

Review of Medium-term Management Plan FY2022–FY2024

The previous Medium-term Management Plan was for promoting structural changes during the COVID-19 pandemic, with the aims of evolution and regeneration. Given this, we have established a basic policy of improving invested capital efficiency by focusing on evolving existing businesses, strengthening growth businesses, and seeking M&A opportunities, under the themes of “evolution” and “regeneration.” We achieved “evolution” in existing businesses through the acquisition of new customer segments by increasing the number of C&C outlets operated by Yoshinoya, as well as the growth of karaage fried chicken, which serves as the second pillar of the business. Looking at M&A, we added Takara Sangyo Co., Ltd., which manufactures and develops ramen ingredients, and Kiramekino Mirai Co., Ltd., which operates ramen restaurants in Kyoto with primarily Tori Paitan Ramen, to the Group in FY2024, thereby laying the foundation for further growth in the future. “Regeneration” was made possible by Hanamaru’s escape from the severe conditions of the COVID-19 pandemic.

Medium-term Management Plan FY2022 - FY2024 Themes

Evolution and regeneration

Basic policy: **Improve invested capital efficiency**

Heighten
Evolve existing businesses

Extend
Strengthen growth businesses

Increase
Seek M&A opportunities

Deepen group management

Human resource development, capacity building, and diversity

Sustainability initiatives

Status of achievement of key management indicators

We achieved our quantitative targets of 180.0 billion yen in net sales and 7.0 billion yen in operating income in FY2023, a year ahead of schedule. We also achieved our target ROIC of 5.0% or more in FY2023 and a debt-to-equity ratio of no more than 0.60 in FY2022, both of which were established as targets for improving invested capital efficiency. With regard to shareholder returns, we reached our target of 20 yen per share in FY2024. We did fall short of our goal for the number of outlets because of factors such as the failure to achieve the target number of takeout/delivery specialty stores, making it the only management indicator where we did not reach our target.

Key management indicators	FY2021	FY2022	FY2023	FY2024	Numerical targets
Net sales (Billions of yen)	153.6	168.0	187.4	204.9	180.0
Operating income (Billions of yen)	2.3	3.4	7.9	7.3	7.0
Number of outlets (Outlets)	2,845	2,726	2,766	2,821	3,120
ROIC (%)	1.7	2.9	7.0	6.3	5.0 or more
Debt-to-equity ratio	0.72	0.44	0.30	0.27	0.60
Shareholder return (yen)	10	10	18	20	20

Reinforcement of management foundation

Deepen group management

- **Promotion of DX for technology infrastructure** Establishment of a cloud application environment and introduction of online ordering and delivery apps
- **Group synergy** Full integration of back office functions and consolidation of manufacturing bases
- **Group organization/governance** Focus on transforming outlet development department into functional group organization and on ROIC management as the basis for group-wide decision-making

Human resource development, capacity building, and diversity

- **Personnel development** Implement cast rank-up system (Store managers formulate training plans for each cast member)
- **Capacity building** Improve skills and leadership through standard training (compulsory education) and selective training
- **Diversity** Introduce quota system and acquire global human resources

Sustainability initiatives

- Yoshinoya Holdings emphasizes environmental (E), social (S), and governance (G) perspectives in its business activities to realize its business philosophy, “For the People.”
- Identified five material issues as key challenges

Overview of business for fiscal year ended February 2025

Net sales rose 17.5 billion yen, or 109.3%, year-on-year to 204.9 billion yen, exceeded the previous year, but operating income was down 0.6 billion yen year-on-year to 7.3 billion yen due to a 7.4 billion yen increase year-on-year in cost of sales (cost rate +0.6%) and a 10.7 billion yen increase year-on-year in SG&A expenses (SG&A ratio +0.1%). Net sales increased due to growth at existing stores and a net increase in outlets. SG&A expenses were up, however, due to higher labor costs based on California law in the U.S., and the replacement of uniforms at Yoshinoya, resulting in a drop in income.

We have completed M&A transactions aimed at future growth, and Takara Sangyo Co., Ltd., a manufacturer and developer of ramen ingredients, and Kiramekino Mirai Co., Ltd., which operates Tori Paitan Ramen restaurants in Kyoto, have joined the Group.



Medium-term Management Plan FY2025–FY2029

Tetsuya Naruse
President & CEO



Norihiro Ozawa
Executive Vice President
& CFO



Aiming to achieve quantitative expansion and profit growth by investing appropriately and taking on new challenges

The themes are “transformation” and “growth”

Naruse: The Medium-term Management Plan covers a five-year period and establishes net sales of 300.0 billion yen and operating income of 15.0 billion yen in the plan’s final fiscal year (FY2029) as targets for boosting profitability. Net sales will be approximately 1.5 times that of FY2024, and operating income more than double. We have set targets for ROIC of 7.0% as capital efficiency, and, in terms of financial soundness, a debt-to-equity ratio of 0.9 or less. As a new growth driver, we aim to achieve ramen business net sales of 40.0 billion yen.

The main pillars for realizing this high growth are expansion through inorganic investments centered on the ramen business and quantitative expansion primarily through our store opening strategy. While we continue to formulate a management structure under the new management team, we have created this plan to span five years instead of three because time is required to lay the groundwork to implement this plan, particularly in terms of investment.

Ozawa: Regarding changes expected in the external environment over the five-year period, we need to take a bird’s-eye view of the big picture. We do not, however, get overly excited or discouraged by individual events, as we do not believe that they will significantly impact our long-term plans. More importantly, we must resolve the underlying issues within the Group. We will not be able to achieve growth that takes us to the next stage if we fail to do so. The plan really needed to be set at five years considering the time required for such internal reforms.

Naruse: The themes for the five-year plan are “transformation” and “growth.” Generally speaking, the term “transformation” might not be used in corporate management plans or growth strategies. If we are, however, to realize high growth through new challenges instead of simply carrying on our existing practices and initiatives, we must demand a fundamental change in attitude internally. We express this determination through the words “transformation” and “growth.”

