

JAPAN FOODS HOLDING LTD.

(Company Registration No.: 200722314M)
420 North Bridge Road
#02-01 North Bridge Centre
Singapore 188727
Tel: (65) 6333 9781 | Fax: (65) 6333 9782

Japan Foods streamlines operations to focus on performance amid industry headwinds

- *HY2026 revenue declined to S\$36.8 million as the Group reduced its restaurant network from 84 to 68 outlets.*
- *Performance affected by strong industry headwinds including rising operating costs, manpower shortages, intense competition and subdued consumer discretionary spending.*
- *Launched new self-developed brand, “Steak 99”, in October 2025 as part of ongoing brand rejuvenation.*

SINGAPORE, 07 November 2025 – In view of ongoing tough conditions in the food and beverage (“F&B”) industry, **Japan Foods Holding Ltd.** (“**Japan Foods**” or the “**Company**” and together with its subsidiaries, the “**Group**”), continues to rationalise and streamline its restaurant network and brand portfolio as part of its ongoing strategy to focus on profit recovery.

In the past year, the number of restaurants operated by the Group reduced from 84 as at 30 September 2024 to 78 as at 31 March 2025, and further decreased to 68 as at 30 September 2025. These closures were both a result of non-renewal of leases as well as early termination of leases as the Group culled under-performing restaurants in its network.

Mr Takahashi Kenichi, Executive Chairman and CEO of Japan Foods, said: *“Singapore’s F&B scene has become increasingly challenging, evident in the spate of restaurant closures since last year.¹ In addition to perennial issues such as manpower shortage, soaring operational costs, changing consumer preferences and intense competition from both local and the rising pool of foreign players, we are also grappling with weak business and consumer sentiment brought on by trade tensions and economic uncertainties. Against this backdrop, Japan Foods is now focusing on streamlining our portfolio to focus resources where we can deliver the greatest value to our customers and shareholders.”*

¹ Channelnewsasia article dated 21 Sept 2025: [Why are so many eateries in Singapore closing? Owners cite rent, manpower, competition](#)

HY2026 Performance Review

Financial Highlights (S\$' million)	Six months ended 30 Sep		Change (%)
	2025 ("HY2026")	2024 ("HY2025")	
Revenue	36.8	43.4	(15.2)
Gross profit	30.8	36.7	(16.0)
Gross profit margin (%)	83.7	84.5	(0.8% pt)
Net loss attributable to equity holders of the Company	(3.3)	(1.6)	102.8

Note: All financial figures have been rounded.

The Group recorded weaker sales of S\$36.8 million and gross profit of S\$30.8 million in the six months ended 30 September 2025 ("HY2026"), as compared to revenue of S\$43.4 million and gross profit of S\$36.7 million in the six months ended 30 September 2024 ("HY2025").

The weaker topline performance in HY2026 was mainly due to closures of underperforming restaurants as part of the Group's strategy to optimise its restaurant network in response to ongoing industry challenges and evolving market conditions.

During HY2026, the Group's Halal-concept restaurants recorded revenue of S\$20.3 million across 38 restaurants and nine brands (HY2025: S\$22.0 million across 37 restaurants and nine brands²), while its non-Halal network recorded sales of S\$16.5 million across 30 restaurants and 11 brands (HY2025: S\$21.4 million across 47 restaurants and 16 brands).

The Group's other income declined to S\$0.3 million in HY2026 from S\$1.8 million in HY2025 mainly due to lower government grants received, while other gains rose to S\$80,000 in HY2026 mainly due to early termination of leases compared to other losses of S\$24,000 in HY2025 due to foreign exchange losses.

Share of profit of associated companies fell to S\$142,000 in HY2026 from S\$214,000 in HY2025. This was mainly due to higher losses incurred by its associated company operating two "Menya Musashi" brand restaurants in Indonesia, which have since closed. In China, the Group's associated company operating "Menya Musashi" brand restaurants generated lower profit, likewise for its associated company in Hong Kong operating "Konjiki

² Two Fruit Paradise brand outlets were not Halal-certified in HY2025.

Hototogisu” brand restaurants. This was partially offset by higher profit from the Group’s associated company operating “Menya Musashi” brand restaurants in Hong Kong. As at 30 September 2025, the Group’s associated companies operated 17 restaurants in Hong Kong (12) and China (5).

