create restaurants holdings, inc.

Q2 Financial Results Briefing for the Fiscal Year Ending February 2026

October 15, 2025

Event Summary

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[Number of Speakers]	2 Jun Kawai　　President Genta Ohuchi　　Director, CFO

Presentation

Kawai: My name is Kawai, President of create restaurants holdings, inc. Thank you all for taking time out of your busy schedules today to participate in the Q2 financial results briefing for the fiscal year ending February 2026.

First, I would like to briefly explain the environment surrounding the food service industry and the most recent business conditions. Throughout this H1 under review, there were two major developments in the Japanese food service market.

One is the inbound demand resulting from the increase in the number of foreign visitors to Japan. Despite a temporary dip due to false rumors about July 5 earthquake, the demand remained strong, especially in urban areas and tourist destinations, which increased sales.

The other is the polarization of consumption. As a result of consumers' raised consciousness over price due to high prices, consumption is continuing to be polarized, centering on low-priced, cost-efficient business categories and relatively high-unit-price categories that meet consumers' needs.

In both cases, the net sales of the overall industry have been generally strong due to the rise of average spending per customer thanks to menu price revisions.

Meanwhile, the food service industry continues to face a challenging cost environment. In addition to soaring prices of grains such as rice and other food ingredients, there continues to be strong upward pressure on costs throughout the supply chain, including labor, logistics, and energy costs.

Considering the weariness felt from inflation in the US, which is moving ahead of us, and their shift away from eating-out as well, there are growing concerns that we cannot keep passing on all the cost increase to menu prices, and we need to closely monitor future consumption trends shaped by factors such as wage increases in our country.

In this business environment, our group was able to achieve YoY increases in both sales and profit during H1 of the current fiscal year by implementing the 3 Growth pillars set forth in the medium-term management plan, which began this fiscal year, and the initiatives of the 3 Foundations for growth.

Today, Ohuchi, the Company's Director, CFO, will first report on the performance highlights of the financial results of H1 of the fiscal year ending February 2026 that we announced yesterday, as well as the progress toward the financial result forecast of the same fiscal year. After that, I will report on the progress of the medium-term management plan.

Now Director Ohuchi, the floor is yours.

1. Financial Results Overview [IFRS]

Revenue and profit increased YoY, and the progress rate against the full-year forecast is generally 50%, making steady progress.

Revenue 83.2 billion yen, Operating profit 4.9 billion yen,
Profit attributable to owners of parent 3.2 billion yen, Adjusted EBITDA 14.0 billion yen

✓ Revenue

- Despite the impact of heavy rains in several regions and a temporary decline in inbound tourism due to earthquake rumors on July 5th., sales at retail facilities increased thanks to an increase in visitors due to the heat wave. Sales of bakeries, noodle brands, and so on, which are the "daily" and "standard" formats, also continued to drive sales. Sales increased (+6.7 billion yen) compared to the previous fiscal year, driven by the consolidated contribution of two M&A acquisitions made in the latter half of the previous fiscal year.

✓ Operating Profit

- (Operating profit) Profit increased (+100 million yen) as cost increases were absorbed by appropriate control of labor costs, mainly working hours, and continued optimization of selling prices, despite the rise in raw material costs, including the rise in rice prices which continues to surge since the first quarter.

	FY2025 Q2 cumulative (Mar.-Aug.)		FY2026 Q1 alone (Mar.-May)		FY2025 Q2 alone (Jun.-Aug.)		FY2025 Q2 cumulative (Mar.-Aug.)		Change	FY2026	Progress Rate
(Million yen)	Result	Ratio to revenue	Result	Ratio to revenue	Result	Ratio to revenue	Result	Ratio to revenue		Full-year Forecast	
Revenue	76,467		41,814		41,389		83,204		+6,736	165,000	50.4%
Operating profit	4,847	6.3%	3,048	7.3%	1,892	4.6%	4,940	5.9%	+93	9,600	51.5%
Profit before taxes	4,421	5.8%	2,992	7.2%	2,139	5.2%	5,132	6.2%	+710	8,800	58.3%
Profit for the year	3,506	4.6%	2,263	5.4%	1,210	2.9%	3,474	4.2%	- 32	6,500	53.5%
Profit attributable to owners of parent	3,192	4.2%	2,088	5.0%	1,107	2.7%	3,195	3.8%	+2	5,800	55.1%
Adjusted EBITDA*	13,218	17.3%	7,420	17.7%	6,616	16.0%	14,037	16.9%	+818	27,200	51.6%
Actual operating profit (Operating income excluding impairment losses and other non-recurring expenses)	5,714	7.5%	3,439	8.2%	2,349	5.7%	5,789	7.0%	+75	11,600	49.9%

*Adjusted EBITDA = operating profit + other operating expenses - other operating revenues (excluding sponsorship income) + depreciation and amortization + non-recurring expense items (such as advisory expenses related to share acquisitions, etc.)

