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# Financial Results of Fiscal 2022 (Supplementary Material)

April 14, 2022

create restaurants holdings inc.

【TSE Prime, Stock code: 3387】

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# I . Financial Highlights

# 1. Financial Results Overview [IFRS]

**Revenue: 78.3 billion yen, Operating profit: 7.6 billion yen, Profit attributable to owners of parent: 5.9 billion yen, Adjusted EBITDA: 27.1 billion yen**

## ✓ Revenue

- Although revenue was generally in line with the plan until the end of Q3, it fell short of the forecasts as the stricter COVID-19 measures were expanded to more prefectures and its period was extended reflecting the spread of the Omicron variant from Q4.
- YoY change in same-store sales\*1 was 52.7% for the full year (forecast: 60.6%)

## ✓ Operating profits

- V-shaped recovery from the deficit in the previous fiscal year
- Established a lean cost structure generating profits even with low revenue (lowered break-even point)  
⇒ Adjustment EBITDA was in line with expectations

[Major factors behind -3.1 billion yen compared to forecast]: ① Recorded subsidy for January and February (generated in FY2022) in FY2023 (-2.2 billion yen); ② conservatively added impairment losses at the end of the period (-2.7 billion yen)

	FY2021 (Previous fiscal year)	FY2022 Q1 (Mar-May)	FY2022 Q2 (Jun-Aug)	FY2022 Q3 (Sep-Nov)	FY2022 Q4 (Dec-Feb)	FY2022 (Total)	FY2022 (Disclosed on Oct. 14, 2021)	Vs. forecasts
	Results	Results	Results	Results	Results	Results	Forecasts	
Revenue	74,425	17,740	16,753	21,227	22,603	78,324	91,200	Δ 12,875
Operating profit	Δ 14,181	1,520	5,794	4,405	Δ 4,086	7,633	10,800	Δ 3,166
Profit before taxes	Δ 15,021	1,461	5,709	4,295	Δ 4,331	7,134	10,200	Δ 3,065
Profit for the period	Δ 15,571	1,068	4,199	3,118	Δ 1,725	6,660	7,400	Δ 739
Profit attributable to owners of parent	Δ 13,874	1,067	3,755	2,625	Δ 1,530	5,919	6,500	Δ 580
Adjusted EBITDA *2	5,130	5,562	9,558	9,098	2,869	27,088	27,100	Δ 11

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

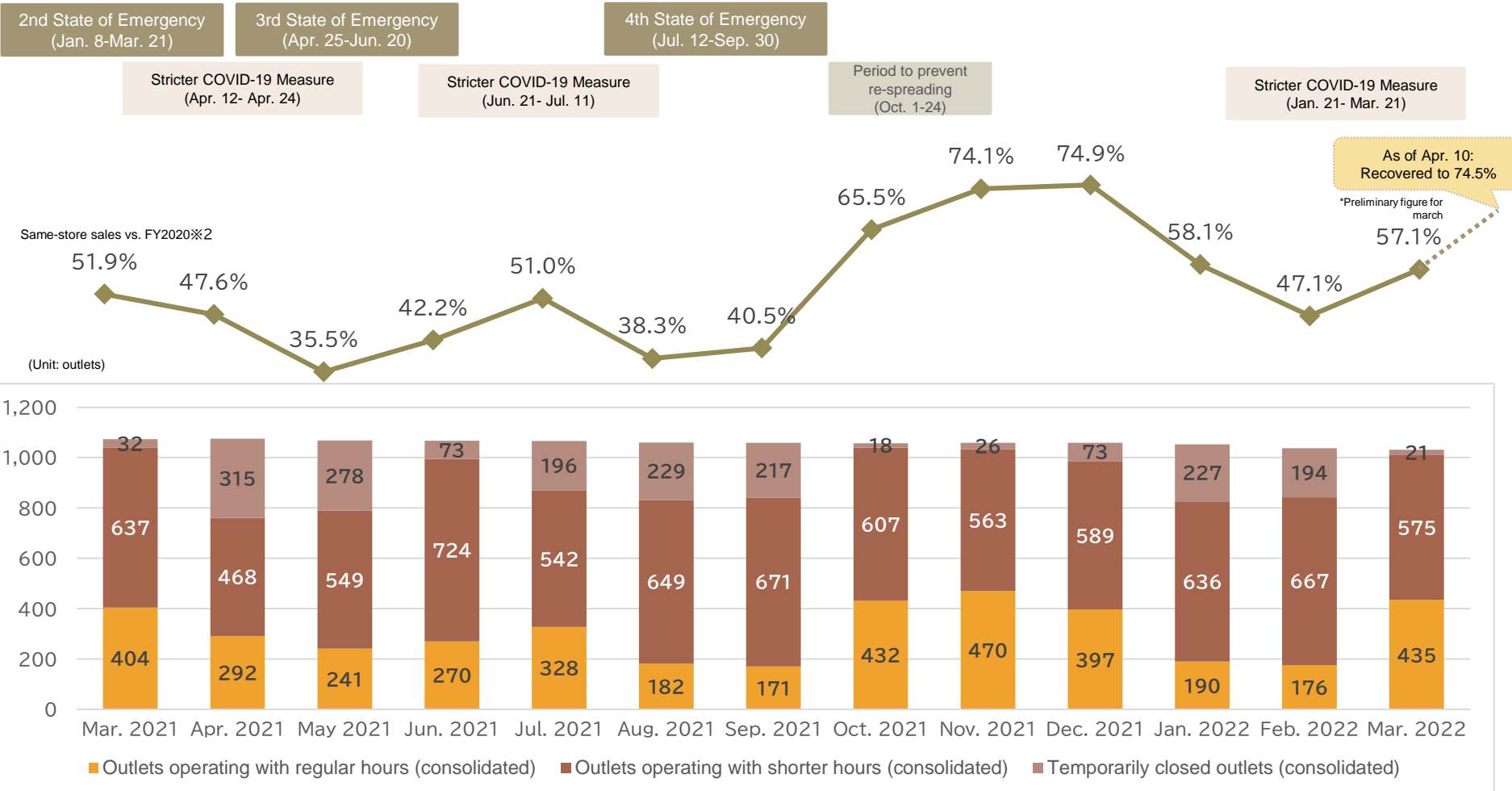
\*2: Adjusted EBITDA= Operating profit + Other operating expenses - Other operating revenues (excluding sponsorship income, employment adjustment subsidies, subsidy for shortened operation hours, rent reductions and exemptions, etc.) + Depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)

