

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

**FOR THE FIRST QUARTER ENDED 31 DECEMBER 2018**

This announcement has been prepared by Jumbo Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and its contents have been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of the 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 Mr. Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.

**PART 1 – INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS**

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

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group		Increase/ (Decrease) %
	Q1 FY2019 \$'000	Q1 FY2018 \$'000	
<b>Revenue</b>	35,463	35,998	(1.5)
Cost of sales	(12,877)	(13,334)	(3.4)
<b>Gross profit</b>	22,586	22,664	(0.3)
Other income	385	411	(6.3)
Employee benefits expense	(11,166)	(11,293)	(1.1)
Operating lease expenses	(3,269)	(3,524)	(7.2)
Utilities expenses	(937)	(873)	7.3
Depreciation expense	(1,300)	(1,094)	18.8
Other operating expenses	(3,691)	(3,506)	5.3
Share of results of associates	(45)	(231)	(80.5)
<b>Profit before tax</b>	2,563	2,554	0.4
Income tax expense	(404)	(431)	(6.3)
<b>Profit for the period</b>	2,159	2,123	1.7
<b>Other comprehensive loss:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign operations	(70)	(82)	(14.6)
<b>Other comprehensive loss for the period, net of tax</b>	(70)	(82)	(14.6)
<b>Total comprehensive income for the period</b>	2,089	2,041	2.4
<b>Profit (Loss) attributable to:</b>			
Owners of the Company	2,433	2,102	15.7
Non-controlling interests	(274)	21	N.M.
	2,159	2,123	1.7
<b>Total comprehensive income (loss) attributable to:</b>			
Owners of the Company	2,363	2,020	17.0
Non-controlling interests	(274)	21	N.M.
	2,089	2,041	2.4

N.M. : Not meaningful

**1(a)(ii) Notes to consolidated statement of profit or loss and other comprehensive income**

**The Group's net profit was arrived after crediting / (charging) the following:**

	Q1 FY2019	Group Q1 FY2018	Increase/ (Decrease)
	\$'000	\$'000	%
Government grants	96	73	(28.4)
Interest income	11	13	(83.1)
Fair value gain on short-term investments	1	47	N.M.
Gain on disposal of property, plant and equipment	1	1	-
Loss on property, plant and equipment written off	(9)	-	N.M.
Foreign exchange loss	-	(13)	N.M.
Depreciation of property, plant and equipment	(1,300)	(1,094)	1.6
Over provision of tax in respect of prior years	149	77	N.M.
Fair value loss on investments at fair value through profit or loss	(392)	-	N.M.

N.M. : Not meaningful

**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.**

	Group		Company	
	As at 31 Dec 2018 \$'000	As at 30 Sep 2018 \$'000	As at 31 Dec 2018 \$'000	As at 30 Sep 2018 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	49,473	46,583	8,998	9,140
Trade and other receivables	11,863	11,717	5	14
Due from subsidiaries	-	-	30,667	30,965
Dividend receivable	-	-	8,000	8,000
Short-term investments	437	436	-	-
Inventories	1,543	1,542	-	-
<b>Total current assets</b>	<b>63,316</b>	<b>60,278</b>	<b>47,670</b>	<b>48,119</b>
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	5,424	5,424
Investment in associates	2,023	2,068	-	-
Available-for-sale investment	75	75	-	-
Investment at fair value through profit or loss ("FVTPL")	3,316	3,708	-	-
Goodwill	782	782	-	-
Property, plant and equipment	21,400	20,811	-	-
Club memberships	238	238	-	-
<b>Total non-current assets</b>	<b>27,834</b>	<b>27,682</b>	<b>5,424</b>	<b>5,424</b>
<b>Total assets</b>	<b>91,150</b>	<b>87,960</b>	<b>53,094</b>	<b>53,543</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade and other payables	14,743	13,786	169	187
Provision for reinstatement costs	2,172	2,047	-	-
Income tax payable	2,635	2,318	-	-
<b>Total current liabilities</b>	<b>19,550</b>	<b>18,151</b>	<b>169</b>	<b>187</b>
<b>Non-current liability</b>				
Deferred tax liability	301	301	-	-
<b>Total non-current liability</b>	<b>301</b>	<b>301</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>				
Share capital	48,806	48,806	48,806	48,806
Treasury shares	(298)	-	(298)	-
Currency translation reserve	(422)	(352)	-	-
Merger reserve	(2,828)	(2,828)	-	-
Retained earnings	22,187	19,754	4,417	4,550
<b>Equity attributable to owners of the Company</b>	<b>67,445</b>	<b>65,380</b>	<b>52,925</b>	<b>53,356</b>
Non-controlling interests	3,854	4,128	-	-
<b>Total equity</b>	<b>71,299</b>	<b>69,508</b>	<b>52,925</b>	<b>53,356</b>
<b>Total liabilities and equity</b>	<b>91,150</b>	<b>87,960</b>	<b>53,094</b>	<b>53,543</b>

