



Fiscal Year Ended June 20, 2023
(75th fiscal year)
Financial Results





August 24, 2023

President & CEO Akira Miyamoto

KING JIM CO., LTD.

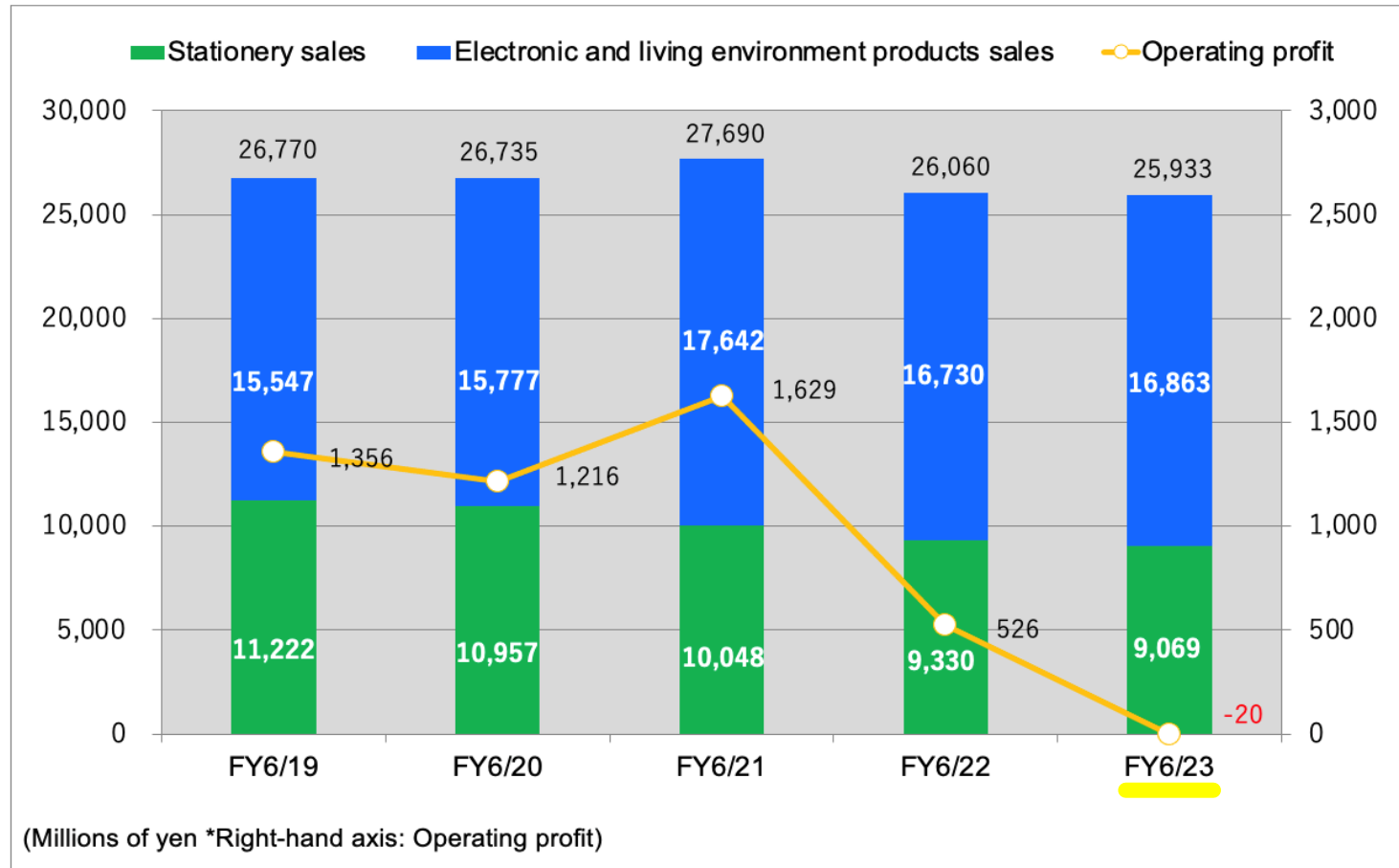
Consolidated Operating Results

(Unit: Millions of yen)

	FY6/22	FY6/23	Difference		
Net sales	36,636	39,393	+ 2,757		+7.5%
Operating profit	1,007	368	-639		-63.4%
Ordinary profit	1,338	637	-701		-52.4%
Profit attributable to owners of parent	788	419	-368		-46.8%

