

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 13, 2023

KURA SUSHI USA, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-39012
(Commission File Number)

26-3808434
(IRS Employer
Identification No.)

17461 Derian Avenue, Suite 200
Irvine, California
(Address of Principal Executive Offices)

92614
(Zip Code)

Registrant's Telephone Number, Including Area Code: (657) 333-4100

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.001 per share	KRUS	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On March 13 and 14, 2023, certain officers of Kura Sushi USA, Inc. (the “Company”) will be attending the Roth Conference. A copy of the Company’s slides that will be used in discussions with prospective investors during the conference, as well as, from time to time, to present and/or distribute to members of the investment community and utilize at various other industry conferences is attached hereto and being furnished as Exhibit 99.1 and hereby incorporated by reference.

The information furnished with this Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation Slides
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KURA SUSHI USA, INC.

Date: March 13, 2023

By: /s/ Jeffrey Uttz
Name: Jeffrey Uttz
Title: Chief Financial Officer



KURA
REVOLVING SUSHI BAR



KURA SUSHI MANAGEMENT PRESENTATION

DISCLAIMER

This presentation has been prepared for informational purposes only. No money or other consideration is being solicited, and if sent in response, will not be accepted. This presentation shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The Company is not under any obligation to make an offering. It may choose to make an offering to some, but not all, of the people who indicate an interest in investing. Any such offering of securities will only be made by means of a registration statement (including a prospectus) filed with the SEC, after such registration statement becomes effective. No such registration statement has been filed as of the date of this presentation. The information included in any registration statement will be more complete than the information the Company is providing now, and could differ in important ways.

This presentation, related video and oral communications made during the course of this presentation may contain forward-looking statements that involve risks and uncertainties. In some cases, you can identify forward-looking statements by terms such as "target," "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "continue," "predict," "potential," "plan," "anticipate" or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. These risks and uncertainties include but are not limited to: risks related to the COVID-19 outbreak; our ability to successfully maintain increases in our comparable restaurant sales; our ability to successfully execute our growth strategy and open new restaurants that are profitable; our ability to expand in existing and new markets; our projected growth in the number of our restaurants; macroeconomic conditions and other economic factors; our ability to compete with many other restaurants; our reliance on vendors, suppliers and distributors, including our parent company Kura Sushi, Inc.; concerns regarding food safety and foodborne illness; changes in consumer preferences and the level of acceptance of our restaurant concept in new markets; minimum wage increases and mandated employee benefits that could cause a significant increase in our labor costs; the failure of our automated equipment or information technology systems or the breach of our network security; the loss of key members of our management team; the impact of governmental laws and regulations; volatility in the price of our common stock; and other risks and uncertainties as described in our filings with the Securities and Exchange Commission ("SEC"). Given these assumptions, risks and uncertainties, you should not place undue reliance on these forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected. Unless required by United States federal securities laws, we do not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made. Our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

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 Net Income (Loss), 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, Number of restaurant openings and Average check, 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

