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Company: YA-MAN LTD.  
 Stock code: 6630, TSE (Prime Market)  
 Representative: Kimiyo Yamazaki, CEO  
 Masaya Miyazaki, Director,  
 Contact: General Manager of Administration  
 Division  
 Tel: +81-3-5665-7330  
 URL: <https://www.ya-man.co.jp/>

## Notice of Revisions to Forecast

The Board of Directors of YA-MAN LTD. approved a resolution on March 14, 2023 to revise the forecast for the fiscal year ending April 30, 2023 (May 1, 2022 to April 30, 2023) that was in the earnings announcement dated June 14, 2022 as follows to reflect current trends in operating results.

### 1. Revisions to consolidated forecast for the fiscal year ending April 30, 2023 (May 1, 2022 – April 30, 2023)

	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)	50,000	10,000	9,600	6,652	120.90
Revised forecast (B)	43,000	6,200	6,200	4,000	72.70
Change (B - A)	△7,000	△3,800	△3,400	△2,652	
Percentage change (%)	△14.0	△38.0	△35.4	△39.9	
(Reference) Results for the previous fiscal year (ended April 30, 2022)	40,943	6,880	8,063	5,586	101.54

### 2. Reasons for revisions

For the nine months ended January 30, 2022, net sales marked a record high due to strong sales to customers in China in the first half.

However, net sales also were lower than the previous forecast mainly due to sluggish demand for high-priced products, driven by continuing increases in consumer goods prices against a backdrop of increasing global inflationary pressure, as well as a shift from goods consumption to experience consumption with a spurt in the flow of people, and a slowdown in the expansion of sales to customers in China due to the significant relaxation of its zero-COVID policy.

Also, profits were lower than the previous forecast mainly due to up-front investments for the medium-term sales growth in the new categories (hair care/shavers, etc.) and repeat sales, as well as the impact of the latest rapid exchange fluctuation. The exchange rate fluctuation, in particular, had significant impact on ordinary profit and other items under ordinary profit, as foreign exchange differences arising from the translation of the foreign currency assets turned negative sharply

due to the rapid appreciation of the yen against the dollar from November to January, and the most part of foreign exchange gains recorded for the first half were canceled.

Under the current market conditions, many factors of uncertainty and volatility both in Japan and overseas have weighed on the economic recovery.

Given such a situation, we have decided to revise the fiscal year forecast.

### **3. Upcoming actions**

Despite the announcement in November 2020 of our medium-term management plan, which ends in the current fiscal year, we found it difficult to achieve the goals of net sales of 50 billion yen and an operating margin of 20% or more.

Amid the volatile global situation, in which our business environment has been extremely unforeseeable due to factors such as the change in our customers' consumption behavior and the current rapid exchange rate fluctuation, we will now review our medium- to long-term strategy for growth and develop a new medium-term management plan.

And precisely because of such difficulties, we will steadily make investment for future earnings growth, and will, in particular, continue to make active investments in promotion and advertising for a new category of hair care/shavers, developing technologies toward creating further new categories, and obtaining certifications for the standards of regulatory agencies overseas to strengthen global expansion.

While we have to hold a certain amount of foreign currency deposits due to a number of sales and purchases denominated in foreign currencies, we will strive to minimize exchange risks by paying close attention to the exchange rate fluctuation and the balance of deposits to convert them into yen currency, when appropriate.

(References)

- Medium-term Management Plan: [https://www.ya-man.co.jp/en/uploads/2022/02/Y26\\_chuki-keiei-keikaku\\_EN.pdf](https://www.ya-man.co.jp/en/uploads/2022/02/Y26_chuki-keiei-keikaku_EN.pdf)
- Medium-term Investment Plan: <https://www.ya-man.co.jp/en/uploads/2022/06/Notice-Regarding-Establishment-of-Medium-term-Investment-Plan.pdf>

(Product information)

- Hair care: <https://www.ya-man.com/en/products/>
- Shaver: <https://www.ya-man.com/en/products/hotshave.php>