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**Summary of Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending April 30, 2023**  
**(Six Months Ended October 31, 2022)**  
**[Japanese GAAP]**



December 13, 2022

Company name: YA-MAN LTD.  
 Listing: Tokyo Stock Exchange  
 Stock code: 6630  
 URL: <https://www.ya-man.co.jp/>  
 Representative: Kimiyo Yamazaki, President and Representative Director  
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 Scheduled date of filing of Quarterly Report: December 13, 2022  
 Scheduled date of payment of dividend: January 5, 2023  
 Preparation of supplementary materials for financial results: Yes  
 Holding of financial results meeting: None

*(All amounts are rounded down to the nearest million yen)*

**1. Consolidated Financial Results for the Six Months Ended October 31, 2022 (May 1, 2022 – October 31, 2022)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Oct. 31, 2022	26,568	27.1	5,367	36.7	6,799	65.4	4,542	62.4
Six months ended Oct. 31, 2021	20,907	11.6	3,925	(2.5)	4,110	4.1	2,796	18.7

Note: Comprehensive income (million yen) Six months ended Oct. 31, 2022: 4,589 (up 63.5%)  
 Six months ended Oct. 31, 2021: 2,806 (up 19.2%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Oct. 31, 2022	82.56	-
Six months ended Oct. 31, 2021	50.82	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Oct. 31, 2022	35,692	26,324	73.8
As of Apr. 30, 2022	30,552	22,093	72.3

Reference: Shareholders' equity (million yen) As of Oct. 31, 2022: 26,324  
 As of Apr. 30, 2022: 22,093

## 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Apr. 30, 2022	-	2.00	-	6.50	8.50
Fiscal year ending Apr. 30, 2023	-	4.25			
Fiscal year ending Apr. 30, 2023 (Forecast)			-	4.25	8.50

Notes: 1. Revisions to the most recently announced dividend forecast: None

2. Breakdown of the year-end dividend for the fiscal year ended Apr. 30, 2022: Ordinary dividend: 2.00 yen  
Special dividend: 4.50 yen

## 3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2023 (May 1, 2022 – April 30, 2023)

(Percentages represent year-on-year changes)

	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
Full year	50,000	22.1	10,000	45.3	9,600	19.1	6,652	19.1	120.90

Note: Revisions to the most recently announced consolidated earnings forecast: None

**\* Notes:**

- (1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None  
Newly added: - Excluded: -
- (2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies and accounting-based estimates, and restatements
- 1) Changes in accounting policies due to revisions in accounting standards, others: None
  - 2) Changes in accounting policies other than 1) above: Yes
  - 3) Changes in accounting-based estimates: None
  - 4) Restatements: None
- (4) Number of shares outstanding (common stock)
- 1) Number of shares outstanding at the end of the period (including treasury shares)  
As of Oct. 31, 2022: 58,348,880 shares As of Apr. 30, 2022: 58,348,880 shares
  - 2) Number of treasury shares at the end of the period  
As of Oct. 31, 2022: 3,327,668 shares As of Apr. 30, 2022: 3,327,668 shares
  - 3) Average number of shares outstanding during the period  
Six months ended Oct. 31, 2022: 55,021,212 shares Six months ended Oct. 31, 2021: 55,021,212 shares

**\* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.**

**\* Cautionary statement with respect to forward-looking statements and other special items**

Cautionary statement with respect to forecasts

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to YA-MAN. Actual performance may differ significantly from these forecasts for a number of reasons. For assumptions for financial forecasts and notes of caution for using the forecasts, please refer to “Qualitative Information on Quarterly Consolidated Financial Performance” on page 2 of the attachments.

How to view supplementary materials for financial results

Supplementary materials for the financial results will be available on YA-MAN website on Tuesday, December 13, 2022.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

In the first half (May 1, 2022 to October 31, 2022) of the current fiscal year, the Japanese economy began to recover backed by solid domestic demand as the COVID-19 pandemic showed signs of subsiding and various movement restrictions were relaxed.

Meanwhile, despite economic activity in overseas countries returning to normal overall, the world economy suffered a significant slowdown as consumption decreased due to lockdown measures in China's major cities under the government's zero-COVID policy as well as pressure from heightened price increases, interest rate hikes, and a downturn in stock prices in the United States and Europe.

