JUMBO GROUP

a fresh approach

2020 ANNUAL REPORT

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This annual report has been prepared by JUMBO Group Limited (the "Company") 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 annual report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

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Corporate Profile

JUMBO Group Limited ("JUMBO", or the "Company" and together with its subsidiaries and subsidiary entities, the "Group") is one of Singapore's leading multi-dining concept F&B establishments. It has a portfolio of seven Food & Beverage ("F&B") brands – JUMBO Seafood, NG AH SIO Bak Kut Teh, Zui Teochew Cuisine, Chao Ting, HACK IT, XINYAO Hainanese Chicken Rice and Kok Kee Wanton Noodle. It also operates two outlets under the Tsui Wah Hong Kong-style "Cha Chaan Teng" brand as a franchisee and manages one Singapore Seafood Republic outlet in Singapore.

From its humble beginnings in 1987, JUMBO is committed to fulfilling its philosophy of "Bonding People Through Food", and has over the three decades established 39 F&B outlets (including those of its associated companies and those under licensing arrangements) in 15 cities in Asia. It has presence in Singapore, Shanghai, Beijing, Xi'an, Fuzhou, Taipei, Taichung, Hsinchu, Taoyuan, Seoul, Ilsan, Ho Chi Minh, Bangkok, Tokyo and Osaka.

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 and other e-commerce platforms. It has a Central Kitchen in Singapore to maintain stringent quality standards and 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 the Group's recent awards and accolades include the Best Taste of Singapore Award 2020 presented to JUMBO Seafood by Singapore Tatler, TimeOut Food Awards 2020 – International Casual Dining of the Year awarded to JUMBO Seafood in Beijing, China Feast Restaurant Awards 2019/2020 – Best Asian Restaurant for JUMBO Seafood, Franchising and Licensing Awards (FLA Awards) 2019 – International Franchisor of the Year, Franchisor of the Year and Customer Service Excellence for JUMBO Seafood, Promising Franchisor of the Year and Customer Service Excellence for NG AH SIO Bak Kut Teh, Excellent Service Award (2008 - 2019), 5S Excellence Award by Restaurant Association of Singapore 2018, Asia Enterprise BRAND Awards 2018 – Gastronomy Excellence BRAND Award, TripAdvisor Certificate of Excellence 2017, Diners' Choice 2018 – Best Seafood Platinum Winner, SIAS 17th Investors' Choice Awards 2016 – Winner of Most Transparent Company Award for New Issues and the Singapore Business Awards 2016 – The Enterprise Award.

In 2020, JUMBO Seafood was highlighted by Lifestyle Asia as one of the restaurants serving the best chilli crabs in Singapore. Well-known Straits Times food critic, Wong Ah Yoke also recommended JUMBO Seafood retail sambal sauce as one of the Top 5 sambal sauces fit for a queen. JUMBO Seafood and NG AH SIO Bak Kut Teh are also endorsed by Tasty Singapore as Tasty Singapore Brand Ambassadors for 2020/2021. 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 which bring to life the Singapore spirit of turning possibilities into reality. In 2019, JUMBO Seafood outlet at The Riverwalk was recommended as a "Must-Try Restaurant 2019" by Meituan-Dianping (美团点评) and the brand also attained the Superbrands Award (Singapore's Choice). JUMBO Seafood flagship restaurant at East Coast Seafood Centre received a recommendation from Wine & Dine's Singapore Top Restaurants Guide 2018/2019. The NG AH SIO Bak Kut Teh flagship outlet at Rangoon Road was also conferred the "Local Delights Award (新加坡风味)" at the Ctrip Food Awards 美食林 2016/2017.

Jumbo Group of Restaurants

JUMBO 珍宝海鲜 SEAFOOD

JUMBO SEAFOOD

The Big Name in Seafood

- jumboseafood
- jumboseafoodsg
- www.jumboseafood.com.sg
- order.jumboseafood.com.sg

醉花林品潮轩
CHUI HUAY LIM TEOCHEW CUISINE

醉宇轩经典潮膳
ZUI YU XUAN TEOCHEW CUISINE

ZUI TEOCHEW CUISINE

Authentic Teochew Cuisine

- zuiteochewcuisine
- zuiteochewcuisine
- www.zui-teochewcuisine.com
- order.zui-teochewcuisine.com

Jumbo Group of Restaurants

黃亞細 肉骨茶
NG AH SIO
Bak Kut Teh

NG AH SIO BAK KUT TEH

Taste of Heritage

- ngahsiobakkutteh
- ngahsio_bkt
- www.ngahsio.com
- order.ngahsio.com

潮亭 一品泡饭
CHAO TING
Teochew Pao Fan

CHAO TING

Teochew Gourmet Bowl

- zuiteochewcuisine
- zuiteochewcuisine
- www.zui-teochewcuisine.com
- order.zui-teochewcuisine.com

Jumbo Group of Restaurants

新|肴|海|南|鸡|饭
Xinyao Hainanese Chicken Rice

XINYAO HAINANESE CHICKEN RICE

www.jumbogroup.sg/Xinyao-Hainanese-Chicken-Rice

HACK IT

HACK IT

Hack-liciously Fun

hackitseafood
hackitseafood
www.hackitseafood.com.sg
order.hackitseafood.com.sg

國 記 雲 吞 麵
KOK KEE WANTON NOODLE

KOK KEE WANTON NOODLE

A Timeless Comfort

kokkeewantonnoodles

Dining Concepts Managed by
Jumbo Group

Singapore Seafood Republic
新加坡海鲜共和

SINGAPORE SEAFOOD REPUBLIC

Singapore's best loved seafood brands under one roof

www.singaporeseafoodrepublic.com.sg
order.singaporeseafoodrepublic.com.sg

翠華
TSUI WAH
SINCE 1967

TSUI WAH

The Allure of Hong Kong Classic Flavours

tsuiwahsingapore
tsuiwahsingapore
shop.tsuiwah.com

Our Presence

Singapore

JUMBO SEAFOOD
- East Coast Seafood Centre
- Riverside Point
- The Riverwalk
- Dempsey Hill
- ION Orchard
- Jewel Changi Airport

NG AH SIO BAK KUT TEH
- Rangoon Road
- Chui Huay Lim Club
- The Shoppes at Marina Bay Sands
- Resorts World Sentosa

ZUI TEOCHEW CUISINE
- Chui Huay Lim Teochew Cuisine at Chui Huay Lim Club
- Zui Yu Xuan Teochew Cuisine at Far East Square

CHAO TING
- Far East Square

SINGAPORE SEAFOOD REPUBLIC
- Resorts World Sentosa

TSUI WAH
- The Heeren
- Clarke Quay

HACK IT
- JUMBO Virtual Kitchen

KOK KEE WANTON NOODLE
- Bistro 8 at Foch Road

Tokyo

SINGAPORE SEAFOOD REPUBLIC
- Shinagawa
- Ginza

Osaka

SINGAPORE SEAFOOD REPUBLIC
- Daimaru Umeda

Shanghai

JUMBO SEAFOOD
- iAPM
- IFC Mall
- L'Avenue Mall

NG AH SIO BAK KUT TEH
- One ITC Mall

XINYAO HAINANESE CHICKEN RICE
- One ITC Mall

Beijing
JUMBO SEAFOOD
- SKP Mall

Xi'an
JUMBO SEAFOOD
- SKP Mall

Fuzhou
JUMBO SEAFOOD
- Dongbai Centre
- Rong Qiao The Bund

Taipei
JUMBO SEAFOOD
- Shin Kong Mitsukoshi Xinyi Place

NG AH SIO BAK KUT TEH
- Shin Kong Mitsukoshi Xinyi Place
- Shin Kong Mitsukoshi Nanxi

Hsinchu
NG AH SIO BAK KUT TEH
- Far Eastern Big City Shopping Mall

Taoyuan
NG AH SIO BAK KUT TEH
- Metro Walk

Taichung
JUMBO SEAFOOD
- Shin Kong Mitsukoshi Zhonggang

Ho Chi Minh
JUMBO SEAFOOD
- Dong Khoi

Bangkok
JUMBO SEAFOOD
- ICONSIAM

Seoul
JUMBO SEAFOOD
- Dogok Academy Plaza

Ilsan
JUMBO SEAFOOD
- Didim Town

Our Milestones

1987

OUR BEGINNING

Flagship JUMBO Seafood Restaurant opened at East Coast Seafood Centre in Singapore

2002

START OF GROWTH

Second JUMBO Seafood outlet opened at Riverside Point

2008

SCALING UP FOR EXPANSION

Established JUMBO Central Kitchen

2010

MAIDEN M&A

Acquired NG AH SIO Bak Kut Teh ("NASBKT")

SYMBOLIC COLLABORATION

Singapore Seafood Republic, a collaboration amongst four well-known seafood restaurant operators in Singapore, opened at Resorts World Sentosa

2011

VENTURING INTO AUTHENTIC TEOCHEW CUISINE

Chui Huay Lim Teochew Cuisine opened at Chui Huay Lim Club

2013

OVERSEAS EXPANSION

Flagship JUMBO Seafood restaurant opened in Shanghai

2015

GOING PUBLIC

Listed on SGX Catalist

2017

ENTERING BEIJING

First JUMBO Seafood outlet opened in Beijing

START OF FRANCHISING

First JUMBO Seafood franchise outlet opened in Ho Chi Minh

Our Milestones

2018

BEING A FRANCHISEE

Brought Tsui Wah Cha Chaan Teng into Singapore

NASBKT STEPPING OUT OF SINGAPORE

First NASBKT franchise outlet opened in Taipei

ENTRY INTO NEW COUNTRIES AND CITIES

Opened JUMBO Seafood outlets in China (Xi'an and Fuzhou), Taiwan (Taichung) and Thailand (Bangkok)

2019

GROWTH OF NASBKT BRAND

First self-managed NASBKT outlet opened in Shanghai

FIRST INORGANIC EXPANSION POST LISTING

Acquisition of Kok Kee Wanton Noodle Pte Ltd in Singapore

2020

LAUNCH OF FIRST VIRTUAL BRAND

Birth of "HACK IT" – first virtual brand which focuses solely on takeaways and deliveries

ENTERING KOREA

First JUMBO Seafood franchise outlet opened in Seoul

BIRTH OF CHAO TING

First Chao Ting Pao Fan outlet opened in Singapore

BRINGING SINGAPORE LOCAL DELIGHT OVERSEAS

First XINYAO Hainanese Chicken Rice outlet opened in Shanghai

2020
At A Glance

The financial year ended 30 September ("FY") 2020 started on an encouraging note, fueled by strong expansion momentum with new outlets of different concepts opening in South Korea, China and Taiwan. JUMBO now has 39 outlets (including those of its associated companies and those under licensing arrangements) in its F&B network, spanning across 15 Asian cities including Singapore, Shanghai, Xi'an, Beijing, Fuzhou, Bangkok, Ho Chi Minh, Seoul, Ilsan, Taipei, Taichung, Hsinchu, Taoyuan, Tokyo and Osaka.

October 2019 was an exciting month with two successive openings in Ilsan and Taoyuan. The Group opened its second JUMBO Seafood restaurant in South Korea and its seventh franchised outlet at the rooftop of Didim Town Building. The first of its kind, the restaurant features a 20-metre outdoor swimming pool for children. Patrons will be able to enjoy their meals while watching their children in waterplay. The restaurant has also been featured in local variety shows, drawn by JUMBO Seafood's reputation and quality taste, and the unique restaurant setup and design. In the same month, NASBKT opened its doors at Metro Walk Shopping Centre in Taoyuan.

In November 2019, JUMBO took over the management of the two JUMBO Seafood restaurants from Ho Sing Food Co. Ltd. ("Ho Sing") in Taiwan, while the latter continues to manage the network of NASBKT outlets in Taiwan. This move was a strategic one, with intent to optimise operational effectiveness and efficiency, where JUMBO leverages on its strong expertise in managing delicate and finer full-service concepts, while Ho Sing uses its forte to focus on developing the foothold of NASBKT in the fast-service dining space.

Expansion of JUMBO's network continued with the opening of the first self-managed NASBKT outside Singapore in Shanghai in December 2019, together with the launch of a new dining concept, XINYAO Hainanese Chicken Rice. Both outlets are located side-by-side at the Shanghai One International Trade Centre (ITC), a high-profile, mixed-use destination. With a combined seating capacity of 110 seats, this move is symbolic of JUMBO's commitment to spread the love for Singapore local delights, taste and culture beyond the borders of our island.

The global macro-environment took a sudden drastic downturn from December 2019 with the emergence of the COVID-19 pandemic, which still casts an uncertain outlook on most of the Group's key markets. Unprecedented scale of restrictions to contain the pandemic, such as global lockdown, halting of international travel and massive social distancing measures resulted in unparalleled economic and social impact across all economies. Closer to home, waves of business closures and unemployment rates adversely impacted consumer sentiments and spending propensity. Circuit breaker and safe-distancing measures, in particular, made an even more pronounced negative impact on consumer-facing sectors such as retail and food services. Inevitably, the pandemic changed consumer consumption patterns and also JUMBO's operating environment, and forced the Group to relook at its business model, product and service offerings, to sustain revenue levels and optimise costs base. The creation of JUMBO's first virtual brand – HACK IT and the Group's first acquisition post its listing, which added Kok Kee Wanton Noodle, a famous local hawker concept to its F&B portfolio, were part of the Group's pivoted strategy to deepen its foothold in the local markets by introducing new concepts and products suitable for takeaways and deliveries. The Group also accelerated its digitalisation for both back-end operations and workflows to improve efficiency, and front-end platforms to improve interactions with customers.

The theme for Annual Report FY2020 – a fresh approach, reflects JUMBO's ability to adapt to the new normal and reposition itself for the future. It also represents the Group's commitment in providing the best Singapore-style cuisine using the freshest ingredients, via different concepts and formats of delivery, regardless of the challenges ahead. JUMBO looks to re-charge and strive for betterment with a renewed vigour in FY2021.

Awards
and Accolades

Best Taste of Singapore 2020

JUMBO Seafood

TimeOut Food Awards 2020, International Casual Dining of The Year

JUMBO Seafood Beijing

China Feast Restaurant Awards 2019/2020, Best Asian Restaurant

JUMBO Seafood

FLA Awards 2019 – Promising Franchisor of the Year

NG AH SIO Bak Kut Teh

FLA Awards 2019 – Franchisor of the Year

JUMBO Seafood

FLA Awards 2019 – International Franchisor of the Year

JUMBO Seafood

FLA Awards 2019 – Customer Service Excellence

JUMBO Seafood
NG AH SIO Bak Kut Teh

Tatler Shanghai's 2019 Best Restaurants

JUMBO Seafood Shanghai

Superbrands, Singapore's Choice

JUMBO Seafood

Excellent Service Award 2019

JUMBO Group of Restaurants

DIANPING MUST-TRY RESTAURANT 大众点评必吃榜 2019

Singapore Seafood Rebublic
JUMBO Seafood
(The Riverwalk)

RHT RMF GAIL Sustainability Awards 2019 - Sustainable Development Goals Achiever Award

JUMBO Group of Restaurants

Chairman's Message

"THROUGH THE YEARS OF HEALTHY PROFITS AND SHORING UP OF RESERVES, OUR STRONG BALANCE SHEET HAS ALLOWED US TO WEATHER THROUGH THIS CHALLENGING YEAR."

Dear Shareholders,

We entered FY2020 with full confidence that we were able to maintain and likely surpass our FY2019 performance as we surged ahead with a healthy rate of expansion of our F&B network in the first quarter of FY2020. Regrettably, in the face of an unprecedented challenging global environment, the Group was not spared from the widespread adverse impact arising from the COVID-19 pandemic. The management team, despite proactive monitoring and quick adoption of recovery decisions and actions, had to deliver a loss-making set of results for FY2020.

The Group charted an expansion plan to further extend our reach locally and regionally, across our various concepts at the beginning of FY2020. After adding four outlets in just three months, our plans were put to an abrupt stop by the outbreak of the pandemic, forcing the Group to switch gears as we focused on sustaining operations of existing outlets, diversifying revenue sources and customer bases, and protecting the livelihood of our team to reduce the negative impact to a minimal.

The COVID-19 pandemic presented a unique challenge but also a great opportunity for the Group to display its decisive leadership and ability to make profound strategic decisions. When the People's Republic of China ("PRC") was first hit by the pandemic, we bit the bullet and closed the under-performing JUMBO Kitchen outlet at Raffles City prior to the expiry of the lease, to cut losses. During the circuit breaker in Singapore, we utilised the lull period to innovate, producing new products and concepts, giving rise to high tea offerings at JUMBO Seafood at ION Orchard and the birth of HACK IT – the Group's first virtual brand, targeting at a local community who are young at heart, adventurous and want to enjoy affordable quality food at the comfort of their homes.

Though we might not be dancing out of this storm, it should be acknowledged that the conservatism and prudency that the management team had adopted in the past has shielded us from the dire situations that many of our peers in the industry are facing. Through the years of healthy profits and shoring up of reserves,

Chairman's Message

our strong balance sheet has allowed us to weather through this challenging year. In addition, our strong credit standing, pragmatic management approach, sound business model and reputable quality products, have supported us in securing supplementary sources of funding to re-embark on our growth plans when the environment is more conducive. Our franchisees, in the less affected cities, are still pushing ahead with the establishment of more outlets in upcoming months, a clear demonstration of the confidence they have in our brands, and a reflection of the demand for our cuisines in those markets.

As we enter 2021, there is still little visibility on an end to the COVID-19 pandemic as sporadic outbreaks around the world continue to be reported and new strands of virus emerging. Meanwhile, different countries are at different stages of containment, though it is fair to say that most are striving to head toward gradual opening of their economies, as governments attempt to find the balance between lives and livelihoods. The Group does not expect to go back to the heydays until vaccines against the COVID-19 virus are proven to be effective and widely available to the public around the globe. Despite demonstrating business resilience thus far, looking ahead, the prospect of intermittent lockdowns and rising unemployment is likely to persist, which will continue to have a negative impact to the Group in terms of lower footfall at restaurants and weaker sales revenue. The Group has thus reviewed and pivoted our growth strategy to leverage on our strong brand presence to build a stronger foothold in our home country, Singapore, with a multiple pronged approach – new concepts and new product offerings, both organically and inorganically. We will also continue to focus on managing our liquidity and optimise our costs.

On behalf of everyone at JUMBO, we thank all our shareholders, business partners, customers and our dedicated team for the ongoing support, especially through this tough period and having confidence in our future. We look to a better year ahead, as our team surge forward to serve our customers with quality food and an exceptional experience.

Tan Cher Liang
Independent Chairman

Group CEO's Statement

> "STILL HOLDING DEAR TO OUR PHILOSOPHY OF SERVING AFFORDABLE QUALITY CUISINE, WE ARE ACTIVELY EXPLORING WAYS TO LEVERAGE ON SAME FRESHNESS AND INGREDIENTS TO CREATE NEW DISHES AND NEW TASTES, INNOVATING AND CREATING NEW CONCEPTS TO DRAW DIFFERENT CROWDS."

Dear Shareholders,

Way of life and business in FY2020 have been far from what we could ever imagine. The COVID-19 pandemic, which loomed over the significant part of this financial year, has made considerable impact to JUMBO, particularly in Singapore, our home market. Lockdowns, travel bans, and social distancing measures have made dining out a highly restricted luxury. The result was a significant decline in revenue, due to the double whammy of reduced footfall in outlets and reduced capacity. With the size of our network of outlets coupled with the number of employees under our payroll, our fixed overheads added more pressure on our bottom line.

The Group regrets to announce the first loss since our initial public listing. While we re-position ourselves in the new normal, we will continue to uphold our prudency in cost and liquidity management, to conserve our reserves for growth. At the same time, we will identify pockets of opportunities in the various domestic markets we are in, to solidify our footing and entrench our loyal local customer base, with affordable quality offerings.

Financial Highlights

In FY2020, revenue declined by 36.5% to $97.6 million, from $153.6 million in FY2019. We saw the largest dip in the Singapore market, followed by the PRC.

Our cost of sales, which comprises raw materials and consumables used, decreased by $18.9 million or 33.8% to $36.8 million. The decline was less than proportionate due to the various promotions and discounts we offered to our customers to retain mindshare and market share.

Our operating expenses in FY2020, which include employee benefits, operating lease expenses, utilities, depreciation and amortisation, finance costs and marketing expenses, fell 9.7% from $85.5 million in FY2019 to $77.3 million in FY2020. Despite our intense efforts in cost containment, we could not catch up with the sudden plunge in revenue during the lockdown in various cities, further exacerbated by the slow recovery after lockdowns were lifted due to the extremely stringent social distancing measures. We also recognised a one-off impairment loss amounting to $3.7 million, mainly on property, plant and equipment for those non-performing outlets, namely NASBKT outlet at Resort World Sentosa in Singapore, and JUMBO Seafood outlets in Xi'an and Taichung, and our loans to our associated company in Korea. As a result of the above, we registered a net loss of $8.2 million to owners of the Company, from $11.7 million net profit in FY2019.

Group CEO's Statement

Year in Review

The year started with a bang with one JUMBO Seafood outlet opening in Ilsan, two NASBKT outlets in Shanghai and Taoyuan, respectively, and one XINYAO Hainanese Chicken Rice outlet in Shanghai. We also took over the management of both JUMBO Seafood outlets in Taiwan – Taipei and Taichung, in October 2019, with optimism to turn the operations around by leveraging on our expertise in managing our anchor JUMBO Seafood brand. In Singapore, we renovated the second storey of Chui Huay Lim Teochew Cuisine outlet from August to December 2019, converting it into an event space, with the objective to augment our revenue from events. Unfortunately, with the emergence of the COVID-19 pandemic in December 2019, we did not have enough time to realise the returns from our growth initiatives listed above.

For our existing operations, in our key markets, namely the PRC and Singapore, the governments implemented borders and movement controls. Though the total bans have been lifted as of date, remnants of control measures are still in place, and are still exerting pronounced impacts, especially in the Singapore market, where we used to generate 80% of the Group revenue.

In Singapore, tourists and corporates, constitute two major customer groups, especially for our JUMBO Seafood outlets. For locals, our JUMBO Seafood and Zui Teochew Cuisine, are iconic and top of mind choices for large gatherings for friends and families. Border controls, work from home arrangements, safe-distancing measures and large-scale events restrictions have almost effectively dried up our pipelines of customers for the large part of FY2020. Though we are glad to see minor pickup in volumes, the levels are still far from pre-COVID-19 pandemic levels. We hope as the government cautiously move towards the reopening of our economy, that will offer some bright spots for F&B players, especially those like ours, who focus on large group communal dining concepts.

Despite the tough external environment, we tried to strike a balance between protecting employment and managing our expenses. We believe that the trough for the COVID-19 pandemic will pass, and we are grateful to our staff who have accepted pay-adjustments, and our board of directors ("Board" or "Directors"), for volunteering a reduction in Directors' fees, to tide through this period with the Group. Our war chest of liquidity built up over the years, coupled with various forms of support from the Singapore government, including tax rebates, Jobs Support Scheme and workers' levies, have helped cushioned the pressure on working capital.

We are also excited to share our acquisition of Kok Kee Wanton Noodle Pte. Ltd. ("Kok Kee"), a strategic milestone move, to advocate authentic local flavours and deepen our presence in the local F&B scene. Kok Kee started in 1985 as a humble wanton noodle stall

Group CEO's Statement

at Lavender Food Square in Singapore and has since established itself as a familiar and popular name among many Singaporeans. Known for its springy noodles and special lard-based sauce, as well as its soup dumplings and crispy wontons, Kok Kee was featured by various local food critics and mainstream news portals, such as The Straits Times, AsiaOne and Mothership, when the stall reopened at Bistro 8 Coffeeshop in 2019, after its break in operations from 2016 to 2019.