Ohuchi: Now, please take a look at the overview of our financial results. The revenue in H1 was JPY83.2 billion, which increased JPY6.7 billion YoY.

Despite a temporary decline in inbound tourism due to the effects of torrential rains and the earthquake-related false rumors, we achieved a substantial increase in sales. The contributing factors were the increased number of visitors to commercial facilities due to the extremely hot summer, the bakery and noodle business categories, which are categorized as “daily” or “standard”, the continued strong performance of Icchou Inc., which takes advantage of its community-based strengths especially in the northern Kanto region, and the effects of consolidation of Ichigen Food Company Co., Ltd. and Wildflower acquired through M&A in H2 of the previous fiscal year.

The same store sales were 102.5% YoY, and the progress toward the full-year forecast has developed steadily, exceeding 50%.

Despite higher raw material costs including a sharp rise in rice prices, we achieved increased profit with the operating profit being JPY4.9 billion, an increase of JPY100 million YoY, as the Company was able to absorb cost increases through appropriate control of labor costs and continued efforts to set appropriate selling prices. The progress toward the full-year forecast is also on track at 51.5%.

Finally, I would like to add that the profit before tax had a significant increase due to the recording of financial income as a result of reviewing fair market valuation of security deposits and guarantee money.

2. Financial Results Overview (by Category)

Group operating companies included in each category are listed at the bottom of page 2 of this material.

✓ CR category: Increasing revenue, increasing profit

Although some regional stores were affected by heavy rain, sales and profits increased due to an increase in the number of attracting customers at commercial facilities due to the extremely hot summer.

✓ SFP category: Increasing revenue, decreasing profit

While new stores contributed to higher sales, existing stores revised selling prices in response to increase in raw materials, but profits declined due to insufficient coverage of rising raw materials.

✓ Specialty Brand category: Increasing revenue, increasing profit

Bakery and Noodle brand, both of which are “daily” “standard” formats, Icchou remained strong and both sales and profits increased.

✓ Overseas Category: Increasing revenue, decreasing profit

Wildflower acquired by M&A in the last half maintained strong performance and contributed, but Il Fornaio, a high-priced concept, struggled due to inflation fatigue in North America, resulting in increased revenue but decreased profit.

✓ Same-store sales YoY
(Based on stores as of the end of Feb. 2025, incl. closed stores.)

Category	Q1 (Mar.-May)	Jun.	Jul.	Aug.	Q2 (Jun.-Aug.)	Q2 Cumulative
CR	104.6%	101.1%	102.2%	108.5%	104.2%	104.4%
SFP	99.5%	96.8%	98.9%	104.2%	100.0%	99.7%
Specialty Brand	105.4%	102.9%	103.1%	106.4%	104.3%	104.9%
Overseas (Local currency)	97.7% (102.1%)	96.6% (102.0%)	95.0% (100.5%)	97.2% (101.7%)	97.0% (101.6%)	97.4% (101.9%)
Consolidated	102.7%	99.9%	100.8%	105.5%	102.3%	102.5%

(Million yen)

Category	FY2025 Q2(total)			FY2026 Q1			FY2026 Q2			FY2026 Q2(total)			Change		
	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue
CR	28,058	3,209	11.4%	14,648	1,709	11.7%	14,999	1,731	11.5%	29,648	3,441	11.6%	+1,590	+232	+0.2%
SFP	14,972	1,334	8.9%	7,751	765	9.9%	7,593	444	5.9%	15,344	1,209	7.9%	+372	- 124	-1.0%
Specialty Brand	23,661	2,838	12.0%	12,828	1,663	13.0%	12,885	1,537	11.9%	25,713	3,200	12.4%	+2,051	+362	+0.5%
Overseas	9,865	1,054	10.7%	6,643	691	10.4%	6,055	324	5.4%	12,698	1,015	8.0%	+2,833	- 38	-2.7%
Adjustments, etc.*2	- 90	4,782	-	- 57	2,591	-	- 143	2,578	-	- 201	5,170	-	- 110	+387	-
Total	76,467	13,218	17.3%	41,814	7,420	17.7%	41,389	6,616	16.0%	83,204	14,037	16.9%	+6,736	+818	-0.4%

(Note) Taking into account the intra-group restructuring (KR's contract business is absorbed by CR) on Sep.1 2024, the actuals for the previous fiscal year reflect the figures after the reorganization of categories.
*1:Category CF = Operating profit (JGAAP) + depreciation and amortization + sponsorship income + non-recurring expense items
*2: Other adjustments include depreciation and amortization related to the adoption of IFRS 16, as well as head office expenses that are not allocated to each category.

