



**EXPANDING
REACH**

**WIDENING
PRESENCE**

Corporate Presentation

HY 2020

**6 months ended
30 September 2019**

JAPAN FOODS HOLDING LTD.

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**Overview of
HY 2020**

JAPAN FOODS HOLDING LTD.

Performance at a glance

HY2020:	Revenue S\$36.1 million	Gross Profit S\$30.6 million
	-----	-----
HY2019:	S\$33.3 million	S\$28.1 million
HY2020:	Net Profit S\$1.5 million *	EBITDA S\$11.0 million*
	-----	-----
HY2019:	S\$1.6 million	S\$4.1 million

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\$333,000 in Japan Foods’ net profit after tax for HY2020 and an increase of S\$7,277,000 in Japan Foods’ EBITDA for HY2020.*

Our expanded Singapore network

Restaurant Brands	As at 30 Sep 2019	As at 30 Sep 2018
Afuri Ramen	1	-
Ajisen Ramen ^(a)	16	17
Karamen	2	-
Curry Is Drink	1	1
Dutch Baby Cafe	-	1
Fruit Paradise	2	1
Ginza Kushi Katsu	-	1
Japanese Gourmet Town	1	1
Kagurazaka Saryo	2	2
Kazokutei	1	1
Konjiki Hototogisu	5	1
Menya Musashi	11	11
Menzo Butao	2	2
New ManLee Bak Kut Teh	1	1
Osaka Ohsho ^(b)	5	5
Shitamachi Tendon Akitmitsu	7	7
Yonehachi	1	1
TOTAL RESTAURANTS	58	53

^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 Man Lee Bak Kut Teh



Curry is Drink

Growing network (as at 30 Sep 2019)



The Group, together with its sub-franchisees, operates a total of 58 restaurants under various brands in Singapore and 1 “Ajisen Ramen” brand restaurant in Malaysia. It also has interests in 18 restaurants in Indonesia, Hong Kong and China through associated companies.

