

Summary of the Financial Results Earnings Webcast for Q1 FY Dec. 2026

Note: This "Briefing Summary" is a summary of presentation at the results briefing. Forward-looking statements in this document are based on management's assumptions and beliefs considering the information currently available to Pigeon group, and are subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those contained in the forward-looking statements.

In the event of discrepancy between the English version and the Japanese version of the summaries, the Japanese-language version shall prevail.

[Date & Time]. Thursday, May 14, 2026 17:00 - 18:00 JST

[Speakers] 3

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

Executive Summary



FY2026 Q1 Earnings

**Q1 of New Mid-term Management Plan:
Both sales and operating income exceeded both the prior-year figures and budgeted figures, marking a strong start**

- **Consolidated Results: Both sales and operating income exceeded the previous year's figures and the budgeted figures.**
Although net income was on par with the previous year due to taxes and other factors, the profitability of our core business has steadily improved.
- **By Business Segment: All segments achieved sales growth.**
- **"Growth investments for market penetration" in North America was offset by profit growth in other regions, and consolidated operating income also exceeded the plan.**

Sales	Operating Income
27,707 million yen	3,645 million yen
YoY +9.8 %	YoY +14.1 % OP Margin 13.2%

Outlook for Q2 and Beyond

- **Prompt Response to Geopolitical Risks:**
We are closely monitoring the impact of the situation in the Middle East and are actively exploring measures to take in response, including securing alternative materials and diversifying procurement channels. We are focused on minimizing the impact on our business performance.
- **Capturing Demand and Strengthening Profitability:**
Boost profitability through a review of our cost structure while reliably capturing solid demand.
- **Striving to Achieve Mid-Term Management Plan:**
We will execute resilient growth strategies in North America, China, and other regions. The entire company will work as one to achieve our full-year targets and Mid-Term Management Plan.

© Pigeon Corporation All Rights Reserved. 3

Kanatsuka: Please look at page 3 of the materials, "Executive Summary."

Our consolidated financial results for this Q1 achieved net sales of ¥27.707 billion, up 9.8% YoY. Operating income reached ¥3.645 billion, an increase of 14.1% YoY.

In Q1 of the initial year of our new Medium-Term Management Plan, both net sales and operating profit exceeded the previous year's levels as well as our internal targets, allowing us to make a strong start.

Profit attributable to owners of parent remained on par with the previous year due to tax-related adjustments and other factors; however, the profitability of our core business is steadily improving.

By business segment, we successfully achieved revenue growth across all operations. In line with the North American strategy outlined in the Medium-Term Business Plan, we executed growth investments to capture the North American market. These investments were fully offset by profit growth in other regions, enabling consolidated operating income to exceed our plan.

Our outlook from Q2 onward focuses on two key priorities.

First, we will aim to respond immediately to geopolitical risks, such as the situation in the Middle East. Second, we will fulfill the robust global demand from our customers, babies and their families, while strengthening our profit structure through a comprehensive re-examination of our cost structure. We will work as one company to forge ahead diligently, not only toward the goals for this fiscal year announced in February but also toward achieving the milestones of the Mid-Term Management Plan.

Both sales and operating profit exceeded both the prior-year figures and the budgeted figures

While net income remained on par with the previous year due to taxes and other factors, the profitability of the core business improved steadily.

(Unit: Million JPY)	Q1 / Dec. 2025		Q1 / Dec. 2026		
	Actual	% of Total	Actual	% of Total	YoY Change
Net Sales	25,227	100.0%	27,707	100.0%	109.8%
Cost of Sales	12,331	48.9%	13,493	48.7%	109.4%
Gross Profit	12,896	51.1%	14,214	51.3%	110.2%
SG&A Expenses	9,702	38.5%	10,569	38.1%	108.9%
Operating Income	3,193	12.7%	3,645	13.2%	114.2%
Ordinary Income	3,214	12.7%	3,697	13.3%	115.0%
Net Income Attributable to Owners of Parent	2,331	9.2%	2,309	8.3%	99.1%

* Currency Rates: FY2026 Q1 results: US\$1 = JPY 156.89, CNY 1 = JPY 22.65; FY2025 Q1 results: US\$1 = JPY 152.62, CNY 1 = JPY 20.97

Next is page 4, the Consolidated Statement of Income.