The core business of Yoshinoya, for instance, is a business model oriented toward increasing the number of customers by

creating core products such as Beef Sukiyaki Set hot pot and Beef and Mugi Toro Gozen, thereby achieving unfathomable performance. If it doesn’t sell at our outlets, it becomes a product that does nothing but create more work. If it gains customer support, though, it can become extremely powerful. It is important for us to search of possibilities and challenge ourselves, and when it comes to “transformation,” nothing is taboo.

Realize growth both quantitatively and in terms of profit

Naruse: As key points for “transformation” and “growth” toward achieving our plans, we have established rather ambitious targets for our existing segments, which consist of the Yoshinoya, Hanamaru, and overseas businesses. We plan to open 350 new Yoshinoya outlets over the next five years, with targets of 188.0 billion yen in sales and 1,500 outlets by FY2029. What is important, however, is whether the expansion is accompanied by substance. By “transforming” into an organization that comprehensively pursues streamlining and efficiency, we plan to boost segment income from 7.8 billion yen in FY2024 to 12.1 billion yen.

Ozawa: The major transformation of the core Yoshinoya business is the most important piece of this Medium-term Management Plan if we are to achieve both quantitative growth and profit growth

Naruse: Adding to that, Hanamaru, another pillar of our business, achieved record segment income of 2.0 billion yen in FY2024 on the strength of the recovery from the COVID-19 pandemic. Going forward, we will accelerate profit growth by opening new stores, efforts toward which had previously been suppressed, and pursuing quantitative growth. For locations near offices and in downtown areas, we will focus on opening stores in metropolitan areas and developing small-scale models. We are steadily expanding shopping center locations—which account for more than half of all stores—and are promoting the development of new service models as a key strategy for expansion in suburban areas. Our goals through these location-based strategies are net sales of 48.0 billion yen and 600 outlets by FY2029. We expect segment income to double from the aforementioned 2.0 billion yen to 4.2 billion yen.

Overseas business expansion into Islamic nations west of Central Asia will be the key to future growth. Customer traffic has steadily increased in Singapore, where we obtained halal certification at the

end of 2024, and strong performance continues in Indonesia, which has been offering halal menus for some time. We plan to leverage our expertise with halal menus to capitalize on new business opportunities in unserved areas. Through these and other initiatives in each area, our goals are to achieve net sales of 31.0 billion yen and 1,120 outlets by FY2029, and to expand segment income from 1.2 billion yen in FY2024 to 2.5 billion yen.

Ozawa: Meanwhile, regarding expansion of the ramen business, which bears the burden for expanding the business portfolio, the Company has set a long-term goal of becoming the world’s No.1 ramen provider in terms of number of servings by FY2034. To achieve this, over the five-period of the current Medium-term Management Plan, we will aggressively expand existing brands while putting into action a multi-brand M&A strategy, with the goals of achieving net sales of 40.0 billion yen and 500 outlets by FY2029. If we simply expand store operations under multiple brands, efficiency will decline as the business grows. If, however, we leverage the domestic and overseas development and manufacturing capabilities of Takara Sangyo, which became a subsidiary in 2024, we will boost profitability while handling global demand. Through these initiatives, over the next five years, we plan to rapidly expand segment income in the ramen business from 0.4 billion yen in FY2024 to 4.0 billion yen.

Naruse: And in our current Medium-term Management Plan, we plan to invest a total of 130.0 billion yen over the five-year period. Breaking it down, the plan calls for foundation investment of 10.0 billion yen in existing businesses, 80.0 billion yen in growth investment in existing businesses, and 40.0 billion yen in inorganic investment. A large portion of this 40.0 billion yen in inorganic investment is to be allocated to M&A related to the ramen business.

