FY2026 *(April 2025 - March 2026)* Q2 YTD Earnings Presentation Materials

Prepared for Investor Meeting on November 14, 2025

SHOFU INC.

November 6, 2025

Financial Summary

Consolidated Financial Results for FY2026 Q2 YTD

Financial Forecasts for FY2026

Progress in the Medium-Term Management Plan
(capex/sales of strategic shareholdings/Shareholder Return Policy)

Financial Summary

*In this deck, Q2 YTD refers to results for the first six months of FY2026.

FY2026 Q2 YTD results

Net sales	¥19,095mn	(Overseas sales 58.1%)
Operating income	¥2,813mn	

- **Domestic net sales increased by 4.5% YoY. Overseas revenue grew by approx. 0.4% YoY** on a local-currency basis, despite regional fluctuations. As a result**, total net income increased by 1.1% YoY.**
- **Operating income declined by 7.5% YoY.** While the product mix improved and gross profit margin rose, **SG&A expenses increased YoY.** As a result, operating income came in **below the initial forecast,** though the decline was smaller than initially anticipated.
- **Q2 YTD impact of the U.S. tariffs was limited to about ¥95mn.** Based on estimates of effects for the full year, we will take a flexible approach for measures as necessary while closely looking at policy trends.

FY2026 outlook

Net sales	¥40,876mn	(Overseas sales 58.6%)
Operating income	¥5, 236mn	

- We expect sales to increase by 5.6% YoY due to continued sales growth in Japan and overseas in existing products (mainly filling and restoration materials and CAD/CAM materials), as in the previous period. Assumptions are premised on a stronger yen than current forex rates (Forex assumptions: ￥140.00/$, ¥150.00/€, ¥20.00/RMB)
- Expect sales to reach a record high for the fifth consecutive year. We also expect profits to remain at a high level.

Shareholder returns

- Dividend policy: Payout ratio of 40%+ and DOE of 3.0%+ on a consolidated basis
- Dividend forecast for FY26 :￥53/share (H1: ¥21/share, H2: ¥32/share)

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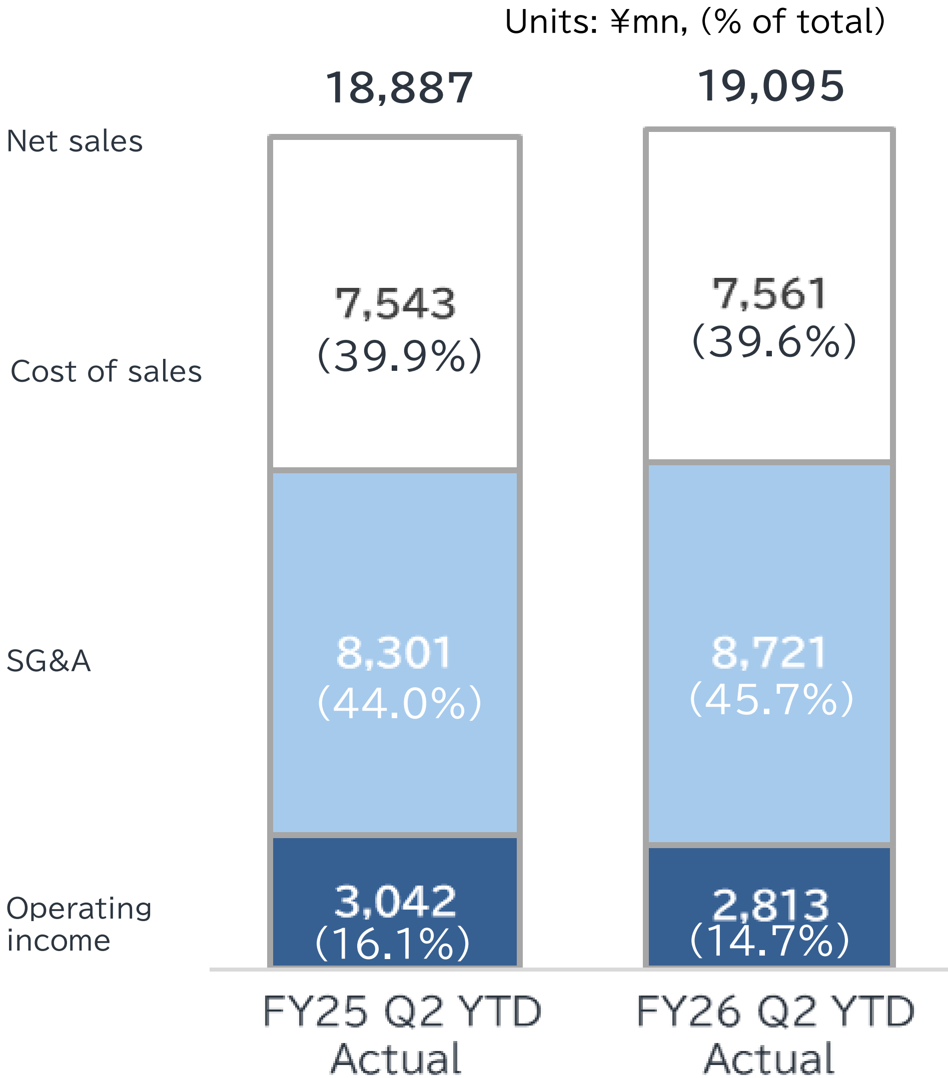
Key earnings highlights for FY2026 Q2 YTD

(¥mn, %)

	FY25 Q2 YTD Actual	(% of sales)	FY26 Q2 YTD Actual	(% of sales)	Change YoY	(% change)	FY26 Q2 YTD Forecast	(% of progress)	FY26 Forecast	(% of progress)
Net sales	18,887	(100.0)	19,095	(100.0)	208	(1.1)	19,943	(95.8)	40,876	(46.7)
(Domestic sales)	7,653	(40.5)	7,994	(41.9)	341	(4.5)	8,472	(94.4)	16,931	(47.2)
(Overseas sales)	11,233	(59.5)	11,101	(58.1)	- 132	(-1.2)	11,471	(96.8)	23,945	(46.4)
Gross profit	11,343	(60.1)	11,534	(60.4)	191	(1.7)	11,895	(97.0)	24,253	(47.6)
(SG&A)	8,301	(44.0)	8,721	(45.7)	419	(5.1)	9,406	(92.7)	19,016	(45.9)
Operating income	3,042	(16.1)	2,813	(14.7)	- 228	(-7.5)	2,489	(113.0)	5,236	(53.7)
Ordinary income	3,006	(15.9)	2,962	(15.5)	- 44	(-1.5)	2,580	(114.8)	5,363	(55.2)
Net income	2,364	(12.5)	2,597	(13.6)	232	(9.8)	1,908	(136.1)	4,701	(55.2)
EPS	66.58		73.02		6.44		53.69		132.28	
ROE	5.7%		6.0%		0.3P		4.6%		10.9%	
Forex										
$	152.30		146.57		- 5.73		140.00		140.00	
€	165.46		167.74		2.28		150.00		150.00	
RMB	21.06		20.53		- 0.53		20.00		20.00	

Effect of forex fluctuations: Net sales -¥176mn (vs FY25 Q2 YTD)
Net income = net income attributable to owners of parent

Operating income (YoY)



Net sales: +¥208mn (+1.1%)

Solid performance in Japan and resilient overseas sales led to slight YoY revenue growth.

