

**Consolidated Financial Results**  
**for the Fiscal Year Ended December 31, 2025 (Japanese GAAP)**

February 13, 2026

Company name: Earth Corporation  
Stock code: 4985

Listing Stock Exchange: Tokyo  
URL: <https://corp.earth.jp/en/index.html>

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Ordinary annual general meeting of shareholders: March 25, 2026  
Scheduled date for dividend payment: March 11, 2026  
Scheduled date to file securities report: March 24, 2026  
Preparation of supplemental explanatory materials: Yes  
Results briefing to be held: Yes (For securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025**  
**(January 1, 2025 to December 31, 2025)**

(1) Consolidated operating results

(Percentages indicate YoY change)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended December 31, 2025	179,182	5.9	8,087	25.9	8,893	20.8	5,238	50.7
Fiscal year ended December 31, 2024	169,278	6.9	6,425	0.9	7,364	8.4	3,475	(15.3)

Note: Comprehensive income for the fiscal year ended December 31, 2025 was 8,908 million yen (24.4%), and comprehensive income for the fiscal year ended December 31, 2024 was 7,159 million yen (9.6%).

	Net income per share	Diluted net income per share	Ratio of net income to equity capital	Ratio of ordinary income to total assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2025	240.00	—	7.3	6.2	4.5
Fiscal year ended December 31, 2024	158.26	—	5.1	5.5	3.8

Reference: Equity in earnings of affiliates      Fiscal year ended December 31, 2025      — million yen      Fiscal year ended December 31, 2024      — million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ended December 31, 2025	149,382	81,290	50.2	3,429.20
Fiscal year ended December 31, 2024	135,636	74,652	50.8	3,162.24

Reference: Equity capital amounted to 74,919 million yen as of December 31, 2025 and 68,865 million as of December 31, 2024.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended December 31, 2025	10,795	(3,759)	(1,016)	22,930
Fiscal year ended December 31, 2024	13,964	(5,280)	(9,901)	16,775

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended December 31, 2024	—	0.00	—	120.00	120.00	2,613	75.8	3.9
Fiscal year ended December 31, 2025	—	0.00	—	125.00	125.00	2,730	52.1	3.8
Fiscal year ending December 31, 2026 (forecast)	—	0.00	—	130.00	130.00		45.8	

3. Consolidated Earnings Forecast for the Fiscal Year Ending December 31, 2026  
(January 1, 2026 to December 31, 2026)

(Percentages indicate rates of YoY change)

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending June 30, 2026	109,000	6.2	12,250	(-9.6)	12,510	(-8.4)	8,700	(-7.2)	398.21
Full-year	188,000	4.9	9,000	11.3	9,550	7.4	6,200	18.4	283.79

\*Notes

- (1) Significant changes in the scope of consolidation during the period under review: Yes  
 Transfers of specified subsidiaries associated with changes in the Company's scope of consolidation)  
 Newly subsidiaries added: One company (Protoleaf, Inc.)  
 Subsidiaries excluded: None

- (2) Changes in accounting policies and accounting estimates and retrospective restatements  
 1. Accounting policy changes due to accounting standard revisions, etc.: Yes  
 2. Other accounting policy changes: None  
 3. Changes in accounting estimates: None  
 4. Retrospective restatements: None

(3) Number of shares outstanding (common stock)

1. Shares outstanding (including treasury stock)	As of December 31, 2025	22,209,900	As of December 31, 2024	22,209,900
2. Treasury shares outstanding	As of December 31, 2025	362,395	As of December 31, 2024	432,335
3. Average number of shares outstanding	Fiscal year ended December 31, 2025	21,826,063	Fiscal year ended December 31, 2024	21,957,908

\*Summaries of financial statements are not subject to audit through certified public accountants or auditing corporations.

\*Appropriate use of earnings forecast and other special notes

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company, and certain assumptions it considers reasonable, but are not intended to be a promise that the Company will achieve. Actual results may vary materially from forecasts due to a variety of factors. For more information regarding assumptions made when formulating earnings projections and matters to note when using these projections, please see "1. Overview of Business Results, (4) Future outlook" on page 6 of the accompanying materials.

(Method of obtaining earnings briefing materials and briefing details)

The Company plans to hold an earnings briefing session on Monday, February 16, 2026, for institutional investors and analysts. We will upload earnings briefing materials to be used during the briefing session to the TDnet and our official website on Friday, February 13. Further, we will promptly post the details of the briefing session on our website after it is held.

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## 1. Overview of Business Results, etc.

### (1) Overview of business results for the fiscal year under review

During the fiscal year ended December 31, 2025, personal consumption remained sluggish in Japan mainly due to stagnant real wage growth amid rising prices. Overseas, heightened caution over the prolonged Russia–Ukraine conflict and toward the Trump administration persisted, resulting in ongoing uncertainty in both domestic and global economic outlooks.

Under these circumstances, with the slogan of “Our Group Working Together Toward a Bright Tomorrow for EARTH,” the Earth Group managed its operations in line with the medium-term business plan through FY2026, dubbed “Act for SMILE COMPASS 2026.” Under the medium-term business plan, we have positioned profit and cash generation (profitability improvement) as our topmost priority, and to achieve this goal, we intend to bolster profitability by restructuring the domestic business and strengthening the brand power of our homecare products. We will also aim to drive growth in overseas sales by expanding operations in the Asian market through our overseas subsidiaries and by leveraging exports to the Middle East and other regions as key growth drivers.

In the fiscal year ended December 31, 2025, the Group’s performance in the Household Products Business was supported by steady shipments and sell-through of insecticides & repellents. In addition, in oral hygiene products, the renewal of the *Mondamin* mouthwash series proved effective, resulting in strong sales performance. Meanwhile, in the General Environment and Sanitation Business, the number and value of service contracts continued to grow against the backdrop of heightened demand for sanitation management services. As a result, sales amounted to 179,182 million yen (+5.9% year-on-year). On the profit front, an increase in gross profit driven by sales growth offset higher SG&A expenses, including increased personnel and advertising costs. As a result, operating income totaled 8,087 million yen (+25.9% year-on-year) and ordinary income amounted to 8,893 million yen (+20.8% year-on-year). Net income attributable to owners of parent was 5,238 million yen (+50.7% year-on-year).

