

Zojirushi Corporation
Supplementary Explanatory Materials on
Annual Financial Results for
the Fiscal Year Ended November 20, 2022



December 26, 2022



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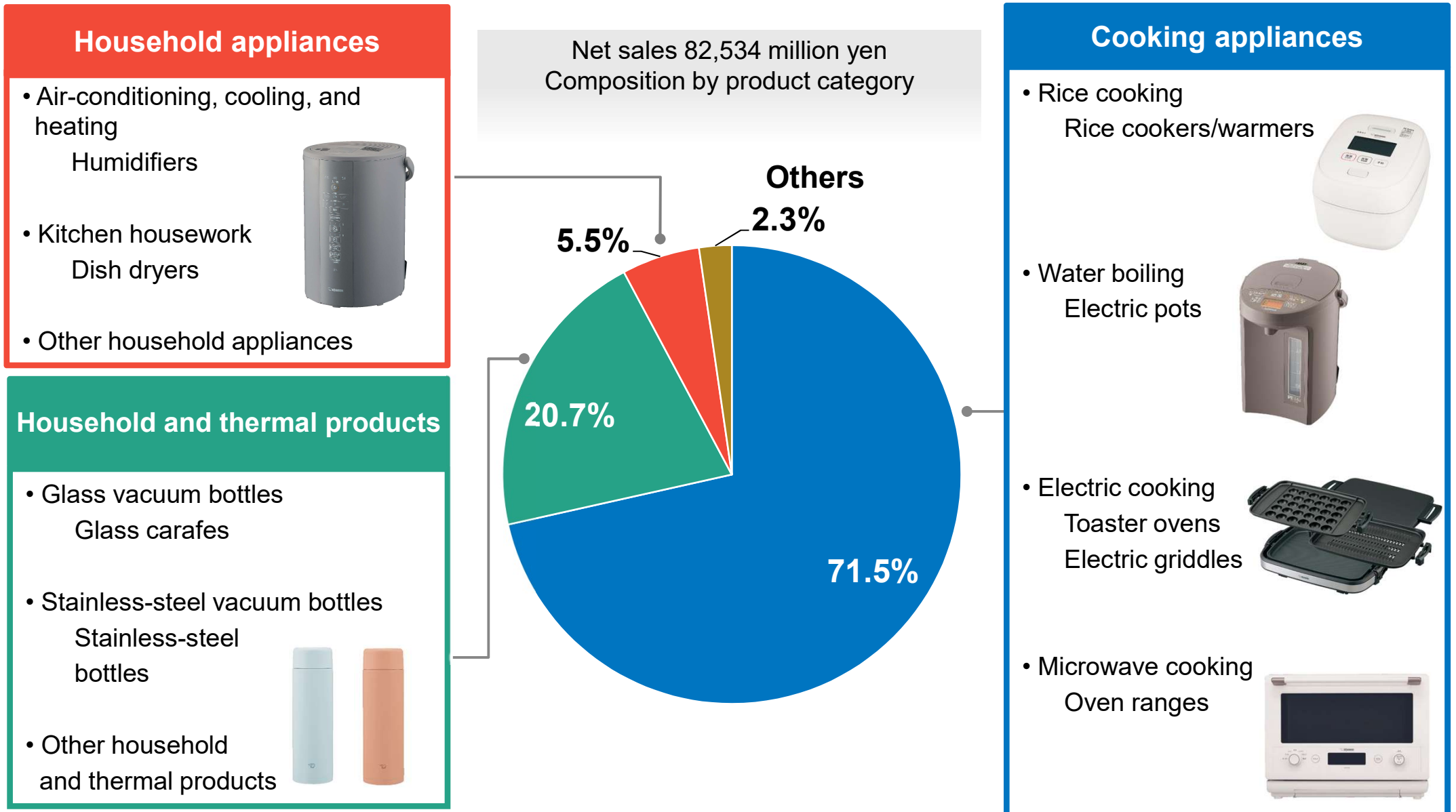
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I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

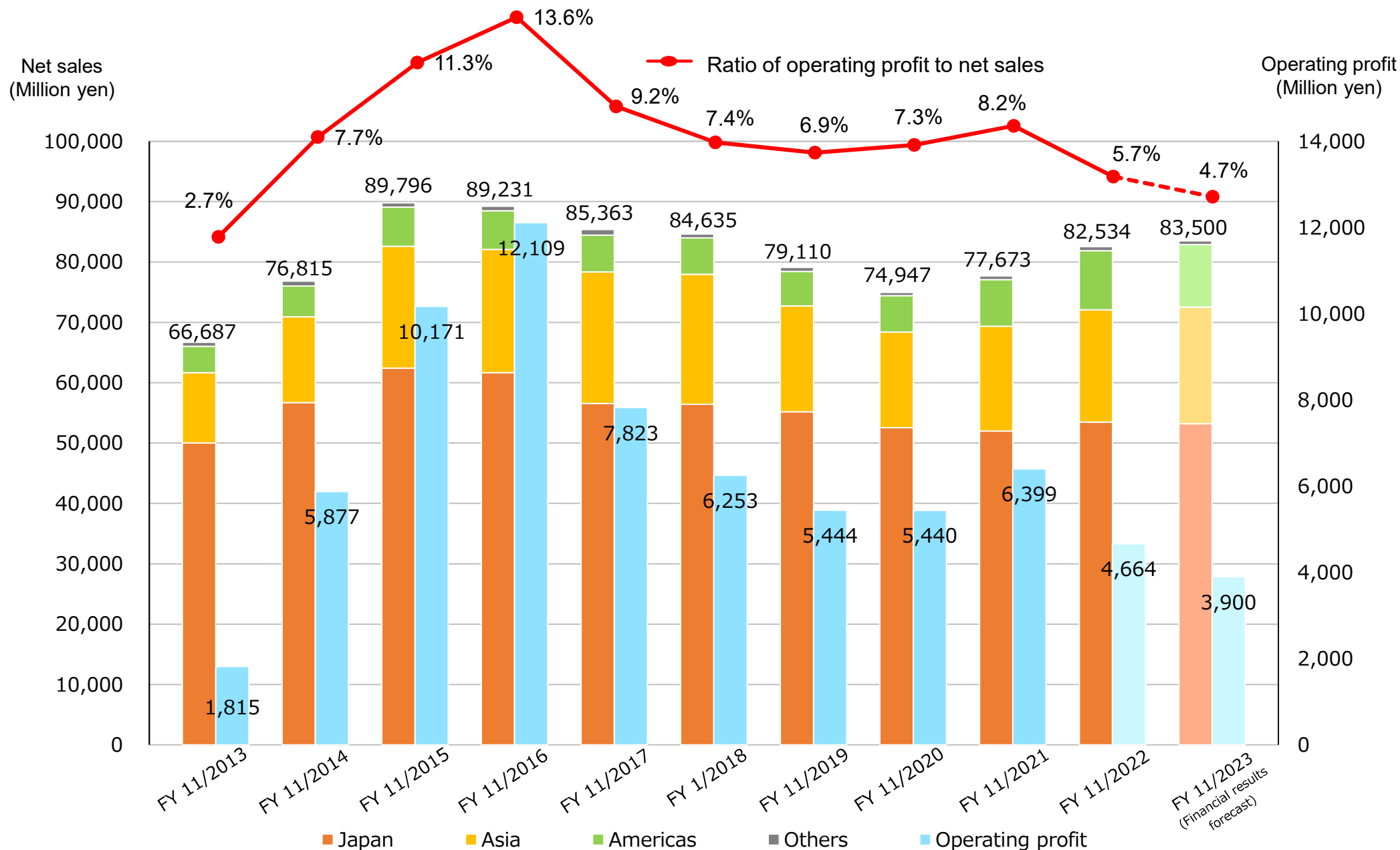
I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(1) Composition of net sales by product category/principal products



