

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

## Summary of Consolidated Financial Results for the Fiscal Year Ended April 30, 2023 [Japanese GAAP]



June 13, 2023

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

Contact: Masaya Miyazaki, Director, General Manager of Administration Division

Tel: +81-(0) 3-5665-7330

Scheduled date of Annual General Meeting of Shareholders: July 27, 2023

Scheduled date of payment of dividend: July 28, 2023

Scheduled date of filing of Annual Securities Report: July 27, 2023

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for institutional investors)

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

### 1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2023 (May 1, 2022 – April 30, 2023)

#### (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	%
Fiscal year ended Apr. 30, 2023	42,996	5.0	6,134	(10.8)	5,917	(26.6)	3,913	(30.0)
Fiscal year ended Apr. 30, 2022	40,943	11.8	6,880	12.5	8,063	32.1	5,586	49.9

Note: Comprehensive income (million yen) Fiscal year ended Apr. 30, 2023: 3,930 (down 30.5%)

Fiscal year ended Apr. 30, 2022: 5,651 (up 51.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Apr. 30, 2023	71.12	-	16.5	19.2	14.3
Fiscal year ended Apr. 30, 2022	101.54	-	28.7	28.6	16.8

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Apr. 30, 2023: (457)

Fiscal year ended Apr. 30, 2022: (103)

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2023	30,979	25,435	82.1	462.29
As of Apr. 30, 2022	30,552	22,093	72.3	401.54

Reference: Shareholders' equity (million yen) As of Apr. 30, 2023: 25,435

As of Apr. 30, 2022: 22,093

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Apr. 30, 2023	986	(632)	(1,223)	15,691
Fiscal year ended Apr. 30, 2022	4,647	(619)	(1,094)	16,194

### 2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Apr. 30, 2022	-	2.00	-	6.50	8.50	467	8.4	2.4
Fiscal year ended Apr. 30, 2023	-	4.25	-	8.75	13.00	715	18.3	3.0
Fiscal year ending Apr. 30, 2024 (Forecast)	-	4.25	-	4.25	8.50		-	

Notes: 1. Breakdown of the year-end dividend for the fiscal year ended Apr. 30, 2022:

Ordinary dividend: 2.00 yen Special dividend: 4.50 yen

2. Breakdown of the year-end dividend for the fiscal year ended Apr. 30, 2023

Ordinary dividend: 4.25 yen Commemorative dividend for the 45th founding anniversary: 4.50 yen

### 3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2024 (May 1, 2023 – April 30, 2024)

(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	45,000	4.7	6,500	6.0	6,200	4.8	4,350	11.2	79.06

Note: In light of the progress of sales resulting from various unstable factors, and in order to promote constructive dialogue toward enhancing corporate value over the medium to long term, only the full year earnings forecast is announced.

**\* Notes:**

- (1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None  
 Newly added: - Excluded: -
- (2) 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
- (3) Number of shares outstanding (common stock)  
 1) Number of shares outstanding at the end of the period (including treasury shares)  
 As of Apr. 30, 2023: 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 Apr. 30, 2023: 3,327,668 shares As of Apr. 30, 2022: 3,327,668 shares  
 3) Average number of shares outstanding during the period  
 Fiscal year ended Apr. 30, 2023: 55,021,212 shares Fiscal year ended Apr. 30, 2022: 55,021,212 shares

**Reference: Summary of Non-consolidated Financial Results**

**1. Non-consolidated Financial Results for the Fiscal Year Ended April 30, 2023 (May 1, 2022 – April 30, 2023)**

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Apr. 30, 2023	42,695	5.0	6,498	(6.9)	6,763	(18.6)	4,712	(15.8)
Fiscal year ended Apr. 30, 2022	40,674	12.6	6,980	8.9	8,312	27.0	5,597	61.1

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Apr. 30, 2023	85.65	-
Fiscal year ended Apr. 30, 2022	101.74	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2023	31,762	26,379	83.1	479.45
As of Apr. 30, 2022	30,684	22,258	72.5	404.55

Reference: Shareholders' equity (million yen) As of Apr. 30, 2023: 26,379  
 As of Apr. 30, 2022: 22,258

**\* The current financial report is not subject to audit 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 "Overview of Operating Results, etc." 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, June 13, 2023.