Results by segment are as follows.

#### **[Household Products Business]**

In the Household Products Business, in efforts to reform our earnings structure based on the medium-term business plan, we advanced initiatives aimed at strengthening our brands and expanding the market, including streamlining and optimizing brands and SKUs with a focus on profitability and future potential. Overseas, we directed efforts to actively expanding in the ASEAN region and China and growing the export business.

In the fiscal year ended December 31, 2025, shipments and sell-through of insecticides & repellents remained steady, supported by a sharp rise in temperatures from the middle of the season onward. Sales of oral hygiene products were also favorable, reflecting proactive advertising and promotional activities alongside a fundamental renewal of the *Mondamin* mouthwash series. In addition, factors such as the expansion of overseas sales mainly in Thailand and Malaysia contributed to sales of 156,652 million yen (+5.2% year-on-year). In terms of profit, despite increases in personnel and advertising expenses and other costs, the effects of higher sales, improved earnings reflecting price revisions and formula changes, and an improved gross profit margin due to changes in the sales mix contributed to segment income (operating income) of 6,501 million yen (+30.8% year-on-year).

(Household Products segment results)

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY change (amount)	YoY change (percent)
Insecticides & Repellents	65,611	67,651	2,040	3.1%
Homecare products	67,653	69,610	1,957	2.9%
Oral hygiene products	8,512	9,230	717	8.4%
Bath salts	25,104	26,489	1,385	5.5%
Other homecare products	34,035	33,890	(145)	(0.4%)
Gardening products	4,132	7,998	3,865	93.5%
Pet products and others	11,516	11,392	(124)	(1.1%)
Total sales	148,913	156,652	7,738	5.2%
Segment income (operating income)	4,968	6,501	1,532	30.8%

Notes: 1. Sales include internal sales and transfers made within and between segments, which amounted to 11,333 million yen during the fiscal year ended December 31, 2024 and 11,388 million yen during the fiscal year ended December 31, 2025.

2. Starting from the fiscal year ended December 31, 2025, sales of gardening products—previously included in insecticides & repellents—are reported separately. For comparison purposes, sales of insecticides & repellents for the previous fiscal year have been retroactively adjusted to exclude gardening products sales.

Results by segment are as follows.

#### Insecticides & Repellents

In Japan, the insecticides & repellents market overall was stronger than in the previous year, as temperatures remained high from mid-May onward, supporting steady shipments and sell-through. Shipments of insect repellents, including *Hadamamo*, a new product launched in the spring, as well as products targeting household pests, remained firm. Further, the effects of price revisions began to steadily materialize, contributing to sales growth.

Overseas, sales growth driven by higher market share in Malaysia and Thailand boosted performance.

As a result, sales for this category were 67,651 million yen (+3.1% year-on-year).

#### Homecare products

Sales of oral hygiene products amounted to 9,230 million yen (+8.4% year-on-year). Amid a continued challenging competitive environment, we implemented a major renewal of the mainstay *Mondamin* mouthwash series at the end of August 2025, along with proactive advertising and promotional activities targeting younger consumers, which proved effective, resulting in favorable sales performance.

Sales of bath salts totaled 26,489 million yen (+5.5% year-on-year). While the shipments and sell-through of powder-type bath salts, such as *Bathclin* and *Bath Roman*, declined year-on-year, sales of *Kiki-yu* and the high-value-added *BARTH* brand of neutral bicarbonate bath salts remained solid, amid stronger market conditions compared with the previous fiscal year.

Sales of other homecare products were 33,890 million yen (-0.4% year-on-year). While sales of cooling products, such as cooling shirt mist and neck coolers designed to combat extreme summer heat, increased, sales of air fresheners and moisture absorbers declined year-on-year.

As a result, sales in this category amounted to 69,610 million yen (+2.9% year-on-year).

#### Gardening products

Sales were brisk, particularly for gardening insecticides & repellents products, herbicides, and potting soil for home gardening. The consolidation of Protoleaf, Inc. also contributed to sales growth.

As a result, sales in this category totaled 7,998 million yen (+93.5% year-on-year).

#### Pet products and others

The market for pet and other related products has remained robust, as spending per pet has been rising due to heightened awareness of pet health among pet owners and improved living conditions for pets. Under these circumstances, sales of care products increased, while sales of insecticides & repellents for pets and functional foods declined year-on-year.

As a result, sales in this category amounted to 11,392 million yen (-1.1% year-on-year).

#### **[General Environment and Sanitation Business]**

In the General Environment and Sanitation Business, hygiene management measures such as food poisoning and foreign substance contamination prevention are essential in the food, pharmaceutical, and packaging material production industries, which are among our major customer sectors, and demand for the Earth Group's quality hygiene management services that draw on its specialized knowledge, technology, and expertise therefore remains strong.

Against this backdrop, we actively increased investment toward building an internal organization capable of responding to customer needs, including the introduction and development of systems aimed at developing human resources and improving operational efficiency. In addition, by strengthening our technological development capabilities, including joint research through industry-academia-government collaboration, we provided differentiated sanitary management services, thereby working to maintain and expand contracts while securing an appropriate level of profit. In particular, supported by the continued results of various initiatives targeting the pharmaceutical and regenerative medicine industries, as well as ongoing efforts to strengthen audit and consulting services related to food safety management, the number of annual service contracts increased steadily.

In the fiscal year ended December 31, 2025, sales in the General Environment and Sanitation Business totaled 34,148 million yen (+7.1% year-on-year), driven by a steady increase in the number and value of annual service contracts. Segment income (operating income) came to 1,530 million yen (+2.0% year-on-year), as sales growth resulting from the increase in the number of annual service contracts offset factors such as a higher cost ratio for annual and one-time contracts, the main type of contracts for the business, and rising personnel expenses.

(Millions of yen)				
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	YoY change (amount)	YoY change (percent)
Sales	31,888	34,148	2,260	7.1%
Segment income (operating income)	1,500	1,530	29	2.0%

Notes: Sales include internal sales and transfers made within and between segments, which amounted to 191 million yen in the fiscal year ended December 31, 2024 and 230 million yen in the fiscal year ended December 31, 2025.

