Summary of Consolidated Financial Statements for the Nine Months Ended September 30, 2025 [IFRS]

November 7, 2025

Company name: Lion Corporation
Listed stock exchanges: Tokyo Stock Exchange
Code: 4912
URL: https://www.lion.co.jp/en/

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Start date of payment of dividend: —
Supplementary materials prepared for financial results: Yes
Earning announcement for financial results: Yes (for institutional investors, analysts, etc.)

Figures in this and subsequent tables are truncated at the nearest million.

1. Consolidated Results for the Nine Months Ended September 30, 2025 (January 1, 2025 – September 30, 2025)

(1) Consolidated Results (cumulative)

(Percentage figures denote year-on-year change)

	Net sales		Operating profit		Profit before tax	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2025	304,945	1.3	27,829	62.7	29,797	52.2
Nine months ended September 30, 2024	301,159	1.7	17,109	36.7	19,581	37.8

	Profit for the period		Profit for the period attributable to owners of the parent		Total comprehensive income for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2025	23,210	59.1	20,813	64.3	22,437	8.8
Nine months ended September 30, 2024	14,587	42.9	12,664	43.1	20,624	1.3

Note: Core operating income for the nine months ended September 30, 2025 was ¥22,320 million (up 19.9% year on year). Core operating income for the nine months ended September 30, 2024 was ¥18,623 (up 47.8% year on year).
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.

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	75.25	75.18
Nine months ended September 30, 2024	45.67	45.61

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2025	480,310	328,969	305,923	63.7
December 31, 2024	497,167	315,694	293,717	59.1

2. Dividends

	Cash dividends per share				
	First Quarter-End	Second Quarter-End	Third Quarter-End	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2024	—	13.00	—	14.00	27.00
Fiscal 2025	—	15.00			
Fiscal 2025 (forecast)			—	15.00	30.00

Note: Changes from the most recently published forecast of dividends: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2025 (January 1, 2025 – December 31, 2025)

(Percentage figures denote year-on-year change)

	Net sales		Operating profit		Profit for the period attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2025	420,000	1.7	35,000	23.3	25,000	17.9	90.24

Notes: 1. Core operating income forecast: Fiscal 2025: ¥30,000 million
2. Changes from the most recently published financial results forecast: No

Notes

(1) Significant Change in Scope of Consolidation during Period: Yes

Newly included: 3 companies (Company name) Merap Lion Holding Limited Liability Company
Merap Group Corporation
Phanam Pharmaceutical Corporation

Excluded: - company (Company name)

(2) Changes in accounting principles, procedures and presentation methods in connection with the preparation of quarterly consolidated financial statements:

a. Changes in accounting standards required under IFRS: No
b. Other changes: No
c. Changes in accounting estimates: No

(3) Number of outstanding shares (common stock)

a. Number of outstanding shares on balance sheet dates (including treasury stocks):
As of September 30, 2025: 279,782,746 shares
As of December 31, 2024: 284,432,746 shares
b. Number of treasury stocks on balance sheet date:
As of September 30, 2025: 3,129,986 shares
As of December 31, 2024: 8,045,423 shares
c. Average number of shares outstanding over period
Nine months ended September 30, 2025: 276,576,129 shares
Nine months ended September 30, 2024: 277,276,331 shares

* This report is not subject to review by a certified public accountant or external auditor.

* Appropriate use of results forecasts; other special items

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, including those related to economic conditions, the competitive environment and exchange rate fluctuations. Accordingly, readers are cautioned that actual results may differ materially from those projected as a result of a variety of factors. For information on forecasts of operating results, see I. Qualitative Information Concerning the Results of Operations for the First Nine Months of the Current Fiscal Year (3) Forecast of Consolidated Financial Results on page 10.

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1. Qualitative Information Concerning the Results of Operations for the First Nine Months of the Current Fiscal Year

(1) Consolidated Performance

Consolidated results for the first nine months of fiscal 2025 (January 1, 2025–September 30, 2025) are as follows. Net sales amounted to ¥304,945 million, a year-on-year increase of 1.3% (or a 0.8% increase at constant currency excluding exchange rate fluctuations). Core operating income came to ¥22,320 million, up 19.9% compared with the previous fiscal year, and operating profit to ¥27,829 million, up 62.7% year on year. Profit for the period attributable to owners of the parent totaled ¥20,813 million, up 64.3% compared with the previous fiscal year.