## Table of Contents - Attachments

1. Overview of Operating Results, etc. ....	2
(1) Overview of Operating Results for the Fiscal Year under Review .....	2
(2) Overview of Financial Position for the Fiscal Year under Review .....	3
(3) Overview of Cash Flows for the Fiscal Year under Review .....	3
(4) Future Outlook .....	4
2. Basic Policy on Selection of Accounting Standards .....	4
3. Consolidated Financial Statements and Primary Notes .....	5
(1) Consolidated Balance Sheets .....	5
(2) Consolidated Statements of Income and Comprehensive Income .....	7
(3) Consolidated Statements of Changes in Equity .....	9
(4) Consolidated Statements of Cash Flows .....	11
(5) Notes to Consolidated Financial Statements .....	13
(Notes on going concern assumption) .....	13
(Significant accounting policies for preparation of consolidated financial statements) .....	13
(Changes in accounting policies) .....	15
(Changes in presentation) .....	15
(Additional information) .....	15
(Consolidated balance sheets) .....	16
(Consolidated statements of income) .....	17
(Consolidated statements of changes in equity).....	18
(Consolidated statements of cash flows) .....	19
(Segment information, etc.) .....	20
(Per share information) .....	22
(Significant subsequent events) .....	22

## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

In the fiscal year under review (May 1, 2022 to April 30, 2023), the Japanese economy gradually accelerated the pace of its recovery as the prolonged COVID-19 pandemic finally showed signs of subsiding.

Economic activity was generally on a recovery trend in other countries as well.

However, uncertainty about the future remained due to continuing price hikes of consumer goods amid mounting inflationary pressure, unstable exchange rates, and the impact of political instability across the world, including Russia's invasion of Ukraine.

Under these circumstances, the YA-MAN Group utilized its technologies and the YA-MAN brand it has fostered in its facial beauty devices to create new categories such as hair care/shavers, which have a larger market.

As the fiscal year under review was also the final year of the medium-term management plan announced in November 2020, the YA-MAN Group focused its investment in advertising and R&D in order to achieve goals of sales of 50.0 billion yen and an operating profit margin of 20%.

Thanks to the significant increase in sales in China in the overseas operations segment and steady sales in each of the domestic sales channels, net sales for the fiscal year under review were up 5.0% year-on-year to 42,996 million yen, exceeding the previous fiscal year. However, earnings did not reach the level of the previous fiscal year due to advance investments, with operating profit down 10.8% year-on-year to 6,134 million yen, ordinary profit down 26.6% year-on-year to 5,917 million yen, and profit attributable to owners of parent down 30.0% year-on-year to 3,913 million yen.

Business segment performance was as follows.

#### 1) Home shopping sales

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

In the fiscal year under review, net sales were solid mainly through sales channels such as terrestrial TV shopping and catalog sales, resulting in a year-on-year increase in both sales and earnings. Segment sales increased 28.1% year-on-year to 6,666 million yen, and segment profit increased 7.9% year-on-year to 2,299 million yen.

#### 2) Store sales

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

In the fiscal year under review, although there were signs of recovery at department stores and directly managed stores, sales to home appliance stores and variety shops struggled, resulting in a year-on-year decrease in both sales and earnings. Segment sales decreased 5.3% year-on-year to 7,953 million yen, and segment profit decreased 27.2% year-on-year to 1,826 million yen.

#### 3) Direct sales

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

In the fiscal year under review, due to continuing focused investment to strengthen repeat sales of products such as cosmetics, results fell short of the previous fiscal year. Segment sales decreased 14.2% year-on-year to 9,922 million yen, and segment profit decreased 21.5% year-on-year to 4,587 million yen.

#### 4) Overseas operations

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

In the fiscal year under review, the YA-MAN Group started to strengthen investments in its subsidiaries in the United States and China, and also actively worked to expand business into other countries and regions.

As the Chinese domestic market continued to perform well, both sales and profits significantly exceeded those of the previous fiscal year. Segment sales increased 23.2% year-on-year to 17,894 million yen, and segment profit increased 56.7% year-on-year to 6,870 million yen.

## (2) Overview of Financial Position for the Fiscal Year under Review

Total assets as of April 30, 2023 increased by 427 million yen (1.4%) from the end of the previous fiscal year to 30,979 million yen. This is mainly attributable to an increase in merchandise and finished goods of 1,131 million yen, despite a decrease in cash and deposits of 502 million yen and a decrease in notes and accounts receivable - trade, and contract assets of 259 million yen.

Total liabilities as of April 30, 2023 decreased by 2,915 million yen (34.5%) from the end of the previous fiscal year to 5,543 million yen. This is mainly attributable to a decrease in income taxes payable of 1,310 million yen, a decrease in accounts payable - other of 804 million yen and a decrease in long-term borrowings of 624 million yen.

Total net assets as of April 30, 2023 increased by 3,342 million yen (15.1%) from the end of the previous fiscal year to 25,435 million yen. This is mainly attributable to an increase in retained earnings of 3,325 million yen resulting from the recording of 3,913 million yen in profit attributable to owners of parent, despite the payment of 591 million yen in dividends from surplus.

## (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (collectively, “funds”) as of April 30, 2023 decreased by 502 million yen (3.1%) from the end of the previous fiscal year to 15,691 million yen.