I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(2) Financial performance

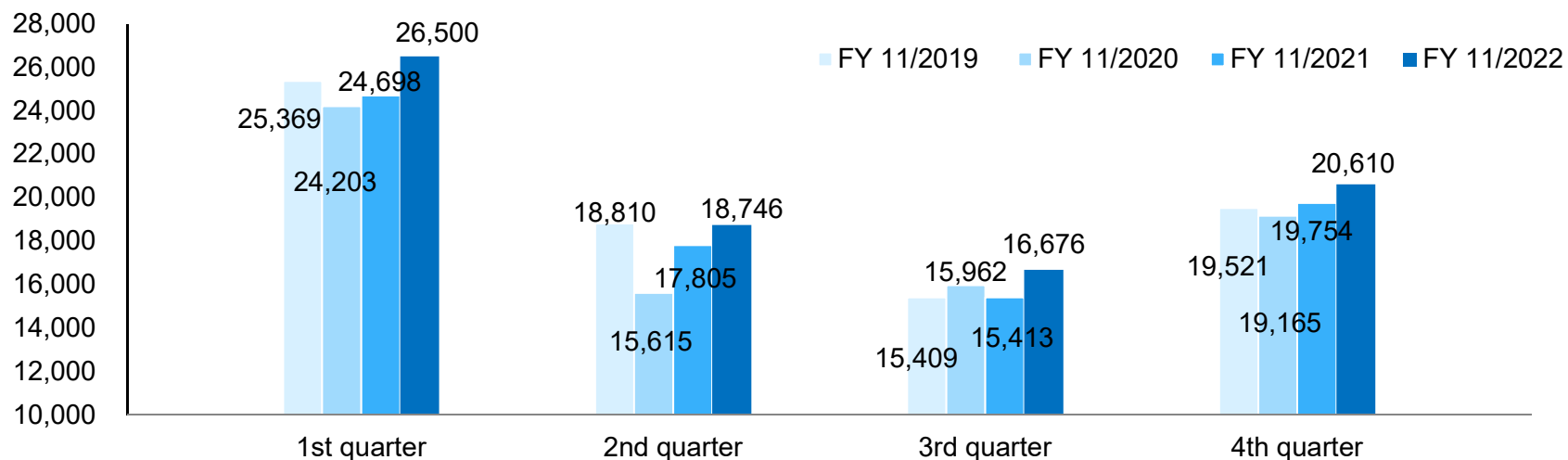


I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(3) Comparison of quarterly financial results

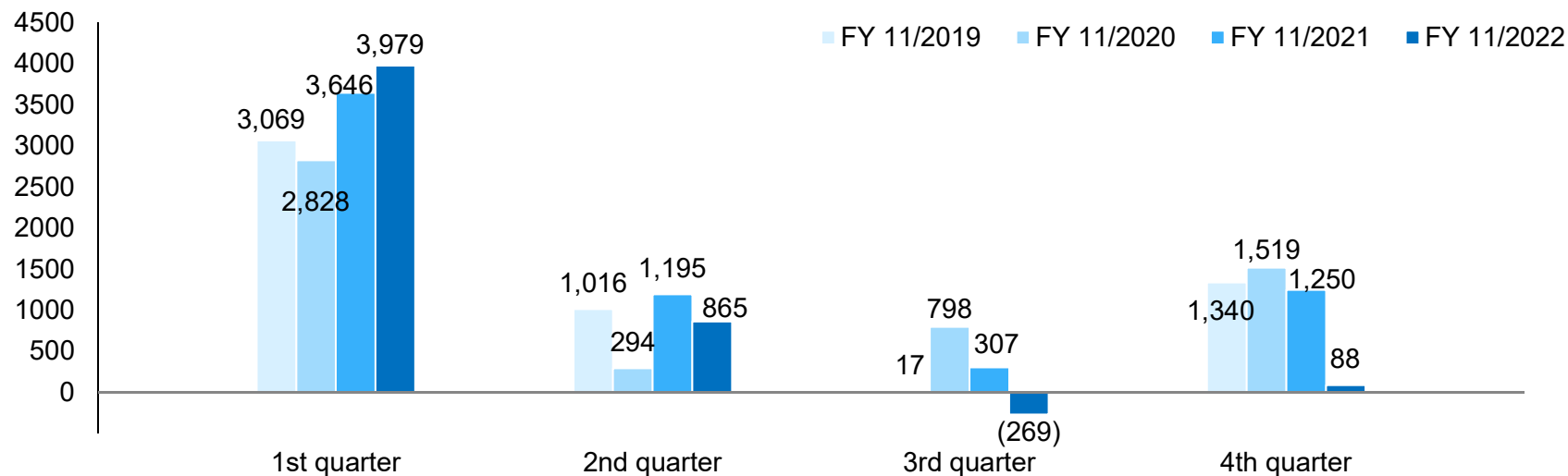
Quarterly net sales

Unit: Million yen



Quarterly operating profit

Unit: Million yen



(4) Overview of financial results

Sales

Net sales

82,534 million yen

Year on year

+4,861 million yen

+6.3%

Domestic net sales +1,468 million yen (year on year)

