

HOKUTO Corporation

Consolidated Financial Results for the First Quarter Ended June 30, 2023

August, 2023



1. Consolidated Financial Report for the First Quarter Ended June 30, 2023

2. Recent Activities

3. Reference material

◆ Consolidated

(Millions of yen)

	1Q ended Jun. 30, 2023	YoY	cf.Plan
Net sales	16,849	107.6%	98.7%
Operating profit	(1,248)	—	—
Profit attributable to owners of parent	(332)	—	—

◆ Individual

(Millions of yen)

	1Q ended Jun. 30, 2023	YoY	cf.Plan
Net sales	11,298	111.1%	100.2%
Operating profit	(1,260)	—	—
Profit attributable to owners of parent	1,699	—	—

▶ Demand for mushrooms improved due to production adjustments, and prices were relatively firm, resulting in increased sales year-on-year.

◆ By Segment

(Millions of yen)

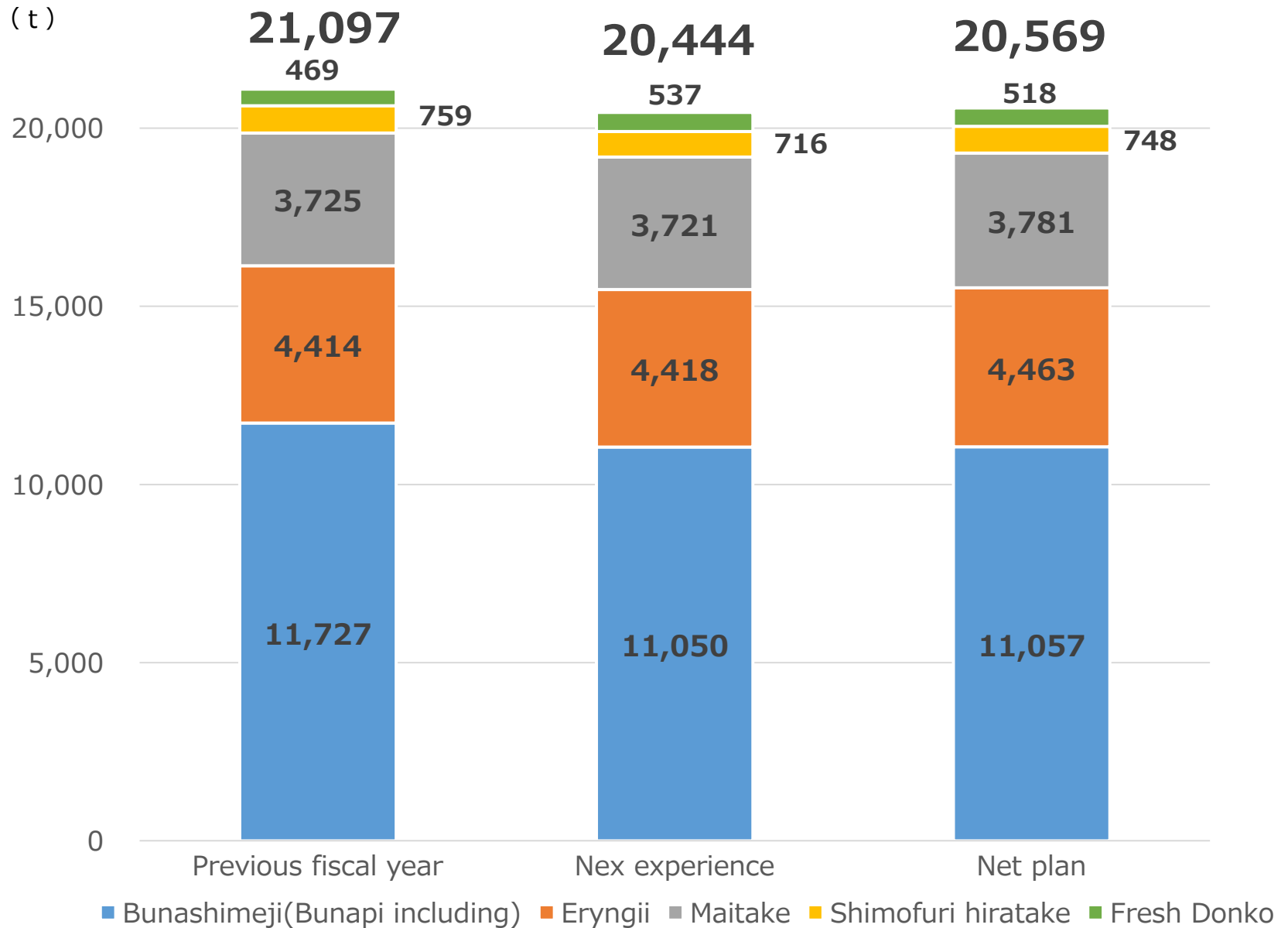
	Mushroom business in Japan		Mushroom business outside Japan		Processed products business		Chemical products business	
	1Q ended Jun. 30, 2023	YoY	1Q ended Jun. 30, 2023	YoY	1Q ended Jun. 30, 2023	YoY	1Q ended Jun. 30, 2023	YoY
Net sales	10,776	111.9%	1,657	107.8%	1,568	87.4%	2,846	105.2%
Operating profit	(692)	—	14	—	(60)	—	6	14.9%

