

The 1st Half Year Business Results Briefing

(Fiscal Year Ending March 31, 2024)
April 1, 2023-September 30, 2023



Mandom Corporation
(Securities Code: 4917)



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Summary of 1st Half Year of FYE 2024/MAR

- **Net Sales** 37,133million yen

Consolidated Net Sales increased 13.7%,
exceeding the initial plan

Socioeconomic activities both in Japan and overseas have shifted to a recovery phase, and Overseas +36.8%, exceeding the FY Mar/21 level. Meanwhile, sales in Japan increased +6.0%, Sales in Indonesia increased by +7.9%.

- **Profit** 1,645million yen

Operating income increased 58.4%,
exceeding the initial plan.

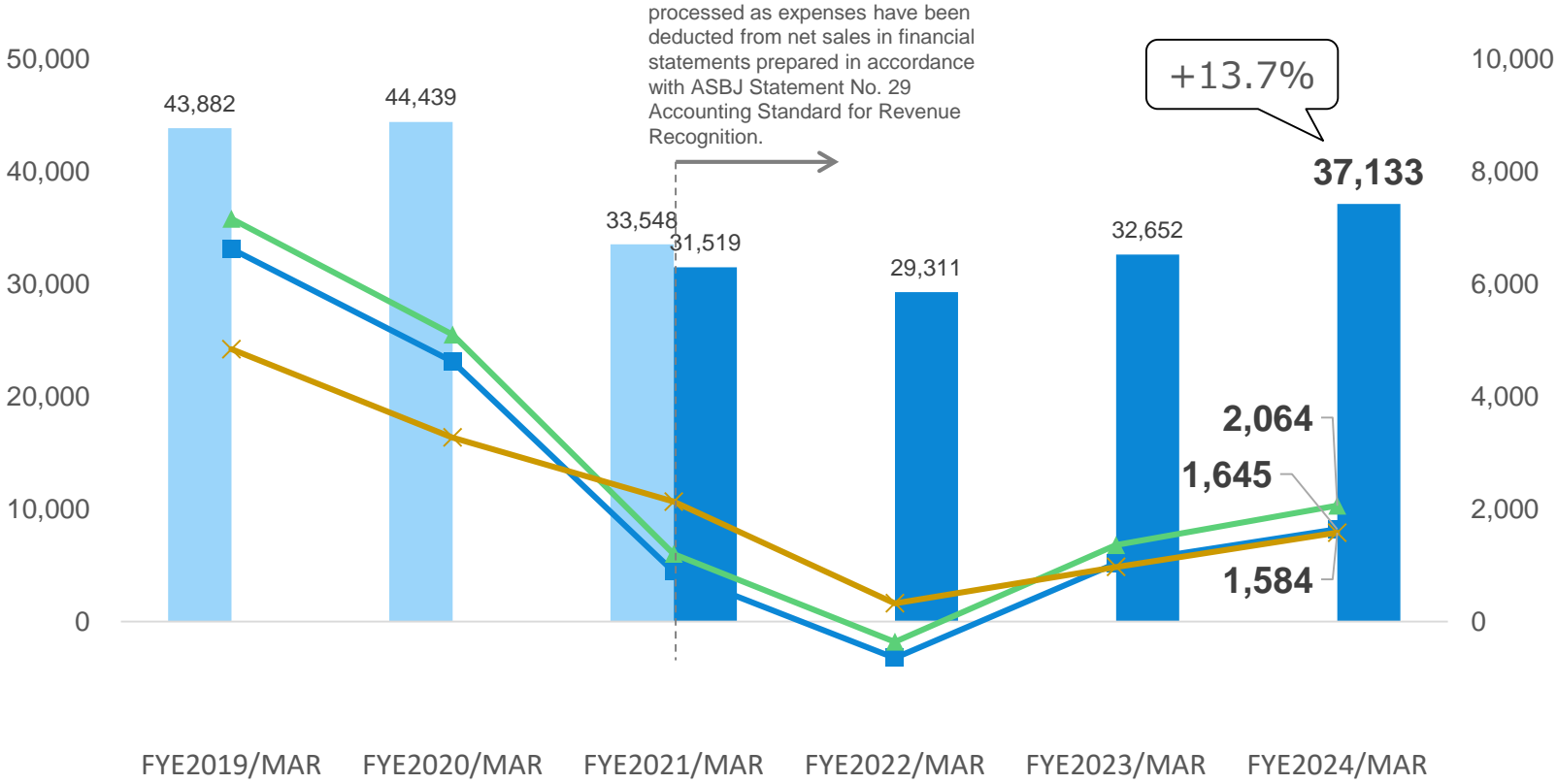
Consolidated operating profit increased significantly due to the effect of increased sales in overseas. Profit declined in Japan due to unplanned advertising expenses at April and a rise in the cost of sales ratio. Indonesia posted a loss of over 700 million yen. Overseas continued to be the driving force with an increase of 174.9%.

1. Consolidated Business Results

1. Consolidated Business Results

1) Consolidated net sales increased 13.7% due to higher sales in all regions. Consolidated profit increased 58.4%.

(millions of yen)



■ Consolidated Net Sales (new standard) ■ Consolidated Net Sales (Japan standard)
■ Operating Profit ▲ Ordinary Profit
× Net Income Attributable to Owners of the Parent

1. Consolidated Business Results <Net Sales>

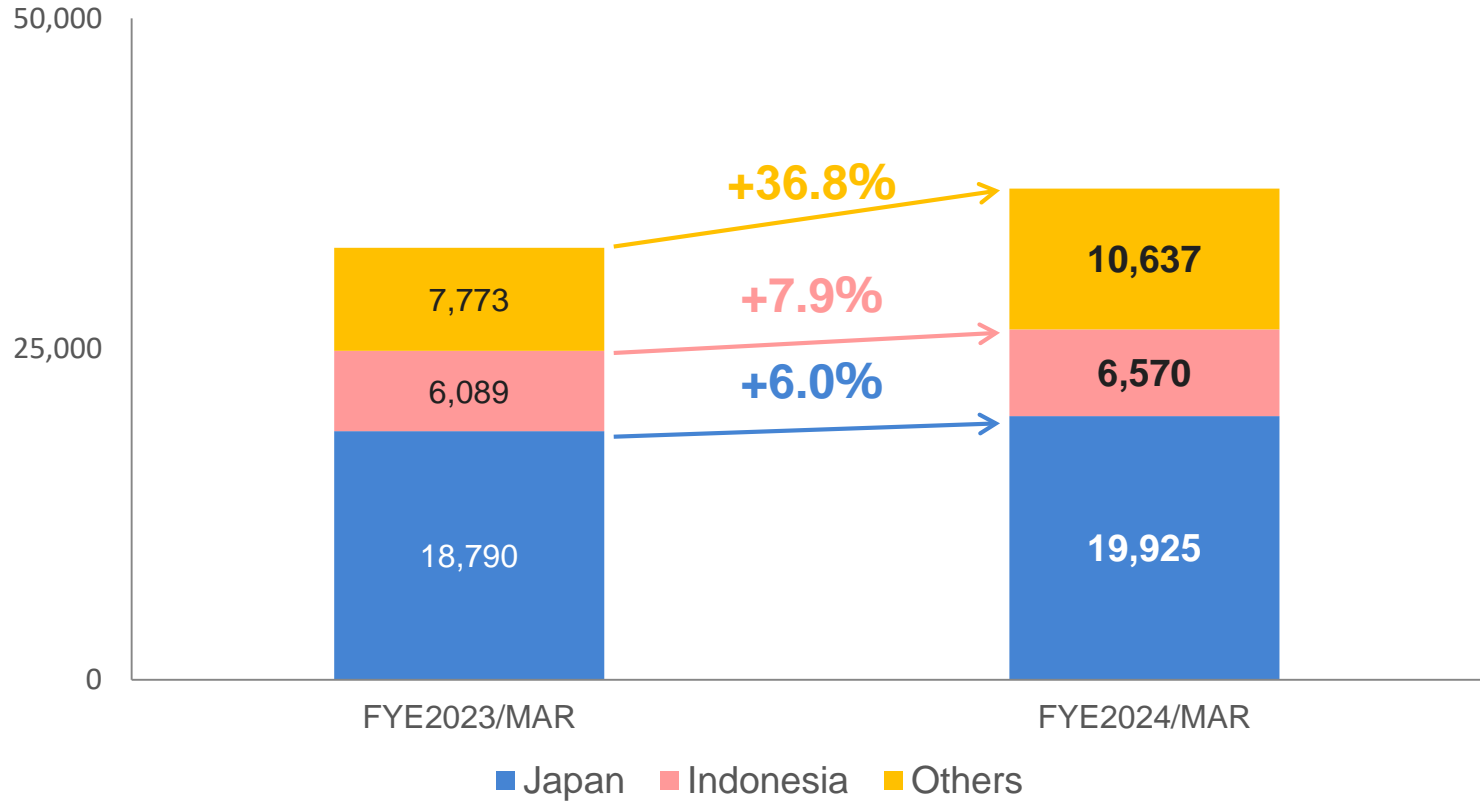


1) Sales increased in all regions.

Overseas sales continued to increase strongly.

