

FY2022(1Q)
(First quarter of the fiscal year ending March 31, 2022)
Consolidated Business Results

August 4,2021
Kotobuki Spirits Co.,Ltd.





Company Overview

Firm name	Kotobuki Spirits Co.,Ltd.
Securities code	2222 (Tokyo Stock Exchange 1st section)
Address	2028, Hatagasaki, Yonago-shi, Tottori, 683-0845, Japan
Establishment	April 25th,1952
Capital	1.2 Billion 17.8 Million yen
President	Seigo Kawagoe
Employees	Kotobuki Spirits 8 people/Group Total 1,583 people
Group companies	Consolidated subsidiary 18 companies (domestic 16・overseas 2)
Net sales	23.2 Billion Yen (FY2021 :Year ended March 31, 2021)

FY2022 (1Q) Highlight

Net sales +112.0%(YoY) Δ 45.8% (Compared to FY2020 (1Q))

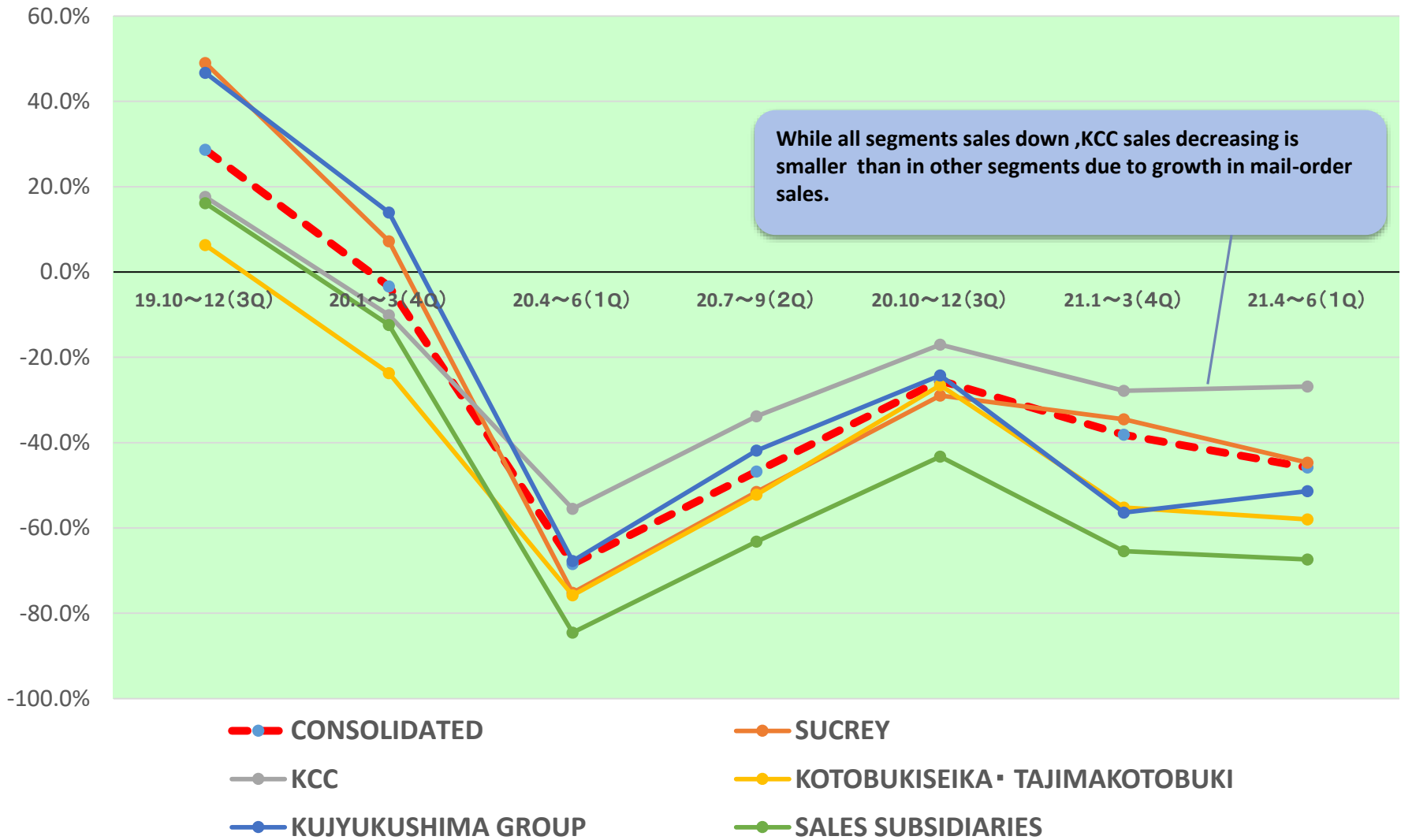
Net loss 192 million yen (FY2021 (1Q) Net loss 1,163 million yen)

- Net sales increased 112.0% YoY due to the reaction to the same period last year, which was most affected by the spread of Covid-19 infection. Compared to FY2020(1Q), net sales decreased 45.8%. Demand for souvenirs continued to be sluggish due to the intermittent issuance of “emergency declaration“.
- Net loss was reduced by 972million yen compared to FY2021(1Q)

(Unit:Millions of yen)	FY2021				FY2022
	1Q (Apr-Jun)	2Q (Jul-Sep)	3Q (Oct-Dec)	4Q (Jan-Mar)	1Q (Apr-Jun)
Net sales	2,716	5,189	8,402	6,898	5,758
(Compared to two years ago)	(Δ 68.4%)	(Δ 46.8%)	(Δ 25.4%)	(Δ 38.1%)	(Δ 45.8%)
(YoY)	(Δ 74.4%)	(Δ 55.9%)	(Δ 36.8%)	(Δ 27.4%)	(+112.0%)
Ordinary profit(Δ loss)	Δ 1,755	Δ 201	1,653	Δ 19	Δ 311
(YoY)	(—)	(—)	(Δ 38.6%)	(—)	(—)
Net profit(Δ loss)	Δ 1,163	Δ 127	1,116	Δ 395	Δ 192
(YoY)	(—)	(—)	(Δ 34.4%)	(—)	(—)

Sales trends

Compared to FY2020 sales



The Impact of COVID-19 on business performance

<FY2022(1Q)>

● Sales trends

(Compared to FY2020(1Q) and FY2021(1Q):%) <except for overseas subsidiaries>

	Apr	May	Jun
Compared to FY2021(1Q)	222.5%	145.0%	43.9%
Compared to FY2020(1Q)	△43.2%	△48.5%	△44.7%

● Due to production adjustments factories took holidays. Recorded subsidy income of 4.23 million yen as non-operating income, including employment adjustment subsidies.

● Cash decreased by 33 million yen from the beginning of the term. (End of the period :cash 7.3 billion yen) We did not borrow from the overdraft limit (7.8 billion yen)

<FY2022>

● Due to the extension of emergency declaration in Tokyo area and major cities, in particular, souvenir demands continue to be sluggish, the sales pace of recovery is sluggish.

