

Corporate Presentation

February 2020



An F&B group with diversified portfolio of internationally popular brands

ST Group Food Industries Holdings Limited
120 Turner Street, Port Melbourne VIC 3207, Australia
www.stgroup.net.au

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The contact person for the Sponsor is Mr Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.

Company Overview



CONTENT OVERVIEW
Our F&B Brand Portfolio

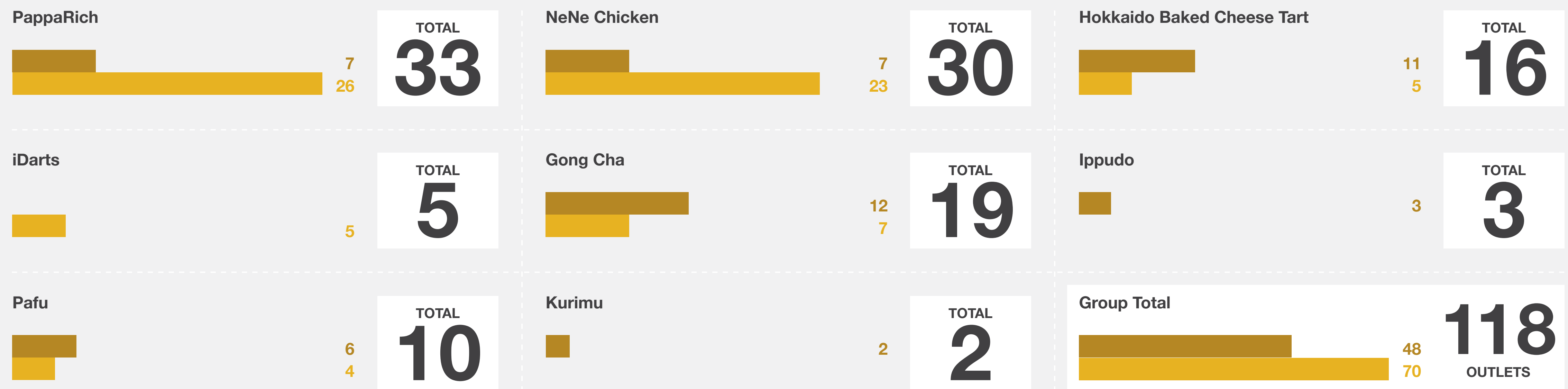
Exclusive Franchise and License Rights



Own Brand Concepts



Outlets by Brand



■ Company Owned ■ Sub-franchised / Sub-licensed

Information as at 31 December 2019



COMPANY OVERVIEW

Geographical Reach

F&B NETWORK ACROSS

4 COUNTRIES

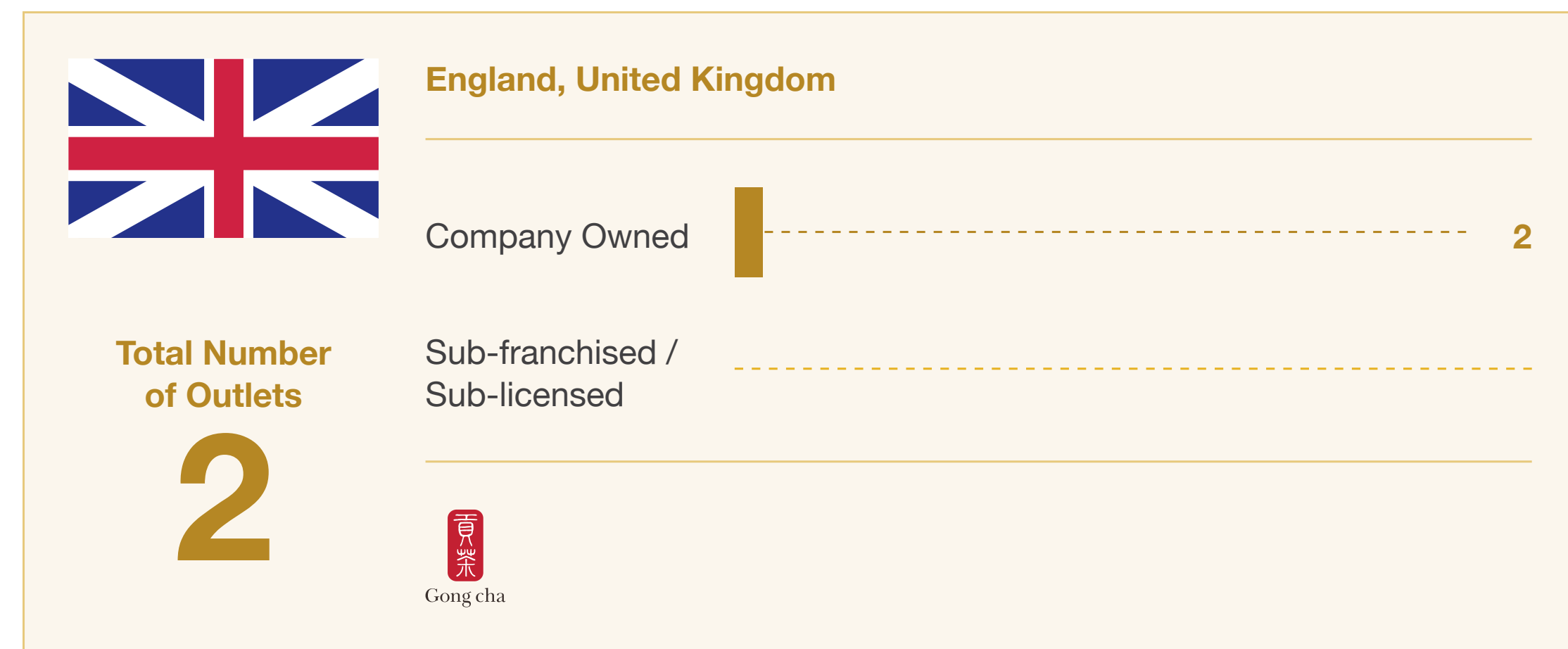
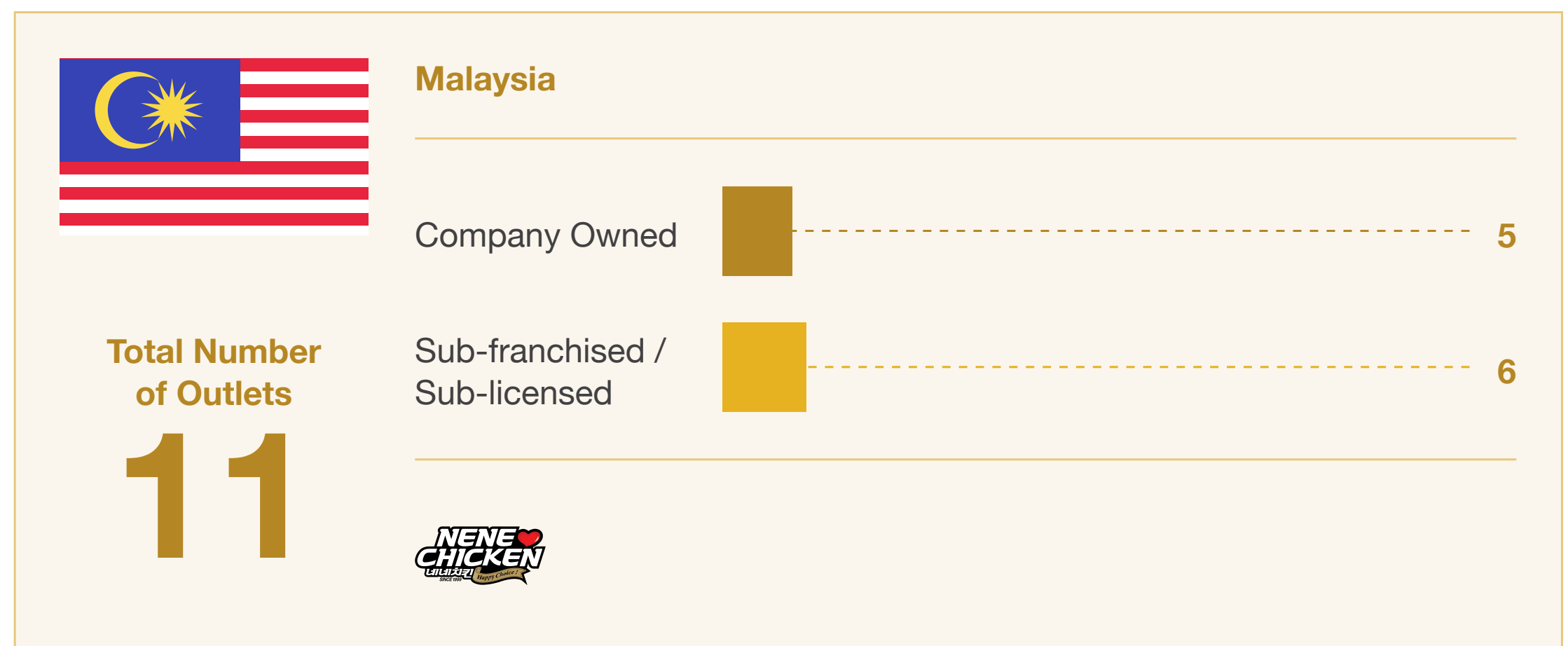
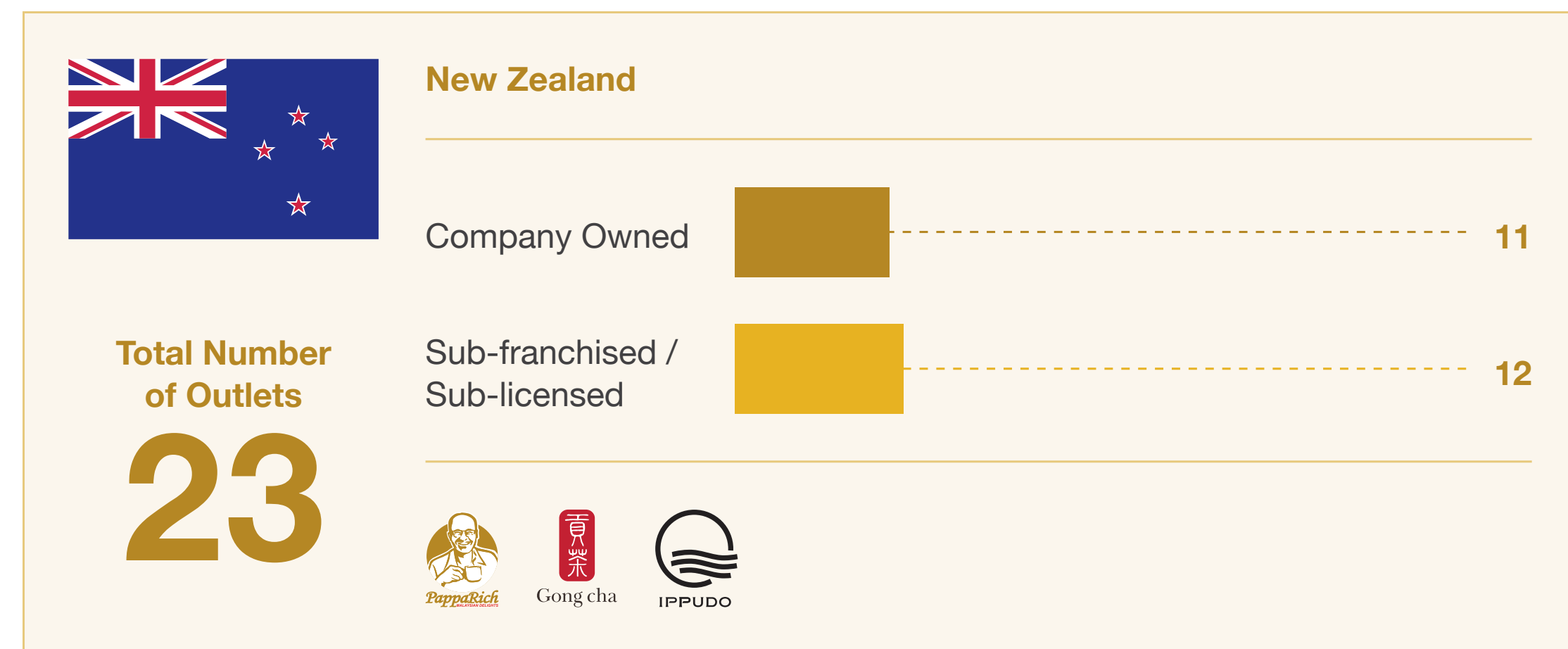
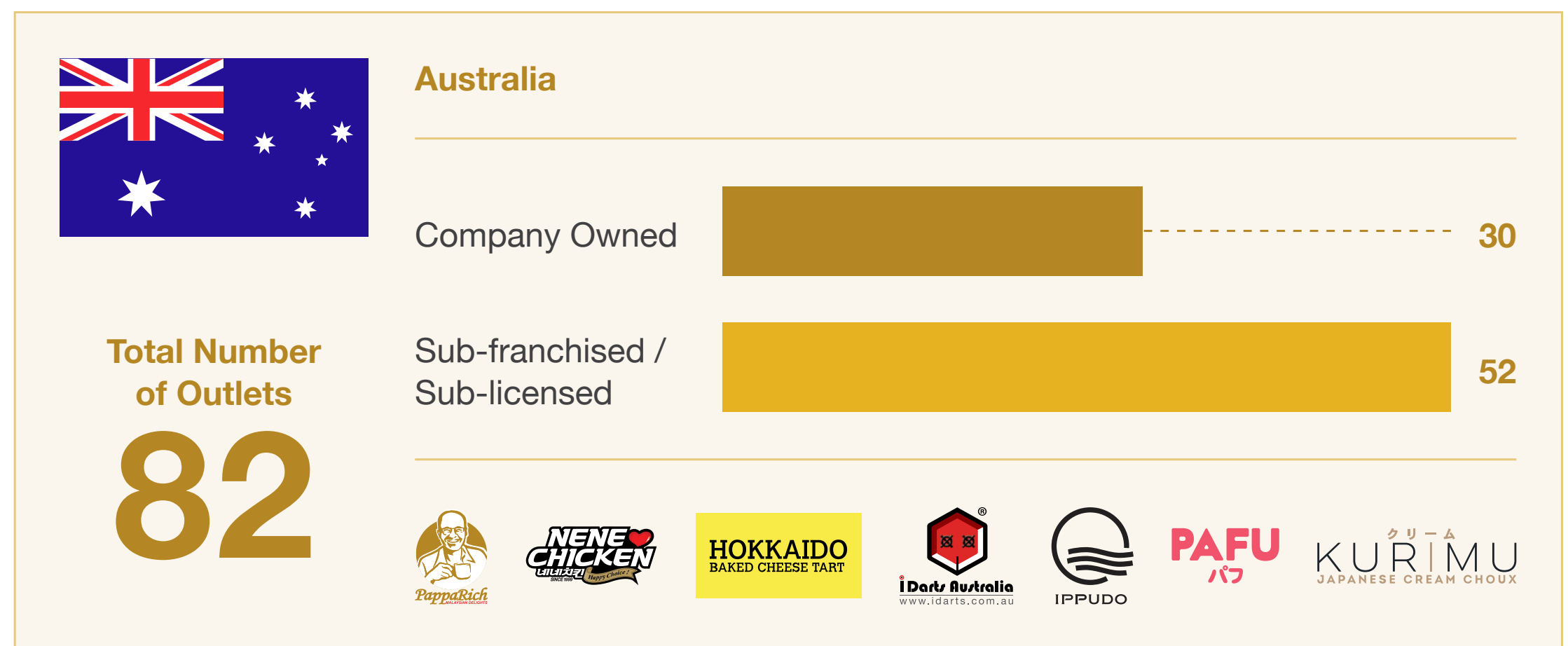
Australia