The Lion Group is advancing measures in line with the basic policies of the medium-term management plan, Vision2030 2nd STAGE, introduced in 2025. These policies include strengthening business portfolio management, strengthening the management base and generating dynamism.

In Japan, we are striving to shift toward high added-value products in our businesses with the launch of a new high-end toothpaste in the oral healthcare category, as well as a new household cleaner that proposes a new habit in the living care category. Simultaneously, Lion is also implementing reforms to our profit structure, including the transfer of our food preparation product brand, scheduled for completion on October 31, 2025. The Company is continuing to pursue the top-priority material issue of expanding its oral healthcare business overseas, primarily in key countries. For example, with an eye to securing sustainable growth, the Company acquired all shares of an equity-method affiliate in Vietnam, turning it into a wholly owned subsidiary, and is currently constructing to build a factory in Bangladesh in preparation for a full-scale business launch.

Consolidated Results

(Millions of yen)

	Nine months ended September 30, 2025	Ratio to net sales	Nine months ended September 30, 2024	Ratio to net sales	Change	Change (%)
Net sales	304,945		301,159		3,786	1.3%
Core operating income	22,320	7.3%	18,623	6.2%	3,697	19.9%
Operating profit	27,829	9.1%	17,109	5.7%	10,719	62.7%
Profit for the period attributable to owners of the parent	20,813	6.8%	12,664	4.2%	8,149	64.3%

Notes: 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.

Results by Business Segment

(Millions of yen)

	Net sales				Core operating income			
	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Change	Change (%)	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Change	Change (%)
Consumer Products	186,020	183,139	2,881	1.6%	15,857	11,993	3,864	32.2%
Industrial Products	43,416	40,275	3,141	7.8%	2,290	2,228	61	2.8%
Overseas	129,846	128,962	884	0.7%	5,595	4,828	767	15.9%
Other	7,746	12,447	(4,701)	(37.8%)	(113)	408	(521)	—
Subtotal	367,031	364,825	2,205	0.6%	23,630	19,458	4,171	21.4%
Adjustment	(62,085)	(63,666)	1,580	—	(1,309)	(835)	(474)	—
Total	304,945	301,159	3,786	1.3%	22,320	18,623	3,697	19.9%

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 the current fiscal year.
Segment information for the first nine months of the previous consolidated fiscal year has been reclassified to reflect this change.

Results by business segment are as follows.

Consumer Products Business

The Consumer Products Business segment comprises the Oral Healthcare Products, Beauty Care Products, Fabric Care Products, Living Care Products, Pharmaceutical Products and Other Products businesses. Segment net sales increased 1.6% compared with the same period in the previous fiscal year. Core operating income increased 32.2% due to profit structure reform measures.

(Millions of yen)

	Nine months ended September 30, 2025	Ratio to net sales	Nine months ended September 30, 2024	Ratio to net sales	Change	Change (%)
Net sales	186,020		183,139		2,881	1.6%
Core operating income	15,857	8.5%	11,993	6.5%	3,864	32.2%

Note: Net sales include internal sales within and among segments, which amounted to ¥25,817 million in the first nine months of fiscal 2025 and ¥23,306 million in the first nine months of fiscal 2024.

Net Sales by Product Segment

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Change	Change (%)
Oral Healthcare Products	56,860	54,385	2,475	4.6%
Beauty Care Products	18,359	18,084	275	1.5%
Fabric Care Products	40,153	41,068	(915)	(2.2%)
Living Care Products	15,174	15,075	98	0.7%
Pharmaceutical Products	17,104	18,563	(1,459)	(7.9%)
Other Products	38,369	35,962	2,407	6.7%

Oral Healthcare Products

This product segment consists of toothpastes, toothbrushes, dental rinses and other related products.