<FY2022 Business Forecast and Dividend forecast >

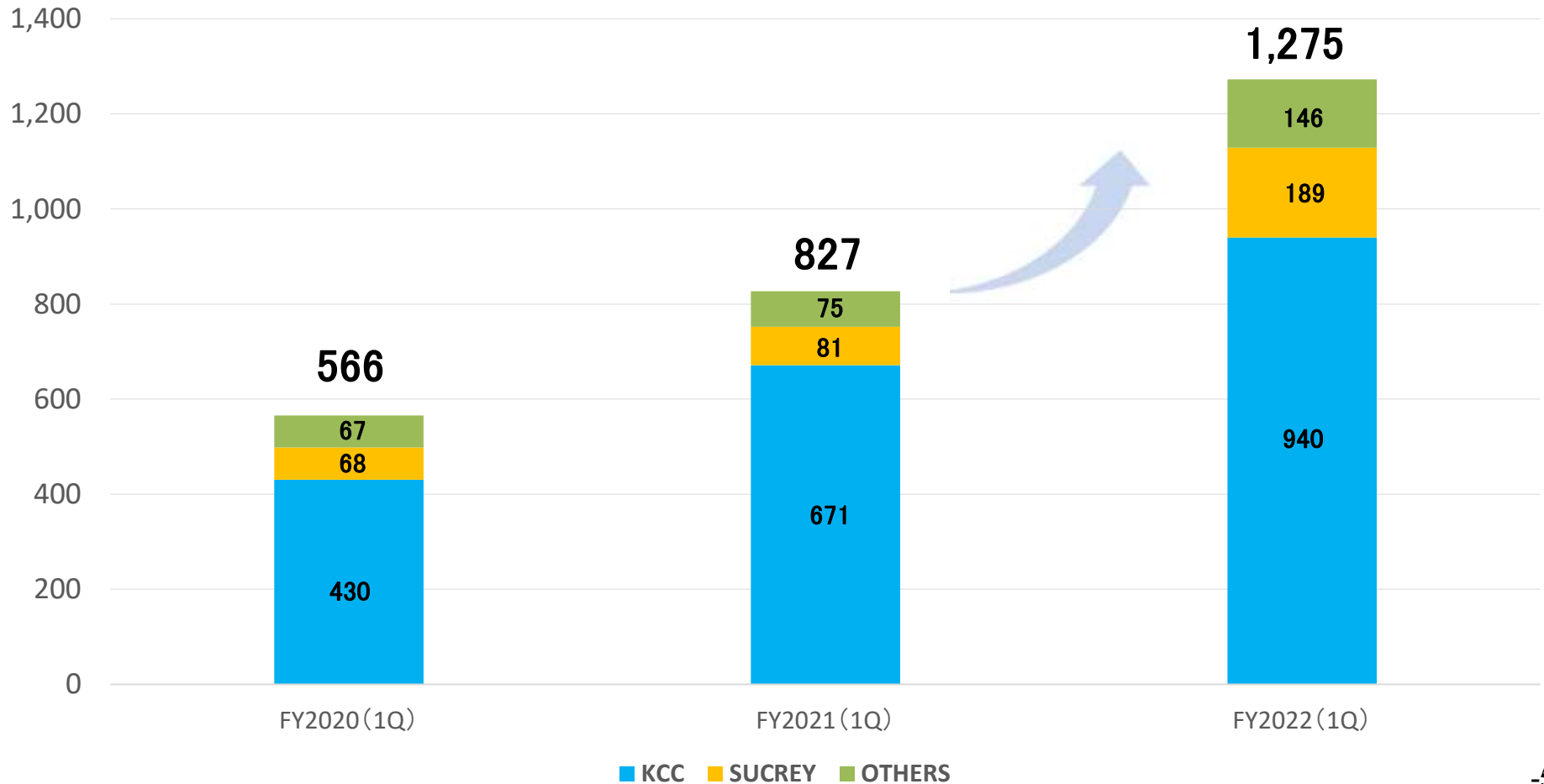
● Forecast of FY2022 is undecided due to the extension of emergency declaration in Tokyo area and major cities. It will be disclosed promptly when the business forecast is available.

FY2022(1Q) Topics ①

Mail-order sales grew due to strengthening measures for Mother's Day
(1Q group total sales 1,275 million Yen +54.2% YoY)

(Unit: Millions of yen)

Mail-order sales



FY2022(1Q) Topics ②

Overseas sales increased due to opening stores in China

Overseas sales FY2022(1Q) 408million yen (+34.3% YoY)



LeTAO Ningbo Hankyu (Apr.2021)

Overseas sales

(Unit: Millions of yen)

	FY2021(1Q)	FY2022(1Q)	YoY(Change)	YoY(%)
HongKong ^{※1,※2}	36	—	△ 36	—
Taiwan ^{※1}	82	58	△ 24	△29.0%
Korea	40	65	24	60.5%
Singapore	27	34	7	25.3%
China	115	237	122	105.5%
Others	4	15	12	328.3%
Total	304	408	104	34.3%

※1 Hong Kong and Taiwan are consolidated subsidiaries.
Other areas are FC.

※2 Hong Kong business closed in February last year.
The local subsidiary Honey Sucrey Limited is currently
in the process of liquidation.

New shops

SUCREY opened 5 new shops and reopened 1 shop in Tokyo



Ichigo shop by FRANÇAIS
Shinjuku LUMINE (Apr.2021)



Ichigo shop by FRANÇAIS
TOKYO GIFT PALETTE (Apr.2021)



Tokyo Milk Cheese Factory (Relocation)
Haneda Airport terminal 2 (Apr.2021)



Tokyo Milk Cheese Factory
Shibuya Tokyu food show (Jun.2021)



THE TAILOR
Shibuya Tokyu food show (Jun.2021)



côte cour
Haneda Airport terminal 2 (Jun.2021) -7-

New shops

KUJYUKUSHIMA GROUP opened 1 new shop in Fukuoka
SALES SUBSIDIARIES reopened 2 shops in Kyoto



Ivorish Hakata Hankyu (Apr.2021)

**KYOTO VENETO
Kyoto Porta (Relocation)(Jul.2021)**

**Honke Yoshinaga
Kyoto Porta (Relocation)(Jul.2021)**

Results of FY2022 1Q (YoY)

Gross profit rate +26.6 point (YoY)

(Millions of Yen,%)	FY2021(1Q)		FY2022(1Q)		YoY(Change)	YoY(%)	FY2021(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate			amount	To-sales rate
Net sales	2,716	—	5,758	—	3,043	112.0	23,205	—
Gross profit	611	22.5	2,830	49.1	2,219	363.1	11,640	50.2
SG&A expenses	3,020	111.2	3,589	62.3	569	18.8	14,531	62.6
Operating profit(Δloss)	Δ 2,409	—	Δ 759	—	1,650	—	Δ 2,890	—
Ordinary profit(Δloss)	Δ 1,755	—	Δ 311	—	1,444	—	Δ 322	—
Net profit(Δloss)	Δ 1,163	—	Δ 192	—	972	—	Δ 570	—
EPS (Yen)	Δ 37.38		Δ 6.16				Δ 18.30	

Impact of the New Revenue Recognition Standard on Business Performance

Gross profit margin Δ 3.4 point / SG&A expense rate Δ 3.9 point

(Millions of yen,%)	FY2022(1Q)				amount of impact
	Before	To-sales rate	After	To-sales rate	
Net sales	5,567	—	5,758	—	192
Cost of sales	2,642	47.5	2,929	50.9	286
Gross profit	2,924	52.5	2,830	49.1	Δ 95
SG&A expenses	3,684	66.2	3,589	62.3	Δ 95
Operating profit(Δloss)	Δ 759	—	Δ 759	—	0

● The above impact amount is due to the application of “New Revenue Recognition Standard”. Due to changes in digestion type sales transaction, delivery service for mail order, points of our own EC site, etc. The impact on operating loss is minor.

● In addition to the above, the balance of retained earnings at the beginning of the period decreased by 24 million yen.

SG&A expenses /Operating profit

Operating loss reduced by 1,650 million yen compared to FY2021(1Q)

	FY2021(1Q)		FY2022(1Q)		YoY(Change)		FY2021(1Q-4Q)	
	amount	To-sales rate	amount	To-sales rate			amount	To-sales rate
(Millions of Yen,%)								
Gross profit	611	22.5	2,830	49.1	2,219	363.1	11,640	50.2
Personal expenses	1,521	56.0	1,676	29.1	156	10.2	6,428	27.7
Promotion	335	12.3	478	8.3	143	42.8	1,969	8.5
Freight	234	8.6	199	3.5	△ 35	△ 15.0	1,382	6.0
Advertising	79	2.9	81	1.4	2	2.3	276	1.2
Rent	291	10.7	235	4.1	△ 56	△ 19.3	1,957	8.4
Depreciation	128	4.7	105	1.8	△ 23	△ 18.2	529	2.3
Traveling and transportation expenses	28	1.0	48	0.8	21	74.5	185	0.8
Commission expenses	106	3.9	458	8.0	352	333.7	500	2.2
Others	299	11.0	309	5.4	10	3.3	1,304	5.6
SG&A expenses	3,020	111.2	3,589	62.3	569	18.8	14,531	62.6
Operating profit(Δloss)	△ 2,409	-	△ 759	-	1,650	-	△ 2,890	-

