

(Stock Exchange Code 4912)
March 4, 2026
(Introduction date of measures for electronic provision: February 26, 2026)

To Shareholders:

1-3-28, Kuramae, Taito-ku, Tokyo
Lion Corporation
Security Code: 4912
Masayuki Takemori
Representative Director,
President and Executive Officer

Notice of the 165th Annual General Meeting of Shareholders

Thank you for your continued support of Lion Corporation.
Lion Corporation hereby announces the holding of the 165th Annual General Meeting of Shareholders.
The meeting will be held in accordance with the information listed below.

In convening this Annual General Meeting of Shareholders, the Company has taken the measure of providing the information on the content of reference materials, etc., for the shareholders' meeting electronically (items provided electronically), and has posted it on the Company's website as the Notice of the 165th Annual General Meeting of Shareholders. Please access the Company's website below to confirm the information.

Lion's website (<https://www.lion.co.jp/en/ir/shareholders/meeting/>)

In addition to the above website, the information is also posted on the website of the Tokyo Stock Exchange (TSE).

TSE website (Listed Company Search)
(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

To confirm the information, please access the above TSE website, enter and search for the stock name (Lion Corporation) or security code (4912). Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

The Company wishes to advise that as an alternative to attending the meeting on the day, you may exercise your voting rights using any of the following means by 6:00 p.m., Thursday, March 26, 2026. Accordingly, please review the appended Reference Materials for the General Meeting of Shareholders and exercise your voting rights.

In writing (postal mail)

Indicate your approval or disapproval of each proposal on the voting form sent with this notice, and return the form by postal mail to arrive by the above deadline.

Via electronic means (the Internet)

After reviewing the Guide to Exercising Voting Rights via the Internet (as detailed on page 3), you may enter your approval or disapproval of each proposal in accordance with the instructions on the screen by the above deadline.

1. **Date & Time: Friday, March 27, 2026, at 10:00 a.m.**

2. **Location: Kokugikan Arena**
1-3-28 Yoko-ami, Sumida-ku, Tokyo

3. **Meeting Objectives**

Reporting

Reporting on the content of the business report, non-consolidated financial statements, consolidated financial statements, and the audit report on the consolidated financial statements for the year from January 1, 2025, to December 31, 2025

Matters to be voted upon

Proposal Election of Eleven Directors

4. **Matters Decided on Regarding the Convocation**

- (1) If no indication of approval or disapproval is made on the voting form for a proposal, it shall be treated as an indication of approval.
- (2) In the event that you exercise your voting rights both by postal mail and via the Internet, the exercise of voting rights via the Internet will be considered valid. If you exercise your voting rights more than once via the Internet, the last time you exercise your voting rights will be considered valid.

Of the items provided electronically, in accordance with the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company, the “Matters Related to Subscription Rights to Shares,” “Basic Policy Regarding Control over the Company” and “Internal Control Systems” of the business report, the “Consolidated Statement of Changes in Equity” and “Consolidated Notes” of the consolidated financial statements, and the “Non-consolidated Balance Sheet,” “Non-consolidated Statement of Income,” “Non-consolidated Statement of Changes in Shareholders’ Equity” and “Individual Notes” of the non-consolidated financial statements are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents.

In the event of revisions to the items provided electronically arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the websites mentioned above.

Guide to Exercising Voting Rights via the Internet

Method 1: Scan your QR code

Use this method to log into the website and exercise your voting rights without entering your login ID or password.

1. Using your smartphone or other device, scan the QR code at the bottom right of your voting form.
*QR code is a trademark of DENSO WAVE INCORPORATED.
2. Follow the onscreen instructions to enter your votes.

Method 2: Enter your login ID and password

Voting website <https://evote.tr.mufg.jp/> (in Japanese)

1. Access the voting website.
2. Enter the login ID and temporary password shown on your voting sheet.

Follow the onscreen instructions to enter your votes

Any fees incurred when accessing the voting website (Internet service provider connection fees, etc.) shall be borne by the shareholder.

For inquiries regarding online voting, please contact the help desk below.

Stock Transfer Agency Department (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

Telephone: +81-0120-173-027 Hours: 9:00–21:00; Toll free

For Institutional Investors:

Institutional investors can exercise their voting rights via the TSE's Electronic Voting Platform.

Reference Materials for the General Meeting of Shareholders

Proposal Election of Eleven Directors

The tenures of the eleven directors whose services are currently retained will end as of the close of this General Meeting of Shareholders. Accordingly, the Company requests the approval of the election of eleven directors.

The director candidates have been selected by the Board of Directors after consultation with the Nomination Advisory Committee.

The candidates are as follows.

Candidate No.	Name	Current Position at Lion	Attendance at the Board of Directors Meetings
1	Incumbent Masayuki Takemori	Representative Director, President and Executive Officer	18/18 meetings (100%)
2	Incumbent Kengo Fukuda	Representative Director, Vice President and Executive Officer	18/18 meetings (100%)
3	Incumbent Hitoshi Suzuki	Representative Director, Vice President and Executive Officer	18/18 meetings (100%)
4	Incumbent Fumitomo Noritake	Director and Senior Executive Officer	18/18 meetings (100%)
5	Incumbent Ayako Suzuki	Director and Senior Executive Officer	14/14 meetings (100%)
6	New candidate Yasuhiro Urao	Senior Executive Officer	—
7	Incumbent External Independent Masatoshi Matsuzaki	External Director	14/14 meetings (100%)
8	Incumbent External Independent Takashi Shiraishi	External Director	16/18 meetings (88.9%)
9	Incumbent External Independent Takako Sugaya	External Director	18/18 meetings (100%)
10	Incumbent External Independent Reiko Yasue	External Director	18/18 meetings (100%)
11	New candidate External Independent Yasuyuki Higuchi	—	—

(Note) As Ayako Suzuki and Masatoshi Matsuzaki were elected as directors at the 164th Annual General Meeting of Shareholders held on March 28, 2025 and assumed office on the same date, the attendances at the Board of Directors meetings indicate the number of meetings attended during the fiscal year since such date.

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
1	<p><u>Incumbent</u></p> <p>Masayuki Takemori (February 24, 1970)</p> <p><u>Years in office as director:</u> 3 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p>April 1993 Joined Lion Corporation</p> <p>January 2014 Brand Manager of Fabric Care Business Department, Health and Home Care Products Division</p> <p>January 2018 General Manager of Fabric Care Business Department, Health and Home Care Products Division</p> <p>January 2021 Executive Officer, Executive General Manager of Health and Home Care Products Division</p> <p>January 2022 Senior Executive Officer, Executive General Manager of Health and Home Care Products Division</p> <p>March 2023 Representative Director, President and Executive Officer, Chief Operating Officer</p> <p>March 2024 Representative Director, President and Executive Officer, Chief Executive Officer (current position)</p>	22,700
<p>Reasons for Selection as a Candidate for Director</p> <p>Since taking office as Representative Director, President and Executive Officer in March 2023, Masayuki Takemori has been leading purpose-driven management. Toward the realization of the management vision for 2030, "Becoming an advanced daily healthcare company," he has also been demonstrating leadership in management reforms and pushing forward structural reforms and corporate culture reforms. Furthermore, he is promoting the strategies set forth in the medium-term management plan "Vision2030 2nd STAGE," and is working on corporate reforms across the entire Group, such as reviewing the business portfolio and refreshing the organizational culture. His efforts have significantly contributed to further strengthening trust-based relationships with internal and external stakeholders and building a sustainable growth foundation. The Company judges that he is well qualified as a director since he can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing his experience and knowledge in formulating corporate strategies, etc. at the Board of Directors meetings and supervising business execution, etc., and therefore requests that he be reelected.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
2	<p data-bbox="418 743 537 772" style="text-align: center;"><u>Incumbent</u></p> <p data-bbox="396 806 560 863">Kengo Fukuda (April 1, 1965)</p> <p data-bbox="386 905 570 961"><u>Years in office as director:</u> 4</p> <p data-bbox="375 989 581 1066">(as of the end of this Annual General Meeting of Shareholders)</p> <p data-bbox="380 1108 574 1247"><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p data-bbox="594 321 1013 350">April 1987 Joined Lion Corporation</p> <p data-bbox="594 354 1175 411">January 2014 General Manager of Corporate Planning Department</p> <p data-bbox="594 415 1263 472">January 2017 Executive Officer, Executive General Manager of Corporate Strategy Headquarters</p> <p data-bbox="594 476 1263 533">January 2020 Executive Officer, President of Lion Hygiene Co., Ltd.</p> <p data-bbox="594 537 1182 594">January 2022 Senior Executive Officer, Assistant to the President</p> <p data-bbox="594 598 1256 737">March 2022 Director, Executive Officer, Responsible for Risk Management, Corporate Planning Department, Finance Department, Consumer Service Center, Reliability Assurance Department and Legal Department</p> <p data-bbox="594 741 1273 882">January 2023 Director and Executive Officer, Responsible for Risk Management, Corporate Planning Department, Finance Department, Consumer Service Center, Reliability Assurance Department and Legal Department</p> <p data-bbox="594 886 1256 1024">March 2023 Director and Senior Executive Officer, Responsible for Finance Department, Risk Management, Corporate Planning Department, Consumer Service Center, Reliability Assurance Department and Legal Department</p> <p data-bbox="594 1029 1263 1167">January 2025 Director and Senior Executive Officer, Responsible for Corporate Planning Department, Finance Department, Consumer Service Center, Reliability Assurance Department, Legal Department and Risk Management</p> <p data-bbox="594 1171 1268 1415">March 2025 Representative Director, Vice President and Executive Officer, Responsible for Corporate Planning Department, Finance Department, Human Resources Development Center, General Affairs Department, Management Support Department, Sustainability Promotion Department, Reliability Assurance Department, Legal Department, Risk Management and Corporate Ethics</p> <p data-bbox="594 1419 1268 1663">January 2026 Representative Director, Vice President and Executive Officer, Responsible for Corporate Planning Department, Finance Department, Human Resources Department, Corporate Support Department, Reliability Assurance Department, Public Relations Department, Global Oral Healthcare Business Development Center, Risk Management and Corporate Ethics (current position)</p>	19,300
<p data-bbox="375 1675 932 1705"><u>Reasons for Selection as a Candidate for Director</u></p> <p data-bbox="375 1709 1419 1871">Kengo Fukuda possesses advanced expertise in corporate management and corporate governance as a result of many years of experience in corporate planning divisions, and has proactively promoted constructive dialogue with shareholders and institutional investors. In March 2025, he assumed office as Representative Director, Vice President and Executive Officer and has been leading the management of the Group. Toward the realization of the medium-term management plan "Vision2030 2nd STAGE," he oversees risk management of</p>			

the entire Group while strongly advancing enhancements to the management foundation for strengthening profitability, such as reinforcing business portfolio management and corporate governance reforms. The Company judges that he is well qualified as a director since he can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing his experience and knowledge in formulating corporate strategies, etc. at the Board of Directors meetings and supervising business execution, etc., and therefore requests that he be reelected.

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
3	<p style="text-align: center;"><u>Incumbent</u></p> <p style="text-align: center;">Hitoshi Suzuki (March 24, 1963)</p> <p style="text-align: center;"><u>Years in office as director:</u> 5 (as of the end of this Annual General Meeting of Shareholders)</p> <p style="text-align: center;"><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p>April 1985 Joined Lion Corporation</p> <p>January 2016 Executive Officer, Executive General Manager of International Division, Director of Oleochemical Business Development Office and New Area Development office</p> <p>January 2017 Executive Officer, Executive General Manager of International Division and General Manager of Strategic Planning Department</p> <p>May 2017 Executive Officer, Executive General Manager of International Division</p> <p>March 2019 Senior Executive Officer, Executive General Manager of International Division</p> <p>March 2021 Director, Executive Officer, Responsible for International Division</p> <p>January 2023 Director and Executive Officer, Responsible for Overall Overseas Businesses, Northeast Asia Business Division, Southeast and South Asia Business Division and Overseas Strategic Planning Department</p> <p>March 2023 Director, Vice President and Executive Officer, Responsible for Overseas Strategic Planning Department, Northeast Asia Business Division, Southeast and South Asia Business Division and Overall Overseas Businesses</p> <p>January 2024 Director, Vice President and Executive Officer, Responsible for Northeast Asia Business Division, Southeast and South Asia Business Division and Overall Overseas Businesses</p> <p>March 2025 Representative Director, Vice President and Executive Officer, Responsible for Northeast Asia Business Division, Southeast and South Asia Business Division and Overall Overseas Businesses</p> <p>January 2026 Representative Director, Vice President and Executive Officer, Responsible for International Business Unit and Overall International Businesses (current position)</p> <p>(Significant concurrent positions) (Note 1) Representative, Southern Lion Sdn. Bhd. Representative, PNB Consolidated Pty Ltd</p>	17,277
<p>Reasons for Selection as a Candidate for Director</p> <p>Hitoshi Suzuki possesses a wealth of managerial experience at overseas subsidiaries, has taken charge of the entire overseas business, and has contributed to the growth of overseas business by accelerating the promotion of the global business strategy following the establishment of deeper cooperative relations with business partners in each country. In March 2025, he assumed office as Representative Director, Vice President and Executive Officer and has since been leading the management of the Group. To realize the further growth of the overseas business, which is a key pillar of the medium-term management plan "Vision2030 2nd STAGE," he is strongly advancing measures for enhancing global presence and the strengthening of internal controls and risk management across all group companies. The Company judges that he is well qualified as a director since he can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing his experience and knowledge in formulating corporate strategies, etc. at the Board of Directors</p>			

meetings and supervising business execution, etc., and therefore requests that he be reelected.

