

## PRESS RELEASE

### JUMBO RECORDS A 41.3% INCREASE IN REVENUE TO \$115.6 MILLION AND A POSITIVE EBITDA OF \$19.4 MILLION IN FY2022

- **Significant increase in revenue of 88.5% to \$83.4 million in FY2022 compared to \$44.2 million in FY2021 in the Group's core market, Singapore**
- **Positive EBITDA of \$19.4 million in FY2022 compared to \$5.7 million in FY2021**

**Singapore, 29 November 2022** – JUMBO Group Limited (“JUMBO”, or the “Company” and together with its subsidiaries, the “Group”), one of Singapore’s leading multi-dining concept food and beverage (“F&B”) establishments, today announced its financial results for the financial year ended 30 September 2022 (“FY2022”).

#### Period under review

Our Group’s revenue increased by 81.3% or \$29.6 million, from \$36.4 million for the six months period ended 30 September 2021 (“2H2021”) to \$66.0 million for the six months period ended 30 September 2022 (“2H2022”). Our Group’s revenue increased by 41.3% or \$33.8 million, from \$81.8 million for the financial year ended 30 September 2021 (“FY2021”) to \$115.6 million in FY2022. The increase was mainly due to an increase in revenue from our Singapore operations with the gradual easing of COVID-19 measures.

With the further easing of COVID-19 measures in Singapore, revenue from our Singapore operations increased by 197.1% or \$35.4 million, from \$17.9 million in 2H2021 to \$53.3 million in 2H2022, and 88.5% or \$39.1 million, from \$44.2 million in FY2021 to \$83.4 million in FY2022.

Revenue from our PRC operations in FY2022 were negatively affected by the COVID-19 measures despite a full year revenue contribution from our new JUMBO Seafood outlet at Universal Beijing Resort. As such, revenue from our PRC operations decreased by 33.8% or \$5.7 million, from \$16.7 million in 2H2021 to \$11.0 million in 2H2022, and 12.2% or \$3.9 million, from \$31.8 million in FY2021 to \$27.9 million in FY2022, from \$31.8 million in FY2021.

With the closure of our Taichung JUMBO Seafood outlet in September 2021, revenue from our Taiwan operations decreased by 8.4% or \$0.2 million, from \$1.8 million in 2H2021 to \$1.6 million in 2H2022, and 25.7% or \$1.5 million, from \$5.8 million in FY2021 to \$4.3 million in FY2022.

Cost of sales, which comprised raw materials and consumables, increased by 60.6% or \$8.4 million, from \$13.9 million in 2H2021 to \$22.3 million in 2H2022, and 31.7% or \$9.8 million, from \$30.8 million in FY2021 to \$40.6 million in FY2022, in line with the increase in revenue.

Gross profit improved to \$43.7 million in 2H2022, an increase of 94.1% or \$21.2 million. Gross profit margin improved to 66.2% in 2H2022 from 61.9% in 2H2021. Gross profit improved to \$75.0 million in FY2022, an increase of 47.1% or \$24.0 million. Gross profit margin improved to 64.9% in FY2022 from 62.3% in FY2021. The increase in gross margins were largely due to increase in dine-ins and higher franchise and royalty income.

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Other income decreased by 59.8% or \$1.6 million, from \$2.7 million in 2H2021 to \$1.1 million in 2H2022. Other income decreased by 60.2% or \$3.6 million, from \$6.0 million in FY2021 to \$2.4 million in FY2022. The decrease was primarily due to reduced grants from the Jobs Support Scheme, property tax and rental rebates and an increase in fair value losses on investments.

Employee benefits expenses increased by 6.6% or \$1.1 million, from \$17.4 million in 2H2021 to \$18.5 million in 2H2022. Employee benefits expenses increased by 5.6% or \$2.0 million, from \$34.9 million in FY2021 to \$36.9 million in FY2022. The increase was mainly due to additional headcount in Singapore to cater to the increase in business.

Operating lease expenses increased by \$1.8 million from \$0.5 million in 2H2021 to \$2.2 million in 2H2022. Operating lease expenses increased by \$1.9 million, from \$1.1 million in FY2021 to \$3.0 million in FY2022. The increase was largely due to higher variable rent and short term leases in 2H2022 and FY2022.

