Year Ended March 31, 2026

Second Quarter
Financial Results Briefing

November 12, 2025

S.T. Corporation

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① Brief report on 2Q financial results

② Full-year earnings forecast

③ Progress of the medium-term management reform plan, SMILE2027

Summary of the Business Performance in 2Q of FY3/26

Increase in net sales, decrease in profit	● The sales of CLOTH Care, HUMIDITY Control, and THERMAL Care products decreased, but the performance of AIR Care and HOME Care products improved and the sales of PET Care products were added. ● Operating profit increased from the previous year,but Profit attributable to owners of parent decreased.
Rise in gross profit	● Despite the augmentation of procurement costs due to the skyrocketing of prices of raw materials, etc., gross profit increased from the previous year, thanks to the growth of sales of products with a high gross profit margin and the hike of prices of core products.
Drop in SGA	● Personnel expenses increased. ● Advertisement costs and other SGA decreased.

Highlights of the Business Performance in 2Q of FY3/26 <Consolidated>

Increase in net sales, decrease in profit

	Consolidated	Sales ratio	YOY	Vs. Forecast
Net sales	24.1 billion yen	100.0%	100.0%	91.2%
Operating profit	1.8 billion yen	7.6%	149.0%	115.0%
Ordinary profit	1.9 billion yen	8.2%	130.6%	110.7%
Profit attributable to owners of parent	1.3 billion yen	5.5%	65.6%	133.9%

Highlights of the Business Performance in 2Q of FY3/26 <Consolidated>

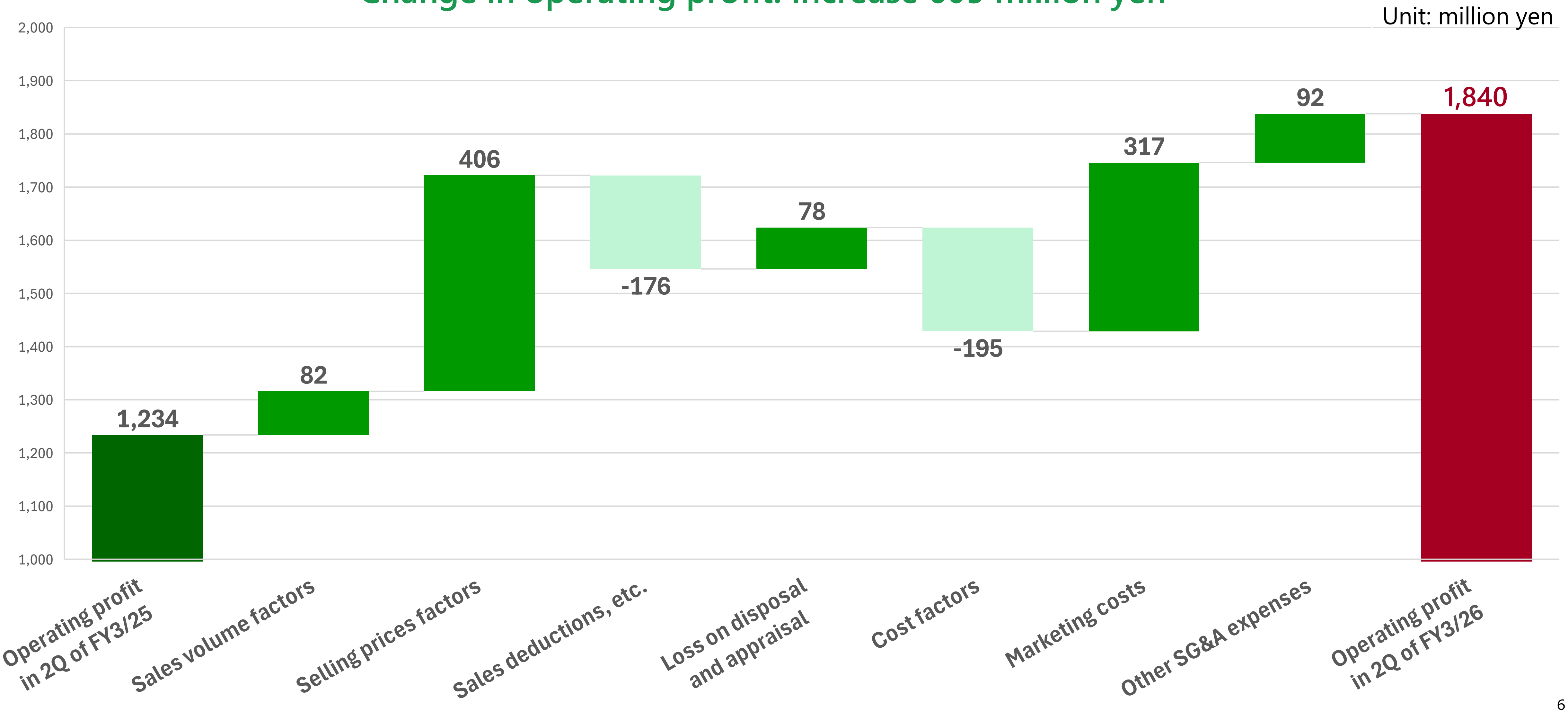
	FY3/24		FY3/25		
	Sales ratio	Sales ratio	Sales ratio	Sales ratio	YOY
Net sales	¥24.1 bn	100.0%	**¥24.1 bn**	**100.0%**	**100.0%**
Cost of sales	¥14.6 bn	60.7%	**¥14.4 bn**	**60.0%**	**98.7%**
Gross profit	¥9.4 bn	39.3%	**¥9.6 bn**	**40.0%**	**102.1%**
Selling, general and administrative expenses	¥8.2 bn	34.1%	**¥7.8 bn**	**32.4%**	**95.0%**
Operating profit	¥1.2 bn	5.1%	**¥1.8 bn**	**7.6%**	**149.0%**

