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May 9, 2025

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2025
(Under Japanese GAAP)

Company name: SRS HOLDINGS CO., LTD.	Listing: Tokyo Stock Exchange
Securities code: 8163	URL: https://srs-holdings.co.jp/
Representative: Masahiko Shigesato, President & Chief Executive Officer	
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Scheduled date of ordinary general meeting of shareholders:	June 26, 2025
Scheduled date to commence dividend payments:	June 27, 2025
Scheduled date to file annual securities report:	June 25, 2025
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	67,478	12.0	2,678	24.2	2,539	17.4	925	(48.5)
March 31, 2024	60,228	10.5	2,157	-	2,162	-	1,798	-

Note: Comprehensive income For the fiscal year ended March 31, 2025: 1,169 million yen [-44.4%]

For the fiscal year ended March 31, 2024: 2,102 million yen [-%]

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	22.39	20.65	5.7	6.2	4.0
March 31, 2024	43.49	-	12.2	6.2	3.6

Reference: Equity in earnings of affiliates

Fiscal year ended March 31, 2025: -

Fiscal year ended March 31, 2024: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	45,944	17,021	35.9	398.89
March 31, 2024	35,733	16,159	44.0	380.55

Reference: Shareholders' equity

As of March 31, 2025: 16,494 million yen

As of March 31, 2024: 15,735 million yen

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	3,677	(10,460)	6,978	12,567
March 31, 2024	3,727	(2,292)	(1,216)	12,371

2. Cash dividends

	Annual dividends per share					Total dividends	Dividend payout ratio (Consolidated)	Dividends to net assets ratio (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	0.00	-	7.50	7.50	311	17.2	2.1
Fiscal year ended March 31, 2025	-	0.00	-	7.50	7.50	311	33.5	1.9
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	10.00	10.00		25.9	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	76,000	12.6	3,000	12.0	2,800	10.3	1,600	72.8

Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: Three companies AMINO CO., LTD.
SUSHIKAN FOODS CO., LTD.
SINGA, INC.

Note: For details, please refer to “4. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Statements (Changes in the Scope of Consolidation or Application of the Equity Method)” on page 15 of the Attachments.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	41,470,184 shares
As of March 31, 2024	41,470,184 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	119,043 shares
As of March 31, 2024	119,043 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	41,351,141 shares
Fiscal year ended March 31, 2024	41,351,116 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	23,520	3.4	574	(14.9)	1,270	41.4	242	(70.1)
March 31, 2024	22,753	22.0	675	389.6	898	-	812	-

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
March 31, 2025	5.87	5.42
March 31, 2024	19.66	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	40,026	15,911	39.7	384.68
March 31, 2024	32,422	15,831	48.8	382.86

Reference: Shareholders' equity As of March 31, 2025: 15,907 million yen

As of March 31, 2024: 15,831 million yen

* This financial report is not subject to audit by certified public accountants or auditing firms.

* Proper use of earnings forecasts, and other special matters

Forecasts regarding future performance in this document are based on certain assumptions judged to be valid and information currently available to us. Actual performance may differ significantly from these forecasts for a number of factors.

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1. Overview of Operating Results**(1) Operating Results**

1) Consolidated performance

(Millions of yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)			FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)		
	Results	YoY change (Amount)	YoY change (%)	Results	YoY change (Amount)	YoY change (%)
Net sales	60,228	5,723	10.5	67,478	7,249	12.0
Operating profit	2,157	2,764	-	2,678	521	24.2
Ordinary profit	2,162	2,831	-	2,539	376	17.4
Profit attributable to owners of parent	1,798	3,249	-	925	(872)	(48.5)

During the fiscal year ended March 31, 2025, operating results showed that demand for eating out remained steady due to an increase in the flow of people as social and economic activities returned to normal, an increase in inbound demand, and improvements in the income and employment environments. As a result, net sales increased year on year. In terms of the environment, business conditions remained challenging due to heightened geopolitical risks such as the prolonged Russia-Ukraine conflict, the continued depreciation of the yen, soaring raw materials and energy prices caused by abnormal weather, rising personnel expenses costs due to labor shortages, and rising distribution costs associated with the “2024 problem” in Japan’s logistics industry. However, operating profit and ordinary profit increased year on year due to improved profitability at existing stores as a result of various measures implemented in the previous fiscal year and strong performance in net sales. On the other hand, profit attributable to owners of parent recorded a year on year decrease due to the inclusion of extraordinary losses of impairment losses in goodwill of NIS CO., LTD., which is one of our consolidated subsidiaries.

