

Tokyo Stock Exchange, JASDAQ
Stock code: 6405

Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2022

November 16, 2021



Suzumo Machinery Co., Ltd.

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1. Overview of Q2 FY03/22 Consolidated Financial Results

Millions of yen

	1H FY03/21	FY03/22 full-year plan (as of May 14, 2021)	1H FY03/22		
			Amount	YoY change	Progress vs. full-year plan
Net sales	4,284	10,000	5,201	+21.4%	52.0%
Operating profit	180	930	634	+252.0%	68.3%
Ordinary profit	178	930	650	+264.6%	69.9%
Profit attributable to owners of parent	117	630	475	+306.3%	75.5%

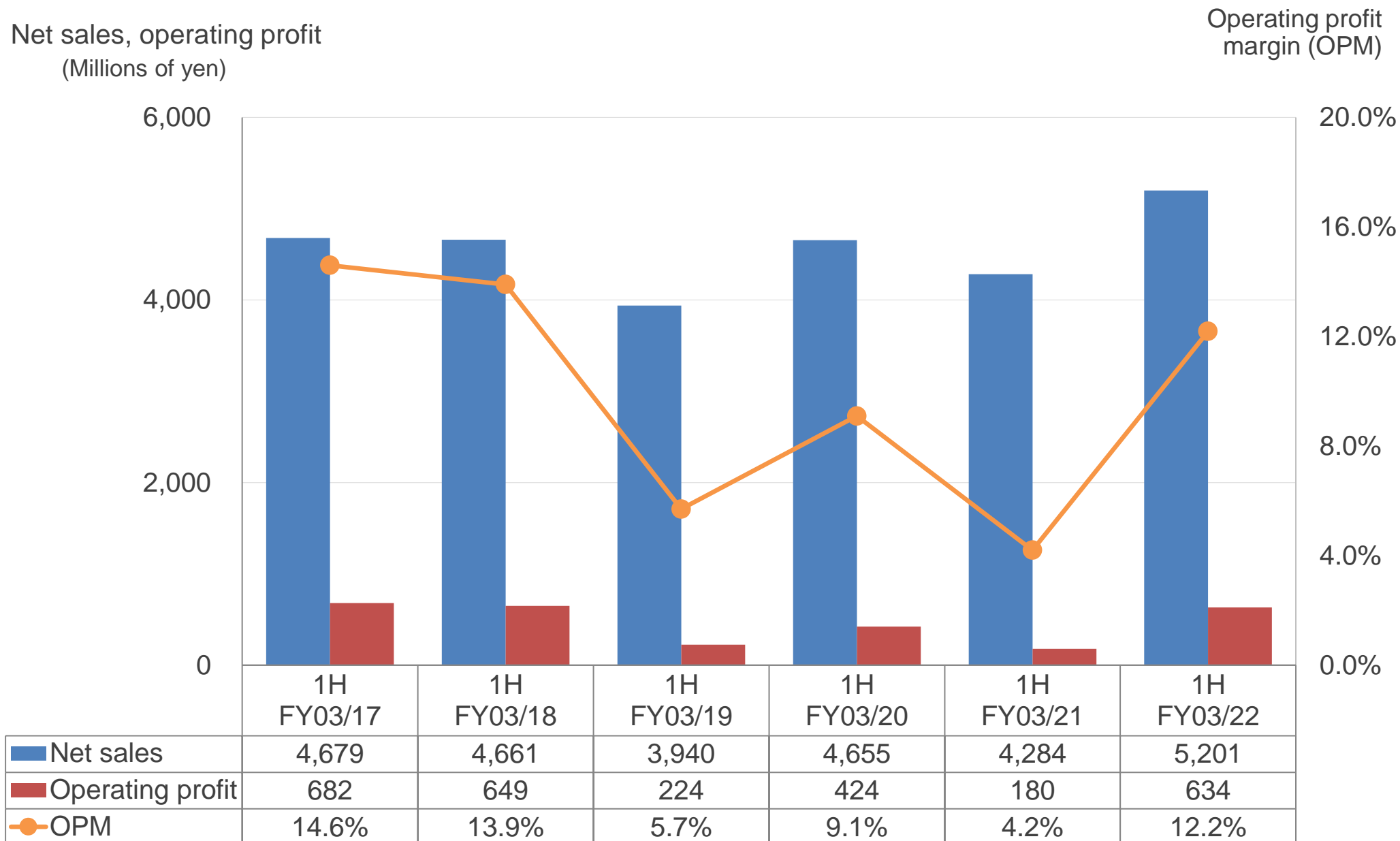
Q2 FY03/22: Year-on-year performance



Millions of yen

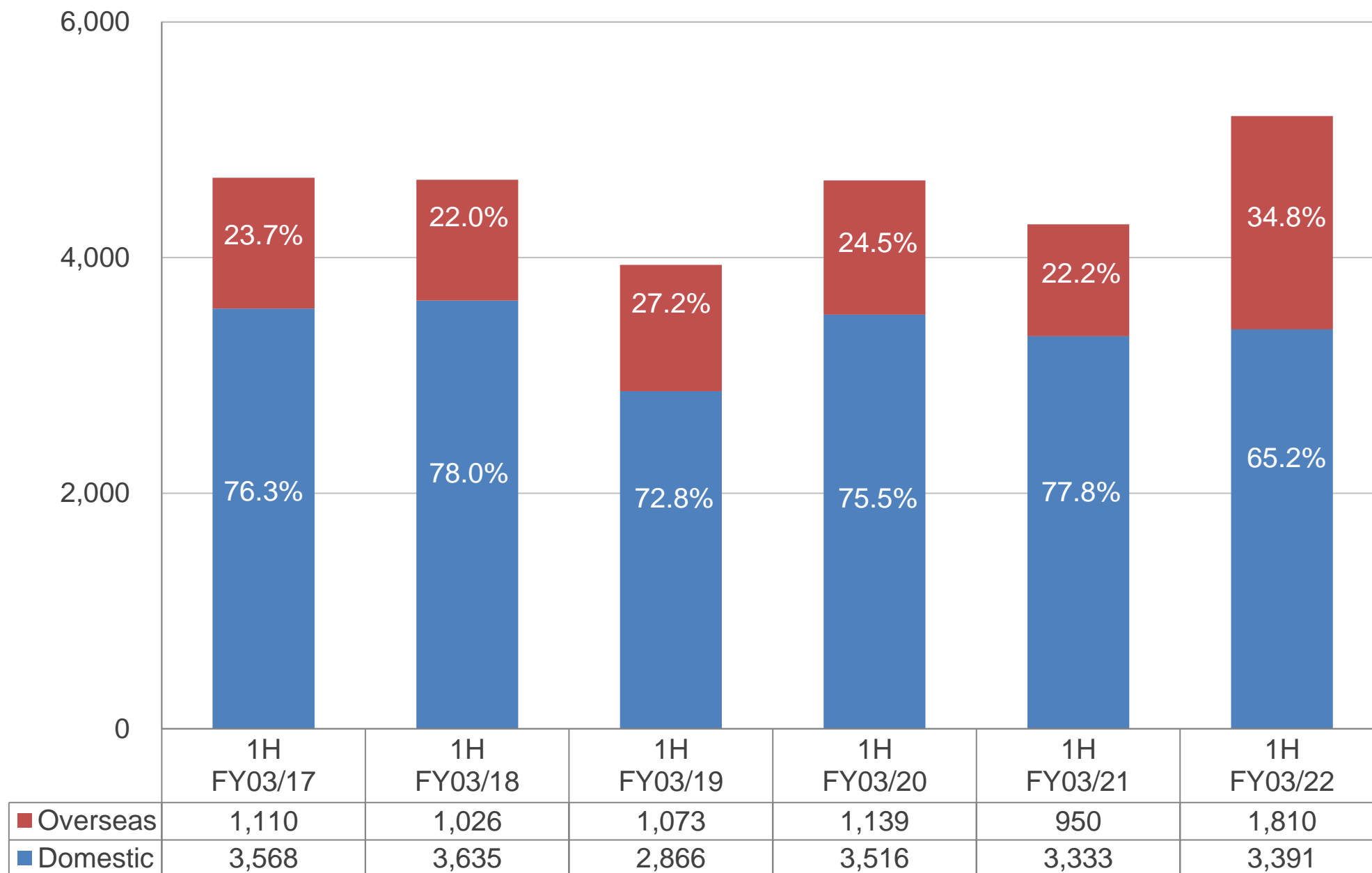
	1H FY03/21	1H FY03/22		
		Amount	YoY change	YoY change (%)
Net sales	4,284	5,201	+917	+21.4%
Cost of sales	2,363	2,639	+276	+11.7%
Gross profit (Profit margin)	1,920 (44.8%)	2,561 (49.3%)	+641 (+4.5%)	+33.4%
SG&A expenses	1,739	1,927	+187	+10.8%
Operating profit (Profit margin)	180 (4.2%)	634 (12.2%)	+454 (+8.0%)	+252.0%
Ordinary profit (Profit margin)	178 (4.2%)	650 (12.5%)	+471 (+8.3%)	+264.6%
Profit attributable to owners of parent (Profit margin)	117 (2.7%)	475 (9.1%)	+358 (+6.4%)	+306.3%

