Fiscal 2025
Supplementary Material

POLA ORBIS HOLDINGS INC.
Representative Director and President
Yoshikazu Yokote

I am Yokote, Representative Director and President of POLA ORBIS HOLDINGS INC.

Thank you very much for taking time out of your busy schedule to join our financial results briefing today.

Now, I will explain our financial results for 15 minutes or so along with the supplementary materials that you are looking at now.

Consolidated performance.

FY2025 Key Topics

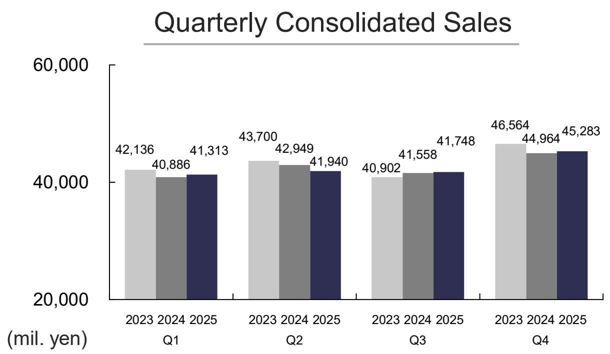
Cosmetics Market

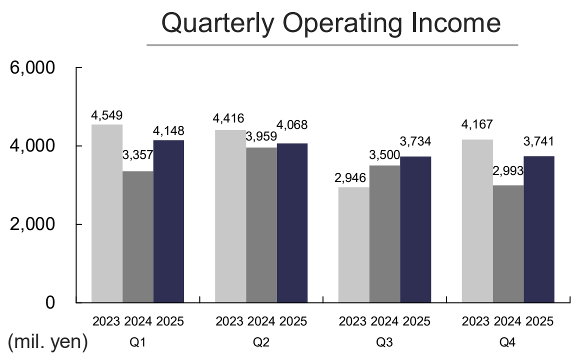
- The post-COVID-19 recovery plateaued, with the Japanese cosmetics market on par with a year earlier.
- In the Chinese cosmetics market, there were signs of a rebound in consumption, partly underpinned by government economic stimulus measures.

Source: Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications, Japan Tourism Agency, Japan Department Stores Association, Intage SLI, and National Bureau of Statistics of China

Our Group

- Consolidated net sales were on par with the previous year, despite a decline in POLA revenue, boosted by further growth for ORBIS. Consolidated operating income increased, supported by higher income at ORBIS and improved losses at Jurlique.
- For POLA, domestic revenue decreased but the decline for the consignment sales channel improved compared with the previous year. Overseas, the Chinese business closed stores to improve profitability.
- For ORBIS, revenue and income continued to increase, supported by further growth in skincare, led by strategic products.





First, trends in the cosmetics market.

In Japan, the post-COVID-19 recovery plateaued, with the Japanese cosmetics market on par with a year earlier.

In the Chinese cosmetics market, there were signs of a rebound in consumption, partly underpinned by government economic stimulus measures.

Under these circumstances, consolidated net sales were on par with the previous year, despite a decline in POLA revenue, boosted by further growth for ORBIS.
Operating income increased 13% on a consolidated basis due to higher income at ORBIS and improved losses at Jurlique.

For POLA, domestic revenue decreased, but the decline for the consignment sales channel improved compared with the previous year.

For ORBIS, revenue and income continued to increase for three consecutive years, supported by further growth in skincare, led by strategic products.

Actual vs Planned Variance Analysis

(mil. yen)	FY2024 Results	FY2025 Results	YoY change Amount	YoY change %	FY2025 Plan	vs. Plan Amount	vs. Plan %
Net sales	170,359	170,285	(74)	(0.0%)	174,000	(3,714)	(2.1%)
Operating income	13,810	15,693	1,882	13.6%	14,500	1,193	8.2%
Ordinary income	16,083	17,022	938	5.8%	14,700	2,322	15.8%
Profit attributable to owners of parent	9,286	9,472	186	2.0%	8,500	972	11.4%

Average exchange rates: 1.00 AUD = 96.49 JPY, 1.00 CNY = 20.81 JPY

	Variance from Plan	Main causes of Variance
Net sales	down ¥3,714 mil. (down 2.1%)	Variance in the beauty care business: down approx. ¥4,000 mil. ■ POLA: down approx. ¥2,400 mil ■ ORBIS: up approx. ¥600 mil. ■ Jurlique: down approx. ¥1,200 mil ■ THREE: down approx. ¥900 mil.
Operating income	up ¥1,193 mil. (up 8.2%)	■ ORBIS: up approx. ¥500 mil. (higher gross profit) ■ Reconciliations: up approx. ¥600 mil. (tight control of costs)
Ordinary income	up ¥2,322 mil. (up 15.8%)	■ Operating income above the plan ■ Foreign exchange gains due to a weaker yen than expected
Profit attributable to owners of parent	up ¥972 mil. (up 11.4%)	■ Ordinary income above the plan ■ Income taxes etc.: down approx. ¥1,200 mil. (Income taxes, etc. down ¥1,600 mil. due to the liquidation of Orbis Beijing.) ■ Extraordinary losses: up approx. ¥2,500 mil. (¥1,106 mil. loss due to the liquidation of Orbis Beijing, ¥802 mil. in structural reform expenses for Jurlique, etc.)

Next, I would like to discuss the variance between the actual results and the plan.

The variance in planned net sales is mainly due to POLA and Jurlique.

Operating income achieved the plan due to an increase in the gross profit of ORBIS and control of company-wide expenses, and the upward revision of ordinary income was due to foreign exchange gains in addition to the achievement of the plan for operating income.

Profit exceeded the plan primarily due to an upturn in ordinary income and a decrease in income taxes, despite the extraordinary loss associated with the liquidation of Orbis Beijing and structural reform expenses for Jurlique.

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Consolidated P&L Changes Analysis
Net Sales to Operating Income

(mil. yen)	FY2024	FY2025	YoY Change	
			Amount	%
Net sales	170,359	170,285	(74)	(0.0%)
Cost of sales	31,846	32,021	174	0.5%
Gross profit	138,513	138,264	(249)	(0.2%)
SG&A expenses	124,702	122,570	(2,132)	(1.7%)
Operating income	13,810	15,693	1,882	13.6%

Key Factors

- Net sales: Although POLA posted a revenue decline, ORBIS's revenue growth, along with other factors, kept overall net sales on par with FY2024.
- Cost of sales: Cost of sales ratio FY2024: 18.7% ⇒ FY2025: 18.8%
- SG&A expenses: Labor expenses: up ¥330 mil. YoY
  Sales commissions: down ¥1,558 mil. YoY
  Sales related expenses: up ¥469 mil. YoY
  Administrative expenses, etc.: down ¥1,373 mil. YoY
- Operating income: Operating margin FY2024: 8.1% ⇒ FY2025: 9.2%

Consolidated P&L is as shown in the material.

Although net sales were JPY170.2 billion, about the same as the previous year, operating income increased 13% YoY to JPY15.6 billion, and the operating margin was 9.2% as a result of controlling SG&A expenses by controlling costs, mainly at POLA and Jurlique.

POLA ORBIS HOLDINGS

Consolidated P&L Changes Analysis
Operating Income to Profit Attributable to Owners of Parent

(mil. yen)	FY2024	FY2025	YoY Change	
			Amount	%
Operating income	13,810	15,693	1,882	13.6%
Non-operating income	2,529	1,698	(831)	(32.9%)
Non-operating expenses	257	370	113	44.0%
Ordinary income	16,083	17,022	938	5.8%
Extraordinary income	-	-	-	-
Extraordinary losses	1,434	3,726	2,291	159.8%
Profit before income taxes	14,649	13,296	(1,352)	(9.2%)
Income taxes etc.	5,341	3,823	(1,517)	(28.4%)
Profit attributable to non-controlling interests	21	-	(21)	-
Profit attributable to owners of parent	9,286	9,472	186	2.0%

Key Factors

- Non-operating income and loss: Posting of foreign exchange gains. (¥1,749 mil. in FY2024, ¥962 mil. in FY2025)
- Extraordinary loss: ¥1,106 mil. loss due to the liquidation of Orbis Beijing.
  ¥802 mil. in structural reform expenses for Jurlique.
- Income taxes etc.: Decrease of ¥1,600 mil. in income taxes, etc. due to the liquidation of Orbis Beijing.

