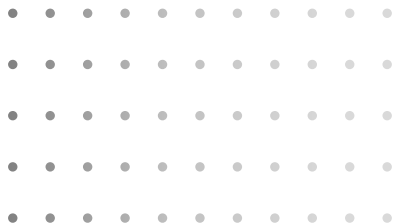


C&F LOGISTICS

FY2023 1Q

Consolidated Financial Results

Chilled & Frozen Logistics Holdings Co., Ltd.



■ Operating revenue

28,771 million Yen
(+2.2% YoY)

- ▶ Acquire new profitable businesses with the expansion of logistics facilities and the use of existing facilities efficiently.
- ▶ The handling volume of products for both home-use and commercial-use has been continuously increasing along with growing demand of frozen food products. However, that of products for convenience store decreased.
- ▶ Make progress in negotiation on price revision to a certain extent.

■ Operating profit

1,421 million Yen
(+18.6% YoY)

- ▶ Increase in profitability by acquiring new profitable businesses.
- ▶ Increase in labor costs due to 1) the promotion of part-time/temporary employees to full-time/permanent status for employee retention and insourcing purposes, and 2) improved treatment for employees to achieve sustainable logistics business by enhancing efficiency and securing logistics human resources.

* Note : In this document, we express our company name and two main business operating companies (subsidiaries) as follows;
Chilled and Frozen Logistics Co., Ltd.: “CF” MEITO TRANSPORTATION CO., LTD (subsidiary): “MU”
Hutech norin Co., Ltd. (subsidiary) : “HN”

Highlights of consolidated financial results

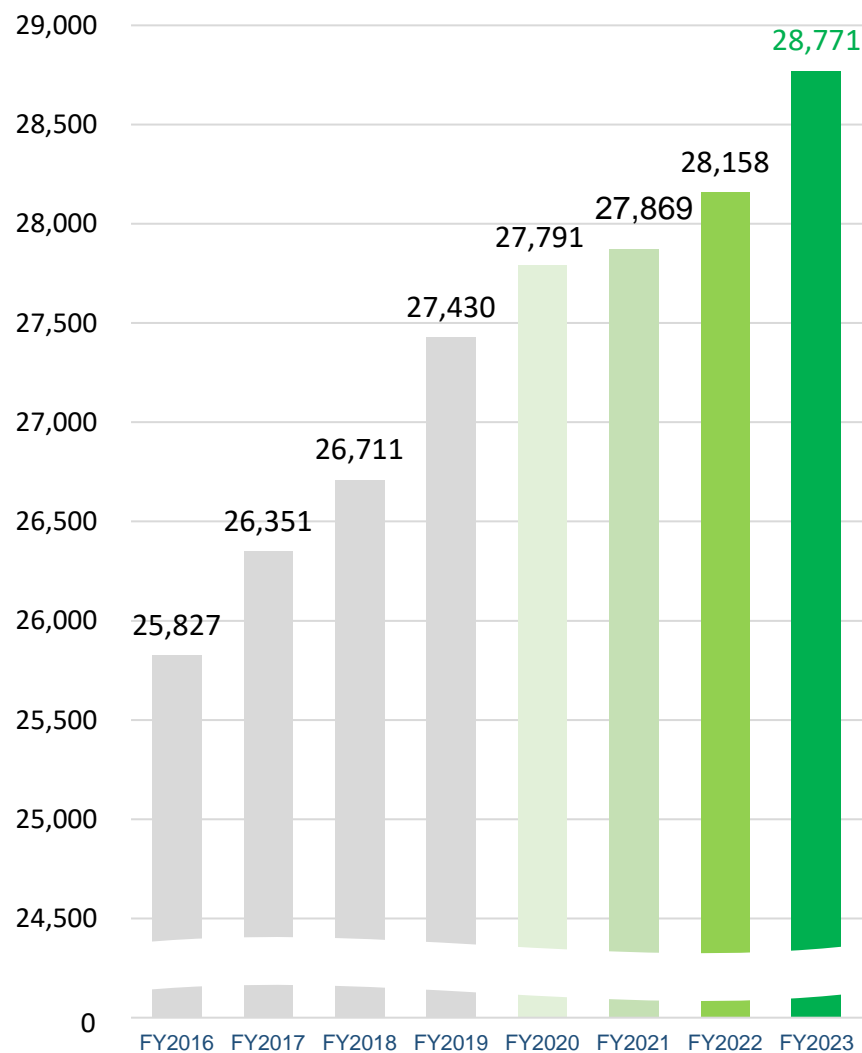
(Unit Million yen)

	FY2022 1Q		FY2023 1Q			
		Ratio to Operating revenue		Structural ratio	Difference	YoY change rate
Operating revenue	28,158	100.0%	28,771	100.0%	612	2.2%
Operating costs	25,893	92.0%	26,295	91.4%	401	1.5%
Selling, general and administrative expenses	1,066	3.8%	1,054	3.7%	-11	-1.1%
Operating profit	1,198	4.3%	1,421	4.9%	222	18.6%
Ordinary profit	1,358	4.8%	1,471	5.1%	112	8.3%
Profit attributable to owners of parent	854	3.0%	967	3.4%	113	13.2%

