



# **JAPAN FOODS HOLDING LTD.**

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## **Corporate Presentation HY2024**

6 months ended  
30 September 2023

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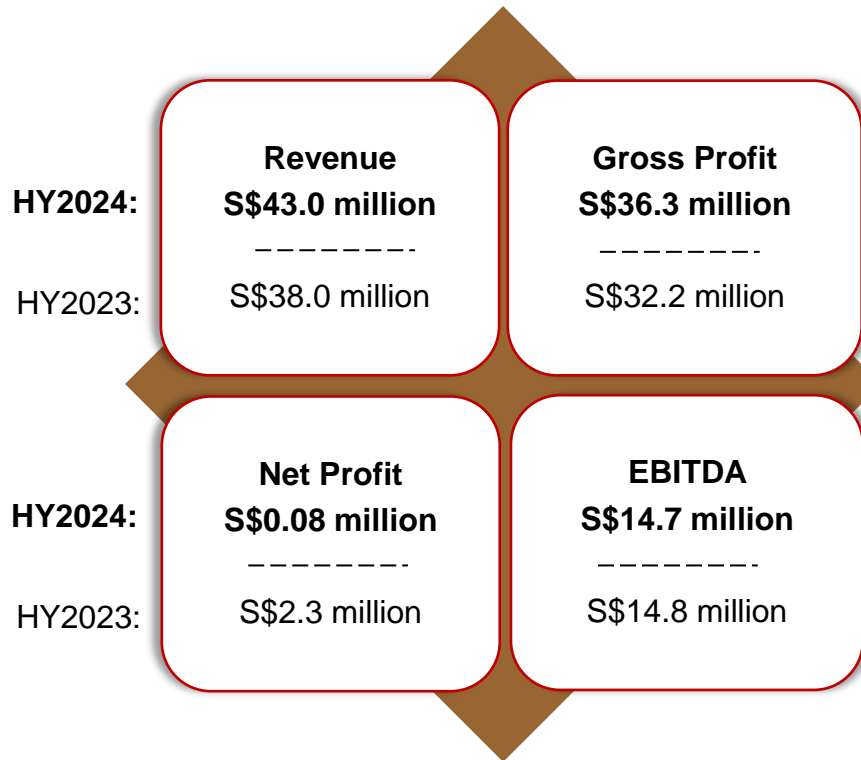
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## **Overview of HY2024**