(Millions of yen)

	1Q ended Jun. 30, 2022	1Q ended Jun. 30, 2023	YoYchange	YoY
Net sales	15,665	16,849	1,184	107.6%
Gross profit	2,006	2,618	612	130.5%
Gross profit margin (%)	12.8	15.5		
Selling, general and administrative expenses	3,708	3,867	159	104.3%
Operating profit	(1,701)	(1,248)	452	—
Operating profit margin (%)	(10.9)	(7.4)		
Ordinary profit	(594)	(304)	289	—
Ordinary profit margin (%)	(3.8)	(1.8)		
Profit attributable to owners of parent	(557)	(332)	224	—
Net profit margin (%)	(3.6)	(2.0)		
Earnings per share (Yen)	(17.65)	(10.50)		

Despite the increase in expenses, firm mushroom prices due to production adjustments resulted in increases in both sales and operating profit.

▶▶ Changes in mushroom production



(Millions of yen)

		1Q ended Jun. 30, 2022	1Q ended Jun. 30, 2023	YoYchange	YoY
Mushroom business in Japan	Net sales	9,628	10,776	1,147	111.9%
	Operating profit	(1,216)	(692)	523	—
Mushroom business outside Japan	Net sales	1,537	1,657	120	107.8%
	Operating profit	(28)	14	42	—
Processed products business	Net sales	1,794	1,568	(225)	87.4%
	Operating profit	11	(60)	(72)	—
Chemical products business	Net sales	2,704	2,846	141	105.2%
	Operating profit	44	6	(37)	14.9%

	cf. Previous year	cf. Plan
Bunashimeji	115.6%	107.9%
Eryngii	108.6%	99.7%
Maitake	114.8%	97.8%
Shimofuri hiratake	104.3%	87.8%

Demand for mushrooms improved due to production adjustments,
and prices remained firm.

	cf. Previous year	cf. Plan
Bunashimeji	93.7%	100.0%
Eryngii	99.6%	99.3%
Maitake	98.5%	98.2%
Shimofuri hiratake	94.3%	95.7%

Production amounts fell short of the plan due to production adjustments.

▶▶ Mushroom business outside Japan (cf. previous year)

		1Q ended Jun. 30, 2022	1Q ended Jun. 30, 2023	YoYchange	YoY
U.S.A (Thousand US\$)	Net sales	5,130	6,107	977	119.1%
	Operating profit	(977)	(315)	662	—
	ROE	136.68	144.99		
Taiwan (Millions NT\$)	Net sales	147	139	(7)	94.7%
	Operating profit	22	15	(7)	68.2%
	ROE	4.60	4.66		
Malaysia (Thousand RM)	Net sales	4,539	3,658	(880)	80.6%
	Operating profit	(425)	(1,333)	(907)	—
	ROE	31.04	30.93		

(Millions of yen)

	Initial plan	1Q ended Jun. 30, 2023	Plan difference	cf. Plan
Net sales	17,075	16,849	(226)	98.7%
Gross profit	2,235	2,618	383	117.2%
Gross profit margin (%)	13.1	15.5		
Selling, general and administrative expenses	4,069	3,867	(202)	95.0%
Operating profit	(1,834)	(1,248)	586	—
Operating profit margin (%)	(10.7)	(7.4)		
Ordinary profit	(1,747)	(304)	1,442	—
Ordinary profit margin (%)	(10.2)	(1.8)		

Operating profit exceeded the plan due to curtailment of expenses.

