



Earnings briefing materials for 1Q of the fiscal year ending December 2025

May 12, 2025

The logo for Earth Corporation, featuring a stylized globe icon above the word "EARTH" in bold, with "Act For Life" in a smaller font below it.

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We will now explain the financial results for the first quarter of the fiscal year ending December 2025, which were announced at 3:30 pm, May 12.

Executive Summary



25.1Q Results

Sales : 44.78 B Yen (vs. forecast : -0.2% -60 M yen)

Operating Income : 6.26 B yen (vs. forecast : +22.9% +1.16 B yen)

- Sales :
 - Domestic Insecticides & Repellents : Shipments are progressing smoothly, and the effects of the price revision implemented in 2025 will be closely monitored.
 - Domestic Homecare products : Shipments of bath salts are strong, and the effects of initiatives implemented last year are becoming apparent in oral hygiene products.
 - Overseas : There are variations by region, but overall performance is in line with plans. No impact from U.S. tariffs at this time.
 - General Environment & Sanitation : Steady growth in contract numbers leading to favorable performance
- Gross profit : Gross profit margin improved due to changes in sales composition, such as a shift to high-priced products.
- Expenses : Increased profit due to lower-than-budgeted expenses; will continue to monitor expenses in 2Q and beyond.

Exchange rate situation

The yen has been weakening against the planned rate.

- BAHT, VND, MYR, and PHP are about 5% weaker than planned.
- This will affect figures converted to yen.

Exchange rate	24.1Q Results	25.1Q Forecast	25.1Q Results	YoY	VS Forecast
CNY	20.83	21.00	20.59	1.2% ↗	2.0% ↗
BAHT	4.16	4.20	4.40	5.8% ↘	4.8% ↘
VND	0.00610	0.00556	0.00586	3.9% ↗	5.4% ↘
MYR	32.03	32.07	33.81	5.6% ↘	5.4% ↘
PHP	2.71	2.48	2.63	3.0% ↗	6.0% ↘
USD	151.41	153.00	149.52	1.2% ↗	2.3% ↗

* Depreciation of the yen ↘ , Appreciation of the yen ↗



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Financial Result Highlights of 1Q FY 12/2025

First of all, we would like to explain the financial results for the first quarter of the fiscal year ending December 2025.

Financial Result Highlights



- YoY increase in sales & profits.
- Compared to the plan, sales varied by category, but overall were in line expectations. Operating income exceeded the plan for the 1Q due to an improvement in the cost of sales ratio and lower-than-planned SG&A expenses.

(Unit: 0.1 B JPY)

	24.1Q Results		25.1Q Forecast		25.1Q Results		Comparison			
	Amount	% Sales	Amount	% Sales	Amount	% Sales	YoY	YoY(%)	vs. Forecast	vs. Forecast(%)
Sales	420.4	100.0%	448.5	100.0%	447.8	100.0%	27.3	106.5%	- 0.6	99.8%
COGS	238.5	56.7%	253.0	56.4%	249.5	55.7%	10.9	104.6%	- 3.4	98.6%
Gross Profit	181.9	43.3%	195.5	43.6%	198.2	44.3%	16.3	109.0%	2.7	101.4%
SG&A	132.1	31.4%	144.5	32.2%	135.5	30.3%	3.4	102.6%	- 8.9	93.8%
Operating Income	49.7	11.8%	51.0	11.4%	62.6	14.0%	12.9	125.9%	11.6	122.9%
Ordinary Income	51.4	12.2%	54.2	12.1%	61.5	13.8%	10.1	119.6%	7.3	113.6%
Net Income attributable to owners of parent	35.3	8.4%	39.0	8.7%	46.7	10.4%	11.4	132.5%	7.7	120.0%

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Here are the highlights of the first quarter results.

Sales were 44.78 billion yen and operating income was 6.26 billion yen, resulting in increased sales and income compared to the previous year. Compared to the forecast, sales varied by category, but overall progress was largely in line with the plan.

In addition, operating income increased due to an improvement in the cost of sales ratio and lower-than-planned selling, general and administrative expenses.

