

**JAPAN FOODS  
HOLDING LTD.**

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# Corporate Presentation FY2023

12 months ended  
31 March 2023

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# **JAPAN FOODS HOLDING LTD.**

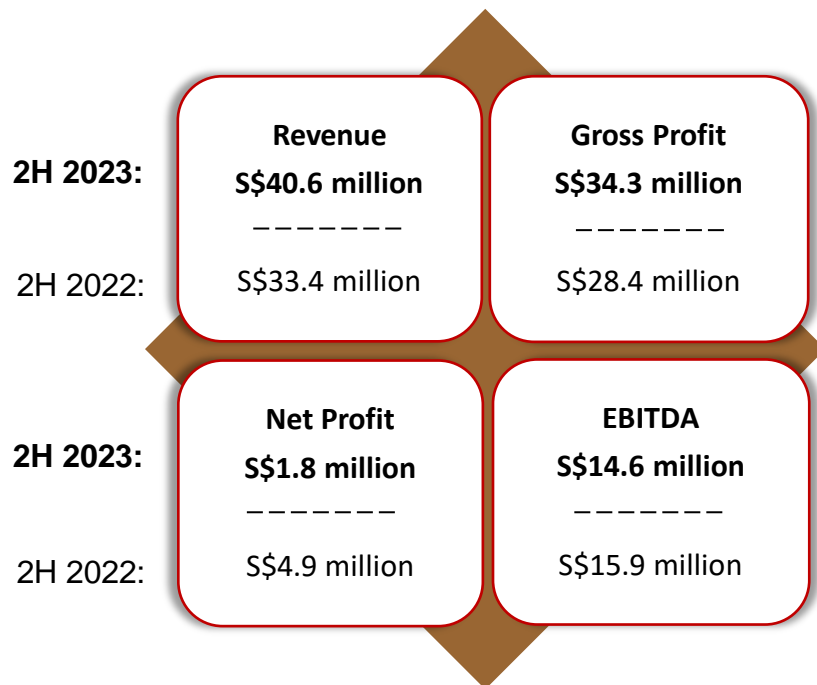
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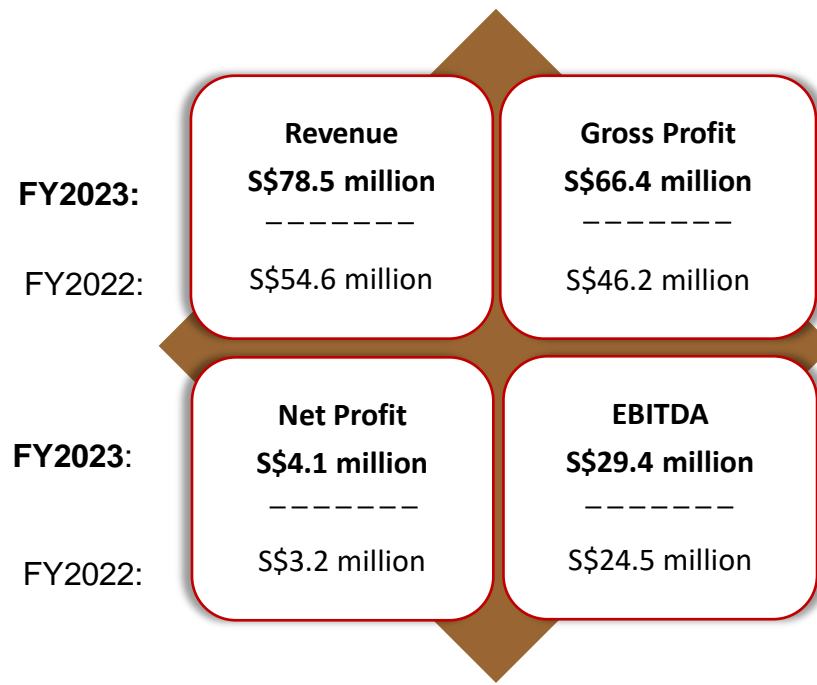
## **Overview of FY2023**

