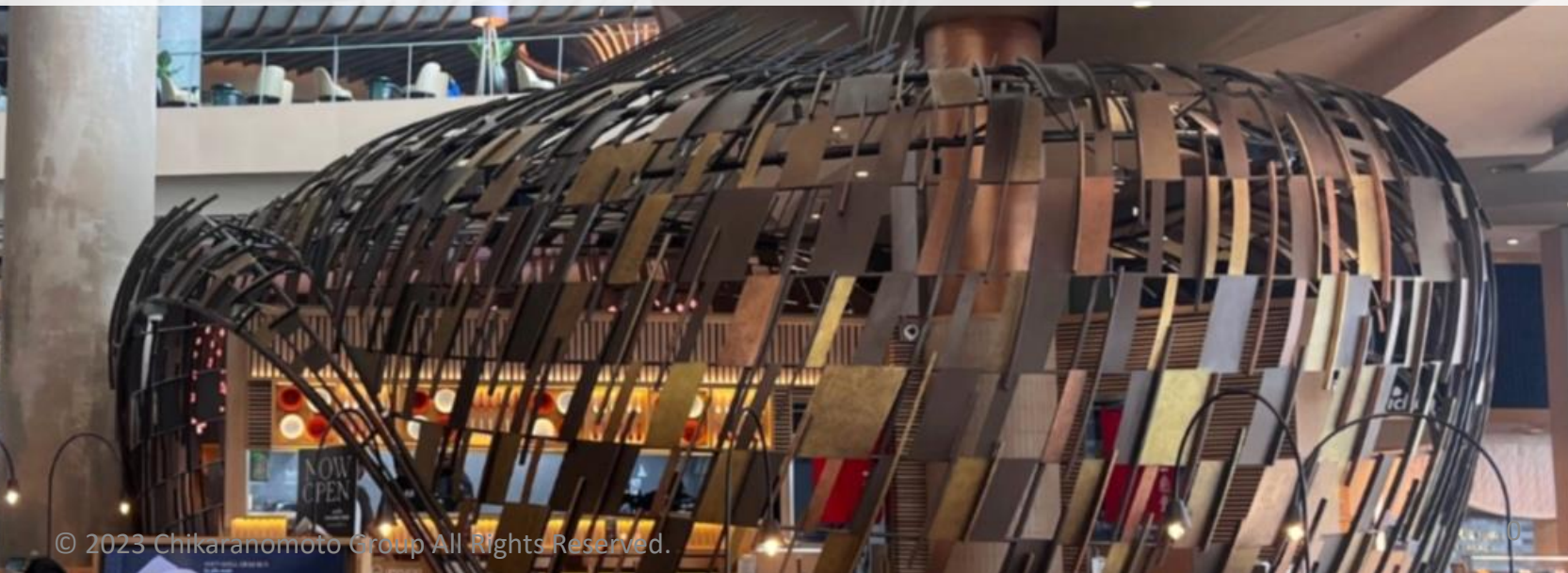




Chikaranomoto Holdings Co.,Ltd. (Ticker# 3561)

FY2022 3Q Financial Results Briefing

14th Feb 2023



IPPUDO THAILAND
Icon Siam

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- 1. FY2022-23 3Q Financial Results** P.2~P.20
- 2. FY2022-23 Financial Plan** P.21~P.25
- 3. Appendix** P.26~P.32

1 FY2022-23 3Q Financial Results

FY2022-23 3Q Consolidated P&L Highlights

Consolidated revenue increased by 33.3% YoY and operating income and operating margin surpassed the revised plan, the previous year and Pre-Covid year. Domestic revenue increased by 7.1% YoY despite the 7th /8th infection waves and severe labor shortage. International revenue also grew by 80.0% although there were negative effects of increase in Covid infections in some areas.

	Vs. FY2022 3Q Revised Plan	Vs. FY2021 3Q Actual	Vs. FY2019 3Q Pre-Covid year
Revenue 18,834 Million Yen	+2.4%	+33.3%	-15.5%
Operating Income 1,561 Million Yen	+262 Million Yen	+960 Million Yen	+856 Million Yen
Operating margin 8.3%			3.2%
Net Income 1,201 Million Yen	+117 Million Yen	+1,067 Million Yen	+671 Million Yen
Net Income margin 6.4%			2.4%

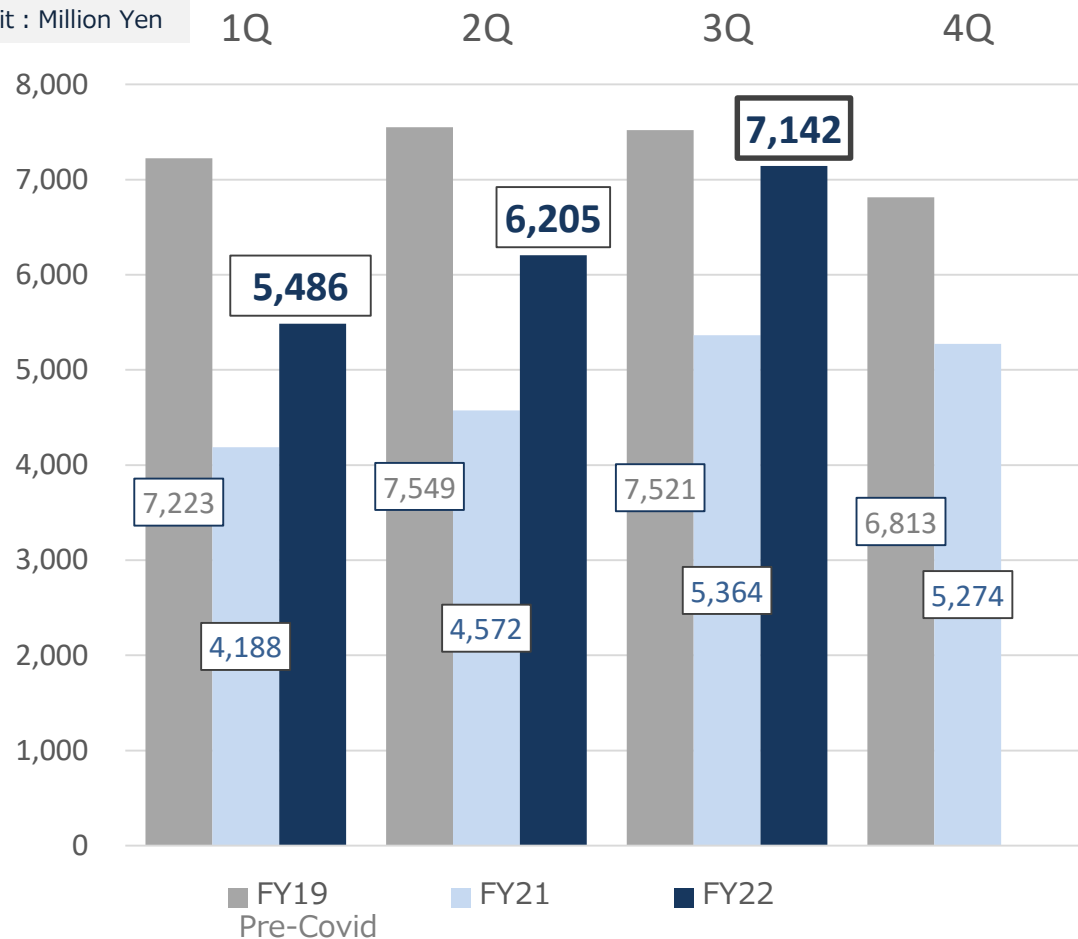
Revised plan was disclosed on Nov 14 2022.

Consolidated Quarterly Results vs Previous Years

Quarterly revenue has grown by more than 30% vs previous year since 1Q. Operating income also surpassed the previous year and the Pre-Covid year.

