

HY 2018 Financial Results Presentation November 2017



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Overview of HY 2018



Performance at a Glance

2Q2018/2Q2017

2Q2018:

Revenue
S\$16.8 million

Gross Profit
S\$14.3 million

2Q2017:

S\$16.6 million

S\$14.2 million

2Q2018:

Net Profit
S\$1.3 million

EBITDA
S\$2.7 million

2Q2017:

S\$1.4 million

S\$3.0 million

HY2018/HY2017

HY2018:

Revenue
S\$33.0 million

Gross Profit
S\$28.1 million

HY2017:

S\$33.5 million

S\$28.4 million

HY2018:

Net Profit
S\$2.3 million

EBITDA
S\$5.1 million

HY2017:

S\$2.7 million

S\$5.9 million

Our Growing Brand Portfolio

7 Franchise Brands from Japan



Ajisen Ramen



Shitamachi Tendon Akimitsu



Osaka Ohsho



Kazokutei



麵屋武蔵

Menya Musashi



Menzo Butao



Yonehachi

5 Self-Developed Brands



New ManLee Bak Kut Teh

Introducing Den by Ajisen Ramen



- Ajisen Ramen brand was launched in Singapore more than 2 decades ago with the 1st restaurant located at Bugis Junction
- After a brand rejuvenation exercise, Japan Foods launched “**Den by Ajisen Ramen**” in June 2017
- Currently 3 Den by Ajisen Ramen restaurants including:
 - ✓ Plaza Singapura
 - ✓ Hougang Mall
 - ✓ Square 2 Mall
- Brand highlights:
 - ✓ 5 soup bases to choose from
 - ✓ Wider menu options for both mains and sides



Japan Foods In The News



Media:

- Channelnewsasia

Featured in 2 programmes:

- **Singapore Tonight**
 - News
 - Aired on 19 September 2017
- **Moneymind**
 - Episode on consumer related stocks
 - Aired on 23 September 2017

Location:

- Den by Ajisen Ramen at Plaza Singapura

12th Franchise Brand from Japan: Shitamachi Tendon Akimitsu



- Originated in Asakusa in Tokyo, Japan
- Specialises in traditional Tendon (or Tempura Donburi)
- Started by Chef Akimitsu Tanihara, a 5th generation successor, whose family started and has been operating the Dote no Iseya tempura restaurant in Asakusa since 1889!

1st outlet opened in July 2017 at Plaza Singapura



2nd & 3rd

outlets opened shortly after in August and September 2017 respectively at Vivocity and at Northpoint City

4th

outlet opened on
1 November 2017
at Westgate



Our Network

As at 30 September 2017

The Group, together with its sub-franchisees, operates a total of 49 restaurants and food court outlet under various brands in Singapore, Malaysia and Vietnam. It also has interests in 16 restaurants in Hong Kong and China through associated companies.

49 Self-operated restaurants & food court outlet

16 Restaurants through associated companies

5 Restaurants operated by sub-franchisees



Updates on our Singapore Network

Self-Operated Restaurants	No. as at 30 Sep 2017	No. as at 30 Sep 2016
Ajisen Ramen	19(a)	19
Botejyu	-	1
Dutch Baby Cafe	1	1
Fruit Paradise	3	4
Ginza Kushi Katsu	1	1
Hanamidori	-	1
Japanese Gourmet Town	1	1
Kazokutei	1	3
Menya Musashi	9	8
Menzo Butao	1	1
New ManLee Bak Kut Teh	2	3
Osaka Ohsho ^(b)	6	6
Shitamachi Tendon Akimitsu	3	-
Yonehachi	1	1
TOTAL	48	50
Food Court Outlets		
Ajisen Ramen	1	1

- a) Includes 3 "Den by Ajisen Ramen" brand restaurants.
b) Includes 1 "Kotsujiru Nabe" brand restaurant, which is a brand extension of the "Osaka Ohsho" brand.



