

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE HALF-YEAR ENDED 31 MARCH 2020**

This announcement has been prepared by Jumbo Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) 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 announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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PART 1 – INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comprehensive statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group		Increase/ (Decrease) %
	1H FY2020 \$'000	1H FY2019 \$'000	
Revenue	66,691	76,713	(13.1)
Cost of sales	(24,973)	(27,486)	(9.1)
Gross profit	41,718	49,227	(15.3)
Other income	3,631	1,319	175.3
Employee benefits expense	(22,832)	(23,689)	(3.6)
Operating lease expenses	(2,548)	(6,844)	(62.8)
Utilities expenses	(1,893)	(1,904)	(0.6)
Depreciation and amortisation:			
-Property, plant and equipment	(3,300)	(2,624)	25.8
-Right-of-use assets	(4,607)	-	N.M.
Interest expenses:			
-Leases	(328)	-	N.M.
-Bank loans	(23)	-	N.M.
Other operating expenses	(8,001)	(7,035)	13.7
Share of results of associates	(169)	7	N.M.
Profit before tax	1,648	8,457	(80.5)
Income tax expense	(662)	(1,421)	(53.4)
Profit for the period	986	7,036	(86.0)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign operations	483	59	N.M.
Other comprehensive income for the period, net of tax	483	59	N.M.
Total comprehensive income for the period	1,469	7,095	(79.3)
Profit attributable to:			
Owners of the Company	2,123	7,449	(71.5)
Non-controlling interests	(1,137)	(413)	175.3
	986	7,036	(86.0)
Total comprehensive income attributable to:			
Owners of the Company	2,532	7,508	(66.3)
Non-controlling interests	(1,063)	(413)	157.4
	1,469	7,095	(79.3)

N.M. : Not meaningful

1(a)(ii) Notes to consolidated statements of profit or loss and other comprehensive income

The Group's net profit was arrived after crediting / (charging) the following:

	Group		
	1H FY2020 \$'000	1H FY2019 \$'000	Increase/ (Decrease) %
<u>Material items included in other income:</u>			
Fair value (loss)/gains on short-term investments	(80)	1	N.M.
Fair value loss on investments at fair value through profit or loss	(462)	(472)	(2.1)
Government grants	8	472	(98.3)
Government Wage Credit Scheme	308	282	9.2
Government Jobs Support Scheme	3,006	-	N.M.
Hostel rental income	166	167	(0.6)
Interest income	165	150	10.0
Jumbo membership fee	288	138	108.7
Loss on property, plant and equipment written off	(350)	(111)	(215.3)
Management fee received from associates	151	190	(20.5)
 <u>Material items included in other operating expenses:</u>			
Cleaning supplies and services	(1,622)	(1,537)	5.5
Credit card commission	(896)	(995)	(9.9)
General supplies	(1,170)	(1,102)	6.2
Marketing expenses	(748)	(644)	16.1
Professional fees	(640)	(607)	5.4
Reversal of provision for reinstatement costs	-	219	N.M.
Transportation and travelling expenses	(458)	(472)	(3.0)
 Depreciation and amortisation:			
-Property, plant and equipment	(3,300)	(2,624)	25.8
-Right-of-use assets	(4,607)	-	N.M.
Overprovision of tax in respect of prior years	237	136	74.3