# 2. Outlet Operations and Same-store Sales vs. FY2020

- For the entire year, there were only about 3 months for which there were no requests from local governments for shorter operating hours, etc.
- Normal business operations are not possible due to shortened operating hours, temporary closures, refraining from serving alcoholic beverages, etc.
- Customers' consumption behavior, which has changed due to the self-restraint lifestyle, did not return immediately.



The stricter COVID-19 measures were completely lifted on March 21. Approximately 98% of the Group's operations resumed at the end of March, and the same-store sales vs. FY2020 has recently recovered to 74.5%.



\*1: Periods of various requests, etc. listed are based on the Tokyo Metropolitan Government announcement.

\*2: Definitions of "same-store sales vs. FY2020" are calculated by comparing outlets opened before the previous fiscal year (FY2020) prior to the COVID-19 crisis and by including outlets that were closed during the period.

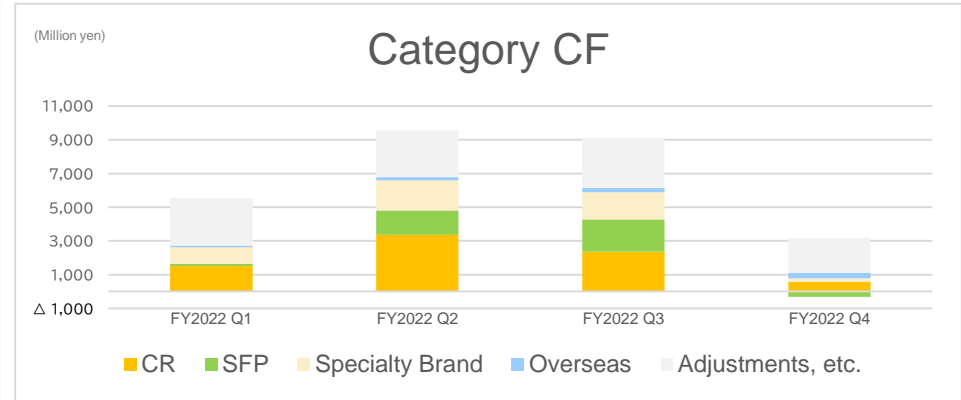
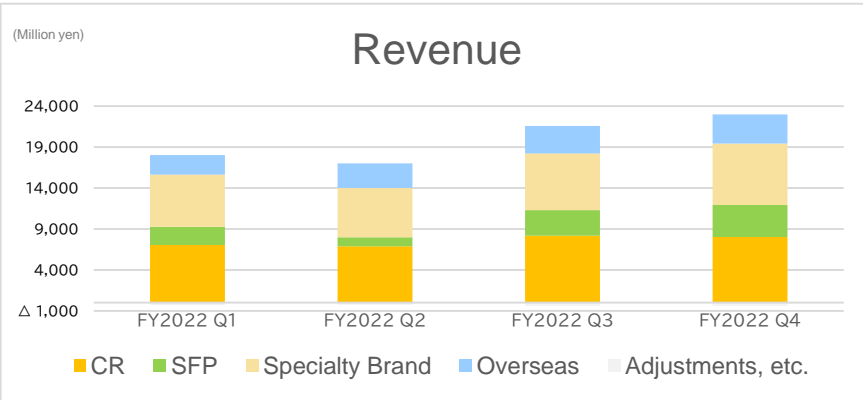
# 3. Financial Results Overview (By Category)

## Overview by category

- In the CR Category/Specialty Brand Category, although revenue was almost at the same level as Q3, category CF decreased compared to Q3 due to a delay in the timing of recording subsidies for shorten operating hours.
- In the SFP category, revenue was on a recovery trend during the busy December and year-end and New Year periods, and increased compared to Q3. However, the category CF was in the red due to the impact of shortened operating hours and temporary closures from January, as well as the delay in the timing of recording subsidies for shorten operating hours.
- In the Overseas Category, the trend of infections has stabilized with the exception of Hong Kong, and both revenue and Category CF have increased compared to Q3.