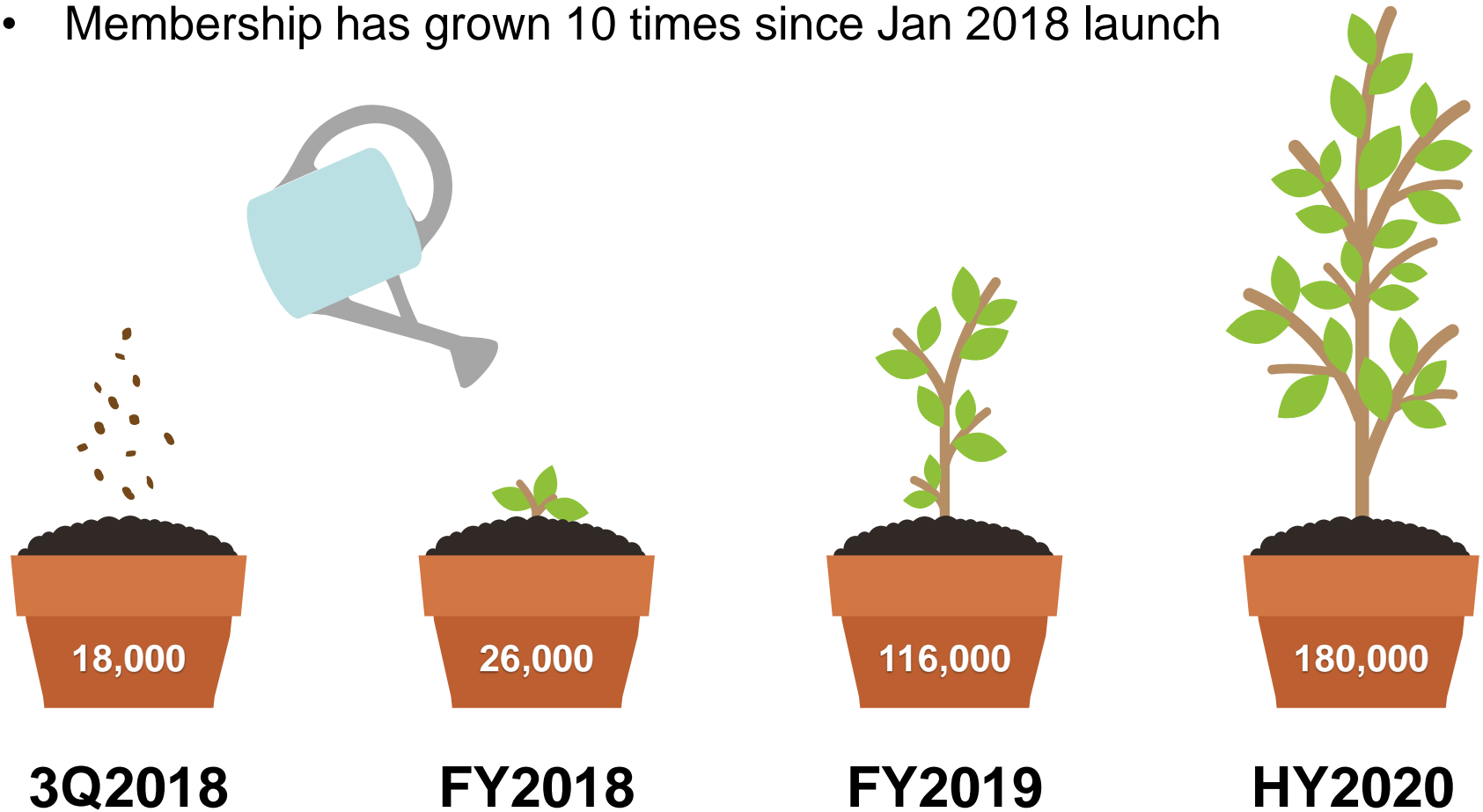
58 Self-operated restaurants

18 Restaurants through associated companies

1 Restaurants operated by sub-franchisees

JFH Rewards Programme: Steady membership growth since launch

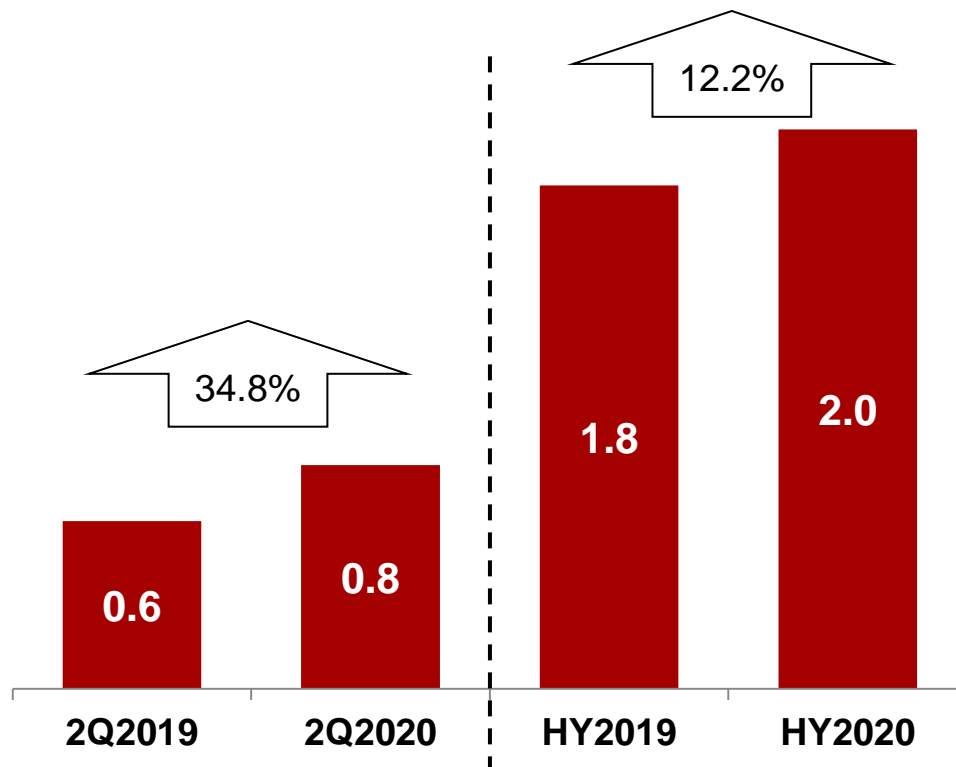
- Membership has grown 10 times since Jan 2018 launch



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Healthy Operational Performance

