of low-profit SKUs, but product **mix improved**
Pharmaceutical	+0.2*	+7.2*	• **Products targeting inbound tourists continued to perform favorably** (*Kyusoku Jikan, PAIR*, etc.) • Launched high-end promotional eye drop product and sales were steady

* Real change excluding the impacts of brand transfers

Overseas Business Results by Region

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Overall sales and profit increased due to strong performance in Malaysia and the acquisition in Vietnam

(Billions of yen)	Net sales					Core operating income			
	2025	2024	Y-o-Y change			2025, % of net sales	2024, % of net sales	Y-o-Y change	
			Amount	%	Real rate (%)*1			Amount	%*2
Southeast and South Asia	110.2	101.8	8.3	8.2	3.2	7.1 6.4	4.9 4.9	2.1	42.3 +1.5PP
Northeast Asia	67.7	69.9	(2.2)	(3.2)	(1.0)	1.0 1.6	1.5 2.2	(0.4)	(29.6) (0.6PP)
Total	177.9	171.8	6.1	3.6	1.5	8.1 4.6	6.5 3.8	1.6	25.5 +0.8PP

■ Status of business in Key Countries

(Billions of yen)	External net sales*3				Profitability Trend (Y-o-Y change)	Personal care field*4 ratio to consolidated sales (%)
	2025	Y-o-Y change				
		Amount	%	Real rate (%)*1		
Thailand	64.1	2.0	3.4	(2.1)	↗	34.5 (+2.2PP)
Malaysia	25.5	3.1	14.3	8.5	↗	22.5 (+0.4PP)
China*5	27.3	0.6	2.3	3.5	→	87.1 (+1.6PP)
South Korea	18.0	(1.7)	(8.7)	(3.8)	↘	34.4 (+3.3PP)

Notes
1. Real rate refers to the rate of change, excluding the effects of exchange rate fluctuations
2. Parentheses indicate change in core operating income ratio
3. External sales: Total sales, excluding internal sales within and among segments
4. Personal care net sales: Total net sales from the oral care, beauty care and pharmaceutical product fields (calculated based on Lion shipment amounts; year-on-year change rate excludes the effects of exchange rate fluctuations)
5. Qingdao Lion

Overseas Business
Status of Business in Key Countries: Sales Changes Over Time

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	External sales Real rate (%)*1		Oct.–Dec. Comments
	Jan.–Sep.	Oct.–Dec.	
Thailand	(0.8) ↘	(5.3)	➢ Exports to Cambodia continued to decline due to geopolitical issues (**Excluding exports, sales grew steadily with growth in the personal care category**) ➢ Oral healthcare sales grew due to active marketing measures (Sales in Oct.–Dec. 112% Y-o-Y)
Malaysia	+5.6 ↗	+19.5	➢ **Oral healthcare grew significantly due to strengthened in-store initiatives focused on the local *Fresh & White* brand** ➢ Sales of consistently strong liquid laundry detergent were up significantly year on year due to the strength of revamped products ➢ Also saw impacts of government measures to stimulate demand
China*2	(0.7) ↗	+16.3	➢ Amid growing consumption polarization, high value-added products continued to perform favorably due to new product launches (Sales of the *CLINICA* brand were up 29% Y-o-Y from Oct.–Dec., and sales of the *SYSTEMA* brand were up 23% Y-o-Y from Oct.–Dec.) ➢ **Strengthened offline channels, primarily through expanding key retail outlets, also helped to secure higher profit**
South Korea	(4.5) ↗	(1.6)	➢ Although exports declined to surrounding countries, performance began **trending towards recovery due to expansion of product range and strengthened local operations** ➢ Focused on expanding high-profit businesses, including by growing sales of mainstay hand soaps and introducing Japanese oral healthcare products

*1 Real rate refers to the rate of change, excluding the effects of exchange rate fluctuations
*2 Qingdao Lion

Formulated three basic policies to strengthen profitability and established key indicators focused on increasing corporate value

Three Basic Policies

Strengthen business portfolio management

Realize a profitable business portfolio by sharpening the allocation of management resources

- Accelerate growth in oral healthcare
- Strengthen overseas growth initiatives
- Reform profit structure in Consumer Products

Strengthen Management base

Strengthen foundation for sustainable business growth and efficient operations

- Strengthen Group R&D systems
- Strengthen profitability with DX
- Strengthen corporate governance

Generate dynamism

Fully leverage Group assets to enhance strategy implementation and generate dynamism

- Strengthen brand asset utilization
- Enhance human capital value & strengthen organizational management

Theme
Strengthen Profitability

2nd STAGE Key Indicators

2027 Targets

EBITDA margin
13% or higher

ROIC
8-9%

EPS CAGR*
11% or higher

* Compound annual growth rate of basic earnings per share

Measures in the First Year of 2nd STAGE: Accelerate Growth in Oral Healthcare

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Realized Y-o-Y growth in all key countries due to brand strategies and marketing measures customized for each country's situation

＊Parentheses indicate net sales Y-o-Y

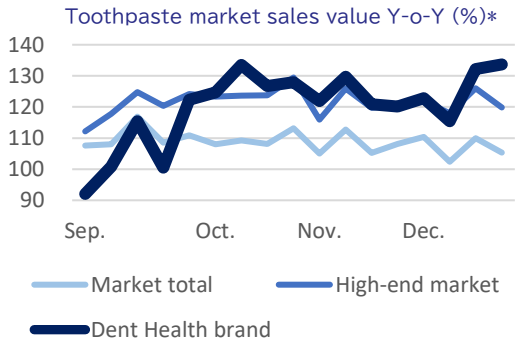
High value-added brands contributed

Japan (105%)

・Launched new highest-ever priced product in September, and share of the high-end range (¥1,000+) is growing



Status of new products since launch



China (103%)

・High value-added brands with focused development saw total share of sales increase by 8.9% Y-o-Y (Total for *CLINICA, SYSTEMA, DENT.*)
・Also focused on offline retail outlets and expanded to 2,000 locations in the year



New *CLINICA* products
- ✓ Highly distinctive new products developed at the Shanghai research center
- ✓ Test marketing on e-commerce channels to expand sales was successful

Source: Lion survey

Strengthen distribution of local brands in collaboration with joint venture partners

Thailand (114%)

・Achieved major growth in Oct.–Dec. with a radical review of oral healthcare strategy (redefining strategies by brand and identifying distribution targets)

SALZ rebranding
- ✓ Strengthened delivery to untapped areas and channels (rural areas, convenience stores, etc.)
- ✓ Revamped marketing to appeal to a younger demographic



Malaysia (120%)

・Increase investment in oral healthcare and strengthened promotions

Fresh&White
Brand is up 12% Y-o-Y

- ✓ Aggressive in-store measures



Group total Oral healthcare sales growth rate **5.2% (Y-o-Y)**

Measures in the First Year of 2nd STAGE: Reform Profit Structure in Consumer Products

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Key initiatives advanced smoothly, improving margins
New high value-added products launched in the 2nd half of the year accelerated sales momentum

Reform the Profit Structure

Core operating income margin improved by 1.4 points

Key Initiatives and KPI	2025 Progress
Shift towards high value-added products and upward price revisions (2025 target: ¥3.5 billion)	¥3.6 billion
Reduce SKUs (2025 target: Reduce 50–60 SKUs)	Reduced 65SKUs ➡ Sales per SKU: Approx. 1.1 times Gross profit: Approx. 1.2 times*
Clarify separation of business fields (Strengthen priority areas and streamline non-priority areas)	Completed transfer of food preparation product brand
Streamline competition-related expenses (2027 target: Reduce ratio of net sales to competition-related expenses by 2 points vs. 2023)	Down1.5 points*

* Compared to 2023

Return to sales growth

In the living care category, where improving profitability is a challenge, new high value-added products are **above market**

Proposing a new habit of no-scrub cleaning



LOOK Plus Bath Cleansing
141.4%* after launch



LOOK Plus Toilet Cleansing Spray
209.5%* after launch

* Source: INTAGE Inc. SRI survey (13 weeks before and after launch)

2nd STAGE: Achievements and Challenges in its 1st Year

2025 Achievements and Challenges

- Progress in reform of revenue structure of Consumer Products
- Oral healthcare growth rate (Group total) was within expected range
- Secured higher sales and profit in the overseas business through management focused on profitable growth given environmental changes

Key Themes for 2026

- Although we expect the challenging difficult business environment to remain, especially in certain key countries, **we will cultivate highly profitable businesses across the Group while accelerating measures to strengthen profitability**

  ・Japan: Continue profit structure reforms and shift toward high value-added products
  ・Overseas: Achieve steady growth by strengthening and accelerating last year's success measures in key countries, and develop future growth drivers by investing in expanding into new countries

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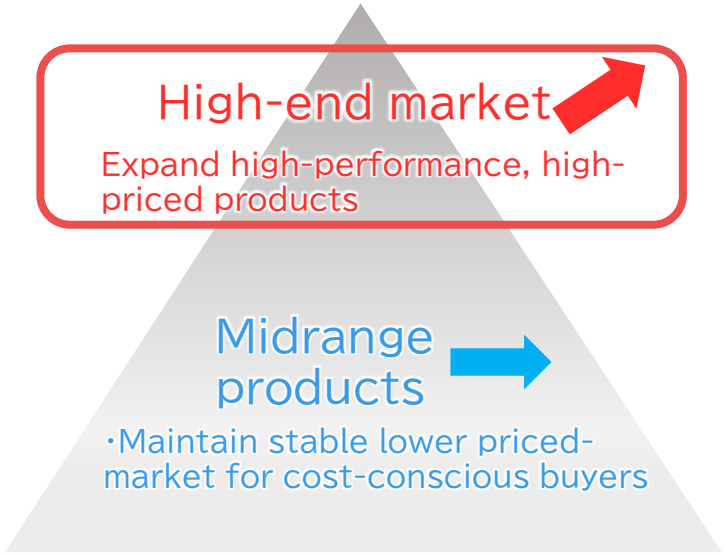
2026 Strategy Direction