Highlights of consolidated financial results

Operating revenue

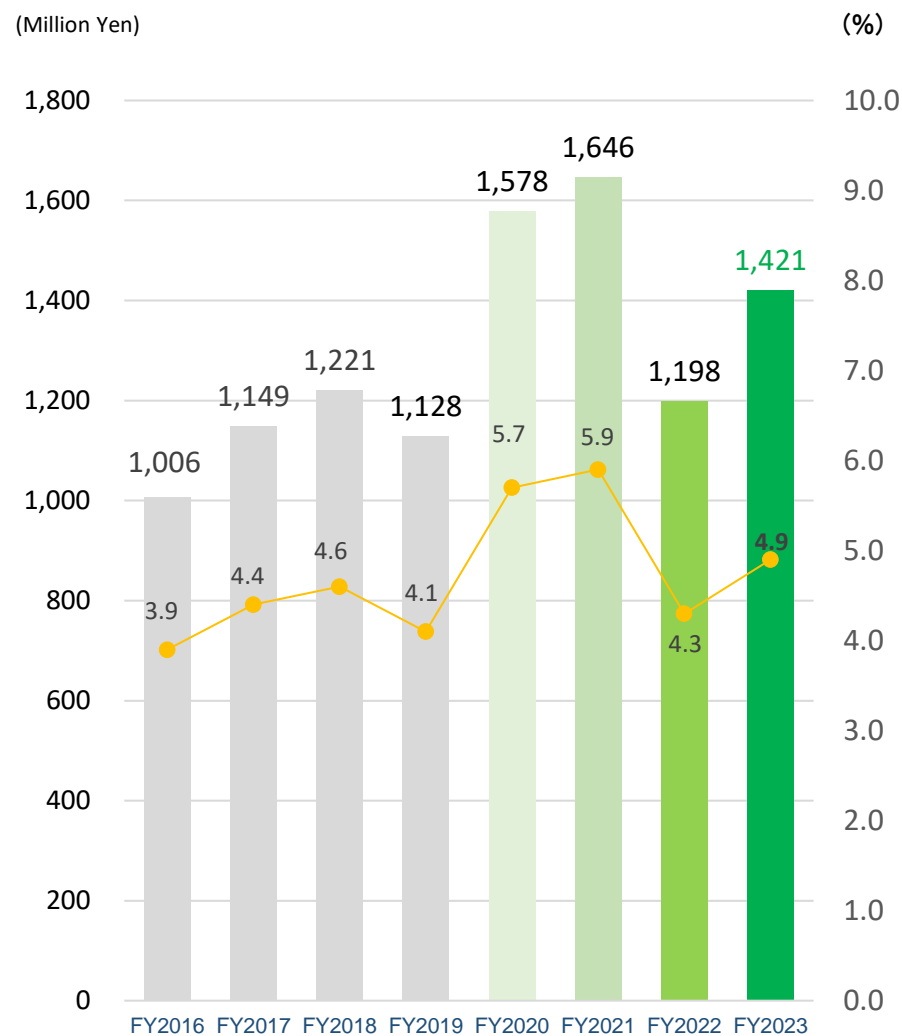
(Million Yen)



Operating profit

● Margin (%)

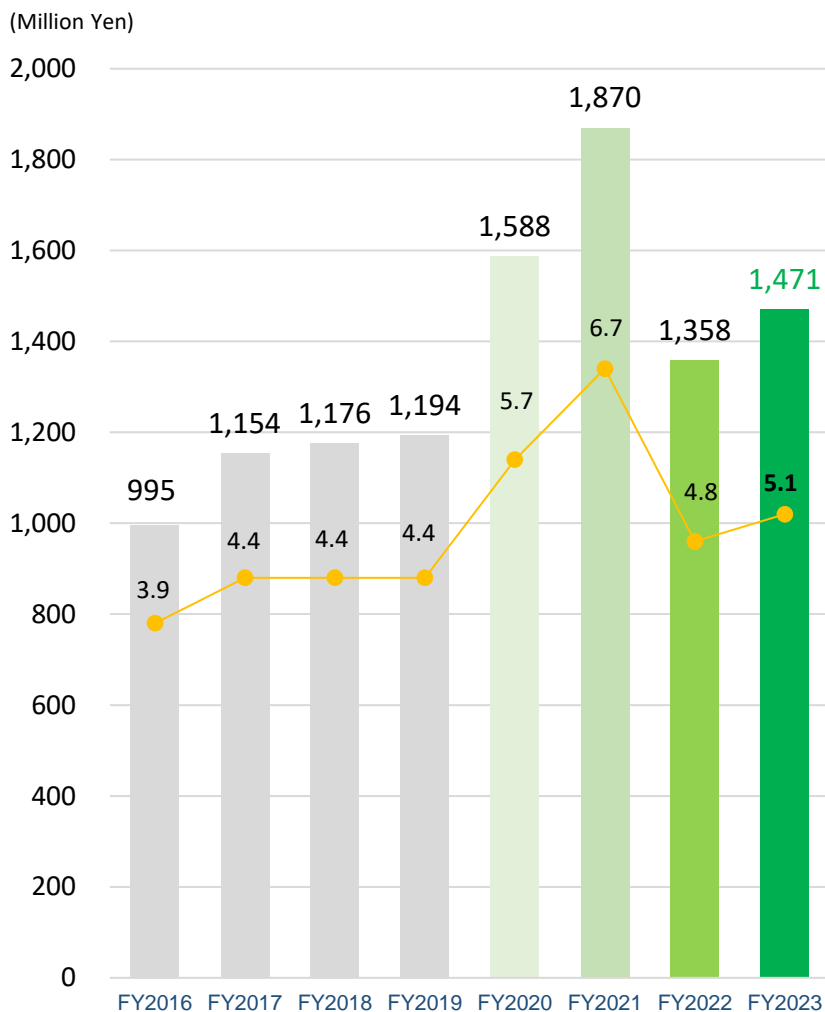
(Million Yen)



