create restaurants

Financial Results Briefing for the Fiscal Year Ended February 2026

April 15, 2026

Event Summary

[Company Name]	create restaurants
[Company ID]	3387-QCODE
[Event Language]	JPN
[Event Type]	Earnings Announcement
[Event Name]	Financial Results Briefing for the Fiscal Year Ended February 2026
[Fiscal Period]	FY2026 Annual
[Date]	April 15, 2026
[Number of Pages]	23
[Time]	13:00 – 13:29 (Total: 29 minutes, Presentation: 29 minutes)
[Venue]	Webcast
[Venue Size]	
[Participants]	
[Number of Speakers]	2 Jun Kawai — President Genta Ohuchi — Director, CFO

*Analysts that SCRIPTS Asia was able to identify from the audio who spoke during Q&A or whose questions were read by moderator/company representatives.

Presentation

Kawai: My name is Kawai, President of create restaurants holdings inc. Thank you all for taking time out of your busy schedules to participate in today's online financial results briefing.

First, let me explain the current business environment surrounding the food service industry. In the previous period, amidst unstable real wages due to inflation, there was a tightening of spending choices in the household sector. While cutting down on eating out where people find it difficult to find value, budgets are allocated for consumption with clear objectives. Consumption with clear difference in spending depending on items supported overall consumer spending.

Specifically, in the izakaya category, customers are becoming increasingly selective toward low-priced establishments, while in the family dining format, consumption remained steady with an emphasis on the experiential value of weekend family gatherings. Although the number of Chinese visitors to Japan declined in some visitor destinations such as the Kansai region due to geopolitical risks, visitors from other countries such as Europe, USA, and Southeast Asia made up for the decline, and overall inbound demand remained strong.

In the future, it can be expected that the price difference of eating out from home-meal replacement and home-cooked meals will be greater due to revision of the consumption tax or other factors. However, in this environment, we expect that the added value of restaurants, which goes beyond mere convenience as a substitute for home-cooked meals, such as the dining experience that only restaurants can offer and greatness for postings on social media, will become more important than ever in order for customers to choose our restaurants.

At the same time, the cost environment surrounding the food service industry is undergoing unprecedented structural changes, including soaring raw material prices and rising labor costs due to a severe labor shortage. In order to break through these structural changes and achieve sustainable growth, we decided yesterday to merge with SFP Holdings, which is our consolidated subsidiary, to resolve the parent subsidiary dual listing. By fully integrating management resources dispersed throughout the Group and accelerating DX and AI promotion and decision-making, we will decisively implement aggressive structural reforms to turn these changes into opportunities for growth.

Contents

(NOTE) Group operating companies included in each category in this material

CR category	: create restaurants inc. (CR) , Create Dining inc. (CD)
SFP category	: SFP Holdings Co., Ltd. (SFPHD), SFP Dining Co., Ltd. (SFPD), Joh Smile Corporation (JS), CLOOC DINING Co., Ltd. (CL)
Specialty Brand category	: Gourmet Brands Company inc. (GBC), KR FOOD SERVICE CORPORATION (KR), YUZURU Inc. (YZ), Icchou Inc. (IC), SAINT-GERMAIN Co., LTD. (SG), L'air bon inc. (LB), Create Noodles inc. (CN)*, Teconoa Bagel inc.(TB) *YUNARI Co., Ltd., Ichigen Food Company Co., Ltd., and Noroshi Co., Ltd. merged on Dec. 1, 2025 and changed the trade name to CN.
Overseas category	: CREATE RESTAURANTS ASIA PTE.,LTD(CRA). Create restaurants hong kong Ltd. (CRHK), Il Fornaio (America) LLC(IF)、Create Restaurants DE LLC(WF)

 2

Today, in addition to the financial highlights of the previous fiscal year, we would like to report on the aims of this merger and the new growth scenario in the following order.

After Mr. Ohuchi, CFO and Director of the Company, reports on the financial highlights for the fiscal year ended February 2026, business forecast for the fiscal year ending February 2027, and the shareholder returns, I will then report on the merger with SFP Holdings, the initiatives for the current fiscal year ending February 2027, and the progress of the medium-term management plan.

Now, Director Ohuchi, please.

1. Financial Results Overview [IFRS]

Increasing sales but decreasing profits both compared to YoY and forecast

Revenue: 165.4 billion yen (+9.1 billion yen YoY, 100.3% of forecast), all-time high
Operating profit 7.9 billion yen (-0.6 billion yen compared to the previous fiscal year, achievement rate to forecast 82.8%)
Profit attributable to owners of parent 4.7 billion yen (-0.9 billion yen YoY, achievement rate to forecast 80.6%)
Adjusted EBITDA 26.3 billion yen (+0.7 billion yen YoY, achievement rate to forecast 96.6%)

✔ **Revenue**

[YoY] Bakery and noodle brands both of which are "daily" and "standard" formats, and community-based brands by Icchou Inc., continued to perform well for the full fiscal year.Sales increased by 9.1 billion yen compared to the previous fiscal year driven by the consolidated contribution of two M&A acquisitions in the last half of the previous fiscal year.

[Compared to Forecast] Consolidation generally in line with forecast (100.3%), despite strength and weakness among categories

✔ **Income (Operating Profit)**

[YoY] Steady progress in CR category and Specialty Brand category, but profits in SFP category were unable to compensate for the decline as a whole. Consolidated income fell (-0.6 billion yen).

[Compared to Forecast] Significant decline of profits both in SFP and Overseas categories, with -1.7 billion yen compared to forecast

	FY2025 (total)		FY2026 Q1(Mar-May)		FY2026 Q2(Jun-Aug)		FY2026 Q3(Sep-Nov)		FY2026 Q4(Dec-Feb)		FY2026 (total)		Change	FY2026	Achievement rate
(Million yen)	Results	Ratio to revenue	Results	Ratio to revenue	Results	Ratio to revenue	Results	Ratio to revenue	Results	Ratio to revenue	Results	Ratio to revenue		Full-year forecasts	
Revenue	156,354		41,814		41,389		40,364		41,881		165,449		+9,095	165,000	100.3%
Operating profit	8,504	5.4%	3,048	7.3%	1,892	4.6%	1,668	4.1%	1,335	3.2%	7,944	4.8%	- 559	9,600	82.8%
Profit before taxes	7,659	4.9%	2,992	7.2%	2,139	5.2%	1,595	4.0%	1,133	2.7%	7,861	4.8%	+201	8,800	89.3%
Profit for the period	6,228	4.0%	2,263	5.4%	1,210	2.9%	1,193	3.0%	549	1.3%	5,218	3.2%	- 1,010	6,500	80.3%
Profit attributable to owners of parent	5,590	3.6%	2,088	5.0%	1,107	2.7%	1,115	2.8%	366	0.9%	4,677	2.8%	- 913	5,800	80.6%
Adjusted EBITDA *1	26,124	16.7%	7,420	17.7%	6,616	16.0%	6,189	15.3%	6,045	14.4%	26,271	15.9%	+146	27,200	96.6%
Actual operating profit *2	10,794	6.9%	3,439	8.2%	2,349	5.7%	2,219	5.5%	1,278	3.1%	9,287	5.6%	- 1,507	11,600	80.1%

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

*2: Real Operating profit = Operating profit-Impairment loss-one-time gain on reversal of impairment loss, etc.

 4

Ohuchi: Please look at the financial results overview on page four. As a financial results overview of the previous fiscal year, sales increased but profit decreased in comparison with both YoY and the forecast. Revenue was up JPY9.1 billion YoY and landed at JPY165.4 billion, 100.3% of the forecast.

For factors of the YoY increase in sales, the bakery and noodle brands, both of which are "daily" and "standard" formats, and community-based brands by Icchou, continued to perform well, in addition to the full-year contributions of Wildflower and Ebisoba Ichigen, which were added to the group in H2.

Operating profit recorded JPY600 million-minus YoY as the overall decrease in profit in the SFP category could not be offset as a whole. For comparison with the forecast as well, operating profit fell short of the previous year's forecast by JPY1.7 billion to JPY7.9 billion due to a significant decline of profits both in the SFP and Overseas categories.