Hawker food and culture is deeply entrenched in the lives of all Singaporeans. Having a stake in a day-to-day staple food concept will accelerate our Group's breakthrough into the local mass segment. This acquisition also provides diversification in terms of income streams, away from our current dominant concepts, which revolved around full-service dine-in restaurants. We are cautiously optimistic of the future prospects of Kok Kee as it caters primarily to the local mass market, well-suited for fast turnover dine-in or takeaway. We hope to leverage on our rich experience in scaling up businesses via standardisation of workflows, achieving economies of scale and ensuring consistency in quality through Central Kitchen production and a track record in franchising to expand Kok Kee's network locally and to introduce this heritage local dish to geographies beyond Singapore in time to come.

Dividends

We are in the long haul against the COVID-19 pandemic, and with significant uncertainties over its duration and impact, the Group prefers to err on the conservative side and preserve cash to support our working capital requirements until the COVID-19 situation improves. In addition, with the net operating loss incurred this financial year, the Board therefore will not be recommending any final dividends for FY2020.

Going Forward

The COVID-19 pandemic has taught us various valuable lessons:

- To always save up for rainy days
- To be nimble and adaptable, as external environment may change without warning
- Opportunities lie in uncertain times

As the theme of our Annual Report suggests, we are taking a fresh approach in many aspects. Still holding dear to our philosophy of serving affordable quality cuisine, we are actively exploring ways to leverage on same freshness and ingredients to create new dishes and new tastes, innovating and creating new concepts to draw different crowds. With the same amount of resources, we also look to expand revenue by trying on new ideas like virtual brands. Basically, breaking out of our comfort zones.

We are cautiously finding our footing in this new world and we are hopeful for a better 2021 to come, supported by our growth plans in the pipelines.

Acknowledgement

Despite the difficult times of FY2020, I would like to take this opportunity to thank all our loyal customers, shareholders and business partners for standing by us and always believing in the Group.

Most importantly, I would like to show my appreciation to my fellow colleagues and employees who persevered with JUMBO during this time. I am very grateful for all your support as we work through the tough times and look forward to continuing as trusted stewards of the JUMBO name.

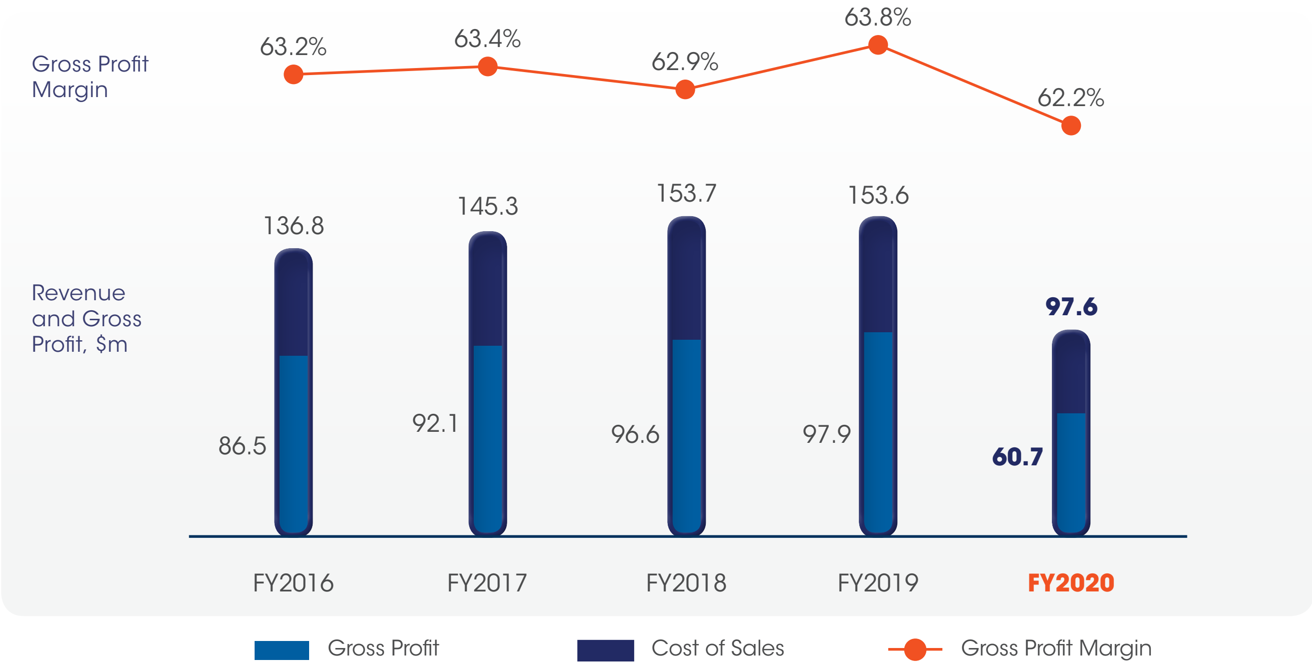
Ang Kiam Meng
Group CEO and Executive Director

Financial Highlights

FY2020

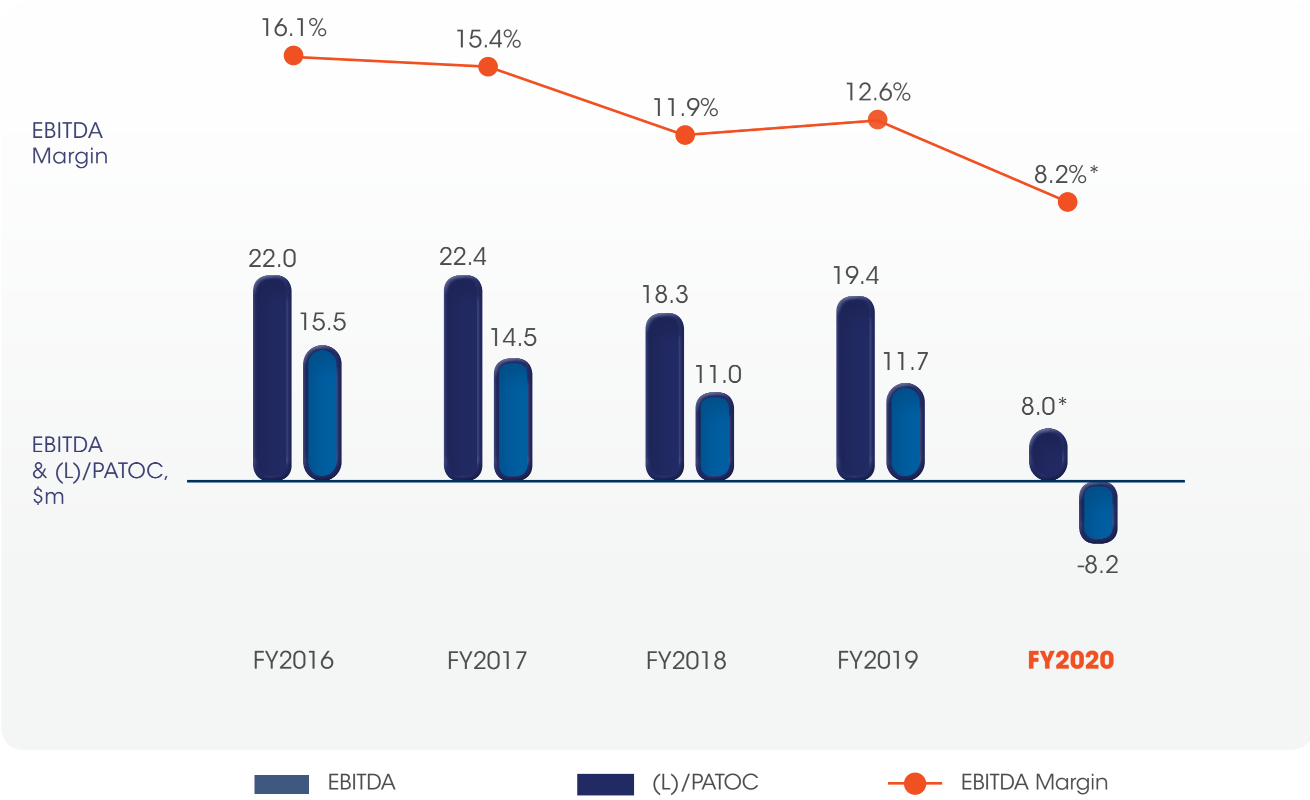
REVENUE	GROSS PROFIT
$97.6m	$60.7m
(FY2019: $153.6m)	(FY2019: $97.9m)
Down 36.5% YoY	Down 38.0% YoY
(L)/PATOC[1]	**EBITDA[2]**
($8.2m)	$8.0m
(FY2019: $11.7m)	(FY2019: $19.4m)
YoY N.M.[3]	Down 58.9% YoY

REVENUE AND GROSS PROFIT



1. (L)/PATOC: (Loss)/Profit attributable to Owners of the Company
2. EBITDA (Earnings before interest, taxes, depreciation, and amortisation) for FY2020 is not directly comparable against FY2019 due to adoption of SFRS(I) 16, effective from 1 October 2019.
3. N.M: Not Meaningful

Financial Highlights



$'000	FY2016	FY2017	FY2018	FY2019	**FY2020**
Revenue	136,752	145,303	153,690	153,631	**97,573**
Profit/(Loss) before tax	18,438	17,819	13,493	13,951	**(9,974)**
Profit/(Loss) for the year	15,708	15,040	10,617	10,855	**(9,870)**
Net profit/(loss) attributable to:					
Owners of the Company	15,508	14,472	11,022	11,668	**(8,169)**
Non-controlling interests	200	568	(405)	(813)	**(1,701)**
	15,708	15,040	10,617	10,855	**(9,870)**
Basic and diluted earnings/(loss) per share (cents)	2.4	2.3	1.7	1.8	**(1.3)**

* EBITDA and EBITDA margin for FY2020 are not directly comparable against FY2016 - FY2019 due to the adoption of SFRS(I)16, effective from 1 Oct 2019.

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue decreased by 36.5% or $56.1 million, from $153.6 million for FY2019 to $97.6 million for FY2020 mainly attributed to the impact from the COVID-19 pandemic.

Since the onset of the COVID-19 pandemic, the F&B sector has taken an adverse hit. In order to curb the spread of COVID-19, the PRC government began to impose various measures in January 2020 which has significantly impacted our operations in the PRC. With heightened fear on the spread of COVID-19, and uncertainties surrounding the development of the pandemic, consumer sentiment was largely dampened, which resulted in lower footfall in malls, leading to a decline in sales at our outlets. As such, revenues from the Chinese New Year season were significantly lower as compared to prior years. Further, we closed an under-performing JUMBO Kitchen outlet at Raffles City, Shanghai, prior to the expiry of its lease.

Similarly, our operations in Singapore were also affected. In order to minimise the spread of COVID-19, the Singapore government implemented the circuit breaker ("CB") in April 2020. During the CB, dining-in was prohibited, and we operated six out of our 16 outlets in Singapore to cater for deliveries and takeaways only.

Due to the closed borders, our outlets in the tourist areas, namely our NASBKT outlets in Marina Bay Sands and Resort World Sentosa remained closed until July 2020. Two of our highest revenue-generating JUMBO Seafood outlets, Riverside Point and The Riverwalk, also observed visibly lower footfall, as they were popular amongst tourists due to their strategic locations.

Post-CB, the work-from-home mandate continued to be imposed by the Singapore government, lowering demand from working crowd and business gatherings. Further, social distancing measures such as limiting five persons to a table and reduced operating capacity have led to a decline in our sales.

As a result, revenue from our PRC operations declined by 22.2% or $6.0 million to $21.2 million in FY2020, while revenue from our Singapore operations decreased 44.9% or $56.8 million to $69.7 million in FY2020. This was partially offset by the revenue from our Taiwan operations of $6.7 million, due to the acquisition of a majority stake in Taiwan JUMBO Seafood in October 2019.

Cost of sales

Cost of sales, which comprised raw materials and consumables, decreased by 33.8% or $18.9 million, from $55.7 million in FY2019 to $36.8 million in FY2020, in-line with the decrease in revenue.

Gross profit

With a less than proportionate decline in cost of sales, gross profit fell to $60.7 million in FY2020, a decrease of 38.0% or $37.2 million compared to FY2019. Gross profit margin was also lower at 62.2% in FY2020 versus 63.8% in FY2019, as we engaged in more promotion campaigns and offered greater discounts to attract customers.

Other income

Other income increased by $8.2 million, from $2.4 million in FY2019 to $10.6 million in FY2020. This was primarily contributed by the Jobs Support Scheme granted by the Singapore government in view of the COVID-19 pandemic, which amounted to $6.2 million, for the periods from October to December 2019; and from February to September 2020. In addition, the Group received property tax rebates and rental rebates which amounted to $2.5 million. The Group also recognised lower impairment on investments at fair value through profit or loss in FY2020 compared to FY2019.

Employee benefits expense

Employee benefits expense decreased by 18.4% or $8.7 million, from $47.2 million in FY2019 to $38.5 million in FY2020, mainly due to the reduction in headcount of approximately 83 on the back of natural attrition without replacement, and cost saving measures taken by the Group due to the COVID-19 pandemic, including elimination of bonus, unpaid leave, temporary pay reduction and lower overtime pay due to shorter operating hours.

Operating lease expenses

Operating lease expenses decreased by 75.3% or $10.6 million, from $14.1 million in FY2019 to $3.5 million in FY2020, mainly as a result of the adoption of SFRS(I) 16 with effect from 1 October 2019. The Group capitalised leases with remaining term of more than 12 months as of 1 October 2019, and these capitalised leases are amortised across the remaining lease term.

Utilities expenses

Utilities expenses decreased by 20.1% or $0.8 million, from $3.9 million in FY2019 to $3.1 million in FY2020, mainly due to the temporary closure of outlets during the CB, as well as the shorter operating hours.

Depreciation expense

Depreciation expense of property, plant and equipment increased by 23.3% or $1.3 million, from $5.4 million in FY2019 to $6.7 million in FY2020, due to the addition of new restaurant outlets in Singapore, namely JUMBO Seafood ION Orchard outlet in December 2018 and JUMBO Seafood Jewel Changi Airport outlet in April 2019 as well as taking over two JUMBO Seafood outlets in Taipei and Taichung from 1 October 2019.

With the adoption of SFRS(I) 16 from 1 October 2019, depreciation cost for right-of-use assets amounted to $10.4 million.

Other operating expenses

Other operating expenses decreased by 4.3% or $0.6 million, from $14.9 million in FY2019 to $14.3 million in FY2020, mainly due to the temporary closure of some outlets during the CB.

Impairment loss recognised on financial assets

Impairment loss recognised on financial assets of $2.3 million relates to impairment loss on the write-off of loans and trade receivables to our associated company in Korea.

Impairment loss recognised on property, plant and equipment

With the much reduced footfall at certain outlets due to the COVID-19 pandemic, the Group recognised impairment loss of $1.4 million on property, plant and equipment for those non-performing outlets, namely NASBKT outlet at Resort World Sentosa in Singapore, and JUMBO Seafood outlets in Xi'an and Taichung.

Share of results of associates

The share of loss in associates in FY2020 of $0.3 million was largely due to the under-performance of JUMBO Seafood outlets in Korea. The two JUMBO Seafood outlets commenced operations in July and October 2019, respectively, and shortly after, the business was affected by the COVID-19 pandemic. The volatile pandemic situation in Korea coupled with waves of subsequent outbreaks have negatively impacted consumer sentiments and dine-in propensity.

The share of loss in associates in FY2019 was largely attributed to JUMBO Seafood outlets in Taiwan, which we have acquired majority stake in, and took over the management of the operations on 1 October 2019.

Income tax expense

We recorded a $0.1 million income tax credit in FY2020 compared to an income tax expense of $3.1 million in FY2019, on the back of the losses incurred during FY2020.

(Loss)/Profit attributable to owners of the Company

As a result of the above, loss attributable to owners of the Company stood at $8.2 million for FY2020 as compared to a profit of $11.7 million in FY2019.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets decreased by $21.2 million to $41.6 million as at 30 September 2020, largely due to:

(i) a decrease in cash and cash equivalents of $18.8 million as a result of lower revenue and the purchase of a property for the expansion of our central kitchen in Singapore; and

(ii) a decrease in trade and other receivables of $3.0 million, mainly due to the write-off of the loans to our associate in Korea.

Non-current assets

The Group's non-current assets increased by $26.9 million, from $27.5 million as at 30 September 2019 to $54.4 million as at 30 September 2020, largely due to:

(i) the adoption of SFRS(I) 16 from 1 October 2019, leading to the capitalisation of right-of-use assets of $23.3 million;

(ii) an increase in intangible assets and goodwill of $1.1 million mainly due to the business acquisition in Taiwan; and

(iii) an increase in property, plant and equipment of $1.8 million due to the acquisition of new property, plant and equipment of $7.8 million during the year, offset by depreciation of $6.7 million recognised in FY2020.

Current liabilities

The Group's current liabilities increased by $6.9 million to $24.9 million as at 30 September 2020 mainly due to:

(i) the adoption of SFRS(I) 16 which required the recognition of lease liabilities of $11.8 million in relation to the capitalised right-of-use of assets (i.e. long-term leases);

(ii) an increase in bank borrowings of $1.6 million in relation to our acquired Taiwan operations; and

(iii) partially offset by (a) a decrease of $4.3 million in trade and other payables, largely due to payment of year-end bonuses; and (b) lower income tax payable of $2.1 million.

Non-current liability

The Group's non-current liabilities increased by $13.4 million to $13.8 million as at 30 September 2020, attributed to increase in lease liabilities and bank borrowings, as explained above.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of $12.7 million for FY2020. The lower cashflow was predominantly due to lower revenue generated for the year, partially offset by an accounting change leading to adjustment on non-cash depreciation for right-of-use assets, and impairment loss adjustments on writing off of property, plant and equipment and loans to associate. Net cash used in working capital amounted to $4.8 million due to an increase in inventories of $0.6 million, a decrease in trade and other receivables of $0.5 million and a decrease in trade and other payables of $4.7 million. Including the $2.0 million paid in income tax and $0.8 million paid in interest, net cash generated from operating activities was $5.2 million for FY2020.

Net cash used in investing activities amounted to $9.6 million mainly due to acquisition of property, plant and equipment of $7.5 million, of which $2.8 million was for the purchase of a property for expansion of our central kitchen and $5.1 million on renovation of new and existing outlets, namely the JUMBO Seafood outlet at The Riverwalk and Chui Huay Lim Teochew Cuisine outlet in Singapore and the JUMBO Seafood outlet at iAPM in the PRC. Cash outlay for the acquisition of JUMBO Seafood in Taiwan amounted to $0.8 million while purchase of treasury shares amounted to $0.2 million.

Net cash used in financing activities for FY2020 of $14.5 million was mainly for the payment of the FY2019 final dividends of $4.5 million and repayment of lease obligations of $10.3 million.

As a result, cash and cash equivalents decreased by $18.9 million to $27.7 million as at 30 September 2020.

Board of Directors and Key Management

Mr. Tan Cher Liang
Independent Chairman

Mr. Tan Cher Liang is our Independent Non-Executive Chairman. He joined our Company as Lead Independent Director on 22 October 2015 and was re-designated as Independent Chairman on 1 February 2017. Mr. Tan was re-elected to the Board on 31 January 2019. Mr. Tan has more than 40 years of experience in corporate advisory and general management.

Currently, he also serves on the Boards of various public and private companies in Singapore including being an Independent Non-Executive Chairman of Vibrant Group Limited, and an Independent Director of Ezra Holdings Limited, Kingsmen Creatives Ltd, Food Empire Holdings Limited and Wilton Resources Corporation Limited. He is also a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation, EtonHouse Community Fund Ltd and Children's Charities Association.

Mr. Tan is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. Mr. Tan was awarded the Public Service Medal in 1996.

Mr. Ang Kiam Meng
Group CEO and Executive Director

Mr. Ang Kiam Meng is our Group CEO and Executive Director. He was appointed to our Board on 4 February 2015 and was re-elected on 17 January 2020. Mr. Ang has been serving with our Group for over 25 years. Mr. Ang is responsible for the overall management, operations, strategic planning, and business development of our Group. He has been, and continues to be, instrumental to our Group's continued success and growth. He is responsible for, *inter alia*, setting and executing our Group's vision, mission, core values and goals, driving the operational efficiency of our Group's work processes, monitoring the development and performance of our Group's business and identifying new opportunities for our Group's expansion domestically and internationally.

Prior to joining our Group, Mr. Ang worked with Singapore Technologies Electronics Limited (formerly known as Singapore Electronic & Engineering Limited) from 1986 to 1993, holding various positions such as Software Engineer and Product Manager. Mr. Ang currently also serves as Chairman of the Technology Committee and Council Member of the Singapore Chinese Chamber of Commerce & Industry, as well as Committee Member of the Restaurant Association of Singapore. Mr. Ang is currently a board director of the Chinese Development Assistance Council.

Mr. Ang obtained a Graduate Diploma in Business Administration from the Singapore Institute of Management in 1991 and graduated with a Bachelor of Arts (majoring in Computer Science) from the University of Texas at Austin (USA) in 1985.

Board of Directors and Key Management

Mdm. Tan Yong Chuan, Jacqueline
Executive Director

Mdm. Tan Yong Chuan, Jacqueline is our Executive Director. She was appointed to our Board on 4 February 2015 and was re-elected on 29 January 2018. Mdm. Tan has been serving with our Group for over 25 years. Mdm. Tan has been, and continues to be, crucial to the operations of our Group, overseeing the procurement and purchasing function, merchandising and pricing strategies of our Group, and monitoring the key performance indicators for our Group, such as customer engagement and reviews. Mdm. Tan is also responsible for strategising and implementing key improvements to our Group's various processes, to continually raise our Group's standards of quality and service. Part of her portfolio includes overseeing our Group's business development and expansion activities.

Prior to joining our Group, from 1985 to 1987 and from 1989 to 1990, Mdm. Tan worked at Boulevard Hotel Singapore, a member of the Goodwood Group, holding various positions, including Personnel Manager. From 1988 to 1989, Mdm. Tan worked in the administrative department of NHS Scotland. Mdm. Tan is currently a director on the Board of Trustees of NuLife Care and Counselling Services.

Mdm. Tan obtained a Graduate Diploma in Personnel Management from the Singapore Institute of Management in 1987 and graduated with a Bachelor of Business Administration from the National University of Singapore in 1984. She also obtained a Master of Counselling degree from Monash University in 2020.

Mrs. Christina Kong Chwee Huan
Executive Director

Mrs. Christina Kong Chwee Huan is our Executive Director. She was appointed to our Board on 22 October 2015 and was re-elected on 31 January 2019. She oversees our Group's human resource and training and development divisions, a role which she has undertaken since joining our Group as Manager of Human Resource and Corporate Affairs in 2008. She also supervises our Group's various training and development programs, strategising to ensure our Group's human resource requirements are met, and manages the employee compensation, benefits and human resource issues of our Group. Mrs. Kong has been, and continues to be, instrumental in the continued refinement and development of our Group's human resource and training and development divisions. Our Group was accredited by both the Singapore Workforce Development Agency and Singapore's Institute of Technical Education as an approved training organisation in 2008.

Mrs. Kong began her career as a purchasing executive with our Group from 1993 to 1994. Between 1995 and 2000, she provided educational services, before joining the Ministry of Education as a teacher from 2001 to 2007.