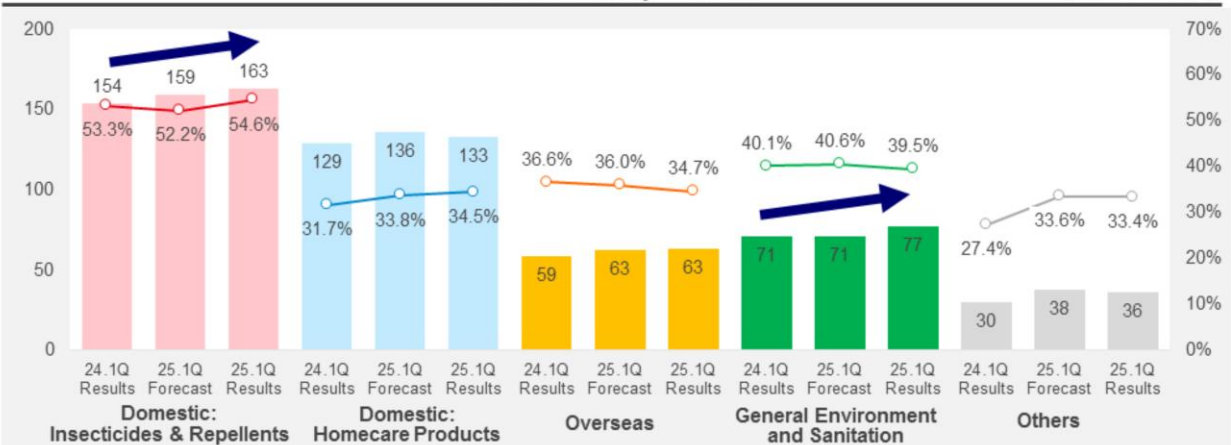
Management Accounting Basis: Sales / GPM (2024 vs 2025)



- Domestic – Insecticides & Repellents : Shipments are proceeding smoothly. Gross profit margin increased due to the effects of price revisions already implemented
- Domestic –Homecare products : Profitability improved for bath salts and oral hygiene products, partly due to initiatives implemented in the previous fiscal year.
- Overseas: There are variations depending on the area, but overall progress is steady.
There is no impact from tariffs at this point.
- General Environment and Sanitation Business : Continue stable growth.

Sales / GPM by Portfolio

(Unit: 0.1 B JPY)



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*Based on our management accounting, consolidation adjustments such as internal offsetting transactions are not included.

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We will provide an overview of domestic Insecticides & Repellents, Domestic homecare products, Overseas, General Environment and Sanitation business, and other areas based on management accounting.

Regarding Domestic Insecticides & Repellents, shipments through the end of March have been smooth, and the gross profit margin has increased due to the effects of price revisions implemented to date.

For domestic homecare products, while there are variations depending on the formulation, overall shipments of bath salts have exceeded both the previous year and the forecast.

Regarding Oral hygiene products (mouthwash), the effects of initiatives implemented since last year are gradually becoming evident, and sales are slightly below forecast but above last year's levels.

Overseas, there are variations by region, but overall progress is in line with plan. At this point, there are no significant impacts from changes in U.S. tariff policies.

General Environment and Sanitation Business continues to grow steadily. Others are also slightly below forecast but are maintaining stable growth.

Domestic: Insecticides & Repellents Status Update

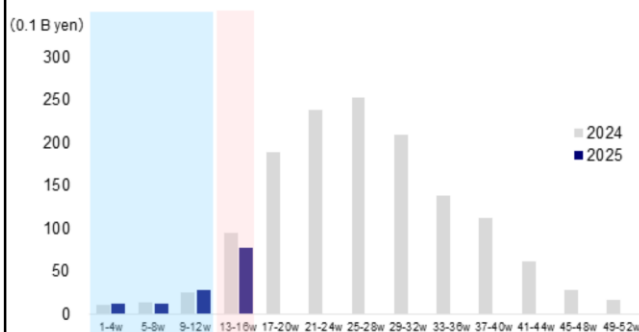


- **Market** : As of the end of March, the market was up 7% year on year, but the market size at the end of March accounted for only about 5% of the full-year total, and we will closely monitor the situation in April and beyond.
- **Shipments**: Products in the cockroach, nuisance insect, and insect repellent categories, including new products, contributed to sales.
- **Gross profit margin** improved due to changes in the sales mix.

