

Financial Results for the 2022/23 Fiscal Year and Mid-to-Long Term Management Plan

May 13, 2022

TORIDOLL Holdings Corporation

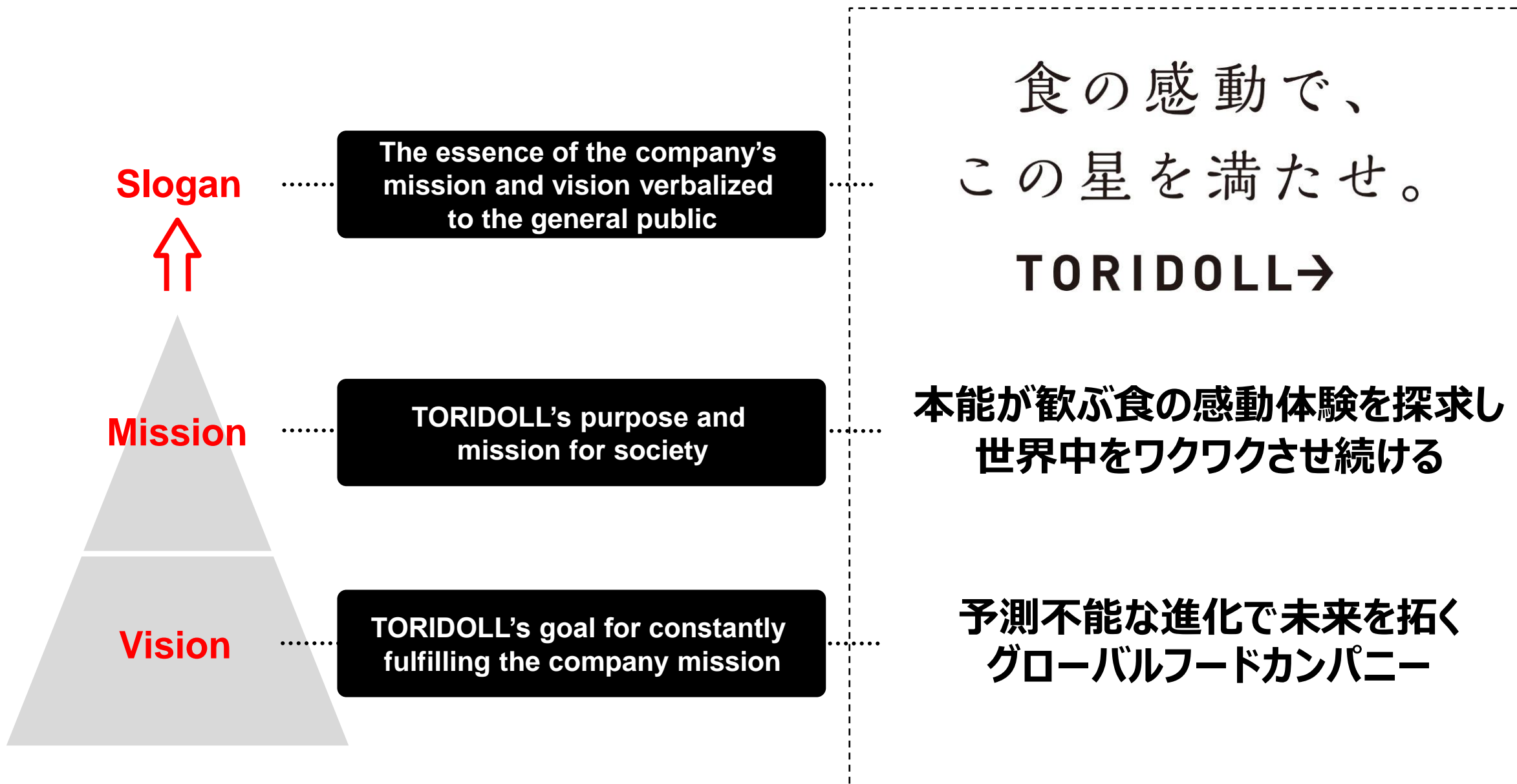
Prime Market, Tokyo Stock Exchange

Code: 3397

- 1. Our new slogan, missions and visions**
- 2. Consolidated results for FY2022**
- 3. Consolidated forecasts for FY2023**
- 4. Our mid-to-long term management plan for FY2023 to FY2028**

食の感動で、
この星を満たせ。

TORIDOLL→



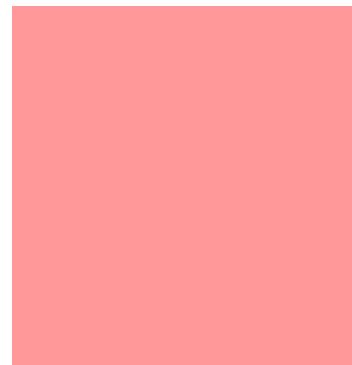
2-1. Consolidated Results for FY2022

Revenue

Increased by ¥18.6 billion.

¥153.4bn

¥134.8bn



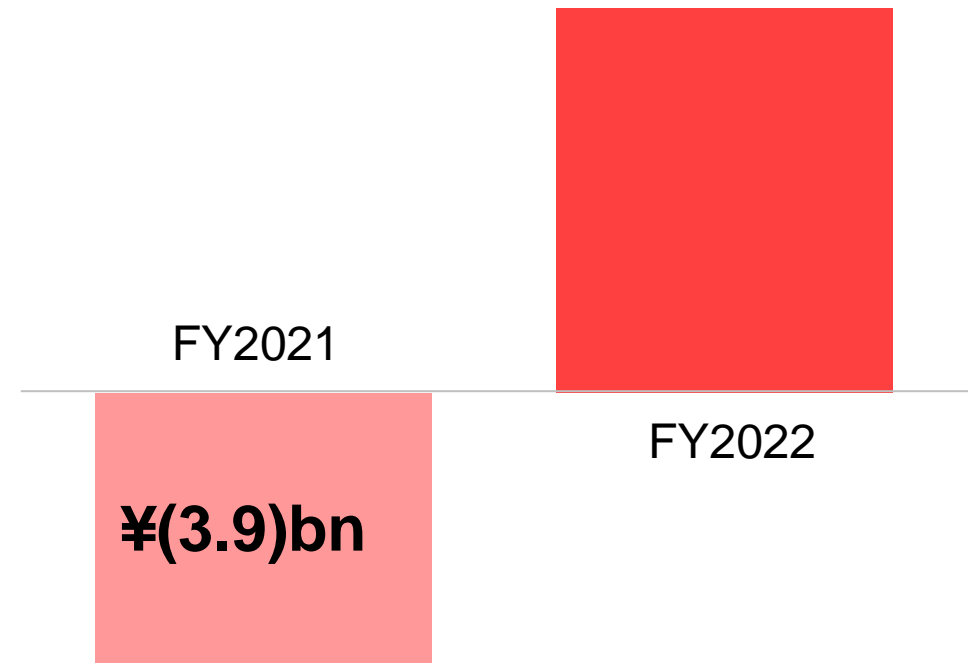
FY2021

FY2022

Business Profit

Increased by ¥9.3 billion as all segments have boosted their sales.

¥5.4bn



FY2021

FY2022

¥(3.9)bn

We have achieved the highest operational profit and net profit for the year in our history. This is due to a massive increase in business profit and government subsidies of ¥12.9 billion, which was much higher than expected, being recorded as other operating income.

Unit: ¥million

	FY 21	FY 22	YoY	
			amount	ratio
Revenue	134,760	153,355	+ 18,594	+13.8%
Business profit	(3,872)	5,431	+ 9,303	—
Subsidies	3,240	12,866	+ 9,626	+297.1%
Operating profit	(7,336)	14,243	+ 21,579	—
Profit for the year attributable to owners of the parent	(5,456)	8,979	+ 14,435	—

2-2. Financial Results by Segment for FY2022

Segment name

Marugame Seimen

Marugame Seimen Inc. operates authentic Sanuki udon restaurant chain, Marumage Seimen, in Japan.

ここのうどんは、生きている。
丸亀製麺

Overseas

This includes direct stores and franchise stores of our overseas-based brands.

 **MARUGAME UDON**
JAPANESE NOODLES & TEMPURA

 **Tamjai**
INTERNATIONAL 譚仔麵館

 譚仔 三哥
TAMJAI SAMGOR

 譚仔 雲南米線

 **WOK TO WALK**

 Pokeworks

The Original
Boat Noodle

 **MONSTER CURRY**

 **MONSTER PLANET**

SHORYU

Other

This includes domestic brands other than Marugame Seimen.

 **Kona's Coffee**
Hawaiian pancake Cafe

切りたて牛肉専門店
肉のヤマキ商店

 **ZUNDO-YA**



揚げたて
天ぷら **定食まきの**

炭火焼鳥・唐揚げ・釜めし
とりどーる

焼きそば専門店
長田本庄軒
神戸

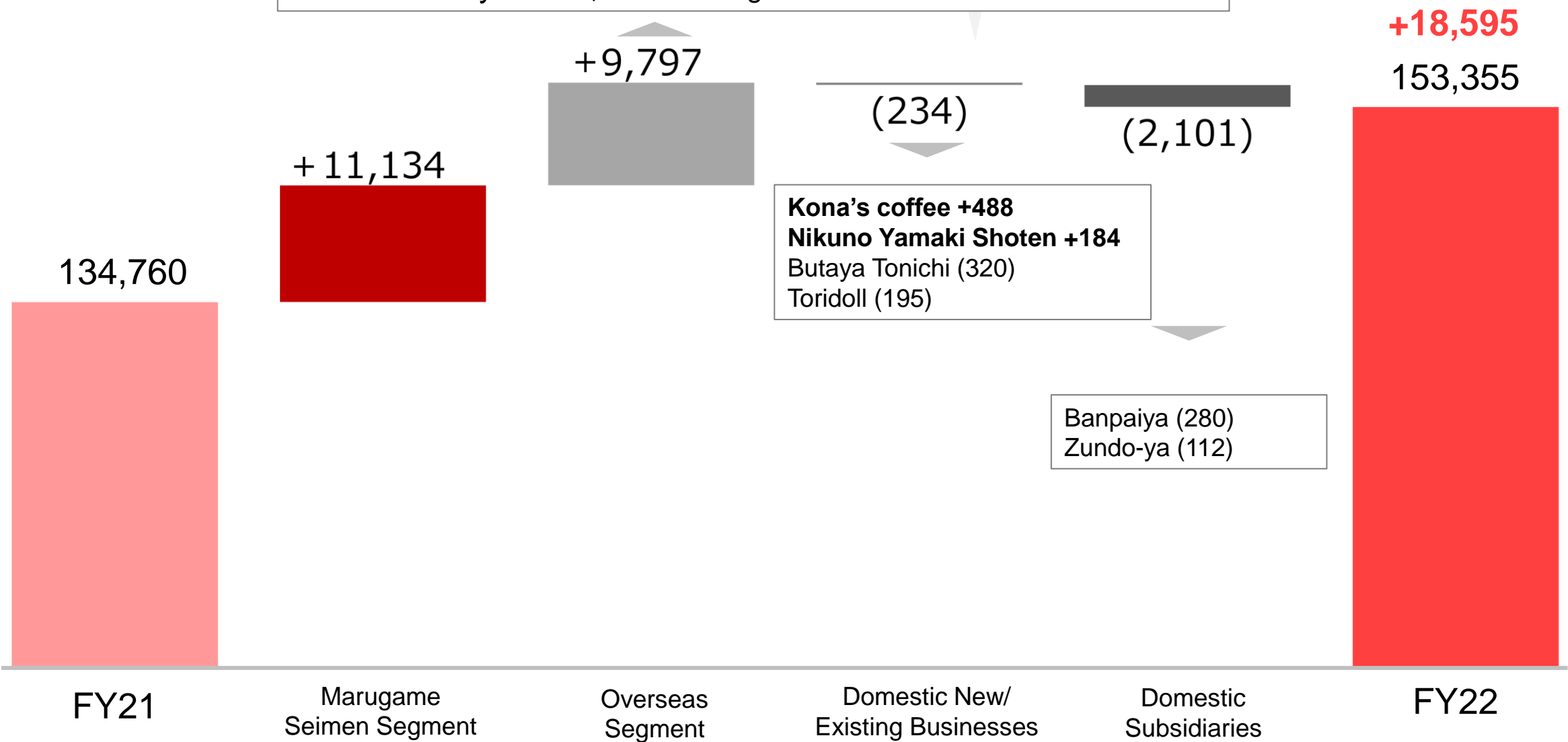
Note: Revenue of Tam Jai stores in Japan is included in Overseas segment.

