



March 14, 2024

Company name: AXXZIA Inc.  
Representative: Duan Zhuo, president and  
representative director  
Securities code: 4936, TSE  
Prime  
Contact person: Yasuhito Fukui, director  
Telephone: +81-3-6911-3899

### Notice of Revision of Earnings Forecasts

At a meeting of the Board of Directors held on March 14, 2024, the Company resolved to revise its consolidated earnings forecast for the fiscal year ending July 31, 2024 (August 1, 2023 to July 31, 2024) announced on September 14, 2023 (hereinafter, "previous forecast"), in light of recent trends in its business performance, as shown below.

1. Revision of consolidated earnings forecast for the current fiscal year (August 1, 2023 to July 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Millions of yen 13,000	Millions of yen 2,400	Millions of yen 2,300	Millions of yen 1,635	Yen 65.05
Revised forecast (B)	11,400	740	800	530	21.12
Change (B-A)	(1,600)	(1,660)	(1,500)	(1,105)	
Change (%)	(12.3)	(69.2)	(65.2)	(67.6)	
(Reference) FY07/23 results	11,341	1,899	1,902	1,330	51.80

2. Reason for revision

Despite strong sales of supplements such as AGDrink, we expect net sales to fall short of our previously announced forecast owing to the continued decline in sales of cosmetics stemming from the slowdown in macroeconomic growth in the Chinese market, our primary market, as well as Chinese consumers refraining from purchasing Japanese cosmetics following the release of the ALPS treated water. Accordingly, we decided to revise our earnings forecast.

In addition to making the above revisions to our sales target, we expect profits to fall short of our previous forecast due to the following factors: We were unable to conduct advertising-efficient live sales featuring key opinion leaders following the release of treated water; advertising efficiency dropped as we reallocated advertising expenses originally planned for live sales to traffic advertising; and we plan to spend aggressively on advertising to regain the market share we lost following the release of the treated water.

There is no change in the dividend forecast in connection with the revised earnings forecast.

(Note) The above earnings forecast is based on information available as of this announcement, and actual results may differ from the forecast due to various factors.