Mrs. Kong obtained a Postgraduate Diploma in Education from the Nanyang Technological University in 2004 and graduated with a Bachelor of Science from the University of Birmingham (United Kingdom) in 1991. She also obtained a Human Resource Graduate Certification from the Singapore Management University in 2014.

Board of Directors and Key Management

Dr. Lim Boh Soon
Independent Director

Dr. Lim Boh Soon was appointed our Independent Director on 22 October 2015 and was re-elected on 17 January 2020. Dr. Lim has more than 26 years of experience in the banking and finance industry in Asia. He is currently a director of Arise Asset Management Pte. Ltd and an independent director of NASDAQ listed Tomi Environmental Solutions Inc. Prior to that, Dr. Lim was the first non-Muslim CEO of Kuwait Finance House (Singapore) Pte. Ltd. from 2007 to 2009, and the first foreign CEO of Vietcombank Fund Management Company in Vietnam from 2005 to 2007. Dr. Lim was a Group Corporate Director of Autron Corporation Limited from 2002 to 2006 (concurrently when he was CEO of Vietcombank Fund Management Company). From 1996 to 1999, Dr. Lim co-headed UBS Capital Asia Pacific (S) Limited and was also a member of its Regional Investment Committee that managed the Swiss Bank proprietary large private equity funds. Prior to that, he also served in senior management positions for several large regional and global companies, including the Singapore Technologies Group and Rothschild Ventures Asia.

Dr. Lim obtained a Bachelor of Science with First Class Honours and a Doctor of Philosophy in Mechanical Engineering from the University of Strathclyde, United Kingdom, in 1981 and 1985, respectively. He also received a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in Marketing from the Chartered Institute of Management, United Kingdom, in 1991. Dr. Lim is a Fellow of the Singapore Institute of Directors.

Mr. Richard Tan Kheng Swee
Independent Director

Mr. Richard Tan Kheng Swee was appointed our Independent Director on 22 October 2015 and was re-elected on 31 January 2019.

He has more than a decade of experience in legal practice as a corporate and commercial lawyer and is currently a Director at Niru & Co LLC, where, he typically advises and represents companies in a wide range of commercial transactions in relation to asset acquisitions, initial public offerings and other fund-raising exercises, mergers and acquisitions, restructuring exercises, corporate advisory and compliance involving both listed and private companies. Mr. Tan had previously practiced in another mid-sized Singapore law practice.

Mr. Tan currently serves as an Independent Director of Sysma Holdings Limited which is listed on Catalist.

Mr. Tan obtained a Bachelor of Laws (Honours) from the National University of Singapore and a Bachelor of Science (Honours) from the University of Melbourne, Australia. He is an Advocate & Solicitor of the Supreme Court of Singapore, Barrister & Solicitor of the Supreme Court of Victoria, Australia and a Solicitor of the High Court of Australia.

Board of Directors and Key Management

Ms. Sim Yu Juan Rachel
Non-Executive Director

Ms. Rachel Sim was appointed as our Non-Executive Director on 17 February 2020. She was previously our Alternate Director to Mr. Ron Sim Chye Hock when he was Non-Executive Director of the Company.

Ms. Sim currently heads the global marketing team at TWG Tea Co Pte Ltd. ("TWG Tea"). She has helped raise its international brand profile through strategic partnerships and continues to drive the company's global marketing strategy with her team. She also manages the brand's portfolio of digital marketplace brand stores and is responsible for driving growth in 3rd party online channels. She joined the marketing team in September 2014 as a marketing executive focusing on developing partnership and advertising campaigns.

Between November 2012 and September 2014, Ms. Sim was part of the local sales team of TWG Tea managing corporate accounts and was part of the regional sales team (North Asia) assisting with opening of new stores in Taiwan and China including overseeing sales in the Hong Kong market and continues to support the growing North Asia team through her current role.

Mr. Tay Peng Huat
Chief Financial Officer

Mr. Tay Peng Huat was appointed our Chief Financial Officer in December 2014. He is responsible for the overall finance functions and accounting matters of our Group, including implementation of internal controls and monitoring and reporting on our Group's financial performance and overseeing the preparation of accounts and financial statements of our Group.

Mr. Tay has over 30 years of experience in finance and accounting. Prior to joining our Group, from 2002 to 2013, Mr. Tay held the post of Chief Financial Officer at Beyonics Technology Limited (a company which was listed on the Main Board of the SGX-ST until February 2012). Mr. Tay began his career with Ernst & Young Singapore in 1988 and was an Audit Manager when he left in 1996. From 1996 to 2000, he served as the Group Financial Controller of Electronic Resources Limited. Between 2000 and 2002, he held various senior positions in finance and accounting, including Deputy General Manager and Chief Financial Officer of p3.com Pte Ltd (a subsidiary of Pan Pacific Public Company Ltd), Chief Financial Officer at Ezyhealth Asia Pacific Ltd (now known as Wilmar International Ltd), a company listed on the Main Board of the SGX-ST, and Finance Director of Synnex Information Technologies Inc. for its Asia Pacific operations.

Mr. Tay graduated with a Bachelor of Accountancy from the National University of Singapore in 1988. He is a Fellow Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants.

Corporate Social Responsibility

JUMBO firmly believes that companies who do well should also strive to do good, which drove the creation of JUMBO Care, its Corporate Social Responsibility ("CSR") programme. The Group is pleased to announce that in FY2020, JUMBO contributed to more than 20 CSR activities. In particular, the emphasis is providing support towards:

- Educational institutes, in support of programmes which help nurture the next generation
- Trade and Industry bodies, to play its part in strengthening the network, building and sharing knowledge amongst the local businesses
- COVID-19 assistance and support programmes

JUMBO recognises the importance of education and offered sponsorships to various educational causes. Apart from contributing to The Community Foundation of Singapore to set up the HCJC Alumni Student Education Fund, it also funded various subject prizes and academic awards for students in Temasek Polytechnic, particularly in the field of study relating to F&B such as F&B Productivity, Operations, Food Science and also Business Management for Small Medium Enterprises. The Group believes in providing equal opportunities to all, especially education opportunities to the next generation.

JUMBO is also a supporter of cultural and heritage programmes in Singapore. Singapore's rich and multicultural heritage has garnered international recognition and plays a key role in building our national, community and personal identities. In line with that spirit, JUMBO donated generously to Teochew Poit Ip Huay Kwan and Nam Hwa Opera Limited in support of the cultural and heritage activities conducted by them in November 2019.

To promote the cohesiveness and drive synergies across the local business community, JUMBO participated in various activities by the different trade and industry bodies, such as the Singapore Chinese Chamber of Commerce & Industry. JUMBO is also an active member of the Franchising and Licensing Association (Singapore), National Association of Travel Agents of Singapore and Restaurant Association of Singapore.

Sustainability Report

JUMBO will be publishing its standalone FY2020 Sustainability Report (the "Report") by 28 February 2021, disclosing the sustainability practices and performance of JUMBO from 1 October 2019 to 30 September 2020. The Report covers the listed entity, JUMBO Group Limited, JUMBO Seafood outlet at East Coast Park, as well as its central kitchen operations and all its restaurant outlets directly managed under JUMBO Group of Restaurants Pte Ltd in Singapore.

JUMBO recognises the importance of environmental, social and governance considerations in creating value for its business and stakeholders. The Report will share information on JUMBO's sustainability governance structure, stakeholder engagement as well as materiality processes and results. The Report demonstrates JUMBO's commitment to improve its sustainability efforts through disclosing how it measures the performance, manages and monitors key sustainability risks and opportunities, as well as the goals set for the forthcoming year.

In FY2020, JUMBO continued to emphasize on the 4 sustainability focus areas identified in the previous report, namely, focusing on customers, empowering our people, ensuring good governance, contributing to the community. These 4 pillars complement each other to create positive value for JUMBO's stakeholders and society at large.

The Report will be prepared with reference to the GRI Standards and will be aligned with the reporting requirements of Catalist Rules 711A and 711B. The Report will be publicly accessible through JUMBO's corporate website as well as SGXNET.

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Corporate Governance Report

JUMBO Group Limited is committed to achieving a high standard of corporate governance, and to complying with the Code of Corporate Governance 2018 (the "**Code**"). The Company believes that good corporate governance provides the framework for an ethical and accountable corporate environment, which will maximise long-term Shareholders' value and protect the interests of Shareholders. This report describes the Group's main corporate governance practices with specific references to the principles of the Code.

The Company is pleased to confirm that throughout FY2020, the Group has complied substantially with the principles and guidelines of the Code. Where there are deviations from the recommendations of the Code, reasons and explanations in relation to the Company's practices are provided, where appropriate.

BOARD MATTERS

1. The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Each Director is a fiduciary who must act objectively in the best interests of the Company and hold Management accountable for performance. In furtherance of this principle, the Board has adopted a code of conduct and ethics, sets appropriate tone-from-the top and desired organizational culture, and ensures proper accountability within the Group. Directors are not to allow themselves to be placed in a position of real or apparent conflict of interest. Directors facing conflicts of interest must recuse themselves from discussions and decisions involving the issues of conflict.

The principal roles of the Board are to:

- provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- ensure that the necessary resources are in place for the Company to meet its strategic objectives;
- establish and maintain a sound risk management system to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance;
- constructively challenge the Company's management ("**Management**") and review its performance;
- instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and
- ensure transparency and accountability to key stakeholder groups.

Delegation by the Board

Board Committees, namely the Nominating Committee (the "**NC**"), the Remuneration Committee (the "**RC**"), the Audit Committee (the "**AC**") and the Investment Committee (the "**IC**"), have been constituted to assist the Board in the discharge of specific responsibilities. The duties, authorities and accountabilities of each committee are set out in their respective written terms of reference. The Board Committees report their activities regularly to the Board and minutes of the Board Committee meetings are also regularly provided to the Board. The effectiveness of each Board Committee is also constantly monitored to ensure their continued relevance. Further information on the roles and responsibilities of the NC, the RC, the AC and the IC are provided below.

Board Approval

The Board decides on matters that require its approval and clearly communicates this to Management in writing.

Matters which specifically require the Board's approval are:

- annual budget;
- corporate strategy and business plans;
- major funding proposals and investments;
- the appointment and remuneration packages of the Directors and the Management;
- the Group's half-yearly and full-year financial results announcements;
- annual report and accounts for each financial year;
- material acquisitions and disposals of assets;
- share issuances, interim dividends and other returns to Shareholders; and
- matters involving a conflict of interest for a substantial Shareholder or a Director.

While matters relating to the Group's strategies and policies require the Board's direction and approval, the Management is responsible for the day-to-day operations and administration of the Group.

Board and Board Committee Meetings

The schedule of all Board and Board Committee meetings and the annual general meeting ("**AGM**") for each financial year is planned well in advance, in consultation with the Directors. The Board meets at least 4 times a year at regular intervals and on an ad hoc basis, as and when circumstances require. Tele and video-conferencing at Board and Board Committee meetings are allowed under the Company's constitution ("**Constitution**").

The number of Board and Board Committee meetings held for FY2020 as well as the attendance of each Director at these meetings is set out below:

	Board Meeting		AC Meeting		NC Meeting		RC Meeting		IC Meeting	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Mr. Tan Cher Liang	6	6	2	2	1	1	1	1	1	1
Mr. Ang Kiam Meng	6	6	2	2*	1	1	1	1*	1	1
Mdm. Tan Yong Chuan, Jacqueline	6	6	2	2*	1	–	1	–	1	–
Mrs. Christina Kong Chwee Huan	6	6	2	2*	1	–	1	–	1	–
Dr. Lim Boh Soon	6	6	2	2	1	1	1	1	1	1
Mr. Richard Tan Kheng Swee	6	6	2	2	1	1	1	1	1	1
Ms. Sim Yu Juan Rachel[#]	6	6	2	2*	1	–	1	–	1	–
Mr. Ron Sim Chye Hock[##]	6	–	2	–	1	–	1	–	1	–

* Attendance by invitation
[#] Appointed as a Director on 17 February 2020
[##] At the Company's annual general meeting held on 17 January 2020, Mr. Ron Sim retired by rotation in accordance with the Constitution and decided not to seek re-election to the Board

Board Orientation and Training

A formal letter of appointment is provided to every new Director, setting out his/ her duties and obligations. A new Director will attend briefings organised by the Company to familiarise himself/ herself with the Group's business, operations, structure and governance practices relating to, *inter alia*, disclosure of interests in the Company's securities, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. For new first-time Directors who do not have prior experience as a director of a public listed company in Singapore, they will be required to attend the mandatory training as prescribed in the Catalist Rules.

All Directors are also briefed and provided with regular updates in areas such as corporate governance, commercial risks, changes to laws and regulations pertaining to the Group's business and operations, and changes in financial reporting standards, so as to enable them to properly discharge their duties as Board members.

Further, in order to provide the Independent Directors and Non-Executive Director with a better understanding of the Group's business and operations, the Company conducts visits to the Group's headquarters, including its central kitchen and its various F&B outlets. The Directors can also request for further briefings or information on any aspect of the Group's business or operations from the Management.

Access to Information

The Company makes available to all Directors its management accounts and other financial statements, budgets and forecasts, together with all other relevant information. The Directors may seek detailed information from the Management regarding the management accounts and other financial statements, budgets and forecasts, where necessary. In addition, the Management provides the Directors with complete, adequate and timely information prior to the scheduled meetings and on an ongoing basis so as to enable the Directors to make informed decisions and discharge their duties and responsibilities.

The Directors have been provided with the contact details of the Management and company secretary to facilitate separate and independent access at all times, at the Company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole. The Directors may, in furtherance of their duties, take independent professional advice, if necessary, at the Company's expense.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Composition

Currently, the Board comprises 7 Directors, 3 of whom are independent, which complies with the Code's guideline on the proportion of Independent Directors on the Board. The Board is constituted as follows:

Mr. Tan Cher Liang	(Independent Chairman)
Mr. Ang Kiam Meng	(Group CEO and Executive Director)
Mdm. Tan Yong Chuan, Jacqueline	(Executive Director)
Mrs. Christina Kong Chwee Huan	(Executive Director)
Dr. Lim Boh Soon	(Independent Director)
Mr. Richard Tan Kheng Swee	(Independent Director)
Ms. Sim Yu Juan Rachel*	(Non-Executive Director)

* Appointed as a Director on 17 February 2020.

As 3 out of 7 members of the Board are Independent Directors, there is a strong independent element on the Board and no individual or small group of individuals dominate the Board's decision-making process. In addition, the Board has an Independent Chairman, Mr. Tan Cher Liang. The Non-Executive Directors make up a majority of the Board.

Each year, the Board reviews its size and composition, taking into account, *inter alia*, the Board Diversity Policy implemented by the Company. Key considerations in the Board Diversity Policy include the scope and nature of the Group's business and operations and the benefits of all aspects of diversity, including but not limited to gender, age, educational background and professional experience in order to provide the Board access to an appropriate range and balance of skills, knowledge, experience and backgrounds. The Board is of the view that the Directors hold core competencies such as accounting, finance and legal expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge.

The Independent Directors and Non-Executive Director contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Directors and the Management with diverse and objective perspectives on issues considered by the Board. The Independent Directors and Non-Executive Director also aid in developing the Group's strategic process, reviewing the performance of the Management in meeting agreed goals and objectives, and monitoring the reporting of performance and operations as an appropriate check and balance. The Independent Directors and Non-Executive Director meet regularly on their own without the presence of the Executive Directors and the Management and provide feedback to the Group CEO after such meetings.

In addition, the Board places emphasis on ensuring gender representation and diversity. At present, the Board has 2 female Executive Directors, namely Mdm. Tan Yong Chuan, Jacqueline and Mrs. Christina Kong Chwee Huan, and 1 female Non-Executive Director, namely Ms. Sim Yu Juan Rachel.

Hence, the Board believes that its current composition and size provides an appropriate balance of skills, experience, gender and knowledge, which avoids groupthink, fosters constructive debate, and facilitates effective decision making.

Board Independence

The independence of each Director is reviewed by the NC on an annual basis. In determining whether a Director is independent, the NC has considered the guidelines in the Code.

The Code has defined an "Independent" director as one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

Under Rule 406(3)(d) of the Catalist Rules, a director will not be independent under any of the following circumstances:

- if he is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years;

- if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the RC.

The Directors complete an annual declaration of independence, whereby they are required to assess their independence taking into account the above requirements, which is then put to the NC for review. The Directors are also required to disclose any business relationships with the Company, its related corporations or its officers which may interfere with, the exercise of their independent business judgment in the best interests of the Company, or would otherwise deem them to be not independent. Following its annual review, the Board and the NC are of the view that Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee have at all times discharged their duties with professionalism and objectivity, and exercised strong independent judgement in the best interests of the Company, and should therefore continue to be deemed Independent Directors.

For the above reasons, the NC has determined Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee to be Independent Directors.

At present, there are no Independent Directors who has served beyond 9 years since the date of his first appointment.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the board and management, and no one individual has unfettered powers of decision-making.

The Company has a separate Chairman and Group CEO. This ensures that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and Group CEO are not related to each other.

Mr. Tan Cher Liang is the Independent Chairman. He promotes high standards of corporate governance and leads the Board to ensure its effectiveness on all aspects of its role. As part of his administrative duties, the Independent Chairman sets the Board meeting agenda in consultation with the senior Management and the company secretary, and ensures that adequate time is available for the discussion of all agenda items and that the Directors receive complete, adequate and timely information. He also encourages constructive relations within the Board and between the Board and the Management and facilitates effective contribution of the Independent Directors and Non-Executive Director. In addition, the Independent Chairman is responsible for ensuring effective communication with Shareholders. He will also take the lead in ensuring compliance with the Code.

Mr. Ang Kiam Meng is the Group CEO and Executive Director. He is responsible for the overall management, operations, strategic planning, and business development of the Group, and ensuring a cohesive working relationship among the Directors and timeliness of information flow between the Board and the Management.

The Company does not have a lead Independent Director given that the majority of the Board is non-executive and that the Chairman is independent. Furthermore, the NC, the RC, the AC and the IC are all chaired by the Independent Directors.

Board Membership

Principle 4: The board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the board.

Nominating Committee

The NC is chaired by Dr. Lim Boh Soon and comprises Mr. Ang Kiam Meng, Mr. Tan Cher Liang, and Mr. Richard Tan Kheng Swee. A majority of the NC members, including the Chairman of the NC, are Independent Directors.

The NC holds at least 1 meeting in each financial year. The principal role of the NC in accordance with its written terms of reference is as follows:

- reviewing, assessing and recommending the appointment of new Directors and the re-appointment or re-election of Directors, taking into consideration each Director’s contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director’s respective commitment(s) outside the Group;

- determining annually, as and when circumstances require, whether or not a Director is independent;

- developing a process and criteria for evaluating the effectiveness of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender, knowledge of the Group and core competencies of the Directors as a group, so as to ensure that the Board is able to function competently and efficiently;

- reviewing succession plans for the Directors, in particular, the Group CEO and the Independent Chairman; and

- recommending to the Board the induction training programmes for new Directors and reviewing the training and professional development programmes for the Board.

The date of first appointment and date of last re-election of each Director is set out below. For the profiles of the Directors, please refer to the section entitled "Board of Directors and Key Management" of this annual report. In addition, information on each Director's shareholding in the Company, if any, is set out in the section entitled "Directors' Statement" of this annual report.

Name of Director	Date of first appointment	Date of last re-election
Mr. Tan Cher Liang	22 October 2015	31 January 2019
Mr. Ang Kiam Meng	4 February 2015	17 January 2020
Mdm. Tan Yong Chuan, Jacqueline	4 February 2015	29 January 2018
Mrs. Christina Kong Chwee Huan	22 October 2015	31 January 2019
Dr. Lim Boh Soon	22 October 2015	17 January 2020
Mr. Richard Tan Kheng Swee	22 October 2015	31 January 2019
Ms. Sim Yu Juan Rachel	17 February 2020	–

Mr. Ang Kiam Meng, Mdm. Tan Yong Chuan, Jacqueline, and Mrs. Christina Kong Chwee Huan do not have any other public listed company board representations or other principal commitments.

Mr. Tan Cher Liang is the independent non-executive chairman of Vibrant Group Limited, and an independent director of Kingsmen Creatives Limited, Wilton Resources Corporation Limited, Ezra Holdings Limited, and Food Empire Holdings Limited, which are public listed companies. Mr. Tan Cher Liang is also a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation, EtonHouse Community Fund Ltd and Children's Charities Association.

Dr. Lim Boh Soon is the independent director of NASDAQ-listed Tomi Environmental Solutions Inc and a director of Arise Asset Management Pte Ltd. In the preceding 3 years, he was independent director of CSE Global Limited and AcrossAsia Limited; all of which are public listed companies. Dr. Lim was also an independent director of OUE Commercial REIT Management Pte Ltd, the manager of OUE Commercial Real Estate Investment Trust, which is publicly listed.

Mr. Richard Tan Kheng Swee is a Director of Niru & Co LLC, a Singapore law firm. He is also an independent director of Sysma Holdings Limited which is a public listed company. In the preceding 3 years, he was independent director of Mirach Energy Limited and 8Telecom International Holdings Co. Ltd; all of which are public listed companies.

Ms. Sim Yu Juan Rachel is head of the global marketing team of TWG Tea Co Pte Ltd. Ms. Sim Yu Juan Rachel does not have any other public listed company board representations or other principal commitments.

Directors' Commitments

The NC ensures that new directors are aware of their duties and obligations. The NC also considers whether each Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration, *inter alia*, the Director's number of public listed company board representations and other principal commitments[1]. In addition, the NC will also take into consideration, *inter alia*, a qualitative assessment of each Director's contributions as well as any other relevant time commitments.

The Board noted that none of the Directors has directorships in more than 6 public listed companies. In addition, the Board tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Group. The NC has reviewed each Director's directorships and principal commitments as well as each Director's attendance and contributions to the Board. Despite the multiple directorships of some Directors, the NC is satisfied that the Directors spent adequate time on the Company's affairs and have diligently discharged their responsibilities. The NC and the Board will continue to review from time to time the listed company board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Company and are able to discharge their duties adequately.

1 The term "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.

Process for Nomination and Selection of New Directors

The Company adopts a comprehensive and detailed process in the selection of new Directors. Candidates will be first sourced through an extensive network of contacts and selected based on, *inter alia*, the needs of the Group and the relevant expertise required. When necessary, the NC may seek the help of external consultant(s) in the search process. In selecting suitable candidates, the Board, in consultation with the NC, will consider the Group's strategic goals, business direction and needs. The Board will also consider gender diversity requirements in seeking any new appointment to the Board. The NC will conduct interviews with the candidates, and nominate the candidate deemed most suitable for appointment to the Board.

Process for Re-nomination and Re-election of Directors

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals in accordance with the Constitution. Pursuant to Regulation 89 of the Constitution, one-third of the Board are to retire from office by rotation and be subject to re-election at the AGM. In addition, Regulation 88 of the Constitution provides that a newly appointed Director must retire and submit himself/herself for re-election at the next AGM following his/her appointment. Thereafter, he/she is subject to be re-elected by rotation in accordance with the Constitution.

Each member of the NC shall abstain from voting on any resolutions in respect of his re-nomination and re-election.