# Performance at a Glance

6 months ended 30 September 2023



**Note:**  
*All financial figures have been rounded*

# Network (as at 30 September 2023)



**72**

Self-operated restaurants  
in Singapore

**3**

Restaurants operated by  
joint venture company in  
Singapore

**17**

Restaurants through associated  
companies in China, Hong  
Kong and Indonesia

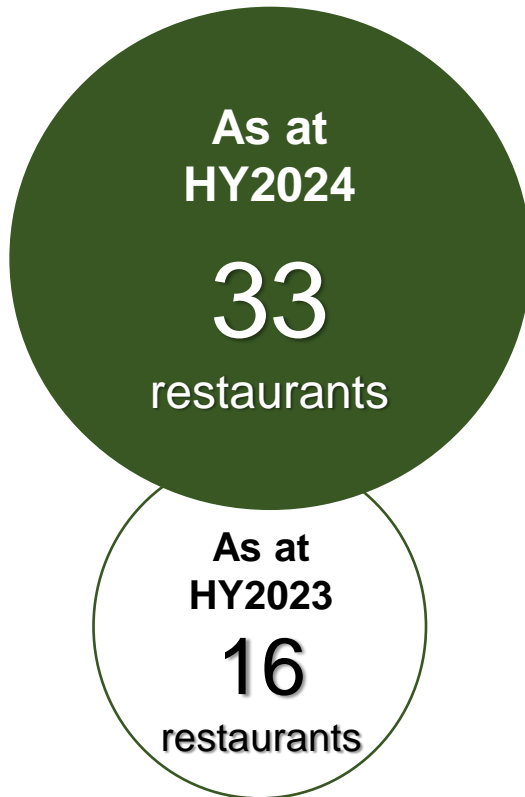
**1**

Restaurant operated by  
sub-franchisee in Malaysia

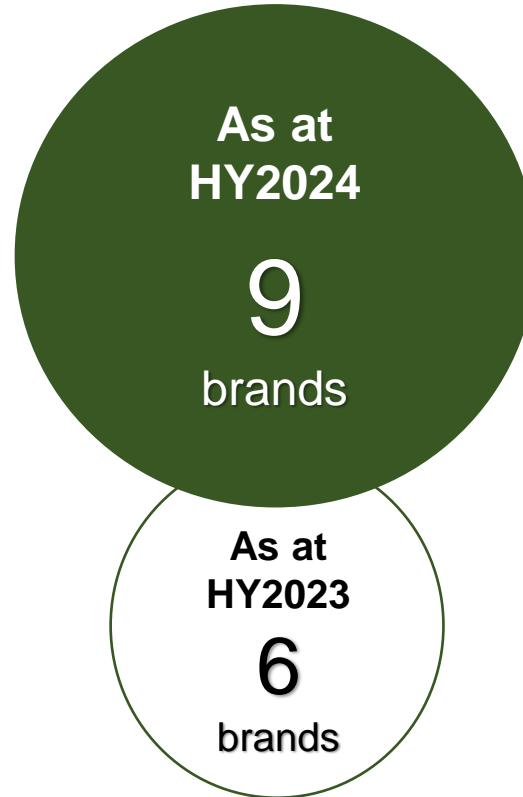


# HY2024 Network Highlights - Halal segment

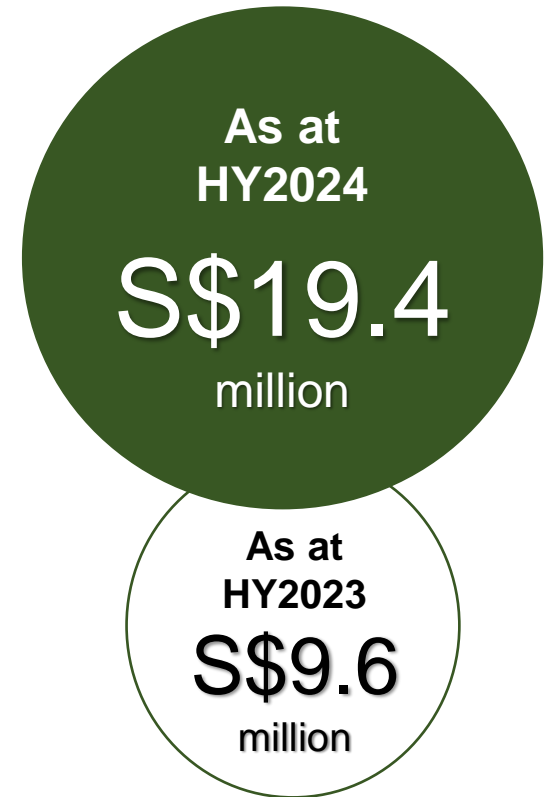
No. of Restaurants\*  
> Doubled



No. of Brands\*



Revenue  
↑ 102.1%



\* Includes "Fruit Paradise" and "Kagurazaka Saryo" brand and restaurants that have been converted to Halal restaurants.

# New Halal-Concept Brands in HY2024



- Halal-style maze soba – a type of dry ramen topped with a signature sauce mixed with vegetables and chicken or beef
- Opened first outlet in The Centrepoint in July 2023 and second outlet in Changi City Point in August 2023



- Japanese-Italian fusion concept which features hand-made pasta, pizza, doria and grill items
- Opened first outlet in Junction 8 in August 2023 and second outlet in Westgate in October 2023

# HY2024 Network Highlights - Non-Halal segment

**No. of  
Restaurants\***

As at  
HY2024

**39**

restaurants

As at  
HY2023

**44**

restaurants

**No. of  
Brands\***

As at  
HY2024

**12**

brands

As at  
HY2023

**14**

brands

**Revenue  
↓ 16.9%**

As at  
HY2024

**S\$23.6**

million

As at  
HY2023

**S\$28.4**

million

\* Excludes Fruit Paradise\* and "Kagurazaka Saryo" brand and restaurants that were converted to Halal restaurants.



# New Non-Halal Brand in HY2024

- “Tori Sanwa” a 120-year-old brand from Nagoya, Japan
- Specialises in chicken dishes such as oyako-don and fried karaage
- Opened first outlet at Raffles City Mall in August 2023 and second outlet in Great World City in September 2023



# Business Update:

## Restaurants operated by associated companies

### No. of Restaurants\*

As at  
30 Sep 2023

17  
restaurants

As at  
30 Sep 2022

18  
restaurants

### Share of Profit

↑ 71.6%

As at  
30 Sep 2023

S\$266,000

As at  
30 Sep 2022

S\$155,000

#### Hong Kong:

- Higher sales from the “Konjiki Hototogisu” brand restaurants
- HY2024: 10 restaurants (HY2023: 12)

#### China:

- Returned to profitability following the lifting of Covid-19 restrictions
- HY2024 / HY2023: 5 restaurants

#### Indonesia:

- Returned to profitability post-Covid
- Opened second outlet
- HY2024: 2 restaurants (HY2023: 1)

\* Restaurants operated by associated companies are under the “Menya Musashi” and “Konjiki Hototogisu” brands.

