



**Tenpos Holdings Co., Ltd.**

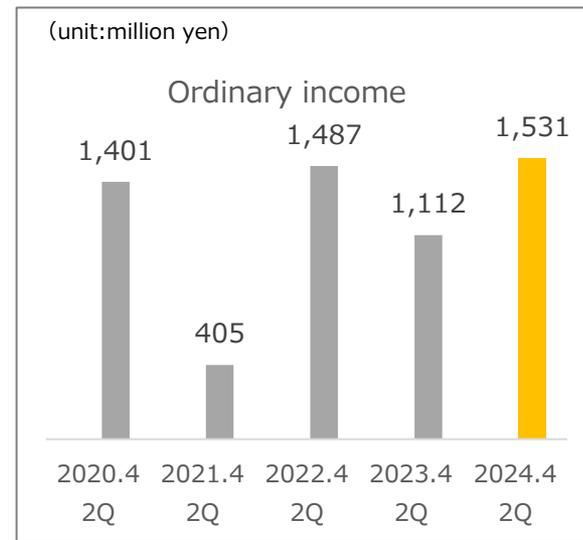
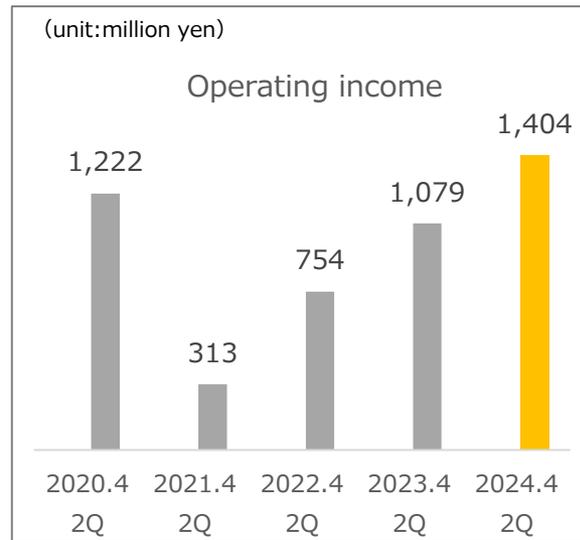
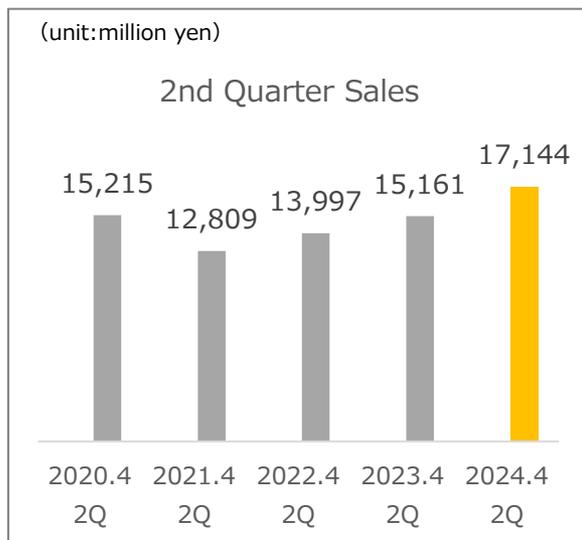
**Second Quarter of the Fiscal Year  
Ending April 30, 2024  
Company Briefing Materials**

**Tenpos is the SDGs itself.**

Standard Market (Securities Code 2751)  
Created by Chinatsu Otomaru

## Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending April 30, 2024

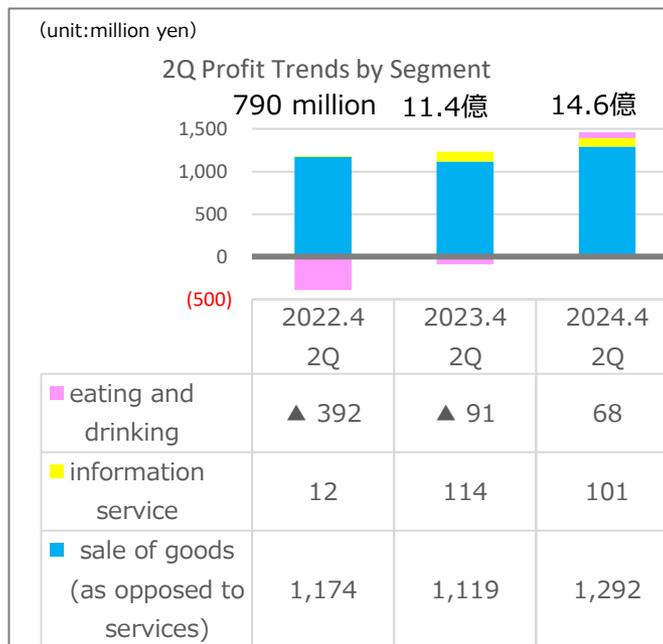
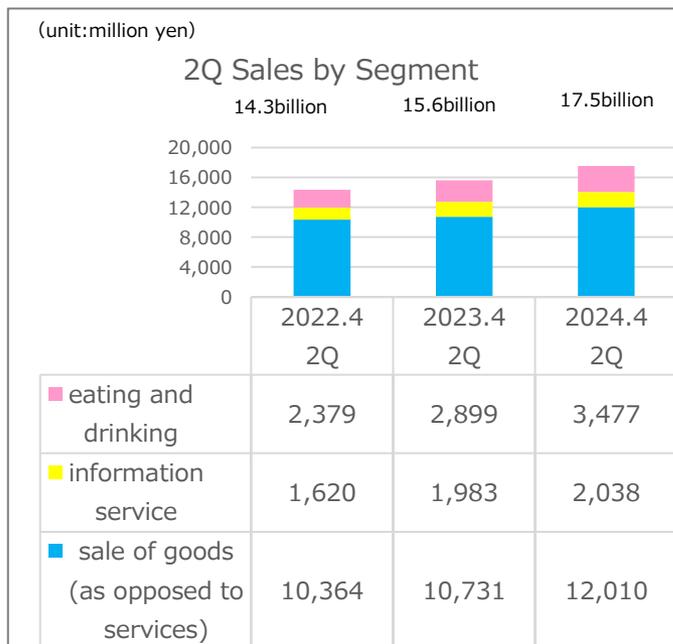
|  | Year ending April 30,<br>2023<br>Second Quarter | Fiscal year ending<br>April 2024<br>Second Quarter | Forecast YoY            |
|--|---|--|-------------------------|
| Sales  | 15,161 million yen                              | 17,144 million yen                                 | 113.1% (in million yen) |
| Gross profit   | 1,079 million yen                               | 1,404 million yen                                  | 130.1%                  |
| Ordinary income  | 1,112 million yen                               | 1,531 million yen                                  | 137.7%                  |
| Attributable to: Shareholders of the<br>parent company<br>Net income | 706 million yen                                 | 979 million yen                                    | 138.5% (in million yen) |



# Results by segment for the second quarter of the fiscal year ending April 30, 2024

|   | subject          | Year ending April 30, 2023<br>Second Quarter | Year ending April30,<br>2024<br>Second Quarter | Forecast YoY                  |
|---|------------------|--|--|-------------------------------|
| sale of goods<br>(as opposed to services) | Net sales        | 10,731 million yen                           | 12,010 million yen                             | 111.9%                        |
|   | Operating income | 1,119 million yen                            | 1,292 million yen                              | 115.5% (in million yen)       |
| Information and services business         | Net sales        | 1,983 million yen                            | 2,038 million yen                              | 102.8%                        |
|   | Operating income | 114 million yen                              | 101 million yen                                | 88.7%                         |
| Food and Beverage                         | Net sales        | 2,899 million yen                            | 3,477 million yen                              | 119.9% (in million yen) (1) * |
|   | Operating income | (2) Net sales (Millions of yen)              | 68 million yen                                 | returning to profit           |

- ① The full-year forecast for the Food & Beverage business reflects only 10 months for Asakuma due to a change in its fiscal year-end.  
 ② Ltd., the main operating company in the food and beverage business, posted operating income of 121 million yen, while the segment income of the food and beverage business was 68 million yen, mainly due to the use of shareholder gift certificates.



|   |
|---|
| <b>eating and drinking</b>                    |
| The ASAKUMA Group                             |
| unkempt hair                                  |
| ASAKUMA Succession                            |
| Dream Dining                                  |
| <b>Information &amp; Services</b>             |
| Studio Tenposso                               |
| Tenposso Information Center                   |
| Tenpos Financial Trust                        |
| Profit Laboratory                             |
| Dees Park                                     |
| Tenposso Food Place                           |
| <b>sale of goods (as opposed to services)</b> |
| Tenposso Holdings Co.                         |
| Tenposso Busters                              |
| Kitchen Techno                                |
| Tenposso.com                                  |
| West Kitchen Machine                          |

# (Non-consolidated) Tenpos Busters: Results for the six months ended April 30, 2024

Focused on real estate referrals and interior construction proposals in order to increase overall orders from single product sales.

