

FOR IMMEDIATE RELEASE**JB Foods Posts 369.6% year-on-year surge in PBT**

- *EBITDA and profit before tax increase by 153.6% and 369.6% respectively in 1Q2018*
- *Positive operating cashflows of USD8.2 million in 1Q2018, growth of 202.5%*
- *Healthy net gearing at 0.75 times as at 31 March 2018*

Financial Highlights for 1Q2018

USD'000	1Q2018	1Q2017	+ / (-) %
Revenue	74,069	71,239	4.0
EBITDA	7,599	2,996	153.6
PBT	5,814	1,238	369.6

Business Performance

SINGAPORE, 10 May 2018 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiaries, the “**Group**”), is pleased to announce an earnings before interest, tax, depreciation and amortisation (“**EBITDA**”) of USD7.6 million, a profit before tax (“**PBT**”) of USD5.8 million for the first quarter ended 31 March 2018 (“**1Q2018**”) respectively mainly due to strong customer demand and improvements in processing margin.

The Group’s revenue increased by 4.0% in 1Q2018 year-on-year, mainly due to strong customer demand and partially offset by the lower average selling price to the Group’s customers due to pass-through effect of lower cocoa bean prices.

Mr Tey How Keong, Chief Executive Officer of JB Foods said, “Our Group continues to deliver another strong set of profitable growth of 369.6%, year-on-year increase in PBT from USD1.2million to USD5.8million in 1Q2018, arising mainly from strong customer demand and improvements in processing margin. I am optimistic that the chocolate consumption demand remains strong in 2018 and am confident in the Group’s long-term growth prospects.”

Financial Position

As at 31 March 2018, the Group maintained a robust balance sheet with shareholders' equity at USD88.7 million. Net gearing as at 31 March 2018 is at 0.75 times, the Group generated EBITDA of USD7.6 million compared to USD3.0 million in 1Q2017, and positive operating cash flows of USD8.2 million compared to USD2.7 million in 1Q2017.

Market Outlook

The Group expects the current positive business sentiments and demand for cocoa ingredients to continue into the second half of 2018. However, high volatility in cocoa bean markets and potential interest rate hike have heightened global economic uncertainties. This may negatively impact cocoa and chocolate consumption and pose potential headwinds to the Group's business. The Group will continue to adopt conservative and prudent measures and strategies, and remains confident in its long-term growth prospects.

About JB Foods Limited

Established since the 1980s, JB Foods is a major cocoa ingredients producer with operations in Malaysia and Indonesia with a production capacity of 145,000 tonnes of cocoa bean equivalent per year. We are principally engaged in the production and sale of cocoa ingredient products, namely cocoa butter, cocoa powder, cocoa liquor and cocoa cake, which are used to produce chocolate, chocolate confectionary, as well as cocoa-related food and beverages. Our products are sold primarily under the "JBCOCHA" brand name and we export our products worldwide to customers ranging from international trade houses to end users.