Highlights of the Business Performance in 2Q of FY 3/26<Consolidated>
【Sales in each Business Category】

Category		Sales	YOY	Sales ratio
AIR Care	(Deodorizers/air fresheners)	11.3 billion yen	102.5%	47.0%
PET Care	(Goods for cat litter boxes）	1.8 billion yen	111.3%	7.7%
CLOTH Care	(Mothproofing agents)	3.6 billion yen	94.3%	15.2%
HOME Care	(Food care/Cleaner etc.）	2.5 billion yen	105.0%	10.5%
HUMIDITY Control	(Dehumidifiers)	1.6 billion yen	91.7%	6.9%
THERMAL Care	(Disposable warmers)	0.6 billion yen	80.7%	2.8%
HAND Care	(Household gloves）	2.3 billion yen	98.3%	9.9%
Total		24.1 billion yen	100.0%	100.0%

Factors behind the Increase/Decrease in Operating Profit in 2Q of FY3/26 <Consolidated>

Change in operating profit: Increase 605 million yen



Details of factors in increasing/decreasing operating profit in Q2 of FY 3/2026

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【Sales quantity factor】+82 million yen

Increase in sales quantities +82 million yen	● PET Care products contributed most to the sales quantity factor. ● In the HOME Care category, the sales quantity of KOMETOBAN kept growing. In the AIR Care category, new products, etc. contributed. ● The sales quantities of CLOTH Care and HUMIDITY Control products decreased.

Details of factors in increasing/decreasing operating profit in Q2 of FY 3/2026

【Selling price factor】+406 million yen

Rise in selling prices +594 million yen	● Major products whose prices have been increased from the previous fiscal year to the current fiscal year, contributing to profit
Cutting of selling prices -188 million yen	● Price cutting, etc. through the disposal of discontinued products

Details of factors in increasing/decreasing operating profit in Q2 of FY 3/2026

【Deduction from sales, etc.】－176 million yen

Deduction from sales (rebates, etc.) and so on -176 million yen	• In the PET Care category, rebates increased due to the intensification of competition. • We promoted the effective utilization of rebates in the existing categories.

Details of factors in increasing/decreasing operating profit in Q2 of FY 3/2026

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【Cost factor】−195 million yen

Reduction of manufacturing costs, etc. ＋226 million yen	● Review and change of suppliers ● Effects of changes in exchange rates
Rise in prices of raw materials, etc. - 422 million yen	● Molded plastic products, chemical materials, etc. ● Rise in wages for processing due to the skyrocketing of personnel expenses

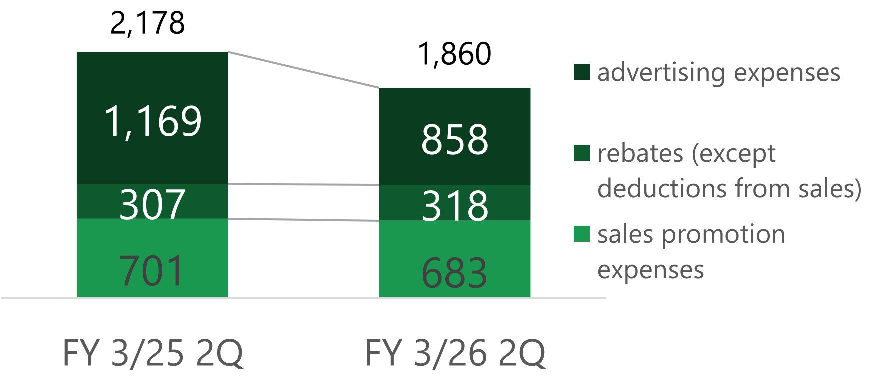
Details of factors in increasing/decreasing operating profit in Q2 of FY 3/2026

