

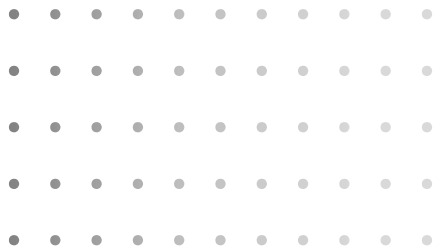
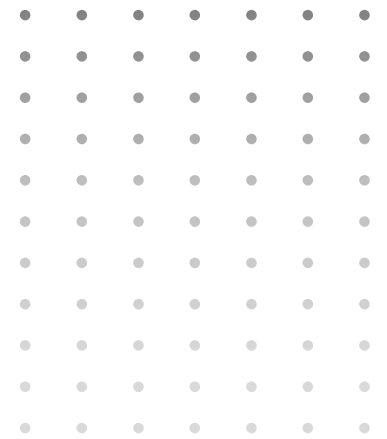


C&F LOGISTICS

FY2023 3Q

Consolidated Financial Results

Chilled & Frozen Logistics Holdings Co., Ltd.



■ Operating revenue

88,275 million yen
(+2.3% YoY)

- ▶ Consumers spending has been sluggish due to such factors as inflation. Therefore, the shipping volume of chilled and frozen foods for household-use lacks vigor.
- ▶ On the other hand, the handling volume of product for commercial-use and a part of commodity such as cosmetics has been increasing through the revitalization in the flow of people.
- ▶ The company made progress in negotiation on price revision and will continue to do so appropriately as logistics providers face the increase in costs overall.

■ Operating profit

4,676 million yen
(+15.2% YoY)

- ▶ 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.
While any logistical costs including labor costs have been increasing, the company gained profit by controlling operating costs.
- ▶ Among slowdown of the handling volume in general, the Company increased profitability by starting new profitable businesses.

Highlights of consolidated financial results

(Unit: Million Yen)

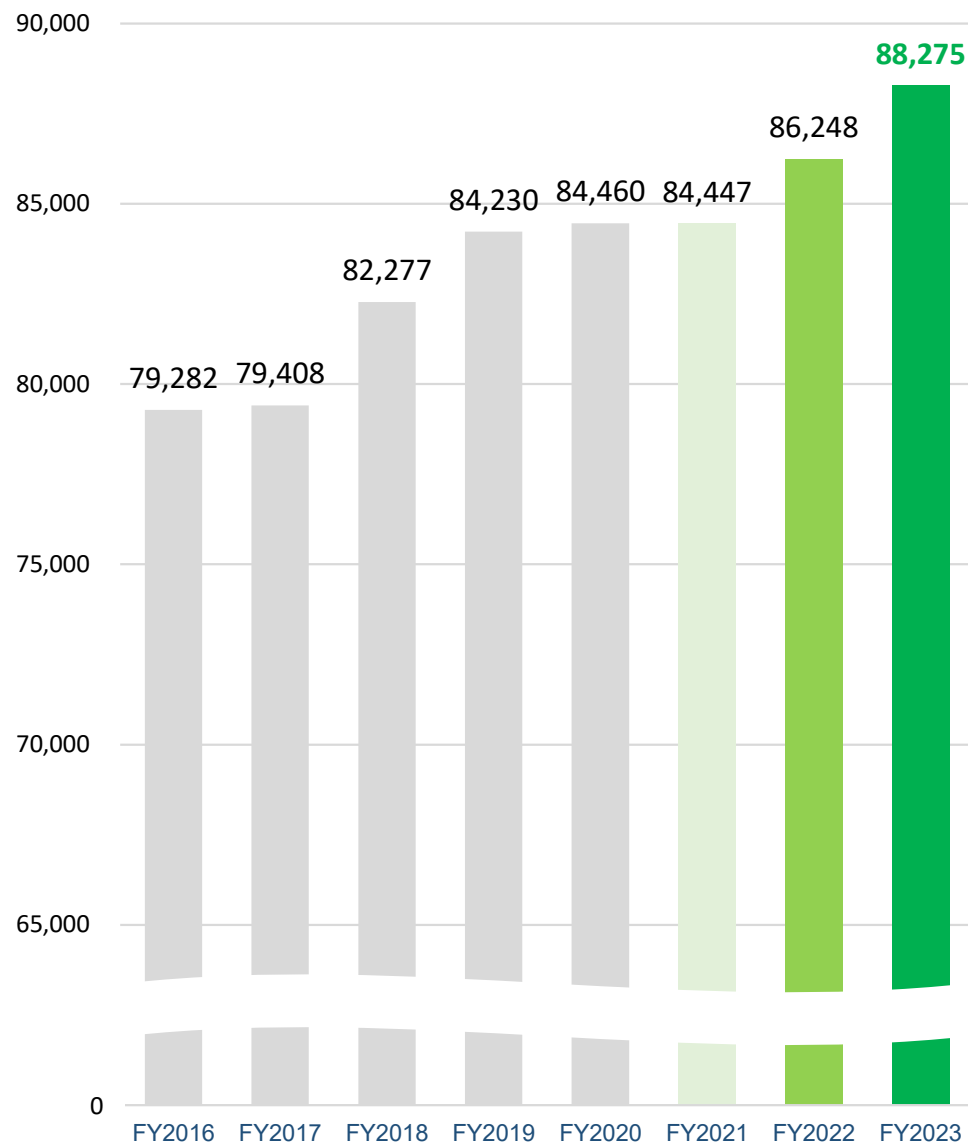
	FY2022 3Q		FY2023 3Q			
		Ratio to Operating revenue		Structural ratio	Difference	YoY change rate
Operating revenue	86,248	100.0%	88,275	100.0%	2,026	2.3%
Cost of sales	79,114	91.7%	80,590	91.3%	1,475	1.9%
Selling, general and administrative expenses	3,073	3.6%	3,008	3.4%	-64	-2.1%
Operating profit	4,060	4.7%	4,676	5.3%	615	15.2%
Ordinary profit	4,491	5.2%	4,969	5.6%	477	10.6%
Profit attributable to owners of parent	3,066	3.6%	3,338	3.8%	271	8.9%