Here is the operating income to profit attributable to owners of the parent.

Although profit before income taxes decreased due to the extraordinary loss recorded in connection with the liquidation of Orbis Beijing and the structural reform at Jurlique, net profit for the year increased 2% from the previous year to JPY9.4 billion due to a decrease in income taxes etc. resulting from the liquidation of Orbis Beijing.

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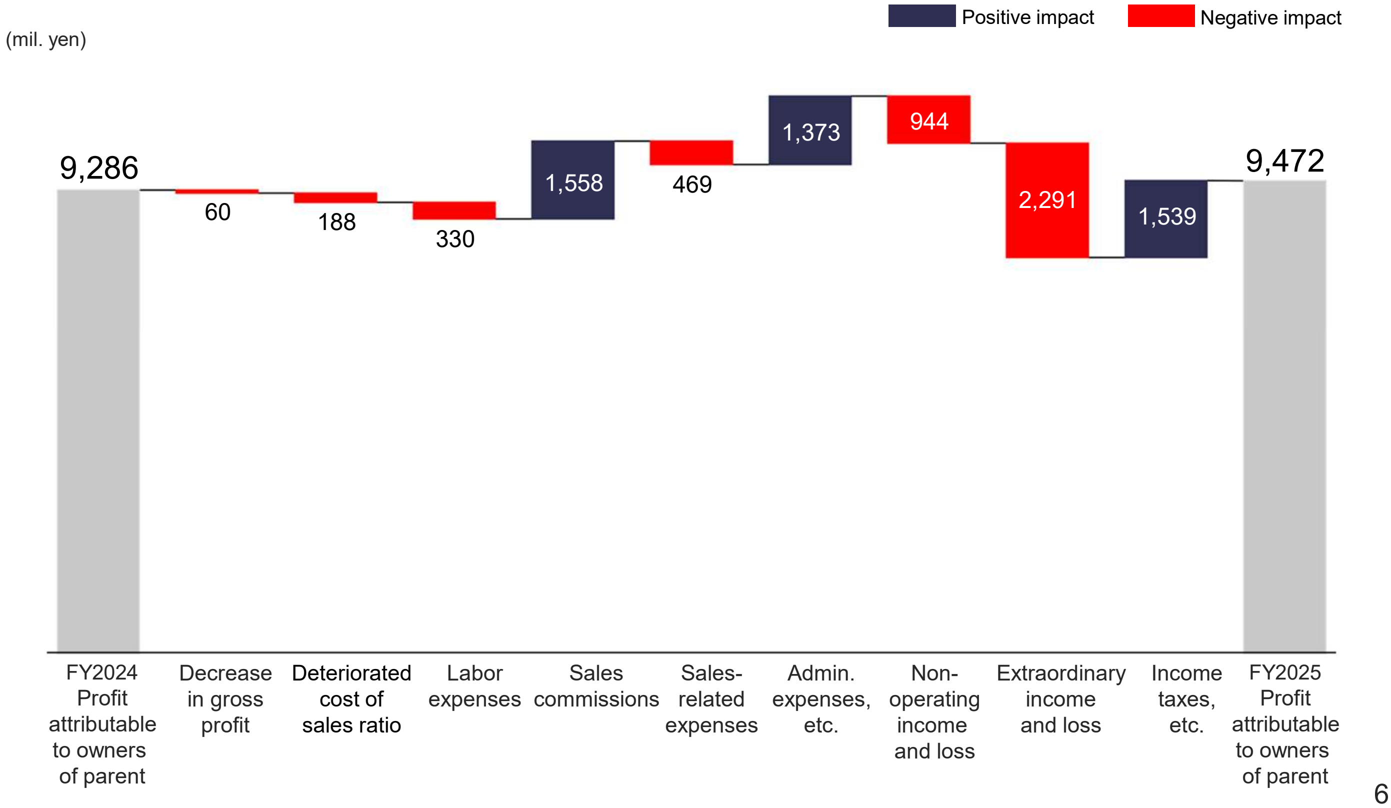
Factors Impacting Profit Attributable to Owners of Parent

Operating income increased due to controlled and reduced SG&A expenses, While extraordinary losses rose; profit attributable to owners of parent was up ¥186 million YoY.



The factors impacting profit attributable to owners of the parent are as shown in the material.

Next is segment analysis.

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Segment Results

(mil. yen)	FY2024	FY2025	YoY Change	
			Amount	%
Consolidated net sales	170,359	170,285	(74)	(0.0%)
Beauty care	165,060	164,148	(911)	(0.6%)
Real estate	2,214	3,023	809	36.6%
Others	3,085	3,112	27	0.9%
Consolidated operating income	13,810	15,693	1,882	13.6%
Beauty care	14,926	15,856	929	6.2%
Real estate	76	421	344	447.4%
Others	231	218	(13)	(5.8%)
Reconciliations	(1,424)	(801)	622	-

Key Factors

- Beauty care: Net sales decreased YoY, mainly due to a decrease in POLA's revenue, but operating income increased, driven by higher income at ORBIS and improved losses at Jurlique.
- Real estate: Revenue and income increased because the POLA aoyama building opened in March 2024.

The beauty care business will be explained later.

In the real estate business, both revenue and income increased because of the full operation of the POLA Aoyama building opened in March 2024.

The decrease in reconciliations was due to a review of allocation rules for other segments.

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Beauty Care Business Results by Brands

(mil. yen)	FY2024	FY2025	YoY Change Amount	YoY Change %
Beauty care net sales	165,060	164,148	(911)	(0.6%)
POLA	92,798	90,373	(2,425)	(2.6%)
ORBIS	48,190	50,239	2,048	4.3%
Jurlique	8,763	8,386	(377)	(4.3%)
Brands under development	15,307	15,149	(157)	(1.0%)
Beauty care operating income	14,926	15,856	929	6.2%
POLA	9,933	8,687	(1,245)	(12.5%)
ORBIS	8,306	9,304	997	12.0%
Jurlique	(2,461)	(1,430)	1,031	-
Brands under development	(851)	(704)	146	-

Note: Consolidated results for each brand are shown for reference purposes only (figures are unaudited).

Brand Analysis (1)

POLA

FY2025 Result

- In Japan, despite the decline in revenue from consignment sales, sales growth continued at stores on a growth track.
- H2 revenue was weighed down by the tightening of secondary distribution controls aimed at strengthening branding.
- Overseas, revenue increased in Q4, supported by strong sales of the *B.A* series, led by new products.