- **Cooking appliances:** Sales of rice cookers/warmers were strong, increasing year on year. Electric kettles also recorded strong sales, but sales of electric cooking appliances decreased year on year, with a fall in sales of electric griddles, toaster ovens, and other products due to a significant reactionary decline in demand for at-home consumption. The oven range launched in September as a new category product recorded strong sales, contributing to the overall increase in sales.
- **Household and thermal products:** Sales increased year on year, led by stainless-steel vacuum mugs and stainless-steel carry tumblers that feature a seamless one-piece lid.
- **Household appliances:** Sales increased year on year thanks to the strong performance of humidifiers.
- **Impact of the application of the Accounting Standard for Revenue Recognition:** -1,640 million yen

Overseas net sales +3,392 million yen (year on year)

- **Cooking appliances:** Sales of rice cookers/warmers were strong in North America, China, Taiwan, and Southeast Asia. Sales of electric pots and electric cooking appliances were strong in Southeast Asia and China, respectively.
- **Household and thermal products:** Sales of glass carafes were robust, while sales of stainless-steel vacuum bottles were sluggish.

Profit

Operating profit

4,664 million yen

Year on year

-1,734 million yen

-27.1%

- **Attributable to net sales** +1,022 million yen
- **Attributable to gross profit margin** +187 million yen
- **Attributable to selling, general and administrative expenses** -411 million yen
- **Impact of the application of the Accounting Standard for Revenue Recognition** -420 million yen
- **Impact of foreign exchange rates** -2,112 million yen

I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(5)-i Statements of income (P/L)

The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and related standards from the beginning of the fiscal year ended November 20, 2022

(Unit: Million yen, %)

	Fiscal Year ended November 20, 2021		Fiscal Year ended November 20, 2022		YoY change	
	Amount	Composition	Amount	Composition	Amount	Rate
Net sales	77,673	100.0%	82,534	100.0%	4,861	6.3%
Gross profit	26,649	34.3%	24,985	30.3%	(1,664)	(6.2)%
Selling, general and administrative expenses	20,250	26.1%	20,320	24.6%	70	0.3%
Operating profit	6,399	8.2%	4,664	5.7%	(1,734)	(27.1)%
Ordinary profit	6,791	8.7%	5,815	7.0%	(976)	(14.4)%
Profit attributable to owners of parent	4,509	5.8%	3,658	4.4%	(850)	(18.9)%

I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(5)-ii Statements of income (P/L) based on prior standards

Shows the financial results assuming the Accounting Standard for Revenue Recognition has not been applied to enable a comparison based on the same accounting standard between the financial results for the fiscal year ended November 20, 2021 and the financial results for the fiscal year ended November 20, 2022. (Only for reference. For the actual financial results, see the previous page.)

Reference

(Unit: Million yen, %)

	Fiscal Year ended November 20, 2021		Fiscal Year ended November 20, 2022 based on prior standards		YoY change	
	Amount	Composition	Amount	Composition	Amount	Rate
Net sales	77,673	100.0%	84,174	100.0%	6,501	8.4%
Gross profit	26,649	34.3%	26,625	31.6%	(23)	(0.1)%
Selling, general and administrative expenses	20,250	26.1%	21,540	25.6%	1,290	6.4%
Operating profit	6,399	8.2%	5,084	6.0%	(1,314)	(20.5)%
Ordinary profit	6,791	8.7%	5,794	6.9%	(997)	(14.7)%
Profit attributable to owners of parent	4,509	5.8%	3,637	4.3%	(872)	(19.3)%

I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

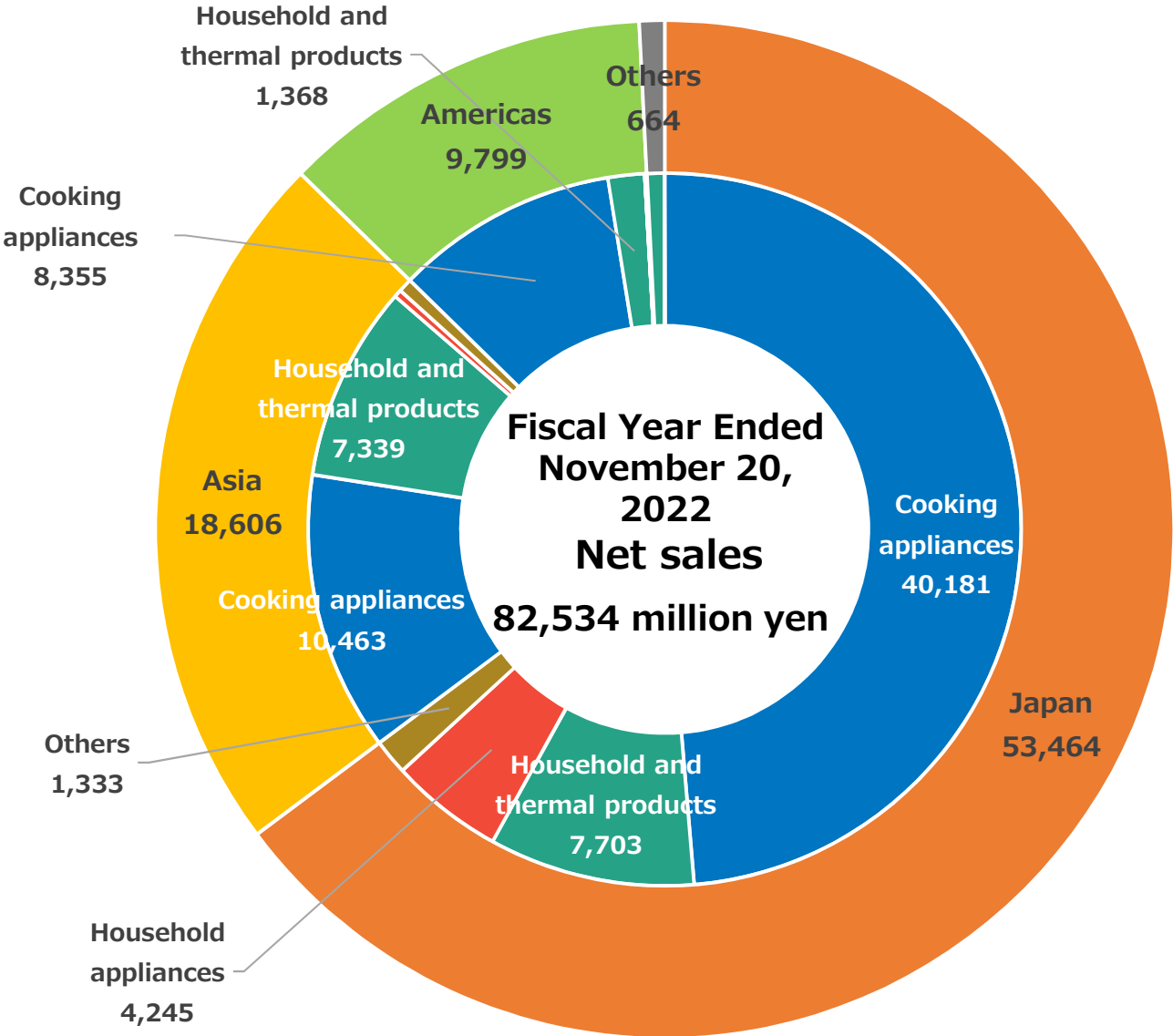
(6) Net sales/operating profit by region and product category

