

Business Outline

life.love.
LION

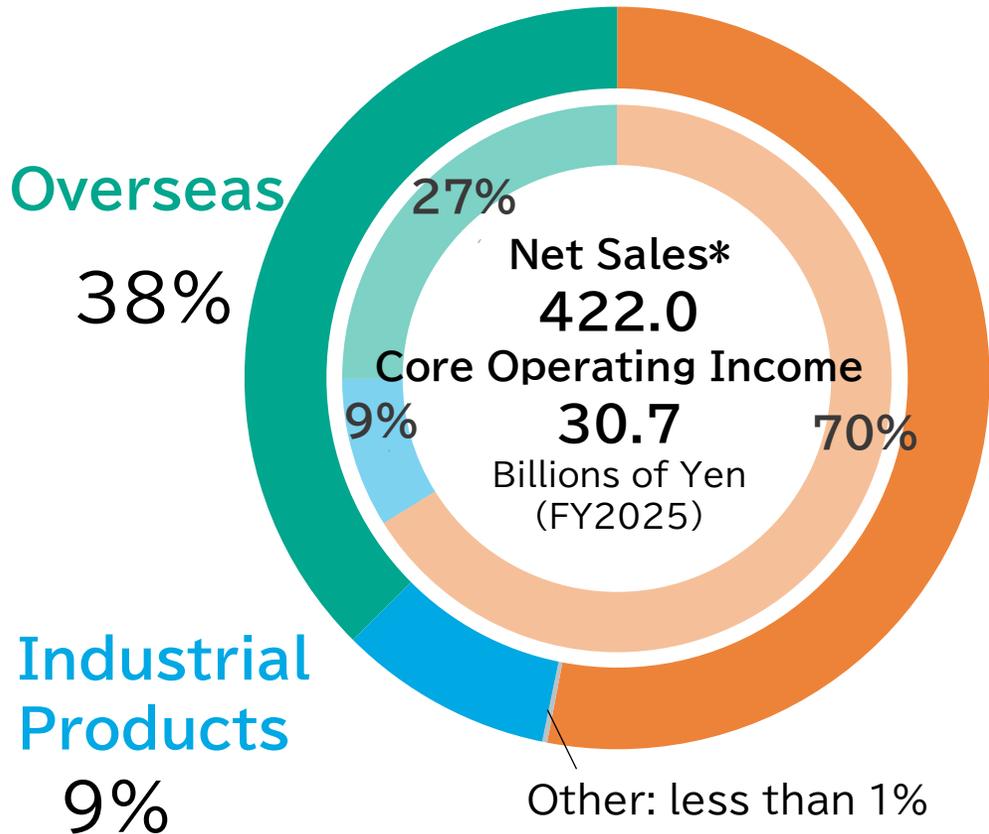
- Company Overview
- Lion's History of Creating Habits
- Management Plan to Enhance Corporate Value

Company Overview

As of December 31, 2025

Consolidated Results	Net Sales: 422.0 billions of yen	Foundation	October, 1891
Capital	34.4 billions of yen	Employees	Consolidated:8,346

Fiscal 2025 Net Sales (Outer Ring)*1 and Core Operating Income (Inner Ring)*2 by Segment



Notes
1 Sales to External Customers
2 Graph excluding the negative adjustment amount (-6%)
*IFRS

134 years of business



T. Kobayashi & Co.
(1891)



Lion Toothpowder
(1896)



Lion Laundry Soap
Vegetable-derived
(1920)

※Company name came from this product

Consumer Products (Japan) Product Categories & Market Position

2024 Market Share Position Source: LION



Other



Pet Care



Gift

Pharmaceutical Products

Antipyretic analgesics No.2 Share



Eye drops
Smile



Antipyretic analgesics
BUFFERIN

Living Care

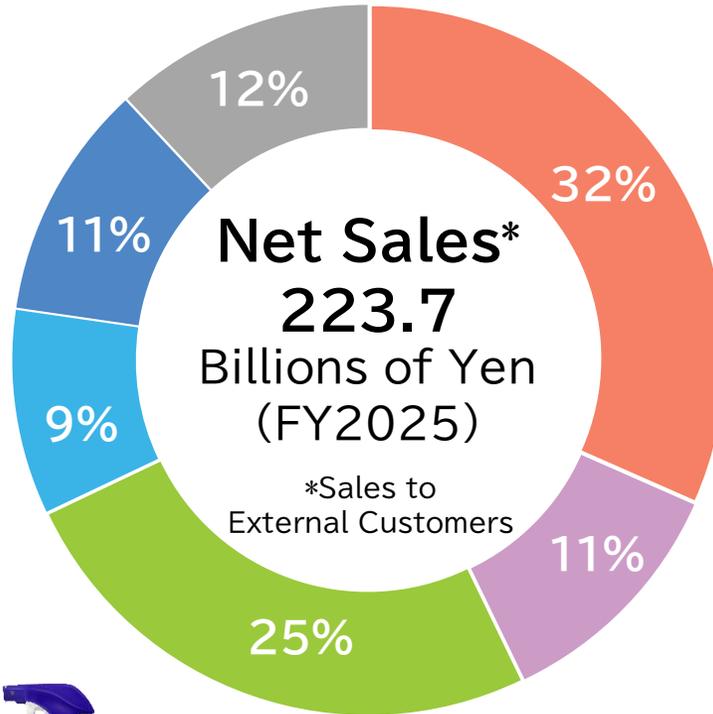


Dishwashing detergents
CHARMY



Household cleaners
LOOK

Composition by Category



Oral Healthcare

Toothpaste·Toothbrush No.1 Share



SYSTEMA

CLINICA

Beauty Care

Hand Soap No.1 Share



Hygiene care
Kirei Kirei

Body soap
hadakara

Deodorants
Ban

Fabric Care



Laundry Detergent
NANOX

Softener
SOFLAN

Net sales*:
JPY 39.3 billion(FY2025)