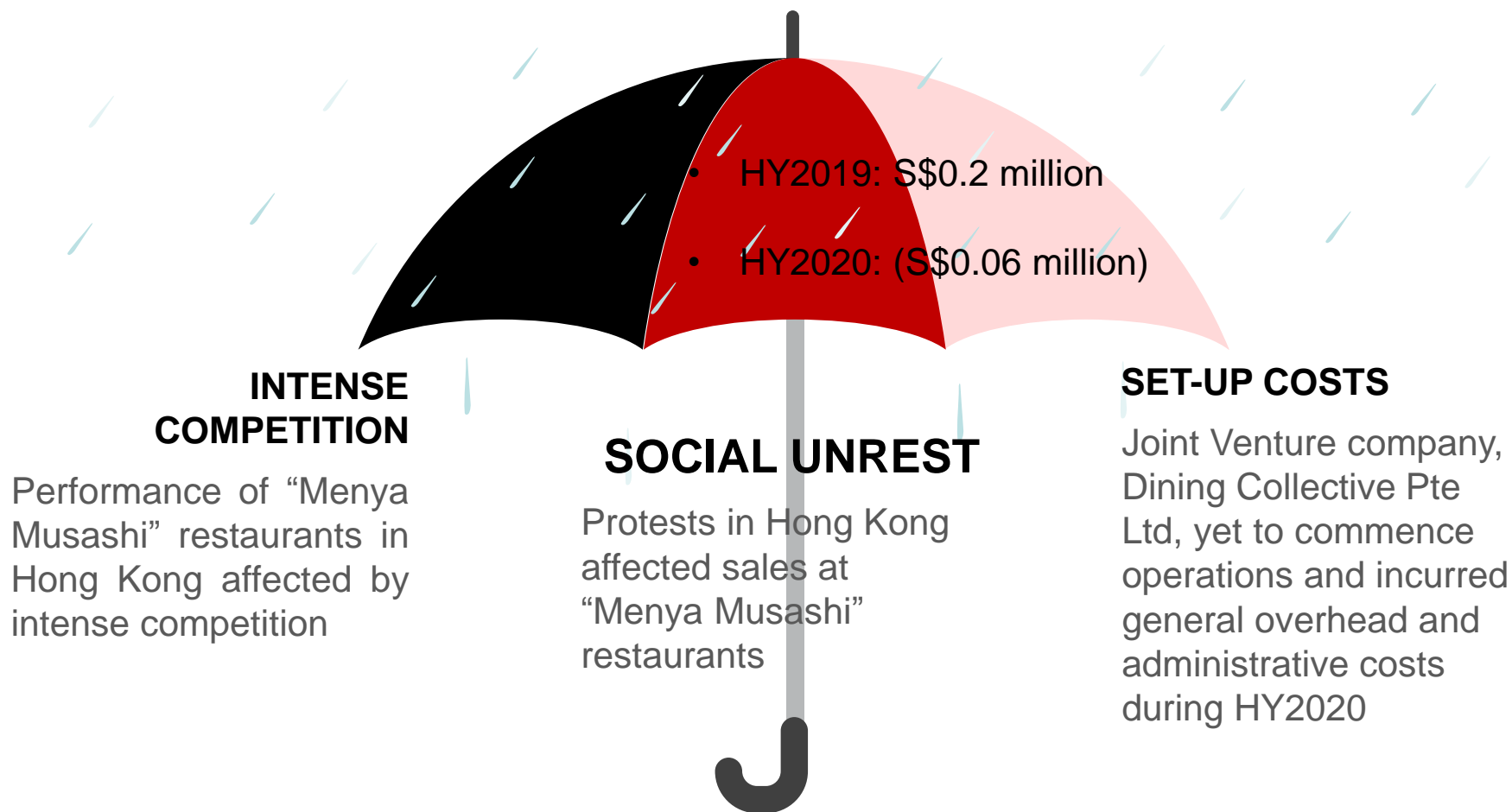
Profit from Operations (S\$m)



Profit from operations increased 12.2% in HY2020, which is before taking into account share of results of associated companies and joint venture.

*Note:
All financial figures have been rounded*

Share of results of associated companies & joint venture



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**Financial
Highlights**

HY 2020

JAPAN FOODS HOLDING LTD.

Financial highlights

Six months ended 30 September

S\$' m	HY 2020	HY 2019	Change (%)
Revenue	36.1	33.3	8.6
Gross Profit	30.6	28.1	8.7
Gross Profit Margin (%)	84.7	84.4	0.3 pts
EBIT	2.4	1.7	41.2
EBIT margin (%)	6.6	6.0	0.6 pts
EBITDA	11.0	4.1	168.3
EBITDA margin (%)	30.5	12.3	18.2 pts
Net Profit After Tax (NPAT) ^a	1.5	1.6	(4.6)
NPAT Margin (%)	4.2	4.8	(0.6) pts
Earnings Per Share ^b (S'pore cents)	0.87	0.92	(5.4)
Return on Equity ^c (%)	9.0	9.5	(5.3)

Note:

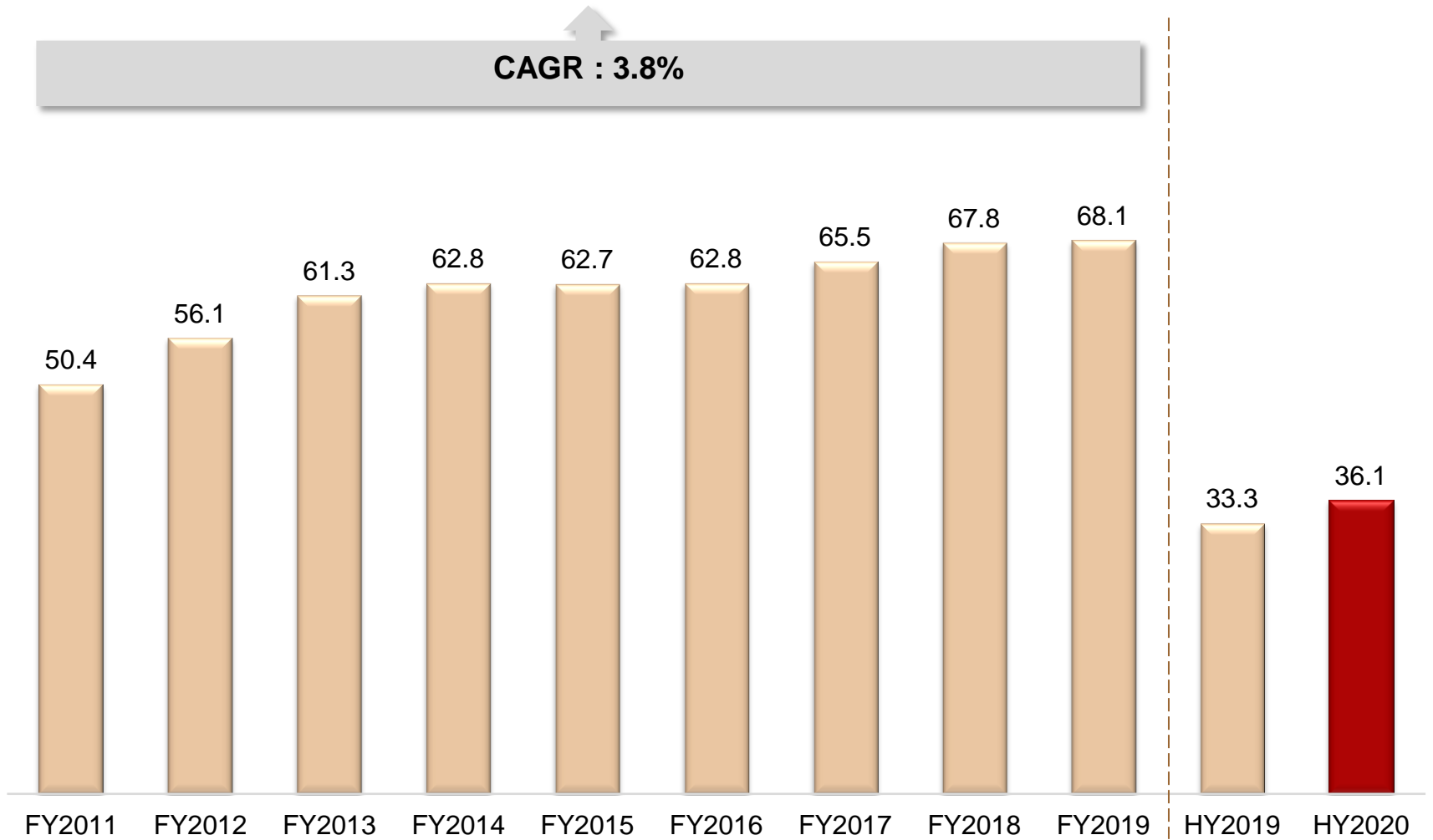
All financial figures have been rounded

a) 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\$333,000 in Japan Foods' net profit after tax for HY2020 and an increase of S\$7,277,000 in Japan Foods' EBITDA for HY2020.

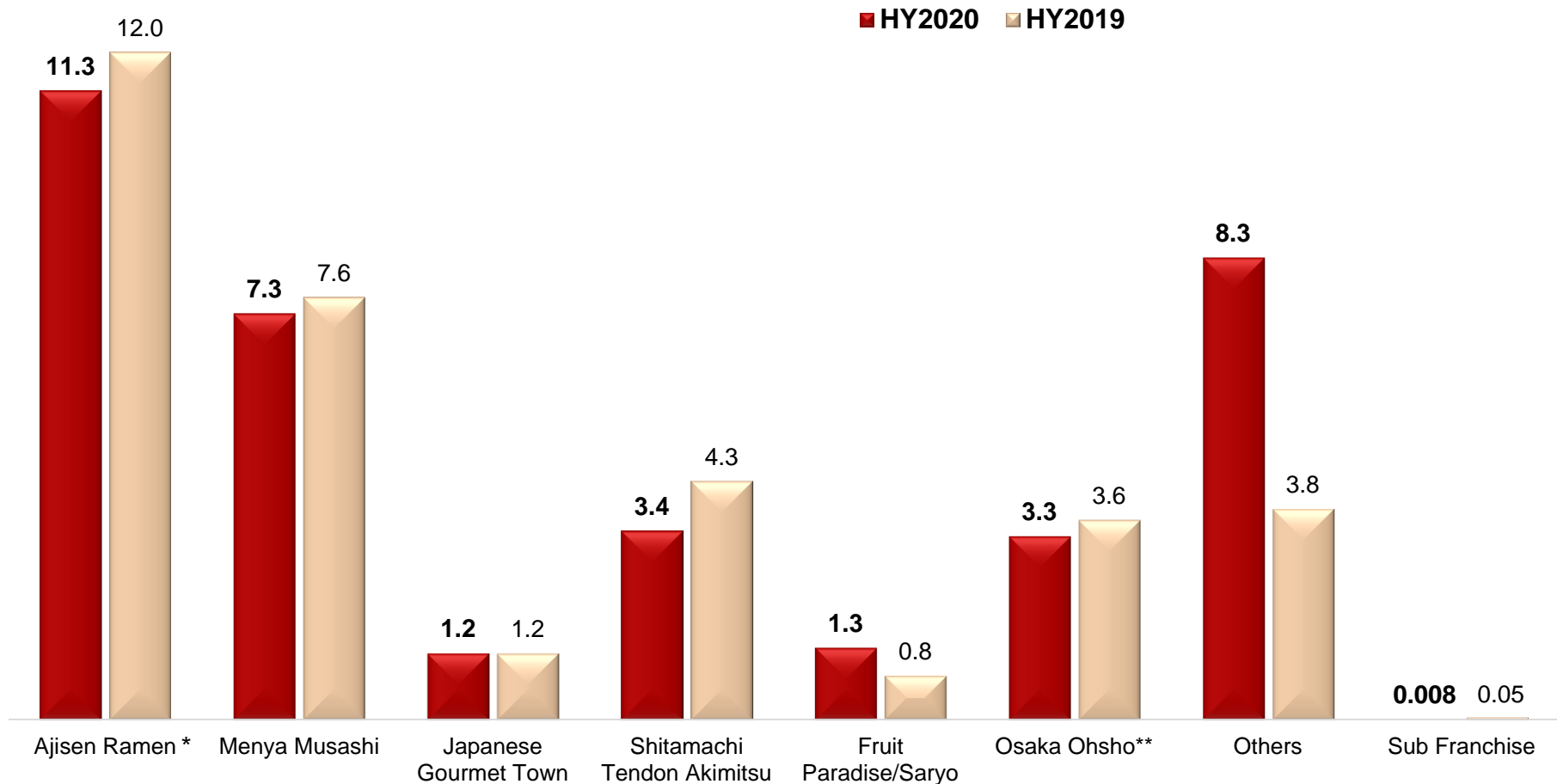
b) EPS was computed based on the weighted average number of shares of 173,731,425 shares and 173,856,463 shares in HY 2020 and HY 2019 respectively

