

**Results of Operations for the Third
Quarter of FY4/25
(Nine months ended January 31, 2025)**

YA-MAN LTD.

March 14, 2025

A new beautiful.

Exceptional manufacturing that transforms beauty into reality is achieved through inexhaustible ideas and outstanding product development. We will continue to renew our definition of “beautiful” to help attain perfect beauty and bring delight and inspiration to the world.

Overview of Results of Operations

YAMAN Summary of Profits and Losses

Results of Operations
for 3Q FY4/25

(Millions of yen)	2023 3Q	2024 3Q	YoY	Remarks on major changes
Net sales	25,604	19,033	△6,571	Sales composition: beauty equipment 82%; cosmetics 14%; and others 4%
Gross profit (Gross profit ratio)	15,661 (61.2%)	10,912 (57.3%)	△4,749	Gross profit ratio decreased due to the increased procurement costs resulting from yen depreciation.
Selling, general and administrative expenses	13,813	10,095	△3,718	Investment in domestic advertisement expense was more efficiency oriented. Although personnel expenses increased, other costs were reduced.
Operating profit (Operating margin)	1,848 (7.2%)	817 (4.3%)	△1,030	Operating profit remained profitable.
Ordinary profit	2,071	594	△1,477	The yen has continued to appreciate since the end of the previous fiscal year, resulting in the recording of foreign exchange losses.
Profit attributable to owners of parent	1,159	1,124	△35	Gain on sales of affiliates shares of 961M yen
Net income per share (Yen)	21.07	20.44	△0.63	

In Japan, while sales at the Ginza flagship store and home appliance stores grew, direct sales segment was slow due to affected by out of home consumption trend and saving advertising expenses for keeping profit. Overseas, sales declined due to the stagnant cosmetic market in China.

(Millions of yen)	Net sales			Operating profit		
	2023 3Q	2024 3Q	YoY	2023 3Q	2024 3Q	YoY
Home shopping sales	3,098	2,761	(336)	758	837	+78
Store sales	5,810	6,115	+305	847	1,439	+591
Direct sales	6,971	5,014	(1,956)	2,167	1,371	(795)
Overseas sales	9,554	4,263	(5,291)	3,837	1,238	(2,598)
Others	170	1,266	+1,096	106	46	(60)
Adjustment*	—	(389)	(389)	(5,869)	(4,116)	+1,753
Total	25,604	19,033	(6,571)	1,848	817	(1,030)