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
4	<p style="text-align: center;"><u>Incumbent</u></p> <p>Fumitomo Noritake (August 20, 1963)</p> <p><u>Years in office as director:</u> 7 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p>April 1988 Joined Lion Corporation</p> <p>January 2016 Executive Officer, Executive General Manager of Direct Marketing Division, General Manager of Sales Administration Department</p> <p>January 2017 Executive Officer, Executive General Manager of Direct Marketing Division</p> <p>January 2018 Executive Officer, Executive General Manager of Research and Development Headquarters</p> <p>January 2019 Executive Officer, Executive General Manager of Research and Development Headquarters, Responsible for Overall Chemicals Businesses, Intellectual Property Department and Safety and Disaster Prevention Promotion Department</p> <p>March 2019 Director, Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Production Engineering Research Headquarters, Purchasing Headquarters, Production Headquarters, Overall Chemicals Businesses, Intellectual Property Department and Safety and Disaster Prevention Promotion Department, Executive General Manager of Research and Development Headquarters</p> <p>January 2020 Director, Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Production Engineering Research Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production Headquarters, Overall Chemicals Businesses, Intellectual Property Department and Safety and Disaster Prevention Promotion Department</p> <p>January 2021 Director, Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Production Engineering Research Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production Headquarters, Overall Chemicals Businesses, DX Promotion Department, Intellectual Property Department and Safety and Disaster Prevention Department</p> <p>January 2022 Director, Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production and Logistics Headquarters, Overall Chemicals Businesses, DX Promotion Department, Intellectual Property Department and Safety and Disaster Prevention Department</p> <p>January 2023 Director and Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters,</p>	24,577

		<p>March 2023</p> <p>April 2024</p> <p>January 2025</p> <p>March 2025</p> <p>January 2026</p>	<p>Production and Logistics Headquarters, Overall Chemicals Businesses, Digital Strategy Department, Intellectual Property Department and Safety and Disaster Prevention Department</p> <p>Director and Senior Executive Officer, Responsible for Supply Chain Management Planning Headquarters, Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production and Logistics Headquarters, Overall Chemicals Businesses, Digital Strategy Department, Intellectual Property Department and Safety and Disaster Prevention Department</p> <p>Director and Senior Executive Officer, Responsible for Digital Strategy Department, Supply Chain Management Planning Headquarters, Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production and Logistics Headquarters, Overall Chemicals Businesses, Intellectual Property Department and Safety and Disaster Prevention Department</p> <p>Director and Senior Executive Officer, Responsible for Digital Strategy Department, Intellectual Property Department, Supply Chain Management Planning Headquarters, Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters, Production and Logistics Headquarters and Overall Chemicals Businesses</p> <p>Director and Senior Executive Officer, Responsible for Digital Strategy Department, Supply Chain Management Planning Headquarters, Production and Logistics Headquarters and Overall Chemicals Businesses</p> <p>Director and Senior Executive Officer, Responsible for Digital Strategy Department, Production Engineering Center and Overall Chemicals Businesses (current position)</p>	
<p>Reasons for Selection as a Candidate for Director</p> <p>In addition to advanced expertise in the area of research and development, Fumitomo Noritake possesses experience in launching new businesses and getting them on track, and has long driven the Company's growth on both the research and development and business development fronts. Furthermore, under the medium-term management plan "Vision2030 2nd STAGE," as Director and Senior Executive Officer in charge of IT/DX and the supply chain, he is strongly advancing measures for management reforms by further accelerating DX and the enhancement of supply chain management. In realizing "Vision2030 2nd STAGE," leveraging his foresight regarding the digital field to create new business value is particularly of need. In addition, the Company judges that he is well qualified as a director since he can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing his experience and knowledge in formulating corporate strategies, etc. at the Board of Directors meetings and supervising business execution, etc., and therefore requests that he be reelected.</p>				

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
5	<p style="text-align: center;"><u>Incumbent</u></p> <p style="text-align: center;">Ayako Suzuki (August 31, 1972)</p> <p style="text-align: center;"><u>Years in office as director:</u> 1 (as of the end of this Annual General Meeting of Shareholders)</p> <p style="text-align: center;"><u>Attendance at the Board of Directors Meetings</u> 14/14 meetings (100%)</p>	<p>April 1997 Joined Lion Corporation</p> <p>November 2008 Joined Coca-Cola (Japan) Company, Limited</p> <p>February 2010 Rejoined Lion Corporation</p> <p>August 2012 Brand Manager of Living Care Business Department, Health and Home Care Products Division</p> <p>January 2019 Head of Living Care Research Laboratories, Research and Development Headquarters</p> <p>January 2022 Head of Fabric Care Research Laboratories, Research and Development Headquarters</p> <p>January 2023 Executive Officer, Executive General Manager of Research and Development Headquarters</p> <p>January 2025 Senior Executive Officer, Responsible for Intellectual Property Department, Executive General Manager of Research and Development Headquarters</p> <p>March 2025 Director and Senior Executive Officer, Responsible for Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters and Intellectual Property Department</p> <p>January 2026 Director and Senior Executive Officer, Responsible for Research and Technology Center, Legal and Intellectual Property Department and Marketing Design Center (current position)</p>	8,200
<p>Reasons for Selection as a Candidate for Director</p> <p>Ayako Suzuki has an extensive track record in the area of the Company's research and development as well as experience in brand management for a global beverage manufacturer. Since rejoining the Company, she has served in such key positions as Brand Manager and Executive General Manager of the Research and Development Headquarters. Under the medium-term management plan "Vision2030 2nd STAGE," as Director and Senior Executive Officer responsible for intellectual property and research and development, she is strongly advancing measures for the creation of new business value through the strengthening of intangible assets, such as research technology and intellectual property, and the enhancement of the global R&D system to accelerate innovation. In "Vision2030 2nd STAGE," the Company expects that she will lead the effort to redesign the habits of people around the world, by demonstrating her expertise particularly in research and development and marketing. In addition, the Company judges that she is well qualified as a director since she can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing her experience and knowledge in formulating corporate strategies, etc. at the Board of Directors meetings and supervising business execution, etc., and therefore requests that she be reelected.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
6	<u>New candidate</u>	April 1992 Joined Lion Corporation	2,600
	Yasuhiro Urao (November 28, 1969)	January 2016 General Manager of Development of Beauty Care Business Department, Health and Home Care Products Division	
		August 2016 General Manager of Development and Brand Manager of Beauty Care Business Department, Health and Home Care Products Division	
	<u>Years in office as director:</u>	January 2018 General Manager of Oral Care Business Department, Health and Home Care Products Division	
	- (as of the end of this Annual General Meeting of Shareholders)	January 2023 Assistant Executive General Manager of Health and Home Care Products Division	
		March 2023 Executive Officer, Executive General Manager of Health and Home Care Products Division	
	<u>Attendance at the Board of Directors Meetings</u>	January 2025 Senior Executive Officer, Executive General Manager of Health and Home Care Products Division	
-	January 2026 Senior Executive Officer, COO, Japan Business Unit (current position)		
<p>Reasons for Selection as a Candidate for Director</p> <p>Yasuhiro Urao has long held key positions in the Group's core Consumer Products Business, and has a wealth of marketing-related expertise. In particular, most recently as a General Manager, he has overseen overall business operations, driven product development based on consumer perspective and marketing reforms, and demonstrated leadership in business growth through the creation of better living habits. Under the medium-term management plan "Vision2030 2nd STAGE," he is expected to contribute to the reform of the profit structure in the Consumer Products Business and the growth of the oral health care category, especially by demonstrating his business operation know-how and advanced expertise in marketing. In addition, the Company judges that he is well qualified as a director since he can contribute to achieving its sustainable growth and raising its corporate value over the medium to long term by utilizing his experience and knowledge in formulating corporate strategies, etc. at the Board of Directors meetings and supervising business execution, etc., and therefore requests that he be newly elected.</p>			

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7	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Incumbent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">External</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Independent</div> <p style="text-align: center;">Masatoshi Matsuzaki (July 21, 1950)</p> <p><u>Years in office as external director:</u> 1 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 14/14 meetings (100%)</p>	<p>April 1976 Joined Konishiroku Photo Industry Co., Ltd. (now KONICA MINOLTA, INC.)</p> <p>October 2003 Director, Konica Minolta Business Technologies Co., Ltd.</p> <p>April 2005 Executive Officer, Konica Minolta Holdings, Inc. (now KONICA MINOLTA, INC.) Representative Director and President, Konica Minolta Business Technology Center Co., Ltd.</p> <p>April 2006 Executive Vice President and Executive Officer, Konica Minolta Holdings, Inc. (now KONICA MINOLTA, INC.)</p> <p>June 2006 Director, Executive Vice President and Executive Officer, Konica Minolta Holdings, Inc. (now KONICA MINOLTA, INC.)</p> <p>April 2009 Director, President, Representative Executive Officer, Konica Minolta Holdings, Inc. (now KONICA MINOLTA, INC.)</p> <p>April 2014 Director, Chairman of the Board, KONICA MINOLTA, INC.</p> <p>May 2016 External Director, Ichigo Inc.</p> <p>June 2016 External Director, Nomura Research Institute, Ltd. External Director, Nippon Sheet Glass Co., Ltd.</p> <p>January 2019 Member, Advisory Committee, Lion Corporation</p> <p>June 2019 External Director, Chairperson of the Board, LIXIL Group Corporation (now LIXIL Corporation)</p> <p>June 2022 Special Adviser, KONICA MINOLTA, INC.</p> <p>March 2023 External Audit & Supervisory Board Member, Lion Corporation</p> <p>June 2023 Honorary Adviser, KONICA MINOLTA, INC. (current position)</p> <p>March 2025 External Director, Chairman of the Board of Directors, Lion Corporation (current position)</p> <p>(Significant concurrent positions) External Director, Chairman of the Board, Ushio Inc.</p>	2,100
<p>Reasons for Selection as a Candidate for External Director and Overview of Expected Roles</p> <p>In addition to his managerial experience as the president and representative executive officer of a listed company that has global operations, Masatoshi Matsuzaki possesses advanced expert knowledge in corporate governance he gained through his service as the vice chairman of the Japan Association of Corporate Directors, as well as extensive experience as an external director and the chairman of the board at other companies. Since assuming office as an external director of the Company in March 2025, he has demonstrated great leadership toward the enhancement of corporate value as Chairman of the Board of Directors and has contributed to improving the effectiveness of the Board of Directors. The Company expects that he will use his knowledge and extensive experience to lead the effort to enhance the effectiveness of the Company's governance, and conduct highly effective supervision of management from an independent and objective perspective, and therefore requests that he be reelected as an external director.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
8	<p style="text-align: center;"> <input type="checkbox"/> Incumbent <input type="checkbox"/> External <input type="checkbox"/> Independent </p> <p>Takashi Shiraishi (February 22, 1950)</p> <p><u>Years in office as external director:</u> 9 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 16/18 meetings (88.9%)</p>	<p>June 1979 Assistant Professor, International Relations, Department of Humanities and Social Science, College of Arts and Sciences, University of Tokyo</p> <p>January 1996 Professor, Department of Asian Studies and Department of History, College of Arts and Sciences, Cornell University</p> <p>July 1996 Professor, Center for Southeast Asian Studies, Kyoto University</p> <p>April 2005 Professor and Vice President, National Graduate Institute for Policy Studies</p> <p>May 2007 President, Institute of Developing Economies, Japan External Trade Organization</p> <p>January 2009 Councilor, Council for Science, Technology and Innovation, Cabinet Office</p> <p>April 2011 President, National Graduate Institute for Policy Studies</p> <p>January 2013 Member, Management Evaluation Committee (the Advisory Committee), Lion Corporation</p> <p>March 2017 External Director, Lion Corporation (current position)</p> <p>April 2017 Special visiting professor, Ritsumeikan University</p> <p>May 2017 Professor Emeritus, National Graduate Institute for Policy Studies (current position)</p> <p>April 2018 Chancellor, Prefectural University of Kumamoto</p> <p>March 2024 Honorable Emeritus Professor, Prefectural University of Kumamoto (current position)</p>	13,100
<p>Reasons for Selection as a Candidate for External Director and Overview of Expected Roles</p> <p>Takashi Shiraishi possesses long-years of managerial experience as the president of a national university, has served as the president of the Japan External Trade Organization's Institute of Developing Economies and possesses broad-ranging expert knowledge in such areas as politics, economics and social issues in Asia, where the Group conducts business. He has actively participated and provided constructive comments in meetings of the Board of Directors by utilizing his outstanding and valuable experience and knowledge, and suitably carried out his role as an external director for the Company, including supervising business execution. The Company expects that he will utilize his experience and knowledge in business development in the Asian region, which is strategically important to the Company, and conduct highly effective supervision of management from an independent and objective perspective, and therefore requests that he be reelected as an external director.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
9	<p style="text-align: center;"><u>Incumbent</u></p> <p style="text-align: center;"><u>External</u></p> <p style="text-align: center;"><u>Independent</u></p> <p style="text-align: center;">Takako Sugaya (September 20, 1972)</p> <p><u>Years in office as external director:</u> 7 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p>October 2002 Registered as an attorney at law (Daini Tokyo Bar Association)</p> <p>Joined Yamada Hideo Law Office (now the Yamada Ozaki Law Office)</p> <p>April 2010 Associate Professor, Toin University of Yokohama Graduate School of Laws</p> <p>June 2018 External Director, Haruyama Holdings, Inc.</p> <p>March 2019 External Director, Lion Corporation (current position)</p> <p>January 2024 Established Sugaya Partners Law Firm, Representative Attorney (current position)</p> <p>(Significant concurrent positions) External Director, Kyokuto Securities Co., Ltd.</p>	6,500
<p>Reasons for Selection as a Candidate for External Director and Overview of Expected Roles</p> <p>Takako Sugaya is not directly engaged in corporate management except as an external director and external Audit & Supervisory Board member, but she possesses expertise and a wealth of experience as an attorney in corporate legal work, especially in the area of compliance and harassment. Furthermore, she possesses experience as an external director and external Audit & Supervisory Board member at other companies. She has provided constructive comments in meetings of the Board of Directors based on her advanced expertise considering social trends, and suitably carried out her role as an external director for the Company, including supervising business execution. Amid growing demands for corporate social responsibility, the Company expects that she will utilize her experience and knowledge to conduct highly effective supervision of management from an independent and objective perspective, and therefore requests that she be reelected as an external director.</p>			
<p>(Note) Takako Sugaya's legal name is Takako Tanae.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
10	<p style="text-align: center;"> <input type="checkbox"/> Incumbent <input type="checkbox"/> External <input type="checkbox"/> Independent </p> <p>Reiko Yasue (January 26, 1968)</p> <p><u>Years in office as external director:</u> 5 (as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> 18/18 meetings (100%)</p>	<p>April 1991 Joined Nagoya Research Institute, Panasonic Information Systems Co., Ltd. (now Panasonic Advanced Technology Development Co., Ltd.)</p> <p>December 1999 Joined Motorola, Inc.</p> <p>June 2004 Joined SEVEN Networks, Inc.</p> <p>September 2005 Joined Qualcomm, Inc.</p> <p>July 2009 Joined FUJISOFT Inc.</p> <p>April 2015 Managing Executive Officer, FUJISOFT Inc.</p> <p>January 2018 Joined Cybernet Systems Co., Ltd., Executive Vice President</p> <p>March 2018 Representative Director, Executive Vice President, Cybernet Systems Co., Ltd.</p> <p>March 2019 Representative Director, President & CEO, Cybernet Systems Co., Ltd.</p> <p>January 2020 Representative Director, President and Executive Officer, Cybernet Systems Co., Ltd.</p> <p>March 2021 External Director, Lion Corporation (current position)</p> <p>March 2024 Senior Adviser, JSR Corporation</p> <p>June 2024 Senior Officer, JSR Corporation (current position)</p> <p>(Significant concurrent positions) External Director, TOMY COMPANY, LTD. External Director, DENTSU SOKEN INC.</p>	3,600
<p>Reasons for Selection as a Candidate for External Director and Overview of Expected Roles</p> <p>In addition to her managerial experience as president and representative director of a domestic IT company, Reiko Yasue possesses a wealth of experience and knowledge in international business. Furthermore, she is well-versed in sustainability as well as IT/DX, and provides advice to the Company's management from a perspective that responds to changes in society and technology. She also has experience as an external director of other companies, and has actively participated and provided constructive comments in meetings of the Board of Directors, suitably carrying out her role as an external director for the Company, including supervising business execution. Management supervision from her global perspective and sustainability viewpoint is effective for enhancing the Group's corporate value. The Company expects that she will continue to utilize her multifaceted experience and knowledge to conduct highly effective supervision of management from an independent and objective perspective, and therefore requests that she be reelected as an external director.</p>			