Operating income: -¥228mn(-7.5%)

Operating income decreased due to higher SG&A expenses, despite an improved gross profit margin from a better product mix.

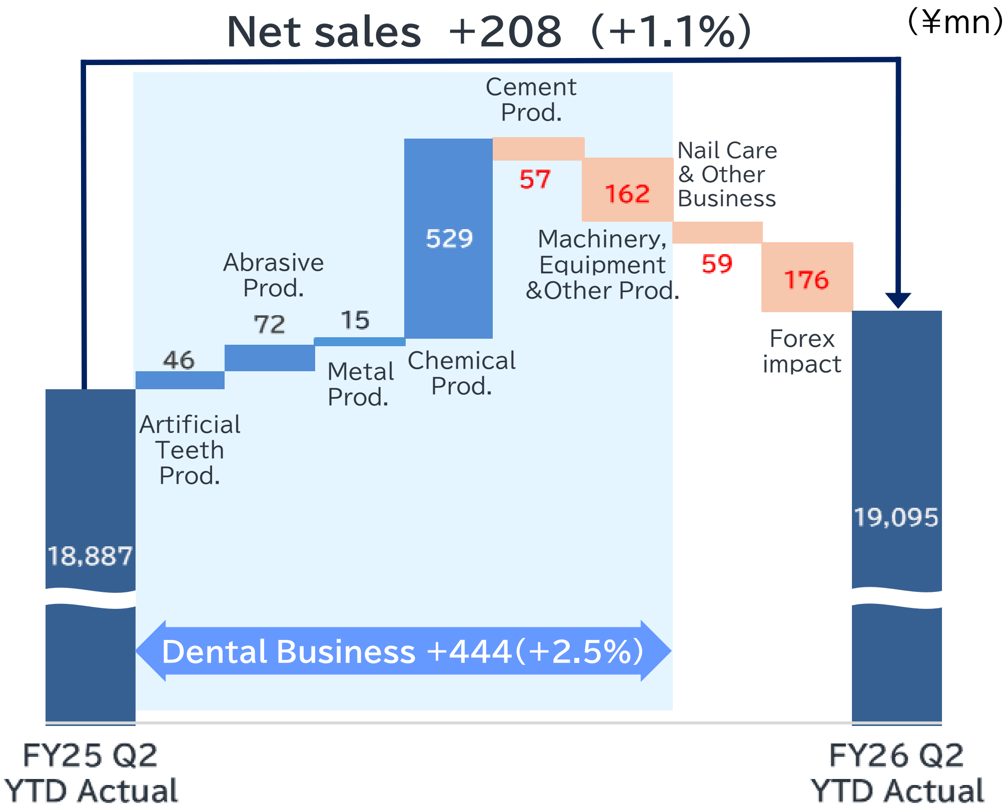
Cost of sales ratio: +0.3pt

Improvement driven by a better product mix and the forex impact related to unrealized profits.

SG&A ratio: +1.7pt

Mainly due to increased headcount and higher salary levels.

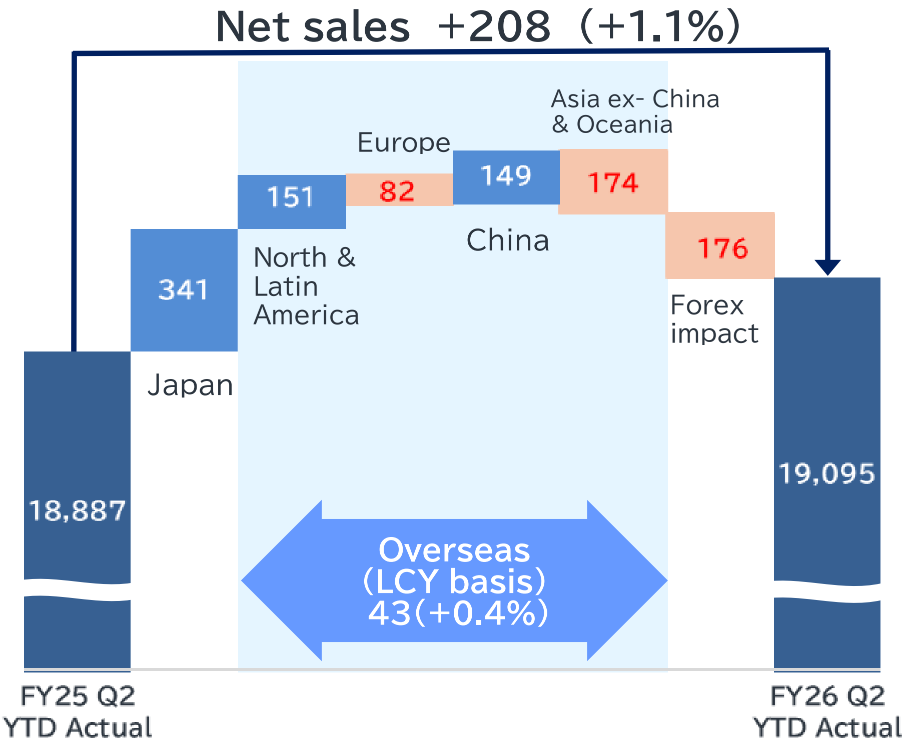
Net sales by product category (YoY)



	FY26 Q2 YTD		Change YoY(%)	
	Actual	Composition	¥ basis	LCY basis
Artificial Teeth	3,531	18.5%	0.5%	1.3%
Abrasive Products	2,831	14.8%	1.2%	2.6%
Metal Products	90	0.5%	20.0%	20.0%
Chemical Products	6,653	34.8%	7.2%	8.5%
Cement Products	1,623	8.5%	-4.7%	-3.4%
Machinery, Equipment & Other Products	3,253	17.0%	-4.8%	-4.8%
Dental Business total	17,983	94.2%	1.5%	2.5%
Nail Care & Other Business	1,112	5.8%	-4.9%	-5.1%
Total	19,095	100.0%	1.1%	2.0%

- **Sales of artificial teeth** softened due to a rebound from the strong Q1 sales expansion in China, but remained resilient, staying roughly flat YoY on a cumulative 2Q basis.
- **Sales of chemical products** continued to be driven **by restorative materials**, our core chairside offering .
- **Sales of abrasive products** remained stable, while **sales of cement products** declined as demand normalized following concentrated orders in the previous fiscal year.
- **Sales of Machinery, Equipment & Other Products** softened as demand for **CAD/CAM-related products** came off its prior peak.

