



Financial Results Briefing for the Fiscal Year Ended December 20, 2025

January 29, 2026 KING JIM CO., LTD

Executive Summary

FY6/2026 2Q - Turnaround to profitability, with higher operating and ordinary profits despite a YoY decrease in net sales

FY6/2026 2Q Results

- ✓ **Net sales decreased YoY and fell short of the plan.** The Stationery and Office Supplies Business was impacted by lower sales of TEPR hardware and a decline in disaster preparedness goods following a surge in demand in the prior year. In the Lifestyle Products Business, overall revenue declined as weak performance at Bon Furniture Co., Ltd. and Life on Products, Inc. offset strong results from Ladonna Co., Ltd.
- ✓ Operating & ordinary profit **increased** due to improved SG&A; **Ordinary profit successfully met the plan.**
- ✓ While interim net profit fell short of the target due to the payment of income taxes for overseas production subsidiaries—pertaining to prior years—the company successfully achieved a turnaround to profitability.

FY6/2026 Results Forecasts*

- ✓ We are guiding for ¥40.5 B in net sales, ¥1.0 B in operating profit, ¥1.2 B in ordinary profit, and ¥650 M in net income; This represents **both higher sales & profits.**
- ✓ **Accelerate growth** in Lifestyle Products Business; **bolster sales** in the Stationery and Office Supplies Business by strengthening the digital and office/living environment categories.
- ✓ Drive a **profit increase** by capturing gross profit margin gains through revenue expansion and the successful execution of price revisions and through fixed-cost reductions.
- ✓ ROE projected to reach approx. 2.7%, reflecting profitability improvements.

11th MTMP: Status & Progress

- ✓ Dual focus on core business optimization while simultaneously actively establishing execution frameworks and making strategic investments in key growth areas.
- ✓ We aim to increase corporate value by leveraging our business-specific expertise and optimizing the Group's collective management resources, generating powerful synergies.

*Figures reflect the downward revision to the FY6/26 consolidated financial results forecast announced on January 23, 2026.

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01 FY6/2026 2Q Results

Consolidated Statements of Income

FY6/2026 2Q - Turnaround to profitability, with higher operating and ordinary profits despite a YoY decrease in net sales

Gross profit margin: +1.4pt

(Unit: ¥1 M)

	FY6/25 2Q		FY6/26 2Q		YoY		Vs. forecast *1	
	Result	% of Sales	Result	% of Sales	Change	Change (%)	Change	Change (%)
Net sales	18,520	100.0%	17,967	100.0%	-552	-3.0%	-632	-3.4%
Gross profit	7,008	37.8%	7,036	39.2%	+27	+0.4%		
SG&A	6,990	37.7%	6,837	38.1%	-152	-2.2%		
Operating profit	18	0.1%	198	1.1%	+180	+974.0%	-21	-9.6%
Ordinary profit	180	1.0%	382	2.1%	+201	+111.5%	+12	+3.5%
Profit attributable to owners of parent	-75	-0.4%	27	0.2%	+102	—	-82	-75.0%

*1 FY6/26 2Q forecast – Net sales: ¥18.6 B; Operating profit: ¥220 M; Ordinary profit: ¥370 M; Interim net profit: ¥110 M

Consolidated Net sales

Both the Stationery and Office Supplies Business and the Lifestyle Products Business experienced a decline in net sales

■ Stationery and office supplies business

■ Lifestyle products business

(Unit: ¥1 M)

YoY

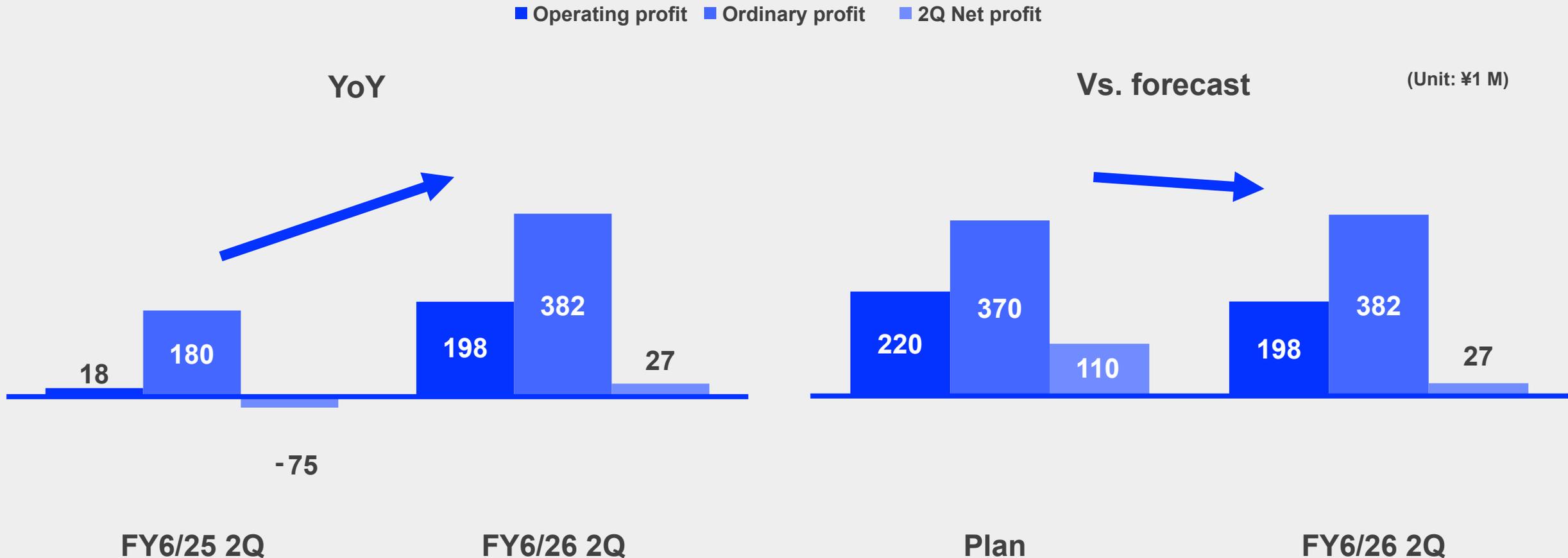
Vs. forecast



Consolidated Profits

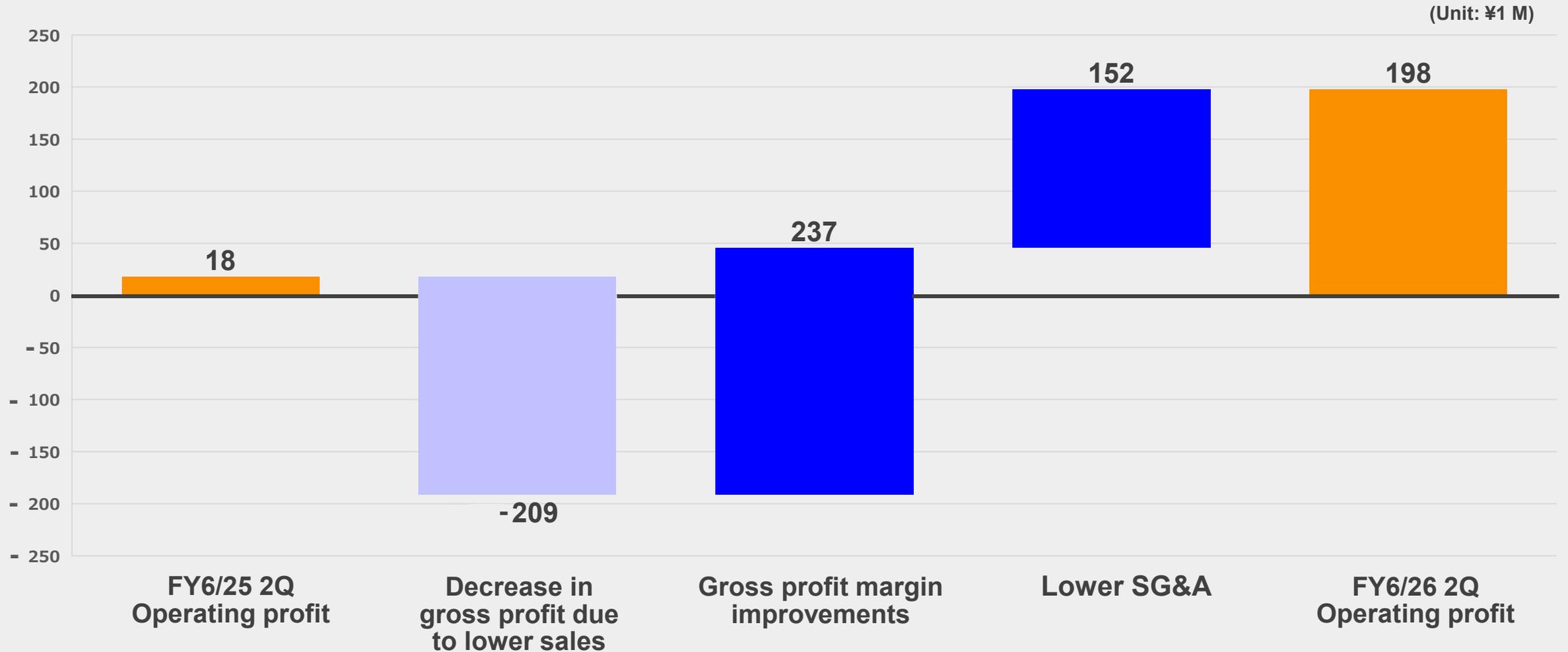
YoY profit growth & turnaround to profitability through improvement in gross profit margin & reduction in SG&A expenses.