Q2 FY03/22: Net sales and operating profit



Q2 FY03/22: Breakdown of domestic and overseas sales

Net sales
(Millions of yen)

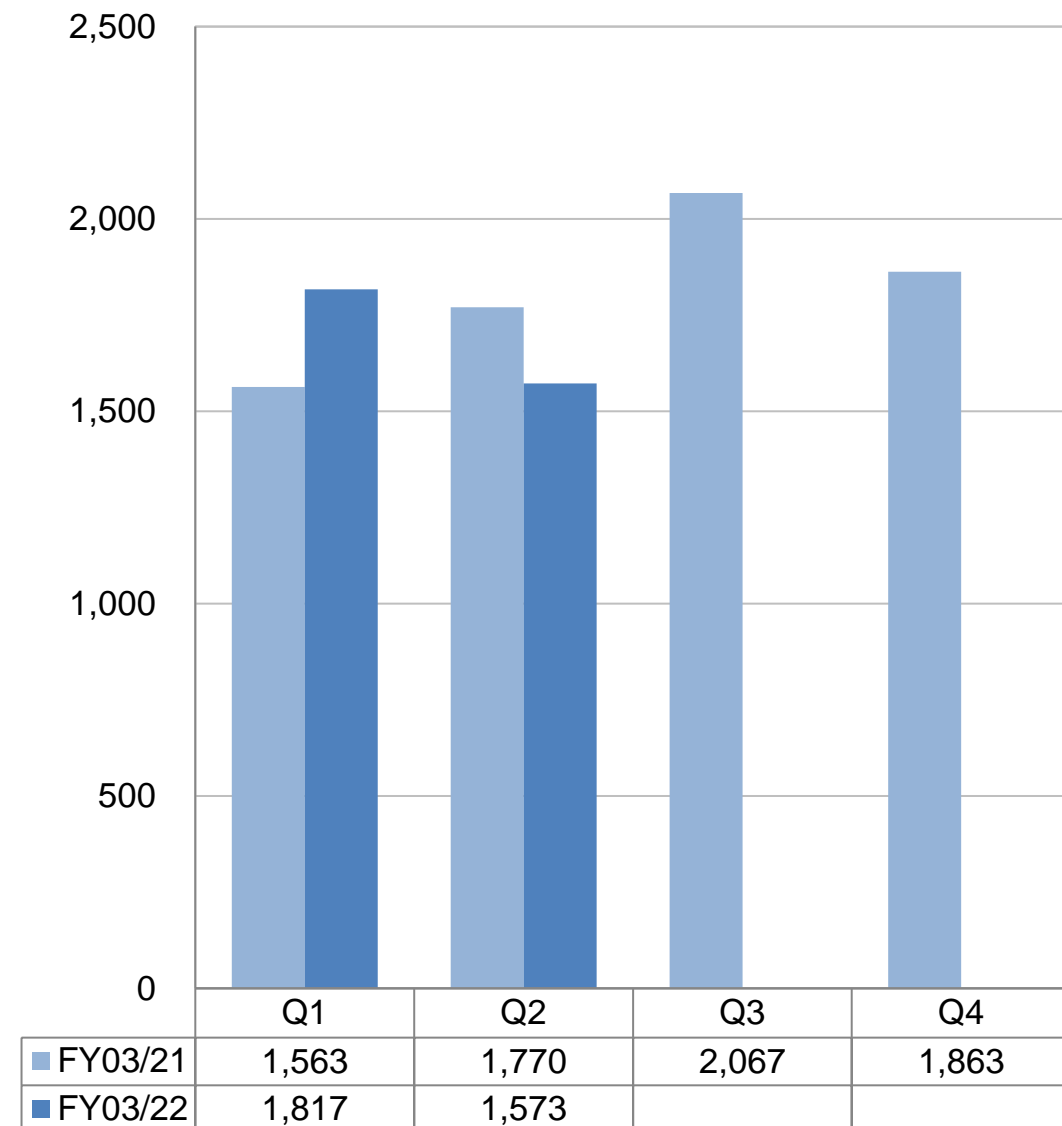


Q2 FY03/22: Domestic and overseas sales (quarterly results)



