

February 13, 2025  
Company name: Lion Corporation  
Representative: Masayuki Takemori,  
Representative Director,  
President and Executive Officer  
Code Number: 4912  
Prime Market of Tokyo Stock Exchange

## Lion Announces Vision2030 2nd STAGE, its New Medium-Term Management Plan

Lion Corporation is pleased to announce that it has formulated Vision2030 2nd STAGE (hereinafter, “2nd STAGE”), a new medium-term management plan covering the three-year period from 2025 to 2027.

### I. Aims of 2nd STAGE

The Lion Group has established the management vision “Becoming an advanced daily healthcare company,” and is contributing to a sustainable society and striving for business growth in line with its purpose, “Make a difference in everyday lives by redesigning habits.”

The recently formulated new medium-term management plan will be focused on strengthening profitability as well as the swift improvement of corporate value through profit structure reforms in the domestic business and growth acceleration in the overseas business, thereby achieving profitable growth.



### II. Overview of 2nd STAGE

Under 2nd STAGE, Lion will conduct initiatives in line with the three basic policies laid out below with the overarching aim of strengthening profitability and will continue to promote environmental and other initiatives that address sustainable material issues through its business operations.

## **1. Three Basic Policies**

### **(1) Strengthen Business Portfolio Management**

We will sharpen management resource allocation by clarifying each business's role and positioning within the Group, strengthen the profitability of each business and generate synergies between businesses to realize sustainable development as a corporation.

In particular, in the oral healthcare field, which we have positioned as a top priority, we will expand the scope of value we provide through the provision of products for traditional oral hygiene to those for the support of oral function (such as ensuring the ability to chew, swallow and enjoy conversation), with the goal of developing an integrated business of products and services.

### **(2) Strengthen Management Base**

We will endeavor to strengthen our management base to realize sustainable business growth as well as highly efficient operations. We will clarify the roles of the global R&D structure at each center with the aim of enhancing innovation capabilities and accelerating product development. In both Japan and China, we will concentrate on enhancing and innovating our core technologies, while our local centers in each country will accelerate product development to meet consumer needs.

### **(3) Generate Dynamism**

Lion will leverage its brand assets and enhance its human capital to generate dynamism as the foundation of its strategic driving force. In particular, with regard to enhancing human capital, we will strengthen both individual and organizational capabilities through the development and focused allocation in alignment, and build an environment that encourages diverse employees to thrive and thus realize new value through a dynamic organization.

## **2. Promote Efforts Towards Sustainability Material Issues\***

Through our business activities, we will continue to address such sustainable material issues as the creation of healthy living habits and promotion of environmental initiatives for a sustainable planet.

In creating healthy living habits, we aim to contribute to creating oral healthcare habits for 500 million people as well as cleanliness and hygiene habits for 500 million people through our products, services and information, for a total of 1 billion people by 2030.

In addition, to promote environmental initiatives for a sustainable planet, we will contribute to the realization of a sustainable society through the creation of such good habits as reducing our petrochemical-derived plastic use rate to 70% or less and reducing water usage over product lifecycles by 30%.

\* For details, please view Lion's website. <https://www.lion.co.jp/en/sustainability/>

## **3. Key Management Indicators and Consolidated Performance Targets**

The Group has set the following as management indicators to promote measures in line with the three basic policies geared toward strengthening profitability.

## 1. Key Financial Indicators and 2nd STAGE Targets for 2027

Indicator		2027 Targets
EBITDA margin* <sup>1</sup>	Profitability and cash generation capacity compared to the net sales of the business	13% or higher
ROIC* <sup>2</sup>	Efficiency and profitability of invested capital	8–9%
EPS CAGR* <sup>3</sup>	Growth in net earnings per share	11% or higher

\*1 EBITDA margin is as compared to consolidated net sales. EBITDA is an indicator of profitability on a cash basis calculated as the sum of core operating income (gross profit less selling, general and administrative expenses) and depreciation and amortization (excluding depreciation and amortization of right-of-use assets).