(2) Overview of financial position for the fiscal year under review

(Consolidated financial position)

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Change
Total assets	135,636	149,382	13,746
Liabilities	60,983	68,092	7,108
Net assets	74,652	81,290	6,638
Equity ratio (%)	50.8	50.2	-0.6pp
Net assets per share (yen)	3,162.24	3,429.20	266.96

As of December 31, 2025, total assets amounted to 149,382 million yen, up 13,746 million yen compared to December 31, 2024. This was mainly due to increases in cash and deposits, inventories, investment securities, and retirement benefit assets, despite decreases in buildings and structures and land.

Total liabilities amounted to 68,092 million yen, up 7,108 million yen compared to December 31, 2024. This was mainly due to increases in trade payables, short-term borrowings, and deferred tax liabilities, despite a decrease in income taxes payable.

Net assets rose to 81,290 million yen, up 6,638 million yen compared to December 31, 2024. This was mainly due to increases in retained earnings, valuation differences on available-for-sale securities, and remeasurements of defined benefit plans.

Consequently, the Company's equity ratio declined to 50.2%, down 0.6 points from December 31, 2024.

Reference: Cash flow-related indicators

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Equity ratio (%)	49.7	50.4	50.3	50.8	50.2
Equity ratio on a fair market value basis (%)	111.9	89.7	76.4	89.9	72.6
Interest-bearing debt to cash flow ratio (annual)	0.8	0.6	1.3	0.4	0.7
Interest coverage ratio	634.1	285.9	255.4	426.5	147.0

(3) Overview of cash flows for the fiscal year under review

(Consolidated cash flow)

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Change
Cash flows from operating activities	13,964	10,795	(3,168)
Cash flows from investing activities	(5,280)	(3,759)	1,521
Cash flows from financing activities	(9,901)	(1,016)	8,884
Effect of exchange rate change on cash and cash equivalents	487	135	(351)
Net increase (decrease) in cash and cash equivalents	(729)	6,154	6,884
Cash and cash equivalents at end of period	16,775	22,930	6,154

As of December 31, 2025, cash and cash equivalents (below, "cash") stood at 22,930 million yen, up 6,154 million yen compared to December 31, 2024.

The status of each cash flow and their main factors in the fiscal year under review are as follows.

In the fiscal year ended December 31, 2025, net cash provided by operating activities amounted to 10,795 million yen (versus 13,964 million yen in the fiscal year ended December 31, 2024). This mainly reflected net income before income taxes of 8,075 million yen (5,946 million yen), depreciation of 4,578 million yen (4,424 million yen), an increase in trade payables of 2,042 million yen (an increase of 2,490 million yen), impairment losses of 659 million yen (1,308 million yen), an increase in inventories of 1,840 million yen (an increase of 1,272 million yen), and income taxes paid of 2,409 million yen (2,506 million yen).



Net cash used in investing activities was 3,759 million yen (5,280 million yen used in the fiscal year ended December 31, 2024). This figure primarily consisted of 2,949 million yen (3,891 million yen) in purchase of property, plant and equipment and 1,223 million yen (875 million yen) in purchase of intangible assets.

Net cash used in financing activities amounted to 1,016 million yen (net cash provided of 9,901 million yen in the fiscal year ended December 31, 2024). Cash provided consisted mainly of a net increase of 2,030 million yen in short-term borrowings (a net decrease of 5,000 million yen), repayments of long-term borrowings of 119 million yen (no corresponding amount), dividend payments to non-controlling interests of 176 million yen (174 million yen), and dividend payments of 2,613 million yen (2,610 million yen).

#### (4) Future outlook

(Millions of yen)

	Fiscal year ended December 31, 2025		Fiscal year ending December 31, 2026		Change	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent
Net sales	179,182	100.0%	188,000	100.0%	8,817	4.9%
Operating income	8,087	4.5%	9,000	4.8%	912	11.3%
Ordinary income	8,893	5.0%	9,550	5.1%	656	7.4%
Net income attributable to owners of parent	5,238	2.9%	6,200	3.3%	961	18.4%

The global economy, including Japan, is expected to remain uncertain going forward. The impact of U.S. tariff increases is gradually expected to run its course, and investment is projected to continue expanding—particularly in the AI and energy sectors. At the same time, the outlook remains clouded by a gradual slowdown in the U.S. economy, the prolonged real estate downturn in China, and heightened geopolitical risks stemming from factors such as the resurgence of U.S.–China tensions and the protracted Russia–Ukraine conflict.

Under such circumstances, with the motto of “Our Group Working Together Toward a Bright Tomorrow for EARTH,” the Group is advancing its medium-term business plan “Act for SMILE COMPASS 2026,” which runs through 2026. In this medium-term business plan, reflecting on issues identified in the previous plan, we are focusing on structural reforms, including Group reorganization, and working to improve profitability. The quantitative targets set for the final year—consolidated net sales of 170,000 million yen, operating income of 7,000 million yen, and net income attributable to owners of parent of 4,300 million yen—have already been achieved one year ahead of schedule. In the next medium-term business plan to be rolled out from 2027, we will continue to implement initiatives aimed at transformation in order to achieve sustainable growth.

The forecast by segment is as follows.

#### [Household Products Business]

In the Household Products Business, in order to respond to the rapid changes in consumer behavior driven by the COVID-19 pandemic, we actively expanded our categories with a focus on the homecare product category. On the other hand, the external environment changed drastically mainly due to rising costs caused by soaring raw material prices, unstable exchange rates resulting from monetary policy reviews, and a cooling of consumer sentiment due to a series of price hikes. In addition, as a consequence of expanding product categories, brand investments were spread too thin, leading to a decline in market share in the bath salts and mouthwash categories. In response to these changing conditions, we have carried out a 30% reduction in SKUs, which was set as a target under the medium-term business plan in 2024, in an effort to “streamline and optimize brands and products” and “enhance brand value.” Going forward, we will further tighten the criteria for launching new products. In addition, in order to halt the declining market share in the mouthwash and bath salts categories, we implemented a major renewal of the oral hygiene product *Mondamin* series in 2025. In bath salts, following the absorption-type merger of Bathclin Corporation in January 2026, we will work to regain market share and strengthen our brands through initiatives such as reviewing the allocation of marketing investment and creating synergies at the product development stage.