# JVC Updates

## Singapore



## Japan



- **Singapore:** Currently operating 2 “Pizzakaya” brand restaurants and 1 “Extra Virgin Pizza” brand restaurant
- **Japan:** Will cease operations of 1 “Siam Smith” brand restaurant in Tokyo from November 2023



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## **HY2024 Financial Highlights**

# Financial Highlights

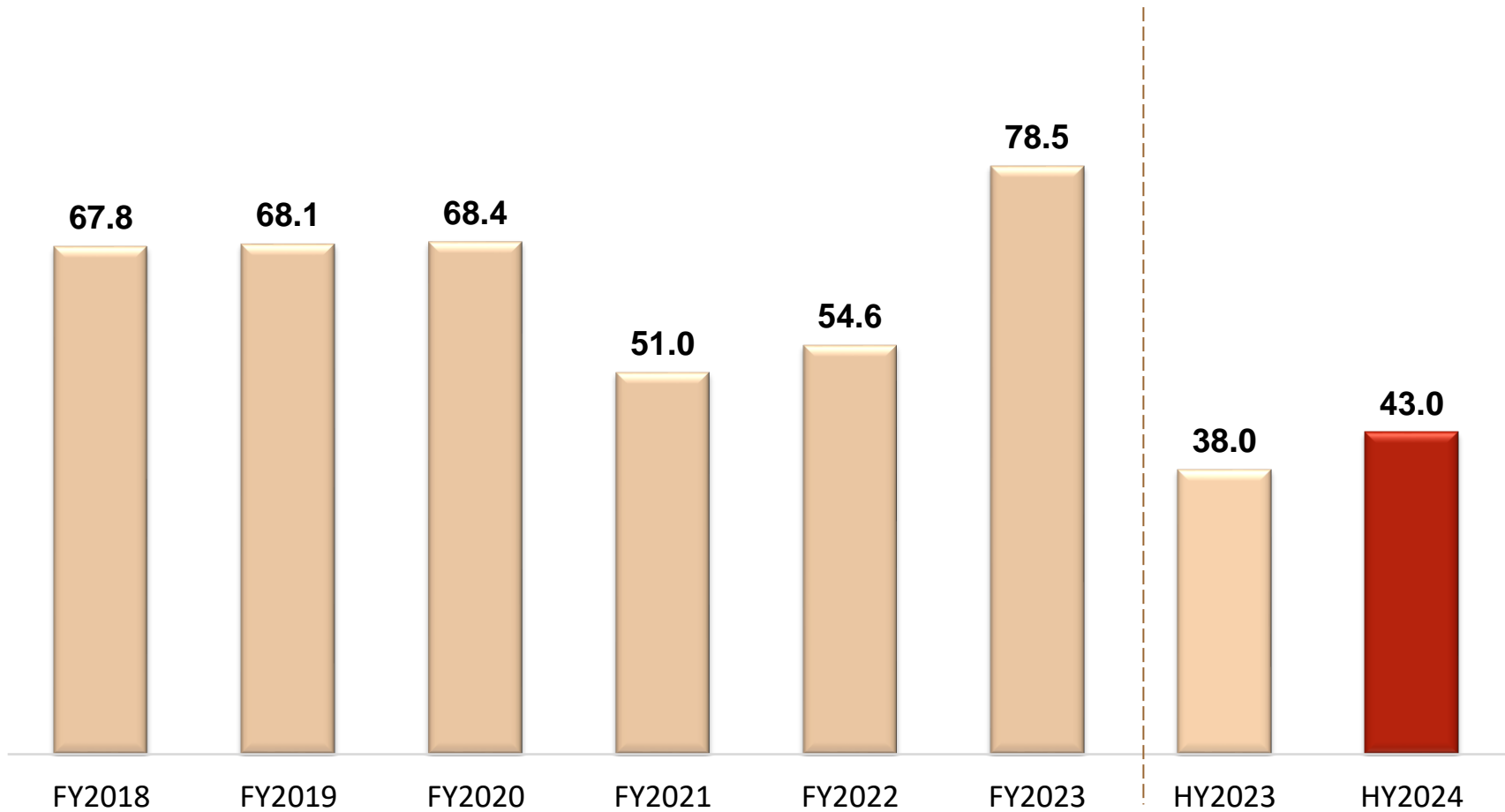
S\$' m	6 months ended 30 September		
	HY2024	HY2023	Change (%)
Revenue	43.0	38.0	13.2
Gross Profit	36.3	32.2	12.8
Gross Profit Margin (%)	84.4	84.7	(0.3% pt)
EBIT	0.9	3.4	(73.5)
EBIT margin (%)	2.1	8.9	(6.8% pt)
EBITDA	14.7	14.8	(0.7)
EBITDA margin (%)	34.2	38.9	(4.7% pt)
Net Profit After Tax (NPAT)	0.1	2.3	(96.5)
NPAT Margin (%)	0.2	6.1	(5.9% pt)
Earnings Per Share <sup>a</sup> (S'pore cents)	0.05	1.34	(96.3)

