



**GIFT HOLDINGS INC.**      Securities Code 9279

# **Results Briefing Materials for the Cumulative Second Quarter of the Fiscal Year Ending October 31, 2024**



The opinions and forecasts contained in these materials are the judgments of the Company at the time of preparation of the materials, and do not guarantee the accuracy of the information therein.  
Actual performance and results may differ significantly due to changes in a variety of factors.

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**01 Financial Highlights for the Cumulative Second Quarter of the Fiscal Year Ending October 31, 2024**



## Net sales

**13,552** million yen

Year-on-year: **+26.3%**

## Operating profit

**1,545** million yen

Year-on-year: **+51.3%**

## Ordinary profit

**1,594** million yen

Year-on-year: **+51.6%**

## Overview of financial results

Achieved a **significant increase in revenue and profit**, and secured robust results a solid performance in the post-Covid management environment as well.

**Quality enhancement  
at each store**

**Monthly sales per company-owned store** hit a **record-high** thanks to continuous store QSCA (Quality, Service, Cleanliness, and Atmosphere) enhancement.

**Implementation of  
price revisions**

**Implemented price revisions on January 1st** against operational cost increases for such as labor cost. **No impact on customer traffic** after the revision.

**Strengthening  
production systems**

Aiming to strengthen production systems against growing demand by **starting operation at a new noodle factory at the beginning of this period.**

# Financial highlights for the cumulative second quarter of the fiscal year ending October 31, 2024



## Growth and Profitability

### Net sales growth

**26.3%**

(Annual goal: 20.0%)

### Operating profit margin

**11.4%**

(Annual goal: 9.5%)

## YoY Change in Net Sales of Company-owned Stores

### All company-owned stores in Japan

**127.0%**

### Existing company-owned stores in Japan

Full business day

**111.4%**

(Annual goal: 105.0%)

Excludes refurbished stores

**112.9%**

## Stores Opened in the Period

### Company-owned stores

**14** stores

(Annual goal: 41 stores)

### Produced & franchise stores

**16** stores

(Annual goal: net increase of 48 stores)

## Man-hour Productivity (company-owned stores)

### Net sales per man-hour

**6,403** yen

(Same period of the previous year: 6,211 yen)

### Labor cost rate

**24.2%**

(Same period of the previous year: 24.4%)

## Recruitment and Retention

### Hiring employees

Hired **51** mid-career employees

Hired **48** new graduates

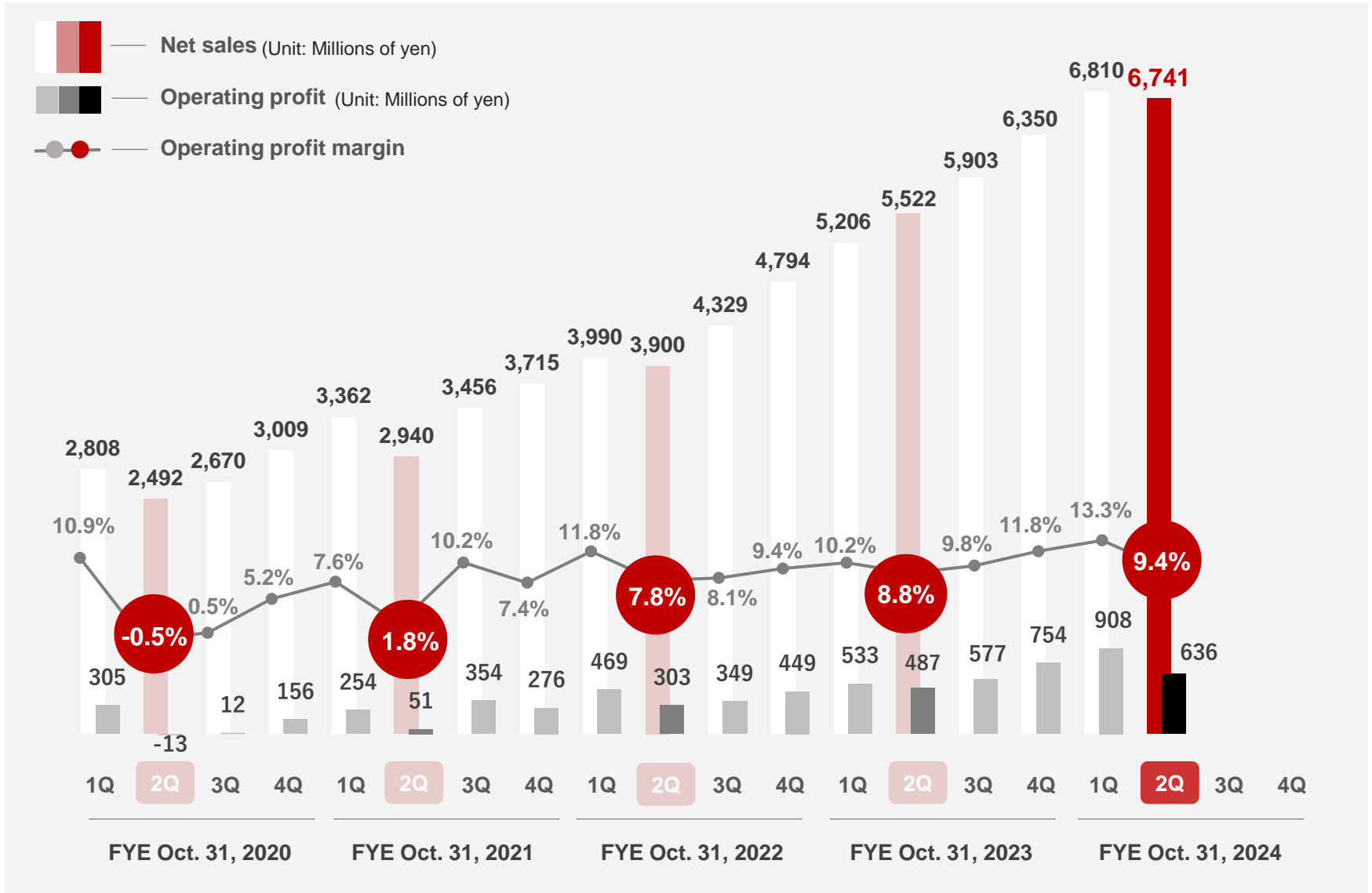
### Retirement rate

**17.1%**

(Same period of the previous year: 20.1%)