| New Zealand

| Malaysia

| England, United Kingdom

COMPANY OVERVIEW Geographical Reach



COMPANY OVERVIEW
Our Customers

OUR NETWORK OF OUTLETS SERVES

8.8m

CUSTOMERS PER ANNUM.

24,225

CUSTOMERS PER DAY.

Approximation based on company customers data only, as of October 2019.



COMPANY OVERVIEW
Average Spending

AVERAGE SPEND PER CUSTOMER PER VISIT:

Australia	PappaRich	AUD 19.70
	NeNe Chicken	AUD 15.00
	Hokkaido Baked Cheese Tart	AUD 11.10
	Pafu	AUD 8.30
	Ippudo	AUD 21.20
	Kurimu	AUD 7.80
New Zealand	PappaRich	NZD 23.00
	Gong Cha	NZD 8.30
	Ippudo	NZD 21.00
Malaysia	NeNe Chicken	MYR 21.00
England, United Kingdom	Gong Cha	GBP 4.40

Approximation based on company customers data only, as of October 2019.



CONTENT OVERVIEW
Key Milestones



2012

Established **Central Kitchen 100 sqm**
in Melbourne Australia
Opened first "**PappaRich**" restaurant
in Melbourne Australia

2013

Expanded **Central Kitchen to 3,000 sqm**
in Melbourne Australia
Opened first "**iDarts**" bar
in Melbourne Australia

2015

Opened first "**PappaRich**" restaurant
in New Zealand
Opened first "**NeNe Chicken**" restaurant
in Melbourne Australia
Opened first "**Gong Cha**" outlet
in Auckland, New Zealand

2016

Opened first
"**Hokkaido Baked Cheese Tart**"
outlet in Melbourne Australia

2017

Opened first Group-owned brand
"**PAFU**" outlet in Melbourne Australia

2018

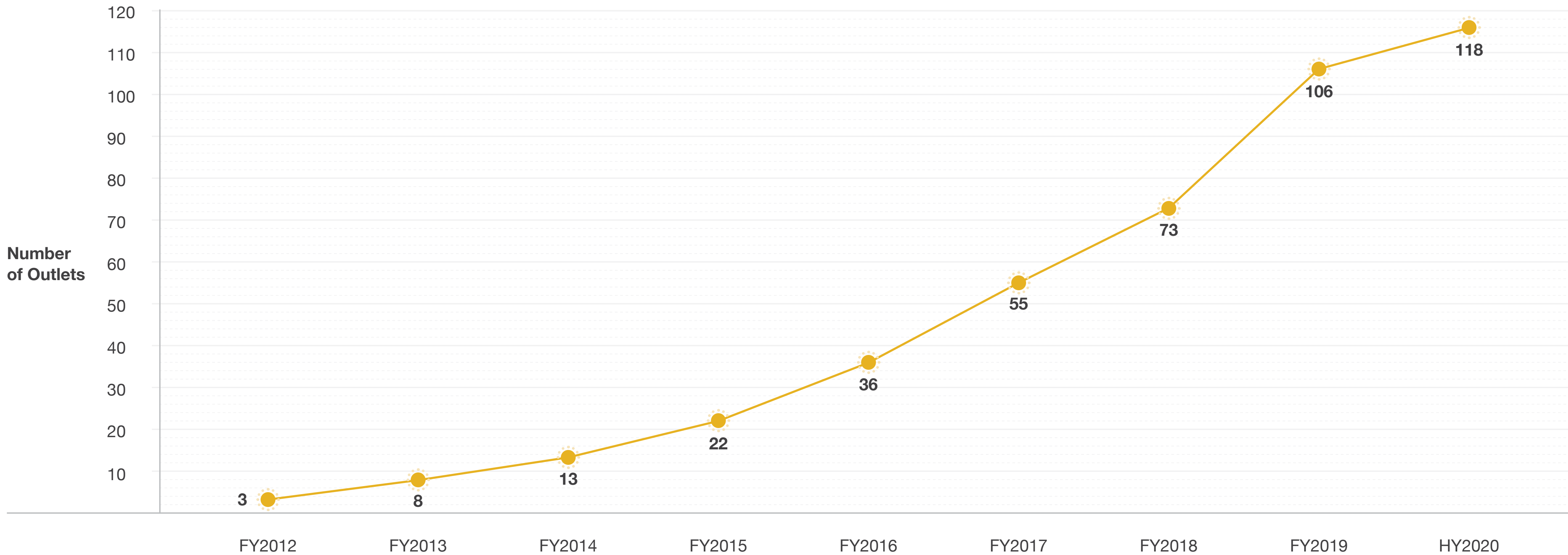
Opened first "**NeNe Chicken**" restaurant
in Genting Highlands, Malaysia
Opened first "**IPPUDO**" restaurant
in Perth Australia