c) Annualised

Revenue (S\$' m)



Revenue mix by brands (S\$' m)

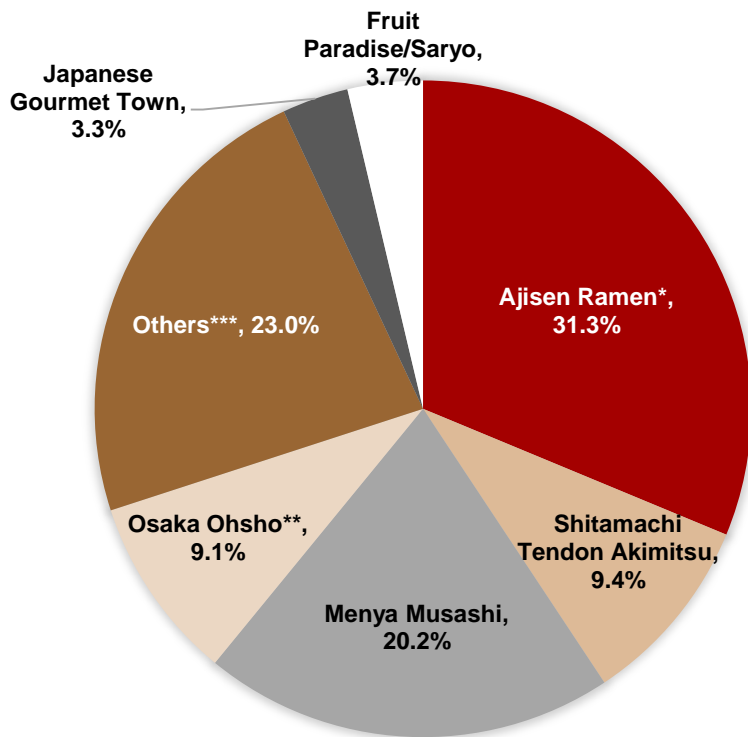


* Includes Kara-Men

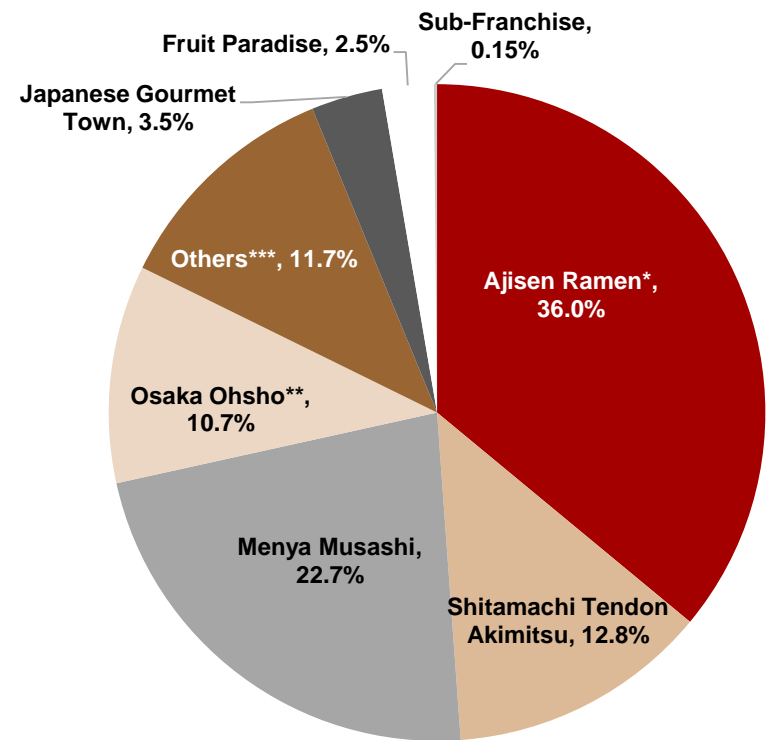
** Includes 1 "Kotsujiru Nabe" brand restaurant, which is a brand extension of the "Osaka Ohsho" brand