Candidate No.	Name (Date of Birth)	Brief Career History and Positions and Responsibilities at Lion Corporation (Significant Concurrent Positions)	No. of Lion Corp. Shares Owned
11	<p><u>New candidate</u></p> <p><u>External</u></p> <p><u>Independent</u></p> <p>Yasuyuki Higuchi (November 28, 1957)</p> <p><u>Years in office as external director:</u> -</p> <p>(as of the end of this Annual General Meeting of Shareholders)</p> <p><u>Attendance at the Board of Directors Meetings</u> -</p>	<p>April 1980 Joined Matsushita Electric Industrial Co., Ltd. (now Panasonic Corporation)</p> <p>April 1992 Joined Boston Consulting Group</p> <p>July 1994 Joined Apple Computer, Inc.</p> <p>July 1997 Joined Compaq Computer Corporation (now HP Inc.)</p> <p>October 2000 Director, Compaq Computer Corporation</p> <p>May 2003 Representative Director and President, HP Japan Inc.</p> <p>May 2005 Representative Director and President, The Daiei, Inc.</p> <p>March 2007 Representative Executive Officer and COO, Microsoft Co., Ltd. (now Microsoft Japan Co., Ltd.)</p> <p>April 2008 Representative Executive Officer and President, Microsoft Co., Ltd. (now Microsoft Japan Co., Ltd.)</p> <p>July 2015 Representative Executive Officer and Chairman, Microsoft Japan Co., Ltd.</p> <p>August 2015 External Director, ASKUL Corporation</p> <p>June 2016 External Director, Tokio Marine Holdings, Inc.</p> <p>April 2017 Rejoined Panasonic Corporation Senior Managing Officer, President of Connected Solutions Company</p> <p>June 2017 Representative Director and Senior Managing Executive Officer, Panasonic Corporation, President of Connected Solutions Company</p> <p>April 2022 President and CEO, Panasonic Connect Co., Ltd. (scheduled to retire in March 2026)</p>	0
<p>Reasons for Selection as a Candidate for External Director and Overview of Expected Roles</p> <p>Yasuyuki Higuchi has held key positions such as representative director, president, and CEO at multiple domestic and overseas companies, and possesses extensive experience and advanced knowledge in corporate strategy formulation and execution, organizational reforms, global marketing, and business development. In particular, he has deep expertise in the digital field and a track record of leading corporate transformation utilizing AI and other technologies. Moreover, through executive experience overseas, he possesses management judgment based on international perspectives and execution capabilities that contribute to the enhancement of corporate value. Under the medium-term management plan "Vision2030 2nd STAGE," strengthening the management foundation and improving productivity through organizational reforms are particularly important for accelerating business growth overseas. The Company expects that he will utilize his experience and knowledge to conduct highly effective supervision of management from an independent and objective perspective, and therefore requests that he be newly elected as an external director.</p>			

- (Note 1) Hitoshi Suzuki is also a representative of Southern Lion Sdn. Bhd. The Company engages in transactions involving the sale of finished products and the procurement of merchandise with Southern Lion Sdn. Bhd. In addition, the Company receives royalties for the use of its technologies and trademarks from the above company. In addition, he is also a representative of PNB Consolidated Pty Ltd. There is no business relationship between the Company and PNB Consolidated Pty Ltd.
- (Note 2) Details of limited liability agreement
Pursuant to Article 427, Paragraph 1 of the Companies Act and the provisions of the Articles of Incorporation, the Company has concluded an agreement with Masatoshi Matsuzaki, Takashi Shiraishi, Takako Sugaya and Reiko Yasue to limit liability under Article 423, Paragraph 1 of the Companies Act to 10 million yen or the amount specified by law, whichever is higher. The Company plans to conclude a similar limited liability agreement with each director if he/she is reelected as an external director. In addition, the Company plans to conclude a similar limited liability agreement as above with Yasuyuki Higuchi, if he is elected as a director.
- (Note 3) Details of compensation contracts
In order to secure excellent personnel and prevent irresoluteness in the course of their execution of duties, the Company has concluded a compensation agreement with each director. If the candidates are elected as hereby proposed, the Company plans to conclude a compensation agreement with them to compensate for expenses under Article 430-2, Paragraph 1, Item 1 of the Companies Act and losses of Item 2 of the same paragraph within the scope stipulated by law.
- (Note 4) Details of the Directors and Officers Liability Insurance
The Company has taken out Directors and Officers Liability Insurance which covers each of its directors in order to secure excellent personnel and prevent irresoluteness in the course of their execution of duties. If the candidates are elected as hereby proposed, naming each of them as the insured, the Company plans to take out Directors and Officers Liability Insurance comprising the following details.
[Overview of details of insurance policy]
- (i) Actual ratio of insurance fees born by the insured
Insurance premiums shall be borne by the company, including the special provisions.
 - (ii) Overview of insurance contingencies covered by the insurance
The insured directors and officers of the Company shall be compensated, by the insurance including the special provisions, for damages that arise from cases where they bear liability in relation to their execution of their duties, or for the claims relating to the pursuance of that liability; provided, however, that certain exemptions apply such as in cases of conduct being carried out while fully aware of the unlawful nature of such content.
 - (iii) Measures to ensure that the appropriateness of the duties of Company's directors and officers is not compromised
Deductibles are set forth in the insurance policy, and damages up to the deductible amount are not covered by the insurance.
- (Note 5) Masatoshi Matsuzaki, Takashi Shiraishi, Takako Sugaya, Reiko Yasue and Yasuyuki Higuchi meet the requirements set forth in the "Lion Corporation Standards Regarding the Independence of External Directors/Audit & Supervisory Board Members" and are deemed sufficiently independent from management. All four also meet the requirements for independent directors set forth by the Tokyo Stock Exchange. Accordingly, the Company has notified said Stock Exchange with regard to their appointment as an independent director who have no potential conflict of interest with general shareholders.
The "Lion Corporation Standards Regarding the Independence of External Directors/Audit & Supervisory Board Members" has been posted in <Reference 3> under "Basic Corporate Governance Policy" on the Company's website.

Basic Corporate Governance Policy

https://www.lion.co.jp/en/company/governance/policies/pdf/cg_policy.pdf

Item	Directors					Audit & Supervisory Board Members										
	Masayuki Takemori	Kengo Fukuda	Hitoshi Suzuki	Fumitomo Noritake	Ayako Suzuki	Yasuhiro Urao	Masatoshi Matsuzaki	Takashi Shiraiishi	Takako Sugaya	Reiko Yasue	Yasuyuki Higuchi	Naoki Miidera	Yoshiyada Ishii	Akemi Sunaga	Akihiro Ito	Yumiko Hirai
Basic skills required of the Board of Directors																
Corporate management	●	●	●				●			●	●		●			●
Finance/accounting	●	●					●					●	●	●	●	
Legal/risk management			●					●	●			●			●	
Human resource/HR development		●				●			●							●
Sustainability			●	●	●			●		●						
Global business	●		●				●	●		●	●				●	
IT/DX				●						●	●					
Marketing	●		●			●	●	●			●					●
R&D/business development				●	●			●								
Skills specifically required in light of management strategies of the Group																

*"●" is marked based on the necessary and widely-recognized experience and skills to achieve the best possible decision-making and supervision in management.

Item	Reasons for selection
Basic skills required of the Board of Directors	Corporate management We recognize that, to achieve sustainable growth and medium- to long-term enhancement of corporate value, the primary role and responsibility of the Board of Directors is to set the direction of the Group and make strategic decisions that take into account the associated risks, in a transparent, fair, timely and decisive manner. We therefore believe that corporate management experience is essential.
	Finance/accounting We consider that strengthening profitability through the focused allocation of management resources is an important management issue. We believe that, to manage profitability and growth strategies with a sound financial foundation, it is important for the Board of Directors to determine policies and targets related to profitability and capital efficiency, etc. taking into account the cost of capital, and to make timely management decisions based on the monitoring of these policies and targets.
	Legal/risk management We recognize that, to enhance our global presence, it is important not only to have expertise in the laws and regulations in each country, region and new business fields, as well as expertise in the protection of patent and trademark rights, but also to ensure internal controls and risk management across all group companies. We believe that the Board of Directors must establish such systems and supervise their implementation.
	Human resource/HR development We recognize that human resources are a company's source of added value and consider that thoroughly linking the results of human capital management to the enhancement of corporate value is an important management issue. We believe that the Board of Directors must formulate human resource development and staffing strategies in line with management strategies and supervise their progress.
Skills specifically required in light of management strategies of the Group	Sustainability In promoting efforts to address priority sustainability issues through the demonstration of the Group's unique approach to habit creation, we intend to focus on creating habits to conserve water and avoid wasting plastic, especially as part of our most important issues, "promoting environmental initiatives for a sustainable planet." We believe that the Board of Directors must determine and promote measures to achieve these targets and supervise their progress.
	Global business We position glocalization as an important strategy for expanding our overseas business. We believe that, to promote this strategy and supervise its progress, overseas business management experience and extensive knowledge of global market trends, as well as the lifestyle sectors and business environments of each country and region, are essential.
	IT/DX We recognize that, to redesign habits in the future, it is important to leverage digital technology and data science to gain a more accurate understanding of consumers' health status and lifestyles, as well as to transform our products, services and business processes. We believe that advanced knowledge and practical experience of IT and digitalization are essential to formulate DX strategies and effectively drive their implementation.
	Marketing We recognize that, to continuously propose redesigning habits to people worldwide, particularly in Asia, and to build loyalty, especially in the oral healthcare field, which is the focus of the Group, it is essential to formulate and promote marketing strategies that reflect changes in the business environment and the diversification of customer needs, and supervise their progress.
R&D/business development To redesign habits, we focus on research and development as a source of innovation and work to develop new business models to ensure that these results contribute to the enhancement of corporate value. We therefore believe that it is essential to make decisions and supervise the allocation of management resources to research and development, business development, and the launch of new businesses.	

(Attached Documents)
 Business Report (From January 1, 2025 to December 31, 2025)

I Current Conditions of the Lion Group

1. Profit/Loss and Financial Position in the Last Three Fiscal Years

		162nd term (From January 1, 2022 to December 31, 2022)	163rd term (From January 1, 2023 to December 31, 2023)	164th term (From January 1, 2024 to December 31, 2024)	165th term (Current fiscal year) (From January 1, 2025 to December 31, 2025)	
Profit/loss	Net sales	(Millions of yen)	389,869	402,767	412,943	422,092
	Core operating income	(Millions of yen)	23,559	20,133	26,332	30,760
	Profit for the period attributable to owners of the parent	(Millions of yen)	21,939	14,624	21,197	27,587
	Basic earnings per share	(Yen)	77.04	51.42	76.51	99.74
Financial position	Total equity	(Millions of yen)	279,168	298,134	315,694	348,419
	Equity attributable to owners of the parent per share	(Yen)	929.72	985.43	1,062.70	1,166.54
	Total assets	(Millions of yen)	469,278	486,363	497,167	528,596
Company information	Consolidated subsidiaries		23 companies	23 companies	22 companies	25 companies
	Associates accounted for using equity method		4 companies	5 companies	6 companies	4 companies

Notes:

1. Figures indicated as millions of yen are rounded down to the nearest million yen.
2. Core operating income is an earnings indicator the Company uses to measure regular business performance and is calculated by subtracting selling, general and administrative expenses from gross profit.