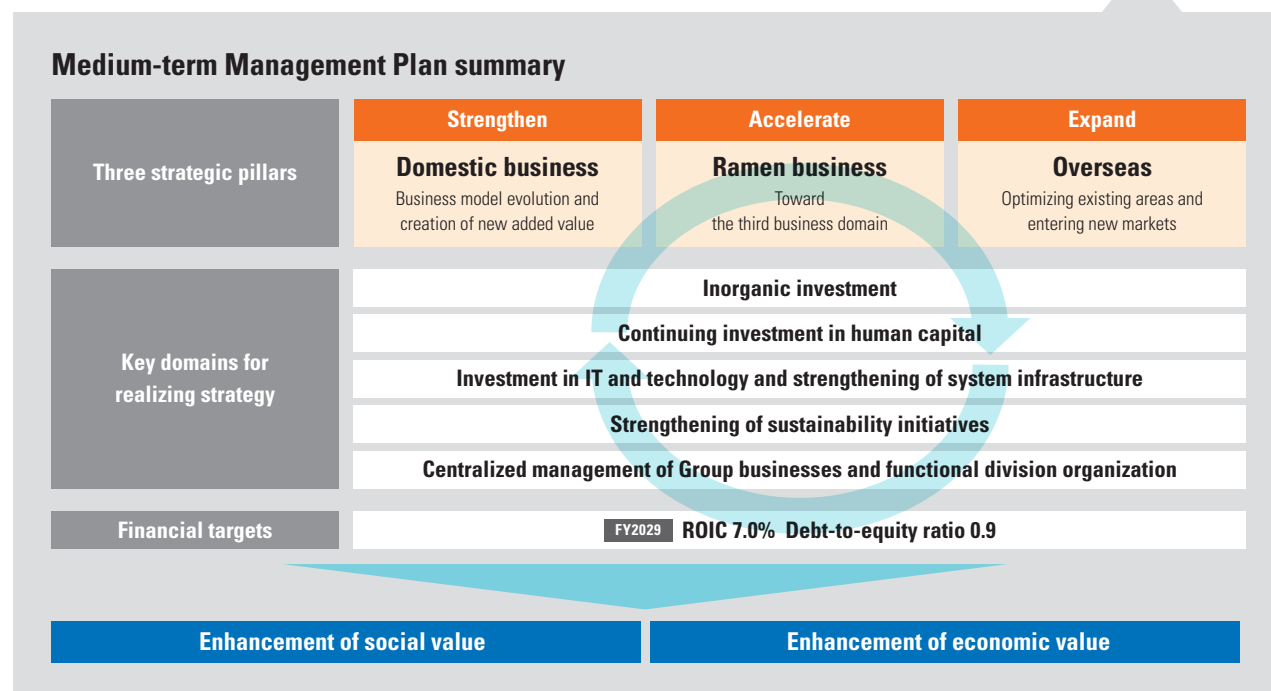
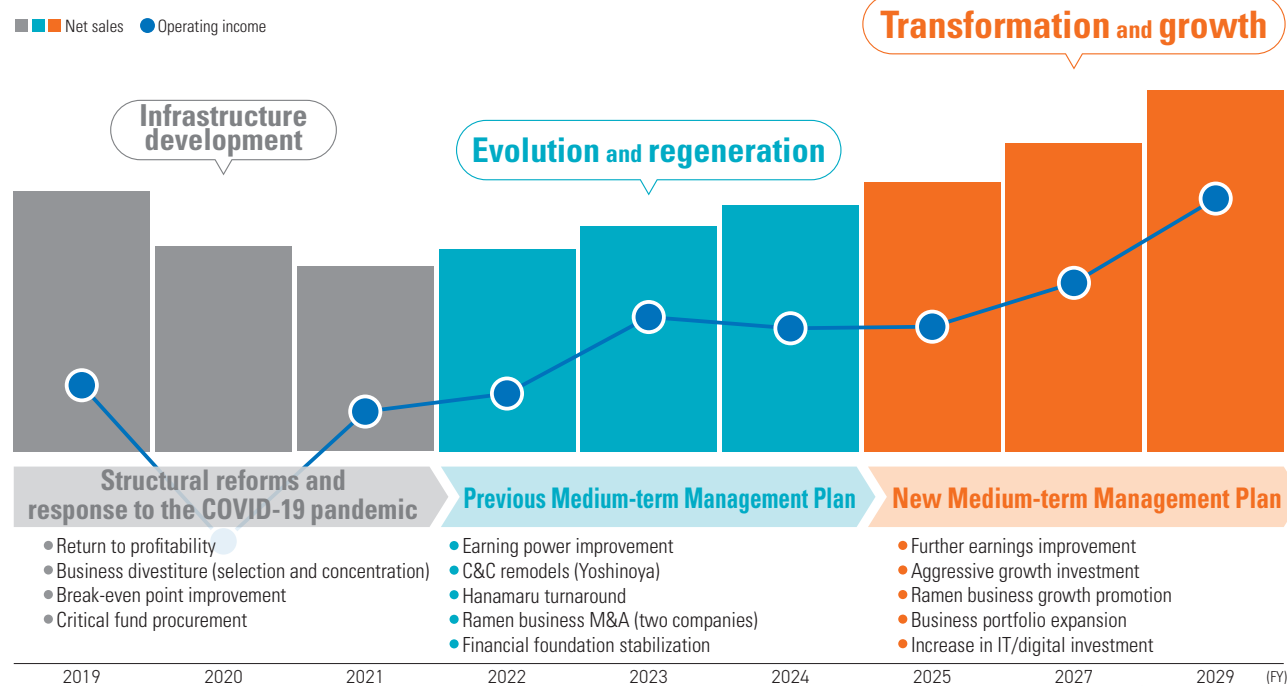
Ozawa: Moreover, we are planning to aggressively expand our ramen business as part of the 45.0 billion yen investment in new stores and formats in the growth investment in the existing businesses of 80.0 billion yen. And we plan to invest 5.0 billion yen in new factories for Takara Sangyo in Japan and abroad and expansion of its production capacity. Takara Sangyo possesses ramen product development and manufacturing capabilities.

Naruse: As we will be making significant outlays in both existing businesses and inorganic investments, monitoring focused on achieving a ROIC of 7.0% is necessary. With regard to existing businesses in particular, Board members must closely monitor the status and effects of investments and make judgments accordingly.

Medium-term Management Plan overall image

The Group has selected “transformation” and “growth” as the themes of its Medium-term Management Plan starting in FY2025, and we aim to continuously enhance corporate value. We will transform our traditional business structure centered on Yoshinoya and accelerate the growth of new formats including Hanamaru and ramen to diversify our revenue structure and improve stability. While promoting store expansion both domestically and abroad, we are working to bolster our competitiveness by transforming business models and renewing brands. Furthermore, we will promote improvements in operational efficiency by leveraging IT and strategic human resource investments to augment our management foundation. And we will actively pursue M&A and other inorganic investments as a key area for bringing our strategy to fruition, and expand the Group’s growth opportunities. We will evolve into a company that realizes flexible, sustainable growth while aiming to achieve a balance between economic results and social value.

