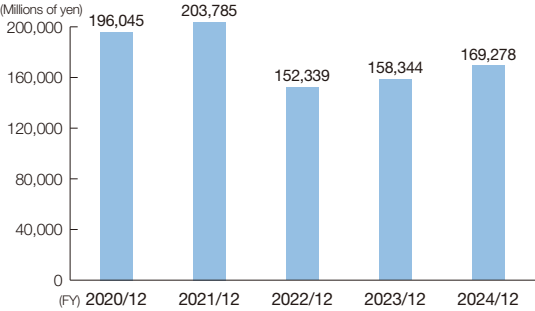


Financial / Non-financial Highlights

Financial

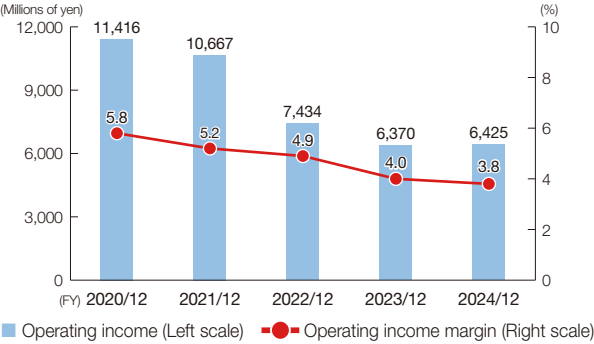
* The “Accounting Standard for Revenue Recognition” applied from fiscal 2022.

Consolidated Sales



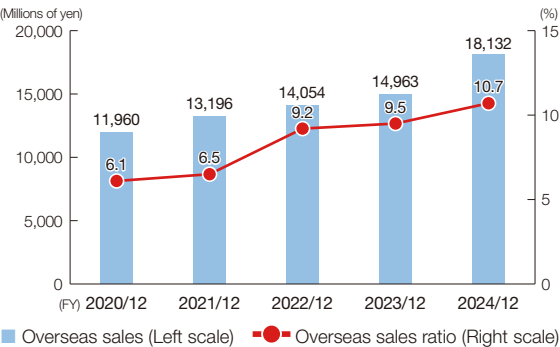
Sales increased 6.9% year on year to ¥169,278 million owing to increased sales in Insecticides & Repellents brought about by the high temperatures and lingering heat of summer during the peak sales season, burgeoning sales in the ASEAN region as well as export and sales growth in the General Environment and Sanitation Business.

Operating Income / Operating Income Margin



Operating income came to ¥6,425 million (up 0.9 of a percentage point year on year). Despite the prolonged surge in raw material prices and an upswing in selling, general and administrative expenses, operating income increased due to the improvement in gross profit accompanying higher sales.

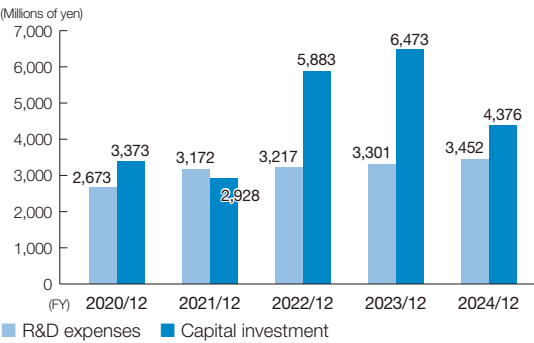
Overseas Sales* / Overseas Sales Ratio



With both local subsidiaries and exports performing well, overseas sales increasing 21.2% year on year to ¥18,132 million and the overseas sales ratio came in at 10.7% (up 1.2 percentage points year on year). In our mainstay markets of Thailand and Vietnam, we are working to gain our customers’ support, which equates to our market share.

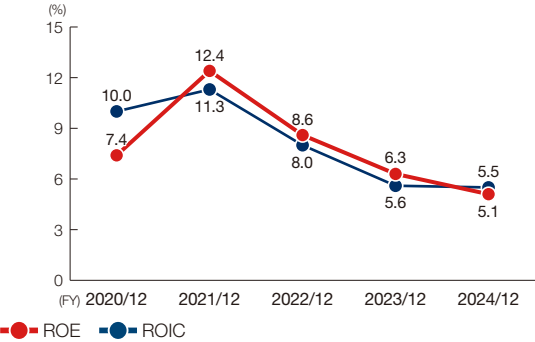
*Sales to outside customers only.