Net sales by region (YoY)



(¥mn)

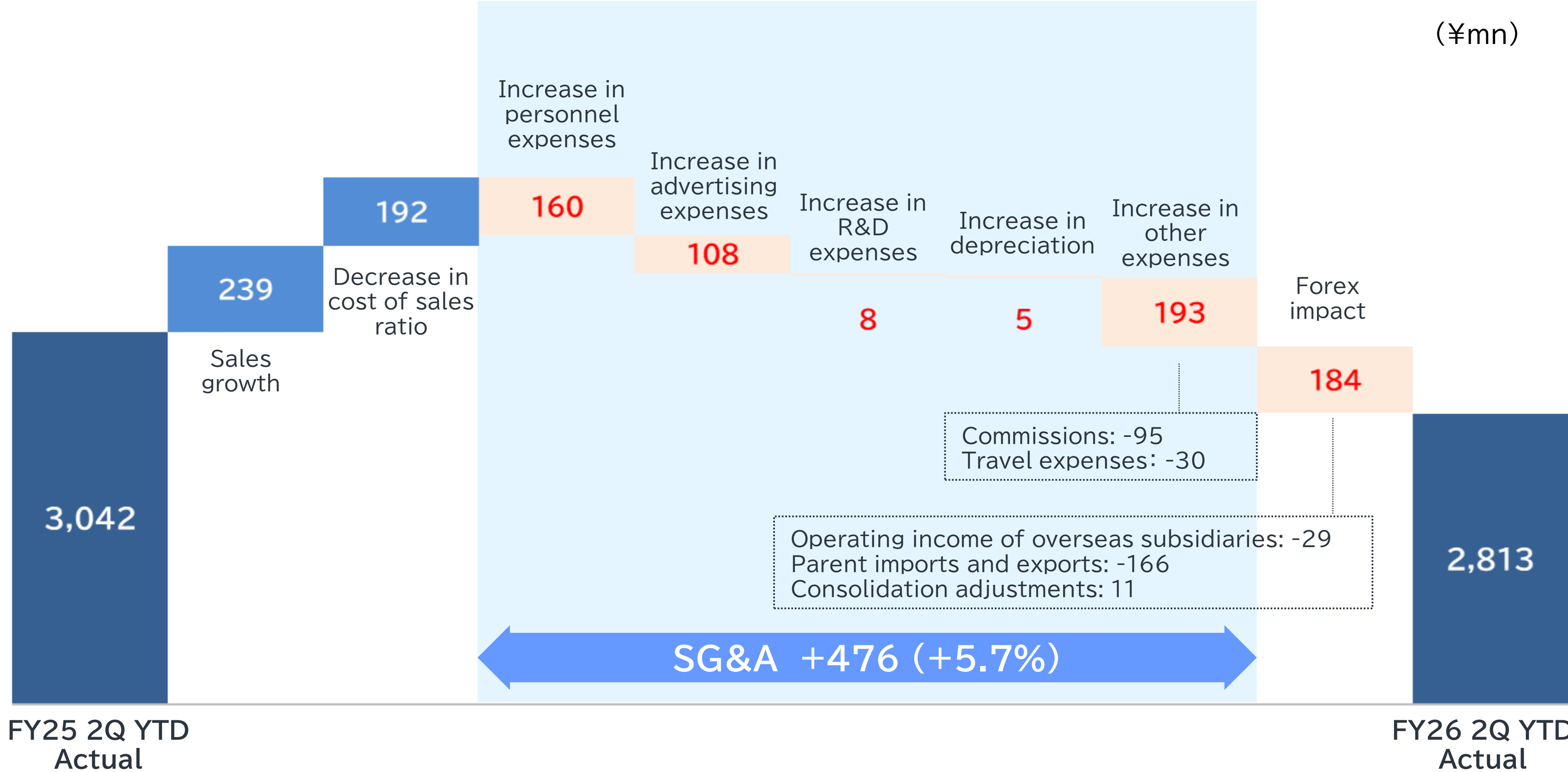
	FY26 Q2 YTD		Change YoY(%)	
	Actual	Composition	¥ basis	LCY basis
Japan	7,994	41.9%	4.5%	4.5%
Overseas	11,101	58.1%	-1.2%	0.4%
North & Latin America	2,545	13.3%	2.1%	6.1%
Europe	3,866	20.2%	-0.9%	-2.1%
China	2,870	15.0%	2.7%	5.4%
Asia ex-China & Oceania	1,818	9.5%	-11.1%	-8.5%
Total	19,095	100.0%	1.1%	2.0%

*Europe：Includes Middle East and Africa

- **In Japan,** sales grew solidly YoY, driven not only by **restorative materials** and **abrasive products,** but also by **CAD/CAM materials (PEEK Block**), which continued to expand steadily.
- **In North & Latin America,** performance remained firm, led mainly by **restorative materials.**
- **In Europe,** sales started to recover after a **Q1** adjustment, although we continue to monitor demand trends for **laboratory materials in Germany** with caution.
- **In China,** sales were roughly flat YoY on a cumulative **Q2** basis, despite some reactionary effects following strong **Q1** demand. Although some Asian markets were affected by **geopolitical factors, India** continued to deliver solid growth, excluding the reaction to **concentrated cement product** demand in the prior period.

Operating income swing factors (YoY)

(¥mn)

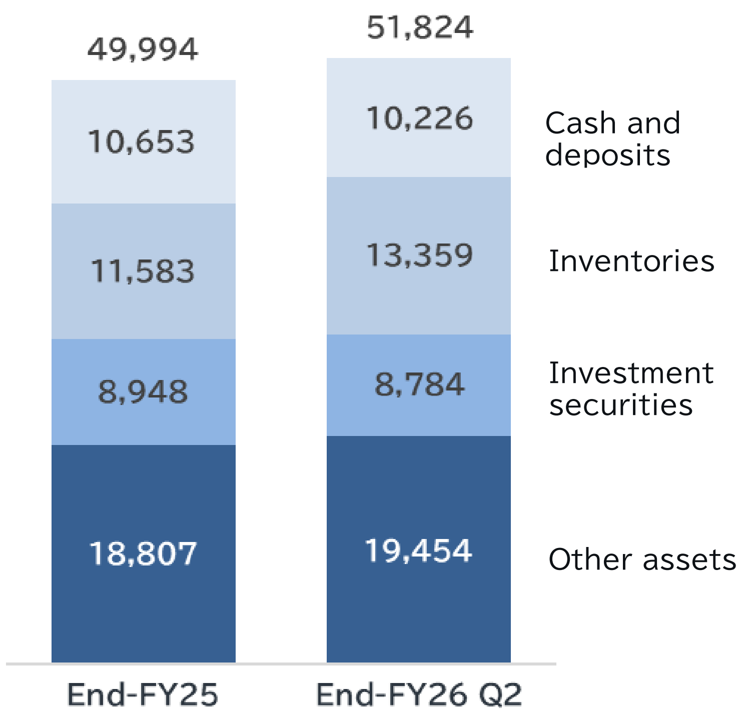


- **Gross profit margin improved,** driven by a **favorable product mix.**
- **Personnel expenses increased** due to **increased headcount and higher salaries,** mainly overseas.
- **Advertising costs** rose along with **enhanced sales activities,** and **other expenses** (including travel expenses) also increased.