*Sales to External Customers

Chemical

Mobility

Anti-sticking agents for rubber
Additive agents for rubber



Electronics

Electro-conductive carbon,
Pressure-sensitive adhesives



Life-Chemical

Surfactants derived from oils and fats



Detergent for Institutional Use

Cleaners for
Dishwashing Machine



Alcohol
Sanitizer



Hand Soap



Cleaners for
Vegetables



Vegetable Washing
Systems



Cleaners for
Kitchen



Overseas Business Business Areas & Market Position

※2024 Market Share Position Source: LION
 ※Data for Singapore is in 2023



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

Located in Qingdao

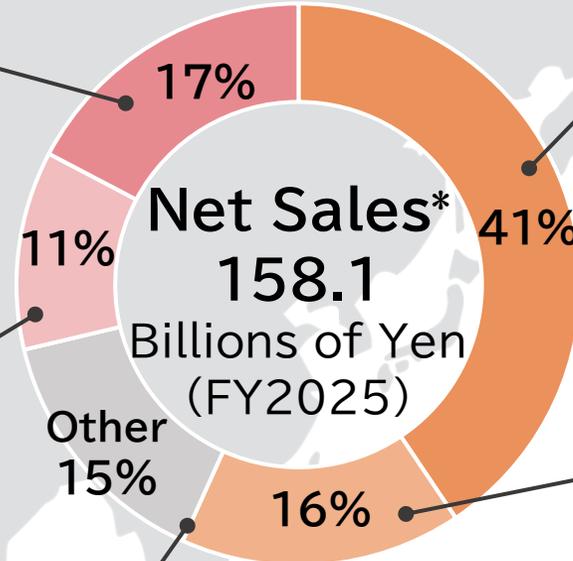
Toothbrush (Online Channel) No.2 Share



Lion Corporation (Korea)

Located in Seoul

Hand Soap No.1 Share
Eye Drop No.3 Share



LION CORPORATION (THAILAND) Ltd.

Located in Bangkok

Hand Soap No.1 Share
Toothbrush, Body Soap, Laundry Detergent, Dishwashing Detergent No.2 Share



Southern Lion Sdn. Bhd.

Located in Johor Bahru

Laundry Detergent No.1 Share



*Sales to External Customers

Lion Corporation (Hong Kong) Ltd.

Located in Hong Kong

Toothbrush, Dental Rinse No.2 Share



Lion Home Products (Taiwan) Co., Ltd.

Located in New Taipei City

Toothbrush, Eye Drop No.3 Share



Lion Kallol Limited

Located in Dhaka



Lion Corporation (Singapore) Pte Ltd.

Located in Singapore

Hand Soap, Laundry Detergent, Dishwashing Detergent No.1, Toothbrush No.2 Share



Merap Lion Holding Corporation

Located in Ho Chi Minh City

Functional Eye Drop Segment No.2 Share



PT. Lion Wings*

Located in Jakarta Timur

*Equity method subsidiary
Toothpaste, Dishwashing Detergent No.2 Share



※2026:
 Acquired PNB Consolidated Pty Ltd in Australia (100% of shares)
 Plans to Establish Subsidiary in India

- Company Overview
- **Lion's History of Creating Habits**
- Management Plan to Enhance Corporate Value

History of Creating Habits

In addition to developing and marketing oral healthcare products, Lion has been suggesting ways to create better habits, such as carrying out activities to spread awareness and educate people about toothbrushing habits

First Public Oral Hygiene Lecture of Lion



First Oral Health Event of Tooth Brushing for Children



“Lion Health Car” Promotional Bus Outfitted for Dental Examinations



“Okuchi Plus You” Supporting Corporate Health and Productivity Management through Employees’ Dental and Oral Health



1913

1921

1932

1934

1952

1961

2016

2022



Opening of Lion Dental Clinic for Children

Artist-illustrated Poster

Cherry Program*

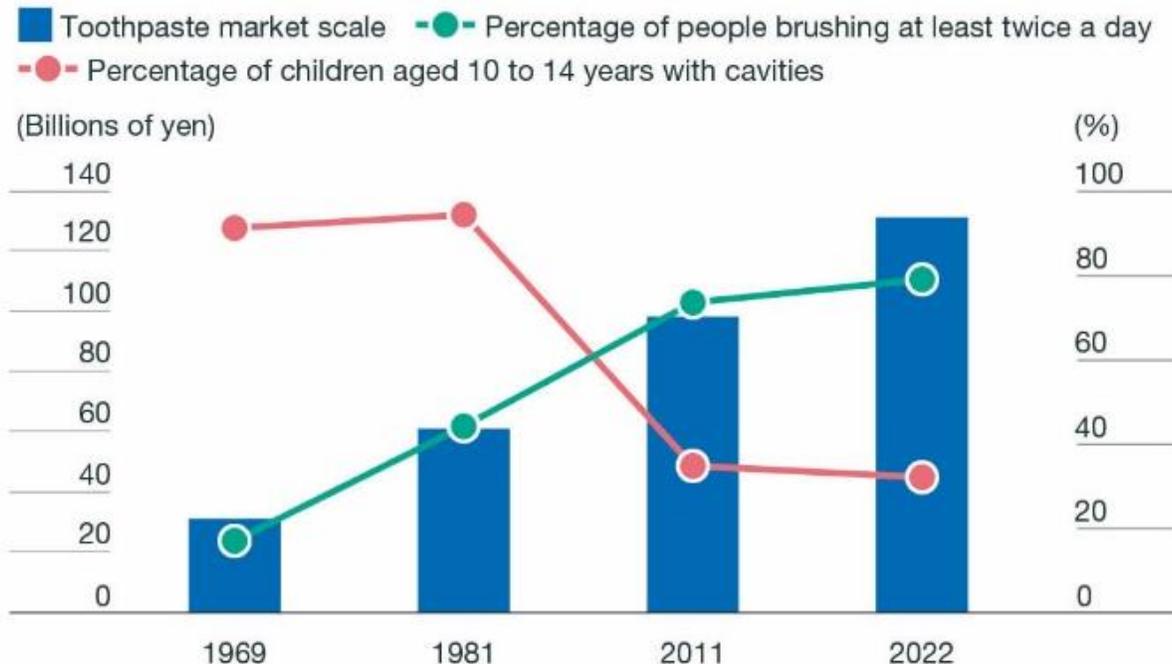
*Dental health promotion activities for the workplace