Utilities expenses increased by 63.4% or \$0.8 million, from \$1.4 million in 2H2021 to \$2.2 million in 2H2022. Utilities expenses increased by 34.5% or \$1.0 million, from \$2.9 million in FY2021 to \$3.9 million in FY2022. The increase was mainly due to higher utility usage resulting from the increase in the Singapore operations and higher utility rates from increases in oil prices globally.

Depreciation expense for property, plant and equipment (“PP&E”) decreased by 9.2% or \$0.3 million, from \$3.2 million in 2H2021 to \$2.9 million in 2H2022. Depreciation expense for PP&E decreased by 13.6% or \$0.9 million, from \$6.8 million in FY2021 to \$5.9 million in FY2022. The decrease was mainly due to higher PP&E being fully depreciated in FY2022.

Depreciation expense for right-of-use assets decreased by 14.2% or \$0.9 million, from \$6.6 million in 2H2021 to \$5.7 million in 2H2022, and 6.7% or \$0.9 million, from \$12.7 million in FY2021 to \$11.8 million in FY2022 as certain leases were renewed on short term basis.

Interest expense for leases decreased by 21.5% or \$0.1 million, from \$0.6 million in 2H2021 to \$0.5 million in 2H2022. Interest expense for leases remained unchanged at \$1.0 million from FY2021 to FY2022.

Interest expense for loans increased by 67.6% or \$0.1 million, from \$0.1 million in 2H2021 to \$0.2 million in 2H2022 and \$0.2 million, from \$0.2 million in FY2021 to \$0.4 million in FY2022, mainly due to a higher level of temporary bridging loans drawn down for working capital purpose.

Other operating expenses increased by 31.1% or \$1.9 million, from \$6.0 million in 2H2021 to \$7.8 million in 2H2022. Other operating expenses increased by 20.3% or \$2.4 million, from \$11.8 million in FY2021 to \$14.2 million in FY2022. The increase was mainly due to the increase in business in Singapore resulting from the lifting of COVID-19 measures.

The \$3.7 million income tax credit in 2H2021 and FY2021 was mainly attributed to the recognition of deferred tax assets from tax losses incurred in subsidiaries. The income tax expense of \$0.7 million in 2H2022 and FY2022 was recognised mainly due to the Singapore operations returns to a taxable position.

As a result of the above, profit attributable to owners of the Company stood at \$4.4 million in 2H2022 compared to a loss of \$7.5 million in 2H2021, and a loss of \$0.1 million for FY2022 compared to a loss of \$11.8 million in FY2021. EBITDA was \$14.0 million in 2H2022 compared to (\$0.1) million in 2H2021. EBITDA was \$19.4 million in FY2022 compared to \$5.7 million in FY2021.

### **Dividends**

Despite a strong recovery in our core market, Singapore, the board of directors of the Company will not be recommending any final dividend for FY2022 as liquidity will be conserved to support working capital requirements and carefully assessed growth investments and developments.

### **Outlook**

The further easing of community measures in late August 2022 and the subsequent lifting of vaccination-differentiated safe management measures in Singapore from 10 October 2022, had increased the revenue potential for our Singapore operations and we are optimistic that revenue will return to pre-COVID levels in Singapore. We have seen revenue and footfall reaching pre-COVID levels in some of our Singapore outlets in the final quarter of FY2022.

Since the beginning of FY2022, as part of the Group's strategy to expand our offerings and increase our business in Singapore, we added 5 Kok Kee Wanton Noodles outlets and 1 Lau Lim Mee Pok outlet across Singapore, launched our new premium dining concept, JUMBO Signatures at MBS and a mod-Asian gastrobar, Sui Yi Gastrobar, at Riverwalk. For our overseas operations, we added 2 franchised JUMBO Seafood outlets in Ho Chi Minh City, and one each in Hanoi, Xiamen and Seoul.

In recent months, we have also seen significant relaxation in COVID-19 measures beyond Singapore especially in cities in which we have a presence such as Seoul, Taipei, Ho Chih Minh City, Hanoi and Bangkok, and we are looking to improved business from these outlets. However, we are mindful of our PRC operations which may be affected by the on-going COVID-19 measures. Barring any unforeseen circumstances, the Group is cautiously optimistic of a rebound in its business performance for the next 12 months.

