



Komeda Holdings

TSE 1st Section 3543 Industry: Food service, wholesale, retail

October wholesale sales strong; Food service industry update

Monthly data for October: Significant recovery, positive impression

Komeda Holdings (3543) disclosed monthly data for October.

Wholesale sales to franchisees (same-store basis) in October were 104.0% vs. October 2020 (same month last year = 100%; 89.6% for September). The number of holidays was one more than in October 2020.

Wholesale sales to franchisees (same-store basis) were 105.8% vs. October 2019 (90.7% for September). The number of holidays was one more than in October 2019.

The total number of stores at the end of October was 940 (+5 MoM, +26 vs. end-FY2/21). The company opened 6 stores in October. The company plans 940-950 stores at end-FY2/22.

Same-store sales for restaurant companies recovering compared to September

The following is a list of major restaurant operators that have already disclosed their October same-store sales (vs. October 2020/vs. October 2019). Sales have been recovering due to the easing or lifting of shortened business hours requirements and the sharp decline in the number of people infected with the COVID-19. Some companies have surpassed the pre-COVID level (see underlined numbers).

- Kura Sushi (2695): 80.1% vs. 2020/**101.0%** vs. 2019 (Sep 74.8%/80.7%)
- Monogatari Corporation (3097): 102.6%/**112.1%** (Sep 80.8%/78.6%)
- Torikizoku HD (3193): 66.7%/62.1% (Sep 8.8%/6.8%)
- Skylark HD (3197): 92.9%/82.6% (Sep 79.4%/62.5%)
- Toridoll HD (3397): Marugame Seimen 102.4%/96.7% (Sep 105.6%/91.3%)
- Food & Life Companies (3563): Sushiro 94.0%/98.0% (Sep 90.0%/87.4%)
- Royal HD (8179): Royal Host 100.2%/95.5% (Sep 85.1%/71.1%); Tendon Tenya 108.5%/99.8% (Sep 107.7%/90.0%)
- Saizeriya (7581): 98.7%/88.9% (Sep 76.7%/59.3%)
- Ohsho Food Service (9936): 101.8%/**102.5%** (Sep 90.6%/85.7%)

Stock price trends for restaurant companies

The following are examples of stocks whose share prices have fluctuated significantly over the past month.

- Kura Sushi (2695): The stock price gradually recovered after falling due to weak sales in September announced in early October (+6.6% in the past month; Based on closing price on November 9)
- Saizeriya (7581): share price rose on the back of strong earnings in its China business in the results announced in mid-October (+12.1%)
- Create Restaurants HD (3387): Share price plunged following the announcement of a public offering in late October (-18.8%)

Please refer to the report dated July 8, 2021 for the rationale of the rating and target price.

MITA SECURITIES Co., Ltd.

Junichi Shimizu

Chief Analyst, Head of Research

jshimizu@mitasec.com

Update

Rating

Buy

Target price (JPY)	3,000
Stock price (JPY) (Nov 10)	2,033
Market cap (JPYbn)	93.8

Key changes

Rating	No
Target price	No
Earnings forecast	No

Stock price (JPY)



Source: Bloomberg Finance LP

Earnings

IFRS		2/20	2/21	2/22E	2/23E	2/24E
Sales	JPYbn	31.2	28.8	33.6	36.4	39.6
OP	JPYbn	7.9	5.5	7.3	8.1	9.0
Pre-tax Profit	JPYbn	7.8	5.4	7.2	8.0	8.9
NP	JPYbn	5.4	3.6	4.8	5.4	6.0
EPS	JPY	116.7	77.9	105.0	117.2	130.2
BPS	JPY	720	755	821	887	955
DPS	JPY	51.0	39.0	51.0	62.0	68.0
PER	x	15.7	24.4	19.5	17.5	15.7
PBR	x	2.5	2.5	2.5	2.3	2.1
Div. yield	%	2.8	2.1	2.5	3.0	3.3
ROA	%	6.5	3.5	4.4	4.8	5.2
ROE	%	17.2	10.6	13.3	13.7	14.1

Source: Company data, Mita Securities

Company profile

Komeda HD, based in Aichi Prefecture, operates "Komeda's Coffee" through franchise system nationwide. The company has 914 stores at the end of February 2021 and is the largest full-service coffee shop operator in Japan. FY2/21 sales were 28.8bn yen.

