



Tenpos Holdings Co., Ltd.

**Second Quarter of the Fiscal Year
Ending April 30, 2023
Company Briefing Materials**

Tenpos is the SDGs itself

Tokyo Standard (Securities Code 2751)
Created by Chinatsu Otomaru

Financial Summary

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending April 30, 2023

Product Sales Business

In the core business of over-the-counter sales, sales and profits increased by strengthening sales from single item sales to comprehensive order receipt. Sales in the Internet shopping business and direct sales business declined due to delays in deliveries by kitchen appliance manufacturers caused by the recent economic situation. The Internet-based mail-order business saw a significant decline in profit, but this was due to a strategic increase in the number of employees from 14 to 28. Segment sales were 10,731 million yen (103.5% YoY), and segment profit was 1,119 million yen (95.3% YoY).

In its core business, Tenpos Busters, while having difficulty securing new equipment, focused on securing products early and proposing used equipment. Sales and profits increased due to strengthened sales of general orders.

■ Information and services business

Segment sales increased significantly to 1,983 million yen (122.4% y/y) and operating profit to 114 million yen (923.9% y/y) as more restaurants invest in sales promotion, human resources, and equipment as they recover from the Corona disaster. Driving the earnings growth were the POS system sales business and the temporary staffing services business. Among the new businesses launched under the Corona Disaster, the delivery contracting business performed well.

All six companies in the Information and Services segment returned to profitability. However, the amount of improvement varied greatly among the operating companies.

■ Food and Beverage Business

As restrictions on the movement of people and alcohol consumption have eased in the restaurant industry, segment sales were 2,899 million yen (121.9% y/y) and segment loss was 91 million yen (segment loss of 392 million yen in the same period of the previous year), an improvement in the loss amount.

「Steak no Asakuma」 sales are recovering, but still at 70% of pre-Corona disaster level. We need to attract customers, develop products, and train!

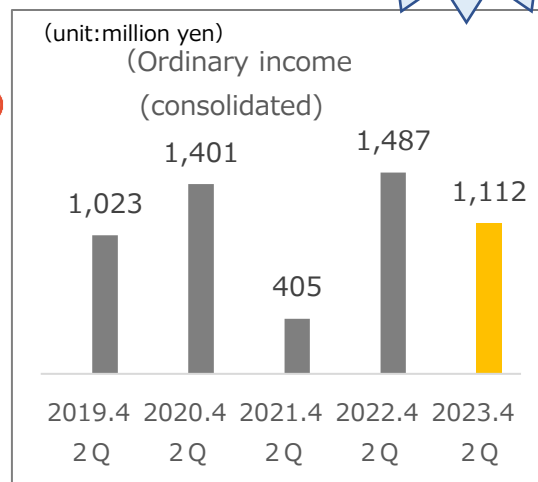
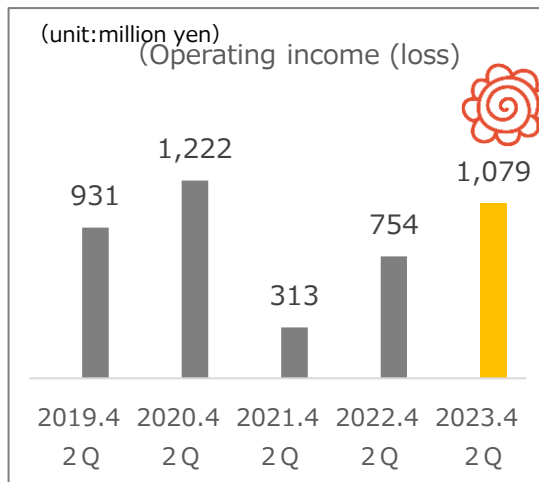
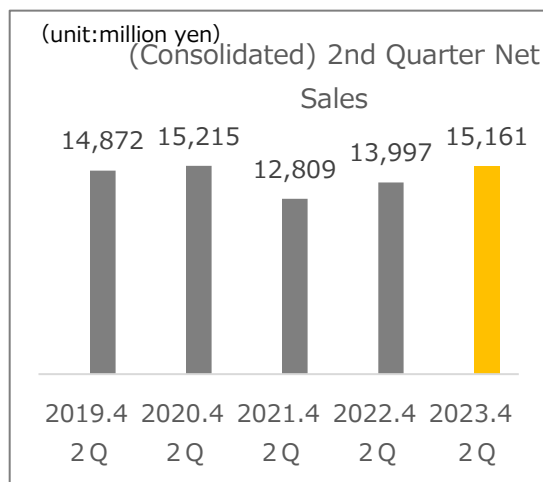
Consolidated Results and Forecasts for the Second Quarter of the Fiscal Year Ending April 30, 2023

■ Consolidated Financial Results and Forecasts for the Second Quarter of the Fiscal Year Ending April 30, 2023

	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Sales	13,997 million yen	15,161 million yen	108.3% (%)	33,931 million yen	117.0% (1)
Gross profit	5,114 million yen	5,913 million yen	115.6% (1.5)	12,845 million yen	118.5% (in million yen)
Operating income	754 million yen	1,079 million yen	143.1% (%)	2,884 million yen	154.1% (in million yen)
Ordinary income	1,487 million yen	1,112 million yen	74.8% (%)	3,081 million yen	105.6% (%)
Attributable to: Shareholders of the parent company Net income	900 million yen	706 million yen	78.5% (%)	1,875 million yen	119.9% (in million yen)

■ Comparison of ROE, ROA, and capital adequacy ratios

	April 2022 2nd Quarter	April 2023 2nd Quarter
Return on Equity (ROE)	8.4% (1)	5.8% (5.8%)
Return on Assets (ROA)	5.2% (in %)	3.8% (3.8%)
Capital adequacy ratio	61.5% (in %)	65.8

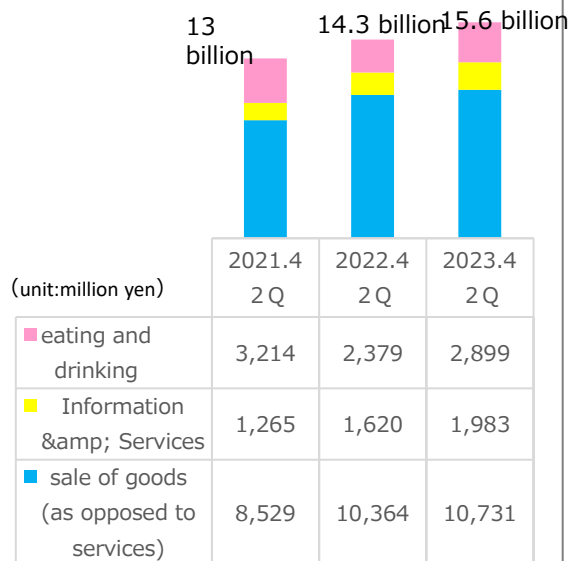


Results by Segment for the Second Quarter of the Fiscal Year Ending April 30, 2023

	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
sale of goods (as opposed to services)	Sales	10,364 million yen	10,731 million yen	103.5% (in million yen)	23,356 million yen	111.3% (in %)
	Segment income	1,174 million yen	1,119 million yen	95.3% (%)	2,639 million yen	111.2% (in %)
Information and services business	Sales	1,620 million yen	1,983 million yen	122.4% (in %)	4,359 million yen	122.5% (in million yen)
	Segment income	12 million yen	114 million yen	923.9% (in million yen)	258 million yen	195.8% (195.8%)
Food and Beverage	Sales	2,379 million yen	2,899 million yen	121.9% (in million yen)	6,180 million yen	114.4% (1)
	Segment income	(392) million yen	(91) million yen	Deficit Improvement	(¥126 million) (¥126 million)	(541) million yen

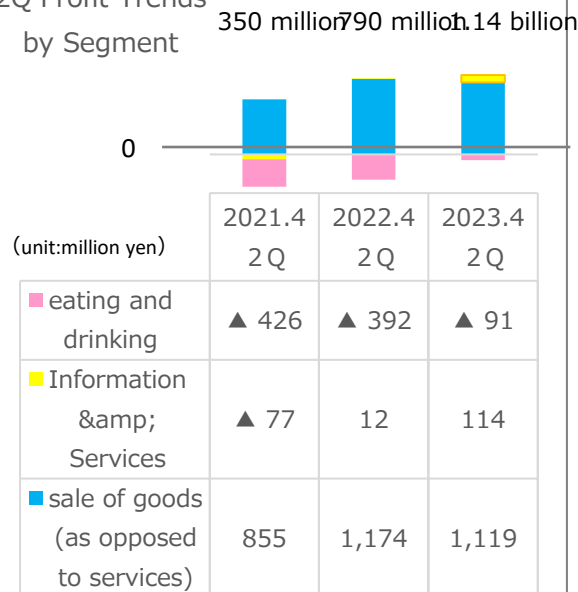
*Total value is before adjustment

2Q Sales by Segment



*Total value is before adjustment

2Q Profit Trends by Segment



eating and drinking

The ASAKUMA Group

unkempt hair

ASAKUMA Succession

Dream Dining

Information & Services

Studio Tenpos

Tenpos Information Center

Tempo Financial Trust

Profit Laboratory

Dees Park

Tenpos Food Place

sale of goods (as opposed to services)

Tenpos Holdings Co.