These and other factors of volatility and uncertainty, such as Russia's prolonged invasion of Ukraine, the global rise in inflation, and the rapid appreciation of the U.S. dollar and depreciation of the yen, have combined to make the economic outlook increasingly unclear.

In this environment, the YA-MAN Group has worked to expand and optimize its sales channels comprising home shopping sales, store sales, direct sales, and overseas operations, while focusing on branding primarily for hair care/shavers, one of its new categories, and product development to meet diverse customer needs.

In the overseas operations segment, events on Chinese e-commerce platforms, such as the 6.18 shopping festival, were highly successful, and shipments for the 11.11 (Double Eleven) shopping festival also largely contributed to an increase in sales. Due to these and other factors, net sales increased 27.1% year-on-year to 26,568 million yen, exceeding those for the same period of the previous fiscal year and marking a record high.

Profits were also significantly higher year-on-year and reached a record high. With foreign exchange gains recorded for translation of the foreign currency assets held by the Group due to the recent rapid depreciation of the yen, ordinary profit increased 65.4% year-on-year to 6,799 million yen and profit attributable to owners of parent increased 62.4% year-on-year to 4,542 million yen.

Business segment performance was as follows.

#### 1) Home shopping sales

Sales in this segment represent sales to TV shopping companies, sales to catalog sales companies, and sales to companies that sell products exclusively on the Internet.

In the first half, each sales channel recovered and remained strong, resulting in a year-on-year increase in both sales and earnings. Segment sales increased 59.1% year-on-year to 4,181 million yen and segment profit increased 56.1% year-on-year to 1,722 million yen.

#### 2) Store sales

Sales in this segment represent mainly sales of products at home appliance stores, major department stores and variety shops.

In the first half, in-person sales were weak across the segment, resulting in a year-on-year decrease in both sales and earnings. Segment sales decreased 17.4% year-on-year to 3,791 million yen and segment profit decreased 34.3% year-on-year to 924 million yen.

#### 3) Direct sales

Sales in this segment are derived from sales of products to individuals by using infomercials (Note), magazines, newspapers, the Internet and other channels.

In the first half, efforts were made to increase sales by stepping up advertising investment mainly for new products and repeat sales, but the results fell slightly short of the relatively strong performance in the same period of the previous fiscal year. Segment sales decreased 7.7% year-on-year to 5,130 million yen and segment profit decreased 7.1% year-on-year to 2,593 million yen.

Note: "Infomercial" is a combination of the words, "information" and "commercial." Infomercials first appeared

as a TV shopping medium in Europe and North America. An infomercial typically uses about 20 to 30 minutes to sell a single item. Combining these long promotions with spot advertisements of one or two minutes for the same item is regarded as a highly effective way to sell merchandise.

#### 4) Overseas operations

Sales in this segment represent mainly sales to overseas home shopping companies, wholesale companies and individuals.

In the first half, e-commerce sales in the Chinese market remained very strong, especially for events such as the 6.18 and 11.11 (Double Eleven) shopping festivals, resulting in a significant year-on-year increase in both sales and earnings. Segment sales increased 78.9% year-on-year to 13,435 million yen and segment profit increased 130.8% year-on-year to 5,609 million yen.

#### (2) Explanation of Financial Position

Total assets as of October 31, 2022 increased by 5,139 million yen from the end of the previous fiscal year to 35,692 million yen. This is mainly attributable to an increase in notes and accounts receivable - trade, and contract assets of 3,946 million yen, an increase in merchandise and finished goods of 1,720 million yen, an increase in accounts receivable - other of 968 million yen, and an increase in raw materials and supplies of 418 million yen, despite a decrease in cash and deposits of 1,926 million yen.

The Company has secured sufficient inventories by placing advance orders to deal with a surge in prices and restricted availability of components due to global semiconductor supply shortages. The Company has also implemented planned production of its main products to stabilize the supply chain and reduce costs. As a result, raw materials and supplies and merchandise and finished goods largely increased.

Trade receivables and accounts receivable - other also increased as sales expanded.

Total liabilities as of October 31, 2022 increased by 908 million yen from the end of the previous fiscal year to 9,367 million yen. This is mainly attributable to an increase in notes and accounts payable - trade of 919 million yen and an increase in income taxes payable of 517 million yen, despite a decrease in accounts payable - other of 364 million yen and a decrease in long-term borrowings of 312 million yen.