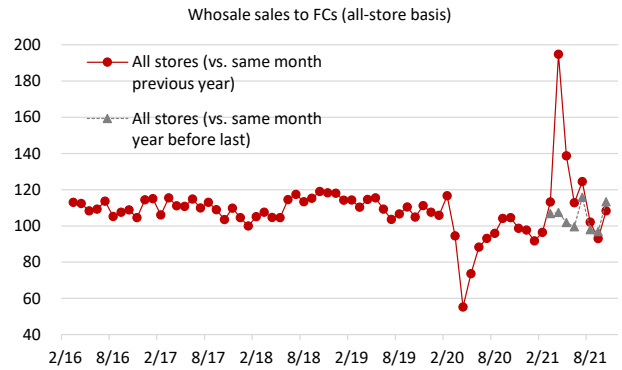
Komeda Holdings monthly wholesale sales data

Figure: Wholesale sales to FCs (same-store basis)



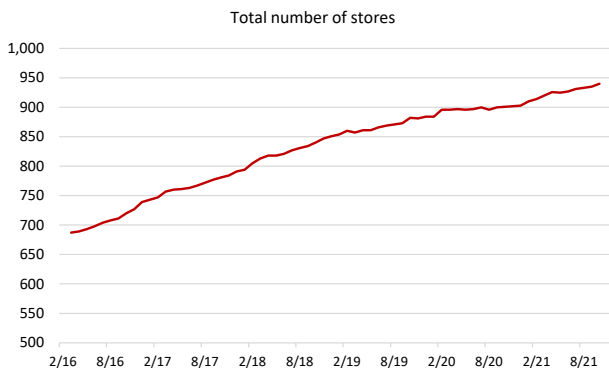
Source: Company data, Mita Securities Note: Same month last year or year before last = 100

Figure: Wholesale sales to FCs (all-store basis)



Source: Company data, Mita Securities Note: Same month last year or year before last = 100

Figure: Store count

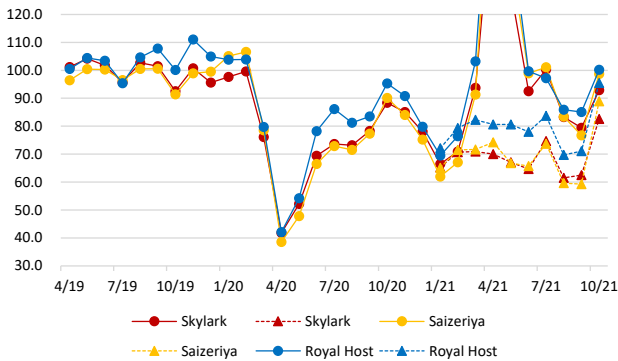


Source: Company data, Mita Securities

Food service industry data

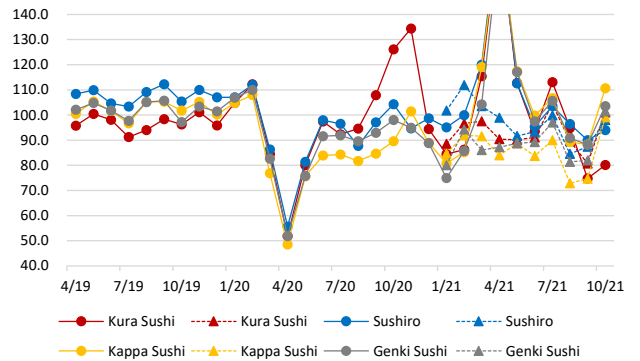
Same-store sales (compared to last year or year before last)

Figure: Family restaurants



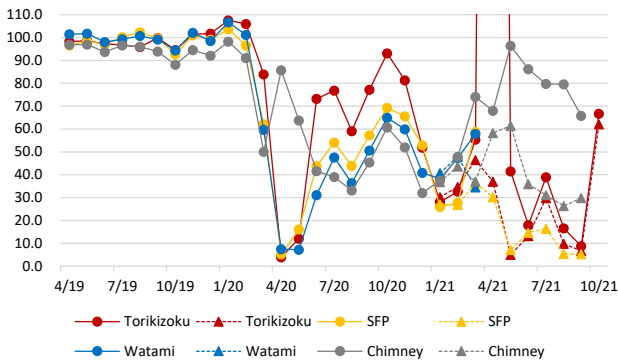
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Sushi restaurants



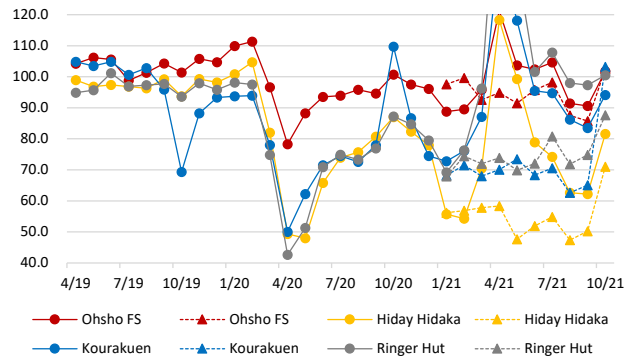
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Izakaya (Japanese style pubs)



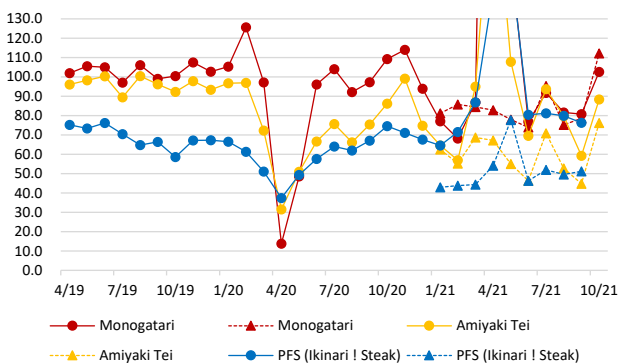
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Chinese restaurants