**26.8%**  
Industry average\*

# Quarterly trends in net sales and operating profit

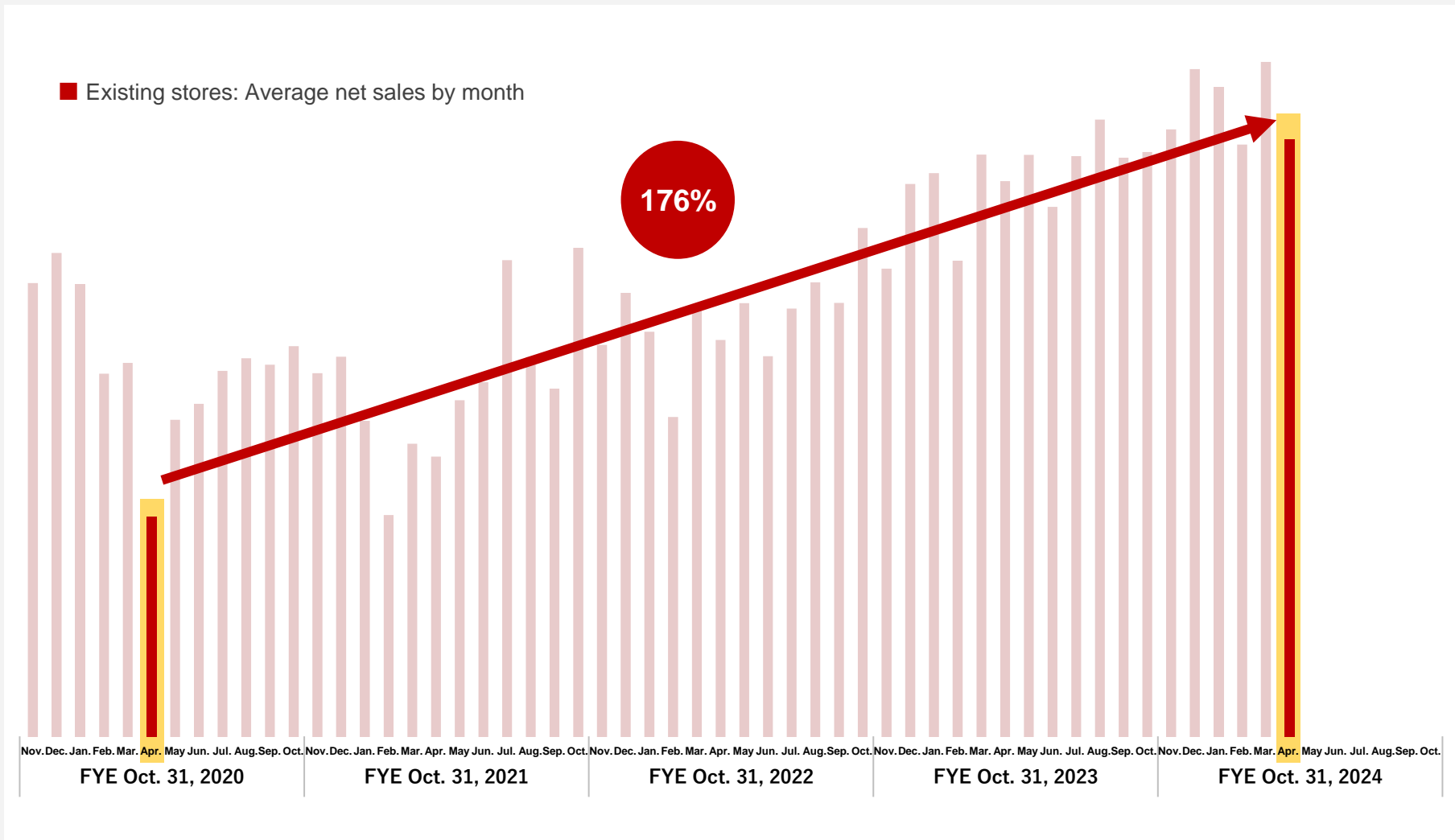




# Existing company-owned domestic stores: Average net sales per store

Hitting record-high average monthly sales per company-owned domestic store thanks to initiatives to continuously improve store QSCA.

\*Hit a record-high most recently in March 2024



# Impact of price revisions

Customer traffic is steady even after the price revision. There is still room to implement flexible price revisions.

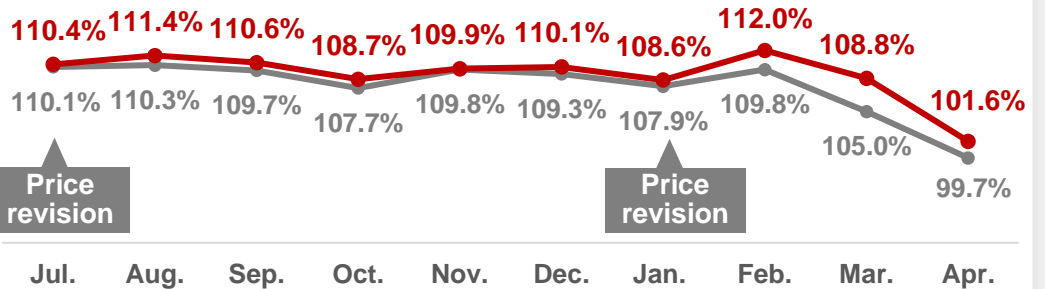
Implemented price revisions in July 2023 and January 2024

Price revisions have not caused customer numbers to decline. Sales and customer numbers are both steady.

## Number of customers (year-on-year comparison)

~ Full business day

~ Excludes refurbished stores



FYE Oct. 31, 2023

FYE Oct. 31, 2024

Source: Conditions for July 2023 to April 2024 in existing stores

## Year-on-year % change (compared to first quarter of FYE Oct. 31, 2023)

### Net sales



Full business day

**111.4%**

Excludes refurbished stores

**112.9%**

### Number of customers



**106.8%**

**108.4%**

### Average customer spend



**104.4%**

**104.2%**



# Improving QSCA and productivity through refurbishment

We are introducing induction heaters (IH) to stabilize product quality, and are currently refurbishing to a new layout to improve productivity.

Sales have been strong at refurbished stores.

	Number of refurbished stores
First half of FYE Oct. 31, 2024	6
Second half of FYE Oct. 31, 2024 (planned)	15
FYE Oct. 31, 2024, Total	21



## Affect of refurbishment

- Maintaining consistent soup quality by introducing induction heaters that can keep the constant temperature.
- Improving productivity due to a new layout
- Reduction in CO<sub>2</sub> emissions

# Initiatives to promote digital transformation (DX) in store operation and improve customer convenience



Improve operation efficiency with the introduction of rice cookers come with the serving function

Improve convenience with the introduction of a cashless ticket vending machine

## Introduced rice cooker robot machine

Completed

Introduced at “Machida Shoten” and “AKAMISOYA”

This has achieved the following:

- **Reduced the time** required to serve food
- **Reduced any loss** due to weighing errors



## Introduce a cashless ticket vending machine in all stores

Planned

**Cashless ticket vending machines** are planned for introduction in **all stores**

Compared to existing ticket vending machines, these new machines will:

- **Improve customer convenience** by allowing cashless payment
- Be enable **multi-lingual display** to **support the demand of inbound tourists**
- Promote **data management**



# Progress of human resource recruitment measures

We have been actively securing human resources to achieve the medium-term business plan.

## Implemented

- ✓ Recruitment website update
- ✓ **Promote cast to regular employees**  
**Results** First half of FYE Oct. 31, 2024 **12** people
- ✓ **Overseas recruitment**  
**Planned** April in 2025 **10** people
- ✓ Increased wage levels in January 2024



▲ Promoting cast to regular employees (President seminar)

## Planned initiatives

- Consider further increasing wage levels
- Create a human resources development program for overseas
- Implement diverse recruitment methods



# Implementing a soup kitchen in the area affected by the Noto Peninsula Earthquake



We dispatched a kitchen van to three areas affected by the earthquake, where we distributed around 1,200 bowls of ramen over a 2-day period.



