



# Earth Corporation

Press Release

## Notice Concerning the Dissolution of Earth Corporation (Suzhou)

May 13, 2026

Listed exchanges : Prime Market  
Listed company name : Earth Corporation  
Code : 4985  
URL : <https://corp.earth.jp/en/index.html>  
Representative Director : Katsunori Kawabata, Representative Director, President & CEO  
Contact : Isao Goji,  
Senior Executive Officer  
Director General  
Corporate Planning Headquarters  
Tel : +81-3-5207-7458

Earth Corporation (the “Company”) hereby announces that at a meeting of the Board of Directors held on May 13, 2026, we resolved to dissolve and wind up our consolidated subsidiary in China, Earth Corporation (Suzhou) .

### 1. Reasons for the Dissolution

Our Group established Earth Corporation (Suzhou) in 2005 as a production base for household products for the Japanese market and has consistently supplied high-quality products for over 20 years. However, in recent years, the competitive advantage we enjoyed at the time of establishment has been significantly eroded due to soaring labor costs resulting from China’s economic growth and a decline in cost competitiveness caused by the prolonged weakening of the yen.

Under these circumstances, while we have been working to reform the revenue structure at the Earth Corporation (Suzhou) factory—including shifting production toward products for the domestic Chinese market—we have determined that, from a long-term perspective, it is necessary to optimize our production system by consolidating our production bases within China. Consequently, we have decided to dissolve Suzhou Ansu.

### 2. Overview of the Subsidiary

1	Name	Earth Corporation (Suzhou)
2	Address	No. 418 Chaohong Road, Suzhou New District, Jiangsu, China
3	Title and Name of Representative	Chairman Masaharu Wada
4	Business Areas	Production, sales, and import/export of household goods
5	Capital	10 million US dollars
6	Date of Establishment	May 20, 2005



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7	Major Shareholders and Shareholding Ratios	Earth Corporation (Shanghai) 100%		
8	Relationship Between the Listed Company and The Company	Capital Relationship	Through our wholly owned subsidiary, Earth Corporation (Shanghai), we hold 100% of the company's outstanding shares.	
		Personnel Relationship	The Company has dispatched one Chairman and two Directors.	
		Business Relationship	The Company has receivables and payables with the Company in question.	
		Status as a Related Party	It is a consolidated subsidiary of the Company and qualifies as a related party.	
9	Financial Condition and Operating Results for the Past Three Years Unit: million yen			
	Accounting Year	Year ended December 31, 2023	Year ended December 31, 2024	Year ended December 31, 2025
	Total assets	2,618	2,809	2,908
	Net assets	2,548	2,693	2,839
	Net assets per share (Yen)	2,548	2,693	2,839
	Net sales	1,035	1,117	974
	Operating profit	-15	-27	41
	Ordinary profit	15	10	81
	Profit attributable to owners of parent	11	6	59
	Earnings per share (Yen)	11	6	59

Note: Earth Corporation (Suzhou) is a wholly owned subsidiary of the Company.

### 3. Schedule for the Dissolution

1	Date of Board of Directors Resolution	May 13, 2026
2	Date of Dissolution	May 15, 2026 (scheduled)

Note: Following the dissolution, we will proceed with the closure of Earth Corporation (Suzhou).

### 4. Product Supply Arrangements Following the Dissolution

We will continue to supply products previously manufactured at Earth Corporation (Suzhou) factory by transferring production equipment to other Group facilities.

## 5. Outlook

We are currently assessing the impact of this matter on our consolidated financial results. If we determine that a revision to our earnings forecast is necessary, we will notify you promptly.

(Ref) Consolidated earnings forecast for the current period (announced on February 13, 2026)  
and consolidated earnings results for the previous fiscal year

(millions of yen)

	Consolidated Sales	Consolidated Operating profit	Consolidated ordinary profit	Profit attributable to owners of parent
Consolidated earnings forecast for the current term (Fiscal Year Ending Dec 31, 2026)	188,000	9,000	9,550	6,200
Actual consolidated results for the previous fiscal year (Fiscal year ended Dec 31, 2025)	179,182	8,087	8,893	5,238

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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