【SGA】+409 million yen

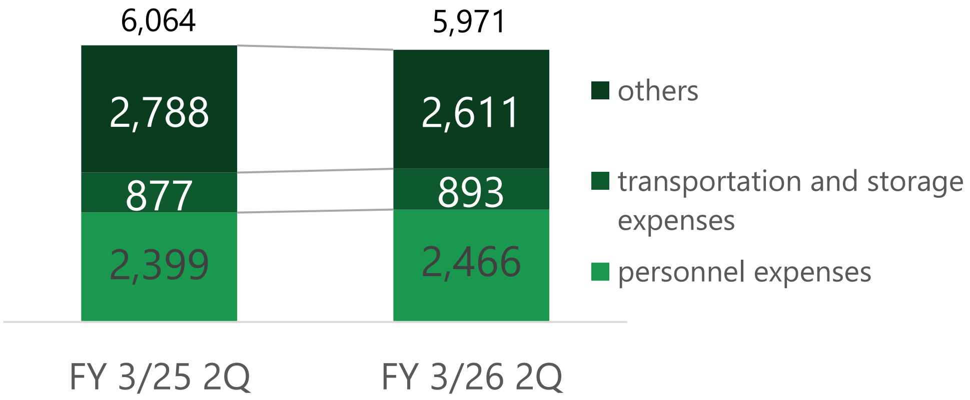
Marketing costs ＋317 million yen	● We curtailed advertisement expenses through strategic allocation, and stopped TV commercials for some programs.
Other SGA ＋92 million yen	● Personnel expenses augmented due to the rise in wages, etc. ● Other SGA decreased, as there were no longer temporary expenses posted in the previous fiscal year.

[million yen]

Marketing costs



Expenses other than marketing costs



Situation of the core business in 2Q of FY 3/2026

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AIR Care (Deodorizers/air fresheners)	● **The sales of AIR Care products increased.** ✓ The scale of the market of deodorizers/air fresheners is expanding. ✓ The sales of the high value-added products “PA Series” for toilets and rooms and “SHOSHURIKI ION DEODORANT PLUS” increased. ✓ The new product “SHOSHURIKI MIST FOR TOILETS－RESETTO” in September contributed. ✓ The sales of deodorizers were unchanged from the previous year.

★ PA stands for PREMIUM AROMA

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Situation of the core business in 2Q of FY 3/2026

PET Care

(Goods for cat litter boxes)

- **The sales of "NYANTOMO" increased, but did not reach the forecast.**
  - ✓ The sales in April and May grew.
  - ✓ The market scale declined slightly, and our market share is less than 20%.*
  - ✓ We are implementing cost reduction initiatives.

*Source: INTAGE Inc. "SRI+" "PET Care"（For cats: two-layered toilets, litter, and deodorizing sheets)
*The market in this document was defined by S.T. Corporation.

Situation of the core business in 2Q of FY 3/2026

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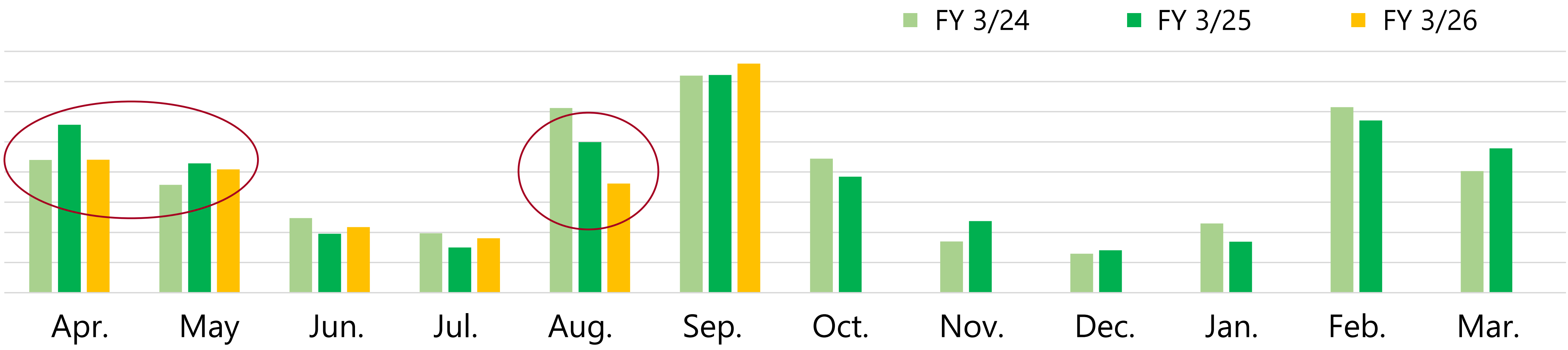
*Source: INTAGE Inc. "SRI+"
Sales share (for each maker)
"Mothproofing agents for clothes" (excluding those for dolls) Oct. 2024 to Sep. 2025 (cumulative total in 1 year)

CLOTH Care
(Mothproofing agents)

- **The sales of CLOTH Care products declined.**
  - ✓ Drop in sales during the demand season
  - ✓ Our company boasts the largest share* in the market of mothproofing agents, but the market of mothproofing agents shrank slightly.
  - ✓ Diversification of storage methods among consumers and changes in behavior of changing clothes in wardrobes for a new season

＜Monthly sales of mothproofing agents＞before the application of the revenue recognition standards



