

# JAPAN FOODS HOLDING LTD

## JAPAN FOODS HOLDING LTD.

(Incorporated in the Republic of Singapore on 3 December 2007)  
(UEN. 200722314M)

### UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

#### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & 2<sup>nd</sup> half year), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Consolidated statement of comprehensive income

	<----- Group -----> 2 <sup>nd</sup> Half Year Ended 31 March			<----- Group -----> Financial Year Ended 31 March		
	2021 (S\$'000)	2020 (S\$'000)	Increase/ (Decrease) (%)	2021 (S\$'000)	2020 (S\$'000)	Increase/ (Decrease) (%)
<b>Revenue</b>	<b>32,472</b>	<b>32,297</b>	<b>0.5</b>	<b>51,002</b>	<b>68,413</b>	<b>(25.4)</b>
Cost of sales	(4,909)	(5,108)	(3.9)	(7,784)	(10,647)	(26.9)
<b>Gross profit</b>	<b>27,563</b>	<b>27,189</b>	<b>1.4</b>	<b>43,218</b>	<b>57,766</b>	<b>(25.2)</b>
Interest income	38	61	(37.7)	97	156	(37.8)
Other income	2,661	399	566.9	10,902	606	1,699.0
Other gains/(losses) - net	9	18	(50.0)	(7)	5	N.M. <sup>(1)</sup>
Selling and distribution expenses	(22,908)	(24,347)	(5.9)	(44,052)	(50,260)	(12.4)
Administrative expenses	(1,639)	(1,492)	9.9	(3,059)	(3,258)	(6.1)
Other operating expenses	(933)	(873)	6.9	(1,406)	(1,626)	(13.5)
Impairment losses	(389)	(665)	(41.5)	(389)	(665)	(41.5)
Lease interest expenses	(476)	(538)	(11.5)	(1,008)	(984)	2.4
Share of (loss)/profit of associated companies	(2)	(287)	(99.3)	33	(333)	N.M. <sup>(1)</sup>
Share of (loss)/profit of joint venture	(61)	8	N.M. <sup>(1)</sup>	(91)	(9)	911.1
<b>Profit/(Loss) before income tax</b>	<b>3,863</b>	<b>(527)</b>	<b>N.M.<sup>(1)</sup></b>	<b>4,238</b>	<b>1,398</b>	<b>203.1</b>
Income tax credit/(expenses)	(538)	26	N.M. <sup>(1)</sup>	(613)	(381)	60.9
<b>Total comprehensive income/(loss) for the period attributable to equity holders of the company</b>	<b>3,325</b>	<b>(501)</b>	<b>N.M.<sup>(1)</sup></b>	<b>3,625</b>	<b>1,017</b>	<b>256.4</b>

**Note:**

(1) "N.M." denotes not meaningful.

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### 1(a)(ii) Notes to the income statements

The profit before income tax of the Company and its subsidiaries (the "Group") is arrived at after (crediting) / charging the following:

	<----- Group ----->			<----- Group ----->		
	2 <sup>nd</sup> Half Year Ended		Increase / (Decrease) (%)	Financial Year Ended		Increase / (Decrease) (%)
	31 March			31 March		
	2021 (S\$'000)	2020 (S\$'000)		2021 (S\$'000)	2020 (S\$'000)	
Interest income	(38)	(61)	(37.7)	(97)	(156)	(37.8)
Royalty and franchise income	(141)	(185)	(23.8)	(232)	(312)	(25.6)
Insurance claims	(19)	(18)	5.6	(21)	(21)	0.0
Government grants <sup>(1)</sup>	(1,350)	(162)	733.3	(4,206)	(220)	1,811.8
Rent concessions <sup>(2)</sup>	(1,119)	-	N.M. <sup>(6)</sup>	(6,395)	-	N.M. <sup>(6)</sup>
Other income <sup>(3)</sup>	(32)	(32)	0.0	(48)	(51)	(5.9)
Depreciation of plant and equipment	1,716	1,938	(11.5)	3,521	3,939	(10.6)
Depreciation of right-of-use assets	8,755	9,109	(3.9)	18,502	16,068	15.1
Amortisation of intangible assets	32	33	(3.0)	64	65	(1.5)
Impairment of plant and equipment and right-of-use assets <sup>(4)</sup>	328	665	(50.7)	328	665	(50.7)
Impairment of intangible asset <sup>(5)</sup>	61	-	N.M. <sup>(6)</sup>	61	-	N.M. <sup>(6)</sup>
Plant and equipment written off	306	127	140.9	309	189	63.5
Inventories written off	-	3	(100.0)	-	3	(100.0)
Currency translation loss/(gain) - net	9	(18)	N.M. <sup>(6)</sup>	25	(5)	N.M. <sup>(6)</sup>

#### Notes:

- (1) Government grants refer mainly to grants under the Jobs Support Scheme (JSS), Foreign Worker Levy rebates, Temporary Employment Credit Scheme and the Special Employment Credit Scheme.
- (2) Rent concessions mainly refer to one-off rebates granted by landlords pursuant to Rental Relief Framework provided under the Covid-19 (Temporary Measures) (Amendment) Act.
- (3) Other income refers mainly to the sales of scrap materials and marketing subsidy.
- (4) Impairment loss arises from carrying amounts of plant and equipment and right-of-use assets relating to non-performing outlets that exceeded the estimated recoverable amount.
- (5) Impairment loss arises from carrying amount of a franchise right exceeded the estimated recoverable amount.
- (6) "N.M." denotes not meaningful.

