

Fiscal Year Ended July 2023

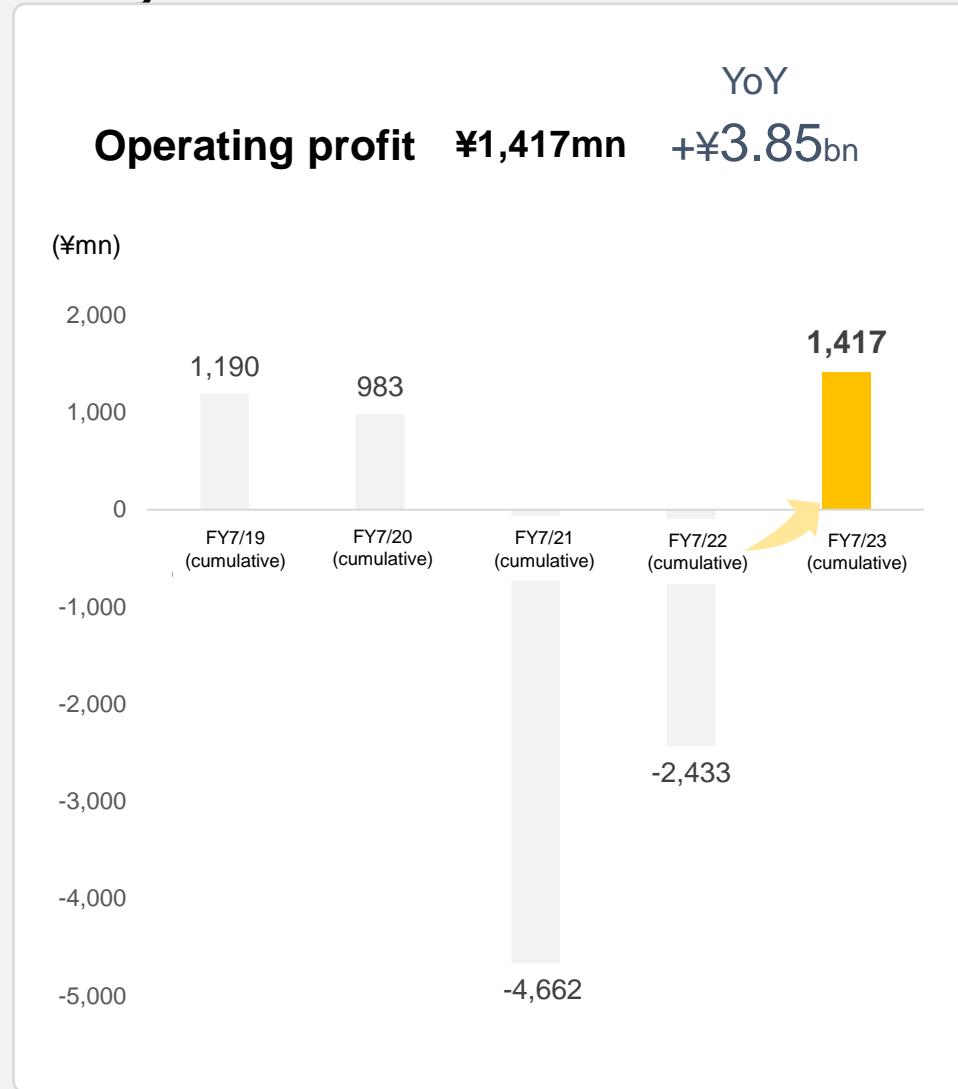
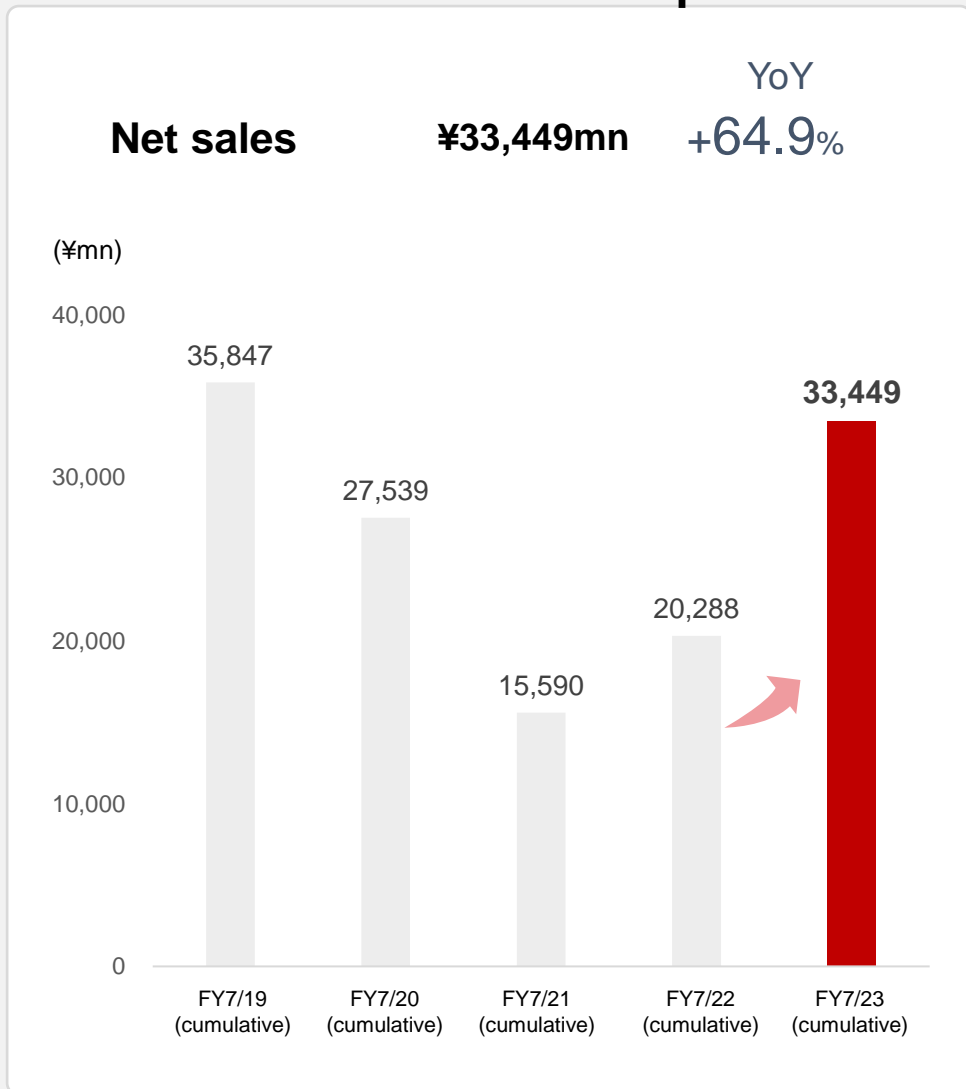
Financial Results Briefing