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 31 Mar 2020 \$'000	As at 30 Sep 2019 \$'000	As at 31 Mar 2020 \$'000	As at 30 Sep 2019 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	31,891	46,575	17,170	17,353
Trade and other receivables	16,312	14,107	29	14
Due from subsidiaries	-	-	17,783	21,913
Dividend receivable	-	-	7,650	8,000
Short-term investments	352	432	-	-
Inventories	2,187	1,714	-	-
Total current assets	50,742	62,828	42,632	47,280
Non-current assets				
Investment in associates	1,127	1,446	-	-
Investment in subsidiaries	-	-	5,424	5,424
Other investments	75	75	-	-
Investments at fair value through profit or loss	2,739	3,201	-	-
Goodwill and intangible assets	1,866	782	-	-
Property, plant and equipment	26,371	21,764	-	-
Right-of-use assets	15,962	-	-	-
Club memberships	238	238	-	-
Total non-current assets	48,378	27,506	5,424	5,424
Total assets	99,120	90,334	48,056	52,704
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	6,891	13,466	231	162
Provision for reinstatement costs	2,023	2,051	-	-
Lease liabilities – right-of-use assets	9,870	-	-	-
Bank borrowings	1,255	-	-	-
Income tax payable	2,003	2,470	-	-
Total current liabilities	22,042	17,987	231	162
Non-current liabilities				
Lease liabilities – right-of-use assets	6,966	-	-	-
Bank borrowings	890	-	-	-
Deferred tax liability	370	370	-	-
Total non-current liabilities	8,226	370	-	-
Capital and reserves				
Share capital	48,806	48,806	48,806	48,806
Treasury shares	(438)	(447)	(438)	(447)
Currency translation reserve	(112)	(521)	-	-
Merger reserve	(2,828)	(2,828)	-	-
Retained earnings	20,708	23,728	(543)	4,183
Equity attributable to owners of the Company	66,136	68,738	47,825	52,542
Non-controlling interests	2,716	3,239	-	-
Total equity	68,852	71,977	47,825	52,542
Total liabilities and equity	99,120	90,334	48,056	52,704

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	Group			
	31 March 2020		30 September 2019	
	Secured \$	Unsecured \$	Secured \$	Unsecured \$
Borrowings – Bank loans				
Amount repayable in one year or less, or on demand	1,255	-	-	-
Amount repayable after one year	890	-	-	-
	2,145	-	-	-

The Company has provided a corporate guarantee to a bank in respect of the above loans provided to a subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement, for the corresponding period of the immediately preceding financial year.

	Group	
	1H FY2020 \$'000	1H FY2019 \$'000
Operating activities		
Profit before income tax	1,648	8,457
Adjustments for:		
Depreciation expense	3,300	2,624
Depreciation of right-of-use assets	4,607	-
Interest expense: leases	328	-
Interest income	(165)	(150)
Loss on property, plant and equipment written off	350	111
Gain on disposal of property, plant and equipment	(9)	(78)
Reversal of provision for reinstatement	-	(219)
Fair value loss on investments at fair value through profit or loss	462	472
Fair value loss/(gain) on short-term investments	80	(1)
Share of results of associates	169	(7)
Unrealised foreign exchange gain	412	61
Operating cash flows before movements in working capital	11,182	11,270
Trade and other receivables	(1,403)	(199)
Inventories	(345)	(360)
Trade and other payables	(7,405)	(2,177)
Cash generated from operations	2,029	8,534
Interest income	165	150
Income tax paid	(1,129)	(1,486)
Net cash from operating activities	1,065	7,198
Investing activities		
Acquisition of property, plant and equipment	(6,285)	(3,053)
Reduction of shares under associates	150	-
Transfer of treasury shares	168	40
Acquisition of treasury shares	(159)	(298)
Proceeds from disposal of property, plant and equipment	9	6
Reinstatement cost paid	(26)	-
Acquisition of business assets	(938)	-
Net cash used in investing activities	(7,081)	(3,305)

Financing activities

Dividend paid to owners of the Company	(4,485)	(4,488)
Repayment of lease obligations	(4,391)	-
Interest expenses from lease liabilities paid	(328)	-
Proceeds from issuance of shares to non-controlling interest in a subsidiary company	540	-
Net cash used in financing activities	(8,664)	(4,488)
Net decrease in cash and cash equivalents	(14,680)	(595)
Cash and cash equivalents at beginning of the period	46,575	46,583
Effect of foreign exchange rate changes	(4)	(2)
Cash and cash equivalents at end of the period	31,891	45,986