Highlights of consolidated financial results

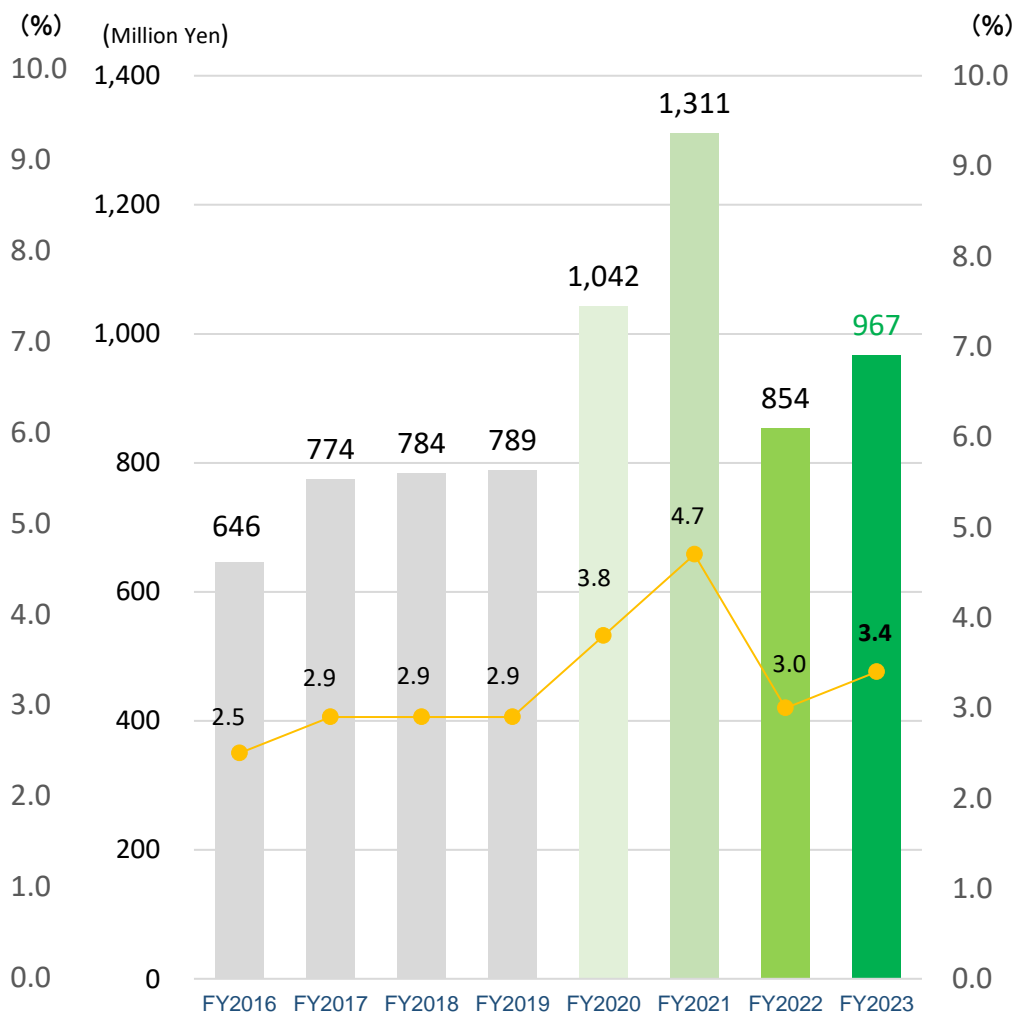
Ordinary profit

● Margin (%)



Profit attributable to owners of parent

● Margin (%)



Operating revenue and profit by reportable segment

(Unit: Million yen)

		FY2022 1Q		FY2023 1Q			Main factors	
			Structural Ratio		Structural Ratio	YoY Change rate		
TC Business	Operating revenue	18,099	64.3%	18,433	64.1%	1.8%	positive	<ul style="list-style-type: none"> make progress in negotiation on price increase to a certain extent. acquire new businesses including EC-related logistics.
	Segment profit	976	42.3%	1,154	46.0%	18.2%	positive	<ul style="list-style-type: none"> make progress in negotiation on price increase to a certain extent. acquire and expand profitable new businesses. decrease in depreciation costs due to the delay in replacing trucks in accordance with shortage of vehicle supply by auto makers.
	(margin)	5.4%		6.3%			negative	<ul style="list-style-type: none"> increase in labor costs for the better treatment of employees, including the promotion of part-time/temporary employees to full-time/permanent status.
DC Business ^(*)	Operating revenue	9,609	34.1%	9,848	34.2%	2.5%	Positive	<ul style="list-style-type: none"> acquire new businesses with the expansion of logistics facilities. recovery of the handling volume of products for commercial-use. make progress in negotiation on price increase to a certain extent.
	Segment profit	1,286	55.7%	1,287	51.3%	0.0%	positive	<ul style="list-style-type: none"> make progress in negotiation on price increase to a certain extent. decrease in electrical power costs due to a change of electricity contracts.
	(margin)	13.4%		13.1%			negative	<ul style="list-style-type: none"> increase in labor costs for the better treatment of employees, including the promotion of part-time/temporary employees to full-time/permanent status. increase in outsourcing cost due to the increase in the handling volume.
Others ^(**)	Operating revenue	450	1.6%	489	1.7%	8.6%		
	Segment profit	46	2.0%	66	2.7%	42.4%		
	(margin)	10.4%		13.6%				

(*) "Distribution Center" includes business in Vietnam.