(*)This forecast (revised) was announced on October 13, 2023

Highlights of consolidated financial results

Operating revenue

(Unit: Million Yen)

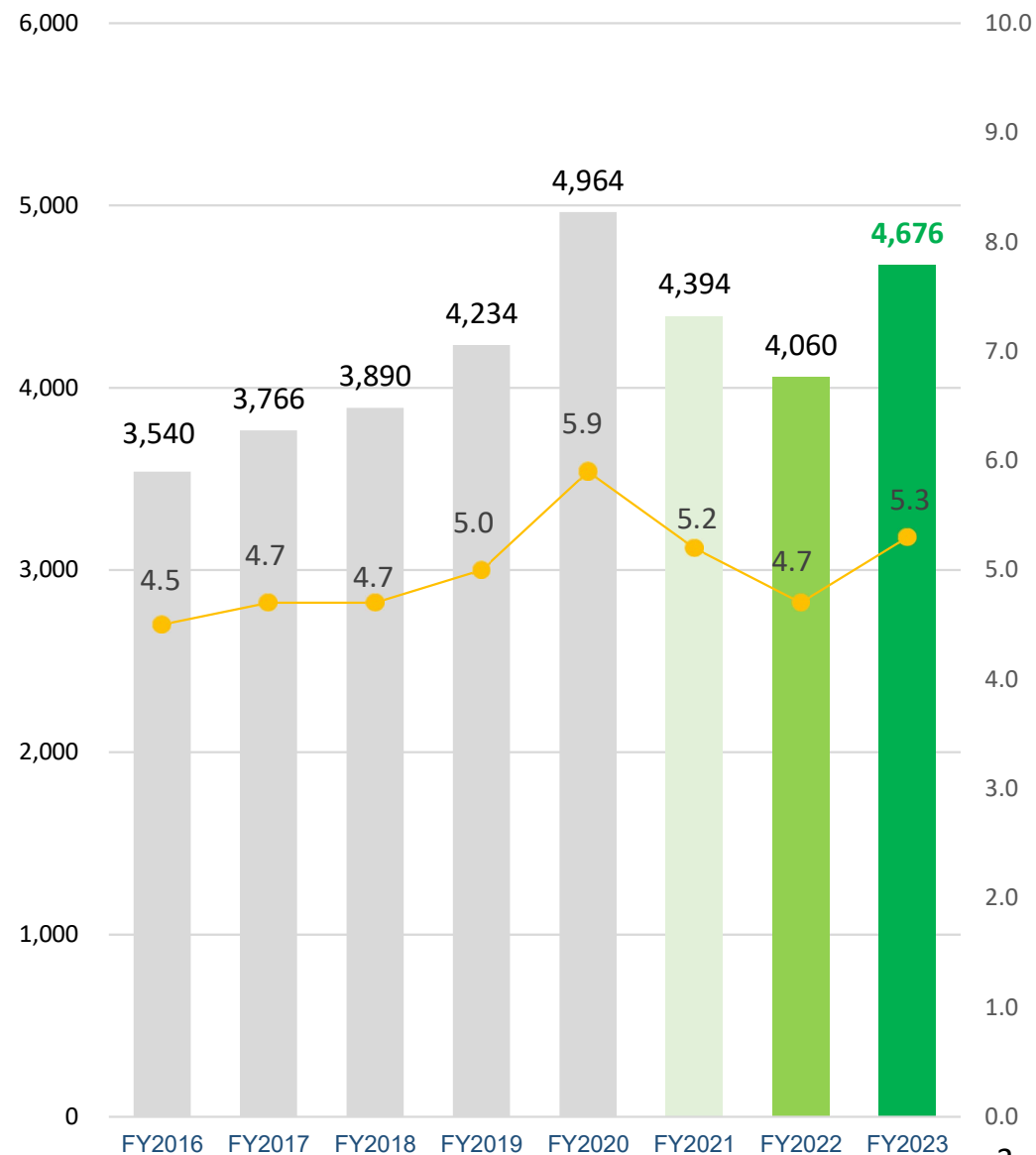