Marugame Seimen and Overseas Segment Drive Sales Growth

Revenue

Unit: ¥million

Asia (i.e. Tam Jai) **+8,386**, **USA** (Marugame Udon) **+1,073**
 Monster Curry +293, UK (Marugame Udon) +211



Kona's coffee +488
Nikuno Yamaki Shoten +184
 Butaya Tonichi (320)
 Toridoll (195)

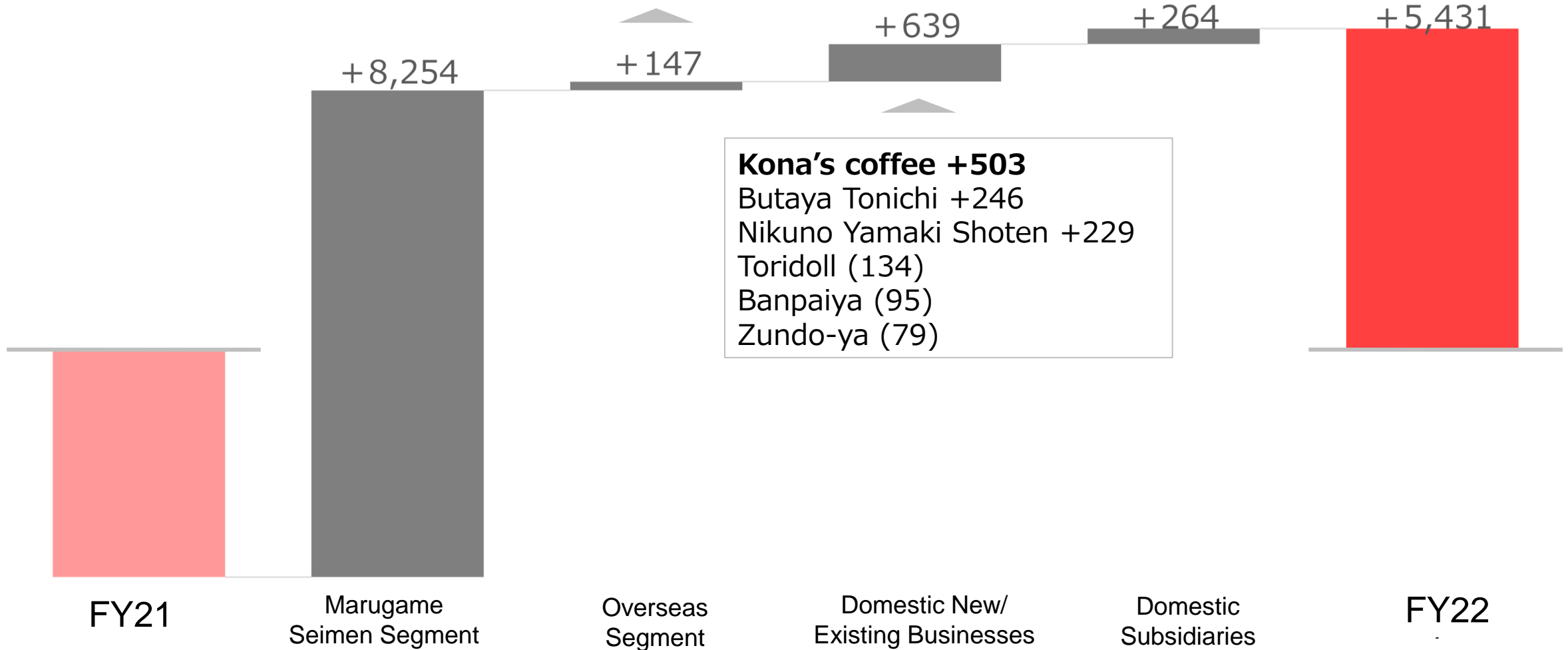
Banpaiya (280)
 Zundo-ya (112)

Marugame Seimen and Kona's coffee Drive Business Profit Growth

Unit: ¥million

Business Profit

Asia (i.e. Tam Jai) **+228**, **USA** (Marugame Udon) **+322**, **UK** (Marugame Udon) (576), Monster Curry (109)



With the huge success of Marugame Udon Bento, we have been able to attract new customers to our takeaway. We are generating and meeting more demand by installing a takeaway counter at more stores.

We found changes in takeaway customer segments after the launch of Marugame Udon Bento



Solo diners

Group customers

With partners

With children under 14

January to March
2021

April to June
2021

Promoting our locations now offering dine-in and takeaway service.



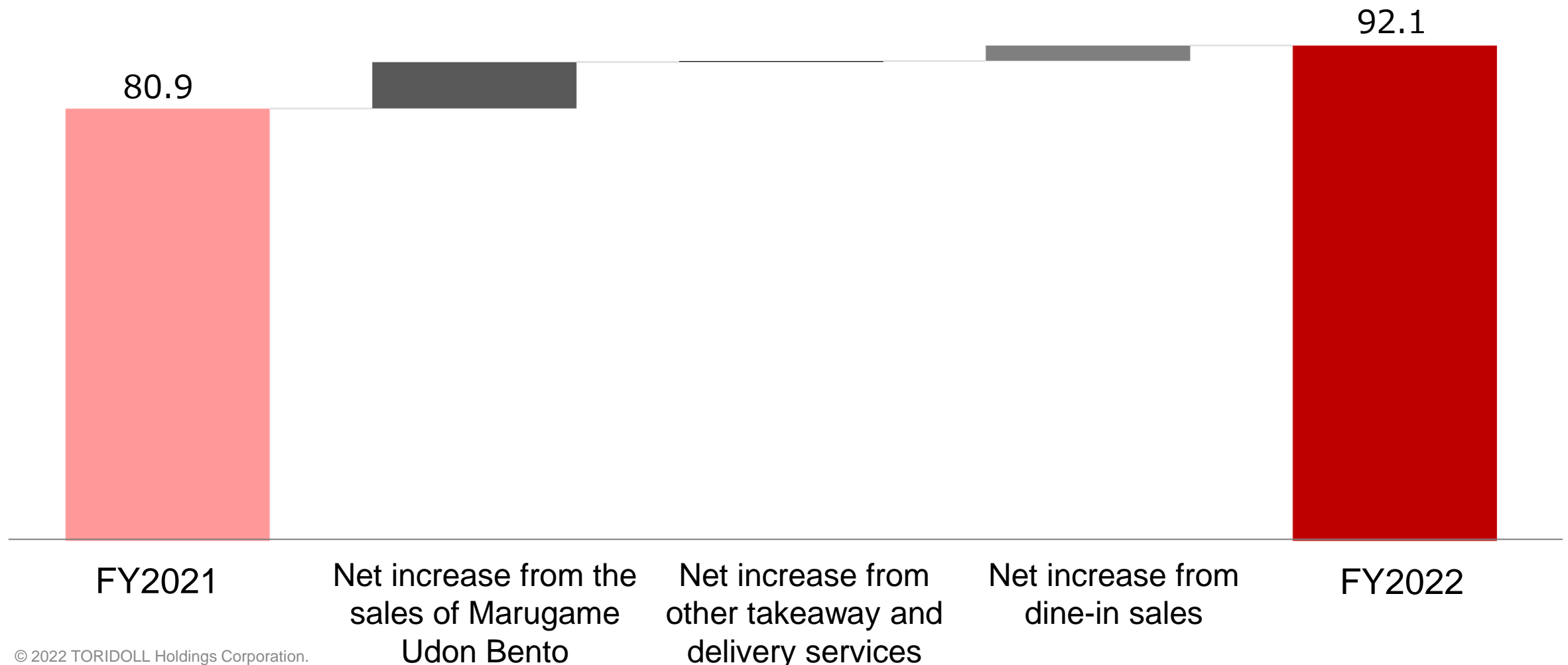
- The full-scale installation of a takeaway counter across our stores started in May 2021.
- We have tested several different formats to see which would be the most effective.
- The addition of takeaway services achieved synergetic effects with dine-in services and contributed to a sales increase of tempura.

Marugame Seimen Segment: The revenue growth was driven by the launch of Marugame Udon Bento and positive dine-in sales growth

The substantial increase in revenue was due to the net increase from the launch of Marugame Udon Bento in April 2021 and dine-in sales growth without cannibalizing takeaway and delivery sales.

Sales increase by category

(Unit: ¥100 million)



SHORYU

The UK's leading fast-casual ramen bar, selling DIY kits on an online supermarket as well as developing new products in collaboration with food brands.



Hong Kong is showing signs of recovery from pandemic. Tamjai opened its first overseas location in Singapore, now operating five stores. In April 2021, Tamjai made its entry in the Chinese market, now operating eight stores. In March 2022, Tamjai opened its first store in Japan, now operating two stores.



A popular curry chain in Singapore. Now planning for overseas expansion



Malaysia's largest Thai street food chain with an increasing number of franchise restaurant openings in recent years. Now planning for overseas expansion in addition to Singapore where the brand has already opened its first store.



Taiwan: Business suffered from an increase in new infections after the Chinese New Year, but now on a recovery trend.
US: Nine out of ten directly-owned stores are now operating. In some areas, indoor dining is still restricted those who are fully vaccinated.
UK: The third and fourth stores opened in February 2022.
Russia: Closed down all seven franchise stores.
Philippines: Now planning for expanding its franchise network.



US sales has been on a recovery trend. New stores opened in Quarter and US. Wok to Walk is reporting a strong pipeline of new projects including the development of new sauces.



Business suffered from an increase in Omicron infections in the US, but now on a recovery trend with all stores now open once more. Pokeworks opened its first store in Taiwan in March 2022. Now streamlining its organizational structure to improve marketing and store management.

Kona's Coffee has become a profitable business, making a significant contribution to business profit growth.

YoY	Main actions
<p>Average customer spend</p> <p>+3%</p>	<ul style="list-style-type: none"> Partly as a COVID-19 control measure, changed the style of service from large dishes to share to one plate per person. Improved average customer spend by offering attractive camping products and promoting side dishes. No offering a new improved range of Hawaiian goods.
<p>Cost-to-sales ratio</p> <p>(1.2)%</p>	<ul style="list-style-type: none"> Succeeded in reducing theoretical costs and food loss by using common ingredients across multiple menu items. Succeeded in reducing food waste by reviewing stock management.
<p>Labor cost-to-sales ratio</p> <p>(5.3)%</p>	<ul style="list-style-type: none"> Succeeded in optimizing staffing levels per hour for each position by reviewing labor control. Succeeded in increasing productivity with an improved product mix which allows streamlining of operations.



A Hawaiian café chain with the concept of “the closest Hawaii”



In addition to dining services, now selling Hawaiian goods.

In FY2022, we have permanently closed a number of underperforming locations as part of financial restructuring, while accelerating expansion of brands with proven track record. We will be focusing on increasing the number of stores once again this year, with an aim to build a network of over 1,800 locations worldwide by the end of FY2023.

(Unit: Store)

<u>No. of stores</u>	March 2021	Fiscal year ended March 2022			Fiscal year ending March 2023 _(Plan)		
	Total	Opened	Closed	Total	Opened	Closed	Total
Marugame seimen	858	9	35	832	20	19	833
Overseas Segment	626	89	71	644	185	56	773
directory managed	222	42	10	254	86	6	334
FC.etc	404	47	61	390	99	50	439
Other	262	13	31	244	33	19	258
Kona's Coffee	41	0	1	40	3	0	43
Zundoya	44	11	0	55	24	0	79
Banpaiya	41	1	1	41	5	0	46
Other	136	1	29	108	1	19	90
Consolidated	1,746	111	137	1,720	238	94	1,864

3. Consolidated Forecasts for FY2023

Business profit grew, and operating profit also increased even without the effects of government subsidies for FY2022.