In toothpastes, we worked to develop high added-value products. In particular, sales of the high added-value *SYSTEMA Haguki (the Gums) Plus Toothpaste* and *CLINICA PRO Toothpaste* were strong. In addition, Lion launched a new high-end product, *Dent Health Medicated Toothpaste DX Premium*, which prevents periodontitis and enhances gum recovery,* to favorable customer reviews, and overall sales also increased year on year.

In toothbrushes, sales of *NONIO* toothbrushes were firm, but lower for *OCH-TUNE* toothbrushes and overall sales decreased slightly year on year.

In dental rinses, sales of *NONIO Plus Whitening Dental Rinse* were strong, but those of *OCH-TUNE* mouthwashes decreased year on year, and overall sales decreased year on year.

In addition to the above, sales of products sold through dental clinics rose, resulting in overall sales of the Oral Healthcare Products increasing 4.6% year on year.

* The medicated ingredient Vitamin E invigorates gum cells and repairs tissue.

Beauty Care Products

This product segment consists of hand soaps, body washes, antiperspirants and deodorants and other related products.

In hand soaps, sales of *KireiKirei Medicated Hand Conditioning Soap* were up significantly year on year, leading to an overall increase in sales year on year.

In body washes, sales of *hadakara Foaming Body Soap* were steady, but sales of the liquid version were lower year on year, and overall sales declined slightly year on year.

In addition, Lion launched a new hair care brand, *MEGAMIS*, which proposes the new habit of using hair serum before conditioner, and sales have begun at a number of retail outlets and on e-commerce sites. This brand has received favorable customer reviews.

Overall sales of Beauty Care Products increased 1.5% year on year.

Fabric Care Products

This product segment consists of fabric softeners, laundry detergents and other related products.

In fabric softeners, sales of *SOFLAN Premium Deodorizer* were down year on year, and overall sales decreased year on year.

In laundry detergents, we launched an improved version with *NANOX one* with new enzymes for stronger cleaning and deodorizing power, and overall sales increased year on year.
As a result, year-on-year total sales of Fabric Care Products decreased 2.2%.

Living Care Products

This product segment consists of household cleaners, dishwashing detergents and other related products.

In household cleaners, the Company launched the new *LOOK Plus Whole Toilet Antibacterial & Deodorizing Fogger*, which offers a new way of cleaning using silver ion fog to disinfect the entire toilet chamber of odor-causing bacteria, thereby preventing the development of new odors. This product has received favorable customer reviews. In addition, sales of *LOOK Plus Bath Cleansing* were steady, and overall sales increased year on year.

In dishwashing detergents, sales of *CHARMY Magica* were down year on year, and overall sales also decreased year on year.

Overall sales of Living Care Products increased 0.7% year on year.

Pharmaceutical Products

This product segment consists of antipyretic analgesics, eye drops, cooling gel sheets for feet and other related products.

In antipyretic analgesics, sales of *BUFFERIN PREMIUM DX* significantly increased year on year, but sales of *BUFFERIN A* were down year on year, and overall sales decreased year on year.

In eye drops, sales of *Smile 40 Premium THE ONE* decreased year on year due to some recoil after its launch last year, and overall sales decreased year on year.

Sales of *Kyusoku Jikan Ashi-Sukkiri Sheet* cooling gel sheets for feet were strong, and *PAIR ACNE Cream W* acne medicine performed favorably, leading to substantially increased overall sales year on year.

In addition to the above, overall sales of Pharmaceutical Products decreased 7.9% year on year due in part to the impact of transferring some brands to other companies in 2024.

Other Products

This product segment consists of pet supplies and other related products.

In pet supplies, sales of oral care products such as *PETKISS* were up substantially and sales of *Nioi wo Toru Suna (Deodorizing Cat Litter)* were firm year on year, and overall sales increased year on year.

Overall sales of Other Products increased 6.7% year on year.

Industrial Products Business

The Industrial Products Business segment includes the Mobility, Electronics, Life-Chemical and Detergents for Institutional Use Products fields. These businesses handle products that include anti-sticking agents for tire rubber, electro-conductive carbon for secondary batteries, surfactants derived from oils and fats, and detergents for institutional and professional kitchen use, respectively. Segment net sales increased 7.8% year on year. Core operating income increased 2.8% year on year.