Operating profit

Margin (%)

(Unit: Million Yen)

(%)

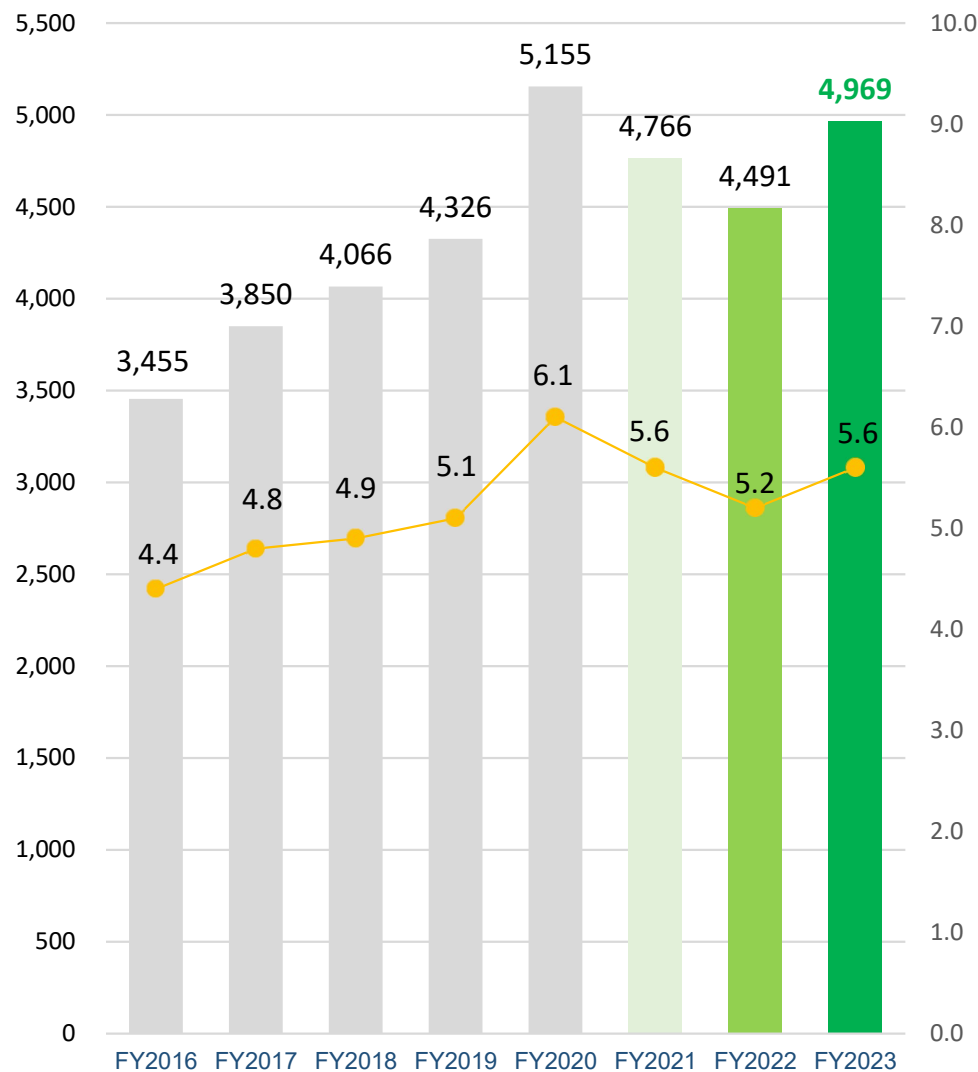


Highlights of consolidated financial results

Ordinary profit

● Margin (%)

