

BAROQUE JAPAN LIMITED

FY2021/02 First Quarter Result Announcement

July 15,2020

Tokyo Stock Exchange First Section: 3548

- 1 FY2020/02 First Quarter Result Overview
- 2 Business Highlights
- 3 FY2021/02 Outlook

" Due to the effects of COVID-19 in Q1,
Domestic and overseas stores faced long-term suspensions of business and reduced
operating hours, resulting in a significant reduction in Consolidated Sales"
"OP was secured by efforts to reduce SG&A expenses through controlling of advertising
expenses, rent reduction, etc."

Item	Actual	Last year	YoY	Movement
<u>Consolidated Sales :</u>	¥8.56 bil	16.6 bil	51.6%	¥-8.04 bil
<u>Consolidated Operating Profit :</u>	¥0.07 bil	1.88 bil	4.2%	¥-1.80 bil
<u>Consolidated Recurring Profit:</u>	¥-0.37 bil	1.66 bil	—	¥-2.03 bil
<u>Consolidated Net Profit:</u>	¥-0.79 bil	0.97 bil	—	¥-1.77 bil

Domestic Business

- As a result of the government's Declaration of a State of Emergency, in addition to a large number of stores suspending business and being forced to curtail working hours, inbound demand dropped sharply. EC sales increased significantly YoY, but domestic sales came in at 47.6% YoY.
- OP remained in the black by efforts focusing on controlling advertising and commission expenses, reducing tenant rents, and cutting executive compensation on top of reducing SG&A expenses by cutting bonuses for employees.

Overseas Business

- In China, as many as 57% of stores had suspended business operation. This in spite of EC sales increasing YoY, left a significant impact on the profit line of the consolidated financial statement.
- In terms of the US-based "Moussy" business operations, despite the adverse environment surrounding US department stores, the financial results remained profitable. Sales in Hong Kong, affected too by the spread of COVID-19 and demonstrations, remained sluggish with business suspensions and shortened working hours.

Japan Business Overview

- As a result of the government's Declaration of a State of Emergency, in addition to a large number of stores suspending business and being forced to curtail working hours, inbound demand dropped sharply. EC sales increased significantly YoY, but domestic sales came in at 47.6% YoY.
- OP remained in the black by efforts focusing on controlling advertising and commission expenses, reducing tenant rents, and cutting executive compensation on top of reducing SG&A expenses by cutting bonuses for employees.

Domestic Sales: ¥ 7.01 bil (last year: ¥ 14.75 bil 47.6% YoY)

- ◆ Although sales recovered rapidly after the cessation of the State of Emergency at the end of May, over 90% of physical stores were forced to close from mid-April to mid-May - impacting first quarter SSS (including EC) which came in at 48.7%.
- ◆ In terms of EC business operations, both in-house and third-party EC sales saw significant YoY increases.

Domestic GP: ¥ 4.31 bil (last year: ¥ 9.67 bil 44.6% YoY)

- ◆ Due to business suspension/reduced operational hours at physical stores, impacts on the ability to control the closing selling price of inventory resulted - contributing to a deterioration of the Price-to-Sales ratio. The Q1 Domestic GP margin decreased by 4.1pts YoY to 61.5%.

Domestic SG&A Expense: ¥ 4.48 bil (last year: ¥ 8.06 bil 55.6% YoY)

- ◆ As for SG&A expenses, variable cost decreased due to a decrease in sales. Furthermore, with significant reductions contributed to curtailing advertising and commission expenses, reducing executive compensation, reducing yearly bonuses, and rent reduction, YoY Domestic SG&A expenses came in at 55.6%.

As a result, Domestic OP ¥-0.16 bil (previous year ¥1.61 bil, ¥-1.77 bil YoY)

Overseas Business Overview

- In China, as many as 57% of stores had suspended business operation. This in spite of EC sales increasing YoY, left a significant impact on the profit line of the consolidated financial statement.
- In terms of the US-based "Moussy" business operations, despite the adverse environment surrounding US department stores, the financial results remained profitable. Sales in Hong Kong, affected too by the spread of COVID-19 and demonstrations, remained sluggish with business suspensions and shortened working hours.

China JV Sales ¥ 1.31 bil (last year ¥1.63 bil 80.0% YoY)

- ◆ After April, sales gradually recovered.
- ◆ Affected by changes in the purchasing efficiency of the retail company, Chinese wholesale(51% consolidated) was impacted (80.0% YoY)
- ◆ Royalties from Chinese retailers were 66.0% YoY
- ◆ The number of stores at the end of March became 287 stores, a net increase of 2 stores compared to the end of the previous period (opened: 3 closed: 1)

China JV Profit ¥ -0.31 bil (last year ¥-0.09 bil ¥-0.22 bil YoY)

- ◆ The return of equity method investment (China retail company: 49% unconsolidated) deteriorated Year-on-Year due to the impact of COVID-19. Changes in the purchasing efficiency of retail companies contributed to deterioration of wholesalers' profits.