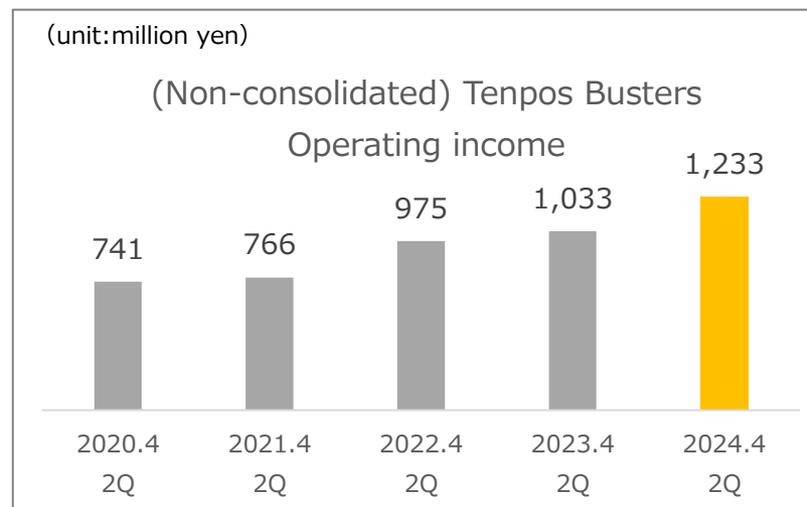
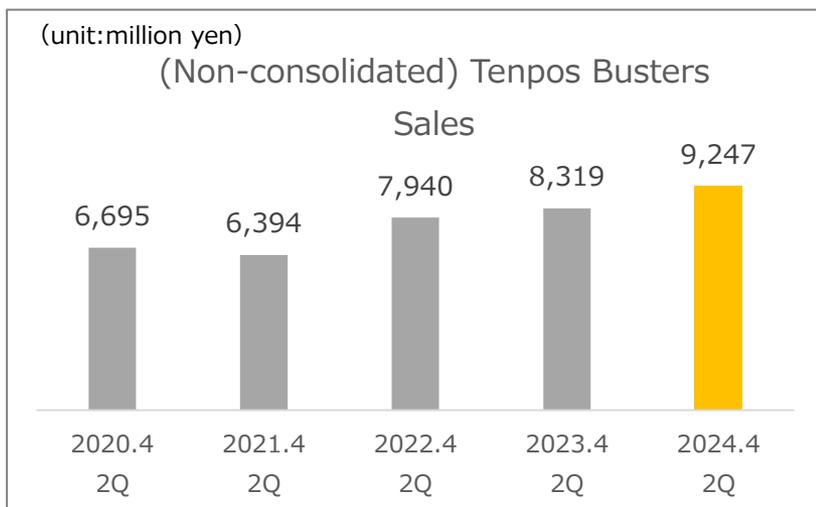
## ▼ New store openings

| June 2023 (1Q)                             | Aug. 2023 (2Q)                                   | Nov. 2023 (3Q)                      |
|--|--|-------------------------------------|
| Suzuka Store (Suzuka City, Mie Prefecture) | Kawagoe Store (Kawagoe City, Saitama Prefecture) | Nara Branch (Isobe-gun, Nara Pref.) |

## ▼ Tenpos Busters Q2 FY4/2024 Results

|                  | Year ending April 30, 2023<br>Second Quarter | Fiscal year ending April 2024<br>Second Quarter | YoY change | Fiscal year ending April 2024<br>Full Year Forecast | Forecast YoY |
|------------------|--|---|------------|---|--------------|
| Net sales        | 8,319 million yen                            | 9,247 million yen                               | 111.2%     | 19,000  | 114.4% (1)   |
| Operating income | 1,033 million yen                            | 1,233 million yen                               | 119.4%     | 2,485   | 118.9%       |

Forecasts are non-consolidated figures before consolidation adjustments.



# Results by operating company for the second quarter of the fiscal year ending April 30, 2024

## ■ 2Q Results and Full-Year Forecasts for the Fiscal Year Ending April 30, 2024 (Unit: Millions of yen)

Forecasts are non-consolidated figures before consolidation adjustments.

| Segment                                | the present term<br>2Q Results  | full business year<br>forecast  | business                          | Company Name                                   | subject          | Year ending<br>April 30,<br>2023<br>Second<br>Quarter | Fiscal year ending<br>April 2024<br>Second Quarter | YoY change          | Fiscal year ending<br>April 2024<br>Full Year Forecast | Forecast YoY  |
|--|---|---|-----------------------------------|--|------------------|---|--|---------------------|--|---|
| sale of goods (as opposed to services) |    |    | kitchen over-the-counter sales    | Tenpos Busters                                 | Sales            | 8,319   | 9,247  | 111.2%              | 19,000   | 114.4%  |
|  |   |   |                                   |  | Operating income | 1033  | 1,233  | 119.4%              | 2,485  | 118.9%  |
|  |    |    | kitchen online shopping           | Tenpos.com                                     | Sales            | 1,257   | 1,562  | 124.3%              | 3,340  | 127.2%  |
|  |   |   |                                   |  | Operating income | 22  | ▲6   | turning a deficit   | 40   | returning to profit   |
|  |    |    | kitchen direct sales              | kitchen techno                                 | Sales            | 1,434   | 1,469  | 102.4%              | 3,400  | 113.4%  |
|  |   |   |                                   |  | Operating income | 83  | 76   | 91.0%               | 238  | 133.9%  |
| information Service                    |    |    | interior work                     | Studio Tenposs                                 | Sales            | 430   | 513  | 119.1%              | 1,012  | 121.5%  |
|  |   |   |                                   |  | Operating income | 12  | 16   | 128.7%              | 48   | 172.3%  |
|  |    |    | POS Sales                         | Tenpos Information Center                      | Sales            | 487   | 460  | 94.4%               | 1,500  | 149.8%  |
|  |   |   |                                   |  | Operating income | 60  | 25   | 42.1%               | 150  | 124.9% (in the same period of the previous year)                  |
|  |    |    | Funds & Real Estate               | Tenpos Financial Trust                         | Sales            | 424   | 288  | 67.8%               | 402  | Accounting standards change                                       |
|  |   |   |                                   |  | Operating income | 26  | 41   | 156.0%              | 49   |   |
|  |    |    | Tenposrary staffing and placement | D-SPark  | Sales            | 516   | 672  | 130.2%              | 1,500  | 123.3%  |
|  |   |   |                                   |  | Operating income | 14  | 16   | 117.6% (in %)       | 76   | 138.9%  |
|  |   |   | attracting customers via the Web  | Tenpos Food Place                              | Sales            | 88  | 95   | 108.7% (in %)       | 220  | 120.2%  |
|  |   |   |                                   |  | Operating income | 0   | 3  | 494.0% (1)          | ▲5   | Deficit due to investment   |
| eating and drinking                    |  |  | steak house                       | Azuma Group<br>(Projections are for 10 months) | Sales            | 2,935   | 3,512  | 119.7% (in %)       | 6,096  | Forecast for 10 months due to scheduled change in fiscal year end |
|  |   |   |                                   |  | Operating income | ▲29   | 121  | returning to profit | 174  |   |
|  |  |  | seafood bowl restaurant           | Dream Dining                                   | Sales            | 76  | 77   | 100.7% (100.7%)     | 153  | 96.4%   |
|  |   |   |                                   | Operating income                               | ▲8               | 0   | returning to profit                                | 1                   | returning to profit                                    |   |
|  |  |  | kaiten-zushi                      | Yamato<br>(Forecast is for 6 months)           | Sales            |   |  |                     | 3,600  | Six-month forecast from October through the end of March          |
|  |   |   |                                   | Operating income                               |                  |   |  |                     | 240  |   |