(Millions of yen)

	Nine months ended September 30, 2025	Ratio to net sales	Nine months ended September 30, 2024	Ratio to net sales	Change	Change (%)
Net sales	43,416		40,275		3,141	7.8%
Core operating income	2,290	5.3%	2,228	5.5%	61	2.8%

Note: Net sales include internal sales within and among segments, which amounted to ¥14,399 million in the first nine months of fiscal 2025 and ¥12,408 million in the first nine months of fiscal 2024.

In the Mobility field, the launch of a new anti-sticking agent for tire rubber led to higher sales year on year, and overall sales increased year on year.

In the Electronics field, sales of electro-conductive carbon for secondary batteries were impacted by lessened demand for EVs and decreased year on year, but sales of electroconductive resins for containers used in the transport of semiconductors, which are in a strong market, were up significantly year on year, and overall sales increased year on year.

In the Life-Chemical field, sales of such nitrogen compounds as surfactants increased substantially year on year, and overall sales also increased year on year.

In the Detergents for Institutional Use Products field, sales of laundry detergents increased substantially year on year, sales of hand soaps were firm, and overall sales also increased year on year.

Overseas Business

The Overseas Business segment comprises business operations located in Southeast and South Asia, including Thailand and Malaysia, as well as Northeast Asia, including China and South Korea. Overall net sales increased 0.7% year on year (or a decrease of 0.4% at constant currency excluding exchange rate fluctuations). Core operating income increased 15.9% year on year.

(Millions of yen)

	Nine months ended September 30, 2025	Ratio to net sales	Nine months ended September 30, 2024	Ratio to net sales	Change	Change (%)
Net sales	129,846		128,962		884	0.7%
Core operating income	5,595	4.3%	4,828	3.7%	767	15.9%

Note: Net sales include internal sales within and among segments, which amounted to ¥14,888 million in the first nine months of fiscal 2025 and ¥16,496 million in the first nine months of fiscal 2024.

Net Sales by Region

(Millions of yen)

		Nine months ended September 30, 2025	Nine months ended September 30, 2024	Change	Change (%)
Southeast and South Asia	Net sales	80,503	75,771	4,731	6.2%
	Core operating income	4,851	3,595	1,256	34.9%
Northeast Asia	Net sales	49,343	53,191	(3,847)	(7.2%)
	Core operating income	743	1,232	(488)	(39.6%)

In Southeast and South Asia, net sales were up 6.2% year on year (or up 2.0% at constant currency excluding exchange rate fluctuations), and core operating income was up 34.9%.

In Northeast Asia, net sales were down 7.2% year on year (or down 3.9% at constant currency excluding exchange rate fluctuations), and core operating income was down 39.6%.

Net Sales by Key Country

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Change	Change (%)
Thailand	49,077	47,524	1,552	3.3%
Malaysia	20,764	19,108	1,655	8.7%
China	21,584	22,666	(1,082)	(4.8%)
South Korea	15,021	17,632	(2,611)	(14.8%)

Thailand

Despite lower exports of laundry detergents to neighboring countries, overall sales increased year on year, partly due to the effects of exchange rate fluctuations.

In body soaps, sales of *Shokubutsu Monogatari* body washes were strong as a result of proactive in-store promotions, and overall sales were up year on year.

Overall sales in Thailand were up 3.3% year on year (or down 1.6% at constant currency excluding exchange rate fluctuations).

Malaysia

In laundry detergents, *TOP* liquid laundry detergent saw strong sales, and overall sales were up year on year.

In toothpastes, sales of *Fresh & White*, a product the Company is focusing on developing, were favorable, and overall sales increased year on year.

Overall sales in Malaysia were up 8.7% year on year (or up 4.3% at constant currency excluding exchange rate fluctuations).

China

In toothpastes, sales of *CLINICA*, which was launched in the previous fiscal year under local production, were strong, but sales were down year on year, due to efforts to maintain the mainstay *White&White* brand value to ensure profitability.

In toothbrushes, sales of *SYSTEMA* remained firm, and overall sales were up year on year.