R&D Expenses / Capital Investment



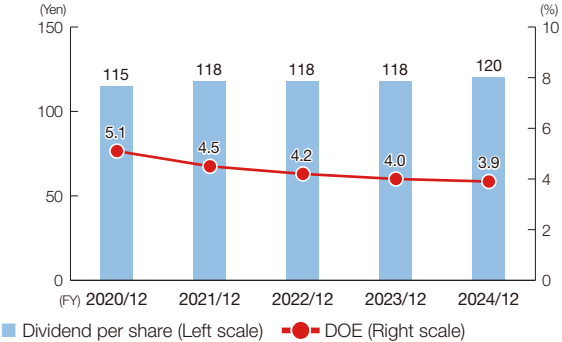
In the fiscal year under review, Earth Corporation undertook R&D investments to increase the Company’s non-financial value. As a result, research and development expenses amounted to ¥3,452 million. Capital investments totaled ¥4,376 million. In addition to the construction of a new factory building and production facilities at Earth Pet Co., Ltd.’s Okinawa plant, this included expenditures undertaken in such areas as the renewal of production facilities for our ONPO Dekamaru bath salts and the purchase of molds and research equipment.

ROE/ROIC



Due to the decline in net income associated with the recording of impairment losses, ROE came in at 5.1% (down 1.2 percentage points year on year). ROIC remained roughly flat, coming in at 5.5% (down 0.1 of a percentage point year on year).

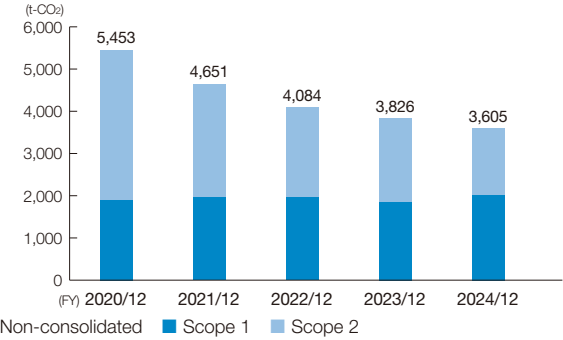
Dividend per Share / DOE (Dividend on equity)



Taking into account earnings performance in the fiscal year under review and the funds necessary for future growth, and in addition to the regular full-year dividend of ¥118 per share, we decided to pay a commemorative dividend of ¥2 per share to express our gratitude to all parties involved for their long-term support and cooperation as we mark our 100th anniversary in 2025 for a full-year dividend per share of ¥120 for the fiscal year ended December 2024, and a DOE ratio of 3.9%.

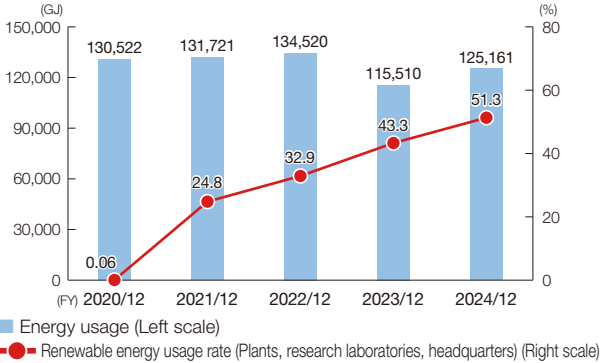
Non-financial

Greenhouse Gas Emissions (Scope 1+ 2)



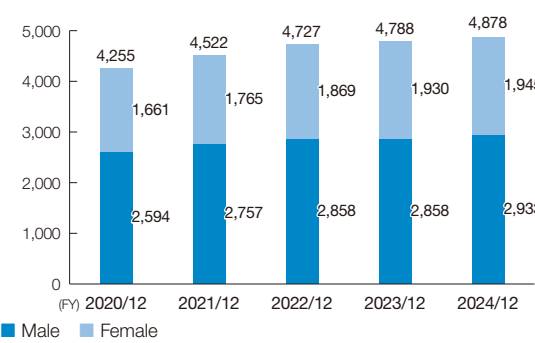
In addition to its daily energy-saving activities, Earth Corporation switched to electricity derived from renewable energy sources at the production building of its Sakoshi Plant. As a result, greenhouse gas emissions came to 3,605t-CO₂ (a year-on-year decrease of 5.8%).