### 1) Cash flows from operating activities

Funds provided by operating activities were 986 million yen (4,647 million yen was provided in the previous fiscal year).

This is mainly due to profit before income taxes of 5,837 million yen, income taxes paid of 3,052 million yen, an increase in inventories of 1,011 million yen, and a decrease in accounts payable - other of 811 million yen.

Compared to the previous fiscal year, trade receivables turned from an increase of 1,193 million yen to a decrease of 259 million yen. However, in addition to the decrease in profit before income taxes from 8,019 million yen to 5,837 million yen, the use of funds increased, such as an increase in inventories from 413 million yen to 1,011 million yen and an increase in income taxes paid from 2,529 million yen to 3,052 million yen, resulting in a significantly lower inflow of funds than in the previous fiscal year.

### 2) Cash flows from investing activities

Funds used in investing activities were 632 million yen (619 million yen was used in the previous fiscal year).

This is mainly due to the payments of leasehold and guarantee deposits of 289 million yen, the purchase of property, plant and equipment such as molds of 203 million yen, and the purchase of intangible assets such as software of 151 million yen.

As the YA-MAN Group actively continued investing during the fiscal year under review, the use of funds remained at the same level as in the previous fiscal year.

### 3) Cash flows from financing activities

Funds used in financing activities were 1,223 million yen (1,094 million yen was used in the previous consolidated fiscal year).

This is mainly due to repayments of long-term borrowings of 624 million yen and dividends paid of 591 million yen.

As in the previous fiscal year, the YA-MAN Group did not newly procure funds in the fiscal year under

review, and the use of funds remained at the same level as in the previous fiscal year.

Trends in cash flow-related indicators are as follows:

Fiscal year ended April 30	2019	2020	2021	2022	2023
Equity ratio (%)	72.8	77.3	65.3	72.3	82.1
Market-based equity ratio (%)	331.7	217.6	317.9	223.5	208.0
Cash flow to interest-bearing debt ratio (years)	0.3	0.3	0.6	0.4	1.4
Interest coverage ratio (times)	101.1	99.0	263.6	349.8	42.5

Equity ratio: equity/total assets

Market-based equity ratio: market capitalization / total assets

Cash flow to interest-bearing debt ratio: interest-bearing debt/cash flow

Interest coverage ratio: cash flow/interest payment

- Notes:
1. All calculations are based on consolidated financial figures.
  2. Market capitalization is calculated based on the number of shares outstanding excluding treasury shares.
  3. Operating cash flow is used for cash flow.
  4. Interest-bearing debt covers all debt on which interest is paid among the debt recorded on the consolidated balance sheets.

#### (4) Future Outlook

Following the failure to achieve sales of 50.0 billion yen and an operating profit margin of 20%, numerical targets of the 2020 Medium-Term Management Plan, on June 13, 2023, the YA-MAN Group formulated a new medium-term management plan, “Going Global Strategy,” and once again set out its path to becoming a global brand company, and has also announced that it is aiming for net sales of 70.0 billion yen in the medium term (by the end of the fiscal year ending April 30, 2028).

In order to achieve this, the YA-MAN Group will continue to strengthen investment in branding, R&D, and overseas expansion, and strive to further expand each sales channel.

The consolidated earnings forecasts for the fiscal year ending April 30, 2024 are: a net sales increase of 4.7% year-on-year to 45,000 million yen, an operating profit increase of 6.0% to 6,500 million yen, an ordinary profit increase of 4.8% to 6,200 million yen, and a profit attributable to owners of parent increase of 11.2% to 4,350 million yen.

## 2. Basic Policy on Selection of Accounting Standards

With consideration for the comparability of consolidated financial statements between periods and comparability between companies, the YA-MAN Group’s policy is to prepare consolidated financial statements in accordance with Japanese standards for the time being.

The Group will consider the timing of application of International Financial Reporting Standards (IFRS) based on future business development and trends in Japan and abroad.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Thousand yen)

	As of April 30, 2022	As of April 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	16,649,109	16,146,142
Notes and accounts receivable - trade, and contract assets	*1 5,194,903	*1 4,935,153
Merchandise and finished goods	2,887,195	4,018,266
Work in process	45,227	8,030
Raw materials and supplies	1,186,405	1,106,204
Accounts receivable - other	933,772	936,297
Income taxes refund receivable	-	1,291
Other	1,011,026	1,415,310
Allowance for doubtful accounts	(128)	-
Total current assets	27,907,512	28,566,696
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	*3 260,013	*3 262,914
Machinery, equipment and vehicles, net	64,815	53,221
Land	*3 158,177	*3 158,177
Leased assets, net	14,066	19,415
Construction in progress	4,314	5,905
Other, net	39,936	43,960
Total property, plant and equipment	*4 541,324	*4 543,594
Intangible assets		
Other	624,268	590,776
Total intangible assets	624,268	590,776
Investments and other assets		
Investment securities	300,000	300,000
Shares of subsidiaries and associates	424,436	77,981
Deferred tax assets	513,451	362,578
Other	241,179	537,899
Total investments and other assets	1,479,067	1,278,459
Total non-current assets	2,644,661	2,412,829
Total assets	30,552,173	30,979,525



