



MISO SHIROMARU

Chikaranomoto Holdings Co. Ltd. [Ticker# 3561]

FY2023 Q3 FINANCIAL RESULTS BRIEFING

14th February 2024



MISO AKAMARU

- 1. FY2023-24 Q3 Financial Results** P.2~P.19
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1 FY2023-24 Q3 Financial Results

FY2023-24 Q3 Consolidated P&L Highlights

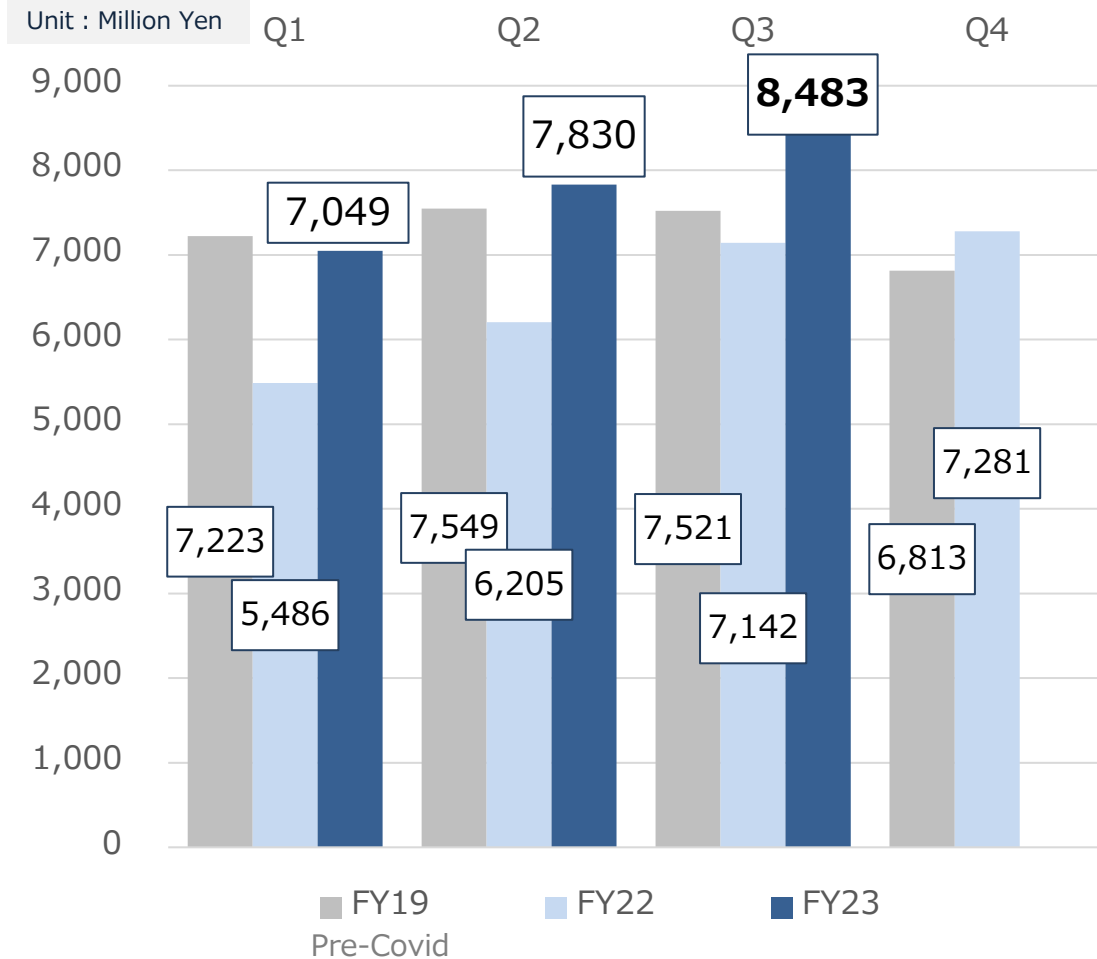
Consolidated revenue increased by 24.0% YoY and 4.8% vs. pre-Covid year.
All income items reached record highs.

			Vs. Q3 Revised Plan	Vs. FY2022 Q3 Actual	Vs. FY2019 Q3 Actual
Revenue	23,363	Million Yen	+ 1.7 %	+ 24.0 %	+ 4.8 %
Operating Income	2,431	Million Yen	+ 289 Million Yen	+ 870 Million Yen	+ 1,726 Million Yen
			+ 13.5 %	+ 55.7 %	+ 244.9 %
Operating margin	10.4	%	9.3 %	8.3 %	3.2 %
Net Income	1,757	Million Yen	+ 133 Million Yen	+ 556 Million Yen	+ 1,227 Million Yen
			+ 8.2 %	+ 46.3 %	+ 231.6 %
Net Income margin	7.5	%	7.1 %	6.4 %	2.4 %

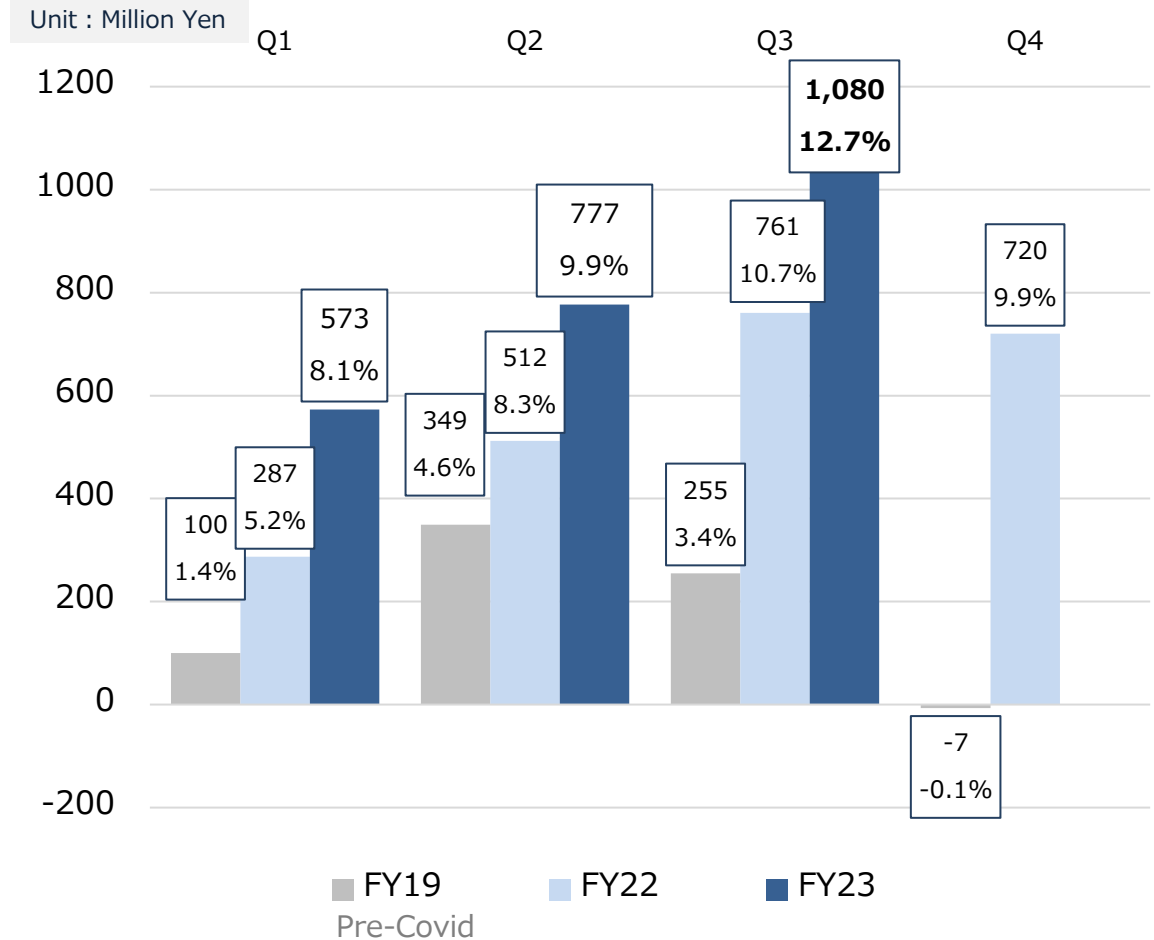
Consolidated Quarterly Results vs Previous Years (Q3)

**Both revenue and operating income reached record highs.
Revenue reached 118.8% YoY, and operating income reached 141.9% YoY.**