Ajisen Ramen



Ginza Kushi Katsu



New ManLee Bak Kut Teh



Shitamachi Tendon Akimitsu



Dutch Baby Cafe

Updates on our Overseas Network

Restaurants	Updates	No. of Outlets As at 30 Sep 2017	No. of Outlets As at 30 Sep 2016
Ajisen Ramen ¹	Closed 1 restaurant in KSL City Mall, Johor, Malaysia	3 in Malaysia 2 in Vietnam	4 in Malaysia 2 in Vietnam
Menya Musashi ²	- Opened 3 new restaurants in China 1 in Beijing 2 in Hangzhou	8 in Hong Kong 8 in China	8 in Hong Kong 5 in China
TOTAL		21	19

¹ operated by sub-franchisees

² interests in restaurants through associated companies

Financial Highlights HY 2018

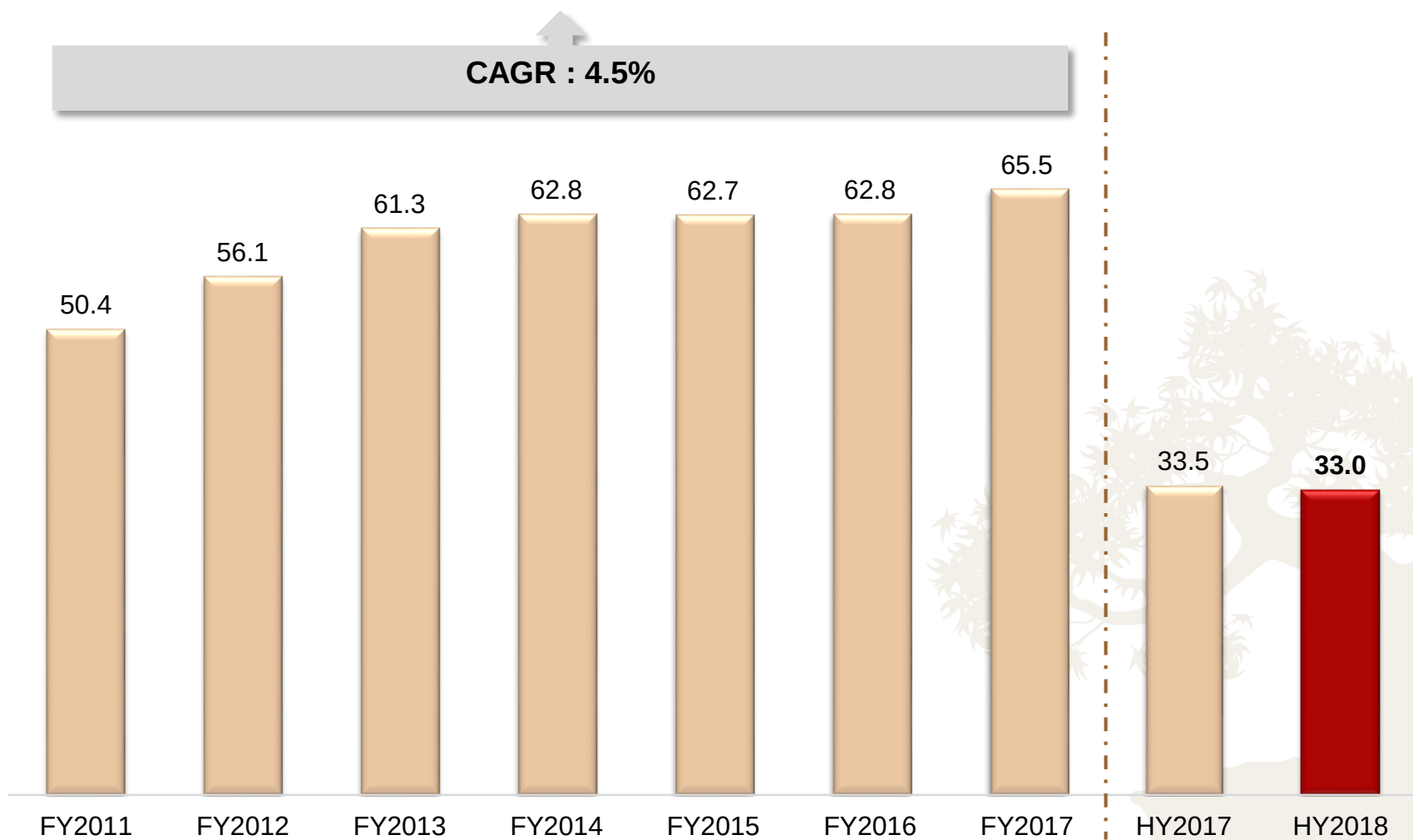


Financial Highlights

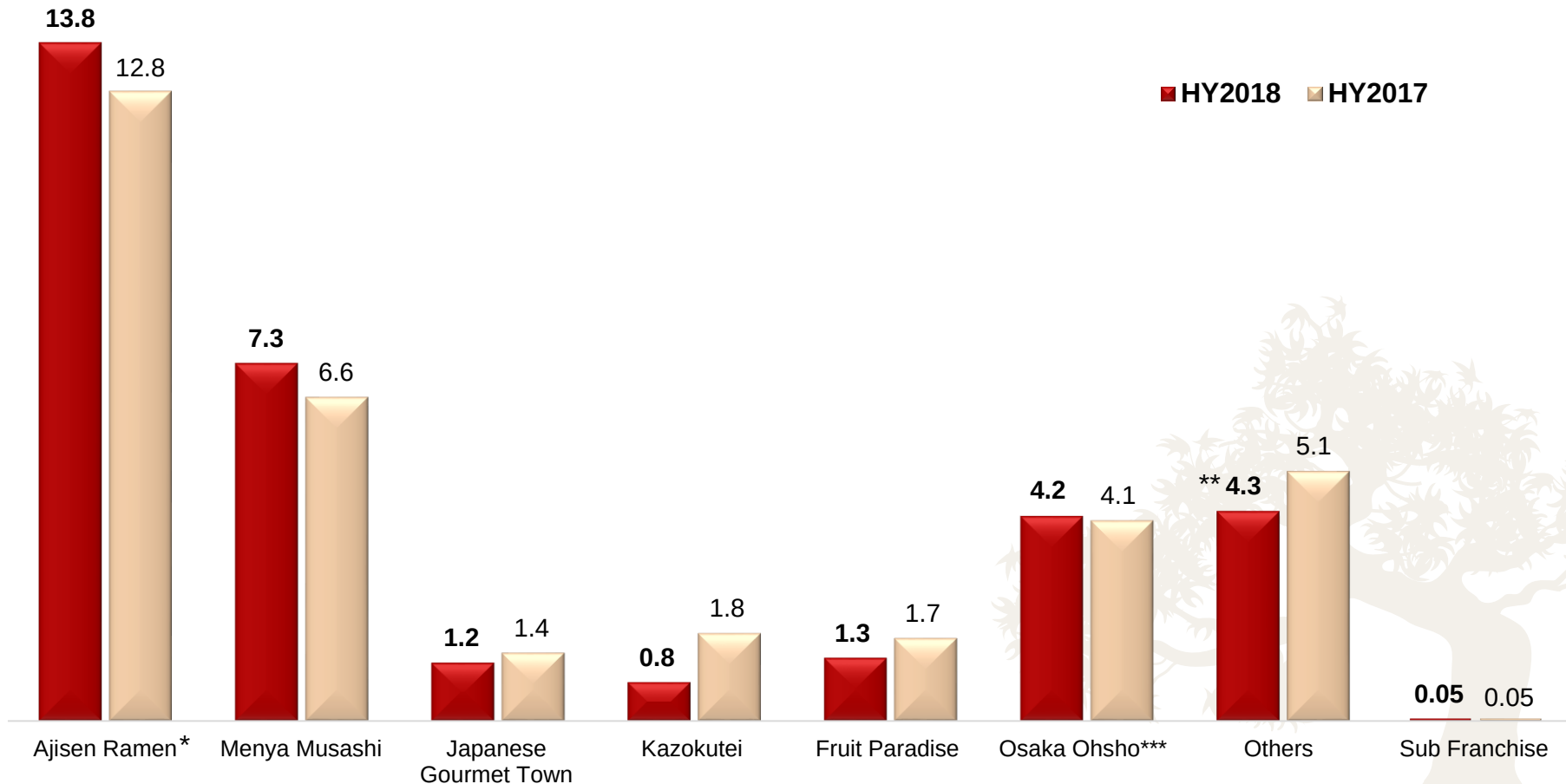