(Thousand yen)

	As of April 30, 2022	As of April 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	*3 1,870,634	*3 1,521,045
Current portion of long-term borrowings	*3 624,000	*3 624,000
Lease liabilities	7,506	9,498
Accounts payable - other	2,225,917	1,421,382
Income taxes payable	1,804,934	494,696
Provision for bonuses	80,092	112,565
Other	*2 507,264	*2 498,564
Total current liabilities	7,120,349	4,681,752
Non-current liabilities		
Long-term borrowings	*3 1,330,000	*3 706,000
Lease liabilities	8,614	12,500
Liabilities from application of equity method	–	143,326
Total non-current liabilities	1,338,614	861,827
Total liabilities	8,458,964	5,543,580
<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	25,004,092
Treasury shares	(2,887,118)	(2,887,118)
Total shareholders' equity	22,038,091	25,363,201
Accumulated other comprehensive income		
Foreign currency translation adjustment	55,117	72,743
Total accumulated other comprehensive income	55,117	72,743
Total net assets	22,093,208	25,435,945
Total liabilities and net assets	30,552,173	30,979,525

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

(Thousand yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Net sales	40,943,193	42,996,308
Cost of sales	*1 15,847,528	*1 16,849,147
Gross profit	25,095,665	26,147,160
Selling, general and administrative expenses		
Advertising expenses	10,583,696	11,873,911
Outsourcing expenses	1,388,712	1,505,932
Provision of allowance for doubtful accounts	125	(136)
Salaries and allowances	1,216,841	1,275,388
Bonuses	69,977	63,302
Provision for bonuses	80,092	112,565
Retirement benefit expenses	28,283	29,659
Depreciation	194,505	201,596
Research and development expenses	*2 515,711	*2 845,177
Other	4,137,040	4,104,944
Total selling, general and administrative expenses	18,214,986	20,012,341
Operating profit	6,880,678	6,134,819
Non-operating income		
Interest income	1,072	1,477
Dividend income	–	10,781
Foreign exchange gains	1,294,847	300,107
Other	12,499	12,647
Total non-operating income	1,308,419	325,013
Non-operating expenses		
Interest expenses	13,275	23,810
Guarantee commission	2,275	3,990
Loss on sale of trade receivables	4,724	3,492
Share of loss of entities accounted for using equity method	103,890	457,333
Donations	–	*3 52,000
Other	1,452	1,701
Total non-operating expenses	125,617	542,327
Ordinary profit	8,063,479	5,917,504
Extraordinary income		
Gain on sale of non-current assets	*4 30,702	–
Settlement income	1,350	1,350
Total extraordinary income	32,052	1,350
Extraordinary losses		
Loss on retirement of non-current assets	*5 17,154	*5 24,392
Contributions of loss	*6 59,179	*6 57,457
Total extraordinary losses	76,333	81,849
Profit before income taxes	8,019,198	5,837,005
Income taxes - current	2,698,290	1,772,990
Income taxes - deferred	(265,961)	150,873
Total income taxes	2,432,329	1,923,864
Profit	5,586,869	3,913,141
Profit attributable to owners of parent	5,586,869	3,913,141

## Consolidated Statements of Comprehensive Income

(Thousand yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Profit	5,586,869	3,913,141
Other comprehensive income		
Foreign currency translation adjustment	49,798	8,374
Share of other comprehensive income of entities accounted for using equity method	15,250	9,251
Total other comprehensive income	65,049	17,626
Comprehensive income	5,651,919	3,930,767
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,651,919	3,930,767
Comprehensive income attributable to non-controlling interests	-	-

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended April 30, 2022

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,813,796	1,432,431	16,543,880	(2,887,118)	16,902,990
Changes during period					
Dividends of surplus			(456,676)		(456,676)
Profit attributable to owners of parent			5,586,869		5,586,869
Other			4,907		4,907
Net changes in items other than shareholders' equity					
Total changes during period	—	—	5,135,101	—	5,135,101
Balance at end of period	1,813,796	1,432,431	21,678,982	(2,887,118)	22,038,091

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	(9,931)	(9,931)	16,893,058
Changes during period			
Dividends of surplus			(456,676)
Profit attributable to owners of parent			5,586,869
Other			4,907
Net changes in items other than shareholders' equity	65,049	65,049	65,049
Total changes during period	65,049	65,049	5,200,150
Balance at end of period	55,117	55,117	22,093,208