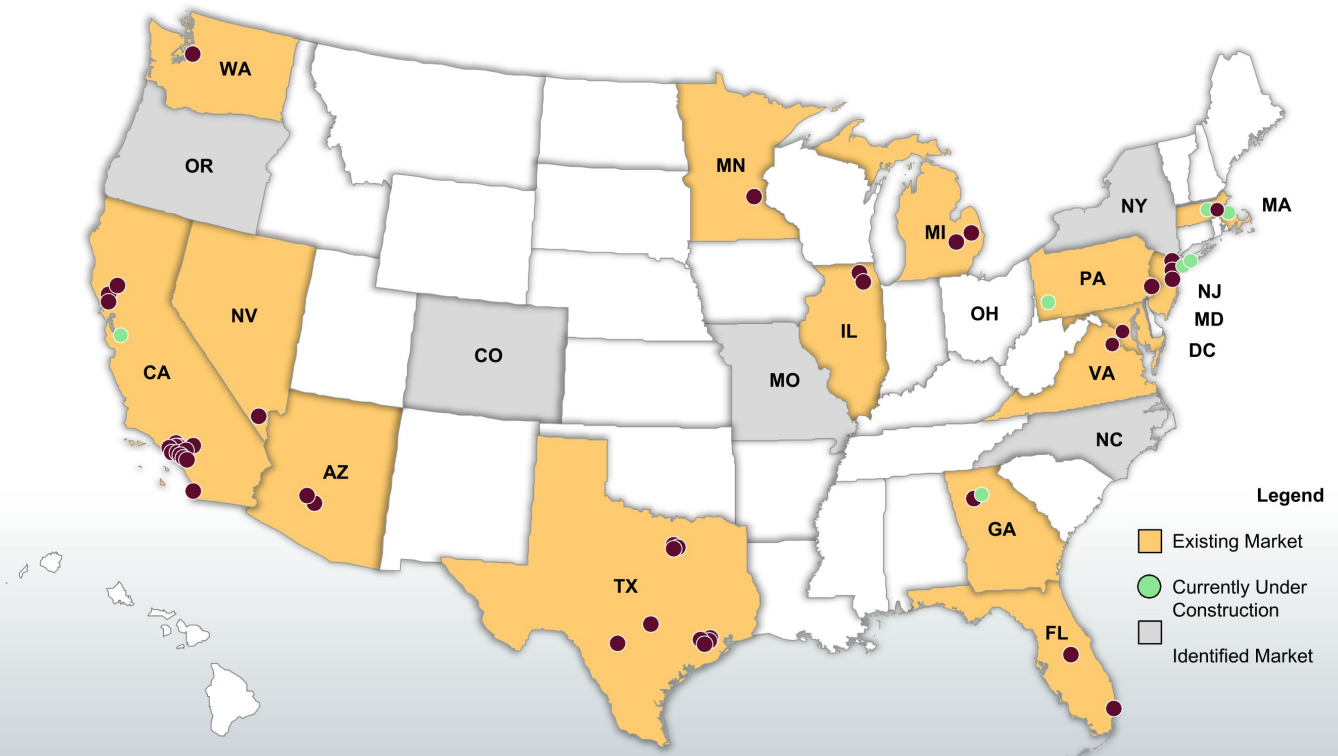


KURA EXPERIENCE VIDEO



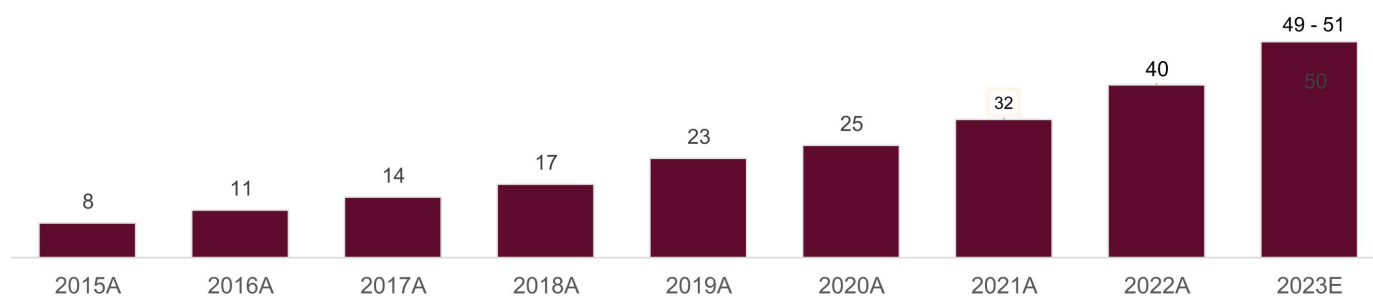
SYSTEM FOOTPRINT AND ANTICIPATED NEW MARKETS

Fiscal Years 2023, 2024



FINANCIAL SNAPSHOT

HISTORICAL UNIT GROWTH



FINANCIAL PERFORMANCE

(US\$ in thousands)

