

**JAPAN FOODS
HOLDING LTD.**



**1H FY2023
Results
Presentation**

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JAPAN FOODS HOLDING LTD.



1H FY2023 Overview

Performance at a Glance

6 months ended 30 Sep 2022

1H FY2023:	Revenue S\$38.0 million -----	Gross Profit S\$32.2 million -----
1H FY2022:	S\$21.2 million	S\$17.8 million
1H FY2023:	Net Profit / (Loss) S\$2.3 million -----	EBITDA S\$14.8 million -----
1H FY2022:	(S\$1.6 million)	S\$8.7 million

Note:

All financial figures have been rounded

Network (as at 30 Sep 2022)



60

Self-operated restaurants
in Singapore

3

Restaurants operated by
joint venture company in
Singapore

18

Restaurants through associated
companies in China, Hong
Kong and Indonesia

1

Restaurant operated by
joint venture company in Japan

Singapore Network

Franchise Brands	As at 30 September	As at 30 September
	2022	2021
Ajisen Ramen	13	13
Konjiki Hototogisu	7	7
Shitamachi Tendon Akimitsu	5	4
Menya Musashi	4	4
Osaka Ohsho	4	4
Afuri	2	2
Yonehachi	2	2
Kazokutei	1	1
Menzo Butao	1	1
New ManLee Bak Kut Teh	1	1
Kagurazaka Saryo	1	1
Self-Developed Brands		
Tokyo Shokudo*	7	6
Yakiniku Shokudo*	3	-
Fruit Paradise	3	2
Yakiniku Taro	1	-
Edo Shokudo*	1	-
Curry Is Drink	1	1
Ramen Ichiro	1	1
Sho Ryu Ramen	1	2
Tokyo Kitchen*	1	-
TOTAL RESTAURANTS	60	52

* Halal brand



Fast Growing Halal Segment

Opened
18 October 2022



KYOTO SHOKUDO
CAFÉ & UDON
京都食堂

TOKYO SHOKUDO
東京食堂

EDO SHOKUDO
江戸食堂

焼肉食堂
YAKINIKU SHOKUDO

タキキッチン
Tokyo Kitchen
Japanese-Western

- ✓ **Doubled number of Halal restaurants:**
 - From 6 in 1H FY2022 to 12 restaurants in 1H FY2023
- ✓ **Growing portfolio of Halal brands**
 - Increased from 1 Halal brand in 1H FY2022 to 5 as at October 2022
 - Latest addition is “Kyoto Shokudo”, which is a café serving Japanese-style matcha desserts and udon
- ✓ **Increasing contribution to revenue**
 - Contributed net revenue increase of S\$6.4m in 1H FY2023 as compared to 1H FY2022

New Highlights in Non-Halal Segment



Introducing “Yakiniku Taro” ^{New!}

- ✓ Latest self-developed brand
- ✓ Features “yakiniku” or Japanese-style grill
- ✓ Caters to meat lovers and features different cuts of beef including wagyu, and chicken
- ✓ Offers choice of signature dipping sauces for a meat fest
- ✓ First restaurant opened at Downtown East in July 2022
- ✓ Demonstrates ongoing commitment to keep brand portfolio invigorated

