

**Summary of the Financial Results Conference Call for Q1 FY Dec. 2025**

Note: This Summary is a reference for those who would like to review the session or event of the results briefing held by Pigeon Corporation. Please note this is not the entire text of the conference but a summary based on our judgment. Forward-looking statements in these materials are based on management's assumptions and beliefs in light of the information currently available to it and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may affect the Company's performance. In the event of discrepancy between the English version and the Japanese version of the summaries, the Japanese-language version shall prevail.

**[Date & Time]**            Tuesday, May 13, 2025 17:00 – 18:00 JST

**[Speakers]**                2

Yasuo Kanatsuka	Senior Manager, Business Strategy Department
Kazumasa Matsuda	Manager, Business Strategy Department

## FY2025 Q1 Results - Consolidated P&L (YTD 3 months)

Net sales increased 6.2% YoY driven by China, Lansinoh, and Singapore business. Operating income increased by double digits YoY, mainly due to an increase in gross profit from higher sales, despite an increase in SG&A expenses from continued aggressive investment in growth in mainland China.

Unit: Million JPY	Q1 / Dec. 2024 YTD		Q1 / Dec. 2025 YTD		
	Actual	% of Total	Actual	% of Total	YoY Change
<b>Net Sales</b>	23,749	—	<b>25,227</b>	—	<b>106.2%</b>
<b>Cost of Sales</b>	12,110	51.0%	<b>12,331</b>	<b>48.9%</b>	<b>101.8%</b>
<b>Gross Profit</b>	11,639	49.0%	<b>12,896</b>	<b>51.1%</b>	<b>110.8%</b>
<b>SG&amp;A Expenses</b>	8,941	37.6%	<b>9,702</b>	<b>38.5%</b>	<b>108.5%</b>
<b>Operating Income</b>	2,697	11.4%	<b>3,193</b>	<b>12.7%</b>	<b>118.4%</b>
<b>Ordinary Income</b>	2,963	12.5%	<b>3,214</b>	<b>12.7%</b>	<b>108.5%</b>
<b>Net Income Attributable to Owners of Parent</b>	1,906	8.0%	<b>2,331</b>	<b>9.2%</b>	<b>122.3%</b>

[Currency Rates] 2025 Q1 Results: US\$1 = JPY 152.62 CNY 1 = JPY 20.97  
2024 Q1 Results: US\$1 = JPY 148.43 CNY 1 = JPY 20.65

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**Matsuda:** The Q1 consolidated results ended with an increase in both sales and operating income. Net sales were 25.2 billion yen, up +6.2% YoY. Gross profit was 12.8 billion yen, up +10.8% YoY.

Operating income was 3.1 billion yen, an increase of +18.4% YoY. Ordinary income and net income also increased.

## FY2025 Q1 Results - By Business Segment (YTD 3 months)

Sales and profits increased in the China, Lansinoh, and Singapore businesses with double-digit YoY growth in sales. Japan business posted lower sales and profit, but Baby Care sales were strong.

Unit: Million JPY	Q1 / Dec. 2024 YTD				Q1 / Dec. 2025 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
<b>Consolidated Net Sales</b>	<b>23,749</b>	—	<b>49.0%</b>	<b>2,697</b>	<b>25,227</b>	—	<b>106.2%</b>	<b>51.1%</b>	<b>3,193</b>
Japan Business	8,734	36.8%	33.0%	523	8,635	34.2%	98.9%	33.9%	441
China Business	8,356	35.2%	55.8%	2,324	9,372	37.2%	112.2%	57.6%	2,719
Singapore Business	3,115	13.1%	39.8%	353	3,454	13.7%	110.9%	41.9%	504
Lansinoh Business	5,068	21.3%	57.8%	432	5,643	22.4%	111.3%	56.0%	465
Elimination of inter-segment transactions	(1,525)	(6.4%)	—	—	(1,877)	(7.4%)	—	—	—