Fiscal year ended April 30, 2023

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,813,796	1,432,431	21,678,982	(2,887,118)	22,038,091
Changes during period					
Dividends of surplus			(591,478)		(591,478)
Profit attributable to owners of parent			3,913,141		3,913,141
Other			3,447		3,447
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,325,110	–	3,325,110
Balance at end of period	1,813,796	1,432,431	25,004,092	(2,887,118)	25,363,201

	Accumulated other comprehensive income		Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	55,117	55,117	22,093,208
Changes during period			
Dividends of surplus			(591,478)
Profit attributable to owners of parent			3,913,141
Other			3,447
Net changes in items other than shareholders' equity	17,626	17,626	17,626
Total changes during period	17,626	17,626	3,342,736
Balance at end of period	72,743	72,743	25,435,945

## (4) Consolidated Statements of Cash Flows

(Thousand yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Cash flows from operating activities		
Profit before income taxes	8,019,198	5,837,005
Depreciation	422,517	374,622
Contributions of loss	59,179	57,457
Share of loss (profit) of entities accounted for using equity method	103,890	457,333
Increase (decrease) in allowance for doubtful accounts	113	(136)
Increase (decrease) in provision for bonuses	14,006	32,472
Increase (decrease) in provision for sales returns	(117,829)	–
Increase decrease in refund liabilities	163,287	158,595
Interest and dividend income	(1,072)	(12,258)
Interest expenses	13,275	23,810
Foreign exchange losses (gains)	(722,932)	(360,673)
Loss on retirement of non-current assets	17,154	24,392
Loss (gain) on sale of non-current assets	(30,702)	–
Settlement income	(1,350)	(1,350)
Decrease (increase) in trade receivables	(1,193,669)	259,613
Decrease (increase) in consumption taxes refund receivable	(6,911)	(400,361)
Decrease (increase) in accounts receivable - other	733,534	(2,445)
Decrease (increase) in prepaid expenses	324,642	102,942
Decrease (increase) in inventories	(413,688)	(1,011,424)
Increase (decrease) in trade payables	(770,680)	(433,581)
Increase (decrease) in accounts payable - other	455,958	(811,328)
Increase decrease in contract liabilities	90,264	(123,081)
Other, net	30,105	(128,451)
Subtotal	7,188,292	4,043,152
Interest and dividends received	1,071	12,259
Interest paid	(13,287)	(23,195)
Settlement received	1,350	1,350
Income taxes paid	(2,529,825)	(3,052,843)
Income taxes refund	247	5,428
Net cash provided by (used in) operating activities	4,647,847	986,150
Cash flows from investing activities		
Purchase of property, plant and equipment	(183,083)	(203,428)
Proceeds from sale of property, plant and equipment	87,132	–
Purchase of intangible assets	(246,945)	(151,039)
Payments into time deposits	(624,157)	(624,157)
Proceeds from withdrawal of time deposits	624,156	624,157
Purchase of shares of subsidiaries and associates	(254,523)	–
Payments of leasehold and guarantee deposits	(25,951)	(289,473)
Other, net	4,000	11,902
Net cash provided by (used in) investing activities	(619,372)	(632,039)

(Thousand yen)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Cash flows from financing activities		
Repayments of long-term borrowings	(628,700)	(624,000)
Repayments of lease liabilities	(8,869)	(8,625)
Dividends paid	(456,836)	(591,305)
Net cash provided by (used in) financing activities	(1,094,405)	(1,223,931)
Effect of exchange rate change on cash and cash equivalents	757,397	366,852
Net increase (decrease) in cash and cash equivalents	3,691,466	(502,967)
Cash and cash equivalents at beginning of period	12,503,485	16,194,952
Cash and cash equivalents at end of period	* 16,194,952	* 15,691,984

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Significant accounting policies for preparation of consolidated financial statements)

1. Scope of consolidation

All subsidiaries are consolidated.

Number of consolidated subsidiaries: 3

Names of consolidated subsidiaries: LABO WELL Co., YA-MAN U.S.A. LTD., YA-MAN (SHANGHAI) BEAUTY TECHNOLOGY CO., LTD

2. Application of equity method

(1) Number of affiliates accounted for using equity method and names of major affiliates accounted for using equity method

The equity method is applied to all affiliates.

Number of affiliates: 2

Names of affiliates: MACHERIE BEAUTY TECHNOLOGY CO., LTD, EFFECTIM Company, Limited

(2) Specific information deemed necessary about application of equity method

For companies accounted for using equity method with closing dates other than the consolidated closing date, their provisional financial statements are used.

3. Fiscal year, etc. of consolidated subsidiaries

There is no relevant information.

4. Accounting policies

(1) Valuation standards and valuation method for significant assets

(i) Securities

a. Available-for-sale securities

Securities other than shares, etc. without a market price

Market value method

(Valuation differences are included directly in net assets, and the cost of securities sold is determined by the moving-average method.)