Revenue



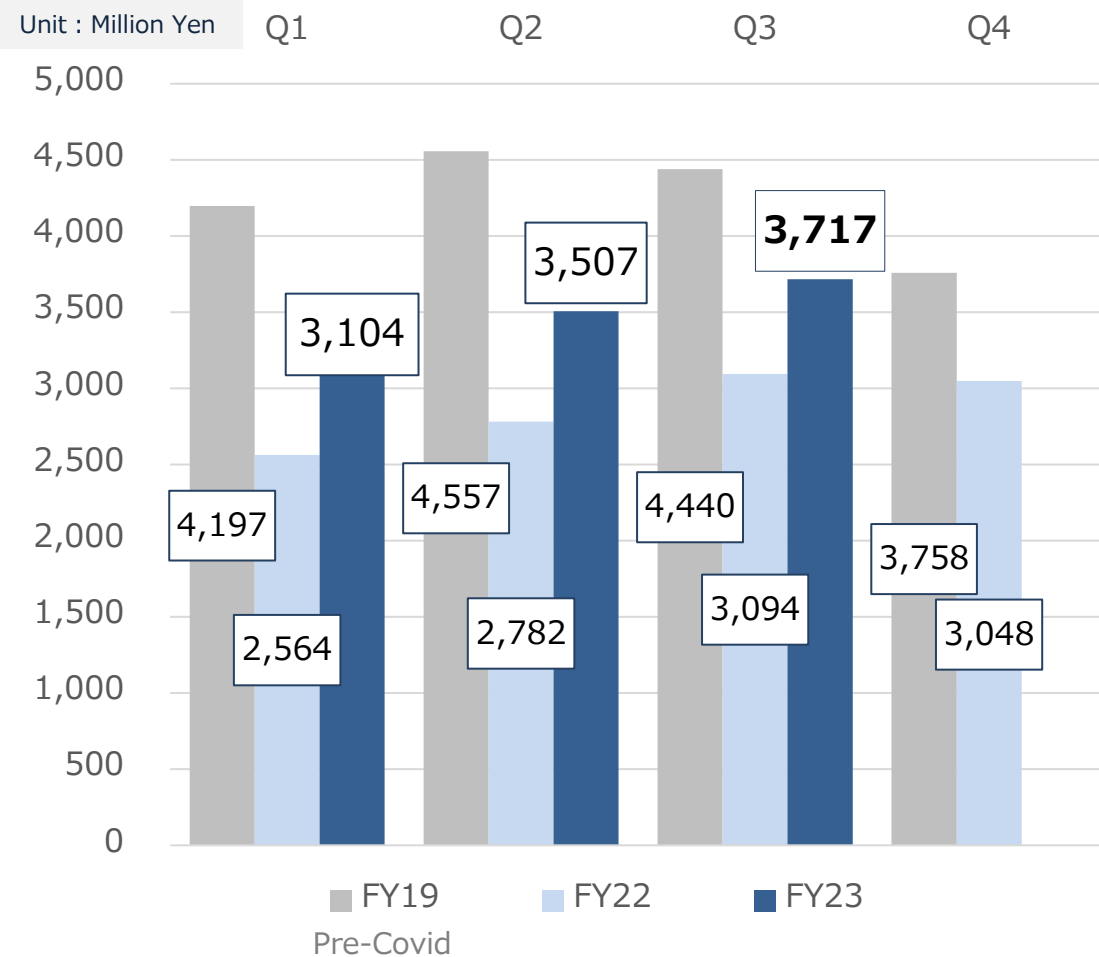
Operating Income and Margin



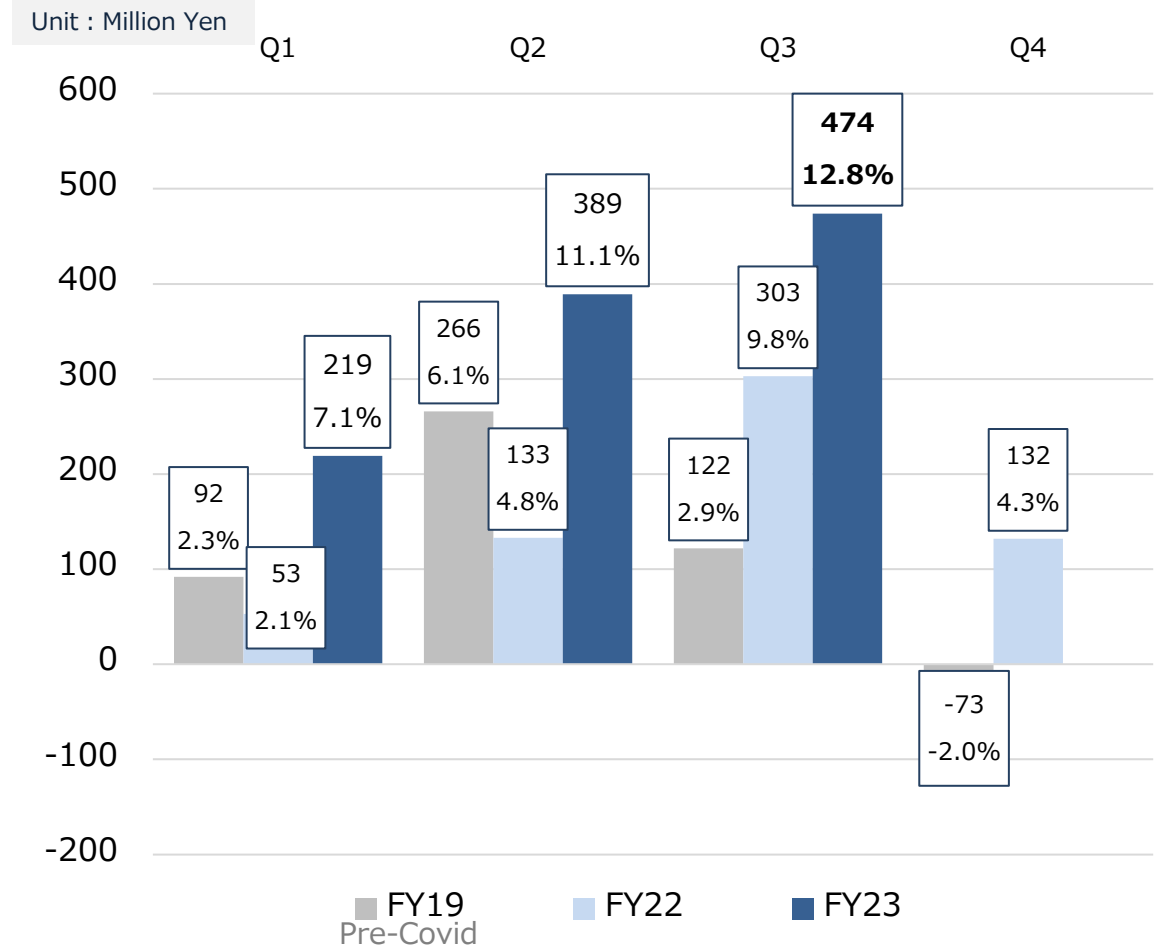
Domestic Store Operations Quarterly Results (Oct-Dec 2023)

Although Domestic sales did not reach a record with 8 fewer stores compared to pre-Covid, operating income reached a record high. Revenue reached 120.1% YoY, and operating income reached 156.4% YoY, thanks to the recovery of inbound tourism, menu price revisions, and various cost reduction measures such as Digital Transformation initiatives.

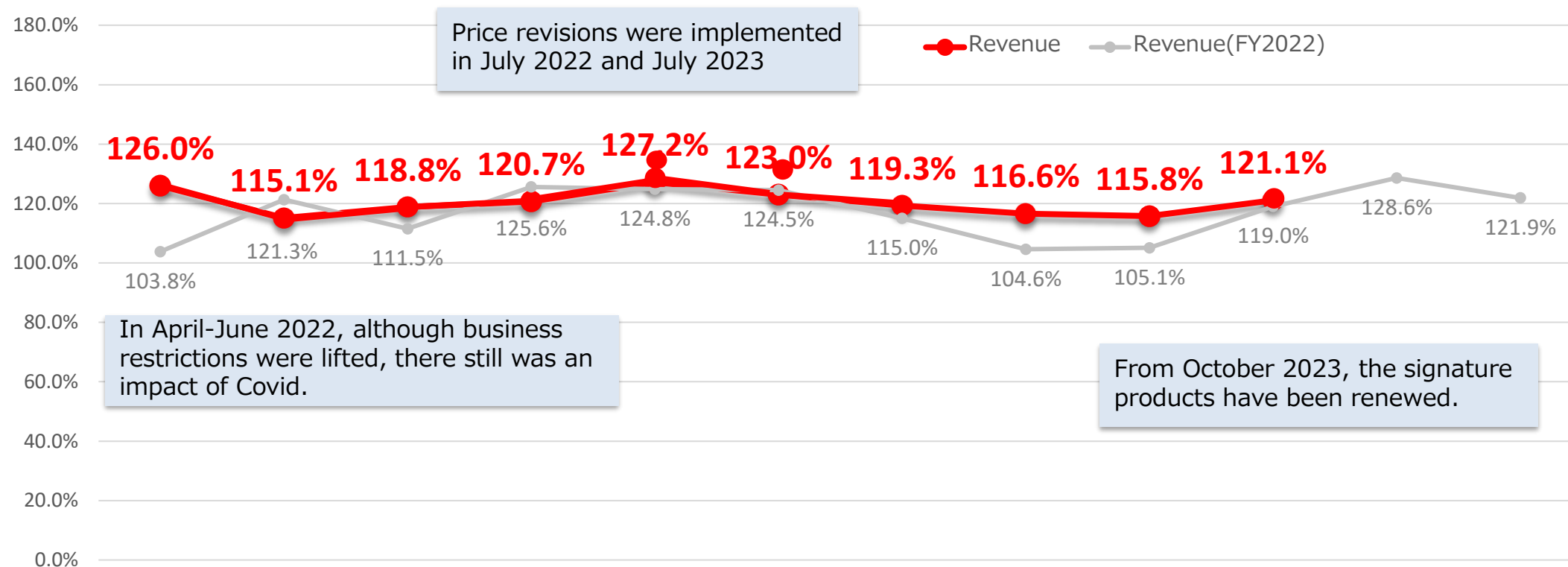
Revenue



Operating Income and Margin



Domestic Existing Stores 120.1%



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Q3Total
Revenue	126.0%	115.1%	118.8%	120.7%	127.2%	123.0%	119.3%	116.6%	115.8%	121.1%			120.1%
Number of Customers	117.4%	107.5%	110.5%	112.7%	118.4%	114.8%	110.4%	107.2%	105.7%	110.8%			111.4%
Average Check	107.3%	107.1%	107.5%	107.1%	107.4%	107.2%	108.1%	108.8%	109.6%	109.3%			107.8%

■ Revenue

- ✓ From October 2023, the signature products have been significantly renewed. Average check per customer 108.6% YoY.
(About 15% Increase vs FY19)
- ✓ Sales increased in central Tokyo, tourist spots, and airports with the recovery of inbound tourism.
- ✓ 4 new stores(Ginza Inz/Shintsunashima Square/AEON MALL KYOTO/Ramen Dining GOGYO Powered by IPPUDO) successfully opened in Q3.