Continuing on, please look at page five. Although revenue increased and profits decreased in the previous fiscal year, we steadily implemented measures contributing to the three growth pillars of the medium-term management plan.

Regarding the first pillar, the evolution of intrinsic value, we refined existing brands by renovating 16 stores to increase customer traffic, and we also planted the seeds for next core brand candidates by developing 10 new formats. Furthermore, in terms of location as well, we expanded our location portfolio by opening 19 new street-level stores and eight stores in rural areas and entered into contracts for 23 new stores.

As for synergistic M&As, the second pillar in our medium-term management plan, we have strengthened synergy in our noodle business, which is performing well. We merged three companies in the ramen business to form Create Noodles, in addition to adding the famous Saitama-based tsukemen brand, Noroshi, to our group. Furthermore, with the additions of Tecona Begel, a famous bagel shop in Tokyo, and Grill RON, a long-established western-style restaurant in Osaka, our portfolio has been enhanced.

Finally, with regard to the third pillar, the expansion of overseas business, we have welcomed a new CEO from outside the Company to Il Fornaio, which is struggling in North America to restructure the business, while Wildflower, which is performing well, is preparing to open a new store and will promote its growth strategy.

3. 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:
(to full year forecast) **Revenue ↑ CF ↑**

Maintained strong sales for the full fiscal year, mainly at stores in urban commercial facilities, and achieved targets both in sales and CF by offsetting the decline in sales at stores affected by natural disaster and unseasonable weather

✓ SFP category:
(to full year forecast) **Revenue ↓ CF ↓**

Sales fell short of target due to a decrease in number of customers at existing stores at ISOMARU SUISAN and the cost of sales ratio rose for the full fiscal year. As a result, CF were significantly below forecast.

✓ Specialty Brand category:
(to full year forecast) **Revenue ↑ CF ↑**

Bakery and noodle brands both of which are "daily" and "standard" formats, and Icchou Inc., continued to perform and contribute well for the full fiscal year.

✓ Overseas category:
(to full year forecast) **Revenue ↓ CF ↓**

Il Fornaio in high unit prices struggled for the full fiscal year due to inflationary fatigue in North America, and 4Q worsened. Sales and CF fell short of forecasts. Even the strong performance of Wildflower wasn't enough to make up for it.

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

Category	Q1 (Mar.-May)	Q2 (Jun.-Aug.)	Q3 (Sep.-Nov.)	Dec.	Jan.	Feb.	Q4 (Dec.-Feb.)	Full-year
CR	104.6%	104.2%	103.4%	102.9%	102.5%	100.1%	102.1%	103.6%
SFP	99.5%	100.0%	98.1%	100.5%	99.0%	96.0%	98.7%	99.2%
Specialty Brand	105.4%	104.3%	101.0%	99.9%	101.0%	98.5%	99.9%	102.7%
Overseas	97.7%	97.0%	97.0%	95.1%	98.3%	100.1%	97.9%	99.5%
(Local currency)	(102.1%)	(101.6%)	(99.4%)	(97.1%)	(100.0%)	(101.5%)	(99.2%)	(100.8%)
Consolidated	102.7%	102.3%	100.6%	100.0%	100.7%	98.8%	100.0%	101.8%

(Million yen)

Category	FY2025(total)			FY2026(Q1)			FY2026(Q2)			FY2026(Q3)			FY2026(Q4)			FY2026(total)			Difference from FY2025			Variance from forecast	
	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	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1
CR	53,973	5,850	10.8%	14,648	1,709	11.7%	14,999	1,731	11.5%	14,627	1,313	9.0%	14,189	1,280	9.0%	58,466	6,035	10.3%	+4,492	+185	-0.5%	+1,466	+135
SFP	30,256	3,026	10.0%	7,751	765	9.9%	7,593	444	5.9%	7,405	358	4.8%	8,369	886	10.6%	31,119	2,454	7.9%	+863	- 571	-2.1%	- 1,381	- 846
Specialty Brand	48,908	5,458	11.2%	12,828	1,663	13.0%	12,885	1,537	11.9%	11,971	1,027	8.6%	12,529	1,412	11.3%	50,214	5,641	11.2%	+1,306	+182	+0.1%	+214	+141
Overseas	23,262	2,212	9.5%	6,643	691	10.4%	6,055	324	5.4%	6,458	717	11.1%	6,882	648	9.4%	26,039	2,380	9.1%	+2,777	+168	-0.4%	- 961	- 720
Adjustments, etc.*2	- 45	9,577	-	- 57	2,591	-	- 143	2,578	-	- 99	2,772	-	- 89	1,817	-	- 390	9,759	-	- 344	+182	-	+1,110	+359
Total	156,354	26,124	16.7%	41,814	7,420	17.7%	41,389	6,616	16.0%	40,364	6,189	15.3%	41,881	6,045	14.4%	165,449	26,271	15.9%	+9,095	+146	-0.8%	+449	- 929

(Note) Taking into account the intra-group restructuring (KR's contract business is absorbed by CR) on Sep. 1, 2024, the figures for the previous fiscal year reflect the ones 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.

Next, please look at page six. The page shows revenue by category as well as a cash flow overview. In addition, the above right-hand side of the page shows the same-store sales YoY by category.

The CR and Specialty Brand categories performed well in terms of both revenue and cash flow, while the SFP and Overseas categories struggled, resulting in a clear divide between the categories.

For cash flow margin by category as well, as shown in the table at the bottom of the page, the CR and Specialty Brand categories exceed 10%. On the other hand, the SFP and Overseas categories fell below 10%.

4. Condensed balance sheet

- ✔ Total assets increased to 140 billion yen due to business expansion through the opening of new stores and the start of consolidation of 2 companies through M&A
- ✔ Equity ratio (31.3%) and Adjusted equity ratio (46.2%) steadily improved due to the accumulation of net income

(Million yen)

	FY2025	FY2026	Change	Note
Current assets	30,625	27,340	- 3,285	
[Cash and deposits]	21,474	17,497	- 3,977	Repayment of Loans
Non-current assets	106,543	112,329	+5,786	Acquisition of equipment for new stores and commencement of consolidation of two M&A companies
[Goodwill]	26,544	25,755	- 789	
Total assets	137,168	139,669	+2,501	
Current liabilities	44,793	36,131	- 8,662	Repayment of Loans
Non-current liabilities	48,386	55,650	+7,264	Refinancing of borrowings and increase in lease liabilities
[Bonds and borrowings (total)]	26,216	21,045	- 5,177	Repayment of Loans
Total liabilities	93,179	91,781	- 1,398	
Total equity	43,989	47,888	+3,899	
[Ownership of parent]	40,167	43,769	+3,602	
Total liabilities and equity	137,168	139,669	+2,501	
equity ratio (equity attributable to owners of parent ratio)	29.3%	31.3%	+2.0%	
Net D/E ratio	1.15x	1.09x	- 0.06x	

<Reference> Figures excluding the impact of IFRS No.16

	FY2025	FY2026	Change	Note
Total assets (Excluding the impact of IFRS No. 16)	98,497	98,084	- 413	
Total liabilities (Excluding the Impact of IFRS No. 16)	52,365	48,424	- 3,941	
[Ownership of parent] (Excluding the impact of IFRS No. 16)	42,252	45,324	+3,072	
Adjusted equity ratio *1	42.9%	46.2%	+3.3%	
Adjusted net D/E ratio *2	0.16x	0.12x	- 0.04x	

*1: Adjusted equity ratio: Equity ratio (Ratio of equity attributable to owners of parent) excluding the impact of IFRS No. 16
*2: Adjusted net D/E ratio: Net D/E ratio excluding the impact of IFRS No.16

 7

Next, please look at page seven. Here is a condensed balance sheet.

Total assets increased to JPY140 billion due to increased capital expenditures for new store openings, etc. and the start of consolidation of Noroshi and Tecona Begel through an M&A. Moreover, the accumulation of net income also helped raise the equity ratio to 31.3% and the adjusted equity ratio to 46.2%.

