

**FOR IMMEDIATE RELEASE**

## JB Foods achieves PBT of USD2.5million in 2Q2017, a growth of 191.2% quarter-on-quarter

- *EBITDA and profit before tax increase by 69.0% and 191.2% respectively in 2Q1017*
- *Positive operating cashflow of USD16.5 million in 2Q2017*
- *Healthy net gearing at 0.92 times as at 30 June 2017*

### **Financial Highlights for 2Q2017**

USD'000	2Q2017	2Q2016	+ / (-) %	1H2017	1H2016	+ / (-) %
Revenue	73,053	74,777	(2.3)	144,292	149,678	(3.6)
EBITDA	4,256	2,519	69.0	7,252	4,999	45.1
PBT	2,469	848	191.2	3,707	1,653	124.3

### **Business Performance**

SINGAPORE, 11 August 2017 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiaries, the “**Group**”), a major cocoa ingredient producer in Asia, is pleased to announce a profit before tax (“**PBT**”) of USD2.5 million, and earnings before interest, tax, depreciation and amortisation (“**EBITDA**”) of USD4.3 million for the second quarter ended 30 June 2017 (“**2Q2017**”), and PBT of USD3.7 million and EBITDA of USD7.3 million for the first half period ended 30 June 2017 (“**1H2017**”) mainly due to improvements in processing margin.

The Group’s revenue decreased by 2.3% in 2Q2017 quarter-on-quarter and 3.6% in 1H2017 year-on-year, respectively, mainly due to lower average selling price to the Group’s customers arising from lower cocoa bean prices, partially offset by the increase in shipment volume.

Mr Tey How Keong, Chief Executive Officer of JB Foods said, “I am very pleased to see our Group continue to deliver very strong growth in our PBT by 191% to USD2.5 and EBITDA by 69% to USD4.3million in 2Q2017. We will maintain our on-going strategy of increasing efficiency, cost cutting and staying focused on our core business. Notwithstanding this positive trend, we are aware of the fragility of the world economy, and will continue to manage our business risks, and strive to grow our business profitably. We will continue to expand our global footprint through collaboration with our business partners or acquisitions when the opportunity arises.”

### **Financial Position**

As at 30 June 2017, the Group maintained a robust balance sheet with shareholders’ equity at USD76.2 million. Net gearing as at 30 June 2017 improved to 0.92 times from 1.28 time as at 31 December 2016. For 2Q2017, the Group generated EBITDA of USD4.3 million compared to USD2.5 million in 2Q2016, and positive operating cashflow of USD16.5 million compared to USD9.0million in 2Q2016.

### **Market Outlook**

The strong performance in the first half of 2017 is facilitated by robust demand for cocoa ingredients, lower cocoa bean prices and improved processing margins. We expect the momentum, demand for cocoa ingredients and improved business sentiments to continue into the second half of 2017. However, uncertainties in the global economic environment and volatility in the cocoa bean markets may continue to pose as potential headwinds to the Group’s business performance. The Group will continue to adopt conservative and prudent measures and strategies, and remains confident in its long-term growth prospects.

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#### **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 “JBCOCCA” brand name and we export our products worldwide to customers ranging from international trade houses to end users.

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