S.T.CORPORATION

Year Ended March 31, 2027

Second Quarter Supplementary Information for Financial Results

November 11, 2026

S.T. Corporation

Financial Accounting Standards Foundation FASF MEMBERSHIP

Copyright © S.T. Corporation. All rights reserved.

Highlights of the Business Performance in 2Q of FY3/27

S.T.CORPORATION

Increase in Net Sales and Net Profit ＊Operating profit declined	● Sales increased because HAND Care, AIR Care products, etc. sold well. ● Operating profit and ordinary profit declined. ● Net profit increased due to a gain on the sale of investment securities.
Decline in Gross Profit	● Gross profit declined, as higher raw material costs caused by the situation in the Middle East outweighed the benefits of price revisions for products including AIR Care.
Increase in SG&A Expenses	● Advertising expenses increased, primarily reflecting a rebound from the suspension of certain TV commercials in the same period of the previous fiscal year.

Copyright © S.T. Corporation. All rights reserved.

S.T.CORPORATION

Increase in Net Sales and Net Profit

＊Operating profit declined

	Consolidated	Sales ratio	YOY	Vs. Forecast
Net sales	24.6 billion yen	100.0%	102.0%	97.4%
Operating profit	0.8 billion yen	3.3%	43.8%	57.6%
Ordinary profit	1.0 billion yen	4.3%	53.1%	66.2%
Profit attributable to owners of parent	1.7 billion yen	7.0%	127.9%	171.3%

Copyright © S.T. Corporation. All rights reserved.

Highlights of the Business Performance in 2Q of FY3/27 <Consolidated>

	2Q of FY3/26		2Q of FY3/27		
	Actual	Sales ratio	Actual	Sales ratio	YOY
Net sales	¥24.1 billion	100.0%	¥24.6 billion	100.0%	102.0%
Cost of sales	¥14.4 billion	60.0%	¥15.4 billion	62.6%	106.5%
Gross profit	¥9.6 billion	40.0%	¥9.2 billion	37.4%	95.4%
Selling, general and administrative expenses	¥7.8 billion	32.4%	¥8.4 billion	34.2%	107.5%
Operating profit	¥1.8 billion	7.6%	¥0.8 billion	3.3%	43.8%

Copyright © S.T. Corporation. All rights reserved.

Highlights of the Business Performance in 2Q of FY3/27 <Consolidated>
[Sales in each Business Category]