TORIKIZOKU HOLDINGS Co., Ltd.

Securities code: 3193

FY7/23 Consolidated Financial Results Highlights (Japanese GAAP)

Net sales and profit (operating profit) increased YoY with the normalization of restaurant operations and a recovery in sales



FY7/23 Financial Results Summary (Consolidated)

Although inflation impacted performance, net sales and profit (operating profit) increased YoY as the recovery in sales exceeded expectations. This also resulted in increases in sales and each level of profit compared with initial forecasts

(Unit: ¥mn)	FY7/22 actual (% of sales)	Fiscal Year Ended July 31, 2023					
		Initial forecast (% of sales)	Actual (% of sales)	YoY		Vs. initial forecast	
				%	Amount	%	Amount
Net sales	20,288	31,713	33,449	+64.9%	+13,160	+5.5%	+1,735
Gross profit	14,308 (70.5%)	-	23,443 (70.1%)	+63.8%	+9,134	-	-
SG&A	16,741 (82.5%)	-	22,025 (65.8%)	+31.6%	+5,284	-	-
Operating profit	(2,433) (-12.0%)	857 (2.7%)	1,417 (4.2%)	-	+3,850	+65.3%	+559
Non-operating income	4,432	-	34	-99.2%	-4,397	-	-
Non-operating expenses	30	-	23	-24.7%	-7	-	-
Ordinary profit	1,968 (9.7%)	839 (2.6%)	1,429 (4.3%)	-27.4%	-539	+70.3%	+589
Profit attributable to owners of parent	1,134 (5.6%)	265 (0.8%)	616 (1.8%)	-45.7%	-517	+132.3%	+350

1

- Recovery in same-store sales
- Increase in sales from opening new restaurants
- Despite the benefit of price revisions, high raw materials prices and rising energy costs put pressure on profits

2

- No subsidies for shortening operating hours, which were recorded in the previous fiscal year, in the current fiscal year

3

- Impairment losses of ¥151mn on TORIKI BURGER restaurants
- Impairment losses of ¥268mn on TORIKIZOKU stores

Number of Group Brand Restaurants

(Unit: restaurants)

622 restaurants
As of July 31, 2022



1,134 restaurants
As of July 31, 2023

◆ New restaurant openings

TORIKIZOKU directly managed: **10** restaurants

TCC: **7** restaurants DAIKICHI: **3** restaurants

◆ Independent (sale of directly managed restaurants)

TORIKIZOKU: **1** restaurant

◆ Closed

TORIKIZOKU directly managed: **1** restaurant

TCC: **6** restaurants DAIKICHI: **15** restaurants

◆ M&A

DAIKICHI SYSTEM, which operates “YAKITORI DAIKICHI” as a franchiser, became a subsidiary

		Number of restaurants as of July 31, 2022	FY7/23 (cumulative)				Number of restaurants as of July 31, 2023	
			M&A	Openings	Independent	Closed		
TORIKIZOKU	Directly managed	Kansai	93	-	2	-1	-1	93
		Kanto	225	-	4	-	0	229
		Tokai	68	-	1	-	0	69
		Kyushu and Okinawa	0	-	3	-	0	3
		Subtotal	386	-	10	-1	-1	394
	TCC ^{*1}	Kansai	145	-	0	1	-3	143
		Kanto	86	-	1	-	-3	84
		Hokkaido	0	-	2	-	0	2
		Chugoku	0	-	2	-	0	2
		Kyushu and Okinawa	0	-	1	-	0	1
Subtotal	231	-	6	1	-6	232		
Total		617	-	16	0	-7	626	
TORIKIZOKU PARTNERS ^{*2}	Directly managed	3	-	0	-	0	3	
TORIKI BURGER	Directly managed	2	-	0	-	0	2	
YAKITORI DAIKICHI, etc. (DAIKICHI SYSTEM)	FC ^{*3}	-	515	3	-	-15	503	
Grand total		622	515	19	0	-22	1,134	

*1 Our limited number of franchise owners are referred to as “comrades” with the aim of ensuring stronger relationships as business partners than typical franchise chains, and TCC stands for TORIKIZOKU Comrade Chain.

*2 This is a small restaurant model under development as a new independent system, and we are currently operating TORIKIZOKU Okuraya (Osaka), TORIKIZOKU Nakanishiya (Aichi), and TORIKIZOKU Aokiya (Tokyo) as test restaurants.

