



# **JAPAN FOODS HOLDING LTD.**

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## **Corporate Presentation FY2024**

12 months ended  
31 March 2024

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## **Overview of FY2024**

# Performance at a Glance

## 2H2024 / 2H2023

	<b>Revenue</b>	<b>Gross Profit</b>
<b>2H 2024:</b>	<b>S\$43.4 million</b> -----	<b>S\$36.8 million</b> -----
<b>2H 2023:</b>	S\$40.6 million	S\$34.3 million
	<b>Net (Loss) / Profit</b>	<b>EBITDA</b>
<b>2H 2024:</b>	<b>S\$(0.6) million</b> -----	<b>S\$15.4 million</b> -----
<b>2H 2023:</b>	S\$1.8 million	S\$14.6 million

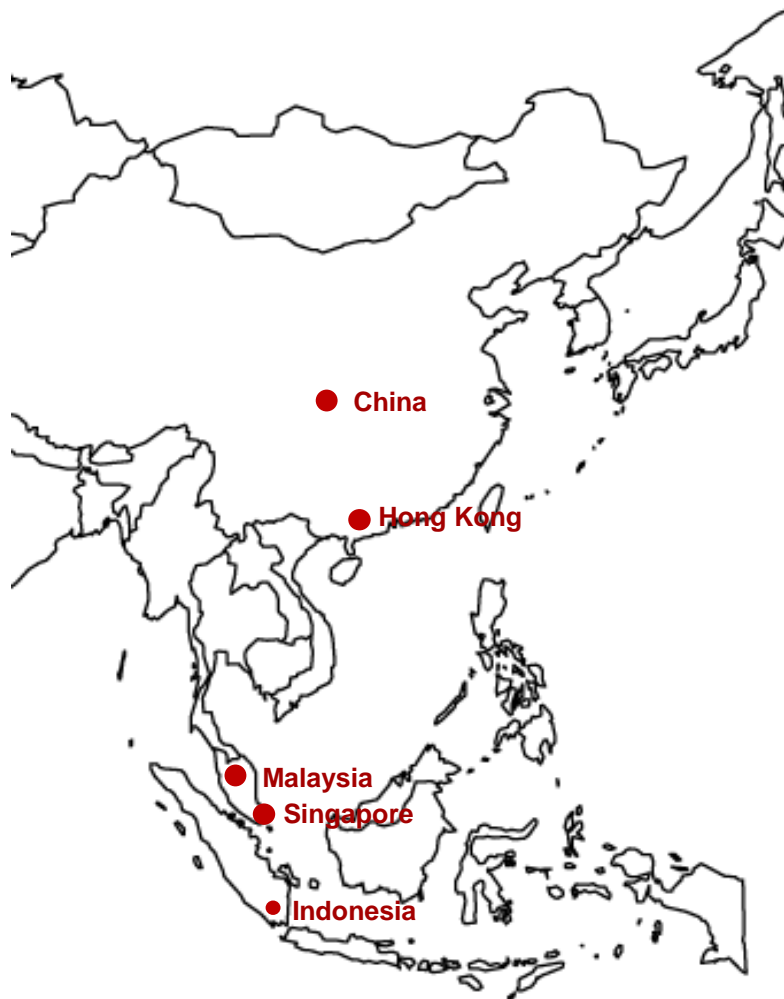
## FY2024 / FY2023

	<b>Revenue</b>	<b>Gross Profit</b>
<b>FY2024:</b>	<b>S\$86.4 million</b> -----	<b>S\$73.1 million</b> -----
<b>FY2023:</b>	S\$78.5 million	S\$66.4 million
	<b>Net (Loss) / Profit</b>	<b>EBITDA</b>
<b>FY2024:</b>	<b>S\$(0.5) million</b> -----	<b>S\$30.5 million</b> -----
<b>FY2023:</b>	S\$4.1 million	S\$29.4 million