U.S. Business Centering on Wholesale

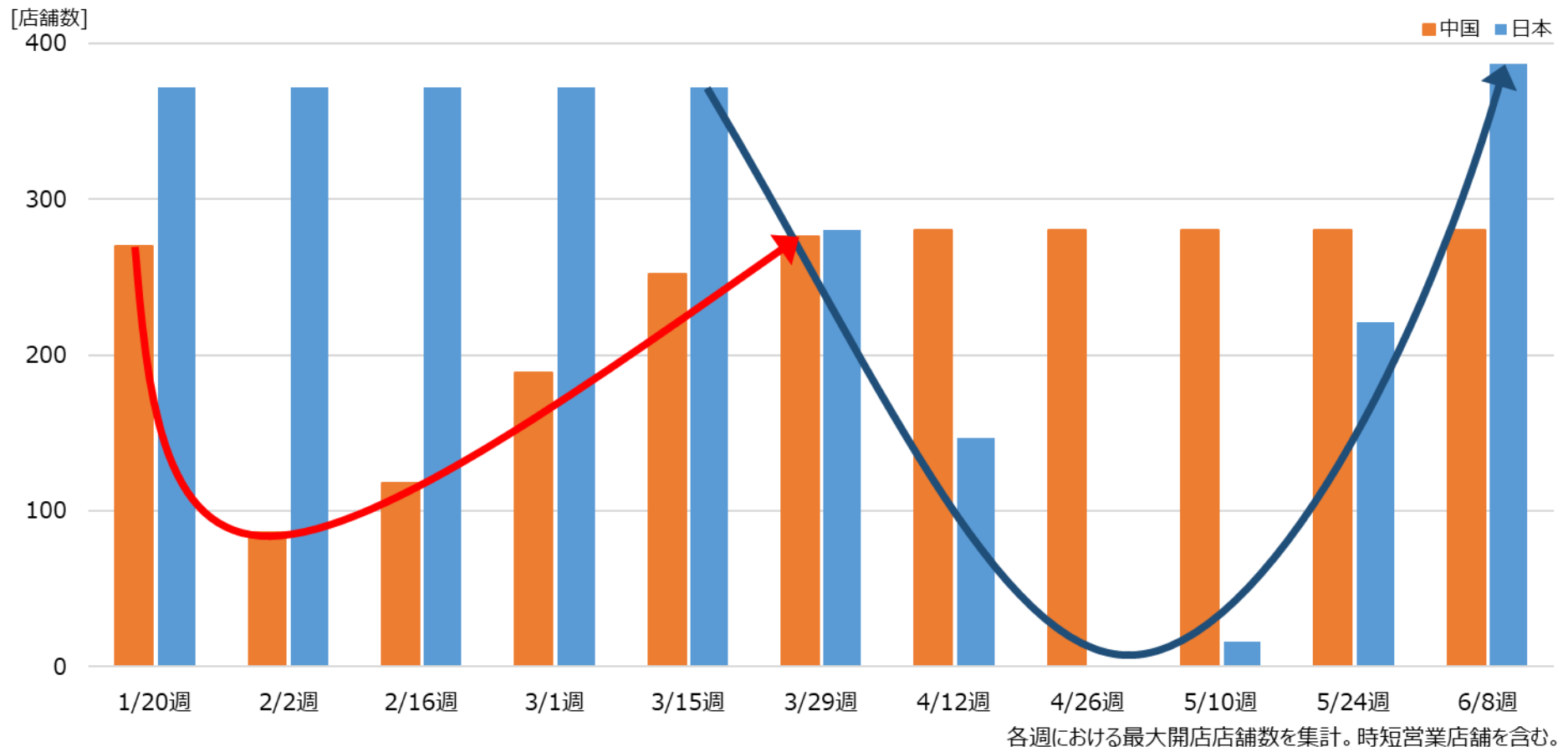
- ◆ In the United States, there is only one store directly operated, located in New York. In terms of the wholesaling business operation of MOUSSY VINTAGE, despite the adverse environment surrounding US department stores, Q1 saw the financial results remained profitable.
- ◆ Although the wholesale of ENFÖLD performed well in March and April, sales still declined slightly due to product shipments scheduled to arrive in May having been postponed until June.

Stores in Hong Kong Affected by Demonstrations

- ◆ Hong Kong retail business declined as a result of storefront business suspensions and shortened operating hours due to demonstrations and COVID-19.