Business Update: Associated Companies & JVs

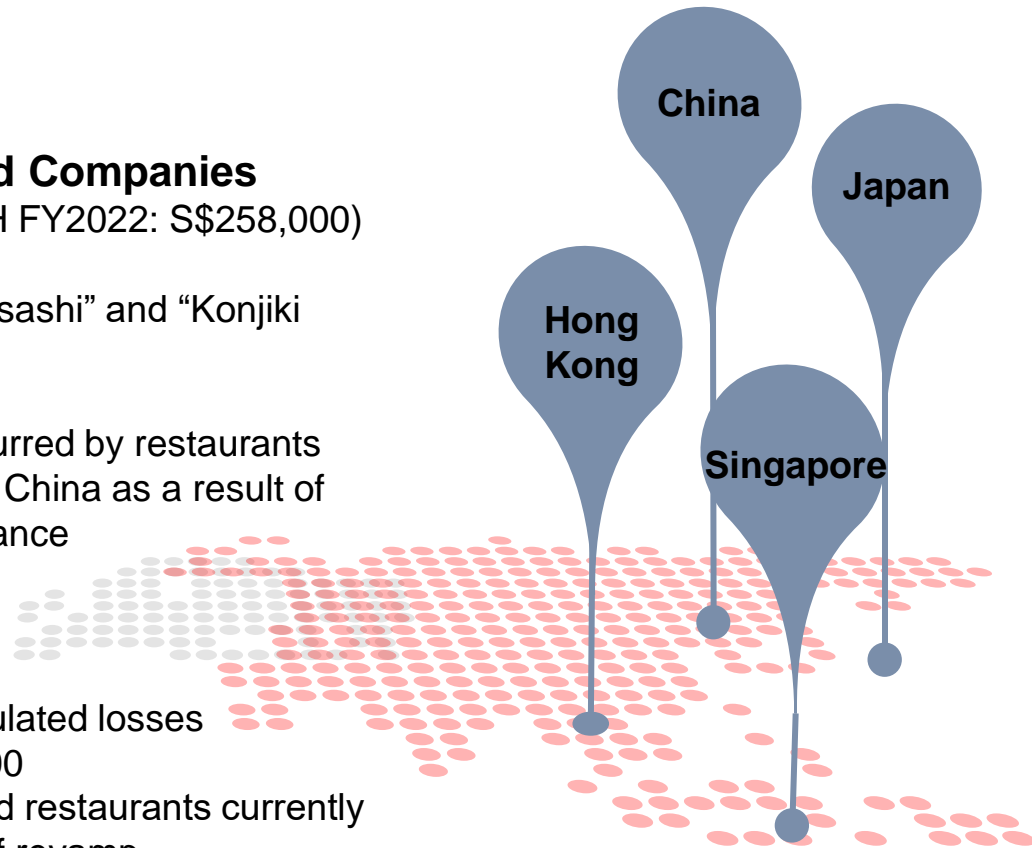
(as at 30 Sep 2022)

Weaker performance from Associated Companies

- 1H FY2023 share of profit: S\$155,000 (1H FY2022: S\$258,000) due mainly to:
 - **Hong Kong:** Profit from “Menya Musashi” and “Konjiki Hototogisu” brand restaurants
 - **China:** Partially offset by losses incurred by restaurants under the same brands operating in China as a result of the country’s strict zero Covid-19 stance

Progress of Joint Ventures

- No share of loss in 1H FY2023 as accumulated losses exceeded capital contribution of S\$100,000
 - **Singapore:** Three “Pizzakaya” brand restaurants currently in loss position and in the process of revamp
 - **Japan:** First Tokyo store “Siam Smith” commenced operations in August 2022 when the country had yet to fully lift its Covid-19 restrictions



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1H FY2023 Financial Highlights