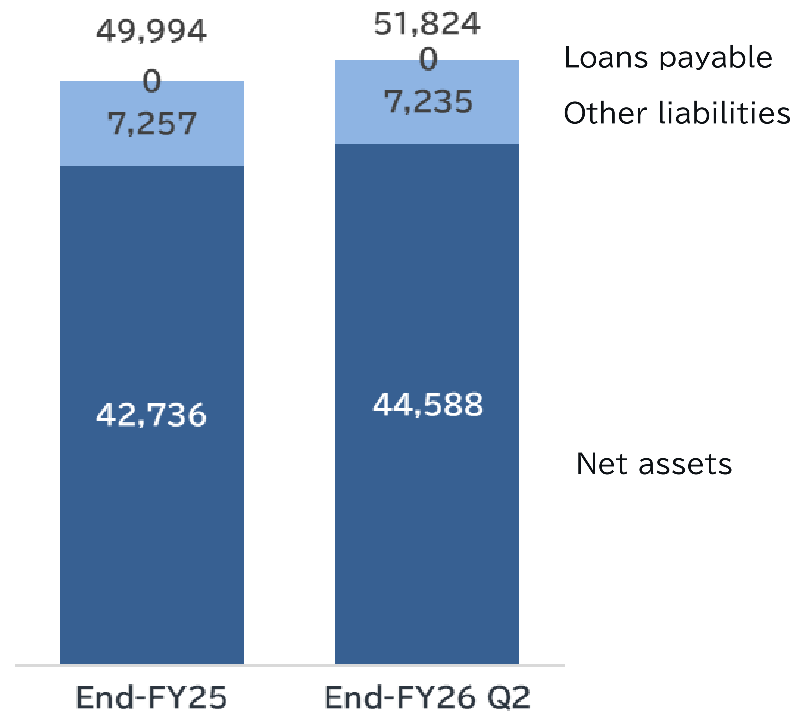
Balance sheet

(¥mn)

Assets



Liabilities and net assets

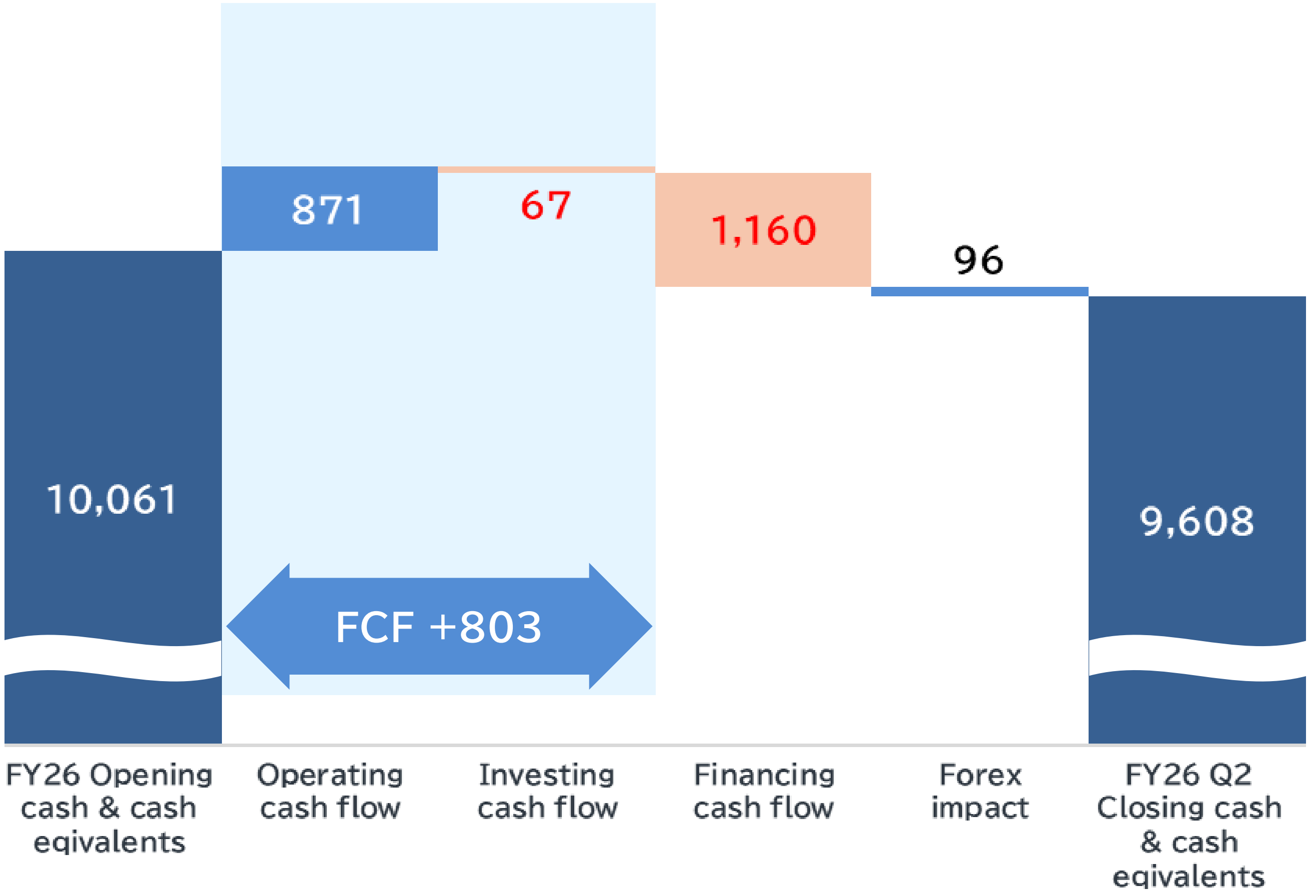


High equity ratio (85.8%):Continuing to pursue capital-efficient management.

- **Investment securities decreased** due to the **reduction of policy stockholdings** (-¥164 mn)
- **Inventory increased as we expanded our sales base** (+¥1,776mn)

Cash flows

(¥mn)



Operating cash flow	
Income before income taxes	+3,674
Depreciation and amortization	+571
Income taxes paid	-1,122
Increase in inventories	-1,680
Investing cash flow	
Proceeds from the sale of investment securities	+899
Acquisition of fixed assets	-924
Financing cash flow	
Dividends paid	-1,101

- **Investment cash flow improved** from **-¥607 million in Q1 to -¥67 million,** mainly due to the **sale of investment securities (+¥899 million).**
- Although **operating cash flow was temporarily dragged down** by an **increase in inventories,** our **underlying earnings power remains solid.**

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Financial Forecasts for FY2026

Progress in the Medium-Term Management Plan
(capex/sales of strategic shareholdings/Shareholder Return Policy)

Summary of full-year forecasts

- **Seeking balanced growth across all regions,** with a focus on chemical products and overseas markets
- Unlike the previous FYE, which benefited from forex tailwinds, the current plan is based on a stronger yen. Operating and ordinary income are projected to decline, **but we expect growth in the topline and in net income, due to business growth**
- **The impact of U.S. tariffs on profit is estimated to be up to ¥260mn for the full year. We are implementing structural countermeasures in anticipation of a prolonged impact while taking other short-term actions, including pricing strategy.**

We expect new all-time highs for sales and net income despite the stronger yen

- **Actively investing in production facilities**
- **Steady progress in line with the medium-term plan,** supported by rising overseas sales ratio and business expansion across regions, enhancing confidence in achieving MTP targets

Initiatives in place are showing tangible results toward the realization of the current medium-term management plan

- **Strengthening the foundation for long-term corporate value** through restructuring of production and supply systems, and the recruitment and development of talent
- **Building an organization that can flexibly respond to regulatory changes and policy shifts across regions, preventing any gaps in business operations**