5. Implementation of the cost-conscious management in cost of capital and stock price

✔ **ROIC spreads widened positively (15.8%) due to a decline in pre-tax WACC (8.5 %), and our corporate value improved**
→ Pre-tax WACC increased due to the high volatility of the COVID, but stabilized and declined as the pandemic subsides.

✔ **Due to ROE of over 10%, PBR also remained at around 7 times (still maintaining a high level).**
→ Achieving high capital efficiency through investment based on strict criteria and agile measures to address underperforming stores.

	FY2024	FY2025	FY2026
ROE	15.4%	14.7%	11.1%
Cost of shareholder's equity(After tax) *1	7.9%	9.2%	6.2%
Adjusted ROIC *2	24.5%	24.7%	24.3%
Pre-tax WACC *3	11.6%	12.4%	8.5%
ROIC Spread *4	12.9%	12.3%	15.8%
PBR	6.13x	6.53x	7.09x

*1:Calculated using CAPM (capital assets pricing model) with reference to listed companies similar to the stockholders' equity cost (after tax)
*2:Adjusted ROIC = Adjusted EBITDA ÷ Averages of equity and interest-bearing debt at the beginning and end of the fiscal year
*3: Pre-tax WACC = (Shareholder equity cost/(1-effective tax rate)) × Shareholder equity ratio + (Cost of debt × Debt ratio)
*4: ROIC spread = Adjusted ROIC-Pre-tax WACC

Continue to strike a balance between "maintaining and improving equity profitability of business" and "shareholder return" and aim to increase corporate value

 8

Next, please look at page eight. This page provides information on the implementation of cost-conscious management in the cost of capital and the stock price.

As shown in the table, pre-tax WACC declined YoY to 8.5% while adjusted ROIC was 24.3%. As a result, the ROIC spread widened to 15.8% and our corporate value improved.

The recent ROE is 11.1% and exceeds steadily above the cost of shareholder's equity of 6.2%, and the P/B ratio is above 7 times. There are two main factors behind these improvements in capital efficiency: first, strict investment based on strict criteria, and second, closing or converting underperforming stores to new formats in an agile manner.

6. Condensed Statements of Cash Flows

✔ **Operating cash flow:**
Decreased by 3.0 billion yen YoY to an inflow of 23.0 billion yen, primarily due to an increase in corporate income tax payments.

✔ **Cash outflow from investing activities:**
Expenditures decreased by 3.4 billion yen YoY to an outflow of 5.8 billion yen, as M&A investment amounts were lower than FY 2025.

✔ **Cash outflow from financing activities:**
Expenditures increased by 4.7 billion yen YoY to an outflow of 21.3 billion yen, driven by the progress in debt repayments.

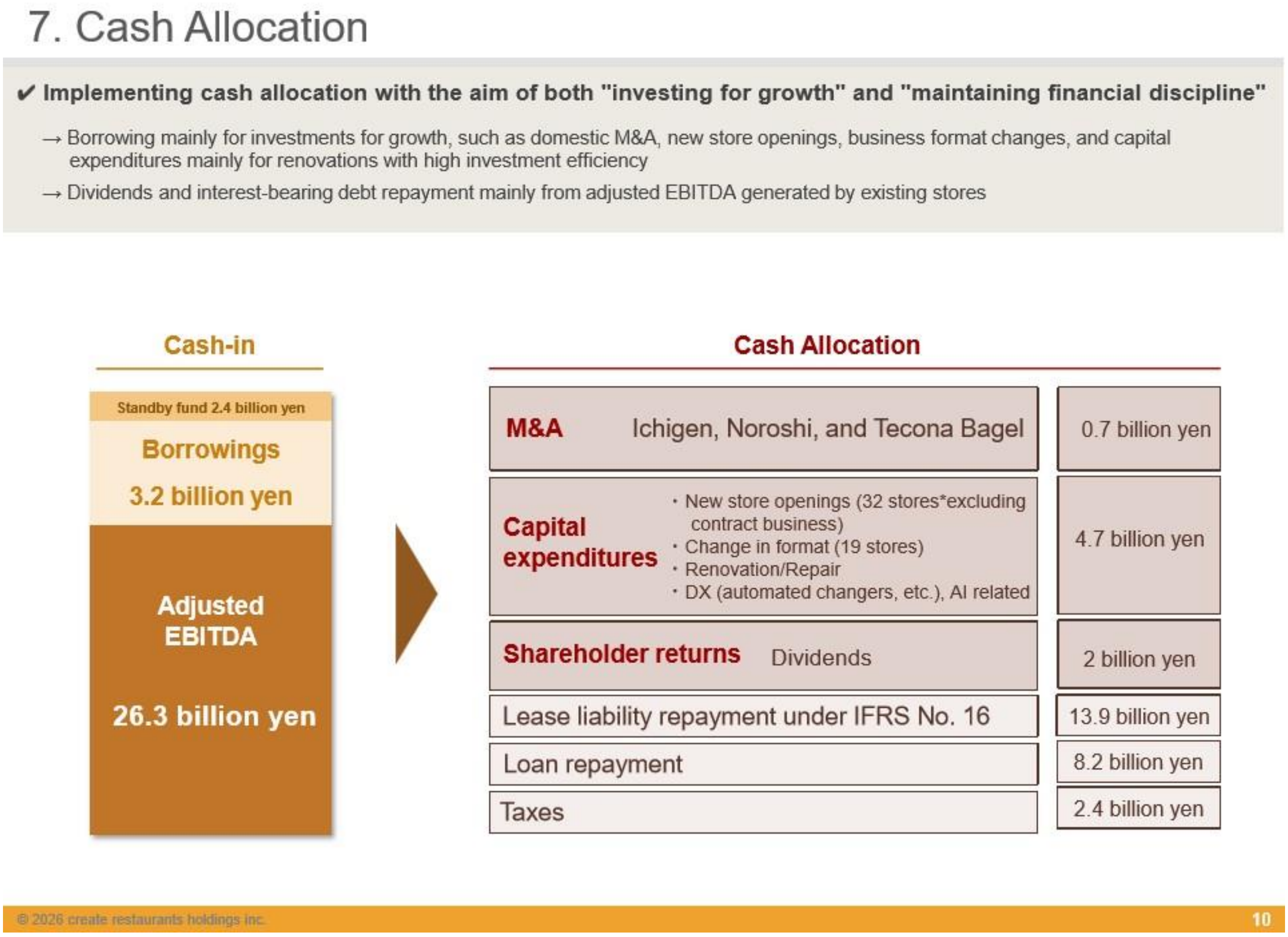
(Million yen)

	FY2025	FY2026	Change
Cash flows from operating activities	25,991	23,002	-2,989
Profit (loss) before income taxes	7,659	7,861	+202
Depreciation	15,487	16,434	+947
Impairment loss/reversal	1,763	1,342	-421
Change in corporate income tax payments/refunds	-114	-2,352	-2,238
Other changes	1,196	-283	-1,479
Cash flows from investing activities	-9,199	-5,822	+3,377
Purchase of property, plant and equipment	-3,410	-4,690	-1,280
M&A Investment	-5,234	-508	+4,726
Others	-555	-624	-69
Cash flows from financing activities	-16,657	-21,340	-4,683
Changes in long-and-short-term borrowings	-1,369	-5,210	-3,841
Repayments of lease obligations	-13,478	-13,889	-411
Amount of dividends paid (including non-controlling interests)	-1,808	-2,039	-231
Others	-2	-202	△200
Net increase (decrease) in cash and cash equivalents	168	-3,976	-4,144
Cash and cash equivalents at end of period	21,474	17,497	-3,977

 9

Next, please look at page nine. It shows a condensed statement of cash flow.

Operating cash flow decreased by JPY3 billion YoY to an inflow of JPY23 billion, primarily due to an increase in corporate income tax payments. For cash outflow from investing activities, expenditures decreased by JPY3.4 billion YoY to an outflow of JPY5.8 billion, partly due to the impact from lower M&A investment amounts. With regard to cash outflow from financing activities, expenditures increased by JPY4.7 billion YoY to an outflow of JPY21.3 billion, driven by the progress in debt repayments. As a result, cash and cash equivalents decreased by JPY4 billion YoY to JPY17.5 billion.