- While stores in China were temporarily closed or their business hours shortened in mid-January 2020, they were gradually reopened soon thereafter, with most stores returning to operation in April.
- Stores in Japan were temporarily closed or their business hours were shortened from mid-March due to the Declaration of a State of Emergency but reopened as the declaration lifted, with almost all stores open by early June.
- The effects of COVID-19 preceded in China and subsequently occurred in Japan.

開店店舗数推移（中国・日本）



Consolidated Income Statement

- Consolidated Sales became 51.6% YoY
- Consolidated GP Margin decreased by 4.5 pts YoY (62.1%→57.6%)
- Consolidated SG&A expense ratio increased by 5.9 pts YoY (50.8%→56.7%)
- Consolidated OP decreased by ¥1.80 bil YoY

(百万円/JPY mil)	2021年2月期1Q			2020年2月期1Q	
	実績	対売上	前年同期比	前年実績	対売上
	Actual	% of Sales	YoY	Actual	% of Sales
売上高/Sales	8,566	100.0%	51.6%	16,609	100.0%
売上総利益/Gross Profit	4,935	57.6%	47.8%	10,317	62.1%
販管費及び一般管理費/SG&A	4,856	56.7%	57.6%	8,437	50.8%
営業利益/Operating Profit	78	0.9%	4.2%	1,880	11.3%
経常利益/Recurring Profit	△376	—	—	1,661	10.0%
親会社株主に帰属する 四半期純利益/Net Profit	△797	—	—	976	5.9%

Consolidated Sales Breakdown

- In urban areas, FB/SB brands and select shops/department store brands were greatly affected by COVID-19
- Overseas, China wholesale sales - which we incorporated into our consolidated financial statements - decreased due to China retailers' efforts to improve purchasing efficiency.

(百万円/JPY mil)	2021年 2 月期			2020年 2 月期	
	実績	構成比	前年同期比※	前年実績	構成比
	Actual	Composition	YoY	Actual	Composition
売上高/Sales	8,566	100.0%	51.6%	16,609	100.0%
FB/SBブランド/FB/SB Brands	2,473	28.9%	45.8%	5,401	32.5%
SCブランド/SC Brands	3,280	38.3%	45.6%	7,197	43.3%
セレクトショップ・百貨店ブランド/ Select Shop・Dept. Store Brands	727	8.5%	48.2%	1,507	9.1%
海外/Overseas	1,868	21.8%	89.2%	2,094	12.6%
その他/Others	216	2.5%	52.9%	408	2.5%

Consolidated SG&A Expense

- Consolidated SG&A Expense ratio increased by 5.9 pts (50.8%→56.7%)
- Decrease in Sales resulted in a decrease in variable costs. Furthermore, by curbing advertising and commission expenses, reducing executive compensation and employee bonuses, and rent reduction, SG&A expenses have been reduced.

(百万円/JPY mil)	2021年2月期				2020年2月期	
	実績	対売上	前年同期比	売上比 増減	実績	対売上
	Actual	% of Sales	YoY	Movement vs % Sales	Actual	% of Sales
売上高/Sales	8,566	100.0%	51.6%	-	16,609	100.0%
販売管理費/SG&A Expense	4,856	56.7%	57.6%	+5.9pts	8,437	50.8%
広告費及び販売促進費/ Advertising and promotional cost	346	4.0%	65.0%	+0.8pts	532	3.2%
給与手当/Salaries and wages	989	11.6%	68.3%	+2.9pts	1,448	8.7%
販売手数料(店舗家賃及び販売委託 手数料)/Store rent and fee for franchisee	1,689	19.7%	49.3%	△0.9pts	3,424	20.6%
減価償却費/Depreciation	165	1.9%	73.5%	+0.5pts	225	1.4%
その他/Others	1,665	19.4%	59.3%	+2.5pts	2,806	16.9%

Consolidated Balance Sheet

- Despite efforts to reduce purchasing in response to suspensions of operation, merchandise inventory came at 145.7% compared to the end of the previous term due to reduced sales.
- To prepare for the long-term effects of COVID-19, necessary funds have been secured

(百万円/JPY mil)	2021年2月期 (2020 /5/31)			20年2月期 (2020/2/29)	
	金額	構成比	前期末比	金額	構成比
	Amount	Composition	% to previous year end	Amount	Composition
現預金/Cash	12,417	34.1%	77.0%	16,133	42.1%
受取手形及び売掛金/Notes and Trade Receivable	6,996	19.2%	93.9%	7,455	19.5%
商品/Inventories	7,522	20.6%	145.7%	5,163	13.5%
その他流動資産/Other Current Asset	739	2.0%	138.9%	532	1.4%
固定資産/Non Current Asset	8,775	24.1%	97.5%	8,997	23.5%
総資産/Total Asset	36,451	100.0%	95.2%	38,282	100.0%
負債/Liabilities	17,165	47.1%	102.2%	16,790	43.9%
純資産/Equity	19,285	52.9%	89.7%	21,492	56.1%