Positioning of Medium-term Management Plan FY2025-FY2029

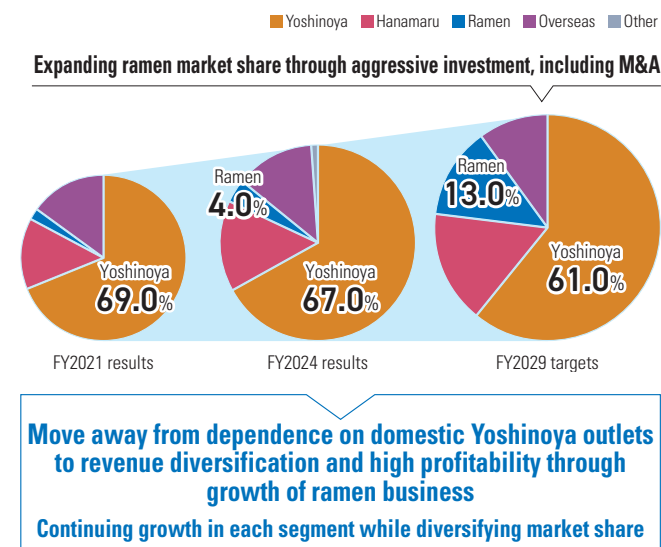


Key management indicators for FY2029

In FY2029, the final year of the Medium-term Management Plan, we are targeting net sales of 300.0 billion yen (up 46.4% compared with FY2024) and operating income of 15.0 billion yen (up 105.3% compared with FY2024). From the perspective of capital efficiency, we will boost ROIC to 7.0% while keeping the debt-to-equity ratio at 0.9 or less to ensure financial soundness. While continuing to steadily grow our Yoshinoya business, we will expand our Hanamaru and ramen businesses to balance the sales composition and diversify business risk. Through these initiatives, we will enhance our ability to respond to changes in the business environment by constructing a management foundation that balances growth and stability.

Earning power improvement	Net sales	300.0 billion yen
	Operating income	15.0 billion yen
Capital efficiency improvement	ROIC	7.0%
Maintenance of financial soundness	Debt-to-equity ratio	0.9 or less
Establishment of new growth potential	Ramen business net sales	40.0 billion yen

Sales ratio by segment



Numerical targets by segment

Net sales				
Segment	FY2024 results	FY2027 targets	FY2029 targets	CAGR
Yoshinoya	137.8 billion yen	170.0 billion yen	188.0 billion yen	6.4%
Hanamaru	30.9 billion yen	40.0 billion yen	48.0 billion yen	9.2%
Overseas	27.8 billion yen	29.0 billion yen	31.0 billion yen	2.2%
Ramen	8.0 billion yen	17.0 billion yen	40.0 billion yen	38.0%
Operating income				
Segment	FY2024 results	FY2027 targets	FY2029 targets	CAGR
Yoshinoya	7.8 billion yen	10.0 billion yen	12.1 billion yen	9.2%
Hanamaru	2.0 billion yen	3.0 billion yen	4.2 billion yen	16.0%
Overseas	1.2 billion yen	1.7 billion yen	2.5 billion yen	15.8%
Ramen	0.4 billion yen	1.3 billion yen	4.0 billion yen	58.5%
Adjustment	-4.1 billion yen	-6.0 billion yen	-7.8 billion yen	—

Promoting human capital management

We view human resources as the driving force behind our medium- to long-term business growth. As such, we are striving to foster an environment in which all employees can fully demonstrate their abilities. Our goal is to build teams with creativity and endurance by developing an organization that respects diverse values, transcending differences in gender, age, nationality, and life stage. Moreover, we provide career development assistance and enhanced training programs in support of individual growth. And we will bolster measures related to health management and enhancing the working environment to boost employee engagement.

IT strategy

We are promoting work reforms utilizing IT and augmenting our information infrastructure to enable us to respond swiftly and flexibly to changes in the business environment. To improve productivity and stabilize quality, we are promoting the introduction of systems oriented toward streamlining store operations and strengthening cooperation between departments. Additionally, we have established systems for utilizing information to support digital measures at customer touchpoints and management decision-making. We will continue to strategically utilize IT to enhance our competitive power.

Sustainability promotion

We promote highly effective initiatives in the fields of the environment, society, and governance with the aim of realizing a sustainable society. In terms of the environment, we are continuously working to effectively use resources and mitigate waste. With regard to social responsibility, we aim to strengthen our social credibility by collaborating with local communities and constructing a responsible procurement system within our supply chain. In the area of governance, we will build a management structure that prioritizes transparency and accountability, and conduct constructive dialogue with our stakeholders.

Financial strategy

Implementing a financial strategy that supports “transformation” and “growth” while looking five years into the future

Norihiro Ozawa

Executive Vice President & CFO
YOSHINOYA HOLDINGS CO., LTD.

Previous Medium-Term Management Plan in financial terms

Achieved performance targets, improved financial soundness and investment efficiency

The Group’s previous Medium-term Management Plan (FY2022-FY2024), which emphasized “evolution” and “regeneration,” raised net sales from 153.6 billion yen in FY2021, the year before the plan was launched, to 204.9 billion yen in the final fiscal year of the plan, comfortably surpassing the target of 180.0 billion yen. During the same period, operating income improved from 2.3 billion yen to 7.3 billion yen, and ROIC grew from 1.7% to 6.3%, both surpassing our targets. Due to the impact, however, of cost increases in the plan’s final year, FY2023 results marked a peak, with operating income and ROIC both high, at 7.9 billion yen and 7.0%, respectively. In terms of financial soundness, the debt-to-equity ratio in the plan’s final fiscal year fell significantly below the target of 0.60, at 0.27.

The driving forces behind the achievement of our plans were the “evolution” of our domestic Yoshinoya business and the “regeneration” of our Hanamaru business. Yoshinoya executed a three-year growth investment plan totaling approximately 20.0 billion yen. The plan focused on renovating stores to the Cooking & Comfort (C&C) format, expanding the number of outlets selling karaage fried chicken, and installing order tablets in stores. This has led to an increase in customer traffic, with segment income surpassing 8.0 billion yen in the peak year of FY2023. During the COVID-19 pandemic, we lowered our break-even point and improved our profitability through structural reforms, which resulted in increased profits. We restored Hanamaru to good health financially by streamlining unprofitable stores and expanding sales at existing outlets, achieving a recovery that resulted in record-high segment income of 2.0 billion yen for FY2024.