• Japan: +6.0% despite sales expansion of summer season products due to the heat wave

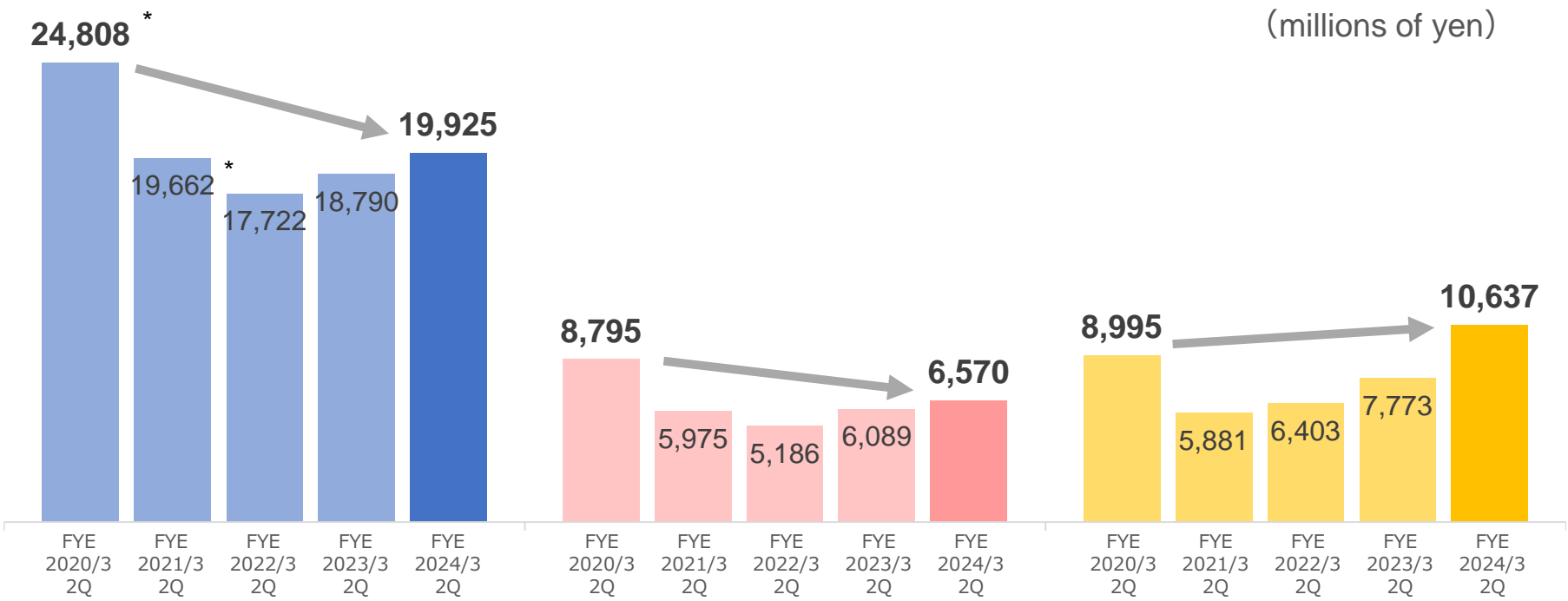
(millions of yen)



1. Consolidated Business Results <Net Sales>

1) Overseas has already surpassed the pre-COVID19(FY20/Mar) level, but Japan and Indonesia are still around 20% below the pre-COVID-19 level.

Overseas sales increased by more than 2.8 billion yen from the previous year due to strong sales in Southeast Asian countries.

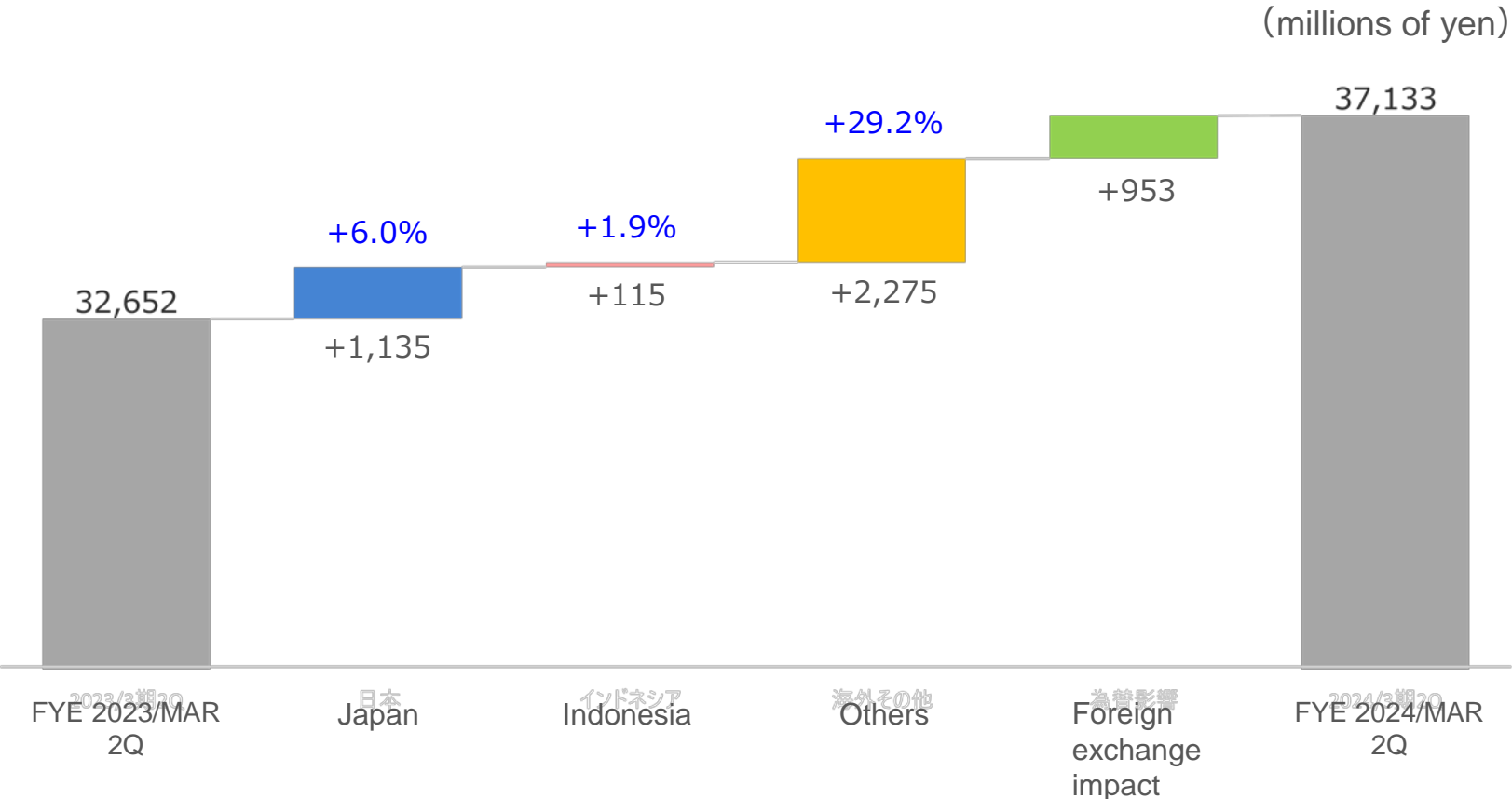


* 2020/3 and 2021/3 figures for Japan segment are converted to "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29)

1. Consolidated Business Results <Net Sales>



1) Overseas sales were driven by a large increase in sales and the positive impact of foreign exchange rates. Sales in Japan increased, partly due to the effects of a heat wave. On the other hand, growth in Indonesia stagnated.



* Indonesia and Others are converted from the previous year's rate.