Japan Business Income Statement

- Domestic sales became 47.6% YoY
- Domestic EC sales became 116.8% YoY, with in-house EC sales becoming 121.3% YoY, 3rd-party EC sales becoming 111.0% YoY
- Domestic GP Margin decreased by 4.1pts YoY

(百万円/JPY mil)	2021年 2 月期			2020年 2 月期	
	実績	対売上	前年同期比	前年実績	対売上
	Actual	% of Sales	YoY	Actual	% of Sales
売上高/Sales	7,017	100.0%	47.6%	14,751	100.0%
(店舗売上/Store Sales)	4,198	59.8%	35.2%	11,942	81.0%
(通販売上/EC Sales)	2,189	31.2%	116.8%	1,874	12.7%
売上総利益/Gross Profit	4,317	61.5%	44.6%	9,677	65.6%
販管費及び一般管理費/SG&A	4,485	63.9%	55.6%	8,066	54.7%
営業利益/Operating Profit	△167	—	—	1,610	10.9%
経常利益/Recurring Profit	△165	—	—	1,590	10.8%

China JV Sales and Profit

- Chinese wholesale saw an 80% YoY due to changes in purchasing efficiency by Chinese retailers.
- Royalties were 66.0% YoY

日本円

(百万円/JPY mil)	2021年2月期 実績 Actual	2020年2月期 Previous Year	前年同期比 YoY
中国合併事業からの売上 Sales from China JV			
卸売/Wholesale	1,310	1,637	80.0%
ロイヤリティ/Royalty	73	111	66.0%
売上合計/Sales Total	1,383	1,748	79.1%
当期純利益に対する 中国合併事業による利益 Profit from China JV			
小売事業からの利益/Profit from Retail company (持分法投資利益) Equity method investment gain	△455	△223	—
卸事業からの利益・Profit from Wholesale company (少数株主持分の51%相当) 51% of JV subsidiary	85	52	162.2%
ロイヤリティ税抜換算 Royalty after tax	51	77	66.0%
利益合計/Profit Total	△318	△92	—

人民元

(単位:百万人民元)	2021年2月期 実績 Actual	2020年2月期 Previous Year	前年同期比 YoY
中国合併事業からの売上 Sales from China JV			
卸売/Wholesale	84	99	84.5%
ロイヤリティ/Royalty	5	7	69.5%
売上合計/Sales Total	89	106	83.6%
当期純利益に対する 中国合併事業による利益 Profit from China JV			
小売事業からの利益/Profit from Retail company (持分法投資利益) Equity method investment gain	△29	△14	—
卸事業からの利益/Profit from Wholesale company (少数株主持分の51%相当) 51% of JV subsidiary	5	3	172.7%
ロイヤリティ税抜換算 Royalty after tax	3	5	70.0%
利益合計/Profit Total	△20	△6	—

JAPAN

Opened : 13stores
Closed : 7stores
End of FY : 362stores
(+6stores in FY)
(+7stores YoY)

*2020年5月末



CHINA

Opened : 3stores
Closed : 1stores
End of FY : 287stores
(+2stores in FY)
(+36stores YoY)

*2020年3月末



- 1 FY2021/02 First Quarter Result Overview
- 2 Business Highlights
- 3 FY2021/02 Outlook

- EC site centered around the concept of introducing and selling coordinated outfits
Providing new value to deadstock by coordinating warehouse inventory into purchasable outfits, the site has search functionalities that can narrow down into even atmosphere or situation – such as “Casual”, “Cool”, or “Going Around”
Has the goal of achieving zero incineration



AZUL BY MOUSSY : On the webstore, to convey commitment to sustainable development, introduced for the first time the “Cotton USA Virtual Hangtag”^{Slide 15}

- Adhering to sustainable development everywhere –
AZUL BY MOUSSY is the first to bring the COTTON USA Virtual hangtag to Japan.
- By moving the cursor over or tapping on the letters “Cotton USA” on the product page of the EC site through one’s computer or smartphone, a splash page containing Cotton USA’s virtual tag will be displayed. Clicking on the tag plays a video that explains the environmentally responsible cotton production of “Cotton USA” and the use of high quality, sustainable raw materials for these products.



- 1 FY2021/02 First Quarter Result Overview
- 2 Business Highlights
- 3 FY2021/02 Outlook

Given the unpredictable nature of and unforeseeable length of the COVID-19 epidemic, the overall impact on the purchasing behavior of both domestic and foreign consumers, and spillover effects on business performance, there is difficulty in making reasonable estimates in the current situation.

As soon as the impact amount can be calculated it will be announced, with haste.

To all of our investors, we would like to ask for your understanding in these times.