2019

Listed on Singapore Exchange
on 3 July 2019 (SGX:DRX)
Opened first "**KURIMU**" outlet
(a Group-owned brand) in Melbourne Australia
Opened first "**Gong Cha**" outlet
in England, United Kingdom
Opened first "**IPPUDO**" outlet
in Auckland, New Zealand

CONTENT OVERVIEW

Store Count (including sub-franchised / sub-licensed outlets)



CONTENT OVERVIEW

Accreditations & Awards

Accreditations

<p>HACCP (Hazard Analysis & Critical Control Points) – Central Kitchen</p> <hr/> <p>PappaRich Central (Melbourne) Pty Ltd</p> <p>Awarded / Expiry: April 2014 / April 2020</p> <p>Awarding Organisation: HACCP Australia Pty Ltd</p>	<p>Lord Mayor's Choice Award</p> <hr/> <p>PappaRich</p> <p>Year 2018</p> <p>Awarding Organisation: Lord Mayor Andrew Wilson Parramatta Sydney, Australia</p>	<p>Chadstone 2018 Annual Retail Excellence Awards – Winner in the Food Category</p> <hr/> <p>PappaRich</p> <p>January 2018 & July 2018</p> <p>Awarding Organisation: Chadstone Shopping Centre Melbourne, Australia</p>	<p>City of Monash Golden Plate Award for 5 Stars in the Food Safety Assessment</p> <hr/> <p>PPR Co Outlets Pty Ltd</p> <p>Year 2017</p> <p>Awarding Organisation: City of Monash Public Health Unit Australia</p>	<p>Best New Concept</p> <hr/> <p>ST Group, Hokkaido Baked Cheese Tart</p> <p>Year 2017</p> <p>Awarding Organisation: QSR Media Detpak Awards 2017 Australia</p>
<p>ISO 9001:2015 Quality Management</p> <hr/> <p>PappaRich Central (Melbourne) Pty Ltd</p> <p>Granted / Expiry: February 2018 / February 2021</p> <p>Awarding Organisation: ICG Compliance Pty Ltd</p>	<p>5 Star Food Safety Awards in Recognition of 5 Star Food Safety Practices</p> <hr/> <p>PappaRich Express</p> <p>Year: 2017</p> <p>Awarding Organisation: City of Manningham Victoria, Australia</p>	<p>Fast 50 Contender</p> <hr/> <p>Gong Cha</p> <p>Year: 2018</p> <p>Awarding Organisation: Deloitte Fast 50 2018 Regional Awards New Zealand</p>	<p>Best Café of the Year 2018</p> <hr/> <p>Gong Cha Newmarket</p> <p>Year: 2018</p> <p>Awarding Organisation: Newmarket Business Awards 2018 New Zealand</p>	<p>The BrandLaureate SMEs BESTBRANDS™ Awards – F&B Korean Fried Chicken</p> <hr/> <p>NeNe Chicken</p> <p>Year: 2018 - 2019</p> <p>Awarding Organisation: The BrandLaureate Malaysia</p>

Competitive Strengths





COMPETITIVE STRENGTHS

1

An entrepreneurial and dedicated management team with established track record

2

Able to identify new trends and adapt to changing consumer preferences to grow a diversified portfolio of brands

3

An established franchise system and good working relationships with landlords

4

Established track record and strong network of sub-franchisees

5

Central Kitchen enables us to maintain high standard of food consistency and quality, lower operating and labour costs

COMPETITIVE STRENGTHS
Management Team

*An Entrepreneurial and
Dedicated Management Team
with Established Track Record*



Mr Saw Tatt Ghee

Executive Chairman and CEO

- Founder of the Group
- Over 17 years of experience in the F&B industry
- Responsible for overseeing overall development and performance of the Group
- Sets and executes strategic directions and expansion plans for growth and development

Ms Saw Lee Ping

Executive Director and CAO

- Over 10 years of experience in financial and transaction advisory services and over 10 years of experience in the F&B industry
- Responsible for managing our Group's administrative function
- Supports the CEO in executing strategic directions and expansion plans

COMPETITIVE STRENGTHS

Management Team

Ms Chin Poh Yeen

Financial Controller

- 14 years of experience in accountancy, audit and corporate advisory services
- Formerly with Ernst & Young and Financial Controller of a public listed company
- Responsible for overseeing all the financial, accounting and corporate secretarial matters in our Group
- Member, Malaysian Institute of Certified Public Accountants

Mr Pang Kher Chink

Operations Manager

- Responsible for the overall management and oversight of the operations of our outlets
- Assisted to establish outlets under “IPPUDO” brand
- Prior to joining our Group, he has worked in other F&B establishments as a supervisor
- Joined our Group in 2011

Ms Daphne Chin Ying Mun

Operations Manager

- Responsible for managing and overseeing the operations
- Assisting with establishment and expansion of Nene Chicken franchise network in Australia, Malaysia and New Zealand
- She was formerly the Business Development Manager of "Nene Chicken"
- Joined our Group in 2014

Mr Leong Weng Yu

Central Kitchen Production Manager

- Over 10 years' F&B experience
- Responsible for the overall management and oversight of our Central Kitchen, including overseeing the central procurement process, processing and preparation process and quality control
- Also responsible for developing new food concepts and products made in the Central Kitchen

Mr Tan Tee Ooi

Operations Manager

- 10 years of experience in F&B
- Responsible for the overall management and oversight of the operations of our outlets
- Has been involved in managing and supervising outlet operations under “PappaRich” and “Hokkaido Baked Cheese Tart” brands

Mr Ng Yee Siang

Operations Manager

- Responsible for the overall management and oversight of the operations of our outlets
- Assisted to establish and expand franchise network under “Gong Cha” and “Hokkaido Baked Cheese Tart” brands in New Zealand
- Prior to joining our Group in 2011, he was a manager and director of an international F&B franchise in Australia