Meanwhile, though overseas operations were impacted by inflation in the U.S. and the economic downturn in China, segment income for FY2023 reached 2.2 billion yen, twice the planned figure. In FY2024,

however, income fell to 1.2 billion yen because of rising costs. As a growth business, there are issues still to face in strengthening it. Moreover, in our previous Medium-term Management Plan, we identified pursuing M&A opportunities as one of our growth themes. Among efforts to augment the foundation of our ramen business—which we are developing as a new pillar—we acquired two companies, Takara Sangyo Co., Ltd. and Kiramekino Mirai Co., Ltd., as subsidiaries in FY2024. We will use these acquisitions as a springboard to further strengthen our ramen business strategy and drive future growth.

Based on the aforementioned, to summarize the three years of the previous Medium-term Management Plan, we reached all of our numerical targets (excluding the number of outlets) a year ahead of schedule, including net sales, operating income, ROIC, and debt-to-equity ratio. This demonstrates that our efforts toward “evolution” and “regeneration” were fruitful. We made significant progress particularly in strengthening financial soundness and boosting investment efficiency.

New Medium-term Management Plan policies and measures

Launched five-year plan aimed at “transformation” and “growth”

The new Group Medium-term Management Plan (FY2025-FY2029) that we have formulated and launched is focused on the themes of “transformation” and “growth.” By transforming existing businesses and nurturing new drivers, we will further boost our profitability and capital efficiency. We have established the following numerical targets for FY2029, five years from now: Net sales of 300.0 billion yen (including 40.0 billion yen from the ramen business), operating income of 15.0 billion yen, ROIC of 7.0%, and debt-to-equity ratio of 0.9 or less. Our growth strategy is based on three pillars: 1) Evolution of the business model of the domestic Yoshinoya and Hanamaru businesses and creation of new added

value; 2) Active expansion of the ramen business through new store openings and M&A to develop a multi-brand strategy; and 3) Optimizing existing areas and entering new markets in the overseas business.

Over the next five years, domestic Yoshinoya will invest in enhancing customer convenience while opening 350 new outlets, including new service model stores such as C&C-format and takeout/delivery specialty stores, with the objective of growing to 1,500 outlets and net sales of 188.0 billion yen by FY2029. Hanamaru will focus on opening new stores in the three major metropolitan areas and devising new business models toward achieving its goal of reaching 600 outlets and achieving net sales of 48.0 billion yen. With regard to the ramen business, we aim to become the world’s leading ramen provider in terms of number of servings. Leveraging Takara Sangyo’s manufacturing and development capabilities, we intend to expand to 500 outlets and achieve net sales of 40.0 billion yen in response to global demand. In our overseas business, we will introduce store formats that have been successful domestically and proceed to develop new overseas models. And, by actively opening new stores in China and Southeast Asia and expanding into unserved areas in the U.S., we plan to grow to 1,120 outlets and 31.0 billion yen in net sales.

As a result of these initiatives, over the next five years, the Group’s business portfolio is expected to see a decrease in the proportion of domestic Yoshinoya sales from the current 67.3% to 61.2%, with Hanamaru accounting for 15.6%, ramen for 13.0%, and overseas for 10.1%. We anticipate breaking away from the previous earnings structure that was reliant on domestic Yoshinoya and diversify the risk related to the use of beef as a primary ingredient.

Now, regarding our financial policy for the current Medium-term Management Plan over the next five years, we expect cash inflows of 100.0 billion yen or more in EBITDA, a 5.0 billion yen improvement through a shorter cash conversion cycle (CCC), and 55.0 billion yen in financing. We will allocate this total to investment of 130.0 billion yen, as well as shareholder returns and income taxes. Excluding M&A, we expect to invest 90.0 billion yen, or 2.6 times that of the previous Medium-term Management Plan. The allocation of this 90.0 billion yen is as follows: 10.0 billion yen for infrastructure development and other foundation investments, and 80.0 billion yen for growth investments in existing businesses such as store remodeling, new store openings, production expansion, and digital and IT. Moreover, we expect 40.0 billion yen in M&A and other inorganic investments.

As mentioned earlier, the Group’s financial soundness improved significantly through the previous Medium-term Management Plan, with a debt-to-equity ratio of 0.27 and an equity ratio of 53.9%. Under the current Medium-term Management Plan, we intend to utilize this capital structure flexibility to shift growth investments to areas where we can effectively apply leverage. With regard to financing, we will maintain financial discipline while accelerating investment, strategically utilize leverage financing, and work to achieve capital cost optimization. Based on the above, we have set a numerical target debt-to-equity ratio of 0.9 or less. We believe that this aggressive investment will bear fruit and further enhance each segment’s profitability, thereby enabling us to achieve a sustained improvement in capital efficiency to an ROIC of 7.0%.

Our finance department plans to contribute to improvement in capital efficiency by shortening the CCC, which will result in a higher return on invested capital, and by promoting initiatives to boost financing and fund management efficiency.

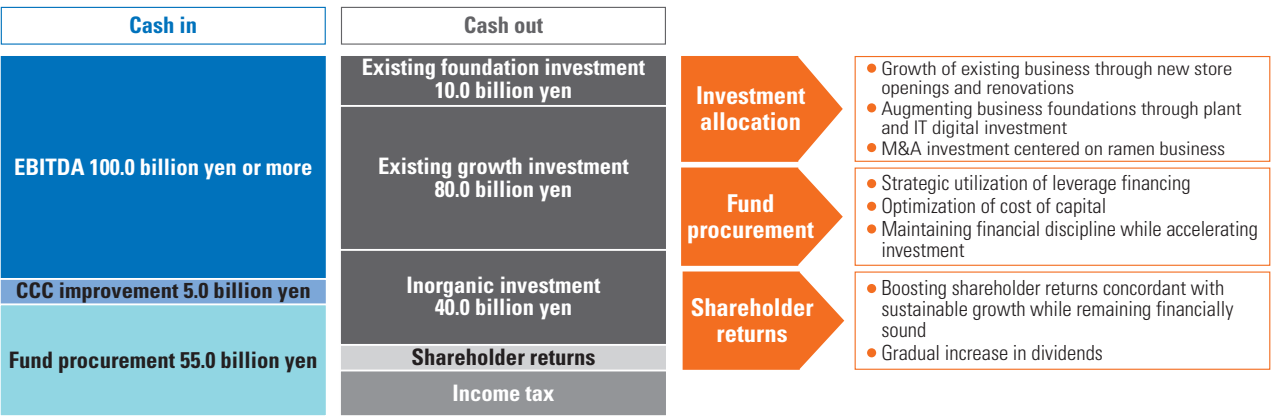
Engaging with shareholders and investors