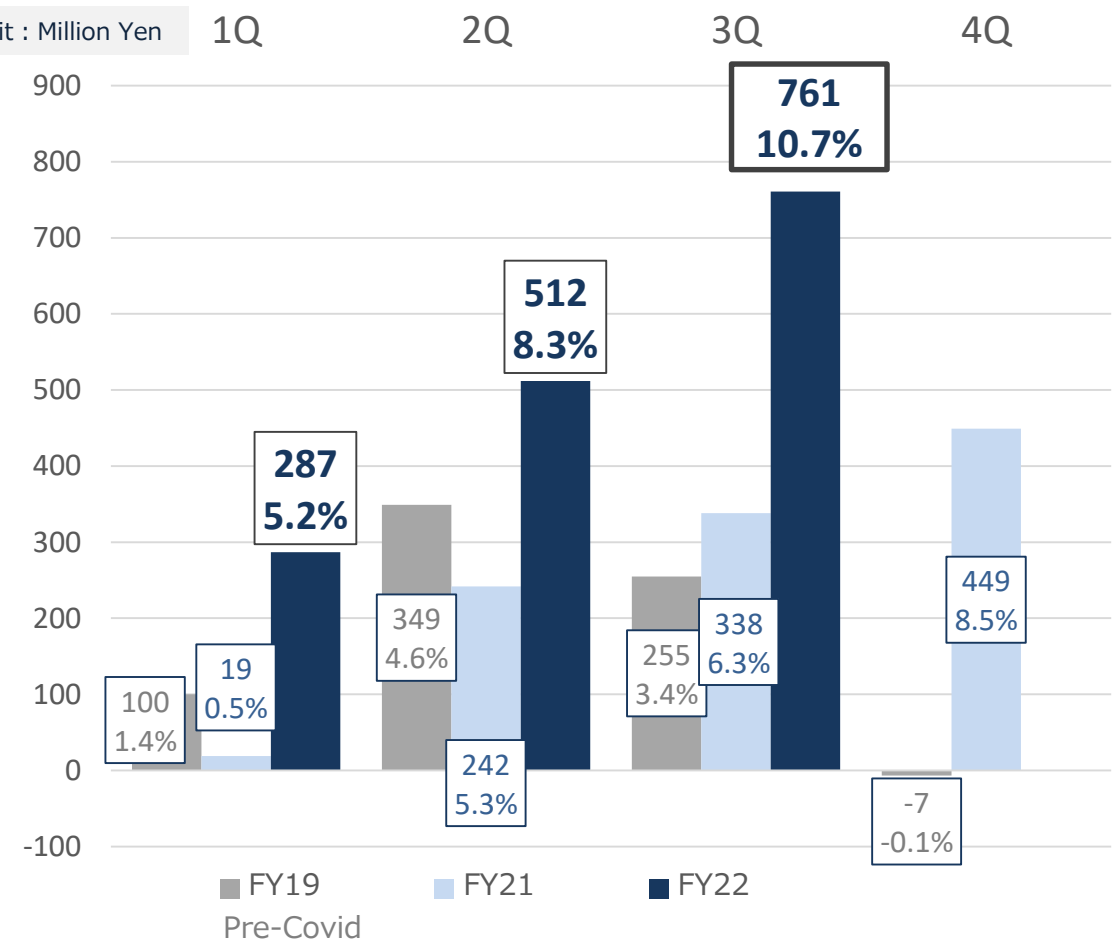
Revenue

Unit : Million Yen



Operating Income and Margin

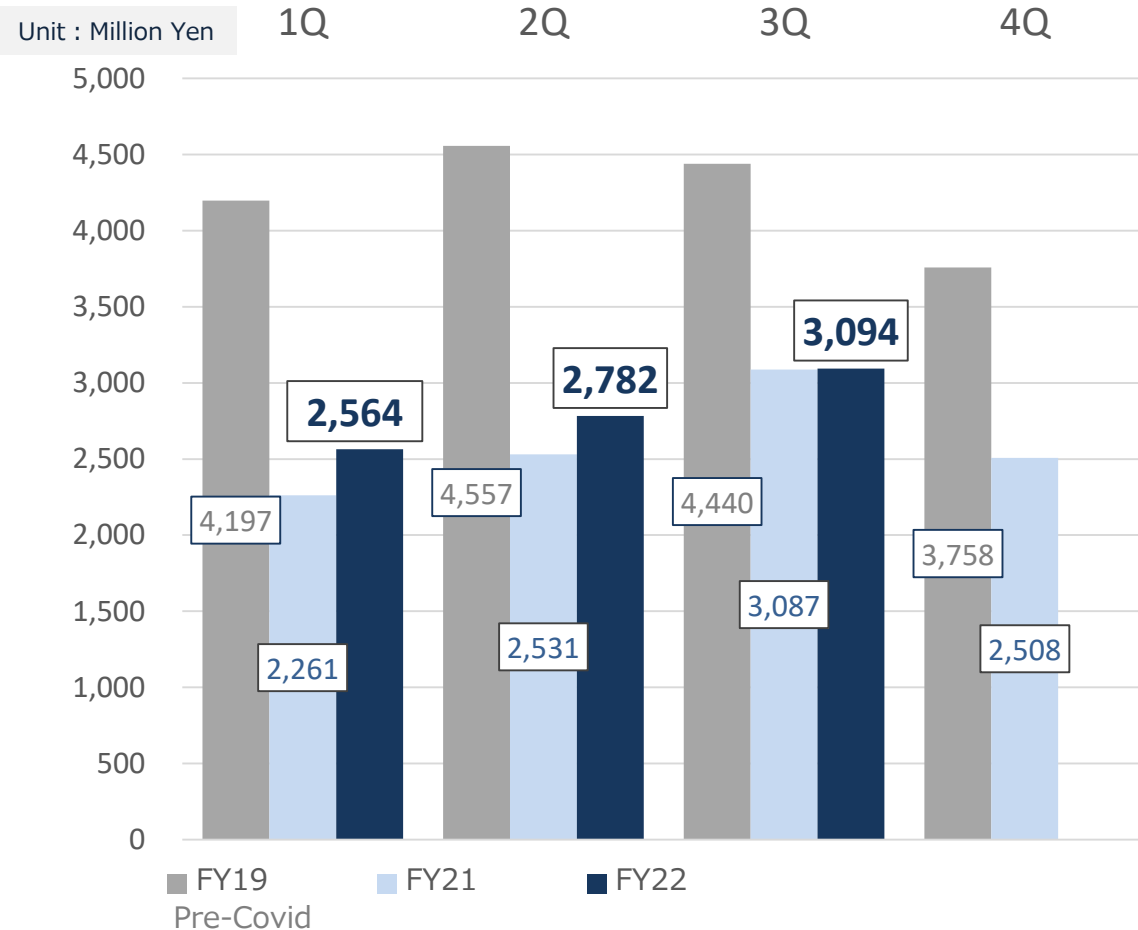
Unit : Million Yen



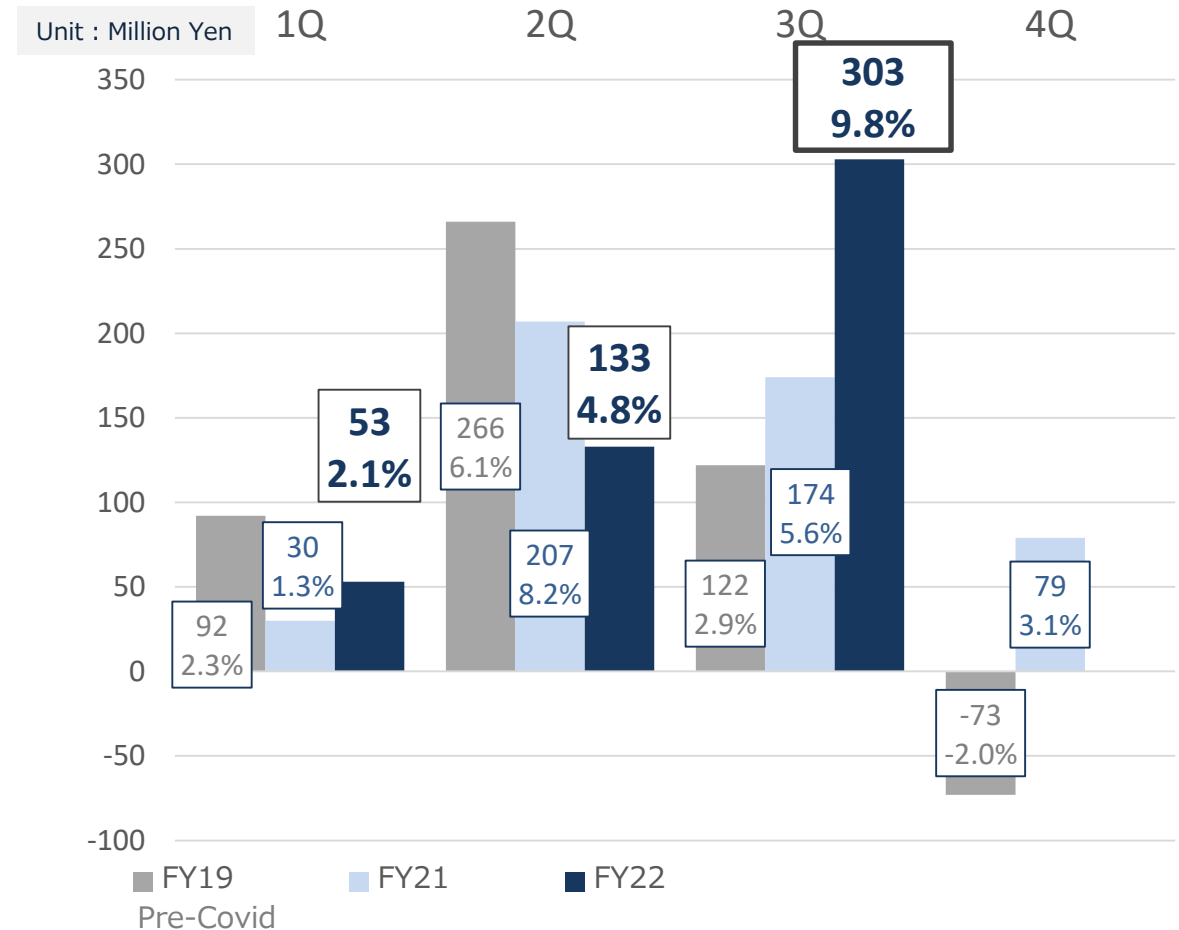
Domestic Store Operations Quarterly Results (Apr-Dec 2022)

Quarterly domestic revenue grew by 7.1% YoY despite the closure or divesture of 12 stores including 8 stores of PANDA EXPRESS. Inbound tourism beginning to recover, and existing stores maintained strong performance with +14.3% YoY. Operating income increased +18.7% YoY with various cost reduction measures such as Digital Transformation initiatives.