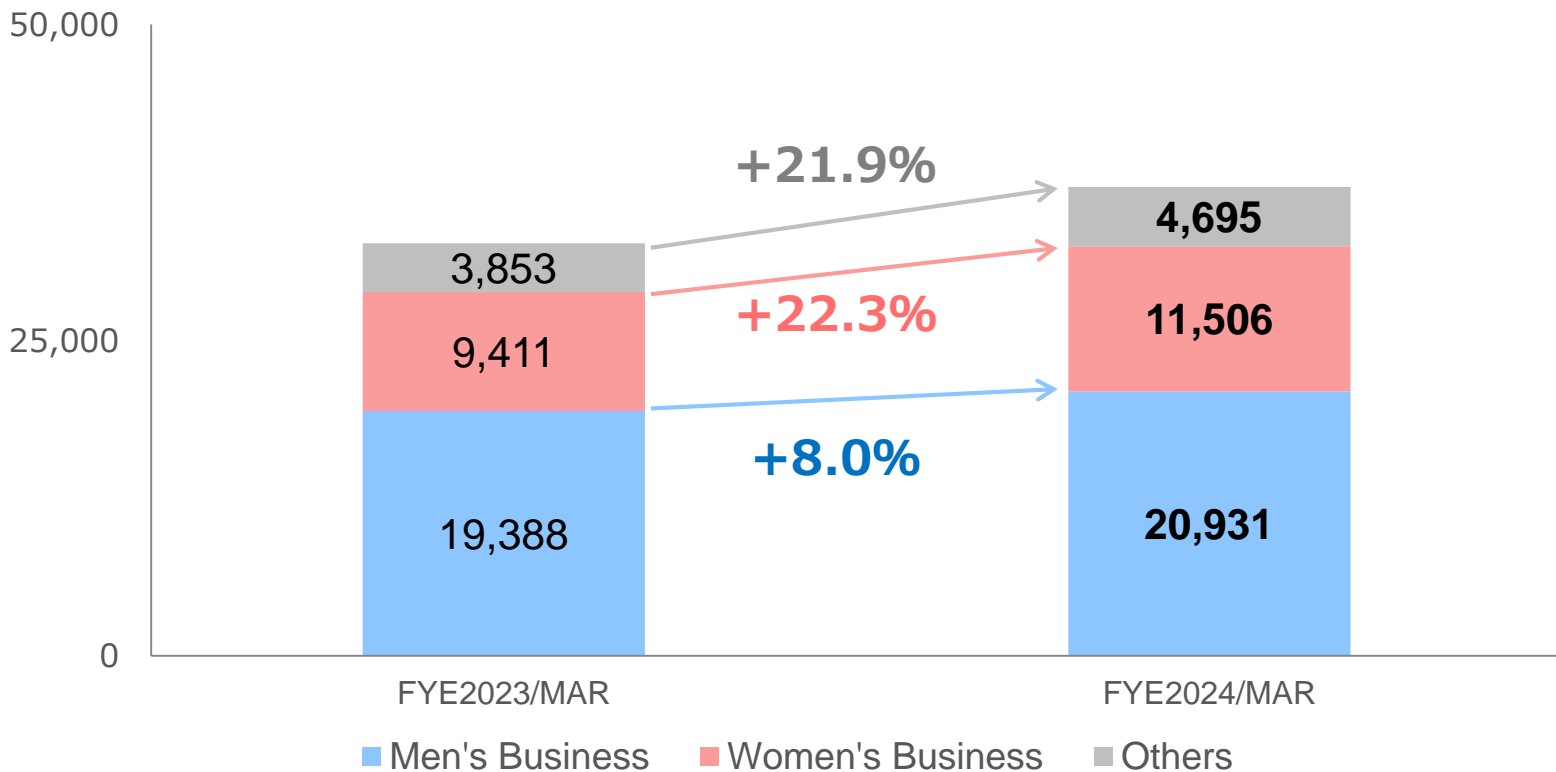
1. Consolidated Business Results <Net Sales>



1) In addition to summer season products in Japan, **women's Business** grew substantially both in Japan and overseas

- Summer season products grew due to the effects of the heat wave in Japan.
- Both in Japan and overseas, sales of Bifesta and Silky Girl grew substantially as women's makeup opportunities recovered.

(millions of yen)

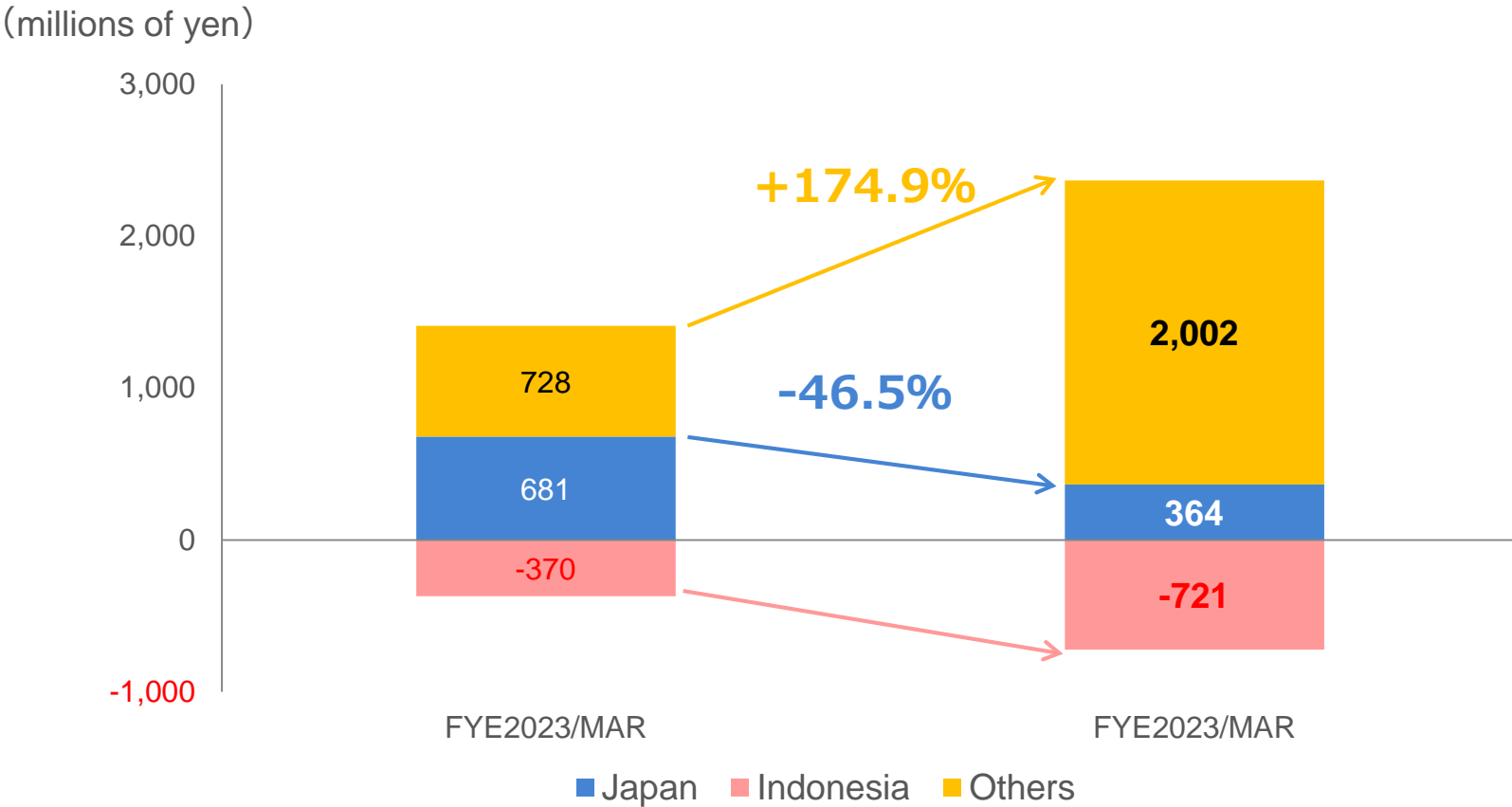


1. Consolidated Business Results <Operating Profit>



2) Operating loss in Indonesia increased, but overseas sales covered it.

- Operating loss in Indonesia increased to 720 million yen.
- Japan also fell short of the initial plan, resulting in a decrease in profit.