Oral Health Event of Tooth Brushing for Children

Generating Social and Economic Value through the Creation of Oral Healthcare Habits

Creating habits that contribute to better consumer health while revitalizing product markets has driven the growth of Lion's businesses

Toothpaste Market Scale, Percentage of Consumers Who Brush At Least Twice a Day and Percentage of Children Aged 10 to 14 Years with Cavities (Japan)



Sources: Market size from a Lion Corporation survey; tooth brushing frequency and percentage of children aged 10 to 14 years with cavities (treated and untreated) from *Survey of Dental Diseases* by the Ministry of Health, Labour and Welfare.

Habits Established

- ✓ Percentage of people brushing at least twice a day:

Approx. 5x

Social Value

- ✓ Percentage of school-age children with cavities:

Approx. 1/3x

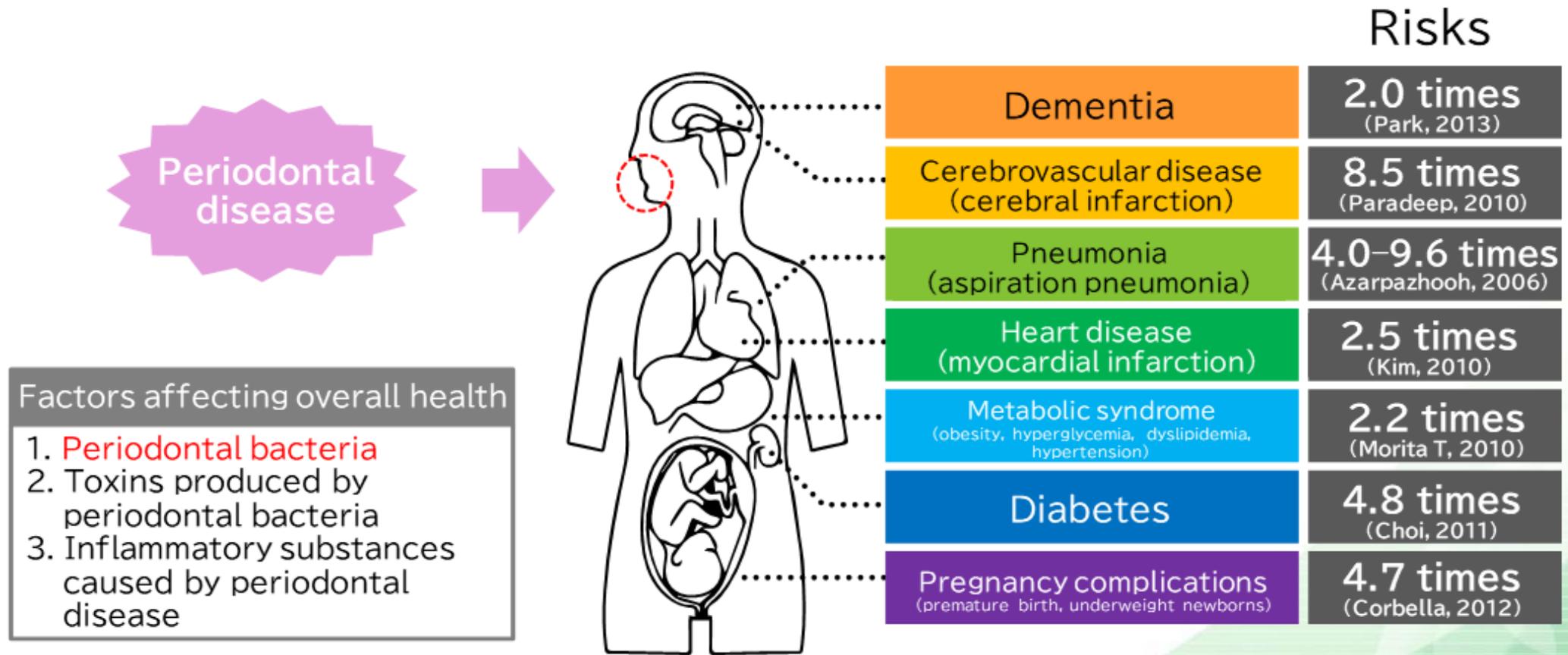
Economic Value

- ✓ Toothpaste market size:

Approx. 4x

*Comparison between 1969 and 2022

Periodontal disease care contributes to Whole-Body Health



(Excerpted and adapted from “Gum Disease and Overall Health” by the Lion Foundation for Dental Health)

- Company Overview
- Lion's History of Creating Habits
- **Management Plan to Enhance Corporate Value**