Energy Usage / Renewable Energy Usage Rate



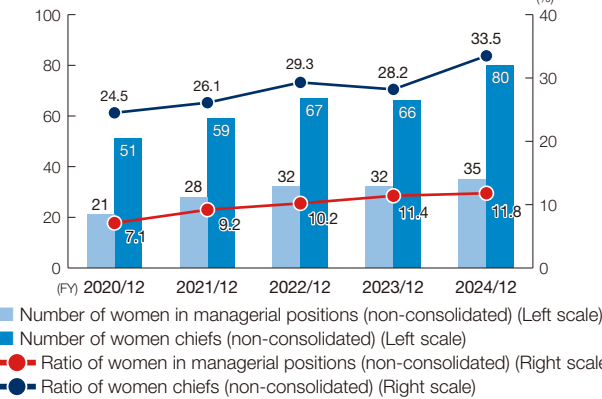
In terms of our use of energy, we are advancing efforts to combat climate change both through energy conservation and the use of renewable energy. Our plants completed the transition to renewable energy sources for electric power in 2023.

Number of Employees (consolidated)



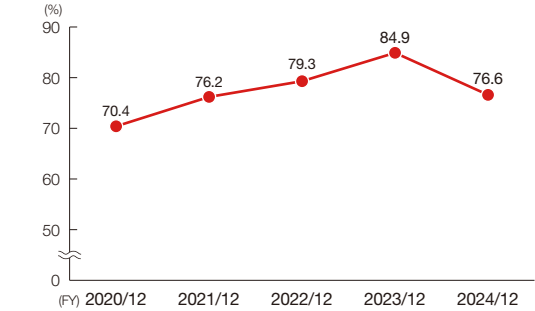
Promoting the acceptance of diverse human resources, we engage in fair recruitment selection based on applicant aptitude and ability. Recruiting and developing human resources in a planned manner, including by setting hiring quotas for foreign employees, we are also fine-tuning our personnel planning. With the aim of securing human resources with the expertise and on-site capabilities to flexibly respond to business issues both in Japan and overseas, we are promoting the creation of a human resource pool in preparation for business expansion.

Number/Ratio of Women in Managerial Positions / Number/Ratio of Women Chiefs (both non-consolidated)



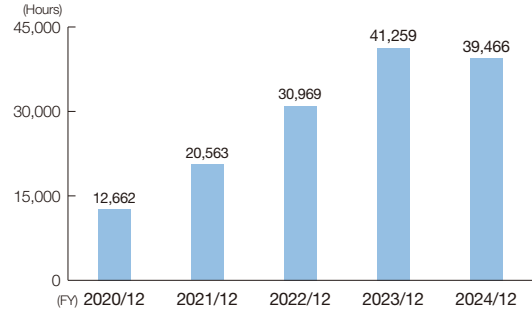
With the goal of achieving a 30% ratio of women in managerial positions in 2030, we hold career training sessions for management candidates and encourage employees to actively participate in their career development through career plan sheets. In fiscal 2024, the ratio of women in managerial positions stood at 11.8%, and the ratio of women chiefs reached 33.5%.

Paid Holiday Usage Rate (non-consolidated)



With the aim of creating workplaces that support the active participation of diverse human resources, we are working to introduce systems that allow for flexible workstyles and promote the use of paid holidays. In fiscal 2024, the paid holiday usage rate decreased due to such factors as allowing medical checkups to be taken during working hours. We will, however, continue to implement measures designed to persuade employees in taking paid time off, such as the utilization of days on which paid holidays are encouraged.

Total Training Hours (non-consolidated)



With the aim of developing self-directed human assets, we reviewed our grade-specific training and provided online learning opportunities, furthering the development of the foundation for human resource development in fiscal 2024. Total training hours came in at 39,466 hours, a decrease of 1,793 hours year on year. In fiscal 2025, however, we will work to expand and upgrade our online training sessions and carry out further reviews of our grade-specific training thereby providing more opportunities for reskilling.

