

UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2015

Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning as ascribed to them in the Offer Document of the Company dated 28 October 2015 (the “Offer Document”).

JUMBO Group Limited (the “**Company**”) was listed on the Catalist Board (“**Catalist**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 9 November 2015. The Sponsor and Issue Manager for the Company’s initial public offering (the “**IPO**”) was United Overseas Bank (the “**Sponsor**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of 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. The Sponsor and the SGX-ST assume 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 persons for the Sponsor are Mr. Khong Choun Mun, Managing Director and Head, Equity Capital Markets and 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.

Background

The Company was incorporated in the Republic of Singapore on 4 February 2015 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name Jumbo Group Pte. Ltd.. On 22 October 2015, the Company changed its name to “Jumbo Group Limited” in conjunction with its conversion to a public company limited by shares.

The group comprising the Company and its subsidiaries (the “**Group**”) was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, which involved the rationalization of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Company’s Offer Document for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the three-month ended 31 December 2015 (“**Q1 FY2016**”) and the comparative results of the Group for the three-month period ended 31 December 2014 (“**Q1 FY2015**”) have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise has been in place since 1 October 2014.

Financial Statement and Dividend Announcement For The First Quarter Ended 31 December 2015

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), 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 comprehensive statement for the corresponding period of the immediately preceding financial year.

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group		Increase/ (Decrease)
	Q1 FY2016 \$'000	Q1 FY2015 \$'000	%
Revenue	30,926	28,736	7.6
Cost of sales	(11,482)	(10,663)	7.7
Gross profit	19,444	18,073	7.6
Other income	481	368	30.7
Employee benefits expense	(9,190)	(8,331)	10.3
Operating lease expenses	(2,952)	(2,481)	19.0
Utilities expenses	(891)	(931)	(4.3)
Depreciation expense	(795)	(881)	(9.8)
Other operating expenses	(3,605)	(3,224)	11.8
Finance costs	(5)	(10)	(50.0)
Share of results of associates	21	(24)	N.M. ⁽¹⁾
Profit before tax	2,508	2,559	(2.0)
Income tax expense	(471)	(418)	12.7
Profit after tax	2,037	2,141	(4.9)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign operations	(129)	90	N.M. ⁽¹⁾
Other comprehensive income for the period, net of tax	(129)	90	N.M. ⁽¹⁾
Total comprehensive income for the period	1,908	2,231	(14.5)
Profit attributable to:			
Owners of the Company	2,080	1,667	24.8
Fellow co-operative venturer	-	390	(100.0)
Non-controlling interests	(43)	84	N.M. ⁽¹⁾
	2,037	2,141	(4.9)
Total comprehensive income attributable to:			
Owners of the Company	1,986	1,733	14.6
Fellow co-operative venturer	-	390	(100.0)
Non-controlling interests	(78)	108	N.M. ⁽¹⁾
	1,908	2,231	(14.5)

Note:

(1) Not Meaningful

1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income

The Group's profit before tax was arrived at after crediting / (charging) the following:

	Group		Increase/ (Decrease)
	Q1 FY2016	Q1 FY2015	%
	\$'000	\$'000	
Interest income	31	8	287.5
Dividend income from short-term investments	-	74	(100.0)
Gain on disposal of property, plant and equipment	34	-	N.M. ⁽¹⁾
Government grants	163	48	239.6
Loss on property, plant and equipment written off	(29)	(2)	N.M. ⁽¹⁾
Foreign exchange (loss)/gain	(19)	52	N.M. ⁽¹⁾
Depreciation of property, plant and equipment	(795)	(881)	(9.8)
Finance costs	(5)	(10)	(50.0)
Under provision of tax in respect of prior years	(68)	(67)	1.5

Note:

(1) 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 31/12/15 \$'000	As at 30/9/15 \$'000	As at 31/12/15 \$'000	As at 30/09/15 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	47,312	60,061	28,332	10
Trade and other receivables	6,999	6,601	18	343
Due from subsidiaries	-	-	12,986	-
Short-term investments	329	329	-	-
Inventories	1,083	1,034	-	-
Total current assets	55,723	68,025	41,336	353
Non-current assets				
Investment in associates	435	415	-	-
Investment in subsidiaries	-	-	5,424	-
Available-for-sale investment	75	75	-	-
Goodwill	782	782	-	-
Property, plant and equipment	15,536	13,981	-	-
Club memberships	238	238	-	-
Total non-current assets	17,066	15,491	5,424	-
Total assets	72,789	83,516	46,760	353
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	13,878	14,166	159	828
Due to a subsidiary	-	-	-	614
Finance lease	65	73	-	-
Bank borrowings	110	109	-	-
Provision for reinstatement costs	1,471	1,477	-	-
Income tax payable	2,115	1,752	-	-
Total current liabilities	17,639	17,577	159	1,442
Non-current liabilities				
Finance lease	60	62	-	-
Bank borrowings	562	587	-	-
Deferred tax liability	93	93	-	-
Total non-current liabilities	715	742	-	-
Capital and reserves				
Share capital	48,441	2,596	48,441	-
Currency translation reserve	143	237	-	-
Merger reserve	(2,828)	-	-	-
Equity reserve	-	95	-	-
Retained earnings / (accumulated losses)	7,102	53,995	(1,840)	(1,089)
Equity attributable to owners of the Company	52,858	56,923	46,601	(1,089)
Fellow co-operative venturer's interests	-	5,440	-	-
Non-controlling interests	1,577	2,834	-	-
Total equity	54,435	65,197	46,601	(1,089)
Total liabilities and equity	72,789	83,516	46,760	353