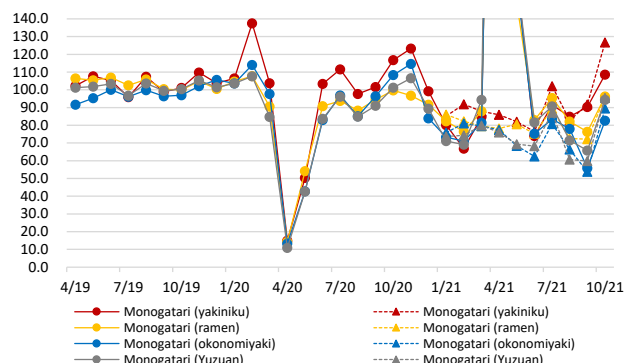
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Yakiniku (Japanese BBQ), steak



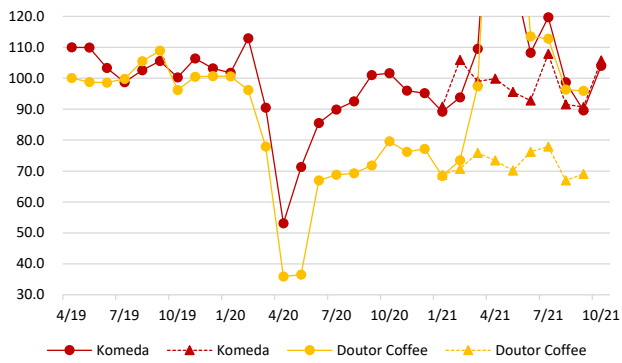
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Monogatari Corporation by division



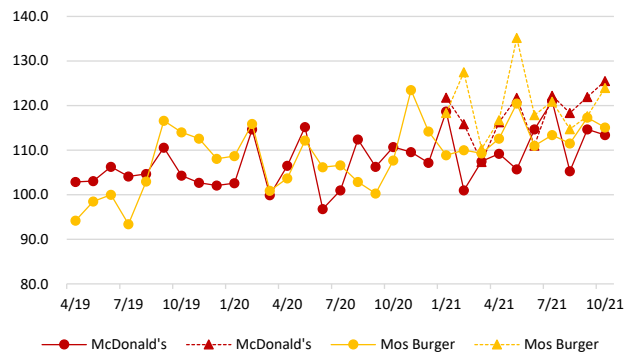
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Coffee shops



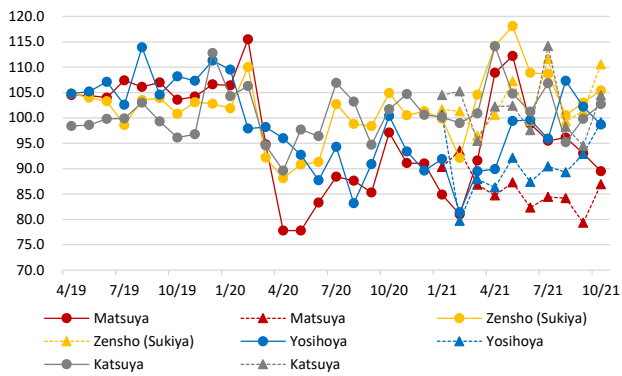
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Hamburger shops



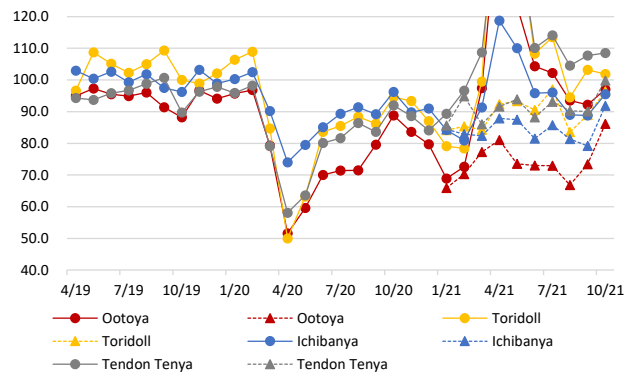
Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Beef bowl, Tonkatsu



Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Set meal, Udon noodle, Curry, Tempura



Source: Companies data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Comparison of valuations with similar companies (reference)