S\$' m	Three months ended 30 Sep		Change (%)	Six months ended 30 Sep		Change (%)
	2Q2018	2Q2017		HY2018	HY2017	
Revenue	16.8	16.6	↑ 0.7	33.0	33.5	↓ 1.5
Gross Profit	14.3	14.2	↑ 0.8	28.1	28.4	↓ 1.2
Gross Profit Margin (%)	85.2	85.1	↑ 0.1pts	85.1	84.8	↑ 0.3pts
EBIT	1.6 ¹	1.6 ¹	↓ 1.2	2.9	3.2	↓ 9.4
EBIT margin (%)	9.5	9.7	↓ 0.2pts	8.8	9.6	↓ 0.8pts
EBITDA	2.7	3.0	↓ 10.1	5.1	5.9	↓ 13.8
EBITDA margin (%)	15.9	17.8	↓ 1.9pts	15.5	17.6	↓ 2.1pts
Net Profit After Tax (NPAT)	1.3	1.4	↓ 4.0	2.3	2.7	↓ 11.8
NPAT Margin (%)	7.7	8.1	↓ 0.4pts	7.1	7.9	↓ 0.8pts
Earnings Per Share (S'pore cents)	0.75	0.78	↓ 3.8	1.35	1.53	↓ 11.8
Return on Equity (%)	4.1	4.3	↓ 0.2pts	16.9	20.9	↓ 4.0pts
Share of Results of Associated Companies	0.1	0.2	↓ 24.4	0.3 ¹	0.3 ¹	↑ 19.9

