



**KURA**  
REVOLVING SUSHI BAR



**WILLIAM BLAIR CONFERENCE 6/5/24**  
**KURA SUSHI MANAGEMENT PRESENTATION**

# DISCLAIMER

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The market data and certain other statistical information used throughout this presentation are based on independent industry publications, governmental publications, reports by market research firms or other independent sources. Some data are also based on our good faith estimates. Although we believe these third-party sources are reliable, we have not independently verified the information attributed to these third-party sources and cannot guarantee its accuracy and completeness. Similarly, our estimates have not been verified by any independent source.

Certain financial measures presented in this presentation, such as Adjusted EBITDA, Adjusted EBITDA margin and Restaurant-level Contribution margin, are not recognized under generally accepted accounting principles in the United States (“GAAP”) and are defined in the accompanying Appendix. Such non-GAAP measures are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We believe that the use of such non-GAAP measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company’s financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that such non-GAAP financial measures are not indicative of overall results for the Company, and Restaurant-level Contribution margin does not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measure. Because of these limitations, non-GAAP financial measures should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. See the accompanying Appendix for a reconciliation of non-GAAP measures used in this presentation. Additional financial data and other measures for the company, including Average Unit Volume (AUVs), Comparable restaurant sales growth, and Number of restaurant openings, are defined in the Appendix.

By attending or receiving this presentation and viewing the related video, you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.



## SECTION 1: COMPANY OVERVIEW

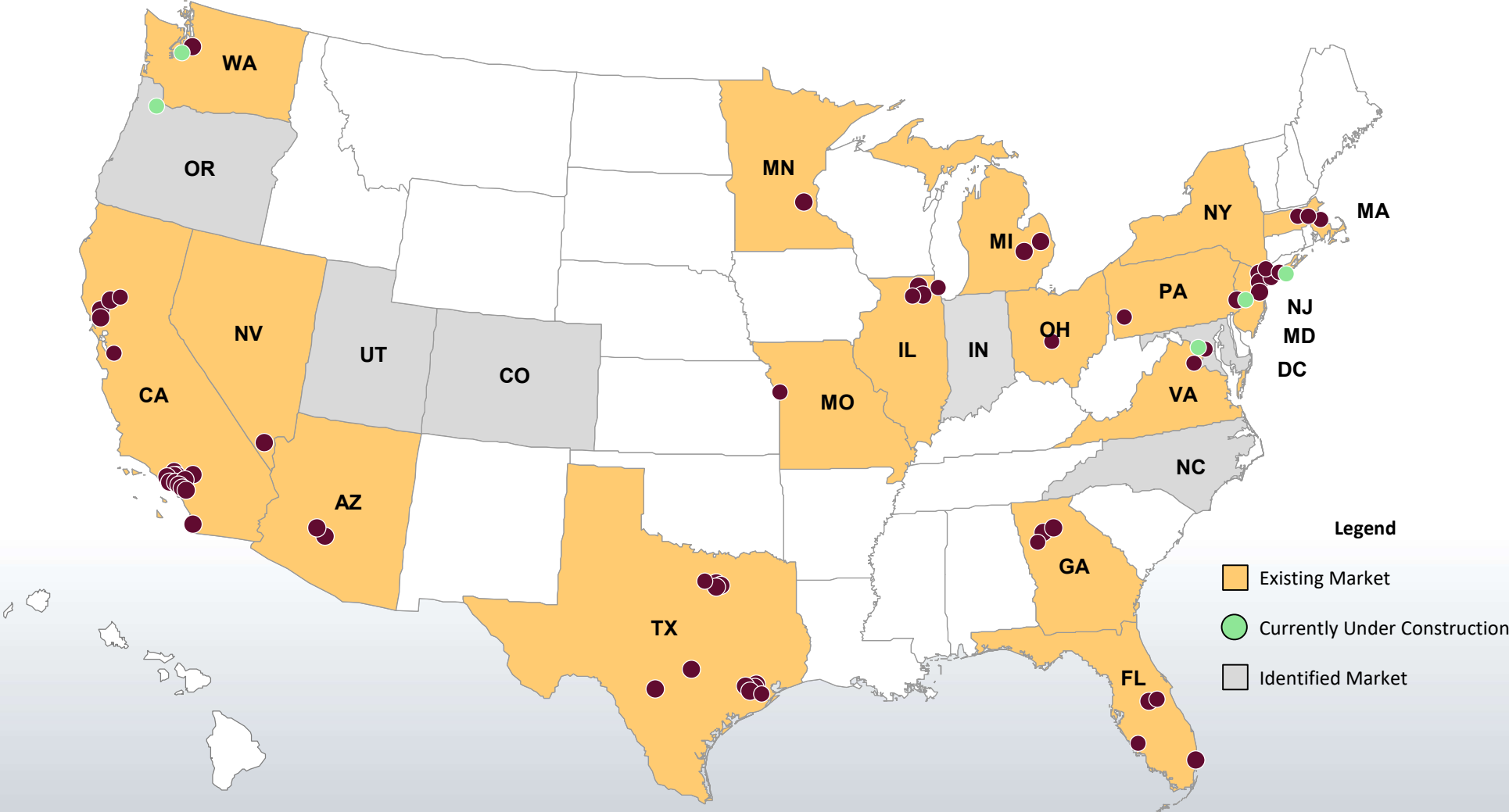
Section 1	Company Overview
Section 2	Growth and Near-term Strategy
Section 3	Financial
Appendix A	Definitions
Appendix B	Reconciliations