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Here, we show the revenue and cash flow for each of four categories. Although sales increased in all categories YoY during H1 of the current fiscal year, cash flow had mixed results according to the category.

First, the CR Category increased its profit compared to the previous year by achieving robust results with the same store sales at 104.4% YoY, due in part to the increased traffic to commercial facilities as a result of scorching summer.

On the other hand, in the SFP Category, same store sales fell below 100% YoY at 99.7%. In addition, the revision of selling prices failed to offset the increase in raw material prices. Due to these factors, it experienced a decrease in profit YoY.

Next, in the Specialty Brand Category, the “daily”, “standard”, and community-based business categories all maintained strong performance with the same store sales reaching 104.9% YoY and therefore accomplishing a significant increase over the previous fiscal year.

Finally, in the Overseas Category, Wildflower maintained its strong performance and made a contribution to record the same store sales of 101.9% YoY in local currency. However, due to inflation fatigue in North America, higher-unit-price business Il Fornaio struggled, ending up with a decline in profit YoY.

1. Summary of FY 2026 Business Forecasts

Full-year earnings forecasts disclosed on April 14, 2025 and breakdown by category unchanged

(Million yen)	FY2026 (Q2 Result)		FY2026 (Full-year Forcast)		Progress Rate (vs. Forecast)	FY 2025 (Actuals for the previous FY)		Difference between (Forecast-Previous FY)
	Result	Ratio to revenue	Forcast	Ratio to revenue		Result	Ratio to revenue	
Revenue	83,204		165,000		50.4%	156,354		+8,645
Operating profit	4,940	5.9%	9,600	5.8%	51.5%	8,504	5.4%	+1,095
Profit before taxes	5,132	6.2%	8,800	5.3%	58.3%	7,659	4.9%	+1,140
Profit for the year	3,474	4.2%	6,500	3.9%	53.5%	6,228	4.0%	+271
Profit attributable to owners of parent	3,195	3.8%	5,800	3.5%	55.1%	5,590	3.6%	+209
Adjusted EBITDA *	14,037	16.9%	27,200	16.5%	51.6%	26,124	16.7%	+1,075
Actual operating profit (Operating income excluding impairment losses and other non-recurring expenses)	5,789	7.0%	11,600	7.0%	49.9%	10,794	6.9%	+805

* Adjusted EBITDA = operating profit + other operating expenses - other operating revenues (excluding sponsorship income) + depreciation and amortization + non-recurring expense items (such as advisory expenses related to share acquisitions, etc.)

[Breakdown by Category]

(Million yen)	FY2026 (Q2 Result)			FY2026 (Full-year Forecast)			Progress Rate (vs. Forecast)	
	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF
CR	29,648	3,441	11.6%	57,000	5,900	10.4%	52.0%	58.3%
SFP	15,344	1,209	7.9%	32,500	3,300	10.2%	47.2%	36.6%
Specialty Brand	25,713	3,200	12.4%	50,000	5,500	11.0%	51.4%	58.2%
Overseas	12,698	1,015	8.0%	27,000	3,100	11.5%	47.0%	32.7%
Adjustments, etc.*2	- 201	5,170	-	- 1,500	9,400	-	-	-
Total	83,204	14,037	16.9%	165,000	27,200	16.5%	50.4%	51.6%

◆ **Supplement for progress rate**

(1) Initiatives in SFP Category

→The menu was changed in August in response to the increase in raw materials for ISOMARU SUISAN.

→ Maximize revenues of Q4, the biggest demand season for the izakaya format

(2) Initiatives in Overseas category

→ Withdrawal of unprofitable stores, such as Beverly Hills stores in Il Fornaio

*1:Category CF = Operating profit (JGAAP) + depreciation and amortization + sponsorship income + non-recurring expense items

*2: In addition to depreciation expenses associated with the adoption of IFRS16 issue, head office expenses, etc. that are not allocated mainly to individual categories

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Now, I'd like to move on to the full-year forecast. Given the favorable performance of H1, the full-year forecast including the breakdown by category remains unchanged.

However, in terms of cash flow, I'd like to give you extra information about our current measures for SFP and Overseas categories, which experienced a decline in profit compared to the previous fiscal year.

First, in the SFP Category, we changed menu again in August as a response to rising raw material costs and are improving the profit structure toward December, which is the period of the biggest demand. In the Overseas Category, we will close down struggling Il Fornaio restaurants that are making loss such as the one in Beverly Hills in order to improve profitability.