● SG & A expenses decreased by 95 million yen due to the application of " New Revenue Recognition Standard ".
 (Breakdown : Freight△151million yen, Rent△244million yen, Commission expenses+309million yen ,Others△8million yen)

Sales channel

Domestic retail sales increased compared to FY2021 (1Q)

(Millions of yen,%)	FY2020		FY2021		YoY (Change)	YoY (%)
	amount	To-sales rate	amount	To-sales rate		
Net sales	2,716	—	5,758	—	3,043	112.0
Mail Order	827	30.4	1,275	22.1	448	54.2
(LeTAO Mail Order)	671	24.7	940	16.3	269	40.0
Retail(Domestic)^{※1}	769	28.3	2,485	43.2	1,716	223.1
Wholesale(Domestic)	814	30.0	1,589	27.6	775	95.2
(Inbound sales)	0	—	29	0.5	29	—
Overseas	304	11.2	408	7.1	104	34.3
Others^{※2}	2	0.1	1	0.0	△ 0	△ 21.7

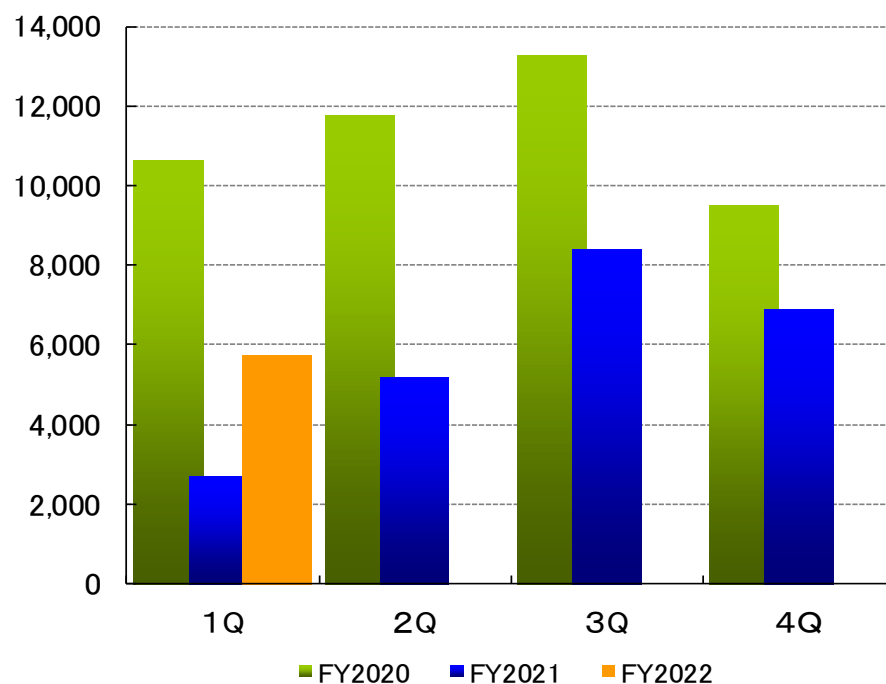
※1 Retail(Domestic)are shops and Pop up stores.

※2 Others are health food business and property insurance agency business.

Net sales

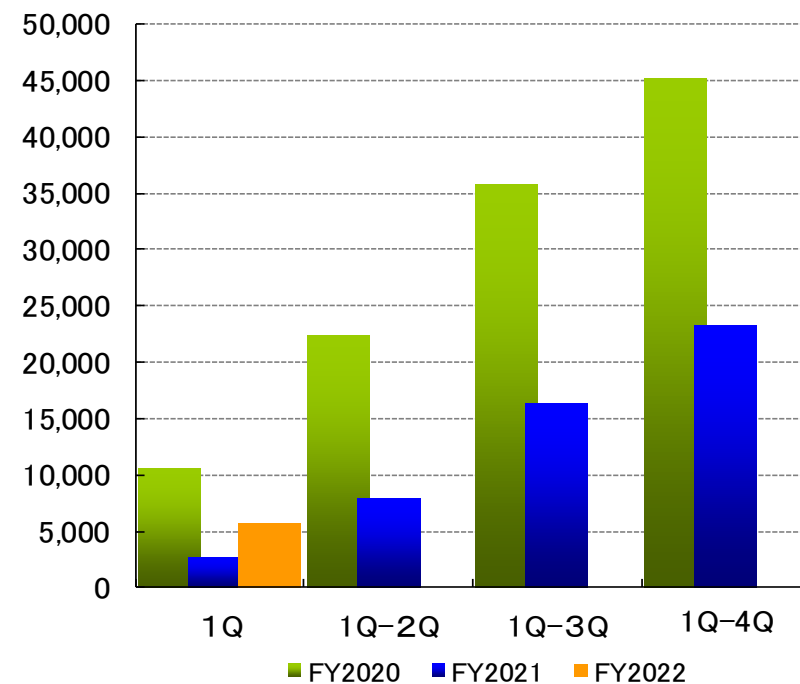
Net sales (Quarter)

(Three periods comparison)



Net sales (Cumulative)

(Three periods comparison)



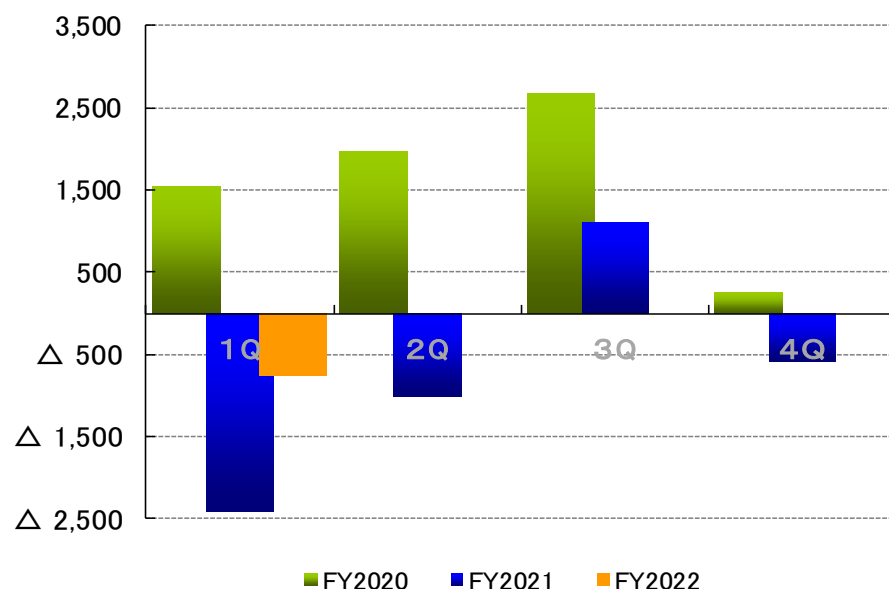
(Millions of yen)

	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2020	10,627	11,761	13,287	9,506	10,627	22,388	35,675	45,181
FY2021	2,716	5,189	8,402	6,898	2,716	7,905	16,306	23,205
FY2022	5,758	-	-	-	5,758	-	-	-
Compared to FY2020	△45.8%	-	-	-	△45.8%	-	-	-
YoY	112.0%	-	-	-	112.0%	-	-	-

Operating profit

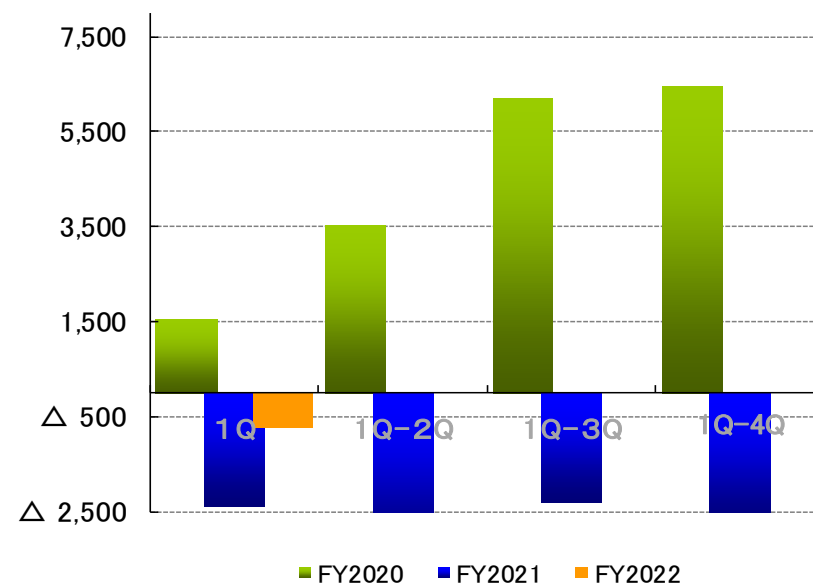
Operating profit (Quarter)

