



**EXPANDING
REACH**

**WIDENING
PRESENCE**

Corporate Presentation

1Q 2020

**3 months ended
30 June 2019**

JAPAN FOODS HOLDING LTD.

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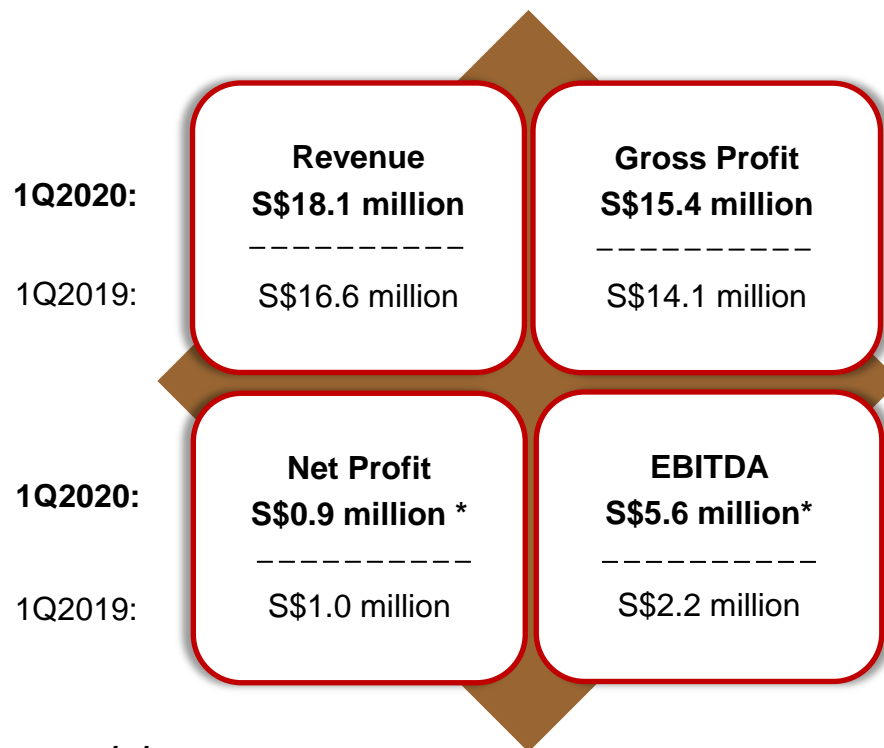
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**Overview of
1Q 2020**

JAPAN FOODS HOLDING LTD.

Performance at a glance

1Q2020/1Q2019



Note:
All financial figures have been rounded

* The Group adopted the new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and Interpretations of SFRS(I) (“**INT SFRS(I)**”) that are effective for annual periods beginning on or after 1 January 2019. SFRS (I) 16 introduced a single lessee accounting model, which requires a lessee to recognise all leases on its statements of financial position to reflect its rights to use the leased assets and a corresponding lease liability except for certain short-term leases (less than 12 months) and leases of low-value assets. The adjustments led to a decrease of S\$158,000 in Japan Foods’ net profit after tax for 1Q2020 and an increase of S\$3,497,000 in Japan Foods’ EBITDA for 1Q2020.

Our growing brand portfolio

11 Franchise Brands from Japan



Ajisen Ramen



Shitamachi Tendon Akimitsu



Osaka Ohsho



Konjiki Hototogisu



Kara-Men



Kazokutei



Menya Musashi



Menzo Butao



Yonehachi



Kagurazaka Saryo



Afuri



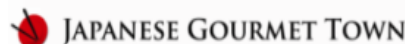
4 Self-Developed Brands



Aji-Tei



Curry is Drink



New ManLee Bak Kut Teh

Our expanded Singapore network

Restaurant Brands	As at 30 June 2019	As at 30 June 2018
Afuri Ramen	1	-
Ajisen Ramen ^(a)	16	18
Karamen	2	-
Curry Is Drink	1	1
Dutch Baby Cafe	-	1
Fruit Paradise	2	2
Ginza Kushi Katsu	-	1
Japanese Gourmet Town	1	1
Kagurazaka Saryo	2	-
Kazokutei	1	1
Konjiki Hototogisu	4	1
Menya Musashi	11	10
Menzo Butao	2	1
New ManLee Bak Kut Teh	1	1
Osaka Ohsho ^(b)	5	5
Shitamachi Tendon Akitmitsu	7	7
Yonehachi	1	1
TOTAL RESTAURANTS	57	51

^a Includes 5 “Den by Ajisen Ramen” brand restaurants

^b Includes 1 “Kotsujiru Nabe” brand restaurant, which is an extension of the “Osaka Ohsho” brand