We have also been actively promoting waste reduction measures, primarily through our Marketing and Supply Chain divisions, in order to address the issue of product returns in insecticides & repellents, which have been a challenge to date. We have enhanced

supply-demand adjustment capabilities through the centralized management of production and sales, resulting in reduced inventories, increased efficiency, and improved cash flow.

Further, we anticipate that the sales period for insecticides & repellents will become longer due to climate change, and that late-season demand will continue to increase. In response to this situation, we will work with the industry as a whole to establish insecticides & repellents as a year-round mainstay product. We not only expect to reduce our environmental footprint through these measures, but also anticipate profitability improvements arising from curtailed waste-related expenses. Building on these initiatives, we will implement category portfolio management to enhance our earnings structure.

We have positioned overseas expansion, an area with strong growth potential, as a growth driver for the Company. Under the medium-term business plan, we have set forth measures to strengthen our operations, including “executing a growth strategy centered on local subsidiaries,” “developing a supply chain aligned with regional medium- to long-term plans,” and “expanding human resources to support growth.” In ASEAN, Thailand and Vietnam serve as core revenue drivers in our overseas expansion, as we work to balance market share growth and sales expansion. At the same time, we are focusing on expanding distribution channels and establishing a business foundation in Malaysia and the Philippines. In Thailand, we have established a solid brand position, particularly in insecticides & repellents, where we are actively expanding with the goal of achieving the No.1 market share in the country in the near future. In China, in response to rapid changes in the market environment, we are making a strategic shift from emphasizing online sales to focusing on introducing our products into physical retail outlets. In exports, we currently ship our products to approximately 50 countries and regions worldwide, including key markets such as the Middle East, Taiwan, and North America. We are accelerating sales growth by strengthening initiatives in existing markets and rolling out best practices across regions. This expansion of overseas business requires an increase in production and supply capacity. To achieve a smooth product supply and enhance profitability, we will optimize our supply chain by leveraging resources across groups and regions, aligning with regional medium- to long-term plans from a company-wide perspective. For such active business expansion, strengthening human resources for a global shift is essential. We will actively promote the development of global talent and the recruitment of local talent.

#### **[General Environment and Sanitation Business]**

In the General Environment and Sanitation Business, capital investment is recovering in the manufacturing sector and demand for enhanced hygiene management remains strong amid ongoing foreign substance contamination issues in Japan. As a result, Earth Group’s quality hygiene management support services, which are backed by its specialized knowledge and technology, continue to see strong demand from food and pharmaceutical plants.

Under these circumstances, we are working on seven key themes: “people, expertise, technical capabilities, education, occupational safety, business foundations, and business creation.” Through our cutting-edge knowledge and high-level technical capabilities in hygiene management, we will help customers achieve high-quality environments. Through these efforts, we aim to enhance long-term corporate value while striving to fulfill our mission of preserving and protecting our irreplaceable global environment and making sustainable contributions to society’s healthy development.

Specifically, we will continue human resource training, research, and technological development with the Saito General Research Institute as our core base, and strengthen next-generation services utilizing digital technologies such as IoT and AI, audit services related to food safety, and hygiene management support services for the life science industry. Through the provision of these efficient and high value-added services, we will steadily accumulate annual service contracts and aim to achieve stable and sustainable profit growth.

The fiscal year ending December 31, 2026 will be the final year of the current medium-term business plan. Although we have already achieved the quantitative targets for net sales and profit, we aim to pursue further growth by leveraging our ability to generate earnings cultivated through initiatives such as price revisions, SKU reductions, and the expansion of overseas operations. At the same time, we plan to make active investments in advertising and promotional expenses to strengthen brands of mainstay categories, while also preparing for an increase in fixed costs, mainly personnel expenses. Against this backdrop, our full-year consolidated earnings forecast for the fiscal year ending December 2026 calls for net sales of 188,000 million yen (+4.9% year-on-year), operating income of 9,000 million yen (+11.3% year-on-year), ordinary income of 9,550 million yen (+7.4% year-on-year), and net income attributable to owners of parent of 6,200 million yen (+18.4% year-on-year), indicating a year-on-year increase in both sales and profit.

#### (5) Basic Policy concerning the Allocation of Profits and Dividends for the Current and Next Periods

We view the return of profits to our shareholders as an important management issue, and accordingly strive to ensure stable dividends while securing internal reserves in pursuit of sustainable growth and the maintenance of a sound management structure.

In line with the key themes set forth in the medium-term business plan, we will allocate retained earnings primarily to the following areas: strategic investments and M&A for overseas business expansion; R&D and human capital investments to enhance non-financial value; core system upgrades to achieve operational efficiency; capital investments for productivity improvement; and structural reforms to drive sustainable growth. Further, we will continue to consider implementing flexible share buyback programs based on cash flow conditions and stock price trends.

In terms of dividends of surplus, we target a dividend on equity ratio (DOE) in the 4% range in the aim of paying stable, continuous dividends.

Based on these policies, and considering our business performance for the current fiscal year and the necessary funds for future growth, we will pay a special dividend of 5 yen per share in addition to an ordinary dividend of 120 yen per share. Accordingly, the Board of Directors has resolved to set the dividend per share for the fiscal year ended December 31, 2025, at 125 yen (DOE: 3.8%). The consolidated dividend payout ratio came in at 52.1%.

The dividend for the next fiscal year is expected to be 130 yen, an increase of 5 yen from the current fiscal year.

#### 2. Basic Views on Selection of Accounting Standards

Over the near term, the Company will prepare its financial statements based on Japanese generally accepted accounting principles (GAAP), taking into account the inter-period comparability of financial statements and comparability across companies.

In terms of the application of International Financial Reporting Standards (IFRS), the Company will take appropriate measures in light of the existing circumstances in Japan and overseas.