2. Stock splits

✓ **A 2-for-1 stock split was implemented with an effective date of September 1, 2025** (record date of August 31 of the same year) **with the aim of lowering amount per unit and further expanding the investor base.** (Disclosed on July 14, 2025)

✓ **The Dividend forecast for FY 2026 is not substantially changed.**

- **Interim (pre-split basis) 4.50 yen** → Resolution on October 14, 2025
- **End of FY (post-split basis) 2.25 yen** → No substantial change considering impact of stock split

■ Forecast of Dividend per Share

	Half-year (End of Q2)	End of FY	Annual
Previous forecast for the FY ending Feb. 2026 (Announced on Apr. 14 2025)	4.50yen	4.50yen	9.00yen
Previous forecast for the FY ending Feb. 2026 (Announced on Jul. 14 2025)	**4.50yen**	**2.25yen**	--
〈Calculated before stock split〉	〈4.50yen〉	〈4.50yen〉	〈9.00yen〉
Results for the FY ending Feb. 2025	4.00yen	4.00yen	8.00yen
Results for the FY ending Feb. 2024	3.50yen	3.50yen	7.00yen

■ Schedule of Dividend Payment (planned)

Schedule	Content	(Note)
Sun., August 31, 2025	Interim dividend vesting date	Adoption of the standard before the stock split
Mid-Nov. 2025	Interim dividend payment (planned)	
Sat., February 28, 2026	Year-end dividend vesting date	Adoption of the standard after the stock split
Mid-May, 2026	Year-end dividend payment (planned)	

■ Dividend policy (no change)

We regard the return of profits to shareholders as an important management policy and have adopted a basic policy of paying stable dividends. We plan to pay dividends twice a year, an interim dividend and a year-end dividend.

→ In principle, the dividend amount is set at 14% or more of the "real/adjusted EBITDA dividend payout ratio"* and is determined after taking into account overall business performance, financial condition, future business development, and etc.

* Real / adjusted EBITDA dividend payout ratio (excluding the impact of IFRS No. 16)
= Total dividends/ (Adjusted EBITDA - lease liability repayments under IFRS No.16) x 100

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Next, I'd like to provide a supplementary explanation regarding the dividend forecast with respect to the 2-for-1 stock split implemented on September 1. Considering our basic principle of paying out stable dividends and taking into account our solid performance in H1, we have decided to pay an interim dividend of JPY4.5 per share as anticipated.

The year-end dividend forecast remains essentially unchanged from the initial forecast, but it is set at JPY2.25 to reflect the 2-for-1 stock split.

3. Expansion of shareholders benefits plan

✓ To increase and expand the amount of the shareholder benefit plan in line with the stock split on September 1, 2025 (disclosed on July 14, 2025)

- Shareholders listed or recorded in the shareholder register **as of the end of Feb. 2026** are eligible for the gift.
- Changes in the number of shares held from 8 to 11
- **No substantial change** in the continuous shareholders benefits plan

Schedule	Content	(Note)
Sat., February 28, 2026	Record date for period-end benefit rights	Adopted the benefits plan **after expansion** of the table below
Mid-May, 2026	Dispatch of year-end benefit coupons (planned)	

(Note) Shareholder coupons for the August 25 standard (scheduled to be shipped in mid-November) are presented based on "before expansion" in the following table (1) and "before change" in (2).

(1) Shareholder benefit plan after expansion (current)

Before expansion		After expansion (current) Increase	
Twice a year (end of February/end of August)		Twice a year (end of February/end of August)	
Number of shares held	Benefits (Meal coupon)	Number of shares held *1	Benefits (Meal coupon)
		Over 100 shares	1,500 yen
Over 100 shares	2,000 yen	Over 200 shares	3,000 yen
		Over 300 shares	4,000 yen
Over 200 shares	4,000 yen	Over 400 shares	5,000 yen
		Over 500 shares	6,000 yen
Over 400 shares	6,000 yen	Over 800 shares	8,000 yen
Over 600 shares	8,000 yen	Over 1,200 shares	10,000 yen
Over 1,000 shares	10,000 yen	Over 2,000 shares	14,000 yen
Over 3,000 shares	16,000 yen	Over 6,000 shares	20,000 yen
Over 6,000 shares	24,000 yen	Over 12,000 shares	24,000 yen
Over 9,000 shares	30,000 yen	Over 18,000 shares	30,000 yen

*1:The number of shares held after the stock split is shown. The same applies to the number of shares held continuously as shown in the table in (2).

(2) Continuous shareholder benefits plan after the change (current)

Before change		After change (current) *2	
Twice a year (end of February/end of August)		Twice a year (end of February/end of August)	
Number of shares held	Benefits (Meal coupon)	Number of shares held *1	Benefits (Meal coupon)
Over 400 shares	2,000 yen Additional coupon	Over 800 shares	2,000 yen Additional coupon
Over 3,000 shares	4,000 yen Additional coupon	Over 6,000 shares	4,000 yen Additional coupon
Over 6,000 shares	6,000 yen Additional coupon	Over 12,000 shares	6,000 yen Additional coupon
Over 9,000 shares	8,000 yen Additional coupon	Over 18,000 shares	8,000 yen Additional coupon

*2:Shareholders whose holding of 800 shares or more after the stock split is listed or recorded at least three consecutive times with the same shareholder number on the shareholder register record date (the last day of February and August). If there is a change in the number of shares held during the period subject to continuous holding, the number of shares held shall be the lowest of the last three record dates for the number of shares held continuously

(Supplementary) Determination of the number of continuous holdings following a stock split

The number of shares held as of the record date prior to the end of Feb. 2026 is retroactively adjusted to reflect the stock split.