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Group (\$'000)	Share capital	Treasury shares	Currency translation reserve	Merger reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
Balance at 1 October 2018	48,806	-	(352)	(2,828)	19,754	65,380	4,128	69,508
Total comprehensive income for the period:								
Profit /(loss) for the period	-	-	-	-	7,449	7,449	(413)	7,036
Other comprehensive income for the period	-	-	59	-	-	59	-	59
Transactions with owners, recognised directly in equity:								
Purchase of treasury shares	-	(298)	-	-	-	(298)	-	(298)
Reissue of treasury shares	-	40	-	-	-	40	-	40
Dividend paid to owners of the Company	-	-	-	-	(4,488)	(4,488)	-	(4,488)
Balance at 31 March 2019	48,806	(258)	(293)	(2,828)	22,715	68,142	3,715	71,857
Balance at 1 October 2019	48,806	(447)	(521)	(2,828)	23,728	68,738	3,239	71,977
Impact of adopting SFRS(I) 16	-	-	-	-	(658)	(658)	-	(658)
Balance at 1 October 2019 (Restated)	48,806	(447)	(521)	(2,828)	23,070	68,080	3,239	71,319
Total comprehensive income for the period:								
Profit for the period	-	-	-	-	2,123	2,123	(1,137)	986
Other comprehensive income for the period	-	-	409	-	-	409	74	483
Transactions with owners, recognised directly in equity:								
Purchase of treasury shares	-	(159)	-	-	-	(159)	-	(159)
Reissue of treasury shares	-	168	-	-	-	168	-	168
Capital contribution from non-controlling interest in a subsidiary	-	-	-	-	-	-	540	540
Dividend paid to owners of the Company	-	-	-	-	(4,485)	(4,485)	-	(4,485)
Balance at 31 March 2020	48,806	(438)	(112)	(2,828)	20,708	66,136	2,716	68,852

Company (\$'000)	Share capital	Treasury shares	Retained earnings	Total
Balance at 1 October 2018	48,806	-	4,550	53,356
Total comprehensive loss for the year:				
Loss for the period	-	-	(414)	(414)
Transactions with owners, recognised directly in equity:				
Purchase of treasury shares	-	(298)	-	(298)
Transfer of treasury shares	-	40	-	40
Dividend paid	-	-	(4,488)	(4,488)
Balance at 31 March 2019	48,806	(258)	(352)	48,196
Balance at 1 October 2019	48,806	(447)	4,183	52,542
Total comprehensive loss for the year:				
Loss for the period	-	-	(241)	(241)
Transactions with owners, recognised directly in equity:				
Purchase of treasury shares	-	(159)	-	(159)
Reissue of treasury shares	-	168	-	168
Dividend paid	-	-	(4,485)	(4,485)
Balance at 31 March 2020	48,806	(438)	(543)	47,825

1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the corresponding period of the immediately preceding financial year.

There has been no change to the Company's share capital since 30 September 2019.

There were no outstanding convertibles and subsidiary holdings held by the Company as at 31 March 2020 and 31 March 2019.

The number of shares held as treasury shares as at 31 March 2020 and 31 March 2019 were 1,451,000 shares and 641,500 shares respectively representing 0.23% and 0.10% respectively, of the total number of shares outstanding that were listed as at the respective dates.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	As at 31 March 2020	As at 30 September 2019
Total number of issued shares excluding treasury shares	640,382,000	640,688,200

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and /or use of treasury share as at the end of the current financial period reported on.

	Number of Treasury Shares	
	As at 31 March 2020	As at 30 September 2019
Balance at beginning of financial period/year	1,144,800	-
Purchase of treasury shares	735,800	1,245,000
Transfer of treasury shares	(429,600)	(100,200)
Balance at end of financial period/year	1,451,000	1,144,800

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as there are no subsidiary shareholdings.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the Group’s financial statements for the half-year ended 31 March 2020 (“1H FY2020”) as its most recently audited financial statements for the financial year ended 30 September 2019 (“FY2019”), except as disclosed in paragraph 5.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the following new and revised SFRS(I) which is effective for its financial year beginning 1 October 2019, with impact as follows:

SFRS(I) 16 - Leases

The Group adopted SFRS(I) 16 and elected to apply the standard retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 October 2019. In addition, the Group elected the following practical expedients:

- (i) not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases
- (ii) to apply the exemption not to recognise right-of-use asset and lease liabilities to lease for which the lease term ends within 12 months as of 1 October 2019
- (iii) to apply a single discount rate to a portfolio of leases with reasonably similar characteristics by countries

Summary of impact:

	1 October 2019	Group (\$'000) SFRS(I) 16	1 October 2019 (Restated)
Non-Current Assets			
Right-of-use assets	-	20,569	20,569
Liabilities			
Lease liabilities	-	21,227	21,227
Equity			
Retained earnings	23,728	(658)	23,070

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

Earnings per share (“EPS”)

	1H FY2020	Group 1H FY2019
Profit attributable to owners of the Company (\$'000)	2,123	7,449
Weighted average number of shares ('000)	640,738	641,272
Basic and diluted EPS (cents)	0.3	1.2

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:-

- (a) Current financial period reported on; and
(b) Immediately preceding financial year.

Net asset value (“NAV”)

	Group		Company	
	As at		As at	
	31 Mar 2020	30 Sep 2019	31 Mar 2020	30 Sep 2019
NAV (\$'000)	66,136	68,738	47,825	52,542
Number of shares ('000)	640,382	640,688	640,382	640,688
NAV per share (cents)	10.3	10.7	7.5	8.2

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF THE GROUP'S PERFORMANCE

1H FY2020 versus 1H FY2019

Revenue

Revenue decreased by 13.1% or \$10.0 million, from \$76.7 million for the half-year ended 31 March 2019 (“1H FY2019”) to \$66.7 million in 1H FY2020, mainly attributed to the impact from the COVID-19 pandemic.

The pandemic had significantly impacted our China’s operations from January 2020 before the Chinese New Year (“CNY”). In order to curb the spread of the COVID-19 virus, the Chinese government began imposing various measures to restrict the movement of people in January 2020. As a result, footfall in malls, and correspondingly, our outlets in China located in those malls, fell significantly. With a muted topline for the period from January to March 2020, revenue from our China operations decreased by 35.5% or \$5.0 million to \$9.0 million in 1H FY2020. Similarly, in Taiwan, since the first domestic case was diagnosed in late January 2020, the authorities implemented precautionary measures, which included border controls prohibiting entry by anyone who had been in China or Hong Kong from 6 February, and by 19 March, ban was extended to nearly all foreigners without Taiwanese residence certifications. With heightened fear on 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.

For our Singapore operations, the number of customers dining at our outlets registered a decline during the CNY period as the country started to report new COVID-19 cases. Topline trend worsened with the banning of new visitors from China (one of our key customer groups) from end-January 2020 and the stepping up of border controls in February and March 2020 which substantially reduced the number of tourists coming to Singapore. Restrictions placed on large-scale events and social distancing measures put in place since early February 2020 and the fear of the spread of COVID-19 further reduced the number of local dine-in customers. As a result, for the period of January to March 2020, our topline registered a significant decline, especially after the CNY season. For 1H FY2020, revenue from our Singapore operations decreased 13.5% or \$8.4 million to \$54.3 million.

Cost of sales

Cost of sales which comprised raw materials and consumables used fell by 9.1% or \$2.5 million, from \$27.5 million in 1H FY2019 to \$25.0 million in 1H FY2020, in-line with the decrease in revenue.

Gross profit

With a larger magnitude of decline in revenue versus cost of sales, gross profit fell by 15.3% or \$7.5 million. Gross profit margin was also lower at 62.6% in 1H FY2020, versus 64.2% in 1H FY2019, due to more promotion campaigns and greater discounts offered in February and March.