*3 FC stands for franchise chain, and all DAIKICHI SYSTEM restaurants are franchise restaurants.



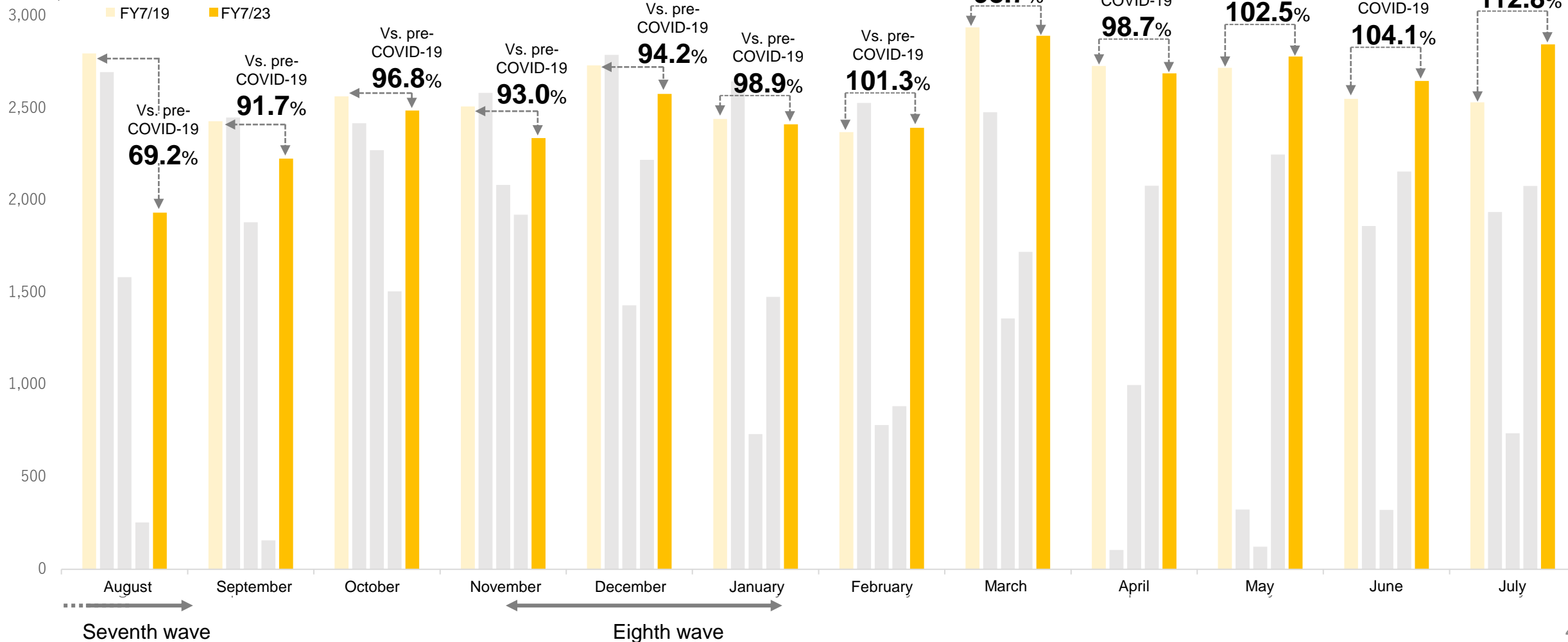
TORIKIZOKU Same-Store Sales (Vs. July 2019)

Same-store sales exceeded expectations despite the impact of the seventh and eighth wave of the COVID-19 pandemic

The final result was 97% of pre-COVID levels compared with the initial full-year target of 91%

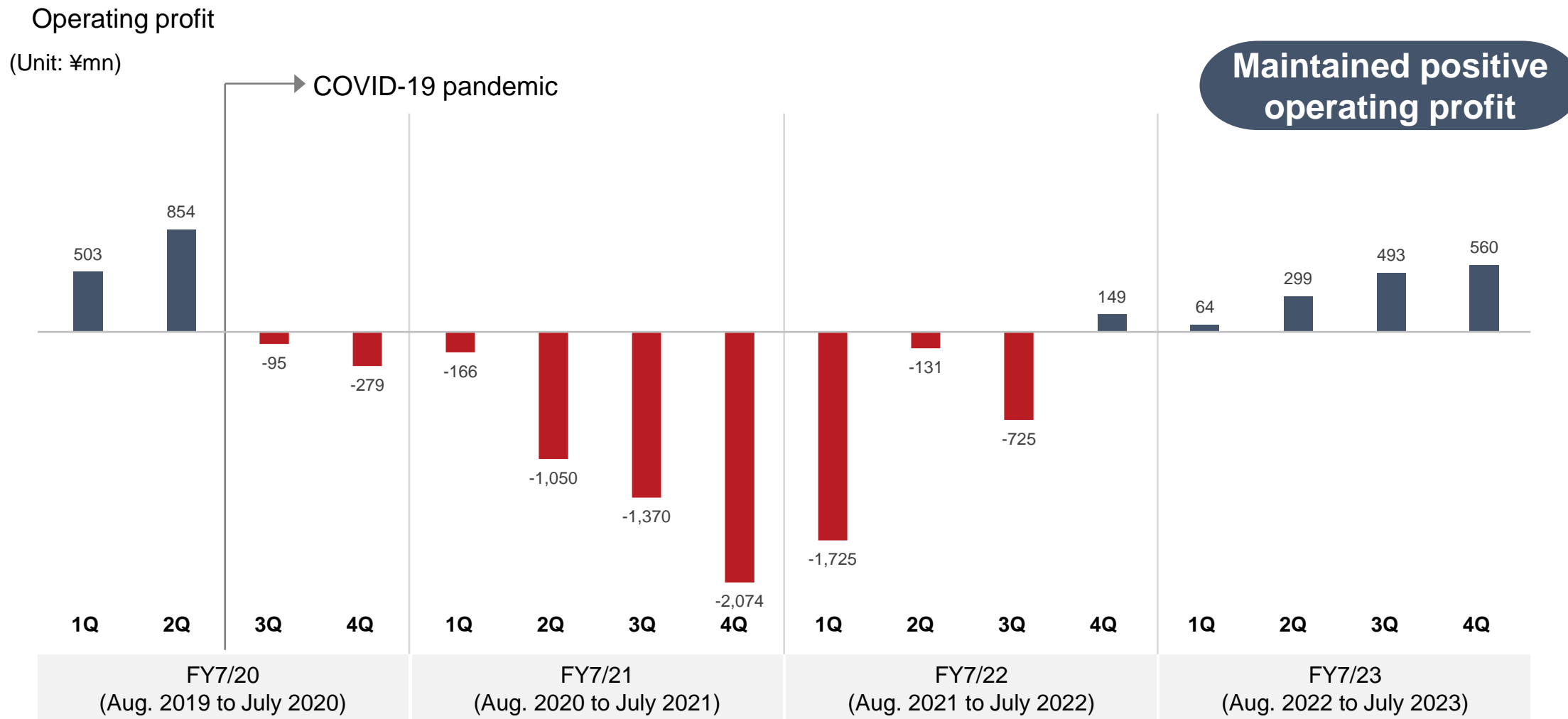
(Vs. FY7/19)