Financial Highlights

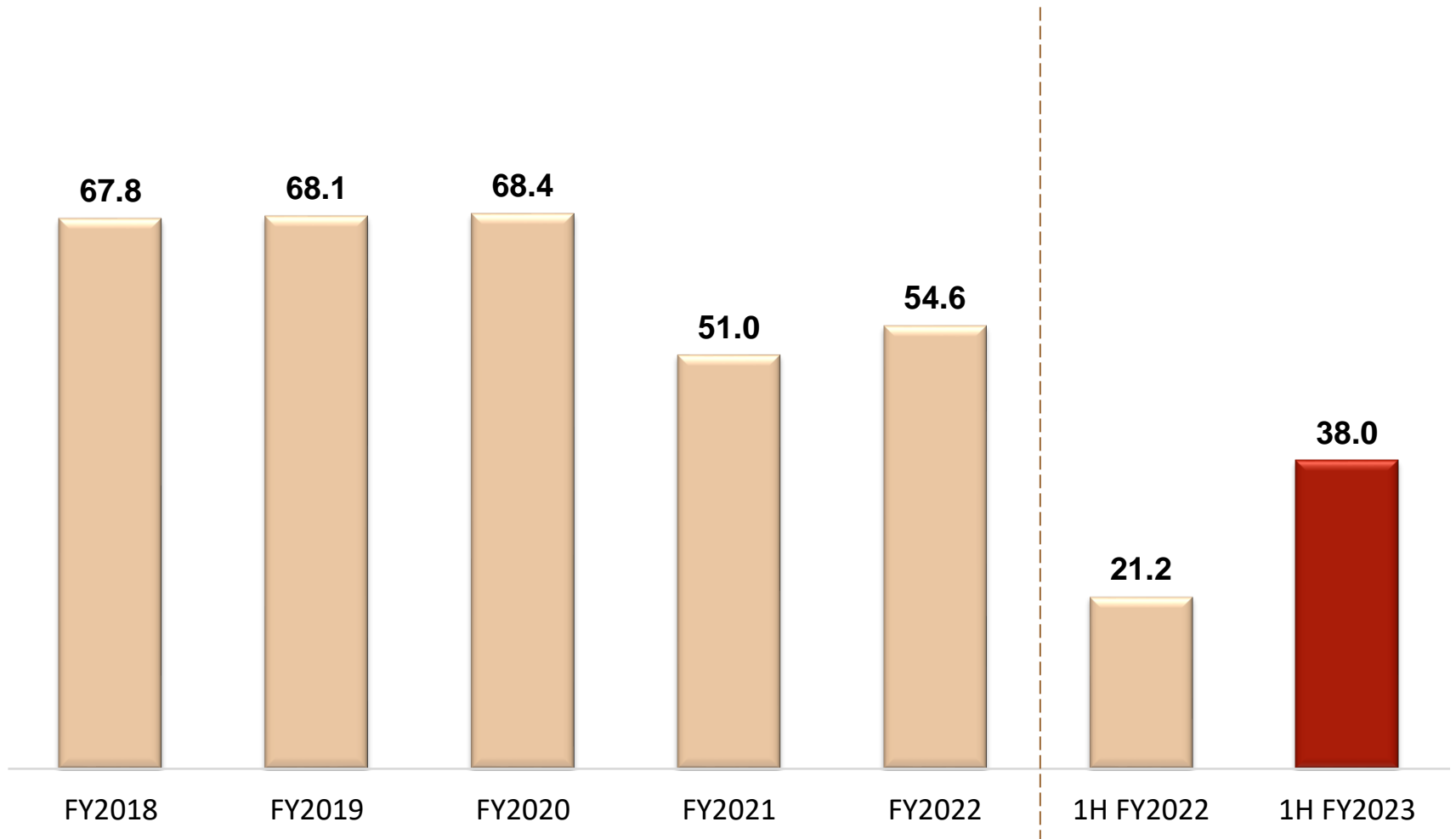
S\$' m	Six months ended 30 September		
	1H FY2023	1H FY2022	Change (%)
Revenue	38.0	21.2	▲ 79.0
Gross Profit	32.2	17.8	▲ 80.9
Gross Profit Margin (%)	84.7	83.8	▲ 0.9 percentage pts
EBIT	3.4	(1.2)	NM
EBIT margin (%)	8.9	(5.7)	NM
EBITDA	14.8	8.7	▲ 70.0
EBITDA margin (%)	38.9	41.0	▼ 2.1 percentage pts