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

Amount repayable by the Group in one year or less, or on demand

As at 31.12.2015 \$'000		As at 30.09.2015 \$'000	
Secured	Unsecured	Secured	Unsecured
175	-	182	-

Amount repayable by the Group after one year

As at 31.12.2015 \$'000		As at 30.09.2015 \$'000	
Secured	Unsecured	Secured	Unsecured
622	-	649	-

Details of collaterals:

As at balance sheet date, the total borrowings of the Group are secured by way of:

- a) A mortgage over the leasehold property of a subsidiary located at 7 Kaki Bukit Road 1, #05-07, Eunos Technolink, Singapore 415937;
- b) A motor vehicle under a finance lease; and
- c) Corporate guarantee issued by the Company.

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

	Group	
	Q1 FY2016	Q1 FY2015
	\$'000	\$'000
Operating activities		
Profit before income tax	2,508	2,559
Adjustments for:		
Depreciation expense	795	881
Loss on property, plant and equipment written off	29	2
Interest income	(31)	(8)
Finance costs	5	10
Dividend income from short term investments	-	(74)
Gain on disposal of property, plant and equipment	(34)	-
Share of results of associates	(21)	24
Operating cash flows before movements in working capital	3,251	3,394
Trade and other receivables	(398)	(282)
Inventories	(49)	50
Trade and other payables	(55)	227
Cash generated from operations	2,749	3,389
Interest income	31	8
Finance costs	(5)	(10)
Income tax paid	(108)	(166)
Net cash from operating activities	2,667	3,221
Investing activities		
Acquisition of property, plant and equipment	(2,518)	(1,092)
Proceeds from disposal of property, plant and equipment	83	-
Dividend income from short-term investments	-	74
Acquisition of available-for-sale investment	-	(6)
Net cash used in investing activities	(2,435)	(1,024)
Financing activities		
Dividend paid to owners of the Company	(50,844)	(1,000)
Dividend paid to non-controlling interests	(898)	-
Net proceeds from issue of shares	38,839	-
Repayment of finance leases	(10)	(32)
Repayment of bank borrowings	(24)	(22)
Net cash used in financing activities	(12,937)	(1,054)
Net (decrease)/ increase in cash and cash equivalents	(12,705)	1,143
Cash and cash equivalents at beginning of the period	60,061	47,438
Effect of foreign exchange rate changes	(44)	13
Cash and cash equivalents at end of the period	47,312	48,594

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

COMBINED STATEMENTS OF CHANGES IN EQUITY

Group \$'000	Share Capital	Currency translation reserve	Merger reserve	Equity reserve	Retained earnings	Equity	Fellow co-	Non-	Total
						attributable to owners of the Company	operative venturer's interests	controlling interests	
Balance at 1 October 2014	2,596	22	-	95	44,396	47,109	3,288	1,621	52,018
Total comprehensive income for the period									
Profit for the period	-	-	-	-	1,667	1,667	390	84	2,141
Other comprehensive income	-	66	-	-	-	66	-	24	90
Transactions with owners, recognised directly in equity									
Dividend paid to owners of the Company	-	-	-	-	(1,000)	(1,000)	-	-	(1,000)
Balance at 31 December 2014	2,596	88	-	95	45,063	47,842	3,678	1,729	53,249
Balance at 1 October 2015	2,596	237	-	95	53,995	56,923	5,440	2,834	65,197
Issue of shares	38,839	-	-	-	-	38,839	-	-	38,839
Acquisition of remaining interest in fellow co-operative venturers	3,369	-	-	-	2,304	5,673	(5,440)	-	233
Acquisition of remaining interest in subsidiary	809	-	-	(95)	(433)	281	-	(281)	-
Adjustment pursuant to the Restructuring Exercise	(2,596)	-	(2,828)	-	-	(5,424)	-	-	(5,424)
Issue of shares pursuant to the Restructuring Exercise	5,424	-	-	-	-	5,424	-	-	5,424
Total comprehensive income for the period									
Profit for the period	-	-	-	-	2,080	2,080	-	(43)	2,037
Other comprehensive income	-	(94)	-	-	-	(94)	-	(35)	(129)
Transactions with owners, recognised directly in equity									
Dividend paid to owners of the Company	-	-	-	-	(50,844)	(50,844)	-	-	(50,844)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(898)	(898)
Balance at 31 December 2015	48,441	143	(2,828)	-	7,102	52,858	-	1,577	54,435
Company ⁽¹⁾ \$'000	Share Capital	Accumulated		Total					
		Losses							
Balance at 1 October 2015 ⁽²⁾	-	(1,089)		(1,089)					
Issue of shares	48,441	-		48,441					
Total comprehensive income for the period									
Loss for the period	-	(751)		(751)					
Balance at 31 December 2015	48,441	(1,840)		46,601					