AFURI Ramen



Shitamachi Tendon Akimitsu



Konjiki Hototogisu



New ManLee Bak Kut Teh



Curry is Drink

What people are saying about our new “Afuri” ramen brand



*We really enjoy how Afuri's signature chicken and yuzu broth is lighter and more refreshing than the usual rich ramen broth. Together with Afuri's springy whole grain noodles and smoky grilled pork, it truly is **a unique combination of flavours that is worth a try**. – Kimberly Anne Lim, Asiaone*



*The light broth here is a mix of chicken and seafood stock, served with onsen egg, slice of chashu and seaweed. The ramen texture itself is quite al dente, while the signature broth is nicely represented by the familiar yuzu peel flavour. It is **refreshing, yet hearty**. – The Ranting Panda*

*Afuri's lighter chicken based stock with citrusy yuzu may add that **blossoming in your mouth, and spring in your step**. – Danielfooddairy.com*

*The first taste of the broth dazzled me, and changed my entire perception of ramen. I'm used to the tonkotsu broth so this intensely citrusy broth was a very refreshing change. It is **very appetising and makes you want to reach for more**. – Jonathan Yeo, Miss Tam Chiak*



Our network

As at 30 June 2019

The Group, together with its sub-franchisees, operates a total of 57 restaurants under various brands in Singapore and 1 “Ajisen Ramen” brand restaurant in Malaysia. It also has interests in 20 restaurants in Indonesia, Hong Kong and China through associated companies.



57 Self-operated restaurants

18 Restaurants through associated companies

1 Restaurants operated by sub-franchisees

Updates on our overseas network

Restaurants	Updates	No. of Outlets As at 30 June 2019	No. of Outlets As at 30 June 2018
Ajisen Ramen¹	<ul style="list-style-type: none"> ▪ Closed 2 restaurants in Vietnam <ul style="list-style-type: none"> ✓ 1 in Kumho Link ✓ 1 in District 1 	1 in Malaysia	1 in Malaysia
			2 in Vietnam
Menya Musashi²		1 in Indonesia	1 in Indonesia
	<ul style="list-style-type: none"> ▪ Closed 2 restaurants in Hong Kong 	6 in Hong Kong	8 in Hong Kong
	<ul style="list-style-type: none"> ▪ Opened 1 restaurant in China <ul style="list-style-type: none"> ✓ Closed 1 in Shengzhen ✓ Opened 1 in Shanghai ✓ Opened 1 in Guangzhou 	11 in China	10 in China
TOTAL		19	22

Note:

¹ operated by sub-franchisees

² interests in restaurants through associated companies

JFH Rewards well received



The JFH Rewards programme was launched in January 2018 to replace the JFH Family Card.

Aim: To attract more customers to eat more often at Japan Foods' network of restaurants.

As at 30 June 2018

- Approx. **20,000** JFH members
- Amount of \$J earned by members (net of expired points): S\$0.2 million

As at 30 June 2019

- Approx. **140,000** JFH members
- Amount of \$J earned by members (net of expired points): S\$0.3 million



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**Financial
Highlights**

1Q 2020

JAPAN FOODS HOLDING LTD.

Financial highlights

S\$' m	Three months ended 30 June		
	1Q2020	1Q2019	Change (%)
Revenue	18.1	16.6	8.8
Gross Profit	15.4	14.1	8.9
Gross Profit Margin (%)	84.9	84.8	0.1 pts
EBIT	1.3	1.2	11.0
EBIT margin (%)	7.4	7.2	0.2 pts
EBITDA	5.6	2.2	154.5
EBITDA margin (%)	30.9	13.3	17.6 pts
Net Profit After Tax (NPAT)*	0.9	1.0	(8.8)
NPAT Margin (%)	4.9	5.8	(0.9) pts
Earnings Per Share (S'pore cents)**	0.51	0.56	(8.9)
Return on Equity (%)	10.2	10.9	0.7 pts