Note: All financial figures have been rounded

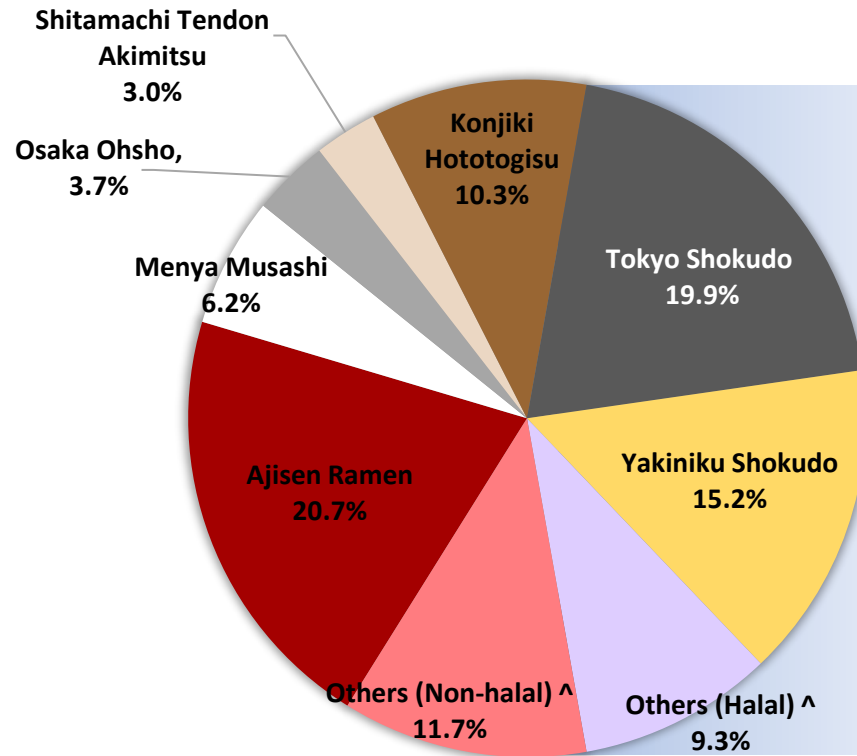
a) EPS was computed based on the weighted average number of shares of 174,275,581 shares and 174,424,000 shares in HY2024 and HY2023 respectively.



