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Yoshiharu Reports Third Quarter 2022 Financial Results

BUENA PARK, CA / ACCESSWIRE / November 14, 2022 [Yoshiharu Global Co.](#)

(Nasdaq:YOSH) ("Yoshiharu" or the "Company"), a California-based restaurant operator specializing in authentic Japanese ramen, reported results for the third quarter ended September 30, 2022.

Third Quarter 2022 Operational Highlights

- [Announced](#) closing of IPO and began trading on the Nasdaq Capital Market under the ticker symbol "YOSH" on September 9, 2022.
- [Launched](#) a brand new menu adding a variety of items for all restaurant locations. Debuting the refreshed menu through a soft launch has increased overall sales by an average of 35% in per store revenue from September 2022 to October 2022.
- Continued development efforts and expects to open eight total new restaurants over the next 13 months, including a location in Corona, CA by the end of this year.

Management Commentary

"Since our IPO at the beginning of September, we've hit the ground running executing upon our growth strategy," said James Chae, Yoshiharu's President, CEO and Chairman of the Board. "While Q3 is typically our slowest quarter in terms of restaurant traffic and sales, we spent much of the period preparing for growth through the refurbishment of our restaurant interiors, the development of our new menu, and working to launch additional locations. With the winter period approaching, which historically provides a seasonal tailwind to top-line growth, and a revitalized menu that has already generated an average increase of 35% in per store revenue, we believe we are well positioned to capitalize on increased store traffic."

"Looking to the remainder of the year and into 2023, we remain laser focused on expanding our domestic footprint of corporate owned stores. Through the proceeds we raised during the IPO, we believe we are well capitalized to double our restaurant count by the second half of 2023. We currently have eight additional new locations in California that are either under construction or under development with anticipated launch dates over the next 13 months, including a new store opening in Corona, CA by the end of this year. As demand continues to grow for authentic Japanese ramen, we look forward to expanding our presence and delivering best-in-class service and products to a larger customer base."

Third Quarter 2022 Financial Results

Revenue declined slightly to \$1.8 million compared to the prior year period. The slight decrease in revenue was attributable to brief closures of five operating restaurants as a result of renovations.

Total restaurant operating expenses slightly increased to \$1.7 million compared to the prior year period. The slight increase was primarily attributable to an uptick in labor, rent, and utility costs related to new restaurant locations compared to the prior year period.

Operating loss was \$1.5 million compared to \$0.2 million in the prior year period. The increase was primarily due to a rise in general and administrative expenses, stemming from the aforementioned new restaurant locations and various administrative expenses to support the Company's growth plan.

Net loss was \$1.5 million compared to a net income of \$18,000 in the prior year period.

The Company's cash balance totaled \$7.6 million compared to \$1.1 million on December 31, 2021.

Nine-Month 2022 Financial Results

Revenue increased to \$5.7 million compared to \$4.4 million in the prior year period. The increase in revenue resulted from three new restaurant openings and rebounding consumer traffic to pre-pandemic levels. The five restaurant locations that were open through all of 2021 each experienced consistent sales growth in the current year. Combined average monthly sales for these locations increased 9.8% for the nine-month period ended September 30, 2022, compared to the same year ago period.

Total restaurant operating expenses increased to \$5.8 million compared to \$3.9 million in the prior year period. The increase was primarily attributable to an uptick in restaurant supplies, labor, rent and utility costs related to new locations opened in the last twelve months.

Operating loss was \$2.7 million compared to \$280,000 in the prior year period. The increase was primarily due to a rise in total restaurant operating expenses and in general and administrative expenses.

Net loss was \$2.4 million compared to \$43,000 in the prior year period.

For more information regarding Yoshiharu's financial results, including financial tables, please see the Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"). The Company's SEC filings can be found on the SEC 's website at <https://www.sec.gov/> or the Company's investor relations site at <https://ir.yoshiharuramen.com/>.

About Yoshiharu Global Co.

Yoshiharu is a fast-growing restaurant operator and was borne out the idea of introducing the modernized Japanese dining experience to customers all over the world. Specializing in Japanese ramen, Yoshiharu gained recognition as a leading ramen restaurant in Southern California within six months of their 2016 debut and has continued to expand their top-notch restaurant service across Southern California, currently owning and operating eight restaurants.

For more information, please visit www.yoshiharuramen.com.

Forward Looking Statements

This press release includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements regarding our position to execute on our growth strategy, and our ability to expand our leadership position. These forward-looking statements include, but are not limited to, the Company's beliefs, plans, goals, objectives, expectations, assumptions, estimates, intentions, future performance, other statements that are not historical facts and statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in, or suggested by, these forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved.

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