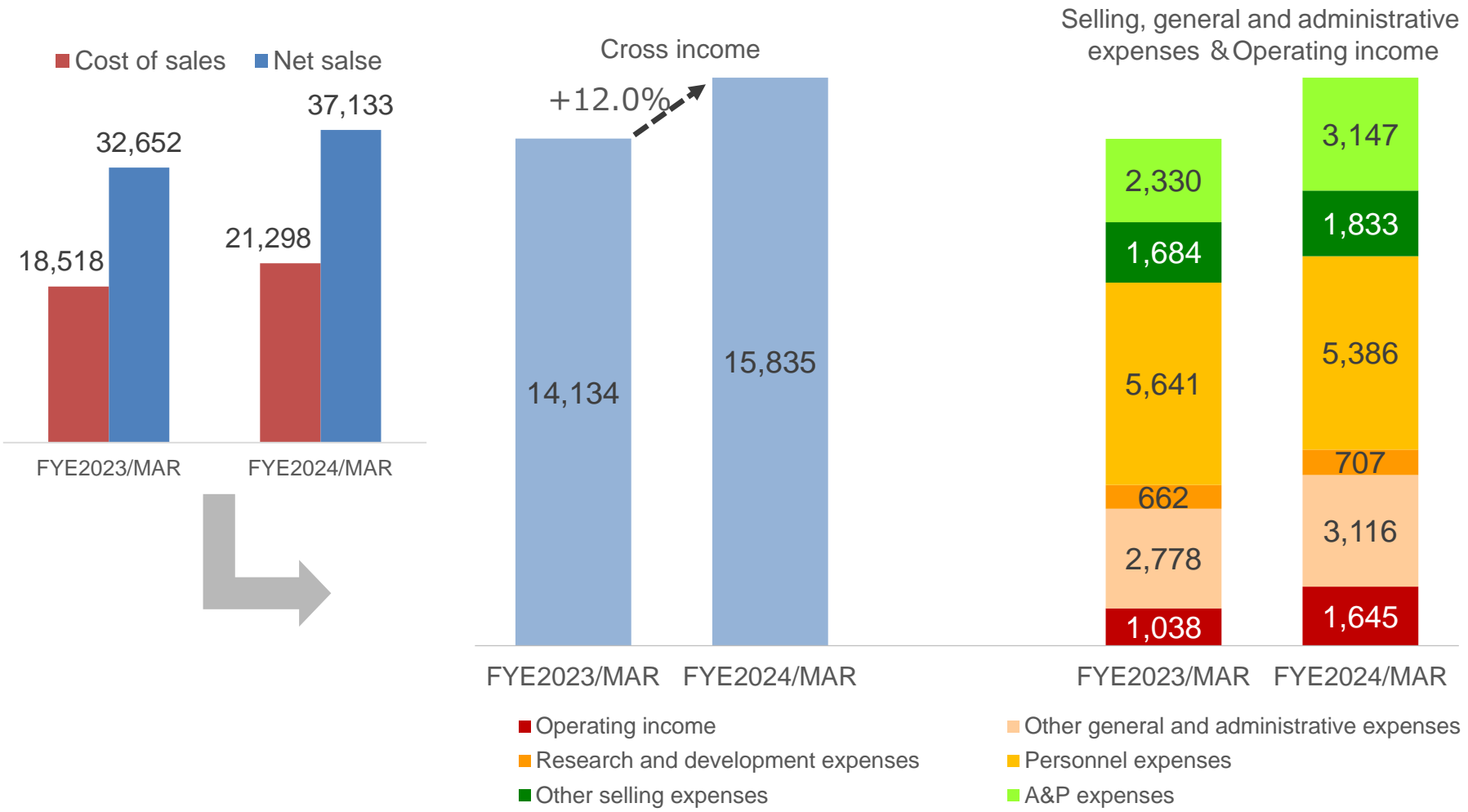


1. Consolidated Business Results <PL summary>



3) Increased sales absorbed the sharp rise in raw material prices. A&P expenses exceeded expectations due to additional investments in the Japan segment in the first quarter.

• A&P expenses increased by 0.8 billion yen, but operating income was 1.6 billion yen



2. Topics of the 2nd Quarter Business

◆ Recent Topics

33rd IFSCC(International Federation of Cosmetic Chemists) congress in Barcelona, we received an award in the poster category.

•IFCSS one of the world's largest conferences for the presentation of research on cosmetics technology, held in Barcelona Spain in September 2023. Mandom and Osaka University's joint research theme "**Next-generation antiperspirant technique : Controlling the contraction of human eccrine gland**", won the Award in the poster category from among 373 entries.



Research Outline

The first ever technology

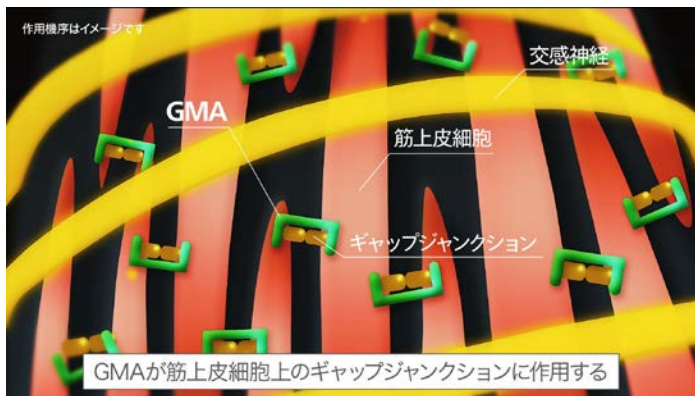
Plant-derived ingredients **GMA**



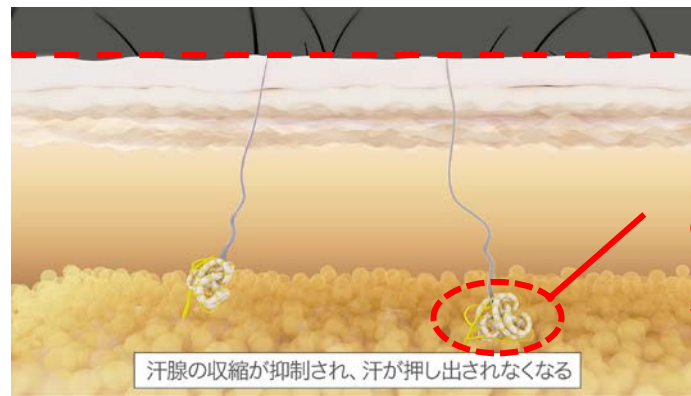
acts at the root of the sweat gland
to dormant the secreting part

Reduce perspiration

■ Acts on sweat gland cells and inhibits contractile movement



■ Sweat is not pushed to the surface of the skin



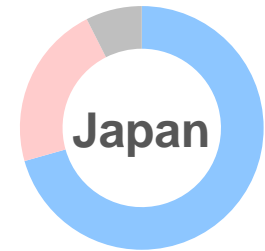
surface of the skin

Inhibits contraction movement of sweat glands

Business results by Brand

- Gatsby's summer season products were launched in advance at the end of the previous period. However, intense heat also contributed to the strong performance.
- Bifesta products achieved higher sales due to increased makeup occasions and the launch of limited edition items.

Net Sales by Business



Status of our major brands

| Men's Business | Women's Business |
|------------------------|-----------------------------------|
| <p>GATSBY →</p> | <p>Bifesta ↗ ピフェスタ</p> |
| <p>LÚCIDO ↗</p> | <p>LÚCIDO-L →</p> |

Men's Business

GATSBY

Men's Face and Body products

•Market trend

Face care sales rose slightly, while body care sales surged.

⇒ The market performance expanded in July and August due to the impact of intense heat

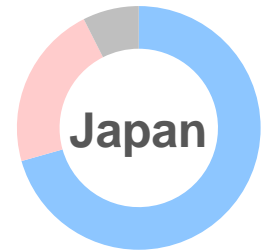
•Our trend

Facial care saw a slight increase, surpassing the market despite a decline in the usage of facial paper. Body care business grew significantly, outperforming the market. Share exceeded 50%.

GATSBY Meta Rubber

Large-scale promotional displays were carried out in stores in conjunction with the launch of TV commercials. Still in the nurturing stage, we will continue to strengthen its approach to Generation Z.

Net Sales by Business



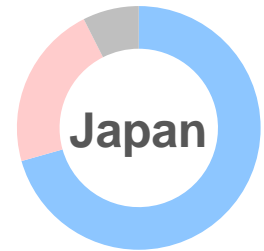
■ GATSBY Meta Rubber Series

Men's Business

LUCIDO

Renewed the successful skincare series.
Appointed Mr. Joe Odagiri as brand ambassador to strengthen brand communication.

Net Sales by Business



While the face care market is slightly increasing, "LUCIDO Perfect Skin Cream EX" launched last year, has performed well and expanded its market share.
The skincare series was completely renewed in August, and further efforts were made to strengthen the product lineup.

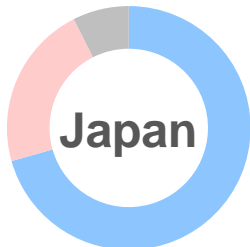


Women's Business



Cleansing sheets grew substantially due to a recovery in makeup opportunities and the launch of limited-edition products. The whole brand also grew substantially due to the expansion of the lineup of foam face washes, which are selling well.

Net Sales by Business



■ Bifesta Micellar Cleansing Sheet PERFECT GLOW

LUCIDO-L

In response to the highly competitive hair oil market, we have renewed our "Hair Treatment Oil" series. And strengthened the hair care category by launching shampoos and treatments from the popular "Acid-Heat Treatment" series.

■ LUCIDO-L Hair Treatment Oil Series





Business results by Brand

Net Sales by Business



- Growth in Men's Business slowed due to sluggish consumption in Indonesia.
- Women's Business is expanding with new product launches.

Status of our major brands (consolidated)

| Men's Business | Women's Business |
|-----------------|---|
| <h1>GATSBY</h1> | <h1>PIXY</h1> <p>My Beauty, My Energy</p> |
| | <h1>PUCELLE</h1> |

2. Consolidated Business Results <Business Promotion>



Men's Business

GATSBY

A new styling series "GATSBY THE NATURE STYLING BALM Series" was launched, which had been postponed due to COVID-19.

Net Sales by Business



Women's Business

Strengthened its lineup in the fragrance category with the launch of new products from PUCELLE and Lovillea.