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



# Network (as at 31 March 2024)



**79**

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

# FY2024 Network Highlights

## - Halal segment

No. of  
Restaurants\*

As at  
FY2024

39

restaurants

As at  
FY2023

26

restaurants

No. of  
Brands\*

As at  
FY2024

9

brands

As at  
FY2023

8

brands

Revenue  
↑ 54.9%

As at  
FY2024

S\$40.8

million

As at  
FY2023

S\$26.3

million

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

# New Halal-Concept Brands in FY2024



- Halal-style maze soba – a type of dry ramen topped with a signature sauce mixed with vegetables and chicken or beef



- Japanese-Italian fusion concept which features hand-made pasta, pizza, doria and grill items
- Opened brand extension “Milan Tei” in Vivocity in November 2023



- First Korean cuisine concept featuring tabletop BBQ accompanied by Korean side dishes

# FY2024 Network Highlights

## - Non-Halal segment

**No. of  
Restaurants\***

As at  
FY2024

**40**

restaurants

As at  
FY2023

**39**

restaurants

**No. of  
Brands\***

As at  
FY2024

**14**

brands

As at  
FY2023

**12**

brands

**Revenue  
↓ 12.7%**

As at  
FY2024

**S\$45.6**

million

As at  
FY2023

**S\$52.2**

million

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



# New Non-Halal Brands in FY2024



120-year-old brand from Nagoya, Japan, specialising in chicken dishes such as oyako-don and fried karaage



Japanese-style barbecue restaurant that offers premium cuts such as wagyu, angus sirloin steak and Kurobuta, served with rice and noodle options



Award-winning franchise brand from Tokyo, Japan, known for its tori-paitan ramen, which means “ramen in white soup”

***Tokyo's Ramen of the Year Gold Medal list (2021 to 2023)***



Combines traditional Italian flavours with Japanese flair for a unique culinary experience, featuring a selection of hand-made pizzas, pasta and creamy doria

# Latest Non-Halal Launch



- Launched in April 2024 in Plaza Singapura
- First self-developed katsu concept brand, featuring Japanese-style deep fried cutlets

# Business Update: Restaurants operated by associated companies & JVC

## No. of Restaurants\*

As at  
31 March 2024

17  
restaurants

As at  
31 March 2023  
17  
restaurants

## Share of Profit ↑ 23.9%

As at  
31 March 2024

S\$254,000

As at  
31 March 2023  
S\$205,000

### Share of results of associated companies:

- Higher sales from the “Konjiki Hototogisu” brand restaurant in Hong Kong
- Partially offset by losses from the “Menya Musashi” brand restaurants in Hong Kong and Indonesia

### Share of results of joint venture:

- Operated 3 restaurants – 1 “Pizzakaya” & 2 “Extra Virgin Pizza” brand restaurants
- JVC sales improved after refreshing the menu – will monitor performance
- No share of losses incurred as accumulated loss exceeded capital contribution



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



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## **FY2024 Financial Highlights**