## 3. Consolidated Financial Statements and Primary Notes

## (1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal year ended December 31, 2024 (as of December 31, 2024)	Fiscal year ended December 31, 2025 (as of December 31, 2025)
<b>Assets</b>		
Current assets		
Cash and deposits	17,007	23,327
Notes and accounts receivable – trade	23,293	23,197
Electronically recorded obligations – operating	2,228	2,744
Merchandise and finished goods	22,974	25,861
Work in process	781	917
Raw materials and supplies	6,130	5,525
Other	2,752	2,913
Allowance for doubtful accounts	(94)	(148)
<b>Total current assets</b>	<b>75,073</b>	<b>84,339</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,803	33,120
Accumulated depreciation and impairment	(18,625)	(19,055)
Buildings and structures, net	15,177	14,064
Machinery, equipment and vehicles	20,312	20,791
Accumulated depreciation and impairment	(14,575)	(15,197)
Machinery, equipment and vehicles, net	5,736	5,594
Land	7,636	6,602
Leased assets	498	537
Accumulated depreciation and impairment	(269)	(342)
Leased assets, net	228	194
Construction in progress	743	622
Other	10,254	10,702
Accumulated depreciation and impairment	(8,334)	(8,407)
Other, net	1,919	2,295
<b>Total property, plant and equipment</b>	<b>31,443</b>	<b>29,375</b>
Intangible assets		
Trademark right	1,774	1,436
Software	3,473	3,512
Goodwill	1,013	1,186
Customer-related assets	785	591
Other	380	816
<b>Total intangible assets</b>	<b>7,428</b>	<b>7,543</b>
Investments and other assets		
Investment securities	5,440	6,630
Retirement benefit asset	13,386	17,992
Deferred tax assets	513	438
Other	2,356	3,123
Allowance for doubtful accounts	(7)	(60)
<b>Total investments and other assets</b>	<b>21,690</b>	<b>28,124</b>
<b>Total non-current assets</b>	<b>60,562</b>	<b>65,043</b>
<b>Total assets</b>	<b>135,636</b>	<b>149,382</b>

(Millions of yen)

	Fiscal year ended December 31, 2024 (as of December 31, 2024)	Fiscal year ended December 31, 2025 (as of December 31, 2025)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	23,477	23,972
Electronically recorded obligations – operating	9,190	11,361
Short-term borrowings	5,000	7,420
Current portion of long-term borrowings	—	134
Accounts payable – other	7,418	7,627
Income taxes payable	1,689	850
Accrued consumption taxes	1,070	822
Provision for bonuses	498	460
Refund liabilities	1,155	1,052
Other	8,377	9,252
Total current liabilities	57,877	62,954
Non-current liabilities		
Long-term borrowings	—	165
Deferred tax liabilities	1,905	3,851
Retirement benefit liability	252	209
Asset retirement obligations	488	516
Other	460	394
Total non-current liabilities	3,105	5,137
Total liabilities	60,983	68,092
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,192	10,192
Capital surplus	10,228	10,262
Retained earnings	42,236	44,862
Treasury shares	(2,080)	(1,743)
Total shareholders' equity	60,578	63,573
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,570	2,217
Foreign currency translation adjustment	2,506	2,850
Remeasurements of defined benefit plans	4,211	6,277
Total accumulated other comprehensive income	8,287	11,345
Non-controlling interests	5,786	6,371
Total net assets	74,652	81,290
Total liabilities and net assets	135,636	149,382

## (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

## Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Sales	169,278	179,182
Cost of sales	100,309	104,448
Gross profit	68,968	74,733
Selling, general and administrative expenses		
Transportation and storage costs	7,810	8,556
Advertising expenses	9,002	9,946
Promotion expenses	1,137	1,306
Provision of allowance for doubtful accounts	(8)	55
Salaries and allowances	19,744	21,230
Provision for bonuses	409	353
Travel and transportation expenses	1,588	1,704
Depreciation	1,987	1,988
Amortization of goodwill	146	176
Rent expenses on land and buildings	1,553	1,747
Research and development expenses	3,452	3,597
Other	15,719	15,983
Total selling, general and administrative expenses	62,543	66,645
Operating income	6,425	8,087
Non-operating income		
Interest income	205	214
Dividend income	90	136
Foreign exchange gains	240	211
Commission income	100	76
Rental income from buildings	65	75
Other	340	346
Total non-operating income	1,043	1,060
Non-operating expenses		
Interest expenses	38	90
Provision of allowance for doubtful accounts	—	43
Real estate lease expenses	29	29
Compensation expenses	—	42
Other	37	48
Total non-operating expenses	105	254
Ordinary income	7,364	8,893

(Millions of yen)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Extraordinary income		
Gain on sale of non-current assets	40	14
Gain on sale of investment securities	4	34
Gain on step acquisitions	—	349
Total extraordinary income	45	398
Extraordinary losses		
Loss on sale of non-current assets	16	7
Loss on retirement of non-current assets	70	234
Impairment losses	1,308	659
Loss on sale of investment securities	0	—
Loss on valuation of investment securities	0	0
Loss on valuation of shares of subsidiaries and associates	66	—
Extra retirement payments	—	278
Other	—	37
Total extraordinary losses	1,462	1,216
Net income before income taxes	5,946	8,075
Income taxes – current	2,573	1,817
Income taxes – deferred	(419)	665
Total income taxes	2,153	2,483
Net income	3,792	5,591
Net income attributable to non-controlling interests	317	353
Net income attributable to owners of parent	3,475	5,238

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Net income	3,792	5,591
Other comprehensive income		
Valuation difference on available-for-sale securities	184	665
Foreign currency translation adjustment	1,151	339
Remeasurements of defined benefit plans, net of tax	2,030	2,311
Total other comprehensive income	3,366	3,316
Comprehensive income	7,159	8,908
(Breakdown)		
Comprehensive income attributable to owners of parent	6,631	8,296
Comprehensive income attributable to non-controlling interests	527	611



## (3) Consolidated Statement of Changes in Equity

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,043	10,066	41,385	(79)	61,415
Changes of items during period					
Issuance of new shares	149	149			298
Dividends of surplus			(2,610)		(2,610)
Net income attributable to owners of parent			3,475		3,475
Purchase of treasury shares				(2,000)	(2,000)
Disposal of treasury shares					—
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Transfer from retained earnings to capital surplus		12	(12)		—
Net changes in items other than shareholders' equity					
Total changes of items during period	149	162	851	(2,000)	(837)
Balance at end of current period	10,192	10,228	42,236	(2,080)	60,578