The NC has reviewed and recommended the re-nomination and re-election of Mr. Tan Cher Liang, Mdm. Tan Yong Chuan, Jacqueline, and Ms. Sim Yu Juan Rachel who will be retiring as Directors at the forthcoming AGM. Mr. Tan Cher Liang and Mdm. Tan Yong Chuan Jacqueline will be retiring pursuant to Regulation 89 of the Constitution. Ms. Sim Yu Juan Rachel will be retiring pursuant to Regulation 88 of the Constitution. All three retiring Directors have offered themselves for re-election. The Board has accepted the recommendations of the NC.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Board Evaluation Process

The NC assesses and discusses the performance of the Board as a whole and its Board Committees on an annual basis. Each Director completes a confidential questionnaire, and the responses are presented to the NC for review, following which the NC will recommend to the Board key areas for improvement and follow-up actions. The Board acts on the feedback and in consultation with the NC, proposes, where appropriate, new Directors to be appointed or seeks the resignation of Directors.

Each Director will evaluate the performance of the Board taking into account a set of objective performance criteria recommended by the NC which includes, inter alia, Board composition and size, Shareholders' access to information, Board processes, Board effectiveness, Board standards of conduct and financial performance indicators. The Board is of the view that this set of performance criteria allows for appropriate comparison and addresses how the Directors have enhanced long-term Shareholders' value. For FY2020, the NC is of the view that the Board has fared well against the performance criteria and objectives and the NC is satisfied with the performance of the Board. For FY2020, the NC did not engage any external facilitator to assist with the assessment of the Board's performance.

Individual Director Evaluation

The NC will assess each Director's contribution to the effectiveness of the Board. In evaluating the contribution by each Director, various factors will be taken into consideration, including individual performance of principal functions and fiduciary duties, attendance and participation in meetings and commitment of time to Director's duties. The NC will also consider other contributions by a Director such as providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and the Director's accessibility to the Management outside of formal Board and/or Board Committee meetings. The performance of each Director will be taken into account in re-election.

2. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Committee

The RC is chaired by Mr. Richard Tan Kheng Swee and comprises Mr. Tan Cher Liang and Dr. Lim Boh Soon. All the RC members, including the Chairman, are Independent Directors. The RC holds at least 1 meeting in each financial year. The principal role of the RC, in accordance with its written terms of reference, is as follows:

- recommending to the Board a framework of remuneration for the Board and key management personnel, and determine specific remuneration packages for each Director and key management personnel;
- reviewing the remuneration of the employees related to the Directors and substantial Shareholders who hold managerial positions;
- reviewing and approving any bonuses, pay increments and/ or promotions for the related employees who hold managerial positions;
- setting the remuneration guidelines and policies of the Group; and
- administering the Jumbo employee share option scheme (the "**Share Option Scheme**") and the Jumbo performance share plan (the "**Performance Share Plan**"). Details of the Share Option Scheme and the Performance Share Plan are contained in the Company's offer document dated 28 October 2015 ("**Offer Document**").

The Board considers that the members of the RC, who each have many years of experience in senior management positions and/or on the boards of various listed companies, collectively have strong management experience and expertise on remuneration issues. If necessary, the RC may seek expert advice inside and/or outside the Company on the remuneration of all Directors and the Management. The RC shall ensure that remuneration consultants, if engaged, shall be free from any relationships with the Company which might affect their objectivity and independence. For FY2020, the RC did not engage any remuneration consultants.

Procedures for Setting Remuneration

The Company has implemented formal and transparent procedures and policies in relation to executive remuneration and for determining the remuneration packages of individual Directors. The RC reviews and recommends to the Board a general framework of remuneration and specific remuneration packages for the Board and key management personnel, covering all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind. The RC's recommendations are submitted for endorsement by the entire Board. Each RC member does not participate in discussions, and abstains from decision-making, in relation to any remuneration, compensation, options or any form of benefits to be granted to him. No Director is involved in deciding his/ her own remuneration.

The RC also reviews all aspects of remuneration, including the Company's obligations, if any, arising in the event of termination of the Executive Directors' and/ or key management personnel's contracts, to ensure that the terms are fair and reasonable. Currently, save as required for compliance with the applicable laws of Singapore and the PRC, the Group has not set aside any amounts to provide for pension, retirement or similar benefits for the Group's employees.

Remuneration Policies

In order to maximise Shareholders' value and promote the long-term success of the Group, the Company seeks to attract, retain and motivate the Management and employees by tailoring competitive remuneration packages to the specific role and circumstances of each Director, the Group CEO and key management personnel. This ensures an appropriate renumeration level and mix that recognizes the performance, potential, and responsibilities of these individuals.

The remuneration of the Management and employees is set based on, *inter alia*, each individual's scope of responsibilities, prevailing market conditions, the Company's risk policies, the time horizon of such risks and comparable industry benchmarks. The Company rewards the Management and employees based on achievement of individual performance objectives using indicators such as competencies, key result areas, performance ratings and the Group's financial performance. The Board is of the view that performance-based remuneration will motivate the Management and employees to achieve superior performance and promote the long-term growth of the Group.

Under the terms of the service agreements entered into with the Executive Directors, the Company is entitled to reclaim, in full or in part, any incentive bonus paid to the Executive Director, under circumstances of (i) misstatement of financial results, or (ii) misconduct of the Executive Director, resulting, directly or indirectly, in financial loss to the Company, as may be determined by the Board in its absolute discretion.

Executive Directors and Key Management's Remuneration

Each of the Executive Directors and key management personnel is entitled to, *inter alia*, a base salary and performance-related incentives linked to the financial performance of the Group and the individual's performance, which is assessed based on the respective key performance indicators allocated to them. The Executive Directors do not receive Directors' fees from the Company.

Each of the Executive Directors has entered into a service agreement with the Company, which takes effect upon the date of admission of the Company to Catalist. Under the terms of their service agreements, each of the Executive Directors is entitled to an incentive bonus based on, *inter* alia, the financial performance of the Group and his/her individual performance for that year. The terms of the Executive Directors' service agreements and their remuneration packages are subject to review by the RC. There are no excessive or onerous removal clauses in these service agreements. Further details of the service agreements with the Executive Directors are set out in the Company's Offer Document.

The following performance conditions have been selected to motivate the Executive Directors and key management personnel to work in alignment with the interests of all stakeholders:

Performance Conditions	Performance Criteria	
Qualitative	(a)	Leadership
	(b)	People development
	(c)	Commitment
	(d)	Teamwork
	(e)	Current market and industry practices
Quantitative	(a)	Profit before tax
	(a)	Relative financial performance of the Group to its industry competitors

For FY2020, the RC is of the view that the performance conditions were met by each of the Executive Directors and the key management personnel.

Independent Directors' and Non-Executive Director's Remuneration

The Independent Directors and Non-Executive Director have not entered into service agreements with the Company. Each Independent Director or Non-Executive Director receives a basic fee for serving on the Board. The fees are determined by the Board, taking into account the effort, time spent and responsibilities of the Independent Director or Non-Executive Director, and subject to approval of Shareholders at each AGM. The Independent Directors and Non-Executive Director have not been over-compensated to the extent that their independence is compromised.

The Independent Directors and Non-Executive Director have voluntarily taken a 40% reduction in their directors' fees for FY2020, arising from the adverse impact of the COVID-19 pandemic.

Level and Mix of Remuneration

Details of the remuneration of the Directors, Group CEO and the Company's key management personnel for FY2020 are set out below.

(a) Directors

Name of Director	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration	
	%	%	%	%	%	%	%	Band [1]
Executive Directors								
Mr. Ang Kiam Meng	–	97	–	3	–	–	100	II
Mdm. Tan Yong Chuan, Jacqueline	–	87	–	13	–	–	100	II
Mrs. Christina Kong Chwee Huan	–	83	–	17	–	–	100	II
Independent Directors								
Mr. Tan Cher Liang	100	–	–	–	–	–	100	I
Dr. Lim Boh Soon	100	–	–	–	–	–	100	I
Mr. Richard Tan Kheng Swee	100	–	–	–	–	–	100	I
Non-Executive Directors								
Mr. Ron Sim Chye Hock[2]	100	–	–	–	–	–	100	I
Ms. Sim Yu Juan Rachel	100	–	–	–	–	–	100	I

Notes:

(1) Band I: Remuneration of between $0 and $250,000 per annum
Band II: Remuneration of between $250,001 and $500,000 per annum

(2) At the Company's annual general meeting held on 17 January 2020, Mr. Ron Sim retired by rotation in accordance with the Constitution and decided not to seek re-election to the Board

The Company has disclosed each Director's remuneration in bands of $250,000 and provided a further detailed breakdown of the remuneration in percentage terms into fixed salary, variable or performance-related incentives/ bonuses, benefits-in-kind, share-based incentives and awards. The Company is of the view that this is sufficient to provide Shareholders with insight into the level of compensation of the Directors and the links between the Directors' remuneration and their performance. Further details regarding the remuneration of each Director are deemed, in light of the sensitivities of remuneration in a small and medium size enterprise environment, not to be in the best interests of the Company. Save as disclosed above, no other long-term incentives and no termination, retirement or post- employment benefits have been granted to the Directors or the Group CEO.

(b) Key Management Personnel

Name of Key Management Personnel[1]	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration
	%	%	%	%	%	%	%
Between $250,001 and $500,000 per annum							
Mr. Tay Peng Huat	–	86	–	14	–	–	100

Note:

(1) The Company only has 1 key management personnel who is not a Director or the Group CEO

The Company has disclosed its key management personnel's remuneration in bands of $250,000 as well as a breakdown (in percentage terms) into fixed salary, variable or performance-related incentives/bonuses, benefits-in- kind, share-based incentives and awards. Save as disclosed above, there are no other long-term incentives and no termination, retirement or post-employment benefits granted to the key management personnel.

As the Company only has 1 key management personnel who is not a Director or the Group CEO, it is not in the best interests of the Company to disclose the aggregate remuneration paid to the top 5 key management personnel.

During FY2020, the following employees of the Group are immediate family members of a Director or the Group CEO:

Name of employees who are immediate family members	Relationship with the Directors or the Group CEO	Remuneration Band [1]
Mr. Ang Hon Nam	Father of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	II
Mr. Ang Kiam Lian	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	I
Mdm. Wendy Ang Chui Yong	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	II

Note:

(1) Band I: Remuneration of between $100,001 and $200,000 per annum
Band II: Remuneration of between $200,001 and $300,000 per annum

Save as disclosed above, there are no other employees who are related to the Directors, the Group CEO or a substantial Shareholder, and whose remuneration exceeds $100,000.

Employee Share Scheme(s)

The Company has adopted the Share Option Scheme and the Performance Share Plan. The Share Option Scheme and the Performance Share Plan will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. The Share Option Scheme and the Performance Share Plan, which form an integral part and important component of the employee compensation plan, are designed to primarily reward and retain Directors and employees whose services are vital to the Group's well-being and success. As at the date of this annual report, no options have been granted under the Share Option Scheme since its commencement. Information on awards that have been granted under the Performance Share Plan is disclosed in the section entitled "Directors' Statement" and Note 26 in the notes to the financial statements of this annual report. No options or awards were granted to a parent company and its subsidiaries.

Further details of the Share Option Scheme and the Performance Share Plan are set out in the Company's Offer Document.

3. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board, with the assistance of the AC, has oversight of the Group's risk management framework and policies, including reviewing the Group's business and operational activities to determine the nature and extent of significant business risks, and recommending to the Management the appropriate strategy and resources required for managing risks that are consistent with the Group's risk appetite.

In line with the Company's disclosure obligations under the Catalist Rules, the Board's policy is that Shareholders shall be informed of all major developments relating to the Group. Information is communicated to Shareholders on a timely basis through SGXNET and, if relevant, the press. The Board also provides Shareholders with a detailed explanation of the Group's financial performance, financial position and prospects on a half yearly basis.

The Management makes available to all Directors, the management accounts and other financial statements, together with all other relevant information of the Group's financial performance, financial position and prospects on a half yearly basis and as and when the Directors may require from time to time.

The Board ensures that relevant regulatory requirements and any updates thereof will be highlighted from time to time to ensure compliance with all relevant regulatory requirements.

The Group has put in place appropriate risk management processes to evaluate the operating, investment and financial risks of the Group. The Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

The Board reviews the adequacy and effectiveness of the Group's risk management systems and internal controls framework, including financial, operational, compliance and information technology controls.

Material transactions are also subject to risk analysis by the AC and the Management, and measures to safeguard against significant risks are established prior to undertaking new projects. The AC, together with the Management, will continue to enhance and improve the existing risk management and internal control systems.

The internal and external auditors also assist in the risk management process by identifying certain areas of concern that are uncovered through financial/audit checks. The key risks facing the Group have been identified and appropriate measures are in place to mitigate such risks.

For FY2020, the Board has received assurance from the Group CEO and Executive Director, and the Chief Financial Officer that the financial records have been properly maintained, the financial statements give a true and fair view of the Group's operations and finances, and the Group's risk management and internal control systems are adequate and effective.

Based on the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established and maintained by the Group, work performed by the internal and external auditors, information provided to the AC and the Board and reviews performed by the AC and the Board at least annually, the Board, with the concurrence of the AC, is of the opinion that for FY2020 the Group's internal controls, addressing financial, operational, compliance and information technology controls as well as risk management systems were adequate and effective.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC is chaired by Mr. Tan Cher Liang and comprises Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee. All the AC members, including the Chairman, are Independent Directors.

The members of the AC are appropriately qualified and possess the relevant accounting or related financial management expertise or experience to discharge their duties. None of the members of the AC is a former partner or director of the Company's existing auditing firm.

The AC holds at least 2 meetings in each financial year. The principal role of the AC in accordance with its written terms of reference is as follows:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- reviewing with the internal and external auditors, the audit plans, scope of work, their evaluation of the Group's system of internal controls, audit reports, their letter(s) to the Management and the Management's responses and the results of the audits compiled by the internal and external auditors, and reviewing at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal and external auditors;

- reviewing the periodic consolidated financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other relevant statutory or regulatory requirements, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary;

- reviewing the effectiveness and adequacy of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, discussing issues and concerns, if any, arising from the internal audits and reporting to the Board at least annually in connection therewith;

- reviewing and discussing with the external and/or internal auditors any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

- reviewing the adequacy and effectiveness of the Group's internal audit function;

- reviewing the assistance given by the Management to the internal and external auditors;

- review the assurance provided by the Group CEO and the Chief Financial Officer regarding the financial records and financial statements;

- reviewing the independence and objectivity of the internal and/ or external auditors at least annually, considering the appointment or re-appointment of the internal and external auditors and matters relating to the resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the internal and external auditors;

- reviewing interested person transactions (if any) falling within the scope of the Catalist Rules;

- reviewing the procedures by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC regarding possible improprieties in matters of financial reporting or other matters and ensuring that there are arrangements in place for independent investigation and follow-up actions thereto;

- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters requiring the attention of the AC; and

- generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with the Management and the external auditors have been included as Key Audit Matters ("**KAM**") in the audit report for FY2020 on pages 48 and 49 of this annual report.

In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that the Management's accounting treatment and estimates in the KAM were appropriate.

In addition, the AC is tasked to commission independent investigations of any suspected fraud or irregularity, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings of such investigations. The AC has reasonable resources to enable it to discharge its responsibilities properly. It has full access to, and the co-operation of, the Management and full discretion to invite any Director or key executive to attend its meetings.

The AC also meets with the internal auditors and external auditors without the Management, at least annually and whenever necessary to review the adequacy of audit arrangements, with emphasis on the scope and quality of audit and the independence and objectivity of the auditors.

The external auditors provide regular updates and briefings to the AC on changes to accounting standards and other financial issues to enable the AC to keep abreast of such changes and its corresponding impact on the financial statements.

External Auditors

The AC undertook a review of the independence and objectivity of the external auditors, taking into consideration the requirements under the Accountants Act (Chapter 2) of Singapore, including but not limited to, the aggregate and respective fees paid for audit and non-audit services and the cooperation extended by Management to allow an effective audit.

The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2020. A breakdown of the audit and non- audit fees paid to the Company's auditors is disclosed on page 111 of this annual report. The non-audit fees paid to the Company's auditors were in relation to tax services and other assurance services.

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group. Moreover, the AC is satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business.

The Company has complied with Rules 712 and 715 of the Catalist Rules in the appointment of its external auditors.

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditor ("IA"). The internal audit function of the Company is out-sourced to KPMG Services Pte Ltd ("KPMG"). The IA reviews the effectiveness of key internal controls, including financial, operational and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the Company's documents, records, properties and personnel of the Group, including access to AC.

The primary functions of internal audit are to help:–

(a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ascertain whether control procedures are complied with;

(b) assess if operations of the business processes under review are conducted efficiently and effectively; and

(c) identify and recommend improvement to internal control procedures, where required.

The AC reviews the adequacy and effectiveness of the internal audit function of the Company annually. The AC is satisfied that the IA has adequate resources to perform its function effectively. The IA is led by a KPMG partner who has more than 20 years of audit experience and the team is staffed by suitably qualified and experienced professionals with the relevance qualifications and experience.

The Company's internal audit function is independent of the external audit. KPMG is a member of the Institute of Internal Auditors Singapore ("IIA"), a professional internal auditing body affiliated to the Institute of Internal Auditors, Inc. The internal audit work carried out is guided by KPMG's global internal auditing standards and the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the IIA. KPMG continues to meet or exceed the IIA Standards in all key aspects. KPMG has confirmed their independence to the AC.

During the year, the IA adopted a risk-based audit approach that focused on material internal controls, including financial, operational, compliance and information technology controls. All internal audit reports are submitted to the AC for deliberation with copies of these reports extended to the Chairman, Group CEO, Executive Directors and the relevant key management personnel.

The AC has reviewed the Company's internal control assessment and based on the internal auditors' and external auditors' reports and the internal controls in place, it is satisfied that there are adequate and effective internal controls to meet the needs of the Group in its current business environment. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

Whistle-blowing Policy

The Company has implemented a whistle-blowing policy, which provides the Group's employees and any other persons with well-defined and accessible channels through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Whistle-blowing concerns may be reported in person or in writing via electronic mail.

The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle-blowers. Anonymous disclosures will be accepted and anonymity honoured.

The AC reviews such policy to ensure that arrangements are in place for independent investigation of such matters and for appropriate follow-up action.

No whistle-blowing concerns were reported for FY2020.

4. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board supports and encourages active Shareholder participation at Shareholders' meetings. Shareholders are informed of Shareholders' meetings through notices published in the newspapers, reports and/ or circulars provided to all Shareholders. Each item of special business included in the notices of Shareholders' meetings is accompanied, where appropriate, by an explanation for the proposed resolution. The Company will strive to avoid scheduling meetings during peak period when the meetings may coincide with those of other companies to enhance Shareholder participation in Shareholders' meetings.

Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions are done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved. All resolutions are to be voted by poll, following which the detailed results showing, inter alia, the number of votes cast for and against each resolution and the respective percentages will be announced.

The Independent Chairman, the Group CEO and chairpersons of the AC, the NC, the RC and the IC will be available at Shareholders' meetings to answer queries. The external auditors will also be present at the AGM to assist the Directors in addressing any relevant queries by Shareholders regarding the conduct of audit and the preparation and content of the auditors' report. The AGM is the principal forum for dialogue with Shareholders. All of the Directors attended the AGM in FY2019.

The Board is mindful of the obligation to provide regular, effective and fair communication with Shareholders. Information is communicated to Shareholders on a timely basis. The Company does not practise selective disclosure. Information will be publicly released via SGXNET and/ or the Company's corporate website before the Company meets with any group of investors or analysts. The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules, and are also made available to the public via the Company's website.

The Company will publish the minutes of the AGM for FY2020 on the Company's website and SGXNET within one month after the date of the AGM for FY2020, including responses from the Board and Management in relation to substantial and relevant questions from Shareholders relating to the resolutions to be tabled for approval at the AGM for FY2020.

The Company currently does not have a fixed dividend policy. Any declaration and payment of dividends will depend on, *inter alia*, the Group's operating results, financial conditions, cash flows, expected future earnings, capital expenditure programme(s) and investment plans, the terms of the borrowing arrangements (if any) and other factors deemed relevant by the Directors. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future.

In light of the COVID-19 pandemic, the Company's AGM for FY2020 will be held via electronic means. Shareholders will not be able to attend the AGM in person, but may observe the proceedings of the AGM by audio or audio-visual means. Shareholders may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM. Please refer to the notice of the FY2020 AGM and announcement dated 14 January 2021 for more information.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The investor relations policy sets out the mechanism through which Shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Board welcomes the views of Shareholders on matters affecting the Group, whether at Shareholders' meetings or on an ad-hoc basis. The Board will also engage in investor relations activities to allow the Company to engage Shareholders as and when it deems necessary and appropriate.

The Company's investor relations team is led by the Chief Financial Officer who is responsible for integrating finance, accounting, corporate communications, and legal compliance to enable effective communication between the Company and investors. The Company holds briefings to present its financial results for the media and analysts, when requested. Outside of the financial announcement periods, when necessary and appropriate, the Management will meet investors and analysts who wish to seek a better understanding of the Group's business and operations. This also enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views. When opportunities arise, the Company conducts media interviews to give its Shareholders and the public a better perspective of the Group's business, operations and prospects. The investor relations team can be contacted through the Company's corporate website. The investor relations team has procedures in place for responding to queries from shareholders on a timely basis.

5. MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced, when compared to the needs and interests of its stakeholders. Stakeholders of the Company include but are not limited to its customers, employees, suppliers, investors, shareholders, and regulators.

The Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Company are aligned with those stakeholders. Pertinent information is regularly conveyed to the stakeholders through SGXNET. Details of the stakeholders engaged by the Company can be found in the Company's Sustainability Report which will be released by 28 February 2021. The sustainability report will share information on the Company's sustainability governance structure, stakeholder engagement as well as materiality processes and results.

The Company also maintains a corporate website at https://www.jumbogroup.sg to communicate and engage with stakeholders.

INVESTMENT COMMITTEE

The IC is chaired by Dr. Lim Boh Soon and comprises Mr. Tan Cher Liang, Mr. Richard Tan Kheng Swee and Mr. Ang Kiam Meng. Save for Mr. Ang Kiam Meng, who is the Group CEO and Executive Director, the rest of the IC are Independent Directors. The principal role of the IC is to set overall investment guidelines for the Group and to assess, review and recommend investment opportunities. The IC held 1 meeting in FY2020.

DEALINGS IN SECURITIES

(Rule 1204(19) of the Catalist Rules)

The Company has adopted an internal compliance code on dealings in the Company's securities, pursuant to Rule 1204(19) of the Catalist Rules, which all Directors and officers of the Group have been notified of. The Company and all Directors and officers of the Group are prohibited from dealing in the Company's securities during the period commencing 1 month before the announcement of its half-year and full-year financial results.

All Directors and officers of the Group are expected to observe insider trading laws at all times. In particular, they are aware that dealing in the Company's securities, when they are in possession of unpublished material price-sensitive information in relation to those securities, is an offence. The Directors and officers of the Group are also discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

(Rules 907 and 1204(17) of the Catalist Rules)

The Group has adopted an internal policy in respect of any transaction with an interested party within the definition set out in Chapter 9 of the Catalist Rules and has in place procedures for review and approval of all interested person transactions. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, abstain from decision-making, and refrain from exercising any influence over other members of the Board.

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of $100,000 or more in FY2020.

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC review, on a half-yearly basis, interested person transactions entered into by the Group (if any).

MATERIAL CONTRACTS

(Rule 1204(8) of the Catalist Rules)

Save for the service agreements between the Company and the Executive Directors, disclosures in the section entitled “Directors’ Statement” of this annual report and the Financial Statements of the Group, there were no other material contracts of the Company and its subsidiaries involving the interests of the Group CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2020 or, if not then subsisting, entered into since the end of FY2019.