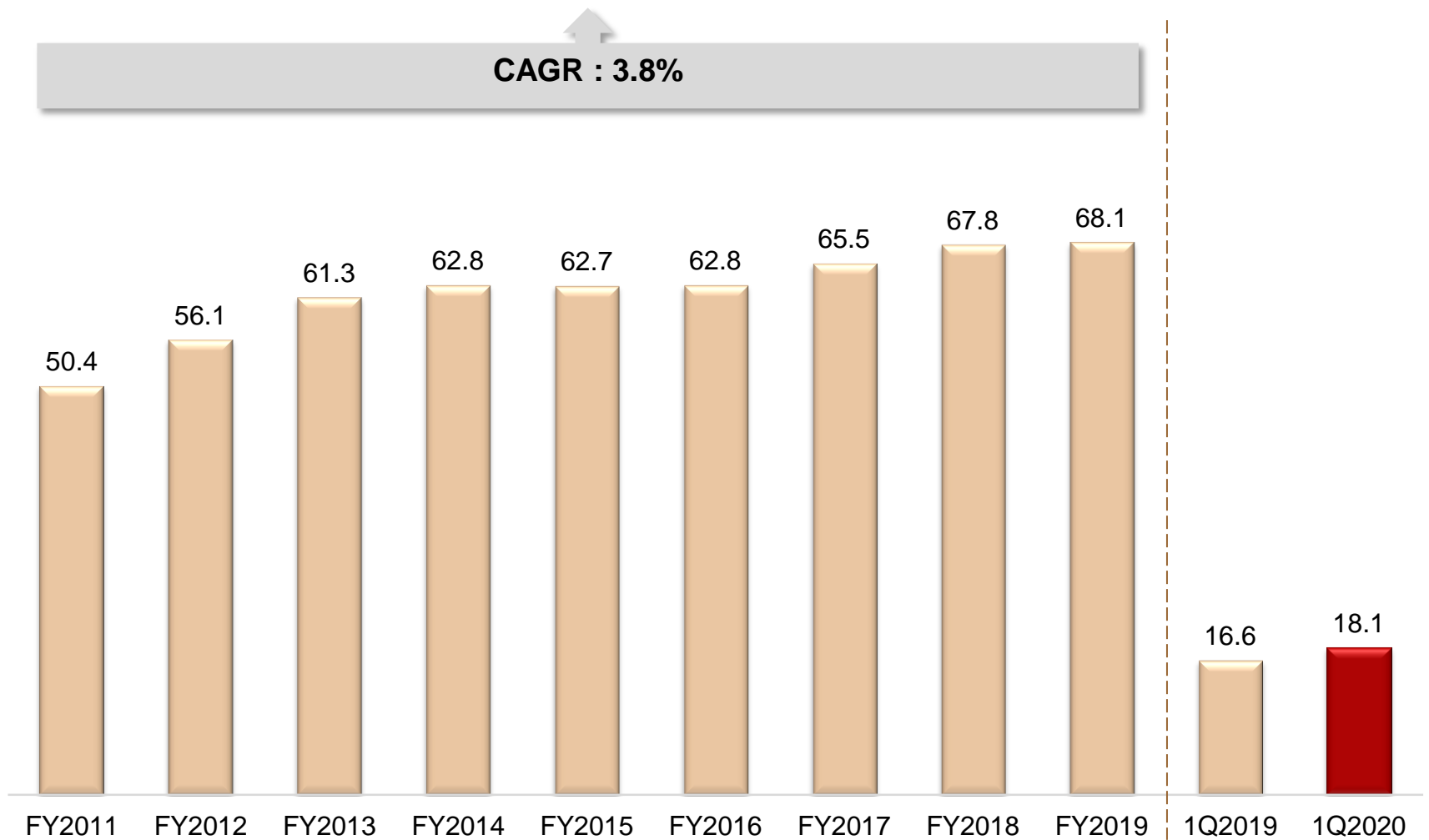
Note:

All financial figures have been rounded

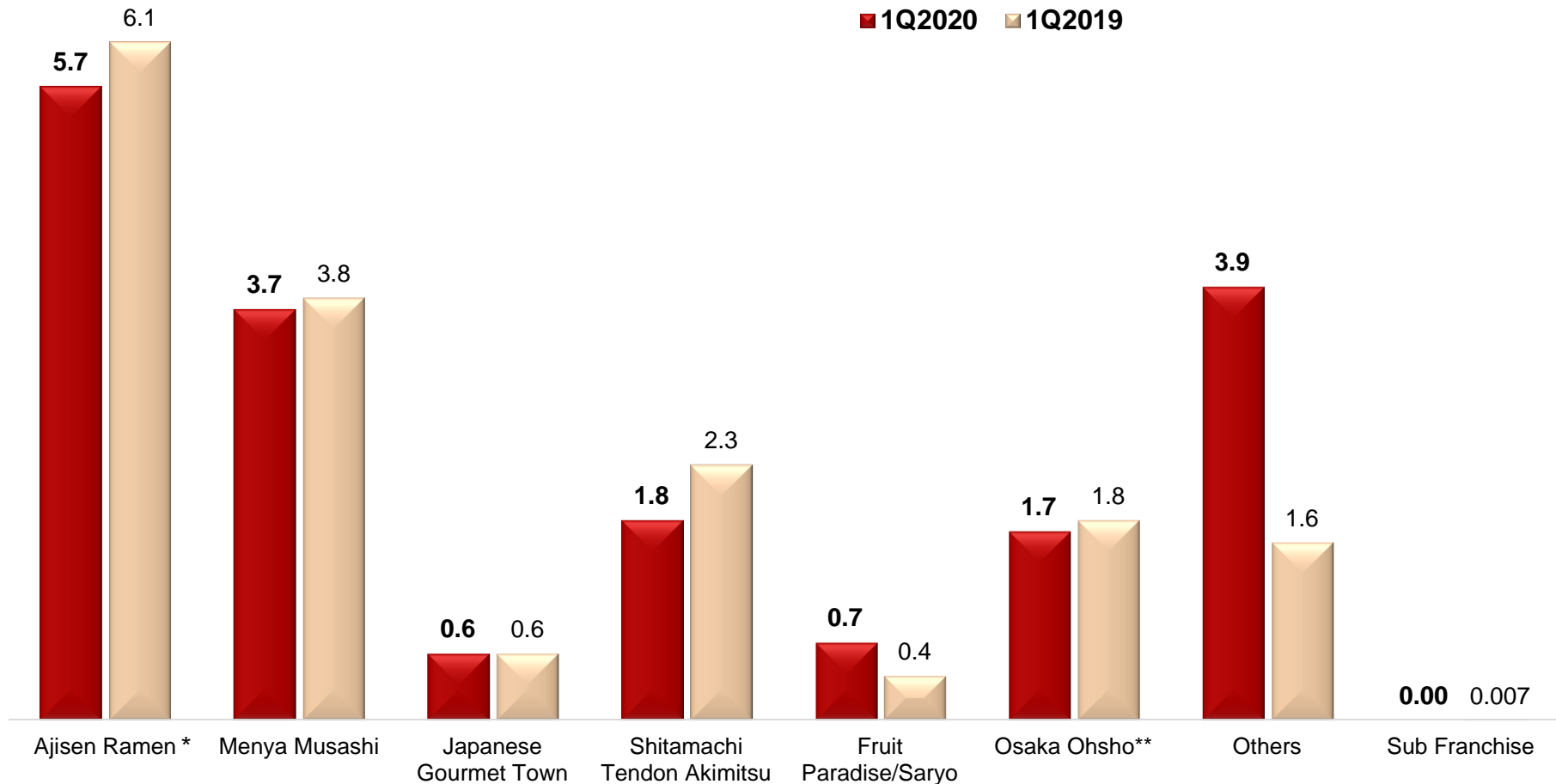
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** EPS was computed based on the weighted average number of shares of 173,602,900 shares and 173,734,054 shares in 1Q2020 and 1Q2019 respectively

Revenue (S\$' m)



Revenue mix by brands (S\$' m)