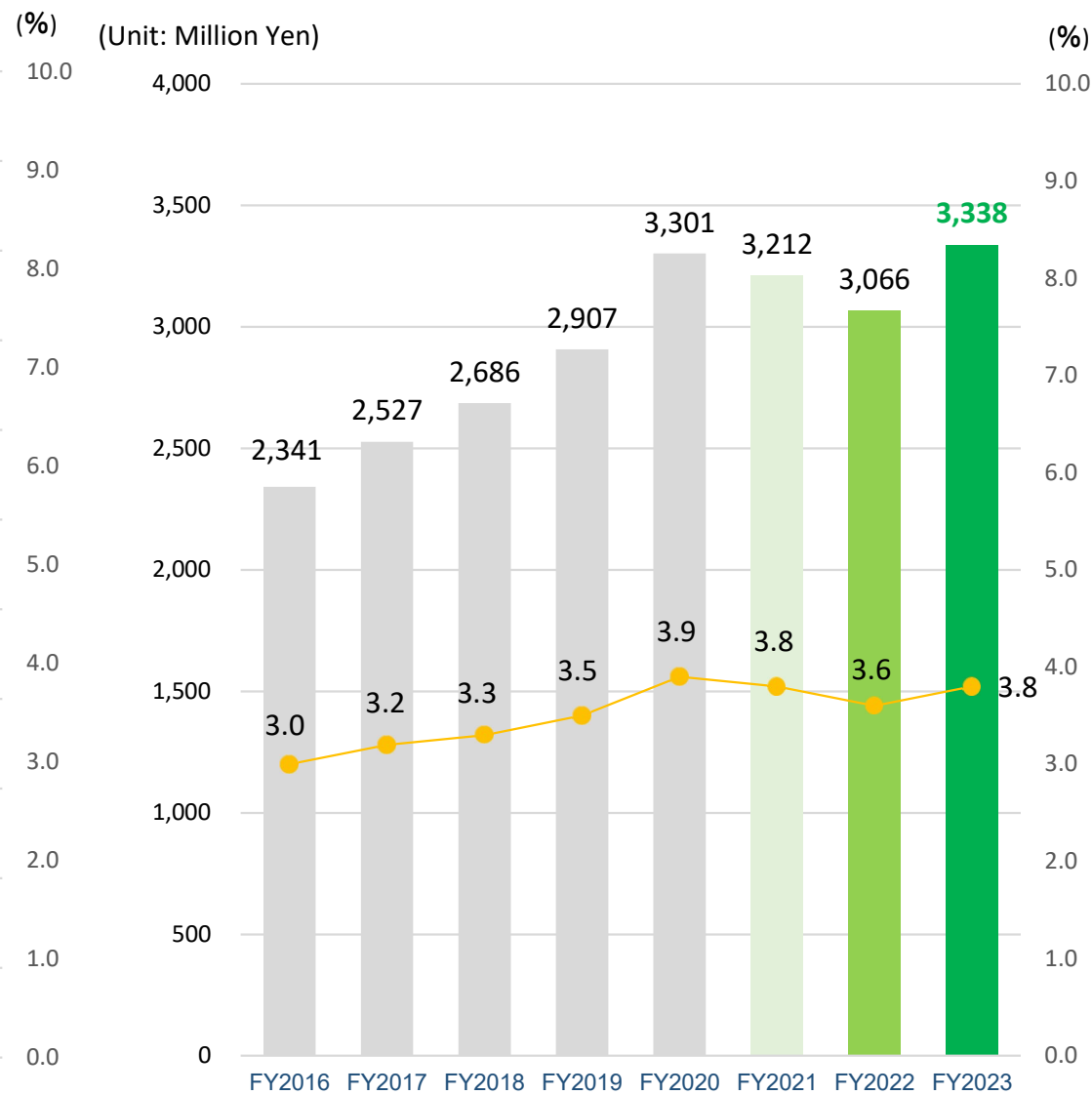
(Unit: Million Yen)



Profit attributable to owners of parent

● Margin (%)

(Unit: Million Yen)



Operating revenue and profit by reportable segment

(Unit: Million yen)