(Millions of yen)

		Initial plan	1Q ended Jun. 30, 2023	Plan difference	cf. Plan
Mushroom business in Japan	Net sales	10,716	10,776	59	100.6%
	Operating profit	(1,146)	(692)	453	—
Mushroom business outside Japan	Net sales	1,711	1,657	(53)	96.9%
	Operating profit	54	14	(40)	25.8%
Processed products business	Net sales	1,812	1,568	(243)	86.6%
	Operating profit	(57)	(60)	(2)	—
Chemical products business	Net sales	2,836	2,846	9	100.4%
	Operating profit	2	6	4	329.2%

		Initial plan	1Q ended Jun. 30, 2023	Plan difference	cf. Plan
U.S.A (Thousand US\$)	Net sales	6,760	6,107	(660)	90.2%
	Operating profit	(130)	(315)	(181)	—
	ROE	131.80	144.99		
Taiwan (Millions NT\$)	Net sales	150	139	(10)	92.8%
	Operating profit	14	15	0	106.0%
	ROE	4.30	4.66		
Malaysia (Thousand RM)	Net sales	5,140	3,658	(1,487)	71.1%
	Operating profit	(610)	(1,333)	(718)	—
	ROE	30.20	30.93		

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New
Product

Premium Probiotic Curry Made with Whole HOKUTO Shimofuri Hiratake Mushrooms

Released for sale on the HOKUTO Online Shop
on June 16, 2023!

- ✓ Made with plenty of Shimofuri Hiratake mushrooms per pack (approx. 100g)
- ✓ Made with spices for a sophisticated taste
- ✓ Conceived by about 450 HOKUTO employees

Following our Eryngii and Maitake versions, this is the third in the “Premium Probiotic Curry” series.

This premium curry is packed to the limit with Shimofuri Hiratake mushrooms. Please enjoy the umami and texture which are unique to Shimofuri Hiratake.