# Performance at a Glance

## 2H2023 / 2H2022

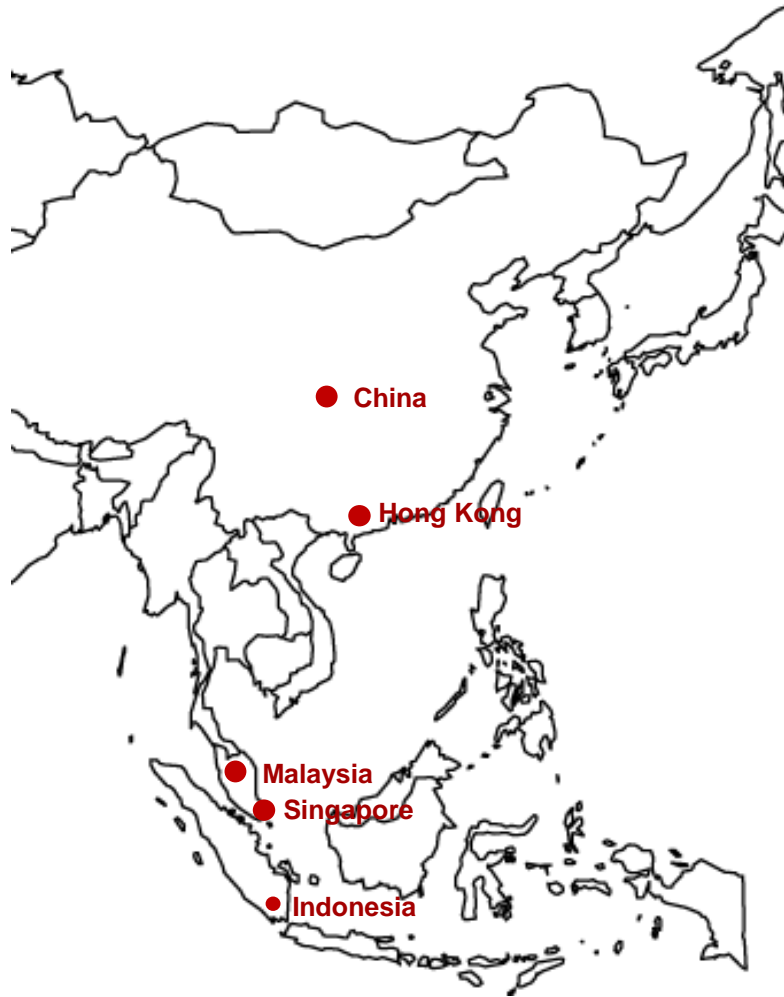


## FY2023 / FY2022



**Note:**  
All financial figures have been rounded

# Network (as at 31 March 2023)



**65**

Self-operated restaurants  
in Singapore

**3**

Restaurants operated by  
joint venture company in  
Singapore

**17**

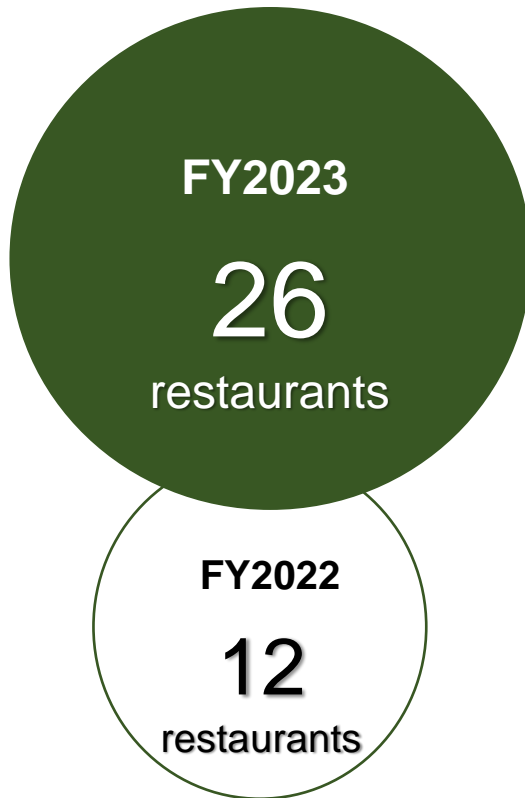
Restaurants through associated  
companies in China, Hong  
Kong and Indonesia

**1**

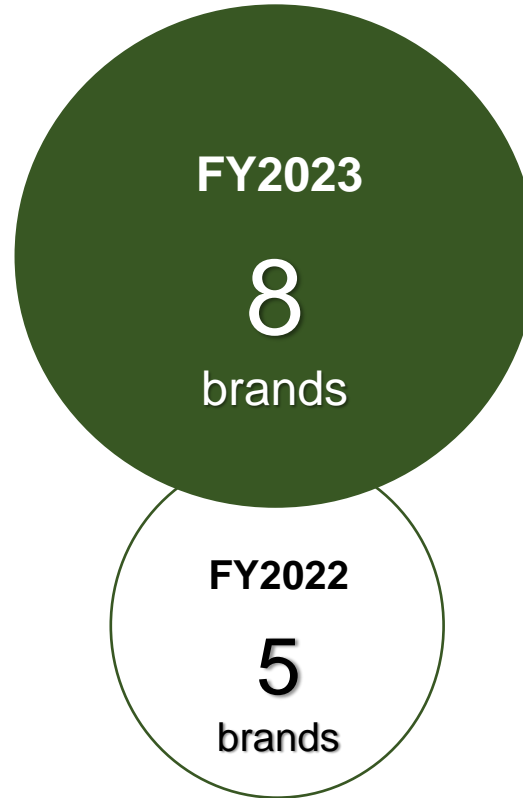
Restaurant operated by  
sub-franchisee in Malaysia