(Millions of yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans		
Balance at beginning of current period	1,383	1,363	2,383	5,453	72,000
Changes of items during period					
Issuance of new shares					298
Dividends of surplus					(2,610)
Net income attributable to owners of parent					3,475
Purchase of treasury shares					(2,000)
Disposal of treasury shares					—
Change in ownership interest of parent due to transactions with non-controlling interests					0
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity	186	1,142	1,827	332	3,489
Total changes of items during period	186	1,142	1,827	332	2,651
Balance at end of current period	1,570	2,506	4,211	5,786	74,652

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,192	10,228	42,236	(2,080)	60,578
Changes of items during period					
Issuance of new shares					—
Dividends of surplus			(2,613)		(2,613)
Net income attributable to owners of parent			5,238		5,238
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		31		336	368
Change in ownership interest of parent due to transactions with non-controlling interests		2			2
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity					
Total changes of items during period	—	33	2,625	336	2,995
Balance at end of current period	10,192	10,262	44,862	(1,743)	63,573

(Millions of yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans		
Balance at beginning of current period	1,570	2,506	4,211	5,786	74,652
Changes of items during period					
Issuance of new shares					—
Dividends of surplus					(2,613)
Net income attributable to owners of parent					5,238
Purchase of treasury shares					(0)
Disposal of treasury shares					368
Change in ownership interest of parent due to transactions with non-controlling interests					2
Transfer from retained earnings to capital surplus					—
Net changes in items other than shareholders' equity	647	343	2,066	584	3,642
Total changes of items during period	647	343	2,066	584	6,638
Balance at end of current period	2,217	2,850	6,277	6,371	81,290

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Cash flows from operating activities		
Net income before income taxes	5,946	8,075
Depreciation	4,424	4,578
Impairment losses	1,308	659
Amortization of goodwill	146	176
Increase (decrease) in retirement benefit assets and liabilities	(753)	(1,280)
Increase (decrease) in allowance for doubtful accounts	(10)	101
Interest and dividend income	(296)	(350)
Interest expenses	38	90
Foreign exchange losses (gains)	(15)	(70)
Loss on valuation of shares of subsidiaries and associates	66	—
Loss (gain) on step acquisitions	—	(349)
Decrease (increase) in trade receivables	313	433
Decrease (increase) in inventories	(1,272)	(1,840)
Decrease (increase) in other assets	816	463
Increase (decrease) in trade payables	2,490	2,042
Increase (decrease) in other liabilities	2,818	164
Other	189	50
Subtotal	16,211	12,944
Interest and dividends received	296	350
Interest paid	(38)	(90)
Income taxes paid	(2,506)	(2,409)
Net cash provided by (used in) operating activities	13,964	10,795
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,891)	(2,949)
Proceeds from sale of property, plant and equipment	278	1,725
Purchase of intangible assets	(875)	(1,223)
Purchase of investment securities	(22)	(73)
Proceeds from sale of investment securities	15	62
Purchase of shares of subsidiaries and associates	(60)	(160)
Loan advances to subsidiaries and associates	(27)	(506)
Payments into time deposits	(232)	(397)
Proceeds from withdrawal of time deposits	—	248
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	303
Payments of contingent consideration for shares of subsidiaries	(27)	(289)
Other payments	(561)	(589)
Other proceeds	123	89
Net cash provided by (used in) investing activities	(5,280)	(3,759)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,000)	2,030
Repayments of long-term borrowings	—	(119)
Purchase of treasury shares	(2,000)	(0)
Purchase of treasury shares of subsidiaries	(19)	(36)
Dividends paid	(2,610)	(2,613)
Dividends paid to non-controlling interests	(174)	(176)
Other	(95)	(100)

(Millions of yen)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Net cash provided by (used in) financing activities	(9,901)	(1,016)
Effect of exchange rate change on cash and cash equivalents	487	135
Net increase (decrease) in cash and cash equivalents	(729)	6,154
Cash and cash equivalents at beginning of period	17,505	16,775
Cash and cash equivalents at end of period	16,775	22,930

## (5) Notes to Consolidated Financial Statements

(Notes to going concern assumptions)

None to be reported.

(Notes on changes in accounting policies)

From the beginning of the fiscal year ended December 31, 2025, the Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, the “2022 Revised Accounting Standard”) and related guidance.

For revisions concerning the classification of income taxes (taxation on other comprehensive income), the Company has applied the transitional treatment specified in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard, as well as the transitional treatment set forth in the proviso of Paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, the “2022 Revised Guidance”). This change in accounting policy had no impact on the consolidated financial statements.

Further, from the beginning of the fiscal year under review, the Company has applied the 2022 Revised Guidance for revisions concerning the treatment in the consolidated financial statements of gains or losses arising from the sale of shares of subsidiaries within the consolidated group, where such gains or losses are deferred for tax purposes. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated accordingly. This change in accounting policy had no impact on the consolidated financial statements for the previous fiscal year.

(Changes in presentation)

(Consolidated statement of cash flows)

“Loan advances to subsidiaries and associates” and “Payments of contingent consideration for shares of subsidiaries,” which had been included in “Other payments” under “Cash flows from investing activities” in the previous fiscal year, have been presented as separate line items in the fiscal year under review due to their increased materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified accordingly.

As a result, in the consolidated statement of cash flows for the previous fiscal year, the amount of -616 million yen presented under “Other payments” within “Cash flows from investing activities” has been reclassified as -27 million yen in “Loan advances to subsidiaries and associates,” -27 million yen in “Payments of contingent consideration for shares of subsidiaries,” and -561 million yen in “Other payments.”

(Business combinations)

Business combination through acquisition

On February 28, 2025, the Company entered into a share transfer agreement to acquire shares of Protoleaf, Inc., and acquired shares on the same date. As a result, Protoleaf, Inc. became a consolidated subsidiary of the Company.

### 1. Overview of business combination

#### (1) Name and business of the acquired company

Name: Protoleaf, Inc.