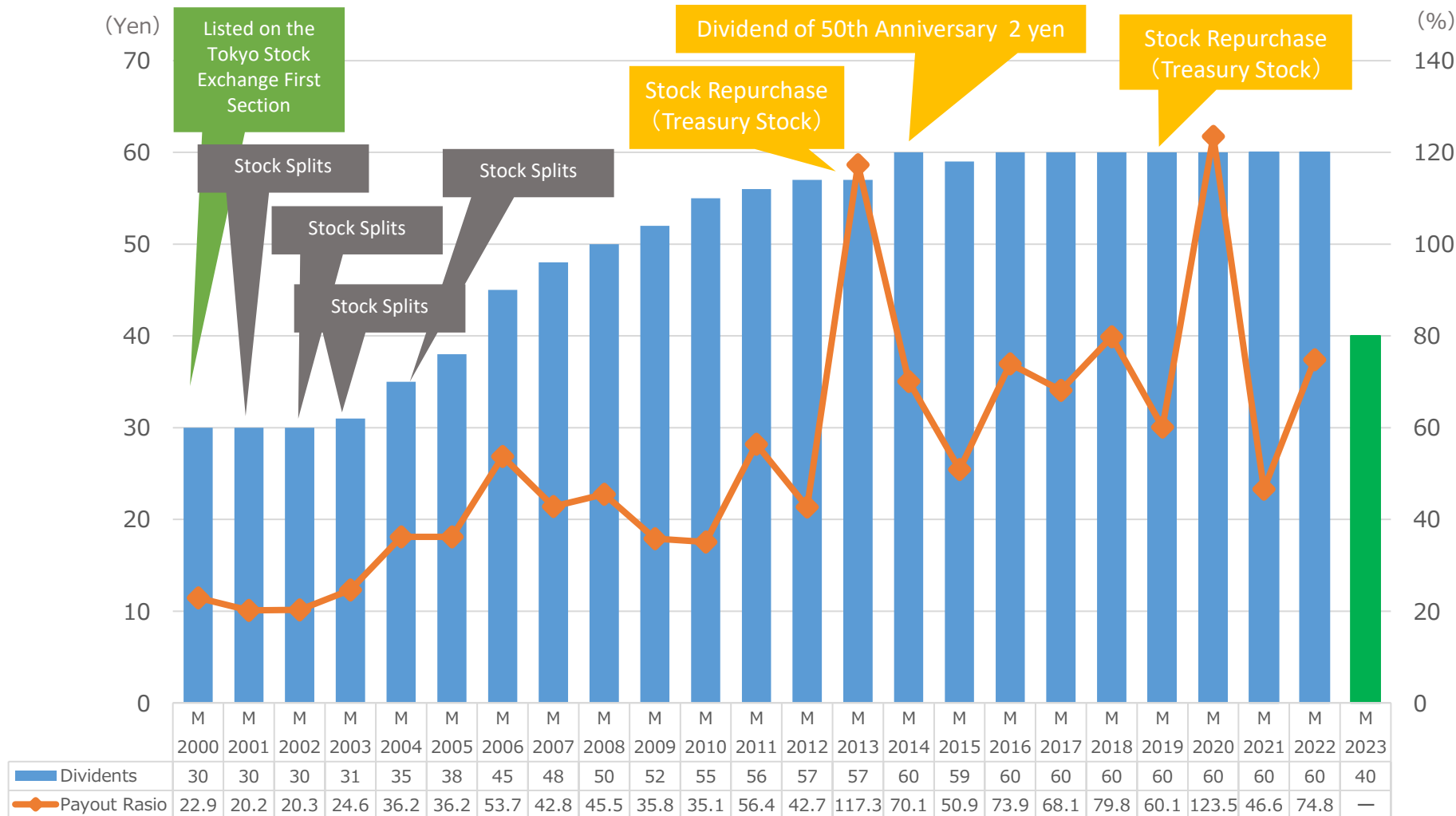


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About Dividends



Dividend decreased by 20 yen to annual dividend of 40 yen due to full-year deficit.
 Dividend for the fiscal year ending March 2024 not yet decided.

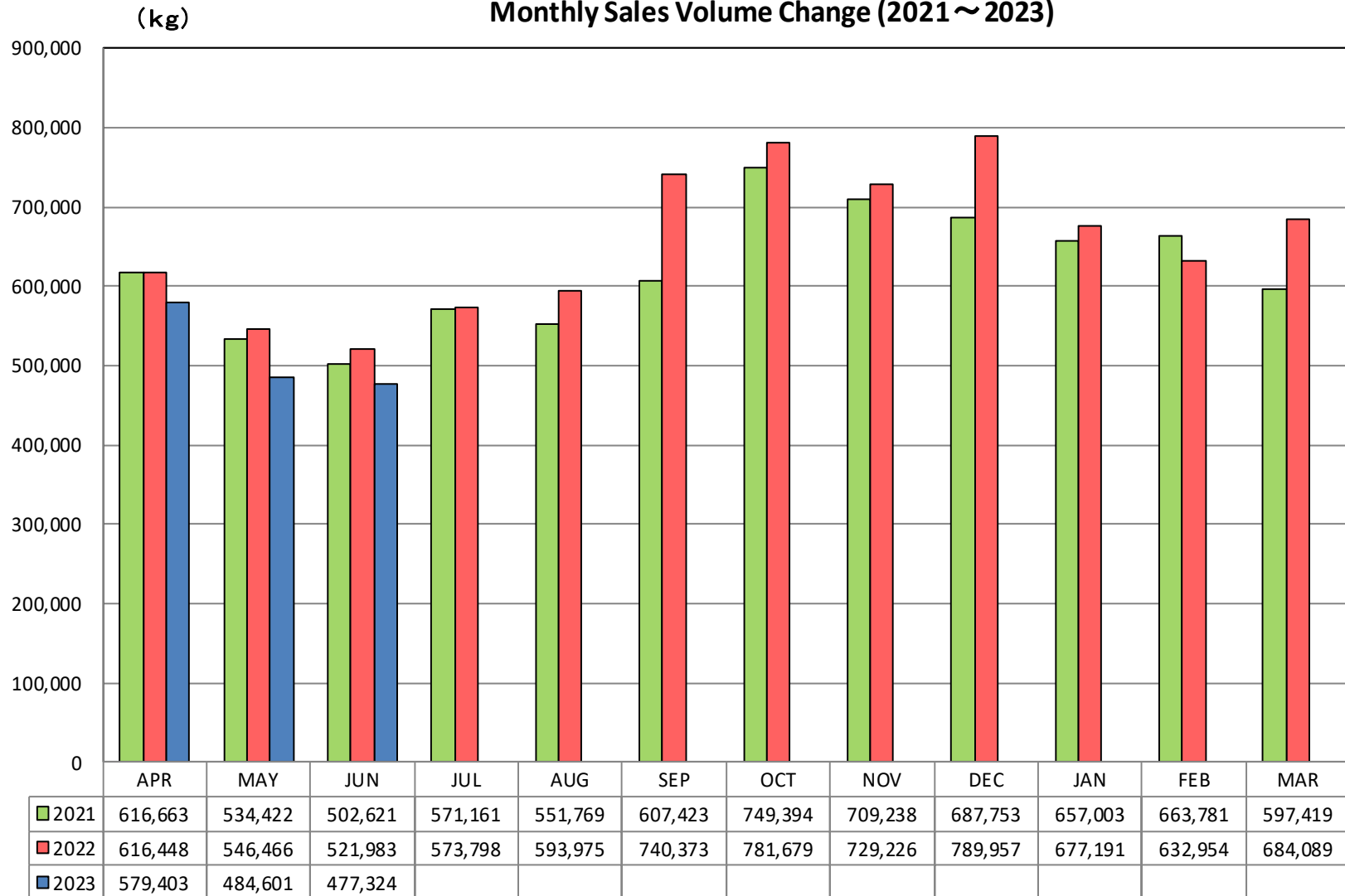
▶▶ (Ref) Change of Bunashimeji Market Price