■ GATSBY THE NATURE STYLING BALM Series

■ PUCELLE



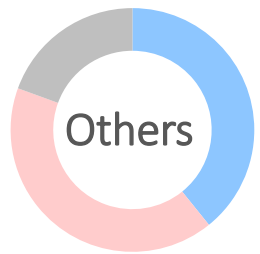
■ Lovillea





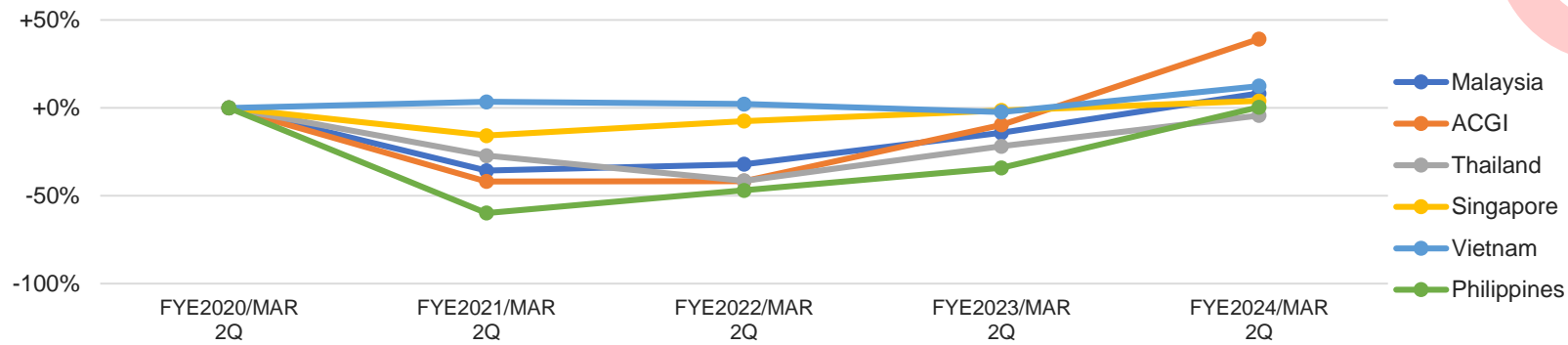
Others The five-year sales trend

Net Sales by Business

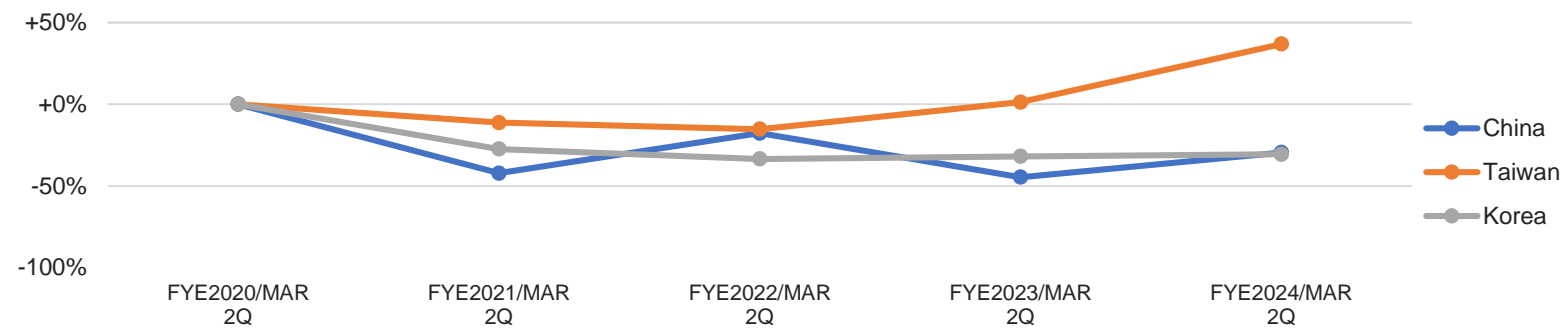


• Southeast Asia

* Fluctuations in local currency based on FYE 2020/MAR



• East Asia



2. Consolidated Business Results <Business Promotion>



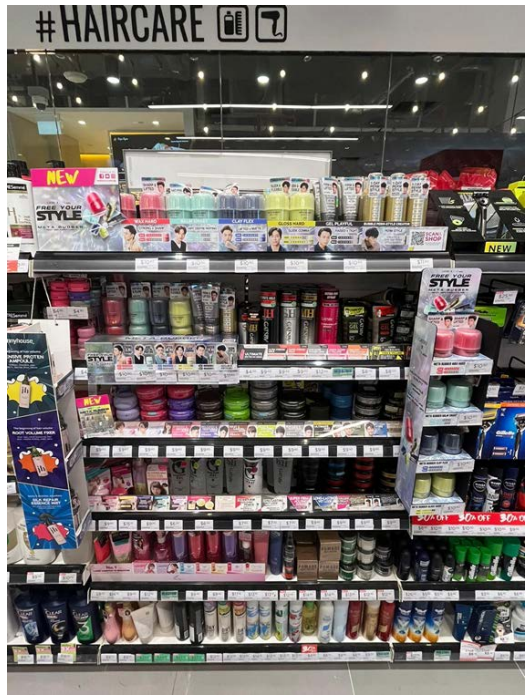
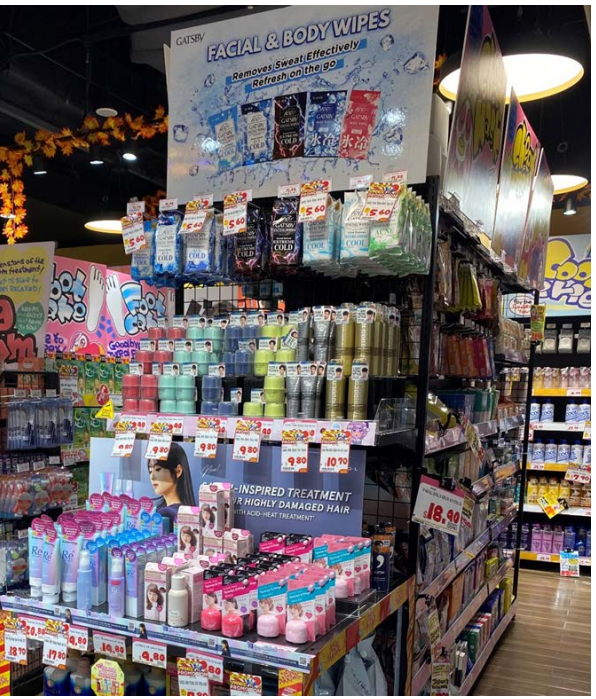
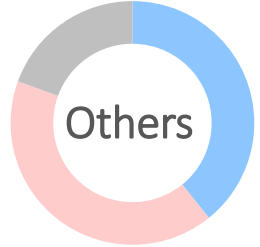
Men's Business

GATSBY

“Meta Rubber”

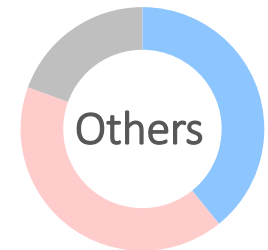
Enhanced in-store displays in other Asian countries

Net Sales by Business



Men's Business

Net Sales by Business



Strengthening efforts in conjunction with the overseas expansion of Japanese retailers

In recent years, major Japanese retailers have accelerated their expansion into Malaysia, Singapore, Thailand, and other Southeast Asian countries. Leveraging the relationships built in Japan, we are strengthening our cooperation in overseas business as well.

3. Efforts of the 2nd Half Business of FYE 2024/ MAR

3. Efforts of the 2nd Half Business

1. Strengthening the Young and Middle Men's Skin Care category

- “LUCIDO skin care series” is renewed. Aggressive promotion, including new TVCM. Implementing proposals that empathize with the concerns of aging skin

■ LUCIDO Skin Care Series



In GATSBY, we will continue to strengthen the successful ‘Medicated Skincare Series’ that was renewed last year.

We have also released sheet masks and cleansing balms to enhance our skincare lineup.

■ GATSBY Pore Care Series



3. Efforts of the 2nd Half Business

2. Created a new genre of “Acid-heat Treatment” in the mass market shampoo treatment category

Launched additional “LUCIDO-L High Damage Repair Shampoo & Treatment” products based on the salon technology concept.

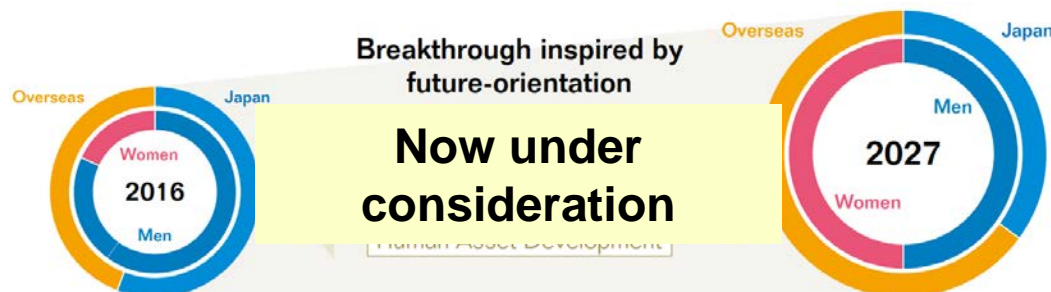
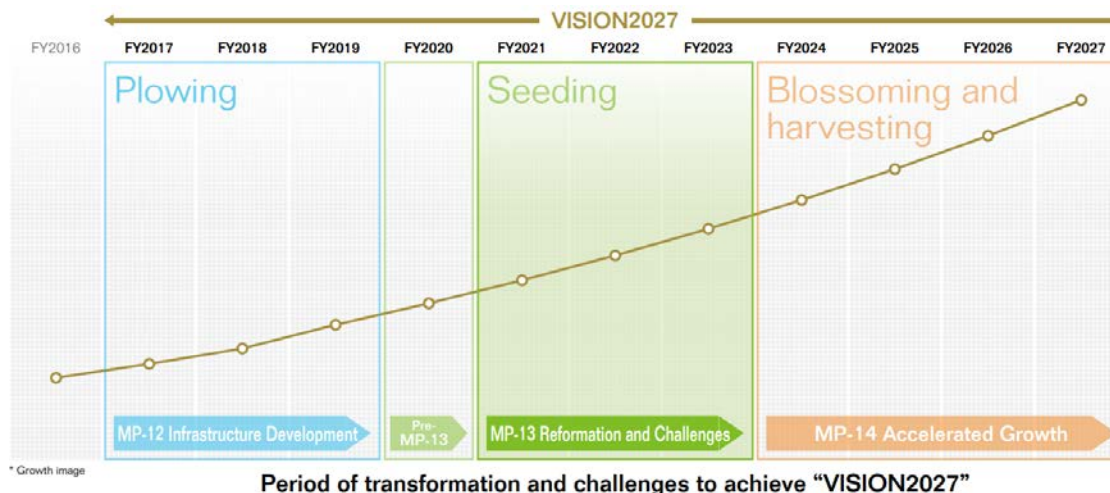
Plans to make a full-scale entry into the hair care category of the mass market to expand awareness of “Acid-heat Treatment” products and cultivate the market.