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

The Group did not have any outstanding borrowings or debt securities as at 31 December 2018 and 30 September 2018.

**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.**

	Group	
	Q1 FY2019	Q1 FY2018
	\$'000	\$'000
<b>Operating activities</b>		
Profit before income tax	2,563	2,554
Adjustments for:		
Depreciation expense	1,300	1,094
Interest income	(11)	(13)
Fair value loss on investments at fair value through profit or loss	392	-
Loss on property, plant and equipment written off	9	-
Gain on disposal of property, plant and equipment	(1)	(1)
Fair value gain on short-term investments	(1)	(47)
Share of results of associates	45	231
Unrealised foreign exchange gain	(68)	(111)
Operating cash flows before movements in working capital	4,228	3,707
Trade and other receivables	(146)	(1,198)
Inventories	(1)	5
Trade and other payables	957	1,530
Cash generated from operations	5,038	4,044
Interest income	11	13
Finance costs	-	-
Income tax paid	(87)	(131)
Net cash from operating activities	4,962	3,926
<b>Investing activities</b>		
Acquisition of property, plant and equipment	(1,773)	(2,218)
Proceeds from disposal of property, plant and equipment	1	1
Acquisition of treasury shares	(298)	-
Acquisition of investment in an associate	-	(1,108)
Net cash used in investing activities	(2,070)	(3,325)
Net increase in cash and cash equivalents	2,892	601
Cash and cash equivalents at beginning of the period	46,583	51,262
Effect of foreign exchange rate changes	(2)	29
<b>Cash and cash equivalents at end of the period</b>	<b>49,473</b>	<b>51,892</b>

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.

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

Group (\$'000)	Share capital	Treasury shares	Currency translation reserve	Merger reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
<b>Balance at 1 October 2017</b>	<b>48,550</b>	-	<b>(110)</b>	<b>(2,828)</b>	<b>19,639</b>	<b>65,251</b>	<b>3,229</b>	<b>68,480</b>
Total comprehensive income for the period								
Profit for the period	-	-	-	-	2,102	2,102	21	2,123
Other comprehensive loss	-	-	(82)	-	-	(82)	-	(82)
<b>Balance at 31 December 2017</b>	<b>48,550</b>	-	<b>(192)</b>	<b>(2,828)</b>	<b>21,741</b>	<b>67,271</b>	<b>3,250</b>	<b>70,521</b>
<b>Balance at 1 October 2018</b>	<b>48,806</b>	-	<b>(352)</b>	<b>(2,828)</b>	<b>19,754</b>	<b>65,380</b>	<b>4,128</b>	<b>69,508</b>
Total comprehensive income for the period								
Profit for the period	-	-	-	-	2,433	2,433	(274)	2,159
Other comprehensive loss	-	-	(70)	-	-	(70)	-	(70)
Repurchase of shares, representing total transactions with owners, recognised directly in equity	-	(298)	-	-	-	(298)	-	(298)
<b>Balance at 31 December 2018</b>	<b>48,806</b>	<b>(298)</b>	<b>(422)</b>	<b>(2,828)</b>	<b>22,187</b>	<b>67,445</b>	<b>3,854</b>	<b>71,299</b>

Company (\$'000)	Share capital	Treasury shares	Retained earnings	Total
<b>Balance at 1 October 2017</b>	48,550	-	189	48,739
Total comprehensive income for the period				
Profit for the period	-	-	7,839	7,839
<b>Balance at 31 December 2017</b>	<b>48,550</b>	<b>-</b>	<b>8,028</b>	<b>56,578</b>
<b>Balance at 1 October 2018</b>	48,806	-	4,550	53,356
Total comprehensive income for the period				
Loss for the period	-	-	(133)	(133)
Transactions with owners, recognised directly in equity				
Repurchase of shares	-	(298)	-	(298)
<b>Balance at 31 December 2018</b>	<b>48,806</b>	<b>(298)</b>	<b>4,417</b>	<b>52,925</b>

**1(d)(ii) Details of any changes in the company’s share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues 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 corresponding period of the immediately preceding financial year.**

There has been no change to the Company’s share capital since 30 September 2018.