Next, please look at page 10. The page shows cash allocation.

We implemented cash allocation with the aim of both investing for growth and maintaining financial discipline. Specifically, investments for growth, such as domestic M&As, new store openings, business format changes, and capital expenditures mainly for renovations with high investment efficiency are financed mainly through borrowing to use leverage. On the other hand, dividends and interest-bearing debt repayments are covered mainly from adjusted EBITDA generated by existing stores.

1. Summary of FY 2027 Business Forecasts

✔ **Forecast increase in sales and profits YoY** (Revenue +5.6 billion yen, and Operating profit +1.1 billion yen)
→ Record highs for both Revenue and Operating profit

Business Environment	[Demand Side] Selective consumption driven by inflation has become the norm. While there are differences by country and region, inbound demand remains generally robust. [Supply side] The labor shortage is expected to continue, and food and energy costs are expected to remain at high levels (there is a possibility of further increase due to heightened geopolitical risk, etc.)
Assumptions	[Revenue] Assumed 103.0% YoY in the sales of existing stores (for the full year) through efforts to increase the number of customers and continuing to optimize prices [Capital Expenditures] 34 new store openings (planned), new store format development and business format changes, actively investing in renovations and technology that increasing customer traffic [Cost of sales ratio] Expected to remain unchanged from the previous fiscal year by absorbing upward pressure on unit prices through rationalization of prices and streamlining of logistics, etc. [Human Capital Initiatives] Continue 5.0% increase in the total amount of the employee salary increase fund (for 3 consecutive years), DX・AI utilization, promotion of diverse activities such as seniors and foreign talent

(Million yen)	FY2026 Result	FY2026 Ratio to revenue	FY2027 (Full-year forecasts) Forecast	FY2027 Ratio to revenue	Change	Pct. Change
Revenue	165,449		171,000		+5,550	103.4%
Operating profit	7,944	4.8%	9,000	5.3%	+1,055	113.3%
Profit before taxes	7,861	4.8%	8,000	4.7%	+138	101.8%
Profit for the year	5,218	3.2%	6,000	3.5%	+781	115.0%
Profit attributable to owners of parent	4,677	2.8%	5,700	3.3%	+1,022	121.9%
Adjusted EBITDA *1	26,271	15.9%	27,100	15.8%	+828	103.2%
Actual operating profit *2	9,287	5.6%	11,000	6.4%	+1,712	118.4%

*1: Adjusted EBITDA = Operating profit + other operating expenses-other operating revenues (excluding sponsorship income) + depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisitions, etc.)
*2: Real Operating profit = Operating profit-Impairment loss-one-time gain on reversal of impairment loss, etc.

Next is business forecast for the current fiscal year. Please look at page 12.

Revenue is projected to increase to JPY171 billion and operating profit to JPY9 billion. Increase in both sales and profits and achieving record highs in both are projected.

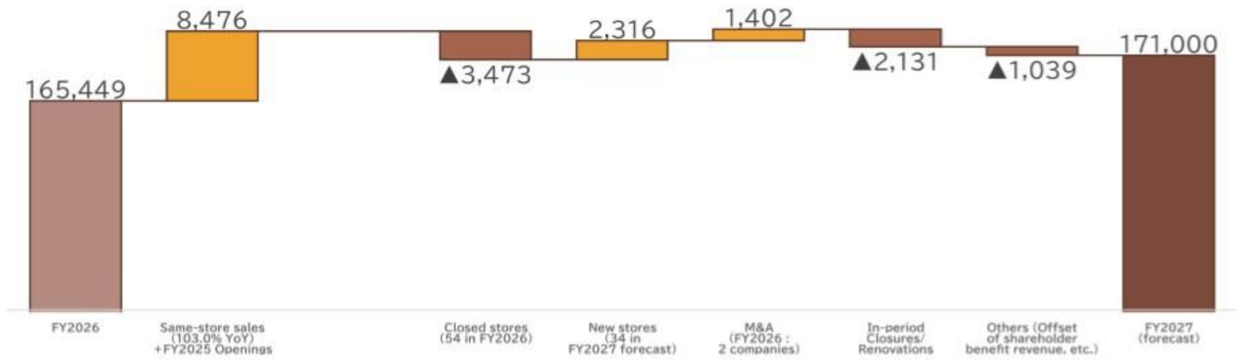
Regarding the business environment, on the demand side, we expect that selective consumption driven by inflation has become the norm. We also forecast that inbound demand remains generally robust. On the supply side, the labor shortage is expected to continue, and food and energy costs are expected to remain at high levels.

In this business environment, for revenue, we expect 103% YoY in the sales of existing stores through efforts to increase the number of customers and continuing to optimize prices. We plan to open 34 new stores, mainly under our core brands. For further improvement of the quality of existing stores, in addition to aggressive investments in store renovations and technology, we plan to continue the 5% increase in the total amount of the employee salary increase fund for three consecutive years to strengthen initiatives for human capital supporting the growth strategy.

2. FY 2027 Business Forecasts (for changes in sales and operating profit)

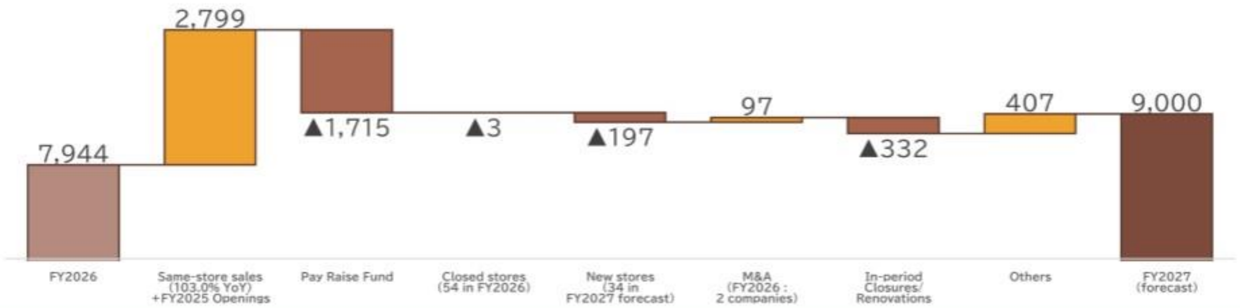
✔ Factors behind changes in revenue

(Million yen)



✔ Factors behind changes in operating profit

(Million yen)



 13

Next, please look at page 13. Here is a waterfall chart showing changes in revenue and operating profit from the previous year's results, broken down by major factors.

The main reason for the forecast increase in revenue and profit is that although there is an increase in personnel costs associated with the salary increase fund, this will be countered by an increase in marginal profit due to the growth in same-store sales.

3. FY 2027 Business Forecasts (by Category)

✓ Full-year Forecast by Category

→ Profit is expected to increase in all categories due to initiatives to increase the number of customers at existing stores, new store openings, and an increase in the number of stores through M&A
→ Changed name of SFP category to Izakaya category from FY 2027

[Forecast of store openings and closings as of FY 2027]

(Million yen)	FY2026 (Previous Year Results)			FY2027 (Full-year forecast)			Change			Total no. at end of Feb. 2026	Increase /Decrease		M&A	End-FY2027 Forecasts
	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue	Revenue	Category CF *1	Ratio to revenue		New	Close		
CR	58,466	6,035	10.3%	59,700	6,290	10.5%	+1,234	+255	+0.2%	523	15	9		529
Specialty Brand	50,214	5,641	11.2%	52,500	5,750	11.0%	+2,286	+109	-0.3%	335	5	2	10	348
Izakaya (Formerly "SFP")*2	31,119	2,454	7.9%	33,400	2,840	8.5%	+2,281	+386	+0.6%	210	12	2		220
Overseas	26,039	2,380	9.1%	25,600	2,660	10.4%	- 439	+280	+1.3%	57	2	1		58
Adjustments, etc.*3	- 390	9,759	-	- 200	9,560	-	+190	- 199	-	-	-	-	-	-
Total	165,449	26,271	15.9%	171,000	27,100	15.8%	+5,551	+829	-0.0%	1,125	34	14	10	1,155

*1:Category CF = Operating profit (JGAAP) + depreciation and amortization + sponsorship income + non-recurring expense items
*2: SFP category was renamed the Izakaya category from FY 2027
*3: 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.