(Unit: Million yen, %)

	Fiscal Year ended November 20, 2022						
	Japan	Overseas				Subtotal	Total
		Asia	Americas	Others			
		Of which, China					
Cooking appliances	40,181	10,463	4,376	8,355	6	18,825	59,007
[YoY change rate]	0.7%	11.3%	14.0%	28.8%	(64.2)%	18.3%	5.7%
Household and thermal products	7,703	7,339	4,470	1,368	653	9,361	17,065
[YoY change rate]	9.1%	(1.9)%	(11.5)%	23.6%	14.2%	2.2%	5.2%
Household appliances	4,245	288	25	—	—	288	4,533
[YoY change rate]	11.5%	344.2%	11,912.5%	—	—	344.2%	17.1%
Others	1,333	515	174	74	4	594	1,927
[YoY change rate]	8.5%	30.0%	60.4%	(48.4)%	104.9%	9.4%	8.8%
Net sales	53,464	18,606	9,047	9,799	664	29,069	82,534
[Composition]	64.8%	22.5%	11.0%	11.9%	0.8%	35.2%	100.0%
[YoY change rate]	2.8%	7.3%	0.5%	26.6%	12.2%	13.2%	6.3%
Operating profit	469	2,771	1,187	1,428	(4)	4,194	4,664
[Profit ratio]	0.9%	14.9%	13.1%	14.6%	(0.7)%	14.4%	5.7%
[Composition]	10.1%	59.4%	25.5%	30.6%	(0.1)%	89.9%	100.0%
[YoY change rate]	(85.9)%	15.9%	(10.7)%	93.9%	(92.9)%	37.1%	(27.1)%

(7) Net sales by region and product category

(Unit: Million yen)



I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(8) Net sales by product category (details)

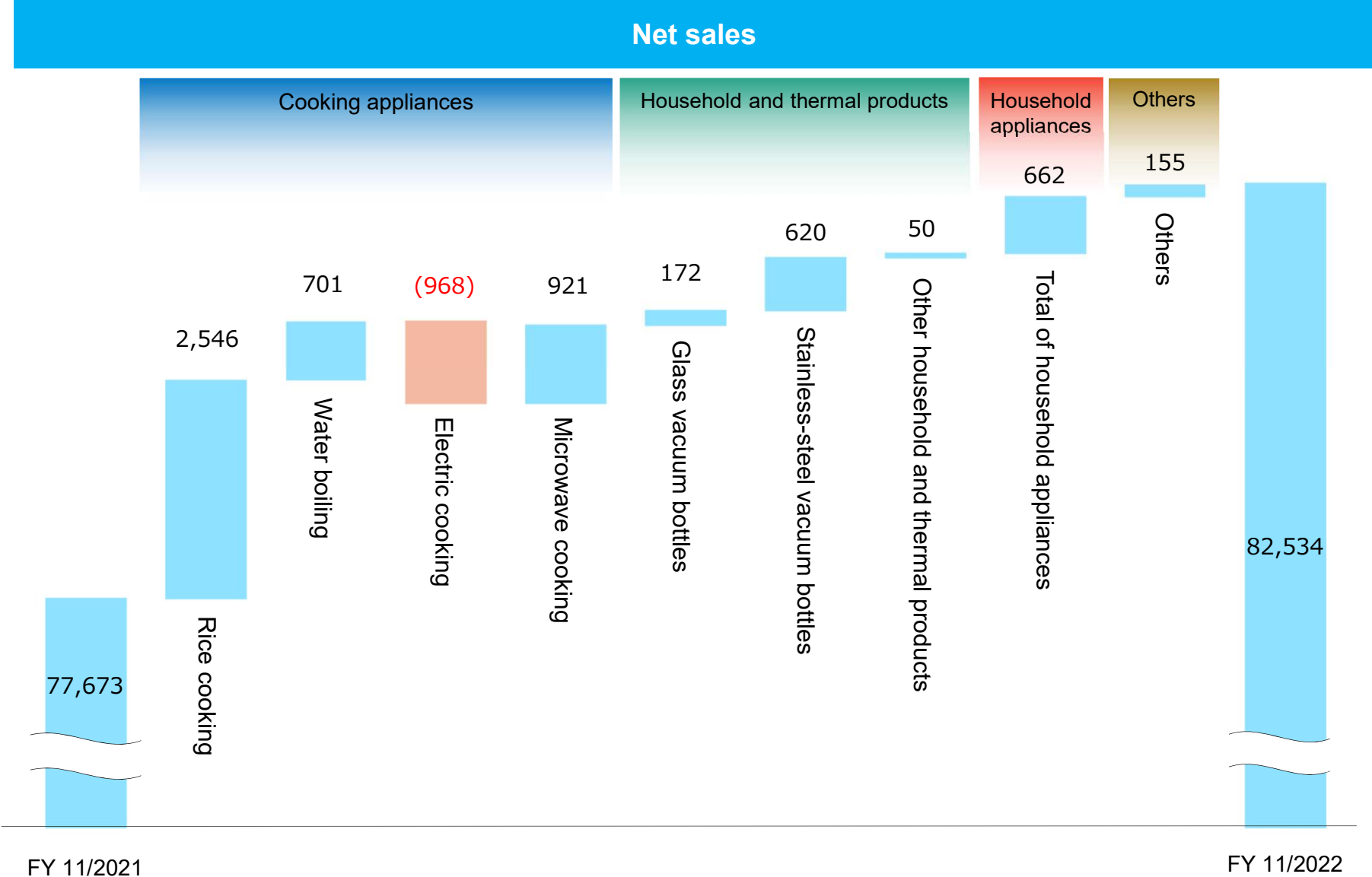
(Unit: Million yen, %)