# Revenue (S\$m)



# Revenue Breakdown



**HY2024**

**Halal brands contributed  
45.0% of total revenue**

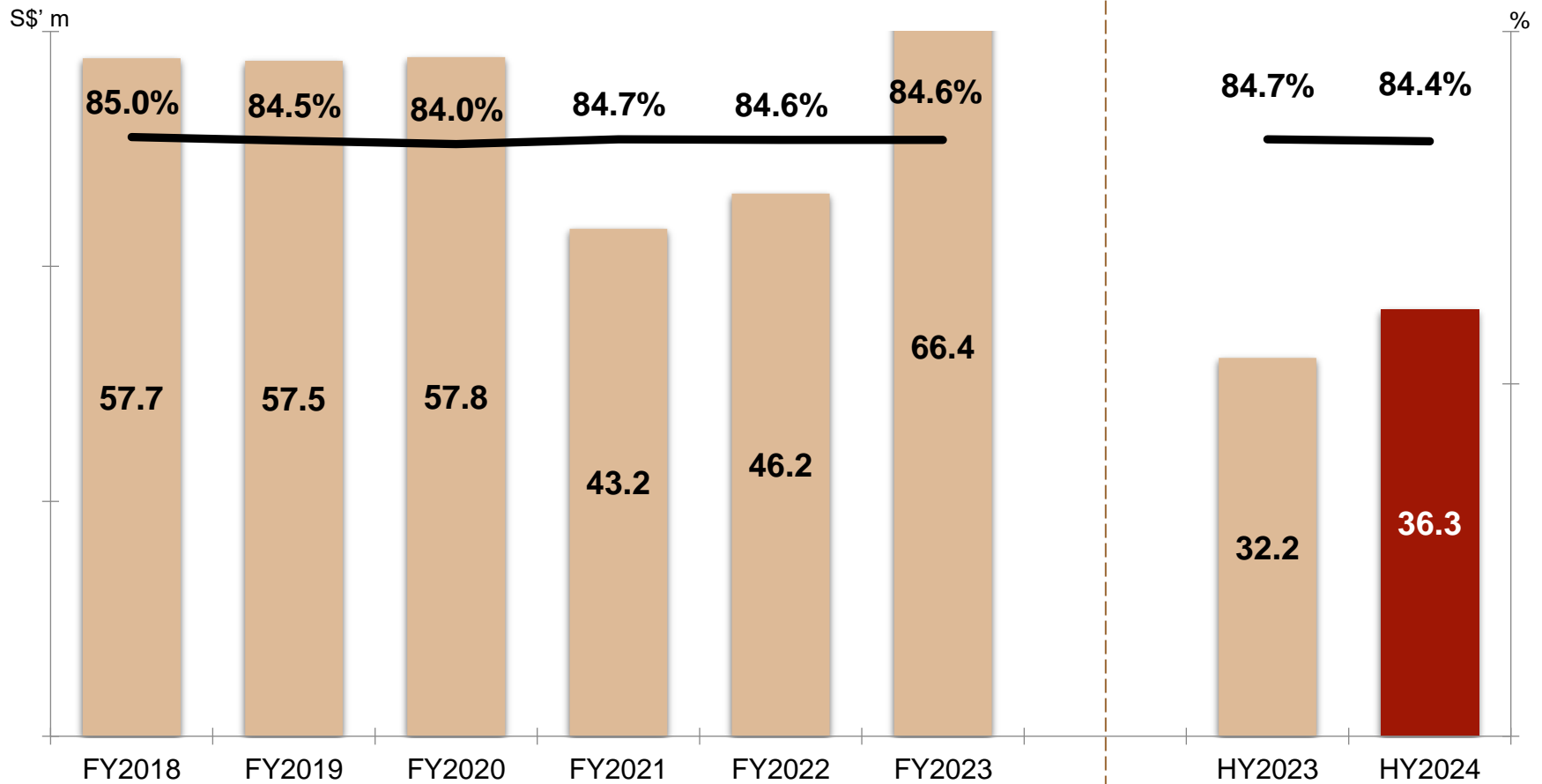
**(HY2023: 25.2%)**

**Note:**

**All figures have been rounded**

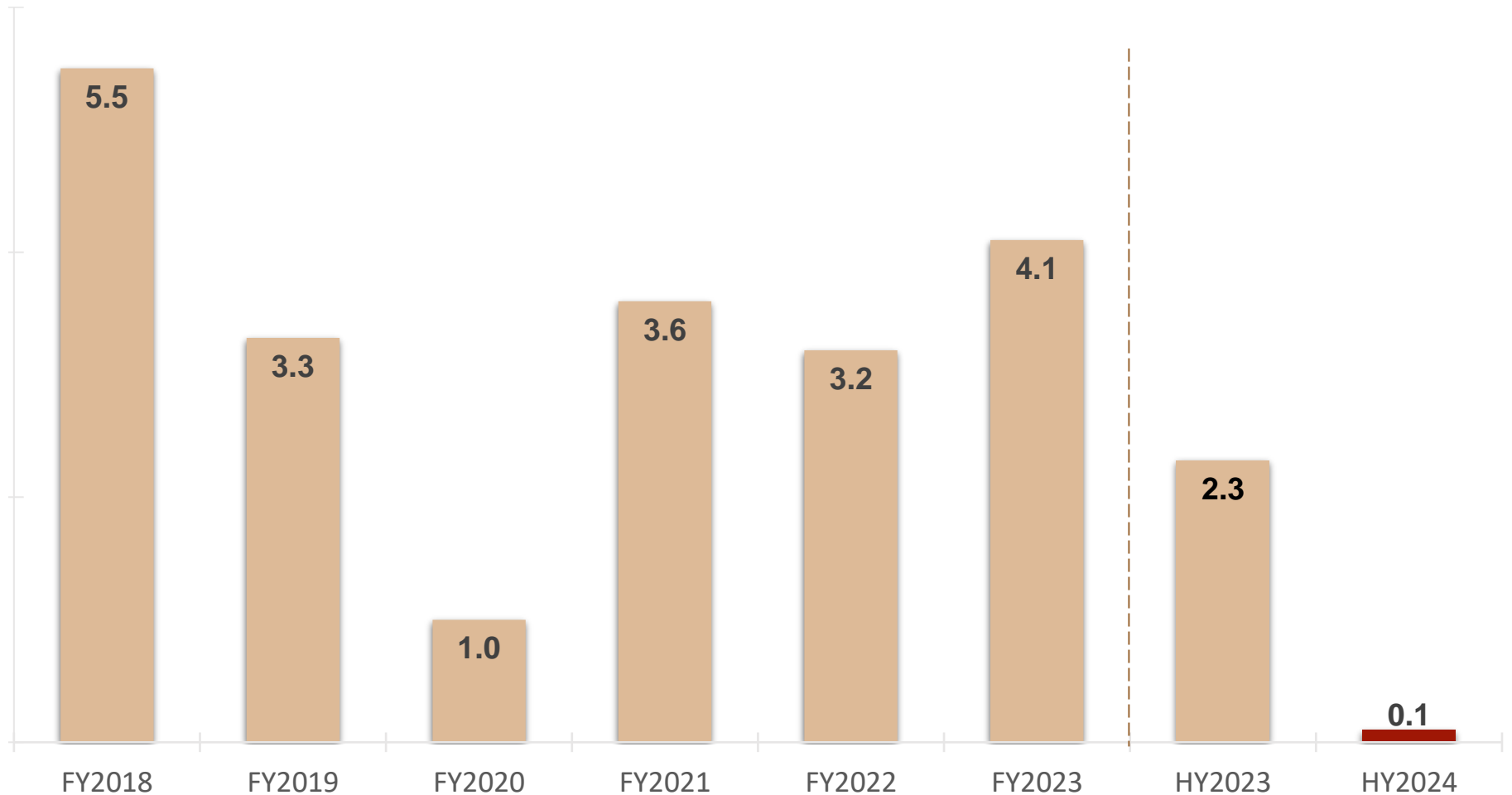
^ Includes the impact of JFH Rewards where reward points known as J\$ earned by members (net of expired points of approximately S\$0.1 million) amounting to S\$0.7 million was deducted from the corresponding revenue recognised in HY2024 in accordance with the relevant accounting standard (as compared to S\$0.6 million in HY2023)

# 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	HY2024	HY2023	Change (%)
Net cash generated from operating activities	15.4	15.2	▲ 1.3
Net cash used in investing activities	(4.6)	(2.1)	▲ 119.0
Net cash used in financing activities	(14.4)	(12.8)	▲ 12.7
Net increase / (decrease) in cash and cash equivalents	(3.5)	0.3	NM
Cash and cash equivalents at beginning of financial year	15.0	19.9	▼ 24.5
Cash and cash equivalents at end of financial period	11.5	20.3	▼ 43.2

**Note:**

All financial figures have been rounded

NM denotes Not Meaningful



# Key Financial Ratios

	As at 30 Sep 2023	As at 31 Mar 2023	Change (%)
Cash and bank balances (S\$'m)	15.0	18.5	▼ 18.7
Total assets (S\$'m)	86.8	90.6	▼ 4.2
Total equity (S\$'m)	31.0	32.7	▼ 5.4
Net cash ratio <sup>(1)</sup>	0.4	0.6	▼ 31.3
Net asset value per share (S'pore cents) <sup>(2)</sup>	17.8	18.8	▼ 5.3
Net cash per share (S'pore cents) <sup>(2)</sup>	8.6	10.6	▼ 18.6

**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 174,163,800 shares as at 30 September 2023 and 174,394,200 shares as at 31 March 2023.

# Dividend in HY2024



Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (S' pore cents)	HY2024: 0.3 cents per ordinary share (HY2023: 1.0 cents per ordinary share)
Tax rate	Tax exempt (one-tier)
Date payable	15 December 2023

