

February 9, 2022

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(Securities code: 4665; TSE 1st Section)  
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## **Notice Concerning Formulation of the Medium-Term Management Policy 2022**

Duskin Co., Ltd (the “Company”) hereby announces the formulation of the Medium-Term Management Policy 2022 (FY2022 to FY2024), marking the third phase of its long-term strategy ONE DUSKIN, as outlined below.

### 1. Basic policy

We aim to achieve greater social value and sustained growth as a company by rebuilding our business portfolios to address the changing business climate.

### 2. Consolidated financial goals

(Millions of yen)

	FY2021 Forecast	FY2024 Goals
Net sales	160,500	183,000
Operating profit	8,400	12,000
(Operating margin)	5.2%	6.6%
Profit attributable to owners of parent	7,200	10,000
ROE	4.8%	6% or higher

Note: We plan to announce the financial goals for each year, including the strategic investment plan, which is the key point of the three-year period of this new medium-term management policy, at the time of the release of our Summary of Financial Results for the Fiscal Year Ending March 31, 2022, scheduled in May.

### 3. Strategic themes

#### A. Reforming our business portfolios

##### a. Existing businesses

We will expand our areas of business and boost the value chain by bringing new products and services to market.

##### i. Direct Selling Group

In line with its goal of helping customers fine-tune the rhythm of their daily lives and working environments, the Company places highest priority on hygiene and cleanliness. We are making every effort to rebrand our corporate image into a company forging healthy environments. In addition to hygiene and cleanliness domain, we also aim to expand work-life management and senior support areas.

ii. Food Group

We are committed to developing new business models that cater to different locations, customer base and needs than the existing brands while also boosting the value chain through the internalization of major raw material processing and distribution for current businesses.

b. Investment in new growth opportunities

i. Aggressive investments in M&A, R&D and others

We plan to introduce new technologies and restructure our business model by aggressively investing in M&A, venture capital and R&D, in domains where the Company currently falls short of maintaining lifelong relationships with customers, but also in those addressing social issues such as conservation of the global environment, declining birthrate, aging society and regional revitalization, and that are also expected to harness synergies with existing businesses in the future.

ii. Overseas strategies

Besides pursuing growth in the countries where we are already present, we are considering and planning on proceeding with further expanding into new Asian countries after carefully assessing the situation in each country, including the market environment.

B. Establishing a solid foundation

a. Boosting R&D and human capital management

We are advancing human capital management focused on securing a diverse workforce and on developing and utilizing the human resources required to reform our business portfolios. At the same time, we are working on boosting R&D through efforts such as enhancing the Company's development capabilities and promoting open innovation.

Furthermore, we are driving new efficiencies through digitalization and other means with the utmost goal of laying the foundation for our companywide digital transformation (DX) strategy.

b. Corporate governance

In light of the purpose of the revised Corporate Governance Code, we are moving forward with initiatives that will help create a governance structure appropriate for the Prime Market.

C. Coexistence with local communities

We aim to enhance the Company's environmental value by contributing to the creation of a decarbonized, recycling-oriented society. Among our continuous efforts are investments meant to reduce our environmental footprint.

4. Financial and capital policies, investment strategy

We will engage into bold investments in new growth opportunities to rebuild our business portfolios. Also, the Company is committed to improving capital efficiency by various means, such as reducing financial assets and considering borrowing from financial institutions, in addition to utilizing operating cash flows during the three-year period.

For media inquiries on this matter, please contact:

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