	FY 2019	FY 2022	FY 22 Q1	FY 23 Q1
Average Unit Volume	\$ 3,498	\$ 3,825	n/a	n/a
Comparable Restaurant Sales Performance	6.2%	81.9%	154.3%	6.9%
Sales	\$ 64,245	\$ 141,089	\$ 29,832	\$ 39,318
Operating Income (Loss)	\$ 1,661	\$ (754)	\$ (1,264)	\$ (2,156)
Net Income (Loss)	\$ 1,456	\$ (764)	\$ (1,275)	\$ (2,088)
Adjusted Net Income (Loss)⁽¹⁾	\$ 1,511	\$ (589)	n/a	n/a
Restaurant-Level Operating Profit⁽¹⁾	\$ 12,945	\$ 29,941	\$ 5,817	\$ 7,160
Restaurant-Level Operating Profit Margin⁽¹⁾	20.1%	21.2%	19.5%	18.2%
Adjusted EBITDA⁽¹⁾	\$ 5,195	\$ 9,155	\$ 792	\$ 637
Adjusted EBITDA Margin⁽¹⁾	8.1%	6.5%	2.7%	1.6%





SECTION 2: GROWTH AND NEAR-TERM STRATEGY

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

NEW UNIT PIPELINE

ROBUST PIPELINE FOR FISCAL YEARS 23 AND 24

UNDER CONSTRUCTION

- San Jose, CA
- Buford, GA
- Dorchester, MA
- Framingham, MA
- Flushing, NY
- Long Island, NY
- Pittsburgh, PA

EXECUTED LEASES

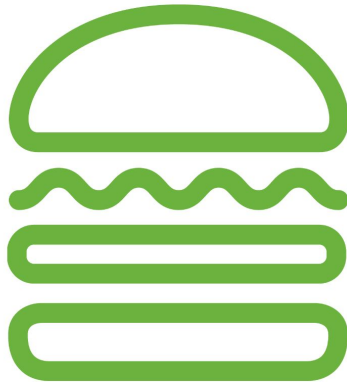
- Roseville, CA
- Waterford, FL
- Tampa, FL
- Atlanta, GA
- Naperville, IL
- Kansas City, MO
- Scarsdale, NY
- Columbus, OH
- Eules, TX
- Webster, TX

PLANNED MARKETS AND LEASES UNDER NEGOTIATION

- San Diego, CA
- Littleton, CO
- Ft. Lauderdale, FL
- Skokie, IL
- Buckhead, GA
- Cumberland, GA
- Rosedale, MN
- Charlotte, NC
- Cherry Hill, NJ
- Parsippany, NJ
- Lake Grove, NY
- Clackamas, OR
- King of Prussia, PA
- Fort Worth, TX
- Seattle, WA
- Tukwila, WA



LEADERSHIP TEAM ENHANCEMENTS

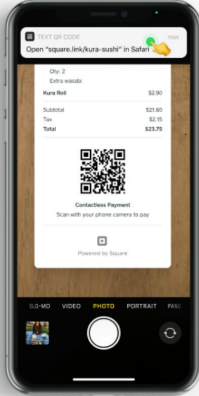


TABLESIDE PAYMENT

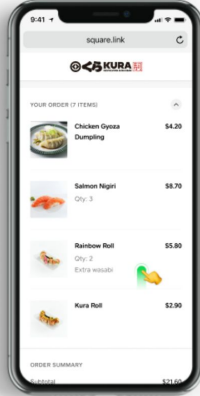
Customer receives receipt



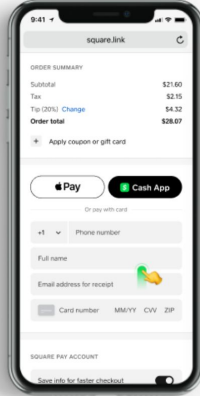
Scans receipts, opens webpage



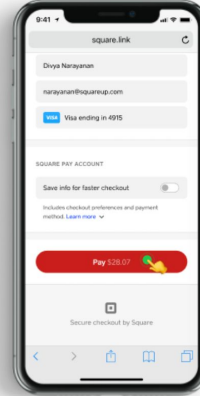
Webpage has order summary



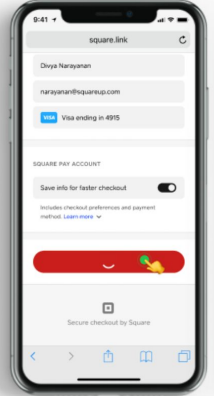
Customers can pay with a mobile wallet, gift card, and apply coupons.



or with credit card...