Mr Jian Hui Lee

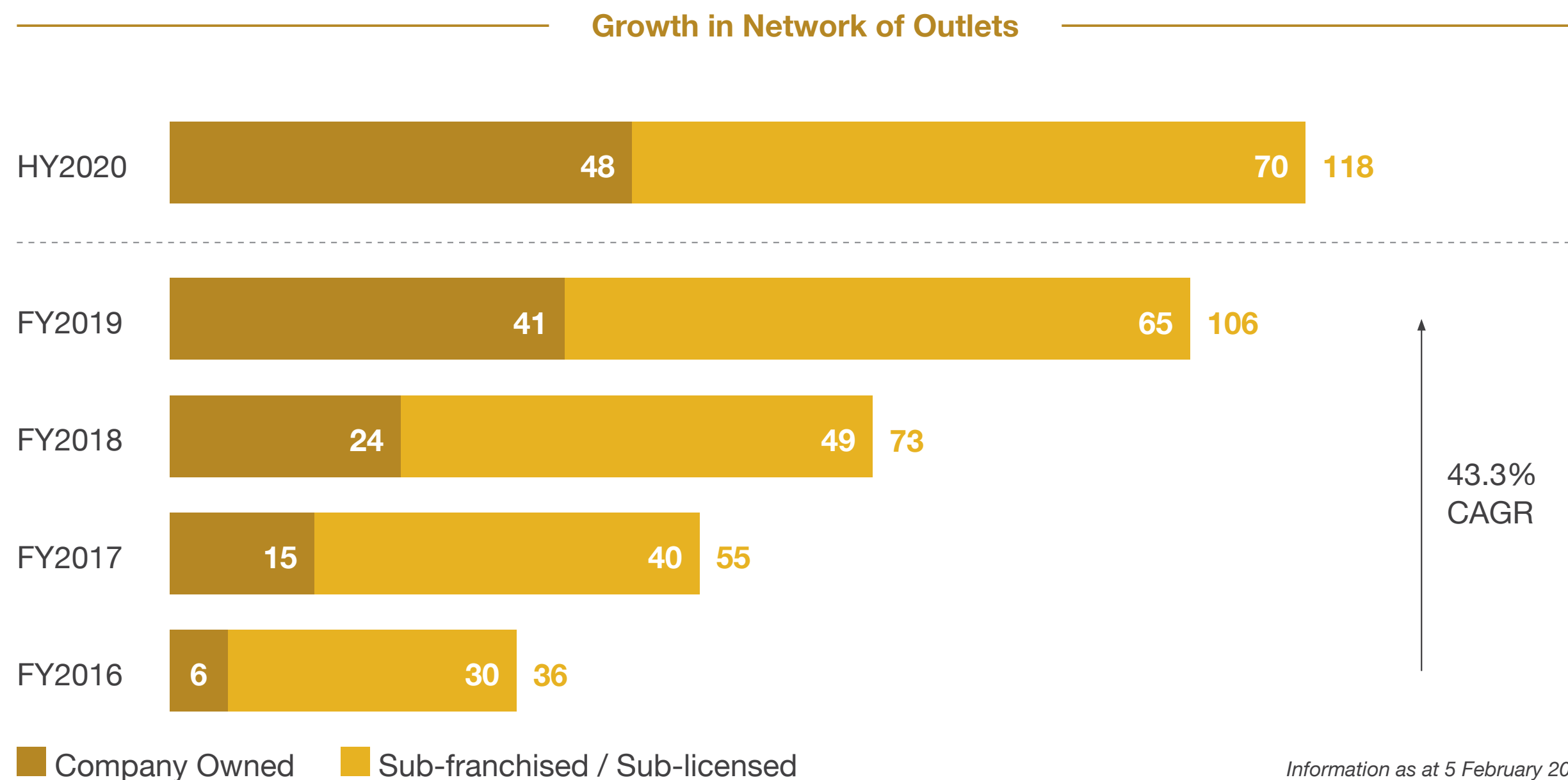
Operations Manager

- Responsible for the overall management and oversight of the operations of our outlets
- He was formerly the General Manager of "PappaRich"
- Joined our Group in 2011

COMPETITIVE STRENGTHS

Identifying New Trends & Adapting to Changing Consumer Preferences

Able to Identify New Trends and Adapt to Changing Consumer Preferences to Grow a Diversified Portfolio of Brands



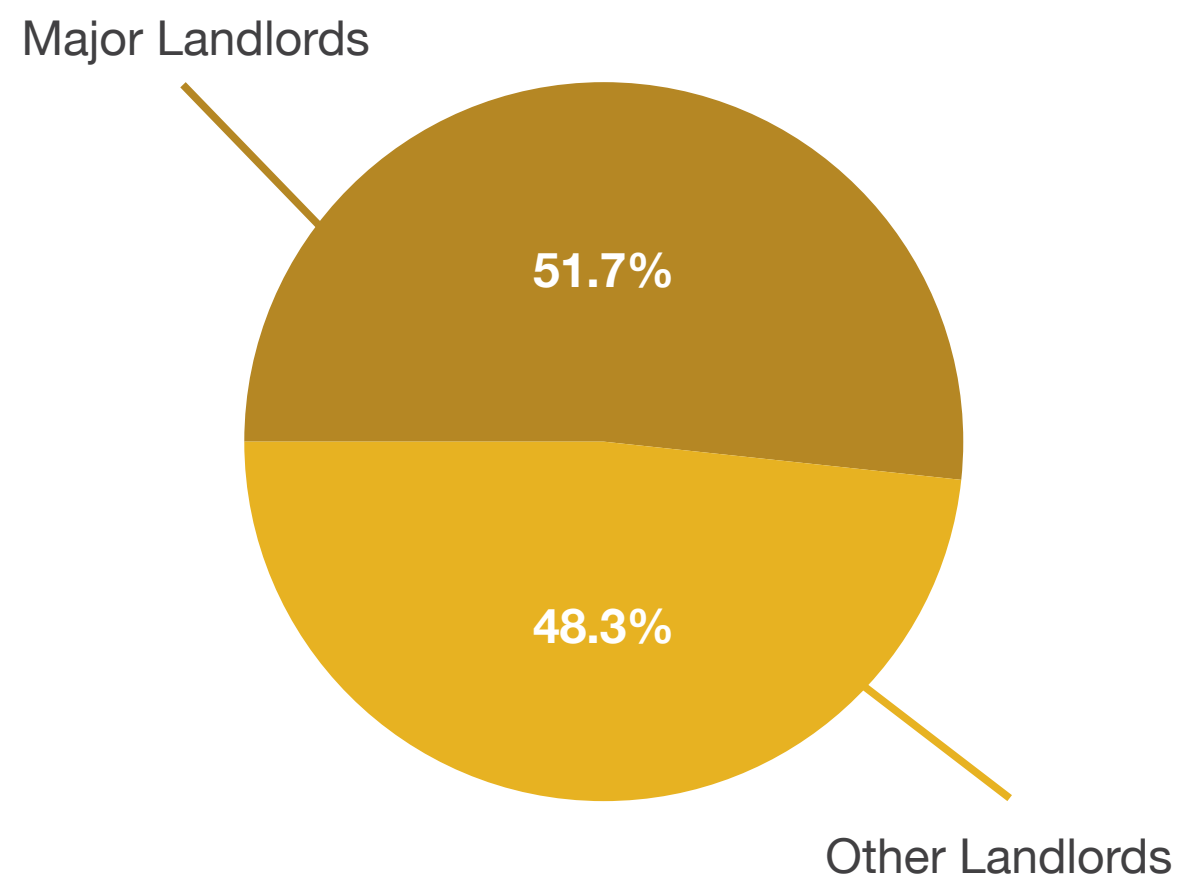
- In 2014, we secured the master franchise for "NeNe Chicken" and introduced the brand to Australia after observing a global trend of the Korean Wave (Hallyu)
- Introduce new brands, such as "IPPUDO", "PAFU" and "KURIMU" which capitalise on the current trends in the market
- Successfully grown the number of brands in our portfolio and our franchise network
- We cater to the evolving tastes and preferences of consumers and capture a wider group of consumer segments

COMPETITIVE STRENGTHS

Established Franchise System and Good Relationships with Major Landlords

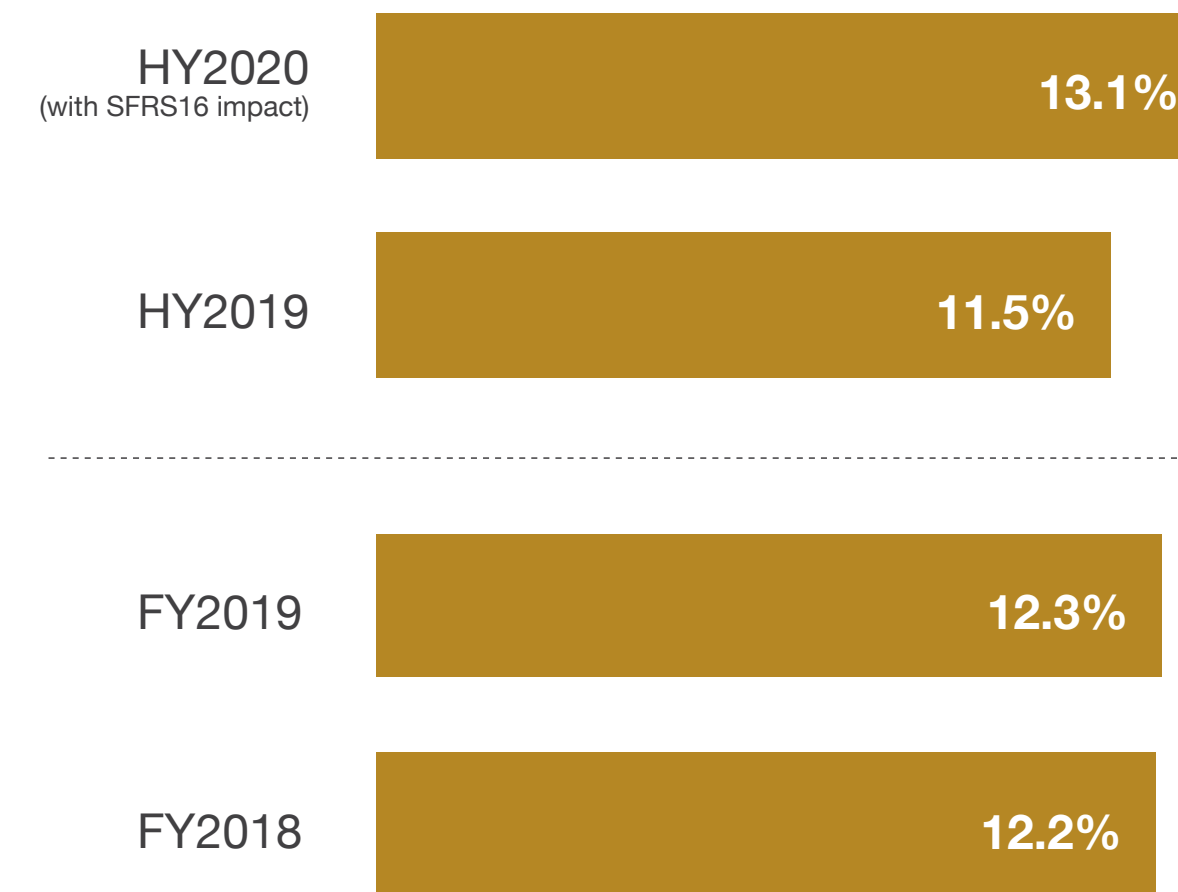
An Established Franchise System and Good Working Relationships with Landlords

- Developed franchise system supported by our Central Kitchen and logistics system
- Food ingredients and products prepared by our Central Kitchen are delivered to outlets across Australia and New Zealand at least 3 times a week
- Outlets assured of timely supply of key ingredients for business operations without having to maintain a high level of inventories
- Enabled us to grow our franchise network beyond the state of Victoria to other states in Australia and New Zealand, open outlets in a relatively short time, and introduce new brands to the market



We lease approximately 51.7% of our outlets from landlords of major shopping centres.

Our major landlords



Our rentals as percentage of F&B and supply revenue are generally **stable**.