		FY2022 3Q		FY2023 3Q			Main factors	
			Structural Ratio		Structural Ratio	YoY Change rate		
TC Business	Operating revenue	55,140	63.9%	56,401	63.9%	2.3%	positive	<ul style="list-style-type: none"> made progress in negotiation on price revision and will continue to do so appropriately. started new businesses including EC-related logistics.
	Segment profit	3,133	43.2%	3,597	46.3%	14.8%	positive	<ul style="list-style-type: none"> increased profitability in accordance with the progress in negotiation on price revision. started new profitable businesses. decreased in depreciation costs due to the delay in replacing trucks in accordance with shortage of vehicle supply by auto makers.
	(margin)	5.7%		6.4%			negative	<ul style="list-style-type: none"> increased labor costs for the better treatment of employees, including the promotion of part-time/temporary employees to full-time/permanent status. increased in fuel costs due to a surge in crude oil prices.
DC Business (*)	Operating revenue	29,758	34.5%	30,406	34.4%	2.2%	positive	<ul style="list-style-type: none"> made progress in negotiation on price revision and will continue to do so appropriately. started new businesses with the expansion of logistics facilities. (HN Tohoku branch expansion of 2nd Center, etc.)
	Segment Profit	3,990	55.1%	4,018	51.7%	0.7%	positive	<ul style="list-style-type: none"> increased profitability in accordance with the progress in negotiation on price revision. decreased in electrical power costs due to a change of electricity contracts.
	(margin)	13.4%		13.2%			negative	<ul style="list-style-type: none"> decreased the handling volume of products due to the reorganization of logistics of certain customers as a part of BCP measures. increased labor costs for the better treatment of employees, including the promotion of part-time/temporary employees to full-time/permanent status. increased outsourcing cost due to the increase in the handling volume.
Others (**)	Operating revenue	1,349	1.6%	1,467	1.7%	8.7%		
	Segment Profit	124	1.7%	157	2.0%	26.4%		
	(margin)	9.2%		10.7%				

(*)"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 3Q		FY2023 3Q				Main factors	
		Structural ratio		Structural ratio	difference	YoY change rate		
Joint delivery (*)	51,596	59.8%	53,192	60.3%	1,596	3.1%	positive	<ul style="list-style-type: none"> made progress in negotiation on price revision and will continue to do so appropriately. started new businesses including EC-related logistics. increased storing revenue as the amount of inventories remains high due to a decrease in shipping volume derived from stagnant consumption along with rising prices of food products.
							negative	<ul style="list-style-type: none"> decreased shipping volume in general due to stagnant consumption along with rising prices of food products. business reduction in some customers due to its logistics reorganization.
Convenience store logistics	11,271	13.1%	11,578	13.1%	307	2.7%	positive	<ul style="list-style-type: none"> made progress in negotiation on price revision and will continue appropriately.
							negative	<ul style="list-style-type: none"> decreased in the handling volume of such products as chilled foods.
Chain store logistics	10,212	11.8%	10,078	11.4%	-133	-1.3%		<ul style="list-style-type: none"> withdrawal of business in a certain sales center. sluggish performance in general due to stagnant consumption along with rising prices of food products.
Wholesaler logistics (**)	7,178	8.3%	7,226	8.2%	47	0.7%	positive	<ul style="list-style-type: none"> made progress in negotiation on price revision and will continue to do so appropriately.
							negative	<ul style="list-style-type: none"> decreased in the handling volume of products due to the reorganization of logistics of certain customers as a part of BCP measures.
Bonded goods / food processing	2,432	2.8%	2,312	2.6%	-120	-5.0%		<ul style="list-style-type: none"> decreased in the import volume and therefore the handling volume of bonded goods due to soaring raw material prices.
Others (***)	3,557	4.1%	3,887	4.4%	329	9.3%		<ul style="list-style-type: none"> increased in the handling volume of cosmetics and miscellaneous goods
【Total】	86,248	100.0%	88,275	100.0%	2,026	2.3%		