3.策定中の次期中期経営計画「MP-14」について



FY2027, the 100th anniversary of the company's founding and the final year of MP-14.



◆ Management Conscious of Cost of Capital and Stock Price

The company is currently considering the "Action to Implement Management That is Conscious of Cost of Capital and Stock Price" requested by JPX, and plans to disclose the details of its efforts in May 2024, when MP-14 plan will be announced.



4. Forecast of FYE 2024/ MAR



Amendment of Full-Year Earnings Forecast

(Millions of yen)

| | 1Q+2Q | | | 3Q+4Q | | | | Annual | | |
|---|--------|--------------|---------|-----------|--------------|---------|--------|---------|--------------|---------|
| | Result | Initial Plan | Balance | Outlook * | Initial Plan | Balance | Yr/Yr | Outlook | Initial Plan | Balance |
| Net Sales | 37,133 | 35,500 | 1,633 | 35,566 | 35,500 | 66 | +8.9% | 72,700 | 71,000 | 1,700 |
| Operating Income | 1,645 | 1,420 | 225 | (185) | 680 | (865) | — | 1,460 | 2,100 | (640) |
| Ordinary Income | 2,064 | 1,750 | 314 | 215 | 840 | (624) | -84.1% | 2,280 | 2,590 | (310) |
| Net Income Attributable to Owners of Parent | 1,584 | 1,300 | 284 | 75 | 360 | (284) | -92.2% | 1,660 | 1,660 | 0 |

* Full year forecast minus first half results

4. Forecast of FYE 2024/ MAR

Forecast of FYE 2024/ MAR

- Revise forecasts upward for net sales and downward for each stage of profit.
- Japan full-year results revised downward, but 2nd half results in line with initial plan.
- Indonesia's consumption recovery is slow and sales and profits are both below projections.

【Net sales】

- +) • Sales expansion in Southeast Asia
-) • Uncertain consumption trends and slow sales recovery in Indonesia and China
- +) • Increase in yen equivalent of consolidated net sales due to the impact of yen depreciation

Forecast of FYE 2024/ MAR

【Operating profit】

- +) • Improvement of cost ratio by reviewing product mix in Japan
-) • Increased loss due to lower sales Indonesia
-) • Additional investment in marketing expenses for next fiscal year in Others segment
- +) • Increase in yen equivalent of consolidated net sales due to the impact of yen depreciation

【Risk】

- Sluggish demand for cosmetics and daily necessities due to the rising cost of living in Japan
- Raw material prices and transportation costs will rise more than expected in Japan and Overseas
- Increase in operating loss due to higher-than-expected foreign exchange impact in Indonesia

◆ Appendix

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 - 4. Forecast of Consolidated Business Results
for FYE 2024/MAR**
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1. Consolidated Business Results



(Millions of yen)

| | 1Q+2Q | | | | |
|---|-------------|-------------|---------|--------|--------|
| | FYE2023/MAR | FYE2024/MAR | Balance | Yr/Yr | Yr/Yr* |
| Net Sales | 32,652 | 37,133 | 4,480 | +13.7% | +10.8% |
| Operating Income | 1,038 | 1,645 | 606 | +58.4% | — |
| Ordinary Income | 1,362 | 2,064 | 701 | +51.5% | — |
| Net Income Attributable to Owners of Parent | 974 | 1,584 | 609 | +62.6% | — |

※ Comparison with FYE 2023/MAR rate after adjustment.

| | | |
|-----|--------|--------|
| EPS | ¥21.66 | ¥35.23 |
|-----|--------|--------|

2. Consolidated Net Sales

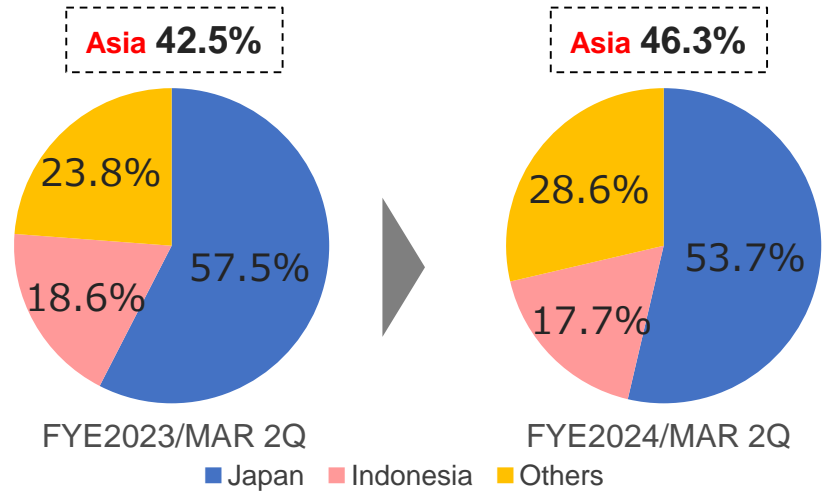
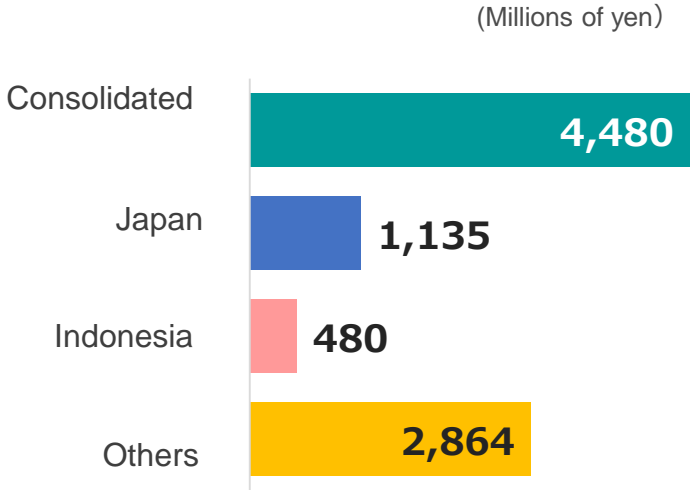
2-1. Net Sales by Region

(Millions of yen)

| | 1Q+2Q | | | |
|-----------|-------------|-------------|---------|--------|
| | FYE2023/MAR | FYE2024/MAR | Balance | Yr/Yr |
| Net Sales | 32,652 | 37,133 | 4,480 | +13.7% |
| Japan | 18,790 | 19,925 | 1,135 | +6.0% |
| Indonesia | 6,089 | 6,570 | 480 | +7.9% |
| Others | 7,773 | 10,637 | 2,864 | +36.8% |

2-2. Net Sales by Region Analysis

2-3. Net Sales by Region Ratio (Year-on-Year)



* Due to rounding, the composition ratios provided may not add up to exactly 100.



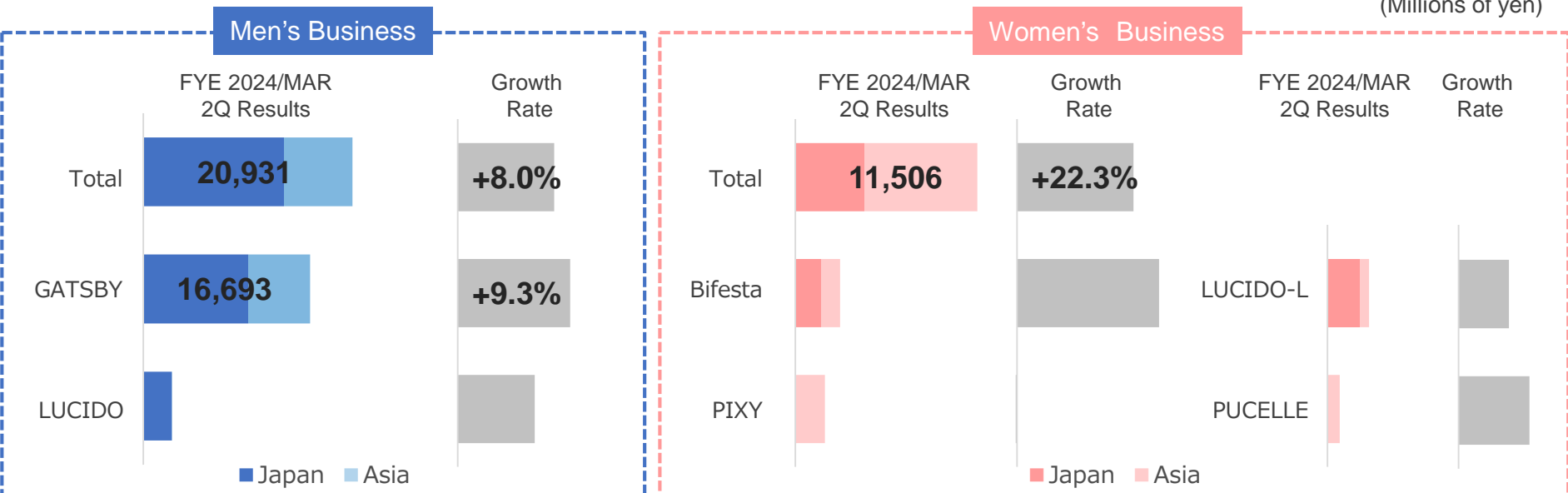
2. Consolidated Net Sales

2-5. Net Sales by Strategic Business Unit

(Millions of yen)