✓ CR category: Increasing revenue, increasing profit

Improve existing-store revenues through the effect of renovations that contribute to increasing the number of customers, particularly the core brand, and aggressively change to new formats that are performing well

✓ Specialty Brand category: Increasing revenue, increasing profit

Expansion of the robust bakery and noodle brands, and contributes from the most recent M&A of Tecona Bagel and Ron for the full year

✓ Izakaya (formerly SFP) category: Increasing revenue, increasing profit

Recovery in ISOMARU SUISAN including aggressive investment in renovation, change to formats to meet low-price needs, and increase in new openings of popular Izakaya, which are performing well

✓ Overseas category: Decreasing revenue, increasing profit

Sales decrease due to closure of unprofitable stores. Profit increase due to drastic improvement following CEO change at Il Fornaio(America), which continue to struggle from the previous fiscal year.

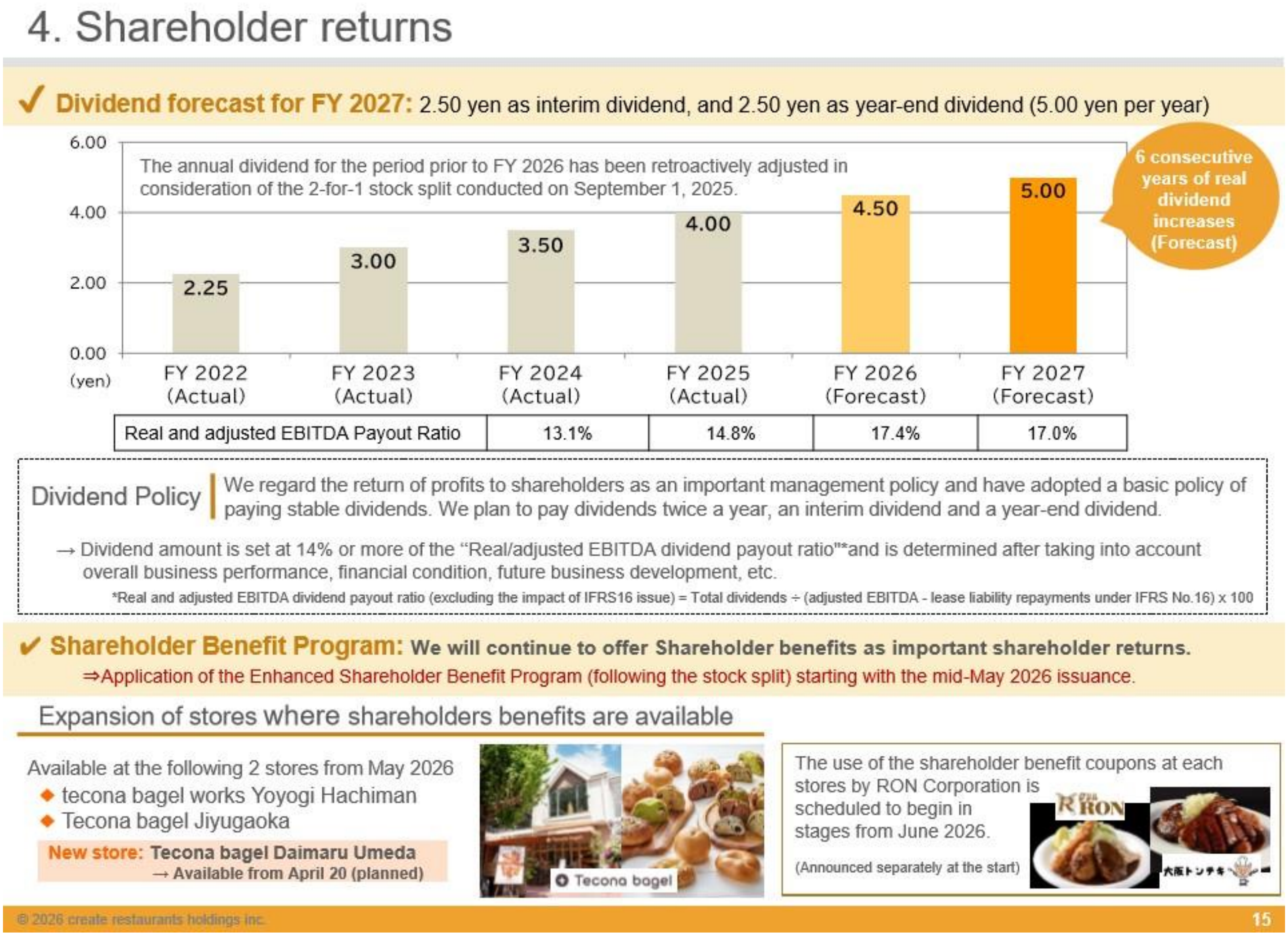
Next, please look at page 14. This page shows revenue, cash flow, and projection of store openings and closings. From this fiscal year, the SFP category has been renamed the Izakaya category.

First, in the CR category, both revenue and profit are expected to increase due to the effects of store renovations that will contribute to an increase in the number of customers and aggressive change to new formats that are performing well.

In the specialty brand category, both revenue and profit are expected to increase due to the expansion of the robust bakery and noodle brands and full-year contributions from new additions to the Group of Tecona Bagel and RON.

For the Izakaya category, we will realize an increase in revenue and profit through recovery of ISOMARU SUISAN by renovation and changing to formats to meet low-price needs.

Finally, in the Overseas category, although a revenue decrease is expected due to the closure of unprofitable stores, we will work on increasing profit due to drastic improvements including welcoming a new CEO from outside the Company at Il Fornaio, which has been continuously struggling.



Next, shareholder returns. Please look at page 15.

In addition to continuous stable dividends, our basic policy has always been to maintain a real and adjusted EBITDA payout ratio of at least 14% from a cash allocation perspective. The Company plans to increase the dividend per share forecast for this fiscal year for the sixth consecutive year to JPY5 per share, consisting of JPY2.5 at the interim and JPY2.5 at the year-end, which is also the highest operating profit forecast in the Company's history.

Moreover, for shareholder benefit coupons, in addition to an increase in the monetary amount from the shareholder benefit coupons scheduled to be issued in May of this year, the shareholder benefit coupons will also be made available gradually at Tecona Begel and RON stores, which are new Group companies. This concludes my presentation.

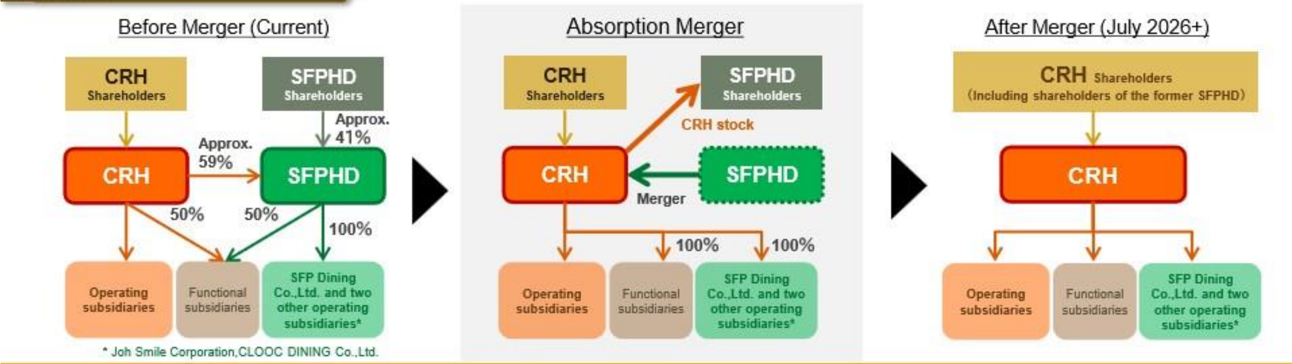
Merger of CRH and SFPHD (1)

create restaurants holdings inc. and SFP Holdings Co., Ltd. hereby announce their merger effective July 1, 2026, to resolve the parent-subsidiary dual listing. (On April 14, 2026)