[Same-store sales vs. FY2020 by Category]

Category	Q1 (Mar.-May)	Q2 (Jun.-Aug.)	Q3 (Sep.-Nov.)	Q4 (Sep.-Nov.)	Full-year
CR	47.8%	46.7%	61.6%	65.1%	54.8%
SFP	24.6%	12.0%	38.3%	44.6%	30.1%
Specialty Brand	52.8%	52.4%	65.8%	63.5%	58.4%
Overseas	58.1%	79.4%	88.0%	83.5%	78.2%
Consolidated	45.1%	43.6%	60.0%	61.8%	52.7%



Category	FY2021 (cumulative)			FY2022 Q1			FY2022 Q2			FY2022 Q3			FY2022 Q4			FY2022 (total)			Reference *3 Subsidy for cooperation (Delay in recording period)
	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	Revenue	Category CF *2	Ratio to revenue	Revenue	Category CF *2	Ratio to revenue	
CR	27,253	△ 1,374	-	7,033	1,509	21.5%	6,894	3,358	48.7%	8,165	2,359	28.9%	8,004	586	7.3%	30,098	7,812	26.0%	826
SFP	17,428	△ 2,095	-	2,229	139	6.3%	1,096	1,452	132.4%	3,136	1,911	60.9%	3,942	△ 308	-	10,404	3,195	30.7%	769
Specialty Brand	25,542	△ 329	-	6,374	979	15.4%	6,000	1,787	29.8%	6,904	1,624	23.5%	7,492	206	2.8%	26,772	4,598	17.2%	614
Overseas	5,146	△ 494	-	2,401	101	4.2%	3,021	189	6.3%	3,384	242	7.2%	3,531	308	8.7%	12,340	842	6.8%	-
Adjustments, etc.*1	△ 945	9,424	-	△ 298	2,831	-	△ 260	2,770	-	△ 365	2,960	-	△ 367	2,076	-	△ 1,291	10,639	-	-
<b>Total</b>	<b>74,425</b>	<b>5,130</b>	<b>6.9%</b>	<b>17,740</b>	<b>5,562</b>	<b>31.4%</b>	<b>16,753</b>	<b>9,558</b>	<b>57.1%</b>	<b>21,227</b>	<b>9,098</b>	<b>42.9%</b>	<b>22,603</b>	<b>2,869</b>	<b>12.7%</b>	<b>78,324</b>	<b>27,088</b>	<b>34.6%</b>	<b>2,210</b>

\*1: \*Other adjustments, etc.\* mainly consist of depreciation expenses associated with the adoption of IFRS16, as well as head office expenses that are not allocated to individual categories.

\*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.)

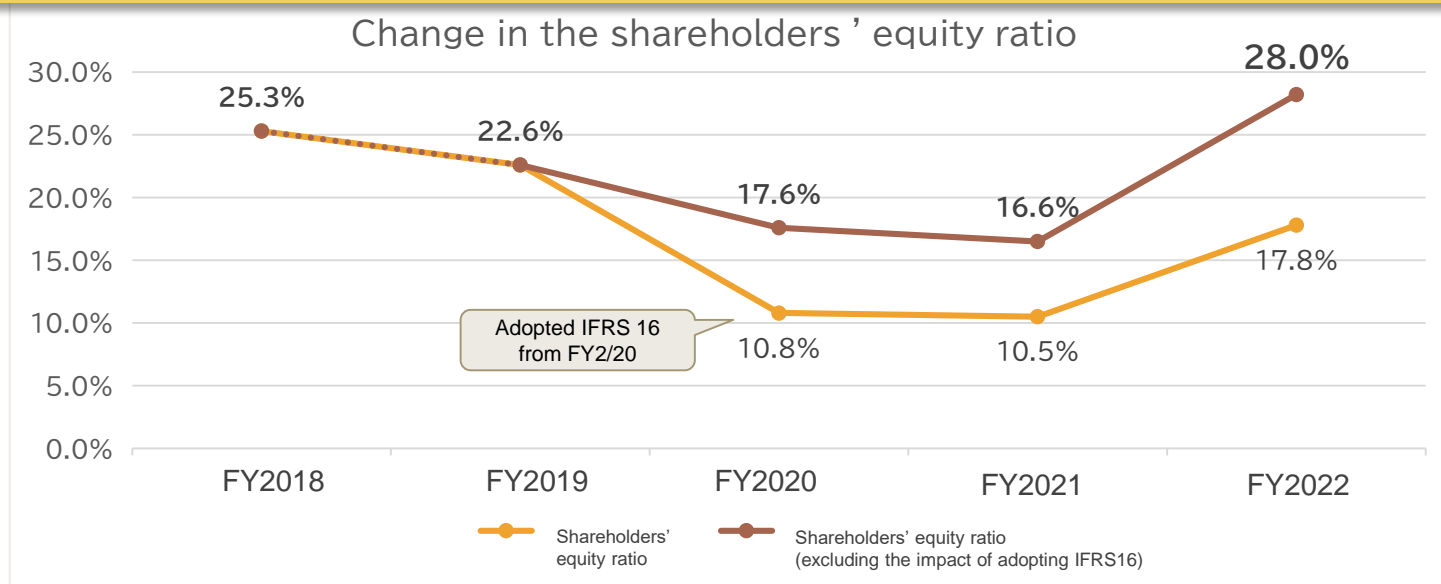
\*3: Figures for FY2022 are based on the amount of subsidy for cooperation of shorten operating hours expected to be posted in the FY2023.

