

JAPAN FOODS HOLDING LTD.



Financial Results Presentation May 2017

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JAPAN FOODS HOLDING LTD.



Overview of FY2017



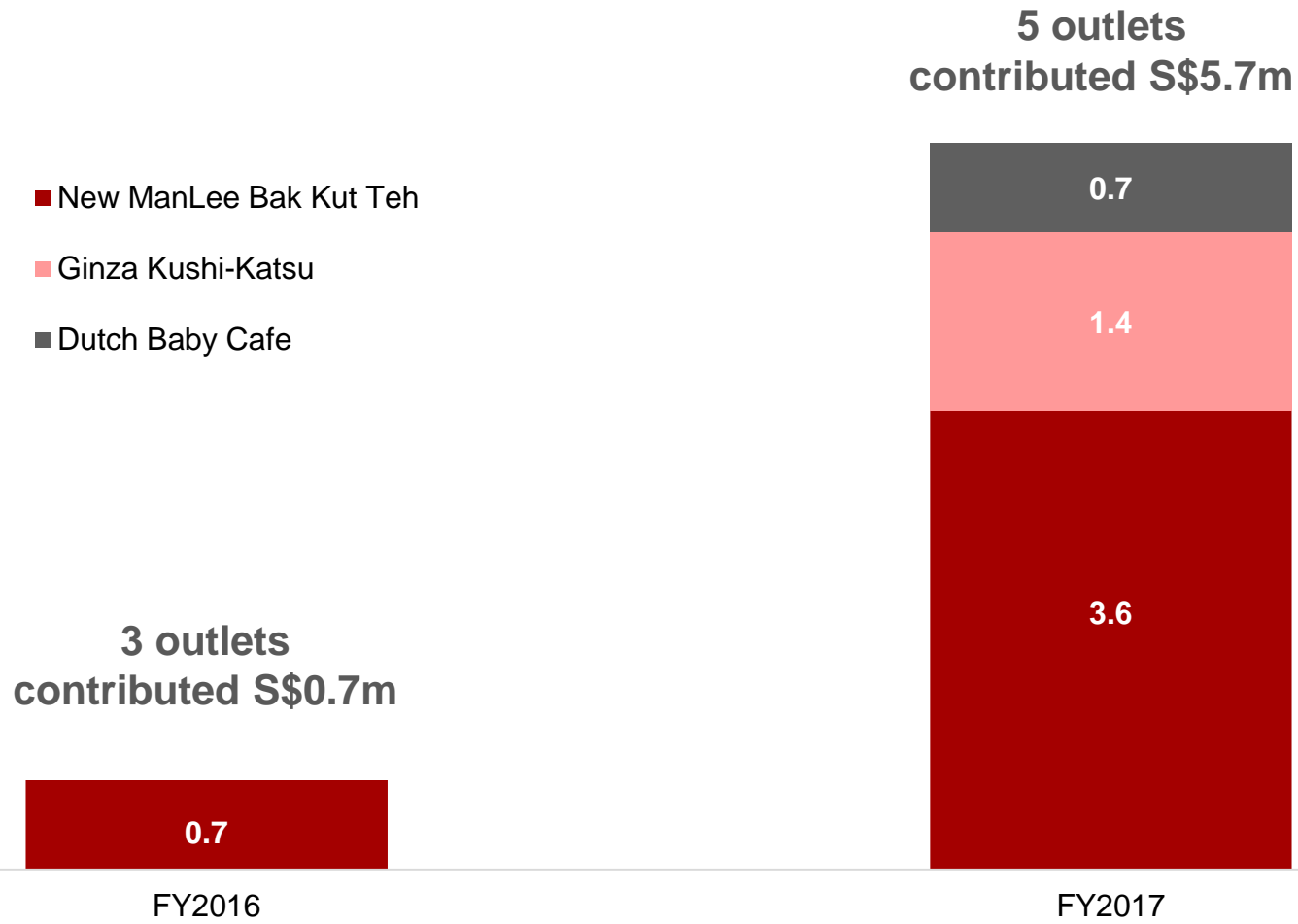
Performance at a Glance

- FY2017 revenue hits record high
- Total dividend declared in FY2017: 2.0 Singapore cents*

FY2017:	Revenue S\$65.5 million	Gross Profit S\$55.6 million
	-----	-----
FY2016:	S\$62.8 million	S\$52.9 million
FY2017:	Net Profit S\$4.7 million	EBITDA S\$11.2 million
	-----	-----
FY2016:	S\$3.8 million	S\$10.7 million

* Comprising the interim dividend of 0.75 cents paid in November 2016 and the proposed final dividend of 1.25 cents to be paid in August 2017 if approved at the annual general meeting

Performance of New Brands (S\$m)



Our Growing Brand Portfolio

10 Franchise Brands from Japan



Ajisen Ramen



Hanamidori



Botejyu



Botejyu San



Keika Ramen



Kazokutei



麵屋武蔵

Menya Musashi



Menzo Butao



Osaka Ohsho



Yonehachi

5 Self-Developed Brands

TOKYO WALKER



New ManLee Bak Kut Teh

1 Franchise Brand from Malaysia

Our Network

As at 31 March 2017



The Group, together with its sub-franchisees, operates a total of 55 restaurants and food court outlet under various brands in Singapore, Malaysia and Vietnam. It also has interests in 13 restaurants in Hong Kong and China through associated companies.