¹ Rounding

Revenue (S\$' m)



Revenue Mix by Brands (S\$' m)



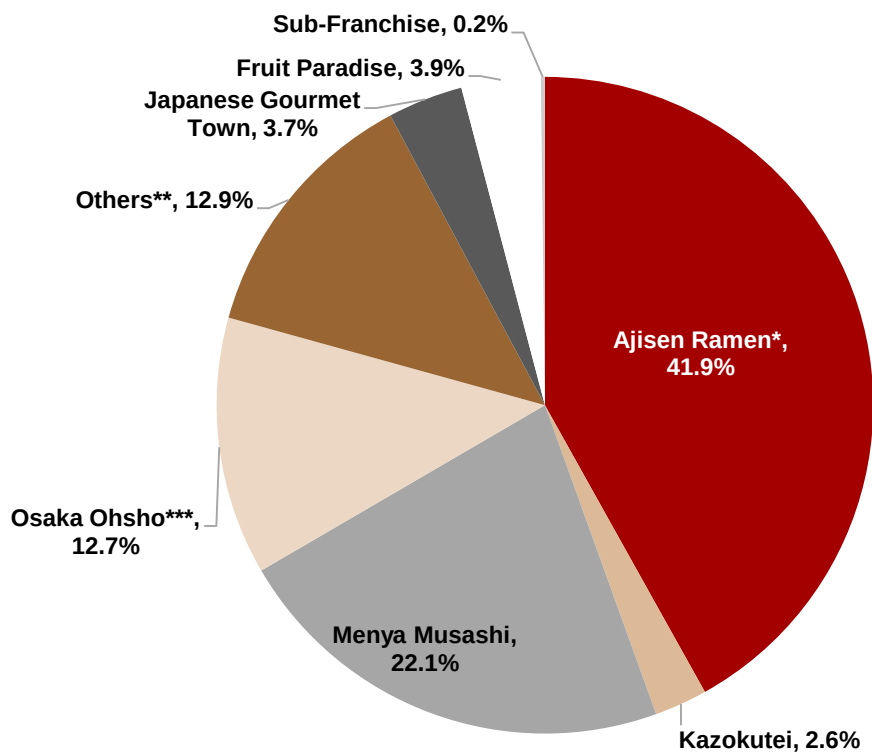
* Includes Keika Ramen

** Includes revenue contribution of S\$0.8 million from three newly opened Shitamachi Tendon Akimitsu outlets in Jul, Aug & Sep 2017 respectively

