

Financial Highlights and Supplementary Data FY24/Q1

February 9, 2024



FOOD & LIFE
COMPANIES

- **[Revenue]** Steady recovery in the Japan Sushiro business and new store opening in the overseas Sushiro business resulted in revenue increase.
- **[Profits]** The recovery of Japan Sushiro business led to the improvement in SGA% in revenue, plus a decrease in impairment losses, resulting in an increase in the OP margin from 2.3% to 7.2% and a significant increase in Profit for the Period.

	FY23/Q1		FY24/Q1		YoY	vs.Forecast ^{*2}
	Actual	% in Revenue	Actual	% in Revenue		
(in millions, JPY)						
Revenue	68,004	—	85,533	—	25.8%	24.4%
EBITDA^{*1}	5,039	7.4%	9,143	10.7%	81.4%	35.2%
Operating Profit	1,570	2.3%	6,123	7.2%	290.1%	53.2%
Profit for the Period^{*3}	671	1.0%	3,257	3.8%	385.6%	50.1%
COGS	30,223	44.4%	37,526	43.9%	▲ 0.6pt	—
Store Count	1,110	—	1,127	—	17	—

*1 EBITDA = Operating Profit adjusted for Depreciation & Amortization (excluding the depreciation/amortization of Right-of-Use Asset) and Impairment.

*2 Progress % against the FY24/9 forecast announced on November 10, 2023.

*3 Profit attributable to owners of the parent

Financial Highlights, By Segment FY24/Q1, YoY

- **[Japan Sushiro]** Revenue LFL recovered (124.2%) in Q1. (Customer Count LFL 120.1%, Average Customer Ticket LFL 102.9%), per-store profitability improved, and the OP margin rose from 3.1% to 10.6%, leading to a significant increase in profit.
- **[Overseas Business]** Continued to be driven by the performance in Thailand, and despite start-up costs incurred in Indonesia and the U.S., revenue and profits both increased.
- **[Kyotaru Business]** Achieved the increase in profit while revenue remained flat by the closure of unprofitable stores/improving profitability of existing stores through various measures.

	Japan Sushiro			Overseas Business ^{*2}			Kyotaru Business			Other Business		
	FY23 Q 1	FY24 Q 1	Increase/ Decrease	FY23 Q 1	FY24 Q 1	Increase/ Decrease	FY23 Q 1	FY24 Q 1	Increase/ Decrease	FY23 Q 1	FY24 Q 1	Increase/ Decrease
(in millions, JPY)												
Revenue	46,680	58,638	25.6%	13,845	19,068	37.7%	6,213	6,254	0.6%	1,265	1,573	24.3%
EBITDA ^{*1}	3,789	7,847	107.1%	2,489	2,718	9.2%	49	358	664.4%	52	199	280.1%
Operating Profit ^{*1}	1,437	6,213	332.4%	1,521	1,605	5.5%	13	293	2,090.8%	19	127	561.1%
Depreciation & Amortization	4,051	4,014	▲0.9%	1,614	2,454	52.0%	400	422	5.5%	151	167	10.7%
Impairment	861	224	▲73.9%	98	—	—	26	34	34.7%	—	24	—
Store Count	636	639	(3)	102	147	(45)	298	260	(▲38)	74	81	(7)

*1 : Segment EBITDA and segment operating profit on this page onwards, are the figures before cross-segment royalty payments.