[Example] Evaluation of the number of shares as of the end of FY 2026
(400 shares before the split → 800 shares after the split)

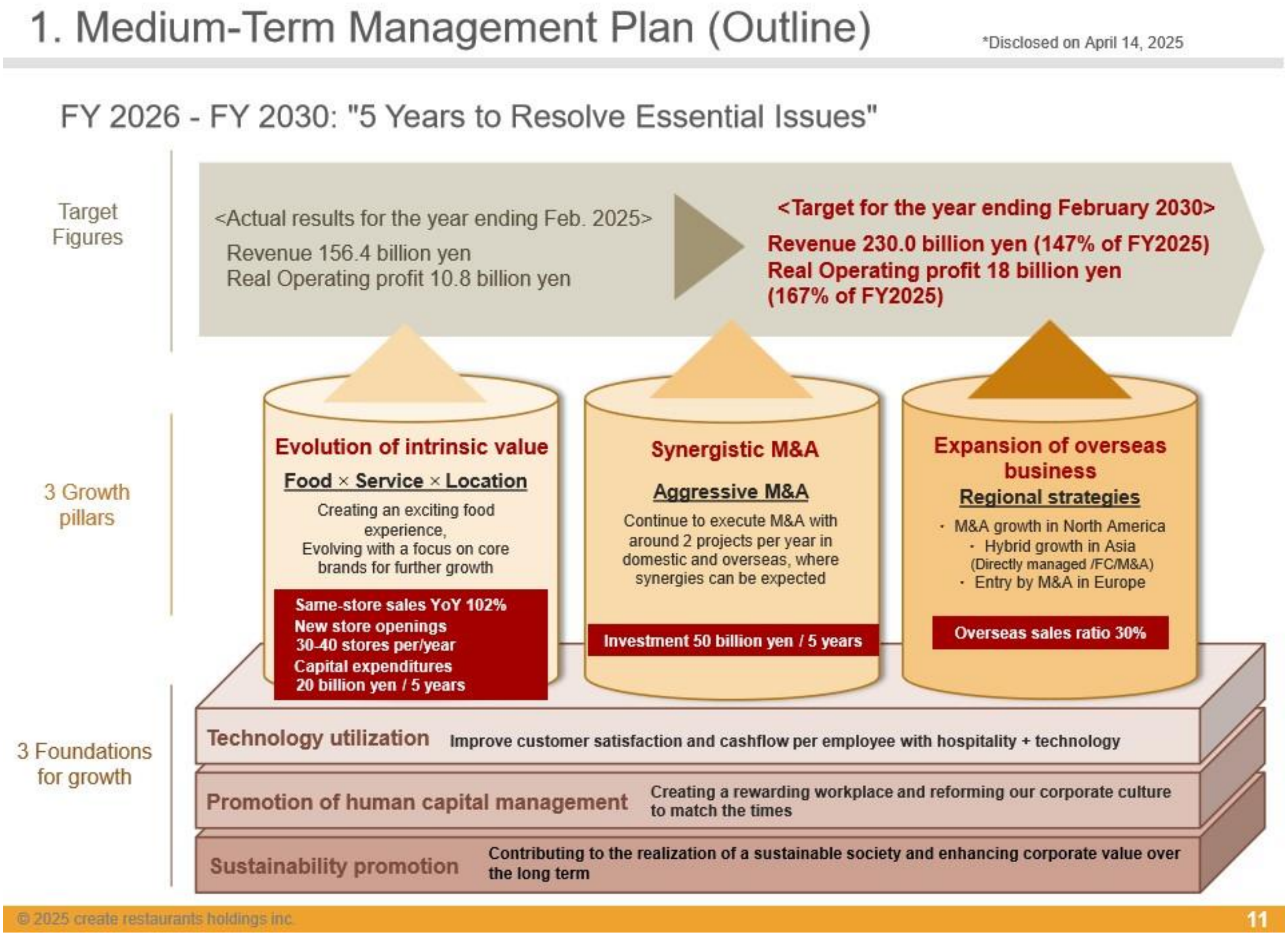
	Before split		After split
Record Date	End of FY 2025	End of August, 2025	End of FY 2026
Number of Shares held	400 Shares	400 Shares	800 Shares
Retroactive adjustment	Regard as 800 shares	Regard as 800 shares	
Number of judgements held continuously (Same shareholder number)	❶	❷	③ (for continuation)

Next, I am going to provide extra information about shareholder benefits that will be enhanced and increased upon the split of shares. We have increased the number of classifications indicating stock ownership level for shareholder benefits from 8 to 11, and we decided to increase the amount of benefits in most categories. The reference date for this increase and expansion is to be from the end of February next year.