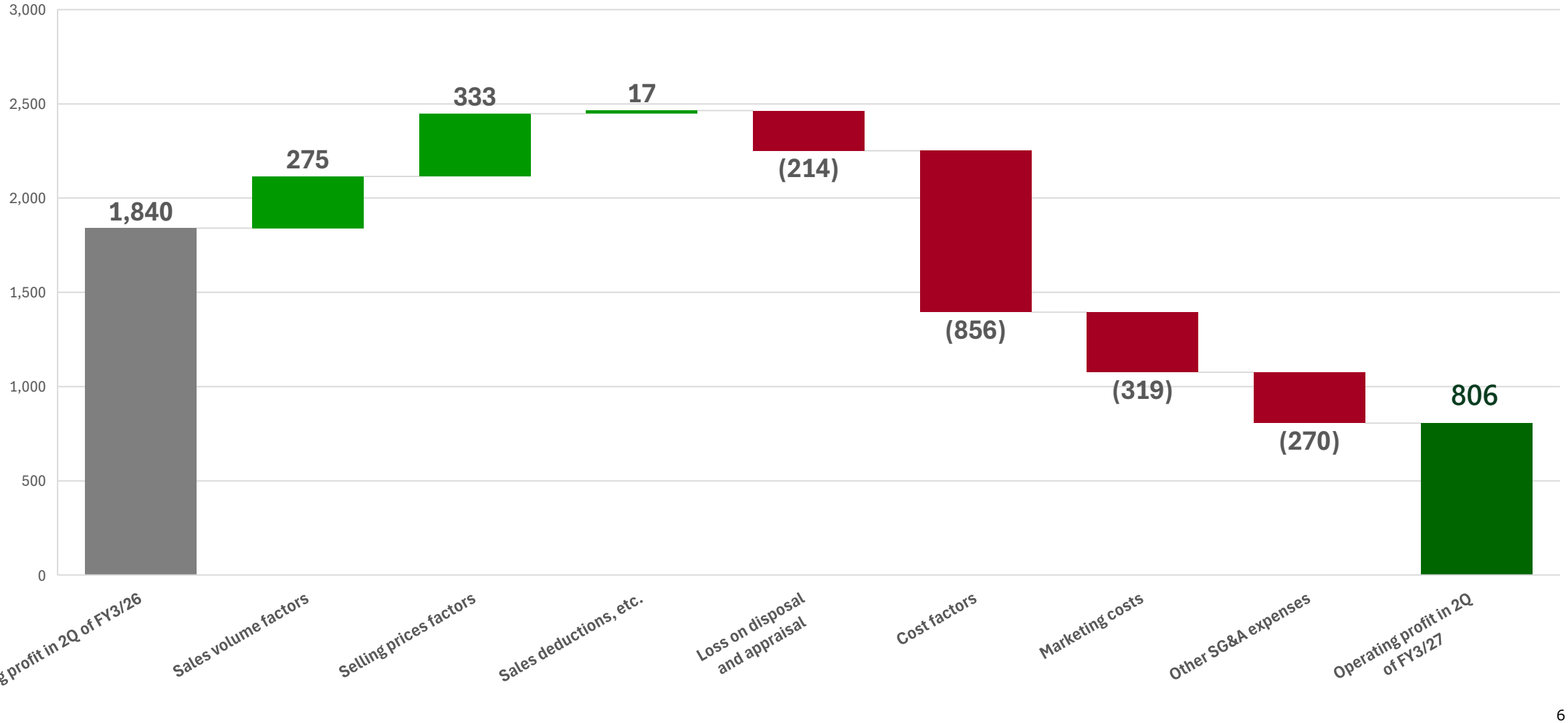
Category		Sales	YOY	Sales ratio
AIR Care	(Deodorizers/Air fresheners)	11.5 billion yen	101.4%	46.8%
PET Care	(Goods for cat litter boxes)	1.9 billion yen	105.9%	8.0%
CLOTH Care	(Mothproofing agents)	3.6 billion yen	99.9%	14.9%
HOME Care	(Food care/Cleaners etc.)	2.3 billion yen	94.2%	9.7%
HUMIDITY Care	(Dehumidifiers)	1.7 billion yen	107.8%	7.3%
THERMAL Care	(Disposable warmers)	0.5 billion yen	83.1%	2.2%
HAND Care	(Household gloves)	2.7 billion yen	114.6%	11.1%
Total		24.6 billion yen	102.0%	100.0%

Copyright © S.T. Corporation. All rights reserved.

Factors behind the Increase/Decrease in Operating Profit in 2Q of FY3/27 <Consolidated>

Change in operating profit: Decrease of 1.0 billion yen

Unit: million yen



Copyright © S.T. Corporation. All rights reserved.

Medium-Term Management Plan
- SMILE 2027 -

< Apr. 2024 to Mar. 2027 >

Re-revision to the plan for the final fiscal year and initiatives

Copyright © S.T. Corporation. All rights reserved.

Structural reform of our existing business and the establishment of a base for the next medium-term plan

As our performance did not reach the forecast due to the worsening of the external environment, we will accelerate the drastic reform of our revenue structure and the shift to growing fields.