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### 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

#### Statement of financial position

	<----- Group ----->		<----- Company----->	
	As at 31.03.2021 (S\$'000)	As at 31.03.2020 (S\$'000)	As at 31.03.2021 (S\$'000)	As at 31.03.2020 (S\$'000)
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	23,134	20,443	2,545	3,242
Trade receivables	804	643	-	-
Other receivables	41	1,605	-	-
Inventories	661	780	-	-
Amounts owing by subsidiary corporations	-	-	5,694	1,054
Other current assets	2,283	2,030	82	52
	<b>26,923</b>	<b>25,501</b>	<b>8,321</b>	<b>4,348</b>
<b>Non-current assets</b>				
Plant and equipment	6,137	9,262	12	15
Investments in subsidiary corporations	-	-	6,042	5,772
Investments in associated companies	2,144	2,111	212	212
Investment in joint venture	-	91	100	100
Loan to an associated company	248	248	248	248
Loan to a joint venture	720	320	720	320
Other investments at amortised cost	1,821	753	-	-
Intangible assets	199	324	-	-
Right-of-use assets	25,824	35,549	183	262
Club membership	322	322	322	322
Long-term security deposits	3,800	3,634	11	34
	<b>41,215</b>	<b>52,614</b>	<b>7,850</b>	<b>7,285</b>
<b>Total Assets</b>	<b>68,138</b>	<b>78,115</b>	<b>16,171</b>	<b>11,633</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	1,832	1,516	-	-
Other payables and accruals	4,684	7,838	582	407
Amount due to subsidiary corporations	-	-	2	3
Current income tax liabilities	563	593	7	5
Lease liabilities	15,633	17,212	142	139
	<b>22,712</b>	<b>27,159</b>	<b>733</b>	<b>554</b>
<b>Non-current liabilities</b>				
Deferred income tax liabilities	216	216	2	2
Lease liabilities	11,833	19,367	47	126
	<b>12,049</b>	<b>19,583</b>	<b>49</b>	<b>128</b>
<b>Total Liabilities</b>	<b>34,761</b>	<b>46,742</b>	<b>782</b>	<b>682</b>
<b>Net Assets</b>	<b>33,377</b>	<b>31,373</b>	<b>15,389</b>	<b>10,951</b>
<b>EQUITY</b>				
Share capital	9,522	9,522	9,522	9,522
Treasury shares	(35)	(181)	(35)	(181)
Capital reserves	45	73	45	73
Retained earnings	23,845	21,959	5,857	1,537
<b>Total Equity</b>	<b>33,377</b>	<b>31,373</b>	<b>15,389</b>	<b>10,951</b>

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### 1(b)(ii) Aggregate amount of group's borrowings and debt securities.

#### Amount repayable in one year or less, or on demand

As at 31 March 2021		As at 31 March 2020	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

#### Amount repayable after one year

As at 31 March 2021		As at 31 March 2020	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

#### Details of any collateral

Nil

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### 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Consolidated statement of cash flows

	<----- Group ----->		<----- Group ----->	
	2 <sup>nd</sup> Half Year ended 31 March		Financial Year Ended 31 March	
	2021	2020	2021	2020
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
<b>Cash flows from operating activities:</b>				
<b>Net (Loss)/profit</b>	<b>3,325</b>	<b>(501)</b>	<b>3,625</b>	<b>1,017</b>
Adjustments for:				
Income tax expenses/(credit)	538	(26)	613	381
Depreciation of plant and equipment	1,716	1,938	3,521	3,939
Depreciation of right-of-use assets	8,755	9,109	18,502	16,068
Amortisation of intangible assets	32	33	64	65
Impairment of plant and equipment	62	223	62	223
Impairment of right-of-use assets	266	442	266	442
Impairment of right-of intangible assets	61	-	61	-
Plant and equipment written off	306	127	309	189
Impairment loss on financial assets	-	10	-	10
Gain on disposal of ROU	(18)	-	(18)	-
Share of loss/(profit) of joint venture	61	(8)	91	9
Share of loss/(profit) of associated companies	2	287	(33)	333
Lease interest expense	476	538	1,008	984
Interest income from bank deposits	(38)	(61)	(97)	(156)
Amortisation of government grants	-	-	-	(2)
Employee Performance Shares expenses	162	-	162	213
	<b>15,704</b>	<b>12,111</b>	<b>28,134</b>	<b>23,715</b>
<b>Changes in working capital:</b>				
Inventories	(108)	60	118	(98)
Trade and other receivables	(64)	59	1,425	326
Other current assets	(315)	653	(253)	1,038
Long-term security deposits	104	(68)	(165)	(243)
Trade and other payables	(2,041)	(1,717)	(2,838)	(811)
<b>Cash generated from operations</b>	<b>13,280</b>	<b>11,098</b>	<b>26,421</b>	<b>23,927</b>
Interest income received	25	71	74	156
Income tax paid	(394)	(405)	(642)	(906)
<b>Net cash provided by operating activities</b>	<b>12,911</b>	<b>10,764</b>	<b>25,853</b>	<b>23,177</b>
<b>Cash flows from investing activities:</b>				
Additions to plant and equipment	(663)	(1,627)	(774)	(4,304)
Additions to associated companies	-	-	-	(21)
Additions to joint venture	-	-	-	-
Loan to joint venture	(250)	(320)	(400)	(320)
Proceeds from disposal of plant and equipment	-	-	8	-

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	<----- Group -----> 2 <sup>nd</sup> Half Year ended 31 March		<----- Group -----> Financial Year Ended 31 March	
	2021 (S\$'000)	2020 (S\$'000)	2021 (S\$'000)	2020 (S\$'000)
Purchase of other investments at amortised cost	(1,068)	-	(1,068)	-
<b>Net cash used in investing activities</b>	<b>(1,981)</b>	<b>(1,947)</b>	<b>(2,234)</b>	<b>(4,645)</b>
<b>Cash flows from financing activities:</b>				
Decrease/(Increase) in short-term bank deposits pledged	(11)	(255)	283	(260)
Principal payment of lease liabilities	(8,582)	(8,854)	(18,138)	(15,480)
Interest paid	(476)	(538)	(1,008)	(984)
Purchase of treasury shares	-	(25)	(44)	(25)
Dividend paid to equity holders of the Company	(1,313)	(1,741)	(1,739)	(3,651)
<b>Net cash used in financing activities</b>	<b>(10,382)</b>	<b>(11,413)</b>	<b>(20,646)</b>	<b>(20,400)</b>
Net increase/(decrease) in cash and cash equivalents	548	(2,596)	2,973	(1,868)
Cash and cash equivalents at beginning of financial period/year	20,068	20,239	17,643	19,511
<b>End of financial period/year <sup>(1)</sup></b>	<b>20,616</b>	<b>17,643</b>	<b>20,616</b>	<b>17,643</b>

**Note:**

- (1) This excludes bank deposits of S\$2.5 million as at 31 March 2021 (S\$2.8 million as at 31 March 2020) pledged as security for bank facilities granted by financial institution(s) to the Group.