**We will also continue to provide this type of support in the future.**

**02 Overview of Financial Results for the Cumulative  
Second Quarter of the Fiscal Year Ending  
October 31, 2024**

# Statements of income

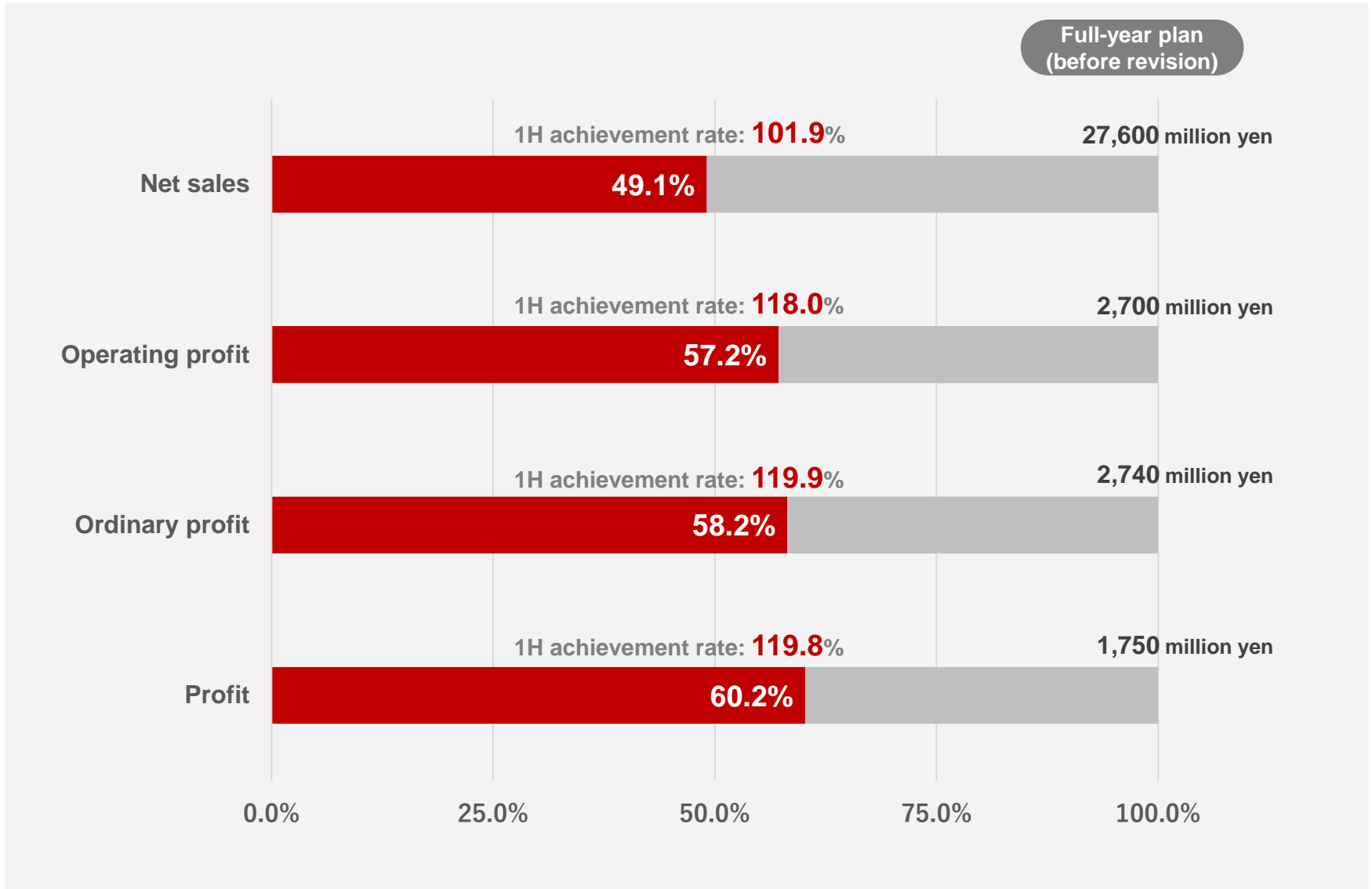


	Six months ended April 30, 2023		Six months ended April 30, 2024			Compared to 1st half plan		
	(Unit: Millions of yen)	Amount	Percentage to sales	Amount	Percentage to sales	Year-on-year % change	1H plan	Change
<b>Net sales</b>	10,729	-	<b>13,552</b>	-	<b>+26.3%</b>	13,300	+252	+1.9%
Cost of sales	3,444	32.1%	4,367	32.2%	+26.8%	-	-	-
<b>Gross profit</b>	<b>7,285</b>	<b>67.9%</b>	<b>9,185</b>	<b>67.8%</b>	<b>+26.1%</b>	-	-	-
Selling, general and administrative expenses	6,263	58.4%	7,639	56.4%	+22.0%	-	-	-
<b>Operating profit</b>	<b>1,021</b>	<b>9.5%</b>	<b>1,545</b>	<b>11.4%</b>	<b>+51.3%</b>	1,310	+235	+18.0%
<b>Ordinary profit</b>	<b>1,051</b>	<b>9.8%</b>	<b>1,594</b>	<b>11.8%</b>	<b>+51.6%</b>	1,330	+264	+19.9%
<b>Quarterly profit attributable to owners of parent</b>	<b>726</b>	<b>6.8%</b>	<b>1,054</b>	<b>7.8%</b>	<b>+45.2%</b>	880	+174	+19.8%

# Progress rate vs. full-year plan (before revision)

Achieved first half plan for all items

Making steady progress toward our full-year plan



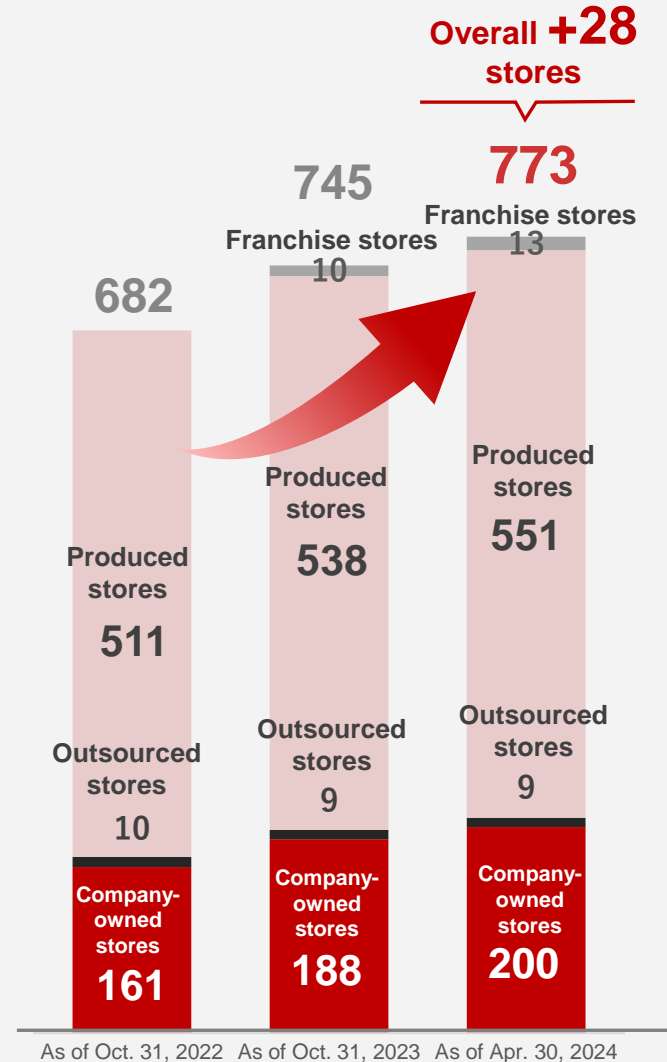
# Open up stores



**+28** stores compared to the end of the previous fiscal year



	As of Oct. 31, 2023	As of Apr. 30, 2024
Produced stores	538 stores	<b>551</b> stores
Franchise stores	10 stores	<b>13</b> stores
Outsourced stores	9 stores	<b>9</b> stores
Company-owned stores	188 stores	<b>200</b> stores
<b>Total number of stores</b>	<b>745</b> stores	<b>773</b> stores








# Status of stores (company-owned stores / breakdown of change by brand)



Brand					
Number of stores as of April 30, 2024	137	28	12	6	4
Change (compared to October 31, 2023)	+6	-	+4	-	-

Brand	 中華そば 長岡食堂		Overseas  E. A. K. RAMEN	Other
Number of stores as of April 30, 2024	2	1	3	7
Change (compared to October 31, 2023)	-	-	-	+2

# — Status of stores (breakdown of change)

(Number of stores)		Number of stores as of October 31, 2023	Number of stores as of April 30, 2024	Change
<b>Company-owned stores</b>	Kanto	119	129	+10
	East Japan (other than Kanto)	45	47	+2
	West Japan	21	21	-
	Overseas	3	3	-
	<b>Subtotal</b>	<b>188</b>	<b>200</b>	<b>+12</b>
<b>Net sales</b>	<b>11,360 million yen</b>	<b>9</b>	<b>9</b>	<b>-</b>
	<b>Outsourced stores</b>	<b>9</b>	<b>9</b>	<b>-</b>
	<b>Total</b>	<b>197</b>	<b>209</b>	<b>+12</b>
<b>Produced stores</b>	Kanto	309	311	+2
	East Japan (other than Kanto)	117	118	+1
	West Japan	99	108	+9
	Overseas	13	14	+1
	<b>Subtotal</b>	<b>538</b>	<b>551</b>	<b>+13</b>
<b>Net sales</b>	<b>2,192 million yen</b>	<b>7</b>	<b>7</b>	<b>-</b>
	<b>Franchise stores in Japan</b>	<b>7</b>	<b>7</b>	<b>-</b>
	<b>Franchise stores overseas</b>	<b>3</b>	<b>6</b>	<b>+3</b>
	<b>Total</b>	<b>548</b>	<b>564</b>	<b>+16</b>
<b>Total number of stores</b>		<b>745</b>	<b>773</b>	<b>+28</b>













# Overseas expansion

Mainly opened company-owned stores in North America, which has a significant food service market.

Mainly opened franchise stores in Asia.

Total number of stores overseas **23** stores

Asia		North America	
Franchise stores	Produced stores	Company-owned stores	Produced stores
 Thailand 1 store	 Malaysia 2 stores	3 stores	1 store
 Vietnam 3 stores	 Philippines 2 stores		
 Cambodia 1 store	 Taiwan 6 stores		
 Philippines 1 store	 Hong Kong 1 store		
	 Thailand 1 store		
	 Vietnam 1 store		

Stores opened during the current fiscal year (**Franchise stores:** Vietnam 1 store, Cambodia 1 store, Philippines 1 store, **Produced stores:** Philippines 1 store)

# B/S summary



(Unit: Millions of yen)	As of Oct. 31, 2023	As of Apr. 30, 2024	Change
<b>Current assets</b>	<b>3,552</b>	<b>3,808</b>	<b>+256</b>
Cash and deposits	2,220	2,299	+79
Accounts receivable - trade	547	589	+41
Other	784	919	+135
<b>Non-current assets</b>	<b>8,974</b>	<b>10,277</b>	<b>+1,302</b>
Property, plant and equipment	6,007	7,172	+1,165
Intangible assets	271	259	(11)
Investments and other assets	2,696	2,845	+148
<b>Total assets</b>	<b>12,527</b>	<b>14,086</b>	<b>+1,558</b>

(Unit: Millions of yen)	As of Oct. 31, 2023	As of Apr. 30, 2024	Change
<b>Current liabilities</b>	<b>3,777</b>	<b>4,245</b>	<b>+468</b>
Accounts payable - trade	697	808	+110
Short-term borrowings	25	132	+106
Current portion of long-term borrowings	699	833	+133
Other	2,354	2,471	+116
<b>Non-current liabilities</b>	<b>1,977</b>	<b>2,145</b>	<b>+168</b>
Long-term borrowings	1,574	1,734	+159
Other	402	411	+9
<b>Total liabilities</b>	<b>5,755</b>	<b>6,391</b>	<b>+636</b>
<b>Total net assets</b>	<b>6,772</b>	<b>7,694</b>	<b>+922</b>
Share capital	797	816	+18
Capital surplus	1,049	1,044	(5)
Retained earnings	4,761	5,636	+874
Treasury shares	(0)	(1)	(0)
Accumulated other comprehensive income	160	194	+34
Non-controlling interests	4	4	+0
<b>Total liabilities and net assets</b>	<b>12,527</b>	<b>14,086</b>	<b>+1,558</b>