Situation of inventory in 2Q of FY 3/2026

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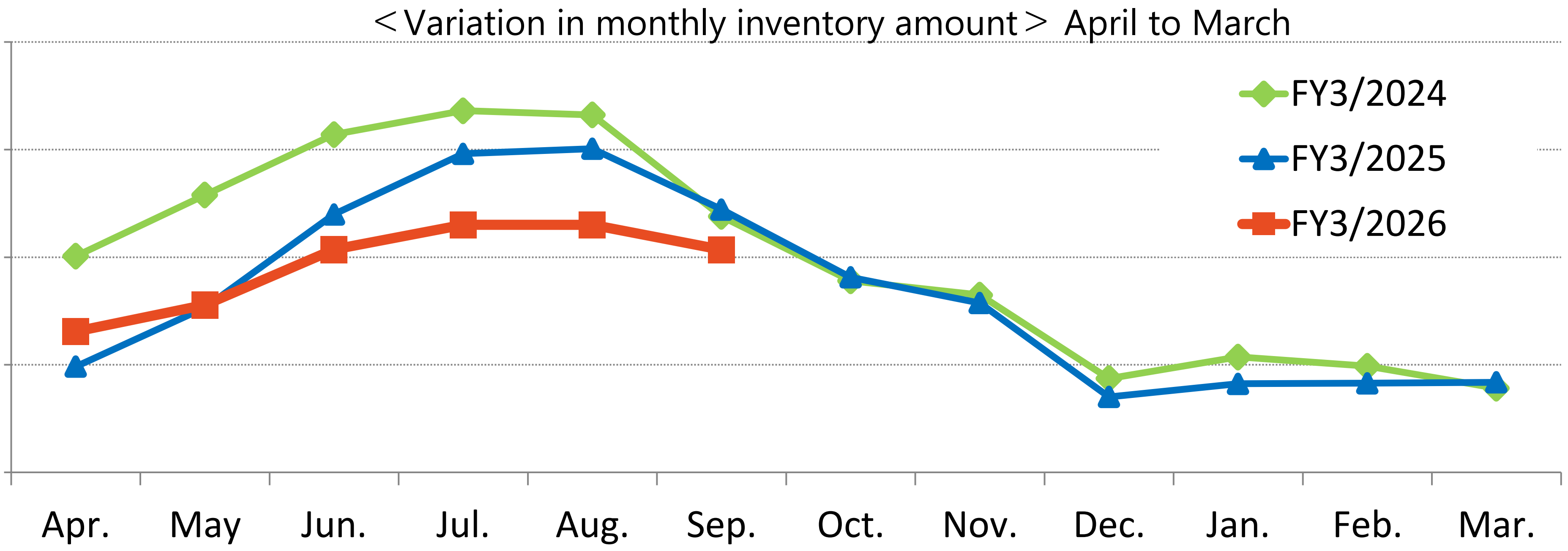
Reduction of inventory and SKU

- The inventory as of the end of 9/2025 was 95% of that as of the end of 9/2024, showing a y/y decrease.*
- Stock keeping unit (SKU) was reduced from 801 to 741.

* S.T. Group (domestic)



Situations of the overseas business and the B2B business in FY 3/2026

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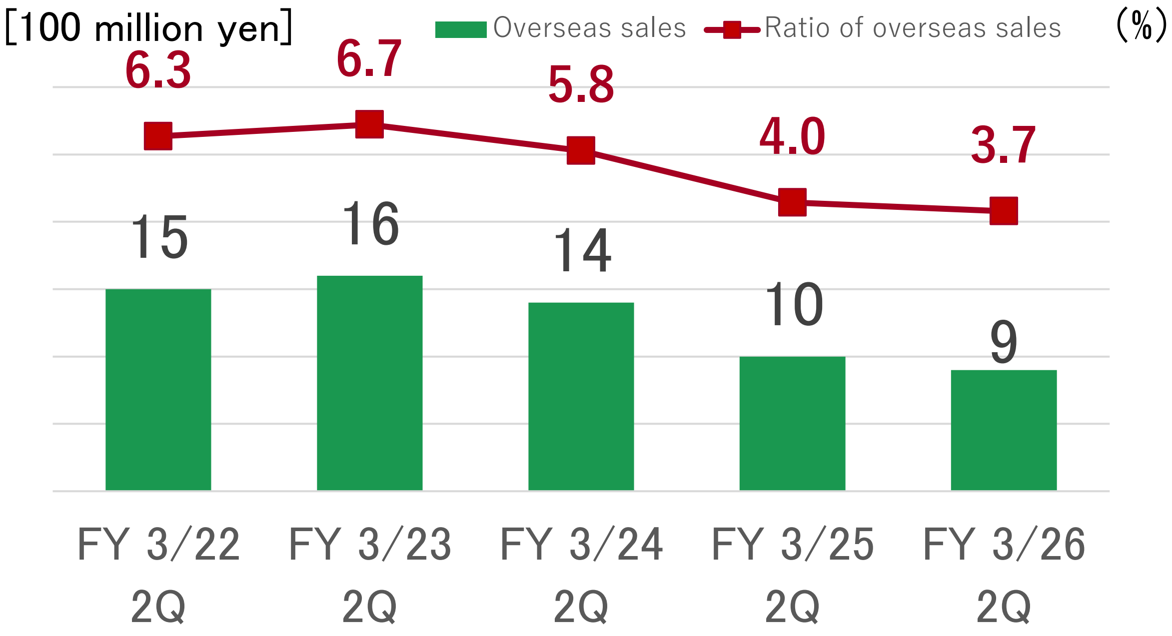
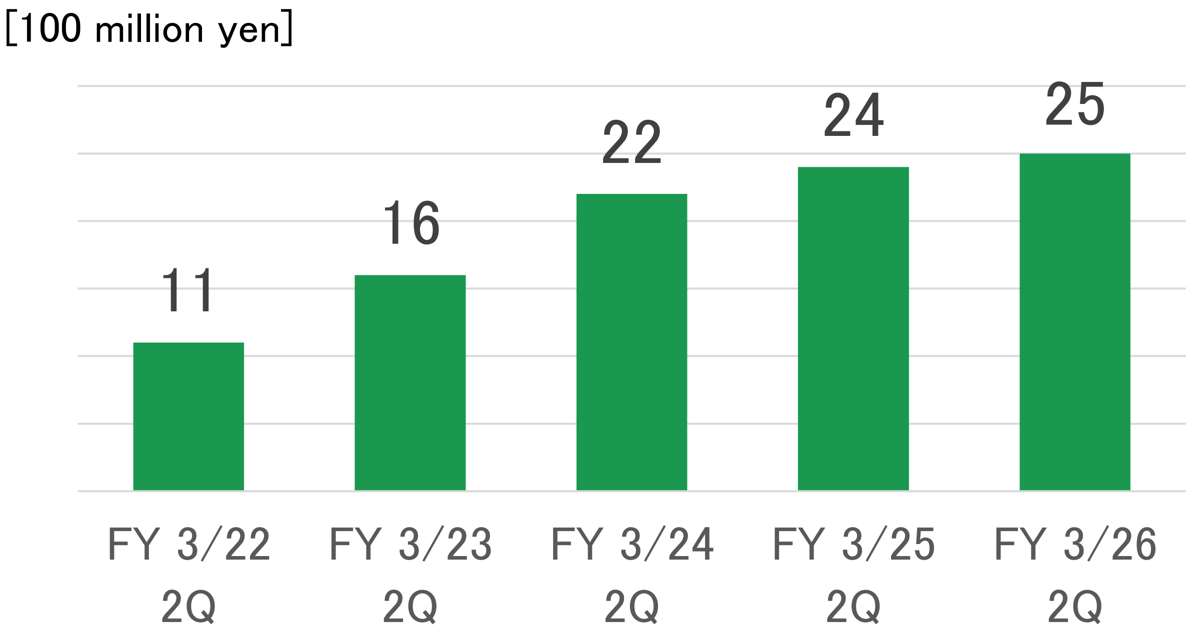
Variation in overseas sales