While the bottom line was impacted by a charge for back income taxes related to our overseas manufacturing subsidiaries, the company nevertheless delivered an interim net profit of 27 million yen.



Factors Affecting Consolidated Operating Profit

YoY increase in operating profit thanks to gross profit margin improvements and a decrease in SG&A



Segment Sales & Operating Profit

Stationery and Office Supplies Business

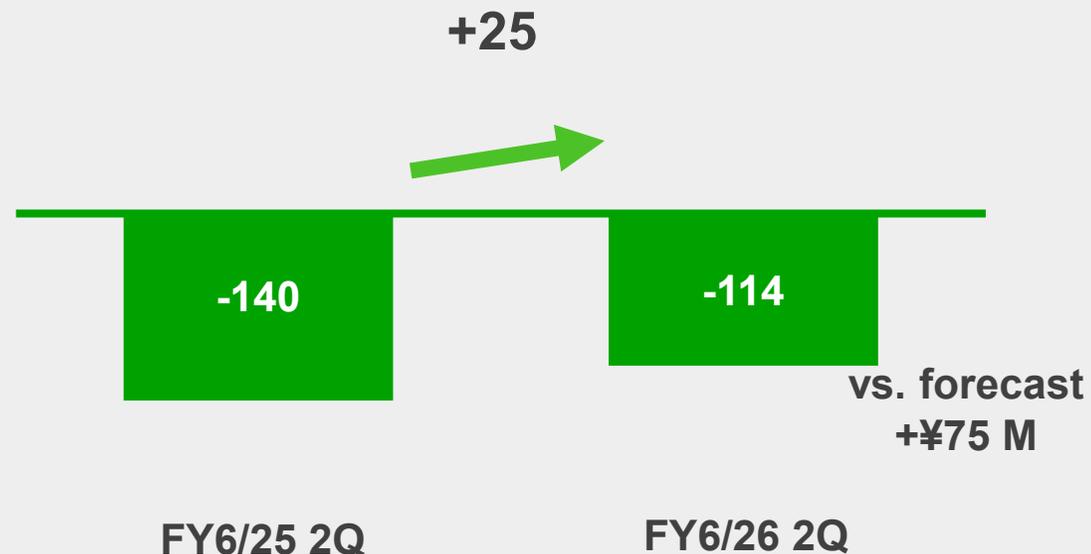
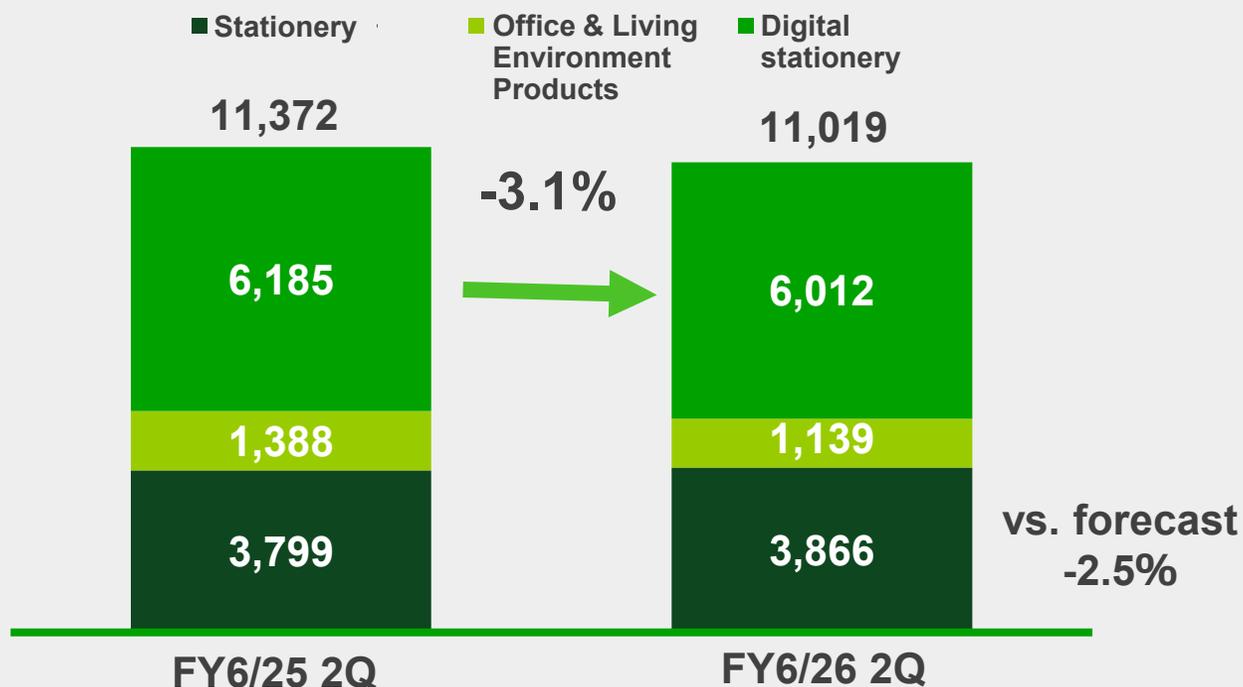
Net sales: ¥11.019 B

(Unit: ¥1 M)

- Lower sales volume for TEPRAs hardware and other digital stationery.
- A demand surge in the prior year made for challenging comps this year, leading to lower sales.

Operating loss: ¥-114 M

- Losses were lower thanks to gross profit margin improvements.



Segment Sales & Operating Profit

Lifestyle Products Business

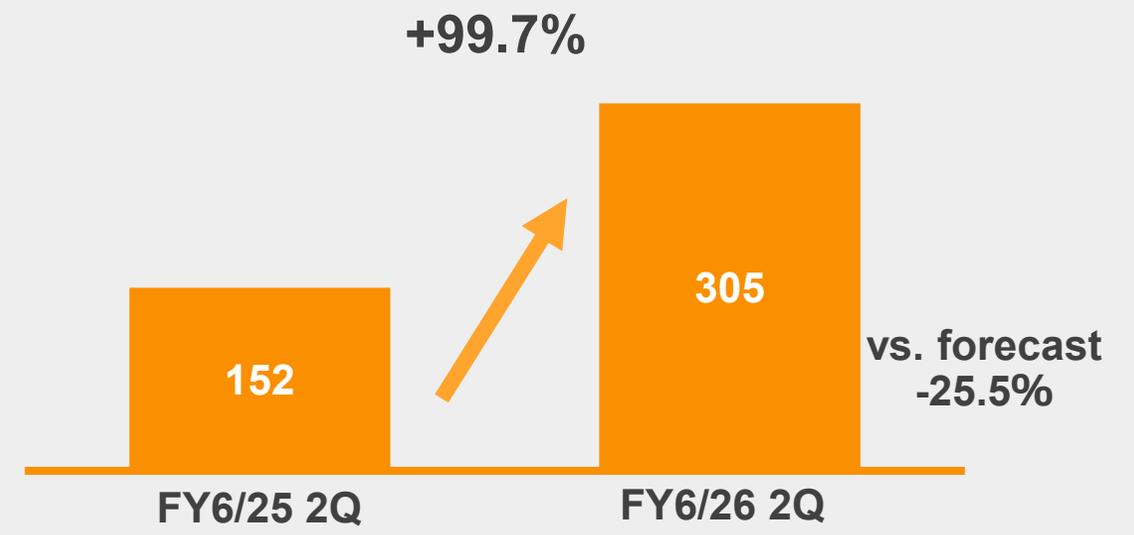
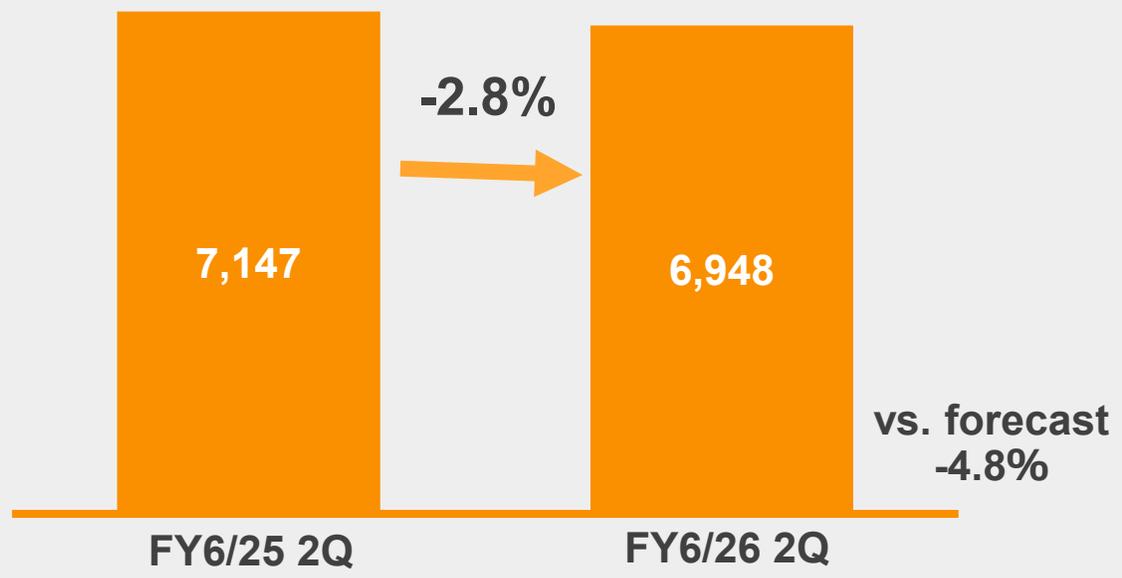
(Unit: ¥1 M)