Tenpos Busters

Kitchen Techno

Tenpos.com

West Kitchen Machine

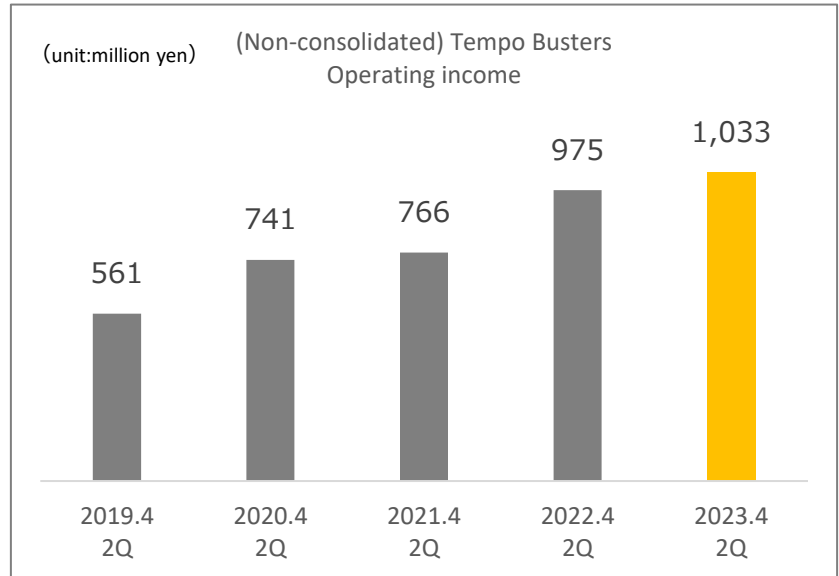
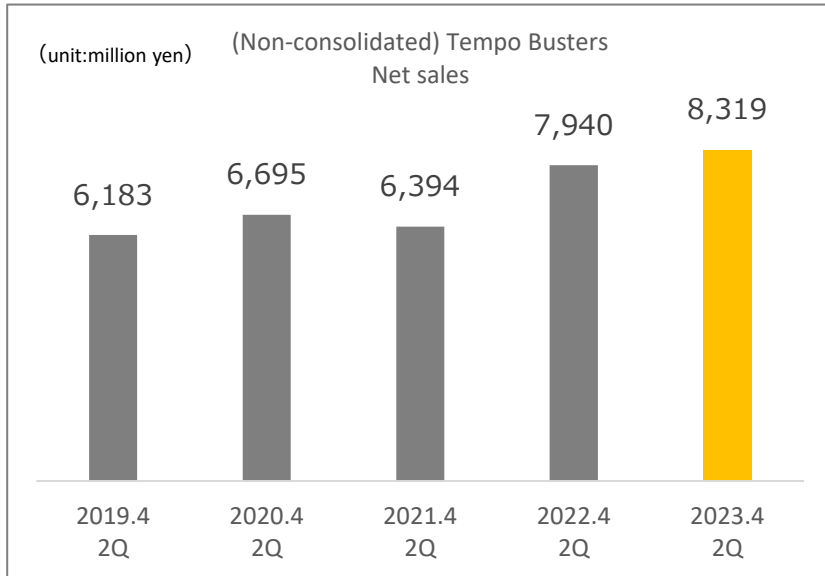
(Non-consolidated) Tenpos Busters: Results for the six months ended April 30, 2023

With the supply of new kitchen equipment in short supply due to the recent economic situation, Tenpos Busters will strive to strengthen purchases and secure new equipment from an early stage. Sales and profits increased by strengthening sales from single item sales to comprehensive orders.

Forecasts are non-consolidated figures before consolidation adjustments.

	Year ending April 30, 2022 2Q Result	Year ending April 30, 2023 2Q Result	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Sales	7,940	8,319	104.8	18,300	113.6% (in Japan)
Operating income	975	1,033	105.9% (in million yen)	2,580	121.3% (1)












We did well amidst delays in deliveries and price increases by kitchen equipment manufacturers. However, I am embarrassed about achieving the budget because I was not optimistic and created a budget that was too ambitious....



Results by operating company for the second quarter of the fiscal year ending April 30, 2023

■ 2Q Results and Full-Year Forecasts for the Fiscal Year Ending April 30, 2023 (Unit: Millions of yen)

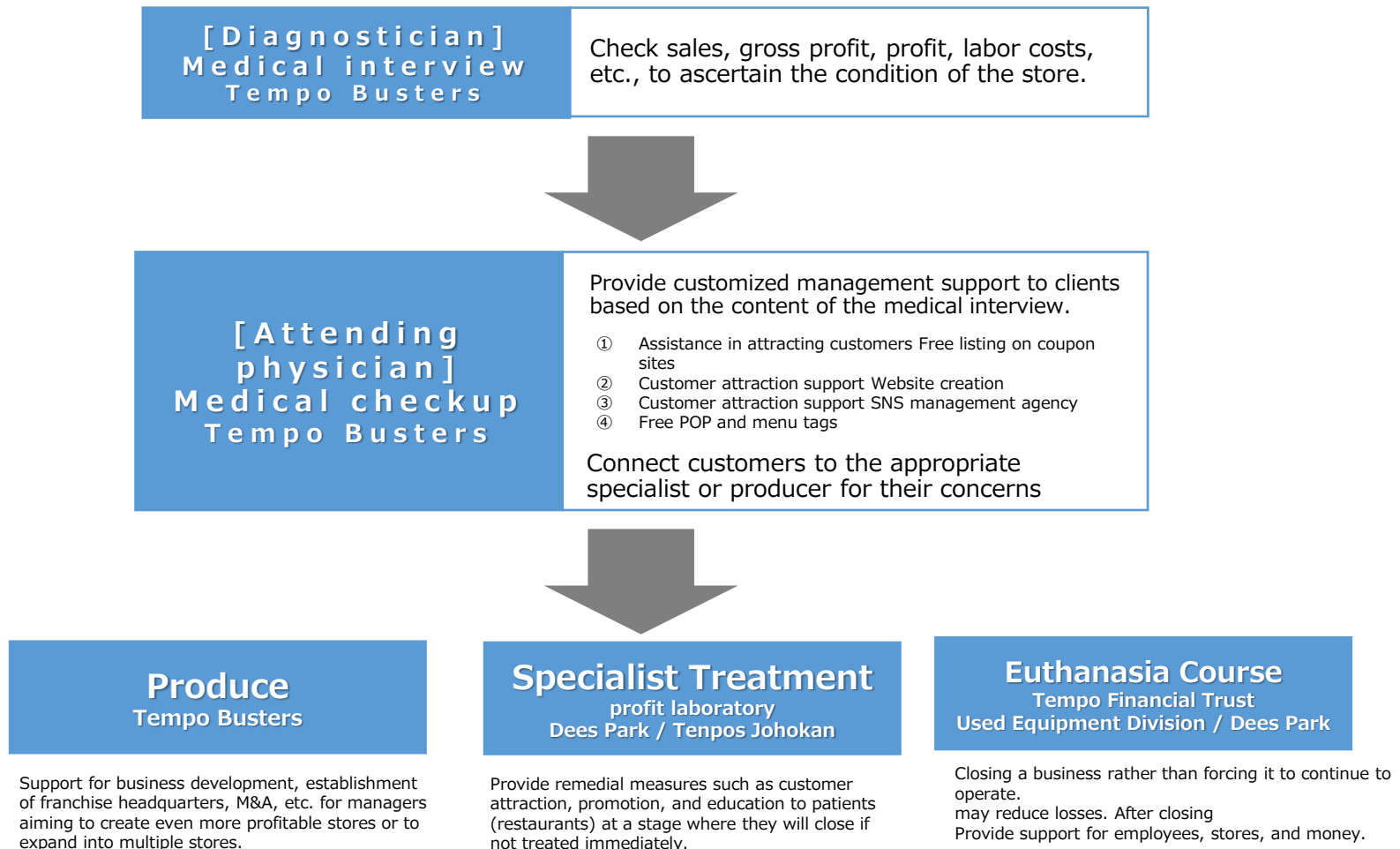
Forecasts are non-consolidated figures before consolidation adjustments.

Segment	Year 2023 April quarter forecast	business	Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
sale of goods (as opposed to services)		kitchen over-the-counter sales	Tempo Busters	Sales	7,940	8,319	104.8	18,300	113.6%
				Operating income	975	1,033	105.9%	2,580	121.3%
		kitchen online shopping	Tenpos.com	Sales	1,337	1,257	94.0%	3,400	119.1%
				Operating income	51	22	44.2%	134	150.8%
		kitchen direct sales	kitchen techno	Sales	1,401	1,434	102.4%	3,300	111.0%
				Operating income	96	83	87.4%	234	106.9%
information Service		interior work	Studio Tenpos	Sales	465	430	92.6%	1,130	126.6%
				Operating income	24	12	51.2%	63	139.0%
		POS Sales	Tenpos Information Center	Sales	337	487	144.5%	1,000	124.1%
				Operating income	28	60	213.0%	125	131.6%
		Funds & Real Estate	Tempo Financial Trust	Sales	415	424	102.2%	873	108.2%
				Operating income	22	26	121.1%	64	172.0%
		Sales Promotion Support	profit laboratory	Sales	50	51	101.6%	160	145.5%
Operating income				▲ 8	0	returning to profit	36	▲ 9 million yen	
	Temporary staffing and placement	DsPark	Sales	314	516	164.4%	1,300	153.2% (in %)	
			Operating income	▲ 29	14	returning to profit	50	▲ 8 million yen	
	attracting customers via the Web	Tenpos Food Place	Sales	58	88	149.6%	160	125.5% (in yen)	
			Operating income	▲ 15	0	returning to profit	0	▲ 16 million yen	
eating and drinking		steak house	Asakuma Group	Sales	2,441	2,935	120.2%	6,069	115.6% (in million yen)
				Operating income	▲ 258	▲ 29	Deficit Improvement	▲ 9	▲ 340 million yen
	seafood bowl restaurant	Dream Dining	Sales	55	76	138.0%	150	124.0% (in millions of yen)	
			Operating income	▲ 16	▲ 8	Deficit Improvement	▲ 4	▲ 29 million yen	

Dr. Tenpos Progress

What is Dr. Tenpos?

Tenpos Busters plays the role of diagnostician and primary physician, and each group company plays the role of specialist physician, providing comprehensive support for restaurant management.



To work with Gurunavi, Inc.

(1) Strengthen provision of sales promotion and management support know-how (from 62 to 120 stores in 5 years)

Accelerate the "Dr. Tenpos" concept by incorporating Gurunavi's strength in problem solving (management support) for restaurants.

(2) Visit customers by accepting secondment/establishment of external sales force

Tenpos Busters has many stores located in the suburbs, which means that customers cannot visit the stores frequently. On behalf of Tempo Busters, which does not have an outside sales force, Gurunavi employees will begin a sales method of visiting customers (Push type).

→Start of sales by an external sales team consisting of employees seconded to Gurunavi from July 2022.

(3) Realization of sales and product collaboration and joint product development

Work to provide products and services and develop products that meet the business challenges of small independent restaurants.