11-Year Summary of Major Financial and Non-financial Data

* The “Accounting Standard for Revenue Recognition” is applied from 2022.

| Financial indicators | 2014/12 | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | 2019/12 | 2020/12 | 2021/12 | 2022/12 | 2023/12 | 2024/12 |
|--|------------|------------|------------|------------|------------|--|------------|------------|------------|------------|------------|------------|
| Fiscal year-end (unit: million yen) | | | | | | | | | | | | |
| Sales | 145,858 | 159,739 | 168,505 | 179,738 | 181,104 | | 189,527 | 196,045 | 203,785 | 152,339 | 158,344 | 169,278 |
| Overseas sales*1 | 5,305 | 5,791 | 6,734 | 9,198 | 9,986 | | 11,309 | 11,960 | 13,196 | 14,054 | 14,963 | 18,132 |
| Overseas sales ratio (%) | 3.6 | 3.6 | 4.0 | 5.1 | 5.5 | | 6.0 | 6.1 | 6.5 | 9.2 | 9.5 | 10.7 |
| Total cost of sales | 91,150 | 101,241 | 104,870 | 111,636 | 113,727 | | 119,109 | 117,094 | 121,451 | 89,870 | 94,719 | 100,309 |
| Total selling, general and administrative expenses | 49,864 | 54,481 | 58,085 | 63,645 | 66,340 | | 66,501 | 67,535 | 71,666 | 55,034 | 57,254 | 62,543 |
| Advertising expenses | 8,586 | 8,997 | 8,960 | 9,898 | 10,579 | | 8,007 | 7,937 | 8,100 | 7,112 | 6,982 | 8,559 |
| Personnel expenses | 14,026 | 15,074 | 16,295 | 16,838 | 17,707 | | 18,478 | 20,253 | 20,882 | 20,685 | 21,607 | 23,588 |
| Depreciation | 466 | 531 | 713 | 929 | 1,096 | | 1,096 | 1,123 | 1,277 | 1,475 | 1,728 | 1,987 |
| Amortization of goodwill | 1,765 | 1,908 | 1,908 | 2,295 | 2,559 | | 2,596 | 2,440 | 1,836 | 429 | 119 | 146 |
| Research and development expenses | 2,227 | 2,328 | 2,682 | 2,695 | 2,900 | | 2,663 | 2,673 | 3,172 | 3,217 | 3,301 | 3,452 |
| Operating income | 4,843 | 4,016 | 5,549 | 4,456 | 1,036 | | 3,916 | 11,416 | 10,667 | 7,434 | 6,370 | 6,425 |
| Operating income margin (%) | 3.3 | 2.5 | 3.3 | 2.5 | 0.6 | | 2.1 | 5.8 | 5.2 | 4.9 | 4.0 | 3.8 |
| Net income before income taxes | 5,567 | 4,306 | 6,437 | 5,059 | 1,960 | | 3,372 | 7,278 | 10,963 | 8,057 | 6,563 | 5,946 |
| Net income attributable to owners of parent | 1,705 | 1,165 | 3,364 | 2,205 | -142 | | 1,250 | 3,547 | 7,142 | 5,303 | 4,102 | 3,475 |
| Cash flows from operating activities | 6,380 | 3,791 | 8,089 | 9,175 | 369 | | 10,022 | 24,590 | 4,814 | 3,901 | 7,524 | 13,964 |
| Cash flows from investing activities | -10,422 | -5,969 | -5,501 | -13,995 | -1,515 | | -3,990 | -3,168 | -3,220 | -6,266 | -10,135 | -5,280 |
| Cash flows from financing activities | 3,489 | 1,180 | -2,216 | 3,262 | -3,203 | | -4,768 | -4,938 | -4,610 | -4,464 | 4,893 | -9,901 |
| Free cash flow | -4,041 | -2,178 | 2,587 | -4,819 | -1,146 | | 6,031 | 21,421 | 1,594 | -2,364 | -2,611 | 8,683 |
| Fiscal year-end (unit: million yen) | | | | | | | | | | | | |
| Total property, plant and equipment | 23,879 | 26,761 | 28,431 | 29,643 | 29,215 | | 28,220 | 28,030 | 27,551 | 29,483 | 31,383 | 31,443 |
| Inventory assets | 22,228 | 23,216 | 23,159 | 22,629 | 23,782 | | 22,507 | 22,179 | 27,502 | 32,253 | 28,266 | 29,885 |
| Total intangible assets | 14,450 | 12,703 | 12,132 | 19,256 | 16,180 | | 13,143 | 6,268 | 4,276 | 5,355 | 8,774 | 7,428 |
| Total assets | 101,598 | 104,448 | 107,366 | 118,167 | 109,309 | | 107,425 | 119,870 | 120,715 | 124,489 | 132,407 | 135,636 |
| Total liabilities | 52,017 | 55,457 | 58,174 | 67,638 | 64,936 | | 63,102 | 60,046 | 56,118 | 56,470 | 60,406 | 60,983 |