As mentioned earlier, net sales were ¥27.707 billion, representing 109.8% of the previous year's level, and operating profit was ¥3.645 billion, or 114.2% YoY.

Gross profit also progressed smoothly to ¥14.214 billion, at 110.2% compared to the previous year.

Net income attributable to owners of parent landed at ¥2.309 billion, or 99.1% YoY. We hope you can recognize that the underlying profitability of our core business is strengthening securely.

FY2026 Q1 Results - By Business Segment (YTD 3 months)



Revenue increased YoY across all business segments

The Baby Care segment in Japan also posted strong sales growth despite a declining birth rate.

"Growth investments for market penetration" in North America were offset by profit growth in other regions, resulting in a YoY increase in consolidated operating income.

(Unit: Million JPY)	Q1 / Dec. 2025 YTD				Q1 / Dec. 2026 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
Consolidated Net Sales	25,227	—	51.1%	3,193	27,707	—	109.8%	51.3%	3,645
Japan Business	8,635	34.2%	33.9%	441	9,437	34.1%	109.3%	35.2%	815
China Business	9,372	37.2%	57.6%	2,719	10,953	39.5%	116.9%	55.7%	2,904
Singapore Business	3,454	13.7%	41.9%	504	3,585	12.9%	103.8%	43.2%	510
Americas and Europe Business	5,643	22.4%	56.0%	465	6,146	22.2%	108.9%	54.3%	453
Elimination of inter-segment transactions	(1,877)	(7.4%)	—	—	(2,415)	-8.7%	—	—	—
[Reference] Breakdown of Japan Business									
Baby Care	6,463	—	37.9%	503	6,922	—	107.1%	40.5%	817
Childcare Services	879	—	17.5%	59	877	—	99.8%	18.4%	62
Health & Elder Care	850	—	33.7%	22	959	—	112.8%	31.4%	42

© Pigeon Corporation All Rights Reserved.

5

Next is page 5, which outlines the profit and loss status by business segment.

We achieved YoY sales growth across all segments: Japan, China, Singapore, and Americas and Europe. In Japan business in particular, despite the ongoing decline in the number of births, we achieved strong sales growth within the baby care category.

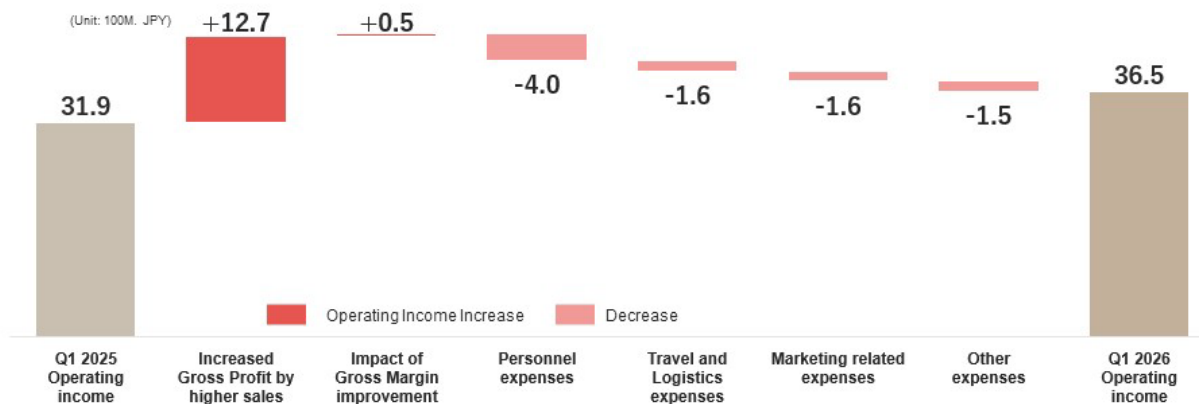
Furthermore, while we are aggressively executing growth investments in North America, profit growth in other geographic regions effectively compensated for this, contributing to the overall increase in consolidated operating income.