# KURA EXPERIENCE VIDEO



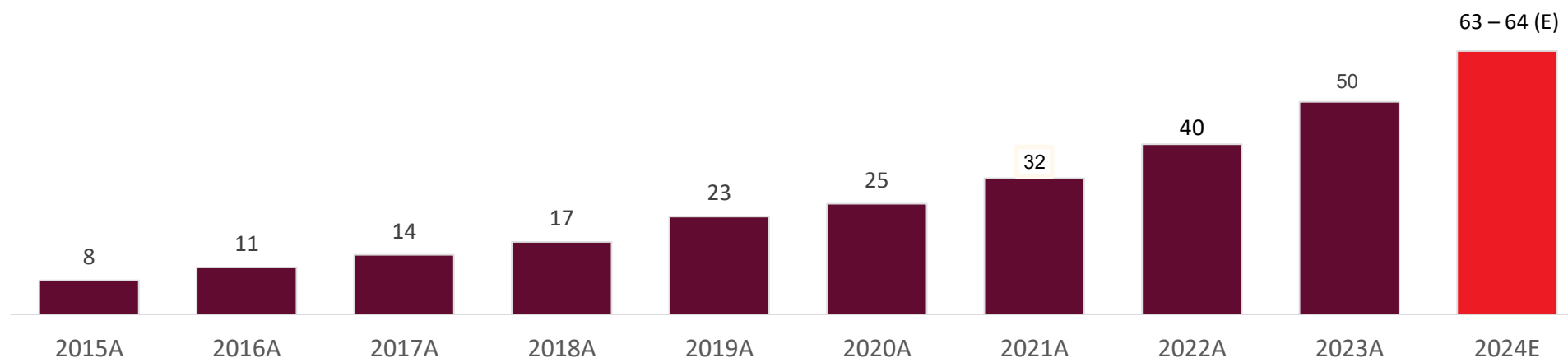
# SYSTEM FOOTPRINT AND ANTICIPATED NEW MARKETS

*Fiscal Years 2024, 2025*



# FINANCIAL SNAPSHOT

## HISTORICAL UNIT GROWTH



## FINANCIAL PERFORMANCE

*(US\$ in thousands)*

	FY 2019	FY 2022	FY 2023	FY23 Q2	FY24 Q2
<b>Average Unit Volume</b>	\$ 3,498	\$ 3,825	\$ 4,281	n/a	n/a
<b>Comparable Restaurant Sales Performance</b>	6.2%	81.9%	9.5%	17.4%	3.0%
<b>Sales</b>	\$ 64,245	\$ 141,089	\$ 187,429	\$ 43,944	\$ 57,291
<b>Operating Income (Loss)</b>	\$ 1,661	\$ (754)	\$ 332	\$ (1,049)	\$ (1,690)
<b>Net Income (Loss)</b>	\$ 1,456	\$ (764)	\$ 1,502	\$ (1,015)	\$ (998)
<b>Restaurant-Level Operating Profit<sup>(1)</sup></b>	\$ 12,945	\$ 29,941	\$ 41,063	\$ 8,928	\$ 11,209
<b>Restaurant-Level Operating Profit Margin<sup>(1)</sup></b>	20.1%	21.2%	21.9%	20.3%	19.6%
<b>Adjusted EBITDA<sup>(1)</sup></b>	\$ 5,195	\$ 9,155	\$ 14,342	\$ 2,310	\$ 2,850
<b>Adjusted EBITDA Margin<sup>(1)</sup></b>	8.1%	6.5%	7.7%	5.3%	5.0%