COMPETITIVE STRENGTHS

Established Track Record & Strong Network of Sub-Franchisees

Established Track Record and Strong Network of Sub-Franchisees



Relationships with sub-franchisees and sub-licensees enables us to leverage on their understanding of local consumers' tastes and preferences in various regions to grow our business

- We believe we have established a reputation as a successful master franchisee or master licensee for the various brands in our portfolio, in our key markets in Australia, New Zealand and Malaysia.
- Established market presence and portfolio of internationally popular brands enable us to attract local partners to join us as sub-franchisees and sub-licensees, expanding our franchise network in different geographical regions.
- Our franchise network has grown over the years and our sub-franchisees and sub-licensees often express interest in sub-franchising or sub-licensing other brands in our portfolio after joining our franchise network and experiencing success in the business.



COMPETITIVE STRENGTHS

Central Kitchen Maintains Food Quality & Consistency, Increases Productivity & Cost Efficiency

Central Kitchen Enables Us to Maintain High Standard of Food Consistency and Quality, Lower Operating and Labour Costs

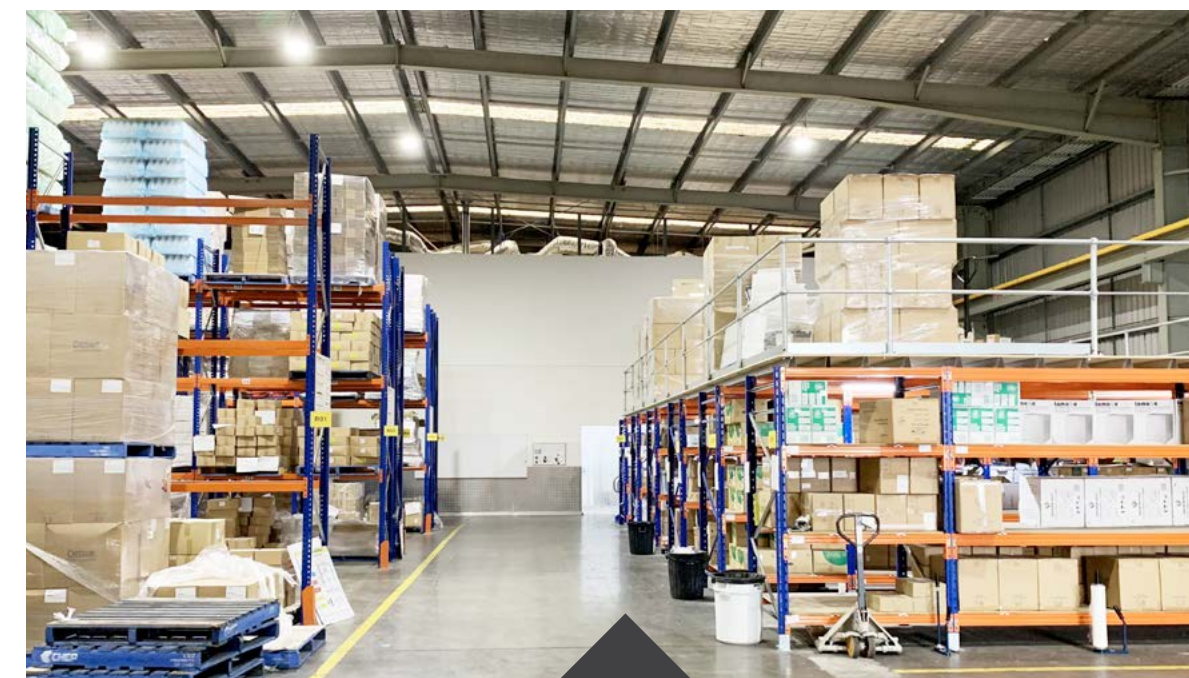
- Achieve scalability and maintain high standard of consistency and food quality through central production
- Maintain freshness of our food ingredients and products before they are distributed to the outlets
- Optimise use of space at the outlets by reducing kitchen space, reduce food preparation time
- Reliable logistics system which enables us to make deliveries to all outlets in our franchise network across Australia and New Zealand



HACCP
(Hazard Analysis & Critical Control Points)