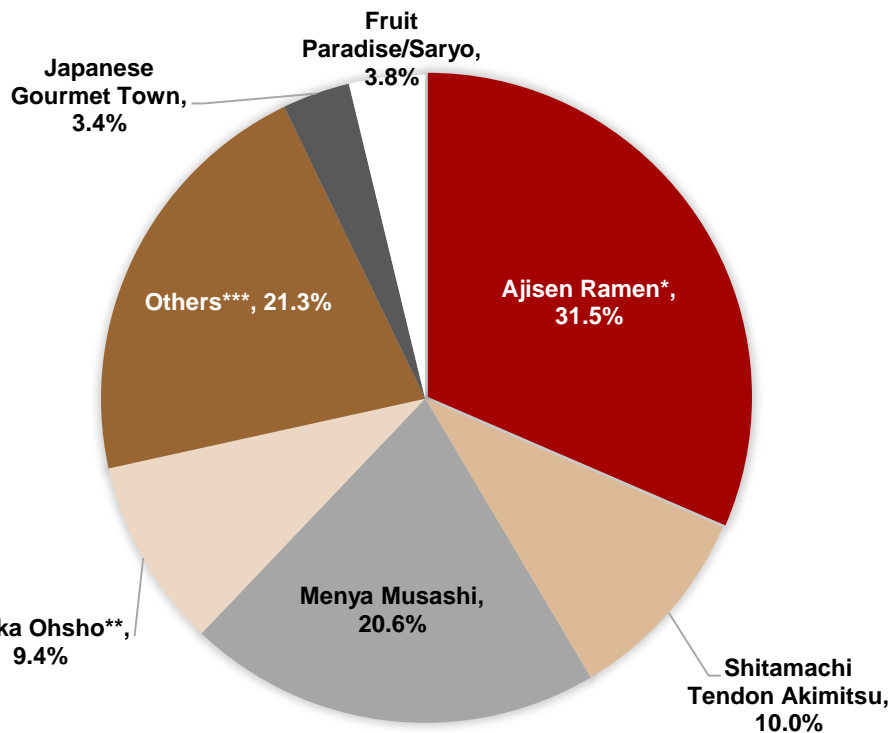


* Includes Keika Ramen and Kara-Men

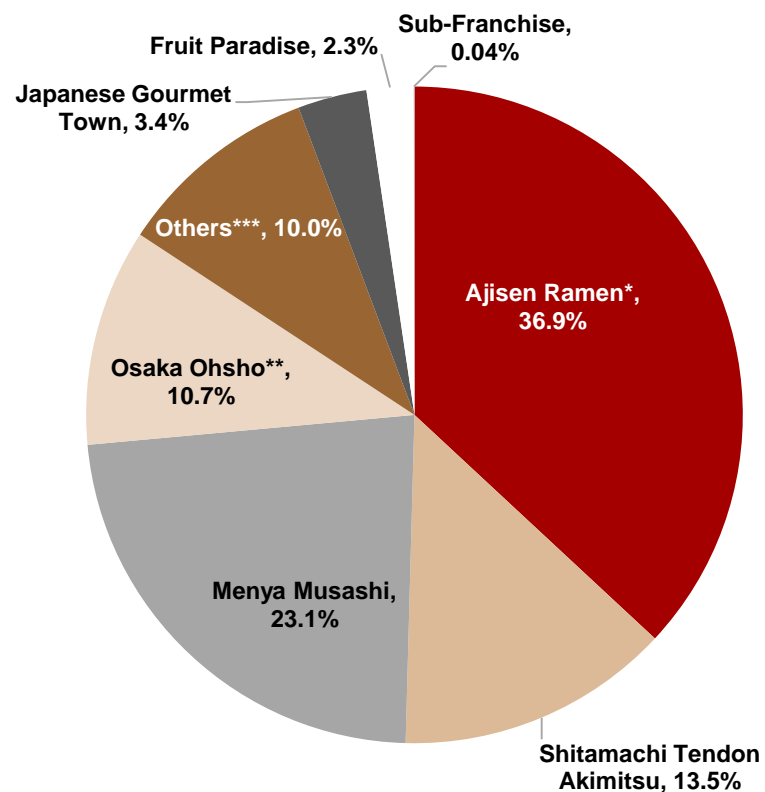
** Includes 1 "Kotsujiru Nabe" brand