	Fiscal Year ended November 20, 2021		Fiscal Year ended November 20, 2022		YoY change	
	Amount	Composition	Amount	Composition	Amount	Rate
Net sales	77,673	100.0%	82,534	100.0%	4,861	6.3%
Rice cooking	35,098	45.2%	37,644	45.6%	2,546	7.3%
Water boiling	8,612	11.1%	9,314	11.3%	701	8.1%
Electric cooking	12,095	15.6%	11,126	13.5%	(968)	(8.0)%
Microwave cooking	—	—	921	1.1%	921	—
Total of cooking appliances	55,806	71.8%	59,007	71.5%	3,201	5.7%
Glass vacuum bottles	1,223	1.6%	1,395	1.7%	172	14.1%
Stainless-steel vacuum bottles	14,900	19.2%	15,521	18.8%	620	4.2%
Other household and thermal products	98	0.1%	148	0.2%	50	50.6%
Total of household and thermal products	16,222	20.9%	17,065	20.7%	842	5.2%
Air-conditioning, cooling, and heating	2,762	3.6%	3,553	4.3%	790	28.6%
Kitchen housework	545	0.7%	499	0.6%	(45)	(8.4)%
Other household appliances	563	0.7%	480	0.6%	(82)	(14.7)%
Total of household appliances	3,871	5.0%	4,533	5.5%	662	17.1%
Others	1,772	2.3%	1,927	2.3%	155	8.8%

◇Rice cooking...Rice cookers/warmers ◇Water boiling...Electric pots/kettles ◇Electric cooking...Electric griddles/coffee makers/toaster ovens
 ◇Microwave cooking...Oven ranges ◇Glass vacuum bottles...Glass carafes ◇Stainless-steel vacuum bottles...Stainless-steel vacuum bottles/tumblers/food jars
 ◇Air-conditioning, cooling, and heating...Humidifiers/air cleaners ◇Kitchen housework...Dish driers ◇Others...Restaurant business, etc.