Market Situation & Earth Group's Market Share
as of end of the March

【Market YoY growth】 【Earth Group's Market share】

107.1% **61.7% (+2.5pt)**



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Situation of Core new products



Situation of Price Revisions (Total 125SKU)

【vs. forecast】
-170 M yen

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We will now explain the current situation of Insecticides & Repellents segment in Japan.

At the end of March, the market showed a strong start, up 107.1% from the previous year. However, the market progress rate at the end of March was still only a few percent, and we will continue to monitor the market trends in April and beyond.

As shown in the pink bar graph at the bottom left of the slide, the current situation is below last year's level due to the reaction from last year's strong performance.

Market share stands at 61.7%, representing a very strong increase of 2.5 percentage points compared to the previous year.

Our shipments are progressing well compared to forecast, with new products such as the insect repellent "Hadamamo" and the spray for unpleasant insect "Zerononite Jet".

Additionally, we are proceeding with price revisions for Insecticides & Repellents this fiscal year, targeting 125 SKUs.

Currently, this is resulting in a negative impact of 170 million yen compared to forecast, but we will continue to monitor the situation closely as market conditions become more established in the second quarter and beyond.

Domestic: Homecare Products (Bath Salts) Status Update



- While the overall market at the end of March exceeded the previous year's figures, there were variations depending on the dosage form.
- “Onpo Dekamaru” and “Kikiyu” grew due to promotional effects.
- Shipments of “Bathclin” and “Bathroman” were strong, but sales at stores declined from the previous year.



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Next, we will explain about bath salts category for domestic homecare products segment.

As of the end of March, the market was 104.8% compared to the previous year, but there were variations depending on the type of product.

At our company, tablet type such as “Onpo Dekamaru” and granule type such as “Kikiyu” are progressing smoothly in terms of shipments and sales. On the other hand, powdered type such as "Bathclin" and "Bathroman" from our group are exceeding shipment forecast, but sales at retail stores are below last year's levels. Additionally, the high-end 'BARTH' product is also exceeding forecast, and we remain optimistic about its future performance.

Domestic: Homecare Products (Mouthwash) Status Update



- The effects of strengthening promotions since last year and implementing product strategies targeting younger consumers are becoming apparent.
- In the second half of the year, we plan to implement brand renewal to the core brand “Mondahmin.”
- We will promote the new concept of ‘oral age care’ and aim to appeal to non-users of mouthwash who are interested in beauty and health.

Market Size & Earth Group's Market Share - Trends

【 Market YoY growth 】

96.9%

【 Earth Corp's market share 】

18.8% +0.8pt

『Mondahmin』Initiatives of brand renewal

- Launch of largest-ever TV commercial campaign by year-end.
- Promotion campaign to boost sales.
- SKU optimization in conjunction with renewal.



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2025 Autumn

Next, we will explain about mouthwash category.

The market at the end of March was 96.9% of the previous year. The effects of strengthened promotions since last year and product strategies targeting younger consumers have become apparent, and our market share rose 0.8 points year on year to 18.8%, showing an improving trend.

This fiscal year, we plan to launch a brand renewal for our core brand “Mondahmin” in the second half. While we will refrain from providing further details at this time, the renewal will refresh the brand's image, and we will strengthen promotions, including TV commercials, to drive sales. Additionally, we will continue to optimize our SKU portfolio.

Overseas – Status Update

ASEAN Core Area (Thailand・Vietnam)

【Thailand】

- Market share increased due to strengthened sales activities in MT and TT channels, and forecasts were achieved in both yen and local currency terms.

【Vietnam】

- Changes in sales structure and promotional effects fell short of expectations, and forecasts were not achieved in both yen and local currency terms.

ASEAN Expansion Area (Malaysia & Philippines)

【Malaysia】

- Strengthening campaigns and store promotions enabled us to achieve our forecasts in both yen and local currency terms.

【Philippines】

- Some products were out of stock, resulting in a shortfall in both yen and local currency terms in 1Q. We will implement recovery measures going forward.

China

- Physical stores are performing well, but the launch of Insecticides & Repellents at major stores has been delayed, resulting in a shortfall in local currency terms.

