

## News Release Dated March 14, 2024

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## Notice of Revisions to Forecast

The Board of Directors of YA-MAN LTD. approved a resolution on March 14, 2024 to revise the forecast for the fiscal year ending April 30, 2024 (May 1, 2023 to April 30, 2024) that was in the earnings announcement dated June 13, 2023 as follows to reflect current trends in operating results.

### 1. Revisions to consolidated forecast for the fiscal year ending April 30, 2024 (May 1, 2023 – April 30, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	45,000	6,500	6,200	4,350	79.06
Revised forecast (B)	32,430	1,660	1,830	950	17.27
Change (B - A)	(12,570)	(4,840)	(4,370)	(3,400)	
Percentage change (%)	(27.9)	(74.5)	(70.5)	(78.2)	
(Reference) Results for the previous fiscal year (ended April 30, 2023)	42,996	6,134	5,917	3,913	71.12

### 2. Reasons for revisions

The first nine months of the fiscal year under review (from May 1, 2023 to January 31, 2024) saw a decline in consumer confidence due to political instabilities and natural disasters in Japan and abroad, in addition to the current high prices of commodities.

Overseas, sales in China, which had been strong up to now, declined more than expected due to impact of, for example, refraining from buying Japanese products triggered by the ALPS treated water issue and market turmoil caused by the sale of RF-equipped beauty equipment at a discount by other manufacturers with an eye on the RF regulations that will start in April 2024.

In Japan, front-loaded investment in shavers/hair care and other new categories as well as in measures to increase repeat direct sales still continued, resulting in the failure to contribute to sales growth.

In addition, despite that the Company has worked to reduce costs by reviewing its supply chain and streamlining its

operations in response to soaring raw material and labor costs, profits were also lower than planned.

Under such circumstances, the Company has decided to revise the full-year forecasts.

### **3. Upcoming actions**

Since the entry into the China market in 2015, the Company has continuously worked to establish a sound market and brand as a leading beauty equipment company in China. Thus, we did not engage in sales that would damage our brand even in the recent market turmoil.

Although the slowdown of the China market is expected to continue for the time being, the recognition of the YA-MAN brand in the country is high, and we regard this is a temporary drop that would continue until the circumstances change. We have made a full-fledged entry into the B2C business in China through newly established YA-MAN (ZHEJIANG) E-COMMERCE CO.,LTD. Through such and other efforts, we aim to review the sales channels and product lineups and recover sales.

In addition, the markets in China and other overseas countries are the important channels essential for achieving our medium-term management plan; therefore, we will continue to make investments at a certain level. At the same time, we will strive to increase sales through creation of further added value through our efforts exemplified by product development based on needs of customers in various countries, obtaining various certifications, and demonstration of efficacy mainly by “HYOJO Science Lab.”

In Japan, we have made front-loaded investments in new shavers/hair care categories. However, because the market size for these categories is big, we assume that it will take time until we can raise the recognition of them and generate sales. We aim to expand the market share by implementing advertisement measures and reviewing the product lineups.

The direct sales segment has completed the replacement of in-house EC system in February and plans to improve convenience and satisfaction of customers, leading to increased repeat sales.

Furthermore, we will also focus on such matters as the review of the supply chain, the efficiency improvement of advertisement, and the enhancement of repeat sales. By so doing, we aim to reduce cost and raise the level of sales.

From now on, we intend to review the new medium-term management plan which started this fiscal year.

\* The financial results forecast above is made based on information available to the Company as of the date of announcement of this material. Actual results may vary from the expected figures due to various factors in the future.