2. Business Activity and Results

In fiscal 2025 (January 1, 2025-December 31, 2025), the outlook for the global economy remained uncertain due to factors including geopolitical issues and the impact of the U.S. tariff hikes. In Japan, the economy remained on a gradual recovery trend, as although the price of goods continued to rise, there were also signs of a pickup in personal consumption.

Overseas, the economy in Thailand, which is one of our major markets, remained weak overall, despite signs of a recovery in the second half of the fiscal year. Meanwhile, the economy in China slowed, mainly due to the continued sluggishness in the real estate market and the ongoing decline in the price of goods.

Amid this environment, the Lion Group launched Vision2030 2nd STAGE, our new 3-year medium-term management plan from the fiscal year under review. With a focus on “strengthening profitability,” we will conduct initiatives in line with the three basic policies of “strengthening of business portfolio management,” “strengthening of management foundation,” and “generation of dynamism.”

In Japan, we carried out profit structure reform measures, including the launch of new high-value-added products to increase business profitability and the transfer of the REED food preparation product brand to another company.

Overseas, we worked to expand the oral healthcare business, positioned as our “Top Priority,” primarily in our major markets. We also steadily implemented measures geared toward sustainable business expansion, such as making our equity-method affiliate in Vietnam a wholly owned subsidiary, and developing our business foundation through the completion of a new plant in Bangladesh to produce toothbrushes and other products.

Reflecting these efforts, consolidated results for fiscal 2025 are as follows. Net sales amounted to ¥422,092 million, a year-on-year increase of 2.2% (or a 1.4% increase at constant currency excluding exchange rate fluctuations), core operating income came to ¥30,760 million, up 16.8% compared with the previous fiscal year, and operating profit to ¥36,368 million, up 28.1% year on year. Profit for the period attributable to owners of the parent totaled ¥27,587 million, up 30.1% compared with the previous fiscal year.

Results by business

	Net sales	YoY change	Core operating income	YoY change
Consumer Products Business	¥258,874 million	1.6 %	¥21,634 million	21.3 %
Industrial Products Business	¥58,316 million	5.7 %	¥2,898 million	3.2 %
Overseas Business	¥177,999 million	3.6 %	¥8,180 million	25.5 %
Other Business	¥9,939 million	(40.8)%	¥(178) million	– %
Subtotal	¥505,130 million	1.3 %	¥32,534 million	18.5 %
Adjustment	¥(83,038) million	– %	¥(1,774) million	– %
Total	¥422,092 million	2.2 %	¥30,760 million	16.8 %

Consumer Products Business	Net sales	¥258,874 million (Up 1.6% year on year)
	Core operating income	¥21,634 million (Up 21.3% year on year)
<p>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 previous fiscal year. Core operating income increased 21.3% year on year mainly due to promotion of profit structure reform measures.</p>		
Oral Healthcare Products	Net sales	¥80,223 million (Up 4.7% year on year)
<p>In toothpaste, sales of SYSTEMA Haguki (the Gums) Plus Toothpaste and CLINICA PRO Toothpaste increased significantly year on year, while the new high-end product, Dent Health Medicated Toothpaste DX Premium, which enhances gum recovery* and provides comprehensive care for periodontitis, received favorable customer reviews. As a result of efforts to nurture these high-value-added products, overall sales increased year on year.</p> <p>In toothbrushes, while sales of NONIO Toothbrush and SYSTEMA Toothbrush increased year on year, sales of OCH-TUNE Toothbrush decreased year on year, resulting in a slight decrease in overall sales year on year.</p> <p>In dental care products, both CLINICA ADVANTAGE Dental Floss Y-Type and NONIO Tongue Cleaner performed well, and overall sales increased significantly year on year as a result.</p> <p>In addition to the above, as products sold through dental clinics showed strong performance, overall sales of Oral Healthcare Products increased 4.7% year on year.</p> <p>* The medicated ingredient Vitamin E invigorates gum cells and repairs tissue.</p>		
Beauty Care Products	Net sales	¥25,125 million (Up 2.3% year on year)
<p>In hand soaps, sales of KireiKirei Medicated Foaming Hand Soap were strong and sales of KireiKirei Medicated Hand Conditioning Soap increased substantially year on year. Accordingly, overall sales increased year on year.</p> <p>In body washes, although sales of hadakara Foaming Body Soap were strong, sales of liquid type decreased year on year, resulting in a decrease in overall sales year on year.</p> <p>We also launched the new hair care brand MEGAMIS, which proposes a new habit of using hair serum before conditioner, at retail outlets and on e-commerce sites, and it was well received by customers.</p> <p>As a result of the above, overall sales of Beauty Care Products increased 2.3% year on year.</p>		

Fabric Care Products	Net sales	¥56,086 million (Down 1.8% year on year)
<p>In fabric softeners, sales of SOFLAN Premium Deodorizer declined year on year, and overall sales also decreased year on year.</p> <p>In laundry detergents, we launched an improved version of NANOX one in September with new enzymes for stronger cleaning and deodorizing power, and overall sales increased year on year.</p> <p>As a result of the above, overall sales of Fabric Care Products decreased 1.8% year on year.</p>		
Living Care Products	Net sales	¥20,984 million (Down 2.2% year on year)
<p>In household cleaners, LOOK Plus Whole Toilet Antibacterial & Deodorizing Fogger, a new product that proposes a new toilet cleaning habit, was well received by customers. In addition, sales of bath detergent LOOK Plus Bath Cleansing was steady, and overall sales exceeded the previous fiscal year.</p> <p>In dishwashing detergents, as sales of CHARMY Magica were down year on year, overall sales also decreased year on year.</p> <p>In addition, we transferred the REED food preparation product brand to another company as result of a review of our business portfolio.</p> <p>As a result of the above, overall sales of Living Care Products decreased 2.2% year on year.</p>		
Pharmaceutical Products	Net sales	¥24,150 million (Down 3.9% year on year)
<p>In antipyretic analgesics, sales of BUFFERIN PREMIUM DX were strong, but sales of BUFFERIN A declined year on year. As a result, overall sales decreased year on year.</p> <p>In eye drops, due to a recoil in sales of Smile 40 Premium THE ONE, which was launched in the previous fiscal year, overall sales decreased year on year.</p> <p>In cooling gel sheets for feet, sales of Kyusoku Jikan Ashi-Sukkiri Sheet and, in acne medicines, sales of PAIR® Acne Cream W were strong. As a result, overall sales increased significantly year on year for both products.</p> <p>In addition to the above, due in part to the impact of transferring some brands to other companies in the previous fiscal year, overall sales of Pharmaceutical Products decreased 3.9% year on year.</p>		
Other Products	Net sales	¥52,304 million (Up 4.6% year on year)
<p>This product segment consists of pet supplies, gifts and novelty products and other related products.</p> <p>In pet supplies, sales of oral care product PETKISS and Nioi wo Toru Suna (Deodorizing Cat Litter) were both steady. As a result, overall sales were up year on year.</p> <p>As a result of the above, overall sales of Other Products increased 4.6% year on year.</p>		

Industrial Products Business	Net sales	¥58,316 million (Up 5.7% year on year)
	Core operating income	¥2,898 million (Up 3.2% year on year)
<p>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 kitchen use, respectively. Segment net sales increased 5.7% compared with the previous fiscal year. Core operating income increased 3.2% year on year.</p> <p>In the Mobility field, we launched new anti-sticking agents for tire rubber and sales increased year on year. However, sales of electro-conductive carbon paint for car bodies and other applications declined year on year, and overall sales also decreased year on year.</p> <p>In the Electronics field, sales of electro-conductive resins for semiconductor transport containers increased significantly year on year, and overall sales also increased year on year.</p> <p>In the Life-Chemical field, sales of nitrogen compounds such as surfactants increased year on year, and overall sales also increased year on year.</p> <p>In the Detergents for Institutional Use Products field, sales of laundry detergents increased substantially year on year, while sales of hand soaps for industrial use remained strong, and overall sales also increased year on year.</p>		

Overseas Business	Net sales	¥177,999 million (Up 3.6% year on year)
	Core operating income	¥8,180 million (Up 25.5% year on year)
<p>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. Segment net sales increased 3.6% year on year (or a 1.5% increase at constant currency excluding exchange rate fluctuations). Core operating income increased 25.5% year on year.</p>		
Southeast and South Asia	Net sales	¥110,242 million (Up 8.2% year on year)
	Core operating income	¥7,109 million (Up 42.3% year on year)
<p>In Southeast and South Asia, net sales were up 8.2% year on year (or up 3.2% at constant currency excluding exchange rate fluctuations), and core operating income was up 42.3% year on year.</p>		
Thailand	Net sales	¥67,349 million (Up 2.7% year on year)
	<p>In laundry detergents, although exports to Cambodia decreased due to geopolitical issues, overall sales increased year on year due to the effects of exchange rate fluctuations.</p>	
	<p>In body soaps, sales of Shokubutsu Monogatari were strong as a result of proactive in-store promotions, and overall sales also increased year on year.</p> <p>As a result, overall sales in Thailand increased 2.7% year on year (or down 2.7% at constant currency excluding exchange rate fluctuations).</p>	
Malaysia	Net sales	¥27,197 million (Up 12.5% year on year)
	<p>In laundry detergents, sales of TOP liquid laundry detergent were strong, and overall sales increased year on year.</p>	
	<p>In toothpaste, sales of Fresh & White, a product we are focusing on developing, significantly increased year on year, and overall sales also increased year on year.</p> <p>As a result, overall sales in Malaysia increased 12.5% year on year (or up 6.9% at constant currency excluding exchange rate fluctuations).</p>	

Northeast Asia	Net sales	¥67,757 million (Down 3.2% year on year)	
	Core operating income	¥1,071 million (Down 29.6% year on year)	
In Northeast Asia, overall sales were down 3.2% year on year (or down 1.0% at constant currency excluding exchange rate fluctuations), and core operating income was down 29.6% year on year.			
China	Net sales	¥30,386 million (Up 0.6% year on year)	
	Core operating income	—	
In toothpaste, although sales of CLINICA, for which locally manufactured products were launched in the previous fiscal year, were strong, overall sales decreased year on year due to restrained sales promotion of the mainstay White&White in order to ensure profitability.			
In toothbrushes, due to a significant increase in sales of SYSTEMA, overall sales also increased year on year.			
As a result, overall sales in China increased 0.6% year on year (or up 1.8% at constant currency excluding exchange rate fluctuations).			
South Korea	Net sales	¥20,255 million (Down 11.9% year on year)	
	Core operating income	—	
In laundry detergents, sales of mainstay brand BEAT capsule detergents significantly increased year on year, but sales of powder detergents decreased year on year, and overall sales decreased year on year.			
In hand soaps, as sales of Ai! Kekute were steady, overall sales also increased year on year.			
Overall sales in South Korea decreased 11.9% year on year (or down 7.1% at constant currency excluding exchange rate fluctuations), due in part to a significant decrease in Group sales, including lower exports of powder laundry detergent to Japan.			
Other Business	Net sales	¥9,939 million (Down 40.8% year on year)	
	Core operating income	¥(178) million	
In other business, as a result of the completion of internal Group large-scale construction work in the construction contracting business, overall sales decreased 40.8% year on year, and accordingly core operating loss was ¥178 million.			

3. Capital Expenditure

Total capital expenditure for the Lion Group during the fiscal year under review was ¥10,847 million, which included ¥6,892 million for the Consumer Products Business, ¥863 million for the Industrial Products Business, ¥3,700 million for the Overseas Business, and ¥(608) million for Other Business (including the elimination of intercompany transactions).

The major facilities that were completed or in progress are as follows.

(1) Major facilities completed during the fiscal year under review

The Company		
Chiba Plant	Detergent manufacturing equipment (additional)	¥736 million
	Fabric softener manufacturing equipment (additional)	¥435 million
Odawara Plant	Pharmaceutical manufacturing equipment (additional)	¥16,144 million
	Dental rinse manufacturing equipment (additional)	¥200 million
	Toothpaste manufacturing equipment (additional)	¥159 million
Osaka Plant	Fabric softener manufacturing equipment (additional)	¥390 million
	Detergent manufacturing equipment (additional)	¥211 million
Akashi Plant	Toothbrush manufacturing equipment (additional)	¥374 million
	Toothpaste manufacturing equipment (additional)	¥146 million
Lion Chemical Co., Ltd.'s Oleochemical production site	Toothpaste manufacturing equipment (additional)	¥219 million
Research Center	Research and development devices (expanded)	¥739 million

(2) Major facilities in progress during the fiscal year under review

(i) The Company		
Odawara Plant	Pharmaceutical manufacturing equipment (additional)	
(ii) Subsidiary		
Lion Kallol Limited	Detergent and toothbrush manufacturing equipment (newly established)	

4. Financing Activities

The Company did not conduct any financing such as capital increases or bond issues during the fiscal year under review. The Lion Group did not conduct any financing worthy of special mention.

5. Management Issues

The Group has set forth its management vision of “Becoming an advanced daily healthcare company,” and it aims to contribute to a sustainable society and grow its business by application of its stated purpose “Make a difference in everyday lives by redesigning habits.”

With an eye to achieving our management vision, in fiscal 2025, we launched Vision2030 2nd STAGE, our new 3-year medium-term management plan focused on “strengthening profitability.” Based on the progress and challenges of this plan, we will strive to enhance our corporate value by swiftly implementing measures while adapting to the market environment and pursuing both economic value and social value.

