

October 14, 2021

Notice of Recording of Other Operating Revenue

create restaurants holdings inc. announces that we have recorded other operating revenue during the second quarter of the fiscal year ending February 2022 (June 1, 2021 to August 31, 2021). Details are as follows.

1. Details of other operating revenue

In July 2021, the government declared the fourth State of Emergency in Tokyo; afterward, its target area was expanded and the period was extended repeatedly. With this, in order to cooperate in preventing the spread of COVID-19, we sincerely responded to requests from the government and local governments, and many of our outlets were forced to suspend operations and shorten operating hours. In order to keep our employees, we paid leave allowances to employees who took a furlough, and the amount is recorded as a personnel expense under "Selling, general and administrative expenses". On the other hand, we applied for an employment adjustment subsidy for a portion of the leave allowance, and also applied for a subsidy for cooperation in response to requests from local governments to shorten business hours, etc. As a result, a total of 10,351 million yen in subsidies, etc. was recorded as "Other operating revenue."

2. Impact on business results

Above other operating revenue has already been incorporated in the financial results announced in the "Summary of Financial Results for the Second Quarter Ended August 31, 2021 [IFRS] (Consolidated)" dated October 14, 2021.