

# JAPAN FOODS HOLDING LTD.



## Financial Results Presentation August 2016

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# JAPAN FOODS HOLDING LTD.



**Overview of  
1Q2017**

# Performance at a Glance

**1Q2017:**

**Revenue**  
**S\$16.8 million**

**Gross Profit**  
**S\$14.2 million**

1Q2016:

S\$15.8 million

S\$13.2 million

**1Q2017:**

**Net Profit**  
**S\$1.3 million**

**EBITDA**  
**S\$2.9 million**

1Q2016:

S\$1.1 million

S\$2.6 million

# Our Growing Brand Portfolio

## 10 Franchise Brands from Japan



Ajisen Ramen



Hanamidori



Botejyu



Botejyu San



Keika Ramen



Kazokutei



麵屋武蔵

Menya Musashi



Menzo Butao



Osaka Ohsho



Yonehachi

## 5 Self-Developed Brands

TOKYO WALKER



JAPANESE GOURMET TOWN



銀座串勝  
GINZA KUSHI-KATSU



Dutch Baby Cafe  
Pastry Gourmet Paradise

## 1 Franchise Brand from Malaysia



New ManLee Bak Kut Teh

# Our Network

As at 30 June 2016

The Group, together with its sub-franchisees, operates a total of 56 restaurants and food court outlet under various brands in Singapore, Malaysia and Vietnam. It also has interests in 13 restaurants in Hong Kong and China through associated companies.

**50** Self-operated restaurants & food court outlet

**13** Restaurants through associated companies

**6** Restaurants operated by sub-franchisees



# Updates on our Singapore Network

Self-Operated Restaurants	Updates	No. as at 30 Jun 16	No. as at 30 Jun 15
Ajisen Ramen	<ul style="list-style-type: none"> <li>Converted Clementi Mall restaurant to New ManLee Bak Kut Teh restaurant in December 2015</li> <li>Closed Tiong Bahru Plaza restaurant in December 2015</li> <li>Converted Osaka Ohsho restaurant at Bukit Panjang Plaza to Ajisen Ramen restaurant in October 2015</li> <li>Closed Compass Point restaurant in September 2015</li> </ul>	15	17
Fruit Paradise	<ul style="list-style-type: none"> <li>Closed Bedok Mall restaurant in May 2016</li> <li>Opened Waterway Point restaurant in January 2016</li> <li>Closed Raffles City restaurant in August 2015</li> </ul>	4	5
Hanamidori	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1
Kazokutei	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	3	3
Keika Ramen	<ul style="list-style-type: none"> <li>Opened Tiong Bahru Plaza restaurant in April 2016</li> <li>Opened White Sands restaurant in November 2015</li> </ul>	3	1
Menya Musashi	<ul style="list-style-type: none"> <li>Opened Waterway Point restaurant in January 2016</li> <li>Closed Thomson Plaza restaurant in October 2015</li> <li>Closed Ion Orchard restaurant in August 2015</li> </ul>	8	9
Osaka Ohsho	<ul style="list-style-type: none"> <li>Converted Ang Mo Kio restaurant to New ManLee Bak Kut Teh restaurant in March 2016</li> <li>Opened Waterway Point restaurant in January 2016</li> <li>Converted Bukit Panjang Plaza restaurant to Ajisen Ramen restaurant in October 2015</li> </ul>	6	7
New ManLee Bak Kut Teh	<ul style="list-style-type: none"> <li>Opened Bugis+ restaurant in April 2016</li> <li>Converted Gyoza Bowl restaurant at Ang Mo Kio Hub to New ManLee Bak Kut Teh restaurant in March 2016</li> <li>Converted Ajisen Ramen restaurant at Clementi Mall to New ManLee Bak Kut Teh in December 2015</li> </ul>	3	-
Ginza Kushi Katsu	<ul style="list-style-type: none"> <li>Opened Paragon restaurant in March 2016</li> </ul>	1	-
Dutch Baby Cafe	<ul style="list-style-type: none"> <li>Opened Paragon restaurant in April 2016</li> </ul>	1	-
Botejyu San	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1
Japanese Gourmet Town	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1
Menzo Butao	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1
Yonehachi	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1
<b>TOTAL</b>		<b>49</b>	<b>47</b>
Food Court Outlets	Updates		
Ajisen Ramen	<ul style="list-style-type: none"> <li>Unchanged</li> </ul>	1	1