50 Self-operated restaurants & food court outlet

13 Restaurants through associated companies

5 Restaurants operated by sub-franchisees

Updates on our Singapore Network

Self-Operated Restaurants	Updates for 12 months from 31 Mar 2016 to 31 Mar 2017	No. as at 31 Mar 17	No. as at 31 Mar 16
Ajisen Ramen	<ul style="list-style-type: none"> Opened White Sands (converted from Keika Ramen), Tiong Bahru Plaza (converted from Keika Ramen) and Bedok Mall (converted from Menya Musashi restaurant) restaurants in March 2017 Closed Bedok Point restaurant in March 2017 Opened Compass One restaurant in September 2016 	18	15
Fruit Paradise	<ul style="list-style-type: none"> Closed Bedok Mall restaurant in May 2016 	4	5
Hanamidori	<ul style="list-style-type: none"> Unchanged 	1	1
Kazokutei	<ul style="list-style-type: none"> Converted Junction 8 restaurant to Osaka Ohsho restaurant in January 2017 	2	3
Keika Ramen	<ul style="list-style-type: none"> Converted White Sands restaurant to Ajisen Ramen restaurant in March 2017 Converted Tiong Bahru Plaza restaurant to Ajisen Ramen restaurant in March 2017 Opened Tiong Bahru Plaza restaurant in April 2016 	1	2
Menya Musashi	<ul style="list-style-type: none"> Converted Bedok Mall restaurant to Ajisen Ramen restaurant in March 2017 	7	8
Osaka Ohsho	<ul style="list-style-type: none"> Opened Junction 8 restaurant in January 2017 (converted from Kazokutei restaurant) 	7	6
New ManLee Bak Kut Teh	<ul style="list-style-type: none"> Opened Bugis + restaurant in April 2016 	3	2
Ginza Kushi Katsu	<ul style="list-style-type: none"> Unchanged 	1	1
Dutch Baby Cafe	<ul style="list-style-type: none"> Opened Paragon restaurant in April 2016 	1	-
Botejyu	<ul style="list-style-type: none"> Unchanged 	1	1
Japanese Gourmet Town	<ul style="list-style-type: none"> Unchanged 	1	1
Menzo Butao	<ul style="list-style-type: none"> Unchanged 	1	1
Yonehachi	<ul style="list-style-type: none"> Unchanged 	1	1
TOTAL		49	47
Food Court Outlets	Updates		
Ajisen Ramen	<ul style="list-style-type: none"> Unchanged 	1	1

Updates on our Overseas Network

Restaurants	Updates	No. of Outlets As at 31 Mar 2017	No. of Outlets As at 31 Mar 2016
Ajisen Ramen¹	<ul style="list-style-type: none"> ▪ Closed 1 restaurant in KSL City Mall, Johor, Malaysia 	3 in Malaysia 2 in Vietnam	4 in Malaysia 2 in Vietnam
Menya Musashi²	<ul style="list-style-type: none"> ▪ Closed 2 restaurants in various locations in Hong Kong upon lease expiry, opened 1 restaurant in new location ▪ Opened 1 in Hangzhou 	7 in Hong Kong 6 in China	8 in Hong Kong 5 in China
TOTAL		18	19

¹ operated by sub-franchisees

² interests in restaurants through associated companies

JAPAN FOODS HOLDING LTD.