## SECTION 2: GROWTH AND NEAR-TERM STRATEGY

Section 1	Company Overview
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# NEW UNIT PIPELINE

## ROBUST PIPELINE FOR FISCAL YEARS 24 AND 25

### UNDER CONSTRUCTION

- Rockville, MD
- Cherry Hill, NJ
- Lake Grove, NY
- Beaverton, OR
- Tacoma, WA

### EXECUTED LEASES

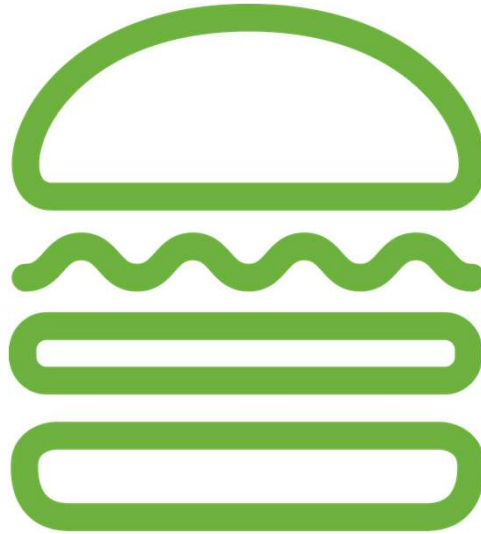
- Scottsdale, AZ
- Bakersfield, CA
- Berkeley, CA
- Fishers, IN
- Paramus, NJ
- Fort Worth, TX
- McKinney, TX
- Lehi, UT

## PLANNED MARKETS AND LEASES UNDER NEGOTIATION

- Fremont, CA
- Denver, CO
- Maple Grove, MN
- Charlotte, NC
- Parsippany, NJ
- Clackamas, OR
- Nashville, TN
- Seattle, WA
- Tukwila, WA



## LEADERSHIP TEAM ENHANCEMENTS



# TABLESIDE PAYMENT

Customer receives receipt

**KURA**  
REVOLVING SUSHI BAR

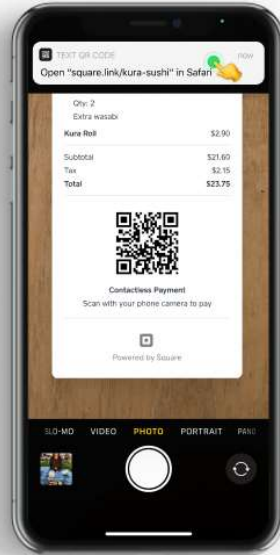
Kura Revolving Sushi Bar  
13826 Brookhurst St. Garden  
Grove, CA 92843  
(714) 583-8066

Server: Michelle P.  
Check: #14  
Guest Count: 1  
Ordered: 08/10/21 7:14 PM

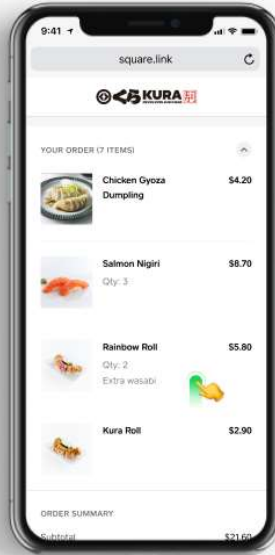
Chicken Gyoza Dumpling	\$4.20
Salmon Nigiri	\$8.70
Qty: 3	
Rainbow Roll	\$5.80
Qty: 2	
Extra wasabi	
Kura Roll	\$2.90
Subtotal	\$21.60
Tax	\$2.15
<b>Total</b>	<b>\$23.75</b>