(Three periods comparison)



Operating profit (Cumulative)

(Three periods comparison)



(Millions of yen)

	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2020	1,555	1,964	2,672	264	1,555	3,519	6,191	6,455
FY2021	△ 2,409	△ 1,012	1,114	△ 583	△ 2,409	△ 3,421	△ 2,307	△ 2,890
FY2022	△ 759	-	-	-	△ 759	-	-	-
Compared to FY2020	-	-	-	-	-	-	-	-
YoY	-	-	-	-	-	-	-	-

Results of FY2022 1Q (SEGMENTS)

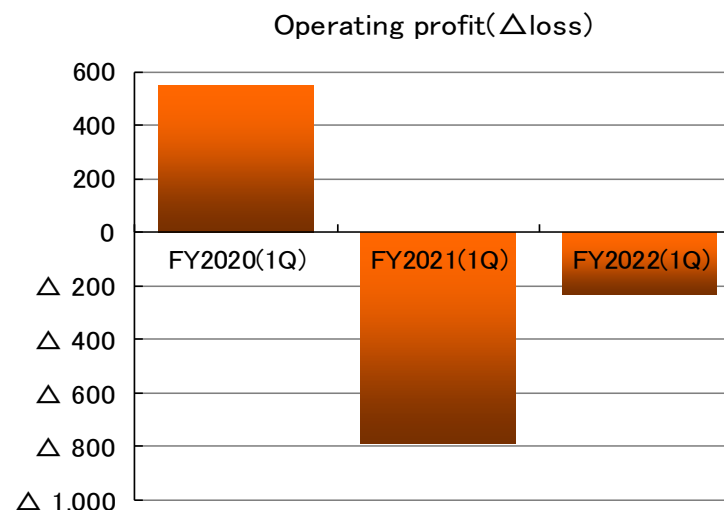
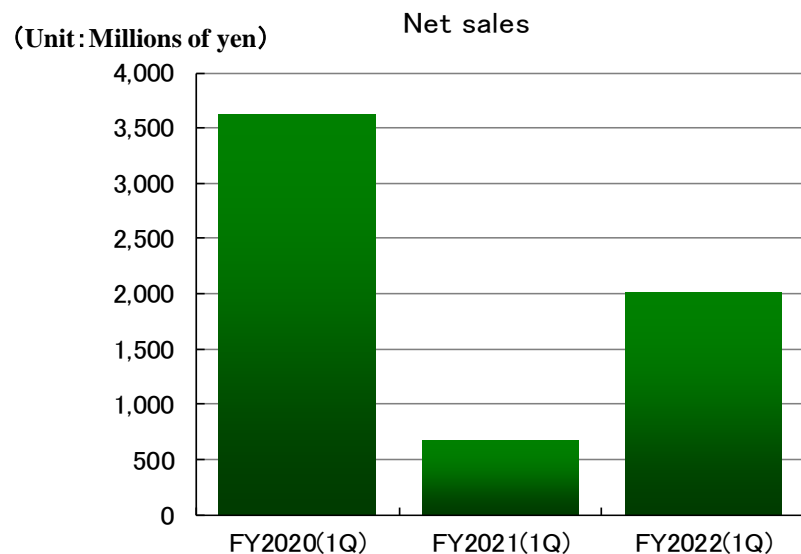
Net sales increase in major segments

	Net sales				Operating profit (△loss)		
	FY2021 (1Q)	FY2022(1Q)	YoY(Change)	YoY(%)	FY2021 (1Q)	FY2022 (1Q)	YoY(Change)
(Millions of Yen,%)							
SUCREY	675	2,005	1,330	197.2	△ 789	△ 235	555
KCC	1,114	2,106	992	89.1	△ 517	△ 99	418
KOTOBUKISEIKA TAJIMAKOTOBUKI	580	1,130	550	94.9	△ 543	△ 162	381
SALES SUBSIDIARIES	208	524	315	151.5	△ 216	△ 109	108
KUJYUKUSHIMA GROUP	224	515	291	129.8	△ 291	△ 201	90
OTHERS*	132	77	△ 55	△ 41.8	△ 9	△ 11	△ 2
SEGMENTS TOTAL	2,933	6,357	3,424	116.8	△ 2,366	△ 817	1,550
ADJUSTMENT	△ 217	△ 599	△ 382	175.8	△ 43	57	100
TOTAL	2,716	5,758	3,043	112.0	△ 2,409	△ 759	1,650

* Honey Sucrey(Hong Kong) is in the process of liquidation.

《SUCREY》

FY2022(1Q) : Net sales 2,005 million yen (+197.2%YoY) OP Δ 235 million yen



(Millions of yen, %)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020(1Q)		Compared to FY2021(1Q)	
				(Change)	(%)	(Change)	(%)
Net sales	3,625	675	2,005	Δ 1,620	Δ 44.7	1,330	197.2
Gross profit	2,255	108	1,102	Δ 1,153	Δ 51.1	993	916.9
Gross profit rate	62.2	16.1	55.0	Δ 7.2		38.9	
SG&A expenses	1,708	898	1,337	Δ 371	Δ 21.7	439	48.9
Operating profit(Δ loss)	547	Δ 789	Δ 235	Δ 782	-	555	-

《SUCREY》

Tokyo Milk Cheese Factory 10th anniversary !



Expansion in the Tokyo metropolitan area and overseas with delicious premium sweets



OUR HISTORY

東京ミルクチーズ工場誕生

2011 大人気も定番商品
特製ごんごんパン/パフッキー
お菓子工房のパン/パフッキー

- 御膳前1ターミナルビル店
- 丸の内線東横店
- 東京駅東横ストリート店
- 御膳前2ターミナルビル店
- ノラマナ店
- 渋谷駅東横フードショー店
- 丸の内線大宮店
- 丸の内線有明店
- ラゾーナ日本橋店

2013 パロル・トドム・モックパフッキー
(後述の店舗にて)

- アトレ吉祥寺店

2015 めいぞう屋
パルティ・ニューフードパフッキー

- 豊洲店 (後述の店舗)
- ファリピン
- 韓国出店

2017 新登場のハイブリッド店舗
エキア北千住カワフキッチン
お菓子工房のハイブリッドスイーツ
ミルクパフッキー

- 丸の内線有明店
- カワフキッチン豊洲 (後述の店舗)
- アトレ東横店
- 丸の内線大宮店
- 御膳前2ビル店
- 豊洲東横フードショー店
- 韓国出店
- 中国出店

2019

- 丸の内線有明店
- カワフキッチン豊洲 (後述の店舗)
- アトレ東横店
- 丸の内線大宮店
- 御膳前2ビル店
- 豊洲東横フードショー店

2021

- 丸の内線有明店
- カワフキッチン豊洲 (後述の店舗)
- アトレ東横店
- 丸の内線大宮店
- 御膳前2ビル店
- 豊洲東横フードショー店

BRAND STORY

ブランドストーリー

2021年、東京ミルクチーズ工場は10周年を迎えました。東京ミルクチーズ工場が生まれたのは東日本大震災の後、日本では多くの方が悲しみに包まれながらも、復興に向け一歩一歩前進していました。そんな時、私たちは立ち上がり、会社の記念すべきオープニングブランドとして誕生したのが、東京ミルクチーズ工場です。