(4) Accelerate M&A strategy

Work with Gurunavi employees to revitalize restaurants from restaurant closure projects, and sell or M&A them as their own restaurants.

Tenpos aims to be an unshakable company that can provide hardware and software to the restaurant industry.

Tenpos Group united to work on "Dr. Tenpos

Tenpos Busters Co. 53 directly managed stores, 9 franchise stores, 12 purchase centers, 2 distribution centers

- Current analysis and improvement of signage and facades
- Pre-opening and post-opening sales promotion and customer support
- Human Resource Education (Food and Beverage Dojo)
- Supplier development, recipe development, cost control, labor cost ratio management

Tenpos Food Place Co.

- Support for attracting customers via the web
- Introduction of service equipment necessary for opening and running a business
- Dr. Tenpos Service business development

Tenpos Financial Trust Co.

- Leasing/credit
- Subsidy applications on behalf of clients
- Introduction of the property

Studio Tenpos Co.

- Interior design, design and construction
- Signboard Construction

Profit Laboratory Co.

- Corporate Banquet Acquisition "Full Fax"
- Delivery Consulting

(Tenpos Johokan Co.

- Sales and maintenance of POS cash registers
- Planning and proposal of point cards and other sales promotions

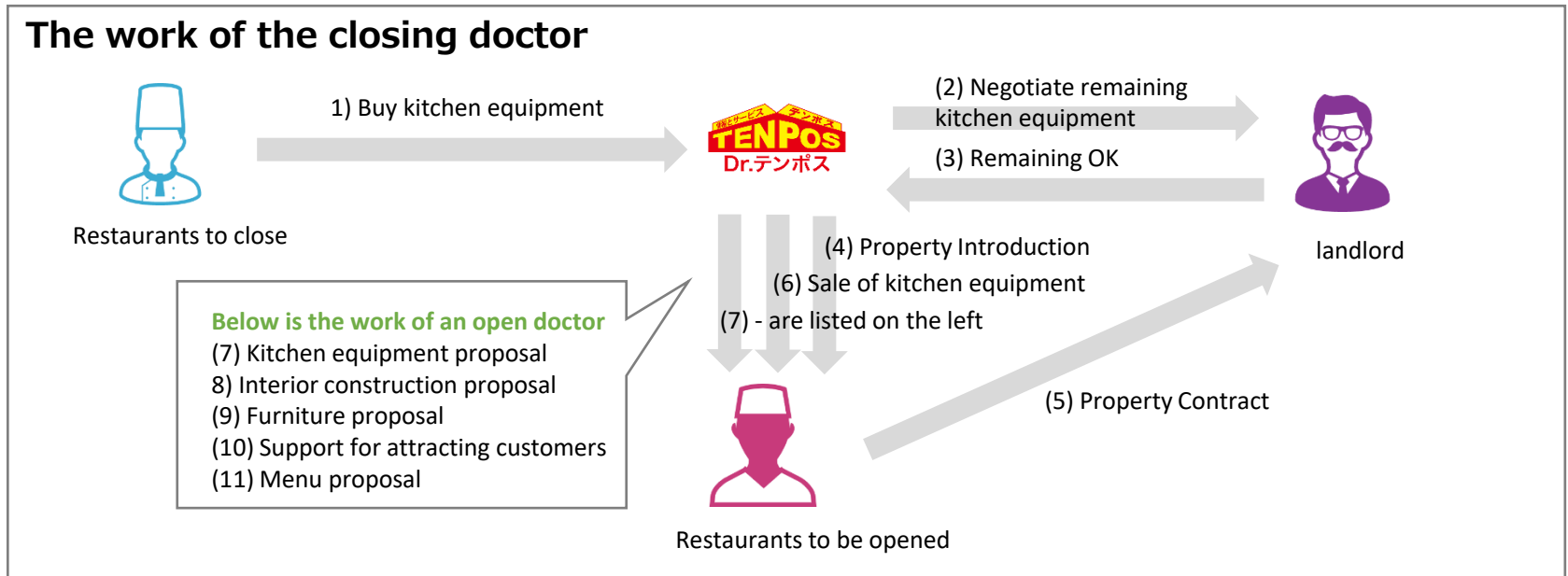
(D-Spark Co.

- Temporary staffing
- Recruiting
- Job advertisement
- Contracting

Closing Doctor / New Store Producer

Closing Doctor (does not pull up kitchen equipment after purchase!)

Buy kitchen equipment from a restaurant that is closing, negotiate with the landlord to leave the equipment in place. Find someone who wants to open a restaurant next and introduce them to the landlord. After signing a property contract, sell the kitchen equipment to the next tenant (repair any equipment that needs maintenance). Kitchen equipment that the new tenant does not need is pulled up, repaired and reconditioned, and sold at the Tenpos storefront.



New Store Producer

When a restaurant opening in a vacant property makes a request to us for the purchase of unnecessary kitchen equipment remaining in the property, our purchasing staff not only purchases the equipment but also proposes sales promotion services, etc. necessary for the new restaurant, and conducts sales activities that lead to an overall order.

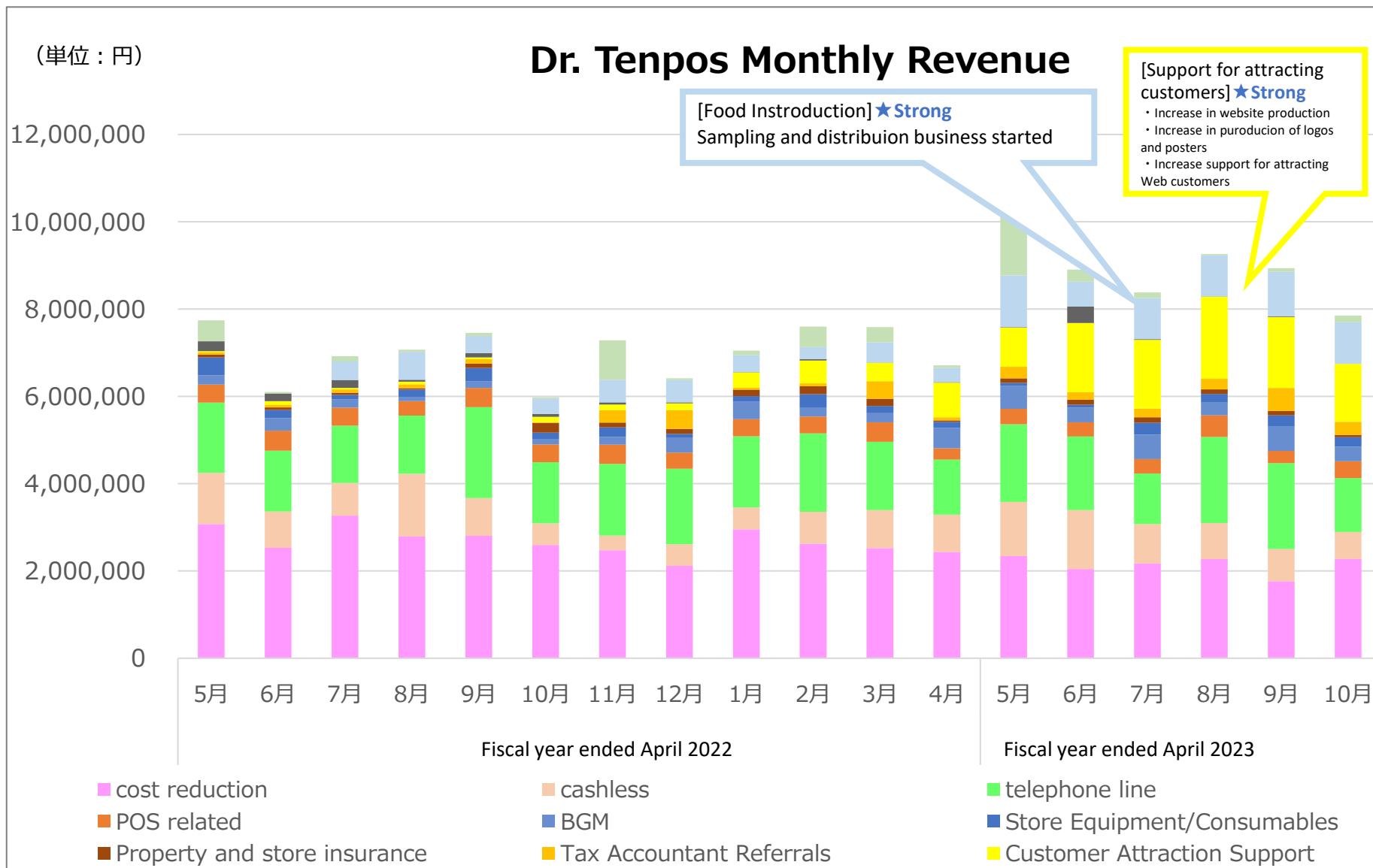
End-of-life care by Dr. Tenpos

Closing a business may reduce losses rather than forcing the business to continue to operate. The company provides support for employees, stores, and money after a restaurant transfers its business or closes. The customer contact (order taking) is handled by the "Purchasing Department" of the Used Business Division of Tenpos Busters, while the practical work of support for closing a restaurant is handled by the "Doctor".

initiative	earnings target
Store Sales - Sold stores with improved management	Sale price after rehabilitation 20 million yen to 30 million yen
change of business conditions - Propose a business type that fits the location → Rebuild with a different business type - Introduce a thriving franchise → Rebuild as the franchisee side of the franchise	Earn revenue from franchise referral fees and from supporting franchisees in opening franchisees' businesses.
Stock and business transfers - Sold by company and employees - Separate store and employee sale.	commission on sales Small scale - approx. 3 million yen x 30 projects = 90 million yen Large scale - approx. 10 million yen x 5 projects = 50 million yen
Stopping business - Loan settlement negotiations, landlord negotiations, property introductions, staffing introductions, temporary staffing registration →Ltd. for job transition support for employees. →Studio Tenpos Co., Ltd. for skeleton construction of the property. →Tempus Financial Trust Co.	placement For 10-15 referrals per year A manager with an annual income of 4 million yen... (25% of annual income is commission) Commission 1 million yen x 15 persons = 15 million yen
system of self-support - Employee Independence Support Program to re-engage after 3-5 years in the ASAKUMA Group. [Prepare ¥3 million of your own capital plus ¥20 million for the company.]	