Influence of and Countermeasure to COVID-19

- **Aiming to expand sales oriented around new changes to lifestyle with highly efficient business operations that thoroughly eliminate waste**

Domestic Business

- Due to the extension of the government's declaration of emergency, all stores were closed in early May, but with its lifting at the end of the stated month, all stores gradually reopened in early June.
- After the declaration of a state of emergency was lifted, store sales have been recovering rapidly.
- EC sales greatly exceed that of the last year, further strengthening initiatives for EC and new businesses
- While promoting thorough control of product inventory in the first half, optimize purchasing/merchandising in Fall/Winter

Overseas Business

【China】

- Under the guidance of the Chinese government, stores were closed or had business hours shortened from mid-January (Lunar New Year) to the end of February, and were reopened gradually thereafter.
- At the beginning of April, except for 8 stores in Wuhan, all stores resumed business. Sales are on a rapid recovery trend (all Wuhan stores resumed operations on May 8th).
- EC sales significantly exceeded the previous year, and EC business continues to be strengthened, mainly in T-mall.

【U.S.】

- Whether to reopen and restart operation of the physical store in the U.S. relies on the progression of the future situation.

【Hong Kong】

- In Hong Kong, all stores resumed operations (some business hours were shortened).

Dividend

- Dividend outlook for FY2021/02 is undetermined.
- Dividend payout policy (30%~40% payout ratio) is unchanged

1. Who is entitled

- ◆ Shareholders holding 100 shares or more on record at the end of February and at the end of August, every year

3. What are the incentives

Who	Incentive
100 shares or more	2 coupons(4000yen in total) First half 1, second half 1, total 2
Over 200 shares	3 coupons(6000yen in total) First half 2, second half 1, total 3
Over 500 shares	4 coupons(8000yen in total) First half 2, second half 2, total 4

※ Our coupons can be used at both physical stores and our own EC stores.

2. When to receive

- ◆ Schedule to be distributed by late May and late November, every year

With the spread of COVID-19, we extended the expiration date of the shareholder preferential coupons, whose rights were allocated at the end of August 2019.

<Contents of change>

Coupon Face : Expiration date until the end of May 2020

After change : Expiration date until the end of August 2020

The extended coupons can be used in conjunction with the shareholder coupons sent in late May 2020.

Appendix

Leading in Women's Apparel & Accessories in Japan (SPA) *

- **362** stores in Japan, **287** stores in China, 4 stores in HK, 1 store in the U.S..**17 brands** in the portfolio**
- Stable Japan Business + **Continuously Growing China Business**
- Efficient business model with **High Inventory Turnover and GPM**

*Specialty store retailer of Private label.