# Financial Highlights

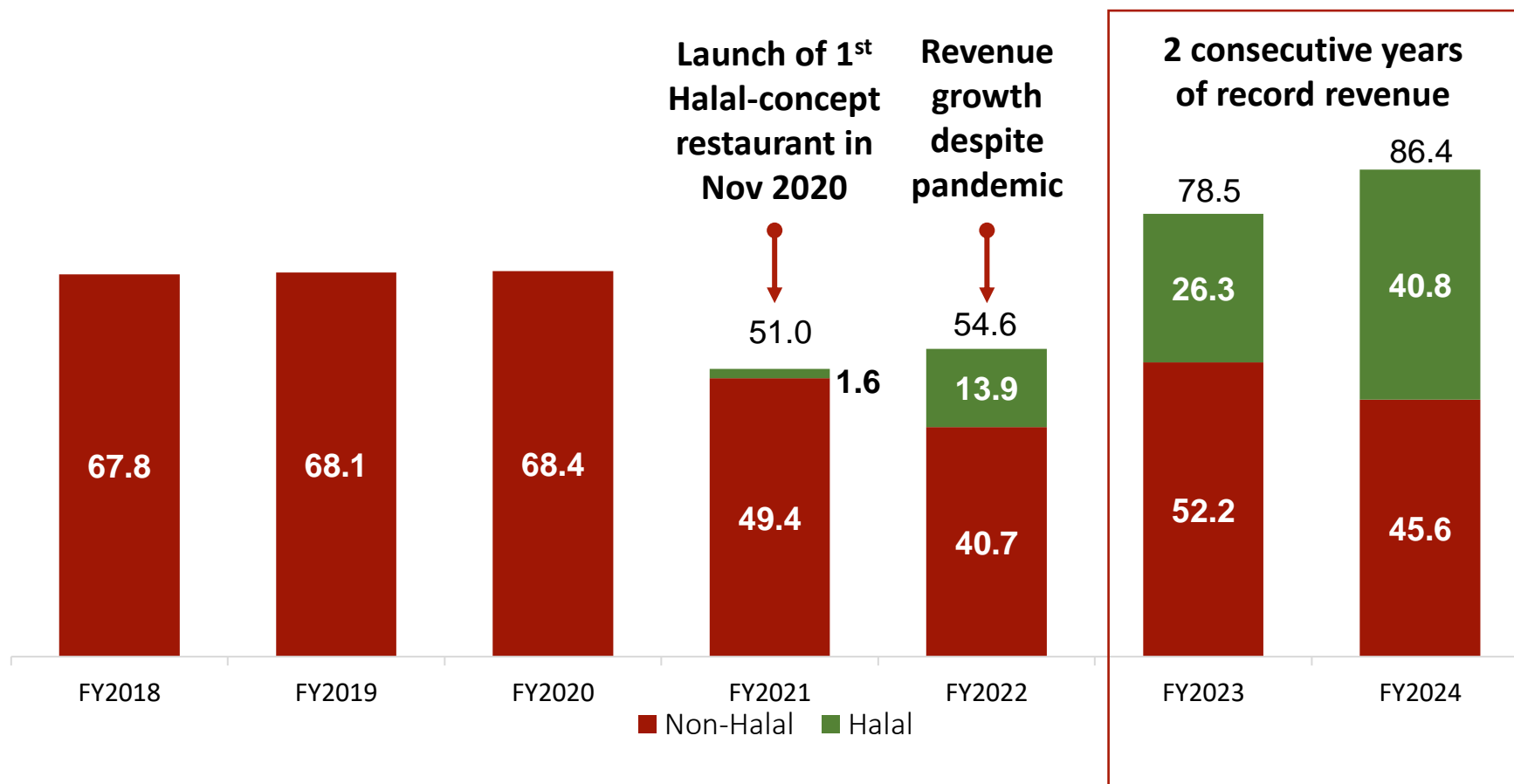
S\$' m	6 months ended 31 Mar			12 months ended 31 Mar		
	2H2024	2H2023	Change (%)	FY2024	FY2023	Change (%)
Revenue	43.4	40.6	7.0	86.4	78.5	10.0
Gross Profit	36.8	34.3	7.6	73.1	66.4	10.1
Gross Profit Margin (%)	84.9	84.5	0.4% pt	84.7	84.6	0.1% pt
EBIT	0.2	2.4	(91.7)	1.0	5.8	(82.8)
EBIT margin (%)	0.5	5.9	(5.4% pt)	1.2	7.4	(6.2% pt)
EBITDA	15.4	14.6	5.5	30.5	29.4	4.4
EBITDA margin (%)	35.5	36.0	(0.5% pt)	35.3	37.5	(2.2% pt)
Net (Loss) / Profit After Tax (NPAT)	(0.6)	1.8	N.M.	(0.5)	4.1	N.M.
NPAT Margin (%)	(1.3)	4.4	(5.7% pt)	(0.6)	5.3	(5.9% pt)
(Loss) / Earnings Per Share <sup>a</sup> (S'pore cents)	(0.3)	1.0	N.M.	(0.3)	2.4	N.M.
Return on Equity (%)	(1.9)	5.5	(7.4% pt)	(1.6)	12.6	(14.2% pt)

Note: All financial figures have been rounded

a) EPS was computed based on the weighted average number of shares of 173,984,238 shares and 174,367,320 shares in 2HY2024 and 2HY2023 respectively; and 173,962,525 shares and 174,418,384 shares in FY2024 and FY2023 respectively.