NON-SPONSOR FEES

(Rule 1204(21) of the Catalist Rules)

There were no non-sponsor fees paid to the Company’s sponsor, United Overseas Bank Limited, in FY2020.

Directors' Statement

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2020.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 52 to 114 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2020, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Tan Cher Liang
Ang Kiam Meng
Tan Yong Chuan, Jacqueline
Christina Ang Chwee Huan
Richard Tan Kheng Swee
Lim Boh Soon
Sim Yu Juan Rachel (Appointed on 17 February 2020)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the performance share plan mentioned in paragraph 4 of the Directors' Statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

	Shareholdings registered in the name of directors	
Name of directors and companies in which interests are held	**At beginning of year, or date of appointment if later**	**At end of year**
Jumbo Group Limited (Ordinary shares)		
Ang Kiam Meng	10,223,863	10,223,863
Tan Yong Chuan, Jacqueline	3,006,352	3,006,352
Christina Ang Chwee Huan	2,512,942	2,512,942
Sin Yu Juan Rachel	200,000	200,000
JBO Holdings Pte Ltd (Ordinary shares)		
Ang Kiam Meng	88,134	88,134
Tan Yong Chuan, Jacqueline	27,248	27,248
Christina Ang Chwee Huan	8,544	8,544

The directors' interests in the shares of the Company at 21 October 2020 were the same at 30 September 2020.

4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

Performance Share Plan

The Performance Share Plan, adopted by the Company at an extraordinary general meeting of the Company held on 19 October 2015, was implemented to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate eligible participants to achieve increased performance, and further strengthen the Company's competitiveness in attracting and retaining talent.

The proposed participation by the Company and grant of share awards ("Awards") to Mr. Ang Kiam Meng under the Performance Share Plan was approved by shareholders at an EGM held on 26 January 2017.

On 23 February 2017, the Company granted Awards comprising up to 500,000 shares to Mr. Ang Kiam Meng under the Performance Share Plan.

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	**Aggregate granted during the financial year ended 30 September 2020**	**Aggregate granted since commencement of the Performance Share Plan to 30 September 2020**	**Aggregate issued and/ or transferred pursuant to the vesting of Awards since commencement of the Performance Share Plan to 30 September 2020**	**Aggregate not released as at 30 September 2020**
Ang Kiam Meng[1]	–	500,000	500,000[2]	–

[1] The Awards were granted to Mr. Ang Kiam Meng on 23 February 2017 with a vesting period of (a) within 2 months from 26 January 2017 for up to 150,000 shares; and (b) within 2 months from the date of issuance of the Group's audited financial statements for the financial year ended 30 September 2017 for up to 350,000 shares. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

[2] 150,000 and 350,000 shares were allotted and issued to Mr. Ang Kiam Meng on 23 March 2017 and 28 February 2018 respectively, pursuant to the vesting of the Awards.

Awards were granted also to associates of controlling shareholders and other employees of the Company and are disclosed in Note 26 of the notes of the financial statements. Save as disclosed above, there were no Awards granted to directors or controlling shareholders of the Company, from the commencement of the Performance Share Plan to the end of the financial year. In addition, no individual has been granted 5.0% or more of the total number of shares to be comprised in Awards available under the Performance Share Plan, from the commencement of the Performance Share Plan to the end of the financial year.

During the financial year, no shares granted under the Performance Share Plan were cancelled or lapsed.

5 AUDIT COMMITTEE

The Audit Committee of the Company, consisting all independent and non-executive directors, is chaired by Mr Tan Cher Liang, and includes Mr Richard Tan Kheng Swee and Dr Lim Boh Soon. The Audit Committee has met two times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;

(b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks prior to the incorporation of such results in the annual report;

(c) The statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;

(d) The half-year and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

(e) The co-operation and assistance given by the management to the Group's external auditors;

(f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and

(g) The re-appointment of the external and internal auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

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Tan Cher Liang

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Ang Kiam Meng

8 January 2021

Independent Auditor's Report
To the members of Jumbo Group Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jumbo Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 52 to 114.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Impairment of property, plant and equipment of non-performing outlets At 30 September 2020, the carrying value of the Group's property, plant and equipment was $23,554,000, which represents 25% of the Group's total assets. The Group operates outlets in Singapore, China and Taiwan. The Group has certain outlets that incurred losses during the financial year ended 30 September 2020. Management performed impairment assessment on the property, plant and equipment of these outlets. Management determined the recoverable amounts of the property, plant and equipment of these outlets based on value in use calculations and recorded an impairment loss of $1,353,000. This area was significant to our audit because the impairment assessment involved significant management judgement and required the management to make various assumptions including the sales growth rates and discount rates used in the underlying discounted cash flow forecasts. The Group's disclosure on property, plant and equipment is set out in Notes 3(b) and 17 to the financial statements.	We performed procedures to evaluate the design and implementation of the relevant controls management has over the impairment review analysis. We involved our valuation specialist to assess the valuation method used by the management and evaluated the key assumptions used in the impairment assessment, in particular the sales growth rates and discount rates. We tested the robustness of management's budgeting process by comparing the actual financial performance against previously forecasted results. We compared the sales growth rates of the non-performing outlets to the recent performance and market expectations. We also reviewed management's sensitivity analysis of the property, plant and equipment carrying amounts to changes in certain key assumptions such as sales growth rates and discount rates. Based on the outcome of the impairment assessment, some of the recoverable amounts of the property, plant and equipment of these loss-making restaurants based on value in use calculations were lower than the carrying amounts as at the end of the reporting period and the shortfall is recorded as impairment loss in profit or loss. In addition, we assessed the adequacy of the disclosures on the property, plant and equipment in Notes 3(b) and 17 of the financial statements

Independent Auditor's Report
To the members of Jumbo Group Limited

Key Audit Matter	How the matter was addressed in the audit
Impairment of trade and other receivables due from an associate At 30 September 2020, the gross value of trade and other receivables due from an associate amounted to $60,000 and $2,264,000 respectively. Management's assessment of the recoverability of these receivables and the expected credit losses requires significant judgement and the use of estimates. In assessing whether these receivables may be impaired, management reviews the associate's past collection history, financial information and future business plans of the associate. Based on the assessment, the Group made an allowance for expected credit loss of $2,324,000 during the year. The Group's disclosure on trade and other receivables due from the associate are set out in Notes 3(e) and 7(a) to the financial statements.	We performed procedures to evaluate the design and implementation of the relevant controls management has over the monitoring of the outstanding receivables, the collection process and assessment of expected credit loss allowance for doubtful receivables. We reviewed the appropriateness of the Group's methodology on allowance for receivables and assessed the adequacy of the allowance, including discussing with management on the credit quality and collectability of significant past due trade and other receivables due from the associate. We assessed the reasonableness of the allowance for doubtful debts by comparing the ageing of the receivables between the current and prior period. For significant past due amounts yet to be collected, we considered amongst other factors, such as past payment history, settlement arrangements, subsequent receipts and on-going business dealings with the associate involved to assess the appropriateness of the allowance for doubtful debts to be made. We reviewed the financial information of the associate and held discussions with management to understand the current operations of the associate and the future business plans of the associate. In addition, we assessed the adequacy of the disclosures on the trade and other receivables due from an associate in Notes 3(e) and 7(a) to the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair view financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report
To the members of Jumbo Group Limited

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner responsible for the audit resulting in this independent auditor's report is Mr Ang Chun Hwee Benny.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

8 January 2021

Statements of Financial Position

As at 30 September 2020

	Note	Group 2020	Group 2019	Company 2020	Company 2019
		$'000	$'000	$'000	$'000
<u>**ASSETS**</u>					
Current assets					
Cash and cash equivalents	6	27,745	46,575	12,858	17,353
Trade and other receivables	7(a)	11,141	14,107	18	14
Due from subsidiaries	7(b)	–	–	–	21,913
Dividend receivable	7(b)	–	–	–	8,000
Short-term investments	8	343	432	–	–
Inventories	9	2,406	1,714	–	–
Total current assets		41,635	62,828	12,876	47,280
Non-current assets					
Due from subsidiaries	7(b)	–	–	29,591	–
Investments in subsidiaries	10	–	–	5,424	5,424
Investments in associates	11	1,178	1,446	–	–
Other investments	12	325	75	–	–
Investments at fair value through profit or loss ("FVTPL")	13	3,109	3,201	–	–
Goodwill	14	1,621	782	–	–
Intangible assets	15	217	–	–	–
Right-of-use assets	16	23,308	–	–	–
Property, plant and equipment	17	23,554	21,764	–	–
Club memberships	18	238	238	–	–
Other non-current asset	19	817	–	–	–
Total non-current assets		54,367	27,506	35,015	5,424
Total assets		96,002	90,334	47,891	52,704

See accompanying notes to financial statements.

Statements of Financial Position

As at 30 September 2020

	Note	Group 2020	Group 2019	Company 2020	Company 2019
		$'000	$'000	$'000	$'000
<u>**LIABILITIES AND EQUITY**</u>					
Current liabilities					
Trade and other payables	20	9,190	13,466	301	162
Provision for reinstatement costs	21	1,989	2,051	–	–
Lease liabilities	22	11,767	–	–	–
Bank borrowings	23	1,584	–	–	–
Income tax payable		356	2,470	–	–
Total current liabilities		24,886	17,987	301	162
Non-current liabilities					
Lease liabilities	22	12,871	–	–	–
Bank borrowings	23	549	–	–	–
Deferred tax liability	24	370	370	–	–
Total non-current liabilities		13,790	370	–	–
Capital and reserves					
Share capital	25	48,806	48,806	48,806	48,806
Treasury shares	26	(438)	(447)	(438)	(447)
Currency translation reserve		(191)	(521)	–	–
Merger reserve	27	(2,828)	(2,828)	–	–
Retained earnings (Accumulated losses)		9,994	23,728	(778)	4,183
Equity attributable to owners of the Company		55,343	68,738	47,590	52,542
Non-controlling interests		1,983	3,239	–	–
Total equity		57,326	71,977	47,590	52,542
Total liabilities and equity		96,002	90,334	47,891	52,704

See accompanying notes to financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 30 September 2020

	Note	Group 2020	2019
		$'000	$'000
Revenue	28	97,573	153,631
Raw materials and consumables used		(36,148)	(55,518)
Change in inventories		(692)	(172)
Other income	29	10,551	2,380
Employee benefits expense		(38,493)	(47,196)
Operating lease expenses	33	(3,477)	(14,098)
Utilities expenses		(3,127)	(3,913)
Depreciation and amortisation:			
- Property, plant and equipment	17	(6,707)	(5,438)
- Right-of-use assets	16	(10,369)	–
- Intangible assets	15	(29)	–
Interest expense:			
- Leases		(783)	–
- Bank borrowings		(48)	–
Impairment loss recognised on financial assets	7(a)	(2,324)	–
Impairment loss recognised on property, plant and equipment	17	(1,353)	–
Other operating expenses	30	(14,253)	(14,901)
Share of results of associates		(295)	(824)
(Loss) Profit before income tax		(9,974)	13,951
Income tax credit (expense)	31	104	(3,096)
(Loss) Profit for the year	33	(9,870)	10,855
Other comprehensive income (loss):			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		379	(245)
Other comprehensive income (loss) for the year, net of tax		379	(245)
Total comprehensive (loss) income for the year		(9,491)	10,610
(Loss) Profit attributable to:			
Owners of the Company		(8,169)	11,668
Non-controlling interests		(1,701)	(813)
		(9,870)	10,855
Total comprehensive (loss) income attributable to:			
Owners of the Company		(7,839)	11,499
Non-controlling interests		(1,652)	(889)
		(9,491)	10,610
Basic and diluted (loss) earnings per share (cents)	35	(1.3)	1.8

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 30 September 2020

	Share capital	Treasury shares	Currency translation reserve	Merger reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
Balance at 1 October 2018	48,806	–	(352)	(2,828)	19,754	65,380	4,128	69,508
Total comprehensive income for the year:								
Profit (Loss) for the year	–	–	–	–	11,668	11,668	(813)	10,855
Other comprehensive loss for the year	–	–	(169)	–	–	(169)	(76)	(245)
Transactions with owners, recognised directly in equity:								
Dividend paid to owners of the Company (Note 36)	–	–	–	–	(7,694)	(7,694)	–	(7,694)
Repurchase of treasury shares (Note 26)	–	(487)	–	–	–	(487)	–	(487)
Reissue of treasury shares (Note 26)	–	40	–	–	–	40	–	40
Balance at 30 September 2019	48,806	(447)	(521)	(2,828)	23,728	68,738	3,239	71,977
Effect of adoption of SFRS(I) 16 (Note 2)	–	–	–	–	(1,080)	(1,080)	(144)	(1,224)
Balance at 1 October 2019 (restated)	48,806	(447)	(521)	(2,828)	22,648	67,658	3,095	70,753
Total comprehensive loss for the year:								
Loss for the year	–	–	–	–	(8,169)	(8,169)	(1,701)	(9,870)
Other comprehensive income for the year	–	–	330	–	–	330	49	379
Transactions with owners, recognised directly in equity:								
Dividend paid to owners of the Company (Note 36)	–	–	–	–	(4,485)	(4,485)	–	(4,485)
Capital contribution from non-controlling interests in subsidiaries	–	–	–	–	–	–	540	540
Repurchase of treasury shares (Note 26)	–	(159)	–	–	–	(159)	–	(159)
Reissue of treasury shares (Note 26)	–	168	–	–	–	168	–	168
Balance at 30 September 2020	48,806	(438)	(191)	(2,828)	9,994	55,343	1,983	57,326

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 30 September 2020

	Share capital	Treasury shares	Retained earnings (Accumulated losses)	Total
	$'000	$'000	$'000	$'000
Company				
Balance at 1 October 2018	48,806	–	4,550	53,356
Transactions with owners, recognised directly in equity:				
Repurchase of treasury shares (Note 26)	–	(487)	–	(487)
Reissue of treasury shares (Note 26)	–	40	–	40
Dividend paid to owners of the Company (Note 36)	–	–	(7,694)	(7,694)
Profit for the year, representing total comprehensive income for the year	–	–	7,327	7,327
Balance at 30 September 2019	48,806	(447)	4,183	52,542
Transactions with owners, recognised directly in equity:				
Repurchase of treasury shares (Note 26)	–	(159)	–	(159)
Reissue of treasury shares (Note 26)	–	168	–	168
Dividend paid to owners of the Company (Note 36)	–	–	(4,485)	(4,485)
Loss for the year, representing total comprehensive loss for the year	–	–	(476)	(476)
Balance at 30 September 2020	48,806	(438)	(778)	47,590

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended 30 September 2020

	Group	
	2020	2019
	$'000	$'000
Operating activities		
(Loss) Profit before income tax	(9,974)	13,951
Adjustments for:		
Depreciation of property, plant and equipment	6,707	5,438
Depreciation of right-of-use assets	10,369	–
Amortisation of intangible assets	29	–
Impairment loss on property, plant and equipment	1,353	–
Impairment loss recognised on financial assets	2,324	–
Other receivables written off	212	–
Interest expense: leases	783	–
Interest expense: bank borrowings	48	–
Interest income	(182)	(342)
Dividend income from short-term investments	–	*
Loss on property, plant and equipment written off	148	288
Gain on disposal of property, plant and equipment	(9)	(23)
Fair value loss on investments at fair value through profit or loss	92	507
Write back of reinstatements costs	–	(219)
Fair value loss on short-term investments	89	4
Share-based payment expense	168	40
Unrealised foreign exchange loss (gain)	242	(459)
Share of results of associates	295	824
Operating cash flows before movements in working capital	12,694	20,009
Trade and other receivables	447	(2,390)
Inventories	(572)	(172)
Trade and other payables	(4,664)	(320)
Cash generated from operations	7,905	17,127
Interest income received	182	342
Interest paid	(831)	–
Income tax paid	(2,010)	(2,875)
Net cash from operating activities	5,246	14,594
Investing activities		
Acquisition of property, plant and equipment [Note (a)]	(7,500)	(6,128)
Acquisition of investment in associates	(277)	(577)
Acquisition of business assets	(840)	–
Acquisition of treasury shares	(159)	(487)
Acquisition of other investment	(250)	–
Additions to other non-current asset	(817)	–
Proceeds from disposal of property, plant and equipment	70	13
Proceeds from reduction of investments in associate	250	–
Reinstatement cost paid	(80)	(102)
Dividend income from short-term investments	–	*
Dividend income from associates	–	375
Net cash used in investing activities	(9,603)	(6,906)

* denotes less than a thousand.

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended 30 September 2020

	Group	
	2020	2019
	$'000	$'000
Financing activities		
Capital contribution from non-controlling interest in subsidiaries	540	–
Repayment of bank borrowings	(309)	–
Repayment of lease obligations	(10,263)	–
Dividends paid	(4,485)	(7,694)
Net cash used in financing activities	(14,517)	(7,694)
Net decrease in cash and cash equivalents	(18,874)	(6)
Cash and cash equivalents at beginning of the year	46,575	46,583
Effect of foreign exchange rate changes	44	(2)
Cash and cash equivalents at end of the year (Note 6)	27,745	46,575

Note (a):

Purchase of property, plant and equipment	(7,756)	(6,821)
Add non-cash movement:		
Provision for reinstatement costs (Note 21)	–	325
Other payables - work in progress	256	368
	(7,500)	(6,128)

See accompanying notes to financial statements.

Notes to Financial Statements

As at 30 September 2020

1 GENERAL

The Company (Registration No. 201503401Z) is incorporated in Singapore with its principal place of business and registered office at 4 Kaki Bukit Avenue 1, #03-08, Singapore 417939. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The financial statements are expressed in Singapore dollars.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries and associates are disclosed in Notes 10 and 11 to the financial statements respectively.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 30 September 2020 were authorised for issue by the Board of Directors on 8 January 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (International) ("SFRS(I)").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I)1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - On 1 October 2019, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/ revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years, except as discussed below:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

SFRS(I) 16 *Leases*

SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of SFRS(I) 16 on the Group's consolidated financial statements is described below.

The date of initial application of SFRS(I) 16 for the Group is 1 October 2019.

The Group has applied SFRS(I) 16 using the cumulative catch-up approach which:

- requires the Group to recognise the cumulative effect of initially applying SFRS(I) 16 as an adjustment to the opening balance of retained earnings at the date of initial application; and
- does not permit restatement of comparatives, which continue to be presented under SFRS(I) 1-17 and SFRS(I) INT 4.

(a) Impact of the new definition of a lease

The Group has made use of the practical expedient available on transition to SFRS(I) 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with SFRS(I) 1-17 and SFRS(I) INT 4 will continue to be applied to those leases entered or changed before 1 October 2019.

The change in definition of a lease mainly relates to the concept of control. SFRS(I) 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in SFRS(I) 1-17 and SFRS(I) INT 4.

The Group applies the definition of a lease and related guidance set out in SFRS(I) 16 to all lease contracts entered into or modified on or after 1 October 2019 (whether it is a lessor or a lessee in the lease contract). The new definition in SFRS(I) 16 does not significantly change the scope of contracts that meet the definition of a lease for the Group.

(b) Impact on lessee accounting

Former operating leases

SFRS(I) 16 changes how the Group accounts for leases previously classified as operating leases under SFRS(I) 1-17, which were off-balance-sheet.

Applying SFRS(I) 16, for all leases, the Group:

a) Recognises right-of-use assets and lease liabilities in the statements of financial position, initially measured at the present value of the remaining lease payments, with the right-of-use asset being measured on a retrospective basis as if the standard had been applied since the commencement date;

b) Recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss; and

c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated statement of cash flows.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Impact on lessee accounting (cont'd)

Lease incentives (e.g. free rent period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under SFRS(I) 1-17 they resulted in the recognition of a lease incentive liability, amortised as a reduction of rental expense on a straight-line basis.

Under SFRS(I) 16, right-of-use assets are tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets*.

For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognise a lease expense on a straight-line basis as permitted by SFRS(I) 16. This expense is presented within operating lease expenses in the consolidated statement of profit or loss and other comprehensive income.

The Group has used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases applying SFRS(I) 1-17.

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the date of initial application on a lease-by-lease basis.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

The right-of-use asset and the lease liability are accounted for applying SFRS(I) 16 from 1 October 2019.

(c) Financial impact of initial application of SFRS(I) 16

The lessee's incremental borrowing rate applied to the lease liabilities recognised in the statement of financial position on 1 October 2019 ranges from 3.16% to 4.75% per annum.

The following table shows the operating lease commitments disclosed applying SFRS(I) 1-17 at 30 September 2019, discounted using the incremental borrowing rate at the date of initial application and the lease liabilities recognised in the statement of financial position at the date of initial application.

	Group
	$'000
Operating lease commitments at 30 September 2019	25,739
Less: Short-term leases and leases of low value assets	(2,861)
Less: Effect of discounting the above amounts	(1,588)
Add: Present value of lease payments not previously included in operating lease commitments	716
Lease liabilities recognised at 1 October 2019	22,006

Right-of-use assets were measured on a retrospective basis as if the standard had been applied since the commencement date. Consequently, right-of-use assets of $20,782,000 were recognised on 1 October 2019 and the net impact on retained earnings of $1,080,000 and non-controlling interests $144,000 was recognised on 1 October 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

BASIS OF COMBINATION - In 2015, the financial statements incorporated the financial statements of the Company and its subsidiaries and had been prepared using the principles of merger accounting and on the assumption that the re-organisation of entities controlled by the same shareholders collectively had been effected as at the beginning of the earliest period presented in these financial statements.

Under merger accounting, the assets, liabilities, revenue, expenses and cash flows and all the entities within the Group are combined after making such adjustments as are necessary to achieve consistency of accounting policies. This manner of presentation reflects the economic enterprise, although the legal parent-subsidiary relationship between the Company and the subsidiaries was not established until 9 November 2015.

Where necessary, adjustments are made to the financial statements of the Group entities to bring their accounting policies in line with those used by other members of the Group.

All significant intercompany transactions and balances between Group enterprises are eliminated on combination.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring its accounting policies in line with the Group's accounting policies.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiaries and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiaries (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

In the Company's separate financial statements, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS - Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and

- Assets (or disposal Groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).

If the initial accounting for a business combination is incomplete by the end of the financial year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the aforegoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and

- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

Debt instruments classified as at FVTOCI

Fair value is determined in the manner described in the respective note to financial statements. These debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments recognised in other comprehensive income and accumulated in the investments revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see Note 12).

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other income" line item (Note 29). Fair value is determined in the manner described in Note 4(c)(vi).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" line item;

- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the "other income" line item; and

- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve; and

- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets (cont'd)

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Definition of default

The Group considers the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group) as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower; or

b) a breach of contract, such as a default or past due event; or

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Measurement and recognition of expected credit losses (cont'd)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, except for short-term balances when the recognition of interest would be immaterial.

Bank borrowings

Interest-bearing bank borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other income" and "other operating expenses" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

LEASES (Before 1 October 2019) - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

LEASES (From 1 October 2019)

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

LEASES (From 1 October 2019) (cont'd)

The Group as lessee (cont'd)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'operating lease expenses' in the statement of profit or loss and other comprehensive income.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

INVENTORIES - Inventories comprising mainly food and beverages are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, other than plant and equipment under work in progress, using the straight-line method, on the following bases:

Audio, visual and office equipment	-	3 to 10 years
Kitchen equipment and utensils	-	3 to 10 years
Furniture and fittings	-	3 to 10 years
Renovation	-	3 to 10 years
Leasehold industrial properties	-	44 to 50 years
Motor vehicles	-	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

Work in progress relates to kitchen equipment, utensils and renovation. Depreciation of these assets commences when the assets are ready for intended use.