# FY2023 Network Highlights - Halal segment

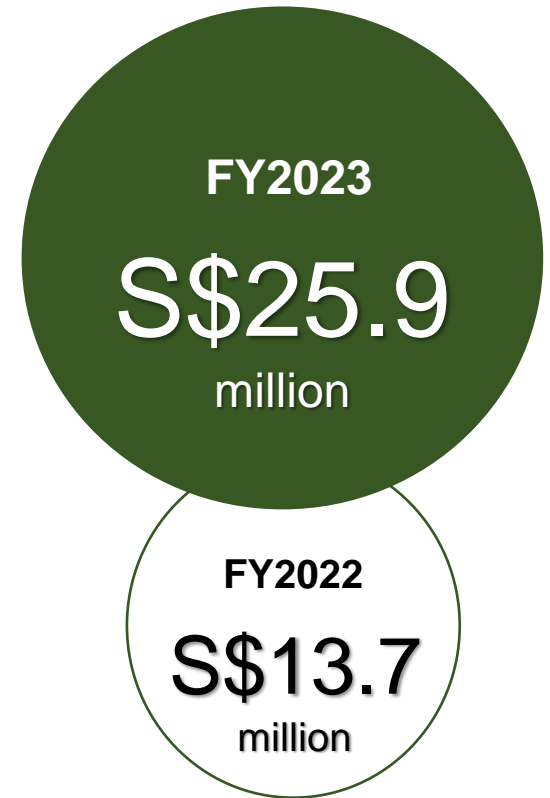
No. of Restaurants\*  
> Doubled



No. of Brands\*



Revenue  
↑ 89.1%



\* Includes "Fruit Paradise" and "Kagurazaka Saryo" brand and restaurants that have been converted to Halal restaurants.

# New Halal-Concept Brands in FY2023



Halal concept of our flagship “Ajisen Ramen” which features authentic Japanese ramen in collagen rich chicken broth with a variety of toppings.



KYOTO SHOKUDO  
CAFÉ & UDON  
京都食堂

Wide array of matcha dessert options and savouries such as udon and donburi dishes to satisfy customers’ cravings for a hearty meal.

# Latest Halal Addition



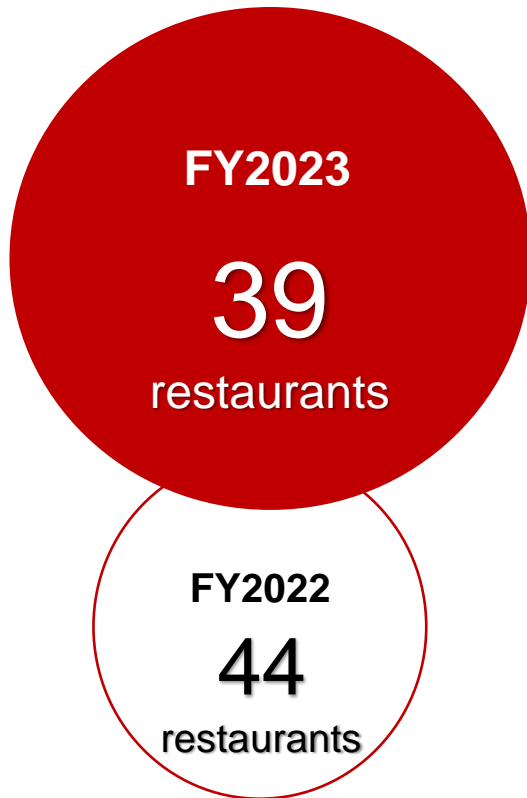
## BBQソウル食堂 BBQ SEOUL SHOKUDO 서울

- Japan Foods' first Korean cuisine concept
- Features tabletop BBQ accompanied by the quintessential Korean side dishes
- Opened first outlet at Velocity in April 2023



# FY2023 Network Highlights - Non-Halal segment

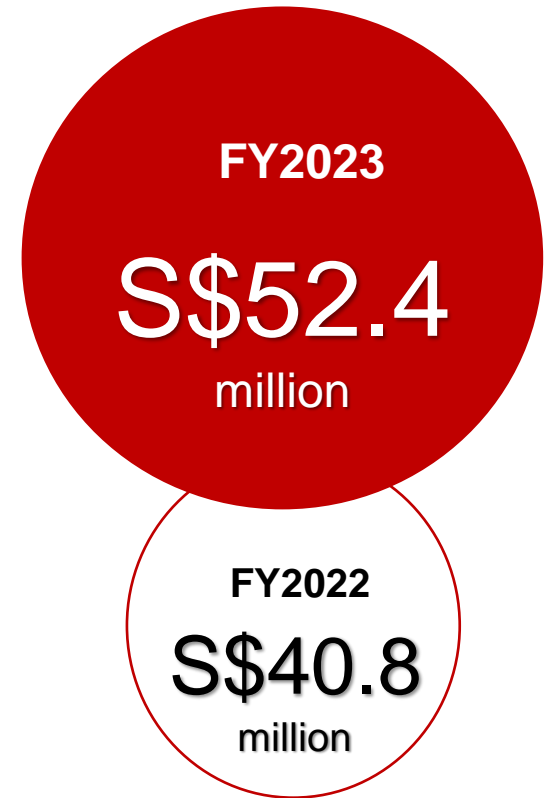
No. of  
Restaurants\*



No. of  
Brands\*



Revenue  
↑ 28.4%



\* Excludes Fruit Paradise\* and "Kagurazaka Saryo" brand and restaurants that were converted to Halal restaurants.