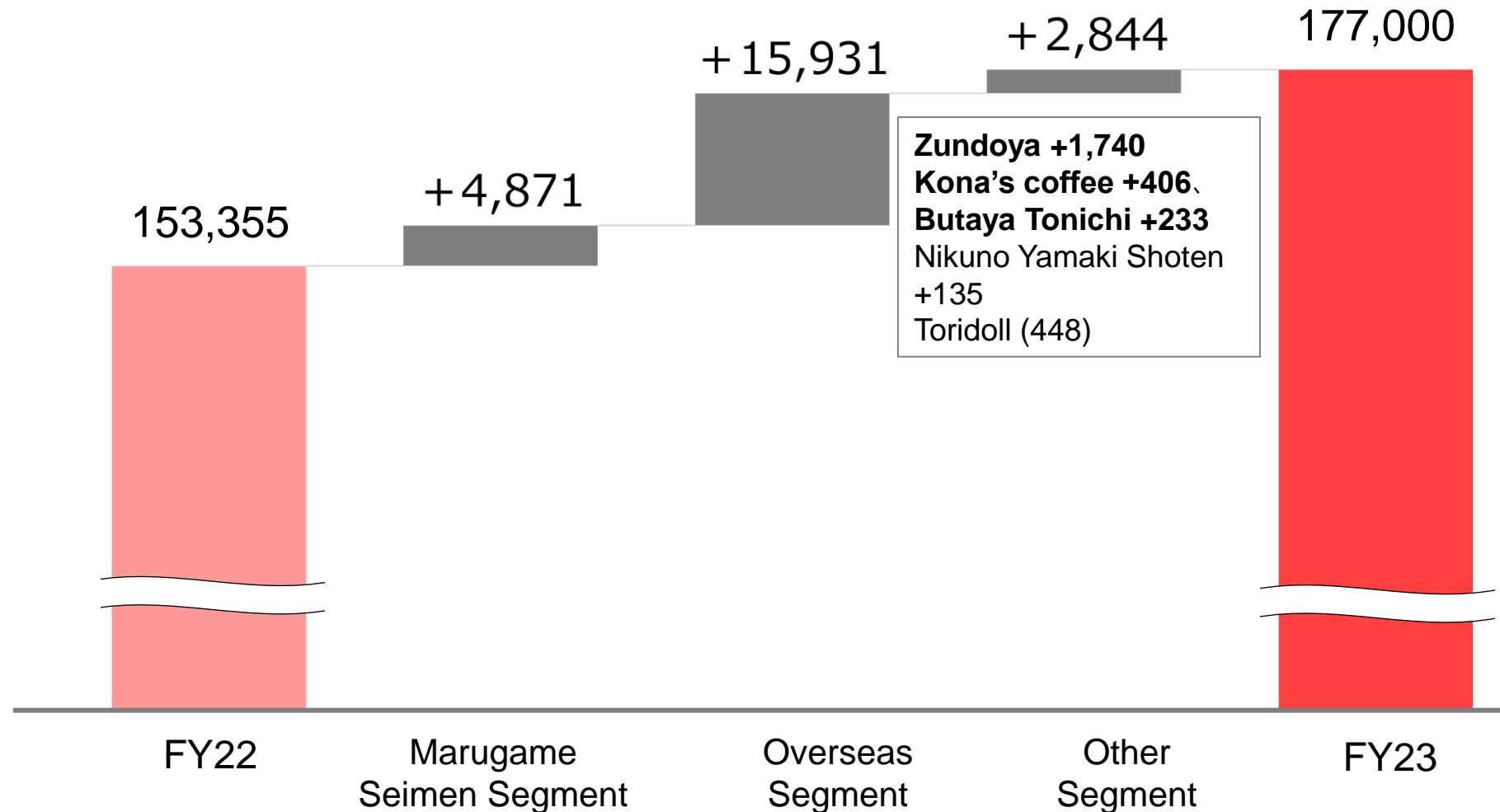
(Unit: ¥million)

	FY 22	FY 23	YoY	
			amount	ratio
Revenue	153,355	177,000	+ 23,645	+15.4%
Business profit	5,431	6,200	+ 769	+14.2%
Subsidies	12,866	1,000		
Operating profit	14,243	4,000	(10,243)	(71.9)%
Profit for the year attributable to owners of the parent	8,979	1,300	(7,679)	(85.5)%

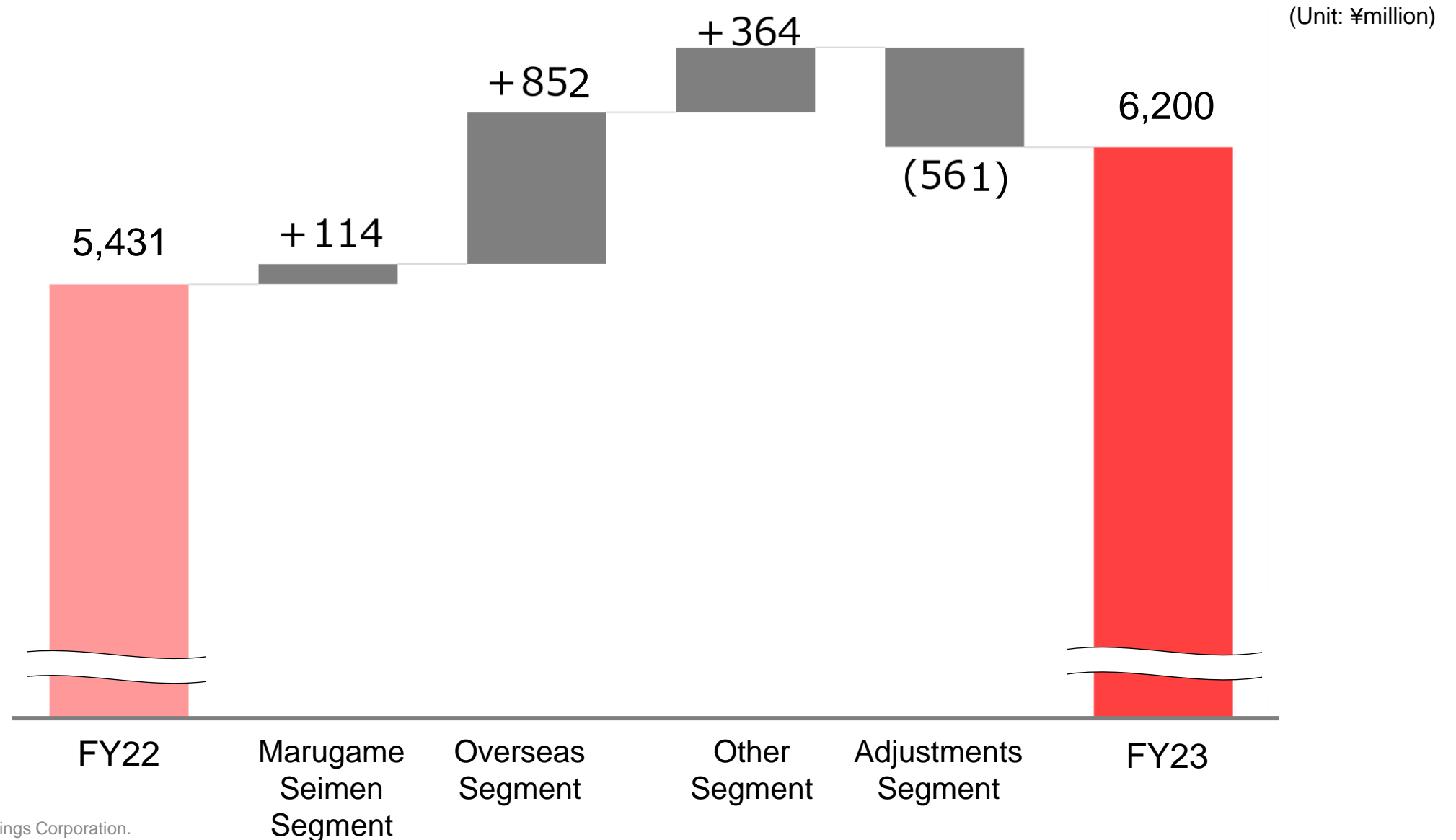
Year-on-Year Comparison - Consolidated Revenue

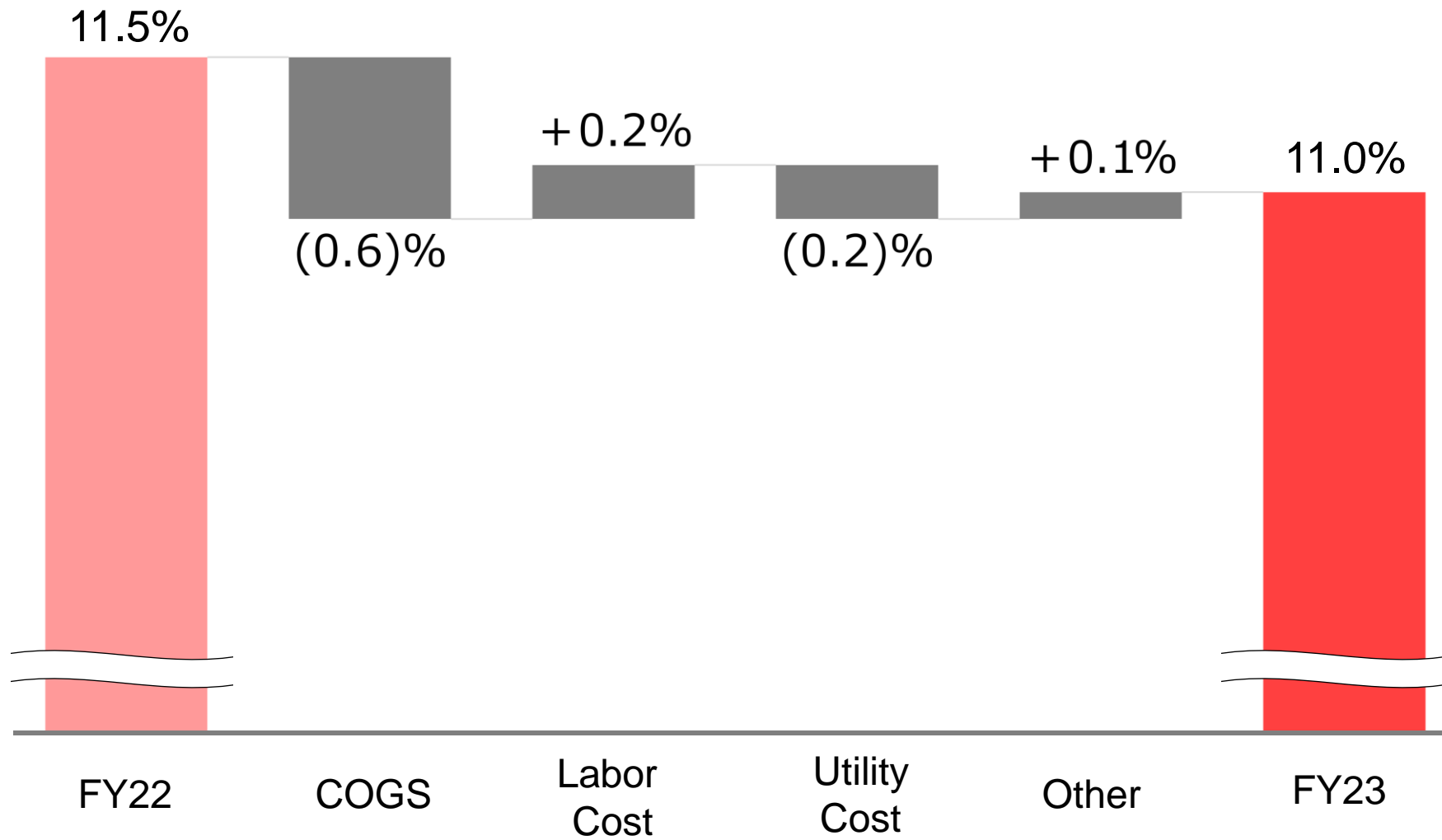
Asia (i.e.Tam Jai) **+13,597**, **USA** (Marugame Udon) **+850**
UK (Marugame Udon) **+1,018**, **Monster Curry** **+400**

(Unit: ¥million)