Reflecting the opinions of investors in management and realizing increased corporate value

Regarding our shareholder return policy, we were forced to suspend dividends in FY2020 due to COVID-19 pandemic. Since resuming dividends in FY2021, we aimed to restore the pre-pandemic level of an annual dividend of 20 yen per share. We achieved this goal in FY2024. For FY2025, we plan to maintain the current dividend of 20 yen per share. Over the five-year period covered by the current Medium-term Management Plan, however, we intend to raise dividends gradually in line with improved business performance.

In recent years, we have seen an increase in opportunities to engage with investors, including IR interviews with institutional investors. We report questions, opinions, and requests received during these interactions to the Board of Directors for application in management. Going forward, we will establish opportunities for institutional investors to meet with Directors of the Company, enabling the management team to participate directly in discussions. We will strive to further enhance corporate value through this mutual exchange of ideas in management.

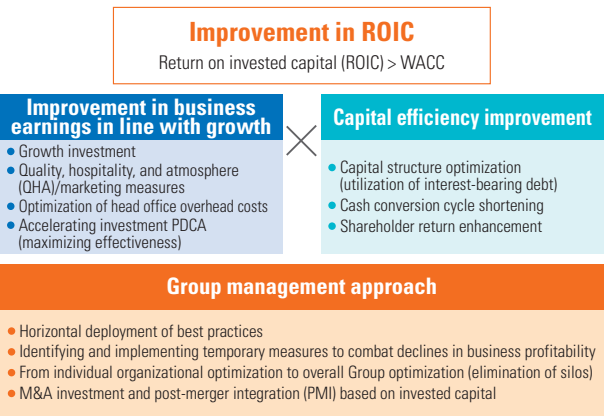
Cash allocation -Appropriately allocate cash generated to further growth investments and increased shareholder returns-



Investment policy and plan

Investment category	Five-year investment amount	Details on key investments
Investment in existing business foundation	5.0 billion yen	● Investment in outlets and plants to address aging
	5.0 billion yen	● Bolstering of system infrastructure and security
Investment in existing business growth	45.0 billion yen	● Investment in new stores and formats (all formats, including ramen)
	20.0 billion yen	● Investment in remodeling
	5.0 billion yen	● Yoshinoya C&C, Hanamaru new suburban format, other
	10.0 billion yen	● Investment in new ramen factories domestically and overseas and resulting increase in production
Inorganic investment	40.0 billion yen	● Digital/IT investment
		● Improving customer convenience, workload reduction, and efficiency, investment in the future
Five-year investment plan	130.0 billion yen	● M&A investment in ramen business domestically and overseas
		● Other M&A and capital tieup

Stable cash generation and optimization of capital efficiency



I Strategy by business

Yoshinoya

Medium-term Management Plan initiatives

Yoshinoya will continue to refine its core values of “tasty, affordable, and fast” to increase customer traffic at our outlets and aggressively invest in improving customer convenience. Moreover, we are boosting service quality by rolling out new service model outlets and introducing digital devices, and we aim to realize sustainable growth by accelerating new store openings. And we will continue building a flexible-yet-stable management foundation by implementing a multi-brand strategy, expanding direct sales business, and utilizing labor-reducing technologies.

Revitalize

- Customer acquisition
- Tasty, affordable, fast

Expand

- Investment in improving customer convenience
900 new service model outlets
Place fryers in 1,300 outlets
Install tablets in 1,400 outlets
- Investment in 350 new outlets
New service model outlets + takeout/delivery specialty stores

Challenge

- New format development
- Multi-brand management
- Expansion of direct sales products
- Activities oriented toward further labor reduction

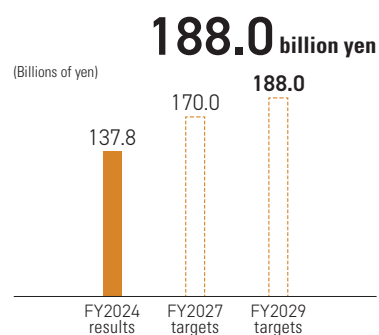
Concrete initiatives

Yoshinoya plans to expand its new service model to 900 outlets by FY2029, improving cooking efficiency and changing interior design and seating layouts to satisfy the needs of the growing number of female and family customers. We will place fryers in 1,300 outlets and expand our side dish offerings, including karaage fried chicken. Introducing tablets in 1,400 outlets will increase order accuracy and ease the customer service workload, thereby helping address the labor shortage. Furthermore, we plan to open 350 new takeout/delivery specialty stores, primarily in urban areas. And, by combining the development of new formats, multi-brand deployment, and labor-reducing measures, we will realize flexibility in our store operations to enable us to respond to diverse customer demands.

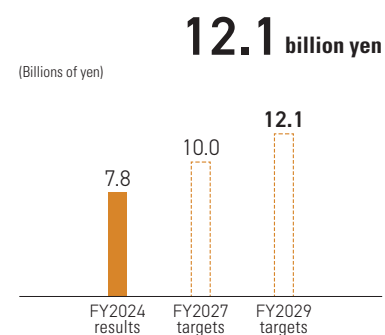
In our direct sales business, we will focus on expanding our product lineup. We offer products such as frozen packs of gyudon beef bowl topping and retort pouch products, allowing customers to easily enjoy the same taste as in our outlets in the comfort of their own homes. These products are available at supermarkets nationwide as well as online shops, and we are also seeing increasing demand for gifts. Alongside our store business, it has grown to become a business area that generates stable profit.