Revenue

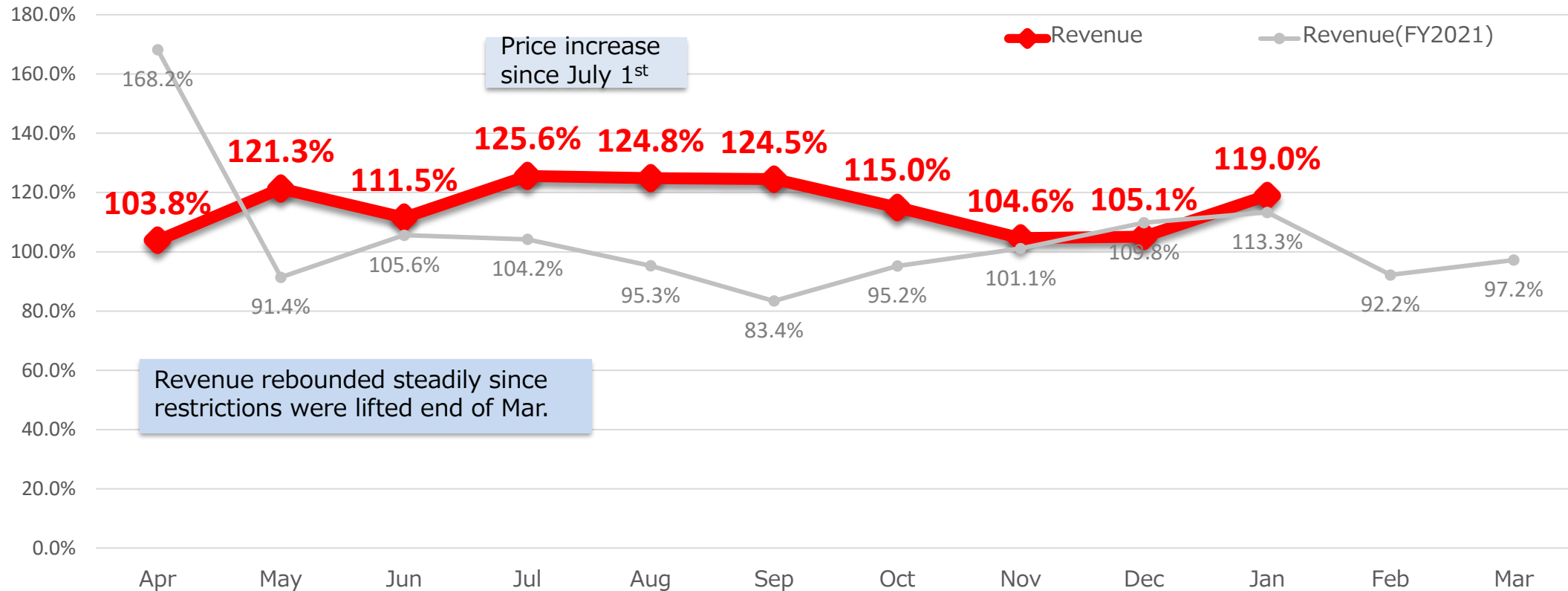


Operating Income and Margin



Domestic Existing Stores 114.8% YoY (until January 2023)

FY2022 Year-Over-Year Sales/Number of Customers/Average Check



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Sales	103.8%	121.3%	111.5%	125.6%	124.8%	124.5%	115.0%	104.6%	105.1%	119.0%			114.8%
Number of Customers	102.8%	119.9%	108.6%	117.6%	118.0%	116.4%	107.9%	97.2%	98.3%	111.1%			109.0%
Average Check	101.0%	101.2%	102.6%	106.8%	105.8%	106.9%	106.6%	107.6%	106.9%	107.2%			105.4%

Highlights: Domestic Store Operations

■ Revenue

- ✓ Increased by 7.1% YoY despite the closure or divestiture of 12 stores including 8 stores of PANDA EXPRESS.
- ✓ Inbound tourism beginning to recover, and existing stores maintained strong performance +14.3% YoY.
- ✓ 4 new stores successfully opened (Youmemall Saijyo/ Shijokarasuma/Kengunhigashimachi/KAY Hassamu).

■ Operating Income

- ✓ Wages raised for permanent employees by 4% on average in April and part-timers throughout the full year to promote recruitment and retention.
- ✓ Price increase in response to soaring material and utility costs.
- ✓ Profitability improved by Digital Transformation initiatives such as QR order and tablet order systems.



Frozen Vending Machine
Miso Shiromaru



“TAO” Autumn Festival
Toriton Kasane



SDGs“Kodomo Shokudo”
Toriton Soba

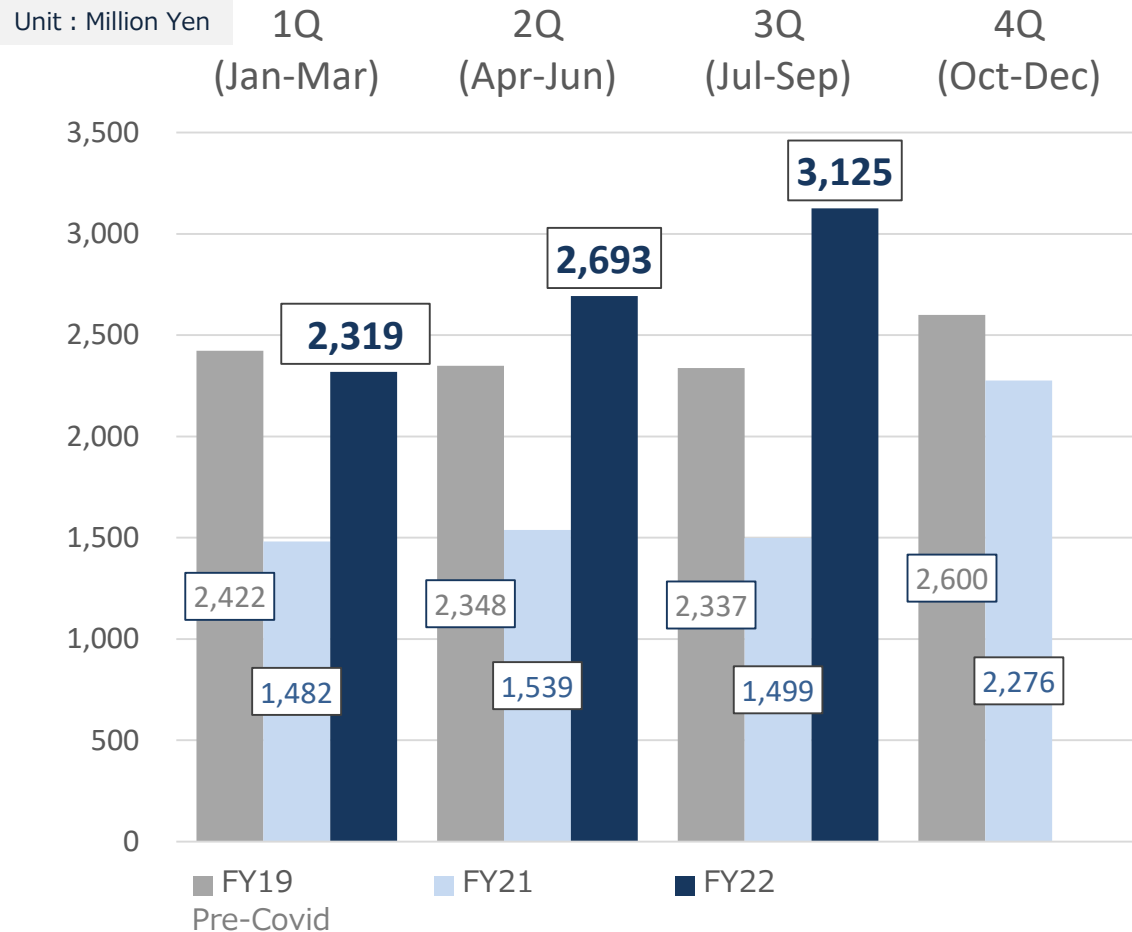


IPPUDO Sendainishiguchi
Kuromayu Tonkotsu

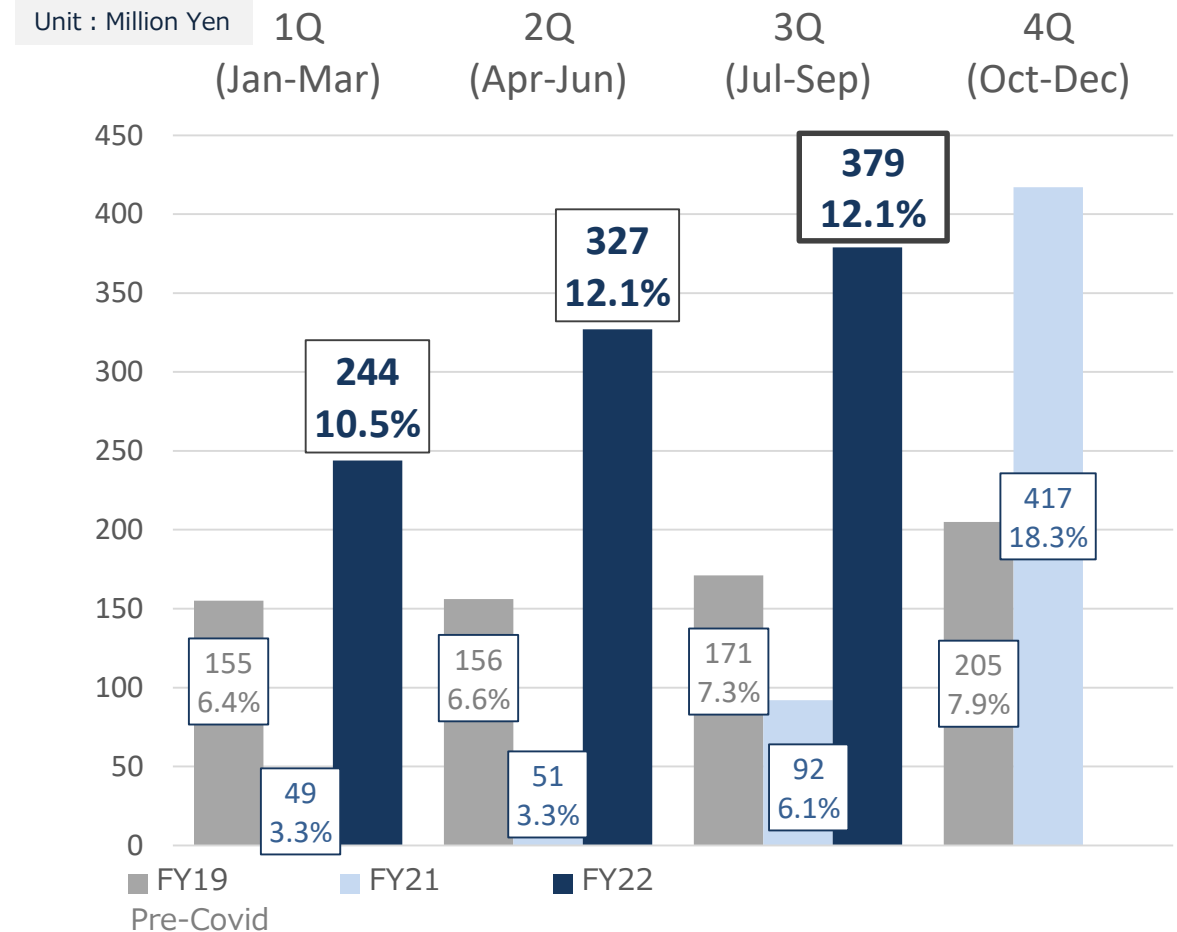
International Store Operations Quarterly Results (Jan-Sep 2022)

International revenue +80.0% YoY including foreign exchange impact +20.2%. Although in the beginning of the year the spread of the infection was seen in some areas, the overall revenue recovered quickly. The sales of Southeast Asia and Oceania was sluggish in the previous 3Q due to an increase in Covid-19 infection, but it also rebounded significantly this period. Operating income exceeded Pre-Covid 3Q substantially by 392.1% including foreign exchange impact +14.5% with a thorough control of labor and COGS.