| Total borrowings | 11,452 | 15,148 | 15,503 | 22,254 | 22,764 | | 20,717 | 5,290 | 3,698 | 2,200 | 10,000 | 5,000 |
| Short-term borrowings | 2,240 | 4,051 | 4,997 | 7,859 | 12,072 | | 13,882 | 1,756 | 1,480 | 1,000 | 10,000 | 5,000 |
| Current portion of long-term borrowings | 2,206 | 3,066 | 2,667 | 4,041 | 3,882 | | 3,284 | 1,314 | 1,018 | 1,200 | 0 | 0 |
| Long-term borrowings | 7,006 | 8,030 | 7,838 | 10,354 | 6,809 | | 3,550 | 2,218 | 1,200 | 0 | 0 | 0 |
| Total net assets | 49,580 | 48,991 | 49,192 | 50,529 | 44,372 | | 44,322 | 59,823 | 64,596 | 68,018 | 72,000 | 74,652 |
| Year-end share price (yen) | 4,015 | 4,965 | 4,750 | 5,680 | 5,050 | | 5,700 | 5,820 | 6,130 | 5,060 | 4,570 | 5,600 |
| Information per share (unit: yen) | | | | | | | | | | | | |
| Net income per share | 84.47 | 57.69 | 166.60 | 109.20 | -7.06 | | 61.80 | 170.65 | 323.76 | 240.47 | 185.57 | 158.26 |
| Net assets per share | 2,192.88 | 2,151.82 | 2,154.95 | 2,225.30 | 1,989.93 | | 1,978.86 | 2,507.62 | 2,720.37 | 2,846.07 | 3,007.52 | 3,162.24 |
| Dividend per share | 110.0 | 110.0 | 115.0 | 115.0 | 115.0 | | 100.0 | 115.0 | 118.0 | 118.0 | 118.0 | 120.0 |
| Profitability and valuation reporting | | | | | | | | | | | | |
| Equity ratio (%) | 43.6 | 41.6 | 40.5 | 38.0 | 36.8 | | 37.3 | 46.1 | 49.7 | 50.4 | 50.3 | 50.8 |
| ROE (%) | 3.9 | 2.7 | 7.7 | 5.0 | -0.3 | | 3.1 | 7.4 | 12.4 | 8.6 | 6.3 | 5.1 |
| ROIC (%) | 3.4 | 2.6 | 5.6 | 3.6 | 0.3 | | 3.0 | 10.0 | 11.3 | 8.0 | 5.6 | 5.5 |
| D/E ratio (times) | 0.27 | 0.36 | 0.36 | 0.50 | 0.57 | | 0.52 | 0.10 | 0.06 | 0.04 | 0.15 | 0.07 |
| DOE (%) | 5.1 | 5.1 | 5.3 | 5.3 | 5.5 | | 5.0 | 5.1 | 4.5 | 4.2 | 4.0 | 3.9 |
| PBR (times) | 1.83 | 2.31 | 2.20 | 2.55 | 2.54 | | 2.88 | 2.32 | 2.25 | 1.78 | 1.52 | 1.77 |
| Dividend payout ratio (%) | 130.2 | 190.7 | 69.0 | 105.3 | — | | 161.9 | 67.4 | 36.4 | 49.1 | 63.6 | 75.8 |
| Total number of issued shares | 20,200,000 | 20,200,000 | 20,200,000 | 20,200,000 | 20,220,000 | | 20,237,500 | 22,057,500 | 22,077,500 | 22,077,500 | 22,141,100 | 22,209,900 |
| Non-financial indicators (Non-consolidated) | | | | | | | | | | | | |
| Number of consolidated employees (Persons) | 3,334 | 3,396 | 3,479 | 4,788 | 5,047 | | 4,180 | 4,255 | 4,522 | 4,727 | 4,788 | 4,878 |
| Number of women in management positions*2 (Persons) | 7 | 13 | 14 | 15 | 16 | | 19 | 21 | 28 | 32 | 32 | 35 |
| (Ratio of women in management positions*3 (%)) | 2.8 | 4.9 | 5.0 | 4.9 | 5.3 | | 6.4 | 7.1 | 9.2 | 10.2 | 11.4 | 11.8 |
| Average annual salary (yen)*4 | — | — | — | — | — | | — | — | 7,412,204 | 7,194,496 | 6,618,912 | 6,803,017 |
| Gender wage gap (%)*5 | — | — | — | — | — | | — | — | — | — | 64.0 | 66.7 |
| Annual work hours per person (hours) | — | — | — | — | — | | — | — | 1,756 | 1,766 | 1,814 | 1,848 |
| Paid holiday usage rate*6 (%) | — | — | — | 63.3 | 74.3 | | 73.0 | 70.4 | 76.2 | 79.3 | 84.9 | 76.6 |
| Greenhouse gas emissions (Scope 1, 2, 3)*7 (t-CO2) | 5,693 | 5,785 | 5,583 | 7,341 | 6,297 | | 5,448 | 5,453 | 1,035,785 | 978,120 | 1,079,694 | 1,243,867 |
| Energy usage volumes (GJ) | 107,079 | 102,512 | 108,435 | 134,040 | 127,678 | | 124,919 | 130,522 | 131,721 | 134,520 | 115,510 | 125,161 |
| Water usage volumes (water intake quantity)*8 (1,000 m³) | 43.5 | 42.6 | 48.3 | 77.6 | 81.2 | | 93.2 | 103.4 | 97.5 | 101.6 | 98.0 | 123.2 |
| Industrial waste emission volumes (t) | 1,615 | 2,709 | 3,196 | 2,647 | 2,285 | | 1,993 | 2,260 | 3,202 | 4,328 | 3,883 | 3,543 |