FY2026 Q1 Results - Change in Operating Income (YoY)

Consolidated operating income increased due to higher sales and an improved gross margin

This increase of approximately 500 million yen in operating income covered the costs of growth investments in each business segment.



© Pigeon Corporation All Rights Reserved. 6

Moving on to page 6. This page provides an analysis of the YoY changes in consolidated operating income.

Operating profit of Q1 increased from ¥3.19 billion last year to ¥3.65 billion this year.

As for positive drivers, the increase in gross profit driven by sales growth made a significant contribution of plus ¥1.27 billion. Furthermore, improvements in the gross profit margin had a positive impact of ¥50 million.

On the other hand, negative factors primarily related to an increase in expenses driven by the execution of growth investments and business expansion in each business segment. Specifically, profit was negatively impacted by ¥400 million from personnel expenses, ¥160 million from logistics costs, ¥160 million from marketing-related expenses, and ¥150 million from other expenses.

As a result, we successfully absorbed these expense increases and growth investments, achieving an overall increase in operating income of approximately ¥500 million.



Japan Business

Sales and profits increased thanks to continued strong performance in baby care appliances, baby food, and skincare products.

Sales
9,437 million yen
 YoY **109.3%**

Segment profit
815 million yen
 YoY **184.7%**

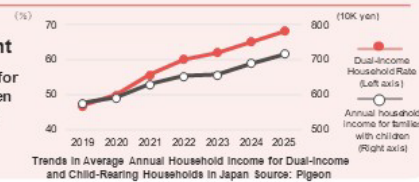
Point

- **Sales Trends (by Product Category)**
 - ✓ Driven by high-value-added products: Growth in baby care appliances, baby food, and skincare
 - ✓ Price adjustments: Price adjustments implemented for some baby food products (starting in March)
- **Sales Channel Trends**
 - ✓ Company-owned EC: Sales showed strong YoY growth
 - ✓ Other channels: Offline sales improved YoY
- **PL Trends**
 - ✓ Profit growth achieved: Gross profit and operating profit increased due to the expansion of high-value-added products and improved factory profit margins. Operating profit margin improved by 3.5pt
 - ✓ Portfolio review: Discontinued production and sales of strollers and bouncers

Topic

Market Environment

Household income for families with children on an upward trend



© Pigeon Corporation All Rights Reserved. 7

From here, I will explain the highlights of each business.

Page 7 covers the Japan Business.

Net sales were ¥9.437 billion, representing 109.3% YoY, and segment profit achieved a substantial increase to ¥815 million, reaching 184.7% YoY, thereby delivering robust profit growth.

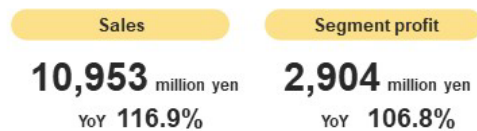
Performance continues to be strong, driven by high value-added products such as baby care appliances, baby food, and skincare. Another key highlight is the powerful growth of sales through our own e-commerce platform.

Backed by margin improvements at our factories, the OP margin improved by 3.5 percentage points. Please note that as part of our continuous portfolio review, we have terminated the production and sale of strollers and bouncers.



China Business

Higher sales and profits driven by the steady growth of core products.
Higher gross profit driven by revenue growth offset upfront investments for E-commerce sales events from Q2 onwards.



Point

- **Sales Trends (by Product Category)**
 - ✓ Strong performance of core products (Mainland China): Growth in both nursing bottles/nipples and skincare
 - ✓ Skincare: Accelerating recovery with new series launched last year
 - ✓ The Pigeon brand in North America* also saw dramatic YoY growth of approximately 120%
- **Sales Channel Trends**
 - ✓ Market share of core nursing bottles/nipples: Continued growth
 - ✓ EC and sell-out: Strong performance maintained, particularly online
 - ✓ Sales event performance: Strong results for "Women's Day" with GMV up approximately 20% YoY
- **PL Trends**
 - ✓ Achieved profit growth: Despite upfront investments for the EC sales season starting in Q2 and new product promotions

Topic

Market Environment

- 🇨🇳 China: The decline in birth rate is slowing.
- 🇰🇷 South Korea: The total fertility rate rebounded to 0.8 in 2025 and reach 0.82 in Q1 2026. Signs of a recovery in the birth rate.