Increase in sales,
decrease in profit

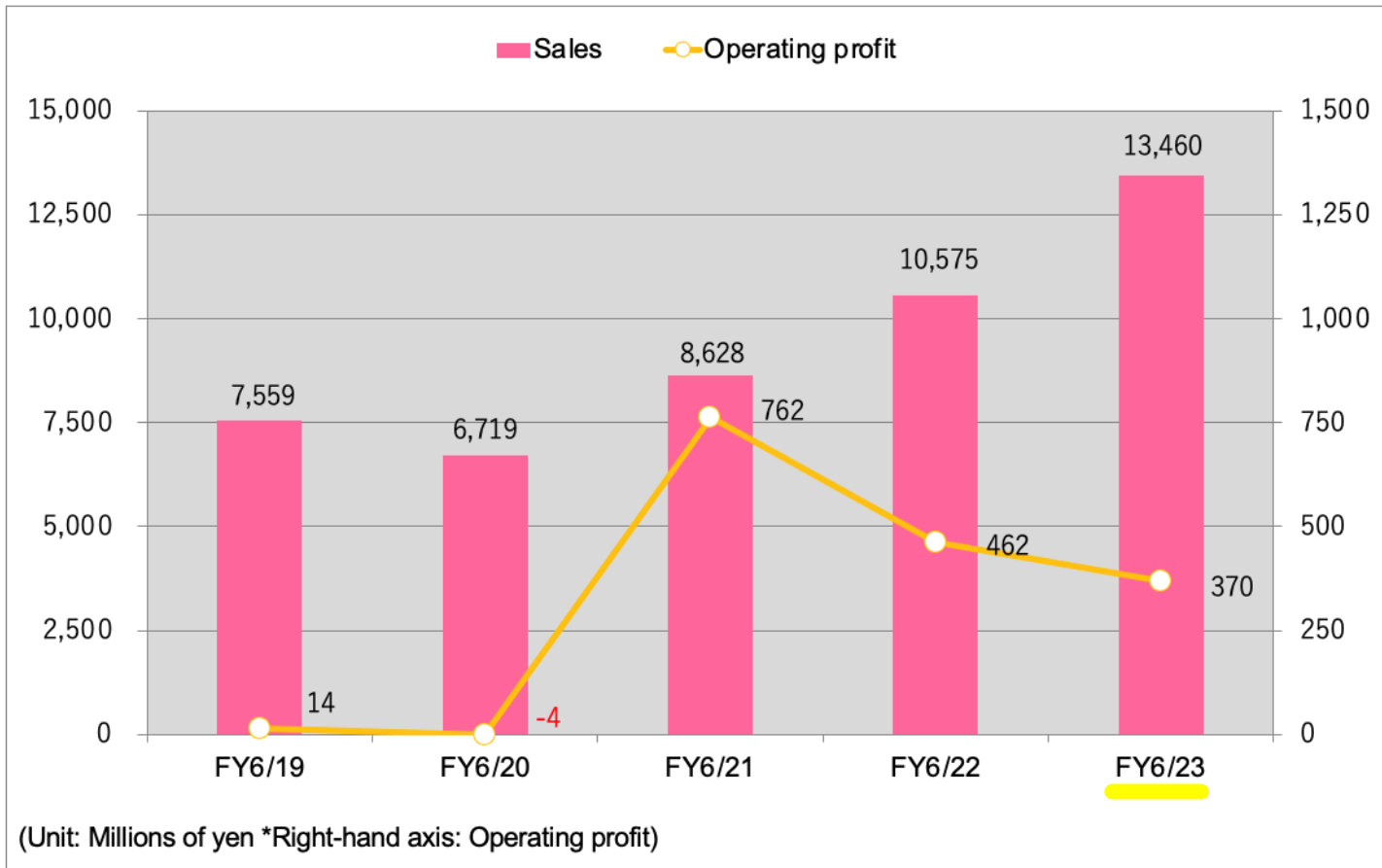
Segment Sales & Operating Profit: Stationery and Office Supply





Sales: Net sales remained almost flat due to the addition of HIM despite the shortage of TEPRAs products and the reactionary decline of "tette," a hand sanitizer dispenser that recorded strong performance in the previous fiscal year.