# 4. Financial Condition① -Improving Financial Position-

Improving our financial position by a capital increase through public offering and reducing assets.

- ① Raised 16.2 billion yen through public offering (including third-party allotment)
- ② 15 billion yen of perpetual subordinated loan was repaid at the end of February  
⇒ Equity capital (equity attributable to owners of the parent) increased 6.7 billion yen from the end of the previous fiscal year due to ① and ②, as well as 5.9 billion yen in profit for the period.
- ③ Repayment of bonds and borrowings
- ④ Rationalize the level of liquidity on hand (deposits + commitment line (blank limit): 28.5 billion yen)  
⇒ As a result of ③ and ④, total assets (total liabilities and equity) were reduced by 28.3 billion yen from the end of the previous period.

Adjusted shareholders' equity ratio\* significantly improved from 16.6% (FY2021) to 28.0%.



\*Adjusted shareholders' equity ratio: Ratio of shareholders' equity ratio (ratio of equity attributable to owners of the parent) excluding the impact of adopting IFRS16.

# 4. Financial Condition②

## - Condensed balance sheet

(Million yen)

	FY2021	FY2022	Change	Note
Current assets	45,750	28,685	△ 17,065	
[Cash and deposits]	37,312	21,502	△ 15,810	Optimize the level of liquidity on hand (④)
Non-current assets	116,216	104,919	△ 11,297	
<b>Total assets</b>	<b>161,966</b>	<b>133,605</b>	<b>△ 28,361</b>	
Current liabilities	64,659	32,018	△ 32,641	Repayment of bonds and borrowings (③)
Non-current liabilities	74,042	70,855	△ 3,187	
[Bonds and borrowings (total)]	70,265	41,387	△ 28,878	Repayment of bonds and borrowings (③)
<b>Total liabilities</b>	<b>138,702</b>	<b>102,874</b>	<b>△ 35,828</b>	
<b>Total capital</b>	<b>23,264</b>	<b>30,730</b>	<b>+7,466</b>	Capital increase through public offering: 16.2 billion yen (①), perpetual subordinated loan repayment: -15 billion yen (②) and periodic income: 5.9 billion yen
[Ownership of the parent]	17,052	23,788	+6,736	
<b>Total liabilities and assets</b>	<b>161,966</b>	<b>133,605</b>	<b>△ 28,361</b>	
<b>Shareholders' equity ratio</b> (Ratio of equity attributable to owners of parent to total assets)	10.5%	17.8%	+7.3%	
<b>Net D/E ratio</b>	4.79x	2.65x	△ 2.14x	

### <Reference> Figures excluding the impact of IFRS No.16

	FY2021	FY2022	Change	Note
<b>Total assets (Excluding the impact of IFRS16)</b>	<b>116,633</b>	<b>93,583</b>	<b>△ 23,050</b>	
<b>Total liabilities (Excluding Impact of IFRS16)</b>	<b>91,010</b>	<b>60,211</b>	<b>△ 30,799</b>	
[Ownership of the parent] (Excluding the impact of IFRS16)	19,358	26,376	+7,018	
<b>Adjusted shareholders' equity ratio (*1)</b>	16.6%	28.0%	+11.4%	
<b>Adjusted net D/E ratio (*2)</b>	1.76x	0.79x	△ 0.97x	

\*1: Adjusted shareholders' equity ratio: Ratio of shareholders' equity ratio (ratio of equity attributable to owners of the parent) excluding the impact of adopting IFRS16.

\*2: Adjusted net D/E ratio: Multiple of net D/E ratio excluding the impact of IFRS16.



# 5. Topics -Pursue further group synergies

## Inter-group cooperation beyond company boundaries

**NEW**  
Brand  
change

• Cheese-centric restaurant "Ricotta" operated by CR ⇒ Cafe format "Azusa Coffee" operated by KR (first store opened in a commercial facility)



Collaboration

• At an Italian restaurant "TANTO TANTO" operated by LGEW, we offer breads of "IKEDAYAMA", a bakery format operated by GBC, as a buffet menu.  
⇒ Introducing to more outlets thanks to the great response (plan to be expanded to AWkitchen Tama Center and outlets in Kansai area from May)

Collaboration

• At golf course restaurants operated by CR, we offer special menus collaborated with "Takakura", a Tsukemen (dipping ramen noodle) restaurant, and "Mr.FARMER", a vegetable-centric cafe operated by LGEW.



## Development of new sales styles

**NEW**  
Check

• Introduced a new food truck at "IKEDAYAMA", a bakery format operated by GBC



Check

• Strengthen product sales by utilizing IC's central kitchen  
⇒ Production and sales of instant noodles and dressings



\* [Each abbreviation] CR: create restaurants; KR: KR HOLDINGS (including KR Food Service); LGEW: LG&EW; GBC: Gourmet Brands Company; YNR: YUNARI; IC: Ichou

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# II . Business Forecasts for Fiscal 2022

# 1. FY2023 Overview of Business Forecasts

Revenue: 115 billion yen ; Operating profit: 7.3 billion yen ; Profit attributable to owners of parent: 4.5 billion yen ; Adjusted EBITDA: 24.7 billion yen

## External environment

Although the stricter COVID-19 measures were lifted on March 21, the environment remains uncertain due in part to concerns about new variants.

