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December 13, 2024

Consolidated Financial Results
for the First Three Months of the Fiscal Year Ending July 31, 2025
(Under Japanese GAAP)

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 Listing exchange: Tokyo Stock Exchange
 Securities code: 4934
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 Scheduled date for commencing dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen, unless otherwise noted)

1. Consolidated financial results for the first three months of the fiscal year ending July 31, 2025 (from August 1, 2024 to October 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentage figures indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2024	4,230	(19.6)	622	-	625	-	414	-
October 31, 2023	5,264	(28.8)	(35)	-	(26)	-	(35)	-

Note:	Comprehensive income	Three months ended October 31, 2024:	411 million yen [- %]
		Three months ended October 31, 2023:	(36)million yen [- %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
October 31, 2024	47.49	47.49
October 31, 2023	(4.09)	-

Note: Although there are dilutive shares, diluted earnings per share for the first three months of the previous fiscal year is not indicated due to net loss per share.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
October 31, 2024	11,165	6,536	58.5
July 31, 2024	11,002	6,124	55.7

Reference:	Total shareholders' equity	
	As of October 31, 2024:	6,536 million yen
	As of July 31, 2024:	6,124 million yen

2. Cash dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending July 31, 2025	-				
Fiscal year ending July 31, 2025 (Forecast)		0.00	-	0.00	0.00

Note: Revisions to the most recently announced cash dividends forecast: None

3. Consolidated earnings forecasts for the fiscal year ending July 31, 2025 (from August 1, 2024 to July 31, 2025)

(Percentage figures indicate year-on-year changes for full year and for six months)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending January 31, 2025	8,500	(20.2)	(150)	-	(160)	-	(160)	-	(18.35)
Full year	17,500	(14.0)	150	7.9	130	(19.4)	130	-	14.91

Note: Revisions to the most recently announced earnings forecasts: None

* Notes

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

(2) Adoption of accounting treatments specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- i. Changes in accounting policies due to revisions to accounting standards, etc.: Yes
- ii. Changes in accounting policies other than those in i. above: None
- iii. Changes in accounting estimates: None
- iv. Restatements: None

Note: For details, please refer to "2. Quarterly consolidated financial statements and major notes (3) Notes to quarterly consolidated financial statements (Notes on changes in accounting policies)" on page 8 of the attached document.

(4) Number of shares issued and outstanding (common shares)

i. Number of shares issued and outstanding at the end of the period (including treasury shares)

As of October 31, 2024	8,720,534 shares
As of July 31, 2024	8,720,534 shares

ii. Number of treasury shares at the end of the period

As of October 31, 2024	155 shares
As of July 31, 2024	155 shares

iii. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended October 31, 2024	8,720,379 shares
Three months ended October 31, 2023	8,720,379 shares

* Review by a certified public accountant or an auditing firm of the attached quarterly consolidated financial statements: None

* Explanation regarding appropriate use of earnings forecasts, and other notes

(Caution regarding forward-looking statements, etc.)

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to, and certain assumptions that are deemed to be reasonable by the Company. Such statements are not intended as a promise by the Company that they will be achieved. Actual results may differ from the forecasts in this document due to various factors. For the conditions forming the assumptions used in forecasting earnings and precautions regarding the use of earnings forecasts, please refer to "1. Overview of financial results, etc., (3) Forward-looking information including consolidated earnings forecasts" on page 4 of the attached document.

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1. Overview of financial results, etc.

(1) Overview of financial results for the first three months of the current fiscal year

In the first three months of the consolidated fiscal year ending July 31, 2025, the Japanese economy continued to recover at a moderate pace, but some areas showed signs of slowing down. Personal consumption has shown signs of recovery supported by improvements in the employment and income environment, but consumer sentiment has also shown signs of stagnation due to rising prices of services and food. The domestic cosmetics market is also continuing to expand due to the recovery of personal consumption and the increase in inbound demand caused by the weak yen, but the speed of expansion is showing signs of slowing.

Under these circumstances, Premier Anti-Aging Co., Ltd. (“the Company”) and its consolidated subsidiaries (“the Group”) are working to rebuild its brand value by strengthening collaboration between brand management and each channel and to implement appropriate cost management in order to establish a lean and robust corporate structure that can create steady profits even in a tough business environment.