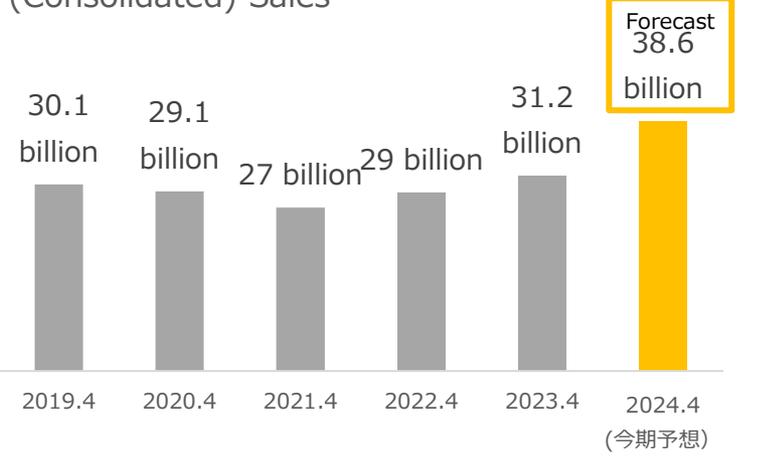
# Full Year Results

## September 27, 2023 Upward Revision Announced

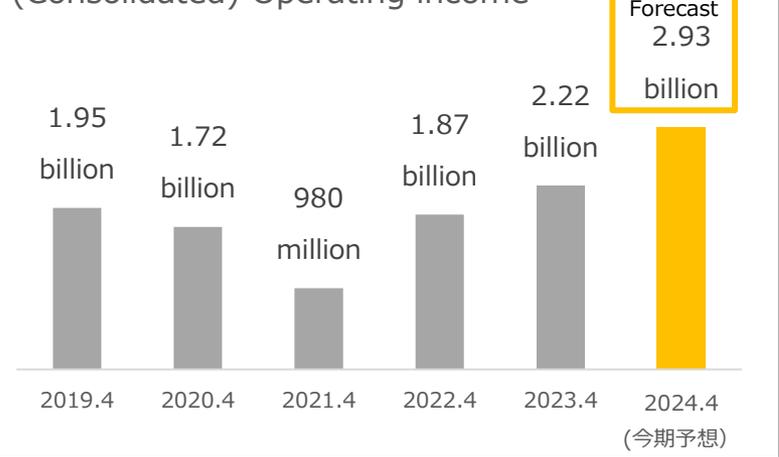
### Consolidated Financial Results and Forecasts for the Current Fiscal Year

- Ltd., a consolidated subsidiary, is only accounted for 10 months in the current fiscal year due to a change in its fiscal year-end (from the end of March to the end of January).
- Yamato recorded six months from October to March.

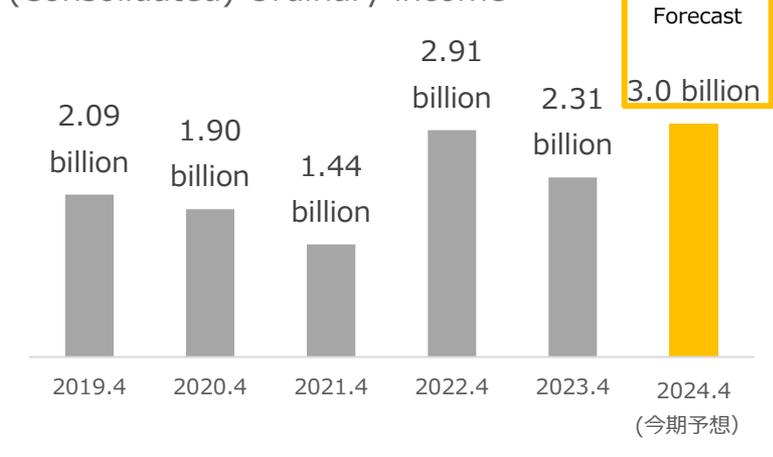
(Consolidated) Sales



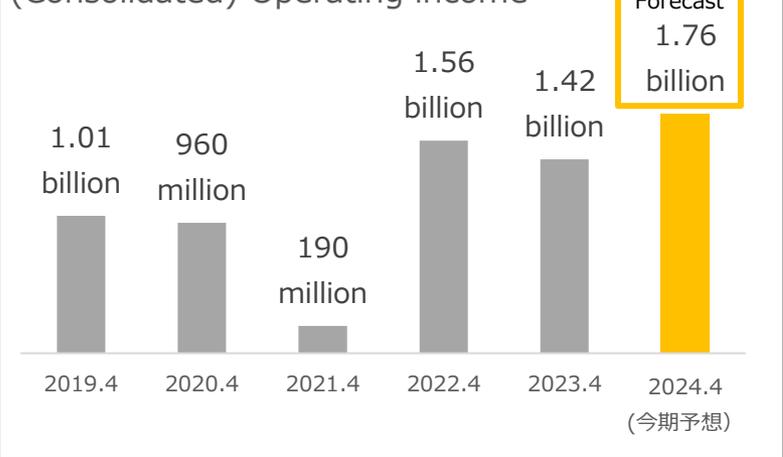
(Consolidated) Operating income



(Consolidated) Ordinary income



(Consolidated) Operating income

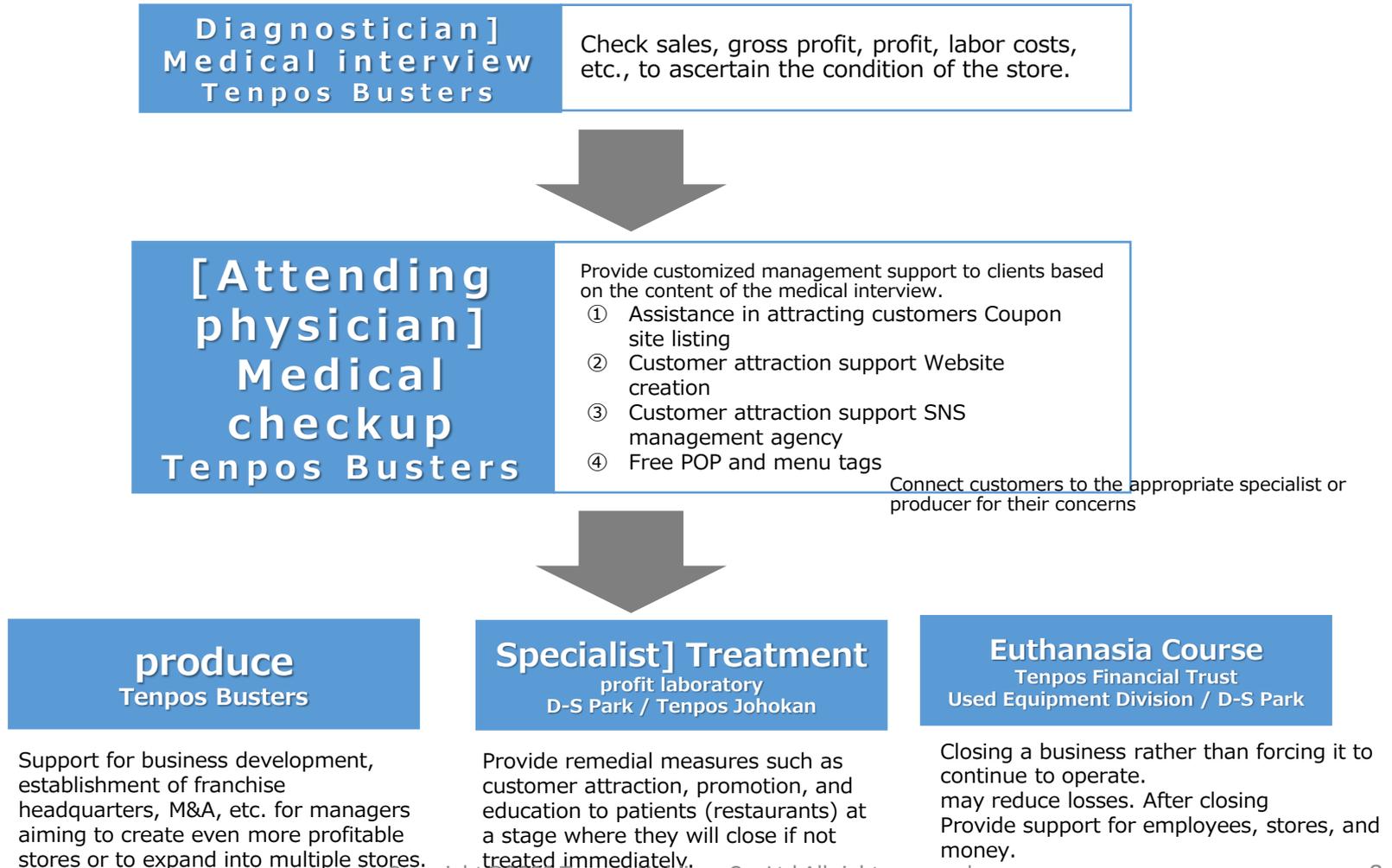


# **Dr. Tenpos Progress**

**Restaurant survival rate after 5 years from 45% to 90%**

# 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.



# Dr. Tenpos's group of specialists

## Tenpos Group united to tackle "Dr. Tenpos

**(Tenpos Busters Co.** 57 directly managed stores, 9 franchise stores, 12 purchase centers, 2 distribution centers

- Analysis and improvement of the current state of signage and facades
- Pre-opening and post-opening sales promotion and customer attraction
- 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 managing businesses
- Business development of Dr. Tenpos services