Under these circumstances, the Group concluded a business alliance agreement with Advantage Advisors CO., LTD., which has a track record of consulting for multiple food service industries, and launched and promoted multiple projects under the themes of improving store QSC, improving distribution, enhancing store development, promoting store DX, securing human resources, strengthening division functions, etc., as initiatives to achieve the previous Medium-term Business Plan, which is based on the basic policy of “achieving a rapid recovery from the impact of the COVID-19 pandemic and making current business more profitable.” In addition, the Company acquired all of the outstanding shares of AMINO CO., LTD., which mainly operates restaurants in the Tohoku region, including “Umai Sushikan,” a sushi restaurant, making it a subsidiary, as it was expected that the acquisition would contribute significantly to the achievement of the previous Medium-term Business Plan by establishing a business foundation in new regions that had not been developed by the Group and by aiming to create synergies with existing businesses such as reducing purchasing costs. The Company also acquired all outstanding shares of SINGA, INC., which operates “Beefsteak Ushinofuku,” a beef steak restaurant business, in the Kansai region making it a subsidiary with the aim to promote “targeting demand for home meal replacement,” one of the key themes of the previous Medium-term Business Plan. We have also formulated Customer Harassment Response Guidelines to respect the human rights and dignity of both customers and employees, create an environment in which employees can work with peace of mind, and maintain healthy relationships with customers. Specific initiatives and overviews of each major business category are as follows.

Washoku Sato restaurants

We expanded the introduction of floor-cleaning robots to all stores with the aim of further improving production efficiency. In addition, with the aim of increasing customer satisfaction by improving store QSC, we conducted large-scale renovations of 10 stores and introduced a Net Promoter Score (NPS, a customer loyalty indicator) measurement tool based on customer surveys at all stores. Also, as marketing measures, we sold high-value-added merchandise such as the “All-you-can-eat Oysters Special Course” in the all-you-can-eat course, including Sato-shabu and Sato-shiki Yakiniiku, and carried out promotions combining various media such as TV commercials featuring TV personality Nagisa Shibuya, SNS distribution, web advertisements and newspaper inserts. During the fiscal year under review, we opened two stores and closed one store, resulting in 198 locations. As a result, net sales increased 104.6% year on year, to 27,907 million yen.

“Nigiri Chojiro” restaurants

We continued to introduce self-checkout counters and conduct table service robots experiments with the aim of further improving production efficiency. In addition, we began testing an automated shift creation tool at one store. We also introduced an NPS measurement tool based on customer surveys at all stores with the aim of improving QSC at stores in the same way as at Washoku Sato. In addition, with the aim of improving customer satisfaction, the existing Nishikyogoku store was renovated into a new type of store that does not have a conveyor belt. Furthermore, with the aim of gaining more net sales, the Company held the “Full Bloom with Spring Flavor” Fair, and implemented various menu measures, including the sale of fugu (blowfish), which has a rich flavor, and live tiger prawn, which is fresh from its fish tank and has a crisp texture. During the fiscal year under review, we opened four stores, resulting in 72 locations. As a result, net sales increased 104.8% year on year, to 14,028 million yen.

Kazokutei restaurants

In order to increase the frequency of store visits, we used the Kazokutei app to distribute discount coupons and announce renewal store information. In addition, we actively distributed videos using SNS tools such as Instagram, X and TikTok. Also, with the aim of acquiring more net sales, we held the “Kyusyu Umakamon Megumi Tabi” a regional support fair from February to the end of March, where we sold “Kyusyu Umakamon Soba Served with Tempura” made with Nagasaki sawara (Spanish mackerel) and Kyusyu vegetables, and “Kyusyu Aji-don and Soba Set” made with Kyusyu aji (horse mackerel). Moreover, in order to improve customer convenience, we started mobile ordering using the merchandise number input method at 33 stores. As a result, net sales increased 106.5% year on year, to 5,061 million yen.

Tendon Tempura Honpo Santen restaurants

In the Nagayoshinagahara store, a new self-service model store, changed the customer order method from the existing ticket vending machine to a Table Order System (TOS) in order to improve customer convenience and per-customer prices. In addition, in October, the Company implemented a grand menu revision aimed at responding to the continued rise in raw materials prices and improving merchandise value, which contributed to an increase in per-customer prices. Moreover, the Company held the “Domestic Wild Fugu and Wakasagi Fair” for a limited period of time and conducted merchandise development with the aim of increasing value, such as selling tempura rice bowls and tempuras made with domestic natural blowfish and pond smelt. Furthermore, with the aim of acquiring more net sales, the Company conducted promotions through YouTube, X and other SNS, and distributed coupons limited to app members and bargain campaign information. As a result, net sales increased 103.9% year on year, to 2,512 million yen.

Segment information is not provided because the SRS Group has only the food service business segment.