Overall sales in China were down 4.8% year on year (or down 2.1% at constant currency excluding exchange rate fluctuations).

South Korea

In laundry detergents, sales of mainstay brand *BEAT* capsule detergents were up year on year, but sales of powder detergents were down year on year, and overall sales decreased year on year.

In hand soaps, *Ai! Kekute* performed favorably, and overall sales increased substantially year on year.

Overall sales in South Korea decreased 14.8% year on year (or down 8.9% at constant currency excluding exchange rate fluctuations), due to a significant decrease in Group sales, including lowered exports of powder laundry detergent to Japan.

Other (Construction Contracting Business, etc.)

In other businesses, overall sales decreased by 37.8% year on year as a result of decreased internal Group construction work in the construction contracting business.

(Millions of yen)

	Nine months ended September 30, 2025	Ratio to net sales	Nine months ended September 30, 2024	Ratio to net sales	Change	Change (%)
Net sales	7,746		12,447		(4,701)	(37.8%)
Core operating income	(113)	(1.5%)	408	3.3%	(521)	—

Note: Net sales include internal sales within and among segments, which amounted to ¥6,979 million in the first nine months of fiscal 2025 and ¥11,453 million in the first nine months of fiscal 2024.

(2) Financial Status

Status of Consolidated Assets, Liabilities and Equity

	September 30, 2025	December 31, 2024	Change
Total assets (millions of yen)	480,310	497,167	(16,857)
Total equity (millions of yen)	328,969	315,694	13,275
Ratio of equity attributable to owners of the parent to total assets (%)	63.7	59.1	4.6

Total assets decreased ¥16,857 million compared with the previous consolidated fiscal year-end to ¥480,310 million, due primarily to a decrease in cash and cash equivalents. Total equity increased ¥13,275 million to ¥328,969 million. The ratio of equity attributable to owners of the parent to total assets stood at 63.7%.

(3) Forecast of Consolidated Financial Results

Lion has made no revisions to the consolidated financial results forecasts released on February 13, 2025 for the full fiscal year.

Lion utilized the following foreign exchange rates in the calculation of the aforementioned forecasts.

¥152 = US$1.00

¥4.3 = 1.00 baht

2. Condensed Interim Consolidated Financial Statements and Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	December 31, 2024	September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	102,240	62,523
Trade and other receivables	76,197	71,848
Inventories	53,252	57,850
Other financial assets	16,891	21,038
Other current assets	2,843	7,013
Total current assets	251,424	220,274
Non-current assets		
Property, plant and equipment	128,143	123,867
Goodwill	327	28,349
Intangible assets	21,078	20,113
Right-of-use assets	30,667	29,172
Investments accounted for using the equity method	20,767	13,335
Deferred tax assets	4,638	4,623
Retirement benefit assets	12,311	12,760
Other financial assets	27,000	27,065
Other non-current assets	807	746
Total non-current assets	245,742	260,035
Total assets	497,167	480,310

(Millions of yen)

	December 31, 2024	September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	117,129	94,515
Income tax payables	10,391	5,625
Provisions	3,054	3,891
Lease liabilities	2,099	2,092
Other financial liabilities	1,302	1,066
Other current liabilities	8,400	8,639
Total current liabilities	142,378	115,830
Non-current liabilities		
Deferred tax liabilities	3,339	2,339
Retirement benefit liabilities	1,733	260
Provisions	2,171	2,210
Lease liabilities	27,637	26,540
Other financial liabilities	2,384	2,371
Other non-current liabilities	1,827	1,787
Total non-current liabilities	39,094	35,509
Total liabilities	181,473	151,340
Equity		
Share capital	34,433	34,433
Capital surplus	31,327	31,295
Treasury stock	(8,730)	(3,303)
Other components of equity	23,749	20,819
Retained earnings	212,938	222,677
Equity attributable to owners of the parent	293,717	305,923
Non-controlling interests	21,976	23,046
Total equity	315,694	328,969
Total liabilities and equity	497,167	480,310

(2) Condensed Interim Consolidated Statement of Income and Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Income