Positioning 2nd STAGE Towards 2030

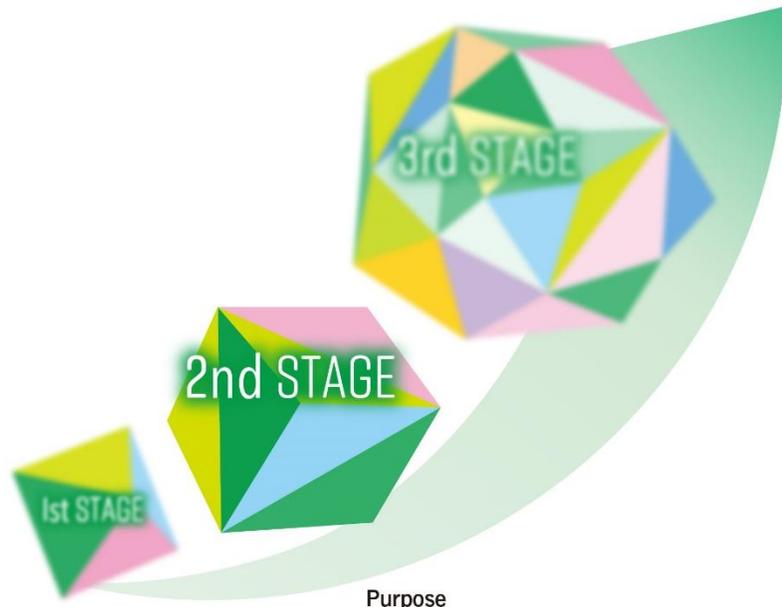
Work to strengthen profitability and transition to management that further emphasizes the efficiency of invested capital

Towards Realizing Vision2030

Generate social and economic value by supporting the creation of habits, particularly in Asia (Enhance corporate value)

Management vision

Becoming an advanced daily healthcare company



Purpose

ReDesign

Make a difference in everyday lives by redesigning habits

3rd STAGE (2028-2030)

Accelerating growth in Asia by promoting the spread of positive habits

2nd STAGE (2025-2027)

Strengthen profitability

1st STAGE (2022-2024)

Get on a growth track and create the foundations for future growth

Vision for Expanding Corporate Value Towards 2030

Create social and economic value and increase Lion's corporate value by contributing to people's lives through better habit creation

Inputs

Outputs

Outcomes

Creation of positive habits that help consumers stay healthy

Value creation through habits

Usefulness and quality of habits

×

Frequency of engaging in habit

×

No. of people adopting habit

Social value

Vision for 2030

Enhance consumer QOL

- Oral care habits: 500 million people
- Cleanliness and hygiene habits: 500 million people

Contribute to the realization of a decarbonized, resource circulating society

- Petrochemical-derived plastic usage: 70% or less
- Lifecycle water usage: 30% reduction
* Compared to 2017, per unit of net sales

Economic value

Envisioned Financial Performance in 2030

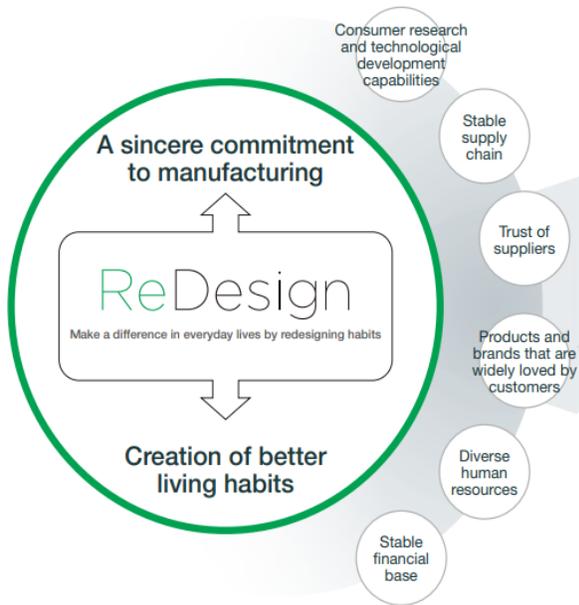
Sustainable profitability improvement

- EBITDA margin: 16% or higher
- ROIC : 10-12%

Continuous overseas growth

- Overseas sales ratio: 50%

Expansion of corporate value



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

Three Basic Policies

Strengthen
business
portfolio
management

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

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

Strengthen
management
base

Strengthen foundation for sustainable business growth and efficient operations

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

Generate
dynamism

Fully leverage Group assets to enhance strategy implementation and generate dynamism