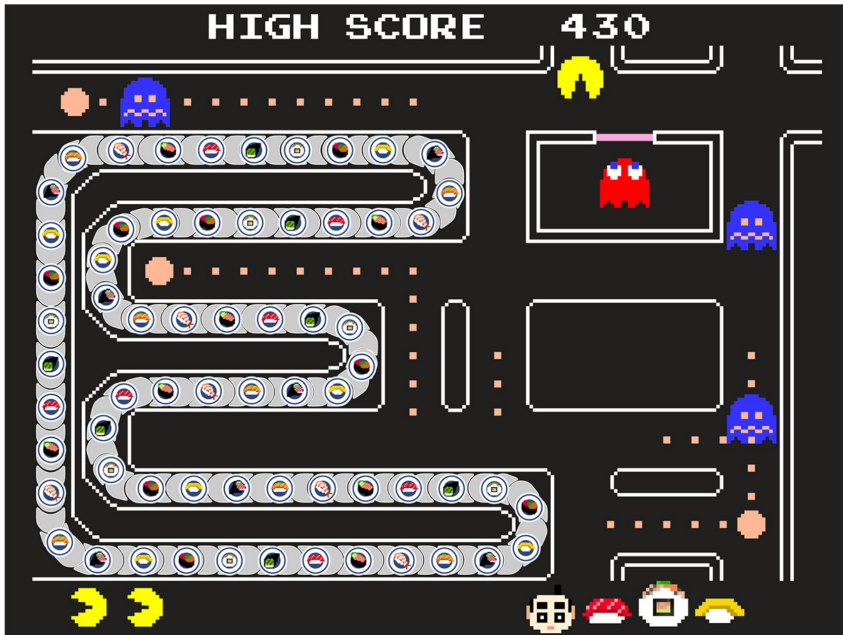
and save info for return purchases.



ROBOT SERVERS



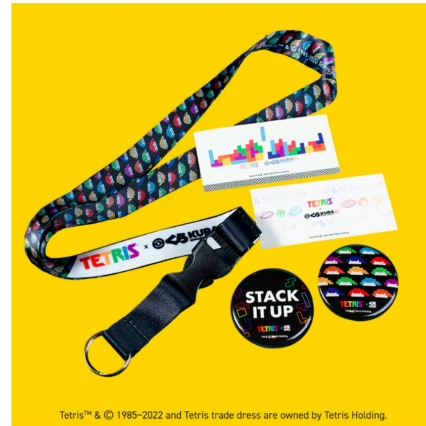
RECENT LICENSING PARTNERSHIPS



PAC-MAN™ & ©Bandai Namco Entertainment Inc.



RECENT LICENSING PARTNERSHIPS





SECTION 3: FINANCIAL

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

CONDENSED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts; unaudited)

	Three Months Ended November 30,	
	2022	2021
Sales	\$ 39,318	\$ 29,832
Restaurant operating costs:		
Food and beverage costs	12,430	8,957
Labor and related costs	12,535	9,710
Occupancy and related expenses	2,885	2,200
Depreciation and amortization expenses	1,576	1,171
Other costs	5,321	3,610
Total restaurant operating costs	34,747	25,648
General and administrative expenses	6,642	5,360
Depreciation and amortization expenses	85	88
Total operating expenses	41,474	31,096
Operating loss	(2,156)	(1,264)
Other expense (income):		
Interest expense	16	25
Interest income	(94)	(26)
Loss before income taxes	(2,078)	(1,263)
Income tax expense	10	12
Net loss	\$ (2,088)	\$ (1,275)
Net loss per Class A and Class B shares		
Basic	\$ (0.21)	\$ (0.13)
Diluted	\$ (0.21)	\$ (0.13)
Weighted average Class A and Class B shares outstanding		
Basic	9,789	9,710
Diluted	9,789	9,710