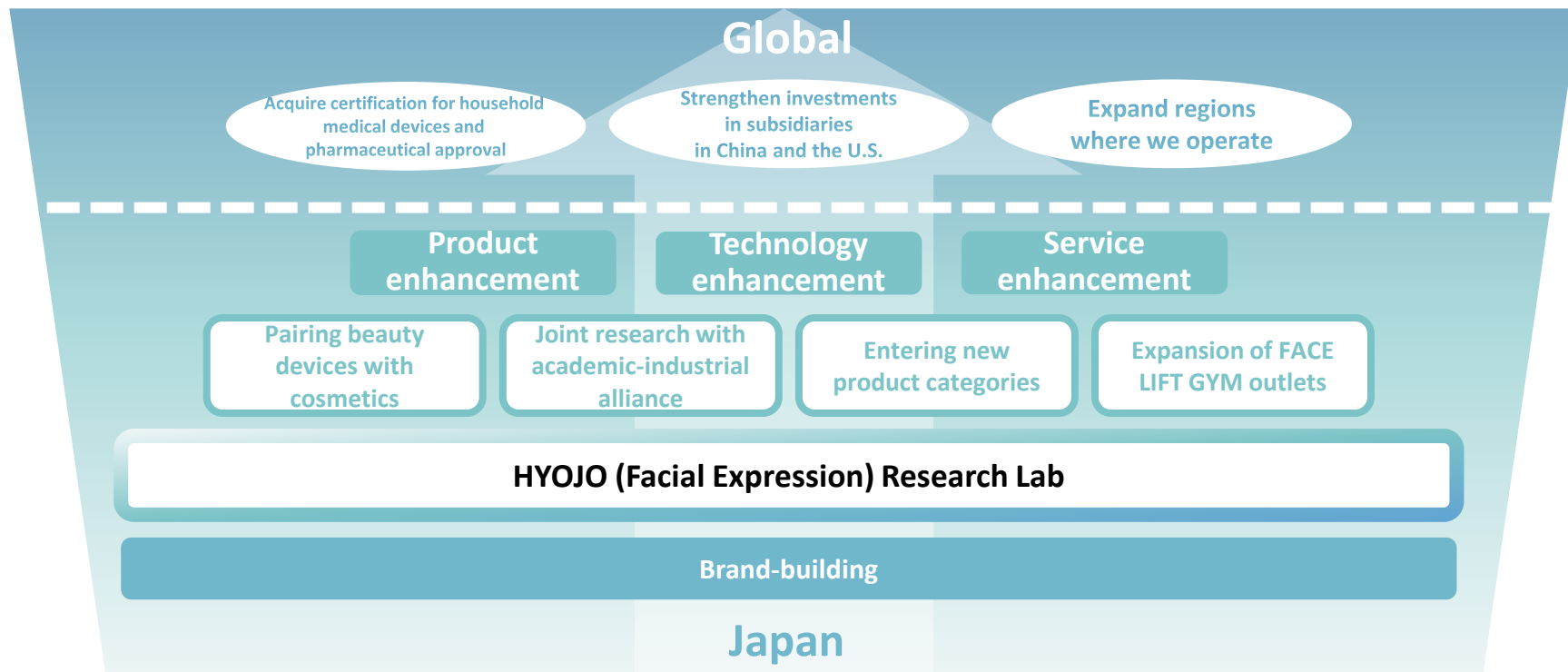
(Millions of yen)

	April 30, 2024	Jan 31, 2025	Change			April 30, 2024	Jan 31, 2025	Change	
Current assets	26,016	26,338	+322		Liabilities	3,976	3,858	(117)	Decrease of liabilities from application of equity method
Cash and deposits	16,605	17,369	+764		Trade payables	782	1,316	+533	
Accounts receivables Allowance for doubtful accounts	4,834 (980)	3,884 —	(949) +980	Collection of account receivable to China customer	Interest-bearing debt	729	777	+48	
Inventories	4,056	4,006	(50)	Optimization of inventory					
Non-current assets	3,073	3,810	+736	Increase of Valuation held securities due to IPO	Net assets	25,113	26,290	+1,176	Increase of Valuation held securities due to IPO
Total Assets	29,090	30,148	+1,058		Liabilities and net assets	29,090	30,148	+1,058	
					Equity ratio	86.3%	87.2%	+0.9pt	

Progress on Our Medium-Term Management Plan and Medium-Term Investment Plan

As a beauty equipment manufacturer,
we aim to become a “global brand company” based in Japan.

Growth investment to achieve targets



Medium-term investment plan

Through joint research with universities, we will verify the specific efficacy and safety of products of the Company and aim to elucidate unique mechanisms that will lead to future product development.

Results obtained through research will be given back to the development of beauty technologies through the publication of papers, etc., leading to the further development of the beauty equipment industry.

HYOJO
(Facial Expression)
Science Lab



Industry-academia
collaboration

**Progress in the
fiscal year under review**

As a research result of our research base “HYOJO Science Lab, a technology for suppressing melanin production using blue-green light (505 nm) has been granted patent registration.

We continued to promote joint research with Research Institute the Department of Dermatology, Graduate School of Medicine, The University of Tokyo , and co-wrote and completed two papers in this third quarter.

Establish new beauty technologies and lead to new product development by obtaining patent rights and publishing papers.

Medium-term investment plan

Beauty medical care

The market size of beauty care (based on revenues of medical institutions) has reached approximately 400.0 billion yen. This is a promising new category expected to continue expanding. In addition to “medical equipment” used in medical institutions such as beauty dermatology clinics, we aim to sell beauty equipment for home use and cosmetics solely sold within medical institutions.