SRS Group: Opening and closure of restaurants

(Number of restaurants)

Name	FY3/24 (As of Mar. 31, 2024)	Increase or decrease due to M&A	Newly opened restaurants	Closed restaurants	FY3/25 (As of Mar. 31, 2025)	Restaurants planned to open during FY3/25
<i>Washoku Sato</i>	197 (-)	- (-)	2 (-)	1 (-)	198 (-)	5
<i>Nigiri Chojiro/CHOJIRO</i>	68 (-)	- (-)	4 (-)	- (-)	72 (-)	4
<i>Kazokutei*</i>	59 (7)	- (-)	- (-)	- (-)	59 (7)	0
<i>Tokutoku</i>	58 (47)	- (-)	1 (-)	2 (2)	57 (45)	2
<i>Katsuya</i>	48 (15)	- (-)	3 (2)	- (-)	51 (17)	6
<i>Tendon Tempura Honpo Santen</i>	34 (1)	- (-)	- (-)	- (-)	34 (1)	0
Amino sushi business*	- (-)	31 (-)	1 (-)	- (-)	32 (-)	0
<i>Miyamoto Munashi</i>	24 (1)	- (-)	1 (-)	1 (1)	24 (-)	0
Sushi delivery business	13 (3)	- (-)	- (-)	2 (-)	11 (3)	0
<i>Karayama</i>	11 (-)	- (-)	- (-)	- (-)	11 (-)	1

<i>Himawari</i>	8 (-)	- (-)	- (-)	- (-)	8 (-)	0
<i>Beefsteak Ushinofuku</i>	- (-)	6 (-)	-(-)	- (-)	6 (-)	0
M&S FC Business*	28 (1)*	- (-)	4 (-)	- (-)	32 (1)	6
Others	14 (-)	3 (-)	2 (-)	6 (-)	13 (-)	3
<i>Torisho</i>	180 (180)	- (-)	18 (18)	50(50)	148 (148)	31
Domestic total	742 (255)	40 (-)	36 (20)	62 (53)	756 (222)	58
Overseas stores	24 (20)	2 (1)	3 (3)	5 (1)	24 (23)	7
Worldwide total	766 (275)	42 (1)	39 (23)	67 (54)	780 (245)	65

Note: Numbers in parentheses include franchised, leased-band and joint venture restaurants.

* *Kazokutei* includes *Kashunan*, *Sanpoan*, *Kazokuan*, *Kyoshun*, and *Kyosai* restaurants.

* Amino sushi business includes *Umai Sushikan*, *Umai Sushikan Yutorogi*, *Umai Sushikan Bekkan Sushimasa*, *Ginza Sushimasa*, *Kaiten Sushi Marukuni* and *Hokkai Sanriku Sumibiyaki Marukan* restaurants.

* Newly opened restaurants and closed restaurants for *Miyamoto Munashi* include the conversion of one FC store to a directly managed store.

* M&S FC Business is the total number of stores operated by M&S FOODSERVICE CO., LTD. in the *Popolamama*, *Mister Donut*, *Doutor Coffee*, *Oogamaya* and *Shinpachi Shokudo* restaurants. The number of stores at the end of the previous fiscal year increased by one because we added one franchise store of *Popolamama* that we operate as a franchisor.

(2) Financial Position

Total assets at the end of the current fiscal year increased 10,210 million yen from the end of the previous fiscal year to 45,944 million yen. Current assets increased 1,062 million yen from the end of the previous fiscal year to 18,090 million yen. This was mainly due to increases of 463 million yen in accounts receivable - trade, 260 million yen in raw materials and supplies, and 196 million yen in cash and deposits.

Non-current assets increased 9,147 million yen from the end of the previous fiscal year to 27,743 million yen. This was mainly due to increases of 4,313 million yen in goodwill, 2,357 million yen in intangible assets other, and 1,175 million yen in buildings and structures, net.

Current liabilities increased 1,264million yen from the end of the previous fiscal year to 11,184 million yen. This was mainly due to increases of 456 million yen in current portion of long-term borrowings, 283 million yen in accounts payable - trade and 261 million yen in accounts payable - other.

Non-current liabilities increased 8,083 million yen from the end of the previous fiscal year to 17,737 million yen. This was mainly due to increases of 5,318 million yen in bonds payable, 1,700 million yen in long-term borrowings, and 688 million yen in deferred tax liabilities.

Net assets increased 862 million yen from the end of the previous fiscal year to 17,021 million yen.

(3) Cash Flows

At the end of the fiscal year under review, cash and cash equivalents (hereinafter, "net cash") increased 196 million yen from the end of the previous fiscal year to 12,567 million yen.

Cash flows and the factors contributing to them during the fiscal year under review were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 3,677 million yen, compared with 3,727 million yen provided in the previous fiscal year. This was mainly due to depreciation of 1,956 million yen and profit before income taxes of 1,613 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 10,460 million yen, compared with 2,292 million yen used in the previous fiscal year. This was mainly due to purchase of shares of subsidiaries resulting in change in scope of consolidation of 8,126 million yen and purchase of property, plant and equipment of 2,194 million yen.