Full-scale preparations underway to create a solid management base for the future

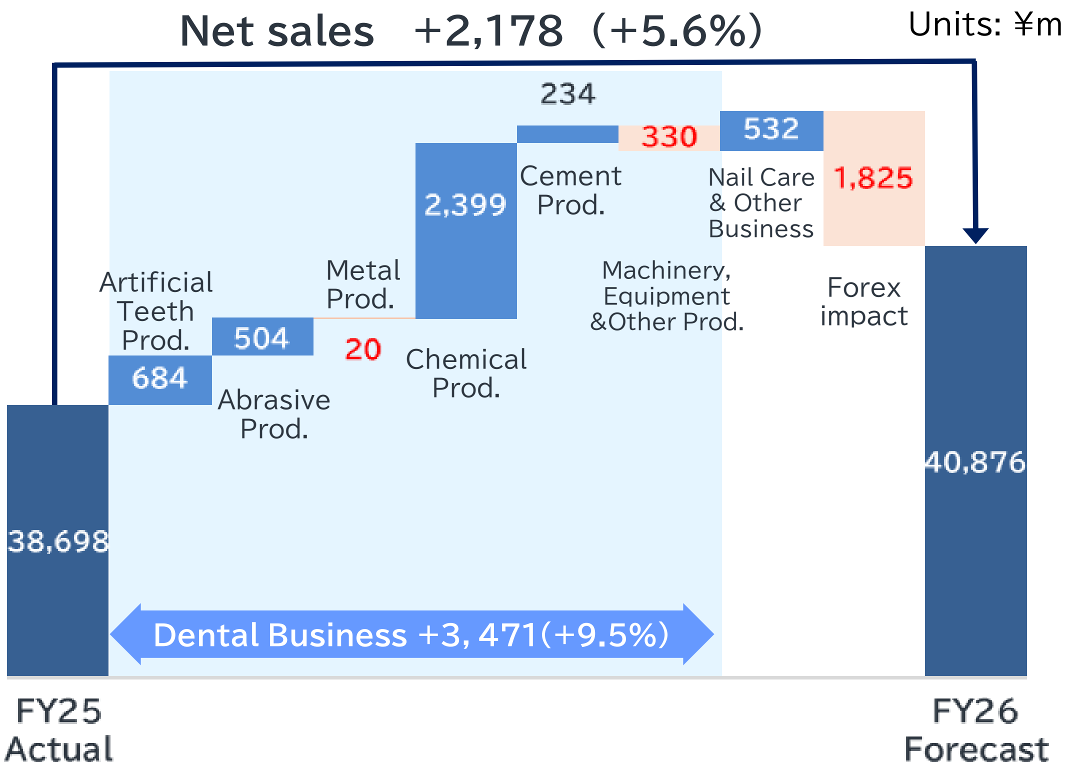
Comparison of key metrics

(¥mn, %)

	FY25 Actual	(% of sales)	FY26 Forecast	(% of sales)	Change YoY	(% change)
Net sales	38,698	(100.0)	40,876	(100.0)	2,178	(5.6)
(Domestic sales)	16,012	(41.4)	16,931	(41.4)	919	(5.7)
(Overseas sales)	22,685	(58.6)	23,945	(58.6)	1,259	(5.6)
Gross profit	22,991	(59.4)	24,253	(59.3)	1,261	(5.5)
(SG&A)	17,599	(45.5)	19,016	(46.5)	1,417	(8.1)
Operating income	5,392	(13.9)	5,236	(12.8)	- 156	(-2.9)
Ordinary income	5,523	(14.3)	5,363	(13.1)	- 159	(-2.9)
Net income	4,317	(11.2)	4,701	(11.5)	384	(8.9)
EPS	121.52		132.28		10.76	
ROE	10.3%		10.9%		0.6pt	
Forex						
$	152.48		140.00		-12.48	
€	163.62		150.00		-13.62	
RMB	21.03		20.00		-1.03	

*Effect of forex fluctuations (YoY): Net sales -¥1,825mn
*Net income = net income attributable to owners of parent

Net sales by product category (YoY)

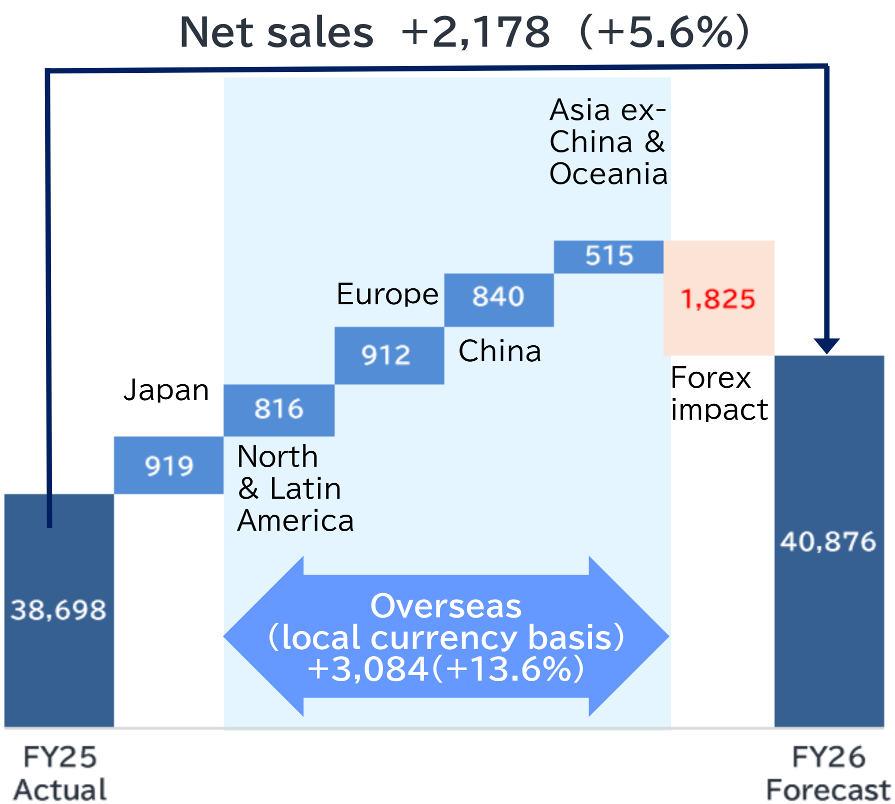


Units: ¥mn

	FY26		Change YoY(%)	
	Forecast	Composition	¥ basis	LCY basis
Artificial Teeth	7,304	17.9%	3.7%	9.7%
Abrasive Products	5,811	14.2%	3.9%	9.0%
Metal Products	128	0.3%	-13.8%	-13.8%
Chemical Products	14,538	35.6%	13.3%	18.7%
Cement Products	3,580	8.8%	2.7%	6.7%
Machinery, Equipment & Other Products	6,783	16.6%	-6.4%	-4.6%
Dental Business total	38,146	93.3%	4.9%	9.5%
Nail Care & Other Business	2,730	6.7%	16.6%	22.7%
Total	40,876	100.0%	5.6%	10.3%

- Chemical products are expected to drive overall performance, **with the Dental Business projected to grow 9.5% year on year on a local currency basis**
- **Artificial teeth:** Strong CAD/CAM zirconia disc demand in Europe/US. In China, despite lower sales in some low-margin products from rising competition, we aim to expand share through strategic pricing while securing sufficient profitability.
- **Machinery, Equipment & Other Products:** Sales decline expected in a pullback from last year's demand surge for CAD/CAM crowns and intraoral scanners following inclusion in insurance coverage the previous FY but CAD/CAM market penetration is progressing. Demand remains firm, with sales fluctuations seen as typical for this product category.