Dr. Tenpos Monthly Earnings

Dr. Tenpos' gross profit from sales is split between Tenpos Busters and Tenpos Food Place.



Tenpos Busters

Performance and Growth

Strategy

(Non-consolidated) Tenpos Busters' Strengths and 2nd Quarter Results

Forecasts are non-consolidated figures before consolidation adjustments.

(Millions of yen)

	Year ending April 30, 2022 2Q Result	Year ending April 30, 2023 2Q Result	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Sales	7,940	8,319	104.8	18,300	113.6% (in Japan)
Operating income	975	1,033	105.9% (in million yen)	2,580	121.3% (1)



The largest used kitchen equipment sales company in Japan.

Sale of goods (as opposed to services) annual sales in the first half of the previous fiscal year 21 billion
*Adjusted figures

over-the-counter sales (Tenpos Busters)

online shopping (Tenpos.com)

direct sales (Kitchen Techno)

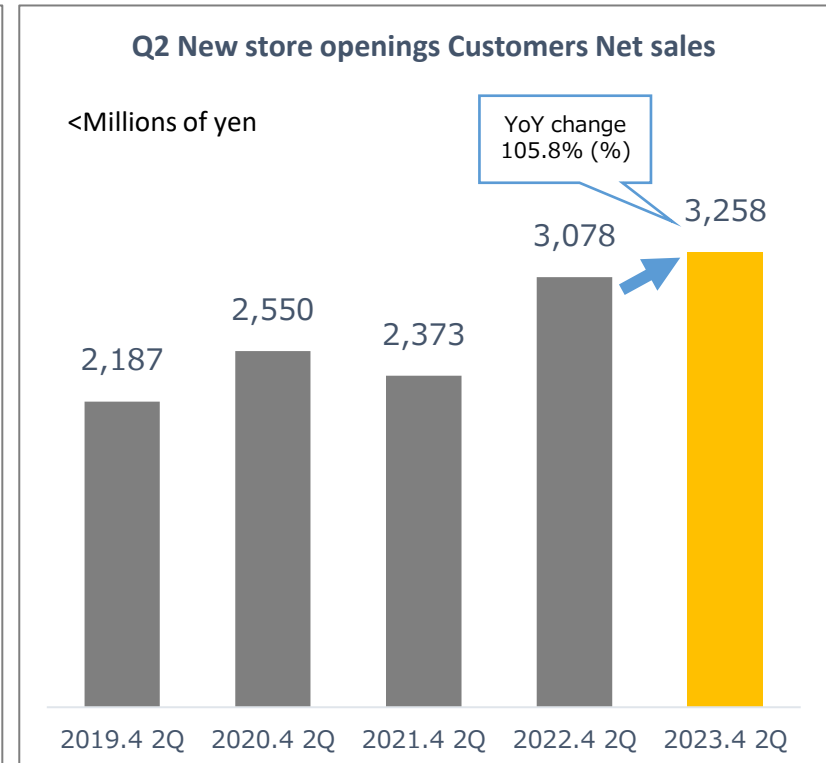
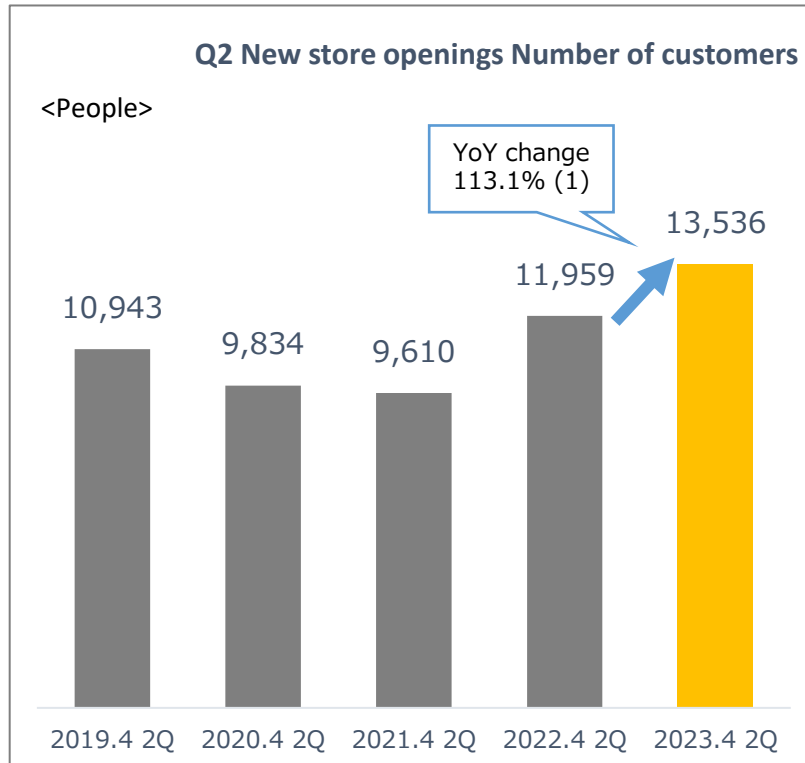
- Annual sales **16.1 billion +2.5 billion +2.9 billion**
- **60 stores nationwide** (as of 2021) → **120 stores** strategy
- **610,000 annual store visits**
- **320,000 members**
- **No. 1 in sales in the used kitchen industry** (1 strong, less than 100)
- **Established in 1997**
- **Listed on JASDAQ 2002**

New Store Openings Customers and Sales

The number of orders received from customers opening new stores increased due to the thoroughness of talking to customers who came to the stores.

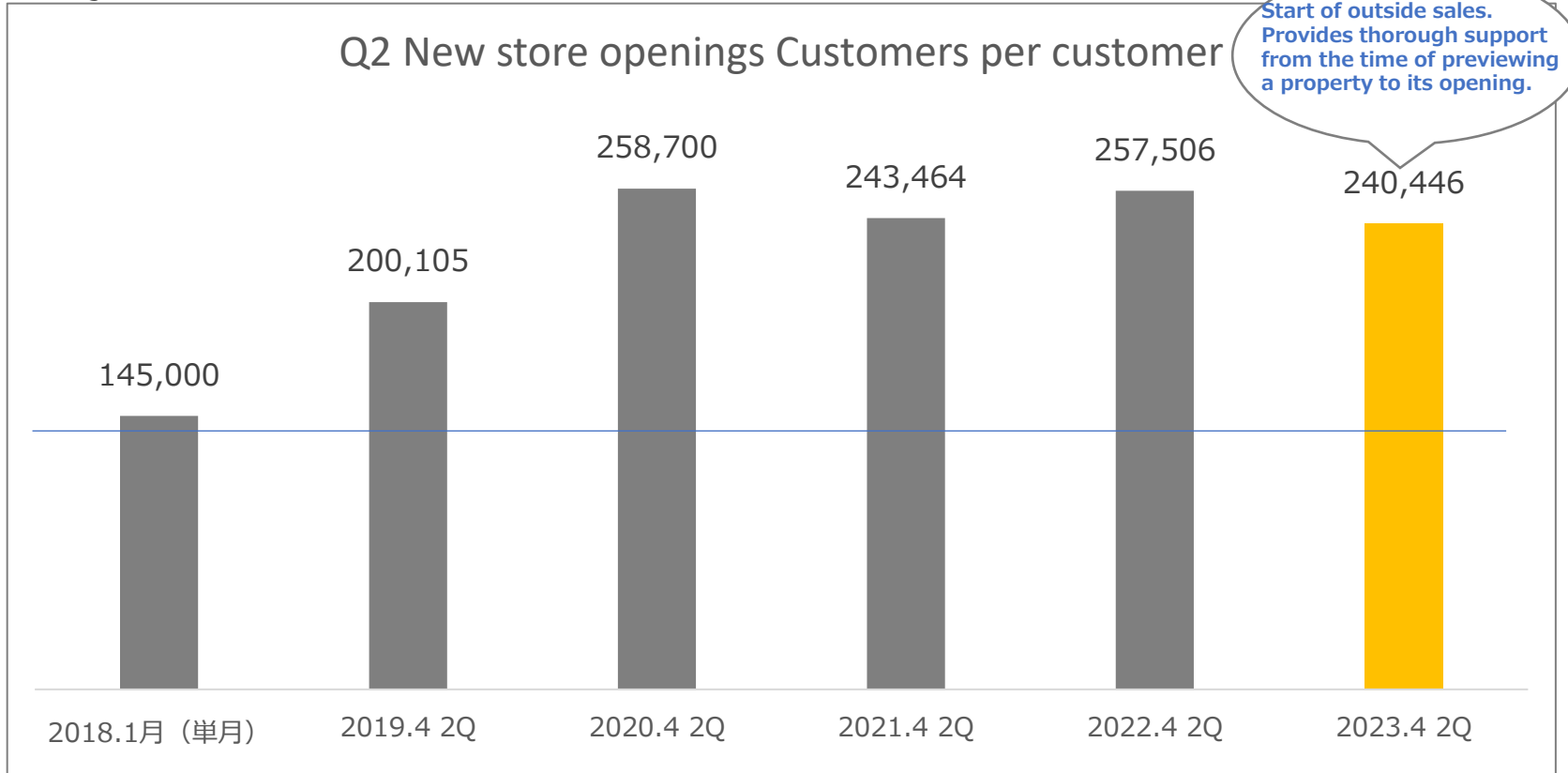
Number of customers who opened new stores: 13,565 in the second quarter
(113.1% y/y)

New store opening customer sales: 2Q 3,258 million yen (105.8% y/y)



New store opening customer spend

The cost per customer for new store openings in Q2 FY4/2023 was **240,446 yen**. While this is **165.8% compared to** January 2018, when the doctoring service was launched, **it has remained flat over the past few years**. Many new store opening customers who come to Tenpos have already ordered the interior and kitchen from other companies and come to Tenpos to buy supplies and tableware. Therefore, through sales activities by opening and closing doctors, the company will acquire customers from the early stage of preparing for restaurant openings and increase the number of orders for complete sets of kitchen equipment, furniture, uniforms, etc. Starting in July 2022, the company will launch an external sales force. The team will work to increase the amount of orders per customer by attending meetings with customers who are opening new restaurants to preview their properties and discuss interior work, among other activities.