Exports

- Saudi Arabia saw sales stagnate due to weather factors, but Taiwan and France performed well, resulting in increased revenue and the achievement of forecasts.

(Unit: 0.1 B JPY)



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We will now explain the overseas situation.

Although there are variations depending on the area, the yen-based figures are almost at the planned level.

First, the situation in the core ASEAN area.

In Thailand, efforts such as strengthening sales in both MT and TT channels have been successful, and market share is increasing, with both yen-based and local currency-based figures meeting the forecast.

In Vietnam, the effects of changes in sales structure and promotions have fallen short of expectations, resulting in performance below forecast in both yen and local currency terms.

The situation in the ASEAN expansion area.

In Malaysia, sales initiatives such as strengthening store presence have yielded results, leading to growth in both yen and local currency terms. Going forward, we will continue to introduce new products and aim for further expansion.

In the Philippines, the plan has not been achieved in both yen and local currency terms due to the impact of shortages of some products. We will take measures to resolve the shortages and recover sales.

In China, despite achieving revenue growth, the forecast has not been achieved. While the real channel is performing well, the slow start of Insecticides & Repellents in some stores and the poor performance of the EC channel are having an impact.

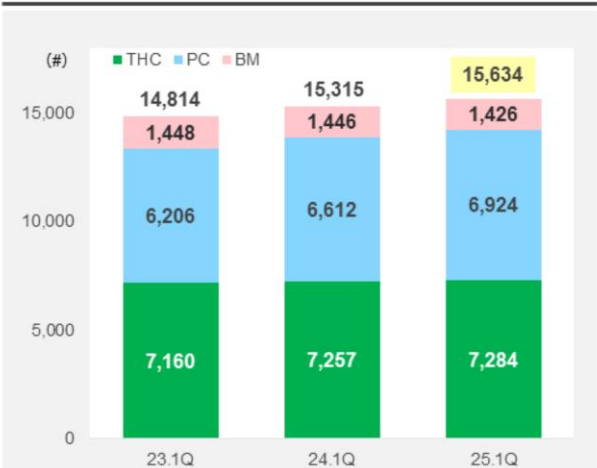
Regarding export business, sales in Saudi Arabia have stalled due to weather conditions, but we are taking steps to resolve the issue. On the other hand, sales in Taiwan and France are performing well, and overall, we are achieving steady revenue growth and meeting our forecast.

General Environment and Sanitation Business Status Update



- Due to external factors, Steady growth in the number of contracts & contract amounts, thanks to greater demand for hygiene control services leveraging Earth's expert knowledge and knowhow.

General Environment and Sanitation Business –
Trend in Annual Contract Numbers



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Reasons behind this strong performance

- | | |
|-----------------|--|
| External | ■ Reports of foreign material contamination and changes in domestic legislation have led to greater client interest for hygiene control solutions. |
| | ■ Increased capex spending in the manufacturing industry; recovery in costs related to hygiene/sanitation. |
| Internal | ■ Proactive investment toward the further development of expertise and technical R&D. |
| | ■ Expand our testing facilities in the field of life sciences. |
| | ■ Launch of AI-powered surveillance system. |

General Environment and Sanitation Business continues to show stable growth.