Q4 (YTD)		Results (mil. yen)	YoY Change
Net sales		90,373	(2.6%)
Operating income		8,687	(12.5%)
Key indicators			
Sales ratio	Domestic(1)		85.4%
	Consignment sales		58.6%
	Department store		13.2%
	E-commerce		7.7%
	Hotel amenities		5.8%
	Overseas		14.6%
Sales growth(2)	Domestic(1)		down 1.7%
	Consignment sales		down 5.4%
	Department store		up 1.5%
	E-commerce		up 6.4%
	Hotel amenities		up 23.0%
	Overseas		down 7.9%
Domestic business	Purchase per customer(2)/ # of customers(2)		up 4.6% / down 7.8%
# of stores domestic (vs Dec. 2024)		2,481 (down 37)	
# of stores overseas (vs Dec. 2024)		126 (down 21)	

(1) Includes results outside the four major domestic channels (2) YoY basis

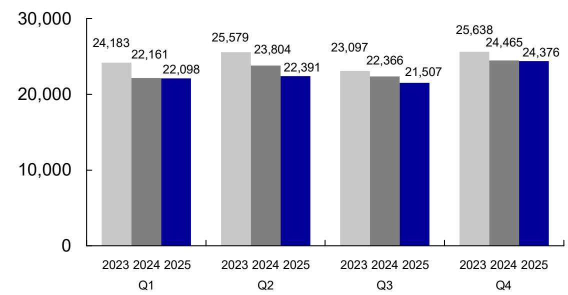
Topics

- We launched Resense esthe, a new full-body skincare service, at our global flagship store*. (December)

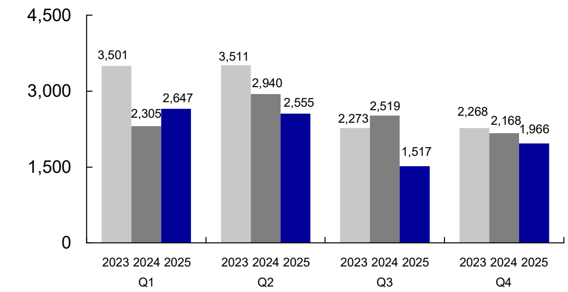
* POLA GINZA

Resense esthe

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



First, POLA.

Domestic revenue landed at minus 1.7% due to lower consignment sales, despite higher revenue in department stores and e-commerce.

Although the decline in revenue could not be halted, the results show a steady improvement trend compared to minus 4.5% in 2024.

In consignment sales, sales growth at stores continued on a growth track that are working to cultivate customers based on esthetic services, including the effect of the new B.A promotion. On the other hand, revenue was weighed down by the tightening of secondary distribution controls that have been undertaken to date.

Secondary distribution control measures had been addressed and operated in the past as measures against purchasing agents and buyers, but we introduced measures that are more accurate than before.

Overseas, net sales declined for the full year due to the impact of the store liquidation in China, but sales increased in Q4 alone due to the strong performance of the B.A series, mainly new products.

ORBIS

Brand Analysis (2)

FY2025 Result

- Revenue and income increased due to further growth in skincare, led by our cleansing oil.
- In the direct selling channel, we focused on promoting customer utilization, which contributed to growth in purchase per customer.
- In external channels, we maintained a high level of growth.

Topics

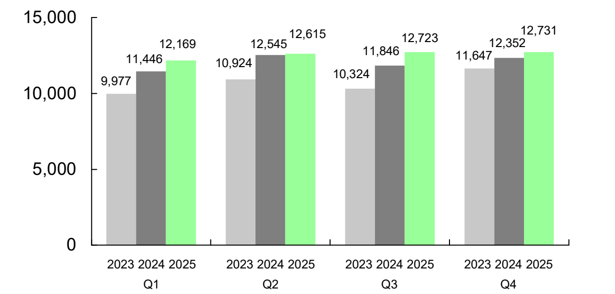
- Our cleansing oil continues to sell well after glowing reviews by both beauty magazines and customers.

ORBIS THE CLEANSING OIL

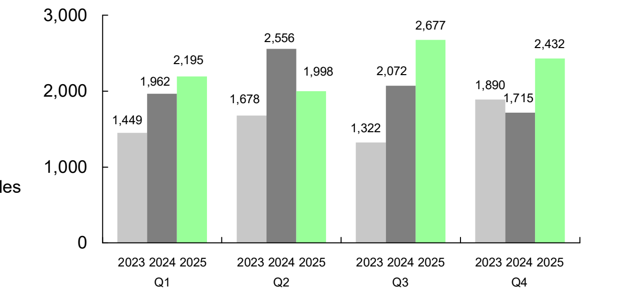
Q4 (YTD)		Results (mil. yen)	YoY Change
Net sales		50,239	4.3%
Operating income		9,304	12.0%
Key indicators			
Sales ratio	Domestic		98.2%
	Direct selling(1)		78.7%
	External channels etc.		19.5%
	Overseas		1.8%
Sales growth(2)	Domestic		up 5.6%
	Direct selling(1)		up 1.6%
	External channels etc.		up 26.1%
	Overseas		down 39.5%
Direct selling	Purchase per customer(2)		up 2.2%
Direct selling	Number of customers(2)		down 0.2%

(1) Total of in-house mail-order (e-commerce and catalog) and directly-operated stores sales
(2) YoY basis

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



Next, ORBIS.

In the direct selling channel, progress was made in promoting repeat purchases and cross-selling, especially to existing customers, and LTV steadily increased.

The external channel continued to maintain a high growth rate, partly due to the effect of new products.

Cleansing oil, which was launched as a strategic product, was supported by high external evaluation in @cosme and beauty magazines and performed better than planned in both direct and external selling channels, contributing to repeat purchases and cross-selling and driving the growth in skincare.

As a result, the brand as a whole posted higher revenue and double-digit income growth.

Jurlique

Brand Analysis (3)

FY2025 Result

- In our key markets, mainland China and Australia, revenue grew in H2 on an AUD basis.
- The operating loss improved by ¥1,000 mil. due to continued focus on structural reforms and cost controls.

Topics

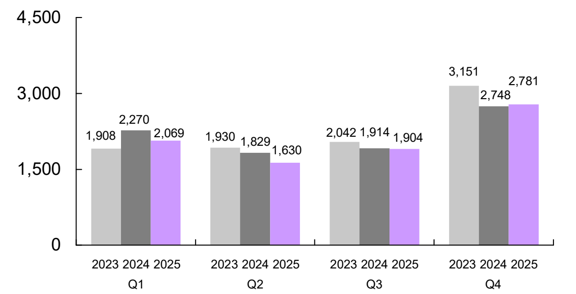
- Brisk sales of moisturizing cream for dry skin, especially in Australia.

Moisture Replenishing Day Cream

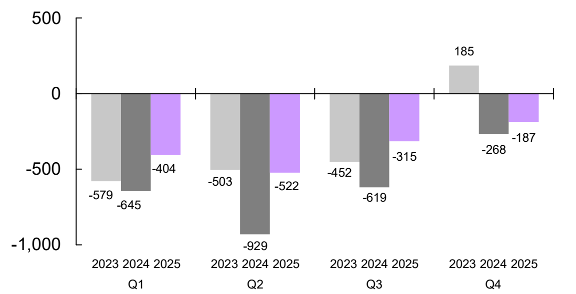
Q4 (YTD)		Results (mil. yen)	YoY Change
Net sales		8,386	(4.3%)
Operating income(1)		(1,430)	1,031
Key indicators			
Sales ratio	Australia		24.1%
	Mainland China		34.8%
	Hong Kong		11.7%
	Duty free		14.3%
Sales growth(2)	Australia		down 0.4%
	Mainland China		down 0.7%
	Hong Kong		down 3.2%
	Duty free		up 0.7%

(1) The YoY change is shown as the amount (mil. yen)
(2) AUD basis, YoY

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



Next is Jurlique.

In mainland China and Australia, our key markets, which account for 60% of our sales, we were able to turn to an increase in revenue on an Australian dollar basis in H2.

On the other hand, the Company's focus on drastic structural reforms and cost control led to a JPY1 billion improvement in operating loss as planned.

Brand Analysis (4) Brands Under Development

FY2025 Result

- DECENCIA's profitability improved, supported by a focus on increasing customers with high lifetime value (LTV) through proposals centered on high-value-added products.
- THREE's holistic care sales in Japan increased YoY in H2 and its total domestic revenue decline improved compared with H1.
- Growth of new businesses "*Kaokara*" and "*Dive*"* contributed to income.

Topics

- THREE launched its HAND & BODY series, blended with its original essential oils (October).