Net sales by region (YoY)



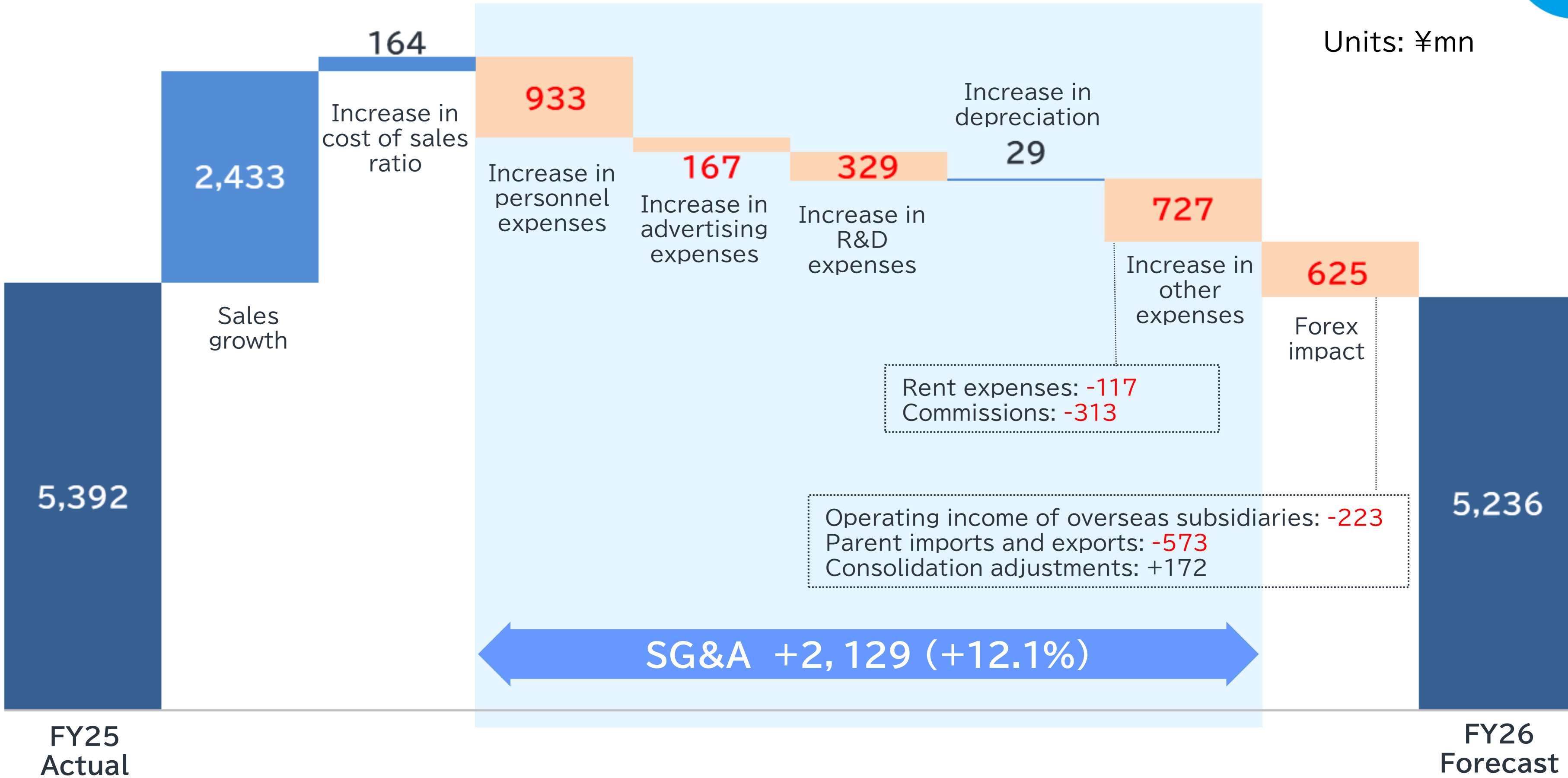
Units: ¥mn

	FY26		Change YoY(%)	
	Forecast	Composition	¥ basis	LCY basis
Japan	16,931	41.4%	5.7%	5.7%
Overseas	23,945	58.6%	5.6%	13.6%
North & Latin America	5,345	13.1%	6.9%	16.3%
Europe	8,175	20.0%	2.6%	11.4%
China	6,210	15.2%	9.2%	14.8%
Asia ex-China & Oceania	4,214	10.3%	4.7%	12.8%
Total	40,876	100.0%	5.6%	10.3%

*Europe：Includes Middle East and Africa

- **Underlying growth expected in all regions**; overseas sales projected to grow over 10% ex. forex
- **Balanced growth expected in all regions**, led by Japan, Europe, and China; steady expansion in Asia
- **Closely monitoring US tariff policies and US-China trade tensions**; swift response planned if any impact materializes

Operating income swing factors (YoY)



- **Improved gross margin through a better sales mix,** driven by rising proportion of chemical products
- **Strategic upfront investments to support global expansion,** including sales network enhancement, talent acquisition, and R&D
- **Plan based on a stronger yen, and incorporates temporary expenses related to redevelopment of HQ plant and expansion of overseas sites into earnings projections.**

Forex impact

FY2026 Forecast

Units: ¥mn

	Forex rate		Consolidated earnings impact		Per yen of ¥1 strength	
	FY25	FY26 Forecast	Sales	Operating income	Sales	Operating income
USD	152.48	140.00	-593	-278	-47	-22
EUR	163.62	150.00	-656	-254	-48	-18
RMB	21.03	20.00	-319	-220	-310	-195

- FY26 guidance assumes YoY appreciation ($:¥12.48 appreciation YoY)
- Overseas sales ratio is on an upward trend; yen appreciation will have a negative impact on performance ($: Every ¥1 of yen appreciation against the yen drags down sales by ¥47 million and operating income by ¥22 million)

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Progress in the Medium-Term Management Plan (capex/sales of strategic shareholdings/Shareholder Return Policy)

Progress in Key Investment Sites and Production System Restructuring under the Medium-Term Plan

Kyoto Head Office Plant

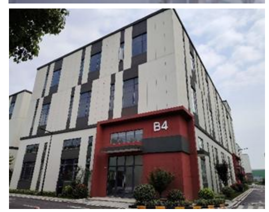
Scheduled completion in CY2026-27 (two-phase redevelopment); commercial operation following test-production phase

Chemical products (restorative materials)
- capacity expansion / productivity & quality improvement

SHIGA SHOFU INC. (Shiga Plant)

Scheduled completion in Sep. 2027; commercial operation following test-production phase

Chemical products (CAD/CAM resin materials, etc.)
- Strengthen supply base for digital dentistry materials



SHOFU PRODUCTS CHANGZHOU (Second plant in China)

Opens Aug. 2025; commercial operation after test production and regulatory approval

Chemical products (restorative); cement products; porcelain
- Local-production expansion in China
- Phased scale-up starting with chemical products

SHOFU PRODUCTS KYOTO INC. (Kyoto Plant)

Investment under consideration
- Improve productivity for abrasive products, etc.