During the first three months ended October 31, 2024, sales increased in the recovery business conducted through subsidiary Venex Co., Ltd., but sales in the anti-aging business conducted by the Company decreased, resulting in an overall sales of 4,230 million yen (down 19.6% year on year). On the other hand, although gross profit decreased due to a decrease in sales in the anti-aging business, operating profit was 622 million yen (operating loss of 35 million yen in the same period of the previous fiscal year) due to the efficient management of sales expenses, mainly advertising expenses, based on a new customer acquisition policy that emphasizes acquisition efficiency and conversion rate in the mail order channel, and the control of investment allocation of advertising expenses with an eye on the timing of future new product launches. Ordinary profit was 625 million yen (ordinary loss of 26 million yen in the same period of the previous fiscal year) and profit attributable to owners of parent was 414 million yen (loss attributable to owners of parent of 35 million yen in the same period of the previous fiscal year).

Business results by segment are as follows.

Anti-aging business

(Millions of yen)			
	Previous first three months (From August 1, 2023 to October 31, 2023)	Current first three months (From August 1, 2024 to October 31, 2024)	Year on year change (%)
Net sales	4,924	3,699	(24.9)
Operating profit (loss)	(53)	589	-

Net sales

Anti-aging business sales amounted to 3,699 million yen (down 24.9% year on year).

Sales by channel were lower than in the same period of the previous fiscal year for both mail order and wholesale sales. In mail order sales, we continue to thoroughly improve the efficiency of new customer acquisition, which we have been working on since the previous fiscal year and strive to implement CRM measures such as expanding member community measures to strengthen our customer structure. However, the downward trend in sales continues as the competitive environment for acquiring new customers continues to be tough and it still takes time for the effects of activating existing customers through CRM measures to be seen.

In wholesale sales, we aim to gain growth potential by promoting tie-up measures with new communication and new promotions that appeal to brand value, and by deepening collaboration with retailers. During the first three months of the current fiscal year, we implemented measures linked to the new TV commercial for the “CANADEL” brand and worked to strengthen in-store appeal in line with the launch of new color treatments for the “clayence” brand, but sales decreased due to the impact of intensifying competition at stores.

The situation by brand is as follows.

The “DUO” brand will be renewing and releasing five types of "The Cleansing Balm" series from January 2025 in order to celebrate the 15th anniversary of the brand's birth in February 2025. As a pioneer of cleansing balms, we are committed to providing skin care effects that go beyond just removing makeup, and we are enhancing our formula to meet the diverse needs of our customers. In addition to the regular 90g size, we will also be releasing a 66g size as a

limited edition at drug stores, variety stores, GMS, malls, etc., to strengthen our competitiveness at retail stores.

The "CANADEL" brand has exceeded 9 million units in cumulative shipments in September 2024 and has been growing sales as a high-performance anti-aging care brand for adults with changing skin concerns. In its fifth year since launch, we are working to further raise awareness and strengthen our appeal to customers by launching a new TV commercial featuring a new brand character from October.

The "clayence" brand expanded its lineup by launching a new color treatment "Rose Brown" in October 2024. We are increasing the options for our customers in the color treatment category and developing "clayence" as a comprehensive hair care brand that is more popular for our customers.

In addition, we are continuing test marketing of our inner care supplement "SINTO Liposomal Vitamin C" and high-concentration Vitamin C skin care brand "C+mania."

Operating profit

Although gross profit decreased due to the decline in sales, operating profit improved significantly to 589 million yen (operating loss of 53 million yen in the same period of the previous fiscal year) due to efficient management of sales expenses, mainly advertising expenses, based on a new customer acquisition policy that emphasizes acquisition efficiency and conversion rate in the mail order channel, control of investment allocation for advertising expenses with an eye on the timing of future new product launches, etc., and appropriate cost management by reducing fixed costs such as personnel expenses and system expenses in line with the scale of the business.

Recovery business

	(Millions of yen)		
	Previous first three months (From August 1, 2023 to October 31, 2023)	Current first three months (From August 1, 2024 to October 31, 2024)	Year on year change (%)
Net sales	340	531	56.2
Operating profit	15	32	111.7

Net sales

Sales amounted to 531 million yen (up 56.2% year on year), driven by sales of the flagship product Standard Dry Plus and the seasonal product Comfort Cool.

Operating profit

Operating profit increased due to sales growth, reaching 32 million yen (up 111.7% year on year).