** As of February 2020 for Japan, December 2019 for Overseas



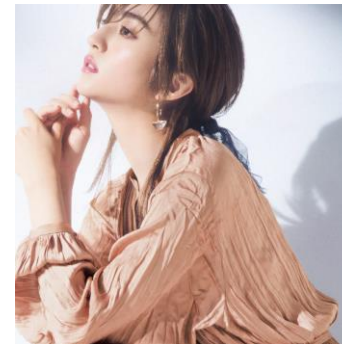
MOUSSY



SLY



AZUL
BY MOUSSY



rienda



ENFÖLD



RODEO CROWNS
WIDE BOWL



någonstans



SHEL'TTER






sm
STYLEMIXER



STACCATO

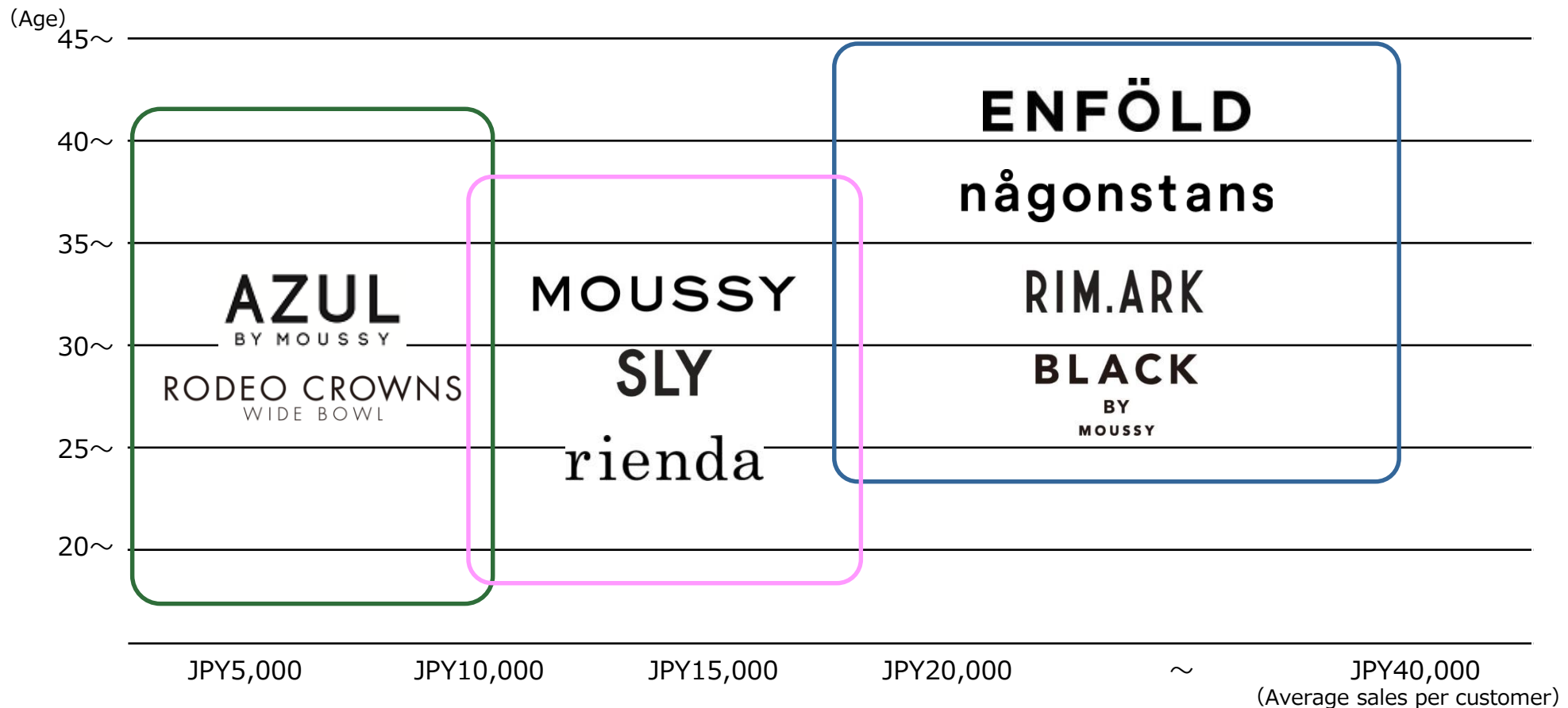
- Our founding spirit of “making what we want” has never changed, and our business has expanded globally - supported by our loyal customers both domestic and overseas.

Time	History	
2000	<ul style="list-style-type: none"> 6 founders started [MOUSSY] from “Shibuya 109”(shopping building) “we make what we want (because they don’t exist in the market!)” As a denim brand, MOUSSY’s jeans were designed to accentuate the sexiness of women. ➢ MOUSSY achieved sales of JPY10bil in just 4 years 	
2006	<ul style="list-style-type: none"> China business expert, Mr. Murai (current Chairman and CEO) joined the company 	
2007	<ul style="list-style-type: none"> MBO by CLSA and senior management 	
2008	<ul style="list-style-type: none"> [AZUL by moussy] launched. Targeting customers at suburban shopping centers (reasonably priced items, offering women’s men’s and kids’ lines), yet offering a MOUSSY-style shopping experience and store atmosphere 	
2010	<ul style="list-style-type: none"> 1st MOUSSY store opened in Shanghai, China 	
2012	<ul style="list-style-type: none"> [ENFÖLD] launched. Targeting fashion conscious women in 30s and 40s ➢ Established “Domestic Contemporary market*” *a market for brands with similar level of design, quality and branding as foreign contemporary brands(especially European and American brands) but pricing similar to domestic brands (more affordable) 	
2013	<ul style="list-style-type: none"> CLSA sold all the shares to Belle and CDH Fund. China JV with Belle started 	
2016	<ul style="list-style-type: none"> [RIM.ARK] launched by a winner of an internal competition project. ➢ Norm-Mode brand with a normal fashion style that further evolves the Normcore trend [MOUSSY][ENFÖLD] stores opened in Manhattan, NY 	

Time	History
2017	<ul style="list-style-type: none"> ● China JV reached 200 stores ● Launched 「adidas ×MOUSSY」 together with Adidas Japan ● Launched the point membership app 「SHEL'TTER PASS」, which can be used in both physical stores and EC site
2018	<ul style="list-style-type: none"> ● Launched the resort wear line「nāgonstans」, targeting customers at 30s and 40s ● "R4G" was born from "NEXT IS YOU," a new business discovery contest, and the brand "R4G" under the new concept of fusing anime and fashion was developed from the our own EC website ● Launched STYLEMIXER official website, an editorial EC platform curated by popular influencers ● Ayaka Murohara (ex SLY sales staff) winner of "2017 NEXT IS YOU - Fashion Icon section ", launched "LAGUNA GEM"
2019	<ul style="list-style-type: none"> ● Launched "y/m" for women in their late 30s and 40s who are highly fashion-sensitive, offering simple, but detailed, and ingredients-focused clothes
2020	<ul style="list-style-type: none"> ● Launched AUNE, a new platform for sustainable development of apparel industry