Figure: Comparison of valuations for food service companies

Company name	Ticker	PX 9-Nov	Mkt cap JPYbn	Net D/E Last	Sales YoY LTM	EBITDA Mgn LTM	ROE LTM	ROE Cur E	ROE Nxt E	PER LTM	PER Cur E	PER Nxt E	PBR Last	EV/EBITDA Cur E	EV/Sales Cur E	Div yield Cur E	1M Chg	3M Chg	1YR Chg
KURA SUSHI INC (TP 5,000 Buy)	2695	3,790	156.9	-0.1	13.7	4.6	4.9	3.2	10.1	70.5	104.8	32.0	3.4	49.2	1.1	0.5	6.6	-11.8	19.2
MCDONALD'S HOLDINGS CO JAPAN	2702	5,090	676.8	-0.2	5.6	14.8	12.7	12.0	11.9	30.9	29.9	26.8	3.7	12.7	1.9	0.7	-1.9	4.4	-0.2
OOTOA HOLDINGS CO LTD	2705	2,727	19.8	0.2	-12.1	6.0	NA	NA	NA	35.0	NA	NA	9.3	NA	NA	NA	1.7	-1.8	28.4
FUIJO FOOD GROUP INC	2752	1,410	62.9	3.6	-19.5	-2.0	-48.9	15.7	NA	NA	77.5	36.8	13.5	NA	2.8	0.0	3.7	5.8	-3.6
AMIYAKI TEI CO LTD	2753	3,010	20.6	-0.1	-16.2	-8.2	0.2	2.0	NA	556.5	39.7	10.9	1.0	NA	0.5	0.0	3.8	4.9	2.1
HIRAMATSU INC	2764	207	15.5	4.1	-6.1	-26.6	-86.1	NA	NA	NA	NA	NA	3.8	NA	NA	NA	-5.0	8.9	1.0
PEPPER FOOD SERVICE CO LTD	3053	388	15.3	2.4	NA	NA	NA	NA	NA	NA	NA	NA	5.7	NA	NA	NA	-0.5	-0.5	43.7
CHOUJIMARU CO LTD	3075	1,183	17.2	-0.8	-0.6	2.8	7.2	NA	NA	33.7	NA	NA	2.3	NA	NA	NA	1.5	3.6	5.4
ARCLAND SERVICE HOLDINGS CO	3085	2,268	75.1	-0.6	21.1	12.8	19.4	19.4	12.5	16.7	15.8	22.6	3.0	10.8	1.4	1.3	0.1	-1.2	8.9
DOUTOR NICHIRETS HOLDINGS CO	3087	1,645	75.0	-0.3	-2.7	3.3	-3.2	4.2	1.6	NA	18.1	25.6	0.8	10.9	0.4	1.5	-4.7	-0.2	7.8
BRONCO BILLY CO LTD	3091	2,437	36.7	-0.3	-12.6	6.8	4.4	NA	NA	47.5	NA	NA	2.1	NA	NA	0.7	-2.2	1.4	1.8
MONOGATARI CORP (TP 9,100 Buy)	3097	7,080	85.5	0.1	7.4	10.2	11.7	15.3	16.0	37.6	25.9	21.9	4.2	11.3	1.2	0.9	-7.2	5.8	21.8
CHIMNEY CO LTD	3178	1,461	28.3	0.8	-61.2	-34.0	-43.7	NA	NA	NA	NA	NA	4.2	NA	NA	NA	-0.6	1.7	7.6
TORIKIZOKU HOLDINGS CO LTD (TP 2,100 Hold)	3193	1,970	22.9	0.6	NA	NA	NA	1.7	11.4	NA	138.2	26.3	4.4	NA	1.3	0.0	-1.1	14.8	20.0
HOTLAND CO LTD	3196	1,365	29.4	0.6	5.8	5.2	9.1	16.1	NA	44.4	25.1	28.6	3.8	NA	1.1	0.4	1.3	8.3	8.9
SKYLARK HOLDINGS CO LTD (TP 1,550 Hold)	3197	1,524	346.7	2.1	-15.6	17.8	0.9	1.2	1.8	259.6	265.8	71.3	2.2	8.0	1.7	0.3	-2.6	6.1	-9.2
SFP HOLDINGS CO LTD	3198	1,452	37.4	-0.1	-53.8	-1.0	-19.2	14.4	NA	NA	20.8	24.9	3.2	NA	2.5	0.0	-0.5	2.5	5.4
CREATE RESTAURANTS HOLDINGS	3387	741	140.4	3.5	-28.7	21.7	0.8	27.2	NA	1,195.2	22.0	33.7	6.5	NA	2.5	0.6	-18.8	-16.6	19.3
SAINT MARC HOLDINGS CO LTD	3395	1,543	35.1	-0.2	-13.7	-6.3	-11.6	0.7	3.0	NA	137.2	33.9	0.9	11.8	0.5	2.9	-3.9	0.7	-1.5
TORIDOLL HOLDINGS CORP	3397	2,924	255.9	3.0	0.2	10.7	-0.8	9.9	10.4	NA	60.7	45.6	8.0	12.7	2.5	0.2	12.8	47.2	107.4
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,047	94.4	1.5	8.1	23.7	13.0	13.6	13.7	20.7	19.0	17.7	2.6	15.6	4.2	2.5	-2.8	0.4	6.4
KUSHIKATSU TANAKA HOLDINGS C	3547	2,280	21.3	0.3	-38.7	-22.6	-36.9	2.7	31.4	NA	293.5	41.3	15.8	NA	4.4	0.3	4.4	21.6	24.9
CHIKARANOMOTO HOLDINGS CO LT	3561	622	16.8	3.7	-31.1	-0.2	-55.1	NA	NA	NA	NA	NA	5.8	NA	NA	NA	1.0	3.5	-4.3
FOOD & LIFE COMPANIES LTD	3563	5,020	582.7	2.2	17.5	16.2	23.0	23.1	23.8	44.2	37.3	30.6	9.2	16.2	2.4	0.6	1.1	13.4	53.0
ATOM CORP	7412	778	150.6	0.2	-19.3	-5.9	-10.8	NA	NA	NA	NA	NA	19.1	NA	NA	NA	2.9	0.5	-11.0