As the Company secured inventories, trade payables increased.

The repayment of the long-term borrowings obtained to provide against unforeseen contingencies in the initial period of the COVID-19 pandemic has progressed steadily.

Total net assets as of October 31, 2022 increased by 4,231 million yen from the end of the previous fiscal year to 26,324 million yen. This is mainly attributable to an increase in retained earnings of 4,184 million yen resulting from the recording of 4,542 million yen in profit attributable to owners of parent, despite the payment of 357 million yen in dividends from surplus.

### (3) Consolidated Financial Forecasts and Other Forward-looking Statements

In the third quarter and beyond, the Company will remain committed to making investments according to the medium-term investment plan and strive to achieve the goals of sales of 50 billion yen and an operating margin of 20% or more as stated in its medium-term management plan.

The Company will also further increase investments in sales promotion and advertising for hair care/shavers, a new category, to enhance brand recognition and expand sales in the second half.

In terms of research and development, the Company will increase investments in obtaining certifications for standards of the FDA, NMPA, and other regulatory agencies overseas as well as in product development to create new categories, while also stepping up industry-academia joint research investment.

In addition, the Company will strive to develop markets globally while at the same time strengthening its risk control system by accelerating product development to meet diverse needs and building a more resilient supply chain.

The Company has left the full-year consolidated earnings forecast unchanged from the previously announced forecast as the effect of these volatile and uncertain circumstances on future earnings is extremely difficult to quantify. The Company, however, will continue to closely watch developments going forward and will make an announcement immediately if it determines that a revision is necessary.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of April 30, 2022	As of October 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	16,649,109	14,722,144
Notes and accounts receivable - trade, and contract assets	5,194,903	9,141,772
Merchandise and finished goods	2,887,195	4,607,622
Work in process	45,227	40,475
Raw materials and supplies	1,186,405	1,605,390
Accounts receivable - other	933,772	1,901,988
Other	1,011,026	1,375,769
Allowance for doubtful accounts	(128)	—
<b>Total current assets</b>	<b>27,907,512</b>	<b>33,395,164</b>
Non-current assets		
Property, plant and equipment	541,324	546,373
Intangible assets	624,268	553,797
Investments and other assets		
Investment securities	300,000	300,000
Shares of subsidiaries and associates	424,436	158,645
Other	754,631	738,189
<b>Total investments and other assets</b>	<b>1,479,067</b>	<b>1,196,834</b>
<b>Total non-current assets</b>	<b>2,644,661</b>	<b>2,297,005</b>
<b>Total assets</b>	<b>30,552,173</b>	<b>35,692,170</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,870,634	2,789,908
Current portion of long-term borrowings	624,000	624,000
Accounts payable - other	2,225,917	1,861,759
Income taxes payable	1,804,934	2,322,644
Provision for bonuses	80,092	90,982
Other	514,770	654,351
<b>Total current liabilities</b>	<b>7,120,349</b>	<b>8,343,646</b>
Non-current liabilities		
Long-term borrowings	1,330,000	1,018,000
Other	8,614	5,749
<b>Total non-current liabilities</b>	<b>1,338,614</b>	<b>1,023,749</b>
<b>Total liabilities</b>	<b>8,458,964</b>	<b>9,367,396</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,813,796	1,813,796
Capital surplus	1,432,431	1,432,431
Retained earnings	21,678,982	25,863,799
Treasury shares	(2,887,118)	(2,887,118)
<b>Total shareholders' equity</b>	<b>22,038,091</b>	<b>26,222,908</b>
Accumulated other comprehensive income		
Foreign currency translation adjustment	55,117	101,865
<b>Total accumulated other comprehensive income</b>	<b>55,117</b>	<b>101,865</b>
<b>Total net assets</b>	<b>22,093,208</b>	<b>26,324,774</b>
<b>Total liabilities and net assets</b>	<b>30,552,173</b>	<b>35,692,170</b>



(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income

(Thousand yen)