(Unit: ¥mn)



Operating Profit Per Quarter

Despite high raw materials prices and rising energy costs, we continued to generate an operating profit thanks to a recovery in same-store sales and our management of profitability



Consolidated Balance Sheet/Consolidated Statement of Cash Flows

(Unit: ¥mn)	July 31, 2022	July 31, 2023	Change
Current assets	10,294	10,656	+362
(Incl. cash and deposits)	8,657	8,631	(26)
Non-current assets	8,172	8,662	+490
Total assets	18,466	19,318	+852
Current liabilities	5,743	8,940	+3,197
(Incl. interest-bearing debt)	1,040	3,804	+2,763
Non-current liabilities	6,385	3,488	(2,897)
(Incl. interest-bearing debt)	5,213	1,958	(3,254)
Total liabilities	12,129	12,428	+299
Total net assets	6,337	6,890	+552
Equity-to-asset ratio	34.3%	35.7%	+1.4pt

(Unit: ¥mn)	FY7/22	FY7/23
Operating cash flows	5,912	1,720
Profit before income taxes	1,841	1,047
Depreciation	852	791
Amortization of goodwill	-	15
Impairment losses	126	420
Decrease (increase) in trade receivables	(358)	(334)
Increase (decrease) in trade payables	673	471
Income taxes paid	(259)	(767)
Other	3,036	75
Investing cash flows	(473)	(1,204)
Purchase of property, plant and equipment	(323)	(803)
Purchase of shares of subsidiaries	-	(155)
Payment of guarantee deposits	(88)	(150)
Other	(61)	(95)
Financing cash flows	(1,536)	(587)
Proceeds from long-term borrowings	-	600
Repayments of long-term borrowings	(1,316)	(1,026)
Payment of dividends	(0)	(92)
Other	(219)	(68)
Effect of exchange rate change on cash and cash equivalents	-	41
Cash and cash equivalents at end of period	8,719	8,689

FY7/24 Full-year Consolidated Earnings Forecasts

- Increase in sales due to an increase in same-store sales, new restaurant openings, and the contribution of restaurants opened in the previous fiscal year and DAIKICHI SYSTEM over the full year
- In addition to factoring in an increase in personnel expenses and other operating expenses in order to balance sales growth with the maintenance and improvement of QSC at restaurants, we also expect an impact from inflation, the relocation of the head office, expenses associated with our overseas expansion, etc.
- Aiming for record-high operating profit

(Unit: ¥mn)	FY7/23 full-year actual (% of sales)	Fiscal Year Ending July 31, 2024		
		Full-year forecasts (% of sales)	YoY	
			%	Amount
Net sales	33,449	39,964	+19.5%	+6,515
Operating profit	1,417 (4.2%)	1,861 (4.7%)	+31.3%	+444
Ordinary profit	1,429 (4.3%)	1,844 (4.6%)	+29.1%	+415
Profit attributable to owners of parent	616 (1.8%)	1,037 (2.6%)	+68.3%	+420

Assumptions for net sales

Same-store sales YoY

TORIKIZOKU: 114% (1H: 123%; 2H: 107%)

Target for new restaurant openings

TORIKIZOKU directly managed: 11 restaurants

TCC: 17 restaurants

TORIKI BURGER: 1-4 restaurants

TORIKIZOKU U.S.A.: 1-3 restaurants

DAIKICHI SYSTEM LIMITED: maintain the current number of restaurants

Dividend Forecast/Shareholder Benefits

Shareholder return policy: Prioritize internal reserves for growth strategies, but pay stable and continuous dividends

Cash dividends

	FY7/22		FY7/23		FY7/24	
	Interim	Year-end	Interim	Year-end	Interim	Year-end
Payout ratio	4.1%		18.9%		11.0%	
Dividends per share	¥0	¥4	¥4	¥6	¥4	¥6