01

Re-revision to the plan

As costs soared due to the worsening of the Middle East situation, etc., we revised the goals for the final fiscal year of the medium-term management plan “SMILE 2027”

02

Structural reform

To secure profit from our existing business, by drastically reforming the processes for developing, manufacturing, and selling products

03

Development of a base for growth

Growth of our BtoB coating service and spatial business, and active operation of the Pet Care business outside Japan

04

Plan for executing the capital policy

We are formulating a plan for executing our capital policy, including the measures for TOPIX, for the next medium-term management plan “SMILE 2030”

Revised Medium-Term Management Plan SMILE 2027

S.T.CORPORATION

Company policy, overall strategy

Numerical goals revised again

【Overview of 2Q】

・The cost of sales ratio increased significantly, as the Middle East situation worsened.

・We were not able to cover it by increasing sales quantities, reducing SG&A, and revising prices.

Structural reform is necessary.

[Our Purpose] Ideas to touch the heart for moments with smiles

[Ideal state in 10 years] Evolving into a wellness company that enriches lives and society

Strategies in four segments based on Growth Matrix

Expansion of existing business	Evolution of existing businesses	Strengthen BtoB and overseas	Generation of new business
Further strengthening of brand power Revenue growth through category redefinition	Development of Pet-Care into a core business Sales of high value-added products in Air Care	BtoB : Shift from Hand Care to "Kuuki Business"(Air Care) Overseas : Focus on ASEAN	Using Clear Forest Generation of business for solving social issues

Goals revised again: Net sales: 52 billion yen ⇒ 50 billion yen, operating profit: 2.5 billion yen ⇒ 1.2 billion yen, ROE: 5.3% ⇒ 6.1%

(1) Two profit structure reform projects for existing businesses:
Improve operating profit margins through sales and manufacturing reforms.

(2) Further business expansion in BtoB:
Expand the coating business and strengthen the foundation of the Scented Space Design Business.

(3) Shift to an R&D structure that creates new value:
Revamp the idea generation process to establish a new value creation system.

(4) New and overseas businesses leading to the next medium-term plan:
From pilot testing to commercialization, with M&A in view.

To structurally reform our existing business, develop a base for growth for the next medium-term plan, and improve profitability

Copyright © S.T. Corporation. All rights reserved.

Progress of financial targets

We have re-revised the full-year forecast for the final fiscal year of the medium-term management plan “SMILE 2027.” We will make efforts to structurally reform the existing business and reinforce the base for the next medium-term plan.

	FY 3/24	FY 3/25	FY 3/26	FY 3/27 Revised Forecast	FY 3/27 Re-revised forecast
Revenue	¥44.4 billion	¥48.1 billion	¥48.4 billion	¥52.0 billion	¥50.0 billion
Operating profit	¥1.3 billion	¥1.6 billion	¥1.9 billion	¥2.5 billion	¥1.2 billion
Operating profit margin	3.0%	3.4%	4.1%	4.8%	2.4%
EBITDA	¥2.6 billion	¥3.1 billion	¥3.6 billion	¥4.3 billion	¥3.0 billion
ROE	3.9%	8.6%	4.9%	5.3%	6.1%

Increase in Net Sales and Net Profit

＊Operating profit expected to decline

	Consolidated	YOY
Net sales	50.0 billion yen	103.1%
Operating profit	1.2 billion yen	60.4%
Ordinary profit	1.6 billion yen	66.2%
Profit attributable to owners of parent	2.0 billion yen	123.8%

Estimated dividend: 46 yen *Payout ratio: 46.8%

Copyright © S.T. Corporation. All rights reserved.

Structural reform of our existing business

- **Specialization in high-priced, high value-added products**
  - ⇒Reduction of products whose gross profit is low
- **Reduction of sales promotion costs and effectiveness of marketing expenses**
  - ⇒Improvement in marketing ROI
- **Reduction of supply chain costs**
  - ⇒Reduction of the return of products, the loss of selling opportunities, and delivery costs

Copyright © S.T. Corporation. All rights reserved.

S.T. Corporation https://www.st-c.co.jp/

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.

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.

Note: The figures are rounded down.

Copyright © S.T. Corporation. All rights reserved.