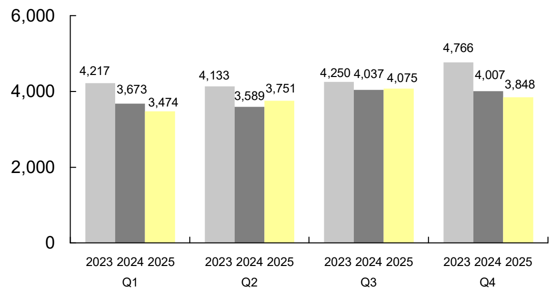
THREE ESSENTIAL SCENTS
HAND & BODY series

Q4 (YTD)	Results (mil. yen)	YoY Change
Net sales	15,149	(1.0%)
Operating income(1)	(704)	146
DECENCIA Net sales	5,592	(0.0%)
DECENCIA OP income	553	13.5%
THREE Net sales	4,862	(11.5%)
THREE OP income(1)	(1,194)	(259)

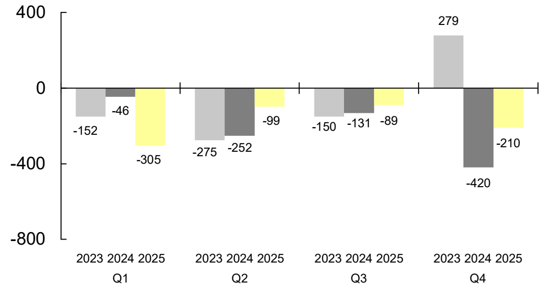
Key indicators		
THREE		
Sales ratio	Domestic	81.6%
	Overseas	18.4%
Sales growth(2)	Domestic	down 9.6%
	Overseas	down 19.0%

(1) The YoY change is shown as the amount (mil. yen)
(2) YoY basis

Quarterly net sales (mil. yen)



Quarterly operating income (mil. yen)



- Kaokara：An AI camera for heat countermeasures
- Dive：Medical cosmetics series available exclusively through aesthetic clinics and dermatology practices.

Next are the brands under development.

DECENCIA's profitability improved, supported by a focus on increasing customers with high LTV through proposals centered on high value-added products.

Although THREE continued to struggle with its annual performance, domestic sales of holistic-care products, which have been strategically strengthened as part of the rebranding, showed a recovery in H2 2025, exceeding the level recorded in H2 2024.

In addition, new businesses, such as Kaokara, an AI camera for heat countermeasures, and Dive, a cosmetics series available exclusively through esthetic institutions, grew steadily, contributing to sales and income.

I will now explain the progress of the medium-term management plan.

POLA ORBIS HOLDINGS

Progress of 2024–2026 Medium-term Management Plan

The domestic business has been slow to recover. Overseas, the Chinese market environment is contrary to our initial expectations. As a result, achieving management indicators will be challenging.

Management Indicators for 2026

Consolidated Net Sales	¥200.0 bil. CAGR approx. 5%	Consolidated Operating Income	Operating margin 12-13%
Domestic Net Sales	CAGR approx. 4%	Capital Efficiency	ROE 10% or higher
Overseas Net Sales	CAGR approx. 12%	Shareholder Returns	Consolidated payout ratio 60% or higher
Overseas Sales Ratio	20%		

Growth Strategies and Evaluations

Strengthen the customer base in the domestic business to achieve sustainable growth and improve profitability	Slightly behind	• For POLA, customer numbers continue to decline, but LTV is improving thanks to a focus on communication with existing customers. • ORBIS is strengthening its customer base centering on skincare customers and expanding sales in external channels.
Further grow the overseas business and establish business bases in new markets	Behind	• POLA's revenue is declining due to the closure of Chinese stores but Chinese e-commerce and ASEAN businesses are growing. • Jurlique is continuing with structural reforms and striving for profitability in 2026.
Achieve profitability through growth in brands under development, contributing to sustainable earnings	Behind	• DECENCIA is continuing to improve LTV through strengthened CRM. • THREE is focusing on rebranding but is still to see visible benefits.
Enhance the brand portfolio and expand business domains	On track	• We are seeing steady orders for *Kaokara*, an AI camera for heat countermeasures, and *Dive*, a cosmetics series available exclusively through aesthetic institutions. • We are sowing the seeds for new business at CVC and Brand Founders Studio*1.
.Strengthen R&D capabilities for new value creation	On track	• New materials pipeline is progressing as planned. • Launching multiple products made utilizing new technologies at TDC*2.
Strengthen sustainability combining the resolution of social issues with uniqueness	On track	• We were selected by CDP as an "A List" company, the highest rating, for "climate change" and "water security" for two consecutive years. • We are improving employee engagement through successful Group-wide initiatives.

*1 Brand Founders Studio: A program specializing in launching brands in diverse fields, including wellbeing, beauty, food and fitness.
*2 *TDC (The Technical Development Center): A research and production facility that began operation in January 2024

The management indicators and strategies in the 2024–2026 Medium-term Management Plan and the evaluation of progress are as described.

In Japan, although POLA's recovery is progressing, it is later than originally planned, and overseas, the economic environment in China differs significantly from our initial assumptions, making it difficult to achieve the management indicators for 2026, which were initially set.

I will explain our progress to date and future initiatives based on our recognition of the challenges we face as a group on page 17 and beyond.

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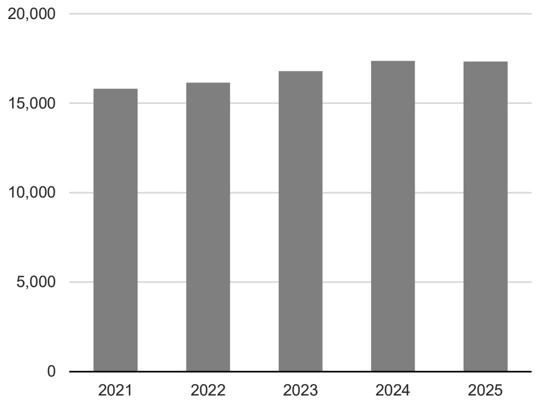
Trends in the Cosmetics Market

Domestic Cosmetics Market

Domestic Market Size Trend

(100 mil. yen)



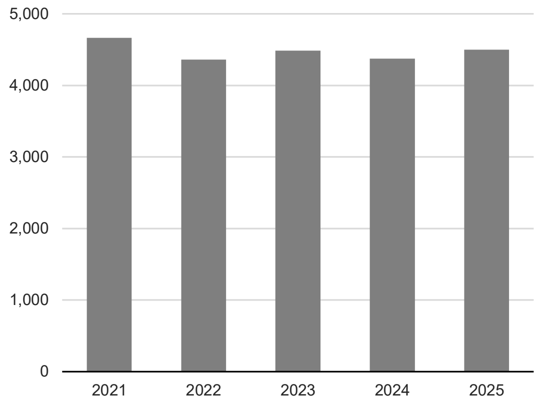
Source: Data published in January 2026 by Intage SLI

- Domestic demand remains stable and moderate expansion in the skincare market is expected over the medium term.
- While the number of foreign visitors to Japan continues to rise, with 2025 bringing the most visitors on record, the trend in inbound consumption remains uncertain and requires close monitoring.

Overseas Cosmetics Market

Chinese Market Size Trend

(100 mil. yuan)



Source: Data published in January 2026 by Euromonitor

- Despite signs of growth in the Chinese market levelling off, the Chinese skincare market is the largest in the world, and it remains highly important for our Group’s overseas operations.
- We perceive ASEAN as a key market, with high-single-digit growth expected to continue.

First, market trends that are preconditions for future initiatives.

The domestic cosmetics market is stable, and moderate expansion in the skincare market is expected over the medium term.

In terms of inbound sales, the purchasing trend for cosmetics is uncertain due to the influence of Japan-China relations, and we believe this requires close monitoring.

As for overseas markets, despite signs of growth in the Chinese market leveling off, the Chinese skincare market is the largest in the world, and it remains highly important for our group's overseas operations.

We perceive ASEAN as a key market, with high single-digit growth expected to continue, and it is positioned as one of our focus markets.