There are about **6,000** beauty clinics nationwide.
Beauty dermatology clinics: About 4,500 clinics
Beauty surgical clinics: About 1,500 clinics



Oral care

Starting with oral irrigators, we will enter into the oral care category where growth is observed both in Japan and overseas. In Japan, we will develop dental clinic routes and enhance product lineups. Based on the sales results in Japan, we aim for global sales expansion.



Direct sales,
newspapers, EC
and infomercials

Dental care sections
of home appliance
stores

Mail-order
wholesale, TV
mail order

Dentists

Progress in the fiscal year under review

Beauty medical care

- Developing “medical equipment” “used in medical institutions.”
- Launched “Queen Lift for PRO TIARA” of equipment used in beauty dermatology clinics , optimizing and downsizing “beauty medical technology”



(Non medical
equipment)

forty-four

- Launched the first product, “pita-lifuthi” (Lift Up Tape for beauty) by “Mastem” brand in January 2025 at forty-four grouped in August 2024

Medium-term investment plan

Obtain pharmaceutical certification for medical equipment for home use

[China]

We will promote NMPA certification registration so we can sell our products as medical equipment for home use.

[The U.S.]

We will promote FDA certification registration for facial care devices.

Strengthen investment in subsidiaries in China and the U.S.

[China]

We will continue to strengthen sales through live commerce, etc., leveraging YA-MAN's brand strength and work to deploy new categories.

[The U.S.]

We will actively sell FDA-certified products and beauty equipment for home use and aim to increase the recognition of our brand in the Europe and the U.S. markets.



Progress in the fiscal year under review

Obtain pharmaceutical certification for medical equipment for home use

Completion of pharmaceutical application to FDA in US and NMPA in China.
We aim the registration and launch in FY2025.

Expand overseas business except for US and China market

[Saudi Arabia]

The Company firstly to expand the business in the Middle East and starts to sell the products on EC-site and at a beauty clinic in Riyadh in January 2025.



Changes in the Earnings Forecast and Dividend Forecast

The domestic sales declined than expected due to the negative impact by out-home consumption trend after post-COVID19 and saving advertising expenses for keeping profit. In addition, profits were also lower than planned due to the increased procurement costs.

(Billions of yen)

	Previous Forecast	Revised Forecast	Previous on Revised Change	Change (%)	FY4/24 Results
Net sales	35.00	25.00	(10.00)	(28.6)	32.00
Operating profit	2.50	0.90	(1.60)	(64.0)	0.42
Ordinary profit	2.20	0.60	(1.60)	(72.7)	1.02
Profit attributable to owners of parent	1.55	1.10	(0.45)	(29.0)	0.39

In Japan, the Ginza flagship store set a new record for the highest sales in December 2024. In addition, sales channels that involve direct engagement with customers, such as home appliance stores, showed solid performance. Based on these factors, we aim to increase sales through the enhancement of customer services and the launch of new products, focusing on flagship stores and department stores. We will also accelerate the sales of new products via infomercials through forty-four Co.,Ltd., which became a subsidiary in the fiscal year under review. In addition, to flexibly develop sales channels that we have not entered previously, we have established a dedicated sales team and are actively working on developing new sales channels.

Overseas, we will strengthen our investment efforts in direct sales through sales channels such as TikTok and Red Book, and expansion efforts with a focus on new markets such as Vietnam and Saudi Arabia. For existing markets, we will also reassess our approach and work on boosting sales.

