

**FOR IMMEDIATE RELEASE**

## **JB Foods posts PBT of USD16.0million in 1H2018, a surge of 332.3% year-on-year**

- *EBITDA and profit before tax increase by 172.1% and 332.3% respectively in 1H2018*
- *Positive operating cashflows of USD19.2 million in 1H2018, growth of 197.9%*
- *Healthy net gearing at 0.38 times as at 30 June 2018*

**Financial Highlights for 2Q2018 and 1H2018**

<b>USD'000</b>	<b>2Q2018</b>	<b>2Q2017</b>	<b>+ / (-) %</b>	<b>1H2018</b>	<b>1H2017</b>	<b>+ / (-) %</b>
Revenue	73,969	73,053	1.3	148,038	144,292	2.6
EBITDA	12,137	4,256	185.2	19,736	7,252	172.1
PBT	10,210	2,469	313.5	16,024	3,707	332.3

**Business Performance**

SINGAPORE, 7 August 2018 – 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 USD12.1 million, a profit before tax (“**PBT**”) of USD10.2 million for the second quarter ended 30 June 2018 (“**2Q2018**”), and EBITDA of USD19.7 million and PBT of USD16.0 million for the first half period ended 30 June 2018 (“**1H2018**”) respectively mainly due to strong customer demand and improvements in processing margin.

The Group’s revenue increased by 1.3% in 2Q2018 and 2.6% in 1H2018 year-on-year, respectively, mainly due to increase in shipment volume and partially offset by the lower average selling price to the Group’s customers due to pass-through effect of lower cocoa bean prices.

Mr Tey How Keong, Chief Executive Officer of JB Foods said, “I am very pleased to see our Group continues to achieve a more than three-fold year-on-year increase in our PBT from USD2.5million to USD10.2 million in 2Q2018, and has grown from strength to strength. Our Group shareholders’ equity also surpasses the USD100 million mark. This signifies a very important milestone of our Group.”

## **Dividend**

The Group is declaring an interim dividend of 1.00 Singapore cents per share for the financial period ended 30 June 2018.

## **Financial Position**

As at 30 June 2018, the Group maintained a robust balance sheet with shareholders' equity at USD111.1 million. Net gearing as at 30 June 2018 improved to 0.38 times from 0.75 times as at 31 December 2017. For 1H2018, the Group generated EBITDA of USD19.7 million compared to USD7.3 million in 1H2017, and positive operating cash flows of USD19.2 million compared to USD6.5 million in 1H2017.

## **Market Outlook**

The Group expects the current cocoa business sentiments will continue into the second half of 2018. However, intensifying trade tensions and interest rate hikes can continue to cause global economic uncertainties. This may negatively impact cocoa and chocolate consumption and pose potential headwinds to the Group's business. The Group will continue to adopt conservative and prudent measures and strategies, and remains confident in its long-term growth prospects.

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### **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 "JBCOCHA" brand name and we export our products worldwide to customers ranging from international trade houses to end users.

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