■ Operating income

- ✓ Profitability improved due to digital transformation initiatives such as QR ordering and tablet ordering systems, resulting in an increase in operating margin from 9.8% to 12.8% YoY.



IPPUDO Ginza Inz
Plant-Based Ramen



Ramen Dining GOGYO
Kogashi Miso



IPPUDO AEON MALL
KYOTO
Tablet order system

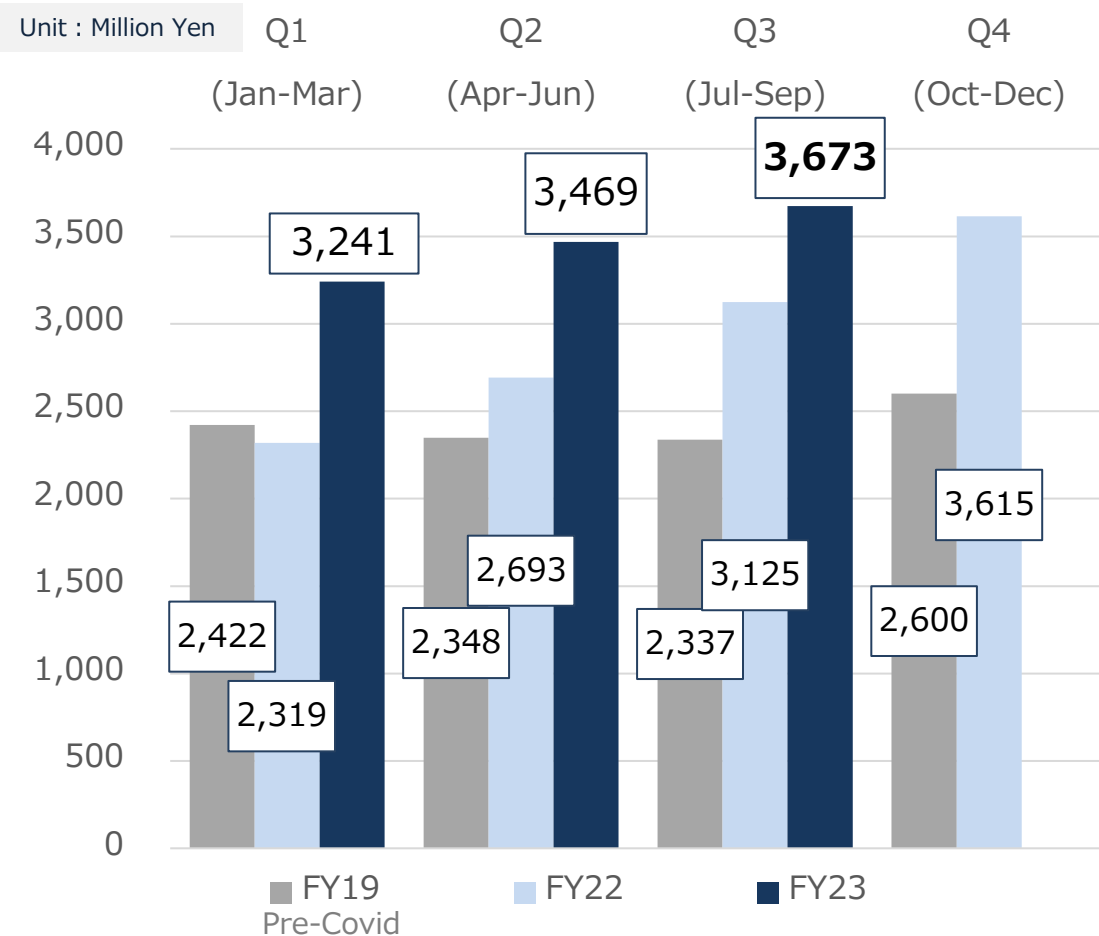


Ogaya
Oga Shoyu Ramen

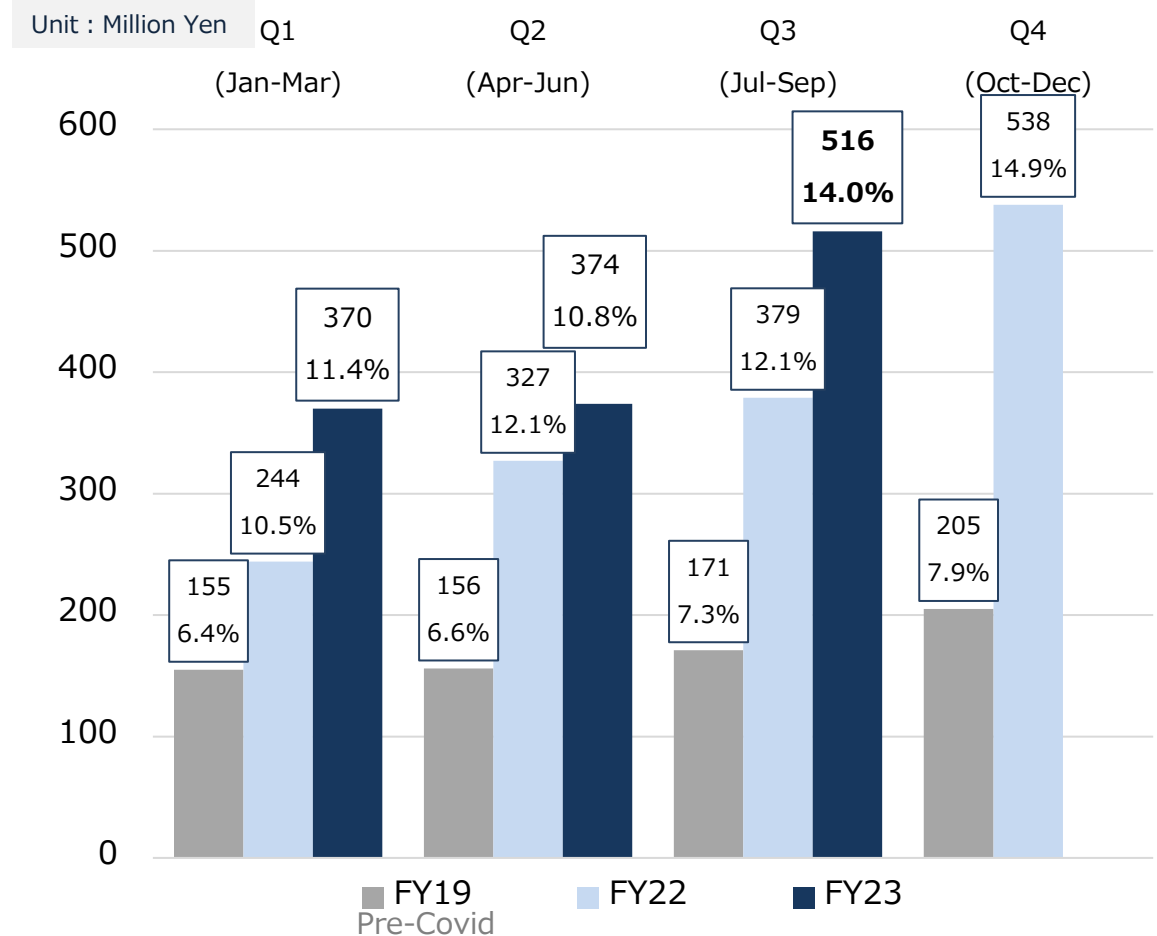
Highlights : International Store Operations (Jul-Sep 2023)

International revenue reached **117.5%** and operating income **136.3%** YoY with a thorough control of labor and COGS. Both revenue and operating income exceeded those of pre-Covid year partially because of the continued yen's depreciation from the previous year.