Balanced Brand Portfolio Across a Wide Range of Customers Demographics



% of sales	50%	40%	10%
Ave. Store Size	40 ~ 150坪	20 ~ 50坪	15 ~ 20坪
Global Comparison	TOPSHOP ZARA	ALLSAINTS rag & bone NEW YORK	STELLA McCARTNEY MARNI

Ranking of Instagram Follower# for Japanese Fashion Brands

Domestic Ranking	Company	Logo	Followers	# of Posts
9	MUJI無印良品		2,330,000	2,183
10	UNIQLO		2,330,000	1,863
11	A Bathing Ape		2,220,000	7,810
15	KENZO		1,900,000	193
24	GU		1,170,000	2,313
34	UNDERCOVER		920,000	1,858
35	sacai		910,000	2,092
46	Youji Yamamoto		770,000	823
51	MOUSSY		680,000	8,654
68	LOWRYS FARM		580,000	2,377
119	SLY		418,000	8,631

Our Related Instagrammers/YouTubers

Koike weekend

- Director, Future Policy Office
- follower #101,000
- YouTube subscribers 306,000



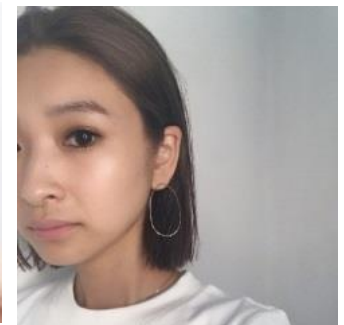
@nami_kawamoto

- follower #50,000
- YouTube subscribers 16,000



marinakamura

- RIM.ARK
- follower #140,000



mi_smile25

- follower #50,000
- YouTube subscribers 29,000



As of 30th June, 2020 Instagram, YouTube

- In FY2021/02 Q1, opened 3 stores, closed 1 stores, net addition of 2 stores
- Planning to continue aggressively opening stores to increase net stores openings

■ Store number : 287 stores

- 1st tier city : 4 cities 119 stores
- 2nd tier city : 21 cities 138 stores
- 3rd tier city : 11 cities 30 stores

■ Number of city : 36 cities

(As of end of March, 2020)

西南エリア/West (51)	
成都/Chengdu	19
重慶/Chongqing	15
西安/Xian	8
昆明/Kunming	5
貴陽/Guiyang	2
西寧/Xining	1
綿陽/Mianyang	1

華南エリア/South (61)	
深圳/Shenzhen	22
広州/Guangzhou	11
武漢/Wuhan	9
長沙/Changsha	5
福州/Fuzhou	4
南昌/Nanchang	1
南寧/Nanning	1
佛山/Foshan	2
厦門/Xiamen	4
东莞/Dongguan	1
珠海/Zhuhai	1

華北エリア/North (79)	
北京/Beijing	37
天津/Tianjin	10
沈陽/Shenyang	9
太原/Taiyuan	5
石家荘/Shijiazhuang	4
長春/Changchun	4
哈爾濱/Harbin	4
大連/Dalian	5
秦皇島/Qinhuangdao	1

華東エリア/East (96)	
上海/Shanghai	49
杭州/Hangzhou	19
南京/Nanjing	9
鄭州/Zhangzhou	3
合肥/Hefei	1
寧波/Ningbo	5
蘇州/Suzhou	6
無錫/Wuxi	3
南通/Nantong	1

City Definition

1st class cities (4 cities): Shanghai, Beijing, Guangzhou, Shenzhen

2nd class cities (21 cities): Harbin, Shenyang, Changchun, Hohhot, Shijiazhuang, Taiyuan, Tianjin, Hangzhou, Hefei, Nanjing, Fuzhou, Haikou, Nanchang, Nanning, Wuhan, Changsha, Jinan, Zhengzhou, Lanzhou, Ürümqi, Xi'an, Xining, Yinchuan, Chengdu, Chongqing, Guiyang, Kunming

3rd class Cities: Other Cities

High Inventory Turnover

- New Merchandise Arrivals Every Week
- Avg. 12,500 to 13,500 items /year



- Sold out or moved to Outlet stores/Warehouse after 2 to 3 weeks
- Highly skilled shop staff



High GP Margin

Development

- Original fabric development and sourcing by R&D team



Production

- Promoting Direct Purchases from Factories
- Utilizes JV-partner Belle's network to cultivate new production partnerships