Shareholder benefits system*

Shares owned	Shareholder benefits
100-299 shares	¥2,000 worth of electronic tickets per year (Tickets worth ¥1,000 will be sent at the interim and year-end)
300-499 shares	¥6,000 worth of electronic tickets per year (Tickets worth ¥3,000 will be sent at the interim and year-end)
500 shares or more	¥10,000 worth of electronic tickets per year (Tickets worth ¥5,000 will be sent at the interim and year-end)

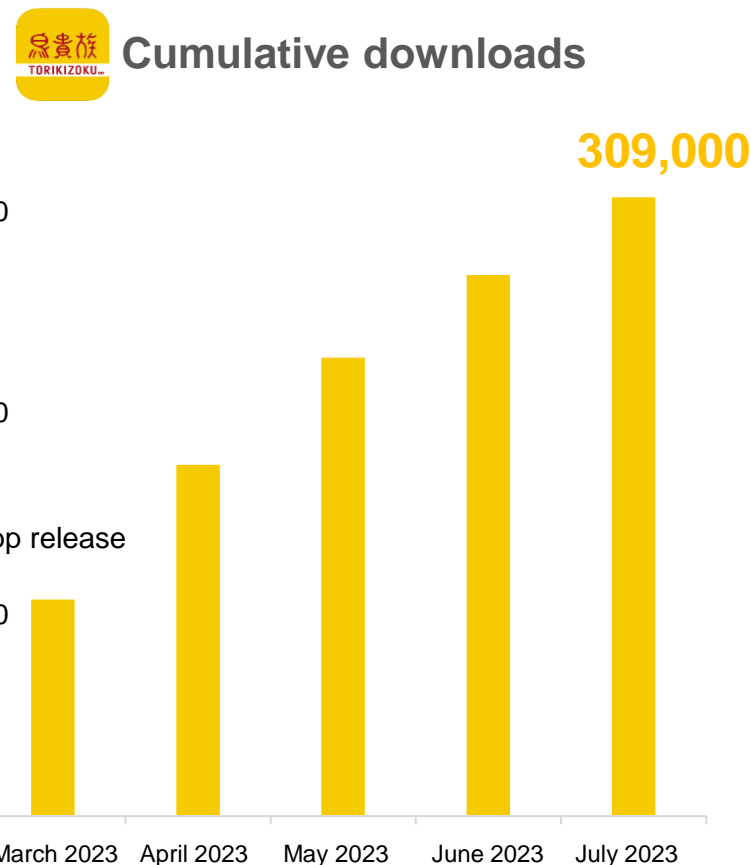


Fiscal Year Ending July 31, 2024 Group Key Points

1 TORIKIZOKU (Increasing Same-Store Sales)

Total cumulative downloads of the official "TORIKIZOKU App" since its release in March 2023 exceeded 300,000

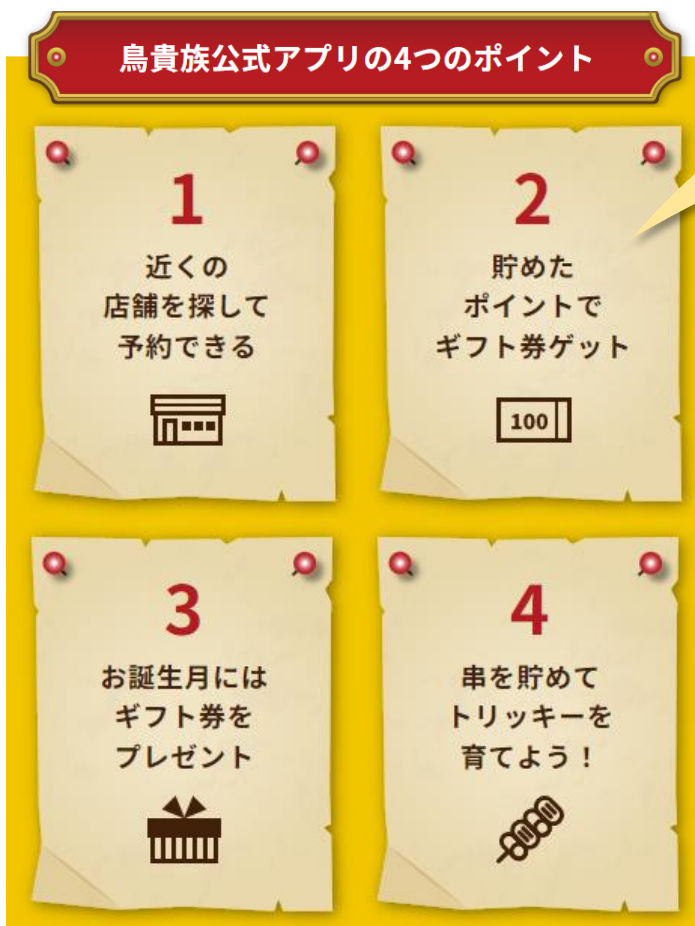
- The app offers restaurant reservations, as well as a gacha game where users can win gift certificates using TORIKI points available in the app, content based on growing a "Torikkii" with the number of skewers a user eats, and more



1 TORIKIZOKU (Increasing Same-Store Sales)

Through the app, we have increased our points of contact with customers, which were previously limited to within restaurants

- In addition to the convenience of finding restaurants near customers and making reservations, content that customers can enjoy, etc., helps turn users into fans of our restaurants and increases the frequency of visits



How to earn points

- Get points for spinning the roulette wheel once a day
- Get points for completing quests

(Example quest)



etc.