SELECTED BALANCE SHEET DATA AND SELECTED OPERATING DATA

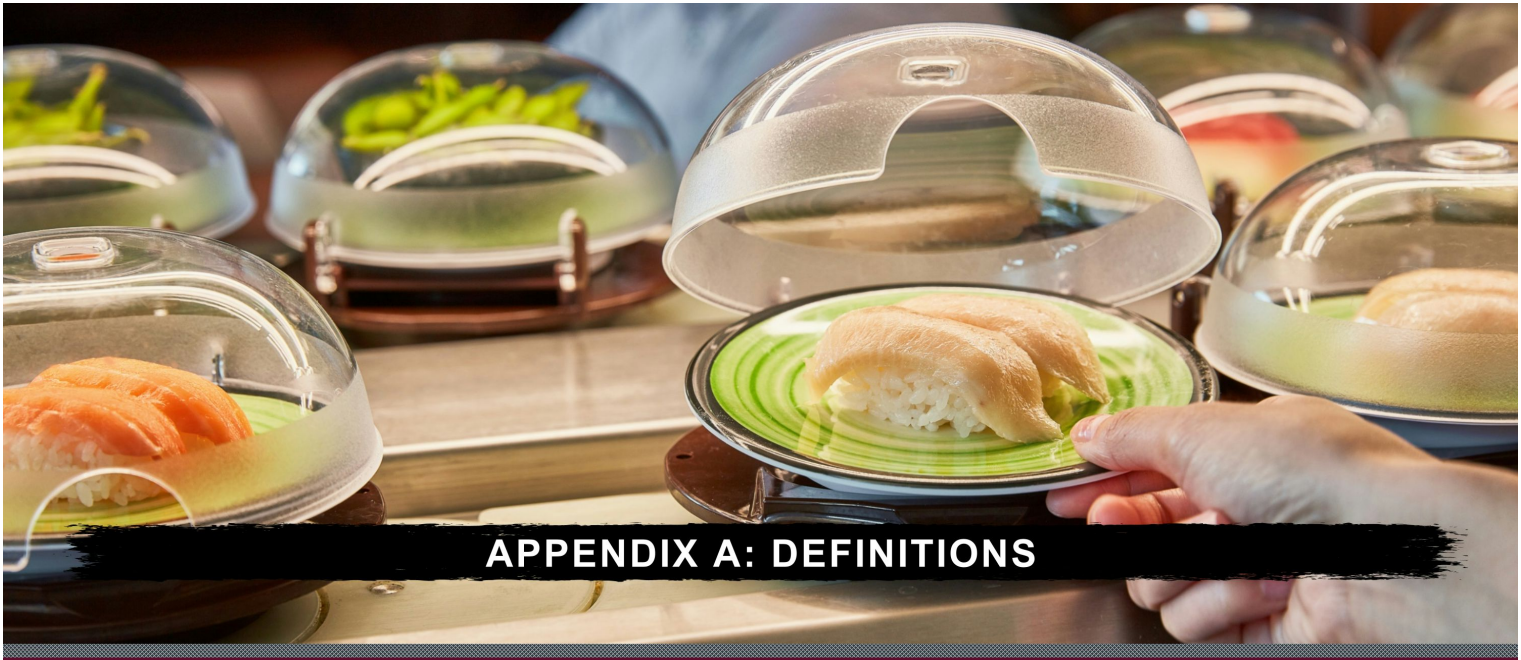
FINANCIAL

(in thousands, except restaurants and percentages; unaudited)

	November 30, 2022		August 31, 2022	
Selected Balance Sheet Data:				
Cash and cash equivalents	\$	26,934	\$	35,782
Total assets	\$	204,449	\$	201,356
Total liabilities	\$	112,542	\$	108,062
Total stockholders' equity	\$	91,907	\$	93,294

	Three Months Ended November 30,			
	2022		2021	
Selected Operating Data:				
Restaurants at the end of period		42		33
Comparable restaurant sales performance		6.9%		154.3%
EBITDA	\$	(495)	\$	(5)
Adjusted EBITDA	\$	637	\$	792
Adjusted EBITDA margin		1.6%		2.7%
Operating loss	\$	(2,156)	\$	(1,264)
Operating loss margin		(5.5)%		(4.2)%
Restaurant-level operating profit	\$	7,160	\$	5,817
Restaurant-level operating profit margin		18.2%		19.5%