Net sales: ¥6.948 B

- Sluggish performance at Bon Furniture Co., Ltd. and Life on Products, Inc.

Operating profit: ¥305 M

- Positive contribution from an improved GPM and lower SG&A expenses



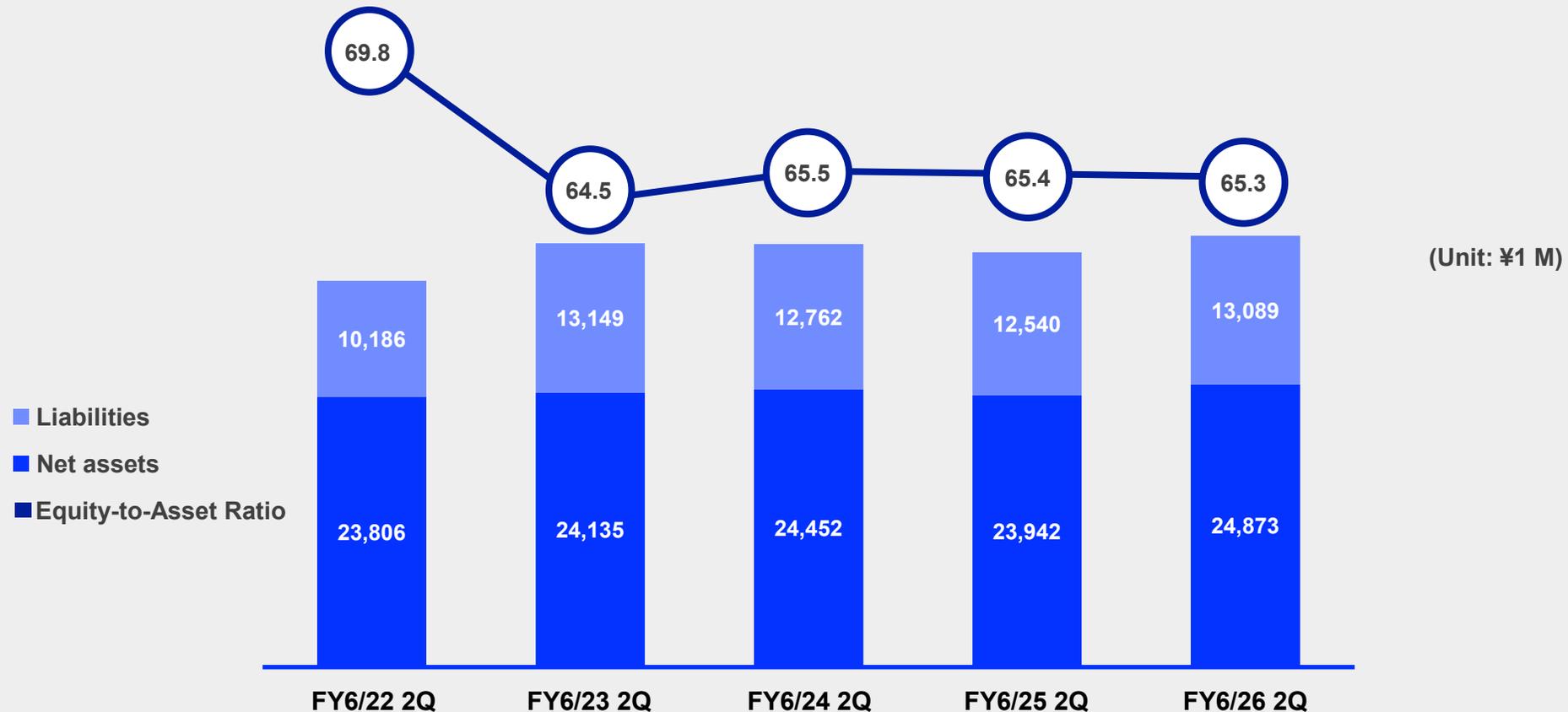
Consolidated Balance Sheets and Equity Ratio

Total assets: +¥1.48 B YoY; driven by higher investment securities and cash and deposits

Liabilities: +¥549 M YoY following a rise in short-term borrowings

Net assets: +¥930 M YoY thanks to gains in valuation difference on available-for-sale securities and foreign currency translation adjustments

Equity ratio: Continued stable performance at 65.3%, nearly flat YoY



Consolidated Cash Flows

Cash flows from operating activities: 1H Profit before income taxes, depreciation, increase in inventories, etc.

Cash flows from investing activities: Purchase of property, plant and equipment and intangible assets, etc.

Cash flows from financing activities: Expenses related to the repayment of long-term borrowings and dividend payments; Net increase in short-term borrowings.

(Unit: ¥1 M)

	FY6/22 2Q	FY6/23 2Q	FY6/24 2Q	FY6/25 2Q	FY6/26 2Q
Cash flows from operating activities	-1,414	-1,821	-958	-351	-557
Cash flows from investing activities	-3,355	-1,260	-204	-406	-327
Cash flows from financing activities	3,827	2,837	1,086	1,163	841
Effect of exchange rate change on cash and cash equivalents	52	141	110	-39	196
Net increase (decrease) in cash and cash equivalents	-891	-102	34	366	153
Cash and cash equivalents at the end of period	6,141	5,534	5,957	6,055	6,552

Net cash used in operating activities typically trends negative in the first half due to strategic inventory buildup in preparation for the second-half peak demand season

02 FY6/2026 Forecasts

FY6/26 Full-Year Consolidated Results Forecast Revisions (January 23, 2026)

FY6/26 Consolidated forecasts

(Unit: ¥1 M)

	Prev. forecast	Current forecast	Change
Net sales	42,000	40,500	-1,500
Operating profit	1,500	1,000	-500
Ordinary profit	1,600	1,200	-400
Profit attributable to owners of parent	1,000	650	-350

FY6/26 Segment forecasts

	Prev. forecast	Current forecast	Change
Net sales	42,000	40,500	-1,500
Stationery and Office Supplies Business	26,300	25,300	-1,000
Digital Stationery	14,400	13,800	-600
Office & Living Environment Products	3,400	2,900	-500
Stationery	8,500	8,600	+100
Lifestyle Products Business	15,700	15,200	-500
Segment profit	1,500	1,000	-500
Stationery and Office Supplies Business	870	530	-340
Lifestyle Products Business	620	460	-160

Projected year-on-year growth in net sales and profit, though trailing initial company forecasts.

<Relevant factors in 1H>

■ Net sales

- Lower sales for TEPRA hardware and electronic products and decrease in disaster preparedness supplies (within office and living environment products) following a surge in demand during the prior year.
- Sluggish performance at Bon Furniture Co., Ltd. and Life on Products, Inc.