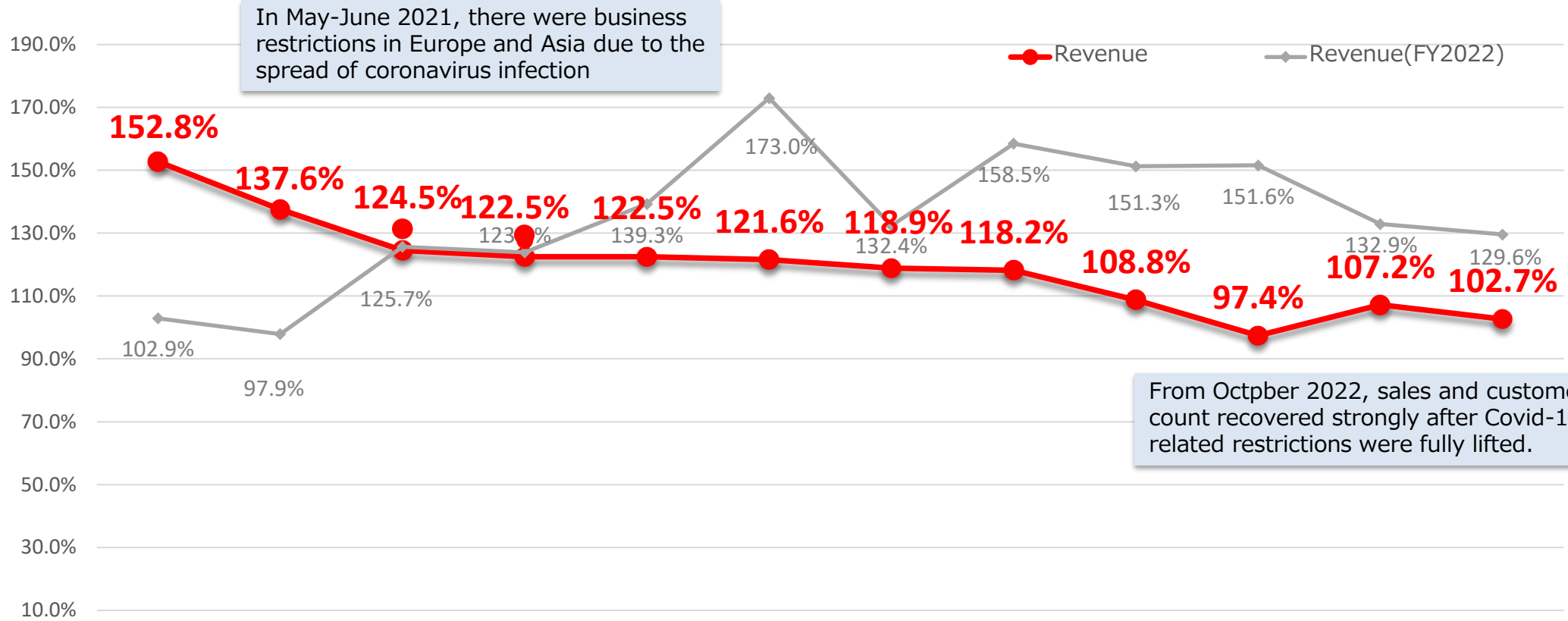
Revenue



Operating Income and Margin



Int'l Existing Stores 123.7% YOY



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q3Total	Jan 2024
Revenue	152.8%	137.6%	124.5%	122.5%	122.5%	121.6%	118.9%	118.2%	108.8%	97.4%	107.2%	102.7%	123.7%	99.1%
Number of Customers	131.9%	113.5%	109.0%	115.3%	111.8%	111.4%	109.0%	105.2%	98.3%	92.7%	95.8%	89.4%	111.0%	83.6%
Average Check	115.8%	121.2%	114.2%	106.2%	109.6%	109.1%	109.1%	112.3%	110.7%	105.0%	111.9%	114.8%	111.4%	118.5%

■ Revenue

- ✓ Launch of limited time products, full scale menu price revisions, grand menu revisions and holding events, etc.
- ✓ Both sales and income increased due to the yen's depreciation, which has continued since Q2.
- ✓ 3 stores in the Company-operated markets (France/Taiwan/Indonesia) and 2 stores in the licensed areas (China/Philippines) opened.



IPPUDO PARIS
Veggie Ramen



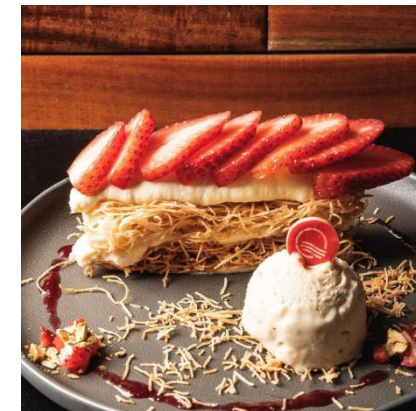
IPPUDO MALAYSIA
Karakamen

■ Operating income

- ✓ In each area, full-scale menu price revisions and various cost reduction initiatives were implemented after the surge in raw materials and energy costs.
- ✓ Digital Transformation initiatives such as introduction of QR order system, etc.



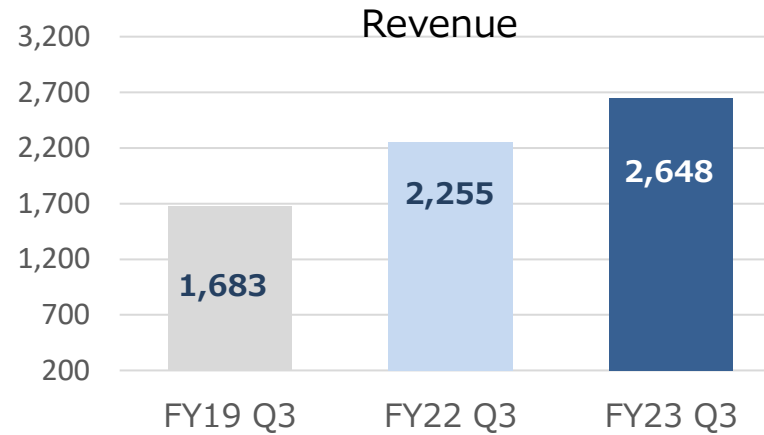
IPPUDO SINGAPORE
Sake Event



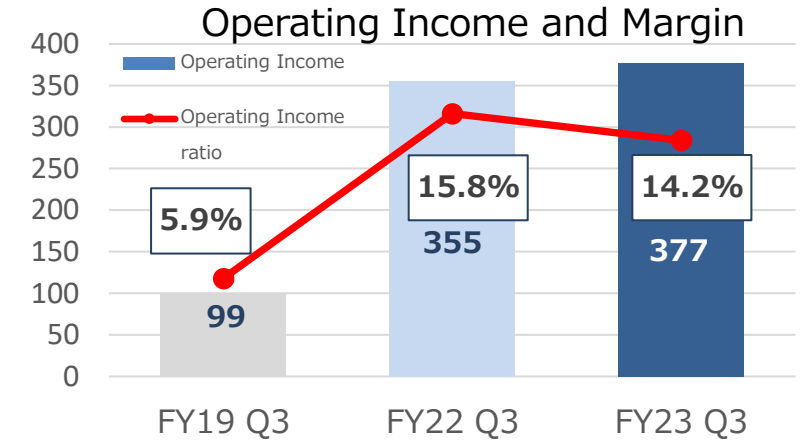
IPPUDO NEW YORK
Dessert

Production and Merchandise

Revenue +17.4% YoY. E-Commerce site, IPPUDO branded products are contributing.
Cost ratio increased by 2.1% due to Ippudo branded products increase.