(**) "Others" include "transportation business for cash, bill and valuables", "logistics operation for hospitals", "temporary staffing business" and "insurance agency business".

Operating revenue by business category

(Unit: Million yen)

	FY2022 1Q		FY2023 1Q				Main factors	
		Structural ratio		Structural ratio	difference	YoY change rate		
Joint delivery	16,596	58.9%	17,137	59.6%	540	3.3%	<ul style="list-style-type: none"> increase in the handling volume of products for professional-use due to an increase in opportunities to go out and frozen ready-made meals for household-use. make progress in negotiation on price increase to a certain extent. acquire new businesses including EC-related logistics. 	
Convenience store logistics	3,711	13.2%	3,740	13.0%	28	0.8%	<ul style="list-style-type: none"> make progress in negotiation on price increase to a certain extent. decrease in the handling volume of chilled beverage and some kind of foods for convenience store. 	
Chain store logistics	3,393	12.1%	3,398	11.8%	5	0.2%	positive	start of new transactions.
							negative	decrease in the handling volume mainly due to the negative impact of price hikes.
Wholesaler logistics	2,469	8.8%	2,429	8.4%	-40	-1.6%	<ul style="list-style-type: none"> decrease in the handling volume of certain customers due to the reorganization of logistics in some customers in respect of BCP. 	
Bonded goods / food processing	836	3.0%	801	2.8%	-35	-4.2%	<ul style="list-style-type: none"> decrease in the import volume and therefore the handling volume of bonded goods due to soaring raw material prices. decrease in repacking volume due to sluggish consumption affected by price hikes. 	
Others	1,150	4.1%	1,263	4.4%	113	9.8%	<ul style="list-style-type: none"> increase in the handling volume of cosmetics and miscellaneous goods. increase in the revenue in overseas business due to depreciating Yen. 	
【Total】	28,158	100.0%	28,771	100.0%	612	2.2%		

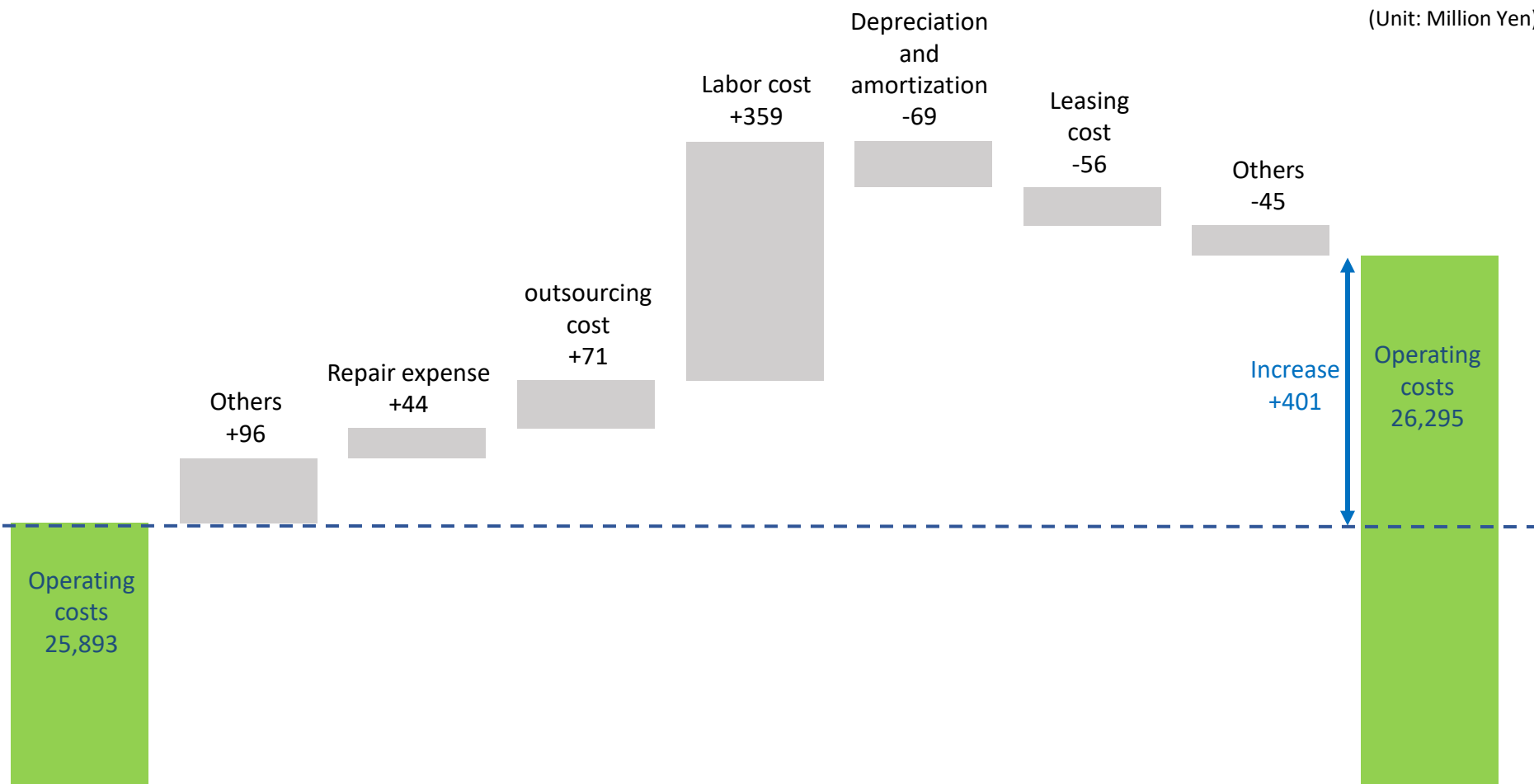
(*)The amount of "Joint delivery" is sum of operating revenue for handling frozen products in HN (Distribution Center segment) and that for handling chilled products

(**)The amount of "Wholesaler logistics" includes logistics for hospitals in HN.