(Yen/kg)

Monthly Price Change (2021~2023)



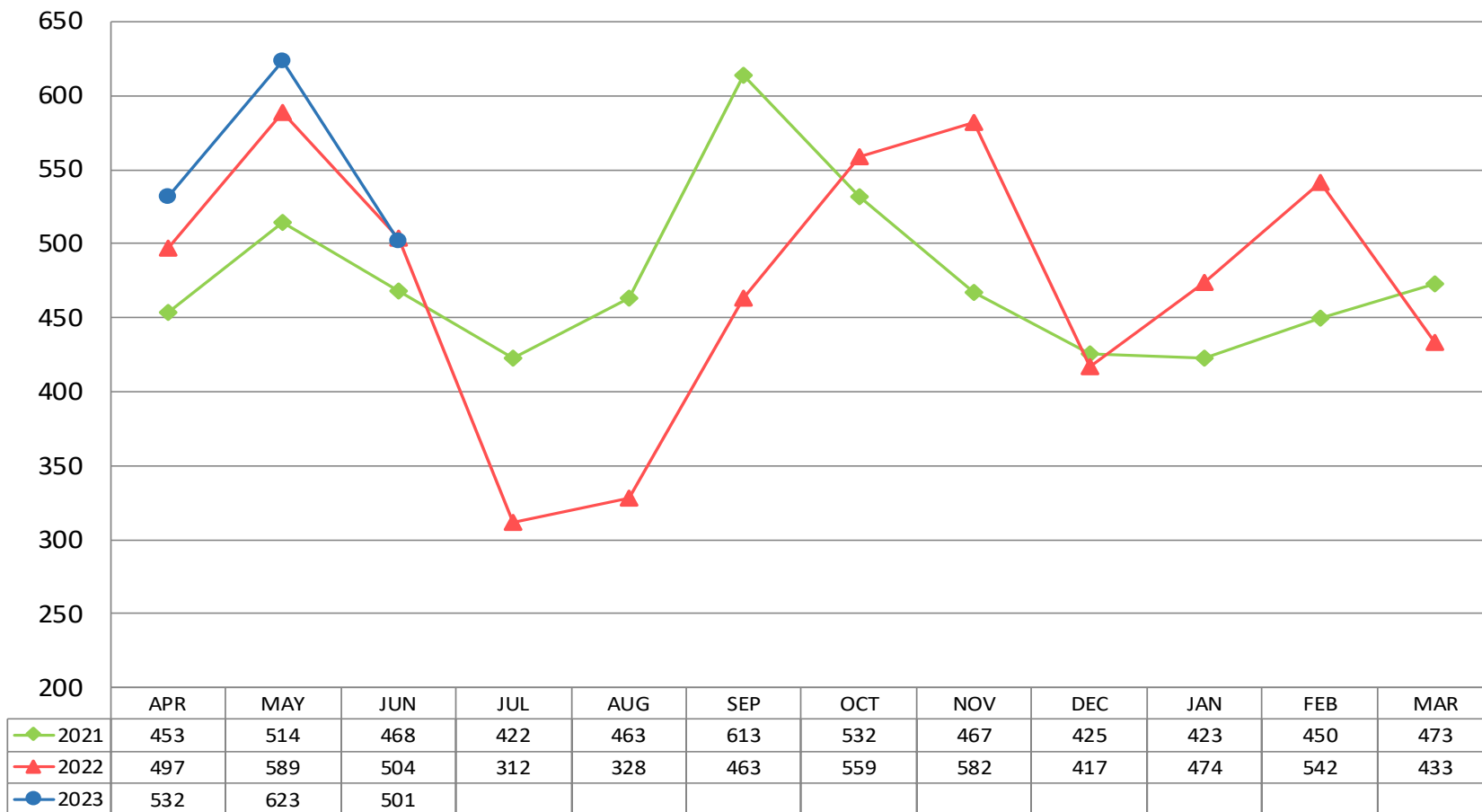
Monthly Sales Volume Change (2021 ~ 2023)