# Updates on our Overseas Network

Restaurants	Updates	No. of Outlets As at 30 June 2016	No. of Outlets As at 30 June 2015
<b>Ajisen Ramen<sup>1</sup></b>	<ul style="list-style-type: none"> <li>▪ Closed 2 restaurants in Johor Bahru, Malaysia</li> <li>▪ Closed 1 restaurant in Ho Chi Minh City, Vietnam</li> </ul>	4 in Malaysia 2 in Vietnam	6 in Malaysia 3 in Vietnam
<b>Menya Musashi<sup>2</sup></b>	<ul style="list-style-type: none"> <li>▪ Closed 2 restaurants in various locations in Hong Kong</li> <li>▪ Unchanged</li> </ul>	8 in Hong Kong 5 in China	10 in Hong Kong 5 in China
<b>TOTAL</b>		<b>19</b>	<b>24</b>

<sup>1</sup> operated by sub-franchisees

<sup>2</sup> interests in restaurants through associated companies



# JAPAN FOODS HOLDING LTD.

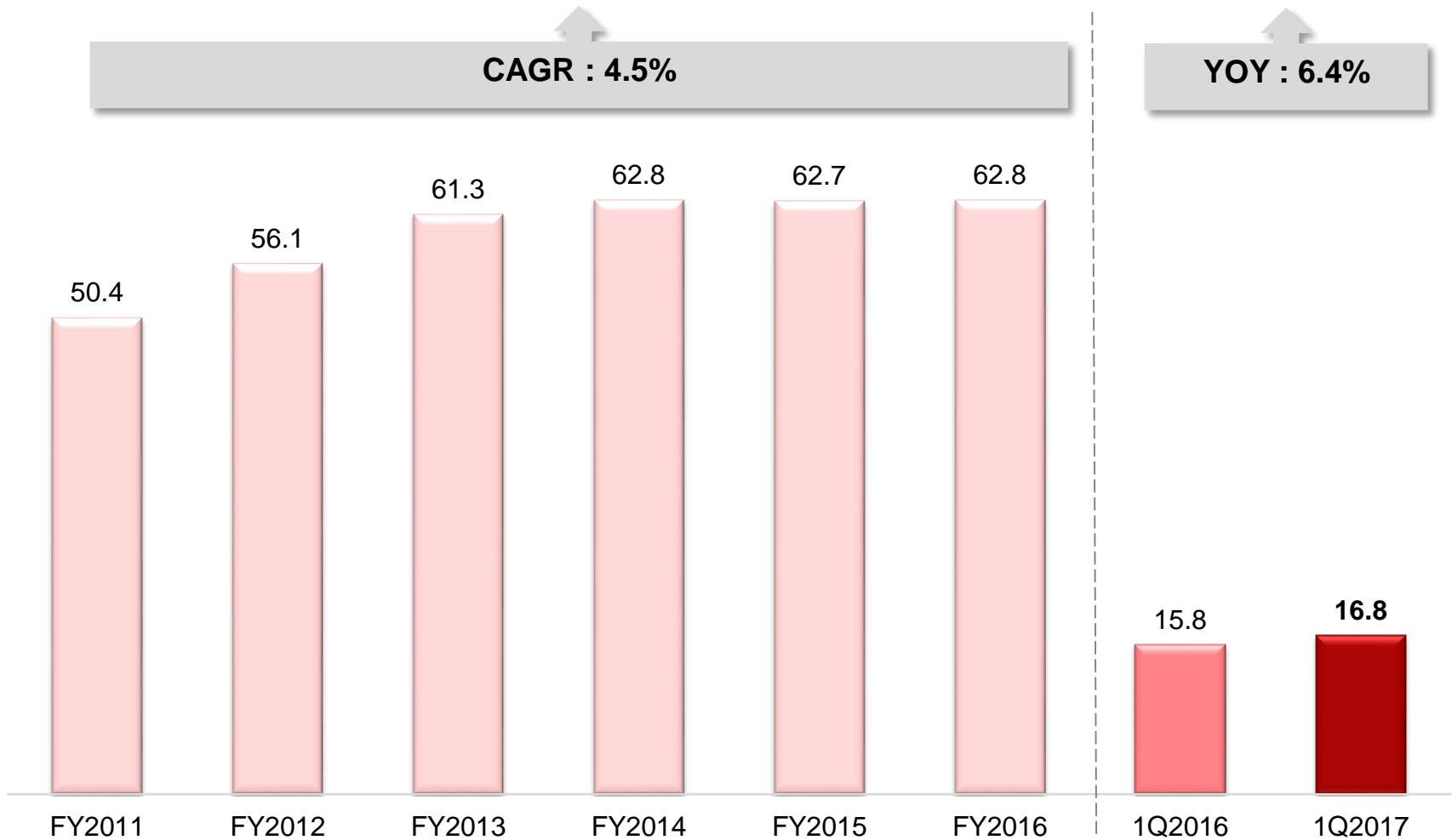


## Financial Highlights 1Q2017 (Three months ended 30 June 2016)

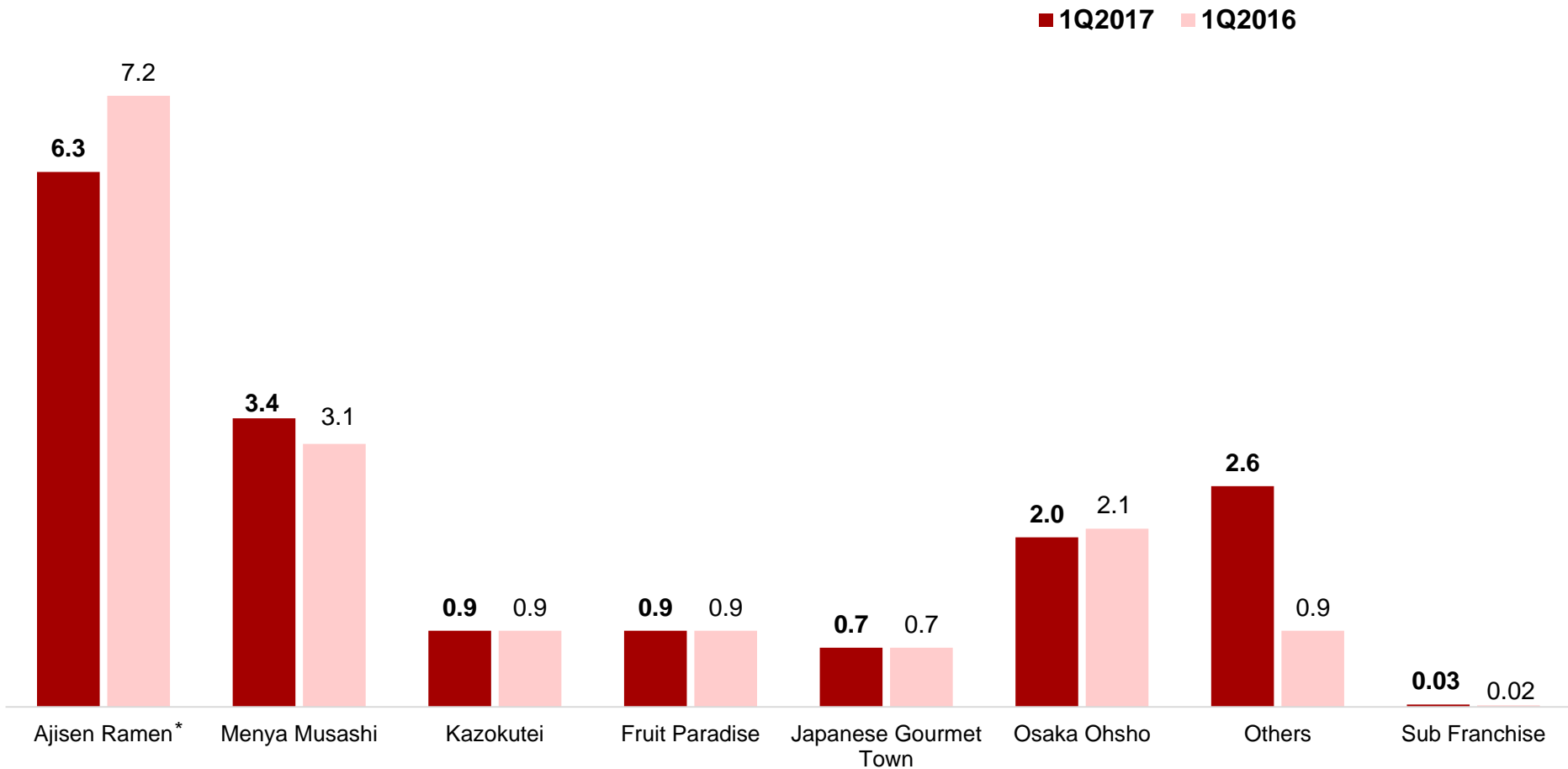
# Financial Highlights – 1Q2017/2016

<b>S\$' m (Three months ended 30 June 2016)</b>	<b>1Q2017</b>	<b>1Q2016</b>	<b>Change (%)</b>
Revenue	16.8	15.8	↑ 6.4
Gross Profit	14.2	13.2	↑ 7.5
Gross Profit Margin (%)	84.5	83.6	↑ 0.9 pts
EBIT	1.6	1.3	↑ 23.1
EBIT margin (%)	9.4	8.0	↑ 1.4 pts
EBITDA	2.9	2.6	↑ 11.5
EBITDA margin (%)	17.3	16.4	↑ 0.9 pts
Net Profit After Tax (NPAT)	1.3	1.1	↑ 24.1
NPAT Margin (%)	7.8	6.6	↑ 1.2 pts
Earnings Per Share (S'pore cents)	0.75	0.60	↑ 25.0
Return on Equity (%)	4.1	3.5	↑ 0.6 pts