*1 Sales to outside customers only.

*2 Data up to 2022 refers to the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year. Data for 2023 refers to the number of females in manager-equivalent positions among full-time employees as of December 31, 2023.

*3 Data up to 2022 is calculated as the number of females in manager-equivalent positions among executive officers (excluding directors, treated as executives up to 2017), full-time employees, and continuous employment contract employees as of December 31 of the relevant fiscal year divided by the total number and multiplied by 100%. Data for 2023 is calculated as the number of females in manager-equivalent positions among full-time employees as of December 31, 2023, divided by the total number and multiplied by 100%.

*4 Average annual salary includes bonuses and non-standard wages.

*5 Calculated based on the provisions of the Act on the Promotion of Women’s Active Engagement in Professional Life (Act No. 64 of 2015).

*6 Calculated as the total number of paid holiday days taken during the relevant fiscal year by all eligible employees, where eligible employees refers to those that have been granted paid holidays during the relevant fiscal year and were employed as of December 31 of the relevant fiscal year (excluding those on leave and seconded employees), divided by the total number of paid holiday days granted during the relevant fiscal year and multiplied by 100%.

*7 Data prior to 2020 does not include Scope 3, and data for Scope 1 prior to 2018 does not include CFCs from the headquarters. Actual data for Scope 1 and 2 for the period ended December 31, 2023, is calculated using the coefficients following the legal revisions in April 2023.