Adapt to consumption polarization and realize profitable growth by strengthening development of highly profitable businesses and improving efficiency of invested capital

Market trends

Consumption polarization continues to progress in major countries including Japan



Strategy Direction

2nd STAGE theme:
Strengthen profitability

- Prioritize development of highly profitable businesses and brands
- Conduct disciplined investment in line with business portfolio strategy

Towards further profitable growth

Transforming Business Portfolio Management

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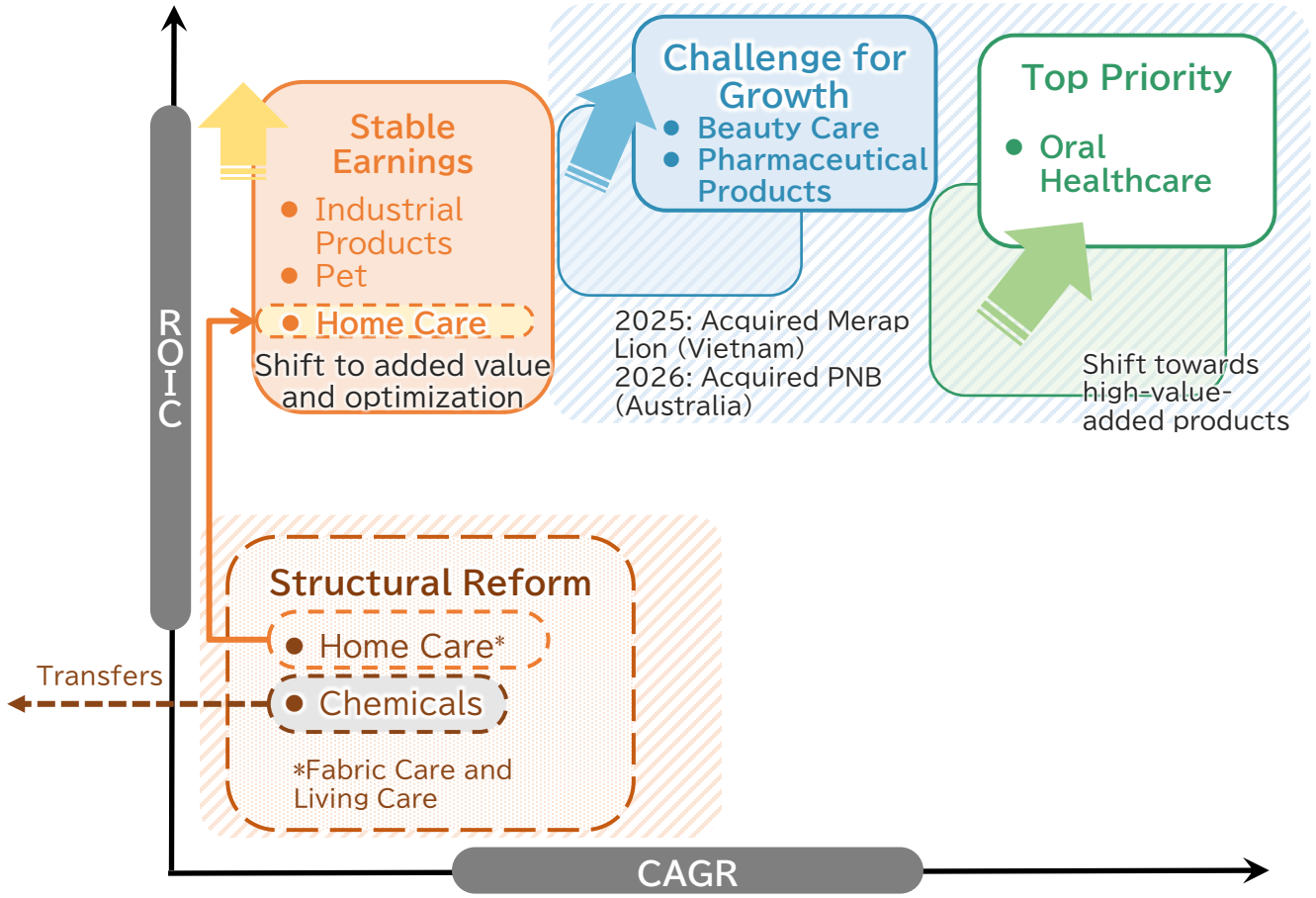
Focus management resources on Top Priority and Challenge for Growth businesses to realize profitable growth

Some results achieved through structural reform promoting profit improvement in the home care business and the transfer of the chemicals business.

■ **Main Business Visions(2026-)**



2026 Actions

- **Focus on further expansion of oral healthcare business both domestically and internationally**
- **Acquired a new business growth base in Australia**

Home care
- **Reform profit structure to transform into a Stable Earnings business**

Chemicals
- **Resolved to transfer shares in two chemical product subsidiaries**

＊Each business includes both domestic and overseas operations

Top Priority

Oral Healthcare: Measures to Shift towards High Value-Added Products in Japan

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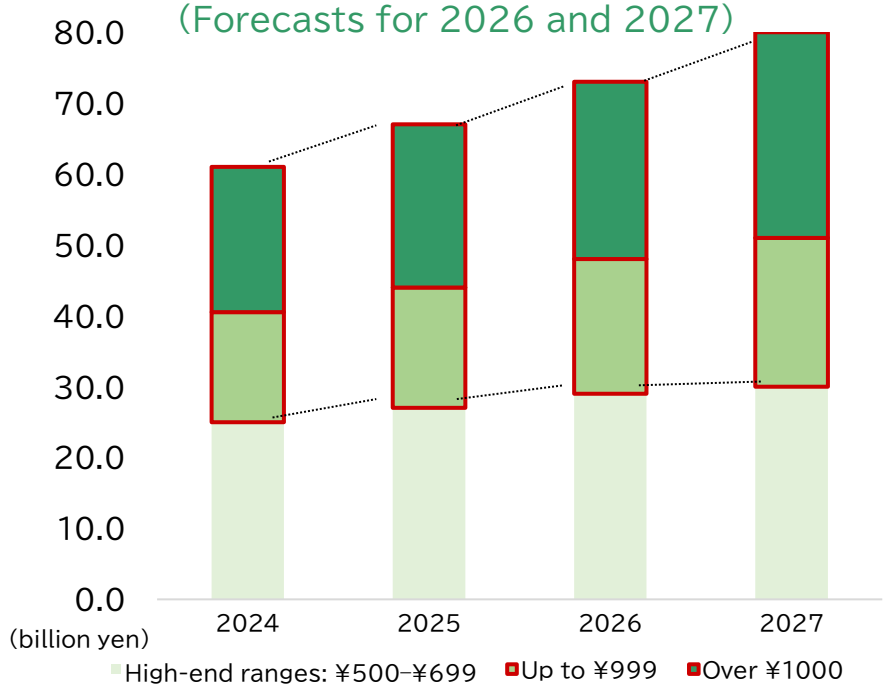
Leading the high-end periodontal disease care market*, which we expect to expand further in the future

* General term for inflamed gums and periodontitis

Market expansion

Potential market size for high-end toothpastes such as those that prevent periodontal disease
(Forecasts for 2026 and 2027)



Source: Lion survey

Measures as a leading company

システマ ハグキプラス

今ある歯を1本でも多く守る デントヘルス

Strengthen functionality of mainstay brands

Periodontal disease care

Utilize new technologies in products for the dental clinic route

Penetrate services



Relaunched *SYSTEMA Haguki (the Gums) Plus Premium toothpaste*

- Strong product 111% Y-o-Y
- New formula with ingredients suppressing glycation, which is attracting attention in the beauty and health areas
- Upwardly revise price **(approx. 1.1 times)**



Expand service business to create a positive loop of professional and self-care

・Launch toothpaste with new periodontal disease prevention technology (oral microbiome control)
・Expand lineup addressing different levels of periodontal disease risk

⇒ Aggregate knowledge and develop products using this technology on the market

OraCo

Educational support service for dental clinic patients (launched April 2025)



Service use increased periodic visit rates and rates of use of preventive care products

Top Priority

Oral Healthcare: Strengthen Measures Overseas

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Further strengthen successful 2025 measures in key countries
Increase share of overall overseas business to drive profitable growth

China

Advance high value-added strategies in anticipation of increased risk

- Accelerate development of high value-added products
  - ・Concentrate management resources on brands such as *CLINICA* and *SYSTEMA* that continually achieve double-digit growth
  - ・ Aim for stable growth of *White&White*, a brand that has been driving quantitative growth
- Focus on profitability and selective channels

Offline	Identify priority retail outlets and continue expanding to maximize effectiveness
Emerging online channels	Optimize promotional costs and ensure profitability

Thailand

Accelerate profitable growth by implementing **collaborative brand and channel strategy**

- Improve brand value and appeal by customizing marketing to each brand's target demographic
  - ・SALZ: Expand salt toothpaste userbase with new packaging aimed at younger consumers
- Utilize detergent channel dominance to expand distribution
  - ・Increase distribution to high-potential channels (convenience stores, etc.)
  - ・Improve efficiency by narrowing down priority SKUs

Malaysia

Increase volume to prepare for shift towards high value-added products

- Upwardly revise midrange unit prices
  - ・Launch new value-added products in the strong local Fresh&White toothpaste brand and expand distribution

Challenge for Growth

Trajectory for Beauty Care and Pharmaceutical(Overseas) Products

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- **Create new business opportunities and realize profitable growth***
- Highly profitable businesses will **improve Company-wide margins**

* Narrow investment to specific areas and categories

Create New Business Opportunities

Explore opportunities for business expansion in new countries where high market growth is expected

- **Vietnam**
  Leverage pharmaceutical product sales network based on strong relationships with doctors and specialists, begin to expand business
  →**Launch oral healthcare business** in 2026

- **Bangladesh**
  Strengthen and develop *KODOMO* brand of baby care products (bolster sales structure and expand distribution)
  →**Invest** the margins obtained to **develop new products (toothbrushes, dishwashing detergents)**

Realize Steady Growth

Leverage strong brand power in key countries aimed at profitable growth

- **Thailand**
  Stable and high growth potential with **Shokubutsu body soap, boasting #1 market share**
  →Realize both growth and profitability by revising costs and adding value through stronger branding

- **South Korea**
  #1 market share in hand soaps, and maintain share after upward price revisions



Share: Lion survey

Increase contribution by approaching further growth opportunities as a key way to strengthen profitability

Challenge for Growth

Create New Business Opportunities

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Acquired PNB (100% of shares)
Take on growth opportunities in the beauty care category and business opportunities in Australia

PNB Consolidated Pty Ltd

Net sales: Approx. ¥8 billion (based on 2025 results and total sales)

- Highly profitable business centered on the *Sukin* natural beauty care brand
- Strong market position in Australia (#1* brand sales in natural beauty care)
- Sales channels in over 20 countries and regions, including Europe

* Sales of natural brands in the Australian beauty care market (personal wash, skin care and hair care markets)
Survey period: May 4, 2023–May 3, 2024, using POS data from Circana, Inc.