| | 1Q+2Q | | | |
|------------------|-------------|-------------|---------|--------|
| | FYE2023/MAR | FYE2024/MAR | Balance | Yr/Yr |
| Net Sales | 32,652 | 37,133 | 4,480 | +13.7% |
| Men's Business | 19,388 | 20,931 | 1,542 | +8.0% |
| GATSBY | 15,274 | 16,693 | 1,418 | +9.3% |
| Women's Business | 9,411 | 11,506 | 2,095 | +22.3% |
| Other Business | 3,853 | 4,695 | 842 | +21.9% |

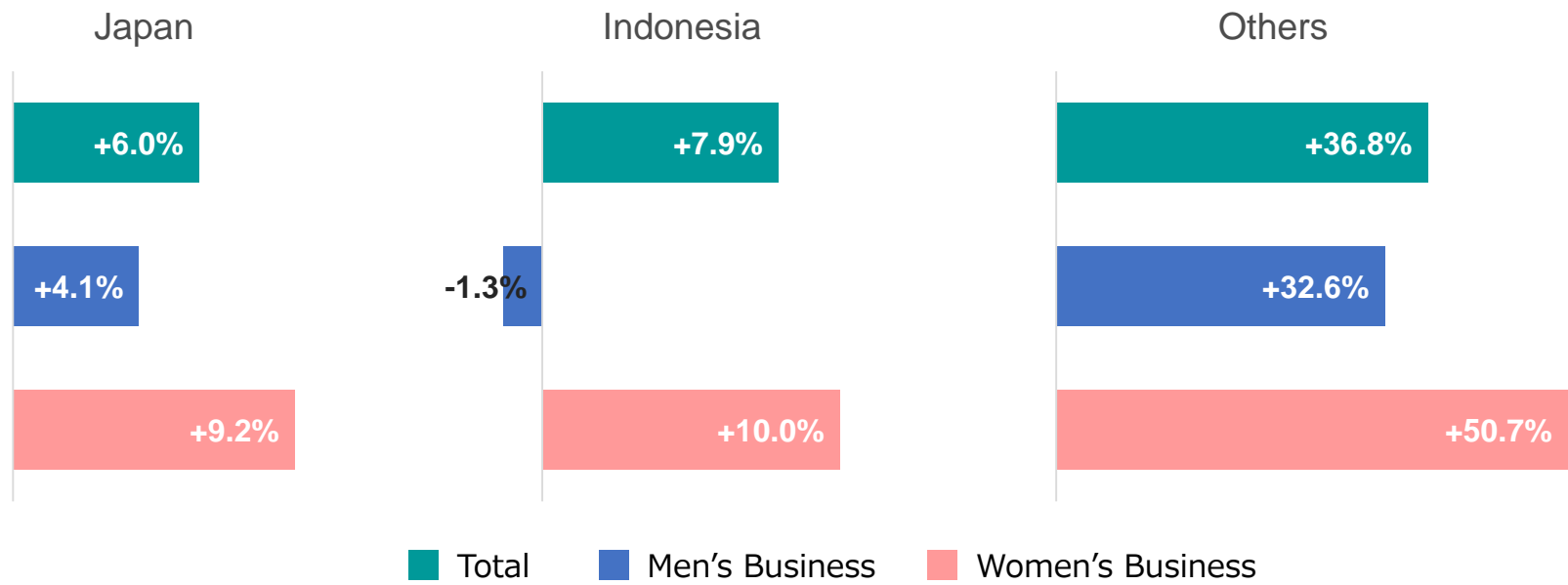
※breakdown :Women's Cosmetics 7,047 Millions of yen (Yr/Yr +27.8%) / Women's Cosmetry 4,458 Millions of yen (Yr/Yr +14.5%)



2. Consolidated Net Sales



2-6. Year-on-Year Comparison by Region and Business



* Breakdown
 Women's Cosmetary +2.2%
 Women's Cosmetics +22.4%
 * Others +16.9%

* Breakdown
 Women's Cosmetary +39.1%
 Women's Cosmetics -2.7%
 * Others +30.8%

* Breakdown
 Women's Cosmetary +40.8%
 Women's Cosmetics +52.9%
 * Others +21.0%

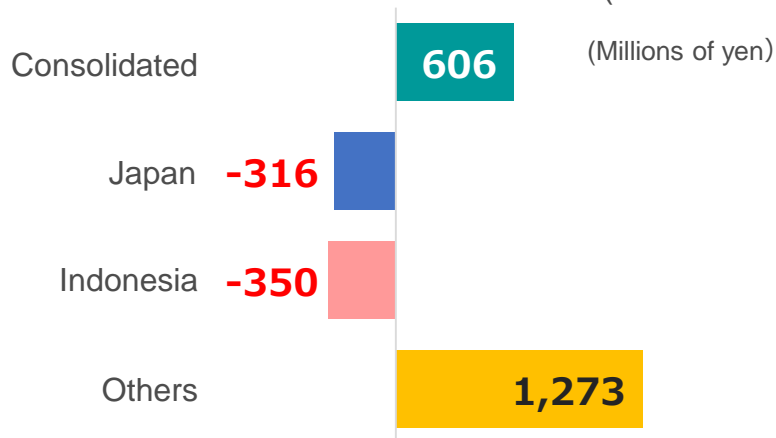
3. Consolidated Income

3-1. Operating Income by Region

(Millions of yen)

| | 1Q+2Q | | | | | |
|------------------|-------------|-----------|-------------|-----------|---------|---------|
| | FYE2023/MAR | | FYE2024/MAR | | Balance | Yr/Yr |
| | Result | per Sales | Result | per Sales | | |
| Operating Income | 1,038 | 3.2% | 1,645 | 4.4% | 606 | +58.4% |
| Japan | 681 | 3.6% | 364 | 1.8% | (316) | (46.5%) |
| Indonesia | (370) | — | (721) | — | (350) | — |
| Others | 728 | 9.4% | 2,002 | 18.8% | 1,273 | +174.9% |

3-2. Operating Income by Region Analysis (Year-on-Year)



3-3. Operating Income by Region Ratio (Year-on-Year)