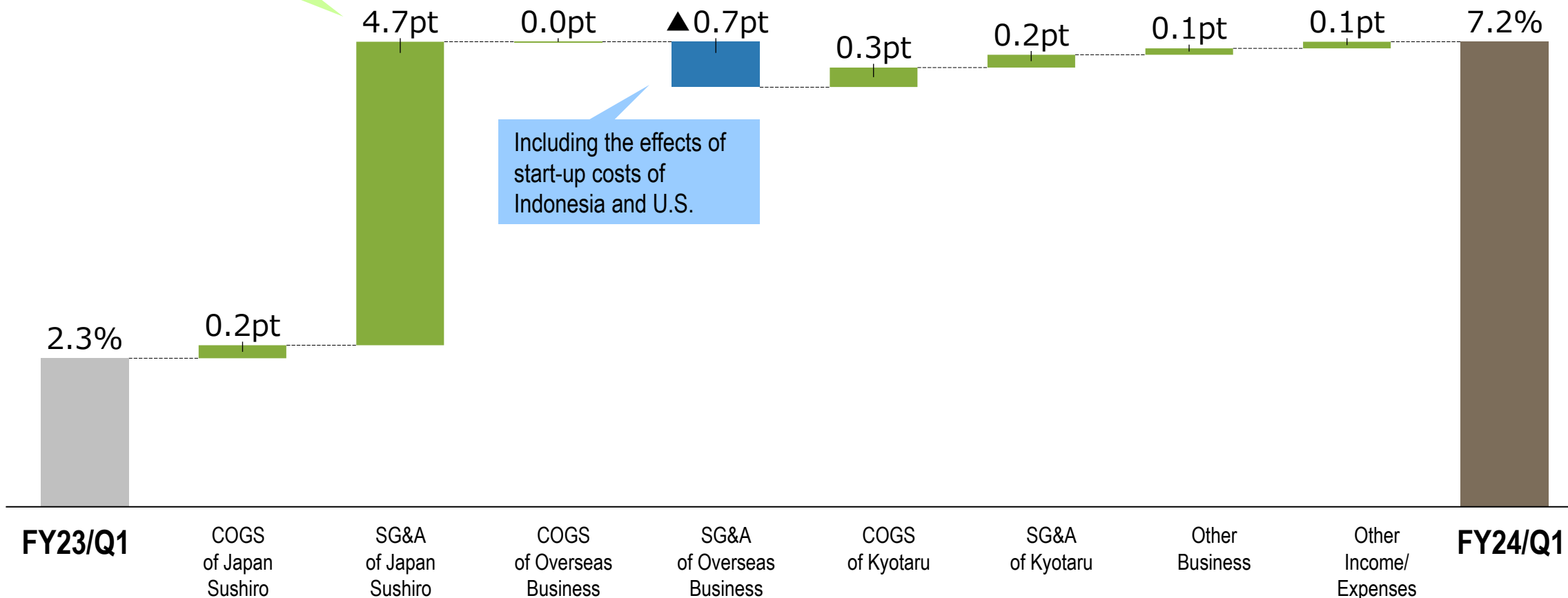
*2 : Overseas Business' includes on Sugidama store operating in Hong Kong

*3 : The difference between consolidated operating profit and the sum of operating profits of all segments is the amount of cross-segment transactions as well as the amount of all-company-level expenses that don't belong to above segments.

