



JB Foods Limited

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FOR IMMEDIATE RELEASE

JB Foods achieves EBITDA of USD7,758K in 9M 2016, a growth of 60.8% year-on-year

- *Revenue increased significantly by 49.8% year-on-year supported by strong customer demand*
- *EBITDA and profit increase driven by combination of higher sales volume and better processing margin*

Financial Highlights for 3Q 2016 and 9M 2016

USD'000	3Q 2016	3Q 2015	+/(-) %	9M 2016	9M 2015	+/(-) %
Revenue	69,917	62,359	12.1	219,595	146,638	49.8
EBITDA	2,760	2,466	11.9	7,758	4,825	60.8
Profit before tax	1,019	861	18.4	2,672	7	28,071.4

Business Performance

SINGAPORE, 11 Nov 2016 – Mainboard-listed JB Foods Limited (“JB Foods” together with its subsidiaries, the “Group”), a major cocoa ingredient producer in Asia, is pleased to announce a profit before tax of USD1,019k for the third quarter ended 30 September 2016 (“3Q 2016”) and profit before tax of USD2,672k for the nine months ended 30 September 2016 (“9M 2016”), driven by a combination of higher sales volume and better processing margin.

The Group’s revenue also increased significantly by 49.8% year-on-year in 9M 2016, such increase in revenue being attributable to stronger customer demand and higher average selling price to the Group’s customers, a positive result of the Group’s sustained effort to expand its business with its existing customers and to acquire new customers, especially in the cocoa powder segment.

Mr Tey How Keong (郑好强), Chief Executive Officer of JB Foods said, "Our results were underpinned by our on-going strategy to drive higher sales volume, increase efficiency and cost-cutting. Notwithstanding this positive trend, we are aware of the fragility of the world economy, in light of the potential adverse economic effects resulting from the impending exit of the United Kingdom from the European Union. In this respect, we will cautiously manage our business risks, but still target to grow our business profitably."

Financial Position

As at 30 September 2016, the Group maintains a robust balance sheet with shareholders' equity at USD72.8 million, translating to NAV of USD0.32 (about S\$0.44) per share. For 9M 2016, the Group generated an EBITDA of USD7.8 million vs USD 4.8 million in 9M 2015.

Market Outlook

Although the Group's financial and business position has made steady improvements in the last few quarter, the Group maintains a cautious outlook for the rest of the financial year. The Group expects heightened uncertainties in global economic growth and increased volatility in equities and cocoa bean markets to pose as potential headwinds to the Group's business performance. However, the Group continues to adopt a conservative and prudent stance and remain confident in the long-term growth prospects.

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