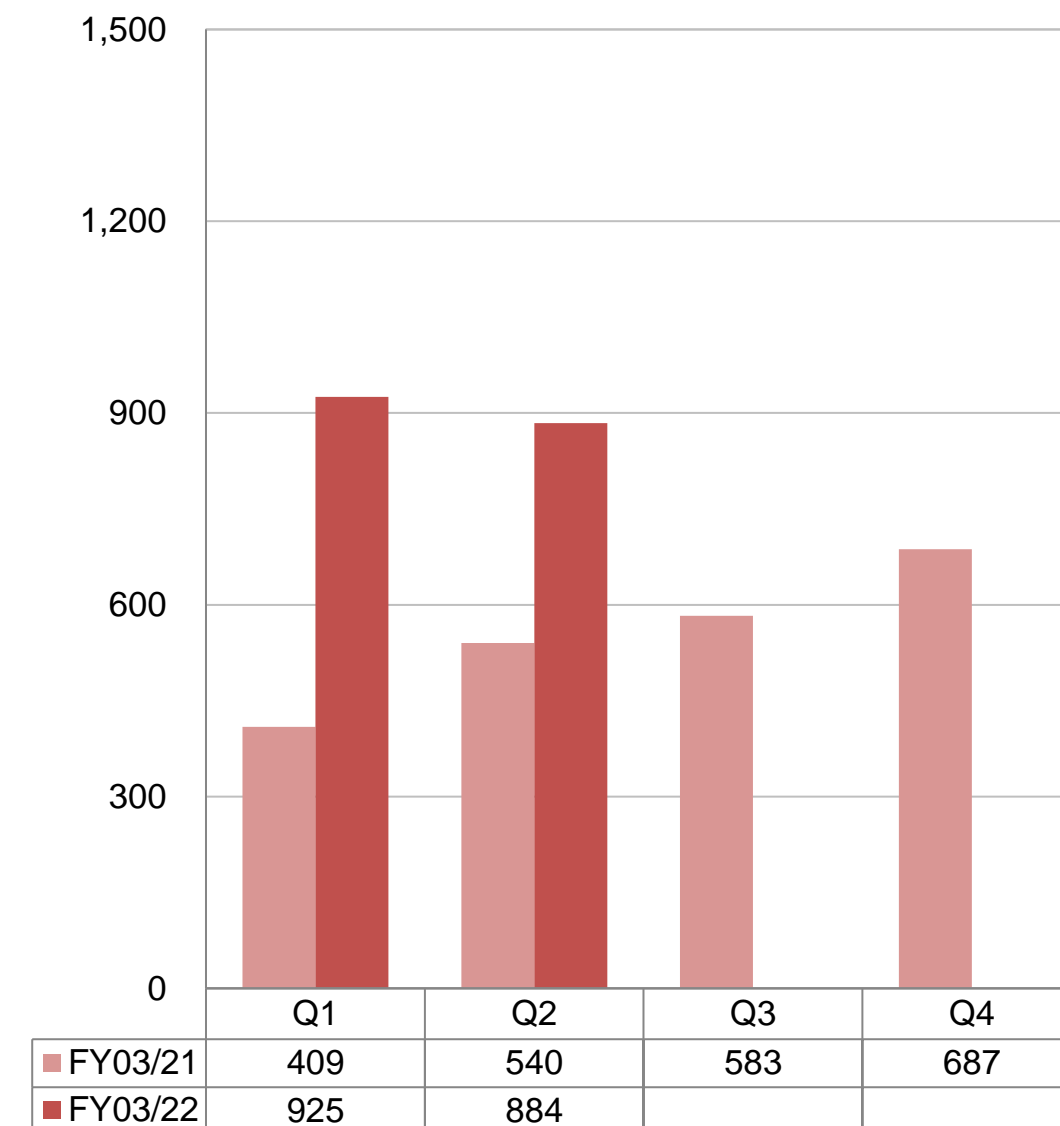
■ Domestic sales

Millions of yen



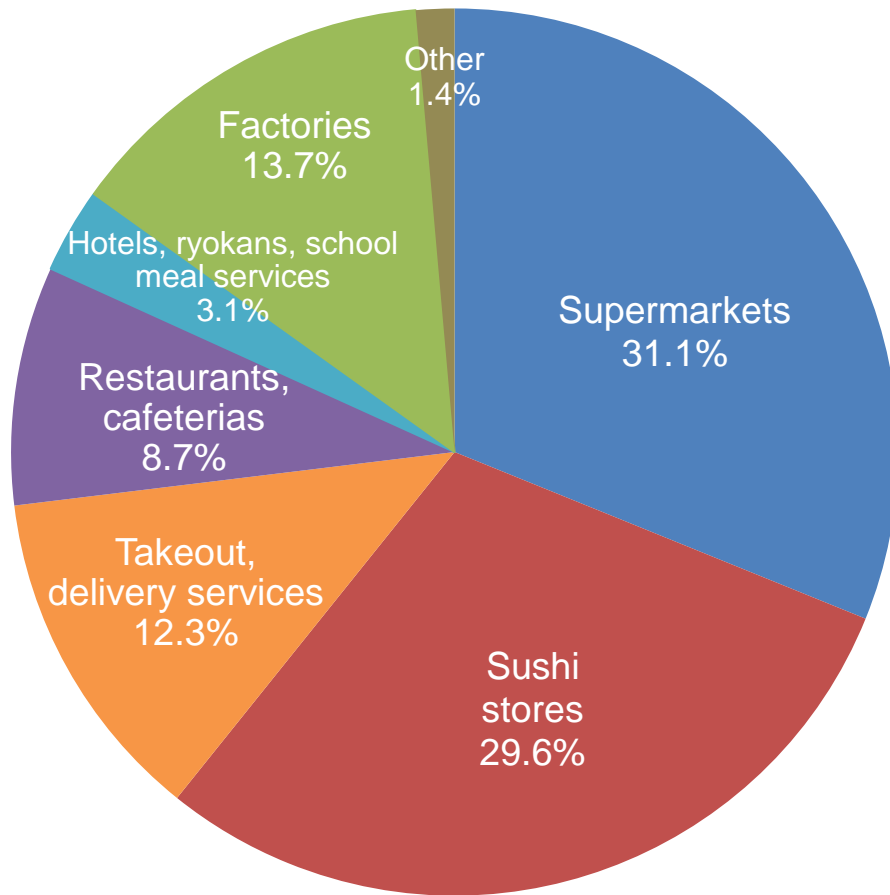
■ Overseas sales

Millions of yen



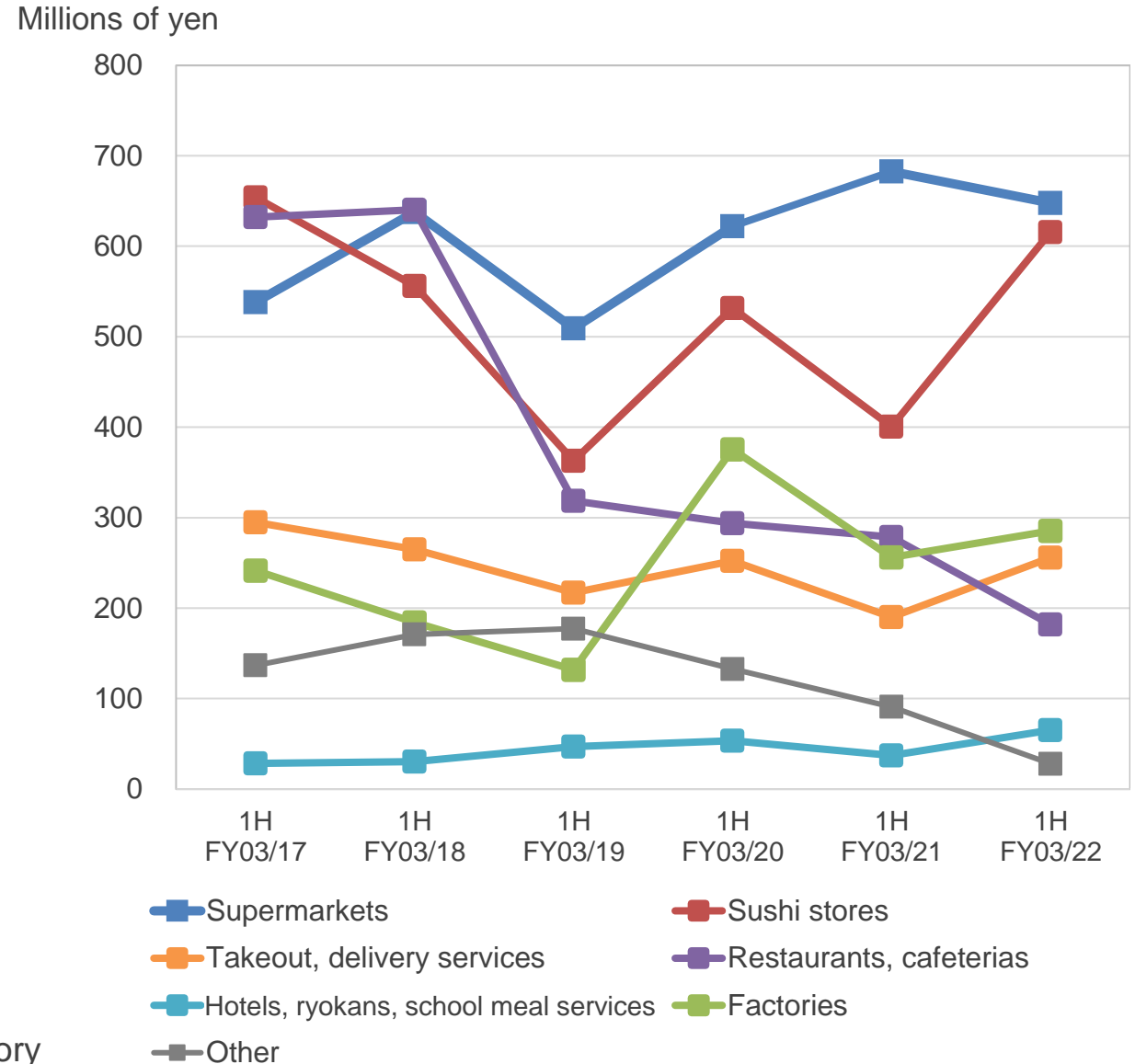
Q2 FY03/22: Domestic business Own-machine sales by customer category