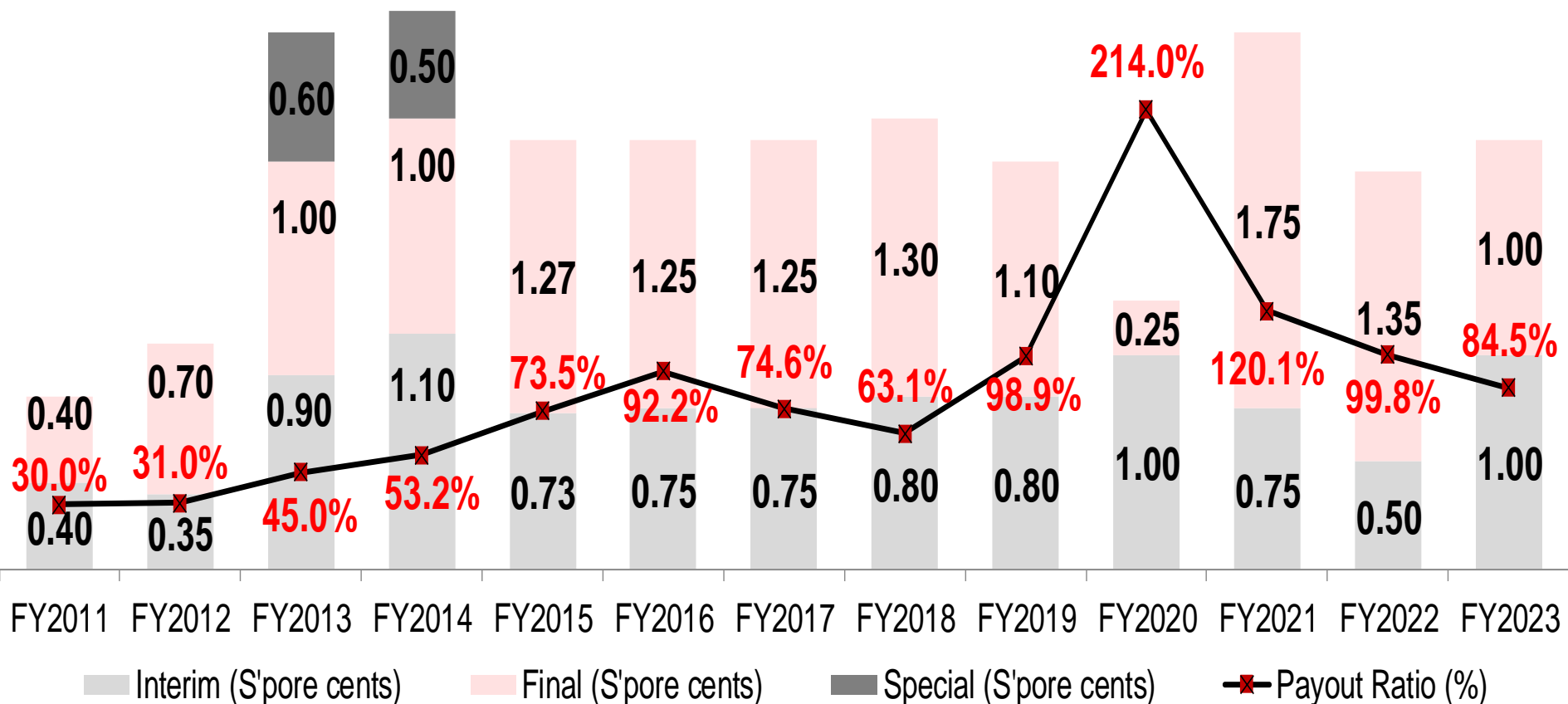


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## **Investment Merits & Prospects**

# 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	66.2	0.380	5.3	12.6	-	16.0	5.3
ABR Holdings	90.5	0.450	2.4	2.5	0.2	37.2	2.2
Sakae Holdings	23.6	0.170	7.6	2.1	0.5	18.3	2.9
Soup Restaurant	21.0	0.075	3.9	12.9	-	14.3	2.7
Tung Lok Restaurant	36.2	0.132	4.9	26.5	0.2	8.6	5.8
Katrina	8.8	0.038	5.4	(65.3)	-	2.6	-
Jumbo	169.9	0.265	(0.1)	-	0.2	-	-
RE&S Holdings	88.5	0.250	4.4	18.6	1.3	11.6	7.2
Kimly Limited	378.4	0.305	10.7	21.1	0.3	11.1	5.5
No Signboard Holdings	14.3	0.031	(50.3)	-	-	-	-