(1) Progress with key strategies

i) Strengthening of business portfolio management

Of the two businesses we have positioned as “Structural Reform Business,” profitability in the Home Care Products Business has improved significantly through a review of our production system and more efficient spending on competitive initiatives. For the Chemicals Products Business, we considered how best to implement structural reforms based on changes in the market environment and other factors. As a result, we decided to transfer the shares of two consolidated subsidiaries* in February of this year.

As these initiatives produced some results for the “Structural Reform Business,” we will forge further ahead with our growth strategy by investing primarily in the Oral Healthcare Business, our “Top Priority,” and in the Beauty Care Products and Pharmaceutical Products Businesses, which we have positioned as “Challenge for Growth” for which we aim to create new business opportunities and achieve growth overseas.

In accordance with the above plans, in January of this year we acquired all shares of PNB Consolidated Pty Ltd, which operates the natural beauty care brand “Sukin” in Australia.

* Lion Specialty Chemicals Co., Ltd. and its subsidiary, PT. IPPOSHA INDONESIA

ii) Strengthening of management foundation

As part of our initiatives to reform the profit structure of our Consumer Products Business, we carried out business process re-engineering using digital technology in supply chain management, which led to a reduction in stockout rates, improved inventory levels, and curbed logistics costs.

In our corporate governance initiatives, we made headway with increasing management transparency and advancing our management structure, including appointing an external director as Chairman of the Board of Directors and linking compensation of directors and Audit & Supervisory Board members to financial and non-financial indicators for the period of the current medium-term management plan.

iii) Generation of dynamism

With the aim of strengthening business execution capabilities and speeding up management decision-making, we have decided to shift to a management structure under which authority will be delegated to business units (domestic and overseas) centered on the value chain. We have been preparing to make this transition in January 2026, including changes to management processes that involve the delegation of authority.

Under the new structure, we will speed up and increase the flexibility of decision-making, as well as accelerate our transformation into “a company that stays ahead of competition,” by appropriately delegating authority to the organizations responsible for executing strategies, thereby leading to the realization of profitable growth.

(2) Summary

As a result of implementing the above key strategies, our initiatives to increase profitability bore fruit. This helped our business performance exceed the targets we set at the beginning of the year, marking a solid start toward our ultimate goal of “strengthening profitability.”

We will continue to focus on increasing profitability and allocating the cash obtained through structural enhancements for each business and business portfolio restructuring to growth investments to seize further business opportunities and promote highly efficient business operations, which we view as our top priority.

By proactively carrying out the above strategies, the Lion Group will strive to enhance our corporate value.

6. Business Combinations
(1) Significant subsidiaries

	Company name	Share capital		Percentage of voting rights held by the Company	Major business activities
		million yen		%	
*1	Lion Chemical Co., Ltd.	7,800		100.0	Manufacture and sale of household goods, surfactants, etc.
*1	Lion Expert Business Co., Ltd.	490		100.0	Outsourcing of indirect Group functions, etc., building management, and personnel dispatch
*1	Lion Specialty Chemicals Co., Ltd.	400		100.0	Manufacture and sale of surfactants, etc. Manufacture and sale of industrial chemicals, etc.
*1	Lion Hygiene Co., Ltd.	300		100.0	Manufacture and sale of kitchen detergents, etc.
*1	Lion Pet Co., Ltd.	240		100.0	Sale of pet supplies
*1	Lion Engineering Co., Ltd.	100		100.0	Construction contracting
*1	Kyuzitu Hack Co., Ltd.	80		100.0	Planning, development and sale of experiential services
*1	Lion Dental Products Co., Ltd.	10		100.0	Sale of dentistry materials
*1	Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.	39	million U.S. dollar	100.0	Manufacture and sale of household goods
*1	Lion Home Products (Taiwan) Co., Ltd.	530	million Taiwan dollar	100.0	Sale of household goods
*1	Merap Lion Holding Limited Liability Company	224,000	million Vietnamese dong	100.0	Manufacture and sale of pharmaceuticals and medical equipment
*1	Merap Group Corporation	214,887	million Vietnamese dong	100.0	Manufacture and sale of pharmaceuticals and medical equipment
*1	Lion Corporation (Korea)	9,976	million South Korean won	100.0	Manufacture and sale of household goods
*1	Lion Corporation (Singapore) Pte. Ltd.	9	million Singapore dollar	100.0	Sale of household goods
*1	Lion Innovation Center (Shanghai) Co., Ltd.	2	million U.S. dollar	100.0	Research and development
*1	Lion Corporation (Hong Kong) Ltd.	12	million Hong Kong dollar	100.0	Sale of household goods
*1	Lion Kallol Limited	3,074	million Bangladeshi taka	75.0	Manufacture and sale of household goods
*1	Lion Corporation (Thailand) Ltd.	500	million Thai baht	51.0	Manufacture and sale of household goods
*1	Southern Lion Sdn. Bhd.	22	million Malaysian ringgit	50.0	Manufacture and sale of household goods
*2	PLANET, INC.	436	million yen	15.6	Network building and information provision for the commodities industry
*2	PT. Lion Wings	64,062	million Indonesian rupiah	48.0	Manufacture and sale of household goods

Notes:

- *1 indicates a consolidated subsidiary.

2. *2 indicates an associate accounted for using equity method.
3. Share capital is rounded down to the nearest unit.
4. Percentage of voting rights held by the Company is rounded down to one decimal place.
Percentage of voting rights held by the Company in Merap Group Corporation is calculated including the number of voting rights held by the Company's subsidiaries.

(2) Progress in important corporate consolidation

- (i) On July 1, 2025, we acquired all shares of Merap Lion Holding Corporation, an equity-method affiliate, converting it into a wholly-owned subsidiary. On August 5, 2025, the company's trade name was changed to Merap Lion Holding Limited Liability Company.
- (ii) At the Board of Directors meeting of the Company held on August 29, 2025, it was decided to establish a consolidated subsidiary, funded entirely by the Lion Group, in the Republic of India with the aim of further growing our overseas business.
- (iii) On October 31, 2025, we transferred the REED food preparation product brand to Asahi Kasei Home Products Corporation with the aim of reviewing our business portfolio.

On January 20, 2026, we acquired all shares of PNB Consolidated Pty Ltd, based in the Commonwealth of Australia, which produces the Sukin natural beauty care brand, converting it into a wholly-owned subsidiary.

At the Board of Directors meeting of the Company held on February 12, 2026, it was decided that the Company would transfer all of its shares in the Chemicals Business subsidiary, Lion Specialty Chemicals Co., Ltd. and its subsidiary PT. IPPOSHA INDONESIA to AP88 Co., Ltd. (a special purpose company supported by a fund serviced by Advantage Partners, Inc.), with the transfer to take place on June 30, 2026.

7. Major Offices and Plants (as of December 31, 2025)

(1) The Company

Head office: Tokyo

Branch offices: Sapporo, Sendai, Nagoya, Osaka and Fukuoka

Plants: Chiba Plant, Odawara Plant, Osaka Plant and Akashi Plant

(2) Major offices of subsidiaries

Lion Chemical Co., Ltd. (Ibaraki and Kagawa)

Lion Specialty Chemicals Co., Ltd. (Tokyo)

Lion Hygiene Co., Ltd. (Tokyo)

Lion Pet Co., Ltd. (Tokyo)

Lion Engineering Co., Ltd. (Tokyo)

Lion Dental Products Co., Ltd. (Tokyo)

Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.

Lion Corporation (Korea) (South Korea)

Lion Corporation (Thailand) Ltd. (Thailand)

Southern Lion Sdn. Bhd. (Malaysia)

8. Employees (as of December 31, 2025)

The number of employees of the Lion Group is 8,346 (an increase of 692 from the end of the previous year). The number of employees of the Company is 3,059 (a decrease of 9 from the end of the previous year).

(Note) Number of employees does not include temporary staff.

9. Major Creditors (as of December 31, 2025)

Not applicable.

II Shares of the Company (as of December 31, 2025)

1. Number of Shares

(1) Total number of authorized shares 1,185,600,000 shares

(2) Total number of shares issued and share capital

Total number of shares issued 279,782,746 shares
Share capital ¥34,433,728,970

Notes:

- Total number of shares issued includes treasury stocks (2,466,108 shares). Treasury stocks do not include the executive compensation BIP trust (664,785 shares).
- There are no changes in share capital.

Composition ratios by shareholder category

● Japanese financial institutions	31.17%
● Foreign institutions and individuals	28.59%
● Individual investors and others	25.98%
● Other corporations	10.91%
● Financial instrument firms	3.35%

2. Number of Shareholders 274,440

3. Principal Shareholders (top 10 shareholders)

	Name of shareholder	Number of shares held (thousands of shares)	Shareholding ratio (%)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	38,563	13.90
2	Custody Bank of Japan, Ltd. (Trust Account)	28,252	10.18
3	JAPAN ACTIVATION CAPITAL I L. P.	12,450	4.48
4	Custody Bank of Japan, Ltd. as trustee for Mizuho Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	8,282	2.98
5	STATE STREET BANK AND TRUST COMPANY 505001	6,796	2.45
6	STATE STREET BANK AND TRUST COMPANY 505103	5,181	1.86
7	Meiji Yasuda Life Insurance Company	3,690	1.33
8	JP MORGAN CHASE BANK 385781	3,565	1.28
9	Goldman Sachs Japan CO., LTD. BNYM	3,430	1.23
10	Dai Nippon Printing Co., Ltd.	3,140	1.13

Notes:

- Number of shares held is rounded down to the nearest thousand.
- Shareholding ratio is calculated based on the number of shares (277,316,638 shares) obtained by deducting the total number of treasury stocks from the total number of shares issued, and is rounded down to the third decimal place.

4. Status of shares delivered to corporate officers as consideration for the execution of duties during the fiscal year under review

Classification	Number of shares	Number of eligible recipients
Director (excluding external directors)	218,666	4 persons

Note: Details of the Company's stock-based compensation are described in "III Company's Corporate Officers 3. Compensation, etc. Received by Directors and Audit & Supervisory Board Members."

5. Matters relating to shares held by the Company

(1) Basic policy on cross-shareholdings

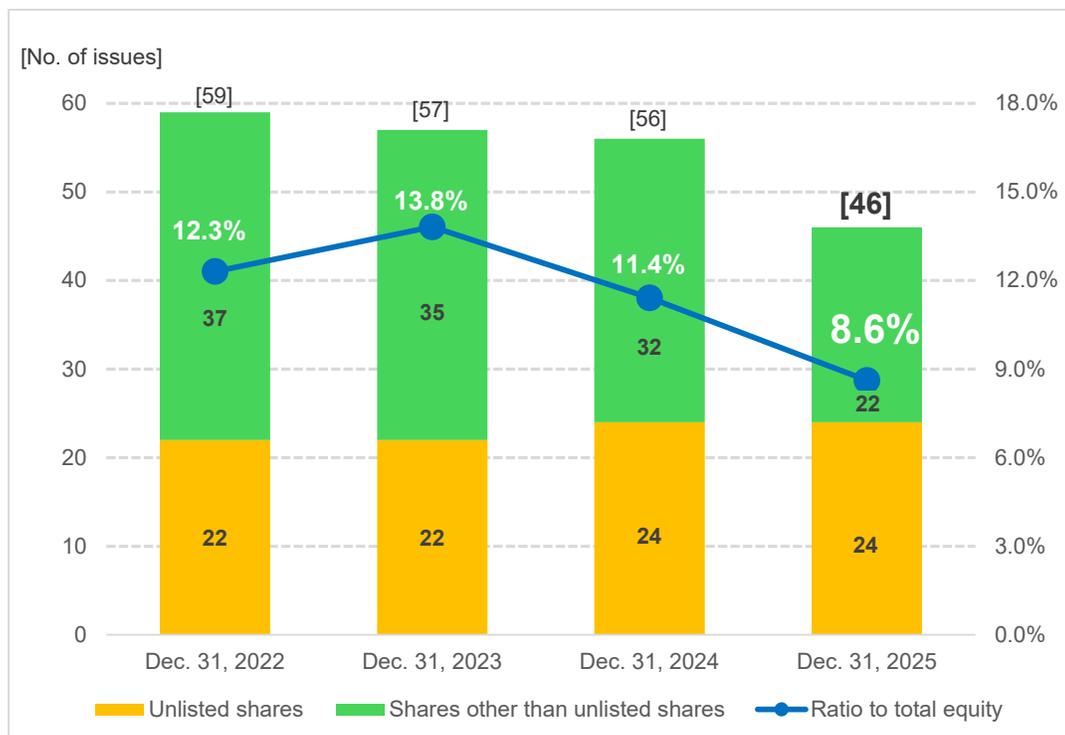
The Company may maintain cross-shareholdings with other companies only when it has judged that they are strategically important for such purposes as maintaining and strengthening trade relationships. The Board of Directors examines the economic rationality of cross-shareholdings on an annual basis, checking the investment profitability against cost and other factors for each

stockholding. Based on the results of these examinations and such factors as the importance of the relevant trade relationships, shareholdings determined to be unnecessary are then sold, reducing the Company's cross-shareholdings.

(2) Standards for exercising voting rights for cross-shareholdings

The voting rights associated with strategically held shares may be exercised based on comprehensive consideration that includes the improvement of the Company's corporate value over the medium to long term and the common interest of the Company's fellow shareholders.

(3) Number of issues of shares held by the Company for purposes other than pure investment and the ratio to total equity



* The number of shares other than unlisted shares and the ratio to total equity stated above include deemed shareholdings.

6. Other significant matters relating to shares

In accordance with a resolution of the Board of Directors meeting held on April 28, 2025, the Company cancelled 4,650,000 shares of treasury stock on May 7, 2025.