Revenue

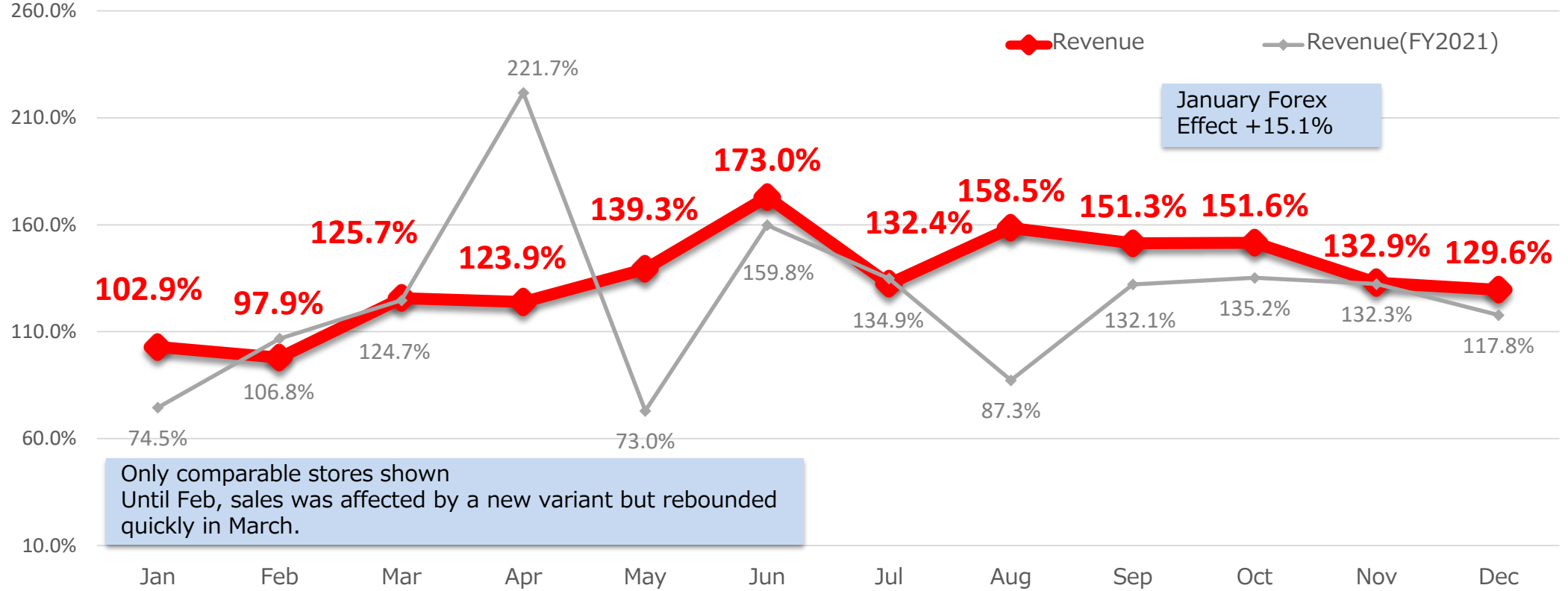


Operating Income and margin



Int'l Existing Stores 136.1% YoY (until December)

FY2022 Year-Over-Year Sales/Number of Customers/Average Check



Only comparable stores shown
Until Feb, sales was affected by a new variant but rebounded quickly in March.

January Forex Effect +15.1%

* Total until December

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Jan2023
Sales	102.9%	97.9%	125.7%	123.9%	139.3%	173.0%	132.4%	158.5%	151.3%	151.6%	132.9%	129.6%	136.1%	152.8%
Number of Customers	92.1%	87.3%	100.4%	100.7%	110.3%	139.4%	106.9%	129.9%	119.7%	112.4%	103.2%	107.5%	108.2%	131.9%
Average Check	111.7%	112.1%	125.2%	123.0%	126.3%	124.1%	123.9%	122.0%	126.4%	134.8%	128.9%	120.6%	125.7%	115.8%

■ Revenue

- ✓ Launch of limited time products, full scale menu price revisions, grand menu revisions and introduction of dessert menu, etc.
- ✓ Southeast Asia and Oceania's performance rebounded significantly from the last year's spread of infection of Covid-19.
- ✓ 2 stores in the Company-operated markets (Singapore/Australia) and 1 store in a licensed area (Australia) opened.

■ Operating income

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



IPPUDO New Zealand
Vege Soba



IPPUDO Thailand
Malatan



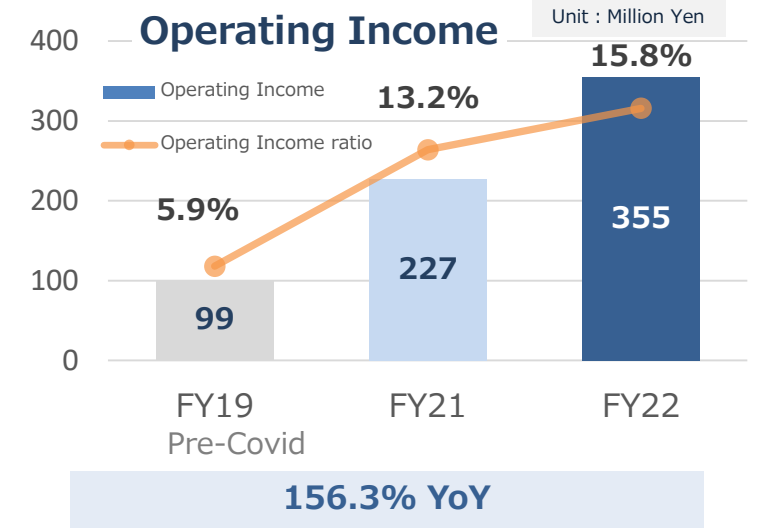
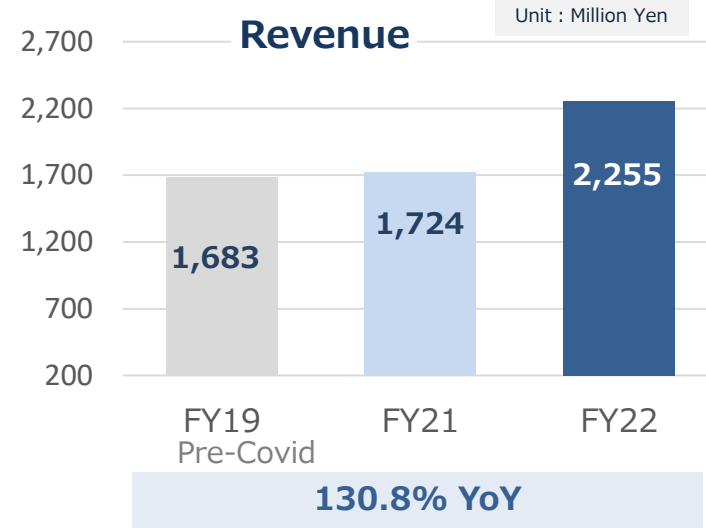
IPPUDO Hong Kong
Eel Bowl



IPPUDO Singapore
Japan Sake Event

Production and Merchandise

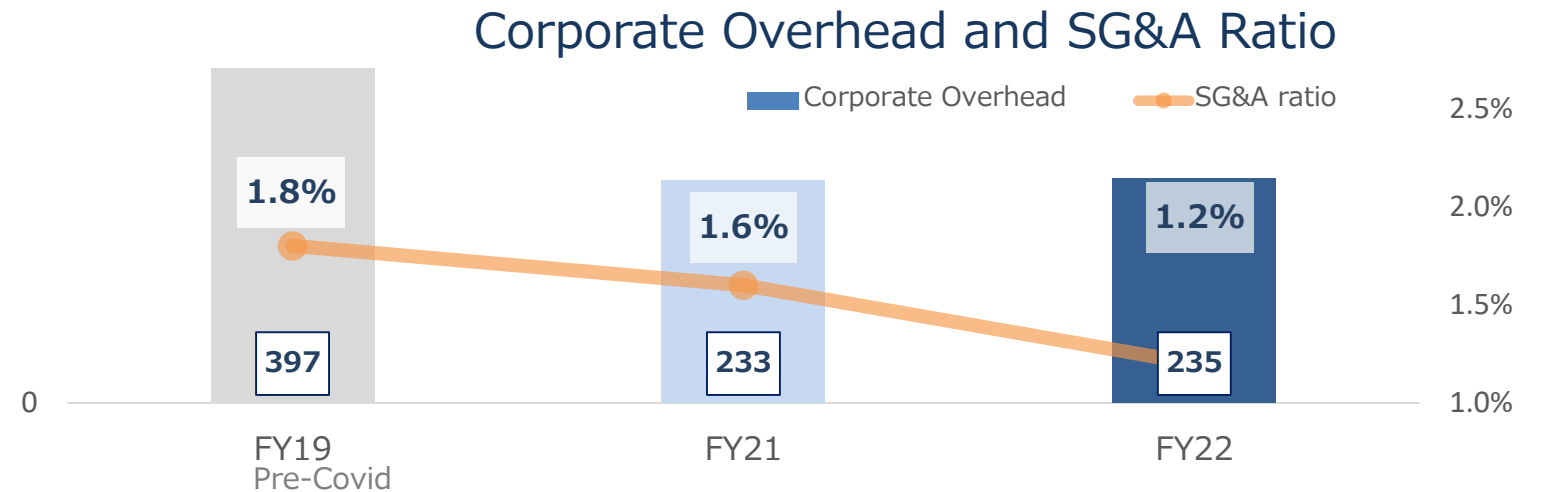
Revenue +30.8% vs previous year. e-Commerce site, IPPUDO branded products and exports contributed. Operating income increased by 128 million yen.