(2) Overview of financial position at the end of the first three months of the current fiscal year

(Assets)

Total assets at the end of the first three months of the current fiscal year increased by 162 million yen from the end of the previous fiscal year to 11,165 million yen. The main factors of increase and decrease were as follows.

Current assets increased by 188 million yen from the end of the previous fiscal year to 9,070 million yen. This was mainly due to an increase of 296 million yen in cash and deposits and a decrease of 158 million yen in accounts receivable - trade.

Non-current assets decreased by 25 million yen from the end of the previous fiscal year to 2,095 million yen. This was mainly due to a decrease of 28 million yen in intangible assets.

(Liabilities)

Total liabilities at the end of the first three months of the current fiscal year decreased by 248 million yen from the end of the previous fiscal year to 4,629 million yen. The main factors of increase and decrease were as follows.

Current liabilities decreased by 124 million yen from the end of the previous fiscal year to 3,634 million yen. This was mainly due to a decrease of 308 million yen in short-term borrowings and an increase of 202 million yen in accounts payable - other.

Non-current liabilities decreased by 123 million yen from the end of the previous fiscal year to 994 million yen. This was mainly due to a decrease of 70 million yen in long-term borrowings and a decrease of 52 million yen in provision for contract loss.

(Net Assets)

Net assets at the end of the first three months of the current fiscal year increased by 411 million yen from the end of the previous fiscal year to 6,536 million yen. This was mainly due to profit attributable to owners of parent of 414 million yen.

As a result, the equity ratio was 58.5%.

(3) Forward-looking information including consolidated earnings forecasts

The consolidated earnings forecast for the fiscal year ending July 31, 2025 remains unchanged from the forecast announced on September 12, 2024. While operating profit for the first quarter exceeded the plan, the Company expects selling expenses, mainly advertising expenses, to increase from the second quarter onwards. The Company will promptly disclose it if it becomes necessary to revise the earnings forecast.

2. Quarterly consolidated financial statements and major notes
(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of July 31, 2024	As of October 31, 2024
Assets		
Current assets		
Cash and deposits	4,760	5,057
Accounts receivable - trade	1,727	1,569
Finished goods	1,112	1,195
Raw materials and supplies	474	454
Other	807	793
Total current assets	8,882	9,070
Non-current assets		
Property, plant and equipment	610	612
Intangible assets		
Goodwill	352	341
Other	646	628
Total intangible assets	999	970
Investments and other assets	510	512
Total non-current assets	2,120	2,095
Total assets	11,002	11,165
Liabilities		
Current liabilities		
Accounts payable - trade	204	340
Short-term borrowings	1,008	700
Current portion of long-term borrowings	385	383
Current portion of bonds payable	26	26
Accounts payable - other	871	1,074
Income taxes payable	23	14
Provision for bonuses	81	35
Provision for contract loss	308	242
Other	848	816
Total current liabilities	3,759	3,634
Non-current liabilities		
Bonds payable	43	36
Long-term borrowings	980	910
Provision for contract loss	52	-
Asset retirement obligations	6	14
Other	34	33
Total non-current liabilities	1,118	994
Total liabilities	4,877	4,629
Net assets		
Shareholders' equity		
Share capital	1,351	1,351
Capital surplus	1,351	1,351
Retained earnings	3,404	3,819
Treasury shares	(1)	(1)
Total shareholders' equity	6,106	6,520
Accumulated other comprehensive income		
Foreign currency translation adjustment	17	15
Total accumulated other comprehensive income	17	15
Total net assets	6,124	6,536
Total liabilities and net assets	11,002	11,165

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
(Quarterly consolidated statement of income)
(Three months ended October 31)

(Millions of yen)

	Three months ended October 31, 2023 (From August 1, 2023 to October 31, 2023)	Three months ended October 31, 2024 (From August 1, 2024 to October 31, 2024)
Net sales	5,264	4,230
Cost of sales	1,070	808
Gross profit	4,194	3,422
Selling, general and administrative expenses	4,230	2,800
Operating profit (loss)	(35)	622
Non-operating income		
Interest income	0	0
Profit on currency exchange	18	10
Miscellaneous income	0	0
Total non-operating income	19	11
Non-operating expenses		
Interest expenses	5	7
Miscellaneous losses	4	0
Total non-operating expenses	10	8
Ordinary profit (loss)	(26)	625
Profit (loss) before income taxes	(26)	625
Income taxes - current	9	211
Profit (loss)	(35)	414
Profit (loss) attributable to owners of parent	(35)	414