ISO9001:2015
Quality Management System Certified



Automated Inventory Management System

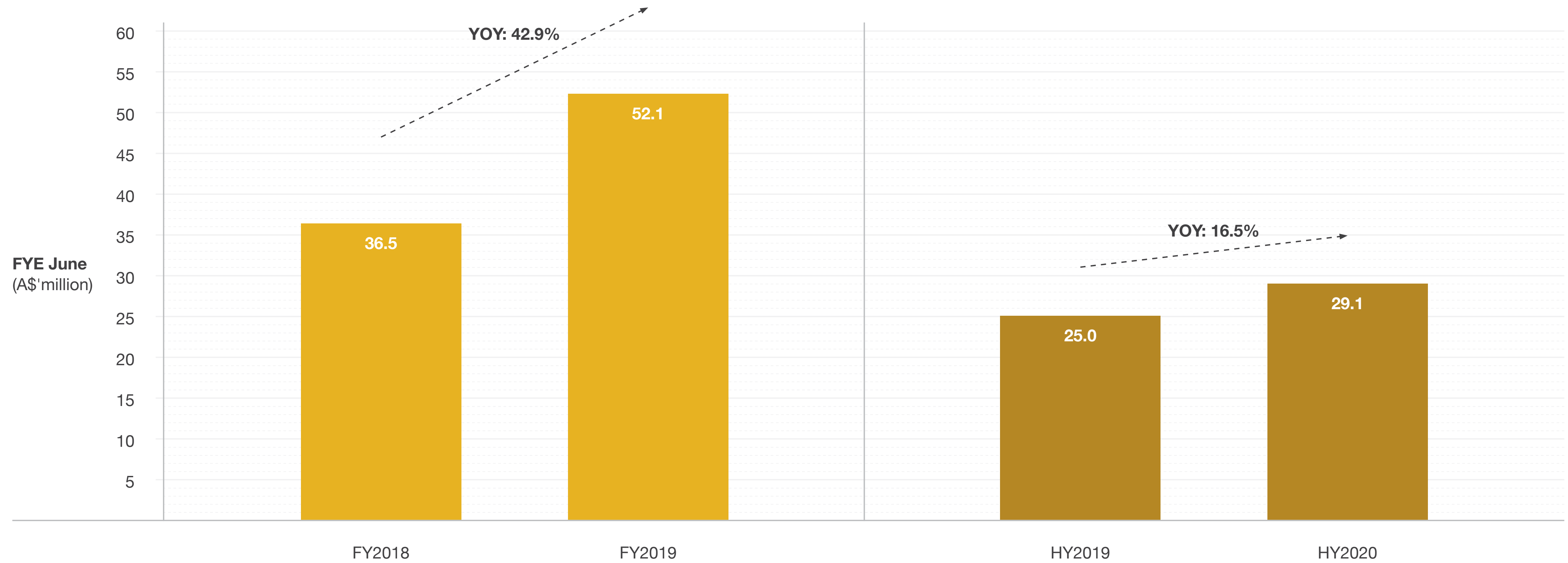


Digital Temperature - Controlled Cool Zones

Financial Highlights

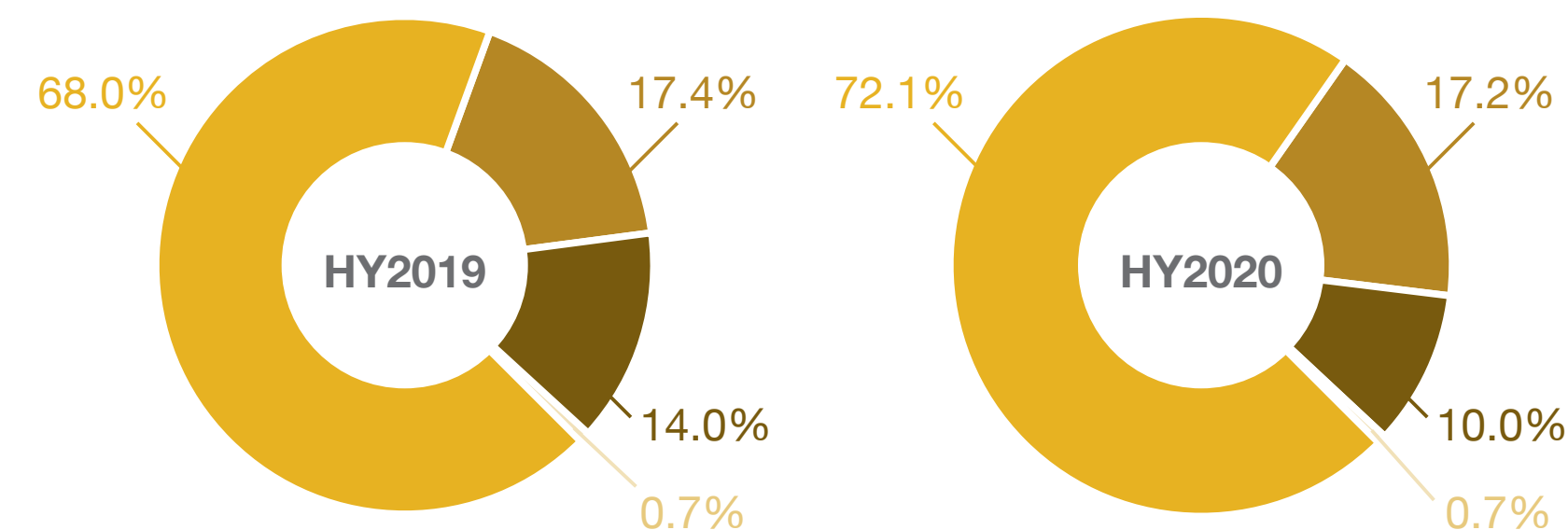
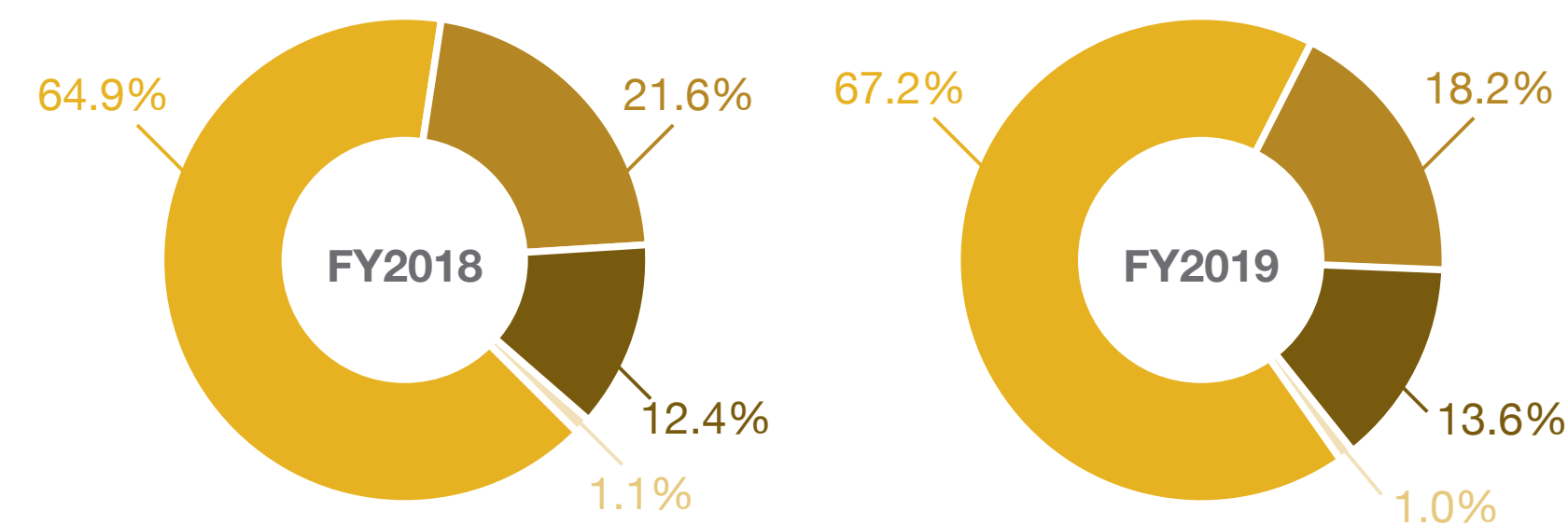
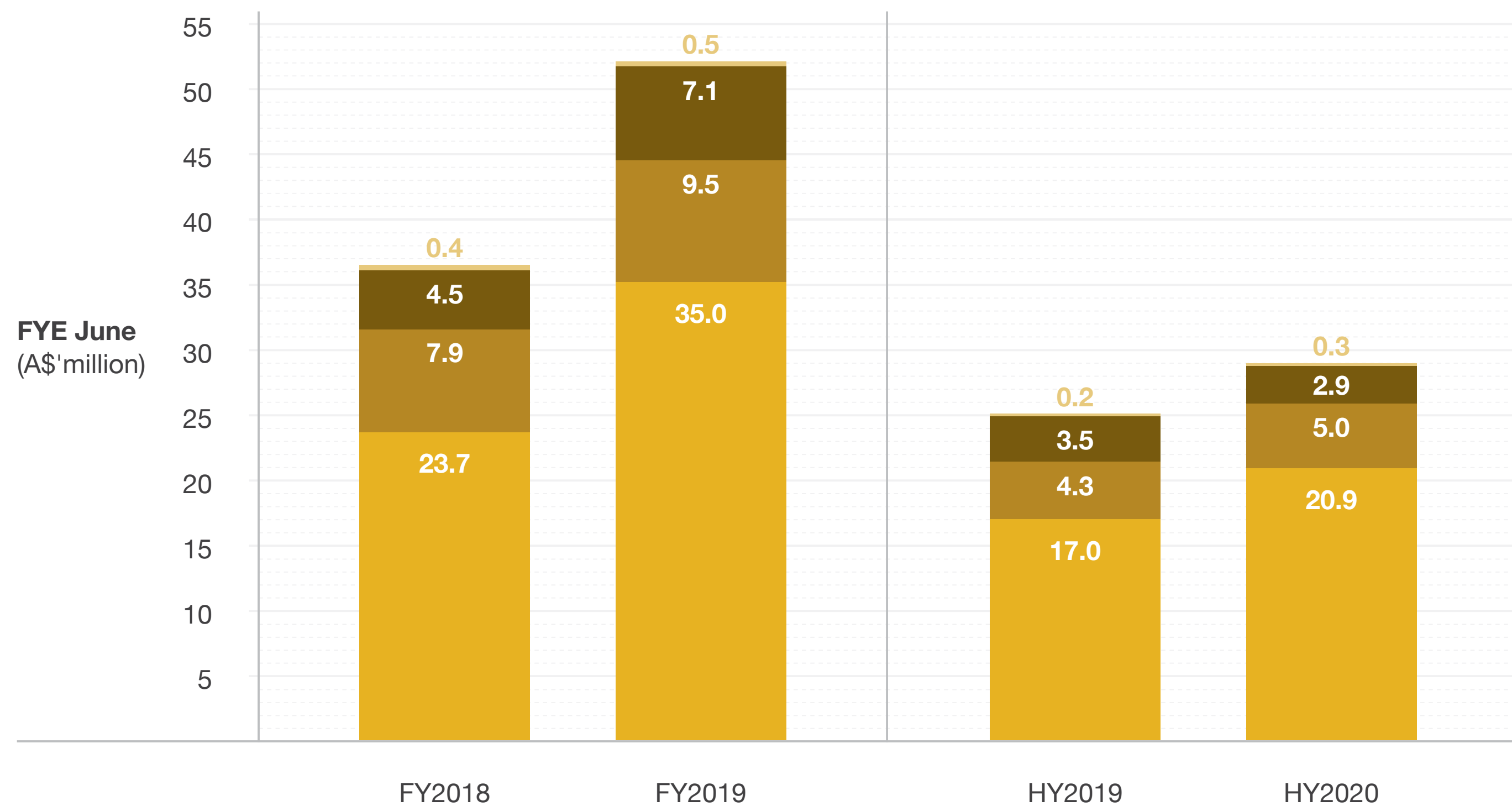