	For the six months ended October 31, 2021	For the six months ended October 31, 2022
Net sales	20,907,113	26,568,439
Cost of sales	8,120,764	10,515,044
Gross profit	12,786,349	16,053,394
Selling, general and administrative expenses		
Advertising expenses	5,007,879	6,664,110
Provision of allowance for doubtful accounts	—	(136)
Salaries and allowances	609,647	651,315
Provision for bonuses	76,440	90,982
Depreciation	95,754	114,160
Research and development expenses	228,063	299,525
Other	2,842,740	2,866,313
Total selling, general and administrative expenses	8,860,526	10,686,270
Operating profit	3,925,822	5,367,124
Non-operating income		
Interest income	503	705
Dividend income	—	10,781
Foreign exchange gains	216,263	1,717,078
Other	6,061	3,978
Total non-operating income	222,827	1,732,544
Non-operating expenses		
Interest expenses	7,526	15,145
Guarantee commission	2,200	3,915
Loss on sale of trade receivables	3,166	2,130
Share of loss of entities accounted for using equity method	24,223	277,870
Other	764	823
Total non-operating expenses	37,881	299,885
Ordinary profit	4,110,769	6,799,783
Extraordinary income		
Gain on sale of non-current assets	1,135	—
Settlement income	1,350	1,350
Total extraordinary income	2,485	1,350
Extraordinary losses		
Contributions of loss	—	57,457
Loss on retirement of non-current assets	13,945	16,793
Total extraordinary losses	13,945	74,250
Profit before income taxes	4,099,309	6,726,882
Income taxes	1,302,932	2,184,427
Profit	2,796,377	4,542,454
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,796,377	4,542,454

Quarterly Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the six months ended October 31, 2021	For the six months ended October 31, 2022
Profit	2,796,377	4,542,454
Other comprehensive income		
Foreign currency translation adjustment	10,248	36,364
Share of other comprehensive income of entities accounted for using equity method	(144)	10,384
Total other comprehensive income	10,104	46,748
Comprehensive income	2,806,481	4,589,203
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,806,481	4,589,203
Comprehensive income attributable to non-controlling interests	—	—

## (3) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended October 31, 2021	For the six months ended October 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,099,309	6,726,882
Depreciation	191,445	189,852
Contributions of loss	—	57,457
Share of loss (profit) of entities accounted for using equity method	24,223	277,870
Increase (decrease) in allowance for doubtful accounts	—	(137)
Increase (decrease) in provision for bonuses	10,354	10,889
Increase (decrease) in provision for sales returns	(117,829)	—
Increase decrease in refund liabilities	159,348	264,967
Interest and dividend income	(503)	(11,487)
Interest expenses	7,526	15,145
Foreign exchange losses (gains)	(170,914)	(1,178,308)
Loss on retirement of non-current assets	13,945	16,793
Loss (gain) on sale of non-current assets	(1,135)	—
Settlement income	(1,350)	(1,350)
Decrease (increase) in trade receivables	(2,287,009)	(3,946,446)
Decrease (increase) in consumption taxes refund receivable	65,165	(340,126)
Decrease (increase) in accounts receivable - other	(265,102)	(967,903)
Decrease (increase) in prepaid expenses	252,138	(21,858)
Decrease (increase) in inventories	(1,651,974)	(2,121,429)
Increase (decrease) in trade payables	602,677	1,010,371
Increase (decrease) in accounts payable - other	3,798	(354,064)
Increase decrease in contract liabilities	103,572	(86,398)
Other, net	45,432	(125,449)
Subtotal	1,083,122	(584,730)
Interest and dividends received	501	11,486
Interest paid	(7,588)	(15,405)
Settlement received	1,350	1,350
Income taxes paid	(1,553,373)	(1,712,253)
Income taxes refund	247	5,428
Net cash provided by (used in) operating activities	(475,741)	(2,294,124)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(141,257)	(119,485)
Proceeds from sale of property, plant and equipment	2,599	—
Purchase of intangible assets	(61,959)	(37,095)
Payments into time deposits	(236,046)	(236,046)
Proceeds from withdrawal of time deposits	236,045	236,046
Other, net	3,502	(975)
Net cash provided by (used in) investing activities	(197,115)	(157,557)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(314,700)	(312,000)
Repayments of lease liabilities	(4,428)	(4,161)
Dividends paid	(345,756)	(357,629)
Net cash provided by (used in) financing activities	(664,884)	(673,791)
Effect of exchange rate change on cash and cash equivalents	180,952	1,198,508
Net increase (decrease) in cash and cash equivalents	(1,156,788)	(1,926,965)
Cash and cash equivalents at beginning of period	12,503,485	16,194,952
Cash and cash equivalents at end of period	11,346,696	14,267,986

#### (4) Notes to Quarterly Consolidated Financial Statements

##### (Notes on going concern assumption)

There is no relevant information.