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- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

### Statement of changes in equity

Group	Share capital (S\$'000)	Treasury shares (S\$'000)	Capital reserves (S\$'000)	Retained earnings (S\$'000)	Total (S\$'000)
<b>Balance as at 1 April 2020</b>	<b>9,522</b>	<b>(181)</b>	<b>73</b>	<b>21,959</b>	<b>31,373</b>
Dividend paid	-	-	-	(426)	(426)
Purchase of treasury shares	-	(44)	-	-	(44)
Total comprehensive income for the period	-	-	-	300	300
<b>Balance as at 30 September 2020</b>	<b>9,522</b>	<b>(225)</b>	<b>73</b>	<b>21,833</b>	<b>31,203</b>
Purchase of treasury shares	-	-	-	-	-
Performance shares granted	-	190	(28)	-	162
Dividend paid	-	-	-	(1,313)	(1,313)
Total comprehensive profit for the period	-	-	-	3,325	3,325
<b>Balance as at 31 March 2021</b>	<b>9,522</b>	<b>(35)</b>	<b>45</b>	<b>23,845</b>	<b>33,377</b>
<b>Balance as at 1 April 2019</b>	<b>9,522</b>	<b>(376)</b>	<b>80</b>	<b>24,593</b>	<b>33,819</b>
Performance shares granted	-	220	(7)	-	213
Dividend paid	-	-	-	(1,910)	(1,910)
Total comprehensive income for the period	-	-	-	1,518	1,518
<b>Balance as at 30 September 2019</b>	<b>9,522</b>	<b>(156)</b>	<b>73</b>	<b>24,201</b>	<b>33,640</b>
Purchase of treasury shares	-	(25)	-	-	(25)
Dividend paid	-	-	-	(1,741)	(1,741)
Total comprehensive loss for the period	-	-	-	(501)	(501)
<b>Balance as at 31 March 2020</b>	<b>9,522</b>	<b>(181)</b>	<b>73</b>	<b>21,959</b>	<b>31,373</b>

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Company	Share capital (S\$'000)	Treasury shares (S\$'000)	Capital reserves (S\$'000)	Retained earnings (S\$'000)	Total (S\$'000)
<b>Balance as at 1 April 2020</b>	<b>9,522</b>	<b>(181)</b>	<b>73</b>	<b>1,537</b>	<b>10,951</b>
Dividend paid	-	-	-	(426)	(426)
Purchase of treasury shares	-	(44)	-	-	(44)
Total comprehensive income for the period	-	-	-	981	981
<b>Balance as at 30 September 2020</b>	<b>9,522</b>	<b>(225)</b>	<b>73</b>	<b>2,092</b>	<b>11,462</b>
Dividend paid	-	-	-	(1,313)	(1,313)
Performance shares granted	-	190	(28)	-	162
Total comprehensive income for the period	-	-	-	5,078	5,078
<b>Balance as at 31 March 2021</b>	<b>9,522</b>	<b>(35)</b>	<b>45</b>	<b>5,857</b>	<b>15,389</b>
<b>Balance as at 1 April 2019</b>	<b>9,522</b>	<b>(376)</b>	<b>80</b>	<b>3,642</b>	<b>12,868</b>
Performance shares granted	-	220	(7)	-	213
Dividend paid	-	-	-	(1,910)	(1,910)
Total comprehensive income for the period	-	-	-	1,516	1,516
<b>Balance as at 30 September 2019</b>	<b>9,522</b>	<b>(156)</b>	<b>73</b>	<b>3,248</b>	<b>12,687</b>
Purchase of treasury shares	-	(25)	-	-	(25)
Dividend paid	-	-	-	(1,741)	(1,741)
Total comprehensive income for the period	-	-	-	30	30
<b>Balance as at 31 March 2020</b>	<b>9,522</b>	<b>(181)</b>	<b>73</b>	<b>1,537</b>	<b>10,951</b>

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**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

*(i) Between 1 April 2020 and 30 September 2020*

As at 1 April 2020, the Company held 428,800 treasury shares and the total number of ordinary shares in the capital of the Company ("**Shares**") (excluding treasury shares) was 174,007,200 Shares.

On 3 April 2020, 6 August 2020 and 7 August 2020 purchased an aggregate of 150,000 Shares by way of market acquisitions. After these share buy-backs and as at 30 September 2020, the Company held 578,800 treasury shares and the total number of issued Shares (excluding treasury shares) was 173,857,200 Shares.

*(ii) Between 1 October 2020 and 31 March 2021*

On 1 March 2021, 490,000 treasury shares ("**PSP Shares**") were transferred to certain employees of the Group pursuant to the Japan Foods Performance Share Scheme. After such transfer and as at 31 March 2021, the Company held 88,800 treasury shares and the total number of issued Shares (excluding treasury shares) was 174,347,200 Shares.

Save for the above, there were no other changes in the Company's share capital between 1 April 2020 and 31 March 2021.

As at 31 March 2020 and as at 31 March 2021, the Company did not have any outstanding options or convertibles.

As at 31 March 2021, the Company did not have any subsidiary holdings and held 88,800 treasury shares which represented approximately 0.05% of the 174,347,200 total issued Shares (excluding treasury shares and subsidiary holdings).

As at 31 March 2020, the Company did not have any subsidiary holdings and held 428,800 treasury shares which represented approximately 0.25% of the 174,007,200 total issued Shares (excluding treasury shares and subsidiary holdings).

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**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 March 2021	As at 31 March 2020
Total number of issued Shares	174,436,000	174,436,000
Less: Treasury shares	(88,800)	(428,800)
Total number of issued Shares, excluding treasury shares	<u>174,347,200</u>	<u>174,007,200</u>

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	Financial year ended 31 March 2021	Financial year ended 31 March 2020
<b>Treasury shares:</b>		
Balance at beginning of financial year	428,800	833,100
Purchase of treasury shares	150,000	85,700
Transferred on award of PSP Shares	(490,000)	(490,000)
Balance at end of financial year	<u>88,800</u>	<u>428,800</u>

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company did not have any subsidiary holdings.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable as the figures have not been audited or reviewed by the auditors.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

(a) Updates on effort taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on financial statements have been adequately disclosed.