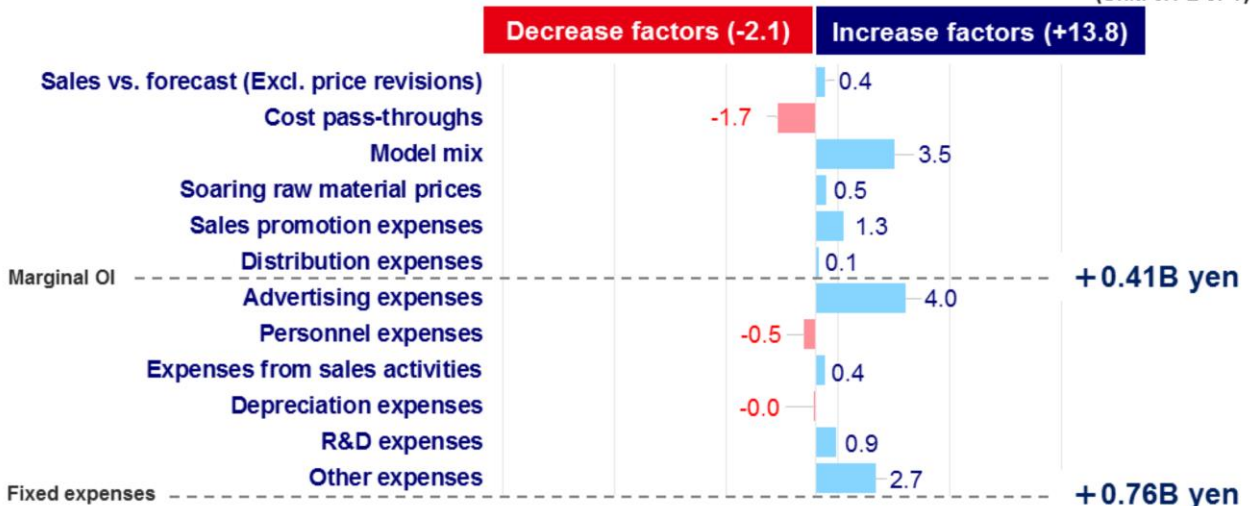
This is mainly due to an increase in the number of contracts, as our expertise, technology, and other high quality services are accepted against a backdrop of growing needs for sanitation management services. We are also expanding our inspection facilities and utilizing AI to improve the quality of services we provide.

Operating Income Change Factors (vs. Forecast)



- The effects of model mix are significant due to fluctuations in each business and changes in sales composition.
- The effects of price revision measures are below plan, and it is necessary to closely monitor the situation going forward.
- Operating income is significantly higher than forecast due to unutilized expense budgets as of the end of the 1Q, but we expect expenses to be utilized in the 2Q and beyond.

(Unit: 0.1 B JPY)



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Here is a comparison of operating income fluctuation factors with the forecast.

The items above distribution expenses are related to marginal operating income as defined in our management accounting, and the items below advertising expenses are fixed costs.

The marginal operating income level was up 410 million yen, mainly due to the impact of the model mix, including changes in the sales mix. In addition, the effect of price revisions is currently lower than forecast. We will closely monitor the situation from the second quarter onward.

At the fixed cost level, advertising expenses are the main factor contributing to an increase of 400 million yen, but we expect to use this amount as planned for the full year. Other expenses are also expected to be basically used from the second quarter onward.

Progress of MA-T® business

Awarded the Minister's Prize for National Resilience

- MA-T® and Sirius Co., Ltd.'s "switleBODY body washing equipment" have been recognized for their contribution to infection prevention and hygiene maintenance in evacuation centers.



https://www.cao.go.jp/minister/2411_m_sakai/photo/2025_023.html

Developed a method for synthesizing biomethanol

- In collaboration with Osaka University and Daiwa House Industry, we have developed a method for synthesizing biomethanol from methane in biogas at ambient temperature and pressure with high conversion efficiency.
- This technology is expected to enable methanol synthesis from non-fossil-derived biogas, contributing to decarbonization.
- It also enables the miniaturization of methanol production equipment, leading to reductions in greenhouse gas emissions.

<https://corp.earth.jp/jp/news/2025/pdf/20250424-04.pdf>

Exclusive agreement with Anicom Insurance, Inc., the No. 1 pet insurance company

- An exclusive sales agreement has been concluded with Anicom Pafe, a group company of Anicom Insurance, Inc. the No. 1 pet insurance company in Japan, for the "MA-T® Oral Care Gel for Pets" utilizing MA-T®.
- As a result, Anicom Pafe will exclusively sell the product at animal hospitals, pet shops, and other locations.



<https://corp.earth.jp/jp/news/2025/pdf/20250424-03.pdf>

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Exhibiting at the Osaka-Kansai Expo

- The Japan MA-T Industry Association will exhibit at the "Future Healthcare" zone of the "Osaka Healthcare Pavilion." Through pet oral gels, mouthwash, and shower gates developed by member companies, visitors can experience MA-T® firsthand.



<https://corp.earth.jp/jp/news/2025/pdf/20250424-05.pdf>

Next, we would like to introduce the progress of the MA-T® business. We are solemnly proceeding with efforts to expand awareness of MA-T® and other initiatives.

