

September 12, 2024

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 withdrawal of the medium-term management plan "2024-2027 +Beyond"

Premier Anti-Aging Co., Ltd. ("the Company") announces that it has decided to withdraw the targets set for the major financial KPIs for the fiscal year ending July 2027 in its medium-term management plan (from the fiscal year ended July 2024 to the fiscal year ending July 2027) announced on September 14, 2023. Please note that the Company will continue to strive to achieve its non-financial targets.

1. Background of withdrawal of major financial KPIs from the medium-term management plan

We announced a four-year management plan ending in the fiscal year ending July 2027 on September 14, 2023, and have been working on various measures to realize this plan. However, it is very unfortunate that our consolidated financial results for the fiscal year ended July 2024, the first year of the plan, fell far short of our targets.

During the medium-term management plan period, we have positioned the fiscal year ended July 2024 as a structural reform phase in which we addressed the issues defined in the review up to the fiscal year ended July 2023 and built a foundation that enabled us to execute our growth strategies. We have also positioned the period from the fiscal year ending July 2025 onwards as the implementation phase of our growth strategy, and through a growth strategy that combines brands, channels, and collaboration using capital, we aim to achieve sales of 40 billion yen and operating profit margin of 10% or more for the fiscal year ending July 2027.

In order to achieve this goal, we had been working to eliminate financial concerns and to operate and reduce costs efficiently, as well as transforming our business structure and improving financial discipline in both our mail order and retail businesses since last year. As a result, we have been able to achieve an operating profit in the first year of the plan. We had also been achieving steady growth in new growth areas that served as the foundation for our progress to an anti-aging company. However, due mainly to changes in the business environment and intensifying competition, sales in our mainstay mail order business fell far short of our initial plan, and our retail business also failed to achieve sales growth. In addition, in our overseas business, which we had positioned as a growth area, we were forced to make significant revisions to our plans due to the impact of issues with treated water and the slowdown in the Chinese market.

Given the results of the first year of the medium-term management plan, we have determined that it will be difficult to achieve the plan for the fiscal year ending July 2027 and that a review of quantitative targets is necessary and have therefore decided to withdraw the major financial KPIs. On the other hand, we will not abandon the direction of our existing brand and channel growth strategies, nor the management policies other than the numerical targets set out in our medium-term management plan, such as "commitment to unique value," and our long-term goal of "progress to an anti-aging company," and will continue to strive to achieve these goals.

2. Re-announcement of medium-term management plan and future disclosure policy

We will set new medium-term financial KPIs after comprehensively analyzing and examining the business environment surrounding the Company and will announce them as soon as they are ready.

Therefore, for the time being, we will disclose our earnings forecasts for each fiscal year as a means of disclosing information to ensure that shareholders and investors properly understand our management policies and financial situation, and we will devote ourselves to steadily achieving those targets. In addition, we plan to disclose "Business Plan and Growth Potential Explanatory Material" at the end of October each year.

(Caution regarding forward-looking statements)

The forecasts for the current fiscal year and future results contained in this material are determined to be reasonable by the Company's management based on currently available information, and do not guarantee that they will be achieved. Actual results may differ significantly from forecasts due to changes in various factors. These factors include changes in market economic conditions and product demand, exchange rate fluctuations, and revisions to various domestic and international systems and laws. Therefore, please use this material at your own discretion. Please be aware that we assume no responsibility whatsoever for any damages incurred as a result of the use of this material.