Targets by segment

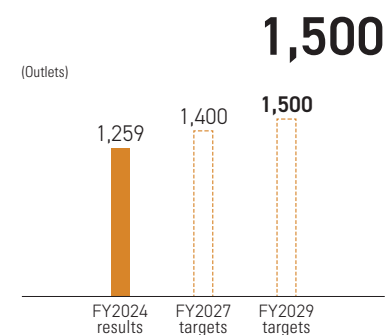
• Net sales by segment



• Income by segment



• No. of outlets by segment



Hanamaru

Medium-term Management Plan initiatives

Hanamaru is promoting a Medium-term Management Plan that responds to diversifying customer needs and changes in the restaurant industry structure. We will reinforce existing businesses by refining sales strategies in accordance with location characteristics and customer attributes, and by utilizing data in upgrading products and promotional measures. At the same time, we will concentrate on developing growth areas by centralizing store openings in metropolitan areas and launching new formats and brands. And we aim to heighten operational efficiency using digital technology and by recruiting diverse human resources, and to construct a sustainable business foundation.

Revitalize

- Sales strategy by location
- Creating reasons to visit outlets
- Utilizing data to develop and promote products

Expand

- Major city store opening strategy
- Concentration of stores in three major metropolitan areas
- Expansion of new business models (Kishimen, Bar)

Challenge

- Creation of new brands
- Development of Japanese noodle business (soba, somen)
- Development of small store format
- Diversification in hiring
- Utilization of digital technology to reduce labor

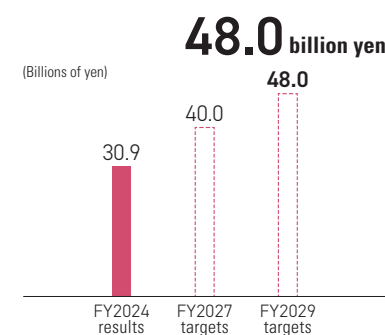
Concrete initiatives

Hanamaru will work to optimize store operations by analyzing demand by location to evolve its existing business. Additionally, we will aim to increase the frequency of visits and boost average customer spend by creating a comfortable space and introducing seasonal products that satisfy customer needs to motivate people to visit our outlets. And we will strive to heighten customer satisfaction and maximize sales promotion efficiency by utilizing POS data and purchasing history in developing products and promotional measures. As part of our expansion strategy, we are focused on urban area store openings to boost brand awareness and frequency of use in the three major metropolitan areas. In addition, to satisfy new demand, we are introducing new business

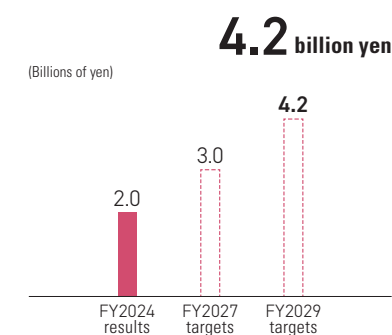
models such as Kishimen and Bar to strengthen our approach to diverse customer demographics. Regarding areas we intend to challenge, we aim to expand our store network by developing our Japanese noodle businesses centered on soba and somen, and introducing small store formats that utilize small spaces. Furthermore, for hiring, we promote a flexible employment policy that prohibits age- or nationality-based discrimination, ensuring diversity in store operations. By introducing digital technology, we are working to achieve both labor reduction and operational efficiency, and are challenging ourselves to construct a sustainable growth model for the restaurant industry.

Targets by segment

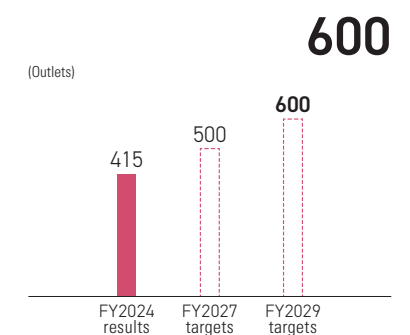
• Net sales by segment



• Income by segment



• No. of outlets by segment



Overseas

Medium-term Management Plan initiatives

Overseas Yoshinoya is aiming for sustainable growth in the global market. We will expand our dominance strategy through new store openings in unserved areas, with our goals being increased awareness and improved store management efficiency. Moreover, we will flexibly introduce service models and operational methods successful in Japan, and adapt them in accordance with local needs to boost our competitive power. And we will promote store operations optimized for each region by developing products that reflect each country's cultures and dining habits. In China and Hong Kong, we will strengthen joint purchasing systems through partnerships with franchise companies, and in the U.S., we will operate central kitchens to review our cost structure and stabilize quality.

Concrete initiatives

Overseas Yoshinoya is accelerating its growth in the global market by implementing strategies tailored to each region's characteristics. We will select locations west of Central Asia based on transportation routes and market characteristics, and work to elevate brand awareness and build a stable store network. Moreover, we optimize our labor-reducing operations and efficient store designs cultivated in Japan in accordance with local conditions, thereby realizing uniform service quality and higher efficiency in operations. With regard to product development, we will offer menus that consider each country's religious and culinary cultures, with gyudon beef bowl as the core item. In Singapore, we are augmenting

Revitalize

- **America** Cost structure reform and quality enhancement through commissary (food processing plant) operation
- **Taiwan** Earnings structure reform and format change

Expand

- **Product development based on gyudon beef bowl, leveraging each country's characteristics**
- **China, Hong Kong** Joint purchasing through collaboration with franchisees
- **America** Expansion into California and adjacent states
- **Singapore** Increase in customer traffic owing to greater awareness of halal certification
- **Indonesia** Expansion of store openings through franchising