POLA ORBIS HOLDINGS

Initiatives Going Forward

The Vision of the POLA ORBIS Group

VISION 2029 A collection of unique businesses that respond to diversifying values of “beauty”

Policy for 2026

Focus on enhancing and improving profitability and establish a foundation geared for growth in future profit.

Domestic Business

- A rebound in POLA sales is vital for profit growth, and we will continue to rebuild the base of the salon channel* to return to a growth trajectory.
- Establish a customer base, focusing on highly loyal customers, by increasing the value of customer experiences.
- Efficient expense execution.

Overseas Business

- Establish a base for renewed growth for the Chinese business in light of the business environment.
- Continue to develop markets that will become future growth drivers.
- Minimize losses through disciplined cost control.
- Rebuild the earnings mix for sustainable profit generation.

R&D for the creation of new value and development of new businesses

After steadily resolving current challenges, we will work to formulate and execute a new Medium-term Management Plan for 2027 onward, which marks the final stage of VISION 2029.

*Salon channel: Formerly referred to as the “consignment sales channel.

In light of these market trends and business conditions, in 2026, we will focus on improving profitability and establishing a foundation for future profitable growth.

In the domestic business, POLA will focus maximum efforts on rebuilding the foundation of the salon channel, which has been described as a consignment sales channel, and on developing a customer base centered on existing customers with high loyalty to support future growth.

In our overseas business, we will complete the structural reforms at our core Chinese business and Jurlique while also working to develop a foundation for growth for the future.

By firmly implementing structural reforms in Japan and overseas, we will steadily increase the profitability of the entire group while also making steady progress in research and new business investments that will plant seeds for the future.

The year 2026 will be a year of preparation for the next medium-term management plan. While steadily resolving current challenges, we will work to formulate and execute a new plan that will ensure the enhancement of the Group's corporate value in the future.

POLA

Initiatives Going Forward

<Domestic Business> While we expect an impact from strengthened controls on secondary distribution, we aim to increase domestic revenue by accelerating momentum at stores on a growth track in the salon channel, along with continued growth in department stores, e-commerce, and hotel amenities.

Rebuilding the business base

Strengthen the growth potential of the salon channel, with esthetic services at its core.

Improving the value of customer salon experiences

- Develop new high-value-added salons

New high-value-added salons
- Offer total care service Resence esthe
- Develop areas meeting customer needs, especially in cities

\+

Stores with enhanced services

Leverage knowledge of new high-value-added salons

POLA SALON＋ AOYAMA

Resense esthe

- Strengthen hiring and development of beauty directors
- Strengthen headquarters consulting for resolution of challenges faced by each store

↓

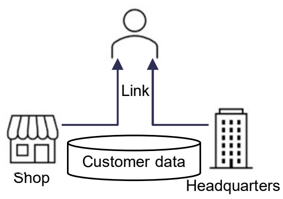
Accelerating further growth of stores on a growth track

Strengthening the customer base

Increase retention rates and LTV

Strengthen CRM

- Utilize customer data in communication with customers
- Improve quality of approaches by linking information sent from headquarters with shops' own efforts



↓

Increase customer utilization rates through effective customer communication

Product strategy

- Full renewal of the high-prestige series B.A.
- Expand product line-up, centering on highly functional skincare

(Left）B. A Series
(Right) WHITE SHOT CLEAR SKIN LOTION

↓

Increase recognition and sales of new B.A products
Promote cross-selling

I will now explain initiatives going forward for each brand.

First, POLA.
For the domestic business, we will achieve revenue growth by accelerating further growth of stores on a growth track in the salon channel and growth in department stores, e-commerce, and hotel amenities.

In the salon channel, we will focus on adding higher value to esthetic services, which are the axis of customer relationships, and support the activities of growing salons.

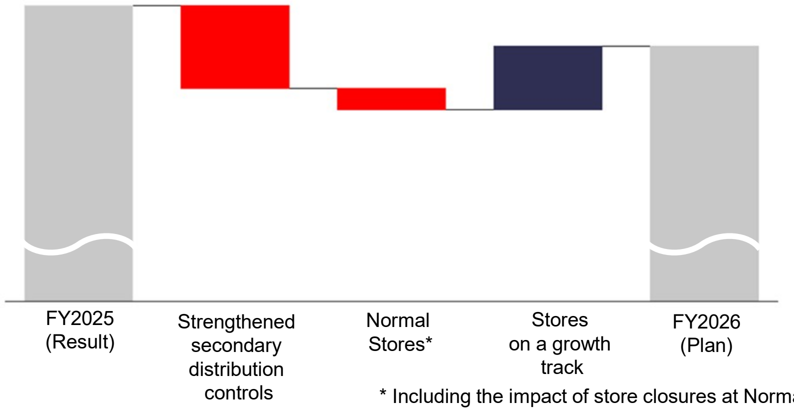
Furthermore, we will accelerate the growth of stores on a growth track by strengthening the hiring and development of beauty directors, who are the key points of contact with customers, and by enhancing our consulting capabilities for each salon.

In addition, by further utilizing the customer data platform and deepening communication with customers while coordinating the salons with the headquarters, we will promote the creation of a strong customer base with a high retention rate and LTV.

Initiatives Going Forward

Outlook for salon channel sales

Factors impacting salon channel sales



* Including the impact of store closures at Normal Stores in 2025

- Lower revenue is expected for the salon channel overall due to strengthened controls on secondary distribution.
- Stores on a growth track continue to grow, driven by aesthetic services.
- Enhance customer experience value to increase customer numbers and drive revenue growth.

Structural reform aimed at improving productivity

We are promoting a review of fixed costs in line with changes in the business environment and business structure. As part of this initiative, POLA INC. will implement an early retirement program, the “Next Career Special Support Plan” *1.

Due to the support payments associated with this program, an extraordinary loss*2 of approximately ¥1.4 billion is expected to be recorded in FY2026.

*1 Plan details are in accordance with the “Notice on Implementation of Next Career Special Support Plan , Early Retirement Program for Consolidated Subsidiary” dated February 13, 2026.
*2 This extraordinary loss is reflected in our consolidated earnings forecast for FY2026.

The following is a supplement to the salon channel's forecast for the current fiscal year.

Due to the elaboration of the secondary distribution control measures implemented since last year, a YoY difference will occur mainly in H1, but we will accelerate the growth of stores on a growth track through the enhancement of esthetic services and CRM, as explained earlier, and achieve the same level of performance as the previous year in H2.

We will enhance customer experience value to increase customer numbers and drive revenue growth.

In addition, we will review fixed costs as a structural reform aimed at improving productivity. As part of this initiative, POLA INC. will implement an early retirement program, and an extraordinary loss of approximately JPY1.4 billion will be recorded in 2026.

POLA

Initiatives Going Forward

<Overseas Business> For the Chinese business, we will build the base for realizing future growth, and in ASEAN, we will focus on expansion through active roll-outs.

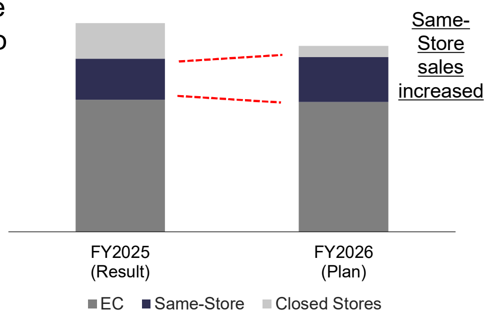
Building the base for renewed growth for the Chinese business

We will build a customer base, focused on highly loyal customers, as we strive for renewed growth, centered on maximizing LTV.

Due to the impact of store closures, revenue is expected to decrease for the Chinese business in 2026. But we aim for same-store sales to grow in 2026.

- Expand recognition and sales of the new B.A series, which continues to perform well.
- Re-establish customer contact points to enhance brand understanding.
- Establish CRM that integrates both offline and online touchpoints.
- Develop stores offering unique brand experiences to attract high-prestige customers.

China Retail Business Revenue



Accelerating growth in ASEAN

- Establish ASEAN customer strategy teams and formulate strategy based on customer insights.
- Expand customer contacts through store openings and provide brand experience opportunities.