Corporate Overhead

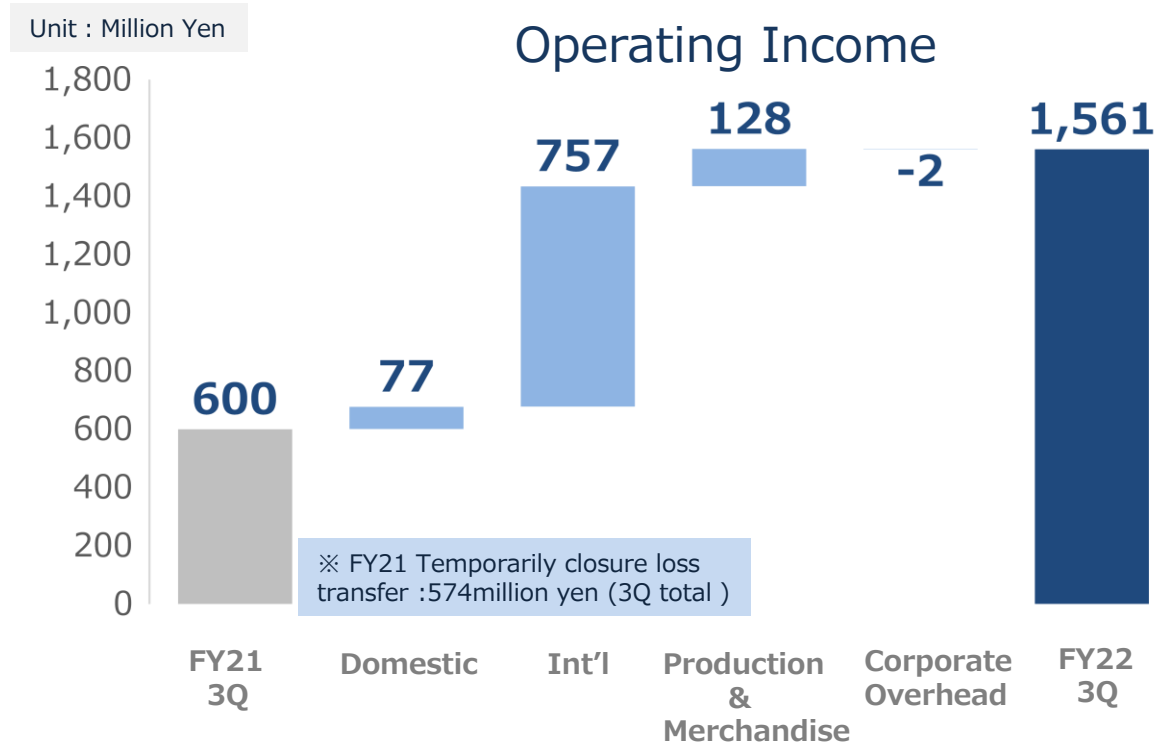
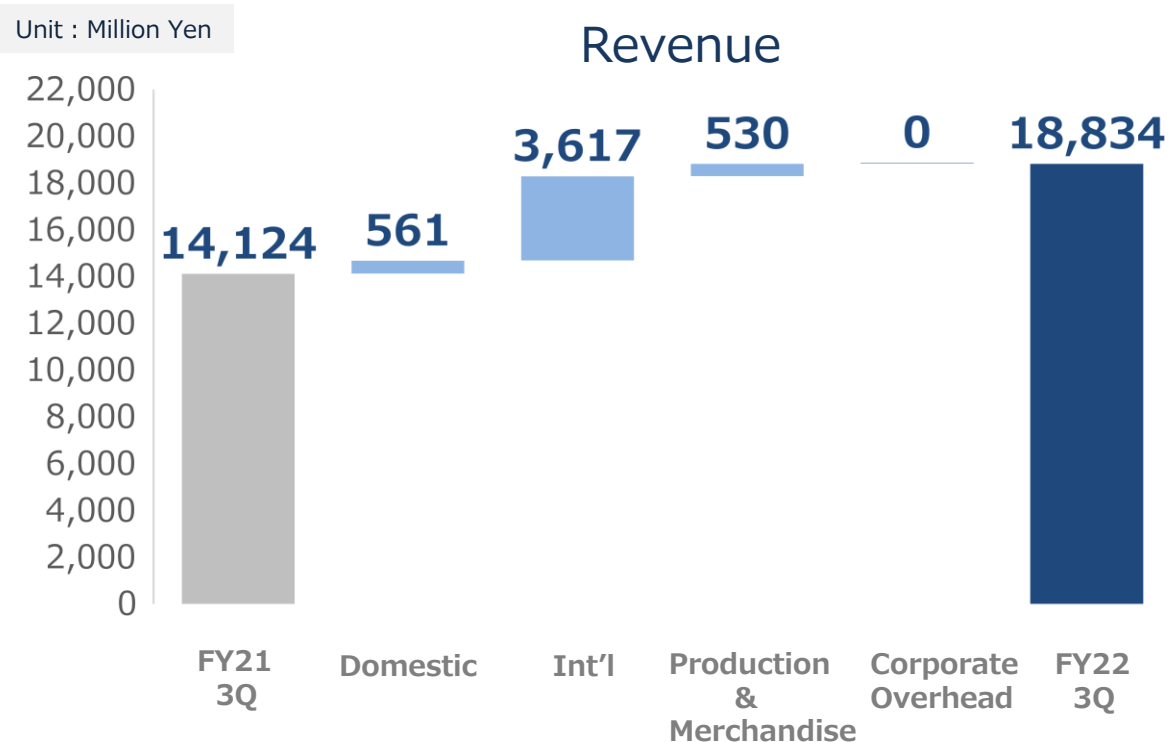
SG&A ratio maintained low level :1.2%.

※SG&A ratio=Corporate Overhead/Consolidated Revenue



Segment Revenue, Operating Income and Operating Margin (YoY)

The recovery of International revenue and operating income is strong, while Domestic recovery remains mild. Production & Merchandise revenue has grown mainly from promoting B2B and international sales of IPPUDO branded products.



Segment operating margin

	Domestic	Int'l	Production & Merchandise	Others	Total
FY22 3Q	5.8%	11.7%	15.8%	-	8.3%
FY21 3Q	5.2%	4.3%	13.2%	-	4.3%

Consolidated Balance Sheet

Equity ratio improved to 41.7% with good results, exercise of warrants and decrease of interest-bearing loans. Fixed assets increased from new Domestic & International stores.

	Mar 2022	Dec 2022	GAP
Current Assets (Cash and Deposits)	6,650 4,773	8,727 6,265	+2,076 +1,491
Property, Plant and Equipment	5,703	5,971	+267
Intangible Assets	177	162	-15
Investments & Others	2,739	2,785	+45
Non-Current Assets	8,620	8,918	+297
Total Assets	15,271	17,645	+2,374

■ Assets	
• Cash and deposits	+1,491
• Tangible assets from new stores	+267
• Investment securities	+126

	Mar 2022	Dec 2022	GAP
Total Liabilities (short-term loans) (long-term loans)	11,470 2,500 4,838	10,294 2,550 3,424	-1,176 +50 -1,413
Shareholders' Equity	3,647	6,801	+3,153
Accumulated Other Comprehensive Income	144	549	+405
Non-Controlling Interest	8	0	-8
Total Net Assets	3,800	7,350	+3,550
Total Liabilities and Net Assets	15,271	17,645	+2,374

Unit : Million Yen

■ Liabilities	
• Interest bearing-loans	-1,375
• Accounts payable-other	- 282
• Account payable-trade	+ 278

■ Shareholders' Equity	
• Capital	+1,949
• Retained earnings	+1,201

※Equity Ratio 41.7% (24.8% as of end of March 2022)

Consolidated P&L 3Q total (1st Apr~31th Dec 2022)

Unit : Million Yen	FY2022-23 3Q Results	FY2022-23 3Q Revised Plan	FY2021-22 3Q Results	FY2019-20 3Q Results (Pre-Covid)
Revenue	18,834	18,385	14,124	22,293
Growth rate YoY	+33.3%	-	-	-
Gross Profit	13,217	-	9,973	15,791
SG&A Expenses	11,656	-	9,372	15,086
Operating Income	1,561	1,298	600	704
Operating Margin	8.3%	7.1%	4.3%	3.2%
Ordinary Income	1,609	1,425	599	658
Ordinary Margin	8.5%	7.9%	4.2%	3.0%
Pre-Tax Income	1,651	-	371	634
Net Income	1,201	1,084	134	530
Net Income Margin	6.4%	5.9%	1.0%	2.4%

New Stores (October-December)