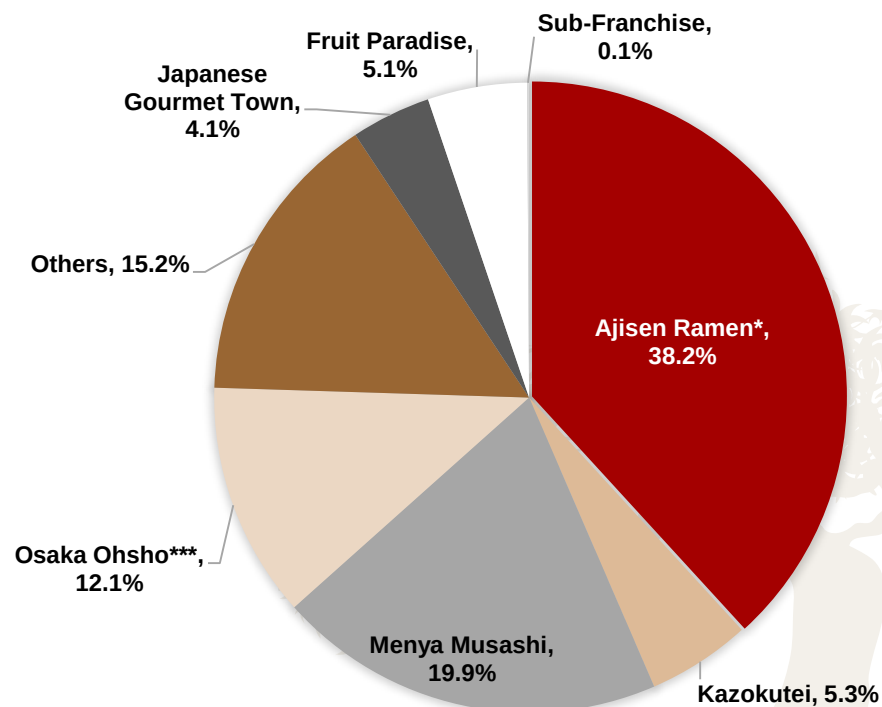
*** Includes 1 "Kotsujiru Nabe" brand restaurant, which is a brand extension of the "Osaka Ohsho" brand