**(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

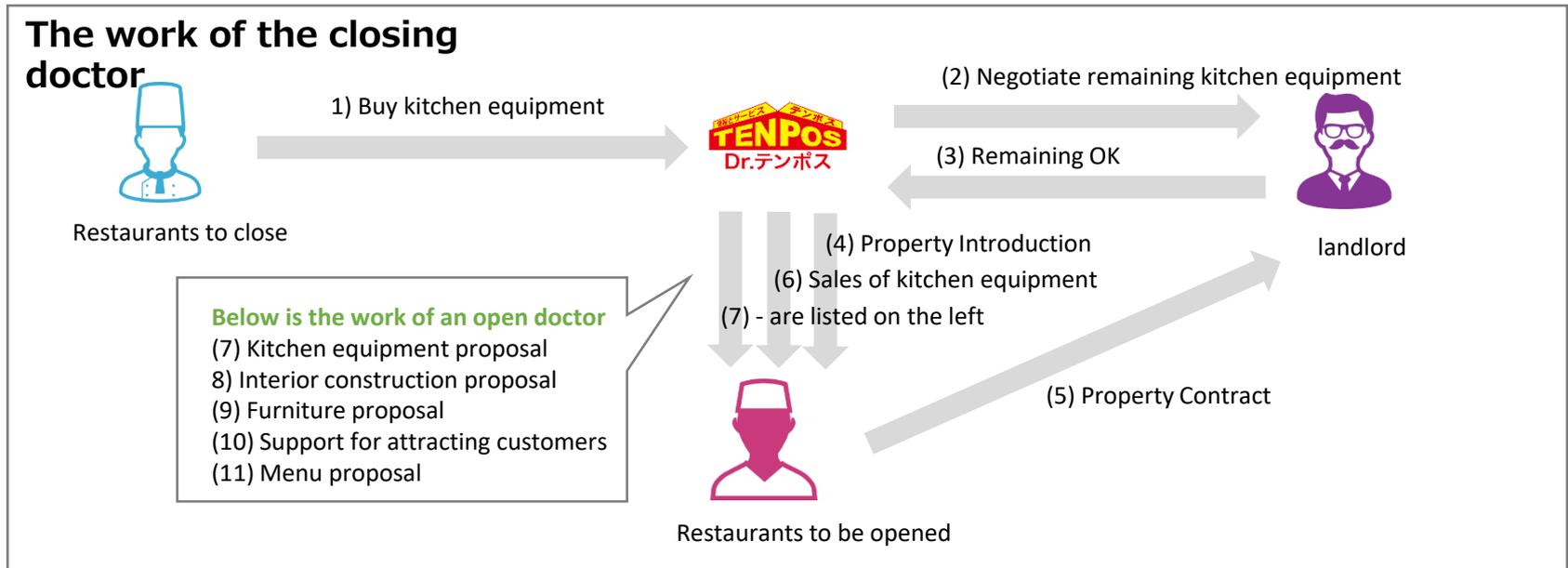
**(D-Spark Co.**

- 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 (and 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.

# Dr. Tenpos End-of-Life Care

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".

| effort   | earnings target   |
|--|---|
| Store Sales<br>Sold stores with improved management  | Sale price after rehabilitation 20 million yen to 30 million yen  |
| change of business conditions<br>Propose a business type that fits the location → Rebuild with a different business type<br>Rebuild as a member of a thriving franchise.   | Earn revenue from franchise referral fees and from supporting franchisees in opening franchisees' businesses.   |
| Stock and business transfers<br>Sold by company and employees<br>Sold with the store and employees separated.  | commission on sales<br>Small scale - approx. 3 million yen x 30 projects = 90 million yen<br>Large scale - approx. 10 million yen x 5 projects = 50 million yen   |
| stopping business<br>Loan settlement negotiations, landlord negotiations, property introductions, staffing introductions, Tenposrary staffing registration<br>→Ltd. for job transition support for employees.<br>→Studio TenposS Co., Ltd. for skeleton construction of the property.<br>→Tempus Financial Trust Co. | placement<br>For 10-15 referrals per year<br><small>If you are a manager with an annual income of 4 million yen... (25% of annual income is commission)</small><br>Commission 1 million yen x 15 persons = 15 million yen |
| system of self-support<br>Independence of employees who reapply after 3-5 years with the ASAKUMA Group.<br>● [Prepare 3 million yen of own funds + 20 million yen prepared by the company].  |   |

Tenpos Star, a food and beverage media rating 100,000 B-class gourmet restaurants for visitors to Japan

Tenpos will operate B-to-C media to send customers (consumers) to restaurants and help them increase sales.



Tenpos Star

**Number of registered stores: 2,392**  
**9,855 stores**

\*As of October 31, 2023

#### ■ Future measures

- Disseminating information on the theme of "food x tourism" for visitors to Japan
- Planning and execution of events for visitors to Japan that are difficult for small-scale restaurants to implement (e.g., udon noodle making experience, sake tasting experience)

Support for Tenpos Star member **restaurants** to attract inbound customers  
⇒ **We will be the "doctor" and support restaurants**

# [NEW] Rating Diagnostician

**Rating Diagnostician, a petit professional group for checking the quality, service, and cleanliness of restaurants.**

Rating diagnosticians will diagnose and rate restaurants from the perspective of quality, service, and cleanliness (QSC), and work together to resolve management issues discovered during the diagnosis.

I'm still embarrassed to call myself a professional.



**238 rating diagnosticians diagnosed 176 stores.**

\*As of October 31, 2023

## Flow of Rating

### Diagnosis

1) Perform QSC diagnosis of member stores of the web media "Tenpos Star"

(2) Place the results of the restaurant's diagnosis in the Tenpos Star.

**Increasing User Satisfaction with Store Selection**

(2) Based on the results of the restaurant's diagnosis Working to improve management

**Long-term vision**  
Create a situation where "rating diagnosticians," human resources capable of supporting restaurant management, are supporting the management of many restaurants across the country.

Still lack of skills of rating diagnosticians!  
Work on human resource development!

# NEW] TCC (Tenpos Company Cafeteria)

TCC (Tenpos Company Cafeteria)

Small and medium-sized restaurants **into employee cafeterias**  
**for neighboring companies!**

【Point】 There are many small and medium-sized restaurants registered, not large restaurants!



Company cafeteria ticket  
**7,000 yen per ticket**  
The employee pays 3,500 yen. The remaining ¥3,500 is paid by the company. The company records the amount as a benefit.

corporate enterprise  
Employee Benefits

restaurant  
increase in sales

Tenpos  
Connecting companies and  
restaurants  
(14% commission)

## Service Area

September 2023 [Tokyo] Start of Kamata area

November 2023 [Tokyo] Omori/Ryogoku/Kinshicho [Kanagawa] Kawasaki / Tsurumi / Chinatown / Kannai / Shin-Yokohama

# **Tenpos Busters**

## **Performance and Growth Strategy**

**Aiming to double the number of new stores to 120**

# (Non-Consolidated) Tenpos Busters: Results for the first half of the fiscal year

## ■ Tenpos Busters Co., Ltd

Forecasts are non-consolidated figures before consolidation adjustments.

|                  | Year ending April 30, 2023<br>2Q Actual | Year ending April 30, 2024<br>2Q Actual | YoY change    | Year ending April 2024<br>Full Year Forecast | Forecast YoY |
|------------------|---|---|---------------|--|--------------|
| Sales            | 8,319 million yen                       | 9,247 million yen                       | 111.2% (in %) | 19,000                                       | 114.4%       |
| Operating income | 1,033 million yen                       | 1,233 million yen                       | 119.4% (1)    | 2,485  | 118.9%       |



## Largest used kitchen equipment sales company in Japan.

over-the-counter sales  
(Tenpos Busters Co.)

online shopping  
(Tenpos.com Inc.)

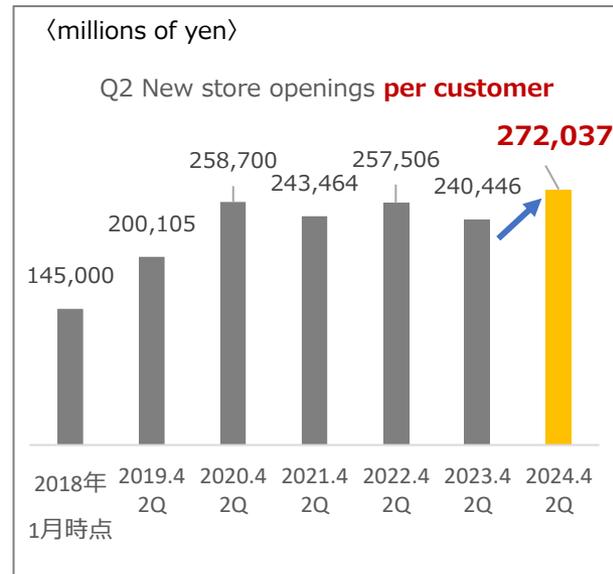
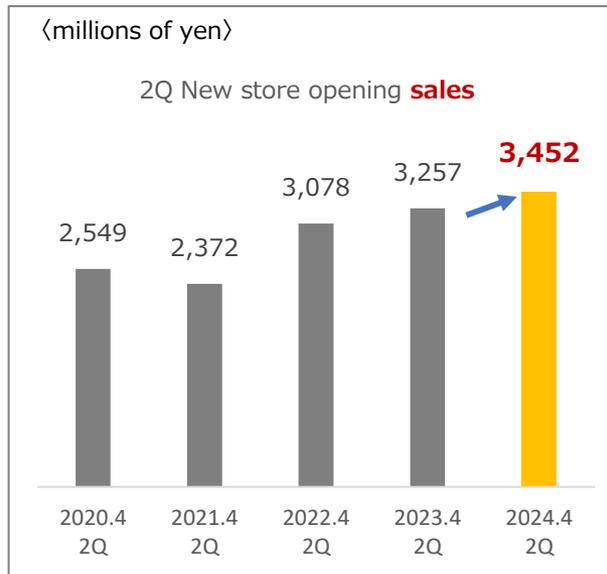
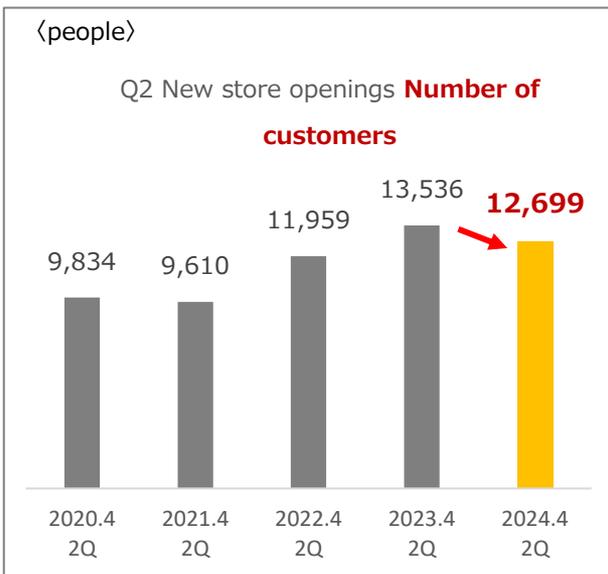
direct sales  
Kitchen Techno Co.