Domestic: IPPUDO 4, International: IPPUDO 5



IPPUDO
Youmemall Saijyo



IPPUDO
Shjokarasuma



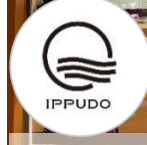
IPPUDO
Kengunhigashimachi



IPPUDO KAY
Hassamu



IPPUDO EXPRESS
Uptown Damansara



IPPUDO Taiwan
Mitsui Outlet Park
Linkou



IPPUDO SYDNEY
World Square



IPPUDO THAILAND
Icon Siam

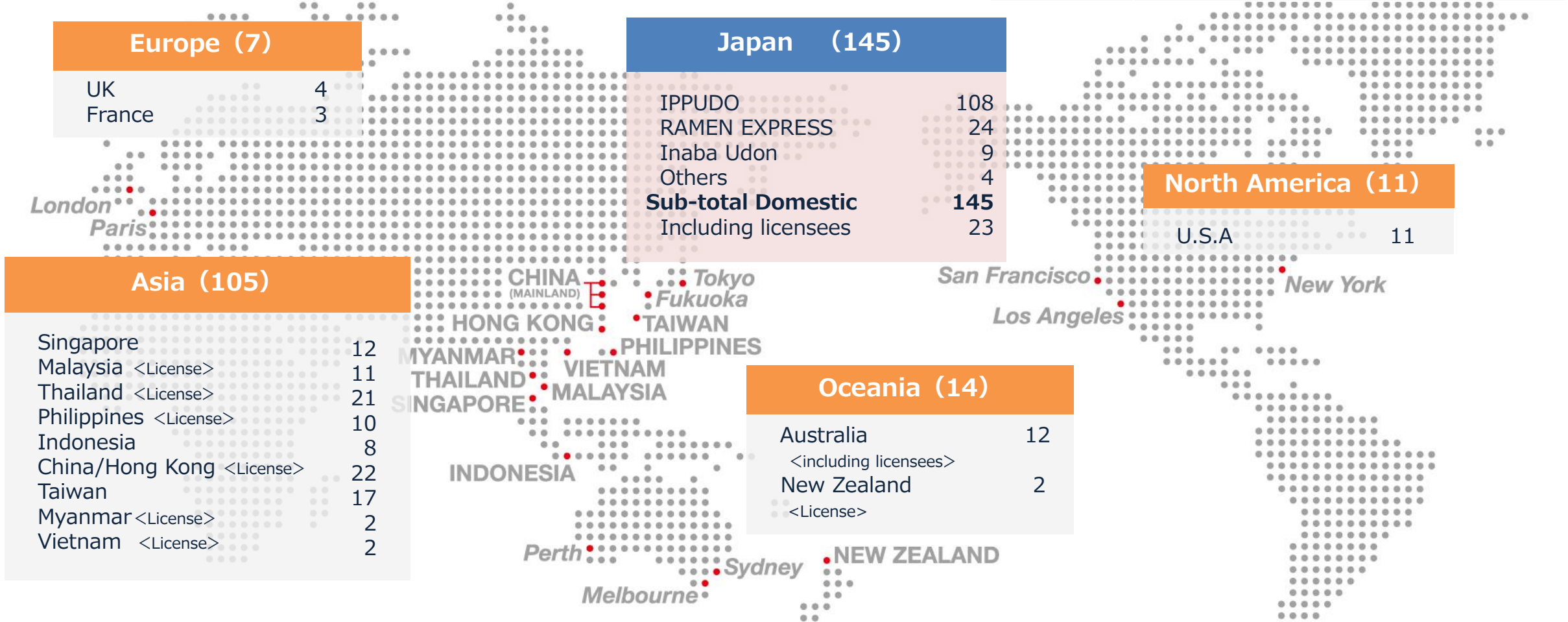


IPPUDO INDONESIA
Mall Kelapa Gading

Geography of Stores [FY19 : 288 stores FY20 : 280 stores FY21 : 277 stores]

282 stores in **15** countries and regions
 (+5 since the end of previous FY)

	Owned	Licensed	Total
Domestic	122	23	145
International	64	73	137
Total	186	96	282





37th anniversary



Re-make of "Shoyu Tonkotsu", which won the Ramen Popularity Contest as part of the 37th anniversary



Launch of "Tsubame Sanjo Se-Abura" as a new product for "Yo-kai Express" or automatic vending machine which is installed at JR Ueno station "RAMEN STAND"



Launch of "PLANT BASED RAMEN Platon" as an ANA international in-flight meal (Business/First class)



Launch of "Miso Shiromaru", which is a popular seasonal product as a classic winter item



Launch of "Karugamo Project" on Nov 19 known as "Good parenting day", of which concept is anyone with children can enjoy dining out with an ease of mind

Domestic: Seasonal products on e-Commerce site, newly developed products to meet broad customers' needs at convenience stores, and authentic flavors at home for mass-merchandise stores.
International: dry-noodle type plant-based ramen successfully launched at mass retailers.

e-Commerce site
(Domestic)

Convenience stores/Mass retailers
(Domestic)

Mass retailers
(Int'l)



In Nov, IPPUDO KITCHEN CAR held “ KODOMO SHOKUDO ” or children’s cafeteria providing free ramen for the local families. It also provided communication occasions for the children and parents in the area supporting children’s diet and contributing to decrease “solitary dining” .

食を通して

世界をもっと笑顔にしたい

ありがとうと言い合える

温かみのある社会をつくりたい

力の源グループは「食を通して新しい価値を創造し

『笑顔』と『ありがとう』とともに世界中に伝えていく。」ことを

創業の精神に掲げる企業として、

これまで社会や環境に貢献できる取り組みを行なってきました。

わたしたちは今後もこの想いを胸に、

社会がより良い姿で在り続けられるよう、積極的に行動していきます

以下のリンクからご覧ください

[力の源グループのSDGsへの取り組みに関するお知らせ](#)



主催:おおのじょうおとなりシップ 大野城市コミュニティ活動応援ファンド事業
共催:NPO法人共働のまち大野城 おおのじょうMONO創りLab

11月20日(日)のこども食堂
(無料・予約制・250食)は

環一食堂

キッチントラックが来るよ！
マルシェ&フリマ&WS同時開催！（入場無料）

11月20日（日）場所:北コミュニティセンター
お食事の時間:11時～14時
Meets Festival（マルシェ）10時～15時

おいしいラーメンをその場で作っていただくため、お時間に余裕を持ってお越しください☆

On Jan 17, the seasonal “Miso Akamaru” as a popular winter item since 2022 was launched. In Feb, seasonal plant-based ramen “Noko Spicy Kara Miso” was launched at IPPUDO LUMINE-EST Shinjuku. On Mar 21, NAJIMA-TEI will open for a limited period at Shin-Yokohama Ramen Museum joining an event to celebrate the museum’s 30th anniversary



一風堂
炙りチャーシュー、
真冬の濃厚味噌。

味噌赤丸

なくなり次第終了！
冬季限定

※一風堂のチャーシューは、
高品質なチャーシューを
ポークを原料としています。

味噌赤丸	特製味噌赤丸	麺大盛り
891円 (税込980円)	1,046円 (税込1,150円)	1,219円 (税込1,340円)
〈炙り焼豚①枚〉	〈炙り焼豚②枚〉	+137円 (税込150円)



Plant-Based

期間限定

濃厚スパイシー
辛味噌

¥1,091
(税込¥1,200)



FY2022-23 Financial Plan

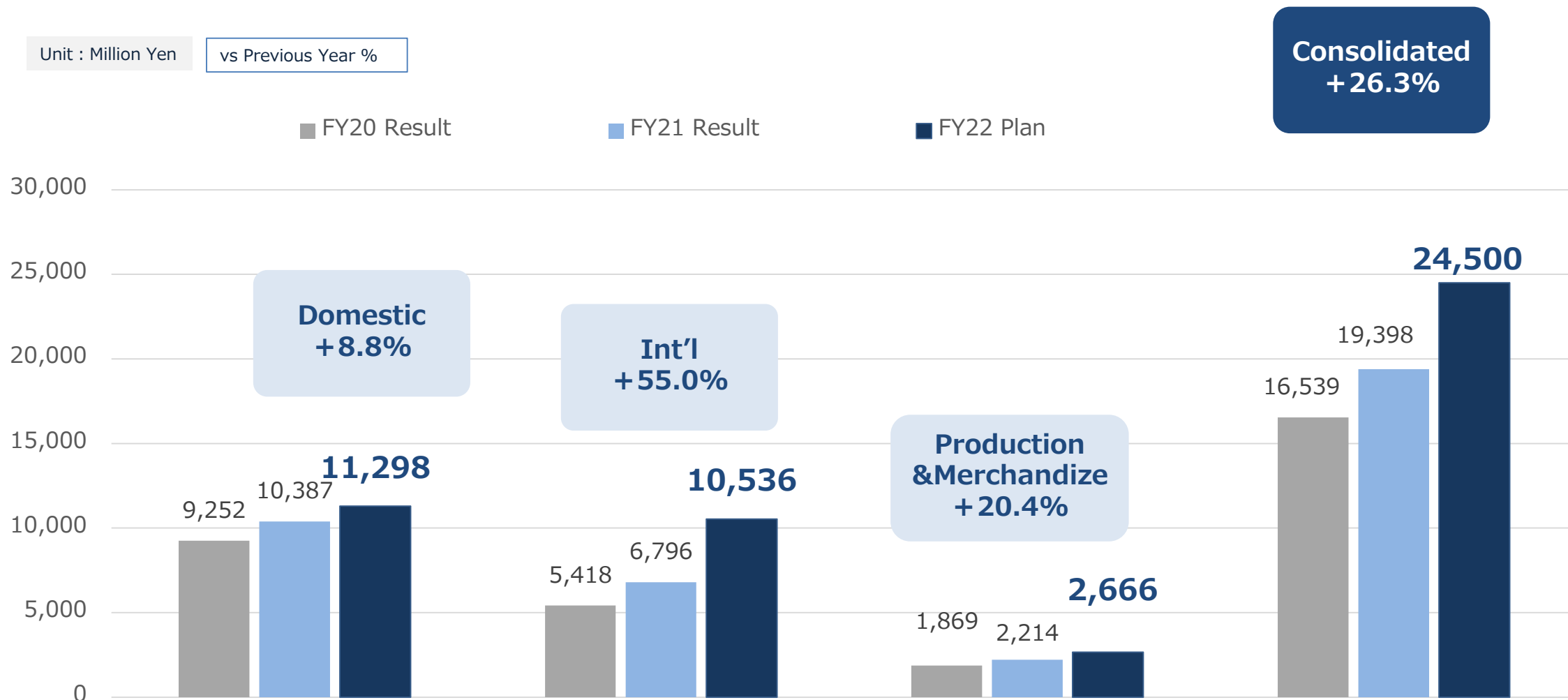
Revenue and income are expected to steadily grow domestically and internationally thanks to various measures despite uncertainty factors such as pandemic, foreign exchange fluctuations, material and utility costs.