117.4% YoY

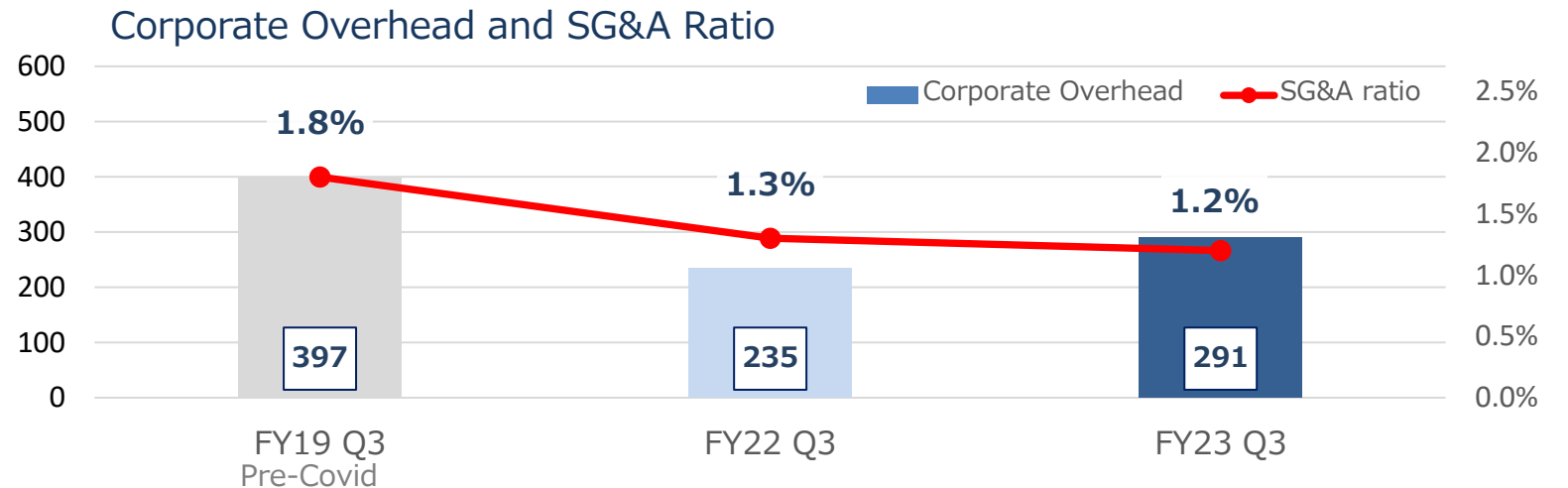


106.0% YoY

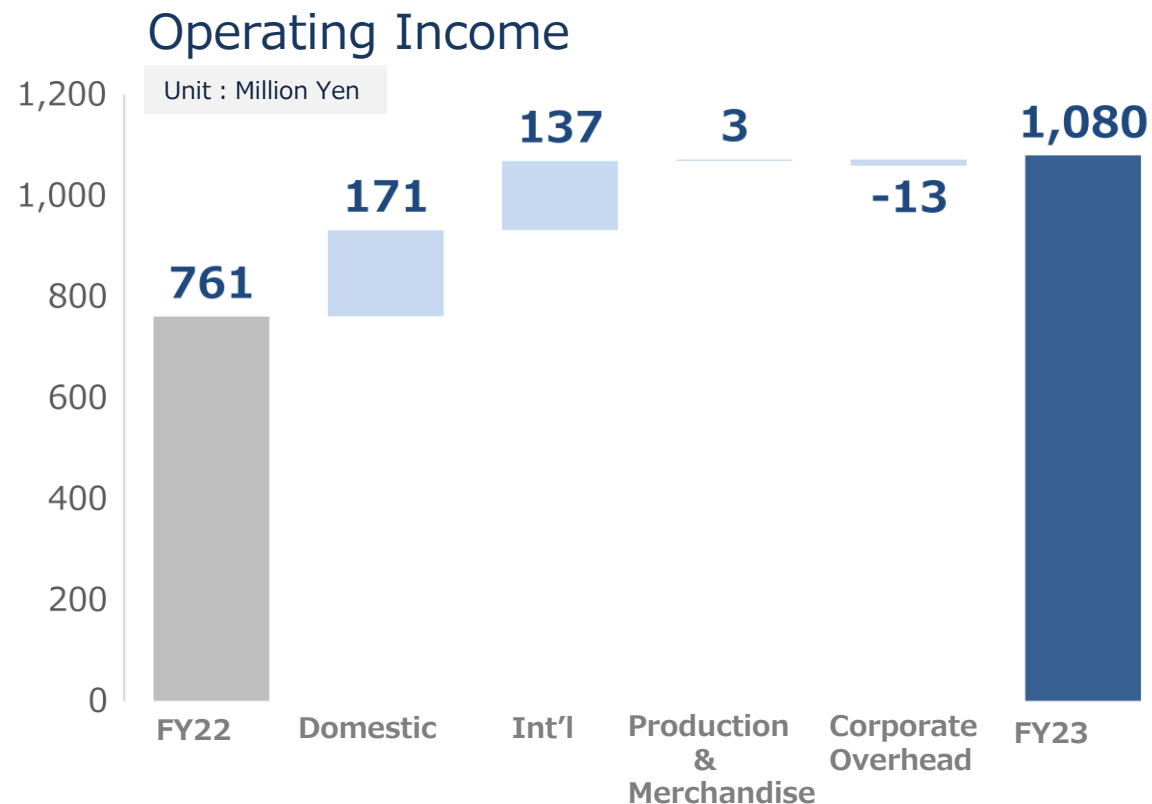
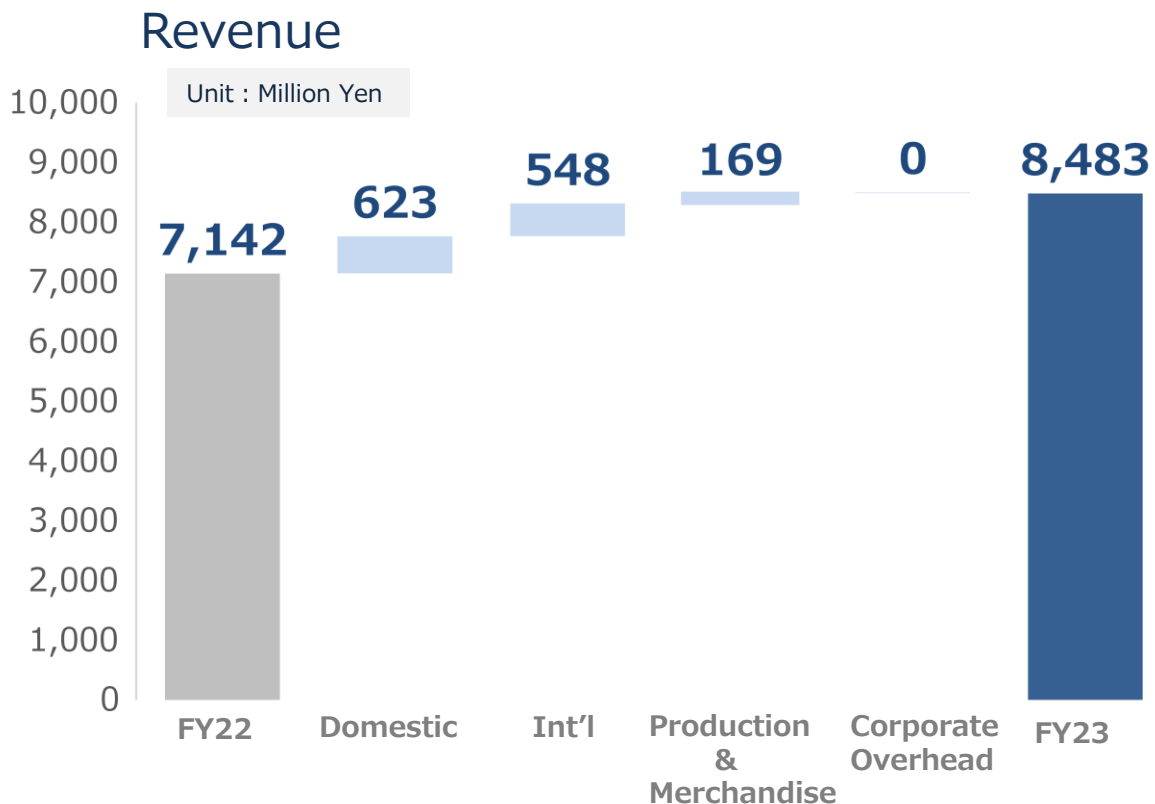
Corporate Overhead

SG&A ratio maintained low level of 1.2%. Continue to invest in human capital, recruitment, education, overseas training, etc. to lay the foundation for the next stage of growth.

※SG&A ratio=Corporate Overhead/Consolidated Revenue



In the main segments of domestic and international, both sales and operating income increased YoY.



Segment operating margin

	Domestic	Int'l	Production & Merchandise	Others	Total
FY23	12.8%	14.1%	16.7%	-	12.7%
FY22	9.8%	12.1%	17.2%	-	10.7%

Consolidated Balance Sheet

Although cash and deposits decreased due to repayment of short-term loans, equity ratio improved to 52.1% with good results.

Unit : Million Yen

	Mar 2023	Dec 2023	GAP
Current Assets	8,891	8,174	-717
(Cash and Deposits)	6,744	5,260	-1,484
Property, Plant and Equipment	5,488	5,927	439
Intangible Assets	157	147	-10
Investments & Others	2,940	2,989	49
Non-Current Assets	8,586	9,064	478
Total Assets	17,477	17,238	-239

	Mar 2023	Dec 2023	GAP
Total Liabilities	9,837	8,254	-1,583
(short-term loans)	2,500	190	-2,310
(long-term loans)	2,918	2,849	-69
Shareholders' Equity	7,231	8,191	960
Accumulated Other Comprehensive Income	408	793	385
Total Net Assets	7,640	8,984	1,344
Total Liabilities and Net Assets	17,477	17,238	-239

■ Assets

• Cash and deposits	-1,484
• Tangible assets from new stores	+439
• Deferred tax assets	-189

■ Liabilities

• Interest bearing-loans	-2,393
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■ Shareholders' Equity

• Capital	+18
• Retained earnings	+1,096

※Equity Ratio 52.1% (43.7% as of end of March 2023)

Consolidated P&L

Unit : Million Yen	FY2023-24 Q3 Results	FY2023-24 Q3 Revised Plan	FY2022-23 Q3 Results	FY2019-20 Q3 Results (Pre-Covid)
Revenue	23,363	22,963	18,834	22,293
Growth rate YoY	+24.0%	-	-	-
Gross Profit	16,464	-	13,217	15,791
SG&A Expenses	14,032	-	11,656	15,086
Operating Income	2,431	2,141	1,561	704
Operating Margin	10.4%	9.3%	8.3%	3.2%
Ordinary Income	2,516	2,290	1,609	658
Ordinary Margin	10.8%	10.0%	8.5%	3.0%
Pre-Tax Income	2,447	-	1,651	634
Net Income	1,757	1,624	1,201	530
Net Income Margin	7.5%	7.1%	6.4%	2.4%

New Stores (Oct-Dec)

Domestic: IPPUDO 3/GOGYO 1, International: IPPUDO 8



IPPUDO
Shintsunashima Square



IPPUDO
AEON MALL KYOTO



IPPUDO
Ginza Inz



Ramen Dining GOGYO
Powered by IPPUDO



IPPUDO THAILAND
The Mall Bangkok



IPPUDO THAILAND
Central Westville



IPPUDO SG
Holland Village



IPPUDO EXPRESS
Changi Airport T2



IPPUDO MALAYSIA
IOI City Mall



IPPUDO 台湾
板橋Global Mall



IPPUDO CHINA
海南 Haikou CDF Mall



IPPUDO VIETNAM
Ton That Thiep

287 Stores in **15** countries and regions
 (+14 since the end of previous FY)

	Owned	Licensed	Total
Domestic	121	24	145
International	71	71	142
Total	192	95	287

Europe (9)

UK	4
France	5

London
Paris

Japan (145)

IPPUDO	113
RAMEN EXPRESS	20
Inaba Udon	7
Others	5
Sub-total Domestic	145
Including licensees	24

Tokyo
Fukuoka

North America (11)

U.S.A	11
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San Francisco
Los Angeles
New York

Asia (108)

Singapore	15
Malaysia <License>	12
Thailand <License>	23
Philippines <License>	11
Indonesia	9
China/Hong Kong <License>	17
Taiwan	18
Myanmar <License>	2
Vietnam <License>	1

CHINA (MAINLAND)
HONG KONG
MYANMAR
THAILAND
SINGAPORE
INDONESIA
PHILIPPINES
VIETNAM
MALAYSIA

Oceania (14)

Australia	12
<including licensees>	
New Zealand	2
<License>	

Perth
Melbourne
Sydney
NEW ZEALAND



Signature products

To commemorate the 38th anniversary of the founding, the signature products have been significantly renewed, marking the first major overhaul.