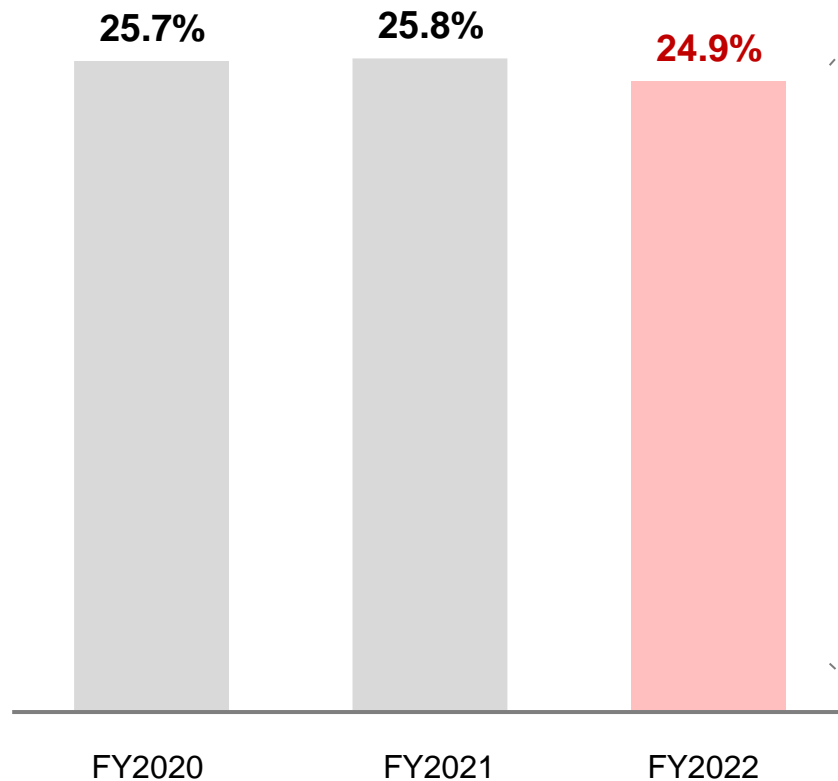
Year-on-Year Comparison – Consolidated Business Profit





The increasing cost of raw materials has been a major concern. However, at TORIDOLL Holdings, we have been able to maintain relatively stable consolidated cost-to-sales ratios. As part of cost control efforts, we will continue to implement various measures including optimization of prices and product mix, and waste reduction programs.

Consolidated cost-to-sales ratios in the past three years



Cost-to-sales ratio control measures

Price optimization

- During FY2020/21, we have revised the prices for our main brand, Marugame Seimen in April 2020 and January 2021.
- For this fiscal year and beyond, we will continue to monitor changing costs of raw materials and develop appropriate pricing strategies for each brand.

Product mix optimization

- We will work on increasing theoretical costs of our entire product mix by launching relatively high-priced, limited-edition products and special promotions.
- During FY2020/21, Marugame Seimen added several new items to the menu, including massively popular Tomato Egg Curry and Chicken Tempura with Tartar Sauce B.K. Udon.

Waste reduction

- At Marugame Seimen, we use AI to forecast demand by day and by hours of the day to minimize food waste and the loss of raw materials.

4. Our mid-to-long term management plan for FY2023 to FY2028

We sets out the group's mid-to-long term targets, a roadmap, and a three-year plan which updated annually.

Up to FY2023

- **We have achieved a V-shaped recovery** from FY2021 when the negative impact of COVID-19 on sales was the highest.
- We have laid a strong foundation for further growth by **venturing into the take-away market, exiting of unprofitable businesses and stores, and expanding international partners.**

FY2023

of stores: 1,700
Net sales: approx. ¥155 billion
Business profit%: 3.1%
Operating profit%: 7.3%

The three-year plan

- We will be taking significant strides towards our ambition of being **a global food company** by **accelerating the expansion of our stores and businesses** in Japan and abroad.
- We will focus on maintaining and enhancing **financial soundness and capital efficiency**, while embanking on an aggressive investment strategy.

FY2025

of stores: 2,500
Net sales: ¥220 billion
Business profit%: 6.4%
Operating profit%: 5.5%

Mid-to-long term targets

- **As a true global food company**, we will establish ourselves as one of the world's top quick-service restaurant companies.
- We will continue to achieve further growth and generate more profit.

FY2028

of stores: over 5,500
Net sales: ¥300 billion
Business profit%: 12% or more
Operating profit%: approx. 10%

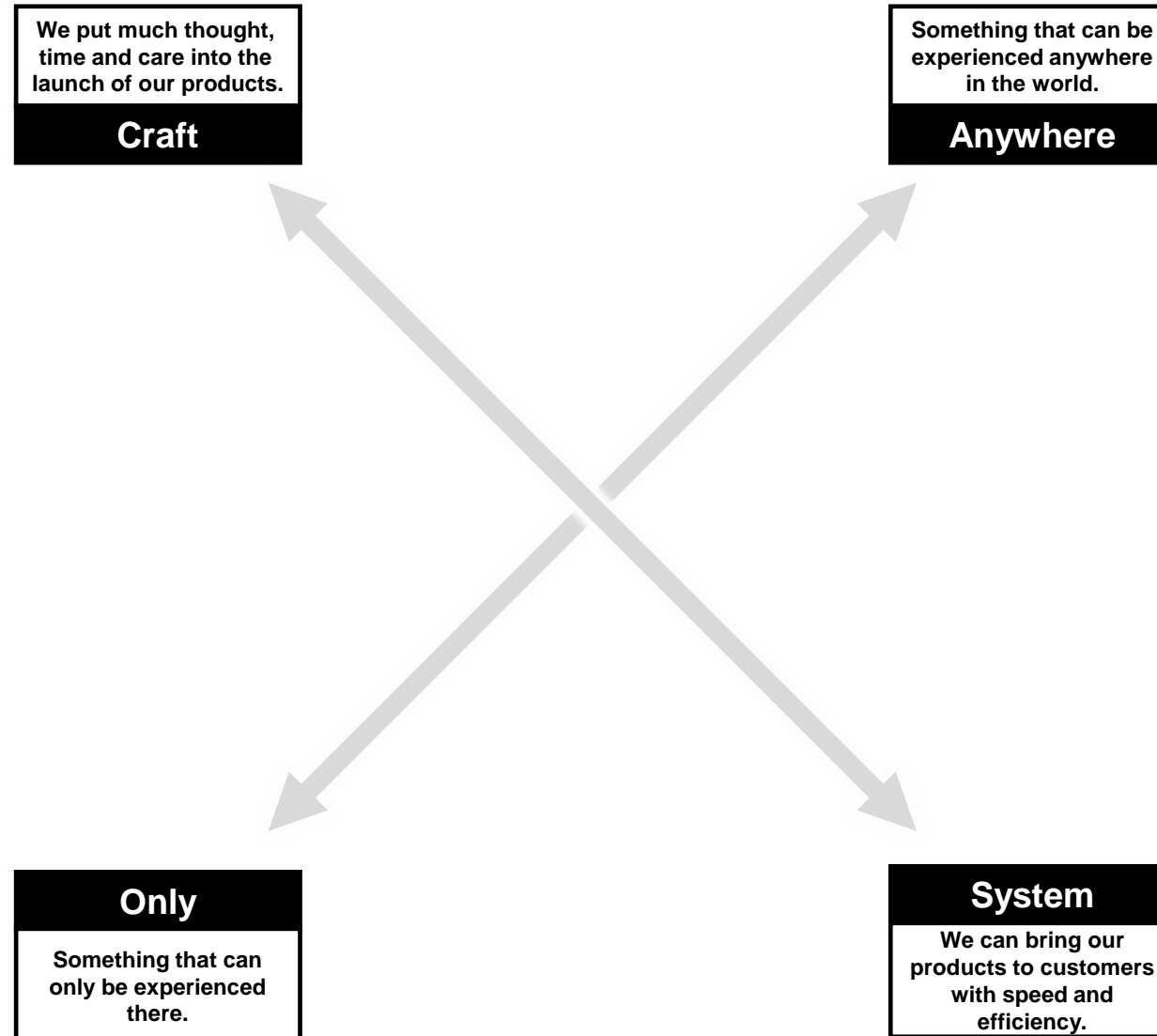
We have expanded the published long-to-mid term targets and set a three-year plan excluding mergers and acquisitions.

		FY2022 Results	FY2025 Three-year plan	FY2022 to FY2025 Increase	FY2028 Mid-to-long term targets	FY2022 to FY2028 Increase
Growth potential	Number of stores	1,720	2,500	x 1.5	Over 5,500	Over x 3.2
	Revenue	¥153.4 billion	¥220 billion	x 1.4	¥300 billion	x 2.0
Profitability	Business profit	¥5.4 billion	¥14 billion	x 2.6	Over ¥36 billion	Over x 6.6
	Business profit%	3.5%	6.4%	-	Over 12%	-
	Operational profit	¥14.2 billion *excl. subsidiaries of: ¥2.6 billion	¥12 billion	x 0.8 *excl. subsidiaries of: x 8.7	approx. ¥30 billion	approx. x 2.1 *excl. subsidiaries of: x 14.6
	Operational profit%	9.3% *excl. subsidiaries of 0.9%	5.5%	-	approx. 10%	-
	Adjusted EBITDA	¥27.4 billion	¥44 billion	x 1.6	-	-
	EBITDA margin	17.8%	¥20.0%	-	-	-
	Net income	¥9.2 billion	¥7.8 billion	x 0.8	Over ¥20 billion	Over x 2.2
	Adjusted EPS	¥104	¥67	x 0.6	Over ¥200	Over x 1.9
Efficiency	ROE	17.7%	10% or above	-	Over 12%	-
	ROIC	3.2%	We aim to improve capital efficiency by strengthening ROIC management to generate strong cash flows, while maintaining a certain level of financial soundness and funding capacity required for large-scale investments.			
Financial health	Debt equity ratio	x 1.5				
	Debt/EBITDA ratio	x 3.3				

The Source of Our Strengths: The ability to transform either/or into both/and. TORIDOLL→

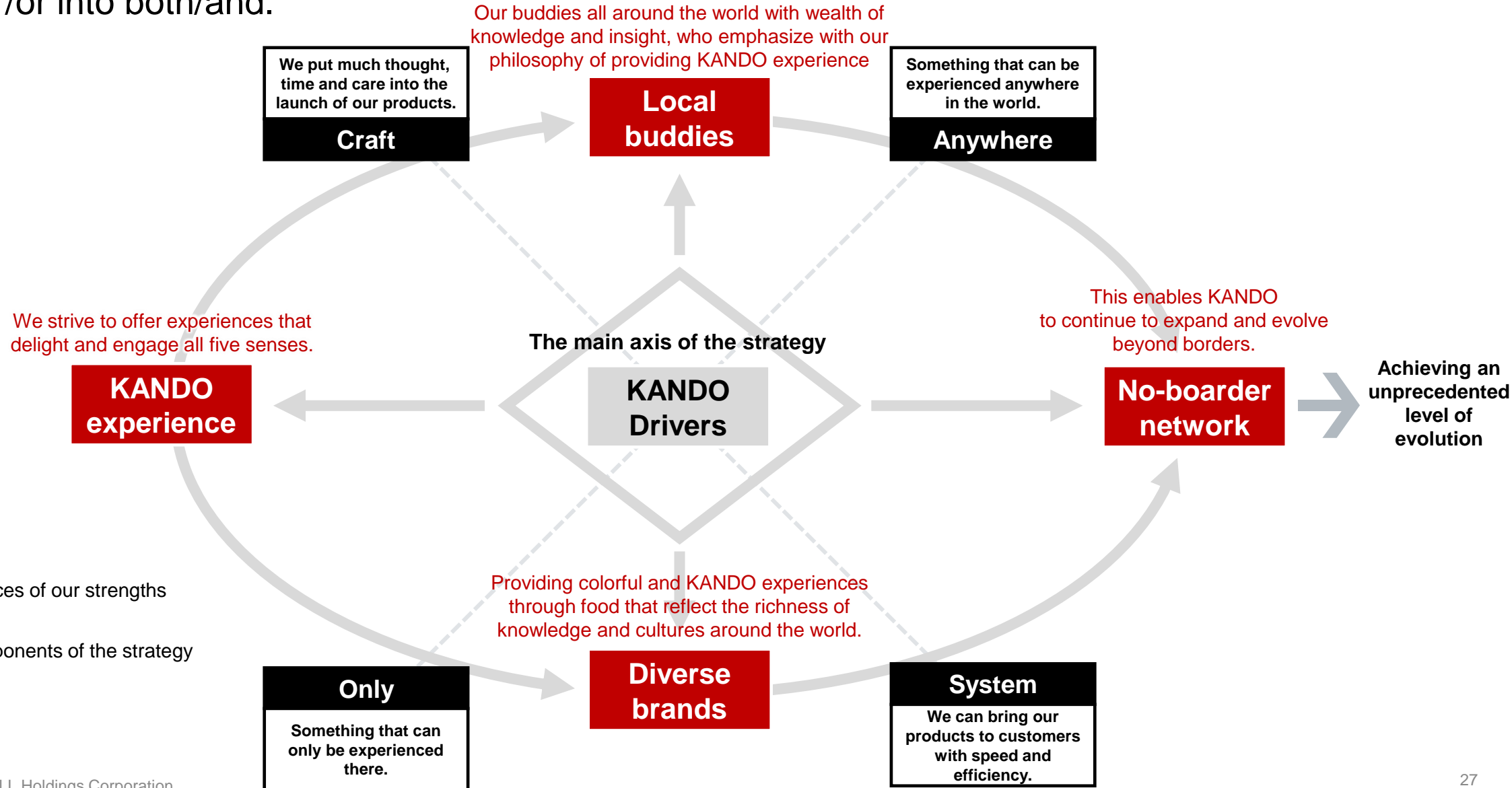
We have redefined the source of our uniqueness and competitiveness as the ability to transform either/or into both/and. We can embody opposite qualities at once, such as Craft and System, Only and Anywhere.