■ Domestic business:
Sales breakdown by customer category
(1H FY03/22)



* Calculation of sales breakdown (%) by customer category is based on domestic own-machine sales.

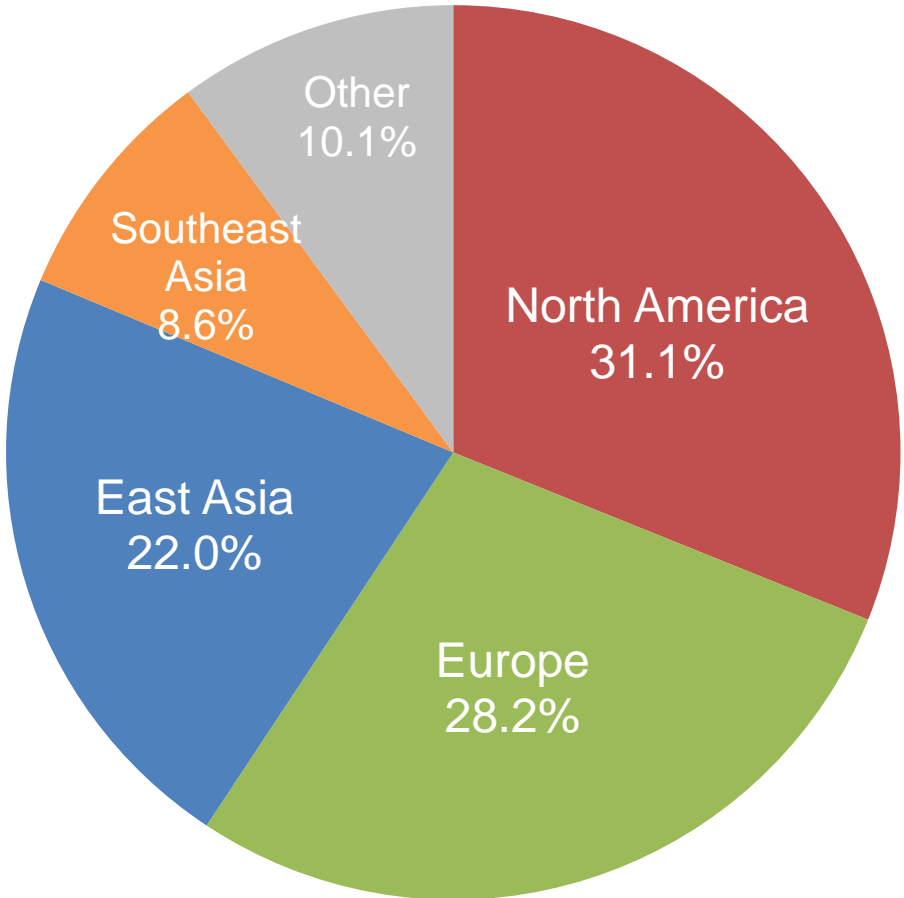
■ Domestic business:
Sales by customer category