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

Theme
**Strengthen
Profitability**

2nd STAGE Key Indicators

<2027 Targets>

EBITDA margin

13% or higher

ROIC

8-9%

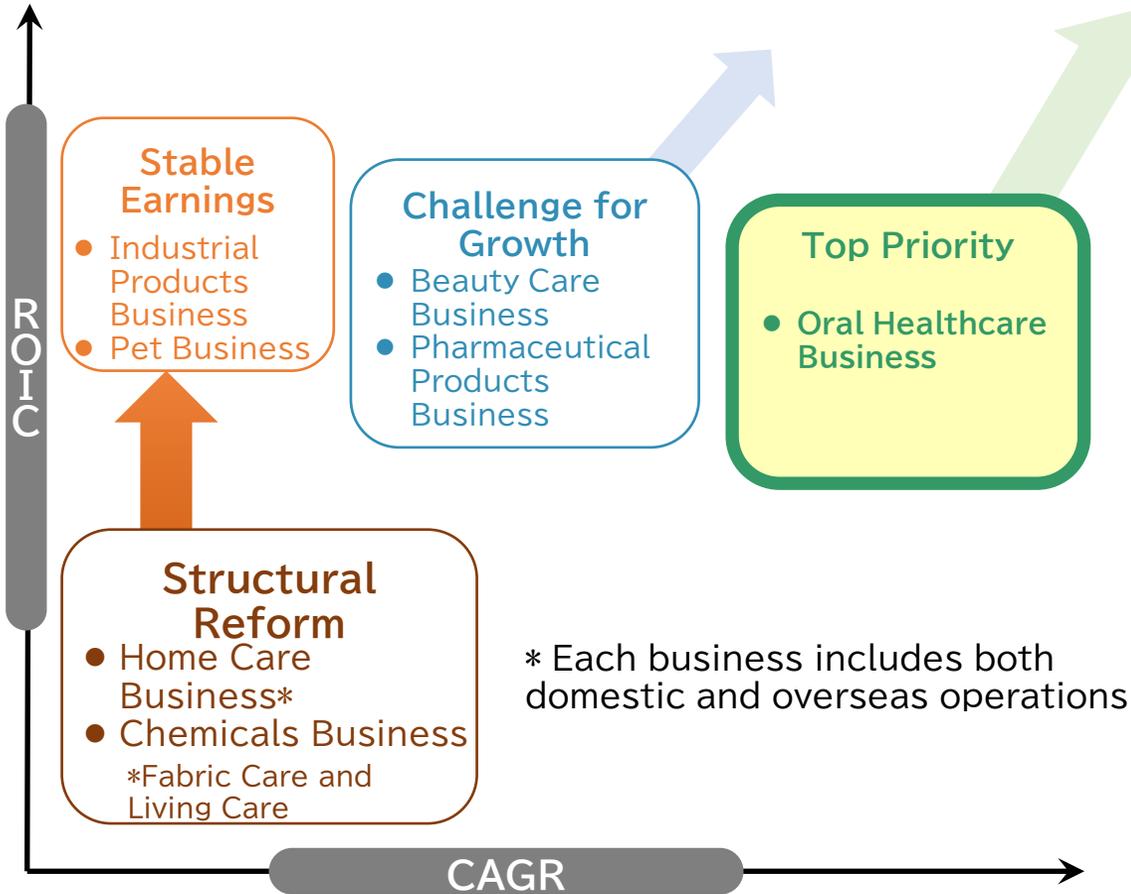
EPS CAGR*

11% or higher

* Compound annual growth rate of basic earnings per share

Clarify roles of every Group business to properly allocate management resources, strengthen the profitability of each business and generate synergies among businesses to realize sustainable growth

■ Main Business Visions (1st STAGE → 2nd STAGE)



Vision for 2nd STAGE

Top Priority

We are allocating management resources to this business, which is driving the Group's expansion in terms of both sales growth and capital returns

Challenge for Growth

Create new business opportunities and achieve further growth

* Limit investment to specific areas and categories

Stable Earnings

Establish a stable cash inflow and invest in **Top Priority** and **Challenge for Growth** businesses

Structural Reform

Advance profit structure reforms and strive to realize more **Stable Earnings**

Strengthen
business
portfolio
management

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

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

1 Expand the scope of value we provide with the goal of developing an integrated business of products and services

2 Consolidate and enhance market position in all areas



Group
oral healthcare
sales growth

CAGR
Approx.
8%

(From fiscal 2024 to 2027)

Integrate products and services with expanded scope of value and target markets to develop a profitable, unique business in Asia that contributes to people's eating, talking and laughing



Eating



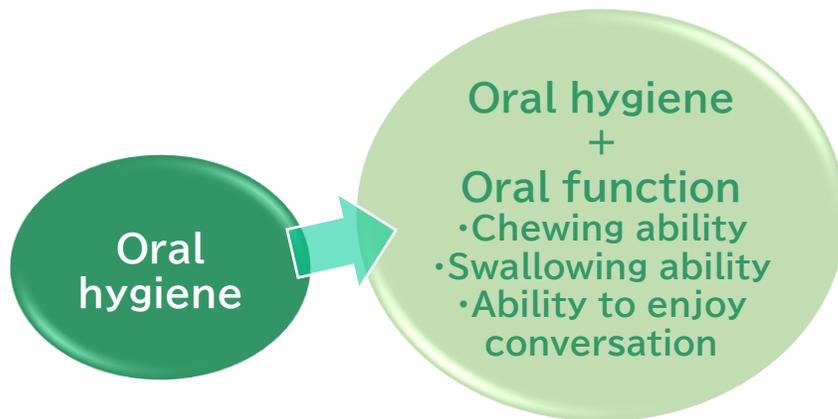
Talking



Laughing

1. Expand scope of provided value

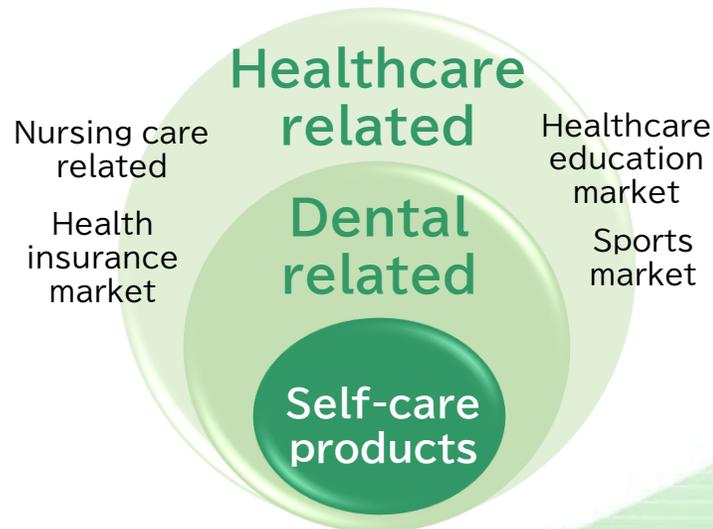
Oral healthcare that connects to full-body health



From oral care to oral healthcare

2. Expand target markets

Towards new business models as a leader in the market



3. Permeate more areas

Leverage the strengths we have accumulated to grow the business



Self-care product market has expanded as habits have grown and evolved
Going forward, leverage the strengths Lion has accumulated over its history to expand target markets and create even more value