(Cash flows from financing activities)

Net cash provided by financing activities was 6,978 million yen, compared with 1,216 million yen used in the previous fiscal year. This was mainly due to proceeds from issuance of bonds of 6,453 million yen, proceeds from long-term borrowings of 3,500 million yen, repayments of long-term borrowings of 1,413 million yen, and

redemption of bonds of 1,066 million yen.

(Reference) Trends in cash flow indicators

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
Equity ratio (%)	31.5	39.7	39.9	44.0	35.9
Equity ratio based on market value (%)	99.9	90.4	114.1	133.8	106.2
Interest-bearing debt to cash flow ratio (years)	-	2.7	5.5	2.8	3.5
Interest coverage ratio (times)	-	36.6	17.4	34.4	28.0

Equity ratio: Shareholders' equity / Total assets

Equity ratio based on market value: Market capitalization / Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / Operating cash flows

Interest coverage ratio: Operating cash flows / Interest payments

Notes: 1. Market capitalization is calculated by the number of shares outstanding at the end of the period, excluding treasury shares.

2. Operating cash flows are the figures for operating cash flows in the consolidated statement of cash flows.

3. Interest-bearing debt includes all debts on the consolidated balance sheet that incur interest.

4. Interest-bearing debt to cash flow ratio and the interest coverage ratio for FY3/21 are not stated because operating cash flow was negative.

(4) Outlook

Looking to the next fiscal year, solid demand is expected to continue due to the effects of improvements in the income and employment environment and further increases in inbound demand as a result of the holding of the Expo 2025 Osaka, Kansai, Japan. However, in addition to the various cost increase factors described in (1) Operating Results, the impact on foreign exchange rates and the economy from the trend of rice prices, which have remained at a high level with no sign of falling, and policy trends in the United States are expected to continue to cause a severe environment. In this environment, the Group has formulated a new five-year Medium-term Business Plan, "SRS VISION 2030," starting in fiscal year ending March 31, 2026, with the aim of achieving sustainable increases in corporate value through further improvements in profitability and expansion of scale. For details, please refer to the new Medium-term Business Plan "SRS VISION 2030" announced on May 9, 2025.

For the next fiscal year, we plan net sales of 76,000 million yen, operating profit of 3,000 million yen, ordinary profit of 2,800 million yen, and profit attributable to owners of parent of 1,600 million yen, taking into account information available at the time and recent conditions.

(New Medium-term Business Plan)

	FY3/26	FY3/27	FY3/28	FY3/29	FY3/30
Net sales (Millions of yen)	76,000	83,000	92,000	103,000	115,000
Ordinary profit (Millions of yen)	2,800	3,000	3,600	4,700	6,000
Number of restaurants	819	880	970	1,080	1,180
ROE	More than 8%	More than 8%	More than 8%	More than 10%	More than 12%

(5) Basic Policy for Profit Distribution and Dividends for the Current and Next Fiscal Years

Our basic policy on profit distribution is to determine dividends with a consolidated dividend payout ratio of 20% or more as a guideline, in principle, in order to achieve both corporate growth and shareholder returns, and to promote a flexible dividend policy with the aim of sustainable improvement of corporate value, while taking into account the status of business performance and the need for future growth investment.

As a result of a comprehensive consideration of future business development, internal reserves, and other factors, we plan to pay a year-end dividend of 7.50 yen per share for the fiscal year under review. The dividend forecast for the fiscal year ending March 31, 2026 is 10.00 yen per share.

Our group's business content and relationship with the Company are described below with a systematic chart of the business.

Restaurant management: SATO FOODSERVICE CO., LTD., FOODSNET CORPORATION, KAZOKUTEI CO. LTD., AMINO CO., LTD., SUSHIKAN FOODS CO., LTD., M&S FOODSERVICE CO., LTD., NIS CO., LTD., SINGA, INC., SATO • ARCLAND FOOD SERVICE CO., LTD., SRS TAIWAN COMPANY LIMITED, and AMINO SUSHIMASA (M) SDN.BHD. operate restaurants that serve mainly Japanese food.

The organizational chart illustrates the corporate structure of SRS Holdings Co., Ltd. at the bottom. It branches into four main subsidiaries: SATO FOODSERVICE CO., LTD., FOODSNET CORPORATION, M&S FOODSERVICE CO., LTD., and KAZOKUTEI CO., LTD. Each subsidiary has specific functions: SATO provides products, real estate leasing, and facilities leasing; FOODSNET and M&S sell raw materials; KAZOKUTEI sells raw materials. Above these are further consolidated subsidiaries: SATO FOODSERVICE has SRS TAIWAN and SATO ARCLAND FOOD SERVICE; FOODSNET has AMINO SUSHIMASA; M&S has SINGA, INC. and SUSHIKAN FOODS; KAZOKUTEI has NIS CO., LTD. and AMINO CO., LTD. All these subsidiaries provide products to the Customers at the top. Additionally, SUSHIKAN FOODS provides raw materials to AMINO CO., LTD.