##### (Notes in the event of significant changes in shareholders' equity)

There is no relevant information.

##### (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the second quarter under review and multiplying quarterly profit before income taxes by such an estimated effective tax rate.

##### (Changes in accounting policies)

###### (Change in inventory valuation method)

Effective from the beginning of the first quarter of the current fiscal year, the Company has changed its inventory valuation method from the cost method based on the weighted average method to the cost method based on the moving average method.

The purpose of this change is to calculate periodic profit and loss more promptly and appropriately in conjunction with the construction of a new core system.

Since it is practically impossible to calculate the cumulative effect of retrospective application of the moving average method for past fiscal years, the book value at the end of the previous fiscal year is deemed to be the balance at the beginning of the fiscal year under review.

The effect of this change in accounting policy is immaterial.

##### (Additional information)

###### (Accounting estimates regarding the impact of the COVID-19 pandemic)

There have been no material changes to the assumptions regarding the impact of the COVID-19 pandemic described in (Additional Information) (Accounting estimates regarding the impact of the COVID-19 pandemic) of the Annual Securities Report for the previous fiscal year.

(Segment information, etc.)

(Segment information)

I. For the six months ended October 31, 2021

Information on net sales and profit, and information on disaggregation of revenue, by reportable segment

(Thousand yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Home shopping sales	Store sales	Direct sales	Overseas operations	Total				
Net sales									
Revenue from contracts with customers	2,627,709	4,588,551	5,557,833	7,507,751	20,281,846	625,267	20,907,113	—	20,907,113
Revenue from other sources	—	—	—	—	—	—	—	—	—
Net sales to outside customers	2,627,709	4,588,551	5,557,833	7,507,751	20,281,846	625,267	20,907,113	—	20,907,113
Intersegment net sales or transfers	—	—	—	—	—	16,262	16,262	(16,262)	—
Total	2,627,709	4,588,551	5,557,833	7,507,751	20,281,846	641,530	20,923,376	(16,262)	20,907,113
Segment profit	1,103,703	1,406,579	2,791,238	2,430,607	7,732,129	259,275	7,991,404	(4,065,581)	3,925,822

(Notes) 1. "Others" is a business segment not included in the reportable segment and includes the advanced electronics division.

2. The adjustment for segment profit of (4,065,581) thousand yen includes the elimination of intersegment transactions of 20,902 thousand yen, corporate expenses of (4,082,247) thousand yen that are not allocated to each reportable segment, and elimination of unrealized profit of (4,235) thousand yen. Corporate expenses mainly consist of selling, general and administrative expenses that do not belong to any reportable segment.

3. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

II. For the six months ended October 31, 2022

Information on net sales and profit, and information on disaggregation of revenue, by reportable segment

(Thousand yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Home shopping sales	Store sales	Direct sales	Overseas operations	Total				
Net sales									
Revenue from contracts with customers	4,181,217	3,791,948	5,130,482	13,435,038	26,538,687	29,751	26,568,439	—	26,568,439
Revenue from other sources	—	—	—	—	—	—	—	—	—
Net sales to outside customers	4,181,217	3,791,948	5,130,482	13,435,038	26,538,687	29,751	26,568,439	—	26,568,439
Intersegment net sales or transfers	—	—	—	—	—	—	—	—	—
Total	4,181,217	3,791,948	5,130,482	13,435,038	26,538,687	29,751	26,568,439	—	26,568,439
Segment profit	1,722,915	924,023	2,593,828	5,609,683	10,850,451	15,949	10,866,400	(5,499,276)	5,367,124

(Notes) 1. “Others” is a business segment not included in the reportable segment and includes the advanced electronics division.

2. The adjustment for segment profit of (5,499,276) thousand yen includes the elimination of intersegment transactions of 15,600 thousand yen, corporate expenses of (5,460,034) thousand yen that are not allocated to each reportable segment, and elimination of unrealized profit of (54,841) thousand yen. Corporate expenses mainly consist of selling, general and administrative expenses that do not belong to any reportable segment.

3. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.