(Quarterly consolidated statement of comprehensive income)
(Three months ended October 31)

(Millions of yen)

	Three months ended October 31, 2023 (From August 1, 2023 to October 31, 2023)	Three months ended October 31, 2024 (From August 1, 2024 to October 31, 2024)
Profit (loss)	(35)	414
Other comprehensive income		
Foreign currency translation adjustment	(0)	(2)
Total other comprehensive income	(0)	(2)
Comprehensive income (loss)	(36)	411
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(36)	411

(3) Notes to quarterly consolidated financial statements

(Notes on changes in accounting policies)

(Application of “Accounting Standards for Corporate Tax, Resident Tax, Business Tax, etc.”)

“Accounting Standards for Corporation Tax, Resident Tax, Business Tax, etc.” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as “2022 Revised Accounting Standards”) etc. has been applied from the beginning of the first quarter of the current fiscal year.

Regarding the amendment to the accounting classification of corporate taxes, etc. (taxation on other comprehensive income), we follow the transitional treatments set out in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards and in the proviso to Paragraph 65-2 (2) of the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Implementation Guidance”). Please note that this change in accounting policy has no impact on the quarterly consolidated financial statements.

In addition, with regard to the amendments related to the revision of the treatment in consolidated financial statements when profits or losses arising from the sale of subsidiary shares, etc. between consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the first quarter of the current fiscal year. This change in accounting policy has been applied retroactively, and the quarterly consolidated financial statements and consolidated financial statements for the previous quarter and fiscal year have been retroactively applied. Please note that this change in accounting policy has no impact on the quarterly consolidated financial statements for the previous quarter or the consolidated financial statements for the previous fiscal year.

(Notes on accounting treatments specific to the preparation of quarterly consolidated financial statements)

(Calculation of income tax expense)

Income tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the first three months under review, and multiplying profit or loss before income taxes by the estimated effective tax rate. However, if tax expenses calculated using the estimated effective tax rate result in significantly lacking rationality, the statutory effective tax rate is used.

(Notes on segment information, etc.)

I. Three months ended October 31, 2023 (From August 1, 2023 to October 31, 2023)

1. Information regarding the amount of sales and profit or loss by reporting segment

(Millions of yen)

	Reporting segment			Adjustment amount Note 1	Amount recorded in quarterly consolidated statement of income Note 2
	Anti-aging business	Recovery business	Total		
Sales					
Sales to external customers	4,924	340	5,264	-	5,264
Internal sales between segments	-	-	-	-	-
Total	4,924	340	5,264	-	5,264
Segment profit (loss)	(53)	15	(37)	1	(35)

Notes: 1. The adjustment amount of one million yen for segment profit (loss) is the elimination of intersegment transactions.

2. Segment profit or loss is adjusted with operating loss in the quarterly consolidated statement of income.

2. Information regarding impairment losses on non-current assets or goodwill, etc. for each reporting segment

(Significant impairment loss on non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable

II. Three months ended October 31, 2024 (From August 1, 2024 to October 31, 2024)

1. Information regarding the amount of sales and profit or loss by reporting segment

(Millions of yen)

	Reporting segment			Adjustment amount	Amount recorded in quarterly consolidated statement of income Note
	Anti-aging business	Recovery business	Total		
Sales					
Sales to external customers	3,699	531	4,230	-	4,230
Internal sales between segments	-	-	-	-	-
Total	3,699	531	4,230	-	4,230
Segment profit	589	32	622	-	622

Note: Segment profit is consistent with operating profit in the quarterly consolidated statement of income.

2. Information regarding impairment losses on non-current assets or goodwill, etc. for each reporting segment

(Significant impairment loss on non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable

(Notes when there are significant changes in amounts of shareholders' equity)

Not applicable

(Notes on going concern assumption)

Not applicable

(Notes to quarterly consolidated statement of cash flows)

A quarterly consolidated statement of cash flows for the first three months of the current fiscal year has not been prepared. Depreciation (including amortization related to intangible assets other than goodwill) and amortization of goodwill for the first three months of the current fiscal year are as follows:

(Millions of yen)

	Three months ended October 31, 2023 (From August 1, 2023 to October 31, 2023)	Three months ended October 31, 2024 (From August 1, 2024 to October 31, 2024)
Depreciation	53	60
Amortization of goodwill	10	10