### ▼[Reference] Breakdown of Japan Business

Unit: Million JPY	Q1 / Dec. 2024 YTD				Q1 / Dec. 2025 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
Baby Care	6,287	—	37.8%	550	6,463	—	102.8%	37.9%	503
Childcare Services	880	—	11.2%	13	879	—	99.9%	17.5%	59
Health & Elder Care	1,174	—	31.0%	93	850	—	72.5%	33.7%	22

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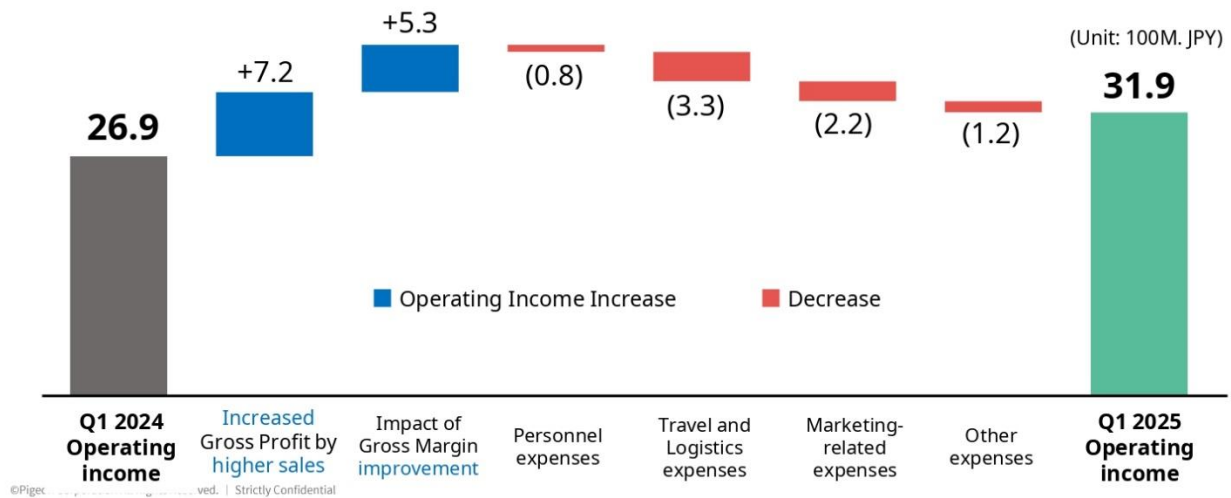
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Profit and loss by business segment.

In Q1, the China business, Lansinoh business, and Singapore business ended with increased sales and profits, driven by double-digit sales growth compared to Q1 of last year. The Japan business posted declines in both sales and profits. As for the breakdown of the Japan business, sales in Baby Care grew steadily at +2.8% YoY, while Health & Elder Care posted declines in both sales and profits.

## FY2025 Q1 Results - Change in Operating Income (YoY)

SG&A expenses increased by 760 million yen from the previous year due to a large increase in logistics and marketing related expenses, especially in the China and Lansinoh businesses. Operating income increased 490 million yen YoY due to increased revenue and improved gross margin, offsetting an increase in SG&A expenses.



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The change in consolidated operating income for Q1.

While gross profit increased by more than +1.2 billion yen YoY, due in part to increased sales and improved gross profit margin, SG&A expenses increased by +760 million yen YoY, due in large part to increased distribution and marketing-related expenses, particularly in the China business and Lansinoh business. Operating income increased +490 million yen YoY as higher sales and improved gross margin offset the increase in SG&A expenses.