There is no change in the continuous shareholder benefit plan, but there is a part that is not easy to understand regarding the way we determine the number of times shareholders are deemed to be in continuous possession of shares. Therefore, we included an example at the lower right corner of the material.

For example, if you held 400 shares before the stock split and continued to hold 800 shares after the 2-for-1 split, you will be deemed to have continuously held 800 shares since before the split and therefore receive shareholder benefit coupons based on 800 shares at the end of February next year.

This is all from me.



Kawai: Next, I will report on the progress of the medium-term management plan. The management period of the medium-term management plan from the fiscal year ending February 2026 to the fiscal year ending February 2030 is positioned as the five-year period for solving essential issues, and we aim at the revenue of JPY230 billion and real operating profit of JPY18 billion in the final fiscal year of the plan, which is the fiscal year ending February 2030.

I'm now going to report on the 3 Growth pillars to achieve our goals and the progress of initiatives in the 3 Foundations for growth.

Please see the left side of the slide for our initiatives to make evolve our intrinsic value. We worked on these five initiatives in regard to enhancing existing brands and opening restaurants in new business categories.

The first item is proactive renovation of existing brands. With the aim of providing a comfortable environment for customers, 10 restaurants were renovated. Some brands also work on updating to new design and enhance functional aspects in response to changing customer use scenarios.

The second is the challenge to develop business formats under a new scheme In July this year, we revived and reopened a long-established sweet shop KINOZEN Kagurazaka founded 160 years ago at the original place of establishment in Kagurazaka. Also in August, we opened our first “mugi bagel”bakely in Meguro. Both stores had a very promising start.

The third is the establishment of FastWorks inc., which works on the design, construction management of restaurants. We aim to improve profitability by bringing design and construction in-house, controlling costs, and realizing more speedy openings of new restaurants, change of business categories and renovation.

The fourth is the launch of the committee for the pursuit of oishii. This committee brings together the culinary managers of each brand so that they can share know-how across food genres and brands. We will continue to develop this initiative to enhance the fundamental value we provide to our customers.

The fifth is direct contracts with agricultural producers for the purpose of stable supply of rice. By signing contracts directly with producers, we will aim to stabilize quantity, quality, and costs, as well as to establish a supply chain that supports sustainable agriculture. We started this from the Kanto region this fiscal year and are considering expanding to other production areas in the future.

Now, we will take a look at three initiatives for evolving locations. Please take a look at the right side of the slide.

The first is regonal store openings in intra-group FC. create restaurants inc., which operates restaurants nationwide, and other operating companies based in regional areas are taking the initiative to open restaurants of brands owned by other operating companies in new business areas. This has expanded each brand's capacity for opening new restaurants and has led to the provision of new value to local customers.

The second is the promote contract business. During the current half-year term, we were entrusted with 10 restaurants, mainly in suburbs and regional cities. As we plan to be entrusted another 12 restaurants in H2 of the current fiscal year, the total number of restaurants to be entrusted for the full fiscal year will be 22. We will continue to aim to expand its scale as efficient business that does not have any initial investment.

The third is ROKERIKU, a referral system for potential properties that can be used to open restaurants. This is an initiative in which the Group employees nationwide provide information on vacant properties they casually see in towns they know well. The restaurant development department receives the information and connects it to opportunities for restaurant openings. We also provide incentives for useful information. Even though we just started the initiative, we have received a lot of information, and we hope that it will strengthen openings, especially of street-side restaurants.