# Revenue (S\$' m)



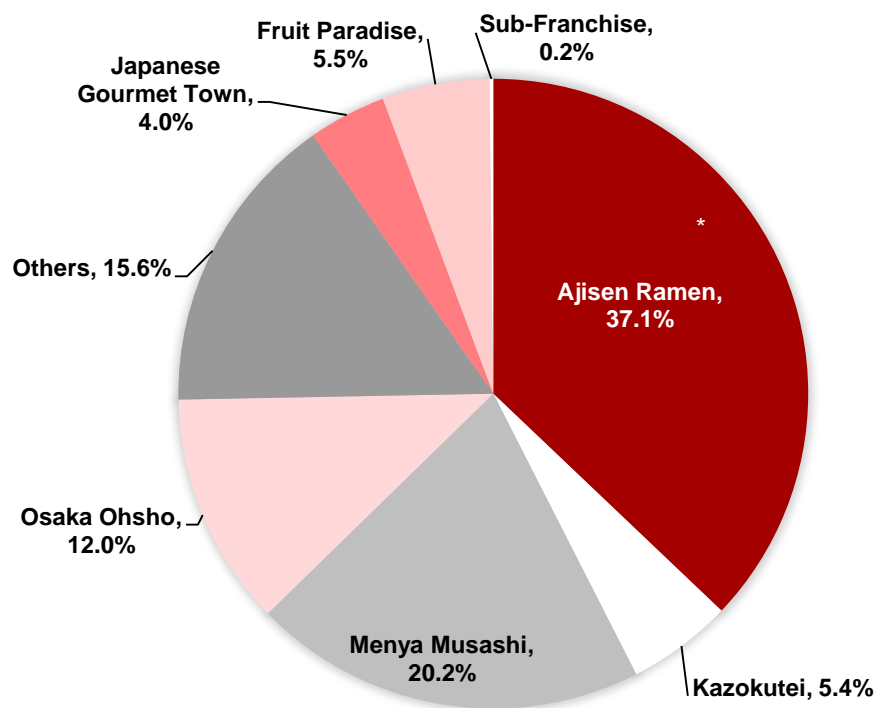
# Revenue Mix by Brands (S\$' m)