Other income

Other income increased by 175.3% or \$2.3 million, to \$3.6 million in 1H FY2020. This was primarily due to the Jobs Support Scheme granted by the Singapore government during the COVID-19 period, which amounted to \$3.0 million, for the periods of October to December 2019, and February to March 2020. This was partially offset by lower payment from other government grants and higher loss incurred on writing off of property, plant and equipment.

Employee benefits expense

Employee benefits expense decreased by 3.6% or \$0.9 million, from \$23.7 million in 1H FY2019 to \$22.8 million in 1H FY2020, due mainly to the cost saving measures taken by the Group during the COVID-19 period, including non-bonus accruals, minimal use of casual labour, and lesser overtime hours due to shorter operating hours.

Operating lease expenses

Operating lease expenses decreased by 62.8% or \$4.3 million, to \$2.5 million in 1H 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 depreciated across the remaining lease term.

Utilities expenses

Utilities expenses were relatively stable at \$1.9 million for both 1H FY2019 and 1H FY2020.

Depreciation expense

Depreciation expense for property, plant and equipment increased by 25.8% or \$0.7 million, to \$3.3 million in 1H FY2020, due to the addition of new restaurant outlets in Singapore, namely Jumbo Seafood ION outlet in December 2018 and Jumbo Seafood Jewel 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 \$4.6 million. Please refer to Note 5 for more details.

Other operating expenses

Other operating expenses increased by 13.7% or \$1.0 million, from \$7.0 million in 1H FY2019 to \$8.0 million in 1H FY2020, mainly due to the increase in the number of restaurants in Singapore and acquisition of majority stake in Jumbo Seafood in Taiwan.

Share of results of associates

The share of loss in associates was largely due to the performance of Jumbo Seafood outlets in Korea. Two Jumbo Seafood outlets commenced operations in July and October 2019 respectively and shortly after, the business was affected by the COVID-19 pandemic.

Income tax expense

Income tax expense decreased by 53.4% or \$0.8 million, to \$0.7 million in 1H FY2020, in-line with the lower taxable profits generated during the period.

Profit attributable to owners of the Company

Profit attributable to owners of the Company decreased by 71.5% or \$5.3 million, from \$7.4 million in 1H FY2019 to \$2.1 million in 1H FY2020.

REVIEW OF THE GROUP'S FINANCIAL POSITION

31 March 2020 versus 30 September 2019

Current assets

The Group's current assets decreased by \$12.1 million, to \$50.7 million as at 31 March 2020, mainly due to a decrease in cash and cash equivalents of \$14.7 million as a result of lower revenue, FY2019 year-end bonus payout in January 2020 and FY2019 final dividend payout in February 2020, and partially offset by an increase in trade and other receivables of \$2.2 million, due to the estimated grants from the Singapore government Jobs Support Scheme.

Non-current assets

The Group's non-current assets increased by \$20.9 million, to \$48.4 million as at 31 March 2020, largely due to the adoption of SFRS(I) 16 from 1 October 2019, leading to the capitalisation of the right-of-use assets of \$16.0 million. Goodwill and intangible assets increased by \$1.1 million, primarily due to recognition of goodwill of \$0.9 million from the acquisition of a major stake in the Jumbo Seafood outlets in Taiwan. The increase of \$4.6 million in net property, plant and equipment was mainly due to the purchase of a property of \$2.8 million for the expansion of our central kitchen in Singapore, renovations of \$2.9 million on new and existing outlets in Singapore and China and the addition of two Jumbo seafood outlets of \$2.2 million in Taiwan, partially offset by depreciation of \$3.3 million in 1H FY2020.

Current liabilities

The Group's current liabilities increased by \$4.1 million to \$22.0 million as at 31 March 2020 mainly due to the adoption of SFRS(I) 16 which required the recognition of lease liabilities of \$9.9 million in relation to the capitalised right-of-use of assets (i.e. long-term leases). There are also bank borrowings of \$1.3 million, from our newly acquired Taiwan operations. This was partially offset by a decrease of \$6.6 million in trade and other payables, largely due to payment of year-end bonuses, and lower income tax payable.