Net Profit / (Loss) After Tax (NPAT)	2.3	(1.6)	NM
Earnings / (Loss) Per Share ^a (S'pore cents)	1.34	(0.94)	NM

Note:

All financial figures have been rounded

a) EPS was computed based on the weighted average number of shares of 174,424,000 shares and 174,304,592 shares in 1H FY2023 and 1H FY2022 respectively

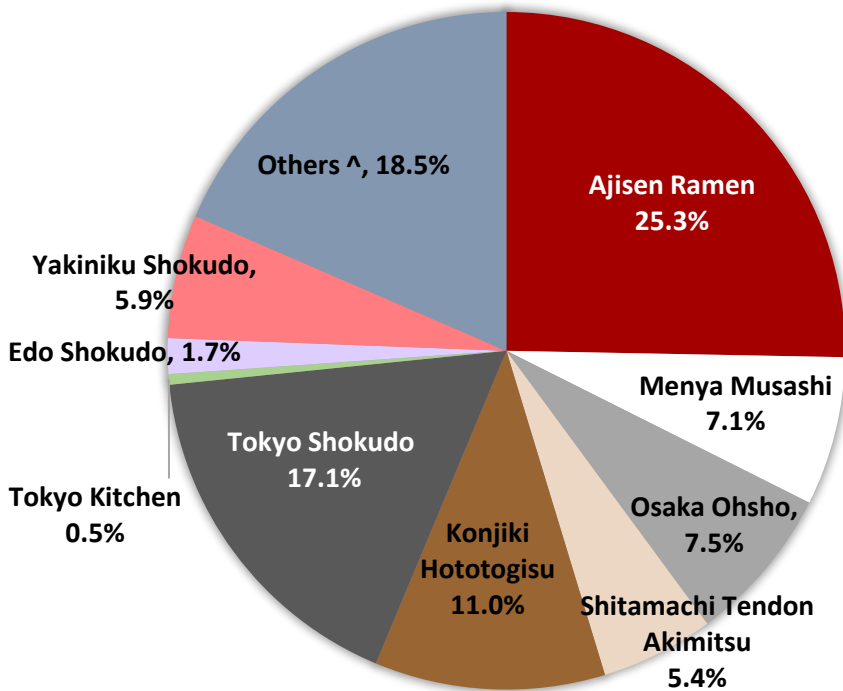
Revenue (S\$' m)



