

July 14, 2022

Notice of Recording of Other Operating Revenue

create restaurants holdings inc. announces that we have recorded other operating revenue during the first quarter of the fiscal year ending February 2023 (March 1, 2022 to May 31, 2022). Details are as follows.

1. Details of other operating revenue

From January 7 to March 21, 2022, the government and local governments requested a variety of measures, including a shortening of operating hours, due to the application of the stricter COVID-19 measures. We responded sincerely to these requests to cooperate in preventing the spread of infections, and as a result we were forced to suspend operations and shorten operating hours at many of our outlets. 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 portion of such leave allowance and a subsidy for cooperation in response to requests from local governments to shorten operating hours, etc. As a result, we recorded a total of 5,233 million yen of subsidies, etc. as "Other operating revenue".

1. Impact on business results

Above other operating revenue has been incorporated in the financial results announced in the "Summary of Financial Results for the First Quarter Ended May 31, 2022 [IFRS] (Consolidated)" dated today.