Customers' lifestyles have changed due to the introduction of remote working and the acceleration of digitization, and it become normal.

## Assumptions

- Maintain and strengthen lean cost structure
- Same-store sales for the year were 78.5% compared with FY2020 (before COVID-19)

- Taking on the challenge of developing business formats toward the post-COVID era with our capabilities to response to changes
- Promoting outlet openings/closures and brand changes with an awareness of investment efficiency under the theme of "selection and concentration" for regrowth

	FY2022		FY2023		Change	Pct. change	
	(Million yen)	Result	Ratio to revenue	Forecast			Ratio to revenue
Revenue		78,324		<b>115,000</b>		+36,675	+46.8%
Operating profit		7,633	9.7%	<b>7,300</b>	<b>6.3%</b>	$\Delta$ 333	$\Delta$ 4.4%
Profit before taxes		7,134	9.1%	<b>6,800</b>	<b>5.9%</b>	$\Delta$ 334	$\Delta$ 4.7%
Profit for the year		6,660	8.5%	<b>5,100</b>	<b>4.4%</b>	$\Delta$ 1,560	$\Delta$ 23.4%
Profit attributable to owners of parent		5,919	7.6%	<b>4,500</b>	<b>3.9%</b>	$\Delta$ 1,419	$\Delta$ 24.0%
Adjusted EBITDA *		27,088	34.6%	<b>24,700</b>	<b>21.5%</b>	$\Delta$ 2,388	$\Delta$ 8.8%

\* 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.)

## 2. FY2023 Business Forecasts (By Category)

Category	FY2022 (Previous year results)			FY2023 (Full-year forecasts)			Change		
	Revenue	Category CF	Ratio to revenue	Revenue	Category CF	Ratio to revenue	Revenue	Category CF	Ratio to revenue
CR	30,098	7,812	26.0%	<b>40,500</b>	<b>5,600</b>	<b>13.8%</b>	+10,402	△2,212	△12.1%
SFP	10,404	3,195	30.7%	<b>24,500</b>	<b>3,000</b>	<b>12.2%</b>	+14,096	△195	△18.5%
Specialty Brand	26,772	4,598	17.2%	<b>36,600</b>	<b>4,400</b>	<b>12.0%</b>	+9,828	△198	△5.2%
Overseas	12,340	842	6.8%	<b>15,000</b>	<b>1,200</b>	<b>8.0%</b>	+2,660	+358	+1.2%
Adjustments, etc.	△1,291	10,639	—	△1,600	10,500	—	△309	△139	—
<b>Total</b>	<b>78,324</b>	<b>27,088</b>	<b>34.6%</b>	<b>115,000</b>	<b>24,700</b>	<b>21.5%</b>	<b>+36,676</b>	<b>△2,388</b>	<b>△13.1%</b>

\* 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.)

\* 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.

Category	Total no. at end of Feb. 2022	Increase /Decrease		End-FY2023 Forecasts
		New	Close	
CR	526	13	21	518
SFP	215	5	1	219
Specialty Brand	241	9	2	248
Overseas	55	3	0	58
<b>Group total</b>	<b>1,037</b>	<b>30</b>	<b>24</b>	<b>1,043</b>

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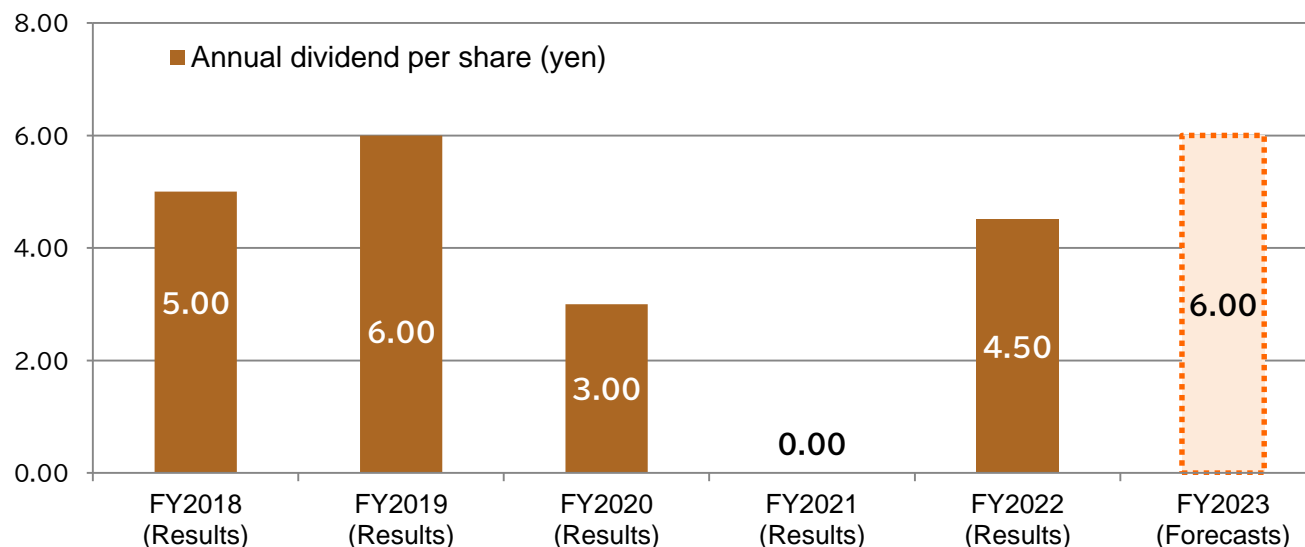
# III. Shareholder Reward Policy

# 1. Shareholder Reward

## Dividend

✓ The annual dividend forecast for FY2023 is 6.00 yen per share, consisting of interim and year-end dividends of 3.00 yen each.