# New non-Halal Brands in FY2023



Non-Halal version of the self-developed “Yakiniku Shokudo” brand. A Japanese-style grill restaurant that features different cuts of beef, including premium wagyu.

***Expanded from 1 to 8 outlets within the financial year.***



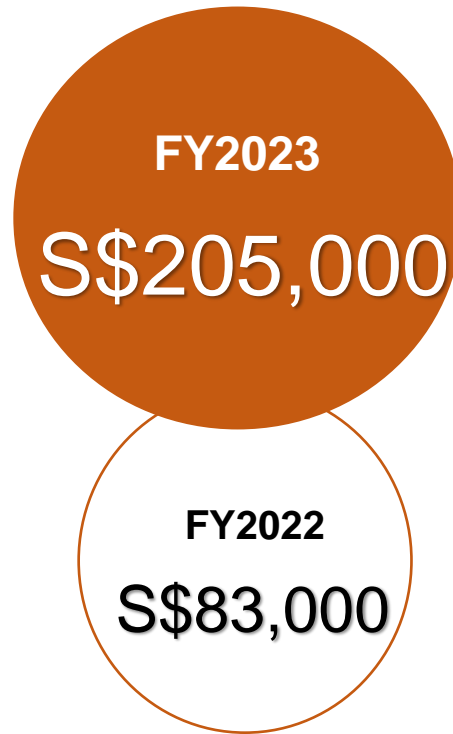
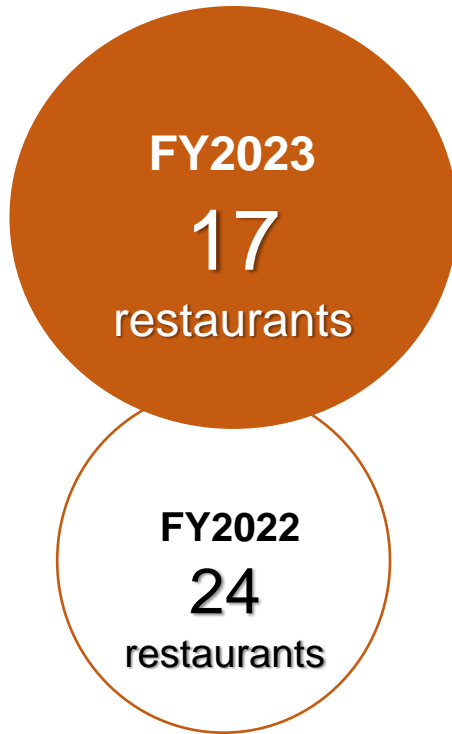
Launch of second Michelin-star brand from Japan in January 2023. Specialises in Sichuan inspired dandan noodles with a Japanese twist.

***Opened first outlet at Plaza Singapura in January 2023 and opened second in April 2023***

# Business Update: Associated Companies

**No. of  
Restaurants\***

**Revenue  
↑ 147.0%**



## Hong Kong:

- Sales boosted by lifting of Covid-19 restrictions during FY2023
- FY2023: 11 restaurants vs FY2022: 12 restaurants

## China:

- Losses incurred due to strict Covid-19 measures, which were only lifted in January 2023
- FY2023: 5 restaurants vs FY2022: 11 restaurants

## Indonesia:

- Incurred losses due to weak consumer sentiment and Covid-19 restrictions
- FY2022 / FY2023: 1 restaurant

\* Restaurants operated by associated companies are under the “Menya Musashi” and “Konjiki Hototogisu” brands.

# Business Update: Joint Venture with Minor Food Group Singapore

## Singapore:

- FY2023: Three “Pizzakaya” brand restaurants currently in loss<sup>+</sup> position and in the process of revamp
- Acquired 1 “Extra Virgin Pizza” and its existing outlet at Asia Square Tower 1 in April 2023



## Japan:

- Closure of first Tokyo restaurant under “Siam Smith” brand due to poor response<sup>+</sup> as the restaurant had commenced operations in August 2022 when the country had yet to fully lift its Covid-19 restrictions
- Opened another restaurant under the same brand in April 2023 at a new location

<sup>+</sup> There was no share of loss in FY2023 as accumulated losses exceeded capital contribution of S\$100,000

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## **FY2023 Financial Highlights**