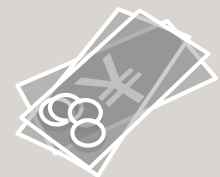
Logistic

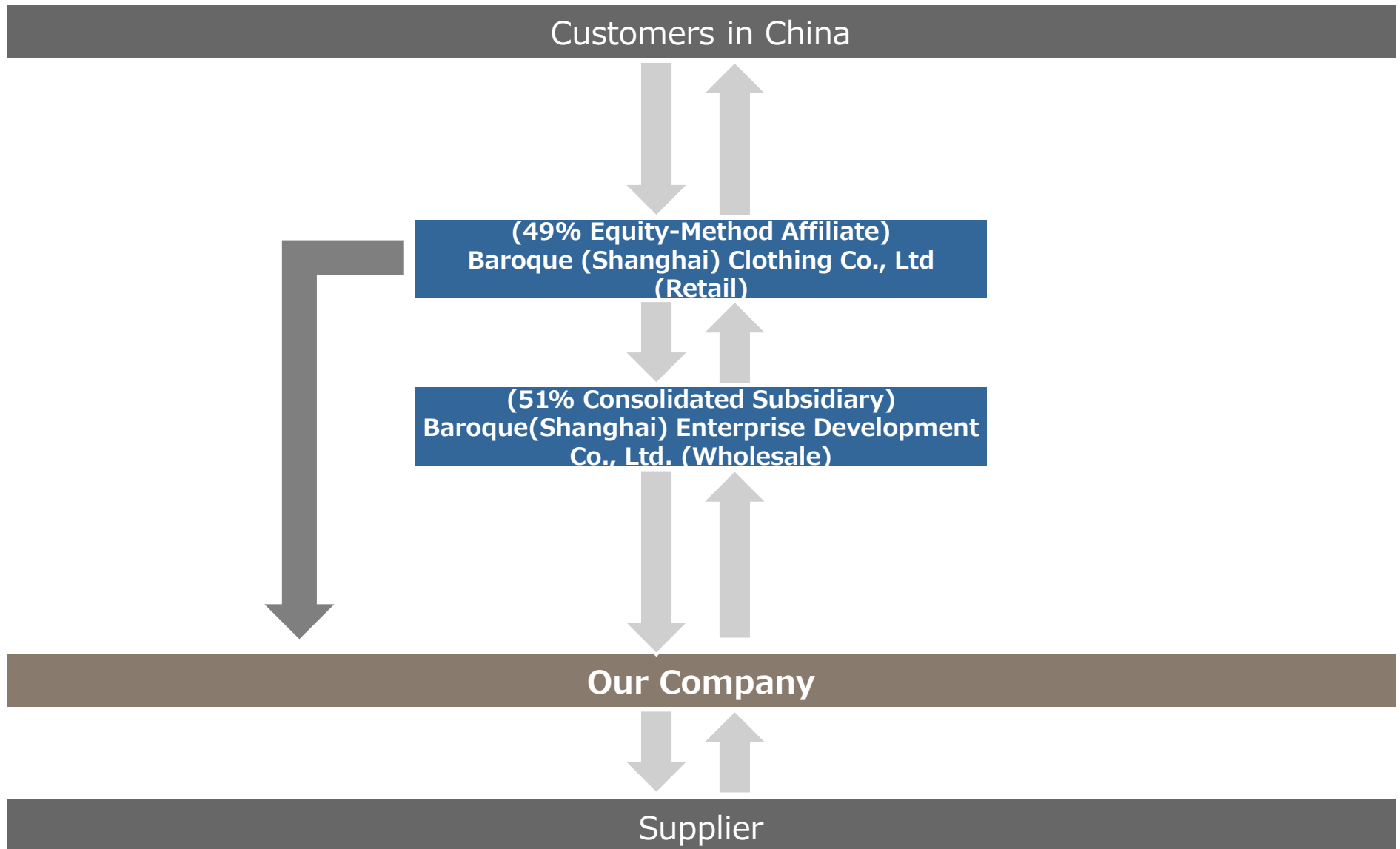
- Logistic and Warehouse Cost Reduction by utilizing Belle's Distribution Network
- In-house inspection center



Sales

- Variety of CS-Improvement Training for shop staff
- Unique incentive programs





↑ : Merchandise

↓ : Order

↩ : Royalty

- **This document contains forward-looking statements. All statements other than statements of historical fact included herein, including without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations are forward-looking statements. Any such forward-looking statements are subject to risk and uncertainty and thus could differ materially from actual results.**
- **The risk and uncertainties that could affect the forward-looking statements are difficult to predict. The company assumes no obligation to publicly revise or update its forward-looking statements in the case of unexpected changes, events, or circumstances that could affect them. Given the uncertainties of forward-looking statements, we caution readers not to place undue reliance on these statements.**