# Revenue (\$\$'m)



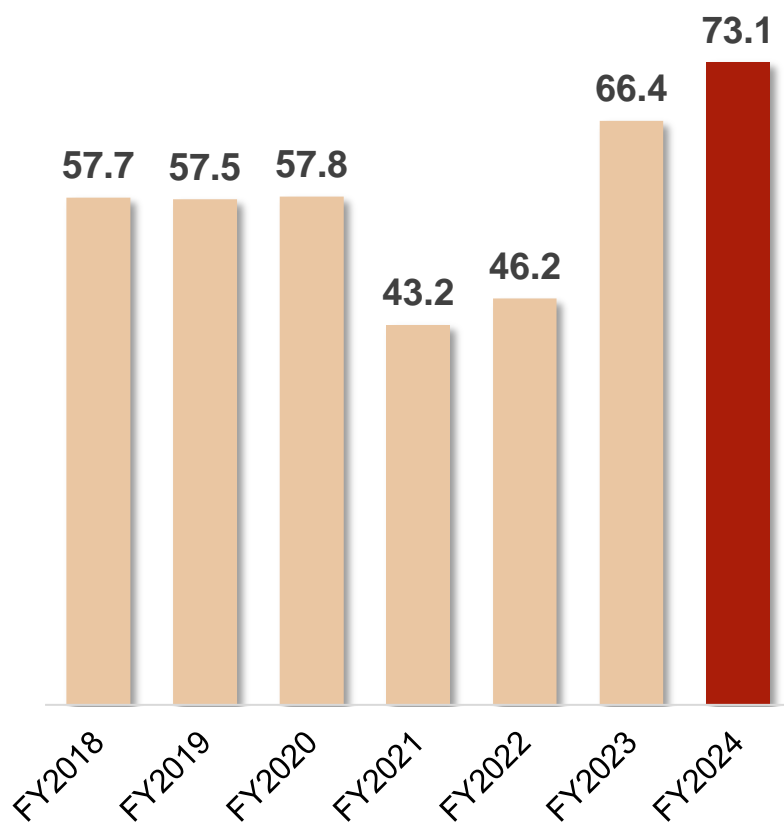
## FY2024 topline performance driven by

- Higher revenue from “Yakiniku Shokudo”, “Tokyo Shokudo” and “Konjiki Hototogisu” brands
- 21.5% increase in restaurant network due to strong growth momentum of Halal segment

# Profitability

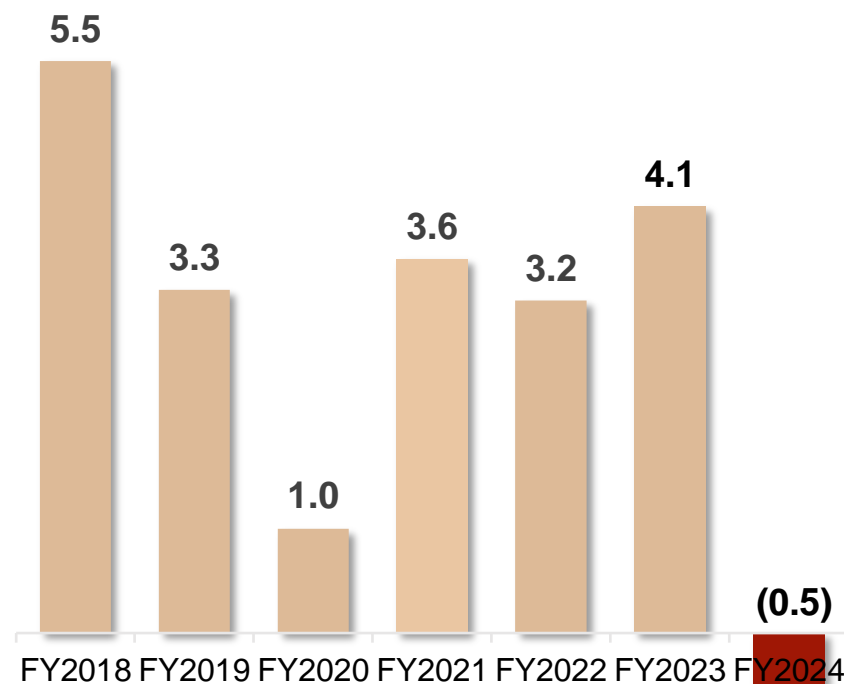
## Gross Profit (\$\$'m)