Non-current liabilities

The Group's non-current liability increased by \$7.9 million to \$8.2 million as at 31 March 2020, attributed to 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 \$11.2 million in 1H FY2020. Net cash used in working capital amounted to \$9.2 million due to an increase in trade and other receivables of \$1.4 million, an increase in inventories of \$0.3 million and a decrease in trade and other payables of \$7.4 million. The Group paid income tax of \$1.1 million. As a result, net cash generated from operating activities was \$1.1 million in 1H FY2020.

Net cash used in investing activities amounted to \$7.1 million mainly due to acquisition of property, plant and equipment of \$6.3 million, of which \$2.8 million was for the purchase of property for expansion of our central kitchen and \$2.9 million on renovation of new and existing outlets in Singapore and China. Cash outlay for the acquisition of Jumbo Seafood in Taiwan amounted to \$0.9 million while purchase of treasury shares amounted to \$0.2 million.

Net cash used in financing activities for 1H FY2020 of \$8.7 million was mainly for FY2019 final dividend payments of \$4.5 million and repayment of lease obligations of \$4.4 million.

As a result, cash and cash equivalents decreased by \$14.7 million to \$31.9 million as at 31 March 2020.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In Singapore, with the implementation of the Circuit Breaker by the Singapore government on 7 April 2020, we have temporarily closed 10 of our 16 outlets. The 6 outlets that remained open could only cater to takeaways and deliveries. With less than 40% of our outlets operating, coupled with smaller order sales and lower volume of takeaway and delivery orders compared to dine-in, we expect our topline for the Circuit Breaker period to be substantially lower compared to FY2019. Though revenue has picked up gradually compared to the first week of the Circuit Breaker, and the majority of our landlords are providing varying amounts of rental rebates for April and May, which would help to defray some of our rental expenses, bottom line is expected to be significantly lower compared to same period last year based on preliminary assessment.

In Taiwan and China, the pandemic situations have stabilised and internal travel restrictions have been lifted substantially. However, consumer sentiments have remained visibly muted. As at the date of this announcement, footfall in our outlets have not recovered to pre-COVID-19 levels.

Since the onset of the COVID-19 pandemic, our management team have been proactive in monitoring the rapidly evolving developments and implemented swift and coordinated responses across our local and regional operations to ensure the well-being and safety of our customers, employees and business continuity. Adapting to such operating environment changes and restrictions, we have intensified our digital and online presence, and offered a wider range of products and services, such as bento sets and deliveries via multiple platforms to capture a larger customer base in a very competitive market. All operating expenses are closely monitored and managed, especially labour costs and rental.

As there is little visibility on the duration and severity of this COVID-19 pandemic and uncertainty as to when normalcy can return, we expect the business environment to remain challenging in the second half year of FY2020.

The Group will continue to remain nimble in navigating the uncertainties and manage the financials and operations of the Group in the best interests of our stakeholders. Nonetheless, the Group continues to maintain a healthy balance sheet, with minimal bank borrowings and adequate level of liquidity.

11. Dividend

(a) Any dividend declared for the current financial period reported on?

Not applicable.

(b) Corresponding period of the immediately preceding financial year?

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (cents)	0.5
Tax rate	Tax exempt (one-tier)

(c) The date the dividend is payable.

Not applicable.

(d) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to the effect.

As there are significant uncertainties in assessing the duration of the pandemic and its impact, the Group's current key priority is to preserve cash to support our working capital requirements until the COVID-19 situation improves. Therefore, the Board will not be recommending any interim dividend for 1H FY2020.

13. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. There are no interested person transactions of \$100,000 or more for the period under review.

14. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officer as required under Rule 720(1) of the Catalist Rules.

15. Negative confirmation by the board pursuant to Rule 705(5)

To the best knowledge of the board of directors of the Company ("**Board**"), nothing has come to the attention of the Board which may render the unaudited financial results of the Group and the Company for 1HFY2020 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
Independent Chairman

14 May 2020

Ang Kiam Meng
Executive Director and Group CEO

14 May 2020