KAPPA CREATE CO LTD	7421	1,401	69.2	0.4	0.9	3.7	8.2	NA	NA	79.4	NA	NA	6.3	NA	NA	NA	3.9	1.8	-6.2
WATAMI CO LTD	7522	987	42.1	3.5	-23.1	-11.4	-73.5	NA	NA	NA	NA	NA	2.8	NA	NA	NA	-4.4	5.9	-4.5
ZENSHO HOLDINGS CO LTD	7550	2,688	416.3	2.2	2.3	7.3	12.2	14.6	13.6	41.5	29.7	37.5	4.8	11.8	0.9	0.7	2.9	-1.6	4.3
KOURAKUEN HOLDINGS CORP	7554	1,500	25.2	1.1	-14.4	0.6	13.5	NA	NA	51.0	NA	NA	6.4	NA	NA	NA	1.3	1.7	-19.6
ANRAKUTEI CO LTD	7562	5,980	12.8	1.6	-58.7	-1.3	2.9	NA	NA	98.5	NA	NA	2.9	NA	NA	NA	-1.3	5.3	21.8
SAIZERIYA CO LTD	7581	3,070	160.5	-0.2	-0.3	6.3	2.2	9.8	6.8	84.6	19.9	23.5	1.8	8.2	0.9	0.6	12.1	23.6	57.0
HIDAY HIDAHA CORP	7611	1,661	63.4	-0.3	-23.8	-10.2	-7.0	NA	NA	NA	NA	NA	3.0	NA	NA	NA	1.4	-0.6	-1.2
COLOWIDE CO LTD	7616	1,641	142.6	3.6	-14.4	8.7	-35.2	NA	NA	NA	NA	NA	7.6	NA	NA	NA	-2.8	-19.0	-6.0
UKAI CO LTD	7621	3,015	15.8	1.5	-7.7	-9.1	-43.3	NA	NA	NA	NA	NA	6.6	NA	NA	NA	-0.7	-2.6	-1.1
GLOBAL-DINING INC	7625	466	4.8	0.9	34.8	-1.1	25.6	NA	NA	7.3	NA	NA	1.6	NA	NA	NA	-9.5	1.5	169.4
ICHIBANYA CO LTD	7630	4,595	146.7	-0.5	-5.4	9.4	8.5	8.9	NA	56.9	54.3	38.6	4.9	NA	2.9	1.7	2.1	-5.6	-16.8
ASAKUMA CO LTD	7678	1,523	8.2	-0.4	-22.5	-21.8	-43.6	NA	NA	NA	NA	NA	3.6	NA	NA	NA	-1.4	0.1	-1.4
MOS FOOD SERVICES INC	8153	3,120	99.9	-0.2	8.3	9.0	5.0	4.4	NA	43.3	47.4	40.1	2.1	NA	1.2	0.8	-2.3	1.6	7.4
KISQJI CO LTD	8160	2,180	57.1	0.0	-12.3	NA	-16.5	NA	NA	NA	NA	NA	2.5	NA	NA	NA	-2.3	-6.5	-14.0
SRS HOLDINGS CO LTD	8163	777	29.9	0.5	-0.7	8.0	8.8	NA	NA	29.5	NA	NA	2.2	NA	NA	NA	1.3	-3.7	-15.7
ROYAL HOLDINGS CO LTD	8179	2,080	94.4	2.3	-27.7	-14.3	-55.3	-13.8	10.9	NA	NA	51.5	3.2	NA	1.6	0.0	-1.8	6.9	2.8
RINGER HUT CO LTD	8200	2,221	57.9	1.0	-14.1	-2.2	-13.0	6.3	NA	NA	88.1	217.7	5.2	NA	1.9	0.5	-5.6	0.6	-2.2
GIFT INC	9279	3,065	30.5	0.2	23.2	6.0	22.4	23.0	NA	38.4	29.6	24.2	7.8	NA	2.3	0.5	3.5	36.0	63.9
GENKI SUSHI CO LTD	9828	2,687	23.9	0.6	6.7	5.8	6.3	NA	NA	45.6	NA	NA	2.8	NA	NA	NA	-4.0	7.0	11.4
GOURMET KINEYA CO LTD	9850	995	22.8	1.5	-28.3	0.9	-28.0	NA	NA	NA	NA	NA	2.7	NA	NA	NA	1.1	5.3	-0.5
GINZA RENIOR CO LTD	9853	829	5.2	0.1	-25.9	-39.4	-37.8	NA	NA	NA	NA	NA	1.7	NA	NA	NA	0.7	2.1	2.1
YOSHINOYA HOLDINGS CO LTD	9861	2,362	153.8	0.8	-14.9	8.1	3.2	11.6	2.5	114.6	30.5	138.7	3.5	17.6	1.1	0.0	10.1	15.8	17.9
KFC HOLDINGS JAPAN LTD	9873	2,903	65.1	-0.8	12.6	8.4	17.8	NA	NA	16.0	NA	NA	2.7	NA	NA	NA	-2.3	4.1	11.2
MATSUYAFOODS HOLDINGS CO LTD	9887	3,630	69.2	0.3	-4.7	0.8	2.3	NA	NA	73.1	NA	NA	1.7	NA	NA	NA	-1.4	1.7	1.4
SAGAMI HOLDINGS CORP	9900	1,034	31.3	-0.2	-9.2	-4.0	-7.8	NA	NA	NA	NA	NA	2.4	NA	NA	NA	2.3	2.6	-22.4
OHSO FOOD SERVICE CORP (TP 7,250 Buy)	9936	5,960	138.8	-0.2	-0.3	11.6	12.8	13.8	NA	16.3	15.6	19.5	2.0	NA	1.5	1.8	-0.3	1.5	-2.9
JOYFULL CO LTD	9942	812	25.9	4.9	-23.6	-3.8	102.0	NA	NA	13.7	NA	NA	7.9	NA	NA	NA	1.1	-3.3	14.5
DAISO CORP	9979	1,016	21.5	0.9	-21.0	2.7	-35.7	NA	NA	NA	NA	NA	1.9	NA	NA	NA	-2.7	2.7	-12.7
Average				1.0	-7.8	0.6	-7.0	10.0	11.3	110.4	65.9	43.1	4.6	15.1	1.8	0.8	-0.2	3.9	11.7
Median				0.5	-9.2	3.0	1.5	10.8	11.2	44.2	30.5	31.3	3.4	11.8	1.5	0.6	-0.5	1.8	2.8