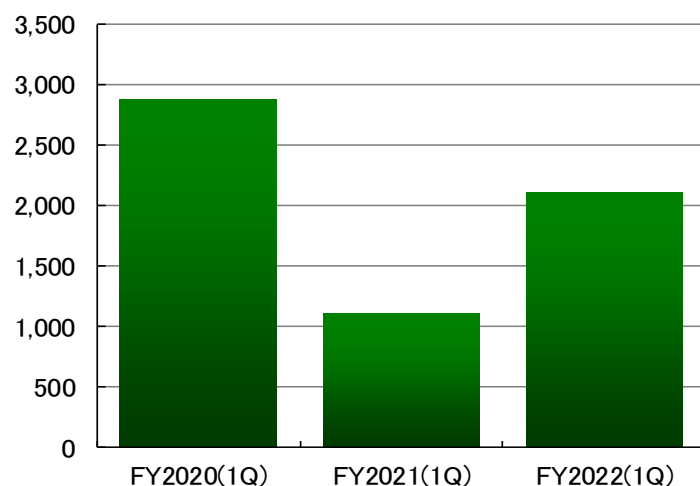
東京ミルクチーズ工場のコンセプトは「楽しくて、新しい」。新鮮な牛乳や選りすぐったチーズに、意外性のある素材を組み合わせ、スイーツのイノベーションを創造し続けてきました。これまでも、そしてこれからも、「ありがとう」という驚きとおいしいお菓子をお届けします。「ありがとうを繋げて10周年、これからも世界にワクワクを」

《KCC》

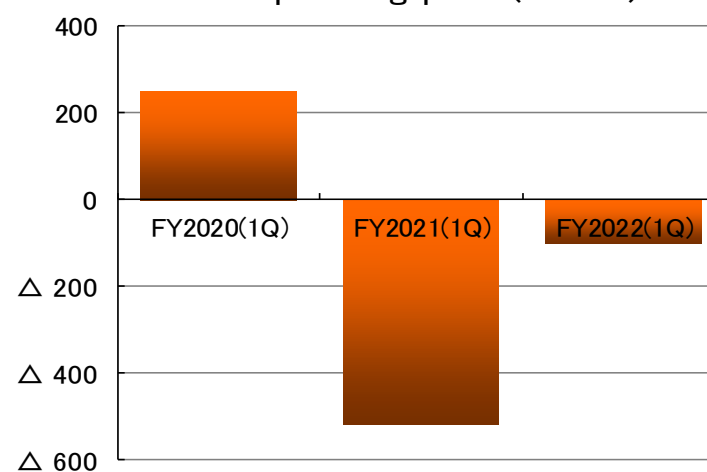
FY2022(1Q) : Net sales 2,106 million yen (+89.1%YoY) OP Δ 99 million yen

(Unit: Millions of yen)

Net sales



Operating profit(Δ loss)



(Millions of yen,%)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020(1Q)		Compared to FY2021(1Q)	
				(Change)	(%)	(Change)	(%)
Net sales	2,878	1,114	2,106	Δ 771	Δ 26.8	992	89.1
Gross profit	1,737	549	1,057	Δ 680	Δ 39.2	508	92.7
Gross profit rate	60.4	49.3	50.2	Δ 10.2		0.9	
SG&A expenses	1,486	1,066	1,156	Δ 330	Δ 22.2	90	8.5
Operating profit(Δ loss)	251	Δ 517	Δ 99	Δ 350	-	418	-

《KCC》

Strengthen mail order of seasonal events and limited sweets

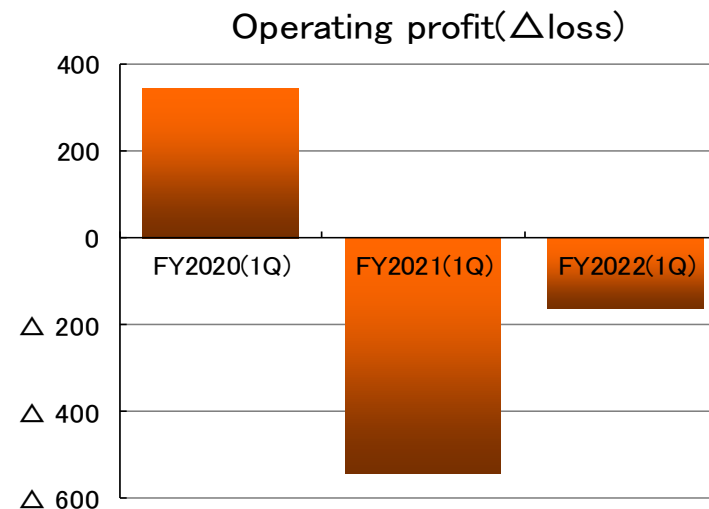
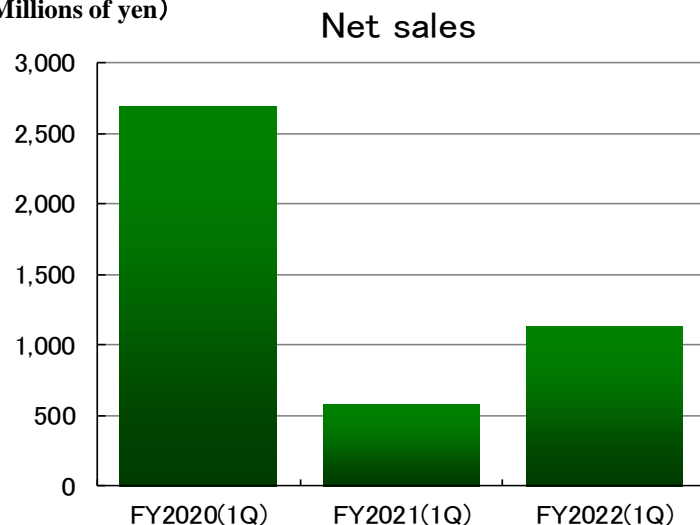
- (Mail-order) Strengthen EC channel /Strengthen measures for loyal customers
- Strengthen sales of premium sweets at LINE GIFT



《KOTOBUKISEIKA・TAJIMAKOTOBUKI》

FY2022(1Q) : Net sales 1,130 million yen (+94.9%YoY) OP Δ 162 million yen

(Unit: Millions of yen)



(Millions of yen, %)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020(1Q)		Compared to FY2021(1Q)	
				(Change)	(%)	(Change)	(%)
Net sales	2,690	580	1,130	Δ 1,560	Δ 58.0	550	94.9
Gross profit	1,108	Δ 139	283	Δ 825	Δ 74.5	422	-
Gross profit rate	41.2	Δ 24.0	25.0	Δ 16.2		49.0	
SG&A expenses	761	404	445	Δ 316	Δ 41.5	41	10.2
Operating profit(Δ loss)	347	Δ 543	Δ 162	Δ 509	-	381	-



《KOTOBUKISEIKA・TAJIMAKOTOBUKI》

Strengthen new products development

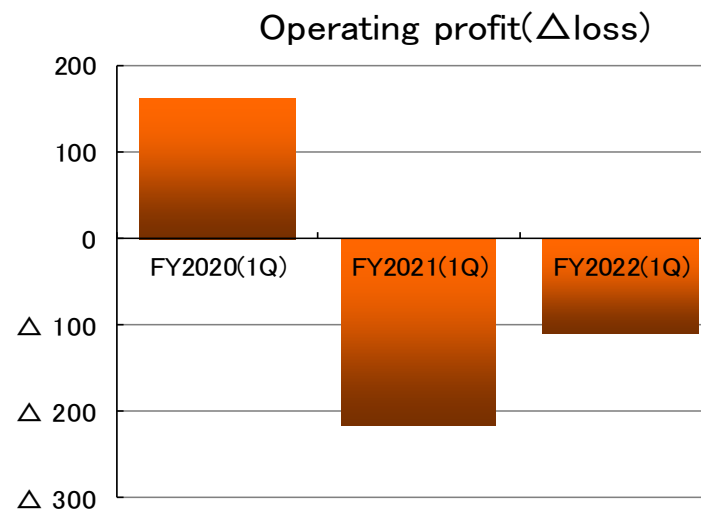
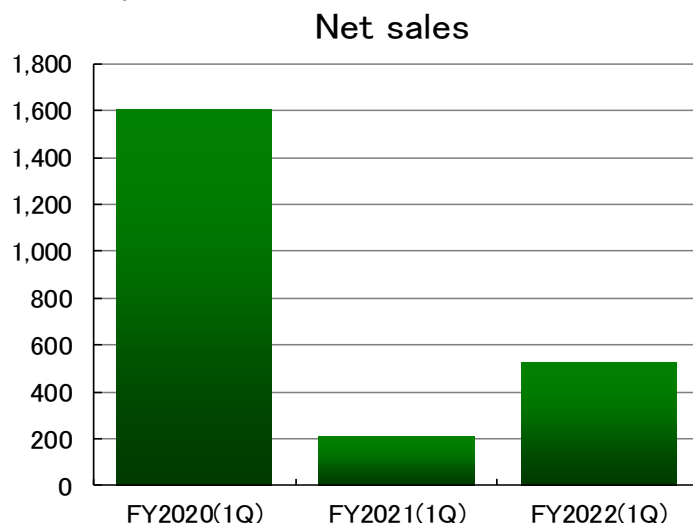
- Development of new products on existing lines
- Focus on developing new genres such as protein bars for major drug stores



