

NEWS RELEASE

JUMBO RECORDS \$2.6 MILLION IN PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR Q1 FY2017

- *Revenue rose 5.8% to \$32.7 million*
- *Group's Shanghai operations continue to see increased revenue contributions*
- *Intends to expand JUMBO's brands to other major Asian cities and pursue opportunities to diversify and grow business offerings*

Singapore, 13 February 2017 – 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 a profit attributable to owners of the Company of \$2.6 million for the three-month period ended 31 December 2016 (“Q1 FY2017”), compared to \$2.1 million for the corresponding period last year (“Q1 FY2016”).

Revenue increased by 5.8% or \$1.8 million, from \$30.9 million in Q1 FY2016 to \$32.7 million in Q1 FY2017 due mainly to increased revenue contributions from the Group’s JUMBO Seafood outlets in Shanghai, People’s Republic of China (“PRC”). Gross profit increased by 8.1% or \$1.6 million, from \$19.4 million in Q1 FY2016 to \$21.0 million in Q1 FY2017 mainly due to higher gross margins from the Shanghai operations. Gross profit margin was 64.2% in Q1 FY2017 and 62.9% in Q1 FY2016.

Employee benefits expense increased by 9.5% or \$0.9 million, from \$9.2 million in Q1 FY2016 to \$10.1 million in Q1 FY2017. This was mainly due to an increase in headcount for the Group's new and existing outlets in Singapore and Shanghai, PRC as well as an increase in staff remuneration within the Group.

Operating lease expenses increased by 10.2% or \$0.3 million, from \$3.0 million in Q1 FY2016 to \$3.3 million in Q1 FY2017 mainly due to the leases for the Group's new outlets, existing outlet expansion and new corporate offices in Singapore and Shanghai, PRC.

Depreciation expense increased by 35.5% or \$0.3 million, from \$0.8 million in Q1 FY2016 to \$1.1 million in Q1 FY2017 mainly due to the additional depreciation for the Group's new outlets, existing outlet expansion and new corporate offices in Singapore and Shanghai, PRC.

Other operating expenses decreased by 17.7% or \$0.6 million, from \$3.6 million in Q1 FY2016 to \$3.0 million in Q1 FY2017 due to absence of initial public offer expenses in Q1 FY2017.

Mr. Ang Kiam Meng (黄建铭), Group CEO and Executive Director, said, "Our pursuit of quality growth overseas continues to pay off as we record yet another strong quarter for our operations in the PRC. We will continue to take a calibrated approach in our expansion plans to capture the growing F&B market in major Chinese cities such as Shanghai and Beijing as well as other regional markets like Vietnam."

Outlook

The F&B industry is expected to continue to be challenging, given the weak economic outlook coupled with pressure on operating costs and keen competition. Nonetheless, the Group intends to leverage on its brands and talents to stay competitive in the marketplace, and strive to strengthen its brands portfolio for sales and profitability.

The Group intends to expand its brands to other major cities in Asia and pursue franchising opportunities to diversify and grow its business offerings. The Group will also continue to explore suitable opportunities to expand its network of F&B outlets and business through the opening of new outlets, acquisitions, joint ventures and strategic alliances with partners who can strengthen its market position and value add to its existing business.

The Group will continue to focus on cost rationalisation and improving work flow processes, manpower utilisation and information technology applications to increase productivity, efficiency and lower operating costs.

Barring any unforeseen circumstances, the Group expects to continue to grow its business and remain profitable for FY2017.

About JUMBO Group Limited

JUMBO is one of Singapore's leading multi-dining concept F&B establishments.

The Group's network of F&B outlets (including those of its associated companies and those under licensing arrangements) spans Singapore, the PRC and Japan. JUMBO also provides catering services for customers in Singapore, and sells packaged sauces and spice mixes for some of its signature dishes in its outlets, selected stores, supermarkets, travel agencies and online via the JUMBO eShop.

Fulfilling its philosophy of "Bonding People Through Food", JUMBO has a total of 16 F&B outlets in Singapore and 3 F&B outlets in the PRC, under 5 restaurant brands – *JUMBO Seafood, JPOT, NG AH SIO Bak Kut Teh, Chui Huay Lim Teochew Cuisine* and *J Café*. It also manages 1 *Singapore Seafood Republic* outlet.

The Group also has a Central Kitchen in Singapore to maintain stringent quality standards and the consistency in the tastes 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.

The Group has received many awards, accolades and notable mentions in prestigious publications for the high quality of food and service offered by the Group's F&B brands.

Some of the Group's more recent awards and accolades include the *Excellent Service Award (2016)*, *SIAS 17th Investors' Choice Awards – Winner of Most Transparent Company Award for New Issues (2016)*, *Singapore Business Awards – The Enterprise Award (2016)*, *Singapore Corporate Awards – Best Investor Relations*

Merit Award for First-Year Listed Companies (2016), *People Excellence Award (2015)*, *HRM Awards – SME Employer of the Year (2015)*, *Influential Brands Award – Top Brand for Seafood Category (2015)*, *Singapore SME 1000 Company (2015)*, *Singapore Prestige Brand Award – Established Brand Category (2012)* and *Heritage Category (2012)*, and the *Enterprise 50 Award (2nd place in 2015)*.

JUMBO Seafood was also featured amongst the "Top 50 most iconic places in Singapore to visit" list compiled by TripAdvisor in 2015 in conjunction with SG50 celebrations.

For more information, please visit www.jumbogroup.sg.

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13 February 2017

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