III Company's Corporate Officers

1. Details of Directors and Audit & Supervisory Board Members (as of December 31, 2025)

Position	Name	Responsibilities in the Company and significant concurrent positions, etc.
Representative Director, President and Executive Officer	Masayuki Takemori	Chief Executive Officer
Representative Director, Vice President and Executive Officer	Kengo Fukuda	Responsible for Corporate Planning Department, Finance Department, Human Resources Development Center, General Affairs Department, Management Support Department, Sustainability Promotion Department, Reliability Assurance Department, Legal Department, Risk Management and Corporate Ethics
Representative Director, Vice President and Executive Officer	Hitoshi Suzuki	Responsible for Northeast Asia Business Division, Southeast and South Asia Business Division and Overall Overseas Businesses; Representative, Southern Lion Sdn. Bhd.
Director, Senior Executive Officer	Fumitomo Noritake	Responsible for Digital Strategy Department, Supply Chain Management Planning Headquarters, Production and Logistics Headquarters and Overall Chemicals Businesses
Director, Senior Executive Officer	Ayako Suzuki	Responsible for Manufacturing Innovation Headquarters, Purchasing Headquarters, Research and Development Headquarters and Intellectual Property Department; Representative, Lion Corporation (Thailand) Ltd.
Director, Executive Officer	Takayuki Kawanishi	Responsible for Business Development Center, Health and Home Care Products Division, Corporate Communication Center, Consumer Service Center and Global Oral Healthcare Business Development Department
External Director	Masatoshi Matsuzaki	Chairman of the Board of Directors, Honorary Adviser, KONICA MINOLTA, INC., External Director, Chairman of the Board, Ushio Inc.
External Director	Kazunari Uchida	Professor Emeritus, Waseda University, External Director, BROTHER INDUSTRIES, LTD.
External Director	Takashi Shiraishi	Professor Emeritus, National Graduate Institute for Policy Studies, Honorable Emeritus Professor, Prefectural University of Kumamoto
External Director	Takako Sugaya	Attorney at law, External Director, Kyokuto Securities Co., Ltd.

Position	Name	Responsibilities in the Company and significant concurrent positions, etc.
External Director	Reiko Yasue	Senior Officer, JSR Corporation, External Director, TOMY COMPANY, LTD., External Director, DENTSU SOKEN INC.
Audit & Supervisory Board Member	Naoki Miidera	(Full-time)
Audit & Supervisory Board Member	Yoshitada Ishii	(Full-time)
External Audit & Supervisory Board Member	Akemi Sunaga	CPA, tax accountant, External Director (Audit & Supervisory Committee Member), Ushio Inc., External Director (Audit and Supervisory Committee Member), YOMEISHU SEIZO CO., LTD., Outside Corporate Auditor, Prima Meat Packers, Ltd., Member of the Board of Directors (External), KYB Corporation
External Audit & Supervisory Board Member	Akihiro Ito	Outside Audit & Supervisory Board Member, KAMEDA SEIKA CO., LTD., Outside Corporate Auditor, Kewpie Corporation
External Audit & Supervisory Board Member	Yumiko Hirai	

Notes:

1. Masatoshi Matsuzaki retired from his position as Audit & Supervisory Board member at the close of the 164th Annual General Meeting of Shareholders held on March 28, 2025, and was newly appointed as a Director.
2. There is no special interest between other companies where Masatoshi Matsuzaki, Kazunari Uchida, Takako Sugaya, Reiko Yasue, Akemi Sunaga and Akihiro Ito hold concurrent positions and the Company.
3. Yoshitada Ishii has many years of accounting experience in the Finance Department of the Company, Akemi Sunaga is qualified as a Certified Public Accountant and Certified Tax Accountant, and Akihiro Ito has experience as a Director of the Board and CFO in a global, publicly listed company. Each of them has considerable knowledge in finance and accounting.
4. External directors Masatoshi Matsuzaki, Kazunari Uchida, Takashi Shiraishi, Takako Sugaya and Reiko Yasue, and external Audit & Supervisory Board members Akemi Sunaga, Akihiro Ito and Yumiko Hirai meet the qualifications set forth in the "Lion Corporation Standards Regarding the Independence of External Directors/Audit & Supervisory Board Members" and are deemed sufficiently independent from management. All eight also meet the requirements for independent directors set forth by the Tokyo Stock Exchange. Accordingly, the Company has notified said Stock Exchange with regard to their appointment as independent directors who have no potential conflict of interest with general shareholders.
5. Pursuant to Article 427, Paragraph 1 of the Companies Act and the provisions of the Articles of Incorporation, the Company has concluded agreements with external officers that limit liability under Article 423, Paragraph 1 of the Companies Act to ¥10 million or the amount specified by law, whichever is higher.
6. In order to secure excellent personnel and prevent irresoluteness in the course of their execution of duties, the Company has concluded a compensation agreement with each director and Audit & Supervisory Board member to compensate for expenses under Article 430-2, Paragraph 1, Item 1 of the Companies Act and losses of Item 2 of the same paragraph within the scope stipulated by law. The Company shall bear no obligation to give compensation under this agreement for compensation payments pertaining to damages in the event that directors or Audit & Supervisory Board members are liable for compensation for damages due to malice or gross negligence in the performance of their duties.
7. The Company has taken out Directors and Officers Liability Insurance which covers each of directors, Audit & Supervisory Board members and Executive Officers who do not concurrently serve as directors in order to secure excellent personnel and prevent irresoluteness in the course of their execution of duties.

[Overview of details of insurance policy]

(i) Actual ratio of insurance fees born by the insured

Insurance premiums shall be borne by the Company, including the special provisions.

(ii) Overview of insurance contingencies covered by the insurance

The insured directors and officers of the Company shall be compensated, by the insurance including the special provisions, for damages that arise from cases where they bear liability in relation to their execution of their duties, and for the claims relating to the pursuance of that liability; provided, however, that certain exemptions apply such as in cases of conduct being carried out while fully aware of the unlawful nature of such content.

(iii) Measures to ensure that the appropriateness of the duties of Company's directors and officers is not compromised

Deductibles are set forth in the insurance policy, and damages up to the deductible amount are not covered by the insurance.

Responsibilities of the corporate officers, etc. as of January 1, 2026 are as follows.

Representative Director, President and Executive Officer	Masayuki Takemori	Chief Executive Officer
Representative Director, Vice President and Executive Officer	Kengo Fukuda	Responsible for Corporate Planning Department, Finance Department, Human Resources Department, Corporate Support Department, Reliability Assurance Department, Public Relations Department, Global Oral Healthcare Business Development Center, Risk Management and Corporate Ethics
Representative Director, Vice President and Executive Officer	Hitoshi Suzuki	Responsible for International Business Unit and Overall International Businesses; Representative, Southern Lion Sdn. Bhd.; Representative, PNB Consolidated Pty Ltd
Director, Senior Executive Officer	Fumitomo Noritake	Responsible for Digital Strategy Department, Production Engineering Center and Overall Chemicals Businesses
Director, Senior Executive Officer	Ayako Suzuki	Responsible for Research and Technology Center, Legal and Intellectual Property Department and Marketing Design Center
Director, Executive Officer	Takayuki Kawanishi	Responsible for Japan Business Unit

Executive officers who do not concurrently serve as directors as of December 31, 2025 are as follows. Masaharu Mikuni, Yasuhiro Urao, Yasutsugu Shimizu, Annette Ling, Kei Minamikawa, Akihiko Takeo, Katsuhiko Chikyu, Yoshihiro Aihara, Go Ichitani, Norihiko Nakabayashi, Masahide Arai, Eiji Nishinaga, Atsushi Naito, Takashi Saegusa

Executive officers appointed on January 1, 2026 who do not concurrently serve as directors are as follows.

Yasuhiro Urao, Masaharu Mikuni, Go Ichitani, Annette Ling, Akihiko Takeo, Yoshihiro Aihara, Norihiko Nakabayashi, Masahide Arai, Eiji Nishinaga, Atsushi Naito, Takashi Saegusa, Shigeo Oshio, Hiroaki Yanagida

2. External Officers

The main activities of external directors and external Audit & Supervisory Board members are as follows.

(1) External Directors

Name	Attendance at Board of Directors' meetings	Status of principal remarks and outline of duties performed regarding expected roles of external directors
Masatoshi Matsuzaki	14/14 meetings	Based on his extensive management experience as the representative director and president of a listed company that operates on a global scale, he led discussions at Board of Directors meetings as its Chairman and actively made remarks aimed at strengthening the Group's corporate governance. As an external director of the Company, he played an appropriate role in supervising business execution.
Kazunari Uchida	18/18 meetings	Based on advanced management decision-making know-how backed by the management experience of a management consulting company as representative of Japan, he actively gave advice on the management strategy of the Group and made remarks to strengthen the business in general. As an external director of the Company, he played an appropriate role in supervising business execution.
Takashi Shiraishi	16/18 meetings	Based on advanced management decision-making know-how backed by management experience as President of the National University Corporation, he actively made statements to ensure the suitability and appropriateness of decision-making throughout the Group's management. As an external director of the Company, he played an appropriate role in supervising business execution.
Takako Sugaya	18/18 meetings	Based on her wealth of knowledge and experience centered on corporate legal affairs as a lawyer, she actively made statements to strengthen the risk management and compliance system of the Group, and as an external director of the Company, she played an appropriate role in supervising business execution.
Reiko Yasue	18/18 meetings	Based on her management experience as president and representative director of a domestic IT company and her wealth of knowledge and experience in international business, she actively gave advice on the DX strategy of the Group and made remarks for strengthening business mainly overseas. As an external director of the Company, she played an appropriate role in supervising business execution.

Note: As Masatoshi Matsuzaki was elected as a director at the 164th Annual General Meeting of Shareholders held on March 28, 2025 and assumed office on the same date, the attendances at the Board of Directors meetings indicate the number of meetings attended during the fiscal year since such date.

(2) External Audit & Supervisory Board Members

Name	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Principal comments
Akemi Sunaga	18/18 meetings	17/17 meetings	She made appropriate remarks to ensure the appropriateness of the Group's operations, mainly in the areas of finance, accounting and tax.
Akihiro Ito	14/14 meetings	13/13 meetings	Regarding the business execution of the entire Group, he made appropriate remarks based on his expert knowledge on finance and accounting, as well as the management of overseas subsidiaries.
Yumiko Hirai	14/14 meetings	13/13 meetings	Regarding the business execution of the entire Group, she made appropriate remarks based on her knowledge as an expert mainly on human capital.

Note: As Akihiro Ito and Yumiko Hirai were elected as Audit & Supervisory Board members at the 164th Annual General Meeting of Shareholders held on March 28, 2025 and assumed office on the same date, the attendances at the Board of Directors meetings and Audit & Supervisory Board meetings indicate the number of meetings attended during the fiscal year since such date.

3. Compensation, etc. Received by Directors and Audit & Supervisory Board Members

(1) Policy for Determining the Amount of Compensation, etc. Received by Directors and Audit & Supervisory Board Members and Details of the Policy

Policy for determining the amount of compensation, etc. received by directors and Audit & Supervisory Board members and details of the policy for the fiscal year under review are as follows.

(i) Method of determination of policy

The Company respects the reports of the Compensation Advisory Committee as much as possible in order to increase the objectivity and transparency of director and Audit & Supervisory Board member compensation, etc., and the policy regarding compensation, etc. of directors and Audit & Supervisory Board members (hereinafter "corporate officers") is decided by the Board of Directors for directors and the Audit & Supervisory Board for Audit & Supervisory Board members. The Compensation Advisory Committee consists of eight members: five external directors, three external Audit & Supervisory Board members.

(ii) Basic Policy on compensation of directors and Audit & Supervisory Board members

Lion has designed a corporate officer compensation system to provide sound and appropriate incentives necessary for retaining outstanding management talent that will achieve the Company's management policies and continuously increase its corporate value over the medium to long term.

Director and Audit & Supervisory Board member compensation is decided by the Board of Directors and the Audit & Supervisory Board, respectively, based on consultations with the Compensation Advisory Committee. Compensation is set within the limits decided by resolution of the General Meeting of Shareholders.

Compensation for directors (excluding external directors) consists of fixed monthly compensation and performance-linked compensation (bonuses and stock-based compensation). Compensation for external directors and Audit & Supervisory Board members shall be fixed monthly compensation only. The compensation level shall be objectively benchmarked with reference to survey data from external specialized organizations and set for each role and responsibility of corporate officers.

The compensation for directors excluding external directors is made up of approximately 50% fixed compensation and 50% performance-linked compensation (30% of which is bonus and 20% stock-based compensation) according to the director's rank. The proportion of performance-linked compensation increases according to rank and is revised as needed. Performance-linked

compensation is calculated based on the degree to which performance targets have been met in each year and is paid individually at a designated time after the end of the relevant year.

Bonuses for performance-linked compensation shall be the sum of 50% of the 0.03% of core operating income and 50% of the 0.05% of profit attributable to owners of the parent for the relevant fiscal year (rounded down to the nearest ¥1,000), multiplied by a rank coefficient, which shall be the base amount of bonuses according to their rank, with 30% of this amount then added based on the individual performance assessment of each director (assessed based on the degree of performance of the management oversight function, performance of the business execution in their responsibilities, and contribution to priority sustainability issues). However, if each of the above profits is a loss, the profit amount is calculated as 0.

Performance-linked stock-based compensation consists of a “fixed portion” to be granted in each fiscal year and the “performance-linked portion” granted according to the degree of achievement of performance targets for each fiscal year during the medium-term management plan, and the ratio of “fixed portion” and “performance-linked portion” shall be 1/2 of the stock compensation base amount determined by position.

In addition, stock-based compensation may be requested for confiscation of granted share award points or return of the equivalent amount of shares delivered in the event of a material violation of the duties of directors or internal regulations.