sale of goods (as opposed to services)  
Annual sales for the current term 25.7 billion  
\*Figures before adjustment

- Annual sales **19 billion** +3.3 billion +3.4 billion
- **66 stores nationwide** (as of 2023) → **120 stores** strategy
- **630,000** customer visits per year
- **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 Number of customers/per customer/sales

The company is focused on increasing sales for new store opening customers. The challenge is to increase the unit price per customer. While the budget for a restaurant when opening an izakaya is 4.7 million yen, the unit price per customer for a Tenpos new store opening customer is only 270,000 yen. The company will raise this to 2 million yen in the future.



## ▼ Full Year Ended April 2023 Tenpos Busters Number of Customers and Sales Ratio of New Store Openings

| Year ending April 30, 2023 Full Year Results | Composition of visitors (635,176 per year) | Sales composition ratio (Annual sales: 16.6 billion yen) |
|--|--|--|
| New store opening customer                   | 4% (26,053 persons)                        | 38.4% (6.3 billion yen)                                  |
| existing customer                            | 96% (609,123)                              | 61.6% (10.2 billion yen)                                 |

**important**

## Three measures to increase customer spend for new store opening customers

New store openings Customer spend per customer **Q2 272,037 yen** (113.1% y/y)

### [Assignment].

Over the past few years, the price per customer has remained flat, but it **has gradually increased!**

### New initiatives for this fiscal year

Start sales activities for real estate referrals and interior design work from January 2023. **The company aims to increase the sales per customer by capturing new store opening customers from the early stage of preparation for the opening of a new store and by obtaining comprehensive orders.**

## Increase customer spend with new store customers through the following three sales measures

Properties

interior work  
Prime contracting  
order  
**(3 million yen per  
case)**

Kitchen / Tableware /  
Furniture / Equipment  
One set of  
comprehensive orders  
**(3 million yen per case)**

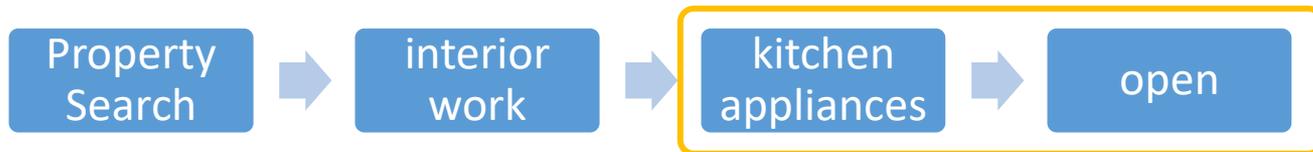
The company calculates that it will receive a total of 6 million yen from customers opening new stores: 3 million yen per customer for interior work orders and 3 million yen for general orders, but since this is not the case, the first goal is to **increase the unit price per customer from 270,000 yen to 2 million yen.**

# Growth strategy Aiming to increase the customer spend Property referrals and interior design work

## Tenpos up to now.

The restaurant came to Tenpos Busters after the interior construction was decided. However, it is too late to propose a complete set of kitchen equipment from this stage. In many cases, other companies have already decided. As a result, the price per customer does not go up.

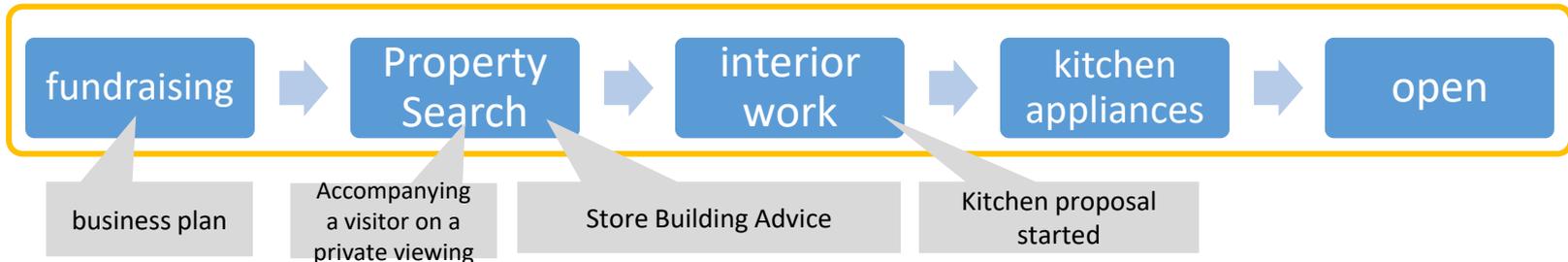
### Tenpos customer service begins.



## Tenpos now.

Propose property referrals and interior work to attract customers from the early stages of opening a restaurant and increase orders for complete kitchen equipment. By taking orders for interior work as well, the company will further boost sales per customer.

### Started serving customers from \*Tenpos fundraising support.



# Growth strategy Increase in customer spend Property referrals

Obtain information on properties to be withdrawn from restaurants that are closing and provide the information to restaurants planning to open new restaurants. After introducing the properties, the company will propose interior construction work and link this to sales activities for a complete set of kitchen equipment.

## Property

- Restaurants to be closed (Tenpos buyers collect withdrawn properties)
- Real estate agents in each region (sales representatives at Tenpos stores approach real estate agents to gather information)



matching

## New restaurant opening

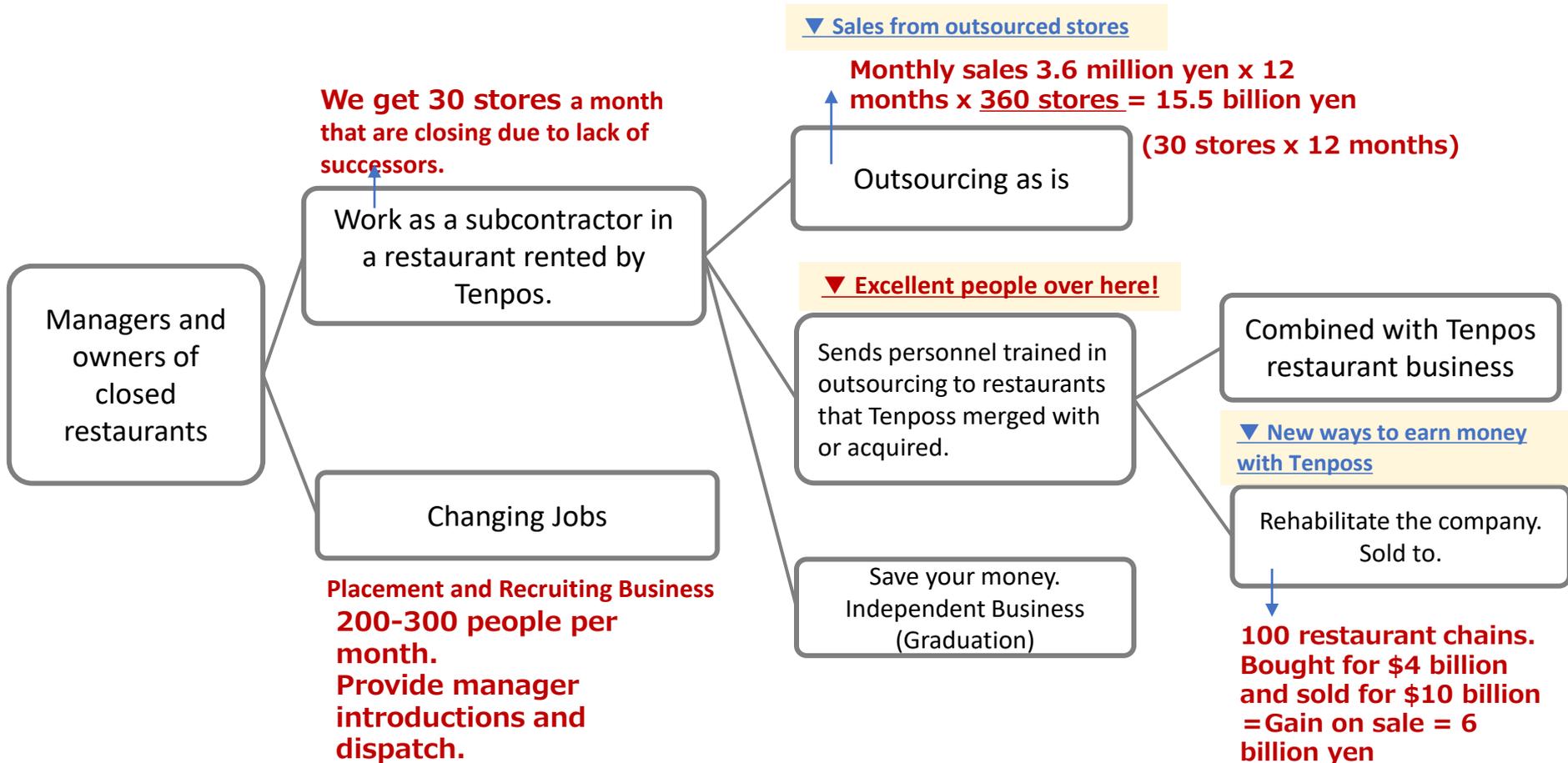
Gather prospective new store openers from among customers who visit Tenpos Busters. Make a list and provide property information in person, by phone, or by e-mail.