Revenue breakdown

HY2020



HY2019



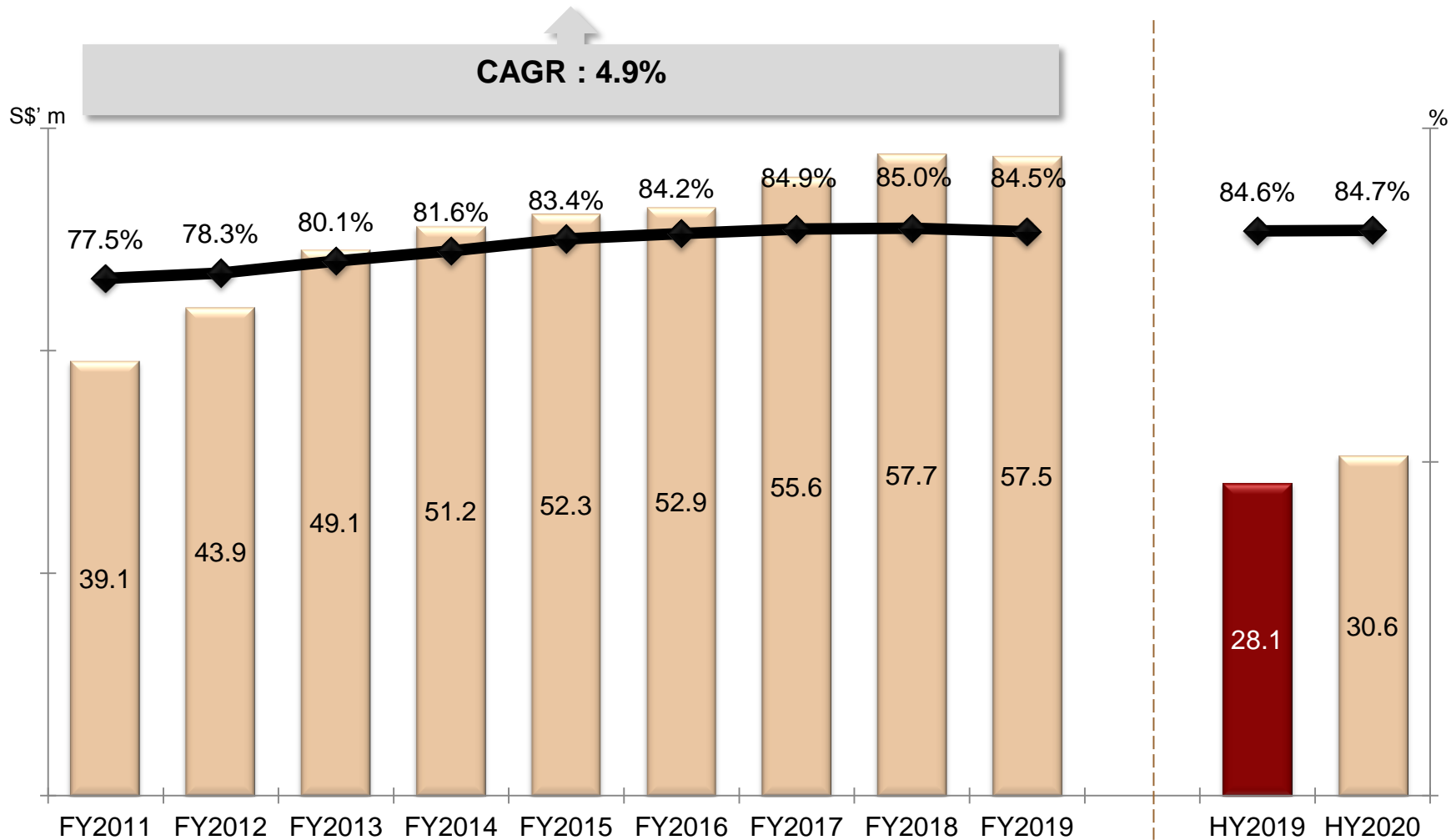
Notes:

* Includes Kara-men

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

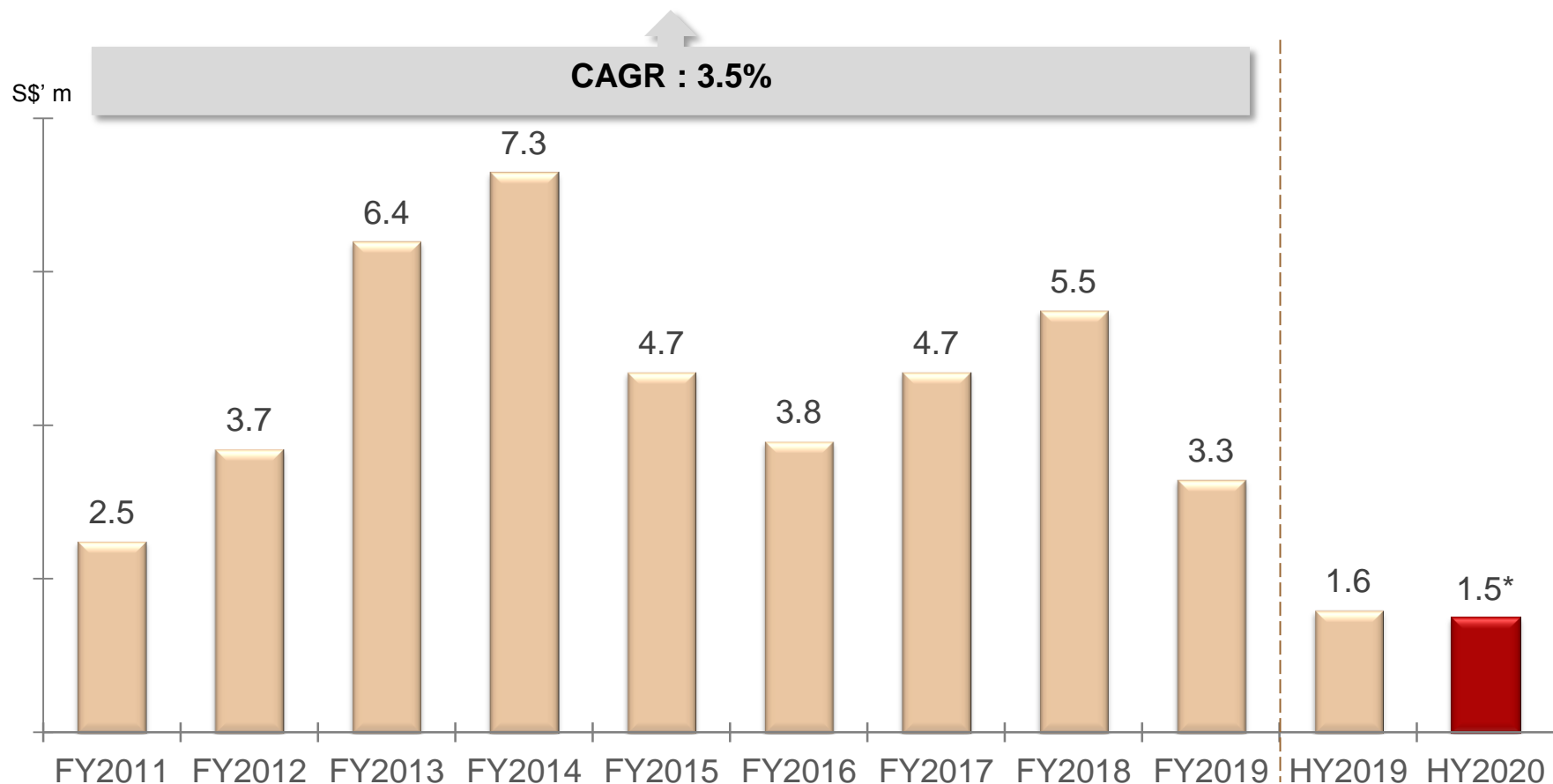
*** Includes revenue contribution from one new restaurant brand "AFURI Ramen"

Gross Profit and Gross Profit Margin



Note:
All financial figures have been rounded

Net Profit



Note:

All financial figures have been rounded

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Cash Flow

S\$ 'm	6 months ended 30 Sep 2019	6 months ended 30 Sep 2018	Change (%)
Net cash generated from operating activities	12.4	4.5	▲ 175.6
Net cash used in investing activities	(2.7)	(2.0)	▲ 35.0
Net cash used in financing activities	(9.0)	(2.8)	▲ 221.4
Net increase / (decrease) in cash and cash equivalents	0.7	(0.4)	NM
Cash and cash equivalents at beginning of financial year	19.5	19.8	▼ 1.5
Cash and cash equivalents at end of financial period	20.2	19.4	▲ 4.1

*Note:
All financial figures have been rounded*

Key Financial Ratios

	As at 30 Sep 2019	As at 31 Mar 2019	Change (%)
Cash and bank balances (S\$m)	22.8	22.1	▲ 3.2
Total assets (S\$m)	83.0 ⁽³⁾	43.7	▲ 90.0
Total equity (S\$m)	33.6	33.8	▼ 0.6
Net cash ratio ⁽¹⁾	0.8	2.3	▼ 1.5 pt
Net asset value per share (S'pore cents) ⁽²⁾	19.32	19.63	▲ 1.6
Net cash per share (S'pore cents) ⁽²⁾	13.1	12.7	▲ 3.1

Notes:

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

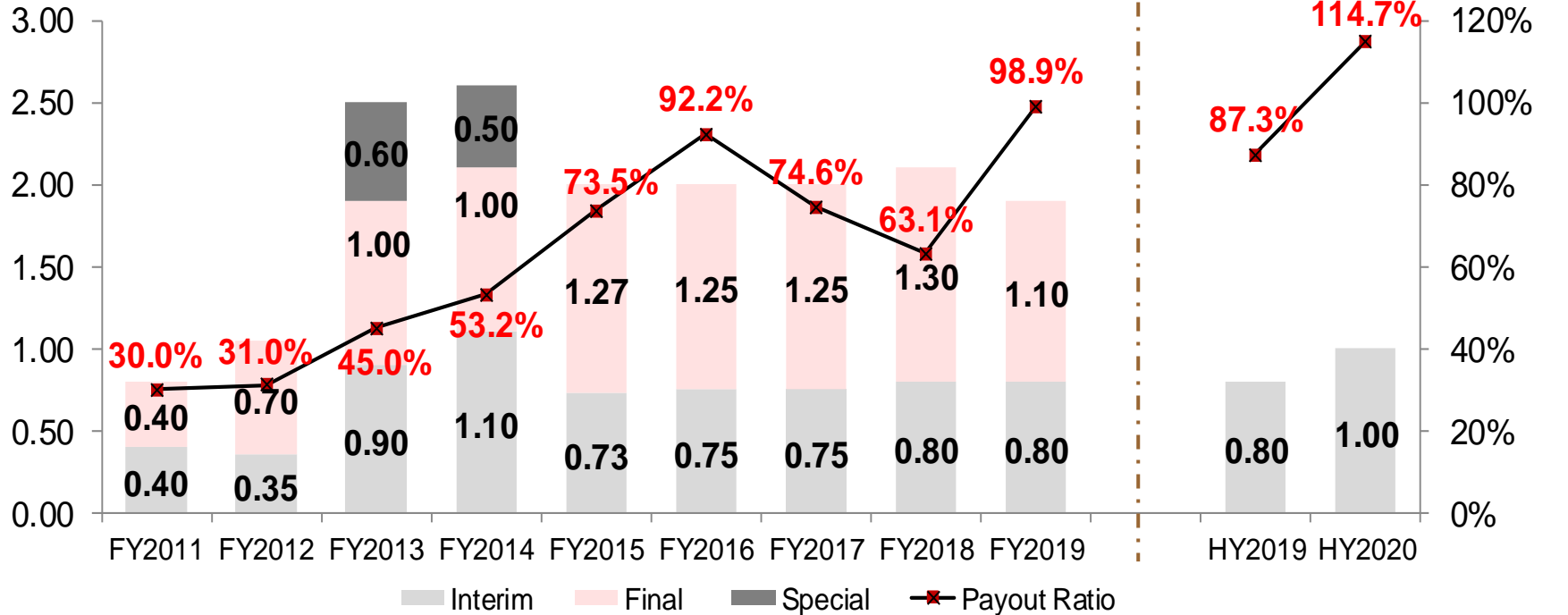
(2) Computed based on 174,092,900 shares as at 30 September 2019 and 173,602,900 shares as at 31 March 2019.

(3) Includes S\$38.3 million ROU assets under non-current assets pursuant to the adoption of SFRS (I) 16.

Note: All financial figures have been rounded

Dividend History

Dividend Per Share
(Singapore cents)



*Subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances, Japan Foods announced its intention in May 2017 to raise target dividend payout ratio to **at least 50%** of its audited consolidated net profits attributable to shareholders annually.*



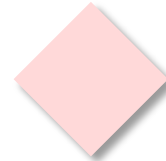
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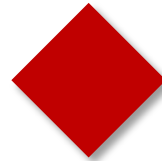
**Corporate
Updates**

JAPAN FOODS HOLDING LTD.

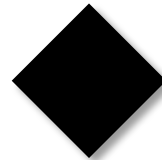
Strength of four-pronged strategy



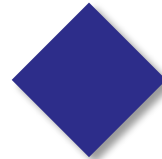
Development of new concepts



Overseas expansion



Cost & quality control



**Network expansion &
consolidation**

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Latest corporate developments



Joint venture with Minor Singapore

- In January 2019, Japan Foods and Minor Food Group (Singapore) Pte. Ltd. established a joint venture to conduct the business of franchising and operating existing restaurant brands respectively owned by both parties in Japan, Thailand and the People’s Republic of China.
- The parties are actively looking for a suitable location to open its first store in Japan and plan to open the new store within the next 12 months.

Joint venture in Hong Kong

- Japan Foods and an indirect wholly-owned subsidiary of Ajisen (China) Holdings Limited formed a 30-70 joint venture company Wakayama International Limited to operate restaurants under the “Konjiki Hototogisu” brand in Hong Kong.
- **On track to open first “Konjiki Hototogisu” brand restaurant** subject to business considerations and developments in Hong Kong.

Latest corporate developments

麵 (Men) House Yamamoto

Brand highlights:

- ✓ New concept restaurant by Michelin-starred Chef Atsushi Yamamoto
- ✓ Specialising in chicken and seafood soup with black & white truffle and porcini mushrooms
- ✓ Offers the first avocado ramen in Singapore
- Launched in October 2019 at Raffles City Shopping Centre



Peer Comparison

	Market Cap (S\$ 'm)	Price (S\$)	Net profit margin (%)	ROE (%)	Net Debt / Equity	P/E	Div yield (%)
Japan Foods	75.730	0.435	4.9	9.9	-	22.7	4.3
BreadTalk	304.1	0.540	2.5	11.4	0.3	20.0	2.8
ABR Holdings	140.7	0.700	2.1	2.8	-	52.8	3.6
Sakae Holdings	10.2	0.073	-30.8	-	1.5	-	-
Soup Restaurant	43.9	0.157	5.0	19.8	-	20.0	4.1
Tung Lok Restaurant	43.4	0.158	-0.9	-	-	-	-
Katrina	31.5	0.136	0.7	3.0	-	73.1	-
Jumbo	240.3	0.375	7.2	16.9	-	21.8	3.2
RE&S Holdings	63.7	0.180	2.9	10.6	-	15.8	2.5
Kimly Limited	264.3	0.230	10.8	26.2	-	12.1	4.2
No Signboard Holdings	26.4	0.057	-8.7	-	-	-	4.6

Source: ShareInvestor.com, data as at 5 Nov, 5.16pm

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 You!

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