There were no outstanding convertibles and subsidiary holdings held by the Company as at 31 December 2018 and 31 December 2017.

The number of shares held as treasury shares as at 31 December 2018 and 31 December 2017 are 741,700 shares and nil respectively representing 0.12% and nil respectively, of the total number of shares outstanding that is listed as at the respective dates.

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

	As at 31 Dec 2018	As at 30 Sep 2018
Total number of issued shares excluding treasury shares	641,091,300	641,833,000

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

**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.**

There were no subsidiary shareholdings.

**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 of the Company.

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

Not applicable.

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



The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the first quarter ended 31 December 2018 as its most recently audited financial statements for the financial year ended 30 September 2018, except as disclosed in paragraph 5.

**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 and the Company have adopted the applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 October 2018. The adoption of these new and revised FRS and INT FRS has no material financial impact on the financial statements of the Group.

**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	
	Q1 FY2019	Q1 FY2018
Profit attributable to owners of the Company (\$'000)	2,433	2,102
Weighted average number of shares ('000)	641,091	641,483
Basic and diluted EPS (cents)	0.4	0.3

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares 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		As at	
	31 Dec 2018	30 Sep 2018	31 Dec 2018	30 Sep 2018
NAV (\$'000)	67,445	65,380	52,926	53,356
Number of shares ('000)	641,091	641,833	641,091	641,833
NAV per share (cents)	10.5	10.2	8.3	8.3

**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.

## REVIEW OF THE GROUP'S PERFORMANCE

### Revenue

Revenue decreased by 1.5% or \$0.5 million, from \$36.0 million in the first quarter ended 31 December 2017 ("Q1 FY2018") to \$35.5 million in the first quarter ended 31 December 2018 ("Q1 FY2019") due mainly to the closure of underperforming outlets in Singapore.

### Cost of sales

Cost of sales which comprised raw materials and consumables used decreased by 3.4% or \$0.5 million, from \$13.3 million in Q1 FY2018 to \$12.9 million in Q1 FY2019, in line with the decrease in revenue.

### Gross profit

Gross profit margin was higher at 63.7% in Q1 FY2019 as compared to 63.0% in Q1 FY2018 mainly due to higher franchise income.

### Other income

Other income remained unchanged at \$0.4 million in Q1 FY2019 and Q1 FY2018.

### Employee benefits expense

Employee benefits expense decreased by 1.1% or \$0.1 million, from \$11.3 million in Q1 FY2018 to \$11.2 million in Q1 FY2019.

### Operating lease expenses

Operating lease expenses decreased by 7.2% or \$0.2 million, from \$3.5 million in Q1 FY2018 to \$3.3 million in Q1 FY2019 mainly due to the closure of underperforming outlets.

### Utilities expenses

Utilities expenses increased by 7.3% or \$0.1 million, from \$0.8 million in Q1 FY2018 to \$0.9 million in Q1 FY2019, mainly due to higher electricity and gas prices in Singapore and increase in the number of outlets in the People's Republic of China.

### Depreciation expense

Depreciation expense increased by 18.8% or \$0.2 million, from \$1.1 million in Q1 FY2018 to \$1.3 million in Q1 FY2019, mainly due to a newly opened Jumbo Seafood outlet in Xi'an in June 2018.

### Other operating expenses

Other operating expenses increased by 5.3% or \$0.2 million, from \$3.5 million in Q1 FY2018 to \$3.7 million in Q1 FY2019 mainly due to the fair-value loss on investment of \$0.4 million which was partially offset by lower other operating expenses from outlet closures in Singapore.

### Share of results of associates

Share of results of associates amounted to a loss of \$0.1 million in Q1 FY2019 compared with a loss of \$0.2 million in Q1 FY2018.

### Income tax expense

Income tax expense remained unchanged at \$0.4 million in Q1 FY2019 and Q1 FY2018.

### Profit after tax

As a result of the above, profit after tax remained approximately the same at \$2.1 million in Q1 FY2019 and Q1 FY2018.