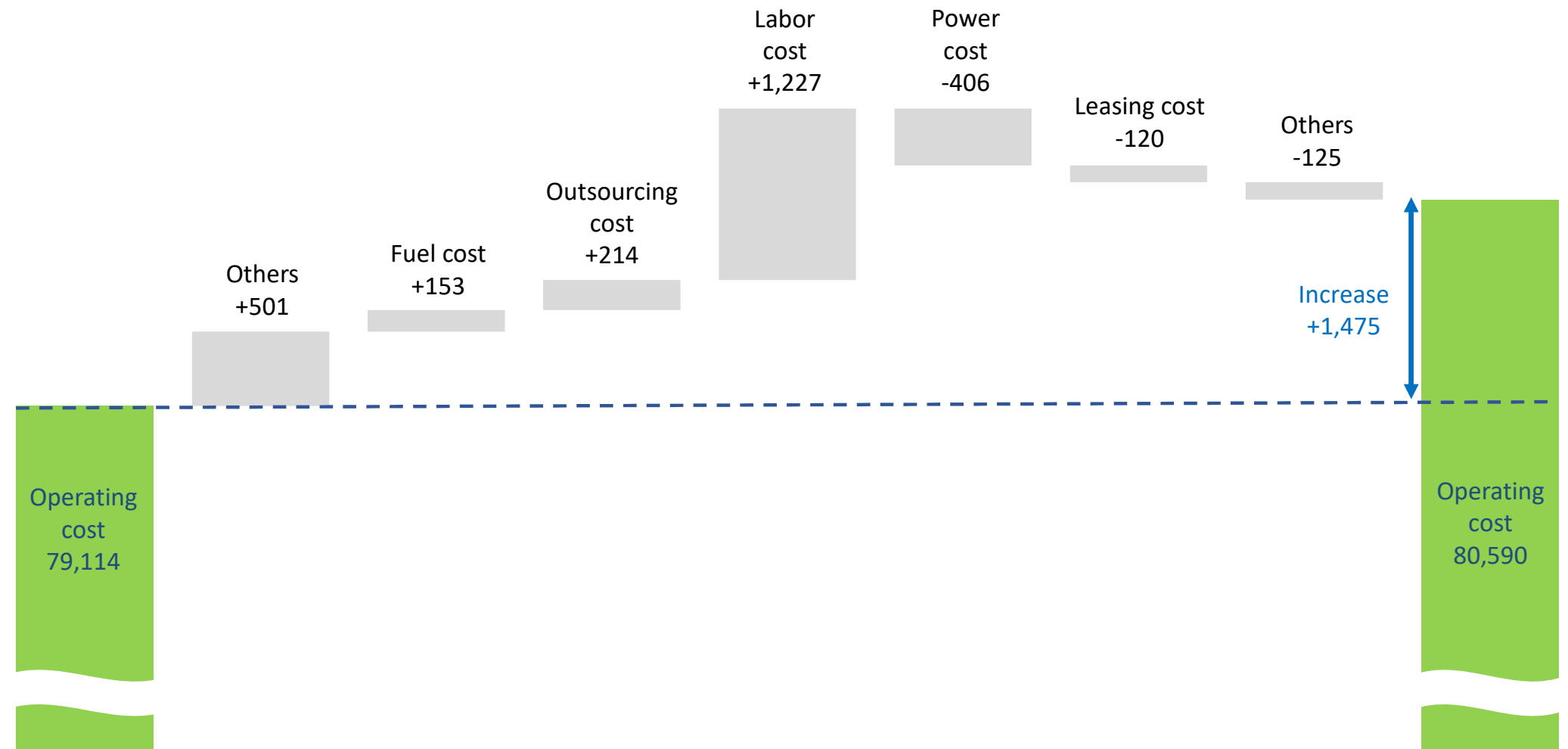
(*)The amount of "Joint delivery" is sum of operating revenue for handling frozen products in HN (Distribution Center segment) and that for handling chilled products

(**)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 3Q

Main factor of increase

Main factor of decrease

FY2023 3Q

- Increased 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.
- Increased outsourcing costs along with the expansion of businesses.
- Increased fuel costs due to a surge in crude oil prices.

- decreased electrical power costs due to a change of electricity contracts.
- decrease 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 employee

	End of the previous term (March 31, 2023)	End of the current term (December 31,2023)	Difference	Main factors
Full-time/ permanent Employee (included number of drivers)	5,916 (2,972)	6,058 (3,017)	142 45	<ul style="list-style-type: none"> ▪ Recruitment of new graduates ▪ Promotion for part-time/ temporary employees to full-time/ permanent ones. ▪ Opening of a new sales center.
Part-time/ temporary employee (included number of drivers)	5,406 (1,125)	5,553 (1,115)	147 -10	<ul style="list-style-type: none"> ▪ Recovery of existing businesses. ▪ Increase in the number of foreign students. ▪ Promotion for part-time/ temporary employees to full-time/ permanent status ▪ Opening of a new sales center.
Total (included number of drivers)	11,322 (4,097)	11,611 (4,132)	289 (35)	

(2)Comparing number of vehicles

	End of the previous term (March 31, 2023)	End of the current term (December 31,2023)	Difference
Large-sized vehicle	711	717	6
Mid-sized vehicle	1,556	1,562	6
Small-sized vehicle	468	496	28
Cash transport vehicle	118	120	2
Total	2,853	2,895	42

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



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*This presentation material was drawn up based on information available as of creation date (February 9, 2024). 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.