<2026 Plan>	Net sales: approx. flat (Domestic approx. flat to up 1%, overseas down approx. 4-5%) Operating income: up approx. 3-4% (YoY)

Next is the overseas business.

In the Chinese business, revenue is expected to decline due to the impact of store closures, but we aim to turn around revenue growth at existing stores, excluding the impact of store closures, by building a customer base centered on highly loyal customers through expanded sales of the strong new B.A and improvement of customer contact points.

In ASEAN, where market growth is expected, we intend to accelerate growth by opening new stores.

In addition to offering in department stores and malls, we will expand into new specialty stores with high customer attraction to enhance our brand presence.

Based on the above, POLA expects revenue in Japan to increase 1% from the previous year's level, while overseas sales are expected to decrease 4% to 5%, with the brand as a whole aiming for the same level of sales as the previous year.
In addition, we plan to increase operating income by 3% to 4%.

ORBIS

Initiatives Going Forward

As we strive to be a “brand for life,” we aim to expand our customer base by diversifying touchpoints and to enhance our earnings mix with a focus on high-value-added skincare.

Expand target market

Current main sales channel and customer base
Direct selling channels
Customers in their 30s to 50s

External channels

- Create new touchpoints with teens, people in their twenties, and men.
- We can expect further growth by expanding contact points and growing sales per store.

60+ customer market

- Our main targets are adult generations with a strong sense of beauty.
- Potential for expanding our customer lists.
- We anticipate acquiring customers with high expected retention rates and LTV.
- We will acquire new customers with approaches tailored to target groups.

Achieve further business growth by building a new base of customers and by creating buying opportunities.

Improve brand value

Continual launches of new high-value-added products → External reviews / Word of mouth

Quality appeal: YES
Price appeal: NO

Build perception for highly functional, high quality and highly effective skincare.

Acquire new customers organically.
Promote utilization without reliance on promotions.
Build a customer base centered on customers with high expected retention rates and LTV.

Improving profitability over the medium to long term

<FY2026 Plan> Net sales up approx. 4-5% Operating income up approx. 2-3% (YoY)

Next, ORBIS.

As we strive to be a brand for life that continues to provide value throughout the customer's lifetime, we aim to diversify and expand touchpoints.

In particular, to create a new customer base, we aim to further grow our business by strengthening communication with promising seniors.

In addition, we will focus on enhancing brand value by introducing high value-added products and promoting quality to build a loyal customer base with a high retention rate and LTV.

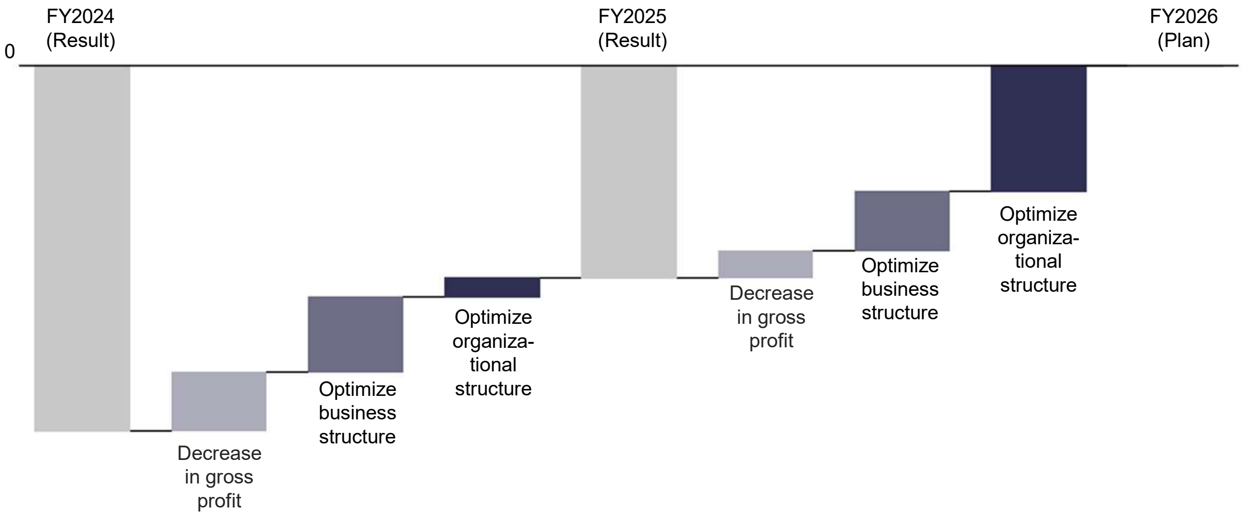
As a result, we plan a 4% to 5% increase in net sales and a 2% to 3% increase in operating income.

Jurlique

Initiatives Going Forward

We are steadily carrying out structural reforms to achieve profitability in 2026 by improving losses without relying on sales increase.

Factors impacting operating income



Optimize business structure

- Withdrawal from unprofitable markets
- Closure of unprofitable stores
- SKU rationalization
- Optimization of marketing expenses

Optimize organizational structure

- Optimization of staffing and role realignment
- Efficiency improvements through business process and system enhancements

Next is Jurlique.

In 2026, we are steadily carrying out comprehensive structural reforms, including optimization of the business structure, such as withdrawal from unprofitable markets and streamlining our organization and personnel structure, to achieve profitability by improving losses without relying on sales increase.

Initiatives Going Forward: Brands Under Development

DECENCIA

- ■ Expand the customer base by balancing customer acquisition and retention while maximizing investment efficiency.
- Further enhance sensitive skin research to strengthen brand presence and optimize customer acquisition costs.
- Increase customer retention through more personalized communication.

DECENCIA WHITE SPIKE-VC LOTION

THREE

- ■ Strengthen the customer base centered on holistic-care customers and drive brand revitalization.
- Establish brand positioning by further strengthening the appeal of the brand's unique value, supported by expanding the lineup of holistic care products.
- Enhance customer empathy through communication centered on the benefits of our original essential oils, thereby improving retention and promoting cross-selling.

THREE Balancing Barrier Brightening Serum

FUJIMI

- ■ Strive to expand the business scale by focusing on acquiring customers and promoting utilization.
- Aim to expand touchpoints and acquire new customers by developing business channels beyond our own e-commerce channels, centered on our flagship protein products..
- Increase the customer retention rate and LTV by formulating a loyalty program and improving customer freedom to select products.

FUJIMI PROTEIN TOMATO CREAM flavor

Here are the brands under development.

DECENCIA aims to expand the customer base further by enhancing personalized customer communication while focusing on efficiency and promoting new customer acquisition.

THREE will further expand its holistic-care products and promote communication centered on its original essential oils to strengthen the customer base and drive brand revitalization.

FUJIMI will strengthen its growth potential by working on PR and acquiring new customers through offline contact points beyond our own e-commerce channels while strengthening its product lineup with our flagship protein products.

Finally, here is the outlook for the current fiscal year.

POLA ORBIS HOLDINGS

Forecasts for Fiscal 2026

(mil. yen)	FY2025 Full-year Results	YoY Change Amount	YoY Change %	FY2026 Full-year Plan	YoY Change Amount	YoY Change %
Consol. net sales	170,285	(74)	(0.0%)	173,000	2,714	1.6%
Beauty care	164,148	(911)	(0.6%)	166,900	2,751	1.7%
Real estate	3,023	809	36.6%	3,060	36	1.2%
Others	3,112	27	0.9%	3,040	(72)	(2.3%)
Consol. operating income	15,693	1,882	13.6%	17,300	1,606	10.2%
Beauty care	15,856	929	6.2%	17,750	1,893	11.9%
Real estate	421	344	447.4%	400	(21)	(5.1%)
Others	218	(13)	(5.8%)	150	(68)	(31.2%)
Reconciliations	(801)	622	-	(1,000)	(198)	-
Ordinary income	17,022	938	5.8%	17,300	277	1.6%
Profit attributable to owners of parent	9,472	186	2.0%	9,000	(472)	(5.0%)

Assumed exchange rates: 1.00 AUD = 97 JPY (PY 96.49) 1.00 CNY = 21 JPY (PY 20.81)

	FY2025	FY2026 (plan)
Shareholder returns	Annual ¥52 (consol. payout ratio 121.5%)	Annual ¥52 (interim ¥21, year-end ¥31) (consol. payout ratio 127.8%)
Capital investment	¥8,385 mil.	¥9,000 mil. to ¥10,000 mil.
Depreciation	¥8,170 mil.	¥9,000 mil. to ¥10,000 mil.