■ Operating & Ordinary profit

- Impacted by lower sales.

■ Profit attributable to owners of parent

- Impacted by charge for back income taxes related to our overseas manufacturing subsidiaries.

<2H strategy, building on 1H results>

- Net sales increase driven by accelerating growth in the Lifestyle Products Business and strengthening electronic products and living environment products within the Stationery and Office Supplies Business.
- Drive a profit increase by capturing gross profit margin gains through revenue expansion and the successful execution of price revisions and through fixed-cost reductions.
- Despite ongoing yen weakness, we remain committed to achieving our management targets through proactive sales initiatives and sustained cost-reduction efforts.

FY6/2026 Forecasts

FY6/26 Consolidated forecasts

(Unit: ¥1 M)

	FY6/25		FY6/26*2		YoY	
	Results	% of Sales	Forecast	% of Sales	Change	Change (%)
Net sales	39,639	100.0%	40,500	100.0%	+860	+2.2%
Operating profit	537	1.4%	1,000	2.5%	+462	+86.0%
Ordinary profit	836	2.1%	1,200	3.0%	+363	+43.5%
Profit attributable to owners of parent	424	1.1%	650	1.6%	+225	+53.0%

FY6/26 Segment forecasts

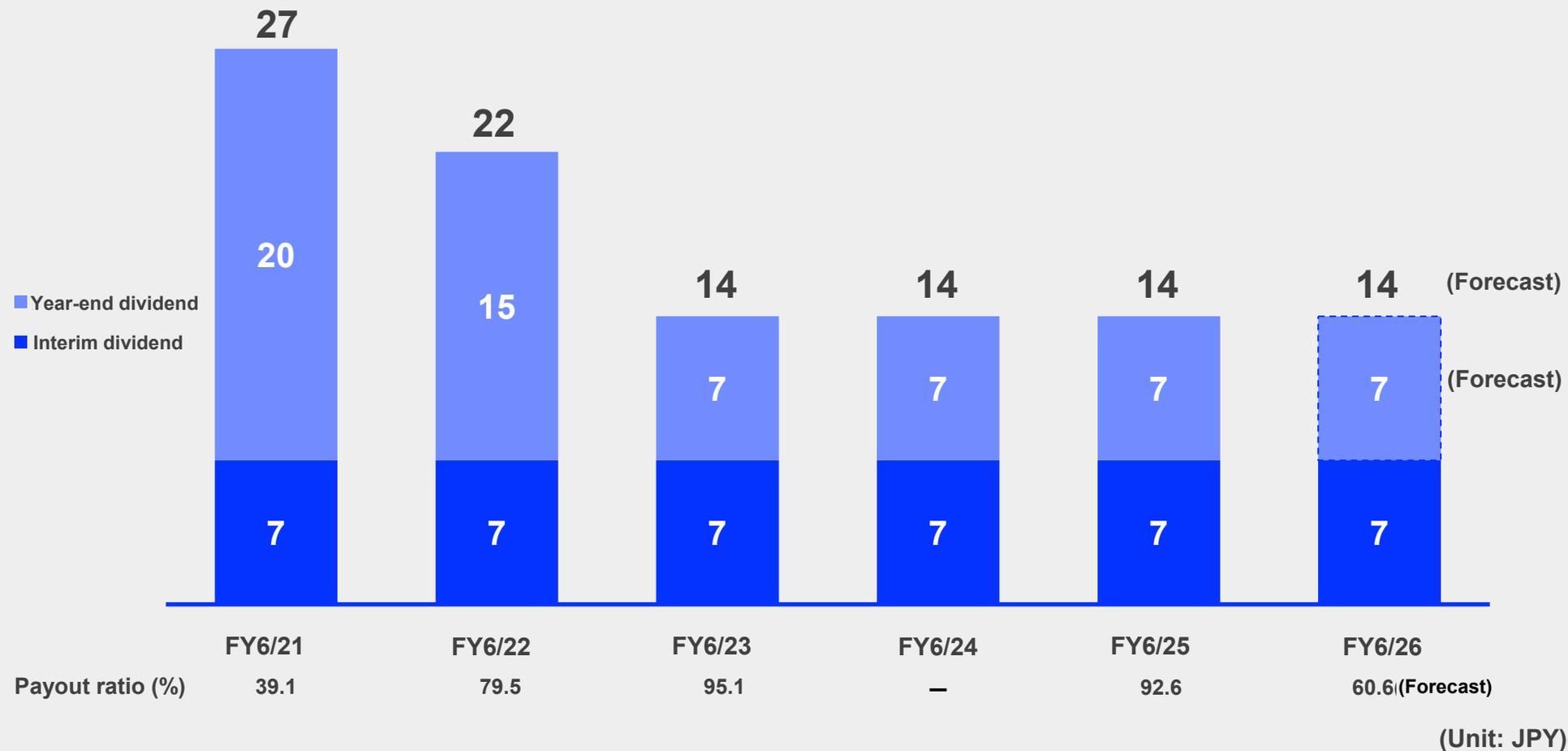
	FY6/25		FY6/26*2		YoY	
	Results	% of Sales	Forecast	% of Sales	Change	Change (%)
Net sales	39,639	100.0%	40,500	100.0%	+860	+2.2%
Stationery and Office Supplies Business	25,178	63.5%	25,300	62.5%	+121	+0.5%
Digital Stationery	13,836	34.9%	13,800	34.1%	-36	-0.3%
Office & Living Environment Products	2,921	7.4%	2,900	7.2%	-21	-0.7%
Stationery	8,420	21.2%	8,600	21.2%	+179	+2.1%
Lifestyle Products Business	14,461	36.5%	15,200	37.5%	+738	+5.1%
Segment profit*1	537	1.4%	1,000	2.5%	+462	+86.0%
Stationery and Office Supplies Business	382	1.0%	530	1.3%	+147	+38.5%
Lifestyle Products Business	131	0.3%	460	1.1%	+328	+250.1%

*1: Segment profit for individual businesses is shown before adjustments for inter-segment transactions. The total reflects figures after inter-segment transaction adjustments (operating profit).

*2: Figures reflect the downward revision to the FY6/26 consolidated financial results forecast announced on January 23, 2026.

Shareholder Returns

Dividend Policy: Provide stable dividends to shareholders, maintaining a payout ratio of 40% as the benchmark