Revenue Breakdown

HY2018



HY2017

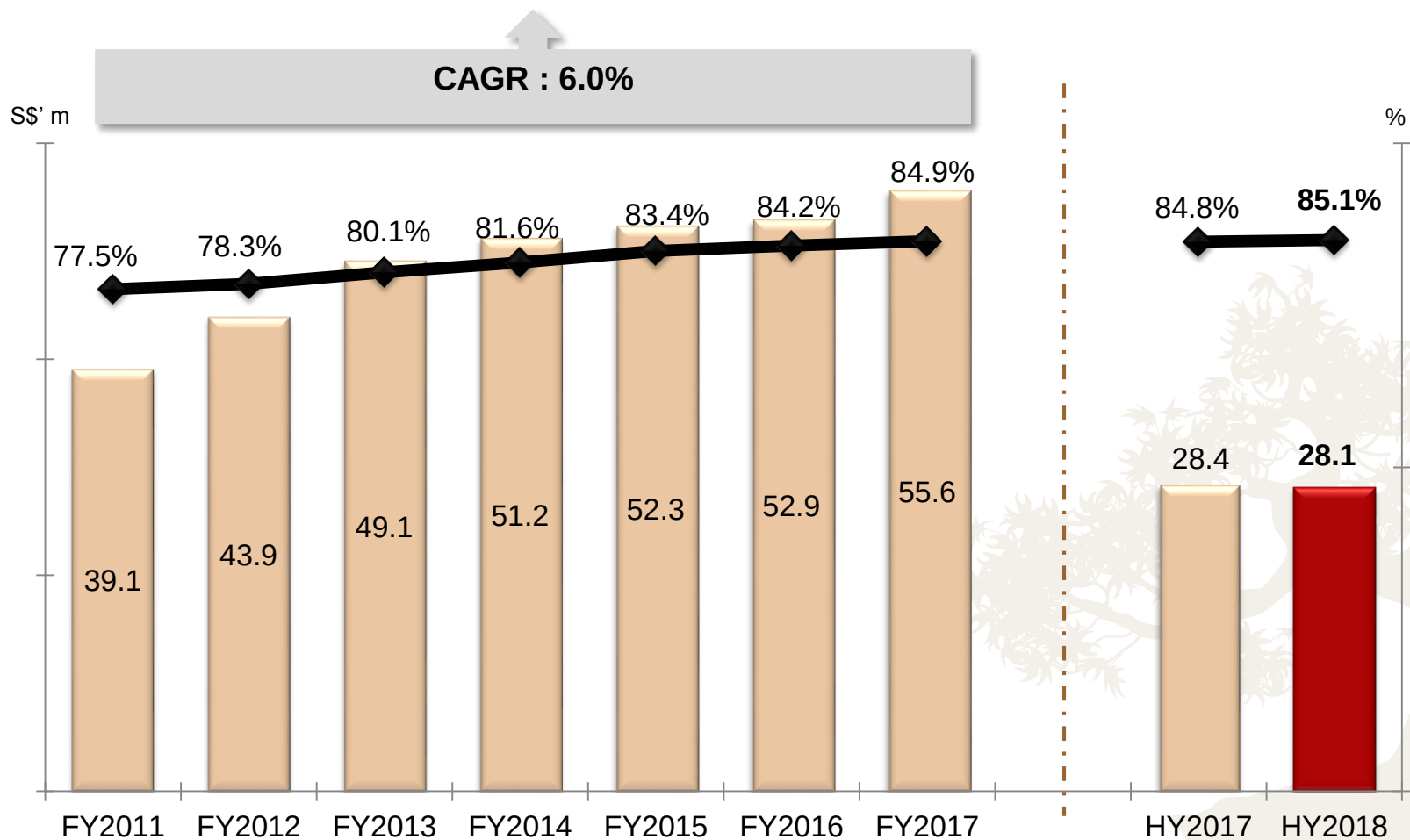


* Includes Keika Ramen

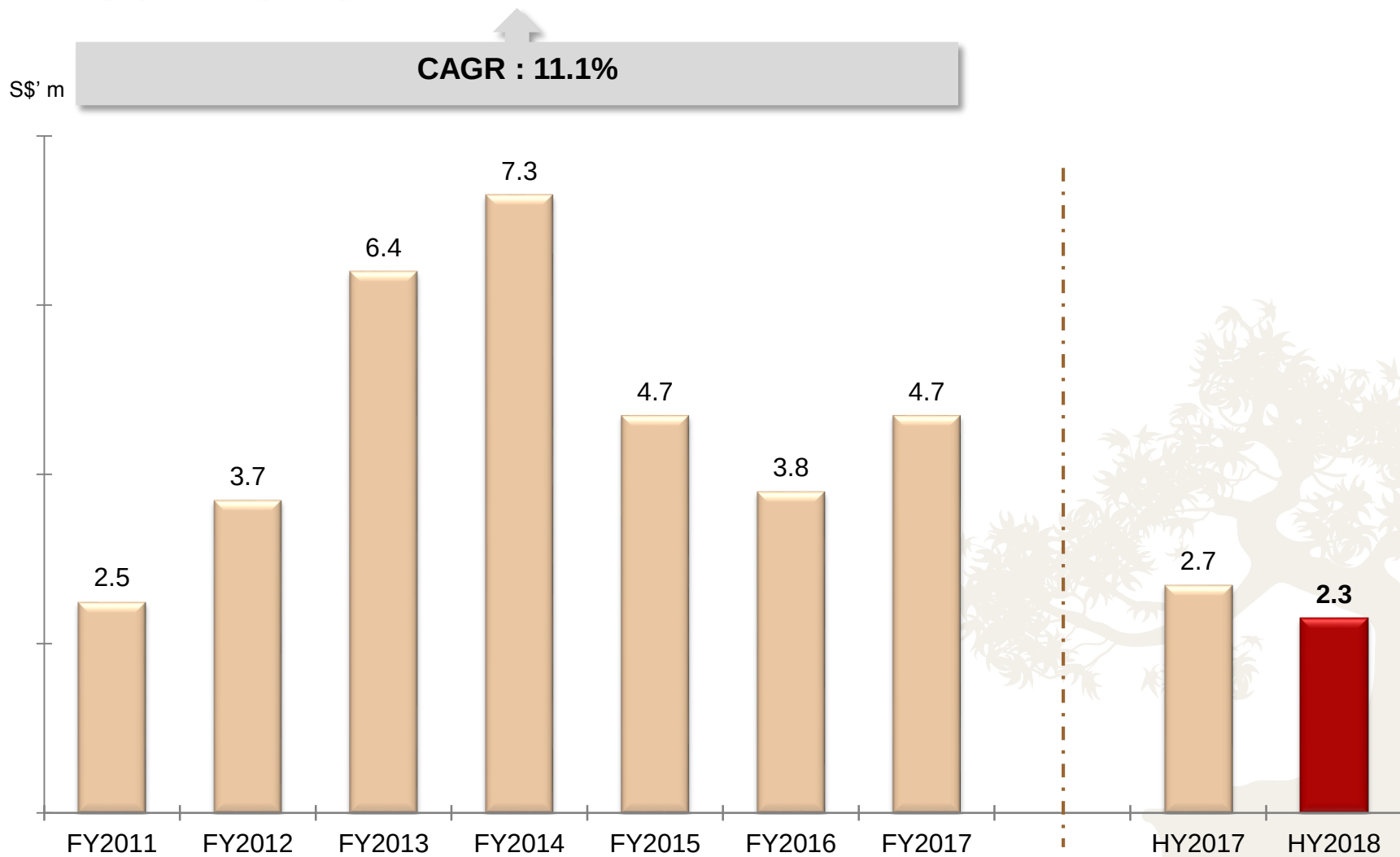
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Gross Profit and Gross Profit Margin