(Unit: yen)



\*As the Company conducted a 2-for-1 stock split on March 1, 2020, the figures are retroactively adjusted.

## 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.

### ✓ Extension of expiration date

- ① Valid until November 30, 2021 (purple tickets)
- ② Valid until May 31, 2022 (yellow green tickets)

**Extended until August 31, 2022**

\*Applicable to shareholder gift certificates that expires on November 30, 2021 (sent in May 2021) and May 31, 2022 (sent in November 2021)

# IV. Medium-term Management Plan

## <Medium-to Long-Term Management Targets>

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

# 1. Mid-to Long-term Growth Strategy (Overview)

\*Disclosed on July 14, 2021 (re-post)

✓ **Uncertainty surrounding the food service industry will continue for the time being due to the impact of COVID-19**

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

- 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

Providing safe and secure outlets, food, and services that familiar to the community

Business partners

Building long-term mutually beneficial relationships

Employees

Provide stable employment and a diverse work styles

Shareholders

Sustainable profit growth



# 2. Progress of the Medium-term Management Plan

## ① Reviewing portfolio toward post-COVID

- ✓ Maximize the CR-Group's strength of "ability to respond to change"
- ✓ Brand development in response to post-COVID demand: "daily," "standard," "community-based," and "low-investment" formats
  - Brand changes in response to in-store and take-away demands
    - ⇒ Isomaru Suisan Shokudo: SFP (from March 2021)
  - Brand changes to offer higher value-added services
    - ⇒ Omotenashi Toriyoshi: SFP (from March 2022)
  - Entry into the mobility business
    - ⇒ Introduction of food truck: GBC (from February 2022)

- Brand change within the Group and use of the group's FC (February 2022)
- Strengthen contract business and SAPA business
  - ⇒ Integration of CR and SL (integrated to CR) (Sep. 2021)
- Mutual use of menu to increase added value of in-store services (from September 2021)

- Introduction of mobile order system (from October 2021)
- Test introduction of catering robots (from July 2021)
- Promotion of digital marketing (from August 2021)

## ② Further development of the Group Federation Management

- ✓ Temporarily strengthened centripetal force by holding company
- ✓ "Group-wide management"
  - Revitalization of communication between group companies
    - ⇒ Standardization of various meetings (from July 2021)
    - ⇒ Group-wide employee allocation, including management personnel (from September 2021)
  - Integration of head office functions
    - ⇒ CMD, a joint venture (Purchasing Services) (established in September 2021)
    - Creative Services (Accounting & Personnel Services) (Established in September 2020)
    - ⇒ Investment decisions by consolidating location information (unification of information, including roadside properties) (August 2021)
    - ⇒ Consolidation of store design and repair operations (March 2022)
    - ⇒ Streamlining the headquarters at each company (February 2022)

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

- ✓ Streamlining and sophistication of headquarters functions
  - Considering the introduction of workflow management, cost reimbursement system, and RPA (from August 2021)
  - Formulation of plan for paperless operations (January 2022)
  - Considering digitization of shareholder gift coupons (from December 2021)

### Efforts to strengthen sustainable management and corporate governance to support the above growth strategies

- Select 5 items of sustainability issues to realize a sustainable society
- Transitioned to the Prime Market on April 4, 2022, and to achieve a higher level of governance
- Increase the number of outside directors, including women, and establish the Nomination and Compensation Committee to strengthen the system and functions
- Introduced a restriction stock compensation plan to promote further value sharing with shareholders

# 3. Numerical Targets

For FY2025, we target revenue of 140 billion yen, operating profit of 10.9 billion yen, and adjusted EBITDA of 28.4 billion yen.

(Million yen)

	FY2022 (Results)		FY2023 (Forecasts)		FY2024 (Plan)		FY2025 (Plan)	
Same-store sales Vs. FY2020 (pre-COVID)	52.7%		78.5%		86.0%		90.0%	
New openings	13 outlets		30 outlets		30 outlets		30 outlets	
<b>Revenue</b>	<b>78,324</b>		<b>115,000</b>		<b>130,000</b>		<b>140,000</b>	
<b>Operating profit</b>	<b>7,633</b>	9.7%	<b>7,300</b>	6.3%	<b>8,500</b>	6.5%	<b>10,900</b>	7.8%
<b>Profit before taxes</b>	<b>7,134</b>	9.1%	<b>6,800</b>	5.9%	<b>7,900</b>	6.1%	<b>10,300</b>	7.4%
<b>Profit for the period</b>	<b>6,660</b>	8.5%	<b>5,100</b>	4.4%	<b>5,600</b>	4.3%	<b>7,100</b>	5.1%
<b>Profit attributable to owners of parent</b>	<b>5,919</b>	7.6%	<b>4,500</b>	3.9%	<b>5,000</b>	3.8%	<b>6,300</b>	4.5%
<b>Adjusted EBITDA</b>	<b>27,088</b>	34.6%	<b>24,700</b>	21.5%	<b>25,700</b>	19.8%	<b>28,400</b>	20.3%