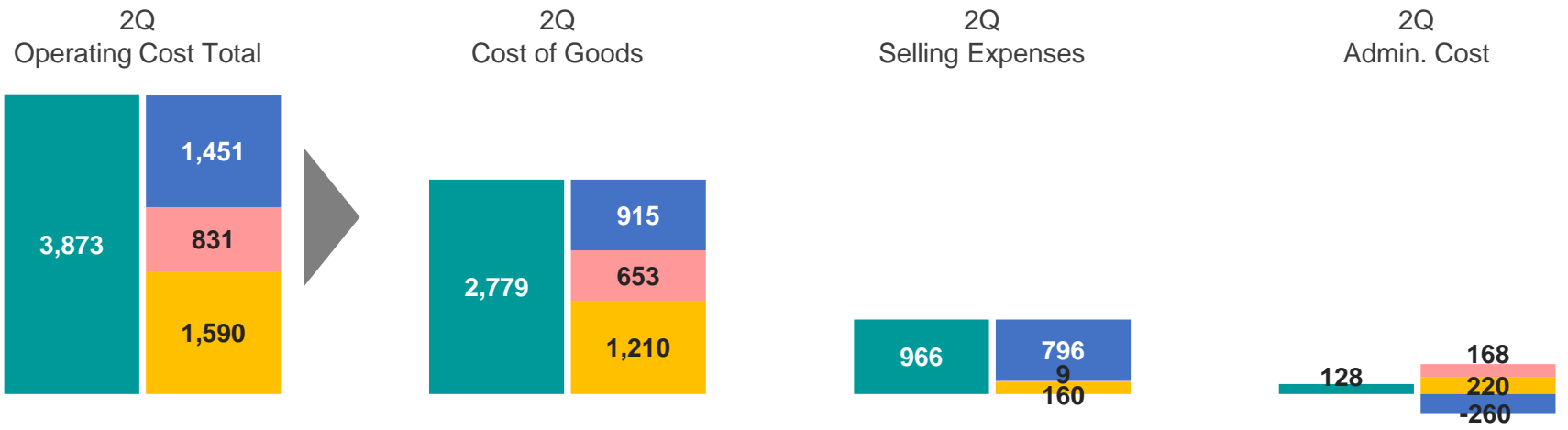
N/A

※Due to operating Loss Mandom Indonesia

3. Consolidated Income

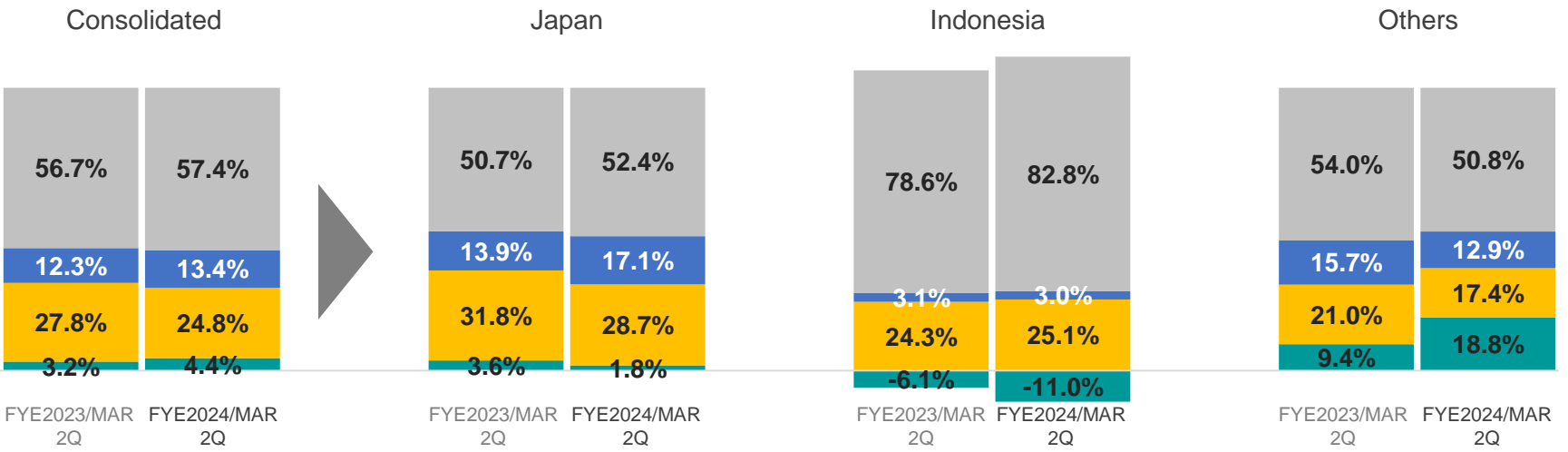
3-4. Operating Cost Analysis (Year-on-Year) (Millions of yen)

■ Consolidated ■ Japan
■ Indonesia ■ Others



3-5. Operating Cost & Income (Ratio to Sales)

■ Cost of Goods ■ Selling Expenses
■ Admin. Cost ■ Operating Income





3. Consolidated Income

3-6. Analysis of Change in Consolidated Operating Income

(Millions of yen)



3. Consolidated Income

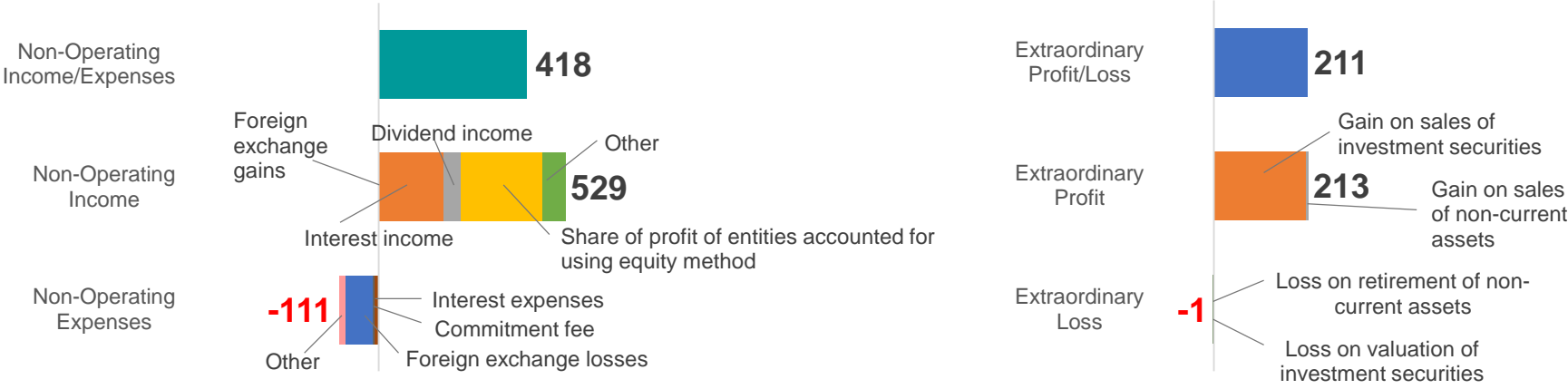
3-7. Ordinary Income and Net Income Attributable to Owners of Parent

(Millions of yen)

| | 1Q+2Q | | | |
|--|-------------|-------------|---------|--------|
| | FYE2023/MAR | FYE2024/MAR | Balance | Yr/Yr |
| Non-operating Income/Expenses | 323 | 418 | 95 | +29.5% |
| Ordinary Income | 1,362 | 2,064 | 701 | +51.5% |
| Extraordinary Profit/Loss | (37) | 211 | 248 | — |
| Income before Income Taxes and Minority Interests | 1,324 | 2,275 | 950 | +71.8% |
| Income Taxes and Minority Interests | 372 | 716 | 344 | +92.7% |
| Net Income | 952 | 1,558 | 605 | +63.6% |
| Net Income Attributable to Non-controlling interests | (21) | (25) | (4) | — |
| Net Income Attributable to Owners of Parent | 974 | 1,584 | 609 | +62.6% |

3-8. Non-Operating Income/Expenses & Extraordinary Profit/Loss

(Millions of yen)



The First Half Results of FYE 2024/MAR (P/L of Mandom Corporation, PT Mandom Indonesia Tbk)

Mandom Corporation

(Millions of yen)

| | FYE2023/ MAR | FYE2024/ MAR | Balance | Yr/Yr | Initial Plan |
|--|-----------------|-----------------|---------|---------|-----------------|
| Net sales | 21,008 | 22,231 | 1,223 | +5.8% | 42,200 |
| Cost of Goods | 11,569 | 12,681 | 1,112 | +9.6% | — |
| Cost Ratio | 55.1% | 57.0% | +2.0P | — | — |
| Selling, general and administrative expenses | 8,395 | 8,922 | 526 | +6.3% | — |
| Operating Income | 1,043 | 627 | (415) | -39.8% | — |
| Non-operating Income/Loss | 193 | 585 | 391 | +202.9% | — |
| Ordinary Income | 1,236 | 1,213 | (23) | -1.9% | 1,240 |
| Extraordinary Profit/loss | (37) | 4 | 41 | — | — |
| Net Income | 861 | 967 | 106 | +12.4% | 990 |

Consolidated

(Millions of yen)

| | FYE2023/ MAR | FYE2024/ MAR | balance | FYE 2024/MAR Outlook |
|--------------------|-----------------|-----------------|---------|-------------------------|
| Depreciation | 2,466 | 2,233 | (232) | 4,447 |
| Capital investment | 770 | 849 | 79 | 2,806 |

Mandom Corp.Only

(Millions of yen)

| | FYE2023/ MAR | FYE2024/ MAR | balance |
|--------------------|-----------------|-----------------|---------|
| Depreciation | 1,609 | 1,401 | (207) |
| Capital investment | 297 | 314 | 17 |

※Capital investment includes intangible assets

PT Mandom Indonesia Tbk

Local Currency

(Millions of Rp.)

| | FYE2023/ MAR | FYE2024/ MAR | Balance | Yr/Yr |
|------------------|-----------------|-----------------|----------|-------|
| Net sales | 925,416 | 982,114 | 56,698 | +6.1% |
| Cost of Goods | 742,462 | 810,971 | 68,509 | +9.2% |
| Cost Ratio | 80.2% | 82.6% | +2.3P | — |
| Operating Income | (11,741) | (32,991) | (21,249) | — |
| Net Income | (6,412) | (11,858) | (5,445) | — |

Yen Equivalent

(Millions of yen)

| | FYE2023/ MAR | FYE2024/ MAR | Balance | Yr/Yr |
|------------------|-----------------|-----------------|---------|--------|
| Net sales | 7,866 | 8,839 | 972 | +12.4% |
| Cost of Goods | 6,310 | 7,298 | 987 | +15.7% |
| Cost Ratio | 80.2% | 82.6% | +2.3P | — |
| Operating Income | (99) | (296) | (197) | — |
| Net Income | (54) | (106) | (52) | — |

Rp.1= ¥0.0085 Rp.1= ¥0.0090

※Assumption rate Rp.1= ¥0.0084

Information in this report concerning future performance is based on information available and certain assumptions deemed reasonable. Forecasts are not promises of future performance. Actual earnings may differ significantly from forecasts due to a number of factors. All amounts have been rounded to the nearest whole unit.

**BE ANYTHING,
BE EVERYTHING.**



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