# C/F summary



	FYE Oct. 31, 2023 2Q	FYE Oct. 31, 2024 2Q	Change
(Unit: Millions of yen)			
Net cash provided by (used in) operating activities	1,016	1,455	+438
Net cash provided by (used in) investing activities	(1,845)	(1,592)	+253
Net cash provided by (used in) financing activities	303	194	(108)
Effect of exchange rate change on cash and cash equivalents	5	9	+3
Cash and cash equivalents at end of period	1,487	1,922	+434

## 2Q of FYE Oct. 31, 2024 Main details

### ■ Cash flows from operating activities

Profit before income taxes:	1,550 million yen
Depreciation:	373 million yen
Income taxes paid:	(351 million yen)

### ■ Cash flows from investing activities

Purchase of property, plant and equipment:	(1,478 million yen)
Payments of leasehold and guarantee deposits:	(157 million yen)

### ■ Cash flows from financing activities

Net change in short-term borrowings:	105 million yen
Proceeds from long-term borrowings:	670 million yen
Repayments of long-term borrowings	(376 million yen)
Dividends paid:	(179 million yen)

**03 Consolidated Earnings Forecasts for the Fiscal Year  
Ending October 31, 2024 (changed)**

## About the upward revision of full-year consolidated earnings forecasts



Since we have made steady progress with the full-year plan, the forecast was revised to take into account our current performance.

	FYE Oct. 31, 2023	FYE Oct. 31, 2024 Previous Forecast (A)	FYE Oct. 31, 2024 Revised Forecast (B)	Change (%) (B)/(A)	Change (B)-(A)
<b>Net sales</b>	22,982	27,600	<b>28,500</b>	+3.3%	+900
<b>Operating profit</b>	2,352	2,700	<b>3,000</b>	+11.1%	+300
<b>Ordinary profit</b>	2,424	2,740	<b>3,060</b>	+11.7%	+320
<b>Profit attributable to owners of parent</b>	1,597	1,750	<b>1,960</b>	+12.0%	+210

# Assumptions behind forecasts for the fiscal year ending October 31, 2024 (unchanged)



## Sales of company-owned domestic stores and existing stores

vs. FYE Oct. 31, 2023: **105.0%**

## Store opening plan

### Company-owned stores

**40** stores in Japan

**1** store overseas

Net increase of **39** stores

### Franchise & produced stores

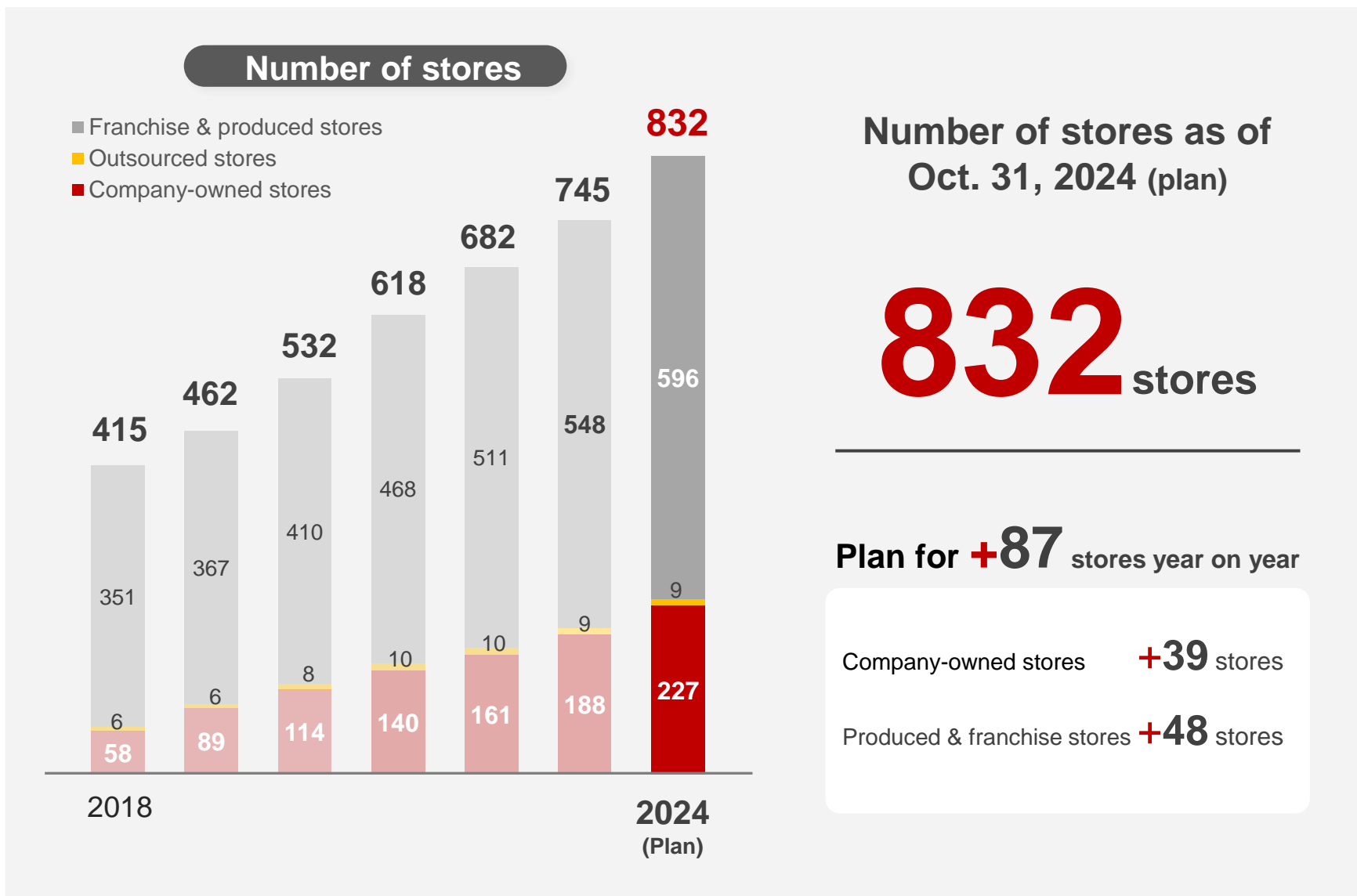
**40** stores in Japan

**8** stores overseas

Net increase of **48** stores



# — Store opening plan (unchanged)



**04 Medium-term Business Plan**  
**(only October 2024 period has changed)**

— Basic strategy - aspirations and approach (unchanged)



Targets to be achieved in FYE October 31, 2026

Net sales **40.0**  
billion yen

Operating profit **3.8**  
billion yen



Expansion of business and strengthening of structure



Promotion of digital transformation (DX)

## — KPIs (unchanged)

Operating profit is expected to grow due to increased ratio of company-owned stores. Profit margin target was reduced by 0.5 pt from the previous target. ROA and ROE targets were each raised by 5.0 pt.

<b>Growth</b>	1. Net sales growth	<b>20%</b> or above
<b>Profitability</b>	2. Operating profit margin	<b>9.5%</b> or above
<b>Gain on investments</b>	3. ROA (ordinary profit to total assets)	<b>20%</b> or above
	4. ROE (net profit to shareholders' equity)	<b>20%</b> or above
<b>Returns to shareholders</b>	5. Dividend payout ratio	<b>20%</b> or above

# The relationship between store opening strategy, sales, profit and profit margin (only October 2024 period has changed)



By opening company-owned stores in areas with concentrated population that have large markets, and opening produced stores in regional areas, we aim to maximize net sales and profit and also maintain profit margin.