FINANCIAL HIGHLIGHTS
Revenue



FINANCIAL HIGHLIGHTS
Revenue Breakdown

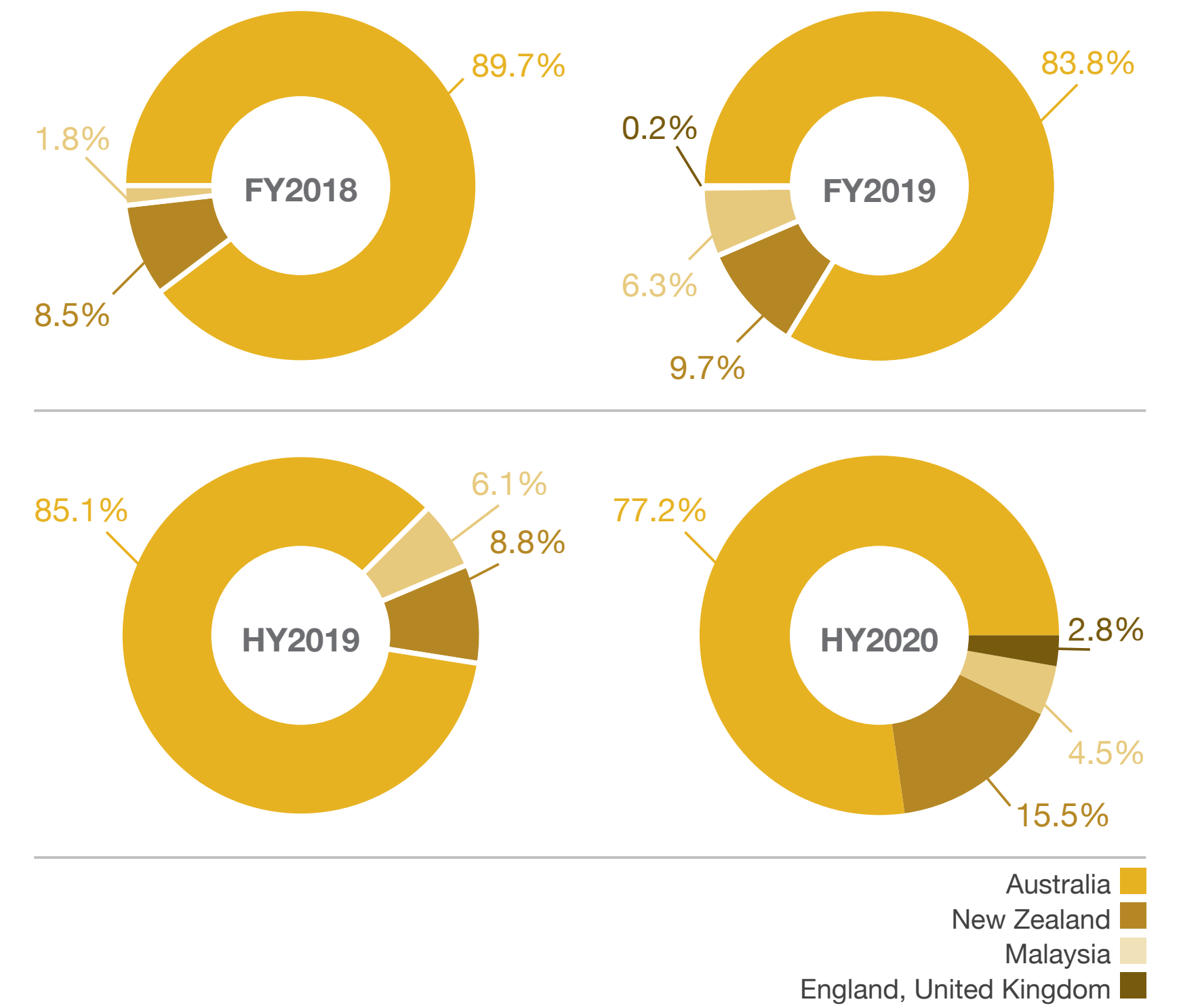
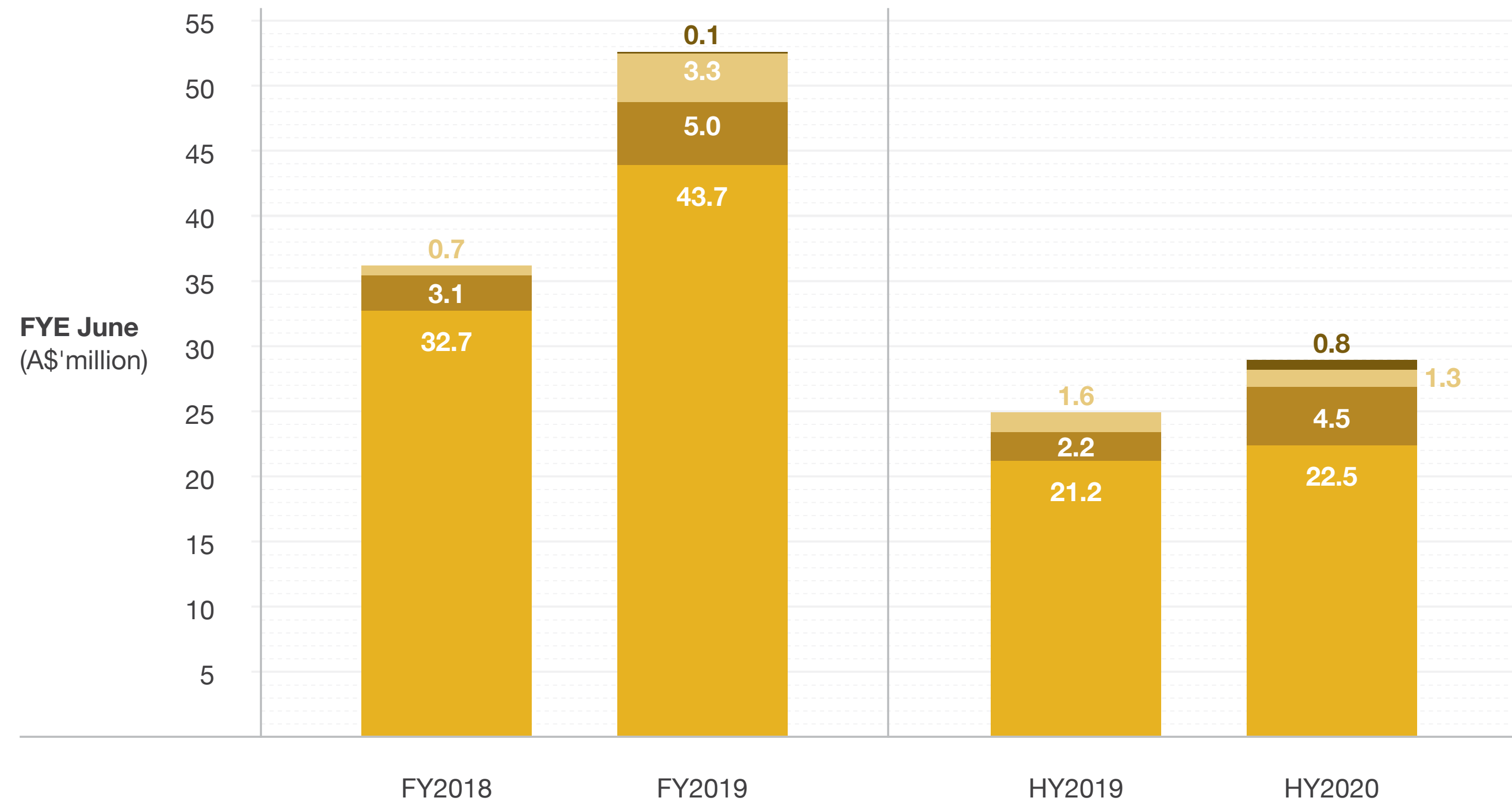
Breakdown by Business Segments



F&B Retail Sales
 Supply Chain Sales
 Franchise Revenue
 Other Revenue

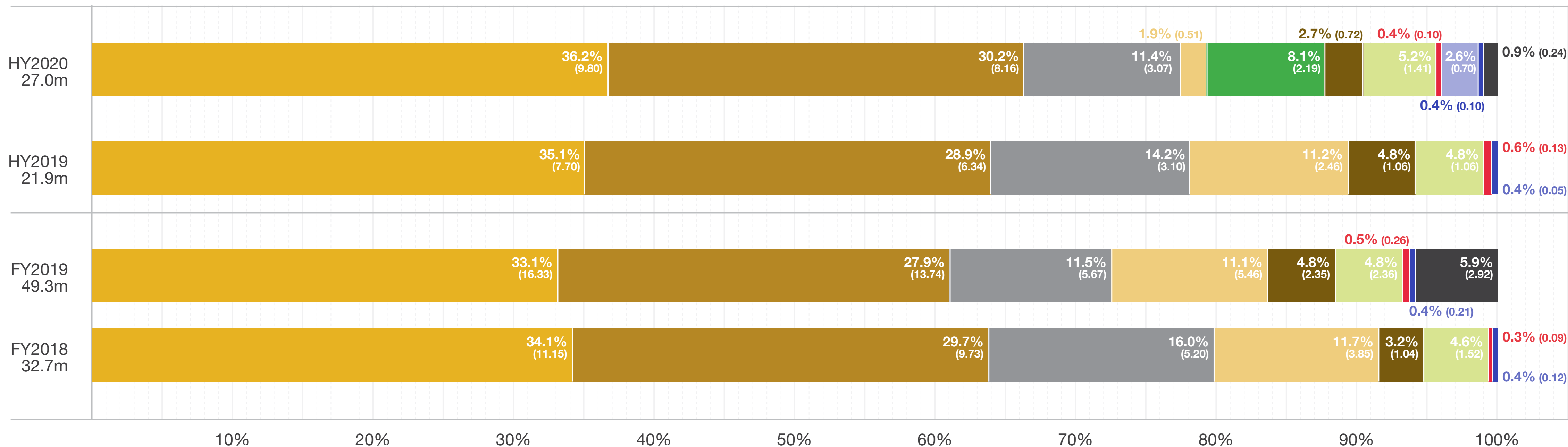
FINANCIAL HIGHLIGHTS
Revenue Breakdown

Breakdown by Geographical Segments



- Australia
- New Zealand
- Malaysia
- England, United Kingdom

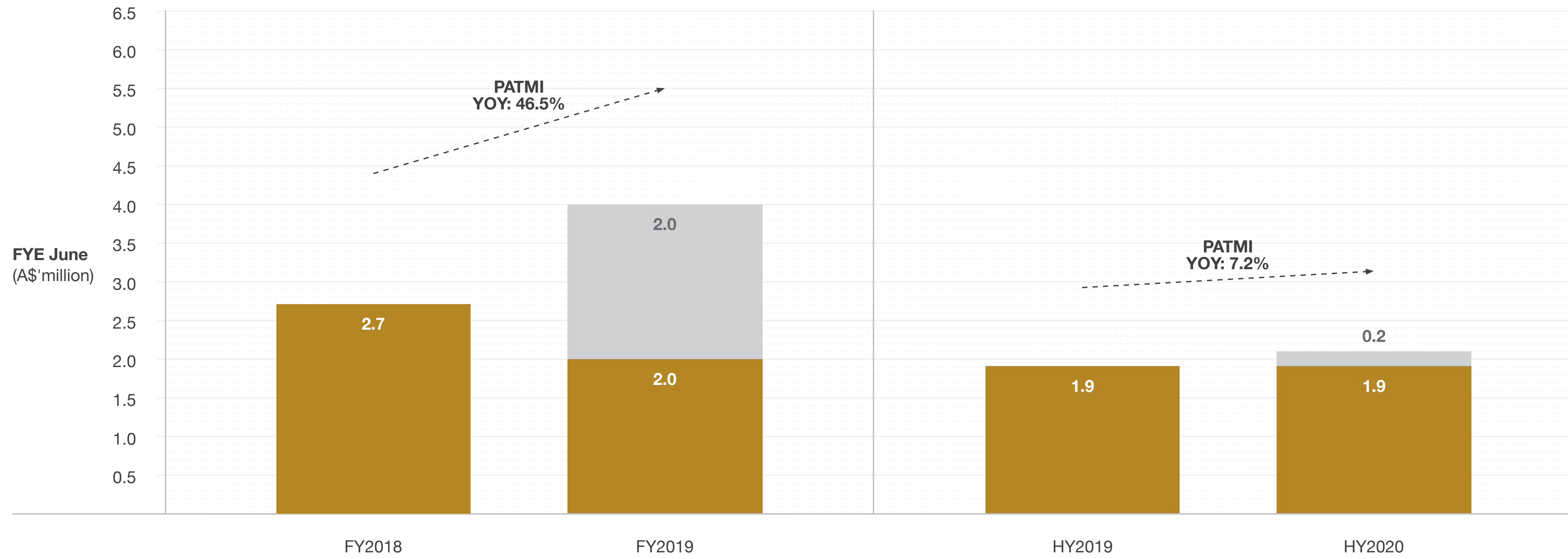
FINANCIAL HIGHLIGHTS
Cost Breakdown



	Rental / F&B and Supply Revenue (%)	Rental, Depreciation on ROU & Finance / F&B and Supply Revenue (%)	Purchases & Changes in Inventories / F&B and Supply Revenue (%)	Staff Cost / Revenue (%)
HY2020	N/A	13.1%	31.5%	33.7%
HY2019	11.5%	N/A	29.8%	30.9%