Through the steady progress in the initiatives that I have explained so far, we are targeting net sales of JPY173 billion, up 1.6% from the previous year, and an operating income of JPY17.3 billion, up 10.2% from the previous year, with an operating margin of 10%.

The Company plans to pay an annual dividend of JPY52 per share to shareholders. Although profit is expected to decrease, the amount of dividend remains unchanged based on the concept of emphasizing stable dividends against the backdrop of the projected increase in operating income.

This concludes my explanation. Thank you very much for your attention.

Sustainability and ESG Initiatives

The unique KPIs to realize a sustainable society

Materiality Categories	Corresponding SDGs	KPIs	Targets for 2029
QOL improvement through innovative technology services	3, 8, 9	Number of new businesses created	31 in total (2026 target)
		Brand recognition and loyalty	Brand awareness and enthusiasm
		Number of research awards won at home and aboard	20 in total
		Number of researchers in cutting-edge dermatology research	120
Regional revitalization	5, 8, 11	Number of stores engaged in regional revitalization activities	700
		Number of initiatives contributing to the local economy	78
Culture, Arts, and Design	4, 17	Number of new brand experiences created that utilized art	20
		Number of participants in workshops on liberal arts topics	550,000 in total
All-inclusive human resources	3, 5, 8, 10	Job satisfaction and engagement score	75%
		Women's empowerment	Percentage of female executives: 30-50%
			Percentage of female division managers[2]: 35% (2026 target)
			Percentage of female managers: 50% or higher
		Percentage of candidates to become management executives	200%
		Number of sabbatical program applicants	21 (2026 target)
Environment	6, 12, 13, 14, 15, 17	CO_2 emissions	Scope 1, 2 down 42% (vs. 2019) Scope 3 down 30% (vs. 2019)
		Water consumption	Down 26% (vs. 2019)
		Sustainable palm oil procurement	100%
		Plastic cosmetics containers and packaging consumption	100% sustainable design based on 4R's

(1) The degree of achievement of the KPIs boxed in red is linked to compensation for the Group's corporate executives (medium- to long-term incentive).
(2) POLA ORBIS HOLDINGS INC., POLA INC. and ORBIS Inc.

Sustainability and ESG Initiatives

Main Initiatives

QOL improvement through innovative technology services	ORBIS launched ORBIS THE CLEANSING OIL, which utilizes new technology developed by POLA CHEMICAL INDUSTRIES INC. After receiving glowing external reviews*, ORBIS has seen purchases by many customers, including new ones, and is also seeing repeat purchases. As a result, sales have exceeded the plan by more than 200%. * Simultaneously won first place in the 2025 First Half Best Cosmetics Awards (cleansing category) from three major beauty magazines—VOCE, BITEKI, and MAQUIA; won top place in the Second Half Best New Item in Cleansing in the @cosme Best Cosmetics Awards; and ranked first in the @cosme Best Cosmetics Rankings (reviews posted December 25–31, 2025).
Regional revitalization	POLA continues to sign comprehensive partnership agreements with local governments. With agreements signed with eight prefectures and ten cities as of the end of 2025, we will work to revitalize communities through co-creation with local residents.
Culture, Arts, and Design	Reopened POLA GINZA as the global flagship store. We are providing new customer experience value through services and spaces co-created with diverse leading Japanese artists.


ORBIS THE CLEANSING OIL


POLA GINZA

Inclusion in ESG indexes and external ratings

FTSE4Good

FTSE JPX Blossom Japan Index

FTSE JPX Blossom Japan Sector Relative Index

2025 CONSTITUENT MSCI日本株 女性活躍指数 (WIN)

2025 Sompo Sustainability Index

CDP Supplier Engagement Leader 2024

CDP Climate Water A List 2025

Selected by CDP as an “A List” company, the highest rating, for “climate change” and “water security” for two consecutive years.

(Appendix) Quarterly Segment Results

(mil. yen)	FY2025 Jan.–Mar.		FY2025 Apr.–Jun.		FY2025 Jul.–Sep.		FY2025 Oct.–Dec.	
	Results	YoY Change	Results	YoY Change	Results	YoY Change	Results	YoY Change
Consolidated net sales	41,313	1.0%	41,940	(2.4%)	41,748	0.5%	45,283	0.7%
Beauty care	39,811	0.7%	40,389	(3.3%)	40,210	0.1%	43,737	0.4%
Real estate	737	47.7%	750	51.3%	750	29.1%	785	23.2%
Others	764	(8.4%)	799	17.1%	787	(3.1%)	760	0.8%
Consolidated operating income	4,148	23.5%	4,068	2.8%	3,734	6.7%	3,741	25.0%
Beauty care	4,132	15.6%	3,931	(8.9%)	3,790	(1.3%)	4,001	25.2%
Real estate	207	292.3%	224	277	(55)	(111)	45	116.3%
Others	1	(97.3%)	68	(23.2%)	54	12.7%	92	122.9%
Reconciliations	(192)	129	(156)	236	(54)	390	(398)	(133)

Note: Where operating income (current or previous year) is negative or the YoY change exceeds 1,000%, YoY change is shown as the amount (mil. yen).

POLA ORBIS HOLDINGS

(Appendix) Quarterly Beauty Care Business Results by Brands

(mil. yen)	FY2025 Jan.–Mar. Results	FY2025 Jan.–Mar. YoY Change	FY2025 Apr.–Jun. Results	FY2025 Apr.–Jun. YoY Change	FY2025 Jul.–Sep. Results	FY2025 Jul.–Sep. YoY Change	FY2025 Oct.–Dec. Results	FY2025 Oct.–Dec. YoY Change
Beauty care net sales	39,811	0.7%	40,389	(3.3%)	40,210	0.1%	43,737	0.4%
POLA	22,098	(0.3%)	22,391	(5.9%)	21,507	(3.8%)	24,376	(0.4%)
ORBIS	12,169	6.3%	12,615	0.6%	12,723	7.4%	12,731	3.1%
Jurlique	2,069	(8.9%)	1,630	(10.9%)	1,904	(0.5%)	2,781	1.2%
Brands under development	3,474	(5.4%)	3,751	4.5%	4,075	0.9%	3,848	(4.0%)
Beauty care operating income	4,132	15.6%	3,931	(8.9%)	3,790	(1.3%)	4,001	25.2%
POLA	2,647	14.9%	2,555	(13.1%)	1,517	(39.8%)	1,966	(9.3%)
ORBIS	2,195	11.9%	1,998	(21.8%)	2,677	29.2%	2,432	41.8%
Jurlique	(404)	240	(522)	407	(315)	303	(187)	80
Brands under development	(305)	(258)	(99)	152	(89)	42	(210)	210

Note: Where operating income (current or previous year) is negative or the YoY change exceeds 1,000%, YoY change is shown as the amount (mil. yen).
Consolidated results for each brand are shown for reference purposes only (figures are unaudited).