Products

The seasonal “Miso Shiromaru” as a popular product in winter has been launched.



株式会社ジェイ・ウィル・コーポレーションとの業務提携についてのお知らせ

当社は、2023年12月15日開催の取締役会において株式会社ジェイ・ウィル・コーポレーションと業務提携を行うことについて決議し、本日契約を締結いたしましたので、お知らせいたします。

Business Partnership

To contribute to the recovery of Japanese businesses and regional revitalization, a business partnership has been established with J-Will Corporation, a company specializing in investment fund management.

e-Commerce site (Domestic)

Sales of Soba, Ramen, and Udon.

■ e-Commerce site
<https://ec-ippudo.com/shop>



博多
博多うどんを
ご家庭で。
手間暇かけた素材をご家庭でもお楽しみください。

Convenience stores/Mass retailers (Domestic)

Selling products that meet a wide range of customer needs at convenience stores, airports, mass retailers, etc.



Mass retailers (International)

Dry-noodle type ramen successfully launched





Kaedama donation

To coincide with World Food Day on October 16th, the day of the 38th anniversary of the founding”, our fundraising campaign "Kaedama donation" was launched. The sales proceeds from "Kaedama (additional noodles)" during the period will be used for future workshops activities.



Childcare support

On November 18th and 19th, we participated in the food festival 'Kodomoto tsukuru tabemonogatari in Saga', where we transformed children's creative ideas into products. Gluten-free ramen "Komekono Ramen" or rice flour ramen was invented and offered there.



Thailand



Singapore

Workshops

Workshops that convey the joy of making your own, the importance of the meal, and the importance of having dreams have resumed.

[Chikaranomoto Group initiatives](#)

FY2023-24 Revised Financial Plan

2

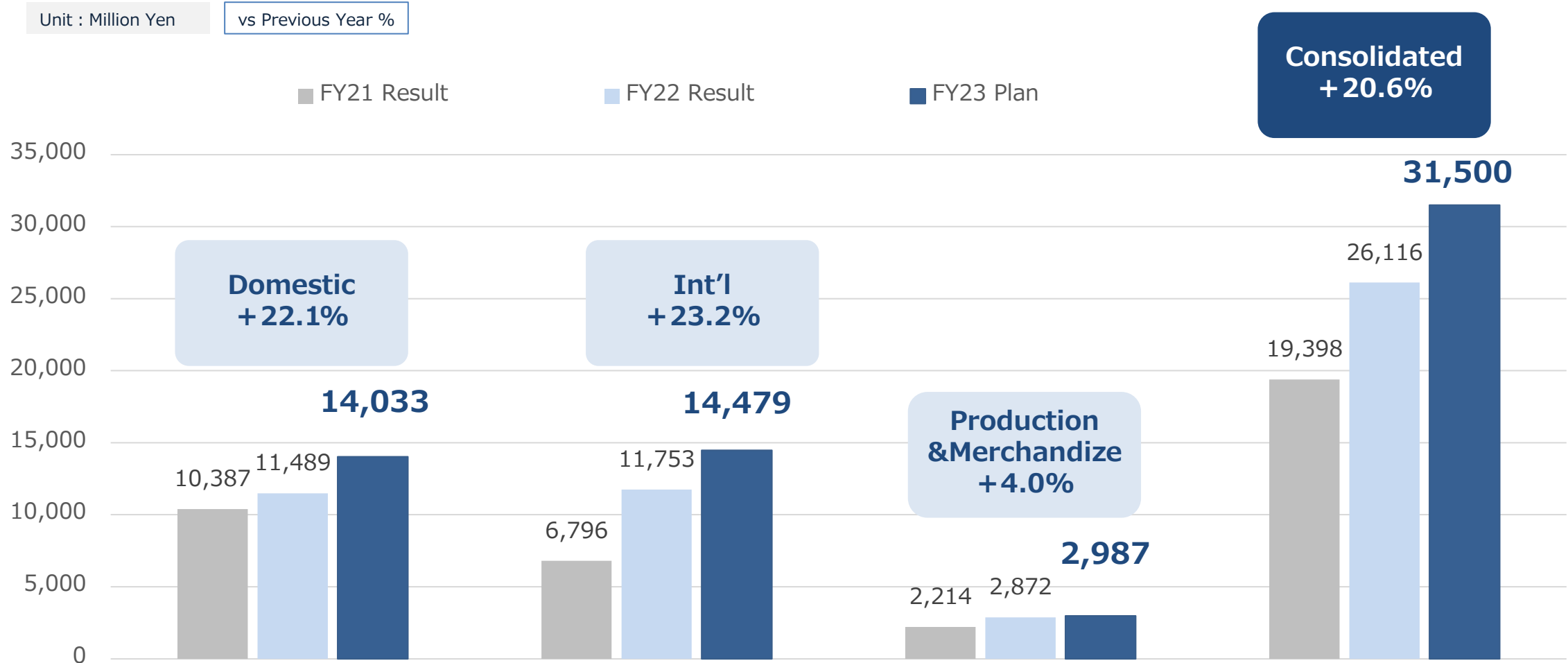


Projection for FY22-23 revised upward. Revenue and income are expected to steadily grow domestically and internationally thanks to various measures despite uncertainty factors such as pandemic, foreign exchange fluctuations, material and utility costs.

Currency	Budgeted Rates
USD	149.58
EUR	159.84
GBP	185.95
SGD	108.38
AUD	94.78

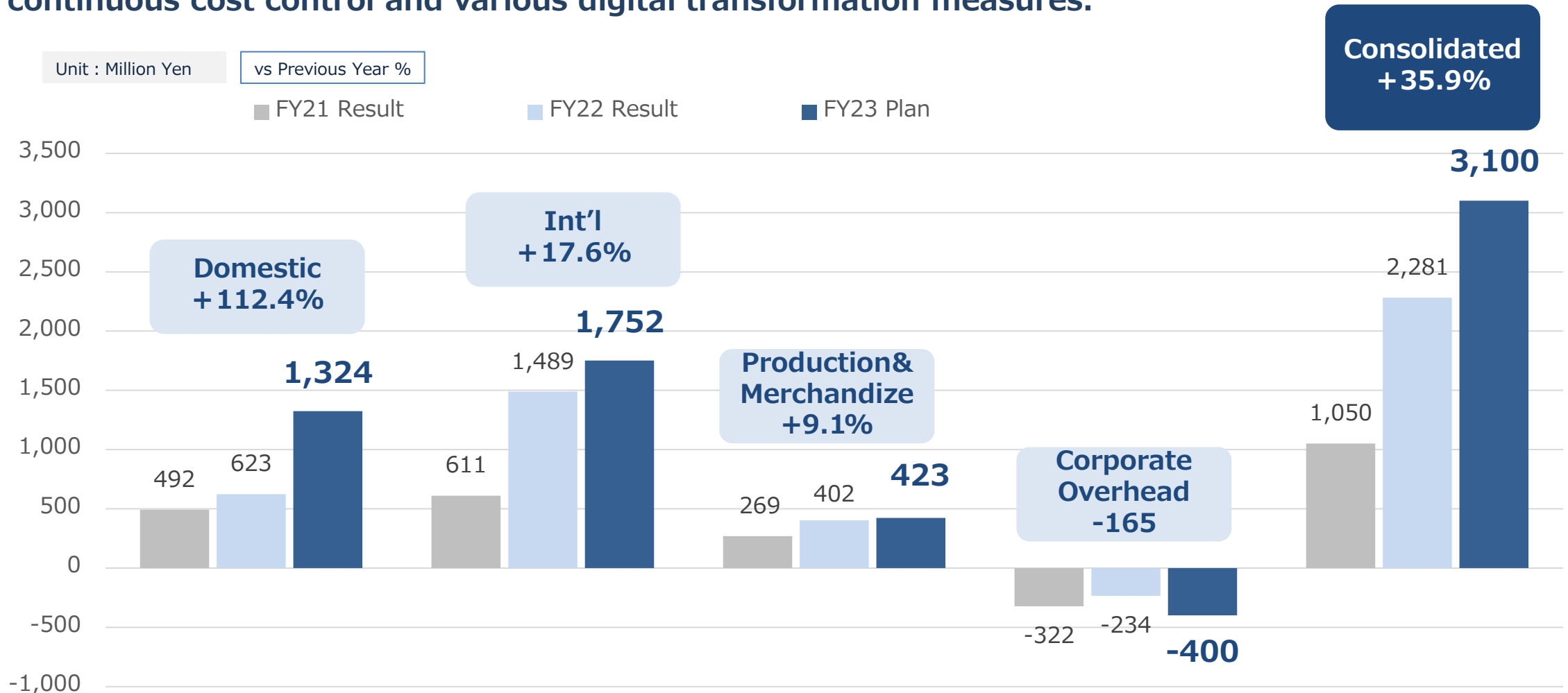
	FY2022-23 Result	FY2023-24 Initial Plan	FY2023-24 Revised Plan	FY2023-24 Q3		Revised Plan / Previous Year		Progress ratio Pre COVID 3-year average
				Results	Progress ratio	Gap	%	
Revenue	26,116	28,361	31,500	23,363	74.2%	+5,383	+20.6%	74.8%
Operating Income	2,281	2,540	3,100	2,431	78.4%	+818	+35.9%	82.8%
Ordinary Income	2,321	2,564	3,250	2,516	77.4%	+928	+40.0%	86.9%
Net Income Attributable to Shareholders	1,628	1,821	2,250	1,757	78.1%	+621	+38.2%	82.2%

Both domestically and internationally, mild growth of existing stores and sales increase of new stores will be expected. Especially, opening new international stores will be accelerated. Production and Merchandise will see 20.6% revenue increase expanding IPPUDO related products.