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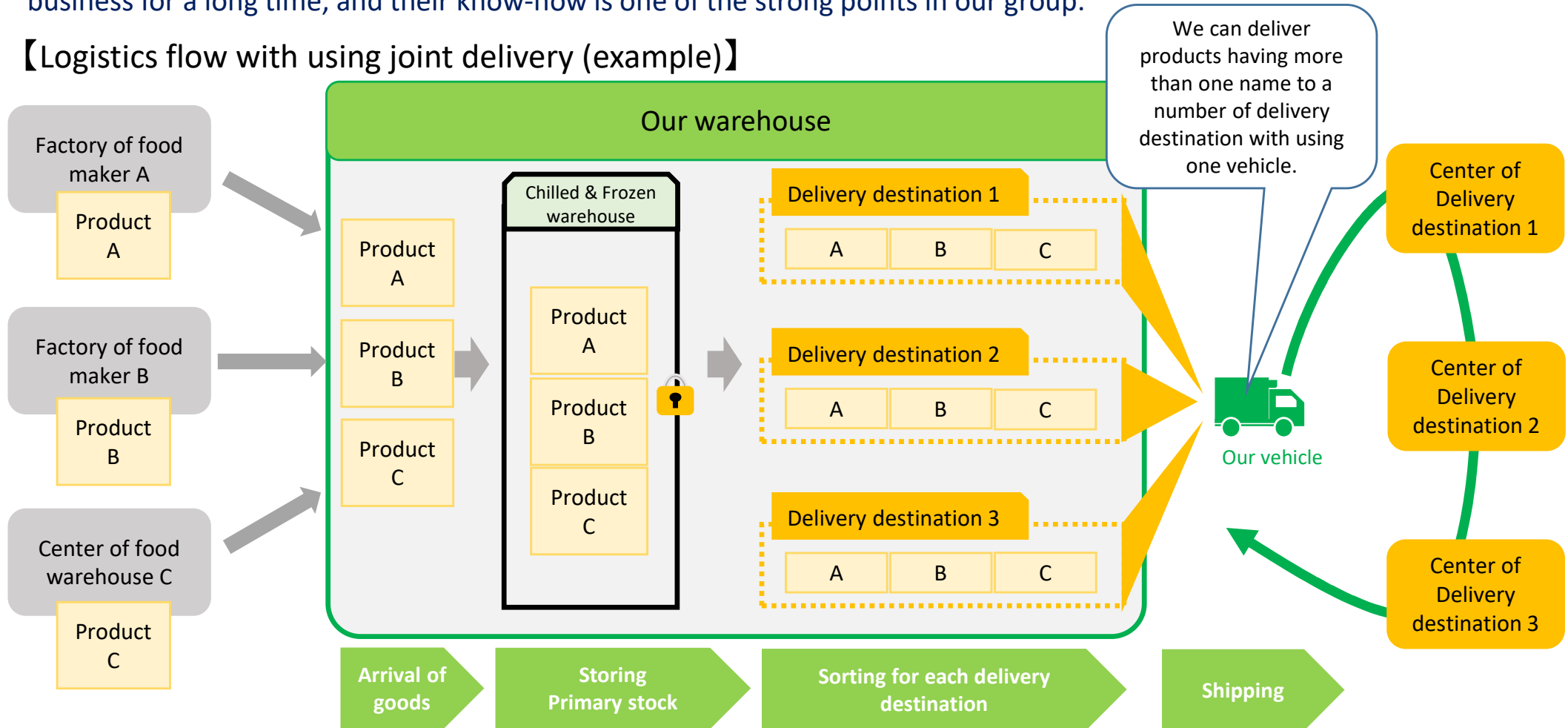
Reference information



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.

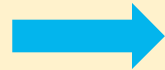
If customers use our service (joint delivery) ■■■They only need to deliver their products to our warehouse.

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, 7 days a week.



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

▶ Joint delivery

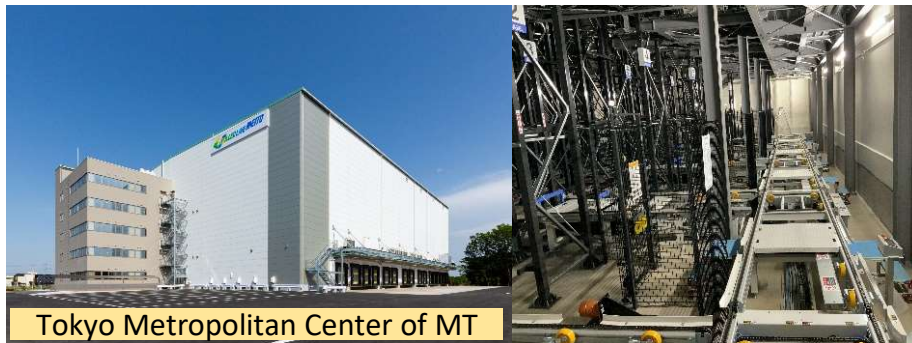
Receiving variety of products from various customers and delivering them in mixed loading, destination by destination.