Strategy Aims

Expand Sukin to establish new, highly profitable business

- Further increase PNB's profitability and efficiency by incorporating Lion's strengths (research and production technology)
- Accelerate expansion of Sukin in Asia by leveraging the Group's infrastructure

Pursue growth opportunities in Australia

- Consider expanding business domain (such as oral healthcare) by utilizing PNB's business foundation

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Structural Reform

Clear Delineation of Non-Priority Businesses

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Resolved to Transfer Shares of 2 Chemical Product Subsidiaries

Subsidiaries: Lion Specialty Chemicals Co., Ltd. (LSC)
PT.IPPOSHA INDONESIA (An LSC subsidiary)

Net sales approx. ¥27 billion, core operating income ratio over 5%
(2025 results, total of sales of both companies)

Transferee: AP88 Co., Ltd. (a special purpose company supported by a fund serviced by Advantage Partners, Inc.)

Transfer Date: June 30, 2026 (Tentative)

＊Impacts of this transfer have already been factored into the forecast for fiscal 2026

Reasons for Transfer

- BtoB business with different key factors for success than consumer products
  → Determined that being under the Group's umbrella is sub-optimal for further business growth
- To further expand the business in the future, Lion decided that Advantage Partners, with its external resources and many subsidiaries in related fields, will be the best structure to implement a growth strategy

Strengthen allocation of management resources to key areas and focus on development

Structural Reform

Home Care Business: Measures to Further Improve Profitability

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Achieve both stable business growth and improved profitability by further optimizing business efficiency and launching distinctive new high value-added products

Japan

Launch new high value-added products

Shift to high value and better unit prices by developing proprietary value-added products

New launches from the NANOX brand

- **No-rinse detergent**
- **Anti-mold ball for washing machine drum**
  (Launch scheduled for April 2026)

✓ Utilizes proprietary water-conserving technology

✓ Limited distribution
⇒ Increase success rate and expand sales channels



Improve business efficiency (competition-related expenses, fixed expenses)

Prioritize investment in major product categories and **improve brand presence** of existing products



- Prioritize development of high value-added (PRO) products
  → Increase users of highly concentrated liquid laundry detergent
- Optimize advertising investment through digital advertising and retail media

Reduce fixed expenses by consolidating production lines and optimizing operations

- Change bulk refill bottles into pouches
- Produce outsourced products in-house

Southeast and South Asia

Strengthen response to ongoing shift to liquid detergents

Improve profitability of powder detergents

Thailand

- **Focus competition-related expenses** on high value-added products
- **Maintain usage rates** of powder laundry detergent by expanding distribution to specific regions
- **Improve profitability** of general purpose, low-cost products

Malaysia

- **Strengthen portfolio** by launching new products
- Optimize promotional costs

Reform Profit Structure in Consumer Products

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2026 KPIs | Shift to high value-added products and upward price revisions: +¥3.0 billion
Reduce SKUs: 40～50SKUs

Advance new measures that complement results of those in 2025 to further strengthen profitability

Sustainable price increases and high added value

- **2026 upward price revision actions**



Add value through product relaunches



Expand high value-added lineup through brand reformation and consolidating SKUs within brands



Upwardly revise prices of products with strong market position

Improve profitability and capital efficiency through supply chain optimization

- Fundamentally overhaul SCM system in line with SKU reductions

Key initiatives:
・Establish daily KPI monitoring system
・Build demand forecast model

Targets and progress: (Vs. 1st STAGE average (2022-2024))

	2027 Targets	2025 Progress
Average inventory turnover days	23% reduction	11% reduction
Rate of out-of-stock items	Maintain 50% reduction	50% reduction
Net sales to distribution cost ratio*	15% improvement	9% improvement

* Refers to the number of vehicles and operations required to deliver one product to a consumer

➡Further sophistication will contribute to improved EBITDA and ROIC

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2026 Consolidated Financial Forecast

Aim to increase sales and profits to achieve targets of 2nd STAGE

(Billions of yen)	2026	2025	Y-o-Y change	
			Amount	%
Net sales	430.0	422.0	7.9	1.9
Core operating income*1 % of net sales	35.0 8.1	30.7 7.3	4.2	13.8
Operating profit % of net sales	40.0 9.3	36.3 8.6	3.6	10.0
Profit for the period attributable to owners of the parent	25.0	27.5	(2.5)	(9.4)
EPS (Yen)	90.38	99.74	(9.36)	(9.4)
EBITDA*2	55.0	49.3	5.6	11.5
EBITDA margin (%)*3	12.8	11.7	—	1.1PP
ROIC (%)*4	7.0	6.7	—	0.3PP
ROE (%)	7.7	9.0	—	(1.3PP)

Notes 1. Core operating income is an earnings indicator the Company uses to measure regular business performance by subtracting selling, general and administrative expenses from gross profit.
2. EBITDA is an indicator of profitability on a cash basis calculated as the sum of core operating income and depreciation and amortization (excluding that of right-of-use assets).
3. EBITDA margin: The ratio of EBITDA to consolidated net sales.
4. ROIC is an indicator calculated from net operating profit after tax (NOPAT) divided by the average invested capital (total equity plus interest bearing liabilities) during the period, and measures the efficiency and profitability of the invested equity.

Fiscal 2025 External Sales Forecasts by Business Segment

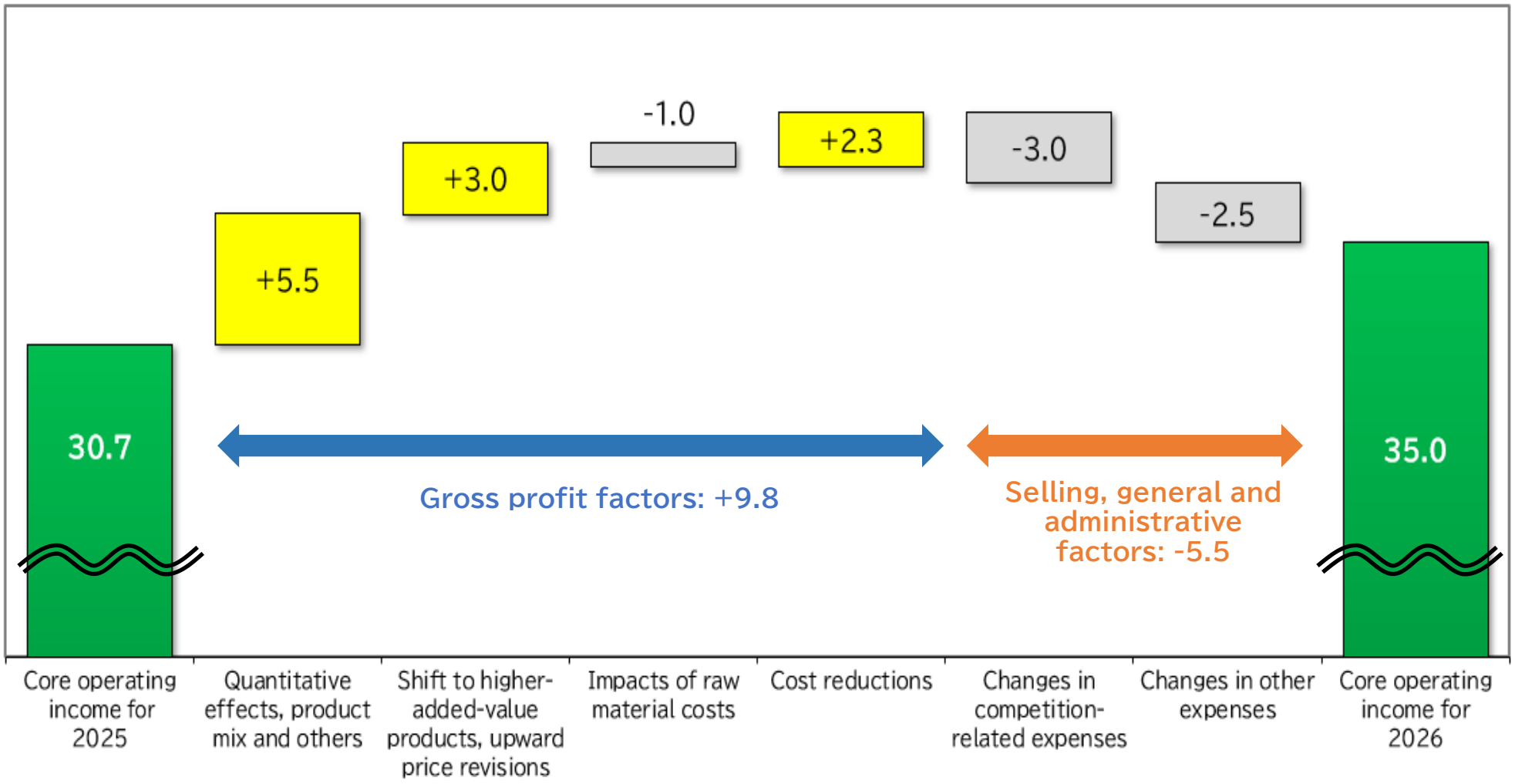
Expect significantly higher sales due to contribution from newly entered countries