Business: Sales and retail of gardening materials, as well as the design, construction, and management of landscaping projects

#### (2) Main reason for business combination

The Earth Group is committed to addressing customer dissatisfaction and inconvenience from the customers’ perspective and offers a diverse range of original and quality services, including insecticides & repellents, bath salts, oral hygiene products, gardening products, and general environment and sanitation services.

Protoleaf, Inc., meanwhile, is engaged in sales and retail of gardening materials, as well as the landscaping business. Protoleaf offers a variety of original soil products for home gardening and has commercialized quality potting soil by blending various minerals and organic components. It holds a strong market share in the horticultural soil sector.

The Group and Protoleaf have entered into a capital and business alliance and are currently collaborating in sales, marketing,

and product development in the gardening products market. We believe that by leveraging each other's management resources more flexibly, both companies can achieve further growth. Accordingly, the Company has decided to additionally acquire 16.07% (72 shares) of Protoleaf's issued shares and make it a subsidiary.

(3) Date of business combination

February 28, 2025 (share acquisition date)

March 31, 2025 (deemed acquisition date)

(4) Legal form of business combination

Share acquisition in exchange for cash

(5) Name of the company after business combination

Unchanged

(6) Percentage of voting rights acquired

Voting rights ratio immediately before the business combination date	34.15%
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Voting rights ratio additionally acquired on the business combination date	16.07%
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Voting rights ratio after acquisition	50.22%
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(7) Main grounds for determining the acquiring company

Share acquisition by the Company in exchange for cash

2. Period of the acquired company's results included in the consolidated statement of income for the fiscal year under review

From April 1, 2025 to December 31, 2025

3. Acquisition cost of the acquired company and breakdown by type of consideration

Acquisition consideration: The fair value, as of the date of the business combination, of the shares held immediately prior to the business combination	366 million yen
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Consideration (cash) for shares additionally acquired on the business combination date	172 million yen
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Acquisition cost	539 million yen
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4. Major acquisition-related costs and amounts

Advisory fees, etc.:	5 million yen
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5. Difference between the acquired company's acquisition cost and the total acquisition cost accumulated through each transaction

Gain on step acquisition	349 million yen
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6. Amount of goodwill, reason for its recognition, and the method and period of amortization

(1) Amount of goodwill

349 million yen

(2) Reason for recognition

As the acquisition cost exceeded the net amount of the acquired assets and assumed liabilities, the excess amount has been recognized as goodwill.

(3) Method and period of amortization

To be amortized over five years using the straight-line method

7. Amounts of assets accepted and liabilities assumed on the business combination date, and major breakdown

(1) Amount of assets

Current assets	1,764 million yen
Non-current assets	121 million yen
Total assets	1,886 million yen

(2) Amount of liabilities

Current liabilities	1,225 million yen
Non-current liabilities	283 million yen
Total liabilities	1,509 million yen

8. Estimated impact on the consolidated statement of income for the fiscal year under review assuming the business combination had been completed on the first day of the fiscal year, and the method of calculation

The information has been omitted due to immateriality. Further, this note has not been audited.

(Segment information, etc.)

a. Segment information

1. Overview of reportable segments

Earth Corporation's reportable segments represent constituent units of the Company's corporate group for which separate financial information is available. These segments are subject to periodic reviews conducted by the Company's Board of Directors with the aim of evaluating business performance and facilitating decisions regarding the allocation of management resources.

Earth Corporation maintains a Household Products Business and a General Environment and Sanitation Business, and these two businesses constitute the Company's reportable segments.

Through its Household Products Business, the Company produces, sells, purchases, imports, and exports a variety of products, including household insecticides & repellents; gardening products; homecare products (mouthwash, denture-related supplies, toothpaste and associated products, bath salts, deodorizing air fresheners, etc.); pet products; chemical agents used for communicable disease control and in the fields of agriculture, forestry, and animal husbandry; and raw materials for overseas markets.

Through its General Environment and Sanitation Business, the Company provides hygiene management services for facilities such as factories and hospitals.

2. Method for calculating sales, income or loss, assets, liabilities and other items for each reportable segment

We apply the same accounting methods for all reportable segments as the ones we use to prepare consolidated financial statements.

The income figures of our reportable segments indicate operating income generated through these segments.

Intersegment sales and transfers are based on prevailing market prices.



## 3. Sales, income or loss, assets, liabilities and other items for each reportable segment

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Reportable segments			Adjustments* <sup>2</sup>	Amount recorded in consolidated financial statements* <sup>3</sup>
	Household Products Business	General Environment and Sanitation Business	Total		
Sales					
Sales generated through external customers	137,580	31,697	169,278	—	169,278
Intersegment sales and transfers* <sup>1</sup>	11,333	191	11,524	(11,524)	—
Total	148,913	31,888	180,802	(11,524)	169,278
Segment income	4,968	1,500	6,469	(44)	6,425
Segment assets	139,479	20,803	160,282	(24,646)	135,636
Other items					
Depreciation* <sup>4</sup>	4,014	409	4,424	—	4,424
Amortization of goodwill	146	—	146	—	146
Increases in tangible and intangible non-current assets* <sup>4</sup>	4,048	662	4,710	—	4,710

Notes: 1. Includes internal sales within and among segments

2. Adjustments were as follows:

(1) The 44 million yen downward adjustment to segment income comprises eliminations of intersegment transactions.

(2) The 24,646 million yen downward adjustment to segment assets comprises eliminations of intersegment transactions.

3. Segment income is adjusted according to the amount of operating income indicated on the consolidated statements of income.

4. "Depreciation" and "Increase in tangible and intangible non-current assets" include both amortization of, and increases in, long-term prepaid expenses.