Unit : Million Yen

	FY2021-22 Result	FY2022-23 Initial Plan	FY2022-23 Revised Plan	vs Previous Year		FY2022-23 3Q	
				Gap	%	Results	Progress ratio
Revenue	19,398	23,750	24,500	+5,102	+26.3%	18,834	76.9%
Operating Income	1,050	1,383	1,710	+660	+62.8%	1,561	91.3%
Ordinary Income	1,083	1,355	1,830	+747	+68.9%	1,609	87.9%
Net Income Attributable to Shareholders	923	950	1,350	+427	+46.2%	1,201	88.9%

※Loss from temporarily closure or subsidy relating to lockdowns was not expected.

Revenue growth will come mainly from the international operations and retail sales of IPPUDO branded products.

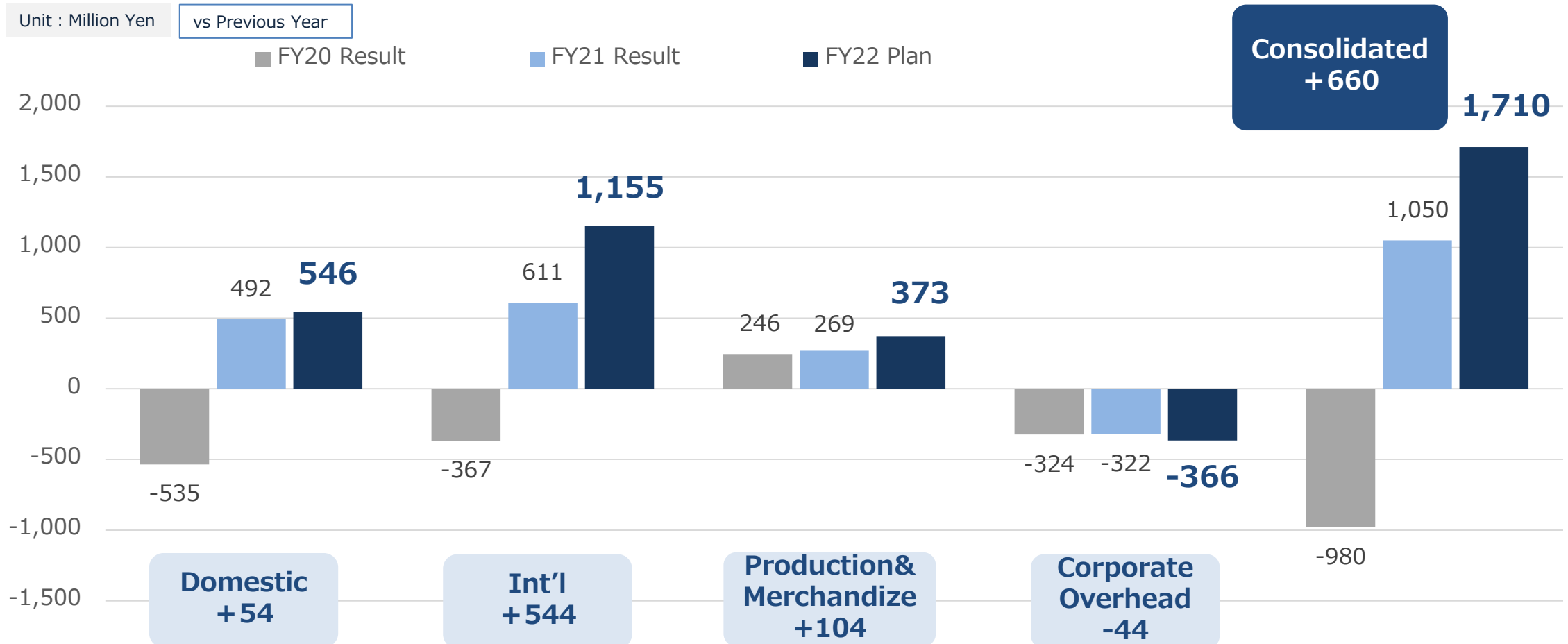


FY2022-2023 Financial Plan: Operating Income

No change from the revised plan disclosed on November 14, 2022

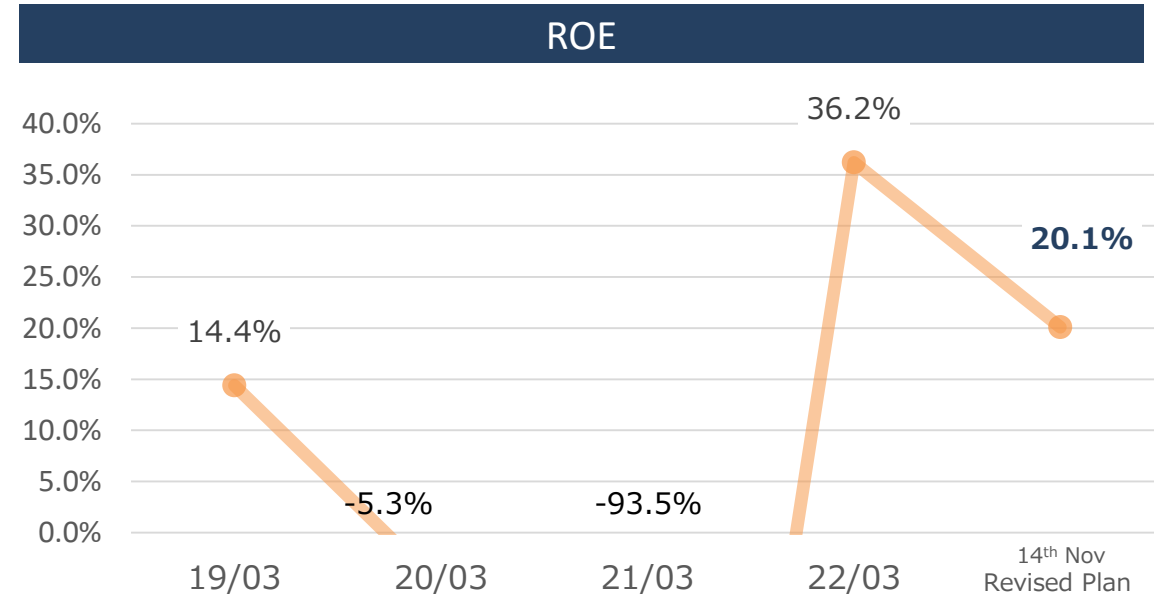
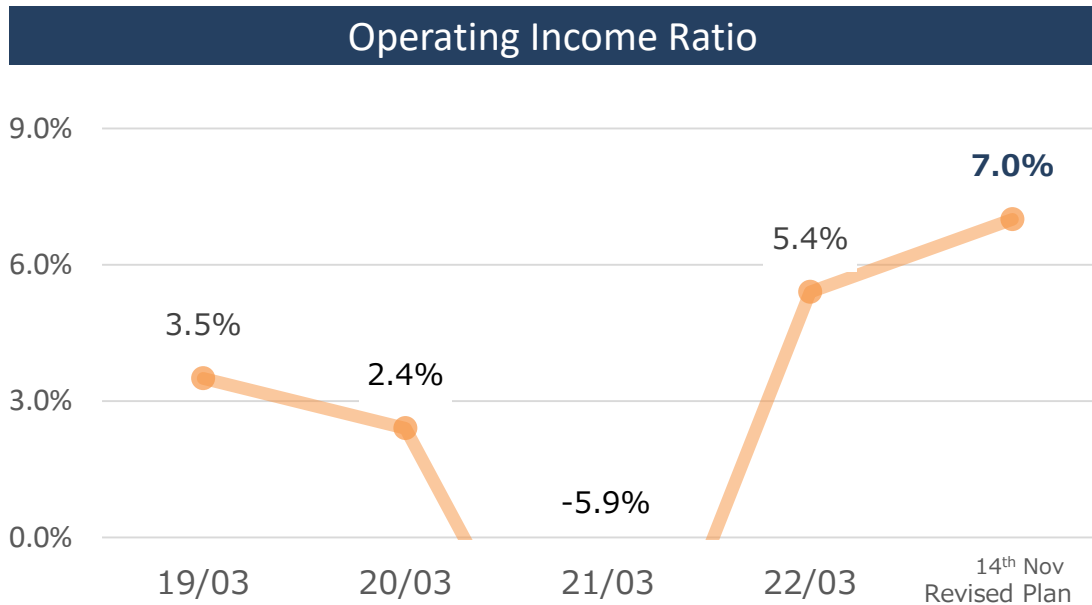
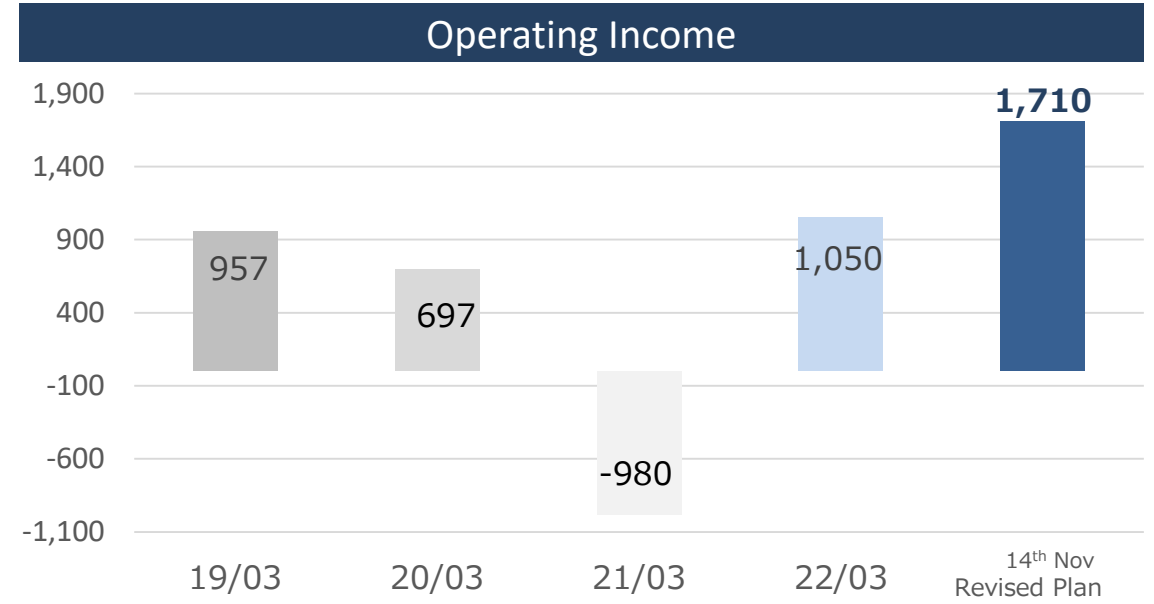
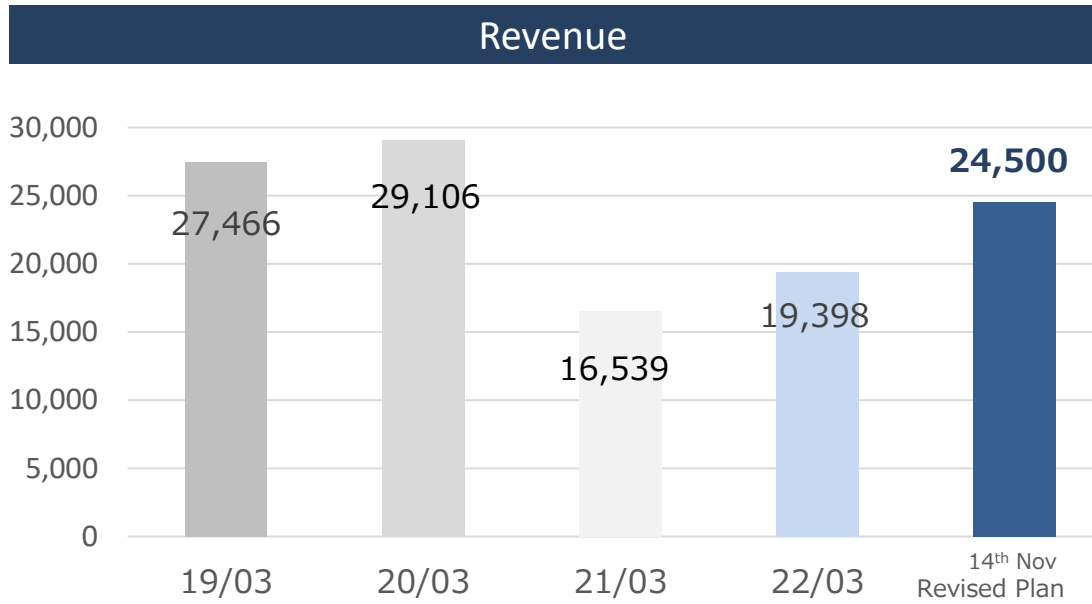