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graph TD
    SHCS[SRS HOLDINGS CO., LTD.]
    SHCS -- "Selling raw materials products  
Real estate leasing  
Facilities leasing" --> SFC[SATO FOODSERVICE CO., LTD.  
(consolidated subsidiary)]
    SHCS -- "Selling raw materials products" --> FNC[FOODSNET CORPORATION  
(consolidated subsidiary)]
    SHCS -- "Selling raw materials products" --> MFC[M&S FOODSERVICE CO., LTD.  
(consolidated subsidiary)]
    SHCS -- "Selling raw materials products" --> KFC[KAZOKUTEI CO., LTD.  
(consolidated subsidiary)]
    
    SFC -- "Provide products" --> STCL[SRS TAIWAN COMPANY LIMITED  
(consolidated subsidiary)]
    SFC -- "Provide products" --> SARF[SATO ARCLAND FOOD SERVICE CO., LTD.  
(consolidated subsidiary)]
    
    FNC -- "Provide products" --> AS[Amino SUSHIMASA]
    
    MFC -- "Provide products" --> SINC[SINGA, INC.,  
(consolidated subsidiary)]
    MFC -- "Provide products" --> SFCO[SUSHIKAN FOODS CO., LTD.  
(consolidated subsidiary)]
    
    KFC -- "Provide products" --> NISCO[NIS CO., LTD.  
(consolidated subsidiary)]
    KFC -- "Provide products" --> AMICO[AMINO CO., LTD.  
(consolidated subsidiary)]
    
    SFCO -- "Selling raw materials products" --> AMICO
    
    STCL -- "Provide products" --> C[Customers]
    SARF -- "Provide products" --> C
    AS -- "Provide products" --> C
    SINC -- "Provide products" --> C
    SFCO -- "Provide products" --> C
    NISCO -- "Provide products" --> C
    AMICO -- "Provide products" --> C
  
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The Group expects to employ Japanese accounting standards for the time being. However, we intend to consider the future adoption of International Financial Reporting Standards (IFRS) depending on the ratio of foreign shareholders and adoption trends among other companies in Japan.

4. Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheet**

(Thousands of yen)

	FY3/24 (As of Mar. 31, 2024)	FY3/25 (As of Mar. 31, 2025)
Assets		
Current assets		
Cash and deposits	12,371,553	12,567,643
Accounts receivable - trade	2,721,397	3,184,789
Merchandise	58,151	59,140
Raw materials and supplies	1,124,433	1,384,438
Current portion of long-term loans receivable	65,787	68,204
Other	690,795	826,898
Allowance for doubtful accounts	(3,711)	(600)
Total current assets	17,028,407	18,090,516
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,383,700	25,506,497
Accumulated depreciation	(19,270,643)	(20,218,180)
Buildings and structures, net	4,113,056	5,288,316
Machinery, equipment and vehicles	933,951	1,178,064
Accumulated depreciation	(773,352)	(945,778)
Machinery, equipment and vehicles, net	160,599	232,285
Land	3,054,228	3,329,650
Leased assets	1,918,253	1,996,644
Accumulated depreciation	(1,242,783)	(1,414,122)
Leased assets, net	675,470	582,522
Construction in progress	27,560	132,276
Other	7,266,185	8,009,995
Accumulated depreciation	(6,001,983)	(6,490,207)
Other, net	1,264,202	1,519,787
Total property, plant and equipment	9,295,117	11,084,839
Intangible assets		
Goodwill	1,005,170	5,318,844
Other	763,237	3,120,379
Total intangible assets	1,768,407	8,439,224
Investments and other assets		
Investment securities	971,854	1,188,514
Long-term loans receivable	607,810	590,286
Guarantee deposits	3,947,385	4,246,627
Deferred tax assets	1,712,459	1,585,370
Other	296,088	612,212
Allowance for doubtful accounts	(3,253)	(3,267)
Total investments and other assets	7,532,345	8,219,745
Total non-current assets	18,595,870	27,743,808
Deferred assets	109,353	109,725
Total assets	35,733,631	45,944,050

(Thousands of yen)