### Acquisition status and goals for property applicants

- 4,361 acquired between January and October 2023
- Target to reach 10,000 by the end of December 2023

# Outsourcing

The real estate referral business will lead to the "Tenpos Revitalization Fund," which will generate tens of billions of yen in profits.



It would be a waste to let the real estate referral business end as a mere referral business. If good properties are found while collecting properties, Tenpos will lease the properties and operate them on an outsourced basis.

# Employee training Increase customer spend & train "doctors".

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

|  |  |
|--|--|
| <p><b>Restaurant management support<br/>"Doctor Service"</b></p>   | <p>Training to be able to draw out customer issues and propose doctor services from the perspective of attracting customers and efficient management.</p>  |
| <p>Toward increasing the customer base.<br/><b>Kitchen design and layout training</b></p>                                | <p>Knowledge and skills in "kitchen layout" are essential to obtain a complete set of kitchen equipment. The goal is to be able to obtain comprehensive orders.</p>  |
| <p>Toward increasing the customer base.<br/><b>Real Estate Training</b></p>  | <p>Participants will learn the knowledge up to the property contract, sales talk for property introduction, and sales talk to real estate agents. During the training time, actual sales calls to real estate companies will also be practiced.</p>  |
| <p>Toward increasing the customer base.<br/><b>Prospective follow-up training</b></p>                                    | <p>Focusing on increasing customer spend, learn how to manage and control the prospects of your subordinates.</p>  |
| <p>To increase the number of contracts and closing rate<br/><b>Sales closing talk training</b></p>                       | <p>Specialized training in closing talks to increase the number and rate of closings of prospective clients.</p>   |
| <p>Acquisition of withdrawn properties &amp; Toward increasing sales per customer<br/><b>Purchase Sales Training</b></p> | <p>Learn the proposal talk for the sale of vacant properties to restaurants that are closing, and learn how to acquire property information through practice.<br/>When receiving a request from a customer opening a new restaurant to purchase unwanted kitchen equipment, learn a series of sales talks from introducing doctor services to receiving a comprehensive order.</p> |

# Growth Strategy National Maintenance Network Strategy

## National Maintenance Network Strategy

### Tenpos's Strengths

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

### National Maintenance Network Strategy

- 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
- Deploy **2,400** maintenance personnel nationwide to repair and rehabilitate

### Most recent and current initiatives

- Maintenance staff: 3 last year → 20 now (**not enough people! We are recruiting now!**)
- Maintenance operations in Tokyo, Hokkaido, Nagoya, Osaka, Hiroshima, Fukuoka, and Kumamoto
- During maintenance visits, the company will obtain replacement demand, obtain information on store openings, and propose doctor services. Acting as a **"Dr. Mente"** rather than merely repairing

# Growth Strategy Opening of Tenpos Busters stores



**From 66 to 120 stores in 5 years, including M&A**

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

**FY2023 Store  
Openings  
Store opening  
policy also on track**

**March: Tenpos Gifu (Gifu Prefecture) ⇒ Turned profitable the following month**

**June: Tenpos Suzuka (Mie Prefecture) ⇒ Turned profitable the following month**

**August: Tenpos Kawagoe (Saitama Prefecture) ⇒ Turned profitable the following month**

**November: Tenpos Nara (Nara Pref.) ⇒ Expected to be profitable in the month**

**Plans to open 10 stores in FY2023**

# <Store Information Wanted> Tenpos Busters Property

**Plans to open 10 to 15 stores per year!**  
**From 66 to 120 commercial kitchen equipment dealers**

## Urban Store

Building area of 250 tsubo or more, no parking space required, multi-level floors permitted



## suburban store

Building area of 350 tsubo or more, parking space for 5 cars or more



## Recruitment area

|  |   |  |  |                                   |                                    |
|--|---|--|--|-----------------------------------|------------------------------------|
| Hokkaido<br>(northernmost of the four main islands of Japan) | Hokkaido (northernmost of the four main islands of Japan) | Asahikawa City, Obihiro City   | North Kanto, Koshin  | Yamanashi prefecture (Chubu area) | Kofu City                          |
|  |   |  |  | Nagano prefecture (Chubu area)    | Matsumoto City                     |
| Tohoku<br>(northernmost six prefectures of Honshu)           | Aomori prefecture (Tohoku area)                           | Aomori City, Hachinohe City  | East Sea (controversial name for the Sea of Japan proposed by Korea) | Shizuoka prefecture (Chubu area)  | Numazu City                        |
|  | Akita prefecture (Tohoku area)                            | Akita City   |  | Mie prefecture (Kinki area)       | Yokkaichi City                     |
|  | Fukushima prefecture (Tohoku area)                        | Iwaki City   |  | Shiga prefecture (Kinki area)     | Otsu City                          |
| Kantou (eastern half of Japan, including Tokyo)              | Ibaraki prefecture (Kantou area)                          | Tsukuba City   | Kinki (region around Osaka, Kyoto, Nara)                             | Osaka (metropolitan area)         | Sakai City                         |
|  | Chiba prefecture (Kantou area)                            | Ichikawa City, Ichihara City   |  | Chugoku/Shikoku                   | Shimane prefecture (Chuugoku area) |
|  | Tokyo Metropolitan area                                   | Shimbashi, Kinshicho (Kameido), Ikebukuro, Shibuya, Ogikubo, Matsugaya in Taito Ward (Kappabashi Tool Street), Ebisu - Gotanda, Shinagawa - Oimachi, Nakano, Nippori - Oji | Oita prefecture (Kyushu)   |                                   | Oita City                          |
|  |   |  | Miyazaki prefecture (Kyushu)   |                                   | Miyazaki City                      |
| Kanagawa prefecture (Kantou area)                            | Yokosuka City, Yokohama City, Fujisawa City               |  |  |                                   |                                    |