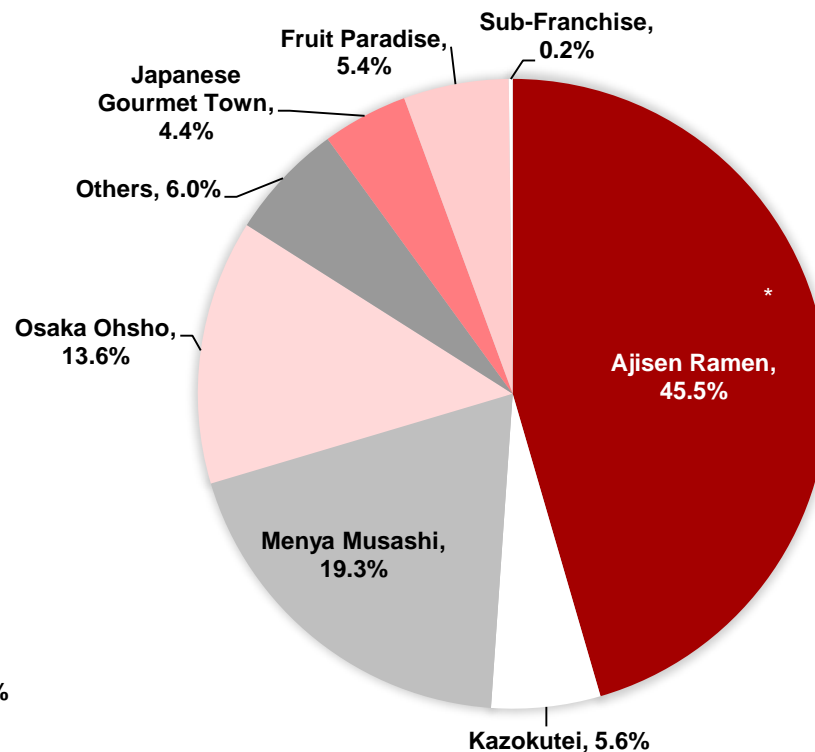
\* Includes Keika Ramen

# Revenue Breakdown

1Q2017



1Q2016



\* Includes Keika Ramen

# Performance of Flagship Brands

## AJISEN RAMEN

20 outlets  
contributed  
S\$7.1m



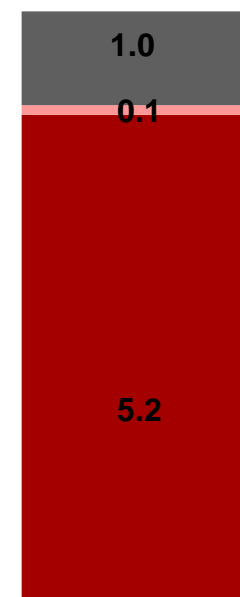
1Q2015

19 outlets\*\*  
contributed  
S\$7.2m



1Q2016

19 outlets\*  
contributed  
S\$6.3m



1Q2017

\*include 2 Keika outlets  
\*\* include 1 Keika outlet

■ Existing Outlets   ■ Closed Outlets   ■ New Outlets

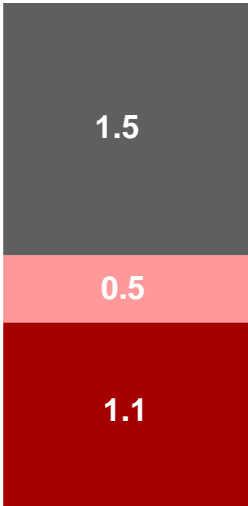
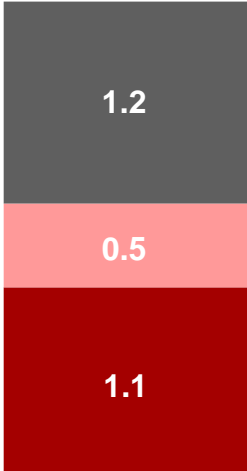
# Performance of Flagship Brands