Gross Profit Margin consistently > 84%



## Net (Loss) / Profit (\$\$'m)

Net profit impacted by higher expenses mainly due to expanded operations and one-off impairment loss



Note: All financial figures have been rounded

# Cash Flow

S\$m	FY2024	FY2023	Change (%)
Net cash generated from operating activities	30.7	29.5	▲ 4.3
Net cash used in investing activities	(9.6)	(8.5)	▲ 12.7
Net cash used in financing activities	(28.4)	(25.9)	▲ 9.6
Net (decrease) in cash and cash equivalents	(7.2)	(4.9)	▲ 46.7
Cash and cash equivalents at beginning of financial year	15.0	19.9	▼ 24.5
Cash and cash equivalents at end of financial period	7.9	15.0	▼ 47.7

*Note:*  
All financial figures have been rounded

# Key Financial Ratios

	As at 31 Mar 2024	As at 31 Mar 2023	Change (%)
Cash and bank balances (S\$'m)	11.5	18.5	▼ 37.9
Total assets (S\$'m)	93.4	90.6	▲ 3.0
Total equity (S\$'m)	29.8	32.7	▼ 9.1
Net cash ratio <sup>(1)</sup>	0.3	0.6	▼ 41.3
Net asset value per share (S'pore cents) <sup>(2)</sup>	17.1	18.8	▼ 9.0
Net cash per share (S'pore cents) <sup>(2)</sup>	6.6	10.6	▼ 37.7

**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 173,806,200 shares as at 31 March 2024 and 174,394,200 shares as at 31 March 2023.

# FY2024 Dividend & Policy Revision



**Total dividend in FY2024:  
0.5 Singapore cents per ordinary share**

Comprising

- **Interim dividend of 0.3 cents per ordinary share** paid in December 2023
- **Proposed final dividend of 0.2 cents per ordinary share** (date payable to be announced)

## **Revision of Dividend Policy<sup>a</sup>**

For financial resilience and prudence amidst challenging and uncertain market conditions