Overview of Merger

Target Companies	create restaurants holdings inc. ("CRH") [TSE Prime, Securities Code 3387] SFP Holdings Co.,Ltd. ("SFPHD") [TSE Prime, Securities Code 3198]
Merger Method	Absorption merger with CRH as the surviving company and SFPHD as the disappearing company.
Merger Ratio	CRH will allot and deliver 3.2 shares of its common stock for each share of common stock of SFPHD. Note: The Merger Ratio described in the above may be changed upon agreement through consultation between the Companies in the event of any material change to the various conditions upon which the calculation is based.
Effective Date of Merger	July 1, 2026 (Scheduled)

Method

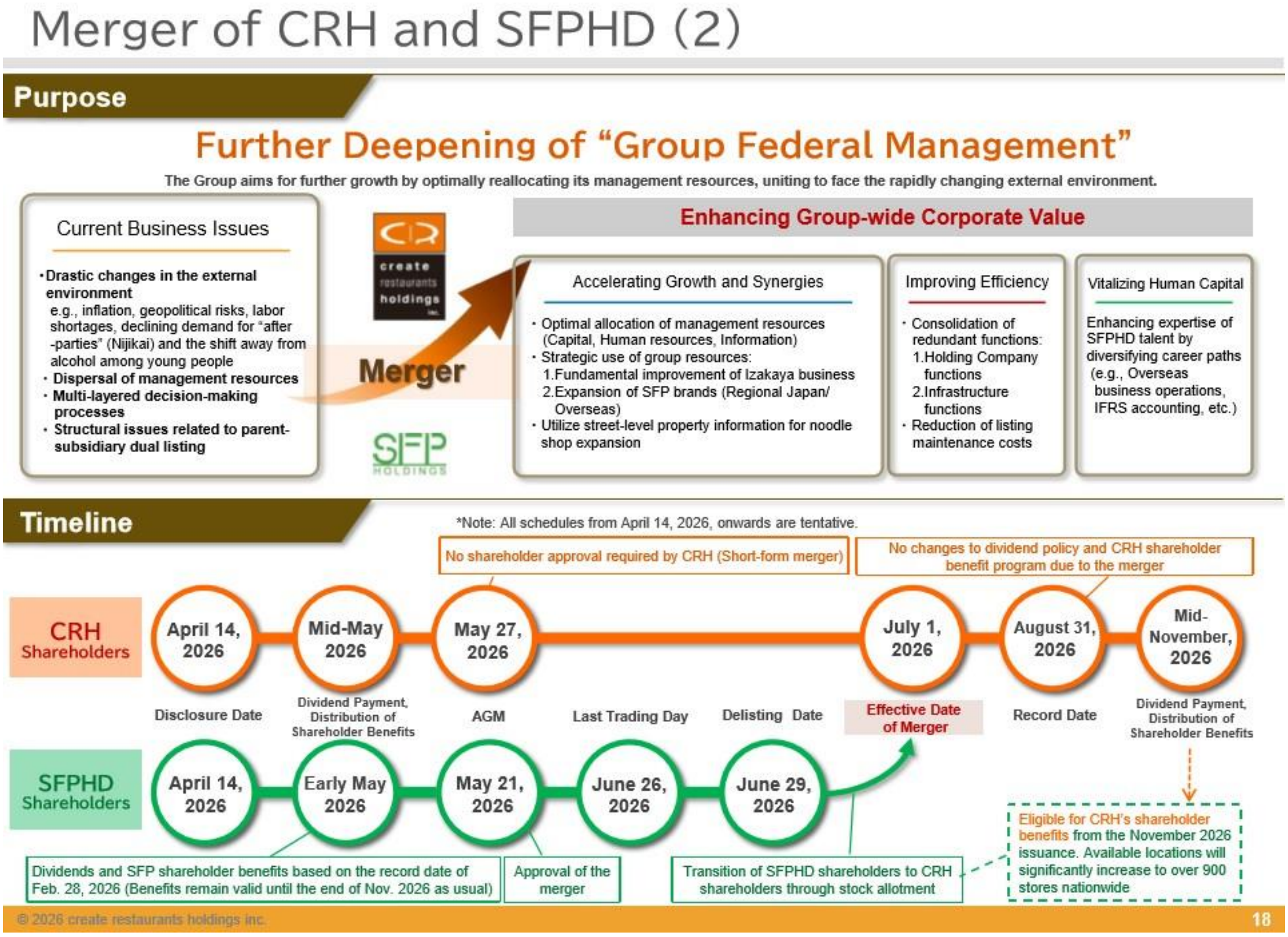


 17

Kawai: Next, I will explain the merger with our consolidated subsidiary SFP Holdings, which was announced yesterday.

The Company has decided to conduct an absorption merger where SFP Holdings is the disappearing company effective July 1, 2026. With this move, we will resolve the parent subsidiary dual listing, which has been an issue to date, and steer the Company toward a true one-platform management that fully integrates management resources within the Group.

Currently, the food service industry is facing extremely drastic changes in the environment, including cost increases, labor shortages, and changes in consumer behavior. In order to achieve sustainable growth under these circumstances, we have determined that it is essential to further deepen the Group federal management and accelerate the optimal reallocation of management resources.



Although SFP Holdings will be delisted as a result of this merger, this is not a mere consolidation of organizations. This is an offensive move to eliminate conflicts of interest and maximize corporate value as a group.

The merger will create three major synergies.

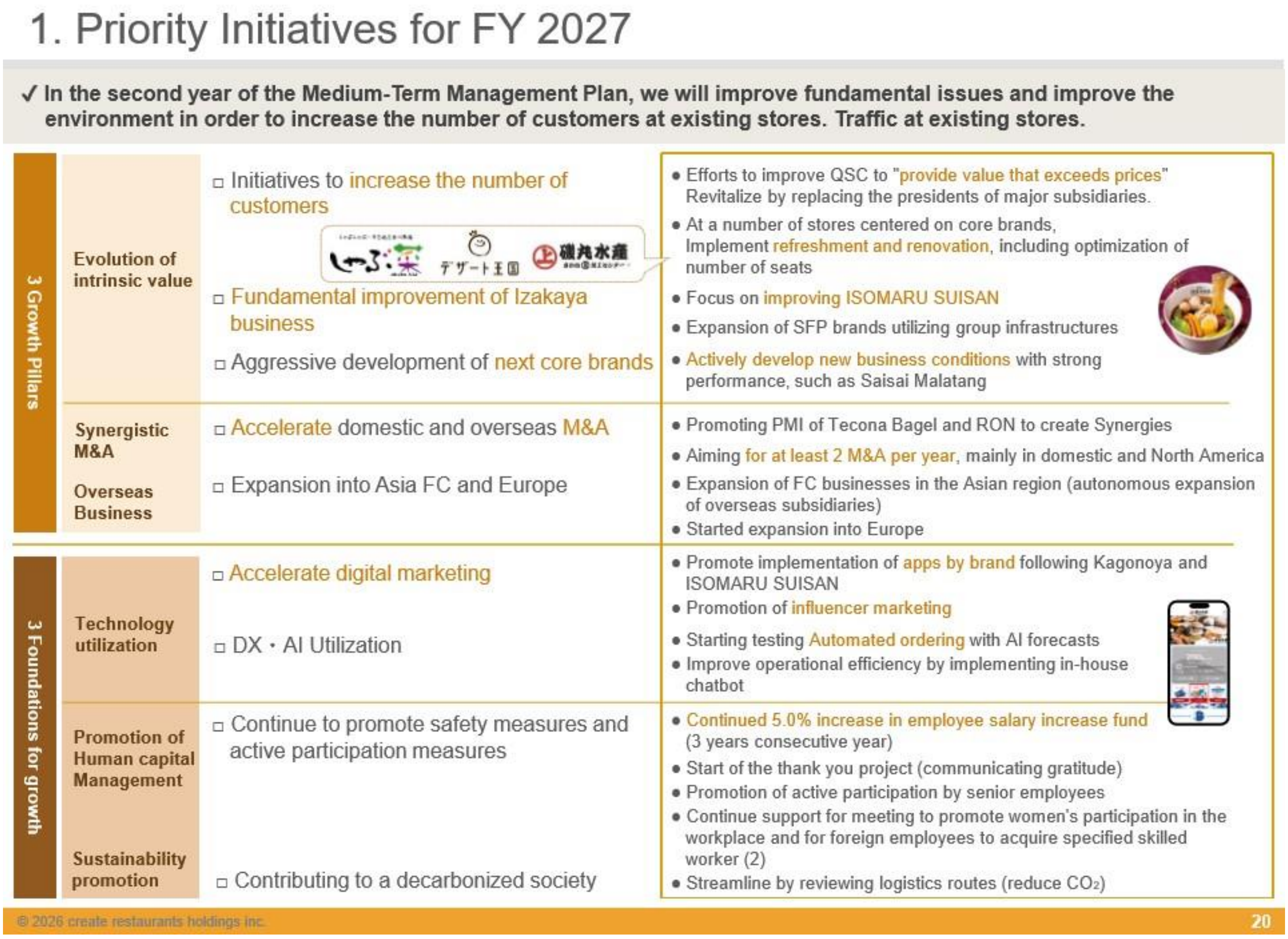
The first is accelerating growth and synergies. We will optimally allocate management resources such as funds, human resources, and information throughout the Group. Specifically, in addition to promoting essential improvements in the izakaya business through bold scrap-and-build, we will make maximum use of the Group's infrastructure to develop the izakaya brand in regional and overseas markets. At the same time, we will accelerate the mutual utilization of information on street-level properties within the Group.