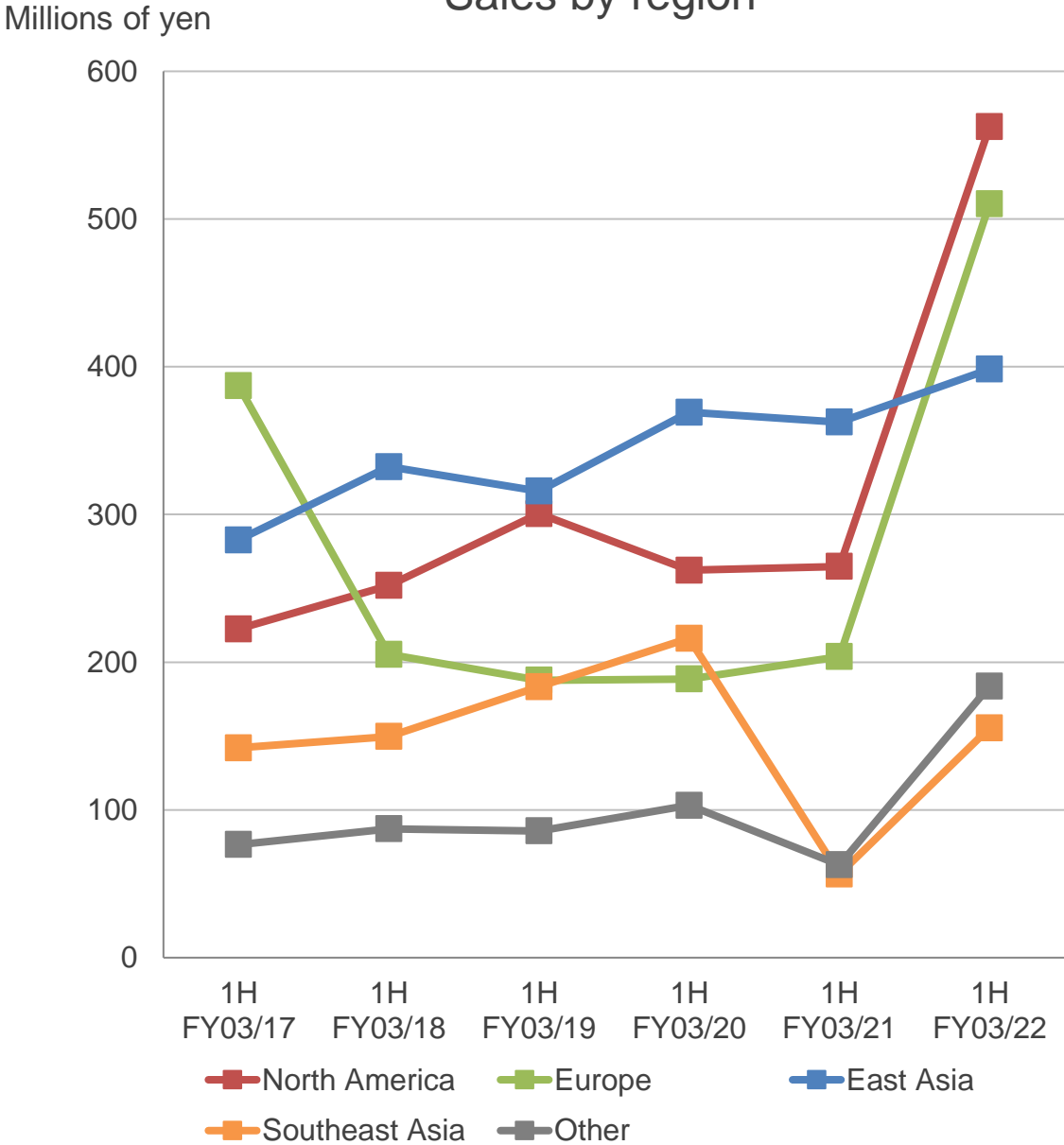
Q2 FY03/22: Overseas business Sales by region



Overseas business: Sales breakdown by region (1H FY03/22)



Overseas business: Sales by region



Q2 FY03/22 consolidated balance sheet: Assets



Millions of yen

	As of March 31, 2021		As of September 30, 2021		YoY change (%)	YoY change
	Amount	% of total	Amount	% of total		
Current assets	10,568	71.9%	11,254	73.4%	+6.5%	+686
Cash and deposits	7,342	50.0%	8,013	52.2%	+9.1%	+670
Trade receivables	1,338	9.1%	1,119	7.3%	-16.4%	-219
Inventories	1,801	12.3%	2,003	13.1%	+11.2%	+202
Other	85	0.6%	117	0.8%	+37.6%	+32
Non-current assets	4,125	28.1%	4,088	26.6%	-0.9%	-37
Property, plant and equipment	2,906	19.8%	2,829	18.4%	-2.6%	-76
Intangible assets	205	1.4%	220	1.4%	+7.6%	+15
Investments and other assets	1,014	6.9%	1,038	6.8%	+2.4%	+24
Total assets	14,694	100.0%	15,343	100.0%	+4.4%	+648

Q2 FY03/22 consolidated balance sheet: Liabilities and net assets



Millions of yen

	As of March 31, 2021		As of September 30, 2021		YoY change (%)	YoY change
	Amount	% of total	Amount	% of total		
Total liabilities	2,496	17.0%	2,691	17.5%	+7.8%	+195
Current liabilities	1,382	9.4%	1,550	10.1%	+12.2%	+167
Non-current liabilities	1,114	7.6%	1,141	7.4%	+2.5%	+27
Total net assets	12,198	83.0%	12,651	82.5%	+3.7%	+453
Shareholders' equity	12,246	83.3%	12,610	82.2%	+3.0%	+364
Total accumulated other comprehensive income	-62	—	24	0.2%	—	+86
Non-controlling interests	14	0.1%	16	0.1%	+14.3%	+2
Total liabilities and net assets	14,694	100.0%	15,343	100.0%	+4.4%	+648

2. Outlook on 2H FY03/22

	Changes in business environment	Outlook
Business opportunities	<ul style="list-style-type: none"> ➤ Lifestyle changes ➤ Resumption of economic activities ➤ Interest in sustainability ➤ Promotion of FoodTech (digital transformation in food services) 	<ul style="list-style-type: none"> ➤ Increase in demand for laborsaving and mechanization ➤ Increase in self-service demand ➤ Demand for solutions toward unmanned store operations ➤ Expansion of overseas markets
Temporary business risks	<ul style="list-style-type: none"> ➤ Sharp rise in raw material prices ➤ Shortages of semiconductor and materials supplies 	<ul style="list-style-type: none"> ➤ To continue through FY03/22 ➤ Consider changing product design and using alternative parts ➤ Impact of price hikes on FY03/22 performance expected to be marginal