Contactless Payment  
Scan with your phone camera to pay

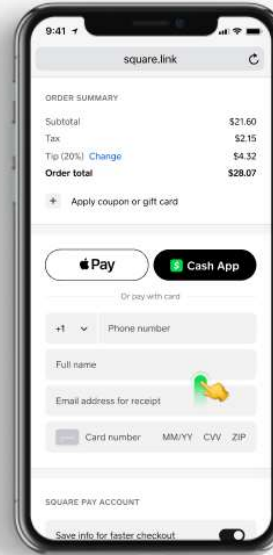
Scans receipts, opens webpage



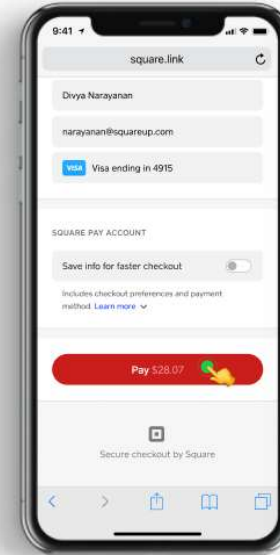
Webpage has order summary



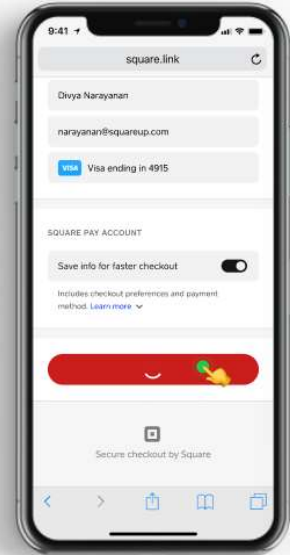
Customers can pay with a mobile wallet, gift card, and apply coupons.



or with credit card...



and save info for return purchases.



# ROBOT SERVERS



## CURRENT LICENSING PARTNERSHIPS



## UPCOMING LICENSING PARTNERSHIPS



A promotional poster for a collaboration between One Piece and KURA Revolving Sushi Bar. The background is a solid red color. At the top, the One Piece logo is on the left, followed by an 'x' symbol, and the KURA logo on the right. The KURA logo features the Japanese characters 'くら' (kura) in a stylized font above the word 'KURA' and 'REVOLVING SUSHI BAR' below it. In the center, the text 'COMING THIS SUMMER' is written in large, bold, black capital letters. Below the text is a cartoon illustration of Luffy, the main character of One Piece, wearing his signature straw hat and red jacket, with a determined expression and his right fist clenched. In the bottom left corner, there is a small logo for TOEI ANIMATION. In the bottom right corner, there is a small logo for the 20th anniversary of the TV animation One Piece, featuring the number '20' and the word 'th'.

**ONE PIECE** x **くら KURA**  
REVOLVING SUSHI BAR

**COMING THIS SUMMER**

TOEI ANIMATION

TV animation **ONE PIECE**  
**20**<sup>th</sup>

©Eiichiro Oda/Sueisha, Toei Animation



## SECTION 3: FINANCIAL

Section 1	Overview
Section 2	Growth and Near-term Strategy
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# CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(in thousands, except per share amounts; unaudited)

	Three months ended		Six months ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
Sales	\$ 57,291	\$ 43,944	\$ 108,766	\$ 83,262
Restaurant operating costs:				
Food and beverage costs	16,935	13,240	32,300	25,670
Labor and related costs	18,768	13,854	35,031	26,389
Occupancy and related expenses	3,953	3,065	7,861	5,950
Depreciation and amortization expenses	2,694	1,758	5,170	3,334
Other costs	8,356	5,866	15,947	11,187
Total restaurant operating costs	50,706	37,783	96,309	72,530
General and administrative expenses	8,168	7,122	16,777	13,764
Depreciation and amortization expenses	107	88	211	173
Total operating expenses	58,981	44,993	113,297	86,467
Operating loss	(1,690)	(1,049)	(4,531)	(3,205)
Other expense (income):				
Interest expense	12	14	20	30
Interest income	(754)	(63)	(1,594)	(157)
Loss before income taxes	(948)	(1,000)	(2,957)	(3,078)
Income tax expense	50	15	88	25
Net loss	\$ (998)	\$ (1,015)	\$ (3,045)	\$ (3,103)
Net loss per Class A and Class B shares				
Basic	\$ (0.09)	\$ (0.10)	\$ (0.27)	\$ (0.32)
Diluted	\$ (0.09)	\$ (0.10)	\$ (0.27)	\$ (0.32)
Weighted average Class A and Class B shares outstanding				
Basic	11,179	9,801	11,162	9,795
Diluted	11,179	9,801	11,162	9,795
Other comprehensive income (loss):				
Unrealized gain on short-term investments	\$ 30	—	\$ 33	—
Comprehensive loss	\$ (968)	\$ (1,015)	\$ (3,012)	\$ (3,103)