Consolidated

Operating Profit, FY24/Q1, YoY

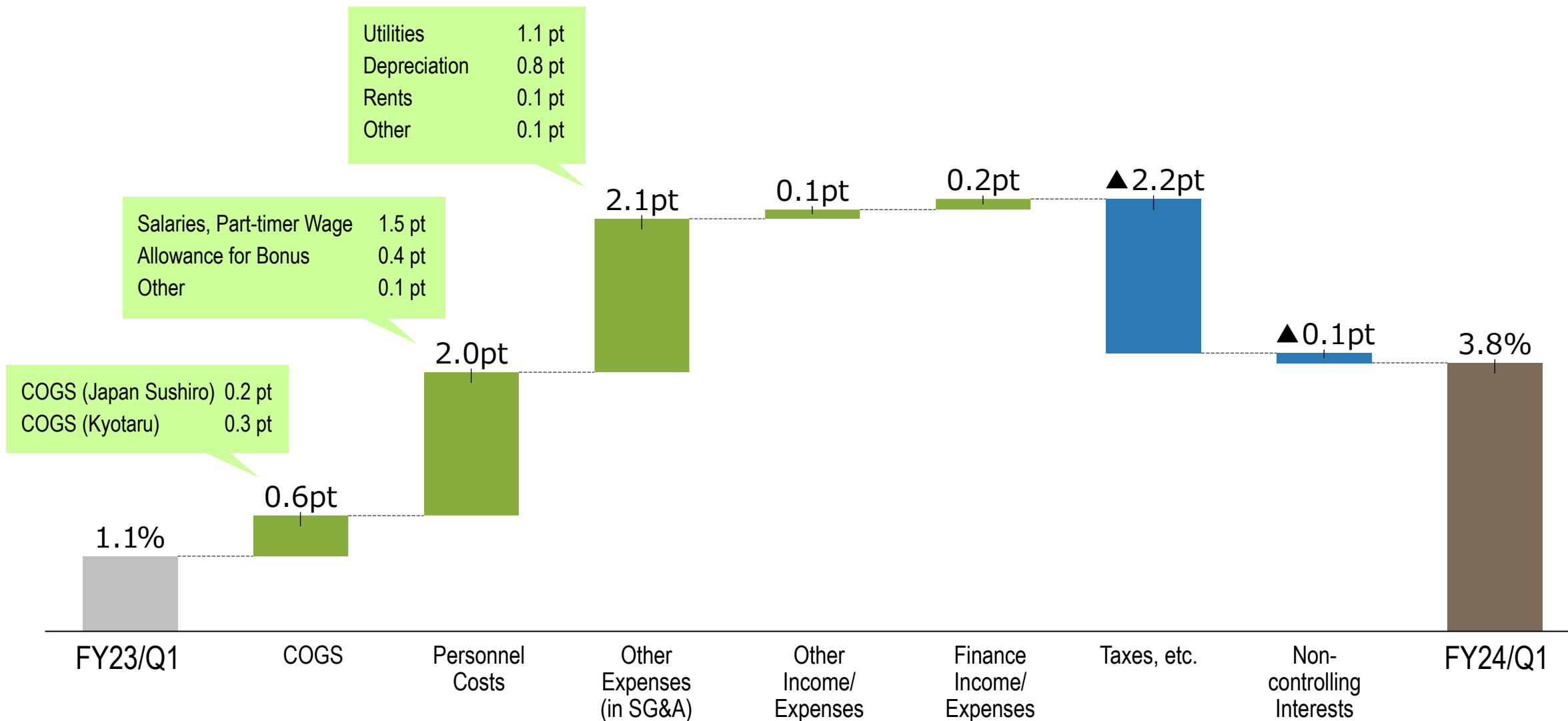
Japan Sushiro has been on the recovery, leading to a significant increase in SG&A%



Including the effects of start-up costs of Indonesia and U.S.

Consolidated

Profit for the Period*1, FY24/Q1, YoY



*1 : Profit attributable to owners of the parent

Revenue and EBITDA by Area

	FY24/Q1			vs. FY23/Q1		
	(in millions, JPY)	(in Total Overseas Revenue)	(in Revenue of Each Area)		(excl. impact of exchange rate)	
	Actual	% in Revenue	EBITDA% ⁽¹⁾	Change (value)	YoY %	Growth %
Overseas Revenue	19,068	—	—	+ 5,223	+ 37.7%	+ 31.2%
KOREA	678	3.5%	—	+ 59	+ 9.5%	+ 1.8%
TAIWAN	4,820	25.3%	—	+ 665	+ 16.0%	+ 12.8%
HONG KONG	7,095	37.2%	—	+ 1,873	+ 35.9%	+ 29.8%
SINGAPORE	1,365	7.2%	—	+ 136	+ 11.0%	+ 3.3%
THAILAND	2,537	13.3%	—	+ 857	+ 51.0%	+ 41.5%
MAINLAND CHINA	2,504	13.1%	—	+ 1,564	+ 166.4%	+ 158.7%
INDONESIA	70	0.4%	—	+ 70	—	—
New Markets	—	—	—	—	—	—
Overseas EBITDA ^{*1}	2,718	—	14.3% ^{*2}	+ 229	+ 9.2%	+ 8.5%
KOREA	40	—	5.9%	▲28	▲ 41.6%	▲ 45.7%
TAIWAN	706	—	14.6%	+ 14	+ 2.1%	▲ 0.8%
HONG KONG	1,340	—	18.9%	▲17	▲1.2 %	▲ 5.7%
SINGAPORE	242	—	17.8%	▲58	▲ 19.2%	▲ 24.8%
THAILAND	658	—	25.9%	+ 274	+ 71.5%	+ 60.8%
MAINLAND CHINA	▲149	—	▲6.0%	+ 161	<i>Negative figure in last FY</i>	<i>Negative figure in last FY</i>
INDONESIA	▲54	—	▲77.0%	▲54	—	—
New Markets	▲64	—	—	▲64	—	—

*1 : Before royalty payment

*2 : This 'Overseas EBITDA' is an EBITDA% in total 'Overseas Revenue.' Overseas EBITDA % of each area (i.e. Korea, Taiwan) is EBITDA % of each area in total 'Overseas Revenue.'