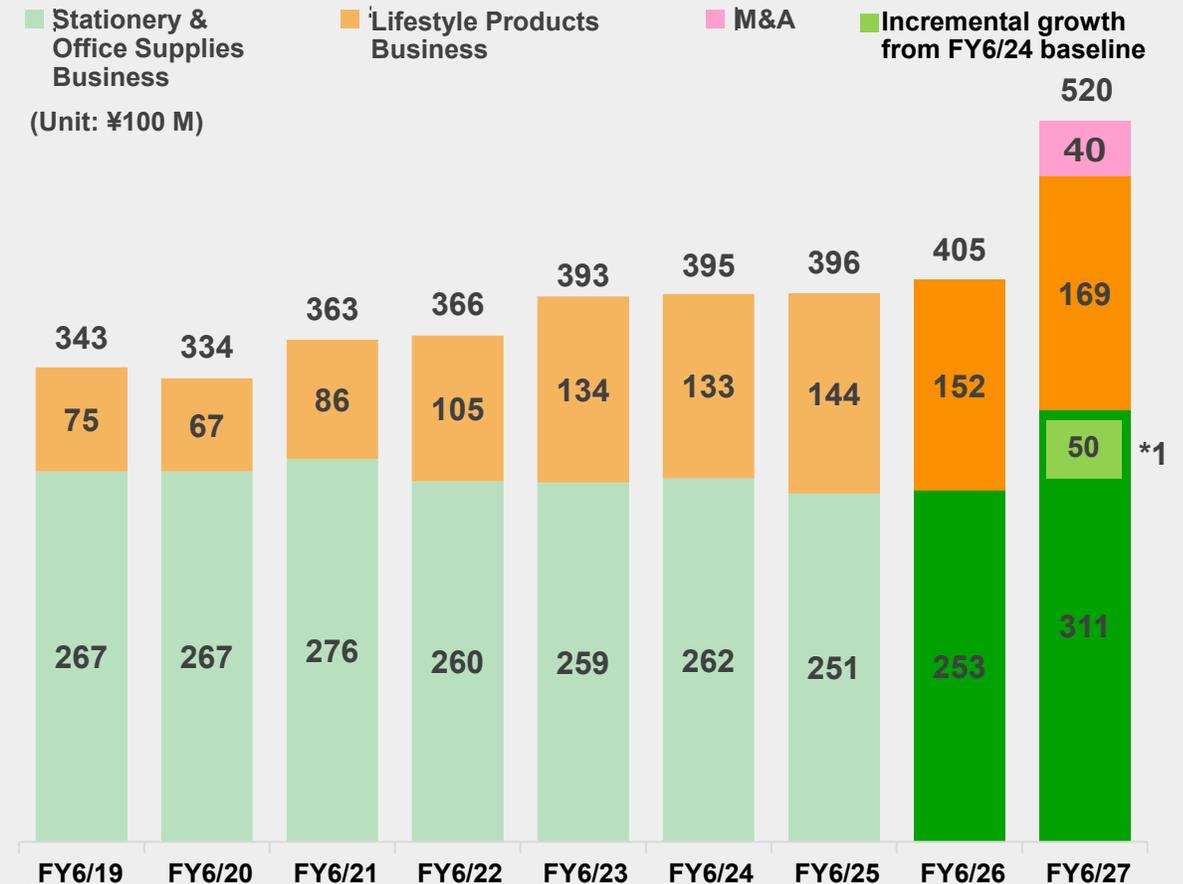


03 11th MTMP: Status & Progress

11th Medium-Term Management Plan: Management Indicators

	2025 Results	2026 Forecast* ₂	2027 Plan
Net sales	¥39.6 B	¥40.5 B	¥52.0 B
Ordinary profit	¥800 M	¥1.2 B	¥2.8 B
Ordinary profit margin	2.1%	3.0%	5.4%

ROE8.0%



*1: Targeting ¥5.0 B in incremental sales for the Stationery and Office Supplies Business by FY6/27 (vs. FY6/24 base, when the 11th MTMP was formulated). This increase is expected to be driven by ¥2.5 B from the overseas business, ¥1.0 B from the e-commerce business, and ¥1.5 B from the service business.

*2: Figures reflect lowered guidance for FY6/26, with this downward revision originally announced on January 23, 2026.

Fundamental Policies and Strategy of the 11th Medium-Term Management Plan

Deploy our three **fundamental policies** and advance to the next stage



Development Areas

Product development to empower workplaces and enrich consumer living

Development Areas: Workplaces (BtoB)

Improve productivity



TEPRA PRO SR-R5600P offers versatile utility across a broad spectrum of professional environments, from offices to worksites.

Empower workplaces



Door Notification Light (Outdoor Type): Mitigate collision risks associated with door operation in professional environments.

Disaster preparedness & safety



Launched August 2025
KOKOBO disaster preparedness brand



Disaster preparedness kits are housed in file-format packaging, designed to fit seamlessly into standard office bookshelves and desk drawers

Development Areas: Living (BtoC)

Make living convenient & support learning/hobbies



Pouzoo pen grips, a result of joint development with student groups



Boogie Board BB-21 electronic memo pad

Fill everyday life with fun and color



KING MINI Series featuring miniature-sized stationery

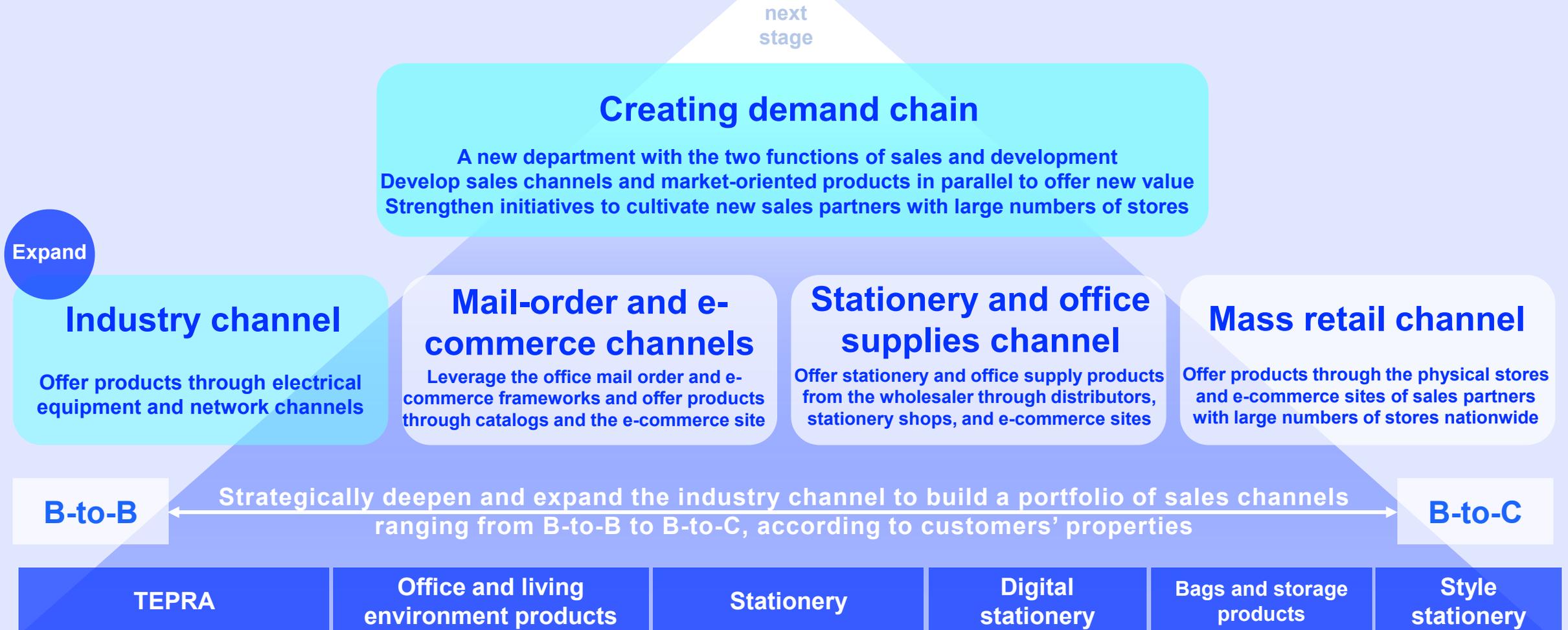


COFFRET series of cosmetic-motif stationery

Strengthening
our existing
businesses

Sales strategy

Sales channels to match the unique properties of customers and products



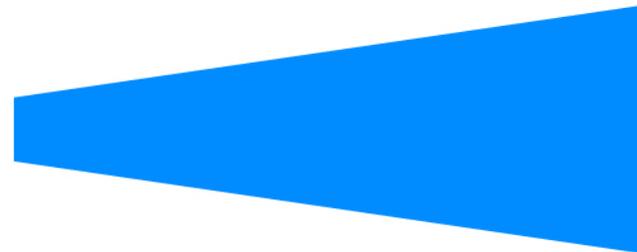
Sales Strategy for Key Products

Execute sales promotion initiatives to diversify
TEPRA use cases and drive B-to-B demand

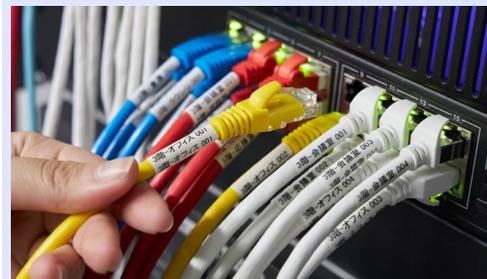
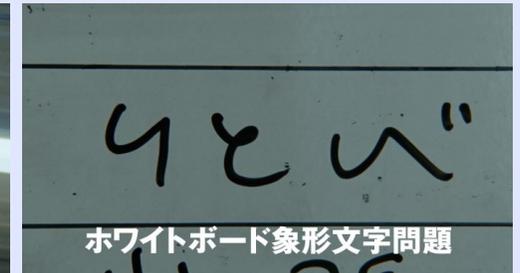


Launched the second installment of our "#askTEPRA" web commercial series in January 2026, alongside collaborative initiatives with sales partners and social media campaigns. By highlighting TEPRA's problem-solving solutions across a versatile range of workplace scenarios, we aim to further stimulate demand for the brand.