Growth Strategy: Quadruple the customer spend for new store openings

Generally, when opening a restaurant, it costs **4.7 million** yen for kitchen equipment and store supplies. Raise the per-customer spend for new store openings from the current 250,000 yen to **1,000,000** yen.

Year ending April 30, 2022 Full Year Results	Composition of visitors (613,000 per year)	Sales composition ratio (Annual sales: 16.1 billion yen)
existing customer	96% (589,167)	62.1% (10 billion yen)
New store opening customer	4% (24,303)	37.9% (6.1 billion yen)

New store opens to double the number of customers and quadruple the spend per customer.

	status quo	Target	effort
New store opening customer Number of customers (monthly average)	2,025 persons/month	1.6 times 3,200 cases/month	Increase the number of potential customers for new store openings that have not yet been acquired by 1.5 to 2 times by thoroughly talking to them.
New store opening customers Average monthly spend per customer	250,000 yen	four times 1 million yen	Increase overall orders and quadruple the cost per customer through employee training and prospect management follow-up.
New store opening customer Net Sales	6.1 billion/year	38.4 billion/year	In addition to the above initiatives, engage in sales activities triggered by real estate contracts and interior work to win overall orders

Increase annual sales from 16.1 billion to 48.4 billion by opening new stores with 1.6 times the number of customers and 4 times the amount per customer

38,000 new store openings (3,200 customers/month x 12 months) x 1 million yen per customer for new store openings = 38.4 billion yen
Existing sales 10.0 billion yen + new store open customer sales 38.4 billion yen = 48.4 billion yen

Doctor" training 5 hours per week online ZOOM training

250 employees, including part-time employees, receive 5 hours of training per week, 240 hours per year
The curriculum is changed on a case-by-case basis to improve the level of the students.

Start Date	goal
April 2018-	First, take the course seriously. Training target: 100 employees / 1 hour training per week per employee
April 2019-	Must be able to follow a talk script and explain Training target: 320 employees and part-timers / 5 hours of training per week per person
From April 2020	To increase the cost per customer for a new store opening from 260,000 yen to 1,000,000 yen. Training Target: 263 employees / 5 hours of training per week per employee
From April 2021	Conduct training while tracking effectiveness measurements (proficiency and results) Training Target: 263 employees / 5 hours of training per week per employee
From April 2021	Started intensive training for selected members Select 25 people from all over the country to become store producers (doctors) and provide intensive training. (Drawing layout proposals, property introductions, interior construction consultation, etc. for comprehensive orders)
From July 2022	<ul style="list-style-type: none">● Started training for Tempo Busters stores on attracting customers to their own websites.● Started "Hearing Talk" and "Closing Talk" training to improve salespeople's sales skills.

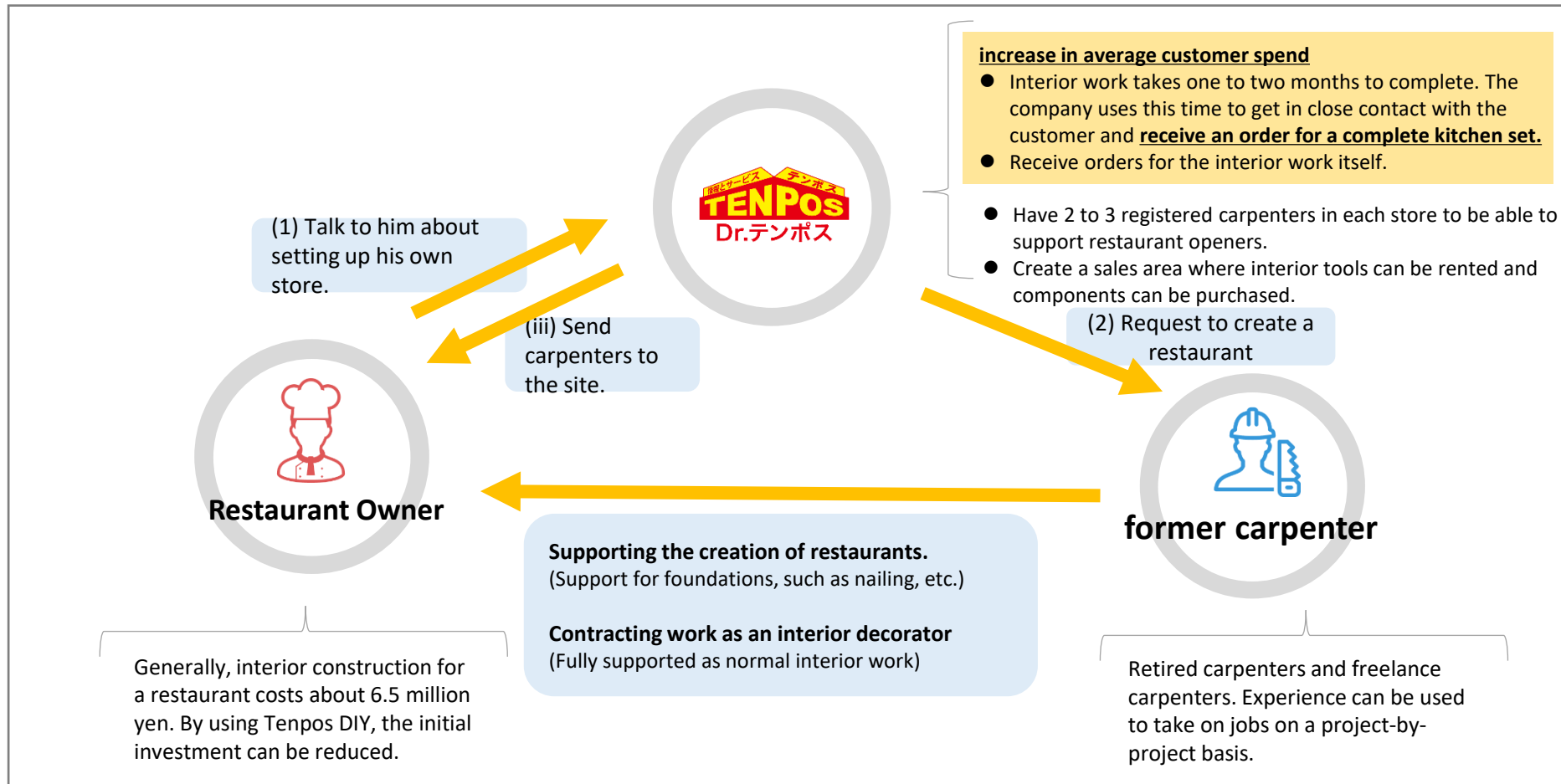
Growth Strategy: Quadruple the customer spend for new store openings

Create a **tempo DIY** corner.
Establish a culture of "build your own restaurant"



May 2022
Project team disbanded
To be continued at the field level
in the future.

Although there is demand, it is difficult to establish an in-house training and order-taking system, and the DIY project team is disbanded as it is deemed premature. The company decided it was premature and disbanded the DIY project team.



so far

- Repair support is only available when a repair request is received from a customer.
→Connect with the manufacturer's repair personnel or have them bring in the product for repair.
- Repair and rehabilitation techniques vary from area to area.

from now on

- Open repair and restoration centers in areas of shortage from the current 12 nationwide.
- In addition to repair services, the company **will also** propose equipment replacements and **increase sales of goods**.
→In addition, we also provide information and take orders for doctor services.
- Establish a post-purchase maintenance plan and a 365-day, 24-hour repair system
- Train **150** maintenance personnel **nationwide to** repair and rehabilitate

Tempo's Strengths

From chillers to thermal equipment, we can repair and rebuild any manufacturer. Other companies repair only their own products. Also, most repairs are outsourced.

Most recent and current initiatives

Average of 600 maintenance requests per month / 5 maintenance staff We **still need more people!**

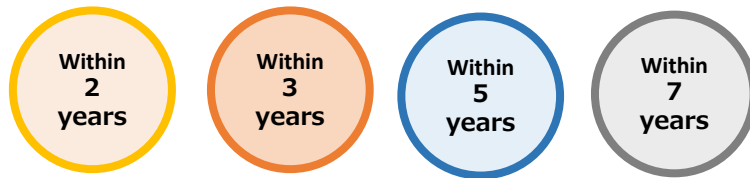


**Maintenance salesman's
Repair and merchandise sales
forecast**
↓
(2.5 million yen per month x 150 persons x 12
months)
Sales 4.5 billion
Gross profit 1.6 billion

Building up a maintenance network. Nationwide maintenance sales force of **150** salespeople.

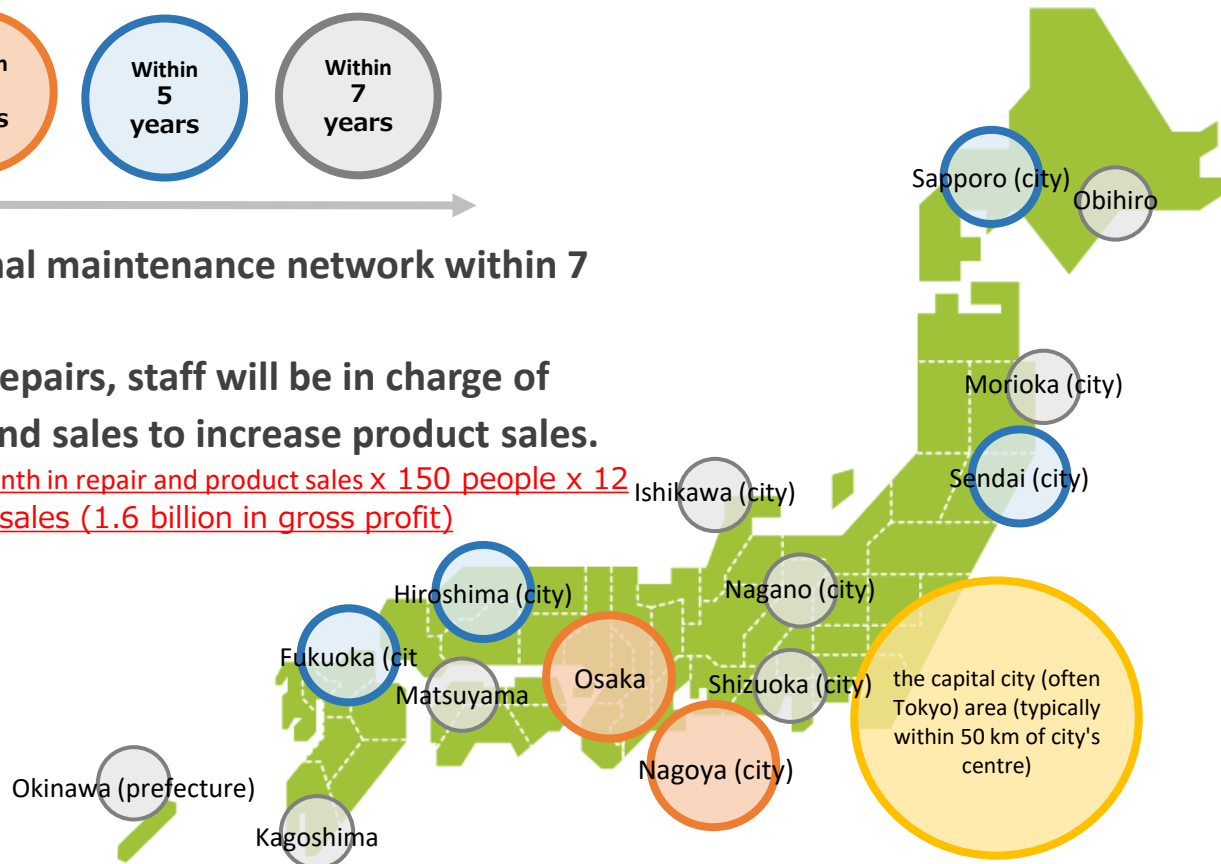
▼ Map of planned establishment of maintenance bases