Consolidated performance of S.T. Group (before the application of the revenue recognition standards)



Variation in sales of the B2B business

Non-consolidated performance of ST PRO CORPORATION (before the application of the revenue recognition standards)



*In July 2022, EC (B2B) was transferred from S.T.

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Initiatives in FY 3/26

To improve profitability and create new value

Issues	Initiatives in FY 3/26	Results in 1H
Measures against the skyrocketing of costs	・Rise in prices of core products	○
	・Cost reduction	△
	・Revenue structure reform	△
Reduction of losses	・Reduction of return	○
	・Optimal inventory (measures against stockouts and excessive inventory)	△
Value creation	・Response to changes in lifestyles	×
	・Promotion of addition of high value	△
Strengthening of the management base	・Investment in non-financial capital (ESG, human resources, organizations, and DX)	△

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Initiatives in the second half of FY 3/2026

To raise the prices of core products

- **The products whose prices were raised in Aug. or Sep. 2025 are expected to contribute to the profit in the second half of FY 3/2026.**
- **Price revision will be implemented following products upgrade.**

Products whose prices were raised in Aug. or Sep. 2025

Products to be upgraded in Feb. 2026 (new prices set)

Initiatives in the second half of FY 3/2026

To reform the revenue structure	● The Cost Reduction Project ● Improving the product mix (focused on products with a high profit margin) ● Efficient marketing investments ● We have to recover the profitability of CLOTH Care products.
To optimize inventory	● To establish “SCM Section” in July to optimize inventory ✓ To develop the function to predict demand by utilizing data and AI

Initiatives in the second half of FY 3/2026

To respond to changes in lifestyles

- **From mothproofing agents to "Clean Clothing Storage Care"**

  ✓"Let's start S.T. Closet."

  Due to the expansion of the "NOTE" Series , the Series will be reclassified under the broader category of "Clean Clothing Storage Care."