Source: Bloomberg Finance LP data, Mita Securities

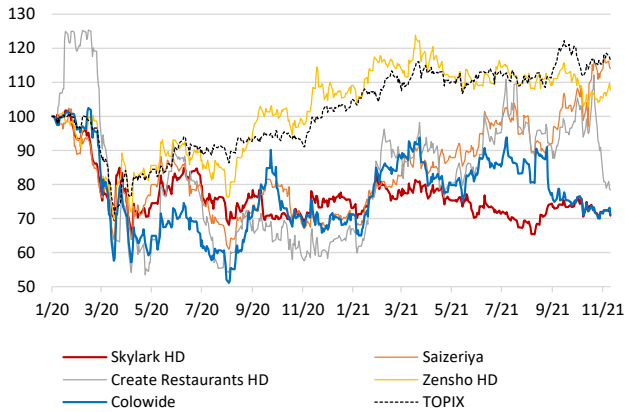
Note: Forecasts are based on Bloomberg consensus. Shading indicates stocks covered by Mita Securities

Figure: Comparison of valuations for FC business operators

Company name	Ticker	PX 9-Nov	Mkt cap JPYbn	Net D/E Last	Sales YoY LTM	EBITDA Mgn LTM	ROE LTM	ROE Cur E	ROE Nxt E	PER LTM	PER Cur E	PER Nxt E	PBR Last	EV/EBITDA Cur E	EV/Sales Cur E	Div yield Cur E	1M Chg	3M Chg	1YR Chg
KOBE BUSSAN CO LTD	3038	4,115	1,125.9	-0.3	3.0	8.6	28.5	31.3	28.7	48.7	44.3	39.9	12.3	33.3	3.1	0.5	13.0	6.1	38.5
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,047	94.4	1.5	8.1	23.7	13.0	13.6	13.7	20.7	19.0	17.7	2.6	15.6	4.2	2.5	-2.8	0.4	6.4
IBI INC (TP 1,450 Buy)	6071	1,104	46.4	-0.2	-1.8	17.5	16.5	13.0	18.9	52.6	59.0	35.4	8.1	NA	3.2	0.5	1.8	6.0	9.0
CURVES HOLDINGS CO LTD	7085	937	87.9	0.8	-1.6	NA	13.1	21.8	31.8	78.0	42.2	25.0	9.6	NA	3.6	0.9	5.5	16.1	29.4
FAST FITNESS JAPAN INC (TP 5,600 Buy)	7092	3,155	59.0	-0.2	NA	NA	NA	15.9	18.0	NA	42.3								