*8 Only plants, research facilities, the headquarters, and ActTerra (not including tenant offices)

Glossary

| Term | Explanation |
|---|---|
| Customer Service Department | On April 1, 2021, we renamed the Customer Service Office the Customer Service Department. This department receives direct feedback from customers regarding products and the issues they face on a day-to-day basis, and plays the important role of accurately conveying this feedback to the responsible department. In order to further instill within the Company Earth Corporation's policy of creating a market with customers, this department was transferred to the direct control of the President in 2018. |
| Earth ECO Standard | Earth Corporation's unique environmental standards for promoting the development of environmentally friendly products. Under the concepts of reducing CO ₂ emissions, valuing limited resources, and factoring in every stage through to disposal, we formulated these standards with the explicit goal of achieving six of the 17 SDGs related to the environment and manufacturing. |
| EMAL | Standing for Earth Merchandising Action Lady, this acronym refers to employees who create attractive sales floors and engage in in-store sales promotions from a customer perspective. Locally hired in regions throughout Japan, EMAL support the creation of sales floors and sales promotions in consideration of seasonal, weather, and other trends from a customer perspective, and from the standpoint of a consumer from their region of hire. |
| Environmental Doctors | Staff possessing the latest knowledge on hygiene management and the related high-level technical capabilities. Having acquired knowledge and skills through a proprietary education and training program, and having built up extensive experience at various worksites, these staff diagnose the quality of hygiene management at customer worksites, identify problematic areas, prescribe improvement measures, and offer support for maintaining and improving the safety and security of environments while providing treatment and implementing preventative measures. |
| Insecticides & Repellents | Refers to products intended to exterminate or repel flies, mosquitoes, cockroaches, ticks, and other harmful insects. Despite their extremely high level of safety, however, consumers have tended to believe that insecticides are highly toxic. Moreover, in Japanese, “insecticide” is written using characters meaning “kill,” “insect” and “substance.” Therefore, in 2017, we began using the term “Mushi-Care” (Insecticides and Repellents in English) to insist on the protection from insects that our products offer to humans. The English name of the segment was also changed from “Insecticides” to “Insecticides & Repellents segment.” |
| Integrated Environmental Hygiene Management (Total Healthcare System) | A support service for hygiene management provided by Earth Environmental Service Co., Ltd. This integrated, systematic hygiene management support service is tailor-made for each customer based on Earth Environmental Service various management systems, as well as our unique technologies and expertise. |
| Japan MA-T Industrial Association | An open innovation platform that aims to explore the economic benefits of creating an industry from MA-T®, as well as its potential for solving the challenges faced by society. |
| MA-T® | Standing for Matching Transformation System®, this oxidation control system is based on an innovative technology developed in Japan. The MA-T System® can be used across a wide range of applications, including neutralizing viruses and sterilizing various types of bacteria by generating the necessary amount of aqueous radicals from chlorite ions at the required time and controlling the strength of activation. |
| SKU | The acronym for Stock Keeping Unit, SKUs are used to classify products into the minimum unit for management purposes. SKUs are used to classify the same product by different sizes and package types, thereby easing ordering and inventory management. |
| TACO System | An acronym for Tactical Antenna for Consumers’ Opinions, this name was chosen given our desire to accumulate feedback from customers with a level of sensitivity equal to that of insect antenna, and to apply this feedback in product strategies. This unique customer service system was designed by Earth Corporation to swiftly and painstakingly respond to consultations and inquiries from customers. It also maintains data on inquiry details collected from customers and retail stores, which we then use to provide better products and services. |

Statement of Authenticity

On Issuing the Earth Corporation 2025 Integrated Report

Isao Goji

Senior Executive Officer and
Director General of
the Corporate Planning Headquarters

Earth Corporation has published an integrated report since 2024 in order to indicate to its investors and other stakeholders the Group’s approach to and initiatives for solving problems as it works to create value and achieve sustainable growth.

The “Integrated Report 2025” provides detailed information on progress under the Medium-Term Business Plan, Act For SMILE COMPASS 2026, including development and sales promotion strategies based on the customer’s perspective both in Japan and overseas, global market share growth, and human asset development initiatives that underpin each of these business activities. We hope this integrated report will also provide readers with a better understanding of the path we are taking to realize our corporate philosophy of “We act to live in harmony with the Earth.”