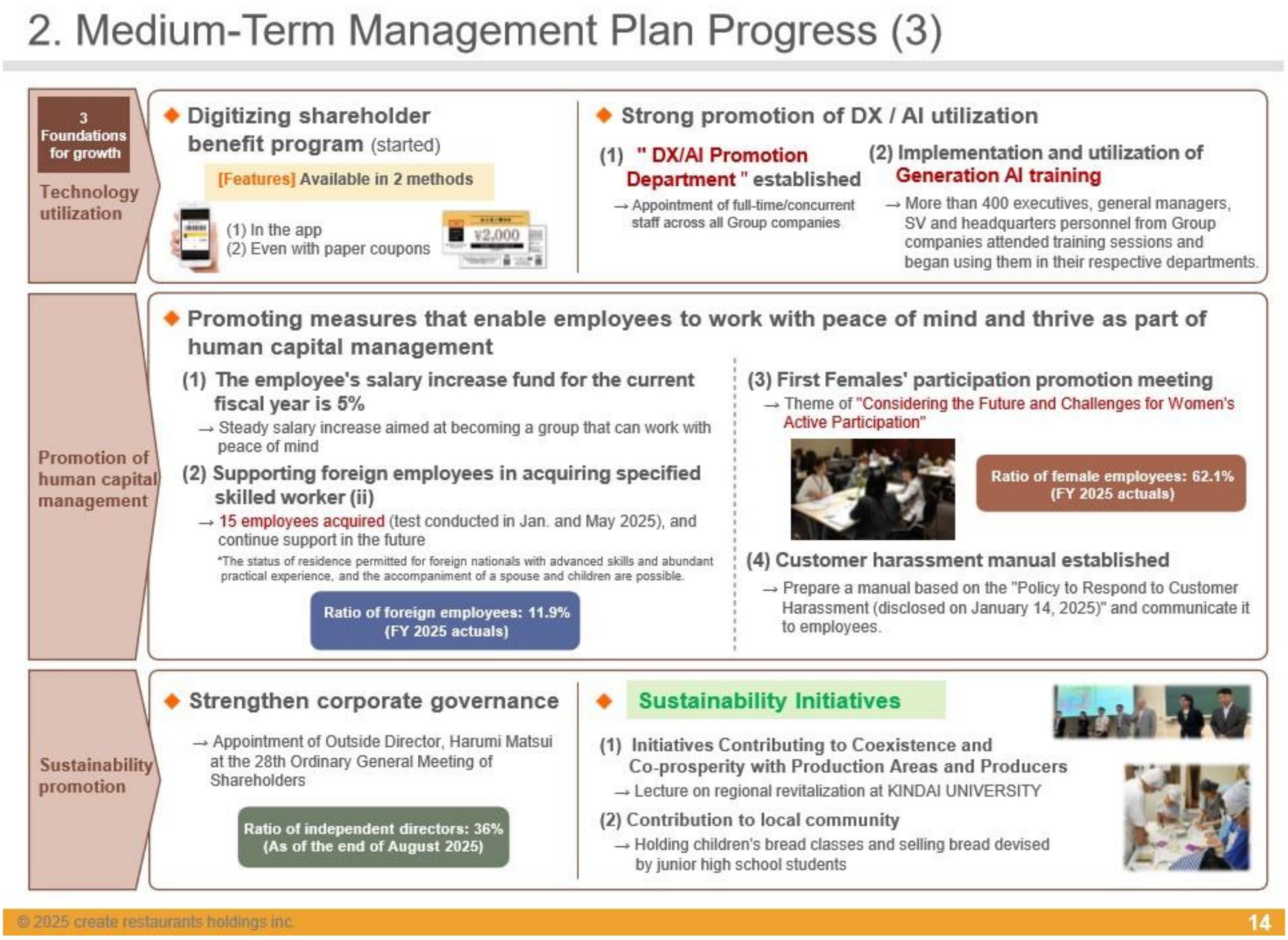
Next, I'd like to talk about efforts to realize synergetic M&A, which is another growth pillar. As it was already announced, a famous tsukemen restaurant Noroshi from Saitama joined the Group in May.

Since the ramen business is expected to grow in the future, we have decided to unify Noroshi with Tsukemen TETSU and Ebisoba Ichigen, which joined the Group in the previous fiscal year, to re-launch it as Create Noodles inc.

While preserving the uniqueness of each brand, we will aim to consolidate knowledge, pursue the growth of business and human resource as well as operational efficiency, and make it serve as a platform for new M&A.

The next growth pillar is to expand overseas business. In the North American business where we are focusing our efforts, the completion of PMI of Wildflower, which joined our group in H2 of the previous fiscal year, is somewhat in sight under the new management structure. As the next phase of business growth, we are going to consider opening new restaurants.

In addition, in order to create synergy between Il Fornaio and Wildflower, they started to share business management methods, know-how such as cooking techniques, and purchasing information.



Next are initiatives in 3 Foundations for growth. First is the technology utilization. We have digitized shareholder benefits from those sent in May this year, and many shareholders have already used it.

We have received feedback that it is more convenient because the coupons are available both on the app and on paper, and you can manage the balance in increments of JPY1. We will continue to strive to make the system better based on your feedback as shareholders.

In addition, we established the DX/AI promotion department comprised of people gathered from the entire group to lead a campaign for utilizing technologies. As a start, we had a training session on generative AI for approximately 400 people in the Group. We are convinced that the use of AI will be an important key to future business growth, and we will vigorously promote the use of DX and AI.