## FY 2025 Q1 Results - Review by Business Segment

Strategy for 2025: Improve profitability through new value creation by leveraging the company's strengths and uniqueness

\*Sales: Sell-in on a local currency basis, \*1 Source: Pigeon

### Japan Business

#### Sales and income down due to exclusion of consolidated subsidiaries and soaring logistics costs, despite strong sales of baby care products

- Baby Care sales increased 2.8% YoY.
- Sales of nursing bottles/nipples and baby skincare were lower than the previous year due in part to a reaction to the first shipment of new products in the previous year, but overall Baby Care sales progressed largely in line with the internal plan.
- Sales of the new Age-Up product in the new domain, "Puchi Kids Hair Care Series", were strong.
- In the childcare appliance category, sales continued to be strong as in the previous year. The "Electric Baby Nail File" launched in August of the previous year also won the No. 1 market share in value\*1.
- Gross profit margin of Baby Care business improved by 0.1pt YoY due to contribution from factory operations, etc., despite the impact of COGS increase due to yen depreciation, etc.
- Health & Elder Care sales decreased by 0.3 billion yen from the previous fiscal year, partly due to the exclusion of a consolidated subsidiary that provides elder care services as of April 1, 2024.
- Announced price revisions in March for some baby-related products including nursing bottles/nipples (implemented from June).

#### Strengthening of existing areas

Capturing changes in lifestyles and in existing areas  
Diverse new products introduced throughout the year



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#### New area: Babycare appliances and Age-Up products

Sales of high unit-price childcare appliances such as Electric Baby Nail File were strong.  
Age-Up products launched "Puchi Kids Hair Care Series" in February.



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Here is a summary by business segment.

The Japan business ended with lower sales and profits due to the exclusion of a consolidated subsidiary in the Health & Elder Care and higher distribution costs in Japan, while sales of Baby Care remained strong.

Sales of Baby Care were up +2.8% YoY. While sales of core products such as nursing bottles/nipples and baby skin care products fell below the previous year's level due to a reaction to the initial shipments of new products in the previous year, overall sales of Baby Care were almost in line with the internal plan.

In new areas, sales of the new age-up product, "Puchi Kids Hair Care Series", were strong. In addition, sales in the babycare appliance category continued to be strong as in the previous year, and the "Electric Baby Nail File," launched in August of the previous year, also achieved the No. 1 market share in value.

The gross profit margin for the baby care business improved by +0.1 percentage points from the previous fiscal year due to contributions from factory operations and other factors, despite the impact of soaring COGS due to the weak yen and other factors. Health & Elder Care sales decreased by 300 million yen from the previous year, partly due to the impact of the exclusion of a consolidated subsidiary that provides elder care services as of April 1 of the previous year.

In March, we announced price revisions for some of our baby-related products, including nursing bottles/nipples, which are scheduled to be implemented from June.

## FY 2025 Q1 Results - Review by Business Segment

**Strategy for 2025: Aim for stable growth in both sales and profits by continuing to invest thoroughly in our core products of nursing bottles/nipples, and skincare**

\*Sales: Sell-in on a local currency basis

### China Business

**Increased sales and profit. Continued aggressive investment in growth from the previous year, with strong sell-outs (EC and offline) in mainland China**

- Mainland China sales\* (CNY) ended +9% YoY.
- Sales of nursing bottles/nipples increased 25% YoY, and baby skincare sales increased 8% YoY. The market share of nursing bottles/nipples continued to recover from the previous year.
- New products launched include 450ml/750ml drinking cups for kids from Age-Up products.
- Sell-out grew 15% YoY, with EC up 17% YoY and offline up 9% YoY, both EC and offline performing well. EC ratio is 74%.
- Continued growth in GMV on Tiktok and Redbook due to brand exposure and enhanced communication focused on nursing bottles/nipples, baby skincare, etc.
- Gross margin (JPY) of China business improved by 1.8 pt YoY due to an increase in the sales composition of high-margin nursing bottles/nipples.

#### Strengthening of existing areas

New nursing bottles/nipples were launched incorporating local trends



#### New area: Age-Up products

Expanded lineup of drinking cups



#### Brand: Communication

Short video on Tiktok and more.



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In the China business, aggressive investment in growth continued from the previous year, and both EC and offline sell-outs in mainland China were strong, resulting in increased sales and profits.