Shares, etc. without a market price

Cost method based on the moving-average method

(ii) Receivables and payables arising from derivative transactions

Market value method

(iii) Inventories

a. Merchandise, finished goods, raw materials and work in process

Cost method based on the moving-average method

(Figures on the balance sheets are calculated by writing down book values based on the decline in profitability.)

b. Supplies

Last purchase cost method

(Figures on the balance sheets are calculated by writing down book values based on the decline in profitability.)



(2) Depreciation method for significant depreciable assets

(i) Property, plant and equipment (excluding leased assets)

Declining-balance method. However, the straight-line method is used for buildings acquired on or after April 1, 1998 (excluding facilities attached to buildings) and facilities attached to buildings and structures acquired on or after April 1, 2016.

The main useful lives are as follows:

Buildings: 10 to 50 years, Machinery and equipment: 2 to 17 years

(ii) Intangible assets (excluding leased assets)

Straight-line method

Software (for internal use) is amortized by the straight-line method over the estimated useful life (5 years).

(iii) Leased assets

Leased assets related to finance leases that do not transfer ownership

Straight-line method assuming the lease term as the useful life of the asset with no residual value

(3) Accounting standards for significant allowances and provisions

(i) Allowance for doubtful accounts

To prepare for possible losses on uncollectable receivables, the Company records estimated uncollectible amounts based on the historical loan loss ratio for general receivables and based on an individual assessment of the collectability of specific doubtful receivables.

(ii) Provision for bonuses

To provide for the payment of bonuses to employees, the Company records the estimated amount of future payments attributable to the fiscal year under review.

(4) Accounting standards for revenues and expenses

Revenue from the sale of finished goods or merchandise is recognized at the amount expected to be received for finished goods or merchandise, based on the judgment that the performance obligation is satisfied at the point of delivery of the finished goods or merchandise under the sales contract with the customer.

The alternative treatment set forth in Paragraph 98 of the Revenue Recognition Guidance is applied and revenue from the sale of merchandise or finished goods is recognized at the time of shipment if the period from the time of shipment to the time when control of the merchandise or finished goods is transferred to the customer is a normal period of time.

(5) Scope of funds on consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks that can be withdrawn at any time, and readily marketable short-term investments with a maturity of three months or less from the time of acquisition and little risk of changes in value.

(Changes in accounting policies)

(Change in inventory valuation method)

Effective from the beginning of the fiscal year under review, 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.

(Changes in presentation)

(Consolidated statements of cash flows)

“Payments of leasehold and guarantee deposits,” which was included in “Other, net” under “Cash flows from investing activities” in the previous fiscal year, has been separately presented in the fiscal year under review due to its increased monetary significance.

To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, an outflow of 21,951 thousand yen presented under “Other, net” in “Cash flows from investing activities” in the consolidated statements of cash flows for the previous fiscal year has been reclassified as an outflow of 25,951 thousand yen under “Payments of leasehold and guarantee deposits” and an inflow of 4,000 thousand yen under “Other, net.”

(Additional information)

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

The impact of the COVID-19 pandemic on economic activities has started to subside as a result of the increases in vaccinations and the establishment of with-COVID lifestyles, and the YA-MAN Group expects this trend to continue in the future.

In preparing the consolidated financial statements for the fiscal year under review, accounting estimates were made based on the above assumption.

However, objective information available at this time is limited, and depending on the spread of COVID-19 in the future, the financial position and results of operations of the YA-MAN Group may be affected in the following fiscal year.

(Consolidated balance sheets)

\*1 Receivables and contract assets arising from contracts with customers included in notes and accounts receivable - trade, and contract assets, are as follows:

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Notes receivable - trade	38,933	15,796
Accounts receivable - trade	5,155,970	4,919,356
Contract assets	-	-
Total	5,194,903	4,935,153

\*2 The amount of contract liabilities included in other current liabilities, is as follows:

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Contract liabilities	138,663	16,531

\*3 Assets pledged as collateral and obligations relating to collateral are as follows:

(1) Assets pledged as collateral

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Buildings	40,139	36,439
Land	153,865	153,865
Total	194,004	190,304

(2) Obligations relating to collateral

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Notes payable - trade (letters of credit)	488,925	70,272
Current portion of long-term borrowings	384,000	384,000
Long-term borrowings	810,000	426,000
Total	1,682,925	880,272

\*4 Accumulated depreciation of property, plant and equipment

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Accumulated depreciation of property, plant and equipment	1,396,114	1,586,780

\*5 The Company has executed overdraft agreements with two banks for the efficient procurement of working capital.