▶ 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

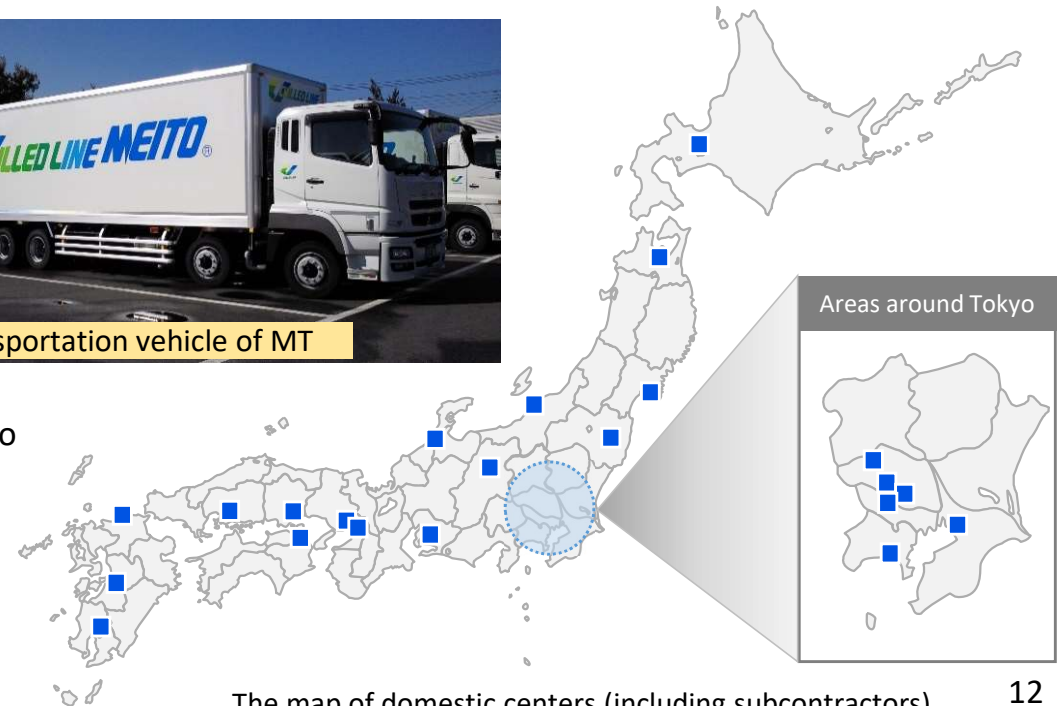


Transportation vehicle of MT

The number of centers 91 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)

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

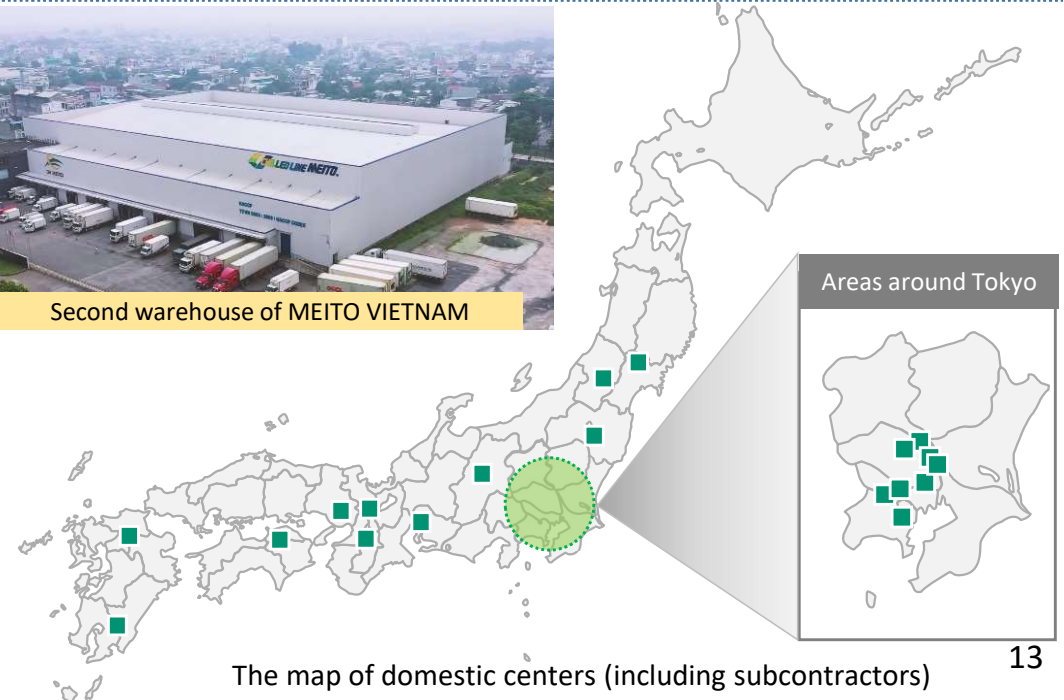


Automatic warehousing system



Second warehouse of MEITO VIETNAM

- 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. . . .