Sales in mainland China ended with an increase of +9% YoY. Sales of our core products, nursing bottles/nipples and baby skincare, grew by +25% and +8% YoY, respectively. The market share of nursing bottles/nipples continued to recover from the previous year.

In addition, new products such as the 450ml/750ml drinking cups for kids, an age-up product, were launched.

Sell-outs grew by +15% YoY. By channel, both EC and offline sales were strong, with EC sales up +17% and offline sales up +9%. The EC ratio for 1Q was 74%.

The gross profit margin in the China business improved by +1.8 percentage points YoY due to an increase in the sales composition of highly profitable nursing bottles/nipples.



## FY 2025 Q1 Results - Review by Business Segment

**Strategy for 2025: Expanding the scale of business centered on core products such as nursing bottles/nipples, and skincare products will be a top priority**

\*Sales: Sell-in on a local currency basis

### Singapore Business

**Shift to wide-neck nursing bottles, mainly in major countries. Sales and income increased partly due to recovery from shipment adjustment.**

- Sales\* in Indonesia increased 18% YoY, Middle East +23%, Vietnam +56%, India -1%, Malaysia -15%.
- Sell-out increased YoY in India, Middle East, Australia, etc.
- In nursing bottles/nipples, the sales ratio of wide-neck nursing bottles increased YoY in Indonesia and the Middle East, where the SofTouch™ series was rebranded, and contributed to profit margin. In Malaysia and other markets, brand renewal will be implemented sequentially from Q2 onward.
- In the Natural Botanical skincare business, sales of "Diaper Cream," a new product introduced in the previous year, were strong.
- New product is "Silicone Paladai Baby Feeder" launched in India in March. Strengthening brand power through products born from the voices of hospital maternity hospitals
- Gross margin (JPY) of Singapore business improved by 2.1 pt YoY due to sales growth of sales companies and improvement in factory operations, etc.

**Strengthening core products: wide-neck nursing bottles**  
The rebranded SofTouch™ series has been won "Product of the Year" in the Middle East



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**New product**  
Silicone Paladai Baby Feeder in India, etc.



**Strengthening Core Products: Skincare**  
Increased exposure and new series development of Natural Botanical skin care



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The Singapore business posted higher sales and profits on the back of a shift to wide-neck nursing bottles, mainly in major countries, and a recovery from the previous year's shipment adjustment.

Sales in major markets were up +18% from the previous year in Indonesia, +23% in the Middle East, +56% in Vietnam, -1% in India, and -15% in Malaysia. Sell-out grew YoY in India, the Middle East, Australia, and other markets.

For our core products, nursing bottles/nipples, the sales ratio of wide-neck bottles in Indonesia and the Middle East, where the SofTouch™ series was rebranded, increased from the previous year, contributing to the profit margin. We will gradually implement the brand renewal in Malaysia and other countries from Q2 onwards.

In addition, Natural Botanical skincare, a focus of the Singapore business, posted strong sales of "Diaper Cream", which was introduced as a new product in the previous year.

As for new products, "Silicone Paladai Baby Feeder" was launched in India in March. Through products born from the voices of hospital maternity nurses, we aim to strengthen our brand power.

The gross profit margin of the Singapore business improved by +2.1 percentage points YoY, partly due to sales growth at the sales company and improved factory operation.

## FY 2025 Q1 Results - Review by Business Segment

**Strategy for 2025:** Aiming for strong growth through full-scale development of "breast pumps" in the existing area and "nursing bottles/nipples" in the new area

\*Sales: Sell-in on a local currency basis

### Lansinoh Business

#### Sales and income increased due to strong sales of mainstay products in North America and breast pumps in Europe

- Lansinoh Group sales\* (USD) +9.6% YoY.
- Sales in North America increased 4.9% YoY. Sales of breast pumps fell below the previous year's level, but sales of core products such as Milk Storage Bags and nursing pads, nursing bottles/nipples grew.
- In Europe, sales increased mainly due to the initial shipping effect of breast pumps (Wearable Pumps) and strong performance of nipple creams.
- Sales of prenatal and postpartum care products grew by double digits YoY. Strong growth continued mainly in Germany, UK and Benelux.
- Sales of nursing bottles/nipples in the U.S. and European markets grew by more than 30% YoY. In the U.S., sales of multiple bottles were particularly strong, in line with market needs.
- Gross margin (JPY) of Lansinoh business deteriorated by -1.8 pt YoY, but operating income increased, partly due to higher gross profit from increased sales.