Unused credit lines, etc. under the overdraft agreements at the end of the fiscal year are as follows:

	(Thousand yen)	
	As of April 30, 2022	As of April 30, 2023
Maximum amount of the overdraft	4,500,000	500,000
Balance of loans	-	-
Unused credit lines	4,500,000	500,000

(Consolidated statements of income)

\*1 Write-downs (reversals) of book value due to decreased profitability of inventories held for sale in the ordinary course of business are as follows:

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Cost of sales	(28,750)	(19,963)

\*2 Research and development expenses included in general and administrative expenses are as follows:

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Research and development expenses	515,711	845,177

\*3 Donations

The Company has donated amount to cover operating expenses for the next four years as funding for the scholarship project to the YA-MAN Scholarship Foundation, a general incorporated foundation established in September 2021, and this amount was recorded as a non-operating expense.

The foundation has been recognized by the Tokyo Metropolitan Government as conforming to public interest certification standards, and it transitioned to a public interest incorporated foundation on February 1, 2023.

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Donations	–	52,000

\*4 Breakdown of gain on sale of non-current assets is as follows:

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Buildings and structures	1,952	–
Machinery, equipment and vehicles	1,393	–
Land	27,356	–
Total	30,702	–

\*5 Breakdown of loss on retirement of non-current assets is as follows:

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Buildings and structures	1,463	19,116
Tools, furniture and fixtures	2,023	375
Other in intangible assets (intellectual property rights in preparation)	13,667	4,899
Total	17,154	24,392

\*6 Contributions of loss

(1) For the fiscal year ended April 30, 2022

The Company pays a reasonable share of costs for disposal of inventory of parts by contract manufacturers in order to maintain business relationship, and recorded such amount as an extraordinary loss.

(2) For the fiscal year ended April 30, 2023

The Company pays a reasonable share of costs for disposal of inventory of parts by contract manufacturers in order to maintain business relationship, and recorded such amount as an extraordinary loss.

(Consolidated statements of changes in equity)

I. For the fiscal year ended April 30, 2022

1. Issued shares

(Shares)

Class of shares	As of May 1, 2021	Increase	Decrease	As of April 30, 2022
Common stock	58,348,880	–	–	58,348,880

2. Treasury shares

(Shares)

Class of shares	As of May 1, 2021	Increase	Decrease	As of April 30, 2022
Common stock	3,327,668	–	–	3,327,668

3. Share acquisition rights, etc.

There is no relevant information.

4. Dividends

(1) Dividends paid

Resolution	Class of shares	Total amount of dividend (thousand yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on July 29, 2021	Common stock	346,633	6.30	April 30, 2021	July 30, 2021
Board of Directors meeting held on December 14, 2021	Common stock	110,042	2.00	October 31, 2021	January 5, 2022

Note: The dividend per share resolved at the Annual General Meeting of Shareholders held on July 29, 2021 includes a special dividend of 4.50 yen.

(2) Dividends with a record date in the current fiscal year and an effective date in the following fiscal year

Resolution	Class of shares	Source of dividends	Total amount of dividend (thousand yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on July 28, 2022	Common stock	Retained earnings	357,637	6.50	April 30, 2022	July 29, 2022

Note: The dividend per share includes a special dividend of 4.50 yen.

II. For the fiscal year ended April 30, 2023

1. Issued shares

(Shares)

Class of shares	As of May 1, 2022	Increase	Decrease	As of April 30, 2023
Common stock	58,348,880	–	–	58,348,880

2. Treasury shares

(Shares)

Class of shares	As of May 1, 2022	Increase	Decrease	As of April 30, 2023
Common stock	3,327,668	–	–	3,327,668

3. Share acquisition rights, etc.

There is no relevant information.

4. Dividends

(1) Dividends paid

Resolution	Class of shares	Total amount of dividend (thousand yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on July 28, 2022	Common stock	357,637	6.50	April 30, 2022	July 29, 2022
Board of Directors meeting held on December 13, 2022	Common stock	233,840	4.25	October 31, 2022	January 5, 2023

Note: The dividend per share resolved at the Annual General Meeting of Shareholders held on July 28, 2022 includes a special dividend of 4.50 yen.

(2) Dividends with a record date in the current fiscal year and an effective date in the following fiscal year

Resolution	Class of shares	Source of dividends	Total amount of dividend (thousand yen)	Dividend per share (yen)	Record date	Effective date
Annual General Meeting of Shareholders held on July 27, 2023	Common stock	Retained earnings	481,435	8.75	April 30, 2023	July 28, 2023

Note: The dividend per share includes a commemorative dividend for the 45th founding anniversary of 4.50 yen.

(Consolidated statements of cash flows)

\* Reconciliation of cash and cash equivalents at end of period and accounts reported in the consolidated balance sheets consists of the following:

	(Thousand yen)	
	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Cash and deposits	16,649,109	16,146,142
Time deposits with deposit periods exceeding 3 months	(454,157)	(454,157)
Cash and cash equivalents	16,194,952	15,691,984

(Segment information, etc.)