A summary of the above basic policy on executive compensation and details of the basic policy shall be resolved by the Board of Directors after consulting with the Compensation Advisory Committee and shall be disclosed in business reports, annual securities reports, etc.

(2) Indicators Used to Calculate Performance-Linked Compensation

Bonuses which are performance-linked compensation, is calculated using two indicators. The first is core operating income, which the Company uses to measure regular business performance and is one of the most highly prioritized income indicators under the medium-term management plan. The second is profit for the period attributable to owners of the parent, which is the final result of business activities and is directly linked to shareholder value. Performance-linked stock-based compensation is calculated using core operating income and ROIC*, which the Company uses to measure the profitability and efficiency of invested equity and is a financial indicator prioritized under the medium-term management plan, as well as the progress with initiatives for top priority sustainability issues.

Indicator as a goal	Target value	Achievement	Achievement rate
Core operating income	¥30,000 million	¥30,760 million	103%
Profit for the period attributable to owners of the parent	¥25,000 million	¥27,587 million	110%
Return on invested capital (ROIC*)	6.1%	6.7%	110%

* 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

(3) Calculation method of bonuses to corporate officers

Bonuses to each corporate officer will be paid in an amount calculated and determined based on the following method.

The Company calculates 70% of the base amount of bonuses according to their rank, determined in accordance with “(1)(ii) Basic Policy on compensation of directors and Audit & Supervisory Board members” above, as a company-wide performance payment amount for each director individually.

The Company also calculates individual payment amounts by adding an amount based on an individual performance evaluation (an appraisal of each person’s performance in their management oversight function, performance of business execution in their responsibilities, and

degree of contribution to addressing the priority sustainability issues) to 30% of the base amount of bonuses according to their rank.

(4) Calculation of performance-linked stock-based compensation

In performance-linked stock-based compensation system, the number of points (number of shares) to be granted to directors per fiscal year is determined via a calculation made by the method below. In principle, shares are issued to directors upon retirement from office in a number equivalent to the number of points they have accumulated. The maximum total number of points to be granted to eligible corporate officers per fiscal year shall be 270,000 points (one share of the Company's stock per point).

The number of points for each corporate officer eligible for payment is determined individually using the following formula.

Number of points for fixed compensation and performance-linked compensation = (1) Fixed base amount + (2) Performance-linked base amount × (3) Performance-linked coefficient α ÷ (4) Per-share acquisition cost Number of sustainability points = ((2) Performance-linked base amount × (3) Performance-linked coefficient β) ÷ (4) Per-share acquisition cost

The fixed base amount is calculated using the coefficient set for each rank, and the performance-linked base amount is the same amount as the fixed base amount.

Performance-linked coefficients are calculated based on the degree of achievement of core operating income and ROIC, and the progress made in addressing top priority sustainability issues.

(5) Reasons the Board of Directors has deemed that the amount of compensation, etc. received by individual directors for the fiscal year under review complies with the policy for determining the amount of compensation, etc.

Regarding the compensation, etc. received by individual directors for the fiscal year under review, as the Board of Directors has confirmed that the method for determining the amount of compensation, etc. and the amount of compensation, etc. are consistent with the policy for determining the amount of compensation, etc. and that reports of the Compensation Advisory Committee were respected, the Board of Directors has deemed that the compensation, etc. complies with the policy.

4. Total Amount of Compensation, etc. for Directors and Audit & Supervisory Board Members

Classification	Number of Corporate Officers	Fixed compensation	Performance-linked compensation		Total
			Bonuses	Stock-based compensation	
Directors	14	¥302 million	¥168 million	¥97 million	¥567 million
(External Directors)	(5)	(¥76 million)	—	—	(¥76 million)
Audit & Supervisory Board Members	7	¥104 million	—	—	¥104 million
(External Audit & Supervisory Board Members)	(5)	(¥41 million)	—	—	(¥41 million)
Total	21	¥406 million	¥168 million	¥97 million	¥671 million
(External officers)	(10)	(¥118 million)	—	—	(¥118 million)

Notes:

1. There are no directors of the Company who concurrently serve as employees.
2. The fixed compensation for directors was decided to be up to ¥500 million (including up to ¥150 million for external directors) for one fiscal year at the 164th Annual General Meeting of Shareholders held on March 28, 2025. At the conclusion of said General Meeting of Shareholders, the number of directors was eleven.
3. The fixed compensation for Audit & Supervisory Board members was decided to be up to ¥200 million for one fiscal year at the 164th Annual General Meeting of Shareholders held on March 28, 2025. At the conclusion of said General Meeting of Shareholders, the number of Audit & Supervisory Board members was five.
4. Bonuses for performance-linked compensation are forecast amounts calculated and determined based on core operating income for the current fiscal year under review and profit for the period attributable to owners of the parent by the method described above, before making adjustments based on individual performance. The maximum amount of bonuses was resolved at the 164th Annual General Meeting of Shareholders held on March 28, 2025 at ¥400 million per fiscal year. At the conclusion of said General Meeting of Shareholders, the number of directors was six (excluding external directors).
5. Stock-based compensation for performance-linked compensation is the amount obtained by converting the stock grant points awarded to those eligible under the system at the acquisition price according to the degree of achievement of business performance and the (forecast) degree of progress made in addressing top priority sustainability issues for the fiscal year under review. At the 164th Annual General Meeting of Shareholders held on March 28, 2025, the maximum amount of money to be contributed for stock-based compensation was resolved to be ¥300 million per fiscal year, and the total number of shares was resolved to be 270,000 shares per fiscal year. The number of directors at the end of said General Meeting of Shareholders was six (excluding external directors).
6. Amounts are rounded down to the nearest million yen.

IV Accounting Auditor

1. Name of Accounting Auditor Ernst & Young ShinNihon LLC

2. Amount of compensations

Classification	Amount paid
(1) Amount of compensations pertaining to the fiscal year under review	¥107 million
(2) Total amount of money and other financial profits to be paid by the Company and its subsidiaries	¥152 million

Notes:

1. The audit contract between the Company and the accounting auditor does not separate the audit compensation for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act, and as they cannot be separated in practice, the total amount is shown in (1) above.
 2. The Audit & Supervisory Board of the Company checked the grounds for calculation based on the explanation of the accounting auditor regarding the compensation estimated from the number of audit days and man-scheduling, etc. of the auditing plan for the fiscal year under review while referring to the evaluation of the performance for the previous year, and since members deemed that content was reasonable, agreed with Article 399, Paragraph 1 of the Companies Act.
 3. Of the significant subsidiaries of the Company listed on page 31, Lion Daily Necessities Chemicals (Qingdao) Co., Ltd., Lion Home Products (Taiwan) Co., Ltd., Merap Lion Holding Limited Liability Company, Merap Group Corporation, Lion Corporation (Korea), Lion Corporation (Singapore) Pte. Ltd., Lion Innovation Center (Shanghai) Co., Ltd., Lion Corporation (Hong Kong) Ltd., Lion Kallol Limited, Lion Corporation (Thailand) Ltd., and Southern Lion Sdn. Bhd. receive audits by an auditor other than Ernst & Young ShinNihon LLC.
 4. Amounts are rounded down to the nearest million yen.
3. Details of Non-Auditing Services
Not applicable.
4. Policy for Decisions on Dismissal and Non-Reappointment of Accounting Auditor
When the Audit & Supervisory Board deems the dismissal or non-reappointment of the accounting auditor necessary due to an inability to implement their duties, the Board decides the contents of the proposal, and based on this decision, the Board of Directors makes a proposal on the dismissal or non-reappointment of the accounting auditor to the General Meeting of Shareholders.
Furthermore, when the Audit & Supervisory Board deems that any of the items in Article 340, Paragraph 1 of the Companies Act apply to the accounting auditor, the accounting auditor shall be dismissed upon the agreement of all members of the Audit & Supervisory Board. In this case, an Audit & Supervisory Board member selected by the Audit & Supervisory Board reports the dismissal and the reason behind it to the first General Meeting of Shareholders after the dismissal.
5. Details of Limited Liability Agreement
Pursuant to Article 427, Paragraph 1 of the Companies Act and the provisions of the Articles of Incorporation, the Company has concluded agreements with accounting auditor that limit liability under Article 423, Paragraph 1 of the Companies Act to ¥32 million or the amount specified by law, whichever is higher.

V Policy on Decisions on Dividends from Surplus etc.

The Company considers returning profits to shareholders on a continuous and stable basis by increasing its consolidated earnings capacity to be one of its most important management issues. Cash dividends are based on progressive dividends*, aiming for a payout ratio of 30%, and the Company strives to achieve dividend increases through income improvement. The Company bases the acquisition of treasury stock on comprehensive reviews to ensure that it maintains levels of internal reserves, etc. required to secure medium- and long-term growth.

The Company allocates internal reserves to research and development, capital investment in production facilities and the acquisition of external resources, aiming to reinforce the Company's growth potential and to develop a sustainable business foundation.

Taking into consideration the Company's cash dividend payment record, as well as its dividend payout ratio target, the Company's Board of Directors resolved to pay an interim dividend of ¥15 per share (payment date: September 2, 2025) and a year-end dividend of ¥15 per share (payment date: March 5, 2026) for the fiscal year under review.

*Progressive dividends: In principle, maintaining or increasing dividends without reductions.

Reference

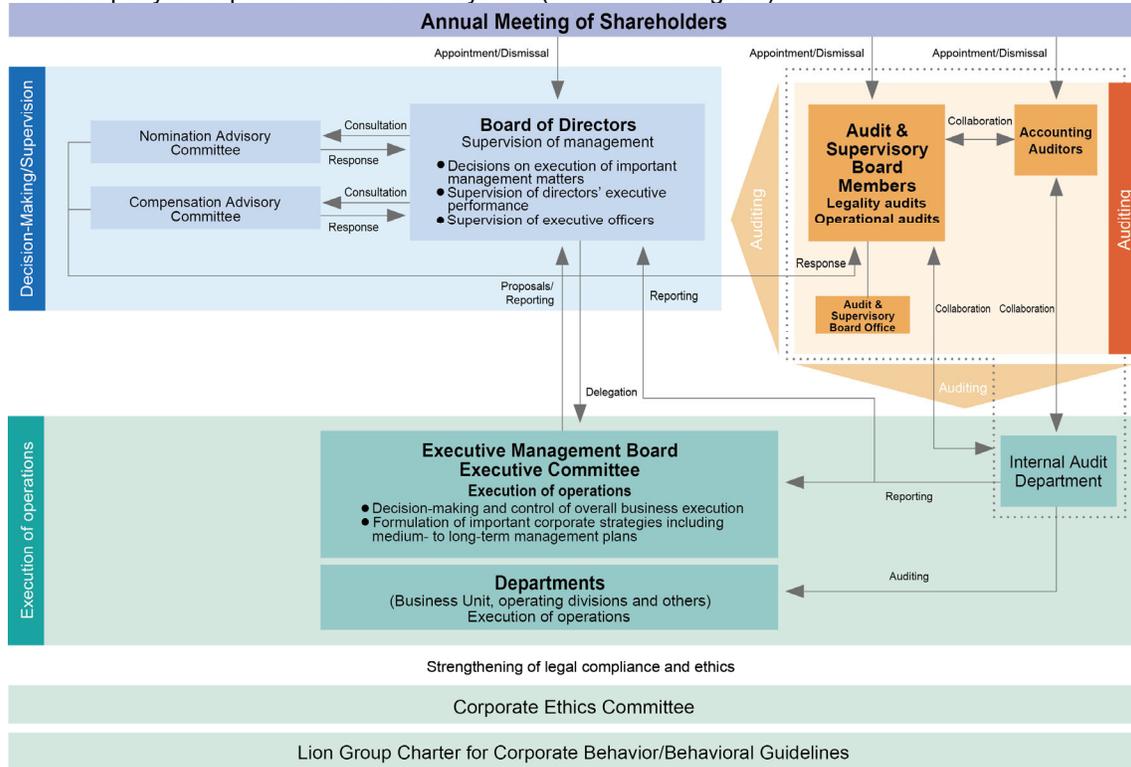
Corporate Governance Systems

Lion's top priorities for corporate governance are to increase management transparency, strengthen supervisory functions, accelerate decision making, and ensure compliance. By strengthening and enhancing its corporate governance systems, Lion aims to increase its corporate value.

Organizational Structure

Lion is a company with an Audit & Supervisory Board system as defined in the Companies Act, with a system of corporate governance in which the Board of Directors provides adequate oversight of management while independently operating Audit & Supervisory Board members provide appropriate auditing. To reinforce the Board of Directors' management oversight function and speed decision making, Lion has adopted an executive officer system. In addition, to increase management transparency and further enhance corporate governance, Lion has established a Nomination Advisory Committee and Compensation Advisory Committee comprising mainly external directors and external Audit & Supervisory Board members (hereinafter "external officers").

The Company's Corporate Governance System (Schematic Diagram)



■ Directors, Board of Directors, Executive Management Board and Executive Committee

The Board of Directors is composed of eleven directors. The Board of Directors regularly meets once a month and holds extraordinary meetings as necessary. In addition to matters stipulated by laws and regulations or the Articles of Incorporation, the Board of Directors determines important matters related to the business execution of the Company and supervises the business execution of directors and executive officers. Resolutions of the Board of Directors may be made at the regular Board of Directors meetings, as well as in writing in accordance with laws and regulations. For important corporate strategies such as the basic policies of medium- to long-term management plans, a system is established that enables the Board of Directors to make appropriate decisions upon deliberation by the Executive Management Board. Additionally, the Executive Management Board and the Executive Committee have a system in place to discuss and examine, from various angles, measures related to job execution that directly impact businesses.