Released in Feb. 2024	Released in Aug. 2025	To be released in Feb. 2026

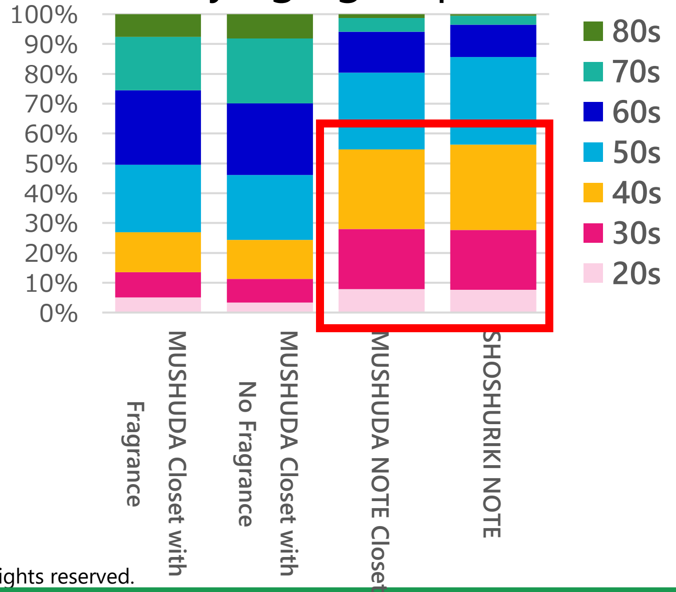
Bug-proofing

Deodo rizing

Dehumi difying

New product

Composition of buyers at Store A by age group



Initiatives in the second half of FY 3/2026

To promote the addition of high value to products	● **AIR Care: To release new products with high added value in September** ✓ SHOSHURIKI MIST FOR TOILETS－RESETTO ✓ SHOSHURIKI feelU FOR CAR

SHOSHURIKI MIST FOR TOILETS
－RESETTO

SHOSHURIKI
feelU

Forecast for FY3/26 <Consolidated> ※Unchanged

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Increase in net sales, decrease in profit

	Consolidated	YOY
Net sales	52.7 billion yen	109.5%
Operating profit	2.5 billion yen	150.7%
Ordinary profit	2.8 billion yen	134.3%
Profit attributable to owners of parent	1.6 billion yen	56.4%

Estimated dividend: 44 yen *Payout ratio: 57.4%

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Medium-Term Management Plan – SMILE 2027 –

<April 2024 – March 2027>

Interim Report

As of the announcement of the financial results for 2Q of FY 3/2026

Summary of the progress in the Medium-Term Management Plan SMILE 2027 at the halfway point

Below is our progress at the halfway point with the three-year plan disclosed in May 2024. While no changes have been made to the gist, we are adding measures for narrowing the gap between the results and the forecast and redesigning the plan for the remaining period.

Corporate policy, overall strategy, and group-wide numerical targets

No changes

【Purpose】 Ideas to touch the heart for moments with smiles.

【Our ideal state 10 years from now】 From a daily necessities manufacturer to a wellness company

Four strategies based on the growth matrix

Expansion of existing business
To further enhance the brand power
To boost revenue by redefining categories

Evolution of existing business
To develop the PET Care business as a core business
To launch AIR Care products with new value

Enhancement of B2B/overseas channels
As for B2B, we will shift from gloves to the AIR Care business.
As for overseas, we will focus on ASEAN countries.

Generation of new business
To utilize Clear Forest
To create business for solving social issues

Numerical targets: Sales of ¥56.5 bn, an operating profit of ¥4 bn, and an ROE of 8.3%

【Factors behind the gap between the results and the plan】
Decline in demand for seasonal change of clothing, weak sales from AIR Care products with high added value and new products, failure in achieving the target of the sales expansion of the main units of PET Care products, failure in reaching the target of cost reduction, and an increase in rebates

Revision/ addition of measures

<Revision to strategies/plans for CLOTH Care category>
To identify the root causes behind the declining demand, and reconsider short- and medium-term measures

<Shift to a product development process for creating new value>
To provide explicit knowledge of how to create ideas, and reform the development process

<Increase of the percentage of high value-added products>
To launch products with new value and revise prices

<Thorough efforts to reduce costs and boost productivity>
To streamline the manufacturing, distribution, and selling processes through drastic cost reduction and supply chain management (SCM)