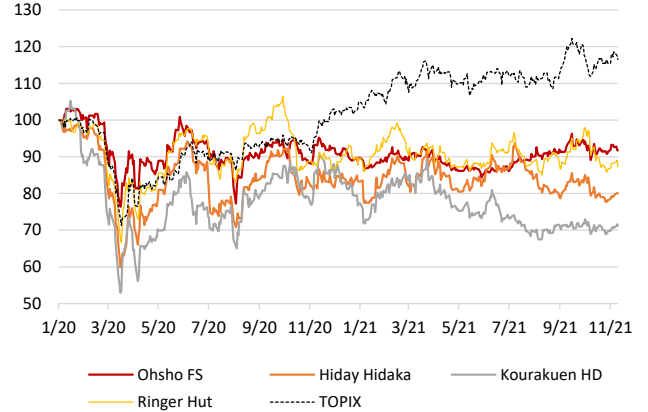
Stock price trends for food service companies

Figure: Stock price trends (family restaurants, general type)



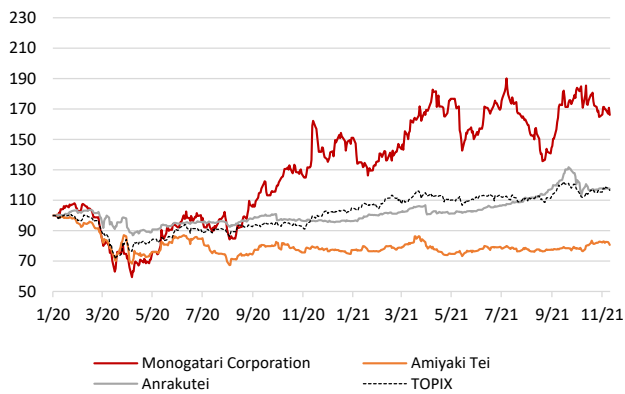
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Chinese restaurants)



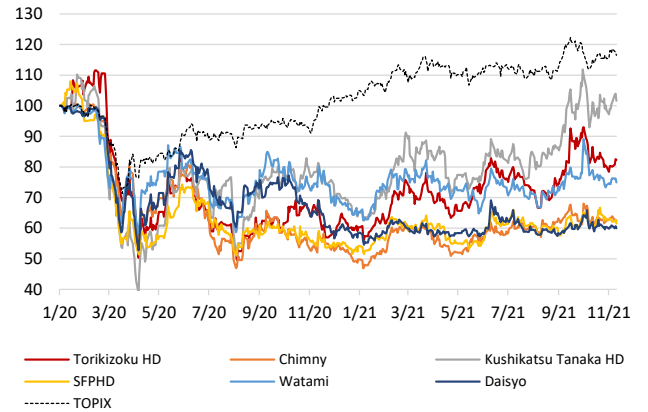
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese BBQ)



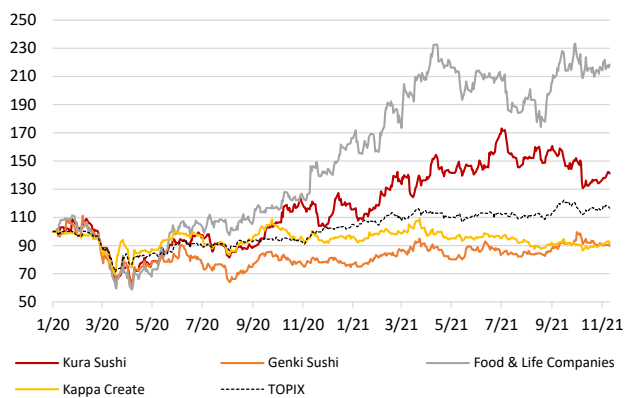
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese style pubs)



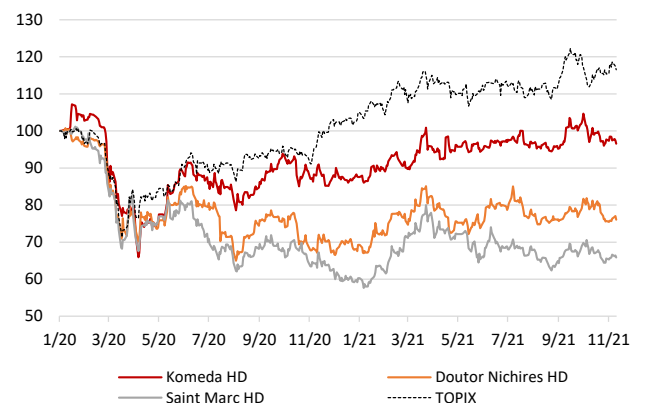
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (sushi restaurants)



Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (coffee shops)



Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Examples of recapitalization