APPENDIX A: DEFINITIONS

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

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.
- **Adjusted Net Income (Loss)**, a non-GAAP measure, is defined as net income (loss) before certain items, such as employee retention credits, litigation accrual and certain executive transition costs, that the Company believes are not indicative of its core operating results. Adjusted net income (loss) per diluted share represents adjusted net income (loss) divided by the number of diluted shares.
- **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 employee retention credits, 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; employee retention credits; 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 and employee retention credits 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 adjusted net income (loss), 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

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

RECONCILIATION OF NET LOSS TO EBITDA AND ADJUSTED EBITDA

(in thousands; unaudited)

	Three Months Ended November 30,	
	2022	2021
Net loss	\$ (2,088)	\$ (1,275)
Interest income, net	(78)	(1)
Income tax expense	10	12
Depreciation and amortization expenses	1,661	1,259
EBITDA	(495)	(5)
Stock-based compensation expense ⁽¹⁾	650	443
Non-cash lease expense ⁽²⁾	482	354
Adjusted EBITDA	\$ 637	\$ 792

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

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



RECONCILIATION OF OPERATING LOSS TO RESTAURANT-LEVEL OPERATING PROFIT

(in thousands; unaudited)

	Three Months Ended November 30,	
	2022	2021
Operating loss	\$ (2,156)	\$ (1,264)
Depreciation and amortization expenses	1,661	1,259
Stock-based compensation expense ⁽¹⁾	650	443
Pre-opening costs ⁽³⁾	437	73
Non-cash lease expense ⁽²⁾	482	354
General and administrative expenses	6,642	5,360
Corporate-level stock-based compensation included in general and administrative expenses	(556)	(408)
Restaurant-level operating profit	\$ 7,160	\$ 5,817

- (1) 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.
- (2) Non-cash lease expense includes lease expense from the date of possession of restaurants that did not require cash outlay in the respective periods.
- (3) 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.



RECONCILIATION OF NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA

(in thousands; unaudited)

	Fiscal Years Ended August 31,	
	2022	2019
Net income (loss)	\$ (764)	\$ 1,456
Interest (income) expense, net	(64)	137
Taxes	74	68
Depreciation and amortization	5,613	2,165
EBITDA	4,859	3,826
Stock-based compensation expense ^(a)	2,409	590
Non-cash lease expense ^(b)	1,712	704
Executive transition costs ^(c)	175	—
Litigation accrual ^(d)	—	75
Adjusted EBITDA	\$ 9,155	\$ 5,195

- (a) Stock-based compensation expense includes non-cash stock-based compensation, which is comprised of restaurant-level stock-based compensation included in other costs in the statements of operations and of corporate-level stock-based compensation included in general and administrative expenses in the statements of operations.
- (b) Non-cash lease expense includes lease expense from the date of possession of our restaurants that did not require cash outlay in the respective periods.
- (c) Executive transition costs include severance and search fees associated with the transition of our Chief Financial Officer.
- (d) Litigation accrual includes an accrual related to a litigation claim.



RECONCILIATION OF OPERATING INCOME (LOSS) TO RESTAURANT-LEVEL OPERATING PROFIT

(in thousands; unaudited)

	Fiscal Years Ended August 31,	
	2022	2019
Operating (loss) income	\$ (754)	\$ 1,661
Depreciation and amortization	5,613	2,165
Stock-based compensation expense ^(a)	2,409	590
Pre-opening costs ^(b)	784	587
Non-cash lease expense ^(c)	1,712	704
General and administrative expenses	22,289	7,748
Corporate-level stock-based compensation in general and administrative expenses	(2,112)	(510)
Restaurant-level operating profit	<u>\$ 29,941</u>	<u>\$ 12,945</u>

- (a) Stock-based compensation expense includes non-cash stock-based compensation, which is comprised of restaurant-level stock-based compensation included in other costs in the statements of operations and of corporate-level stock-based compensation included in general and administrative expenses in the statements of operations.
- (b) 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 our restaurants, and other related pre-opening costs.
- (c) Non-cash lease expense includes lease expense from the date of possession of our restaurants that did not require cash outlay in the respective periods.