Yearly Sales Volume
7,448,647
7,888,139
1,541,328

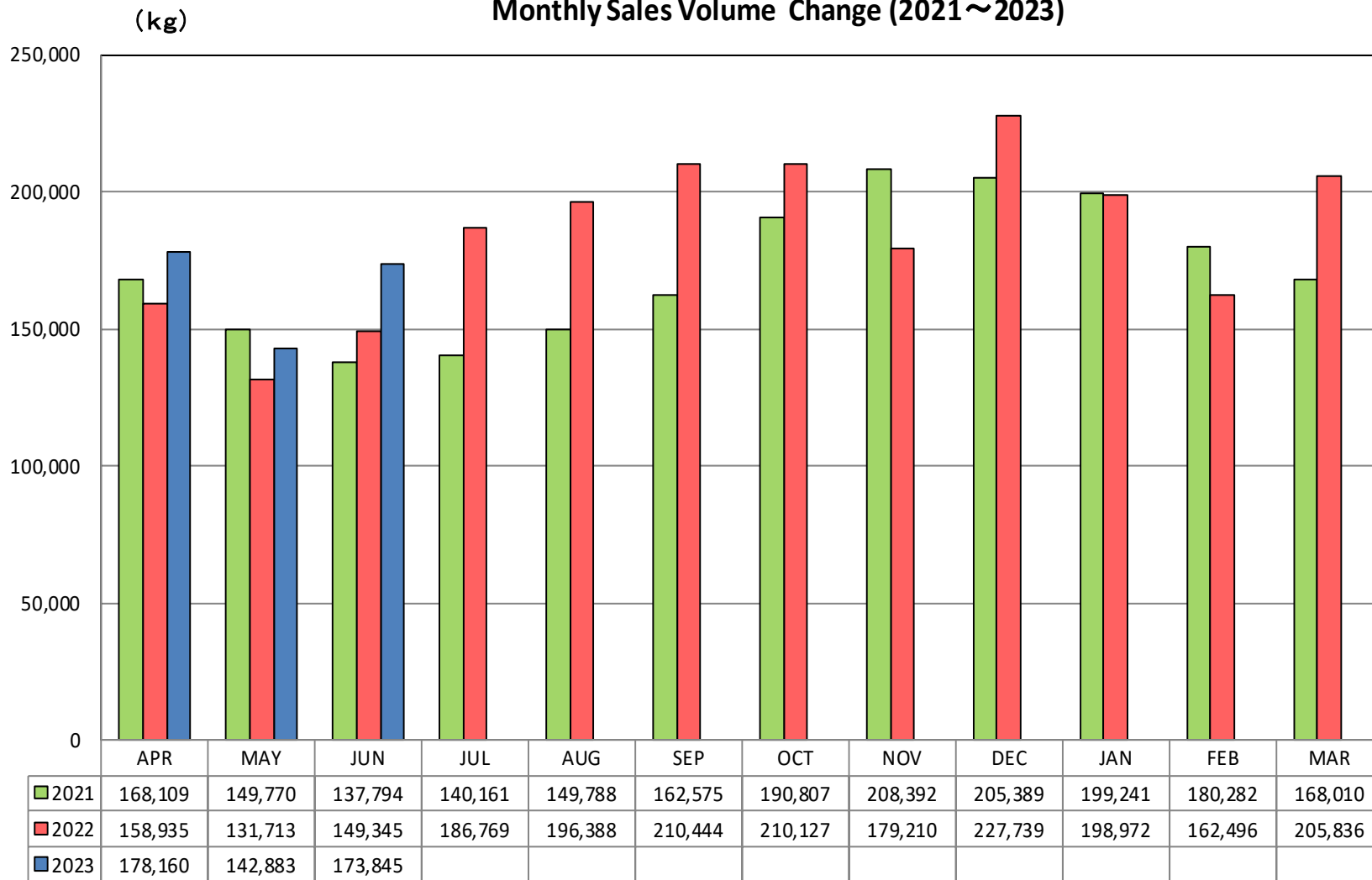
Monthly Price Change (2021~2023)

(Yen/kg)