Maintenance locations nationwide within 7 years



- ① Create a national maintenance network within 7 years.
- ② In addition to repairs, staff will be in charge of maintenance and sales to increase product sales.

→2.5 million yen per month in repair and product sales x 150 people x 12 months = 4.5 billion in sales (1.6 billion in gross profit)



Growth Strategy Opening of Tenpos Busters stores



Kawaguchi Kitchen Equipment Specialty Store



Kawaguchi Tableware and Cooking Utensils Specialty Store



Kawaguchi Chair and Table Specialty Center

In 6 years, including M&A, from 60 stores in 2021 to 120 stores.

To dominate the used kitchen industry nationwide by acquiring or forming capital and business alliances with used kitchen competitors nationwide.

New store information (store openings for the fourth quarter of the fiscal year ending April 30, 2022)

Tenpos Mito Store Opened in February 2022

Address: 4247-2 Nagaoka, Ibaraki-machi,
Higashiibaraki-gun, Ibaraki

Initial investment: 12 million yen

Profitable in the month after opening

Tenpos Himeji Store Opened in March 2022

Address: 451 Tamate, Himeji City, Hyogo
Prefecture

Initial investment: 18 million yen

Profitable in the month following opening

Currently considering opening 1 store in Gifu Prefecture, 1 store in Mie Prefecture, 1 store in Kansai area

Expansion of used equipment purchase business

Purchasing at in-house auctions ("auctioning" kitchen equipment purchases)

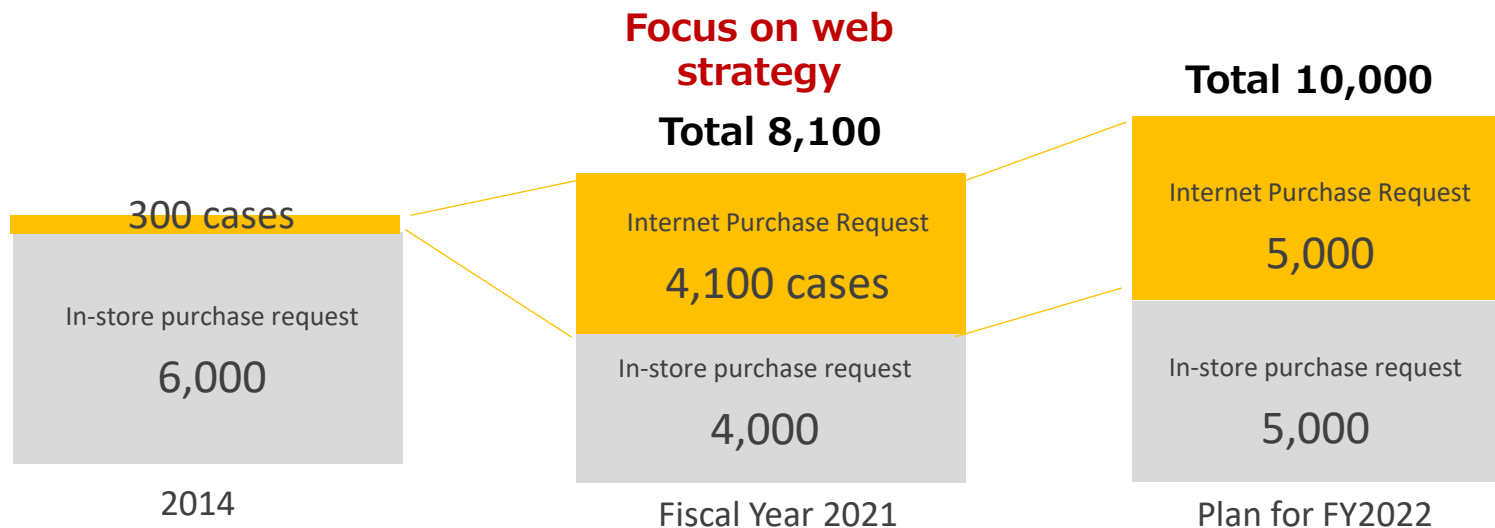
Products purchased by the purchasing division (purchasing center) will be auctioned daily for in-house stores and shipped to the stores that bid on them. The stores will be able to engage in proactive store management, as store managers can decide the price and quantity to be purchased at their own discretion. On the other hand, the purchasing manager will be able to purchase at a reasonable price in order to raise the bidding price of the auction. (Remember the market price)

Establishment of a bulk purchase site

Began purchasing large lots of food, beverages, consumables, etc.



Work to increase the number of purchase requests via the Internet



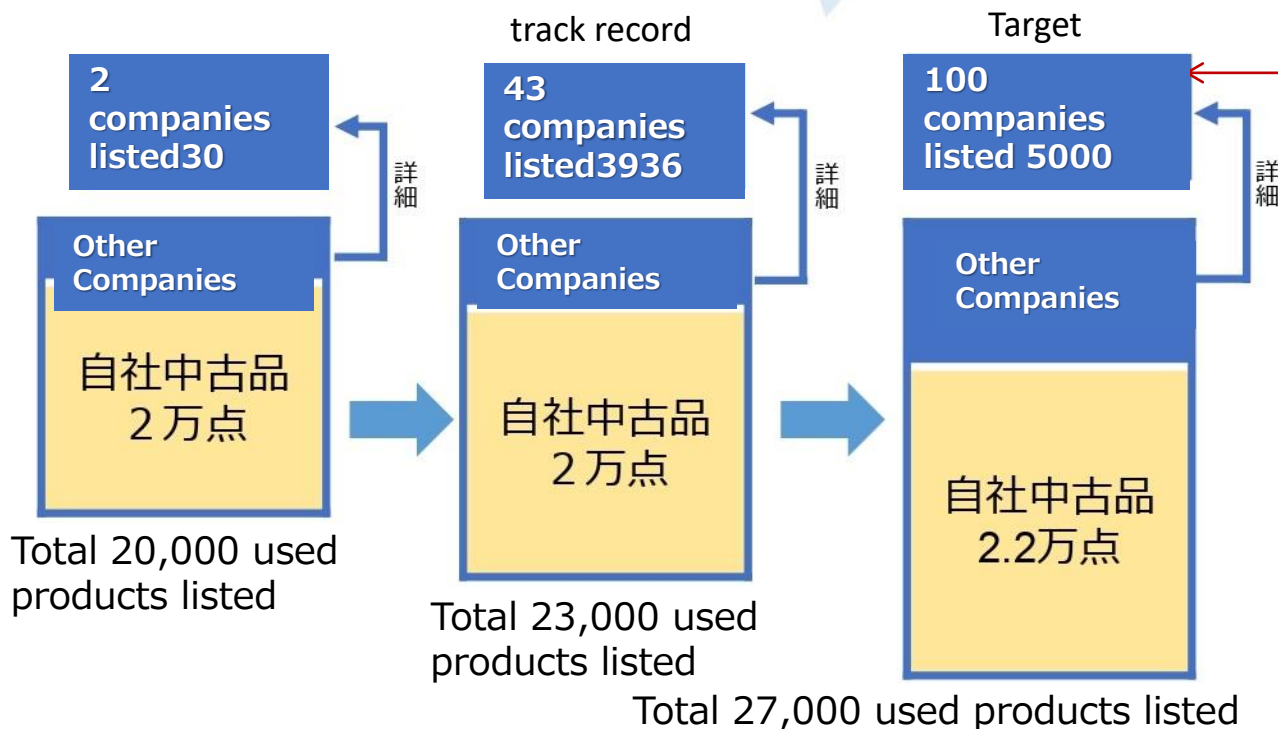
Become a platformer specializing in used kitchen equipment.

Used Kitchen Hall of Fame Project Begins



「中古の殿堂」サイトオープンから1年間は掲載費無料・販売手数料無料とする。この間に、中古の殿堂に商品を掲載する全国の中古厨房リサイクル店を開拓する

Post used kitchen products from recycle stores Nationwide on Tenpos.com's commercial kitchen site.



The reason for the small number of items listed (5,000 used items compared to 100 listed companies) is that the majority of the recyclers are sole proprietorships.

Business Performance by Operating Company

Sale of goods (as opposed to services)

■ Performance of each operating company in the merchandise sales business

(Millions of yen)

Forecasts are non-consolidated figures before consolidation adjustments.