(Billions of yen)	External sales			
	2026	2025	Y-o-Y change	
			Amount	%
Consumer Products	227.0	223.7	3.2	1.5
Industrial Products	25.0	39.3	(14.3)	(36.4)
Overseas	177.0	158.1	18.8	11.9
Other	1.0	0.9	0.0	9.3
Consolidated Total	430.0	422.0	7.9	1.9

Year-on-Year Changes in Core Operating Income

Expect profit to increase by ¥4.3 billion due to solid growth, improved profitability in overseas businesses and ongoing reform of the Consumer Products profit structure

(Billions of yen)



2nd STAGE Capital Allocation

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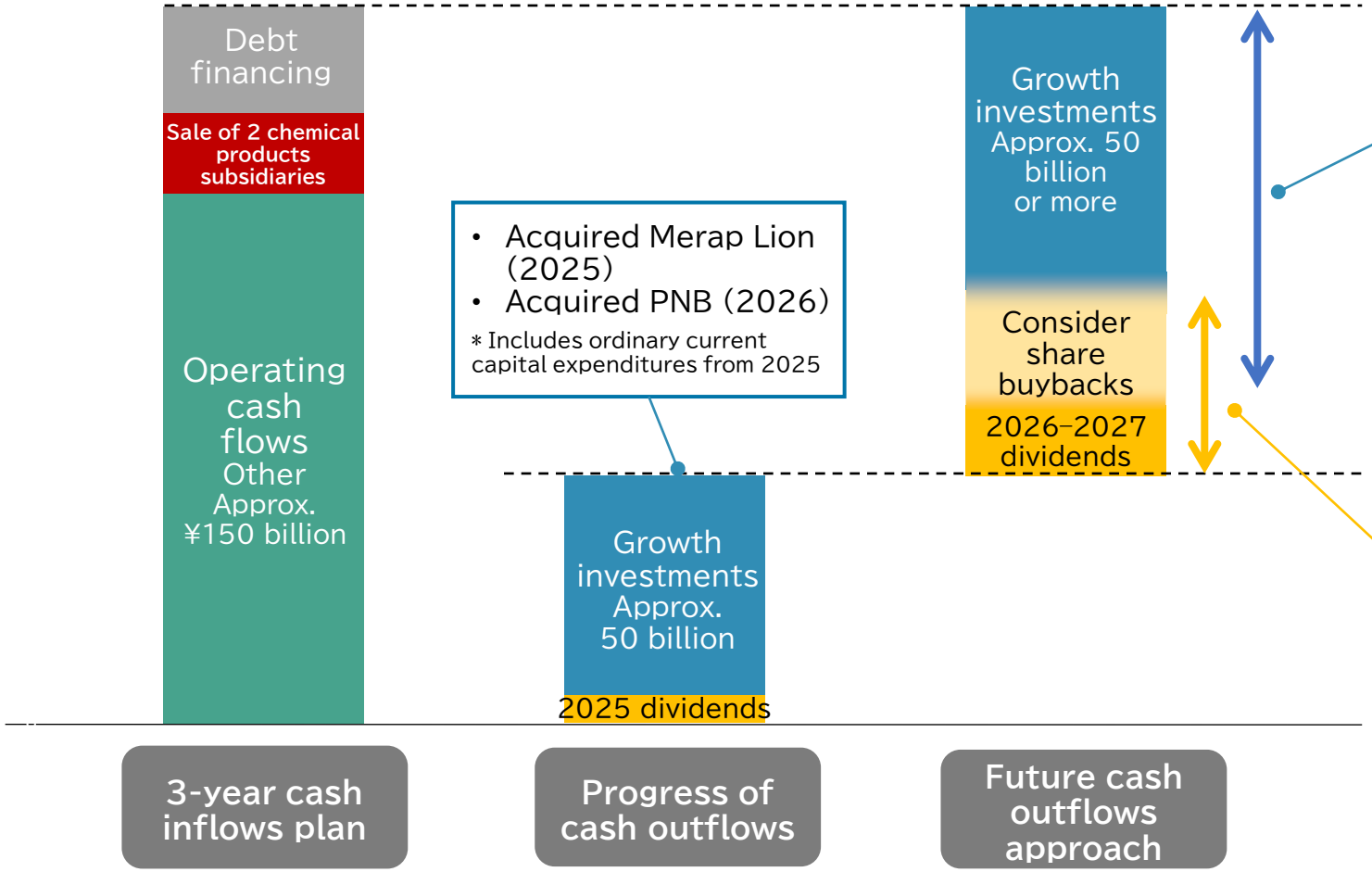
Improve shareholder returns by continuing to increase dividends and flexibly acquiring treasury stock, while implementing disciplined growth investments focused on oral healthcare



2026–2027 Disciplined Growth Investments

Conduct **the oral healthcare business** as the highest priority
(capital expenditure, M&A)

Strengthen Shareholder Returns

✓**Achieve annually increased dividends** based on progressive dividend policy

✓**Consider flexible acquisition of treasury stock** while considering growth investments, improved capital efficiency, etc.

2nd STAGE: Shareholder Return Measures

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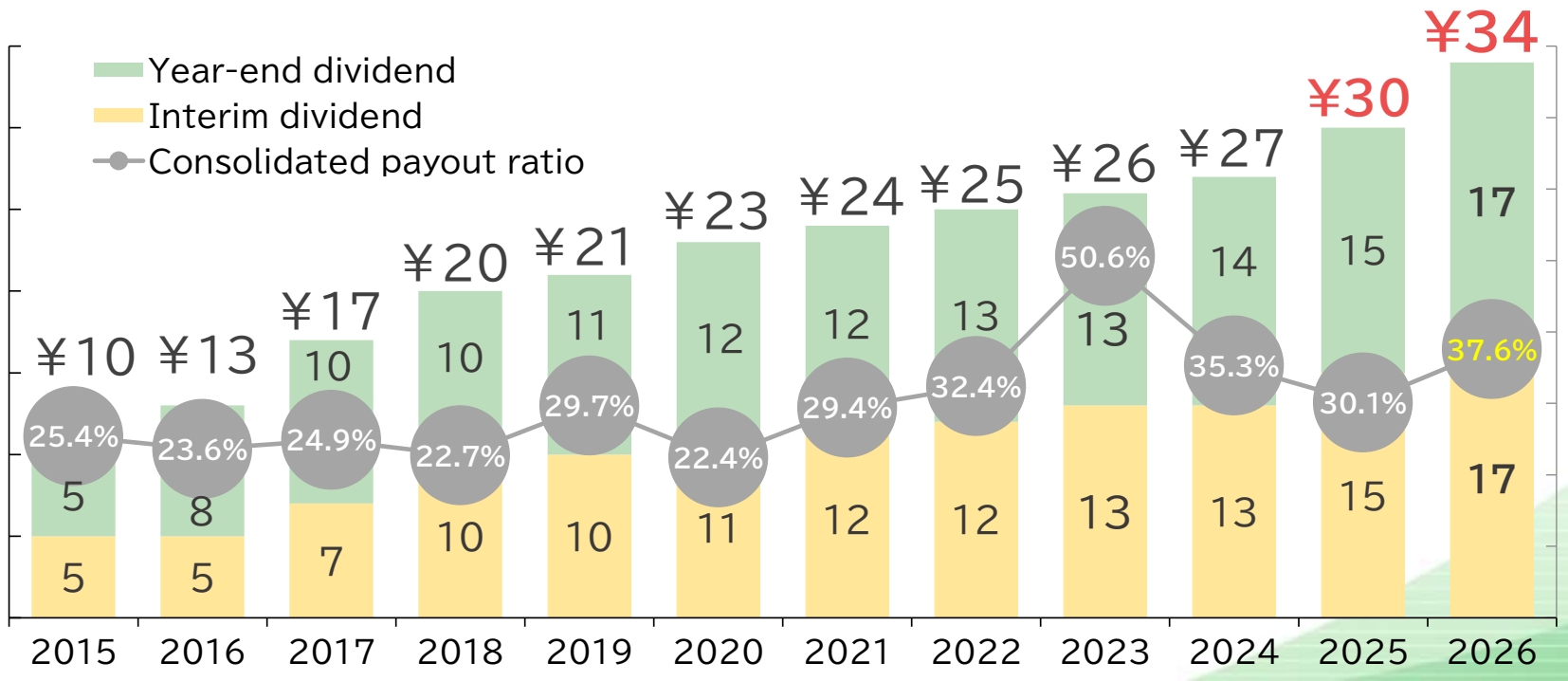
Shareholder Return Policy ＊Reviewed this time

We aim to increase dividends each year based on the progressive dividend policy and will continue these increases through improved profits. In addition, we will consider flexibly acquiring treasury stock to further enhance shareholder returns.