# SELECTED BALANCE SHEET DATA AND SELECTED OPERATING DATA

*(in thousands, except restaurants and percentages; unaudited)*

	February 29, 2024		August 31, 2023	
<b>Selected Balance Sheet Data:</b>				
Cash and cash equivalents	\$	56,768	\$	69,697
Total assets	\$	315,529	\$	304,659
Total liabilities	\$	150,249	\$	140,018
Total stockholders' equity	\$	165,280	\$	164,641

	Three months ended		Six months ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
<b>Selected Operating Data:</b>				
Restaurants at the end of period	59	45	59	45
Comparable restaurant sales performance	3.0%	17.4%	3.5%	11.8%
EBITDA	\$ 1,111	\$ 797	\$ 850	\$ 302
Adjusted EBITDA	\$ 2,850	\$ 2,310	\$ 4,617	\$ 2,947
Adjusted EBITDA margin	5.0%	5.3%	4.2%	3.5%
Operating loss	\$ (1,690)	\$ (1,049)	\$ (4,531)	\$ (3,205)
Operating loss margin	(2.9)%	(2.4)%	(4.2)%	(3.8)%
Restaurant-level operating profit	\$ 11,209	\$ 8,928	\$ 21,270	\$ 16,088
Restaurant-level operating profit margin	19.6%	20.3%	19.6%	19.3%





## APPENDIX A: DEFINITIONS

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## KEY FINANCIAL DEFINITIONS

- **Average Unit Volumes (“AUVs”)** consist of the average annual sales of all restaurants that have been open for 18 months or longer at the end of the fiscal year presented. AUVs are calculated by dividing (x) annual sales for the fiscal year presented for all such restaurants by (y) the total number of restaurants in that base. The Company makes fractional adjustments to sales for restaurants that were not open for the entire fiscal year presented (e.g., a restaurant is closed for renovation) to annualize sales for such period of time. The Company did not make any adjustments for the temporary restaurant closures due to COVID-19.
- **EBITDA**, a non-GAAP measure, is defined as net income (loss) before interest, income taxes and depreciation and amortization.
- **Adjusted EBITDA**, a non-GAAP measure, is defined as EBITDA plus stock-based compensation expense, non-cash lease expense and asset disposals, closure costs and restaurant impairments, as well as certain items, such as litigation accrual and certain executive transition costs, that the Company believes are not indicative of its core operating results. Adjusted EBITDA margin is defined as adjusted EBITDA divided by sales.
- **Restaurant-level Operating Profit (Loss)**, a non-GAAP measure, is defined as operating income (loss) plus depreciation and amortization expenses; stock-based compensation expense; pre-opening costs and general and administrative expenses which are considered normal, recurring, cash operating expenses and are essential to supporting the development and operations of restaurants; non-cash lease expense; and asset disposals, closure costs and restaurant impairments; less corporate-level stock-based compensation expense recognized within general and administrative expenses. Restaurant-level operating profit (loss) margin is defined as restaurant-level operating profit (loss) divided by sales.
- **Comparable Restaurant Sales Performance** refers to the change in year-over-year sales for the comparable restaurant base. The Company includes restaurants in the comparable restaurant base that have been in operation for at least 18 months prior to the start of the accounting period presented due to new restaurants experiencing a period of higher sales upon opening, including those temporarily closed for renovations during the year. For restaurants that were temporarily closed for renovations during the year, the Company makes fractional adjustments to sales such that sales are annualized in the associated period. Performance in comparable restaurant sales represents the percent change in sales from the same period in the prior year for the comparable restaurant base. The Company did not make any adjustments for the temporary restaurant closures due to COVID-19.