Note:

- (1) There are no comparative figures at the Company level for the corresponding period of the immediately preceding financial year as the Company was incorporated on 4 February 2015.
(2) AS at 1 October 2015, there were two (2) issued and paid-up shares of \$1 each.

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 of for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL

	Number of Shares	Issued and paid-up share capital \$
As at 1 October 2015	2	2
Issue of new Shares pursuant to the acquisition by the Company of JSPL and Jardine Enterprise	1,051,202	5,424,202
After sub-division of Shares	463,929,800	5,424,204
Issue of new Shares to fellow co-operative venturers and non-controlling interests	17,070,200	4,177,700
Post Restructuring Exercise issued and paid-up share capital	481,000,000	9,601,904
Cornerstone Shares issued	72,100,000	18,025,000
New Shares issued pursuant to the IPO	88,233,000	20,813,744 ⁽¹⁾
As at 31 December 2015	641,333,000	48,440,648

Note:

(1) Taking into account the capitalization of listing expenses of approximately \$1.2 million.

There are no outstanding convertibles or shares held as treasury shares of the Company as at 31 December 2015. There are no comparative figures for the Company as at the end of the corresponding period of the immediately preceding financial year, as the Company was incorporated on 4 February 2015.

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 31/12/15	As at 30/9/15
Total number of issued shares excluding treasury shares	641,333,000	2

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 are no treasury shares held by the Company.

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 three-month period ended 31 December 2015 as its most recently audited financial statements for the financial year ended 30 September 2015.

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.

There are no changes in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised Financial Reporting Standards (including their consequential amendments) and interpretations is assessed to have no material impact on the results of the Group and of the Company for the three-month period ended 31 December 2015.

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:-

	Group As at	
	Q1 FY2016	Q1 FY2015
Profit attributable to owners of the Company (\$'000)	2,080	1,667
Actual number of ordinary shares ('000)	641,333	641,333
Basic and diluted EPS based on actual number of ordinary shares (cents)	0.3	0.3

For comparative purposes, the earnings per share for the respective financial periods have been computed based on the profit attributable to owners of the Company and the Company's post-IPO share capital of 641,333,000 shares, assuming that the Restructuring Exercise and the issuance of 72,100,000 Cornerstone Shares and 88,233,000 New Shares pursuant to the IPO had been completed as at the end of the respective financial periods.

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 As at		Company As at	
	31.12.15	30.09.15	31.12.15	30.9.15
NAV (\$'000)	52,858	56,923	46,601	(1,089)
Number of ordinary shares ('000)	641,333	641,333	641,333	641,333
NAV per ordinary shares (cents)	8.2	8.9	7.3	(0.2)

For comparison and illustrative purposes, the calculation for the NAV per share as at the end of the respective financial periods is based on the post-IPO share capital of 641,333,000 shares, assuming that the Restructuring Exercise and the issuance of 72,100,000 Cornerstone Shares and 88,233,000 New Shares pursuant to the IPO had been completed as at the end of the respective financial periods..

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 increased by 7.6% or \$2.2 million, from \$28.7 million in the three-month period ended 31 December 2014 ("Q1 FY2015") to \$30.9 million in the three-month period ended 31 December 2015 ("Q1 FY2016") mainly due to revenue contributions from our second Jumbo Seafood restaurant in Shanghai, PRC which opened in August 2015 and an overall increase in revenue from the rest of our restaurants.

Cost of sales

Cost of sales which comprised raw materials and consumables used increased by 7.7% or \$0.8 million, from \$10.7 million in Q1 FY2015 to \$11.5 million in Q1 FY2016, in line with our increase in revenue.

Gross profit margin

Gross profit margin remained at 62.9% of revenue for both Q1 FY2016 and Q1 FY2015.

Other income

Other income increased by 30.7% or \$0.1 million, from \$0.4 million in Q1 FY2015 to \$0.5 million in Q1 FY2016, mainly due to government grants.