## Company-owned stores

Store openings in population concentration areas and areas with high ramen consumption

Strengthening store openings

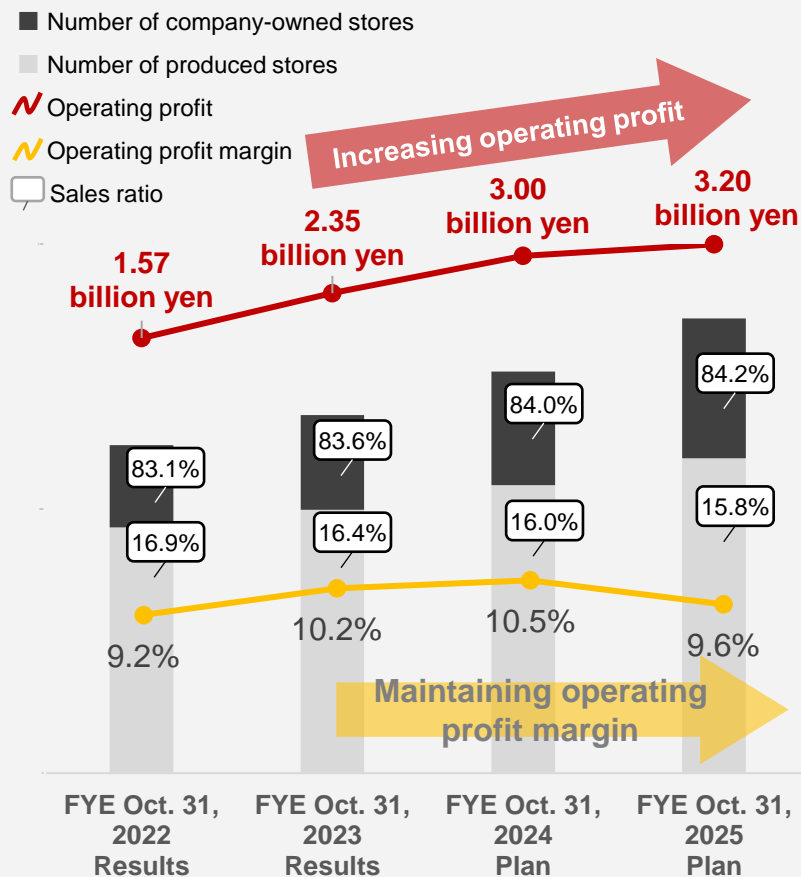
Aim to maximize net sales and profit

## Franchise & produced stores

Open stores in regional areas

Aim to maximize profit margin

Percentage of stores (company-owned stores and produced stores), sales ratio, and the amount of profit and profit margin



# Medium-term business plan (FYE October 31, 2024 to FYE October 31, 2026) / Quantitative plan (only 2024 has changed)



Created a new three-year plan using the rolling method

	2022	2023	2024	2025	2026
<b>Net sales</b>	<b>17.0</b>	<b>22.9</b>	<b>28.5</b>	<b>33.2</b>	<b>40.0</b>
	(billion yen)	(billion yen)	(billion yen)	(billion yen)	(billion yen)
<b>Operating profit</b>	<b>1.57</b>	<b>2.35</b>	<b>3.00</b>	<b>3.20</b>	<b>3.80</b>
	(billion yen)	(billion yen)	(billion yen)	(billion yen)	(billion yen)
<b>Ordinary profit</b>	<b>2.44</b>	<b>2.42</b>	<b>3.06</b>	<b>3.25</b>	<b>3.86</b>
	(billion yen)	(billion yen)	(billion yen)	(billion yen)	(billion yen)

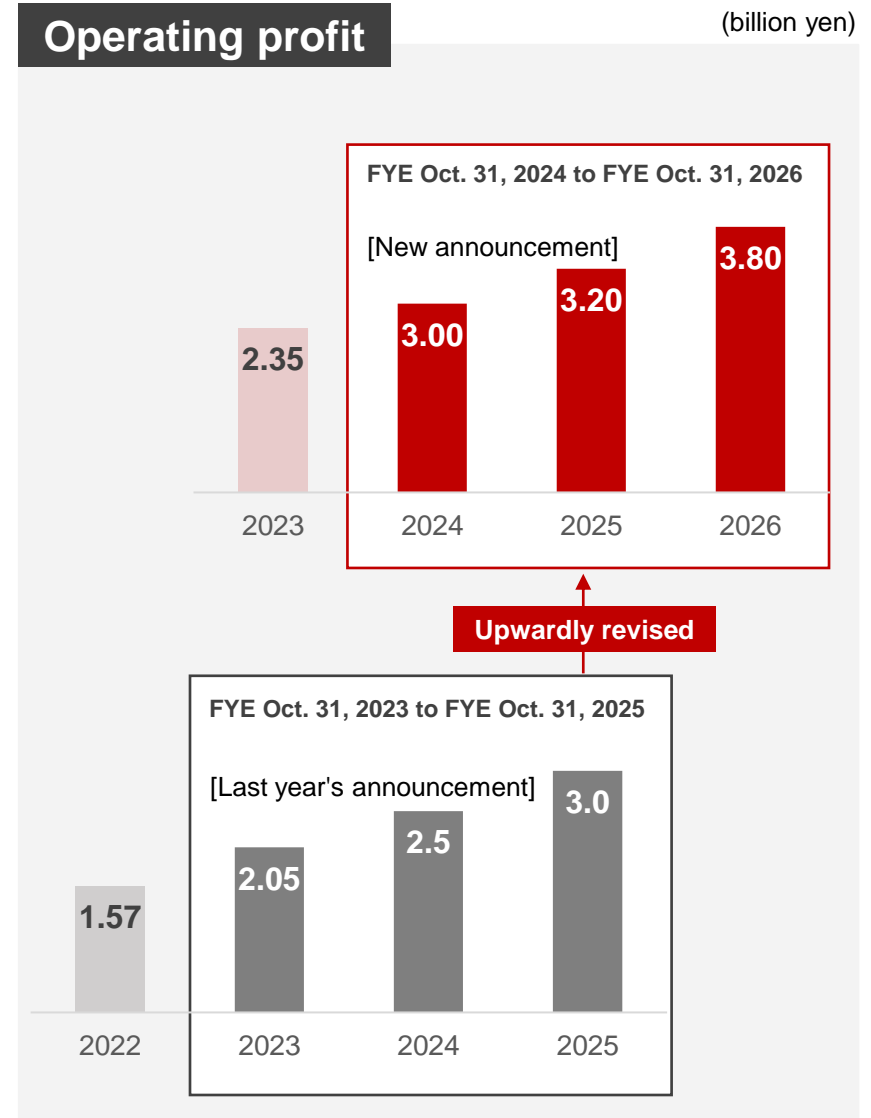
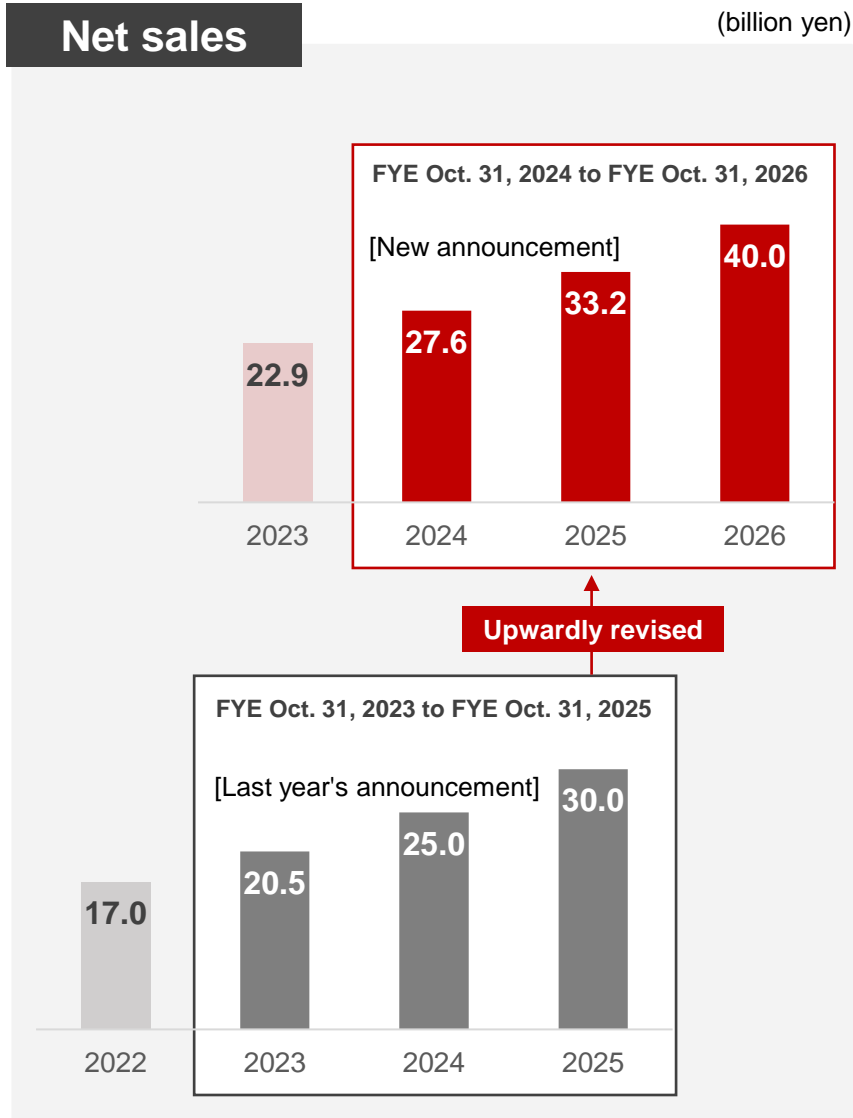
<b>Japan</b>	<b>Total number of stores</b>	<b>665</b> stores	<b>726</b> stores	<b>805</b> stores	<b>903</b> stores	<b>1,000</b> stores
	Company-owned stores	169 stores	194 stores	233 stores	284 stores	332 stores
	Franchise & produced stores	496 stores	532 stores	572 stores	619 stores	668 stores
<b>Overseas</b>	<b>Total number of stores</b>	<b>17</b> stores	<b>19</b> stores	<b>27</b> stores	<b>40</b> stores	<b>57</b> stores
	Company-owned stores	2 stores	3 stores	3 stores	7 stores	14 stores
	Franchise & produced stores	15 stores	16 stores	24 stores	33 stores	43 stores
<b>Total</b>	<b>Total number of stores</b>	<b>682</b> stores	<b>745</b> stores	<b>832</b> stores	<b>943</b> stores	<b>1,057</b> stores
	Company-owned stores	171 stores	197 stores	236 stores	291 stores	346 stores
	Franchise & produced stores	511 stores	548 stores	596 stores	652 stores	711 stores