restaurant, which is a brand extension of the "Osaka Ohsho" brand

Revenue breakdown

1Q2020



1Q2019



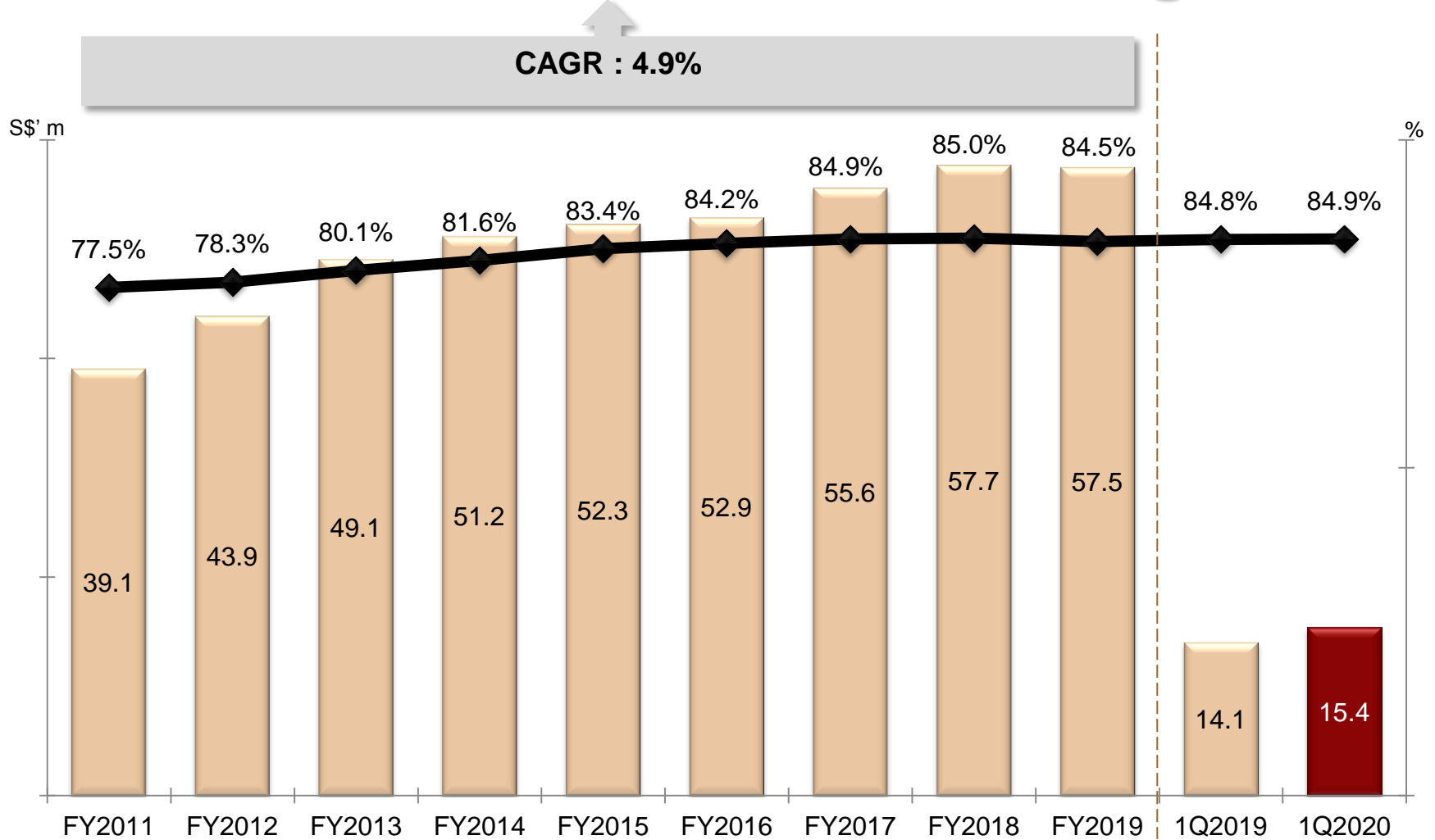
Notes:

* Includes Keika Ramen and Karamen

** Includes 1 "Kotsujiru Nabe" brand restaurant, which is a brand extension of the "Osaka Ohsho" brand

*** Includes revenue contribution from one new restaurant brand "AFURI Ramen"

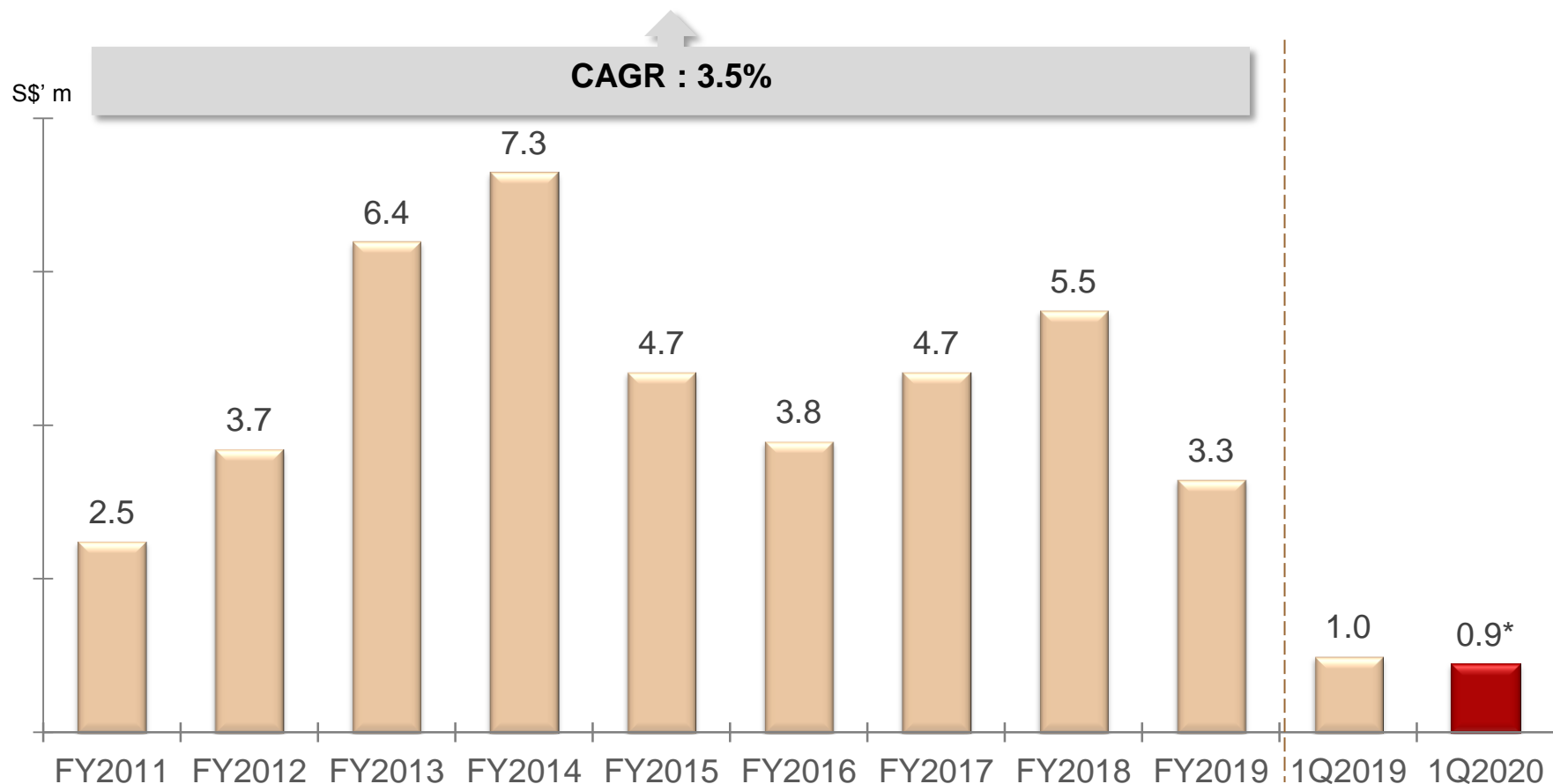
Gross Profit and Gross Profit Margin



Note:

All financial figures have been rounded

Net Profit



Note:

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Cash Flow

S\$ 'm	As at 30 June 2019	As at 30 June 2018	Change (%)
Net cash generated from operating activities	6.4	3.4	▲ 88.0
Net cash used in investing activities	(1.5)	(0.8)	▲ 87.5
Net cash used in financing activities	(3.3)	(0.3)	N.M.
Net increase in cash and cash equivalents	1.5	2.3	▼ 34.8
Cash and cash equivalents at beginning of financial year	19.5	19.8	▼ 1.5
Cash and cash equivalents at end of financial period	21.0	22.1	▼ 5.0

*Note:
All financial figures have been rounded*

Key Financial Ratios

	As at 30 Jun 2019	As at 31 Mar 2019	Change (%)
Cash and bank balances (S\$m)	23.6	22.1	▲ 6.8
Total assets (S\$m)	71.9	43.7	▲ 64.5
Total equity (S\$m)	34.7	33.8	▲ 2.7
Net cash ratio ⁽¹⁾	1.0	2.3	▼ 56.5
Net asset value per share (S'pore cents) ⁽²⁾	19.99	19.48	▲ 2.6
Net cash per share (S'pore cents) ⁽²⁾	13.6	12.7	▲ 7.1

Notes:

(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 173,602,900 shares as at 30 June 2019 and 173,602,900 shares as at 31 March 2019.

Note: All financial figures have been rounded



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**Corporate
Updates**

JAPAN FOODS HOLDING LTD.

Updates on joint venture with Minor Singapore

- Japan Foods and Minor Food Group (Singapore) Pte. Ltd. (“Minor Singapore”) formed 50-50 joint venture company **Dining Collective Pte Ltd** (“Dining Collective”) to expand geographical presence
 - Dining Collective will operate Japan Foods’ Japanese cuisine brands in Thailand and China, and Minor Singapore’s Thai cuisine brands in Japan.
 - MOU marks Japan Foods’ first foray into Thailand and Japan
- ***First Steps***: Dining Collective incorporated **A.J Bridge Co, Ltd in Japan**, a wholly owned subsidiary, on 16 May 2019. Actively planning and making preparation to set up operation in Japan

Brands by

MINOR
FOOD GROUP
SINGAPORE



Poulet



Thai Express



Xin Wang Hong Kong Cafe

In the news recently

MONDAY, JULY 1, 2019 | THE STRAITS TIMES

7 years to bring yuzu ramen to Singapore



Japan's Afuri chain initially had no plans to go overseas, but when expanded to Oregon in 2016, talks intensified to get the brand to open here too

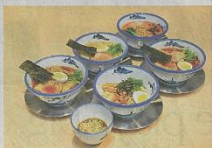
Frank Ong
Food Correspondent

It took seven years to get famous ramen brand Afuri to Singapore. The yuzu-scented ramen spread with a charred pork bowl, so over the top that it inspired Afuri to open a 70-seat outlet in the Orchard Road area, which opened last Friday.

Mr Takashi Kuroki, Afuri's chief executive officer and executive chairman of Japan Foods Holding Ltd, says the brand's expansion to Singapore is a milestone for the company. He says the brand's expansion to Singapore is a milestone for the company.

The Afuri brand, which first opened in Osaka, Tokyo, in 2003, expanded to Portland, Oregon, in 2016. It was then that both of its founders, executives, began to think about expansion abroad.

The brand's expansion to Singapore is a milestone for the company. He says the brand's expansion to Singapore is a milestone for the company.



Afuri founder Hiroe Nakamura shows her wife and daughter in the new Afuri outlet in Orchard Road. The brand's expansion to Singapore is a milestone for the company.