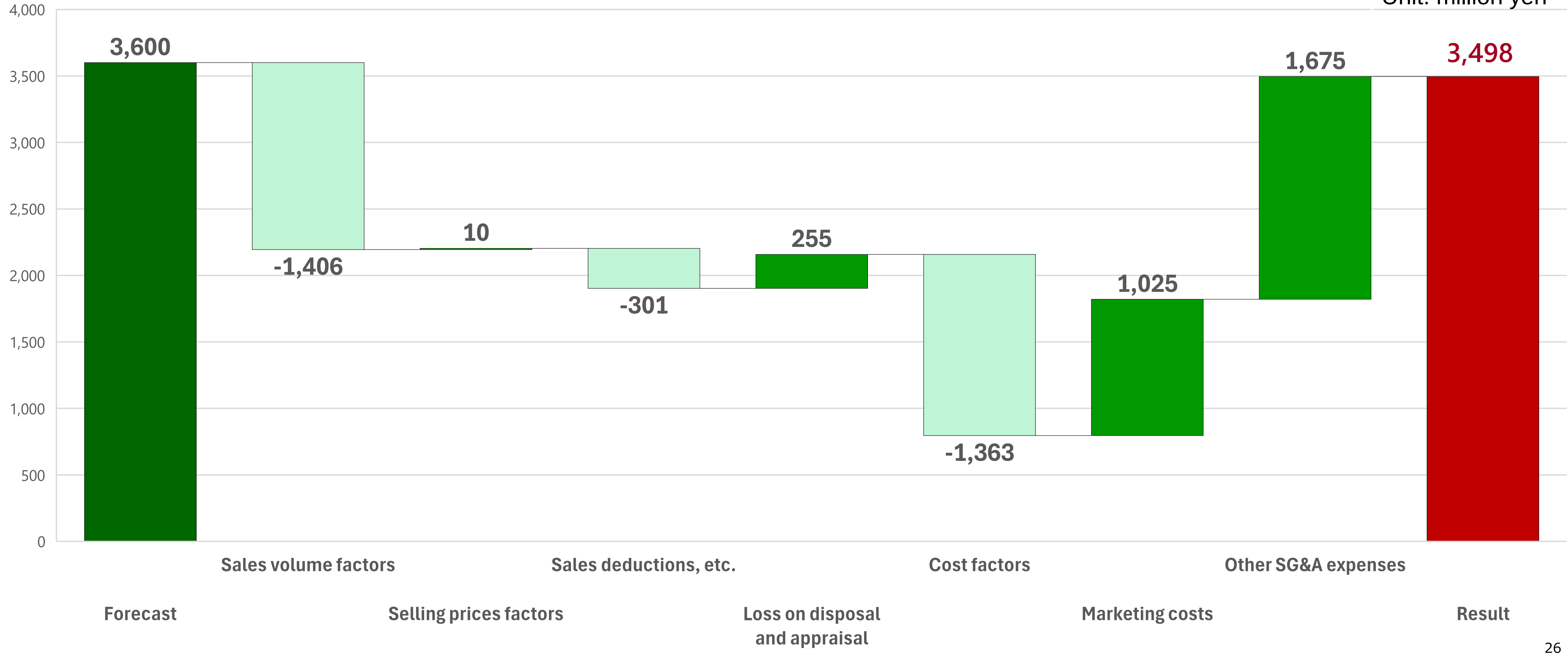
As we did not achieve the targets in the CLOTH Care and AIR Care categories, which has affected the revenue, we are redesigning the plan for the remaining period, including revision to the portfolio strategy.

Plan SMILE 2027 at the halfway point Factors behind the increase/decrease in operating profit <Difference from the forecast>

The negative quantity factors due to poor sales from CLOTH Care, AIR Care, and THERMAL Care products were offset by a significant reduction in SG&A expenses.

Factors behind increase/decrease in operating profit (difference from forecast) −¥101 million

Unit: million yen



Progress in “4 quadrants” of the growth matrix in SMILE 2027 at the halfway point

Profit margin shrank regarding the expansion of existing business, which is the core of our revenue. While sales via the B2B channel were healthy, sales from high value-added products did not reach the forecast.

Evolution of existing business

- As for PET Care products, we did not achieve the forecast regarding the expansion of the sale of the main units of the litter box, and we will improve cost rate.
  ⇒ We expand our sales channel and reduce procurement cost.
- While sales from SHOSHURIKI PREMIUM AROMA did not reach the forecast, sales from deodorizing function-focused products were healthy.
  ⇒ Delay in the launch of products with new value

(FY 3/2027)
Operating profit +¥1.6 bn or more

Delay in efforts to increase revenue

Generation of new business

- We began new business in the wellness domain.
- We engaged in regional co-creation and cross-industry collaboration.
  ⇒ A new business model is being developed.
- We suspended part of the new business development.
- We grew the femcare product, Luna Mine, and the AIR Care product for cars, YOWAN.

We make investment for these 3 years.

Drastic revision to the investment plan

Expansion of existing business

- We maintained the largest annual share in the market of AIR Care products.*
- We revised the sales forecast for AIR Care products.
  ⇒ We rebuild the portfolio.
- We did not attain the forecast for cost reduction, and will boost productivity through a new organizational SCM.
  ⇒ We revise prices, reduce SKU, etc.
- We fell behind in restructuring for business revitalization (gloves/THERMAL Care products).

(FY 3/2027)
Operating profit margin +1 pt or more

Decline in operating profit margin due to the poor sales performance in the core business

Enhancement of B2B/overseas channels

- As for the B2B channel, the coating business for hotels was healthy, allowing us to expand the AIR Care category.
  ⇒ We start an aromatic space design business.
- We fell behind in the plan to revitalize the business in Thailand.
- We began to expand the PET Care business to overseas markets.
  ⇒ A medium/long-term overseas growth strategy is being formulated.

(FY 3/2027)
Operating profit +¥600 m –

Healthy sales via the B2B channel, but poor sales overseas

*Sales share (by manufacturer) in SRI+ by INTAGE Inc. “deodorizers/air fresheners” April 2024 – March 2025 (cumulative total in a year)

Evaluation of the business portfolio strategy at the halfway point

The rate of the progress toward the forecast for a total of 1.5 years was 95.5%, which means that we did not achieve the forecast. We will drastically revise the plan for the remaining period in order to improve the revenue structure.