《SALES SUBSIDIARIES》

FY2022 (1Q) : Net sales 524 million yen (+151.5% YoY) OP Δ 109 million yen

(Unit: Millions of yen)



(Millions of yen, %)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020 (1 Q)		Compared to FY2021 (1 Q)	
				(Change)	(%)	(Change)	(%)
Net sales	1,606	208	524	Δ 1,083	Δ 67.4	315	151.5
Gross profit	582	46	185	Δ 397	Δ 68.2	139	299.3
Gross profit rate	36.2	22.2	35.3	Δ 0.9		13.1	
SG&A expenses	419	263	294	Δ 126	Δ 30.0	31	11.8
Operating profit(Δ loss)	163	Δ 216	Δ 109	Δ 271	-	108	-

《SALES SUBSIDIARIES》

Focus on expanding market share at major transportation hubs



Nagoya Ogura an parfait sand

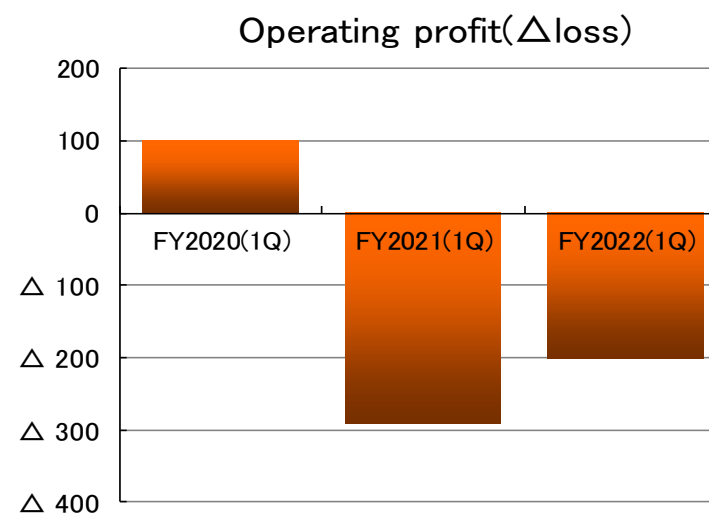
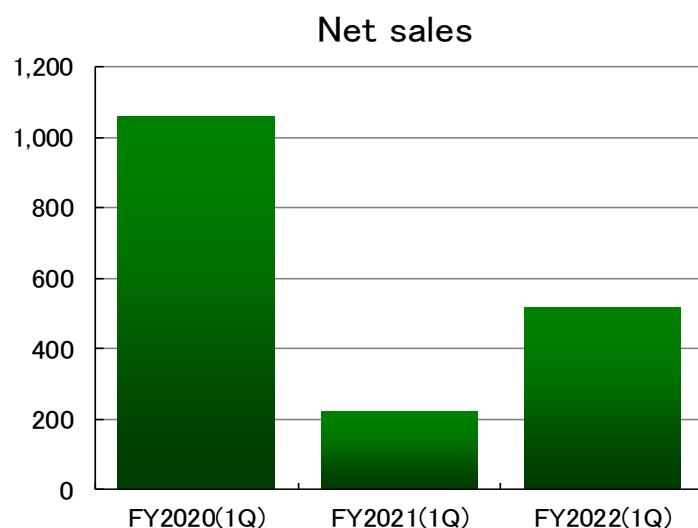


Okazaki SA(wholesale)

《KUJYUKUSHIMA GROUP》

FY2022(1Q) : Net sales 515 million yen (+129.8%YoY) OP Δ 201 million yen

(Unit: Millions of yen)



(Millions of yen,%)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020(1Q)		Compared to FY2021(1Q)	
				(Change)	(%)	(Change)	(%)
Net sales	1,059	224	515	Δ 545	Δ 51.4	291	129.8
Gross profit	517	Δ 39	178	Δ 339	Δ 65.6	217	—
Gross profit rate	48.8	Δ 17.3	34.6	Δ 14.3		51.9	
SG&A expenses	416	252	379	Δ 37	Δ 8.9	127	50.2
Operating profit(Δ loss)	101	Δ 291	Δ 201	Δ 302	—	90	—

《 KUJYUKUSHIMA GROUP 》

Kujyukushima Senpei 70th anniversary !



Limited product design ©Kiyoshi Nakashima



Standard product design ©Kiyoshi Nakashima



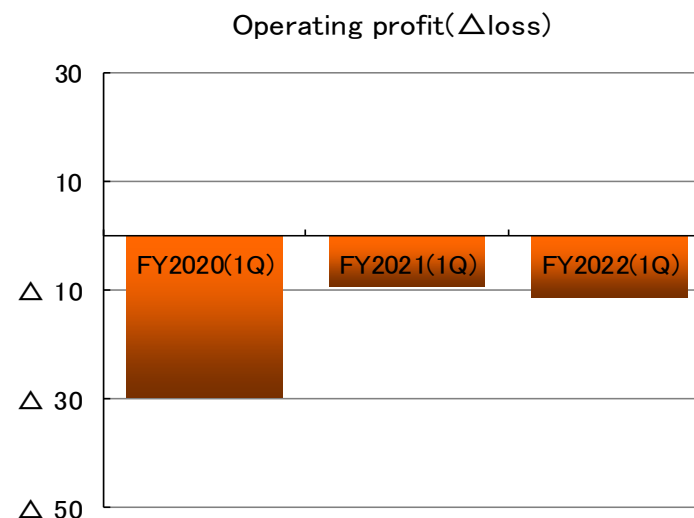
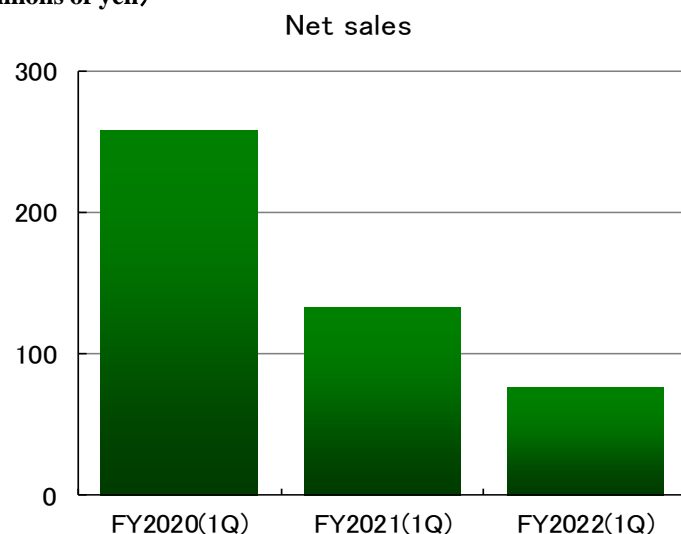
Kujyukushima Senpei 70th anniversary limited design package

《OTHERS》

< health food business, Taiwan confectionary business,
Hong Kong confectionary business, General insurance agency >

FY2022(1Q) : Net sales 77 million yen ($\Delta 41.8\%$ YoY) OP $\Delta 11$ million yen

(Unit: Millions of yen)



(Millions of yen, %)	FY2020(1Q)	FY2021(1Q)	FY2022(1Q)	Compared to FY2020 (1 Q)		Compared to FY2021 (1 Q)	
				(Change)	(%)	(Change)	(%)
Net sales	258	132	77	Δ 181	Δ 70.2	Δ 55	Δ 41.8
Gross profit	151	96	53	Δ 99	Δ 65.2	Δ 43	Δ 45.1
Gross profit rate	58.6	72.6	68.5	9.9		Δ 4.1	
SG&A expenses	181	105	64	Δ 117	Δ 64.8	Δ 41	Δ 39.3
Operating profit(Δ loss)	Δ 30	Δ 9	Δ 11	19	-	Δ 2	-