## NON-GAAP FINANCIAL MEASURES

- To supplement the condensed financial statements presented in accordance with U.S. generally accepted accounting principles (“GAAP”), certain financial measures, such as EBITDA, adjusted EBITDA, adjusted EBITDA margin, restaurant-level operating profit (loss) and restaurant-level operating profit margin (“Non-GAAP measures”) are not recognized under GAAP. These Non-GAAP measures are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. The Company is presenting these Non-GAAP measures because the Company believes that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. However, these measures may not provide a complete understanding of the operating results of the Company as a whole and such measures should be reviewed in conjunction with our GAAP financial results. Additionally, the Company presents restaurant-level operating profit (loss) because it excludes the impact of general and administrative expenses which are not incurred at the restaurant-level. The Company also uses restaurant-level operating profit (loss) to measure operating performance and returns from opening new restaurants.
- The Company believes that the use of these Non-GAAP measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company’s financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that restaurant-level operating profit (loss) and restaurant-level operating profit margin are financial measures which are not indicative of overall results for the Company, and restaurant-level operating profit (loss) and restaurant-level operating profit margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, you should be aware when evaluating these Non-GAAP measures that in the future the Company may incur expenses similar to those excluded when calculating these measures. The Company’s presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of these Non-GAAP measures may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate these Non-GAAP measures in the same fashion. Because of these limitations, these Non-GAAP measures should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. The Company compensates for these limitations by relying primarily on our GAAP results and using these Non-GAAP measures on a supplemental basis.



## APPENDIX B: RECONCILIATIONS

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# RECONCILIATION OF NET LOSS TO EBITDA AND ADJUSTED EBITDA

(in thousands; unaudited)

	Three months ended		Six months ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
Net loss	\$ (998)	\$ (1,015)	\$ (3,045)	\$ (3,103)
Interest income, net	(742)	(49)	(1,574)	(127)
Income tax expense	50	15	88	25
Depreciation and amortization expenses	2,801	1,846	5,381	3,507
EBITDA	1,111	797	850	302
Stock-based compensation expense <sup>(1)</sup>	966	945	1,972	1,595
Non-cash lease expense <sup>(2)</sup>	773	568	1,590	1,050
Litigation accrual <sup>(3)</sup>	—	—	205	—
Adjusted EBITDA	\$ 2,850	\$ 2,310	\$ 4,617	\$ 2,947

<sup>(1)</sup> Stock-based compensation expense includes non-cash stock-based compensation, which is comprised of restaurant-level stock-based compensation included in other costs and corporate-level stock-based compensation included in general and administrative expenses in the statements of operations and comprehensive income (loss).

<sup>(2)</sup> Non-cash lease expense includes lease expense from the date of possession of restaurants that did not require cash outlay in the respective periods.

<sup>(3)</sup> Litigation accrual includes an accrual related to a litigation claim.

## RECONCILIATION OF OPERATING LOSS TO RESTAURANT-LEVEL OPERATING PROFIT

*(in thousands; unaudited)*

	Three months ended		Six months ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
Operating loss	\$ (1,690)	\$ (1,049)	\$ (4,531)	\$ (3,205)
Depreciation and amortization expenses	2,801	1,846	5,381	3,507
Stock-based compensation expense <sup>(1)</sup>	966	945	1,972	1,595
Pre-opening costs <sup>(4)</sup>	1,001	316	1,750	753
Non-cash lease expense <sup>(2)</sup>	773	568	1,590	1,050
General and administrative expenses	8,168	7,122	16,777	13,764
Corporate-level stock-based compensation included in general and administrative expenses	(810)	(820)	(1,669)	(1,376)
Restaurant-level operating profit	<u>\$ 11,209</u>	<u>\$ 8,928</u>	<u>\$ 21,270</u>	<u>\$ 16,088</u>

<sup>(1)</sup> Stock-based compensation expense includes non-cash stock-based compensation, which is comprised of restaurant-level stock-based compensation included in other costs and corporate-level stock-based compensation included in general and administrative expenses in the statements of operations and comprehensive income (loss).

<sup>(2)</sup> Non-cash lease expense includes lease expense from the date of possession of restaurants that did not require cash outlay in the respective periods.

<sup>(4)</sup> Pre-opening costs consist of labor costs and travel expenses for new employees and trainers during the training period, recruitment fees, legal fees, cash-based lease expenses incurred between the date of possession and opening day of restaurants, and other related pre-opening costs.