Domestic market

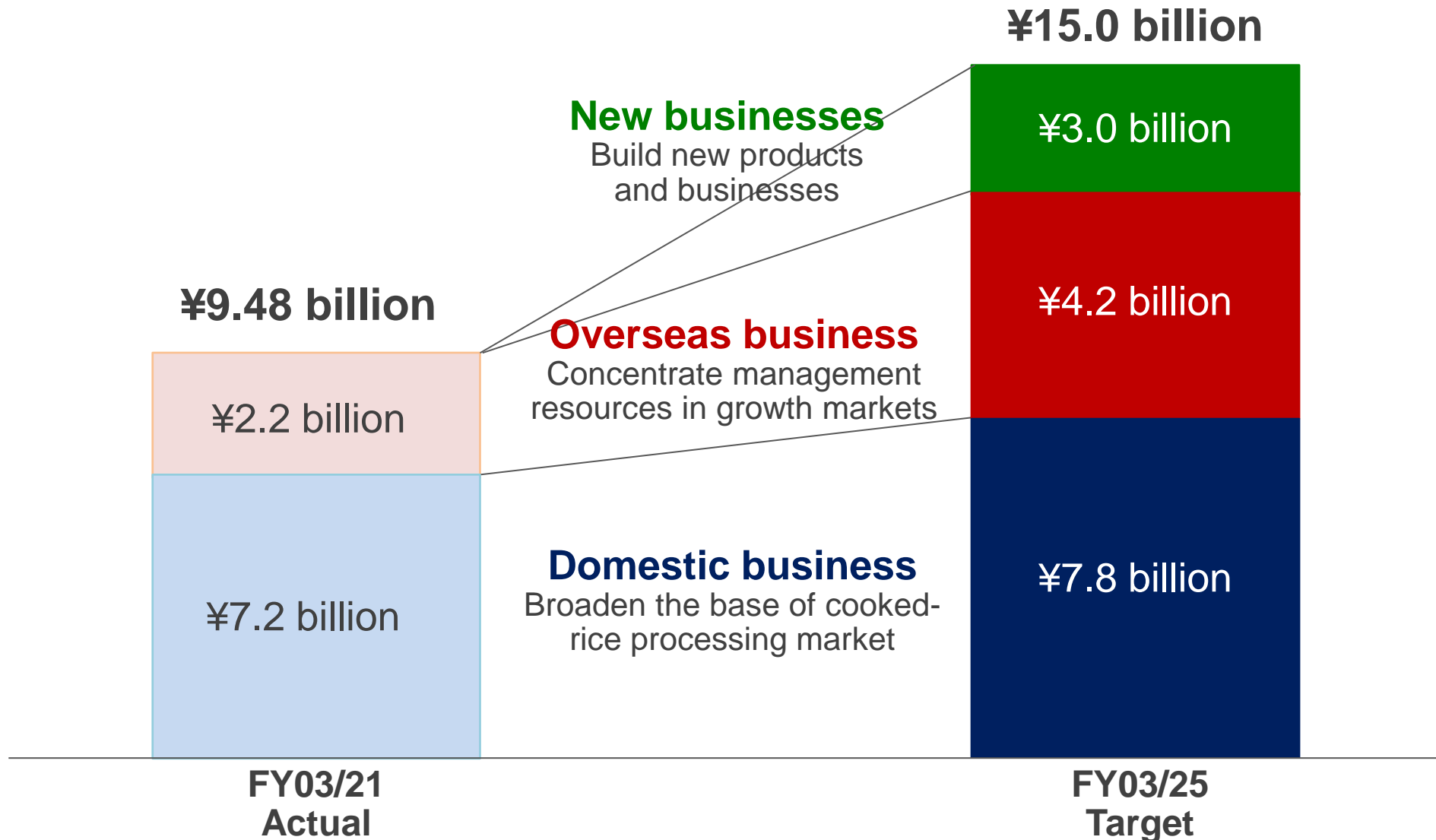
Main customer categories	Demand outlook	Changes in business environment	Business opportunities
Supermarkets		<ul style="list-style-type: none"> ➤ Lifestyle changes Changes in awareness and values of business operators and end consumers 	<ul style="list-style-type: none"> ➤ Increase in demand for laborsaving and mechanization Increase in product demand, driven by laborsaving and mechanization needs amid staffing shortages at restaurants and retailers and progress in capital investment plans to meet social changes ➤ Increase in self-service demand Demand increase for Fuwarica rice-serving machines at hotels, school/company cafeterias, and restaurants, driven by heightened interest in hygiene and food loss among business operators and end consumers ➤ Demand for solutions toward unmanned store operations Demand increase for cashless/self-service ordering systems and serving robots
Sushi stores		<ul style="list-style-type: none"> ➤ Resumption of economic activities Further staffing shortages expected due to resumption of Go To Eat and Go To Travel campaigns 	
Takeout/delivery services		<ul style="list-style-type: none"> ➤ Motivation to invest boosted among business operators, thanks to government aid and subsidies 	
Restaurants and cafeterias		<ul style="list-style-type: none"> ➤ Interest in sustainability Heightened interest in food loss 	
Hotels, ryokans, school meal services		<ul style="list-style-type: none"> ➤ Promotion of FoodTech (digital transformation in food services) 	
Factories			

Overseas markets

Main regions	Demand outlook	Changes in business environment	Business opportunities
North America		<ul style="list-style-type: none"> ➤ Lifestyle changes Changes in awareness and values of business operators and end consumers 	<ul style="list-style-type: none"> ➤ Increase in demand for laborsaving and mechanization Demand increase from local sushi businesses seeking to save labor, and from supermarkets and small stores seeking to mechanize food preparation ➤ New market entrants Demand increase for new sushi machines among businesses seeking to introduce sushi to their takeout/delivery menu
Europe		<ul style="list-style-type: none"> ➤ Resumption of economic activities Amid lifting of lockdowns and other restrictions, staffing shortages are even more serious than in Japan 	
East Asia		<ul style="list-style-type: none"> Motivation to invest boosted among business operators, thanks to government aid and subsidies 	
Southeast Asia		<div style="border: 2px solid red; padding: 10px; margin: 10px auto; width: 80%;"> <p style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">We expect further growth of sushi machine market as demand begets more demand</p> </div>	