Business	Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
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		Operating income	51	22	44.2%	134	150.8%
kitchen direct sales	kitchen techno	Sales	1,401	1,434	102.4%	3,300	111.0%
		Operating income	96	83	87.4%	234	106.9%

Tenpos Busters (Over-the-counter sales) Sales and income increased

- New store openings increased to 13,536 customers (113.1% y/y)
- Average spend per customer for new store openings fell to 240,446 yen (93.4% y/y)
(Because of the increase in talking to visiting customers, orders from new store customers who buy only cooking utensils and tableware are also increasing)
- Launch of an external team of employees with extensive experience in restaurant management support.
- Purchasing manager who receives purchase of unneeded kitchen equipment in a vacant property for opening a new restaurant starts sales activities to obtain comprehensive orders as a new restaurant producer who proposes sales promotion services, etc. necessary for preparation of a new restaurant at the same time of the purchase.
(Even though we receive information on more than 200 vacant properties every month, only about 7 projects are in progress each month, and that's still a lot!)

Sale of goods (as opposed to services)

Tenpos.com (Internet sales) Sales and income down

(Millions of yen)

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Tenpos.com	Net sales	1,337	1,257	94.0%	3,400	119.1%
	Operating income	51	22	44.2%	134	150.8%

- Due to continued delivery delays for refrigeration equipment, which accounts for a high percentage of sales, mail-order sales declined 93.3% YoY.
- Sales of used kitchen equipment increased 130.0% due to strengthened sales of used kitchen equipment with high gross margins.
- Strategically increased the number of employees seconded to Gurunavi from 14 to 28. Expenses increased by 134.5% yoy.
- The number of accesses increased 120.0% YoY due to measures taken by employees seconded to Gurunavi, who are well versed in the web.
- With thicker human resources, we expect to enter the stage of annual sales from 2.5 billion yen to 5 billion yen as early as the third quarter or later, and from the next fiscal year at the latest.

Kitchen Techno (direct sales and marketing) Increase in sales and profit

(Millions of yen)

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	YoY change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
kitchen techno	Net sales	1,401	1,434	102.4%	3,300	111.0%
	Operating income	96	83	87.4%	234	106.9%

- Received new orders for planned kitchen equipment upgrades (200 rice cookers, 14 million yen in sales) for a major restaurant chain.
- Began training in interior design proposals. Received a high order of 26 million yen per case by proposing a set of kitchen and interior design.
- Active participation in exhibitions (from 0 in the previous fiscal year to 3 this fiscal year)
- Gross profit margin declined by 0.5% due to price hikes from manufacturers, and operating income declined due to increased expenses resulting from personnel expansion.
- From the third quarter onward, we plan to hold seminars for ramen restaurant operators and launch a website to support the opening of restaurants for foreigners in order to cultivate new customers.

Information and services business

■ Results of each operating company in the information and services business

Segment sales increased significantly to 1,983 million yen (122.4% y/y) and operating income to 114 million yen (923.9% y/y) as more restaurants invest in sales promotion, human resources, and equipment as they recover from the Corona disaster. Driving the earnings growth were the POS system sales business and the temporary staffing services business. Among the new businesses launched under the Corona Disaster, the delivery contracting business performed well.

Forecasts are non-consolidated figures before consolidation adjustments.

(Millions of yen)

business	Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
interior work	Studio Tenpos	Sales	465	430	92.6%	1,130	126.6%
		Operating income	24	12	51.2%	63	139.0%
POS Sales	Tenpos Information Center	Sales	337	487	144.5%	1,000	124.1%
		Operating income	28	60	213.0%	125	131.6%
Funds/Property	Tenpos financial trust	Sales	415	424	102.2%	873	108.2%
		Operating income	22	26	121.1%	64	172.0%
Sales Promotion Support	profit laboratory	Sales	50	51	101.6%	160	145.5%
		Operating income	▲ 8	0	returning to profit	36	▲ 9 million yen
temporary employee placement	D-spark	Sales	314	516	164.4%	1,300	153.2%
		Operating income	▲29	14	returning to profit	50	▲ 8 million yen
attracting customers via the Web	Tenpos Food Place	Sales	58	88	149.6%	160	125.5%
		Operating income	▲15	0	returning to profit	0	▲ 16 million yen

Information and services business (2)

Studio Tenpos (Interior design and construction) Decrease in revenue and profit (Millions of yen)

Company Name	(school) subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Studio Tenpos	Sales	465	430	92.6%	1,130	126.6%
	Operating income	24	12	51.2%	63	139.0%

- Amid Corona Recovery, Interior Construction Contracts Reach 111.8% YoY
- The overall price per customer declined due to a decrease in the number of orders for new store openings, which have a high price per customer. Despite an increase in the number of contracts, lower sales per customer resulted in a decline in net sales.
- Increase in personnel in the Kansai area to expand sales will lead to higher expenses and lower operating income.
- Launched maintenance services such as store cleaning. Began offering this service to repeat customers in conjunction with the elapsed year of business.

Tenpos Johokan (POS system sales) Significant increase in sales and profit (Millions of yen)

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Tenpos Information Center	Sales	337	487	144.5%	1,000	124.1%
	Operating income	28	60	213.0%	125	131.6%

- Increase in orders related to table order, mobile order, and self-checkout
- While the distribution of new POS cash registers units is in short supply due to the shortage of semiconductors, Tenpos Johokan purchases and sells used POS, which boosted sales volume (135.0% YoY) and gross profit amount.
- Received 7 personnel from Gurunavi with expertise in web sales promotion to work on SEO measures, SNS advertising, etc.
- Although expenses increased (126.2% y-o-y) due to an increase in personnel, sales exceeded this and operating income increased.

Information and services business (2)

Tempos Financial Trust (Funds and Real Estate) Increase in revenue and profit

(Millions of yen)

Company Name	(school) subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	YoY change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Tempos financial trust	Net sales	415	424	102.2%	873	108.2%
	Operating income	22	26	121.1%	64	172.0%

- Installment and lease transaction volume increased by 35 million yen year-on-year, and "accounts receivable system" transaction volume increased by approximately 50 million yen year-on-year.
- Sales of goods contributed to sales of 10 million yen, triggered by consulting sales for business restructuring subsidies.
- In the real estate division, increased the number of outsourcing employees by four and strengthened the system to receive orders for business succession (M&A). At the same time, the company will use advertising to recruit prospective business successors. For these
- reasons, the settlement terminal business is being transferred to a group company.

Profit Laboratory (support to attract customers) Increase in revenue and return to profitability

(Millions of yen)

Company Name	(school) subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
profit laboratory	Sales	50	51	101.6%	160	145.5%
	Operating income	▲ 8	0	returning to profit	36	▲ 9 million yen

- While sales promotion activities by major food service companies have been showing a deep-rooted tendency toward self-restraint, sales of the mainstay "Manzoku FAX" business rose to 37 million yen (121.0% y/y) by capturing sales promotion demand at new restaurant openings and offering proposals that include the restaurant management support services of group companies. However, despite the increase in sales, orders for "Manzoku FAX" are about 70% of those before the Corona disaster (FY4/2020). Future issues include new business development
- **Operating income returned to profitability for the first time in two years due to** cost reductions including office relocation from the beginning of the fiscal year

Information and services business ③.

Dealspark (Temporary staffing): Sales increased significantly and returned to profitability (Record-high earnings in 2Q cumulative period) (Millions of yen)

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	YoY change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
D-SPark	Sales	314	516	164.4%	1,300	153.2%
	Operating income	▲29	14	returning to profit	50	▲8 million yen

- Demand for customer service sales dispatching is high amid the first summer vacation in three years with no restrictions on activity and the movement of people, resulting in higher sales to apparel and food merchandising stores, which are major clients, than before the Corona disaster (FY4/2020). In addition, hotel cleaning temporary staffing sales in western Japan were strong, up 13 million yen YoY.
- The new "contracted delivery business" launched by Corona Disaster Relief grew to become a major earner with operating income of 13 million yen.
- Operating income for the first half was 14 million yen, the highest ever recorded in the same period.
- Acquired industrial waste transportation and disposal business in Tokyo and three prefectures in advance. Scheduled to begin waste collection and transportation in the third quarter.

Tenpos Food Place (Web-based customer attraction support) increased revenue and returned to profitability (Millions of yen)

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Tenpos Food Place	Sales	58	88	149.6%	160	125.5%
	Operating income	▲15	0	returning to profit	0	▲16 million yen

- Due to an increase in the number of doctor service acquisitions, operating income for the **first time since its establishment was positive in the first half of the fiscal year.**
- Foodstuff sample distribution business (up 3 million yen) and restaurant promotional material creation business (up 3 million yen)
- Increase in the number of web production contracted by Tenpos Group internally and externally (up 6 million yen) due to the strengthened structure of the Design Division
- From the third quarter, focus on sales activities and new business development to develop new customers

Food and Beverage

■ Financial Results of Food & Beverage Business for the Second Quarter of the Fiscal Year Ending April 30, 2023

Millions of yen

Forecasts are non-consolidated figures before consolidation adjustments.

Company Name	Subject	Year ending April 30, 2022 Second Quarter	Year ending April 30, 2023 Second Quarter	Year-on-year change	Year ending April 30, 2023 Full Year Forecast	Forecast YoY
Asakuma Group	Net sales	2,441	2,935	120.2%	6,069	115.6%
	Operating income	▲ 258	▲ 29	Deficit Improvement	▲ 9	▲ 340 million yen
	Ordinary income	257	▲ 60	turning a deficit	▲ 38	450 million yen
Dream Dining	Net sales	55	76	138.0	150	124.0%
	Operating income	▲ 16	▲ 8	Deficit Improvement	▲ 4	▲ 29 million yen
	Ordinary income	13	1	12.6% (in %)	▲ 4	21 million yen

Asakuma Increased revenues, improved deficit

human resources
management

June 2022: Yoichi Hirota is appointed as the new president due to a competition for the presidency.

Joined the legendary Sawayaka, Shizuoka Prefecture's food company, as the head of sales and marketing.

Accelerate the speed of reform by increasing the number of executives under the new structure.

- Focusing on service improvement to "keep customers waiting" and "avoid dissatisfaction" while reducing labor costs
- Started experimenting with offering an "order-by-order" buffet system, as salad bars, which are touched by an unspecified number of people due to Corona, are considered to be shunned.
- Development of magnet products to attract customers
(Example: A powerful 300 gram "BIG hamburger steak" with salad bar is offered for 1,380 yen excluding tax.)