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable as the Company's financial statements are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

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**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Saved as disclosed in Paragraph 5 below, the Group has adopted the same accounting policies and methods of computation in its unaudited consolidated financial statements for the financial year ended 31 March 2021 ("FY2021") compared to its most recently audited consolidated financial statements for the financial year ended 31 March 2020 ("FY2020").

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all 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 2020 and are relevant to its operations.

The adoption of these new/revised SFRS(I) and INT SFRS(I) does not result in any material changes to the Group's accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recently audited financial statements as at 31 March 2020.

The Group has elected to early adopt *Amendments to SFRS(I) 16: Covid-19 Related Rent Concessions ("Amendments")* which is effective from 1 June 2020. Under the Amendments, as a practical expedient, the Group may elect to account for any change in lease payments resulting from the rent concessions as if the changes were not a lease modification. As a result of this election, the Group has recognised S\$6.4 million rent concessions from landlords under "Other Income".

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

### Earnings per share ("EPS")

	<----- Group -----> 2 <sup>nd</sup> Half Year Ended 31 March		<----- Group -----> Financial Year Ended 31 March	
	2021	2020	2021	2020
Earnings attributable to equity holders of the Company (S\$'000)	3,325	(501)	3,625	1,017
Weighted average number of Shares used in computation of basic EPS	173,940,205	173,724,440	173,934,022	173,908,165
Basic EPS attributable to equity holders of the Company (cents) <sup>(1)</sup>	1.91	(0.29)	2.08	0.59
Fully diluted EPS attributable to equity holders of the Company (cents) <sup>(2)</sup>	1.91	(0.29)	2.08	0.59

#### Notes:

(1) Basic EPS is computed by dividing the Group's earnings attributable to the equity holders of the Company in each financial period by the weighted average number of Shares outstanding during the respective financial period.

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- (2) Fully diluted EPS are the same as the basic EPS for the financial periods presented in the table above as the Company did not have any outstanding instruments convertible into rights to subscribe for, and options in respect of its Shares during these financial periods.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

**Net asset value (“NAV”)**

	<----- Group ----->		<----- Company ----->	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
NAV per Share (cents)	19.14	18.03	8.82	6.29
Number of Shares used in computing NAV per Share	174,347,200	174,007,200	174,347,200	174,007,200

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

As at 31 March 2021, the Group had a total of 50 restaurants in operation comprising 14 "Ajisen Ramen" restaurants, 2 "Afuri Ramen", 3 "Shitamachi Tendon Akimitsu" restaurants, 6 "Menya Musashi" restaurants, 4 "Osaka Ohsho" restaurants, , 8 "Konjiki Hototogisu" restaurants, 2 "Shoryu Ramen", 2 "Tokyo Shokudo" restaurants, 2 "Yonehachi" restaurants and 7 restaurants operating under various other brands, namely, "Curry Is Drink", "Fruit Paradise", "Ichiro Ramen", "Kazokutei", "Kagurazaka Saryo", "Menzo Butao" and "New ManLee Bak Kut Teh" brands. As at 31 March 2021, the Group had 280,000 members under JFH Rewards.

As at 31 March 2020, the Group had a total of 59 restaurants in operation comprising 16 "Ajisen Ramen" restaurants, 6 "Shitamachi Tendon Akimitsu" restaurants, 2 "Fruit Paradise" restaurants, 9 "Menya Musashi" restaurants, 5 "Osaka Ohsho" restaurants, 2 "Kagurazaka Saryo" restaurants, 2 "Menzo Butao" restaurants, 8 "Konjiki Hototogisu" restaurants, 2 "Shoryu Ramen", 2 "Yonehachi" restaurants and 5 restaurants operating under various other brands, namely, "Afuri Ramen", "Curry Is Drink", "Kazokutei", "New ManLee Bak Kut Teh", and "Japanese Gourmet Town" brands. As at 31 March 2020, the Group had 230,000 of members under JFH Rewards.

### Review of financial performance of the Group for 2H2021 compared to 2H2020

#### Revenue

The Group's revenue increased by S\$0.2 million or 0.5%, from S\$32.3 million in the second half year from 1 October 2019 to 31 March 2020 ("2H2020") to S\$32.5 million in the second half year from 1 October 2020 to 31 March 2021 ("2H2021"). The Group's restaurants located in heartland malls generally recorded higher sales revenue in the post "Circuit Breaker" period while those located in central business district ("CBD") and Orchard Road area have not fully recovered since the onset of Covid-19. The increase in the Group's revenue was a result of the following:

- (i) *net increase in revenue of S\$0.5 million from the restaurants operating under the "Ajisen Ramen" brands*

The Group's revenue from restaurants operating under the "Ajisen Ramen" brand increased from S\$10.2 million in 2H2020 to S\$10.7 million in 2H2021 due to higher revenue recognised from most of the existing restaurants, partially offset by closure of outlets at Changi City Point and Plaza Singapura in January 2021 and March 2021 respectively.

- (ii) *net decrease in revenue of S\$2.2 million from the restaurants operating under "Menya Musashi" brand*

The Group's revenue from restaurants operating under the "Menya Musashi" brand decreased from S\$5.8 million in 2H2020 to S\$3.6 million in 2H2021 due to (i) the closure of restaurants at North Point Mall in March 2021; (ii) conversion of a restaurant at Clement Mall to "Ichiro Ramen" brand in August 2020 and (iii) conversion of a restaurant at Tampines Mall

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to “Tokyo Shukodo” brand in November 2020, as well as lower net sales generated from existing restaurants.

- (iii) *net decrease in revenue of S\$0.1 million from the restaurants operating under “Osaka Ohsho” brand*

The Group’s revenue from restaurants operating under the “Osaka Ohsho” brand decreased from S\$2.9 million in 2H2020 to S\$2.8 million in 2H2021 mainly attributable to the conversion of a restaurant at Westgate Mall to “Tokyo Shokudo” brand in February 2021.