Financial Highlights FY2017

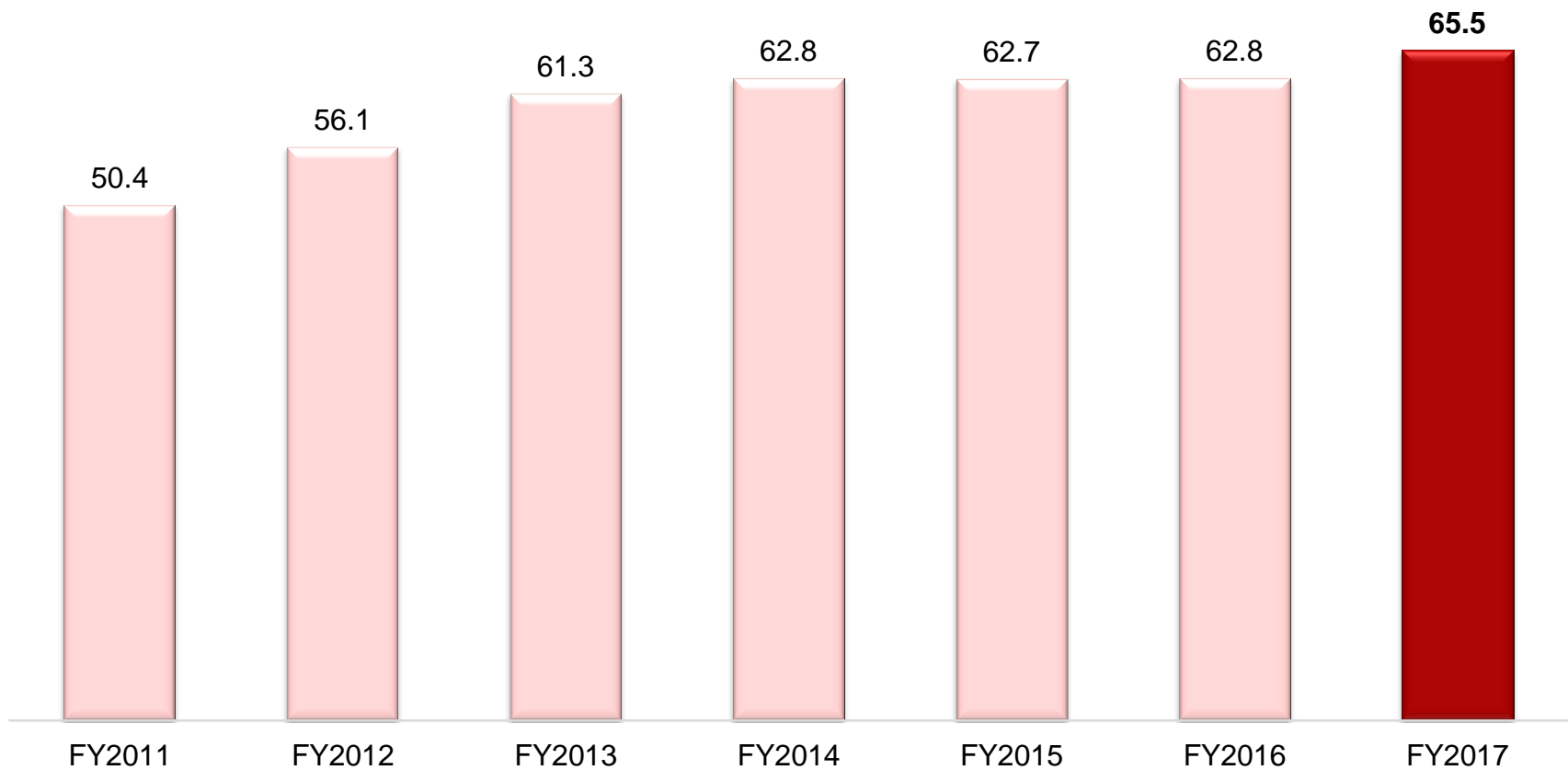


Financial Highlights – FY2017/2016

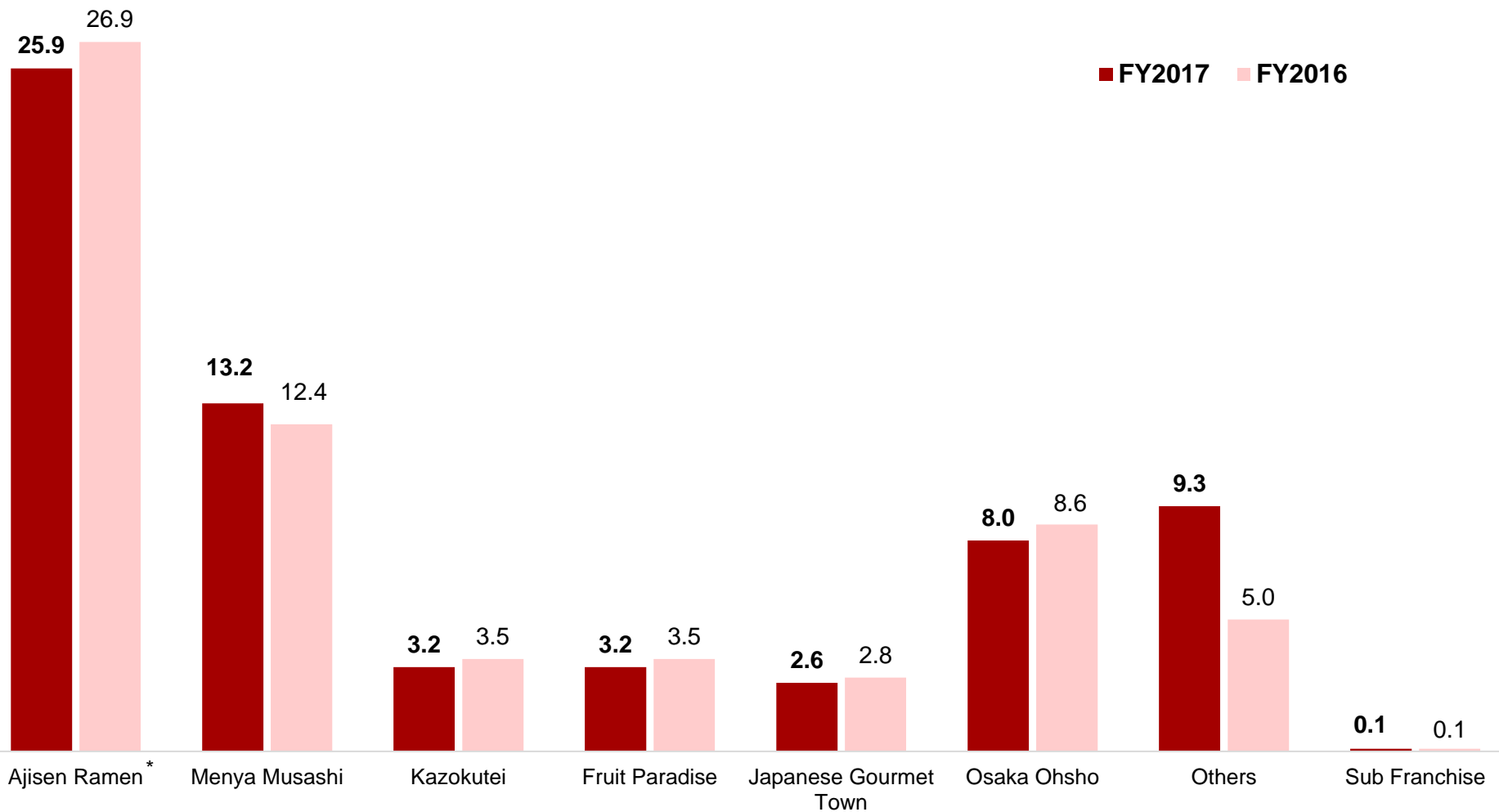
S\$' m (Twelve months ended 31 March 2017)	FY2017	FY2016	Change (%)
Revenue	65.5	62.8	↑ 4.2
Gross Profit	55.6	52.9	↑ 5.1
Gross Profit Margin (%)	84.9	84.2	↑ 0.7 pts
EBIT	5.7	4.7	↑ 22.2
EBIT margin (%)	8.7	7.5	↑ 1.2 pts