	FY3/24 (As of Mar. 31, 2024)	FY3/25 (As of Mar. 31, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	1,858,935	2,142,550
Current portion of bonds payable	972,500	1,087,500
Current portion of long-term borrowings	1,164,678	1,620,700
Lease liabilities	185,222	194,133
Accounts payable - other	3,087,153	3,348,440
Income taxes payable	504,834	402,213
Provision for bonuses	606,149	598,810
Provision for loss on store closings	11,534	1,463
Other	1,528,933	1,788,656
Total current liabilities	9,919,941	11,184,467
Non-current liabilities		
Bonds payable	3,192,500	8,511,250
Long-term borrowings	3,740,382	5,441,328
Lease liabilities	1,045,214	929,005
Deferred tax liabilities for land revaluation	82,947	85,305
Deferred tax liabilities	7,153	695,664
Provision for retirement benefits for directors (and other officers)	27,753	214,593
Provision for share awards for directors (and other officers)	39,920	56,670
Retirement benefit liability	21,210	132,465
Asset retirement obligations	1,204,349	1,435,986
Other	293,146	235,628
Total non-current liabilities	9,654,576	17,737,898
Total liabilities	19,574,518	28,922,366
Net assets		
Shareholders' equity		
Share capital	11,077,683	11,077,683
Capital surplus	4,481,953	4,481,953
Retained earnings	707,858	1,322,637
Treasury shares	(119,707)	(119,707)
Total shareholders' equity	16,147,788	16,762,566
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	494,735	633,815
Deferred gains or losses on hedges	8,008	14,915
Revaluation reserve for land	(923,897)	(926,256)
Foreign currency translation adjustment	9,359	9,396
Total accumulated other comprehensive income	(411,795)	(268,127)
Share acquisition rights	-	3,986
Non-controlling interests	423,120	523,259
Total net assets	16,159,113	17,021,684
Total liabilities and net assets	35,733,631	45,944,050

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statement of Income)

(Thousands of yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Net sales	60,228,472	67,478,441
Cost of sales	20,792,382	22,914,978
Gross profit	39,436,089	44,563,463
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	240,790	317,840
Provision for share awards for directors (and other officers)	11,024	16,750
Salaries and allowances	17,052,518	19,199,682
Employees' bonuses	361,982	414,088
Provision for bonuses	588,682	583,263
Welfare expenses	1,758,968	2,081,278
Retirement benefit expenses	186,819	194,043
Provision for retirement benefits for directors (and other officers)	-	6,805
Utilities expenses	2,271,533	2,564,990
Supplies expenses	1,719,304	1,780,698
Rent expenses	5,605,892	5,941,331
Repair expenses	959,217	1,187,722
Depreciation	1,646,468	1,946,565
Miscellaneous expenses	4,745,004	5,339,003
Amortization of goodwill	130,582	310,595
Total selling, general and administrative expenses	37,278,789	41,884,658
Operating profit	2,157,300	2,678,804
Non-operating income		
Interest income	7,224	7,499
Dividend income	24,757	29,005
Rental income from buildings	60,081	46,876
Foreign exchange gains	65,708	872
Miscellaneous income	72,159	59,913
Total non-operating income	229,930	144,167
Non-operating expenses		
Interest expenses	108,316	131,442
Rental expenses on real estate	43,358	29,470
Miscellaneous losses	73,372	122,878
Total non-operating expenses	225,048	283,792
Ordinary profit	2,162,182	2,539,179
Extraordinary income		
Gain on sales of non-current assets	3,285	2,496
Compensation income	66,676	-
Gain on cancellation of leasehold contracts	1,151	-
Total extraordinary income	71,112	2,496
Extraordinary losses		
Loss on retirement of non-current assets	26,671	25,946
Loss on sale of non-current assets	194	-
Loss on valuation of investment securities	2,597	-
Impairment losses	204,112	765,477
Loss on store closings	16,932	8,079
Provision for loss on store closings	11,448	1,463
Trademark settlement money	-	127,500
Total extraordinary losses	261,956	928,466
Profit before income taxes	1,971,339	1,613,209

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Income taxes - current	495,036	539,294
Income taxes - deferred	(405,555)	47,972
Total income taxes	89,480	587,267
Profit	1,881,858	1,025,941
Profit attributable to non-controlling interests	83,480	100,139
Profit attributable to owners of parent	1,798,378	925,802

(Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Profit	1,881,858	1,025,941
Other comprehensive income		
Valuation difference on available-for-sale securities	234,350	139,080
Deferred gains or losses on hedges	(6,462)	6,907
Revaluation reserve for land	-	(2,358)
Foreign currency translation adjustment	(6,785)	37
Total other comprehensive income	221,101	143,667
Comprehensive income	2,102,960	1,169,608
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,019,479	1,069,469
Comprehensive income attributable to non-controlling interests	83,480	100,139