- (iv) *net increase in revenue of S\$1.8 million from the restaurants operating under other brands*

The Group recorded an increase in revenue from restaurants operating under other brands in 2H2021 as compared to 2H2020, which was mainly contributed by new restaurants operating under the “Tokyo Shokudo”, “Ichiro Ramen” and “Afuri Ramen” brands. The increase in revenue from these new restaurants was partially offset by a decrease in revenue due to the closure of restaurants operating under the “Japanese Gourmet Town” and “Menzo Butao” brands.

- (v) *impact of JFH Rewards*

The reward points known as \$J earned by members (net of expired points of approximately S\$0.2 million) under JFH Rewards amounted to S\$0.5 million in 2H2021 compared to S\$0.7 million in 2H2020. In accordance with the relevant accounting standard, such amount was deducted from the corresponding revenue recognised during the respective financial periods.

### **Gross profit**

The Group’s gross profit increased by S\$0.4 million or 1.4% from S\$27.2 million in 2H2020 to S\$27.6 million in 2H2021, which was generally in line with the increase in the Group’s revenue as well as improvement in Gross profit margin. The Group recorded an improvement of its overall gross profit margin at 84.9% in 2H2021 as compared to 84.2% in 2H2020. This improvement was achieved through tight cost control and efficiency in food material usage.

### **Other income**

The Group’s other income increased by S\$2.3million or 566.9% from S\$0.4million in 2H2020 to S\$2.7 million in 2H2021 mainly due to additional government grants amounting to S\$1.2 million and receipt of rental concessions of S\$1.1 million.

### **Other gains-net**

The Group’s other gains decreased by S\$9,000 in 2H2021 or 50% from S\$18,000 in 2H2020 to S\$9,000 in 2H2021. The other gain-net in 2H2020 mainly relates to foreign exchange gains while the other gain-net in 2H2021 was the result of S\$18,000 gain from the novation of lease agreement, partially offset by foreign exchange loss of S\$9,000.

### **Selling and distribution expenses**

The Group’s selling and distribution expenses decreased by S\$1.4 million or 5.9% from S\$24.3 million in 2H2020 to S\$22.9 million in 2H2021 due to lower manpower cost, depreciation of PPE and ROU assets, utilities and other operating expenses in line with a reduction in the number of outlets in operation during the period. The decrease was partly offset by an increase in online delivery expenses in line with the increased delivery sales in 2H2021.

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### **Administrative expenses**

The Group's administrative expenses increased by S\$0.1 million or 9.9% from S\$1.5 million in 2H2020 to S\$1.6 million in 2H2021 due to higher provision of bonus in line with significant improvement of profit in 2H2021 as compared to 2H2020..

### **Other operating expenses**

The Group's other operating expenses increased by S\$60,000 or 6.9% from S\$873,000 in 2H2020 to S\$933,000 in 2H2021 mainly due to higher fixed assets written off in relation to closure of outlets and re-branding of 2 existing restaurants. The increase was partially offset by lower franchise and royalty fees.

### **Impairment loss**

The impairment loss decreased by S\$0.3 million or 41.5% from S\$0.7 million in 2H2020 to S\$0.4 million in 2H2021 mainly due to lower impairment loss on plant and equipment and right-of-use assets as fewer stores were assessed as non-performing under current situation. The decrease was partially offset by impairment loss of a franchise right of 61,000.

### **Lease interest expenses**

Lease interest expenses decreased by S\$62,000 or 11.5% from S\$538,000 in 2H2020 to S\$476,000 in 2H2021 in line with less outlets operating in 2H2021.

### **Share of results of associated companies and joint venture**

The Group's share of losses of its associated companies decreased by S\$285,000 or 99.3% from S\$287,000 in 2H2020 to S\$2,000 in 2H2021 due to the continuing losses at the Group's associated company operating the "Menya Musashi" brand in Hong Kong and Indonesia. Such losses were partially offset by the profit from an associated company operating the "Menya Musashi" brand in China and the profit from an associated company operating the "Hototogisu" brand restaurant in Hong Kong.

The Group recorded its share of losses of its joint venture of S\$0.1 million in 2H2021 due to operating expenses incurred by its Japan subsidiary namely AJ Bridge Co Ltd (AJ Bridge). AJ Bridge has entered into a tenancy agreement in early March 2020 to operate Thai food restaurant in Tokyo. However, it had not commenced operations due to the onset of Covid-19 pandemic.

### **Income tax expenses**

The Group recorded a current income tax expenses of S\$538,000 in 2H2021 in line with profit achieved during the period. The effective tax rate was lower than the headline tax rate of 17% mainly because JSS is non-taxable. This is partially offset by impairment loss and depreciation which are non- tax deductible.

### **Net profit**

As a result of the reasons mentioned above, the Group recorded a net profit attributable to equity holders of the Company of S\$3.3 million in 2H2021 as compared to a loss of S\$0.5 million in 2H2020.

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### Review of financial performance of the Group for FY2021 compared to FY2020

#### Revenue

The Group's revenue decreased by S\$17.4 million or 25.4% from S\$68.4 million for the financial year ended 31 March 2020 ("FY2020") to S\$51.0 million for the financial year ended 31 March 2021 ("FY2021"), mainly due to the implementation of safe management measures by the Singapore Government arising from the Covid-19 pandemic, in particular, the Circuit Breaker Measures implemented in April to June 2020 which adversely impacted the Group's business.

Singapore moved into Phase 2 of the Circuit Breaker Measures on 19 June 2020 and subsequently moved to Phase 3 of re-opening from 28 December 2020. From Phase 2, all of the Group's restaurants resumed operations. The Group's revenue improved but did not recover to pre-Covid 19 level due to lower footfall in shopping malls, especially for those restaurants located in CBD areas, with the implementation of social distancing, travel restrictions, work-from-home arrangements and the onset of economic downturn.

The decrease in the Group's revenue was a result of the following:

- (i) a decrease in revenue of S\$4.3 million from the restaurants operating under the "Ajisen Ramen" brands;
- (ii) a decrease in revenue of S\$6.7 million from the restaurants operating under the "Menya Musashi" brand;
- (iii) a decrease in revenue of S\$1.8 million from the restaurants operating under the "Osaka Ohsho" brand;
- (iv) a decrease in revenue of S\$2.0 million from the restaurants operating under the "Shitamachi Tendon Akitmitsu" brand;
- (v) a decrease in revenue of S\$3.3 million from the restaurants operating under other brands; and
- (vi) the impact of JFH Rewards where reward points known as J\$ earned by members (net of expired points of approximately S\$0.7 million) amounting to S\$0.7 million was deducted from the corresponding revenue recognised in FY2021 in accordance with the relevant accounting standard (as compared to S\$1.4 million in FY2020).