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

INTANGIBLE ASSETS - Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed as at each reporting date, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Amortisation is charged so as to write off the cost of assets over their estimated useful life of 10 years using the straight-line method.

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL - At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ASSOCIATES - An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SFRS(I) 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Provision for reinstatement costs

The Group recognises a liability if the Group has a present legal or constructive obligation to reinstate the leased premises to their original state upon expiry of the lease. The provision is made based on management's best estimate of the expected costs to be incurred to reinstate the leased premises to their original state.

SHARE-BASED PAYMENTS - The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

TREASURY SHARES - The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to a customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Sale of food and beverages

Revenue from the sale of food and beverages is recognised at a point in time which is usually upon the delivery of goods to customers.

Franchise and royalty income

Initial franchise income is recognised at the point in time upon the grant of rights, completion of the designated phases of the franchise setup and transfer of know-how to the franchisee in accordance with the terms stated in the franchise agreement. Royalty income is recognised over time as a percentage of the franchisees' revenue in accordance with terms as stated in the franchise agreement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Management fees

Revenue from management contracts is recognised over the management period when the services are rendered.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Sponsorship income

Sponsorship income from suppliers is recognised when the rights to receive payment have been established.

BORROWING COSTS - Borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

CLUB MEMBERSHIP - This comprises of investment in club membership which is stated at cost less any impairment in net recoverable value that has been recognised in profit or loss.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing on the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

MERGER RESERVE - Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which it was acquired by the Company and the amount of the share capital issued as consideration for the acquisition.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash at bank and on hand and deposits, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Apart from those involving estimates, management is of the opinion that any instance of application of judgement is not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives to be 44 to 50 years for leasehold industrial properties and 3 to 10 years for others. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets; therefore future depreciation charges could be revised. The carrying amount of the property, plant and equipment are set out in Note 17 to the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

(b) Impairment of property, plant and equipment of non-performing outlets

The Group has certain outlets that incurred losses during the financial year ended 30 September 2020. Management performed impairment assessment on the property, plant and equipment of these outlets based on value in use calculations.

The recoverable amount of the relevant assets of the non-performing restaurants has been determined on the basis of their value in use.

The key assumptions used for value-in-use calculations for property, plant and equipment of these outlets are as follows:

		2020			2019	
	Singapore	**PRC**	**Taiwan**	**Singapore**	**PRC**	**Taiwan**
Revenue growth rate	3.8%	3.9%	3.0%	–*	3.8%	–*
Discount rate	9.0%	12.2%	9.9%	–*	10.1%	–*

* In 2019, the non-performing outlets were in PRC.

The above assumptions were used for the analysis of the non-performing outlets.

Based on the assessment, an impairment loss of $1,353,000 (2019: Nil) is recognised in profit or loss during the financial year.

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

		Effect on value in use		
Change in key estimate	**Singapore**	**PRC**	**Taiwan**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
1% increase in revenue growth rate	206	256	442	904
1% decrease in revenue growth rate	(212)	(253)	(162)	(627)
Discount rate plus 100 basis points	(7)	(31)	(22)	(60)
Discount rate minus 100 basis points	7	32	23	62

The carrying amount of the property, plant and equipment and details of the impairment loss calculation are set out in Note 17 to the financial statements.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

(c) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. No impairment loss was recognised during the financial year. The carrying amount of goodwill at the end of the reporting period is set out in Note 14 to the financial statements.

(d) Provision for reinstatement costs

Provision for reinstatement costs represents costs to reinstate the Group's leased premises to its original state upon expiry of the lease. The provision was made based on management's best estimates of the expected costs which are to be incurred to reinstate the leased premises for its restaurant outlets. Details of the provision for reinstatement costs are set out in Note 21 to the financial statements.

(e) Loss allowance for trade and other receivables due from associates

Management assesses at the end of the reporting period the expected credit losses ("ECL") required for its trade and other receivables due from associates. When measuring ECL, management uses reasonable and supportable forward-looking information, including taking into consideration the past collection history, financial information and future business plans of the associates.

Based on the assessment, management recorded an allowance for ECL of $2,324,000 on trade and other receivables due from an associate. The carrying amount of trade and other receivables due from associates at the end of the reporting period is set out in Note 7(a) to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) ***Categories of financial instruments***

The following table sets out the financial instruments as at the end of the reporting period:

	Group	
	2020	**2019**
	$'000	**$'000**
Financial assets		
Financial assets at amortised cost	37,070	57,938
Financial assets at FVTOCI:		
Equity instruments classified as FVTOCI	75	75
Debt instruments designated as at FVTOCI	250	–
Financial assets measured at FVTPL	3,452	3,633
Financial liabilities		
Financial liabilities at amortised cost	9,109	12,326
Lease liabilities	24,638	–

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(a) *Categories of financial instruments (cont'd)*

	Company	
	2020	2019
	$'000	$'000
Financial assets		
Financial assets at amortised cost	42,449	47,266
Financial liabilities		
Financial liabilities at amortised cost	301	162

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar arrangements*

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar agreements.

(c) *Financial risk management policies and objectives*

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below:

(i) Foreign exchange risk management

The Group operates principally in Singapore and has operations in the People's Republic of China ("PRC") and Taiwan, giving rise to some exposures to market risk from changes in foreign exchange rates primarily with respect to Chinese Renminbi and New Taiwan Dollar. The Group relies on the natural hedges between such transactions.

The Group does not enter into any derivative contracts to hedge the foreign exchange risk. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

As the Group's and Company's principal operations are predominately in Singapore, it is not significantly exposed to foreign exchange risk and thus foreign currency risk sensitivity analysis has not been disclosed.

(ii) Interest rate risk management

The Group and the Company are not exposed to significant interest rate risk as there are no significant interest-bearing assets and liabilities except for deposits placed with banks and borrowings which bear variable interest rates and are mainly short term in nature. Further details can be found in Notes 6 and 23 to the financial statements.

No sensitivity analysis is prepared as the Group and the Company do not expect any material effect on the Group's and Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk is primarily attributable to its cash and bank balances and trade receivables. Liquid funds are placed with financial institutions with high credit ratings. The credit risk with respect to the trade receivables is limited as the Group's revenue are generated mainly from cash and credit card sales. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant apart from receivables due from an associate.

The Group have no significant concentration of credit risk. Trade receivables are spread over a broad base of customers.

The Company is exposed to a concentration of credit risk as 100% (2019 : 100%) of its receivables are due from subsidiaries, Jumbo Seafood Pte Ltd and Jumbo Group of Restaurants Pte Ltd. These subsidiaries have been assessed to be creditworthy and management has assessed that no allowance for doubtful receivables is required.

The carrying amount of financial assets recorded in the financial statements represents the Group's and the Company's maximum exposure to credit risks.

The Group and Company develop and maintain its credit risk gradings to categorise according to their degree of risk of default. Management uses the Group's own trading records to rate its customers and other debtors.

The Group's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(iii) Credit risk management (cont'd)

Further details of credit risk on trade and other receivables are disclosed in Note 7 to the financial statements. The tables below detail the credit quality of the Group's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Group				**$'000**	**$'000**	**$'000**
2020						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	1,140	–	1,140
Other receivables - outside parties	7(a)	(ii)	12-month ECL	422	–	422
Trade receivables – associates	7(a)	(i)	Lifetime ECL (simplified approach)	119	(60)	59
Other receivables – associate	7(a)	(ii)	Lifetime ECL	2,264	(2,264)	–
Other receivables – associates	7(a)	(ii)	12-month ECL	1,725	–	1,725
Government grant receivables	7(a)	(ii)	12-month ECL	1,390	–	1,390
Staff loans	7(a)	(ii)	12-month ECL	29	–	29
Refundable deposits	7(a)	(ii)	12-month ECL	4,560	–	4,560
					(2,324)	
Company						
2020						
Due from subsidiaries	7(b)	(ii)	12-month ECL	29,591	–	29,591
					–	

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(iii) Credit risk management (cont'd)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Group				**$'000**	**$'000**	**$'000**
2019						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	1,539	–	1,539
Other receivables - outside parties	7(a)	(ii)	12-month ECL	550	–	550
Trade receivables – associates	7(a)	(i)	Lifetime ECL (simplified approach)	1,094	–	1,094
Other receivables – associates	7(a)	(ii)	12-month ECL	3,714	–	3,714
Staff loans	7(a)	(ii)	12-month ECL	*	–	*
Refundable deposits	7(a)	(ii)	12-month ECL	4,466	–	4,466
					–	
Company						
2019						
Due from subsidiaries	7(b)	(ii)	12-month ECL	21,913	–	21,913
Dividend receivable	7(b)	(ii)	12-month ECL	8,000	–	8,000
					–	

* denotes less than a thousand

(1) For trade related balances, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

(2) For non-trade related balances, the Group has measured the loss allowance at an amount equal to 12-month ECL except for the receivables due from an associate as detailed in Note 7(a) to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(iv) Equity price risk management

The Group is exposed to equity risks arising from equity investments classified as short-term investments, investments at FVTPL and debt instruments classified as at FVTOCI. Equity instruments designated as at FVTOCI is unquoted, and is held for strategic rather than trading purposes.

Further details of the short-term investments, other investments at FVTOCI and investments at FVTPL are disclosed in Notes 8, 12 and 13 to the financial statements respectively.

Equity price sensitivity

If equity price has been 10% higher/lower:

- the Group's net profit for the year ended 30 September 2020 would increase/decrease by $345,000 (2019 : $363,000); and

- the Group's other comprehensive income for the year ended 30 September 2020 would increase/decrease by $25,000 (2019: $Nil).

(v) Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its obligations.

The Group maintains sufficient cash and bank balances and internally generated cash flows to finance its working capital requirements.

All financial liabilities are repayable on demand or due within 1 year from the end of the financial year.

All financial assets mature within 1 year from the end of the reporting period, except for other investments at FVTOCI and investments at FVTPL disclosed in Note 12 and Note 13 to the financial statements respectively.

Company

The Company's financial liabilities as at 30 September 2020 and 2019 are repayable on demand or due within 1 year from the end of the reporting period.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(v) Liquidity risk management (cont'd)

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group and the company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$'000	$'000	$'000	$'000	$'000
Group						
2020						
Non-interest bearing	–	6,976	–	–	–	6,976
Lease liabilities (fixed rate)	4.41	12,405	12,822	547	(1,136)	24,638
Bank borrowings	2.01	1,616	554	–	(37)	2,133
		20,997	13,376	547	(1,173)	33,747
2019						
Non-interest bearing	–	12,326	–	–	–	12,326

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables, borrowings and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(vi) Fair value of financial assets and financial liabilities

Financial instruments measured at fair value

	Total	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Group				
Financial assets				
2020				
Other investments				
- Debt instruments classified as at FVTOCI	250	250	–	–
- Equity instruments designated as at FVTOCI	75	–	–	75
Financial assets at fair value through profit or loss:				
- Equity investments at FVTPL	3,109	–	–	3,109
- Quoted equity shares	343	343	–	–
2019				
Other investment				
- Equity instruments classified as at FVTOCI	75	–	–	75
Financial assets at fair value through profit or loss:				
- Equity investments at FVTPL	3,201	–	–	3,201
- Quoted equity shares	432	432	–	–

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(vi) Fair value of financial assets and financial liabilities (cont'd)

The Group determines fair values of various financial assets in the following manner:

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each financial year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Group Financial assets	Fair value ($)		Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
	2020	**2019**				
	Short-term investments (see Note 8 to the financial statements)					
Quoted equity shares	343	432	Level 1	Quoted bid prices in an active market.	N/A	N/A
	Other investments (see Note 12 to the financial statements)					
Debt instruments	250	–	Level 1	Quoted bid prices in an active market.	N/A	N/A
Equity instruments	75	75	Level 3	Net asset value of the unquoted equity shares	Net asset value	The higher the net asset value, the higher the fair value of the investments.
	Investments at fair value through profit or loss ("FVTPL") (see Note 13 to the financial statements)					
Equity investments at fair value through profit or loss	3,109	3,201	Level 3	Net asset value of the underlying quoted equity shares invested by the fund manager.	Pricing and yield curves provided by the fund manager to the administrator of the fund.	Any change to pricing or yield curves used would result in an increase (decrease) in fair value.

There were no transfers between the levels of the fair value hierarchy during the financial year.

(d) *Capital management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2019.

The capital structure of the Group consists of bank borrowings and equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings.

5 HOLDING COMPANY, RELATED COMPANIES AND OTHER RELATED PARTIES TRANSACTIONS

(a) Holding company and related companies transactions

Related companies in these financial statements refer to members of the Company's Group of companies.

The ultimate controlling party is JBO Holdings Pte Ltd, incorporated in Singapore which is substantially owned by Mr. Ang Hon Nam and his family members whose interest in the Company is held through their shareholdings in the ultimate controlling party and in the Company.

Some of the Company's transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

(b) Other related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

During the year, significant transactions entered into by Group entities with related parties were as follow:

	Group	
	2020	2019
	$'000	$'000
Sales of food and beverage to associates	(1,864)	(1,775)
Management fees received from associates	(184)	(394)
Franchise fees received from associates	(139)	(375)
Royalty fees received from associates	(239)	(337)
Acquisition of business assets from an associate (Note 10)	(840)	–

Remuneration of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follow:

	Group	
	2020	2019
	$'000	$'000
Short-term employee benefits	1,691	3,025
Post-employment benefits	74	75
Share based payment	2	2
Total compensation	1,767	3,102

6 CASH AND CASH EQUIVALENTS

	Group		Company	
	2020	2019	2020	2019
	$'000	$'000	$'000	$'000
Cash on hand	174	345	*	*
Cash at bank	22,571	25,780	7,858	153
Deposits[1]	5,000	20,450	5,000	17,200
Cash and cash equivalents in the statement of cash flows	27,745	46,575	12,858	17,353

[1] Deposits referred to structured deposits with financial institutions maturing within 3 months with variable interest returns.

* denotes less than a thousand.

7 (a) TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020	2019	2020	2019
	$'000	$'000	$'000	$'000
Trade receivables				
- outside parties	1,140	1,539	–	–
- associates	119	1,094	–	–
Less: loss allowance	(60)	–	–	–
	1,199	2,633	–	–
Other receivables				
- outside parties	422	550	–	–
- associates	3,989	3,714	–	–
Less: loss allowance	(2,264)	–	–	–
	2,147	4,264	–	–
Government grant receivables	1,390	–	–	–
Staff loans	29	*	–	–
Refundable deposits	4,560	4,466	–	–
Prepayments	1,816	2,744	18	14
	11,141	14,107	18	14

* denotes less than a thousand.

The credit period ranges from 3 to 30 days (2019 : 3 to 30 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

7 (a) TRADE AND OTHER RECEIVABLES (cont'd)

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The expected credit loss rate is immaterial for trade receivables from third parties in all days past due categories as management has assessed and concluded that the amounts are recoverable.

For purpose of impairment assessment, other receivables and refundable deposits are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

Except for other receivables due from an associate in which there is a significant increase in credit risk since initial recognition and loss allowance is measured at an amount equal to lifetime ECL, there has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

The following table shows the movement in the loss allowance for trade and other receivables due from an associate.

Group	**Lifetime ECL – credit-impaired financial assets at amortised cost**
	$'000
Balance as at 1 October 2019	–
Loss allowance	2,324
Balance as at 30 September 2020	2,324

(b) DUE FROM SUBSIDIARIES AND DIVIDEND RECEIVABLE

As at 30 September 2019, amount due from subsidiaries and dividend receivable from subsidiaries were unsecured, interest-free and repayable on demand.

As at 30 September 2020, amounts due from subsidiaries have been classified as non-current asset as the Company does not expect repayment within 12 months from the end of the reporting date. Management is of the view the amounts due from subsidiaries approximate their fair values.

Management estimates the loss allowance on amounts due from subsidiaries at an amount equal to 12-month ECL, taking into account the historical default experience, current financial conditions of the subsidiaries and the future prospects of the industry of each subsidiary. No loss allowance as the management has assessed and concluded that the receivables are subject to immaterial credit loss.

8 SHORT-TERM INVESTMENTS

	Group	
	2020	2019
	$'000	$'000
Financial assets mandatorily measured at FVTPL:		
Held for trading non-derivative financial assets		
- Quoted equity shares, at fair value	343	432

The investments above include investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on the quoted closing market prices on the last market day of the financial year.

Decreases in the fair value of investments at fair value through profit or loss, amounting to $89,000 (2019 : $4,000) have been included in profit or loss for the year as part of "other income".

9 INVENTORIES

	Group	
	2020	2019
	$'000	$'000
Consumables	2,094	1,425
Liquor and beverages	312	289
	2,406	1,714

10 INVESTMENTS IN SUBSIDIARIES

	Company	
	2020	2019
	$'000	$'000
Unquoted equity shares - at cost	5,424	5,424

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Details of the Group's significant subsidiaries at 30 September 2020 are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operation	Proportion of ownership interest and voting power held 2020 %	2019 %
Held by the Company				
Jumbo Seafood Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	100	100
Jardine Enterprise Pte. Ltd. (1)	Investment holding.	Singapore	100	100
Subsidiary held by Jumbo Seafood Pte. Ltd.				
Jumbo Group of Restaurants Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	100	100
Subsidiaries held by Jumbo Group of Restaurants Pte. Ltd.				
Jumbo F&B Services Pte Ltd. (1)	Investment holding.	Singapore	100	100
Ng Ah Sio Investments Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	100	100
Subsidiary held by Ng Ah Sio Investments Pte Ltd				
Ng Ah Sio Pte Ltd (1)	Manufacturer of food stuff.	Singapore	100	100
Subsidiaries held by Jumbo F&B Services Pte. Ltd				
JBT (China) Pte Ltd. (1)	Investment holding.	Singapore	70	70
Jumbo F&B Services (Shanghai) Co Ltd (2)	Management of seafood restaurant.	People's Republic of China ("PRC")	100	100
Jumbo F&B Services (Taiwan) Co Ltd (2)	Management of seafood restaurant.	Taiwan	80	–

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of subsidiary	Principal activities	Country of incorporation and operation	Proportion of ownership interest and voting power held	
			2020	2019
			%	%
Subsidiary held by JBT (China) Pte. Ltd.				
JBT F&B Management (Shanghai) Co Ltd [2]	Operation and management of seafood restaurant.	PRC	70	70
Subsidiary held by Jumbo F&B Services (Shanghai) Co Ltd				
JBHG F&B Services (Beijing) Co Ltd [2]	Operation and management of seafood restaurant.	PRC	51	51

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by an overseas practice of Deloitte Touche Tohmatsu Limited.

In November 2019, the Company's indirect non-wholly owned subsidiary, Jumbo F&B Services (Taiwan) Co., Ltd, assumed the business relating to the Jumbo Seafood operations (including the franchise agreement for the operation of Jumbo Seafood restaurants in Taiwan) of Ho Sing Food Co., Ltd ("Ho Sing"), an associate of the Group.

Assets acquired and liabilities assumed at the date of business acquisition

	Total
	$'000
Current assets	
Trade and other receivables	17
Inventories	120
Total current assets	137
Non-current assets	
Intangible assets	246
Plant and equipment	2,192
Total non-current assets	2,438
Current liabilities	
Trade and other payables	(132)
Bank borrowings	(2,442)
Total current liabilities	(2,574)
Net assets acquired and liabilities assumed	1
Goodwill arising on acquisition	
Cash consideration transferred	840
Less: Fair value of identifiable net assets acquired	(1)
Goodwill arising on acquisition	839

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Assets acquired and liabilities assumed at the date of acquisition (cont'd)

From the date of acquisition to 30 September 2020, the business acquired contributed revenue of $6,751,000 and net loss of $2,028,000 to the Group.

Wholly owned subsidiaries

Information about the composition of wholly owned subsidiaries of the Group at the end of the financial year is as follows:

Principal activities	Country of incorporation and operation	Number of wholly owned subsidiaries 2020	2019
Investment holding.	Singapore	2	2
Operations, management of restaurants and manufacturer of food stuff.	Singapore	4	4
	PRC	1	1

Non-wholly owned subsidiaries

Information about the composition of non-wholly owned subsidiaries of the Group at the end of the financial year is as follows:

Principal activities	Country of incorporation and operation	Number of Non-wholly owned subsidiaries 2020	2019
Investment holding.	Singapore	1	1
Operations and management of restaurants.	PRC	2	2
	Taiwan	1	–

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests 2020	2019	Loss allocated to non-controlling interests 2020	2019	Accumulated non-controlling interests 2020	2019
		%	%	$'000	$'000	$'000	$'000
JBT (China) Pte Ltd	Singapore	30	30	(589)	(226)	1,132	1,839
JBHG F&B Services (Beijing) Co Ltd	PRC	49	49	(708)	(587)	889	1,400
Jumbo F&B Services (Taiwan) Co Ltd	Taiwan	20	–	(404)	–	(38)	–
				(1,701)	(813)	1,983	3,239

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Non-wholly owned subsidiaries (cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra Group eliminations.

	JBT (China) Pte Ltd		JBHG F&B Services (Beijing) Co Ltd		Jumbo F&B Services (Taiwan) Co Ltd	
	2020	2019	2020	2019	2020	2019
	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	4,572	5,213	1,527	933	1,264	–
Non-current assets	6,566	2,449	1,747	2,322	4,118	–
Current liabilities	(4,339)	(1,592)	(1,265)	(398)	(4,272)	–
Non-current liabilities	(3,025)	–	(194)	–	(1,300)	–
Equity attributable to owners of the Company	2,642	4,231	926	1,457	(152)	–
Non-controlling interests	1,132	1,839	889	1,400	(38)	–
Revenue	15,000	20,371	5,375	6,729	6,751	–
Expenses	(16,916)	(21,125)	(6,820)	(7,927)	(8,779)	–
Loss for the year	(1,916)	(754)	(1,445)	(1,198)	(2,028)	–
Loss attributable to owners of the Company	(1,327)	(528)	(737)	(611)	(1,624)	–
Loss attributable to non-controlling interests	(589)	(226)	(708)	(587)	(404)	–
Loss for the year	(1,916)	(754)	(1,445)	(1,198)	(2,028)	–
Other comprehensive income (loss) attributable to owners of the Company	20	(92)	30	(100)	42	–
Other comprehensive income (loss) attributable to non-controlling interests	9	(30)	29	(46)	11	–
Other comprehensive income (loss) for the year	29	(122)	59	(146)	53	–
Total comprehensive loss attributable to owners of the Company	(1,307)	(620)	(707)	(711)	(1,582)	–
Total comprehensive loss attributable to non-controlling interests	(580)	(256)	(679)	(633)	(393)	–
Total comprehensive loss for the year	(1,887)	(876)	(1,386)	(1,344)	(1,975)	–
Net cash inflow (outflow) from operating activities	2,205	(169)	919	(423)	760	–
Net cash (outflow) inflow from investing activities	(767)	50	(76)	(31)	(840)	–
Net cash (outflow) inflow from financing activities	(1,720)	–	(254)	–	565	–
Net cash (outflow) inflow	(282)	(119)	589	(454)	485	–

11 INVESTMENTS IN ASSOCIATES

	Group 2020	Group 2019
	$'000	$'000
Unquoted equity shares - at cost	2,521	2,494
Share of post-acquisition loss, net dividend received	(1,343)	(1,048)
	1,178	1,446

Details of the Group's associates as at 30 September 2020 are as follows:

Name of associate	Principal activities	Place of incorporation and operation	Proportion of ownership interestsand voting power held 2020	Proportion of ownership interestsand voting power held 2019
			%	%
Associates held by Jumbo Group of Restaurants Pte. Ltd.				
Seafood Republic Pte. Ltd. ("SRPL") [1]	Operation and management of restaurants.	Singapore	20	20
Singapore Seafood Republic Pte. Ltd. ("SSRPL") [1][2]	Investment holding.	Singapore	27	27
SSR Sentosa Pte. Ltd. ("SSR Sentosa") [1][2]	Operation and management of restaurants.	Singapore	27	27
Associates held by Jumbo F&B Services Pte. Ltd.				
Vista F&B Services Pte. Ltd. ("VSPL") [1]	Operation and management of restaurants.	Singapore	49	49
Ho Sing Foods Co. Ltd. ("HSFL") [3]	Operation and management of restaurants.	Taiwan	49	49
JD F&B Inc. ("JDFB") [3]	Operation and management of restaurants.	Korea	50	50

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Although the Group holds 100% equity interests in SSR Sentosa, management has assessed that SSRPL, rather than the Group, has the ability to direct the relevant activities of SSR Sentosa because of a loan financing arrangement by SSRPL to SSR Sentosa which gives SSRPL authority to direct the activities of SSR Sentosa that significantly affect the returns of SSR Sentosa. As SSRPL is an associate of the Group, SSR Sentosa is deemed to be an associate of the Group.