Avr. Price
474
469
548

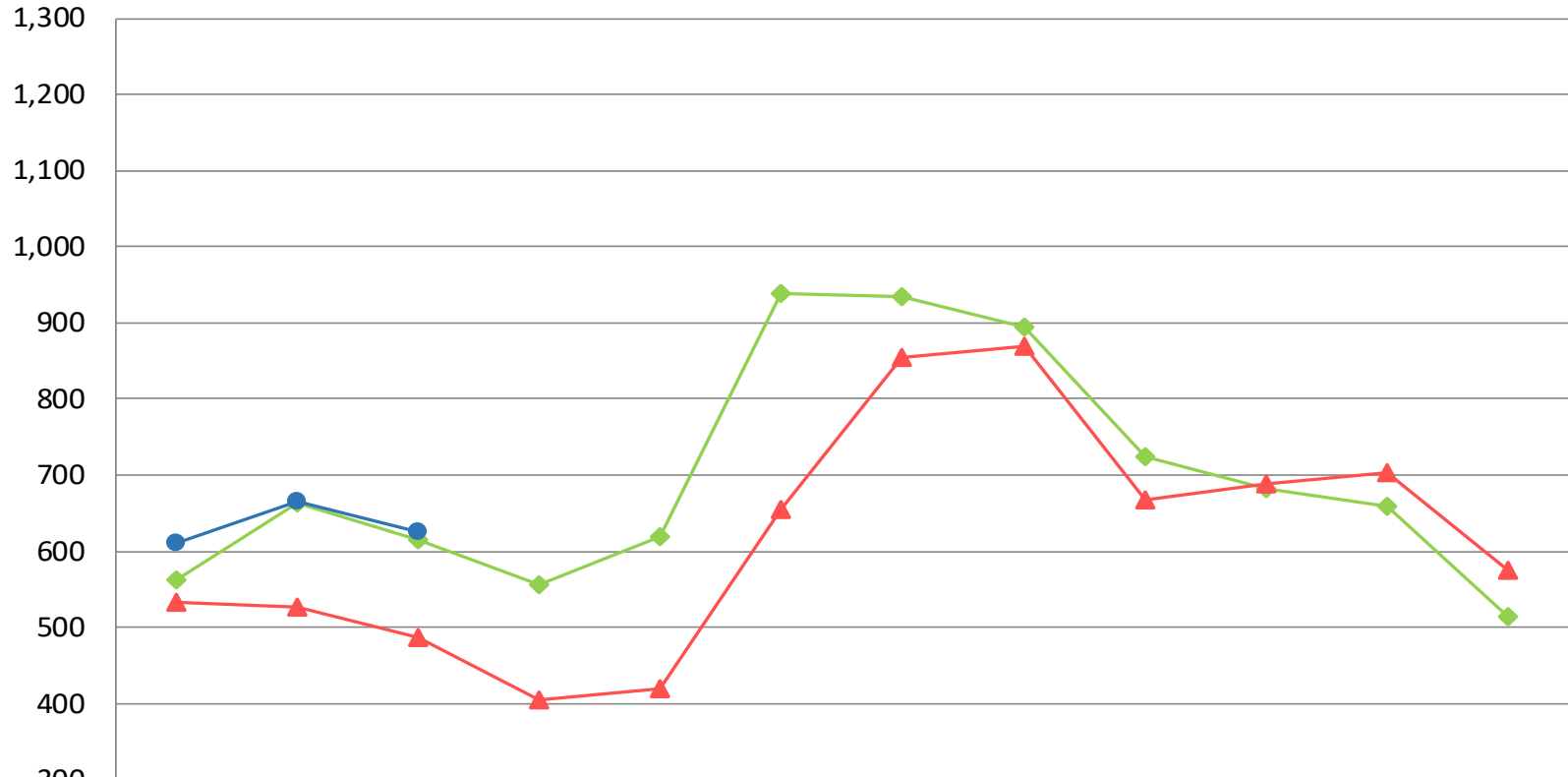
Monthly Sales Volume Change (2021~2023)



Yearly Sales Volume
2,060,318
2,217,974
494,888

Monthly Price Change (2021~2023)