*Note: The Pigeon brand in North America is included in the China Business segment.

© Pigeon Corporation All Rights Reserved. 8

Next is page 8, the China Business. Net sales were ¥10.953 billion, at 116.9% YoY. Segment profit was ¥2.904 billion, or 106.8% YoY.

In mainland China, our core nursing bottles and nipples performed well, and skincare products showed significant growth, boosted by the new series launched last year.

In addition, sales of the Pigeon brand in the North American region grew dramatically by approximately +120% YoY. While executing upfront investments to prepare for upcoming e-commerce shopping festivals and new product promotions from Q2 onward, we successfully secured an increase in operating profit.



Singapore Business

Thanks to the steady progress of our strategy to shift toward wide-neck bottles, we achieved both **increased sales and higher profits.**



Point

• Sales Trends (by Region)

- ✓ Malaysia and Australia: Strong sales of bottles/nipples, etc. in Q1
- ✓ Trends in key countries:
 - India: Growth driven by QC (express delivery) and MT (pharmacy chains)
 - Indonesia: Sales on par with the previous year due to shipment timing. Sales of wide-neck nursing bottles growing
- ✓ Impact of the Middle East situation: Decline in March sales due to Middle East market conditions

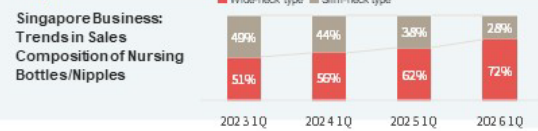
• Sales Channel Trends

- ✓ Indonesia: Plans to introduce strategic products targeting the upper-middle class to major CVS chains in June

• PL Trends

- ✓ Profit growth achieved: Gross margin improved by 1.3pt due to the shift to wide-neck bottles

Topic



© Pigeon Corporation All Rights Reserved. 9

Page 9 shows the Singapore Business.

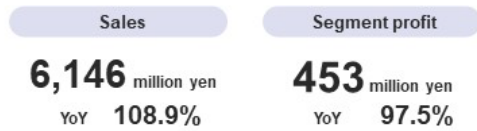
Net sales came in at ¥3.585 billion, at 103.8% YoY, and segment profit was ¥510 million, or 101.3% YoY. Nursing bottles and nipples performed strongly in Malaysia and Australia, and express delivery and pharmacy chains successfully drove growth in India.

Our core strategy of promoting the transition to wide-neck nursing bottles is progressing steadily, driving a 1.3 percentage point improvement in the gross margin. Regarding sales to the Middle East, while we experienced a slight negative impact on revenue in March, the overall effect remains extremely limited.



Americas and Europe Business

Sales increased due to strong sales of nursing bottles and other products in the Americas and Europe. Although profits declined slightly due to upfront marketing expenses, they remained in line with projections.



Point

- **Sales Trends (by Region and Product Category)**
 - ✓ Nursing bottles in North America: **Significant growth compared to both the previous period and the budget.** Strengthening promotional initiatives to acquire new customers and raise brand awareness
 - ✓ Other products in North America: Nipple care cream sales were steady
 - ✓ Europe: Double-digit growth in all major countries (Germany, UK, Turkey, France, etc.). Nursing bottles, nipples, and breast pumps performed particularly well
- **Sales Channel Trends**
 - ✓ Major North American retailers: Secured new shelf space in nursing bottle and nipple sections
- **PL Trends**
 - ✓ Progressing in line with plan: Upfront investment in marketing expenses to penetrate the U.S. market

Topic



*Note: The Pigeon brand in North America is included in the China Business segment.

© Pigeon Corporation All Rights Reserved. 10

Page 10 covers the Americas and Europe Business. Net sales were ¥6.146 billion, representing 108.9% YoY, and segment profit was ¥453 million, or 97.5% YoY.

In North America, sales of nursing bottles expanded significantly, substantially exceeding both our plans and the previous year's levels. In Europe, performance was also exceptionally robust, with all major countries achieving double-digit growth.