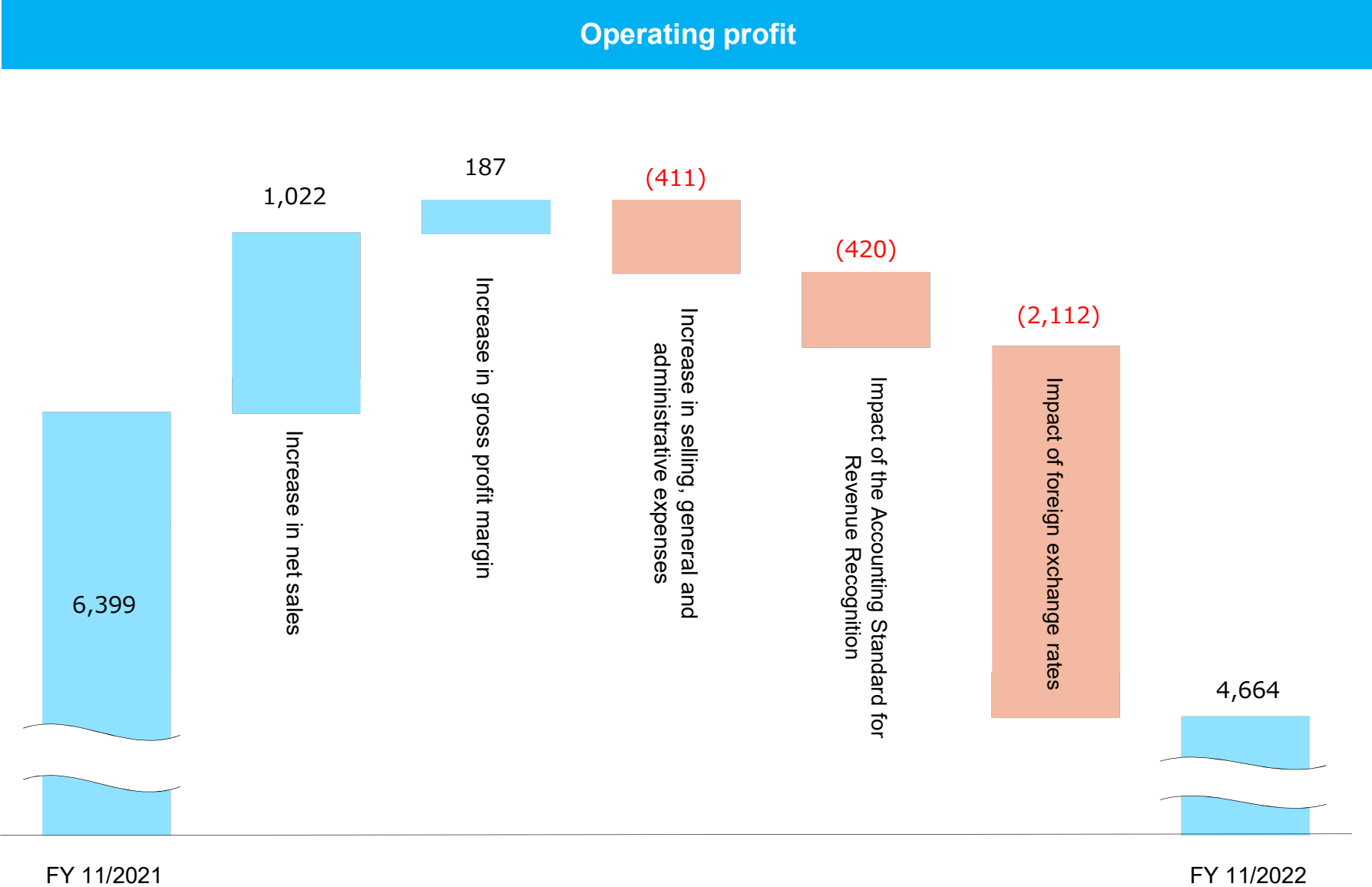
(9) Factors of YoY change in net sales

(Unit: Million yen)



(10) Factors of YoY change in operating profit

(Unit: Million yen)



I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(11) Balance sheets (B/S)

(Unit: Million yen)

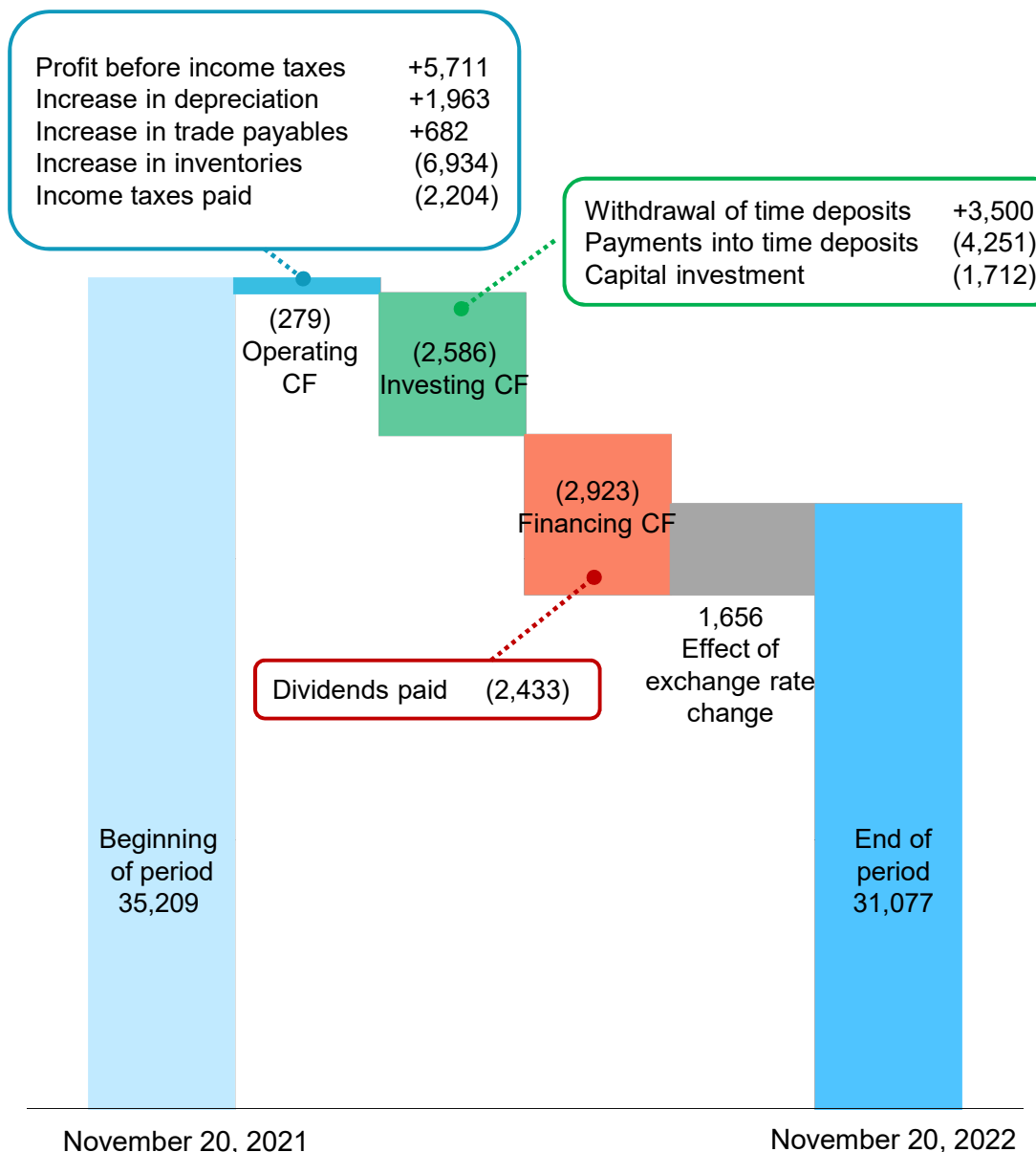
	November 20, 2021	November 20, 2022	Change
Current assets	77,450	84,955	7,505
Cash and deposits	37,274	34,119	(3,154)
Merchandise and finished goods	19,796	25,271	5,475
Other	20,379	25,564	5,184
Non-current assets	24,463	26,229	1,765
Property, plant and equipment	13,418	14,409	990
Intangible assets	616	629	13
Investments and other assets	10,428	11,189	760
Total assets	101,913	111,184	9,270
Total liabilities	25,076	29,906	4,829
Total net assets	76,837	81,278	4,441
Total liabilities and net assets	101,913	111,184	9,270

I. Consolidated Financial Results for the Fiscal Year Ended November 20, 2022

(12) Statements of cash flows

(Unit: Million yen)

	Fiscal year ended November 20, 2021	Fiscal year ended November 20, 2022	Change
Cash flows from operating activities	5,150	(279)	(5,429)
Cash flows from investing activities	(799)	(2,586)	(1,786)
Cash flows from financing activities	(2,365)	(2,923)	(557)
Effect of exchange rate change on cash and cash equivalents	642	1,656	1,014
Net increase (decrease) in cash and cash equivalents	2,627	(4,132)	(6,759)
Cash and cash equivalents at beginning of period	32,582	35,209	2,627
Cash and cash equivalents at end of period	35,209	31,077	(4,132)