1 TORIKIZOKU (Increasing Same-Store Sales)

Rollout of “Supporting Menu to Say Thanks to Japan's Primary Industries!” throughout the year, starting from March 2023

- To express our gratitude toward the primary industries of Japan that support the growth of TORIKIZOKU, and in the hope that we will continue moving forward together, we began offering limited-time menu items highlighting ingredients from each industry, from March 2023



March to May: Agriculture
Dishes that use seasonal vegetables



June to August: Fishery
Seafood dishes that include rare shirahime shrimp



September to November: Forestry
Dishes that use mushrooms and other mountain foods



December to February: Livestock industry
Dishes that use cheese and other livestock products

1 TORIKIZOKU (Increasing Same-Store Sales)

We are encouraging customers to visit restaurants through promotional activities, while also providing an in-restaurant experience that is unique to TORIKIZOKU, thereby creating a virtuous cycle that contributes to repeat visits to restaurants

Promotional activities



Seasonal fair dishes



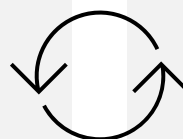
Social medias (approx. 50,000 followers on X)



App (300,000 downloads)



Dishes with limited servings available



Various campaigns



Online videos and content



etc.

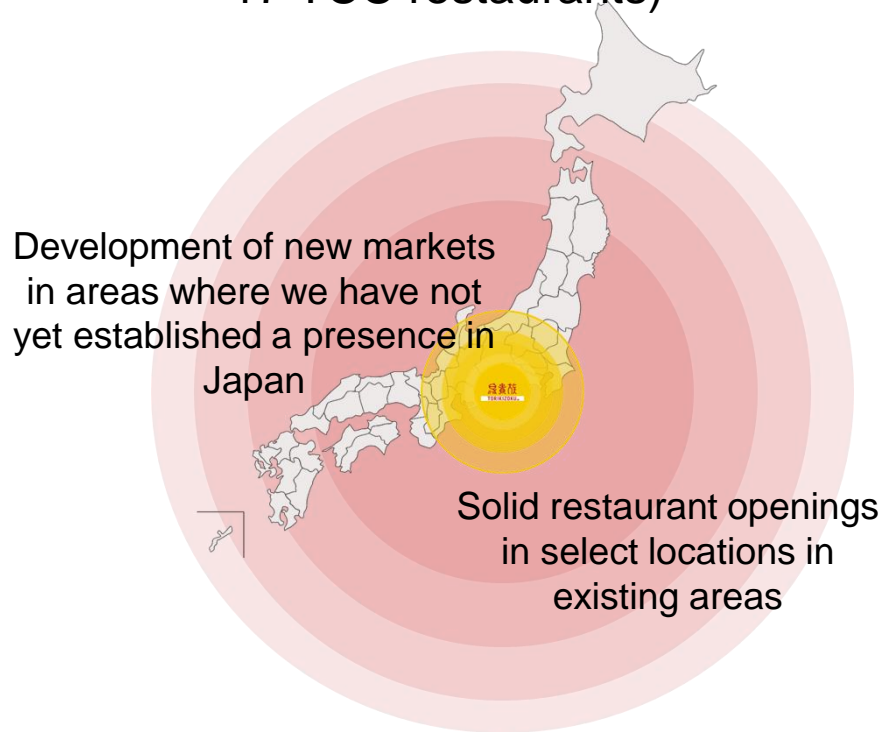
In-restaurant experience



1 TORIKIZOKU (New Restaurant Openings)

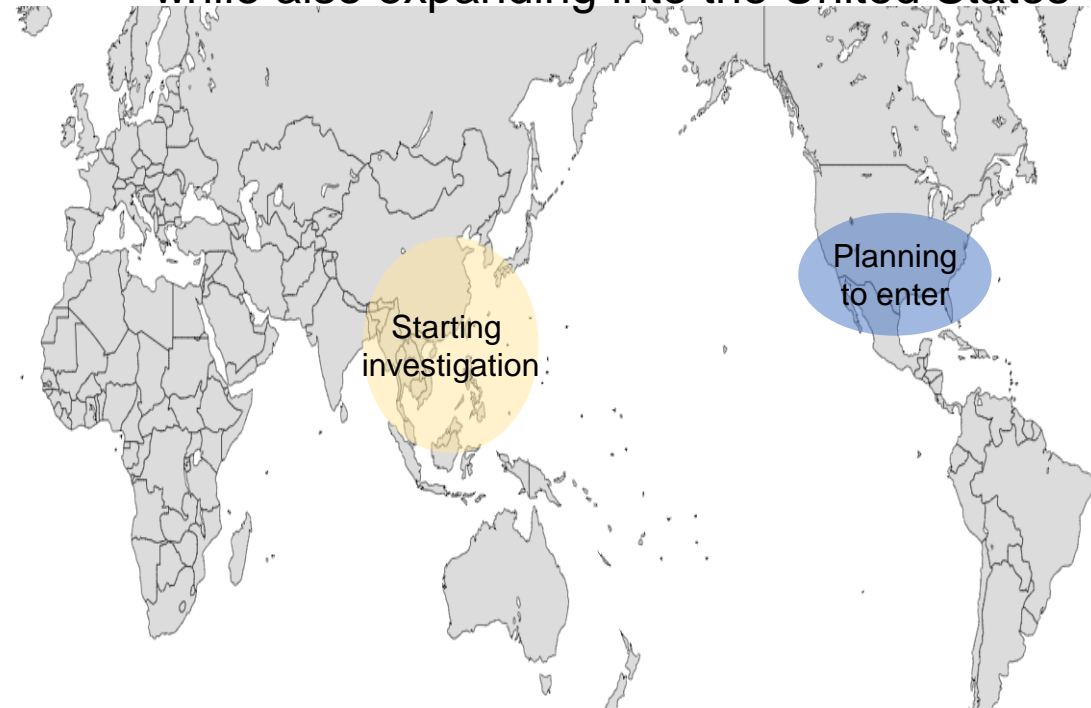
Japan

Steadily opening new restaurants, both directly managed and TCC (11 directly managed restaurants and 17 TCC restaurants)