(***)"Others" includes business in Vietnam

Analysis of cost of sales

(Unit: Million Yen)



FY2022 1Q

FY2023 1Q

Main factor of increase

Main factor of decrease

- Increase in total amount of compensation due to 1) the promotion of part-time/temporary employees to full-time/permanent status for employee retention and insourcing, and 2) improved treatment for employees.
- Increase in outsourcing costs by acquiring the start of new businesses.
- Increase in repair expenses by the delay in replacing trucks

- decrease in depreciation cost due to the delay in replacing trucks in accordance with shortage of vehicle supply by auto makers.



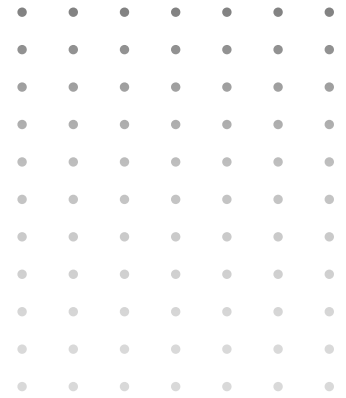
Comparing of the number of employees and vehicles

(1)Comparing number of employees

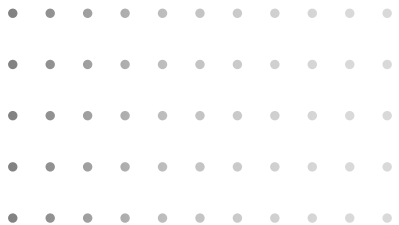
	End of the previous term (March 31, 2023)	End of the current term (June 30,2023)	Difference	Main factors
Full-time/ permanent Employee (included number of drivers)	5,916 (2,972)	6,051 (3,003)	135 (31)	<ul style="list-style-type: none"> ▪ Recruitment of new graduates ▪ Promotion for part-time/ temporary employees to full-time/ permanent ones.
Part-time/ temporary employee (included number of drivers)	5,406 (1,125)	5,425 (1,114)	19 (-11)	<ul style="list-style-type: none"> ▪ increase due to the recovery of existing businesses. ▪ Promotion for part-time/ temporary employees to full-time/ permanent status
Total (included number of drivers)	11,322 (4,097)	11,476 (4,117)	154 (20)	

(2)Comparing number of vehicles

	End of the previous term (March 31, 2023)	End of the current term (June 30,2023)	Difference
Large-sized vehicle	711	713	2
Mid-sized vehicle	1,556	1,555	-1
Small-sized vehicle	468	466	-2
Cash transport vehicle	118	120	2
Total	2,853	2,854	1



the revision of 3rd Medium-term Management Plan



As business environments surrounding the logistics industry have been changing rapidly, the recent performance and estimate diverge from our initial scenario.

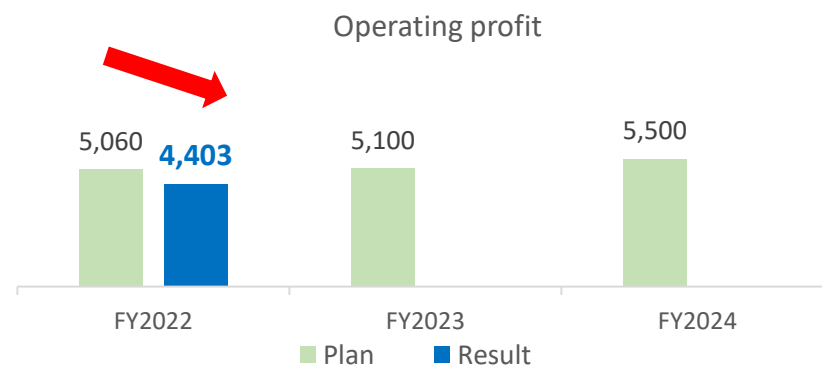
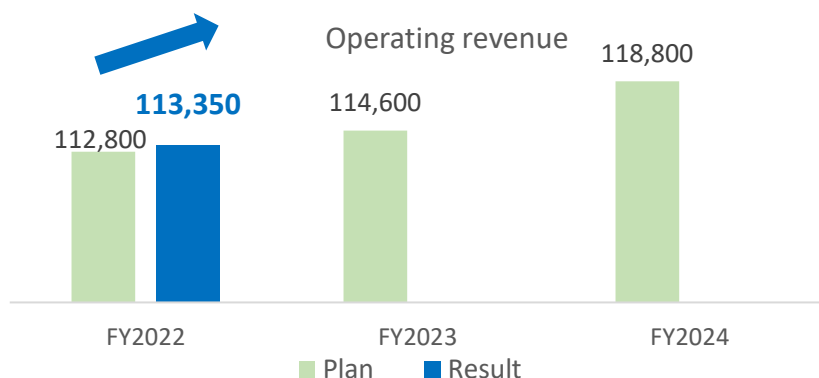
Initial scenario

- recovery from stalled consumption activities and inbound demand.
- increase in the handling volume by starting new facilities and acquiring new business in growing business field.
- continuous improvement of treatment for employees in preparation for logistics 2024 issues.