II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023

II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023

(1) Financial results forecast

(Unit: Million yen, %)

	Fiscal year ended November 20, 2022		Financial results forecast for the fiscal year ending November 20, 2023		YoY change	
	Amount	Composition	Initial forecast	Composition	Amount	Rate
Net sales	82,534	100.0%	83,500	100.0%	965	1.2%
Gross profit	24,985	30.3%	24,950	29.9%	(35)	(0.1)%
Selling, general and administrative expenses	20,320	24.6%	21,050	25.2%	729	3.6%
Operating profit	4,664	5.7%	3,900	4.7%	(764)	(16.4)%
Ordinary profit	5,815	7.0%	4,300	5.1%	(1,515)	(26.1)%
Profit attributable to owners of parent	3,658	4.4%	3,000	3.6%	(658)	(18.0)%
Depreciation	1,961	—	1,264	—	(697)	(35.6)%
Capital investment	2,457	—	2,955	—	497	20.3%
Research and development expenses	882	—	927	—	45	5.1%

II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023

(2) Net sales by region and product category

(Unit: Million yen, %)

Financial results forecast for the fiscal year ending November 20, 2023							
	Japan	Overseas				Subtotal	Total
		Asia		Americas	Others		
			Of which, China				
Cooking appliances	40,460	11,080	4,450	8,950	10	20,040	60,500
[YoY change rate]	0.7%	5.9%	1.7%	7.1%	55.8%	6.5%	2.5%
Household and thermal products	6,940	7,590	4,780	1,400	590	9,580	16,520
[YoY change rate]	(9.9)%	3.4%	6.9%	2.3%	(9.7)%	2.3%	(3.2)%
Household appliances	4,100	420	50	—	—	420	4,520
[YoY change rate]	(3.4)%	45.8%	98.1%	—	—	45.8%	(0.3)%
Others	1,700	240	10	20	—	260	1,960
[YoY change rate]	27.5%	(53.4)%	(94.3)%	(73.3)%	(100.0)%	(56.3)%	1.7%
Net sales	53,200	19,330	9,290	10,370	600	30,300	83,500
[Composition]	63.7%	23.1%	11.1%	12.4%	0.7%	36.3%	100.0%
[YoY change rate]	(0.5)%	3.9%	2.7%	5.8%	(9.6)%	4.2%	1.2%

II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023

(3) Net sales by product category (details)

(Unit: Million yen, %)

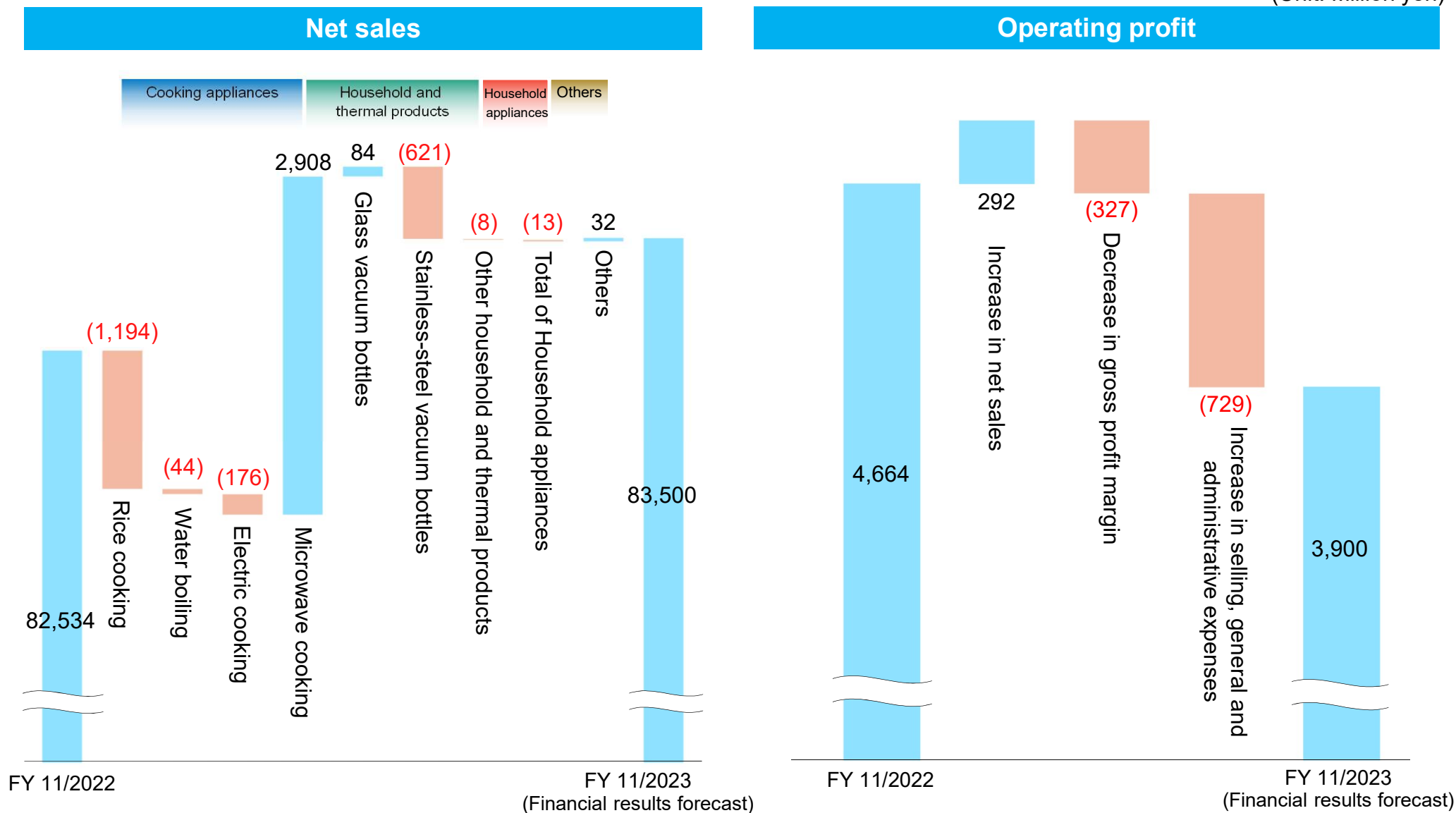
	Fiscal year ended November 20, 2022		Financial results forecast for the fiscal year ending November 20, 2023		YoY change	
	Amount	Composition	Amount	Composition	Amount	Rate
Net sales	82,534	100.0%	83,500	100.0%	965	1.2%
Rice cooking	37,644	45.6%	36,450	43.7%	(1,194)	(3.2)%
Water boiling	9,314	11.3%	9,270	11.1%	(44)	(0.5)%
Electric cooking	11,126	13.5%	10,950	13.1%	(176)	(1.6)%
Microwave cooking	921	1.1%	3,830	4.6%	2,908	315.5%
Total of cooking appliances	59,007	71.5%	60,500	72.5%	1,492	2.5%
Glass vacuum bottles	1,395	1.7%	1,480	1.8%	84	6.0%
Stainless-steel vacuum bottles	15,521	18.8%	14,900	17.8%	(621)	(4.0)%
Other household and thermal products	148	0.2%	140	0.2%	(8)	(5.9)%
Total of household and thermal products	17,065	20.7%	16,520	19.8%	(545)	(3.2)%
Air-conditioning, cooling, and heating	3,553	4.3%	3,580	4.3%	26	0.7%
Kitchen housework	499	0.6%	460	0.6%	(39)	(7.9)%
Other household appliances	480	0.6%	480	0.6%	0	(0.2)%
Total of household appliances	4,533	5.5%	4,520	5.4%	(13)	(0.3)%
Others	1,927	2.3%	1,960	2.3%	32	1.7%