Employee benefits expense

Employee benefits expense increased by 10.3% or \$0.9 million, from \$8.3 million in Q1 FY2015 to \$9.2 million in Q1 FY2016. This was due to an increase in the number of employees in Shanghai, PRC, for our second Jumbo Seafood restaurant (opened in August 2015) and in preparation for the opening of our third Jumbo Seafood restaurant in January 2016. In addition, there is an overall increase in headcount and salaries for the Group's operations in Singapore.

Operating lease expenses

Operating lease expenses increased by 19.0% or \$0.5 million, from \$2.5 million in Q1 FY2015 to \$3.0 million in Q1 FY2016, due to new leases for our second and third Jumbo restaurants in Shanghai, PRC and higher rental upon renewal of leases for several of our existing restaurants.

Depreciation expenses

Depreciation expenses decreased by 9.8% or \$0.1 million, from \$0.9 million in Q1 FY2015 to \$0.8 million in Q1 FY2016, mainly due to certain fixed assets being fully depreciated in Q1 FY2016.

Other operating expenses

Other operating expenses increased by 11.8% or \$0.4 million, from \$3.2 million in Q1 FY2015 to \$3.6 million in Q1 FY2016, mainly due to IPO expenses of \$0.7 million.

Profit after tax

Profit after tax decreased by 4.9% or \$0.1 million, from \$2.1 million in Q1 FY2015 to \$2.0 million in Q1 FY2016, mainly due to IPO expenses as well as pre-operating expenses incurred for our third Jumbo Seafood restaurant in Shanghai, PRC which commenced operations in January 2016. Excluding one-off IPO expenses of \$0.7 million, profit after tax in Q1 FY2016 would have been approximately \$2.7 million representing an increase of 25.5% over Q1 FY2015.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets decreased by \$12.3 million from \$68.0 million as at 30 September 2015 to \$55.7 million as at 31 December 2015 mainly due to a decrease in cash and cash equivalent of \$12.7 million (mainly due to dividend payment of \$51.7 million which was partly offset by net proceeds from issue of shares of \$38.8 million).

Non-current assets

The Group's non-current assets increased by \$1.6 million from \$15.5 million as at 30 September 2015 to \$17.1 million as at 31 December 2015. This was largely due to capital expenditure for the two (2) new restaurants in Shanghai, PRC.

Current liabilities

The Group's current liabilities remained approximately at the same level as at 30 September 2015 and 31 December 2015 with higher tax provision being offset by lower trade and other payables.

Non-current liabilities

The Group's non-current liabilities remained approximately at the same level as at 30 September 2015 and 31 December 2015.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before changes in working capital of \$3.3 million. Net cash used in working capital amounted to \$0.5 million mainly due to an increase in trade and other receivables of \$0.4 million. As a result, net cash generated from operating activities was \$2.7 million.

Net cash used in investing activities amounted to \$2.4 million mainly due to acquisition of plant and equipment.

Net cash used in financing activities of \$12.9 million was mainly due to payment of dividends amounting to \$51.7 million and partly offset by net proceeds from issue of shares of \$38.8 million.

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

Not Applicable.

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 conditions in the food and beverage ("F&B") industry will remain challenging. The Group opened its second and third Jumbo Seafood restaurants in Shanghai, PRC in August 2015 and January 2016 respectively. Although both restaurants are expected to contribute to the Group's revenue, they are likely to require at least six (6) months to contribute positively to the Group's profits.

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

The Group will also continue to focus on cost rationalization and improving work flow processes, manpower utilization and information technology applications to increase productivity and efficiency and lowering operating costs.

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) Date payable

Not Applicable

(d) Books closure date

Not Applicable

12. If no dividend has been declared/recommended, a statement to the effect.

No dividend has been declared or recommended by the Directors of the Company.

13. Interested persons transaction

The Group has not obtained a general mandate from shareholders for interested person transactions.

14. Use of IPO proceeds

Pursuant to the Company's IPO, 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 utilized as follows:

Purpose	Allocation of Net Proceeds \$'000	Net Proceeds utilized 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	-	12,000
Acquire new premises, equipment and machinery	11,500	-	11,500
Working capital and general corporate purposes	13,700	(10,000)	3,700
	<u>37,200</u>	<u>(10,000)</u>	<u>27,200</u>

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 Catalist Rules.

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

To the best knowledge of the Board of Directors, nothing has come to the attention of the Board of Directors which may render the financial results for the Q1 FY2016 of the Group and the Company to be false or misleading in any material aspect.



JUMBO Group Limited
Incorporated in the Republic of Singapore
Registration No. 20153401Z

BY ORDER OF THE BOARD

Ang Kiam Meng
CEO and Executive Chairman
4th February 2016

Tan Cher Liang
Lead Independent Director
4th February 2016