(3) The latest available management accounts were used for consolidation purposes. The directors determined that it is not able to jointly direct the relevant activities of the entity and classified it as an associate of the Group in accordance with SFRS(I) 28 *Investment in Associates and Joint Ventures*.

11 INVESTMENTS IN ASSOCIATES (cont'd)

Summarised financial information of the Group's material associates, SRPL, VSPL, HSFL and JDFB are set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with SFRS(I)s.

	SRPL		VSPL		HSFL		JDFB	
	2020	2019	2020	2019	2020	2019	2020	2019
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	1,045	911	2,534	1,366	1,452	1,816	494	1,491
Non-current assets	602	702	3,150	2,461	1,100	3,644	7,385	3,938
Current liabilities	(58)	(329)	(936)	(1,449)	(437)	(2,859)	(5,300)	(1,070)
Non-current liabilities	(2)	(2)	(5,038)	(2,500)	(935)	(2,771)	(4,404)	(3,936)
Revenue	439	610	6,378	4,859	4,520	9,445	4,605	1,411
Profit (Loss) for the year	305	593	(2)	(339)	785	(1,531)	(2,248)	(731)

Reconciliation of the above summarised financial information to the carrying amount of the interests in SRPL, VSPL, HSFL and JDFB recognised in these consolidated financial statements:

	SRPL		VSPL		HSFL		JDFB	
	2020	2019	2020	2019	2020	2019	2020	2019
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Net assets (liabilities) of the associates	1,587	1,282	(290)	(122)	1,180	(170)	(1,825)	423
Proportion of the Group's ownership interest	20%	20%	49%	49%	49%	49%	50%	50%
Other adjustments	–	–	–	–	(411)	–	–	–
Carrying amount of the Group's interest	317	256	–	–	167	–	–	212

<u>Unrecognised share of losses of associates</u>

	Group	
	2020	2019
	$'000	$'000
Cumulative share of losses of associates	891	57

12 OTHER INVESTMENTS

	Group	
	2020	2019
	$'000	$'000
Financial assets at FVTOCI		
Debt instruments classified as at FVTOCI[1]	250	–
Equity instruments designated as at FVTOCI[2]	75	75
	325	75

(1) The investment in debt instruments represents the listed redeemable notes that carry interest at 3.98% per annum, and are redeemable at par value in 2025. These redeemable notes are held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence, the redeemable notes are classified as at FVTOCI.

For the purpose of impairment assessment, the investment in debt instruments are considered to have low credit risk as the counterparty to the investment has strong credit rating. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL. Management has assessed and concluded that the investment is subject to immaterial credit loss.

(2) The investment in unquoted equity investments represents 15% equity interest in Slappy Cakes (Singapore) Pte Ltd, a company incorporated in Singapore. As the investment is held for medium to long-term strategic purposes, management has elected to designate this investment at FVTOCI as they believe that recognising short-term fluctuations in this investment's fair value in profit or loss would not be consistent with the Group's strategy of holding this investment for long-term purposes and realising its performance potential in long run.

13 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group	
	2020	2019
	$'000	$'000
Equity investments - FVTPL	3,201	3,708
Fair value loss included in profit or loss for the year as part of "other income"	(92)	(507)
	3,109	3,201

The shareholdings in these equity investments represent less than 20% of interests. These investments are measured at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments: Recognition and Measurement* as they represent an identified portfolio of investments which the Group manages together with an intention of profit taking.

Investments at fair value through profit or loss are denominated in Singapore dollars.

Decreases in fair value of investments at fair value through profit or loss, amounting to $92,000 (2019 : $507,000) has been included in profit or loss for the year as part of "other income".

14 GOODWILL

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGU") that are expected to benefit from that business combination.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

	2020
Group	**$'000**
Cost:	
At 1 October 2018 and 30 September 2019	782
Arising from acquisition of Jumbo Seafood operations in Taiwan (Note 10)	839
At 30 September 2020	1,621

The carrying amount of goodwill of $1,621,000 (2019 : $782,000) is allocated to the respective CGUs:

	2020	2019
Group	**$'000**	**$'000**
Cash-generating units ("CGUs"):		
Ng Ah Sio Investments Pte. Ltd.	782	782
Jumbo F&B Services (Taiwan) Co Ltd	839	–
Total	1,621	782

The recoverable amount of each CGU is determined from a value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

Cash flow projections used in the value-in-use calculations were based on the most recent financial budgets approved by management for the next five years.

Key assumptions used for value-in-use calculations for goodwill are as follows:

	2020		2019	
	Estimated growth rate	**Discount rate**	**Estimated growth rate**	**Discount rate**
Ng Ah Sio Investments Pte. Ltd.	17%	9%	2%	8.1%
Jumbo F&B Services (Taiwan) Co Ltd	3%	9.9%	–	–

As at 30 September 2020 and 2019, any reasonably possible change to the key assumptions applied are not likely to cause the recoverable amounts to be below the carrying amounts of the CGU.

For the years ended 30 September 2020 and 2019, management has assessed that no allowance for impairment was required.

15 INTANGIBLE ASSETS

Group	Franchise rights $'000
Cost:	
At 1 October 2018 and 30 September 2019	–
Acquired on acquisition of Jumbo Seafood operations in Taiwan (Note 10)	246
At 30 September 2020	246
Amortisation:	
At 1 October 2018 and 30 September 2019	–
Amortisation for the year	29
At 30 September 2020	29
Carrying amount:	
At 30 September 2020	217
At 30 September 2019	–

16 RIGHT-OF-USE ASSETS

	Restaurant outlets	Office spaces	Hostel premises	Total
	$'000	$'000	$'000	$'000
Cost:				
At 1 October 2019 (Adoption of SFRS(I) 16)	29,524	–	316	29,840
Additions	11,481	1,138	276	12,895
At 30 September 2020	41,005	1,138	592	42,735
Accumulated depreciation:				
At 1 October 2019 (Adoption of SFRS(I) 16)	8,996	–	62	9,058
Depreciation	9,737	375	257	10,369
At 30 September 2020	18,733	375	319	19,427
Carrying amount:				
At 30 September 2020	22,272	763	273	23,308

The Group leases several restaurant outlets, office spaces and hostel premises and the average lease term is 3 - 5 years.

Certain leases expired in the current financial year and were replaced by new leases for identical underlying assets. This resulted in additions to right-of-use assets of $12,895,000 in 2020.

In addition, the Group has also secured the right-of-use of certain leasehold industrial units with no future payments required. The carrying amount of leasehold industrial units, amounting to $6,470,000 (2019 : $3,849,000) for the Group, are presented within property, plant and equipment (Note 17).

17 PROPERTY, PLANT AND EQUIPMENT

Group	Audio, visual and office equipment $'000	Kitchen equipment and utensils $'000	Furniture and fittings $'000	Renovation $'000	Leasehold industrial properties $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
Cost:								
At 1 October 2018	5,750	8,470	5,752	20,416	4,941	1,492	889	47,710
Additions	823	803	1,039	3,065	–	192	899	6,821
Disposals	(716)	(549)	(905)	(1,462)	–	(80)	–	(3,712)
Reclassifications	59	–	185	719	–	–	(963)	–
Reinstatement cost written back	–	–	–	(219)	–	–	–	(219)
Exchange difference	(23)	(61)	(10)	(230)	–	–	–	(324)
At 30 September 2019	5,893	8,663	6,061	22,289	4,941	1,604	825	50,276
Additions	295	412	817	2,209	2,611	93	1,319	7,756
Acquisition of business (Note 10)	644	–	–	1,548	–	–	–	2,192
Disposals	(98)	(552)	(82)	(1,200)	–	–	–	(1,932)
Reclassifications	172	–	–	775	185	–	(1,132)	–
Exchange difference	21	75	14	262	–	–	–	372
At 30 September 2020	6,927	8,598	6,810	25,883	7,737	1,697	1,012	58,664
Accumulated depreciation:								
At 1 October 2018	4,021	4,784	4,289	12,292	987	526	–	26,899
Depreciation for the year	823	982	784	2,586	105	158	–	5,438
Disposals	(631)	(533)	(886)	(1,310)	–	(74)	–	(3,434)
Reinstatement cost written back	–	–	–	(219)	–	–	–	(219)
Exchange difference	(1)	(25)	14	(160)	–	–	–	(172)
At 30 September 2019	4,212	5,208	4,201	13,189	1,092	610	–	28,512
Depreciation for the year	995	916	819	3,634	175	168	–	6,707
Disposals	(74)	(506)	(68)	(1,075)	–	–	–	(1,723)
Exchange difference	24	55	11	171	–	–	–	261
At 30 September 2020	5,157	5,673	4,963	15,919	1,267	778	–	33,757
Impairment:								
At 1 October 2018 and 30 September 2019	–	–	–	–	–	–	–	–
Impairment loss recognised during the year	–	–	–	1,353	–	–	–	1,353
At 30 September 2020	–	–	–	1,353	–	–	–	1,353
Carrying amount:								
At 30 September 2020	1,770	2,925	1,847	8,611	6,470	919	1,012	23,554
At 30 September 2019	1,681	3,455	1,860	9,100	3,849	994	825	21,764

The cost of fully depreciated assets still in use for the Group amounted to $15,850,000 (2019 : $12,557,000).

18 CLUB MEMBERSHIPS

	Group	
	2020	2019
	$'000	$'000
Country club memberships, at cost	273	273
Less: Allowance for impairment	(35)	(35)
	238	238

19 OTHER NON-CURRENT ASSET

This comprises prepayment costs for outlet renovation purposes.

20 TRADE AND OTHER PAYABLES

	Group		Company	
	2020	2019	2020	2019
	$'000	$'000	$'000	$'000
Trade payables	2,048	4,142	–	–
Other payables	1,605	2,062	79	–
Deposits received	1,081	704	–	–
Accrued employee benefits expense	2,589	5,473	–	–
Accrued directors' fees	111	58	111	58
Accrued operating expenses	623	591	111	104
Accrued credit expenses	191	191	–	–
Deferred revenue	942	245	–	–
	9,190	13,466	301	162

The credit period on purchases of goods is typically 30 days (2019 : 30 days). No interest is charged.

The Group has a loyalty programme which allows members to accumulate credits when they spend in the Group's restaurants. These credits can be off-set against billings from the Group's restaurants and/or redeem for certain merchandise. Accrued credit expense relates to the credits issued under the loyalty programme that are expected to be redeemed but are still outstanding as at the end of the financial year.

Deferred revenue mainly relates to advances received from customers for the sale of cash vouchers which are recognised as revenue when utilised by the customers.

21 PROVISION FOR REINSTATEMENT COSTS

	Group	
	2020	2019
	$'000	$'000
At beginning of year	2,051	2,047
Provision during the year	–	325
Writeback during the year	–	(219)
Utilisation of provision	(80)	(86)
Exchange gain (loss)	18	(16)
At end of year	1,989	2,051

Provision for reinstatement costs are estimation to reinstate the Group's leased premises to their original state upon expiry of the respective leases.

22 LEASE LIABILITIES (GROUP AS A LEASEE)

	Group
	2020
	$'000
Maturity analysis:	
Year 1	12,405
Year 2	8,497
Year 3	3,669
Year 4	656
Year 5 onwards	547
	25,774
Less: Future charges	(1,136)
	24,638
Analysed as:	
Current	11,767
Non-current	12,871
	24,638

Management is of the view that the fair values of the Group's lease liabilities approximate their carrying amounts.

Reconciliation of liability arising from financing activities

The table below details changes in the Group's liabilities arising from financing acitivities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	1 October 2019	New leases	Financing cash flows	30 September 2020
	$'000	$'000	$'000	$'000
Lease liabilities	22,006	12,895	(10,263)	24,638

23 BANK BORROWINGS

	Group 2020 $'000	Group 2019 $'000
Unsecured – at amortised cost		
Bank loans	2,133	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	(1,584)	–
Amount due for settlement after 12 months	549	–

As at 30 September 2020, the Group's unsecured borrowings comprise external bank loans, for a tenure ranging from 3 months to 2 years and bear floating interest rate at average effective interest rate of 2.01% per annum.

24 DEFERRED TAX LIABILITY

Group	Accelerated tax depreciation $'000
At 1 October 2018	301
Charge to profit or loss for the year	69
At 30 September 2019 and 2020	370

25 SHARE CAPITAL

	Group and Company			
	2020	2019	2020	2019
	Number of ordinary shares		$'000	$'000
Issued and paid up:				
At the beginning and at end of the year	641,833,000	641,833,000	48,806	48,806

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividend as and when declared by the Company.

26 TREASURY SHARES

	Group and Company			
	2020	2019	2020	2019
	Number of ordinary shares		$'000	$'000
At the beginning of the year	1,144,800	–	447	–
Repurchase of treasury shares	731,400	1,245,000	159	487
Reissue of treasury shares	(429,600)	(100,200)	(168)	(40)
At the end of the year	1,446,600	1,144,800	438	447

The Company acquired 731,400 (2019: 1,245,000) of its own shares through purchases on Singapore Exchange during the year. The total amount paid to acquire the shares was $159,000 (2019: $487,000) and has been deducted from shareholders' equity. The shares are held as treasury shares. The Company reissued 429,600 (2019: 102,000) of these shares to the employees of the Group.

The proposed participation and grant of share awards ("Awards") to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian who are associates of a controlling shareholder under the Performance Share Plan were approved by shareholders at an EGM held on 31 January 2019.

In 2019, the Company granted Awards of 39,700 and 13,000 shares to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively under the Performance Share Plan as follows:

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	Options granted during financial year under review (including terms)	Aggregate options granted since commencement of scheme to end of financial year under review	Aggregate issued and/ or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review	Aggregate options outstanding as at end of financial year under review
Ms. Wendy Ang Chui Yong[(1)]	–	39,700	(23,800)[(2)]	15,900
Mr. Ang Kiam Lian[(1)]	–	13,000	(7,800)[(2)]	5,200

(1) The Awards were granted to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

(2) During the year, 11,900 (2019: 11,900) and 3,900 (2019: 3,900) shares were allotted and issued to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

26 TREASURY SHARES (cont'd)

The Company granted Awards under the Performance Share Plan to other employees of the Group as follows:

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	Options granted during financial year under review (including terms)	Aggregate options granted since commencement of scheme to end of financial year under review	Aggregate issued and/ or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review	Aggregate options outstanding as at end of financial year under review
Other employees [3]	–	284,600	(168,800)[4]	115,800
Other employees [5]	329,400	329,400	(329,400)[6]	–

[3] The Awards were granted to other employees of the Group with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

[4] During the year, 84,400 (2019: 84,400) shares were allotted and issued to other employees of the Group, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

[5] The Awards were granted to other employees of the Group with a vesting period of 100% within 2 months from the date of the annual general meeting of the Company held on 17 January 2020.

[6] During the year, 329,400 (2019: Nil) shares were allotted and issued to other employees of the Group, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

27 MERGER RESERVE

Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Company and the purchase consideration paid by the Company for the acquisition using the principles of merger accounting applicable to business combination under common control.

28 REVENUE

	Group	
	2020	2019
	$'000	$'000
At a point in time:		
Sale of food and beverages	96,847	152,045
Franchise income	139	775
Over time:		
Royalty income	587	811
	97,573	153,631

29 OTHER INCOME

	Group	
	2020	2019
	$'000	$'000
Government credit schemes	491	366
Interest income	182	342
Management fees received from associates (Note 5)	184	394
Dividend income from short-term investments	*	*
Customer rewards fee	–	709
Fair value loss on short-term investments	(89)	(4)
Government grants	370	488
Sponsorships	55	200
Insurance claims	101	25
Sale of waste	29	38
Loss on property, plant and equipment written off	(148)	(288)
Gain on disposal of property, plant and equipment	9	23
Jobs support scheme	6,201	–
Foreign worker levy rebate	351	–
Property tax rebate	327	–
Rental rebate	2,159	–
Fair value loss on investments at FVTPL classified under other income	(92)	(507)
Others	421	594
	10,551	2,380

* denotes less than a thousand.

30 OTHER OPERATING EXPENSES

	Group	
	2020	2019
	$'000	$'000
Cleaning supplies and services	1,268	1,896
Credit card commission	1,187	1,976
General supplies	1,886	2,097
Repair and maintenance	1,341	1,590
Professional fees	2,132	744
Transportation fees	687	1,186
Marketing expense	1,769	1,684
Other receivables written off	212	–
Other expenses	3,771	3,728
	14,253	14,901

31 INCOME TAX (CREDIT) EXPENSE

	Group	
	2020	2019
	$'000	$'000
Tax expense comprises:		
Current tax		
- Current year	5	2,577
- (Over) Underprovision in respect of prior years	(225)	360
Withholding tax	116	90
Deferred tax - current year (Note 24)	–	69
	(104)	3,096

Domestic income tax is calculated at 17% (2019 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The total charge for the year can be reconciled to the accounting profit as follows:

	Group	
	2020	2019
	$'000	$'000
(Loss) Profit before income tax	(9,974)	13,951
Income tax calculated at 17% (2019 : 17%)	(1,696)	2,372
Tax effect of expenses that are not deductible, net of non-taxable items, in determining taxable profit	443	216
Tax effect of share of loss of associates	50	204
Tax effect of exempt income	–	(78)
Deferred tax benefits not recognised	1,572	–
Effect of different tax rate of subsidiaries operating in other jurisdiction	(389)	(84)
Effect of tax rebates	–	(30)
Tax effect of withholding tax	116	90
(Over) Underprovision of current tax in respect of prior years	(225)	360
Others	25	46
	(104)	3,096

As at the end of the reporting period, the Group has unutilised tax losses of $8,131,000 (2019: $Nil) available for offsetting against their future taxable profits of which $1,584,000 and $2,121,000 will expire in 2025 and 2030 respectively. No deferred tax asset has been recognised in respect of those tax losses due to no certainty of the tax losses being utilised.

32 SEGMENT INFORMATION

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*. The aggregated restaurant business is therefore the Group's only reportable segment.

The accounting policies of the reportable segment are the same as the Group's accounting policies described in Note 2.

Geographical information

The Group operates in Singapore, the PRC and Taiwan.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	Group	
	2020	2019
	$'000	$'000
Sales revenue by geographical market		
Singapore	69,659	126,439
PRC	21,163	27,192
Taiwan	6,751	–
Total	97,573	153,631

The following is an analysis of the carrying amount of segment assets analysed by the geographical location in which the assets are located:

	Group	
	2020	2019
	$'000	$'000
Non-current assets		
Singapore	34,521	16,992
PRC	10,098	4,772
Taiwan	3,060	–
Total	47,679	21,764

The segment assets are made up of non-current assets which comprise property, plant and equipment, right-of-use assets and other non-current asset.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

33 (LOSS) PROFIT FOR THE YEAR

(Loss) Profit for the year has been arrived at after charging (crediting):

	Group	
	2020	**2019**
	$'000	**$'000**
Employment benefits - directors and key management:		
- Salary and allowances	1,372	2,580
- Cost of defined contribution plans	57	58
Employment benefits - directors of subsidiaries:		
- Salary and allowances	175	215
- Cost of defined contribution plans	17	17
- Share based payment	2	2
Directors' fees of the Company	144	230
Audit fees:		
- paid to auditors of the Company	157	207
- paid to other auditors	44	44
Non-audit fees paid to auditors of the Company	51	70
Operating lease expenses [1]	3,477	14,098
Net exchange loss (gain)	5	(4)
Cost of defined contribution plans included in employee benefit expense	2,052	2,358

[1] *Disclosure required by SFRS(I) 16*

	Group
	2020
	$'000
Expenses relating to short-term leases and leases of low value assets	2,552
Variable lease payments not included in the measurement of the lease liabilities	925
Total	3,477

34 COMMITMENTS

The Group as a lessee

Disclosure required by SFRS(I) 16

As at 30 September 2020, the Group is committed to $315,000 for short-term leases.

34 COMMITMENTS

The Group as a lessee (cont'd)

Disclosure required by SFRS(I) 1-17

	Group 2019 $'000
Minimum lease payments under operating leases recognised as an expense:	
- operating lease rental	11,882
- contingent lease rental	2,216
	14,098

Operating lease commitments

As at 30 September 2019, the Group had operating lease agreements for restaurant outlets and office premises. The lease typically runs for a period of three to eight years, with an option to renew the lease contract after that date. The lease term did not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

As at 30 September 2019, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Group 2019 $'000
Within one year	11,803
Within two to five years	13,380
More than five years	556
	25,739

Contingent rental for the Group payable at certain percentage of monthly gross turnover had been excluded from the minimum lease rental commitments above.

35 (LOSS) EARNINGS PER SHARE

The calculation of the (loss) earnings per share attributable to the ordinary owners of the Company is based on the following data:

	Group	
	2020 $'000	2019 $'000
(Loss) Earnings per ordinary share		
(Loss) Profit attributable to owners of the Company ($'000)	(8,169)	11,668
Weighted average number of ordinary shares for purpose of (loss) earnings per share ('000)	640,565	639,321
(Loss) Earnings per ordinary share - Basic and diluted (cents)	(1.3)	1.8

35 (LOSS) EARNINGS PER SHARE (cont'd)

There were no dilutive equity instruments for 2020 and 2019.

There is no dilution as no share options were granted or were outstanding during the financial year.

The weighted average number of ordinary shares used for the calculation of earnings per share for the comparatives have been adjusted for the weighted average effect of changes in treasury shares transactions during the year.

36 DIVIDENDS

2019

On 31 January 2019, the Company declared a tax-exempt (one-tier) final cash dividend of 0.7 cents per share amounting to $4,488,000 for the financial year ended 30 September 2018, which was paid on 18 February 2019.

On 14 May 2019, the Company declared a tax-exempt (one-tier) interim cash dividend of 0.5 cents per share amounting to $3,206,000 for the financial year ended 30 September 2019, which was paid on 4 June 2019.

On 17 January 2020, the Company declared a tax-exempt (one-tier) final cash dividend of 0.7 cents per share amounting to $4,485,000 for the financial year ended 30 September 2019, which was paid on 5 February 2020.

2020

No dividends have been proposed in respect of the financial year ended 30 September 2020.

37 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I) pronouncements were issued but not effective and are expected to have an impact to the Group and the Company in the periods of their initial application.