At major North American retailers, we newly secured valuable shelf space in the nursing bottle and nipple section. Although segment profit decreased slightly due to upfront marketing expenses deployed to capture the U.S. market, performance is progressing smoothly and remains fully on track against our plan.



[Reference] FY Dec. 2026 Earnings Forecast - Consolidated P&L

(Unit: Million JPY)	Dec. 2025		Dec. 2026		
	Actual	% of Total	Forecast	% of Total	YoY Change
Net Sales	109,170	100.0%	113,500	100.0%	104.0%
Cost of Sales	54,331	49.8%	55,000	48.5%	101.2%
Gross Profit	54,839	50.2%	58,500	51.5%	106.7%
SG&A Expenses	41,680	38.2%	44,600	39.3%	107.0%
Operating Income	13,158	12.1%	13,900 ^{*2}	12.2%	105.6%
Ordinary Income	13,681	12.5%	14,150 ^{*2}	12.5%	103.4%
Net Income Attributable to Owners of Parent	8,570	7.9%	9,140	8.1%	106.7%

* Currency Rates: FY2026/12 (Forecast): US\$1 = JPY 150.00, CNY 1 = JPY 21.50; FY2025/12 (Actual): US\$1 = JPY 149.66, CNY 1 = JPY 20.82

*2 Subsidy income not included

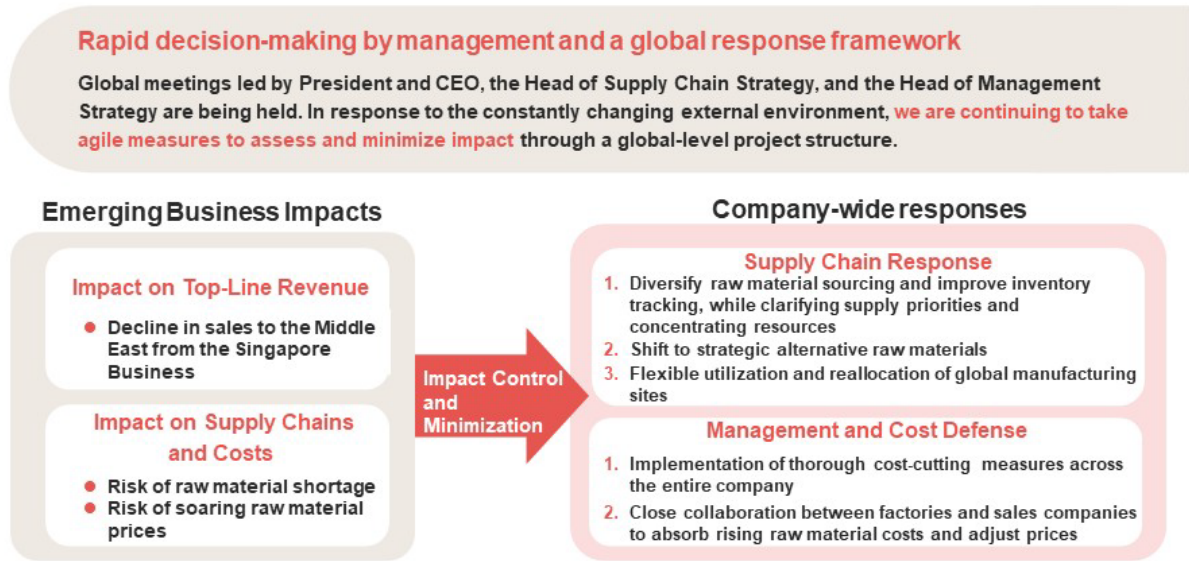
© Pigeon Corporation All Rights Reserved. 11

Please turn to page 11. For your reference, we have presented our full-year earnings forecast for the FY2026. As noted at the beginning, there are no changes to our full-year earnings forecast from the initial plan announced in February this year.

Meanwhile, the impact of the situation in the Middle East remains uncertain, making it difficult to accurately quantify at this stage. We will closely monitor developments and implement flexible countermeasures to minimize any negative effects. We remain fully committed to achieving our initial full-year targets.



Business Impact of the Middle East Situation and Company-wide Countermeasures



© Pigeon Corporation All Rights Reserved. 12

Finally, please turn to page 12, where I will explain the business impact of the situation in the Middle East and our company-wide countermeasures.