SHOFU Products Vietnam

Investment under consideration
- Cost optimization and strengthening of supply stability

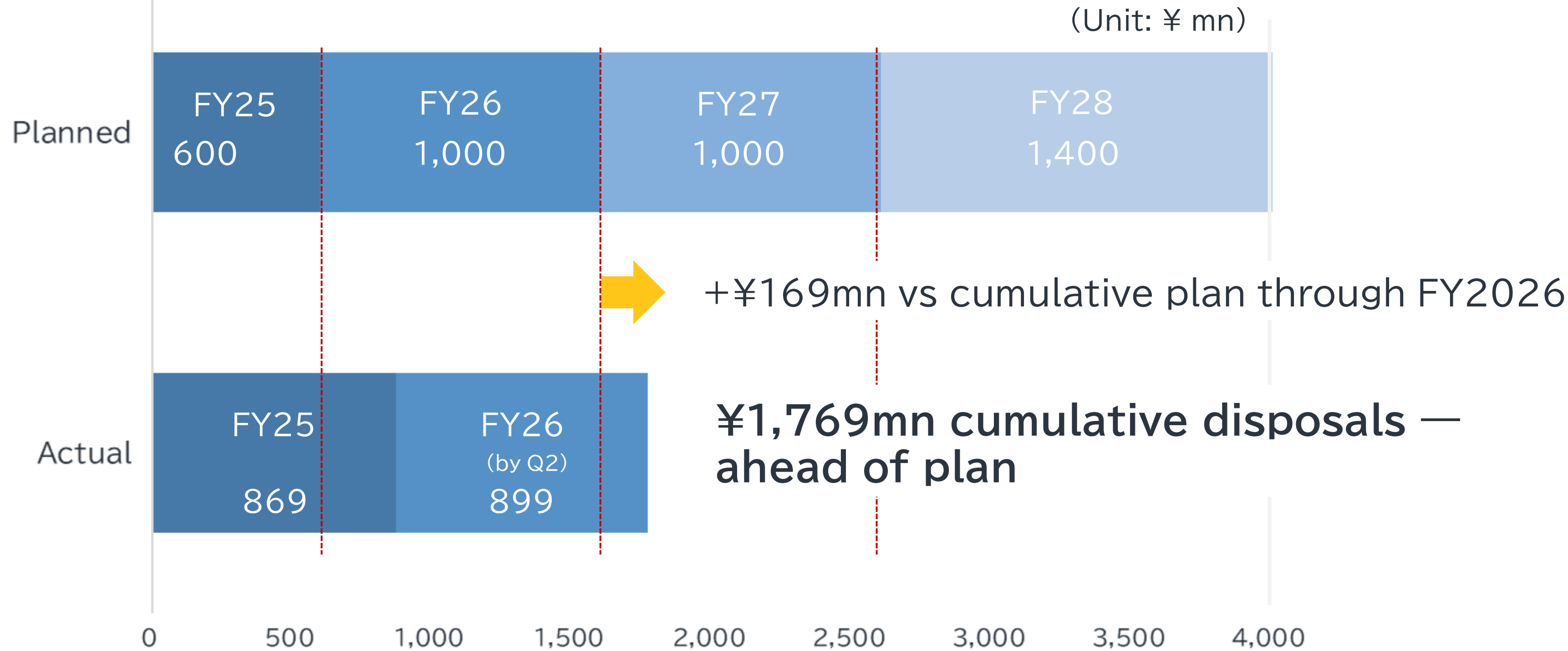
While timing and allocation among sites may vary, overall investment under the Medium-Term Plan is expected to remain broadly unchanged.

**Continuous investment will be considered and executed beyond the Medium-Term Plan period, particularly at the headquarters plant.*

(Units: ¥bn)	FY25	FY26	FY27 FY28	Total amount
Normal equipment renewal	1.1	1.9	2.4	5.6
Reconstruction of the Kyoto head office plant	0.2	2.1	1.2	3.6
Domestic production sites	0.0	0.0	3.1	3.1
Overseas production/logistics sites	0.0	0.5	2.5	3.1
Total	1.4	4.6	9.4	15.5

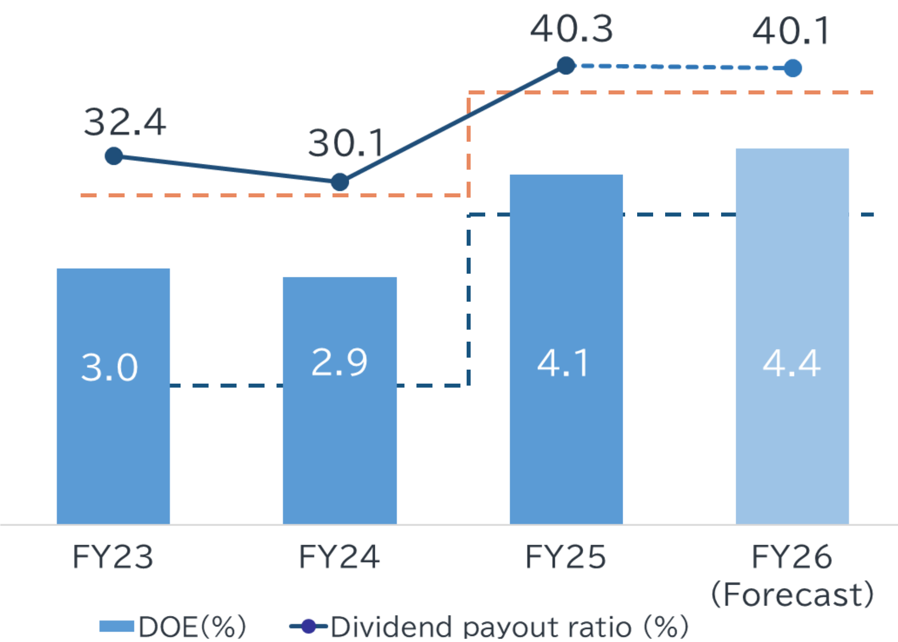
Progress on Strategic Shareholdings Disposal and Capital Efficiency Improvement

【Progress on the disposal of strategic shareholdings】



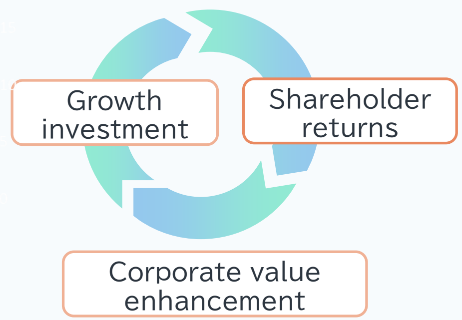
- Proceeds are allocated to growth investments, contributing to improved capital efficiency
- As of Sep 2025, strategic shareholdings accounted for **14.3% of net assets**
- In FY26, we have fully disposed of two holdings and partially disposed of another through Q2
- Counterparty-held shares of our stock decreased by **56K shares (0.16% of total outstanding shares)**