For FY2021, focus on quality rather than quantities, and aim to exceed adjusted EBITDA of 25.2 billion yen, the level before the COVID-19 disaster (FY2020)

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# V. Appendix

# 1. Opening and Closing of Outlets

➤ **Opened: 13 outlets, Closed: 53 outlets, Brand change: 12 outlets**  
 ⇒ **Group total at the end of February 2022: 1,037 outlets**

• **Major new outlet openings**

2 outlets in Kyoto Research Park ("Kagonoya"/"GOCONC") and Lalaport Fujimi (cheese-centric restaurant "Ricotta")  
 Opened outlets through a business alliance from Zennoh, National Federation of Agricultural Cooperative Associations ("Minori Cafe" at Fukuoka Tenjin/"Minori Shokudo" Amu Plaza Kumamoto), Icchou at Hanyu  
 Overseas: Opened a "SARASHINA HORII" in New York, U.S.A. / a franchised "Kagonoya" in Thailand / a franchised "Momiji Chaya" in HongKong

• **Closing unprofitable outlets and closing due to contract expiration**

Continued to aggressively close unprofitable outlets in the buffet format, izakaya format, and other formats as in the previous fiscal year  
 Contract outlets closed due to the expiration of contracts, etc.

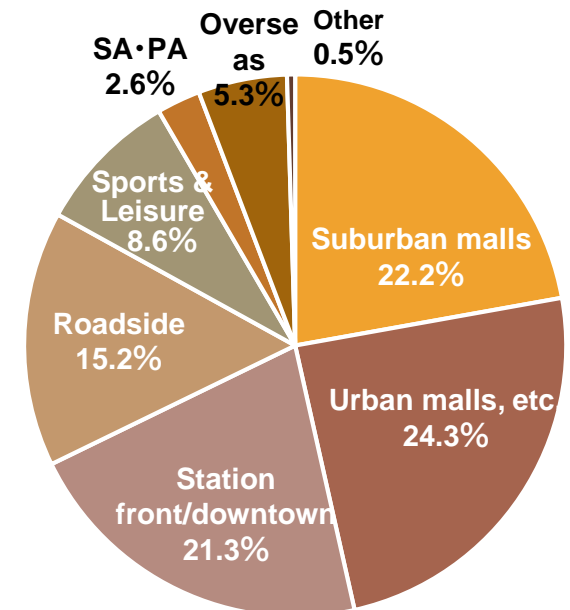
• **Changed formats tailored to each location and customer needs**

Izakaya format changed to combination meal format and sushi format/brand change within the Group ("Ricotta" ⇒ "Azusa Coffee")

【Breakdown of number of outlets by location (End-FY2022)】

【Opening/Closing in FY2022】

Category	Total no. at end of Feb. 2021	Increase /Decrease		Transfer, etc. (adjustment)	Brand changes in the group		Total no. at end of Feb. 2022	Brand Changes *1
		New	Close		New	Close		
CR	553	1	28	+1		1	526	3
SFP	227	1	13				215	7
Specialty Brand	243	7	9	△ 1	1		241	2
Overseas *2	53	4	3	+1			55	0
<b>Group total *3</b>	<b>1,076</b>	<b>13</b>	<b>53</b>	<b>+1</b>	<b>1</b>	<b>1</b>	<b>1,037</b>	<b>12</b>



\*1: Number of outlets in Group including brand changes.

\*2: The number of overseas outlets includes LG&EW's 2 franchise outlets in Jakarta and KR's 11 franchise outlets in Thailand.

\*3: Total number of outlets include all outsourced outlets and franchise outlets as of the end of February 2022.

# 2. Same-store Sales Transition

## [Consolidated]

	Mar.	Apr.	May	Q1 Total	Jun.	Jul.	Aug.	Q2 Total	Sep.	Oct.	Nov.	Q3 Total	Dec.	Jan.	Feb.	Full-year	March (preliminary)
<b>FY2022</b> Actual Same-store Sales YoY*1	51.9%	47.6%	35.5%	45.1%	42.2%	51.0%	38.3%	44.4%	40.5%	65.5%	74.1%	49.4%	74.9%	58.1%	47.1%	52.7%	57.1%
<b>FY2021</b> Actual Same-store Sales YoY*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.	Oct.	Nov.	Q3 Total	Dec.	Jan.	Feb.	Full-year	
<b>CR</b>	<b>FY2022</b> Actual Same-store Sales YoY*1	55.5%	50.4%	37.4%	47.8%	42.5%	55.5%	42.6%	47.2%	44.8%	69.5%	71.0%	51.8%	75.4%	61.8%	53.9%	54.8%	59.5%
	<b>FY2021</b> Actual Same-store Sales YoY*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%	
<b>SFP</b>	<b>FY2022</b> Actual Same-store Sales YoY*1	36.5%	30.2%	7.1%	24.6%	14.7%	16.4%	5.4%	18.3%	5.3%	40.4%	68.2%	24.8%	67.7%	42.9%	12.0%	30.1%	29.2%
	<b>FY2021</b> Actual Same-store Sales YoY*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%	
<b>Specialty Brand</b>	<b>FY2022</b> Actual Same-store Sales YoY*1	59.4%	52.9%	45.6%	52.8%	50.9%	62.5%	45.3%	52.6%	47.3%	74.3%	75.7%	56.7%	73.4%	62.0%	52.1%	58.4%	61.0%
	<b>FY2021</b> Actual Same-store Sales YoY*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%	
<b>Overseas</b>	<b>FY2022</b> Actual Same-store Sales YoY*1	50.0%	61.3%	63.5%	58.1%	75.1%	85.5%	77.2%	69.1%	82.6%	86.1%	94.6%	75.8%	89.6%	71.1%	86.0%	78.2%	90.9%
	<b>FY2021</b> Actual Same-store Sales YoY*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 for outlets opened two years prior to the COVID-19 disaster (FY2020), including outlets that were temporary closed during the period.