職場の悩みに、テプラで挑め。



#おねがいテプラ



前田	本社
後藤	現場
橋	出張

https://www.kingjim.co.jp/sp/tepra_onegai/

Sales Strategy (Strategic alliance with new prominent retail chain)

[Standard Products by DAISO] collaboration



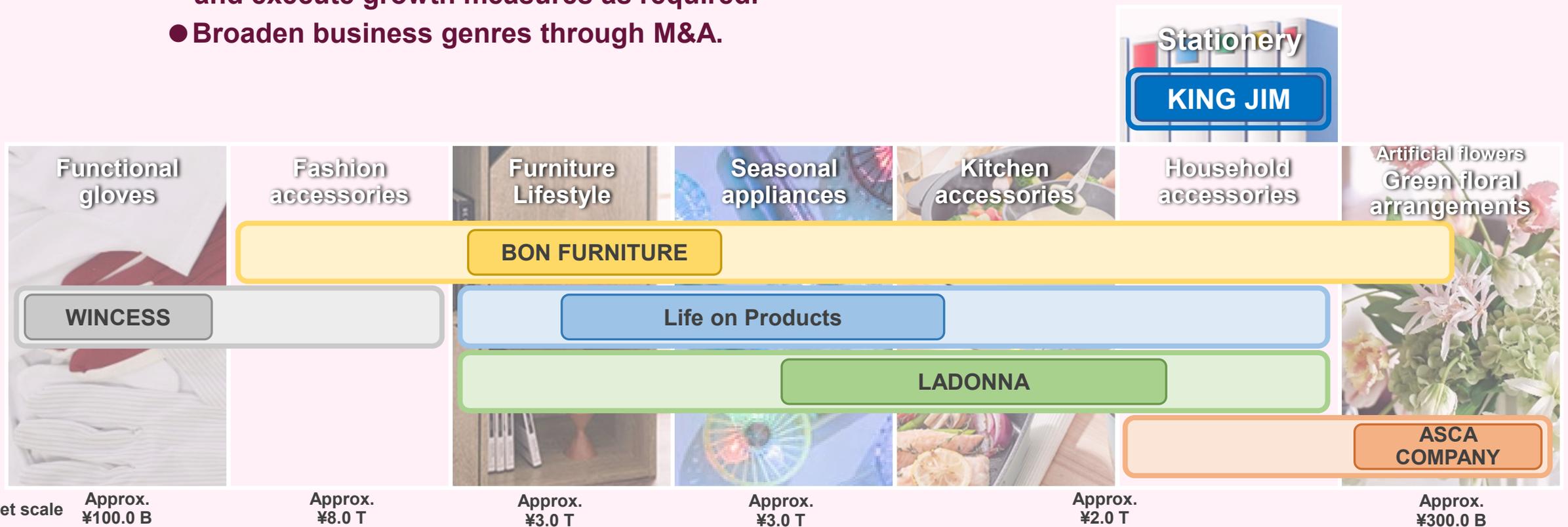
First-ever joint development with Daiso Industries Co., Ltd. culminating in the launch of a premium lineup of 13 multi-functional products—including files, magnetic cases, and clipboards. Launched nationwide in Standard Products stores in August 2025.

Expansion of the lifestyle field

Driving Growth and Strengthening Synergies across Group Companies

Expand beyond the Stationery Business to penetrate neighboring areas where we possess strategic familiarity.

- Formulate fundamental policies for each Group company through the Group Management Committee and execute growth measures as required.
- Broaden business genres through M&A.

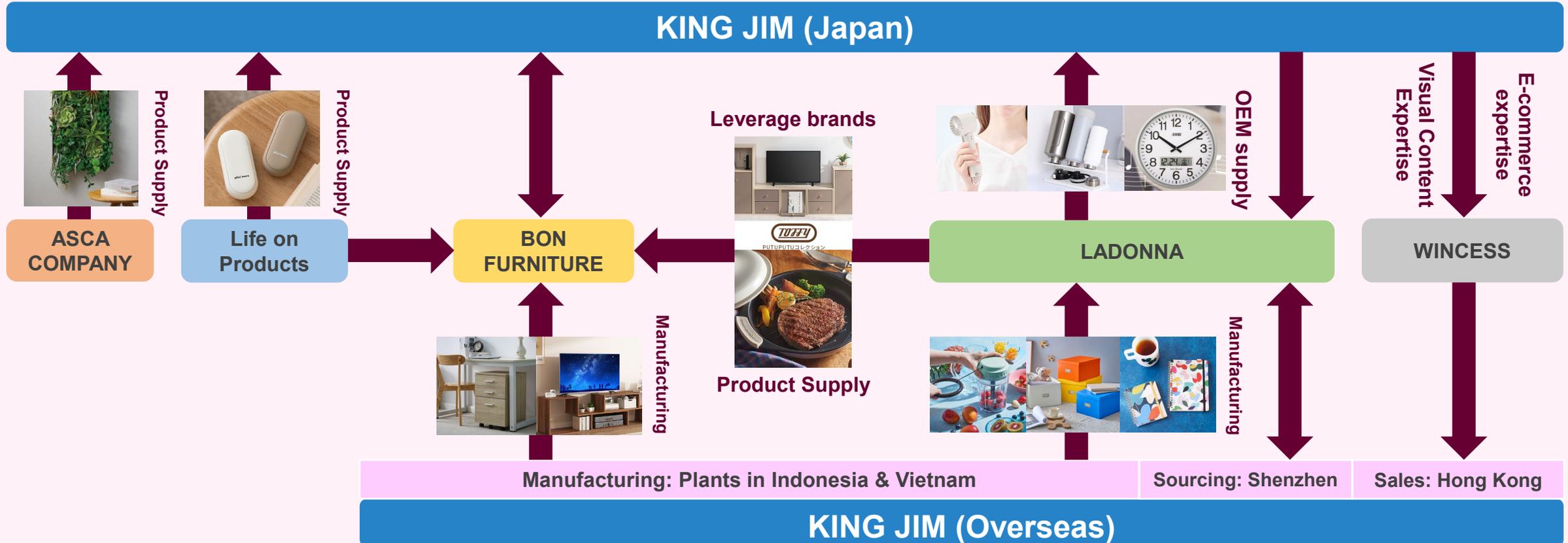


*Note: Dark-shaded sections represent existing business domains; light-shaded sections indicate target expansion areas. Market size figures are proprietary company estimates.

Expansion of the lifestyle field

Driving Growth and Strengthening Synergies across Group Companies

Through the Group Management Committee and Group Synergy Promotion Project we are leveraging brand assets and expertise to accelerate product development, sales channel expansion, and the horizontal rollout of business process improvements to optimize operations across the Group



Strengthening of the overseas business

Promote market-oriented product development

Raise overseas sales ratio from current 4% to 10% by the end of FY6/27

*Target ratio based on consolidated net sales at the end of FY6/24

China (Shanghai)

Execute market-oriented product development to capture evolving target needs

&TENNIS product series



Launched in June 2025

Unique stationery collection inspired by the "Tennis core" trend. Specifically, the design utilizes elastic bands to evoke the boundary lines of a tennis court.

BAOMe product series



Launched in June 2025

Developed in response to emerging Chinese consumer trends prioritizing emotional fulfillment. We position these as "comfort-oriented" plush pouch items designed to provide emotional support to users.

tOMOKO tote bag



Launched in December 2025

New tote bag within our Chinese "tOMOKO" series, specifically designed to capture the "Urban Light Outdoor" fashion trend. This item leverages the established design of the "SATTON" bag—a proven hit in Japan—and refines it with color palettes popular in the Chinese market.

ASEAN

Deploy localized "TEPRA" models for international markets

TEPRA SR-R5600GS



Launched in October 2025

Released an English-language version of the TEPRA PRO SR-R5600P, originally launched in the Japanese market in September 2025. Sequential launches planned for Vietnam, the Philippines, Cambodia, and Thailand.

Consider strategic M&A opportunities to enhance our overseas sales channels

Expansion into the service business

New services leveraging the integration of design and digital technology
Start of operations slated for FY6/26

Service Vision

Transitioning from the "TEPRA era of KING JIM" to the "visual communication era of KING JIM."

Analyzing customer requirements for advanced visual identification systems to drive innovative value creation.

Proactively integrate AI technology into future service offerings.

Business Development Initiated

Selecting target segments and advancing MVP* development.

Iterating on hypothesis testing through comprehensive user interviews, targeting official launch by the end of FY6/26.



MVP*...Minimum Viable Product

Human Capital Management

Evolving into an organization where King Jim and its employees grow together and continue to take on new challenges.

Fostering a workplace culture defined by professional pride and fulfillment, where employees can fully develop their potential.