# Financial Highlights

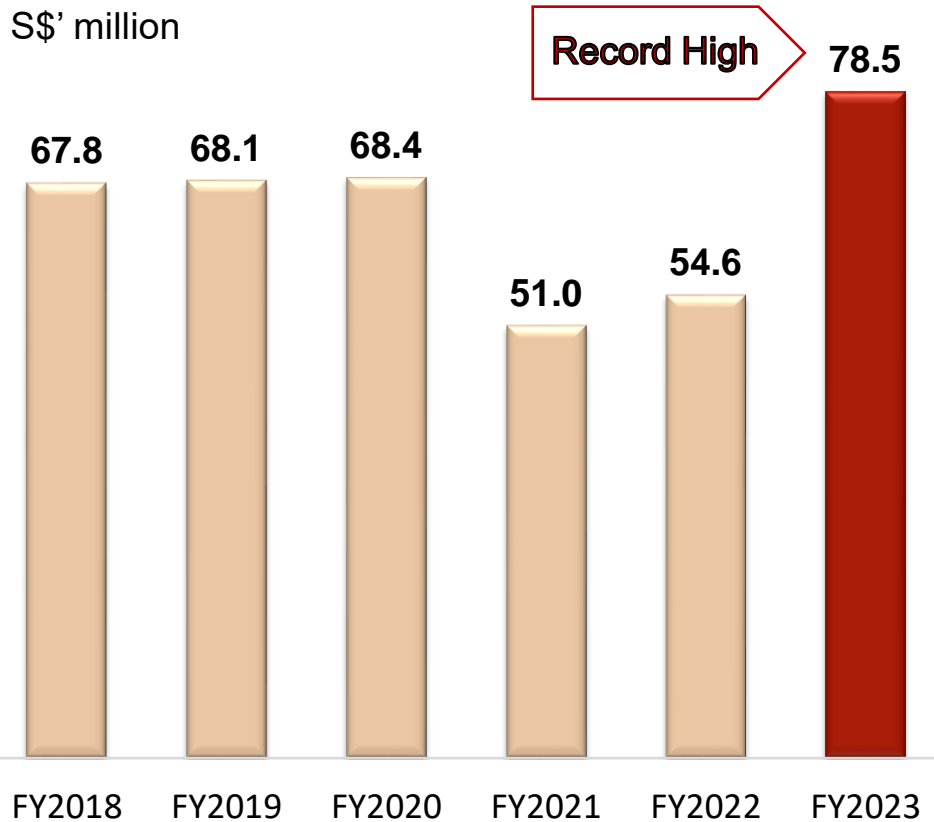
S\$' m	6 months ended 31 Mar			12 months ended 31 Mar		
	2H2023	2H2022	Change (%)	FY2023	FY2022	Change (%)
Revenue	40.6	33.4	21.4	78.5	54.6	43.8
Gross Profit	34.3	28.4	20.5	66.4	46.2	43.7
Gross Profit Margin (%)	84.5	85.1	(0.6% pt)	84.6	84.6	-
EBIT	2.4	5.3	(53.8)	5.8	4.0	45.4
EBIT margin (%)	5.9	15.8	(9.9% pt)	7.4	7.4	-
EBITDA	14.6	15.9	(8.2)	29.4	24.5	20.0
EBITDA margin (%)	36.0	47.7	(11.7% pt)	37.5	44.9	(7.4% pt)
Net Profit After Tax (NPAT)	1.8	4.9	(63.3)	4.1	3.2	27.7
NPAT Margin (%)	4.4	14.6	(10.2% pt)	5.3	5.9	(0.6% pt)
Earnings Per Share <sup>a</sup> (S'pore cents)	1.0	2.8	(62.9)	2.4	1.9	27.7
Return on Equity (%)	5.5	14.9	(9.4% pt)	12.6	9.9	2.7% pt

Note: All financial figures have been rounded

a) EPS was computed based on the weighted average number of shares of 174,394,200 shares and 174,424,000 shares in 2HY2023 and 2HY2022 respectively; and 174,394,200 shares and 174,424,000 shares in FY2023 and FY2022 respectively.