# 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

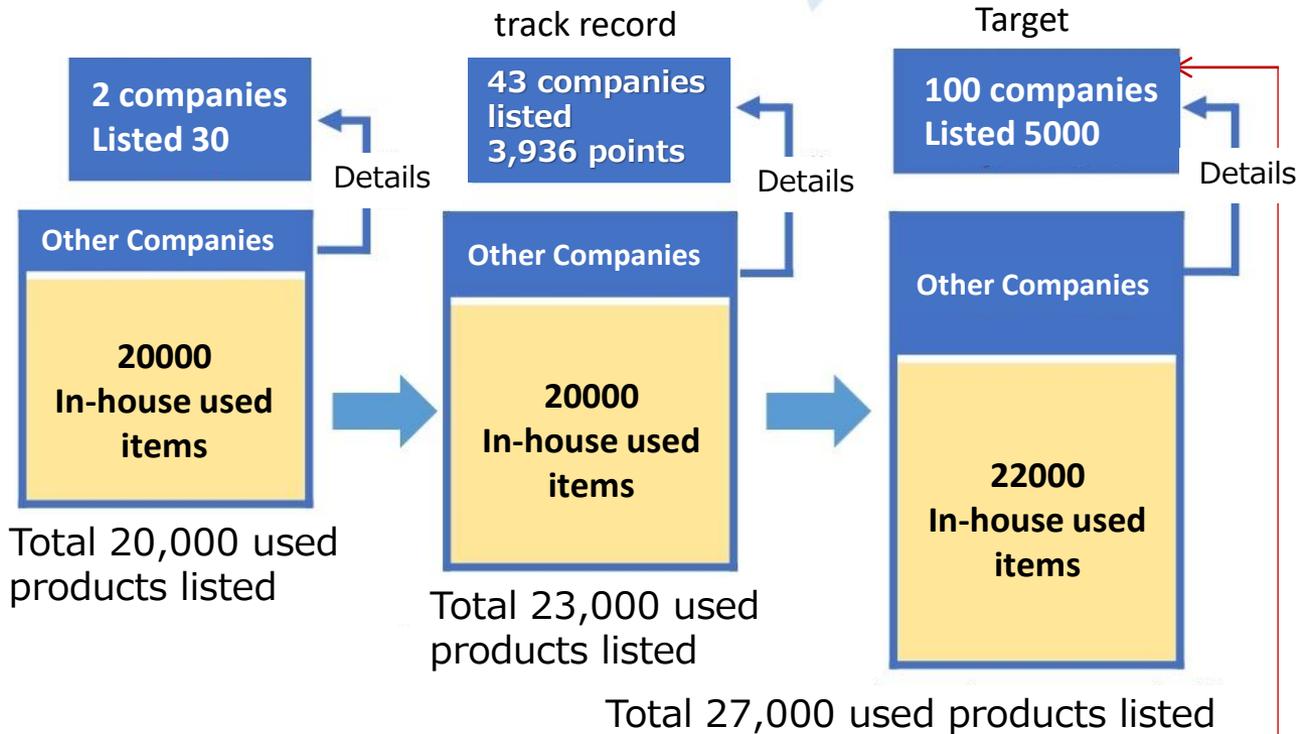
# Become a platformer specializing in used kitchen equipment.

## Used Kitchen Hall of Fame Project Begins

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



The "Used Hall of Fame" site will be free of listing fees and sales fees for one year after opening. During this time, we will develop used kitchen recycling stores across the country that will list our products on the Used Hall of Fame.



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**

# Internet sales (product sales business)

## Tenpos.com Inc.

(Millions of yen)

| (school) subject | Year ending April 30, 2023<br>Second Quarter | Fiscal year ending April 2024<br>Second Quarter | YoY change        | Fiscal year ending April 2024<br>Full Year Forecast | Forecast YoY        |
|------------------|--|---|-------------------|---|---------------------|
| Net sales        | 1,257  | 1,562   | 124.3% (in %)     | 3,340   | 127.2% (in Japan)   |
| Operating income | 22   | ▲6  | turning a deficit | 40  | returning to profit |

Forecasts are non-consolidated figures before consolidation adjustments.

### Point

**Sales of new kitchen appliances were strong at 124.8% yoy.**

Operating income was in the red due to an increase in SG&A expenses of 120.9% y/y due to **investment in human resources**. In line with its policy of supporting restaurants by providing information and services in addition to product sales, the company is allocating human resources mainly to the information and services field.

Provide information and services related to opening and managing restaurants to attract new customers.

Accepted employees seconded to Gurunavi to launch a series of websites related to the opening of restaurants.

### Tenpos Food Media

Media supporting restaurants

Number of visitors 110,000 per month (152.9% of access in the same period of the previous year)



I want to know how to open a business.

### Tenpos.com

Japan's largest kitchen appliance shopping site



### July 2023 Open to the public Tenpos Property Search



I want to find a property.

### Opening Support Map

(140.5% of access in the same period of the previous year)



I want to know more about opening a pub.

# Direct sales (product sales business)

## ■ Kitchen Techno Co.

(Millions of yen)

| Subject          | Year ending April 30, 2023<br>3rd Quarter | Fiscal year ending April 2024<br>3rd Quarter | YoY change | Year ending March 31, 2024<br>Full Year Forecast | Forecast YoY |
|------------------|---|--|------------|--|--------------|
| Net sales        | 1,434                                     | 1,469  | 102.4%     | 3,400  | 113.4%       |
| Operating income | 83  | 76   | 91.0%      | 238  | 133.9%       |

Forecasts are non-consolidated figures before consolidation adjustments.

### **Reasons for revenue increase**

Kitchen equipment sales strong due to recovery in new store openings by major chain stores

Deliveries of the original "pressure skimmer" product were strong, at 180.0% y/y.

### **Reason for decrease in profit**

Investments in human resources increased SG&A expenses, putting pressure on profits.

### **New developments in the second quarter**

Implemented Operation Carbon Neutral. Proposal to promote electrification at 35 company cafeterias nationwide.

### **Information on store openings, store closings, and new businesses**

Held noodle schools in Tokyo and Osaka for those who plan to open ramen stores to learn soup and noodle making.

Promoting original products such as noodle-making machines and pressure skidboards

## ■ D-spark Corporation

(Millions of yen)

Forecasts are non-consolidated figures before consolidation adjustments.

| Subject          | Year ending March 31, 2023<br>Second Quarter | Year ending March 31, 2024<br>Second Quarter | YoY change | Year ending March 31, 2024<br>Full Year Forecast | Forecast YoY |
|------------------|--|--|------------|--|--------------|
| Sales            | 516  | 672  | 130.2%     | 1,500  | 123.3%       |
| Operating income | 14   | 16   | 117.6%     | 76   | 138.9%       |

### Main Existing Businesses

#### Tenposrary staffing business (128.7% of net sales YoY)

A moderate recovery in personal consumption led to an increase in job offers, especially in the lodging and restaurant industries, which are major Tenposrary staffing destinations, and sales increased. However, investment in human resources for business expansion caused SG&A expenses to rise to 135.2%, putting pressure on profits. Now is the time for patience.

#### Outsourced delivery contracting business (136.2% of net sales YoY)

Increased revenue due to the expansion of distribution business locations. Highly profitable business with an operating margin of 32% drives overall operating income. Leased warehouse and office space at Tenposs Miyoshi used baking machinery specialty store to start general cargo transportation business.

### new business

#### Foreign worker dispatch and placement business

Collaborate with foreign sending agencies (15 companies) to introduce foreign personnel from Vietnam and Myanmar. Among recruitment agencies for specific skills, there are few companies that specialize in the food service industry. The Tenposs Group's strength is its ability to introduce and dispatch personnel to restaurants throughout Japan by utilizing its customer network. In addition, as a company certified as a registered support organization, the company will supply foreigners to Tenposs Group's "Steak no Asakuma" and "Conveyor-belt Sushi Yamato" to build up its know-how.

# Steak no Asakuma (restaurant business)

## ■ Asakuma Corporation (Consolidated)

Forecasts are non-consolidated figures before consolidation adjustments.

(Millions of yen)

| Subject          | Year ending January 31, 2023<br>Second Quarter | Year ending January 31, 2024<br>Second Quarter | YoY change          | Year ending January 31, 2024<br>Full Year Forecast | Forecast YoY  |
|------------------|--|--|---------------------|--|---|
| Net sales        | 2,935  | 3,512  | 119.7% (in %)       | 6,096  | Decrease in sales forecast due to scheduled change in fiscal year end |
| Operating income | ▲29  | 121  | returning to profit | 174  |   |

The first store opening in three fiscal years/

(Reference) November 2023 (3Q) Opening of Steak no Asakuma Seki (Gifu Prefecture)  
Feb. 2024 (next fiscal year) Opening of Steak no Asakuma Kasugai (Aichi Prefecture) scheduled

### Second Quarter Measures

#### Surprise your customers and increase customer satisfaction, even at a cost.

- Salad bar from 25 to 45 items. Dessert bar and hot bar also strengthened assortment.
- Collaborated with Yamato, a new group company, to sell lobsters, which were a sellout hit.
- The summer fair menu brings back the famous "Asparagus Steak".
- The autumn fair menu features "sauces to eat," including steaks with Kinzanji miso and red wine sauce and thigh steak with mushroom duxelles sauce.
- Provide training to improve cooking techniques
- Training for hall staff with the goals of "never keeping customers waiting" and "never making customers dissatisfied"

# The Challenge of Steak Restaurant Asakuma

Restarting the azuma that makes you cry  
**Providing excitement through food**  
**Aiming to be an entertainment restaurant**

The restaurant will create a total experience for customers to express their gratitude to their family and friends through the experience. The "kids' experience," "surprise performance," and "self-serve steak" will be implemented as the mechanisms for this.