On the other hand, he notes that the brand's expansion to Singapore is a milestone for the company. He says the brand's expansion to Singapore is a milestone for the company.

Japan's Afuri chain initially had no plans to go overseas, but when expanded to Oregon in 2016, talks intensified to get the brand to open here too

The Straits Times, 1 July 2019

Savour Japan's Afuri ramen in Singapore

Well-known for its yuzu-scented ramen with charred-grilled pork, the brand will open an outlet at Funan mall

Frank Ong
Food Correspondent

Japan's Afuri chain, known for its yuzu-scented ramen with charred-grilled pork, is set to open an outlet at Funan mall in Singapore.

The brand's expansion to Singapore is a milestone for the company. He says the brand's expansion to Singapore is a milestone for the company.



Afuri founder Hiroe Nakamura shows her wife and daughter in the new Afuri outlet in Orchard Road. The brand's expansion to Singapore is a milestone for the company.

The Straits Times, 6 June 2019

Japan Foods Holding Ltd.

asiaone LATEST SINGAPORE MALAYSIA CHINA ASIA WORLD NEWS CARIAN

8 best ramen restaurants to get your noodle fix in Singapore



Your daily good stuff...
A curated list of the best ramen restaurants in Singapore.

By KAREN CHAN
14 JULY 2019

A piping bowl of ramen is usually the go-to Japanese comfort food for many Singaporeans.

1. AFURI RAMEN



Fans of this Japanese ramen chain, which came to Singapore in 2016, will be glad to see the brand's expansion to Singapore.

2. KINOHU HONTOYU



Hailing from Tokyo, Japan, the renowned Kinohu Hontoyu, a sake house that started out as an eight-counter shop founded by Chef Akashi Yamamoto.

AsiaOne, 3 July 2019

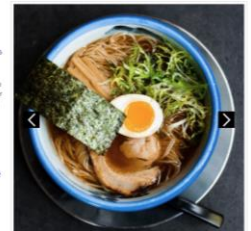
HERWORLD FASHION BEAUTY SHOPPING LIFESTYLE VIDEOS BRIDES+ EXCLUSIVE SHOWCASE

8 BEST RAMEN RESTAURANTS TO GET YOUR NOODLE FIX IN SINGAPORE

Inbidge is some sleep-worthy goodness at these crowd favourites that are also renowned brands

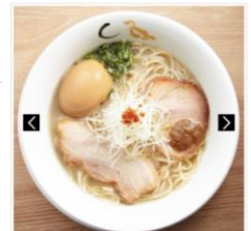
1. Afuri Ramen

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2. Kinohu Hontoyu

Hailing from Tokyo, Japan, the renowned Kinohu Hontoyu, a sake house that started out as an eight-counter shop founded by Chef Akashi Yamamoto.



HerWorld, 3 July 2019

Awards & accolades for excellence in corporate governance



2016:

- “**Most Transparent Company (Catalist)**”, 17th SIAS Investors’ Choice Awards

2017:

- “**Transparency Award – SMEs**”, 18th SIAS Investors’ Choice Awards

2018:

- “**Best Managed Board Award (Gold)**” and “**Best CFO**” for companies with less than S\$300 million in market capitalisation, Singapore Corporate Awards 2018
- Runner Up for “**Most Transparent Company Award – Hotel/Restaurant**” 19th SIAS Investor Choice Awards

2019:

- “**Best Annual Report (Sliver)**”, Singapore Corporate Awards 2019

Peer Comparison

	Market Cap (S\$ 'm)	Price (S\$)	Net profit margin (%)	ROE (%)	Net Debt / Equity	P/E	Div yield (%)
Japan Foods	83.3	0.480	4.9	9.9	-	25.0	4.0
BreadTalk	391.9	0.695	2.5	11.4	0.3	25.8	2.2
ABR Holdings	140.7	0.700	2.1	2.8	-	52.8	3.6
Sakae Holdings	12.6	0.090	5.3	12.0	1.2	2.5	-
Soup Restaurant	46.1	0.165	5.0	19.8	-	21.0	3.9
Tung Lok Restaurant	45.3	0.165	-0.9	-	-	-	-
Katrina	38.2	0.165	0.7	3.0	-	88.7	-
Jumbo	246.7	0.385	7.2	16.9	-	22.4	3.1
RE&S Holdings	62.3	0.176	2.5	10.0	-	17.5	2.3
Kimly Limited	270.1	0.235	10.8	26.2	-	12.3	4.1
No Signboard Holdings	28.2	0.061	-8.7	-	-	-	4.3

Source: ShareInvestor.com, data as at 2 Aug 2019, 5.15pm

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



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**Thank
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