

FOR IMMEDIATE RELEASE

**JB Foods double its PBT to USD34.1million
(approximately S\$46.0million ⁽¹⁾), revenue growth of
10.7% to USD327million in FY2018 year-on-year**

- *PBT and EBITDA increase by 101.8% and 73.0% respectively in FY2018, driven by combination of higher sales volume and better processing margin*
- *Positive operating cashflows of USD40.5 million in FY2018, growth of 70.5%*
- *Revenue increased by 10.7% year-on-year supported by strong customer demand*
- *Healthy net gearing at 0.55 times as at 31 December 2018*

Financial Highlights for 4Q2018 and FY2018

USD'000	4Q2018	4Q2017	+ / (-) %	FY2018	FY2017	+ / (-) %
Revenue	92,915	75,493	23.1	327,114	296,625	10.7
EBITDA	10,951	10,307	6.3	41,644	24,070	73.0
PBT	8,889	8,477	4.9	34,090	16,896	101.8

Business Performance

SINGAPORE, 26 February 2019 – Mainboard-listed JB Foods Limited (“JB Foods” together with its subsidiaries, the “Group”), is pleased to announce earnings before interest, tax, depreciation and amortisation (“EBITDA”) of USD11.0 million, a profit before tax (“PBT”) of USD8.9 million for the fourth quarter ended 31 December 2018 (“4Q2018”), and EBITDA of USD41.6 million and PBT of USD34.1 million for the twelve months period ended 31 December 2018 (“FY2018”) respectively, mainly driven by higher sales volume. The Group’s Return of Equity increased from 18% to 26% in FY2018 year on year.

Mr Tey How Keong, Chief Executive Officer of JB Foods said, “During the year 2018, we have improved our plant utilisation rate and gradually focus on the premium products. Our Group’s revenue increased by 23.1% in 4Q2018 and 10.7% in FY2018 year-on-year, respectively due to stronger customers’ demand. I believe that the global demand for cocoa consumption is expected to remain strong”.

(1) Based on average exchange rate of USD to SGD at 1.3494

Financial Position

As at 31 December 2018, the Group maintained a robust balance sheet with shareholders' equity at USD121.8 million. Net gearing as at 31 December 2018 improved to 0.55 times from 0.75 times as at 31 December 2017. For FY2018, the Group generated EBITDA of USD41.6 million compared to USD24.1 million in FY2017, and positive operating cash flows of USD40.9 million compared to USD23.8 million in FY2017.

Dividend

- In August 2018, the Company has paid out an interim dividend of 1.00 Singapore cents per share.
- The Company is proposing a final dividend of 2.00 Singapore cents per share for the financial year ended 31 December 2018.

Market Outlook

The global economic uncertainties from intensifying trade tensions and interest rate hikes, continue to be a business concern to the Group. However, the Group remains confident in its long-term growth prospects as the global demand for cocoa consumption is expected to remain strong. The Group will continue to adopt conservative and prudent measures and strategies.

About JB Foods Limited

Established since the 1980s, JB Foods is a major cocoa ingredients producer with operations in Malaysia and Indonesia with a production capacity of 145,000 tonnes of cocoa bean equivalent per year. We are principally engaged in the production and sale of cocoa ingredient products, namely cocoa butter, cocoa powder, cocoa liquor and cocoa cake, which are used to produce chocolate, chocolate confectionary, as well as cocoa-related food and beverages. Our products are sold primarily under the "JBCOCCA" brand name and we export our products worldwide to customers ranging from international trade houses to end users.