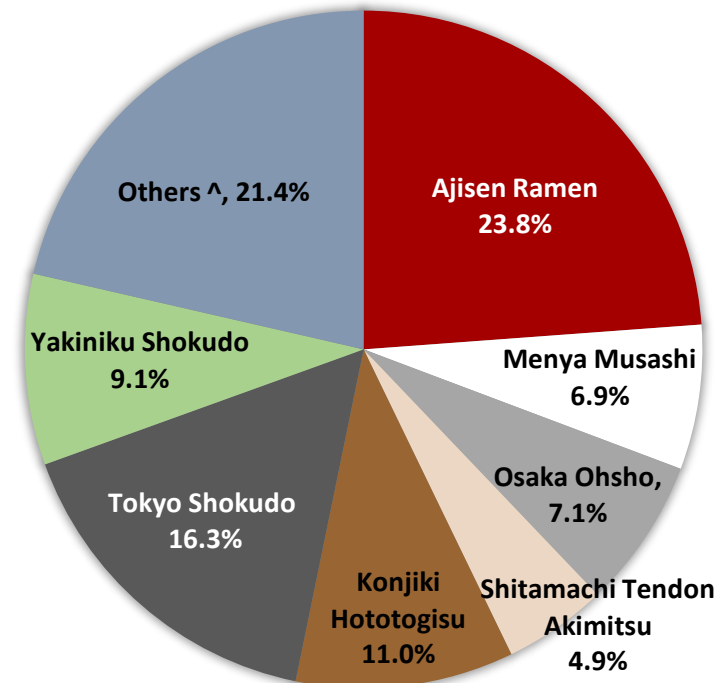
# Revenue

S\$' million



## FY2023 revenue breakdown by brand

*Halal brands contributed 33.1% of total revenue versus 25.1% in FY2022*

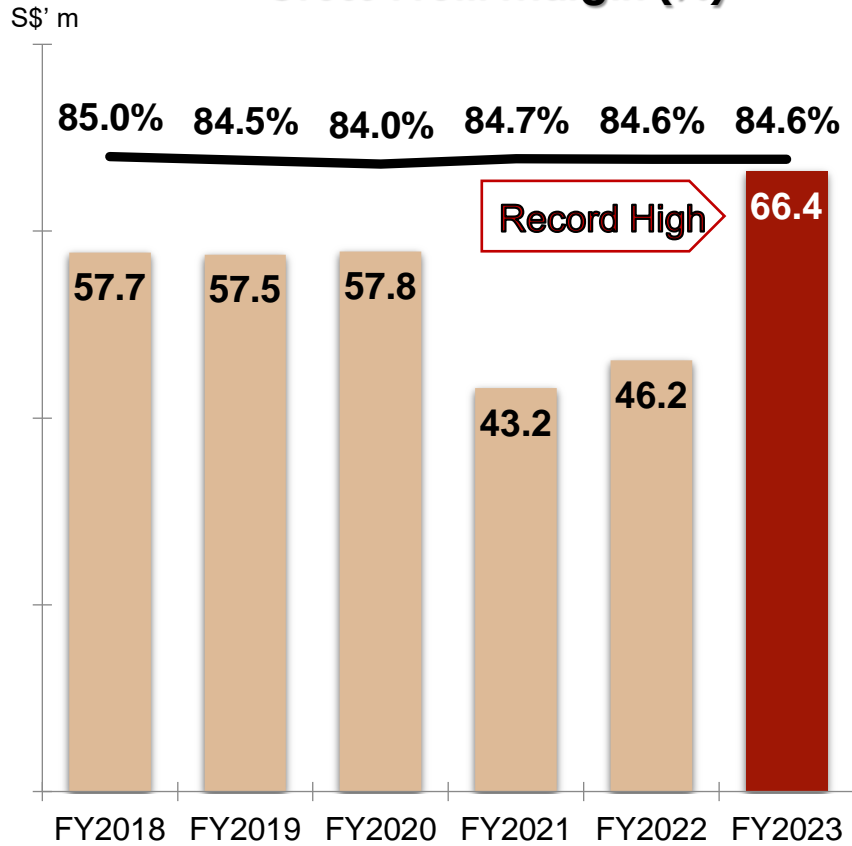


### Topline performance driven by

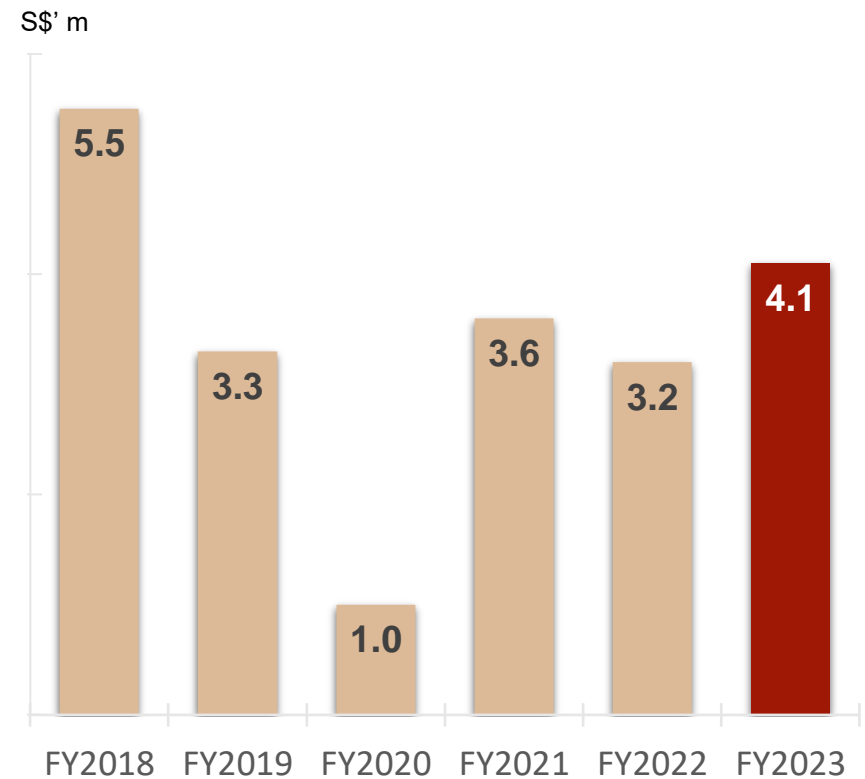
- Increased sales across all brands
- > 10% increase in restaurant network due to strong growth momentum of Halal segment
- Contribution from new brands