## MENYA MUSASHI

8 outlets  
contributed  
S\$2.8m

9 outlets  
contributed  
S\$3.1m

8 outlets  
contributed  
S\$3.4m



1Q2015

1Q2016

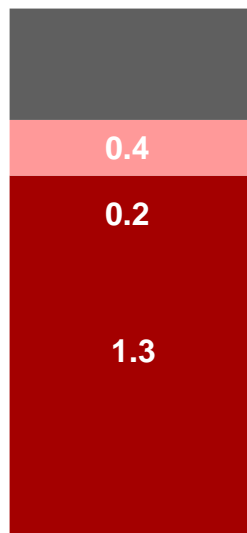
1Q2017

■ Existing Outlets ■ Closed Outlets ■ New Outlets

# Performance of Flagship Brands

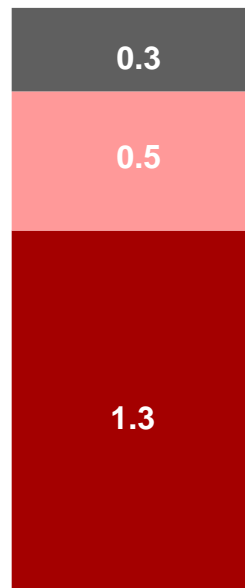
## OSAKA OHSHO

5 outlets  
contributed  
S\$1.9m



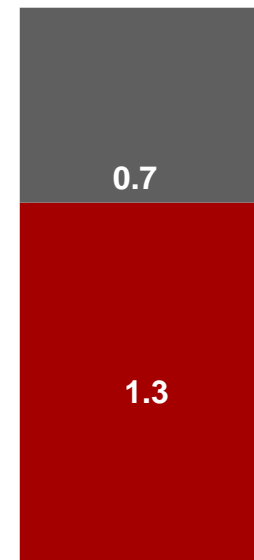
1Q2015

7 outlets  
contributed  
S\$2.1m



1Q2016

6 outlets  
contributed  
S\$2.0m

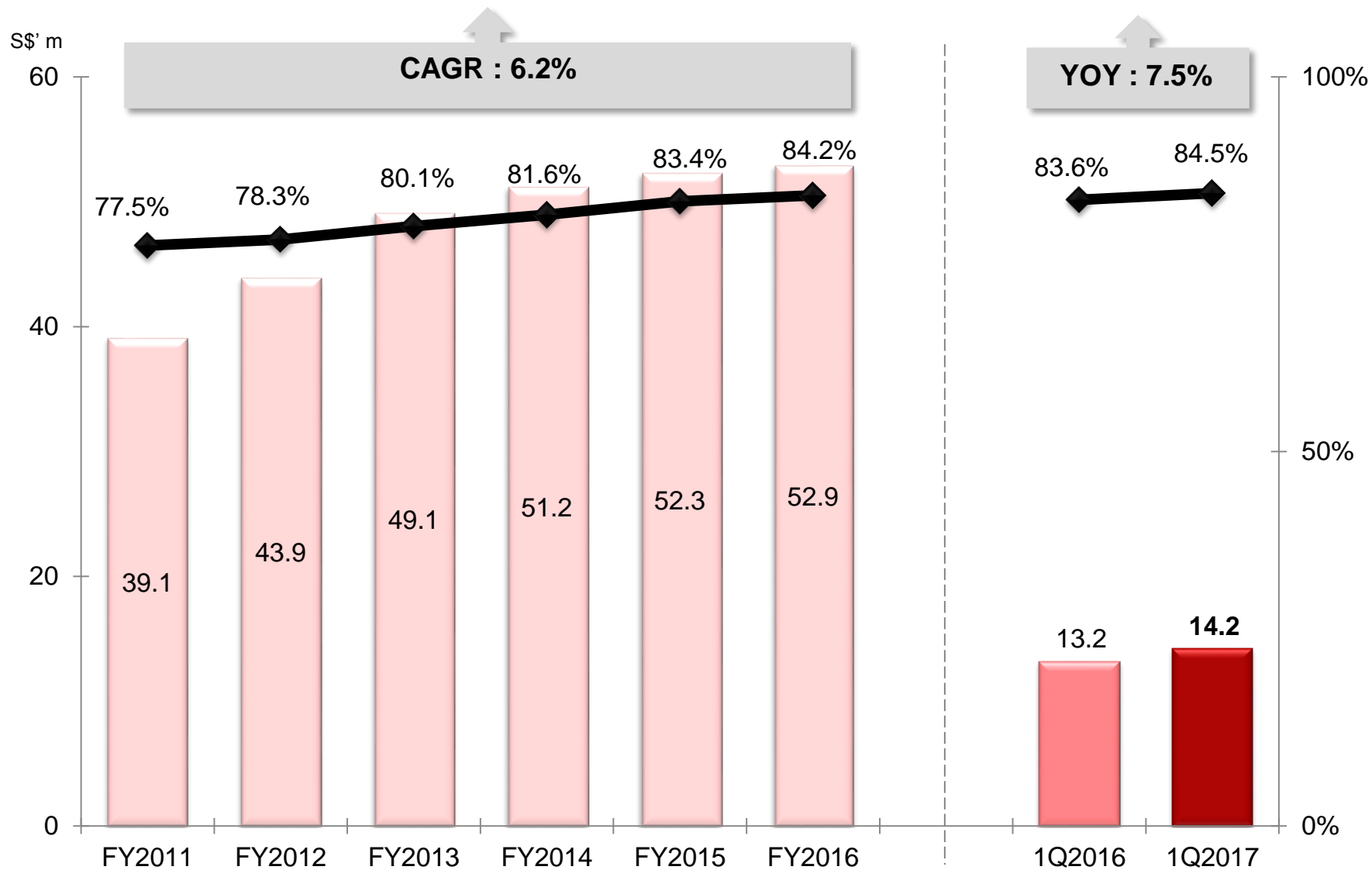


1Q2017

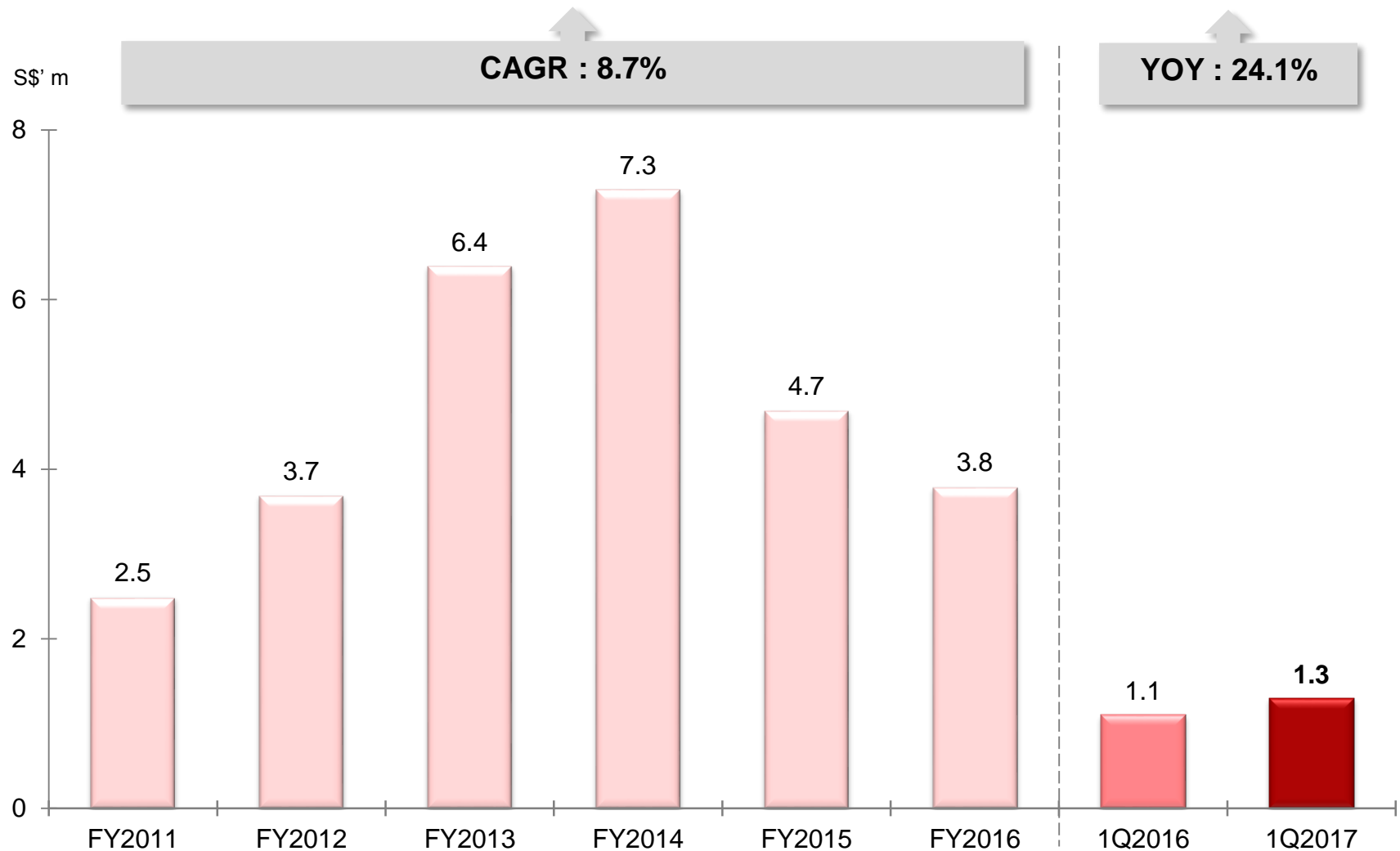
■ Existing Outlets ■ Closed Outlets ■ New Outlets



# Gross Profit and Gross Profit Margin



# Net Profit



# Cash Flow

<b>S\$ 'm</b>	<b>3 months ended 30 June 2016</b>	<b>3 months ended 30 June 2015</b>	<b>Change (%)</b>
<b>Net cash provided by operating activities</b>	<b>3.8</b>	<b>2.7</b>	<b>↑ 40.7</b>
<b>Net cash used in investing activities</b>	<b>(1.4)</b>	<b>(1.2)</b>	<b>↑ 16.7</b>
<b>Net cash used in financing activities</b>	<b>(0.3)</b>	<b>-</b>	<b>NM</b>
<b>Net increase in cash and cash equivalents</b>	<b>2.2</b>	<b>1.5</b>	<b>↑ 46.7</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>15.1</b>	<b>14.2</b>	<b>↑ 6.3</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>17.2</b>	<b>15.7</b>	<b>↑ 9.6</b>

# Key Financial Ratios

	As at 30 June 2016	As at 31 March 2016	Change (%)
Cash and cash equivalents (S\$m)	19.3	16.9	↑ 14.2
Total assets (S\$m)	41.2	38.9	↑ 5.9
Total equity (S\$m)	32.2	30.9	↑ 4.2
Net cash ratio (%)	59.9	54.7	↑ 5.2 pts
Net asset value per share (S'pore cents) <sup>(1)</sup>	18.49	17.74	↑ 4.2
Net cash per share (S'pore cents) <sup>(1)</sup>	11.1	9.7	↑ 14.4

(1) Computed based on 173,936,000 shares as at 30 June 2016 and 31 March 2016.