Operating loss: Posted operating loss due to sharp yen depreciation, soaring distribution costs, and persistently high raw material prices ↴

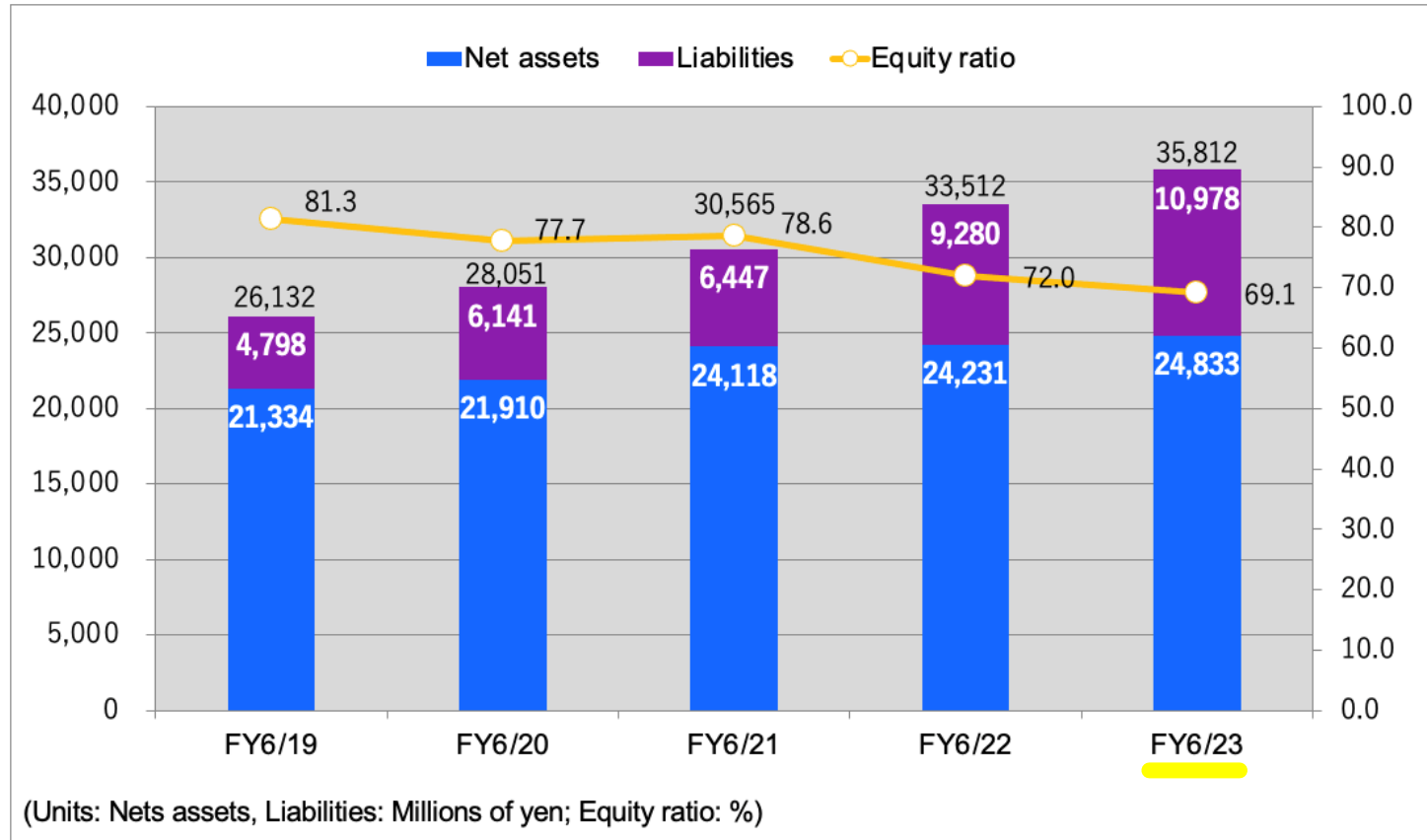
Segment Sales & Operating Profit: Interior Lifestyle





Sales: Net sales increased thanks to robust sales at BON FURNITURE and ASCA, as well as the addition of Life on Products, which became a subsidiary of the Group in November 2021 

Operating profit: Profits fell due to an increase in the cost of sales ratio, which was caused by sharp yen depreciation 

Consolidated Balance Sheets and Equity Ratio



Total assets: Up approximately ¥2.3 billion year on year due to increases in merchandise inventories and valuation gain of investment securities 

Liabilities: Up approximately ¥1.7 billion year on year due to an increase in short-term borrowings 

Equity ratio: Down to 69.1% 

Consolidated Cash Flows

(Unit: Millions of yen)

	FY6/19	FY6/20	FY6/21	FY6/22	FY6/23
Cash flows from operating activities	1,323	1,989	3,108	-1,278	166
Cash flows from investing activities	-504	-1,357	-492	-3,578	-1,234
Cash flows from financing activities	-900	456	-1,382	3,206	1,065
Effect of exchange rate change on cash and cash equivalents	-17	-46	74	254	135
Net increase (decrease) in cash and cash equivalents	-98	1,042	1,308	-1,395	132
Increase in cash and cash equivalents from inclusion of subsidiaries in consolidation	—	—	314	—	—
Increase in cash and cash equivalents from mergers with non-consolidated subsidiaries	—	—	—	—	153
Cash and cash equivalents at end of period	4,368	5,410	7,032	5,637	5,923

- **Cash flows from operating activities...** Increase in inventory assets, payment of corporate taxes
- **Cash flows from investing activities...** Payment for acquisition of subsidiary, payment for acquisition of property, plant and equipment and intangible assets
- **Cash flows from financing activities...** Net increase in short-term borrowings

Impact of semiconductor shortage

Products were badly hurt by tight semiconductor supply worldwide

- **Main electronic product: TEPRA**

Shortages of some models, mainly in the higher price range

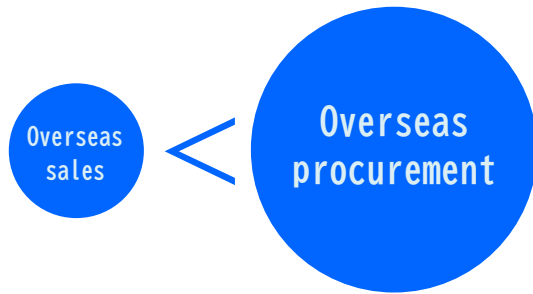
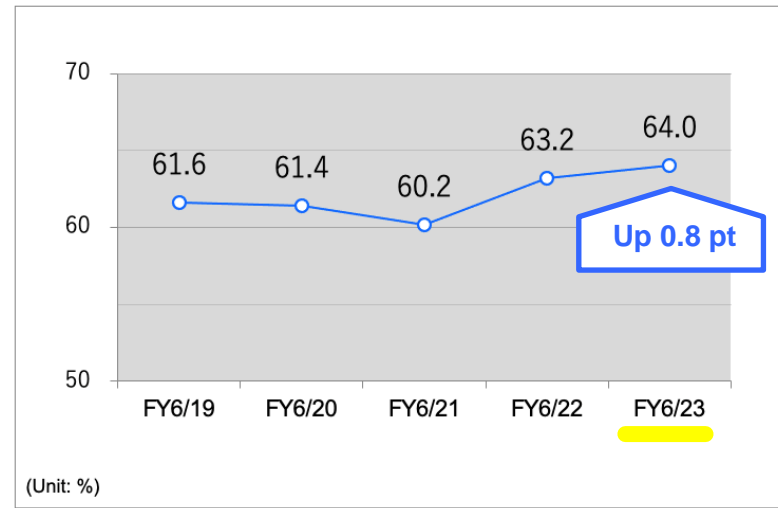
⇒ Opportunity loss



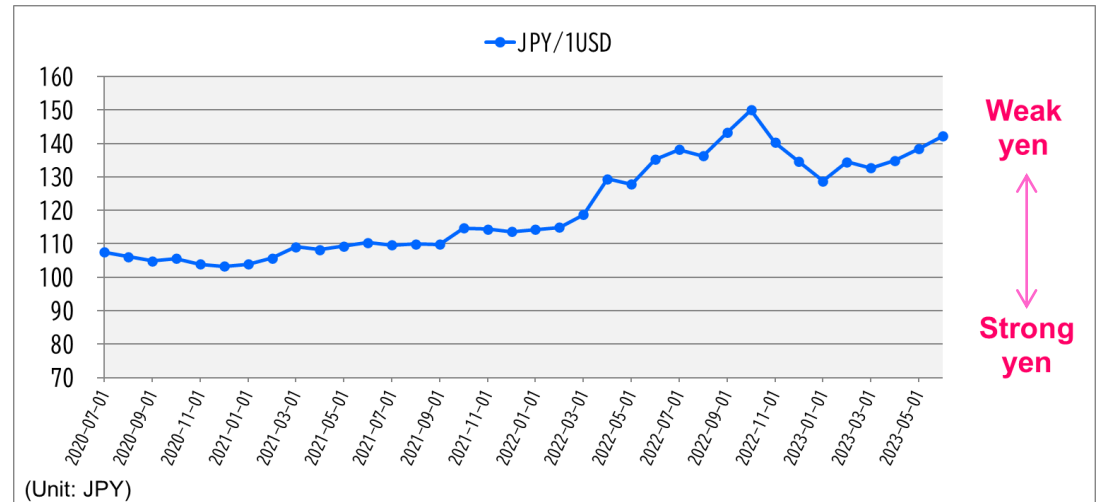
■ Increase in cost of sales ratio

- Rising procurement costs
- Impact of yen depreciation
A decline in the yen hurts profits
 group-wide.

< Cost of sales ratio >



< FX >



■ Impact of semiconductor shortage

- As of June 2023, shortages have been **eliminated**.
- Going forward, we expect to be able to receive a stable supply of semiconductors.



Increase in cost of sales ratio

We have worked to maintain our prices via cost cuts and productivity gains, but this is no longer possible through our efforts alone.



< Price revisions >

		< Price hike >
12/21/2021	KING FILE	Average 5%
6/21/2022	TEPRA PRO and various options	Average 13%
9/21/2022	Almost all items, including PP files	Average 13%
12/21/2022	KING FILE and all TEPRA tape cartridges	Average 7%
9/21/2023	Almost all items, including KING FILE and PP files	Average 12%

Working to realize price revisions to improve profitability

TEPRA



- ▲ Low-priced “TEPRA” model dedicated for use with smartphones now available
Label printer TEPRA PRO SR-R2500P

Stationery



- ▲ Five new types have been added to the evolutionary stuffed animal pen pouches that can be posed as you like!
Pouzoo Pen Pouches Vol. 2

Bag and storage products



- ▲ Addition to the lineup of foldable and stackable “STACK BASKET”
STACK BASKET CHEST



- ▲ Cute and charming “cheering on my fave” item series now available!
favluv

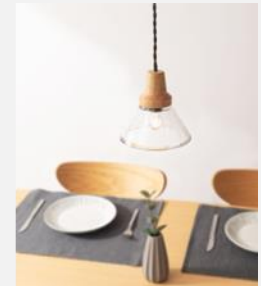
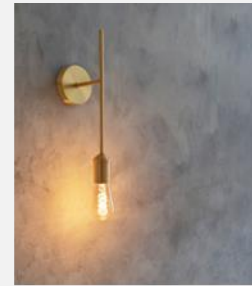
Subsidiaries' products

LADONNA



▲ Easily make homemade ice cream with the **Toffy Ice Cream Maker**

株式会社 ぼん家具 BON FURNITURE CO.,LTD.



▲ **Lighting fixtures such as** the new category of **pendant lights** are popular!

暮らし、イロドル Life on Products







▲ The wind reaches your skin directly! 3-way collar fan with a new sensation that blows air directly into your clothes to cool you down **PRISMATE Collar Air Fan**

Fiscal Year Ending June 20, 2024 (76th fiscal year) Full-Year Consolidated Earnings Forecast





10th Medium-term Management Plan
Comparison between initial plan and revised plan

(Unit: Millions of yen)

	FY6/24 initial plan	FY6/24 revised plan	Difference		
Net sales	48,000	42,000	-6,000		-12.5%
Ordinary profit	3,400	900	-2,500		-73.5%
Ordinary profit ratio	7.0%	2.1%	—		-4.9 pt
ROE	9.0%	2.4%	—		-6.6 pt

Comparison between previous year actual results and forecasts

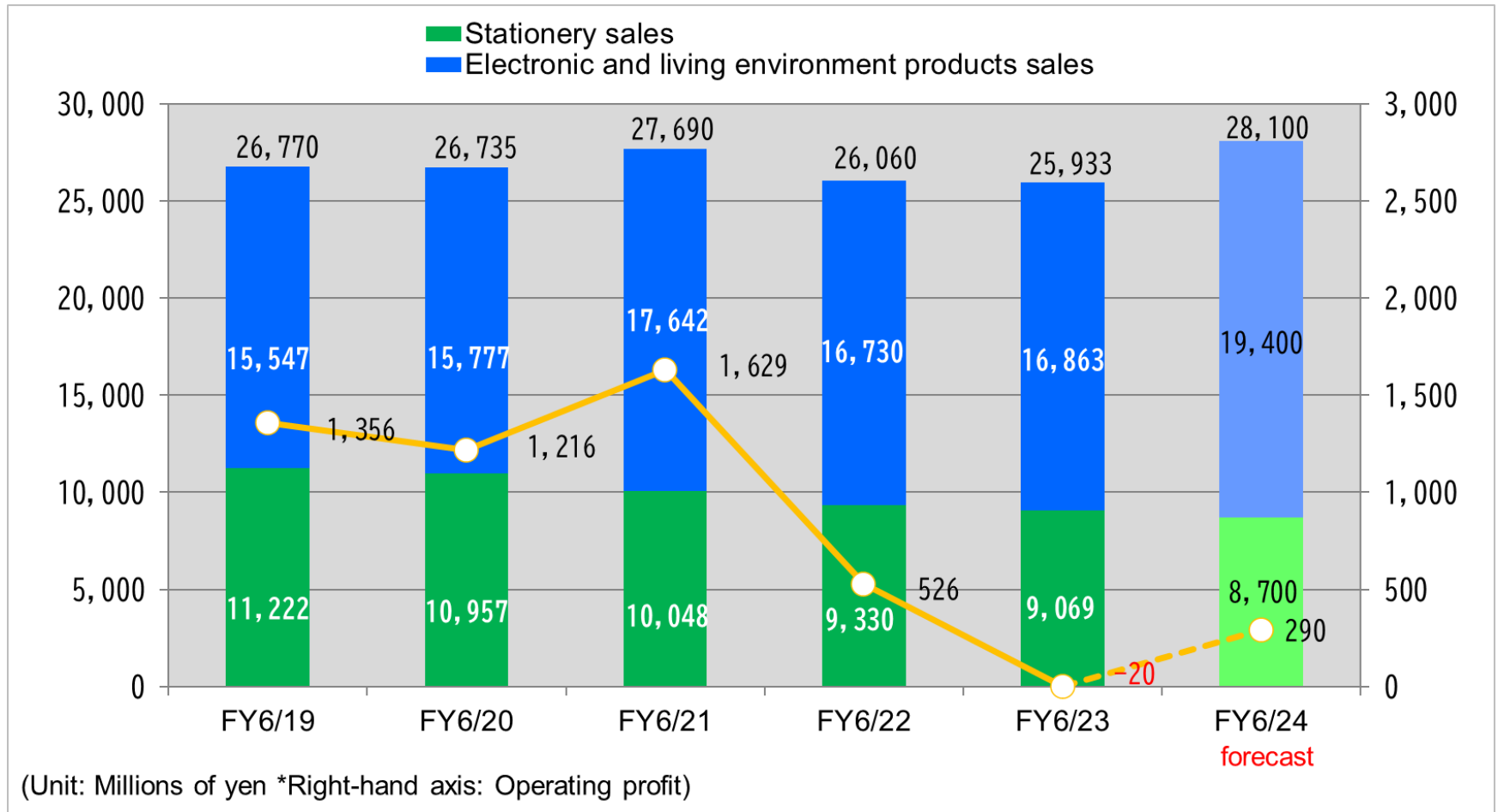
(Unit: Millions of yen)

	FY6/23 actual	FY6/24 forecast	YoY change		
Net sales	39,393	42,000	+ 2,606		+6.6%
Operating profit	368	700	+ 331		+90.1%
Ordinary profit	637	900	+ 262		+41.2%
Profit attributable to owners of parent	419	600	+ 180		+42.9%

Growth in both sales and profit

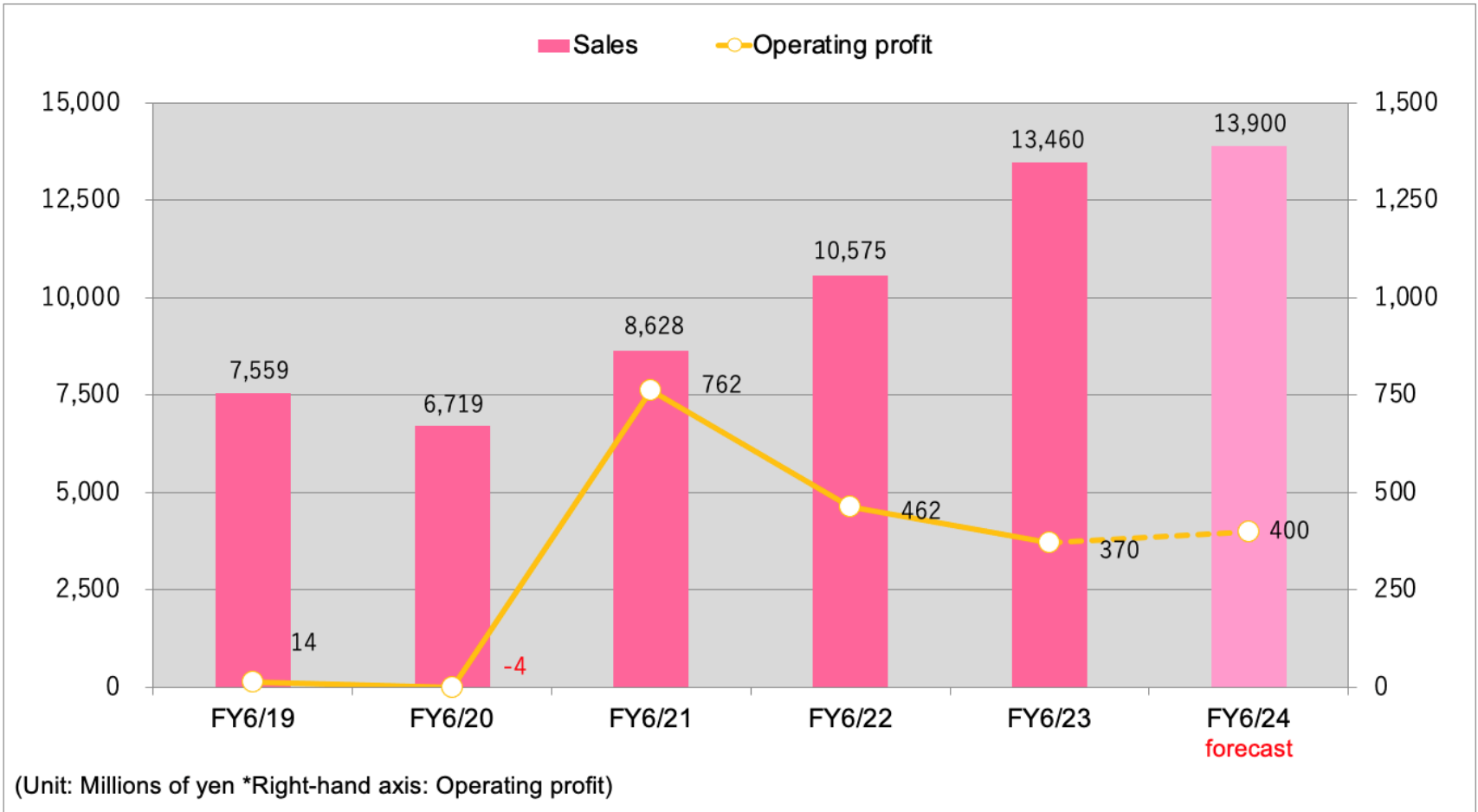
Fiscal Year Ending June 20, 2024 (76th fiscal year) Full-Year Earnings Forecast by Segment

Stationery and Office Supply



Fiscal Year Ending June 20, 2024 (76th fiscal year) Full-Year Earnings Forecast by Segment

Interior Lifestyle



10th Medium-term Management Plan: Business Targets

FY6/24	
Net sales	¥42.0 billion
Ordinary profit	¥0.9 billion
Ordinary profit ratio	2.1%
ROE	2.4%

<Policies>

Focus on growth fields and further strengthen core businesses

Build a foundation for a post-COVID-19 world

1

Expand the business domain

- Develop products for new lifestyles and ways of working.
- Shift from paper storage to stuff storage. Expand sundry and household goods.
- Further develop the Group through mergers and acquisitions.

2

Enhance the competitiveness of three overseas factories

- Bring in production technologies for products other than stationery.
- Expand the variety of production items.

3

Sustainability initiatives

- Contribute to society through products that make life and business convenient and comfortable.
- Environmentally conscious procurement, design, and development. Respond to climate change.
- Promote diversity and realize diverse working styles.

M&A

November 2021

Life on Products, Inc.

Planning and sales of household appliances and sundries
Strengths include a diverse lineup of fragrances and seasonal appliances



September 2022

HIM Co., Ltd.

Planning and online selling of kitchenware and everyday sundries
(Dissolved in an absorption-type merger and managed under the Company's E-commerce Department since February 2023)



⇒ Accelerate M&As, pursue sustainable growth in the group

Enhance the competitiveness of three overseas factories



KING JIM (VIETNAM) Co., Ltd.



Manufacturing and sales of KING FILE and other items

Expand the variety of production items

Kitchenware and other interior sundries

Started production of "Handy Chopper"

KING JIM (MALAYSIA) SDN.BHD.



Manufacturing of metal binder mechanisms for KING FILE and other products

Large-sized game machines (crane games, etc.)

P.T.KING JIM INDONESIA



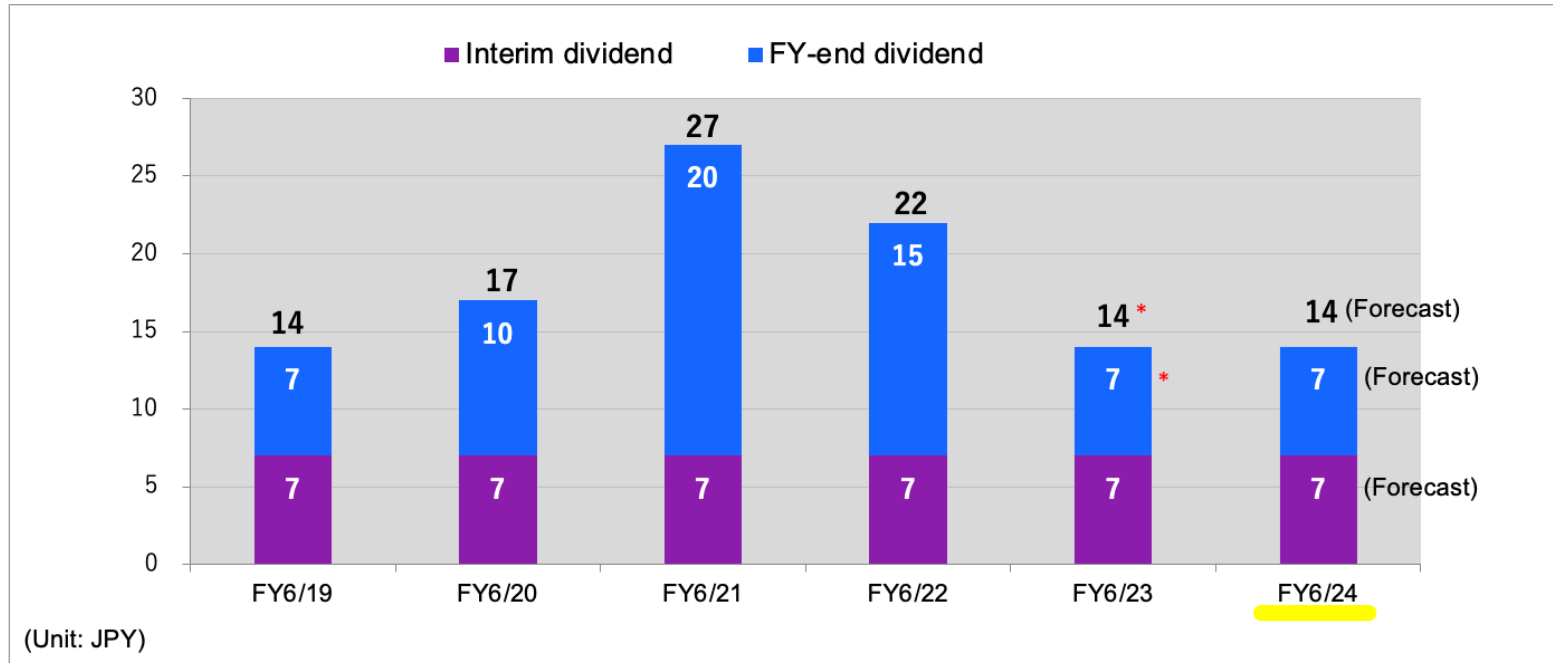
Production of PP (polypropylene) products such as clear files

Woodwork products such as knockdown furniture

Dividend Policy

Target payout ratio is 40%, aiming for stable dividends

< Dividend per share >



*Regarding a year-end dividend for FY6/23, we plan to propose ordinary dividend of ¥7 per share to the Annual General Meeting of Shareholders to be held on September 14, 2023.

< Payout ratio >

	FY6/19	FY6/20	FY6/21	FY6/22	FY6/23	FY6/24
Payout ratio	41.3%	44.7%	39.1%	79.5%	95.1%*	66.6% (Forecast)

September
2021

- Sustainability Committee established

March
2022

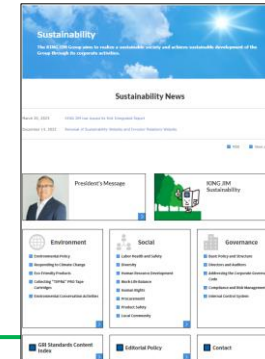
- Basic Sustainability Policy of the KING JIM Group formulated
- Materiality identified
- Switched from our Corporate Charter of the Environment to Environmental Policy

November
2022

- Sustainability Website newly established ●

< Sustainability Website URL >

<https://www.kingjim.co.jp/english/sustainability/>



December
2022

- First Integrated Report of the KING JIM Group issued ●
- Disclosure of GHG emissions (Scope 1 and 2)

< Integrated Report 2022 URL >

https://www.kingjim.co.jp/english/ir/library/integrated_report.html



May 2023

- Procurement Policy and Policy for Human Resource Development and Enhancing the Internal Work Environment established

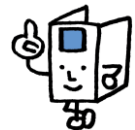
June 2023

- Declaration of support for the TCFD Recommendations

Please see our official website for details on our initiatives to improve sustainability.

< Sustainability Website URL >

<https://www.kingjim.co.jp/english/sustainability/>



We “KING JIM”

**will be enhancing your work and personal life,
and focusing on the originality.**



Disclaimer: The earnings forecasts in this presentation are based on the information available to the Company at the time of preparing the document. The actual performance may differ from these figures due to a variety of factors in the future.