

**FOR IMMEDIATE RELEASE**

Company Name: Premier Anti-Aging Co., Ltd.  
 (Securities Code: 4934 Tokyo Stock Exchange)  
 Representative: Kiyoshi Matsuura  
 President  
 Inquiries: Yuka Uehara  
 Head of Corporate Communication Division  
 and Executive Officer  
 Phone: +81-3-3502-2020

**Notice Concerning Revision of Earnings Forecasts**

Premier Anti-Aging Co., Ltd. announces that its Board of Directors, at a meeting held on June 14, 2023, decided to revise its consolidated earnings forecasts for the fiscal year ending July 31, 2023 (August 1, 2022 to July 31, 2023), as follows.

- Revision of consolidated earnings forecasts for the fiscal year ending July 31, 2023 (August 1, 2022 to July 31, 2023)

(Millions of yen)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Profit (loss) attributable to owners of parent	Basic earnings per share
Previous Forecast (A) (Announced on December 14, 2022)	30,000	1,500	1,520	820	94.03 yen
Revised Forecast (B)	26,500	(720)	(710)	(720)	(82.57)yen
Difference (B – A)	(3,500)	(2,220)	(2,230)	(1,540)	-
Rate of Change (%)	(11.7%)	-	-	-	-
(Reference) Previous Actual Results (Fiscal Year ended July 31, 2022)	33,911	2,414	2,572	1,424	163.35 yen

- Rational for revision

Sales of “DUO The Cleansing Balm,” our flagship product, declined in mail-order and wholesale sales in the first nine months of the fiscal year ending July 31, 2023, due to continued intensifying competition in the cleansing market and balm formulations. Sales continue to decline mainly due to a greater than expected number of customers switching to oil formulations in mail-order sales and losing its market share to low-priced balm products from competitors in wholesale sales. At the time of the announcement of the second quarter financial results, CPO remained stable, so from the third quarter onwards, we planned to actively implement the investments necessary for sales growth while

emphasizing advertising efficiency. However, new acquisition measures to further improve LTV have not been effective as expected, and new acquisition remains at a low level, and sales of “DUO” are expected to decline in the fourth quarter.

On the other hand, “clayence” had been achieving steady growth as the concept of gray hair care for young people quickly penetrated the market after the brand was launched, and we expected strong sales growth. However, the relationship between CPO and LTV worsened in the third quarter due to the implementation of measures to acquire new customers to improve LTV, resulting in the suppression of new acquisitions that directly lead to sales.

Due to the above factors, the two brands of “DUO” and “clayence” will mainly push down the sales forecast, and the full year sales are expected to be 26.5 billion yen.

In terms of profits, in addition to the decrease in gross profit due to the decrease in sales, we recorded a loss on valuation of inventories of approximately 500 million yen in the third quarter. Since we will incorporate the occurrence of a partial valuation loss on inventories in the fourth quarter, we have revised operating profit, ordinary profit, and loss attributable to owners of parent as above.

The background to the above inventory evaluation is as follows.

Inventories have been steadily declining since the end of the previous fiscal year. However, sales of some products have fallen short of sales plans due to the decline in sales, the withdrawal of certain brands, and the review of overseas business strategies and inventories have still remained. In order to maintain a strong financial position and solidify the foundation for re-growth for the future, we posted an inventory valuation loss in the third quarter, having taken into consideration the sales situation of some products.

We are causing concern to our shareholders and other stakeholders by lowering our earnings forecast for the current fiscal year to a consolidated net loss. The management team is constantly discussing our future strategic initiatives, and we will provide an explanation at the appropriate time.

(Note) The above forecast is based on the information currently available, and the actual results may change due to various factors.