《OTHERS》

純藍

Taiwan confectionery business



TOKYO MILK CHEESE FACTORY
Hanshin Arena Shopping Plaza(Dec,2020)

health food business(Junai)



Confirmed inactivating effect of indigo-derived extract on COVID-19 (SARS-CoV-2)
Demonstrated by joint research between Kotobuki Spirits Co., Ltd. and Nara Medical University

IR release(Japanese)(Jan,2021)



Balance Sheet

(Millions of yen,%)	FY2020		FY2021		FY2022(1Q)		Compared to FY2021	
	amount	rate	amount	rate	amount	rate	(Change)	(%)
Current assets	13,444	50.1	12,615	50.4	11,383	47.9	△ 1,231	△ 9.8
Non-current assets	13,370	49.9	12,437	49.6	12,393	52.1	△ 45	△ 0.4
Assets	26,814	100.0	25,052	100.0	23,776	100.0	△ 1,276	△ 5.1
Current liabilities	3,846	14.3	3,077	12.3	2,992	12.6	△ 85	△ 2.8
Non-current liabilities	1,803	6.7	2,634	10.5	2,594	10.9	△ 40	△ 1.5
Liabilities	5,649	21.1	5,711	22.8	5,586	23.5	△ 125	△ 2.2
Net assets	21,165	78.9	19,342	77.2	18,191	76.5	△ 1,151	△ 6.0
Liabilities and net assets	26,814	100.0	25,052	100.0	23,776	100.0	△ 1,276	△ 5.1
BPS(Yen)	680.11		621.53		584.55		△ 36.98	△ 5.9
Cash and deposits	8,291		7,309		7,276		△ 33	△ 0.5
Interest-bearing debt	180		966		906		△ 60	△ 6.2

● In addition to the above, the balance of retained earnings at the beginning of the period decreased by 24 million yen.

Kotobuki Spirits Management Slogan in 2021

OVER THE OVER

**We break through the limit.
It's the time to crawl up from the bottom.**

Strategy (consideration of influence of COVID-19)

1.Ten measures of new Kotobuki

Improving brand value

Focus on stimulating and creating customer's demand and creating new growth engines

Ten measures of
new Kotobuki

- ①Improvement of products
- ②Improvement of sales staff
- ③Improvement of stores
- ④Prepare for the recovery of souvenir & inbound market
- ⑤New market(Shopping mall, Outlet mall, Department store)
- ⑥Cover the demand of self-consumption
- ⑦Strengthening mail-order sales
- ⑧New genre(health food business(Junai), Protein bar)
- ⑨Various services to our customer's needs(Seasonal event)
- ⑩Establish the success model in overseas market

Strategy (consideration of influence of COVID-19)

2. Improvement of organizational strength by ^{※1}Cho-Genbashugi

We will strive to develop human resources based on corporate philosophy and improve employee satisfaction, and strive to create an organization that is highly adaptable to change and highly competitive.

※1 Cho-Genbashugi is our management style that profit groups are central.

3. Countermeasures of during the emergency phase

We will continue to take infection prevention measures in accordance with the policies of the government and local governments.

For the time being, we will be forced to significantly reduce our business activities, so we will strengthen our management structure by making thorough efforts to reduce costs and control expenses.



Corporate Philosophy

To create happiness, provide happiness

Policy

Today, I make an enthusiastic fan

Vision

General Producer of the Sweets



Philosophy Management of KOZUCHI

We have introduced a business management method of Amoeba Management since FY1996.

We made a Management philosophy notebook “KOZUCHI” in 2003.

Every person who works for Kotobuki Spirits Group put KOZUCHI philosophy into practice in everyday work.

《KOZUCHI national convention》

KOZUCHI national convention is held once a year for the purpose of sharing achievements with fellows. FY2021, in order to prevent the spread of COVID-19 infection, each company held a presentation and then shared a video in the in-house newsletter.