(Segment information)

1. Overview of reportable segments

The YA-MAN Group's reportable segments are components of the Company for which separate financial information is available and which are regularly reviewed by the Board of Directors in order to determine the allocation of management resources and evaluating performance.

The YA-MAN Group is made up of segments based on sales channels. There are four reportable segments, namely, home shopping sales, store sales, direct sales, and overseas operations.

Finished goods and merchandise sold by the YA-MAN Group are mainly classified into "beauty appliances," "wellness appliances and fitness equipment," and "cosmetics and various healthcare products," and are sold by each reporting segment.

2. Calculation method for net sales, profit or loss, and other items by reportable segment

Accounting policies for the reported business segments are generally the same as those described in "Significant accounting policies for preparation of consolidated financial statements." Profit by reportable segment is based on operating profit. Intersegment profits and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, and other items by reportable segment

I. For the fiscal year ended April 30, 2022

(Thousand yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Home shopping sales	Store sales	Direct sales	Overseas operations	Total				
Net sales									
Revenue from contracts with customers	5,202,558	8,398,828	11,566,164	14,522,404	39,689,955	1,253,238	40,943,193	–	40,943,193
Revenue from other sources	–	–	–	–	–	–	–	–	–
Net sales to outside customers	5,202,558	8,398,828	11,566,164	14,522,404	39,689,955	1,253,238	40,943,193	–	40,943,193
Intersegment net sales or transfers	–	–	–	–	–	869	869	(869)	–
Total	5,202,558	8,398,828	11,566,164	14,522,404	39,689,955	1,254,107	40,944,062	(869)	40,943,193
Segment profit	2,132,183	2,508,504	5,844,464	4,385,218	14,870,371	499,783	15,370,154	(8,489,476)	6,880,678
Other items									
Depreciation	–	–	–	–	–	–	–	422,517	422,517

- 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 (8,489,476) thousand yen includes the elimination of intersegment transactions of 42,122 thousand yen, corporate expenses of (8,526,188) thousand yen that are not allocated to each reportable segment, and elimination of unrealized profit of (5,411) 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 consolidated statements of income.
  4. "Segment assets" and "Increase in property, plant and equipment and intangible assets" are omitted because the YA-MAN Group does not allocate assets to reportable segments.

II. For the fiscal year ended April 30, 2023

(Thousand yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Home shopping sales	Store sales	Direct sales	Overseas operations	Total				
Net sales									
Revenue from contracts with customers	6,666,868	7,953,879	9,922,142	17,894,298	42,437,189	559,119	42,996,308	–	42,996,308
Revenue from other sources	–	–	–	–	–	–	–	–	–
Net sales to outside customers	6,666,868	7,953,879	9,922,142	17,894,298	42,437,189	559,119	42,996,308	–	42,996,308
Intersegment net sales or transfers	–	–	–	–	–	–	–	–	–
Total	6,666,868	7,953,879	9,922,142	17,894,298	42,437,189	559,119	42,996,308	–	42,996,308
Segment profit	2,299,568	1,826,322	4,587,896	6,870,475	15,584,262	268,460	15,852,722	(9,717,903)	6,134,819
Other items									
Depreciation	–	–	–	–	–	–	–	374,622	374,622

- 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 (9,717,903) thousand yen includes the elimination of intersegment transactions of 31,200 thousand yen, corporate expenses of (9,709,497) thousand yen that are not allocated to each reportable segment, and elimination of unrealized profit of (39,605) 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 consolidated statements of income.
  4. “Segment assets” and “Increase in property, plant and equipment and intangible assets” are omitted because the YA-MAN Group does not allocate assets to reportable segments.



(Per share information)

	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Net assets per share	401.54 yen	462.29 yen
Net income per share	101.54 yen	71.12 yen

Notes: 1. Diluted net income per share is not reported as there are no shares with dilutive effects.

2. The basis for calculating net assets per share is as follows:

Item	As of April 30, 2022	As of April 30, 2023
Total net assets (thousand yen)	22,093,208	25,435,945
Amount deductible from total net assets (thousand yen)	–	–
Net assets related to common stock as of the end of the fiscal year (thousand yen)	22,093,208	25,435,945
Number of share of common stock as of the end of the fiscal year used for calculating net assets per share (shares)	55,021,212	55,021,212

3. The basis for calculating net income per share is as follows:

Item	Fiscal year ended April 30, 2022	Fiscal year ended April 30, 2023
Net income per share		
Profit attributable to owners of parent (thousand yen)	5,586,869	3,913,141
Amount not attributable to common shareholders (thousand yen)	–	–
Profit attributable to owners of parent relating to common stock (thousand shares)	5,586,869	3,913,141
Average number of shares of common stock during the period (shares)	55,021,212	55,021,212

(Significant subsequent events)

There is no relevant information.