We received the Minister's Prize for National Resilience for the creation of a system for building a resilient society that utilizes MA-T® to prevent infection and maintain a sanitary environment in evacuation centers. We are grateful for the recognition and will continue to contribute to the field of maintaining the satellite environment. (Upper left)

In addition, a method to synthesize bio methanol from methane gas using MA-T® has been developed through joint research between Osaka University and Daiwa House Industry. (Upper right)

Furthermore, we have concluded an exclusive distribution agreement for pet oral care gel with Anicom Pafe, an Anicom Insurance, Inc. with the largest market share in pet insurance. We hope to contribute to the health of pets, which will ultimately lead to lower insurance premiums. (bottom left)

Based on these efforts, we are exhibiting at Osaka-Kansai Expo as the Japan MA-T Industry Association. We will have a booth where you can experience our actual activities, so please stop by if you have a chance. (bottom right)



■ Purpose

- In 2017, we entered into a capital and business alliance to collaborate on sales and marketing activities and product development in the gardening supplies market.
- We have positioned gardening supplies as a growth challenge area in our domestic business, and by flexibly utilizing the management resources of both companies, we aim to achieve further growth.

■ About PROTOLEAF, Inc.

- Business: Manufacture, wholesale, and retail of gardening supplies, as well as landscaping design, construction, and management.
- Results for the fiscal year ended June 2024: Sales of 3,863 million yen, operating income of 132 million yen.
- Highly recognized in the market for horticultural potting soil.

■ Recognition of extraordinary income

- Recorded 349 million yen on the step acquisition in connection with the additional acquisition of shares in the company.

We would like to explain about the acquisition of PROTOLEAF, Inc. as a subsidiary, which was announced in February.

We entered into a capital and business alliance with the company in 2017 and have been working together in the gardening supplies market. The Group views gardening supplies as a growth challenge area in its domestic business, and with an eye toward achieving growth and flexible utilization of management resources, we have acquired additional shares of PROTOLEAF, INC. and made the company a subsidiary.

PROTOLEAF, INC. is highly recognized in the horticultural potting soil market, and we intend to utilize the management resources of both companies to achieve expansion.

In conjunction with the additional acquisition of shares, an extraordinary gain of 349 million yen was recorded in first quarter as a marginal gain related to the step acquisition.

2025: Forecast Highlights



- No change from figures announced on February 13, 2025
- While fixed costs are expected to increase mainly due to temporary expenses associated with structural reforms, personnel expenses, and advertising and promotion expenses, operating income is expected to exceed the previous period due to increased earning power.

(Unit: 0.1 B JPY)

2025 Forecast		Highlights	2024 Results
Sales	1,750	• Achieve the MTBP target 1 year ahead of schedule.	1,692
Gross Profit	723.0	• Price revisions to contribute to profitability improvement. • Impact of higher raw material prices is expected to be limited compared to previous years.	689.6
SG&A Expenses	658.0	• +1.5 B yen vs. 2024 in advertising expenses in order to increase WTP. • Expect 1.5 B yen in one-off expenses including structural reform expenses.	625.4
Operating Income	65.0	• Aim for same level of operating Income as of 2024, while having one-off expenses & higher expenses toward future growth.	64.2
Net Income attributable to owners of parent	43.0	• Conservative non-operating income/expenses forecast. • Don't expect any significant extraordinary income/loss items.	34.7
ROE	6.2%	• Expect a +1.1pt improvement vs. 2024. • Expect strong results vs. the MTBP targets.	5.1%

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Lastly, there is no change in our forecast for this fiscal year from what we announced on February 13, 2025.

As of first quarter, both sales and profits exceeded our forecast, but as you know, our business is affected by the weather in many ways. Sales of Insecticides & Repellents category, the core business of our group, will be at its peak in the future, and some categories and areas of homecare products and overseas business have not reached the plan.

We will make every efforts to provide a good report for the second quarter and beyond, and we hope you will continue to follow our progress.



This presentation contains forward-looking statements and financial results forecasts. These forward-looking statements and financial results forecasts were formulated on the basis of company assumptions based on the information available. These statements and forecasts are subject to risks and uncertainties that could cause actual results to differ materially from those described.

This concludes the presentation of the financial results for the first quarter of the fiscal year ending December 2025.