EBITDA	11.2	10.7	↑ 4.7
EBITDA margin (%)	16.8	16.1	↑ 0.7 pts
Net Profit After Tax (NPAT)	4.7	3.8	↑ 23.3
NPAT Margin (%)	7.2	6.1	↑ 1.1 pts
Earnings Per Share (S'pore cents)	2.68	2.17	↑ 23.5
Return on Equity (%)	14.7	12.2	↑ 2.5 pts

Revenue (S\$' m)

CAGR : 4.5%



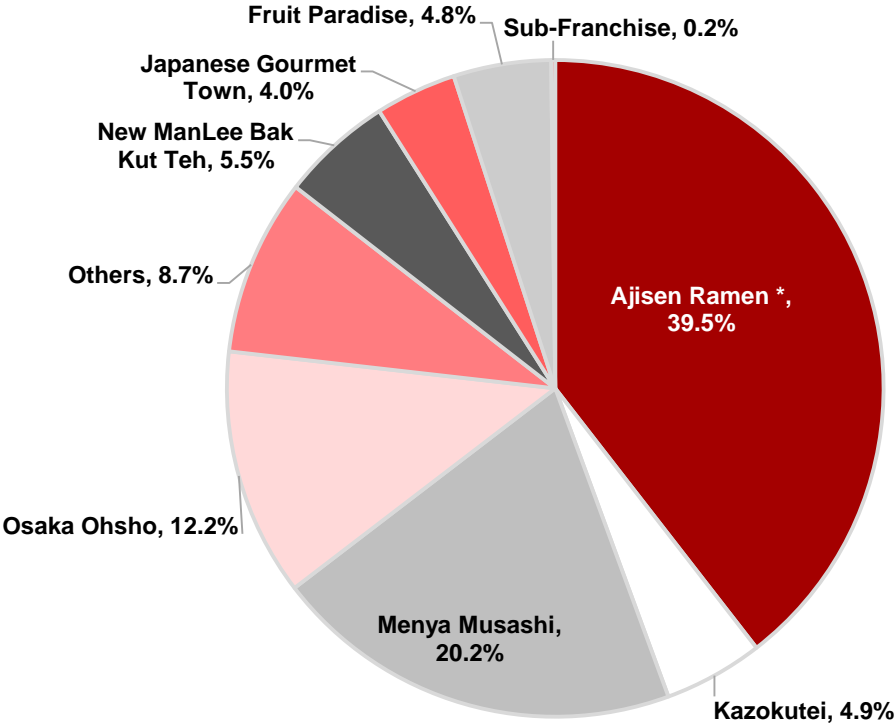
Revenue Mix by Brands (S\$' m)



