

News Release Dated November 25, 2024

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Notice of Change in Equity Method Affiliate (Transfer of Investments) and Booking of Extraordinary Income

YA-MAN LTD (“Company”) announces that the Board of Directors of the Company approved a resolution on November 23, 2024, to transfer all the investments held by the Company in MACHERIE BEAUTY TECHNOLOGY CO., LTD. (hereinafter “MACHERIE”), an equity method affiliate of the Company.

As a result of this investment transfer, MACHERIE will be excluded from the Company’s equity-method affiliates and the Company expects to book 960 million yen as extraordinary income from the gain on sale of shares of subsidiaries and associates

1. Reason for the Transferor

The Company invested in MACHERIE in 2019 for the purpose of growing business in China. At the same time, the Company founded YA-MAN (SHANGHAI) BEAUTY TECHNOLOGY CO., LTD in 2019 and YA-MAN (ZHEJIANG) E-COMMERCE CO., LTD.in 2024 for the purpose of developing its unique direct sales channel. Having in the meantime decided to concentrate management resources on its direct sales channel, the Company decided to carry out this investment transfer.

2. Outline of the Equity Method Affiliate Transferred (As of October 31)

(1)	Company name	MACHERIE BEAUTY TECHNOLOGY CO., LTD.
(2)	Location	Shanghai, China
(3)	Description of business	Sales and product of Beauty equipment
(4)	Capital	50 million CHY
(5)	Established	December 27, 2019

Note: Some information about MACHERIE has been omitted due to the confidentiality obligation included in the agreement for the transfer of MACHERIE investment.

3. Outline of the Transfer

(1)	Ratio of investment transferred	35.0% (Ratio of investments after transfer: 0%)
(2)	Transferee and Transfer price	In accordance with the confidentiality obligation included in the agreement for the transfer of MACHERIE investments, the transferee and the transfer price is not disclosed as requested by the transferee.

4. Schedule

(1)	Board of Directors' resolution	November 23, 2024
(2)	Transfer agreement signing	November 25, 2024
(3)	Execution of the transfer	Once the procedures in accordance with local laws have been completed

5. Outlook

As a result of this share transfer, in the third quarter of the fiscal year ending April 2025, the Company expects to book 960 million yen as extraordinary income from the gain on sale of shares of subsidiaries and associates.

As the amount is currently estimation, the Company will announce the amount once it is finalized