Forecast

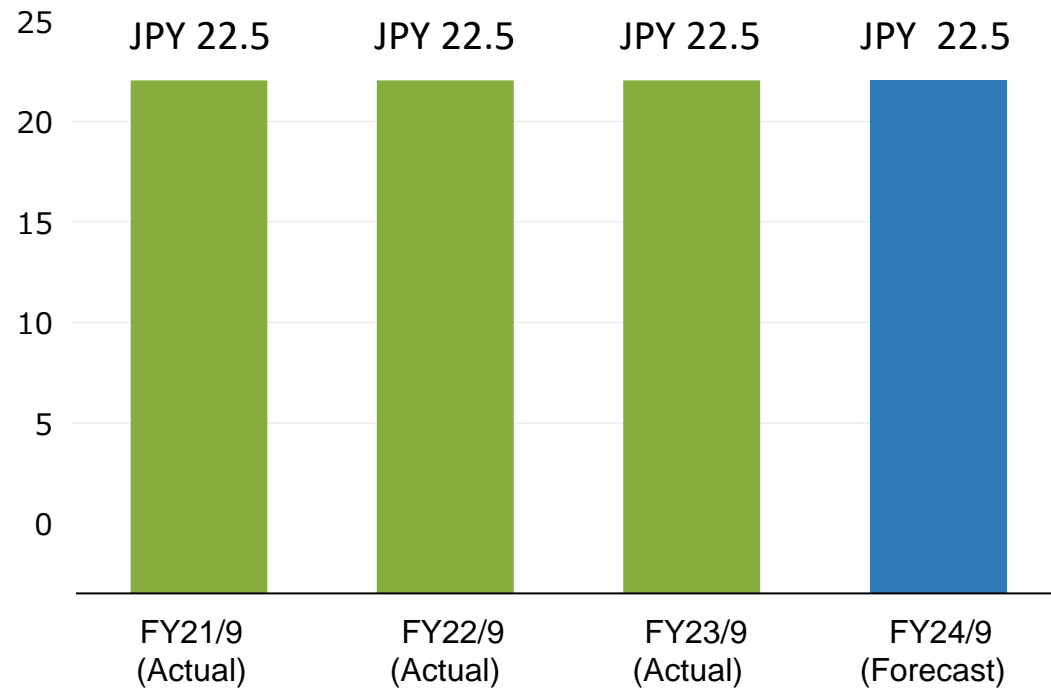
FY24/9 Performance Forecasts (announced on Nov. 10, 2023)

(in millions, JPY)	FY22 Actual	FY23 Actual ①	FY24 Forecast ②	Growth% ②/①
Revenue	281,301	301,747	350,000	16.0%
EBITDA	25,174	25,659	26,000	1.3%
% in Revenue	8.9%	8.5%	7.4%	▲1.1pt
Operating Profit	10,123	11,001	11,500	4.5%
% in Revenue	3.6%	3.6%	3.3%	▲0.3pt
Profit attributable to the owner of the parent	3,607	7,899	6,500	▲17.7%
% in Revenue	1.3%	2.6%	1.9%	▲0.7pt
Earnings Per Share	31.16	68.28	56.19	▲12.09
Revenue LFL ^{*1} (of Japan Sushiro)	96.6%	91.6%	108.5%	16.9pt
New Store Openings	116	104	100~110	—
COGS %	46.3%	44.5%	44.1%	▲0.4pt
Personnel Costs %	27.6%	27.7%	28.2%	0.5pt
Other in SG&A	21.4%	22.8%	24.1%	1.3pt
% of Other Income/Expenses ^{*2}	▲1.0%	▲1.3%	▲0.3%	▲1.0pt

*1 : Data in above table, except 'Revenue LFL', are of the group total. *2 : [% of Other Income/Expenses] = [Other Income/Expenses] ÷ [Revenue (consolidated)]

Dividends

- Conducted a stock split of our common shares at a ratio of 4 shares for every one share, on April 1, 2020. (Past dividends shown below are adjusted for the 1-to-4 split)
- Forecasting 22.5 JPY dividend per share for the FY24/9.