#### Gross profit

The Group's gross profit decreased by S\$14.5 million or 25.2% from S\$57.7 million in FY2020 to S\$43.2 million in FY2021. The Group recorded an improvement in its overall gross profit margin at 84.7% in FY2021 as compared to 84.4% in FY2020. This is achieved through tight cost control and efficiency in food material usage.

#### Other income

The Group's other income increased by S\$10.3 million or 1,699.0% from S\$0.6 million in FY2020 to S\$10.9 million in FY2021 mainly due to an increase in government grants amounting to S\$4.0 million arising from the Jobs Support Scheme and foreign workers' levy rebates and receipt of rental concessions of S\$6.4 million. This is partially offset by lower royalty fee received.

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### **Other (gains)/losses-net**

The Group recorded other losses -net of S\$7,000 in FY2021 as compared to net gain of S\$5,000 in FY2020 mainly due to currency translation loss of S\$25,000 in FY2021 and partially offset against a S\$18,000 gain from the novation of lease agreement.

### **Selling and distribution expenses**

The Group's selling and distribution expenses decreased by S\$6.2 million or 12.4% from S\$50.2 million in FY2020 to S\$44.0 million in FY2021 mainly due to lower manpower cost, depreciation of PPE, rental, utilities, marketing and other operating expenses in line with the Group's overall lower operating activities in FY2021.

### **Administrative expenses**

The Group's administrative expenses decreased by S\$0.2 million or 6.1% from S\$3.3 million in FY2020 to S\$3.1 million in FY2021 due to lower manpower costs, transport and travelling expenses and general administrative expenses in FY2021.

### **Other operating expenses**

The Group's other operating expenses decreased by S\$0.2 million from S\$1.6 million in FY2020 to S\$1.4 million in FY2021 due to lower royalty fee which was partially off-set by higher fixed assets written off in relation to re-branding of 2 existing restaurants in FY 2021.

### **Impairment of plant and equipment and right-of-use assets**

The Group's impairment loss decreased by S\$0.3 million or 41.5% from S\$0.7 million in FY2020 to S\$0.4 million in FY2021 mainly due to lower impairment loss on plant and equipment and right-of-use assets as fewer stores were assessed as non-performing under current situation. The decrease was partially offset by impairment loss of a franchise right of S\$61,000.

### **Lease interest expenses**

Lease interest expenses relate to imputed interest on operating leases remain unchanged at approximately S\$1.0 million in FY2021

### **Share of results of associated companies and joint venture**

The Group recorded its share of profit of its associated companies of S\$33,000 in FY2021 as compared to its share of loss of S\$0.3 million in FY2020 as the Group's associated company operating the "Menya Musashi" brand in China and an associated company operating the "Hototogisu" brand in Hong Kong generated profit in FY2021. These share of profits from associated companies were partially offset by continuing losses from "Menya Musashi" brand restaurants in Hong Kong and Indonesia operated by associated companies.

The Group recorded its share of loss of its joint venture of S\$91,000 in FY2021 due to operating expenses incurred by its Japan subsidiary AJ Bridge. AJ Bridge has entered into a tenancy

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agreement in early March 2020 to operate Thai food restaurant in Tokyo which had not commenced operations in FY2021 amid the Covid-19 pandemic.

### **Income tax expenses**

The Group's income tax expenses increased by S\$232,000 or 60.9% from S\$381,000 in FY2020 to S\$613,000 in FY2021 in line with profit achieved during the year. The effective tax rate was lower than the headline tax rate of 17% mainly because JSS is non-taxable. This is partially offset by impairment loss and depreciation which are non-tax deductible.

### **Net profit**

As a result of the abovementioned reason, the Group's net profit attributable to equity holders of the Company increased by S\$2.6 million or 256.3% from S\$1.0 million in FY2020 to S\$3.6 million in FY2021.

## **Review of financial position of the Group as at 31 March 2021**

### **Current assets**

The Group's total current assets increased by S\$1.4 million, from S\$25.5 million as at 31 March 2020 to S\$26.9 million as at 31 March 2021.

This was mainly due to the increases in (i) cash and bank balances of S\$2.7 million; (ii) trade receivables of S\$0.2 million; (iii) prepayment of S\$0.1 million and (iv) rental deposit of S\$0.1 million. The increases were partially offset by a decrease in other receivables of S\$1.6 million from the Job Support Scheme introduced in the Resilience Budget as announced by the Singapore Government in March 2020 and a decrease in inventory of S\$0.1 million.

### **Non-current assets**

The Group's total non-current assets decreased by S\$11.4 million, from S\$52.6 million as at 31 March 2020 to S\$41.2 million as at 31 March 2021.

This was mainly due to a decrease in ROU assets and plant and equipment of S\$9.7 million and S\$3.2 million respectively due to depreciation charges. There was a decrease in investment in joint venture of S\$0.1 million due to the share of loss from joint venture.

The decreases were offset by (i) an increase in loan to a joint venture of S\$0.4 million (ii) an increase in long-term security deposits of S\$0.2 million; and (iii) an increase in investment at amortised cost of S\$1.0 million relating to listed debt securities.

### **Current liabilities**

The Group's total current liabilities decreased by S\$4.4 million, from S\$27.1 million as at 31 March 2020 to S\$22.7 million as at 31 March 2021 mainly due to a decrease in trade and other payables and accruals of S\$2.8 million and decrease in current portion of lease liabilities of S\$1.6 million.

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### **Non-current liabilities**

The Group's total non-current liabilities decreased by S\$7.6 million from S\$19.6 million as at 31 March 2020 to S\$12.0 million as at 31 March 2021 due to a decrease in the long-term portion of lease liabilities.