Overall expenses fell 13.8% year-on-year to S\$34.8 million in HY2026 mainly due to the decrease in the number of restaurants. Meanwhile, following the winding down of the Group’s joint venture company (“**JVC**”) with Minor Food Group (Singapore) Pte. Ltd., no impairment loss on a loan to the JVC was recorded in HY2026. The Group also enjoyed a tax credit of S\$103,000 due to corporate income tax rebates in HY2026 as compared to S\$11,000 in HY2025.

As a result of the aforementioned, Japan Foods recorded a net loss of S\$3.3 million in HY2026. The Group’s balance sheet remained stable with cash and bank balances of S\$7.6 million and no borrowings.

Outlook & Prospects

The Group expects the next 12 months to remain challenging. At the macro level, global trade tensions have led to economic uncertainties and weak business and consumer sentiments, while at the industry level, F&B operators continue to grapple with high rental, persistent manpower shortages, changing consumer tastes and intense competition from both homegrown and foreign players. According to the Ministry of Trade and Industry, there were 3,357 new retail food establishments and 2,431 closures from 1 January 2025 to 23 October 2025. Of those that closed, 63% had been registered for five years or less and 82% of these had never recorded a profit in their annual tax declarations.³

Mr Takahashi said: *“We expect the challenges in Singapore’s F&B industry to persist, but we believe Japan Foods will be able to achieve a turnaround due to our prudent cost management and our track record of being adaptable. Our portfolio of brands allows us to deliver differentiated customer experiences at attractive price points, and positions us to capture demand when the market recovers.”*

³ Business Times article dated 5 November 2025: [Of F&B closures in 2025: 82% of those registered for up to 5 years had never made a profit: MTI](#)

In line with its brand rejuvenation strategy to cater to changing consumer preferences, Japan Foods recently introduced a new self-developed brand “Steak 99”. The first outlet opened at Plaza Singapura in October 2025 featuring grilled steaks at affordable prices.

Mr Takahashi added: *“We are closely monitoring the response to this new brand. Depending on consumers’ response, we may introduce more self-developed brands while continuing to focus on our established and proven brands.”*

###

About Japan Foods

Established in Singapore in 1997 and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited in February 2009, Japan Foods is one of the leading Japanese restaurant chains in Singapore. As at 30 September 2025, the Group operated 68 restaurants in Singapore under various self-developed brands and franchised brands such as “Ajisen Ramen”, “Osaka Ohsho”, “Menya Musashi”, and “Konjiki Hototogisu”. The Group is also active in the Halal market with brands including “Tokyo Shokudo” and “Yakiniku Shokudo”.

Japan Foods has won multiple awards for its efforts in corporate governance. The Company was named the “Most Transparent Company (Catalist)” at the 17th SIAS Investors’ Choice Awards in 2016 and also awarded the “Transparency Award – SMEs” at the 18th SIAS Investors’ Choice Awards 2017. In 2018, the Group received the “Best Managed Board Award (Gold)” at the Singapore Corporate Awards 2018 and Runner Up in the “Most Transparent Company Award – Hotel/Restaurant” category at the 2018 SIAS Investor Choice Awards. In 2019, it was recognised at the Singapore Corporate Awards for “Best Annual Report (Silver)”. The Group subsequently received more accolades from SIAS for its efforts in transparency and disclosure including “Most Transparent Company Award (Consumer Discretionary Category) at the SIAS Investors’ Choice Awards in 2022 when it was Runner Up and in 2023 and 2024 when it was named Winner for both years.

###

**Issued on behalf of Japan Foods Holding Ltd by
August Consulting Pte Ltd**

Tel: (65) 6733 8873 Fax: (65) 6733 9913

Wrisney Tan – wrisneytan@august.com.sg

Joanna Tan – joannatan@august.com.sg

*This news release has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("**Sponsor**").*

*This news release has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this news release, including the correctness of any of the statements or opinions made, or reports contained in this news release.*

The contact person for the Sponsor is Lance Tan, Senior Vice President, at 83 Clemenceau Avenue #10-01 UE Square Singapore 239920, telephone (65) 6590 6881.