Current circumstance

- slower than expected recovery of consumption activities due to price hikes stemming from global inflation.
- continuing a surge in energy costs due to an unstable international situation and soaring demand for electricity.
- more-than-expected wage growth because of large scale of base-pay increase in many companies

- ▶ While the Company started the operation of new facilities and acquired new businesses along with initial plan, its cost rates are increasing in advance and therefore suppressing its profits, and economic recovery, including that of consumption activities is slower than expected, accordingly.



Point -1

Investing in the development and introduction of new technologies in order to improve the productivity in respect of manpower-saving and address the environmental issues as sustainability initiatives

Promotion of sustainable management

-five material ties-

Environmental measures	Establishment of a logistics infrastructure that is friendly to the global environment
Human right	Realization of a comfortable and rewarding workplace with awareness of human rights
Diversity	Creation of an environment in which diverse human resources can play an active role
Disaster prevention	Flexible response to disasters and other risks
DX	Creation of next-generation logistics

- development and introduction of new technologies in order to address the environmental issues as sustainability initiatives.
- Additional Investment for enhancing productivity in respect of manpower-saving.

Jul. 2023: **establishment of new department, “Advanced technology promotion department”**
assignment of new executive officer in charge of “Research and Development”

▶ Accelerating the research and development, and implementing additional investments as needed.

Point -2

Accelerating the growth speed by promoting investment in businesses such as overseas business, e-commerce logistics and pharmaceutical logistics and by business alliance with other companies

Overseas business

- (1) Achieve a stable operation of MEITO VIETNAM’s new warehouse in Long An province of Vietnam and (2) Strengthen and Optimizing southern area network with two existing warehouses.
- Research and plan a business expansion toward Middle and Northern area of Vietnam as well as developing trunk-line(long distance) logistics and transit point logistics between North and South.

EC-related business

- Prepare for organizational promotion of EC-related logistics business: establishment and assignment of exclusive department and member.
- Acquire exclusive facilities in main areas such as Greater Tokyo Area.

Expansion of investment in sustainable growth field.

Point -3

Enhancing profitability and expanding business volume by both organic and inorganic growth including through the M&A that contributes to strengthening the existing business.

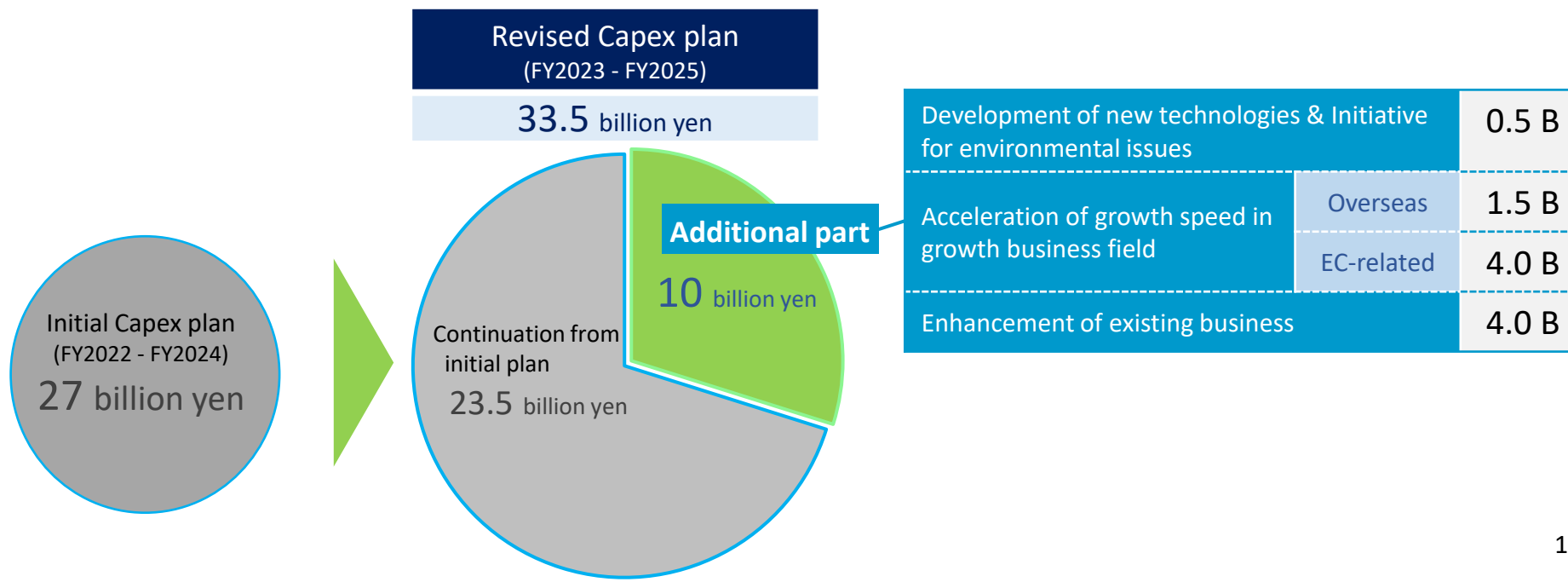
Organic growth



Inorganic growth

- invest in facilities with larger capacities than before when replacing existing old ones and invest in new facilities for additional capacities.
- enhance logistical network by transit point facilities in preparation for logistics 2024 issues.
- improve profitability by optimizing work processes through analyzing accurate cost breakdown followed by calculating proper prices.
- accelerate growth by achieving business and capital alliances with others, including M&A.

- Based on “Point 1-3”, the Company plans an additional investment of about 10 billion yen in order to promote “Achieving sustainable low temperature zone logistics, meeting the needs of new cold-chains”, the basic policy of the Mid-term Management Plan.