Net Profit



Cash Flow

S\$ 'm	Six months ended 30 Sep 2017	Six months ended 30 Sep 2016	Change (%)
Net cash generated from operating activities	3.9	7.0	↓ 44.3
Net cash used in investing activities	(2.4)	(2.7)	↓ 11.1
Net cash from/used in financing activities	(2.2)	(2.5)	↓ 12.0
Net increase in cash and cash equivalents	(0.7)	1.9	NM
Cash and cash equivalents at beginning of financial year	18.1	15.0	↑ 20.7
Cash and cash equivalents at end of financial year	17.4	16.9	↑ 3.0

Key Financial Ratios

	As at 30 Sep 2017	As at 31 Mar 2017	Change (%)
Cash and cash equivalents (S\$m)	19.6	20.2	↓ 3.0
Total assets (S\$m)	41.9	40.8	↑ 5.6
Total equity (S\$m)	32.1	31.6	↑ 1.6
Net cash ratio ⁽¹⁾	2.2	2.4	↓ 8.3
Net asset value per share (S'pore cents) ⁽²⁾	18.47	18.29	↑ 1.0
Net cash per share (S'pore cents) ⁽²⁾	11.3	11.7	↓ 3.4

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

(2) Computed based on 173,563,500 shares as at 30 September 2017 and 173,043,500 shares as at 31 March 2017.

Interim Dividend



Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (Singapore cents)	0.80 cents per ordinary share
Tax rate	Tax exempt (one-tier)
Date payable	8 December 2017

Investment Highlights



Peer Comparison

**Japan
Foods**

One of the
highest
margins

One of the
highest
ROEs

Net cash
position

Lowest
P/E

Highest
yield

	Market Cap (S\$ 'm)	Price (S\$)	Net profit margin (%)	ROE (%)	Net Debt / Equity	P/E	Div yield (%)
Japan Foods	73.8	0.425	7.1	16.9	Net Cash	16.8	4.7
BreadTalk	491.1	1.605	3.4	15.6	0.3	22.1	1.4
ABR Holdings	136.7	0.720	4.4	4.7	-	31.4	3.7
Sakae Holdings	41.8	0.260	-	-	1.2	-	-
Soup Restaurant	50.4	0.150	2.9	12.7	-	36.5	1.4
Tung Lok Restaurant	45.3	0.220	0.5	2.4	-	143.1	-
Katrina	48.6	0.200	2.3	9.6	-	35.7	2.9
Jumbo	372.1	0.600	11.4	25.7	-	24.0	2.6