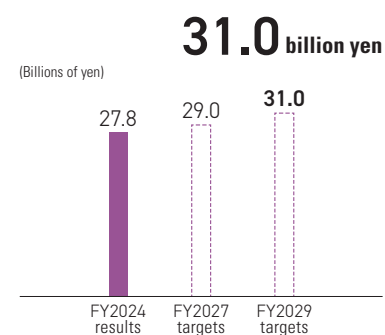
Challenge

- **Creating a dominant position by actively opening stores in unserved areas**
- **Expansion overseas of formats successful domestically**

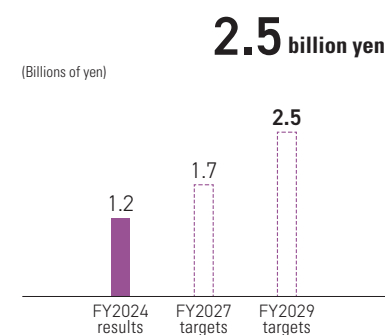
our halal-certified product lineup to appeal to a diverse customer base. In China and Hong Kong, we are creating a joint purchasing system with franchisees to lower logistics costs and establish a stable supply system. In the U.S., we will expand our store network in California and adjacent states, and with full-scale commissary operation, we will ensure stable ingredient supply and quality control. In Indonesia, we will continue new store openings in various locations—primarily commercial facilities and residential areas—to build a convenient store network. Through these initiatives, Yoshinoya aims to enhance its competitive power in overseas markets and realize stable, sustainable growth.

Targets by segment

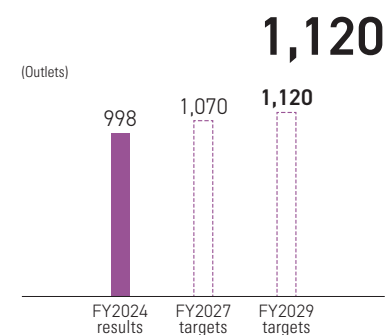
• Net sales by segment



• Income by segment



• No. of outlets by segment



Ramen

Medium-term Management Plan initiatives

In the ramen business, we will optimize sales strategies based on location and create new reasons for customers to visit, thereby raising the appeal of existing brands and accelerating new domestic store openings. Furthermore, we will flexibly utilize human resources to enhance synergies and improve the overall value of our business. And we will expand our overseas franchise network and reinforce our manufacturing and logistics systems to construct a foundation for global growth. Going forward, we will employ M&A, new brand development, and digital technology to establish a sustainable, competitive business model, with the goal of becoming the world's No.1 ramen provider in terms of number of servings by FY2034.

Concrete initiatives

In the ramen business, we will focus on regionally concentrated store openings in major metropolitan areas nationwide to maximize customer contact points. Moreover, we will collaborate with Takara Sangyo to utilize high-quality products and strengthen our manufacturing and storage capabilities. And, in the European and Southeast Asian markets, we will establish a manufacturing structure for halal-certified soups, thereby augmenting the foundation for overseas franchise expansion. We will also promote efficient store operation through personnel exchange.

Revitalize

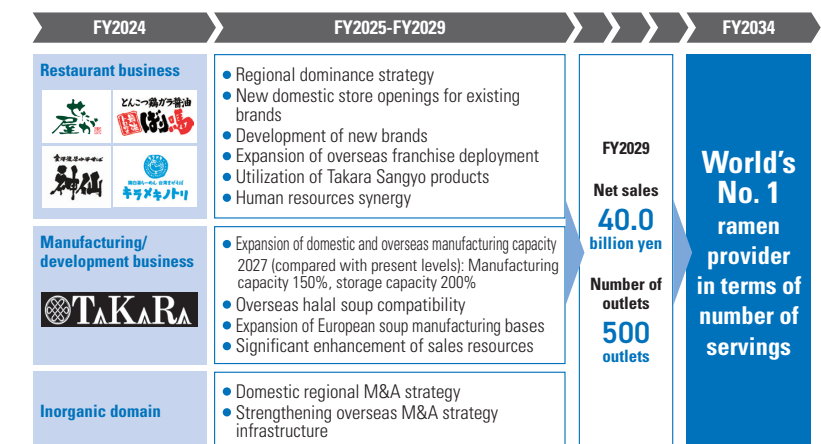
- **Sales strategy by location**
- **Creating reasons to visit outlets**
- **New domestic store openings for existing brands**
- **Synergistic effect generated by personnel exchange**

Expand

- **Expansion of overseas franchise deployment**
- **Utilization of Takara Sangyo products**
- **Strengthening domestic and overseas manufacturing bases**
- **Expansion of Takara Sangyo sales resources**
- **Overseas halal soup compatibility**

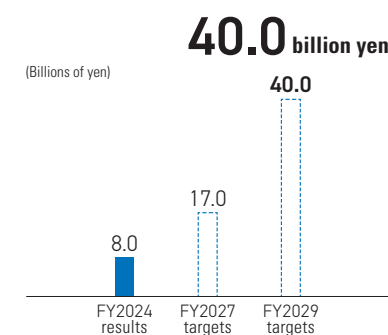
Challenge

- **Domestic regional M&A strategy**
- **Overseas M&A strategy**
- **Creation of new brands**
- **Utilization of digital technology to reduce labor**

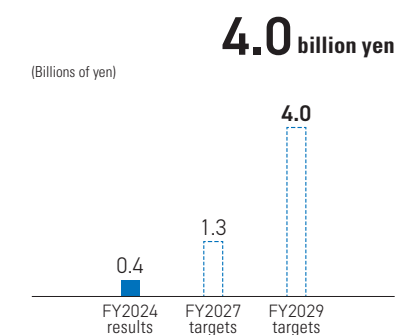


Ramen business targets

• Ramen business net sales



• Ramen business income



• Ramen business no. of outlets