### **Shareholders' equity**

The Group's shareholders' equity increased by S\$2.0 million from S\$31.4 million as at 31 March 2020 to S\$33.4 million as at 31 March 2021. The increase was mainly due to the net profit achieved by the Group in FY2021 of S\$3.6 million, the transfer of treasury shares to the Group's employees pursuant to the Japan Foods Performance Share Plan (as announced on 1 March 2021) amounting to S\$0.1 million, partially offset by distribution of dividend of S\$1.7 million.

### **Review of statement of cash flow for 2H2021**

The Group's net cash generated from operating activities in 2H2021 was S\$12.9 million. This was mainly due to net profit plus non-cash items before working capital changes of S\$15.7 million and offset by working capital outflow of S\$2.4 million and payment of income tax of S\$0.4 million.

The Group's net cash used in investing activities in 2H2021 was S\$2.0 million arising from (i) renovation cost and purchase of equipment for the Group's restaurants of S\$0.7 million; (ii) loan to joint venture of S\$0.3 million for the setup cost of "Pizzakaya" brand restaurant in Singapore and (iii) purchase of other investments at amortised cost of S\$1.0 million.

The Group's net cash used in financing activities in 2H2021 was S\$10.4 million arising from an interim dividend payment of S\$1.3 million, principal payment of lease liabilities of S\$8.6 million and interest paid of S\$0.5 million.

### **Review of statement of cash flow for FY2021**

The Group's net cash generated from operating activities in FY2021 was S\$25.8 million. This was mainly due to operating profit plus non-cash items before working capital changes of S\$28.1 million, working capital outflow of S\$1.7 million and interest received of S\$0.1 million, partially offset by payment of income tax of S\$0.7 million.

The Group's net cash used in investing activities in FY2021 was S\$2.2 million mainly due to (i) renovation cost and purchase of equipment for the Group's new restaurants of S\$0.8 million and (ii) loan to joint venture of S\$0.4 million for the setup cost of "Pizzakaya" brand restaurant in Singapore and (iii) purchase of other investments at amortised cost of S\$1.0 million.

The Group's net cash used in financing activities in FY2021 was S\$20.6 million mainly due to dividend payment of S\$1.7 million, principal payment of lease liabilities of S\$18.2 million and interest paid of S\$1.0 million, partially offset by the decrease in short-term bank deposit pledged of S\$0.3 million

## **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There has not been any forecast or prospect statement in relation to the Group's results for FY2021 previously disclosed to shareholders.

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**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The onset of the Covid-19 pandemic since late January 2020 presented additional challenges and uncertainty to an already challenging food and beverage (“F&B”) industry in Singapore with the implementation of safe management measures which include various restrictions for in-person dining and work-from-home arrangements. This resulted in a reduction in footfall in the venues where the Group’s restaurants operate.

The government has implemented tighter restrictions as Singapore entered Phase 2 (Heightened Alert) from 16 May 2021 to 13 June 2021. During the period of Phase 2 (Heightened Alert), only takeaways and deliveries are allowed for all restaurants. Subject to further development and directives from the Singapore government, the Group’s restaurants are open for takeaways and deliveries and we will monitor developments closely and may adjust the number of restaurants in operation from time to time. The restrictions on dining-in arising from Phase 2 (Heightened Alert) are expected to impact the Group’s operational performance. The government has also announced additional support for the F&B sector under its Jobs Support Scheme and these support measures will mitigate any negative impact brought about by Phase 2 (Heightened Alert) on the Group’s financial performance. With continuing uncertainties surrounding the pandemic, the operating environment of the F&B sector is expected to be more challenging in the next 12 months.

Against this backdrop, the Group will intensify its efforts to control costs and improve operational efficiency and will look at opportunities to expand its restaurant portfolio in a cautious and prudent approach in Singapore and overseas in the near term. The Group believes its operational track record and healthy balance sheet will enable it to not only ride through this challenging period, but also to expand when the opportunities arise.

The Company and Minor Food Group (Singapore) Pte Ltd. (“MS”) had established a joint venture to conduct the business of franchising and operating existing restaurant brands owned by the Company and MS in Japan, Thailand and China. As Covid-19 confirmed cases are still very prevalent in Japan, the stores in Tokyo have not commenced operations. The Group will monitor the situation and will take appropriate action in due course. The Group currently expects the joint venture to continue its efforts in developing markets in Japan, Thailand and China, albeit at a more cautious and slower pace due to the Covid-19 pandemic.

The Group has since opened 3 Halal concept outlets under the “Tokyo Shokudo” Brands. It has also opened 2 “Pizzakaya” brand restaurants in collaboration with MS in December 2020 and April 2021.

As at 31 March 2021 and as at the date hereof, the Group’s associated companies operates 7 restaurants in Hong Kong, 9 restaurants in China and 1 restaurant in Indonesia under the “Menya Musashi” brand. The Group’s associated company also operates 2 restaurants under the “Konjiki Hototogisu” brand in Hong Kong.

### **Dividend Payout Ratio**

Subject to the Group’s business requirements and other relevant considerations and barring unforeseen circumstances, the board (“Board”) of directors of the Company (“Directors”) intends to recommend dividends of at least 100% of the Group’s audited consolidated net profits attributable to shareholders per financial year, an increase of 50% from the current target dividend pay-out ratio of 50%. The amount of dividends will depend on the Group’s operating results, financial conditions such as cash position and retained earnings, other cash requirements including capital expenditure, restrictions on payment of dividends imposed on the Group by financing arrangements (if any) and other factors deemed relevant by the Directors. The foregoing statements are merely statements of

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the Board's present intention and do not constitute legally binding obligations on the part of the Company in respect of payment of dividend and which will be subject to modification at the Directors' sole and absolute discretion.

### 11. Dividend

#### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in cents)	1.75 cents per ordinary share
Tax rate	Tax exempt (one-tier)

An interim dividend of 0.75 cents (tax exempt (one-tier) per Share was paid on 4 December 2020.

#### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in cents)	0.25 cents per ordinary share
Tax rate	Tax exempt (one-tier)

An interim dividend of 1.00 cents (tax exempt (one-tier)) per Share was paid on 6 December 2019.

#### (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

The proposed final dividend ("Final Dividend") of 1.75 cents per Share will be tax exempt (one-tier).