Source: ShareInvestor.com, data as at 6 Nov 2017

Japan Foods, Tung Lok – FYE 31 Mar

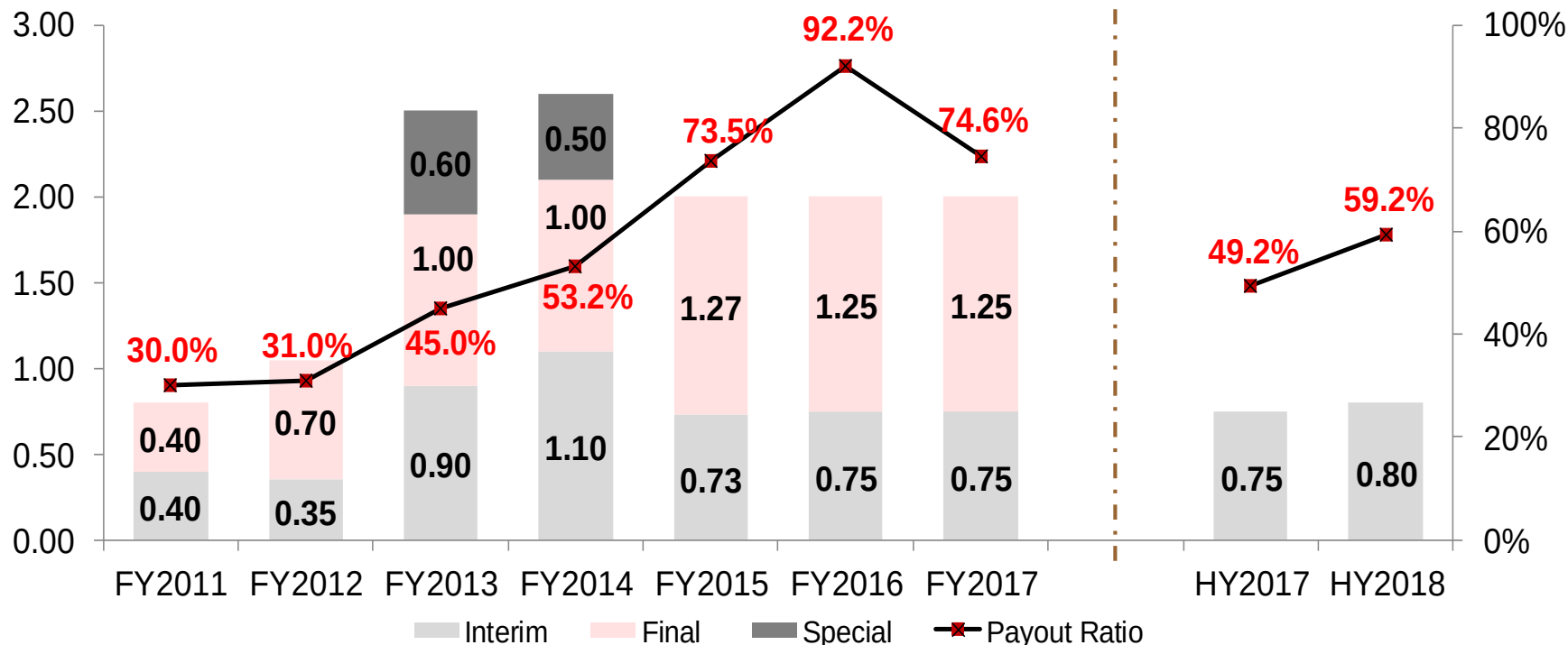
Rest of peers – FYE 31 Dec

JAPAN FOODS HOLDING LTD.

Dividend History

Dividend Per Share
(Singapore cents)

Dividend Payout
Ratio (%)



*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.*

Excellence in Corporate Governance

Singapore Governance and Transparency Index 2017 – General Category

RANK 2017	COMPANY NAME	BASE SGTI 2017 SCORE	ADJUSTMENTS FOR BONUSES/ PENALTIES	OVERALL SGTI 2017 SCORE	OVERALL SGTI 2016 SCORE	RANK 2016
41	BAKER TECHNOLOGY	69	12	81	87	23
41	HONG LEONG FINANCE	78	3	81	69	74
43	ARA ASSET MANAGEMENT	67	12	79	84	28
43	CNMC GOLDMINE HLDGS	72	7	79	72	64
43	JAPAN FOODS HLDG	74	5	79	72	64
43	SINGAPORE TECHNOLOGIES ENGINEERING	71	8	79	75	51
43	UOL GROUP	70	9	79	75	51
48	K1 VENTURES	69	9	78	65	96
49	TEE LAND	63	14	77	72	64
50	AURIC PACIFIC GROUP	74	2	76	77	45



18th SIAS Investors' Choice Awards 2017

Transparency Award – SMEs

17th SIAS Investors' Choice Awards 2016

Most Transparent Company Overall Winner (Catalist)



Thank You