Shareholder Return Policy under the Medium-Term Plan



Basic Policy on Shareholder Returns

- **Provide stable and sustainable shareholder returns**
- **Balance stable dividends with capital efficiency**



Establish a virtuous cycle of returns and growth investment to achieve sustainable corporate value enhancement

Dividend Policy

- DOE: 3.0% or higher
- Payout ratio: 40.0% or higher (consolidated basis)
- In principle, dividends will not be reduced from the previous year

Share Repurchases

- Consider based on market conditions including liquidity; currently not planned
- Repurchases may be considered as part of the process of unwinding of strategic shareholdings

Advancing the Foundation to the Next Stage in the Current Medium-Term Plan

SHOFU

Connecting current achievements to the next MTP and long-term growth strategy

Solidify our foundation through the steady execution of the 5th Medium-Term Plan

- Rebuild production, R&D, and sales functions
- Build mechanisms to consistently generate growth

Transition from the current Medium-Term Plan to the next, shaping a future-oriented growth phase

- Enhance both organic growth and transformational growth through partnerships and M&A
- Advance cross-functional "co-creation" by integrating R&D, production, and sales
- Achieve sustainable growth in global markets centered on dental materials and broader healthcare domains

Evolve into an organization that flexibly adapts to change, grounded in our philosophy

- Put our corporate philosophy — "Contribution to dentistry through innovative business activities" — into practice

The following pages are provided for reference only.
They will not be covered at the Financial Analyst Briefing.

Appendix

Q2 Business Results (Year on Year)

Unit: ¥mn, %

	FY25 Q2 Actual	(% of sales)	FY26 Q2 Actual	(% of sales)	Change YoY	(% change)
Net sales	9,429	(100.0)	9,589	(100.0)	159	(1.7)
(Domestic sales)	3,915	(41.5)	4,026	(42.0)	111	(2.8)
(Overseas sales)	5,514	(58.5)	5,562	(58.0)	48	(0.9)
Gross profit	5,652	(59.9)	5,748	(60.0)	95	(1.7)
(SG&A)	4,161	(44.1)	4,430	(46.2)	269	(6.5)
(R&D)	507	(5.4)	522	(5.5)	15	(3.0)
Operating income	1,491	(15.8)	1,318	(13.8)	- 173	(-11.6)
Ordinary income	1,194	(12.7)	1,477	(15.4)	283	(23.7)
Net income	1,244	(13.2)	1,743	(18.2)	498	(40.1)
Forex						
$	152.30		146.57		- 5.73	
€	165.46		167.74		2.28	
RMB	21.06		20.53		- 0.53	

■Appendix

Q2 Business Results (Quarter-by-Quarter, Last 4 Quarters)

Unit: ¥mn, %

	FY25 Q3 Actual		FY25 Q4 Actual		FY26 Q1 Actual		FY26 Q2 Actual	
		(% of sales)		(% of sales)		(% of sales)		(% of sales)
Net sales	9,958	(100.0)	9,852	(100.0)	9,506	(100.0)	9,589	(100.0)
(Domestic sales)	4,286	(43.0)	4,072	(41.3)	3,968	(41.7)	4,026	(42.0)
(Overseas sales)	5,672	(57.0)	5,779	(58.7)	5,538	(58.3)	5,562	(58.0)
Gross profit	5,833	(58.6)	5,814	(59.0)	5,785	(60.9)	5,748	(60.0)
(SG&A)	4,580	(46.0)	4,717	(47.9)	4,290	(45.1)	4,430	(46.2)
(R&D)	496	(5.0)	509	(5.2)	466	(4.9)	522	(5.5)
Operating income	1,253	(12.6)	1,097	(11.1)	1,495	(15.7)	1,318	(13.8)
Ordinary income	1,484	(14.9)	1,032	(10.5)	1,484	(15.6)	1,477	(15.4)
Net income	1,119	(11.2)	833	(8.5)	854	(9.0)	1,743	(18.2)
Forex								
$	152.87		152.48		145.19		146.57	
€	164.91		163.62		164.37		167.74	
RMB	20.94		21.03		20.98		20.53	

Segment forecasts (net sales & operating income)

Units: ¥mn,%

		FY25 Q2 YTD Actual Amount (% of sales)	FY26 Q2 YTD Actual Amount (% of sales)	Change YoY (% change)
Dental Business	Net sales	17,717	17,983	266
	Operating income	3,073	2,869	-204
	(Operating income margin)	(17.4)	(16.0)	(-1.4)
Nail Care Business	Net sales	1,122	1,063	-58
	Operating income	-40	-60	-20
	(Operating income margin)	(-3.6)	(-5.7)	(-2.1)
Other Business	Net sales	49	50	1
	Operating income	0	2	-4
	(Operating income margin)	(12.8)	(4.4)	(-8.4)
Total before consolidation adjustment	Net sales	18,889	19,098	209
	Operating income	3,039	2,810	-228
	(Operating income margin)	(16.1)	(14.7)	(-1.4)
Consolidated	Net sales	18,887	19,095	208
	Operating income	3,042	2,813	-228
	(Operating income margin)	(16.1)	(14.7)	(-1.4)

Medium-Term Management Plan by segment

Unit: ¥mn, %

	FY25 (Actual)		FY26 (Forecasts)		Medium-Term Management Plan			
					FY27		FY28	
	Amount	%	Amount	%	Amount	%	Amount	%
Dental business	36,356	93.9	38,146	93.3	42,175	93.4	47,008	93.7
Nail care business	2,243	5.8	2,598	6.4	2,819	6.2	3,005	6.0
Other businesses	97	0.3	131	0.3	156	0.3	171	0.3
Net sales	38,698	100.0	40,876	100.0	45,151	100.0	50,185	100.0
Dental business	5,438	15.0	5,108	13.4	6,059	14.4	7,217	15.4
Nail care business	-66	-	116	4.5	236	8.4	273	9.1
Other businesses	14	14.6	11	8.5	29	18.6	41	24.4
Operating income	5,386	13.9	5,236	12.8	6,325	14.0	7,531	15.0

*Net sales % is composition, Operating income % is margin.

Medium-term Management Plan: Capex, depreciation, R&D

Unit: ¥mn

	FY25 Actual	FY26 Forecasts	medium-term management plan FY27	medium-term management plan FY28
CAPEX	1,445	4,697	5,060	2,508
Depreciation	1,059	1,200	1,549	1,603
R&D	1,985	2,291	2,528	2,810
Forex Unit: ¥				
$	152.48	140.00	140.00	140.00
€	163.62	150.00	150.00	150.00
RMB	21.03	20.00	19.00	19.00

* Figures for FY27 –FY28 are the time of formulation of the Fifth Medium-Term Management Plan (May 2024)

Forecasts in this document are based on information and data available at the time of release as well as on assumptions concerning uncertain factors that might affect the company’s future business performance.

Depending on various factors, actual business performance could differ substantially from the forecasts contained in this document.

SHOFU INC.

11 Kamitakamatsu-cho, Fukuine,
Higashiyama-ku, Kyoto 605-0983, Japan
URL: https://www.shofu.co.jp
E-mail: ir@shofu.co.jp

Contact: Corporate Planning Department