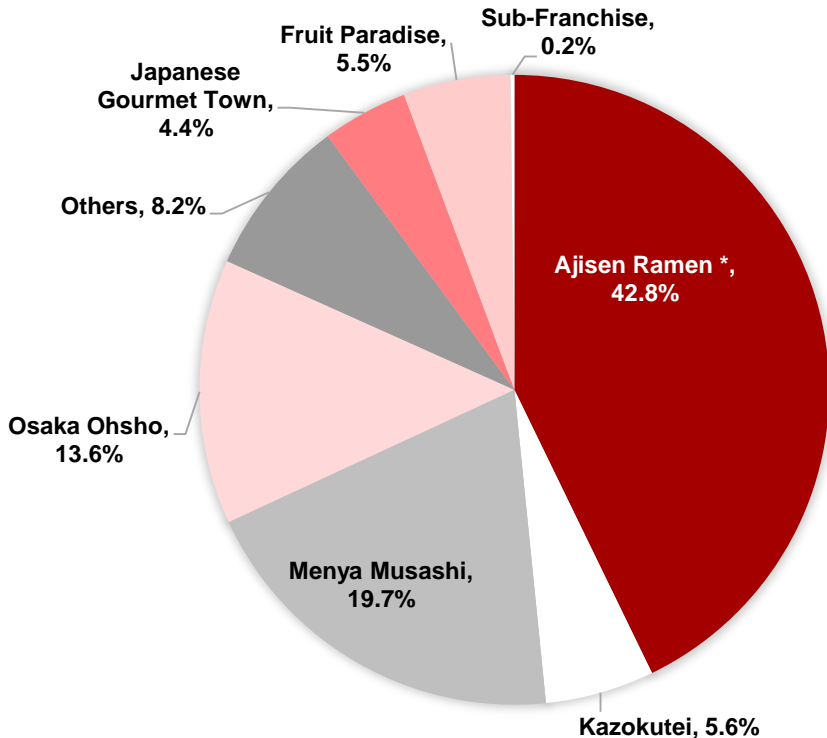
* Includes Keika Ramen

Revenue Breakdown

FY2017

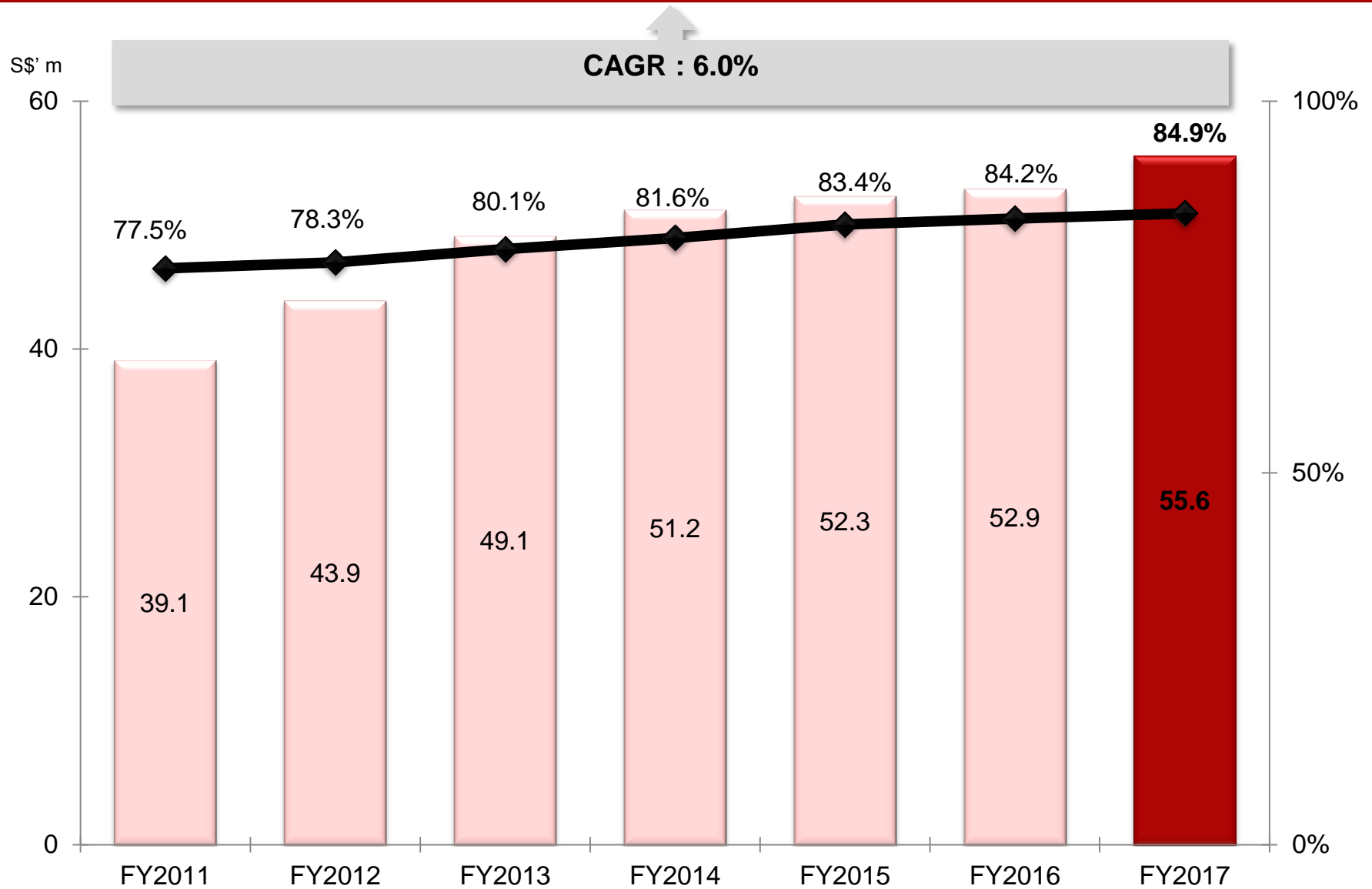


FY2016

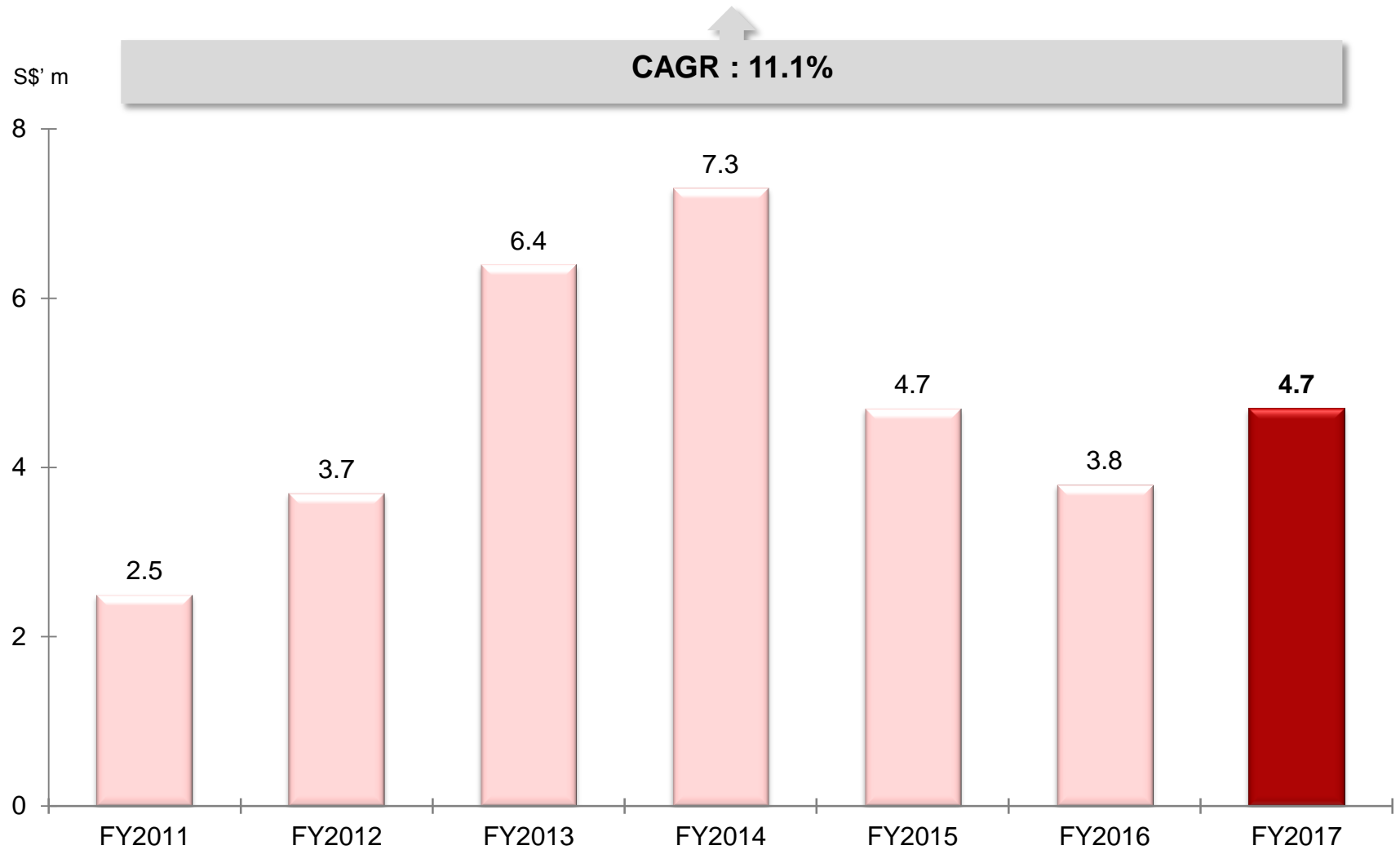


* Includes Keika Ramen

Gross Profit and Gross Profit Margin



Net Profit



Cash Flow

S\$ 'm	Financial year ended 31 Mar 2017	Financial year ended 31 Mar 2016	Change (%)
Net cash provided by operating activities	11.4	9.6	↑ 18.8
Net cash used in investing activities	(4.0)	(5.0)	↓ 20.0
Net cash used in financing activities	(4.3)	(3.8)	↑ 13.2
Net increase in cash and cash equivalents	3.1	0.9	↑ >100
Cash and cash equivalents at beginning of financial year	15.1	14.2	↑ 6.3