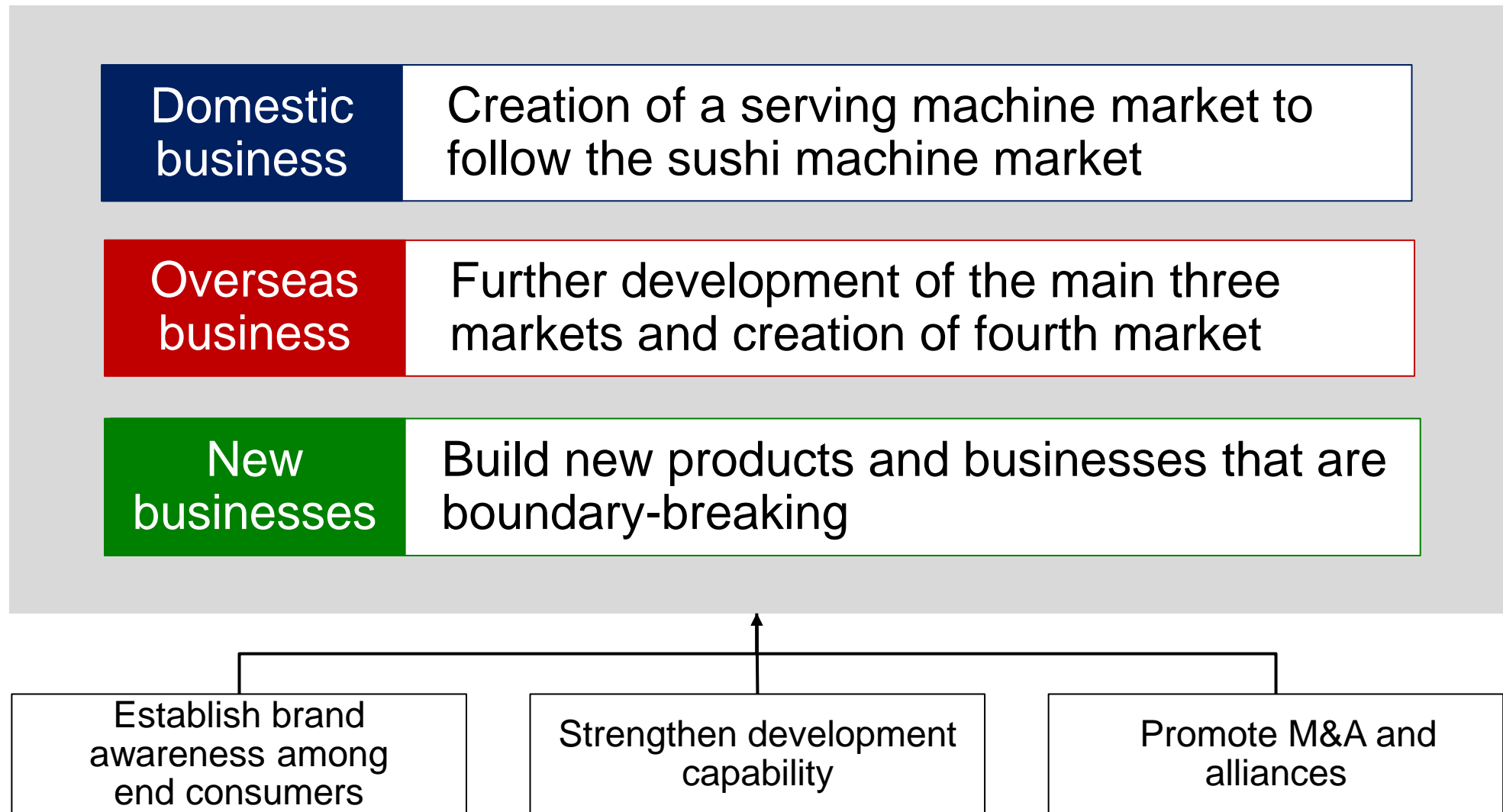
3. Progress of Medium-term Management Plan

We will develop new growth areas and businesses to achieve business expansion.



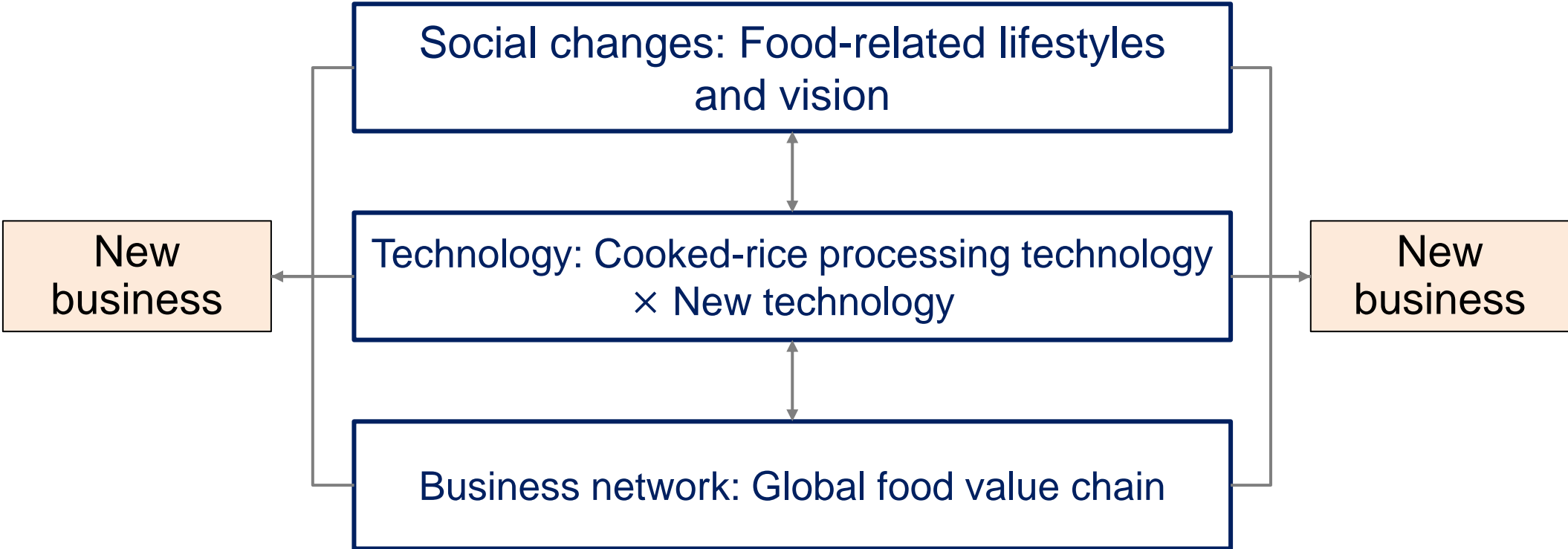
Excerpt from Medium-term Management Plan “Growth 2025” announced November 2019