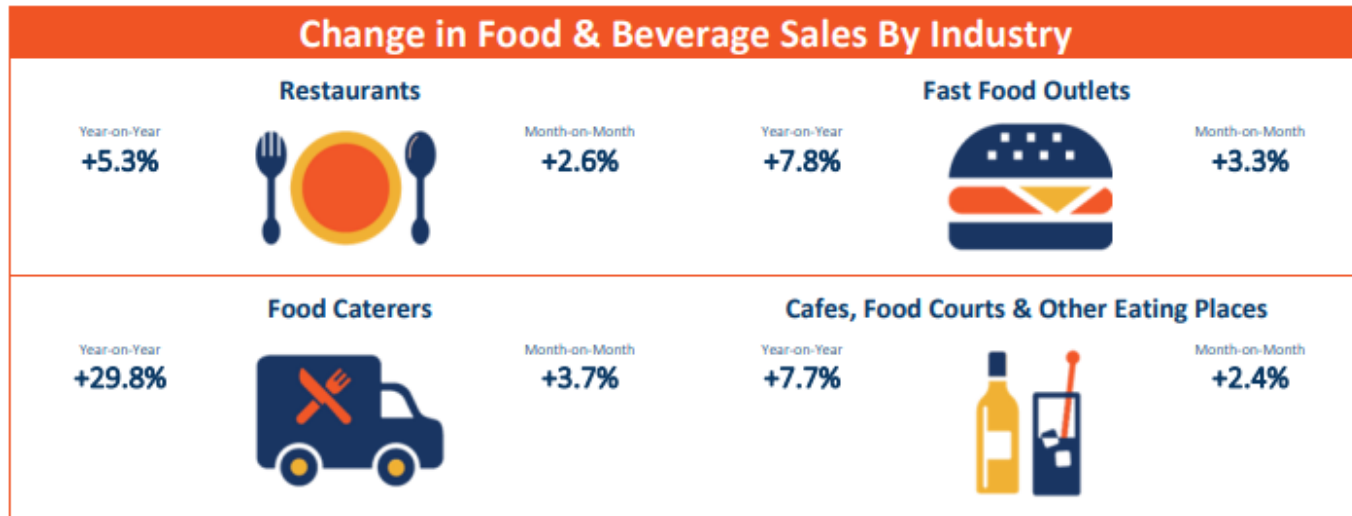
Source: ShareInvestor.com, data as at 8 Nov, 11am

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



# Industry Overview – Steady growth



## F&B industry overview in August 2023:

- Total sales: Up 8.6% y-o-y (July 2023: +6.6%)
- Up 2.8% m-o-m (seasonally adjusted)
- Total sales value: Estimated S\$1.0 billion, of this 23.1% were from online sales
- Within the F&B services sector, all industries recorded y-o-y growth in sales

Source: Singstat, August 2023

# Top Trends/Opportunities in Halal-Segment

## #01 Healthier choices

- Increasing demand for healthier food options

## #02 Increasing demand for more dining options

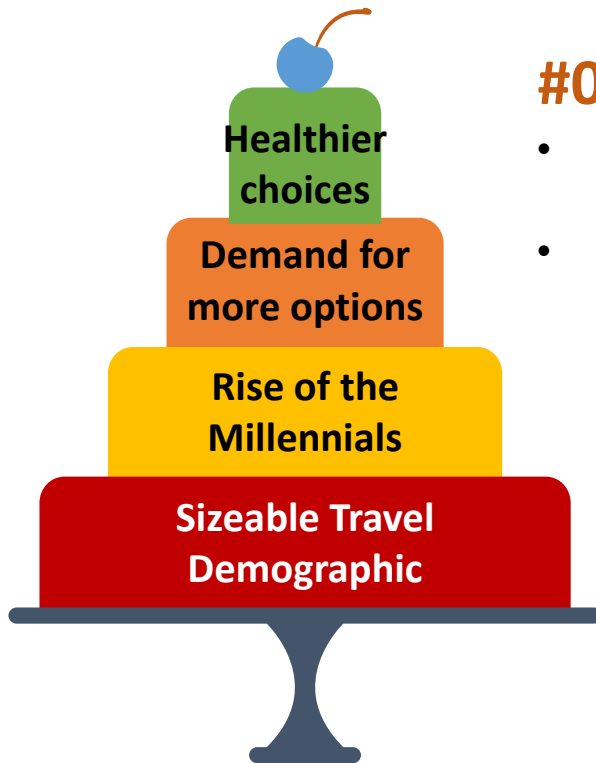
- Driving rapid expansion in a wide variety of cuisines that are now available as Halal options
- Domestic Halal dining market estimated at S\$700 million in 2019

## #03 Rise of the Millennials

- Well-travelled millennials with rising incomes and higher exposure to world cuisines represent a key driving force behind the rapid expansion of the Halal F&B scene

## #04 Sizeable travel demographic

- Singapore is ranked 7<sup>th</sup> in the list of top Muslim-friendly travel destinations by the Global Islamic Economy Indicators
- Muslim visitors spent S\$300 million on F&B in 2019



Source: CrescentRating, March 2021

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# Business Strategy Amidst Macro Challenges





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**Thank You!**