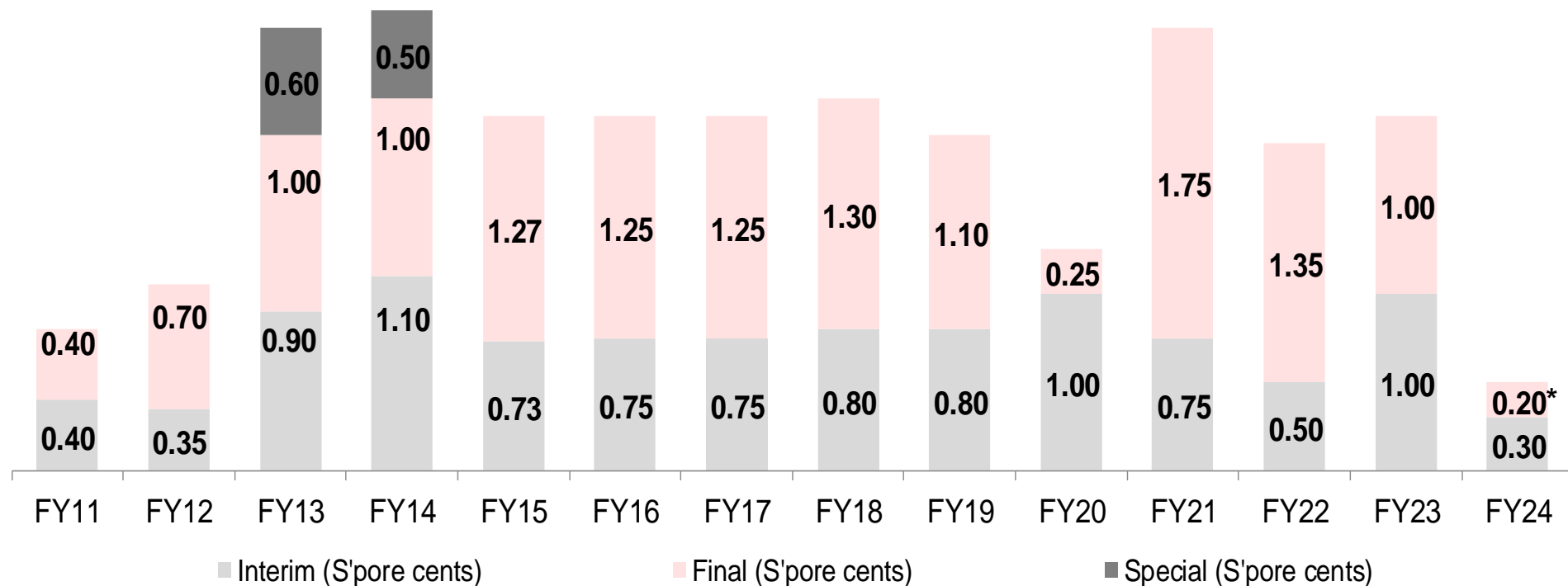
Since FY2022	▶	From FY2025
100.0%		50.0%

<sup>a</sup> Based on audited consolidated net profit attributable to shareholders per financial year. Subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances. This amount of dividends will depend on the Group's operating results, financial conditions such as cash position and retained earnings, other cash requirements including capital expenditure, restrictions on payment of dividends imposed on the Group by financing arrangements (if any) and other factors deemed relevant by the Directors.



# Dividend History

Strong track record of paying dividends



## Dividend Payout Ratio (%)

FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
30.0	31.0	45.0	53.2	73.5	92.2	74.6	63.1	98.9	214.0	120.1	99.8	84.5	(178.5)#

\* Proposed final dividend, subject to shareholders' approval at the upcoming AGM in July 2024.

# Negative ratio due to dividend payout despite net attributable loss in FY2024.

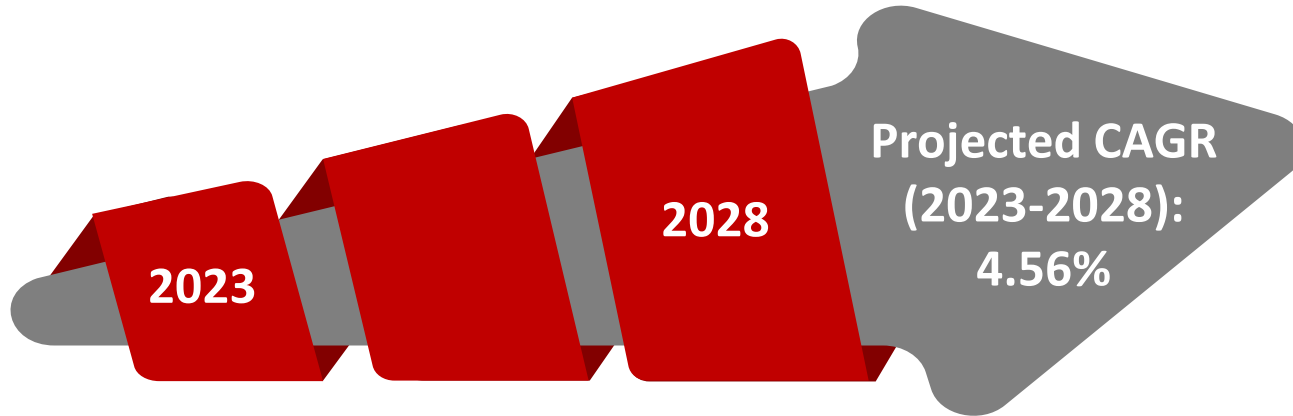


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## **Outlook & Prospects**

# Industry Prospects



**In 2023, F&B industry recorded a 28.9% increase to approximately S\$12.0b**

Drivers:

- F&B services is integral to Singapore's economy and lifestyle
- Survey conducted in Dec 22 shows **48.0% of Singaporeans dine out several times a week**
- Of all meals eaten out of home, 77.0% of Singaporeans chose to dine out for dinner

Source:  
Food and Hotel Asia 2024 website

# Top F&B Industry Trends in Singapore

- And potential opportunities for Japan Foods

1

## Healthier food choices

Opportunity to add healthier options to our menus

2

## Rising demand for food-on-the-go

Study the potential of selling ready-packed food at restaurants

3

## Embracing Food Delivery

Adapt more menu items for delivery

4

## Continued recovery

Continuous rejuvenation of menu and restaurant portfolio to capture continued post-Covid recovery

5

## Innovative Technologies

Adopt technology to increase efficiency

6

## Rising operating costs

Implement cost containment measures

7

## Labour & skill shortage

Optimise staff deployment per store and use of technology to reduce labour reliance

8

## Increasing competition

Intensify brand building efforts to differentiate ourselves and grow marketshare

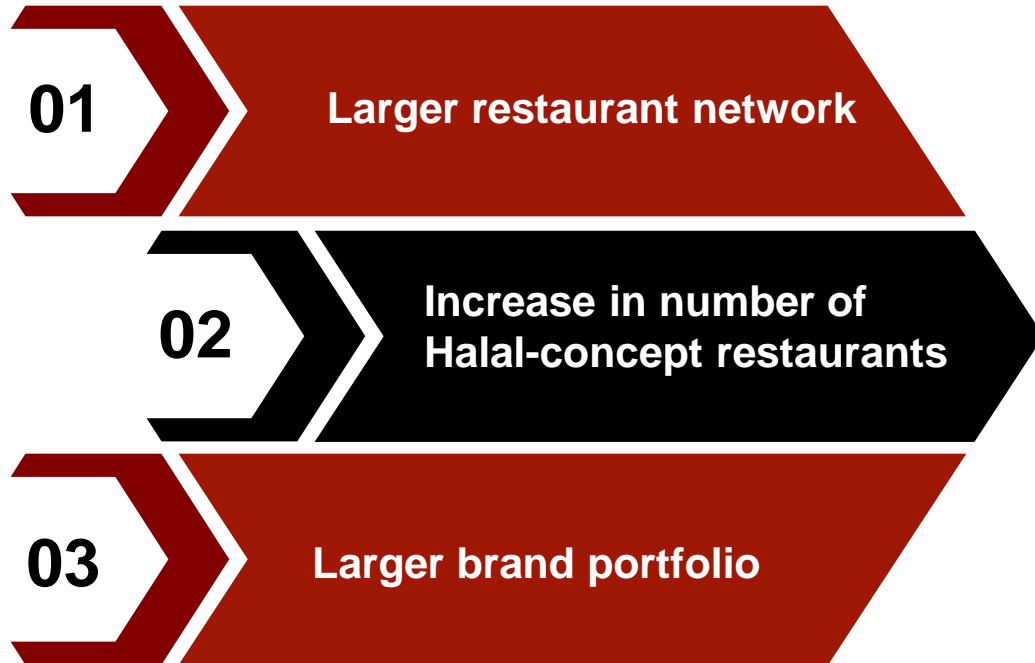
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## Evolving consumer patterns

Cultivate new and unique experiences and build loyalty through JFH Rewards programme

Source:  
Food and Hotel Asia 2024 website

# Outlook & Strategies



**Contribute to future revenue growth and solidify Japan Foods' position in this segment**

FY2025 strategies:

- Intend to slowdown rate of network expansion and shift focus to improving profitability
- Exercise financial prudence
- Ongoing efforts to refresh and rejuvenate brand and restaurant portfolio





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**Thank You!**