# Variance against the previously announced medium-term business plan (only 2024 has changed)

Upwardly revised due to strong performance of existing stores, etc.

Targets of 30.0 billion yen in net sales, 3.0 billion yen in operating profit to be achieved ahead of schedule



# — Medium-term business plan (unchanged)

Key themes	Overview of initiatives
Expansion of existing business	(1) Quality enhancement at each store (2) Flexible response to inflation
<b>Recruitment</b> ← <b>PICK UP</b>	◎ (3) <b>Strengthening recruitment capability</b> ◎ (4) <b>Measures to reduce turnover</b> ◎ (5) <b>Improvement of education system</b> ◎ (6) <b>Reexamination of store operation system</b>
Strengthening of ability to open stores	(7) Advancement of opening business development stores (8) Aggressive M&A and development of new brand ◎ (9) <b>Review of product competition rules</b>
Overseas expansion	(10) Establishing an overseas promotion system ◎ (11) <b>Recruitment and training of overseas human resources</b> ◎ (12) <b>Establishment of ingredient supply system</b>
<b>Strengthening of manufacturing system</b> ← <b>PICK UP</b>	(13) Reduction of manufacturing costs (14) Enhancement of manufacturing quality (15) Expansion of items produced (16) Creation of stable supply systems (by area)
Strengthening of purchasing and logistics systems	(17) Optimization of logistics costs (18) Stockout risk control (19) Improvement of distribution frequency and distribution quality, bulk distribution to stores (20) Improved quality and reduced costs of ingredients by scaling up purchasing
DX	(21) Improvement of customer convenience (22) Reduction of internal man hours and development of a secure work environment (23) Stronger data integration
<b>Sustainability</b> ← <b>PICK UP</b>	◎ (24) <b>Establishing the Sustainability Committee</b>

◎ indicates items changed since the previous announcement.



# Medium-term business plan details (unchanged)

PICK UP

## Recruitment

Initiatives to secure human resources

### Strengthening recruitment capability

#### (1) Recruitment website update

- ✓ Curated and direct messaging
- ✓ New direct application page



仕事を知る

町田商店 店長の仕事 1日の流れを教えてくださいました



人を知る

周囲と自分のシアワセのために、さらなる高みを目指してほしい 株式会社ギフトホールディングス 専務取締役 藤井 誠二

#### (2) Diversification of recruitment methods

- ✓ Conversions (recruiting cast as regular employees)
- ✓ Alumni recruitment (re-employment of alumni)

### Enhancement of employee satisfaction

#### (3) Head office relocation



Head office relocation to near Shibuya Station  
Creating a good working environment

#### (4) Improvement of employee treatment





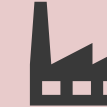

- ✓ Increasing wage levels
- ✓ Improvement of the working environment (overtime, store environment)

# — Medium-term business plan details (unchanged)

**PICK UP** **Strengthening of manufacturing system**

**Establishment of manufacturing system to accommodate increased number of stores**

## Stable supply system

Noodles			Soup	Roast pork	
					<ul style="list-style-type: none"> <li>• Reduction of manufacturing costs</li> <li>• Enhancement of manufacturing quality</li> <li>• Securing supply capacity</li> </ul>
Hiratsuka	Yokohama 1st	Kamisu	Tamba-Sasayama	Yokohama 2nd	
					
				Ayase	

## Expansion of items produced

			<ul style="list-style-type: none"> <li>• Maintaining quality through in-house manufacturing</li> <li>• Reducing cost through in-house manufacturing</li> </ul>
Noodles	Soup	Chasiu	

**Securing manufacturing capacity and expanding of manufacturing items, building and strengthening a system to accommodate aggressive store openings**

# — Medium-term business plan details (unchanged)

PICK UP **Sustainability**

## Launch of the Sustainability Committee

**CO<sub>2</sub> Emissions**

Current value (*1)	Target
1.114 t-CO <sub>2</sub>	Reduction of 1% or more every year

\*Previous year: 1.123 t-CO<sub>2</sub>

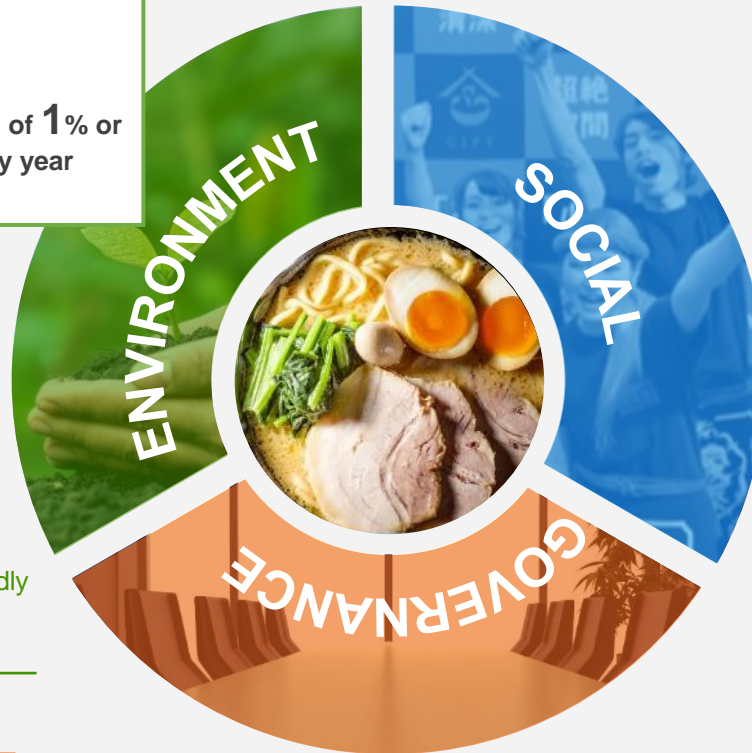
\*1 April 2022 to March 2023  
Per hour of business hours

### ENVIRONMENT

- Measures to address global warming
- Effective utilization of energy and resources
- Utilization of environmentally friendly products
- Waste and recycling

### GOVERNANCE

- Strengthening of corporate governance
- Creation of risk management system
- Ensuring compliance
- Strengthening information security and protection of privacy
- IR activities (constructive dialogue with investors)
- Dynamic renewal of governance system



### SOCIAL

- Planning and development of products with high added value
- Consumer peace of mind and safety
- Fair marketing and advertising
- Protection of personal information
- Compliance with fair trade and internal dissemination
- Supply chain management
- Personnel and welfare
- Promotion of employee health
- Promotion of work-life balance
- Business reform utilizing ICT, AI, RPA, etc.
- Promotion of respect for human rights and self-development of human rights
- Promotion of diversity and active participation by women
- Human resource development, hiring and retention
- Strengthening of coordination with local government policies and implementation of regional revitalization activities
- Company open to local communities
- Next-generation support

# — IR website, IR news distribution service, and Machida Shoten site(unchanged)



## IR website

Other investor relations (IR) materials are available on our English IR website:



<https://en.gift-group.co.jp/en/ir>

## IR news distribution service

The IR news distribution service delivers IR information e-mails to those registered for the service:



[https://www.magicalir.net/9279/mail/index\\_en.php](https://www.magicalir.net/9279/mail/index_en.php)

## Machida Shoten

For details of our main brand Machida shoten, please refer to the following website:



