

NEWS RELEASE

JUMBO POSTS NET PROFIT OF \$2.0 MILLION ON THE BACK OF \$30.9 MILLION IN REVENUE FOR Q1 FY2016

- ***Increased revenue mainly due to higher contributions from restaurants in Singapore and Shanghai***

Singapore, February 4, 2016 – Jumbo Group Limited (“**JUMBO**”, or the “**Company**” and together with its subsidiaries and subsidiary entities, the “**Group**”), one of Singapore’s leading multi-dining concept food and beverage (“**F&B**”) establishments, today announced a profit after tax of \$2.0 million for the three-month period ended 31 December 2015 (“**Q1 FY2016**”), compared to \$2.1 million for the corresponding financial period a year ago (“**Q1 FY2015**”).

For the period under review, net profit decreased 4.9% or approximately \$0.1 million mainly due to IPO expenses and pre-operating expenses incurred for the third Jumbo Seafood restaurant in Shanghai, PRC which commenced operations in January 2016. Excluding one-off IPO expenses of \$0.7 million, profit after tax would have been approximately \$2.7 million representing an increase of 25.5% over Q1 FY2015.

JUMBO turned in revenue of \$30.9 million in Q1 FY2016, up 7.6% from \$28.7 million in Q1 FY2015. This was attributable to the Group’s second Jumbo Seafood restaurant in Shanghai, PRC which commenced operations in August 2015 and an overall increase in revenue from the rest of the Group’s restaurants.

In line with the increase in revenue, cost of sales which comprise raw materials and consumables used increased 7.7% to \$11.5 million in Q1 FY2016 from \$10.7 million in Q1 FY2015.

Employee benefits expense rose 10.3% to \$9.2 million in Q1 FY2016 mainly due to an increase in the number of employees in Shanghai, PRC, for the Group's second Jumbo Seafood restaurant (opened in August 2015) and in preparation for the opening of its third Jumbo Seafood restaurant in January 2016. In addition, there is an overall increase in headcount and salaries for the Group's operations in Singapore.

Operating lease expenses increased 19.0% to \$3.0 million in Q1 FY2016, mainly attributable to new leases for the Group's second and third Jumbo Seafood restaurants in Shanghai, PRC and higher rental upon lease renewal for a few existing restaurants.

Other operating expenses increased 11.8% to \$3.6 million in Q1 FY2016, mainly due to one-off IPO expenses of \$0.7 million.

Mr. Ang Kiam Meng (黃建銘), CEO and Executive Chairman, said, "The increase in topline on higher revenue contributions from both our Singapore and Shanghai operations reflects the potential of both markets and our strong standing as a leading seafood restaurant operator. Our net profit was impacted by the one-off IPO expenses and pre-operating expenses incurred in the first quarter for our third Jumbo Seafood restaurant which commenced operations in January 2016. Going forward, we will leverage on our strengths and channel our resources efficiently to drive profitability. We are focused on increasing productivity and managing expenses, via the improvement of work flow processes and implementation of information technology applications."

Outlook

Conditions for the food and beverage industry are expected to remain challenging in light of factors such as higher labour costs and rent. With the opening of its second and third restaurants in Shanghai, PRC, JUMBO expects an impact on the operating margins of its PRC operations in the short term, given that new outlets typically require at least six (6) months before they contribute positively to the Group's profits.

Commenting on expansion plans, Mr. Ang shared, "We remain on track to fulfil our plan of establishing at least four F&B outlets in the PRC and/or Singapore within 24 months of our listing. Apart from our latest Shanghai outlet opening in January 2016, we are continually on the lookout for opportunities in Singapore. The PRC will remain our key growth driver in the near future and we are in the midst of building a strong middle-management team in Shanghai. Thus far, we have benefitted from Shanghai's large population of approximately 25 million, the growing affluence of its middle class and the increased demand for new dining concepts."

JUMBO will continue to explore opportunities through acquisitions, joint ventures or strategic alliances with parties who can strengthen the Group's market position, add value to its existing business and expand its network of F&B outlets.

JUMBO will also continue to focus on cost rationalization and improving work flow processes, manpower utilization and information technology applications to increase productivity and efficiency and lowering operating costs.

About JUMBO Group Limited

JUMBO is one of Singapore's leading multi-dining concept food & beverage ("F&B") establishments.

The Group's network of F&B outlets (including those of its associated companies and those under licensing arrangements) spans Singapore, the People's Republic of China (the "PRC") and Japan. 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.

Fulfilling its philosophy of "Bonding People Through Food", JUMBO has a total of 14 F&B outlets in Singapore and three (3) F&B outlets in the PRC, under five (5) restaurant brands – *Jumbo Seafood*, *JPOT*, *Ng Ah Sio Bak Kut Teh*, *Chui Huay Lim Teochew Cuisine* and *J Café*. It also manages one (1) *Singapore Seafood Republic* outlet and one (1) *Yoshimaru Ramen Bar* outlet in Singapore that are effectively owned by its associated companies.

The Group also has a Central Kitchen in Singapore to maintain stringent quality standards and the consistency in the tastes 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.

The Group has received many awards, accolades and notable mentions in prestigious publications for the high quality of food and service offered by the Group's F&B brands.

Some of these awards and accolades include the *People Excellence Award* (2015), *HRM Awards – SME Employer of the Year* (2015), *Influential Brands Award – Top Brand for Seafood Category* (2015), *Excellent Service Award* (2012, 2013, 2014 and 2015), *Singapore SME 1000 Company* (2015), *Singapore Prestige Brand Award – Established Brand Category* (2012) and *Heritage Category* (2012), and the *Enterprise 50 Award* (7th place in 2012 and 2nd place in 2015).

For more information, please visit www.jumbogroup.sg.

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IMPORTANT NOTICE

The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 9 November 2015. The Sponsor and Issue Manager for the Company's initial public offering was United Overseas Bank Limited (the "Sponsor").

This Press Release has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this Press Release.

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