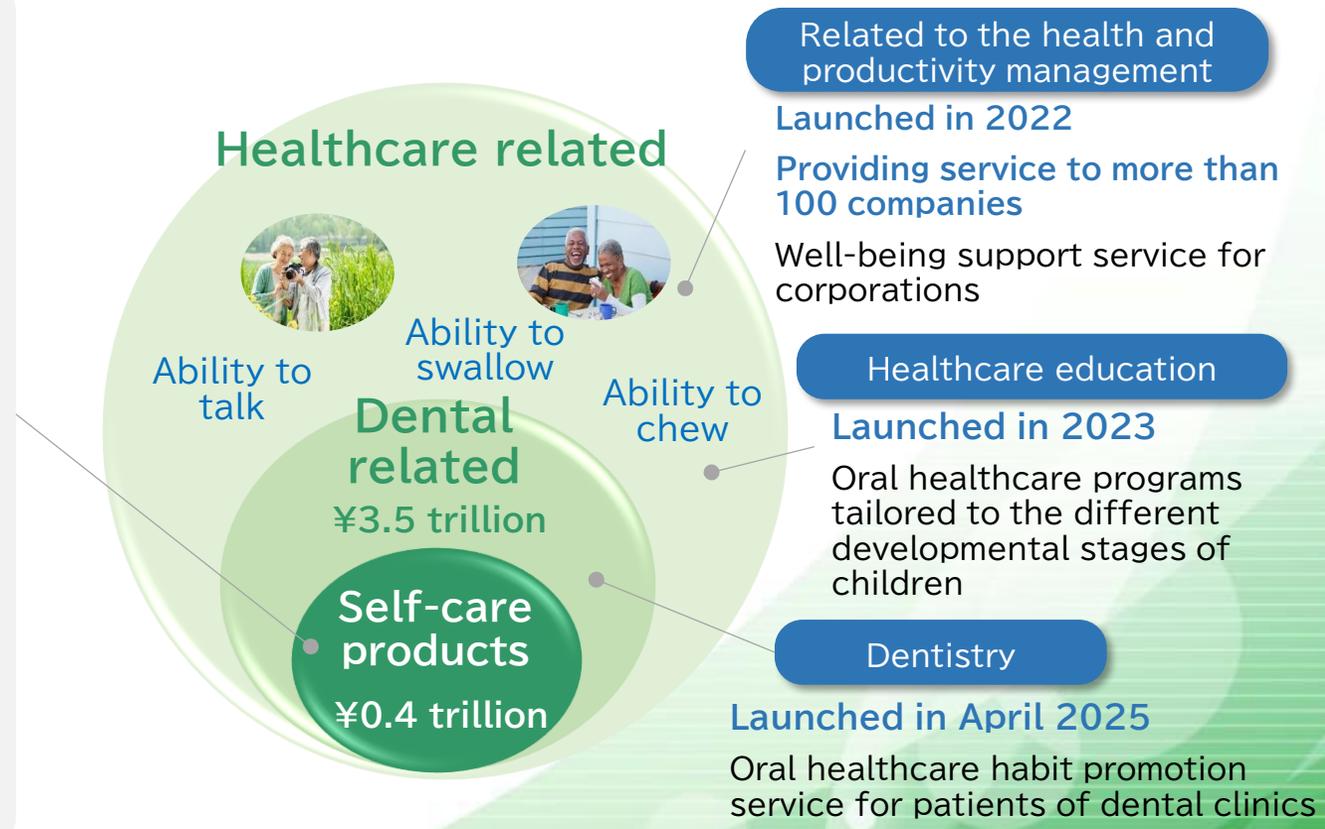
Results of market expansion for self-care products

Growth in Japan over the last 10 years
(2014→2024)

Market total	LION
+¥82.7 billion	+¥38.3 billion
+30%	+65%

Added value	Increase in number of people adopting better habits	Professional care
Toothpaste unit price LION +52% Market +30%	Dental floss Frequent usage rate 13%→30%	Dental checkups 2 or more times per year 25%→38%
Consumer research capability	Brand power as the No. 1 manufacturer	