Operating Income will continue to grow, maintaining cost control and executing Digital Transformation initiatives such as introduction of QR order systems, despite uncertainty factors such as foreign exchange fluctuations and material & utility costs. Coporate Overhead will remain at a low level of **1.5% (1.7% previous year)**

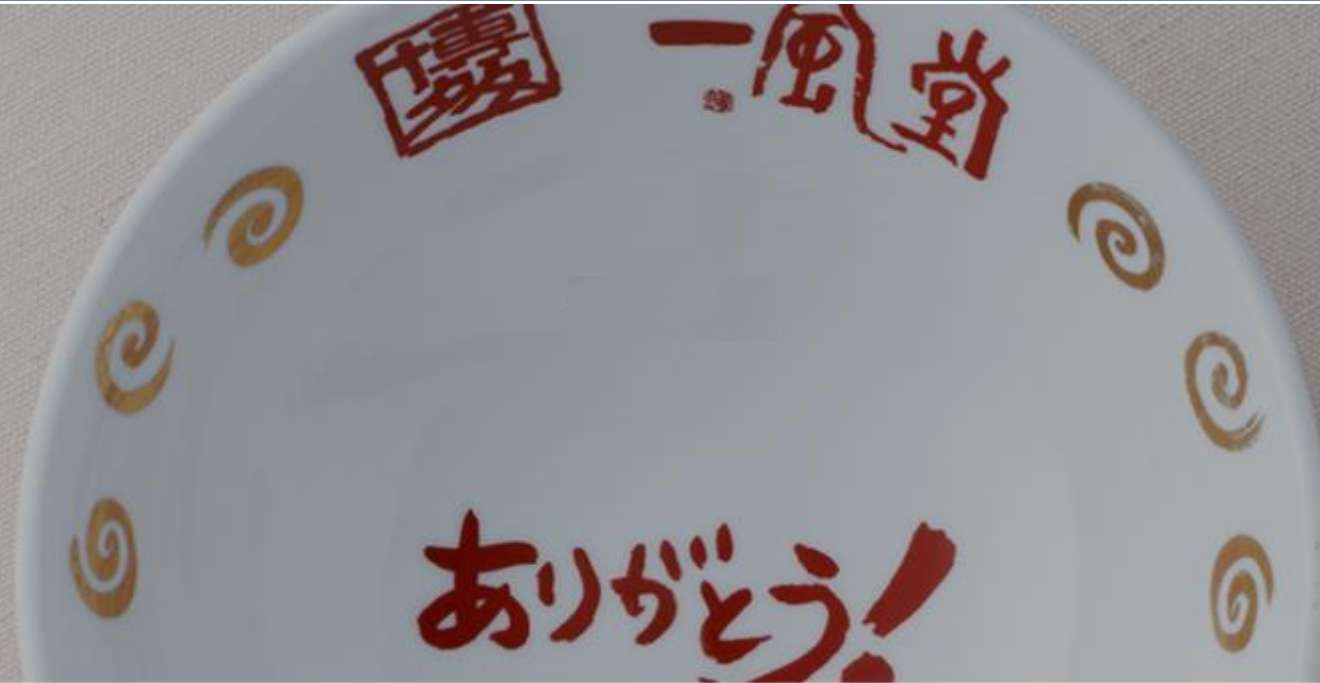


Major Financial Indicators

No change from the revised plan disclosed on November 14, 2022



Appendix 3



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 3,115,980,000 (Number of issued shares: 30,063,400 shares)
- Fiscal Term End of March
- Number of Employees 23 (consolidated: 488) ※Permanent employees only
- List of Directors

President and Representative Director

Mr. Shigemi Kawahara

Director

Mr. Toru Nakao

Director and Chief Strategy Officer

Mr. Tomoyuki Yamane

Director (Audit Committee)

Mr. Akihiro Saito

Director (Audit Committee, Independent)

Mr. Tetsuya Tsuji

Director (Audit Committee, Independent)

Mr. Shinji Tanabe

As of 31st December 2022

原点の一杯
白丸元味



Shiromaru Classic

A bowl of “original”

Keeping in line with the founding recipe, silky yet high in flavors and fragrance, the *Classic* soup is the very original taste of Ippudo Tonkotsu ramen. Ultra-thin noodles, typical of Hakata, accentuates this all time favorite of IPPUDO.

革新の一杯
赤丸新味



Akamaru Modern

A bowl of “innovation”

A modern take on the *Classic*, *Akamaru* adds a slightly spicy mixed miso paste and fragrant oil, to give the senses a gentle kick. Slightly thicker noodles match perfectly with a bowl full of flavors.

きわみ
極から麺



Kiwami Karaka

A bowl of “stimulation”

A spicy take on the silky Tonkotsu soup with house-made spicy Rayu oil and a meat miso paste mixed with a myriad of spices. Topping with specially seasoned deep fried Tempura dough, a *Sesame Bomb* gives this bowl a unique Tantanmen-like flavor.

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



1979.11

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

1994.3

IPPUDO in Ramen Museum in Yokohama

1995.4

IPPUDO Ebisu: the first store in Tokyo

1997.1

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

2008.3

IPPUDO New York: the first store overseas

2009.5

IPPUDO Singapore: the first store in Asia

2014.10

IPPUDO London: the first store in Europe

2015.10

30th anniversary event

2016.2

IPPUDO Paris: the first store in France

2017.3

Listed on Tokyo Stock Exchange Mothers Index

2018.3

Listed on Tokyo Stock Exchange First Section

2018.11

100th store overseas

2019.10

Global Leadership Conference

2022.4

Listed on Tokyo Stock Exchange Prime Market



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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.