\*2 Calculated as net operating profit after tax (NOPAT) divided by the average invested capital (total equity plus interest bearing liabilities) during the period

\*3 Compound annual growth rate of basic earnings per share

### Three Basic Policies



## 2. Consolidated Performance Targets for 2027

(Billions of yen)	2027 Target	2024	Change	
			Amount	%
Net sales	450.0	412.9	37.0	9.0
Core operating income % of net sales	40.0 8.9	26.3 6.4	13.6	51.9
Operating profit % of net sales	40.0 8.9	28.3 6.9	11.6	40.9
Profit for the period attributable to owners of the parent	29.0	21.1	7.8	36.8
EPS (Yen)	104.67 CAGR 11% or higher	76.51	28.16	36.8
EBITDA margin (%)	13% or higher	10.9%	—	—
ROIC (%)	8-9%	5.8%	—	—

Reference: Economic and Social Value Targets for Vision2030

### Economic Values

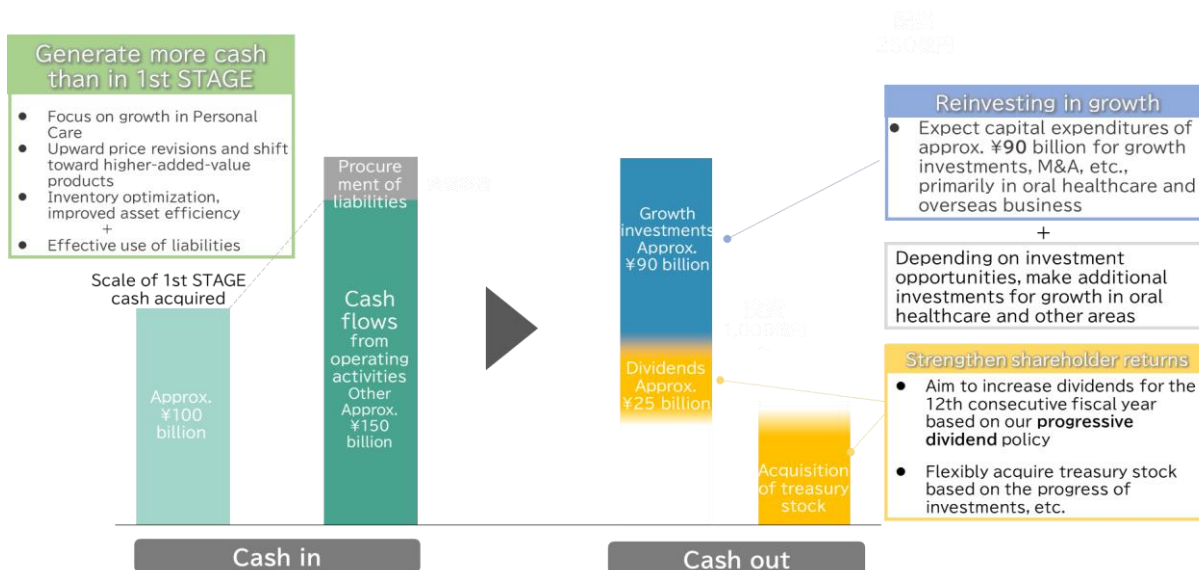
Indicator		2030 Targets
Continuous profitability improvement	EBITDA margin	16% or higher
	ROIC	10–12%
Continuous growth in overseas business	Share of overseas net sales to total	50%

### Social Values

Top Priority Material Issues	Social Value		2030 Targets
Creating healthy living habits	People provided with products, services and information	Oral healthcare habits	500 million people
		Cleanliness and hygiene habits	500 million people
Promoting environmental initiatives for a sustainable	Petroleum-derived plastics use rate		70% or less
	Reduction in water usage throughout product lifecycles (compared to 2017, rate of use)		30% reduction

## 4. Approach to Cash Allocation

We expect to obtain approximately ¥150 billion in cash over the three years of the plan, of which approximately ¥90 billion will be used for future strategic investment. We aim to increase dividends for the twelfth consecutive term based on our progressive dividend policy. Treasury stock acquisition and cancellation will be carried out flexibly based on progress in strategic investment.



The Lion Group will strive to create social and economic value through its business to increase its corporate value and make contributions over a wide range to sustainable society.

\* For further details on 2nd STAGE, please see the “Supplementary Materials of Financial Results for Fiscal 2024” published today.