\*2: Calculated for outlets opened one year prior to the COVID-19 disaster (FY2020), including outlets that were temporary closed during the period.

# 3. Financial Position

Major indicator	IFRS 16 adopted				
	End of Feb. 2018	End of Feb. 2019	End of Feb. 2020	End of Feb. 2021	End of Feb. 2022
Total assets(million yen)	71,409	72,459	150,317	161,966	133,605
Total liabilities (million yen)	46,971	48,462	126,201	138,702	102,874
Total capital(million yen)	24,438	23,996	24,115	23,264	30,730
Shareholders' equity ratio (Ratio of equity attributable to owners of the parent)	25.3%	22.6%	10.8%	10.5%	17.8%
Adjusted shareholders' equity ratio	25.3%	22.6%	17.6%	16.6%	28.0%
Net D/E ratio	0.98x	1.07x	5.11x	4.79x	2.65x
Adjusted Net D/E ratio*2	0.98x	1.07x	1.92x	1.76x	0.79x

\*1: Adjusted shareholders' equity ratio: Ratio of shareholders' equity ratio (ratio of equity attributable to owners of the parent) excluding the impact of adopting IFRS16.

\*2: Adjusted net D/E ratio: Multiple of net D/E ratio excluding the impact of IFRS16.

# 4. Sustainability Initiatives①

## <Basic Policy on Sustainability>

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 providing "enrichment" to its stakeholders through food business.

✓The Sustainability Committee was established to promote the group's sustainability (Effective November 1, 2021)

✓Selection of materiality (5 items)

•Based on the Basic Sustainability Policy, we select "materiality" as important social issues that are of high importance to both our stakeholders and our business and should be prioritized.

•Positioning corporate governance as the foundation to support all of them



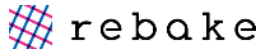
# 4. Sustainability Initiatives②

## Examples of Activities

### Environment

#### Reduction of food loss

- Introduced "TABETE" food sharing app at all 7 JEAN FRANCOIS outlets  
⇒ Working to reduce bread waste at outlets
- Selling leftover breads nationwide through "rebake", an online bakery shop



Cooperation between production areas and local production for local consumption

- Promoting local production for local consumption  
⇒ Contributing to food safety and local communities  
⇒ Reducing transportation-related CO2 emissions
- Exchange with production areas and farmers, such as holding "Day of Fields" events

#### Environmental Conservation and Healthy Food

- Offer vegan menus, plant-based cheese, and soybean meat
- Expanding lineup of low-sugar bread and development of a bakery menu that utilizes seeded rice, bran, etc.

#### Reduction of plastic waste

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



### Social

#### Interaction with local communities

- Mr. FARMER held a Farmer's Market at the Komazawa Olympic Park Outlet
- Vegetable cropping events, dog food making events in collaboration with neighborhood schools, etc.



- Support for "Inochi-no Music Day" (Hokkaido)
- Conducting cleanup activities in the vicinity of outlets

#### Shokuiku (dietary education)

- At "KAGONOYA", a Japanese Cuisine and Shabu Shabu restaurant held a seminar on cooking for elementary school children and parents in Kyoto
- Dietary education activities at local elementary schools (Head Office: Shinagawa Ward)  
⇒ Providing food education areas rooted in local communities



#### Promoting diversity

- Active recruitment of female employees and female managers
- Promoting employment of foreigners and expanding the educational environment
- Promoting a variety of working styles

### Governance

#### Transition to the Prime Market

- Transitioned to the Prime Market on April 4, 2022  
⇒ Higher level of governance  
⇒ Enhancing corporate value over the medium-to-long term

#### Strengthening systems and functions

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



#### Strengthening systems and functions

(Following the resolution of the General Meeting of Shareholders to be held in late May)

- Increase the number of outside directors  
⇒ From a 2-member structure to a 3-member structure
- (To have outside directors at least 1-third)
- Diversity of outside directors  
⇒ Appointment of women as outside directors
- Establishment of Nominating and Compensation Committees  
⇒ Ratio of outside directors to over half of all



# Disclaimer

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The purpose of this material is to provide information regarding the financial results of the fiscal 2022 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.

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