Female representation in management positions

2022	2023	2024	2025	2026
5.48%	8.00%	10.00%	13.80%	18.60%

* As of January 2026

Inclusion rate for persons with disabilities

2022	2023	2024	2025
3.46%	2.01%	2.69%	2.96%

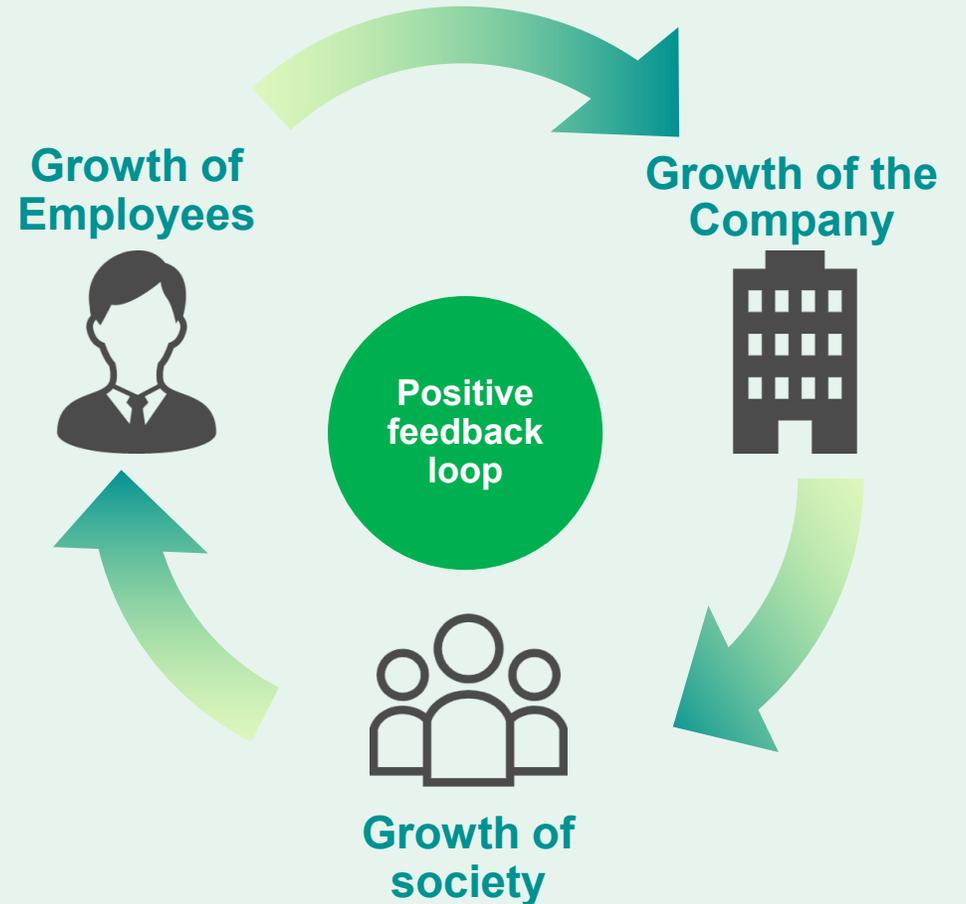
* As of January 2026

Drive engagement

October 2025: We conducted our second engagement survey. We recorded gains across both Group and non-consolidated operations and remain committed to further elevating employee engagement

Platinum Kurumin certification

Secured Platinum Kurumin certification in November 2025 as an excellent 'childcare support company'.



Human Capital Management

Opened "Meets", a co-creation space on the 2F of our Tokyo Head Office



BON Room

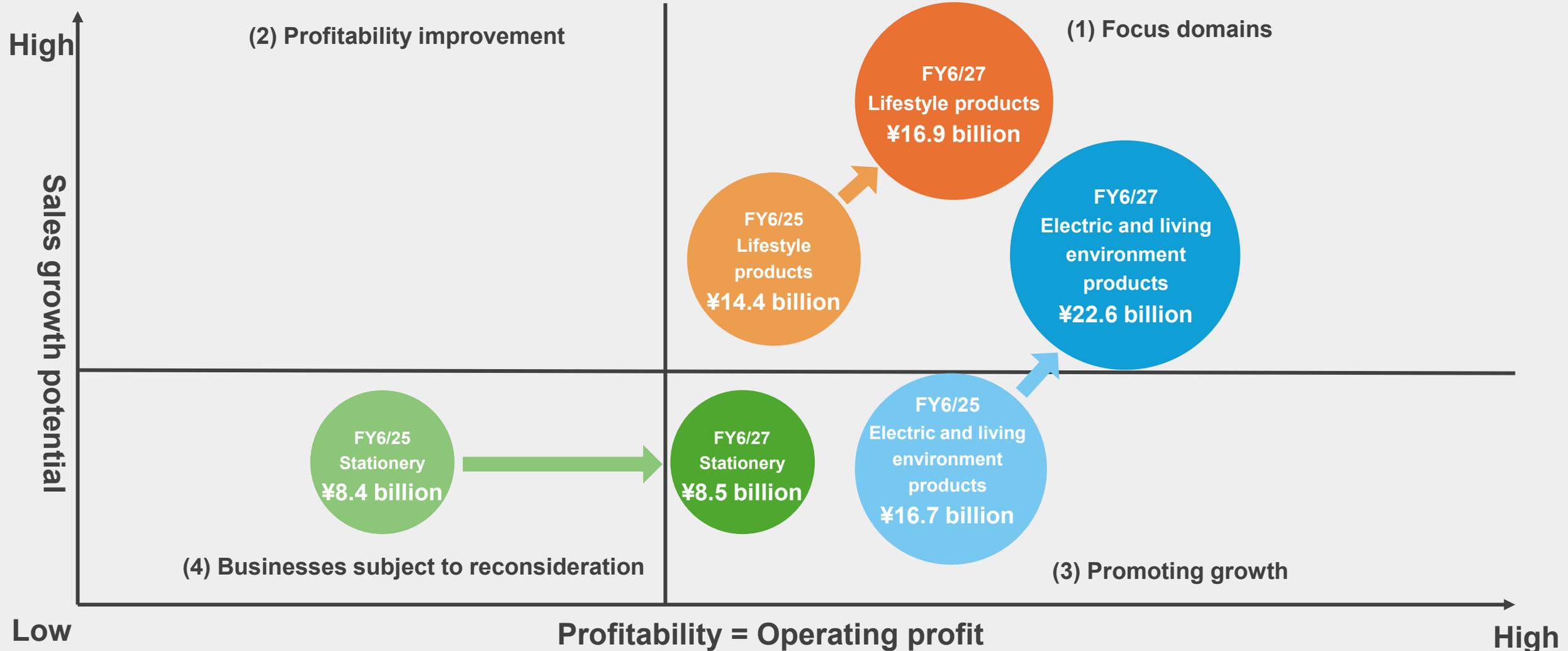


asca Room

We have opened "Meets," a collaborative space featuring concept rooms for each Group company to showcase products and facilitate interaction between employees and outside partners. The venue will be utilized for a wide range of activities, including new product launches, fan engagement events, and various training programs.