Creating an "Asakuma" store with 670,000 members of the Asakuma App

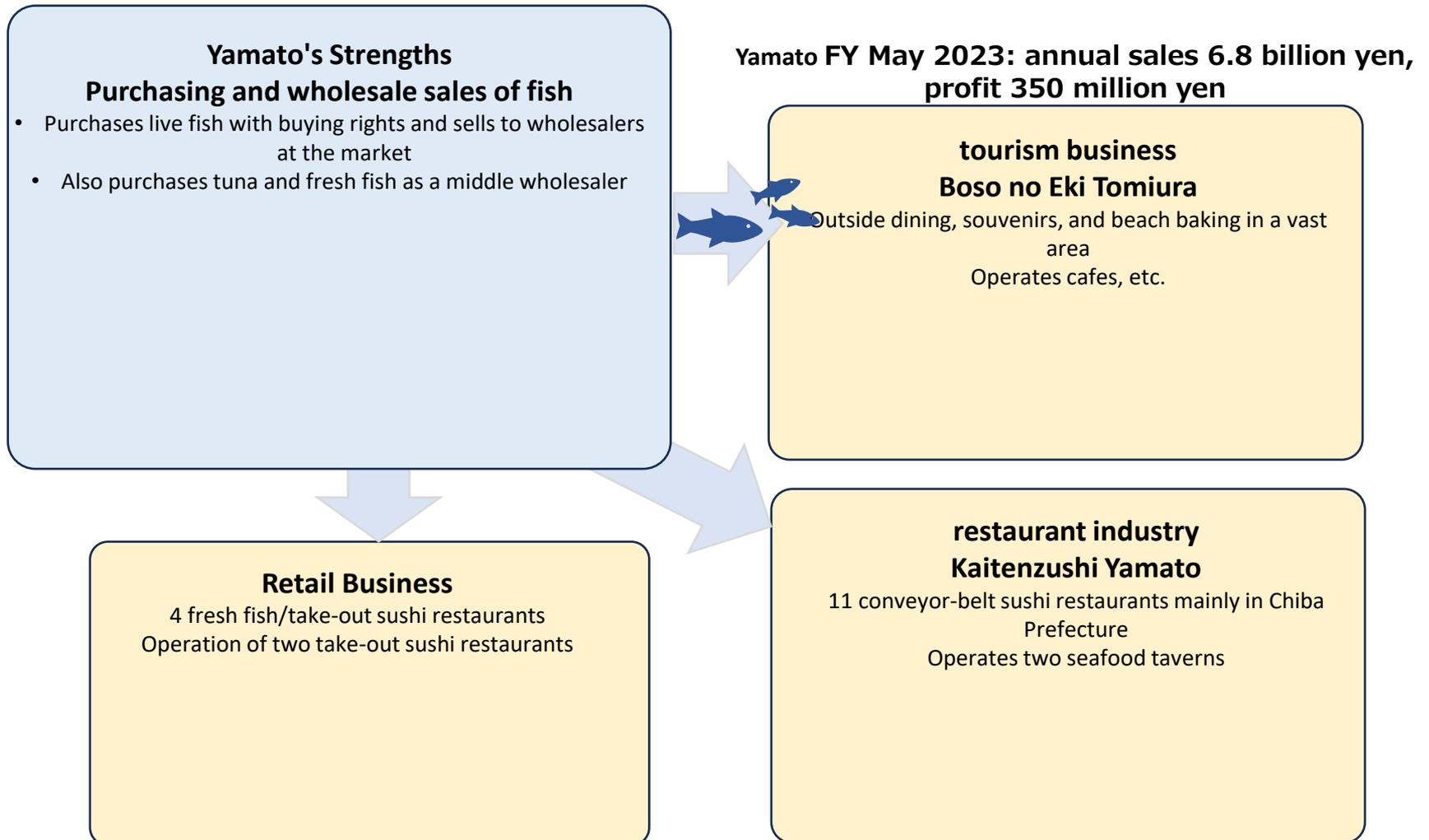
**< Cantares Management: Eliminate the boundary between the store and the customer.**

Customers : You can take advantage of your special skills and challenge yourself to new jobs. Lifestyle.Freedom to choose working hours to suit your needs.

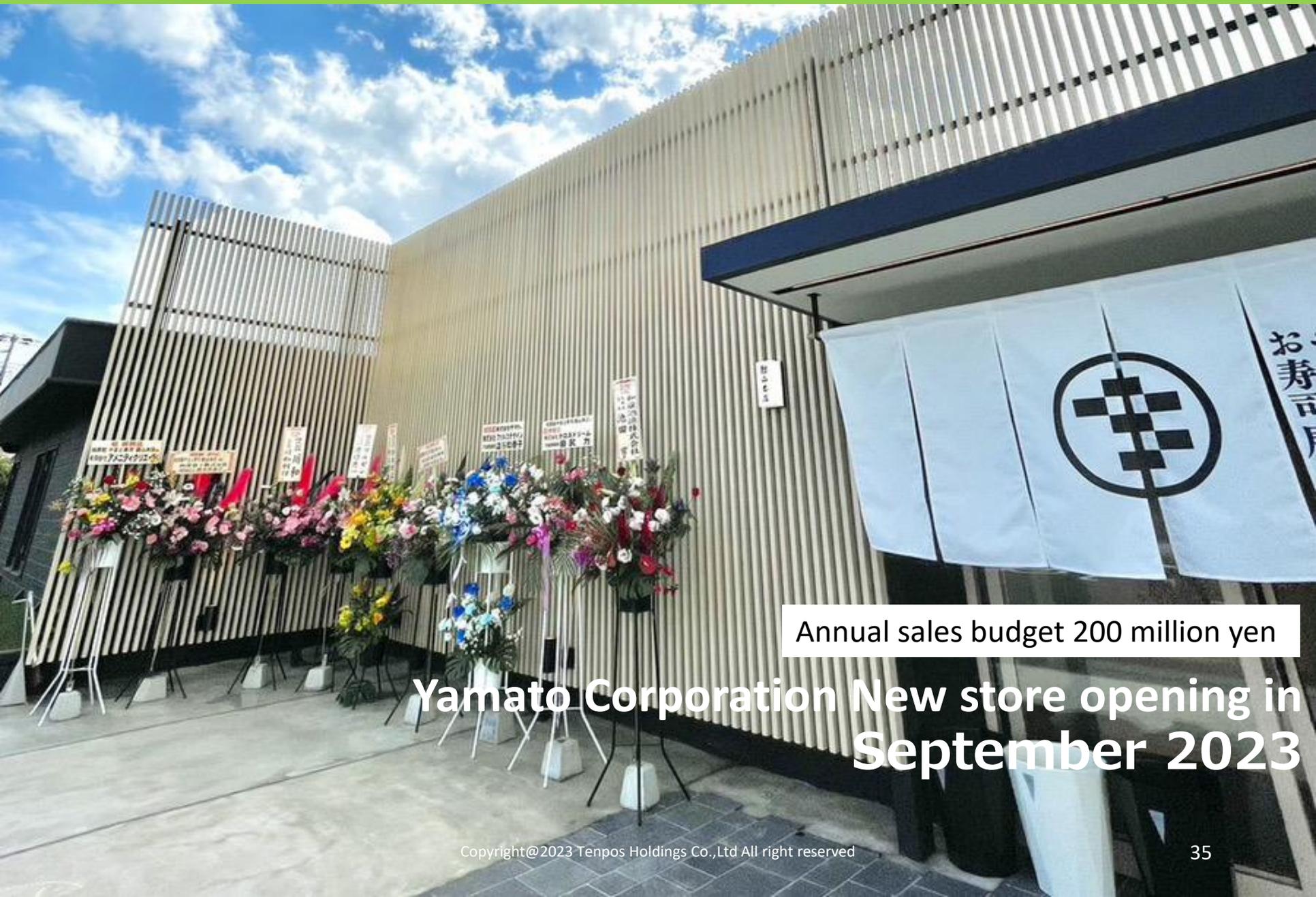
Store: Received opinions from core fans, called "Asakuma app members," and incorporated them into store operations.make use of

## September 27, 2023 Yamato Corporation Stock transfer

Yamato's Restaurant Management Know-how to Dr. Tenpos Business



# Yamato Corporation New store opening



Annual sales budget 200 million yen

**Yamato Corporation New store opening in  
September 2023**

# Reference data

## Tenpos is the SDGs itself

- ① Tenpos'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.

## Tenpos's vision

| social value   | economic value   |
|--|--|
| Providing hardware and software to the restaurant industry<br>Become an unshakable company | Market capitalization 100 billion yen<br>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

# Tenpos Group Executives

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

## 4 subsidiary presidents who lead the Tenpos Group

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



President, Tenposs.com  
Shinagawa, age 43.  
wife (usu. of a  
prominent, influential  
man)



President Akasama  
Hirota, age 38  
Super Positive President  
➢ Former Sales Manager of  
Tenpos West Japan



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



# Train a person

## 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.

## Tenpos Dojo

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

## 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.

## Next Generation Director Training

Training for young leaders with several subordinates in their 20s and 30s. By systematically learning how to understand the Tenpos spirit, how to analyze numerical values,

## 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?"

## 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)
- Store 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 your 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

# You can call them elderly from the age of 90.

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 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 am 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.

## Tenposrary 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., Ltd.

Tokyo Stock Exchange Standard Market

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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