Cash and cash equivalents at end of financial year	18.1	15.1	↑ 19.9

Key Financial Ratios

	As at 31 Mar 2017	As at 31 Mar 2016	Change (%)
Cash and cash equivalents (S\$'m)	20.2	16.9	↑ 19.5
Total assets (S\$'m)	40.8	38.9	↑ 4.9
Total equity (S\$'m)	31.6	30.9	↑ 2.3
Net cash ratio ⁽¹⁾	2.4	2.4	-
Net asset value per share (S'pore cents) ⁽²⁾	18.29	17.74	↑ 3.1
Net cash per share (S'pore cents) ⁽²⁾	11.7	9.7	↑ 2.0

(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 173,043,500 shares as at 31 March 2017 and 173,936,000 shares as at 31 March 2016.

JAPAN FOODS HOLDING LTD.



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	81.3	0.470	7.2	14.7	Net Cash	17.5	4.3
BreadTalk	433.4	1.540	3.2	13.9	1.2	22.0	1.6
ABR Holdings	146.7	0.730	4.4	4.6	-	32.0	3.4
Sakae Holdings	41.8	0.300	(15.4)	-	1.4	-	-
Soup Restaurant	53.2	0.190	1.7	7.0	-	80.9	1.3
Tung Lok Restaurant	32.4	0.118	0.5	2.4	-	76.7	-
Katrina	47.5	0.205	4.2	16.2	-	20.0	3.0
Jumbo	400.9	0.625	11.6	25.8	-	25.0	2.4

Source: ShareInvestor.com, data as at 23 May 2017

Japan Foods, Tung Lok – FYE 31 Mar

Rest of peers – FYE 31 Dec

Excellence in Corporate Governance



17th SIAS Investor's Choice Awards 2016

Most Transparent Company

Overall Winner (Catalist)