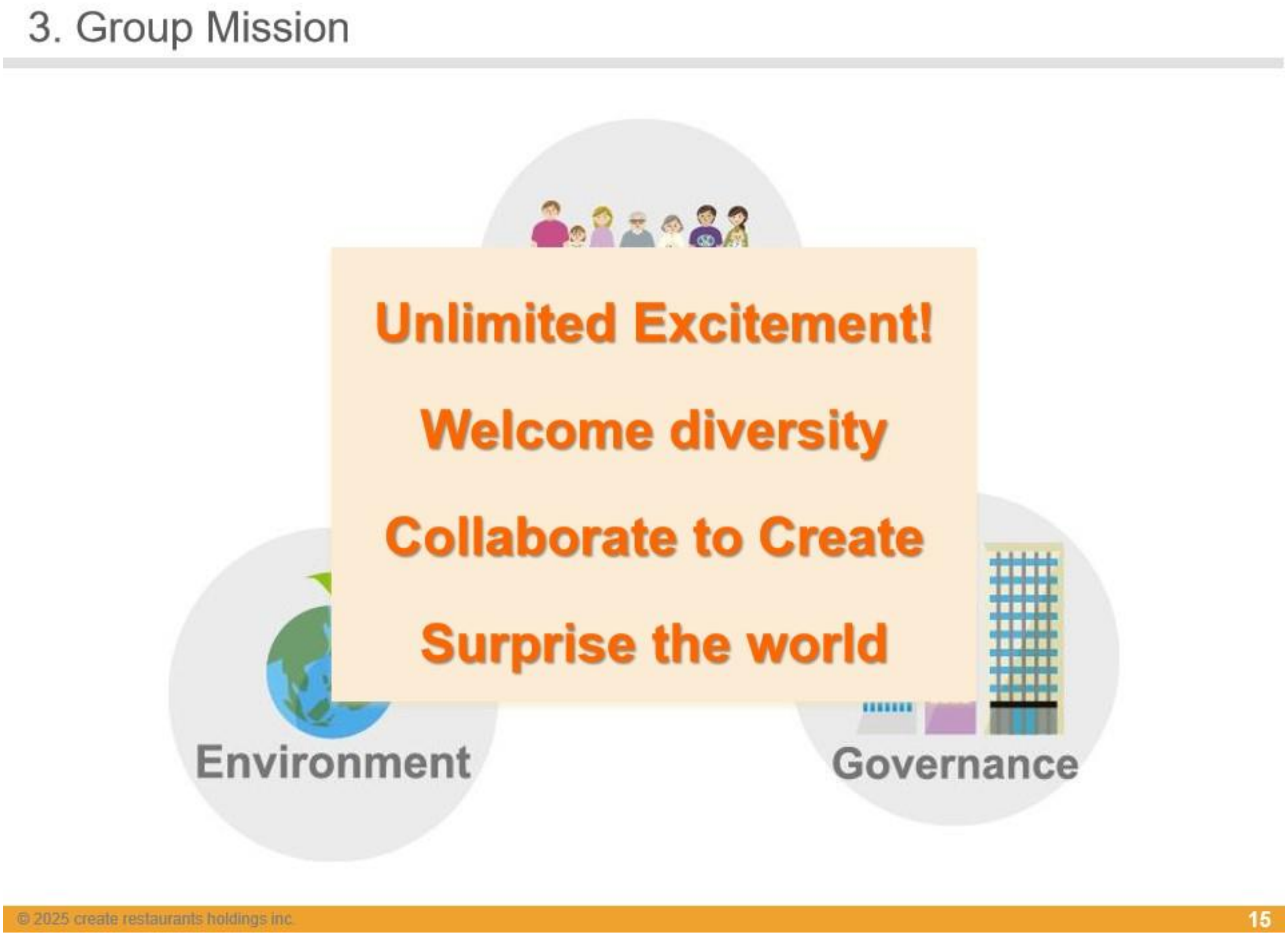
The second foundation is the promotion of human capital management. We strongly believe that human resources are indispensable for the sustainable enhancement of the Group's corporate value and that human resources are our greatest asset.

To create an environment where employees can work with peace of mind and play an active role, we implemented a variety of measures, including continuous improvement of employee treatment and promotion of foreign and women employees. We will continue to make steady efforts to bring about a rewarding workplace.

Finally, the third foundation is the sustainability promotion. To further strengthen corporate governance, we obtained approval to add one Outside Director at the Ordinary General Meeting of Shareholders held in May.

As for sustainability efforts, we wanted to introduce among various efforts two initiatives contributing to the coexistence and co-prosperity with producers and producing areas, as well as three cases of contribution to the local communities.

Please see pages 19 and 20 of the appendix for details.



Through the initiatives I mentioned just now and further efforts in the future, we will achieve our medium-term management plan and fulfill our group mission, which reads "Unlimited Excitement! Welcome diversity. Collaborate to Create. Surprise the world."

This concludes Q2 Financial Results Briefing for the Fiscal Year Ending February 2026.

Thank you for your kind attention.

[END]

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Document Notes

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
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