

Summary of Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending April 30, 2022
(Six Months Ended October 31, 2021)

[Japanese GAAP]

Company name: YA-MAN LTD. Listing: TSE (1st section)
 Stock code: 6630 URL: <https://www.ya-man.co.jp/>
 Representative: Kimiyo Yamazaki, President and Representative Director
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 Scheduled date of filing of Quarterly Report: December 14, 2021
 Scheduled date of payment of dividend: January 5, 2022
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: None

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

1. Consolidated Financial Results for the Six Months Ended October 31, 2021 (May 1, 2021 – October 31, 2021)**(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	%
Six months ended Oct. 31, 2021	20,907	11.6	3,925	(2.5)	4,110	4.1	2,796	18.7
Six months ended Oct. 31, 2020	18,727	62.6	4,026	133.9	3,948	141.6	2,354	147.2

Note: Comprehensive income (million yen)

Six months ended Oct. 31, 2021: 2,806 (up 19.2%)

Six months ended Oct. 31, 2020: 2,354 (up 148.0%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Oct. 31, 2021	50.82	-
Six months ended Oct. 31, 2020	42.80	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Oct. 31, 2021	28,706	19,352	67.4
As of Apr. 30, 2021	25,855	16,893	65.3

Reference: Shareholders' equity (million yen)

As of Oct. 31, 2021: 19,352

As of Apr. 30, 2021: 16,893

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Apr. 30, 2021	-	1.80	-	6.30	8.10
Fiscal year ending Apr. 30, 2022	-	2.00	-	-	-
Fiscal year ending Apr. 30, 2022 (forecasts)	-	-	-	2.00	4.00

Notes: 1. Revisions to the most recently announced dividend forecast: None

2. Breakdown of the year-end dividend for the fiscal year ended April 30, 2021: Ordinary dividend: 1.80 yen
Special dividend: 4.50 yen**3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2022 (May 1, 2021 – April 30, 2022)**

(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	40,000	9.2	6,400	4.6	6,218	1.9	4,306	15.5	78.26

Note: Revisions to the most recently announced consolidated earnings forecast: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Oct. 31, 2021:	58,348,880 shares	As of Apr. 30, 2021:	58,348,880 shares
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2) Number of treasury shares at the end of the period

As of Oct. 31, 2021:	3,327,668 shares	As of Apr. 30, 2021:	3,327,668 shares
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3) Average number of shares outstanding during the period

Six months ended Oct. 31, 2021:	55,021,212 shares	Six months ended Oct. 31, 2020:	55,021,265 shares
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*** The current quarterly financial report is not subject to quarterly review 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.

How to view supplementary materials for financial results

Supplementary materials for the financial results will be available on YA-MAN website on Tuesday, December 14, 2021.

1. Qualitative Information on Quarterly Consolidated Financial Performance

YA-MAN has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) from the beginning of the first quarter of the current fiscal year and accordingly, the accounting treatment of revenue has been partially changed. However, no adjustments have been made to prior-year sales and earnings for year-to-year comparisons and analysis because this change had a negligible effect on the quarterly consolidated financial statements.

(1) Explanation of Results of Operations

In the first half (May 1, 2021 to October 31, 2021) of the current fiscal year, the Japanese economy has bottomed out and began to recover as progress with vaccinations began to slow the spread of the COVID-19 infections.

Economic activity worldwide is resuming, although some countries and regions are recovering faster than others.

Despite these positive signs, there are still concerns about another wave of infections and the outlook for the economy remains uncertain.

The activities of customers are changing again as people are no longer staying home for safety as much as they did early in the pandemic. We enlarged our product lineup to match the needs of our customers, increased advertising activities in all our businesses and took other actions for the optimization of our four sales channels: mail-order sales, store sales, direct sales and overseas operations.

During the first half, store sales recovered and overseas sales remained strong. Consolidated net sales increased 11.6% year-on-year to 20,907 million yen. Ordinary profit increased 4.1% year-on-year to 4,110 million yen and profit attributable to owners of parent increased 18.7% to 2,796 million yen, resulting in record-high sales and profit attributable to owners of parent.

Since starting operations in China in 2015, as the leading beauty care device company, we have been making investments for supporting the creation of a healthy market for these products in China, including activities to widely spread the accurate product knowledge to alter consumer awareness, and to increase the potential growth of this market. These activities have been producing benefits and consumer awareness of the YA-MAN brand has been rising consistently.

Sales on the Singles Day (November 11) period, China's largest internet sales day, are recorded mainly in the second quarter of the fiscal year. In 2021, YA-MAN accounted for the largest share of sales in the electronic beauty care device category for the sixth consecutive year.

Business segment performance was as follows.

1) Mail-order sales

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

Sales via TV shopping channels remained firm, but viewership of terrestrial TV shopping channels decreased during the Tokyo Olympics and Paralympics. As a result, segment sales decreased 3.9% year-on-year to 2,627 million yen and segment profit decreased 7.3% year-on-year to 1,103 million yen, resulting in a year-on-year decrease in both sales and earnings.

2) Store sales

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

During the first half, the number of customers was low at directly operated stores and department stores. There were big increases in YA-MAN's share of sales in the facial care, shaver and body care product categories in the home appliance store sector. In addition, sales of professional brand products for beauty salons remained strong. As a result, there was a substantial increase in both sales and earnings as sales increased 31.2% year-on-year to 4,588 million yen, and segment profit increased 38.3% year-on-year to 1,406 million yen.

3) Direct sales

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

During the first half, there were activities to reduce emphasis somewhat on infomercials and raise the share of e-commerce sales. In addition, there were substantial advertising expenditures for second half sales growth, mainly involving new products and repeat-purchase merchandise. Despite these activities, a change in consumption patterns by customers negatively affected the performance of this segment. As a result, sales decreased 16.5% year-on-year to 5,557 million yen and segment profit decreased 7.3% year-on-year to 2,791 million yen.

Note: “Infomercial” is a combination of two words, “information” and “commercial.” Infomercials first appeared as a TV shopping medium in Europe and North America. An infomercial typically uses about 20 to 30 minutes to sell a single item. Combining these long promotions with spot advertisements of one or two minutes for the same item is regarded as a highly effective way to sell merchandise.

4) Overseas operations

Sales in this segment represent mainly sales to overseas mail-order companies, wholesale companies and individuals.

In China, e-commerce sales increased, mainly at Tmall, as China’s beauty care device market continues to expand. The start of sales activities in Russia is going well, although the volume of sales is still very small. As a result, both sales and earnings were much higher than one year earlier as sales increased 36.7% year-on-year to 7,507 million yen and segment profit increased 16.9% year-on-year to 2,430 million yen.

This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.