#### (d) Date payable

To be announced subsequently.

#### (e) Books closure date

To be announced subsequently.

### 12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

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- 13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no general mandate has been obtained, a statement to that effect**

The Company did not obtain any general mandate from its shareholders in respect of any interested person transaction.

- 14. Negative confirmation pursuant to Rule 705(5)**

Not required for announcement of full-year results.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has already procured signed undertakings from all of its Directors and relevant executive officers in the format as set out in Appendix 7H of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") in accordance with Rule 720(1) of the Catalist Rules.

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### PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Group	Restaurant Sales (S\$'000)	Franchised Operations (S\$'000)	Total (S\$'000)
<b>FY2021</b>			
<b>Revenue</b>	<b>50,995</b>	<b>7</b>	<b>51,002</b>
<b>Segment results</b>	<b>4,142</b>	<b>57</b>	<b>4,199</b>
Share of loss of associated companies			33
Share of loss of joint venture			(91)
Interest income (net)			97
Profit before income tax			4,238
Income tax expense			(613)
<b>Profit after tax</b>			<b>3,625</b>
Total assets	66,713	1,425	68,138
Total liabilities	34,132	629	34,761
Capital expenditure	988	-	988
Depreciation and amortisation	3,521	64	3,585
Depreciation of right-of-use asset	18,502	-	18,502
Impairment of plant and equipment and right-of-use asset	328	-	328
Impairment of intangible asset	-	61	61
Plant and equipment written off	309	-	309
<b>FY2020</b>			
<b>Revenue</b>	<b>68,396</b>	<b>17</b>	<b>68,413</b>
<b>Segment results</b>	<b>1,385</b>	<b>199</b>	<b>1,584</b>
Share of loss of associated companies			(333)
Share of loss of joint venture			(9)
Interest income (net)			156
Profit before income tax			1,398
Income tax expense			(381)
<b>Profit after tax</b>			<b>1,017</b>
Total assets	77,047	1,068	78,115
Total liabilities	46,442	300	46,742
Capital expenditure	4,304	-	4,304
Depreciation and amortisation	3,939	65	4,004
Depreciation of right-of-use asset	16,068	-	16,068
Impairment of plant and equipment and right-of-use asset	665	-	665
Plant and equipment written off	189	-	189

### Geographical segments

Group	Revenue		Assets		Capital Expenditure	
	FY2021 S\$'000	FY2020 S\$'000	----- As at 31 March -----		FY2021 S\$'000	FY2020 S\$'000
			2021 S\$'000	2020 S\$'000		
<b>Singapore</b>	<b>51,002</b>	<b>68,413</b>	<b>68,138</b>	<b>78,115</b>	<b>774</b>	<b>4,304</b>

All the Group's operations in FY2021 and FY2020 are located in Singapore.

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17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

### **By business segment**

The Group's principal business is in the operation of restaurants and its ancillary business is in the supply of food ingredients to its sub-franchisees.

In FY2021 and FY2020, the revenue contribution from restaurant operations and from franchised operations had remained relatively stable at approximately 99.9% and 0.1% respectively.

Please refer to Paragraph 8 of this announcement for a detailed commentary of the Group's financial performance in FY2021 as compared to FY2020.

### **By geographical segment**

All the Group's operations in FY2021 and FY2020 are located in Singapore.

18. **A breakdown of sales.**

<b>Group</b>	<b>FY2021 (S\$'000)</b>	<b>FY2020 (S\$'000)</b>	<b>% increase/ (decrease)</b>
Sales reported for :			
First half ended 30 September	18,530	36,116	(48.7)
Second half ended 31 March	32,472	32,297	0.5
<b>Total</b>	<b>51,002</b>	<b>68,413</b>	<b>(25.5)</b>

### **Group**

Net profit/(loss) for the year reported for

First half ended 30 September	300	1,518	(80.2)
Second half ended 31 March	3,325	(501)	N.M
<b>Total</b>	<b>3,625</b>	<b>1,017</b>	<b>256.4</b>

19. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	<b>Latest Full Year (FY2021) (S\$)</b>	<b>Previous Full Year (FY2020) (S\$)</b>
<b>Total annual ordinary dividend</b>		
Interim (Tax exempt 1-tier)	1,303,929	1,740,929
Final (Tax exempt 1-tier)	3,051,076	435,018
<b>Total</b>	<b>4,355,005</b>	<b>2,175,947</b>

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20. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive or substantial shareholder of the issuer pursuant to rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name of relative	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chan Chau Mui	52	Deemed associate of Kenichi Takahashi, the Executive Chairman and Chief Executive Officer of the Company	<p>Ms Chan was appointed as Chief Operating Officer on 28 April 2015 (previously Head (Operations) of the Company since 2008). She is in charge of the overall daily operation of the Group and is responsible for the successful execution of business strategies.</p> <p>Ms Chan is also a director of the following subsidiaries of the Company:</p> <ul style="list-style-type: none"> <li>(i) Bachmann Enterprises Pte Ltd since 1999;</li> <li>(ii) Bachmann Japanese Restaurant Pte Ltd since 1999;</li> <li>(iii) Japan Foods Enterprises Pte. Ltd. (formerly known as Ajisen Japanese Restaurant Pte. Ltd.) since 2005; and</li> <li>(iv) Japan Foods Bridge Pte.Ltd (formerly known as Katsuman Pte Ltd) since 2017.</li> </ul>	Ms Chan was previously Head (Operations) and was appointed as Chief Operating Officer with effect from 28 April 2015.
Chan Cheong Keong	53	Brother of Chan Chau Mui, the Chief Operating Officer of the Company and deemed associate of Kenichi Takahashi, the Executive Chairman and Chief Executive Officer of the Company	<p>Mr Chan has been the Central Kitchen Manager at the Company's subsidiary, Bachmann Japanese Restaurant Pte. Ltd. since 2008. He is responsible for the operation of the Group's central kitchen facility.</p> <p>Mr Chan was also previously a director of Bachmann Japanese Restaurant Sdn. Bhd. which had been placed into voluntary liquidation in September 2014.</p>	Nil

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### BY ORDER OF THE BOARD

TAKAHASHI KENICHI  
Executive Chairman and CEO

25 May 2021

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*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*