Nine months ended September 30, 2024 and 2025

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Net sales	301,159	304,945
Cost of sales	(163,532)	(165,755)
Gross profit	137,626	139,190
Selling, general and administrative expenses	(119,002)	(116,869)
Other income	5,684	5,976
Other expenses	(7,198)	(468)
Operating profit	17,109	27,829
Finance income	981	999
Finance costs	(702)	(1,185)
Share of profit of investments accounted for using the equity method	2,192	2,153
Profit before tax	19,581	29,797
Income taxes	(4,994)	(6,587)
Profit for the period	14,587	23,210
Profit for the period attributable to:		
Owners of the parent	12,664	20,813
Non-controlling interests	1,923	2,397
Profit for the period	14,587	23,210
Earnings per share		
Basic (Yen)	45.67	75.25
Diluted (Yen)	45.61	75.18

Condensed Interim Consolidated Statement of Comprehensive Income

Nine months ended September 30, 2024 and 2025

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit for the period	14,587	23,210
Other comprehensive income		
Items that will not be reclassified as profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	1,197	204
Remeasurements of defined benefit plans	1,626	1,818
Share of other comprehensive income (loss) of investments accounted for using the equity method	4	18
Total items that will not be reclassified as profit or loss	2,828	2,040
Items that may be subsequently reclassified as profit or loss		
Net gain (loss) on derivatives designated as cash flow hedges	13	(1)
Exchange differences on translation of foreign operations	3,195	(2,812)
Total items that may be subsequently reclassified as profit or loss	3,208	(2,813)
Total other comprehensive income, net of tax	6,036	(772)
Comprehensive profit for the period	20,624	22,437
Comprehensive income for the period attributable to:		
Owners of the parent	17,363	20,150
Non-controlling interests	3,261	2,286
Comprehensive profit for the period	20,624	22,437

(3) Condensed Interim Consolidated Statement of Changes in Equity

Nine months ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury stock	Subscription rights to shares	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit plans
Balance at January 1, 2024	34,433	31,118	(7,868)	50	10,227	—
Profit for the period						
Other comprehensive income					1,215	1,626
Total comprehensive income for the period	—	—	—	—	1,215	1,626
Dividends						
Acquisition of treasury stock			(10,001)			
Disposal of treasury stock			17			
Cancellation of treasury stock			9,122			
Share-based payments		56				
Changes in ownership interest in subsidiaries						
Transfer from other components of equity to retained earnings					(282)	(1,626)
Total transactions with owners	—	56	(861)	—	(282)	(1,626)
Balance at September 30, 2024	34,433	31,175	(8,730)	50	11,159	—

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Net gain (loss) on derivatives designated as cash flow hedges	Exchange differences on translation of foreign operations	Total				
Balance at January 1, 2024	(21)	8,122	18,377	204,255	280,316	17,817	298,134
Profit for the period			—	12,664	12,664	1,923	14,587
Other comprehensive income	13	1,843	4,698		4,698	1,337	6,036
Total comprehensive income for the period	13	1,843	4,698	12,664	17,363	3,261	20,624
Dividends			—	(7,291)	(7,291)	(1,234)	(8,525)
Acquisition of treasury stock			—		(10,001)		(10,001)
Disposal of treasury stock			—		17		17
Cancellation of treasury stock			—	(9,122)	—		—
Share-based payments			—		56		56
Changes in ownership interest in subsidiaries			—		—	208	208
Transfer from other components of equity to retained earnings			(1,909)	1,909	—		—
Total transactions with owners	—	—	(1,909)	(14,503)	(17,218)	(1,026)	(18,245)
Balance at September 30, 2024	(7)	9,965	21,167	202,415	280,461	20,052	300,513

Nine months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent					
				Other components of equity		
	Share capital	Capital surplus	Treasury stock	Subscription rights to shares	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit plans
Balance at January 1, 2025	34,433	31,327	(8,730)	50	10,687	—
Profit for the period						
Other comprehensive income					200	1,818
Total comprehensive income for the period	—	—	—	—	200	1,818
Dividends						
Acquisition of treasury stock			(1)			
Disposal of treasury stock			194	(47)		
Cancellation of treasury stock			5,234			
Share-based payments		(31)				
Changes in ownership interest in subsidiaries						
Transfer from other components of equity to retained earnings					(402)	(1,818)
Total transactions with owners	—	(31)	5,427	(47)	(402)	(1,818)
Balance at September 30, 2025	34,433	31,295	(3,303)	2	10,485	—