Expansion of target markets

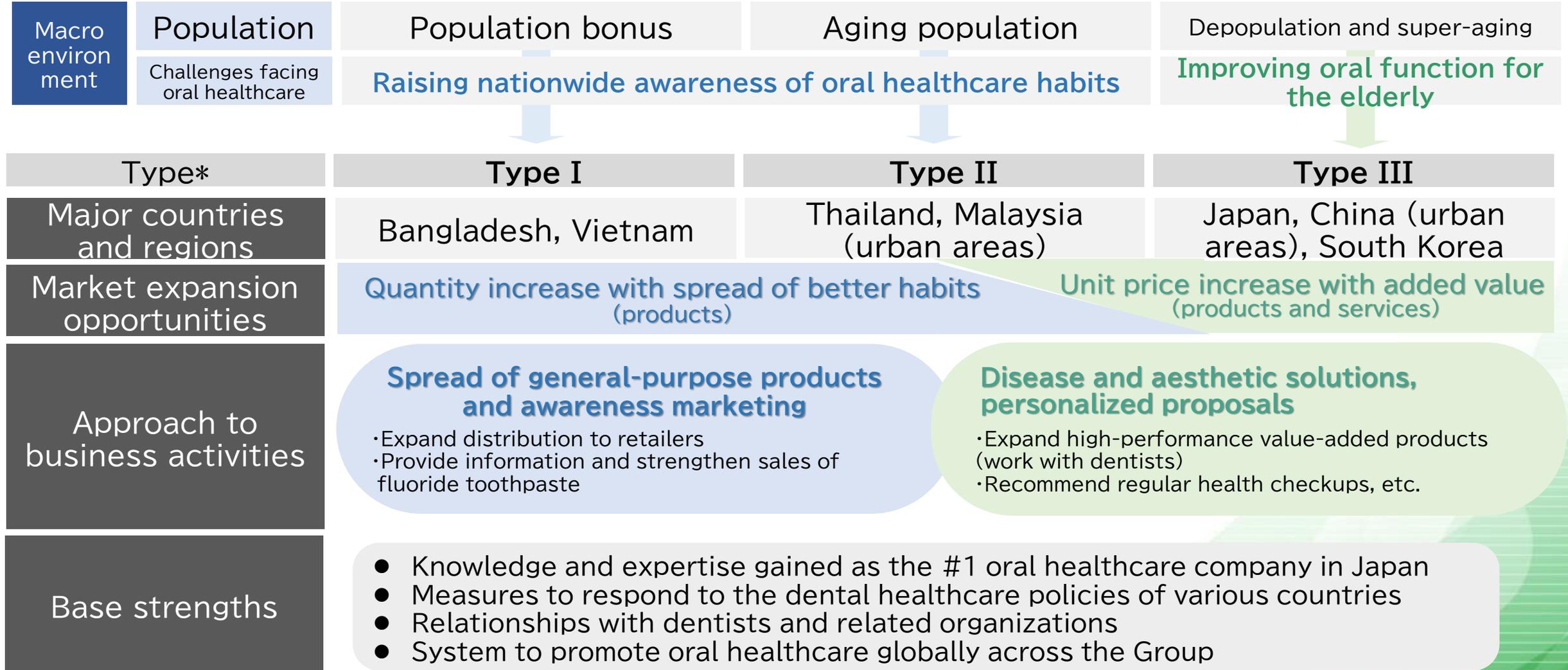


Source: Lion survey

* Market size in Japan (Lion survey)

* Initiatives are examples from within Japan

Expand presence in Asia through strategies that capture market opportunities



* Areas classified across borders according to GDP, income levels, consumer characteristics and trends

Strengthen
business
portfolio
management

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

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

1 Continue growth through glocalization

2 Strengthen profit growth strategies in response to challenges of each country

Overseas Business

Sales growth
CAGR

Approx.

10%

(From fiscal
2024 to 2027)

EBITDA
margin

Approx.

+2 points

(From fiscal
2024 to 2027)

* Total net sales

During 2nd STAGE, aim to achieve further profitable growth focused on oral healthcare by leveraging R&D capabilities that accurately capture consumer needs as well as distribution capabilities in each country and area

	 Thailand (Lion Corporation (Thailand) Ltd.)	 Malaysia (Southern Lion Sdn. Bhd.)	 China (Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.)	 South Korea (Lion Corporation (Korea))
Shared philosophy	Develop glocalization strategy based on cross-border category approach			
Competitive product lineup	<ul style="list-style-type: none"> ● Body soaps ● Hand soaps ● Laundry detergents 	<ul style="list-style-type: none"> ● Laundry detergents 	<ul style="list-style-type: none"> ● Toothpastes ● Toothbrushes (Primarily in e-commerce channels) 	<ul style="list-style-type: none"> ● Hand soaps
Strengths	Strong market position for detergents and other products through robust collaboration with joint venture partners with solid local distribution capabilities and networks with local governments		<ul style="list-style-type: none"> • Distribution capabilities reaching major retail outlets in major cities • Local R&D and production system to meet market needs 	Local research and production system to meet consumer needs
	Joint venture partners			
	SAHA	Lam Soon		
Growth direction	Expand oral healthcare business		Expand offline sales areas	High-profit business & brand expansion

Strengthen
business
portfolio
management

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

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

1 Strengthen brand management

2 Streamline supply chain

3 Optimize pricing and competition-related expenses



Consumer Products
EBITDA margin

Approx.

+3-5 points

(From fiscal 2024 to 2027)

Reform Profit Structure in Consumer Products

Strive to steadily improve profit through ongoing and new measures
Take concrete action for three growth drivers with high priority for improvement

- ... Ongoing measures
- ... New measures

2024	2025	2026	2027	2027 EBITDA margin (vs. 2024)
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Strengthen brand management
Promote productive management linked to clarified separation of business fields

- Streamline non-focus brands
 - Develop products and expand markets to increase productivity of each brand

+0.5-1point

Streamline supply chain
Implement structural reform linked with SKU reduction

- Optimize inventory, non-current assets, and indirect costs by reducing SKUs
 - Optimize procurement through global purchasing
 - Optimize production/distribution systems

+1.5-2point

Optimize pricing and competition-related expenses
Promotion of price setting and cost control to maximize profits

- Shift to high value-added products and execute upward price revisions (2025: Implemented mid-range-priced toothpaste)
- Optimize competition-related expenses
 - Streamline trading system
 - Improve sales of low-profit items

+1-2point

Strengthen
management
base

Strengthen foundation for sustainable business growth and efficient operations

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

Generate
dynamism

Fully leverage Group assets to enhance strategy implementation and generate dynamism

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

Aim to enhance governance to improve the Group's corporate value and improve management quality

Separate management and execution

Appoint an external director as Chairman of the Board

- Aim
 - Further improve the objectivity and effectiveness of management supervision as well as transparency of decision making
- Major changes
 - Increase ratio of external directors and appoint an external director as chairman of the Board of Directors

Connect medium-term management indicators (financial and non-financial) with corporate officer compensation

Revision of performance-linked stock-based compensation system

- Aim
 - Strengthen execution and realization capabilities to achieve 2nd STAGE performance targets and key indicators
- Major changes
 - Establish performance indicators such as ROIC and link indicators to initiatives for top-priority sustainability material issues

1st STAGE

Performance Indicators

- Core operating income
- Profit for the period



2nd STAGE

Performance Indicators

- Core operating income
- ROIC



Top-priority sustainability material issues

Maximize corporate and product brand assets

Corporate brand

Increase the value of the **LION** name as an asset and demonstrate presence throughout Asia

Product brands

- **Development brands with a glocalization strategy**
Combine local brands with a focus on establishing global brands and develop marketing that meets consumer needs in each country and region