#### Strengthening of existing areas

New products are introduced as needed in breastfeeding-related products.



#### New area: prenatal and postpartum care

Continued high growth mainly in Europe



#### Brand: Communication

Strengthen information dissemination through SNS



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The Lansinoh business posted increases in both sales and profits thanks to strong sales in North America, mainly of mainstay products, and in Europe, mainly of breast pumps.

Lansinoh Group's sales grew by +9.6% YoY. Sales in the mainstay North American market increased +4.9% YoY. Although sales of breast pumps fell below the previous year's level, sales of mainstay products such as milk storage bags and nursing pads, as well as nursing bottles/nipples, were strong.

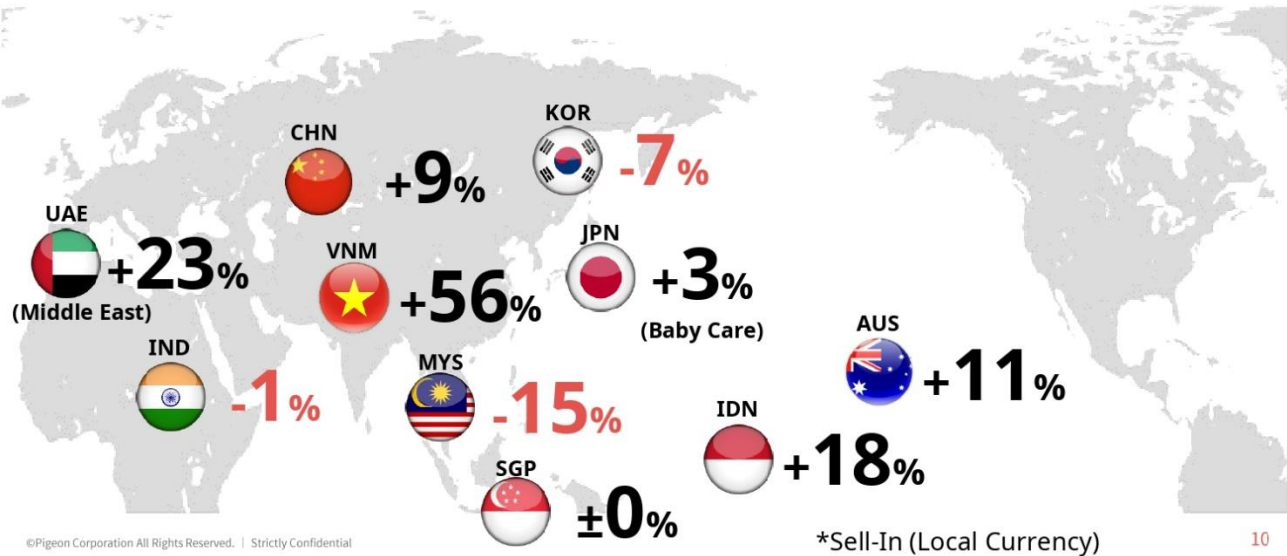
Sales in Europe also increased, mainly due to the initial shipment of a new product, the breast pump (Wearable Pump), as well as nipple creams, our mainstay product line. Sales of postpartum & recovery care products, on which Lansinoh is currently focusing, grew by double digits YoY, and continued to show strong growth in Europe, especially in Germany, UK, and Benelux.

Sales of nursing bottles/nipples in the European and U.S. markets grew by more than +30% YoY. In the U.S., sales were particularly strong in multiple bottles tailored to market needs.