The second is improving efficiency. We will promote cost reduction and improve efficiency by consolidating holding company functions and infrastructure, including listing maintenance costs, which were previously duplicated. This will greatly increase the speed of management decision-making and realize agile business operations.

Third is vitalizing human capital. We will promote human capital management by providing a variety of career paths for talented employees of SFP Holdings throughout the Group. We will improve our expertise and revitalize our organization to evolve into a stronger organizational entity.

Next, I will explain the timeline for the merger. The two companies signed a merger agreement yesterday, April 14. We plan to seek approval at the annual general meeting of shareholders for SFP Holdings in May of this year. Since the merger meets the requirements for a simplified merger, the merger will be conducted without obtaining approval at a general meeting of shareholders for the Company. Later, on June 29, SFP Holdings will be delisted, and the merger will take effect on July 1, completing the transition to the new structure.

SFP Holdings shareholders will be allocated a certain percentage of the Company's shares for each share they hold. This will allow current SFP Holdings shareholders to continue to enjoy the growth of the Group and will also provide them with the benefit of a significant expansion in the number of stores where they can use their shareholder benefit coupons as shareholders of the Company. We intend to build a stronger revenue base by deepening the group federal management through these measures. We sincerely appreciate the continued support of our investors.



I will now explain our priority initiatives for the fiscal year ending February 2027.

This fiscal year is the second year of the medium-term management plan, an extremely important phase. The Company will further accelerate its efforts to improve fundamental issues and to respond to the rapidly changing environment to increase the number of customers to existing stores.

The first of the three pillars of growth in the medium-term management plan is the evolution of intrinsic value. First and foremost, we will make thorough efforts to improve QSC to provide value that exceeds prices, leading to an increase in the number of customers. To this end, we have revitalized the organization by changing the presidents of several core business subsidiaries. In the struggling izakaya business in particular, we will focus on improving ISOMARU SUISAN by creating an environment that allows us to focus more on the business through the management structure reforms I just explained. In addition, the Company will update and renovate many stores, including optimizing the number of seats, focusing on core brands such as shabu-SAI and Dessert Oukoku. At the same time, we will aggressively develop new business formats that are performing well to ensure that we meet the needs of the market.

The second pillar is M&As. We will further accelerate M&As in Japan and overseas. Specifically, we will promote PMI such as Tecona Bagel and RON to create synergies. We will also further expand our business portfolio by aiming to conclude at least two M&A deals per year, mainly in Japan and North America.

The third pillar is overseas business. We will expand our franchise business in the Asian region and make full-scale preparations to enter the European market. We will promote autonomous growth of our overseas subsidiaries and increase their presence in the global market.

These growth strategies are supported by three foundations shown at the bottom of the table. The first, technology utilization, is to assist in increasing the number of customers to existing stores by implementing brand-specific apps and promoting influencer marketing. We will also begin testing the automated ordering with AI forecasts and promote operational efficiency through implementing an in-house chatbot.

Second, in the promotion of human capital management, we will increase the employee salary increase fund by 5% based on the idea that staff members are our assets. This year's increase in the employee salary increase fund will mark the third consecutive year of a 5% increase. In addition to supporting the elderly employees and foreign employees, we will foster a positive organizational culture through the thank you project.

Third, in sustainability promotion, as a contribution to a decarbonized society, we will build a sustainable growth model by reviewing logistics routes to improve efficiency and reduce CO2 emissions.

2.Transition to a new management structure

✓ Transition to a new management structure (planned after Annual General Meeting of Shareholders on May 27, 2026)

Name	Title	Roles in the Medium-Term Management Plan	Divisions in Charge (Changes)
Hitoshi Gotoh	Representative Director & Chairman (Executive Chairman)		
Jun Kawai	Representative Director & President CEO	Chief Executive Officer: the vision of the entire Group, Sustainability	Food Safety Promotion Dept., Internal Control System Promotion Dept., Group Internal Auditing Dept., Sustainability Promotion Dept., and President's Office
Akira Shimamura	Managing Director CDO	Chief Digital Officer: Promoting Marketing Transformation and DX・AI Utilization through Data-Driven Management	Merchandise Development Dept. (CMD inc), Marketing Dept, Information System Promotion Dept, DX/AI Promotion Dept., Store Designing Management Dept. (FastWorks inc.)
Hitoshi Ohno	Managing Director CSO	Chief Strategy Officer: Lead the global growth strategy by accelerating domestic and overseas M&A and expanding into Asian FC and Europe	Corporate Planning Dept., Overseas Business Dept., and North America Business Investment Promotion Dept.
Genta Ohuchi	Director CFO	Chief Financial Officer: Accounting, IR and Financial Governance Equity efficiency	Accounting Dept., Finance Dept., IR Dept., and Creative Service Inc.
Motokatsu Morozumi	Director, CHRO	Chief Human Resources Officer: Promoting Human Resources Capital Management	Human Resources Dept. and General Affairs Dept.
Susumu Mochizuki	Executive Officer	Brand Value Creation: New Business Format Development and Next-Generation Core Aggressive brand development	Store Development Dept., Business Development Dept., Create Brand Lab.
Naohiko Harada	(Newly appointed) Executive Officer	Strengthen the competitiveness of domestic businesses: Maximize the number of customers at existing stores and work to increase the value of the customer experience	Group-wide Business Strategy Dept.

Non-Executive Directors	Harumi Matsui	Yusuke Ishii	Kazuomi Matsuoka	Miyuki Otsuka	Noriyuki Katayama
	Outside Director	Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)	Outside Director (Audit and Supervisory Committee Member)

✓ Changes in the representative directors of 5 operating companies

Target companies	KR FOOD SERVIE CORPORATION	SAINT-GERMAIN CO., LTD.	Create Dining inc.	Icchou Inc.	Il Fornaio (America) LLC
Name	Naoto Hamano	Daihei Hino	Kazumasa Harada	Masaki Haruta	Ronald Joseph Thomas Jr.
Former position	President of SAINT-GERMAIN	President of Icchou	(Internal promotion)	(Internal promotion)	(External invitation)
Date of change	As of March 1, 2026				As of March 25, 2026

 21

In order to strongly promote these measures in the second year of the medium-term management plan, we have decided to shift to a new management structure.

We have decided to appoint the directors in charge of operations to CXOs as the heads of their respective areas of expertise, thereby clarifying their roles in the medium-term management plan.