Although both at home and abroad, cost-increase risks such as raw materials and energy costs affected by foreign exchange fluctuations and geopolitical risks are foreseen, profits will be increased by continuous cost control and various digital transformation measures.



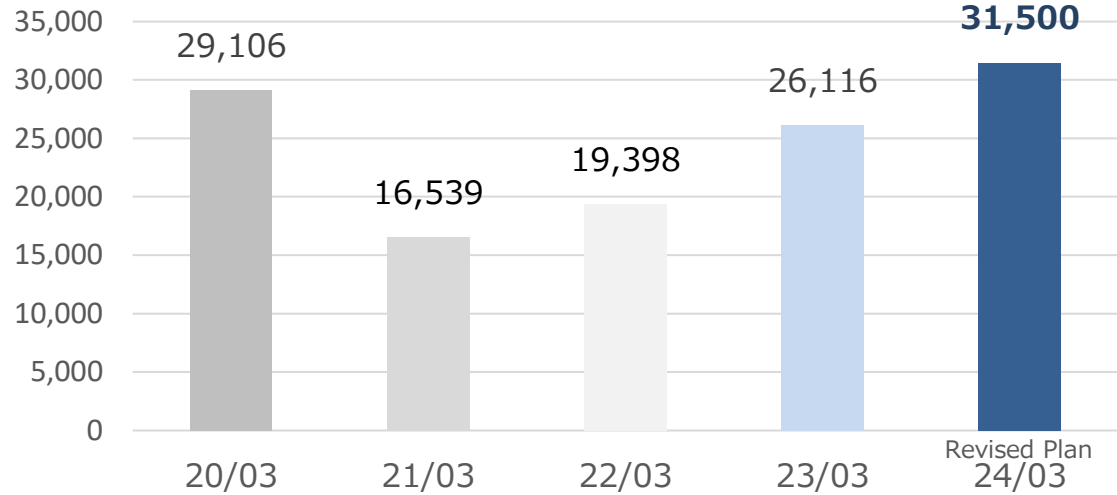
Major Financial Indicators

No Change from Nov 14

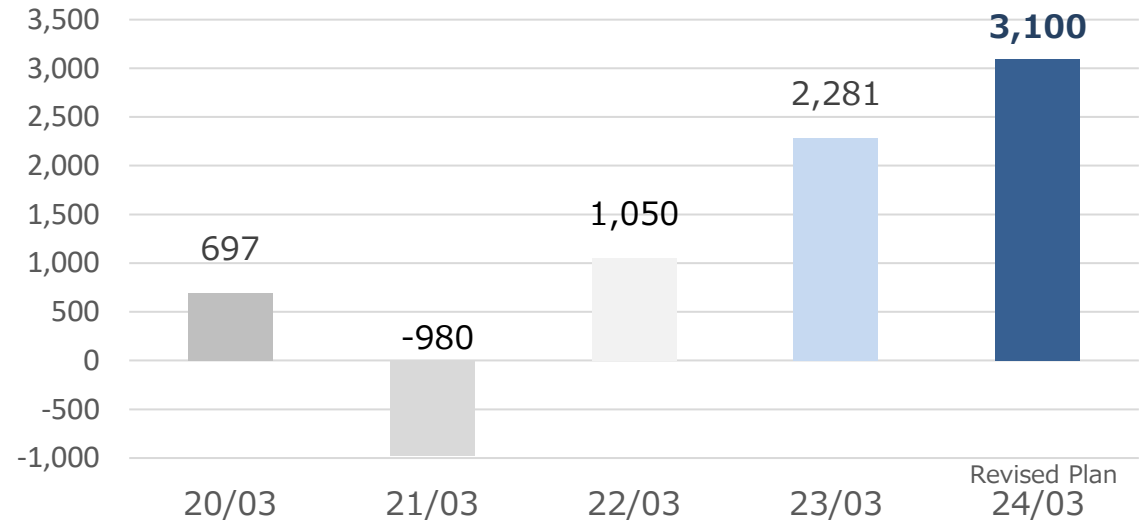


CHIKARA_{NO}MOTO

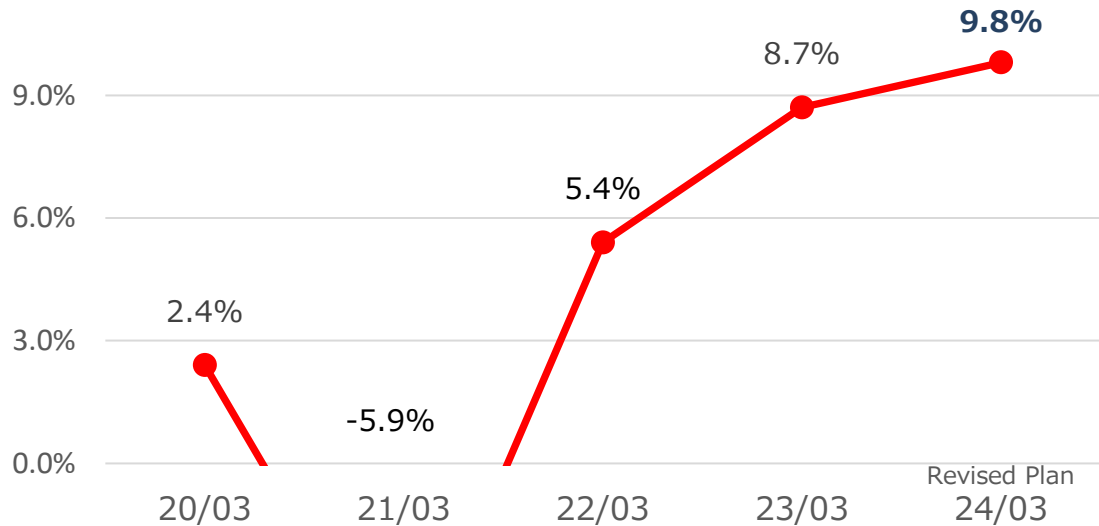
Revenue



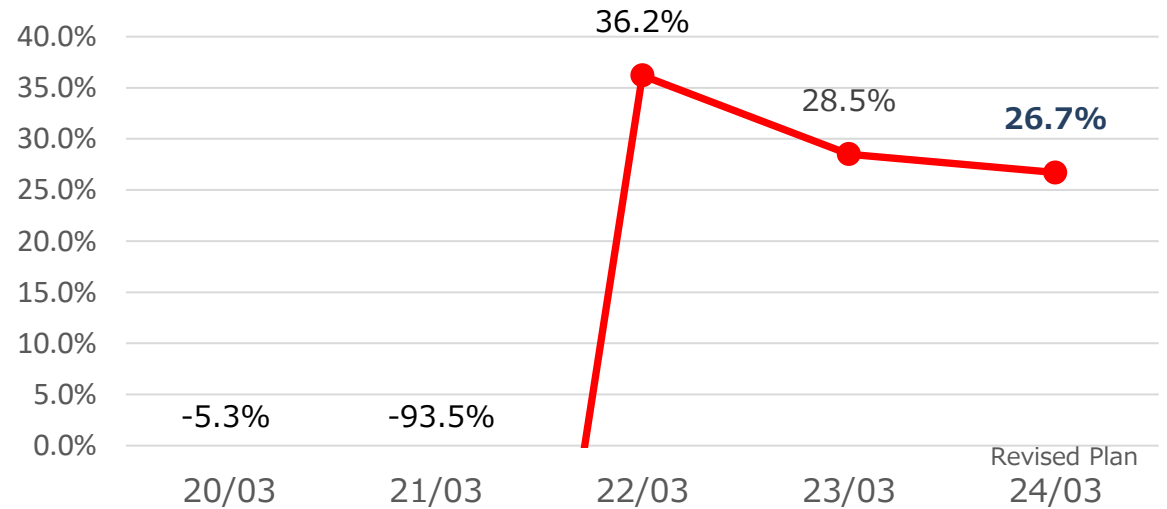
Operating Income



Operating Income Ratio



ROE

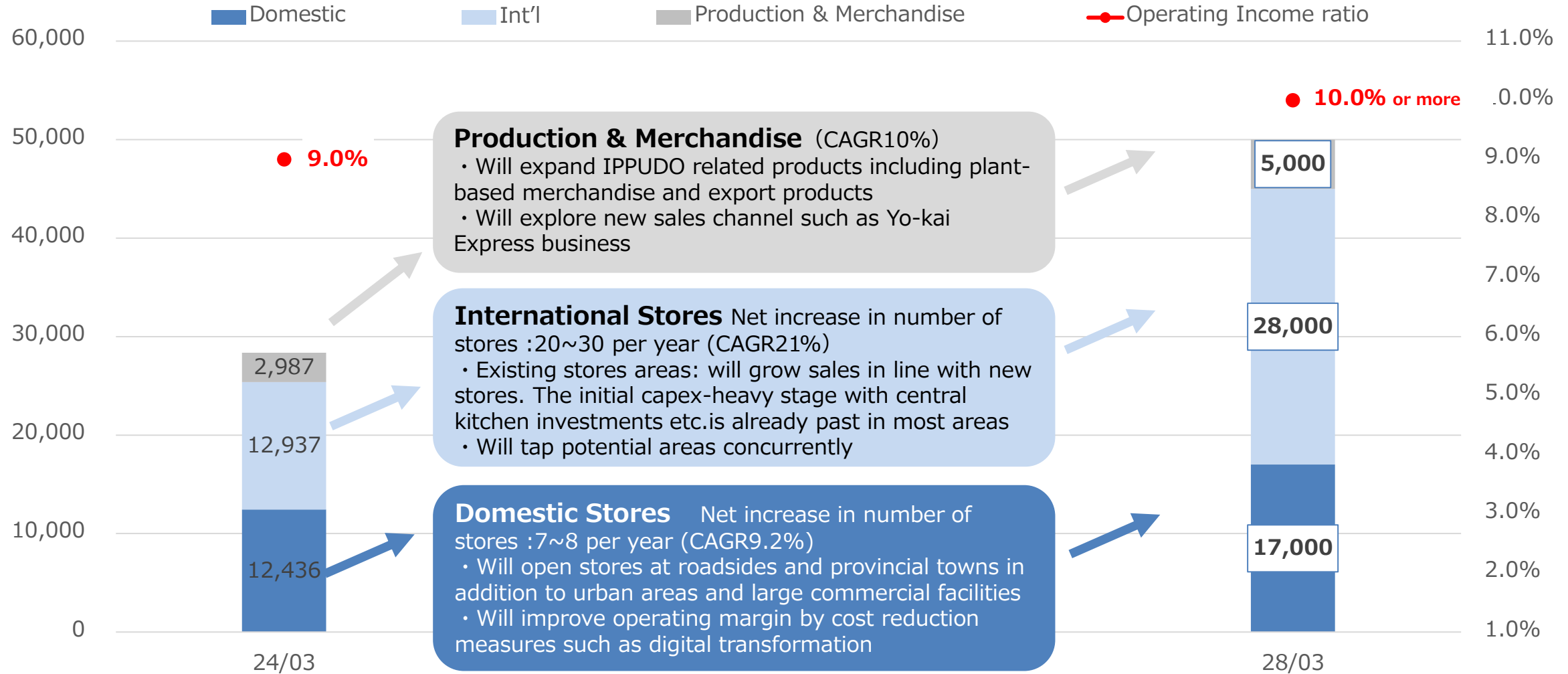


FY2027-28 Vision

3

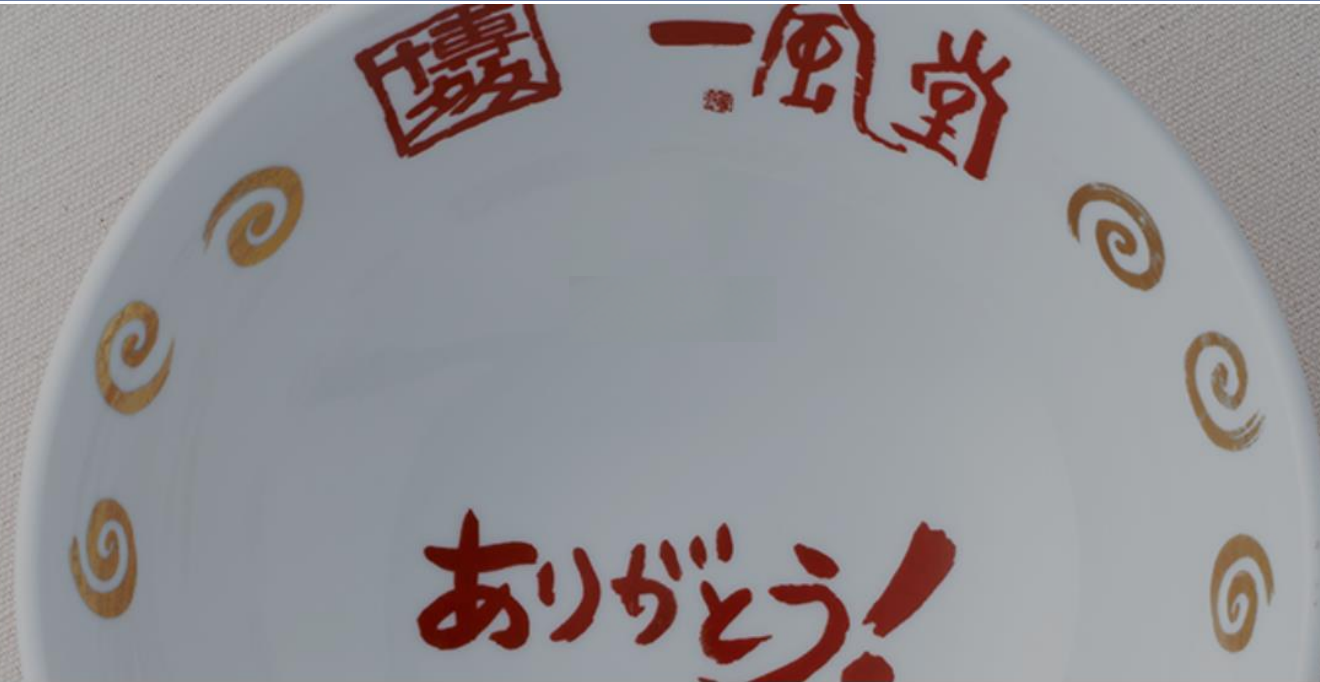
Unit : Million Yen

Revenue 50 billion / Operating Profit 5 billion or more



Recruit and develop global human resources/Promote digital transformation at stores and offices/Build global supply chain managements/ Infiltrate management philosophy/Strengthen the financial basis

Appendix 4



We will continuously create new values through food,
and communicate those values to the world
with “Smile” and “Arigatou”.

Keep changing to remain unchanged.

Chikaranomoto Holdings Co., Ltd. (Ticker#:3561)

- Address Daimyo 1-13-14, Chuo-ku, Fukuoka City, Fukuoka, Japan
- Date of Establishment 30th October 1986
- Capital Stock JPY 3,126,970,000 (Number of issued shares: 30,146,400 shares)
- Fiscal Term End of March
- Number of Employees 18 (consolidated: 521) ※Permanent employees only
- List of Directors

Chairman and Founder
President & CEO
Senior Managing Director
Director (Audit Committee)
Director (Audit Committee, Independent)
Director (Audit Committee, Independent)

Mr. Shigemi Kawahara
Mr. Tomoyuki Yamane
Mr. Toru Nakao
Mr. Akihiro Saito
Mr. Tetsuya Tsuji
Mr. Shinji Tanabe

As of 31st December 2023



原点の一杯

極白丸元味

KIWAMI SHIROMARU CLASSIC

IPPUDO original bowl.