Although the gross profit margin of the Lansinoh business deteriorated by -1.8 percentage points YoY, profits increased, partly due to an increase in gross profit from higher sales.

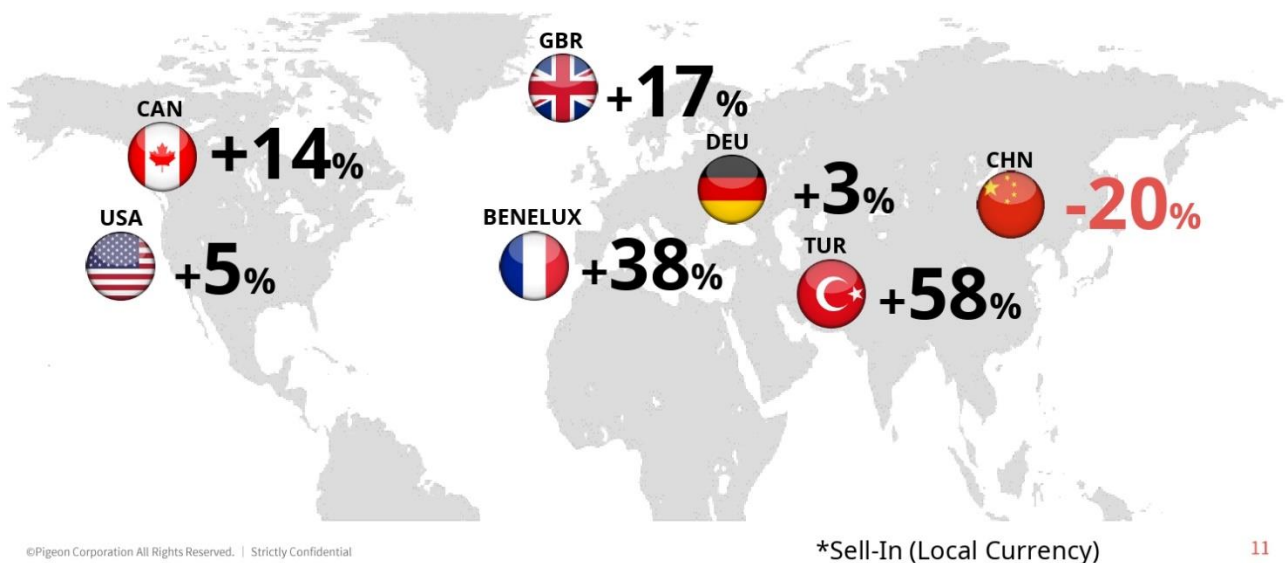


## FY 2025 Q1 Results - Pigeon Sales\* by Region (YoY)



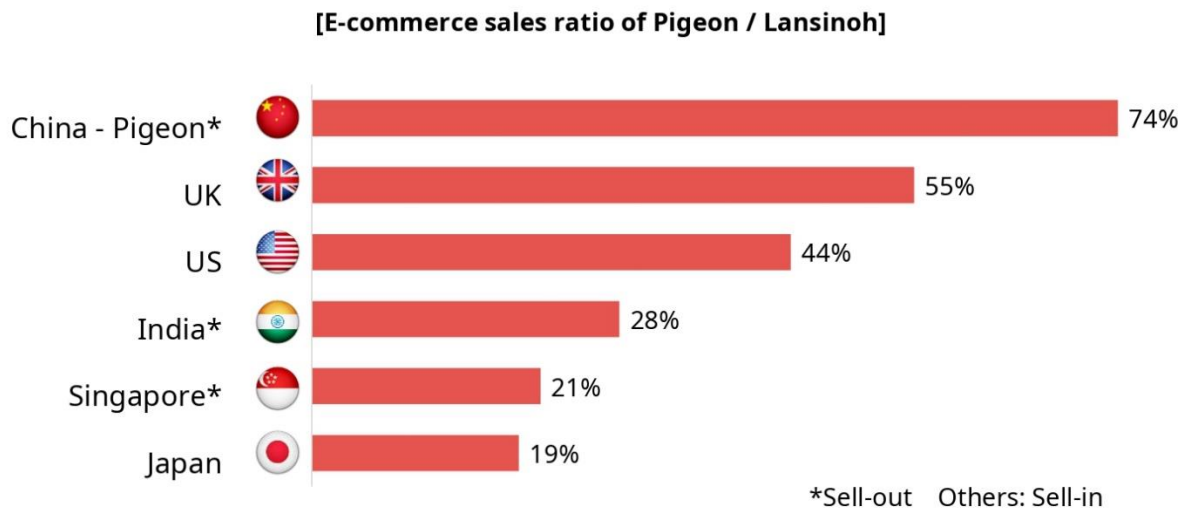
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## FY 2025 Q1 Results - Lansinoh Sales\* by Region (YoY)