Shareholder Benefits

Benefit Type

Meal discount coupons (provided twice a year) that can be used at Sushiro brand stores, Sugidama brand stores, and the stores KYOTARU operates (excl. some stores) in Japan

Criteria & Value

- 100 - 199 shares:**
JPY 2,200 worth of coupons/year
 JPY 1,100 (record date: Sep. 30) JPY 1,100 (record date: Mar. 31)
- 200 - 399 shares:**
JPY 3,300 worth of coupons/year
 JPY 1,650 (record date: Sep. 30) JPY 1,650 (record date: Mar. 31)
- 400 - 799 shares:**
JPY 4,400 worth of coupons/year
 JPY 2,200 (record date: Sep. 30) JPY 2,200 (record date: Mar. 31)
- 800 - 1999 shares:**
JPY 8,800 worth of coupons/year
 JPY 4,400 (record date: Sep. 30) JPY 4,400 (record date: Mar. 31)
- 2000+ shares:**
JPY 22,000 worth of coupons/year
 JPY 11,000 (record date: Sep. 30) JPY 11,000 (record date: Mar. 31)

Notes

One JPY 550 coupon can be used for every JPY 1,100 (incl. tax) spent. Coupon can be used in combination with other discount ticket. This ticket can be used with other types of discount coupon. Coupon cannot be used for online takeout order and for delivery order.

Consolidated Statement of Financial Position

(in millions, JPY)	FY23/9 ^{*1}	FY24/Q1	Change
Current assets	71,401	74,947	3,545
[Cash and cash equivalents]	[51,228]	[47,939]	[▲3,289]
Non-current assets	280,217	279,698	▲519
[Goodwill]	[30,371]	[30,371]	[-]
Assets	351,619	354,645	3,026
Current liab.	81,491	67,583	▲13,908
[Borrowings]	[24,007]	[4,009]	[▲19,998]
Non-current liab.	197,468	214,023	16,554
[Bonds, Borrowings]	[64,952]	[83,444]	[18,492]
Liab.	278,960	281,606	2,646
Equity	72,659	73,038	380
Liab. & Equity	351,619	354,645	3,026
Equity Ratio	20.1%	20.0%	▲ 0.1
Net Debt / EBITDA	1.9x	1.4x	▲ 0.5x
PB Ratio	4.2x	4.7x	0.5x

Consolidated Statement of Cash Flows

(in millions, JPY)	FY23/Q1	FY24/Q1	Change
Operating CF	6,459	11,229	4,770
Investing CF	▲ 4,123	▲ 5,520	▲ 1,397
Financing CF	▲ 7,571	▲ 8,724	▲ 1,153
Increase/decrease in cash and cash equivalents	▲ 5,749	▲ 3,289	2,460

Consolidated Financial Position

Assets : [Key Increase] Trade & Other Receivables, Inventories

[Key Decrease] Cash and Cash Equivalents

Liab. : [Key Increase/Decrease] Transfer of Corporate Bonds and Borrowings

Equity : [Key Increase] Profit for the Period [Key Decrease] Dividends Payment

Consolidated Cash Flows

Operating CF: 4.6 bil. JPY increase in Profit before Income Taxes,

Investment CF: Continued to invest in Store Opening and Labor-Saving Equipment Devel.
(of which, 40 % invested in overseas Sushiro)

Finance CF : 0.6 bil. JPY increase in repayment of Lease obligations

KPIs

Equity Ratio is flat due to dividends payment. NetDebt/EBITDA (LTM) improved
ROE rose from 1.1%(FY23/Dec.) to 4.6% (FY24/Dec.)

*1 : The figures in the BS of FY23/9 are the figures after retrospective application of Income Taxes - IAS 12 (revised).

Store Count

Group Total

			FY23/9	FY23/Q1	Change
Restaurant	Sushiro	Japan	641	638	▲3
		Korea	9	9	-
		Taiwan	38	39	+1
		Hong Kong	25	27	+2
		Singapore	9	9	-
		Thailand	17	19	+2
		Mainland China	34	39	+5
		Indonesia	-	1	+1
	Sugidama	Japan	79	80	+1
		Overseas	3	4	+1
Misaki / Misakimaru	Japan	95	94	▲1	
Takeout	Sushiro	Japan	12	10	▲2
	Kyotaru	Japan	113	112	▲1
	Multi-brand store	Japan	25	25	-
Other			23	21	▲2
Total			1123	1127	+4

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