# JAPAN FOODS HOLDING LTD.



## Investment Highlights

# Four-Pronged Strategy



## Development of New Concepts

Launch new franchised and self-developed brands



## Overseas Expansion

Via strategic investments such as acquisitions, joint ventures or through a franchise / sub-franchise model



## Cost & Quality Control

Via central kitchen, bulk purchase and economies of scale



## Network Expansion & Consolidation

Grow network prudently and close/convert underperforming outlets

Four-Pronged Strategy

# Investment Highlights



**Established market presence and brand recognition**

**Continuously innovating and introducing new quality cuisine**

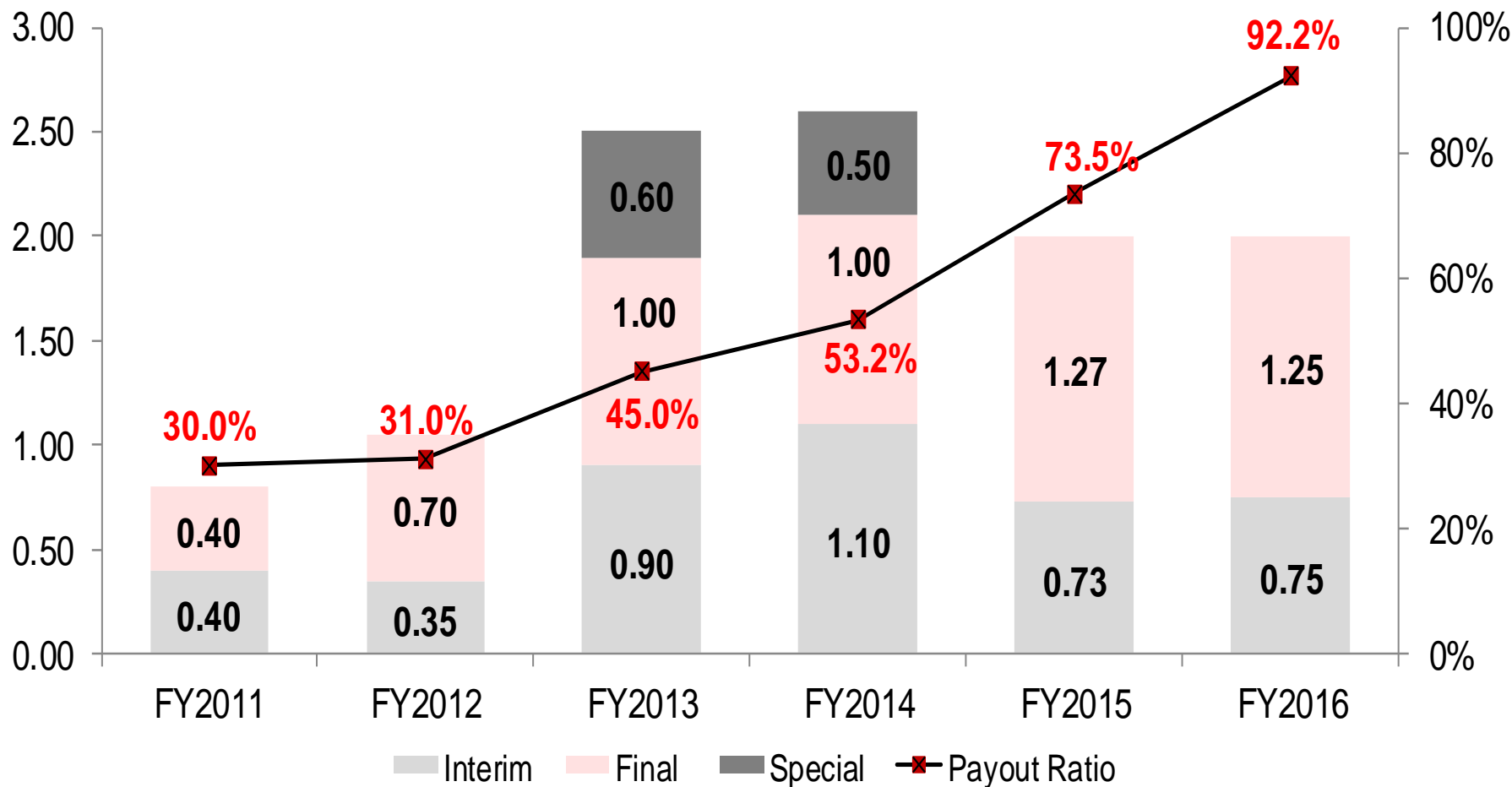
**Scalable business model in Singapore. Intends to seek opportunities to expand its presence in the ASEAN region**

**Target annual dividend payout ratio of not less than 40%**

# Dividend History

Dividend Per Share  
(Singapore cents)

Dividend Payout  
Ratio (%)





# Exploring Regional Opportunities



The Group will continue its efforts to seek opportunities to expand its presence in the ASEAN region by way of joint ventures, acquisitions and/or sub-franchising of its brands.

# JAPAN FOODS HOLDING LTD.



**Thank You**