■ Nomination Advisory Committee

In order to enhance the objectivity and transparency of the Company's appointment process of directors, Audit & Supervisory Board members and executive officers and their respective advisors after retirement (hereinafter referred to as "directors"), the Nomination Advisory Committee, which comprises representative directors determined in advance by external directors and the chair of the Board of Directors, was established on June 30, 2016. The Committee deliberates on the qualities of directors, reasons and processes of their selection and dismissal, etc., upon receiving consultation from the Board of Directors, and reports to the Board of Directors (to the Audit & Supervisory Board regarding Audit & Supervisory Board members). The Committee also exchanges opinions on the development of successors to the president. The committee consists of nine members: external directors Takashi Shiraishi (committee chairman), Masatoshi Matsuzaki, Kazunari Uchida, Takako Sugaya and Reiko Yasue; as well as external Audit & Supervisory Board members Akemi Sunaga, Akihiro Ito, and Yumiko Hirai; in addition to Masayuki Takemori, Representative Director. (as of December 31, 2025).

■ Compensation Advisory Committee

In order to enhance the objectivity and transparency of the directors' compensation, etc., the Compensation Advisory Committee was established on December 27, 2006, comprising only external directors and external Audit & Supervisory Board members who are independent directors. The Committee deliberates on the compensation system, amount and bonus assessment methods for directors, upon receiving consultation from the Board of Directors and reports to the Board of Directors (to the Audit & Supervisory Board regarding Audit & Supervisory Board members). The compensation system for directors has been revised from the fiscal year ended December 31, 2025 based on the Committee's report and following a resolution of the 164th Annual General Meeting of Shareholders held on March 28, 2025, in addition to the revision of the basic policy for executive compensation on March 28, 2025. Regarding the directors' compensation in 2025, fixed monthly compensation was resolved at the Board of Directors' meeting held in March 2025 based on the report of the Compensation Advisory Committee held in February 2025, and performance-linked compensation (excluding performance-linked compensation linked to the progress made in addressing top priority sustainability issues, etc.) will be deliberated at the Board of Directors' meeting in March 2026 based on the report of the Compensation Advisory Committee held in February 2026. The committee consists of eight members: external directors Kazunari Uchida (committee chairman), Masatoshi Matsuzaki, Takashi Shiraishi, Takako Sugaya and Reiko Yasue; as well as external Audit & Supervisory Board members Akemi Sunaga, Akihiro Ito and Yumiko Hirai (as of December 31, 2025).

■ Audit & Supervisory Board members and Audit & Supervisory Board

The Audit & Supervisory Board is composed of five members, and holds a regular meeting once a month and extraordinary meetings as necessary. Of the five Audit & Supervisory Board members, three of whom are external Audit & Supervisory Board members (independent Audit & Supervisory Board members) and two of whom are standing Audit & Supervisory Board members from within the Company, and two of the external Audit & Supervisory Board members and one of the standing Audit & Supervisory Board members possesses knowledge regarding finance and accounting. In addition, the Company has established an Audit & Supervisory Board Office as an organization to assist the Audit & Supervisory Board in the execution of its duties, and three staff members are allocated to the office. Each Audit & Supervisory Board member attends meetings of the Board of Directors and other important meetings, conducts interviews with directors and executive officers as well as audits regarding the status of the execution of their duties (including the status of the execution of the duties of directors pertaining to the development and operation of internal control over financial reporting), performs site visits to Lion's headquarters and major offices and plants, and conducts research on subsidiaries in accordance with the Audit & Supervisory Board members' standards, audit policy, audit plans, etc., stipulated by the Audit & Supervisory Board. In addition, each Audit & Supervisory Board Member confirms the accounting auditor's audit plans, implementation progress and results reports, etc., and audits the reasonableness of Board of Director resolutions, as well as the lawfulness and efficiency of directors' execution of duties. Furthermore, Audit & Supervisory Board members conduct comprehensive themed audits of response to important management issues. The themes in fiscal 2025 were the Group governance, DX, sustainability, and human capital.

For information on the Company's basic approach to corporate governance, see our website.
<https://www.lion.co.jp/en/company/governance/>

Consolidated Statement of Financial Position
(As of December 31, 2025)

(Millions of yen)

Item	Amount	(Reference) Amount for the previous fiscal year	Item	Amount	(Reference) Amount for the previous fiscal year
Assets			Liabilities		
Current assets	253,964	251,424	Current liabilities	136,196	142,378
Cash and cash equivalents	88,092	102,240	Trade and other payables	114,139	117,129
Trade and other receivables	80,876	76,197	Income tax payables	6,583	10,391
Inventories	54,133	53,252	Provisions	2,724	3,054
Other financial assets	25,322	16,891	Lease liabilities	2,061	2,099
Other current assets	5,539	2,843	Other financial liabilities	1,317	1,302
			Other current liabilities	9,369	8,400
Non-current assets	274,632	245,742	Non-current liabilities	43,980	39,094
Property, plant and equipment	125,239	128,143	Deferred tax liabilities	6,618	3,339
Goodwill	19,580	327	Retirement benefit liabilities	4,755	1,733
Intangible assets	31,509	21,078	Provisions	2,224	2,171
Right-of-use assets	28,839	30,667	Lease liabilities	26,189	27,637
Investments accounted for using the equity method	13,966	20,767	Other financial liabilities	2,354	2,384
Deferred tax assets	4,568	4,638	Other non-current liabilities	1,838	1,827
Retirement benefit assets	21,008	12,311	Total liabilities	180,176	181,473
Other financial assets	29,153	27,000	Equity		
Other non-current assets	766	807	Share capital	34,433	34,433
			Capital surplus	31,419	31,327
			Treasury stock	(3,304)	(8,730)
			Other components of equity	27,987	23,749
			Retained earnings	232,190	212,938
			Equity attributable to owners of the parent	322,726	293,717
			Non-controlling interests	25,692	21,976
			Total equity	348,419	315,694
Total assets	528,596	497,167	Total liabilities and equity	528,596	497,167

Consolidated Statement of Income
(Year ended December 31, 2025)

(Millions of yen)

Item	Amount	(Reference) Amount for the previous fiscal year
Net sales	422,092	412,943
Cost of sales	(228,170)	(224,159)
Gross profit	193,921	188,783
Selling, general and administrative expenses	(163,161)	(162,450)
Other income	7,106	10,056
Other expenses	(1,497)	(8,001)
Operating profit	36,368	28,387
Finance income	1,416	1,748
Finance costs	(1,234)	(807)
Share of profit of investments accounted for using the equity method	2,882	2,921
Profit before tax	39,433	32,249
Income taxes	(8,383)	(8,177)
Profit for the period	31,049	24,072
Profit for the period attributable to:		
Owners of the parent	27,587	21,197
Non-controlling interests	3,461	2,875
Profit for the period	31,049	24,072

Auditors' Report (Translation of Certified Copy)
Accounting Auditor's report on the consolidated financial statements
Independent Auditor's Report (Translation)

February 10, 2026

The Board of Directors
Lion Corporation

Ernst & Young ShinNihon LLC
Tokyo, Japan
Miki Hayashi
Certified Public Accountant
Designated and Engagement Partner

Masayuki Tada
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in equity, and notes to the consolidated financial statements of Lion Corporation (the "Company") applicable to the fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Company and its consolidated subsidiaries, applicable to the fiscal year ended December 31, 2025, in accordance with accounting principles that omit certain items required by International Financial Reporting Standards ("IFRSs") as permitted by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan (including the requirements that are applied to our audit of the financial statements of entities with significant social impact), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information consists of the information included in the Company's business report and supplementary schedules, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information presentation.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection to our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles that omit certain items required by IFRSs as permitted by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles that omit certain items required by IFRSs as permitted by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting, matters related to going concern.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles that omit certain items required by IFRSs as permitted by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.
- Plan and conduct an audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group that forms the basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to acceptable levels.

Conflicts of Interest

We have no interest in the Company and its consolidated subsidiaries which should be disclosed in accordance with the Certified Public Accountants Act of Japan.

Accounting Auditor's report on the non-consolidated financial statements (Translation)
Independent Auditor's Report (Translation)

February 10, 2026

The Board of Directors
Lion Corporation

Ernst & Young ShinNihon LLC
Tokyo, Japan
Miki Hayashi
Certified Public Accountant
Designated and Engagement Partner

Masayuki Tada
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 436, paragraph 2, Item 1 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, notes to the non-consolidated financial statements, and the accompanying supplementary schedules (collectively, the "non-consolidated financial statements") of Lion Corporation (the "Company") applicable to the 165th fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position and results of operations of the Company, applicable to the fiscal year ended December 31, 2025, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Japan (including the requirements that are applied to our audit of the financial statements of entities with significant social impact), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information consists of the information included in the Company's business report and supplementary schedules, other than the non-consolidated financial statements and our auditor's report thereon. Management is responsible for the other information presentation.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection to our audit of the non-consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with auditing standards generally accepted in Japan, and for

such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by in accordance with auditing standards generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with auditing standards generally accepted in Japan.

We communicate with the Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the non-consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to acceptable levels.

Conflicts of Interest

We have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act of Japan.

The Audit & Supervisory Board's Audit Report (Translation of Certified Copy)

Audit Report

Based on the audit report prepared by each Audit & Supervisory Board member with regard to the performance of duties by the directors of Lion Corporation (the "Company") for the 165th fiscal year (from January 1, 2025 to December 31, 2025), the Audit & Supervisory Board of the Company prepares this audit report after deliberation and hereby report, by a unanimous show of hands, as follows:

1. Auditing methods used by Audit & Supervisory Board members and the Audit & Supervisory Board, and details of audit
 - (1) The Audit & Supervisory Board specified audit policies and audit plans for the fiscal year under review, received reports from each Audit & Supervisory Board member on the status of implementation and results of audit, and received reports from directors, employees and the accounting auditor on the status of the performance of their duties and asked for explanations as necessary.
 - (2) In accordance with the auditing standards, auditing policies and audit plans for the fiscal year under review stipulated by the Audit & Supervisory Board, all Audit & Supervisory Board members strived to achieve effective communication with directors, the Internal Audit Department and other employees, collected information and improved the audit environment. In addition, all Audit & Supervisory Board members conducted an audit in the following methods.
 - (i) All Audit & Supervisory Board members attended the meetings of the Board of Directors and other important meetings, received reports from directors and employees about the status of the performance of their duties, asked for explanations as necessary, reviewed important approval documents, and conducted investigations on the status of the business operations and assets of the Company at its head office, major offices and plants. Furthermore, Audit & Supervisory Board members also worked to facilitate communication and information exchange with the directors, Audit & Supervisory Board members and others of the subsidiaries of the Company, and received reports on the business conditions of subsidiaries each month.
 - (ii) Audit & Supervisory Board members received reports periodically from directors and employees on the content of the resolution made by the Board of Directors concerning the development of a system for ensuring that the performance of duties by directors conforms with laws and regulations and the Company's Articles of Incorporation, as described in the Company's business report, and other systems prescribed in Article 100, Paragraphs 1 and 3 of the Regulations for Enforcement of the Companies Act as systems necessary for ensuring proper business conduct by a stock company and a corporate group formed by its subsidiaries (internal control system), as well as the construction and status of operation of the internal control system developed based on said resolution. Audit & Supervisory Board members also asked for explanations from directors and employees and expressed opinions as necessary.
 - (iii) The Audit & Supervisory Board examined the basic policy under Article 118 (iii) (a) of the Regulations for Enforcement of the Companies Act and the initiatives under (iii) (b) of the same Article stated in the business report taking into account the situation of deliberation by the Board of Directors and other parties.
 - (iv) We have monitored and verified whether the accounting auditor maintained independence and properly implemented its audit, received from the accounting auditor reports on the performance of its duties, and asked for explanations as necessary. The accounting auditor reported to us that the "Systems for Ensuring Proper Execution of Duties" (listed in each item of Article 131 of Regulations on Corporate Accounting) have been developed in accordance with the "Quality Control Standards concerning Audit" (Business Accounting Council) and other applicable regulations, and we asked for explanations as necessary.

Based on the methods mentioned above, we have reviewed the business report, and their supplementary schedules, non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in shareholders' equity, and notes to non-consolidated financial statements), and their supplementary schedules, and consolidated financial statements (consolidated statements of financial position, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) for the fiscal year under review.

2. Audit results

(1) Results of audit of the business report and other documents

- (i) We confirm that the business report and its supplementary schedules present fairly the situation of the Company in accordance with relevant laws and regulations and the Company's Articles of Incorporation.
- (ii) With respect to the directors' performance of their duties, we confirm that there has been no improper acts committed or material violations of applicable laws and regulations or of the Articles of Incorporation.
- (iii) We confirm that the details of the resolution made by the Board of Directors concerning the internal control system are proper. With respect to the description in the business report and the directors' performance of their duties regarding the said internal control system, including internal controls over financial reporting, we confirm that there is no matter to be pointed out.
- (iv) There are no matters to be pointed out regarding the Basic Policy Regarding Control over the Company as stated in the business report. We confirm that the initiatives under Article 118 (iii) (b) of the Regulations for Enforcement of the Companies Act stated in the business report follow the said basic policy, do not impair the common interests of the Company shareholders, and are not for the purpose of maintaining the position of the Corporate Officers of the Company.

(2) Results of audit of non-consolidated financial statements and their supplementary schedules

We confirm that the auditing methods and results of the accounting auditor Ernst & Young ShinNihon LLC are proper.

(3) Results of audit of consolidated financial statements

We confirm that the auditing methods and results of the accounting auditor Ernst & Young ShinNihon LLC are proper.

February 12, 2026

The Audit & Supervisory Board,
Lion Corporation
Naoki Miidera
Standing Audit & Supervisory Board Member
Yoshitada Ishii
Standing Audit & Supervisory Board Member
Akemi Sunaga
External Audit & Supervisory Board Member
Akihiro Ito
External Audit & Supervisory Board Member
Yumiko Hirai
External Audit & Supervisory Board Member