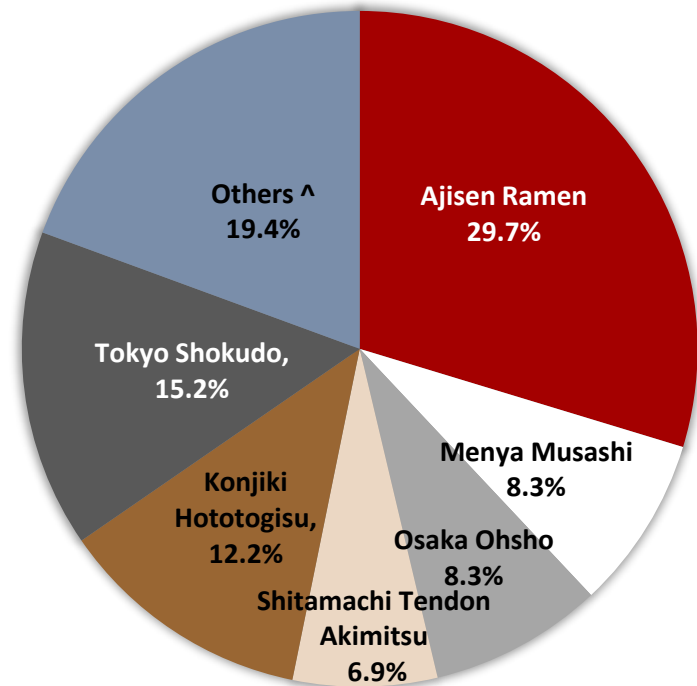
Revenue Breakdown

1H FY2023

Halal brands contributed 25.2% of total revenue



1H FY2022

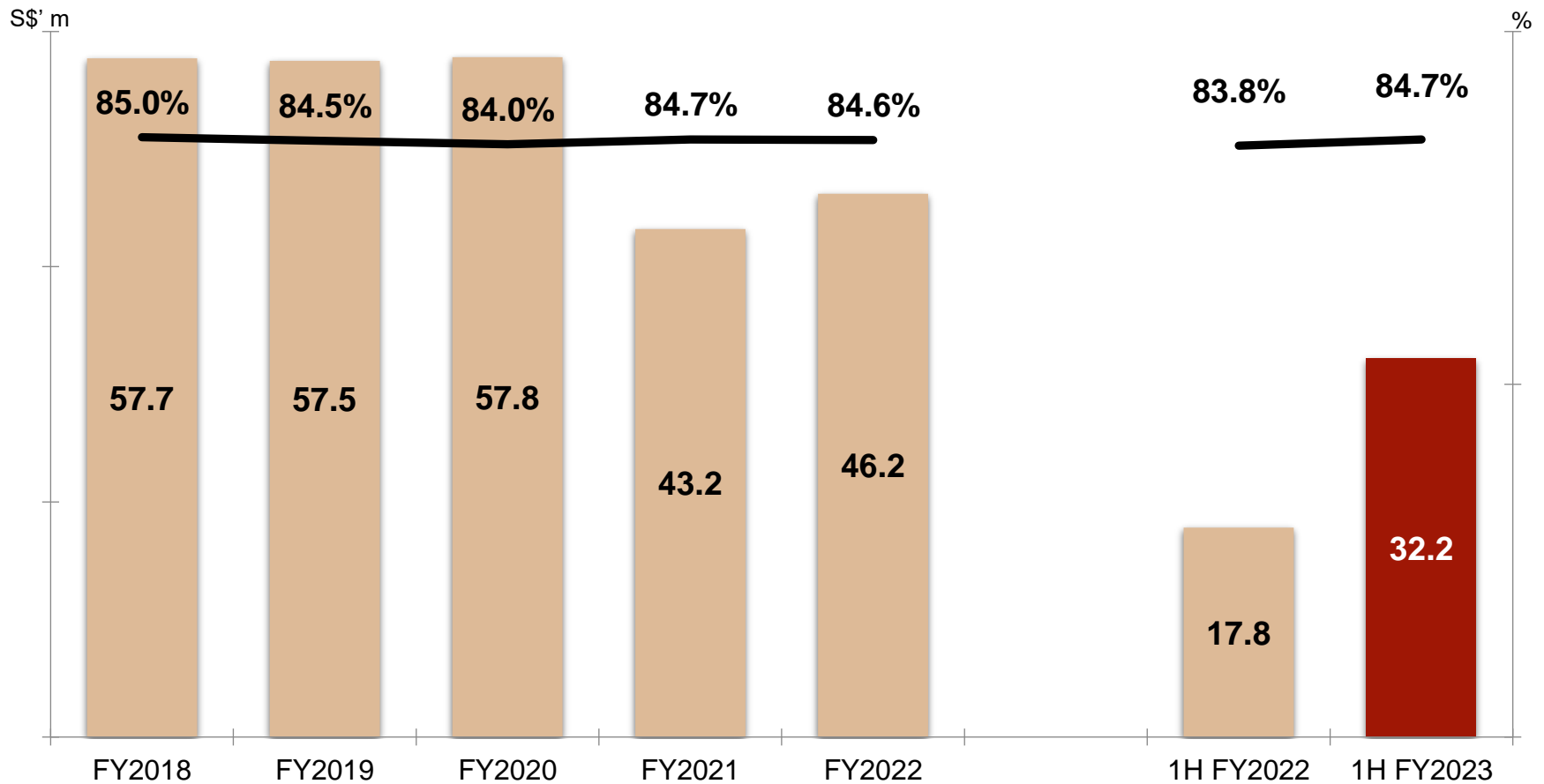


Note:

All figures have been rounded

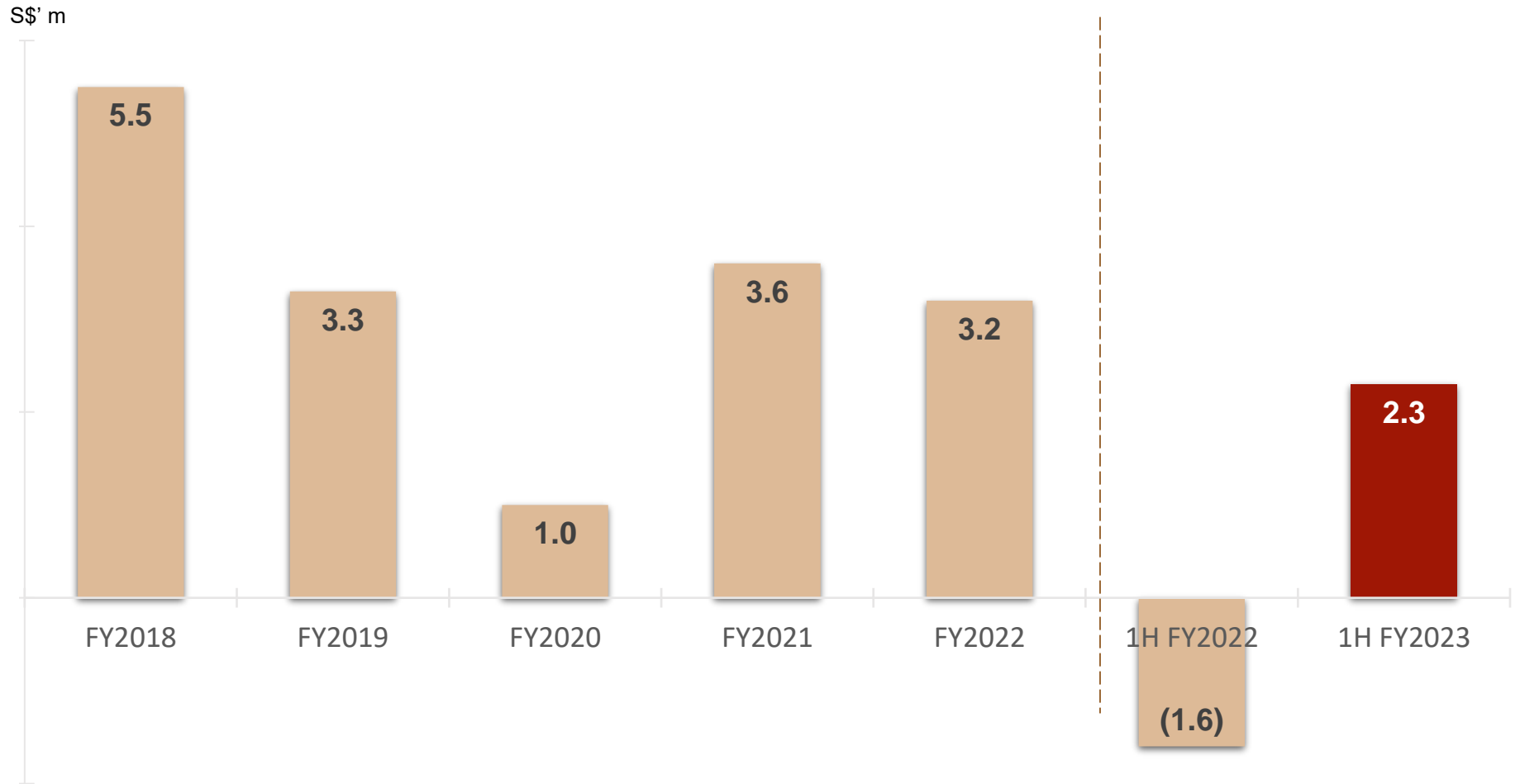
^ Includes the impact of JFH Rewards where reward points known as J\$ earned by members (net of expired points of approximately S\$0.3 million) amounting to S\$0.6 million was deducted from the corresponding revenue recognised in 1H FY2023 in accordance with the relevant accounting standard (as compared to S\$0.3 million in 1H FY2022)

Gross Profit (S\$m) & Gross Profit Margin (%)



Note:
All financial figures have been rounded

Net Profit (S\$' m)



Note:
All financial figures have been rounded

Cash Flow

S\$m	6 months ended 30 Sep 2022	6 months ended 30 Sep 2021	Change (%)
Net cash generated from operating activities	15.2	8.5	▲ 79.5
Net cash used in investing activities	(2.1)	(1.9)	▲ 8.5
Net cash used in financing activities	(12.8)	(11.7)	▲ 8.6
Net increase / (decrease) in cash and cash equivalents	0.3	(5.2)	NM
Cash and cash equivalents at beginning of financial year	19.9	20.6	▼ 3.3
Cash and cash equivalents at end of financial period	20.3	15.4	▲ 31.6

*Note:
All financial figures have been rounded*

Key Financial Ratios

	As at 30 Sep 2022	As at 31 Mar 2022	Change (%)
Cash and bank balances (S\$m)	23.5	23.2	▲ 1.2
Total assets (S\$m)	81.6	77.8	▲ 4.8
Total equity (S\$m)	32.7	32.7	-
Net cash ratio ⁽¹⁾	0.8	0.9	▼ 11.1
Net asset value per share (S'pore cents) ⁽²⁾	18.74	18.75	-
Net cash per share (S'pore cents) ⁽²⁾	13.5	13.3	▼ 1.5

Notes:

All financial figures have been rounded

(1) Net cash ratio is calculated by taking the cash and bank balances and dividing that number by the total current liabilities.

(2) Computed based on 174,424,000 shares as at both 30 Sep 2022 and 31 March 2022.