### Profit attributable to owners of the Company

Profit attributable to owners of the Company increased by 15.7% or \$0.3 million, from \$2.1 million in Q1 FY2018 to \$2.4 million in Q1 FY2019 after taking into account the losses attributable to minority interests.

## REVIEW OF THE GROUP'S FINANCIAL POSITION

### Current assets

The Group's current assets increased by \$3.0 million from \$60.3 million as at 30 September 2018 to \$63.3 million as at 31 December 2018 mainly due to an increase in cash and cash equivalents.

### Non-current assets

The Group's non-current assets increased by \$0.1 million from \$27.7 million as at 30 September 2018 to \$27.8 million as at 31 December 2018, mainly due to an increase in property, plant and equipment of \$0.6 million resulting from the new outlet in Singapore which was partially offset by a decrease in FVTPL of \$0.4 million.

### Current liabilities

The Group's current liabilities increased by \$1.4 million from \$18.2 million as at 30 September 2018 to \$19.6 million as at 31 December 2018 mainly due to an increase in trade and other payables and income tax payables.

### Non-current liabilities

The Group's non-current liabilities remained the same as at 30 September 2018 and 31 December 2018.

## REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of \$4.2 million in Q1 FY2019. Net cash generated from movements in working capital amounted to \$0.8 million mainly due to an increase in trade and other payables of \$1.0 million which was partially offset by an increase in trade and other receivables of \$0.2 million. The Group paid income tax of \$0.1 million. As a result, net cash from operating activities was \$5.0 million in Q1 FY2019.

Net cash used in investing activities amounted to \$2.1 million in Q1 FY2019. \$1.8 million was used for the acquisition of property, plant and equipment, mainly for the establishment of our sixth Jumbo Seafood outlet in Singapore and purchase of equipment for our central kitchen in Singapore and \$0.3 million was utilized for share buy-backs.

As a result, cash and cash equivalents increased by \$2.9 million in Q1 FY2019.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

### **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 Group expects to continue to face headwinds such as operating cost pressures and keen competition. While these are industry-wide challenges that invariably affect the F&B sector, the Group believes that it will be able to navigate these challenges, and remain confident that its business will remain stable in the next 12 months.

The Singapore operations are expected to continue to form the bedrock of earnings growth, and the Group looks forward to strengthening its foothold in terms of seafood dining options with the recently opened JUMBO Seafood outlet at ION Orchard, followed by an additional outlet which is expected to open within the next 6 months. Plans are also underway for 1 Teochew cuisine restaurant and 2 more Tsui Wah Hong Kong-styled "Cha Chuan Teng" outlets in Singapore.

The Group will continue to grow its overseas footprint and explore suitable opportunities to expand its network of F&B outlets and business through the opening of new outlets, acquisitions, joint ventures or strategic alliances with partners who can strengthen JUMBO's market position and value add to its existing business.

#### 11. Dividend

(a) Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding period of the immediately preceding financial year?

Nil

(c) The date the dividend is payable.

Not applicable

(d) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable

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

No dividend has been declared or recommended by the board of directors (“Board” or “Directors”) in respect of Q1 FY2019 as the Company declares dividends (if any) at half year and full year results announcements.

#### 13. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. There are no interested person transactions of \$100,000 or more in Q1 FY2019.

#### 14. Use of IPO proceeds

The Company received net proceeds from the IPO of approximately \$37.2 million (the “Net Proceeds”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) (\$'000)	Net Proceeds utilised as at the date of this announcement (\$'000)	Balance of Net Proceeds as at the date of this announcement (\$'000)
Establish new outlets and refurbish existing outlets	12,000	(9,050)	2,950
Acquire new premises, equipment and machinery	11,500	(4,572)	4,156
Working capital and general corporate purposes <sup>(1)</sup>	13,700	(13,700)	-
	<u>37,200</u>	<u>(27,322)</u>	<u>7,106</u>

Note:

(1) Comprises operating expenses

#### 15. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officer as required under Rule 720(1) of the SGX-ST Listing Manual Section B: Rules of Catalist.

#### 16. Negative confirmation by the board pursuant to Rule 705(5)

To the best knowledge of the Board, nothing has come to the attention of the Board which may render the unaudited financial results of the Group and the Company for Q1 FY2019 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

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Tan Cher Liang  
Independent Chairman

13 February 2019

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Ang Kiam Meng  
Group CEO and Executive Director

13 February 2019