Overseas

Working to identify and investigate major countries in East and Southeast Asia and develop partnerships, etc., in order to develop our overseas business over the medium to long term, while also expanding into the United States



2 New business development (TORIKI BURGER)

- Turning this format into a food court model with less investment and opening a third store in a complex facility for domestic and overseas tourists in anticipation of future expansion overseas



Fushimiinari OICY Village Restaurant (Kyoto)



YAKITORI Burger ¥600



TORIKI Burger ¥600



JAGAKORO Chicken ¥600

In addition to soft drinks, the drink menu also includes alcohol (beer and highballs)

3 YAKITORI DAIKICHI

- As the number of stores is decreasing partly because restaurant owners are aging, our first aim to is to ensure there are at least as many new franchise restaurants as closing restaurants
- We are continuing discussions aimed at creating synergies



4 ESG Initiatives

Implement ongoing ESG initiatives with a view to achieving sustainable growth for the Group and increasing corporate value over the medium- to long-term

Nomination and Compensation Committee **G**

- A total of 14 meetings were held in FY7/23, with deliberations focusing on “nomination,” such as succession plans for Group officers and criteria for appointment and dismissal
- The committee will continue to meet frequently and endeavor to strengthen the functions of the Board of Directors in relation to the nomination and compensation of senior management, etc.

Sustainability initiatives **E**

- Promoting initiatives focusing on responding to a number of international initiatives



Preparing for information disclosure based on TCFD recommendations



Responding to CDP (climate change questionnaire) (2022 rating score: C)

Reference

Company Profile



Company name	TORIKIZOKU HOLDINGS Co., Ltd.
Establishment	September 19, 1986
Listed market	TSE Prime (securities code: 3193)
Headquarters	1-2-12 Tateba, Naniwa-ku, Osaka-shi
Representative	Tadashi Okura, Representative Director, President, and CEO
Share capital	¥1,491,829,000 (as of July 31, 2023)
Group companies	TORIKIZOKU Co., Ltd., TORIKI BURGER Co., Ltd., DAIKICHI SYSTEM LIMITED, TORIKIZOKU USA INC.
Number of Group employees	Number of employees: 892 (as of July 31, 2023) (exc., average number of temporary employees:* 3,087)



* The average number of temporary employees is the average number of people per year, which is calculated by conversion based on an eight-hour workday.

Group Brand Information



YAKITORIYA TORIKIZOKU

A yakitori restaurant where everything is uniformly priced.

With a focus on domestic ingredients, each piece of yakitori is carefully hand-skewered and grilled with a homemade sauce before serving to customers. With a focus on price, products, customer service, and restaurant interiors, this brand pursues low-price, high-value services and creates consistent strong restaurants that are not affected by temporary trends.



TORIKIZOKU PARTNERS

A new independent restaurant system to address feedback from employees who want to own their own small restaurant.

Three existing directly-managed restaurants are positioned as test restaurants.



TORIKI BURGER

A restaurant specializing in domestic chicken burgers developed as the first new brand of the TORIKIZOKU HOLDINGS Group.

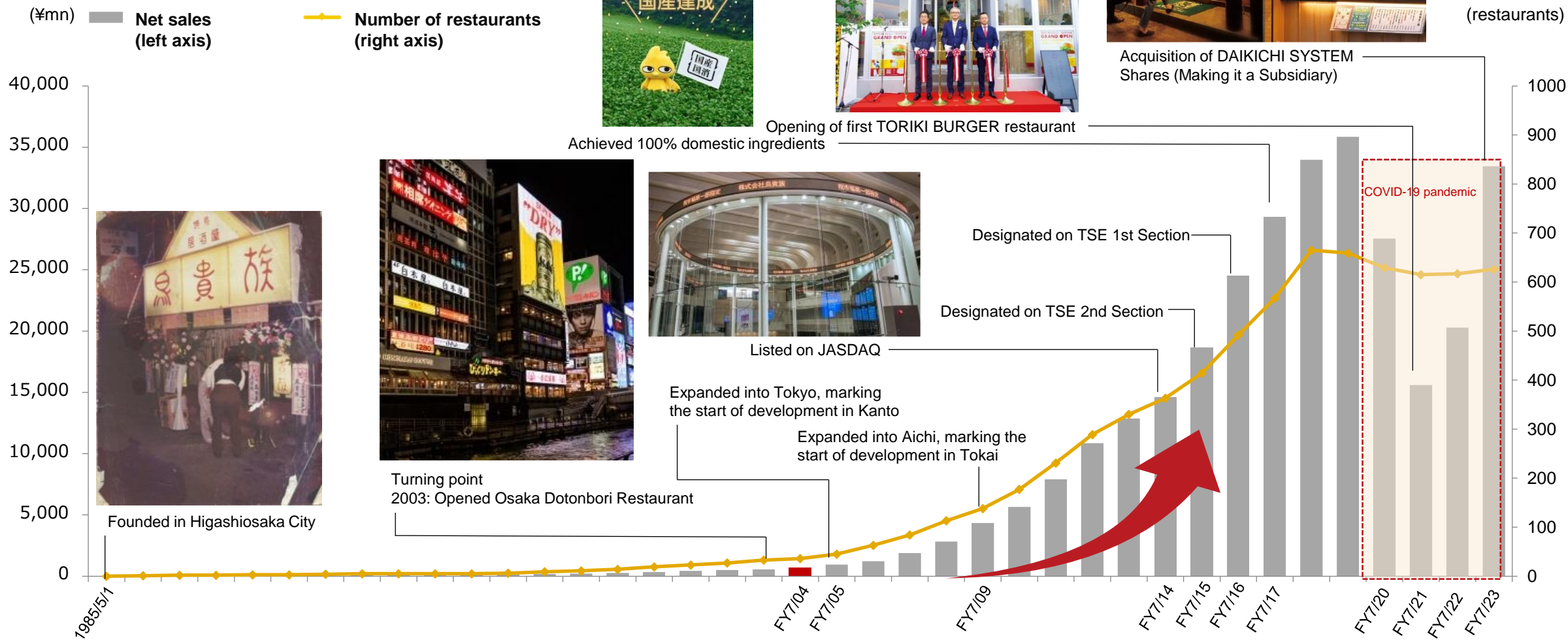
This brand offers high-quality chicken burgers made with a focus on domestic ingredients, at reasonable prices.