- Staff cost
- Rentals
- Depreciation
- Finance costs
- Purchases & Changes in inventories
- Depreciation on ROU
- Amortisation
- IPO Expense
- Other expenses
- Franchise Outlet Project Cost
- Finance (SFRS16)

FINANCIAL HIGHLIGHTS
Profitability



	PATMI	IPO Expenses (Net of Tax)	Excluding IPO Expenses	YOY Excluding IPO Expenses
HY2020	A\$1.9M	A\$0.2M	A\$2.1M	7.2%

PATMI ■ Excluding IPO Expenses ■

FINANCIAL HIGHLIGHTS
PATMI Margins

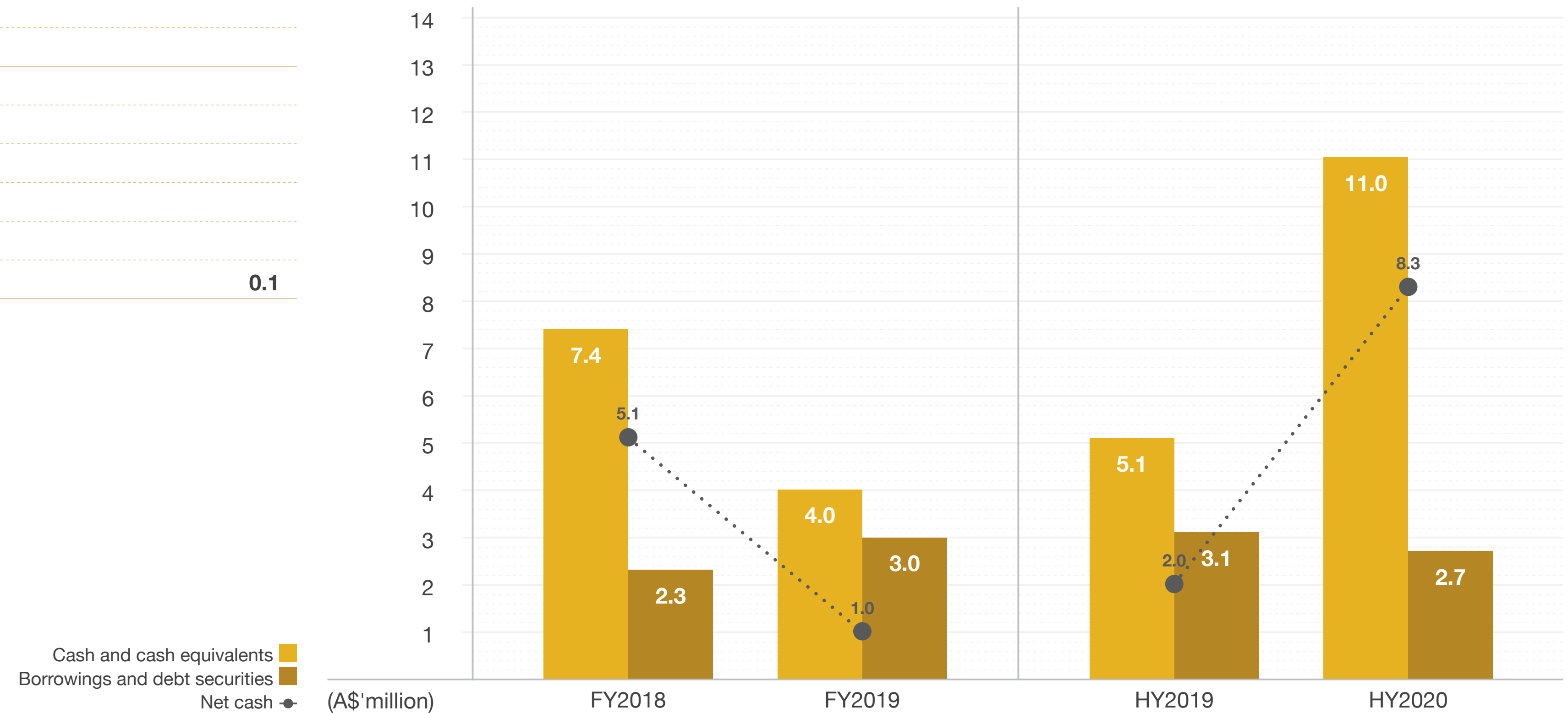


FINANCIAL HIGHLIGHTS

Financial Position

TOTAL EQUITY	A\$ Million Interest Bearing Debt / Equity	
FY2019 Total Equity	15.5	0.2
HY2020 PAT	2.1	
Total	17.5	
IPO Proceeds	10.1	
Share Buy Back	(0.3)	
SFRS 16 Adjustment	(1.3)	
Capitalisation IPO Expenses	(0.4)	
Dividend paid to NCI	(0.4)	
HY2020 Total Equity	25.3	0.1

NET CASH POSITION



FINANCIAL HIGHLIGHTS

Income Statement

	HY2020 (AUD)	HY2019 (AUD)	Variance (HY2019 & HY2020)
Revenue	29,077,681	24,950,612	16.5%
Other income	850,325	877,527	(3.1%)
Expenses			
Changes in inventories	1,066,787	416,529	156.1%
Purchases of inventories	(9,228,004)	(6,760,819)	36.5%
Franchise restaurants and stores related establishment costs	(722,816)	(1,061,512)	(31.9%)
Rental on operating leases	(505,143)	(2,460,671)	(79.5%)
Staff costs	(9,797,316)	(7,700,084)	27.2%
Depreciation expense	(3,600,322)	(1,059,614)	239.8%
Amortisation expense	(143,860)	(126,094)	14.1%
Finance costs	(807,982)	(88,584)	812.1%
IPO expenses	(238,107)	-	NM
Other expenses	(3,064,470)	(3,092,452)	(0.9%)
Profit before tax	2,886,773	3,894,838	(25.9%)
Tax expense	(788,573)	(1,126,736)	(30.0%)
Profit for the year	2,098,200	2,768,102	(24.2%)
Profit attributable to equity holders of the Company	1,883,676	1,912,485	(1.5%)

NM = Not meaningful

FINANCIAL HIGHLIGHTS

Balance Sheet

ASSETS	As at 31 December 2019 (AUD)	As at 30 June 2019 (AUD)	EQUITY AND LIABILITIES	As at 31 December 2019 (AUD)	As at 30 June 2019 (AUD)
Non-current assets			Equity		
Property, plant and equipment	15,302,566	13,717,296	Share capital	57,200,622	47,490,345
Right-of-use assets	23,402,945	-	Treasury shares	(297,136)	-
Intangible assets	3,406,989	3,541,376	Other reserves	(39,516,145)	(39,522,749)
Investment in associated companies	-	-	Retained earnings	5,360,480	4,585,647
Financial assets at fair value through other comprehensive income	88,120	88,120	Equity attributable to equity holders of the Company, total	22,747,821	12,553,243
Deferred tax asset	3,136,842	2,418,675	Non-controlling interests	2,552,763	2,914,641
Restricted cash	2,110,231	1,856,293	Total equity	25,300,584	15,467,884
Trade and other receivables	1,240,162	508,878	Non-current liabilities		
Total non-current assets	48,687,855	22,130,638	Borrowings	1,499,461	1,771,022
Current assets			Lease liabilities	23,579,764	-
Contract assets	172,598	155,148	Other payables	-	1,745,790
Inventories	2,978,930	1,886,739	Contract liabilities	1,154,990	1,158,776
Trade and other receivables	6,154,719	5,873,150	Total non-current liabilities	26,234,215	4,675,588
Cash and bank balances	11,278,403	4,197,272	Current liabilities		
Total current assets	20,584,650	12,112,309	Trade and other payables	8,793,418	9,885,628
Total assets	69,272,505	34,242,947	Contract liabilities	773,559	621,513
			Lease liabilities	4,908,179	-
			Borrowings	1,241,680	1,201,153
			Tax payable	2,020,870	2,391,181
			Total current liabilities	17,737,706	14,099,475
			Total liabilities	43,971,921	18,775,063
			Total equity and liabilities	69,272,505	34,242,947

Future Plans



FUTURE PLANS

Upcoming Outlets

Expected Opening	Brand	Location	City / State	Country	Business Type
February 2020	PappaRich	The Glen Shopping Centre	Victoria	Australia	Sub-franchised
March 2020	Gong Cha	Tresco House	Manchester	United Kingdom	Company Owned
	Gong Cha	Bold Street	Liverpool	United Kingdom	Company Owned
	Gong Cha	Wellington	Wellington	New Zealand	Sub-franchised
April 2020	Gong Cha	Lynn Mall	Rosedale	New Zealand	Sub-franchised
	KURIMU	Hurtsville	New South Wales	Australia	Sub-franchised
May 2020	PappaRich	M-City Mall	Victoria	Australia	Sub-franchised
June 2020	PappaRich	Indooroopilly	Queensland	Australia	Sub-franchised
	Gong Cha	Camp Street	Queens Town	New Zealand	Company Owned



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