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## FY2025 Q1 Results - EC Sales Ratio in Key Markets



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Pages 10 to 12 provide the Q1 sales in local currencies for both Pigeon and Lansinoh brands across major markets, as well as the e-commerce ratios for key markets.

## [Reference] Press release announced today (May 13)

### Signed a partnership agreement ("the agreement") with Japan Activation Capital, Inc. ("JAC") to enhance corporate value

#### Purpose of the Agreement

To achieve our purpose, which is "to make the world more baby-friendly by furthering our commitment to understanding and addressing babies' unique needs," we will strengthen and accelerate the execution of our strategy of strengthening existing areas and taking on challenges in new areas by making maximum use of JAC's strategic resources, deep expertise and extensive network, and aim to achieve sustainable growth and long-term corporate value creation.

JAC has already become a shareholder of Pigeon.

#### Overview of JAC

JAC is a fund that invests in TSE-listed companies, providing support as a significant shareholder for sustainable enhancement of corporate value based on mutual trust with company management.

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For your reference, here is the press release we issued today.

As of today, we have entered into a partnership agreement with Japan Activation Capital, Inc. ("JAC") to enhance our corporate value. The purpose of the agreement is to achieve the Company's purpose and to strengthen and accelerate the execution of its strategy of strengthening existing areas and taking on challenges in new areas by making maximum use of JAC's strategic resources, deep expertise, and extensive network, with the aim of achieving sustainable growth and enhancing corporate value.

JAC is a public equity investment fund that supports the sustainable growth and corporate value creation of its portfolio companies over the medium to long term. Acting as a key shareholder, JAC leverages its unique value creation capabilities through trust-based partnerships with management teams, aiming to enhance corporate value beyond capital contribution.

## [Reference] FY Dec. 2025 Earnings Forecast - Consolidated P&L

Full-year forecasts remain unchanged. Although it is difficult to calculate the impact of the U.S. tariffs at this time, we will closely monitor the situation and consider countermeasures to minimize the impact (e.g., change production sites, accelerate procurement, consider shifting prices).

Unit: Million JPY	Dec. 2024		Dec. 2025		
	Actual	% of Total	Forecast	% of Total	YoY Change
Net Sales	104,171	100.0%	109,700	100.0%	105.3%
Cost of Sales	52,799	50.7%	55,400	50.5%	104.9%
Gross Profit	51,372	49.3%	54,300	49.5%	105.7%
SG&A Expenses	39,233	37.7%	41,400	37.7%	105.5%
Operating income	12,139	11.7%	12,900*	11.8%	106.3%
Ordinary income	13,282	12.8%	12,900*	11.8%	97.1%
Net Income Attributable to Owners of Parent	8,371	8.0%	8,400	7.7%	100.3%

\* Subsidy income not included

[Currency Rates] 2025 Forecast: US\$1 = JPY 147.00 CNY 1 = JPY 21.00  
2024 Results: US\$1 = JPY 151.48 CNY 1 = JPY 21.04

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This is the forecast for the full year.

We have not changed its original forecast announced in February of this year

Although it is very difficult to calculate the impact of the U.S. tariffs at this point, we will closely monitor the situation, consider countermeasures, and work to minimize the impact.