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Millions of yen)					
	Reportable segments			Adjustments* <sup>2</sup>	Amount recorded in consolidated financial statements* <sup>3</sup>
	Household Products Business	General Environment and Sanitation Business	Total		
Sales					
Sales generated through external customers	145,263	33,918	179,182	—	179,182
Intersegment sales and transfers* <sup>1</sup>	11,388	230	11,619	(11,619)	—
Total	156,652	34,148	190,801	(11,619)	179,182
Segment income	6,501	1,530	8,031	55	8,087
Segment assets	151,205	22,657	173,862	(24,479)	149,382
Other items					
Depreciation* <sup>4</sup>	4,117	460	4,578	—	4,578
Amortization of goodwill	176	—	176	—	176
Increases in tangible and intangible non-current assets* <sup>4</sup>	3,815	734	4,550	—	4,550

Notes: 1. Includes internal sales within and among segments

2. Adjustments were as follows:

(1) The 55 million yen upward adjustment to segment income comprises eliminations of intersegment transactions.

(2) The 24,479 million yen downward adjustment to segment assets comprises eliminations of intersegment transactions.

3. Segment income is adjusted according to the amount of operating income indicated on the consolidated statements of income.

4. "Depreciation" and "Increase in tangible and intangible non-current assets" include both amortization of, and increases in, long-term prepaid expenses.

#### b. Related information

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

##### 1. Information by product and service

(Millions of yen)						
	Insecticides & repellents	Homecare products	Gardening products	Pet products and others	General Environment and Sanitation	Total
Sales generated through external customers	58,999	64,094	4,005	10,480	31,697	169,278

Note: Until the previous fiscal year, net sales were presented under four categories: insecticides & repellents, homecare products, pet products and others, and General Environment and Sanitation. In the fiscal year under review, taking materiality into consideration, gardening products have been presented as a new separate category.

To reflect this change in presentation, the figures for the previous fiscal year have been reclassified accordingly.

##### 2. Information about geographical areas

###### (1) Sales

(Millions of yen)			
Japan	Asia	Other	Total
151,145	16,661	1,470	169,278

Note: Sales are classified by country or region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Thailand	Other	Total
28,864	829	1,605	144	31,443

3. Information by the major customer

(Millions of yen)

Customer name or title	Sales	Name of related segment
PALTAC Corporation	45,178	Household Products Business
ARATA Corporation	40,191	Household Products Business
Ohki Co., Ltd.	17,639	Household Products Business

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

1. Information by product and service

(Millions of yen)

	Insecticides and repellents	Homecare products	Gardening products	Pet products and others	General Environment and Sanitation	Total
Sales generated through external customers	61,386	65,717	7,594	10,565	33,918	179,182

2. Information about geographical areas

(1) Sales

(Millions of yen)

Japan	Asia	Other	Total
159,511	18,314	1,356	179,182

Note: Sales are classified by country or region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Thailand	Other	Total
26,896	756	1,608	114	29,375

3. Information by the major customer

(Millions of yen)

Customer name or title	Sales	Name of related segment
PALTAC Corporation	45,667	Household Products Business
ARATA Corporation	40,307	Household Products Business
Ohki Co., Ltd.	19,626	Household Products Business

c. Information about impairment loss on non-current assets by reportable segment

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Reportable segments			Adjustments	Total
	Household Products Business	General Environment and Sanitation Business	Total		
Impairment losses	1,308	—	1,308	—	1,308

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Millions of yen)

	Reportable segments			Adjustments	Total
	Household Products Business	General Environment and Sanitation Business	Total		
Impairment losses	659	—	659	—	659

d. Amortization of goodwill and unamortized goodwill by reportable segment

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

	Reportable segments			Adjustments	Total
	Household Products Business	General Environment and Sanitation Business	Total		
Amortization of goodwill	146	—	146	—	146
Unamortized goodwill	1,013	—	1,013	—	1,013

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Millions of yen)

	Reportable segments			Adjustments	Total
	Household Products Business	General Environment and Sanitation Business	Total		
Amortization of goodwill	176	—	176	—	176
Unamortized goodwill	1,186	—	1,186	—	1,186

e. Impairment losses on fixed assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

Protoleaf, Inc. has been included in the scope of consolidation from the first quarter of the fiscal year ended December 31, 2025, resulting in an increase in the amount of goodwill in the Household Products business. Further, the increase in goodwill attributable to this event amounted to 349 million yen in the fiscal year under review. Separately, due to an additional payment for the acquisition of shares in consolidated subsidiary EARTH HOMECARE PRODUCTS (PHILIPPINES), INC., the Company recorded goodwill of 289 million yen; however, the entire amount has been recognized as an impairment loss.

f. Gain on bargain purchase by reportable segment

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

None to be reported.

Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

None to be reported.

(Per share information)

	Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Net assets per share	3,162.24 yen	3,429.20 yen
Net income per share	158.26 yen	240.00 yen

Notes: 1. Due to a lack of dilutive shares, diluted net income per share for the fiscal years ended December 31, 2024 and 2025 has been omitted.

2. The basis for calculating net income per share is as follows:

Item		Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)	Fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)
Net income attributable to owners of parent	(millions of yen)	3,475	5,238
Amount not attributable to common shareholders	(millions of yen)		
Net income attributable to owners of parent attributable to common stock	(millions of yen)	3,475	5,238
Average number of common stock outstanding during the fiscal year	(thousands of shares)	21,957	21,826

(Significant subsequent events)

(Absorption-type merger with a consolidated subsidiary)

At a meeting of the Board of Directors held on March 11, 2025, the Company resolved to carry out an absorption-type merger with its consolidated subsidiary, Bathclin Corporation, and entered into a merger agreement on the same date. The absorption-type merger was completed on January 1, 2026.

#### 1. Overview of transaction

##### (1) Name and business of the acquired company

Name: Bathclin Corporation

Business: Manufacture and sale of quasi-drugs (including bath salts and hair growth products), cosmetics, and miscellaneous products

##### (2) Date of business combination

January 1, 2026

##### (3) Legal form of business combination

An absorption-type merger with the Company as the surviving entity and Bathclin Corporation as the non-surviving entity.

##### (4) Name of the company after business combination

Earth Corporation

##### (5) Other matters related to overview of transaction

From the perspective of strengthening Group management capabilities, the transaction aims to improve operational efficiency toward achieving the optimal allocation of Group management resources, while responding to recent significant changes in the external environment and further enhancing the market presence of the Earth Group.

## 2. Overview of the accounting treatment applied

The transaction has been accounted for as a transaction under common control in accordance with the Accounting Standard for Business Combinations and the Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures.