create restaurants holdings inc.

Unlimited excitement!
Welcome diversity
Collaborate to create
Surprise the world

Financial Results of Fiscal 2022 Q2
(Supplementary Material)

October 14, 2021

create restaurants holdings inc.

【TSE1, Stock code: 3387】

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Contents

Ⅰ. Financial Highlights
1. Financial Results Overview［IFRS］
2. Outlet Operating Conditions and Same-store Sales vs. FY2020
3. Financial Results Overview（By Category）
4. Topics (Opened SARASHINA　HORII NY)

Ⅱ. Business Forecasts for Fiscal 2022
1. FY2022 Overview of Business Forecasts
2. FY2022 Overview of Business Forecasts (By Category)

Ⅲ. Shareholder Reward Policy
1. Shareholder Reward

Ⅳ. Medium-term Management Plan
1. Medium to Long-Term Growth Strategy (Summary)
2. Improvement of Financial Base
3. Further Development of the Group Federation Management (Establishment of CMD)
4. Digital Transformation (DX)
5. Sustainability Initiatives ①②

Ⅴ. Appendix
1. Opening and Closing of Outlets
2. Same-store Sales Transition
3. Financial Position
4. Sustainability Initiatives (Environment / Social / Governance)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Ⅰ. Financial Highlights

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

1. Financial Results Overview [IFRS]

Revenue: 34.5 billion yen, Operating profit: 7.3 billion yen, Profit attributable to owners of parent: 4.8 billion yen, Adjusted EBITDA: 15.1 billion yen

✓ **Revenue**

・Generally in line with forecasts (+17 million yen vs. target)

・Declaration of the fourth State of Emergency (from July 12, 2021 in Tokyo) and expansion of the stricter COVID-19 measures

⇒ To protect the health of our customers and employees, we continued to cooperate in preventing the spread of the COVID-19 and respond sincerely to requests from the government and local governments.

・Actual YoY same-store sales (vs. FY2020)*1 was 44.4% due to the impact of shortened operating hours, temporary closures, and the ban on serving alcohol.

✓ **Operating Profit**

・In addition to the completion of the shift to a more lean cost structure, which is now firmly in place, there is support from subsidy for shorten operation hours, employment adjustment subsidies, etc. that exceeded initial expectations.

⇒Achieved a significant surplus, exceeding the forecast by approximately 3.8 billion yen.

(Million yen)	FY2021 Q2		FY2022 Q2		FY2022 Q2		Vs. target Difference
	Result *2	Ratio to revenue	Result	Ratio to revenue	Target *3	Ratio to revenue	
Revenue	32,031		**34,493**		34,476		*+17*
Operating profit	-9,760	—	**7,314**	**21.2%**	3,503	10.2%	*+3,811*
Profit before taxes	-10,198	—	**7,170**	**20.8%**	3,305	9.6%	*+3,865*
Profit for the period	-10,169	—	**5,267**	**15.3%**	2,317	6.7%	*+2,950*
Profit attributable to owners of parent	-9,165	—	**4,823**	**14.0%**	2,177	6.3%	*+2,646*
Adjusted EBITDA *4	-1,006	—	**15,121**	**43.8%**	11,472	33.3%	*+3,648*

*1: Actual same-store sales are calculated based on the figures for FY2020 before COVID-19, including closed outlet.

*2: In the previous fiscal year, the Company finalized the provisional accounting treatment for business combinations, and the related consolidated operating results for the previous fiscal year reflect the provisional accounting treatment

*3: Figures for FY2022 Q2 (Target) are internal targets.

*4: Adjusted EBITDA= Operating profit + Other operating expenses - Other operating revenues (excluding sponsorship income, employment adjustment subsidies, subsidy for shorten operation hours, rent reductions and exemptions, etc.) + Depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

2. Outlet Operating Conditions and Same-store Sales vs. FY2020

	March (As of March 31, 2021)	April (As of April 30, 2021)	May (As of May 31, 2021)	June (As of June 30, 2021)	July (As of July 31, 2021)	August (As of August 31, 2021)	September (As of September 30, 2021)	October (As of October 14, 2021)
Total number of outlets	**1,073**	**1,075**	**1,068**	**1,067**	**1,066**	**1,060**	**1,058**	**1,058**
Number of outlets in operation	1,041	760	790	994	870	831	841	941
(Number of outlets in operation / Total number of outlets)	*97.0%*	*70.7%*	*74.0%*	*93.2%*	*81.6%*	*78.4%*	*79.5%*	*88.9%*
Number of outlets with shortened operating hours	637	468	549	724	542	649	671	660
(Number of outlets with shortened operating hours / Number of outlets in operation)	*61.2%*	*61.6%*	*69.5%*	*72.8%*	*62.3%*	*78.1%*	*79.8%*	*70.1%*
Actual same-store sales vs. FY2020	*51.9%*	*47.6%*	*35.5%*	*42.2%*	*51.0%*	*38.3%*	*40.4% ※1*	*60.1% ※2*
(Reference) SFP Category								
Total number of outlets	**226**	**226**	**226**	**226**	**227**	**227**	**227**	**227**
Number of outlets in operation	222	79	41	180	68	42	48	129
(Number of outlets in operation / Total number of outlets)	*98.2%*	*35.0%*	*18.1%*	*79.6%*	*30.0%*	*18.5%*	*21.1%*	*56.8%*
Number of outlets with shortened operating hours	176	54	24	149	36	30	32	108
(Number of outlets with shortened operating hours / Number of outlets in operation)	*79.3%*	*68.4%*	*58.5%*	*82.8%*	*52.9%*	*71.4%*	*66.7%*	*83.7%*
Actual same-store sales vs. FY2020	*36.5%*	*30.2%*	*7.1%*	*14.7%*	*16.4%*	*5.4%*	*5.3% ※1*	*30.4% ※2*

*1: Preliminary figures for September

*2: Preliminary figures for October (As of Oct. 11)

* Definition of actual same-store sales vs. FY2020

Calculated based on figures for outlets opened two years ago (FY2020) or earlier, and include outlets that were closed during the period.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

3. Financial Results Overview（By Category）

Overview by Category

【CR】

Revenue exceeded expectations, partly due to the strong performance of outlets at suburban shopping malls despite the harsh business environment. In terms of cash-flow, we have continued to thoroughly control costs, and have achieved a large surplus beyond Q1.

【SFP】

Revenue struggled more than expected due to the temporary closure of many outlets, particularly in the Tokyo metropolitan area, affected by the prolonged period of the ban on serving alcohols. However, cash flows were significantly positive, underpinned by subsidy for shorten operation hours.

【Specialty Brand】

Revenue was largely in line with forecasts due to contributions from daily-use formats like bakery, Soba noodle, and Tsukemen (dipping Ramen noodles). Despite the impact of the fourth State of Emergency, cash-flow achieved a surplus that exceeded Q1 by thorough cost-control measures.

【Overseas】

Revenue in the North American region (particularly on the west coast) recovered significantly due to the spread of vaccines. While outlets in Hong Kong have been performing well, it was sluggish in Singapore due to the ban on eating and drinking inside the store again. However, total overseas revenue was above forecasts. Cash-flow surplus expanded more than Q1.

Actual Same-store Sales vs. FY2020

Category	Q1 (Mar.-May)	Q2 only	Q2 total (Mar.-Aug.)	Sep.	Current As of Oct. 11
CR	47.8%	46.7%	47.2%	44.8%	64.3%
SFP	24.6%	12.0%	18.3%	5.3%	30.4%
Specialty Brand	52.8%	52.4%	52.6%	46.7%	67.7%
Overseas	58.1%	79.4%	69.1%	82.9%	89.3%
Consolida	**45.1%**	**43.6%**	**44.4%**	**40.4%**	**60.1%**

(Preliminary figures for September, October)

(Million yen)

Category	FY2021 Q2 (cumulative)			FY2022 Q1			FY2022 Q2			FY2022 Q2 (cumulative)		
	Revenue	Category CF *2	Ratio to revenue	Revenue	Category CF *2	Ratio to revenue	Revenue	Category CF *2	Ratio to revenue	Revenue	Category CF *2	Ratio to revenue
CR	10,965	-2,238	-	7,033	1,509	*21.5%*	6,894	3,358	*48.7%*	13,928	4,867	*34.9%*
SFP	7,834	-1,844	-	2,229	139	*6.3%*	1,096	1,452	*132.4%*	3,326	1,591	*47.9%*
Specialty Brand	11,504	-1,115	-	6,374	979	*15.4%*	6,000	1,787	*29.8%*	12,375	2,767	*22.4%*
Overseas	2,127	-734	-	2,401	101	*4.2%*	3,021	189	*6.3%*	5,423	291	*5.4%*
Adjustments, etc.*1	-400	4,925	-	-298	2,831	-	-260	2,770	-	-558	5,602	-
Total	**32,031**	**-1,006**	-	**17,740**	**5,562**	*31.4%*	**16,753**	**9,558**	*57.1%*	**34,493**	**15,121**	*43.8%*

*1 Adjustments, etc. is mainly head office expenses not allocated to the respective Category and Adjustments, etc. included depreciation and amortization related to the adoption of IFRS 16.

*2 Category CF = Operating income (Japan GAAP) + depreciation + amortization of goodwill + sponsorship income + non-recurring expenses + Limited-time earnings items (employment adjustment subsidy and subsidy for cooperation of shorten operating hours, etc.)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

4.Topics (Opened SARASHINA HORII NY)

On July 20, 2021, SARASHINA HORII was opened in New York, U.S.A.

・Through the business tie-up with SARASHINA HORII, a 230-year-old soba restaurant, we opened its first overseas outlet in New York.







The NEW York Times

✔ The restaurant was featured in the New York Times and is highly rated by New Yorkers.

Sarashina Horii, Specializing in Soba Noodles, Opens

The history of this restaurant, which specializes in soba noodles, goes back to 1789 when it started serving its noodles to aristocrats and the imperial families in Japan. Using the heart of the buckwheat seeds, its soba is white, making it more delicate and refined. Yoshinori Horii, who runs the company, decided that New York would be its first overseas branch, but the pandemic stalled the opening. In the warmly decorated New York restaurant, the chef Tsuyoshi Hori (the name is a coincidence) and his staff make the soba that they use. They also make more traditional buckwheat soba using some wheat flour, and diners can select which type of soba they prefer. There are more than a dozen soba dishes, cold and hot, many served with tempura and involving seafood, meats like duck, and vegetables. Several sauce options are also available. In addition, the restaurant offers appetizers like deep fried tofu, grilled eel with eggplant, crab cake, fish carpaccio and a soba roll. Salads, tempura dishes, black cod with miso, sukiyaki, and stone-grilled duck with vegetables are some non-soba items. (Opens Wednesday)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Ⅱ. Business Forecasts for Fiscal 2022

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

1. FY2022 Overview of Business Forecasts

The full-year forecasts disclosed on July 14, 2021 was revised to reflect recent changes in business conditions

⇒ Revenue：91.2 billion yen, Operating profit：10.8 billion yen, Profit attributable to owners of parent: 6.5 billion yen, Adjusted EBITDA：27.1 billion yen

Revenue and profits are expected to recover in the fourth quarter due to the easing of restrictions, although the recovery of business conditions is expected to be delayed due to the declaration of the fourth State of Emergency in July, the subsequent expansion of its target areas, and repeated extensions of its period.

(Million yen)	FY2022 (Previous forecast: disclosed on July 14)		FY2022 (Revised forecast)		Difference	Rate of change
	Forecast	Ratio to Revenue	Forecast	Ratio to Revenue		
Revenue	93,000		**91,200**		***-1,800***	*-1.9%*
Operating profit	5,500	5.9%	**10,800**	**11.8%**	***+5,300***	*+96.4%*
Profit before taxes	5,000	5.4%	**10,200**	**11.2%**	***+5,200***	*+104.0%*
Profit for the year	3,400	3.7%	**7,400**	**8.1%**	***+4,000***	*+117.6%*
Profit attributable to owners of parent	3,000	3.2%	**6,500**	**7.1%**	***+3,500***	*+116.7%*
Adjusted EBITDA *2	22,400	24.1%	**27,100**	**29.7%**	***+4,700***	*+21.0%*

* Adjusted EBITDA= Operating profit + Other operating expenses - Other operating revenues (excluding sponsorship income, employment adjustment subsidies, subsidy for shorten operation hours, rent reductions and exemptions, etc.) + Depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

2. FY2022 Overview of Business Forecasts（By Category）

Category	FY2022 (Previous forecast : Disclosed on April 14)			FY2022 (Revised forecast)			Difference		
	Revenue	Category CF	Ratio to Revenue	Revenue	Category CF	Ratio to Revenue	Revenue	Category CF	Ratio to Revenue
CR	34,400	5,100	14.8%	34,230	7,250	21.2%	-170	+2,150	+6.4%
SFP	18,200	2,600	14.3%	15,000	3,950	26.3%	-3,200	+1,350	+12.0%
Specialty Brand	30,400	3,800	12.5%	30,250	4,640	15.3%	-150	+840	+2.8%
Overseas	12,200	1,300	10.7%	12,820	1,320	10.3%	+620	+20	-0.4%
Adjustment, etc.	-2,200	9,600	–	-1,100	9,940	–	+1,100	+340	–
Total	93,000	22,400	24.1%	91,200	27,100	29.7%	-1,800	+4,700	+5.6%

* Category CF = Operating income (Japan GAAP) + depreciation + amortization of goodwill + sponsorship income + non-recurring expenses + Limited-time earnings items (employment adjustment subsidy and subsidy for shorten operation hours, etc.)

* Adjustments, etc. is mainly head office expenses not allocated to the respective Category and Adjustments, etc. included depreciation and amortization related to the adoption of IFRS 16.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Ⅲ. Shareholder Reward Policy

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

1. Shareholder Reward

Dividends

✓**Based on a stable dividend policy, we have decided to resume dividend payments thanks to the steady recovery in business performance.**

- Interim dividend for FY2022 ⇒ **1.5 yen per share** (resolved by the Board of Directors Meeting on October 14, 2021)
- Forecasts for year-end dividend for FY2022 ⇒ revised from "TBD" to **3.0 yen per share**

Shareholder Special Benefit Plan

We will continue to implement it as part of our corporate policy since we have positioned this as an important measure for returning profits to shareholders.

✓Further extend the expiration date



① Valid until May 31, 2021 (light brown tickets) ⇒ Extended until **February 28, 2022**
② Valid until November 30, 2021 (purple tickets) ⇒ Extended until **February 28, 2022**

・Due to requests from local governments for shorter operating hours in response to the State of Emergency and the stricter COVID-19 measures, we shortened operating hours and suspension of operation at many outlets.

⇒ For both ① and ②, the expiration date will be further extended to increase opportunities for shareholders to use the service.

Eligible for shareholder benefit tickets with an expiration date of May 31, 2021 (delivered in November 2020) and November 30, 2021 (delivered in May 2021).

✓Expansion of available outlets

・Shareholder gift certificates are available at some of our outlets at golf courses from November 2021
⇒ Terms and conditions: Maximum of 2,000 yen per person (4 shareholder gift certificates)
⇒ Available outlets: 33 (planned)
*Available when using both golf course and the restaurant (not available when only using golf course or only using the restaurant)

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Ⅳ. Medium-term Management Plan

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

1. Medium to Long-Term Growth Strategy (Summary)

Re-statement
(Supplementary Material for Financial Results of Fiscal 2022 Q1)

External Environment

✔ **Uncertainty surrounding the food service industry will remain for the time being reflecting the impact of COVID-19**

① Rapidly changing needs for "location and format" in response to changes in customer's behavior
② Withdrawal and closure of outlets from the food service industry and outflow of human resources will also come to surface
③ All companies must survive COVID-19 crisis and continue establishment of financial base to survive in the long term

Recognition and Response

① Consumption behavior will not fully return to the previous level due to changes in people's lifestyles
② Increase in potential outlet opening capacity and M&A opportunities
③ The financial base has been improved through the permanent subordinated loan in February 2021
⇒ Implementing growth strategies ahead of competitors for renewed growth

Three Pillars of Growth Strategy

① Reviewing portfolio toward post-COVID

② Further development of the Group Federation Management

③ Improving productivity by promoting DX and addressing the shortage of human resources

Medium and Long-Term Management Goals

Corporate group to provide "enrichment" to its stakeholders through food business

Customers / Society	Business partners	Employees	Shareholders
Providing safe and secure outlets, food, and services that familiar to the community	Building long-term mutually beneficial relationships	Provide stable employment and a diverse work styles	Sustainable profit growth

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

2. Improvement of Financial Base

Financing through perpetual subordinated loans (February 5, 2021)

15 billion yen has been procured from Mizuho Bank and the Development Bank of Japan to stabilize the financial base
→ Funds raised will be used for repayment of existing interest-bearing debt, etc.
→ Funds raised from perpetual subordinated loans are included in shareholders' equity under International Financial Reporting Standards (IFRS).

Overview of the new share issue registration (July 19, 2021)

(1)	Purpose	Further expansion of financial base and securing of funds for growth
(2)	Types of securities offered	Our common stock
(3)	Planned issue period	July 28, 2021-July 27, 2022
(4)	Planned issue amount	Up to 20 billion
(5)	Method for offering	TBD
(6)	Use of the funds raised	① Funds for new outlet openings, format changes, and renovations to review the portfolio toward post-COVID era, etc.
		② DX Promotion Fund
		③ Repayment of long-term debt (including perpetual subordinated loans)
(7)	Underwriters for the offering	TBD

(Note) In the event that new shares are issued through a public offering of shares of common stock of the Company, the Company may also announce a capital reduction on the same day as the payment date of the public offering in order to prepare for flexible capital policies in the future.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

3. Further Development of the Group Federation Management (Establishment of CMD)

Established a joint venture to handle purchasing planning functions

株式会社CMD creative merchandising

Established CMD Co., Ltd. as a joint venture with SFP Holdings Co., Ltd. to handle purchasing planning functions (as of September 1, 2021)

Purpose: To centralize purchasing decisions

① Reinforce supply chain management

⇒ Reduce costs by sharing foodstuffs, reviewing logistics, and consolidating business partners

② Develop the best suppliers and production areas

⇒ Aim to maximize the value of foodstuffs provided to customers

Name	CMD Co., Ltd.
Location	3-1200, Shinmaruko-Higashi, Nakahara-ku, Kawasaki-shi, Kanagawa
Composition of directors	Tetsuhiro Kimura, Representative Director (Former General Manager of Product Division of SFP) Makoto Sato, Part-time Director (Currently Representative Director of SFP) Akira Shimamura, Part-time Director (Currently Managing Director of CRH)
Number of employees	13
Capital	1 million yen
Investment ratio	CRH: 50.0% SFP: 50.0%

*CRH: create restaurants holdings inc. /SFP: SFP Holdings Co., Ltd.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

4. Digital Transformation (DX)

Mission for DX

The basis of our business is people (customers and employees), and this basis will not change no matter how the times change due to COVID-19.
Improve efficiency by promoting DX Labor saving for tasks that can be automated
⇒ Maximize employees' customer service time to improve customer satisfaction.
・Aiming to improve customer convenience by introducing digital technology

Progress of DX

Established DX Promotion Office on August 1
・Established a specialized organization to promote DX throughout the Group
・Promoting DX by utilizing the knowledge of alliance partner SoftBank Group Corp.

Streamline of existing operations

With an eye on post-COVID era, prioritize the improvement of efficiency in back-office operations at headquarters
・Reduction of man-hours through paperless management for various documents (invoices, contracts, request for approval, employee information-related, etc.)
・Reduction of man-hours through optimization of back-office work flow (digitization and revision of rules)



Medium-term renovations and reforms

Demonstration test of a new outlet management that is more efficient and labor-saving
・Test introduction of mobile orders at ISOMARU SUISAN Musashikosugi Minamiguchi Store and Ebisu Food Hall
⇒ Planning to gradually expand the number of outlets introducing the system

Demonstration test of AI-based sales forecasting using weather data and human flow data
・Started demonstration tests of customer number forecasts by SOFTBANK's AI system

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

5. Sustainability Initiatives ①

Formulation of the basic policy

<Basic policy on sustainability>
The create restaurants group aims to contribute to the realization of a sustainable society and increase the group's corporate value over the long term by continuing to provide "enrichment" to stakeholders through a variety of situations.

Examples of activities

Environment

Reduction of food loss

- Introduced "TABETE", a food sharing app, at all 7 JEAN FRANCOIS outlets
  ⇒ Working to reduce bread loss at outlets
- Sales of bread left unsold nationwide through "rebake", an online bakery shop

EAT ME! TABETE

rebake



Cooperation of production areas/local production for local consumption

- Promoting local production for local consumption
⇒ Food safety and contributing to local communities
⇒ Reducing transportation-related CO2 emissions

Reduction of plastic waste

- Use of plastic bags made from biomass
- Curbing the use of plastic straw

Social

Communication with local communities

- Mr. FARMER held a farmer's market at the Komazawa Olympic Park Outlet
- Held various events such as vegetable harvesting experience, dog food making events in collaboration with neighborhood career college



Nutritional education

- "Japanese Cuisine and Shabu Shabu KAGONOYA" Parent-child cooking seminar for elementary school-aged children and their parents held in Kyoto
- ⇒ Providing nutritional education rooted in local communities



Promoting diversity

- Active recruitment of female employees and female managers
- Promotion of employment of foreign people

Governance

Strengthening systems and functions

- Strengthen the function of the Board of Directors
- Evaluation of the effectiveness of the Board of Directors
- Group governance system
- Disclosure system
- Compliance system
- Risk management system

<u>Currently under consideration to strengthen systems and functions</u>

- Increase the number of outside directors
- Establishment of Nominating Compensation Committee

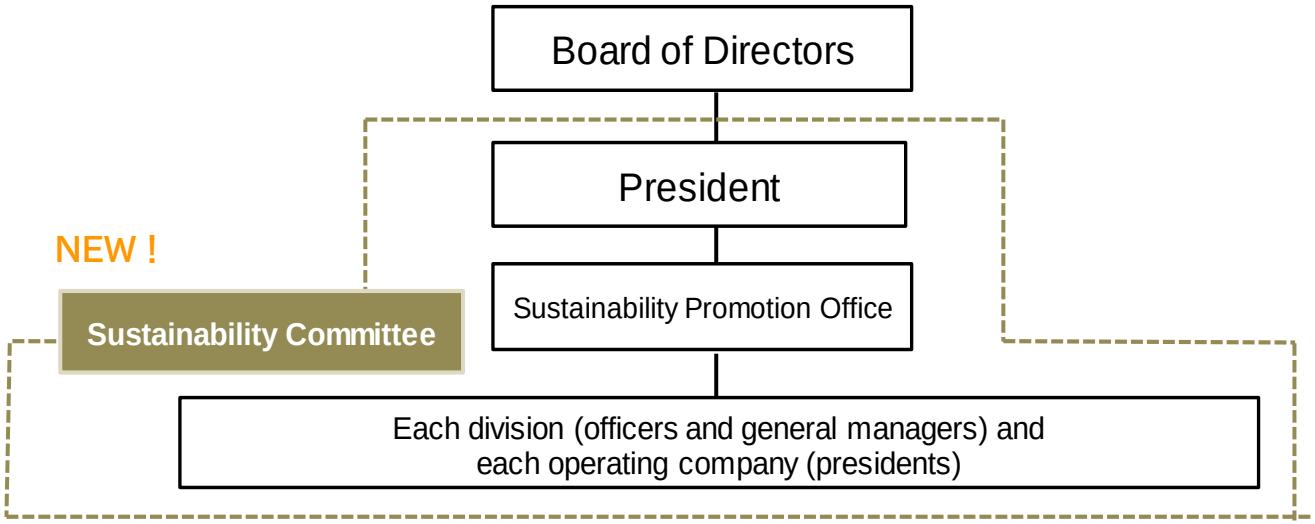
Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

5. Sustainability Initiatives ②

Establishment of the Sustainability Committee

Establish the Sustainability Committee to promote sustainability in the Group
(scheduled to be established on November 1, 2021)

・In order to realize a sustainable society, we aim to enhance the corporate value of the Group by giving consideration to environmental, social, and economic sustainability through our food.
・Established the Sustainability Promotion Office directly under the president to strategically promote sustainability activities.
⇒ Specifically, we plan to establish and maintain a system and implement various measures on an ongoing basis, with a focus on "food safety and security," "environmental initiatives," "human resource initiatives," "social contribution initiatives," and "corporate governance.



Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

V. Appendix

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

1. Opening and Closing of Outlets

➢ **Opened: 9 outlets, Closed: 25 outlets, Brand change: 8 outlets**
⇒ Group total at the end of August 2021: 1,060 outlets

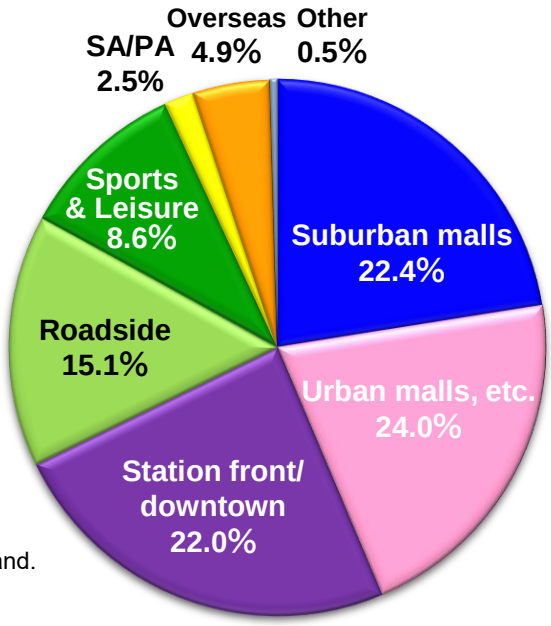
- **Newly opened**
  2 outlets in Kyoto Research Park（”Kagonoya”/”GOCONC”), Lalaport Fujimi（CHEESE RESTAURANT “RICCOTA”）
  Outlets opening through business alliance with Zen-Noh（”Minori Café” Fukuoka-Tenjin / “Minoru Syokudo” Amu plaza kumamoto）
  Overseas: Opened a "SARASHINA HORII" in New York, U.S.A. and a franchised "Kagonoya" in Thailand
- **Closing unprofitable outlets and closing due to contract expiration**
  Buffet format and contracted outlets, etc. closed due to expiration of contracts
- **Changed formats tailored to each location and customer needs**
  Izakaya format changed to combination meal format and sushi format

【Opening/Closing in FY2022 Q2】

Category	Total no. at end of Feb. 2021	Increase /Decrease		Total no. at end of Aug. 2021	Brand Changes *1
		New	Close		
CR	553	1	13	541	1
SFP	227	1	1	227	6
Specialty Brand	243	5	8	240	1
Overseas *2	53	2	3	52	0
Group total *3	**1,076**	**9**	**25**	**1,060**	**8**

*1: Number of outlets in the Group including brand changes.
*2: The number of overseas outlets includes LG&EW’s 2 franchise outlets in Jakarta and KR’s 9 franchise outlets in Thailand.
*3: Total number of outlets include all outsourced outlets and franchise outlets as of the end of August 2021.

【Breakdown of number of outlets by location】
（as of the end of August 2021）



Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

2. Same-store Sales Transition Vs. FY2020

【Consolidated】

	Mar.	Apr.	May	Q1 Total	Jun.	Jul.	Aug.	Q2 Total	Sep. (Preliminary)	Oct.	Nov.	Q3 Total	Dec.	Jun.	Feb.	Full-year
FY2022 Actual Same-store Sales *1	**51.9%**	**47.6%**	**35.5%**	**45.1%**	**42.2%**	**51.0%**	**38.3%**	**44.4%**	**40.4%**	–	–	–	–	–	–	–
FY2021 Actual Same-store Sales *2	57.4%	11.7%	14.1%	27.8%	47.4%	55.0%	52.1%	39.4%	61.1%	72.6%	69.1%	48.4%	53.3%	38.2%	47.5%	48.5%

【By category】

		Mar.	Apr.	May	Q1 Total	Jun.	Jul.	Aug.	Q2 Total	Sep. (Preliminary)	Oct.	Nov.	Q3 Total	Dec.	Jan.	Feb.	Full-year
CR	**FY2022 Actual Same-store Sales *1**	55.5%	50.4%	37.4%	47.8%	42.5%	55.5%	42.6%	47.2%	44.8%	–	–	–	–	–	–	–
	FY2021 Actual Same-store Sales *2	45.9%	11.7%	8.9%	22.9%	44.7%	52.7%	53.8%	36.9%	60.3%	72.9%	69.9%	46.7%	60.6%	45.2%	57.2%	48.6%
SFP	**FY2022 Actual Same-store Sales *1**	36.5%	30.2%	7.1%	24.6%	14.7%	16.4%	5.4%	18.3%	5.3%	–	–	–	–	–	–	–
	FY2021 Actual Same-store Sales *2	62.1%	5.2%	16.1%	28.3%	43.8%	54.1%	43.9%	37.8%	57.2%	69.3%	65.6%	47.2%	52.9%	26.0%	27.7%	47.6%
Specialty Brand	**FY2022 Actual Same-store Sales *1**	59.4%	52.9%	45.6%	52.8%	50.9%	62.5%	45.3%	52.6%	46.7%	–	–	–	–	–	–	–
	FY2021 Actual Same-store Sales *2	63.2%	19.9%	22.1%	35.9%	57.3%	62.2%	58.6%	47.3%	66.7%	78.8%	76.3%	55.9%	56.3%	44.6%	53.3%	54.8%
Overseas	**FY2022 Actual Same-store Sales *1**	50.0%	61.3%	63.5%	58.1%	75.1%	85.5%	77.2%	69.1%	82.9%	–	–	–	–	–	–	–
	FY2021 Actual Same-store Sales *2	46.1%	3.7%	4.1%	20.0%	27.1%	33.1%	36.2%	25.7%	45.4%	47.3%	41.9%	32.1%	21.6%	21.7%	46.8%	31.5%

*1：Calculated based on figures for outlets opened two years ago or earlier, and include outlets that were closed during the period.

*2：Calculated based on figures for outlets opened a year ago or earlier, and include outlets that were closed during the period.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

3. Financial Position

(Million yen)

Major indicator	End of Feb. 2021	End of Aug. 2021	Difference
Total assets (million yen)	161,966	158,200	-3,766
Total liabilities (million yen)	138,702	129,883	-8,819
Total capital (million yen)	23,264	28,316	+5,052
Ratio of equity attributable to owners of the parent to total asset (Shareholders' equity ratio)	10.5%	13.7%	+3.2%
Net D/E ratio	4.79 times	3.66 times	-1.13 times

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

4. Sustainability Initiatives -Environment

Theme	Our group's initiatives
Energy saving	■ Adoption of LED lighting ■ Installation of water-saving faucets
Reduction of plastic waste	■ Use of plastic bags made from biomass ■ Curbing the use of plastic straw
Reduction of CO2 emissions	■ Initiatives for Local Production and Local Consumption ⇒ Contributing to local exchange and regional revitalization - Establishment of "Farming Day" to facilitate interaction and harvesting with farmers - Development of menus using local vegetables and fruits ■ Promotion of the use of eco-chopsticks ■ Use of plant-based cheese and soybean meats ■ Enhancement of vegan menus
Reducing Food Loss	■ Sales of unsold products using food sharing services (“TABETE“, "rebake”, etc.) ■ Continuous efforts to reduce losses - Control of portion sizes and yield improvement - Measure and report losses - Do not leave cut meats, etc.
Improving recycling rates	■ Installation of raw garbage processors ■ Recycling of waste oils ■ Reuse of furniture and materials between outlets
Food safety and reliability	■ Compliance with Beef Traceability Law and Rice Traceability Law ■ Provision of allergen information on the menu ■ HACCP initiatives, Hygiene audits at supplier plants

(Note) For outlets in commercial facilities, in addition to the above, recycling and other initiatives will be implemented according to the facility's standards and requirements.

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

4. Sustainability Initiatives -Social

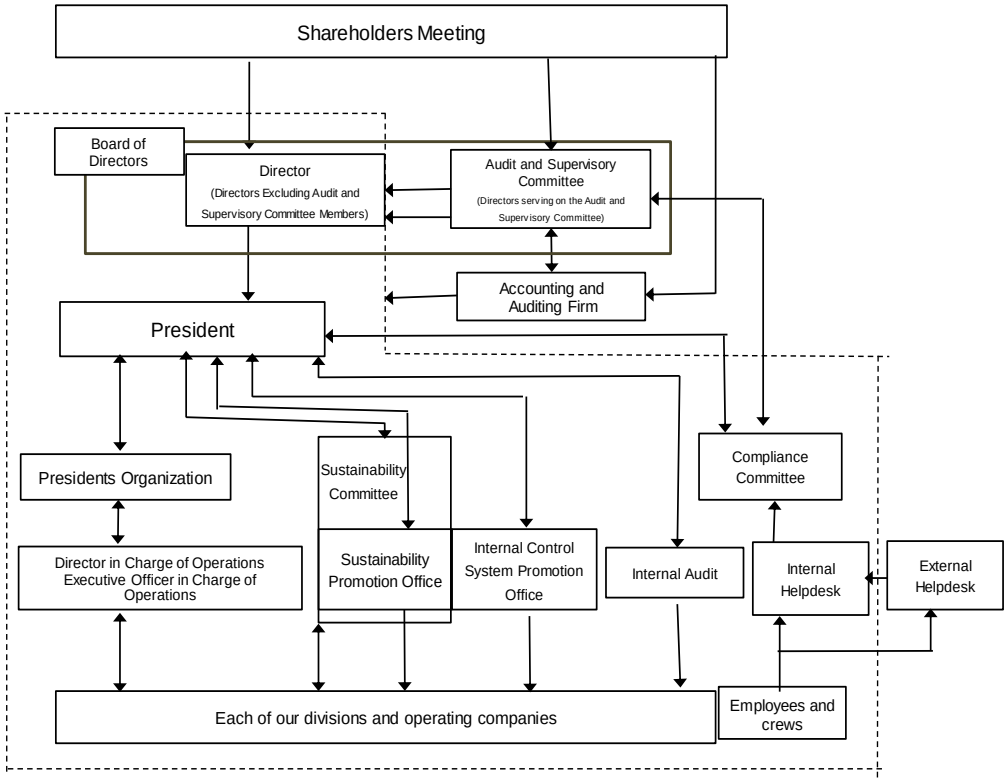
Theme	Our group's initiatives
Nutritional education /Local community exchange	■ Cooking Classes for Children ■ Collection of garbage in the park and stockpiling of batteries for disasters ■ Hold events such as Farmers Market, Dog Event, Parent-Child Harvest Experience, and Yoga Events
Social contribution	■ Introduced the Leave System for Volunteer Activities ■ Ashinaga Scholarship Foundation and other various fund-raising activities ■ Construction of a school in Cambodia ■ Support for The Japan Marrow Donor Program ■ Cleaning up Mt. Fuji
Barrier-free measures	■ Establishment of a new multi-purpose toilet
Promoting diversity	■ Raising the age of retirement reemployment to 70 ■ Adoption of Genderless Uniform
Work style reform	■ Diverse work styles based on work-life balance ■ Remote working
Focus on human resources	■ Intra-group career trainee ■ Immediate payment of salaries to crews ■ Long Service Award ■ Introduction of Retirement Benefit Plan (ESOP) ■ Training programs

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

4. Sustainability Initiatives -Governance

Theme	Our group's initiatives
Strengthening the functions of the Board of Directors Evaluation of the effectiveness of the Board of Directors Group Governance Structure Disclosure System Compliance System Risk Management System	■ Monthly meetings with presidents of Group companies ■ Establishment of the Internal Control System Promotion Office ■ Establishment of Compliance Committee ■ Establishment of Sustainability Committee (scheduled for November 1) ■ Consideration of increasing the number of outside directors ■ Consideration of establishing a Nomination and Compensation Committee

[Organization Chart]
From November 2021



Copyright © 2021 create restaurants holdings inc. All Rights Reserved.

Disclaimer

The purpose of this material is to provide information regarding the financial results of the fiscal 2022 Q2 and is not intended to solicit investment in securities issued by the Company.

Furthermore, although the contents in this material is prescribed based on reasonable assumptions of the Company at the time of publication, it does not warrant or guarantee the information’s accuracy or completeness and is subject to change without prior announcement.

<<For inquiries regarding IR>>
Corporate Planning Division IR Team
8022@createrestaurants.com

Copyright © 2021 create restaurants holdings inc. All Rights Reserved.