In addition, as I explained earlier in the priority initiatives section, the top management of the five operating companies you see here has been replaced on March 1. By selecting young and experienced leaders in the right positions, we will maximize the strength of the Group federal management under new leadership and strive for sustainable enhancement of corporate value.

3. Medium-Term Management Plan (Numerical Plan)

- Target for FY 2030, the final year of the Medium-Term Management Plan disclosed in the previous year, is unchanged.
- The forecast for FY2027 reflects the full-year contributions of 2 group-in companies (Tecona Bagel and RON) and the impact of group reorganization.

(Million yen)	FY2026 (Result)		FY2027 (Forecasts) (Disclosed as an estimate)		FY2028 (Plan) (Change to planned values)		FY2029 (Plan) (New disclosure)		Plus M&A	FY2030 (Target) (No changes)	
			Excludes pending M&A transactions							Including M&A	
Revenue	165,449		171,000		178,000		185,000		Accumulation by new M&A from FY 2027 to FY 2030	230,000	
Operating profit	7,944	4.8%	9,000	5.3%	10,000	5.6%	12,000	6.5%		16,000	7.0%
Profit before taxes	7,861	4.8%	8,000	4.7%	9,000	5.1%	11,000	5.9%		15,000	6.5%
Profit for the year	5,218	3.2%	6,000	3.5%	6,700	3.8%	8,100	4.4%		10,500	4.6%
Profit attributable to owners of parent	4,677	2.8%	5,700	3.3%	6,700	3.8%	8,100	4.4%		9,500	4.1%
Adjusted EBITDA	26,271	15.9%	27,100	15.8%	28,100	15.8%	29,900	16.2%		38,000	16.5%
Actual operating profit	9,287	5.6%	11,000	6.4%	12,000	6.7%	14,000	7.6%		18,000	7.8%

● Key indicators

	FY2026	FY2027	FY2028	FY2029	FY2030
Dividend per Share	4.50yen (Result)*	5.00yen (Forecasts)	Dividend payout ratio of 14% or more based on actual adjusted EBITDA		
Same-store sales YoY	101.8%	103.0%	103.0%	103.0%	——
Store Openings	56 stores	34 stores	30~40 stores	30~40 stores	30~40 stores
M&A Openings	7 stores	10 stores	--	--	--
Adjusted ROIC	24.3%				25%
(Pre-tax WACC)	(8.5%)				(12.4%)
(ROIC Spread)	(15.8%)				(12.6%)
equity ratio	31.3%				≥ 30%

* Actual amount after taking into account the 2-for-1 stock split conducted on September 1, 2025

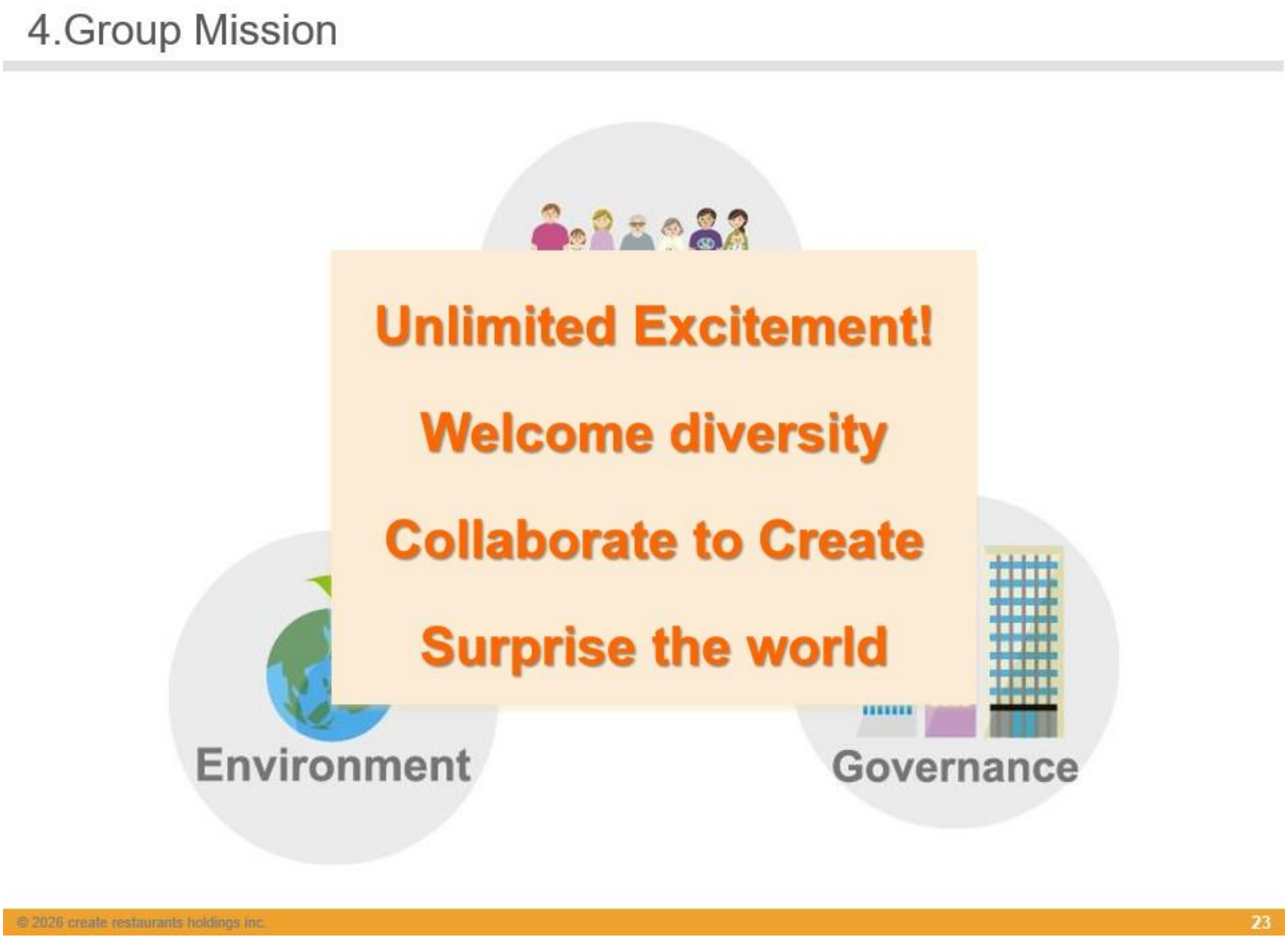
(Note)
- Adjusted EBITDA = Operating profit + other operating expenses - other operating revenues (excluding sponsorship income) + depreciation and amortization + non-recurring expense items (such as advisory expenses related to share acquisitions, etc.)
- Real Operating profit = Operating profit-Impairment loss-1-time gain on reversal of impairment loss, etc.
- Adjusted ROIC = Adjusted EBITDA ÷ Averages of equity and interest-bearing debt at the beginning and end of the fiscal year
- Pre-tax WACC = (Shareholder equity cost/(1-effective tax rate)) × Shareholder equity ratio + (Cost of debt × Debt ratio)
- ROIC spread = Adjusted ROIC-Pre-tax WACC

 22

Next, I will outline our new numerical plan as a milestone to be reached under this new structure.

First, for the fiscal year ending February 2027, as explained earlier by Director Ohuchi. In the subsequent fiscal year ending February 2028, we aim to achieve revenue of JPY178 billion and operating profit of JPY10 billion, and in the fiscal year ending February 2029, we aim to achieve revenue of JPY18.5 billion and operating profit of JPY12 billion.

Although these figures do not include new M&As, we aim to achieve revenue of JPY230 billion and operating profit of JPY16 billion, including new M&As, in the fiscal year ending February 2030, the final year of the plan.



Through these efforts, we will realize the mission of the Create Restaurants Group, "Unlimited Excitement! Welcome diversity. Collaborate to create. Surprise the world."

This concludes my presentation. Thank you very much for your attention.

[END]

____

Document Notes

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
2. *Portions of the document where the audio is obscured by technical difficulty are marked with [TD].*
3. *Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.*
4. *This document has been translated by SCRIPTS Asia.*

Disclaimer