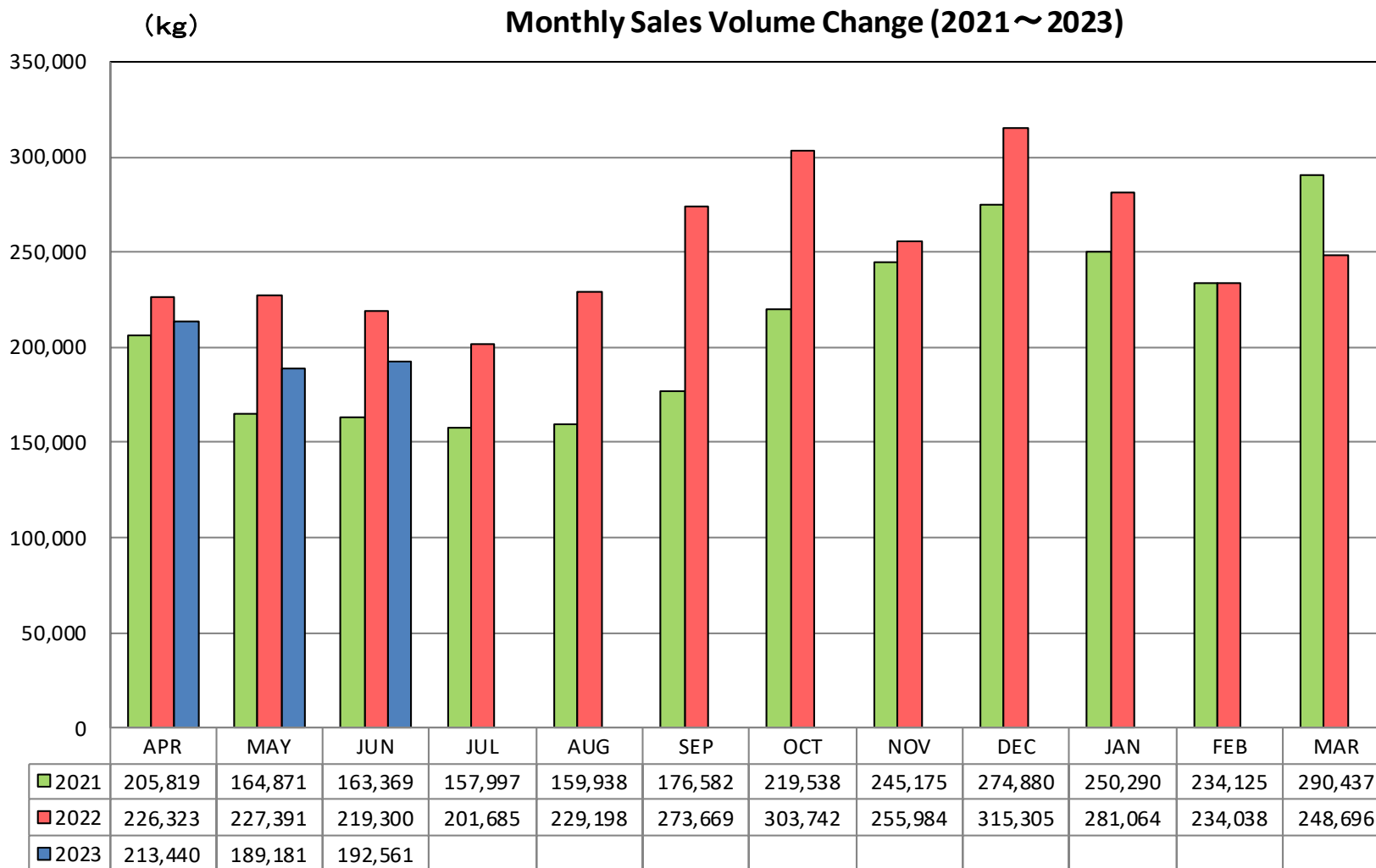
(Yen/kg)



	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
◆ 2021	562	663	616	557	618	939	935	894	725	682	659	514
▲ 2022	533	526	486	405	419	655	856	868	667	687	704	574
● 2023	611	665	625									

Avr. Price
699
629
633

▶▶ (Ref) Change of Maitake Sales Volume



Yearly Sales Volume
2,543,021
3,016,395
595,182



HOKUTO HOKUTO Corporation

Location : Nagano, Nagano Pref.
 President : Masayoshi Mizuno
 Securities code : 1379
 Listed market : Tokyo Stock Exchange Prime Market
 Number of outstanding shares : 33,359,040 stock

Market capitalization : 61,147 mil. yen
 (As of the end of June 2023)
 Shareholders' equity : 50,020 mil.yen
 Number of employees : 4,191
 Main business : Mushroom
 Production/Distribution/ R&D
 (As of the end of March 2023)



Hokuto Industry Corporation
 •Industrial Supply
 Production/Distribution



HOKTO KINOKO COMPANY
 •Mushroom Production/Distribution in
 North America



TAIWAN HOKUTO CORPORATION
 •Mushroom Production/Distribution in
 Taiwan



Arden Incorporated
 •Retort pouch food production

Sun Medica Co., Ltd.

Mushroom Wisdom, Inc,



HOKTO MALAYSIA SDN.BHD.
 •Mushroom Production/Distribution
 in Malaysia

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HOKUTO Corporation