keywords
Either/or
⇓
Both/and



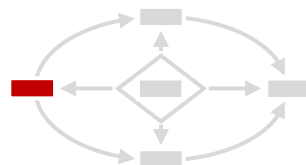
Our basic strategy is to inspire, impact and support the world through food by transforming either/or into both/and.

keywords
Either/or
 ≡
Both/and



Our businesses is rooted in experiences of being inspired by food. We will establish a diverse range of brands in Japan and overseas that embody such experiences.

KANDO experience

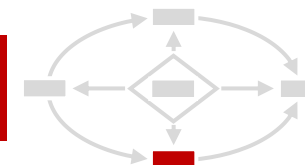


- ✓ Our businesses is rooted in experiences of being inspired by food, which encourage customers to come to us.
- ✓ We will strive to further elevate the experiences of our food, while creating exciting and engaging KANDO experiences in new markets, such as take-away, overseas, halal and vegan food.



Strategic objective 1. Provide KANDO experiences

Diverse brands



- ✓ Our most powerful brand, Marugame Seimen has been the driver of our growth.
- ✓ We strive to achieve strong, sustainable and balanced growth by leveraging our diverse portfolio of brands in Japan and overseas.

《Our main brands》

Europe:

- Shoryu
- WOK TO WALK

Japan:

- Marugame Seimen
- Kona's Coffee
- Butaya Tonichi
- Tempura Makino
- Zundo-ya
- Banpaiya
- among others

Asia:

- Tamjai Yunnan / Tamjai Samgor
- Monster Curry
- Boat Noodle

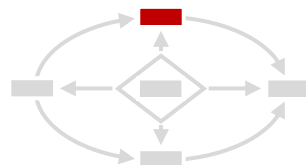
The US:

- Pokéworks

Strategic objective 2. Expanding our business portfolio


As we continue our global expansion, we strive to build a network of strategic buddies and brands in each region. This strong network will help us operate and grow multiple brands across the globe.

Local buddies



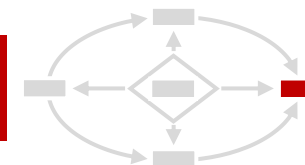
- ✓ When entering a new overseas market, we used to seek and develop relationships with business partners in individual countries or territories through trial and error.
- ✓ We will transform existing partnerships into strategic alliances that are much more than business partnerships. They work as secondary headquarters teams to support the operation of multiple brands around the world .

《THC's main buddies》

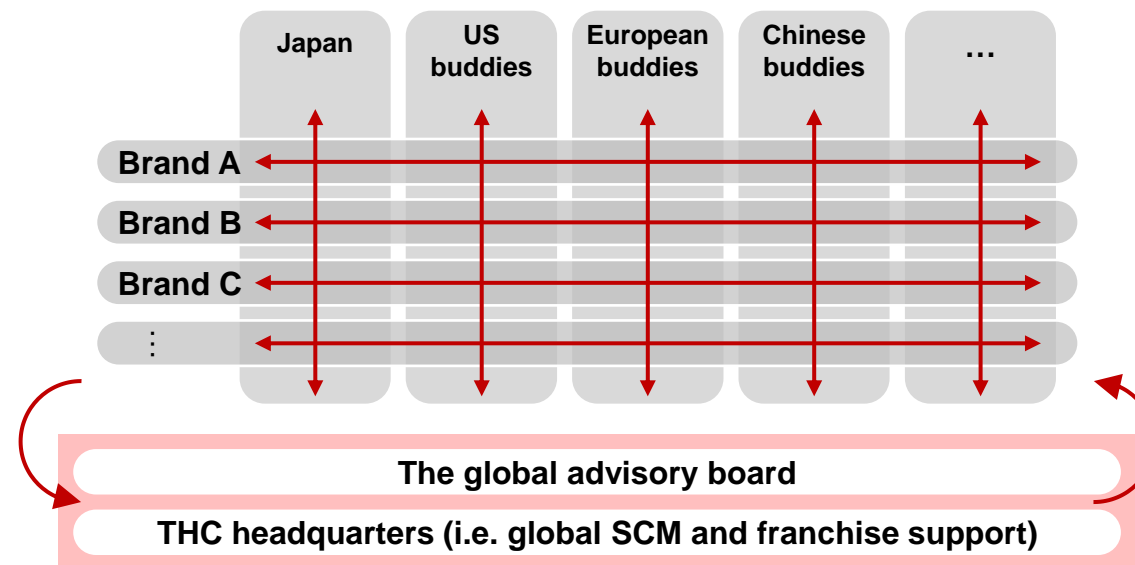
Europe		<ul style="list-style-type: none"> • JV partner for Europe. Assisting with the establishment of the franchise office and franchise expansion following the successful launch of model stores for Marugame Udon in London. Supporting the expansion of multiple brands into the European market.
US		<ul style="list-style-type: none"> • Invested in Marugame USA. They've built the management team and set growth strategies. Supporting the expansion of multiple brands into the US market
Asia		<ul style="list-style-type: none"> • THC acquired majority investment in Monster Curry. Supporting the expansion of multiple brands including Monster Curry, Monster Planet and Tempura Makino into the Asian market.

Strategic objective 3. Establishing an International network of buddies

No-boarder network



- ✓ We strive to build a network of brands, buddies, the global advisory board and the headquarters which help their operations to support the Group's rapid global expansion.



Strategic objective 4. Building a foundation to support the synergy of international operations

Our four strategic objectives and 11 actions are defined as follows:

Strategic objectives

Actions

			Marugame Seimen	Domestic	Overseas
Provide KANDO experiences	1 Creating / refining KANDO experiences:	• With a focus on moving into new territories such as take-away services, express format stores, new countries and regions.	✓	✓	✓
	2 Developing and maintaining human resources:	• With an aim to increase mid-to-long term projected sales growth and decrease business costs by improving employee experiences and increasing retention rates.	✓	(✓) →	✓
	3 Setting a stage for KANDO experiences:	• Creating a better working environment for the staff by accelerating digital transformation with much improved facilities and equipment to improve our customer service.	✓	(✓) →	✓
Expanding our business portfolio	4 Growing our portfolio by mergers and acquisitions:	• Spending up to ¥100 billion on mergers and acquisitions with a focus on expanding our portfolio in Europe, the US, Greater China and Southeast Asia.		(✓)	✓
	5 Pursuing a policy of selection and consolidation:	• Creating brands with several hundreds to thousands of locations by focusing on investing in brands with proven track records.		✓	(✓)
	6 Brand Incubation:	• Developing new brands and building store-models including rebranding towards global expansion		(✓)	✓
Establishing an International network of buddies	7 Identifying and building partnerships:	• Identifying and quickly establishing partnerships with leading businesses including franchisees and JV partners in promising markets around the world.			✓
	8 Horizontal growth in important markets by leveraging partnerships	• Leveraging partnerships in each region to operate multiple brands and accelerate our overseas expansion.			✓
Building a foundation to support the synergy of international operations	9 Building an extensive global network of brands:	• Identifying and sharing best practices across our brands to achieve synergetic development.	(✓)	(✓) ←→	✓
	10 Expanding group-wide functions on an international level:	• Establishing headquarters and sales offices to support global expansion.	(✓)	(✓) ←	✓
	11 Strengthening store development function:	• Strengthen our store development function to develop new stores and acquire properties that can support a network of 5,500 locations.	✓	✓	✓

Action 2: Developing and Maintaining Human Resources

- i.e. Menshokunin (Noodle Master) Program

Menshokunin Program aims to bring highly-skilled Menshounins to all our Marugame Seimen stores to maintain and improve the taste and texture of our noodles and the level of service. This will ultimately lead to higher sales and better retention.

The background and goals of the program

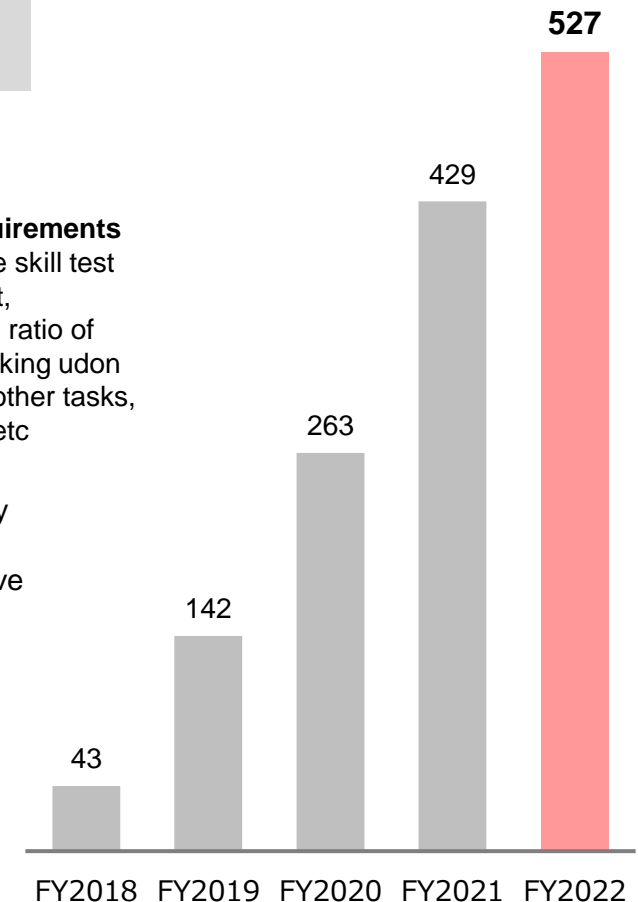
- At Marugame Seimen, we pride in making udon from scratch at all our locations. This involves a lot of manual work, and our chefs need to learn by experience how to produce a consistent dough.
- Daily changes in fabric conditions, temperature, and other factors couldn't be handled by manuals.

By bringing Menshounins, who are experts in the art of making noodles, to all our stores, we aim to ensure consistent quality across all locations.

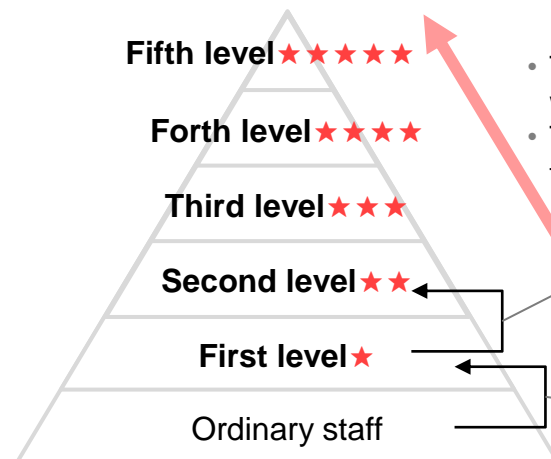
- ✓ Developing educational program on the skills and knowledge to produce the ideal Udon for Marugame Udon.
- ✓ Motivating acquisition of certification of Menshokunin by linking the program to the salary and compensation package
- ✓ we can expect to boost motivation and retention of employees.