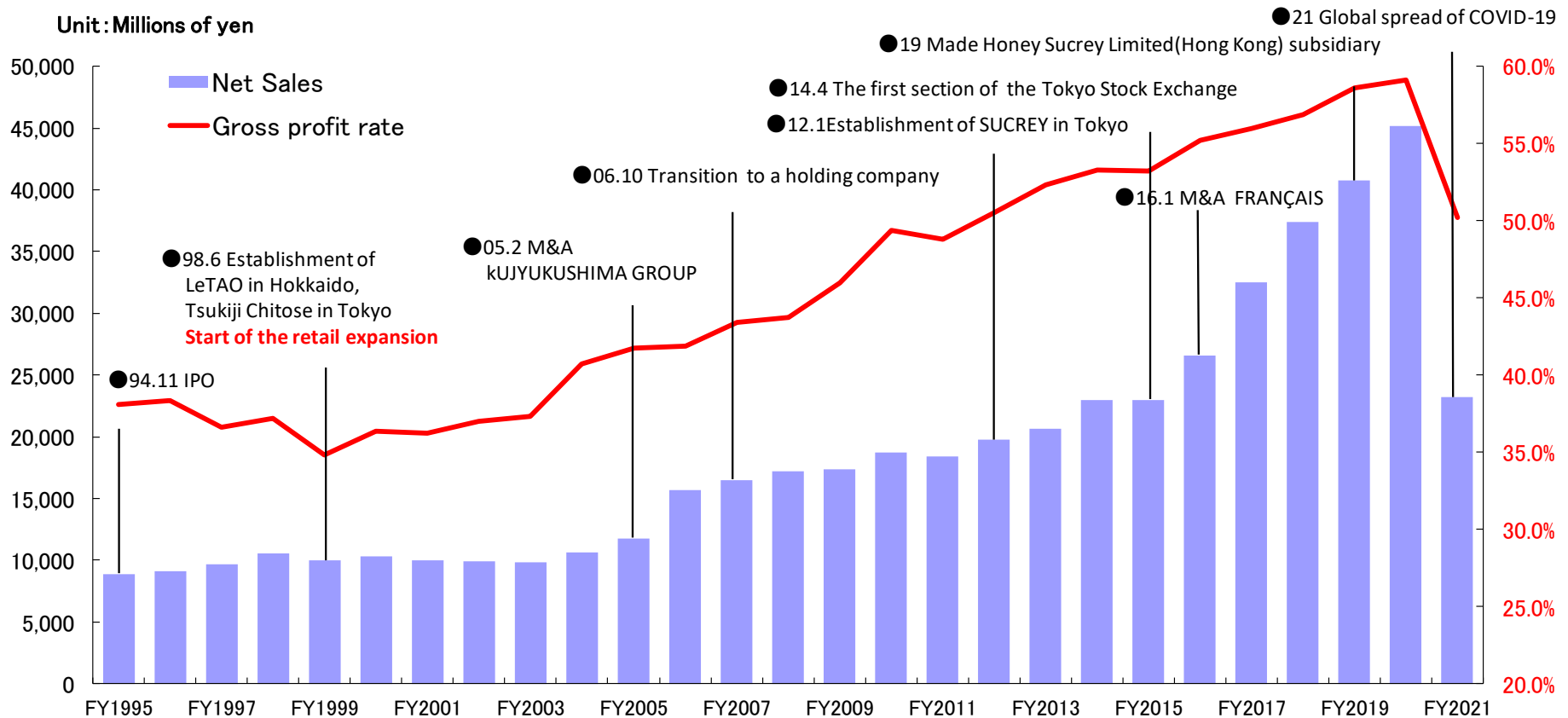


Transition of Kotobuki Spirits ①

High profit management

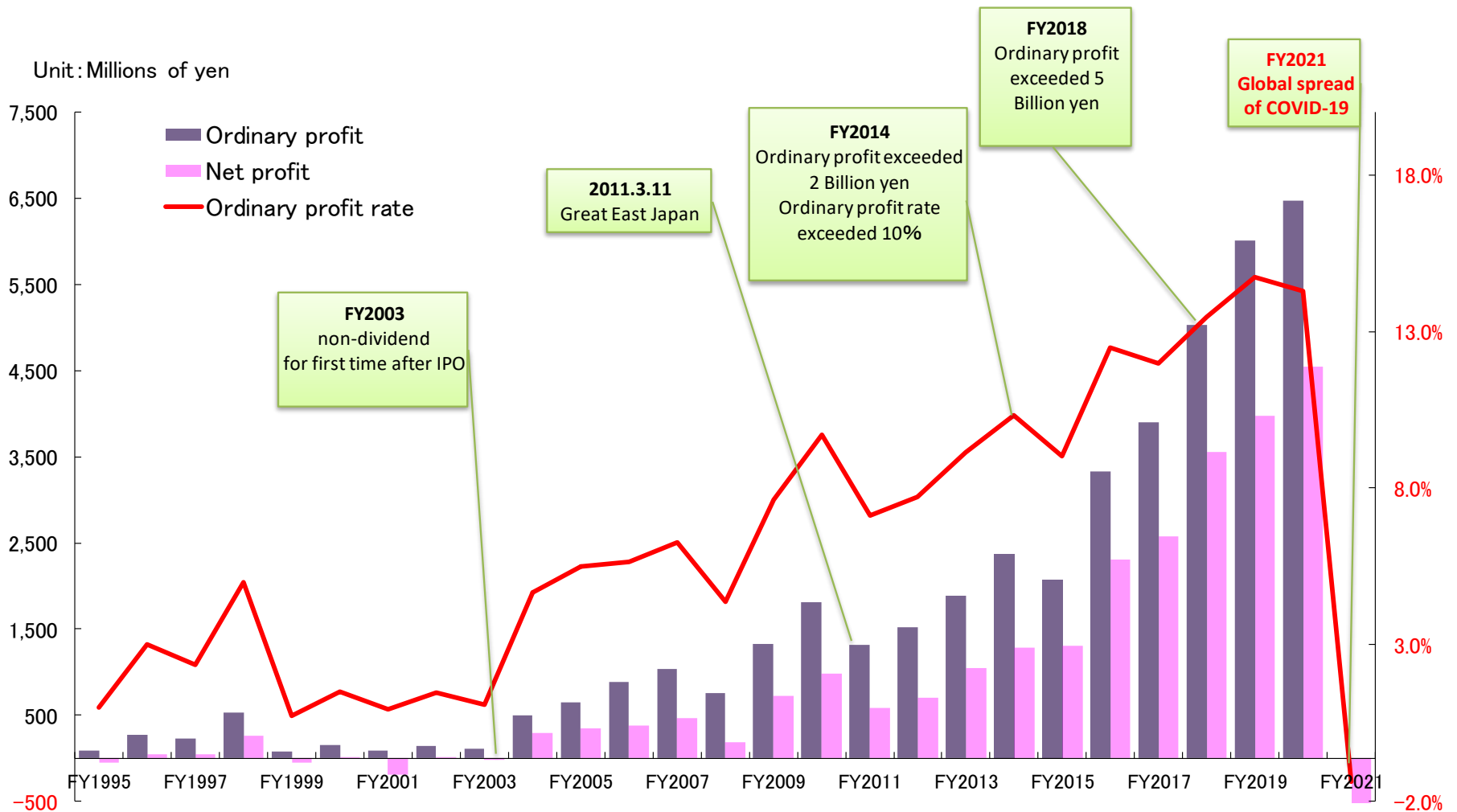
Business model has changed from the manufacturing wholesale to the manufacturing retail.

Gross profit margin downed sharply in FY2021 due to spread of COVID-19.



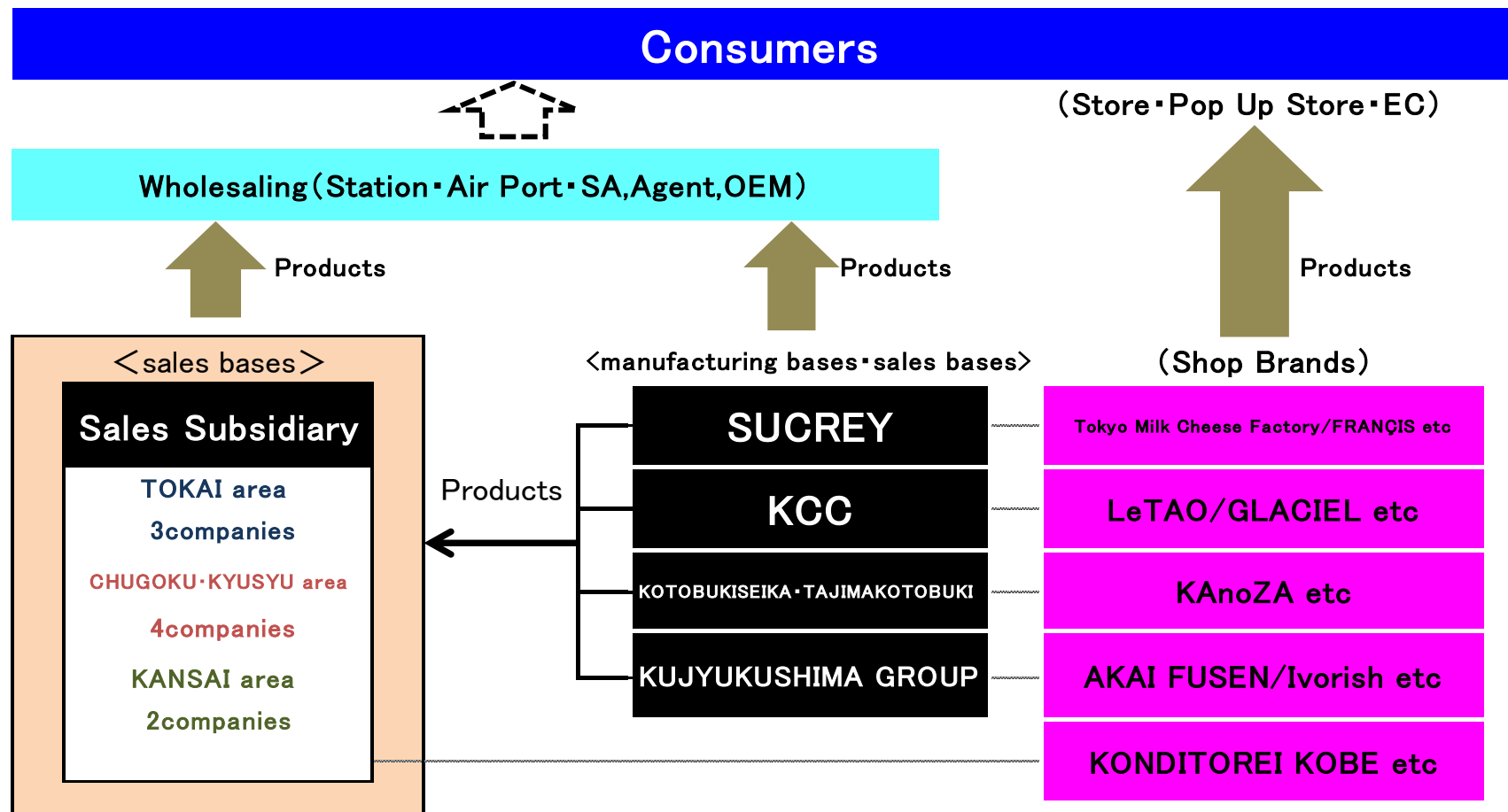
Transition of Kotobuki Spirits ②

Recorded net loss in FY2021 due to the spread of COVID-19



Business Outline

Chart



※Except for KOTOBUKI SPIRITS (holding company) and OTHER segments.

Shop Brands



Izumo

お菓子の壽城



Yonago



Hokkaido



Fukuoka • Tokyo



Sasebo • Fukuoka



東京ミルクチーズ工場

Tokyo



Kobe



Main Sweets



Nostalgic Modern
LeTAO
Nipponese Sweets Master

Double Fromage



 寿製菓株式会社

Inabano Shirousagi



Salt and Camembert Cookie



Mille Feuille



Butter Financier



Kujyukushima Senpei

Memo

“SUN KISSED SWEETS”