Figure: Examples of recapitalization for food service companies

Announcement	Company name	Ticker	Funding method	Funding amount (JPYm)	Note
07/28/20	Colowide	7616	Preferred shares	9,000	Dividend 3.5% per annum. No conversion right to common shares
07/31/20	Pepper Food Service	3053	Warrants	6,740	Exercise price 415 yen (initial), with downward adjustment clause (last closing price x 90%, minimum exercise price 208 yen)
			Warrants	2,883	Exercise price 415 yen (initial), with downward adjustment clause (minimum exercise price 312 yen)
					Maximum dilution of the above total 99.96%
11/11/20	Joyfull	9942	Treasury share sale	1,000	
11/11/20	SRS HD	8163	Warrants	6,186	Exercise price 922 yen (initial), with downward adjustment clause (last closing price x 92%, minimum exercise price 646 yen). Maximum dilution 19.27%
11/19/20	Sagami HD	9900	Warrants	4,910	Exercise price 1,291 yen (initial), with downward adjustment clause (last closing price x 92%, minimum exercise price 904 yen). Maximum dilution 14.34%
12/24/20	Ootoya HD	2705	Preferred shares	3,000	With conversion right to common shares
01/26/21	Ringer Hut	8200	Subordinated loans	5,000	
			Warrants	2,359	Exercise price 2,363 yen (initial), with downward adjustment clause (last closing price x 92%, minimum exercise price 1,655 yen). Maximum dilution 3.84%
02/02/21	Create Restaurants HD	3387	Undated subordinated loans	15,000	Recorded as equity under IFRS
02/05/21	Zensho HD	7550	Subordinated loans	10,000	JCR recognizes 50% as equity
02/08/21	Monogatari Corporation	3097	CB	6,120	Conversion price of 12,500 yen (initial, before 1:2 stock split), with downward adjustment clause (minimum conversion price of 11,250 yen). Maximum dilution 8.69%
02/15/21	Royal HD	8179	Common shares	10,000	Issue price 1,718 yen
			Warrants	7,847	Exercise price 1,908 yen (initial), with upward and downward adjustment clauses (minimum exercise price 1,431 yen)
			Preferred shares	3,000	Dividend 8.5% per annum. No conversion right to common shares
			Preferred shares	3,000	Dividend 8.5% per annum, with conversion right to common shares
					Maximum dilution of the above total 29.69%
05/14/21	Chikaranomoto HD	3561	Common shares	1,646	Issue price 558 yen
			Warrants	1,182	Exercise price 587 yen (fixed)
			Warrants	765	Exercise price 764 yen (fixed)
					Maximum dilution of the above total 24.71%
05/20/21	Fujio Food Group	2752	Subordinated loans	3,700	
			Treasury share sale	851	Sale price 1,216 yen
			Warrants	1,919	Exercise price 1,399 yen (fixed). Maximum dilution 3.21%
05/20/21	Saint Marc HD	3395	Warrants	967	Exercise price 1,662 yen (initial), with downward adjustment clause (minimum exercise price 1,280 yen)
			CB	6,057	Conversion price 1,662 yen (initial), with downward adjustment clause (minimum conversion price 1,280 yen)
					Maximum dilution of the above total 23.09%
05/21/21	Skylark HD	3197	Common shares	42,610	Public offering of new shares. Issue price 1,495 yen. Dilution 15.19%
05/24/21	Watami	7522	Preferred shares	12,000	Dividend 4% per annum. No conversion right to common shares
06/25/21	Zensho HD	7550	Subordinated loans	20,000	
06/28/21	Chimny	3178	Subordinated loans	1,000	
07/16/21	Hiramatsu	2764	Common shares	4,600	Issue price 176 yen
			Warrants	3,152	Exercise price 176 yen
					Maximum dilution of the above total 90.37% (shares O/S), 100.00% (voting rights)
08/24/21	Colowide	7616	Common shares	21,849	Public offering of new shares. Dilution 15.39%
08/26/21	Kourakuen HD	7554	Subordinated loans	1,000	
08/31/21	Kisoji	8160	Warrants	8,751	Exercise price 2,355 yen (initial), with downward adjustment clause (minimum exercise price 1,649 yen). Maximum dilution 14.28%
10/28/21	Create Restaurants HD	3387	Common shares	17,274	Public offering of new shares. Issue price 722 yen

Source: Companies data, Mita Securities

APPENDIX

[Analyst Certification]

We hereby certify that the views on securities and issuers expressed in this report accurately reflect the personal views of the analyst(s) listed on the cover page of this report. The analyst(s) also certifies that the analyst(s) has not been compensated, directly or indirectly, or promised to be compensated, for expressing any particular view in this report.

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Ratings are based on the following definitions.

The target price and ratings are based on our views for the next 12 months or so.

Buy: Stocks whose total return (percentage change in share price from current price to projected target price plus projected dividend yield), as of the time the target price is set or changed, is expected to be 15% or more.

Hold: Stocks whose total return (percentage change in share price from current price to projected target price plus projected dividend yield), as of the time the target price is set or changed, is expected to be between -15% and +15%.

Sell: Stocks whose total return (percentage change in share price from current price to projected target price plus projected dividend yield), as of the time the target price is set or changed, is expected to be -15% or less.

RS: Rating Suspended - Stocks for which the target price and rating have been temporarily suspended.

NR: No Rating - Stocks for which no target price or rating is assigned.

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