# Profitability

## Gross Profit (S\$m) & Gross Profit Margin (%)



## Net Profit (S\$m)



**Note:**  
All financial figures have been rounded



# Cash Flow

S\$m	FY2023	FY2022	Change (%)
Net cash generated from operating activities	29.5	25.4	▲ 16.0
Net cash used in investing activities	(8.5)	(3.5)	▲ 144.9
Net cash used in financing activities	(25.9)	(22.6)	▲ 14.5
Net (decrease) in cash and cash equivalents	(4.9)	(0.7)	NM
Cash and cash equivalents at beginning of financial year	19.9	20.6	▼ 3.3
Cash and cash equivalents at end of financial period	15.0	19.9	▼ 24.5

*Note:*  
*All financial figures have been rounded*  
*NM denotes Not Meaningful*

# Key Financial Ratios

	As at 31 Mar 2023	As at 31 Mar 2022	Change (%)
Cash and bank balances (S\$m)	18.5	23.2	▼ 20.3
Total assets (S\$m)	90.6	77.8	▲ 16.4
Total equity (S\$m)	32.7	32.7	-
Net cash ratio <sup>(1)</sup>	0.6	0.9	▼ 33.3
Net asset value per share (S'pore cents) <sup>(2)</sup>	18.8	18.8	-
Net cash per share (S'pore cents) <sup>(2)</sup>	10.6	13.3	▼ 20.3

**Notes:**

**All financial figures have been rounded**

(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 174,394,200 shares as at 31 March 2023 and 174,424,000 shares as at 31 March 2022.

# Dividend in FY2023

Name of dividend	Interim	Final
Dividend type	Cash	
Dividend amount per share (S' pore cents)	1.0 cents per ordinary share	1.0 cents per ordinary share
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)
Date paid / payable	December 2022	To be announced



- Total dividend in FY2023: **2.0 Singapore cents a share**
- Dividend payout ratio: **Approximately 84.5% of earnings** for FY2023.

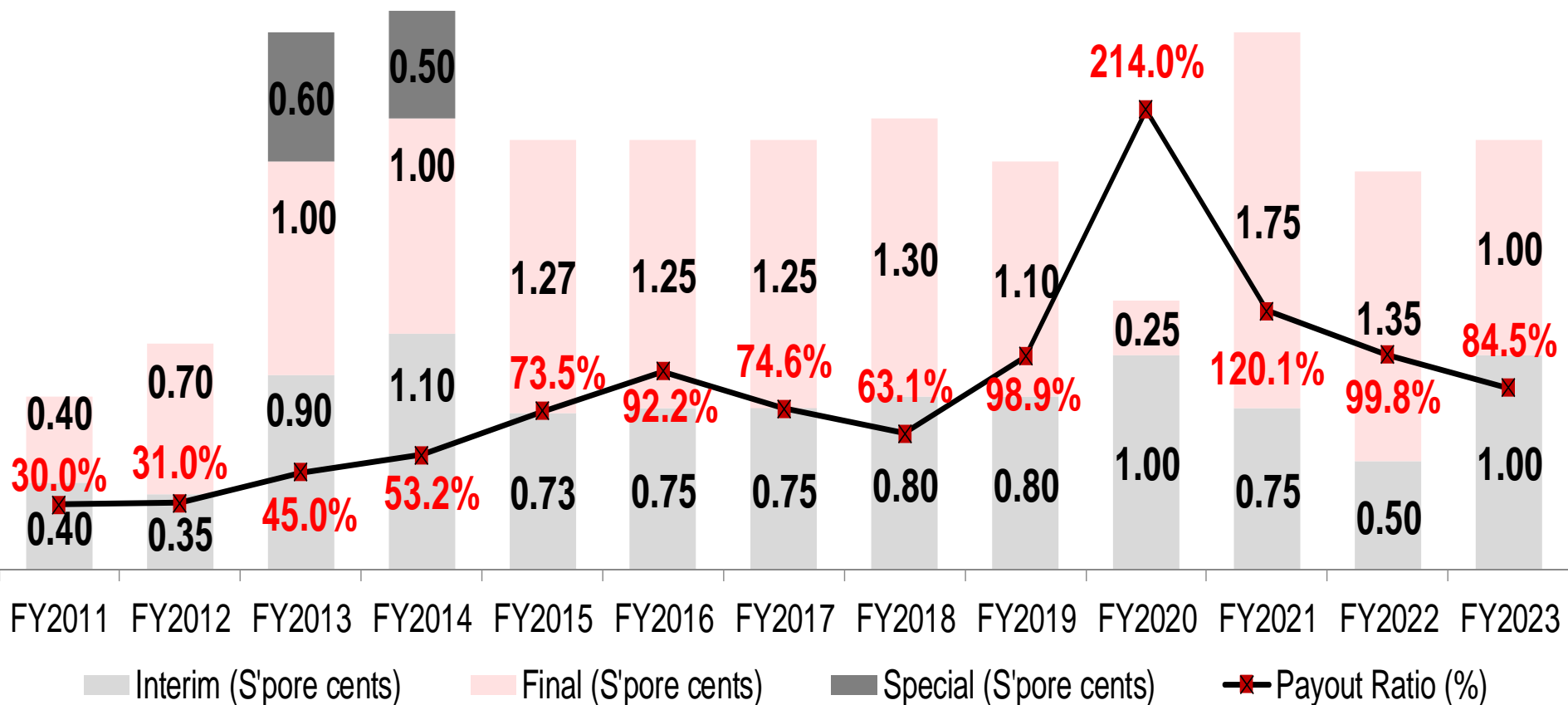
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**Investment Merits  
& Prospects**