Shareholder Return Measures During 2nd STAGE (2026–2027)

Dividends	Strive to **increase dividends every fiscal year** (12 consecutive fiscal years since 2016)
Acquisition of treasury stock	**Flexible acquisition and disposal of treasury stock**



2025:

- ✓ Annual dividend of ¥30 (same as initial plans)

2026:

- ✓ Annual dividend of ¥34 (+¥4 increase)
- ✓ Consolidated dividend payout ratio expected to reach 37.6%

Contents

- Fiscal 2025 Financial Results
- Fiscal 2026 Key Measures
- Fiscal 2026 Forecast of Consolidated Results and Capital Policy
- Progress of Vision2030 2nd STAGE

2nd Stage Progress in Key KPIs

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Made firm progress in improving margins, and overseas, we are preparing flexible measures to reflect changes in the business environment

Themes	KPI	2027 targets (From 2024 to 2027)	2025	Comments
Accelerate growth in oral healthcare	Group oral healthcare sales growth rate	CAGR 8%level	5.2% (Y-o-Y)	● Expected growth rate from 2025 is assumed to be 5%–6% at the beginning of the year ● Domestic growth was driven by new product launches in the second half ● Overseas, China did not reach expectations, but Thailand and Malaysia are showing favorable growth
Strengthen overseas growth initiatives	Sales growth rate	CAGR 10%level	3.6% **External net sales +4.9%** (Y-o-Y)	● Behind initial forecast for growth rate (+5.8%) ● Improvement in profit has progressed as expected
	EBITDA margin	Approx. +2 points	+0.7pp (vs. fiscal 2024)	
Reform profit structure in Consumer Products	EBITDA margin	Approx. +3～5 points	+1.4pp (vs. fiscal 2024)	● **Impacts of upward price revisions: +¥3.6 billion, reduced 65 SKUs over the year** ● Reorganized non-priority businesses and brands

Transformed management processes with new organizational structure

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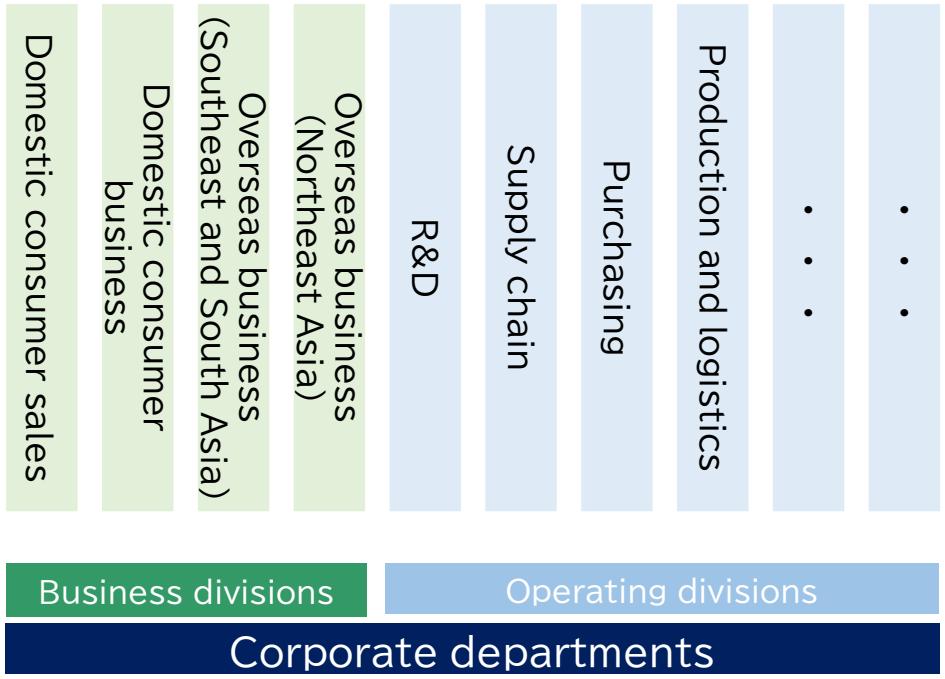
Increased earning power by accelerating decision-making and strategy execution

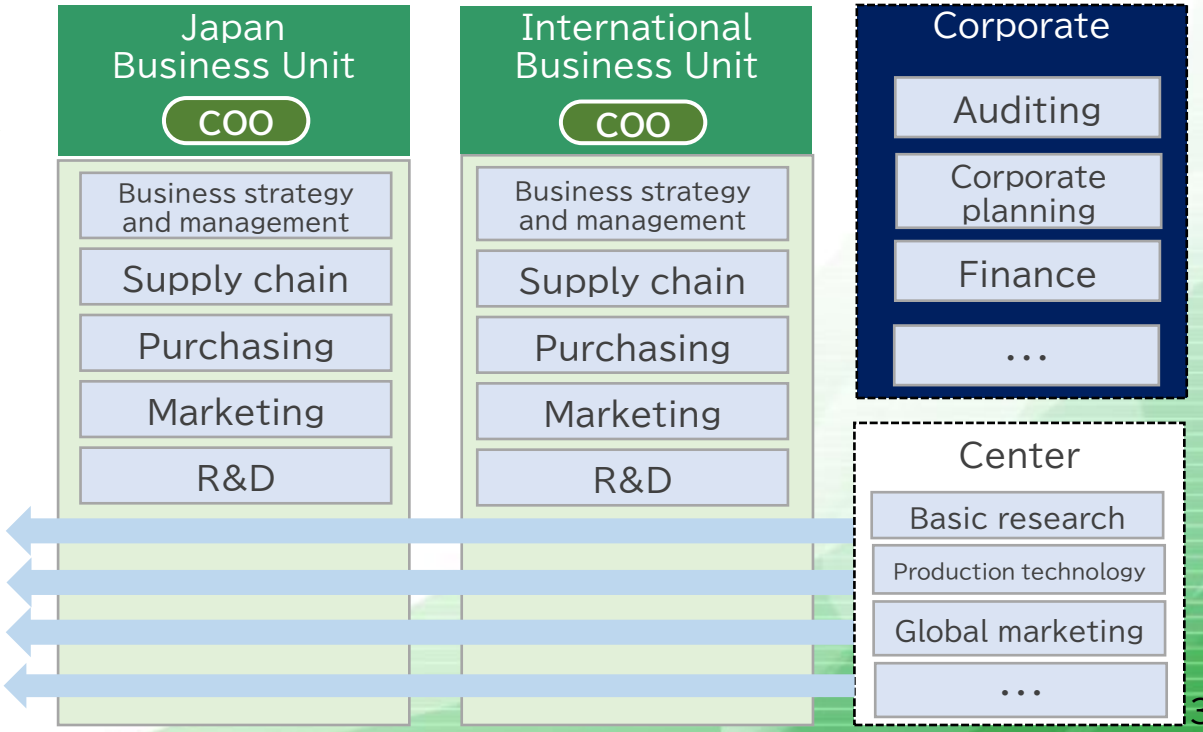
Previous: Operations split by functional headquarters

- High levels of expertise in every function
- However, **responsibility for business** profit is unclear and decision-making takes time



January 2026 and beyond: Business operates centered on the value chain

- Shift to a business unit system which integrates purchasing, production, development, marketing and sales
- Authority delegated to business units, accelerating decision-making



Summary

Achieving the Targets of Vision2030 2nd STAGE

- Improved profit structure of Consumer Products operations in 2025, but overseas, ability to handle environmental changes was a challenge
- In 2026, achieve profitable growth by consistently implementing business strategies while taking full advantage of the benefits of organizational reform
- Continue investing in priority areas to build foundation for further growth

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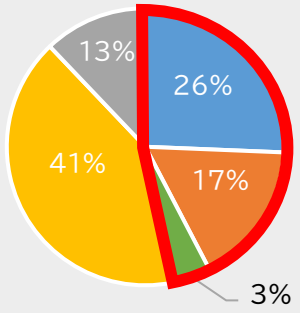
Reference Materials

Overseas Business Share of total net sales*1 by category

Overseas Business total

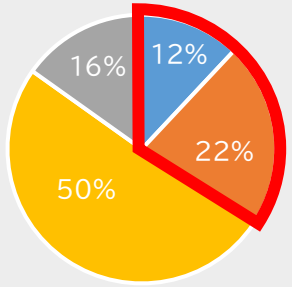


Personal care field

Ratio to consolidated sales :46.7%

Net year-on-year change in net sales :4.3%

Thailand

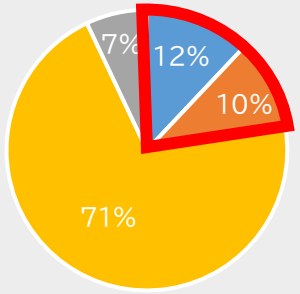


Personal care field

Ratio to consolidated sales :34.5%

Net year-on-year change in net sales :5.9%

Malaysia



Personal care field

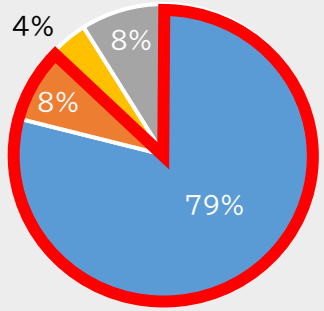
Ratio to consolidated sales :22.5%

Net year-on-year change in net sales :8.5%

- Oral healthcare
- Beauty care
- Pharmaceutical products
- Home care*3
- Export and others

Personal care field

China*2

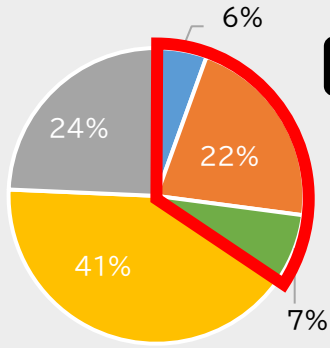


Personal care field

Ratio to consolidated sales :87.1%

Net year-on-year change in net sales :0.2%

South Korea



Personal care field

Ratio to consolidated sales :34.4%

Net year-on-year change in net sales :8.7%

Notes 1. Based on Lion shipment amounts(Jan.–Dec. 2025)

2. Qingdao Lion

3. Fabric care and Living care

Market Trends

Consumer Products: New Products Launched in 2nd Half of 2025

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Y-o-Y (October–December 2025)	Value	Volume	Price
Toothpaste market	109%	102%	106%
デントヘルス September 2025: Launched *Dent Health Medicated Toothpaste DX Premium* 	127%	118%	108%
Laundry detergent market	108%	99%	112%*1
NANOX one ナノックス ワン September 2025: Relaunch 	103%	103%	100%*1
Fabric softener market	99%	94%	103%*1
ソフラン Aroma Rich アロマリッチ October 2025: Relaunch 	89%	90%	104%*1

Y-o-Y (October–December 2025)	Value	Volume	Price
Bath detergent market	102%	96%	102%*1
ルック PLUS バスタブクレンジング  October 2025: Launched *LOOK Plus Bath Cleansing HARD Cleaner*	108%	92%	108%*1
Toilet detergent market	103%	99%	102%*1
ルック PLUS トイレクレンジング  October 2025: Launched *LOOK Plus Toilet Cleansing Spray*	188%	145%	118%*1