<https://us.machidashoten.com>

## **05 Reference Materials: Company Overview**

# Company overview

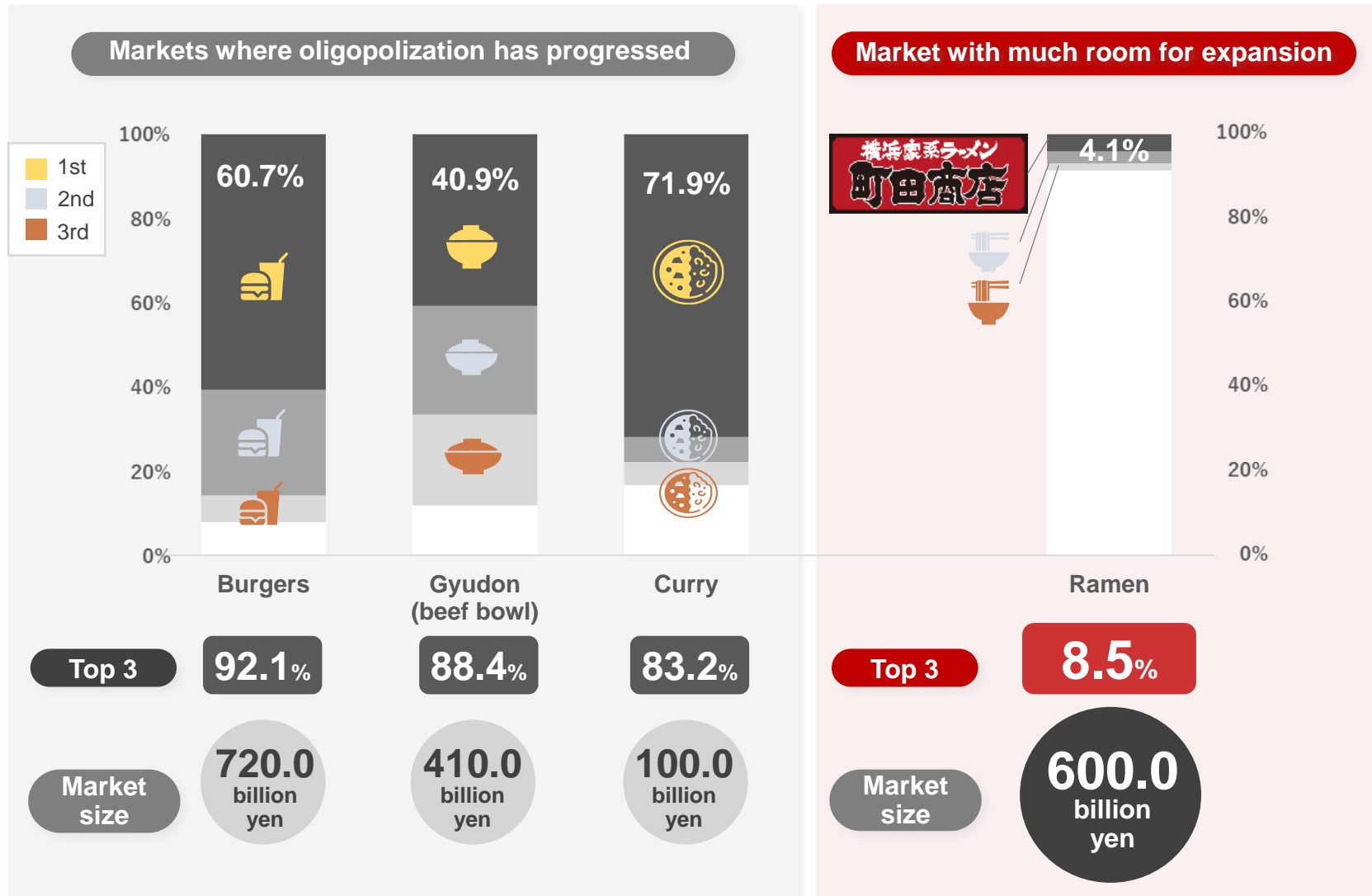


<b>Company name</b>	GIFT HOLDINGS INC.
<b>Business details</b>	Restaurant operation
<b>Head office address</b>	36F Shibuya Tower, Shibuya Sakura Stage, 1-1 Sakuragaoka-cho, Shibuya-ku, Tokyo, 150-6236, Japan
<b>Company factories</b>	Noodle factories: Hiratsuka, Yokohama 1st, Kamisu, Tamba-Sasayama Chasiu factory: Ayase Soup factory: Yokohama 2nd
<b>Established</b>	December 7, 2009 (Founded in January 2008)
<b>Representative</b>	President & Representative Director: Sho Tagawa
<b>End of fiscal year</b>	October 31
<b>Share capital</b>	816 million yen (as of April 30, 2024)
<b>Group employees</b>	605 employees, 4,161 part-time and casual workers (as of October 31, 2023)
<b>Affiliates</b>	Twelve consolidated subsidiaries (Names of major consolidated subsidiaries) GIFT INC. Ramen TENKA K.K. GIFT FOODS MATERIAL K.K. GIFT USA INC.



# Characteristics of main restaurant industries and ramen market in Japan

As opposed to items such as burgers, gyudon (beef bowl), and curry, which are concentrated on major companies, a large portion of the ramen market is taken up by individual stores, offering significant room for chain stores to expand their share.



# Brand expansion

The ramen market has a variety of flavor genres, and is a different market type from other food service markets.

We will increase market share in the ramen market by developing various types of brands.





Core brand



## Machida Shoten

"EAK ramen" characterized by creamy soup that you never tire of. A popular chain with over 100 stores nationwide offering a lively and transcendent space.



## BUTAYAMA

"Wild pork mountain ramen" A "wild pork mountain ramen" characterized by thick and tender pork and a plentiful helping of vegetables. The powerful soup combined with the sweet soy sauce and chewy "washiwashi" noodles provide a filling experience!



## GANSO ABURADO

"Soupless ramen" using carefully made custom noodles that can be customized for your own original taste with tabletop condiments. The stylish atmosphere of the stores is also popular with women, and arrangements of flavor are limitless!



## GATTON

"Kyushu tonkotsu ramen" characterized by soup matured by hours of cooking. The specially ordered ultra-thin noodles sought to match the rich and deeply flavored soup provide the ultimate flavor.



## SHI-TEN-NOH

Very popular with visitors from foreign countries. "Pork bone broth ramen" characterized by its light richness.

# Brand list (2/2)



## NAGAOKA SHOKUDO

"Chinese soba" with ginger soy sauce that is popular as a local ramen in Nagaoka City in Niigata. Popular with men and women of all ages due to the deep flavor of the light soup using carefully selected ingredients.



## AKAMISOYA

"Miso based ramen" with plenty of flavor of stir fried vegetables.

Overseas



**E. A. K. RAMEN**

## E.A.K RAMEN

Providing a flavor to match local needs based on "EAK ramen ."

Overseas



## Machida Shoten

The ever-popular Machida Shoten can be tasted overseas as well! Our carefully selected flavors and vibrancy are still alive and well outside Japan.

# Business details

Operation of restaurant business through the two channels of company-owned stores and produced stores

## Company-owned stores

**209** stores

\*Including outsourced stores

The Company operates stores under its own brands centered on "Machida Shoten" (EAK ramen brand) refer to the previous pages for other brands.

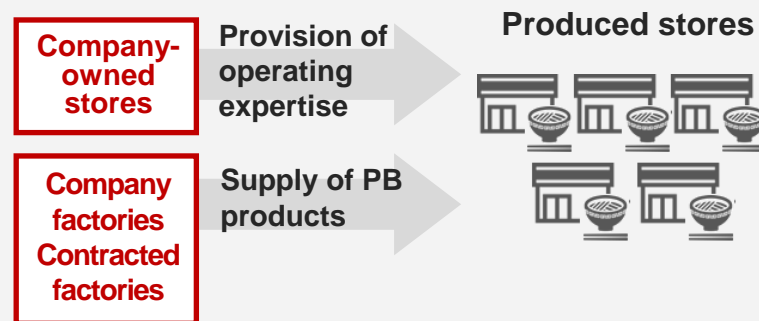


## Produced stores

**564** stores

\*Including franchise stores

The Company provides support for making stores owned and operated by partners successful by leveraging operating expertise of company-owned stores and supplying ingredients (PB products).



\* PB products: Private brand products (Noodles, sauce, soup, dumplings, chasiu)

# Store opening strategy

Possible to operate successful stores both near train stations and roadside areas

## Areas near train stations

### Downtown areas

Ikebukuro Shoten



### Residential areas

Tsunashima Shoten



### Business districts

Yotsuya Shoten



Shibuya Store



Kyodo Store



Suidobashi Store



## Roadside areas

### Roadside

Shimizu Interchange Store



Nakamachidai Store



Kyoto-Higashi Interchange Store



Himeji Store










Fujinomiya Store



# — Making successful stores in any location



	Locations near train stations		Roadside
	Downtown areas/business districts	Residential areas	
			
Competitor C		-	-
Competitor H		-	-
Competitor M	-	-	
Competitor K	-	-	

# — Roadside stores

Roadside stores are also popular with families

- Parking area (20-30 vehicles)
- Opening stores based on analysis of factors such as the state of competition, population of the trade area and traffic volume
- Creation of stores that can be enjoyed by families
- Improvement of menu for families
- Maintaining trend of increasing customer spend
- Roadside stores are more successful than stores near train stations.