(3) Consolidated Statement of Changes in Equity

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,077,683	4,935,240	(1,543,803)	(120,009)	14,349,111
Changes during period					
Deficit disposition		(453,283)	453,283		-
Profit attributable to owners of parent			1,798,378		1,798,378
Disposal of treasury shares		(2)		301	299
Net changes in items other than shareholders' equity					
Total changes during period	-	(453,286)	2,251,662	301	1,798,677
Balance at end of period	11,077,683	4,481,953	707,858	(119,707)	16,147,788

(Thousands of yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	260,385	14,471	(923,897)	16,144	(632,896)	339,639	14,055,853
Changes during period							
Deficit disposition							-
Profit attributable to owners of parent							1,798,378
Disposal of treasury shares							299
Net changes in items other than shareholders' equity	234,350	(6,462)	-	(6,785)	221,101	83,480	304,582
Total changes during period	234,350	(6,462)	-	(6,785)	221,101	83,480	2,103,260
Balance at end of period	494,735	8,008	(923,897)	9,359	(411,795)	423,120	16,159,113

FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,077,683	4,481,953	707,858	(119,707)	16,147,788
Changes during period					
Dividends of surplus			(311,023)		(311,023)
Profit attributable to owners of parent			925,802		925,802
Net changes in items other than shareholders' equity					
Total changes during period	-	-	614,778	-	614,778
Balance at end of period	11,077,683	4,481,953	1,322,637	(119,707)	16,762,566

(Thousands of yen)

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	494,735	8,008	(923,897)	9,359	(411,795)	-	423,120	16,159,113
Changes during period								
Dividends of surplus								(311,023)
Profit attributable to owners of parent								925,802
Net changes in items other than shareholders' equity	139,080	6,907	(2,358)	37	143,667	3,986	100,139	247,792
Total changes during period	139,080	6,907	(2,358)	37	143,667	3,986	100,139	862,570
Balance at end of period	633,815	14,915	(926,256)	9,396	(268,127)	3,986	523,259	17,021,684

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Cash flows from operating activities		
Profit before income taxes	1,971,339	1,613,209
Depreciation	1,650,230	1,956,290
Amortization of goodwill	130,582	310,595
Impairment losses	204,112	765,477
Increase (decrease) in provision for bonuses	135,502	(69,739)
Increase (decrease) in allowance for doubtful accounts	(925)	(3,097)
Increase (decrease) in provision for loss on store closings	11,448	(4,810)
Increase (decrease) in retirement benefit liability	(2,276)	3,280
Interest and dividend income	(31,981)	(36,504)
Interest expenses	108,316	131,442
Compensation income	(66,676)	-
Gain on sales of non-current assets	(3,285)	(2,496)
Loss on retirement of non-current assets	26,671	25,946
Loss on sale of non-current assets	194	-
Loss (gain) on valuation of investment securities	2,597	-
Gain on cancellation of leasehold contracts	(1,151)	-
Decrease (increase) in trade receivables	(569,958)	(257,784)
Decrease (increase) in inventories	(18,551)	(104,857)
Decrease (increase) in accounts receivable - other	(70,252)	27,190
Increase (decrease) in trade payables	(30,939)	124,985
Increase (decrease) in accounts payable - other	263,852	160,278
Increase (decrease) in accrued consumption taxes	(278,023)	(51,519)
Decrease (increase) in consumption taxes refund receivable	31,275	(535)
Other, net	100,238	(58,785)
Subtotal	3,562,341	4,528,567
Interest and dividends received	24,643	29,664
Interest paid	(109,609)	(130,699)
Proceeds from compensation	66,676	-
Income taxes paid	(79,715)	(755,874)
Income taxes refund	262,910	6,244
Net cash provided by (used in) operating activities	3,727,246	3,677,901
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,116,578)	(2,194,011)
Proceeds from sale of property, plant and equipment	43,149	2,496
Purchase of intangible assets	(99,967)	(117,179)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(8,126,005)
Payments for acquisition of businesses	(115,120)	-
Payments for asset retirement obligations	(122,612)	(28,129)
Payments of guarantee deposits	(101,303)	(69,518)
Proceeds from refund of guarantee deposits	210,425	51,429
Payments of construction assistance fund receivables	(42,726)	(30,000)
Proceeds from collection of construction assistance fund receivables	75,220	73,177
Other, net	(23,221)	(22,788)
Net cash provided by (used in) investing activities	(2,292,734)	(10,460,529)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Cash flows from financing activities		
Proceeds from long-term borrowings	1,000,000	3,500,000
Repayments of long-term borrowings	(1,087,921)	(1,413,956)
Repayments of finance lease liabilities	(193,238)	(187,036)
Proceeds from issuance of bonds	-	6,453,321
Redemption of bonds	(935,000)	(1,066,250)
Proceeds from issuance of share acquisition rights	-	3,428
Dividends paid	-	(311,023)
Other, net	98	-
Net cash provided by (used in) financing activities	(1,216,062)	6,978,482
Effect of exchange rate change on cash and cash equivalents	2,724	235
Net increase (decrease) in cash and cash equivalents	221,174	196,089
Cash and cash equivalents at beginning of period	12,150,379	12,371,553
Cash and cash equivalents at end of period	12,371,553	12,567,643