*1 Indicates unit price

Source: INTAGE Inc. SRI+ surveys
Blue text indicates Lion performance of 3% or higher than market,
red text indicates Lion performance of -3% or lower than market

Market Trends—Major Product Categories in Japan

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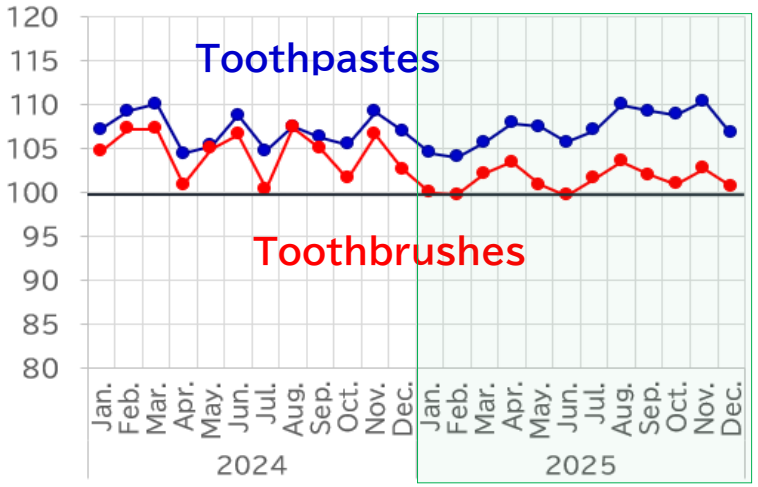
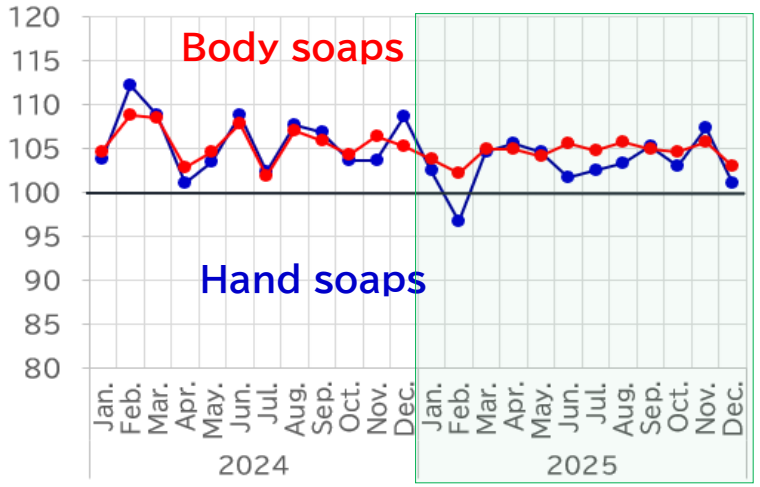
Y-o-Y comparison of consumer product markets in Japan by in-store sales value (%)

Source: INTAGE Inc. SRI+
* Data was updated, and past data has been revised accordingly.

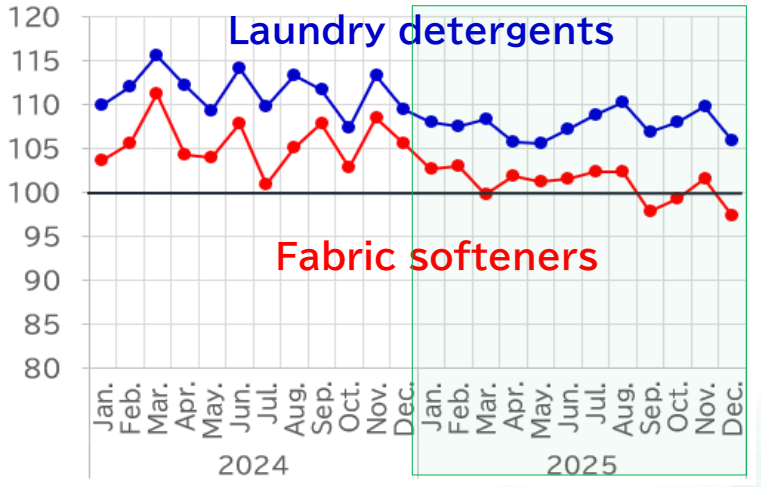
Oral Care



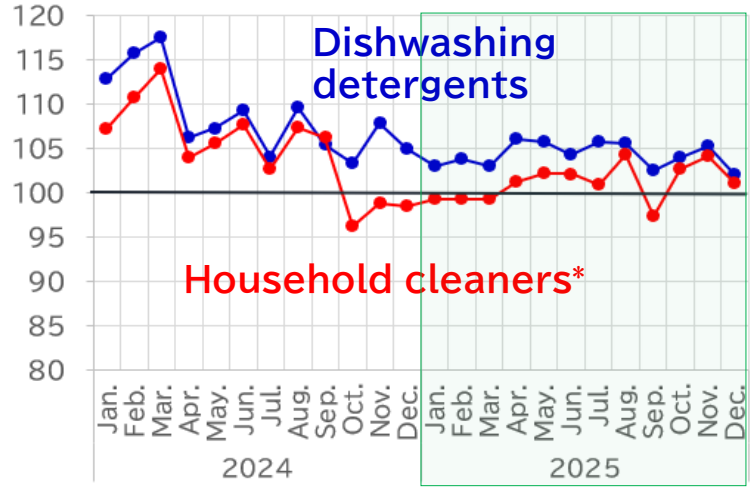
Beauty Care



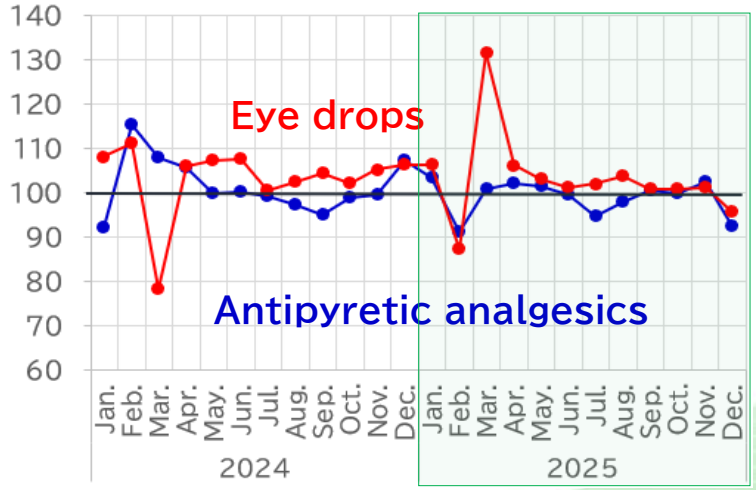
Fabric Care



Living Care



Pharmaceutical



Y-o-Y comparison of key categories (%)

Category	Vs. '24
Toothpaste	107
Toothbrushes	101
Hand soaps	103
Laundry detergents	108
Fabric softeners	101
Dishwashing detergents	104
Household cleaners	101
Antipyretic analgesics	99

* "Household cleaners" above is the sum of home cleaners, bath detergents and bathroom detergents.

Market Trends—Major Product Categories Overseas

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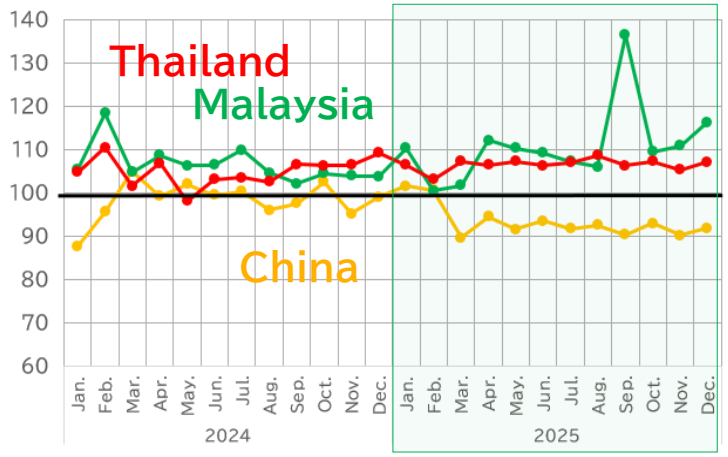
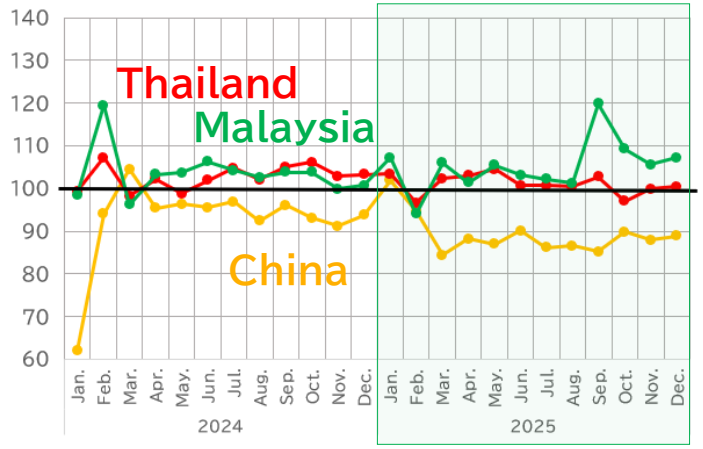
Y-o-Y comparison of consumer product markets in Overseas by in-store sales value (%)