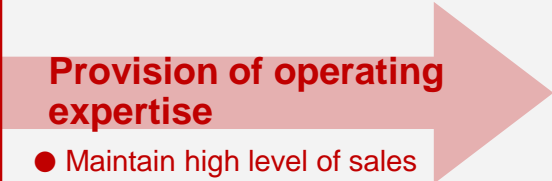


# — Produced stores

<The Company's original channel> Operating scheme of produced stores

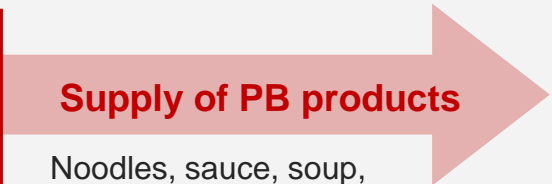
**The Company provides support for making stores owned and operated by partners successful by leveraging operating expertise of company-owned stores and supplying ingredients (PB products).**

**Company-owned stores**

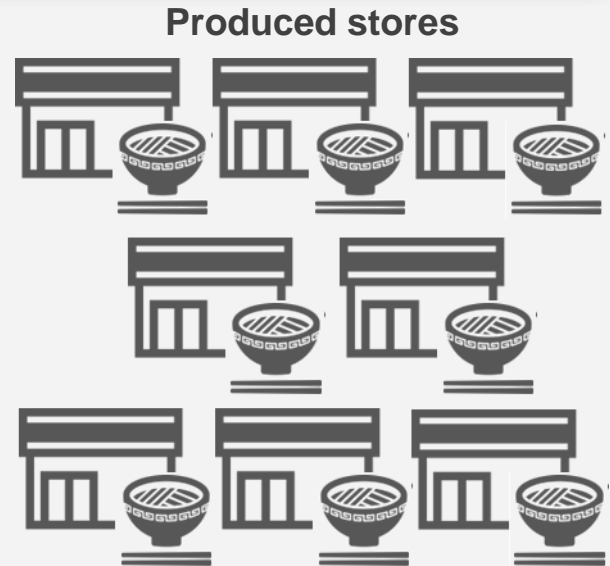


- Maintain high level of sales for existing stores
- Effectively zero store closures since establishment

**Company factories  
Contracted factories**



Noodles, sauce, soup, dumplings, chasiu, etc.



\* In contrast to a franchise system, no guarantee money, franchise membership fee or consulting fee (royalties) are required. The production of stores at the time of their launch based on operating expertise of company-owned stores is provided free of charge on the condition of purchase of ingredients.

# — Differences between produced stores and franchise stores



	Franchise stores	Produced stores
Trade name	Not selectable	Freely selectable
Membership fee	1-5 million yen	0 yen
Royalties	Approx. 5% of monthly sales	0 yen
Freedom of store operation and menu development	×	○
Risk of overall ripple effect of damage to brand by a member store	Large	Small
Various support*	Available	Available

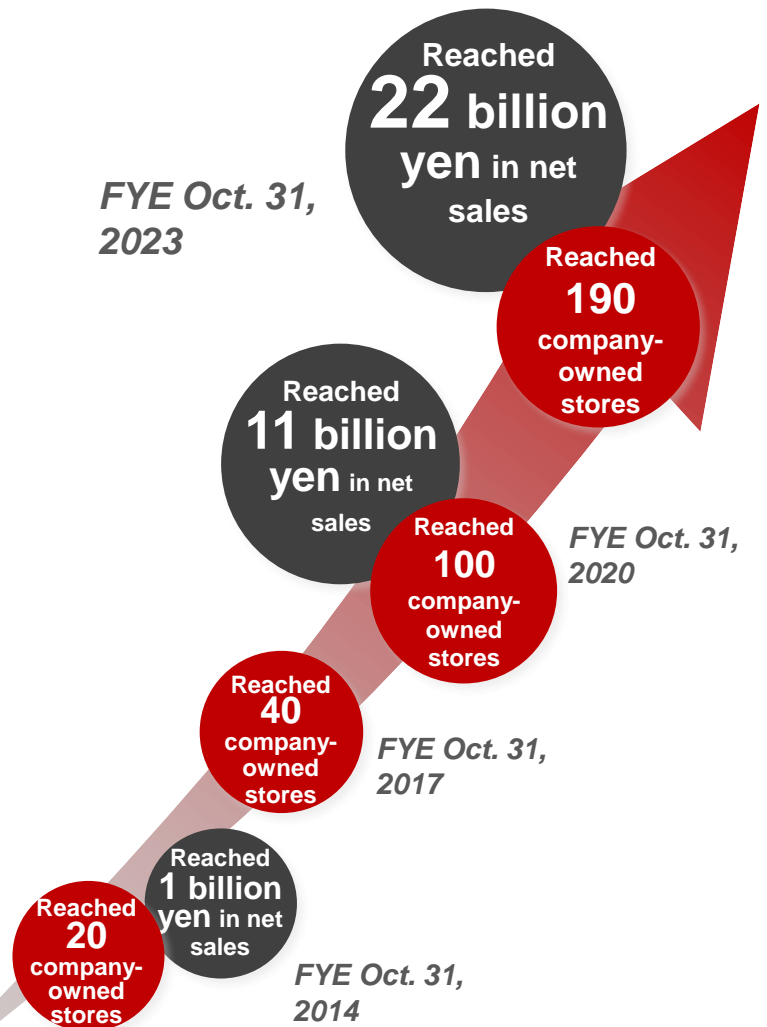
\* Various support: Property development, store design, employee training, opening support



# History



- 2008** Jan. **Opened Machida Shoten main store.**
- 2009** Dec. **Established Machida Shoten K.K. (now the Company).** Started operation of Company-owned Store Business Division
- 2010** Jan. Established Final Three Feet K.K. for the purpose of producing ramen business, sale of PB products, manufacture of noodles, etc. **Started operation of Produced Store Business Division.**
- 2013** Nov. **Established a noodle factory in Hiratsuka City, Kanagawa.**
- 2014** Mar. Reached 10 company-owned domestic stores.
- 2015** Mar. Final Three Feet K.K. acquired all shares of SHI-TEN-NOH K.K. from COLOWIDE CO., LTD. to make it a subsidiary.  
May **Changed the trade name to GIFT INC.**
- 2016** Mar. Established subsidiaries in the United States (GIFT USA INC. / GIFT LOS ANGELES, LLC / GIFT NEW YORK, LLC).  
Jul. **Opened first company-owned foreign store (Singapore).**  
Dec. **First store opened in the US (Los Angeles).**
- 2017** May Performed absorption-type merger of Final Three Feet K.K. for the purpose of improving management efficiency and increasing the speed of management decisions.  
Aug. Performed absorption-type merger of SHI-TEN-NOH K.K. for the purpose of improving management efficiency and increasing the speed of management decisions.  
Dec. Reached 50 company-owned domestic stores.
- 2018** Oct. **Listed shares on Tokyo Stock Exchange Mothers.**
- 2019** Apr. Established Yokohama 1st Factory (noodle factory) in Yokohama City, Kanagawa.  
Aug. Acquired all shares of Ramen TENKA K.K. and K.I.K. Foods K.K. (currently GIFT FOODS MATERIAL K.K.) to make them subsidiaries.
- 2020** Jan. Established Yokohama 2nd Factory (chasiu factory, currently a soup factory) in Yokohama City, Kanagawa.  
Sep. **Changed listing market to First Section of Tokyo Stock Exchange.** Reached 100 company-owned domestic stores.  
Oct. Established Tamba-Sasayama Factory (noodle factory) in Tamba-Sasayama City, Hyogo.
- 2021** Aug. **Transition to holding company structure.**
- 2022** Mar. **Changed the trade name to GIFT HOLDINGS INC.**  
Aug. Established Ayase Factory (chasiu factory) in Ayase City, Kanagawa.  
Nov. **Established GIFT SOUTHEAST ASIA (THAILAND) CO., LTD in Thailand.**
- 2023** Feb. Made Craft Co., Ltd. into a subsidiary.  
Nov. Established Kamisu Factory (noodle factory) in Kamisu City, Ibaraki.



## Notice concerning forward-looking statements

- The materials and information provided in this announcement include so-called "forward-looking statements." These are based on assumptions associated with current projections, forecasts and risks, and include uncertainty of causing results that substantially differ from these statements. These risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, interest rates and foreign exchange fluctuations.
- The Company has no obligation to update or revise the "forward-looking statements" contained in this announcement if new information arises or future events occur.
- The Company may not necessarily revise announcements on forecasts that have already been made regardless of the occurrence of future events except in cases required under disclosure rules.
- Information on companies other than the Company is based on publicly available information.
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