Dream Dining: Increased revenue, improved deficit

- Sales increased on the back of an increase in the number of customers at commercial facilities due to the recovery of Corona, and efforts to improve menus with an emphasis on improving customer satisfaction
- Delivery and takeout sales, which have been implemented as sales measures that do not rely on the facility's ability to attract customers, have contributed to sales by increasing the lineup and launching limited-edition menus to differentiate the company from competitors.
- We are so close to being in the black!

The Challenge of Steak Restaurant Asakuma

A restaurant where customers can enjoy the time they spend dining at "Asakuma. As an "entertainment restaurant that proposes excitement to customers through food," it will offer kids' experiences, a self-steak experience, and community-based concerts.



Entertainment provided by Asakuma

Kids' experience, self-serve steak, hands-on salad bar menu (making original parfait/taiyaki, waffles/pancakes/steak Koshien (quick steak eating contest), concerts, presentations (local community)

Future asakuma

- (1) Corona Resume store openings based on the situation
Plans to open two new stores in the Tokai and Kansai regions, taking into consideration the environment surrounding Asakuma
- (2) "Capital investment" such as "renovation"

fire prevention
measures

hygiene
measures

aging

- (3) Product measures...Introduce creative beefsteak with an awareness of selling price
Introduction of dry-aged and smoked steaks

Food service business-Asakuma

< Cantares Management: Eliminate the boundary between the store and the customer.

Working together with 800,000 members of the Asakuma Mail to create an "Asakuma" store.



<Job Type

- Culinary planner – 8 people
- Gardening keepers – 4 people
- Grand Opening Dedicated Trainer

The recruitment and operation of each position at Cantares will be piloted and expanded to all "Asakuma" stores in the future.

< Product Strategy>

- ① Commitment to Quality
 - Iowa Black Angus beef used
 - Because we purchase directly from the designated Azuma ranch, we are able to offer the best quality products.
Can be provided stably without being affected by price fluctuations
- ② Commitment to Health
 - Health is the theme of the salad bar (Functional Labeling / Health Labeling)
- ③ Emphasis on entertainment
 - Formation of "Product Development Support Group"
 - A system to incorporate the opinions of the front line by teaming up Kitchen Meister award winners with part-timers and part-timers. (As a result of this, we will develop a salad bar menu, etc.)
 - Emphasis on community-specific initiatives

Published in Nikkei Trendy, May 2018

業界別 順位	総合 順位	チェーン名 (運営企業)	満足度 (%)
1位	14位	ステーキのあさくま (あさくま)	72.0
2位	26位	びっくりドンキー (アレア)	68.4
3位	27位	いきなり!ステーキ (ベッパーフードサービス)	67.8
4位	29位	ブロンコビリー (ブロンコビリー)	67.5
5位	48位	ステーキ宮 (アトム)	63.2

reference data

Tenpos is the SDGs itself

- ① Tempo's recycling business is an SDG itself
- ② The company's main policy is to support small restaurants, 50% of which close within 3 years, to survive 90% of them within 5 years.
- ③ One of the 17 goals of the SDGs is to "eliminate poverty," and Tenpos has a three-year plan to increase employee wages by 50%. And we will eliminate hunger and poverty among poor employees.
- ④ Eliminate the mandatory retirement age, and the elderly ratio is 31%. Provide a place to work for old people who want to work at any age.

Tempos vision

social value	economic value
Providing hardware and software to the restaurant industry Become an unshakable company	Market capitalization 100 billion yen Sales 100 billion yen



By achieving these

Achieve a "45% survival rate for restaurants in 5 years to 90%."

Supporting the creation of sustainable restaurants

Tempo Group executives

Regardless of age, candidates are selected based on their ability and performance.

5 subsidiary presidents who lead the Tenpos Group

President of Studio Tenpos
Yoshino, age 38.
A president who is too
much of a craftsman

President of Tenpos.com
Shinagawa, age 42.
one's wife, president

President of Akasama
Hirota, age 37
Super Positive President
Former Sales Manager of
Tenpos West Japan

President of D-SPark
Ito, 41
A president who seems to be
able to do everything
Director & Head of Human
Resources of Tenpos HD



The 5th battle for the Tenpos Busters president's chair begins.

Even the president of the company runs for the office and decides in a competitive race based on the idea that "I make my own life."

The 5th Tenpos Busters: The Battle for the President's Chair



President and Director, West Kitchen Equipment / General Manager, Tempo Busters Maintenance Dept.

Director and General Manager of East Japan Sales Department of Tenpos Busters

Director of Tenpos HD / Director and General Manager of Sales Division of Tenpos Busters

Director and President of Dees Park / Director and General Manager of Human Resources Business Department, Personnel & General Affairs Division, Tenpos HD

How to evaluate and decide who is president.

- 50%: Evaluation based on performance in own department from November to April 2022, results against goals, development of subordinates, and other indicators.
- 50%: Votes of department heads, AMs, store and center managers, presidents of subsidiaries and directors other than candidates

Schedule

- Plans to select a presidential candidate at the national manager meeting in April 2023; a new president will be officially selected and appointed at the general shareholders' meeting in July 2023.

5 hours per week, 240 hours per year of ZOOM training

Developing employees into "doctors ". To this end, 263 sales employees receive **5 hours of training per week per person, or 240 hours per year**. The training consists of 9 courses. The employees choose their courses from required and elective subjects, just like university lectures. Lectures are held from 10:00 to 19:00, and each session lasts one hour.

- Professional Training for Kitchen Equipment
- Professional training for chairs and tables
- Training to strengthen sales to win comprehensive orders
- Training on creating a prosperous restaurant through business analysis
- Policy Communication for Managers
- Technical training for kitchen equipment repair and refurbishment personnel
- Training for "closing doctors" for purchasing managers

■ Example of 1-week ZOOM training

日にち	6日	7日	8日	9日	10日
曜日	月	火	水	木	金
10:15-11:15		食器・調理道具プロ化研修	食器・調理道具プロ化研修	経営分析・繁盛店支援	
11:20-12:20	ドクターテンポス研修 厨房機器プロ化研修	方針伝達	イス・テーブルのプロ化研修 ドクターテンポス研修	厨房機器プロ化研修 ドクターテンポス研修	ドクターテンポス研修 方針伝達
12:25-13:25	総合受注研修	デリバリー売上アップ研修	総合受注研修	デリバリー売上アップ研修	総合受注研修
16:45-17:45		ドクターテンポス研修 厨房機器プロ化研修	方針伝達	食器・調理道具プロ化研修 イス・テーブルのプロ化研修	
17:50-18:50	方針伝達	経営分析・繁盛店支援 総合受注研修	次世代取締役研修	方針伝達 総合受注研修	イス・テーブルのプロ化研修

Train nurture people

Executive Training

Training for Tenpos Group executives and executive candidates. Practical training is held once a month on the themes of "improving results" and "building character". The number of participants is about 30.

Next Generation Director Training

Training for young leaders with several subordinates in their 20s and 30s. By systematically learning how to understand the Tempo spirit, how to analyze numerical values, and how to formulate strategies, we develop them into people who can be entrusted with the business.

Tenpos Dojo

One of the requirements to become an executive is graduation from the "Tempo Dojo," a two-day and one-night program that includes interpreting the "Tempo Spirit" and other programs based on the theme of "pushing one's limits. (Also known as "training from hell," or "training from hell.")

New graduate training - 80 km walk

New employees walk 80 kilometers in teams of five. What is the purpose of the 80-kilometer walk? What is a team?" "What is my role?"

Part-time workforce development program

Part-time employees are divided into ranks A-G according to their skills. Part-time employees decide which rank they want to achieve and take the program. The highest rank is G, which is equivalent to that of a store manager.

Various types of study sessions

Conduct study sessions based on what you have learned from books and seminars you have attended, such as "sales promotion," "web marketing," and "improving proposal capabilities. The participants will decide when and how to use what they learned in the study sessions and put it into practice.

personnel system

The personnel system is based on the philosophy of "I decide my own life."

Challenge

- Choose your working stance (Gekiryu Course and Kikusui Course)
- My Life Sheet (supports life planning)
- Manager Candidacy
- Competition for the president's chair
- FA and draft system
- part-timer
(800,000 summer bonus for part-time employees)
- divorced couple's club

Take care of one's family

- Take all the childcare leave you want.
- Freedom to transfer (e.g., follow your husband on his transfer)
- shortened working-hour system
- telecommuting

Build good relationships

- drinking in a company
- stewed potato party
- Positive strokes
(Not swearing, not pouting, being attentive)

Enjoy life from the age of 60

- abolition of the mandatory retirement age (system)
- Paradise Employee System
(Free work days and hours)
- 3-day/2-night travel training

The age at which you can call yourself a senior citizen is 90 years old.

Abolished retirement system in 2005

Percentage of Tenpos Busters over 60 years old, 31%.



Employee of 18 years
(74 years old)
Customer service skills contest
Selected from 3rd in all
in the nation (503 in all)
to join the Special
Sales Section



Ichinomiya Purchase Center
Part-time employee 84
years old
Five-day work week
Hobby: Reading mystery novels

The job is to clean kitchen equipment.
Our motto is to increase the value of our products as much as possible.
How long will you work?" I'm asked.
I have no intention of reducing shifts at this time.

Preparedness to work

- pretending to know what you're talking about is a mistake
- I look better because I'm older.
- tomorrow will be more interesting than today
- Hard work is good for your health.
- I've been through everything in my long life.
- Don't worry about it.
- Grateful to be on the last train.

Temporary Policy Elderly Edition

- Proof that you can work at any age
- Life is forever learning and challenging everything.
- Work hard, take the initiative to do the work that others don't want to do.
- Treasures from the discard pile
- Every day is about discovery, ingenuity, and looking forward to tomorrow.
- My peers, let's be blunt.

About Us

Company name: Tenpos Holdings Co.

Tokyo Stock Exchange, Tokyo Standard

Head Office: 7F Sanyu Higashi-Kamata Building, 2-30-17 Higashi-Kamata, Ota-ku, Tokyo

Representative: Atsushi Morishita, President and Representative Director

Establishment : March 31, 1997

Business : Equipment sales business for restaurants Restaurant management support business

Restaurant management business

Leasing and credit card business Other businesses

Fiscal Year End : April

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