＊Lion survey

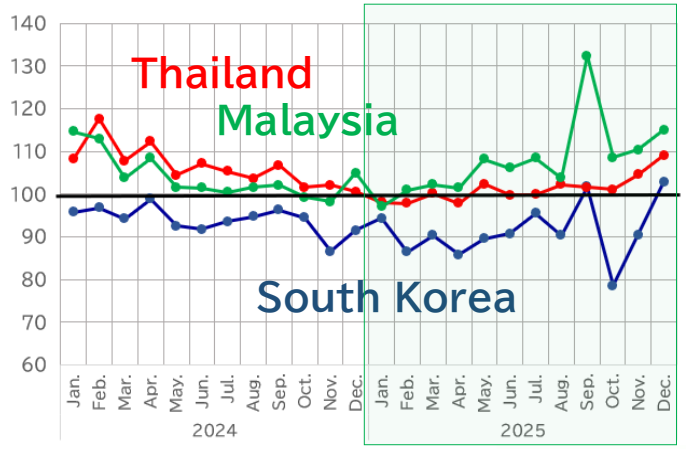
Toothpaste



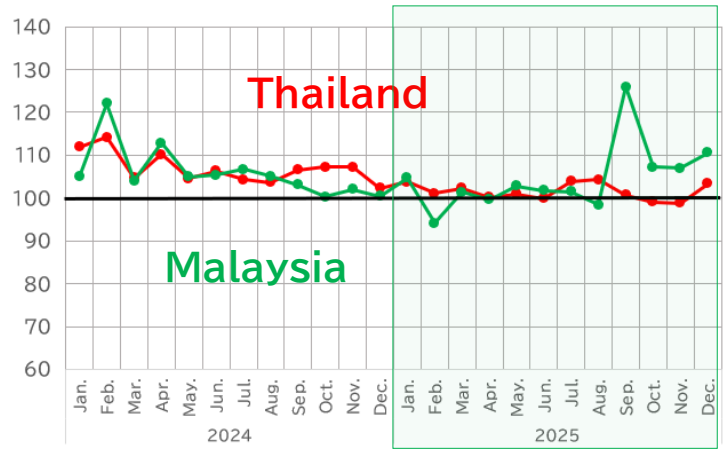
Toothbrushes



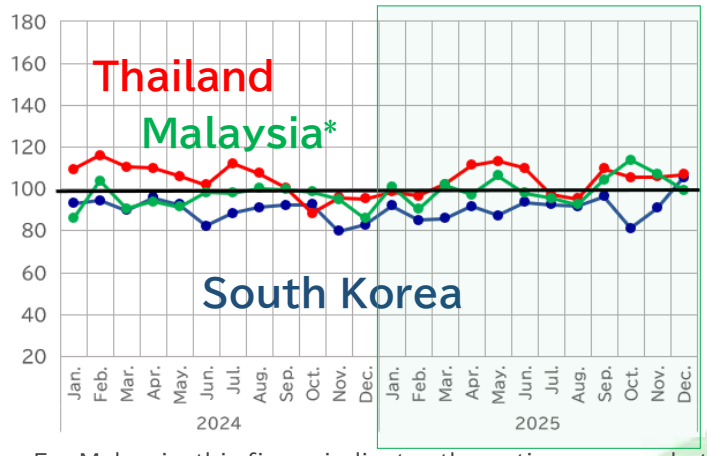
Laundry detergents



Body soaps



Hand soaps



＊For Malaysia, this figure indicates the entire soap market, which includes hand soap

Comparison of major categories from January to December 2025 (%) (compared to 2024)

Category	Thailand	Malaysia
Toothpaste	106	111
Toothbrushes	101	105
Laundry detergents	101	108
Body soaps	102	105
Hand soaps	104	100

Changes in Household Products Market and OTC Drug Market

1) Market Environment for Household Products (26 markets, SRI/SRI+*)

Overall market trend for the 26 home product markets in which Lion participates
(Values are percentages of the results of the corresponding periods of the previous years)

	2020	2021	2022	2023	2024	2025
Sales Value	112	95	101	103	107	104
Sales Volume	105	92	97	96	99	99
Average price	106	103	104	107	107	105

Source: INTAGE Inc. SRI survey (data for 2020 is for 38 markets),
SRI+ survey (data for 2021 is for 38 markets; data for 2022 is for 37; data for 2023 is for 35; date for 2024 is for total of 26 major markets in which Lion operates)

2) Market Environment for Household Products (14 markets, SCI**)

Overall market trend for the 14 home product markets in which Lion participates
(Values are percentages of the results of the corresponding periods of the previous years)

	2020	2021	2022	2023	2024	2025
Sales Value	108	102	101	100	105	101
Sales Volume	101	96	96	93	98	98
Average price	106	107	106	107	108	104

Source: INTAGE Inc. SCI survey (data for 2020 onward is for 14)
Notes 1. The SRI+ survey uses point-of-sales data from around 3,000 stores nationwide for its estimates.
2. The SCI survey collects purchasing data for 2020-2024 from around 50,000 shoppers (age 15-69) nationwide except for Okinawa
3. The SCI survey collects purchasing data for 2025 onward from around 70,000 shoppers (age 15-79) nationwide including Okinawa

Changes in Household Products Market and OTC Drug Market

3) Market Environment for OTC Drug Market (6 markets*, SDI/SRI+)

Overall market trends in the 6 OTC drug markets in which Lion participates
(Values are percentages of the results of the corresponding periods of the previous years)

	2020	2021	2022	2023	2024	2025
Sales value	93	103	103	111	102	101
Sales volume	89	101	102	107	99	98
Average price	105	102	101	103	103	103

Source: INTAGE Inc. SDI Survey (data for 2020 is for 7 markets), SRI+ Survey (data for 2021-2023 is for 7 markets; data for 2024 is for 6 markets)

4) Market Environment for OTC Drug Market (2 markets, SCI)

Overall market trends in the 2 OTC drug markets in which Lion participates
(Values are percentages of the results of the corresponding periods of the previous years)

	2020	2021	2022	2023	2024	2025
Sales value	102	110	101	97	101	98
Sales volume	99	107	100	96	98	96
Average price	103	103	102	101	103	102

Source: INTAGE Inc. SCI survey

Financial Statements, etc.

Consolidated Results for October-December 2025

(Billions of yen)	Jan.–Sep. 2025	Oct.–Dec. 2025	Year-on-year change	
			Amount	%
Net sales	304.9	117.1	5.3	4.8
Core operating income*1 % of net sales	22.3 7.3	8.4 7.2	0.7	9.5
Operating profit % of net sales	27.8 9.1	8.5 7.3	(2.7)	(24.3)
Profit for the period attributable to owners of the parent	20.8	6.7	(1.7)	(20.6)
EPS (Yen)	75.25	24.49	(6.38)	(20.7)
EBITDA*2	35.5	13.7	1.0	8.6

Notes 1. Core operating income is an earnings indicator the Company uses to measure regular business performance by subtracting selling, general and administrative expenses from gross profit.
2. EBITDA: An indicator of profitability on a cash basis calculated as the sum of core operating income and depreciation and amortization.

Results by Business Segment for October–December 2025

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(Billions of yen)	Net sales				Core operating income			
	Jan.–Sep. 2025	Oct.–Dec. 2025	Oct.–Dec. Y-o-Y change		Jan.–Sep. 2025, % of net sales	Oct.–Dec. 2025, % of net sales	Oct.–Dec. Y-o-Y change	
			Amount	%			Amount	%
Consumer Products	186.0	72.8	1.1	1.6	15.8	5.7	(0.0)	(1.2)
	160.2	63.5	0.6	1.0	8.5	7.9		(0.3PP)
Industrial Products	43.4	14.8	0.0	0.0	2.2	0.6	0.0	5.0
	29.0	10.2	(0.0)	(0.0)	5.3	4.1		+0.2PP
Overseas	129.8	48.1	5.2	12.3	5.5	2.5	0.8	53.0
	114.9	43.1	4.8	12.8	4.3	5.4		+1.5PP
Other	7.7	2.1	(2.1)	(49.6)	(0.1)	(0.0)	0.0	—
	0.7	0.1	(0.1)	(51.5)	(1.5)	(3.0)		
Adjustment	(62.0)	(20.9)	1.0	—	(1.3)	(0.4)	(0.1)	—
	—	—	—	—				
Consolidated Total	304.9	117.1	5.3	4.8	22.3	8.4	0.7	9.5
					7.3	7.2		+0.3PP

* Upper lines: net sales; lower lines: sales to external customers

Consumer Products Business Net Sales by Product Category for October–December 2025

(Billions of yen)	Net sales			
	Jan.–Sep. 2025	Oct.–Dec. 2025	Oct.–Dec. Y-o-Y change	
			Amount	%
Oral Healthcare	56.8	23.3	1.1	5.2
Beauty Care	18.3	6.7	0.2	4.6
Fabric Care	40.1	15.9	(0.1)	(0.7)
Living Care	15.1	5.8	(0.5)	(8.8) *(4.1)
Pharmaceutical	17.1	7.0	0.4	7.3 *7.2
Other	38.3	13.9	(0.0)	(0.7) *0.6
Total	186.0	72.8	1.1	1.6 *2.3

* Actual rate of change excludes the impact of business and brand transfers

Overseas Business Results by Region for October–December 2025

(Billions of yen)	Net sales				Core operating income			
	Jan.–Sep. 2025	Oct.–Dec. 2025	Oct.–Dec. Y-o-Y change		Jan.–Sep. 2025, % of net sales	Oct.–Dec. 2025 % of net sales	Oct.–Dec. Y-o-Y change	
			Amount	%			Amount	%
Southeast and South Asia	80.5	29.7	3.6	13.8	4.8 6	2.2 7.6	0.8	61.2 +2.2PP
Northeast Asia	49.3	18.4	1.6	9.8	0.7 1.5	0.3 1.8	0.0	12.9 +0.0PP
Total	129.8	48.1	5.2	12.3	5.5 4.3	2.5 5.4	0.8	53.0 +1.4PP

