

August 20, 2020

To whom it may concern:

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(Securities Code: 9270 TSE Mothers)
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Notice Concerning Revision of Full-Year Financial Results Forecast and Dividend Forecast

Valuence Holdings Inc. (“the Company” hereinafter) has announced the following revised forecasts of full-year consolidated financial results and dividends for the fiscal year ending August 31, 2020, based on recent trends. The revised forecasts had yet determined as of April 14, 2020, when the Company issued Notice Concerning Revision of Full-Year Financial Results Forecast for Fiscal Year Ending August 31, 2020.

1. Revision of consolidated financial results forecast

(1) Revision of consolidated financial results forecast figures (September 1, 2019– August 31, 2020)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	TBD	TBD	TBD	TBD	TBD
Revised forecast (B)	36,900	240	250	10	0.77
Difference (B – A)	—	—	—	—	—
Change (%)	—	—	—	—	—
Reference: Consolidated financial results for the fiscal year ended August 31, 2019	37,799	2,240	2,262	1,458	119.67

(2) Reasons for revision

Due to the difficulty of forecasting the impact of the COVID-19 pandemic, forecasts of full-year consolidated financial results for the fiscal year ending August 31, 2020 had been postponed. However, the Company has decided to announce its forecasts of consolidated financial results based on the information currently available. Purchasing is exhibiting a trend toward recovery, with all of the Company’s buying offices resuming normal operations from June in response to the lifting of the state of emergency in Japan. A look at sales shows an increasing trend in turnover as well, with recovering purchase volumes and growing numbers of participating partners as a result of the shift of the Group’s main sales channel of auctions to an online platform ahead of schedule. In addition, progress is being made on initiatives to achieve growth in platform size, including the start of acceptance of items for consignment sale.

Due to these circumstances, the most recent financial results indicate a trend toward recovery to levels before the COVID-9 pandemic. The Company forecasts net sales of 36,900 million yen, operating profit of 240 million yen, ordinary profit of 250 million yen, and profit attributable to owners of the parent of 10 million yen.

2. Revision of dividend forecast

(1) Details of revisions

	Annual dividends		
	End of first half	Year-end	Total
Previous forecast (July 15, 2020)		TBD	TBD
Revised forecast		25.00 yen	25.00 yen
Actual results for this fiscal year	0.00 yen		
Actual results for the fiscal year ended August 31, 2019	0.00 yen	35.00 yen	35.00 yen

Note: The Company conducted a two-for-one stock split of its common stock effective September 1, 2019. The figure for year-end dividends in the fiscal year ended August 31, 2019 reflects the results of this stock split.

(2) Reasons for revision

As with forecasts of financial results, dividend forecasts had previously been left to be determined. However, the Company has chosen to announce dividend forecasts based on the above forecasts of financial results.

The Company's basic dividend policy calls for paying stable dividends to shareholders while seeking to reinvest earnings in accordance with business plans, based on its recognition that long-term continuous growth in corporate value contributes to returns to shareholders. In line with this policy, it aims to realize a payout ratio of 25% or higher. Based on a comprehensive consideration of various matters, including trends in financial results, financial status, and the dividend policy, the Company forecasts a year-end dividend of 25.00 yen per share.

* Financial results forecasts and other forward-looking statements in these materials are based on information available to the Company at the time at which they are announced and certain other assumptions deemed reasonable. Actual financial results and other figures may differ significantly due to various factors.