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Net gain (loss) on derivatives designated as cash flow hedges	Exchange differences on translation of foreign operations	Total				
Balance at January 1, 2025	1	13,009	23,749	212,938	293,717	21,976	315,694
Profit for the period			—	20,813	20,813	2,397	23,210
Other comprehensive income	(1)	(2,679)	(662)		(662)	(110)	(772)
Total comprehensive income for the period	(1)	(2,679)	(662)	20,813	20,150	2,286	22,437
Dividends			—	(8,019)	(8,019)	(1,261)	(9,281)
Acquisition of treasury stock			—		(1)		(1)
Disposal of treasury stock			(47)	(39)	106		106
Cancellation of treasury stock			—	(5,234)	—		—
Share-based payments			—		(31)		(31)
Changes in ownership interest in subsidiaries			—		—	45	45
Transfer from other components of equity to retained earnings			(2,220)	2,220	—		—
Total transactions with owners	—	—	(2,267)	(11,073)	(7,945)	(1,216)	(9,162)
Balance at September 30, 2025	—	10,330	20,819	222,677	305,923	23,046	328,969

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	19,581	29,797
Depreciation and amortization	15,638	15,209
Impairment loss	6,278	59
Interest and dividend income	(949)	(940)
Interest expenses	588	576
Share of loss (profit) on investments accounted for using the equity method	(2,192)	(2,153)
Loss (gain) on disposal of non-current assets	(811)	231
Gain (loss) on step acquisitions	—	(4,476)
Gain (loss) on sale of businesses	(3,425)	—
Decrease (increase) in trade and other receivables	10,187	5,107
Decrease (increase) in inventories	(2,408)	(4,177)
Increase (decrease) in trade and other payables	(24,264)	(14,926)
Increase (decrease) in net defined benefit liability	90	904
Other	(612)	(3,356)
Total	17,700	21,856
Interest and dividends received	2,119	1,964
Interest paid	(42)	(31)
Income taxes paid	(4,076)	(13,460)
Cash flows from operating activities	15,701	10,329
Cash flows from investing activities		
Net decrease (increase) in time deposits	(1,066)	(3,744)
Purchase of property, plant and equipment	(14,754)	(15,415)
Proceeds from sales of property, plant and equipment	6,715	13
Purchase of intangible assets	(566)	(869)
Purchase of other financial assets	(812)	(558)
Proceeds from sales of other financial assets	675	843
Expenditures for purchase of stocks of affiliated companies	(102)	(102)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(17,931)
Gain on transfer of business	3,663	—
Other	(103)	(8)
Cash flows from investing activities	(6,350)	(37,774)

(Millions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Cash flows from financing activities		
Repayment of long-term borrowings	(150)	—
Cash dividends paid	(7,298)	(8,028)
Cash dividends paid to non-controlling interests	(1,234)	(1,261)
Repayment of lease liabilities	(2,000)	(2,090)
Purchase of treasury stock	(10,001)	(1)
Proceeds from non-controlling shareholders	208	45
Other	0	1
Cash flows from financing activities	(20,478)	(11,335)
Effect of exchange rate changes on cash and cash equivalents	561	(937)
Increase (decrease) in cash and cash equivalents	(10,565)	(39,716)
Cash and cash equivalents at the beginning of the period	85,526	102,240
Balance of cash and cash equivalents at the end of the period	74,960	62,523

(5) Notes to Condensed Interim Consolidated Financial Statements

Notes relating to the assumption of a going concern

Not applicable.

Segment Information

(1) Overview of reportable segments

The Group's reportable segments are component units of the Company for which separate financial information is available and that are subject to regular review by the Board of Directors for the purpose of making decisions regarding the allocation of management resources and evaluating business performance.

The Group's business divisions are organized by product category; each business division formulates a comprehensive strategy and carries out business activities for the products it handles. Affiliated companies in Japan undertake business activities pertinent to the characteristics of their respective products and services.