Interim Dividend



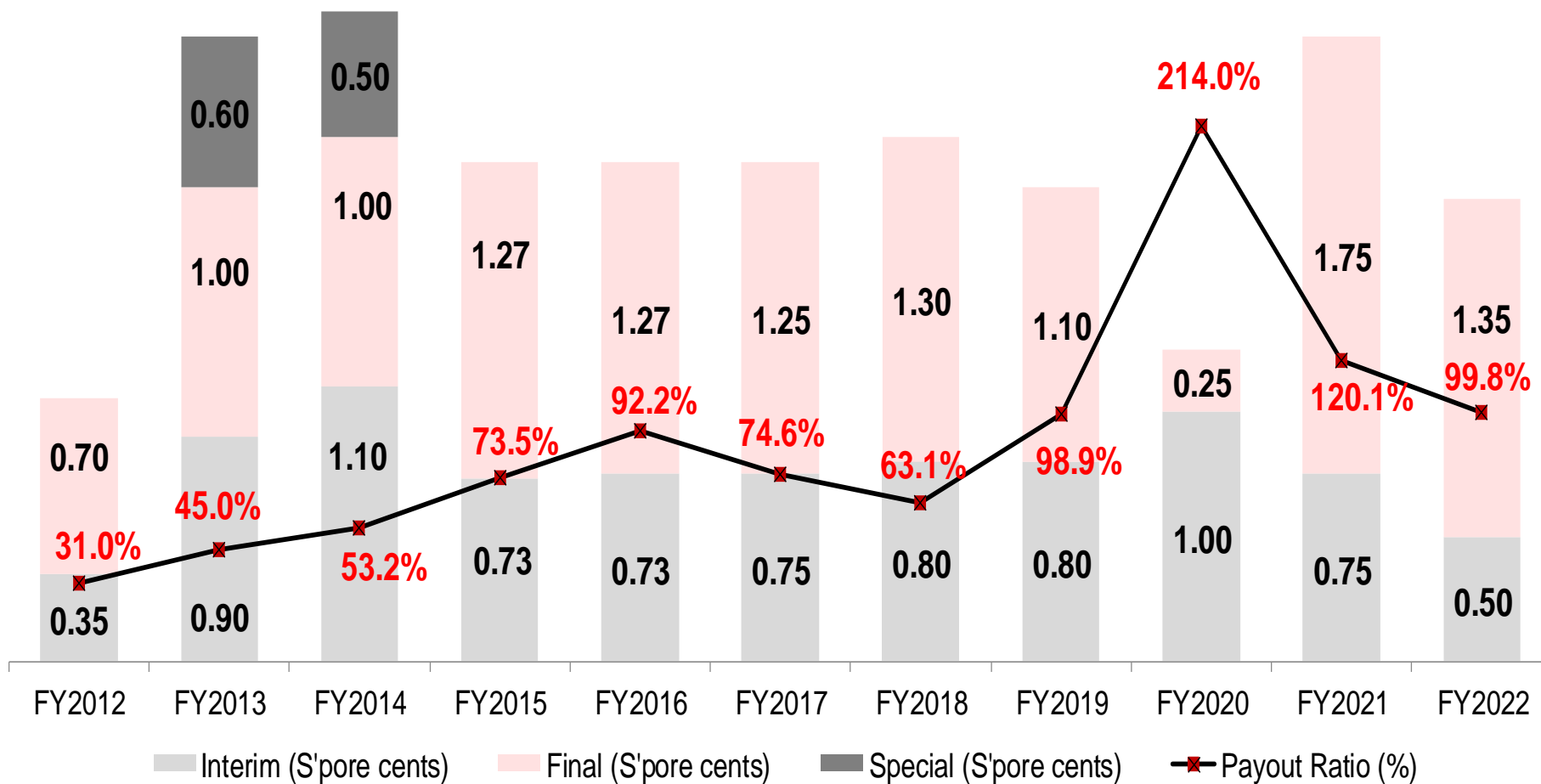
Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (S' pore cents)	1H FY2023: 1.0 cents per ordinary share (1H FY2022: 0.5 cents per ordinary share)
Tax rate	Tax exempt (one-tier)

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Investment Merits & Prospects

Dividend History



Healthy Position Among Peers

	Market Cap (S\$' m)	Price (S\$)	Net profit margin (%)	ROE (%)	Net Debt / Equity (times)	P/E (times)	Div yield (%)
Japan Foods	73.3	0.420	5.9	9.9	-	22.7	4.4
ABR Holdings	86.4	0.430	3.3	2.6	-	34.8	2.3
Sakae Holdings	16.4	0.118	6.2	1.8	0.6	15.5	4.3
Soup Restaurant	25.1	0.090	2.6	7.4	-	32.5	2.2
Tung Lok Restaurant	35.7	0.130	(3.5)	-	0.7	-	-
Katrina	7.4	0.032	(0.4)	-	-	-	-
Jumbo	160.6	0.250	(14.4)	-	0.2	-	-
RE&S Holdings	85.0	0.240	6.1	23.8	1.1	9.0	7.1
Kimly Limited	422.6	0.340	16.5	29.4	0.4	10.8	3.9
No Signboard Holdings	14.3	0.031	(115.3)	-	-	-	-