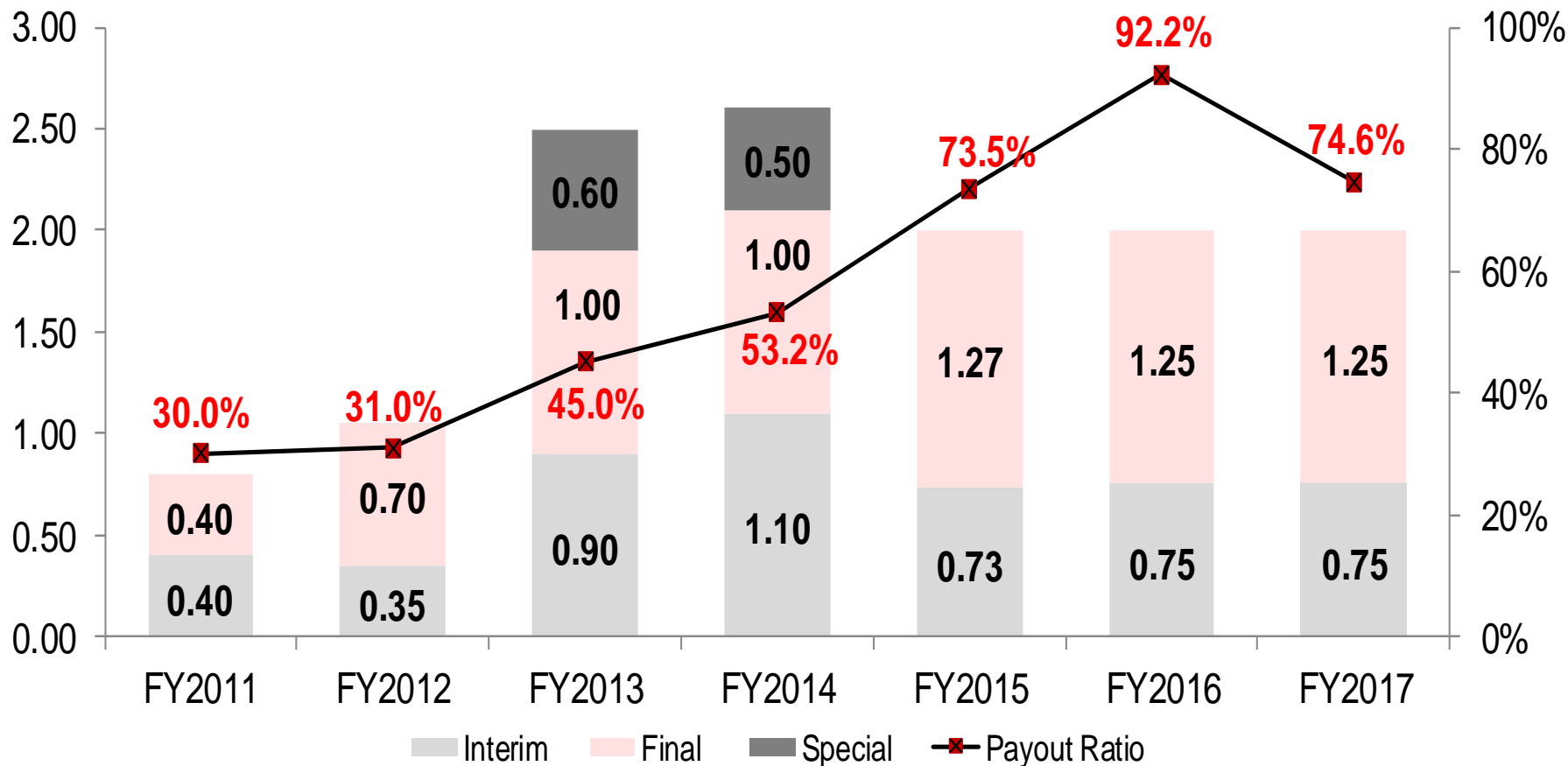
Singapore Governance and Transparency Index 2016 – the full rankings

RANK 2016	COMPANY NAME	BASE SGTI 2016 SCORE	ADJUSTMENTS FOR BONUSES / PENALTIES	OVERALL SGTI2016 SCORE	OVERALL GTI2015 SCORE	RANK 2015
61	CHINA SUNSINE CHEMICAL HLDGS	68	5	73	45	330
61	DYNAMIC COLOURS	63	10	73	71	43
61	LIBRA GROUP	65	8	73	65	76
64	BIOSENSORS INTERNATIONAL GROUP	64	8	72	71	43
64	CNMC GOLDMINE HLDGS	64	8	72	52	212
64	JAPAN FOODS HLDG	61	11	72	56	157
64	MTQ CORP	66	6	72	62	98
64	PERENNIAL REAL ESTATE HLDGS	64	8	72	58	136

Dividend History

Dividend Per Share
(Singapore cents)

Dividend Payout
Ratio (%)



Dividend Payout Ratio



- Intends to raise target dividend payout ratio to **at least 50%**¹ of Japan Foods' audited consolidated net profits attributable to shareholders annually.
- This is the second time the Group has raised its target dividend payout ratio since its listing in 2009.
- The last increase was announced three years ago in May 2014 when it was raised from 35% to 40%.

¹ Subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances

JAPAN FOODS HOLDING LTD.



**Future
Plans**



Exploring Regional Opportunities



The Group will continue its efforts to seek opportunities to expand its presence in the ASEAN region by way of joint ventures, acquisitions and/or sub-franchising of its brands.

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Thank You