**Mr. Ang Kiam Meng (黄建铭), Group CEO and Executive Director of JUMBO**, commented, "With the lifting of COVID-19 measures and the opening of our borders here in Singapore, we are seeing sales going back to pre-COVID levels especially for our anchor concepts, JUMBO Seafood and Zui Teochew Cuisine. Our new premium JUMBO Signatures at the MBS has been attracting discerning customers since its opening early this year.

While there has been significant relaxation of COVID-19 measures in most of our overseas market, we continue to remain cautious especially of our PRC operations.

Looking forward, we are optimistic that business performance will continue to improve, especially in our Singapore market. In addition, we are creating new F&B concepts that we hope to introduce to the market in the near future."

## About JUMBO Group Limited

JUMBO is one of Singapore's leading multi-dining concept F&B establishments. It has a portfolio of 10 F&B brands – JUMBO Signatures, JUMBO Seafood, JUMBO Kitchen, HACK IT, NG AH SIO Bak Kut Teh, Zui Teochew Cuisine, Chao Ting Pao Fan, Kok Kee Wonton Noodle, Sui Yi Gastrobar and XINYAO Hainanese Chicken Rice, operates 4 Tsui Wah Hong Kong-style "Cha Chaan Teng" outlets as a franchisee in Singapore and co-owns the Singapore Seafood Republic brand which has 3 outlets, operating under the franchise model in Japan. It also has a joint venture which operates a "Lau Lim Mee Pok" stall in Singapore.

Fulfilling its philosophy of "Bonding People Through Food", JUMBO has 46 F&B outlets (including those of its associated companies and those under licensing arrangements) in 13 cities in Asia – Singapore, Shanghai, Beijing, Xi'an, Fuzhou, Xiamen, Seoul, Taipei, Ho Chi Minh City, Hanoi, Bangkok, Tokyo, and Osaka.

In addition, JUMBO's lifestyle brand, Love, Afare has a range of products comprising of packaged sauces and spice mixes for its signature dishes, snacks, tea and merchandise that are representative of Singapore's authentic flavours and food culture.

JUMBO also has a catering arm and a Central Kitchen in Singapore, which helps to maintain stringent quality standards and the consistency in the taste of its signature dishes, increase productivity and lower costs. JUMBO's Research and Development Kitchen facilitates the creation of new dishes and improvement of food preparation processes.

It has received many awards, accolades, and notable mentions in prestigious publications for the high quality of food and service offered under its F&B brands.

Some of JUMBO's more recent awards and accolades include the Best Taste of Singapore Award by Singapore Tatler in 2020 and 2021, Food Choice Awards 2020 by Klook and Diners' Choice 2020 – Restaurant of the Year (Runner-up). JUMBO Seafood outlet at Riverside Point received the Diner's Choice 2021 – Singapore River Signatures awards, while JUMBO Seafood outlet at The Riverwalk was recommended as a "Must-Try Restaurant 2019" by Meituan-Dianping (美团点评) and has secured the Superbrands Award (Singapore's Choice) in the same year. The Tasty Singapore Brand Ambassadors 2020/2021 award was another significant accolade for JUMBO Seafood and Ng Ah Sio Bak Kut Teh. JUMBO's signature Chilli Crab was also highlighted by Lifestyle Asia as one of the best in Singapore in 2020. Separately, well-known Straits Times food critic, Wong Ah Yoke recommended JUMBO Seafood retail sambal sauce as one of the Top 5 sambal sauces fit for a queen. Packaged sauces and spice mixes of JUMBO Seafood and Ng Ah Sio Bak Kut Teh signature dishes are also awarded the "Made With Passion" mark in November 2020 – under a national initiative that celebrates local brands who bring to life the Singapore spirit of turning possibilities into reality.

For more information, please visit [www.jumbogroup.sg](http://www.jumbogroup.sg).

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*This press release has been prepared by JUMBO Group Limited (the “Company” and, together with its subsidiaries, the “Group”) and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “Sponsor”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.*

*This press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.*

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