Target figures

	FY2022	FY2023	FY2024
Operating revenue (Million Yen)	112,800	114,600	118,800
Operating profit (Million Yen)	5,060	5,100	5,500
ROE	8.0% and higher		
Capital Adequacy ratio	Approx. 45%		
Payout ratio	20% and higher		
Capital Expenditure	27,000		



	FY2023 (estimate)	FY2024 (target)	FY2025 (target)
Operating revenue (Million Yen)	115,300	118,700	122,400
Operating profit (Million Yen)	3,400	4,700	5,700
ROE	8.0% and higher by the end of FY2025		
Capital Adequacy ratio	Approx. 45%		
Payout ratio	20% and higher (gradually achieve 30% target)		
Capital Expenditure	33,500		

- ▶ Enhance existing business and accelerate expansion of growth business field as mentioned by implementing the additional investment.
- ▶ Promote to 1)improving employee engagement by improving treatment and work environment and 2)increasing productivity with an introduction of new technologies as initiatives to a decrease in workforce in respect of mid-and-long terms, including logistics 2024 issues.
- ▶ Target 30% of the dividend payout ratio, with 20% minimum, and aim to increase in total payout ratio through potential share buyback.
- ▶ Achieve 8% and higher of ROE by increasing financial leverage while securing financial soundness and keeping the optimal capital structure.

We create new value in cold chain logistics for food products.



*This presentation material was drawn up based on information available as of creation date (August 9, 2023). Please note that future performance may differ due to a variety of factors.

*This presentation material is intended for understanding financial highlights of our group and it is not for soliciting to buy or sell marketing stock of Chilled & Frozen Logistics Holdings Co., Ltd.

Any inquires concerning this presentation and IR matters to be directed to :

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Email: cf-ir@cflogi.co.jp

Public Relations & Investor Relations Dept. / Kenichiro Sakai

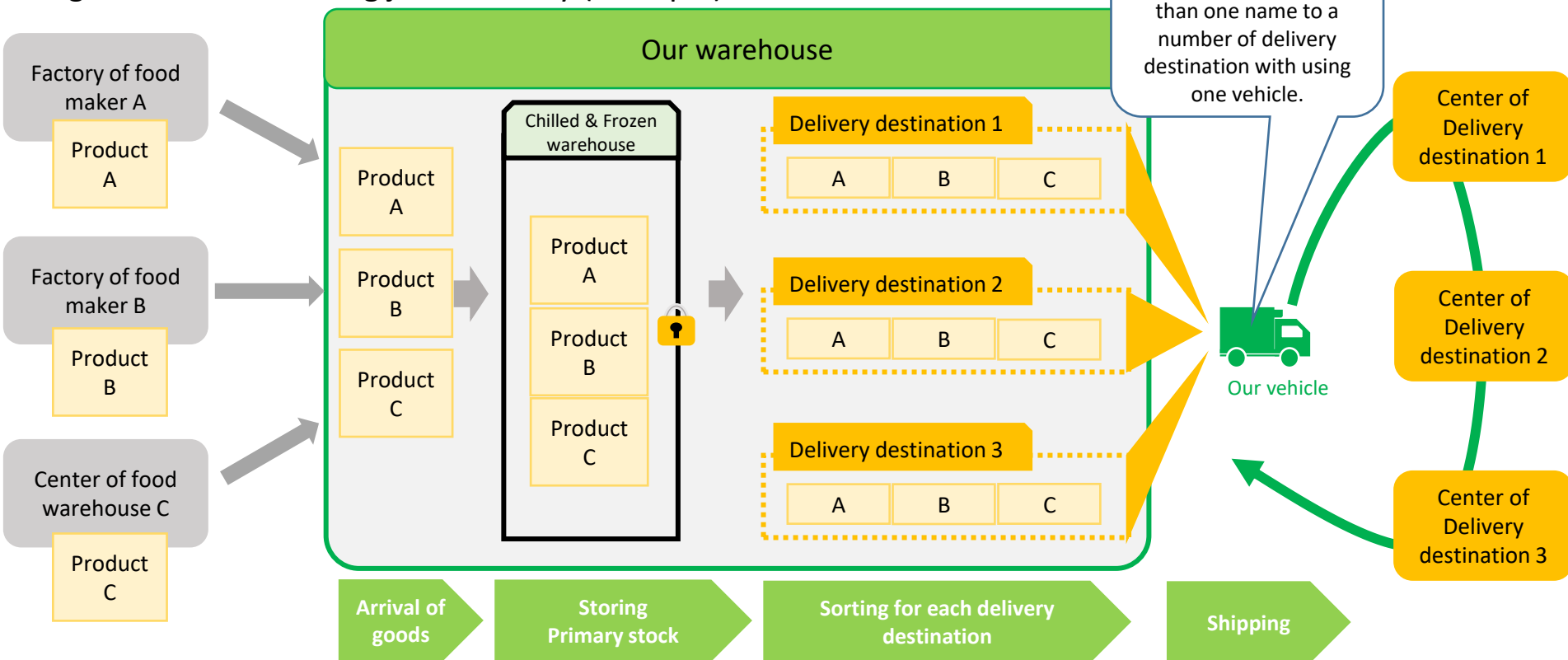
Reference information



Reference information -joint delivery model-

Meito Transportation and Hutech Norin started operationalizing of Joint delivery business in each field of expertise; Chilled and Frozen logistics, prior to other logistics companies. Two companies in our group have engaged in joint delivery business for a long time, and their know-how is one of the strong points in our group.