◇Rice cooking...Rice cookers/warmers ◇Water boiling...Electric pots/kettles ◇Electric cooking...Electric griddles/coffee makers/toaster ovens
 ◇Microwave cooking...Oven ranges ◇Glass vacuum bottles...Glass carafes ◇Stainless-steel vacuum bottles...Stainless-steel vacuum bottles/tumblers/food jars
 ◇Air-conditioning, cooling, and heating...Humidifiers/air cleaners ◇Kitchen housework...Dish driers ◇Others...Restaurant business, etc.

II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023

(4) Factors of YoY change in net sales/operating profit

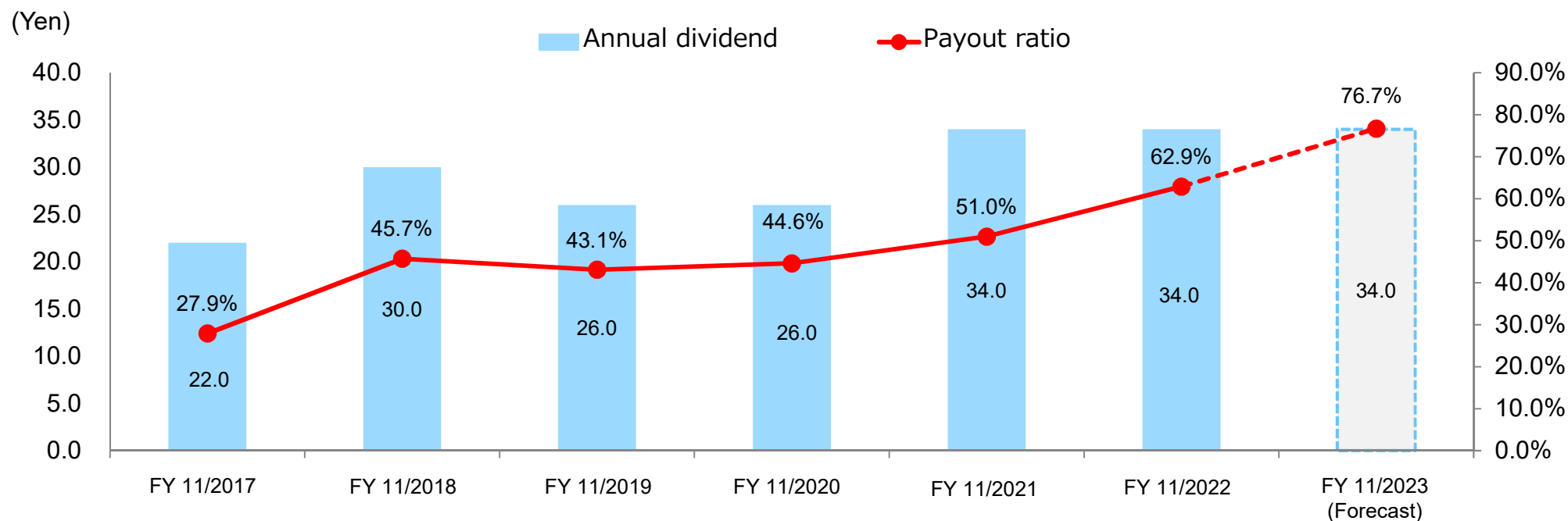
(Unit: Million yen)



III. Shareholder Returns

Policy

The Company considers the return of profits to shareholders to be an important policy and will aim to maintain a stable dividend targeting a consolidated payout ratio of 50% or higher while comprehensively taking into account internal reserves, earnings forecast, etc. to strengthen its corporate platform and develop its business in the future. The Company plans a cumulative total return ratio of 100% or higher over the three years from 2023 to 2025, including the purchase of treasury shares.



* The amount for the FY 11/2018 includes a dividend of 8.0 yen commemorating our 100th anniversary.

Inquiries on Investor Relations

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Notes on forward-looking statements

This material is provided to investors purely for informational purposes and is not intended to solicit stock trading.

Forward-looking statements in this material are based on targets or forecasts and are not a commitment or guarantee. Please note that the Company's financial results in the future may differ from the current forecast.

While statements on the industry, etc., are based on a range of data that are considered reliable, the Company does not guarantee their accuracy or integrity.

Investors are warned that the use of this material shall be based on their own judgement and responsibility, and that the Company assumes no responsibility for any consequences whatsoever.

Securities code: 7965

Tokyo Stock Exchange, Prime