To reiterate, the impact of the situation in the Middle East remains uncertain, making it difficult to accurately quantify at this stage.

Regarding the impacts beginning to materialize, we have seen a top-line effect on sales to the Middle East within the Singapore Business. However, given the limited sales volume in this region, we view the overall impact as extremely limited.

Looking ahead at potential risks to our supply chain and costs, we are closely monitoring the risks of raw material shortages and surging prices. At present, we are confident in our ability to secure inventory for our major products through the end of the year. While there is a possibility of a partial impact from surging prices, we are advancing company-wide measures to control and minimize the overall impact of the situation in the Middle East.

Specifically, we are diversifying our raw material procurement, clarifying product priorities based on accurate inventory tracking, strategically shifting to alternative raw materials, and flexibly reallocating our global manufacturing bases. Furthermore, we plan to implement thorough cost reductions across the Group and address pricing through cost pass-throughs, enabled by close collaboration between our factories and sales companies. Through global meetings led by the President, we will continue to make swift decisions and respond flexibly to the constantly changing external environment.

Moreover, because our Q1 results exceeded our plan, we have secured a buffer. Consequently, the impact on the full-year plan is expected to be capped at several hundred million yen on an operating income basis.

Our core business maintains strong performance. By driving the multifaceted measures we have outlined, we remain fully committed to achieving our initial full-year targets.

This concludes the presentation of our Q1 financial results.

Q&A Summary

*Questions and answers are listed by topic and business segment.

[Overall (Impact of the Middle East Situation)]

Q. What is the estimated impact of the situation in the Middle East and raw material procurement on full-year financial results, and do you expect to achieve your initial targets?

A. We estimate the maximum impact of surging costs associated with the situation in the Middle East to be several hundred million yen for the full year. Regarding the achievement of our initial plan, our Q1 performance has exceeded our targets, and our core business maintains strong performance. Furthermore, as outlined on page 12 of the Financial Results Presentation Material, we are implementing company-wide, cross-functional measures, such as diversifying suppliers and reducing internal costs. The entire Group is working as one, and we remain fully committed to achieving our initial full-year targets.

Q. In which business segments do you expect the impact of the situation in the Middle East to materialize, and will there be any effect on raw materials?

A. Regarding the top line, we are seeing an effect on sales to the Middle East. We expect this to occur within the Singapore Business, although the financial impact is projected to be limited relative to consolidated net sales. On the cost side, we currently anticipate impacts primarily within the Singapore Business and the Japan Business.

Q. How do you view the impact on raw material procurement for nursing bottles, as well as the effect of surging logistics costs on expenditures and demand?

A. While there were concerns about tight supply and demand for polypropylene (PP) and other raw materials used in plastic nursing bottles, we proactively explored countermeasures from the beginning of the fiscal year. As a result, we have successfully established a multi-vendor purchasing system and diversified our production bases. Furthermore, one of our strengths is offering a product lineup made of materials such as polyphenylsulfone (PPSU), which presents fewer concerns regarding supply constraints. Therefore, we are confident in our ability to secure sufficient inventory for shipments through the end of the year, and we foresee no supply issues. The rise in logistics costs, particularly within the Americas and Europe Business, has already been factored into our forecasts, and we expect to absorb these expenses through other cost-reduction measures. On the demand side, because nursing bottles are daily necessities, we do not anticipate any negative impact at this time.

[Overall (Other Topics)]

Q. Regarding net sales and profit for the first quarter, which business segments exceeded your plan?

A. Net sales exceeded our plan in three segments: the Japan Business, the China Business, and the Americas and Europe Business. The China Business substantially outperformed our targets, aided by positive foreign exchange impacts, while the Japan Business and the Americas and Europe Business also exceeded expectations. Conversely, the Singapore Business fell slightly short of our plan due to the impact on shipments to the Middle East. Operating income also generally outperformed our targets, tracking in line with net sales. In the Americas and Europe Business, operating income progressed largely as expected, factoring in the execution of upfront investments.

Q. How do you assess the impact of the discontinuation of the baby stroller and bouncer business on net sales and profit?