This is a summary of the Q1 results.

## Questions and Answers

\*Questions and answers are listed by business category.

### **Group Consolidated**

#### **Q. How was the sales and profits by consolidated and by business against internal plans?**

A. Consolidated sales for Q1 exceeded internal plan slightly. Gross profit was also slightly higher, and SG&A expenses were in line with expectations, resulting in operating income that was slightly above the plan.

By business segment, sales in China and Lansinoh exceeded the plan, while sales in Japan and Singapore were almost in line with the plan. Operating income in Singapore and Lansinoh slightly exceeded the plan, while operating income in Japan and China were almost in line with the plan.

#### **Q. What is the expected impact of the U.S. tariffs?**

A. It is very difficult to estimate the impact of the U.S. tariffs at this time, as the situation is changing daily. For example, milk storage bags and nursing pads are exported to the U.S. from Thailand, glass nursing bottles from China, and plastic nursing bottles from Turkey.

At this point, we are not experiencing any difficulties in procuring products due to the tariffs, but we will continue to monitor the situation closely and consider measures such as changing production sites, accelerating procurement, and shifting prices, and if necessary, we will take immediate action to minimize the impact of the tariffs.

#### **Q. What specific effects do you expect from the partnership agreement with JAC?**

A. By making maximum use of JAC's numerous resources and networks, from marketing strategies to business management methods, we hope to strengthen our ability to execute our strategy of strengthening existing areas and taking on challenges in new areas, and to speed up the process. We are currently discussing specific measures with JAC.

### **China Business**

#### **Q. What are the factors behind the continued recovery of the nursing bottles/nipples market share?**



A. We have been able to recover our market share thanks to the success of our marketing activities and enhanced brand exposure that we have continued since the previous year. Although the number of births in mainland China in 2024 was slightly higher than in 2023, we understand that the impact on the market environment is limited and that we need to continue to strengthen our measures.

**Q. What was the reason for the growth in online and offline sell-outs?**

A. With regard to online sales, we believe that the results of the promotion and branding activities we conducted during the previous year, focusing on nursing bottles/nipples, are continuing this year, and that we have been able to further enhance the promotional content from the beginning of the year, based on the experience of the previous year. Specifically, video content on TikTok and Redbook has been enhanced to increase the number of views.

In the offline business, the company believes that sell-outs have increased due to the effects of sales promotions concentrated on some of the excellent distributors.

**Japan Business**

**Q. Have you factored in the impact of price hikes due to the price revision to be implemented in June in your original plan?**

A. Yes, to some extent.

**Singapore Business**

**Q. What is the reason why sell-out in India increased YoY while sell-in decreased -1%?**

A. Sell-in in India fell below the previous year's level due to a month-long delay in shipments at the end of Q1, but this is not a problem since sell-out grew YoY. From Q2 onward, we intend to achieve positive growth in sell-in as well by producing results through distribution reforms centered on the EC and Quick Commerce channels.

**Q. What is the outlook for the Singapore business in Q2 onward?**

A. Sell-out is recovering in an increasing number of countries, mainly due to the effect of brand renewal of wide-neck nursing bottles. From Q2 onward, we hope to recover from the results of the previous year, when it took time for distribution inventories to normalize.

**Lansinoh Business**

**Q. What was the reason for the YoY decline in sales of breast pumps in North America?**

A. In North America, the main reasons are that the boost from new breast pumps introduced in the Q1 of the previous year has run its course, and new competing brands have entered the DME channel.

The same model of breast pump introduced in North America last year was also launched in Europe this year, and sales were strong, resulting in a YoY increase in overall Lansinoh breast pump sales.

**Q. What is the reason for the -1.8 percentage points YoY deterioration in gross profit margin?**

A. The currently well-selling breast pump model does not have as high a gross profit margin as our mainstay nipple creams and breast care products, so the sales mix has slightly impacted the overall gross profit margin.

####