Comparison of sales during the period from FY 3/25 to Q2 of FY 3/26 with the forecast

Strategy	Business	Evaluation
Intensive investment for powerful growth	**AIR Care** (96.3% of the 1.5-year forecast)	・Sales from SHOSHURIKI PREMIUM AROMA, one of our high value-added products, did not reach the forecast. ・Sales from the existing SHOSHURIKI for Rooms and SHOSHURIKI for Restrooms did not reach the forecast. ・Sales from the portable version of SHOSHURIKI and air fresheners for cars exceeded the forecast.
	PET Care (100.5% of the 1.5-year forecast)	・While sales expansion of a combination of the main unit and peripheral products did not reach the forecast, the enhanced product lineup enabled us to generate sales as forecast. ・We project that marketing expenses will increase because we plan to make efforts to foster consumer awareness of our products and fuel demand for our products.
Thorough enhancement of the capability to generate cash flows	**CLOTH Care** (87.4% of the 1.5-year forecast)	・We need to drastically revise the strategy and the plan because sales significantly fell short of the forecast. ・We will identify the root causes of the decline in demand for seasonal change of clothing and take short- and medium-term measures.
	HOME Care (100.0% of the 1.5-year forecast)	・We will strive to encourage consumers to repeatedly use our products and stir new demand for our products in response to the special demand for KOMETOBAN.
	HUMIDITY Control (97.8% of the 1.5-year forecast)	・Sales from the sheet version of products related to seasonal change of clothing were poor. Sales from environmentally conscious products were not strong as well.
Determination of when to shift strategies based on profitability and growth potential	**THERMAL Care** (90.0% of the 1.5-year forecast)	・The number of our products sold under private brand names at retail stores dropped. While the rate of return of goods went down, we fell behind in our restructuring effort.
	HAND Care (99.4% of the 1.5-year forecast)	・Profit margins for B2B and HANDCARE continue to improve.

Progress of the enhancement of the foundation at the halfway point

We made progress almost as planned. We will enhance development of human capital, DX, use of AI, and the like for stimulating innovation.

Current situation and our major initiatives

Human capital strategy	**◆ Input and experience necessary for spurring innovation** ・To create opportunities for candidates for next-generation leaders to practice ・To enrich opportunities to put into practice knowledge and skill necessary for innovation ・To adopt a system of evaluating the challenging spirit that helps foster autonomy and independence
DX/use of AI	**◆ Information linkage and organizational collaboration through data visualization** ・To provide digital literacy education (basic level testing, e-learning), and begin to find human capital for DX among all the employees ・To begin the operation of STAiBLE, our company's original generative AI program, we hold training sessions for using Gemini and are promoting use of AI across our company. ・We are building a base for promoting DX by starting the development of the operational process and the establishment of an information platform ・To establish an integrated marketing calendar in order to enhance data-driven decision-making through effective use of BI tools
Risk management	**◆ All employees aware of the importance of risk management in business administration** ・To manage the progress with issues after enterprise risk management (ERM) is implemented across the company, and propel forward initiatives toward identification of key issues for the future ・To newly set up an initial response review council and establish a system for swiftly determining the level of measures to take when an incident occurs
Measures regarding sustainability	**◆ Enhancement of the ESG management system** ・To increase the accuracy of the calculation of Scope 3 emissions and discuss measures to take for reducing GHG emissions ⇒ To analyze the results of rough estimates (hot spot) ・To prepare for conducting self-assessment questionnaires (SAQ) for FY 2025 based on the results of FB engagement carried out by taking into account suppliers' SAQ results

Progress with cash allocation at the halfway point

We made growth investment, such as M&A, in the PET Care category that is our core business. We proactively made investment by establishing a management accounting system and using AI.

Source of funds invested	Progress with cash allocation			Overview	Progress
Use of loans (+ α); Use of cash on hand (up to ¥3 bn); Operating CF (¥11 bn)	Growth investment in high value-added fields (¥8 bn + α)	Use of M&A, etc. necessary for intermittent growth		- To invest mainly in the PET Care and AIR Care categories with the aim of accelerating business growth	○
		Enhancement of value creation capability	Strengthening of research and development	- To increase investment in boosting the value creation capability and developing new technology	△
			Securing and development of human capital	- To enhance resource allocation with the aim of developing human capital and increasing employees' engagement	△
		Re-establishment of business portfolio		- Structural reforms for low-profit businesses are underway	×
	Investment in productivity enhancement (¥2.5 – 3 bn)	Promotion of DX		- To promote investment in DX, such as an integrated information platform and use of AI	△
		Establishment of production system		- To promote investment in equipment for saving labor in order to boost productivity and improve safety and quality	△
	Return to shareholders (up to ¥3 bn)	Dividends and share buyback		- To enrich shareholder returns based on a stable dividend payment (with a roughly estimated DOE of 3%)	○

Summary: Key points for the remaining period for achieving the targets of SMILE 2027

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We will take measures regarding the following key points, while identifying the root causes of the gap between the results and the forecast and drastically revising the plan based on the progress at the halfway point.

Reconsider reforming the revenue structure in response to the poor performance in the categories with a high gross profit ⇒ Capability to earn revenue

Launch new products that create new value ⇒ Accumulation of revenue

Make up for the delay in the overseas strategy and the new business development ⇒ Sowing seeds for growth

Discover and develop workers who challenge themselves as human capital ⇒ Triggering of innovation

Ideas to touch the heart

for moments with smiles

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【Notes on the business forecasts】The items included in this material are based on a variety of premises, and do not assure or guarantee that the numerical forecasts and policies herein will be realized.

*The figures are rounded down.