A. Given the limited revenue contribution of this business relative to our consolidated net sales, we expect the impact of this discontinuation on our overall financial results to be negligible.

[China Business]

Q. Could you share the current status and your assessment of sell-in and sell-out in mainland China for Q1?

A. On a local currency basis, sell-in achieved an increase of 2.0% YoY, and overall sell-out rose by 0.8% YoY. Both metrics surpassed previous-year levels and are progressing as planned. A breakdown of sell-out shows that online sales grew by 0.9% YoY, while offline sales increased by 0.5% YoY, successfully returning to positive growth. Under our new Mid-Term Management Plan, which emphasizes a commitment to enhancing profitability, we implemented measures such as selectively scaling back investments in low-margin channels. In Q2, we intend to leverage our Q1 upfront investments to deliver strong results during the upcoming 618 e-commerce shopping festival.

Q. What is the current status of our market share for nursing bottles and the competitive environment?

A. In Q1, our market share in the nursing bottle category expanded organically compared to Q4 of the previous fiscal year. Although aggressive promotional spending and price increases by competitors may have had some impact, our competitive edge in nursing bottles remains firmly intact. We will continue driving market share expansion through the strategic introduction of new products.

Q. Are there differences in growth trends among the various types of nursing bottles?

A. Higher-priced age-up (straw-type) nursing bottles are performing exceptionally well, driving growth as they account for an increasing share of the overall nursing bottle category. For standard newborn types, we are proactively driving demand through the introduction of new materials and designs. Our strategy is to grow both categories in tandem.

Q. Have you seen any positive impacts, such as an increase in the number of births, in the South Korean market?

A. While we have not confirmed any dramatic changes in the number of births, Q1 net sales in South Korea progressed very strongly. Strategic initiatives, such as our pricing strategy, are proving highly effective, and we are confident in our ability to maintain this strong momentum going forward.

[Americas and Europe Business]

Q. What are the drivers behind the strong performance of nursing bottles in North America? Are temporary factors, such as infant formula safety issues promoting breastfeeding, contributing to this?

A. At present, we have not seen any indication that quality issues with infant formula have driven our nursing bottle sales. Rather, this strong performance is the direct result of executing our planned investments in e-commerce branding and promotions since the beginning of the fiscal year, alongside enhanced engagement with healthcare professionals and key opinion leaders (KOLs). This momentum is not temporary. As we continue to strengthen our brand awareness initiatives, we are confident in achieving continued high growth from Q2 onward.

Q. Will growing awareness of the microplastics issue in North America present a business opportunity?

A. As consumer concern regarding plastic materials continues to grow, we are indeed seeing strong sales performance for glass nursing bottles. Although the mainstream market for the Lansinoh brand in North America has traditionally been plastic-based, we offer a strong lineup of premium glass nursing bottles. We are confident that this will serve as a key driver for increasing average selling prices and further capturing market share in North America moving forward.

Q. Overall sales for the Lansinoh brand in the U.S. declined by 12%. What were the main factors behind this, and what is the anticipated future impact?

A. This decline is a reactionary decrease following the front-loaded demand from retailers last year ahead of the implementation of U.S. tariffs, which led to a YoY drop in sales. However, nursing bottles, which we have positioned as a core pillar of our Mid-Term Management Plan, continue to achieve steady growth, entirely unaffected by this temporary factor.

[Japan Business]

Q. What were the primary drivers behind the substantial profit increase in the Japan Business in Q1, and how do you view its sustainability moving forward?

A. The primary drivers of this profit increase were the strong performance of highly profitable products, such as baby care appliances, baby food, and nursing bottles, coupled with the positive impact of price revisions implemented last June and this March. As we do not foresee any significant changes in the current market or demand environment, we are confident in our ability to maintain this strong performance from Q2 onward.

[Singapore Business]

Q. Sales are declining in Southeast Asia, including Vietnam and Indonesia. Is this due to a drop in demand or the impact of the situation in the Middle East?

A. The decline in Q1 sales in Vietnam, Indonesia, and other areas was not caused by the situation in the Middle East or a drop in local demand, but was rather the result of temporary shipment delays.

####