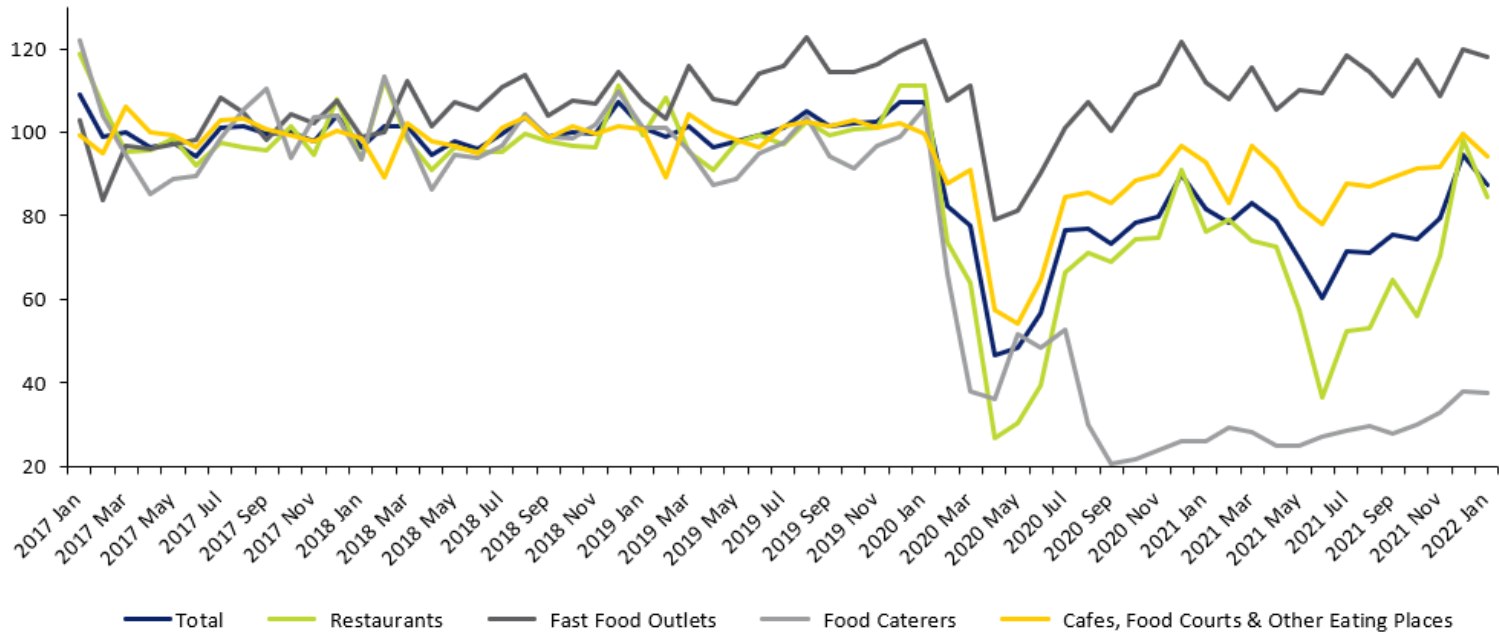
Source: ShareInvestor.com, data as at 9 November, 11am

All figures have been rounded

Japan Foods, Tung Lok – FYE 31 Mar RE&S Holdings – FYE 30 Jun No Signboard, Kimly – FYE 30 Sep Rest of peers – FYE 31 Dec

Prospects – Recovery on the Cards

Singapore F&B Services Index (2017 = 100) rebounding off lows in mid 2020



- Gradual easing of COVID-19 measures since the start of the year was an inflection point for the domestic F&B sector.
- Jan 2022: Sales declined 3.5% m-o-m but up 9.5% y-o-y
Mar 2022: Sales up 4.7% y-o-y
- Expected to continue to improve with full easing of dining restrictions since August 2022.

Source: Singstat

Business Strategy Amidst Macro Challenges



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Thank You!