Qualification requirements include passing the skill test and the written test, achieving a certain ratio of hours spent on making udon to hours spent on other tasks, good attendance, etc

Number of Menshokunins



Stores with a Menshokunin is indicated by signage. Menshokunins wear special uniform.

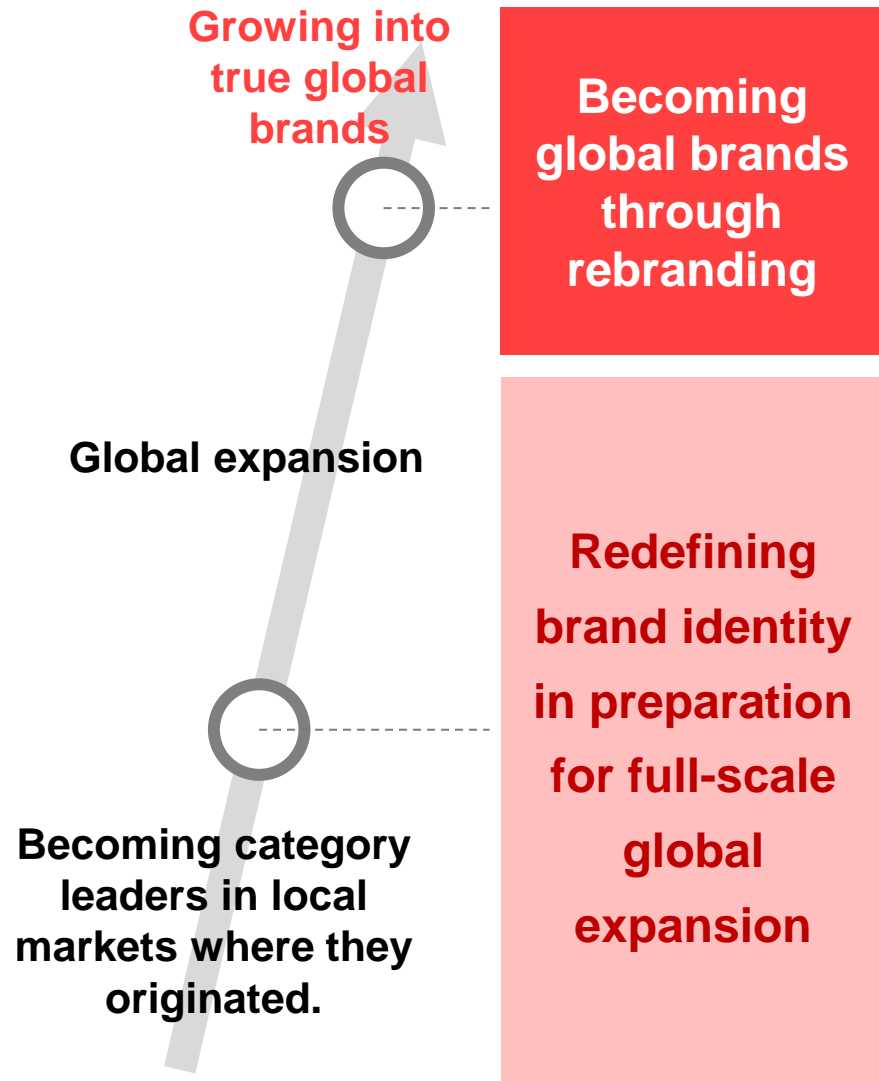


- The more stars you earn, the higher your salary will be.
- To qualify for the exam, candidates have to have trained Menshokunin one rank below

Less than 10% of candidates achieve a pass. To be eligible for the test, you need to have trained at least one one-star chef.

Menshounins are selected by a highly competitive entrance exam: only 30% of candidates achieve a pass in the level one.

We will strengthen and grow our brands through branding tailored to each brand's unique requirements to win recognition and trust from customers as iconic restaurant brands loved by people around the world.



《Marugame Udon》

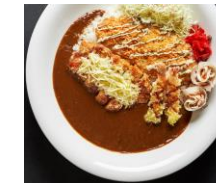
Examples of our initiatives

- We started a branding project based on years of experience since our first overseas expansion ten years ago to become a globally recognized brand providing a dining experience like no other.
- We have developed brand strategies and experiences based on key market insights from a survey of 2,000 consumers in seven cities around the world and through discussions with global business leaders.
- Planning to open a flagship store as a global brand by the end of 2022.



《Monster Curry》

- A massively popular curry chain in Singapore.
- Unique flavor, exciting big plates, and store experience. Now redefining their “Monstrous” experience, and basic values to enhance the appeal in preparation for overseas expansion.



《Boat Noodle》

- A halal-certified fast casual restaurant chain in Malaysia serving authentic Thai soup noodles in small bowls.
- Working on a symbolic store design for the grand opening of its first flagship store in Singapore.



⇒ Similar initiatives will be developed for other brands including Wok to Walk.

Action 10. Expanding Group-wide Functions on an International Level

- i.e. expanding franchise support

Leveraging our reproducible know-how at owned store, we will establish/improve our franchise package and support system.

We have developed systems and know-how as a FC package with our successful experience in each countries.



By Horizontal deployment of know-how in the form of franchise packages, we ensure further success in each country.

Establishing brand and store models to foster long-term customer loyalty

Marketing initiatives to maximize the number of customers

- Create buzz for the opening: by appealing to the target audience and creating buzz through digital marketing.
- Build a loyal fanbase: by developing a system to achieve long-term customer loyalty.
- Location strategies: provide analysis know-how to identify ideal locations.

Creating stores embodying KANDO experiences

- Support store and product development to leverage each brand's strengths while appealing to locals.
- Monitor and advice on product quality.
- Support customer service improvement.
- Provide store training programs.

Cost management to maximize profit

Cost saving

- Support brands to take advantage of our global logistics and procurement network.
- Support operation improvement to reduce the loss of raw material and products.

Labor cost control

- Review operations and provide training to improve the efficiency and speed of operations.
- Provide know-how on determining optimal staffing

Developing systems to optimize store investment

Optimizing the store development cost

- Keep investment at an adequate level to increase the competitiveness of our franchise packages with horizontal deployment of proven operation methods tested at our model stores.

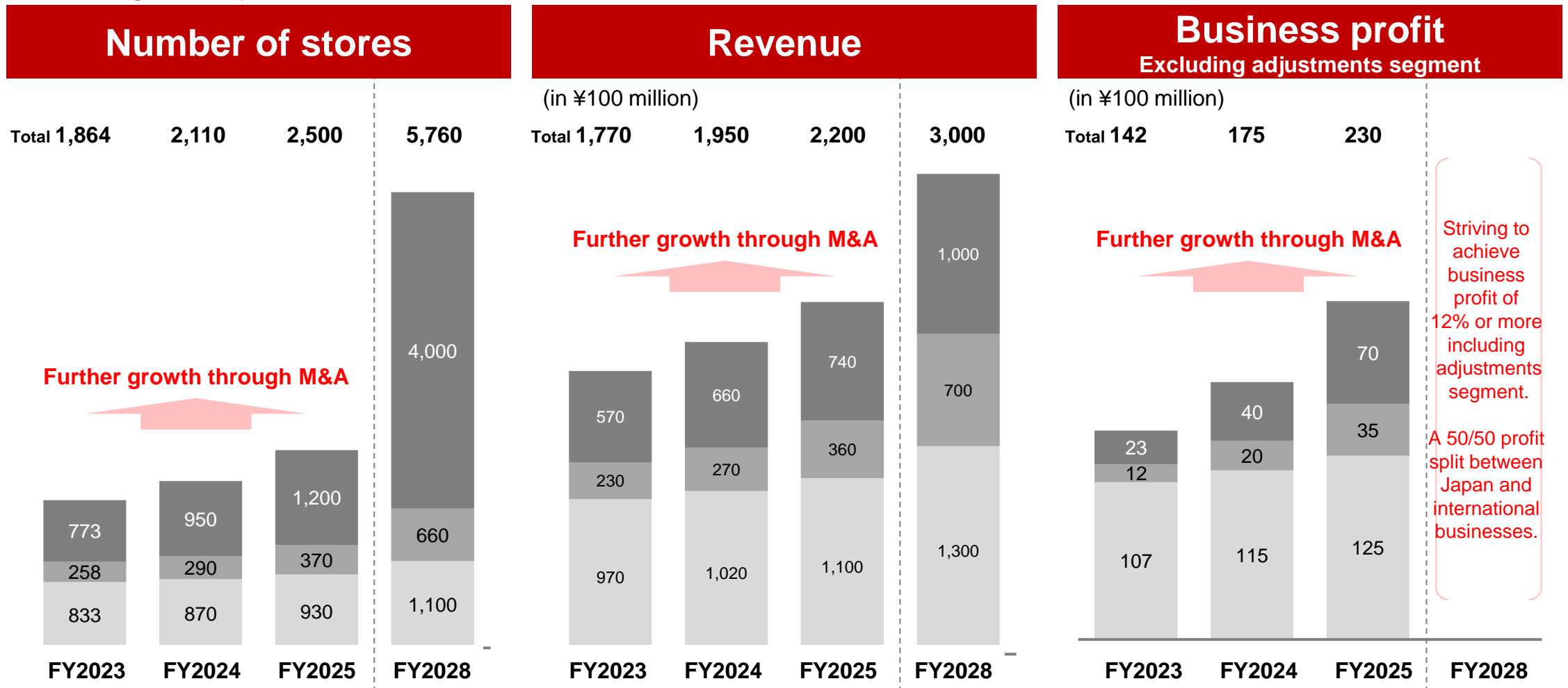
Management support for expansion

- Support the business expansion of franchisees through qualitative assessments of potential locations, etc.

Mid-to-long Term Targets by Segment

We have set targets for each segment for the next three years towards achieving the mid-to-long term targets by FY2028. We strive to grow further through aggressive mergers and acquisition, while ensuring steady business expansion and profit increase.

■ : Marugame Seimen ■ : other domestic brands ■ : overseas



We have earmarked ¥100 billion for M&A to ensure further growth.

Marugame Seimen aims to enter the rapid growth phase again by constantly opening new stores.

Important actions

- **Constantly opening road-side locations and rapidly increasing stores in city centers:**

→ We will focus on opening stores in city centers, while constantly opening **road-side locations with the takeaway service** and **exploring new formats such as takeaway-only and store-in-store in residential areas** to open over one hundred new stores in 3 years.

- **Stimulating the demand by driving customer loyalty and improving the takeaway service:**

→ We aim to increase net sales per store by 5% by implementing the following three measures: (i) improving customer experiences to increase repeat patronage; (ii) capturing the demand for take-away to increase sales; and (iii) developing a new brand campaign

- **Improving business profit ratio:**

→ **Minimizing the impact** on cost-to-sales ratio by continually monitoring the market while **reviewing and optimizing the pricing and the product mix**.