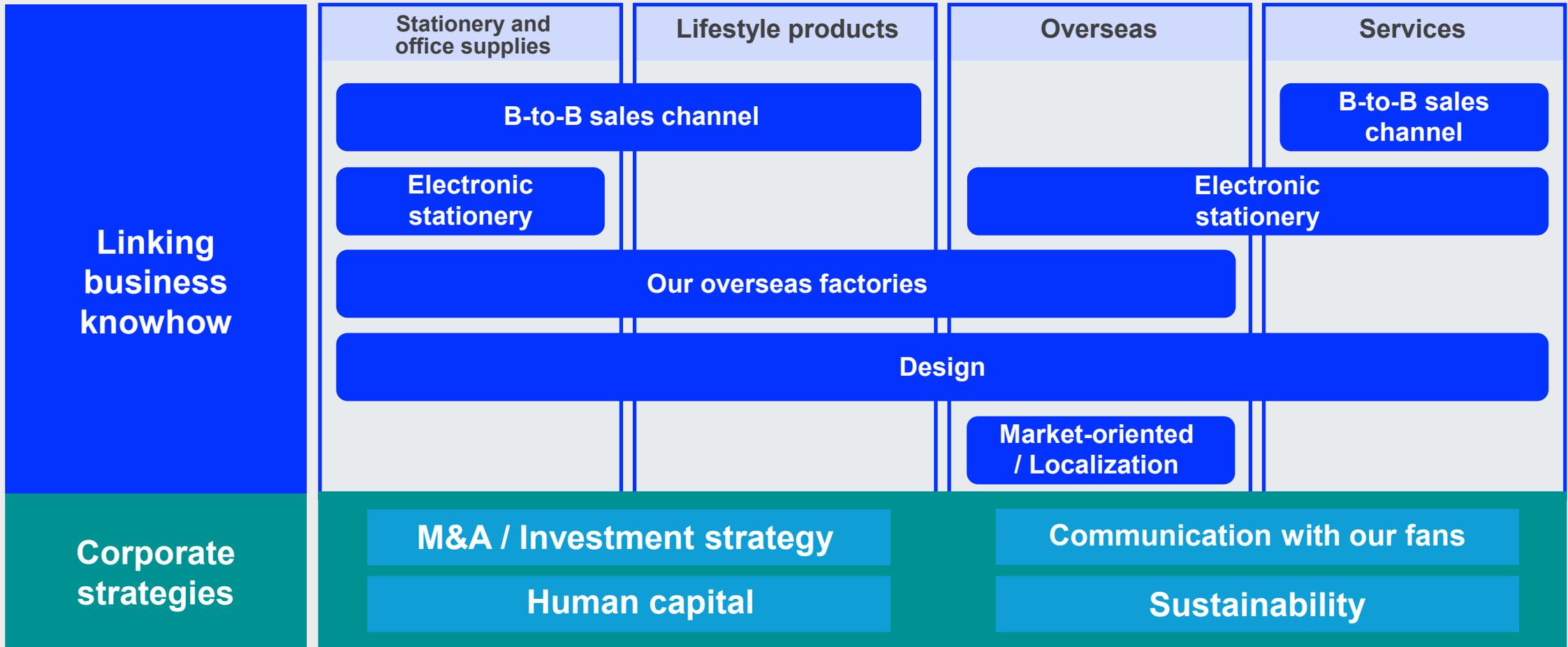
Business portfolio

Clarify growth policy for each business and pursue sustainable growth



Initiatives for enhancing corporate value by linking business knowhow

Link and strengthen knowhow accumulated in each business
Leverage management resources to generate synergies and enhance corporate value



Investment Strategy

	FY6/27 Targets	FY6/26 progress
Expanding strategic investments in growth fields	M&A: 3.5 billion yen	<ul style="list-style-type: none"> • Explore opportunities in neighboring areas to expand the Lifestyle Products Business domain. • Target companies with robust overseas sales channels for potential M&A consideration.
	Investment in new product development and Property, plant and equipment: 2.0 billion yen	<ul style="list-style-type: none"> • Expand our reach into new business fields, highlighted, e.g., through the launch of our "KOKOBO" disaster preparedness brand. • Market new products through joint development initiatives with students. • Pursue partnerships with new sales channels to expand brick-and-mortar retail footprint. • Installed new machinery and equipment at our manufacturing bases to enable the production of items in these emerging categories.
	Allocated 1.0 billion yen to launching and scaling the new service business segment	<ul style="list-style-type: none"> • Currently developing an MVP in line with a planned start of business operations at some point in FY6/26.
	Prioritize human capital investment to accelerate DX across overseas operations and domestic Group companies	<ul style="list-style-type: none"> • Dispatch R&D personnel to Shanghai and Vietnam to establish localized product development capabilities. • Appoint DX specialists in every department to drive IT literacy. (through training in generative AI & business process optimization)
DX investment to improve efficiency	Revamping of internal corporate systems: 1.2 billion yen	<ul style="list-style-type: none"> • Completed migration to the new core sales and logistics system during FY6/25 and are now driving operational entrenchment.

Strategic themes for M&A

Create synergies through actively expanding into “neighboring areas,” overseas sales channels and new genres

Pursue expansion of business domains and sustainable development as a company

**Enhancing corporate value of
the King Jim Group**

**Strengthen overseas
sales channels**

Companies seeking opportunities for business growth in ASEAN countries centered on Vietnam

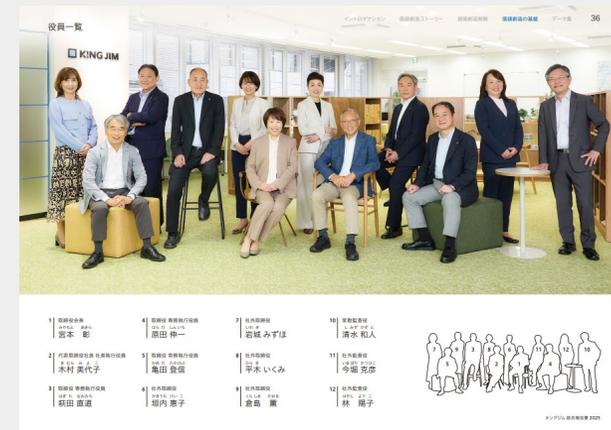
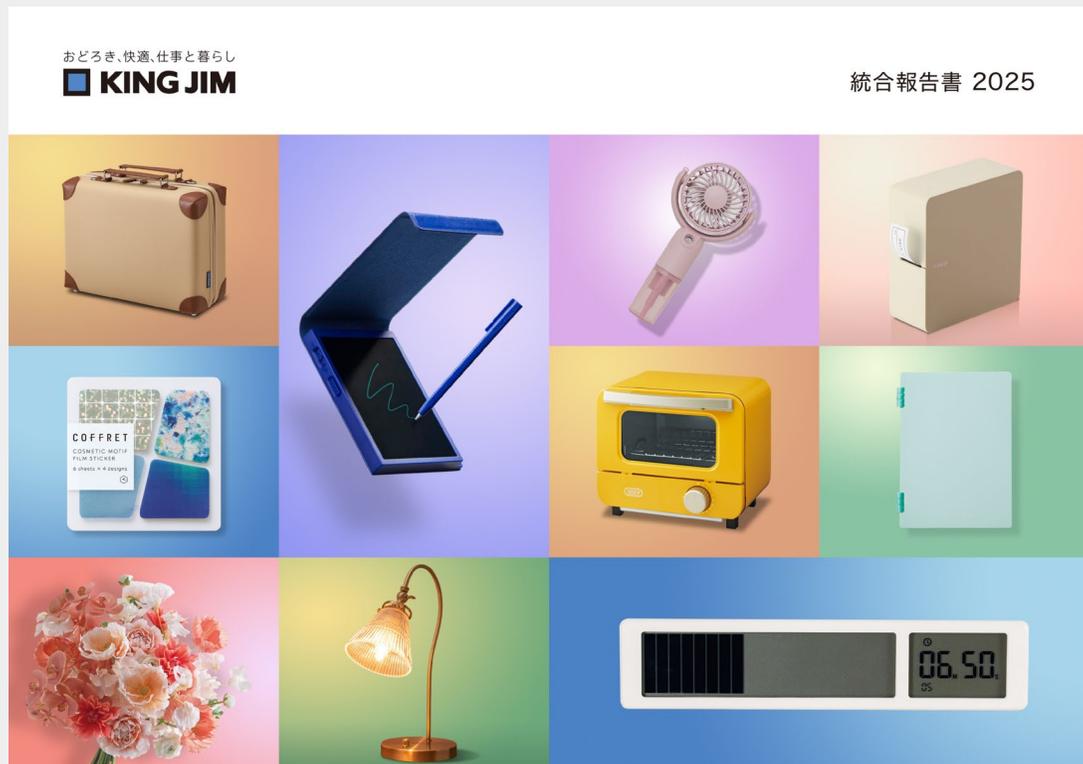
Expand businesses

Companies falling under our “neighboring areas” to help us expand the lifestyle products business

**Expand into new
genres**

Companies active in business domains different from ours, such as services and AI

Published KING JIM's Integrated Report 2025



Centered on the 11th Medium-Term Management Plan, our newly-published "Integrated Report 2025" clarifies for our stakeholders our value creation process, management strategies, and ESG initiatives, conveying the KING JIM Group's multifaceted growth potential.

https://www.kingjim.co.jp/english/ir/library/integrated_report.html

KING JIM will celebrate its 100th anniversary in 2027

**King Jim will stay
an original and **creative team**,
taking the **changes of the times**
as an **opportunity**.**

About Segments

Comprising the Company and its 12 subsidiaries, the King Jim Group operates two businesses: the stationery and office supplies business, which involves the planning, manufacturing and sale of stationery, electric products, living environment products, etc., as well as ancillary business activities, and the lifestyle products business, which involves the planning and sale of furniture, everyday goods, clocks, artificial flowers, home appliances, room fragrances, etc.

Stationery and Office Supplies Business	Lifestyle Products Business
King Jim Co., Ltd. PT. King Jim Indonesia King Jim (Malaysia) Sdn. Bhd. King Jim (Vietnam) Co., Ltd. King Jim (Shanghai) Trading Co., Ltd. King Jim (HK) Co., Limited King Jim (Shenzhen) Trading Co., Ltd.	Ladonna Co., Ltd. Asca Co., Ltd. Bon Furniture Co., Ltd. Wincess Corporation Life on Products, Inc.

Disclaimer

- The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable as of the date of publication of this document, and are not intended as a guarantee by the Company that they will be achieved.
- Actual results may differ significantly from these forecasts due to a wide range of factors.
- No certified public accountants or audit firms were involved in the preparation of this document.