As a company with a century-old history, we will draw on the collective strengths of the Group and continue to respond flexibly to rapid changes in society while cherishing the values we have built up over the years. Looking toward the next 100 years, we will work to enhance our corporate value while creating new value in concert with stakeholders. Earth Corporation places the utmost importance on dialogue and is committed to upgrading and expanding the disclosure of information. To assist us in our endeavors, we would ask for your candid comments on this report.

Finally, this report was prepared primarily by the Corporate Management Department and CSR and Sustainability Promotion Department both under the Corporate Planning Headquarters. As the senior executive officer responsible for editing this report, I hereby declare that the production process was fair and that the content is accurate.

Company Overview

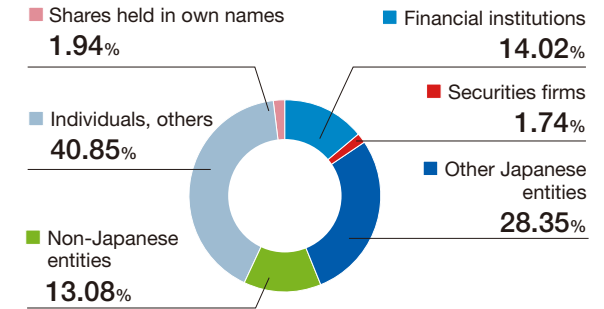
| | |
|--|--|
| Name | Earth Corporation |
| Head office location | 12-1, Kanda-Tsukasamachi 2 chome, Chiyoda-ku, Tokyo 101-0048, Japan |
| Founded | April 1, 1892 |
| Established | August 26, 1925 |
| Capital | 10,192.74 million yen |
| Representative | Katsunori Kawabata, Representative Director, President & CEO |
| Business | Manufacturing, marketing, and import/export of pharmaceutical products, quasi-drugs, medical tools, household products, etc. |
| Employees (As of December 31, 2024) | Consolidated: 4,878 Non-consolidated: 1,393 |
| URL | https://corp.earth.jp/en/ |
| Audit firm | Ernst & Young ShinNihon LLC |

| | | |
|---------------------------|----------|--|
| Consolidated Subsidiaries | Domestic | • BATHCLIN Corporation • Hakugen Earth Co., Ltd. • Earth Pet Co., Ltd. • PETFOOD KITCHEN CO., LTD. • Earth Environmental Service Co., Ltd. • PROTOLEAF, Inc. |
| | Overseas | • Earth (Thailand) Co.,Ltd. • Earth Corporation (Shanghai) • Earth Corporation (Tianjin) • Earth Corporation (Suzhou) • Earth Corporation Vietnam • EARTH HOME PRODUCTS (MALAYSIA) SDN. BHD. • EARTH HOMECARE PRODUCTS (PHILIPPINES), INC. |
| | | |
| | | |
| | | |

Stock Information (As of December 31, 2024)

| | |
|--|--|
| Listed stock exchange | Prime Market of the Tokyo Stock Exchange |
| Stock code | 4985 |
| Total number of shares authorized to be issued | 64,000,000 shares |
| Total number of shares issued | 22,209,900 shares |
| Number of shareholders | 30,877 |

Distribution of Shares per Shareholder Type



Major Shareholders (Top 10 shareholders)

| Name or Title | Number of Shares Held | Shareholding Ratio (%)* |
|--|-----------------------|-------------------------|
| Otsuka Pharmaceutical Co., Ltd. | 2,200,000 | 10.10 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 1,987,000 | 9.12 |
| Otsuka Pharmaceutical Factory, Inc. | 1,948,500 | 8.94 |
| Earth Corporation Employee Shareholding Association | 1,060,300 | 4.86 |
| Custody Bank of Japan, Ltd. (Trust Account) | 652,900 | 2.99 |
| Taiho Pharmaceutical Co., Ltd. | 600,000 | 2.75 |
| HSBC BANK PLC A/C M AND G (ACS) VALUE PARTNERS CHINA EQUITY FUND | 410,000 | 1.88 |
| Otsuka Chemical Co., Ltd. | 400,000 | 1.83 |
| The Chugoku Bank, Ltd. | 340,600 | 1.56 |
| Otsuka Estate Co., Ltd. | 239,370 | 1.09 |

* Ratio of shares held compared with the total number of shares issued, excluding treasury shares (432,335 shares)