Expansion of existing market and creation of new market

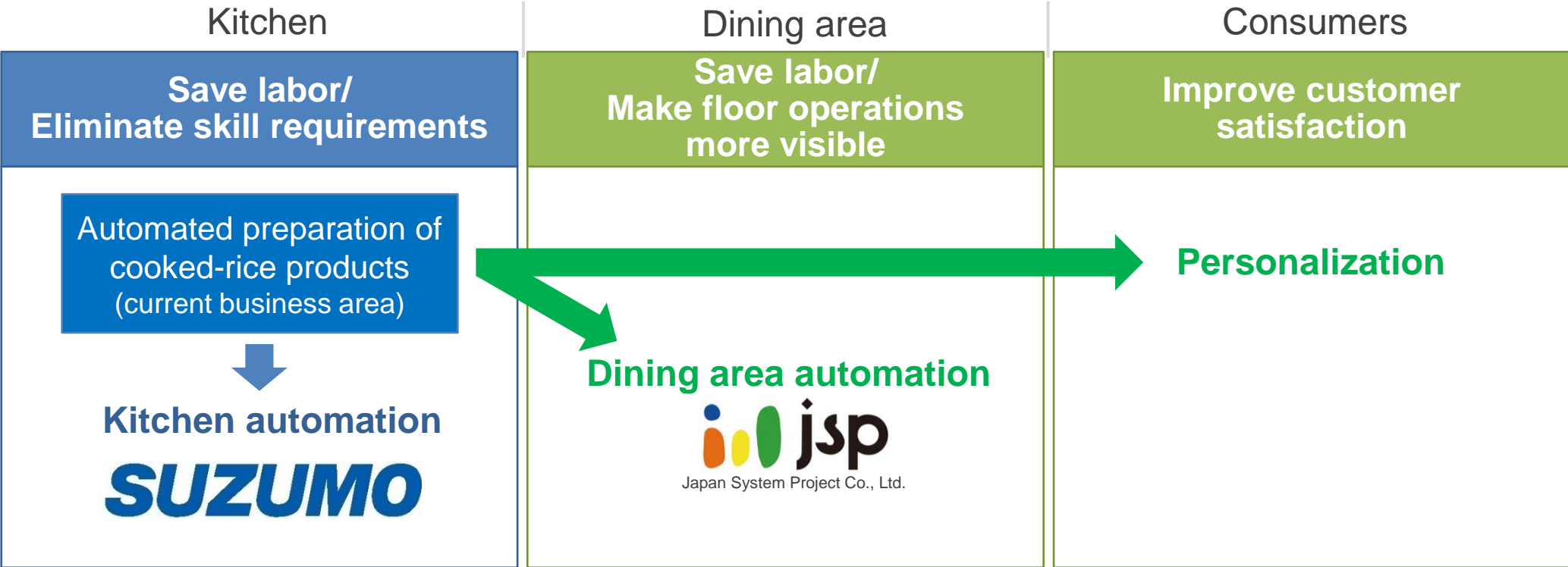


Excerpt from Medium-term Management Plan “Growth 2025” announced November 2019

We will break away from overreliance on internal resources, and create new businesses through collaboration with external partners by taking advantage of M&A and alliance opportunities.



Solution areas aligned with the value chain →



We will create a **total solution platform** through M&A and management resource tie-ups with external partners.

Acquisition of core company for our strategy on new business development

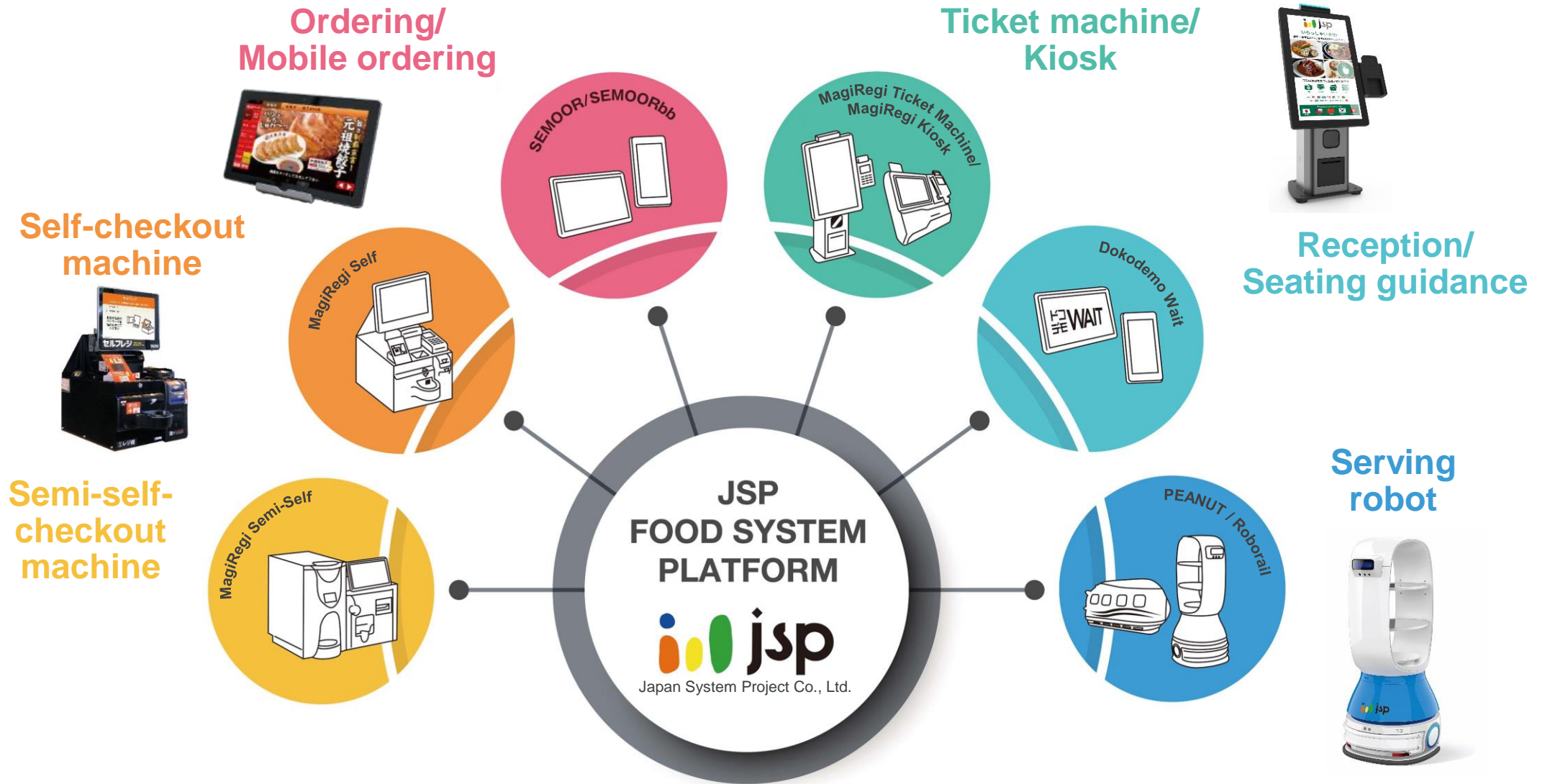
In October 2021, we made Japan System Project Co., Ltd. a consolidated subsidiary.



- Purpose: To strengthen our ability to propose total solutions for restaurants, including ideas not only for kitchens but also for the dining areas
- Main customers: Restaurant operators
- Business: Sales of self-service ordering systems, POS systems for restaurants, cashless ticket machines, and serving robots



Business portfolio of Japan System Project



配膳ロボット
ロボレール
Contactless AI Smart Navigation
Serving robot Roborail

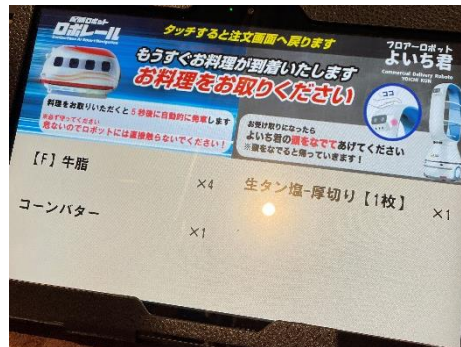
AI-equipped
serving robot



josp
Japan System Project Co., Ltd.



Case study: Niku-no-Yoichi (Nisshin Umemori store)



Operation integrated with self-service ordering system SEMOOR



Serving robot Roborail



Serving robot PEANUT

Roborail: Robot that automatically carries food via rails

With the power of AI, Roborail calculates the shortest route to customers, keeps safe distance between units, and allows for superior delivery efficiency.

Self service from kitchen to table made possible by serving robots



**For inquiries regarding investor relations, media appointments, etc.,
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