Consolidated Statement of Income

(Billions of yen)	2025	2024	Y-o-Y change	
			Amount	%
Net sales	422.0	412.9	9.1	2.2
Cost of sales	228.1	224.1	4.0	1.8
Gross profit	193.9	188.7	5.1	2.7
Selling, general and administrative expenses	163.1	162.4	0.7	0.4
Core operating income	30.7	26.3	4.4	16.8
Other income	7.1	10.0	(2.9)	(29.3)
Other expenses	1.4	8.0	(6.5)	(81.3)
Operating profit	36.3	28.3	7.9	28.1
Finance income	1.4	1.7	(0.3)	(19.0)
Finance costs	1.2	0.8	0.4	52.8
Share of profit of investments accounted for using the equity method	2.8	2.9	(0.0)	(1.3)
Profit before tax	39.4	32.2	7.1	22.3
Income taxes	8.3	8.1	0.2	2.5
Profit for the period	31.0	24.0	6.9	29.0
Profit for the period attributable to non-controlling interests	3.4	2.8	0.5	20.4
Profit for the period attributable to owners of the parent	27.5	21.1	6.3	30.1

Selling, General and Administrative Expenses

(Billions of yen)	2025		2024		Y-o-Y change	
	Amount	% of sales (%)	Amount	% of sales (%)	Amount	%
Selling, general and administrative expenses	163.1	38.7	162.4	39.3	0.7	0.4
Sales commissions	5.8	1.4	5.8	1.4	(0.0)	(0.9)
Promotional expenses	44.2	10.5	44.4	10.8	(0.1)	(0.4)
Advertising expenses	17.4	4.1	18.6	4.5	(1.2)	(6.7)
Transportation and warehousing expenses	20.9	5.0	21.6	5.2	(0.6)	(3.0)
R&D expenses	11.9	2.8	11.4	2.8	0.4	4.3
Other expenses	62.7	14.9	60.4	14.6	2.3	3.9

Consolidated Statement of Financial Position

(Billions of yen)		2025	2024	Change
Current assets		253.9	251.4	2.5
	Cash and cash equivalents	88.0	102.2	(14.1)
	Trade and other receivables	80.8	76.1	4.6
	Inventories	54.1	53.2	0.8
Non-current assets		274.6	245.7	28.8
	Property, plant and equipment	125.2	128.1	(0.2)
	Intangible assets	31.5	21.0	10.4
	Right-of-use assets	28.8	30.6	(1.8)
	Other financial assets	29.1	27.0	2.1
Total assets		528.5	497.1	31.4

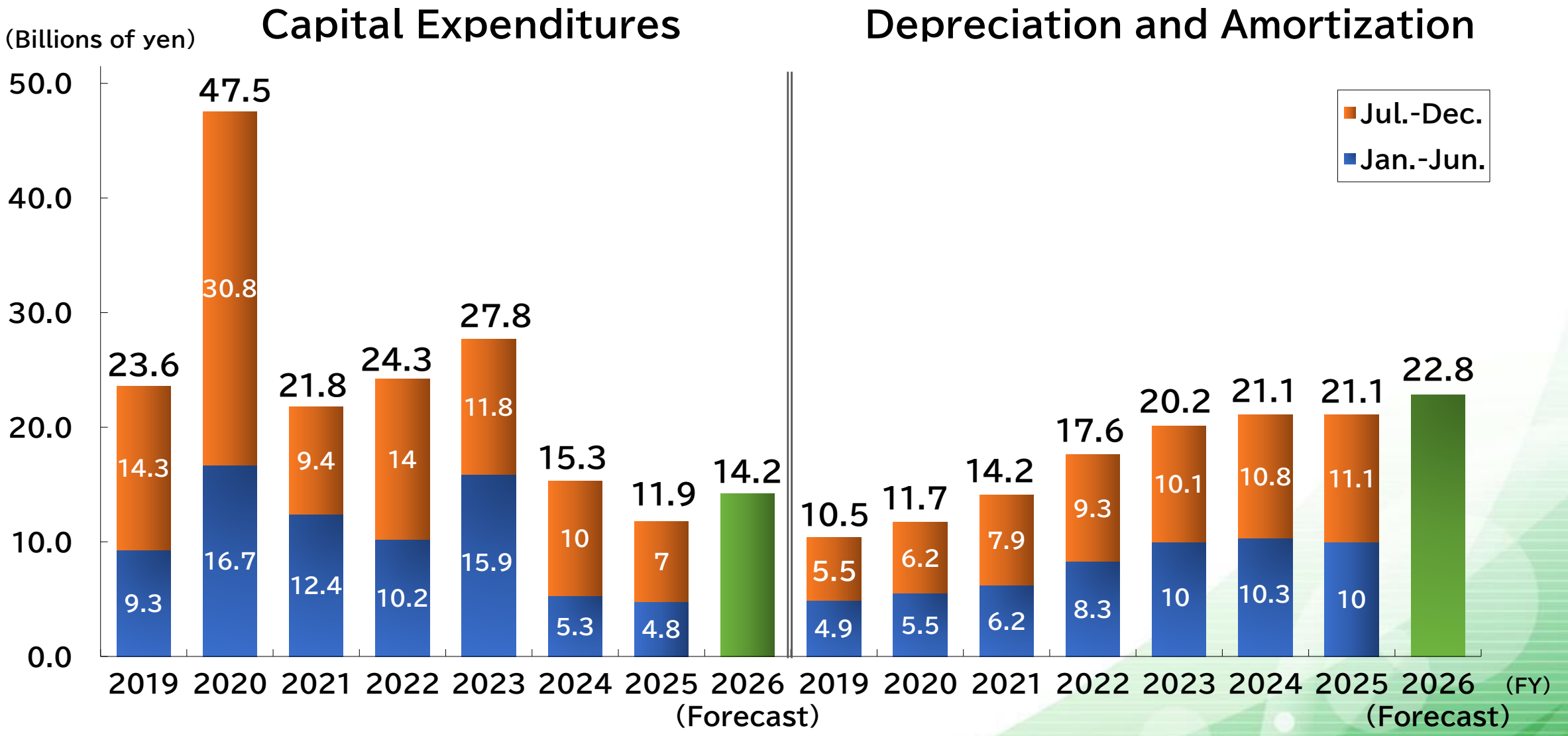
Consolidated Statement of Financial Position

(Billions of yen)		2025	2024	Change
Current liabilities		136.1	142.3	(6.1)
	Trade and other payables	114.1	117.1	(2.9)
	Lease liabilities	2.0	2.0	(0.0)
	Other current liabilities	9.3	8.4	0.9
Non-current liabilities		43.9	39.0	4.8
	Retirement benefit liabilities	4.7	1.7	3.0
	Lease liabilities	26.1	27.6	(1.4)
Equity		348.4	315.6	32.7
	Share capital	34.4	34.4	—
	Capital surplus	31.4	31.3	0.0
	Treasury stock	(3.3)	(8.7)	5.4
	Other components of equity	27.9	23.7	4.2
	Retained earnings	232.1	212.9	19.2
Total liabilities and equity		528.5	497.1	31.4

Consolidated Statement of Cash Flows

(Billions of yen)	2025	2024	Change
Cash flows from operating activities	40.6	43.6	(3.0)
Cash flows from investing activities	(43.4)	(7.6)	(35.8)
Cash flows from financing activities	(12.4)	(21.2)	8.7
Effect of exchange rate changes on cash and cash equivalents	1.0	1.9	(0.8)
Net increase (decrease) in cash and cash equivalents	(14.1)	16.7	(30.8)
Cash and cash equivalents at beginning of period	102.2	85.5	16.7
Cash and cash equivalents at end of period	88.0	102.2	(14.1)

Capital Expenditures and Depreciation and Amortization



* Capital expenditures and depreciation and amortization both include intangible assets.

2026 Consolidated Financial Forecast

(Billions of yen)	2026	2025	Y-o-Y change		Jan.–Jun. 2026	Jan.–Jun. 2025	Y-o-Y change	
			Amount	%			Amount	%
Net sales	430.0	422.0	7.9	1.9	210.0	199.4	10.5	5.3
Core operating income, % of net sales	35.0 8.1	30.7 7.3	4.2	13.8	14.0 6.7	12.6 6.3	1.3	10.8
Operating profit, % of net sales	40.0 9.3	36.3 8.6	3.6	10.0	19.0 9.0	13.3 6.7	5.6	42.0
Profit for the period attributable to owners of the parent	25.0	27.5	(2.5)	(9.4)	10.0	9.6	0.3	4.1
EPS (Yen)	90.38	99.74	(9.36)	(9.4)	36.15	34.75	1.40	4.0

Fiscal 2026 External Sales Forecasts by Business Segment

(Billions of yen)	2026	2025	Y-o-Y change		Jan.–Jun. 2026	Jan.–Jun. 2025	Y-o-Y change	
			Amount	%			Amount	%
Consumer Products	227.0	223.7	3.2	1.5	106.0	105.0	0.9	0.9
Industrial Products	25.0	39.3	(14.3)	(36.4)	18.0	19.1	(1.1)	(6.2)
Overseas	177.0	158.1	18.8	11.9	85.5	74.6	10.8	14.6
Others	1.0	0.9	0.0	9.3	0.5	0.5	(0.0)	(14.2)
Consolidated Total	430.0	422.0	7.9	1.9	210.0	199.4	10.5	5.3

Assumed Raw Material Prices and Exchange Rates

Raw Material Prices

	Dubai Crude	Domestic Naphtha	Crude Palm Oil
2026 Initial forecast	70$/BBL	JPY66,000/KL	4,400RM/ton

Exchange Rates

	U.S. Dollar	Thai Baht
2026 Initial forecast	JPY155	JPY4.7

◇ Reference

	Dubai Crude	Domestic Naphtha	Crude Palm Oil
2025 Results	69.6$/BBL	JPY65,021/KL	4,285RM/ton

	U.S. Dollar	Thai Baht
2025 Results	JPY149.8	JPY4.6

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The forecasts and projected operating results contained in this report are based on information available at the time of preparation, and thus involve inherent risks and uncertainties. Accordingly, readers are cautioned that actual results may differ materially from those projected as a result of a variety of factors.

* The Lion Group applies the International Financial Reporting Standards (IFRS).
* Monetary amounts herein are truncated after the last digit shown.