

NEWS RELEASE

JUMBO POSTS 15.7% GROWTH IN NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE COMPANY TO \$2.4 MILLION ON THE BACK OF \$35.5 MILLION IN REVENUE FOR Q1 FY2019

- *Singapore operations continue to be bedrock of earnings growth*
- *Plans underway for more outlets opening in Singapore - 1 JUMBO Seafood outlet, 1 Teochew cuisine restaurant and 2 Tsui Wah Hong Kong-styled “Cha Chaan Teng” outlets*

Singapore, 13 February 2019– JUMBO Group Limited (“**JUMBO**”, or the “**Company**” and together with its subsidiaries, the “**Group**”), one of Singapore’s leading multi-dining concept food and beverage (“**F&B**”) establishments, today announced revenue of \$35.5 million for the three-month period ended 31 December 2018 (“**Q1 FY2019**”), a slight dip of 1.5% from \$36.0 million recorded in the previous corresponding period (“**Q1 FY2018**”). The decrease in revenue was due mainly to the closure of underperforming outlets in Singapore.

Cost of sales, which comprised raw materials and consumables used, decreased by 3.4%, from \$13.3 million in Q1 FY2018 to \$12.9 million in Q1 FY2019, in line with the decrease in revenue. Gross profit margin was higher at 63.7% in Q1 FY2019 as compared to 63.0% in Q1 FY2018, mainly due to higher franchise income.

JUMBO’s operating lease expenses decreased by 7.2%, from \$3.5 million in Q1 FY2018 to \$3.3 million in Q1 FY2019 mainly due to the closure of the underperforming outlets. Utilities expenses increased by 7.3% to \$0.9 million in Q1 FY2019, mainly due to higher electricity and gas prices in Singapore and the increase in the number of outlets in the People’s Republic of China (“**PRC**”).

The Group's depreciation expense increased by 18.8%, from \$1.1 million in Q1 FY2018 to \$1.3 million in Q1 FY2019, mainly due to a newly opened JUMBO Seafood outlet in Xi'an in June 2018.

Other operating expenses increased by 5.3%, from \$3.5 million in Q1 FY2018 to \$3.7 million in Q1 FY2019, mainly due to the fair-value loss on investment of \$0.4 million, which was partially offset by lower other operating expenses from outlet closures in Singapore.

Profit attributable to owners of the Company increased by 15.7% to \$2.4 million in Q1 FY2019, from \$2.1 million in Q1 FY2018, after taking into account the losses attributed to minority interests.

For the quarter under review, JUMBO expanded its franchise network in Asia – it announced the opening of its first franchised JUMBO Seafood restaurant in both Fuzhou, the PRC, as well as in Bangkok, Thailand.

It also opened a new JUMBO Seafood restaurant in Singapore at ION Orchard, which marked the opening of a new JUMBO Seafood restaurant in Singapore over the past 10 years. This brings the total number of JUMBO Seafood restaurants across Asia to 17.

Mr. Ang Kiam Meng (黄建铭), Group CEO and Executive Director of JUMBO, commented, "I am pleased that JUMBO continues to deliver a resilient financial performance, even as we make headway in strengthening our footprint in the region. The successful launch of our newly-opened JUMBO Seafood outlet at ION Orchard has set a positive tone for the start of FY2019, and I am excited about our expansion plans for the year ahead."

Outlook

Headwinds such as operating cost pressures and keen competition are expected to continue to persist in the year ahead. While some of these challenges are industry-wide and invariably affect the F&B sector, JUMBO believes it will be able to navigate these challenges successfully, and remains confident that its business will remain stable over the next year. JUMBO will continue to focus on cost efficiency, and to raise productivity, efficiency and lower operating costs.

Leveraging on the years of operational success in the local market, JUMBO's Singapore operations are expected to continue to form the bedrock of earnings growth, and the Group looks forward to strengthening its foothold in terms of seafood dining options with the recently opened JUMBO Seafood outlet at ION Orchard, followed by an additional outlet which is expected to open within the next 6 months. Plans are also underway for 1 Teochew cuisine restaurant and 2 more Tsui Wah Hong Kong-styled "Cha Chaan Teng" outlets in Singapore.

Looking ahead, the Group will also continue to grow its overseas footprint and explore suitable opportunities to expand its network of F&B outlets and business through the opening of new outlets, acquisitions, joint ventures or strategic alliances with partners who can strengthen JUMBO's market position and value add to its existing business.

About JUMBO Group Limited

JUMBO is one of Singapore's leading multi-dining concept F&B establishments.

The Group's network of F&B outlets (including those of its associated companies and those under licensing arrangements) spans cities like Singapore, Shanghai, Beijing, Xi'an, Fuzhou, Taipei, Taichung, Ho Chi Minh, Bangkok, Tokyo and Osaka. 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 13 F&B outlets in Singapore and 6 F&B outlets in the PRC, under 5 restaurant brands – *JUMBO Seafood, JPOT, NG AH SIO Bak Kut Teh, Chui Huay Lim Teochew Cuisine* and *J Café*. It also operates 1 Tsui Wah Hong Kong-styled "Cha Chuan Teng" in Singapore as a franchisee and manages 1 Singapore Seafood Republic outlet. Through franchising to third parties, it has 1 JUMBO Seafood outlet each in Bangkok, Fuzhou, Taipei, Taichung and Ho Chi Minh, and recently opened its first NG AH SIO Bak Kut Teh outlet in Taipei.

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 the Group's more recent awards and accolades include the *Excellent Service Award (2018)*, *5S Excellence Award by Restaurant Association of Singapore (2018)*, *Asia Enterprise BRAND Awards – Special Award – Gastronomy Excellence Brand Award 2018/2019*, *Diners' Choice – Best Seafood Platinum Winner 2018*, *SIAS 17th Investors' Choice Awards – Winner of Most Transparent Company Award for New Issues (2016)*, *Singapore Business Awards – The Enterprise Award (2016)*, *Singapore Corporate Awards – Best Investor Relations Merit Award for First-Year Listed Companies (2016)*, *People Excellence Award (2015)*, *HRM Awards – SME Employer of the Year (2015)*, *Influential Brands Award – Top Brand for Seafood Category (2015)*, *Singapore Prestige Brand Award – Established Brand Category (2012)* and *Heritage Category (2012)*, and the *Enterprise 50 Award (2nd place in 2015)*.

JUMBO Seafood was also featured amongst the “Top 50 most iconic places in Singapore to visit” list compiled by TripAdvisor in 2015 in conjunction with SG50 celebrations.

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

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