POLA ORBIS HOLDINGS

(Appendix) Sales Results by Channels: POLA and ORBIS

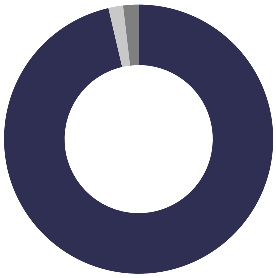
	FY2024	FY2025	YoY Change	
(mil. yen)	Q4 Results (YTD)	Q4 Results (YTD)	Amount	%
POLA net sales	92,798	90,373	(2,425)	(2.6%)
Domestic[1]	78,470	77,173	(1,296)	(1.7%)
Consignment sales	55,926	52,949	(2,976)	(5.4%)
Department store	11,734	11,912	179	1.5%
E-commerce	6,503	6,922	420	6.4%
Hotel amenities	4,271	5,257	986	23.0%
Overseas	14,328	13,199	(1,128)	(7.9%)
ORBIS net sales	48,190	50,239	2,048	4.3%
Domestic	46,705	49,343	2,638	5.6%
Direct Selling[2]	38,915	39,521	607	1.6%
External Channels etc.	7,791	9,821	2,030	26.1%
Overseas	1,485	898	(587)	(39.5%)

(1) Includes results outside the four major domestic channels
(2) Total of in-house mail-order (e-commerce and catalog) and directly-operated stores sales

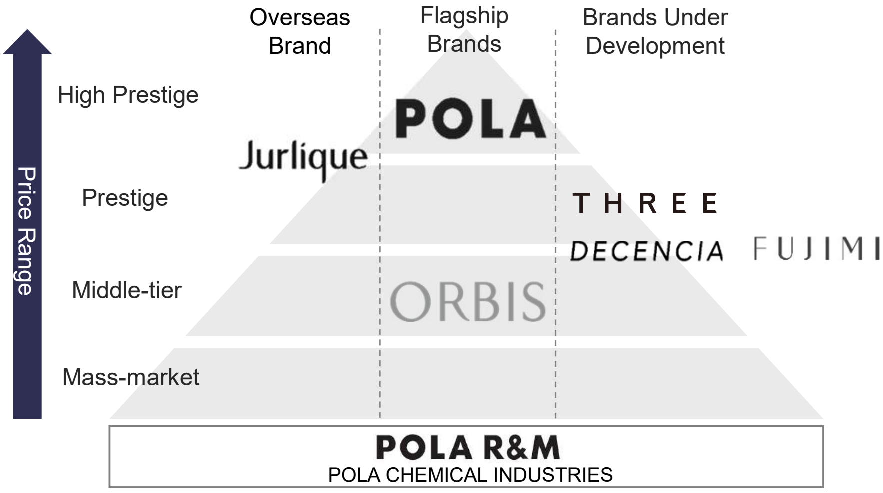
(Appendix) About POLA ORBIS Group

Beauty care is the core business of the Group, and six different brands are operated under the Group umbrella.

FY2025
Consol. Net Sales
¥170.2 bn.



- Beauty care 96%
- Real estate 2%
- Others 2% (building maintenance business)



Our strengths

- Multi-brand strategy
- Focus on skincare products
- Flagship brands, POLA and ORBIS, own and operate through their own direct selling channels

- Meeting diversified needs of customers
- High customer repeat ratio
- Strong relationships with customers

POLA ORBIS HOLDINGS

(Appendix) Beauty Care Business Brand Portfolio

	Sales Ratio*	Brand	Concept and Products	Price	Main Sales Channel
Flagship Brands	55%	POLA Since 1929	■ High-prestige skincare ■ Leading-edge technology in aging-care and skin-brightening fields	Approx. ¥10,000 or higher	■ Japan: Consignment sales, department stores, e-commerce and cosmetics specialty stores ■ Overseas: Department stores, directly-operated stores, duty free stores, e-commerce and cross-border e-commerce
	31%	ORBIS Since 1984	■ Aging-care brand to draw out people's intrinsic beauty	Approx. ¥2,000-¥5,000	■ Japan: Mail-order (e-commerce and catalog), directly-operated stores, cosmetics specialty stores, and drugstores ■ Overseas: E-commerce and duty free stores
Overseas Brand	5%	Jurlique Acquired in 2012	■ Premium natural skincare brand from Australia	Approx. ¥5,000 or higher	■ Australia: Department stores, directly-operated stores and e-commerce ■ Overseas: Department stores, directly-operated stores, duty free stores, e-commerce and cross-border e-commerce
Brands Under Develop-ment	9%	THREE Since 2009	■ Holistic care using essential oils and other natural botanical ingredients	Approx. ¥5,000 or higher	■ Japan: Department stores, directly-operated stores and e-commerce ■ Overseas: Department stores, duty free stores, e-commerce and cross-border e-commerce
		DECENCIA Since 2007	■ Skincare for sensitive skin	Approx. ¥5,000-¥10,000	■ Japan: E-commerce ■ Overseas: Cross-border e-commerce
		FUJIMI Acquired in 2021	■ Personalized beauty care brand operated by tricot, Inc.	Approx. ¥6,000-¥10,000	■ Japan: E-commerce

*Sales ratio in the beauty care business as of FY2025. Brands under development include OEM business and new business.

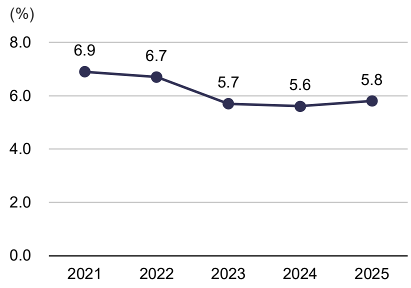
(Appendix) Improvement in Capital Efficiency and Shareholder Returns

Initiatives to Achieve the ROE Targets

	FY2025 Result	2026 Target	2029 Target
ROE	5.8%	10% or higher	14% or higher

- Swifter decisions to discontinue unprofitable businesses and brands
- Shareholder returns through stable dividends
- Greater balance sheet efficiency
- Strategic investment to achieve sustainable growth

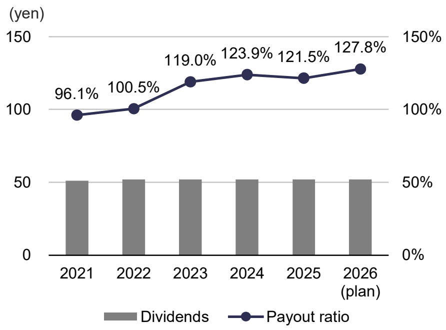
ROE Trend



Improvement of Shareholder Return

- With a policy of consolidated payout ratio of **60%** or higher, aim for steady increases in dividends, in line with profitable growth.
- Purchases of treasury stock shall be considered based on our investment strategies, as well as market prices and liquidity of the Company's shares.

【Dividends forecast for FY2026】
- Dividend per share : ¥52 (interim ¥21, year-end ¥31)
- Consol. payout ratio : 127.8%



VISION 2029

A collection of unique businesses that respond to diversifying values of "beauty"

Basic strategy 1	Develop the cosmetics business globally; reform and enhance the brand portfolio
Basic strategy 2	Create new value and expand business domains
Basic strategy 3	Strengthen research and technical strategy

STAGE 1 (FY2021–2023)

Build the base of existing businesses, and restructure the portfolio for high profits

- ✓ Emphasize profitability and LTV in domestic businesses
- ✓ Accelerate global development
- ✓ Sow the seeds for growth in new businesses, and engage in CVC investment
- ✓ Dispose of unprofitable businesses

STAGE 2 (FY2024–2026)

Invest in growth businesses to accelerate growth

- ✓ Rapid global development
- ✓ New business growth
- ✓ M&A and CVC investment
- ✓ Launch new materials and expand pipelines
- ✓ Establish new dosage forms technology

STAGE 3 (FY2027–2029)

Be a collection of unique businesses that respond to diversifying values of "beauty"

- ✓ Establish a clear presence in the well-being and social domains

【Targets for 2029】

- ■ Consolidated operating income: ¥50.0 bn.
- ■ Consolidated operating margin: 15% or higher
- ■ Consolidated net sales: ¥300.0 bn.
- ■ Overseas sales ratio: 30 - 35%
- ■ ROE: 14% or higher