YAKITORI DAIKICHI

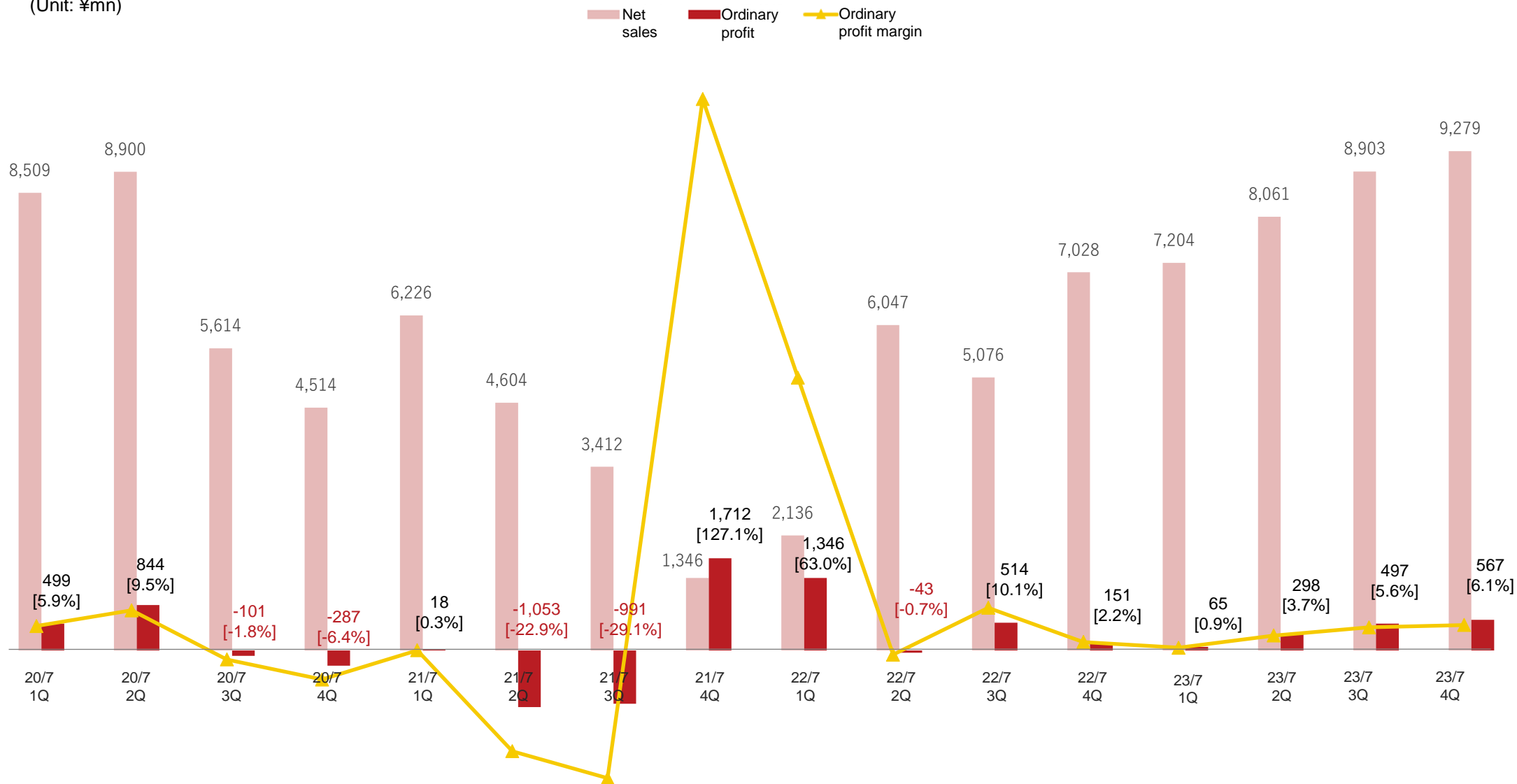
A yakitori chain with restaurants throughout Japan, from Hokkaido to Okinawa. All restaurants are operated by independent managers, with a consistent style in which owners themselves source fresh ingredients, skewers them, and cooks them in front of the customer. This brand pursues consistent great taste and a relaxing space, endeavoring to create unique restaurants, with each one rooted in the local community.

History



Quarterly Earnings Results

(Unit: ¥mn)



Cautionary Notes

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- Those risks and uncertainties include general industry and market conditions, interest rates, currency exchange rate fluctuations, and other aspects of general economic conditions in Japan and overseas.
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