Affiliated companies located overseas are independent management units that conduct business activities pertinent to the characteristics of the regions in which they operate.

Accordingly, the Group comprises three reportable segments divided by product and service type and by region, which are, in turn, based on business divisions and companies; namely, the reportable segments are Consumer Products Business, Industrial Products Business and Overseas Business.

The Group's reportable segments are as follows.

A. Consumer Products Business

The Consumer Products Business engages in the manufacture and sale of commodities, over-the-counter drugs and foods with function claims, primarily in Japan.

Main products: Toothpastes, toothbrushes, hand soaps, antipyretic analgesics, eye drops, laundry detergents, dishwashing detergents, fabric softeners, household cleaners, bleaches and pet supplies

B. Industrial Products Business

The Industrial Products Business engages primarily in the manufacture and sale of chemical raw materials, industrial products and other items in Japan and overseas.

Main products: Activators, electro-conductive carbon and detergents for institutional use

C. Overseas Business

The Overseas Business engages mainly in the manufacture and sale of commodities by affiliated overseas businesses.

"Other" is not included in the reportable segments, which consists of Lion subsidiaries in Japan which are primarily engaged in construction contracting, real estate management and temporary staffing.

(2) Net Sales and Performance of Reportable Segments

Nine months ended September 30, 2024

(Millions of yen)

	Reportable Segment			Other	Total	Adjustment[2]	Consolidated[3]
	Consumer Products Business	Industrial Products Business	Overseas Business				
Net sales							
External	159,832	27,866	112,465	994	301,159	—	301,159
Intersegment[1]	23,306	12,408	16,496	11,453	63,666	(63,666)	—
Total	183,139	40,275	128,962	12,447	364,825	(63,666)	301,159
Core operating income	11,993	2,228	4,828	408	19,458	(835)	18,623
Other income							5,684
Other expenses							(7,198)
Operating profit							17,109
Finance income							981
Finance costs							(702)
Share of profit of investments accounted for using the equity method							2,192
Profit before tax							19,581

Notes: 1. Includes intra-segment transactions within the reportable segments.
2. A negative ¥835 million adjustment of core operating income mainly comprises intersegment eliminations and corporate expenses not allocated to any reportable segment.
3. Core operating income is reconciled with gross profit as follows.

	(Millions of yen)
Gross profit	137,626
Selling, general and administrative expenses	(119,002)
Core operating income	18,623

Core operating income is calculated as gross profit less selling, general and administrative expenses, and is the basis on which the Board of Directors evaluates the performance of each segment.

Nine months ended September 30, 2025

(Millions of yen)

	Reportable Segment			Other	Total	Adjustment[2]	Consolidated[3]
	Consumer Products Business	Industrial Products Business	Overseas Business				
Net sales							
External	160,203	29,016	114,958	767	304,945	—	304,945
Intersegment[1]	25,817	14,399	14,888	6,979	62,085	(62,085)	—
Total	186,020	43,416	129,846	7,746	367,031	(62,085)	304,945
Core operating income	15,857	2,290	5,595	(113)	23,630	(1,309)	22,320
Other income							5,976
Other expenses							(468)
Operating profit							27,829
Finance income							999
Finance costs							(1,185)
Share of profit of investments accounted for using the equity method							2,153
Profit before tax							29,797

Notes: 1. Includes intra-segment transactions within the reportable segments.
2. A negative ¥1,309 million adjustment of core operating income mainly comprises intersegment eliminations and corporate expenses not allocated to any reportable segment.
3. Core operating income is reconciled with gross profit as follows.

	(Millions of yen)
Gross profit	139,190
Selling, general and administrative expenses	(116,869)
Core operating income	22,320

Core operating income is calculated as gross profit less selling, general and administrative expenses, and is the basis on which the Board of Directors evaluates the performance of each segment.

(3) Changes in Reportable Segments

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 fiscal year under review. In addition, the Company has reclassified royalty income from overseas Group companies and revised the method of measuring core operating income and other income in the reported segments. Segment information for the first nine months of the previous consolidated fiscal year has also been reclassified to reflect this change.