→ Reducing the labor cost of store administration and utility bills **by implementing digital transformation and investing in better facilities and equipment**

FY2022 results

Increase of the number of stores

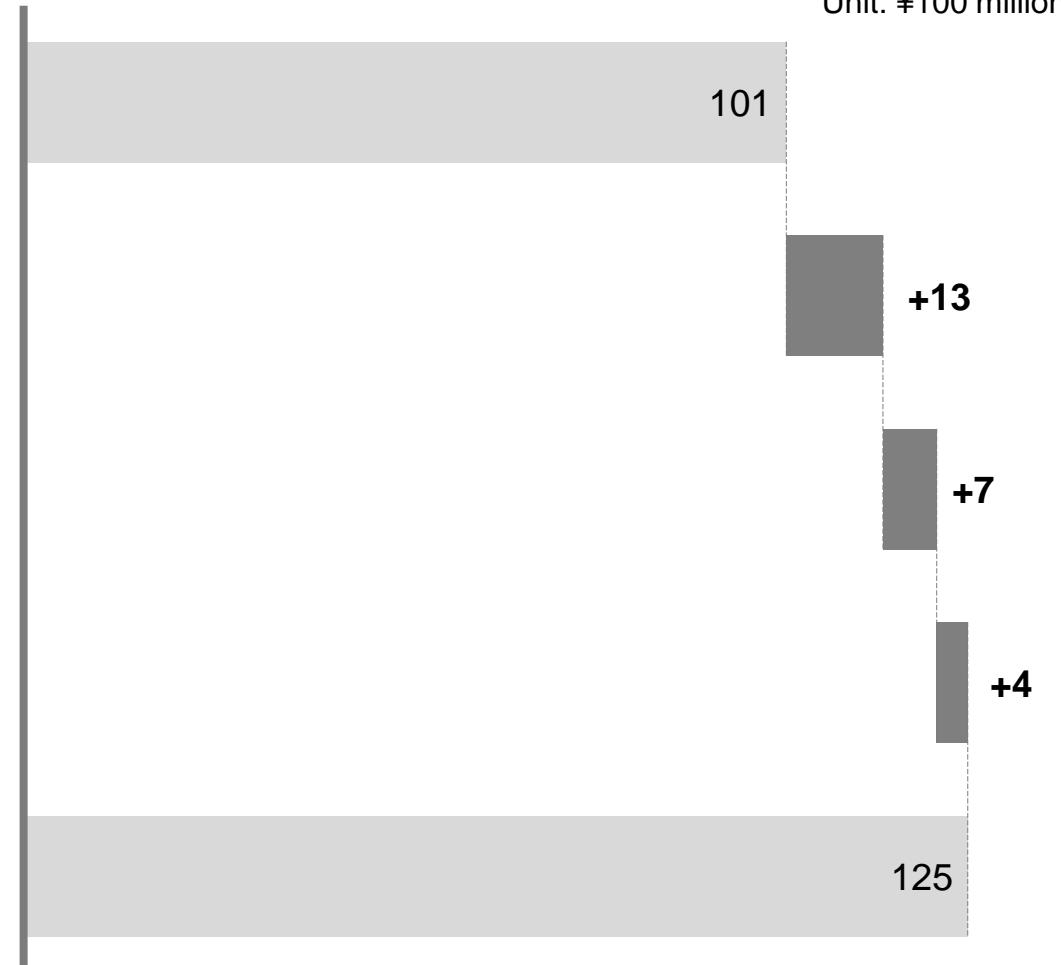
Increased sales per store

Increased profit ratio

FY2025 Target

Improving business profit by FY2025

Unit: ¥100 million



There is a considerable latent demand for Marugame Seimen in Japan. We will continue to open existing format stores while experimenting with new format stores in city centers.

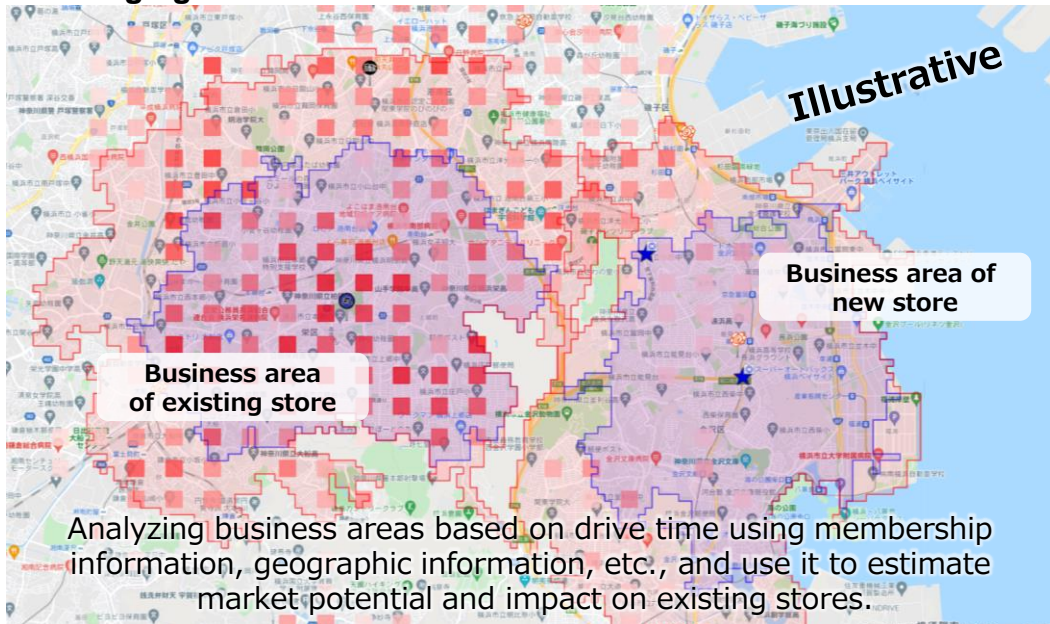
Reviewing the growth potential of existing formats



Establishing new store formats

- We will visualize the trade areas of each store by combining the data from the Marugame Seimen App with open data.
- This will help identifying ideal locations for existing format stores, which can effectively minimize the cannibalization effect.

Leveraging data science



- We will enhance our urban store format.
- We will develop new formats that can bring revenues, such as takeaway only stores in and outside train stations and small format stores with takeaway and eat-in options and less parking space.

Takeaway only store (Ayase Station East Exit Store)



We aim to improve sales and profit ratio per store by accelerating expansion and creating an optimal mix of store formats.

Important actions

- **Focusing on investing in brands with proven track records to create multiple brands with more than one hundred stores and further diversifying the portfolio:**

- We will focus on opening stores of our powerful brands with proven success in Japan, such as Kona's Coffee and Zundoya.
- We will transform local brands into nationwide brands.

- **Accelerating expansion with brands and store formats that can deliver higher monthly revenue:**

- We will focus on increasing the number of stores of brands with the highest potential to increase the average revenue per month.
- We will focus on opening stores in roadside locations and **store-in-store** formats that can deliver high monthly revenue.

- **Exploiting the scale merit and operating highly profitable businesses:**

- By increasing the number of stores, we can lower direct and indirect costs-to-sales ratios of brands that are currently small scale.
- We will improve the profit structure of Kona's Coffee by improving its in-store and retail sales.

FY2022 results

Increase of the number of stores

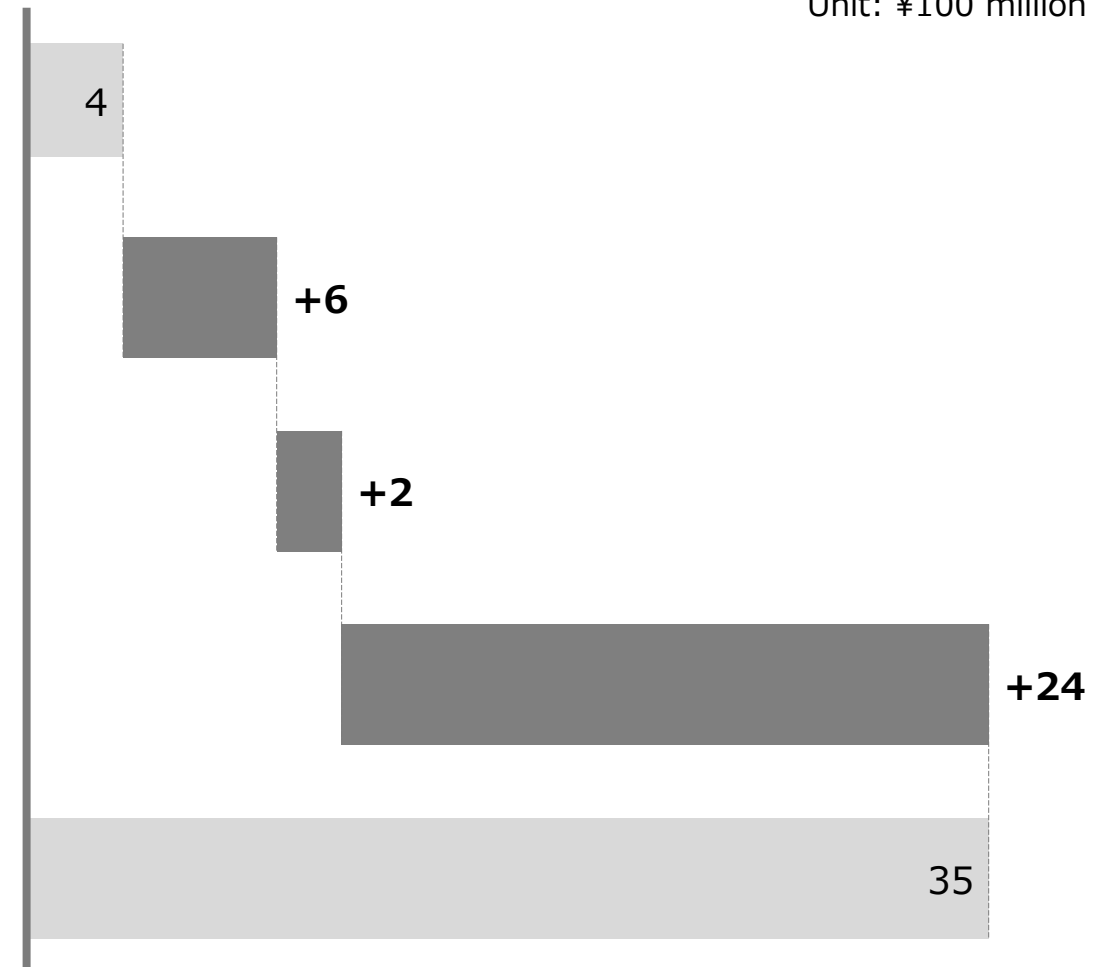
Increased sales per store

Increased profit ratio

FY2025 Target

Improving business profit by FY2025

Unit: ¥100 million



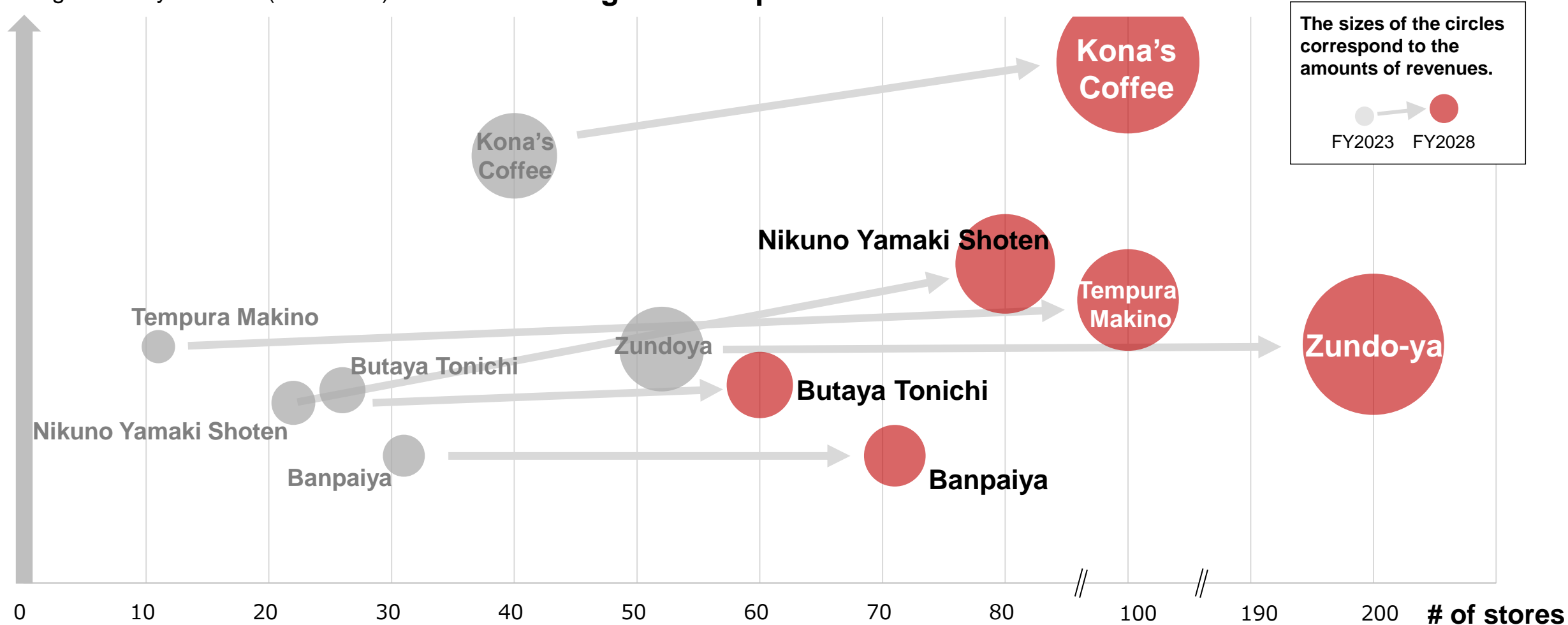
Summary of Our Business Strategies: Other Domestic Brands

- growth map for each brand

We will focus on investing in brands with proven track records to create multiple brands with more than one hundred stores and tens of millions in revenue.