# Dividend History



# Healthy Position Among Peers

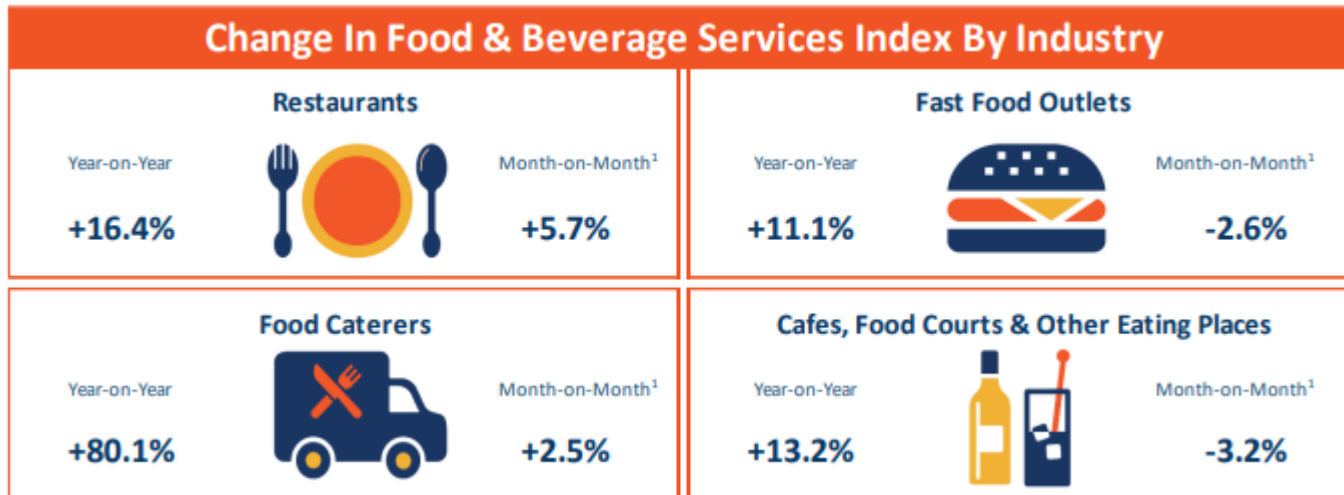
	Market Cap (S\$' m)	Price (S\$)	Net profit margin (%)	ROE (%)	Net Debt / Equity (times)	P/E (times)	Div yield (%)
Japan Foods	75.9	0.435	5.3	12.6	-	18.4	4.6
ABR Holdings	100.5	0.500	2.4	2.5	0.2	41.3	2.0
Sakae Holdings	15.4	0.111	6.2	1.8	0.6	14.5	4.5
Soup Restaurant	22.3	0.080	3.9	12.9	-	15.3	2.5
Tung Lok Restaurant	32.9	0.120	(3.5)	-	0.7	-	-
Katrina	6.5	0.028	5.4	(65.3)	-	1.9	-
Jumbo	182.9	0.285	(0.1)	-	0.2	-	-
RE&S Holdings	95.5	0.270	6.1	23.8	1.1	10.1	6.3
Kimly Limited	428.4	0.345	10.7	21.1	0.3	12.6	4.9
No Signboard Holdings	14.3	0.031	(50.3)	-	-	-	-

Source: ShareInvestor.com, data as at 23 May, 5pm

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

# Prospects – Riding on Recovery



- All F&B services recorded y-o-y growth in sales in March 2023.
  - Up 17.8% y-o-y (Feb 2023: +21.6%)
  - Up 0.7% m-o-m (seasonally adjusted)
- Of those that cater for dining-in, the restaurant segment recorded the fastest growth
- Performance is expected to continue to improve, reflecting
  - Post-pandemic recovery
  - Return of tourists following the opening of borders.

Source: Singstat, March 2023

# Business Strategy Amidst Macro Challenges





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**Thank You!**