Focus brands for major global development

Oral Healthcare	Beauty Care	Home Care*	Pharmaceutical Products
Systema	キレイキレイ	TOP	スマイル®
KODOMO			

* Fabric Care and Living Care

Maximize individual growth and organizational strength to create new value across the Group

Individuals

Organization

1. Enhance human capital value

Acquire and hone expertise in order to build the strength to succeed in the face of structural and national differences

- Educational and career support for 9 job groups (specialized fields)
- Global human resource development program to solve challenges at overseas



2. Strengthen organizational capabilities to execute strategies

Optimize human resources allocation in line with strategy and develop leaders

- Strengthen human resource development and allocation in strategic priority areas
- Select and cultivate next-generation leaders for both domestically and overseas

3. Create an environment that draws out individual and organizational strengths

Build an environment that leverages the diversity of personnel to create new value and enhance employee engagement

- Cultivate and promote management with diverse experiences
- Improve corporate culture and work environment through employee surveys



Create new value across the Group

2nd STAGE Performance Targets

During 2nd STAGE, aim to improve profitability by setting EBITDA margin, ROIC and EPS CAGR as key indicators

(Billions of yen)	2027 Target	2024	Change	
			Amount	%
Net sales	450.0	412.9	37.0	9.0
Core operating income* ¹	40.0	26.3	13.6	51.9
% of net sales	8.9	6.4		
Operating profit	40.0	28.3	11.6	40.9
% of net sales	8.9	6.9		
Profit for the period attributable to owners of the parent	29.0	21.1	7.8	36.8
EPS (Yen)	104.67	76.51	28.16	36.8
	CAGR 11% or higher			
EBITDA margin (%)* ²	13% or higher	10.9%	—	—
ROIC (%)* ³	8-9%	5.8%	—	—

Notes 1. Core operating income is an earnings indicator the Company uses to measure regular business performance by subtracting selling, general and administrative expenses from gross profit.

2. EBITDA margin: The ratio of EBITDA to consolidated net sales.

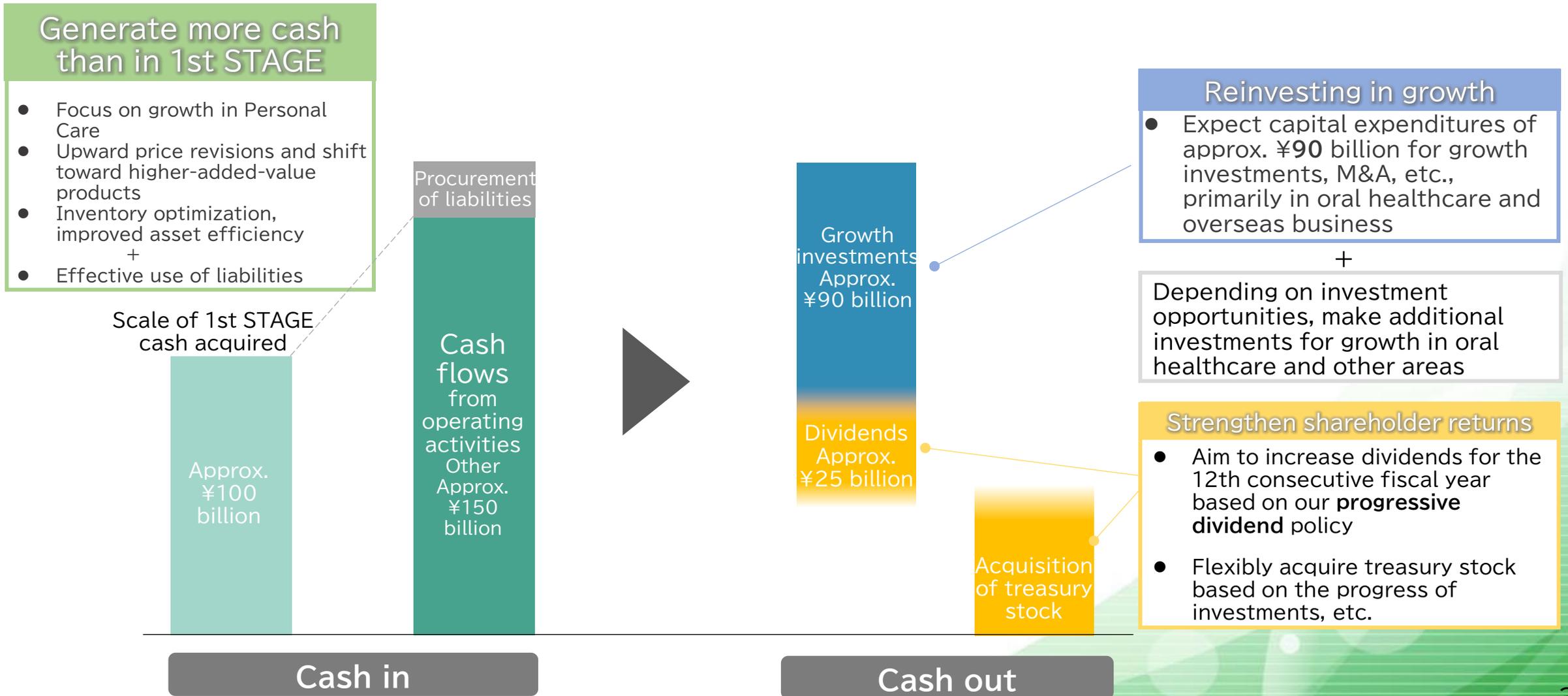
3. ROIC is an indicator calculated from net operating profit after tax (NOPAT) divided by the average invested capital (total equity plus interest bearing liabilities) during the period, and measures the efficiency and profitability of the invested equity.

2nd STAGE Cash Allocation

Image at the start of 2nd STAGE



Obtain more cash than in 1st STAGE, and strengthen growth investments in key areas and shareholder returns



life. love. **LION**

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

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