Average monthly revenue (Illustrative)

The growth map for each brand



For the Overseas segment, we will strive to achieve a rapid expansion of multiple brands in respective territories leveraging new and existing alliances with a focus on increasing the profit ratio. We will also accelerate the franchise expansion from the mid-to-long term perspective.

Important actions

- Fast expansion leveraging alliances**

- In addition to Marugame Seimen, we continue to simultaneously launch and scale multiple brands in Europe and Asia leveraging our existing alliances.
- Exploring new strong alliances in Asia, especially in Chinese-speaking regions and other promising territories.

- Improving profitability and reducing the burden of overhead costs for business expansion**

- Working with each brand to improve operational efficiency and optimize investment in store opening projects.
- The burden of overhead costs has been alleviated due to the rapid expansion of brands which currently operate in countries and regions with a small number of stores.

- Establishing model stores and horizontal deployment of know-how**

- Working on developing model stores to support global expansion.
- Expanding support for franchisees and franchise packages.
- Seeking franchise partners with help from our alliances in view of mid-to-long term franchise expansion.

FY2022 results

Increase of the number of stores

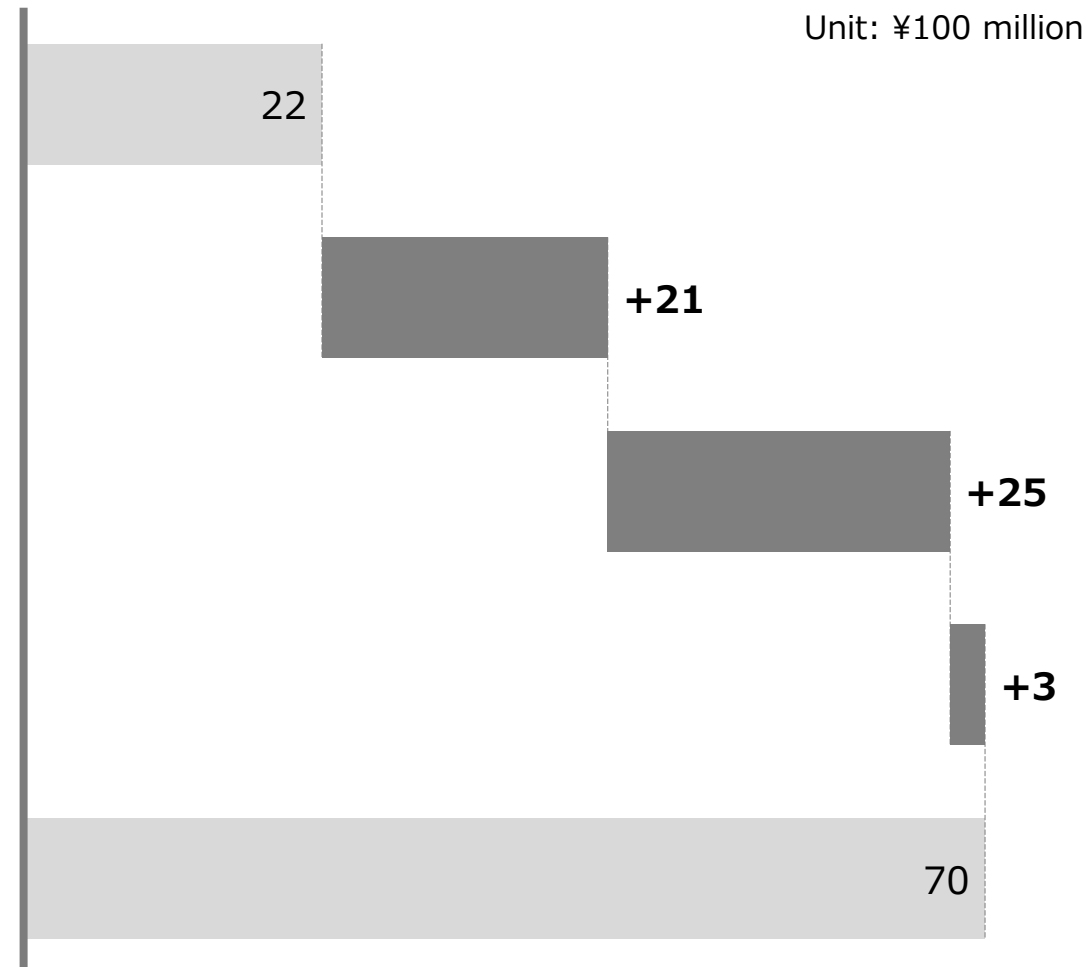
Increased sales per store

Increased profit ratio

FY2025 Target

Improving business profit by FY2025

Unit: ¥100 million



Summary of Our Business Strategies: Overseas Brands

- a success market entry model with a strategic alliance

Marugame Udon UK has enjoyed a huge success by integrating excellent location strategies, store design, and marketing through a powerful alliance with leading local businesses.

Location strategies

Flagship stores in premium locations



First store near a major train terminal

Testing out proven store models



Second store in a mall



Third store in business area



Fourth store in commercial area

Store design

Localized store design



Promoting all things Japanese based on discussions with local buddies.



Great service that can be enjoyed by even those who never had udon before.

How it works?



Explaining our menu and order system with digital signages and guides.

Marketing

Creating maximum excitement and buzz around the brand to appeal to the locals.

BigHospitality



This article introduces Udon as one of the top 10 UK food and beverage industry trends for 2020, and its growing popularity is fueled by the debut on Marugame Udon.

Building a loyal fan base



Our fan community, "Marugame Club" boasts 80,000 members with the help of digital marketing.

The strengths of alliances: unparalleled local connections and know-how

The strengths of TORIDOLL Group: The brand value as the world's largest udon chain, freshly made and cooked udon, inspiring dining experiences, and the authentic taste of Japan.

We will conduct a materiality assessment in March 2022 to set goals with KPIs to monitor and advance our progress.

Bringing exciting and engaging dining experiences to the world

- Enriching the lives of people through the joy of eating
- Ensuring food safety

ESG activities

- Launched Tam Jai SamGor in Japan, Marugame Udon in the UK, and Tempura Makino in Singapore, etc.
- Issued a handbook for preventing COVID-19 in the workplace.
- **Working towards implementing digital food safety solutions.**

S

Working together with people and society

- Human resource development
- Maintaining and creating employment
- Embracing diversity and building an inspirational work environment

ESG activities

- Establishing the Best Neighborhood Restaurant Creation Department to provide better training and education for store staff.
- Conducting a regeneration project in partnership with Marugame City, Kagawa Prefecture.

S

Promoting harmony with the Earth

- Promoting a circular economy

ESG activities

- Enhancing the takeaway service.
- Introducing paper bento boxes at Kona's Coffee.
- Reducing food waste in partnership with Matsuya Foods, Co., Ltd.
- Introducing fried food oil extractors at stores for recycling and effective use of waste oil.
- **Working towards implementing a solution to reduce cooked noodle loss at more stores.**

E

Embedding responsible corporate management throughout our business

- Supply chain management
- Establishing a risk management system

ESG activities

- Establishing the Sustainability Promotion Committee
- Strengthening the relationships with food producers in partnership with Bieicho, Hokkaido and Tokushima Prefecture.
- **Working towards achieving ISO27001, ISO27701 and ISO22301 certifications.**

G

Note: text in red indicates plans that are currently in development.

See what we have already achieved in 2022:

Bringing exciting and engaging dining experiences to the world

Served **28** times,
4,630 bowls of udon in total

[Results in 2021]

Our kitchen cars travelled all over Japan throughout the year to serve people in remote areas and those who are not able to come to our restaurants to create and engage with more fans.



Our kitchen cars serve Kodomo Shokudo providing low-cost meals to disadvantaged children, front-line health workers fighting COVID-19, elderly people in intensive care nursing homes, schools and local councils.

Working together with people and society

Awarded the highest **Gold** rating in the **PRIDE Index**

As part of our diversity and inclusion (DE&I) efforts, we have been working on making positive change. We are proud to be highly recognized by the PRIDE Index, which evaluates LGBTQ inclusion in the workplace.

work with Pride



Promoting harmony with the Earth

Served approx. **500K m³**
¥248 million worth of
water per year

[Projection for 2022]

As part of our efforts to achieve environmental management goals, we have installed flow-control valves at **813** Marugame Seimen stores as of December 24, 2021.

We have succeeded in saving money and reducing environmental impact of our operation.



Management Index (Detail)

		FY2022 Results	FY 2025 Three-year plan	FY 2022 to FY 2025 Increase	FY 2028 Mid-to-long term targets	FY 2022 to FY 2028 Increase
Growth potential	Number of stores	1,720	2,500	x 1.5	Over 5,500	Over x 3.3
	Marugame Seimen	832	930	x 1.1	1,100	x 1.3
	Overseas	644	1,200	x 1.9	4,000	x 6.2
	Others	244	370	x 1.5	660	x 2.7
	Revenue	¥153.4 billion	¥220.0 billion	x 1.4	¥300.0 billion	x 2.0
	Marugame Seimen	¥92.1 billion	¥110.0 billion	x 1.2	¥130.0 billion	x 1.4
	Overseas	¥41.1 billion	¥74.0 billion	x 1.8	¥100.0 billion	x 2.4
	Others	¥20.2 billion	¥36.0 billion	x 1.8	¥70.0 billion	x 3.5
Profitability	Business profit (Total)	¥5.4 billion	¥14.0 billion	x 2.6	Over ¥36.0 billion	Over x 6.6
	Marugame Seimen	¥10.1 billion	¥12.5 billion	x 1.2	<ul style="list-style-type: none"> Striving to achieve business profit of 12% or more including adjustments segment. A 50/50 profit split between Japan and international businesses. 	
	Overseas	¥2.2 billion	¥7.0 billion	x 3.2		
	Others	¥0.4 billion	¥3.5 billion	x 8.8		
	Adjustments	¥-7.8 billion	¥-9.0 billion	-		
	Business profit% (Total)	3.5%	6.4%	-		Over 12%
	Operational profit (Total)	14.2 billion *excl. subsidiaries of: ¥2.6 billion	¥12.0 billion	x 0.8 *excl. subsidiaries of: x 8.7	approx. ¥30.0 billion	approx. x 2.1 *excl. subsidiaries of: x 14.6
	Operational profit% (Total)	9.3% *excl. subsidiaries of 0.9%	5.5%	-	approx. 10%	-
	Adjusted EBITDA	¥27.4 billion	¥44.0 billion	x 1.6	-	-
	EBITDA margin	17.8%	20.0%	-	-	-
	Net income	¥9.2 billion	¥7.8 billion	x 0.8	Over ¥20.0 billion	Over x 2.2
	Adjusted EPS	¥104	¥67	x 0.6	Over ¥200	Over x 1.9
Efficiency	ROE	17.7%	10% or above	-	Over 12%	-
	ROIC	3.2%				
Financial health	Debt equity ratio	x 1.5	We aim to improve capital efficiency by strengthening ROIC management to generate strong cash flows, while maintaining a certain level of financial soundness and funding capacity required for large-scale investments.			
	Debt/EBITDA ratio	x 3.3				

食の感動で、
この星を満たせ。

TORIDOLL→

どうしてもなく食べたくなる。

店に行くたびに驚きがある。

味覚だけでなく、五感までも揺さぶられ

食べ終わるのが惜しくなって、

また明日も来たくなる。

本能が欲ぶほどの圧倒的な感動体験で、

目の前のお客さまを、世界中の人々を

毎日ワクワクさせ続けよう。

食の感動に、国境などない。

これからも予測不能な進化を遂げ続けて、

人類を幸せで満たしながら、

食の世界の頂へと駆け上がれ。

それができるのは、きっと私たちしかないから。