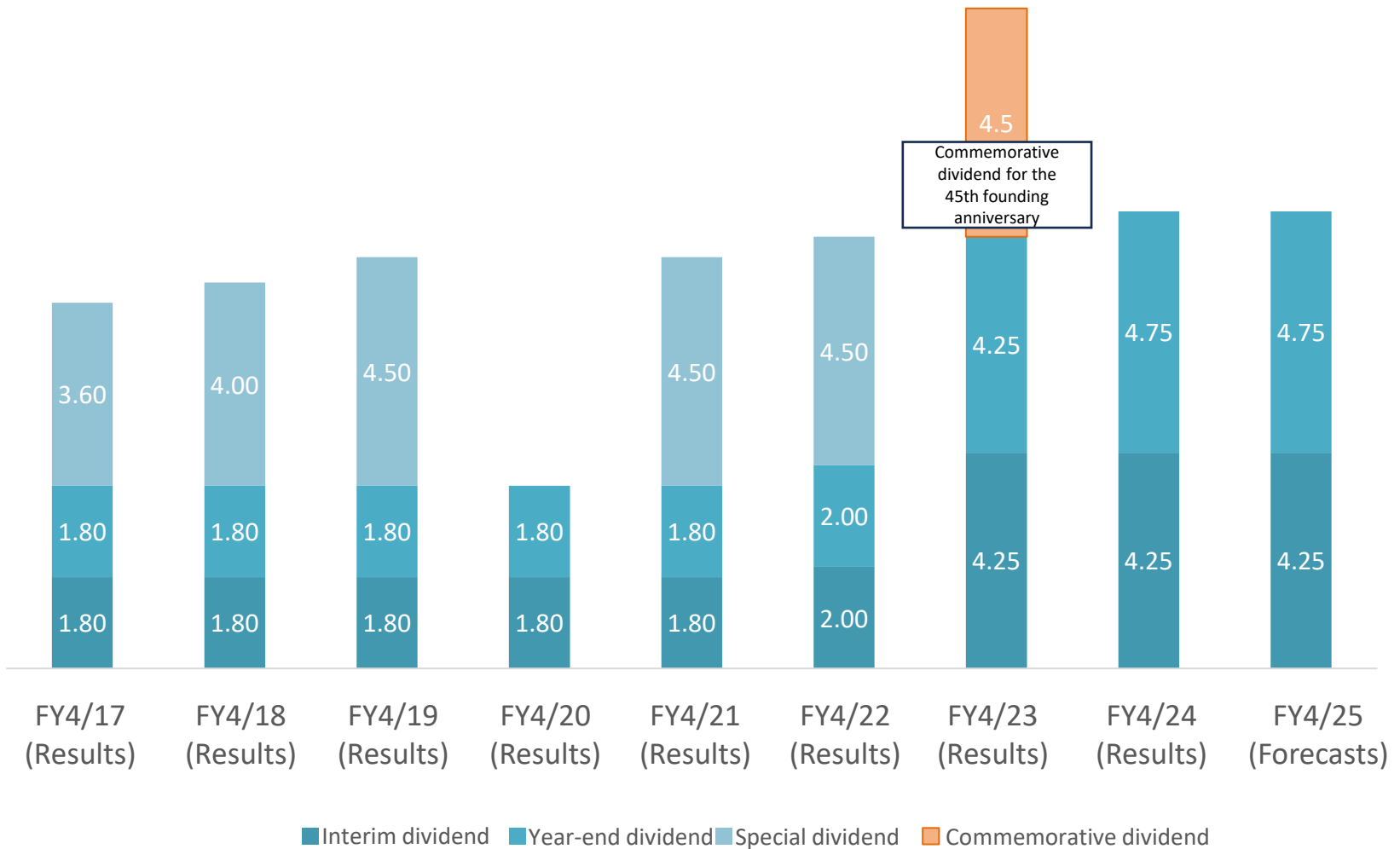
There is no change from the dividend forecasts announced on June 14, 2024.

The dividend forecast for this fiscal year is also expected to be 9.00 yen per share.
The final amount will be determined based on factors including the full-year performance.

	FY4/25 Forecast	(Yen/per share) FY4/24 Results
Interim dividend	4.25	4.25
Year-end dividend	4.75	4.75
Total annual ordinary dividend	9.00	9.00

➤ Basic dividend policy

As a general rule, we pay stable, ongoing dividends every fiscal year, and the final amount will be determined by taking into account the full-year results and other factors.



Note: Dividends per share are adjusted to reflect the stock split on November 1, 2017.

- 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.
- These materials were prepared for the purpose of providing information. This is not a solicitation to purchase securities issued by YA-MAN.
- Individuals are responsible for how information in these materials is used. YA-MAN assumes no responsibility whatsoever for any losses resulting from errors or other problems involving this information, revisions to numerical goals, or any other issue concerning the use of these materials.