Carrying the tradition all the way from the founding days, the original flavors are at the core of IPPUDO.
Smooth and silky tonkotsu soup match perfectly with the ultra-thin noodles typical of Hakata ramen.



革新の一杯

極赤丸新味

KIWAMI AKAMARU MODERN

IPPUDO modernized, deeper flavors of tonkotsu.
Depth and flavors of the soup until the last drop, with rich soy sauce, garlic flavored oil and special spicy miso.
Soft pork belly chashu melts in your mouth to your complete satisfaction.



刺激の一杯

極由らか麺

KIWAMI KARAKA

A bowl of stimulation, full of spiciness.
When slurping the noodles, a combination of umami of tonkotsu soup and spiciness explode in your mouth.
Also enjoy the toppings of mizuna leaves, niku (meat) miso and white onions.

Spreading 'Smile' and 'Arigatou' through Bowls of Ramen.



2022.4

Listed on Tokyo Stock Exchange Prime Market

2019.10

Global Leadership Conference

2018.11

100th store overseas

2018.3

Listed on Tokyo Stock Exchange First Section

2017.3

Listed on Tokyo Stock Exchange Mothers Index

2016.2

IPPUDO Paris: the first store in France

2015.10

30th anniversary event

2014.10

IPPUDO London: the first store in Europe

2009.5

IPPUDO Singapore: the first store in Asia

2008.3

IPPUDO New York: the first store overseas



1997.1

Mr. Shigemi Karahara won championship 3 times consecutively in TV show by TV Tokyo "TV Champion Ramen Chef"

1995.4

IPPUDO Ebisu: the first store in Tokyo

1994.3

IPPUDO in Ramen Museum in Yokohama

1985.10.16

IPPUDO Daimyo: The first Ippudo restaurant in Fukuoka.

1979.11

Mr. Shigemi Kawahara started the bar "After the Rain" in Fukuoka

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Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results to differ materially from those expressed in the statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. The Company disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.