(5) Notes to Consolidated Financial Statements**Changes in the Scope of Consolidation or Application of the Equity Method**

Significant changes in the scope of consolidation

In the fiscal year under review, the Company acquired all of the shares of AMINO CO., LTD. and made the said company and SUSHIKAN FOODS CO., LTD., a subsidiary of the said company, into its subsidiaries. In addition, the Company acquired all of the shares of SINGA, INC. and made the company into its subsidiary. As a result, the companies have been included in the scope of consolidation.

Change in Presentation Method

“Deferred tax liabilities,” which was included in “Other” of “Non-current liabilities” in the previous fiscal year, is presented separately from the current fiscal year because it exceeds 1/100 of the total amount of liabilities and net assets. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, in the consolidated balance sheet of the previous fiscal year, 300,299 thousand yen included in “Other” of “Non-current liabilities” has been reclassified as 7,153 thousand yen in “Deferred tax liabilities” and 293,146 thousand yen in “Other.”

Going Concern Assumption

Not applicable.

Segment and Other Information**Segment information**

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024) and FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

Omitted since the Group has only a single business segment of food service business.

Related information

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024) and FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

1. Information by product and service

Omitted since sales to external customers which account for more than 90% of net sales shown on the consolidated statement of income are derived from a single product or service category.

2. Information by region

(1) Net sales

Omitted since sales to external customers in Japan exceeded 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

Omitted since property, plant and equipment in Japan exceeded 90% of property, plant and equipment on the consolidated balance sheet.

3. Information by major client

Omitted since no external customer accounts for more than 10% of net sales on the consolidated statement of income.

Information related to impairment losses on non-current assets for each reportable segment

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024) and FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

Omitted since the Group has only a single business segment of food service business.

Information related to goodwill amortization and the unamortized balance for each reportable segment

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024) and FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

Omitted since the Group has only a single business segment of food service business.

Information related to gain on bargain purchase for each reportable segment

FY3/24 (Apr. 1, 2023 – Mar. 31, 2024) and FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)

Not applicable.

Per-share Information

(Yen)

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Net assets per share	380.55	398.89
Net income per share	43.49	22.39
Diluted net income per share	-	20.65

Notes: 1. Diluted net income per share for the previous fiscal year is not presented since the Company had no outstanding dilutive securities.

2. The Company's shares held by Custody Bank of Japan, Ltd. (Trust Account) as trust assets of the Officer's Share Benefit Trust are included in treasury shares, which are deducted from the total number of outstanding shares at the end of the period for the purpose of calculating net assets per share (118,700 shares for FY3/24 and 118,700 shares for FY3/25).

For calculation of net income per share, such shares are included in treasury shares, which is deducted from the calculation of the average number of shares during the period (118,725 shares for FY3/24 and 118,700 shares for FY3/25).

3. Basis for calculating net assets per share is as follows.

	FY3/24 (As of Mar. 31, 2024)	FY3/25 (As of Mar. 31, 2025)
Total net assets (Thousands of yen)	16,159,113	17,021,684
Deduction on total net assets (Thousands of yen)	423,120	527,245
[of which share acquisition rights (Thousands of yen)]	[-]	[3,986]
[of which non-controlling interests (Thousands of yen)]	[423,120]	[523,259]
Net assets applicable to common shares (Thousands of yen)	15,735,993	16,494,438
Number of common shares at end of period used in calculation of net assets per share (Shares)	41,351,141	41,351,141

4. Basis for calculating net income per share and diluted net income per share is as follows.

	FY3/24 (Apr. 1, 2023 – Mar. 31, 2024)	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)
Net income per share		
Profit attributable to owners of parent (Thousands of yen)	1,798,378	925,802
Amounts not available to common shareholders (Thousands of yen)	-	-
Profit attributable to owners of parent applicable to common shares (Thousands of yen)	1,798,378	925,802
Average number of common shares outstanding during the period (Shares)	41,351,116	41,351,141
Diluted net income per share		
Adjustment to profit attributable to owners of parent (Thousands of yen)	-	-
Increase in number of common shares (Shares)	-	3,478,535
[of which convertible bonds (Shares)]	[-]	[3,332,846]
[of which share acquisition rights (Shares)]	[-]	[145,689]
Description of the latent shares not included in the calculation of diluted net income per share due to their non-dilutive effect	-	-

Subsequent Events

Not applicable.

This financial report is solely a translation of the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.