【Logistics flow with using joint delivery (example)】



If customers deliver their products by themselves ■■■They arrange vehicles and deliver their products to each delivery destination.

If customers use our service (joint delivery) ■■■They only need to deliver their products to our warehouse.

Benefit from
Joint delivery

- It enables to reduce logistics costs of customers.
- It realizes stable logistics quality by our unified management
- We can cut down on the amount of exhaust with reducing the number of vehicles.



Transfer Center

Operate logistics businesses centered on the delivery of chilled products, 24 hours a day, 7days a week.



Chilled products has a high turnover ratio because of the short expiration date and we barely have stocks

▶ Joint delivery

Receiving variety of products from various customers and delivering them in mixed loading, destination by destination.

▶ Convenience store logistics

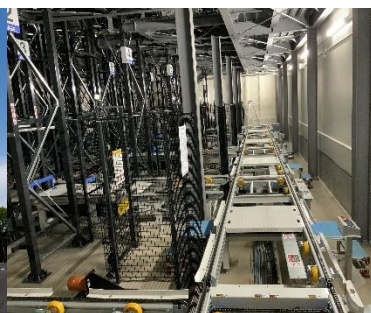
Operating logistics centers of major convenience store chains and making deliveries to their stores

▶ Chain store logistics

Operating logistics centers of chilled and dried products for supermarkets and making deliveries to stores



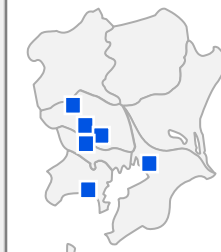
Tokyo Metropolitan Center of MT



Transportation vehicle of MT



Areas around Tokyo



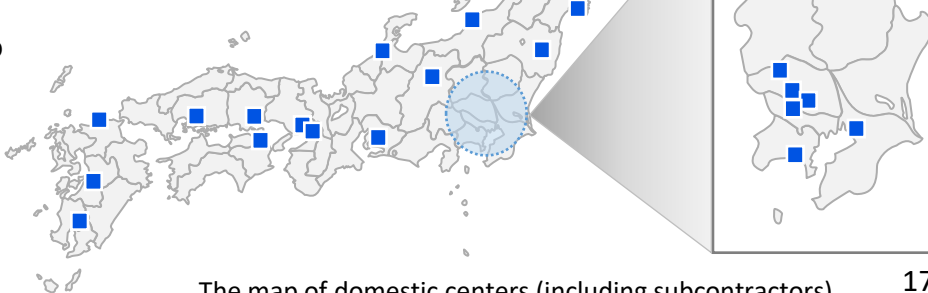
The number of centers

90 centers all over the country centering around Kanto region (except subcontractors)

Main handling products

■ Chilled beverages and desserts for commercial for supermarkets and convenience stores

■ Dried foods for commercial for supermarkets



The map of domestic centers (including subcontractors)



Reference information -description of business-

Distribution Center

Mainly operating storing, handling and making deliveries of frozen products integrally
Operating storing, changing names of owner of products and sorting for each vehicles and delivery destinations of many kinds of cargo in our warehouses and making deliveries with dedicated vehicles



Inventory turnover of frozen products is low because of the long best before date and, therefore we have always a certain number of stock.

▶ Joint delivery

Receiving variety of products from various customers and delivering them in mixed loading, destination by destination.

▶ Logistics operation for hospital

Operating sorting and delivery of feeding service products for 3,300 medical and welfare institutions

▶ repack processing

Processing food products materials such as frozen vegetables into products for household-use in mass-merchant and professional-use in restaurant

▶ Overseas operation (Vietnam)

Operating storage, handling and delivery of raw materials for frozen products in Vietnam ("MEITO VIETNAM CO., LTD.," "T&M TRANSPORTATION CO., LTD.")



Saitama branch of HN



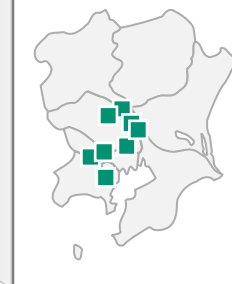
Automatic warehousing system



Second warehouse of MEITO VIETNAM



Areas around Tokyo

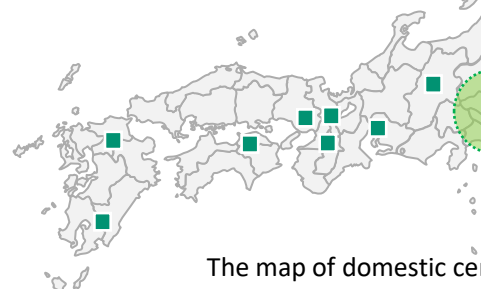


The number of centers

27 centers all over the country centering around Kanto region (except Vietnam and subcontractors)

Main handling products

- frozen processed products for professional-use for restaurants, hospitals and nursing home
- frozen processed products for commercial for supermarkets and convenience stores



The map of domestic centers (including subcontractors)



Others

Operating incidental services related to logistics operations except Distribution Center and Transfer Center as main business of us

- ▶ **Transportation of cash and valuables** Operating transportation of cash, important documents such as bill treated in banking establishments in areas around Tokyo
- ▶ **Logistics related to hospitals** Operating delivery and pickup of linen (sheets, towels and white coats) for medical and welfare institutions located in Kanto region including hospitals, nursing home, healthcare centers for elderly and pharmacy
- ▶ **Temporary staffing business** Temp services dedicated to logistics operation such as drivers and workers to inside and outside of group
- ▶ **Insurance agency business** Operating agency business to make a suggestion of insurance products mainly centered on vehicles to employees, their family and customers

Etc.