Effective for annual periods beginning on or after 1 June 2020
- Amendment to SFRS(I) 16: *Covid-19-Related Rent Concessions*

Effective for annual periods beginning on or after January 1, 2022
- Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*
- Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to SFRS(I)s 2018-2020

Effective for annual periods beginning on or after January 1, 2023
- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*

Effective date is deferred indefinitely
- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the above amendments to SFRS(I)s and annual improvements to SFRS(I)s in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

38 IMPACT OF COVID-19

In March 2020, the World Health Organisation declared the Coronavirus Disease (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe. The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economy and this has impacted the Group's operations and its financial performance.

As the situation evolves, the directors and management do not consider it practicable to provide a quantitative estimate of the potential impact of the outbreak on the Group's subsequent financial statements. Notwithstanding this, the directors and management have assessed that the Group and Company will still be able to maintain sufficient liquidity at least for the next 12 months from the date of authorisation of these financial statements.

39 SUBSEQUENT EVENT

The Company's indirect wholly owned subsidiary, Jumbo Group of Restaurants Pte Ltd ("JGOR"), had on 26 November 2020 entered into a Sale And Purchase Agreement to purchase a 75% equity interest in Kok Kee Wanton Noodle Pte Ltd for a purchase consideration of $2,100,000. JGOR completed the purchase on 16 December 2020.

Statistics of Shareholdings

As at 16 December 2020

Total number of issued ordinary shares	:	641,833,000
Total number of issued ordinary shares excluding treasury shares	:	640,386,400
Total number of treasury shares held	:	1,446,600
Percentage of treasury shares held against the total number of issued ordinary shares excluding treasury shares	:	0.23%
Class of share	:	Ordinary shares
Voting rights	:	On a poll: 1 vote for each ordinary share
Number of subsidiary holdings	:	Nil

BREAKDOWN OF SHAREHOLDINGS BY RANGE
AS AT 16 DECEMBER 2020

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital*
1 - 99	1	0.04	1	0.00
100 - 1,000	203	8.30	133,700	0.02
1,001 - 10,000	1,088	44.50	7,241,348	1.13
10,001 - 1,000,000	1,125	46.01	63,042,309	9.85
1,000,001 AND ABOVE	28	1.15	569,969,042	89.00
TOTAL	**2,445**	**100.00**	**640,386,400**	**100.00**

** The shareholding percentage is calculated based on the number of issued ordinary shares of the Company excluding treasury shares.*

TWENTY LARGEST SHAREHOLDERS
AS AT 16 DECEMBER 2020

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital*
1	JBO HOLDINGS PTE LTD	292,044,265	45.60
2	CITIBANK NOMINEES SINGAPORE PTE LTD	76,446,663	11.94
3	TAN GEE JIAN	42,254,900	6.60
4	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	33,742,200	5.27
5	DBS NOMINEES PTE LTD	14,652,300	2.29
6	ANG CHEAU HOON	12,300,000	1.92
7	ANG HON NAM @NG NAM TECK	11,503,892	1.80
8	SEE BOON HUAT	10,350,000	1.62
9	KOH AH SAY @ SEE BOON CHYE	8,178,700	1.28
10	PALM BEACH SEAFOOD RESTAURANT PTE LTD	8,000,000	1.25
11	NG SIAK HAI	7,934,704	1.24
12	ORCHID 1 INVESTMENTS PTE LTD	7,933,400	1.24
13	NG NAM HUAT	5,633,600	0.88
14	NG NAM SOON	5,633,600	0.88
15	NSH HOLDINGS PTE LTD	3,594,000	0.56
16	RAFFLES NOMINEES (PTE) LIMITED	3,564,300	0.55
17	PHILLIP SECURITIES PTE LTD	3,502,700	0.54
18	TAN YONG CHUAN JACQUELINE	3,006,352	0.47
19	CHRISTINA ANG CHWEE HUAN	2,512,942	0.39
20	NYEO SAI JOO	2,301,766	0.36
	TOTAL	**555,090,284**	**86.68**

** The shareholding percentage is calculated based on the number of issued ordinary shares of the Company excluding treasury shares.*

Statistics of Shareholdings

As at 16 December 2020

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
JBO Holdings Pte. Ltd.	292,044,265	45.6	–	–
Ang Hon Nam[1]	11,503,892	1.8	292,044,265	45.6
Tan Gee Jian	42,254,900	6.6	–	6.6
Ron Sim Chye Hock	64,166,600	10.0	–	10.0
Kuang Ming Investments Pte. Limited	32,074,000	5.0	–	–
Tan Kim Choo[2]	–	–	32,074,000	5.0
Ng Chee Tat Philip[3]	–	–	32,074,000	5.0

Notes:

(1) Ang Hon Nam has a more than 20.0% interest in JBO Holdings Pte. Ltd.. Ang Hon Nam is deemed interested in the 292,044,265 shares held by JBO Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act.

(2) Kuang Ming Investments Pte. Limited. has a direct interest in 32,074,000 shares. Tan Kim Choo has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 32,074,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

(3) Kuang Ming Investments Pte. Limited. has a direct interest in 32,074,000 shares. Ng Chee Tat Philip has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 32,074,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

PUBLIC FLOAT

Based on the information available to the Company as at 16 December 2020, approximately 26.0% of the total number of issued shares in the Company was held in the hands of the public as defined in the Catalist Rules. Accordingly, Rule 723 of the Catalist Rules has been compiled with.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of JUMBO GROUP LIMITED (the "**Company**") will be convened and held by way of electronic means on Friday, 29 January 2021 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2020 ("**FY2020**") together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Regulations 88 and 89 of the constitution of the Company ("**Constitution**"):

Mr. Tan Cher Liang	(Regulation 89) *[See Explanatory Note (i)]*	**(Resolution 2)**
Mdm. Tan Yong Chuan, Jacqueline	(Regulation 89) *[See Explanatory Note (ii)]*	**(Resolution 3)**
Ms. Sim Yu Juan Rachel	(Regulation 88) *[See Explanatory Note (iii)]*	**(Resolution 4)**

3. To approve the payment of Directors' fees of up to $240,000 for the financial year ending 30 September 2021. **(Resolution 5)**

4. To re-appoint Deloitte & Touche LLP as the Company's auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

5. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to allot and issue shares in the capital of the Company - Share Issue Mandate**

"That, pursuant to Section 161 of the Companies Act, Cap. 50 (the "**Companies Act**"), the Constitution of the Company and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), Section B: Rules of Catalist ("**Catalist Rules**") the board of directors of the Company ("**Board**" or "**Directors**") be and is hereby authorised to:

(i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(iii) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority is in force (notwithstanding that such issue of Shares pursuant to the Instrument may occur after the expiration of the authority contained in this resolution), provided that:

(A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this resolution) does not exceed 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the then existing shareholders of the Company ("**Shareholders**") (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below);

(B) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the total number of issued Shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) (where applicable) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this authority is passed, provided the options or awards were granted in compliance with the Catalist Rules;

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

(C) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being in force; and

(D) (unless revoked or varied by the Company in a general meeting), the authority conferred by this resolution shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note (iv)] **(Resolution 7)**

7. **Authority to allot and issue Shares under the Jumbo Employee Share Option Scheme**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant options in accordance with the Jumbo Employee Share Option Scheme ("**Share Option Scheme**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of options granted by the Company under the Share Option Scheme established by the Company upon the exercise of such options in accordance with the terms and conditions of the Share Option Scheme, provided always that the aggregate number of Shares issued and/or issuable pursuant to the Share Option Scheme, the Jumbo Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note (v)] **(Resolution 8)**

8. **Authority to allot and issue Shares under the Jumbo Performance Share Plan**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant awards in accordance with the Jumbo Performance Share Plan ("**Performance Share Plan**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of awards granted by the Company under the Performance Share Plan established by the Company upon the vesting of such share awards in accordance with the terms and conditions of the Performance Share Plan, provided always that the aggregate number of Shares issued and/or issuable pursuant to the Share Option Scheme, the Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note (vi)] **(Resolution 9)**

By Order of the Board

Chee Yuen Li, Andrea
Secretary

Singapore, 14 January 2021

Explanatory Notes:

(i) Detailed information on Mr. Tan Cher Liang can be found in the Company's FY2020 Annual Report. Mr. Tan Cher Liang is the Independent Chairman of the Company. Mr. Tan Cher Liang, if re-elected as Director, will continue to serve as the Chairman of the Company and Audit Committee and as a member of the Nominating Committee, Remuneration Committee and Investment Committee, and shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr. Tan Cher Liang has no relationship with the Company, its related corporations, its substantial Shareholders or its officers.

(ii) Detailed information on Mdm. Tan Yong Chuan, Jacqueline can be found in the Company's FY2020 Annual Report. Mdm Tan Yong Chuan, Jacqueline, if re-elected as Director, will remain as an Executive Director of the Company. Mdm. Tan Yong Chuan, Jacqueline is the spouse of Mr. Ang Kiam Meng (Group CEO and Executive Director). Save as disclosed in the Company's FY2020 Annual Report, Mdm. Tan Yong Chuan, Jacqueline has no relationship with the Company, its related corporations, its substantial Shareholders or its officers.

(iii) Detailed information on Ms. Sim Yu Juan Rachel can be found in the Company's FY2020 Annual Report. Ms. Sim Yu Juan Rachel, if re-elected as Director, will remain as the Non-Executive Director of the Company. Ms. Sim Yu Juan Rachel is the daughter of Mr. Ron Sim Chye Hock, who is a substantial Shareholder of the Company. Saved as disclosed in the Company's FY2020 Annual Report, Ms. Sim Yu Juan Rachel has no relationship with the Company, its related corporations, its substantial Shareholders or its officers.

(iv) The Ordinary Resolution 7 proposed in item 6 above, if passed, will empower the Directors to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50.0% may be issued other than on a pro-rata basis to Shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution 7 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(v) The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the exercise of such options in accordance with the provisions of the Share Option Scheme.

(vi) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the vesting of such awards in accordance with the provisions of the Performance Share Plan.

Notes on the alternative arrangements for the AGM:

General

1. In view of the safe distancing regulations to hold physical meetings and to minimize physical interactions and COVID-19 transmission risks, the Company will conduct its AGM by electronic means pursuant to the COVID-19 (Temporary Measures)(Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this notice of AGM ("**Notice**"), the proxy form and the FY2020 Annual Report will not be sent to Shareholders. Instead, the documents will be made available to Shareholders via publication on the Company's corporate website (http://investor.jumbogroup.sg/) and on the SGX website (https://www.sgx.com/securities/company-announcements).

Participation in the AGM via live webcast or live audio feed

2. As the AGM will be held by way of electronic means, Shareholders will **NOT** be able to attend the AGM in person. All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, Shareholders are required to pre-register their participation in the AGM ("**Pre-registration**") at the link: https://septusasia.com/jumbo-agm-registration/ ("**AGM Registration and Q&A Link**") by **10.00 a.m. on 26 January 2021** ("**Registration Deadline**") for verification of their status as Shareholders (or the corporate representatives of such Shareholders).

3. Upon successful verification, each such Shareholder or its corporate representative will receive an email by **10.00 a.m. on 28 January 2021**. The email will contain instructions to access the live webcast or live audio feed of the AGM proceedings. Shareholders or their corporate representatives must not forward the email to other persons who are not Shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who have pre-registered by the Registration Deadline in accordance with paragraph 2 above but did not receive an email by **10.00 a.m. on 28 January 2021** may contact the Company for assistance via email at JGLAGM2021@boardroomlimited.com or alternatively call +65 6536 5355 during office hours on 28 January 2021.

Voting by proxy

4. Shareholders may only exercise their voting rights at the AGM via proxy voting (see paragraphs 5 and 6 below).

5. Shareholders who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the AGM as their proxy to do so on their behalf. In appointing the Chairman of the AGM as proxy, shareholders must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The duly executed proxy form must be submitted in the following manner:

   (i) if submitted by post, be deposited at the office of the Company's Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or

   (ii) if submitted electronically, be submitted via email to the Company's Polling Agent at JGLAGM2021@boardroomlimited.com,

   in either case, not less than **72 hours** before the time appointed for holding the AGM.

7. Shareholders who hold their shares through a Relevant Intermediary as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective Relevant Intermediaries (including their respective SRS approved banks or depository agents) to submit their voting instructions by 5.00 p.m. on 20 January 2021, being 7 working days before the date of the AGM.

Submission of questions prior to the AGM

8. Shareholders may submit questions related to the resolutions to be tabled at the AGM during Pre-registration via the AGM Registration and Q&A Link at https://septusasia.com/jumbo-agm-registration/, or by email (together with their full name (as per CDP records), identification number, and contact number (to enable the Company and/or its agents and service providers to authenticate their status as shareholders) to the Company by 10.00 a.m. on 26 January 2021 to JGLAGM2021@boardroomlimited.com, so that they may be addressed during the AGM proceedings. Shareholders will not be allowed to ask questions during the live webcast of the AGM.

9. The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website within one month after the date of AGM.

Personal Data Privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and/or representatives appointed for the AGM and/or any adjournment thereof and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM and/or any adjournment thereof, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where a member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Additional Information on Directors Seeking Re-Election

Mr. Tan Cher Liang, Mdm. Tan Yong Chuan, Jacqueline and Ms. Sim Yu Juan Rachel are Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 29 January 2021 (the "**AGM**") (collectively, the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules, is as set out below:

	Mr. Tan Cher Liang	**Mdm. Tan Yong Chuan, Jacqueline**	**Ms. Sim Yu Juan Rachel**
Date of Appointment	22 October 2015	4 February 2015	17 February 2020
Date of last re-appointment	31 January 2019	29 January 2018	–
Age	68	58	31
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and the nomination process)	The re-election of Mr. Tan as Independent Non-Executive Director was recommended by the Nominating Committee ("**NC**") and approved by the Board, after taking into consideration Mr. Tan's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director.	The re-election of Mdm. Tan as Executive Director was recommended by the NC and approved by the Board, after taking into consideration Mdm. Tan's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director.	The re-election of Ms. Sim Yu Juan Rachel as Non-Executive Director was recommended by the NC and approved by the Board, after taking into consideration Ms. Sim's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive	Non-Executive
Job Title	• Independent Chairman • Chairman of the Audit Committee • Member of the Nominating, Renumeration and Investment Committees	Executive Director Mdm. Tan oversees the procurement and purchasing function, merchandising and pricing strategies of the Group, and monitors the key performance indicators for the Group, such as customer engagement and reviews. Mdm. Tan is also responsible for strategizing and implementing key improvements to the Group's various processes, to continually raise the Group's standards of quality and service.	Non-Executive Director

Additional Information on Directors Seeking Re-Election

	Mr. Tan Cher Liang	Mdm. Tan Yong Chuan, Jacqueline	Ms. Sim Yu Juan Rachel
Professional Qualifications	• Member of the Institute of Singapore Chartered Accountants • Fellow of the Association Certified and Chartered Accountants (UK)	• Graduate Diploma in Personal Management, Singapore Institute of Management • Bachelor of Business Administration, National University of Singapore • Master of Counselling, Monash University	–
Working experience and occupation during the past 10 years	Managing Director & Finance Director of Boardroom Limited up to 31 March 2013	2015 to Present : Executive Director, Jumbo Group Limited 2013-2015 : Senior Director, Operation & Corporate Affairs, Jumbo Group of Restaurants Pte Ltd 2012: Director, Jumbo Group of Restaurants Pte Ltd 2010-2011 : Assistant General Manager, Jumbo Group of Restaurants Pte Ltd	2019 - Present: Head of Global Marketing Team, TWG Tea Co Pte Ltd. 2010-2019: Senior Marketing Manager of TWG Tea Co Pte Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Please refer to the "Directors' Interests in Shares and Debentures" section on page 45 of the Annual Report.		
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	• No	• Mr. Ang Hon Nam (father-in-law of Mdm. Tan Yong Chuan, Jacqueline) • Mr. Ang Kiam Meng (spouse of Mdm. Tan Yong Chuan, Jacqueline) • Mrs. Christina Ang Chwee Huan (sister-in-law of Mdm. Tan Yong Chuan, Jacqueline)	• Mr. Ron Sim Chye Hock (father of Ms. Sim Yu Juan Rachel)
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rules 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

Additional Information on Directors Seeking Re-Election

<table>
<tr><th></th><th>Mr. Tan Cher Liang</th><th>Mdm. Tan Yong Chuan, Jacqueline</th><th>Ms. Sim Yu Juan Rachel</th></tr>
<tr><td>Other Principal Commitments including Directorships*

*"Principal Commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.</td><td>Past (for the last 5 years)
None

Present
Directorship
<u>Listed Companies</u>
● Kingsmen Creatives Ltd
● Ezra Holdings Limited
● Wilton Resources Corporation Ltd
● Vibrant Group Limited
● Food Empire Holdings Limited

<u>Non-Listed Companies</u>
● D.S Lee Foundation
● D S Lee Specialists Group Pte Ltd
● D S Lee General Pte Ltd
● DSLSG Investment Pte Ltd
● Deli Sumatra Legacy Co Pte Ltd
● Nyalas Rubber Estates Limited
● EtonHouse Community Fund
● Children's Charities Association

Trustee
● Kwan Im Thong Hood Cho Temple</td><td>Past (for the last 5 years)
None

Present
None</td><td>Past (for the last 5 years)
None

Present
Directorship
Non-Listed Companies
● V3 Group (Singapore) Pte. Ltd.
● V3 Group Limited
● V3 Asset Pte. Ltd.
● V3 Capital & Investment Pte. Ltd.
● OSIM International Pte. Ltd.</td></tr>
<tr><td colspan="3">Information Required</td><td></td></tr>
<tr><td colspan="3">Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</td><td></td></tr>
<tr><td>(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?</td><td>No</td><td>No</td><td>No</td></tr>
</table>

Additional Information on Directors Seeking Re-Election

		Mr. Tan Cher Liang	Mdm. Tan Yong Chuan, Jacqueline	Ms. Sim Yu Juan Rachel
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

Additional Information on Directors Seeking Re-Election

		Mr. Tan Cher Liang	Mdm. Tan Yong Chuan, Jacqueline	Ms. Sim Yu Juan Rachel
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

Additional Information on Directors Seeking Re-Election

	Mr. Tan Cher Liang	Mdm. Tan Yong Chuan, Jacqueline	Ms. Sim Yu Juan Rachel
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No

Additional Information on Directors Seeking Re-Election

		Mr. Tan Cher Liang	Mdm. Tan Yong Chuan, Jacqueline	Ms. Sim Yu Juan Rachel
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

JUMBO GROUP LIMITED

Company Registration Number 201503401Z
(Incorporated in Singapore)

IMPORTANT

1. Members who wish to vote on any or all of the resolutions at the Annual General Meeting must appoint the Chairman of the AGM as their proxy to do so on their behalf.
2. This proxy form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors should approach their Relevant Intermediary as soon as possible to specify voting instructions. SRS investors should approach their respective SRS Operators at least seven working days before the AGM to ensure their votes are submitted.
3. PLEASE READ THE NOTES TO THE PROXY FORM.

PROXY FORM

(Please see notes overleaf before completing this form)

I/We, ____ (name)

of ____ (address)

being a member/members of **JUMBO GROUP LIMITED** (the "**Company**"), hereby appoint:

Name	Proportion of Shareholding to be represented	
	No. of Shares	%
Chairman of the AGM		

as my/our proxy, to attend and vote for or against or abstain from voting on the Resolutions to be proposed at the sixth annual general meeting of the Company (the "**AGM**") as indicated hereunder, for me/us and on my/our behalf at the AGM to be held by way of electronic means on Friday, 29 January 2021 at 10.00 a.m. and at any adjournment thereof.

If you wish to exercise all your votes "For" or "Against" a Resolution, please tick [✓] within the "For" or "Against" box provided. Alternatively, please indicate the number of votes "For" or "Against" the relevant Resolution.

If you wish to abstain from voting on a Resolution, please tick [✓] within the "Abstain" box provided. Alternatively, please indicate the number of votes in the "Abstain" box for the relevant Resolution."

No.	Resolutions relating to:	For	Against	Abstain
1.	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2020			
2.	Re-election of Mr. Tan Cher Liang as a Director			
3.	Re-election of Mdm. Tan Yong Chuan, Jacqueline as a Director			
4.	Re-election of Ms. Sim Yu Juan Rachel as a Director			
5.	Directors' fees of up to $240,000 for the financial year ending 30 September 2021			
6.	Re-appointment of Deloitte & Touche LLP as Auditors			
7.	Authority to allot and issue shares - Share Issue Mandate			
8.	Authority to allot and issue shares under the Jumbo Employee Share Option Scheme			
9.	Authority to allot and issue shares under the Jumbo Performance Share Plan			

Dated this ________ day of __________________ 2021

Total number of Shares in:	No. of Shares Held
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members of the Company, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members of the Company. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.

2. **In light of the current COVID-19 measures in Singapore, members will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** This proxy form may be accessed and downloaded from SGXNET and the Company's website. A printed copy of this proxy form will not be despatched to members. In appointing the Chairman of the AGM as proxy, members must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

3. This proxy form must be submitted to the Company in the following manner:

   (i) if submitted by post, be deposited at the office of the Company's Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623; or

   (ii) if submitted electronically, be submitted via email to the Company's Polling Agent at JGLAGM2021@boardroomlimited.com,

   in either case, not less than **72 hours** before the time appointed for holding the AGM.

4. This proxy form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

5. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

6. Members who hold their shares through a Relevant Intermediary as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective Relevant Intermediaries (including their respective SRS approved banks or depository agents) to submit their voting instructions by 5.00 p.m. on 20 January 2021, being 7 working days before the date of the AGM.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

Corporate Information

Board of Directors

Mr. Tan Cher Liang
(Independent Chairman)

Mr. Ang Kiam Meng
(Group CEO and Executive Director)

Mdm. Tan Yong Chuan, Jacqueline
(Executive Director)

Mrs. Christina Kong Chwee Huan
(Executive Director)

Mr. Richard Tan Kheng Swee
(Independent Director)

Dr. Lim Boh Soon
(Independent Director)

Ms. Sim Yu Juan Rachel
(Non-Executive Director)

Audit Committee

Mr. Tan Cher Liang *(Chairman)*
Mr. Richard Tan Kheng Swee
Dr. Lim Boh Soon

Nominating Committee

Dr. Lim Boh Soon *(Chairman)*
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

Remuneration Committee

Mr. Richard Tan Kheng Swee *(Chairman)*
Mr. Tan Cher Liang
Dr. Lim Boh Soon

Investment Committee

Dr. Lim Boh Soon *(Chairman)*
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

Company Secretary

Ms. Chee Yuen Li, Andrea, LLB (Honours)

Company Registration Number

201503401Z

Registered Office

4 Kaki Bukit Ave 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: www.jumbogroup.sg

Share Registrar and Share Transfer Office

M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

Investor Relations

Ms. Wendy Wan
Director, Corporate Affairs and Business Excellence
4 Kaki Bukit Ave 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: http://investor.jumbogroup.sg/
Email: ir@jumbogroup.com.sg

Auditors

Deloitte & Touche LLP
6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809

Partner-in-charge: Mr. Ang Chun Hwee Benny
(A member of the Institute of Singapore Chartered Accountants)
Date of appointment: 17 January 2020

Principal Bankers

DBS Bank Ltd
12 Marina Boulevard
Level 43 DBS Asia Central @MBFC Tower 3
Singapore 018982

United Overseas Bank Limited
80 Raffles Place UOB Plaza Singapore 048624

Sponsor

United Overseas Bank Limited
80 Raffles Place UOB Plaza Singapore 048624

JUMBO GROUP LIMITED
(Company Registration Number 201503401Z)
(Incorporated in the Republic of Singapore)

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